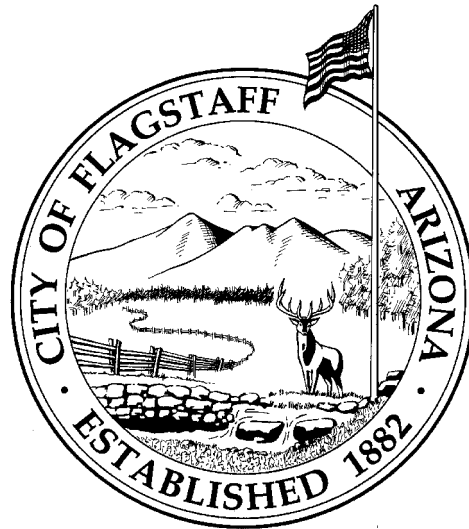


Building Upon Council and Community Goals & Objectives



**City of Flagstaff, Arizona
Annual Budget & Financial Plan
2002-2003**

**ANNUAL FINANCIAL PLAN
OF THE
CITY OF FLAGSTAFF, ARIZONA
FISCAL YEAR 2002-2003**



JOSEPH C. DONALDSON
MAYOR

LIBBY SILVA
VICE-MAYOR

KAREN K. COOPER
COUNCILMEMBER

AL WHITE
COUNCILMEMBER

JOSEPH P. HAUGHEY
COUNCILMEMBER

ART BABBOTT
COUNCILMEMBER

PENNY TROVILLION
COUNCILMEMBER
(Resigned July 1, 2002)

KARA M. KELTY
COUNCILMEMBER
(Appointed July 29, 2002)

DAVID W. WILCOX
CITY MANAGER

JERI DUSTIR
DEPUTY CITY MANAGER

JAMES S. WINE
DEPUTY CITY MANAGER

MARY JO JENKINS
MANAGEMENT SERVICES DIRECTOR

BARBARA GOODRICH
BUDGET AND FINANCE MANAGER

MATT PAVICH
POLICE LIEUTENANT/O.D. MANAGER

RICK TADDER
ACCOUNTANT II

BETH BEAUREGARD
ACCOUNTANT II

LAURA PARKER
FINANCE SECRETARY

NANCY BERNARD
PAYROLL SPECIALIST

NANCY MIGUEL
ACCOUNTANT I

DEBBIE NICHOLS
ACCOUNTANT I

MARYELLEN PUGH
ACCOUNTANT I



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Flagstaff
Arizona**

For the Fiscal Year Beginning
July 1, 2001

Samuel D. Bruwe
President

Jeffrey R. Egan
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Presentation Award to the City of Flagstaff, Arizona for its annual budget for the fiscal year beginning July 1, 2001. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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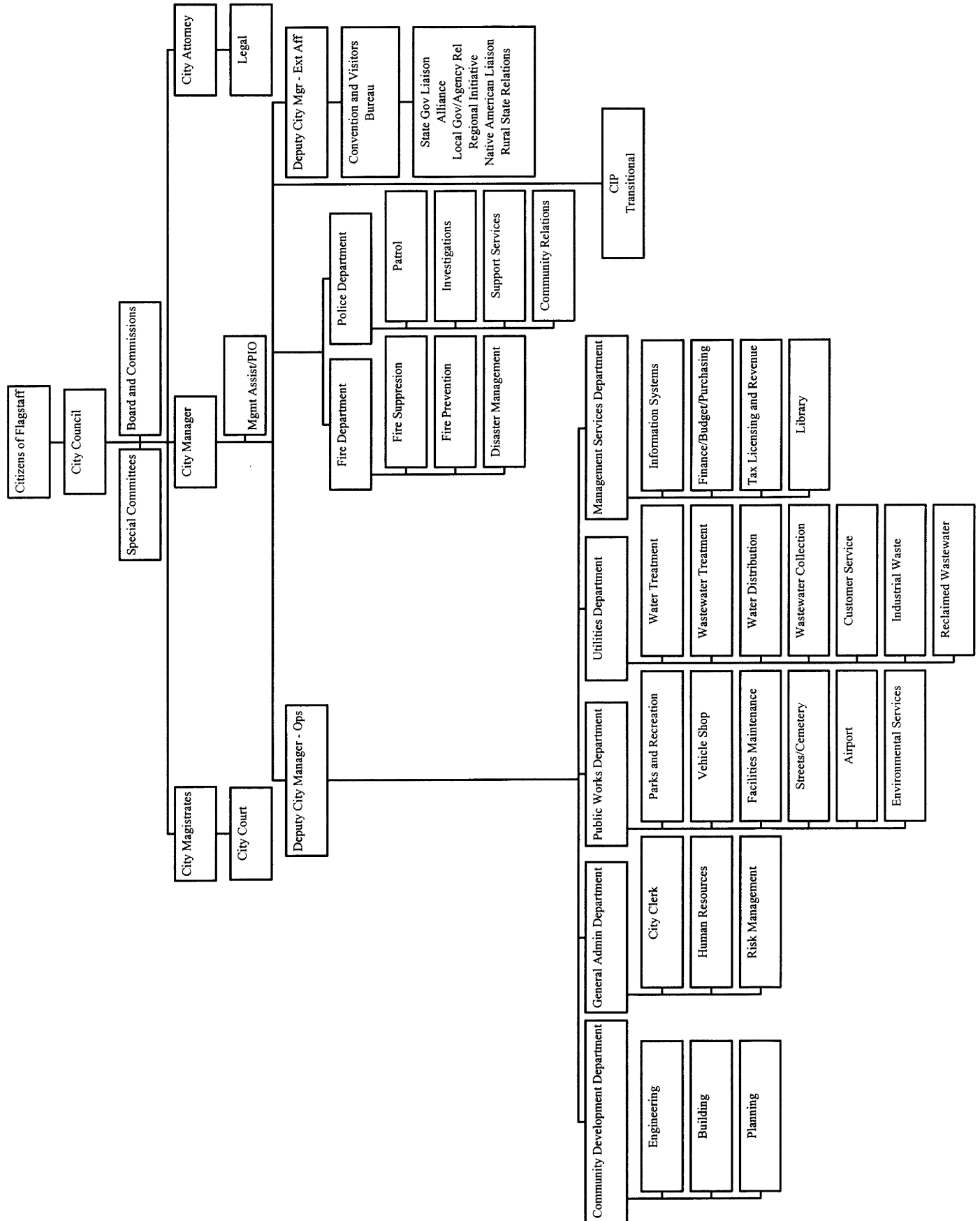
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CITY OF FLAGSTAFF, ARIZONA
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City of Flagstaff



City Council

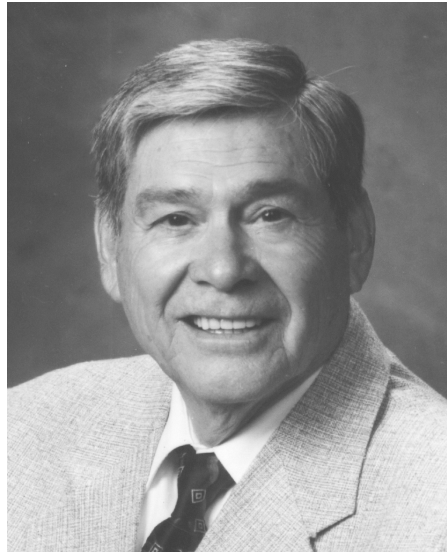


Mayor Joseph C. Donaldson

Even under the limitations set by a projected shortfall in various State revenues, this budget as developed by the City Manager and his capable staff accomplished the task of sorting through the mountain of needs and prioritizing those to least impact expected community services. The resulting budget reflects Mayor and Council directives to the City Manager, Dave Wilcox, through the goals and objectives as developed by the Mayor and Council in 2002.

Some of the most significant highlights of the budget are those expenditures that move Flagstaff to economic growth and sustainability as well as environment preservation and protection. It is a delicate balance indeed. Towards that balance, the budget maintains the City as a competitive employer and recognized as committed public servants while maintaining fiscal health through a planned long term balancing of revenue sources and expenditures. Other highlights of the budget continue to move along much needed community approved projects such as the construction of a new branch library at the Coconino Community East Campus, completion of Foxglenn Park, and various urban trail projects.

This budget continues to move our community into the Vision 2020 we spent so many hours developing.



Vice-Mayor Libby Silva

While much work was done on the budget to assure that all community needs were met, due to some State Revenue Sharing cuts, there were still some items that had to be cut or delayed for another day. However, I am pleased that we were able to avoid employee layoffs, helped compensate for higher health insurance costs, and we provided a small salary increase to city employees.

I give city staff a lot of credit for taking the Council's priorities and outling them in such a way that made it easier to evaluate the budget process.

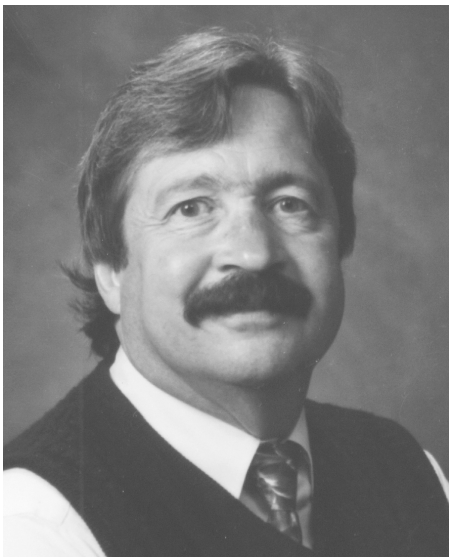
Councilmember Karen K. Cooper

When voters approved Flagstaff's Regional Land Use Plan last May, a giant step was accomplished for Flagstaff's future. The Plan lays a firm foundation for insuring that Flagstaff continues to be a good community in which to live and work in the years to come.

Your City Council's adopted goals for affordable housing, job development, public safety, planned growth and quality of environment are contained within the plan, with specific strategies for each. The Council's goals also recognize the need for customer service, efficient organization, collaborative efforts and fiscal responsibility.

Our 2002-03 budget supports the Council's direction. We will do our best to make the most of our resources in the year to come.





Councilmember Al White

Common themes I hear from you, the voters, I believe are reflected in our budget plans for this year. You have asked for planned growth, you have encouraged economic diversity while not ignoring our base economy. You have demanded public safety. You would like open space consideration throughout our City as well as recreation amenities. You have asked us to try and bridge the gap in affordable housing.

A review of this year's budget shows work programs and financial allocations toward all these things. Short-term economic boosters are considered alongside long-term redevelopment plans. Open space funding, while just a fraction of what we need, is included in the budget. What we will present to you in the near future is the opportunity to tell us how to accomplish the results over the coming years.

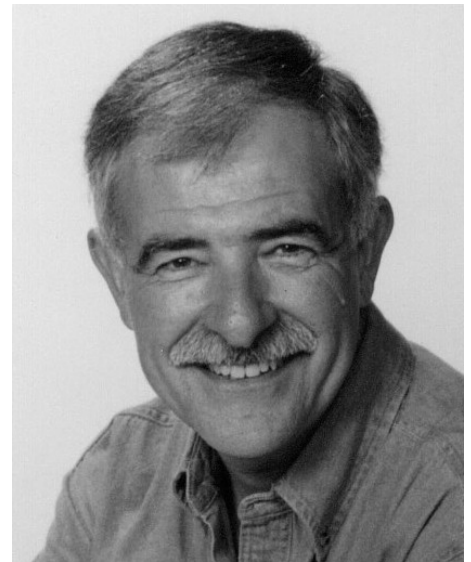
This Council is dedicated to the frequent review of these goals. As always I welcome your involvement and look forward to hearing from you all.

Councilmember Art Babbott

Sitting in on the FY 2003 budgeting process was a very educational and enlightening experience. Due to fiscal mismanagement at the State level, Flagstaff's portion of State shared revenue was reduced for this fiscal year. In the final process, the Council assessed the value of a variety of funding requests. The Council continued to focus its fiscal expenditures on the 10 priority Council objectives: Affordable Housing, Economic Development, Capital Improvements, Public Safety, Customer Service, Quality of Life, Fiscal Health, Organizational Support, Collaboration, and Planning for Growth.



Perhaps the most satisfying aspect of the process from my perspective related to the Council restoring funds to Affordable Housing initiatives and approving a 5% market raise for City employees. Cost of living increases are continuing to outpace wages in Flagstaff and the people who live and work in Flagstaff should be paid what it costs to live here. To all City Employees: Thank you for your hard work and dedication!



Councilmember Joseph P. Haughey

As a newly elected Councilmember, I made the commitment during the campaign to attend the Budget Retreats and Work Session. They were very informative as each department head gave a presentation outlining accomplishment from the last year and their goals and objectives for the coming year.

In the light of the anticipated short-falls in revenues for next year, our goal was to retain the services the Community has come to expect. This next budget retains those services and arranged that no City employee would be laid off. We will work together and continue to make Flagstaff a great town to live in.



Councilmember Kara M. Kelty
Appointed July 29, 2002
City of Flagstaff, AZ

USERS GUIDE

The budget document serves a myriad of purposes. Most important is its use as a communications device. The budget presents the public an opportunity to review the types of services and level of service provided within the financial constraints of the community. The allocation of financial resources translates into what services will be provided to the community. As community needs and demands for service change, the allocation of resources should respond accordingly. Therefore, this document attempts to communicate financial information to allow for informed citizenry.

Transmittal - The City Manager's message and Budget Summary provides readers with a synopsis of the resource allocation priorities established by the City Council for fiscal year 2003.

Budget Overview - The *overview* provides an overview of the key policy issues, priorities and strategies which shaped the fiscal year 2003 budget, the budget process fiscal policies, revenue assumptions, and expenditure highlights.

Issues and Updates - Excerpts from the Council Review and Discussion Book used during the two weeks of study sessions discuss specific Council decision/directions impacting the prior and current fiscal year budgets.

Financial Summaries - The *schedules* consolidate the major financial information and operating data elements. Several schedules also serve to meet state statutory reporting requirements. The *expenditure summaries* are used primarily for operational purposes, e.g., monitoring expenditures at a fund level and at a category level, and maintaining accountability at a department level, with managers accountable at the cost center level.

Department Detail - Each operating *Division Summary* provides a description, goals and objectives, major accomplishments of fiscal year 2002, performance indicators, expenditure history and budget, commentary on significant changes, and sources of funding.

Capital Improvements - The current year portion of the five-year *capital improvement program* is listed, along with location maps and funding source. A more detailed project-planning sheet is available in the separately published five-year Capital Budget and Capital Improvement Plan.

Community Profile - The *profile* provides background information so that the budget can be viewed in the context of the factors that shape and affect budget decisions, priorities, and financial parameters within which the community operates. Also provided are select statistical tables providing historical trend information on tax rates, expenditures, and assessed valuations of property.

Appendix - In the *appendices* the user will find a glossary of budget terminology, ordinances/resolutions adopting the levies and budget, a summary of authorized personnel/positions by department, the city pay plan, and a summary of the cost allocation basis. Please.

For additional information, please call the Finance and Budget Office directly at (928) 774-5281 extension 323. This budget document may also be view on the City of Flagstaff website, www.flagstaff.az.gov in Adobe Acrobat Reader format.



City of Flagstaff

Honorable Mayor, City Council, and Citizens of Flagstaff:

The Fiscal Year (FY) 2003 budget balances short-term needs and new fiscal constraints. While the budget continues a tradition of progressive and conservative financial management, this budget departs somewhat from a long-standing practice of balancing revenues and expenditures with adequate attention to both immediate needs and long-term operating sustainability.

The FY 2003 budget barely maintains annual operations throughout the various general fund service areas. Operating allocations are at levels not sustainable over the long run and allocation enhancements will be necessary to sustain all current services and service levels. Moreover, projected expenditure growth, based on current trends, exceed projected revenue growth due to economic and population trends in the State.

I have started this budget message focusing on fiscal health because events over the last two years have had a significant impact upon the City's short and long term fiscal outlook. The results make it imperative that appropriate actions be planned either to secure the City's financial ability to sustain current service levels and investments in the community or to reduce programs and initiatives. The first fiscal effect was felt following the 2000 Census. The combination of population growth less than estimated including undercounts of significant sectors of the population and growth significantly slower than the rest of the state reduced state shared revenue by about \$2,000,000. Second, the events of September 11 and a deepening recession had lowered anticipated local and state shared revenues by another \$1,000,000.

Fiscal Health

Longer-term projections remain uncertain due to revenue estimates based on anticipated state shared revenue shortages. Careful consideration must be given to either limiting recurring expenditures, increasing locally derived revenues, or a combination. Revenue growth above current projections will be necessary to sustain current proportionate expenditures.

The reality that expenditure growth appears to exceed revenue growth was discussed with the City Council during FY 2002. The Council directed staff action

accordingly. During FY 2002 a consultant was retained to thoroughly review the City's cost allocation practices and analyze the City's utilization of fees for service. The results were presented and discussed with the City Council during budget review. The FY 2003 budget does not include increased revenue from new charges for service, although some existing fees are increased and revenue adjusted accordingly. The adoption by City Council of new charges for service requires careful consideration. The Council direction has been that the FY 2003 work program includes a process to discuss new fees and charges with our citizens for consideration by Council during FY 2003. The work program reflects this activity.

The cost allocation study served two purposes. The study refined the quite thorough cost allocation approach already utilized by the City. The study also establishes compliance with Federal guidelines for cost allocation from Federal grants received to recover overhead and administrative costs.

A third study was commissioned in FY 2002 and will be completed in FY 2003 utilizing funds budgeted. This study will provide a thorough analysis and defensible justification for instituting a system of development impact fees. Again, no new revenue is included in FY 2003. As with other possible new charges, it will be essential to discuss the completed study very thoroughly with our citizens. Doing so is part of the FY 2003 work program, along with implementing the study.

COUNCIL GOALS

This budget implements City Council goals. The City Council developed and refined ten primary goals for the City, conducting a series of retreats during 2001/2002. It is appropriate for the budget message to highlight those goals and their implementation through the FY 2003 budget.

These goals represent an important milestone in the way the City develops fiscal and operating policy through its budget process. Highlights of work programs for each goal are discussed. Departmental budgets align departmental goals with Council goals by reference. The entire set of goals and objectives is included in the Appendix.

Housing

GOAL: *To ensure that a variety of housing opportunities are available to a diverse population, especially those requiring entry level housing.*

The City continues to provide a solid, affordable housing program in FY 2003 while recognizing that additional methods must be developed in order to generate a significant impact on the affordability of housing in the community. Successful programs provide opportunities to upgrade substandard housing through rehabilitation, place families into homeownership through a "first-buyer" mortgage program, supply rental housing through support of tax credit projects, and more. For the first time in FY 2002 the City acquired a major parcel to write-down non-profit project development in Sunnyside; and the City

invited bids for purchase and development of two city-owned parcels for market and affordable units.

The programs will continue in FY 2003, although the budget reduces the general fund allocation to ongoing housing programs. The City will work closely with the newly created State Department of Housing to find new program opportunities. Staff will also work to strengthen the City partnership with the Housing Authority, evaluate all housing programs in the City for effectiveness and continue to reduce substandard housing stock through redevelopment programs. The City also participates with the County and several other service agencies to provide a Fit For Safe Housing program, including a \$25,000 allocation for assistance to persons dislocated due to safety inspections.

Economic Development

GOAL: ***Maintain and strengthen Flagstaff as a regional center for retail, employment and hospitality while enhancing the quality of life for our residents through job creation and technology.***

Historically, the City has consistently focused on economic development through job creation, contracting with GFEC to conduct basic sector business recruitment and retention. The City also spends more than \$1,000,000 per year promoting the region's most significant economic engine—Tourism. Finally, City investments for infrastructure are also designed to promote economic growth through capital projects such as the downtown improvements district, airport and airpark development, and water service improvements.

Over the last three years significant new initiatives have been undertaken. The City has cautiously moved in the direction of offering incentives to retain existing employers and attract desired business, reserving a fund for the purpose. This concept expanded significantly in FY 2002 as the City negotiated both a retention and expansion agreement with a major employer, Purina, supplying a property tax break over the next ten to thirteen years under enabling State law. These directions have changed the dialogue in economic development and clear policies and strategies must be developed in FY 2003. Recognizing the boost given to the incentives program through the use of property tax abatement and revenue realities, the budget reduces the economic incentives fund.

The City has also recognized that it cannot ignore the retail sector as a significant economic engine, supplying jobs as well as tax returns to local governments. The City initiated a redevelopment program in 1998. By 2002 staff efforts have lead to significant new private investment opportunities, including redevelopment and expansion of the Flagstaff Mall commercial area, a major three to four block redevelopment plan downtown, and a Rio de Flag corridor area redevelopment plan. The Rio de Flag project itself, begun with planning steps a decade ago, represents significant economic redevelopment opportunity.

The convenient movement of goods, services, and customers throughout the community is vital to economic strength as well as quality of life. In 2002 voters approved a broad transportation initiative. The largest project authorized by voters may be one of the most

significant economic development projects being undertaken—the Fourth Street overpass. The Fourth Street overpass adds a significant new North/South connector to East/West thoroughfares without railroad interference to traffic movement. Moreover, it conveniently connects the Fourth Street commercial area to new geographic market areas of the community, thus creating significant future business opportunities in that area.

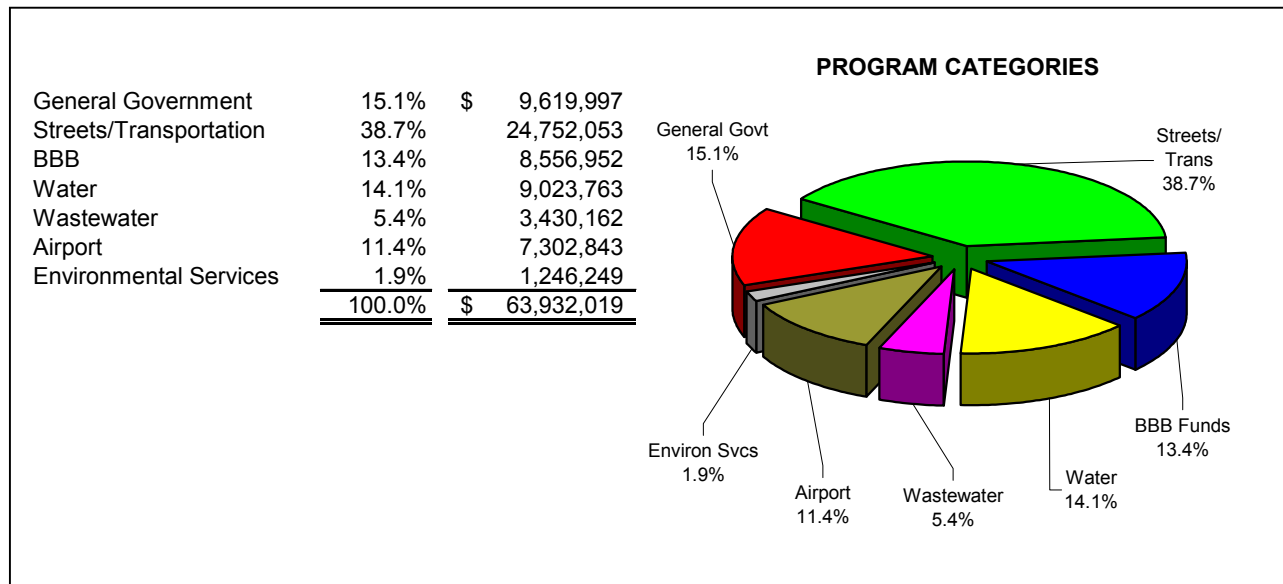
Our major economic engine remains tourism. While efforts to diversify the economy are vital, it is equally important to maintain our tourism market share in Northern Arizona. The City Convention & Visitors Bureau staff and partners in the business community continue to refresh strategies to attract quality tourism business. Perhaps the most significant partnership initiative is the effort to develop a conference center. It is widely understood that a conference center can strengthen off-season business and encourage business traffic as well as longer stays. City staff will issue a Request for Proposals early in the new fiscal year to determine interest and feasibility for a downtown site. The request for proposals will be flexible enough to accept and consider proposals for sites outside the downtown area.

Capital Improvements

GOAL: *Plan, program, design, and construct public works and facilities capital improvements through a structured, efficient and transparent process ensuring scarce public resource expenditure for the greatest benefit to the community; creating a built environment shaped through citizen involvement, reflecting community pride.*

Proving that community investment is a high priority of the City Council, the Capital Improvements budget is approximately 45% of the City's annual budget. To deliver a very large capital program in a timely and cost effective manner, the City has assigned capital planning and management to a new division reporting directly to the City Manager. The Capital Improvements division will manage a capital program totaling \$25 million encompassing 24 projects in FY 2003. Projects managed by the Public Works and Utilities Departments, primarily for water, wastewater, parks, airport and landfill improvements, add an additional \$39 million allocated to capital, bringing the total capital budget to almost \$64 million.

The Capital Improvement division is also responsible for developing and guiding a citywide capital improvement planning, programming and budgeting process. To effectively coordinate both internal departments and external agencies to maximum effectiveness and minimum disruption to citizens and commerce a significant planning component is necessary, including citizen involvement. The capital program for FY 2003 may be summarized as follows:



Public Safety

GOAL: *To promote and maintain a safe community through integrated public safety systems that addresses the underlying issues affecting public safety, health and quality of life.*

As with most communities, Flagstaff spends a large proportion of its general fund on traditional public safety services—Police and Fire. The FY 2003 budget shows 44% of the general fund spent for Police and Fire services, totaling \$18,578,544.

This City Council goal is based on a broader understanding of public safety. The Council has instructed that “public order and quality of life issues must be provided on a broad front through a partnership of shared responsibility and trust among Police, Fire, other City departments, civic organizations and the community.” While public safety is sometimes viewed as responding to calls, it is the City Council’s goal to provide services and support to citizens as a means of helping them secure healthy lives in a quality safe environment, reducing the need for emergency public safety response.

The City delivers a number of programs and services toward fulfilling this goal, among them: building safety, traffic safety, environmental services, parks and recreation programs and facilities, street maintenance, including sweeping and safe multi-model transportation facilities and services. The City supports numerous services provided by non-profit civic agencies through distribution of City appropriations by United Way; and the City funds, in part, the FUSD After School program.

The FY 2003 budget is unable to support the same level of public safety services as in the past. Three police officer positions will go unfilled. Yet, while budgeted staffing is reduced in the Police department, the available response force is strengthened above immediate past years due to a pay plan developed to retain new officers where, because

of significant compensation differences, the department had been losing a significant number to other police agencies. It is hoped the turnover problem has been resolved.

Some Recreation programming is also reduced and Fire department operating funds are proposed at a level that cannot be sustained over multiple years.

Customer Service

GOAL: *Instill a positive customer service culture throughout the organization and with each employee of the City in the delivery of service both externally and internally.*

City employees focus on serving our citizens, following our mission statement, which pronounces our profound purpose to enhance the quality of life for our citizens. Our employees take this mission and their public service jobs seriously, working hard to stretch scarce resources to provide the best possible services.

Our employees believe there is always room for improvement. An employee committee has been formed to improve and strengthen customer service and relationships with citizens.

The City Council has directed quick and affirmative responses. A number of initiatives aimed at improving customer service will be pursued by the committee during FY 2003, including: continued training and frequent promotion of customer service message, incorporation of expectations in all job descriptions, employee orientations and performance appraisals, more effective and uniform complaint processing, effectiveness measurement and continued recognition of exemplary customer service.

Quality of Life

GOAL: *To enhance the quality of life of our community, we will assure comprehensive programs that allow for balanced resource development and protection, that include cultural components that cross generational boundaries and strive to create cost effective and proactive approaches to meet the social, physical, and economic needs of our citizenry as we celebrate Flagstaff's heritage, diversity, and vast aesthetic appeal.*

Our quality of life goal spans a diverse group of programs covered by the overarching observation that community life requires special attention to qualities that make a place worth inhabiting. Therefore, the Council has directed that consideration be given to preserving the known values in our community in all City actions and decisions as they may affect protection and enhancement of valued assets. By the nature of this goal it is also understood that knowledge about values of the community may not be fully understood. Therefore, it is incumbent upon the City to provide an opportunity for community dialogue when value discussions arise.

Ongoing and new initiatives funded by the FY 2003 budget include: establishing a permanent household hazardous waste program/site, continuing the highly touted fuel management efforts, promoting our successful recycling program toward even greater participation, and developing/managing our critical water resources for sustainable supply. Programs will continue at levels of service approximating previous years toward preservation and enhancement of open space, neighborhoods, cultural heritage, human resources (particularly the most vulnerable) and the community in general through beautification projects and design review of private development.

Fiscal Health

GOAL: *Maintain written policies to provide for a balanced budget that meets a vast array of community needs, to ensure that resources are available to meet future needs and allow for community infrastructure to be maintained at adequate levels and other sound financial practices that maintain fiscal health of the organization.*

Despite the challenges discussed within the first paragraphs of this letter, the City remains in sound financial condition. This is because the City has always managed finances carefully and conservatively. Each year the City Council renews its statement regarding fiscal policy through the adoption of the budget.

Fiscal health is accomplished by expending no more money than is received, holding some aside for a rainy day. But matching income with expenditure is more complicated than merely living within current financial means. Revenue enhancement becomes critically important when community need and demand exceeds current resources. In FY 2002 the City Council directed staff to examine ways to increase revenue.

The FY 2003 multi-departmental work program in fiscal health will continue toward implementing this Council direction. As discussed previously herein, a thorough analysis of cost allocation, fees and charges and development impact fees are being completed. Following public discussion, selected fees may be considered by the City Council. Other work program elements include: improving grant acquisition; adopting a stormwater utility fee; increasing select existing fees; and conducting a community program to determine the level and subject matter of a bond program.

Balancing available revenues and expenditures also calls for maximizing productivity. It is a constant challenge and responsibility to improve efficiency. Efforts may range from doing a task in a better way to leveraging opportunity. Citywide, City staff is charged with the challenge to work smarter. Key areas where staff will strive to either work smarter or leverage opportunity in FY 2003 include: continuing the development of a better methodology for capital planning and delivery; considering initiatives for division expenditure controls; eliminating redundant efforts where possible; coordinating infrastructure development with developing private parties; and continuing implementation of the Utilities pilot program to reduce job redundancy through employee development and better technology. Staff will extend the useful life of fleet and consider a citywide credit card program for purchasing.

Organizational Support

GOAL: *To ensure the City of Flagstaff has the necessary organizational structure and staff who are trained to achieve the goals of the City, now and in the future. To develop and maintain compensation and benefits systems that allow the City as an employer to hire and retain a workforce that is recognizable by the Council and public as committed public servants.*

The City Council recognizes the importance of maintaining the City's position as a quality employer in the community. Thoughtful care in managing our human resource is essential to effective and efficient delivery of services to the community. Indeed, our employees represent our most valuable investment in delivering service. Our employees get the job done; and our human resource investment for FY 2003 totals \$39,832,024, 27% of the combined-funds City budget.

Employees also need the appropriate tools to do their varied jobs. Organizational support calls for adequate funding of tools ranging from computer software to training, fire trucks to offices, and street sweeper brushes to wastewater biofilters. Without the necessary supplies, equipment and operating facilities, employees are not only discouraged, but they are unable to serve our citizens at expected levels of proficiency.

This goal of organizational support speaks volumes to employees by expressing a commitment to the community through organizational readiness. It conveys that within our financial means, we expect to support a full range of employee needs ranging from compensation and training, to equipment and infrastructure. This goal acknowledges that organization resources are critical to delivery on all other goals.

The FY 2003 budget cuts into operating supplies and training, while preserving, for the most part, current service levels. This should not be considered a sustainable approach. Rather, it is an approach taken in the short term, giving time for economic recovery, consideration of revenue enhancements or consideration of service level and program reductions to match anticipated resources. If operating allocations and training targets are not restored by FY 2004, employee dissatisfaction may lead to increased turnover and productivity declines. This comment is not a reflection upon employees who are dedicated public servants; rather, it recognizes workforce dynamics and the desire of employees to work where they can achieve the mission assigned to them.

In FY 2003 a work program headed by Human Resources will study ways to strengthen the City's approach to compensation, job classification and performance evaluations. Our organizational development efforts will continue on a scaled-back level. Organizational structural relationships will be examined to determine if altering functional alignments may improve efficiency or effectiveness or both.

Collaboration

GOAL: ***Strengthen the community by strengthening partnerships with sovereign nations, public, non-profit and private agencies. Develop collaborative goals, through all levels of the organization, based upon common interests with these agencies to optimize the use of community resources and the delivery of services to the citizens of Flagstaff.***

In 1994 the Mayor's initiative started the Alliance for a Second Century. Partnerships and collaboration among the members—City, County, Northern Arizona University, Flagstaff Unified School District, Coconino Community College, have grown and developed gradually since. Two years ago in a logical expansion of the concept of collaboration, outreach was extended to neighboring sovereign nations. As with the Alliance, building relationship to yield tangible results takes time. Yet, very positive interest and discussion of issues critical to Northern Arizona have yielded high expectations.

The City Council in recognition of this potential has discussed and directed a much higher level of administrative involvement on a number of external fronts, including Federal, State, local partners in the Alliance, tribal governments, neighboring municipalities and other agencies and governments presenting opportunities for higher achievement on behalf of the citizens of Flagstaff.

The FY 2003 budget work program will include continued outreach efforts aimed at strengthening partnerships, the Northern Arizona economy and services to our citizens. Under the direction of the Deputy City Manager for External Affairs, efforts will specifically target: stronger departmental links with appropriate counterparts and agencies, collaboration on rural policy development; continued strengthening of the Alliance joint work program specifically regarding the telecommunications study and development; and the best attainable alignment of like communities of interest for state electoral purposes through redistricting.

Planning for Growth

GOAL: ***To shape growth, with the involvement of the community, in a manner that preserves our region's natural environment, livability, and sense of community.***

As FY 2002 comes to an end, so too does a major City-County undertaking to plan for growth of the community. On May 21, 2002 City voters passed, by a substantial margin, the Regional Plan developed by the City and Coconino County.

Adoption of the Regional Plan marks a milestone not only for the community, but also for the State. The Regional Plan is the first City-County collaborative adoption of a plan that flows seamlessly from City jurisdiction to County.

As monumental as the planning effort has been, the plan calls for numerous steps toward implementation. The FY 2003 planning work program includes significant implementation

initiatives. The Regional Plan will, in this way, guide efforts under this goal for the foreseeable future.

Work program elements include: amending the Land Development Code as indicated by the Regional Plan; implementation of a regional open space program, including elements of a proposed bond program; developing an IGA with government agencies to protect lands adjacent to Walnut Canyon, implementing multi-modal transportation and strategic redevelopment projects--Fourth Street corridor connection, the Mall, Rio de Flag corridor, downtown West, downtown East, and significant FUTS and safe-to-school projects.

It is readily discernable that these ten Council goals are interrelated. Indeed, there are overlapping elements. The City provides a wide array of services, which are all supportive of, and beneficiaries of other services provided by divisions elsewhere in the organization. The linkages of one to every other needs to be understood lest decisions are made without regard to overall effects on citizen well being and available opportunities for a higher quality of life. This fact becomes very apparent when considering a budget where reductions are the norm. Yet, while programs and services are maintained, they are constrained. Clearly, the same level of service from the Police department cannot be provided without the unfunded sworn officer positions.

Conclusion and Thanks

If reduced revenue growth continues and replacement revenues are not instituted, staff and Council need to conduct a program review during the year in order to carefully select any program reductions or eliminations. Clearly, the historic level of service from the Police Department cannot be provided without restoring this year's unfunded sworn officer positions. Other operating reductions are not sustainable without impairing services. The Council will need to determine a course of action from among three primary choices - - one, maintaining the wide array of services currently provided, but at less than optimal levels, or, two, cutting carefully selected programs and services while restoring other services to full strength. The third option, increasing revenues, has been discussed herein, and is under consideration by the City Council.

Once again, perhaps more than ever, this budget is the result of a stellar citywide staff effort. Clear goals and direction were supplied by the City Council. Staff citywide provided responsive departmental proposals and accepted tough decisions. The Employee Advisory Committee offered a valued perspective.

Special regard is appropriate toward the Management Services Finance staff; Mary Jo Jenkins, Barbara Goodrich, Beth Beauregard, Rick Tadder, Maryellen Pugh, Debbie Nichols, Nancy Miguel, Nancy Bernard, and Laura Parker and the Budget Team Jim Wine, Jeri Dustir, Matt Pavich, Mike Gray, Barbara Goodrich, and Mary Jo Jenkins.

Respectfully,



DAVID W. WILCOX
City Manager

City of Flagstaff Mission Statement

The mission of the City of Flagstaff is to enhance the quality of life to its citizens while supporting the values of its community.

Our Values Are:

ACCOUNTABILITY

We are accountable to the community and each other

RESPONSIVENESS

We value addressing our customer's concerns

QUALITY

We provide high-quality customer service

PROFESSIONALISM

We are honest, responsible, fair, highly-trained, and cost conscious

TEAMWORK

We are a team in partnership with citizens, other agencies, and each other for a better Flagstaff

PROBLEM SOLVING

We solve problems creatively, open-mindedly, and professionally

“Service at a Higher Elevation”



Budget Highlights 2002-2003

ACCOUNTABILITY

- Evaluate budgets on a programmatic level to determine the continued viability of City services in light of State revenue losses.

RESPONSIVENESS

- Conduct public meetings for major capital projects to engage the public and establish positive working relationships.

QUALITY

- Propose implementation of a Stormwater Utility to meet both Federal requirements and increased citizen concerns regarding flood management within the City.

PROFESSIONALISM

- Staff development encouraged using both internal and external resources to maximize return on training budgets.

TEAMWORK

- Monitor success in Council set goals through the evaluation of cross-departmental achievement in meeting the respective objectives.

PROBLEM SOLVING

- Implement Special Bond election process to determine long-term capital needs for the City by using extensive Community Outreach.

Accomplishments 2001-2002

ACCOUNTABILITY

- As revenues fluctuated due to post 9/11 economic downturns, took immediate action to evaluate, monitor, and/or reduce budgets as appropriate to assure required service levels would not be adversely affected.

RESPONSIVENESS

- Continued efforts for organizational development and evaluation to better address customer concerns regarding the provision of timely service and open communication.

QUALITY

- Council established 10 primary goals that the City used to guide budget priorities and objectives.

PROFESSIONALISM

- Government Finance Officers Association presented to the City the Distinguished Budget Presentation, (eighth consecutive) and Excellence in Financial Reporting (ninth consecutive) Awards.

TEAMWORK

- Received voter ratification of the Regional Plan and began City/County implementation.

PROBLEM SOLVING

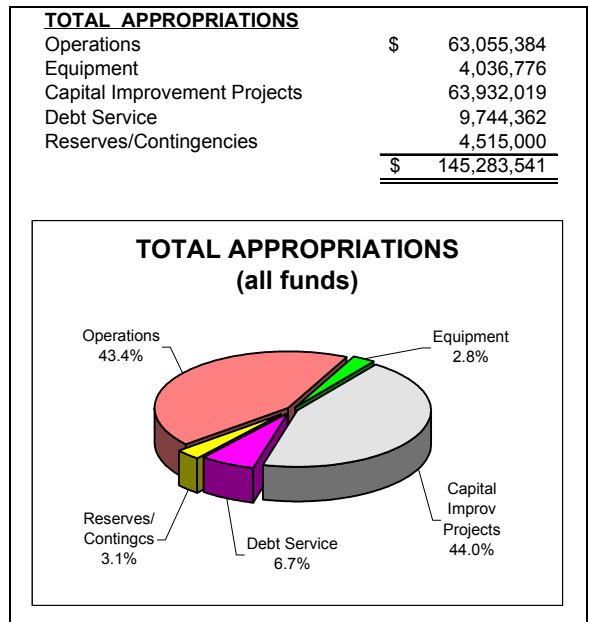
- Sponsored efforts to reach consensus on site location for a new YMCA facility.

BUDGET OVERVIEW

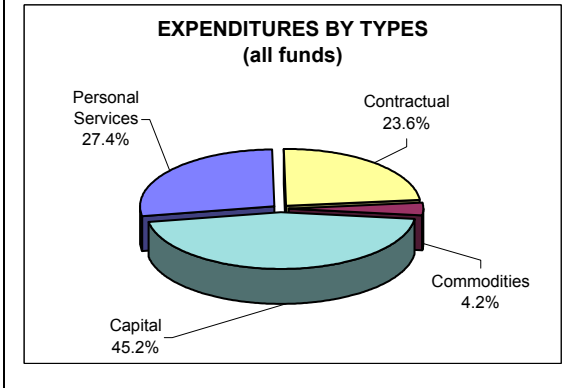
The City of Flagstaff FY 2003 Financial Plan presents a fiscally sound and balanced budget that maintains the integrity of the City's financial condition while still meeting the service level demands of a community that expects quality services. The Financial Plan is balanced not only financially, but also equally as important, balances the allocation of resources among operating requirements, capital needs, debt burden, and strong reserves for future needs and contingencies.

This section briefly describes the document *Format and Presentation*; the *Assumptions and Strategies* which formed the working parameters of the budget development; *Highlights of Appropriations, Revenues, and Capital Improvements Plan (CIP)* for FY 2003; *Debt Structure*; and the *Fund Balances*, which are the operating framework of the Financial Plan.

The following graphs depict the major classifications of appropriation for the total 2002-2003 Budget and expenditures by major types.

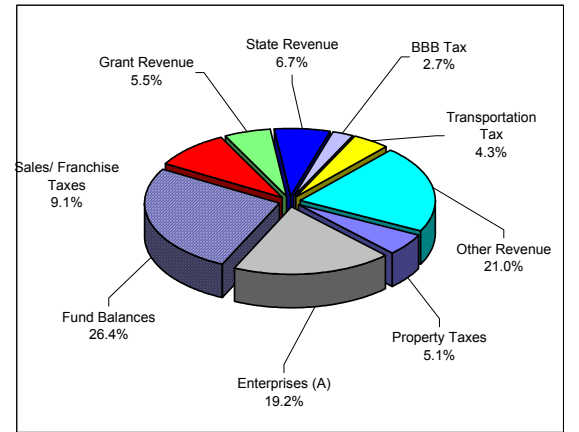


EXPENDITURES BY TYPE		
Personal Services	\$ 39,832,024	27.4%
Contractual	34,343,047	23.6%
Commodities	5,411,052	3.7%
Capital	65,697,418	45.3%
Total	\$ 145,283,541	100.0%



FINANCIAL RESOURCES AVAILABLE		
Sales/Franchise Taxes	\$ 13,235,852	9.1%
Grant Revenue	8,037,699	5.5%
State Revenue	9,728,775	6.7%
BBB Tax	3,854,287	2.7%
Transportation Tax	6,319,304	4.3%
Other Revenue	30,471,313	21.0%
Property Taxes	7,475,750	5.1%
Enterprises (A)	27,827,790	19.2%
Fund Balances	38,332,771	26.4%
Total	\$ 145,283,541	100.0%

(A) Enterprises:		
Water Operations	\$ 11,232,800	
Wastewater Operations	7,209,600	
Airport Operations	802,964	
Environmental Services	7,795,509	
Stormwater Utility	786,917	
Total	\$ 27,827,790	



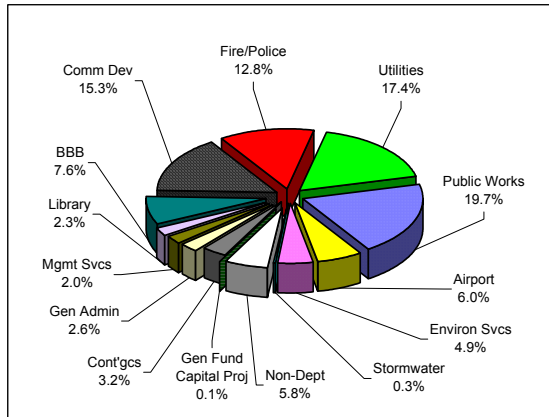
"WHERE THE MONEY COMES FROM"
\$145,283,541

TOTAL APPROPRIATIONS

General Administration	\$ 3,778,406	2.6%
Management Services	2,861,085	2.0%
Library	3,403,413	2.3%
BBB (A)	11,088,291	7.6%
Community Development	22,265,503	15.3%
Fire/Police	18,578,544	12.8%
Utilities	25,278,773	17.4%
Public Works	28,661,920	19.7%
Airport	8,730,880	6.0%
Environmental Services	7,121,922	4.9%
Stormwater	464,212	0.3%
Non Departmental	8,399,002	5.8%
General Fund Capital Projects	136,590	0.1%
Reserves/Contingencies	4,515,000	3.2%
Total	\$ 145,283,541	100.0%

(A) BBB Tax Funds:

Beautification	\$ 2,816,577
Tourism	1,734,788
Economic Development	456,400
Arts and Science	402,699
Recreation	5,677,827
Total	\$ 11,088,291



"WHERE THE MONEY GOES TO"
\$145,283,541

OPERATING EXPENDITURES BY DEPARTMENT

City operations include the traditional municipal services citizens expect their local government to provide. Operating expenditures exclude capital improvements, capital equipment, debt service and reserves. The department budgets are presented to include division budgets and Departmental (organizational structure) responsibilities as defined by the City Code.

General Administration activities comprise 8.3% of the budget (\$5.2 million). The divisions within this Department provide for the overall management and administration of the City, as well as enforcement of municipal laws through legal support and the courts. Tourism, Public Information, Human Resources, and the Capital Management division are also included within General Administration.

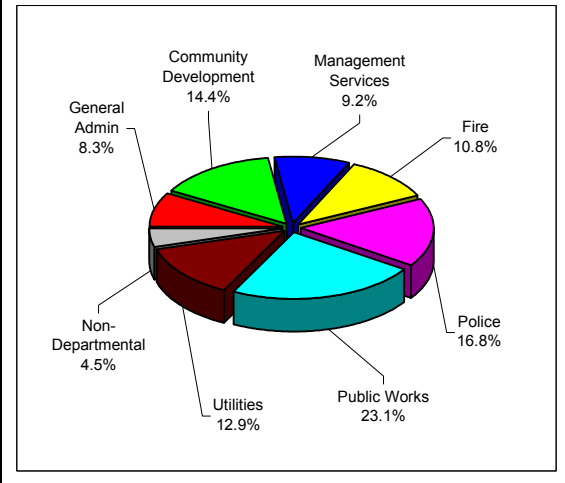
Community Development Department comprises 14.4% of the operating budget (\$9.1 million). The primary services in this Department include Engineering, Planning & Zoning, and Building Inspection. The services provided by these Divisions meet the current needs of the community and plan for the future.

OPERATING BUDGET *

General Administration	\$ 5,246,379
Community Development	9,058,152
Management Services	5,818,504
Fire	6,804,324
Police	10,603,885
Public Works	14,538,161
Utilities	8,113,440
Non-Departmental	2,872,539
Total	\$ 63,055,384

* Exclusive of Debt Service

Total	\$ 9,744,362
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Management Services Department comprises 9.2% of the operating budget (\$5.8 million). The department encompasses those activities that provide administrative support and services including financial services, purchasing, information systems, and real estate. The City/County public library system is also included within the department.

Fire services comprise 10.8% of the operating budget (\$6.8 million). The Department's public safety programs provide both personal safety in the community with proactive attention to preventable disasters and sense of well being through timely emergency response.

Police services comprise 16.8% of the operating budget (\$10.6 million). Public safety programs provide personal safety in the community by promoting a community free of crime and assured response in emergency situations.

Public Works services are provided by nine divisions that account for 23.1% of the operating budget (\$14.5 million), excluding the debt service requirements for streets (\$2.5 million), Airport (\$0.3 million), and USGS facility (\$0.5 million). The services provided include environmental service operations, cemetery operations, maintenance of all public facilities and public infrastructure including streets and parks, airport operations, and recreation programming.

Utilities Department comprises 12.9% of the operating budget (\$8.1 million), excluding \$4.3 million debt service requirements. Five divisions within water operations and four divisions within wastewater operations provide services that promote a clean and healthy community by providing a safe water supply and proper waste disposal.

Non-Departmental operations comprise 4.5% of the budget (\$2.9 million) exclusive of \$2.2 million debt service. Some divisions are contractual in nature and include Contributions to Other Agencies, Economic Development, and the Pension Trust Fund. The Council and Commission and Non-departmental budgets account for expenditures that benefit City operations as a whole.

BUDGET FORMAT AND PROCESS

The budget and financial plan for the City of Flagstaff (City) is the policy document that reflects the goals and objectives of the City Council. These goals and objectives are implemented through the policies and priorities established by the Council as well as the various Boards and Commissions appointed by Council. The Office of the City Manager is then responsible for implementing these policies and priorities utilizing the allocation of financial resources. The annual review process provides the community an opportunity to evaluate the services provided to the citizens of the community. Programs are identified, evaluated, and the scope of service provided is defined. The staffing level needed to provide the service level deemed appropriate by Council is determined. Additionally, funding requirements and level of effort to be provided are established.

FORMAT

The Department Detail presents each activity at the division level with a *division mission, description of programs, specific goals and*

objectives for FY 2003, *major accomplishments* in FY 2002, and *performance indicators* that measure the efficiency and/or effectiveness at the program level.

To assist the City Manager in the management of the resources expended by the municipality, the budget also serves as an operational guide. The operating budget presentation includes, for comparative purposes, the *Actual Expenditures for FY 2001*, the *Adopted Budget for FY 2002*, the *Estimated Actual for FY 2002*, and the *Adopted Budget for FY 2003*. Expenditures are shown by category as well as cost center (program/activity). The comparatives in the Financial Summaries Section are presented at the fund level and the department level to aid division and program managers in budget tracking and accountability.

Categories presented are:

- Personal Services (salaries, fringe benefits, internal labor, et al)
- Contractual (professional services, utilities, maintenance, rents, debt service, et al)
- Commodities (small equipment, parts, office supplies, operating supplies, et al)
- Capital Outlay (professional services, land, buildings, street, water and sewer construction, equipment, et al).

The *Departments* and the *divisions* within them are:

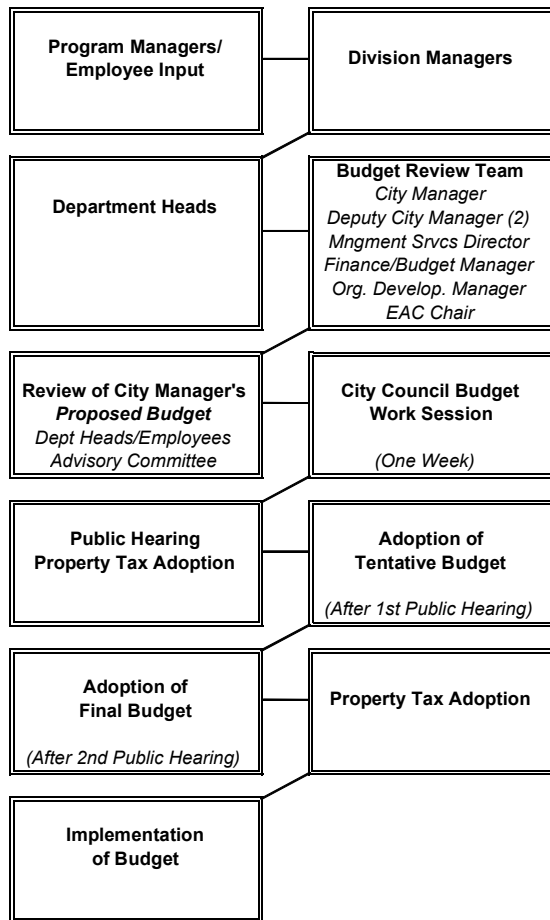
- ◆ General Administration (City Manager, City Clerk, Capital Improvement, Human Resources, Risk Management, Law, City Court, and Tourism)
- ◆ Management Services (Information Systems, Management Services Administration, Purchasing, Tax, Licensing and Revenue, Library, and Finance/Budget)
- ◆ Community Development (Metropolitan Planning Organization, Community Development Administration, Engineering, Traffic, Building Inspection, Planning, Community Redevelopment, Urban Design, and Stormwater)
- ◆ Fire Department
- ◆ Police Department
- ◆ Public Works (Public Works Administration, Parks, Mechanical Shop, Cemetery, Facilities Maintenance, Recreation, Streets, Airport, and Environmental Services)
- ◆ Utilities Department (Utilities Administration, Water Treatment, Water Distribution, Wastewater Treatment, Wastewater Collection, Industrial Waste Inspection, and Customer Services)

- ◆ Non-Departmental (Council and Commissions, Contributions to Outside Agencies, Non-Departmental, Firemen's Pension Trust, Economic Development, Real Estate Proceeds, and General Fund Capital Projects)

Programs capture all expenditures related to an activity, cost center, or location of operation within a division.

PROCESS

Budget Process Flowchart:



Presentation:

- The *Transmittal* provides a summary of the key policy issues, priorities, and strategies that shaped the budget as framed by the City Manager.
- The *Budget Overview* summarizes financial resources and expenditures along with fund summaries and an overview of selected revenues.
- *Policies and Procedures* provide an overview of both fiscal and budgetary practice.

- Budget Issues were prepared for Council review and discussion during their Fall and Spring retreat and the budget study sessions. Highlights of the issues reviewed are included in the *Issues and Updates* section.
- The *Financial Summaries* section includes various schedules utilizing revenue and expenditure classifications and tax levy information in accordance with state reporting requirements as mandated by statute. Expenditures are reported at both the fund level and the department level for operational control purposes.
- The *Department Detail* section provides both narrative and financial data. The budget commentary provides an explanation of significant budget changes for FY 2003.
- The Capital Improvement Plan (CIP) for FY 2003 lists projects, costs, and funding sources in the *Capital Improvement (CIP)* Section.
- The *Community Profile* section outlines key factors that contribute to the uniqueness of our community.
- A detailed listing of personnel and changes over the last five years is provided in the *Appendix* Section.

Review and Approval: Issues presented during the review and approval period include discussion topics of the Council Fall and Spring retreats. The Fall and Spring retreats were held in November and February respectively, to give city staff the opportunity to present major discussion points to council and the public. The goal is for council to make policy decisions and direct staff in preparing the budget. This provides adequate time for the Council to gather input on major budget issues prior to preparation of the budget. The City Council holds Study Sessions in May. The Council reviews and discusses the issue papers included in the Budget Review Book as well as all personnel recommendations, capital equipment recommendations, and the capital improvement plan. The Council arrives at a consensus for all decisions needed. The Study Sessions provide the opportunity for City management, departments and the public to offer information and recommendations to the City Council.

The Proposed Budget is presented to Council for tentative adoption on or before the third Monday in July. Two public hearings are held on the content of the budget. Final adoption occurred on July 2, 2002. State law requires the operating budget to be all-inclusive. Therefore, the budget includes provisions for contingent revenues, e.g., Passengers Facility Charges, and expenditures that cannot be accurately determined when the

budget is adopted, e.g., grants. The Resolution adopting the annual budget requires Council authorization for any expenditure from contingencies, as well as transfer of budget authority between departments.

Adoption: The City operates under the State Expenditure Limitation with a one-time adjustment to the base. The adjustment provided for an increase to the base limit to allow for the expenditure of funds resulting from the addition of a 2% Bed, Board, & Booze Tax. Flagstaff is not a Home Rule city. Alternative [Home Rule] Expenditure Control municipalities require voter approval every four years.

BUDGET CALENDAR	
December	Budget Module available to all Divisions
January 25	Capital equipment requests reviewed by Fleet/MIS Committees for recommendation
March 4 - March 27	Review with Department Heads and City Manager
March	Personnel review of reclassification requests completed
May 22-26	Council Study Sessions Proposed Budget available to public
June 18	Public Hearing/Tentative Adoption of Proposed Budget Public Hearing on Tax Adoption
June 21	Publish first notice of Public Hearing for Final Adoption
June 28	Publish second notice of Public Hearing for Final Adoption
July 2	Public Hearing on Budget and Final Adoption of Budget
July 5	Notify Property Tax Oversight Commission of Compliance with Truth in Taxation
July 16	Adopt Property Tax Levy

The Adopted Budget reflects the total funds appropriated (\$145,283,541). Certain exclusions are allowed by the state [e.g., bond proceeds, debt service, grants] in computing the Expenditure Limitation (\$69,592,525), and this total cannot be exceeded.

Budget authority can be transferred between line items within a Division. At year-end, Department budgets are reviewed and budget authority is

transferred from contingencies by Resolution as necessary. Additionally, any inter-fund transfer of appropriations requires Council approval. Council can also amend total appropriations for a fund during the year by Resolution as long as there is a corresponding increase/decrease in another fund so that the expenditure limitation is not exceeded.

ASSUMPTIONS AND STRATEGIES

ECONOMIC OVERVIEW

In FY 2002, sales tax revenue collected equaled the budget. An overall budget-to-budget increase totals \$347,893 or 3.3%. The trends reflect an overall increase in the economy with a slight dip in auto sales. Construction revenues are expected to remain steady as this category has shown increases in six of the past seven years and a cyclical slow down could occur. The BBB category shows a 2.0% (\$76,371) budget to budget increase.

The City initiated a census review with the Census Bureau due to a perceived undercount in the Flagstaff area. The 2000 census reflected a population of 52,894, an increase of only 193 citizens over the 1995 Special Census. The City has identified approximately 3,000 additional citizens that should be added to the census base and will be submitting a request for review. Should the Census Bureau agree and grant the revised census to the City of Flagstaff, additional funding is not assured. Other communities within Arizona experienced similar discrepancies and it is anticipated the funding allocation will remain the same.

The State of Arizona has experienced significant revenue shortfalls in FY 2002. This was a combination of decreased tourism and spending as related to the September 11th disaster, as well as miscalculations on interest income and a significant underestimation of an attempted alternative fuel program. This has resulted in a FY 2002 decrease of State Sales Tax of approximately 2.5% (budget to budget) to the City that is expected to continue. Additionally, the State has imposed a one-time reduction in funding for FY 2003, anticipated to be \$100,000 for the City, in an attempt to balance their budget.

REVENUE FORECAST

State-shared revenues, i.e., sales tax, income tax, highway users tax, and local transportation assistance (lottery) are projected to increase 2.9%

in total. State-shared revenues are based on estimates received from the Arizona League of Towns and Cities. State shared revenues are distributed in part by population counts. While State income tax is at risk due to budget uncertainties at the State, Highway User revenues are increasing.

County revenues for auto in lieu tax (license tags) are expected to increase by approximately 12%. The previously anticipated reapportionment to Yavapai County is less than expected. County aid for library operations has increased 14% from the FY 2002 budget estimate as a result of carryover funds.

The **Utility Fund** does not anticipate a rate increase for water or wastewater services, but certain changes in class and increased capacity charges have occurred. The Water and Sewer rate model was updated in Spring of 2002.

The **Environmental Services Fund** projects increased revenues for FY 2003 due to the transfer of funds previously held for cell construction.

EXPENDITURES

The adopted budget is based on fiscal restraint consistent with reductions in State revenue. The base budget approach has required operational cost reviews and redistributions of all Departments.

Efforts to Control Expenditures The Fleet Management Committee reviews all equipment replacement requests and prioritizes those needs. A long-range planning approach is utilized to level cash flow requirements from one year to the next. The Fleet Committee has developed a five-year plan and continues the process of reviewing the plan to identify cash flow needs and develop alternatives to better allocate future resources. Due to varying demands, the Fleet budget is flexible, allowing monies to shift within the five-year planning period.

Fund Balance The carryforward of fund balances remain at a level which protects the financial integrity of the City. Moody's bond rating for the City is Aa3. The projected fund balance at the end of FY 2002 is estimated at \$5,840,606 in the General Fund. A general fund balance equal to 15% of general fund revenues is anticipated to maintain a sound financial position. The General Fund balance is currently budgeted at 16.8%.

The FY 2003 budget continues to use excess fund balances for one-time capital expenditures, facilities and redevelopment. In addition, a portion of the current fund balance represents carryforwards of expenditures in equipment and capital projects.

Council Guidelines The budget guidelines set forth by the City Manager were formulated based on Council concerns and goals. The Council developed ten goals that encompass the areas of Affordable Housing, Economic Development and Redevelopment, Capital Improvement, Public Safety, Customer Service, Quality of Life, Fiscal Health, Organizational Support, Collaboration, and Planning for Growth.

- **Estimated Actual Expenditures FY 2002.** Divisions were asked to estimate expected expenditures by line item for FY 2002. Overages and underages (and reasons, theretofore) were used to adjust the recommended budget for various line items in FY 2003. This resulted in a reduction of a substantial number of line items, thereby allowing resources to be reallocated without inflating the total appropriations required.

- **Staffing Requests/Increases in Level of Service.** Departments were required to provide narrative transmittals for increases in service levels and addition of staff. New staff additions were either required to have an independent funding source or were needed to maintain current service levels.

- **Fleet Management.** All fleet equipment replacement requests were reviewed and prioritized by the Fleet Management Committee. The Budget Review Team established financial parameters.

- **Staff Computer Equipment.** Management Information Systems Staff reviewed hardware and software needs. Funding was established to maintain funding at a level dollar amount to meet existing and future needs for current service levels including upgraded equipment and software.

- **Capital Improvements.** The Capital Improvement Committee reviewed all requests of capital projects or public improvements.

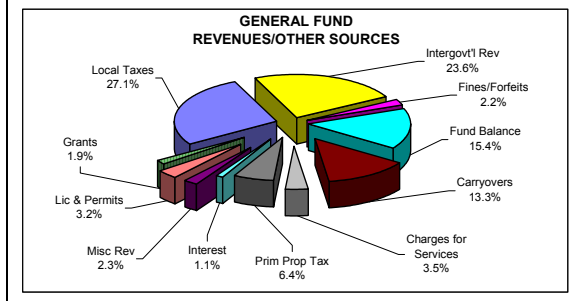
- **Operational Impacts.** All funds are continually evaluated relative to five-year financial projections. Increased service levels due to new programs or capital construction were projected to determine operating impacts in future years.

FUND SUMMARIES

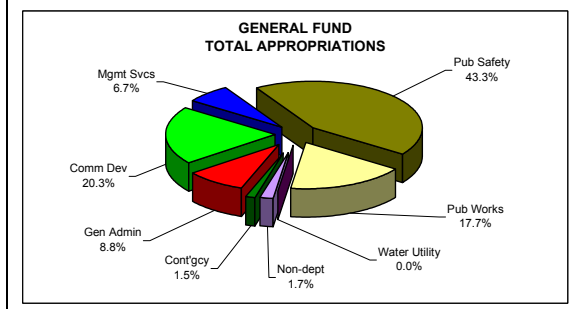
GENERAL FUND

The General Fund includes all City operations, except enterprise activities (operations which are to be self-sustaining), e.g., Utilities, Environmental Services, the Airport; activities funded from a special revenue source dedicated to that activity, e.g., the BBB Tax funds, Streets; Library; Community Redevelopment; Arts & Science; Recreation; Transportation; and Transportation Planning (MPO).

REVENUES/OTHER SOURCES	BUDGET FY 2002	EST ACTUAL FY2002	BUDGET FY 2003
Licenses and permits	\$ 1,491,003	\$ 1,774,146	\$ 1,553,750
Grants	902,817	865,925	948,031
Local taxes	12,506,682	12,872,341	13,235,852
Intergovernmental	11,343,169	11,399,644	11,519,864
Fines and forfeits	900,574	938,131	1,067,125
Fund Balance, net of Transfers	10,397,701	14,087,142	7,494,582
Fund Balance for Carryovers	6,567,430	3,315,407	6,500,697
Charges for services	1,635,872	1,547,360	1,685,384
Primary Property Tax	3,066,182	3,011,483	3,117,493
Interest	650,000	520,000	520,000
Miscellaneous	1,578,871	1,293,949	1,131,928
	\$ 51,040,301	\$ 51,625,528	\$ 48,774,706



APPROPRIATIONS	BUDGET FY 2002	EST ACTUAL FY2002	BUDGET FY 2003
General Administration	\$ 2,681,389	\$ 2,466,738	\$ 3,778,406
Community Development	8,059,522	5,113,534	8,702,833
Management Services	2,134,362	2,019,157	2,861,085
Public Safety	16,957,578	15,535,705	18,578,544
Public Works	6,485,068	5,345,149	7,589,645
Water Utility	-	-	15,588
Non-departmental	9,612,299	7,059,200	737,999
Contingencies	940,000	250,000	670,000
	\$ 46,870,218	\$ 37,789,483	\$ 42,934,100



Total resources available for General Fund expenditures for FY 2003 are \$48.8 million including the beginning fund balance of \$13.8 million. A substantial portion of General Fund resources comes from two revenue categories: 1) local sales and franchise taxes and 2)

intergovernmental revenues (specific detail including comparative data, is shown in Schedule 3 of *Financial Summaries* Section). A more detailed review of major revenue categories, including historical trend information, is provided following the fund summaries.

Property tax estimates are based on the assessed valuation of property as determined by the Coconino County Assessor. The primary tax rate remains unchanged in FY 2003, and will generate an estimated \$3,117,493. This amount represents approximately 39% of the maximum allowable levy under Arizona statute. The secondary tax rate, which can only be used to repay general obligation debt, will remain at \$0.9801. The increase in assessed valuation, and corresponding increase in revenue, is associated with \$4.4 million new construction placed on the tax rolls in the last year, and increased assessed values on existing properties (\$4.3 million).

General Fund total appropriations have decreased 8.4% in FY 2003. The decrease is due a significant reduction in budgeted capital projects. The General Fund includes \$10.1 million in capital, of which \$515,023 is set-aside for the American's with Disability Act (ADA) compliance issues as a result of a Department of Justice audit.

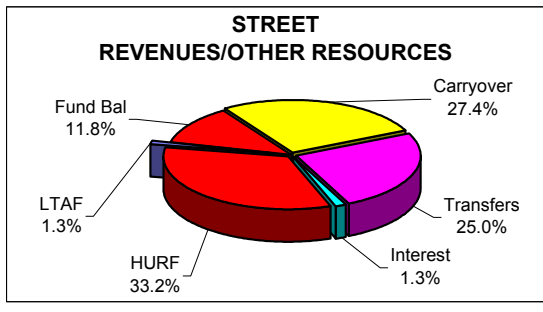
As part of the tenth anniversary of the ADA (July 2000) the Department of Justice selected one City from each state for a compliance review. Flagstaff was chosen for the State of Arizona due to its tourism based on economy and medium sized population. In February of 2000 the Department of Justice conducted the on site audit of City facilities for compliance with the accessibility requirements of the ADA. The City received a preliminary report from the Department of Justice with recommendations for modifications to existing facilities, however, to date there has not been a final report issued from the Department of Justice regarding required modifications. The City position with the Department of Justice has been to make any modifications as required by the ADA. Since there is no final report, the budgeted amount is estimated and might change due to the final results of the audit.

The financial position of the General Fund (after cost allocation distribution) remains strong. Accumulated funds will continue to be spent over a five-year period for a joint project with the Corp of Engineers to study a major drainage way issue in Flagstaff (the Rio de Flag project).

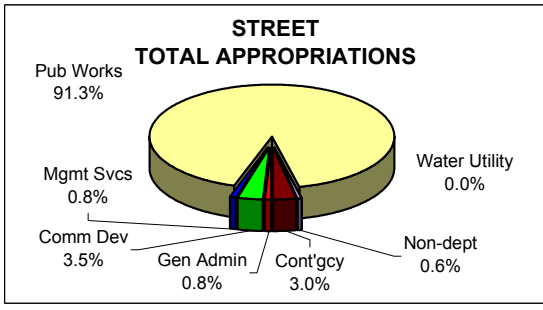
HIGHWAY USER REVENUE FUND

The Highway User Revenue Fund (HURF) is mainly supported by transportation related taxes distributed to the Cities and Counties by the State. Appropriations total \$23.3 million in FY 2003. This includes carryforward of funds for the reconstruction of a major intersection in town, Enterprise and Butler, our annual pavement maintenance program, Southside traffic improvements, and Sunnyside street improvements.

REVENUES/OTHER RESOURCES	
HURF	\$ 7,965,832
LTAf (lottery)	315,026
Fund Balance	2,833,377
Fund Balance for Carryovers	6,576,580
Transfers (net)	6,000,093
Interest	282,000
	<u>\$ 23,972,908</u>



APPROPRIATIONS	
General Administration	\$ 186,808
Community Development	813,094
Management Services	196,752
Public Works	21,265,037
Water Utility	3,749
Non-departmental	131,447
Contingency	700,000
	<u>\$ 23,296,887</u>



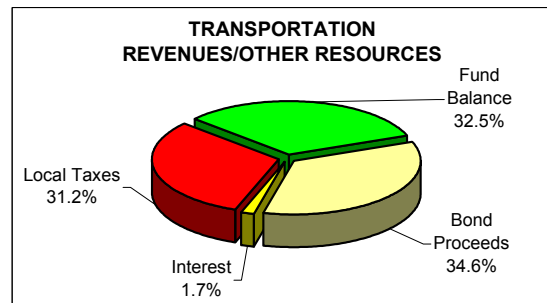
TRANSPORTATION FUND

The Transportation Fund was formed in FY 2001 as a result of voter authorization on May 16, 2000 to increase sales taxes to support four transportation issues. The tax increase is valid for

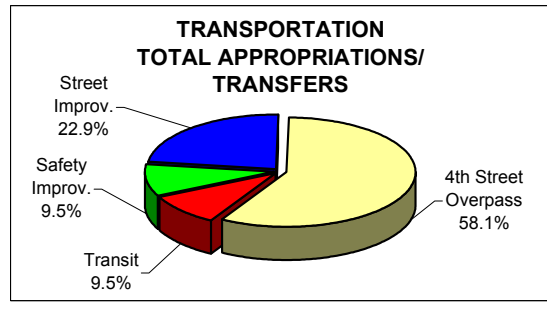
twenty years. The Sales Tax revenue collected for transportation is recorded in this fund. The expenditures related to Transit and 4th Street Overpass are appropriated in this fund. Expenditures related to Safety Improvements and Street Improvements are accounted for in the HURF and Beautification funds. Appropriate transfers are made to fund the various projects that this tax supports.

Projects	Budget FY 2003 Revenues
4th Street Overpass	\$ 1,763,014
Safe-to-School, Pedestrian and Bike	881,507
Traffic Flow and Safety Improvements	2,049,504
Transit Service Enhancements	1,625,279
Totals	<u>\$ 6,319,304</u>

REVENUES/OTHER RESOURCES	
Local Taxes	\$ 6,319,304
Fund Balance for Carryovers	6,576,580
Bond Proceeds	7,000,000
Interest	329,000
	<u>\$ 20,224,884</u>



APPROPRIATIONS/TRANSFERS	
Transit	\$ 1,592,080
Transfer-Safety Improvements	1,591,423
Transfer-Street Improvements	3,824,277
4th Street Overpass	9,692,752
	<u>\$ 16,700,532</u>

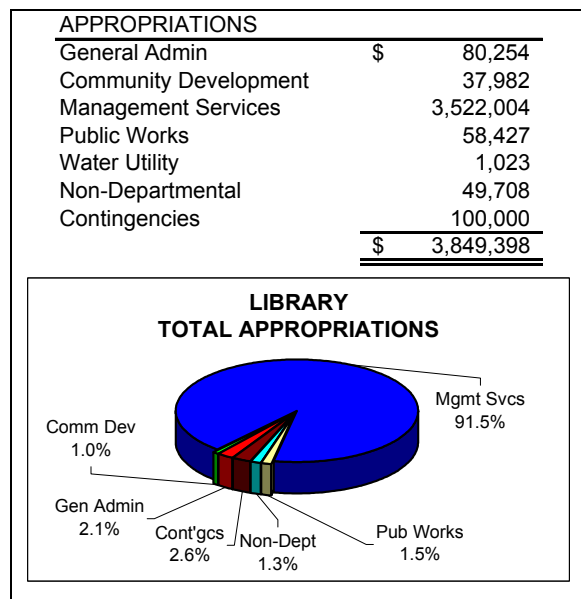
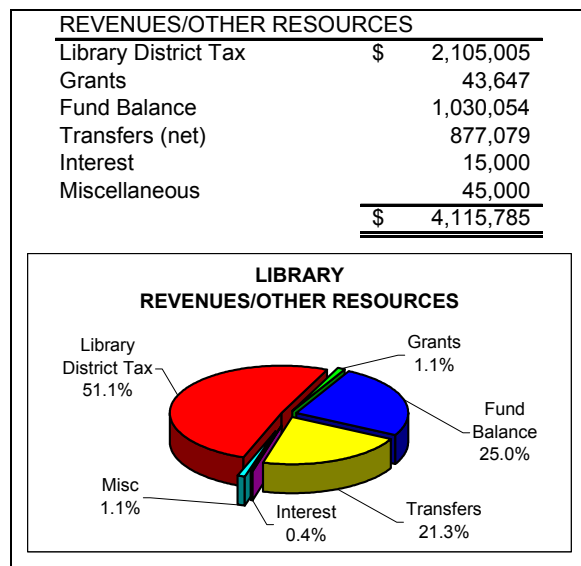


In July 2003 there will be an increase in the Transit Tax from 0.1475% to 0.1750%. This was anticipated through the IGA entered into by the City and County during FY 2001.

Appropriations total \$16.7 million in FY 2003, comprised of \$1,592,080 for transit operations, \$9,692,752 for the 4th Street overpass, and transfers totaling \$5,415,700 from Safety and Street Improvements representing two years worth of tax receipts. The tax rate for FY 2002 is 0.516%.

LIBRARY FUND

The City operates a joint City-County Public Library with auxiliary programs in outlying county locations and bookmobile services. \$2.1 million of the funding for library operations comes from the library district tax. State grants provide \$43,647 for special-purpose programs.



During 1997, the County, in concert with the affected entities throughout, developed a new funding formula for the distribution of the tax. The formula provides a base amount for all entities and the distribution of any additional monies as directed by the Library Council with affirmation by the County Board of Supervisors.

BBB FUNDS

A dedicated 2% Bed, Board and Booze sales tax collected on the services provided by lodging, restaurants and bars, was approved by voters in 1988 with a sunset clause in 10 years and extended by the voters for 15 years in the 1996 general election. The BBB tax approved by voters will expire in 2013. The funds were allocated into the following percentages:

Economic Development	9.5%
Beautification	20.0%
Tourism	30.0%
Recreation	33.0%
Arts & Science	7.5%

Since inception, the City has experienced a continual growth of BBB revenues, however FY 2002 is expected to increase by only 0.3% with hotels representing the greatest decline. Fiscal Year 2003 projections will reflect this decline within its anticipated growth of 2.5%. Activities funded with the revenues have made operating adjustments necessary and these changes will be reflected within each five-year plan.

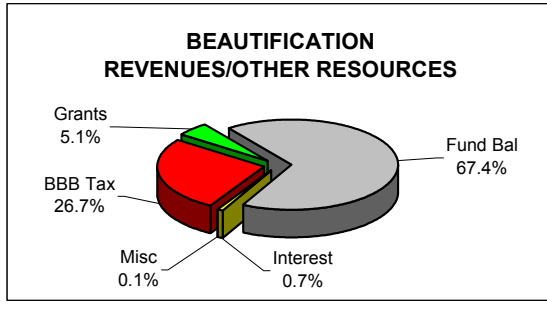
Beautification Fund: Total resources available for Beautification Fund activities amount to \$2.8 million including carryovers and approved grants. Expenditures from this fund are primarily for capital improvements. (See the CIP Section for project list.) In FY 2003, projects include Route 66, arterial landscaping and neighborhood projects with the assistance of Clean and Green, and city gateways. There are also improvements planned on various Flagstaff Urban Trail links.

REVENUES/OTHER RESOURCES

BBB Tax	\$ 770,857
Grants	148,380
Fund Bal, net of Transfers	1,946,616
Interest	20,000
Miscellaneous	3,000
	<u>\$ 2,888,853</u>

APPROPRIATIONS

Beautification	\$ 2,816,577
Reserve	10,000
	<u>\$ 2,826,577</u>



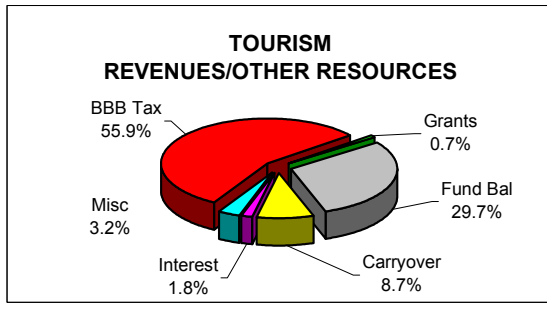
Tourism Fund: Total resources available in FY 2003 are \$2.1 million. The total operating budget, excluding a \$50,000 reserve for contingencies, is \$1.7 million. Expenditures include ongoing marketing programs and one-time expenditures for capital. Included in the budget for Tourism is a strategic plan intended to provide guidance in determining markets, promotion directed at these markets, and measurement tools.

REVENUES/OTHER RESOURCES

BBB Tax	\$ 1,156,286
Grants	15,000
Fund Bal, net of Transfers	615,588
Fund Balance for Carryover	180,000
Interest	37,636
Miscellaneous	65,430
	<u>\$ 2,069,940</u>

APPROPRIATIONS

General Administration	\$ 1,734,788
Reserve	50,000
	<u>\$ 1,784,788</u>



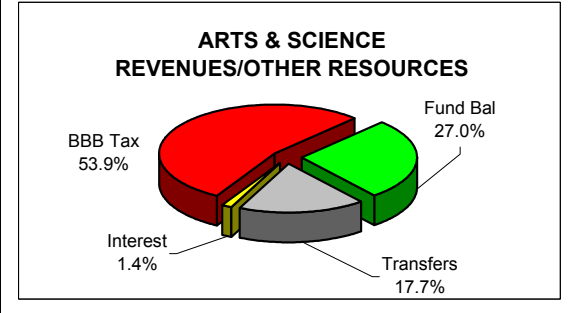
Arts & Science Fund: Total resources available for Arts & Science activities are \$536,358. Expenditures include contributions to local organizations and Art in Public Places. There is \$47,685 available for Art in Public Places. One percent (1%) for the Arts is allocated from citywide eligible capital project expenditures and \$45,000 for Flagstaff Cultural Partners Administration. Revenues received from the BBB tax are \$289,072.

REVENUES/OTHER RESOURCES

BBB Tax	\$ 289,072
Fund Balance	145,034
Transfers	95,000
Interest	7,252
	<u>\$ 536,358</u>

APPROPRIATIONS

Arts & Science	\$ 402,699
Reserve	10,000
	<u>\$ 412,699</u>



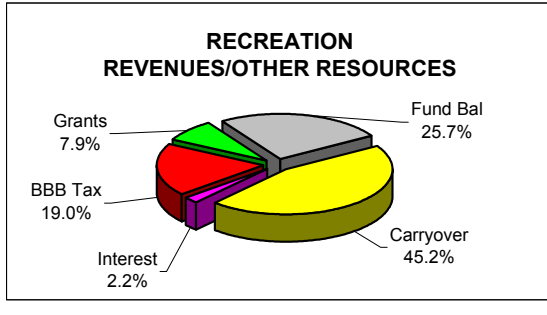
Recreation Fund: Total appropriations in FY 2003 for Recreation Fund activities are \$5.7 million. FY 2003 includes \$2.7 million for land acquisition, one park in the planning phase, two parks in the construction phase, and two school fields in construction phase. Per discussion with City Council in the Spring 1996 retreat, Council concluded this funding should support the expansion of existing facilities and the associated maintenance. Because of this decision, a significant increase in Parks maintenance will be funded from these revenues due to the completion of various projects. The Council elected to maintain the property rate at an amount sufficient to maintain the debt service structure of the programmed capital and related maintenance.

REVENUES/OTHER RESOURCES

BBB Tax	\$ 1,271,915
Grants	530,347
Fund Bal, net of Transfers	1,726,157
Fund Balance for Carryover	3,032,455
Interest	146,900
	<u>\$ 6,707,774</u>

APPROPRIATIONS

Recreation	\$ 5,677,827
	<u>\$ 5,677,827</u>



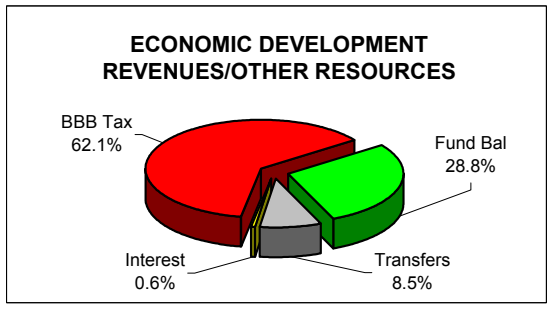
Economic Development Fund: Economic Development is conducted primarily by Greater Flagstaff Economic Council (GFEC). The City allocates \$309,000 to GFEC, \$27,000 for partnership training, \$100,000 for telecom, and \$7,400 for contributions. Business recruitment efforts target industries that conform to both community and environmental values (low water users, low and non-toxic sewer dischargers, good wage/benefit structure, good corporate citizens, home offices).

REVENUES/OTHER RESOURCES

BBB Tax	\$ 366,157
Fund Balance	169,918
Transfers	50,000
Interest	3,797
	<u>\$ 589,872</u>

APPROPRIATIONS

Economic Development	\$ 456,400
Reserve	25,000
	<u>\$ 481,400</u>



OTHER FUNDS

Metropolitan Planning Organization: This fund was established to account for funding derived from the area's status as a designated Metropolitan Planning Organization (MPO). The MPO receives Federal funding administered through the Arizona Department of Transportation (ADOT). The MPO has appropriated \$265,666 for this program for FY 2003. This includes operating funds for transportation and transit planning. Transit operating funds are not included in this budget since that service is contracted through Coconino County.

METROPOLITAN PLANNING ORGANIZATION

REVENUES/OTHER RESOURCES

Grants	\$ 265,666
	<u>\$ 265,666</u>

APPROPRIATIONS

General Administration	\$ 265,666
	<u>\$ 265,666</u>

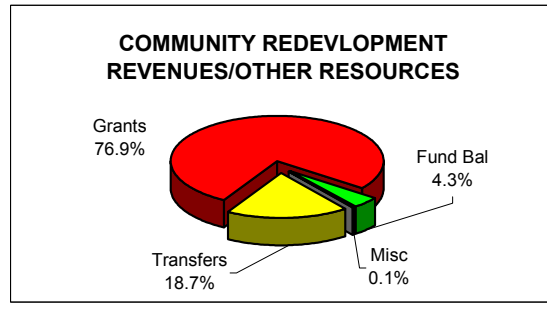
Community Redevelopment Fund: This fund finances activities in conjunction with the CDBG program and affordable housing activities. There is \$2.0 million allocated to this activity for FY 2003.

REVENUES/OTHER RESOURCES

Grants	\$ 1,547,207
Fund Balance	86,879
Miscellaneous	3,000
Transfers	375,400
	<u>\$ 2,012,486</u>

APPROPRIATIONS

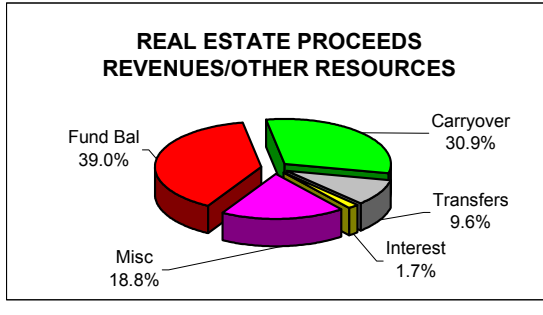
Community Development	\$ 2,012,172
	<u>\$ 2,012,172</u>



Real Estate Proceeds: The Real Estate Proceeds fund is currently restricted to the purchase of real estate. The appropriations total \$785,000. Expenditures in this fund are for acquisition of open spaces and redevelopment acquisitions.

REVENUES/OTHER RESOURCES	
Fund Balance	\$ 611,790
Fund Balance for Carryover	485,000
Transfers	150,000
Interest	26,350
Miscellaneous	297,000
	<u>\$ 1,570,140</u>

APPROPRIATIONS	
Non-Departmental	\$ 785,000
	<u>\$ 785,000</u>



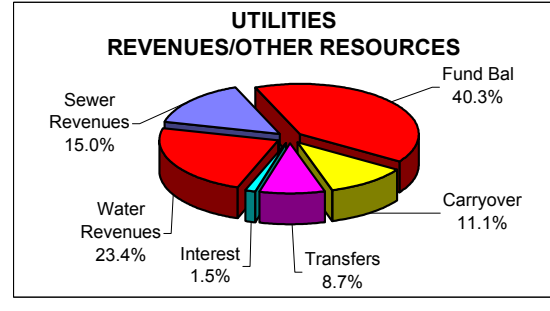
UTILITIES FUND

The City's water and wastewater operations are operated as an Enterprise Fund activity, i.e., self-sustaining operations with user fees and charges based on a "cost-of-service" methodology. The rate model determines the minimum revenue requirements needed to support operations including: all operating and maintenance costs; capital improvements considered routine in nature; principal and interest payments on bonded debt related to utility construction; and maintaining a year-end fund balance sufficient to ensure adequate working capital. Total appropriations for the Utilities Fund are \$28.2 million. Resources include \$18.4 million in utility user fees and \$5.3 million in fund balance carryforward.

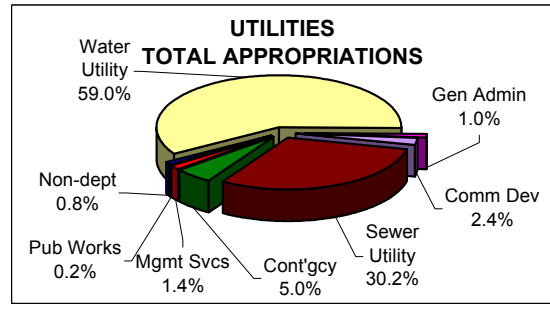
Water Operations: Total appropriations relating to direct costs for the water operations are \$16.7 million. Water fees are the major source of revenue supporting water operations. Bond funds support well development. Revenue estimates total \$10 million for water sales. The revenue estimates reflect a 2% factor, due to customer base increases and consumption changes. No rate increase is anticipated for FY 2003.

Wastewater Operations: Total appropriations relating to the direct costs for the wastewater operations are \$8.5 million. Wastewater (sewer) fees are the major source of revenue supporting wastewater operations. Revenue estimates total \$6 million in wastewater service charges. Revenues are estimated to increase 2% due to growth of the customer base and consumption.

REVENUES/OTHER RESOURCES	
Water Revenues	\$ 11,232,800
Sewer Revenues	7,209,600
Fund Balance	19,354,839
Fund Balance for Carryovers	5,332,543
Transfers (net)	4,194,653
Interest	741,000
	<u>\$ 48,065,435</u>



APPROPRIATIONS	
General Administration	\$ 285,354
Community Development	665,796
Management Services	396,183
Public Works	64,058
Non-departmental	229,328
Water Utility	16,650,546
Sewer Utility	8,538,564
Contingency	1,400,000
	<u>\$ 28,229,829</u>

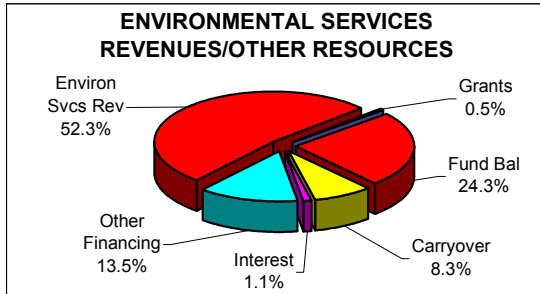


ENVIRONMENTAL SERVICES FUND

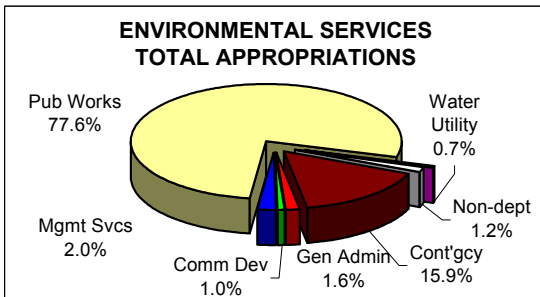
Total appropriations are \$9.5 million. User fees are the major revenue source of solid waste disposal operations. The user fees are comprised of seven major customer services areas (residential sanitation, curbside recycling, commercial sanitation, hoist and haul, landfill dumping, inert materials pit, and commercial recycling) with different rates for each category based on cost of service. Currently, the existing landfill rate structure provides cost recovery for ongoing operations as well as provisions for funding replacement equipment; closure and regulatory compliance costs related to mitigation of environmental contamination and/or degradation; and for future site requirements.

Based on current estimates for closure and post-closure landfill costs, the City is setting aside legally restricted funds to insure sufficient funds will be available to meet these requirements.

REVENUES/OTHER RESOURCES	
Environmental Svcs Revenue	\$ 6,195,509
Grants	64,903
Fund Bal, net of Transfers	2,875,498
Fund Balance for Carryovers	978,977
Interest	128,000
Other Financing Sources	1,600,000
	<u>\$ 11,842,887</u>



APPROPRIATIONS	
General Administration	\$ 152,264
Community Development	99,022
Management Services	186,687
Public Works	7,349,538
Water Utility	68,266
Non-departmental	115,030
Contingency	1,500,000
	<u>\$ 9,470,807</u>

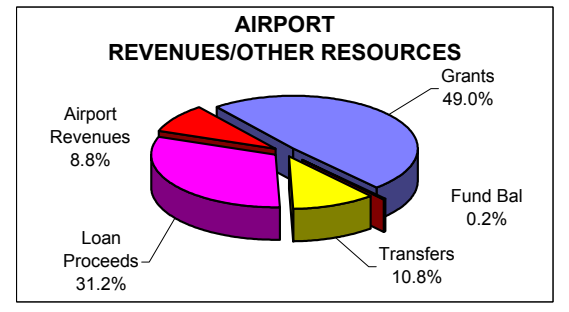


AIRPORT FUND

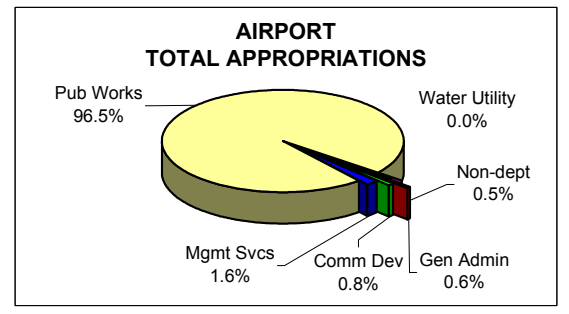
Pulliam Airport is located four miles south of downtown Flagstaff and is operated 17 hours per day, seven days each week and offers five daily flights to Phoenix. Total appropriations are \$9.1 million: \$1.2 million for operations, \$300,081 for debt and \$7.6 million in capital outlay. Primarily FAA and ADOT grants will fund the capital improvements. The general fund will continue to subsidize operations at \$590,000 this year with an additional \$186,000 for capital improvements including matching funds for grants. This year, of the \$7.6 million in capital improvements, FAA and ADOT are funding \$4.5 million and lease

proceeds are expected to fund \$2.9 million. The secondary property tax fund will transfer \$215,081 to cover debt service not paid with passenger facility charges.

REVENUES/OTHER RESOURCES	
Airport Revenues	\$ 802,964
Grants	4,474,518
Fund Balance	16,237
Transfers	991,081
Lease/Loan Proceeds	2,850,000
	<u>\$ 9,134,800</u>



APPROPRIATIONS	
General Administration	\$ 51,638
Community Development	72,839
Management Services	149,072
Public Works	8,795,262
Water Utility	1,037
Non-departmental	48,704
	<u>\$ 9,118,552</u>



REVENUES

Historical Trend Information for Select Revenues

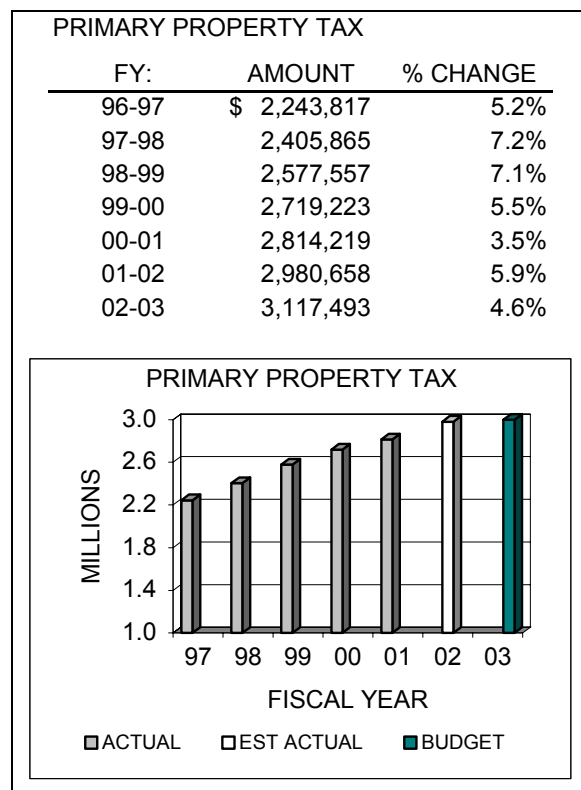
GENERAL FUND

PROPERTY TAX RECEIPTS CURRENT, PRIMARY

Legal Authority: Arizona Revised Statutes Section 42-45 (B) based on the State Constitution Article 9, Section 18

Description: The property tax is levied each year on or before the third Monday in August based on full cash value of the assessed property as determined by the Coconino County Assessors' Office.

Receipts from primary property taxes levied by the City are deposited in the General Fund. No restrictions on usage apply to the primary property tax. State statute limits the annual increase to 2% plus the amount generated by construction. However, this legal restriction has no impact on the City, as the City has only levied 40% of its maximum allowable levy.



Receipts from secondary property taxes are deposited in the Debt Service Fund and can only be used to repay general obligation debt. No annual limitations apply, as this rate is

determined by the requirements of the debt repayment schedule.

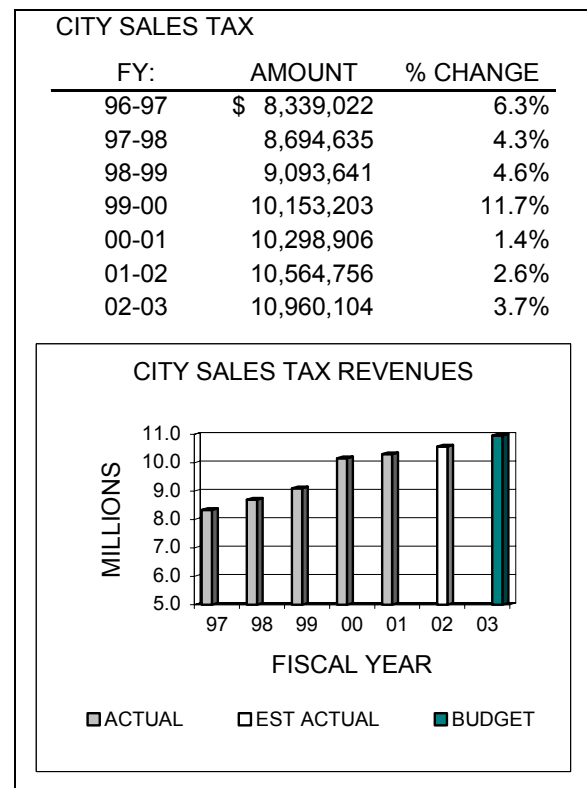
Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The projected increase for FY 2003 anticipated collections are twofold: new construction of 3.6% and increased assessed values on existing properties of 1.3% due to reassessments.

CITY SALES TAX (TRANSACTION PRIVILEGE TAX)

Legal Authority: City Code, Title 3, Chapter 5, (Ordinance 1491)

Description: The single largest revenue source for the City is obtained from a 1% tax on the sales of goods. The sale of food for home consumption is exempted from the tax. Additionally, there is also a 2% tax on hotels, restaurants and bars (BBB Tax).

The 1% portion is designated as General Fund revenue to support activities and services provided by the City government. The City has designated the 2% BBB Tax for enhancements related to beautification, economic development, tourism, arts and sciences, and recreation. (The BBB Tax revenues are shown separately on a following page.)

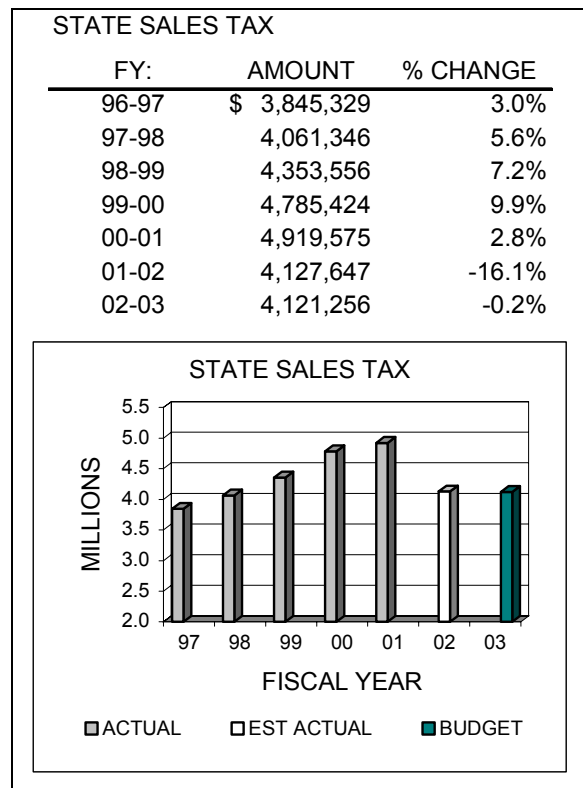


Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. These numbers are sales tax revenues only; audit assessments and penalty and interest revenues are combined with these numbers on schedule 3. The increase in revenues for FY 2002 was driven by increases in construction and auto sales. Zero percent financing for new auto sales brought the sales figures up to the level experienced two years ago. Construction has enjoyed a strong year with an increase in residential and commercial projects. The revenue projection for FY 2003 anticipates a flattening of auto sales and a general increase of 2% to 3% in the other sectors of the local economy.

STATE SALES TAX

Legal Authority: Arizona Revised Statutes Section 42 - 1341 (D)

Description: A half-cent (.5%) portion of the five-cent (5%) State Sales Tax collected is divided among the State's cities and towns based on population. These revenues can be used for any municipal purpose and, therefore, are deposited in the General Fund to support activities and services provided by the general government.



Listed are the past five years of actual revenues. The estimated revenues for FY 2002 and the

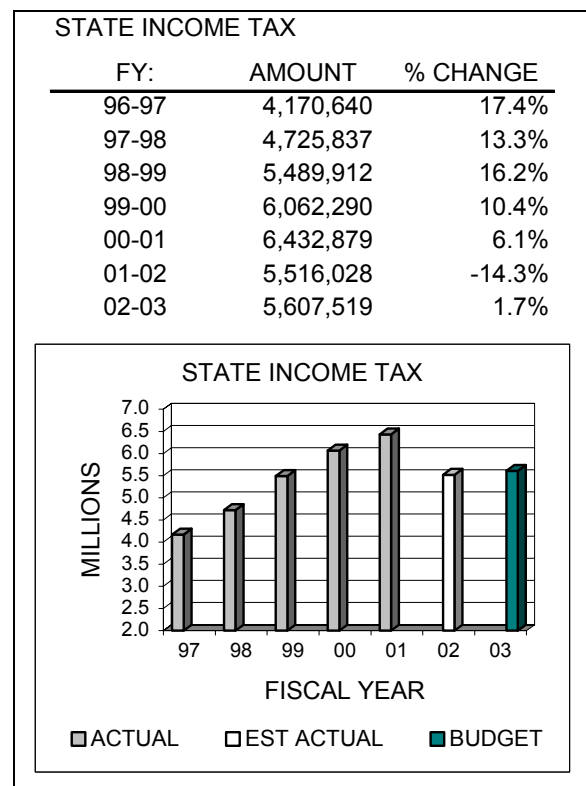
estimated amount for FY 2003 are also shown. The sales tax revenue projected for FY 2003 reflects an estimated decrease statewide. The state economy suffered with significant tourism decreases as a result of the September 11 disaster. The recovery period is expected to take 18 to 48 months.

STATE INCOME TAX (REVENUE SHARING)

Legal Authority: Arizona Revised Statutes Section 43 - 244 (B)

Description: The City shares in 15.8% of the State income tax collected based on the population of the cities and towns as reported in the 2000 Census. A two-year lag exists between the year of distribution and collection and the reporting year for which the income tax returns are filed. Therefore, little variance is expected between amounts estimated in the budget and actual receipts. Because revenues can be used for any municipal purpose, funds received are deposited in the General Fund to support the services and activities of the general government.

Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The League of Arizona Cities and Towns provides the revenue estimates for FY 2003.



The FY 2002 reduction is a direct result of the 2000 Census count, which was 10,000 less than previously projected.

FY 2003 reflects a slight increase, even though \$100,000 has been set aside to meet potential State revenue shortfalls.

FRANCHISE TAX

Legal Authority: Flagstaff Charter and City Code Article XII

APS: Ordinance 360 (expires 8-21-2011)

Citizens Utility Co.: Ordinance 1879 (expires 10-3-2020)

US West, MCI, US Sprint, Central Corp, and A T & T: Ordinance 585. The City just has an agreement with Flagstaff Cablevision that expires 12-30-2000.

Description: A 2% tax from utility companies--Arizona Public Service and Citizens Utilities--is credited to this account. The City also receives a franchise tax from U.S. West Telephone Co., A T & T, Flagstaff Cablevision, MCI, US Sprint, and Central Corp; these entities are currently taxed at 2% except Flagstaff Cablevision that is taxed at 3%.

increase in FY 2002 comes mostly from Citizens Utilities. The winter was extremely mild but a substantial increase in natural gas prices resulted in more tax revenue. Conversely, tax revenue from APS was down compared to last year. The revenue projection for FY 2003 shows a moderate increase of 1.9% based primarily on the fact that natural gas prices will not go any higher and could possibly decline during the next year.

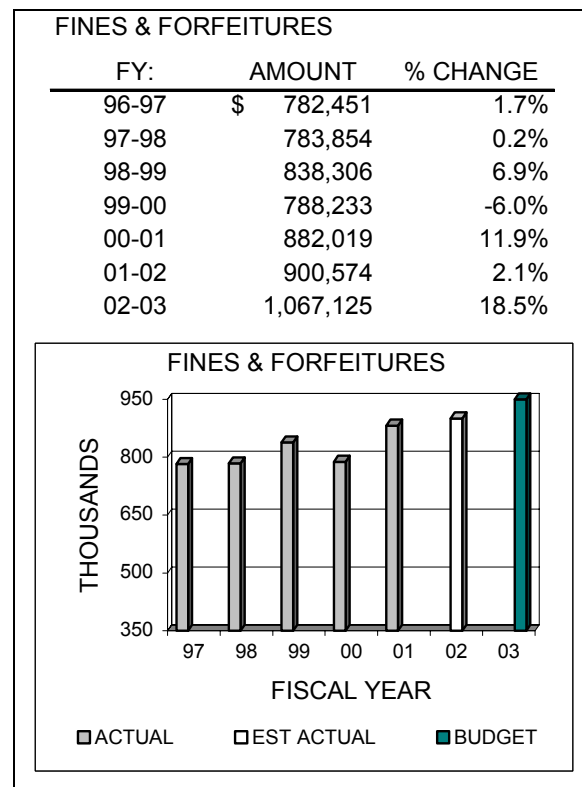
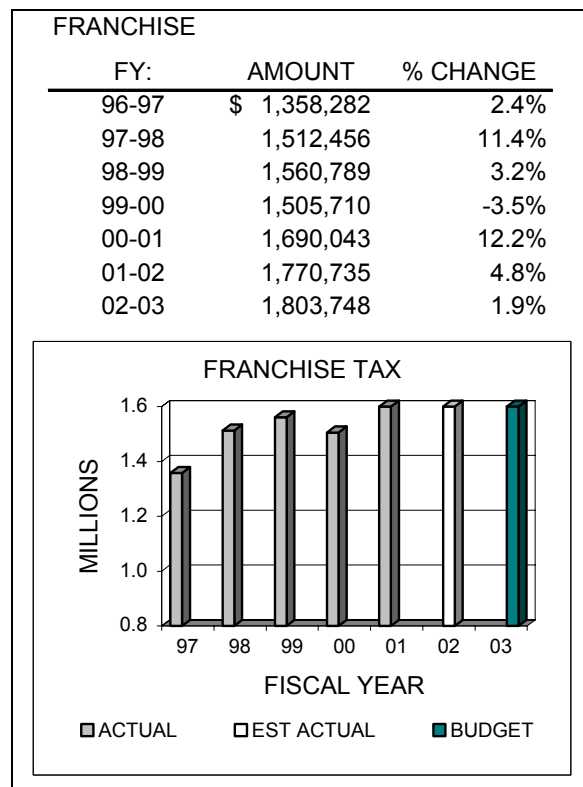
FINES & FORFEITURES

Legal Authority: Arizona Revised Statutes, Rules of Criminal Procedure

City Code, Title 1, Chapter 15, Section 8

Description: Revenues are derived from a multitude of fines and forfeitures that relate to fines ordered by the court magistrates and administrative charges for Traffic School. Other miscellaneous fees allowed include court reimbursements and court collection fees.

Listed the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The increase in FY 03 is due to the revision of fines charged through the Court.



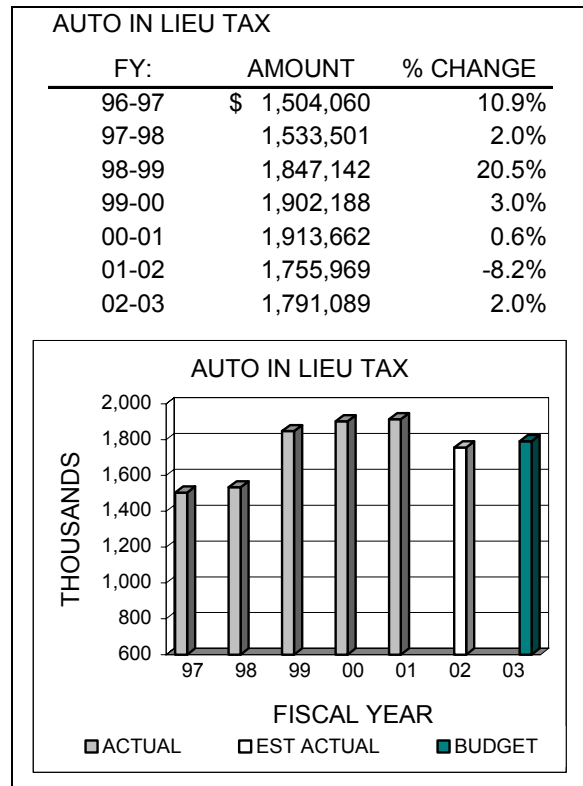
Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The

AUTO IN LIEU TAX

Legal Authority: Arizona Revised Statutes Section 28 - 1591 (c)

Description: Twenty-five (25) percent of the net receipts from vehicle licensing collected by the State is returned to the cities and towns of licensing origin. The distribution is based on population in proportion to total population in incorporated areas. This revenue source can be used for any municipal purpose; therefore, revenues are deposited in the General Fund to support services and activities of the general government.

Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. Revenues decreased in FY 2002 due to the State of Arizona reapportioning revenue to Yavapai County for citizens in Sedona previously counted in Coconino County. A three-year retroactive repayment plan has been initiated.

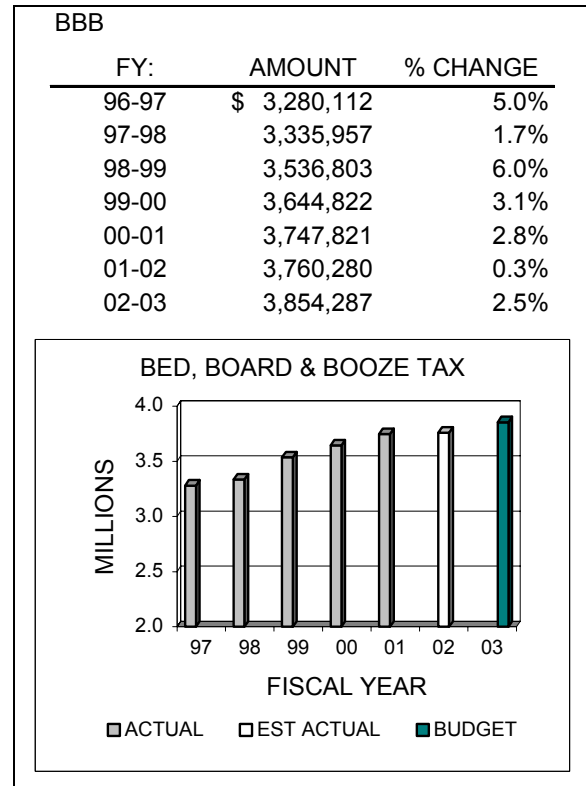


BED, BOARD & BOOZE TAX

Legal Authority: Ordinance 1902, Approved by voters March 1996, extended by vote to March 31, 2013.

Description: An additional city sales tax of 2% is charged on the services of hotels, restaurants and bars. The City has designated all of these revenues for the purposes of enhancing beautification, tourism, economic development, recreation, and arts & sciences.

Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The BBB Revenue projection for FY 2003 reflects a moderate increase of 2.5%.



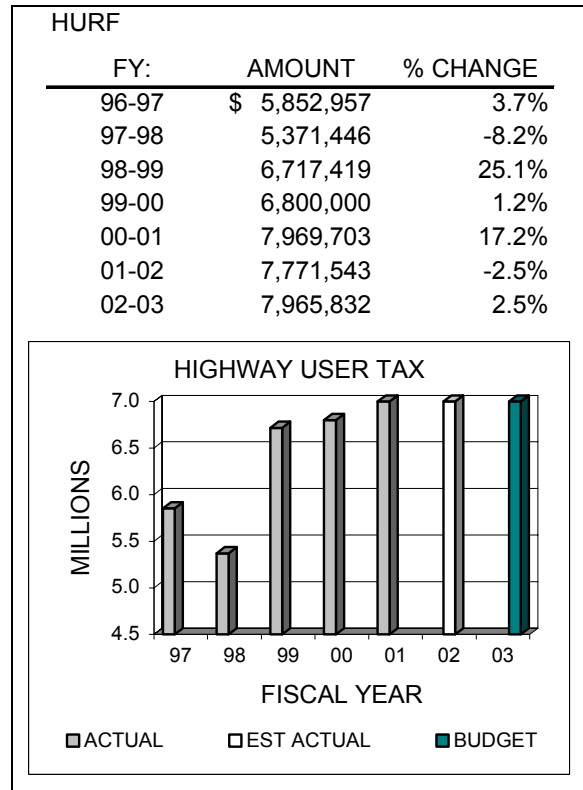
STREET FUND

HIGHWAY USER TAX

Legal Authority: Arizona Revised Statutes Section 28 - 1598 (B.4), (For method of distribution see ARS 28-1598 (D.3))

Description: The proceeds from the State-shared motor vehicle fuel tax (currently 16 cents per gallon, of which cities and towns share in 13 cents per gallon) are distributed by the State to cities and towns by a compromise formula. Fifty percent of the distribution is based on point of origin for the sale of gasoline. The remaining fifty percent is based on population in proportion to total population for incorporated towns and cities.

Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The significant increase in FY 1999 revenues represents an adjustment for gallons that were reported in Maricopa County that should have been in Coconino County. The slight decrease of FY 2002 revenue reflects census population numbers. These revenues were not as severely impacted as other shared revenues due to local strong sales of gasoline that is a significant factor in revenue distribution.



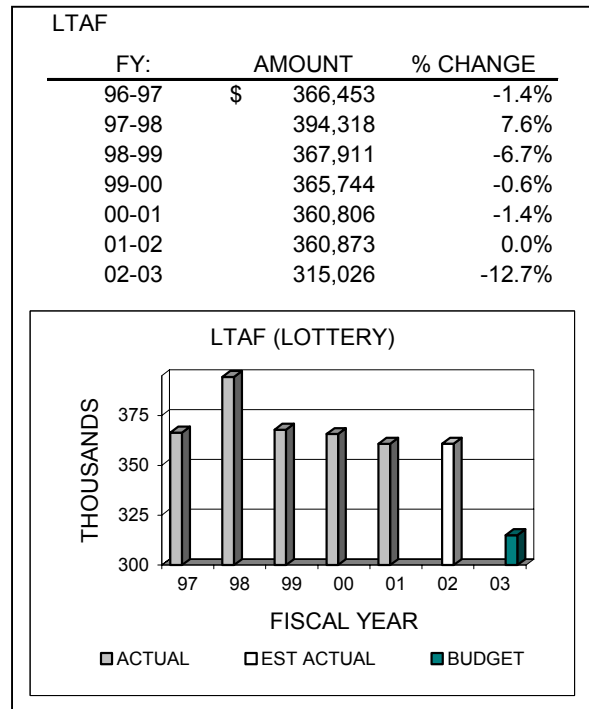
LOCAL TRANSPORTATION ASSISTANCE

Legal Authority: Arizona Revised Statutes Sections 5 - 522, 40 - 1101, and 40 - 1102

Description: A portion of the lottery monies is distributed to cities and towns. Distribution is based on the population of a city as compared to the total populations of all the cities and towns. These funds must be used for transportation systems including street and highway projects and transit programs.

Listed below are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The City is eligible for monies from the Powerball Lottery game; however, this program has only reached the revenue thresholds that resulted in

distribution to the Cities in FY 1998. The State lottery dollars are capped. Decreases reflect population changes due to census enumeration.



ENTERPRISE FUNDS

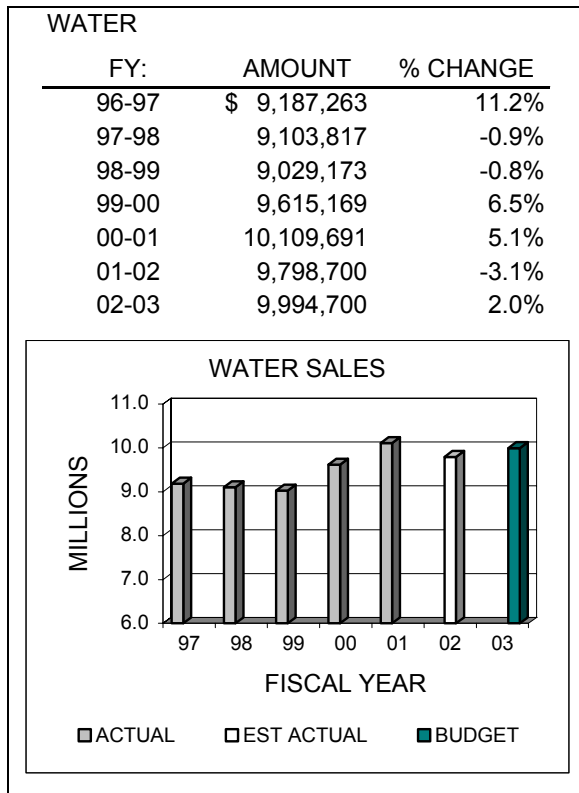
WATER SALES

Legal Authority: City Code, Title 7, Chapter 3, Section 11

Description: The principal revenue for operating and managing the City's water system is derived from rates and charges for water services. Monthly water bills consist of a base charge for the amount of water consumed with an inverted rate structure for consumption levels above the base amount so as to encourage water conservation practices. The rates for each customer class are reviewed annually to assure adequate user charges; proposed rate changes effectuate in January.

Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The revenue estimates reflect a 2% factor due to population and consumption changes. The flat revenues between FY 1997 and 1999 reflect a reduction in the consumption per household. New building code requirements for low flow fixtures and the City's toilet rebate programs are contributing

factors to this decline. The estimated decrease in FY 2002 is for the possibility of water restrictions due to drought year. No rate increase is projected in FY 2003.

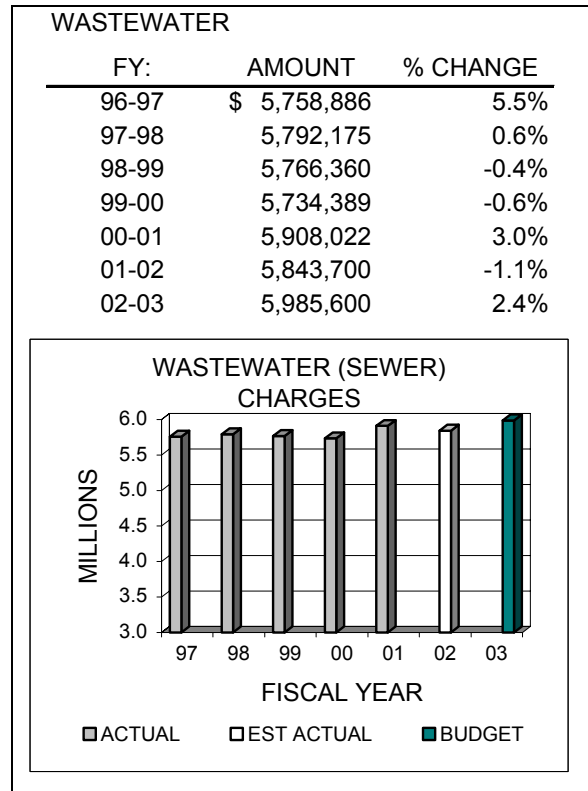


WASTEWATER SERVICE CHARGES

Legal Authority: City Code, Title 7, Chapter 2, Section 39

Description: The principal revenue for operating and managing the City's wastewater system is derived from revenues generated from wastewater (sewer) rates and user charges. Both residential and commercial customers are charged on the basis of water consumption. Residential customer charges are based on average water consumption for the proceeding winter months (Dec-Mar). All other customers are billed based on actual monthly water usage unless they can measurably separate which quantity of water does not reach the wastewater system.

Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The slight decrease in the estimated FY 2002 is due to the possibility of water restrictions. The revenue projections include a 2.4% factor due to population and consumption changes.



ENVIRONMENTAL SERVICES

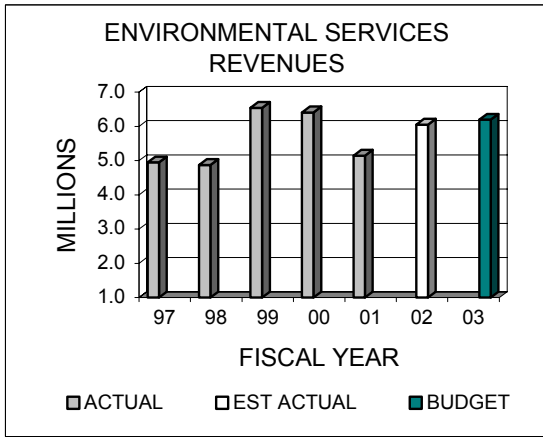
Legal Authority: City Code, Title 7, Chapter 4, Sections 8-9

Description: Environmental Services disposal service revenue is comprised of solid waste collection charges, hoist and haul fees, landfill dumping charges, inert materials landfill fees and residential and commercial recycling. Service charges for residential and commercial customers are based on size of container and frequency of pickup. Hoist and haul is based on a cost per pull plus tonnage. Receipts from fees charged for dumping at the City Landfill are based on tonnage.

Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. The increase in revenues since FY 2002 is due to residential and commercial programs budgeting internal tonnage charges for commercial and residential programs.

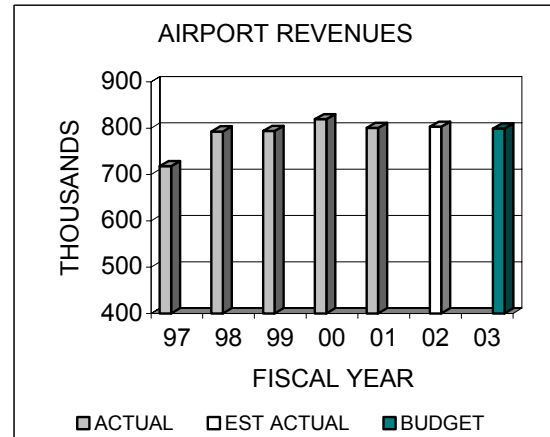
ENVIRONMENTAL SERVICES

FY:	AMOUNT	% CHANGE
96-97	\$ 4,947,295	65.0%
97-98	4,873,311	-1.5%
98-99	6,541,169	34.2%
99-00	6,409,920	-2.0%
00-01	5,144,988	-19.7%
01-02	6,049,757	17.6%
02-03	6,195,509	2.4%



AIRPORT

FY:	AMOUNT	% CHANGE
96-97	\$ 717,878	6.6%
97-98	792,914	10.5%
98-99	793,694	0.1%
99-00	819,403	3.2%
00-01	800,496	-2.3%
01-02	802,832	0.3%
02-03	799,214	-0.5%



AIRPORT

Legal Authority: City Code, Title 8, Chapter 6, Sections 1-8

Description: Airport revenue is derived from the rental of airplane hangars, tiedowns, tiedowns with electricity, and shades rented to various individuals and vendors. Landing fees are charged at a rate of \$1.05/1,000 pounds based on gross certificate landing weight of aircraft. Rental revenue from terminal rent consists of space, concession and advertising fees. Revenues are collected from the sale and storage of aviation fuel. A \$3 PFC charge is collected from the ticket sales of passengers embarking from Pulliam.

Listed are the past five years of actual revenues. The estimated receipts for FY 2002 and the budget for FY 2003 are also shown. Projected revenues for FY 2003 reflect a .5% decrease. The decrease is due to uncertainties related to September 11th and current economy.

CAPITAL BUDGET

RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGET

The Five-Year Capital Improvement Plan (multi-year, long-range study of construction and/or acquisition of high cost items with an extended useful life) is prepared separately from the Annual Budget and Financial Plan (focus on municipal service delivery programs which generally are of an on-going nature), however, the two processes are interrelated.

The operations and maintenance of major capital facilities and infrastructure can significantly impact the operating budget and, must be considered prior to approval and commencement of acquisition of a particular capital asset. In the capital improvement plan for the City, various components have greater impact on the operating budget than other elements and, may even override operating budget constraints, e.g., mandatory environmental regulatory compliance.

The Water and Wastewater Enterprise Fund's revenue structure is sufficient to meet existing and future impacts of capital, operating requirements

including environmental sanctions and debt. Proposed, as well as existing, debt service is included because the changes in debt service requirements must be built into the rate models in determining what, if any, rate increases are required each year. The rate model was updated in 2002 and no increases in revenues are required based on information and system demands known today. An additional customer class was added to the wastewater rate structure and capacity charges will be increased over time.

The Highway User Revenue Fund designates a portion of State distributions to the pavement maintenance program. The program is important in order to keep roadways in good condition and not allow significant deterioration. An additional component of the maintenance program is funding for ADA compliance for curb cuts, curb returns, and deteriorating sidewalks. The major impact on street maintenance is the addition of roads from private development. The Streets division has maintained level staffing through the investment in new, more efficient equipment.

BBB projects will have a significant impact on operating budget requirements. Streetscaping and FUTS trail maintenance will require an ongoing level of effort to maintain landscaping. Greater consideration is being given to design and maintenance requirements for future streetscaping projects to keep maintenance costs as low as possible. The planned completion of several parks projects constructed in conjunction with the Parks and Recreation bond program require a major increase in the Parks maintenance budget. City Council has determined that any increased maintenance costs associated with the bond projects will be paid for from BBB funds. Staff has balanced construction maintenance responsibilities and funding sources in the Parks and Recreation Bond program.

CAPITAL IMPROVEMENT PLAN

What is a Capital Improvement Plan?

A Capital Improvement Plan is a multi-year, long-range study of the construction and/or the acquisition of high cost assets that have an extended useful life usually greater than five years. A long-range plan is needed because of the lead times required to adequately finance, design and/or plan, budget, and implement construction or acquisition of the capital project needs of a community.

Planning in one or two-year increments has proven to be inadequate because of the complexity of projects and the public input process, as well as the design time needed for engineering plans, specifications, and right-of-way acquisition.

Typically, the development of the Capital Improvement Plan requires coordination between the budget function and engineering because of the impact of constructed capital projects on the operating budget. For example, bond funds might be used to construct a branch library. However, once construction is completed, the library must be staffed, utility bills must be paid, and the facility must be cleaned and maintained. Therefore, an effective capital improvement plan should always be viewed in context of its impact on the operating budget.

What does a CIP provide?

- ***Cash management capabilities.*** The dollars expended on Capital Improvement Plans in jurisdictions experiencing substantial growth or revitalization will often comprise 40% or more of the total budget. By reviewing the sources and uses of funds on a project basis and within the context of the entire CIP, as well as the related cash flows, a jurisdiction can maximize its investment earnings.
- ***Debt management.*** A CIP allows a jurisdiction to plan the financing requirements and the debt repayment schedule to allow for current and future needs relative to debt service capacity.
- ***Expenditure controls.*** Funds are expended as they were intended to be spent. The appropriations figure becomes the project management budgets. It is typical for most jurisdictions in their process to budget a 15% to 20% overhead factor to cover engineering and design costs as well as to provide for contingencies.
- ***Budgetary controls.*** Operating cash flow projections on a project basis serves as a check and balance on a project's progress both in terms of the time schedule and expenditures to date compared with percentage completion.
- ***Minimize disruption to citizens.*** By looking at the overall impact of the proposed CIP in any given year, the disruption of services or inconvenience imposed by construction activity in a locale can be kept to a minimum. For example, citizen complaints can be minimized by not

scheduling the chip sealing of a major arterial street concurrently with ongoing construction on immediately adjacent streets. Additionally, a comprehensive review of multiple projects to ensure adequate coordination can minimize multiple disruptions in a given area.

FY 2003 CAPITAL IMPROVEMENT PLAN

The City budget for FY 2003 includes 140 capital improvement projects totaling \$63.9 million. This amount includes \$25.3 million in carryover items that have been budgeted. Project funding is comprised of the following: \$5.5 million in grants primarily for airport improvements, affordable housing, street construction, beautification projects and parks construction; \$12.3 million in existing general obligation (G.O.) bonds primarily for Fourth Street overpass and water and wastewater improvements; \$31.4 million in operating funds that include street maintenance and improvements, flood control, land acquisition, FUTS and Streetscapes and water and wastewater improvements.

A separate Capital Budget and Capital Improvement Plan (Five-Year) will be prepared from the Annual Budget biannually. Detail project descriptions including location, justification, planning document references, operating impact, and funding and expenditure data are provided for all funded projects.

General Government Twenty-eight projects are scheduled for FY 2003 for a total of \$9.6 million. Operating funds will include financing for flood control, facility needs/land acquisition, ADA compliance in city facilities, and environmental remediation at city facilities. Total operating funds are \$7.8 million. Federal and State grants fund \$785,000 of the projects that include street construction, pond improvements and affordable housing. Of the 28 approved projects, two are being held pending the completion of the Department of justice, Americans with Disabilities Act retrofits. The two held projects total \$165,023 and are noted on Schedule 9 in the Financial Summaries section. Should the City be brought into compliance without using all of the set aside dollars, the funding will be returned to the divisions to complete the projects originally proposed. (See CIP Section for project listing).

Streets/Transportation The City currently has 211 miles of paved streets, as well as an additional ten miles of alleys and unpaved streets. Three major programs are funded in the CIP for the City's

streets and related infrastructure. These include an annual maintenance program of chip seal and overlay to extend the useful life of the existing street system; a streets/arterial improvement program to bring streets into current standards or widen to meet existing and anticipated traffic flow patterns; and capital projects including the completion of Butler/Enterprise reconstruction, Sunnyside street improvements Soliere Avenue extension to Fourth Street, the widening of Country Club, various Safe to School projects and the start of the Eastgateway road projects. There are a total of 20 Streets Transportation projects scheduled at a budgeted cost of \$24.7 million. HURF funds \$8.5 million, Transportation Tax grants are \$8.2 million and the balance of \$7 million is generally supplied from fund balance carryforwards.

The Transportation fund was formed in FY 2001 due to voter approval of four transportation issues. A new CIP division was formed in FY 2002 that is responsible for the implementation and follow-through of these voter approved projects.

BBB Funds Projects include Beautification, Tourism and Recreation funding. These projects include Route 66 landscaping, a contribution to ADOT for traffic interchange landscaping, FUTS trails, and major expansion of fields at both City and school district. This year Federal and State grants will provide funding of \$778,172. Thirty-four projects are scheduled for FY 2003. (See CIP Section for project listing).

Utilities Wastewater projects include replacement of sewer lines and replacement of bio tower media at the wastewater treatment plant. Water production efforts include a budget of \$1.6 million for Phase 2 to replace and upgrade infrastructure in the Sunnyside neighborhood and \$4.1 million for modifications to the filter at the treatment plant. The Utilities fund has set aside funds in both water and wastewater for potential system optimizing improvements; these may include additional automation systems. The Five-Year CIP also includes three replacement and upgrade projects to the water distribution system. Twenty-three water projects and 14 wastewater projects are scheduled for FY 2003. (See CIP Section for project listing).

Airport Fund Eight projects are scheduled for and the program focus is on expansion of airside infrastructure. The major project is the completion of the north parallel taxiway although investment in private hangars and rental car cleanup pending alternative financing mechanisms. State and

Federal grants fund \$4.2 million of the program. Proceeds from the sale of airport property will be used to match State grants. (See CIP Section for project listing).

Environmental Services Fund The Five-Year CIP for landfill operations provides for the expansion of the existing landfill site to extend its useful life from 12 years to 50 years. This year's CIP includes setting aside money for landfill closure and completion of the hazardous material facility. Thirteen projects are scheduled for FY 2003. (See CIP Section for project listing).

CAPITAL PLAN IMPLICATIONS

For a community to continue to grow and prosper, capital improvement needs must be balanced with the burden placed on its citizens to fund them. Therefore, the capital improvement program is evaluated in terms of its impact on a variety of factors such as property taxes, utility rates, and entering into other long-term commitments, i.e., affordability factors.

Property Tax: Servicing general obligation debt over the previous five years is shown in the Community Profile section. The table shows that debt as a percentage of assessed valuation has not fluctuated significantly and per capita debt has actually declined.

Utility Rate Structure: The Utility Rate Analysis, updated in the Spring of 2002, provides for major capital improvements, additional bond funding, and increased operating costs. No rate increase is recommended to meet these demands.

BBB Sales Taxes: The voters approved a 2% BBB tax in 1988 with a ten-year sunset provision and renewed the tax an additional fifteen years in March 1996. Capital projects currently underway include streetscaping along corridors, and the FUTS (Flagstaff Urban Trail System), and numerous parks and recreation projects.

Transportation Taxes: On May 16, 2000, the voters also approved a 0.51% transportation tax for twenty years that supports four major transportation issues. The four major areas undertaken are: the 4th Street Overpass; Safe to School/Pedestrian/Bike; Traffic Flow and Safety Improvements; and Transit Service Enhancements.

DEBT

DEBT CAPACITY

Flagstaff continues to experience steady, yet moderate increases in assessed valuations. The City's legal debt margin, shown below, demonstrates adequate capacity to complete the capital improvements planned for the next five years. Water and Wastewater has a remaining authorization of \$6.8 million. The City expects to issue the full amount in FY 2003. The issuance can be either G.O. Bonds or Revenue Bonds. There is an additional \$1.1 million in GO Bond Authorization for park construction. The City issued \$3.1 million in FY 2003. It is not anticipated to issue the balance.

General Obligation Debt
July 1, 2002

20% Limitation
(Water, Sewer, Lighting, Open Space,
and Recreation Purpose Bonds)

Assessed Valuation	\$ 429,030,400
Allowable 20% Debt	85,806,080
20% Debt Outstanding	<u>(28,498,221)</u>
Available Debt Margin	<u>\$ 57,307,859</u>

6% Limitation
(All Other General Obligation Bonds)

Assessed Valuation	\$ 429,030,400
Allowable 6% Debt	25,741,824
6% Debt Outstanding	<u>(5,560,000)</u>
Available Debt Margin	<u>\$ 20,181,824</u>

CURRENT DEBT POSITION

The City's underlying bond rating for general obligation bonds is presently "A+" by Standard & Poor's Corporation and "Aa3" by Moody's Investor Services representing an upgrade from A1. In assigning a rating to bond issuance, the rating agencies analyze several factors to determine an entity's ability to repay its debt. Some of these factors are described in the following text.

Economic factors reviewed include measures of growth such as: population and housing demographics; employment base; unemployment rate; competitiveness of services provided by the

governmental entity with surrounding jurisdictions; and vulnerability to revenue streams dependent on economy, e.g., sales taxes and delinquency rates on property tax collections. The City is well positioned because of its location and the diversity of its economic base.

Financial performance factors focus on the entity's ability to maintain a balanced budget regardless of economic circumstances. Ongoing expenditures should be supported by recurring revenue streams without reliance on one-time revenue sources, e.g., asset seizure funds or fund balance. Maintaining a fund balance of 10% of budgeted appropriations is indicative of sound financial management practices.

Debt factors analyzed include indebtedness trends, debt history, current debt burden, and debt repayment schedules. The economic feasibility and need for projects financed with debt are also evaluated, as there is a correlation between perceived benefit received and ability or willingness to repay debt. The history of past voter-approved bond authorizations is evaluated as an indicator of taxpayer willingness to repay debt, as well as the amount of overlapping debt imposed on the taxpayer. Development of a long-range capital improvement plan is a primary method of planning for future debt needs and is a meaningful way of demonstrating budgetary and fiscal controls.

Administrative factors reviewed include the professionalism of the administration relative to budgetary policies and practices, financial reporting and results of independent audit, and effective management practices. Debt limitations, tax rate and levy limitations and unused debt margins are also assessed. Focus on management capabilities includes personnel turnover, labor relations, and legal and political constraints evident in the organizational structure. Finally, assessment procedures are reviewed and property valuations are trended and analyzed.

Quality of Life factors include the physical, environmental, and social/cultural amenities of a community, which enhance the desirability as a place to live and thereby add to the valuation of the tax base.

DEBT SERVICE

At July 1, 2002, the total actual indebtedness is \$59.4 million and proposed outstanding indebtedness of the City is \$69.2 million. FY 2002 annual debt payments are projected to be \$9.7

million. Under current state statutes, the City's General Obligation bonded debt issuances are subject to a legal limitation based on 6% of assessed valuation of real property for general purposes, e.g., buildings, land acquisition, street and highway construction and a limitation of 20% on assessed valuation of real property for public works projects, e.g., water, sewer, sanitation, parks, and open space. At the start of the fiscal year, July 1, 2002, the City's 20% general obligation debt of \$28,498,221 is well below the legal limit of \$85,806,080. The City's 6% general obligation debt of \$5,560,000 is also well below the legal limit of \$25,721,824. The following table illustrates the total actual indebtedness through the life for all currently outstanding debt.

FY	Principal	Interest	Total
2003	\$ 5,928,457	\$ 2,902,504	\$ 8,830,961
2004	6,348,645	2,622,817	8,971,462
2005	6,360,179	2,355,283	8,715,462
2006	5,336,072	1,921,228	7,257,300
2007	5,997,399	2,068,570	8,065,969
2008	5,460,981	1,426,300	6,887,281
2009	5,589,023	1,150,683	6,739,706
2010	4,432,475	908,340	5,340,815
2011	4,601,352	685,114	5,286,466
2012	4,879,665	450,495	5,330,160
2013	2,735,000	208,589	2,943,589
2014	905,000	83,838	988,838
2015	420,000	40,850	460,850
2016	440,000	20,900	460,900
	<u>\$ 59,434,248</u>	<u>\$ 16,845,511</u>	<u>\$ 76,279,759</u>

POLICIES AND PROCEDURES

FISCAL POLICIES

A five-year Capital Improvement Plan is updated annually and includes anticipated funding sources. The City's accounting records for General Government operations (General, Special Revenue, Debt Service and Capital Projects Funds) are maintained on a basis consistent with Generally Accepted Accounting Principles (GAAP) with measurable revenues recorded when they become available to finance expenditures in the current fiscal year. "Available" is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on debt, are recognized in the accounting period in which the liability arises. State statute allows for encumbrances to be recognized for a 60-day period following the end of the prior fiscal year as uses of prior year appropriations. To ensure that appropriations do not lapse, departments are directed to rebudget for all items that are expected to be delivered after June 30.

For the Enterprise Funds, the annual budget is prepared on a basis that differs from GAAP because state law requires capital purchases and debt service payments to be budgeted as expenses, and bond proceeds and grants that are to be utilized are to be budgeted as revenues.

The capitalization limit was increased to \$5,000 from \$1,000 effective FY 2002. The change is retroactive and the fixed asset journal will be appropriately updated.

As a matter of general policy, the City of Flagstaff attempts to realize the following goals and objectives:

GENERAL

The City maintains a moderate property tax rate. The secondary property tax rate relates directly to voter-approved debt. General Obligation (G.O.) debt, supported by property tax revenues, may change based on one or both of the following factors: 1) assessed valuation; or 2) property tax rate changes commensurate with community consensus. Additionally, debt service requirements are repaid through a specified revenue stream whenever possible, e.g., water and sewer G.O. bond debt service requirements are built into utility rate structure.

The City's sales tax is used to meet the general operating needs of the City. An additional two cents (\$.02) BBB tax has been levied on lodging, restaurant, and bar services. This latter tax has been designated for enhancing the quality of life through Beautification projects, Economic Development, Tourism efforts, Arts & Science contributions, and Recreation projects.

The City has dedicated (\$.0051) sales tax for transportation purposes, which increased to \$.00574 in September 2001.

The City's goal is to maintain a minimum general fund balance of 15%. The budgeted fund balance for FY 2003 is at 16.8%.

Current revenues will be sufficient to support current operations. Grant funds are considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs.

ENTERPRISE FUNDS

The City has a policy of utilizing a systematic methodology to determine the rate increase in water and wastewater charges and fees based on the philosophy of "cost-of-service." All Utilities Fund and Environmental Services Fund operations are managed on the basis that they must be self-sustaining operations. The rate models include all capital costs and routine maintenance items. Analyses of both the water and sewer rate model and sanitation requirements were prepared this year. The water and sewer model currently indicates minor modifications in rate classes and a special review of capacity fees concluded increases should be implemented. The five-year Environmental Services analysis indicated the rate increases are warranted. Uncertainty with regards to the transfer of the tonnage to other landfills continues to place a significant impact on all costs in the Environmental Service Fund. Rates will continue to be examined annually for possible increase over the next five years. As a matter of policy, the City will raise the landfill fee to an amount higher than the tipping fee at the Material Recovery Facility (MRF) to encourage recycling.

An Environmental Services reserve will be determined and evaluated annually to provide funding for costs of landfill closure.

The City's goal is to maintain enterprise fund balances in excess of 5% due to the fluctuations of usage not in the control of the departments.

REAL ESTATE PROCEEDS FUND

The disposition of funds from real estate proceeds is governed by ordinance. Proceeds from the sale of real property assets will only be used for costs of acquisition or sale of real property. Proceeds shall be reinvested in like kind assets upon use, i.e., affordable housing property reinvested in affordable housing ventures.

DEBT PERFORMANCE

To ensure that the City's debt position and bond ratings remain favorable, the City's borrowing program strives to meet the following general debt performance goals:

- The City will limit long-term debt to only those capital improvements that cannot be financed from current revenues.
- The terms of repayment for any debt will not exceed the estimated useful life of the project or asset acquired nor will debt be used for recurring expenditures normally considered operational and maintenance expenditures.
- Minimize the impact of debt obligation on the general taxpayer, by:
 - o Using Special Improvement Districts (SID), revenue bonds (street projects), or user charges (water and sewer bonds) whenever possible.
 - o Determining if BBB funds (Beautification, Economic Development, Tourism, Recreation, and Arts & Science) should underwrite all or part of a proposed project.
 - o Creating sinking funds when possible to provide for expansion or replacement of capital items.
 - o Seeking out grant support to the maximum extent possible as well as other lower interest debt options such as state revolving loan funds or redevelopment district designation.
 - o Collaborating with the city's financial advisors to structure debt in such a way the debt load is explicitly related to the operating budget and the ability to handle debt will not impair operating needs. General obligation debt load will not exceed 15% to 20% of the operating budget and debt expenditures to allow sufficient resources to meet ongoing needs without placing an undue burden on the taxpayer.

- o Preparing an Official Statement on all bond offerings and notes, including Certificates of Participation.
- o Maintaining good relations with its financial advisor, bond rating agencies and insurance carriers, and providing full and open disclosure on all financial reports and prospectuses.

DEBT MANAGEMENT

The City will not pledge General Fund taxing authority to secure long-term debt except when marketability can be significantly enhanced.

At least 25% of capital outlay (including capital equipment acquisition) will be funded on a pay-as-you go basis. The City will fund on a pay-as-you-go basis as much as possible rather than using debt financing.

A feasibility analysis will be undertaken in-house for proposed long-term financing to determine current and future budgetary impact and reliability of revenue stream to support both debt service requirements and operations. Council will review the financing program annually.

Financing will not exceed the useful life of the infrastructure improvement.

Debt financing will be on a competitive basis. Private placements (negotiated financing) may be used when the market is highly volatile or the debt structure is highly unusual and complex as to financing structure or security structure.

Debt schedules will be prepared and included in the Annual Budget and Financial Plan (budget document) as well as the Five-Year Capital Improvement Plan with an annual update.

The City will diligently monitor compliance with all bond covenants as well as strict adherence to federal arbitrage regulations.

FUND BALANCES AND RESERVES

The City will strive to maintain fund balances of at least fifteen percent (15%) in the General Fund and ten percent (10%) in the Utilities Fund. Five percent (5%) is considered the minimum level necessary to maintain the City's credit worthiness (bond rating). However, a more stringent level is recommended so as to provide for:

- Economic uncertainties

- Assurance against vagaries and uncertainties in the bond market
- Cash flow requirements (60 days operating revenues)
- Adequate contingencies

A Landfill Sinking Fund has been established to provide for future closure and environmental regulation requirements and equipment needs. For closure costs, amounts are legally designated for future construction needs in order to insure financial compliance. Current estimates are more than \$13 million. The landfill rates include an allocation to the sinking fund.

EXPENDITURE LIMITATION CONTROL

The State of Arizona provides for several options regarding expenditure control limitations. State statute determines the allowable expenditure limits for each municipality. There can be a one-time adjustment, a permanent adjustment, or charter cities have a homerule option. The City operates under the state expenditure limitation rather than the home rule option allowed to Arizona municipalities, which requires voter approval every four years. The City has a one-time permanent adjustment to the base as a result of the BBB tax approved by voters in FY 88, which allows the City to increase the expenditure level base by the amount of the additional revenues generated by the tax.

Expenditure Limitation is presented as the basis of accounting presented by the uniform expenditure reporting system, which excludes expenditures of certain revenues specified in the Arizona Constitution.

BUDGET POLICIES

The accounting and budgeting systems for the City are in accordance with Generally Accepted Accounting Principles (GAAP) format, with minimal variances between the two systems. The different bases of accounting between the accounting and budgeting systems occur when there is a timing difference in when a transaction is recognized. GAAP variances that currently exist include recognizing depreciation expense, compensated absences, capitalizing interest, and sales tax receipts accrual.

The City will utilize a number of different fund types to segregate the financial activity within the City either due to regulatory reasons or as designated internally. The fund classifications are

Governmental funds, Proprietary funds and Fiduciary funds.

Governmental funds are typically those that account for the tax supported activity within the City. Within governmental funds, the sub-classifications utilized by the City are:

- General Fund - The chief operating fund that accounts for all activity not accounted for somewhere else. The General Fund currently encompasses the activities of General Administration, Management Services, Community Development, Public Safety, and Non-Departmental expenditures.
- Special Revenue Funds – Accounts for certain revenue sources that are set-aside for a specific purpose. Special Revenue Funds currently in existence are the Library, Highway User Revenue, Transportation, Beautification, Economic Development, Tourism, Art's and Sciences, BBB Recreation, Real Estate Proceeds, Community Redevelopment, and Metropolitan Planning Organization.
- Debt Service Funds – Established to set aside the resources needed to meet current and future debt service requirements on general long-term debt. The City has established the General Obligation Bond Fund, the Secondary Property Tax Fund, and the Special Assessment Fund in this category.
- Capital Projects Fund – Established to separately reflect major capital acquisitions and/or construction from other ongoing operating activity. The City of Flagstaff has established a General Fund Capital Project Fund.

Proprietary funds are used to account for those activities that are expected to be self-supporting through user fees in whole or in part. Proprietary funds encompass Enterprise funds.

- Enterprise Funds – May be utilized for any activity in which a fee is charged. An Enterprise Fund is required to be utilized if the debt is backed solely by fees or charges, if there is a legal requirement to recover cost through fees and charges, or there is a policy decision to recover cost. The City has three Enterprise Funds in the form of Utilities (Waste and Wastewater), Airport, and Environmental Services. The FY 2003 budget includes a new fund for Stormwater Utility.

Fiduciary funds are used when the City holds resources while acting as an agent for a party outside the government. The sole fiduciary fund the City holds is the Firemen's Pension Trust Fund

Budgetary control accounts are maintained in the general ledger system at a line item level to track estimated revenues, appropriations, and encumbrances.

The Comprehensive Annual Financial Report (CAFR) Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget to Actual reflects how well the City met its budget plan.

REVENUE DISTRIBUTION

- Highway Users Revenue Funds (HURF) will be used to fund a portion of the Annual Streets Maintenance Program (overlay, chip seal, reconstruction) at a level of effort that will strive to maintain the streets system based on availability of funding. A portion of HURF funds will also be appropriated each year for street and sidewalk improvements, streetlights, and Americans Disability Act (ADA) compliance.
- Local Transportation Assistance Funds (LTAF) will be used to fund a portion of the annual streets maintenance program.
- Debt service requirements for G. O. Water and Sewer bonds will be built into the respective rate models so that sufficient revenues are generated from user charges to cover annual debt service.
- BBB Funds are restricted to Beautification, Economic Development, Tourism, Arts & Science, and Recreation projects. The Beautification Fund will finance major beautification projects including an urban trail system, bikeways, pocket parks, streetscaping, rehabilitation, area redevelopment enhancements, and related maintenance expenditures. As determined at the April 1996 Council retreat, funds for recreation will serve to improve, maintain, and enhance park facilities.
- Annual funding for Economic Development opportunities, \$125,000 and Open Space \$150,000 shall be allocated on a priority basis from excess revenues over expenditures.

CONTRIBUTIONS TO ART IN PUBLIC PLACES

Art in Public Places has been funded through a general fund contribution of eligible capital projects. In addition, an art component may be incorporated in capital improvement designs. The Arts & Science Commission also appropriates an annual amount towards this effort.

OPERATING BUDGET IMPACT

The impact of capital improvements on the respective fund operating budgets is required for all capital projects. Costs are developed for first-year start-up costs as well as an annual operating cost estimate. For Enterprise Fund capital projects, debt service requirements are included in the rate projections. Please see the project descriptions in the Capital Improvements section for a complete list projects and the impacts.

Balanced revenue and expenditure forecasts will be prepared to examine the City's ability to absorb operating costs due to possible changes in the economy, service demands and capital improvements. The forecast will encompass five years and will be updated annually.

An analysis of impact on cost-of-service will also be undertaken by the City staff to determine if any changes to fees and charges should be recommended to Council.

MINIMUM LEVELS OF CAPITAL INVESTMENT

The Street Improvement Program will commit \$1.5 million for annual capital maintenance of the street system. In addition, \$100,000 will be allocated for ADA compliance in the street system.

The Water and Sewer system will undertake sufficient capital improvements considered routine operations and maintenance to prevent system degradation. Additionally, the inner basin waterline will be charged out over a 20-year period.

Sinking funds have been established for future landfill closure costs. Currently, it is estimated that \$13 million will be needed over 30 years starting in the year of closure to finance the closure and environmental regulatory compliance costs for the landfill. Landfill requirements are built into the Environmental Services rate structure.

ISSUES AND UPDATES

PERSONAL SERVICE COSTS

PAY PLAN

The FY 2003 budget includes a market adjustment of 5% to the City's pay plan for classified employees. The salary cost of the market adjustment is \$1,227,194. This adjustment is based on a market analysis, which included the same markets as identified in previous surveys. The market data includes local and private sector, as well as public sector information.

The pay plan for Administrative/Technical Professional (ATP) employees has not changed; it is still open range. ATP employees do not receive an automatic market adjustment; any pay increase received is based on performance. ATP employees in ranges 7 through 16 will be eligible to receive on average a 8.2% merit increase and ATP employees in ranges 17 and above a 7.2% merit increase.

In addition, the average merit increase that classified employees are eligible for is 3.2%. The total salary cost for merit increases for both classified and ATP employees are estimated to be \$1,039,423.

Changes have also been made to employees in clerical/administrative support positions. These positions have been consolidated in a "Broad Band Classification" system. Broad banding may be done when many jobs perform the same type of work but under different titles and in different departments. This process allows similar jobs to be combined into one larger classification, which contributes to more flexibility and efficiency in how these employees are worked and paid. It also decreases the number of classifications and job descriptions required. In this case six classifications were decreased to two. This also allows employees to move from one range to another once they meet the qualifications and performance requirements. Employees are compensated and moved through the pay system based on zones rather than steps through reclassification.

Skill based pay will be implemented in the Utilities Department on July 1, 2002 as a pilot program at the Wildcat and Rio Plants. Employees participating in the pilot program will initially be eligible for a maximum \$1,000 incentive pay based on realistic and attainable

performance metrics. During the pilot program compensation, training, and skill blocks will be fully developed for implementation.

Skill based pay is a means to increase productivity and efficiency through use of technology and a multiple-skilled workforce and to compensate employees for the increased value they bring to the job due to their knowledge and skills that are currently outside their specialty. Under this program compensation is tied to the technical level which has been associated with skill blocks. This system supports the development, sustainment and compensation of a flexible workforce.

HEALTH INSURANCE

Fiscal year 2003 begins the tenth year the City has participated in the joint purchasing of health insurance through Northern Arizona Public Employees Benefit Trust (NAPEBT). NAPEBT members are Coconino County, Flagstaff Unified School District and Coconino Community College, and the City of Flagstaff.

Due to a 22% increase in premiums this year, the NAPEBT Board decided to go out for proposals. Through this process three proposals were received and after extensive interviews, the NAPEBT Board decided to change providers. The new provider for health insurance will be Blue Cross Blue Shield of Arizona beginning July 1, 2002. Human Resources had open enrollment meetings with employees between May 20, 2002 to June 6, 2002, to make the transition to the new carrier. The increase in premiums resulted in a 14% increase while maintaining the current coverage and enhancing the plan with the following changes:

1. Prescription Card
2. Lab expenses covered at a higher rate
3. Eye Exams once a year vs. every other year.
4. Biodyne mental health services
5. On-Line Services, for both employer and employees
6. Enhanced Communication/ Educational Programs
7. Local Representatives
8. Enhanced Urgent Care Coverage

FY 2003's budget reflects the continuation of the City of Flagstaff paying the full premium for the employee and keeping the subsidy for dependent health insurance at its current rate of \$244.00 per month. For FY 2003 the total budget for employee only health insurance is \$2.6 million,

which is an approximate increase of 25% for all funds. The total cost of the dependent subsidy to the City is \$1.1 million, which is a cost to all funds of 9%. The increased cost to employees for dependent health insurance will be \$50.58 per month.

Dental insurance premiums, both employee only and dependent, resulted in a rate decrease of 4.3%. The City pays 100% of employee coverage and employees pay 100% for dependent coverage.

RECLASSES, RERANGES, RETITLES

Maintenance of the job classification system is an ongoing process to ensure that job classifications accurately reflect the responsibilities and tasks being performed by City employees. If a department head believes that an employee(s) is functioning out of class on a regular basis or that job responsibilities have changed sufficiently, a request may be made for the Human Resources Division to conduct a review. The Human Resources Division then conducts an audit and evaluates the request utilizing Decision Band Method (DBM) methodology.

If the audit and analysis indicates that an adjustment needs to be made to a position classification, Human Resources procedures allow for three types of changes.

1. RECLASS - An individual(s) within a classification is evaluated in regard to moving that person(s) from others in the same classification to a higher (or lower) classification. Some instances may include a title change.

2. RERANGE - A classification in a given pay range is evaluated in regard to moving that position classification to a higher (or lower) pay range. This effects all employees in the classification, including single incumbent classifications. Some instances may include a title change.

3. RETITLE - A job title is evaluated in regard to changing the job title only. This does not effect pay.

The audit can also show that the position is properly classified and/or titled and that no changes are needed.

All requests from departments were submitted to Human Resources for review, and only those recommended for approval were forwarded to the Budget Review Committee for inclusion in the FY 02-03 budget. Human Resources have notified all department heads of the status of their requests, whether approved or disapproved. All approved changes will be effective as of July 1, 2002.

Human Resources received a total of 16 requests and the following shows those positions that were approved:

RERANGES				
Old Position Classification	Old Range	New Title	New Range	No. of Employees Effected
Deputy Court Administrator	10	No Change	12	2
Court Administrator	14	No Change	17	1
Equipment Operator II	6	Equip. Optr. III – Commercial	7	8
Building Supervisor	11	Building & Safety Manager	12	1
Account Clerk III	7	No Change	8	1
Conservation Coordinator	9	No Change	10	1

RECLASSES				
Old Position Classification	Old Range	New Title	New Range	No. of Employees Effected
Sr. Equipment Parts Specialist	6	Buyer	8	1
Evidence Clerk	4	Evidence Technician	7	1
Engineering Tech II	6	Engineering Tech III	7	1
Building Clerk	4	Administrative Support Tech	6	1
Landfill Attendant	3	Administrative Support Assist	4	2
Landfill Clerk	4	Administrative Support Tech	4	1

REORGANIZATIONS

In an effort to streamline services and create better customer services the Community Development Department reorganized the front counter customer services area and the switchboard area so that these two areas were consolidated and a Development Services Supervisor position was created to provide direction to both areas. This change took place mid-year (FY01-02) and was part of the City's Organizational Development Program.

The Environmental Division also reorganized mid-year due to the Public Works Engineer position becoming vacation. The Public Works Engineer position was reclassified to a Environmental Program Manager. The current Environmental Technician was changed to full-time and the Environmental Technician was reclassified to Environmental Supervisor.

In an effort to improve efficiency and communications the Police Department created two Deputy Police Chief positions. One is in charge of operations and the other is in charge of support services and the day-to-day operations of the department. By creating an additional Deputy Chief Police position and splitting the responsibilities it enhances accountability and communication for each section. Communications and records were also separated due to the increase in workload that occurred with the consolidation with the county.

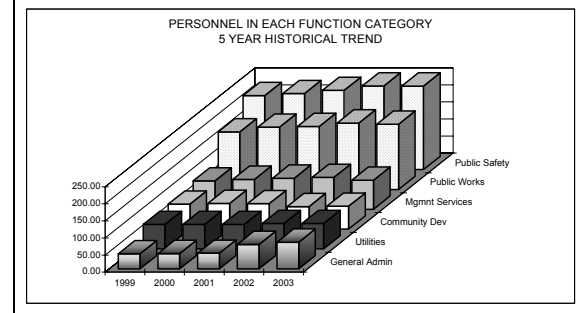
Facilities Maintenance also reorganized by reclassifying a Maintenance worker III position that specialized in carpentry (building desks and

tables) to a Maintenance Worker II. It was determined that it was cost effective to purchase desks and tables rather than have them built in house, especially when buying in volume. Changing the job to a lower level still allows for light carpentry projects and also provides more general maintenance work, which is needed. Through salary savings from the Maintenance Worker II and temporary wages another Maintenance Worker II was created building capacity to do more maintenance work.

NEW POSITIONS

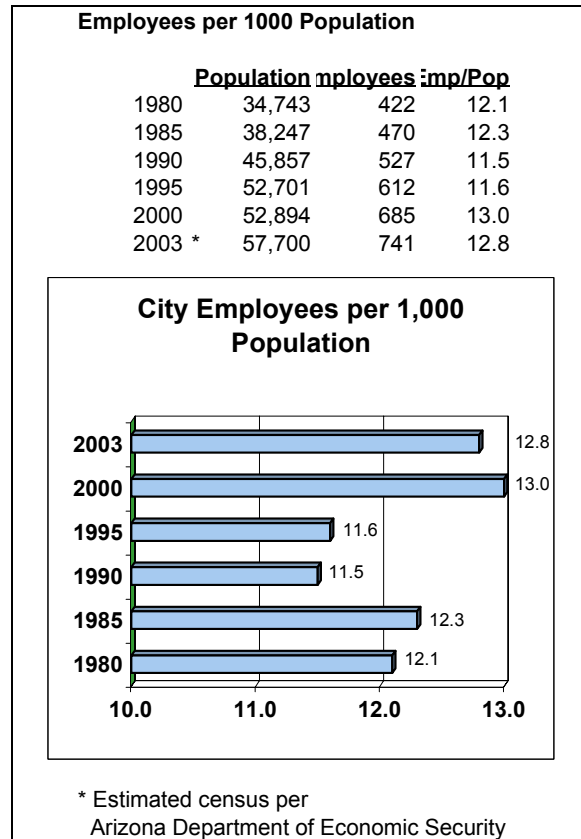
In preparing budget requests for FY 2003, departments were informed that new position requests would not be considered except for:

	1999	2000	2001	2002	2003
Public Safety	216.75	222.75	232.00	245.50	245.00
Public Works	169.00	182.50	184.50	194.75	191.25
Mgmt Services	83.25	87.75	91.00	93.50	85.25
Community Dev	73.00	75.50	75.00	66.25	67.25
Utilities	72.00	72.00	71.75	74.75	74.50
General Admin	43.75	44.75	45.75	71.50	78.00
	<u>657.75</u>	<u>685.25</u>	<u>700.00</u>	<u>746.25</u>	<u>741.25</u>



- 1) those that could identify a funding source;
- 2) those which are an inappropriate use of temporary positions.

A review of the Personnel Table of Organization (see Appendix Section), provides complete detail, including staffing request changes that are reclassification requests and transfers of personnel between divisions to accommodate changing program needs.



Increased Service Levels:

Court (1.0): The Flagstaff Municipal Court currently depends on information systems (IS) support from the Supreme Court administrative offices located in Phoenix. The addition of one FTE locally will greatly enhance the response time to local needs. The position will serve regional needs and is funded through JCEF. As the dependence on IS systems has greatly increased, a local staff person is needed to keep the systems operational in a timely manner.

Library (0.5): When the City opens the new East Flagstaff Branch, Library hours will be increasing and the addition of a half time clerk is necessary.

Streets (1.0): Traffic Signal Technician: The City currently supplies maintenance on an as needed basis to the 25 City owned traffic signal controlled intersections. This position will enhance service by addressing signal needs on a more proactive basis.

Maintaining Service Levels

Risk Management (0.5): The City is expanding its responsibility for claims management internally. The position cost is offset through savings in professional fees.

Purchasing (0.125): The Purchasing Department has experienced an expanded need in working with vendors, bids, and quotations. This position will also assist in covering the front desk as needed.

Budget reductions:

As part of the budget reductions efforts, divisions were asked to evaluate any position not currently filled to see if there were ways to reorganize the department which would result in a reduced staffing. As a result of those efforts, the following positions have been removed.

City Manager (0.625): The City Manager will not fill a 0.5 Intern position and a 0.125 Replacement position for the Executive Admin Support Coordinator. These reductions will not affect service as provided to our citizens.

Management Services (1.0): A Grants Assistant position has been eliminated from the City plan. A reorganization of duties involving both the Management Services division and the Finance division will accommodate the City's needs to appropriately pursue grant opportunities.

Library (0.45): When the East Flagstaff branch is open, the City will decrease the hours at the Downtown branch by closing the facility on Sundays.

Building Inspection (1.0): A cooperative effort between the Community Development Administrative team and the Building Inspection team has resulted in the ability that allows staff to revise their duties and eliminate a position.

Parks & Recreation (3.4): The Parks and Recreation department evaluated all programs and made reductions in many of them. The reduction is in temporary hours.

COST ALLOCATION

The cost allocation plan has been developed utilizing a methodology that is in accordance with generally accepted accounting principles (GAAP). Incorporated within GAAP are three basic principles related to the allocation of central service support costs to operating departments which have been adhered to in the preparation of the cost allocation plan. First, costs should be necessary and reasonable for proper performance of a program. Second, costs should be charged or allocated to programs in accordance with relative benefits received. A program should only be charged for services it utilizes or benefits from, and should only be charged in relation to benefits derived from the service. Third, costs should be accorded consistent treatment as either direct or indirect. A cost should not be charged to a program as a direct cost if any other cost incurred for the same purpose in like circumstances have been allocated to the program as indirect costs. The methodology accommodates detailed analysis of all service areas through the provisions of a structure that identifies total costs (both direct and indirect) by activity and allocates/assigns costs to benefiting services utilizing a base that appropriately represents the level of benefit

provided or derived from each activity by each service. The cost allocation is based on budgeted expenditures for the fiscal year ending June 30, 2002. The City utilized the services of a consultant to prepare this year's plan. The cost allocation plan will also provide information for user fees and the ability to charge indirect cost to grants.

METHODOLOGY

A multiple allocation base methodology has been utilized to prepare the Plan. This methodology acknowledges that the utilization of central administration and support (indirect) services by users varies by type of service. The cost of each indirect service or activity of a service is allocated to users based on an appropriate allocation base related to the service performed. For example, general accounting has been allocated to users based on total budgeted expenditures; accounts payable activities have been allocated on the number of accounts payable transactions processed during FY 2001; and human resources activities have been allocated on the number of budgeted full-time equivalent positions served. In selecting an allocation base to be used, the objective has been to utilize a base for each service that is available and reasonably results in the allocation of a service to users based on the relative benefit they receive or derive. A list of the allocation basis is provided in the Appendix.

City of Flagstaff
Cost Allocation
For Fiscal Year 2003

CENTRAL SERVICE	GENERAL AND OTHERS				HURF 040-044	UTILITIES 201	AIRPORT 270	ENVIRON. SERVICES 280	TOTAL	TOTAL CHARGED OUT - GF
	001	030	040-044	201						
General Fund Services										
Non-Departmental	\$ 2,208,436	32,139	79,448	135,604	35,554	70,902	2,562,083	353,647		
Council & Commissions	103,408	7,139	27,990	39,920	8,172	17,993	204,622	101,214		
City Manager	359,396	32,567	78,737	116,731	21,365	63,214	672,010	312,614		
City Clerk	77,674	5,642	20,683	31,233	5,714	14,227	155,173	77,499		
Law	313,997	16,403	60,127	86,394	16,610	41,360	534,891	220,894		
Human Resources	295,510	25,642	27,261	50,996	7,949	33,463	440,821	145,311		
Management Services	463,901	47,921	97,356	145,608	90,667	36,703	882,156	418,255		
Information Systems	357,168	16,172	43,510	120,735	14,384	74,798	626,767	269,599		
Finance and Budget	282,931	33,021	55,886	108,995	26,336	42,340	549,509	266,578		
Sales Tax & Licensing	489,657	21,477	-	20,845	17,685	32,846	582,510	92,853		
Public Works Admin.	43,764	-	41,516	-	45,183	44,086	174,549	130,785		
Public Facilities Maintenance	440,380	57,842	36,900	23,832	11,255	42,276	612,485	172,105		
Soils Remediation	54,390	282	55,145	19,398	3,831	68,123	201,169	146,779		
Mechanical Shop	58,391	303	59,201	20,828	4,113	73,131	215,967	157,576		
Community Devel. Admin.	152,975	-	-	-	-	-	152,975	-		
Engineering	1,340,628	-	607,425	381,285	-	3,475	2,332,813	992,185		
Planning	732,970	37,982	205,669	284,511	72,839	95,547	1,429,518	696,548		
Contributions	203,858	10,430	24,009	53,804	4,978	26,135	323,214	119,356		
Total General Fund	\$ 7,979,434	344,962	1,520,863	1,640,719	386,635	780,619	12,653,232	4,673,798		
General Administration	\$ 1,046,577	80,254	186,808	285,354	51,638	152,264	1,802,895	756,318		
Community Development	2,226,573	37,982	813,094	665,796	72,839	99,022	3,915,306	1,688,733		
Management Services	1,593,657	118,591	196,752	396,183	149,072	186,687	2,640,942	1,047,285		
Public Works	596,925	58,427	192,762	64,058	64,382	227,616	1,204,170	607,245		
Non-Departmental	2,515,702	49,708	131,447	229,328	48,704	115,030	3,089,919	574,217		
	\$ 7,979,434	344,962	1,520,863	1,640,719	386,635	780,619	12,653,232	4,673,798		
Utility Fund Services										
Customer Services	\$ 15,588	1,023	3,749	(89,663)	1,037	68,266	-	-		

FIVE-YEAR FLEET MANAGEMENT

The ultimate goal of Fleet Management is to maximize vehicle and equipment usage, retain units as long as possible, and replace units that are predicted to experience high cost expenditures in the near future.

The City currently has over 532 pieces of equipment. The Fleet Manager uses numerous criteria in analyzing the fleet replacement needs. Initially, the age and utilization of all equipment is reviewed to determine candidates for replacement. In addition, users are asked to submit equipment for evaluation by the Fleet Manager. The City has been using fleet management software for the past five years. This allows more accurate tracking of vehicle cost and utilization history.

The Fleet Manager along with his staff evaluates each piece of equipment submitted. The Fleet Manager evaluates fiscal year-to-date as well as life-to-date costs to determine if the vehicle or equipment has had recent major component overhaul or replacement. If engines or transmissions have been replaced or overhauled recently, retention is a strong consideration in the overall evaluation. If the units are mechanically sound and the body is in fairly good condition, the unit is usually recommended for retention another year.

If a unit has incurred a significant number of expenditures and is likely to experience major component failures, this unit will be recommended for replacement by the Fleet Manager and forwarded to the City Fleet Management Committee for their consideration.

The replacement of all equipment is evaluated by the City Fleet Management Committee, which is comprised of line workers throughout the City. Within strict budget constraints, the committee must make difficult decisions as to allocation of assets due to the thorough review by the Fleet Manager. The number of vehicle and equipment evaluations submitted to Fleet Management for FY 2003 was 31 with 15 being forwarded to the Fleet Management Committee for review.

During FY 2002, the Fleet Committee reviewed and revised replacement criteria policy. In most cases extending age/hour/mileage to encompass all equipment.

Other strategies used by Fleet and the Fleet Management Committee to use available resource more effectively include:

- Provide training to fleet committee on accessing the fleet computer system.
- Purchase of used equipment when applicable.
- Exchange of low mileage or underutilized equipment to more appropriate applications, e.g. trucks with heavy body damage traded from high profile inspector application to use by temporary part workers.
- Request user departments to submit written justification for units identified as under-utilized.

The following is a list of vehicles in the budget:

DIVISION	AMOUNT
16 ENGINEERING	
FLEET-4X4 EXT CAB PICK UP	22,725 a
17 BUILDING INSPECTION	
FLEET-4X4 EXT CAB PICK UP	18,165 a
21 FIRE	
FLEET-HAZARDOUS MATERIALS TRUCK	250,000
FLEET-TYPE 1 ENGINE (2)	666,220 a
22 POLICE	
FLEET-REPLACEMENT PATROL SEDANS	114,050
FLEET-4X4 PATROL VEHICLE	28,300
FLEET-4X4 ANIMAL CONTROL VEHICLE	18,165
26 PARKS	
FLEET-4X4 3/4 TON TRUCK	30,960
28 CEMETERY	
FLEET-4X4 1-TON DUMPTRUCK	31,525
TOTAL GENERAL FUND FLEET	\$ 1,180,110
32 STREETS	
FLEET-STREET SWEEPER	\$ 148,000
FLEET-12YD DUMP TRUCK	130,000
FLEET-12YD DUMP TRUCK	130,000
FLEET-1 TON FLAT BED	25,650
FLEET-1 TON SERVICE TRUCK	30,025
FLEET-PATCH TRUCK	91,125 a
TOTAL HURF FLEET	\$ 554,800
48 CUSTOMER SERVICE	
FLEET-4X4 PICK UP	\$ 18,165
FLEET-4X4 PICK UP	18,165
54 WASTEWATER COLLECTION	
FLEET-TV VAN	160,000 a
TOTAL UTILITIES FLEET	\$ 196,330
38 AIRPORT	
FLEET-HIGH SPEED SNOW PLOW	\$ 198,177
TOTAL AIRPORT FLEET	\$ 198,177
41 ENVIRONMENTAL SVC	
FLEET-COMMERICAL TOP LOADER(2)	\$ 340,000
FLEET-4X4 PICK UP	19,300
FLEET-TRASH TRUCK REAR LOADER	162,728 a
FLEET-ROLL OFF TRUCK	150,000 a
TOTAL ENVIRONMENTAL SERVICES FLEET	\$ 672,028
TOTAL FLEET	\$ 2,801,445

a = CARRYOVER ITEM

FIVE-YEAR INFORMATION SYSTEMS

The Information Systems division provides hardware and software resources to assist staff in analyzing data, providing alternatives and recommendations for Council policy decisions, and meeting reporting requirements. Division staff members provide additional services including evaluation of hardware, software, in-house systems analysis, software development, and software / hardware testing. The five-year plan is needed to properly allocate financial resources for maintenance, replacement, system upgrades, and system development.

The current five-year plan is divided into six classifications:

1. Leases: computer related major leases or purchases - personal computers, AS400, servers, network related hardware
2. Replacement programs: purchase of laser printers, miscellaneous computer purchase (PC's), monitors
3. Local and Wide Area Network: software, hardware, LAN/WAN cabling, and Internet access
4. GIS: hardware and software related to the City's Geographic Information Systems (GIS)
5. Software upgrades: purchase or upgrades of enterprise applications
6. New Hardware and Software Purchases: purchase request of miscellaneous hardware and software applications

Software Purchases

Allocation of \$30,000 during FY 2003 will allow for the acquisition and implementation of Code Enforcement and Infrastructure Inventory Control. This project is tentatively scheduled to begin during the fourth quarter of FY 2003. Project will require additional funding during FY2004.

Code Enforcement

- Automates the process of receiving a request for service, investigating the request, and creation of work orders to service the request
- Recording and tracking request

- Requestor information - name and address, confidentiality, requirements
- Location of problem
- Actions to be taken
- Response prioritization and priority assignment
- Preparation of memos or documents
- Follow-up action taken
- Ability to carry forward a complaint or code violation into the citation and notification process
- Statistical summaries by department, geographic area, etc
- Automatic mailings / notification to complainant or violator

Infrastructure Inventory Control System

- Ability to track multiple type of inventories (trees, light poles, hydrants, signs, structures, furniture, etc.)
- Maintenance tracking
- Creation of model to identify behavior of inventory items
- Ability to generate maintenance and accounting transactions against a give inventory

Local & Wide Area Network - Infrastructure

The City of Flagstaff has network infrastructure designed to deliver data at 100MPS to all nodes within the City's private fiber optic network, which provides connectivity to City Hall, Milligan House, City/County Library, City Court, and City Shop located on Mogollan Street. Future plans include the extension of the fiber network to the Bank One Building.

Currently in progress is the installation of a 40MPS private wireless wide area network. This will allow the City to replace existing T1 and most of our dial-in sites. The wireless wide area network will also allow for the creation of mobile and temporary sites.

The allocation of \$108,000 also includes funding for the creation of a cluster (redundant) server environment for the City's critical applications

Allocation for Internet access allows for Internet access with an initial bandwidth of 5MB via the City's Internet Service Provider.

MIS Five Year Projections	Budget				
	FY2003	FY2004	FY2005	FY2006	FY2007
Leases - 3 year					
Loan Payment	\$ 190,000	\$ 190,000	\$ 190,000	\$ -	\$ 290,000
Total - Leases - 3 year	190,000	190,000	190,000	-	290,000
Replacement Programs					
Laser Printers - Replacement	20,000	25,000	25,000	30,000	30,000
Replacement PC's	-	-	60,000	50,000	40,000
CD CAD PC Replacements	-	60,000	-	30,000	-
Total - Replacement Programs	20,000	85,000	85,000	110,000	70,000
Local & Wide Area Network					
City Hall - LAN - Cabling & Equip	108,000	100,000	110,000	105,000	55,000
Internet Access - Direct to NAP	60,000	60,000	60,000	60,000	60,000
Total - Local & Wide Area Network	168,000	160,000	170,000	165,000	115,000
GIS					
Hardware upgrades/replacement	30,000	40,000	20,000	60,000	15,000
Software upgrades	10,000	15,000	15,000	30,000	10,000
Total GIS	40,000	55,000	35,000	90,000	25,000
Software Upgrades					
Office 97 (Word,Excel,Access,Power Point)	-	-	23,000	100,000	-
GroupWise License	2,000	2,000	2,000	15,000	15,000
Softdesk / AutoCAD	-	-	-	35,000	35,000
KIVA Applications	30,000	10,000	-	-	-
Total Software Upgrades	32,000	12,000	25,000	150,000	50,000
New Hardware & Software Purchases					
Imaging	-	10,000	20,176	20,000	20,000
Laser Printers-Color	-	-	-	30,000	30,000
Other Hardware & Software Purchases	25,198	28,958	43,000	31,584	26,413
Total New Hardware & Software	25,198	38,958	63,176	81,584	76,413
Public Safety					
Police Upgrades	25,800	14,000	14,000	14,000	14,000
Police Laptops	10,000	10,000	10,000	10,000	10,000
Total Public Safety	35,800	24,000	24,000	24,000	24,000
Total Expenditures	\$ 510,998	564,958	592,176	620,584	650,413
Funding					
General Fund MIS allocation	\$ 669,548	703,025	738,176	775,085	813,839
Total Funding	\$ 669,548	703,025	738,176	775,085	813,839
Expenditure Summary					
Leases	\$ 190,000	190,000	190,000	-	290,000
Replacement Program	20,000	85,000	85,000	110,000	70,000
Local & Wide Area Network	168,000	160,000	170,000	165,000	115,000
GIS	40,000	55,000	35,000	90,000	25,000
Software Upgrades	32,000	12,000	25,000	150,000	50,000
New Hardware & Software Purchases	25,198	38,958	63,176	81,584	76,413
Public Safety	35,800	24,000	24,000	24,000	24,000
Total Expenditures	510,998	564,958	592,176	620,584	650,413
Excess/(deficit) Funding over Expenditures	158,550	138,067	146,000	154,501	163,426
Cumulative Excess/(deficit)	\$ 306,215	\$ 444,282	\$ 590,282	\$ 744,783	\$ 908,209

2002 Updates

Facilities/Redevelopment

The Flagstaff City Council adopted its first Redevelopment Area Designation and Redevelopment Area Plan in 1992. In August of 2001, the Council designated its second Redevelopment Area for the East Flagstaff Gateway. The City Council has set aside certain funds to promote redevelopment through property acquisition, public infrastructure, design services and marketing.

During the last budget year, the City Council identified several areas for redevelopment planning. These included the Flagstaff Mall, the Downtown Gateway West and the Southside Warehouse District. The City retained Field Paoli Architects to develop concept designs and to provide a public process for the discussion of redevelopment opportunities in these areas. Field Paoli has held four workshops for the public since November to gather input. Also, they retained several outside consultants to review the Flagstaff market and propose some preliminary financial analyses. Their final report will be used as a guide to develop specific plans with the private sector for each of these areas.

Staff has also worked with other City departments and outside consultants to develop tools that may be used for both new developments and also expansion and retention of existing businesses. This past year the Redevelopment Program retained more than 150 jobs and added 75. The 156 jobs were retained at the Nestlé Purina plant while also adding 25 jobs; 50 new jobs were at Monsoons on the Rim.

The City's Redevelopment Program has also completed a number of steps this past year that will assist in attracting tenants and developers for future projects. Among those steps are:

- Creation of a national marketing program that educates tenants and developers about Flagstaff. Ads have been placed in *Expansion Management, Plants Sites and Parks, Sites, and Shopping Centers Today*. More than 35 leads have been generated for potential new businesses for Flagstaff.
- Direct mail campaign to potential retail tenants for Downtown and the Mall. More

than 200 letters sent out to potential tenants. Interest in locating to Flagstaff has been expressed by more than half a dozen tenants.

- Attendance at three national retail marketing conferences, including a marketing booth at the International Conference on Shopping Centers
- Creation of marketing and demographic information for potential tenants
- Preliminary analysis of the potential for a Conference Center and Hotel in Downtown

During the past year, Flagstaff has become known as an area willing to explore partnerships and outstanding private developments. Staff proposes to leverage its work from this past year with the marketing of actual development projects like the Mall Expansion and Downtown.

This year's Work Program will concentrate on the following areas:

East Flagstaff Gateway

- Creation of a comprehensive Redevelopment Plan
- Rezoning of the existing Mall expansion parcel
- Creation of an Auto Mall
- Request for Proposals for recreational facility and housing project
- Creation of a Development Agreement with Westcor
- Implementation of Capital Improvement Projects for infrastructure around the Mall
- Resolution of State Land Lease arrangements
- Completion of expansion of a major industrial employer

All of the above proposals will be presented to Council for approvals by the end of 2002. Staff will be working with Westcor to market the Mall expansion project to potential tenants. Also, staff will be working to complete marketing and leasing of the Auto Mall.

Downtown

The City will be utilizing the planning report prepared by Field Paoli and finalizing a schedule for issuing Requests for Proposals for the Downtown Gateway West corridor. Proposals would include housing, retail, office, and parking.

Staff will continue to work with existing Downtown tenants and property owners to maintain and improve the Downtown business environment.

Staff will be issuing a Request for Proposals for a Hotel and Conference Center facility for the Downtown. The project will likely include conference and meeting facilities, a 250-room three to four star hotel and a parking garage. The project is being considered downtown although all sites will be considered in the proposal.

Southside

As part of the Field Paoli study of the Southside Warehouse District, many issues were brought up as part of the public process that had an impact on the entire Southside neighborhood. A comprehensive redevelopment plan for the Southside will be developed that includes examining existing housing stock, links to NAU, retail and transportation corridors and the historic character of the neighborhood.

As a result of the Rio De Flag project, it is likely that the Southside will be removed from the floodplain sometime during the latter part of this decade. Once it has been removed, much of the area will be open for development. This planning process will develop guidelines to assist in creating future new development that is compatible with the overall neighborhood while allowing growth that conforms to the Regional Plan.

This effort will be dovetailed with the Housing Section's Revitalization Strategy for the Southside under H.U.D. guidelines and the Capital Division's Lone Tree Corridor Study.

Marketing

Staff began a national marketing campaign this past year that promoted Flagstaff as a business and retail destination for companies seeking a regional retail economic base and for those businesses seeking a higher quality of life for their employees. Typically, it takes two to three years to begin to influence decision-makers regarding a market's viability. This program will continue and will also include marketing our Requests for Proposals to a wider audience.

Planning

FY 2003

Special Projects and Planning Studies

For FY 2003, in addition to on-going operations, the Planning Division is geared up for a number of special projects, some of which are continuations and "next steps" of work already begun, and some of which are new starts. This list represents the significant special projects that will be undertaken by the six sections that include Redevelopment, Development Review, Urban Design, Housing, Zoning Administration and Long Range. Most of the items will be performed in-house, however those work items that are proposed to be consultant-based are noted. All work tasks will be carried out through multi-sectional team assignments in the Planning Division, and collaboration with other Divisions and Departments as necessary. These projects all evolved from the Division's Strategic Work Program 2001-2004, presented to the Council in May 2001.

Regional Plan/City/County IGA for implementation of the Regional Plan. This IGA will coordinate and set forth the applicability and process for mutual City/County review of significant proposals.

LDC Amendments. This years effort will include evaluating and altering the development standards of the Business Park (BP) zoning district, particularly at the Airpark.

Development of an Urban Open Space Proposition. Includes McMillan Mesa as a component of a multi-purpose capital initiative for voter approval.

Completion of the Development Fees Draft Ordinance. This includes a \$20,000 carryover for Tischler and Associates.

Resolution of the Walnut Canyon Monument Expansion. In conjunction with the Forest Service and State Land Department.

Census. Resolution of the 2000 Census appeal.

Southside Area Plan. Commencement of the Southside Area Plan/Phase II in conjunction with the Lone Tree Road Corridor Study and the Southside Revitalization (HUD) Plan. This

includes \$100,000 for urban design and planning consultants, includes \$30,000 saved from McMillan Mesa contract and incorporates the Stone Container site for potential TND development.

East Gateway Redevelopment Plan. Completion of the East Gateway Redevelopment Plan, rezoning of the Mall expansion site, and commencement of design/build contract for public improvements.

Downtown Conference Center. Preparation and release of the Downtown Conference Center Hotel RFP.

Rio Homes and Ponderosa Trails. Complete the sale and begin design of City parcels for development of mixed income housing and identify next sites.

Izabel Housing Sites. Commence construction of the Izabel affordable housing sites.

Community Land Trust. Explore and pursue the creation of a community land trust for production of affordable homes.

Downtown Gateway West. Issue RFP for Downtown Gateway West project timed in conjunction with Rio de Flag project.

Rio de Flag. Complete design and assure funding of Rio de Flag “betterments”, including FUTS, streetscape and urban design elements in conjunction with Corps of Engineers.

Southside Warehouse District. Issue RFP for Southside Warehouse District timed in conjunction with Rio de Flag project.

State Trust Lands. Participate in the development of a state-wide initiative designed to set-aside State Trust Lands for conservation.

McMillan Mesa. Preparation of the McMillan Mesa major amendment to the new Regional Plan, with associated rezonings.

Gateway Improvements. Construction of I-40/I-17 gateway improvements.

Butler/Enterprise. Construction of the Butler/Enterprise Gateway improvements, including the AZ Trail pedestrian underpass.

East Flag Traffic Interchange. Design of the East Flag Traffic Interchange Gateway improvements.

Design Review. Integration of the new Design Review process and revised Development Review process.

Redevelopment Marketing. Marketing of East Flag Gateway, Auto Mall, Downtown East, West and Southside to potential tenants.

West Side Annexation. Coordination of the West Side Annexation, as time permits. Staff originally proposed \$75,000 for consulting assistance with this project.

Affordable Housing

Affordable Housing had a number of accomplishments this past year, including:

PLANNING AND ADMINISTRATION

- Completed 2002–2003 Annual Action Plan and received Council and HUD approval.
- Completed Sunnyside Neighborhood Revitalization Strategy and received Council and HUD approval..
- Completed CDBG Consolidated Annual Performance and Evaluation Report and received satisfactory performance evaluation from HUD.
- Completed a new Analysis to Impediments to Fair Housing and obtained HUD approval.

AFFORDABLE HOUSING DEVELOPMENT AND NEIGHBORHOOD CONSERVATION

- Demolished six dilapidated structures in Sunnyside.
- Acquired four parcels of property in Sunnyside for the construction of affordable housing.
- Completed construction of eight affordable owner-occupied homes.
- Completed development plans for thirteen affordable owner-occupied homes.
- Completed nine owner-occupied housing rehabilitation projects.
- Assisted fifty low- and middle-income first time homebuyers.
- Received council approval of ordinances to sell Rio Homes and Ponderosa Homes for

the development of mixed income residential housing.

- Received purchase bids and development proposals for developing Rio Homes and Ponderosa Homes with mixed income residential housing.
- Provided job training assistance to 75 women from the Sunnyside Neighborhood

In FY2003, the Housing Section will undertake the following affordable housing endeavors through public private partnerships.

- Owner Occupied Housing Rehabilitation Loan Programs
- Mortgage Down Payment and Closing Cost Loan Programs
- Construction of New Homes on Vacant and Redevelopment Properties
- Acquisition of Existing Older and Vacant Homes for Rehabilitation and Sale
- Acquisition of Property for Future Development of Affordable Housing
- Payment of Building Permit Costs for Affordable Housing Units Built per Ordinance 2001-14
- Execution of Development Agreements with Private Developers to Build Affordable Housing on City Owner Land

The sale of City owned land will result in a substantial increase in the production of the entry level affordable housing stock during this and subsequent fiscal years. In FY 2003 the City will sell two large tracts of City property to private developers, selected through a competitive process, who have the expertise to construct exceptional mixed income residential housing developments with at least 20% of the units costing \$115,000 or renting for \$650 (three bedroom). The tracts are known as Ponderosa Trails (18 acres) and Rio Homes (18 acres). The size of the parcels allows for development costs, including the cost of the affordable housing subsidy as applicable, to be absorbed by the sale proceeds of a majority of market rate units. Additionally, the mixed income development concept required as a condition of the sale effects a reduction in the value and price of the land, further contributing to the affordability. The sale proceeds will be used by the City to purchase more land for the construction of affordable housing through a similar arrangement.

E-Government

The City of Flagstaff continues to pursue e-government strategies to support the citizenry, businesses, and other governmental entities that interact with the City.

The E-Government Team received a proposal from the State's e-government partner, IBM, to develop a long-term strategy to address these needs. This long-term plan would include a needs assessment (internal and external), total cost of hardware, software, maintenance and personnel. Part of the plan would be implementation policies, including determining whether or not to charge users for e-government services. However, due to this year's budget constraints, the e-government committee decided not to enter into a consulting agreement, estimated cost \$178,000, this year. Additional enhancements to the City's web page will be made this next fiscal year through the web page host.

For FY 2003, the E-Government Team will concentrate on awarding a contract for web page development, hosting, and maintenance services. There is money budgeted (\$30,000) to pay for these services. The City's web presence has grown and there is a need to better define how additional web services are designed, implemented and maintained. Additionally, as the City's web services grow, a web server agreement addressing expansion, security and maintenance will be addressed in the RFP. As part of a system improvement, the City changed Internet Service Providers to purchase more bandwidth (speed) due to increased volume of inbound and outbound e-mails and use of the Internet.

Utilities Department Organizational Development Program

The Utilities Department has been active in quality improvement arenas for several years and continues to strive for improvement. The Director and Assistant Director are both trained by the America Water Works Association (AWWA) as peer reviewers for the AWWA QualServe Program. They have been asked this year to assist in evaluating water and wastewater systems in Littleton, Colorado and Rapid City, South Dakota. The Department

recognizes that quality improvement is a full-time effort in order to keep up with changing technology and the high expectations of our customers.

The Department is continuing to work with the management-consulting firm of EMA. The consulting firm has estimated there is a potential of \$1.4 million to \$1.8 million that can be saved annually by addressing the following areas:

- Total productive operations
- Program driven maintenance
- Unattended facilities
- Use of technology
- Reorganization

Skill-based pay is an enabler for total productive operations and has been set as a goal to have in place by July 2002. The pilot skill-based pay group has been selected and is anticipated to begin in July of this year. The following work has been completed during FY 2002 toward the optimization project:

- Savings opportunities have been identified
- Identified detail and level of work in Utilities divisions
- Reduced staffing level at the Lake Mary Water Treatment Plant
- Identified core, support, and convenience activities
- Identified potential new revenue sources
- Began cross training between the two wastewater treatment plants
- Identified the approach to skill-based pay
- Selected the pilot location for skill-based pay
- Went to one operator "on-call" for both wastewater treatment plants
- Went to one supervisor for both water distribution and wastewater collection
- Went to one supervisor for both wastewater treatment plants
- Began selection process for Computerized Maintenance Management System (CMMS)

Budgeted funding for FY 2003 includes the following uses:

CMMS -	\$70,000
Training -	\$69,100
Skill-based pay -	\$81,800
SCADA -	\$95,000
EMA, Inc. -	\$190,000

The Department has been fortunate to have the continued support of the Water Commission and the City Council for its quality initiative programs.

Stormwater Management Utility

The City of Flagstaff initiated a Stormwater Program and Financing Action Plan in June 2000 to determine the type of stormwater program needed in Flagstaff and explore various financing options. The utility or user-fee based financing strategy was determined as the best primary funding mechanism for a more comprehensive program. In July 2001, the City Council adopted Ordinance 2001-18 establishing a stormwater utility as an enterprise-fund accounting structure. The City has since undertaken development of a detailed program and funding strategy for the implementation of a stormwater user-fee.

With the assistance of the Stormwater Advisory Committee, program priorities have been identified and a comprehensive program has been developed to address these priorities and compliance with the National Pollutant Discharge Elimination System (NPDES) Phase II stormwater water quality mandate. The detailed cost of service and rate study analyses is nearing completion and a master account file is being prepared. It is anticipated that the user-fee-based program will be implemented in FY 2003. The Stormwater Advisory Committee through City staff will present the Stormwater level of service plan with associated rates for Council approval in the Summer of 2002 with the first billing commencing in January 2003.

The City's NPDES permit application is due before March 10, 2003. The City then has five years in which to fully develop and implement a stormwater quality program. Thus, the needs in Flagstaff dictate that the initial efforts focus on program development and foundational steps. Stormwater management is much more than the construction of capital projects or field operations and maintenance, although they are highly visible program components. The first five years will focus on program development, creating the building blocks that will enable Flagstaff to address critical issues in the long-term. These building blocks will begin with expanding technical capability through master planning, design and regulatory oversight, public education, construction site management,

drainage system inventory and improved maintenance capabilities. Major capital improvements will not be the focus in the short-term but remedial maintenance projects in the range of \$10,000 to \$100,000 will enhance the existing system during the period of developing master plans that will drive a long-term capital investment program.

Staff appreciates the support the Council has shown this process to date.

Parks and Recreation Bond

Voters approved the current recreation bond for \$8.2M on November 5, 1996. The intent of the bond was to address thirteen projects, which were considered Master Plan priorities at the time. The time frame for completion was estimated at eight years, culminating in FY 2004.

To date, six recreation bond projects are complete: Bow and Arrow, Bushmaster, Continental, MEMS Field, Killip Field, and Sechrist Field. Two recreation bond projects are scheduled for construction spring/summer 2002: McMillan Mesa and Foxglenn. Three recreation bond projects will be designed summer/fall 2002 with construction in either 2002 or 2003: Christensen Field, Thomas Field, and Thorpe Phase I. One project is for the design of a future Aquatics Center. This project, if pursued, could occur summer-winter 2003. The Parks and Recreation Commission and staff recommend that the remaining project, Linda Vista, be cancelled due to site constraints.

In addition to the bond funded projects, the City has also been able to address five other significant projects during the same timeframe: FHS/MEMS Pool Renovations, JLAC Ice Rink Locker Room/Lobby Renovations, Continental Land Acquisition, Lake Mary Land Acquisition, and Cheshire Land Acquisition/Expansion. Funds for these additional projects are derived from BBB tax revenues, earned interest, a general fund tax shift, and grants.

The City Council and staff are advancing the purchase of the land to expand Cheshire Park, estimated to cost \$800,000 exceeding the \$200,000 originally scheduled for a lease payment. To fund the additional \$600,000 the following reductions were made: Reduce the

Aquatic Design budget by \$200,000, reduce the Continental Land Acquisition by \$200,000 (net), and reducing the Foxglenn Park construction budget by \$200,000 (to reflect the awarded construction bid).

In addition to capital expansion, the Recreation BBB fund is also used for maintenance of improved parks and FUTS trails, construction management, FUTS construction, and other earmarked expenses. In order to provide for these ongoing expenses, there is a limit to the number of construction and acquisition projects that can be realized, unless other sources of operating funds are identified.

2003 Issues

Capital Improvement Division Cost Allocation

In the FY 2002 annual budget, the City Council approved the creation of the Capital Improvements Division (CID). One organizational goal of the Capital Improvements Division is to be accountable for the delivery of the Capital Improvement Program in a cost effective, efficient, and timely manner. Another organizational goal is to reduce operating impacts to the City's General Fund, when ever possible.

Traditionally all consultant services, construction inspection, and materials testing project delivery costs are directly allocated to a benefited capital project. Similarly, a portion of project administration cost (staff salaries, vacation and sick leave) has been directly allocated to a project. This left a remaining portion of project administration to be allocated as an indirect cost to the various operating funds for which the CID is delivering budgeted projects. It hasn't been allocated as a project expense. These indirect costs include staff salaries paid for time in training, non-project meetings, capital budget preparation, etc. and other resources used by the CID as commodities or contractual expenses.

The methodology adopted for FY2003 allocates all the CID operating expenses to budgeted capital projects for the fiscal year. This allows

for all indirect expense to be treated in the same manner as direct expense. Any decision to fund a capital project can be made knowing the total project cost.

This approach allows the CID to deliver capital improvement program projects without uncertain fiscal impact to any operating funds.

Environmental Services

The Environmental Services Division, formerly the Solid Waste Division, has significantly changed its scope and definition over the last three years. Previously, the enterprise-funded division focused on providing a variety of for-fee services involving refuse collection and disposal.

In 1995, the Solid Waste Division, working with Public Works Administration's Conservation Coordinator, developed a comprehensive full-scale recycling program, which was implemented in 1998. At that same time, the Conservation Coordinator was responsible for several other programs directly related to the Solid Waste Division's activities. These included Recycling Education, Litter Code Enforcement, Abandoned Vehicle, Household Hazardous Waste, and the Clean and Green programs.

Public Works Administration was also responsible for the newly formed Environmental Management Program, which dealt with all environmental issues for the City. As with the Conservation programs, it was quickly realized that many of the environmental issues had a direct relation or impact on the Solid Waste Division. The common thread between all of these programs was protecting the environment. In fiscal year 1999, the Environmental Services Division was formed to consolidate these programs into one division in an effort to increase productivity and efficiency in the coordination of environmental programs.

The new division was funded through service fees from the enterprise fund programs, BBB funds for the Clean and Green programs, and general fund contributions for the Code Enforcement, Abandoned Vehicle and Environmental Management programs. Over the past two years, funding for these programs from the general fund have been reduced due to budget constraints and competing needs in general funded programs. The enterprise fund has been making up the budget shortfall,

however this is not a sustainable effort. Some type of recovery effort must be initiated.

Several alternatives were explored to fund the Environmental Management programs including increasing the solid waste fees, restoring the General Fund transfer, and establishing a separate Environmental Services fee.

As these programs are directly related to the health, welfare and quality of life for all citizens of Flagstaff, the funding for these programs should be shared by all that benefit. To this end, the City will pursue a separate and distinct Environmental Services fee.

Special Census

The U.S. Census Bureau conducts special censuses at the request of a governmental unit, e.g., state, county, city or other political subdivision within a state. The basic objective of a special census is to obtain updated population and housing counts. The standard information provided by the Special Census Program is age, sex, relationship, and race. Also provided is the occupancy or vacancy status, type of vacancy, and tenure for housing units. For a special census, the City may add questions to gather data on housing, transportation, or land use planning; however, questions must be in accordance with subjects covered by the census. Added questions increase the special census fee.

Slight shifts in our population standing in comparison to the rest of the State, translate into huge dollars to our City. Based upon the FY 2002 revenue distributions for State Sales Tax and State Income Tax. If our City gains or loses 1/10th of a population percent as compared to the rest of the State, we stand to gain or lose more than \$700,000.

A significant amount of City staff time is necessary to complete a special census. Tasks include:

- Advertising for and hiring the census takers.
- Scheduling training sessions for census takers.
- Arranging and paying for meeting places for training.
- Obtaining, leasing, and furnishing the facility (electronics and office equipment) for the census operation.
- Updating census maps.

- Oversight and coordination

The City assumes full responsibility for the cost of the special census. While the cost to conduct the Special Census in 1995 was \$190,000, the cost is anticipated to be approximately \$300,000 for a census in 2005. The increase is due to inflation and the community growth.

The Special Census Program is expected to be ready for field implementation in 2003. A Special Census can be conducted any year between 2003 and 2008. The Census Bureau believes there will be a large number of special censuses requested during this time frame. The Census Bureau strongly advises that a government request placement on the waiting list in the Fall of 2002 for a 2005 Special Census. The Census Bureau will handle requests on a first come first serve basis.

The City will pursue a special census in FY2005 in its efforts to maintain a balance with the rest of the State. This timing is intended to maximize the City's return on its investment to complete this task.

Information Systems – Lease vs. Purchase

Determining whether leasing or buying is better economically requires knowing the purchase cost of the asset, the rental costs, the interest rate on a loan if funds are borrowed to buy the asset, and the expected value of the asset at the end of the lease term.

Businesses lease for several reasons.

- To conserve cash.
- To not be locked into technology.
- Facilitate standardization efforts.
- Help smooth budget spikes.
- Better assets than you could afford to buy.
- Tax advantages.
- Book accounting advantages.
- Incentives.

Leasing is not the best choice for everyone.

- The interest rate used for the lease is higher than you would pay on a loan.
- You may be able to use an asset considerably longer if it was purchased, thus saving funds in later years

- Inability to adhere to the contract length, terms, and conditions
- Lack of a strong architectural plan for technology
- Need for flexibility

During fiscal year 1997-98 the City issued an RFP that provided for both a lease and lease purchase option. The City had a need to upgrade its existing inventory of personal computers, network servers, mid-range computer, and network switching equipment, however sufficient funding was not available internally.

An RFP was created that provided both a lease and lease purchase option. The lease purchase option was chosen over the lease option for the PC's and servers for several reasons, 1) commitment to upgrade in three years to new equipment by the same vendor 2) the net present value of the lease option was more costly.

Leasing was an attractive alternative for all computer-related components until 2000 / 2001, at which time a downward spiral in cost of computer hardware occurred. Cost of PC's and servers have seen cost decreases of 40 to 60%. The concept of thin client is now an acceptable alternative to thick client. Thin server technologies that utilize either network area storage (NAS) or storage area network (SAN) are the current trend.

Given that the current technological environment is ever changing, and the magnitude of need in the current year is manageable through available resources, outright purchasing will be pursued. The City will continue to analyze all purchases relative to leasing dependent on market conditions.

Fleet Services – Use of Biodiesel

Biodiesel is a diesel fuel substitute produced from renewable sources such as vegetable oils, animal fats, and recycled cooking oils. It can be used in unmodified diesel engines. It is safe, biodegradable, and reduces air pollutants such as soot, particulates, carbon monoxide, hydrocarbons and other air toxins. Performance, storage requirement, and maintenance are similar for biodiesel blend fuels and petroleum diesel (petrodiesel).

Biodiesel is one of several alternative fuels, such as ethanol, compressed natural gas, propane, methanol, etc., that are being developed to reduce our reliance on non-renewable petroleum fuels. Biodiesel is usually blended with petroleum diesel for use in diesel engines. A blend called B20, for example, refers to 20% biodiesel, 80% petroleum diesel. An EPA study found that biodiesel; B20 reduced total hydrocarbons by up to 30%, carbon monoxide up to 20%, and total particulate matter up to 15%. Typically, emissions of nitrogen oxides (NOx) are either slightly reduced or slightly increased depending on the duty cycle of the engine and testing methods used. Increases in NOx can be effectively eliminated with the use of normal mechanical remediation techniques (e.g. catalysts or timing changes). Research also documents the fact that the ozone forming potential of the hydrocarbon emissions of pure biodiesel is nearly 50% less than that of petroleum fuel.

Biodiesel B20 does not have an adverse affect on storage tanks, fuel filters, fuel pumps or nozzle filters at the pumps. The current price difference of 15¢ and 20¢ per gallon is anticipated to be reduced in the future as more commercial sites choose the blend for over the road truck stops and as government entities join consortiums. While the City did not budget for biodiesel in FY2003, the City will continue to monitor biodiesel until it is more cost effective to use. The City will also explore what other incentives may be available to assist in recouping the additional cost.

Fleet Services – Labor Rates and Environmental Fees

Shop labor rates have been at \$38.00 per hour since 1994. This leaves year-end fund allocations of additional costs ranging from \$100,000 to \$400,000 that should have been distributed to the pieces of equipment that actually incurred the costs. This method distorts the actual equipment costs per hour/mile and does not capture accurate cost data. Accurate cost data is critical to the Fleet Committee to determine yearly replacement evaluations as the optimum time to replace equipment is achieved when cost of maintenance operations equal the purchase price of the vehicle. Several options were evaluated and the City chose to:

- Change the shop rate to \$42.00 per hour, and add:
 - a. Parts markup percentage
 - b. Fuel markup per gallon

- c. Charge an environmental waste disposal fee
- d. Review and adjust rates after 2-3 year period.

It is believed to be the most equitable method of distributing actual shop costs to the equipment serviced.

Also, as with any fleet service facility, there are numerous wastes generated during the course of fleet operation and maintenance. The acceptable practice throughout the industry involves good environmental management of pollution prevention, encouraging recycling, and meeting all federal, state and local laws.

Environmental fees are the costs associated with collecting and properly disposing of waste products generated in the repairs and maintenance of vehicles and equipment. Some examples of environmental fees are:

- Disposal of brake/clutch pads
- Used battery storage/recycling
- Recycling of used antifreeze
- Recycling of used motor oil
- Used oil filter disposal
- Capture and reuse of air conditioner refrigerant
- Used tire disposal
- Compliance with federal/state storm water/oil separator regulations
- Cleaning fees for uniforms and shop rags
- Oil absorbent disposal

All repair facilities capture the costs associated with proper disposal or recycling by passing them on to the customer under “miscellaneous shop fees” or “hazardous fees.” Currently all environmental fees are absorbed by Fleet Services. Industry procedure is to track all associate costs and allocate a portion to each work order that is generated. The fee is calculated by totaling all the costs generated in the various accounts and dividing by the estimated number of work orders.

Fleet Services will initiate a \$5.00 per repair order Environmental fee. Fleet Services can then recover the costs associated with waste disposal.

Capital Financing/Bond Program

The City of Flagstaff is developing a long-range plan that balances competing capital needs and how to finance them. Capital improvements range from maintaining infrastructure, to the relocation of fire stations, to meeting growth in the community, to meeting community expectation, i.e. Open Space.

The public process used in Transportation 2000 will be used as the model for this current endeavor. While it can be a lengthy process, community education and participation is the key to success for this venture. This planning process will need to take approximately 4 – 6 months which will include a clearer definition on the scope and project costs.

To develop the plan, the following key elements will be addressed in the planning process.

- The community will participate in the development of a priority list that determines the present and future needs of the community.
- Adequate cost structures will be developed that are appropriately inflated to cover the cost of projects that extend over multiple years.
- Financial resources will be evaluated to determine the most appropriate vehicle to use for payment.
- The community must express their willingness to pay for these new improvements.
- The Council will determine new or existing reoccurring revenues to support the maintenance of new facilities.

The City has developed a list of current needs that the community may or may not endorse. The current list includes the following, however it may not be all-inclusive.

➤ Water and Sewer	\$ 22.0M
➤ Four fire stations relocations	16.0M
➤ Parks & Recreation	35.7M
➤ McMillan Mesa Open Space	20.0M
➤ Urban Open Space	15.0M
➤ New City Shop facility	20.0M
➤ Court and City facilities	6.0M
➤ Other large capital	2.0M
➤ USGS Lease Buildings	10.0M
Total	<u>\$164.7M</u>

The financial resources available to pay for a large capital program include:

- ❖ Pay as you go financing – Using current revenue and/or fund balance resources
- ❖ Bonding – Debt financing
- ❖ Taxation – Increase sales or BBB taxes
- ❖ Grants – Public or private dollars generally available for a specific application
- ❖ Donations – May be either general or specific

- ❖ Partnerships – Merging similar needs within mutual funding

Issuing bonds and/or increasing taxes are the primary methods of generating additional funds for capital expansion. There are several bond types the City can pursue. The most typical for most of these improvements are general obligation bonds.

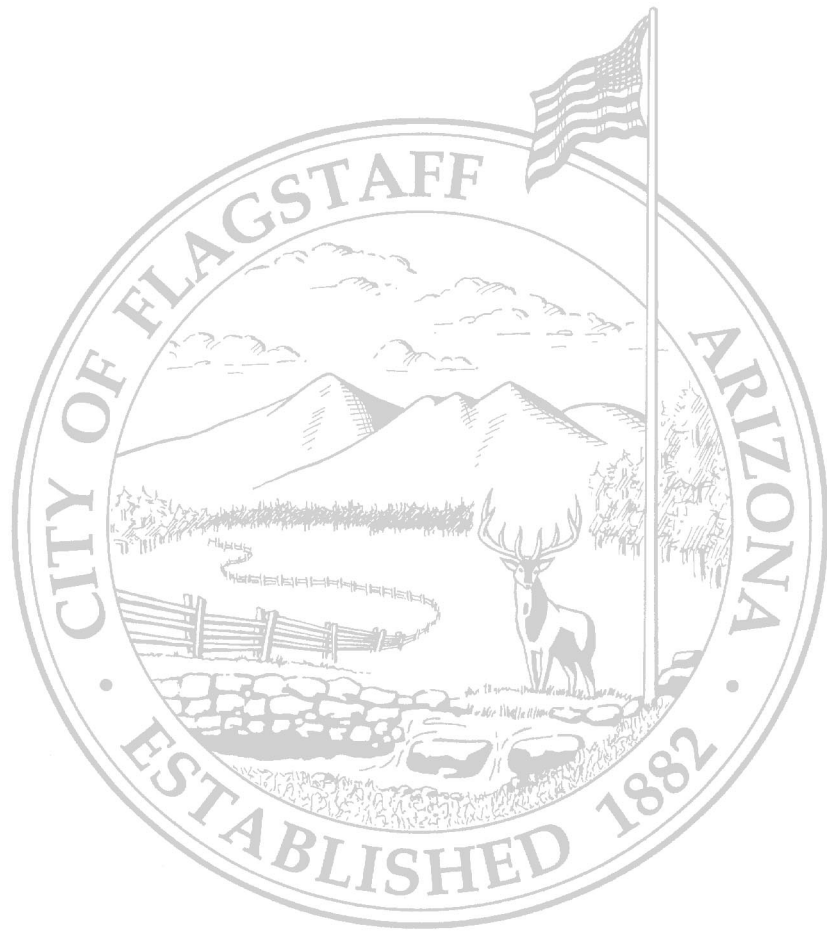
General Obligation Bonds – There are two different use categories. G.O. Bonds can be issued for up to 20% of the secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, and recreational facilities. Current capacity is estimated to be \$57,307,859 and will grow to approximately \$75 million by FY 2006. For all other general-purpose improvements, the City may issue up to 6% of its secondary assessed value. Current capacity is estimated to be \$20,181,824, and is estimated to be \$27,747,650 by FY 2006.

\$10,900,000 of additional debt can be supported by a tax rate increase of \$0.2175, a 22% increase. A business with a \$1,000,000 in value would experience a \$543.75 annual increase in property taxes. A residential home valued at \$200,000 would see an annual increase of \$43.50.

The existing tax rate is 0.9801. The City of Flagstaff existing debt is paid off in intervals over the next 6 years. The existing secondary property tax rate supports an additional \$16,500,000 debt in FY2006. In 2008, an additional \$9,500,000 is supported, and in 2010 \$6,350,000 is supported.

BBB taxes could also be increased to support additional debt. Current Bed, Board, and Booze tax is at 2%. If only the bed portion were increased by 1%, an additional \$1 million in tax revenue would be generated which supports an additional \$10.9 million in debt.

State statute sets the dates when a municipality can hold a special or general election. These months are September, November, March, and May. A bond election carries further requirements with regards to publicity pamphlets and soliciting pro and con arguments. To adequately meet the public education and statutory requirements, the Council has established a May 2003 election date.



Schedule 1: Total Resources and Appropriations Summary

CITY OF FLAGSTAFF
SUMMARY SCHEDULE OF ESTIMATED REVENUES AND EXPENDITURES/EXPENSES
FISCAL YEAR 2002-2003

	UNRESERVED FUND BALANCE/ RETAINED EARNINGS AT 7/1/2002	ESTIMATED REVENUES AND OTHER FINANCING SOURCES 2002-2003	INTERFUND TRANSFERS 2002-2003		TOTAL FINANCIAL RESOURCES AVAILABLE 2002-2003	OPERATIONS	CAPITAL OUTLAY (EQUIP/CIP)	DEBT SERVICE	RESERVES/ CONTINGENCIES	TOTAL APPROPRIATIONS 2002-2003	FUND BALANCE 6/30/2003
			IN	OUT							
General Fund	\$ 13,836,044	34,779,427	5,134,137	(4,974,902)	48,774,706	31,718,813	10,082,888	462,399	670,000	42,934,100	5,840,606
Special Revenue Funds:											
Library	1,030,054	2,208,652	1,127,079	(250,000)	4,115,785	3,303,404	445,994	-	100,000	3,849,398	266,387
Highway User Revenue	9,409,957	8,562,858	7,072,123	(1,072,030)	23,972,908	4,386,609	15,697,655	2,512,623	700,000	23,296,887	676,021
Transportation	6,576,580	13,648,304	-	(5,415,700)	14,809,184	1,592,080	9,692,752	-	-	11,284,832	3,524,352
Beautification	1,258,817	942,237	855,000	(167,201)	2,888,853	114,452	2,702,125	-	10,000	2,826,577	62,276
Economic Development	169,918	369,954	50,000	-	589,872	456,400	-	-	25,000	481,400	108,472
Tourism	801,826	1,274,352	-	(6,238)	2,069,940	1,524,788	210,000	-	50,000	1,784,788	285,152
Arts & Science	145,034	296,324	95,000	-	536,358	402,699	-	-	10,000	412,699	123,659
Recreation-BBB	5,875,103	1,949,162	315,792	(1,432,283)	6,707,774	33,000	5,644,827	-	-	5,677,827	1,029,947
Real Estate Proceeds	1,096,790	323,350	150,000	-	1,570,140	-	785,000	-	-	785,000	785,140
Comm Redevelopment	86,879	1,550,207	375,400	-	2,012,486	2,012,172	-	-	-	2,012,172	314
Metro Planning Org	-	265,666	-	-	265,666	265,666	-	-	-	265,666	-
Debt Service Funds:											
G.O. Bond Fund	10,049	300	1,891,831	-	1,902,180	-	-	1,893,731	-	1,893,731	8,449
Sec. Property Tax	311,268	4,366,057	-	(4,304,411)	372,914	-	-	-	-	-	372,914
Special Assessment	336,866	253,709	-	-	590,575	-	-	301,274	-	301,274	289,301
Capital Projects Funds:											
General Fund	166,429	-	-	-	166,429	-	136,590	-	-	136,590	29,839
Enterprise Funds:											
Water and Wastewater											
Operating	24,687,382	19,183,400	6,601,076	(2,406,423)	48,065,435	9,664,496	12,891,079	4,274,254	1,400,000	28,229,829	19,835,606
Bonds	4,137,653	62,000	-	(4,199,653)	-	-	-	-	-	-	-
Airport											
Operating	16,237	8,127,482	991,081	-	9,134,800	1,197,863	7,620,608	300,081	-	9,118,552	16,248
Airpark Proceeds	382,822	5,000	-	-	387,822	-	-	-	-	-	387,822
Environmental Services	4,284,153	7,988,412	-	(429,678)	11,842,887	5,911,530	2,059,277	-	1,500,000	9,470,807	2,372,080
Stormwater Utility	-	786,917	-	-	786,917	464,212	-	-	50,000	514,212	272,705
Expendable Trust Funds	226,907	7,000	-	-	233,907	7,200	-	-	-	7,200	226,707
TOTAL ALL FUNDS	\$ 74,846,768	106,950,770	24,658,519	(24,658,519)	181,797,538	63,055,384	67,968,795	9,744,362	4,515,000	145,283,541	36,513,997

CITY OF FLAGSTAFF
EXPENDITURE LIMITATION
AND
TAX LEVY INFORMATION
FISCAL YEAR 2002-2003

	FY 2001-2002	ESTIMATED FY 2002-2003
Expenditure Limitation [Economic Estimates Commission]		\$ 69,592,525
Total Estimated Expenditures Subject to Expenditure Limitation		
1. Maximum Allowable Primary Property Tax Levy [ARS 42-17051.A]	\$ 7,793,109	\$ 8,028,747
2. Amount Received from Primary Property Taxation in FY 2001-2002 in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy [ARS 42-17102.A.18]	\$ -0-	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	\$ 3,011,483	\$ 3,117,493
B. Secondary Property Taxes	4,204,927	4,358,257
C. Total Property Tax Levy Amount	\$ 7,216,410	\$ 7,475,750
4. Property Taxes Collected (Estimated)		
A. Primary Property Taxes:		
(1) FY 2001-2002 Levy	\$ 2,980,658	
(2) Prior Years' Levies	30,825	
(3) Total Primary Property Taxes Collected	3,011,483	
B. Secondary Property Taxes:		
(1) FY 2001-2002 Levy	4,204,927	
(2) Prior Years' Levies	-0-	
(3) Total Secondary Property Taxes Collected	4,204,927	
C. Total Property Taxes Collected	\$ 7,216,410	
5. Property Tax Rates		
A. City of Flagstaff Tax Rate:		
(1) Primary Property Tax Rate	0.7326	0.7326
(2) Secondary Property Tax Rate	0.9801	0.9801
(3) Total City Tax Rate	1.7127	1.7127

B. Special Assessment District Tax Rates:

As of the date of the proposed budget, the city was operating two special assessment districts for which secondary property taxes are levied. For information pertaining to these districts and their tax rates, please contact the Finance Department at City Hall.

* 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.

Schedule 3: Revenues and Other Financing Sources

CITY OF FLAGSTAFF
SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES
FISCAL YEARS 2002 AND 2003
(WITH ACTUALS FOR FISCAL YEAR 2001)

SOURCE OF REVENUES	ACTUAL REVENUES 2000-2001	BUDGETED REVENUES 2001-2002	ESTIMATED ACTUAL REVENUES 2001-2002	BUDGETED REVENUES 2002-2003	CHANGE (BUDG-BUDG)	% CHANGE
GENERAL FUND						
Local taxes						
City Sales Tax	\$ 10,810,658	10,787,211	11,101,606	11,432,104	644,893	5.98%
Franchise Tax	1,690,043	1,719,471	1,770,735	1,803,748	84,277	4.90%
Licenses and permits						
Business Licenses	35,203	32,163	32,163	33,800	1,637	5.09%
Building Permits	1,068,009	1,335,000	1,560,000	1,388,400	53,400	4.00%
Other Licenses and permits	215,238	123,840	181,982	131,550	7,710	6.23%
Intergovernmental revenues						
Federal Grants	659,816	670,193	741,797	644,308	(25,885)	-3.86%
State Shared Sales Tax	4,919,575	4,227,141	4,127,647	4,121,256	(105,885)	-2.50%
State Income Tax Sharing	6,432,879	5,516,028	5,516,028	5,607,519	91,491	1.66%
State Grants	336,775	232,624	124,128	303,723	71,099	30.56%
County Vehicle License Tax	1,913,662	1,600,000	1,755,969	1,791,089	191,089	11.94%
Charges for services						
General Government	180,483	126,993	141,027	145,000	18,007	14.18%
Parks & Recreation	518,704	524,900	502,978	538,825	13,925	2.65%
Public Safety	251,252	891,704	805,704	904,559	12,855	1.44%
Cemetery	75,186	92,275	97,651	97,000	4,725	5.12%
Fines and forfeits	882,019	900,574	938,131	1,067,125	166,551	18.49%
Interest on investments	1,185,889	650,000	520,000	520,000	(130,000)	-20.00%
Miscellaneous revenues	409,720	1,578,871	1,293,949	1,131,928	(446,943)	-28.31%
Total General Fund	31,585,111	31,008,988	31,211,495	31,661,934	652,946	2.11%
SPECIAL REVENUE FUNDS						
LIBRARY FUND						
Intergovernmental revenues						
State Grants	153,973	100,000	68,327	43,647	(56,353)	-56.35%
County Aid	1,835,109	1,840,237	1,419,949	2,105,005	264,768	14.39%
Interest on investments	57,939	10,000	26,000	15,000	5,000	50.00%
Miscellaneous revenues	(8)	20,000	35,000	45,000	25,000	125.00%
Total Library Fund	2,047,013	1,970,237	1,549,276	2,208,652	238,415	12.10%
HIGHWAY USER REVENUE FUND						
Intergovernmental revenues						
Federal Grants	79,628	1,263,389	1,263,389	-	(1,263,389)	-100.00%
Highway User Tax	7,969,703	7,404,945	7,771,543	7,965,832	560,887	7.57%
Local Transportation Assistance Funds	360,806	360,873	360,873	315,026	(45,847)	-12.70%
Interest on investments	651,151	555,000	396,000	282,000	(273,000)	-49.19%
Miscellaneous revenues	14,400	73,000	36,400	-	(73,000)	-100.00%
Total Highway User Revenue Fund	9,075,688	9,657,207	9,828,205	8,562,858	(1,094,349)	-11.33%
TRANSPORTATION FUND						
Intergovernmental revenues						
Federal Grants	142,793	-	-	-	-	0.00%
Transportation Tax	5,343,240	5,960,136	6,026,960	6,319,304	359,168	6.03%
Interest on Investments	116,123	187,670	102,779	329,000	-	-
Total Transportation Fund	5,602,156	6,147,806	6,129,739	6,648,304	359,168	5.84%

Schedule 3: Revenues and Other Financing Sources

SOURCE OF REVENUES	ACTUAL REVENUES 2000-2001	BUDGETED REVENUES 2001-2002	ESTIMATED ACTUAL REVENUES 2001-2002	BUDGETED REVENUES 2002-2003	CHANGE (BUDG-BUDG)	% CHANGE
BEAUTIFICATION FUND						
Intergovernmental revenues						
State Grants	\$ -	125,000	50,000	148,380	23,380	18.70%
BBB Tax	749,564	755,583	752,056	770,857	15,274	2.02%
Interest on investments	82,651	20,000	20,000	20,000	-	0.00%
Miscellaneous revenues	-	3,000	3,000	3,000	-	0.00%
Total Beautification Fund	832,215	903,583	825,056	942,237	38,654	4.28%
ECONOMIC DEVELOPMENT FUND						
BBB Tax	356,043	358,902	357,227	366,157	7,255	2.02%
Interest on investments	8,264	1,627	4,700	3,797	2,170	133.37%
Total Economic Development Fund	364,307	360,529	361,927	369,954	9,425	2.61%
TOURISM FUND						
Intergovernmental revenues						
State Grants	6,607	60,000	15,000	15,000	(45,000)	-75.00%
BBB Tax	1,124,346	1,133,375	1,128,084	1,156,286	22,911	2.02%
Interest on investments	62,803	18,721	36,898	37,636	18,915	101.04%
Miscellaneous revenues	82,722	67,469	63,834	65,430	(2,039)	-3.02%
Total Tourism Fund	1,276,478	1,279,565	1,243,816	1,274,352	(5,213)	-0.41%
ARTS AND SCIENCE FUND						
BBB Tax	281,087	283,344	282,021	289,072	5,728	2.02%
Interest on investments	9,007	4,431	4,400	7,252	2,821	63.67%
Total Arts and Science Fund	290,094	287,775	286,421	296,324	5,728	1.99%
RECREATION-BBB FUND						
Intergovernmental revenues						
State Grants	-	679,792	47,545	530,347	(149,445)	-21.98%
BBB Tax	1,236,781	1,246,712	1,240,892	1,271,915	25,203	2.02%
Interest on investments	178,676	160,000	206,500	146,900	(13,100)	-8.19%
Total Recreation-BBB Fund	1,415,457	2,086,504	1,494,937	1,949,162	(137,342)	-6.58%
REAL ESTATE PROCEED FUND						
Interest on investments	46,777	30,350	45,957	26,350	(4,000)	-13.18%
Miscellaneous revenues	-	717,000	648,540	297,000	(420,000)	-58.58%
Total Real Estate Proceeds Fund	46,777	747,350	694,497	323,350	(424,000)	-56.73%
COMMUNITY REDEVELOPMENT FUND						
Intergovernmental revenues						
Federal Grants	800,367	1,659,527	807,308	1,247,207	(412,320)	-24.85%
State Grants	-	-	-	300,000	-	
Interest on investments	16,135	5,000	7,000	3,000	(2,000)	-40.00%
Miscellaneous revenues	105,774	-	86,846	-	-	0.00%
Total Community Redevelopment Fund	922,276	1,664,527	901,154	1,550,207	(414,320)	-24.89%
METRO PLANNING ORGANIZATION FUND						
Intergovernmental revenues						
Federal Grants	123,283	1,073,090	221,215	265,666	(807,424)	-75.24%
Total Metro Planning Organization Fund	123,283	1,073,090	221,215	265,666	(807,424)	-75.24%
TOTAL SPECIAL REVENUE FUNDS	21,995,744	26,178,173	23,536,243	24,391,066	(2,231,258)	-8.52%
DEBT SERVICE FUNDS						
GENERAL OBLIGATION BONDS FUND						
Interest on investments	290	600	325	300	(300)	-50.00%
Total G. O. Bond Fund	290	600	325	300	(300)	-50.00%
SECONDARY PROPERTY TAX FUND						
Interest on investments	9,964	16,100	4,800	7,800	(8,300)	-51.55%
Total Secondary Property Tax Fund	9,964	16,100	4,800	7,800	(8,300)	-51.55%

Schedule 3: Revenues and Other Financing Sources

SOURCE OF REVENUES	ACTUAL	BUDGETED	ESTIMATED	BUDGETED	CHANGE	%
	REVENUES 2000-2001	REVENUES 2001-2002	ACTUAL REVENUES 2001-2002	REVENUES 2002-2003	(BUDG-BUDG)	CHANGE
SPECIAL ASSESSMENT BONDS						
Interest on investments	\$ 103,893	67,611	90,729	46,674	(20,937)	-30.97%
Miscellaneous revenues	270,975	214,413	338,289	207,035	(7,378)	-3.44%
Total Special Assessment Bonds	374,868	282,024	429,018	253,709	(28,315)	-10.04%
TOTAL DEBT SERVICE FUNDS	385,122	298,724	434,143	261,809	(36,915)	-12.36%
CAPITAL PROJECTS FUNDS						
GENERAL FUND CAPITAL PROJECTS						
Intergovernmental revenues						
County Contribution	580,241	75,048	75,048	-	(75,048)	-100.00%
Miscellaneous	141,405	-	251,566	-	-	0.00%
Interest on investments	15,532	-	65,973	-	-	0.00%
Total General Fund Capital Projects	737,178	75,048	392,587	-	(75,048)	-100.00%
TOTAL CAPITAL PROJECTS FUNDS	737,178	75,048	392,587	-	(75,048)	-100.00%
ENTERPRISE FUNDS						
WATER AND WASTEWATER FUND						
OPERATING FUND						
Water Revenues	11,139,082	11,666,884	11,012,650	11,232,800	(434,084)	-3.72%
Sewer Revenues	7,150,672	7,404,049	7,074,350	7,209,600	(194,449)	-2.63%
Interest on Investments	1,140,904	700,000	660,000	741,000	41,000	5.86%
Miscellaneous revenues	9,664	-	18,000	-	-	0.00%
BOND FUND						
Interest on Investments	167,682	100,000	56,000	62,000	(38,000)	-38.00%
Total Water and Wastewater Fund	19,608,004	19,870,933	18,821,000	19,245,400	(625,533)	-3.15%
AIRPORT FUND						
OPERATING FUND						
Intergovernmental revenues						
Federal Grants	1,437,942	11,507,810	7,522,340	4,063,086	(7,444,724)	-64.69%
State Grants	516,847	1,590,902	434,614	411,432	(1,179,470)	-74.14%
Airport Revenues	819,475	854,119	788,236	802,964	(51,155)	-5.99%
AIRPARK FUND						
Interest on investments	23,084	7,500	8,500	5,000	(2,500)	-33.33%
Miscellaneous revenues	175,093	-	-	-	-	0.00%
Total Airport Fund	2,972,441	13,960,331	8,753,690	5,282,482	(8,677,849)	-62.16%
ENVIRONMENTAL SERVICES FUND						
Intergovernmental revenues						
State Grants	-	-	134,124	64,903	64,903	0.00%
Environmental Services Revenues	5,144,988	7,049,757	6,049,757	7,795,509	745,752	10.58%
Interest on investments	496,467	99,000	99,000	128,000	29,000	29.29%
Miscellaneous revenues	(3,738)	-	-	-	-	0.00%
Total Environmental Services Fund	5,637,717	7,148,757	6,282,881	7,988,412	839,655	11.75%
STORMWATER UTILITY						
Stormwater Utility Revenues	-	-	-	786,917	786,917	0.00%
Total Stormwater Utility Fund	-	-	-	786,917	786,917	0.00%
TOTAL ENTERPRISE FUNDS	28,218,162	40,980,021	33,857,571	33,303,211	(7,676,810)	-18.73%
EXPENDABLE TRUST FUNDS						
VOLUNTEER FIREMEN'S PENSION						
Interest on investments	13,620	12,000	7,400	7,000	(5,000)	-41.67%
Miscellaneous revenues	95	-	114	-	-	0.00%
TOTAL EXPENDABLE TRUST FUNDS	13,715	12,000	7,514	7,000	(5,000)	-41.67%
TOTAL REVENUES	\$ 82,935,032	98,552,954	89,439,553	89,625,020	(9,372,085)	-9.51%

Schedule 4: Transfer and Proceeds from Other Sources

CITY OF FLAGSTAFF
 SUMMARY BY FUNDING OF OTHER FINANCING SOURCES
 AND INTERFUND TRANSFERS
 FISCAL YEAR 2002-2003

FUND	PROCEEDS FROM OTHER FINANCING SOURCES	INTERFUND TRANSFERS IN	OUT
GENERAL FUND	\$ -	5,134,137	4,974,902
SPECIAL REVENUE FUNDS			
Library Fund	-	1,127,079	250,000
Highway User Revenue Fund	-	7,072,123	1,072,030
Transportation Fund	7,000,000	-	5,415,700
Beautification Fund	-	855,000	167,201
Economic Development	-	50,000	-
Tourism Fund	-	-	6,238
Arts and Science Fund	-	95,000	-
Recreation-BBB Fund	-	315,792	1,432,283
Real Estate Proceeds Fund	-	150,000	-
Community Redevelopment Fund	-	375,400	-
Total Special Revenue Funds	<u>7,000,000</u>	<u>10,040,394</u>	<u>8,343,452</u>
DEBT SERVICE FUNDS			
G.O. Bond Fund	-	1,891,831	-
Secondary Property Tax Fund	-	-	4,304,411
Total Debt Service Funds	<u>-</u>	<u>1,891,831</u>	<u>4,304,411</u>
ENTERPRISE FUNDS			
Water and Wastewater Fund	-	6,601,076	2,406,423
Water and Wastewater Bond Fund	-	-	4,199,653
Airport Fund	2,850,000	991,081	-
Environmental Services Fund	-	-	429,678
Total Enterprise Funds	<u>2,850,000</u>	<u>7,592,157</u>	<u>7,035,754</u>
TOTAL ALL FUNDS	<u>\$ 9,850,000</u>	<u>\$ 24,658,519</u>	<u>\$ 24,658,519</u>

**SCHEDULE OF TRANSFERS
FISCAL YEAR 2002-2003**

General Fund

Transfers In:

Library \$250,000 – This transfer is for a contribution to a parking solution on the Municipal Campus.

Highway User Revenue Fund \$1,072,030 – This represents \$900,000 repayment of the FY 1998 transfer to fund the Rio de Flag project and \$172,030 for drainage projects.

Beautification Fund \$167,201 - This represents \$162,000 for streetscape maintenance on projects previously constructed by BBB funds which are now maintained by the Parks division and \$5,201 for the Citywide publication.

Tourism Fund \$6,238 - This is a contribution to the Citywide publication.

Recreation-BBB Fund \$802,567 - This transfer entails four separate actions 1) a contribution to the maintenance of FUTS which is a Parks responsibility \$71,803; 2) reimbursement of the Parks project administration \$68,285; 3) \$662,479 for increased maintenance in the Parks budget related to additional field maintenance associated with Recreation Bond projects.

Water and Wastewater Fund \$2,406,423 - \$2,401,423 transfers utility revenue through the General Fund to Highway User Revenue Fund for a payment of debt; \$5,000 represents a shared copier purchase.

Environmental Services Fund \$429,678 - This transfer represents a repayment of previous contributions to the Environmental Services Fund \$425,000 and \$4,678 for advertising in the Citywide publication.

Transfers Out:

Library Fund \$1,127,079 - This is the operating transfer from the General Fund to the Library for general services.

Highway User Revenue Fund \$2,401,423 - This is for payment of debt service for the street bonds.

Economic Development \$50,000 – Transfer for Telecom.

Arts and Science Fund \$95,000 - This transfer is for \$85,000 to support Art in Public Places and Contributions to Agencies, and \$10,000 represents a contribution of 1% of eligible capital projects for Art in Public Places.

Real Estate Proceeds Fund \$150,000 - This transfer is for acquisition of Open Spaces.

Community Redevelopment Fund \$375,400 - This transfer represents a \$275,400 funding for a revolving loan source and \$100,000 funding for land acquisition related to affordable housing development.

Airport Fund \$776,000 - This transfer is for the general operations in the amount of \$590,000 and \$186,000 for capital at the Airport. The Airport is an enterprise fund whose goal is to eventually eliminate any requirement for general fund transfers.

Library Fund

Transfers In:

General Fund \$1,127,079 - This is the operating transfer from the General Fund to the Library for general services.

Transfers Out:

General Fund \$250,000 - This transfer is for a contribution to a parking solution in the Municipal Campus.

Highway User Revenue Fund

Transfers In:

General Fund \$2,401,423 - This is the transfer from the General Fund to Highway User Revenue Fund for payment of debt.

Transportation Fund \$4,670,700 – This is a transfer of the transportation tax to fund various transportation projects. \$846,423 from Safe to School monies for miscellaneous projects and the Thomas Drive urban link. \$3,824,277 is from Street Improvement for Soliere, Country Club, West Street and Lonetree corridor studies, transportation project planning, curb and gutter on Birch Avenue and partial funding to Dodge Avenue, Empire Road and Loop Road.

Transfers Out:

General Fund \$1,072,030 – This represents \$900,000 repayment of the FY 1998 transfer to fund the Rio de Flag project and \$172,030 for drainage projects.

Transportation Fund

Transfers Out:

HURF \$4,670,700 – This is a transfer of the transportation tax to fund various transportation projects. \$846,423 from Safe to School monies for miscellaneous projects and the Thomas Drive urban link. \$3,824,277 is from Street Improvement for Soliere, Country Club, West Street and Lonetree corridor studies, transportation project planning, curb and gutter on Birch Avenue and partial funding to Dodge Avenue, Empire Road and Loop Road.

Beautification Fund \$745,000 – This transfer funds various FUTS projects within the multi-modal transportation projects. These projects include Lake Mary Road to Beulah/Ponderosa Trails; Lone Tree/CCC to Pine Knoll Rio Downtown Project; Walnut to Rio and US 180 Multi-use path.

Beautification Fund

Transfers In:

Transportation Tax \$745,000 – This transfer funds various FUTS projects within the multi-modal transportation projects. These projects include Lake Mary Road to Beulah/Ponderosa Trails; Lone Tree/CCC to Pine Knoll Rio Downtown Project; Walnut to Rio and US 180 Multi-use path.

Recreation-BBB Fund \$110,000 – This transfer is for new FUTS construction.

Transfers Out:

General Fund \$167,201 – This represents \$162,000 for streetscape maintenance on projects previously constructed by BBB funds which are now maintained by the Parks division and \$5,201 in support of the Citywide publication.

Economic Development Fund

Transfers In:

General Fund \$50,000 – This represents a transfer to assist in the payment of the Telecom plan.

Tourism Fund

Transfers Out:

General Fund \$6,238 - This is a contribution to the Citywide publication.

Arts & Science Fund

Transfers In:

General Fund \$95,000 - This transfer is \$85,000 to support Arts in Public Places and Contributions to Agencies, and \$10,000 represents a contribution of 1% of eligible capital projects for Art in Public Places.

Recreation-BBB Fund

Transfers In:

Secondary Property Tax Fund \$315,792 - This transfer is to assist in the repayment of G.O. Bonds due to a shortfall in estimated BBB Tax revenues.

Transfers Out:

General Fund \$802,567 - This transfer entails four separate actions 1) a contribution to the maintenance of FUTS which is a Parks responsibility \$71,803; 2) reimbursement of the Parks project administration \$68,285; 3) \$662,479 for increased maintenance in the Parks budget related to additional field maintenance associated with Recreation Bond projects.

Beautification Fund \$110,000 - This transfer is for a new FUTS construction.

G.O. Bond Fund \$519,716 - To pay the debt service on the Parks and Recreation Bonds.

Real Estate Proceeds Fund

Transfers In:

General Fund \$150,000 - This transfer is for acquisition of Open Spaces.

Community Redevelopment Fund

Transfers In:

General Fund \$375,400 - This transfer represents a \$275,400 funding for a revolving loan source and \$100,000 funding for land acquisition related to affordable housing development.

G.O. Bond Fund

Transfers In:

Recreation-BBB Fund \$519,716 - To pay the debt service on the Parks and Recreation Bonds.

Secondary Property Tax Fund \$1,372,115 - A transfer of Secondary Property Taxes collected for repayment of Library and Public Safety bonds.

Secondary Property Tax Fund

Transfers Out:

Recreation-BBB Fund \$315,792 - This transfer is to assist in the repayment of G.O. Bonds due to a shortfall in estimated BBB Tax revenues.

G.O. Bond Fund \$1,372,115 - There is a transfer of Secondary Property Taxes collected for repayment of Library and Public Safety bonds.

Water and Wastewater Fund \$2,401,423 - A transfer to Utilities for Secondary Property Taxes collected to support General Obligation Debt.

Airport Fund \$215,081 - There is a transfer for Secondary Property Taxes collected for repayment of a portion of the Airport debt service, the remainder is funded with Passenger Facility Charges.

Water and Wastewater Fund

Transfers In:

Secondary Property Tax Fund \$2,401,423 - A transfer to Utilities for Secondary Property Taxes collected to support the General Obligation Debt.

Water and Wastewater Bond Fund \$4,199,653 – This is the anticipated transfer to support Water and Wastewater development projects that are currently budgeted.

Transfers Out:

General Fund \$2,406,423 - \$2,401,423 transfers utility revenue to the General Fund, these funds are subsequently transferred to Highway User Tax Fund for a payment of debt. \$5,000 is to share the expense of a new copier.

Water and Wastewater Bond Fund

Transfers Out:

Water and Wastewater Fund \$4,199,653 – This is the anticipated transfer to support Water and Wastewater development projects that are currently budgeted.

Airport Fund

Transfers In:

General Fund \$776,000 - This transfer is for the general operations in the amount of \$590,000 and \$186,000 for capital at the Airport. The Airport is an enterprise fund whose goal is to eventually eliminate any requirement for general fund transfers.

Secondary Property Tax Fund \$215,081 - There is a transfer for Secondary Property Taxes collected for repayment of a portion of the Airport debt service, the remainder is funded with Passenger Facility Charges.

Environmental Services Fund

Transfers Out:

General Fund \$429,678 - This transfer represents a repayment of previous contributions to the Environmental Services Fund \$425,000 and \$4,678 for advertising in the Citywide publication.

CITY OF FLAGSTAFF
SCHEDULE OF BUDGETED GRANT REVENUES AND CITY MATCH
FISCAL YEAR 2002-2003

PROJECT NAME		BUDGETED REVENUES 2001-2002	ESTIMATED REVENUES 2001-2002	BUDGETED REVENUES 2002-2003	CITY MATCH 2002-2003	BUDGETED GRANT REIMB %	STATE/FEDERAL
GENERAL FUND							
POLICE	NORTHERN AZ STREET CRIMES TASK FORCE (METRO)	\$ 266,577	290,242	269,432	-	100%	FEDERAL
POLICE	WEED AND SEED	15,000	17,069	25,000	-	100%	FEDERAL
POLICE	LOCAL LAW ENFORCEMENT BLOCK GRANT (LLEBG 1999)	-	57,584	-	-	100%	FEDERAL
POLICE	LOCAL LAW ENFORCEMENT BLOCK GRANT (LLEBG 2000)	53,901	-	-	-	100%	FEDERAL
POLICE	LOCAL LAW ENFORCEMENT BLOCK GRANT (LLEBG 2001)	-	67,344	-	-	100%	FEDERAL
POLICE	LOCAL LAW ENFORCEMENT BLOCK GRANT (LLEBG 2003)	-	-	50,000	-	100%	FEDERAL
POLICE	GANG RESISTANCE EDUCATION TRAINING (GREAT 2000)	27,500	-	-	-	100%	FEDERAL
POLICE	GANG RESISTANCE EDUCATION TRAINING (GREAT 2002)	-	30,111	-	-	100%	FEDERAL
POLICE	GANG RESISTANCE EDUCATION TRAINING (GREAT 2003)	-	20,000	33,357	-	100%	FEDERAL
POLICE	WATCH YOUR CAR PROGRAM PROMOTION	50,000	6,510	-	-	100%	STATE
POLICE	PURCHASE OF MOTORCYCLE (FPD & NAU)	-	-	16,500	-	100%	STATE
FIRE	VARIOUS	257,215	257,215	264,288	-	100%	FEDERAL THRU STATE
PARKS	CHESHIRE PARK POND	13,000	-	-	-	20%	STATE
REC	HEALTHY AGING 2010 MINI-GRANT	-	2,232	2,231	-	100%	FEDERAL THRU STATE
COURT	COURT IMPROVEMENT FEES	146,664	52,000	113,044	-	100%	LOCAL
COURT	COURT WARRANT FEES	-	-	49,850	-	100%	LOCAL
COURT	COURT INTERPRETER	13,000	16,120	16,600	-	100%	LOCAL
COURT	TCPF/STATE JCEF FY 01/02 - COURT TRAINING OFFICER	43,370	20,914	21,540	-	100%	STATE
COURT	TCPF/LOCAL JCEF FY 01/02 - COURT TRAINING OFFICER	-	7,304	7,513	-	100%	LOCAL
COURT	LOCAL JCEF - TRAINING COUNTY	-	14,609	15,027	-	100%	LOCAL
COURT	STATE JCEF FUNDS - WARRANT OFFICER	16,590	6,671	-	-	100%	STATE
COURT	LOCAL JCEF FUNDS - COMPUTERS	-	-	21,445	-	100%	LOCAL
COURT	STATE JCEF - INFORMATION SYSTEM TECH	-	-	19,102	-	100%	LOCAL
COURT	LOCAL JCEF - INFORMATION SYSTEM TECH	-	-	10,367	-	100%	LOCAL
COURT	COUNTY - INFORMATION SYSTEM TECH	-	-	12,735	-	100%	LOCAL
SUBTOTAL-GENERAL FUND		902,817	865,925	948,031	-		
LIBRARY	COUNTY-WIDE PROJECTS	100,000	-	-	-	100%	STATE
LIBRARY	LSTA - GRANT FOR PALS	-	2,388	-	-	100%	STATE
LIBRARY	GATES FOUNDATION COMPUTER EQUIPMENT	-	3,661	-	-	100%	FOUNDATION
LIBRARY	STAFF COSTS, COMPUTER TRAINING LAB, LIB FOR THE FUTURE	-	26,178	28,793	-	100%	STATE
LIBRARY	GATES FOUNDATION - TUBA CITY	-	604	-	-	100%	FOUNDATION
LIBRARY	SGA FY 00/01-COMPUTER LABS & COMPUTER SERVER ROOM	-	10,496	-	-	100%	STATE
LIBRARY	SGA FY 01/02-EAST FLAGSTAFF LIBRARY REMODELING	-	25,000	-	-	50%	STATE
LIBRARY	SGA FY 02/03	-	-	14,854	14,854	50%	STATE
SUBTOTAL		100,000	68,327	43,647	14,854		
HURF	BUS PULLOUTS	110,000	110,000	-	-	94%	FEDERAL
HURF	TRAFFIC SIGNALS	10,000	10,000	-	-	100%	STATE
HURF	SCHULTZ PASS ROAD	293,389	293,389	-	-	100%	STATE
HURF	LTAFF - BUTLER/ENTERPRISE RECONSTRUCTION	850,000	850,000	-	-	100%	STATE
SUBTOTAL		1,263,389	1,263,389	-	-		
BEAUT	SHPO - TWO SPOT RESTORATION	60,000	-	-	-	100%	STATE
BEAUT	ISTEA-ROUTE 66 TRACK RELOCATION	65,000	-	-	-	100%	STATE
BEAUT	FUTS - FISHER POINT	-	-	18,380	2,992	86%	STATE
BEAUT	FUTS - BOW & ARROW WASH, PHASE I & II	-	25,000	50,000	81,779	38%	STATE
BEAUT	FUTS - RIO DE FLAG N. TRAIL, CRESCENT-CHESHIRE LINK	-	-	30,000	48,947	38%	STATE
BEAUT	FUTS - TUNNEL SPRINGS TRAIL	-	25,000	50,000	50,000	50%	STATE
SUBTOTAL		125,000	50,000	148,380	183,718		
TOURISM	ADVERTISING/MARKETING FY 01/02	60,000	15,000	-	-	100%	STATE
TOURISM	ADVERTISING/MARKETING FY 02/03	-	-	15,000	-	100%	STATE
SUBTOTAL		60,000	15,000	15,000	-		
BBB-REC	DEVELOPMENT-FOXGLENN PARK	530,347	-	530,347	1,066,899	33.00%	STATE
BBB-REC	LAND ACQUISITION-CONTINENTAL PARK	149,445	47,545	-	-	50.00%	STATE
SUBTOTAL		679,792	47,545	530,347	1,066,899		
HSG	98/99 CDBG ENTITLEMENT	-	29,930	4,507	-	100%	FEDERAL
HSG	99/00 CDBG ENTITLEMENT	-	166,869	7,190	-	100%	FEDERAL
HSG	00/01 CDBG ENTITLEMENT	602,527	205,848	117,170	-	100%	FEDERAL
HSG	01/02 CDBG ENTITLEMENT	757,000	404,661	392,340	-	100%	FEDERAL
HSG	02/03 CDBG ENTITLEMENT	-	-	726,000	-	100%	FEDERAL
HSG	HOUSING REHAB-HOME GRANT	300,000	-	300,000	100,000	75%	FEDERAL
SUBTOTAL		1,659,527	807,308	1,547,207	100,000		
MPO	FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2001	107,927	45,208	12,666	954	93%	FEDERAL THRU STATE
MPO	FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2002	180,000	176,007	50,000	3,763	93%	FEDERAL THRU STATE
MPO	FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2003	-	-	203,000	15,280	93%	FEDERAL THRU STATE
MPO	FLAGSTAFF METROPOLITAN PLANNING ORGAN. - CONSTR. FUNDS	785,163	-	-	-	-	FEDERAL THRU STATE
SUBTOTAL		1,073,090	221,215	265,666	19,997		
AIRPT	FEMA - OVER-TIME FOR POLICE DEPT. AIRPORT SECURITY	-	1,050	-	-	100%	STATE
AIRPT	LAND (PROTECTION) ACQUISITION FBO BUYOUT (E0131)	-	28,863	-	-	90.00%	STATE
AIRPT	OBSTRUCTION REMOVAL (EXTINGUISH LEASE) (E9077)	-	36,542	-	-	90.00%	STATE
AIRPT	LAND (EXPANSION) ACQUISITION (E1107)	1,026,000	-	-	-	90.00%	STATE
AIRPT	OBSTRUCT REMOVAL PH II & GA (STH) APRON & AIR CARRIER (AIP 17)	628,658	1,076,508	-	-	95.53%	FEDERAL
AIRPT	GA APRON & AIR CARRIER, RWY 3/21 SAFETY AREA PH. 3 (AIP 18)	34,724	34,724	-	-	95.53%	FEDERAL
AIRPT	GA APRON & AIR CARRIER, RWY 3/21 SAFETY AREA PH. 4 (AIP 19)	1,499,378	1,506,515	74,742	521	95.53%	FEDERAL
AIRPT	GA APRON & AIR CARRIER, RWY 3/31 SFTY AREA (ADOT MATCH 16,17,18)	32,565	54,548	-	-	4.47%	STATE
AIRPT	GA APRON & AIR CARRIER, RWY 3/31 SAFETY AREA (ADOT MATCH AIP 19)	73,602	73,953	3,522	-	4.47%	STATE
AIRPT	NEW PARALLEL TWY N & RWY 3/21 SAFETY AREA PH. 5 & 6 (AIP 20)	8,707,600	3,292,720	-	-	95.53%	FEDERAL
AIRPT	NEW PARALLEL TWY N & RWY 3/21 SAFETY AREA PH. 5 & 6 (AIP 21)	-	1,610,823	2,823,359	138,594	95.53%	FEDERAL
AIRPT	NEW PARALLEL TWY & RWY 3/21 SAFETY ARE PH. 5 & 6 (E2F01 & E2F37)	427,443	240,708	138,595	-	90.00%	STATE
AIRPT	MASTER PLAN UPDATE & SNOW PLOW & BOARDING DEVICE (AIP 22)	637,450	-	706,283	24,471	95.53%	FEDERAL
AIRPT	MASTERPLAN UPDATE (EXXXX)	31,292	-	24,471	-	90.00%	STATE
AIRPT	DESIGN/CONSTR RUNWAY EXT., SAFETY AREA RW21 (AIP XX)	-	-	458,702	22,517	95.53%	FEDERAL
AIRPT	DESIGN/CONSTR RUNWAY EXT., SAFETY AREA RW21 (ADOT XXXX)	-	-	22,517	-	4.47%	STATE
AIRPT	WEST TAXIWAY-CRACK FILL/SEAL COAT	-	-	222,327	-	90.00%	STATE
SUBTOTAL		13,098,712	7,956,954	4,474,518	186,103		
ENV	HOUSEHOLD PRODUCTS COLLECTION CENTER	-	134,124	64,903	79,325	45%	STATE
SUBTOTAL		-	134,124	64,903	79,325		
TOTAL		\$ 18,962,327	11,429,787	8,037,699	1,650,896		

CITY OF FLAGSTAFF
SUMMARY BY DEPARTMENT OF EXPENDITURES/EXPENSES WITHIN EACH FUND
COMPARISON OF FISCAL YEAR 2002 AND 2003
(WITH ACTUAL FOR FISCAL YEAR 2001)

FUND/DEPARTMENT	ACTUAL EXPENDITURES/ EXPENSES 2000-2001	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2001-2002	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2001-2002	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2002-2003	CHANGE (BUDG-BUDG)	% CHANGE
GENERAL FUND						
General Administration	\$ 1,934,270	2,466,738	2,681,389	3,778,406	1,097,017	40.9%
Community Development	3,667,942	5,113,534	8,059,522	8,702,833	643,311	8.0%
Management Services	1,836,943	2,019,157	2,134,362	2,861,085	726,723	34.0%
Fire	6,264,281	6,201,315	7,130,600	7,740,544	609,944	8.6%
Police	9,215,768	9,334,390	9,826,978	10,838,000	1,011,022	10.3%
Public Works	5,395,270	5,345,149	6,485,068	7,589,645	1,104,577	17.0%
Water Utility	-	-	-	15,588	15,588	-
Non-departmental	2,948,566	7,059,200	9,612,299	737,999	(8,874,300)	-92.3%
Contingency	200,663	250,000	940,000	670,000	(270,000)	-28.7%
Total General Fund	31,463,703	37,789,483	46,870,218	42,934,100	(3,936,118)	-8.4%
SPECIAL REVENUE FUNDS						
LIBRARY FUND						
General Administration	28,013	31,717	29,437	80,254	50,817	172.6%
Community Development	36,084	33,736	33,282	37,982	4,700	14.1%
Management Services	2,907,136	2,451,901	3,055,738	3,522,004	466,266	15.3%
Public Works	2,574	2,144	6,028	58,427	52,399	869.3%
Water Utility	-	-	-	1,023	1,023	-
Non-departmental	93,151	31,655	31,754	49,708	17,954	56.5%
Contingency	-	-	100,000	100,000	-	0.0%
	3,066,958	2,551,153	3,256,239	3,849,398	593,159	18.2%
HIGHWAY USER REVENUE FUND						
General Administration	122,007	476,621	496,944	186,808	(310,136)	-62.4%
Community Development	912,091	686,996	724,236	813,094	88,858	12.3%
Management Services	278,232	282,458	308,598	196,752	(111,846)	-36.2%
Public Works	7,644,711	13,280,937	23,149,416	21,265,037	(1,884,379)	-8.1%
Water Utility	-	-	-	3,749	3,749	-
Non-departmental	107,571	87,701	88,338	131,447	43,109	48.8%
Contingency	-	-	50,000	700,000	650,000	1300.0%
	9,064,612	14,814,713	24,817,532	23,296,887	(1,520,645)	-6.1%
TRANSPORTATION FUND						
Fourth Street Overpass	109,601	1,624,792	3,100,881	9,692,752	6,591,871	212.6%
Transit	819,673	1,322,135	1,436,792	1,592,080	155,288	10.8%
	929,274	2,946,927	4,537,673	11,284,832	6,747,159	
BEAUTIFICATION FUND						
Beautification	252,834	550,668	1,288,789	2,816,577	1,527,788	118.5%
Reserve	-	-	10,000	10,000	-	0.0%
	252,834	550,668	1,298,789	2,826,577	1,527,788	117.6%
ECONOMIC DEVELOPMENT FUND						
Economic Development	400,846	327,900	354,900	456,400	101,500	28.6%
Reserve	-	-	25,000	25,000	-	0.0%
	400,846	327,900	379,900	481,400	101,500	26.7%
TOURISM FUND						
Tourism	1,253,789	1,284,318	1,594,203	1,734,788	140,585	8.8%
Reserve	-	-	50,000	50,000	-	0.0%
	1,253,789	1,284,318	1,644,203	1,784,788	140,585	8.6%
ARTS AND SCIENCE FUND						
Arts and Science	326,264	356,505	404,493	402,699	(1,794)	-0.4%
Reserve	-	-	10,000	10,000	-	0.0%
	326,264	356,505	414,493	412,699	(1,794)	-0.4%
RECREATION-BBB FUND						
Recreation-BBB	107,600	1,196,763	6,124,308	5,677,827	(446,481)	-7.3%
REAL ESTATE PROCEEDS FUND						
Non-departmental	373,182	400,000	885,000	785,000	(100,000)	-11.3%

Schedule 6: Appropriations By Fund

FUND/DEPARTMENT	ACTUAL EXPENDITURES/ EXPENSES 2000-2001	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2001-2002	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2001-2002	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2002-2003	CHANGE (BUDG-BUDG)	% CHANGE
COMMUNITY REDEVELOPMENT FUND						
Community Redevelopment	\$ 1,181,494	1,809,169	2,467,189	2,012,172	(455,017)	-18.4%
METRO PLANNING ORG FUND						
Community Development	123,283	221,215	1,073,090	265,666	(807,424)	-75.2%
Total Special Revenue Funds	17,080,136	26,459,331	46,898,416	52,677,246	5,778,830	12.3%
DEBT SERVICE FUNDS						
GENERAL OBLIGATION BONDS FUND						
Non-departmental	1,539,736	1,738,631	1,797,316	1,893,731	96,415	5.4%
SPECIAL ASSESSMENT BONDS FUND						
Non-departmental	285,165	299,351	299,313	301,274	1,961	0.7%
Total Debt Service Funds	1,824,901	2,037,982	2,096,629	2,195,005	98,376	4.7%
CAPITAL PROJECT FUNDS						
General Fund Capital Projects	2,165,989	5,459,234	4,832,096	136,590	(4,695,506)	-97.2%
Total Capital Projects Funds	2,165,989	5,459,234	4,832,096	136,590	(4,695,506)	-97.2%
ENTERPRISE FUNDS						
WATER AND WASTEWATER FUND						
General Administration	187,986	369,675	359,085	285,354	(73,731)	-20.5%
Community Development	726,554	625,210	648,219	665,796	17,577	2.7%
Management Services	497,845	447,687	480,683	396,183	(84,500)	-17.6%
Public Works	86,761	89,314	121,477	64,058	(57,419)	-47.3%
Water Utility	10,415,306	10,300,711	14,554,952	16,650,546	2,095,594	14.4%
Sewer Utility	5,308,804	5,946,792	8,285,528	8,538,564	253,036	3.1%
Non-departmental	278,310	209,462	210,363	229,328	18,965	9.0%
Contingency	-	-	1,400,000	1,400,000	-	0.0%
	17,501,566	17,988,851	26,060,307	28,229,829	2,169,522	8.3%
AIRPORT FUND						
General Administration	125,991	139,390	140,707	51,638	(89,069)	-63.3%
Community Development	203,031	88,291	87,105	72,839	(14,266)	-16.4%
Management Services	133,656	115,342	130,521	149,072	18,551	14.2%
Public Works	3,328,042	9,455,677	14,942,525	8,795,262	(6,147,263)	-41.1%
Water Utility	-	-	-	1,037	1,037	-
Non-departmental	67,886	41,503	41,760	48,704	6,944	16.6%
	3,858,606	9,840,203	15,342,618	9,118,552	(6,224,066)	-40.6%
ENVIRONMENTAL SERVICES FUND						
General Administration	62,291	101,919	95,511	152,264	56,753	59.4%
Community Development	82,789	106,180	105,022	99,022	(6,000)	-5.7%
Management Services	170,530	207,032	218,548	186,687	(31,861)	-14.6%
Public Works	6,097,623	5,387,200	6,719,207	7,349,538	630,331	9.4%
Water Utility	-	-	-	68,266	68,266	-
Non-departmental	86,302	106,537	106,840	115,030	8,190	7.7%
Contingency	5,186	-	1,500,000	1,500,000	-	0.0%
	6,504,721	5,908,868	8,745,128	9,470,807	725,679	8.3%
STORMWATER UTILITY FUND						
Community Development	-	-	-	464,212	464,212	-
Contingency	-	-	-	50,000	50,000	-
	-	-	-	514,212	514,212	-
Total Enterprise Funds	27,864,893	33,737,922	50,148,053	47,333,400	(2,814,653)	-5.6%
EXPENDABLE TRUST FUNDS						
VOLUNTEER FIREMEN'S PENSION	8,800	7,200	9,600	7,200	(2,400)	-25.0%
TOTAL ALL FUNDS	\$ 80,408,422	105,491,152	150,855,012	145,283,541	(5,571,471)	-3.7%

Schedule 7: Appropriations By Department

CITY OF FLAGSTAFF
 BUDGET BY DEPARTMENT AND DIVISIONS
 COMPARISON OF FISCAL YEAR 2002 AND 2003
 (WITH ACTUAL FOR FISCAL YEAR 2001)

	ACTUAL EXPENDITURES/ EXPENSES 2000-2001	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2001-2002	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2001-2002	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2002-2003	CHANGE (BUDG-BUDG)	% CHANGE
GENERAL ADMINISTRATION						
City Manager	\$ 485,020	706,115	718,287	777,656	59,369	8.3%
City Clerk	157,494	316,423	320,168	237,259	(82,909)	-25.9%
Capital Mgmt	-	484,067	546,715	(127,296)	(674,011)	-123.3%
City Court	1,145,455	1,267,869	1,367,933	1,537,634	169,701	12.4%
Law	672,589	811,586	849,970	890,690	40,720	4.8%
Human Resources	-	-	-	355,000	355,000	-
Risk Management	-	-	-	107,463	107,463	-
Tourism - Gen. Admin.	992,618	981,661	1,129,643	1,273,472	143,829	12.7%
Visitor Services	261,171	302,657	464,560	461,316	(3,244)	-0.7%
TOTAL	3,714,347	4,870,378	5,397,276	5,513,194	115,918	2.1%
COMMUNITY DEVELOPMENT						
Community Development Admin.	284,649	333,024	304,840	381,311	76,471	25.1%
Engineering	2,034,690	1,783,581	1,949,413	1,950,545	1,132	0.1%
Building Inspection	713,434	743,742	755,489	749,519	(5,970)	-0.8%
Community Redevelopment	1,181,494	1,809,169	2,467,189	2,012,172	(455,017)	-18.4%
Planning	932,485	1,172,282	1,199,385	1,176,386	(22,999)	-1.9%
Stormwater Utility	-	-	-	464,212	464,212	-
Drainage	1,663,233	2,621,318	5,448,259	4,445,072	(1,003,187)	-18.4%
Transportation	929,274	2,946,927	4,537,673	11,284,832	6,747,159	148.7%
Urban Design	72,156	125,949	74,798	114,452	39,654	53.0%
Streetscape	122,357	214,542	556,972	781,975	225,003	40.4%
Flag Urban Trails System	58,321	210,177	657,019	1,920,150	1,263,131	192.3%
Arts and Science	326,264	356,505	404,493	402,699	(1,794)	-0.4%
Metro Planning Organization	123,283	221,215	1,073,090	265,666	(807,424)	-75.2%
TOTAL	8,441,640	12,538,431	19,428,620	25,948,991	6,520,371	33.6%
MANAGEMENT SERVICES						
Human Resources	416,657	440,237	456,232	-	(456,232)	-100.0%
Information Systems	945,277	963,084	984,909	1,001,492	16,583	1.7%
Management Services Admin.	788,557	758,792	896,133	694,765	(201,368)	-22.5%
Finance/Budget	456,197	552,399	565,072	691,468	126,396	22.4%
Sales Tax & Licensing	415,833	450,818	468,742	473,360	4,618	1.0%
Library	2,457,662	2,179,350	2,622,007	2,696,543	74,536	2.8%
Library Grants	344,159	178,897	335,355	706,870	371,515	110.8%
TOTAL	5,824,342	5,523,577	6,328,450	6,264,498	(63,952)	-1.0%
FIRE DEPARTMENT	6,264,281	6,201,315	7,130,600	7,740,544	609,944	8.6%
POLICE DEPARTMENT						
Police	8,722,208	8,847,599	9,464,000	10,439,302	975,302	10.3%
Police Grants	493,560	486,791	362,978	398,698	35,720	9.8%
TOTAL	9,215,768	9,334,390	9,826,978	10,838,000	1,011,022	10.3%
PUBLIC WORKS						
Public Works Administration	157,922	162,865	167,753	178,881	11,128	6.6%
USGS Facilities	288,535	236,691	187,159	991,950	804,791	430.0%
Parks	1,980,309	1,920,158	2,425,741	2,477,851	52,110	2.1%
Shop	308,619	264,465	175,130	-	(175,130)	-100.0%
Cemetery	163,550	176,641	181,207	205,156	23,949	13.2%
Public Facilities Maintenance	733,111	795,745	1,244,696	1,012,709	(231,987)	-18.6%
Recreation	2,174,237	2,150,754	2,553,386	2,723,098	169,712	6.6%
Street Maintenance & Repairs	2,601,130	2,997,880	3,290,129	3,500,351	210,222	6.4%
Street Const. & Reconstruction	2,469,410	7,224,542	12,515,649	7,528,695	(4,986,954)	-39.8%
Transportation CIP	66,308	555,074	4,816,972	7,530,606	2,713,634	56.3%
Street & Highway User Rev Bonds	2,382,019	2,391,679	2,394,293	2,512,623	118,330	4.9%
Airport	2,915,290	9,197,487	14,677,210	8,430,799	(6,246,411)	-42.6%
Debt Service - Airport	367,177	231,892	233,179	300,081	66,902	28.7%
Environmental Services	5,947,364	5,254,548	6,561,217	7,121,922	560,705	8.5%
Recreation-BBB	107,600	1,196,763	6,124,308	5,677,827	(446,481)	-7.3%
TOTAL	22,662,581	34,757,184	57,548,029	50,192,549	(7,355,480)	-12.8%

Schedule 7: Appropriations By Department

	ACTUAL EXPENDITURES/ EXPENSES 2000-2001	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2001-2002	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2001-2002	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2002-2003	CHANGE (BUDG-BUDG)	% CHANGE
UTILITIES						
Administration	\$ 496,257	624,800	839,523	823,384	(16,139)	-1.9%
Lake Mary Water Plant	2,883,598	3,178,445	3,228,623	3,251,618	22,995	0.7%
Customer Service	502,220	600,808	600,832	645,448	44,616	7.4%
Water Distribution System	851,771	964,755	1,026,520	970,369	(56,151)	-5.5%
Booster Stations	32,273	79,954	80,088	65,008	(15,080)	-18.8%
Betterments & Imp. Water Dist	2,754,983	793,274	3,003,409	3,079,692	76,283	2.5%
Betterments & Imp. Water Prod	861,433	2,794,405	4,040,000	5,381,871	1,341,871	33.2%
Wastewater Treatment Plant	1,397,815	1,455,547	1,438,737	1,434,879	(3,858)	-0.3%
Wastewater Collection	590,880	559,018	772,932	747,051	(25,881)	-3.3%
Wastewater Monitoring	274,544	316,160	373,977	257,248	(116,729)	-31.2%
Reclaim Water Plant	715,479	966,867	910,586	917,789	7,203	0.8%
Wastewater Treatment Imp	385,184	294,853	1,688,479	1,757,896	69,417	4.1%
Wastewater Collection Imp	854,331	893,705	1,635,858	1,672,266	36,408	2.2%
Debt Service - Water	2,032,771	1,264,270	1,735,957	2,522,819	786,862	45.3%
Debt Service - Sewer	1,090,571	1,460,642	1,464,959	1,751,435	286,476	19.6%
TOTAL	15,724,110	16,247,503	22,840,480	25,278,773	2,438,293	10.7%
NON-DEPARTMENTAL						
Council & Commissions	155,165	170,785	175,221	139,870	(35,351)	-20.2%
Contributions to Other Agencies	1,134,605	1,155,119	1,140,039	752,188	(387,851)	-34.0%
Non-Departmental	2,292,016	6,210,154	8,776,094	4,519,739	(4,256,355)	-48.5%
Real Estate Proceeds	373,182	400,000	885,000	785,000	(100,000)	-11.3%
Firemen's Pension	8,800	7,200	9,600	7,200	(2,400)	-25.0%
G.O. Bond - Debt Service	1,539,736	1,738,631	1,797,316	1,893,731	96,415	5.4%
Special Assessments Bonds	285,165	299,351	299,313	301,274	1,961	0.7%
General Fund Capital Projects	2,165,989	5,459,234	4,832,096	136,590	(4,695,506)	-97.2%
Economic Development	400,846	327,900	354,900	456,400	101,500	28.6%
TOTAL	8,355,504	15,768,374	18,269,579	8,991,992	(9,277,587)	-50.8%
RESERVES/CONTINGENCIES	205,849	250,000	4,085,000	4,515,000	430,000	10.5%
GRAND TOTAL	\$ 80,408,422	105,491,152	150,855,012	145,283,541	(5,571,471)	-3.7%

This schedule includes the entire budgetary responsibility of the division without regard to funding source. Operating revenue transfers provide the level of accountability for division managers and department heads.

Schedule 8: Equipment

CITY OF FLAGSTAFF
SUMMARY OF CAPITAL EQUIPMENT
FISCAL YEAR 2002-2003

DIV #	DIVISION	CAPITAL EQUIPMENT	CARRYFWD 2001-2002	BUDGET 2002-2003
2	CITY CLERK	DIGITAL RECORDING EQUIPMENT	\$ -	9,985
11	LIBRARY	FURNITURE/MILLWORK/SHELVING-NEW BRANCH	-	123,330
16	ENGINEERING	FLEET-4X4 EXT CAB PICK UP COPIER	22,725	22,725 10,000
17	BUILDING INSPECTION	FLEET-4X4 EXT CAB PICKUP	18,165	18,165
21	FIRE	FLEET-HAZARDOUS MATERIALS TRUCK FLEET-TYPE 1 ENGINES (2)	- 666,220	250,000 666,220
22	POLICE	FLEET-REPLACEMENT PATROL SEDANS FLEET-4X4 PATROL VEHICLE FLEET-4X4 ANIMAL CONTROL VEHICLE ANIMAL CONTAINMENT UNIT COPIER COPIER	- - - - - 10,000	114,050 28,300 18,165 6,600 6,000 10,000
23	POLICE GRANTS	MOTORCYCLE	-	16,500
26	PARKS	PC/PRINTER/SCANNER GPS SURVEYING EQUIPMENT PARK WALKWAYS/ENTRANCE RAMPS FENCE REPAIRS-GUADALUPE PARK FLEET-4X4 3/4 TON TRUCK TENNIS COURT RESURFACING-THORPE AERATOR BLEACHERS-THORPE PARK OUTFIELD FENCE-THORPE PARK WALKWAYS/PICNIC TABLE PADS BLEACHERS-FOXGLENN & CONTINENTAL	- - - - - - - - - - -	8,000 13,900 24,200 10,000 30,960 51,600 5,500 18,000 8,000 8,700 18,000
28	CEMETERY	FLEET-4X4 1-TON DUMP TRUCK	-	31,525
30	RECREATION	POOL DECKS-MEMS & FHS POOLS TREADMILL-FLAG REC CENTER BASKETBALL COURT FLOOR-COGDILL ICE RINK LIGHTING-ACTIVITY CENTER POOL DEHUMIDIFICATION-MEMS POOL DEHUMIDIFIER-ACTIVITY CENTER PHONE LINES-ACTIVITY CENTER	- - - - 40,000 47,000 20,000	33,600 6,000 25,800 27,000 40,000 47,000 20,000
32	STREET MAINT & REP	FLEET-STREET SWEEPER FLEET-12YD DUMP TRUCK 6 CUBIC YARD CINDER BOX 10 YARD CINDER SPREADER BOX FLEET-12YD DUMP TRUCK CHANGEABLE MESSAGE SIGN FLEET-1 TON FLAT BED FLEET-1 TON SERVICE TRUCK TRAFFIC LED RETROFITS FLEET-PATCH TRUCK	- - - - - - - - - 33,554 91,125	148,000 130,000 8,000 30,000 130,000 12,000 25,650 30,025 33,554 91,125

Schedule 8: Equipment

<u>DIV #</u>	<u>DIVISION</u>	<u>CAPITAL EQUIPMENT</u>	<u>CARRYFWD 2001-2002</u>	<u>BUDGET 2002-2003</u>
38	AIRPORT	LEASE PAYMENTS-ALPHA HANGAR	\$ -	34,639
		LOAN PAYMENT-ECHO HANGAR	-	54,949
		ADA RAMP	-	30,000
		FLEET-HIGH SPEED SNOW PLOW	-	198,177
41	ENVIRONMENTAL SVCS	FLEET-COMMERCIAL TOP LOADER	-	340,000
		COMPACTING REFUSE CONTAINER	-	11,000
		TRASH COMPACTOR	-	120,000
		FLEET-4X4 PICK UP	-	19,300
		FLEET-TRASH TRUCK REAR LOADER	162,728	162,728
		FLEET-ROLL OFF TRUCK	150,000	150,000
		COMPACTING REFUSE CONTAINER	10,000	10,000
47	LAKE MARY WTR PLAN	PHONE SYSTEM	6,500	6,500
48	CUSTOMER SERVICE	FLEET-4X4 PICK UP	-	18,165
		FLEET-4X4 PICK UP	-	18,165
49	WTR DISTR SYSTEM	MAIN LINE PIPE AND VALVES	-	5,000
		FIRE HYDRANTS & FIRE HYDRANT EXT.	-	7,000
		METERS,BOXES,VAULTS AND RELATED ITEMS	-	79,000
53	WW TREAT PLANT	HIGH PRESSURE 3 WATER PUMP	-	6,988
		LOW PRESSURE 3 WATER PUMP	-	6,250
		AUTO SAMPLERS	-	10,786
		WAUKESHA TOP END REBUILD	-	25,500
		EXPLOSION PROOFING INFLUENT ROOM	-	25,000
54	WW COLLECTION	COMPUTER FOR HANSEN PROGRAM	-	5,000
		FLEET-TV VAN	160,000	160,000
56	RECLAIMED WTP	PHONE SYSTEM	-	15,000
		SEC WASTE FLOW METER AND PIPING	-	20,300
		BLOWER MODIFICATIONS	-	28,500
65	CITY COURT	SECURITY LOCK SYSTEM	10,000	10,000
		COPIER	10,000	10,000
66	NON-DEPARTMENTAL	UPGRADE PHONE SYSTEM-CITY HALL	-	62,650
		COPIERS (2)	20,000	20,000
TOTAL			<u>\$ 1,478,017</u>	<u>\$ 4,036,776</u>

CITY OF FLAGSTAFF
SUMMARY OF CAPITAL IMPROVEMENT PROGRAM
FISCAL YEAR 2002-2003

DIV #	DIVISION	PROJECT	CARRYFWD 2001-2002	BUDGET 2002-2003
11	LIBRARY	CONST/BLDG IMPROVEMENTS-NEW BRANCH	\$ -	322,664
20	USGS FACILITIES	BUILDING #1 DEMOLITION	-	333,208
21	FIRE	RAISE SUPPORT BEAM-STATION 2	-	20,000
22	POLICE	STAFF ENTRY IMPROVEMENTS	34,500	34,500
24	GEN FUND-CAPITAL PRO	USGS BLDG #6	136,590	136,590
26	PARKS	LAND ACQUISITION-GUADALUPE PARK	200,000	200,000
29	FACILITIES MAINTENANC	ASBESTOS ABATEMENT	-	85,000
		ACM FACILITIES TESTING AND SURVEYS	-	45,000
		ENVIRON SOILS REMEDIATION	115,023	115,023 *
		UNDERGROUND STORAGE TANKS	50,000	50,000 *
		REMODEL CD SERVICE COUNTER	-	26,243
30	RECREATION	REMODEL BATHROOMS-THERAPEUTICS	-	6,000
		ROOF-FLAG REC CENTER	-	32,000
		ENLARGE WEIGHT ROOM-FLAG REC CNTR	-	48,000
		ADA RESTROOMS-FLAG REC CNTR	41,477	41,477
		ADA RESTROOMS-ADULT CENTER	122,881	122,881
		ADA RESTROOMS-COGDILL	80,853	80,853
		ADA RESTROOMS-ACTIVITY CENTER	67,596	67,596
		LOCKER ROOM SHOWER TILE-FHS POOL	9,060	9,060
33	STREET CONSTRUCTION	RESERVE FOR IMPROVEMENTS	23,112	51,210
		SIDEWALK REPLACEMENT PROGRAM	-	15,000
		ANNUAL STREET MAINT PROGRAM	35,855	2,133,954
		BUTLER/ENTERPRISE RECONSTR	3,118,068	3,873,282
		SUNNYSIDE STREET IMPROVEMENTS	508,906	761,836
		KILTIE LANE	200,000	200,000
		TRAFFIC SIGNAL MODIFICATIONS	20,125	20,125
		SOUTHSIDE TRAFFIC CIRCULATION	323,357	323,357
		ANNUAL ADA COMPLIANCE	-	116,361
		TRAFFIC DIVERTER ON O'LEARY	33,570	33,570
34	DRAINAGE	GENERAL DRAINAGE	2,711	153,914
		RIO DE FLAG FLOOD CONTROL	2,318,656	4,273,042
		THORPE RD IMPROVEMENTS	-	18,116
35	4TH STREET OVERPASS	FOURTH ST RAIL CROSSING	1,476,089	9,692,752
37	AIRPORT CAPITAL PROJ	MASTER PLAN/PART 150 STUDY	547,447	547,447
		DESIGN/CONST N PARALLEL TAXIWAY	2,982,374	2,982,374
		DESIGN/CONST SAFETY AREA REHAB	118,174	118,174
		DESIGN/CONSTRUCT RUNWAY EXTENSION NE	-	503,736
		RENTAL CAR CLEANUP LOT	-	950,000
		CONSTRUCT 6-BOX HANGARS AND 10 SHADES	-	1,900,000
		AERIAL MAPPING	78,785	78,785
38	AIRPORT	PAVEMENT CRACK SEAL OVERLAY	-	222,327

Schedule 9: CIP

<u>DIV #</u>	<u>DIVISION</u>	<u>PROJECT</u>	<u>CARRYFWD 2001-2002</u>	<u>BUDGET 2002-2003</u>
41	ENVIRONMENTAL SVCS	WIND BLOWN LITTER FENCE	\$ 50,000	50,000
		VADOSE ZONE WELLS-LANDFILL	15,000	15,000
		METHANE GAS MITIGATION	50,000	50,000
		RESIDENTIAL DROP OFF	50,805	50,805
		LANDFILL CONSULTANT SERVICES	-	50,000
		TREE CLEARING-LANDFILL	-	40,000
		STORM WATER MGMT-LANDFILL	55,000	55,000
		METHANE MONITORING-LANDFILL	35,000	35,000
		MRF ENTRY IMPROVEMENTS	242,444	242,444
		BIN STORAGE AREA	28,000	28,000
		LANDFILL CLOSURE SETASIDE	-	500,000
		COMPLETION OF TIER II ANALYSIS	23,000	23,000
		CINDERLAKE LANDFILL ENTRY IMP	107,000	107,000
47	LAKE MARY WTP	FLOORING INSTALL	-	6,500
		DAM IMPROVEMENTS-UPPER LAKE MARY	-	20,000
		WELL MAINTENANCE AGREEMENT-LMWTP	-	150,000
		LAND ACQUISITION FUND	-	20,000
		WELL MAINTENANCE AGREEMENT-WDY MTN	-	250,000
		INNER BASIN PIPE	-	95,700
		ROOF MODIFICATIONS	20,000	20,000
51	BETTRMTS & IMP WATER	AMBERWOOD BOOSTER STATION	51,719	55,849
		WATER LOADOUT STATION	100,000	100,000
		AGASSIZ/DUPONT/VERDE WL	-	297,600
		COCONINO AVE. WATERLINE	-	144,649
		SUNNYSIDE PHASE 2	1,667,971	1,669,620
		SUNNYSIDE PHASE 3	-	73,059
		RADIO METER INSTALL	-	166,000
		HUMPHREYS WATERLINE	-	271,532
		ISABEL RECLAIM EXTENSION	-	40,000
		RESERVE FOR IMPROVEMENTS	-	114,883
		LUCKY LANE W/L EXTENSION	103,898	146,500
52	BET & IMP WTR DIST	LMWTP FILTER MODIFICATIONS	873,598	4,109,000
		WATER SYSTEM OPTIMIZATION	206,000	206,000
		TOWN WELL NO.3	-	516,871
		TOWN WELL NO. 4	-	500,000
		VULNERABILITY STUDY	-	50,000
57	WSTWTR TREATMENT IM	RESERVE FOR ENGINEERING SVCS	-	30,000
		BIO TOWER MEDIA REPLACEMENT	1,100,000	1,100,000
		WASTEWATER SYSTEM OPTIMIZATION	238,535	300,000
		WILDCAT SEPTAGE PIPE REPLACEMENT	-	36,000
		WILDCAT SEPS PUMP	-	64,169
		RIO PLANT CHIPSEAL	-	33,360
		WILDCAT SCREW PRESS	44,367	44,367
		UPGRADE/RECLAIM EXTENSION-WILDCAT	-	150,000
58	WSTWTR COLLECTION IM	HUMPHREYS SEWER REPLACEMENT	-	267,024
		ARROWHEAD/MOUNTAINVIEW SEWER REPL	-	105,547
		BIRCH AVENUE SEWER REPLACEMENT	417,000	677,494
		RIO DE FLAG SEWER INTERCEPTOR	-	229,246
		RESERVE FOR IMPROVEMENTS	31,955	81,955
		SECOND ST SEWER REPLACEMENT	311,000	311,000
65	CITY COURT	REMODEL OF COURTHOUSE	26,830	26,830

Schedule 9: CIP

DIV #	DIVISION	PROJECT	CARRYFWD 2001-2002	BUDGET 2002-2003
66	NON-DEPARTMENTAL	KNOLES PROPERTY PAYMENT	\$ 500,000	500,000
		BANK ONE REMODEL	250,000	250,000
		ADA IMPROVEMENTS	350,000	350,000
		DOWNTOWN IMPROVEMENTS	1,487,000	1,487,000
67	REAL ESTATE PROCEED:	ACQUISITION OF OPEN SPACES	485,000	785,000
74	STREETSCAPE	RT 66 ENTERPRISE TO ARROWHEAD	-	225,000
		US 89-RAILHEAD TO SNOWFLAKE	75,000	80,690
		REDEVELOPMENT OPPORTUNITY FUND	-	50,000
		FREEWAY TI AND CORRIDOR IMPR	-	215,000
		US 89/66-FANNING TO MALL	-	70,000
		SPECIAL PROJECTS	17,049	25,000
		RIO DE FLAG CORRIDOR-DOWNTOWN	-	50,000
		OPEN SPACE IMPROVEMENTS	30,000	30,000
		RT 66 - ELDEN TO S.F.	10,000	10,000
		SIGN BUY OUT	6,285	6,285
		RT 66 LANDSCAPE-VERDE TO SWITZER	20,000	20,000
75	FLAGSTAFF URBAN TRAI	RIGHT OF WAY ACQUISITION	25,000	100,000
		CRESCENT TO CHESHIRE TRAIL LINK	-	275,000
		BOW & ARROW WASH TRAIL-PHASE I	102,148	260,000
		US 180 MULTI-USE PATH	99,896	300,000
		TUNNEL SPRINGS TRAIL	99,850	130,150
		LAKE MARY ROAD-BEULAH TO PT	-	250,000
		LONE TREE-CCC TO PINE KNOLL	-	250,000
		RIO DOWNTOWN	-	50,000
		WEST VILLAGE TO WALNUT	-	50,000
		WALNUT TO RIO	-	50,000
		FOXGLENN PHASE I & II	24,841	50,000
		HOSPITAL LINK	-	125,000
		FISHER POINT LINK	30,000	30,000
84	TOURISM GEN ADMIN	MILLIGAN HOUSE REPAIRS	10,000	10,000
85	VISITOR SERVICES	BLDG IMPROVEMENTS-VISITOR CNTR	170,000	200,000
91	RECREATION-BBB TAX	THORPE PARK IMPROVEMENTS	100,000	110,944
		FOXGLENN PARK IMPROVEMENTS	1,503,526	1,804,899
		MCMILLAN MESA PARK IMPROVEMENTS	150,171	164,566
		CHRISTENSEN SCHOOL FIELD IMPR	-	443,196
		THOMAS SCHOOL FIELD IMPR	178,758	396,222
		LAND ACQUISITION/EXPANSION-CONTINENTAL	1,100,000	900,000
		LAND ACQUISITION/EXPANSION-CHESHIRE	-	800,000
		LAND ACQUISITION-LAKE MARY	-	1,025,000
92	TRANSPORTATION CIP	LOCKETT RD/THOMAS DR INTERSECTION	-	264,422
		SOLIERE AVE EXT TO FOURTH ST	-	1,101,278
		COUNTRY CLUB DR WIDENING	-	1,253,238
		DODGE AVE IMPROVEMENTS	-	1,787,984
		TRANSPORTATION PLANNING AND PROGRAMM	-	625,683
		MISC SAFE TO SCHOOL PROJECTS	-	482,401
		EMPIRE ROAD EXTENSION	-	500,000
		LOOP ROAD	-	1,230,600
		BIRCH AVENUE CURB AND GUTTER	-	285,000
		TOTAL	<u>\$ 25,318,855</u>	<u>\$ 63,932,019</u>

* These items totaling \$165,023, are held to meet COF compliance with ADA/DOJ requirements. Should retrofit expenditures be less than amount held, it will be returned to the division for the original projects.

CITY OF FLAGSTAFF
DEBT SERVICE REQUIREMENTS
FISCAL YEAR 2002-2003

	ORIGINAL ISSUE	OUTSTANDING 07/01/2002	PRINCIPAL	INTEREST	FISCAL CHARGES	TOTAL REQUIREMENTS
GENERAL FUND [70]						
Existing Debt:						
G.O. Series '97	\$ 9,500,000	5,835,000	1,450,000	300,830	1,900	1,752,730
2001 Parks & Recreation	3,100,000	3,100,000	-	141,001	-	141,001
	<u>12,600,000</u>	<u>8,935,000</u>	<u>1,450,000</u>	<u>441,831</u>	<u>1,900</u>	<u>1,893,731</u>
UTILITIES FUNDS [59,60]						
Existing Debt:						
G.O. Series '91B	924,240	204,064	-	44,400	2,200	46,600
G.O. Series '93	6,000,000	1,970,000	390,000	236,398	-	626,398
State Revolving Loan	6,000,000	3,497,184	299,457	118,974	12,000	430,431
G.O. Bonds '97	8,000,000	7,815,000	-	381,580	2,000	383,580
G.O. Series 2001	13,820,000	12,960,000	1,505,000	544,245	2,000	2,051,245
Proposed Debt:						
G.O. Water	6,800,000	6,800,000	100,000	636,000	-	736,000
	<u>41,544,240</u>	<u>33,246,248</u>	<u>2,294,457</u>	<u>1,961,597</u>	<u>18,200</u>	<u>4,274,254</u>
AIRPORT FUND [39]						
Existing Debt:						
G.O. Airport	3,450,000	1,895,000	220,000	79,581	500	300,081
	<u>3,450,000</u>	<u>1,895,000</u>	<u>220,000</u>	<u>79,581</u>	<u>500</u>	<u>300,081</u>
STREETS FUNDS [36]						
Existing Debt:						
Jr. Lien Rev Bonds, Series '92	5,580,000	5,580,000	-	341,673	600	342,273
Revenue Bonds, Refunding '93	16,845,000	10,690,000	1,565,000	494,750	600	2,060,350
Proposed Debt:						
HELP LOAN	3,000,000	3,000,000	-	110,000	-	110,000
	<u>25,425,000</u>	<u>19,270,000</u>	<u>1,565,000</u>	<u>946,423</u>	<u>1,200</u>	<u>2,512,623</u>
SPECIAL ASSESSMENT DISTRICTS [96]						
Existing Debt:						
Downtown (001)	1,525,000	570,000	180,000	27,360	600	207,960
Bow and Arrow (002)	720,000	618,000	64,000	28,714	600	93,314
	<u>2,245,000</u>	<u>1,188,000</u>	<u>244,000</u>	<u>56,074</u>	<u>1,200</u>	<u>301,274</u>
OTHER DEBT (20)						
Existing Debt:						
USGS	4,700,000	4,700,000	255,000	207,399	-	462,399
	<u>4,700,000</u>	<u>4,700,000</u>	<u>255,000</u>	<u>207,399</u>	<u>-</u>	<u>462,399</u>
Total Debt Service Requirements	\$ 89,964,240	69,234,248	6,028,457	3,692,905	23,000	9,744,362

Schedule 11: Leases

CITY OF FLAGSTAFF
CAPITAL LEASES AND LOANS EXCLUDING DEBT SERVICE
FISCAL YEAR 2002-2003

DEPT	ITEM DESCRIPTION	2002-03	2003-04	2004-05	2005-06	2006-17	TOTAL
<u>EXISTING:</u>							
38	West T-Hangars (\$295,000)	\$ 34,639	34,639		-	-	69,278
38	Airport Hangar Loan-ADOT (\$600,000)	54,949	54,949	54,949	54,949	576,966	796,762
Total Existing Capital Leases/Loans		<u>89,588</u>	<u>89,588</u>	<u>54,949</u>	<u>54,949</u>	<u>576,966</u>	<u>866,040</u>
<u>PROPOSED:</u>							
None							
Total Capital Leases/Loans Budgeted		<u>\$ 89,588</u>	<u>89,588</u>	<u>54,949</u>	<u>54,949</u>	<u>576,966</u>	<u>866,040</u>

CITY OF FLAGSTAFF
SUMMARY OF ALL FISCAL ACTIVITY

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003
Sources of funds				
Total Beginning Fund Balance	\$ 60,056,116	66,619,396	73,807,962	74,846,768
Revenues	94,160,268	120,210,406	106,529,958	106,950,770
Total Funds Available	154,216,384	186,829,802	180,337,920	181,797,538
Use of Funds				
Departments				
General Administration	3,714,347	5,397,276	4,870,378	5,513,194
Management Services	5,824,342	6,328,450	5,523,577	6,264,498
Community Development	8,441,640	19,428,620	12,538,431	25,948,991
Fire	6,264,281	7,130,600	6,201,315	7,740,544
Police	9,215,768	9,826,978	9,334,390	10,838,000
Public Works	19,805,785	48,796,249	30,936,850	41,702,018
Utilities	12,600,768	19,639,564	13,522,591	21,004,519
Non-Departmental	4,364,614	11,340,854	8,271,158	6,197,998
Contingency	205,849	4,085,000	250,000	4,515,000
Total Departments	70,437,394	131,973,591	91,448,690	129,724,762
Debt Service				
G.O. Bonds	1,539,736	1,797,316	1,738,631	2,356,130
Street & Highway Revenue Bonds	2,382,019	2,394,293	2,391,679	2,512,623
Airport	367,177	233,179	231,892	300,081
Special Assessment Districts	285,165	299,313	299,351	301,274
Utilities	3,123,342	3,200,916	2,724,912	4,274,254
Total Debt Service	7,697,439	7,925,017	7,386,465	9,744,362
Other Activities				
General Fund Capital Projects	2,165,989	4,832,096	5,459,234	136,590
Parks Bond Projects	107,600	6,124,308	1,196,763	5,677,827
Total Other Activities	2,273,589	10,956,404	6,655,997	5,814,417
Total Appropriations	80,408,422	150,855,012	105,491,152	145,283,541
Excess (Deficiency) of Revenues over Appropriations	13,751,846	(30,644,606)	1,038,806	(38,332,771)
Ending Fund Balances				
General Fund	17,829,187	4,170,083	13,836,044	5,840,606
Special Revenue Funds:				
Library	1,028,175	868,420	1,030,054	266,387
Streets	11,140,246	3,243,723	9,409,957	676,021
Transportation	4,672,882	48,841	6,576,580	3,524,352
Beautification	1,644,456	165,867	1,258,817	62,276
Economic Development	135,891	59,139	169,918	108,472
Tourism	848,566	481,225	801,826	285,152
Arts & Science	120,118	56,911	145,034	123,659
Recreation	3,496,341	1,400,170	5,875,103	1,029,947
Real Estate Proceeds	652,293	896,179	1,096,790	785,140
Comm Redevelopment	578,394	88,801	86,879	314
Metro Planning Org	-	-	-	-
Debt Service Funds:				
G.O. Bond Fund	11,624	11,014	10,049	8,449
Sec. Property Tax	200,435	432,668	311,268	372,914
Special Assessment	207,200	83,952	336,866	289,301
Capital Projects Funds:				
General Fund	5,154,410	68,830	166,429	29,839
Enterprise Funds:				
Utilities				
Operating	21,217,886	17,627,071	24,687,382	19,835,606
Bonds	-	3,200,000	4,137,653	-
Environmental Services	4,245,585	2,564,433	4,284,153	2,372,080
Airport				
Operating	16,091	1,328	16,237	16,248
Airpark Proceeds	381,589	279,361	382,822	387,822
Stormwater Utility	-	-	-	272,705
Expendable Trust Funds	226,593	226,774	226,907	226,707
Total Ending Fund Balance	\$ 73,807,962	35,974,790	74,846,768	36,513,997

GENERAL ADMINISTRATION

GENERAL ADMINISTRATION DEPARTMENT MISSION

It is the mission of the **City Manager's** office to direct and coordinate City staff to provide effective, efficient, and equitable implementation of Council policies and programs; and to provide representation of City Council policies to citizens, other governmental agencies/jurisdictions and any other entity important to the accomplishment of directives established by the City Council.

The mission of the **City Clerk's** office is to support the values of the community and to administer and safeguard the integrity of the municipal governing process by: Conducting fair and open municipal elections; overseeing the timely and accurate accumulation, organization, dissemination, and accessibility to public records; and ensuring legal compliance of all official postings, public notices, and related advertising.

The mission of the **Capital Improvement Division** is to ensure all citizens share equally in the high quality of City services and amenities by continuing the expansion and improvement of infrastructure as demographics change and City facilities age.

The mission of the **Human Resources Division** is to support the City of Flagstaff's commitment to enhancing partnerships with the citizens of our community by providing dependable service, addressing customer's concerns (both externally and internally), providing high-quality public service, and creating a work environment where initiative, teamwork, and creativity are encouraged and valued.

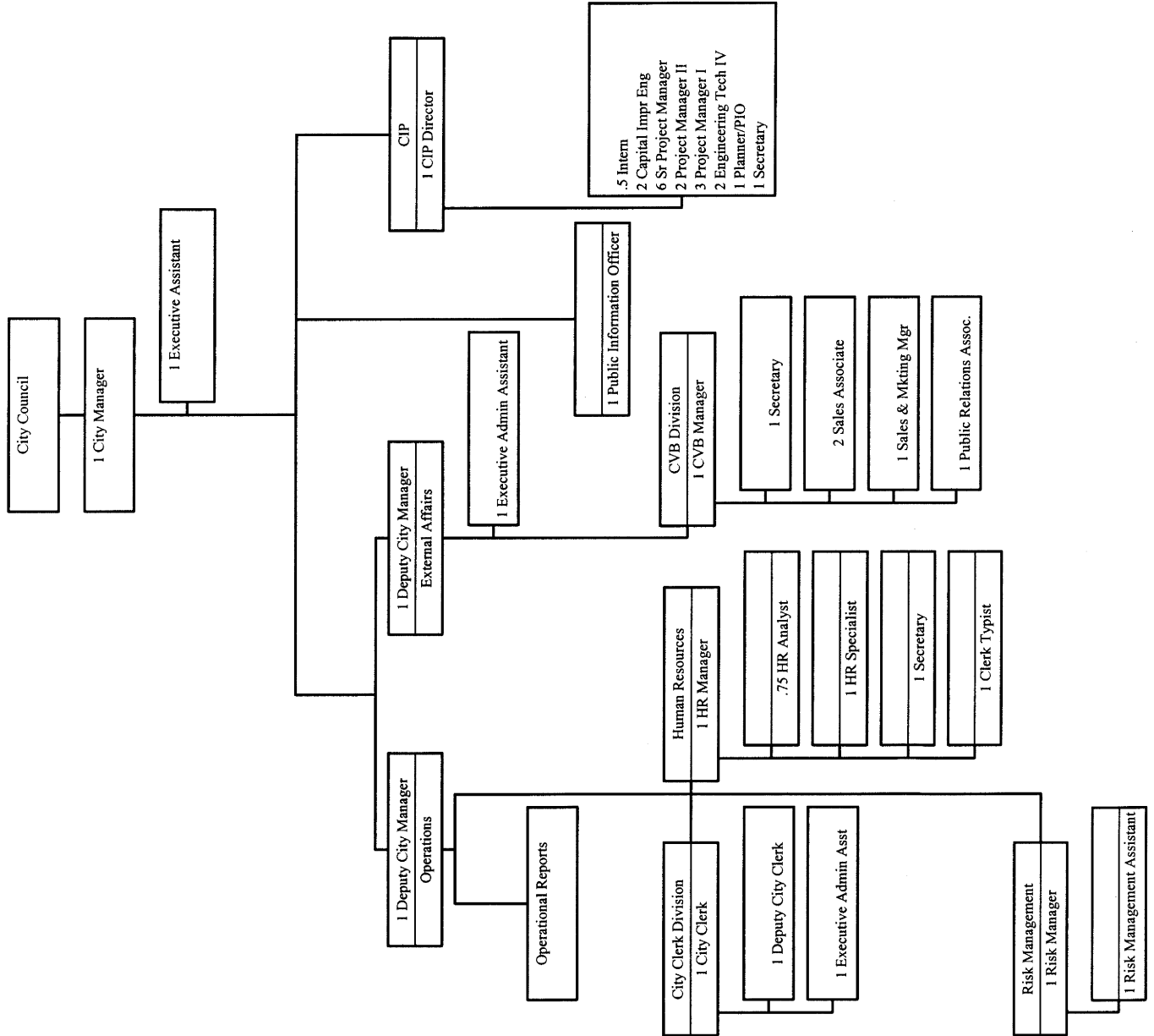
The mission of the **Risk Management Division** is to develop and maintain an integrated multi-disciplinary program for effective management of the City's resources, assets, and liabilities to protect its employees, property, and citizens and enable the City to achieve its primary aims of enhanced quality of life and service to its citizens.

The mission of the **City Attorney's** office is to provide competent and sound legal advice and representation in matters involving or affecting the City.

The mission of the employees of the **Flagstaff Municipal Court** is to foster a positive and productive environment that promotes the efficient and effective administration of justice.

The mission of the **Convention and Visitors Bureau** is to develop, promote, and maintain Flagstaff as a year-round visitor destination with professional visitor services that will benefit the community economically, environmentally, and socially.

General Administration



MISSION

The mission of the City Manager’s office is to direct and coordinate City staff to provide effective, efficient, and equitable implementation of Council policies and programs; and to provide representation of City Council policies to citizens, other governmental agencies/jurisdictions and any other entity important to the accomplishment of directives established by the City Council.

PROGRAM DESCRIPTION

The City Manager is responsible for providing professional leadership in administering the programs and policies established by the Mayor and Council. The Manager informs and advises the Council on the affairs of the City, studies and proposes alternative solutions to community needs for Mayor and Council consideration, prepares and implements the annual financial plan, and coordinates the activities of all Departments/Divisions under his authority to provide effective services at the lowest possible costs.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Provide Council with sufficient information to approve appropriate policies and programs, e.g. completion of Annual Budget, completion of five-year CIP, and completion of Council retreat with identification of Community Issues: The Budget, FY03 CIP and the Community Issues retreat were successfully completed.
- ❖ Provide the community with sufficient information to understand City issues adequately enough to provide meaningful input for consideration by the Council, e.g. Cityscape, City to Citizen, cable coverage of Council work sessions, City Web page, water bill inserts, and maintaining positive communication links with the media: All forms of communication listed in goal were utilized throughout the fiscal year.
- ❖ Increase coordination between departments to maximize staff response in providing service to the community, e.g. department head management team, cross department management teams, and organization-wide customer service program: Successfully completed Organizational Development program with designated Executive Management team which was cross departmental, cross management, and addressed customer service concerns.
- ❖ Increase intergovernmental efforts to represent the City’s interest with local, state, and federal governments: Created a Deputy City Manager position with a primary focus of enhancing intergovernmental efforts.
- ❖ Review funding allocation process and philosophy (i.e. Arts & Science): Deemed not a timely task.

FY03 GOALS AND OBJECTIVES

GOAL: ORGANIZATIONAL SUPPORT
OBJECTIVES:

- ❖ Maintain City Manager/City Council working relationships for policy development.
- ❖ Continue Organizational Development implementation focusing on communication, customer service, leadership development, and organization structure.
- ❖ Provide organization leadership and coordination toward implementation of Council goals.
- ❖ Continue to provide sufficient information to citizens to gain their understanding of City issues and implement methods to obtain meaningful citizen input.

GOAL: COLLABORATION

OBJECTIVE:

- ❖ Coordinate Council and staff effort toward building partnership and intergovernmental relationships to pursue policies, services and goals in the interests of the Flagstaff community.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Keep the citizens well informed and educated through the timely dissemination of information and the facilitation of community input to the Council about City issues, programs, and services.
- ❖ Maintain positive communication links with the local media by:
 - Maintaining and/or increasing City television reports providing information to the community about City programs and services.
 - Maintaining and/or increasing City radio reports providing information to the community about City programs and services.
 - Holding twice-yearly meetings with local news agency representatives to evaluate and enhance methods of City communication to community.
- ❖ Maintain or improve communication dissemination to citizens by:
 - Improving and updating the City web page with new information on programs and services.
 - Coordinating the development, design, layout, and distribution of Cityscape six times per year.
 - Coordinating and providing information to the Arizona Daily Sun for bi-monthly newspaper advertisement in City to Citizen.
 - Maintaining or expanding televised City Council Work Sessions on Cable Channel 4 to community.
 - Providing/hosting an interview program on City issues, programs, and services to be taped prior to the City Council Work Session and televised.
- ❖ Maintain and/or increase the City’s ability to have two-way communication with citizens outside of City Hall by coordinating neighborhood meetings with the City Council, neighborhoods, schools, and police Block Watch officers.
- ❖ Seek citizen feedback on City services/programs to measure improvements and/or deficiencies through a citizen survey at least annually.
- ❖ Improve the City’s efforts at educating and involving employees as an information source by distributing question/answer type flyers on City issues, programs, or services for inclusion with City paychecks.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Maintain and/or increase City TV reports providing information to the community about City programs, services, issues	250 reports/year	50 reports/yr. (1)	50 reports/year
Maintain and/or increase City radio reports providing information to the community about City programs, services, and issues	180 reports/year	150 reports/year	150 reports/year
Hold twice yearly meetings with local news agency representatives to evaluate and enhance methods of City communications to community	0	1 meeting – 3 agencies	2 meetings – all agencies
Improve and update City web page with new information on programs and services	Maintained new site	Added 6 new information elements	Develop a plan for transition to e-government and added 5 new pages
Coordinate the development, design, layout, and distribution of Cityscape	6 times/year	6 times/year	4 times/year
Coordinate and provide information to the Arizona Daily Sun for BI-monthly newspaper advertisement, City to Citizen	24 times/year	24 times/year	Budget cut
Maintain or expand televised City Council work Sessions on Cable Channel 4 to community	48 times/year	47 times/year	48 times/year
Provide/host an interview program on City issues, programs, and services to be taped prior to the City Council Work Session and televised	10 times/year	25 times/year	35 times/year
Coordinate neighborhood meetings with the City Council, neighborhoods, schools, and police Block Watch officers	4 times/year	4 times/year	4 times/year
Develop, coordinate and report the findings of a professional survey of citizen's views on City issues, programs, and services	1 survey completed	1 survey completed	1 survey completed
Develop and distribute a short question/answer type flyer to go with paychecks on City issues, programs, or services	None	1 flyer	3 flyers

(1) Decline due to the elimination of the 4:00 p.m. newscast on Channel 2.

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 324,966	\$ 468,773	\$ 506,102	\$ 583,451	GENERAL FUND	\$ 465,042
CONTRACTUAL	147,439	234,519	179,542	180,020	LIBRARY FUND	32,567
COMMODITIES	12,615	14,995	20,471	14,185	HIGHWAY USER REVENUE FUND	78,737
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	116,731
TOTAL	\$ 485,020	\$ 718,287	\$ 706,115	\$ 777,656	AIRPORT FUND	21,365
					ENVIRONMENTAL SERVICES FUND	63,214
EXPENDITURES BY PROGRAM:						\$ 777,656
GENERAL ADMINISTRATION	\$ 353,506	\$ 512,987	\$ 550,103	\$ 623,356		
PUBLIC INFORMATION	125,669	156,650	124,706	108,650		
CUSTOMER SERVICE	5,845	48,650	31,306	45,650		
TOTAL	\$ 485,020	\$ 718,287	\$ 706,115	\$ 777,656		

COMMENTARY:

The City Manager's operating budget has increased 8.3% and there are no capital expenditures. Personal Services increases reflect market/merit increases as well as an increase in the cost of health insurance. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the City Clerk's office is to support the values of the community and to administer and safeguard the integrity of the municipal governing process by: Conducting fair and open municipal elections; overseeing the timely and accurate accumulation, organization, dissemination, and accessibility to public records; and ensuring legal compliance of all official postings, public notices, and related advertising.

PROGRAM DESCRIPTION

As required by the City Charter, the City Clerk maintains the official documents of the City, such as Council meeting minutes, ordinances (including codification), resolutions, deeds, contracts, and easements. The City Clerk conducts all City elections; coordinates the Council's boards and commissions, prepares the Council meeting, work session, and executive session agendas, oversees the City's Record Retention Program, and ensures legal requirements regarding official postings, public notices, and advertising are met.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Conduct City 2002 Primary and General elections, insuring all legal requirements are met: All legal requirements were met. The results of the Primary and General elections were accepted without challenge.
- ❖ Conduct an Early Voting by Mail program to improve voter awareness and turnout: An Early Ballot Request form was sent to every registered voter by February 1, 2002.
- ❖ Assure all legal requirements are met regarding posting, publishing and financial disclosure: All legal requirements were met regarding posting, publishing, financial disclosure, and processing of liquor and off track betting licenses.
- ❖ Implement training program for City's Board and Commission members: Developed and implemented first board and commission training program. Additionally, revised and published a new Board and Commission Member Handbook.
- ❖ Coordinate efforts to review, revise, and standardize City policies contained in the Policy Manual: This item has been referred to the Executive Management Team (EMT) Policy Committee.

- ❖ Publish and distribute revised City Policy Manual: This item has been referred to the Executive Management Team (EMT) Policy Committee.
- ❖ Revise and publish Council Candidate Handbook and Agenda Process Handbook: The Council Candidate Handbook and the Agenda Process Handbooks were revised and published.
- ❖ Assist with City Website/E-Commerce Project: Established a Boards and Commissions Section on the City website.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Successfully conducted the first All Mail Ballot Election in Coconino County.
- ❖ Results of the 2001 Special All Mail Ballot Election were accepted without challenge.
- ❖ Successfully processed one citizen referendum.
- ❖ Provided support and transition services for newly elected Council members.
- ❖ Elected Officials Handbook revised, copied, and distributed prior to new Council taking office.
- ❖ Staff reports appointing Vice Mayor and Council representatives to boards and commissions completed and processed by June 2002.
- ❖ Revised and implemented new Staff Summary Report forms.
- ❖ Served on the following committees: City Executive Management Team (EMT) as a member and Subcommittee Chair; EMT Steering; Employee Advisory Committee (EAC); Management Information Services (MIS); and Website/E-Commerce.

FY03 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Assure the timely and accurate processing and codification of all ordinances.
- ❖ Assure timely and accurate dissemination of information and public records.
- ❖ Assure all legal requirements are met regarding posting, publishing, and financial disclosure.
- ❖ Design and implement an in-house training program for City's Board and Commission members.
- ❖ Coordinate efforts to review, revise, and standardize City policies contained in the Policy Manual, and publish and distribute the revised City Policy Manual.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
All ordinances were codified within one week of their effective date	100%	100%	100%
All ordinances were published within the ten day Charter requirement	100%	100%	100%
All notices of meetings of the City Council were posted within the 24-hour time limit established by State law	100%	100%	100%
All liquor license applications were processed within the time limit established by State law	100%	100%	100%
Mayor and Council members filed Financial Disclosure statements by January 31 as required by State statutes	100%	100%	100%
Within one business day, forward citizen requests for records to the responsible person or department for response and/or handling.	NA	NA	100%
All on site records obtained within three business days and off-site records are obtained within five business days.	NA	NA	100%
All records retained, stored, and destroyed in compliance with federal and state laws, the City Charter, and established practices, policies and procedures on a quarterly basis.	NA	NA	100%
All off-site records labeled, indexed, and stored within three business days following receipt.	NA	NA	100%
Copy Policy rewritten, reviewed, approved and distributed	NA	NA	6/30/03
Update retention schedules on file for all departments	NA	NA	6/30/03
Continue to provide and update public records information on City website	NA	NA	NA
Revise and publish Board and Commission Member Handbook updates	NA	NA	12/31/02
Conduct at least one training session in FY03 using City staff and facilities	NA	NA	6/30/03
Publish the revised Policy Manual	NA	NA	12/31/02

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures	Budget	Expenditures	Budget		Budget
	2000-2001	2001-2002	2001-2002	2002-2003		2002-2003
PERSONAL SERVICES	\$ 144,366	\$ 154,268	\$ 156,375	\$ 166,094	GENERAL FUND	\$ 159,760
CONTRACTUAL	11,139	159,300	155,273	58,030	LIBRARY FUND	5,642
COMMODITIES	1,989	6,600	4,775	3,150	HIGHWAY USER REVENUE FUND	20,683
CAPITAL	-	-	-	9,985	WATER AND WASTEWATER FUND	31,233
TOTAL	\$ 157,494	\$ 320,168	\$ 316,423	\$ 237,259	AIRPORT FUND	5,714
					ENVIRONMENTAL SERVICES FUND	14,227
						\$ 237,259
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 157,401	\$ 179,668	\$ 175,985	\$ 190,259		
ELECTIONS	93	140,500	140,438	47,000		
TOTAL	\$ 157,494	\$ 320,168	\$ 316,423	\$ 237,259		

COMMENTARY:

The City Clerk's operating budget has decreased 30.8% and capital expenditures total \$9,985 resulting in an overall net decrease of 27.7%. Personal Services increases are due to market/merit increases and the increase in cost of health insurance. The change in contractals is primarily due to \$140,500 decrease for the general election and \$47,000 increase for a special election for a bond program. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the Capital Improvements division is to ensure all citizens share equally in the high quality of City services and amenities by continuing the expansion and improvement of infrastructure as demographics change and City facilities age.

PROGRAM DESCRIPTION

The Capital Improvement division in General Administration provides planning and project management for Capital Improvement Projects. The division is responsible for the design, planning, programming, and construction of City facilities and infrastructure in a comprehensive fashion with appropriate public involvement.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Develop a comprehensive five- year capital program: This will be developed in FY03.
- ❖ Administer Foundations projects such as; The 4th Street Overpass, Butler/Enterprise, Miscellaneous Safe to School projects and Street Improvement projects: Construction project accomplishments are detailed under 'Additional FY02 Accomplishments' below.
- ❖ Administrative oversight responsibility for municipal construction projects: Administrative oversight provided as appropriate.
- ❖ Enhance citizen involvement and awareness: Initiated public involvement process for Transportation Program.
- ❖ Develop and implement a citizen committee: Coordinated establishment of Citizens Transportation Advisory Committee.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Selected, negotiated, and contracted comprehensive professional services as required for Fourth Street Rail Crossing project.
- ❖ Began construction phase of Butler Avenue/Enterprise Road Reconstruction project.
- ❖ Completed construction phase of \$4 million in FAA and ADOT funded Airport Apron Reconstruction.

- ❖ Substantial completion of new Astrogeology facility for U.S. Geological Survey.
- ❖ Continuation of Sunnyside Neighborhood Infrastructure replacement and enhancements including construction of Phase II and design administration of Phase III.
- ❖ Established basis and staff training for uniform capital project delivery process.
- ❖ Completed construction phase of Safe-to-School and Transit foundation projects including DeMiguel Pedestrian Refuge and sidewalks, Thomas School sidewalks, and Route 66 temporary bus pullouts.
- ❖ Substantial completion of design for Soliere Avenue Extension at Fourth Street and Country Club Drive widening with construction scheduled for the summer and fall of 2002.
- ❖ Completed construction phase of MPO sponsored Shultz Pass Road realignment and Butler Avenue improvements at Foxglenn Park.
- ❖ Completed design administration and substantial portion of construction phase for Airport North Taxiway replacement and runway safety improvements.
- ❖ Identification, prioritization, and preliminary design of second year multi-modal projects including urban trails, pedestrian, bicycle, and Safe-to-School improvements.

FY03 GOALS AND OBJECTIVES**GOAL: CAPITAL IMPROVEMENTS****OBJECTIVES:**

- ❖ Coordinate the development of a comprehensive 5-year capital program based on a pre-determined prioritization method, which engages all City departments, as well as the public at large.
- ❖ Enhance project delivery through two-way communication with all City departments, City Council, and the public.
- ❖ Conduct project-scoping meetings, including both internal and external stakeholders, in order to identify and address all pertinent project issues at the earliest possible time.

GOAL: CUSTOMER SERVICE**OBJECTIVE:**

- ❖ Conduct public meetings for major projects to engage the public and establish positive working relationships.

GENERAL ADMINISTRATION

DIVISION 03

CAPITAL IMPROVEMENT

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Percentage of Capital Projects delivered in accordance with accepted work program	70%	75%	75%
Adoption of a comprehensive 5-year capital program	NA	NA	6-03
Create a standardized schedule and budget reporting system.	NA	NA	6-03
Document issues identified and the results of the identification from project scoping meetings: Scoping documentation.	NA	NA	90%
Document public meetings and their impact on projects: Number of public meetings conducted.	N/A	N/A	12

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ -	\$ 453,304	\$ 361,901	\$ (275,681)	GENERAL FUND	\$ (127,296)
CONTRACTUAL	-	50,431	95,084	108,295		\$ (127,296)
COMMODITIES	-	37,980	22,728	40,090		
CAPITAL	-	5,000	4,354	-		
TOTAL	\$ -	\$ 546,715	\$ 484,067	\$ (127,296)		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ -	\$ 226,306	\$ 248,732	\$ (520,268)		
PROJECT MANAGEMENT	-	320,409	231,671	392,972		
ADOT PROJECT COORDINATION	-	-	2,327	-		
HERITAGE SQ STAFF SUPPORT	-	-	1,337	-		
TOTAL	\$ -	\$ 546,715	\$ 484,067	\$ (127,296)		

COMMENTARY:

The Capital Improvement operating budget has decreased 123.5% and there are no capital expenditures. Personal Services decreases are due to a new allocation method for Capital Improvement. All costs plus the administrative overhead assigned to the divisions is now allocated. Contractuals increases are due to the Bank One lease that will house CIP staff in FY 03. Commodities increases are due to additional office supply purchases. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the Human Resources division is to support the City of Flagstaff's commitment to enhancing partnerships with the citizens of our community by providing dependable service, addressing customer's concerns (both externally and internally), providing high-quality public service, and creating a work environment where initiative, teamwork, and creativity are encouraged and valued.

PROGRAM DESCRIPTION

Human Resources is responsible for all areas impacting employees and potential employees. These functions include recruitment and selection, employee grievance and appeals resolution, classification and compensation, employee development and training, employee benefits and services, and equal employment opportunity and affirmative action.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Continue to revise the Employee Handbook: Revision complete.
- ❖ Complete automation of Personnel Action Forms: The process continues and implementation is anticipated in FY03.
- ❖ Implement Customer Service Training: Training will be provided in FY03.
- ❖ Enhance Exit Interview process: Process enhanced through the inclusion of payroll so that termination benefits are explained.

- ❖ Implement Board Classification for clerical staff positions: Completed
- ❖ Start process for implementing skilled base pay for Utilities: First phase of skill based pay implemented.
- ❖ Revise performance evaluation process: Will address in FY03.
- ❖ Implement a Mediation Program: Complete.

FY03 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Revise the current performance evaluation form to include a section that addresses customer service.
- ❖ Provide customer service training to employees to ensure they understand and demonstrate good customer service.
- ❖ Provide all new employees with an overview of expectations regarding customer service.
- ❖ Revise job descriptions to include a statement that excellent customer service is a job requirement.
- ❖ Establish a recognition/award program to recognize employees who have provided outstanding customer service.

GOAL: ORGANIZATIONAL SUPPORT**OBJECTIVES:**

- ❖ Complete automation of Personnel Action Forms.
- ❖ Complete review of compensation and benefits program to ensure the City is externally competitive within its financial capability.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Conduct and complete 100% of formal grievance appeals, or EEOC complaints within legal or policy guidelines	100%	100%	100%
Offer a minimum of two computer classes per month	100%	100%	100%
Revise current evaluation form to include section re: customer service	NA	NA	6/30/03
Provide customer service training to all employees by 6/30/03	NA	NA	100%
Provide new employees with overview of customer service expectations	NA	NA	100%
Revise job descriptions to include customer service as job requirement	NA	NA	50%
Establish recognition program to recognize employees who have provided excellent customer service	NA	NA	6/30/03
Automate Personnel Action Forms	NA	NA	6/30/03
Review of compensation and benefits program	NA	NA	6/30/03

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 286,348	\$ 308,999	\$ 315,517	\$ 254,127	GENERAL FUND	\$ 209,689
CONTRACTUAL	101,652	108,888	85,158	76,568	LIBRARY FUND	25,642
COMMODITIES	28,657	38,345	39,562	24,305	HIGHWAY USER REVENUE FUND	27,261
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	50,996
TOTAL	\$ 416,657	\$ 456,232	\$ 440,237	\$ 355,000	AIRPORT FUND	7,949
					ENVIRONMENTAL SERVICES FUND	33,463
EXPENDITURES BY PROGRAM:						\$ 355,000
GENERAL ADMINISTRATION	\$ 189,633	\$ 209,358	\$ 184,678	\$ 192,583		
RECRUITMENT AND SELECTION	10,430	3,800	28,477	53,867		
RISK MANAGEMENT	84,800	117,700	117,742	-		
COMPENSATION AND CLASS.	-	400	400	200		
TRAINING & DEVELOPMENT	131,794	124,974	108,940	108,350		
TOTAL	\$ 416,657	\$ 456,232	\$ 440,237	\$ 355,000		

COMMENTARY:

The Human Resources operating budget has decreased 22.2% and there are no capital expenditures. The decrease is due to the transfer of Risk Management to Division 05. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the Risk Management division is to develop and maintain an integrated multi-disciplinary program for effective management of the City's resources, assets and liabilities to protect its employees, property and citizens and enable the City to achieve its primary aims of enhanced quality of life and service to its citizens.

PROGRAM DESCRIPTION

The Risk Management division is responsible for control of risk and focuses on the protection of the City's human, financial and physical assets. The protection and well-being of employees and the public is of utmost priority and financial and physical assets provide us with the tools to accomplish the City's mission of service to its citizens.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Efforts continuing to expand Risk Master database.
- ❖ Establish three-year plan for updating City Safety Handbook: City Safety Manual revision is continuing. The abbreviated Employee Safety Manual is drafted and policies referenced in this manual that must be written or revised have been identified for work in 2002/2003.
- ❖ Revise Accident Review Board regulations and employee accident reporting forms: Revisions continuing.
- ❖ Formalize restitution process to assure notification of all City damages: As a result of the improved notification process, in excess of \$31,000 was collected in restitution during calendar year 2001.

ADDITIONAL FY02 ACCOMPLISHMENTS

Workers compensation claims - experienced a 24% reduction in the number of reported claims during calendar year 2001.

- ❖ Liability claims - 56 closed during calendar year 2001.
- ❖ Risk Management Contract/Insurance and Indemnification manual placed into use by Purchasing department and serves as a guide for City contracts.
- ❖ Workers Compensation insurance was successfully bid and placed with the State Compensation Fund with a minimum of disruption to employees.

FY03 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ To be responsive to both internal and external customers needs and requests.
- ❖ Develop and utilize a "satisfaction response card" to be mailed to claimant's (internal and external) asking for comments on a variety of service issues.

GOAL: FISCAL HEALTH**OBJECTIVES:**

- ❖ To apply risk management techniques to minimize the adverse effects of losses and long-term costs of City activities by identification, prevention, and control of risk and to serve as a cost reduction center.
- ❖ Conduct safety inspections of City facilities to identify areas that need improvement in life safety.
- ❖ Implement recommendations of Accident Review Board investigations of accidents.
- ❖ Manage Return to Work program and Sick Industrial policy.
- ❖ To protect the City against the financial consequences of accidental losses of a catastrophic nature. Stay abreast of changing insurance markets and legal climate concerning public entities to avoid self-insuring risks that are not consciously retained.
- ❖ Consult with Broker concerning obtaining coverage for identified exposures, or Finance Department to be certain funding is available for retained exposures. Attend Public Risk Management seminars and Certified Risk management courses addressing public entity issues.

GOAL: PUBLIC SAFETY**OBJECTIVES:**

- ❖ To protect and conserve the City's assets and public service capabilities from loss, destruction, or depletion to ensure that citizens may benefit and utilize City services and facilities.
- ❖ Assist division safety coordinators by conducting "train the trainer" classes in defensive driver, ergonomics, risk identification, Federal and State regulations, and City policies.
- ❖ Assure that divisions have access and are aware of resources risk management can provide.
- ❖ Emergency evaluation plans written and drills scheduled.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Complete one facility inspection monthly and make recommendations	NA	NA	12 inspections
Reduce the number of workers compensation claims compared to previous year	NA	NA	5%
Conduct monthly Accident Review Board meetings monthly and follow through on recommended preventative actions	NA	NA	12 meetings
Manage Return to Work and Sick Industrial policy as measured by the number of lost workdays and compared with ICMA lost work day benchmark	NA	NA	No greater than 5% variance.
Designation as a Certified Risk Manager completed	NA	NA	12/02
Conduct satisfaction survey and compare with ICMA performance benchmark	NA	NA	Satisfaction greater than benchmark
Have contact with each division safety coordinator on a monthly basis	NA	NA	12 contacts/year
Emergency evacuation plans written	NA	NA	12/31/02
Fire drills completed	NA	NA	1

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ -	\$ -	\$ -	\$ 98,558	GENERAL FUND	\$ 107,463
CONTRACTUAL	-	-	-	6,370		\$ 107,463
COMMODITIES	-	-	-	2,535		
CAPITAL	-	-	-	-		
TOTAL	\$ -	\$ -	\$ -	\$ 107,463		
EXPENDITURES BY PROGRAM:						
ADMINISTRATION	\$ -	\$ -	\$ -	\$ 107,463		
TOTAL	\$ -	\$ -	\$ -	\$ 107,463		

COMMENTARY:
 Risk Management is a new division that transferred from the Human Resources division. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the City Attorney's office is to provide competent and sound legal advice and representation in matters involving or affecting the City.

PROGRAM DESCRIPTION

The Law division assures the legality of the official business of the City of Flagstaff by providing legal advice and opinions to the Mayor and Council, the City Manager, the City departments, and the City 's boards and commissions. This division represents the City in civil litigation, and represents the City and the State of Arizona in criminal misdemeanor cases occurring within the City limits. This division also prepares or reviews all contracts, ordinances, resolutions or other legal documents involving the City.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Provide legal advice to the City Council, City Manager, the City's departments, and boards and commissions in a timely manner: Provided legal advice on a diverse spectrum of topics as detailed in the Major Accomplishments for FY02.
- ❖ Prosecute or defend all litigation initiated by or against the City after all settlement attempts have failed: All litigation pursued as appropriate.
- ❖ Prepare or review in a timely fashion all correspondence, contracts, agreements, ordinances, resolutions, or other legal documents involving or affecting the City: Prepared or reviewed legal documentation as detailed above in a timely manner.
- ❖ Provide advice and guidance to reduce liability exposure and to reduce claims filed against the City: Advice and guidance provided as needed.
- ❖ Provide aggressive prosecution of criminal misdemeanors occurring within the City limits: Aggressive prosecution provided as needed.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Ordinances, Resolutions, and Regulations: Reviewed, revised, or drafted in whole or in part, new floodplain regulations, design review guidelines, administrative hearing procedures in the litter ordinance, revisions to the Land Development Code to comply with the State's Growing Smarter acts, the regional plan, the affordable housing "set-aside" policy, and an ordinance establishing a stormwater management utility.

- ❖ Redevelopment: Prepared ordinance authorizing acquisition of additional downtown properties for redevelopment, entered into negotiations with owners of desired properties, filed condemnation actions where appropriate and as directed, participated in negotiations and preparation of documents regarding the purchase or option to purchase several properties within the scope of the Rio de Flag realignment project, reviewed and revised resolution designating the East Flagstaff Gateway Area as a redevelopment area, reviewed the state land lease affecting the Flagstaff Mall redevelopment, and hired legal consultants to analyze options for the Mall and Purina redevelopment's.
- ❖ Community Health and Welfare: Concluded a criminal nuisance case involving approximately 50 asbestos-laden trailers stored on private property in conjunction with various City departments and the Arizona Department of Environmental Quality in negotiating the voluntary removal of the trailers and the clean-up of the property; provided advice and research to the Council on liquor license saturation in the downtown and an applicant's lack of qualification in aiding the Council's decision to deny the transfer of a license; and continued enforcement of litter abatement in Sunnyside.
- ❖ USGS Building 1: Provided advice and direction to the City and U.S.G.S. regarding the National Historic Preservation Section 106 process.

FY03 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Provide legal advice to the City Council, City Manager, the City's departments, and Boards and Commissions in a timely manner.
- ❖ Prepare or review in a timely fashion all correspondence, contracts, agreements, ordinances, resolutions, or other legal documents involving or affecting the City.

GOAL: PUBLIC SAFETY**OBJECTIVES:**

- ❖ Prosecute or defend all litigation initiated by or against the City after all settlement attempts have failed.
- ❖ Provide aggressive prosecution of criminal misdemeanors occurring within the City limits.

GOAL: FISCAL RESPONSIBILITY**OBJECTIVES:**

- ❖ Provide advice and guidance to reduce liability exposure and to reduce claims filed against the City of Flagstaff.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Ordinances/Resolutions reviewed	26/78	30/96	30/100
Contracts/Leases/Agreements reviewed	102	143	150
Council meetings attended (Work/Regular/Special/Executive)	118	108	110
New cases set for pretrial conference	3,209	3,075	3,200
Domestic Violence cases	468	415	450
Driving under the Influence (DUI) cases	484	579	600
Pending DUI files at year end	186	239	200
Percentage of cases pled at Pre-Trial	NA	30%	30%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 582,927	\$ 745,681	\$ 726,572	\$ 829,431	GENERAL FUND	\$ 669,796
CONTRACTUAL	39,813	65,069	68,312	24,769	LIBRARY FUND	16,403
COMMODITIES	49,849	39,220	16,702	36,490	HIGHWAY USER REVENUE FUND	60,127
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	86,394
TOTAL	\$ 672,589	\$ 849,970	\$ 811,586	\$ 890,690	AIRPORT FUND	16,610
					ENVIRONMENTAL SERVICES FUND	41,360
EXPENDITURES BY PROGRAM:						\$ 890,690
GENERAL ADMINISTRATION	\$ 144,876	\$ 152,063	\$ 143,107	\$ 123,534		
COUNCIL AND COMMISSIONS	264,828	377,359	357,360	377,916		
POLICE COURT	262,885	320,548	311,119	389,240		
TOTAL	\$ 672,589	\$ 849,970	\$ 811,586	\$ 890,690		

COMMENTARY:

The Law division operating budget has increased 4.8% and there are no capital expenditures. Personal Services increases are due to market, merit, and health insurance increases. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the employees of the Flagstaff Municipal Court is to foster a positive and productive environment that promotes the efficient and effective administration of justice.

PROGRAM DESCRIPTION

The Municipal Court is responsible for the adjudication and disposition of all local code violations, criminal traffic, civil traffic, and criminal misdemeanor cases that occur within the Flagstaff City limits in a prompt, judicious, and effective manner. The Court is accountable to the Arizona Supreme Court through the Superior Court of Coconino County in judicial matters and reports to the City regarding financial and administrative matters not unique to Court operations.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Fully implement a tax intercept program for improved payment of fines: Fully implemented and built on the pilot for the program.
- ❖ Implement RATE (an in-custody alcohol treatment) program: Staffing not available through coordinating agency. Until the other agency hires the necessary staff, we will not be able to pursue.
- ❖ Conduct study on future court facilities needs and options: Ongoing process with Redevelopment and Facilities teams.
- ❖ Establish a court staff-training center: Ongoing training program established through multi-jurisdictional specialist.
- ❖ Update and remodel current facilities for increased customer service and security: Anticipated to be complete summer of 2002.
- ❖ Conduct a comprehensive evaluation of the Drug Court program. Began evaluation of program. Will complete FY03.
- ❖ Conduct an independent audit of court financial operations: The audit was complete 7/2001 and the Court received a clean audit opinion.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Completed a strategic plan update, Justice 2020, for all courts within the county.
- ❖ All staff has completed the annual training and orientation requirements of Arizona Judiciary.
- ❖ Expanded operations of warrant division, working with Justice of the Peace courts in coordinating efforts.
- ❖ Developed coordinated efforts with other courts in the county in bringing on interpreter and training positions.
- ❖ Began electronic disposition reporting directly to the Department of Public Safety (Criminal Justice Integration Program) on criminal violations.
- ❖ Began electron disposition reporting to the Motor Vehicle Division on traffic violations.

- ❖ Implemented a new performance evaluation process that emphasized personal responsibility and customer service for employees.

FY03 GOALS AND OBJECTIVES**GOAL: PUBLIC SAFETY****OBJECTIVES:**

- ❖ Through active case management, adjudicate 90% of all cases within 90 days (ABA standard).
- ❖ Comply with all Rules of Court and Statutory case handling requirements.
- ❖ Provide accurate information to the public.
- ❖ Implement an automated case calendar system.
- ❖ Complete the comprehensive Drug Court evaluation.
- ❖ Use video appearance system more extensively for plea proceedings.
- ❖ Complete data clean up and provide accurate case information to the public on new court information web page provided through the State court system.

GOAL: FISCAL HEALTH**OBJECTIVES:**

- ❖ Expand collection efforts to increase total yearly revenues.
- ❖ Maintain fiscal integrity in all financial transactions.
- ❖ Comply with all Minimum Accounting Standards and report yearly.
- ❖ Increase amount entered into tax intercept program by 50%.
- ❖ Coordinate with the AOC on statewide collection program using private collection agencies.
- ❖ Use warrant unit to coordinate statewide enforcement and transportation of those arrested on court warrants.

GOAL: CUSTOMER SERVICE**OBJECTIVES:**

- ❖ Develop an attitude and expectation in providing service to court customers while maintaining integrity in the application of state law.
- ❖ Have all staff complete orientation and training requirements of Arizona Judiciary.
- ❖ Develop Minimum Operational Standards for the Court.
- ❖ Fully establish performance expectations for all positions that include customer service expectations.
- ❖ Continue with development of facilities that provide improved access and security to the Court.

GOAL: COLLABORATION**OBJECTIVES:**

- ❖ Collaborate efforts across a broad range of programs with other local courts, the Arizona Supreme Court, law enforcement, and the bar.
- ❖ Continue the multi-jurisdictional Drug Court while adding a streamlined process for misdemeanor cases.
- ❖ Work with Statewide efforts for automation coordination by the Court Automation Coordinating Committee.
- ❖ Continue implementation of the Justice 2020 strategic plan in collaboration with Justice and Superior Courts.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Timely adjudication of all cased filed before the court			
Total # of charges filed (*change in process, excludes parking violations)	24,059*	23,149	26,000*
Cases completed 0-30 days (state average = 55%)	58%	54%	58%
Cases completed 31-60 days (state average = 24%)	27%	27%	27%
Cases completed 61-90 days (state average = 10%)	8%	9%	8%
Cases completed 91-120 days (state average = 5%)	3%	3%	3%
Cases completed 121+ days (state average = 6%)	4%	6%	4%
Consistent and accurate collection of fines imposed by the Court			
Amount of general funds collected	\$798,462	805,442	810,000
Amount of surcharges collected	635,719	627,656	630,000
Amount of local funds collected	155,532	178,382	180,000
Total amount collected	1,589,713	1,611,480	1,620,000

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 852,985	\$1,052,497	\$1,046,365	\$1,173,950	GENERAL FUND	\$1,537,634
CONTRACTUAL	199,030	192,492	181,709	208,272		\$1,537,634
COMMODITIES	42,784	76,114	39,795	108,582		
CAPITAL	50,656	46,830	-	46,830		
TOTAL	\$1,145,455	\$1,367,933	\$1,267,869	\$1,537,634		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 307,147	\$ 766,006	\$ 419,183	\$ 674,410		
TRIALS & ARRAIGNMENTS	331,375	308,158	360,774	343,647		
RECORDS MANAGEMENT	310,579	73,480	255,549	269,382		
COURT COLLECTIONS	196,354	220,289	232,363	250,195		
TOTAL	\$1,145,455	\$1,367,933	\$1,267,869	\$1,537,634		

COMMENTARY:

The City Court operating budget has increased 12.8% and capital expenditures total \$46,830 resulting in an overall net increase of 12.4%. Personal Services increases are due to market, merit, and health insurance increases. A new position (1 FTE), Information Systems Specialist, has been added that will be funded through state and local JCEF. Contractuals increases are due to increase in postage (\$10,000) and telephone. Commodities increases are due to upgrade to digital recording system (\$18,445), five new computers and office equipment. Major capital (>\$10,000) includes \$10,000 for a copier, \$10,000 for a security lock system, and \$26,830 for remodeling of the courthouse. All the capital items are carryovers from FY 02. Onetime expenditures for this division are the computer/office equipment and digital recording system.

MISSION

The mission of the Convention and Visitors Bureau is to develop, promote, and maintain Flagstaff as a year-round visitor destination with professional visitor services that will benefit the community economically, environmentally, and socially.

PROGRAM DESCRIPTION

The Flagstaff Convention and Visitors Bureau is charged by city ordinance with administering tourism programs for the City of Flagstaff and receives an allocation of 30% of the BBB tax collected. Programs to develop tourism in Flagstaff are ongoing and include marketing to tour operators, travel agents, meeting and conference planners, consumers and media, both in domestic and international markets. The CVB is also involved in the creation and maintenance of partnership opportunities.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ To strategically position Flagstaff as a preferred travel destination: Participated in trade shows and missions in Europe, Canada and domestically. Developed new ad campaign "Good-bye starch, Hello Flagstaff . . ." Flannel Shirt ads. Created awareness for local events through a Calendar of Events and Flagstaff Happenings.
- ❖ Complete the Long Term Strategic Plan Study for tourism: Participated in NAU Research Survey sponsored by ATA to begin data collection.
- ❖ Increase exposure on the Internet: Created incentive promotion for the new design of Web page. Advertised on Internet travel pages (Fodor's).
- ❖ Increase earned media coverage in all markets—international, domestic and regional: Began aggressive proactive public relations program that included attendance at international and domestic trade shows. Created snow plan with Phoenix area meteorologists. Pitched ideas to targeted publications and published editorial content.
- ❖ Continue to work closely with local industry partners: Worked closely with Innkeepers Association, No. AZ Restaurant Association, Downtown Business Alliance, Flagstaff Cultural Partners among others.
- ❖ Improve public education to convey to local residents the direct economic benefits of tourism and how it provides for an improved quality of life for the entire community: Worked with local media to discuss issues, which would educate citizens. Took advantage of speaking opportunities to share information. Created Public Service Announcements, which will run on local radio stations during tourist season.
- ❖ Strengthen the advocacy role of the CVB on behalf of the tourism marketplace in Flagstaff: Lent support and resources to organizations in need of assistance.
- ❖ Develop stronger ties with the Arizona Office of Tourism and other CVB's around the State Regularly attended partnership meetings and encouraged attendance by our partners at meetings held in Northern Arizona. Attended

Sales Missions and Trade events with AOT and other CVB's.

ADDITIONAL ACCOMPLISHMENTS FY02

- Created a strong, productive staff at the CVB.
- ❖ Strengthened regional ties by accepting chairmanship of two cooperative organizations: Arizona Rocks and the Northern Arizona Marketing Coalition.
- ❖ Re-established Flagstaff as a significant contributor to International marketing efforts (Canada, Japan, Germany and the United Kingdom).
- ❖ Hosted a successful reception at the Rocky Mountain Symposia.
- ❖ Facilitated the timely replacement of transportation services when NavaHopi went out of business.
- ❖ Expanded the Tourism Commission and gained new excitement and expertise.
- ❖ Partnered with other City divisions to solidify the Flagstaff message when attracting business to the area.
- ❖ Expanded editorial media exposure in major publications.

FY03 GOALS AND OBJECTIVES**GOAL: ECONOMIC DEVELOPMENT/ REDEVELOPMENT****OBJECTIVES:**

- ❖ Establish Flagstaff as a year round destination, balancing the tourism effects of seasonality by:
 - Identifying niche markets with high value, potentially year round customers.
 - Creating opportunities for stakeholders to attract business through the development of itineraries.
 - Educating the media to the wonders of wintertime in Flagstaff.
 - Working within the community to facilitate the creation of a Conference center.
 - Continuing our presence at International trade events to promote Flagstaff.
 - Strengthening and expanding regional partnership programs.
 - Proactively telemarketing and calling new potential customers.
- ❖ Increase earned media coverage in all markets – international, domestic and regional by:
 - Further development of the Public Relations (PR) Associate position.
 - Having PR be a strong presence at Public Relations events associated with trade and travel shows.
 - Working with local media in developing stories that strive to lessen the division between visitors and residents.
- ❖ Continue to work closely with local industry partners and expand opportunities for our existing partners by:
 - Finding new recipient lists for Calendars of Events and Flagstaff Happenings.
 - Increasing visibility and participation in the community of the Tourism Commission.

- Continuing with community participation and education programs like Service at it Peak – Flagstaff.
 - Creating opportunities for residents to enjoy cultural and artistic event.
 - Continuing to focus the message about Flagstaff and get community partners involved with the sales process.
- ❖ Continue to strengthen the relationships with the Arizona Office of Tourism, the Arizona Tourism alliance, and the Arizona Film Commission by:
 - Participating as often as possible in events, missions, and shows that are sponsored by these groups.
 - Working to be a regional example that is willing to help out smaller, funding challenged destinations.
 - ❖ Increase visitation to Flagstaff, which would then increase BBB and Sales Tax revenues.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Increase Hotel portion of BBB tax by 2%	NA	NA	2%
Increase Restaurant portion of BBB tax by 3%	NA	NA	3%

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures	Budget	Expenditures	Budget		Budget
	2000-2001	2001-2002	2001-2002	2002-2003		2002-2003
PERSONAL SERVICES	\$ 221,159	\$ 288,627	\$ 253,386	\$ 315,642	TOURISM FUND	\$ 1,273,472
CONTRACTUAL	626,981	706,116	611,939	800,835		\$ 1,273,472
COMMODITIES	118,802	124,900	116,336	146,995		
CAPITAL	25,676	10,000	-	10,000		
TOTAL	\$ 992,618	\$ 1,129,643	\$ 981,661	\$ 1,273,472		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 322,074	\$ 428,480	\$ 319,915	\$ 464,967		
MARKETING AND PROMOTION	670,544	691,163	658,046	798,505		
FILM OFFICE	-	10,000	3,700	10,000		
TOTAL	\$ 992,618	\$ 1,129,643	\$ 981,661	\$ 1,273,472		

COMMENTARY:
 The Tourism operating budget has increased 12.8% and capital expenditures total \$10,000 resulting in an overall net increase of 12.7%. Personal Services increases are due to the customary market/merit increase along with an anticipated increase in the cost of health insurance. Contractuals and commodities have both increased, which are a result of achieving full staffing. Major capital of \$10,000 represents carryover cost of improvements for the Mulligan House. Onetime expenditures for this division include: General Administration -downtown enhancements for \$34,000 and consultants fees of \$50,000; Marketing--consultants fees of \$53,500, advertising costs of \$60,000, and travel and registration of \$10,000.

MISSION

The mission of the Convention and Visitors Bureau is to develop, promote, and maintain Flagstaff as a year-round visitor destination with professional visitor services that will benefit the community economically, environmentally, and socially.

PROGRAM DESCRIPTION

This division administers the Visitor Services program through a contract with the Chamber of Commerce. Visitor Center staff offers assistance by responding to telephone inquiries, walk-in visitors, mail requests and Internet requests about Flagstaff and Northern Arizona. Services are provided seven days a week for 63 hours a week at the Visitor Center (8:00 a.m. to 5:00 p.m. daily).

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ To continue increasing the customer satisfaction level in all stages of visitor services provided to travelers to Flagstaff: Developed a Customer Satisfaction Survey for future tracking purposes. Each staff member should attend two Customer Training seminars per year.
- ❖ Maximum turnaround time on Internet inquiries of 24-hours and a 5-day maximum for fulfillment of mailed requests: Tracked response rate and met this goal.
- ❖ To participate with the Convention and Visitors Bureau on at least three new familiarization trips to designated sites,

attractions and facilities in Northern Arizona: Plan added for upcoming year.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Improved fiscal responsibility for all aspects of Visitor Center Administration.
- ❖ Made improvements in customer service and the delivery of information to visitors.
- ❖ Maintained working rapport with tour operators, hotels, and restaurants resulting in greater reach of information available to visitors.

FY03 GOALS AND OBJECTIVES

GOAL: ECONOMIC DEVELOPMENT/ REDEVELOPMENT

OBJECTIVES:

- ❖ To continue increasing the customer satisfaction level in all stages of visitor services provided to travelers in Flagstaff.
- ❖ Maximum turnaround time on Internet inquiries of 24-hours and a 5-day maximum for fulfillment of mailed requests.
- ❖ Participate with the Convention and Visitors Bureau on at least three new familiarization trips to designated sites, attractions, and facilities in Northern Arizona.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Total outgoing mailed inquiries	8,990	6,249	7,500
Total telephone inquiries	38,867	34,356	35,000
Total walk-in visitors	110,066	93,808	100,000
Total inquiries via internet	32,000	257,277	275,000

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 2,739	\$ 3,135	\$ 5,625	\$ 4,391	TOURISM FUND	\$ 461,316
CONTRACTUAL	224,274	227,425	230,102	219,025		\$ 461,316
COMMODITIES	34,158	34,000	36,930	37,900		
CAPITAL	-	200,000	30,000	200,000		
TOTAL	\$ 261,171	\$ 464,560	\$ 302,657	\$ 461,316		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 209,384	\$ 414,635	\$ 246,715	\$ 407,000		
TRAIN STATION OPERATIONS	51,787	49,925	55,942	54,316		
TOTAL	\$ 261,171	\$ 464,560	\$ 302,657	\$ 461,316		

COMMENTARY:
 The Visitor Services operating budget has decreased 1.2% and capital expenditures total \$200,000 resulting in an overall net decrease of 0.7%. Major capital (>\$10,000) includes \$200,000 for the rehabilitation of the Visitor's Center of which \$170,000 is a carryforward from FY 02.



MANAGEMENT SERVICES

MANAGEMENT SERVICES MISSION

The mission of the **Management Services Department** is threefold as a provider of internal service functions, library services, and enforcement of the sales tax code. The mission of the internal service functions are to provide services to all City divisions and employees which will assist the users in making informed decisions and reasonably allocating resources. Functional areas include human resources, information technology, finance/budget, and purchasing. As an enforcement division, sales tax provides services to citizens and businesses that ensure compliance with all licensing, sales tax, audit, and collection codes.

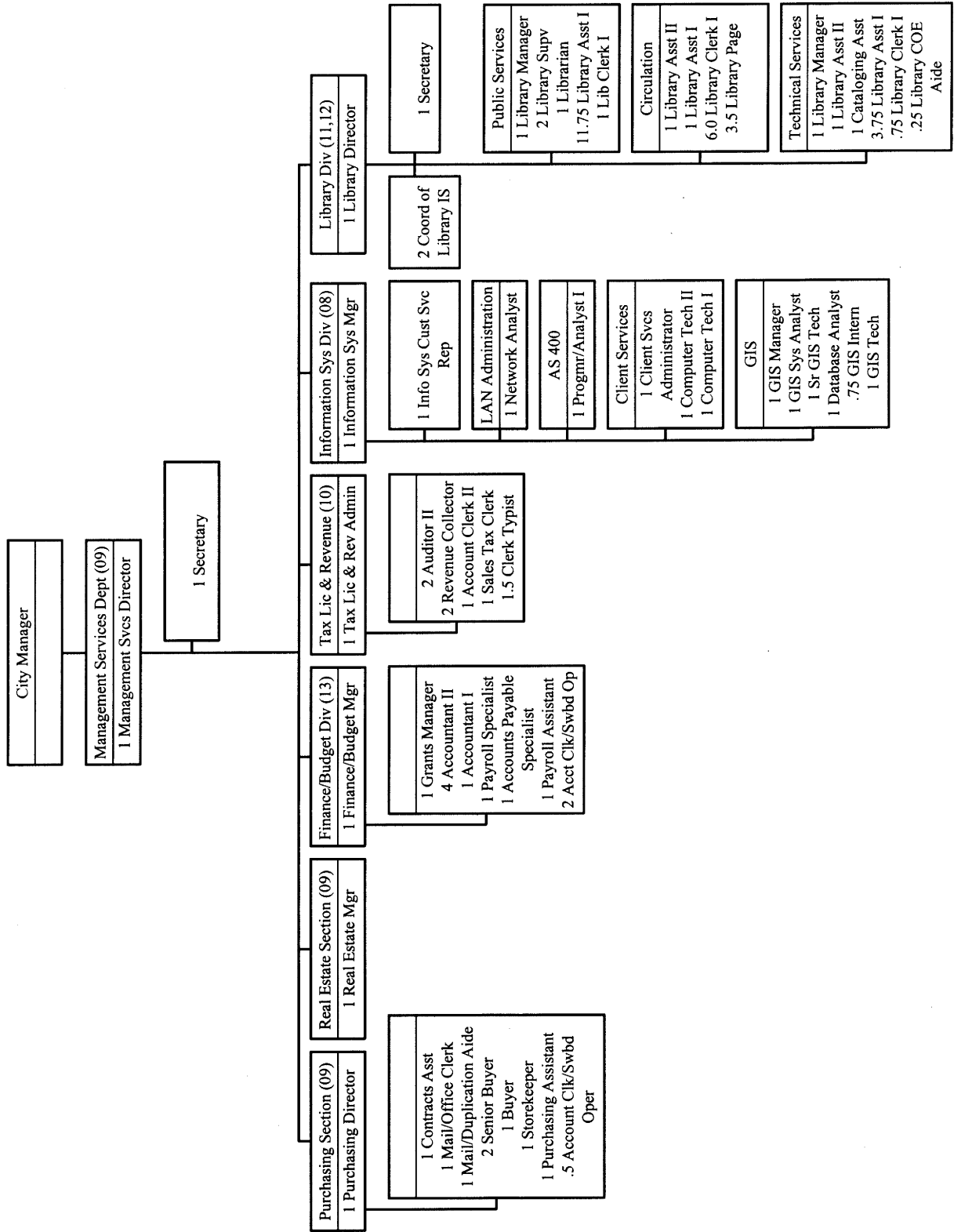
The mission of the **Information Systems Division** is to ensure City staff has the necessary resources (hardware/software) to access available data and geographical information which will assist staff in making informed decisions and to ensure the City's data resources are protected through sound security and disaster recovery management methodologies. Information Systems provides system analysis, software development, and product evaluation.

The mission of the **Sales Tax and Licensing Division** is to ensure compliance with the City's Business License Ordinances and assist the public so that tax-reporting problems can be avoided.

The mission of the **Flagstaff City-County Public Library** is to provide residents of the City of Flagstaff and Coconino County with access to available recorded knowledge, which will assist them to meet their informational, recreational, educational, and cultural needs. The Library staff will deliver services to users in a professional, timely, and courteous manner.

The mission of the **Finance/Budget Division** is to ensure that City's financial resources are protected through sound financial management, including allocation of resources consistent with community goals and providing timely, accurate, and reliable information that will assist in making informed decisions.

Management Services



MISSION

The mission of the Information Services Division is to ensure City staff has the necessary resources (hardware/software) to access available data and geographical information which will assist staff in making informed decisions and to ensure the City's data resources are protected through sound security and disaster recovery management methodologies. Information Systems provides system analysis, software development, and product evaluation.

PROGRAM DESCRIPTION

This division provides design, development, and operational assistance in meeting the management information needs of the City Council and staff. These objectives are met through various computer applications, which are modified on an ongoing basis to provide accurate information in a timely manner.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Begin rewrite of Sales Tax application: Project on hold.
- ❖ Implementation of wireless solution for remote sites: The following sites are in progress: Landfill, Jay Lively, Adult Center and Parks Maintenance. The Rio de Flag Reclaim plant is operational.
- ❖ Evaluation, testing, recommendations, and creation of implementation plan for movement to next level of desktop technology: Completed. Initial order of PC's issued, order for operating system and MS Office issued.
- ❖ Support of Regional Plan, Rio de Flag, and Stormwater projects: Ongoing.
- ❖ Provide "free" access to all City employees to the GIS databases through the use of map object applications and the "Intranet": Project on hold.

- ❖ Improve Internet/Network security (firewall): Reconfiguration of network infrastructure completed.
- ❖ Email hardware upgrade: Completed.
- ❖ Develop and conduct training in beginning MS Word, Excel, and PowerPoint: Ongoing.
- ❖ Implement LaserFiche 5.0 citywide and develop a demonstration or documentation for LaserFiche users: Project on hold.
- ❖ Complete implementation of Permit Tracking Application (KIVA): Project in progress.
- ❖ Begin implementation of Field Inspection and Code Enforcement Modules (KIVA): Project on hold.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Installation of Storage Area Network solution for network data storage.
- ❖ Begin conversion from thick server technology to thin server technology.
- ❖ Implementation of ArcSDE (GIS), improved access to GIS data.
- ❖ Introduction of Windows 2000 servers into the Novell Network.

FY03 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Ensure the delivery of digital data to City staff through the installation, implementation, upgrade or replacement of hardware or software as identified.
- ❖ Ensure data integrity through file back up, system maintenance or system security measures.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Completion of service request within 5 working days	98%	98%	98%
Printing of special print jobs started within one hour of move to the outque	98%	99%	99%
User operational within two working days of receipt of completed user ID/ request forms	100%	99%	99%
Maintain a 98% up time for all computer systems AS400/LAN/WAN	100%	100%	100%
Installation and testing of City Hall, Lowell, Purina, Mt. Elden wireless WAN	NA	NA	12/31/02
Implementation of a high band Internet access solution	NA	NA	10/1/02
Upgrade of Novell and AS400 operating systems to current versions	NA	NA	7/1/03
Replacement of City Hall network switching equipment	NA	NA	3/1/03
Replacement of Shop/Yard network switching equipment	NA	NA	9/1/02
Timely updates of various applications (H.T.E., KIVA, Land Development, and Rec Trac)	NA	NA	6/30/03
Conversion to cluster service technology for critical servers/applications (system redundancy)	NA	NA	7/1/03
Perform daily backup of all data files and maintenance of off-site storage	NA	NA	100%
Ensure user compliance with existing password policies by conducting periodic audits of passwords	NA	NA	2 audits
Utilize outside resource to conduct security audit of City's computer infrastructure	NA	NA	6/30/03
Implementation of single sign on	NA	NA	6/30/03

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 551,493	\$ 644,509	\$ 636,173	\$ 709,222	GENERAL FUND	\$ 731,893
CONTRACTUAL	316,033	293,850	269,371	252,120	LIBRARY FUND	16,172
COMMODITIES	77,751	46,550	57,540	40,150	HIGHWAY USER REVENUE FUND	43,510
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	120,735
TOTAL	\$ 945,277	\$ 984,909	\$ 963,084	\$1,001,492	AIRPORT FUND	14,384
					ENVIRONMENTAL SERVICES FUND	74,798
EXPENDITURES BY PROGRAM:						\$1,001,492
GENERAL ADMINISTRATION	\$ 216,077	\$ 295,650	\$ 218,182	\$ 238,381		
AS 400	208,183	121,525	119,559	128,565		
CLIENT SERVICES	82,281	118,840	123,119	162,258		
LAN/WAN	189,914	164,734	207,412	167,742		
GIS	248,822	284,160	294,812	304,546		
TOTAL	\$ 945,277	\$ 984,909	\$ 963,084	\$1,001,492		

COMMENTARY:

The Information Systems operating budget has increased 1.7% and there are no capital expenditures. Personal Services increases are due to market, merit, and health insurance increases. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the Management Services Department is threefold as a provider of internal service functions, library services, and enforcement of the sales tax code. The mission of the internal service functions are to provide services to all City divisions and employees which will assist the users in making informed decisions and reasonably allocating resources. Functional areas include information technology, finance/budget, and purchasing. As an enforcement division, sales tax provides services to citizens and businesses that ensure compliance with all licensing, sales tax, audit, and collection codes.

PROGRAM DESCRIPTION

The office of the Management Services Division is responsible for the general administration of Finance/Budget, Sales Tax, Information Systems, and Library Divisions. The Purchasing function and Real Estate Management function are also within this division.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Review and streamline accounts payable process. Worked with AP on the procurement card program.
- ❖ Develop a training manual for Purchasing staff. Formal training of new employees was completed. Work as a team to develop the internal training manual will occur in 2003.
- ❖ Completion of Procurement Code for adoption by City Council. The procurement code is still being prepared for evaluation by City departments.
- ❖ Facilitate cost allocation, OMB 87 analysis. Assisted staff and departments in the process completed for budget.
- ❖ Assist in the enhancement of the City of Flagstaff web page. Worked with the committee on direction and process. An RFP will be prepared for services.
- ❖ Assist in the development of an e-government strategy.
- ❖ Assist the new CIP Director in preparing a Capital Improvement Plan. Updated the CIP database with all projects funded and unfunded for review by the CIP committee.

- ❖ Develop and implement a system plan for a new telephone system for the City Hall campus. Evaluated phone systems and developed a plan in conjunction with IS to implement in 2003.
- ❖ Provide the required financial assistance to the City Capital Management division. Worked on various reports.
- ❖ Acquire real estate necessary to complete capital projects in a timely fashion. Completed acquisition of 7 key parcels totaling 76 acres for housing, parks, drainage and redevelopment.

ADDITIONAL FY02 ACCOMPLISHMENTS

- ❖ Negotiated lease of office space at below market rate.
- ❖ Implemented software with AP that allows for more efficient update of vendor information.
- ❖ Worked with Alliance members on numerous cooperative purchases.

FY03 GOALS AND OBJECTIVES

GOAL: FISCAL HEALTH

OBJECTIVES

- ❖ Continue the development and implementation of a formal procurement code, incorporating alternative methods of procurements for construction services and address the use of recycled products and green building concepts by April 2003
- ❖ Expand the procurement card program and look to automate the processing and payment of the monthly billing statements by May 2003.
- ❖ Work with the Capital division to complete a comprehensive CIP plan by December 2002.
- ❖ Work with staff in developing financing alternatives to bond for various city needs as directed by council.

GOAL: QUALITY OF LIFE

OBJECTIVES

- ❖ Assist in the acquisition of right of way for FUTS easement on the Rio de Flag for summer 2002 construction.
- ❖ Provide timely acquisition of parcels for CIP projects.

MANAGEMENT SERVICES

DIVISION 09

MANAGEMENT SERVICES

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Completion of Acquisition of right of way Butler/Enterprise by April 30, 2001	NA	NA	NA

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 710,890	\$ 817,835	\$ 697,668	\$ 648,871	GENERAL FUND	\$ 276,510
CONTRACTUAL	45,493	47,465	35,221	37,299	LIBRARY FUND	47,921
COMMODITIES	18,263	18,608	15,143	8,595	HIGHWAY USER REVENUE FUND	97,356
CAPITAL	13,911	12,225	10,760	-	WATER AND WASTEWATER FUND	145,608
TOTAL	\$ 788,557	\$ 896,133	\$ 758,792	\$ 694,765	AIRPORT FUND	90,667
					ENVIRONMENTAL SERVICES FUND	36,703
						\$ 694,765
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 269,746	\$ 287,469	\$ 183,391	\$ 194,134		
PURCHASING	388,452	330,488	349,134	335,487		
MAIL SERVICES	-	32,866	33,472	22,080		
GRANT ADMINISTRATION	-	78,453	25,649	-		
BOND & SURETY ADMIN	-	16,655	9,317	290		
WAREHOUSE	62,979	80,599	88,639	74,200		
PROPERTY MANAGEMENT	67,380	69,603	69,190	68,574		
TOTAL	\$ 788,557	\$ 896,133	\$ 758,792	\$ 694,765		

COMMENTARY:

The Management Services operating budget has decreased 21.4% and there are no capital expenditures. The decreases are due to two reorganizations involving the Deputy City Manager and the Grants functions.

MISSION

The mission of the Tax, Licensing and Revenue division is to ensure compliance with the City's Business License ordinances and assist the public so that tax-reporting problems can be avoided.

PROGRAM DESCRIPTION

The Tax, Licensing, and Revenue division is responsible for the licensing of new businesses and the collection and audit of sales tax and business license accounts. Sales Tax also disseminates City and State sales tax information to the taxpayers. This division is responsible for the collection of delinquent utility billings, delinquent library accounts, City court fines, and parking tickets, miscellaneous city billings, and NSF checks. This division performs the billing of miscellaneous receivable accounts. This division also invests excess funds as allowed by the City Investment Policy.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Continue the taxpayer education seminars: Held five seminars for new businesses in conjunction with the Arizona Department of Revenue, Department of Economic Security and Internal Revenue Service.
- ❖ Send audit evaluation forms to taxpayers: Task not evaluated in FY 02.
- ❖ Increase taxpayer compliance in application of the sales tax code: Task not evaluated in FY 02.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Conducted seminars for new businesses with Arizona Department of Revenue, Department of Economic Security, and the Internal Revenue Service: In anticipation of the election to renew the City sales tax,

made presentations to local service groups and City commissions explaining what part the tax plays in the City's financial picture. Expanded our duties to include the keypunching of the information reported to the City on sales tax returns. The result has been that we are able to close out each month a couple of days sooner than in the past. Have worked extensively with the other cities in the state that collect their own sales tax in order to meet mandates from the Arizona Legislature. This requires constant updating of audit procedures as each city and the state performs audits for each other. This has turned out to be a complicated task but all of the jurisdictions have been working well together to solve problems. Failure to do so will result in the legislature taking away the cities' right to collect their own tax and force them into the state collection program.

FY03 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Continue the taxpayer education seminars.
- ❖ Send audit evaluation forms to taxpayers to obtain feedback on our customer service level.

GOAL: FISCAL HEALTH

OBJECTIVES

- ❖ Increase taxpayer compliance in application of the sales tax code by being proactive when we come across problems in a particular business segment. Do this by sending letters explaining how taxpayers can comply with the City code.
- ❖ Invest excess City funds and achieve a rate of return greater than that provided by the Local Government Investment Pool operated by the Arizona State Treasurer's office.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Issued Occupational and Sales Tax Licenses	1,276	1,241	1,300
Processed sales tax returns	26,711	28,619	28,869
Performed sales tax audits	54	57	65
Sales tax delinquencies as a percent of budgeted sales tax revenue	1.0%	1.1%	1.0%
Collection of delinquent miscellaneous receivable accounts	60%	65%	65%
Collection of delinquent parking tickets	60%	60%	60%
Collection of delinquent utilities payments	45%	40%	45%
Collection of Library accounts	45%	20%	45%

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
PERSONAL SERVICES	\$ 377,299	\$ 411,028	\$ 412,498	\$ 428,160	GENERAL FUND	\$ 380,507
CONTRACTUAL	24,809	33,315	26,546	30,280	LIBRARY FUND	21,477
COMMODITIES	13,725	24,399	11,774	14,920	HIGHWAY USER REVENUE FUND	-
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	20,845
TOTAL	\$ 415,833	\$ 468,742	\$ 450,818	\$ 473,360	AIRPORT FUND	17,685
					ENVIRONMENTAL SERVICES FUND	32,846
						\$ 473,360
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 112,947	\$ 131,934	\$ 120,899	\$ 130,886		
AUDIT	124,371	130,770	132,006	139,963		
COLLECTIONS	80,913	84,510	85,050	90,750		
LICENSING AND CLERICAL	57,370	79,027	71,487	66,934		
ACCOUNTS RECEIVABLE	40,232	42,501	41,376	44,827		
TOTAL	\$ 415,833	\$ 468,742	\$ 450,818	\$ 473,360		

COMMENTARY:

The Tax, Licenses, and Revenue Collection division operating budget has increased 1% and there are no capital expenditures. Personal services increases are due to merit, market, and health insurance increases.

MISSION

The mission of the Flagstaff City-County Public Library is to provide residents of the City of Flagstaff and Coconino County with access to available recorded knowledge, which will assist them to meet their informational, recreational, educational, and cultural needs. The Library staff will deliver services to users in a professional, timely, and courteous manner.

PROGRAM DESCRIPTION

The City-County Library is a jointly funded public library administered by the City of Flagstaff and financed by both the City of Flagstaff and Coconino County. The Library provides residents of the City and County with access to available recorded knowledge that will assist them in meeting their informational, recreational, educational, and cultural needs. The Library staff is committed to delivering services to users in a professional, timely and courteous manner.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Implement successful use of new online library system and Gates Foundation computer labs: With financial support from the Gates Foundation and Libraries for the Future, the Library offers free computer classes, e-journalism classes, and individual assistance in the Gates Foundation computer labs.
- ❖ Continue to develop collections of materials in a variety of formats: New DVD and books on CD added.
- ❖ Apply for appropriate technology grants for all qualifying county libraries: Efforts continue as opportunities arise.
- ❖ Increase circulation of materials by 10%: Due to a change in automation systems, we are unable to determine the percentage increase in circulation materials. Beginning May 2002 the system will have this capability.
- ❖ Create an electronic journalism class for young adults: Program has been established.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ The Library has approximately 60 public computers with Internet access, with remote access to the Library catalog and much more information available through the web site at www.flagstaffpubliclibrary.org
- ❖ Approximately 1,200 young people participated in the Summer Reading Program.
- ❖ The Flagstaff Public Library endowment fund has been increased to over \$235,000.
- ❖ Public Services staff developed strong partnerships and programs with health care and family literacy organizations throughout Coconino County.
- ❖ Secured sight for the East Flagstaff Community Library at the Coconino Community College facility on Fourth Street.

FY03 GOALS AND OBJECTIVES

GOAL: COLLABORATION

OBJECTIVES:

- ❖ Continue to work with Coconino Community College on developing a successful partnership in the new Library facility.
- ❖ Move into new facility.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- ❖ Proactively meet the community's need for materials and information.
- ❖ Increase the allocation for patron's suggestions for purchase to \$15,000.
- ❖ Develop the "Family Place" literacy/informational program in cooperation with Libraries for the Future and Arizona Humanities Council.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Seek out funding opportunities made by grant making organizations to enhance collections and improve services.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Shelve materials promptly when returned	844,374	928,881	956,847
Borrowers check out materials in a timely fashion	243,066	267,372	278,066
Provide successful response to requests for information	124,515	136,966	141,055
Provide successful response to reference questions from youth	42,298	46,951	49,829
Provide adequate number of materials for users	3.5 per capita	3.6 per capita	3.8 per capita
Catalog all new materials as they are received	19,782	21,958	22,816

MANAGEMENT SERVICES

DIVISION 11/12

LIBRARY

Division 11 - Library

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
PERSONAL SERVICES	\$1,250,990	\$1,390,598	\$1,404,131	\$1,562,483	LIBRARY FUND	\$2,696,543
CONTRACTUAL	278,039	280,359	288,585	372,710		\$2,696,543
COMMODITIES	318,631	345,500	323,872	339,422		
CAPITAL	610,006	605,550	162,762	421,928		
TOTAL	\$2,457,666	\$2,622,007	\$2,179,350	\$2,696,543		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 899,714	\$ 932,787	\$ 469,428	\$ 381,588		
TECHNICAL SERVICES	530,952	600,327	571,029	616,496		
PUBLIC SERVICES	856,565	902,441	939,038	958,201		
COUNTY JAIL	37,015	34,500	38,000	38,000		
COUNTY BOOKMOBILE	22,440	24,987	24,028	32,050		
FOREST LAKES LIBRARY	22,891	26,175	31,675	31,675		
TUBA CITY LIBRARY	80,836	87,990	99,157	87,990		
SUPAI LIBRARY	2,381	4,500	5,500	5,500		
MAIN LIBRARY AUTOMATION	4,872	8,300	1,495	10,875		
E. FLAG COMMUNITY LIB.	-	-	-	211,504		
E. FLAG LIBRARY REMODEL	-	-	-	322,664		
TOTAL	\$2,457,666	\$2,622,007	\$2,179,350	\$2,696,543		

COMMENTARY:

The Library operating budget has increased 12.8% and capital expenditures total \$421,928 resulting in an overall net increase of 2.8%. Personal Service increases are due to three new half-time positions, a Library Clerk I, and two Library Assistant I's, plus a market and insurance adjustment. Contractuals increases are due for the new East Flag Community Library. Rent will be \$60,000 and custodial services \$10,000. Other increases in contractals is offset by decreases in Commodities. Major capital (>\$10,000) includes furniture/millwork/shelving for new branch for \$123,330 plus construction/building improvements for the new branch totaling \$322,664.

Division 12 – Library Grants

EXPENDITURES BY PROGRAM:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
CENT'L ORAL HISTORY PROJ	\$ -	\$ 2,793	\$ -	\$ -	LIBRARY FUND	\$ 706,870
MOHAVE CTY GRANTS	-	5,538	-	-		\$ 706,870
COUNTY WIDE PROJECTS	190,186	264,420	110,570	663,223		
STATE GRANT-IN-AID 97/98	1,035	-	-	-		
STATE GRANTS IN AID 98-99	1,481	-	-	-		
LSTA-GRANT FOR PALS	-	-	2,388	-		
LSTA-FLAG ORAL HISTORY	1,348	-	-	-		
STATE GRANT IN AID 99-00	3,434	-	-	-		
BORN TO READ GRANT	12,930	-	-	-		
GATES FOUNDATION-COMP.EQ.	78,112	-	3,661	-		
LIBRARIES FOR THE FUTURE	12,625	37,604	26,178	28,793		
STATE GRANT IN AID-00/01	14,504	25,000	10,496	-		
CHILDREN IN POVERTY 01/02	10,000	-	-	-		
GATES FOUNDATION-TUBA CTY	18,504	-	604	-		
STATE GRANT-IN-AID 2002	-	-	25,000	-		
STATE GRANT N AID 2002-03	-	-	-	14,854		
TOTAL	\$ 344,159	\$ 335,355	\$ 178,897	\$ 706,870		

MISSION

The mission of the Finance/Budget division is to ensure that City's financial resources are protected through sound financial management, including allocation of resources consistent with community goals and providing timely, accurate, and reliable information that will assist in making informed decisions.

PROGRAM DESCRIPTION

The Finance Division provides a variety of financial services to the Council and City staff. Services include accounting and financial reporting, budgeting, payroll, accounts payable, special financial analysis, and citywide switchboard operations.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Early implementation of GASB 34: Early implementation of GASB 34 has not occurred. The City of Flagstaff will implement GASB 34 for the Fiscal Year ending June 30, 2003, which is in compliance with GASB standards.
- ❖ Begin training sessions for Finance Division staff: One training session for Finance staff occurred.
- ❖ Reconciliation of fixed assets and input of information into fixed asset system quarterly: The fixed asset system has been reconciled. Quarterly reconciliations will be re-evaluated with the implementation of GASB 34.
- ❖ Reduce the number of working days needed to close month-end: The performance standard of 5 business days will continue for the next fiscal year. The evaluation of the process has not demonstrated effective ways to reduce the established time frame.
- ❖ Quarterly review of general ledger by the accountants responsible for each fund: Accountants currently perform a monthly review of the division financial statements they are responsible for. A formal review of general ledger accounts has not occurred and continues on an annual basis.

- ❖ Take advantage of discounts for prompt payment from vendors: Evaluation of the discount feature in H.T.E. has been initiated.
- ❖ Disseminate information on payroll rules through training of supervisors: Supervisory training has not yet occurred. Will address in FY03.
- ❖ Production of City's annual report by November 30: The goal date has not as yet been met. This goal will continue into FY03.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Received the GFOA Certificate of Achievement in Financial Reporting for FY 2000.
- ❖ Completed the FY2001 CAFR with no Management Advisory Comments.
- ❖ Received the GFOA Distinguished Budget Presentation award for FY 2002.
- ❖ Completed User Fee and Cost Allocation studies for implementation in FY 2003.
- ❖ 12 employees received the City Manager's Excellence Award.
- ❖ Continued development and implementation of Capital Improvement tracking and monitoring.

FY03 GOALS AND OBJECTIVES

GOAL: FISCAL HEALTH

OBJECTIVES

- ❖ Develop a policy of mandatory fee reviews including frequency and responsibility.
- ❖ Implement fee recommendations from 2002 user fee study as designated by Council.
- ❖ Find grants for the Rio de Flag project and other projects as may be desirable.
- ❖ Implement new cost allocation methodology and start process of including overhead recovery in grants.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Payroll processed and payroll checks are printed by noon on Thursday prior to Friday payday 100% of the time	100%	100%	100%
Run month end general ledger and financial statements within five working days after the end of the month	6.9 days	5.0 days	5.0 days
Mandatory fee policy developed	NA	NA	12/31/02
User fees implemented as designated by Council	NA	NA	9/30/02
Receive one grant for Rio de Flag project	NA	NA	1
Receive four grants in other identified areas	NA	NA	4

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 413,064	\$ 520,032	\$ 514,163	\$ 639,538	GENERAL FUND	\$ 424,890
CONTRACTUAL	19,638	22,800	17,643	29,610	LIBRARY FUND	33,021
COMMODITIES	23,495	22,240	20,593	22,320	HIGHWAY USER REVENUE FUND	55,886
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	108,995
TOTAL	\$ 456,197	\$ 565,072	\$ 552,399	\$ 691,468	AIRPORT FUND	26,336
					ENVIRONMENTAL SERVICES FUND	42,340
						\$ 691,468
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 76,496	\$ 85,950	\$ 81,119	\$ 94,105		
ACCOUNTING	180,326	262,215	252,001	282,980		
PAYROLL	93,167	100,653	102,285	107,905		
ACCTS PAYABLE/ RECEIVABLE	96,434	106,204	107,838	119,599		
BUDGET	9,774	10,050	9,156	8,550		
GRANTS ADMINISTRATION	-	-	-	78,329		
TOTAL	\$ 456,197	\$ 565,072	\$ 552,399	\$ 691,468		

COMMENTARY:

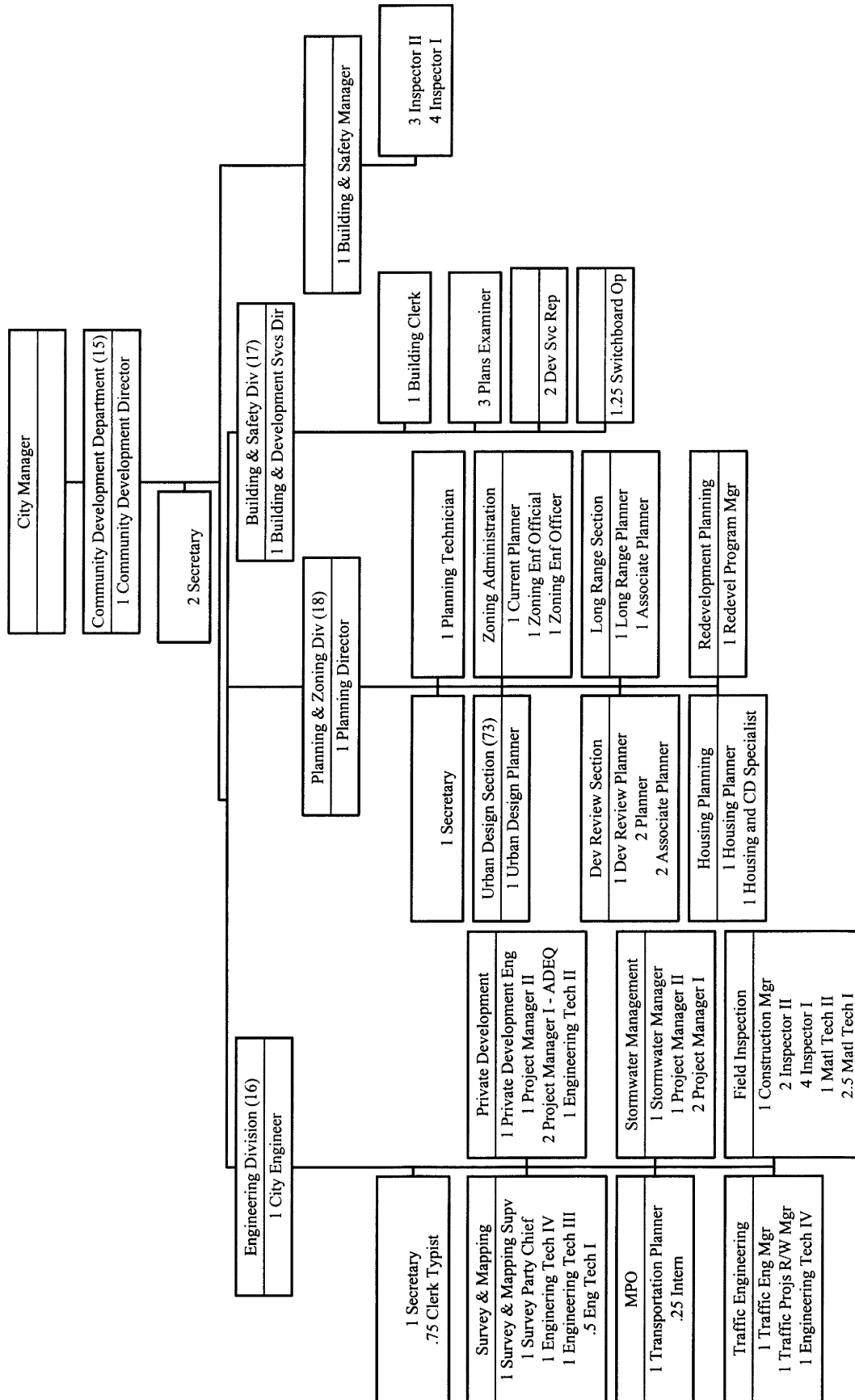
The Finance and Budget operating budget has increased 22.4% and there are no capital expenditures. Personal Services increases are due to the transfer of the Grants Contracts Manager plus market, merit, and health insurance increases. Contractuals and Commodities increases are due to additional costs for the Grants Contracts Manager. There is no major capital (>\$10,000) for this division.

COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT DEPARTMENT MISSION

The mission of the **Community Development Department** is to facilitate the orderly physical development, redevelopment, and conservation of the City through the formulation and subsequent administration of publicly-adopted growth management policies and standards.

Community Development



PROGRAM DESCRIPTION

The City Engineer, as Executive Director of the Flagstaff Metropolitan Planning Organization (FMPO) supervises the operation of the FMPO.

The Flagstaff area's Cooperative, Comprehensive, and Continuing ("3C") Urban Transportation Planning Program is conducted by the FMPO through the administration and support of the City of Flagstaff, Coconino County, and the Arizona Department of Transportation (ADOT), in cooperation with state and federal agencies, including the U.S. Department of Transportation (USDOT), Federal Highway Administration (FHWA), and Federal Transit Administration (FTA).

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Completion of access management policy and plan study: To be completed September 2002.
- ❖ Completion of signal synchronization and emergency service preemption feasibility study: Study initiated and anticipated to be completed: To be completed September 2002.
- ❖ Planning and implementation of voter approved transportation measures: Ongoing.
- ❖ Establishment of pedestrian and bike planning and design guidelines: Initiated pedestrian and bicycle facilities guidelines and standards study: To be completed November 2002.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Oversight and completion of traffic model update
- ❖ Facilitate Milton Road and W. Route 66 corridor studies.

FY03 GOALS AND OBJECTIVES**GOAL: PLANNING FOR GROWTH****OBJECTIVE:**

- ❖ Initiate and conduct corridor studies on priority corridors in collaborative efforts with the City, County, and ADOT as appropriate to ensure the interdependent development of transportation and land uses commensurate with the Regional Land Use and Transportation Plan.

GOAL: COLLABORATION**OBJECTIVE:**

- ❖ Strengthen the FMPO executive board and technical advisory committee as forums for collaboration and outreach between governmental agencies, legislative bodies, and community groups.

GOAL: CAPITAL IMPROVEMENTS**OBJECTIVE:**

- ❖ By working with member agencies, program federal transportation funds in the most effective manner.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 EST.
Meeting deadlines on routine reports:			
Monthly/quarterly progress reports	4	0	4
Percent on time	50%	0	50%
Monthly/quarterly billings	4	4	4
Percent on time	80%	50%	75%
Meeting deadlines for TIP submittal and keeping projects on schedule	50%	75%	75%
Producing in-house studies and managing contracted efforts:			
Number of contracted efforts:	1	2	4
Percent on time:	75%	60%	75%
Percent effective:	75%	90%	90%
Milton road/W. Route 66 corridor study successfully completed with consensus among stakeholders or corridor concepts	NA	NA	8/31/02
Community stakeholders to speak to and participate in four technical advisory committee and/or executive board meetings	NA	NA	100%
Adoption of the FY2003-2007 Transportation Improvement Program	NA	NA	6-02

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures	Budget	Expenditures	Budget		Budget
	2000-2001	2001-2002	2001-2002	2002-2003		2002-2003
PERSONAL SERVICES	\$ 81,930	\$ 74,817	\$ 81,491	\$ 81,735	METROPOLITAN PLANNING FUND	\$ 265,666
CONTRACTUAL	37,405	192,210	120,915	178,331		\$ 265,666
COMMODITIES	3,948	20,900	18,809	5,600		
CAPITAL	-	785,163	-	-		
TOTAL	\$ 123,283	\$1,073,090	\$ 221,215	\$ 265,666		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 38,028	\$ 93,767	\$ 50,245	\$ 102,960		
PUBLIC INFORMATION PROGR	92	3,000	1,700	-		
SHORT RANGE PLANNING PROG	21,026	151,160	122,841	162,706		
TANSPORTATION IMPROV PLAN	5,638	-	270	-		
SHORT RANGE DATA COLLECTN	22,988	25,000	17,991	-		
LONG RANGE TRANSIT PLAN	22,111	-	7,943	-		
LONG RANGE TRANSPORT PLAN	3,481	15,000	16,000	-		
LONG RANGE "OTHER" TRANSP	6,242	-	4,225	-		
TRAFFIC ENGR GUIDANCE	3,677	-	-	-		
FHWA CONSTRUCTION FUNDS	-	785,163	-	-		
TOTAL	\$ 123,283	\$1,073,090	\$ 221,215	\$ 265,666		

COMMENTARY:

The MPO operating budget has decreased 7.7% and there are no capital expenditures. Personal Services increases are due to market, merit, and health insurance increases. The MPO is a 100% grant reimbursed program. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the Community Development Department is to facilitate the orderly physical development, redevelopment, and conservation of the City through the formation and subsequent administration of publicly adopted growth management policies and standards.

PROGRAM DESCRIPTION

The Community Development Administration Division coordinates the activities of Planning, Building and Safety, and Engineering. This division is responsible for operating the "Front Counter" client assistance program and the Community Development switchboard. The Community Development Director acts as Chairperson for the Development Review Board and serves on a variety of other Boards & Commissions.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Continue to provide quality customer service: improved review timeframes, and reduced lack of consistency problems.
- ❖ Provide training in areas of customer service: ICBO Permit Technician training for Development Services Reps completed.
- ❖ Implement permit tracking system by training employees to use system and continue inputting project data for tracking: Employees in the Community Development department have been trained to use KIVA. Data input for KIVA is 95% complete; 95% of permits are being issued through KIVA.
- ❖ Evaluate development review process, develop new customer service evaluation form: Evaluation form has been developed and is in use. Results of forms are monitored monthly.

- ❖ Continue FIT (Safe Housing Inspections): Meet on a monthly basis. Inspections made of mobile home parks in Flagstaff.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Front counter supervisor hired.
- ❖ Developed design for front counter remodel.

FY03 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Develop policy and procedures based upon the enterprise software (KIVA) to assure accurate tracking of permit information.
- ❖ Implement the use of KIVA Vision for permit queries and providing general customer research.
- ❖ Implement the "small permit" process to minimize the delay time in normal project routing.
- ❖ Implement and transfer the Design Review Guideline process for customer application.

GOAL: ORGANIZATIONAL SUPPORT**OBJECTIVES:**

- ❖ Implementation of coordinated efforts with other divisions and departments to provide "Comments" for permitting progress.
- ❖ Implement an application routing system for positive tracking of projects for all reviewing agencies.
- ❖ Implement the inspection module for compute tracking of Inspection Branch scheduling and inspection results.
- ❖ Standardize the dissemination of information provided to the general public.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Continue to improve front counter operations by issuing permits within scheduled review timeframes	95%	95%	95%
Install and implement Permit Tracking system:	NA	NA	95%
Percent of employees trained in use of system	NA	NA	95%
Project information installed on system	NA	NA	95%
Distribute and collect customer service evaluations daily. Customers satisfied with review process.	80%	80%	94%
Verify permit issuance is consistent	NA	NA	NA
Staff proficiency attained in KIVA Vision software	NA	NA	8/31/02
Implement "small permit" process	NA	NA	8/31/02
Apply the new Design Review Guidelines and application process	NA	NA	3/1/02

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 268,531	\$ 287,325	\$ 314,319	\$ 362,916	GENERAL FUND	\$ 381,311
CONTRACTUAL	6,277	5,745	9,457	5,915		\$ 381,311
COMMODITIES	9,841	11,770	9,248	12,480		
CAPITAL	-	-	-	-		
TOTAL	\$ 284,649	\$ 304,840	\$ 333,024	\$ 381,311		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 220,749	\$ 239,769	\$ 268,328	\$ 313,707		
COUNCIL AND COMMISSIONS	63,900	65,071	64,696	67,604		
TOTAL	\$ 284,649	\$ 304,840	\$ 333,024	\$ 381,311		

COMMENTARY:

The Community Development Administration operating budget has increased 25.1% and there are no capital expenditures. Personal Services increases are due to market and merit increases, increased cost of health insurance, and a new position (1 FTE), Development Services Supervisor. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the Community Development Department is to facilitate the orderly physical development, redevelopment, and conservation of the City through the formation and subsequent administration of publicly adopted growth management policies and standards.

PROGRAM DESCRIPTION

The Engineering Division is made up of eight areas: Administration, Private Development, Traffic Engineering, Construction Inspection, Materials Testing, Survey and Mapping, Stormwater Management, and Arizona Department of Environmental Quality Plan Review. Engineering reviews are to ensure compliance with construction design standards, subdivision regulations, floodplain ordinance, and drainage standards within the City.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Administer Flagstaff Metropolitan Planning Organization (FMPO): Ongoing.
- ❖ Support regional master planning efforts – FMPO Transportation Plan, Regional Master Plan, and Strategic Planning Group: Ongoing.
- ❖ Responsive to the needs of the citizens, Council, Manager, and City departments and divisions: Ongoing.
- ❖ Understandable and current standards and procedures: These will be updated by December 2002.
- ❖ Maintain the City's eligibility in the National Flood Insurance Program and obtain lower flood insurance costs for the public: Ongoing.
- ❖ Review of all private development projects, public improvements, and citizen drainage concerns for compliance with applicable City code and engineering standards: Ongoing.
- ❖ In conjunction with the Traffic Commission develop policies, procedures, and working materials for the Residential Neighborhood Traffic Management Program: This will be completed by September 2002.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Reviewed and improved civil construction plans and permitting of private development projects having a total value of more than \$5 million during calendar year 2001.

- ❖ Implemented plan review tracking spreadsheet that assesses established review time frames.
- ❖ Completed North San Francisco Street Traffic Calming Median Island.
- ❖ Completed FEMA-Riverine Study field survey.
- ❖ Adopted new Stormwater Management Design Manual.
- ❖ Adopted Amended Floodplain Management Regulations.
- ❖ Commenced Design Phase of Rio de Flag Flood Control Project.
- ❖ Completed Stormwater Program and Financing Action Plan.
- ❖ Adopted Stormwater Management Utility Ordinance.

FY03 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Measure and assess plan review quantities and percentages of on-time reviews.
- ❖ Develop and use a draft traffic service request tracking system and develop service categorization and prioritization schemes.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- ❖ Ensure that the work being performed on capital projects meet the minimum standards required by the City standards.
- ❖ Deliver quality material testing that will result in a product of lasting value to our citizens.
- ❖ Provide surveying and mapping services and information.

GOAL: ECONOMIC DEVELOPMENT/ REDEVELOPMENT

OBJECTIVES:

- ❖ Implement Stormwater Management Utility to provide dedicated funding source for stormwater quality protection, stormwater quantity control, environmental enhancement, capital investment, improved maintenance, and public education and involvement.
- ❖ Provide Rio de Flag Flood Control Project delivery and coordination with U.S. Army Corps of Engineers in accordance with Project Management Plan.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Private Development:			
Number of Development Review Board items reviewed	417	361	400
Number of plan reviews	145	188	160
Number plan reviews completed on time	112	165	160
Number of inspections performed	8,901	9,303	9,600
Complete 90% of Development Review Board items and plan reviews on time	NA	NA	90%

PERFORMANCE INDICATORS (Continued)	CY00	CY01	CY02 OR FY03 (EST)
Complete draft traffic service request tracking system and service categorization and prioritization schemes	NA	NA	7/1/02
Review traffic base data, finalize tracking system, and set short-term service level objectives	NA	NA	9/30/02
Review traffic performance, service level concepts and objectives, and set intermediate and long-term (resource constrained) service level objectives	NA	NA	6/30/03
Provide Engineering inspection support services on 90% of the capital improvement projects	NA	NA	90%
Provide material testing on 90% of the capital improvement projects	NA	NA	90%
Densify and maintain Second Order, Class One GPS control network adequate for urban development	NA	NA	6/30/03
Perform 90% of all field surveys in house	NA	NA	90%
Respond to all City and public requests for survey and public records information within one working day	NA	NA	100%
Placement of Land Information System on the City web site	NA	NA	7/31/03
Adoption of the Stormwater Management Utility Rate Ordinance in June 2002 and implementation of billing in January 2003	NA	NA	1/31/03
Complete Phase I (Clay Avenue Wash Detention Basin) design and property acquisition in 2002 and commence construction of Phase I in Spring/Summer 2003	NA	NA	5/1/03

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$1,423,135	\$1,349,417	\$1,445,357	\$1,478,658	GENERAL FUND	\$ 958,360
CONTRACTUAL	387,663	525,039	293,438	399,630	LIBRARY FUND	-
COMMODITIES	102,905	52,547	42,886	39,532	HIGHWAY USER REVENUE FUND	607,425
CAPITAL	120,987	22,410	1,900	32,725	WATER AND WASTEWATER FUND	381,285
TOTAL	\$2,034,690	\$1,949,413	\$1,783,581	\$1,950,545	AIRPORT FUND	-
					ENVIRONMENTAL SERVICES FUND	3,475
						\$1,950,545
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 205,315	\$ 264,298	\$ 360,075	\$ 330,918		
CAPITAL IMPROVEMENT ENGR	282,769	-	(6,821)	-		
PRIVATE DEVELOPMENT ENGR	219,877	293,941	298,785	301,524		
TRAFFIC ENGINEERING	190,253	184,385	183,834	199,883		
PUBLIC WORKS INSPECTION	307,737	244,375	217,140	297,219		
MATERIALS TESTING	165,231	95,166	65,236	103,330		
SURVEY	263,453	208,891	228,348	250,680		
STORMWATER MANAGEMENT	359,127	637,651	417,921	455,992		
ADEQ PLAN APPROVAL	41	1,410	935	10,999		
RIO DE FLAG FEASIBILITY	12,436	19,296	15,921	-		
ADOT PROJECT COORDINATION	15,372	-	1,826	-		
REGIONAL TRANSP. PLAN	13,079	-	381	-		
TOTAL	\$2,034,690	\$1,949,413	\$1,783,581	\$1,950,545		

COMMENTARY:

The Engineering operating budget has decreased 0.5% and capital expenditures total \$32,725 resulting in an overall net increase of 0.1%. Personal Services increases are due to market, merit and health insurance increases. Major capital (>\$10,000) includes \$22,725 for a 4x4 full size pickup and \$10,000 for a copier. Onetime expenditures for this division are consulting fees for the following: \$218,000 continuation of Stormwater Utility Rate study, \$50,000 fee for Fanning Drive Wash or un-named wash flood study for ADOT and \$50,000 fee for NPDES Permit Development.

MISSION

The mission of the Community Development Department is to facilitate the orderly physical development, redevelopment, and conservation of the City through the formation and subsequent administration of publicly adopted growth management policies and standards.

PROGRAM DESCRIPTION

The Building Division is primarily responsible for administering and enforcing the provisions of the various codes regulating construction. Responsibilities include plan check to ensure compliance with applicable codes and ordinances, construction inspections, review and update of all codes to conform to current trends in the construction industry, and abatement of safety hazards and unsanitary conditions.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Maintain high level of customer service by responding to general needs of all customers: This has been accomplished by conducting inspections within a 24-hour period, and getting plans approved after being released by other divisions within the allotted time frame. (This is the average time before becoming short on personnel. After being behind approximately 7-8 weeks, the time frame is now approximately 3 weeks.)
- ❖ Continue to provide a complete and comprehensive review of all plans submitted to this office: This has been accomplished and continues to be done through the contracted plan review consultant.
- ❖ Provide continuing education and training to inspection and plan review staff to enhance qualifications and quality of overall performance of the division: This has been accomplished by listing classes available through the AZBO Educational institutes, classes posted through the City, and through holding classes amongst ourselves.
- ❖ Maintain public awareness programs to inform the community of issues related to building and safety on a

quarterly basis: This was accomplished by having several contractor meetings, and through the FIT organization.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Continued to expand a community-wide education and awareness program that includes public seminars on special topic Building Division issues, Observation of National Building Safety week.
- ❖ Maintained a two-week maximum review period for residential permits and three-week maximum review period for commercial projects.
- ❖ Continued to abate numerous dangerous buildings and substandard buildings throughout the community.
- ❖ Continued to be a key member of the Flagstaff Interagency Taskforce for Safe Housing.
- ❖ The KIVA inspection module is operational and the inspector training is completed.

FY03 GOALS AND OBJECTIVES**GOAL: PUBLIC SAFETY****OBJECTIVES:**

- ❖ Provide minimum standards to safeguard life or limb, health, property and public welfare by regulating the construction, quality of materials, use and occupancy, location and maintenance of all buildings and structures within this jurisdiction by:
 - Adopting the 2003 version of the International Building, Mechanical, and Plumbing Codes, and the 2002 National Electrical Code.
 - Training for the Building and Safety personnel to adequately enforce the International Codes and the National Electric Code.

GOAL: CUSTOMER SERVICE**OBJECTIVE:**

- ❖ Better communication between field personnel and office, contractors, and the community at large.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Maintain minimum turnaround time for all permits:			
Number of permits issued	2,372	2,427	2,475
Percentage meeting turnaround time	99%	99%	99%
Perform requested inspections on same day received	100%	100%	100%
Answer all telephone inquiries on same day received	100%	100%	100%
Abate dangerous and substandard buildings within City limits			
# of dangerous and substandard building abatement through demolition or repair	128	5	10
Percentage of abatement through demolition or repair	90%	90%	95%
Adopt the International Codes and National Electric Code	NA	NA	1/31/03
Send all Building and Safety personnel to available classes on International Codes and National Electric Code	NA	NA	12/31/02
Update field communication for inspection module	NA	NA	7/1/02

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 638,585	\$ 682,684	\$ 675,959	\$ 645,409	GENERAL FUND	\$ 749,519
CONTRACTUAL	15,561	21,000	35,366	52,920		\$ 749,519
COMMODITIES	23,614	32,625	32,417	33,025		
CAPITAL	35,674	19,180	-	18,165		
TOTAL	\$ 713,434	\$ 755,489	\$ 743,742	\$ 749,519		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 121,725	\$ 148,095	\$ 155,796	\$ 121,529		
ON-SITE FIELD INSPECTION	434,497	439,387	419,939	466,148		
PLAN REVIEW	157,212	168,007	168,007	161,842		
TOTAL	\$ 713,434	\$ 755,489	\$ 743,742	\$ 749,519		

COMMENTARY:

The Building Inspection operating budget has decreased 0.7% and capital expenditures total \$18,165 resulting in an overall net decrease of 0.8%. Personal Services decrease is due to elimination of a Building and Safety Director position. Contractuals increase is due to expenditures relating to the Bank One Lease. Building Inspection's share of the lease is 32%. Major capital (>\$10,000) includes \$18,165 for replacement of field inspection vehicle.

MISSION

The mission of the Community Development Department is to facilitate the orderly physical development, redevelopment, and conservation of the City through the formation and subsequent administration of publicly adopted growth management policies and standards.

PROGRAM DESCRIPTION

The City Planning Division advises the City Manager, City Council, Planning & Zoning Commission, and various City commissions on all matters relating to Flagstaff's growth and development. It maintains the City's comprehensive plan and administers the Land Development Code (LDC) and regulations, the Redevelopment Program, the Affordable Housing Program (31), the Urban Design Program (71, 73, 74, & 75) and related policies established by the City Council.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Maintain understandable and up-to-date standards and procedures: Design review guidelines adopted by City Council.
- ❖ Maintain an achievable and realistic long-term vision and implementation program for the physical development and redevelopment of the City of Flagstaff: Developed a Master Plan for Development for the Downtown Gateway West, the Southside Warehouse District, and the Mall area, including retaining consultant, public meetings, and resolving design and use issues.
- ❖ Complete Development Fee system draft: Second draft impact fee system report completed June 2002.
- ❖ Acquire two Sunnyside properties for owner-occupied housing: Acquired four parcels of property in Sunnyside for affordable housing construction.
- ❖ Begin implementation of Regional Plan between City and County: Election for voter ratification 5/21/02.
- ❖ Stabilization of Two Spot train restoration: No action. Priorities redirected to Rio de Flag.
- ❖ Commence construction of Butler/Enterprise FUTS: Construction underway.
- ❖ Initiate acquisition/rehab/resale program: Purchase of first resale completed.
- ❖ Complete design concept for US I40 FUTS: Substantial completion of partnered City/ADOT landscaping enhancements, I-40/I-17 TI.
- ❖ Complete design for 89A Streetscape/FUTS TEA-21 project: Design 60% complete.
- ❖ Begin implementation of design review process: Administered Design Review consulting services contract and participated in the public hearing process, which led to the adoption of the Design Review Guidelines in September 2001.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Completion of Growing Smarter, Affordable Housing, and Design Review changes in the fall of 2001.

- ❖ Consultant hired for Development Fee program, completion anticipated.
- ❖ Awarded \$500,000 federal TEA-21 grant for downtown Route 66 corridor FUTS-pedestrian/bike landscaping project.
- ❖ Design of FUTS-Arizona Trail path and underpass through Butler/Enterprise reconstruction project.
- ❖ Completion of Flagstaff Area Regional Land Use and Transportation Plan.
- ❖ Development of Arizona Preserve Initiative Application for State Trust lands north of Walnut Canyon.
- ❖ Completion and submittal of Census 2000 count challenge to U.S. Census Bureau.
- ❖ Completed Sunnyside Neighborhood Revitalization Strategy and received Council and HUD approval.
- ❖ Received purchase bids and development proposals for developing Rio Homes and Ponderosa Homes with mixed income residential housing.
- ❖ Administered McMillan Mesa Plan consulting services contract and conducted four public workshops.

FY03 GOALS AND OBJECTIVES**GOAL: AFFORDABLE HOUSING****OBJECTIVES:**

- ❖ Create a community Land Trust structured as private non-profit organization for the purpose of building affordable homes preserving public land investment.
- ❖ Sell Ponderosa Homes City owned land and complete the design and pre-construction phase for development of a mixed income development containing at least 20% affordable homes.
- ❖ Administer the Design Review Guidelines ordinance.
- ❖ Process McMillan Mesa Land use amendments.

GOAL: CUSTOMER SERVICE**OBJECTIVES:**

- ❖ Assist in the fee structure review so that it is related to development costs and cost recovery.

GOAL: QUALITY OF LIFE**OBJECTIVES:**

- ❖ Streetscape projects will be designed and constructed to provide greater visual definition, multi-modal function, and aesthetic enhancement to important arterial streets in the City.
- ❖ Plan, design, and construct projects to improve the function and aesthetics of the City's downtown business, commercial, and civic core.
- ❖ Continue the build-out of the adopted Master Plan for the Flagstaff Urban Trail System.

GOAL: PLANNING FOR GROWTH**OBJECTIVES:**

- ❖ Enter into an intergovernmental agreement with Coconino County to implement the Regional Plan.
- ❖ Implement a coordinated regional mutual development review system between the City and County that assures Regional Plan implementation and meets mutual objectives.

GOAL: REDEVELOPMENT AND ECONOMIC DEVELOPMENT

OBJECTIVES:

- ❖ Initiate Southside neighborhood planning process in conjunction with Rio de Flag project.

- ❖ Issue Request for Proposals for the Downtown Gateway West Area and the Southside Warehouse District. Both are dependent on a time definite for completion of the Rio de Flag improvements.
- ❖ Complete East Flagstaff Gateway Redevelopment Plan and adopt a Redevelopment Area Plan.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Update development application fee schedule based on recommendations of consultant	NA	NA	6-30-03
Construction underway on Enterprise/Butler streetscape improvements	NA	NA	12-31-02
Complete design for U.S. 180 Sechrist to Fremont multi-use path and enhancements	NA	NA	6-30-03
Continue scoping and design input on downtown Rio de Flag Linear park enhancements	NA	NA	6-30-03
Complete construction AZ Trail; Enterprise to Route 66	NA	NA	6-30-03
Complete design for Route 66/U.S. 89 multi-use path, Fanning to Railhead	NA	NA	6-30-03
IGA to implement the Regional Plan is approved by the City Council and the Coconino County Board of Supervisors	NA	NA	12-31-02
City and County staff will develop an operational and procedural process for review on projects and actions as set forth in the IGA	NA	NA	12-31-02
Establish an ad hoc committee of community stakeholders to create a structure for a Community Land Trust and to select a charter Board of Directors. Use City resources to purchase land for the Community Trust	NA	NA	6-30-03
Select and execute an agreement with a developer for the Ponderosa Homes project.	NA	NA	6-30-03
Close escrow on the Ponderosa Homes land sale and obtain DRB approval of the site plan	NA	NA	6-30-03
Complete projects in compliance with the Design Review Guidelines	NA	NA	100%
Initiate a major amendment to the Regional Land Use and Transportation Plan based on Council direction on the McMillan Mesa Study Options	NA	NA	12-31-02
Planning process underway for Southside Neighborhood with implementation strategy in cooperation with a consultant, Housing Planner, and neighborhood	NA	NA	6-30-03
Issue a Request for Proposal for the Downtown Gateway West area and the Southside Warehouse District	NA	NA	6-30-03
Approval of East Flagstaff Gateway Redevelopment plan by City Council	NA	NA	12-31-02

COMMUNITY DEVELOPMENT

DIVISON 18

PLANNING

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
PERSONAL SERVICES	\$ 803,100	\$ 895,820	\$ 902,245	\$ 971,501	GENERAL FUND	\$ 479,838
CONTRACTUAL	68,684	260,865	234,396	177,185	LIBRARY FUND	37,982
COMMODITIES	60,701	42,700	35,641	27,700	HIGHWAY USER REVENUE FUND	205,669
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	284,511
TOTAL	\$ 932,485	\$ 1,199,385	\$ 1,172,282	\$ 1,176,386	AIRPORT FUND	72,839
					ENVIRONMENTAL SERVICES FUND	95,547
EXPENDITURES BY PROGRAM:						\$ 1,176,386
GENERAL ADMINISTRATION	\$ 307,059	\$ 525,943	\$ 500,235	\$ 439,380		
DEVELOPMENT REVIEW	277,229	283,629	283,629	306,384		
ADVANCED PLANNING	115,324	116,397	114,897	131,643		
ZONING ADMINISTRATION	147,175	152,402	152,402	158,392		
REDEVELOPMENT	23,496	61,942	61,952	76,461		
HOUSING	59,386	59,072	59,167	64,126		
REGIONAL LAND USE PLAN	2,816	-	-	-		
TOTAL	\$ 932,485	\$ 1,199,385	\$ 1,172,282	\$ 1,176,386		

COMMENTARY:

The Planning division operating budget has decreased 1.9% and there are no capital expenditures. Personal Services increase is due to market, merit, and health insurance increases. Contractuals decrease is due to \$100,000 transfer of Southside area plan to division 66. There is no major capital (>\$10,000) for this division.

COMMUNITY DEVELOPMENT

DIVISON 31

COMMUNITY REDEVELOPMENT

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
PERSONAL SERVICES	\$ 34,213	\$ 46,862	\$ 50,860	\$ 62,437	COMMUNITY REDEVELOPMENT FUND	\$ 2,012,172
CONTRACTUAL	1,131,684	2,415,027	1,125,466	1,945,035		\$ 2,012,172
COMMODITIES	3,465	5,300	7,228	4,700		
CAPITAL	12,134	-	625,615	-		
TOTAL	\$ 1,181,496	\$ 2,467,189	\$ 1,809,169	\$ 2,012,172		
EXPENDITURES BY PROGRAM:						
REVOLVING LOAN GEN FUND	\$ 254,196	\$ 300,000	\$ 300,000	\$ 350,000		
CDBG ENTITLEMENT ADMIN	53,832	66,662	72,667	87,000		
HOME GRANT	-	300,000	-	300,000		
AFFORDABLE HOUSING DEVELP	60,082	82,000	82,000	50,000		
CDBG-REHAB OF ACQ HOMES	-	-	-	60,010		
CDBG-ACQUISTION FOR REHAB	-	90,000	-	80,000		
CDBG-NEIGH REV/HSG CONSTR	156,475	267,861	228,433	204,500		
CDBG-PUBLIC IMPROVEMENTS	3,568	28,712	61,880	304,513		
CDBG-DEMOLITION/CLEARANCE	23,323	38,711	76,765	2,568		
CDBG LAND ACQUISITION	265,065	679,666	696,948	124,581		
CDBG HOUSING REHAB	241,834	354,871	111,975	180,000		
CDBG-HOUSING PROJ 99/00	24,778	-	-	-		
CDBG MISC PROJECTS	-	40,186	25,186	103,000		
CDBG NEIGH REV/HSG REHAB	-	-	25,000	-		
CDBG HOME BUYERS ASSIST	98,343	218,520	128,315	166,000		
TOTAL	\$ 1,181,496	\$ 2,467,189	\$ 1,809,169	\$ 2,012,172		

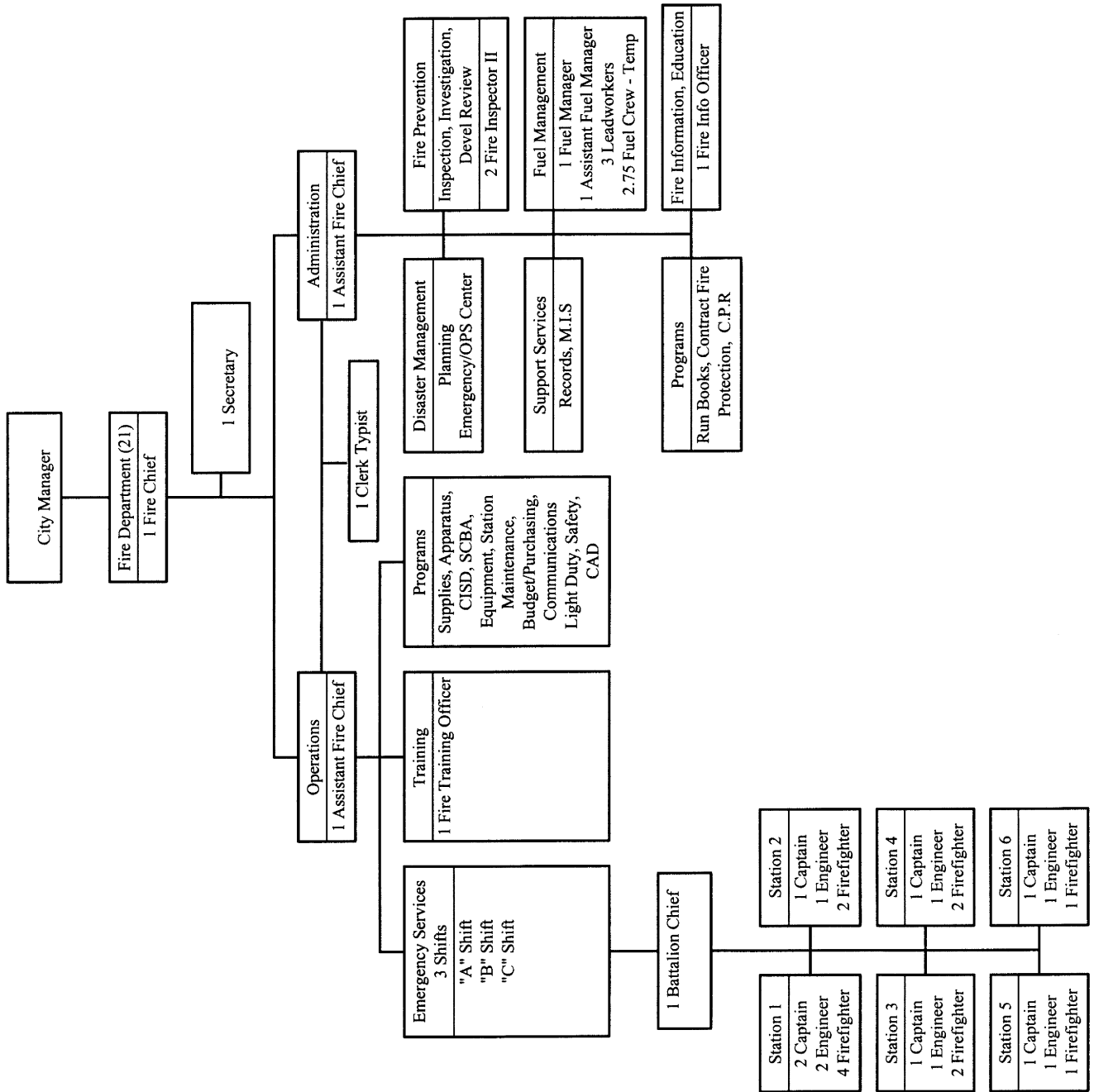
EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures	Budget	Expenditures	Budget		Budget
	2000-2001	2001-2002	2001-2002	2002-2003		2002-2003
PERSONAL SERVICES	\$ 501	\$ 1,143	\$ 785	\$ 591	ARTS AND SCIENCE FUND	\$ 412,699
CONTRACTUAL	325,259	412,450	355,185	411,958		\$ 412,699
COMMODITIES	503	900	535	150		
CAPITAL	-	-	-	-		
TOTAL	\$ 326,263	\$ 414,493	\$ 356,505	\$ 412,699		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 978	\$ 3,150	\$ 1,667	\$ -		
CONTRACTUAL SERVICES	312,499	315,000	305,000	320,000		
PUBLIC ARTWORK	12,786	51,343	4,838	47,699		
FCP ADMINISTRATION	-	45,000	45,000	45,000		
TOTAL	\$ 326,263	\$ 414,493	\$ 356,505	\$ 412,699		

FIRE

FIRE DEPARTMENT MISSION

The mission of the **Flagstaff Fire Department** is to responsibly protect values at risk in our community. We do this by protecting life, property, and community resources through preparation, prevention, response and mitigation.

Fire



MISSION

The mission of the Flagstaff Fire Department is to responsibly protect values at risk in our community. We do this by protecting life, property, and community resources through preparation, prevention, response, and mitigation.

PROGRAM DESCRIPTION

The Fire Department is responsible for protecting life, property, and resources through the delivery of public safety services. Prevention, preparedness, mitigation, and response represent the core of the program efforts. The organized divisions include administration, Prevention, Training, and Operations.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ To provide the necessary leadership and management to ensure that the organization's missions, goals, and objectives are effectively and efficiently accomplished: Successfully managed departmental budget within Council approved funding levels.
- ❖ To respond to emergencies in a manner that ensures response time, staffing levels, and pumping capacity requirements are met for the associated hazards and risks presented: Develop quarterly performance standards that indicate department actions and results relative to this goal.
- ❖ Provide for an adequate, effective, and efficient program directed toward fire prevention, life safety, risk reduction of hazards, the detection, reporting and control of fires and other emergencies, the provision of occupant safety and exiting, and the provisions for automatic and first aid fire fighting equipment: Develop quarterly performance standards that indicate department actions and results relative to this goal
- ❖ To respond to special operation emergencies and provide for the rescue of trapped or endangered persons in a manner which complies with NFPA and Occupational, Safety and Health Administration standards: Develop quarterly performance standards that indicate department actions and results relative to this goal

- ❖ To provide an appropriate level of pre-hospital care for emergency medical patients: EMT and ALS certification is maintained for 100% of designated operational personnel.
- ❖ Provide for a Disaster Management Program designed to protect the community from both man-made and natural disasters: Two Multi Agency Incident/Disaster drills were completed.

ADDITIONAL ACCOMPLISHMENTS FY03

- ❖ City of Flagstaff citizens rated the Flagstaff Fire Department as the top City service.
- ❖ Hired and trained seven new Firefighters; assigned to Operations division.
- ❖ Trained two personnel in Advanced Life Support (ALS). The department assigned ALS certified personnel to every fire station.
- ❖ Trained and certified two personnel in Advanced Technical Rescue.
- ❖ Placed in service two Thermal Imaging Camera's (TIC) so Firefighters can "see through the smoke." The City has a total of four TIC's in service to the community.
- ❖ Completed over 2000 commercial fire inspections.
- ❖ Provided fire safety presentations to all the public elementary schools within our jurisdiction.
- ❖ Trained 602 citizens in CPR.
- ❖ Conducted 2,715 training sessions and completed 20,412 man-hours of training.
- ❖ Added one Assistant Fuel Management Officer and three Leadworkers to the Fuel Management Division.
- ❖ Completed fuel management projects, which provided for the thinning of 1,257 acres and prescribed burning of 498 acres.
- ❖ Implemented the reorganization of the Fuel Management Division to provide year round fuel management efforts.
- ❖ Received grants and contracts for Fuel Management work totaling \$379,000 and received notification for the award of an additional \$68,000 in grant funding.
- ❖ Completed two multi-agency incident drills.
- ❖ Coordinated IMT (need the full words) training for the City.

FY03 GOALS AND OBJECTIVES

GOAL: PUBLIC SAFETY

OBJECTIVES:

- ❖ To provide the necessary leadership and management to accomplish the organization's mission, goals, and objectives in an effective and efficient manner.
- ❖ To prepare, operate, and respond to emergencies that meet community expectations and comply with

National Fire Protection Agency and Occupational, Safety and Health Administration Standards.

- ❖ To provide public safety services and programs directed toward customer care and community protection, with an emphasis on customer service.
- ❖ To provide Basic and Advanced Life Support pre-hospital care for emergency medical patients in conjunction with our community partners.
- ❖ To provide a Disaster Management Program designed to prepare and protect the community from both man-made and natural disasters.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Manage department budget within Council approved funding levels	FY00 - 96.4%	FY01 - 96.5%	FY02 - 98.0%
Training:			
Complete monthly and quarterly company level training	100%	100%	100%
Response:			
First due Engine shall arrive at scene of emergencies within five minutes of dispatch 90% of the time	62%	31%	50%
The balance of the first alarm assignment, including a command officer, shall arrive at scene of emergencies within nine minutes of dispatch 90% of the time.	38%	25%	46%
Fuel Management:			
Complete and review plans totaling 600 acres	878 acres	1,976 acres	600 acres
Complete 800 acres of thinning	524 acres	1,257 acres	800 acres
Complete 500 acres of RX fires	340 acres	498 acres	500 acres
Fire Prevention:			
Inspect 25% of all commercial occupancies quarterly	100%	100%	100%
Correct 100% of Fire Code violations found during inspections	100%	100%	100%
Review all DRB submittals within the one-week period prior to the meeting	100%	100%	100%
Review all plan checks within 10 working days	75%	100%	85%
Inspect all planned blasting operations within 48 hours of request	100%	100%	100%
Train 600 citizens in CPR	610	602	600
Emergency Medical:			
Maintain EMT-D and ALS certification for designated operational personnel	100%	100%	100%
Maintain EMS Quality Assurance Program to Base Hospital standards	100%	100%	100%
Conduct one Multi-Agency Incident/Disaster Drill each year	2 completed	2 completed	1 completed

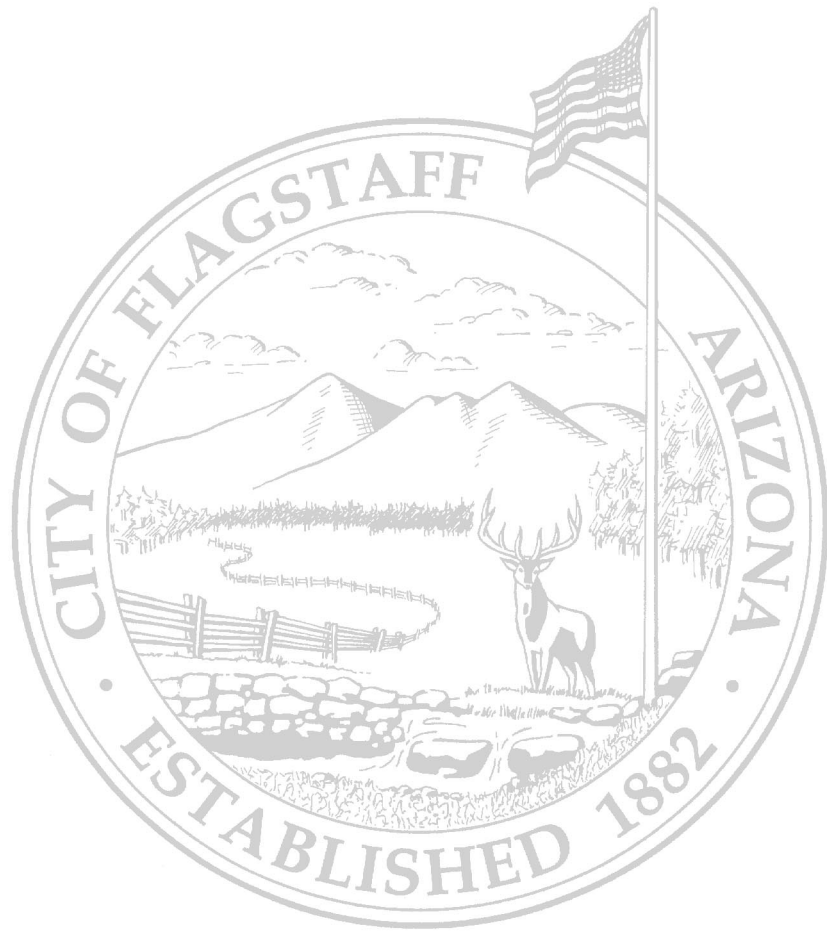
FIRE DEPARTMENT

DIVISION 21

FIRE

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
PERSONAL SERVICES	\$5,416,629	\$5,730,641	\$5,656,480	\$6,189,487	GENERAL FUND	\$7,740,544
CONTRACTUAL	229,414	262,076	209,601	249,081		\$7,740,544
COMMODITIES	348,065	375,283	309,617	365,756		
CAPITAL	270,173	762,600	25,617	936,220		
TOTAL	\$6,264,281	\$7,130,600	\$6,201,315	\$7,740,544		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 238,404	\$ 798,409	\$ 245,931	\$ 994,089		
FIRE PREVENTION	282,771	230,825	210,057	217,787		
TRAINING	92,271	97,826	101,494	97,018		
FIRE OPERATIONS	5,435,309	5,654,573	5,304,595	6,081,174		
NAU FIRE GRANT	215,526	348,967	93,237	205,372		
STATE FIRE ASSISTANT	-	-	191,318	76,959		
FUEL MANAGEMENT PROGRAM	-	-	-	25,650		
BUILDING SUSTAINABLE COMM	-	-	39,033	42,495		
THORPE PARK RESTORATION	-	-	2,450	-		
COMMUNITY CHALLENGE GRANT	-	-	13,200	-		
TOTAL	\$6,264,281	\$7,130,600	\$6,201,315	\$7,740,544		

COMMENTARY:
 The Fire operating budget has increased 6.9% and capital expenditures total \$936,220 resulting in an overall net increase of 8.6%. Personal Services increases are due to market, merit, and health insurance increases. Major capital (>\$10,000) includes one hazardous materials truck \$250,000, \$20,000 to raise the support beam at Station #2, and \$666,220 for carryover of 2-type 1 engines.



POLICE

POLICE DEPARTMENT MISSION

The mission of the **Flagstaff Police Department** is to protect and preserve life, property, public order, and the rights of the individual by providing exemplary service through the establishment of a partnership of shared responsibility, support, and trust with law abiding members of the community.

MISSION

The mission of the Flagstaff Police Department is to protect and preserve life, property, public order, and the rights of the individual by providing exemplary service through the establishment of a partnership of shared responsibility, support, and trust with law abiding members of the community.

PROGRAM DESCRIPTION

The Police Department is responsible for protecting life and property, preserving the peace, and protecting the rights of individuals. These are accompanied through crime prevention, Community Block Watch Programs, repression of crime, and the apprehension of criminal offenders. The Police Grants division (23) accounts for the supervisory and support service functions provided to Metro Task Force, which is a state grant-funded program for a multi-agency investigative unit.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Respond to emergency calls in five minutes or less: Response time was slightly over five minutes.
- ❖ Hold no more than 8% of total calls for service 20 minutes or longer. This will be accomplished by allocating resources to address peak call loads:
- ❖ Provide Drug Abuse Resistance Education (DARE) to all 5th grade students, and Gang Resistance Education and Training (GREAT) to all 7th grade students within the City on a yearly basis: Training provided to 100% of students.
- ❖ Maintain current level of responsive Block Watch (P.R.I.D.E.) programs while attempting to increase participation: Block Watch participation increased as evidenced by the number of meetings attended.
- ❖ Present educational and prevention programs throughout the community and schools on a continuing basis emphasizing the dangers of substance abuse and the need for personal and traffic safety: These are accomplished through block watches, school presentations, public service announcements.
- ❖ Provide a high level of enforcement for substance abuse related crimes such as DUI, underage consumption, assault, and domestic violence: Over 1,000 DUI arrests were made. Zero tolerance policies for substance abuse violations and domestic violence.
- ❖ Offer two Citizen Police Academies annually: Two Citizen police academies were offered.

- ❖ Enhance the safety of Flagstaff's streets by targeting causes of motor vehicle collisions and providing highly visible deterrent and pro-active solutions: This was accomplished through the Targeted Radar Advisory Program (TRAP) where locations of increased enforcement were published in the paper.
- ❖ By utilizing all investigative resources, ensure consistent and timely investigation and disposition of all assigned crimes: Detectives had a clearance rate of approximately 50% for all assigned cases.
- ❖ Implement strategic planning for technology and information systems for the short term (5 years) and long term (5 – 10 years): Consistent meetings with all technology users to implement new technology and maintain current systems.
- ❖ Develop procedures in the new facility that ensures quality customer service: Customer Service classes are offered to employees on a regular basis.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ A total of 9,107 arrests were made, a decrease of approximately 15%. A total of 3,283 traffic accidents were investigated resulting in a decrease of nearly 3% from 2000. A total of 11,616 traffic citations were issued, including 1,019 for driving under the influence of alcohol/drugs.
- ❖ The Department maintained 38 Block Watches to address neighborhood concerns such as traffic, graffiti, and any other issue affecting quality of life.
- ❖ A Block Watch captain's program was initiated to bring interested groups together.
- ❖ The consolidation and co-location of services with the County Sheriff was completed in the Law Enforcement Administrative Facility (LEAF).
- ❖ Certified two housing complexes under the Crime Free Multi-Housing Program.
- ❖ Sponsored two 2-week summer camps focusing on the GREAT curriculum. Approximately 80 7th and 8th graders attended the camp.
- ❖ Quality of life issues were aggressively pursued, including clean up projects and enforcement concerns. At least seven individual projects were planned and conducted in order to address specific problem areas in the community.
- ❖ Spanish language lessons were given to the entire patrol division. Pamphlets were distributed to assist with basis phrases.
- ❖ Attained allocated staffing in Patrol Division.

FY03 GOALS AND OBJECTIVES

GOAL: COLLABORATION

OBJECTIVE:

- ❖ Develop partnerships with other agencies.

GOAL: PUBLIC SAFETY

OBJECTIVES:

- ❖ Respond to emergency calls in five minutes or less.
- ❖ Hold no more than 8% of total calls for service 20 minutes or longer. This will be accomplished by allocating resources to address peak call loads.
- ❖ Maintain current level of responsive Block Watch (P.R.I.D.E.) programs while attempting to increase participation.
- ❖ Present educational and prevention programs throughout the community and schools on a continuing basis emphasizing the dangers of substance abuse and the need for personal and traffic safety.

- ❖ Provide a high level of enforcement for substance abuse related crimes such as DUI, underage consumption, assault, and domestic violence.
- ❖ Offer two Citizen Police Academies annually.
- ❖ Enhance the safety of Flagstaff's streets by targeting causes of motor vehicle collisions and providing highly visible deterrent and pro-active solutions.
- ❖ By utilizing all investigative resources, ensure consistent and timely investigation and disposition of all assigned crimes.
- ❖ Implement strategic planning for technology and information systems for the short term (5 years) and long term (5 – 10 years).
- ❖ Meet or exceed national benchmarking criteria for Public Safety dispatching.

GOAL: CUSTOMER SERVICE

OBJECTIVE:

- ❖ Develop procedures in the new facility that ensures quality customer service.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Calls for service	54,276	55,801	60,000
Misdemeanor reports	20,016	19,783	21,000
Felony reports	4,380	4,792	5,000
Incident reports	26,512	27,943	30,000
Accident reports	3,368	3,283	3,400
Arrests	10,695	9,107	10,000
Traffic citations	11,616	11,616	13,000
DUI arrests	1,019	1,019	1,000
Warning and repair orders issued	10,803	10,358	11,000
Detectives:			
Cases assigned	7,529	8,681	9,000
Cases cleared	4,121	4,962	5,000
Community Relations and Training:			
Presentations	644	655	700
Training (man hours)	19,526	15,141	20,000
Animal Control:			
Citations	251	112	150
Impounds	1,002	934	1,000
Man Hours in Field (Patrol)	92,491	96,922	98,000
Other:			
Emergency service response, Goal = 5 minutes	4.6	5.3	5.0
20 minute calls held for service not to exceed 8%	10.0%	15.7%	8.0%
Volunteer hours	1,063	611	1,000
Block watch meetings	66	145	100
Crime free multi-housing certifications	2	2	2

POLICE DEPARTMENT

DIVISIONS 22 AND 23

POLICE

Division 22 – Police Operations

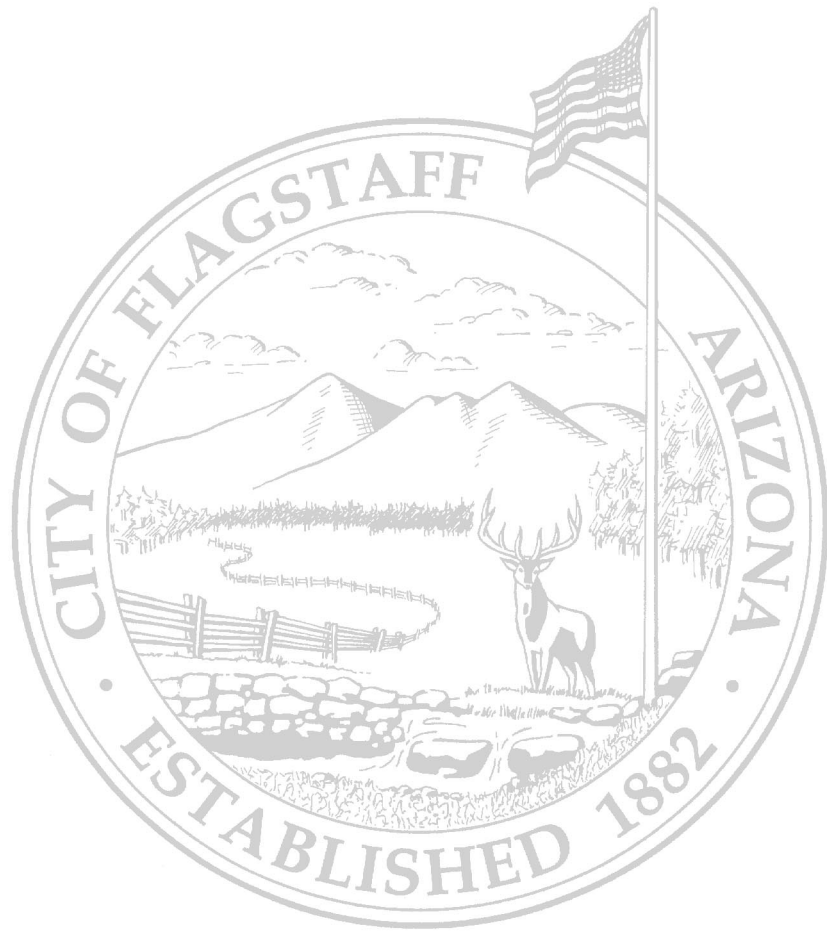
EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$7,503,893	\$7,877,894	\$7,572,501	\$ 8,911,408	GENERAL FUND	\$ 10,439,302
CONTRACTUAL	609,255	944,115	899,867	962,820		\$ 10,439,302
COMMODITIES	408,327	406,299	340,522	347,459		
CAPITAL	200,733	235,692	34,709	217,615		
TOTAL	\$8,722,208	\$9,464,000	\$8,847,599	\$ 10,439,302		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$1,024,376	\$1,138,815	\$ 769,146	\$ 1,521,160		
PATROL	4,624,601	4,595,139	4,405,662	4,950,359		
DETECTIVES	1,059,376	1,014,007	1,006,836	1,056,829		
RECORDS	351,752	522,239	524,220	563,480		
COMMUNICATIONS	985,173	1,350,044	1,324,588	1,551,042		
SPECIAL SERVICES	579,682	750,027	727,807	694,682		
CRIME PREVENTION & TRAIN	97,248	93,729	89,340	101,750		
TOTAL	\$8,722,208	\$9,464,000	\$8,847,599	\$ 10,439,302		

COMMENTARY:

The Police operating budget has increased 10.8% and capital expenditures total \$217,615 resulting in an overall net increase of 10.3%. Personal Services increases are due to market, merit, and health insurance increases. Contractuals increases are due to \$9,000 increase to contributions to the Humane Society. Other increases of \$9,075 is offset by decreases in Commodities. Major Capital (>\$10,000) includes five replacement patrol sedans \$114,050; one 4x4 patrol vehicle \$28,300; one animal control vehicle \$18,165; staff entry improvements \$34,500; and one copier \$10,000.

Division 23 – Police Grants

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 169,294	\$ 116,121	\$ 151,974	\$ 123,385	GENERAL FUND	\$ 398,698
CONTRACTUAL	188,210	223,035	191,191	184,991		\$ 398,698
COMMODITIES	57,612	23,822	86,074	73,822		
CAPITAL	78,444	-	57,552	16,500		
TOTAL	\$ 493,560	\$ 362,978	\$ 486,791	\$ 398,698		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 3,326	\$ 1,430	\$ (4,885)	\$ 1,455		
METRO	292,267	265,147	293,567	272,386		
99 DOM. VIOLENCE STOP GRT	24,850	-	-	-		
GREAT EDUCATION PHASE I	35,262	27,500	-	-		
CRIMINAL JUSTICE GT(CJEF)	8,017	-	666	-		
RICO FUNDS FOR METRO	983	-	894	-		
DUI ENFORCEMENT EQUIP.	13,747	-	-	-		
WEED AND SEED PROGRAM	10,149	15,000	15,000	25,000		
1999 LAW INFORCE BLK GRT	25,751	-	57,584	-		
2000 LLEBG	53,901	53,901	-	-		
GREAT GRANT PHASE III	25,307	-	30,111	-		
LLEBG POLICE GRANT - 2001	-	-	67,344	-		
WATCH YOUR CAR GRANT	-	-	6,510	-		
MOTOR CYCLE GRANT	-	-	-	16,500		
GREAT GRANT 2002-2003	-	-	20,000	33,357		
LLEBG POLICE GRANT -2003	-	-	-	50,000		
TOTAL	\$ 493,560	\$ 362,978	\$ 486,791	\$ 398,698		



PUBLIC WORKS

PUBLIC WORKS DEPARTMENT MISSION

The **Public Works Department**, consisting of the **Airport, Buildings, Cemetery, Fleet, Parks & Recreation, Environmental Services and Streets Divisions**, dedicate their efforts to provide customer service oriented, quality-based, cost-efficient services to the citizens of Flagstaff and their fellow City employees.

The **Parks and Recreation Division** directly interfaces with the youth and adults in our community, strives to provide a healthy, fun environment for recreational activity—from a leisurely stroll through the park to competitive sports and social events.

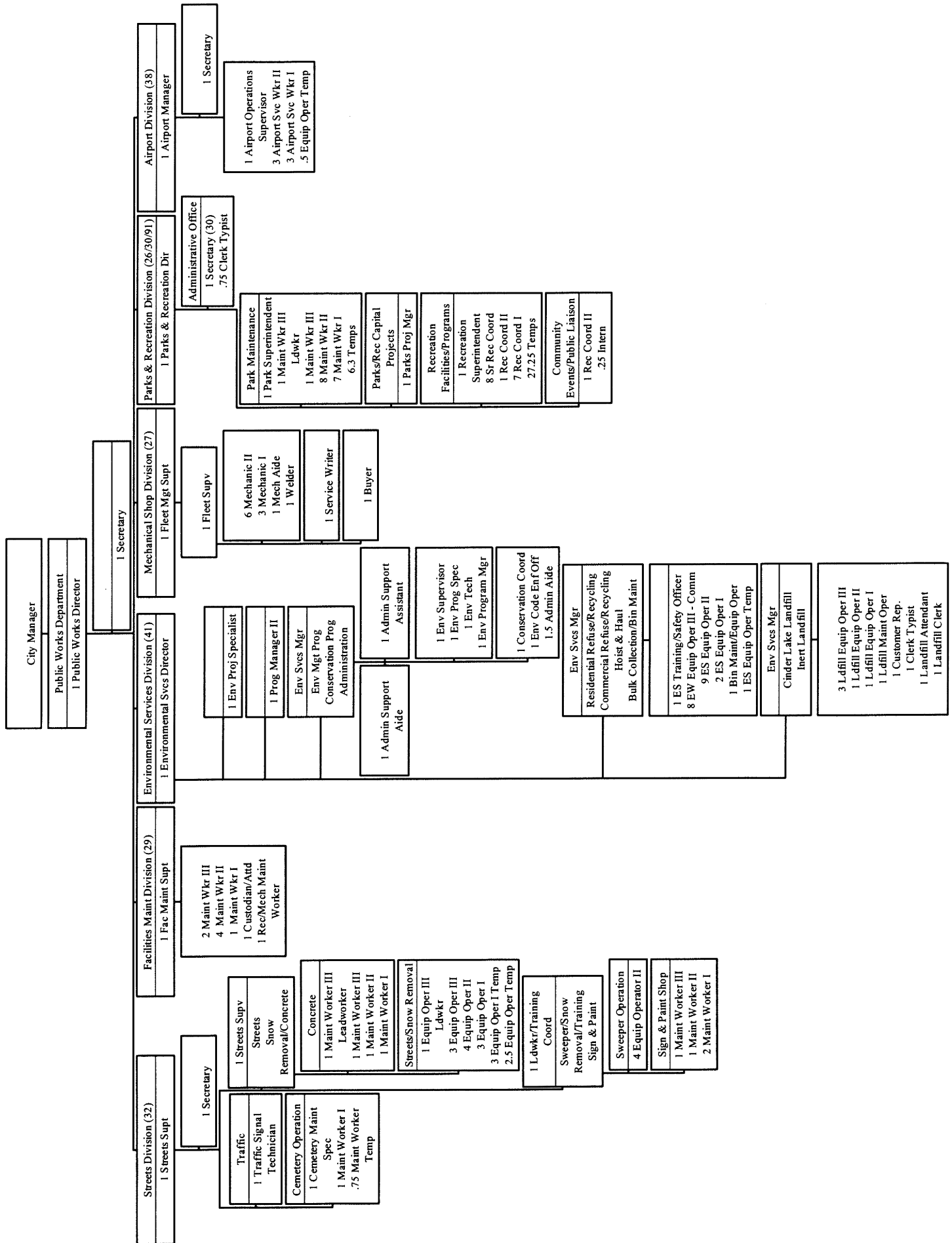
The **Mechanical Shop Division** vows to provide high quality, efficient maintenance services to City employees, and indirectly to Flagstaff citizens by keeping equipment in excellent condition.

The **Facilities** mission is to become the division that provides 100% customer service satisfaction. We are dedicated to continuously provide quality service and superior value through leadership, focus, and teamwork. We will be known for our respect for individual initiative, personal growth, and continual self-improvement. Providing a working environment that enhances our commitment to customer service above all else through excellence in reputation, honesty, and integrity.

The **Airport and Streets Divisions** dedicate their efforts to provide quality service for the ever-growing transportation needs of our community.

The **Environmental Services Division** is comprised of a valuable team of professionals committed to working together to provide the citizens of Flagstaff the best refuse and recycling service; a forward thinking and community based conservation program; and an Environmental Management and Landfill program that exceeds all Federal and industry standards.

Public Works



MISSION

The Public Works Department, consisting of the Airport, Facilities Maintenance, Cemetery, Mechanical Shop, Parks and Recreation, Environmental Services, and Streets divisions dedicate their efforts to provide customer service oriented, quality-based cost-efficient services to the citizens of Flagstaff and their fellow City employees.

PROGRAM DESCRIPTION

This division is responsible for the general administration of all the Public Works Divisions, including the Airport, Cemetery, Environmental Services, Facilities Maintenance, Mechanical Shop, Parks and Recreation, and Streets.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Continue to encourage a no-lost time year through the safety program: While the number of days increased for days lost in CY01, the overall percentage of time lost is negligible.
- ❖ Continue to reduce vehicular accidents through training and evaluation: Vehicle accidents decreased and costs were lowered due to minor nature of accidents.

- ❖ Continue to encourage employees to receive training and job enrichment in order to reduce turnovers, excluding retirements: 175 employees participated in job enrichment training courses throughout the year.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ 11 employees celebrated 5 years of service, 6 employees celebrated 10 years of service, 4 employees celebrated 15 years of service, 2 employees celebrated 20 years of service, 1 employee celebrated 25 years of service, and 1 employee celebrated 35 years of service.
- ❖ 19 employees received the City Manager's Excellence Awards.
- ❖ 1 employee named Flagstaff's Best Public Servant.

FY03 GOALS AND OBJECTIVES**GOAL: ORGANIZATIONAL SUPPORT****OBJECTIVES:**

- ❖ Continue to encourage a no-lost time year through the safety program.
- ❖ Continue to reduce vehicular accidents through training and evaluation.
- ❖ Continue to encourage employees to receive training and job enrichment in order to reduce turnovers, excluding retirements.

PUBLIC WORKS

DIVISION 25

ADMINISTRATION

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
"Zero" lost time accident ratio	1 day lost 393,129 hrs of work>0.002%	7 days lost 403,520 hrs of work< 0.0014%	0 days lost 410,000 hrs of work>0.0%
Reduce accidents by 15%	43 accidents 730,000 miles driven 1 accident/ 17,600 miles 59% increase	37 accidents 850,000 miles driven 1 accident/ 23,000 miles 14% reduction	30 accidents 850,000 miles driven 1 accident/ 28,000 miles 15% reduction

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 146,876	\$ 155,352	\$ 155,684	\$ 168,449	GENERAL FUND	\$ 48,096
CONTRACTUAL	5,921	7,985	4,599	7,545	LIBRARY FUND	-
COMMODITIES	5,125	4,416	2,568	2,887	HIGHWAY USER REVENUE FUND	41,516
CAPITAL	-	-	14	-	WATER AND WASTEWATER FUND	-
TOTAL	\$ 157,922	\$ 167,753	\$ 162,865	\$ 178,881	AIRPORT FUND	45,183
					ENVIRONMENTAL SERVICES FUND	44,086
EXPENDITURES BY PROGRAM:						\$ 178,881
GENERAL ADMINISTRATION	\$ 157,922	\$ 167,753	\$ 162,865	\$ 178,881		
TOTAL	\$ 157,922	\$ 167,753	\$ 162,865	\$ 178,881		

COMMENTARY:

The Public Works Administration operating budget has increased 6.6% and there are no capital expenditures. Personal Services increases are due to the market, merit and the health insurance increases. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the Parks and Recreation Division is to bring our community together by providing exceptional opportunities for families and individuals to enjoy our outdoor environment and to participate in programs valuable to sustaining a healthy lifestyle.

PROGRAM DESCRIPTION

Parks staff is responsible for the maintenance and management of parks and sports fields; maintenance of streetscapes; maintenance of the FUTS; maintenance and preservation of open space; maintenance of Heritage Square and Historic Downtown; maintenance of grounds at City buildings including Recreation Centers, Library, City Hall and USGS; and snow removal from City-owned parking lots and designated City sidewalks and alleyways.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Identify and complete maintenance upgrades in each park related to safety, accessibility, manufacturer requirements, and/or state and federal regulations: Installed new accessible and safe ground units (spring toys and game panels) at various park playgrounds. Installed accessible outdoor walkway and picnic tables at Cogdill Recreation Center. Replaced infield mix at Foxglenn Park minor field and Guadalupe Park field.
- ❖ Manage all plant life in the park system by optimizing water use and practicing sound

horticulture technologies in an efficient manner: Implemented final phase (Phase IV) of irrigation software/hardware installation. Completed noxious weed and tree inventories on City property.

- ❖ Maintain new construction and renovation projects at the highest possible level of service: Additional staff member obtained certification as an arborist.
- ❖ Maintain FUTS for multi-use.

FY03 GOALS AND OBJECTIVES**GOAL: QUALITY OF LIFE****OBJECTIVES:**

- ❖ Enhance the quality of life for our community by providing comprehensive park resources, services and programs through:
 - Managing plant life in the park system and at other City properties through the use of technology and a trained work force.
 - Maintaining parks, trails, and beautification projects at the highest possible level of service.

GOAL: PUBLIC SAFETY**OBJECTIVES:**

- ❖ Maintain safe parks through active involvement in an integrated public safety system.
- ❖ Identify and complete maintenance upgrades in parks for improved safety, accessibility, and compliance with state/federal regulations.
- ❖ Establish a park ranger program.

PUBLIC WORKS

DIVISION 26

PARKS

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Conduct weekly safety inspections of parks and playground equipment	85%	85%	90%
Complete daily or weekly maintenance of all park areas	90% large parks 80% small parks	90% large parks 80% small parks	95% large parks 85% small parks

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
PERSONAL SERVICES	\$ 742,181	\$ 898,452	\$ 873,146	\$ 932,015	GENERAL FUND	\$2,477,851
CONTRACTUAL	516,631	703,840	604,878	842,385		\$2,477,851
COMMODITIES	257,483	311,584	263,892	306,591		
CAPITAL	464,014	511,865	178,242	396,860		
TOTAL	\$1,980,309	\$2,425,741	\$1,920,158	\$2,477,851		
EXPENDITURES BY PROGRAM:						
GENERAL ADMIN	\$ 113,104	\$ 164,254	\$ 155,975	\$ 143,382		
PARK GROUNDS MAINT.	823,333	1,032,467	658,324	977,044		
PARK BLDGS & FAC MAINT.	29,267	25,071	23,139	23,010		
BBB-STREETScape/MEDIAN	154,183	157,694	154,132	162,307		
RIGHT OF WAYS/MEDIAN	55,737	112,076	113,977	62,478		
FUTS TRAIL SYSTEM	57,347	74,318	66,952	71,803		
HERITAGE SQUARE MAINT	44,452	43,747	50,969	53,371		
SNOW REMOVAL	84,417	59,934	(522)	-		
BBB RECREATION FIELDS	399,597	594,056	476,302	662,479		
DOWNTOWN MAINTENANCE	68,457	86,024	82,618	70,476		
NON-PARKS GROUNDS/LANDSCAPE	-	-	102,417	251,501		
PARKS ENHANCEMENT & IMP.	150,512	36,000	35,875	-		
CHESHIRE HABITAT POND	(97)	40,100	-	-		
TOTAL	\$1,980,309	\$2,425,741	\$1,920,158	\$2,477,851		

COMMENTARY:

The Parks operating budget has increased 8.7% and capital expenditures total \$396,860 resulting in an overall net increase of 2.1%. Personal Services increases are due to market, merit, and health insurance increases, along with the reclassification of temporary hours to permanent. Contractuals increases are due in part to the anticipated increase of parks, streetscapes and downtown projects. Major capital (>\$10,000) includes \$30,960 for a replacement truck, \$10,000 for fence replacement, \$24,200 for ADA requirements, and \$200,000 for carryover of land acquisition at Guadalupe Park. Onetime expenditures for this division include: Four bleachers at Thorpe Park \$18,000; entry signs \$14,400; handrail at Thorpe Tennis Courts \$9,100; drinking fountains \$21,500; disc attachment \$2,000; park furnishings \$11,585; slide and swing mats \$9,600; miscellaneous operating capital items of \$65,100; drinking fountain at Bushmaster \$3,500; miscellaneous capital items of \$8,700; holiday banners and holiday light display \$150,000.

MISSION

The Mechanical Shop division vows to provide high quality, efficient maintenance services to City employees, and indirectly to Flagstaff citizens by keeping equipment in excellent condition.

PROGRAM DESCRIPTION

To establish efficient and effective delivery of City fleets services by providing customer agencies with safe, reliable, economical, and environmentally sound transportation and related support services that are responsive to the needs of customer departments and that conserve vehicle value and equipment investment.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Enroll mechanics in Automobile Service Excellence testing program (ASE) to enable mechanic proficiency and certification for automotive and heavy equipment: Fleet technicians enrolled: 10 for November 01, and 11 will be enrolled in May 02
- ❖ Maintain mechanic productivity at 90%, evaluate shop rates, and define direct and indirect costs: Mechanic productivity averaged 90%.
- ❖ Provide customers with repair orders when preventive maintenance is completed: Implemented new preventive maintenance service forms and provided customer copies for all services performed.
- ❖ Provide customers with form to rate preventive maintenance services and conduct two customer surveys: Conducted two customer service surveys.
- ❖ Meet BI-monthly with user group committee members to improve interdepartmental communications: 3 meetings held.
- ❖ Review established replacement standards and recommend changes for vehicles and equipment: Vehicle and equipment replacement criteria reviewed and updated.
- ❖ Continue to expand flat rate standards to include jobs that are not in the flat rate manuals:

- ❖ Established flat rate standards to measure technician proficiency.
- ❖ Training for mechanical staff for proper disposal of hazardous waste and environmentally friendly housekeeping: Implemented environmental clean and green best management practices for shop pollution prevention.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Expanded parts and inventory for more timely response for environmental services and streets.
- ❖ Implemented an apprentice technician program and developed the position description.
- ❖ Updated established user procedures.
- ❖ Updated computer systems repairs codes and subtasks to provide more user-friendly descriptions of work performed.
- ❖ Purchased and installed environmentally friendly aqueous based parts washer.
- ❖ Provided cost data and utilization to fleet review committee.
- ❖ Coordinated yearly study to identify under-utilized vehicles.

FY03 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Provide customers with quarterly vehicle and equipment performance and operations costs reports.
 - Provide user departments with mileage/hours utilization reports to better manage resources.
 - To determine technician proficiency at the highest level.
 - By providing services with industry flat rates for labor hours.
- ❖ Conduct and evaluate two customer service satisfaction surveys to provide a benchmark for improving services and to better serve the needs of the customer.

PUBLIC WORKS

DIVISION 27

FLEET MANAGEMENT

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Provide customers with quarterly vehicle and equipment performance and operations cost report	0%	50%	100%
Mechanic Productivity at 90%	90%	92%	92%
Increase technician and parts specialist ASE certification program	0%	92%	100%
Services provided within Flat Rate Level	0%	75%	95%
Keep customer service survey satisfaction statistics at 90% or better	89%	93%	95%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 76,414	\$ 35,414	\$ 133,188	\$ 94,549	GENERAL FUND	\$ (157,576)
CONTRACTUAL	82,783	80,488	72,271	89,896	LIBRARY FUND	303
COMMODITIES	81,194	59,228	59,006	(184,445)	HIGHWAY USER REVENUE FUND	59,201
CAPITAL	68,228	-	-	-	WATER AND WASTEWATER FUND	20,828
TOTAL	\$ 308,619	\$ 175,130	\$ 264,465	\$ -	AIRPORT FUND	4,113
					ENVIRONMENTAL SERVICES FUND	73,131
EXPENDITURES BY PROGRAM:						\$ -
GENERAL ADMINISTRATION	\$ 234,143	\$ 226,471	\$ 233,582	\$ (3,932)		
INVENTORY MANAGEMENT	49,169	47,954	50,764	52,551		
PREVENTIVE MAINTENANCE	87,975	86,789	87,045	93,677		
VEHICLE REPAIR	(168,105)	(253,057)	(169,930)	(219,604)		
POOL VEHICLES-CITY HALL	-	-	-	11,500		
POOL VEHICLES-SHOP	6,626	4,300	7,800	6,800		
OTHER SHOP WORK	56,454	62,673	55,204	59,008		
SHOP IMPROVEMENTS	42,357	-	-	-		
TOTAL	\$ 308,619	\$ 175,130	\$ 264,465	\$ -		

COMMENTARY:

The Mechanic Shop operating budget has decreased to a \$0 base budget and there are no capital expenditures. During FY 2002 the shop charge rates were revised to recover 100% of the division's operating budget. Onetime expenditures for this division are \$9,300 for 3 heaters, \$2,300 for a diagnostic scan tool, and \$3,310 for computer software.

MISSION

PROGRAM DESCRIPTION

Under the direction of the Streets Superintendent, the City maintains Citizens Cemetery performing services related to opening/closing of graves, lot sales, record keeping, and facility and grounds maintenance. The Cemetery also provides opening/closing services for the Catholic Cemetery.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Work with Streets Trainer to prepare new interior road system per Master Plan: Sub-grading completed.
- ❖ Bring Private Sections ground maintenance up to same standard as currently provided in the Public Sections: Carried over—rewarded.
- ❖ Work on creating a perpetual/endowment fund for future maintenance: Perpetual care fund established for long-term maintenance.

- ❖ Prepare Section “N” for use: Installed irrigation and seeding.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Have upgraded one section “A” with irrigation system.
- ❖ Filling and grading created a new section. Work completed as a street operator-training program.
- ❖ Established a new service fee scheduled to be reviewed annually.
- ❖ Sub-grade completed by Streets division.

FY03 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ As part of proper grounds maintenance, keep the trees trimmed, grass mowed and edged at least one time per week.
- ❖ Work with one Service Organization annually on upgrading their private section.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Mowing/trimming once per week	NA	55%	85%
Upgrade one private section yearly	NA	0	1

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 97,066	\$ 102,202	\$ 103,689	\$ 107,426	GENERAL FUND	\$ 205,156
CONTRACTUAL	42,144	58,940	57,829	53,840		\$ 205,156
COMMODITIES	17,242	20,065	15,123	12,365		
CAPITAL	7,098	-	-	31,525		
TOTAL	\$ 163,550	\$ 181,207	\$ 176,641	\$ 205,156		
EXPENDITURES BY PROGRAM:						
GENERAL SERVICES	\$ 2,068	\$ 2,525	\$ 1,978	\$ 2,025		
OPENING & CLOSING	50,666	46,538	43,112	78,178		
MAINTENANCE OF BUILDINGS	3,656	5,542	4,034	5,231		
MAINTENANCE OF GROUNDS	107,160	126,602	127,517	119,722		
TOTAL	\$ 163,550	\$ 181,207	\$ 176,641	\$ 205,156		

COMMENTARY:
 The Cemetery operating budget has decreased 4.2% and capital expenditures total \$31,525 resulting in an overall net increase of 13.2%. Personal Services increases are due to the market, merit, and health insurance cost increases. Major capital (>\$10,000) includes \$31,525 for a new 4x4 dump truck.

MISSION

The Facilities mission is to become the division that provides 100% customer service satisfaction. We are dedicated to continuously provide quality service and superior value through leadership, focus, and teamwork. We will be known for our respect for individual initiative, personal growth, and continual self-improvement. Providing a working environment that enhances our commitment to customer service above all else through excellence in reputation, honesty, and integrity.

PROGRAM DESCRIPTION

Under the direction of the Public Works Director, the Public Facilities Maintenance division is responsible for all maintenance and upgrades of all City buildings.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Continue to provide prompt, courteous customer service: Courteous customer service provided to all City departments.
- ❖ Monitor facilities needs and schedule timely repairs: Repairs scheduled in a timely manner. Facility need addressed within budget constraints.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Restructure of Facilities division.
- ❖ Established record handling program.
- ❖ Council Chamber remodel.
- ❖ Dark Skies Citywide compliance.
- ❖ Cashiers area remodel.
- ❖ U.S.G.S. #1 move to modulars.
- ❖ Library remodels that included computer area.
- ❖ Environmental Services remodel.
- ❖ Refrigerator refrigerant extraction program.

FY03 GOALS AND OBJECTIVES

GOAL: COLLABORATION

OBJECTIVE:

- ❖ Work with recreation staff and schools to bring swimming pool equipment to 100% operational condition.

GOAL: CUSTOMER SERVICE

OBJECTIVE:

- ❖ Continue prompt, courteous customer service: Entire crew received the Manager's Excellence Award for customer service.
- ❖ Monitor facilities needs and repairs: Projected needs schedules have been established and response times for daily general maintenance average about 20 minutes.

PUBLIC WORKS

DIVISION 29

FACILITIES MAINTENANCE

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Swimming pool equipment in 100% operational condition	NA	80%	100%
Customer satisfaction overall rating	NA	NA	100%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 277,169	\$ 308,815	\$ 366,832	\$ 317,262	GENERAL FUND	\$ 693,825
CONTRACTUAL	312,368	251,420	199,508	164,159	LIBRARY FUND	58,124
COMMODITIES	90,929	295,782	150,248	210,022	HIGHWAY USER REVENUE FUND	92,045
CAPITAL	52,645	388,679	79,157	321,266	WATER AND WASTEWATER FUND	43,230
TOTAL	\$ 733,111	\$1,244,696	\$ 795,745	\$1,012,709	AIRPORT FUND	15,086
					ENVIRONMENTAL SERVICES FUND	110,399
EXPENDITURES BY PROGRAM:						\$1,012,709
GENERAL ADMINISTRATION	\$ 101,273	\$ 308,019	\$ 298,011	\$ 271,962		
CUSTODIAL SERVICE	60,937	76,514	63,234	72,437		
STRUCTURAL & OTHER MAINT.	156,166	240,000	81,715	211,595		
MAINT-MECH,ELECT & PLUMB	275,373	133,950	192,784	150,952		
BEAVER ST ANNEX	-	85,907	80,756	-		
MILLIGAN HOUSE	-	9,493	7,933	10,740		
PREVENTATIVE MAINTENANCE	24,281	-	-	-		
MISC. IMPROV. CITY FACIL.	67,267	130,000	5,975	130,000		
SOILS REMEDIATION	47,814	210,813	65,337	115,023		
UST REMOVAL	-	50,000	-	50,000		
TOTAL	\$ 733,111	\$1,244,696	\$ 795,745	\$1,012,709		

COMMENTARY:

The Facilities Maintenance operating budget has decreased 19.2% and capital expenditures total \$321,266 resulting in an overall net decrease of 18.6%. Personal Services increases are due to the market, merit, and health insurance increases. Facilities also underwent a re-organization that increased FTE's but reduced overall cost. Major capital (>\$10,000) includes \$115,023 for soils remediation, \$50,000 for underground storage tank removal, \$85,000 for asbestos abatement, \$45,000 for facilities testing and surveys, and \$26,243 for remodeling the Community Development counter. Up to \$165,023 of this capital budget may be used for Department of Justice required Americans with Disabilities Act improvements to City Hall.

MISSION

The mission of the Parks and Recreation Division is to bring our community together by providing exceptional opportunities for families and individuals to enjoy our outdoor environment and to participate in programs valuable to sustaining a healthy lifestyle.

PROGRAM DESCRIPTION

Recreation staff is responsible for the management and operation of three community centers, an adult center, a therapeutic recreation center, an ice/roller rink, two swimming pools, and numerous sports fields. Special event and use permits are coordinated for numerous organizations and individuals, leisure education activities are programmed for all ages, and sports are facilitated for both adults and youth. The Parks and Recreation administrative functions and capital project management are also budgeted in this division.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Identify and complete equipment and facility upgrades in each program and recreation center to enhance the recreation experience and improve safety and accessibility: Installed new bleachers at Jay Lively Activity Center, new carpet and tile at Flagstaff Recreation Center, and new ceiling/insulation at Murdock Center. Began design of accessible restrooms at five facilities for construction in FY03.
- ❖ Develop new recreation programs through partnerships with community agencies: Administered contracts with HASTC, CCCY, FUSD (FACTS), and FHA (SHAC) for community services. Participated in discussions with YMCA regarding facility location and services. Coordinated portions of the "Back to School Resource Fair" in cooperation with Coconino County.
- ❖ Facilitate leisure education opportunities for youth and teens in order to develop aware and responsible citizens: Implemented new programs including summer ice skating, recreation "passport", Heritage Square September series, adult developmental soccer, teen coffeehouse at Murdock Center, Flagstaff Association for Life Long Learning (FALL) classes, staff think tank.
- ❖ Analyze and implement sound facility use fee rate structures and use cost/benefit analysis to establish recreation activity fees and recreation priorities:

Expanded use of Rec-Trac software at Parks & Recreation administrative office and to outlying facilities including the Adult Center and Jay Lively Activity Center. Completed parks and recreation survey through water bill distribution to ascertain community priorities and measure satisfaction.

- ❖ Implement the Recreation Bond/BBB capital program by initiating design and construction of projects identified in the schedule and Master Plan: Designed Thomas and Christensen field improvements. Began construction of Foxglenn Park and McMillan Mesa Park. Completed construction of Sechrist field improvements. Acquired 15 acres for Continental Park expansion. The subdivision developer completed improvements to Ponderosa Trails Park.

FY03 GOALS AND OBJECTIVES**GOAL: QUALITY OF LIFE****OBJECTIVES:**

- ❖ Enhance the quality of life for our community by providing comprehensive recreation resources, services and programs through:
 - Identifying and completing equipment and facility upgrades to enhance recreation experiences and improve safety and accessibility.
 - Developing new recreation programs.

GOAL: FISCAL RESPONSIBILITY**OBJECTIVES:**

- ❖ Increase recreation revenues.

GOAL: COLLABORATION**OBJECTIVES:**

- ❖ Seek, strengthen, and enhance recreation services through new and continuing partnerships with other community agencies that optimize the delivery of services to citizens.

GOAL: CAPITAL IMPROVEMENTS**OBJECTIVES:**

- ❖ Implement the Recreation Bond/BBB capital program by completing the design and construction of remaining projects.
- ❖ Prepare for a future bond initiative to fund additional projects.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Implement new events	5	7	5
Improve gross revenue & self sufficiency percentage			
Revenue	\$487,861	\$516,437	\$525,000
Self sufficiency percentage	14%	13%	14%
Complete BBB/Recreation Bond projects	None	Sechrist	Foxglenn, McMillan Mesa, Thomas, and Christensen

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$1,379,161	\$1,451,386	\$1,420,039	\$1,491,296	GENERAL FUND	\$2,723,098
CONTRACTUAL	383,732	472,050	419,174	455,390		\$2,723,098
COMMODITIES	235,357	249,200	213,282	186,384		
CAPITAL	175,987	380,750	98,259	590,028		
TOTAL	\$2,174,237	\$2,553,386	\$2,150,754	\$2,723,098		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 382,192	\$ 448,758	\$ 405,646	\$ 439,194		
ATHLETIC PROGRAMS	204,002	229,298	191,414	198,755		
AQUATICS	203,821	287,453	232,747	288,637		
MURDOCK CENTER	165,683	270,381	252,841	189,468		
THERAPEUTICS	114,495	136,236	120,538	134,676		
FLAGSTAFF RECREATION CNTR	194,711	307,315	255,394	383,576		
ADULT CENTER	166,030	165,812	153,166	299,522		
COGDILL CENTER	154,673	158,319	129,670	248,068		
YOUTH COMMISSION	32,056	9,845	9,853	-		
JAY LIVELY ACTIVITY CENTR	385,986	497,599	363,810	502,546		
YOUTH SPORTS PROGRAMS	34,486	-	-	-		
COMMUNITY SERVICES/EVENTS	36,992	42,370	35,675	38,656		
AFTER SCHOOL ANCHOR PROG	58,247	-	-	-		
RECREATION GRANTS	40,863	-	-	-		
TOTAL	\$2,174,237	\$2,553,386	\$2,150,754	\$2,723,098		

COMMENTARY:

The Recreation operating budget has decreased 1.8% and capital expenditures total \$590,028 resulting in an overall net increase of 6.6%. Personal Services increases are due to market, merit, and health insurance increases. Major capital (>\$10,000) includes items of capital equipment as well as capital improvements within the respected programs. Refer to Schedules 8 and 9 in the Financial Summaries Section for a detailed capital listing.

MISSION

The Streets division dedicates its efforts to provide quality service for the ever-growing transportation needs of our community.

PROGRAM DESCRIPTION

The Street division is responsible for maintenance to paved and unpaved streets within the City. Providing street sweeping, snow and ice control, striping, regulatory sign maintenance, pothole patching, drainage maintenance, and streetlight checks does this.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Start an OSHA Training Program: Worked with OSHA representatives to complete a facility safety inspection for the Public Works yard and complied with all recommendations.
- ❖ Develop a Best Practices Program through ICMA: Currently providing information to ICMA on Best Practices.
- ❖ Maintain a Street Preventive Maintenance Program to keep streets patched and repaired and roads graded before they deteriorate: Carried over.
- ❖ Create and update an inventory of street related items and install on a computer for reference (items example--guard rail, streetlights, drainage, lane miles, etc): Currently has guardrail, updated drainage on computer.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Purchased truck mounted message board to ensure safety of employees working in the street and the traveling public.

- ❖ Third Party Commercial Drivers License Trainer Certification Audit approved.
- ❖ National Safety Council Flagman Trainer Certification.
- ❖ Completed bid specifications on new street sweeper, working with vendor to comply with specifications and sweeping standard set in the bid.
- ❖ Worked inter-departmentally to provide forklift certification and Commercial Drivers License training to all City divisions.
- ❖ Currently providing information to ICMA on Best Practices.
- ❖ Currently have guardrail, updated drainage on computer.

FY03 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVE:

- ❖ Keep dirt streets graded and potholes patched before they deteriorate.

GOAL: PUBLIC SAFETY

OBJECTIVES:

- ❖ Sweep cinders from roadways when winter storms subside making arterial, collectors, and bike paths a priority.
- ❖ Respond to traffic signal outages and downed stop signs within 45 minutes or less of notification.

PUBLIC WORKS

DIVISION 32 STREET MAINTENANCE AND REPAIRS

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Perform routine street sweeping, using four sweepers operating 40 hours/week	80%	90%	95%
Have all dirt street graded on a regular schedule and apply dust abatement as needed to 14 miles of dirt streets	85%	90%	95%
Inspect and clean traffic signal heads on a regular schedule	65%	85%	90%
Provide grading twice per month	NA	85%	90%
Patch potholes within 24 hours	NA	75%	85%
Sweep 23 miles in 10 hour day	NA	80%	90%
Install portable stop signs within 45 minutes or less	NA	0%	75%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$1,316,064	\$1,605,713	\$1,543,205	\$1,734,917	HIGHWAY USER REVENUE FUND	\$3,500,351
CONTRACTUAL	356,987	371,952	357,665	404,035		\$3,500,351
COMMODITIES	616,535	695,210	606,645	723,045		
CAPITAL	311,544	617,254	490,365	638,354		
TOTAL	\$2,601,130	\$3,290,129	\$2,997,880	\$3,500,351		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 123,435	\$ 211,190	\$ 182,088	\$ 249,469		
STREET CLEANING	387,721	243,507	246,537	414,250		
SNOW CONTROL	464,962	534,361	485,033	673,943		
SIGN,SIGNAL,MARK & LIGHT	326,173	413,549	345,423	366,790		
STREET MAINTENANCE	912,890	1,521,120	1,363,729	1,271,746		
DRAINAGE WAY MAINTENANCE	26,903	46,072	58,111	59,798		
TRAINING	1,131	2,950	1,926	1,900		
STREET LIGHTS	357,779	317,380	309,139	320,430		
TRAFFIC SIGNAL MAINTENANC	-	-	-	142,025		
WESTRIDGE ROADS	136	-	432	-		
REPAIR AND DEMOLITION	-	-	5,462	-		
TOTAL	\$2,601,130	\$3,290,129	\$2,997,880	\$3,500,351		

COMMENTARY:

The Streets Maintenance operating budget has increased 7.1% and capital expenditures total \$638,354 resulting in an overall net increase of 6.4%. Personal Services increases are due to the increases in the market, merit, and health insurance. Additionally, a Traffic Signal Technician position was added. Commodities increases are due to stocking additional supplies so that the Traffic Signal Technician can be efficient in his/her job. Major capital (>\$10,000) includes several vehicles including two dump trucks and a street sweeper and \$33,554 for traffic LED retrofits.

MISSION

The Airport division dedicates its efforts to provide quality service for the ever-growing transportation needs of our community.

PROGRAM DESCRIPTION

The Airport division operates and maintains Flagstaff Pulliam Airport. The Airport is certificated by the Federal Aviation Administration (FAA) as a non-hub air carrier and general aviation airport. Responsibilities of the division include administration, safety, operations, and maintenance of all buildings and pavements with federal mandates to provide aircraft rescue/fire-fighting, medical response, and security. Other services are provided through lease agreements with the direct service providers, (i.e. airlines, car rental agencies, fixed base operators, and other concessionaires). The division is also developing the airport Business Park.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Operate and maintain the airport in a safe and efficient manner. Administer all programs as required by federal, state and local regulations with an ever-increasing demand for safety/security and protection of the environment: Completed Annual Federal Airport Inspection with no violations. This Division won the Public Works Department Safety Division of the year award.
- ❖ Make necessary capital improvements in order to comply with federal requirements and to accommodate increased demand by the flying public: Completed construction of \$4 million in apron improvements to meet FAA standards.
- ❖ Improve productivity and increase revenue in order to lessen subsidy from the general fund: Peabody Coal lease will increase revenue in next FY. Revenue did increase in several key areas such as fuel flowage fees and hangar storage and ground leases.

- ❖ Increase the availability of scheduled, as well as on-demand air service, with increased enplanements: Worked with America West to improve fares and service. Met with several potential airlines and will continue dialogue
- ❖ Develop new business opportunities in the Airport Business Park: Installed fiber optic cable at business park parcels to encourage development.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Secured \$10 million in FAA grants to construct new north parallel taxiway and make safety area improvements.
- ❖ Completed new ground lease with Peabody Coal for their construction of a new hangar.
- ❖ Completed new ground lease with Guardian Air Medical for their construction of a new hangar.

FY03 GOALS AND OBJECTIVES

GOAL: CAPITAL IMPROVEMENTS

OBJECTIVES:

- ❖ Complete current construction projects including taxiway and safety area on time and within budget with minimal disruption to air operations.
- ❖ Complete consultant selection and begin development of new Airport Master Plan and noise study.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Continue to develop public/private partnerships with airport tenants and specifically work with Guardian Air Medical for completion of their new hangar and road construction.
- ❖ Secure FAA grants for construction of runway extension to encourage air service development.
- ❖ Secure alternative forms of financing for future airport development including construction of new hangars and a rental car facility.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
All aircraft Rescue and Firefighting (ARFF) and medical responses made in less than three minutes	100%	100%	100%
Snow and ice control operations are initiated and the airfield is open by 07:00	99%	99%	100%
All airfield facilities and equipment repairs are commenced within 24 hours of notification	100%	100%	100%
Show increase in revenues	3.2%	-2.26% (1)	-2.0% (1)
Complete taxiway and safety area construction	NA	NA	11/30/02
Complete consultant selection and begin Master Plan process	NA	NA	7/31/02
Complete Guardian Medical hangar and construction of new Piper Lane	NA	NA	10/30/02
Secure FAA discretionary and entitlement grants for design and construction of runway extension	NA	NA	12/31/02
Secure loan from AAAE fund for construction of hangars and rental car facility	NA	NA	8/31/02

(1) The event of the 9-11 disaster had a direct impact on Airport Revenues that is anticipated to carry over for two years.

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 426,341	\$ 456,375	\$ 430,346	\$ 489,198	AIRPORT FUND	\$ 1,350,283
CONTRACTUAL	246,662	254,795	253,511	238,922		\$ 1,350,283
COMMODITIES	55,487	98,840	90,613	85,898		
CAPITAL	158,497	89,588	90,638	536,265		
TOTAL	\$ 886,987	\$ 899,598	\$ 865,108	\$ 1,350,283		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 358,035	\$ 338,609	\$ 334,610	\$ 387,704		
SAFETY AND SECURITY	112,815	94,452	82,735	81,735		
SNOW CONTROL	72,047	67,952	58,538	258,666		
MAINT BLDGS AND GROUNDS	269,610	317,747	308,747	329,998		
MAINT RUNWAY & TAXIWAY	74,480	80,838	80,478	69,853		
PVMNT MAINT-WEST TAXIWAY	-	-	-	222,327		
TOTAL	\$ 886,987	\$ 899,598	\$ 865,108	\$ 1,350,283		

COMMENTARY:

The Airport operating budget has increased 0.5% and capital expenditures total \$536,265 resulting in an overall net increase of 50.1%. Personal Services increased due to the net effect of market and merit adjustments. Contractuals and commodities decreased due to budget reductions in the General Fund. Major capital (>\$10,000) includes \$34,639 for lease payments, \$54,949 for loan payments, \$30,000 for an ADA ramp, \$198,177 for a snow plow, and \$222,327 for pavement maintenance. The ramp, plow and pavement maintenance are grant funded. Onetime expenditures for this division is \$10,000 for carryover of economic development/marketing of the Airport.

MISSION

The Environmental Services division is comprised of a valuable team of professionals committed to working together to provide the citizens of Flagstaff the best refuse and recycling service; a forward thinking and community based conservation program; and an Environmental Management and Landfill program that exceeds all Federal and industry standards.

PROGRAM DESCRIPTION

The Environmental Services Division provides the citizens of Flagstaff the best refuse and recycling service; a progressive, community-based conservation program, and an Environmental Management and Landfill program that strive to be models in the industry. We accomplish our goals through a team of professional committed to collaboration, excellent customer service, and the value of our community's quality of life.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Operate Landfill in full compliance with State and Federal regulations: Negotiated a reduction of lysimeter water sampling requirements at Cinder Lake Landfill. Completed construction of a passive methane mitigation project meeting ADEQ requirements.
- ❖ Environmental Management program to meet State and Federal standards and regulations: All Phase I and II site assessment were completed on time and on budget. Staff successfully negotiated for pre-purchase site clean up of the ANT parcel resulting in significant savings to the City. Stormwater Pollution Prevention Plans were completed for both the airport and City Yard.
- ❖ Meet or exceed all performance standards relating to collection programs: Per standard: Completed construction of two Environmental Services administration buildings. Negotiated a reduction of lysimeter water sampling requirements at Cinder Lake Landfill. Completed construction of a passive methane mitigation project meeting ADEQ requirements.
- ❖ Provide current, accurate conservation information to enable community to live more in balance with our environment: Conservation Programs held Flagstaff's first ever Electronics Recycling Event drawing more than 600 participants and collecting more than 90,000 lbs. of electronic equipment. This event received the Governor's Pride Award.

Refurbished and distributed 78 bicycles to needy community members through the "Wheels for Winners" bicycle recycling program. Distributed 300-backyard compost bins to Flagstaff residents.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Assisted Utilities Department in the siting and completion of water wells.
- ❖ Phase two of the Cinder Lake Landfill boundary fencing was completed.
- ❖ The Sinclair Inert Pit reached final closure in September.
- ❖ Successfully completed cleanup of the Howington property litter code violation.
- ❖ Successfully negotiated a cleanup crew from the Winslow prison to perform litter cleanup at the Cinder Lake Landfill resulting in significant savings over previous contractor cleanups.
- ❖ Increased commercial recycling tonnage by 20%.
- ❖ Received grant to construct hazardous collection facility at City landfill.
- ❖

FY03 GOALS AND OBJECTIVES**GOAL: ORGANIZATIONAL SUPPORT****OBJECTIVE:**

- ❖ Improve the Collection Program safety record through the development of a mandatory employee safety-training program for each type of equipment.

GOAL: QUALITY OF LIFE**OBJECTIVES:**

- ❖ Through ADEQ funding, implement a year round, permanent household hazardous waste program at the Cinder Lakes Landfill.
- ❖ Ensure citywide compliance with environmental regulations.
- ❖ Support and expand the community-wide recycling program by increasing business participation and implementing customer-friendly collection programs.
- ❖ Initiate and maintain a comprehensive Environmental Advisory Team that will provide the City with environmentally sound operating options through a review of the current City purchasing and operations policies.
- ❖ Heighten community awareness of litter within our community through a specialized anti-litter campaign.
- ❖ Establish a new and inexpensive source of labor for clean up of illegal dumpsites and special areas.

- ❖ Operate the Landfill in full compliance with State and Federal regulations and utilize best management practices for daily operations by:
 - Monitoring and tracking the volume of dirt being used daily to cover refuse.
 - Minimizing the amount of litter leaving the facility boundaries in accordance with Forest Service Litter Plan.
 - Fully implementing the Storm Water Management Plan.

- Assuring full compliance with Special Waste regulation while providing excellent customer service for special requests.

GOAL: CUSTOMER SERVICE

OBJECTIVE:

- ❖ Excel at customer service through the provision of once-per-week container collection.
- ❖ Respond to all customer inquiries within 24 hours.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Household hazardous waste center operational	NA	NA	9/1/02
Operate household hazardous waste facility with zero accidents	NA	NA	0
Divert to recycling 50% of the hazardous waste received	NA	NA	6/30/03
Return all phone calls/respond to requests from citizens for environmental management information within 24 hours	NA	NA	100%
Respond to asbestos and indoor air quality information requests from City personnel within 24 hours. Where additional research is necessary, respond with answers within three days	NA	NA	100%
Complete Phase I environmental site assessment requests in six weeks or less (NA	NA	100%
Increase the number of business recycling at 10% by 6/30/03	NA	NA	10%
Implement a residential curbside glass recycling program	NA	NA	10/1/02
Increase the volume of glass being recycled by 25% by 6/30/03	NA	NA	25%
Implement an improved green-waste recycling program	NA	NA	7/1/02
Increase the amount of green-waste diverted by 20%	NA	NA	20%
Establish the Environmental Advisory Committee and create a work plan, benchmarks, and team goals	NA	NA	12/31/02
Complete department audits and have initial report providing suggested direction to top staff	NA	NA	6/30/03
Audit and revitalize the Adopt-an-Avenue/Park/Trail program through volunteer outreach and cleaning out old signs	NA	NA	15 miles
Initiate a fast food litter awareness campaign in collaboration with local restaurants	NA	NA	3/1/03
Create a partnership with Coconino County Jail for clean-up crews of illegal dump sites and littered areas	NA	NA	10/31/02
Track tonnage collected and provide management report	NA	NA	6/30/03
Reduce accidents in the collection program by 25%	26%	39%	20%
Provide once per week container collection	100%	100%	100%
Respond to all customer inquiries within 24 hours	95%	98%	100%
Provide cross training to 25% of division Equipment Operators	NA	NA	6/30/03
New employees or employees changing type of equipment will undergo complete training within 60 days of assignment and pass training test	NA	NA	100%
Maximize use of alternative daily cover; limit use of dirt to 80cy per day	NA	NA	100%
Develop system for monitoring the effectiveness of new wind blown litter fences and a play for daily placement	NA	NA	10/31/02
Respond to customer requests for asbestos disposal within 24 hours and within 48 hours for wastes requiring lab analysis	NA	NA	100%

PUBLIC WORKS

DIVISION 41

ENVIRONMENTAL SERVICES

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
PERSONAL SERVICES	\$1,865,307	\$2,213,553	\$2,135,718	\$2,369,041	ENVIRONMENTAL SERVICES FUND	\$7,121,922
CONTRACTUAL	1,151,693	1,710,621	1,627,094	1,934,265		\$7,121,922
COMMODITIES	572,258	718,880	601,861	762,588		
CAPITAL	1,755,212	1,918,163	889,875	2,056,028		
TOTAL	\$5,344,470	\$6,561,217	\$5,254,548	\$7,121,922		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 290,416	\$ 328,930	\$ 284,875	\$ 416,925		
RESIDENTIAL COLLECTION	928,415	1,135,193	1,003,862	1,252,670		
COMMERCIAL COLLECTION	315,116	928,254	974,104	1,360,642		
SANITARY LANDFILL	2,254,101	2,109,290	1,260,160	1,916,577		
BIN MAINT-RESIDENTIAL	25,630	40,741	40,694	47,944		
BIN MAINT-COMMERCIAL	54,497	62,941	60,555	72,918		
HOIST & HAUL	134,958	298,924	137,198	333,101		
RECYCLING-LANDFILL	83,831	79,275	53,396	90,776		
HOUSEHOLD HAZ WASTE COLL	94,655	103,599	68,128	85,836		
RECYCLING - CURBSIDE COLL	526,415	638,141	374,006	789,442		
INERT MATERIAL LANDFILL	62,093	79,932	77,814	93,922		
REFRIGERANT EXTRACTION	31	-	-	-		
COMMERCIAL RECYCLING	288,644	424,766	266,681	376,984		
CONSERVATION EDUCATION	30,538	47,510	43,241	53,441		
CLEAN & GREEN	45,014	48,764	31,166	-		
ENVIRONMENTAL MANAGEMENT	139,444	145,084	144,733	158,940		
ENVIRONMENTAL CODE ENFORC	39,475	80,856	71,426	63,459		
COMMERCIAL SALES	9,527	9,017	8,174	8,345		
COUNTY COMMERCIAL REFUSE	14,741	-	17,980	-		
COUNTY COMMERCIAL RECYCL	2,648	-	2,458	-		
COUNTY - HOIST AND HAUL	218	-	487	-		
CINDERLAKE ADMIN BLDG	329	-	-	-		
CINDERLAKE LND FILL EXPAND	(134)	-	-	-		
LANDFILL SITE IMPROVEMENT	3,868	-	134,369	-		
HH HAZARDOUS WASTE BUILD	-	-	199,041	-		
TOTAL	\$5,344,470	\$6,561,217	\$5,254,548	\$7,121,922		

COMMENTARY:

The Environmental Services operating budget has increased 9.1% and capital expenditures total \$2,056,028 resulting in an overall net increase of 8.5%. Personal Services increases are due to market, merit and health insurance increases. Contractual increases are due to expected increase in utilities, and reflects the adjustment to better represent actual tonnage estimate. Commodities increase is due to the increase of appraisal and permits line item to actual for state air quality. Major capital (>\$10,000) includes some capital equipment as well as capital improvements ongoing at the Landfill. Refer to Schedules 8 and 9 in the Financial Summary Section for a detailed listing.

UTILITIES

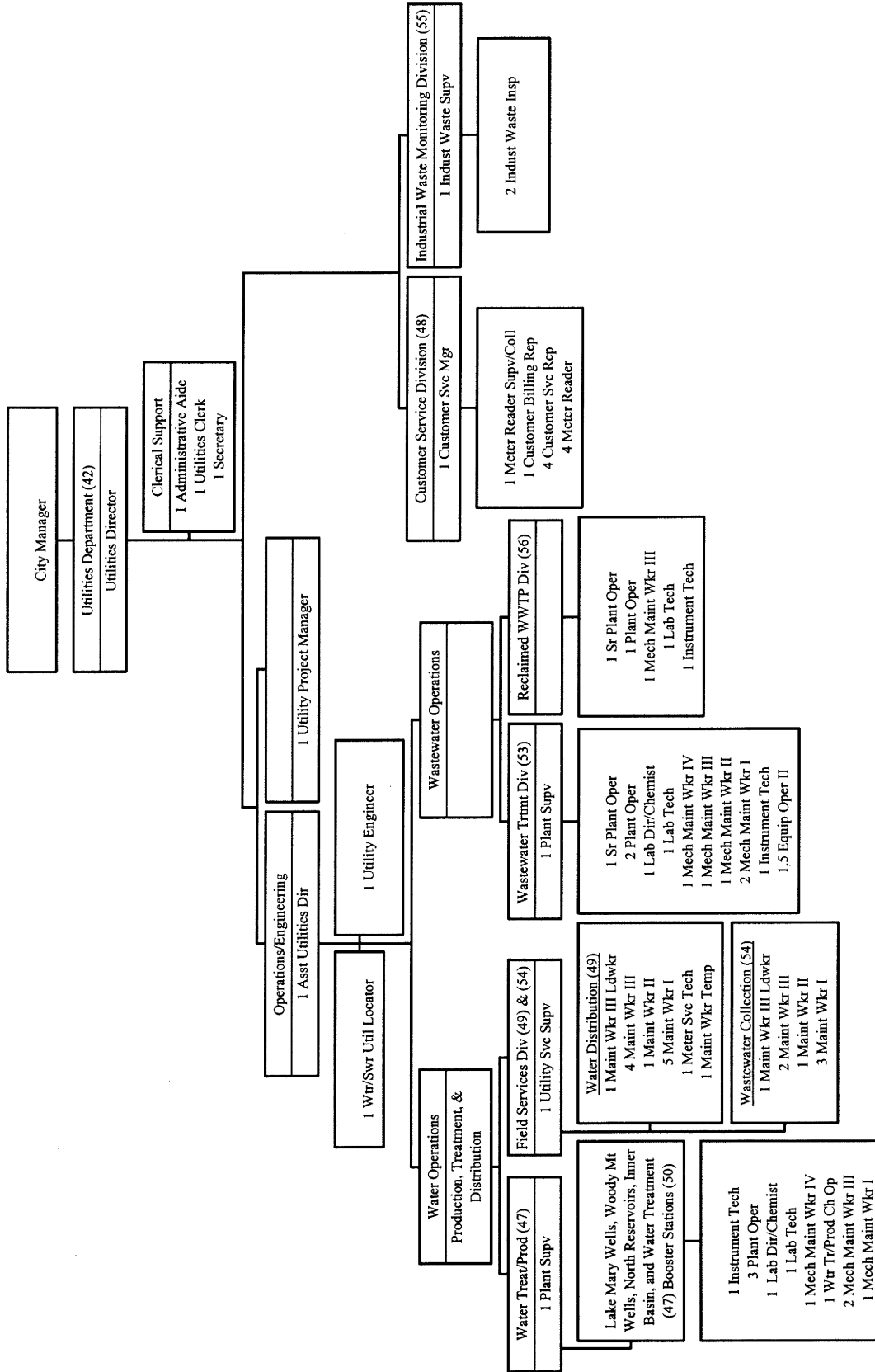
UTILITIES DEPARTMENT MISSION

To professionally and cost effectively provide water and wastewater services that meet the present and future environmental, health, and safety needs of the community and our co-workers.

We are committed to a goal of 100% customer satisfaction. This will be achieved by a dedication to exceed customer expectations by continuously improving our operations.

We value our co-workers and strive to maintain high motivation by providing an environment that encourages improvement and teamwork.

Utilities



MISSION

The mission of the Utilities Department is to professionally and cost effectively provide water and wastewater services that meet the present and future environmental, health, and safety needs of the community and our co-workers. We are committed to a goal of 100% customer satisfaction. This will be achieved by a dedication to exceed customer expectations by continuously improving our operations. We value our co-workers and strive to maintain high motivation by providing an environment that encourages improvement and teamwork.

This mission statement is applicable to all Utility divisions and will not be repeated at the beginning of each divisional section.

PROGRAM DESCRIPTION

Coordinates activities of the Utilities Department. Administers the department safety program, water conservation program, Water Commission activities, City Change Order Committee, and acts as Forest Service Liaison. Assesses Utilities capital improvement needs, prioritizes needs, and provides engineering services for capital improvement projects. Administers water and sewer computer modeling activities for the City and new developments. Provides Blue Stake locating services in accordance with State requirements. Responds to customer, staff, and City Council inquiries and follows up on complaints. Provides permit administration for NPDES, APP, Reuse, and other permits as required. Reviews new developments and represents the department on a multitude of various committees. Provides all clerical services for the department.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Respond to customer, staff, and Council inquiries in a professional manner: All inquiries were handled professionally and in a timely manner.

- ❖ Maintain compliance with Federal and State regulations: Compliance with Federal and State regulation maintained, with minor exceptions.
- ❖ Maintain compliance with City mandates: Compliance with City mandates maintained.
- ❖ Maintain adequate water and sewer capacity for the City's needs: Adequate water and sewer capacity maintained for City needs.
- ❖ Meet deadlines mandated by the City Manager and Council: Deadlines as mandated by the City Manager and/or Council were met.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Updated 10-year Capital Improvement Program for the Utilities Department.
- ❖ Drilled two new water wells.
- ❖ Completed design of Lake Mary Water Plant additions and awarded construction contract.
- ❖ Replaced Rio de Flag SCADA system.
- ❖ Completed review of capacity fees and service fees and presented Ordinance to City Council.

FY03 GOALS AND OBJECTIVES

GOAL: PLANNING FOR GROWTH

OBJECTIVES:

- ❖ Insure adequate water and wastewater capacity to meet future City demand as measured by the ratio of projects completed to projects planned per year.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Provide for an equitable rate structure as measured by the departmental operating efficiency ratio (total operating costs divided by total customers).

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Continue improvement of customer service satisfaction through the utilization of a customer service survey.

UTILITIES

DIVISION 42

ADMINISTRATION

PERFORMANCE INDICATORS	FY00	FY01	CY02 OR FY03 (EST)
Number of water and sewer projects planned	10	18	12
Number of water and sewer impact studies done for private development	9	7	7
Variance of CIP budget from actual project cost (fiscal year)	(90%)	(90%)	(90%)
Number of water and sewer projects administered	14	18	18
Departmental operating efficiency ratio (total O&M/total customers)	NA	NA	\$300
Ratio of projects completed per year to projects planned per year	NA	NA	75%
Bill stuffer survey (Positive customer service responses/total responses)	NA	NA	85%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 346,240	\$ 465,272	\$ 452,959	\$ 490,986	WATER AND WASTEWATER FUND	\$ 823,384
CONTRACTUAL	114,638	329,656	134,110	301,408		\$ 823,384
COMMODITIES	35,379	39,595	32,774	30,990		
CAPITAL	-	5,000	4,957	-		
TOTAL	\$ 496,257	\$ 839,523	\$ 624,800	\$ 823,384		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 304,034	\$ 583,889	\$ 388,622	\$ 565,875		
CITY WTR SYSTEM ANALYSIS	-	9,053	6,000	6,000		
FIXED ASSET INVENTORY	22	3,658	3,608	3,078		
CITY SWR SYSTEM ANALYSIS	22,047	5,000	5,000	5,000		
ENGINEERING	144,949	210,136	196,642	215,730		
BLUE STAKE	(4,270)	(3,013)	(4,894)	(3,099)		
WATER CONSERVATION	29,114	30,800	29,822	30,800		
SAFETY COMMITTEE	361	-	-	-		
TOTAL	\$ 496,257	\$ 839,523	\$ 624,800	\$ 823,384		

COMMENTARY:

The Utilities Administration operating budget has decreased 1.3% and there are no capital expenditures. Personal Services increases are due to market, merit, and health insurance increases. Contractuals and commodities decreased due to prior year one-time expenditures. Onetime expenditures for this division are \$8,200 for rate model changes, \$600 for a radio replacement, \$950 for a camper shell replacement, and \$100,000 carryover for legal fees.

PROGRAM DESCRIPTION

The Lake Mary Water Treatment Plant provides convention surface water treatment for waters from Upper Lake Mary. Staff is also responsible for the operations of all other production facilities including Lake Mary Wellfield, Woody Mountain Wellfield, the Inner Basin wells and springs, the Reservoir Filtration Plant, local wells and five booster stations (Division 50). The analytical laboratory provides analysis for metals and routine microbiological contaminates from the City's water system.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Economically provide water that meets Safe Drinking Water Act requirements to the citizens of Flagstaff: All requirements met.
- ❖ Make the public aware of production techniques through plant and wellfield tours: Tours have been suspended due to security issues and concerns.
- ❖ Manage the quantity of water from to provide adequate flows for domestic usage and fire protection: Water quantities adequately managed.
- ❖ Install new switchgear and pitless adapter at Lake Mary #4 and Woody Mountain #5: Priorities reassigned through equipment evaluation. Woody Mountain #4 completed this year. Woody Mountain #5, Woody Mountain #6 and the Lake Mary wells will be upgraded as funding becomes available.
- ❖ Purchase replacement engine for Inner Basin: Purchase not necessary in FY 02. Have reassigned for evaluation in FY 04.
- ❖ Purchase and install raw water and well water meter vaults: Completed.
- ❖ Remove and replace the asbestos material on the maintenance shop roof: Completed.
- ❖ Replace/install new server, monitor and software for Supervisory Control (SCADA): Completed.

- ❖ Eliminate graveyard shift at the Lake Mary Water Treatment Plant: Successful.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Completed filter building design, construction started.
- ❖ Midnight shift eliminated.
- ❖ Security rounds initiated.
- ❖ Local area network established with wireless Internet access.
- ❖ LM #7 once abandoned was rehabilitated with equipment to follow.
- ❖ Two wells in the LM well field are re-equipped, #5 and #8.
- ❖ WM power line between #6 and #7 is replaced.
- ❖ Tekleen ABW filters installed at both Continental and Foxglenn Wells.
- ❖ Northland Research completes Shultz Pass pipeline archeology survey.
- ❖ Interchange well is drilled.
- ❖ Shop well is drilled and cased.

FY03 GOALS AND OBJECTIVES

GOAL: PUBLIC SAFETY

OBJECTIVES:

- ❖ Continue improvement of community water system security.

GOAL: PLANNING FOR GROWTH

OBJECTIVES:

- ❖ Manage water capacity to meet community needs.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- ❖ Economically provide water that meets Safe Drinking Water Act requirements to the citizens of Flagstaff.

UTILITIES

DIVISION 47

**LAKE MARY
WATER TREATMENT PLANT**

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Number of gallons of water produced (millions)	2,934	2,869	3,000
Cost per thousand gallons of treated water	\$0.97	\$1.00	\$1.00
Number of Safe Drinking Water Act Violations	-0-	-0-	-0-
Number of water tests performed	888	956	975
Number of water quality complaints	5	14	15

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 587,910	\$ 623,982	\$ 626,824	\$ 664,327	WATER AND WASTEWATER FUND	\$3,251,618
CONTRACTUAL	1,424,273	1,629,715	1,572,094	1,764,475		\$3,251,618
COMMODITIES	237,605	261,476	231,824	254,116		
CAPITAL	633,810	713,450	747,703	568,700		
TOTAL	\$2,883,598	\$3,228,623	\$3,178,445	\$3,251,618		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 363,640	\$ 478,342	\$ 446,297	\$ 470,864		
WATER TREATMENT OPERATION	259,836	277,490	238,614	310,647		
CHEMICAL ANALYSIS	166,000	168,743	168,640	171,272		
BLDGS & GROUNDS MAINT	109,848	102,806	76,365	98,149		
EQUIPMENT MAINTENANCE	86,567	209,868	243,977	148,445		
USFS LAKE MARY CONTRACT	8,860	8,860	17,720	8,860		
UPPER LAKE MARY DAM IMP	27,695	21,000	21,000	21,000		
SEDMNTION BASIN MODS (90)	-	15,000	15,000	15,000		
SCADA TRACKING	29,157	28,850	24,673	28,850		
FOXGLEN WELL	16,986	69,087	91,883	76,053		
CONTINENTAL WELL	58,245	70,787	12,243	76,053		
SHOP WELL	-	-	-	50,000		
LAKE MARY WELLFIELDS	533,335	571,170	565,793	605,705		
WOODY MOUNTAIN WELLFIELD	1,050,143	908,228	920,871	936,678		
NORTH RESERVOIRS	47,669	79,346	79,476	35,665		
INNER BASIN DEVELOPMENT	109,617	119,046	155,893	76,215		
INNER BASIN PIPELINE	16,000	100,000	100,000	122,162		
TOTAL	\$2,883,598	\$3,228,623	\$3,178,445	\$3,251,618		

COMMENTARY:

The Lake Mary Water Treatment Plant operating budget has increased 6.7% and capital expenditures total \$568,700 resulting in an overall net increase of 0.7%. Personal Services increases are due to market, merit and health insurance increases. Contractuals increases are due to software support and compliance monitoring. Commodities net decrease is due to previous year's onetime expenditures. Major capital (>\$10,000) includes \$20,000 for dam improvements, \$150,000 for Lake Mary Well maintenance, \$250,000 for Woody Mountain Well maintenance, \$20,000 for annual setaside for land acquisition, \$95,700 for Inner Basin pipe, and \$20,000 carryover for roof modifications. Onetime expenditures for this division are \$1,200 for a brine pump and \$20,000 for environmental issues.

PROGRAM DESCRIPTION

Customer Service is responsible for meter reading, water and sewer billing, and collection of delinquent accounts including the disconnection and lock off of water service for unpaid billings and non-sufficient fund checks for the Utilities Department. Unusually high or low water consumption is investigated and inactive meters are monitored for possible consumption. This division is also responsible for cashiering operations for most City departments and for the calculation and collection of utility system fees for all new or added construction.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Provide quality customer service: Accomplished remodel of Customer Service area into three cubicle style ergonomic workstations. Replaced all dumb terminals with PCs and provided laser printers to each station. Re-carpeted and decorated stations for appearance and workability. Added a counter for ADA service.
- ❖ Minimize delinquent accounts: Delinquency notices/turnoffs minimized by sending on time delinquency notices and performing follow-up turn offs.
- ❖ Send out timely and accurate utility and system fee billings: Initiated program to convert to radio read meters.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ "Outsourced" payment processing by hiring a temporary employee to open and total payment batches daily until a processing system can be decided upon and obtained.
- ❖ Received and trained on new Version 6 of H.T.E. Customer Information System software.

FY03 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVE:**

- ❖ Through technology, continue to offer easier access to information and bill payment.
- ❖ Realize sufficient staffing and ongoing training to Customer Service Representatives in technology and Customer Handling.
- ❖ Send out timely and accurate utility and system fee billings.
- ❖ Minimize estimates by efficient meter reading and the addition of automated meter radio reads.
- ❖ Continue scrutiny of exceptions; utilization of technology to spot problems.

GOAL: FISCAL HEALTH**OBJECTIVES:**

- ❖ Minimize delinquent accounts by sending on-time delinquency notices and performing follow-up turn-offs.
- ❖ Continue program of billing extra deposits to frequent cut-off list accounts reducing write offs.

UTILITIES

DIVISION 48

CUSTOMER SERVICE

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Total billed including water/wastewater/other	\$23.3 million	\$22.6 million	\$23.2 million
Meter reader efficiency/impact of applied technologies (meters read/meter reader/quarter)	14,024	14,228	15,824
Division efficiency (division cost/meters read)	\$3.35	\$3.20	\$3.29
Total system and capacity fees collected	\$1.34 million	\$1.40 million	\$1.38 million
Percent of delinquent accounts (delinquent accounts/total accounts)	2.6%	3.8%	4.7%
Percent of estimated reads	9.85%	11.78%	6.00%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 351,733	\$ 394,932	\$ 402,762	\$ 450,198	GENERAL FUND	\$ 15,588
CONTRACTUAL	130,362	129,130	128,165	126,950	LIBRARY FUND	1,023
COMMODITIES	17,555	46,770	46,826	31,970	HIGHWAY USER REVENUE FUND	3,749
CAPITAL	2,570	30,000	23,055	36,330	WATER AND WASTEWATER FUND	555,785
TOTAL	\$ 502,220	\$ 600,832	\$ 600,808	\$ 645,448	AIRPORT FUND	1,037
					ENVIRONMENTAL SERVICES FUND	68,266
						\$ 645,448
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 125,711	\$ 170,814	\$ 169,103	\$ 101,298		
FIELD READING	136,966	161,988	162,118	208,049		
COLLECTION	46,639	50,736	50,882	52,751		
CUSTOMER SERVICE	192,904	217,294	218,705	283,350		
TOTAL	\$ 502,220	\$ 600,832	\$ 600,808	\$ 645,448		

COMMENTARY:

The Customer Service operating budget has increased 6.7% and capital expenditures total \$36,330 resulting in an overall net increase of 7.4%. Personal Services increases are due to market merit, and health insurance increases, overtime, and the mid-year addition of temporary staff. Contractuals and commodities decreased due to previous years and one-time expenditures. Major capital (>\$10,000) includes \$36,330 for two replacement vehicles.

PROGRAM DESCRIPTION

The Water Distribution system operators safely and efficiently operate, maintain and repair all water distribution lines, fire hydrants, pressure reducing stations and meters, supplying each customer with a sufficient volume of water at adequate pressures, throughout our varying elevations and pressure zones.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ A commitment to 100% customer satisfaction: Several letters complimenting our crews on the way customer complaints were handled.
- ❖ Maintain water pressures throughout our service area within American Water Works Association (AWWA) guidelines: Immediate response to our customers' pressure problems, minimizing complaints and safety concerns.
- ❖ Repair water main breaks in a timely manner, working continuously until service has been restored: Customer service disruption has been minimized.
- ❖ Maintain all fire hydrants at operational levels, with minimal downtime for repairs: Hydrants are checked yearly and repaired as necessary, assuring maximum fire protection.
- ❖ Set meters in a timely manner for contractors, developers and homeowners: Meters are paid for and installed within ten working days.
- ❖ Ensure water meters are accurately recording customers' usage within AWWA guidelines: Meters are tested, repaired or replaced on a regular basis to ensure accuracy.
- ❖ Reduce accidents and maintain high safety standards: Weekly tailgate safety talks and an increase in safety training has reduced the number and severity of our accidents.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Railroad Springs Tank Project: Installation of over one hundred residential pressure reducing valves (PRV's) in Equestrian Estates, Boulder Pointe and

Woodlands Village Unit IV. Coordination of a three-phase program to introduce higher waterline pressure from the new Railroad Springs Tank into these areas. Improve fire protection and pressures to our customers.

- ❖ Lake Mary Road Widening Project: Worked with engineers and contractors, coordinating a wide variety of projects including: Valve installations, realignments, shutdowns, turn-ons, mainline flushing and emergency repairs to our 12", 8", and 6" waterlines.
- ❖ Radio Read Meters: Installation of one thousand radio-read meters in selected subdivisions. Enhance customer service, by providing a safe, estimate free billing process. While increasing our overall efficiency and lowering operating costs.
- ❖ Water and Wastewater Atlas Updates: Updating of our water and wastewater atlas, with all of the new lines constructed in the past several years. Giving city staff the most up to date information, when planning, designing and dealing with scheduled and emergency repair projects.

FY03 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ A commitment to 100% customer satisfaction.
- ❖ Set meters in a timely manner for contractors, developers, and homeowners.

GOAL: FISCAL HEALTH

OBJECTIVE:

- ❖ Target zero accidents annually.

GOAL: PLANNING FOR GROWTH

OBJECTIVE:

- ❖ Maintain water pressures throughout our service area within American Water Works Association (AWWA) guidelines.

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVE:

- ❖ Develop multi-skilled workforce.

UTILITIES

DIVISION 49

WATER DISTRIBUTION SERVICES

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Average response time to emergencies	20 minutes	20 minutes	20 minutes
Number of complaints and responses	260	271	250
Number of meter replacements and repairs	733	612	700
Number of work orders completed	1,910	2,315	2,062
Cost per service/water distribution system	\$11.33	\$11.52	\$11.32
Number of new meter installations	NA	NA	550

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 573,152	\$ 646,254	\$ 647,559	\$ 686,818	WATER AND WASTEWATER FUND	\$ 970,369
CONTRACTUAL	50,424	56,287	46,383	52,282		\$ 970,369
COMMODITIES	113,007	147,979	116,071	140,269		
CAPITAL	115,188	176,000	154,742	91,000		
TOTAL	\$ 851,771	\$1,026,520	\$ 964,755	\$ 970,369		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 120,275	\$ 193,507	\$ 130,440	\$ 168,323		
WATER SYS MAINT-OPERATION	145,012	225,522	209,662	142,689		
MAIN & SERVICE LINE REPAIR	207,127	192,526	193,228	202,259		
MAIN EXT-FIRE HYDR/VALVE	48,791	53,465	56,090	56,065		
VALVE & FIRE HYDR MAINT	108,258	112,131	124,332	116,352		
METER INSTALLATION	163,408	197,257	170,681	202,561		
METER REPAIR & TESTING	58,900	52,112	80,322	82,120		
TOTAL	\$ 851,771	\$1,026,520	\$ 964,755	\$ 970,369		

COMMENTARY:

The Water Distribution operating budget has increased 3.4% and capital expenditures total \$91,000 resulting in an overall net decrease of 5.5%. Personal Services increase is due to market/merit and health insurance increases. Contractuals and commodities decreased due to prior years one-time expenditures. Major capital (>\$10,000) includes \$79,000 for water meters, vaults and related items. Onetime expenditures for this division are \$1,500 for replacement radios and \$2,800 for two hydraulic pump replacements.

PROGRAM DESCRIPTION

Provides for the operation and maintenance of booster stations providing domestic and fire service outside of the normal pressure zones of the water distribution system.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Bring on line Railroad Springs booster station and tank: The booster station and tank were brought on line.
- ❖ Convert pumps, motors, VFD, and switchgear at University Highlands to be able to pump water to Railroad Springs tank: University Highlands, Boulder Point, Equestrian Estates, and Gore switchover to Railroad Springs tank complete.
- ❖ Inspect and clean Christmas Tree reservoir: Task completed.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ WM booster station, new meter vault is installed with housing insertion meter for flow pacing.
- ❖ University Highlands Booster Station is off-line and used as a secondary supply source.

FY03 GOALS AND OBJECTIVES

GOAL: CAPITAL IMPROVEMENTS

OBJECTIVE:

- ❖ Make booster stations positive visual assets to the community.

PERFORMANCE INDICATORS

None Available at this time.

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures	Budget	Expenditures	Budget		Budget
	2000-2001	2001-2002	2001-2002	2002-2003		2002-2003
PERSONAL SERVICES	\$ 11,960	\$ 36,988	\$ 37,094	\$ 39,208	WATER AND WASTEWATER FUND	\$ 65,008
CONTRACTUAL	17,762	24,650	22,065	22,650		\$ 65,008
COMMODITIES	2,551	10,450	10,637	3,150		
CAPITAL	-	8,000	10,158	-		
TOTAL	\$ 32,273	\$ 80,088	\$ 79,954	\$ 65,008		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 21,136	\$ 43,988	\$ 43,998	\$ 46,208		
ZONE A	-	2,350	4,508	350		
KINLANI	1,203	2,150	2,150	1,850		
UNIVERSITY HIGHLANDS #1	9,670	16,300	17,109	1,300		
AIRPORT BOOSTER	264	1,100	1,139	1,100		
AMBERWOOD BOOSTER	-	3,150	-	3,150		
RAILROAD SPRINGS BOOSTER	-	11,050	11,050	11,050		
TOTAL	\$ 32,273	\$ 80,088	\$ 79,954	\$ 65,008		

COMMENTARY:
 The Booster Station operating budget has decreased 9.8% and there are no capital expenditures. Contractuals and commodities decreased due to prior year's and one-time expenditures.

PROGRAM DESCRIPTION

The Wildcat Hill Wastewater Plant is a 6 million gallon-per-day advanced treatment facility. This program is responsible for the day-to-day operation and maintenance, as well as the pumping of treated wastewater to the Fairfield golf courses and contractors. The plant operates a State-certified laboratory, which performs the majority of the required routine lab analysis.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Minimize treatment cost per unit of treated wastewater: Ongoing effort to be accomplished through the EMA re-engineering Pilot Project.
- ❖ Maintain State Certified Laboratory Standards: Successful.
- ❖ Treat all wastewater to NPDES Permit requirements: Successful.
- ❖ Encourage use of reclaimed wastewater by Fairfield golf courses and contractors: Golf course and contractors are using reclaimed water.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ No permit violations within plant design.
- ❖ Assumed supervisory responsibilities of the Rio de Flag Reclamation Plant.
- ❖ Reduced scheduled hours of lab director resulting in a savings of approximately \$6,000.00.
- ❖ Implemented combined on call for the Wildcat Hill and Rio de Flag facilities.
- ❖ Drained and cleaned #1 digester.

- ❖ Reduced weekend and holiday staffing by 6.0 hours per day.
- ❖ Extended the exhaust stack on the emergency standby generator.
- ❖ Installed screenings de-watering device further automating the preliminary treatment process.
- ❖ Installed automated primary sludge monitoring and control system.
- ❖ Automated the digester decant system.
- ❖ Drained and cleaned both chlorine contact basins.
- ❖ Installed two new secondary pumps and controls.
- ❖ Installed a secondary turbidity meter and control system improving process control.

FY03 GOALS AND OBJECTIVES

GOAL: PLANNING FOR GROWTH

OBJECTIVES:

- ❖ Encourage use of reclaimed water.
- ❖ Minimize treatment cost per unit of treated wastewater.

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVES:

- ❖ Integrate operations and management with the Rio de Flag Water Reclamation Plant.
- ❖ Institute skill-based pay.
- ❖ Develop multi-skilled workforce.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Provide a commitment to 100% customer satisfaction.

UTILITIES

DIVISION 53

**WILDCAT WASTEWATER
TREATMENT PLANT**

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Gallons of influent treated (billions)	1.5333	1.5705	1.6
Gallons of septage treated (millions)	0.932	0.8786	1.0
Gallons of reclaimed water sold (millions)	421.413	341.741	400
Gallons of grease treated (thousands)	195.615	125.232	210
Gallons of commercial interceptor sludge (thousands)	31	35.875	36
Dry metric tons of solids/sludge injected	830.4	1558.9	1200
Cost per thousand to treat (influent)	\$0.80	0.91	0.90

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 630,728	\$ 635,789	\$ 632,303	\$ 669,680	WATER AND WASTEWATER FUND	\$1,434,879
CONTRACTUAL	420,171	457,094	462,691	465,196		\$1,434,879
COMMODITIES	232,308	202,028	192,877	225,479		
CAPITAL	114,608	143,826	167,676	74,524		
TOTAL	\$1,397,815	\$1,438,737	\$1,455,547	\$1,434,879		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 64,143	\$ 141,486	\$ 152,986	\$ 144,575		
PLANT OPERATIONS	492,936	441,908	439,433	460,551		
PLANT MAINTENANCE	619,445	617,335	649,920	635,678		
LAB-PROCESS CONTRL-MONTR	126,511	120,009	114,791	111,657		
SEPTAGE	16,453	6,502	6,302	10,362		
WH RIO MAINTENANCE	4,264	5,750	5,320	6,175		
DRYING BEDS OPERATIONS	880	6,400	4,600	1,750		
SLUDGE INJECTION	73,183	99,347	82,195	64,131		
TOTAL	\$1,397,815	\$1,438,737	\$1,455,547	\$1,434,879		

COMMENTARY:

The Wildcat Wastewater Treatment Plant operating budget has increased 5.1% and capital expenditures total \$74,524 resulting in an overall net decrease of 0.3%. Personal Service increase is due to market, merit and health insurance increases. Contractuals and Commodities increases are primarily due to previous and current onetime expenditures. Major capital (>\$10,000) includes \$25,000 for explosion proofing of the screen room and \$25,500 for the Waukesha top end rebuild. Onetime expenditures for this division are \$7,496 for stairways, \$25,300 for maintenance of equipment, \$9,566 for miscellaneous equipment, and \$4,000 for safety sensors.

PROGRAM DESCRIPTION

This program is responsible for the day-to-day maintenance of the wastewater collection system, reclaimed wastewater distribution system, and repair and/or maintenance of damaged pipelines and manholes. Personnel make all taps into City sewers from this program.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Maintain a minimal level of service calls related to City problems: Lower level of service calls maintained at prior year level indicating a trend of better service.
- ❖ Avoid damages to property caused by sewer problems: Have been successful to date.
- ❖ Develop a matrix of worker skills required by level: Continuing effort through EMA process.
- ❖ Develop training plans and criteria for all major equipment: Continuing effort through EMA process.
- ❖ Improve crew "ownership" of operations: Efforts are continuing.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Continued to reduce City related sewer service calls: Service calls last year dropped 24%, and the number that the city was responsible for also dropped 34%. This is proof of significant improvement in our quality of work.
- ❖ Productivity in Preventive Maintenance increased, our time to clean each reach decreased by an average of 7.46%, proof of a significant improvement in our quantity of work completed.
- ❖ Crown Spray of 33" interceptor done in house rather than by contract, saving the city money.

FY03 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Continue the reduction of service calls.

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVES:

- ❖ Develop a multi-skilled workforce.
- ❖ Develop training plans and criteria for all major equipment.
- ❖ Improve crew "ownership" of operations.

UTILITIES

DIVISION 54

WASTEWATER COLLECTION

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Miles of sewer cleaned or rodded	175	193.7	190
Number of blockages (City responsibility)	75	39	50
Number of service taps made	21	27	30
Number of feet of sewer televised	50,000	71,472	60,000
Number of repairs made to manholes and cleanouts	65	117	65
O & M cost per service account	\$7.86	\$9.29	\$8.00

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 379,772	\$ 412,922	\$ 406,144	\$ 440,656	WATER AND WASTEWATER FUND	\$ 747,051
CONTRACTUAL	27,270	49,010	40,579	42,045		\$ 747,051
COMMODITIES	77,545	96,000	57,545	99,350		
CAPITAL	106,293	215,000	54,750	165,000		
TOTAL	\$ 590,880	\$ 772,932	\$ 559,018	\$ 747,051		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 168,758	\$ 222,665	\$ 181,491	\$ 201,494		
SERVICE CONNECTIONS	12,564	17,602	17,558	17,036		
PREVENTIVE MAINTENANCE	170,976	203,580	215,026	199,149		
TV INSPECT & HYDRO-CLEAN	83,463	241,635	78,012	243,609		
CORRECTIVE MAINTENANCE	142,552	80,847	57,931	77,489		
RECLAIMED WATER LINE	12,567	6,603	9,000	8,274		
TOTAL	\$ 590,880	\$ 772,932	\$ 559,018	\$ 747,051		

COMMENTARY:

The Wastewater Collection operating budget has increased 4.3% and capital expenditures total \$165,000 resulting in an overall net decrease of 3.3%. Personal Services increase is due to market, merit, and health insurance increases. Contractuals and Commodities decreased due to the net effect of onetime expenditures. Major capital (>\$10,000) for this division is \$160,000 carryover for a TV van.

PROGRAM DESCRIPTION

This division provides monitoring, permitting, and reporting of industrial and commercial wastewater discharges into the City sewer system to assure compliance with Local, State and Federal mandated pre-treatment regulations and to prevent upset at the City's wastewater treatment plants. Other activities include administration of the City's cross-connection control program, air quality monitoring, NPDES stormwater monitoring, and septage control.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Ensure that the City is in compliance with State and Federal NPDES pre-treatment requirements: All requirements met, including conducting the 2000 Local Limits Study as required by NPDES.
- ❖ Ensure all EPA regulated industries are in compliance with Federal and City discharge limits: requirements met.
- ❖ Identify unauthorized discharges into the City's wastewater collection system: Industrial samples analyzed to indicate non-compliant discharge. Corrective or enforcement action utilized as appropriate.
- ❖ Ensure that the City is in compliance with state backflow prevention and cross-connection requirements: Both operational and administrative activities performed. Information is generated by division and received from private parties to enter/track in database. Very little enforcement action is necessary as those parties are very cooperative.
- ❖ Review all new construction developments to assess needs for pre-treatment and backflow prevention:

Work cooperatively with the Building Department and DRB process to review plans.

- ❖ Provide service to our internal and external customers, beyond their expectation: On-going effort to provide excellent customer service.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ All division personnel maintained required State and Federal certifications.
- ❖ Recorded past five years of sampling and monitoring data into an enhanced electronic database.
- ❖ Streamline business inspections to incorporated elements of the pretreatment program and the Cross-Connection control program.
- ❖ Provided training opportunities in Cross-Connection Control and Pretreatment to the public and staff.

FY03 GOALS AND OBJECTIVES

GOAL: PUBLIC SAFETY

OBJECTIVES:

- ❖ Prevent bypass of the Public Owned Treatment Works (POTW).
- ❖ Prevent back flow of contaminants into potable water system.

GOAL: COLLABORATION

OBJECTIVES:

- ❖ Encourage pollution prevention for business and industries.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Provide service to our internal and external customers, beyond their expectation.

UTILITIES

DIVISION 55

WASTEWATER MONITORING

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Number of businesses inspected for potential cross connection	1,495	654	1,500
Number of backflow device tests logged	1,563	1,263	1,700
Number of businesses notified of compliance requirements	2,110	902	N/A
Number of compliance inquiries	935	1,276	N/A
Number of compliance samples analyzed	1,627	2,530	1,500
Number of pre-treatment business inspections	1,563	753	1,500
Number of sewer flow meter calibrations and repairs	1	-0-	N/A
Number of air samplers monitored	186	119	N/A
Percent of failed back flow tests	NA	NA	-0-

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 143,465	\$ 158,095	\$ 158,153	\$ 168,439	WATER AND WASTEWATER FUND	\$ 257,248
CONTRACTUAL	97,814	181,834	127,560	56,199		\$ 257,248
COMMODITIES	18,013	25,310	21,871	32,610		
CAPITAL	15,252	8,738	8,576	-		
TOTAL	\$ 274,544	\$ 373,977	\$ 316,160	\$ 257,248		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 104,397	\$ 110,263	\$ 111,420	\$ 111,286		
NPDES MONITORING	20,942	26,139	22,416	31,814		
INDUSTRIAL WASTE MONITOR	49,489	79,176	69,578	86,465		
UNDERGROUND STORAGE TANK:	(22)	1,403	1,403	-		
HAZARDOUS WASTE	3,179	3,304	3,304	3,593		
BACKFLOW X CONN. CONTROL	48,947	134,345	52,460	24,410		
STORM WATER	999	(320)	-	(320)		
LOCAL LIMITS STUDY	46,613	19,667	55,579	-		
TOTAL	\$ 274,544	\$ 373,977	\$ 316,160	\$ 257,248		

COMMENTARY:

The Wastewater Monitoring operating budget has decreased 29.6% and there are no capital expenditures. Personal Services increase is due to market, merit and health insurance increases. Contractuals decrease is primarily due to completion of the Local Limits study and elimination of expense for backflow testing. Commodities increases are due to onetime expenditures. Onetime expenditures for this division are \$6,100 for three work centers, \$7,000 for pretreatment software, and \$900 for a test gauge.

PROGRAM DESCRIPTION

The Rio de Flag Water Reclamation Facility processes wastewater flow from the western half of the city and reclaims the water for a variety of non-potable uses, principally landscape irrigation. Water not used for irrigation is released to the Rio de Flag wash for riparian enhancement. The automated treatment facility uses advanced technology to produce non-potable water that is certified Grade A+ by the State of Arizona. The program monitors quality control of product water and downstream water quality. Staff is also responsible for pumping the water into the citywide distribution system and maintaining the reclaimed water storage facilities at Buffalo Park.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Provide wastewater treatment and reclaimed water that meets or exceeds all Federal and State permit requirements: All requirements met.
- ❖ All required State and Federal monitoring reports submitted accurately and on time: All requirements met.
- ❖ Cross-training of staff in a variety of Utilities department functions: Ongoing effort to be accomplished through the EMA Re-engineering Pilot Project.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Purchased and installed replacement SCADA system.
- ❖ Implemented combined on call for the Rio de Flag and Wildcat Hill facilities.
- ❖ Installed screenings de-watering device further automating the preliminary treatment process.
- ❖ Eliminated scheduled staffing on weekends and holidays.

FY03 GOALS AND OBJECTIVES

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVES:

- ❖ Develop multi skilled workforce.
- ❖ Integrate with Wildcat Wastewater Treatment Plant.

GOAL: PLANNING FOR GROWTH

OBJECTIVES:

- ❖ Encourage the use of reclaimed water.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Exceed customer service expectations.

UTILITIES

DIVISION 56

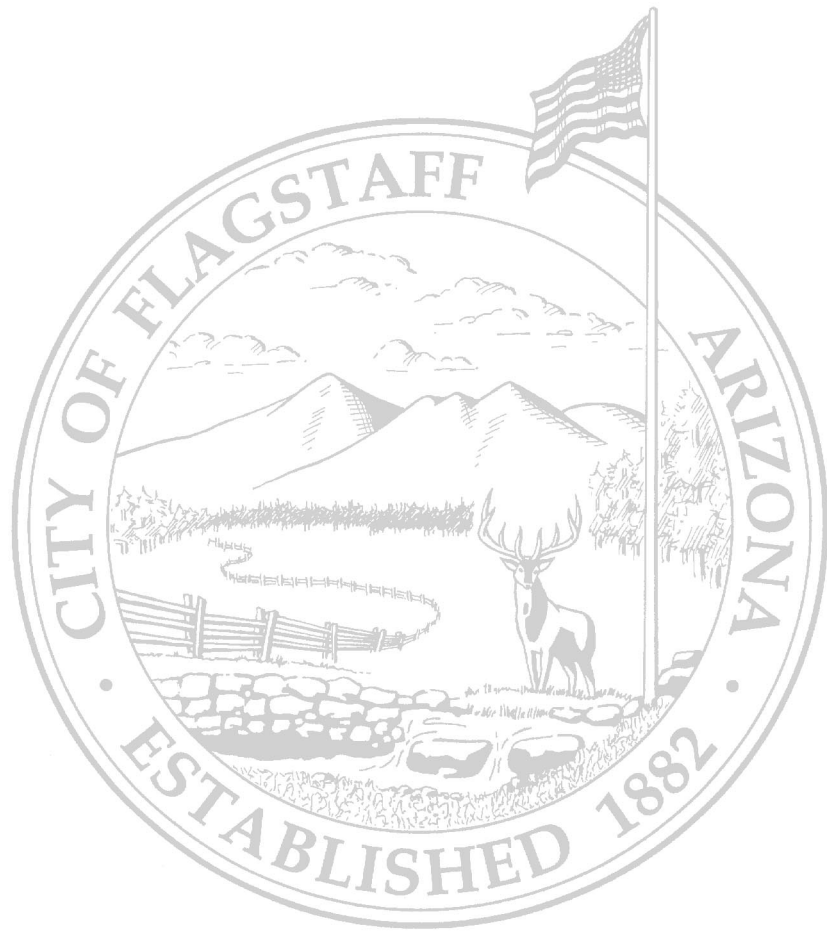
**RIO DE FLAG RECLAIMED
TREATMENT PLANT**

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Gallons of wastewater treated (millions)	865.4	682.7	685.0
Gallons of reclaimed water produced (millions)	661.3	654.4	658.0
Gallons of reclaimed water reused (millions)	117.8	102.8	170.0
Cost to produce 1000 gallons reclaimed water	\$0.97	\$0.96	\$0.98

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 272,943	\$ 302,781	\$ 264,485	\$ 265,514	WATER AND WASTEWATER FUND	\$ 917,789
CONTRACTUAL	356,325	399,905	376,782	477,500		\$ 917,789
COMMODITIES	73,137	105,500	98,200	110,975		
CAPITAL	13,074	102,400	227,400	63,800		
TOTAL	\$ 715,479	\$ 910,586	\$ 966,867	\$ 917,789		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 88,727	\$ 90,674	\$ 51,833	\$ 53,957		
PLANT OPERATIONS	368,784	500,609	499,492	419,478		
PLANT MAINTENANCE	147,272	181,551	293,424	227,890		
LAB-PROCESS CONTROL-MONTR	77,644	101,197	85,563	90,464		
RECLAIMED CONNECTIONS	33,052	36,555	36,555	126,000		
TOTAL	\$ 715,479	\$ 910,586	\$ 966,867	\$ 917,789		

COMMENTARY:

The Reclaimed Water Plant operating budget has increased 5.7% and capital expenditures total \$63,800 resulting in an overall net increase of 0.8%. Personal Services decrease is due to the elimination of the Plant Supervisor position. The Wildcat Plant Supervisor will oversee these operations. Contractuals increases are primarily due to reclaimed water rebate due to a new golf course. Commodities increases are primarily due to onetime expenditures for equipment. Major capital (>\$10,000) includes \$15,000 for phone system, \$20,300 for waste flow meter and piping, and \$28,500 for blower modification. Onetime expenditures for this division are \$20,050 for two probes and analyzers, \$3,000 for a 3-year supply of anthrocite, and \$1,000 for two PH and temp probes.



NON-DEPARTMENTAL

MISSION

The mission of the City of Flagstaff is to enhance the quality of life of its citizens while supporting the values of its community.

PROGRAM DESCRIPTION

This Division is the legislative branch of the City of Flagstaff's Council-Manager form of Government. The Mayor and Council assess the community needs and develop policies for the City Manager to implement. The Council appoints the City Manager, City Attorney, Court Magistrates and individuals to various boards, commissions, and committees.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ Translate wishes and needs of City residents into general City policy.

- ❖ Ensure open access to local government and equitable treatment of citizens.
- ❖ Establish City priorities: Through retreats with the City Manager, goals established for the City.
- ❖ Fulfill those duties as required by State law and City Charter, and ordinances and resolutions adopted by Council.
- ❖ Develop City budget: City budget adopted on July 3, 2001 for the period July 1, 2001 – June 30, 2002.

FY03 GOALS AND OBJECTIVES

- ❖ The Council goals have been illuminated throughout the budget document.

PERFORMANCE INDICATORS

None available at this time.

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 65,759	\$ 57,141	\$ 58,854	\$ 54,655	GENERAL FUND	\$ 38,656
CONTRACTUAL	60,417	76,805	76,064	57,370	LIBRARY FUND	7,139
COMMODITIES	28,989	41,275	35,867	27,845	HIGHWAY USER REVENUE FUND	27,990
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	39,920
TOTAL	\$ 155,165	\$ 175,221	\$ 170,785	\$ 139,870	AIRPORT FUND	8,172
					ENVIRONMENTAL SERVICES FUND	17,993
						\$ 139,870
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 141,056	\$ 140,501	\$ 139,194	\$ 126,035		
BOARDS AND COMMISSIONS	14,109	34,720	31,591	13,835		
TOTAL	\$ 155,165	\$ 175,221	\$ 170,785	\$ 139,870		

COMMENTARY:
 The Council and Commissions operating budget has decreased 20.2% and there are no capital expenditures. There is no major capital (>\$10,000) for this division.

NON DEPARTMENTAL

DIVISION 64

CONTRIBUTIONS TO OTHER AGENCIES

PROGRAM DESCRIPTION

This division accounts for contractual agreements with outside agencies that provide services to Flagstaff's citizens. The City is a major contributor to United Way and arts and cultural agencies whose activities benefit the citizens of Flagstaff.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ To support social service programs, which help the disadvantaged, needy, or elderly population through United Way contributions: The United Way contribution increased 2.5% in FY02.
- ❖ To support not-for-profit organizations, which enhance and promote arts and cultural programs/activities: Efforts supported through the Flagstaff International Sister Cities Organization and the Library Foundation.

MAJOR ACCOMPLISHMENTS FOR FY02:

- ❖ Established a review system for use in FY03 allocations to determine if Contributions are in line with Council goals.

FY03 GOALS AND OBJECTIVES

GOAL: COLLABORATION

OBJECTIVES:

- ❖ To support social service programs which help the disadvantaged, needy, or elderly populations through United Way contributions.
- ❖ To support not-for-profit organizations that enhance the organizational goals as established by the Council.
- ❖ To support our alliance partners through Weed & Seed, After School Program, FIT for Safe Housing, Coalition for Youth & Children, and the High Altitude Sports Training Center.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Increase United Way contribution by 2.5% per year	NA	2.5%	2.5%

EXPENDITURES BY CATEGORY:	Actual	Adopted	Estimated	Adopted	SOURCE OF FUNDING:	Adopted
	Expenditures 2000-2001	Budget 2001-2002	Expenditures 2001-2002	Budget 2002-2003		Budget 2002-2003
PERSONAL SERVICES	\$ -	\$ -	\$ -	\$ -	GENERAL FUND	\$ 632,832
CONTRACTUAL	1,134,533	1,140,039	1,155,119	752,188	LIBRARY FUND	10,430
COMMODITIES	72	-	-	-	HIGHWAY USER REVENUE FUND	24,009
CAPITAL	-	-	-	-	WATER AND WASTEWATER FUND	53,804
TOTAL	\$1,134,605	\$1,140,039	\$1,155,119	\$ 752,188	AIRPORT FUND	4,978
					ENVIRONMENTAL SERVICES FUND	26,135
						\$ 752,188
EXPENDITURES BY PROGRAM:						
HEALTH & SOC SERVICES	\$ 692,736	\$ 623,136	\$ 632,886	\$ 314,386		
OTHER CONTRIBUTIONS	441,869	516,903	522,233	437,802		
TOTAL	\$1,134,605	\$1,140,039	\$1,155,119	\$ 752,188		

COMMENTARY:
 The Contributions to Others operating budget has decreased 34% and there are no capital expenditures. Contractuals decreases are due to reduced or expired funding for various agencies. The contributions are as follows: Rural Transportation \$5,330; United Way \$289,386; Arizona Heritage \$1,000; Coalition for Youth & Children \$22,500; Chamber of Commerce \$32,472; Sister Cities \$3,000; Latchkey Program \$315,000; Siler Homes \$2,300; Weed & Seed \$7,000; High Altitude Sports Training Center \$29,700; Canyon Forest Partnership \$15,000; East Flagstaff Focused Future \$4,500; and FIT \$25,000.

PROGRAM DESCRIPTION

This division accounts for all expenditures that are not specifically allocable to individual divisions or programs, e.g. property and liability insurance, unemployment insurance, audit fees, and capital equipment that benefit various departments (mainframe computer). Costs of this division are allocated to the respective departments based on a cost-allocation formulation.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ To fund those programs and activities that are not readily associated with a single department or division within the City: Programs that were funded in FY02 include the Organizational Development program, User Fee Study, and citywide information system development.

ADDITIONAL ACCOMPLISHMENTS FY02

- ❖ Successfully conducted two employee awards programs.
- ❖ Implemented eradication system upgrade to 800mz for most City departments.
- ❖ Completed first phase of organization development program and implementation.

FY03 GOALS AND OBJECTIVES

GOAL: COLLABORATION

OBJECTIVE:

- ❖ Complete the telecom survey through GADA in conjunction with our Alliance partners.
- ❖ Establish a rural policy institute to collect and analyze data for the provision of policy development specific to rural issues on local and state topics.

GOAL: FISCAL HEALTH

OBJECTIVE:

- ❖ To fund those programs and activities that are not readily associated with a single department or division within the City.
- ❖ Conduct an annual audit per City Charter by an Independent Certified Public Accountant.

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVE:

- ❖ Recognize outstanding employees through the City Manager's Award program.
- ❖ Provide adequate computer and communication equipment to enable staff to perform at their highest level.

PERFORMANCE INDICATORS

None Available at this time.

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ 78,174	\$ 54,729	\$ 93,727	\$ 66,631	GENERAL FUND	\$4,166,092
CONTRACTUAL	911,674	1,448,200	1,196,937	1,335,960	LIBRARY FUND	32,139
COMMODITIES	99,312	822,165	772,608	447,498	HIGHWAY USER REVENUE FUND	79,448
CAPITAL	1,202,903	6,451,000	4,146,882	2,669,650	WATER AND WASTEWATER FUND	135,604
TOTAL	\$2,292,063	\$8,776,094	\$6,210,154	\$4,519,739	AIRPORT FUND	35,554
					ENVIRONMENTAL SERVICES FUND	70,902
						\$4,519,739
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$1,540,377	\$7,310,265	\$5,024,262	\$1,179,318		
EMPLOYEE BENEFITS	93,664	90,500	68,332	75,500		
INSURANCE	468,003	443,000	433,000	673,000		
CONSULTANTS	175,144	820,829	447,608	303,500		
COPY CENTER	3,889	111,500	97,071	11,631		
REDEVELOPMENT	-	-	-	2,212,720		
POLICE FACILITY REMODEL	8,186	-	9,010	-		
DOWNTOWN REDEVELOPMENT	2,800	-	130,871	64,070		
TOTAL	\$2,292,063	\$8,776,094	\$6,210,154	\$4,519,739		

COMMENTARY:
 The Non-Departmental operating budget has decreased 20.4% and capital expenditures total \$2,669,650 resulting in an overall net decrease of 48.5%. Personal Services increases are due to additional staff charge-outs to the Copy Center. Major capital (>\$10,000) includes redevelopment expenditures for the downtown area and the Knoles property. In addition, improvements to a leased facility, ADA improvements, a telephone system upgrade, and two copiers are slated for purchase.

PROGRAM DESCRIPTION

This division accounts for the distribution of retirement benefits to beneficiaries covered under the Volunteer Firemen's Pension Trust Fund. Volunteer firefighters who are vested after 25 years and upon reaching retirement age or disabled receive a pension based on past volunteer service.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ To ensure that benefit distributions are made in a timely manner to all qualified recipients: Benefit distributions were made in a timely manner to three participants.

FY03 GOALS AND OBJECTIVES

GOAL: FISCAL RESPONSIBILITY

OBJECTIVES:

- ❖ Ensure that benefit distributions are made in a timely manner to all qualified recipients.

PERFORMANCE INDICATORS

None Available at this time.

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ -	\$ -	\$ -	\$ -	FIREMEN'S PENSION FUND	\$ 7,200
CONTRACTUAL	8,800	9,600	7,200	7,200		\$ 7,200
COMMODITIES	-	-	-	-		
CAPITAL	-	-	-	-		
TOTAL	\$ 8,800	\$ 9,600	\$ 7,200	\$ 7,200		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 8,800	\$ 9,600	\$ 7,200	\$ 7,200		
TOTAL	\$ 8,800	\$ 9,600	\$ 7,200	\$ 7,200		
SOURCE OF FUNDING:						
						\$ 7,200
						\$ 7,200

COMMENTARY:
 The Firemen's Pension operating budget has decreased 25% and there are no capital expenditures. Contractuals decreased due to the death of one of the beneficiaries. Currently there are three beneficiaries.

PROGRAM DESCRIPTION

This division, responsible for the administration of Economic Development programs, is a contracted service. Activities include development and implementation of strategies to recruit new basic sector employers to the community, retention and expansion of existing basic sector employers, and the promotion of the Flagstaff area as an excellent location for business relocation. Economic development is funded by the BBB tax.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ To actively recruit new basic sector employers to the area resulting in increased basic sector employment opportunities for Flagstaff area residents.

- ❖ Assist existing area basic sector businesses by providing referral and consultation services, financial expertise, coordinated business training seminars, and general technical assistance.
- ❖ Create film-related employment by attracting film/still photo production companies to shoot and/or stay in Flagstaff resulting in increased retail and service industry revenues.
- ❖ Assist in the redevelopment and revitalization of those business areas in the community that currently support or have the potential to support basic sector businesses.

PERFORMANCE INDICATORS

None Available at this time.

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget
PERSONAL SERVICES	\$ -	\$ -	\$ -	\$ -	ECONOMIC DEVELOPMENT FUND	\$ 456,400
CONTRACTUAL	400,846	354,900	327,900	456,400		\$ 456,400
COMMODITIES	-	-	-	-		
CAPITAL	-	-	-	-		
TOTAL	\$ 400,846	\$ 354,900	\$ 327,900	\$ 456,400		
EXPENDITURES BY PROGRAM:						
GENERAL ADMINISTRATION	\$ 393,446	\$ 320,500	\$ 320,500	\$ 322,000		
CONTRIBUTIONS	7,400	7,400	7,400	7,400		
TELECOM	-	-	-	100,000		
PARTNERSHIP TRAINING	-	27,000	-	27,000		
TOTAL	\$ 400,846	\$ 354,900	\$ 327,900	\$ 456,400		

COMMENTARY:
 The Economic Development operating budget has increased 28.6% and there are no capital expenditures. Contractual increase is \$100,000 for a Telecommunication Coordinator.

PROGRAM DESCRIPTION

This division collects the portion of the transportation tax that is earmarked for Transit activities. Coconino County administers the Transit program per the Intergovernmental Agreement (IGA) between the City and the County.

FY02 GOALS/OBJECTIVES AND RESULTS

- ❖ To provide safe and accessible transit capabilities to the citizens of Flagstaff and Coconino County: Expanded service to 16 hours per day, Monday through Friday, and 10 hours per day on Saturday.
- ❖ To reduce route lengths, order new buses, and add Sunday and Holiday service: Implemented four new transit routes. Put 6 new ADA accessible, clean diesel buses into service.

MAJOR ACCOMPLISHMENTS FY02

- ❖ Launched a new identity for the Transit System, known as Mountain Line.
- ❖ Experienced a 40% increase in ridership.
- ❖ Implemented a Quarterly Customer Satisfaction Survey process.

- ❖ Implemented Quarterly “Mountain Line Pride Day” events for staff.

FY03 GOALS AND OBJECTIVES

- ❖ To provide courteous and responsive transportation through the provisions of fixed route bus, Mountain Line, and paratransit van, VanGo programs.
- ❖ To implement the 5-Year Transit plan by adding routes, increasing ridership, and increasing rider satisfaction.
- ❖ Improve rider comfort by installing 10-20 bus shelters.
- ❖ Improve rider convenience by establishing a Transfer Center near Flagstaff Mall to increase connectivity between routes.
- ❖ Increase ridership by 80% from pre-launch levels to 17,000 riders per month by July 2003.
- ❖ Examine VanGo service options in the face of state funding cuts by conducting three public meetings, educating riders about options, evaluating service cuts, considering fare increases, researching innovative programs, and developing a service plan to make VanGo sustainable through 2006.

PERFORMANCE INDICATORS	CY00	CY01	CY02 OR FY03 (EST)
Annual Ridership	110,192	130,354	184,000
Daily Hours of Service	36	36	64
Vehicles in Service	3	3	4
Revenue Hours	10,242	12,650	18,587
Boardings per Mile	.66	.67	.77
Paratransit Trips	30,142	30,459	30,500

EXPENDITURES BY CATEGORY:	Actual Expenditures 2000-2001	Adopted Budget 2001-2002	Estimated Expenditures 2001-2002	Adopted Budget 2002-2003	SOURCE OF FUNDING:	Adopted Budget 2002-2003
PERSONAL SERVICES	\$ -	\$ -	\$ -	\$ -	TRANSPORTATION FUND	\$ 1,592,080
CONTRACTUAL	819,673	1,436,792	1,322,135	1,592,080		\$ 1,592,080
COMMODITIES	-	-	-	-		
CAPITAL	-	-	-	-		
TOTAL	\$ 819,673	\$ 1,436,792	\$ 1,322,135	\$ 1,592,080		
EXPENDITURES BY PROGRAM:						
TRANSIT IMPROVEMENTS	\$ 819,673	\$ 1,436,792	\$ 1,322,135	\$ 1,592,080		
TOTAL	\$ 819,673	\$ 1,436,792	\$ 1,322,135	\$ 1,592,080		

COMMENTARY:
 The Transit operating budget has increased 10.8% and there are no capital expenditures. Contractuals increases are due to increased costs as proposed by Coconino County and accepted by the City. Service expansion goals are being met. There is no major capital (>\$10,000) for this division.

CAPITAL IMPROVEMENTS

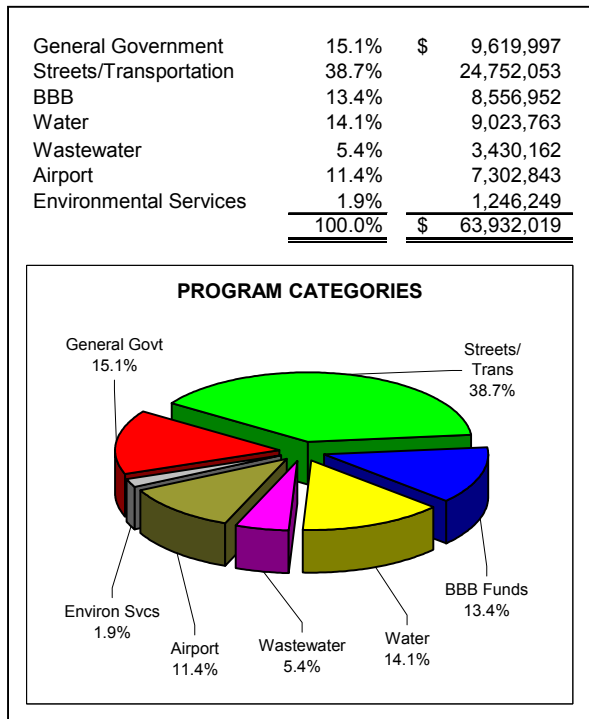
FY 2003 CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) for FY 2003 represents a \$63.9 million investment of public funds in infrastructure and public facilities. The program is a decrease from the \$71.8 million in FY 2002. The project mix has changed from prior years to 69.9% of the funding being provided on the pay-as-you-go basis versus 60.1% in FY 2002. The major projects in this year's budget are Sunnyside improvements, Enterprise/Butler reconstruction, redevelopment/facilities, Airport

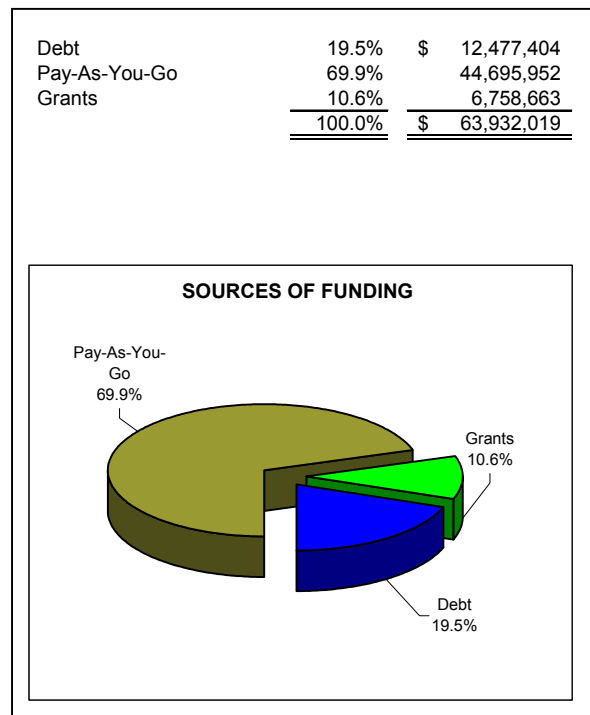
improvement, Rio De Flag project, and parks improvements. This year's capital improvement program is funded 19.5% through debt financing including the Water and Sewer Bond Program authorized by voters in November 1990 and the Parks and Recreation bond authorized by voters in March 1996. The grant funding of 10.6% is primarily for airport expansion, sports fields, beautification, and streets.

Expenditure totals may be shown as inflated or non-inflated costs depending on whether the scope of work or funding amount is the determining factor.

Funded projects in the five-year Capital Improvement Program fall into the following seven broad categories:



Sources of funding are categorized in three categories as shown below:



SCHEDULE OF CAPITAL FISCAL YEAR 2002-2003

**GENERAL GOVERNMENT
APPROPRIATIONS**

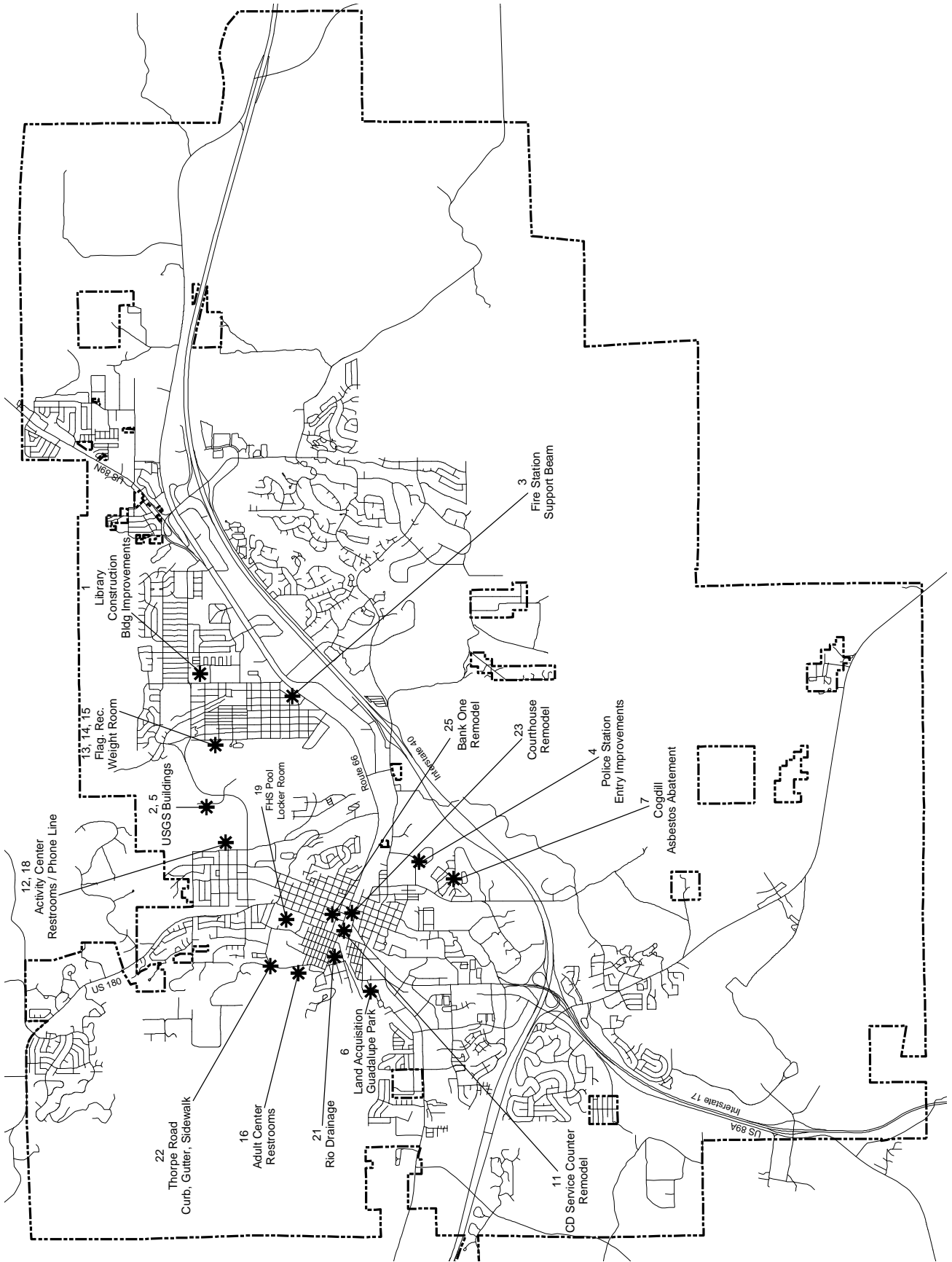
			CARRYFWD	BUDGET
DIV	PROJECT		FY 2002	FY 2003
1 11	CONST/BLDG IMPROVEMENTS-NEW BRANCH		\$ -	322,664
2 20	BUILDING #1 DEMOLITION		-	333,208
3 21	RAISE SUPPORT BEAM-STATION 2		-	20,000
4 22	STAFF ENTRY IMPROVEMENTS		34,500	34,500
5 24	USGS BLDG #6-CARRYOVER		136,590	136,590
6 26	LAND ACQUISITION - GUADALUPE PARK		200,000	200,000
7 29	ASBESTOS ABATEMENT		-	85,000
8 29	ACM FACILITIES TESTING AND SURVEYS		-	45,000
9 29	ENVIRON SOILS REMEDIATION-CARRYOVER		115,023	115,023
10 29	UNDERGRND STORAGE TANKS-CARRYOVER		50,000	50,000
11 29	REMODEL CD SERVICE COUNTER		-	26,243
12 30	REMODEL BATHROOMS-THERAPEUTICS		-	6,000
13 30	ROOF-FLAG REC CENTER		-	32,000
14 30	ENLARGE WEIGHT ROOM-FLAG RECR CNTR		-	48,000
15 30	ADA RESTROOMS-FLAG RECR CNTR-CARRYOVER		41,477	41,477
16 30	ADA RESTROOMS-ADULT CENTER-CARRYOVER		122,881	122,881
17 30	ADA RESTROOMS-COGDILL-CARRYOVER		80,853	80,853
18 30	ADA RESTROOMS-ACTIVITY CENTER-CARRYOVER		67,596	67,596
19 30	LOCKER ROOM SHOWER TILE - FHS POOL		9,060	9,060
20 34	GENERAL DRAINAGE-CARRYOVER		2,711	153,914
21 34	RIO DE FLAG FLOOD CONTROL-CARRYOVER		2,318,656	4,273,042
22 34	THORPE RD IMPROVEMENTS		-	18,116
23 65	REMODEL OF COURTHOUSE		26,830	26,830
24 66	KNOLES PROPERTY PAYMENT-CARRYOVER		500,000	500,000
25 66	BANK ONE REMODEL-CARRYOVER		250,000	250,000
26 66	ADA IMPROVEMENTS -CARRYOVER		350,000	350,000
27 66	DOWNTOWN IMPROVEMENTS-CARRYOVER		1,487,000	1,487,000
28 67	ACQUISITION OF OPEN SPACES-CARRYOVER		485,000	785,000
TOTAL GENERAL PROJECTS			<u>\$ 6,278,177</u>	<u>9,619,997</u>

SOURCES OF FUNDING

			GENERAL	OTHER	TOTAL
DIV	PROJECT		FUND		
1 11	CONST/BLDG IMPROVEMENTS-NEW BRANCH		\$ -	322,664	322,664
2 20	BUILDING #1 DEMOLITION		-	333,208	333,208
3 21	RAISE SUPPORT BEAM-STATION 2		20,000	-	20,000
4 22	STAFF ENTRY IMPROVEMENTS		34,500	-	34,500
5 24	USGS BLDG #6-CARRYOVER		-	136,590	136,590
6 26	LAND ACQUISITION - GUADALUPE PARK		200,000	-	200,000
7 29	ASBESTOS ABATEMENT		85,000	-	85,000
8 29	ACM FACILITIES TESTING AND SURVEYS		45,000	-	45,000
9 29	ENVIRON SOILS REMEDIATION-CARRYOVER		115,023	-	115,023
10 29	UNDERGRND STORAGE TANKS-CARRYOVER		50,000	-	50,000
11 29	REMODEL CD SERVICE COUNTER		26,243	-	26,243
12 30	REMODEL BATHROOMS-THERAPEUTICS		6,000	-	6,000
13 30	ROOF-FLAG REC CENTER		32,000	-	32,000
14 30	ENLARGE WEIGHT ROOM-FLAG RECR CNTR		48,000	-	48,000
15 30	ADA RESTROOMS-FLAG RECR CNTR-CARRYOVER		41,477	-	41,477
16 30	ADA RESTROOMS-ADULT CENTER-CARRYOVER		122,881	-	122,881
17 30	ADA RESTROOMS-COGDILL-CARRYOVER		80,853	-	80,853
18 30	ADA RESTROOMS-ACTIVITY CENTER-CARRYOVER		67,596	-	67,596
19 30	LOCKER ROOM SHOWER TILE - FHS POOL		9,060	-	9,060
20 34	GENERAL DRAINAGE-CARRYOVER		-	153,914	153,914
21 34	RIO DE FLAG FLOOD CONTROL-CARRYOVER		4,273,042	-	4,273,042
22 34	THORPE RD IMPROVEMENTS		-	18,116	18,116
23 65	REMODEL OF COURTHOUSE		26,830	-	26,830
24 66	KNOLES PROPERTY PAYMENT-CARRYOVER		500,000	-	500,000
25 66	BANK ONE REMODEL-CARRYOVER		250,000	-	250,000
26 66	ADA IMPROVEMENTS -CARRYOVER		350,000	-	350,000
27 66	DOWNTOWN IMPROVEMENTS-CARRYOVER		1,487,000	-	1,487,000
28 67	ACQUISITION OF OPEN SPACES-CARRYOVER		-	785,000	785,000
TOTAL GENERAL SOURCES OF FUNDING			<u>\$ 7,870,505</u>	<u>1,749,492</u>	<u>9,619,997</u>

GENERAL GOVERNMENT PROJECTS
 CAPITAL IMPROVEMENT PROGRAM
 FY 2002-2003

The City of Flagstaff
 August 2002



SCHEDULE OF CAPITAL FISCAL YEAR 2002-2003

**STREETS/TRANSPORTATION
APPROPRIATIONS**

		CARRYFWD	BUDGET
		FY 2002	FY 2003
DIV	PROJECT		
1 33	RESERVE FOR IMPROVEMENTS-CARRYOVER	\$ 23,112	51,210
2 33	SIDEWALK REPLACEMENT PROGRAM	-	15,000
3 33	ANNUAL STREET MNTC PROGRAM-CARRYOVER	35,855	2,133,954
4 33	BUTLER/ENTERPRISE RECONSTR-CARRYOVER	3,118,068	3,873,282
5 33	SUNNYSIDE STREET IMPROVEMENTS-CARRYOVER	508,906	761,836
6 33	KILTIE LANE-CARRYOVER	200,000	200,000
7 33	TRAFFIC SIGNAL MODIFICATIONS-CARRYOVER	20,125	20,125
8 33	SOUTHSIDE TRAFFIC CIRCULATION-CARRYOVER	323,357	323,357
9 33	ANNUAL ADA COMPLIANCE	-	116,361
10 33	TRAFFIC DIVERTER ON O'LEARY	33,570	33,570
11 35	FOURTH ST RAIL CROSSING-CARRYOVER	1,476,089	9,692,752
12 92	LOCKETT RD/THOMAS DR INTERSECTION	-	264,422
13 92	SOLIERE AVE EXT TO FOURTH ST	-	1,101,278
14 92	COUNTRY CLUB DR WIDENING	-	1,253,238
15 92	DODGE AVE IMPROVEMENTS	-	1,787,984
16 92	TRANSPORTATION PLANNING AND PROGRAMMING	-	625,683
17 92	MISC SAFE TO SCHOOL PROJECTS	-	482,401
18 92	EMPIRE ROAD EXTENTION	-	500,000
19 92	LOOP ROAD	-	1,230,600
20 92	BIRCH AVENUE CURB AND GUTTER	-	285,000
TOTAL STREETS/TRANSPORTATION PROJECTS		<u>\$ 5,739,082</u>	<u>24,752,053</u>

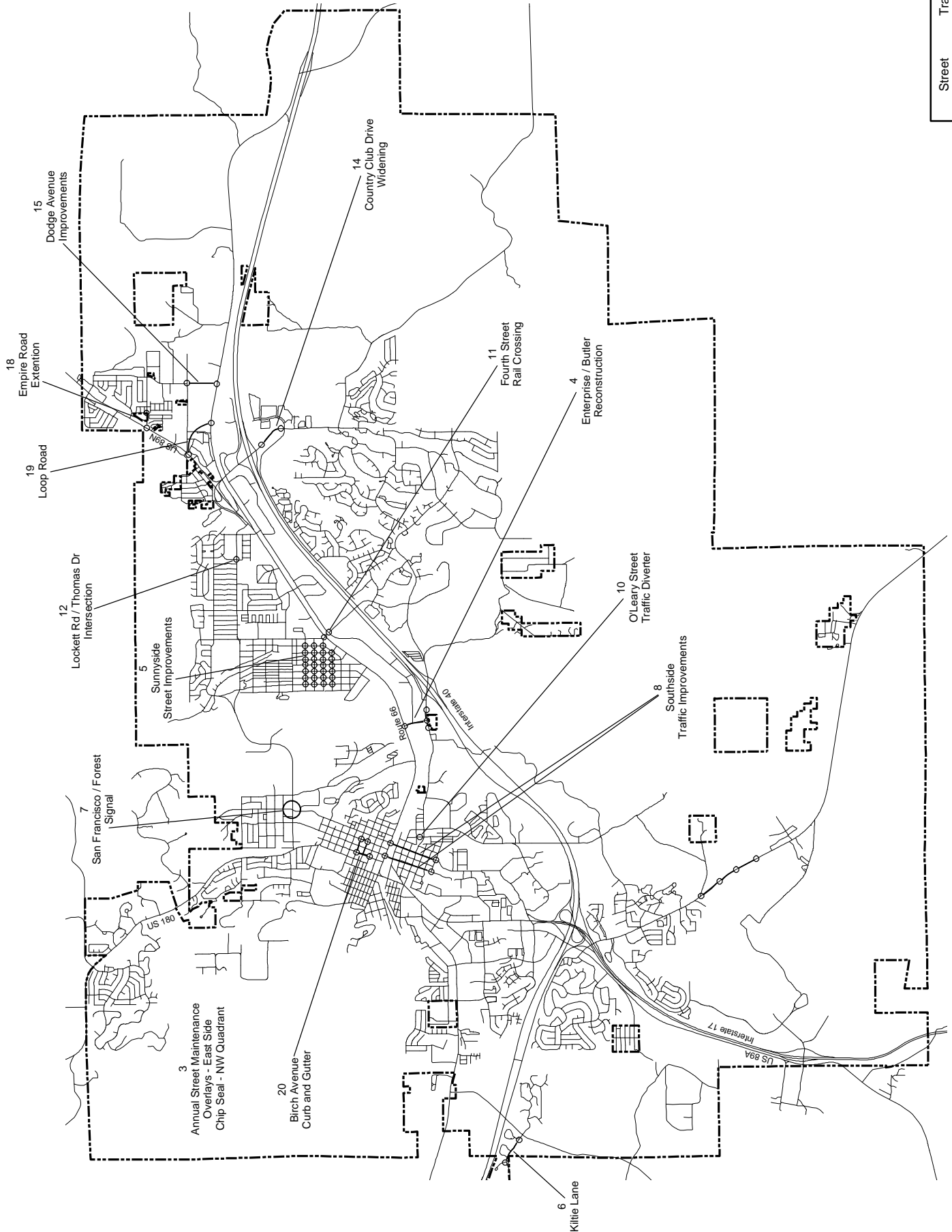
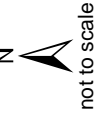
SOURCES OF FUNDING

		HURF	TRANSPORTATION	GRANTS	OTHER	TOTAL
DIV	PROJECT					
1 33	RESERVE FOR IMPROVEMENTS-CARRYOVER	\$ 51,210	-	-	-	51,210
2 33	SIDEWALK REPLACEMENT PROGRAM	15,000	-	-	-	15,000
3 33	ANNUAL STREET MNTC PROGRAM-CARRYOVER	2,133,954	-	-	-	2,133,954
4 33	BUTLER/ENTERPRISE RECONSTR-CARRYOVER	3,873,282	-	-	-	3,873,282
5 33	SUNNYSIDE STREET IMPROVEMENTS-CARRYOVER	761,836	-	-	-	761,836
6 33	KILTIE LANE-CARRYOVER	200,000	-	-	-	200,000
7 33	TRAFFIC SIGNAL MODIFICATIONS-CARRYOVER	20,125	-	-	-	20,125
8 33	SOUTHSIDE TRAFFIC CIRCULATION-CARRYOVER	323,357	-	-	-	323,357
9 33	ANNUAL ADA COMPLIANCE	116,361	-	-	-	116,361
10 33	TRAFFIC DIVERTER ON O'LEARY	33,570	-	-	-	33,570
11 35	FOURTH ST RAIL CROSSING-CARRYOVER	-	2,692,752	-	7,000,000	9,692,752
12 92	LOCKETT RD/THOMAS DR INTERSECTION	-	264,422	-	-	264,422
13 92	SOLIERE AVE EXT TO FOURTH ST	-	1,101,278	-	-	1,101,278
14 92	COUNTRY CLUB DR WIDENING	-	1,253,238	-	-	1,253,238
15 92	DODGE AVE IMPROVEMENTS	-	787,984	500,000	500,000	1,787,984
16 92	TRANSPORTATION PLANNING AND PROGRAMMING	-	625,683	-	-	625,683
17 92	MISC SAFE TO SCHOOL PROJECTS	-	482,401	-	-	482,401
18 92	EMPIRE ROAD EXTENTION	-	500,000	-	-	500,000
19 92	LOOP ROAD	1,000,000	230,600	-	-	1,230,600
20 92	BIRCH AVENUE CURB AND GUTTER	-	285,000	-	-	285,000
TOTAL STREETS/TRANS. SOURCES OF FUNDING		<u>\$ 8,528,695</u>	<u>8,223,358</u>	<u>500,000</u>	<u>7,500,000</u>	<u>24,752,053</u>

STREET / TRANSPORTATION
 CAPITAL IMPROVEMENT PROGRAM
 FY 2002-2003

Street Improvements	Traffic Signals

The City of Flagstaff
 August 2002



SCHEDULE OF CAPITAL FISCAL YEAR 2002-2003

BBB

APPROPRIATIONS		CARRYFWD	BUDGET
DIV	PROJECT	FY 2002	FY 2003
1	74 RT 66 ENTERPRISE TO ARROWHEAD	\$ -	225,000
2	74 US 89-RAILHEAD TO SNOWFLAKE-CARRYOVER	75,000	80,690
3	74 REDEVELOPMENT OPPORTUNITY FUND	-	50,000
4	74 FREEWAY T1 AND CORRIDOR IMPR	-	215,000
5	74 US 89/66-FANNING TO MALL	-	70,000
6	74 SPECIAL PROJECTS-CARRYOVER	17,049	25,000
7	74 RIO DE FLAG CORRIDOR-DOWNTOWN	-	50,000
8	74 OPEN SPACE IMPROVEMENTS-CARRYOVER	30,000	30,000
9	74 RT 66 - ELDEN TO S.F.	10,000	10,000
10	74 SIGN BUY OUT	6,285	6,285
11	74 RT 66 LANDSCAPE - VERDE TO SWITZER	20,000	20,000
12	75 RIGHT OF WAY ACQUISITION-CARRYOVER	25,000	100,000
13	75 CRESCENT TO CHESHIRE TRAIL LINK	-	275,000
14	75 BOW & ARROW WASH TRAIL-PHASE I-CARRYOVER	102,148	260,000
15	75 US 180 MULTI-USE PATH-CARRYOVER	99,896	300,000
16	75 TUNNEL SPRINGS TRAIL-CARRYOVER	99,850	130,150
17	75 LAKE MARY ROAD-BEULAH TO PT	-	250,000
18	75 LONE TREE-CCC TO PINE KNOLL	-	250,000
19	75 RIO DOWNTOWN	-	50,000
20	75 WEST VILLAGE TO WALNUT	-	50,000
21	75 WALNUT TO RIO	-	50,000
22	75 FOXGLENN PHASE I &II-CARRYOVER	24,841	50,000
23	75 HOSPITAL LINK	-	125,000
24	75 FISHER POINT LINK	30,000	30,000
25	84 MILLIGAN HOUSE REPAIRS	10,000	10,000
26	85 BLDG IMPROVEMENTS-VISITOR CNTR-CARRYOVER	170,000	200,000
27	91 THORPE PARK IMPROVEMENTS-CARRYOVER	100,000	110,944
28	91 FOXGLENN PARK IMPROVEMENTS-CARRYOVER	1,503,526	1,804,899
29	91 MCMILLAN MESA PARK IMPROVEMENTS-CARRYOVER	150,171	164,566
30	91 CHRISTENSEN SCHOOL FIELD IMPR-CARRYOVER	-	443,196
31	91 THOMAS SCHOOL FIELD IMPR-CARRYOVER	178,758	396,222
32	91 LAND ACQUISITION/EXPANSION-CONTINENTAL-CARRYOVER	1,100,000	900,000
33	91 LAND ACQUISITION/EXPANSION-CHESHIRE	-	800,000
34	91 LAND ACQUISITION-LAKE MARY	-	1,025,000
TOTAL BBB PROJECTS		\$ 3,752,524	8,556,952

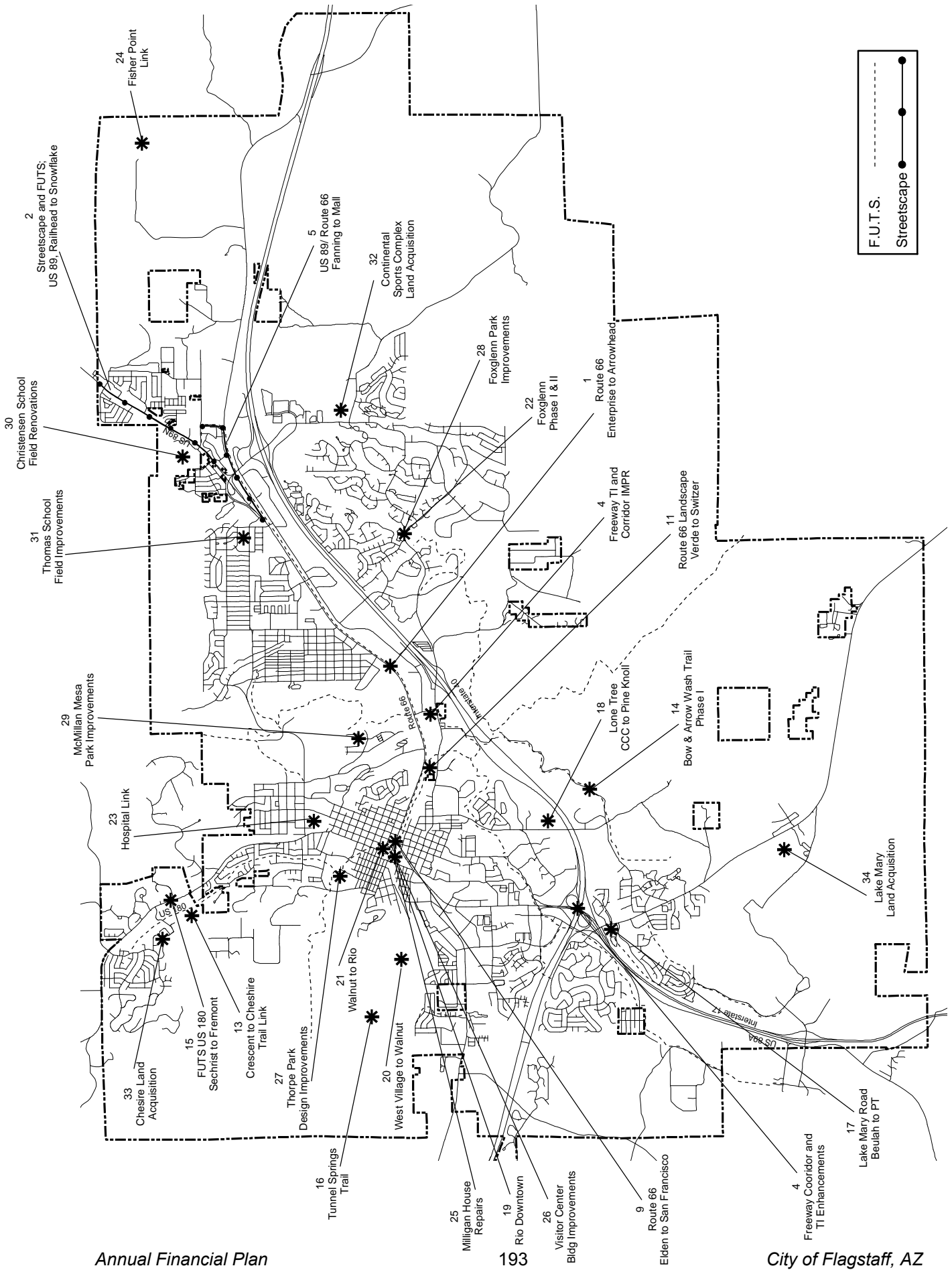
SOURCES OF FUNDING

DIV	PROJECT	BBB	TRANSPORTATION	BONDS	GRANT	TOTAL
1	74 RT 66 ENTERPRISE TO ARROWHEAD	\$ 225,000	-	-	-	225,000
2	74 US 89-RAILHEAD TO SNOWFLAKE-CARRYOVER	80,690	-	-	-	80,690
3	74 REDEVELOPMENT OPPORTUNITY FUND	50,000	-	-	-	50,000
4	74 FREEWAY T1 AND CORRIDOR IMPR	215,000	-	-	-	215,000
5	74 US 89/66-FANNING TO MALL	70,000	-	-	-	70,000
6	74 SPECIAL PROJECTS-CARRYOVER	25,000	-	-	-	25,000
7	74 RIO DE FLAG CORRIDOR-DOWNTOWN	50,000	-	-	-	50,000
8	74 OPEN SPACE IMPROVEMENTS-CARRYOVER	30,000	-	-	-	30,000
9	74 RT 66 - ELDEN TO S.F.	10,000	-	-	-	10,000
10	74 SIGN BUY OUT	6,285	-	-	-	6,285
11	74 RT 66 LANDSCAPE - VERDE TO SWITZER	20,000	-	-	-	20,000
12	75 RIGHT OF WAY ACQUISITION-CARRYOVER	81,620	-	-	18,380	100,000
13	75 CRESCENT TO CHESHIRE TRAIL LINK	245,000	-	-	30,000	275,000
14	75 BOW & ARROW WASH TRAIL-PHASE I-CARRYOVER	210,000	-	-	50,000	260,000
15	75 US 180 MULTI-USE PATH-CARRYOVER	155,000	145,000	-	-	300,000
16	75 TUNNEL SPRINGS TRAIL-CARRYOVER	80,150	-	-	50,000	130,150
17	75 LAKE MARY ROAD-BEULAH TO PT	-	250,000	-	-	250,000
18	75 LONE TREE-CCC TO PINE KNOLL	-	250,000	-	-	250,000
19	75 RIO DOWNTOWN	-	50,000	-	-	50,000
20	75 WEST VILLAGE TO WALNUT	50,000	-	-	-	50,000
21	75 WALNUT TO RIO	-	50,000	-	-	50,000
22	75 FOXGLENN PHASE I &II-CARRYOVER	50,000	-	-	-	50,000
23	75 HOSPITAL LINK	125,000	-	-	-	125,000
24	75 FISHER POINT LINK	30,000	-	-	-	30,000
25	84 MILLIGAN HOUSE REPAIRS	10,000	-	-	-	10,000
26	85 BLDG IMPROVEMENTS-VISITOR CNTR-CARRYOVER	200,000	-	-	-	200,000
27	91 THORPE PARK IMPROVEMENTS-CARRYOVER	110,944	-	-	-	110,944
28	91 FOXGLENN PARK IMPROVEMENTS-CARRYOVER	427,703	-	1,277,751	99,445	1,804,899
29	91 MCMILLAN MESA PARK IMPROVEMENTS-CARRYOVER	164,566	-	-	-	164,566
30	91 CHRISTENSEN SCHOOL FIELD IMPR-CARRYOVER	443,196	-	-	-	443,196
31	91 THOMAS SCHOOL FIELD IMPR-CARRYOVER	396,222	-	-	-	396,222
32	91 LAND ACQUISITION/EXPANSION-CONTINENTAL-CARRYOVER	369,653	-	-	530,347	900,000
33	91 LAND ACQUISITION/EXPANSION-CHESHIRE	800,000	-	-	-	800,000
34	91 LAND ACQUISITION-LAKE MARY	1,025,000	-	-	-	1,025,000
TOTAL BBB SOURCES OF FUNDING		\$ 5,756,029	745,000	1,277,751	778,172	8,556,952

BBB FUNDED PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2002-2003

The City of Flagstaff
August 2002

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not to scale



SCHEDULE OF CAPITAL FISCAL YEAR 2002-2003

WATER
APPROPRIATIONS

DIV		PROJECT	CARRYFWD FY 2002	BUDGET FY 2003
1	47	FLOORING INSTALL	\$ -	6,500
2	47	DAM IMPROVEMENTS-UPPER LAKE MARY	-	20,000
3	47	WELL MAINTENANCE AGREEMENT-LMWTP	-	150,000
4	47	LAND ACQUISITION FUND	-	20,000
5	47	WELL MAINTENANCE AGREEMENT-WDY MTN	-	250,000
6	47	INNER BASIN PIPE	-	95,700
7	47	ROOF MODIFICATIONS - CARRYOVER	20,000	20,000
8	51	AMBERWOOD BOOSTER STATION-CARRYOVER	51,719	55,849
9	51	WATER LOADOUT STATION-CARRYOVER	100,000	100,000
10	51	AGASSIZ/DUPONT/VERDE WL	-	297,600
11	51	COCONINO AVE. WATERLINE	-	144,649
12	51	SUNNYSIDE PHASE 2-CARRYOVER	1,667,971	1,669,620
13	51	SUNNYSIDE PHASE 3	-	73,059
14	51	RADIO METER INSTALL	-	166,000
15	51	HUMPHREYS WATERLINE	-	271,532
16	51	ISABEL RECLAIM EXTENTION	-	40,000
17	51	RESERVE FOR IMPROVEMENTS	-	114,883
18	51	LUCKY LANE W/L EXTENSION - CARRYOVER	103,898	146,500
19	52	LMWTP FILTER MODIFICATIONS-CARRYOVER	873,598	4,109,000
20	52	WATER SYSTEM OPTIMIZATION-CARRYOVER	206,000	206,000
21	52	VULNERABILITY STUDY	-	50,000
22	52	TOWN WELL NO.3	-	516,871
23	52	TOWN WELL NO.4	-	500,000
TOTAL WATER PROJECTS			<u>\$ 3,023,186</u>	<u>9,023,763</u>

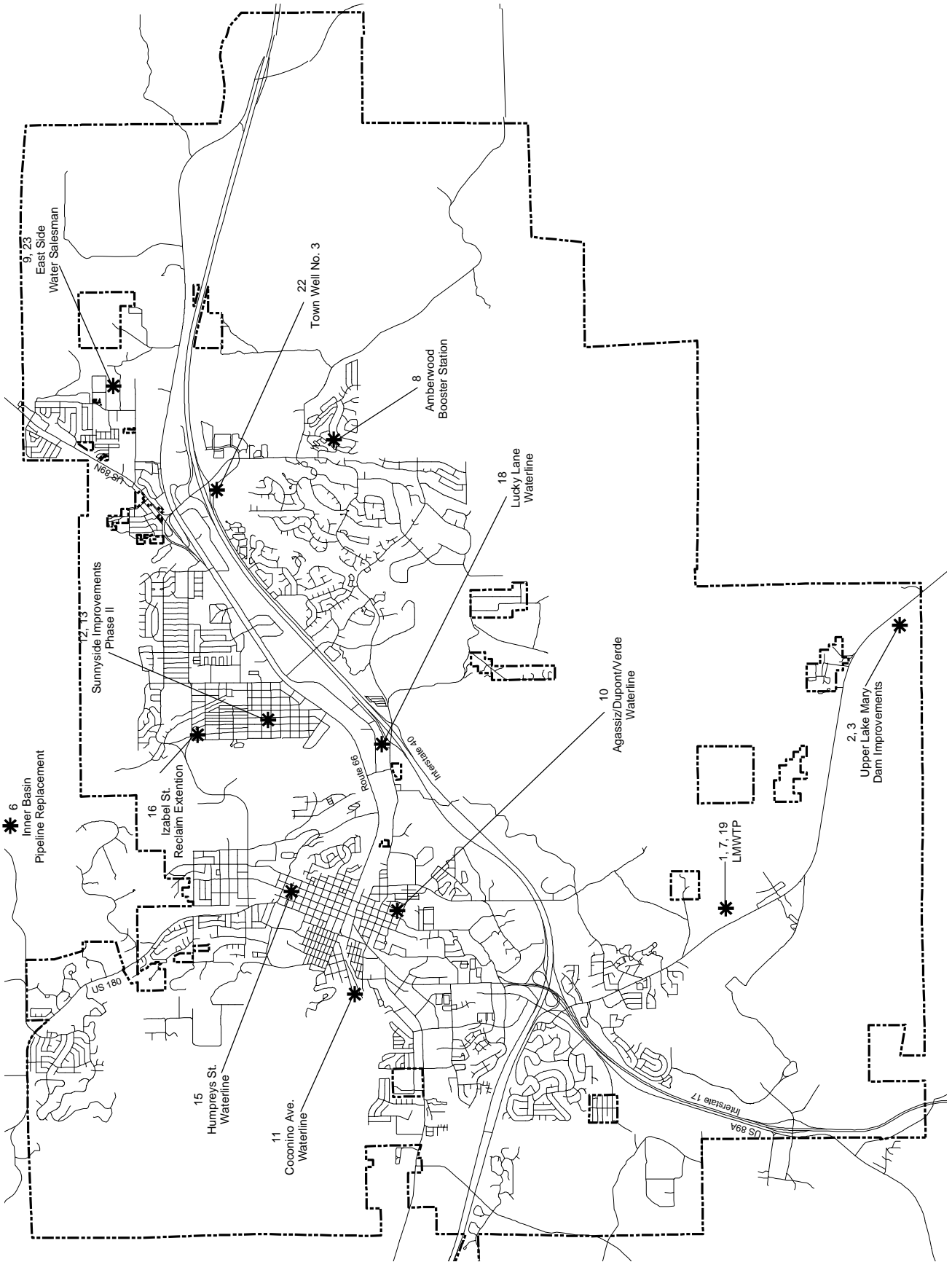
SOURCES OF FUNDING

DIV		PROJECT	OPERATING	BONDS	TOTAL
1	47	FLOORING INSTALL	\$ 6,500	-	6,500
2	47	DAM IMPROVEMENTS-UPPER LAKE MARY	20,000	-	20,000
3	47	WELL MAINTENANCE AGREEMENT-LMWTP	150,000	-	150,000
4	47	LAND ACQUISITION FUND	20,000	-	20,000
5	47	WELL MAINTENANCE AGREEMENT-WDY MTN	250,000	-	250,000
6	47	INNER BASIN PIPE	95,700	-	95,700
7	47	ROOF MODIFICATIONS	20,000	-	20,000
8	51	AMBERWOOD BOOSTER STATION-CARRYOVER	55,849	-	55,849
9	51	WATER LOADOUT STATION-CARRYOVER	100,000	-	100,000
10	51	AGASSIZ/DUPONT/VERDE WL	297,600	-	297,600
11	51	COCONINO AVE. WATERLINE	144,649	-	144,649
12	51	SUNNYSIDE PHASE 2-CARRYOVER	1,669,620	-	1,669,620
13	51	SUNNYSIDE PHASE 3	73,059	-	73,059
14	51	RADIO METER INSTALL	166,000	-	166,000
15	51	HUMPHREYS WATERLINE	271,532	-	271,532
16	51	ISABEL RECLAIM EXTENTION	40,000	-	40,000
17	51	RESERVE FOR IMPROVEMENTS	114,883	-	114,883
18	51	LUCKY LANE W/L EXTENSION	146,500	-	146,500
19	52	LMWTP FILTER MODIFICATIONS-CARRYOVER	-	4,109,000	4,109,000
20	52	WATER SYSTEM OPTIMIZATION-CARRYOVER	206,000	-	206,000
21	52	VULNERABILITY STUDY	50,000	-	50,000
22	52	TOWN WELL NO.3	516,871	-	516,871
23	52	TOWN WELL NO.4	409,347	90,653	500,000
TOTAL WATER SOURCES OF FUNDING			<u>\$ 4,414,763</u>	<u>4,199,653</u>	<u>9,023,763</u>

WATER SYSTEM PROJECTS
 CAPITAL IMPROVEMENT PROGRAM
 FY 2002-2003

The City of Flagstaff
 August 2002

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SCHEDULE OF CAPITAL FISCAL YEAR 2002-2003

**WASTEWATER
APPROPRIATIONS**

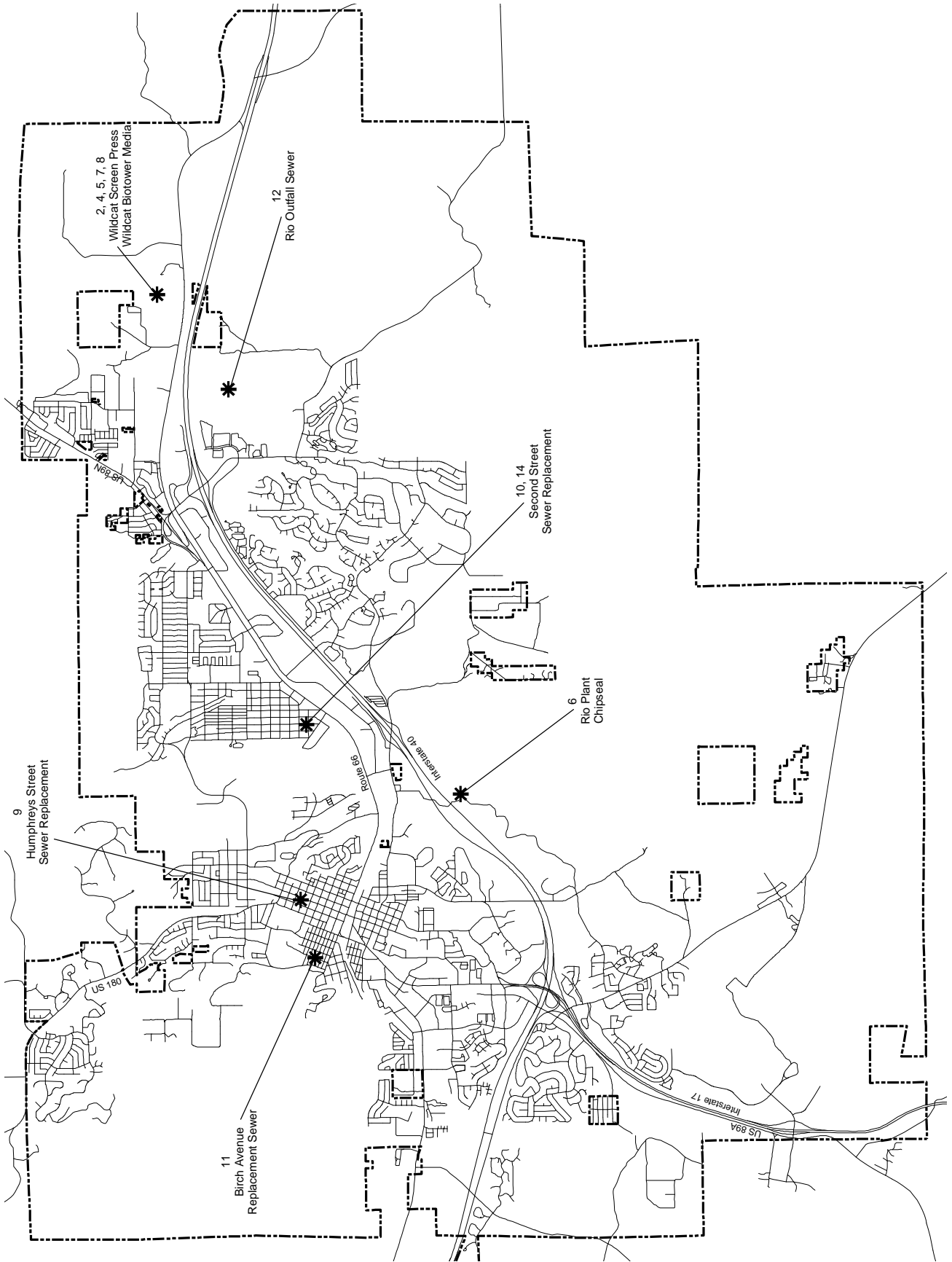
		CARRYFWD	BUDGET
DIV	PROJECT	FY 2002	FY 2003
1 57	RESERVE FOR ENGINEERING SVCS	\$ -	30,000
2 57	BIO TOWER MEDIA REPL	1,100,000	1,100,000
3 57	WASTEWATER SYSTEM OPT-CARRYOVER	238,535	300,000
4 57	WILDCAT SEPTAGE PIPE REPLACEMENT	-	36,000
5 57	WILDCAT SEPS PUMP	-	64,169
6 57	RIO PLANT CHIPSEAL	-	33,360
7 57	WILDCAT SCREW PRESS-CARRYOVER	44,367	44,367
8 57	UPGRADE/RECLAIM EXTENTION-WILDCAT	-	150,000
9 58	HUMPHREYS SEWER REPLACEMENT	-	267,024
10 58	ARROWHEAD/MOUNTAINVIEW SEWER REPL	-	105,547
11 58	BIRCH AVE SEWER REPLACEMENT - CARRYOVER	417,000	677,494
12 58	RIO DE FLAG SEWER INTERCEPTER	-	229,246
13 58	RESERVE FOR IMPROVEMENTS-CARRYOVER	31,955	81,955
14 58	SECOND ST SEWER REPLACEMENT - CARRYOVER	311,000	311,000
TOTAL WASTEWATER PROJECTS		<u>\$ 2,142,857</u>	<u>3,430,162</u>

SOURCES OF FUNDING

		OPERATING
DIV	PROJECT	
1 57	RESERVE FOR ENGINEERING SVCS	\$ 30,000
2 57	BIO TOWER MEDIA REPL-CARRYOVER	1,100,000
3 57	WASTEWATER SYSTEM OPT-CARRYOVER	300,000
4 57	WILDCAT SEPTAGE PIPE REPLACEMENT	36,000
5 57	WILDCAT SEPS PUMP	64,169
6 57	RIO PLANT CHIPSEAL	33,360
7 57	WILDCAT SCREW PRESS-CARRYOVER	44,367
8 57	UPGRADE/RECLAIM EXTENTION-WILDCAT	150,000
9 58	HUMPHREYS SEWER REPLACEMENT	267,024
10 58	ARROWHEAD/MOUNTAINVIEW SEWER REPL	105,547
11 58	BIRCH AVENUE SEWER REPLACEMENT	677,494
12 58	RIO DE FLAG SEWER INTERCEPTER	229,246
13 58	RESERVE FOR IMPROVEMENTS-CARRYOVER	81,955
14 58	SECOND STREET SEWER REPLACEMENT	311,000
TOTAL WASTEWATER SOURCES OF FUNDING		<u>\$ 3,430,162</u>

WASTEWATER SYSTEM PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2002-2003

The City of Flagstaff
August 2002



SCHEDULE OF CAPITAL FISCAL YEAR 2002-2003

AIRPORT
APPROPRIATIONS

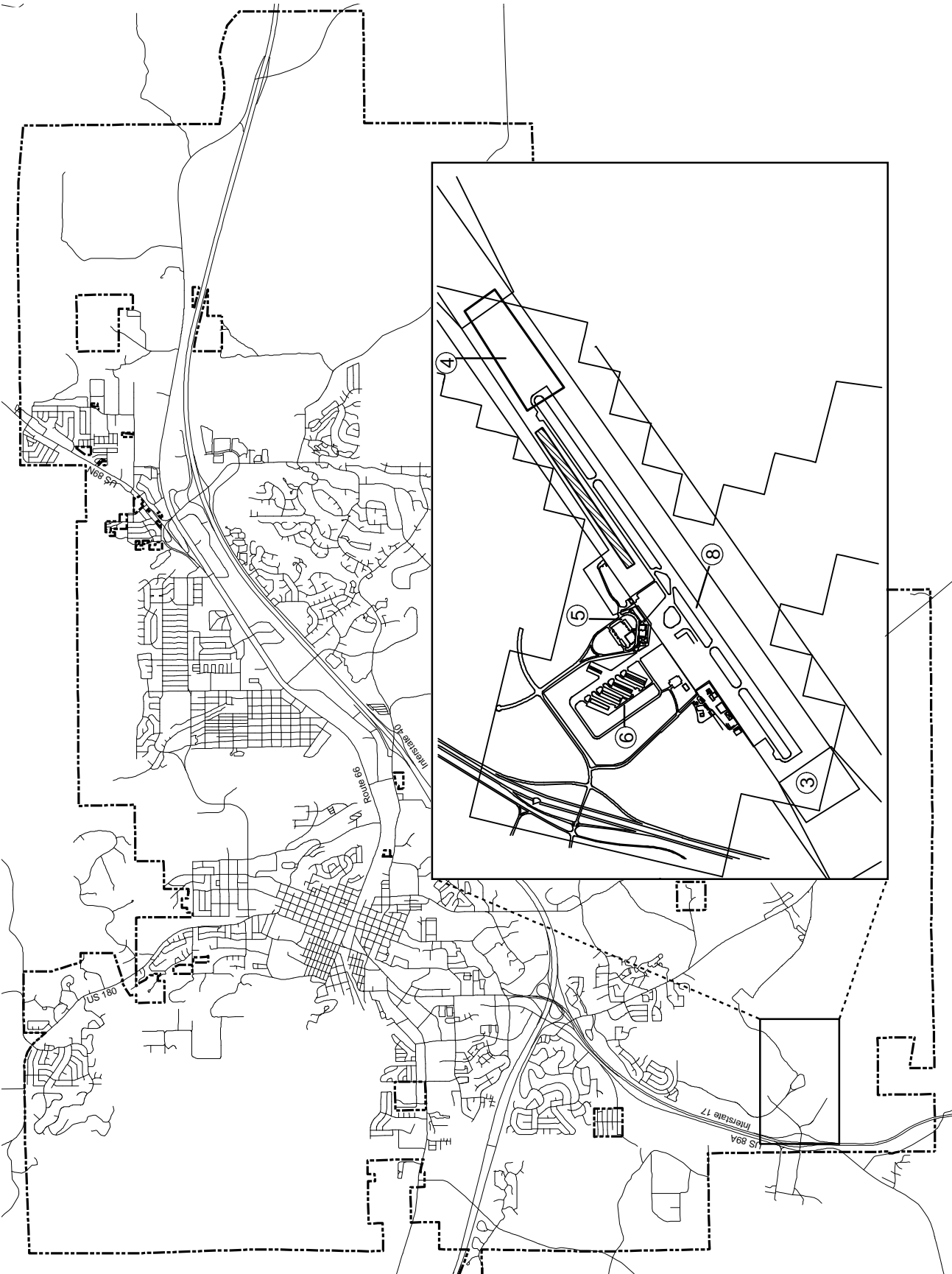
DIV	PROJECT	CARRYFWD	BUDGET
		FY 2002	FY 2003
1 37	MASTER PLAN/PART 150 STUDY-CARRYOVER	\$ 547,447	547,447
2 37	DESIGN/CONST N PARALLEL TAXIWAY-CARRYOVER	2,982,374	2,982,374
3 37	DESIGN/CONST SAFETY AREA REHAB-CARRYOVER	118,174	118,174
4 37	DESIGN/CONSTRUCT RUNWAY EXTENSION NE	-	503,736
5 37	RENTAL CAR CLEANUP LOT	-	950,000
6 37	CONSTRUCT 6-BOX HANGARS AND 10 SHADES	-	1,900,000
7 37	AERIAL MAPPING - CARRYOVER	78,785	78,785
8 38	PAVEMENT CRACK SEAL OVERLAY	-	222,327
TOTAL AIRPORT PROJECTS		\$ 3,726,780	7,302,843

SOURCES OF FUNDING

DIV	PROJECT	GRANTS	OPERATING		TOTAL
			FUND	OTHER	
1 37	MASTER PLAN/PART 150 STUDY-CARRYOVER	\$ 522,976	24,471	-	547,447
2 37	DESIGN/CONST N PARALLEL TAXIWAY-CARRYOVER	2,850,562	131,812	-	2,982,374
3 37	DESIGN/CONST SAFETY AREA REHAB-CARRYOVER	112,892	5,282	-	118,174
4 37	DESIGN/CONSTRUCT RUNWAY EXTENSION NE	481,219	22,517	-	503,736
5 37	RENTAL CAR CLEANUP LOT	-	-	950,000	950,000
6 37	CONSTRUCT 6-BOX HANGARS AND 10 SHADES	-	-	1,900,000	1,900,000
7 37	AERIAL MAPPING	76,764	2,021	-	78,785
8 38	PAVEMENT CRACK SEAL OVERLAY	222,327	-	-	222,327
TOTAL AIRPORT SOURCES OF FUNDING		\$ 4,266,740	186,103	2,850,000	7,302,843

PULLIAM AIRPORT PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2002-2003

The City of Flagstaff
August 2002



N
not to scale

SCHEDULE OF CAPITAL FISCAL YEAR 2002-2003

ENVIRONMENTAL SERVICES
APPROPRIATIONS

DIV		PROJECT	CARRYFWD FY 2002	BUDGET FY 2003
1	41	WIND BLOWN LITTER FENCE-CARRYOVER	\$ 50,000	50,000
2	41	VADOSE ZONE WELLS-LANDFILL	15,000	15,000
3	41	METHANE GAS MITIGATION-CARRYOVER	50,000	50,000
4	41	RESIDENTIAL DROP OFF-CARRYOVER	50,805	50,805
5	41	LANDFILL CONSULTANT SERVICES	-	50,000
6	41	TREE CLEARING-LANDFILL	-	40,000
7	41	STORM WATER MGMT-LANDFILL-CARRYOVER	55,000	55,000
8	41	METHANE MONITORING-LANDFILL-CARRYOVER	35,000	35,000
9	41	MRF ENTRY IMPROVEMENTS-CARRYOVER	242,444	242,444
10	41	BIN STORAGE AREA	28,000	28,000
11	41	COMPLETION OF TIER II ANALYSIS	23,000	23,000
12	41	CINDERLAKE LANDFILL SITE ENTRY	107,000	107,000
13	41	LANDFILL CLOSURE SETASIDE	-	500,000
TOTAL ENVIRON. SVCS. PROJECTS			<u>\$ 656,249</u>	<u>1,246,249</u>

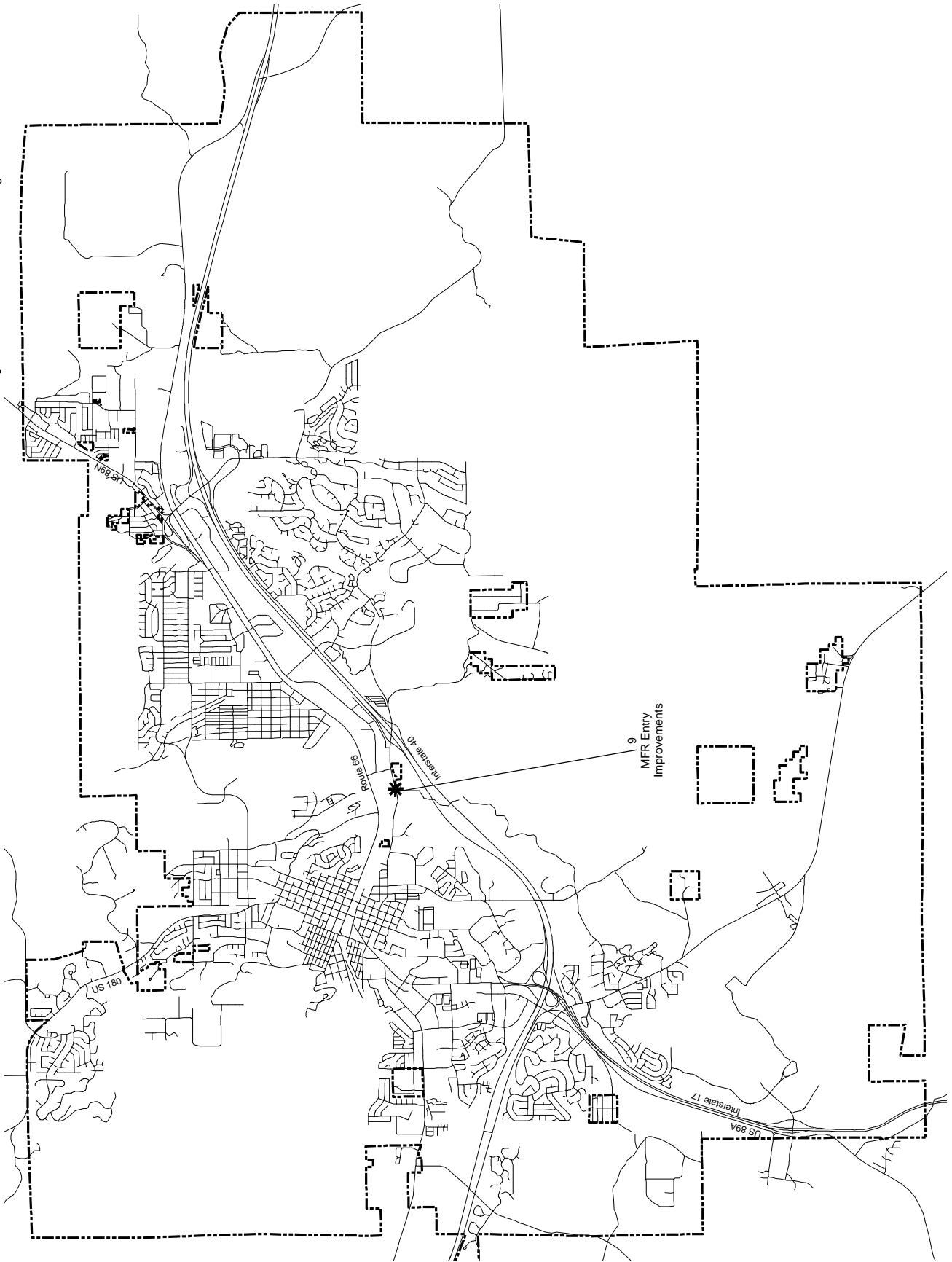
SOURCES OF FUNDING

DIV		PROJECT	OPERATING
1	41	WIND BLOWN LITTER FENCE-CARRYOVER	\$ 50,000
2	41	VADOSE ZONE WELLS-LANDFILL	15,000
3	41	METHANE GAS MITIGATION-CARRYOVER	50,000
4	41	RESIDENTIAL DROP OFF-CARRYOVER	50,805
5	41	LANDFILL CONSULTANT SERVICES	50,000
6	41	TREE CLEARING-LANDFILL	40,000
7	41	STORM WATER MGMT-LANDFILL-CARRYOVER	55,000
8	41	METHANE MONITORING-LANDFILL-CARRYOVER	35,000
9	41	MRF ENTRY IMPROVEMENTS-CARRYOVER	242,444
10	41	BIN STORAGE AREA	28,000
11	41	COMPLETION OF TIER II ANALYSIS	23,000
12	41	CINDERLAKE LANDFILL SITE ENTRY	107,000
13	41	LANDFILL CLOSURE SETASIDE	500,000
TOTAL ENVIRON. SVCS. SOURCES OF FUNDING			<u>\$ 1,246,249</u>

ENVIRONMENTAL SERVICES PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2002-2003

The City of Flagstaff
August 2002

1, 2, 3, 4, 6, 7, 8, 10, 11, 12, 13
Cinder Hills
Landfill Improvements
and Administration Building



not to scale

1. Construction/Bldg Improvements-New Branch

Remodel the East Flagstaff Library Branch within the Coconino Community College facility located on 4th Street. Anticipated opening is January 2003. Increased operating costs estimated at \$76,000.

2. Building #1 Demolition

Complete the demolition of Building #1 on the USGS campus. No effect on operating costs.

3. Raise Support Beam-Station 2

Increase the vertical clearance of Fire Station #2 to house the fire equipment inside the station. No effect on operating costs.

4. Staff Entry Improvements

Modify vestibule entrance at LEAF for staff. No effect on operating costs.

5. USGS BLDG #6-Carryover

Complete the construction on USGS building #6 (replaced Building #1). No effect on operating costs as facility is leased to the USGS through the Government Services Administration and facility costs are captured through the lease.

6. Land Acquisition-Guadalupe Park

Acquisition of approximately one acre of land to secure the ownership and public use of Guadalupe Park and the existing ball field. Operating costs will increase due to additional land maintenance.

7. Asbestos Abatement

Provide asbestos abatement in City facilities to aid maintenance on minor building renovations. No effect on operating costs.

8. ACM Facilities Testing and Surveys

Survey and testing at new or existing City facilities for asbestos and other potential contaminants. No effect on operating costs.

9. Environmental Soils Remediation-Carryover

Provide for the investigation and remediation of contaminated soils at former fueling facilities, underground storage tanks, and other contaminated soils. These funds are being held to assist with facility changes ordered by DOJ/ADA. Should these funds not all be needed for the DOJ/ADA, they will be returned to the division to accomplish the original project intent. No effect on operating costs.

10. Underground Storage Tanks-Carryover

This program was established to remove underground storage tanks from City properties. These funds are tentatively being held to assist with the facility remediation ordered by DOJ/ADA. Should these funds not all be needed for the DOJ/ADA, they will be returned to the division to complete the original project intent. No effect on operating costs.

11. Remodel CD Service Counter

Front counter remodel for Community Development to enhance customer service. No effect on operating costs.

12. Remodel Bathrooms-Therapeutics

Restroom remodel at the Therapeutic Recreation Center for full ADA accessibility. No effect on operating costs.

13. Roof-Flag Rec Center

Replacement of the Flagstaff Recreation Center roof as the current roof is brittle and past life expectancy. No effect on operating costs.

14. Enlarge Weight Room-Flag Rec Center

Retrofit an existing racquetball court in the Flagstaff Recreation Center to enlarge the adjacent weight room. An increase in operating costs will be realized over time as equipment replacement needs will be necessary.

15. ADA Restrooms-Flag Recr Center-Carryover

Complete the restroom remodel at the Flagstaff Recreation Center so that they are all ADA compliant. No effect on operating costs.

16. ADA Restrooms-Adult Center-Carryover

Complete the restroom remodel at the Adult Center so that they are all ADA compliant. No effect on operating costs.

17. ADA Restrooms-Cogdill-Carryover

Complete the restroom remodel at the Cogdill Center so that they are all ADA compliant. No effect on operating costs.

18. ADA Restrooms-Activity Center-Carryover

Complete the restroom remodel at the Activity Center so that they are all ADA compliant. No effect on operating costs.

19. Locker Room Shower Tile-FHS Pool

Replace tile floors and repair tile walls in the showers at the Flagstaff High School (FHS) pool. No effect on operating costs.

20. General Drainage-Carryover

Funding to design and construct drainage projects to resolve identified problem areas. As projects completed, operating costs are reduced due to the reduction of sandbagging, pumping, or storm clean up needed.

21. Rio de Flag Flood Control-Carryover

In conjunction with the U.S. Army Corps of Engineers, design and construct flood damage reduction improvements on the Rio de Flag and Clay Avenue Wash as identified in the Feasibility Study and Environmental Impact Study. Operating impacts are yet to be determined.

22. Thorpe Rd Improvements

Street, curb, and gutter improvements to Thorpe Road. No effect on operating costs.

23. Remodel of Courthouse

City Court remodel to take advantage of vacated space. Remodel affects three areas that include the downstairs front, downstairs rear, and the upstairs rear. Custodial costs may be minimally affected.

24. Knoles Property Payment-Carryover

Completes the purchase of the Knoles property initiated in FY 2002. No effect on operating costs.

25. Bank One Remodel-Carryover

Completes the remodel of leased space in the downtown Bank One facility. Staff relocation dates targeted for September 2002 and January 2003. Operating costs increased by approximately \$100,000.

26. ADA Improvements-Carryover

Completes the DOJ/ADA improvements as required to City facilities. No effect on operating costs.

27. Downtown Improvements-Carryover

Improvements that facilitate Downtown Gateway needs as defined by the Regional Plan. No current effect on operating costs.

28. Acquisition of Open Space-Carryover

Fund set aside to purchase regional or urban open space as the opportunities arise. Dependent on quantity of open space purchase, operating costs estimated to not exceed \$10,000 for the first three years.

PROJECT DESCRIPTIONS

STREETS/TRANSPORTATION

1. Reserve for improvements-Carryover

Funding for unidentified street improvements. The impact on the operating budget is negligible.

2. Sidewalk Replacement Program

Funding to assist private property owners in replacing deteriorated improvements at the property frontage. The operating budget is reduced as this program minimizes maintenance costs.

3. Annual Street Mntc Program-Carryover

Benefits city-wide public streets and extends the service life of pavement sections and minimizes reconstruction costs. There is no impact on the operating budget.

4. Butler/Enterprise Reconstr-Carryover

Allows for increased traffic capacity, level of service, and rail crossing safety at Butler and Enterprise. It is also a multi-modal link between Route 66 and Butler Avenue. Operating costs are increased as traffic lanes, traffic signaling, urban trails, and landscape maintenance have increased.

5. Sunnyside Street Improvements-Carryover

Provides for street and drainage construction throughout the Sunnyside neighborhood in conjunction with utility replacements. Street and storm drain maintenance costs will increase.

6. Kiltie Lane-Carryover

These dollars represent a cash contribution to participate with Coconino County and private property owners to reconstruct the public roadway to current standards. This action facilitates the development south of Kiltie Lane and provides public access. Operating costs will be impacted through additional street maintenance if it is accepted as a City street.

7. Traffic Signal Modifications-Carryover

Two projects have been identified which are located at Beulah Boulevard at McConnell Drive and Butler Avenue at Lone Tree. Both intersections will provide protected left turn phases to enhance intersection safety and operation. The impact on the operating budget is negligible.

8. Southside Traffic Circulation-Carryover

To mitigate vehicle speeds and enhance pedestrian and bicycle circulation, traffic signals and pedestrian improvements will be provided at the Cottage Avenue and Benton Avenue intersections. Operating costs will be increased through additional traffic signal maintenance.

9. Annual ADA Compliance

These dollars are used citywide on public streets to replace non-conforming sidewalk and handicap ramps within the public right-of-way. There is no impact on the operating budget.

10. Traffic diverter on O'Leary

Installation of a traffic diverter at O'Leary and Butler. Operating costs may be impacted dependent on final design.

11. Fourth St Rail Crossing-Carryover

Provides an arterial connection of North and South Fourth Street with grade separated rail crossing relocation of Burlington Northern/Santa Fe railroad tracks. The operating budget impact has not as yet been determined.

12. Lockett Rd/Thomas Dr Intersection

A Safe-to-School project reconstructing the Lockett Road/Thomas Drive intersection to improve pedestrian access and safety. There is no impact on the operating budget.

13. Soliere Ave Ext to Fourth St

Extends Soliere Avenue from Foxlair Drive to South Fourth Street. It will provide a three-lane roadway with a traffic signal provision and turn lanes on Fourth Street. Traffic signal maintenance costs will increase.

14. Country Club Dr Widening

Widens the existing roadway from 2 traffic lanes to 4 traffic lanes with a raised median and 10' of urban trail. This will also enhance traffic capacity and safety by providing continuity of the roadway section from Interstate 40 to the existing intersection at Soliere. Operating costs may be impacted as there are additional traffic lanes, landscaping, urban trails, and stormdrain issues.

15. Dodge Ave Improvements

New roadway that complements the East Flagstaff Gateway Area Redevelopment by connecting Dodge Avenue to old Route 66. This project will enhance traffic flow, allow for the Mall expansion, and allows for improvements to the existing industrial park. Operating impacts have not been determined as the project scoping has not been completed.

16. Transportation Planning and Programming

Through the CIP committee and the Citizens Advisory Committee allows for community wide transportation projects to be identified and prioritized based on needs assessment and public input. It includes pedestrian bikeways, urban trails, and safe-to-school improvements. Impacts on the operating budget will be determined as projects are formulated.

17. Misc Safe to School Projects

Miscellaneous projects identified in the various City school areas that enhance child and other pedestrian safety. Operating costs are determined at such time the project is scoped.

18. Empire Road Extension

As part of the East Flagstaff Gateway Area Redevelopment, the extension of Empire Road to include utilities and storm water control to connect Empire to U.S. 89. This connection will allow traffic to drive directly to U.S. 89 alleviating traffic congestion and providing a traffic separation for cars and trucks. Operating impacts will be determined through the overall ongoing evaluation and development of the East Flagstaff Gateway Area Redevelopment.

19. Loop Road

As part of the East Flagstaff Gateway Area Redevelopment, the Loop Road is a new road to include utilities and storm water control connecting Old Route 66 through the Mall area property. This road will act as the major connector between old Route 66 and U.S. 89 and provide auto access to the Mall and all points to the rear. Operating impacts will be determined through the overall ongoing evaluation and development of the East Flagstaff Gateway Area Redevelopment.

20. Birch Avenue Curb and Gutter

Replaces curb and gutter on Birch Avenue. No impact on the operating budget.

1. Rt 66 Enterprise to Arrowhead

Extends new 10' wide FUTS path on Route 66 from Enterprise through the Arrowhead intersection. It will provide additional landscape enhancements to screen less desirable views to the south. Operating costs are estimated to increase \$10,000 per year.

2. U.S. 89-Railhead to Snowflake-Carryover

Design and construct street landscape improvements on both sides of U.S. 89 and in the median (where feasible) from Railhead north to Snowflake. Streetscape projects increasing operating costs at approximately \$6,000 per acre.

3. Redevelopment Opportunity Fund

Annual contribution to City sponsored redevelopment projects to cover urban design and enhancement components. There is no operating impact.

4. Freeway TI and Corridor Impr

Design and construct gateway treatment consisting of monument sign and landscaping at each of the 6+ major City entries. These will be constructed at the rate of one per year as cooperative projects with ADOT. Exact locations are yet to be determined. Streetscape projects increasing operating costs at approximately \$6,000 per acre.

5. U.S 89/66-Fanning to Mall

Design multi use path and some landscaping, south side of old 66 from Fanning to the vicinity of Spur. Streetscape projects increasing operating costs at approximately \$6,000 per acre.

6. Special Projects-Carryover

Funds are allocated each year to construct smaller scale neighborhood improvements throughout the City to broaden and build support for the BBB tax. Operating impact is project specific.

7. Rio de Flag Corridor-Downtown

Allows for enhancements along the Rio de Flag project including FUTS and landscaping. The operating impact has not been determined at this time. Streetscape projects increasing operating costs at approximately \$6,000 per acre.

8. Open Space Improvements-Carryover

City owned open space is currently unmarked and often in need of clean up and/or rehabilitation. This program also extends logo marker identification for open space areas and will develop greater coherence for the entire

open space system. Operating expenses for open space is estimated to be \$10,000 per year.

9. Rt 66-Elden to S.F.

Allow for enhancements from Elden to San Francisco. Streetscape projects increasing operating costs at approximately \$6,000 per acre.

10. Sign Buy Out

Ongoing project anticipated culminating in FY 2003. No effect on operating costs.

11. Rt 66 Landscape-Verde to Switzer

Allow for enhancements on Route 66 from Verde to Switzer Canyon. Streetscape projects increasing operating costs at approximately \$6,000 per acre.

12. Right of Way Acquisition-Carryover

To purchase needed right of way and greenbelt corridors for planned FUTS links. Operating costs for FUTS paths vary by project.

13. Crescent to Cheshire Trail Link

Extends the existing Rio North Trail to the Cheshire neighborhood and to U.S. 180 and Fremont intersection per the FUTS master plan. It adds approximately 1.7 miles to the FUTS system. A Heritage Fund grant has been approved for this project. Operating costs for FUTS paths vary by project.

14. Bow & Arrow Wash Trail-Phase 1-Carryover

Provides approximately 2 miles of 10' wide packed aggregate trail connecting the existing Rio system to the Bow & Arrow neighborhood through the Bow & Arrow wash and NAU property. A Heritage Trails Grant of \$76,000 has been awarded to assist in the construction of this project. Operating costs for FUTS paths vary by project.

15. U.S. 180 Multi-Use Path-Carryover

Provides approximately 1.6 miles of a new 10' path on the northeast side of U.S. 180 providing access from Fremont to Sechrist School. This project includes right-of-way acquisition, utility relocation and under grounding, and miscellaneous pre-construction costs. Completion is anticipated in the late fall of 2003. Operating costs for FUTS paths vary by project.

16. Tunnel Springs Trail-Carryover

Provides approximately 1.5 miles of trail connecting the existing Observatory Mesa Trail through the state lands to Railroad Springs. This will eventually connect to the

downtown area along the south side of the BNSF tracks. Operating costs for FUTS paths vary by project.

17. Lake Mary Road-Beulah to PT

Provides approximately 1.0 mile of trail on the south side of Lake Mary Road, connecting Beulah to the Ponderosa Trail system. Operating costs for FUTS paths vary by project.

18. Lone Tree CCC to Pine Knoll

Provides additional trail access from Coconino Community College (CCC) to the Pine Knoll area. Operating costs for FUTS paths vary by project.

19. Rio Downtown

Provides an approximate 0.5-mile path from Sitgreaves to San Francisco with associated pedestrian/bike improvements. This will connect the Rio system to the Route 66 path. Operating costs for FUTS path vary by project.

20. West Village to Walnut

Provides approximately 1.5 miles adjacent to the BNSF rail lines on the south side to connect West Village to Walnut. Operating costs for FUTS paths vary by project.

21. Walnut to Rio

Provides approximately 0.5 miles adjacent to the BNSF rail line to connect Walnut to Sitgreaves, including an under crossing at Walnut. Operating costs for FUTS paths vary by project.

22. Foxglenn Phase I & II-Carryover

Completes the path through the Foxglenn Park. Operating costs for FUTS paths vary by project.

23. Hospital Link

New trail development linking from Forest Avenue to U.S. 180 behind the Fort Valley Shopping Center to Beaver. Operating costs for FUTS paths vary by project.

24. Fisher Point Link

Additional FUTS trail project. Operating costs for FUTS paths vary by project.

25. Milligan House Repairs

General maintenance repair to the Milligan House. Minimal impact on operating costs.

26. Bldg Improvements-Visitor Cntr-Carryover

To complete building improvements to the Visitor Center including flooring. Operating costs are not impacted.

27. Thorpe Park Improvements-Carryover

A majority of these funds will be used to improve the lighting with new technology at Thorpe Park. This will result in reduced risk/liability, improve the maintenance efficiency, and to conform to "dark skies" goals, and ADA

laws. Minimal increases, if any, to operating expenses are anticipated.

28. Foxglenn Park Improvements-Carryover

Includes development of 22 acres at the Foxglenn Park to complete the 28-acre park. The additional park maintenance expense has been reflected in the 5 year operating plan, but has not been segregated from the other park maintenance.

29. McMillan Mesa Park Improvements-Carryover

This development will improve the amenities of the McMillan Mesa park, a three acre area. This should allow for improved maintenance efficiency and ADA compliance through the provision of additional sidewalk linear footage with ramps. Operating expense impacts have been reflected in the 5-year operating plan, but have not been segregated from the other park maintenance.

30. Christensen School Field Impr-Carryover

Field improvements at Christensen School on the turf to provide additional public recreation and soccer use. Expenses associated with the field improvements will be funded through BBB, and have not been segregated from the other park maintenance costs.

31. Thomas School Field Impr-Carryover

Field improvements at Thomas School on the turf to provide additional public recreation and soccer use. Expenses associated with the field improvements will be funded through BBB, and have not been segregated from the other park maintenance costs.

32. Land Acquisition/Expansion-Continental-Carr

Acquisition of 100+ acres of land adjacent to the existing Continental Park to expand the park into a regional category. There are minimal maintenance costs for the undeveloped land as activity is limited to weed and debris removal.

33. Land Acquisition/Expansion-Cheshire

Lease with option to purchase land adjacent to Cheshire Park would provide approximately 8 additional acres. There are minimal maintenance costs for the undeveloped land as activity is limited to weed and debris removal.

34. Land Acquisition-Lake Mary

Phase I purchase of approximately 127 acres of USFS land for regional park development. This is located on Lake Mary Road, north of the City of Flagstaff water treatment plan. There are minimal maintenance costs for the undeveloped land as activity is limited to weed and debris removal.

1. Flooring Install

Contractual installation of approximately 900 square feet of commercial ceramic tile and cove base at the Lake Mary Water Treatment Plant control building. Operating costs are not impacted.

2. Dam Improvements-Upper Lake Mary

Rehabilitation and improvements of the surface water intake at the Upper Lake Mary dam site. Operating cost impacts are reflected in the operating budget.

3. Well Maintenance Agreement-LMWTP

Annual service agreement to maintain, repair, or replace critical wellhead equipment at the Lake Mary Wellfield and Wellwater booster pumps at the raw water pump station. Operating costs would be much greater without the maintenance agreement.

4. Land Acquisition Fund

A sinking fund for the acquisition of property in the Lake Mark wellfield area as it becomes available to expand and protect potential efforts at exploration and wellfield development. Operating cost impact is negligible until such time as a well is placed on the property.

5. Well Maintenance Agreement-Wdy Mtn

Well maintenance agreement to maintain, repair, or replace critical wellfield equipment at the Woody Mountain wellfield and wellwater pumps at the Woody Mountain Booster Station and wellsite upgrade project. Operating costs would be greater without the maintenance agreement.

6. Inner Basin Pipe

Annual purchase of ½ mile of 16" ductile iron pipe to replace deteriorating sections of the Inner Basin Pipeline. The entire pipeline is approximately 14 miles and runs from the Inner Basin to the Reservoir Filtration Plant on Schultz Pass Road. The existing pipe was installed in 1926, and the deterioration allows for a great deal of water loss. When this project is completed, operating costs will decrease.

7. Roof Modification-Carryover

Existing foam roofing system at the North Reservoir Filtration plant is allowing problematic leaking over various building areas. Modifications needed to prevent further structural damage. Operating costs should decrease.

8. Amberwood Booster Station-Carryover

Construction of a small booster station to boost pressure to Amberwood and to the Foxhill/Wakonda area so

pressures throughout the Continental area can be reduced to safer levels. Operating cost impacts will be offset as the current high pressure has the potential to cause excessive damage in the event of water main breaks.

9. Water Loadout Station-Carryover

High volume loading station to load big trucks faster. This will alleviate backup of customers waiting for water. Operating cost impact is minimal.

10. Agassiz/Dupont/Verde WL

Replace approximately 1,725' of 2" galvanized waterline with 8" PVC main and add two fire hydrants. The current lines are too small resulting in high maintenance and inadequate fire flows. Operating costs will be reduced.

11. Coconino Ave. Waterline

Replace approximately 820' of 2" and 4" pipe with 8" PVC. The existing lines are undersized resulting in high maintenance and inadequate fire flows. Operating costs will be reduced.

12. Sunnyside Phase 2-Carryover

This project replaces old and undersized waterlines in the Sunnyside area. The project includes drainage, sewer, sidewalk, and street improvements in those locations where the waterlines are being replaced. The operating budgets impact has not been segregated for this project.

13. Sunnyside Phase 3

See Sunnyside Phase 2.

14. Radio Meter Install

Purchase and installation of 1000 radio read meters for the pilot program. The automation of the meter reading will reduce staffing needs and provide for a safer, estimate free, meter reading process. Maintenance cost offsets for the program will be offset by personnel savings.

15. Humphreys Waterline

Work is being done in conjunction with ADOT to rebuild Humphreys Street. ADOT will not continue with this project due to the old lead joint pipe currently in place due to the fear of leaks and damage to the new roadway. This project replaces the 12" cast iron waterline with new PVC. Operating costs will decrease with newer piping.

16. Isabel Reclaim Extension

This extends the reclaim water line from Isabel Street to the Babbitt Office Building located at 1515 E. Cedar. The operational cost impact has not been segregated for this project.

17. Reserve for Improvements

These monies are budgeted each fiscal year for unanticipated water projects. Operating cost impact is determined by the project as initiated.

18. Lucky Lane W/L-Carryover

Tie in existing 8" main at the intersection of Lucky Lane and Butler to an existing 8" main at Jay Street. Adds approximately 800' of new main. Operating costs not segregated to this project.

19. LMWTP Filter Modifications-Carryover

Modifies the existing treatment plant for enhanced filtration capabilities for microbial removal (giardia and cryptosporidium). The new chlorine building will meet OSHA requirements. The operating cost impact is undetermined.

20. Water System Optimization-Carryover

Continues the EMA contract for services and automation of the water system to remain competitive with privatized water systems. The operating cost impact varies with implementation.

21. Vulnerability Study

Mandated vulnerability assessment of the City water system, mandated by proposed legislation. Operating impacts will be assessed after the study is complete and system changes are budgeted.

22. Town Well No. 3

Design, drill, and equip the last of the five wells that had been included in the 1990 Bond Program. It is located on Industrial Drive in the vicinity of Blocklite. Operational expenses will increase with a well addition.

23. Town Well No. 4

Design and construction of Well House and equipment to run a new well located at the shop on Commerce Drive. Operational expenses will increase with a well addition.

PROJECT DESCRIPTIONS

WASTEWATER

1. Reserve for Engineering Svcs

Sets aside dollars to hire external engineering services as needed. There is not an impact on operating costs.

2. Bio Tower Media Repl

The media is approximately 20 years old at the Wildcat Hill Wastewater Plant. It has been recently inspected and reveals a need for replacement, as media deteriorates over time. This replaces the media in two towers. There is no impact on existing operating costs.

3. Wastewater System Opt-Carryover

This process continues the optimization of the Wastewater Treatment plants and Collection System operation. The budget includes an allowance for EMA Consulting and automation costs. Operating impact is undetermined. As part of the optimization process is piloting a skill based pay program, it is anticipated that any increases in operating costs due to higher salary structures will be offset with decreased staffing needs.

4. Wildcat Septage Pipe Replacement

This project will replace the existing 6" septage drain with two 12" lines from the septage basins to the plant influent line. The existing line frequently plugs, so it is anticipated that the need for the Rotomat will be eliminated, which may reduce operating costs.

5. Wildcat SEPS pump

This is a fourth Secondary Effluent Pump to provide a spare for high flow periods. This may have an additional operating impact, dependent upon reliability.

6. Rio Plant Chipseal

This is a regular capital/operational maintenance item as roadways deteriorate over time. This will chipseal the roadways around the Rio de Flag Reclaimed Water Plant. There is no residual operating impact.

7. Wildcat Screw Press-Carryover

The screw press is needed to remove grit prior to hauling dirt to the landfill. Operating costs will increase due to additional machine maintenance.

8. Upgrade/Reclaim Extension-Wildcat

This provides a basis of design report to upgrade the Wildcat plant to the same level of treatment as the Rio de Flag plant and connect the two reclaim water systems. Operating costs will not increase until such time as plant modifications are made.

9. Humphreys Sewer Replacement

This project replaces approximately 1,200' of 6" VCP sewer with new 8" PVC on Humphreys Street from Columbus Street to Fine Street. Operating costs changes should be minimal.

10. Arrowhead/Mountain View Sewer Repl

This project replaces approximately 5,400' of 6" sewer along Arrowhead and Mountain View in the Sunnyside area. The sewer needs to be increased to meet current engineering standards and is also a frequent maintenance problem due to its condition. Maintenance expenditures are anticipated to decrease.

11. Birch Avenue Sewer Replacement

This project replaces approximately 4,275' of 6" and 8" sewer in the downtown residential area on Birch Avenue west of Humphreys. This will replace old, undersized VCP sewer. Operating expenditure changes have not been segregated to this project.

12. Rio de Flag Sewer Interceptor

The existing sewer is badly damaged from hydrogen sulfide, so this project will replace approximately 1 3/4 mile of 33" diameter sewer along the Rio de Flag between old Highway 66 and the Wildcat Treatment Plant. Operating expenditure changes have not been segregated to this project.

13. Reserve for Improvements-Carryover

These monies are budgeted every year for unanticipated sewer line projects. Operating expenditure impacts are not determined until such time as the project is defined.

14. Second St. Sewer Replacement-Carryover

Replacement of 2200' of 6" sewer on Second Street, from 6th Avenue to south of 1st Avenue. Operating expenditure impacts have not been segregated to this project.

PROJECT DESCRIPTIONS

AIRPORT

1. Master Plan/Part 150 Study/Carryover

The Master Plan completed in 1991 is nearing build out. This project will complete a new 20-year master plan and will include environmental assessments and a noise study. Operating impacts will be budgeted when projects are implemented.

2. Design/Const N Parallel Taxiway-Carryover

Construct new parallel taxiway north from terminal to the end of runway 21. The existing parallel taxiway is too close to the runway to meet current FAA criteria for aircraft separation during instrument operations. Operating expense impact will be minimal as this is a replacement of an existing taxiway.

3. Design/Const Safety Area Rehab-Carryover

To fill and level the 1000' x 250' safety area at the south end of the runway to meet FAA criteria for safety. A slight increase in operational expense will be incurred as additional grounds maintenance will be required.

4. Design/Construct Runway Extension NE

Additional runway length is needed to accommodate regional jet aircraft. This will extend runway north by 1200' to 1500' and includes a 1000' safety area. Operating expenses will increase due to additional pavement maintenance, mowing, and snow removal considerations.

5. Rental Car Cleanup Lot

Construct a rental car parking area south of the control tower to include clean up facilities, as the rental car

clean up area does not meet EPA requirements for stormwater run off. There may be minimal operating increases that would be offset by enhanced airport revenues.

6. Construct 6 Box Hangars and 10 Shades

There is currently inadequate space to house aircraft. Providing additional space will minimally increase operating expense, however operating revenue will be increased to offset.

7. Aerial Mapping-Carryover

Complete aerial mapping related to carrier apron. There is no impact to operating.

8. Pavement Crack Seal Overlay

Provided to maintain existing pavement service life. Operating impact is minimal.

1. Wind Blown Litter Fence-Carryover

Construction of a wind blown litter fence at the property boundary of the landfill is required. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

2. Vadose Zone Wells-Landfill

Vadose zone monitoring wells require raising in 10' increments concurrent with landfill operations. Vadose zone monitoring wells were required per the landfill operating permit to satisfy the ground water safety monitoring requirement. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

3. Methane Gas Mitigation-Carryover

The landfill has developed a problem exceeding regulatory limits of methane gas at the property boundary. A passive trench system has been installed to alleviate the problem. These funds allow for an alternate solution should the trench system fail. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

4. Residential Drop Off-Carryover

Construct a drop off area that would be designated for residential customers eliminating the presence of residential vehicles on the working face of the landfill. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

5. Landfill Consultant Services

This is established as a contingency budget for consultant services for projects requiring third party design or engineering per ADEQ. Possible projects include methane collection systems or vadose zone well projects. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

6. Tree Clearing-Landfill

To 100 acre lateral expansion of the landfill has heavy growth of ponderosa pines throughout. The trees need to be removed in phases to enable landfill crews to begin excavation. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

7. Stormwater Mgmt-Landfill-Carryover

The landfill operating permit requires the installation of systems to control stormwater runoff. The system design is complete and the system will be installed

incrementally. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

8. Methane Monitoring-Landfill-Carryover

The landfill operating permit requires the installation of monitoring wells at the property boundary. Several existing wells are located on the interior of the property boundary, so new wells will be installed at the new boundary as needed. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

9. MRF Entry Improvements-Carryover

In conjunction with Norton Environmental and BNSF, this would allow for the City's portion of the spur crossing to be constructed by BNSF. There would not be an operating cost impact due to this renovation at the recycling facility.

10. Bin Storage Area

Construction of a 6' high slated chain link fence, gates, pavement, grading, and other related work to meet DRB mandates for storage adjacent to residential solid waste building. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

11. Completion of Tier II Analysis

Consultant fees for scheduled projects at the landfill. Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

12. Cinderlake Landfill Site Entry

Finish work on the Household Hazardous Waste building for site improvements (does not include any building costs.) Operating budget impacts are not yet quantified and would be offset through the landfill rate structure model.

13. Landfill Closure Set Aside

Federal and state regulations require that environmental damage caused by landfills be mitigated and that action be taken to prevent future damage. This allows for the future anticipated closure and post closure costs. The funds that are set aside represent the future operating impact.

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEARS 2002-2008**

	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	Budget 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Total Plan
Beginning Balance	\$ 1,671,206	4,700,000	-	-	-	-	-	-	4,700,000
Resources									
Bonds	13,314,344	4,515,596	12,477,404	4,000,000	4,000,000	6,000,000	5,953,800	10,184,100	47,130,900
Grants	15,091,893	7,640,660	6,758,663	5,066,848	7,343,600	4,233,460	3,703,176	2,811,800	37,558,207
Pay-as-you-go	43,388,551	20,789,664	44,695,952	23,430,119	15,717,126	12,130,832	12,055,081	9,016,000	137,834,774
Total Resources	71,794,788	32,945,920	63,932,019	32,496,967	27,060,726	22,364,292	21,712,057	22,011,900	222,523,881
Expenditures									
General Government	17,604,950	9,779,421	9,619,997	2,662,500	1,378,500	933,000	570,000	490,000	25,433,418
Public Works: Streets	20,433,502	10,345,036	24,752,053	15,311,470	8,335,426	9,402,092	7,835,557	2,880,000	78,861,634
BBB	7,498,299	1,922,249	8,556,952	3,300,000	2,630,000	1,780,000	2,330,000	1,355,000	21,874,201
Utilities: Water	7,595,409	4,762,517	9,023,763	3,606,700	2,414,200	2,497,500	3,428,500	5,077,100	30,810,280
Utilities: Wastewater	3,324,337	1,580,020	3,430,162	2,452,576	2,902,600	2,676,700	2,973,000	7,804,800	23,819,858
Airport	13,777,612	8,408,879	7,302,843	4,228,721	8,465,000	4,100,000	2,115,000	3,000,000	37,620,443
Environ Svc & Stormwater	1,560,679	847,798	1,246,249	935,000	935,000	975,000	2,460,000	1,405,000	8,804,047
Total Expenditures	71,794,788	37,645,920	63,932,019	32,496,967	27,060,726	22,364,292	21,712,057	22,011,900	227,223,881
Ending Balance	\$ 1,671,206	-	-	-	-	-	-	-	-

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2002-2008**

	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	Budget 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Total Plan
General									
Fire Station 2 raise beam	\$ -	-	20,000	-	-	-	-	-	20,000
Parks and Recreation	396,800	766,465	607,867	560,000	135,000	135,000	135,000	135,000	2,474,332
Environmental and Facilities	390,063	230,023	-	130,000	130,000	130,000	130,000	130,000	880,023
Asbestos Testing/Surveys	-	-	85,000	-	-	-	-	-	85,000
Facilities Testing and surveys	-	-	45,000	-	-	-	-	-	45,000
Underground Storage tanks	-	-	50,000	-	-	-	-	-	50,000
Soils Remediation	-	43,494	115,023	-	-	-	-	-	158,517
Remodel CD Service Counter	-	-	26,243	-	-	-	-	-	26,243
Other projects									
USGS Improvements	-	1,563	333,208	-	-	-	-	-	334,771
USGS Facility-1997 Bond	4,409,828	4,274,858	136,590	-	-	-	-	-	4,411,448
Remodel of Courthouse	-	-	26,830	-	-	-	-	-	26,830
Drainage									
General Drainage	74,021	74,021	153,914	75,000	75,000	75,000	75,000	75,000	602,935
Rio De Flag Hydrology Study	5,353,972	3,034,031	4,273,042	1,729,000	870,000	443,000	80,000	-	10,429,073
Thorpe Road Drainage	20,266	20,266	18,116	18,500	18,500	-	-	-	75,382
Smokerise Drainage	-	34,700	-	-	-	-	-	-	34,700
Non-Departmental	4,950,000	-	-	-	-	-	-	-	-
Knoles property Payment	-	-	500,000	-	-	-	-	-	500,000
Bank one Remodel	-	-	250,000	-	-	-	-	-	250,000
ADA Improvements	-	-	350,000	-	-	-	-	-	350,000
Downtown Improvements	-	-	1,487,000	-	-	-	-	-	1,487,000
Radios	900,000	700,000	-	-	-	-	-	-	700,000
General Fund Capital Projects									
Fire Station #6	200,000	200,000	-	-	-	-	-	-	200,000
Police/ Sheriff Facility	25,000	-	34,500	-	-	-	-	-	34,500
Library									
East Flagstaff Branch	-	-	322,664	-	-	-	-	-	322,664
Real Estate Proceeds									
Redevelopment Acquisitions	400,000	400,000	-	-	-	-	-	-	400,000
Acquisition of Open Spaces	485,000	-	785,000	150,000	150,000	150,000	150,000	150,000	1,535,000
Total General	\$ 17,604,950	9,779,421	9,619,997	2,662,500	1,378,500	933,000	570,000	490,000	25,433,418

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2002-2008**

	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	Budget 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Total Plan
BBB									
Beautification									
Special Projects (Neighborhoods)	\$ 25,000	7,951	25,000	25,000	25,000	25,000	25,000	25,000	157,951
Route 66 - Fourth To Arrowhead	-	-	-	-	-	-	-	-	-
Route 66 - Verde To Switzer Canyon	20,000	20,000	20,000	-	-	-	-	-	40,000
Rio De Flag Corridor - Enhancements	50,000	50,000	50,000	100,000	100,000	300,000	500,000	100,000	1,200,000
Freight Depot Restoration	-	-	-	-	-	-	-	-	-
Route 66 - West Rt 66 Streetscape	-	25,000	-	-	-	-	-	-	25,000
Route 66 - Switzer To Enterprise	-	-	-	-	-	-	-	-	-
City Gateways	-	-	-	-	-	-	-	-	-
Openspace Restoration/Enhancements	31,800	2,237	30,000	30,000	30,000	30,000	30,000	30,000	182,237
Sign Buyout Program	10,000	-	6,285	-	-	-	-	-	6,285
Route 66 - Elden To San Francisco (Incl 2 Spot)	60,000	10,000	10,000	20,000	-	-	-	-	40,000
Route 66 - Fanning To Mall	-	44	70,000	250,000	-	-	-	-	570,044
Route 66 - Enterprise To Arrowhead	-	-	225,000	-	-	-	-	-	225,000
Route 66-Enterprise/Butler	-	-	-	-	-	-	-	-	-
US 89 Railroad to Snowflake	160,047	75,000	80,690	700,000	-	-	-	-	855,690
Redevelopment Opportunity Fund	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	350,000
Adot Fwy Corridor & TI Enhance Ptnrshp	150,125	150,000	215,000	75,000	75,000	75,000	75,000	75,000	740,000
FUTS-Right of Way & Open Space Opportunity	100,000	75,000	100,000	100,000	100,000	100,000	100,000	100,000	675,000
FUTS-Rio To Foxglenn: Ph. I & II	74,871	50,000	50,000	-	-	-	225,000	-	325,000
FUTS-Fisher Point & Az. Trail Row	30,000	30,000	30,000	-	-	-	-	-	60,000
FUTS-Crescent To Cheshire: Phases I & II	-	-	275,000	250,000	-	-	-	-	525,000
FUTS-Bow & Arrow I & II	152,148	50,000	260,000	-	-	-	-	275,000	585,000
FUTS-Us 180 Sechrist To Fremont	150,000	50,104	300,000	500,000	-	-	-	-	850,104
FUTS-Us 180 Sechrist To Forest	-	-	-	-	-	250,000	-	-	250,000
FUTS-Hospital Link - Forest to Beaver	-	-	125,000	-	-	-	-	-	125,000
FUTS-Museum N. Az to Elden Lookout Rd.	-	-	-	-	-	-	150,000	-	150,000
FUTS-Mc Millian Mesa E. Slope; Cedar to Izabel	-	-	-	-	-	-	175,000	-	175,000
FUTS-Fourth Street, Butler to Rt. 66	-	-	-	-	-	-	-	150,000	150,000
FUTS-Switzer Wash; Butler to Huntington	-	-	-	-	-	-	-	150,000	150,000
FUTS-Tunnel Springs Trail	150,000	50,150	130,150	-	-	-	-	-	180,300
FUTS-Mc Millian Mesa	-	-	-	150,000	250,000	200,000	150,000	-	750,000
FUTS-Downtown Rio Corridor	-	-	50,000	50,000	550,000	-	-	-	650,000
FUTS-Lonetree Corridor	-	-	250,000	150,000	200,000	-	-	-	600,000
FUTS- Walnut To Rio	-	-	50,000	50,000	800,000	200,000	-	-	1,100,000
FUTS-Lake Mary Rd; Beulah to Ponderosa Tr.	-	-	250,000	-	-	-	-	-	250,000
FUTS-West Village To Walnut	-	-	50,000	-	200,000	-	-	-	250,000
FUTS-Lake Mary Rd to City Limits	-	-	-	-	-	550,000	-	-	550,000
FUTS-Airport - Tutthill Impr. & Connections	-	-	-	-	-	-	650,000	-	650,000
FUTS-Sinclair Wash to Woody Mtn. Road	-	-	-	-	-	-	-	200,000	200,000
FUTS-U Highlands to Woody Mtn Rd	-	-	-	-	-	-	-	200,000	200,000
FUTS-U Highlands to Sinclair Wash	-	-	-	-	-	-	200,000	-	200,000

	Budget	Estimate	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Total
	2001-2002	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008		Plan
BBB (continued)										
Tourism										
Milligan House Improvements			10,000							10,000
Building Improvements-Visitor Center	200,000	30,000	200,000	-	-	-	-	-	-	230,000
Recreation										
Continental Land Acquisition	1,875,000	100,000	900,000	-	-	-	-	-	-	1,000,000
Thorpe Park	100,000	-	110,944	700,000	-	-	-	-	-	810,944
Christensen	30,000	50,000	443,196	-	-	-	-	-	-	493,196
Sechrist	411,543	411,543	-	-	-	-	-	-	-	411,543
Thomas	202,258	23,500	396,222	-	-	-	-	-	-	419,722
Foxglenn Park	2,059,526	556,000	1,804,899	-	-	-	-	-	-	2,360,899
McMillan Mesa Park	205,981	55,720	164,566	-	-	-	-	-	-	220,286
Cheshire Land Acquisition	200,000	-	800,000	-	-	-	-	-	-	800,000
Lake Mary Land Acquisition		-	1,025,000	-	-	-	-	-	-	1,025,000
Aquatic Center Design Work				100,000	-	-	-	-	-	100,000
Reserve	1,000,000	-	-	-	-	-	-	-	-	-
Total BBB	\$ 7,498,299	1,922,249	8,556,952	3,300,000	2,630,000	1,780,000	2,330,000	1,355,000	21,874,201	

**CITY OF FLAGSTAFF
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	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	Budget 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Total Plan
Streets/Transportation									
Streets									
Curb, Gutter, Sidewalk	\$ 15,000	16,380	15,000	15,000	15,000	15,000	15,000	15,000	106,380
Schultz Pass Rd Realign	532,902	672,151	-	-	-	-	-	-	672,151
Overlay	2,017,780	1,981,925	2,133,954	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	11,615,879
Lake Mary Rd @ LDS	326,909	298,756	-	-	-	-	-	-	298,756
Enterprise/Butler Reconstruction	7,735,000	4,067,570	3,873,282	-	-	-	-	-	7,940,852
Signal - Forest and San Francisco	80,000	79,920	-	-	-	-	-	-	79,920
Southside Traffic Improvements	553,335	20,151	323,357	209,827	-	-	-	-	553,335
ADA Compliance	100,364	259,020	116,361	100,000	100,000	100,000	100,000	100,000	875,381
Kiltre Lane	200,000	-	200,000	-	-	-	-	-	200,000
Minor Traffic Improvements	-	-	-	-	-	190,000	190,000	250,000	630,000
Sunnyside	724,200	215,294	761,836	661,000	964,000	1,098,300	1,044,000	965,000	5,709,430
Traffic Signal Modification	25,000	-	20,125	-	-	-	-	-	20,125
Traffic Diverter - San Fran & O'Leary	45,000	33,570	33,570	-	-	-	-	-	67,140
Bus Pullouts	110,000	103,325	-	-	-	-	-	-	103,325
Reserve for Improvements	50,159	27,053	51,210	50,000	50,000	50,000	50,000	50,000	328,263
									-
Transportation									
4th Street Overpass	3,100,881	1,790,807	9,692,752	5,264,343	5,246,426	6,448,792	4,936,557	-	33,379,677
Reserve for improvements	4,816,972	-	-	-	-	-	-	-	-
Transportation CIP - Gen Admin	-	24,621	-	-	-	-	-	-	24,621
Misc Safe to School	-	25,011	482,401	-	-	-	-	-	507,412
Univ Heights Pedestrian Refuge	-	107,909	-	-	-	-	-	-	107,909
Thomas Drive Urban Link	-	26,294	264,422	-	-	-	-	-	290,716
Sidewalk - Thomas School	-	50,556	-	-	-	-	-	-	50,556
Sidewalk - University Heights Dr.	-	77,747	-	-	-	-	-	-	77,747
Misc Bike/Ped	-	19,908	-	-	-	-	-	-	19,908
Soliere Avenue	-	322,362	1,101,278	-	-	-	-	-	1,423,640
Country Club Drive	-	115,858	1,253,238	-	-	-	-	-	1,369,096
Dirt Streets Program	-	8,848	-	-	-	-	-	-	8,848
Transportation Planning	-	-	625,683	-	-	-	-	-	625,683
Birch avenue Curb and Gutter	-	-	285,000	-	-	-	-	-	285,000
Dodge Avenue	-	-	1,787,984	1,787,400	-	-	-	-	3,575,384
Empire Avenue Extension	-	-	500,000	1,640,000	460,000	-	-	-	2,600,000
Test Drive Road	-	-	-	1,750,000	-	-	-	-	1,750,000
Loop Road	-	-	1,230,600	2,333,900	-	-	-	-	3,564,500
Total Streets/Transportation	\$20,433,502	10,345,036	24,752,053	15,311,470	8,335,426	9,402,092	7,835,557	2,880,000	78,861,634

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2002-2008**

	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	Budget 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Total Plan
Water/Wastewater									
Water									
Annual Well Maint-Lake Mary	\$ 150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,050,000
Purch of Property Rights-Watershed	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000
Annual Well Maint-Woody Mtn	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	1,750,000
Inner Basin Pipeline	92,000	92,000	95,700	98,500	101,200	104,000	106,800	109,600	707,800
Roofing Replacement-LM	40,000	40,000	20,000	-	-	-	-	-	60,000
Dam Improvements	-	-	20,000	-	-	-	-	-	20,000
Well Maintenance-Inner Basin	-	61,678	20,000	-	-	-	-	-	61,678
Floor Installation	-	-	6,500	-	-	-	-	-	6,500
East Rt 66/Enterprise Waterline	-	1,852	-	-	-	-	-	-	1,852
Water Loading Station	100,000	7	100,000	-	-	-	-	-	100,007
Lucky Lane Waterline	106,798	105,844	146,500	-	-	-	-	-	252,344
Butler/Lucky Lane Waterline	178,816	-	-	-	-	-	-	-	-
Enterprise/Huntington Waterline	47,199	47,199	-	-	-	-	-	-	47,199
Isabel Reclaim Extension	-	-	40,000	-	-	-	-	-	40,000
Meter Replacement	150,000	150,000	166,000	-	-	-	-	-	316,000
Amberwood Booster	250,299	198,580	55,849	-	-	-	-	-	254,429
Agassiz/Dupont/Verde Waterline	-	-	297,600	-	-	-	-	-	297,600
Coconino Ave Waterline	-	-	144,649	-	-	-	-	-	144,649
Humphreys Waterline (ADOT)	-	-	271,532	-	-	-	-	-	271,532
Black Barts/Sinagua Hts Waterline	-	-	-	752,600	-	-	-	-	752,600
Foxgelm/Skyview Waterline	-	-	-	771,700	-	-	-	-	771,700
Sunnyside Improvements	1,710,000	732,537	1,742,679	172,100	963,000	1,340,600	1,784,500	-	6,735,416
Infrastructure Railroad	-	-	-	1,276,000	-	-	-	-	1,276,000
Ponderosa Trails to Airport W/L	350,297	-	-	-	381,500	-	-	-	381,500
Mohawk Dr Waterline	-	-	-	-	69,900	-	-	-	69,900
Elm Street Waterline	-	-	-	-	114,100	-	-	-	114,100
CC College/NAU Waterline	-	-	-	-	245,400	-	-	-	245,400
Talkington/Lynn/Elizabeth Waterline	-	-	-	-	-	322,000	-	-	322,000
Benton/SF Alley/Elden Waterline	-	-	-	-	-	188,500	-	-	188,500
Franklin Waterline (Beaver/Lone Tree)	-	-	-	-	-	-	215,300	-	215,300
N. San Francisco Alley Waterline	-	-	-	-	-	-	69,000	-	69,000
Park Street Waterline (Santa Fe/Dale)	-	-	-	-	-	-	-	306,600	306,600
Aspen Waterline (Sitgreaves/Aztec)	-	-	-	-	-	-	-	306,600	306,600
Reserve	110,000	118,415	114,883	115,800	119,100	122,400	125,700	128,900	845,198
Lake Mary Dam Grouting	-	702	-	-	-	-	-	-	702
System Vulnerability	-	-	50,000	-	-	-	-	-	50,000
Town Well #4 Equip.	-	-	500,000	-	-	-	-	-	500,000
Town Wells 3 & 4	1,600,000	1,466,945	516,871	-	-	-	-	-	1,983,816
LMWTP Filter Modifications	2,100,000	1,226,402	4,109,000	-	-	-	-	-	5,335,402
Water Production Wells	-	-	-	-	-	-	707,200	3,737,000	4,444,200
EMA System Improvements	340,000	91,653	206,000	-	-	-	-	-	297,653
Lake Mary Wellfield #2 Pipeline	-	-	-	-	-	-	-	68,400	68,400
Total Water	7,595,409	4,762,517	9,023,763	3,606,700	2,414,200	2,497,500	3,428,500	5,077,100	30,810,280

	Budget	Estimate	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Total
	2001-2002	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008			Plan
Wastewater											
Buffalo Park Tank Repaint	\$ -	125,000	-	-	-	-	-	-	-	-	125,000
Rio Computer	30,000	30,000	-	-	-	-	-	-	-	-	30,000
Primary Effluent Pump Replace	-	6,467	-	-	-	-	-	-	-	-	6,467
Reclaimed Water Storage	-	15,194	-	-	-	-	-	-	-	-	15,194
Reserve Plant Engineering	36,510	36,510	30,000	-	-	-	-	-	-	-	66,510
WW System Optimization	340,000	101,465	300,000	-	-	-	-	-	-	-	401,465
Wildcat Screw Press	61,800	5,500	44,367	-	-	-	-	-	-	-	49,867
Rio Plant Screw Press	60,100	45,000	-	-	-	-	-	-	-	-	45,000
Rio Plant Chem Feed	50,000	50,017	-	-	-	-	-	-	-	-	50,017
Wildcat Crackseal	10,069	10,000	-	-	-	-	-	-	-	-	10,000
WC Upgrade/Reclaim Connection	-	-	150,000	-	-	-	-	-	-	-	150,000
WW Plant Expansion Design	-	-	-	-	-	-	1,256,600	6,447,100	-	-	7,703,700
Bio Tower Media	1,100,000	-	1,100,000	-	-	-	-	-	-	-	1,100,000
Wildcat Add'l SEPS Pump	-	-	64,169	-	-	-	-	-	-	-	64,169
Rio Plant Chipseal	-	-	33,360	-	-	-	-	-	-	-	33,360
Septage Pipe Replacement	-	-	36,000	-	-	-	-	-	-	-	36,000
Wildcat SCADA	-	-	-	313,500	-	-	-	-	-	-	313,500
Wildcat Loadout Replacement	-	-	-	53,000	-	-	-	-	-	-	53,000
Rio Plant UPS	-	-	-	23,200	-	-	-	-	-	-	23,200
Wildcat Crackseal	-	-	-	29,000	-	-	-	-	-	-	29,000
Additional Digester at Wildcat	-	-	-	115,800	2,263,000	-	-	-	-	-	2,378,800
Replacement Dredge	-	-	-	-	189,400	-	-	-	-	-	189,400
Rio Plant Additional Filter	-	-	-	-	122,700	-	-	-	-	-	122,700
Rio Plant Clear/Skim Modifier	-	-	-	-	-	1,134,500	-	-	-	-	1,134,500
Wildcat Primary Clarifier Coating	-	-	-	-	-	112,000	-	-	-	-	112,000
Wildcat Crackseal	-	-	-	-	-	183,600	-	-	-	-	183,600
Wildcat Pipe Replacement	-	-	-	-	-	12,900	-	-	-	-	12,900
Wildcat Grease Treatment	-	-	-	-	-	61,200	125,700	265,600	-	-	452,500
Wildcat Blast and Mortar Wash	-	-	-	-	-	-	-	264,300	-	-	264,300
Second Street Sewer	312,667	215,153	311,000	-	-	-	-	161,200	-	-	161,200
EMA System Improvements	-	-	-	257,500	-	-	-	-	-	-	257,500
Birch Ave Sewer	437,400	68,000	677,494	-	-	-	-	-	-	-	745,494
Humphreys Sewer (ADOT)	-	-	267,024	150,576	-	-	-	-	-	-	417,600
Arrowhead/Mt. View Sewer	-	-	105,547	1,147,700	-	-	-	-	-	-	1,253,247
Wildcat Boiler Replacement	-	-	-	43,700	-	-	-	-	-	-	43,700
Confidential Outfall Sewer	-	-	-	-	-	247,200	-	-	-	-	247,200
Reclaimed Loadout Station	-	-	-	-	-	168,000	-	-	-	-	168,000
Mike's Pike Sewer	-	-	-	-	-	213,000	-	-	-	-	213,000
Terrace/Birch Sewer	-	-	-	-	-	207,700	339,200	-	-	-	546,900
Lower Greenlaw Sewer	-	-	-	-	-	-	-	312,000	-	-	312,000
Rio Outfall	803,796	821,714	229,246	231,700	238,200	244,800	251,300	257,900	-	-	2,274,860
Reserve	81,995	50,000	81,955	86,900	89,300	91,800	94,200	96,700	-	-	590,855
Total Wastewater	3,324,337	1,580,020	3,430,162	2,452,576	2,902,600	2,676,700	2,973,000	7,804,800	7,804,800	23,819,858	
Total Water and Wastewater	\$ 10,919,746	6,342,537	12,453,925	6,059,276	5,316,800	5,174,200	6,401,500	12,881,900	12,881,900	54,630,138	

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2002-2008**

	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	Budget 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Total Plan
Airport									
Master Plan Update	\$ 700,033	76,500	547,447	322,467	-	-	-	-	946,414
Design/Construct Apron Replacement	1,145,000	1,950,930	-	-	-	-	-	-	1,950,930
Demolition Bldgs/Apron	-	6,468	-	-	-	-	-	-	6,468
Environmental Services	100,093	5,289	-	-	-	-	-	-	5,289
Design & Constr Air Carrier Apron	1,130,000	984,734	-	-	-	-	-	-	984,734
Design & Constr Taxi/ Apron-GA	-	-	-	-	200,000	2,500,000	-	-	2,700,000
Design/Constr JWP/Pulliam Widening	-	-	-	-	200,000	1,600,000	-	-	1,800,000
Design/Constr ARFF & Snow Equip	-	-	-	125,000	1,925,000	-	-	-	2,050,000
New Parallel Taxiway North	8,579,695	5,268,395	2,982,374	281,254	-	-	-	-	8,532,023
Land Acquisition	1,140,000	-	-	-	1,140,000	-	1,140,000	-	2,280,000
Safety Area Rehab RW3	982,791	116,563	118,174	-	-	-	-	-	234,737
Runway Extension	-	-	503,736	3,500,000	5,000,000	-	-	-	9,003,736
Future Projects-FAA	-	-	-	-	-	-	500,000	3,000,000	3,500,000
Pavement Crack Seal Overlay	-	-	222,327	-	-	-	475,000	-	697,327
Rental Car Clean up area	-	-	950,000	-	-	-	-	-	950,000
West Hangar Area	-	-	1,900,000	-	-	-	-	-	1,900,000
Aerial Mapping	-	-	78,785	-	-	-	-	-	78,785
Total Airport	\$ 13,777,612	8,408,879	7,302,843	4,228,721	8,465,000	4,100,000	2,115,000	3,000,000	37,620,443

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2002-2008**

	Budget 2001-2002	Estimate 2001-2003	Budget 2002-2003	Budget 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Total Plan
Environmental Services									
Bin Storage Area	\$ 28,000	-	28,000	-	-	-	-	-	28,000
Annual Setaside - Landfill Closure	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	3,500,000
Landfill Consultant Fees	100,000	-	50,000	-	-	-	-	-	50,000
Landfill Fencing - Lateral Expansion	-	-	-	-	-	-	-	30,000	30,000
Cinderlake Landfill Site Entry	210,109	5,103	-	-	-	-	-	-	5,103
Cinderlake Landfill Residential Dropoff	100,125	10,000	50,805	-	-	-	-	-	60,805
Methane Control	85,000	-	-	-	-	-	85,000	-	85,000
Methane Mitigation	52,000	-	50,000	-	-	-	-	-	1,050,000
Methane Gas Collection Wells	35,000	-	35,000	-	-	1,000,000	-	-	35,000
Extension of Well (Vadoze Well)	25,000	-	15,000	25,000	25,000	25,000	25,000	25,000	140,000
Tree Clearing Landfill	-	-	40,000	-	-	-	-	-	40,000
MRF Entry Improvements	240,445	-	242,444	-	-	-	-	-	242,444
Landfill Site Improvement	-	133,668	-	-	-	-	-	-	133,668
Completion of Tier II Analysis	-	-	23,000	-	-	-	-	-	23,000
HH Hazardous Waste Building	-	199,027	107,000	-	-	-	-	-	306,027
Total Environmental Services	\$ 1,560,679	847,798	1,246,249	525,000	525,000	525,000	1,610,000	555,000	5,834,047

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2002-2008**

	Budget 2001-2002	Estimate 2001-2003	Budget 2002-2003	Budget 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Total Plan
Stormwater Utility									
Drainage Improvements	\$ -	-	-	410,000	410,000	450,000	850,000	850,000	2,970,000
Total Stormwater Utility	\$ -	-	-	410,000	410,000	450,000	850,000	850,000	2,970,000

FINANCING THE CAPITAL PLAN

The major sources of financing capital improvements in the upcoming fiscal year are:

Operating Funds	69.9%
Debt Financing	19.5%
Grants	10.6%

The rating agencies (Standard and Poors' Corp. and Moody Investors, Inc.) view 15% from operating funds as highly favorable. The City currently is financing 69.9% of its CIP out of operating funds. However, because of large funding requirements, debt financing still continues to be the major source of financing for capital improvements. A brief description of the major types of financing available and limitations as to use is presented below.

GENERAL OBLIGATION (G.O.) BONDS

The bonds issued are general obligations of the City secured by the full faith and credit of the City through its power to tax. In order for bonds to be issued, voter authorization must be obtained. Debt service (payment of principal and interest) is to be paid from the proceeds of ad valorem taxes, i.e., property taxes. The Arizona Constitution and State Statutes limit the indebtedness that a jurisdiction may incur by the type of project constructed. The City can issue G.O. bonds up to 20% of the secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, and recreational facilities. For all other general-purpose improvements, the City may issue up to 6% of its secondary assessed valuation. \$34.1 million was outstanding on July 2, 2002, and the City has \$20.2 million in available capacity at the 6% debt margin and \$57.3 million in available capacity at the 20% debt margin as of July 1, 2002. In November 1996, \$8.2 million in General Obligation bonds for Parks and Recreation improvements was approved and \$1.1 remains to be issued.

HIGHWAY USER REVENUE (HURF) BOND

The State distributes a share of the motor vehicle fuel tax to cities based partially on population (50% of allocation) and partially on jurisdiction of origin. This special revenue source can only be used for maintenance or construction of streets and highways. Special revenue bonds can be issued for construction of street projects, with the gas tax revenues pledged as a source of debt repayment. The annual total debt service, both principal and interest, cannot exceed 50% of the HURF distribution received for the most recent

twelve month period by the City. The City has issued \$16.8 million and \$16.3 million is outstanding as of July 2, 2002. Approximately \$45.5 million in capacity is currently available in junior lien or senior lien bonds.

JUNIOR LIEN BONDS PAYABLE FROM HIGHWAY USER TAX REVENUES

In order for the City to issue junior lien bonds, the City must have received Highway Users Tax Revenues in the twelve months preceding the issuance of the bonds in an amount equal to 1.5 times the highest annual debt service requirements (principal and interest) on all HURF bonds outstanding. Additionally, if coverage is not at least two times the highest debt service requirements, then the proposed bonds must bear a rating at the time of the issuance of "A" or better by one of the nationally recognized rating agencies. The City issued \$5.6 million of junior lien bonds in FY 1993 and all bonds are still outstanding. The City may issue any combination of junior and senior lien bonds as long as the coverage requirements are satisfied. Approximately \$45.5 million in capacity is currently available in junior lien bonds or as senior lien bonds.

WATER AND SEWER REVENUE BONDS

In addition to water/sewer G.O. bonds, the City can sell bonds that pledge utility revenues. Debt service requirements are paid from the net revenue derived by the City from the operations of its water and sewer system after provision has been made for the payment from such revenues of the reasonable and necessary expenses of the operation and maintenance of such systems. Therefore, there is no legal limitation on indebtedness that can be incurred; rather, there is only the practical limitations imposed by what the utility rate structures will support.

The \$40.7 million authorized by voters in November 1990 can be either G.O. bonds or revenue bonds. The issuance thus far has been G.O. bonds. The \$6.8 million remaining authorization was sold in FY 2003 through the Water Infrastructure Financing Authority (WIFA). The City is pledging the revenue of its water and wastewater system.

SPECIAL IMPROVEMENT/ASSESSMENT DISTRICTS

Special improvements/assessments are a means of financing services or capital improvements that benefit specific property owners more than the

general public. Majority consent must be obtained from the property owners within the designated geographic assessment district. These property owners are then levied a supplemental property tax assessment for their share of the costs of the improvements. The City is currently assessing two districts.

MUNICIPAL FACILITIES CORPORATION (MFC) BONDS

The Flagstaff Municipal Facilities Corporation, Inc. (MFC) is a not-for-profit corporation over which the City exercises significant oversight authority. It was formed to assist the City in acquiring land and constructing improvements thereon, constructing and acquiring improvements upon land owned by the City, and in any other way incurring expenses to improve the use of presently owned facilities, or as they may be expanded in the future. The City Charter requires that to construct projects, with the exception of utilities, public safety and street facilities in excess of \$1 million require voter approval. The \$1 million limit is adjusted annually by the consumer price index at July 1 of each year. The estimated amount July 1, 2002 is \$1.8 million.

The Corporation finances various projects for the benefit of the City by issuing MFC bonds. Bonds may be issued without voter approval and without limitation as to interest rate or amount. The City enters into a rental lease agreement with the corporation sufficient to service the debt on the MFC bonds. The bonds are made marketable by assuring, prior to entering into any lease agreement with the MFC, the City will maintain an excise, transaction privilege, and franchise tax base at least three times the maximum annual debt service.

Most municipalities in Arizona have utilized this method of financing to construct major public projects such as municipal complexes, civic centers, and sports complexes. In September 1997, voters approved \$4.7 million in MFC Bonds for the construction of a facility to be leased by USGS. The City issued these bonds in FY 2001 and all bonds are still outstanding. In May 2000, the City received voter authorization to issue \$25 million in bonds for the construction of an overpass at 4th Street.

CERTIFICATES OF PARTICIPATION

This type of financing is often used for lease purchases and is very similar to bond financing. An official statement for the certificates is prepared, which very closely resembles bond-offering statements. Proceeds from the

certificates are remitted through a trust and per the lease agreement to the lessor. Lease payments are made to the trustee who then remits the appropriate funds to the certificate holders. Additionally, the trust holds an assignment agreement with the lessor to protect the investors. Certificates of Participation are often brokered through private placements to hold down issuance costs.

LEASE FINANCING

Under this type of debt financing, a governmental entity enters into a contractual arrangement with the issuer to construct or otherwise acquire facilities and/or equipment that is needed by the entity. Ordinarily, all operation and maintenance costs are the responsibility of the lessee (borrower).

The lease terms are generally structured such that the rental payments are sufficient to meet debt service costs as well as any administrative expenses. Usually a reserve fund is set aside at inception as security to obtain a competitive interest rate.

Typically, lease financing is used for acquisition of major capital equipment, e.g., computer systems, fire apparatus, which are very expensive and have a useful life greater than five years but typically are not expected to have a useful life as long as the terms of bonds issued.

GRANTS

Grants are contributions of cash or other assets from another governmental entity to be used or expended for a specified purpose, activity, or facility. Grants can be either capital grants or operating grants. Capital grants are for the acquisition or construction of fixed assets and usually require some local effort match. All other grants are considered operating grants. Grants have specific compliance requirements including prescribing the activities allowed and not allowed, eligibility requirements, matching level of effort or earmarking requirements, reporting requirements, and special provisions to be taken into consideration.

The current expansion at Pulliam Airport is being financed with proceeds from the sale of airport property and ADOT and FAA grants. Major funding for the City's various affordable housing programs is provided through HOME and Community Development Block grants. The City has also received major funding for a streetscaping project under the ISTEA (Intermodal Surface Transportation Efficiency) grant.

Block Grant Programs. The Federal government distributes grant funds under eight omnibus block grant programs. With the 1995 Census, HUD designated Flagstaff as an Entitlement Community. This designation allows the City to receive funding directly from HUD. These funds will be used primarily for low income housing repair and construction and infrastructure in low-income neighborhoods.

INTERGOVERNMENTAL AGREEMENTS (IGA)

Infrastructure needs may, at times, overlap different jurisdictional boundaries. Jurisdictions then often enter into an IGA for the construction and proportionally shared payment of the project. One jurisdiction will act as primary lead agent for project management purposes. The Transportation Regional Plan and Storm Drainage Master Plan, in particular, may often require coordinated efforts between the City, Arizona Department of Transportation (ADOT) and Coconino County.

STATE REVOLVING LOAN FUND

Arizona has established a revolving fund empowered to accept Federal capitalization grants for publicly owned wastewater treatment projects pursuant to the Federal Water Pollution Control Act and Water Quality Act. In order to qualify for the Federal monies, the State must match a 20% contribution into the fund. The WIFA that issues bonds that are then lent to different governmental entities to finance projects, manages Arizona's fund. Projects are submitted to WIFA for review and prioritization. Based on this compilation, projects are then eligible for funding. The City previously received a \$6 million loan from these funds for the reclaimed water distribution system. The WIFA board approved an additional loan of \$6.8 million in water improvements.

Another loan program available through the State is the Arizona State Transportation Board's Airport Revolving Loan Program. The loans are provided for airport-related construction projects not eligible for federal funding or under other programs and are designed to improve airport self-sufficiency. The City received a \$600,000 loan from these funds for the construction of an additional hangar.

PAY-AS-YOU-GO FINANCING

Projects funded on a pay-as-you-go basis derive their financing from current revenue streams or prior savings that have been kept in fund balance. This method of financing eliminates the need for borrowing and thereby preserves debt capacity for

other purposes. Costs are lower because non-debt financing does not incur interest costs. The major drawbacks of pay-as-you-go financing include inadequacy of funds available (taxes, reserves); erratic impact on rate structures (water/sewer rates); legislative approval (formation of improvement district); and political difficulties (impact fees or other exactions).

The City is currently funding 69.9% of capital improvements on a pay-as-you-go basis. Capital improvements that are considered ongoing improvements and maintenance required expenditures are built into the rate structure of the two enterprise funds (Utilities and Environmental Services). Additionally, the City has sinking reserve funds for landfill closure.

FIVE-YEAR PROJECTIONS BY FUND

GENERAL FUND

The five-year financial projection includes on-going expenditures related to capital purchases and revised service levels. This includes financing for flood control, facility needs, and land acquisition. The parks division has increased to reflect additional duties for new projects that are estimated to be completed over the next five years. These include new Parks, Streetscape projects, FUTS trails, and the recently completed Heritage Square.

As financial conditions change in the city the five-year projections are continually updated to balance the on-going sources and uses of funds, whether the change is a planned expenditure, increases in insurance costs or changes in revenue sources. The projections also include other factors such as inflation and turnover based on historical experience.

STREETS

The five-year financial projection includes rolling stock replacements, increased maintenance for new construction and estimates to purchase cinders for snow season. Capital includes annual allocations for the street overlay program, ADA compliance, the Fourth Street overpass project, and minor street improvements.

LIBRARY

The Library Fund projects on-going operations at the current level of funding. Also included are the operating and maintenance costs related to

the on-line automation project that was completed in FY 2001.

TOURISM

Tourism continues on-going operations at the current level of funding.

RECREATION

The five-year financial projection includes estimated timing of projects and the related increase in funds transferred to the General Fund for operations and maintenance of new parks based on acreage and historical costs. Additional insurance premiums for amenities such as skate parks are also transferred to the General Fund. As of June 2001 the city issued \$3.1 million in General Obligation bonds. The city currently has remaining authority to issue \$1.1 million in general obligation bonds for parks projects, but does not intend to issue this authority.

REAL ESTATE PROCEEDS

The Real Estate Proceeds Fund has budgeted for open space acquisition. The future allocations for the purchase of open space are contingent on the sale of the property and will be adjusted as the sales occur.

SECONDARY PROPERTY TAX FUND

The five-year projection uses the current assessed valuation figures from the county to estimate property taxes that will be available for debt service expenditures. The projection assumes additional voter authorization to be issued in the future and maintaining the existing tax rate. This allows the city to look at the long-term property tax rates to smooth the highs and lows and maintains a more level tax rate from year to year.

UTILITIES

The City uses a rate model to balance on-going costs, revised service levels and capital expenditures with anticipated revenues over a ten-year period. Based on this model that was updated in 2002, no rate increase is anticipated. The City's water and wastewater operations are operated as an Enterprise Fund activity, i.e., self-sustaining operations with user fees and charges based on a "cost-of-service" methodology. The rate model determines the minimum revenue requirements needed to support operations including: all operating and maintenance costs; capital improvements

considered routine in nature; principal and interest payments on bonded debt related to utility construction; and maintaining a year-end fund balance sufficient to ensure adequate working capital.

AIRPORT

The Airport includes the five-year capital plans as presented to ADOT and FAA with the necessary city match and General Fund subsidy combined with continued operations and expected revenue changes, including the new fixed base operator beginning in FY 2002. The Airport has \$7.3 million budgeted for capital projects, of which ADOT and FAA are expected to fund \$4.2 million.

ENVIRONMENTAL SERVICES

Included in the five-year projection is the anticipated funding to cover the landfill closure and post-closure costs at the end of the useful life of the landfill. The five-year projection balances anticipated revenues at current rates with on-going operations, capital needs and revised service levels for all operations. A State grant has enabled the City to construct a Household Projects Collection center located at the Cinderlake Landfill. A year-round Hazardous Waste program will be fully implemented in 2003.

CITY OF FLAGSTAFF
GENERAL FUND
FIVE YEAR PLAN 2003-2008

Sources of Funds	Actual	Budget	Estimate	Budget	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
	2000-2001	2001-2002	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Beginning Fund Balance	\$ 15,973,031	16,946,498	17,829,187	13,836,044	5,840,606	4,937,460	5,819,254	7,218,775	8,868,083
Revenues									
Taxes									
Sales Tax	10,810,658	10,787,211	11,101,606	11,432,104	11,720,267	12,015,704	12,318,600	12,629,144	12,947,529
Property Tax	2,853,091	3,066,182	3,011,483	3,117,493	3,242,193	3,355,670	3,473,118	3,594,677	3,720,491
Franchise Fees	1,690,043	1,719,471	1,770,735	1,803,748	1,879,725	1,960,375	2,046,059	2,106,241	2,168,228
Intergovernmental Revenues									
State Shared Income Tax	6,432,879	5,516,028	5,516,028	5,607,519	6,963,594	7,033,230	7,103,562	7,174,598	7,246,344
State Shared Sales Tax	4,919,575	4,227,141	4,127,647	4,121,256	4,203,681	4,287,755	4,373,510	4,460,980	4,550,200
Auto Lieu Tax	1,913,662	1,600,000	1,755,969	1,791,089	1,901,911	2,014,949	2,055,248	2,096,353	2,138,280
Federal Grants	659,816	670,193	741,797	644,308	547,724	562,096	576,846	591,984	607,520
State Grants	336,775	232,624	124,128	303,723	199,390	205,370	211,540	217,890	224,430
License & Permits									
Business Licenses	35,203	32,163	32,163	33,800	35,490	37,265	39,128	41,084	43,138
Building Permits	1,068,009	1,335,000	1,560,000	1,388,400	1,443,936	1,501,693	1,561,761	1,624,231	1,689,200
Other Licenses and Permits	215,238	123,840	181,982	131,550	136,640	141,985	147,597	153,489	159,676
Charges for Services									
General Government	180,483	126,993	141,027	145,000	152,250	159,862	167,856	176,249	185,063
Parks and Recreation	518,704	524,900	502,978	538,825	559,048	580,183	602,265	625,346	649,469
Public Safety	251,252	891,704	805,704	904,559	925,244	946,476	968,271	990,644	1,013,613
Cemetery	75,186	92,275	97,651	97,000	101,850	106,943	112,290	117,904	123,800
Fines & Forfeitures									
Court Fines	797,335	817,150	814,071	937,000	951,450	966,299	981,563	997,259	1,013,407
Other Fines	84,684	83,424	124,060	130,125	132,788	135,514	138,303	141,158	144,081
Other Revenue									
Interest Earnings	1,185,889	650,000	520,000	520,000	520,000	520,000	520,000	520,000	520,000
Miscellaneous	409,720	1,578,871	1,293,949	1,131,928	800,568	803,545	806,659	818,008	839,649
Total Revenues	34,438,202	34,075,170	34,222,978	34,779,427	36,417,749	37,334,914	38,204,177	39,077,240	39,984,119
Transfers In									
Library	-	250,000	-	250,000	-	-	-	-	-
HURF	324,311	94,287	94,032	172,030	93,500	93,500	75,000	75,000	75,000
Beautification	150,201	162,201	162,201	167,201	181,201	185,451	189,707	193,970	199,239
Tourism	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238
Recreation-BBB	419,512	736,390	736,390	802,567	902,978	929,509	952,915	982,222	1,006,956
Utilities fund	2,380,133	2,394,293	2,394,293	2,406,423	2,402,563	2,398,988	2,420,558	2,410,723	1,811,423
Solid Waste	429,678	429,678	429,678	429,678	429,678	4,678	4,678	4,678	4,678
Capital Projects Fund	-	321,334	321,334	-	-	-	-	-	-
Total Transfers In	3,710,073	4,394,421	4,144,166	4,234,137	4,016,158	3,618,364	3,649,096	3,672,831	3,103,534
Total Revenues & Transfers In	38,148,275	38,469,591	38,367,144	39,013,564	40,433,907	40,953,278	41,853,273	42,750,071	43,087,653
Total Sources of Funds	54,121,305	55,416,089	56,196,331	52,849,608	46,274,513	45,890,739	47,672,527	49,968,845	51,955,735

CITY OF FLAGSTAFF
GENERAL FUND
FIVE YEAR PLAN 2003-2008

Use of Funds	Actual 2000-2001	Budget					2007-2008					
		2001-2002	Estimate 2001-2002	2002-2003	2003-2004	2004-2005		2005-2006	2006-2007			
Departments												
General Administration	2,409,902	3,751,243	3,581,706	3,721,591	3,861,380	3,883,031	4,069,241	4,094,438	4,288,393			
Management Services	3,008,610	3,358,863	3,154,570	2,861,085	3,029,324	3,027,658	3,109,771	3,274,112	3,280,743			
Community Development	3,808,597	4,167,537	4,030,729	4,206,871	3,867,690	3,973,267	4,081,727	4,193,150	4,307,615			
Fire	5,994,108	6,368,000	6,175,698	6,804,324	6,989,906	7,180,554	7,376,404	7,577,600	7,784,287			
Police	8,936,591	9,587,952	9,242,129	10,603,885	10,775,676	11,067,959	11,368,179	11,676,551	11,993,296			
Public Works	5,027,592	5,652,394	5,287,050	5,899,519	6,147,609	6,311,177	6,475,110	6,648,529	6,822,053			
Non-Departmental	2,230,759	2,813,657	1,771,511	2,231,149	1,947,231	2,388,489	1,948,522	1,997,565	2,047,841			
Contingency	200,663	940,000	250,000	670,000	250,000	250,000	250,000	250,000	250,000			
Less Indirect Charges	(4,716,648)	(4,885,333)	(4,644,936)	(4,658,210)	(4,924,747)	(5,200,613)	(5,486,134)	(5,781,649)	(5,955,098)			
Total Department Expenditures	26,900,174	31,754,313	28,848,457	32,340,214	31,944,069	32,881,522	33,192,820	33,930,296	34,819,130			
Debt Service												
Leases (copier)	16,365	-	-	-	-	-	-	-	-			
Leases (radios)	580,765	900,000	700,000	-	-	-	-	-	-			
Total Debt Service	597,130	900,000	700,000	-	-	-	-	-	-			
Total Operating Budget	27,497,304	32,654,313	29,548,457	32,340,214	31,944,069	32,881,522	33,192,820	33,930,296	34,819,130			
Revised service Levels												
Police officers @ 2 per year	-	-	-	-	102,500	207,563	315,252	425,633	538,774			
Additional operating costs	-	-	-	-	24,008	49,216	50,446	51,708	53,000			
New Positions/Change to Comp Pkg	-	-	-	-	102,500	207,563	315,252	425,633	538,774			
Total Revised Service Levels	-	-	-	-	229,008	464,342	680,951	902,974	1,130,549			
Capital/CIP												
Fleet	605,218	915,832	97,620	1,196,610	824,299	726,419	445,198	334,446	634,329			
MIS	664,635	917,665	917,665	510,998	564,958	592,176	775,085	813,839	854,531			
Cip	1,834,445	6,604,787	2,943,967	3,959,470	2,512,500	1,228,500	783,000	420,000	340,000			
Capital	862,101	477,621	1,098,774	2,839,808	455,000	-	-	-	-			
Total Capital/CIP	3,966,399	8,915,905	5,058,026	8,506,886	4,356,757	2,547,095	2,003,283	1,568,285	1,828,860			
Transfers Out												
Library	1,078,240	1,024,240	1,003,756	1,127,079	1,155,256	1,184,137	1,213,741	1,244,084	1,275,186			
Hurf	2,380,133	2,394,293	2,394,293	2,401,423	3,402,563	2,398,988	2,420,558	2,410,723	1,811,423			
Economic Development	-	-	-	50,000	65,000	65,000	65,000	65,000	65,000			
Arts and Science	78,354	95,000	95,000	95,000	95,000	95,000	95,000	70,000	70,000			
Real Estate Proceeds	150,000	150,000	150,000	150,000	275,400	275,400	275,400	275,400	275,400			
Community Redevelopment-CDBG	425,000	425,000	416,500	375,400	714,000	810,000	707,000	634,000	688,000			
Capital Projects Fund	821,000	-	400,000	-	-	-	-	-	-			
Airport	783,000	1,123,000	947,000	776,000	714,000	810,000	707,000	634,000	688,000			
Environmental Services	62,688	64,255	64,255	-	-	-	-	-	-			
Total Transfers Out	5,778,415	5,275,788	5,470,804	4,974,902	5,707,219	4,828,525	4,776,699	4,699,207	4,185,009			
Excess revenues over expenditures	906,157	(8,376,415)	(1,710,143)	(6,808,436)	(1,803,146)	231,794	1,199,521	1,649,308	1,124,105			
One Time Projects												
Land Acquisition/Facility Needs	-	5,300,000	3,183,000	2,087,000	-	-	-	-	-			
LERDS and Construction	(950,000)	(900,000)	(900,000)	(900,000)	(900,000)	(650,000)	(200,000)	-	-			
Total One Time Projects	(950,000)	4,400,000	2,283,000	1,187,000	(900,000)	(650,000)	(200,000)	-	-			
Total Uses of Funds	36,292,118	51,246,006	42,360,287	47,009,002	41,337,053	40,071,484	40,453,752	41,100,763	41,963,548			
Ending Fund Balance	\$ 17,829,187	\$ 4,170,083	\$ 13,836,044	\$ 8,840,606	\$ 4,937,460	\$ 5,819,254	\$ 7,218,775	\$ 8,868,083	\$ 9,992,188			

CITY OF FLAGSTAFF
LIBRARY FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of funds									
Beginning fund balance	\$ 969,880	1,380,182	1,028,175	1,030,054	266,387	246,559	224,776	200,842	172,554
Revenues									
State Grants	153,973	100,000	68,327	43,647	100,000	100,000	100,000	100,000	100,000
Library District Taxes	1,835,109	1,840,237	1,419,949	2,105,005	1,904,469	1,947,200	1,991,000	2,035,894	2,081,911
Interest Earnings	57,939	10,000	26,000	15,000	17,000	19,000	21,000	21,000	21,000
Miscellaneous	(8)	20,000	35,000	45,000	20,000	20,000	20,000	20,000	20,000
Total Revenues	2,047,013	1,970,237	1,549,276	2,208,652	2,041,469	2,086,200	2,132,000	2,176,894	2,222,911
Transfers In									
General Fund	1,078,240	1,024,240	1,003,756	1,127,079	1,155,256	1,184,137	1,213,741	1,244,084	1,275,186
Total Transfers In	1,078,240	1,024,240	1,003,756	1,127,079	1,155,256	1,184,137	1,213,741	1,244,084	1,275,186
Total Sources of Funds	4,095,133	4,374,659	3,581,207	4,365,785	3,463,112	3,516,896	3,570,516	3,621,821	3,670,651
Uses of Funds									
Departments									
Library	1,847,660	2,016,457	2,016,588	2,250,549	2,290,396	2,346,309	2,403,717	2,462,661	2,523,181
Library Grants	57,057	70,935	68,327	43,647	100,000	100,000	100,000	100,000	100,000
Indirect Costs	265,133	198,877	192,906	345,985	354,635	363,501	372,589	381,904	391,452
Subtotal Departments	2,169,850	2,286,269	2,277,821	2,640,181	2,745,031	2,809,810	2,876,306	2,944,565	3,014,633
County Wide Projects & Growth	190,186	264,420	110,570	663,223	431,523	442,311	453,368	464,703	476,320
Subtotal County Wide Proj & Growth	190,186	264,420	110,570	663,223	431,523	442,311	453,368	464,703	476,320
Total Operating Expenditures	2,360,036	2,550,689	2,388,391	3,303,404	3,176,553	3,252,120	3,329,674	3,409,267	3,490,953
Contingency	-	100,000	-	100,000	-	-	-	-	-
Library Capital	610,006	420,550	162,762	445,994	40,000	40,000	40,000	40,000	40,000
County Capital	96,916	185,000	-	-	-	-	-	-	-
Total Capital	706,922	605,550	162,762	445,994	40,000	40,000	40,000	40,000	40,000
Transfer Out		250,000	-	250,000	-	-	-	-	-
Total Uses of Funds	3,066,958	3,506,239	2,551,153	4,099,398	3,216,553	3,292,120	3,369,674	3,449,267	3,530,953
Ending Fund Balance	\$ 1,028,175	868,420	1,030,054	266,387	246,559	224,776	200,842	172,554	139,698

CITY OF FLAGSTAFF
HIGHWAY USER FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of funds									
Beginning fund balance	\$ 10,023,348	11,109,971	11,140,246	9,409,957	676,021	432,830	57,470	83,077	240,011
Revenues									
Intergovernmental Revenues	79,628	1,263,389	1,263,389	-	500,000	-	-	-	-
Highway User Revenues	7,969,703	7,404,945	7,771,543	7,965,832	8,164,977	8,369,102	8,578,329	8,792,788	9,012,607
LTAIF	360,806	360,873	360,873	315,026	315,026	315,026	315,026	315,026	315,026
Interest Revenues	651,151	555,000	396,000	282,000	20,000	13,000	2,000	2,000	7,000
Miscellaneous Revenues	14,400	73,000	36,400	-	1,500,000	-	-	-	-
Total Revenues	9,075,688	9,657,207	9,828,205	8,562,858	10,500,003	8,697,128	8,895,355	9,109,814	9,334,633
Transfers In									
General Fund	2,380,133	2,394,293	2,394,293	2,401,423	3,902,563	2,398,988	2,420,558	2,410,723	1,811,423
Beautification	-	577,099	577,099	-	-	-	-	-	-
Utilities	-	-	-	-	321,000	-	-	-	-
Transportation Tax	-	5,316,972	1,279,114	4,670,700	3,650,000	249,000	-	-	-
Total Transfers in	2,380,133	8,288,364	4,250,506	7,072,123	7,873,563	2,647,988	2,420,558	2,410,723	1,811,423
Total Sources of Funds	21,479,169	29,055,542	25,218,957	25,044,938	19,049,587	11,777,946	11,373,384	11,603,613	11,386,067
Uses of Funds									
Departments									
Operating Expenditures	2,289,586	2,672,875	2,507,515	2,861,997	2,937,840	3,015,693	3,095,609	3,177,643	3,261,851
Indirect Cost	1,545,745	1,750,489	1,645,538	1,524,612	1,562,727	1,601,795	1,641,840	1,682,886	1,724,958
Capital Expenditures	2,847,262	17,949,875	8,269,981	15,697,655	10,600,127	3,649,000	3,527,300	3,487,350	3,483,059
Reserves/Contingencies	-	50,000	-	700,000	-	-	-	-	-
Total Expenditures	6,682,593	22,423,239	12,423,034	20,784,264	15,100,694	8,266,488	8,264,749	8,347,879	8,469,868
Debt Service									
Debt Service	2,382,019	2,394,293	2,391,679	2,512,623	2,522,563	2,728,988	2,750,558	2,740,723	2,141,423
Total Debt Service	2,382,019	2,394,293	2,391,679	2,512,623	2,522,563	2,728,988	2,750,558	2,740,723	2,141,423
Transfers Out									
General Fund	1,274,311	994,287	994,287	1,072,030	993,500	725,000	275,000	275,000	-
Total Transfers Out	1,274,311	994,287	994,287	1,072,030	993,500	725,000	275,000	275,000	-
Total Uses of Funds	10,338,923	25,811,819	15,809,000	24,368,917	18,616,757	11,720,476	11,290,307	11,363,602	10,611,290
Ending Fund Balance	\$ 11,140,246	3,243,723	9,409,957	676,021	432,830	57,470	83,077	240,011	774,777

CITY OF FLAGSTAFF
TRANSPORTATION FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2006-2008
Sources of Funds									
Beginning Fund Balance	\$ -	3,755,680	4,672,882	6,576,580	3,524,352	2,611,775	4,918,335	8,157,923	11,203,015
Revenues									
Intergovernmental Revenue	142,793	-	-	-	-	-	-	-	-
Sales Tax	5,343,240	5,960,136	6,026,960	6,319,304	7,050,874	7,227,146	7,407,826	7,593,022	7,782,847
Bond Proceeds	-	-	-	7,000,000	4,000,000	4,000,000	6,000,000	4,000,000	-
Interest Revenues	116,123	187,670	102,779	329,000	173,000	126,000	242,000	404,000	555,000
Total Revenues	5,602,156	6,147,806	6,129,739	13,648,304	11,223,874	11,353,146	13,649,826	11,997,022	8,337,848
Total Sources of Funds	5,602,156	9,903,486	10,802,621	20,224,884	14,748,226	13,964,921	18,568,161	20,154,945	19,540,863
Uses of Funds									
Departments									
Operating	819,673	1,436,792	1,322,135	1,592,080	2,053,083	2,104,410	2,157,021	2,210,947	2,266,220
Capital Expenditures	109,601	3,100,881	1,624,792	9,692,752	5,264,343	5,246,426	6,448,792	4,936,557	-
4th Street Overpass	-	-	-	-	-	-	-	-	-
Street Improvements	-	-	-	-	-	-	-	-	-
Safety Improvements	-	-	-	-	-	-	-	-	-
Total Expenditures	929,274	4,537,673	2,946,927	11,284,832	7,317,426	7,350,836	8,605,813	7,147,504	2,266,220
Transfers Out									
Highway User Revenue Fund	-	5,316,972	1,279,114	4,670,700	3,650,000	249,000	-	-	-
Beautification Fund	-	-	-	745,000	550,000	550,000	550,000	550,000	550,000
Total Transfers out	-	5,316,972	1,279,114	5,415,700	4,200,000	799,000	550,000	550,000	550,000
Debt Service	-	-	-	-	619,025	896,750	1,254,425	1,254,425	1,254,425
Total Uses of Funds	929,274	9,854,645	4,226,041	16,700,532	12,136,451	9,046,586	10,410,238	8,951,929	4,070,645
Ending Fund Balance	\$ 4,672,882	48,841	6,576,580	3,524,352	2,611,775	4,918,335	8,157,923	11,203,015	15,470,217

CITY OF FLAGSTAFF
BEAUTIFICATION FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of funds									
Beginning fund balance	\$ 1,134,523	1,220,351	1,644,456	1,258,817	62,276	100,716	72,572	28,280	28,285
Revenues									
Intergovernmental Revenue	-	125,000	50,000	148,380	1,330,000	1,380,000	500,000	1,080,000	80,000
BBB Tax Revenue	749,564	755,583	752,056	770,857	790,129	809,882	830,129	850,882	872,154
Interest Earnings	82,651	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Miscellaneous	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total Revenues	832,215	903,583	825,056	942,237	2,143,129	2,212,882	1,353,129	1,953,882	975,154
Transfers In									
Transportation Tax-STs	-	-	-	745,000	550,000	550,000	550,000	550,000	550,000
Recreation-BBB Fund	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Total Transfers In	110,000	110,000	110,000	855,000	660,000	660,000	660,000	660,000	660,000
Total Sources of Funds	2,076,738	2,233,934	2,579,512	3,056,054	2,865,405	2,973,598	2,085,701	2,642,162	1,663,439
Uses of Funds									
Departments									
General Operating	72,156	74,798	125,949	114,452	83,488	85,575	87,714	89,907	92,155
CIP	180,678	1,213,991	424,719	2,702,125	2,500,000	2,630,000	1,780,000	2,330,000	1,355,000
Reserves/Contingencies	-	10,000	-	10,000	-	-	-	-	-
Total Expenditures	252,834	1,298,789	550,668	2,826,577	2,583,488	2,715,575	1,867,714	2,419,907	1,447,155
Transfers Out									
General Fund	150,201	162,201	162,201	167,201	181,201	185,451	189,707	193,970	199,239
HURF Fund	-	577,099	577,099	-	-	-	-	-	-
Environmental Services	29,247	29,978	30,727	-	-	-	-	-	-
Total Transfers Out	179,448	769,278	770,027	167,201	181,201	185,451	189,707	193,970	199,239
Total Uses of Funds	432,282	2,068,067	1,320,695	2,993,778	2,764,689	2,901,026	2,057,421	2,613,877	1,646,394
Ending Fund Balance	\$ 1,644,456	165,867	1,258,817	62,276	100,716	72,572	28,280	28,285	17,045

CITY OF FLAGSTAFF
ECONOMIC DEVELOPMENT FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 172,430	78,510	135,891	169,918	108,472	103,722	100,165	98,083	97,775
Revenues									
BBB Tax Revenues	356,043	358,902	357,227	366,157	375,311	384,694	394,311	404,169	414,273
Interest Income	8,264	1,627	4,700	3,797	1,339	1,149	1,007	923	911
Total Revenues	364,307	360,529	361,927	369,954	376,650	385,843	395,318	405,092	415,184
Transfers in									
General Fund	-	-	-	50,000	65,000	65,000	65,000	65,000	65,000
Total Transfers In	-	-	-	50,000	65,000	65,000	65,000	65,000	65,000
Total Sources of Funds	536,737	439,039	497,818	589,872	550,122	554,565	560,483	568,175	577,959
Uses of Funds									
Departments									
GFEC	276,778	320,500	307,500	309,000	317,000	325,000	333,000	341,000	350,000
Telecom	-	-	-	100,000	100,000	100,000	100,000	100,000	100,000
Partnership Training Funds	-	27,000	-	27,000	22,000	22,000	22,000	22,000	22,000
Junior Achievement	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
NACOG	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400	4,400
Micro Loan Project	16,668	-	-	-	-	-	-	-	-
Reserve/Contingencies	-	25,000	-	25,000	-	-	-	-	-
Incubator project	100,000	-	13,000	13,000	-	-	-	-	-
Total Expenditures	400,846	379,900	327,900	481,400	446,400	454,400	462,400	470,400	479,400
Total Uses of Funds	400,846	379,900	327,900	481,400	446,400	454,400	462,400	470,400	479,400
Ending Fund Balance	\$ 135,891	59,139	169,918	108,472	103,722	100,165	98,083	97,775	98,559

CITY OF FLAGSTAFF
TOURISM FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 832,115	901,132	848,566	801,826	285,152	234,905	191,430	154,943	125,667
Revenues									
Intergovernmental Revenues	6,607	60,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
BBB Tax Revenues	1,124,346	1,133,375	1,128,084	1,156,286	1,185,193	1,214,823	1,245,194	1,276,324	1,308,232
Interest on Investments	62,803	18,721	36,898	37,636	38,577	39,541	40,530	41,543	42,582
Miscellaneous Revenues	82,722	67,469	63,834	65,430	67,065	68,742	70,460	72,222	74,027
Total Revenues	1,276,478	1,279,565	1,243,816	1,274,352	1,305,835	1,338,106	1,371,184	1,405,089	1,439,841
Total Sources of Funds	2,108,593	2,180,697	2,092,382	2,076,178	1,590,987	1,573,011	1,562,614	1,560,031	1,565,508
Uses of Funds									
Departments									
Operating Expenditures	1,228,113	1,384,203	1,254,318	1,524,788	1,349,844	1,375,343	1,401,433	1,428,126	1,455,440
Capital Expenditures	25,676	210,000	30,000	210,000	-	-	-	-	-
Reserve/Contingencies	-	50,000	-	50,000	-	-	-	-	-
Total Expenditures	1,253,789	1,644,203	1,284,318	1,784,788	1,349,844	1,375,343	1,401,433	1,428,126	1,455,440
Transfers Out									
General Fund	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238
Total Transfers Out	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238
Total Uses of Funds	1,260,027	1,650,441	1,290,556	1,791,026	1,356,082	1,381,581	1,407,671	1,434,364	1,461,678
Ending Fund Balance	\$ 848,566	530,256	801,826	285,152	234,905	191,430	154,943	125,667	103,830

CITY OF FLAGSTAFF
ARTS AND SCIENCE FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 77,934	88,629	120,118	145,034	123,659	141,139	156,902	176,046	188,929
Revenues									
BBB Tax Revenues	281,087	283,344	282,021	289,072	296,298	303,706	311,298	319,081	327,058
Interest Income	9,007	4,431	4,400	7,252	6,183	7,057	7,845	8,802	9,446
Total Revenues	290,094	287,775	286,421	296,324	302,481	310,763	319,143	327,883	336,504
Transfers In									
General Fund	78,354	95,000	95,000	95,000	95,000	95,000	95,000	70,000	70,000
Total Transfers In	78,354	95,000	95,000	95,000	95,000	95,000	95,000	70,000	70,000
Total Sources of Funds	446,382	471,404	501,539	536,358	521,139	546,902	571,046	573,929	595,433
Uses of Funds									
Departments									
General Operating	978	3,150	1,667	-	-	-	-	-	-
Public Art	12,787	51,343	4,838	47,699	20,000	20,000	20,000	20,000	20,000
FCP Administration	-	45,000	45,000	45,000	45,000	45,000	45,000	-	-
Contribution to Other Agencies	312,499	305,000	305,000	310,000	315,000	325,000	330,000	365,000	367,000
Reserve	-	10,000	-	10,000	-	-	-	-	-
Total Expenditures	326,264	414,493	356,505	412,699	380,000	390,000	395,000	385,000	387,000
Total Uses of Funds	326,264	414,493	356,505	412,699	380,000	390,000	395,000	385,000	387,000
Ending Fund Balance	\$ 120,118	56,911	145,034	123,659	141,139	156,902	176,046	188,929	208,433

CITY OF FLAGSTAFF
BBB-RECREATION FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 2,812,197	3,416,471	3,496,341	5,875,103	1,029,947	345,073	357,137	348,464	312,072
Revenues									
Intergovernmental Revenue	-	679,792	47,545	530,347	-	-	-	-	-
BBB Tax Revenue	1,236,781	1,246,712	1,240,892	1,271,915	1,303,713	1,336,306	1,369,714	1,403,957	1,439,056
Interest on Investments	178,676	160,000	206,500	146,900	25,700	8,600	8,900	8,700	7,800
Bond Proceeds	-	3,100,000	3,100,000	-	-	-	-	-	-
Total Revenues	1,415,457	5,186,504	4,594,937	1,949,162	1,329,413	1,344,906	1,378,614	1,412,657	1,446,856
Transfers In									
Secondary Prop Tax Fund	297,664	306,594	306,594	315,792	325,266	335,024	345,074	355,427	366,089
Total Transfers In	297,664	306,594	306,594	315,792	325,266	335,024	345,074	355,427	366,089
Total Sources of Funds	4,525,318	8,909,569	8,397,872	8,140,057	2,684,626	2,025,003	2,080,825	2,116,548	2,125,017
Uses of Funds									
Departments									
Operating Expenditures	-	40,000	-	33,000	-	-	-	-	-
Capital Expenditures	107,600	6,084,308	1,196,763	5,644,827	800,000	-	-	-	-
Total Expenditures	107,600	6,124,308	1,196,763	5,677,827	800,000	-	-	-	-
Transfers Out									
General Fund	419,512	736,390	736,390	802,567	907,387	934,039	957,570	987,005	1,011,870
Debt Service	391,865	538,701	479,616	519,716	522,166	623,826	664,791	707,471	746,501
Beautification	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Total Transfers Out	921,377	1,385,091	1,326,006	1,432,283	1,539,553	1,667,865	1,732,361	1,804,476	1,868,371
Total Uses of Funds	1,028,977	7,509,399	2,522,769	7,110,110	2,339,553	1,667,865	1,732,361	1,804,476	1,868,371
Ending Fund Balance	\$ 3,496,341	1,400,170	5,875,103	1,029,947	345,073	357,137	348,464	312,072	256,646

CITY OF FLAGSTAFF
 REAL ESTATE PROCEEDS FUND
 FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 828,698	883,829	652,293	1,096,790	785,140	657,490	527,840	396,190	262,540
Revenues									
Real Estate Revenues	-	717,000	420,000	297,000	-	-	-	-	-
Interest on Investments	46,777	30,350	45,957	26,350	22,350	20,350	18,350	16,350	14,350
Miscellaneous	-	-	228,540	-	-	-	-	-	-
Total Revenues	46,777	747,350	694,497	323,350	22,350	20,350	18,350	16,350	14,350
Transfers In									
General Fund	150,000	150,000	150,000	150,000	-	-	-	-	-
Total Transfers In	150,000	150,000	150,000	150,000	-	-	-	-	-
Total Sources of Funds	1,025,475	1,781,179	1,496,790	1,570,140	807,490	677,840	546,190	412,540	276,890
Uses of Funds									
Departments									
Capital Expenditures	373,182	885,000	400,000	785,000	150,000	150,000	150,000	150,000	150,000
Total Expenditures	373,182	885,000	400,000	785,000	150,000	150,000	150,000	150,000	150,000
Total Uses of Funds	373,182	885,000	400,000	785,000	150,000	150,000	150,000	150,000	150,000
Ending Fund Balance	\$ 652,293	896,179	1,096,790	785,140	657,490	527,840	396,190	262,540	126,890

CITY OF FLAGSTAFF
COMMUNITY REDEVELOPMENT FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 412,612	466,463	578,394	86,879	314	749	749	749	749
Revenues									
Intergovernmental Revenues	800,367	1,659,527	807,308	1,547,207	726,000	1,026,000	726,000	1,026,000	726,000
Interest on Investments	16,135	5,000	7,000	-	-	-	-	-	-
Miscellaneous Revenues	105,774	-	86,846	3,000	-	-	-	-	-
Total Revenues	922,276	1,664,527	901,154	1,550,207	726,000	1,026,000	726,000	1,026,000	726,000
Transfers In									
General Fund	425,000	425,000	416,500	375,400	375,400	375,400	375,400	375,400	375,400
Total Transfers In	425,000	425,000	416,500	375,400	375,400	375,400	375,400	375,400	375,400
Total Sources of Funds	1,759,888	2,555,990	1,896,048	2,012,486	1,101,714	1,402,149	1,102,149	1,402,149	1,102,149
Uses of Funds									
Departments									
Operating Expenditures	1,181,494	2,467,189	1,809,169	2,012,172	1,100,965	1,401,400	1,101,400	1,401,400	1,101,400
Total Expenditures	1,181,494	2,467,189	1,809,169	2,012,172	1,100,965	1,401,400	1,101,400	1,401,400	1,101,400
Total Uses of Funds	1,181,494	2,467,189	1,809,169	2,012,172	1,100,965	1,401,400	1,101,400	1,401,400	1,101,400
Ending Fund Balance	\$ 578,394	88,801	86,879	314	749	749	749	749	749

CITY OF FLAGSTAFF
METRO PLANNING ORGANIZATION FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ -	-	-	-	-	-	-	-	-
Revenues									
Intergovernmental Revenue	123,283	1,073,090	221,215	265,666	203,000	203,000	203,000	203,000	203,000
Total Revenues	123,283	1,073,090	221,215	265,666	203,000	203,000	203,000	203,000	203,000
Total Sources of Funds	123,283	1,073,090	221,215	265,666	203,000	203,000	203,000	203,000	203,000
Uses of Funds									
Departments									
Operating Expenditures	123,283	287,927	221,215	265,666	203,000	203,000	203,000	203,000	203,000
FHWA Allocations Uncommitted	-	785,163	-	-	-	-	-	-	-
Total Expenditures	123,283	1,073,090	221,215	265,666	203,000	203,000	203,000	203,000	203,000
Total Uses of Funds	123,283	1,073,090	221,215	265,666	203,000	203,000	203,000	203,000	203,000
Ending Fund Balance	\$ -	-	-	-	-	-	-	-	-

CITY OF FLAGSTAFF
G. O. BOND FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 12,815	11,914	11,624	10,049	8,449	7,649	6,849	6,049	5,249
Revenues									
Interest Revenue	290	600	325	300	200	200	200	200	100
Total Revenues	290	600	325	300	200	200	200	200	100
Transfers In									
BBB- Recreation	391,865	538,701	479,616	519,716	522,166	623,826	664,791	707,471	746,501
Secondary Property Tax Fund	1,146,390	1,257,115	1,257,115	1,372,115	1,495,415	1,156,935	2,200,000	2,200,000	2,200,000
Total Transfers In	1,538,255	1,795,816	1,736,731	1,891,831	2,017,581	1,780,761	2,864,791	2,907,471	2,946,501
Total Sources of Funds	1,551,360	1,808,330	1,748,680	1,902,180	2,026,230	1,788,610	2,871,840	2,913,720	2,951,850
Uses of Funds									
Debt Service									
Debt Service	1,539,736	1,797,316	1,738,631	1,893,731	2,018,581	1,781,761	2,865,791	2,908,471	2,947,501
Total Debt Service	1,539,736	1,797,316	1,738,631	1,893,731	2,018,581	1,781,761	2,865,791	2,908,471	2,947,501
Total Uses of Funds	1,539,736	1,797,316	1,738,631	1,893,731	2,018,581	1,781,761	2,865,791	2,908,471	2,947,501
Ending Fund Balance	\$ 11,624	11,014	10,049	8,449	7,649	6,849	6,049	5,249	4,349

CITY OF FLAGSTAFF
SECONDARY PROPERTY TAX FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 363,422	322,822	200,435	311,268	372,914	436,242	965,788	510,784	262,890
Revenues									
Secondary Property Taxes	3,896,103	4,204,927	4,204,927	4,358,257	4,489,004	4,623,674	4,762,385	4,905,256	5,052,414
Interest Revenue	9,964	16,100	4,800	7,800	9,300	10,900	24,100	12,800	6,600
Total Revenues	3,906,067	4,221,027	4,209,727	4,366,057	4,498,304	4,634,574	4,786,485	4,918,056	5,059,014
Total Sources of Funds	4,269,489	4,543,849	4,410,162	4,677,325	4,871,218	5,070,816	5,752,273	5,428,840	5,321,904
Uses of Funds									
Transfers Out									
G. O. Bond Fund	1,146,390	1,257,115	1,257,115	1,372,115	1,495,415	1,156,935	2,200,000	2,200,000	2,200,000
Recreation - BBB	297,664	306,594	306,594	315,792	325,266	335,024	345,075	355,427	366,090
Airport	244,867	153,179	140,892	215,081	207,932	210,281	272,056	196,000	269,000
Utilities	2,380,133	2,394,293	2,394,293	2,401,423	2,406,363	2,402,788	2,424,358	2,414,523	1,815,223
Total Transfers Out	4,069,054	4,111,181	4,098,894	4,304,411	4,434,976	4,105,028	5,241,489	5,165,950	4,650,313
Total Uses of Funds	4,069,054	4,111,181	4,098,894	4,304,411	4,434,976	4,105,028	5,241,489	5,165,950	4,650,313
Ending Fund Balance	\$ 200,435	432,668	311,268	372,914	436,242	965,788	510,784	262,890	671,591

CITY OF FLAGSTAFF
SPECIAL ASSESSMENT BOND FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	117,496	101,241	207,200	336,866	289,301	241,891	195,966	165,002	134,252
Revenues									
Special Assessments	269,794	214,413	338,289	207,035	219,438	229,347	46,752	47,374	51,115
Interest on Investments	103,893	67,611	90,729	46,674	35,822	23,879	16,431	13,323	10,210
Miscellaneous Revenues	1,181	-	-	-	-	-	-	-	-
Total Revenues	374,868	282,024	429,018	253,709	255,260	253,226	63,183	60,698	61,324
Total Sources of Funds	492,364	383,265	636,217	590,575	544,562	495,116	259,149	225,700	195,576
Uses of Funds									
Debt Service									
Bonds	285,165	299,313	299,351	301,274	302,671	299,150	94,147	91,448	93,577
Total Debt Service	285,165	299,313	299,351	301,274	302,671	299,150	94,147	91,448	93,577
Total Uses of Funds	285,165	299,313	299,351	301,274	302,671	299,150	94,147	91,448	93,577
Ending Fund Balance	207,200	83,952	336,866	289,301	241,891	195,966	165,002	134,252	101,999

CITY OF FLAGSTAFF
GENERAL FUND CAPITAL PROJECTS
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 1,286,878	660,869	5,154,410	166,429	29,839	29,839	29,839	29,839	29,839
Revenues									
Intergovernmental	580,241	75,048	75,048	-	-	-	-	-	-
Bond Proceeds	4,475,343	4,486,343	-	-	-	-	-	-	-
Interest on Investments	15,532	-	65,973	-	-	-	-	-	-
Miscellaneous	141,405	-	251,566	-	-	-	-	-	-
Total Revenues	5,212,521	4,561,391	392,587	-	-	-	-	-	-
Transfers In									
General Fund	821,000	-	400,000	-	-	-	-	-	-
Total Transfers In	821,000	-	400,000	-	-	-	-	-	-
Total Sources of Funds	7,320,399	5,222,260	5,946,997	166,429	29,839	29,839	29,839	29,839	29,839
Uses of Funds									
Departments									
Capital Expenditures	2,165,989	4,832,096	5,459,234	136,590	-	-	-	-	-
Total Expenditures	2,165,989	4,832,096	5,459,234	136,590	-	-	-	-	-
Transfers Out									
General Fund	-	321,334	321,334	-	-	-	-	-	-
Total Transfers Out	-	321,334	321,334	-	-	-	-	-	-
Total Uses of Funds	2,165,989	5,153,430	5,780,568	136,590	-	-	-	-	-
Ending Fund Balance	\$ 5,154,410	68,830	166,429	29,839	29,839	29,839	29,839	29,839	29,839

CITY OF FLAGSTAFF
WATER AND WASTEWATER FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget		Estimate		Budget		2003-2004		2004-2005		2005-2006		2006-2007		2007-2008	
		2001-2002	2001-2002	2001-2002	2001-2002	2002-2003	2002-2003	2002-2003	2002-2003	2002-2003	2002-2003	2002-2003	2002-2003	2002-2003	2002-2003	2002-2003	2002-2003
Sources of Funds																	
Beginning Fund Balance	\$ 15,761,664	20,216,445	21,217,886	24,687,382	19,835,606	17,767,064	16,482,352	15,777,230	14,797,335								
Revenues																	
Water Revenues	11,139,082	11,666,884	11,012,650	11,232,800	11,457,456	11,686,605	11,920,339	12,158,745	12,401,919								
Wastewater Revenues	7,150,672	7,404,049	7,074,350	7,209,600	7,353,792	7,500,868	7,650,884	7,803,902	7,959,980								
Interest Revenues	1,140,904	700,000	660,000	741,000	595,000	533,000	494,000	473,000	444,000								
Miscellaneous Revenues	9,664	-	18,000	-	-	-	-	-	-								
Total Revenues	19,440,322	19,770,933	18,765,000	19,183,400	19,406,248	19,720,473	20,065,223	20,435,647	20,805,899								
Transfers In																	
Debt Service Fund	2,380,133	2,394,293	2,394,293	2,401,423	2,402,563	2,398,988	2,420,558	2,410,723	1,811,423								
Water & Sewer Bond Fund	3,517,466	3,700,000	2,693,347	4,199,653	-	-	-	1,963,800	10,184,100								
Total Transfers In	5,897,599	6,094,293	5,087,640	6,601,076	2,402,563	2,398,988	2,420,558	4,374,523	11,995,523								
Total Sources of Funds	41,099,585	46,081,671	45,070,526	50,471,858	41,644,417	39,886,525	38,968,133	40,587,400	47,598,757								
Uses of Funds																	
Departments																	
Operating Expenditures	7,077,407	7,869,404	7,352,252	8,113,440	8,316,276	8,524,183	8,737,289	8,955,721	9,179,614								
Indirect Costs	1,777,456	1,819,827	1,741,348	1,551,056	1,589,832	1,629,578	1,670,317	1,712,075	1,754,877								
Capital Expenditures	5,553,936	11,770,160	6,170,339	12,891,079	7,240,176	6,533,900	6,428,700	7,694,700	14,215,200								
Reserves/Contingencies	-	1,400,000	-	1,400,000	-	-	-	-	-								
Total Expenditures	14,408,799	22,859,391	15,263,939	23,955,575	17,146,284	16,687,661	16,836,306	18,362,496	25,149,691								
Debt Service																	
Bonds	3,092,767	3,200,916	2,724,912	4,274,254	4,328,506	4,317,524	3,934,039	5,016,846	5,186,554								
Total Debt Service	3,092,767	3,200,916	2,724,912	4,274,254	4,328,506	4,317,524	3,934,039	5,016,846	5,186,554								
Transfers Out																	
General Fund	2,380,133	2,394,293	2,394,293	2,406,423	2,402,563	2,398,988	2,420,558	2,410,723	1,811,423								
Total Transfers Out	2,380,133	2,394,293	2,394,293	2,406,423	2,402,563	2,398,988	2,420,558	2,410,723	1,811,423								
Total Uses of Funds	19,881,699	28,454,600	20,383,144	30,636,252	23,877,353	23,404,173	23,190,903	25,790,065	32,147,668								
Ending Fund Balance	\$ 21,217,886	17,627,071	24,687,382	19,835,606	17,767,064	16,482,352	15,777,230	14,797,335	15,451,089								

CITY OF FLAGSTAFF
WATER AND WASTEWATER BOND FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 3,349,784	-	-	4,137,653	-	-	-	-	18,286,200
Revenues									
Bond Proceeds	-	6,800,000	6,775,000	-	-	-	-	20,250,000	-
Interest on Investment	167,682	100,000	56,000	62,000	-	-	-	-	274,000
Total Revenue	167,682	6,900,000	6,831,000	62,000	-	-	-	20,250,000	274,000
Total Sources of Funds	3,517,466	6,900,000	6,831,000	4,199,653	-	-	-	20,250,000	18,560,200
Uses of Funds									
Transfers Out									
Water and Wastewater Fund	3,517,466	3,700,000	2,693,347	4,199,653	-	-	-	1,963,800	10,184,100
Total Transfers Out	3,517,466	3,700,000	2,693,347	4,199,653	-	-	-	1,963,800	10,184,100
Total Uses of Funds	3,517,466	3,700,000	2,693,347	4,199,653	-	-	-	1,963,800	10,184,100
Ending Fund Balance	\$ -	3,200,000	4,137,653	-	-	-	-	18,286,200	8,376,100

CITY OF FLAGSTAFF
AIRPORT FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 22,283	936	16,091	16,237	16,248	15,545	15,428	14,701	14,757
Revenues									
Intergovernmental Revenue:	1,954,789	13,098,712	7,956,954	4,474,518	4,032,349	7,914,540	3,916,730	2,016,692	2,865,900
Airport Revenues	725,673	769,454	711,832	714,214	753,362	773,532	786,692	805,753	819,715
Interest Revenue	3,125	-	3,198	-	-	-	-	-	-
Miscellaneous Revenues	15,854	4,665	(17,794)	3,750	3,760	3,770	3,780	3,790	3,800
Passenger Facility Charges	74,823	80,000	91,000	85,000	90,000	90,000	90,000	90,000	90,000
Loan/Lease Proceeds	-	-	-	2,850,000	-	-	-	-	-
Total Revenues	2,774,264	13,952,831	8,745,190	8,127,482	4,879,471	8,781,842	4,797,202	2,916,235	3,779,415
Transfers In									
Airpark Fund	49,584	114,000	7,267	-	12,500	246,500	-	-	-
Secondary Prop Tax Fund	245,566	153,179	140,892	215,081	207,932	210,281	272,056	196,000	269,000
General Fund-Operating	712,000	588,000	578,000	590,000	560,000	536,000	554,000	593,000	587,000
General Fund-Capital	71,000	565,000	369,000	186,000	183,000	304,000	183,000	73,000	134,000
Total Transfers In	1,078,150	1,390,179	1,095,159	991,081	963,432	1,296,781	1,009,056	862,000	990,000
Total Sources of Funds	3,874,697	15,343,946	9,856,440	9,134,800	5,859,151	10,094,168	5,821,686	3,792,936	4,784,172
Uses of Funds									
Departments									
Operating Expenditures	761,127	810,010	775,520	810,191	830,460	851,220	872,510	894,320	916,670
Indirect Cost	576,139	432,229	410,824	387,672	397,360	407,290	417,470	427,910	438,610
Capital Expenditures	2,200,951	13,867,200	8,421,967	7,620,608	4,317,854	8,519,949	4,154,949	2,169,949	3,054,949
Total Expenditures	3,538,217	15,109,439	9,608,311	8,818,471	5,545,674	9,778,459	5,444,929	3,492,179	4,410,229
Debt Service									
Bonds	320,389	233,179	231,892	300,081	297,932	300,281	362,056	286,000	359,000
Total Debt Service	320,389	233,179	231,892	300,081	297,932	300,281	362,056	286,000	359,000
Total Airport Budget	3,858,606	15,342,618	9,840,203	9,118,552	5,843,606	10,078,740	5,806,985	3,778,179	4,769,229
Total Uses of Funds	3,858,606	15,342,618	9,840,203	9,118,552	5,843,606	10,078,740	5,806,985	3,778,179	4,769,229
Ending Fund Balance	\$ 16,091	1,328	16,237	16,248	15,545	15,428	14,701	14,757	14,943

CITY OF FLAGSTAFF
AIRPARK PROCEEDS FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimated 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 232,996	385,861	381,589	382,822	387,822	375,322	128,822	128,822	128,822
Revenues									
Airpark Revenue	175,093	-	-	-	-	-	-	-	-
Interest on Investments	23,084	7,500	8,500	5,000	-	-	-	-	-
Total Revenues	198,177	7,500	8,500	5,000	-	-	-	-	-
Total Sources of Funds	431,173	393,361	390,089	387,822	387,822	375,322	128,822	128,822	128,822
Uses of Funds									
Transfers Out									
Airport Fund	49,584	114,000	7,267	-	12,500	246,500	-	-	-
Total Transfers Out	49,584	114,000	7,267	-	12,500	246,500	-	-	-
Total Uses of Funds	49,584	114,000	7,267	-	12,500	246,500	-	-	-
Ending Fund Balance	\$ 381,589	279,361	382,822	387,822	375,322	128,822	128,822	128,822	128,822

CITY OF FLAGSTAFF
ENVIRONMENTAL SERVICES FUND
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 5,450,332	4,496,249	4,245,585	4,284,153	2,372,080	1,437,131	682,469	(1,026,333)	(2,116,999)
Revenues									
Intergovernmental Revenues	-	-	134,124	64,903	-	-	-	-	-
Environmental Services Revenues	5,144,988	6,049,757	6,049,757	6,195,509	6,344,919	6,498,082	6,655,096	6,816,060	6,981,083
Other Financing Sources	-	1,000,000	-	1,600,000	-	-	-	1,000,000	-
Interest on Investments	496,467	99,000	99,000	128,000	119,000	72,000	34,000	-	-
Miscellaneous Revenues	(3,738)	-	-	-	-	-	-	-	-
Total Revenues	5,637,717	7,148,757	6,282,881	7,988,412	6,463,919	6,570,082	6,689,096	7,816,060	6,981,083
Transfers In									
General Fund	62,688	64,255	64,255	-	-	-	-	-	-
Beautification Fund	29,247	29,978	29,978	-	-	-	-	-	-
Total Transfers In	91,935	94,233	94,233	-	-	-	-	-	-
Total Sources of Funds	11,179,984	11,739,239	10,622,699	12,272,565	8,835,999	8,007,213	7,371,565	6,789,727	4,864,084
Uses of Funds									
Departments									
Operating Expenditures	3,589,258	4,632,838	4,364,673	5,062,645	5,201,865	5,344,917	5,491,903	5,642,929	5,798,109
Indirect Costs	-	683,911	654,320	848,885	872,229	896,215	920,861	946,185	972,205
Capital Expenditures	2,915,463	1,928,379	889,875	2,059,277	895,096	726,000	1,627,522	1,960,000	2,045,000
Reserves/Contingencies	-	1,500,000	-	1,500,000	-	-	-	-	-
Total Expenditures	6,504,721	8,745,128	5,908,868	9,470,807	6,969,190	6,967,132	8,040,286	8,549,114	8,815,314
Transfers out:									
General Fund	429,678	429,678	429,678	429,678	429,678	357,612	357,612	357,612	4,678
Total Transfers Out	429,678	429,678	429,678	429,678	429,678	357,612	357,612	357,612	4,678
Total Uses of Funds	6,934,399	9,174,806	6,338,546	9,900,485	7,398,868	7,324,744	8,397,898	8,906,726	8,819,992
Ending Fund Balance (1)	\$ 4,245,585	2,564,433	4,284,153	2,372,080	1,437,131	682,469	(1,026,333)	(2,116,999)	(3,955,908)

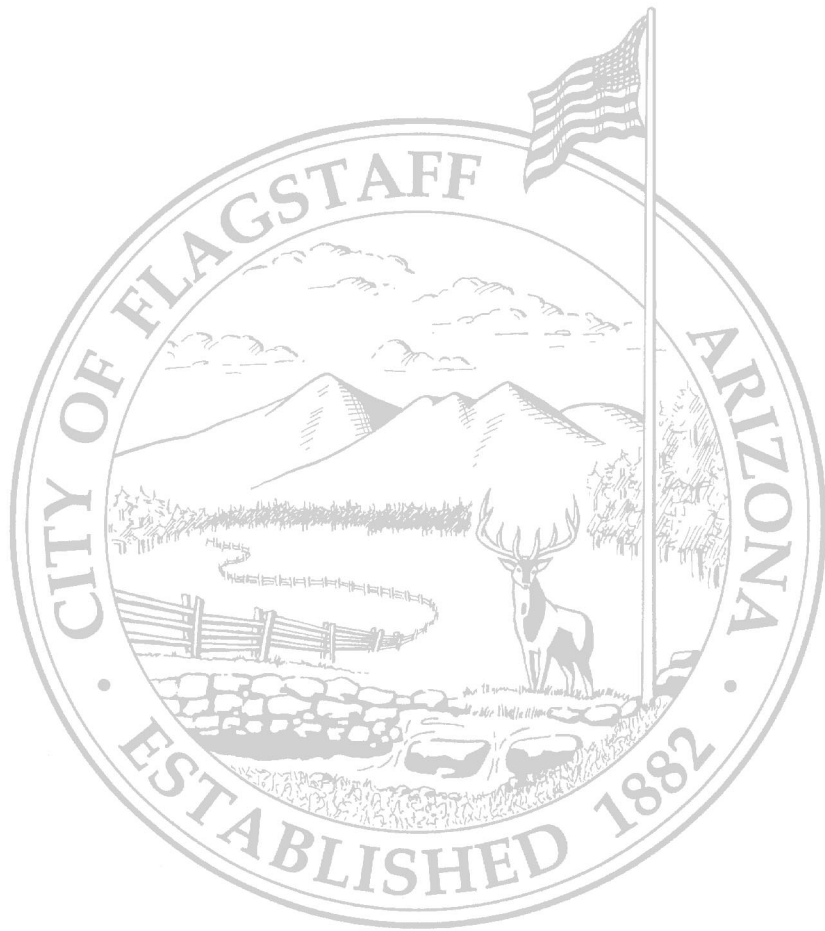
(1) Excludes monies set aside for closure costs.

CITY OF FLAGSTAFF
STORMWATER UTILITY FUND
FIVE YEAR PLAN 2003-2008

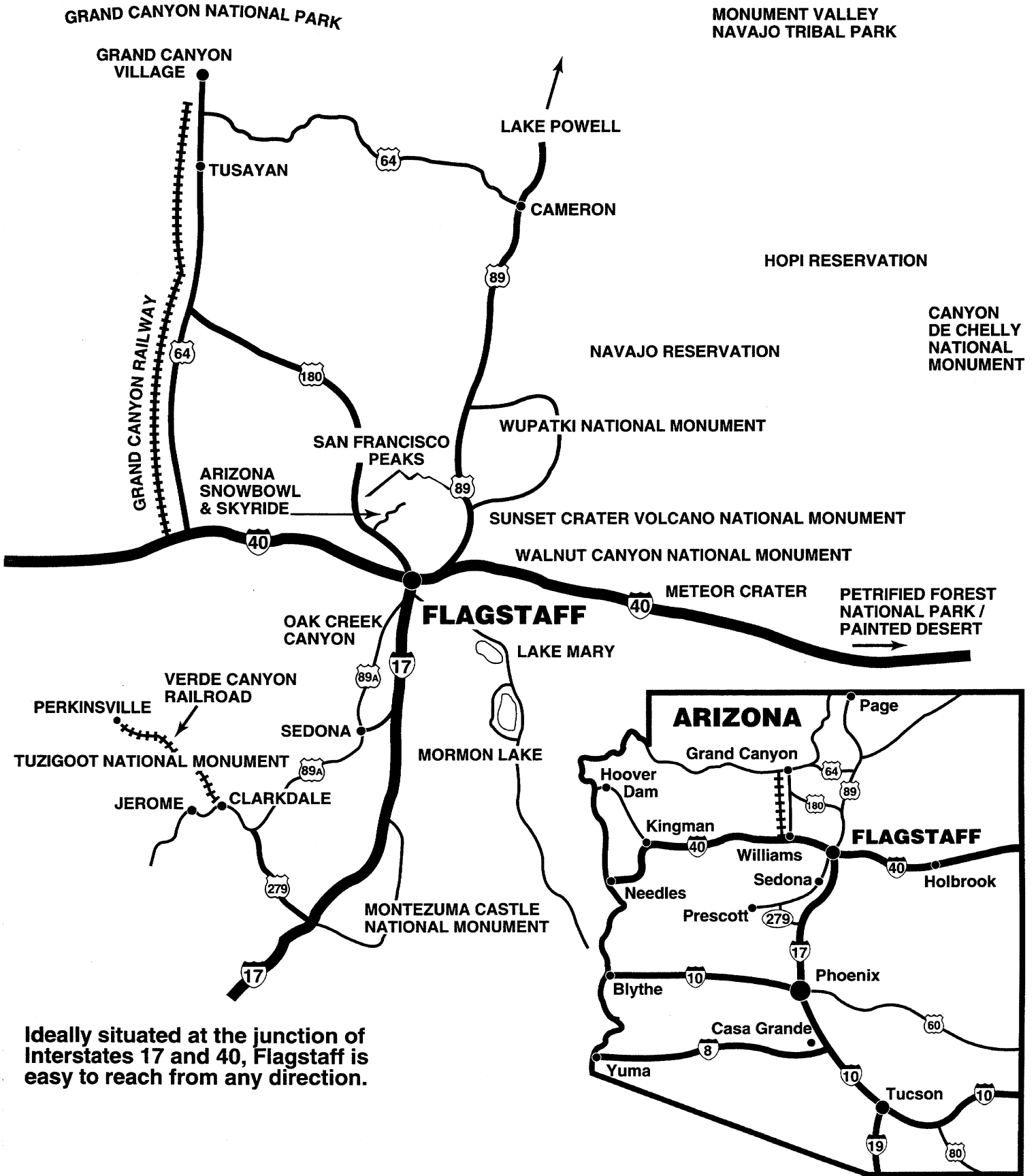
	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of funds									
Beginning fund balance	\$ -	-	-	-	272,705	458,530	580,092	495,859	278,395
Revenues									
Stormwater Revenues	-	-	-	786,917	1,950,000	2,008,500	2,068,755	2,130,818	2,194,742
Interest Earnings	-	-	-	-	6,818	11,463	14,502	12,396	6,960
Total Revenues	-	-	-	786,917	1,956,818	2,019,963	2,083,257	2,143,214	2,201,702
Total Sources of Funds	-	-	-	786,917	2,229,523	2,478,493	2,663,349	2,639,073	2,480,097
Uses of Funds									
Departments									
Operating Expenditures	-	-	-	464,212	1,225,583	1,365,401	1,591,415	1,373,651	1,409,332
Indirect Costs	-	-	-	-	120,000	123,000	126,075	129,227	132,458
Capital Expenditures	-	-	-	-	425,410	410,000	450,000	857,800	850,000
Reserves/Contingencies	-	-	-	50,000	-	-	-	-	-
Total Expenditures	-	-	-	514,212	1,770,993	1,898,401	2,167,490	2,360,678	2,391,789
Total Uses of Funds	-	-	-	514,212	1,770,993	1,898,401	2,167,490	2,360,678	2,391,789
Ending Fund Balance	\$ -	-	-	272,705	458,530	580,092	495,859	278,395	88,308

CITY OF FLAGSTAFF
EXPENDABLE TRUST FUNDS
FIVE YEAR PLAN 2003-2008

	Actual 2000-2001	Budget 2001-2002	Estimate 2001-2002	Budget 2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Sources of Funds									
Beginning Fund Balance	\$ 221,678	224,374	226,593	226,907	226,707	226,507	226,307	226,107	225,907
Revenues									
Interest on Investments	13,620	12,000	7,400	7,000	7,000	7,000	7,000	7,000	7,000
Miscellaneous Revenues	95	-	114	-	-	-	-	-	-
Total Revenues	13,715	12,000	7,514	7,000	7,000	7,000	7,000	7,000	7,000
Total Sources of Funds	235,393	236,374	234,107	233,907	233,707	233,507	233,307	233,107	232,907
Uses of Funds									
Departments									
Operating Expenditures	8,800	9,600	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Total Expenditures	8,800	9,600	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Total Uses of Funds	8,800	9,600	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Ending Fund Balance	\$ 226,593	226,774	226,907	226,707	226,507	226,307	226,107	225,907	225,707



Flagstaff Arizona



Ideally situated at the junction of Interstates 17 and 40, Flagstaff is easy to reach from any direction.

COMMUNITY PROFILE

Known as the "Land of Seven Wonders," Flagstaff attracts millions of tourists each year due to its easy access to such scenic attractions as the Grand Canyon, Sedona, Oak Creek Canyon, Meteor Crater, Walnut Canyon, Fairfield Snowbowl, Wupatki National Monument, and Sunset Crater.

Flagstaff drew its name from a very tall pine raised on Independence Day, July 4, 1876. The lone pine was to serve as a trail marker for westbound wagon trains seeking the promise of fertile soil and opportunity in California. Eventually, the trail became the famous Route 66.

One of the highest cities in the nation at an altitude of nearly 7,000 feet and at the base of the majestic San Francisco Peaks (12,633'), the city, like most mountain communities, has four classic seasons.

Flagstaff averages 283 days without precipitation each year, so it is not surprising that our residents love the great outdoors, and the mild climate encourages year-round outdoor activities. Surrounded by National Forest, the area is a playground for hikers, backpackers, campers, and rock climbers, as well as downhill and cross-country skiers in the winter. Other outdoor activities include golf, boating, hunting and fishing, softball, volleyball, soccer, ice hockey, hang gliding, and bicycling. For those who make walking, running, or bicycling a part of their normal exercise routine, Buffalo Park, a woodland mesa with spectacular views of the Peaks, features a 2-mile cinder track, complete with a 20-station Vita Course and a multitude of trails. The City has been constructing the Flagstaff Urban Trail System (FUTS) to provide bicycle and pedestrian linkage between all major areas of the City. The current draft of the proposed City/County regional plan shows an estimated 55 miles of FUTS. The City has completed approximately 24 miles to date.

POPULATION: *WHO WE ARE*

The results of the 2000 census indicate the population of the City of Flagstaff to be 52,894. The City has submitted an appeal to the U.S. Census Bureau since that number indicates the City has grown by less than 200 people from the 1995 Special Census count of 52,701. A response to our appeal is expected by the end of September 2002. Since the 2000 Census, the

economic growth indicators reflect a strong growth pattern so the City of Flagstaff will be using the Arizona Department of Economic Security population estimate of 57,700.

The City has grown and is expected to continue to grow at a very moderate and stable growth rate of 1.97% per year. This has allowed the City to keep pace with population demands and manage growth in a manner that is consistent with the economic, environmental and fiscal qualities that are priority values of our community.

EDUCATION: *THE FACTS SPEAK FOR THEMSELVES*

Education is a high priority in Flagstaff, and Flagstaff Unified School District #1 is widely recognized as one of the finest in the Southwest with 12 elementary schools, 2 middle schools, 1 alternative school and 3 high schools. The Arizona Department of Education has commended the Flagstaff school system for its positive learning atmosphere and innovative instructional programs. The district has one of the lowest dropout rates in the State and students consistently score well above state and national averages on achievement tests.

In addition to the school system, there are 10 chartered schools run by private parties. These schools provide educational opportunities for children in kindergarten to high school. The schools specialize in everything from specific learning styles to programs focused on the Arts.

Flagstaff's commitment to education is enhanced by Northern Arizona University's contribution to the community. Established in 1899, NAU is one of Arizona's three state universities. In the Fall of 2001, NAU offered 105 Bachelor, 44 Master, and 9 Doctorate degrees. Its approximately 19,726 students (14,185 of which were enrolled at the Flagstaff campus) are enrolled in standard curriculum in business, arts and sciences, and specialized degree programs in forestry, physical therapy, and hotel/restaurant management.

Coconino County Community College offers associate degrees, continuing education, and special programs for small businesses. Enrollment is approximately 3,358 students (2,621 of which were enrolled at the Flagstaff campus).

Flagstaff Unified School District also provides an outstanding vocational education program.

**ECONOMY:
PROGRESS MUST ENHANCE THE QUALITY
OF LIFE--
OR IT ISN'T PROGRESS**

Flagstaff serves as the economic hub of Northern Arizona. It is the largest city in Coconino County, which is the nation's second largest county (almost 12 million acres), bounded on all sides by the Coconino National Forest, the largest stand of Ponderosa Pines in the U.S. Not surprisingly, the U.S. Forest Service, the U.S. Geological Service, and Coconino County are major employers.

NAU, the largest employer in the City, has an economic impact of nearly \$250 million annually. The campus is used year-round and hosts many professional athletes, e.g., Phoenix Cardinals and Phoenix Suns, and Olympic athletes that choose Flagstaff as a training site because of the climate, altitude, and available facilities. The University, in partnership with the City of Flagstaff and the State of Arizona, has institutionalized this with the development of the High Altitude Training Center. The Center invites athletes worldwide to train at our 7,000 feet elevation, which has proven to offer a competitive advantage. The Center offers facilities, health assessments, and other services to these international athletes.

Five business and industrial parks are situated with excellent access to the Interstates (I-40 and I-17). Two additional sites reside within 15 miles of the City limits. Major manufacturers include W.L. Gore & Associates (of Gortex renown), manufacturer of medical equipment; Ralston Purina, manufacturer of dry pet food; and SCA Tissue, manufacturer of tissue paper.

The following is a breakdown of the 6,786 active business licenses by category:

Construction Contracting	1,526
Building Materials	123
General Merchandising Stores	14
Drug and Liquor Stores	22
Food Stores	145
Auto Sales, Parts, etc.	320
Clothing Stores	69
Home Furnishings	413
Rentals	745
Advertising, Publishing, and Printing	118
BBB	375
Misc. Retail	1,624
Service Related (Business Licenses)	<u>1,292</u>
	6,786

Total sales generated by Flagstaff businesses reached \$2.2 Billion in FY 2002.

Tourism is a year-round industry attracting skiers in the winter, vacationers in the summer, and sightseers viewing the aspen turning gold in the fall. Slightly less than 50% of the local economy is based on trade and services, with 375 licensed businesses generating BBB tax revenues (an additional 2% sales tax).

**TRANSPORTATION:
AT THE CROSSROADS**

Flagstaff is ideally situated at the juncture of I-17 and I-40, and with its close proximity to the Grand Canyon and six other National Parks and Monuments. Flagstaff understands the importance of ensuring people getting to where they want to go; whether this be the tourist en route to the Grand Canyon, the winter visitor headed for the slopes or nordic trails, or the local area residents getting out and about town.

Our commitment to maintaining and enhancing our transportation infrastructure includes street improvements, airport expansion, and completion of the next link of FUTS and completion of a regional transportation plan.

The City was designated an urbanized area in response to the 1995 census population exceeding 50,000. A Metropolitan Planning Organization (MPO) has been formed. Their mission is to prepare and implement a comprehensive transportation plan for the community.

Pulliam Airport is located four miles south of the city and provides five daily flights, three Saturday flights, and four Sunday flights to Phoenix, where connections can be made to international and national destinations. The terminal facility that provides 21,000 square feet opened in May 1993.

Santa Fe Railway provides piggyback service for rail freight, and Amtrak provides passenger service with daily arrivals and departures. Additionally, intra and interstate bus service (Greyhound) and local service (Mountain Line) operate in Flagstaff.

As a complement to the Flagstaff lifestyle and ancillary to the transportation network within the city, a non-motorized urban trails system (FUTS), consisting of a proposed 55 miles of interconnected trails linking virtually every area of the city will be completed over a ten-year period. Users include pedestrian commuters, runners, bicyclists, hikers, and cross-country skiers.

**ENVIRONMENTAL FOCUS:
AWARENESS AND SENSITIVITY**

“Flagstuffers” realize that the quality of life enjoyed in this mountain community is intricately related to the preservation of our environment. Manpower and other resources are allocated to various programs that are dedicated to environmental issues. Clean and Green (an affiliate of Keep America Beautiful) sponsors a variety of programs including the Adopt-A-Park (20 parks) and Adopt-A-Street (over 74 miles) programs. Recycling programs have focused on public awareness and education, drop-off centers, cooperative venture in developing a school curriculum program (Waste in Place), and a curbside recycling program including the construction of a Materials Recovery Facility (MRF). Water conservation programs include a reclaim water treatment plant and related distribution lines to transport water to large irrigation water users, as well as a low-flow toilet rebate program. The toilet rebate program of \$13,000 has been extended to commercial and industrial users as well as residential customers. Additionally, the City provides funding support to not-for-profit organizations such as the Resource Center for Environmental Education and the Museum of Northern Arizona.

Open Space and Regional Plans

These programs are not stand-alone, token efforts. An environmental consciousness is pervasive in our actions. For example, fixing leaking waterlines in the Inner Basin will eliminate a water supply area animals have come to rely on. Therefore, the City worked with the Arizona Fish and Game to provide trick tanks (water ponds) when the leaking lines are replaced. Such actions are illustrative of our environmental ethos.

**CULTURAL OPPORTUNITIES:
AWARENESS IS A QUALITY OF LIFE
ATTRIBUTE**

Flagstaff serves as the cultural hub of Northern Arizona. Because arts and cultural activities enhance the quality of life and have an economic impact, the City supports these endeavors. This year, these endeavors will receive \$402,699 and of this amount \$47,900 will go towards the Art in Public Places program. Funding support for these activities comes from the Bed, Board and Booze tax, and the General Fund. The Arts and Science Commission will disburse these funds. Throughout the year, there are art shows, festivals, live theater performances, and Native American arts and crafts exhibits to satisfy the most ardent enthusiast. The Flagstaff Symphony

Orchestra performs eight orchestra concerts, a young people’s orchestra, and a children’s holiday concert each year. The annual concert series often featuring guest artists of national and international renown. The orchestra consists of approximately 55 members.

Lowell Observatory, famous for its discovery of the planet Pluto, was built in 1894 on Mars Hill and remains one of the country’s leading astronomical institutions, operating seven telescopes in and around Flagstaff. The Lowell Observatory also offers daily guided tours and night viewings to the public. The Museum of Northern Arizona offers internationally recognition exhibits in archeology, ethnology, geology, biology, and fine art of the Colorado Plateau. Four especially notable exhibitions, which attract national and international visitors, include the annual Zuni, Hopi, Navajo, and Hispanic Exhibitions with contemporary and traditional pottery, weaving, jewelry, and sand paintings, as well as native artist demonstrations and traditional dance.

**RECREATION:
A FOCAL POINT FOR LIVING**

A substantial portion of the tourism industry is tied to the outdoor amenities surrounding the area. Flagstaff is in close proximity to an array of scenic attractions. Canyons include the Grand Canyon and Oak Creek Canyon. Indian ruins are found in numerous locations with Walnut Canyon National Monument and Wupatki National Monument ten miles east of the City. Sunset Crater Volcano has trails, which meander through the lava flows and between the cinder cones. The City is surrounded within and without by coniferous forests, which allow for an array of outdoor sports and camping and backpacking opportunities. Flagstaff averages more than 108 inches of snow annually. Downhill skiers enjoy 32 runs down the San Francisco Peaks, just 14 miles from downtown Flagstaff. Groomed trails at a nordic center provide over 40 kilometers of cross-country skiing. Endless miles can be skied on the hundreds of miles of forest service roads. Flagstaff even sponsors the annual Winter Festival that includes dog sled races.

Hikers, joggers, and mountain bikers will find miles of trails, which range from gentle grades to extremely difficult terrain. The outdoor sportsman will find opportunities for hunting and fishing. The individual committed to an exercise routine, which includes running, or walking will find a 2-mile track complete with a 20-station Vita Course at Buffalo

Park, a woodland area atop a mesa with spectacular views of the San Francisco Peaks.

For those who enjoy organized team sports, the City has adult and youth leagues for softball, baseball, basketball, soccer, ice hockey, and volleyball throughout the year. Additional recreation amenities include the skateboard park

and disc golf course, which provide year-round recreational opportunities. Additionally, the City is committed to the development of a non-motorized urban trail network (FUTS), which will interconnect virtually all areas of the City when completed and will serve as an important transportation element as well as a recreation amenity.

**2001-2002 Major Taxpayers
City of Flagstaff, Arizona**

Company Name	Estimated 2001-02 Net Secondary Assessed Valuation	As % of the City's 2001-02 Net Secondary Assessed Valuation
Arizona Public Service Company	\$ 12,690,610	3.11%
W L Gore & Associates Inc.	10,577,757	2.59%
Northern Arizona Gas Division (Citizens Utilities)	9,194,655	2.25%
U. S. West Communications Inc.	7,081,338	1.73%
Ralston Purina Co.	5,274,488	1.29%
Little America Refining Company	5,149,226	1.26%
Consolidated Investments Company Inc.	3,086,173	0.76%
Flagstaff Mall Associates Ltd. Partnership	2,996,319	0.73%
Walstaff Associates (Walgreens)	2,940,753	0.72%
SACO Management Inc.	2,498,291	0.61%
	\$ 61,489,610	15.05%

Source: Arizona Department of Revenue

General Obligation Debt Servicing:					
	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
Secondary Assess Value	\$ 340,743,258	\$ 362,625,557	\$ 385,098,813	\$ 408,592,733	\$ 429,030,400
Population	58,148	59,945	52,894	52,894	57,700
Debt as a % of AV	13%	11%	9%	8%	8%
Per Capita Debt	\$ 784.82	\$ 678.35	\$ 689.37	\$ 597.02	\$ 590.26
Property Tax Rate:					
Primary	0.7326	0.7326	0.7326	0.7326	0.7326
Secondary	0.9801	0.9801	0.9801	0.9801	0.9801
Total Tax Rate	1.7127	1.7127	1.7127	1.7127	1.7127

Miscellaneous Statistical Data

Date of Incorporation - 1894		Fire Protection	
		Number of Stations	6
Date First Charter Adopted		Number of Employees (FTE)	98
October 3, 1958			
		Police Protection	
Date Present Charter Adopted		Number of Employees	142
April 10, 1984		Number of Calls for Service	
		Annual Report-12/31/00	55,801
		Average Personnel for 24 hour period	32
		Vehicular Patrol Units	32
Form of Government		Coconino County Jail	
Council, City Manager		Prisoner Capacity	562
Area - Square Miles		Pulliam Airport	
2002	73.600	Fixed Base Operators	1
2001	73.600	Locally Based Aircraft	130
2000	65.926	Tiedowns	49
1995	65.926	Enclosed Hangars	42
1985	65.049	Open Hangars	38
1975	64.500		
1965	62.500	Elections	
		Number of Registered Voters	
Miles of Streets, Alleys and Sidewalks		May 2002	24,167
Streets	204.58	Number of Votes Cast	
Alleys	10.08	Last Municipal Election May 2002	8,381
Total	<u>214.66</u>	Percentage of Registered Voters	
		Voting in Last Municipal Election	34.70%
Sidewalks	135.28		
		Parks and Recreation	
Miles of Sewer		Number of Developed Parks	27
Storm	39.25	Number of Un-developed Parks	3
Sanitary	231.76	Park Acreage	585.95
		Flagstaff Urban Trail System-Miles	21.64
Number of Street Lights	2,898		
Number of Fire Hydrants	2,435	Number of Other Facilities:	
Number of Manholes	5,979	Swimming Pools (School Owned)	2
Other City Buildings	34	Recreation Centers	5
Includes City Buildings in Addition to Fire		Tennis Courts	17
Stations and Recreation Buildings		Handball Courts	5
		Ramadas	8
Employees as of June 30, 2002		Softball/Baseball Fields	17
Merit System	544	Ice/Roller Rinks	1
Exempt	115	Playgrounds	19
Temporary	218	Skate Tracks	1
Elected Officials	7	Soccer Fields	1
		Disc Golf Course	1
		Basketball Courts	15
Total Payroll for the Year Ending 2002:	\$ 28,034,457		

Miscellaneous Statistical Data

Population

Education		Census Population Count-Last Five Censuses:	
		2001	57,700
Number of Schools:		2000	52,894
Public Elementary	13	1995*	52,701
Public Middle School	2	1990	45,854
Public High School	3	1985	38,247
Private and Parochial K-12	12	1980	34,743
Technical Schools	3	*Special Census	
Coconino Community College	1		
Northern Arizona University	1		

2000 Census Information:

Number of Teachers:		Age Distribution of Population for Urbanized Areas Only	
Public Elementary, Middle, High and Ungraded (Certified) Schools	916	1-4 Years	3,546
Northern Arizona University		5-17 Years	9,288
Professional Staff	737	18-24 Years	11,487
Coconino Community College		25-44 Years	16,111
Professional/Staff	322	45-64 Years	8,309
		65+ Years	<u>4,153</u>
			<u>52,894</u>
Number of Students:		Average Persons per Housing Unit	2.59
Public Schools	11,573		
Charter, Private and Parochial K-12	2,463	Per Capita Income (2000)	\$ 11,517 *
Northern Arizona University	14,185		
Coconino Community College	2,621		

Sales Tax

Retail Sales by Fiscal Year:	
2002	\$ 1,404,232,492
2001	1,324,735,136
2000	1,238,195,104
1999	1,117,197,604
1998	1,065,133,746
1997	1,016,570,260
1996	965,100,588
1995	905,801,130
1994	867,566,687
1993	776,546,307
1992	686,784,204
1991	659,778,700
1990	631,835,742
1989	595,358,235
1988	546,806,636
1987	525,528,924
1986	469,294,230
1985	453,236,712

Total Sales Tax Revenue for Fiscal Year 2002
\$ 11,135,228

Utility Enterprise

Total Active Accounts on June 30, 2002	
Water	16,356
Sewer	15,956
Average Gallons/Household/Month	6,727
Plants Capacity (Million Gallons per Day):	
Water Treatment Plant	7.2
Reservoir Filtration Plant	3
Wildcat Hill Plant	6
Rio de Flag Reclaim Plant	4
Miles of Water Lines	348.80
Wells	24
Reservoirs	8
Reclaimed Reservoirs	1
Miles of Reclaimed Lines	16.57
Miles of Sewer Lines	232.91

Property Tax Rates and Tax Levies
Direct and Overlapping Governments

Last Ten Fiscal Years

Fiscal Year	City	School District	Community College	County	State	Total
Tax Rates						
1993	2.1114	6.4710	0.3589	1.1815	0.4700	10.5928
1994	2.1014	6.3515	0.3671	1.1650	0.4700	10.4550
1995	2.0823	6.3778	0.3706	1.1622	0.4700	10.4629
1996	1.7983	6.7903	0.3728	1.1472	0.4700	10.5786
1997	1.8283	6.5237	0.3784	1.1386	-	9.8690
1998	1.7127	6.6634	0.3869	1.1168	-	9.8798
1999	1.7127	6.5477	0.3952	1.1094	-	9.7650
2000	1.7127	6.5585	0.5947	1.1444	-	10.0103
2001	1.7127	6.6885	0.5724	1.1336	-	10.1072
2002	1.7127	6.6885	0.5724	1.1336	-	10.1072

Note: Tax rates are per \$100 assessed valuation.

Tax Levies						
1993	5,620,237	16,905,293	925,154	3,070,523	1,211,542	27,732,749
1994	5,743,129	17,177,928	987,329	3,146,188	1,264,082	28,318,656
1995	5,910,644	17,960,572	1,038,919	3,269,358	1,317,571	29,497,064
1996	5,424,449	20,199,032	1,096,407	3,401,466	1,382,273	31,503,627
1997	5,638,222	20,034,474	1,157,420	3,492,093	-	30,322,209
1998	5,754,197	22,148,857	1,275,182	3,706,162	-	32,884,398
1999	6,138,071	23,252,495	1,393,923	3,936,405	-	34,720,894
2000	6,526,010	24,786,048	2,252,184	4,324,131	-	37,888,373
2001	6,936,955	26,912,268	2,305,697	4,560,552	-	40,715,472
2002	7,271,109	28,170,830	2,414,069	4,773,684	-	42,629,692

Ten Year Resume
 Population, Assessed Valuations, Tax Rates,
 Property Tax Collections and Average Property Tax per Capita

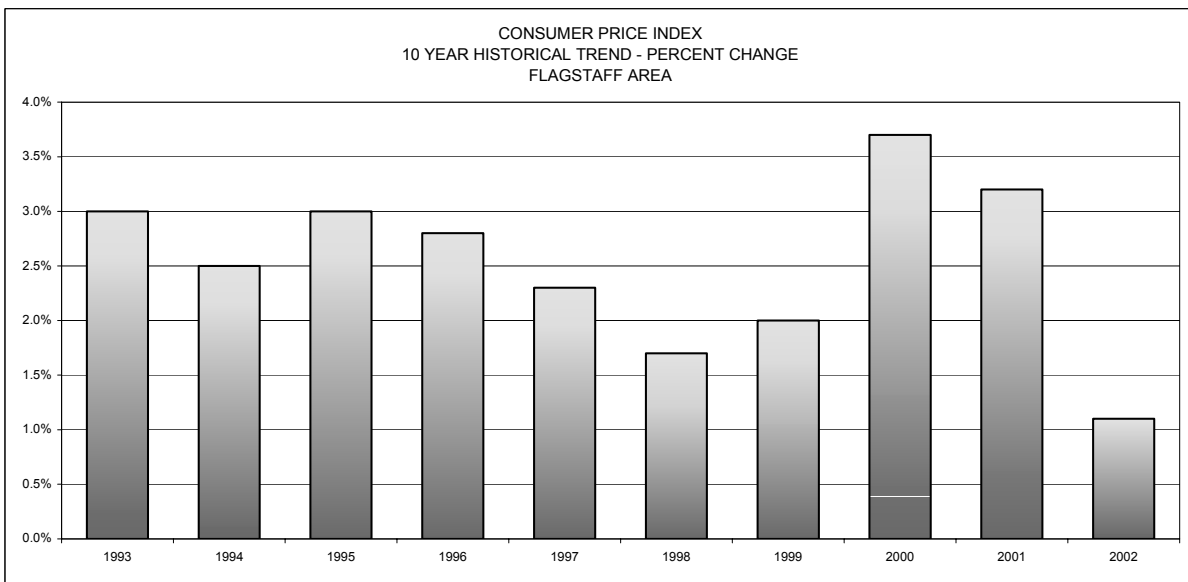
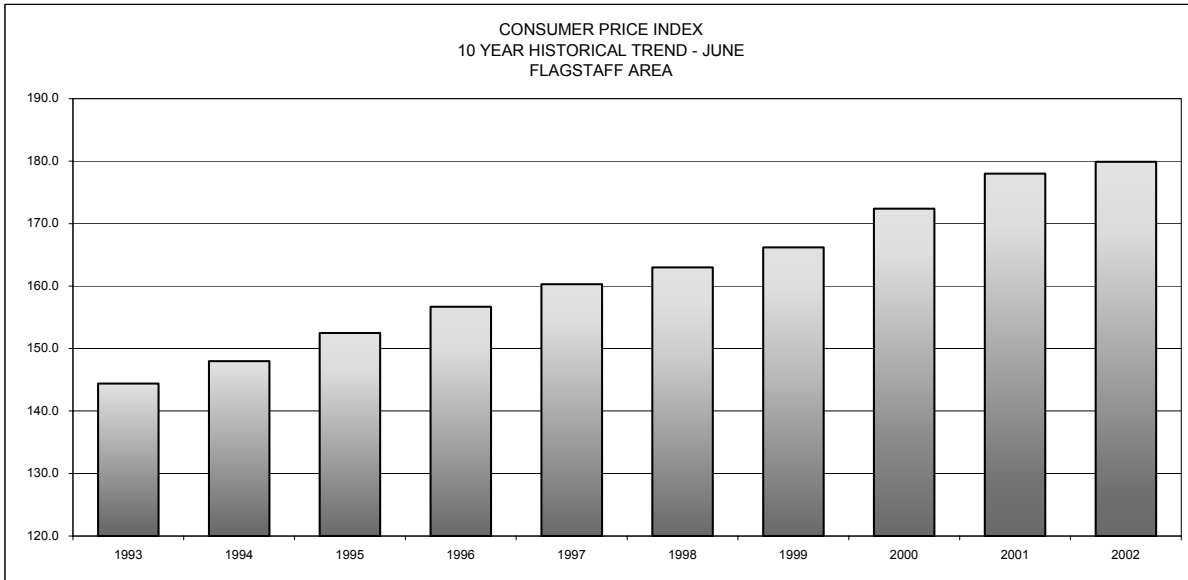
Last Ten Fiscal Years

Fiscal Year	Population	Secondary Assessed Value	Combined Primary & Secondary Tax Rates	Cumulative Combined Property Tax Collections	Average Property Tax Collection Per Capita
1993	49,536	270,046,968	2.1114	5,622,898	113.51
1994	50,744	275,309,728	2.1014	5,796,650	114.23
1995	52,701	285,499,920	2.0823	5,928,226	112.49
1996	53,966	309,828,076	1.7983	5,477,979	101.51
1997	55,885	310,066,911	1.8283	5,646,621	101.04
1998	58,145	340,743,258	1.7127	5,758,078	99.03
1999	59,945	362,625,557	1.7127	6,115,544	102.02
2000	60,880	385,098,813	1.7127	6,572,875	107.96
2001	62,710	408,592,733	1.7127	6,956,955	110.94
2002	57,700	429,030,400	1.7127	7,475,750	129.56

Fiscal Year	Primary	Secondary
1993	0.6644	1.4470
1994	0.6644	1.4370
1995	0.6644	1.4179
1996	0.7326	1.0657
1997	0.7326	1.0957
1998	0.7326	0.9801
1999	0.7326	0.9801
2000	0.7326	0.9801
2001	0.7326	0.9801
2002	0.7326	0.9801

**United States Consumer Price Index
10 Year Historical Trend - June versus June
Flagstaff Area, Non-Seasonally Adjusted**

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
June	144.4	148.0	152.5	156.7	160.3	163.0	166.2	172.4	178.0	179.9
Percent Change	3.0%	2.5%	3.0%	2.8%	2.3%	1.7%	2.0%	3.7%	3.2%	1.1%



Source: Tax, Licensing, and Revenue Division

Authorized Personnel/Position Summary

1998-1999 to 2002-2003

DIVISION	1998-1999	1999-2000	2000-2001	2001-2002	REQUESTED 2002-2003	ADOPTED 2002-2003
CITY MANAGER						
City Manager	1	1	1	1	1	1
Deputy City Manager	1	1	0	2	2	2
Assistant City Manager	1	1	1	0	0	0
Sr Exc Adm Support Coordinator	1	1	1	1.25	1.25	1.25
Intern	0	0	0	0.75	0.5	0
Management Assistant-PIO	1	1	1	1	1	1
Exc Admin Assistant	0	0	0	1	1	1
Total	5	5	4	7	6.75	6.25
CITY CLERK						
Exc Admin Assistant	0	1	1	1	1	1
City Clerk	1	1	1	1	1	1
Deputy City Clerk	1	1	1	1	1	1
Total	2	3	3	3	3	3
CAPITAL IMPROVEMENTS						
CIP Director	0	0	0	1	1	1
Capital Improvements Engineer	0	0	0	2	2	2
Engineering Technician III	0	0	0	1	0	0
Engineering Technician IV	0	0	0	3	2	2
Intern	0	0	0	0	0.5	0.5
Management Assistant -PIO	0	0	0	1	1	1
Project Manager I	0	0	0	2	3	3
Project Manager II	0	0	0	2	2	2
Secretary	0	0	0	1	1	1
Senior Project Manager	0	0	0	6	6	6
Total	0	0	0	19	18.5	18.5
HUMAN RESOURCES						
Clerk Typist	1	1	1	1	1	1
Human Resources Analyst	1	1	1	0.75	0.75	0.75
Human Resources Assistant	1	1	1	0	0	0
Human Resources Manager	1	1	1	1	1	1
Intern - Temp	0	0	0	0	0.5	0
Risk Management Assistant	0	0	0	0.5	Transfer	Transfer
Risk Manager	1	1	1	1	Transfer	Transfer
Secretary	1	1	1	1	1	1
Human Resources Specialist	0	0	0	1	1	1
Total	6	6	6	6.25	5.25	4.75
RISK MANAGEMENT						
Risk Management Assistant	0	0	0	Transfer	1	1
Risk Manager	0	0	0	Transfer	1	1
Total	0	0	0	0	2	2
LAW						
Asst City Attny-Chief Prosecutor	1	1	1	1	1	1
Asst City Attny-Civil I	1	1	1	2	2	2
Asst City Attny-Civil II	1	1	1	1	1	1
Asst City Attny-Prosecution	4	4	4	4	4	4
City Attorney	1	1	1	1	1	1
File Clerk	1	1	1	1	1	1
Legal Clerk	1	1	1	1	1	1
Intern	0.5	0.5	0.5	0.25	0.25	0.25
Secretary	1	1	1	1	1	1
Total	11.5	11.5	11.5	12.25	12.25	12.25

Authorized Personnel/Position Summary

1998-1999 to 2002-2003

DIVISION	1998-1999	1999-2000	2000-2001	2001-2002	REQUESTED 2002-2003	ADOPTED 2002-2003
INFORMATION SYSTEMS						
Client Service Administrator	0	0	0	1	1	1
Computer Tech I	1	1	1	1	2	1
Computer Tech II	0	0	0	1	0	1
Computer/Data Ent Operator-temp	1	1.5	0.5	0.5	0.5	0
Data Base Analyst	0	0	1	1	1	1
Data Communications Tech	1	1	1	0	0	0
GIS Manager	1	1	1	1	1	1
GIS System Analyst	1	1	1	1	1	1
GIS Technician	0	0	0	0	1	1
GIS Temporary	0	0	0	1.5	0	0
Info. Sys. Customer Svc. Rep.	0	0	1	1	1	1
Info. Sys. Specialist	1	1	1	0	0	0
Information Systems Mgr.	1	1	1	1	1	1
Intern	1	1	2.25	0.75	2.25	0.75
Network Administrator	1	1	1	0	0	0
Network Analyst	0	0	0	1	1	1
Network Analyst I	0	0	0	0	1	0
Programmer/Analyst I	1	1	1	1	1	1
Senior GIS Technician	1	1	1.5	1	1	1
Software Support Tech	0	1	1	0	0	0
Total	11	12.5	15.25	13.75	15.75	12.75
MANAGEMENT SERVICES						
Acct. Clrk/Switchbd Oper.	0.5	0.5	0.5	0.5	0.5	0.5
Buyer	1	1	1	3	1	1
Clerk Typist	0	0	0	0	0.25	0
Financial Services Director	1	1	1	1	0	0
Contracts Assistant	1	1	1	2	1	1
Grants/Contract Manager	1	1	1	1	Transfer	Transfer
Mail/Duplication Aide	1	1	1	1	0.75	1
Mail/Office Clerk	1	1	1	1	1	1
Management Services Director	1	1	1	1	1	1
Purchasing Assistant	1	1	1	1	1	1
Purchasing Director	1	1	1	1	1	1
Purchasing Manager	0	1	0	0	0	0
Real Estate Manager	1	1	1	1	1	1
Secretary	1	1	1	1	1	1
Senior Buyer	1	1	2	0	2	2
Storekeeper	1	1	1	1	1	1
Total	13.5	14.5	14.5	15.5	12.5	12.5
SALES TAX						
Account Clerk II	1	1	1	1	1	1
Auditor II	2	2	2	2	2	2
Revenue Collector	2	2	2	2	2	2
Sales Tax Clerk	1	1	1	1	1	1
Tax Licensing & Revenue Adm	1	1	1	1	1	1
Clerk Typist	0	0.75	0.75	1.25	1.5	1.5
Total	7	7.75	7.75	8.25	8.5	8.5
LIBRARY - CITY/GRANTS						
Librarian	2	2	1	1	1	1
Library Supervisor	2	2	2	2	2	2
Library COE Aide	0.25	0.25	0.25	0.25	0.25	0.25
Library Assistant Clerk	0	0	0	0.5	0.5	0.5
Library Assist. I	11	11.75	12.25	12.75	14	11.75
Library Assist. I (temp)	2	2.5	2.25	2.25	2.25	3.75
Library Assistant II	2	2	2	2	2	2
Library Cataloging Assist.	1	1	1	1	1	1
Library Clerk I	4.75	4.25	5.75	5.75	6.25	6.25
Library Clerk I (temp)	2.75	2.75	1.5	1.75	1.75	1.5
Library Director	1	1	1	1	1	1
Library Inf. Syst. Coord.	1	1	2	2	2	2
Library Manager	2	2	2	2	2	2
Library Page	2	2	2	2	2	2
Library Page (temp)	1	1.5	1.5	1.5	1.5	1.5
Secretary	1	1	1	1	1	1
Total	35.75	37	37.5	38.75	40.5	39.5

Authorized Personnel/Position Summary

1998-1999 to 2002-2003

DIVISION	1998-1999	1999-2000	2000-2001	2001-2002	REQUESTED 2002-2003	ADOPTED 2002-2003
FINANCE						
Account Clerk II	1	1	1	0	0	0
Account Clerk III	1	1	1	1	0	0
Accountant I	2	2	2	1	1	1
Accountant II	2	2	2	4	4	4
Acct. Clrk/Switchbd Oper.	2	2	2	2	2	2
Accts Payable Specialist	0	0	0	0	1	1
Grants/Contracts Manager	0	0	0	Transfer	1	1
Finance/Budget Manager	1	1	1	1	1	1
Payroll Assistant	0	0	0	1	1	1
Payroll Specialist	1	1	1	1	1	1
Total	10	10	10	11	12	12
MPO						
Intern	0	0	0	0.25	0.25	0.25
Transportation Planner	1	1	1	1	1	1
Total	1	1	1	1.25	1.25	1.25
COMMUNITY DEVELOPMENT ADMIN						
Community Development Dir.	1	1	1	1	1	1
Development Services Rep	2	2	2	2	2	2
Development Services Supv	0	0	0	0	1	1
Secretary	1.75	2	2	2	2	2
Switchboard/Info Track Spec	0	0	0	0	0.5	0
Switchboard Operator	1	1	1	1	1.25	1.25
Total	5.75	6	6	6	7.75	7.25
ENGINEERING						
Clerk Typist	0	0	0	0	0.75	0.75
Capital Impr. Eng.	1	1	1	transfer	0	0
City Engineer	1	1	1	1	1	1
Civil Engineering Proj. Mgr. I	0	1	0	0	0	0
Clerk Typist	0.75	0.75	0.75	0.75	0	0
Construction Manager	1	1	1	1	1	1
Engineering Technician I p-time	0.5	0.5	0.5	0.5	0.5	0.5
Engineering Technician II	2	2	2	2	1	1
Engineering Technician III	2	2	1	transfer	1	1
Engineering Technician IV	2	2	3	2	2	2
Inspector I	4	4	4	4	4	4
Inspector II	2	2	2	2	2	2
Material Tech I (temp)	0.75	0.75	0.75	0.75	0.75	0.75
Materials Tech. I	1	1	1	1	1.75	1.75
Materials Tech. II	1	1	1	1	1	1
Private Dev. Eng.	1	1	1	1	1	1
Project Mgr. (temp)	1	1	1	0	0	0
Project Mgr. I	3	4	5	4	4	4
Project Mgr. II	2	2	2	2	2	2
Secretary	1.25	1	1	1	1	1
Sr. Project Mgr.	4	4	4	transfer	0	0
Stormwater Manager	1	1	1	1	1	1
Survey Party Chief	1	1	1	1	1	1
Survey/Mapping Superv.	1	1	1	1	1	1
Traffic Eng. Mgr.	1	1	1	1	1	1
Traffic Projects & R/W Mgr.	1	1	1	1	1	1
Total	36.25	38	38	29	29.75	29.75
BUILDING INSPECTION						
Building Clerk	1	1	1	1	1	1
Building & Safety Director	1	1	1	1	1	0
Building & Develp Services Dir	1	1	1	1	1	1
Inspector I	4	4	4	4	4	4
Inspector II	3	3	3	3	3	3
Plans Examiner	3	3	3	3	2	3
Total	13	13	13	13	12	12

Authorized Personnel/Position Summary

1998-1999 to 2002-2003

DIVISION	1998-1999	1999-2000	2000-2001	2001-2002	REQUESTED 2002-2003	ADOPTED 2002-2003
PLANNING						
Associate Planner	3	3	3	3	3	3
Census 2000 Coordinator	0	0.5	0	0	0	0
Current Planner	1	1	1	1	1	1
Development Fee Manager	0	0	0	0	1	0
Development Review Planner	1	1	1	1	1	1
Housing Planner	1	1	1	1	1	1
Housing and CD Specialist	1	1	1	1	1	1
Long Range Planner	1	1	1	1	1	1
Planner	1	1	2	2	2	2
Planning Director	1	1	1	1	1	1
Planning Technician	1	1	0	0	1	1
Redevelopment Program Mgr.	1	1	1	1	1	1
Review Planner	1	1	1	0	0	0
Secretary	1	1	1	1	1	1
Senior GIS Technician	0	0	0	1	0	0
Zoning Enforce. Officer	1	1	1	1	2	1
Zoning Code Enf Official	1	1	1	1	1	1
Total	16	16.5	16	16	18	16
FIRE						
Asst. Fire Chief	2	2	2	2	2	2
Asst. Fuel Mgr.	0	0	0	1	1	1
Clerk Typist	1	1	1	1	1	1
Fire Battalion Chief	3	3	3	3	3	3
Fire Captain	18	21	21	21	21	21
Fire Chief	1	1	1	1	1	1
Fire Engineer	21	21	21	21	21	21
Fire Fighter	30	30	30	36	36	36
Fire Inspector II	2	2	2	2	2	2
Fire Lieutenant	3	0	0	0	0	0
Fire Training Officer	1	1	1	1	1	1
Fuel Manager	1	1	1	1	1	1
Fuel Mgt. Crew Member	0	0	0	2.75	2.75	2.75
Fuel Mgt. Leadworker	0	0	0	3	3	3
Fuel Mgmt Student Intern	0	0.5	0.5	0.5	0	0
Secretary	1	1	1	1	1	1
Total	84	84.5	84.5	97.25	96.75	96.75
POLICE						
Animal Control Officer	2	2	2	2	2	2
Assist. Records Clerk-COE	0	0.5	0.5	0.5	0.5	0.5
COE Aide (clerical)	0.75	0.75	0.75	0.75	0.75	0.75
Deputy Police Chief	1	1	1	1	2	2
Emerg Comm Specialist	14	16	21.25	20	24.5	23.5
Emerg Comm Specilst - ldwkr	2	2	3	3	4	3
Evidence Clerk	1	1	1	1	1	1
Evidence Technician	1	1	1	1	1	1
Parking Control Officer	1	1	1	1	1	1
Police Captain	1	1	1	1	0	0
Police Caseworker	transfer	1	1	1	1	1
Police Chief	1	1	1	1	1	1
Police Clerk	0	0	0	1	0	0
Police Communications Mgr	0	0	0	0	1	1
Police Corporal/Det.	16	16	17	17	17	17
Police Infor. Sys.Coord.	1	1	1	1	0	0
Police Info System Tech	0	1	1	2	2	2
Police Lieutenant	2	3	3	3	3	3
Police Officer	59	60	61	61	63	58
Police Records Clerk	7	7	9	9	9.5	9.5
Police Records Leadworker	1	1	1	1	1	1
Police Sergeant	11	11	11	11	11	11
Police Special Serv. Sup	1	1	1	1	1	1
Police Support Serv. Mgr.	1	1	1	1	1	1
Property Control Coord	1	1	1	1	2	1
Secretary	3	3	3	3	3	3
Sr. Police Records Clerk	1	1	1	1	1	1
Warrant Clerk	1	1	0	0	0	0
Total	129.75	136.25	145.5	146.25	154.25	146.25

Authorized Personnel/Position Summary

1998-1999 to 2002-2003

<u>DIVISION</u>	<u>1998-1999</u>	<u>1999-2000</u>	<u>2000-2001</u>	<u>2001-2002</u>	<u>REQUESTED 2002-2003</u>	<u>ADOPTED 2002-2003</u>
POLICE GRANTS						
Police Caseworker	1	transfer	0	0	0	0
Police Seargent	1	1	1	1	1	1
Secretary	1	1	1	1	1	1
Total	<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
PUBLIC WORKS ADMINISTRATION						
Administrative Aide	1.5	transfer	0	0	0	0
Conservation Coordinator	1	transfer	0	0	0	0
Environmental Tech	1	transfer	0	0	0	0
Public Works Director	1	1	1	1	1	1
Public Works Engineer	1	transfer	0	0	0	0
Secretary	1	1	1	1	1	1
Total	<u>6.5</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
PARKS						
Maintenance Worker	8	8	8.25	8.75	10.5	6.25
Maintenance Worker I	5	6	6	6	7	7
Maintenance Worker II	3.5	4.5	5	7.5	8	8
Maintenance Worker III	1	1	1	1	1	1
Maintenance Worker III Leadworker	1	1	1	1	1	1
Parks Supt.	1	1	1	1	1	1
Park Inventory Crew Member	0	0	0	1.25	0	0
Total	<u>19.5</u>	<u>21.5</u>	<u>22.25</u>	<u>26.5</u>	<u>28.5</u>	<u>24.25</u>
MECHANICAL SHOP						
Buyer I	0	0	0	0	1	1
Fleet Mgmt. Supt.	1	1	1	1	1	1
Fleet Supervisor	1	1	1	1	1	1
Mechanic Aide	1	1	1	1	1	1
Mechanic I	3	3	3	3	3	3
Mechanic II	5	6	6	6	6	6
Public Works Clerk	1	0	0	0	0	0
Service Writer	1	1	1	1	1	1
Sr. Equipment Parts Spec.	1	1	1	1	0	0
Welder	1	1	1	1	1	1
Total	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
FACILITIES MAINTENANCE						
City Hall Attendant	0.5	0.5	0.5	0.5	0	0
Custodian/Attendant	1	1	1	1	1	1
Facility Maint. Supt.	1	1	1	1	1	1
Maintenance Worker	0.25	0.25	0.25	0.25	0	0
Maintenance Worker I	1	1	1	1	1	1
Maintenance Worker II	2	2	2	2	4	4
Maintenance Worker III	3	3	3	3	2	2
Recreation Mech. Maint. Worker	0	transfer	1	1	1	1
Total	<u>8.75</u>	<u>8.75</u>	<u>9.75</u>	<u>9.75</u>	<u>10</u>	<u>10</u>
RECREATION						
Parks Project Manager	1	1	1	1	1	1
Clerk Typist	0	0.75	0.75	0.75	0.25	0.75
Intern	0	0	0.5	0.5	0.5	0.25
Park Ranger	0	0	0	0	2	0
Rec Coordinator II	1	2	2	2	2	2
Recreation Coord. I	6	6	7	7	7	7
Parks & Recreation Director	1	1	1	1	1	1
Recreation Mech. Maint. Worker	1	1	transfer	0	0	0
Recreation Supervisor	1	0	0	0	1	0
Recreation Supt.	1	1	1	1	1	1
Recreation Temporaries	26.5	29	28.5	29.5	29.5	27.25
Secretary	1	1	1	1	1	1
Senior Recreation Coordinator	8	8	8	8	8	8
Total	<u>47.5</u>	<u>50.75</u>	<u>50.75</u>	<u>51.75</u>	<u>54.25</u>	<u>49.25</u>

Authorized Personnel/Position Summary

1998-1999 to 2002-2003

DIVISION	1998-1999	1999-2000	2000-2001	2001-2002	REQUESTED 2002-2003	ADOPTED 2002-2003
STREET MAINTENANCE & REPAIRS						
Cemetery Maint. Specialist	1	1	1	1	1	1
Equip. Oper. III LDWKR	1	1	1	1	1	1
Equip. Oper. various temps	5.5	2.5	2.5	2.5	2.5	2.5
Equipment Operator I	3	6	6	6	6	6
Equipment Operator II	8	8	8	8	8	8
Equipment Operator III	3	3	3	3	3	3
Maint. Wkr. I	4	4	4	4	4	4
Maint. Wkr. II	2	2	2	2	2	2
Maint. Wkr. III	2	2	2	2	2	2
Maint. Wkr. III LDWKR	1	1	1	1	1	1
Maint. Worker temp	0.75	0.75	0.75	0.75	0.75	0.75
Traffic Signal Technician	0	0	0	0	1	1
Secretary	1	1	1	1	1	1
Street Superintendent	1	1	1	1	1	1
Street Supervisor	1	1	1	1	1	1
Leadworker/Training Coord.	1	1	1	1	1	1
Total	35.25	35.25	35.25	35.25	36.25	36.25
AIRPORT						
Airport Manager	1	1	1	1	1	1
Airport Operations Supv	0	0	0	0	1	1
Airport Service Leadworker	1	1	1	1	0	0
Airport Service Worker I	3	3	3	3	3	3
Airport Service Worker II	3	3	3	3	3	3
Equip. Operator II temp	0.5	0.5	0.5	0.5	0.5	0.5
Secretary	1	1	1	1	1	1
Total	9.5	9.5	9.5	9.5	9.5	9.5
ENVIRONMENTAL SERVICES						
Bin Maint./Equip. Oper.	1	1	1	1	1	1
Admin. Aide	transfer	2	1	1.5	1.5	1.5
Clerk Typist	0	1	1	1	1	1
Conservation Coordinator	0	1	1	1	1	1
Environmental Code Officer	0	0	0	1	1	1
Enviro Code/Ed Aide	0	0	1	1	0	0
Environ Program Manager	0	0	0	0	1	1
Environmental Program Specialist	0	0	0	1	1	1
Environmental Project Specialist	0	0	1	1	1	1
Environmental Services Director	0	0	0	1	1	1
Environmental Services Mgr	transfer	1	1	3	3	3
Environmental Technician	transfer	2	1	1.5	0.5	0.5
Equipment Oper. I - Temp.	0	0	0	1	1	1
Equipment Operator II	0	3.75	0	1	0	0
Landfill Attendant	1	1	1	1	1	1
Landfill Clerk	1	1	1	1	1	1
Landfill Engineer	0	1	1	0	0	0
Landfill Equip Operator I	1	1	1	1	1	1
Landfill Equip Operator II	1	1	1	1	1	1
Landfill Equip Operator III	3	3	2	3	3	3
Landfill Maint Operator	1	1	1	1	1	1
Project Manager II	0	0	1	1	1	1
Public Works Engineer	transfer	1	1	1	1	0
Recycling Supervisor	0	0	1	0	0	0
Environ Svc Equip Oper I	2	2	2	2	2	2
Environ Supervisor	2	3	2	0	1	1
Environ Svc Supt.	1	0	0	0	0	0
Solid Waste Customer Rep.	1	1	1	1	1	1
ES Training & Safety Coord	0	0	0	0	1	1
ES Equip. Oper. III-Commercial	0	0	0	0	4	8
ES Equip. Oper. II	12	12	16	16	12	9
Total	27	39.75	40	45	45	45

Authorized Personnel/Position Summary

1998-1999 to 2002-2003

<u>DIVISION</u>	<u>1998-1999</u>	<u>1999-2000</u>	<u>2000-2001</u>	<u>2001-2002</u>	<u>REQUESTED 2002-2003</u>	<u>ADOPTED 2002-2003</u>
UTILITIES ADMINISTRATION						
Administrative Aide	0	0	0	1	1	1
Assistant Utilities Director	1	1	1	1	1	1
Secretary	1	1	1	1	1	1
Utilities Clerk	1	1	1	1	1	1
Plant Supervisor	0	0	0	0	1	1
Utilities Director	1	1	1	1	1	1
Utilities Project Manager II	1	1	1	2	1	1
Water/Sewer Util. Locator	1	1	1	1	1	1
Total	6	6	6	8	8	8
LAKE MARY WATER PLANT						
Instrument Tech	1	1	1	1	1	1
Lab Director/Chemist	1	1	1	1	1	1
Laboratory Tech	1	1	1	1	1	1
Mech. Maint. Wkr I (temp)	1	1	1	1	1	1
Mech. Maint. Wkr. III	2	2	2	2	2	2
Mech. Maint. Wkr. IV	1	1	1	1	1	1
Plant Operator	3	3	3	3	3	3
Plant Supervisor	1	1	1	1	1	1
Water Treat/Prod Chf Operator	1	1	1	1	1	1
Total	12	12	12	12	12	12
CUSTOMER SERVICE						
Customer Svc Manager	1	1	1	1	1	1
Customer Svc Rep	2	3	3.25	3.25	4	4
Customer Svc Rep-Billing	1	1	1	1	1	1
Customer Svc Rep - temp	1.25	0.25	0	0	0	0
Meter Reader	4	4	4	4	4	4
Meter Reader Supervisor/Collections	1	1	1	1	1	1
Total	10.25	10.25	10.25	10.25	11	11
WATER DISTRIBUTION SYSTEM						
Maint. Wkr. III LDWKR	1	1	1	1	1	1
Maintenance Wkr - temp	1	1	1	2	2	2
Maintenance Wkr III	4	4	4	4	4	4
Maintenance Worker I	4	4	4	4	4	4
Maintenance Worker II	1	1	1	1	1	1
Meter Service Tech.	1	1	1	1	1	1
Utility Service Supr.	1	1	1	1	1	1
Total	13	13	13	14	14	14
WASTEWATER TREATMENT PLANT						
Equip. Operator II temp	1.5	1.5	1.5	1.5	1.5	1.5
Instrument Technician	1	1	1	1	1	1
Lab Director/Chemist	1	1	1	1	1	1
Lab Technician	1	1	1	1	1	1
Mech. Maint. Wkr II	1	1	1	1	1	1
Mech. Maint. Wkr III	1	1	1	1	1	1
Mech. Maint. Wkr. IV	1	1	1	1	1	1
Mech. Maint. Worker I	2	2	2	2	2	2
Plant Operator	2	2	2	2	2	2
Plant Supervisor	1	1	1	1	1	1
Senior Plant Operator	1	1	1	1	1	1
Total	13.5	13.5	13.5	13.5	13.5	13.5
WASTEWATER COLLECTION						
Intern - temp	0.25	0.25	0	0	0	0
Maintenance Wkr. I	3	3	3	3	3	3
Maintenance Wkr. II	1	1	1	1	1	1
Maintenance Wkr. III	2	2	2	2	2	2
Maintenance Wkr. III-Leadworker	1	1	1	1	1	1
Utilities Service Supr.	1	1	1	1	1	1
Total	8.25	8.25	8	8	8	8

Authorized Personnel/Position Summary

1998-1999 to 2002-2003

DIVISION	1998-1999	1999-2000	2000-2001	2001-2002	REQUESTED 2002-2003	ADOPTED 2002-2003
WASTEWATER MONITORING						
Industrial Waste Inspec.	1	1	2	2	2	2
Industrial Waste Supv.	1	1	1	1	1	1
Industrial Waste Technician	1	1	0	0	0	0
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
RECLAIMED WASTEWATER TREATMENT PLANT						
Instrument Technician	1	1	1	1	1	1
Lab Technician	1	1	1	1	1	1
Mech. Maint. Wkr. III	1	1	1	1	1	1
Plant Operator	1	1	1	1	1	1
Plant Supervisor	1	1	1	1	0	0
Senior Plant Operator	1	1	1	1	1	1
Total	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>5</u>
CITY COURT						
Clerk Typist	1	1	1	1	1	1
Court Administrator	1	1	1	1	1	1
Court Clerk I	8	8	8	8	9	8
Court Clerk II	2	2	2	2	2.25	2.25
Court Collection Admin.	1	1	1	1	0	0
Court Collection Specialist	0	0	0	1	1	1
Court Info Systems Spec	0	0	0	0	1	1
Court Interpreter	0	0	0	1	1	1
Court Training Specialist	0	0	0	1	1	1
Deputy Court Administrator	0	0	0	0	2	2
File Clerk	2	2	2	2	0	1
Magistrate	1.75	1.75	1.75	1.75	1.75	1.75
Presiding Magistrate	1	1	1	1	1	1
Probation Officer	1	1	1	1	0.75	0.75
Pro-Tem Magistrate	0.5	0.5	0.5	0.5	0.5	0.5
Warrant Officer	1	1	2	2	2	2
Total	<u>20.25</u>	<u>20.25</u>	<u>21.25</u>	<u>24.25</u>	<u>25.25</u>	<u>25.25</u>
BEAUTIFICATION						
Urban Design Project Manager	0	0	0	0	1	0
Urban Design Planner	1	1	1	1	1	1
Total	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>1</u>
TOURISM						
Convention/Visitor Bur. Dir	1	1	1	1	0	0
CVB Communications Coord	1	1	1	1	0	0
CVB Manager	0	0	0	0	1	1
Domestic Travel Coord	1	1	1	1	0	0
Marketing Assistant	1	1	1	1	0	0
Public Relations Associate	0	0	0	0	1	1
Sales Associate	0	0	0	0	2	2
Sales & Marketing Manager	0	0	0	0	1	1
Secretary	1	1	1	1	1	1
Travel Industry Mgr.	1	1	1	1	0	0
Total	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
GRAND TOTALS	<u><u>658.75</u></u>	<u><u>686.25</u></u>	<u><u>700.00</u></u>	<u><u>746.25</u></u>	<u><u>767</u></u>	<u><u>741.25</u></u>

2002-2003 City of Flagstaff Pay Plan

Range	Pos #	Position Title	Min														
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13		
1 A-1-0	10103	N Custodian/Attendant	7.76	8.10	8.43	8.77	9.10	9.44	9.78	10.11	10.48						
	10100	N Library Page	620.80	648.00	674.40	701.60	728.00	755.20	782.40	808.80	838.40						
			1345.07	1404.00	1461.20	1520.13	1577.33	1636.27	1695.20	1752.40	1816.53						
2 A-1-1	10204	N Mail/Duplication Aide	8.94	9.32	9.71	10.10	10.49	10.88	11.27	11.66	12.06						
	10201	N Switchboard Operator	715.20	745.60	776.80	808.00	839.20	870.40	901.60	932.80	964.80						
			1549.60	1615.47	1683.07	1750.67	1818.27	1885.87	1953.47	2021.07	2090.40						
3 A-1-2	10302	N Library Clerk I	9.71	10.14	10.57	11.00	11.43	11.87	12.30	12.73	13.11						
			776.80	811.20	845.60	880.00	914.40	949.60	984.00	1018.40	1048.80						
			1683.07	1757.60	1832.13	1906.67	1981.20	2057.47	2132.00	2206.53	2272.40						
4 A-1-3	10420	N Acct Clerk/Switchbd Op	11.19	11.69	12.18	12.67	13.17	13.66	14.15	14.65	15.11						
	10415	N Airport Svc Wkr I	895.20	935.20	974.40	1013.60	1053.60	1092.80	1132.00	1172.00	1208.80						
	10400	N Engineering Tech (p/t)	1939.60	2026.27	2111.20	2196.13	2282.80	2367.73	2452.67	2539.33	2619.07						
5 B-2-1	10418	N Equipment Oper I	23275.20	24315.20	25334.40	26353.60	27393.60	28412.80	29432.00	30472.00	31428.80						
	10412	N Evidence Clerk															
	10406	N Maintenance Wkr I															
6 B-2-2	10502	N Env Svcs Equip Oper I - Bulky	11.75	12.20	12.65	13.10	13.56	14.01	14.46	14.91	15.36						
	10500	N Library Assistant I	940.00	976.00	1012.00	1048.00	1084.80	1120.80	1156.80	1192.80	1228.80						
			2036.67	2114.67	2192.67	2270.67	2350.40	2428.40	2506.40	2584.40	2662.40						
7 B-2-2	10600	N Account Clerk II	12.12	12.58	13.04	13.50	13.97	14.43	14.89	15.35	15.81						
	10628	N Airport Svc Wkr II	969.60	1006.40	1043.20	1080.00	1117.60	1154.40	1191.20	1228.00	1264.80						
	10601	N Animal Control Officer	2100.80	2180.53	2260.27	2340.00	2421.47	2501.20	2580.93	2660.67	2740.40						
8 B-2-2	10602	N BIN Maint/Equip Oper	25209.60	26166.40	27123.20	28080.00	29037.60	30014.40	30971.20	31928.00	32884.80						
	10622	N Computer Tech I															
	10627	N Engineering Tech II															
9 B-2-2	10625	N Env Svcs Equip Oper II - Residential															
	10607	N Equipment Oper II															
	10632	N GIS Technician															
10 B-2-2	10626	N Landfill Equip Oper I															
	10615	N Landfill Maint Oper															
	10610	N Maintenance Wkr II															
11 B-2-2	10609	N Materials Tech I															
	10630	N Rec Coordinator II															
	10614	N Service Writer															
10608	N Storekeeper																

2002-2003 City of Flagstaff Pay Plan

Range	Pos #	Position Title	Min														
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13		
7 B-2-3	10722	N Account Clerk III	13.25	13.76	14.26	14.76	15.27	15.77	16.28	16.78	17.28	17.79	18.29				
	10717	N Administrative Aide	1060.00	1100.80	1140.80	1180.80	1221.60	1261.60	1302.40	1342.40	1382.40	1423.20	1463.20				
	10707	N Cemetery Maint Spec	2296.67	2385.07	2471.73	2558.40	2646.80	2733.47	2821.87	2908.53	2995.20	3083.60	3170.27				
	10735	N Court Collections Specialist	27560.00	28620.80	29660.80	30700.80	31761.60	32801.60	33862.40	34902.40	35942.40	37003.20	38043.20				
	10726	N Deputy City Clerk															
	10714	N Development Svs Rep															
	10731	N Engineering Tech III															
	10732	N Environ Code Officer															
	10737	N Env Svcs Equip Oper III - Commercial															
	10705	N Evidence Tech															
	10728	N Landfill Equip Oper II															
	10709	N Library Cataloging Asst															
	10700	N Mechanic I															
	10729	N Meter Reader Supv/Coll															
	10710	N Meter Service Tech															
	10734	N Payroll Assistant															
	10704	N Planning Tech															
10703	N Plant Operator																
10725	N Police Emerg Comm Spec																
10727	N Recr Mech Maint Wkr																
10713	N Revenue Collector																
10736	N Risk Management Assistant																
10706	N Sales Associate																
10702	N Wtr/Swr Utility Locator																
10711	N Zoning Enforce Officer																
	20702	E Executive Admin Asst	13.25					15.90					18.55				
	20701	E Sales and Marketing Associate	1060.00					1272.00					1484.00				
			2296.67					2756.00					3215.33				
			27560.00					33072.00					38584.00				
8 B-2-4	10834	N Accounts Payable Specialist	15.55	16.14	16.73	17.31	17.90	18.49	19.08	19.67	20.25	20.84	21.46				
	10827	N Buyer	1244.00	1291.20	1338.40	1384.80	1432.00	1479.20	1526.40	1573.60	1620.00	1667.20	1716.80				
	10830	N Computer Tech II	2695.33	2797.60	2899.87	3000.40	3102.67	3204.93	3307.20	3409.47	3510.00	3612.27	3719.73				
	10832	N Contract Assistant	32344.00	33571.20	34798.40	36004.80	37232.00	38459.20	39686.40	40913.60	42120.00	43347.20	44636.80				
	10835	N Court Info Systems Specialist															
	10831	N Court Interpreter															
	10826	N Database Analyst															
	10805	N Engineering Tech IV															
	10820	N Environmental Tech															
	10800	N Equip Oper III															
	10812	N Industrial Waste Insp															
	10810	N Inspector I															
	10802	N Instrument Tech															
	10828	N IS Customer Service Rep															
	10822	N Landfill Equip Oper III															
	10807	N Library Assistant II															
	10804	N Maintenance Wkr III															
10808	N Mechanic II																
10801	N Mech Maint Wkr III																
10825	N Police Info Systems Tech																
10809	N Probation Officer																
10814	N Sr GIS Technician																
10829	N Sr Recreation Coordinator																
10824	N Software Support Tech																
10803	N Welder																
10819	N Zoning Enforce Official																
	20801	E Executive Asst	15.55					18.66					21.77				
	20800	E Public Relations Associate	1244.00					1492.80					1741.60				
			2695.33					3234.40					3773.47				
			32344.00					38812.80					45281.60				

2002-2003 City of Flagstaff Pay Plan

Range	Pos #	Position Title	Min												
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13
9 B-2-5	10909	N Accountant I	16.49	17.12	17.75	18.38	19.01	19.64	20.27	20.90	21.53	22.16	22.75		
	10911	N Associate Planner	1319.20	1369.60	1420.00	1470.40	1520.80	1571.20	1621.60	1672.00	1722.40	1772.80	1820.00		
	10922	N Client Service Analyst	2858.27	2967.47	3076.67	3185.87	3295.07	3404.27	3513.47	3622.67	3731.87	3841.07	3943.33		
	10923	N Court Training Specialist	34299.20	35609.60	36920.00	38230.40	39540.80	40851.20	42161.60	43472.00	44782.40	46092.80	47320.00		
	10920	N Database Analyst													
	10928	N Env Svcs Training Safety Coord													
	10907	N Fire Inspector II													
	10924	N Fuel Management Leadworker													
	10907	N Housing and CD Specialist													
	10925	N Human Resources Specialist													
10900	N Inspector II														
10902	N Payroll Specialist														
10904	N Plans Examiner														
10919	N Police Caseworker														
10915	N Police Emerg Comm Spec Ldwkr														
10903	N Police Officer														
10914	N Police Records Leadworker														
10926	N Programmer/Analyst I														
10918	N Senior Buyer														
10929	N Traffic Signal Technician														
10916	N Warrants Officer														
10 B-3-1	20905	E Environmental Program Spec	16.49	17.12	17.75	18.38	19.01	19.64	20.27	20.90	21.53	22.16	22.75		
	20903	E Librarian	1319.20	1369.60	1420.00	1470.40	1520.80	1571.20	1621.60	1672.00	1722.40	1772.80	1820.00		
	20902	E Sales and Marketing Manager	2858.27	2967.47	3076.67	3185.87	3295.07	3404.27	3513.47	3622.67	3731.87	3841.07	3943.33		
			34299.20	35609.60	36920.00	38230.40	39540.80	40851.20	42161.60	43472.00	44782.40	46092.80	47320.00		
	11003	N Equip Oper III Ldwkr	17.26	17.92	18.59	19.25	19.91	20.57	21.23	21.89	22.55	23.22	23.82		
	11009	N Lab Director/Chemist	1380.80	1433.60	1487.20	1540.00	1592.80	1645.60	1698.40	1751.20	1804.00	1857.60	1905.60		
	11002	N Ldwkr/Training Coord	2991.73	3106.13	3222.27	3336.67	3451.07	3565.47	3679.87	3794.27	3908.67	4024.80	4128.80		
	11004	N Maint Worker III Ldwkr	35900.80	37273.60	38667.20	40040.00	41412.80	42785.60	44158.40	45531.20	46904.00	48297.60	49545.60		
	11008	N Materials Tech II													
	11000	N Mech Maint Wkr IV													
11 B-3-2	11007	N Survey Party Chief	17.13	17.75	18.38	19.01	19.64	20.27	20.90	21.53	22.16	22.75			
	11010	N Water Treat/Prod Chf Op	1370.40	1423.20	1476.00	1528.80	1581.60	1634.40	1687.20	1740.00	1792.80	1845.60	1898.40		
	21004	E Airport Operations Supervisor	20.81	21.43	22.05	22.67	23.29	23.91	24.53	25.15	25.77	26.39	27.01		
	21007	E Conservation Coordinator	1370.40	1423.20	1476.00	1528.80	1581.60	1634.40	1687.20	1740.00	1792.80	1845.60	1898.40		
	21005	E Environmental Supervisor	2969.20	3073.60	3178.00	3282.40	3386.80	3491.20	3595.60	3700.00	3804.40	3908.80	4013.20		
	21002	E Library Supervisor	35630.40	36774.80	37919.20	39063.60	40208.00	41352.40	42496.80	43641.20	44785.60	45930.00	47074.40		
	11100	N Detective/Corporal	19.09	19.81	20.54	21.26	21.99	22.71	23.44	24.16	24.89	25.61	26.34		
	11101	N Fleet Supervisor	1527.20	1584.80	1643.20	1700.80	1759.20	1816.80	1875.20	1932.80	1991.20	2048.80	2107.20		
	11103	N Spec Services Supv	3308.93	3433.73	3560.27	3685.07	3811.60	3936.40	4062.93	4187.73	4314.27	4439.07	4565.60		
			39707.20	41204.80	42723.20	44220.80	45739.20	47236.80	48755.20	50252.80	51771.20	53268.80	54787.20		
21106	E Assistant Fuel Manager	18.77	19.39	20.01	20.63	21.25	21.87	22.49	23.11	23.73	24.35	24.97			
21104	E City Clerk	1501.60	1553.60	1605.60	1657.60	1709.60	1761.60	1813.60	1865.60	1917.60	1969.60	2021.60			
		3253.47	3353.73	3454.00	3554.26	3654.53	3754.79	3855.05	3955.31	4055.57	4155.83	4256.09			
		39041.60	40041.80	41042.00	42042.20	43042.40	44042.60	45042.80	46043.00	47043.20	48043.40	49043.60			

2002-2003 City of Flagstaff Pay Plan

Range	Pos #	Position Title	Mid 1-4 Mid 5-11 Mid 12+													
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	
C-4-1	11203	N Accountant II	19.86	20.54	21.22	21.90	22.59	23.27	23.95	24.63	25.32	26.00	26.68	27.36	27.99	
	11200	N Auditor II	1588.80	1643.20	1697.60	1752.00	1807.20	1861.60	1916.00	1970.40	2025.60	2080.00	2134.40	2188.80	2239.20	
	11201	N Engineering Project Manager I	3442.40	3560.27	3678.13	3796.00	3915.60	4033.47	4151.33	4269.20	4388.80	4506.67	4624.53	4742.40	4851.60	
	11206	N Traffic Proj & R/W Mgr	41308.80	42723.20	44137.60	45552.00	46987.20	48401.60	49816.00	51230.40	52665.60	54080.00	55494.40	56908.80	58219.20	
	21211	E Asst City Atty - Pros	19.60							22.87						28.42
	21235	E Building and Safety Manager	1568.00							1829.60						2273.60
C-4-2	21233	E Client Service Administrator	3397.33						3964.13						4926.13	
	21224	E Construction Manager	40768.00						47569.60						59113.60	
	21213	E Customer Service Mgr														
	21234	E Deputy Court Administrator														
	21230	E Environ Project Specialist														
	21232	E Environ Services Manager														
	21227	E GIS Systems Analyst														
	21204	E Grants Manager														
	21225	E Human Resources Analyst														
	21201	E Industrial Waste Supv														
	21203	E Library Info Sys Coord														
	21207	E Library Manager														
	21216	E Management Asst - PIO														
	21231	E Network Analyst														
	21209	E Parks Project Manager														
	21222	E Parks Superintendent														
	21208	E Planner														
	21217	E Programmer/Analyst II														
	21223	E Recreation Superintendent														
	21200	E Streets Supervisor														
21218	E Urban Design Planner															
21215	E Utility Service Supv															
C-4-3	11303	N Engineering Project Manager II	21.62	22.35	23.09	23.82	24.56	25.29	26.03	26.76	27.50	28.23	28.97	29.70	30.48	
	11301	N Police Sergeant	1729.60	1788.00	1847.20	1905.60	1964.80	2023.20	2082.40	2140.80	2200.00	2258.40	2317.60	2376.00	2438.40	
			3747.47	3874.00	4002.27	4128.80	4257.07	4383.60	4511.87	4638.40	4766.67	4893.20	5021.47	5148.00	5283.20	
			44969.60	46488.00	48027.20	49545.60	51084.80	52603.20	54142.40	55660.80	57200.00	58718.40	60257.60	61776.00	63398.40	
	21301	E Current Planner	21.34							24.89						30.93
	21305	E Facilities Maint Supt	1707.20							1991.20						2474.40
	21321	E GIS Manager	3698.93							4314.27						5361.20
	21319	E Housing Planner	44387.20							51771.20						64334.40
	21320	E Info Systems Spec														
	21322	E Network Administrator														
21309	E Plant Supervisor															
21324	E Real Estate Manager															
21323	E Risk Manager															
21308	E Transportation Planner															
C-4-3	11400	N Fire Training Officer	24.59	25.43	26.27	27.11	27.95	28.79	29.63	30.47	31.31	32.15	32.99	33.83	34.67	
			1967.20	2034.40	2101.60	2168.80	2236.00	2303.20	2370.40	2437.60	2504.80	2572.00	2639.20	2706.40	2773.60	
			4262.27	4407.87	4553.47	4699.07	4844.67	4990.27	5135.87	5281.47	5427.07	5572.67	5718.27	5863.87	6009.47	
			51147.20	52894.40	54641.60	56388.80	58136.00	59883.20	61630.40	63377.60	65124.80	66872.00	68619.20	70366.40	72113.60	
	21404	E Airport Manager	24.27							28.31						35.19
	21410	E Fleet Management Supt	1941.60							2264.80						2815.20
	21420	E Fuel Manager	4206.80							4907.07						6099.60
	21405	E Long Range Planner	50481.60							58884.80						73195.20
	21419	E Police Communications Manager														
	21412	E Police Support Svc Manager														
	21418	E Redevelopment Program Mgr														
	21406	E Senior Project Manager														
	21409	E Streets Superintendent														
	21403	E Stormwater Manager														
21417	E Survey/Mapping Supv															
21414	E Traffic Engineering Mgr															
21416	E Utilities Engineer															

2002-2003 City of Flagstaff Pay Plan

Range	Pos #	Position Title	Mid 1-4 Mid 5-11 Mid 12+												
			Min	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12
C-5-1	N		25.33	26.33	27.34	28.35	29.36	30.37	31.37	32.38	33.39	34.40	35.41	36.41	37.37
			20256.40	2106.40	2187.20	2268.00	2348.80	2429.60	2509.60	2590.40	2671.20	2752.00	2832.80	2912.80	2989.60
			4390.53	4563.87	4738.93	4914.00	5089.07	5264.13	5437.47	5612.53	5787.60	5962.67	6137.73	6311.07	6477.47
			52686.40	54766.40	56867.20	58968.00	61068.80	63169.60	65249.60	67350.40	69451.20	71552.00	73652.80	75753.80	77729.60
			24.78						29.27						36.68
C-5-2		21505 E Asst City Atty - Chf Pros	1982.40						2341.60						2934.40
		21506 E Asst City Atty - Civil I	4295.20						5073.47						6357.87
		21502 E Blding & Development Svcs Dir	51542.40						60881.60						76294.40
		21510 E CVB Manager													
		21501 E Develop Review Planner													
D-6-1		21511 E Environ Program Manager													
		21509 E Finance/Budget Manager													
		21503 E Police Lieutenant													
		21504 E Private Dev Engineer													
		21500 E Tax License/Revenue Adm													
D-6-2		21602 E Capital Imp Engineer	26.55						31.36						39.30
		21607 E Convention/Visitor Bureau Dir	2124.00						2508.80						3144.00
		21609 E Human Resources Manager	4602.00						5435.73						6812.00
		21608 E Information Systems Mgr	55224.00						65228.80						81744.00
		21601 E Parks & Recreation Dir													
D-6-3		21700 E Asst City Atty - Civil II	28.63						34.22						43.24
		21706 E Asst Fire Chief	2290.40						2737.60						3459.20
		21710 E Asst Utilities Director	4962.53						5931.47						7494.93
		21712 E Court Administrator	59550.40						71177.60						89939.20
		21711 E Environ Svc Director													
D-6-3		21701 E Library Director													
		21702 E Police Captain													
		21707 E Purchasing Director													
		21800 E City Engineer	29.88						35.71						45.12
		21803 E CIP Director	2390.40						2856.80						3609.60
D-6-3		21801 E Deputy Police Chief	5179.20						6189.73						7820.80
		21802 E Planning Director	62150.40						74276.80						93849.60
		21900 E Financial Services Director	31.11						37.19						46.98
			2488.80						2975.20						3758.40
			5392.40						6446.27						8143.20
D-7-1			64708.80						77355.20					97718.40	
			33.44						40.45					51.50	
			2675.20						3236.00					4120.00	
			5796.27						7011.33					8926.67	
			69555.20						84136.00					107120.00	
E-8-1		22103 E Community Dev Director	35.29						43.19						55.41
		22101 E Fire Chief	2823.20						3455.20						4432.80
		22106 E Management Svcs Director	6116.93						7486.27						9604.40
		22100 E Police Chief	73403.20						89835.20						115252.80
		22102 E Public Works Director													
E-8-2		22105 E Utilities Director													
		22200 E City Attorney	39.05						47.79						61.31
		22201 E Deputy City Manager	3124.00						3823.20						4904.80
			6768.67						8283.60						10627.07
			81224.00						99403.20						127524.80
F-10-2			45.52						56.36						72.83
			3641.60						4508.80						5826.40
			7890.13						9769.07						12623.87
			94681.60						117228.80						151486.40

2002-2003 City of Flagstaff Pay Plan - 2912 Hours

Range	Pos #	Position Title	Min												
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13
8	10813 N	Firefighter	11,1071	11,5286	11,9500	12,3643	12,7857	13,2071	13,6286	14,0500	14,4643	14,8857	15,3286		
			1244.00	1291.20	1338.40	1384.80	1432.00	1479.20	1526.40	1573.60	1620.00	1667.20	1716.80		
			2695.33	2797.60	2899.87	3000.40	3102.67	3204.93	3307.20	3409.47	3510.00	3612.27	3719.73		
			32344.00	33571.20	34798.40	36004.80	37232.00	38459.20	39686.40	40913.60	42120.00	43347.20	44636.80		
9	10905 N	Fire Engineer	11,7786	12,2286	12,6786	13,1286	13,5786	14,0286	14,4786	14,9286	15,3786	15,8286	16,2500		
			1319.20	1369.60	1420.00	1470.40	1520.80	1571.20	1621.60	1672.00	1722.40	1772.80	1820.00		
			2858.27	2967.47	3076.67	3185.87	3295.07	3404.27	3513.47	3622.67	3731.87	3841.07	3943.33		
			34299.20	35609.60	36920.00	38230.40	39540.80	40851.20	42161.60	43472.00	44782.40	46092.80	47320.00		
13	11300 N	Fire Captain	15,4429	15,9643	16,4929	17,0143	17,5429	18,0643	18,5929	19,1143	19,6429	20,1643	20,6929	21,2143	21,7714
			1729.60	1788.00	1847.20	1905.60	1964.80	2023.20	2082.40	2140.80	2200.00	2258.40	2317.60	2376.00	2438.40
			3747.47	3874.00	4002.27	4128.80	4257.07	4383.60	4511.87	4638.40	4766.67	4893.20	5021.47	5148.00	5283.20
			44969.60	46488.00	48027.20	49545.60	51084.80	52603.20	54142.40	55660.80	57200.00	58718.40	60257.60	61776.00	63398.40
15	11500 E	Fire Battalion Chief	18,0929	18,8071	19,5286	20,2500	20,9714	21,6929	22,4071	23,1286	23,8500	24,5714	25,2929	26,0071	26,6929
			2026.40	2106.40	2187.20	2268.00	2348.80	2429.60	2509.60	2590.40	2671.20	2752.00	2832.80	2912.80	2989.60
			4390.53	4563.87	4738.93	4914.00	5089.07	5264.13	5437.47	5612.53	5787.60	5962.67	6137.73	6311.07	6477.47
			52686.40	54766.40	56867.20	58968.00	61068.80	63169.60	65249.60	67350.40	69451.20	71552.00	73652.80	75732.80	77729.60

RESOLUTION NO. 2002-45

A RESOLUTION FOR THE ADOPTION OF THE BUDGET FOR FISCAL YEAR 2002-2003; AND DECLARING AN EMERGENCY.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1 - 5, A.R.S., the City Council did, on June 18, 2002 make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Flagstaff; and

WHEREAS, in accordance with said sections of said Title, and following due public notice, the Council met on June 18, 2002, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the City Council would meet on July 16, 2002, in the Council Chambers at City Hall for the purpose of hearing taxpayers and making tax levies as set forth in said estimates; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in A.R.S. 42-17051 (A);

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1. That said estimates of revenues and expenditures shown on the accompanying schedules as now increased, reduced or changed be and the same are hereby adopted as the budget of the City of Flagstaff for Fiscal Year 2002-2003.

SECTION 2. Emergency Clause and Effective Date. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health, and safety of the City. Therefore, an emergency is hereby declared to exist, and this Resolution is enacted as an emergency measure and will be in full force and effect from and after its passage and adoption by the Council of the City, as required by law. This Resolution shall take effect on July 1, 2002.

PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 2nd day of July, 2002.

/s/ Joseph C. Donaldson

ATTEST:

/s/ Carolyn Jagger
CITY CLERK

APPROVED AS TO FORM:

/s/ Joseph R. Bertoldo
CITY ATTORNEY

ORDINANCE NO. 2002-09

AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2003.

WHEREAS, by the provisions of State law, the ordinance levying taxes for fiscal year 2002-2003 is required to be finally adopted not later than the third Monday in August; and

WHEREAS, the County of Coconino is the assessing and collecting authority for the City of Flagstaff, the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor and the Board of Supervisors of the County of Coconino, Arizona;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Flagstaff as follows:

SECTION 1. There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal within the corporate limits of the City of Flagstaff, except such property as may be by law exempt from taxation, a primary property tax rate of .7326 for the fiscal year ending on the 30th day of June, 2003. If this tax rate exceeds the maximum levy allowed by law, the Board of Supervisors of the County of Coconino is hereby authorized to reduce the levy to the maximum allowable by law after providing notice to the City.

SECTION 2. In addition to the rate set in Section 1 hereof, there is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal within the corporate limits of the City of Flagstaff, except such property as may be by law exempt from taxation, a secondary property tax rate of .9801 for the fiscal year ending June 30, 2003.

SECTION 3. Failure by the county officials of Coconino County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or to them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgement of sale by which the collection of the same may be enforced shall not affect the lien of the City of Flagstaff upon such property for the delinquent taxes unpaid thereon; overcharge as to

part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien thereon or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 4. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 5. Emergency Clause and Effective Date. The immediate operation of the provisions of this Ordinance is necessary for the preservation of the public peace, health and safety of the City. Therefore, an emergency is hereby declared to exist, and this Ordinance is enacted as an emergency measure and will be in full force and effect from and after its passage and adoption by the Council of the City, as required by law, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona. The tax levies imposed by this Ordinance shall take effect July 16, 2002.

PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 16th day of July, 2002.

/s/ Joseph C. Donaldson
MAYOR

ATTEST:

/s/ Carolyn Jagger
CITY CLERK

APPROVED AS TO FORM:

/s/ Joseph R. Bertoldo
CITY ATTORNEY

Full-Cost Plan Summary of Allocation Basis

Building Use:

City Hall-Gross square feet of assigned spaces.
Coconino Warehouse- Gross square feet of assigned spaces.
Single Use-Value of building utilized.

Equipment Use:

General-Inventory of assigned equipment.
ND Computer-Number of personal computers.

ND General Admin:

Personal-Number of permanent full-time equivalent positions served.
Fiscal-Total budget, capital at 10%, of units served.
Other-Direct allocation to ND General Admin-Other.

ND Employee Benefits:

Services-Number of permanent full-time equivalent positions served.

ND Insurance:

General Fund-Total budget less capital of units served.
Other Funds-Risk Management insurance costs for non-general use.

ND Consultants:

Audit & Fiscal-Total budgeted expenditures of units served.
Other Services-Direct allocation to ND Consultants-Other.

Council & Commissions:

Council-Total budget, capital at 10% of units served.
Boards-Total budget by fund, less capital carryover.

City Manager:

City Admin Personnel-Personal services of units supervised or served.
City Admin Fiscal-Total budget, capital at 10%, of units served.
Deputy Personnel-Personal services of units supervised or served.
Deputy Fiscal-Total budget, capital at 10%, of units served.

City Clerk:

Records Management-Number of boxes stored.
Other Services-Total budget, capital at 10%, of units served.

City Attorney:

Civil Division-Total budget, capital at 10%, of units served.
Criminal & Other-Direct allocation to City Attorney-Other

Human Resources:

Benefits-Number of full-time equivalent positions served.
Training-Number of permanent full-time equivalent positions served.
Recruitment-Number of FTE's served, Fire & Police weighted.
Risk Management Safety-Number of full-time equivalent positions served.
Risk Management Claims-Total budget, capital at 10%, of units served.

Management Services Admin:

Department Admin-Personal services of units supervised or served.
Other-Direct allocation to Other.

Management Services Purchasing:

Division Admin-Personal services of units supervised.
General Purchases-Number of encumbrances per division.
Large Projects-Estimated effort expended on larger projects.
Contract Admin-Expenditure of contract administered.
Bond/Surety-Direct allocation to Community Development.

Management Services Mail Services:

Services-Number of pieces of mail processed during six months.

Management Services Grant Admin:

Services-Grant revenues.

Management Services Warehouse:

Services-Cost of items issued through warehouse.

Management Services Property Mgmt:

Services-Estimated effort spent on projects.

ND Copy Center:

Services-Actual copy center charges for twelve months.

Information Systems:

General Support-Number of personal computers supported.
E-Mail-Number of e-mail messages.
GIS-Total budget less capital of units served.

Finance:

General Account-Total budgeted expenditures of units served.
 Journal Entry-Number of Receipt & Journal transactions.
 Accounts Payable-Number of Accounts Payable transactions.
 Payroll-Number of payroll checks issued.
 Budget Programs-Number of programs.
 Budget Fiscal-Total budget, capital at 10%, of units served.

Sales Tax & Licensing:

Collections-Estimated level of effort provided by Collections.
 Accounts Receivable-Estimated level of effort provided by Accounts Receivable.
 Other-Direct allocation to General Fund-Other.

Public Works Administration:

Director-Estimated effort expended by Public Works Director.
 Secretary-Estimated effort expended by Public Works Director's Secretary.

Public Facilities Maintenance:

City Hall Custodial-Gross square feet of assigned space.
 City Court Custodial-Direct allocation to City Court.
 Other Custodial-Number of restrooms maintained.
 Preventive Maintenance-Gross square footage of assigned space maintained.
 Special Maintenance-Budgeted hours to be expended on special projects.
 City Hall Maintenance-Gross square feet of assigned space.
 Other Maintenance-Budgeted hours to be expended on activities.
 City Hall Utilities-Gross square feet of assigned space.
 Beaver Street Annex-Direct allocation to Other.
 Milligan House-Direct allocation to Tourism.

Soil Remediation:

Services-Charges for services provided by Public Works Mechanical Shop.

Mechanical Shop:

Services-Charges for services provided by Public Works Mechanical Shop.

Customer Services:

City Support-Total budget, capital at 10%, of units served.
 Deposit Assistance-Estimated hours of service provided.
 Enterprise-Budgeted revenue of utilities and environmental services.

Field Reading-Direct allocation to utilities.

Community Development Admin:

Admin Personal-Personal services of units supervised or served.
 Admin Fiscal-Total budget, capital at 10% of units served.
 Devel Services-Total budget, capital at 10% of units served.

Engineering:

Traffic Engineer-Direct allocation to Highway User Fund.
 Stormwater-Percentage of hours spent on projects.
 ADEQ Plan-Direct allocation to General Fund-Other.
 Rio de Flag-Direct allocation to General Fund-Other.
 Building Permit-Direct allocation to General Fund-Other.
 Other-Dollar value of permits issued in prior year.

Planning:

General Services-Total budget by fund, less capital carryover.
 Development Review-Total budget by fund, less capital carryover.
 Advanced Plan-Total budget by fund, less capital carryover.
 Zoning-Total budget by fund, less capital carryover.
 Redevelopment-Total budget by fund, less capital carryover.
 Housing-Direct allocation to Planning-Other.

Contributions:

United Way-Total budget by fund, less capital.
 Others-Direct allocation to Contributions.

GLOSSARY

ACTIVITY - The purpose/activity or group of sub-activities within a function/program for which the city is responsible.

ADA – Americans with Disabilities Act

ADOPTED BUDGET - Formal action made by City Council that sets the spending limits for the fiscal year.

ADOT - Arizona Department of Transportation

ALLOCATION - Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities, or other logical measures of use.

ANNUALIZED COSTS - Operating costs incurred at annual rates for a portion of the prior fiscal year and which must be incurred at similar rates for the entire 12 months of the succeeding fiscal year.

AOT - Arizona State Office of Tourism

APP – Aquifer Protection Permit

APPROPRIATION - An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

ARB – Accident Review Board. A committee comprised of City Employees from various departments designated to review employee accidents that result in property damage.

ASSESSED VALUATION - A valuation set upon real estate or other property by the County Assessor and the State as a basis for levying taxes. (Primary or Secondary)

ATP – Administrative/Technical Personnel

AWWA – American Water and Wastewater Association

BBB - Revenue derived from a two percent (2%) excise tax on hotels (bed), restaurants (board) and, bar receipts (booze), therefore, the "BBB" tax.

BNSF – Burlington Northern Santa Fe railroad company

BOND - A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future,

called the maturity date(s), together with periodic interest at a specific rate.

BOND FUNDS - Are used to account for the purchase or construction of major capital facilities that are not financed by other funds. The use of bond funds is necessary to demonstrate that bond proceeds are spent only in amounts and for purposes authorized.

BONDS--PROCEEDS - Debt issuances derived from the sale of bonds for the purpose of constructing major capital facilities.

BUDGET - A financial plan consisting of an estimate of proposed expenditures and their purposes for a given period and the proposed means of financing them.

BUDGETARY CONTROL - The control of management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

BUDGET MESSAGE - The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations regarding the financial policy for the coming period.

CAPITAL - Those items valued over \$5,000 with a life expectancy of at least three years.

CAPITAL IMPROVEMENT PROGRAM BUDGET - The appropriation of bonds or operating revenue for improvements to city facilities including buildings, streets, water and sewer lines, and parks.

CAPITAL OUTLAY - Expenditures that result in the acquisition of or addition to fixed assets.

CAPITAL PROJECT - Any project having assets of significant value and having a useful life of three years or over. Capital projects include the purchase of land for design, engineering and construction of buildings and infrastructure items such as streets, bridges, drainage, street lighting, water system, etc. Capital projects are permanent attachments intended to remain to the land.

CARRYFORWARD - Any equipment, contractual, commodity, or capital project that has been previously approved by the Mayor and Council but for various reasons has not been implemented on schedule. Under the State laws

and generally accepted accounting principals only those costs relating to work actually done on or before the last day of the fiscal year can be reflected on the financial statements of that fiscal year. To avoid having to charge the project costs estimated to be incurred in a subsequent fiscal year as an unbudgeted item for that year and, therefore, a violation of State budget law, such project and the associated projected costs are included in the subsequent year's budget.

CCC – Coconino Community College

CDBG - Community Development Block Grant. A source of grant funding for housing projects and other redevelopment projects.

CIP – Capital Improvement program

COMMODITIES - Expendable items used by operating or construction activities. Examples include office supplies, repair and replacement parts for equipment, fuels and lubricants, etc.

COMMUNITY DEVELOPMENT DEPARTMENT - Refers to the following group of Divisions: Community Development Administration, Building Inspection, Engineering, Planning, Urban Design, Community Redevelopment, Metropolitan Planning Organization, Arts & Science, Drainage and Transportation.

CONTINGENCY - Monies set aside as carryover to the following fiscal year, but which can be used to finance unforeseen expenditures of the various operating funds.

CONTRACTUAL SERVICES - Contracted service used for operating or construction activities. Examples include Legal Fees, Postage & Freight, Rents, Utilities, and Debt Service costs.

COST CENTER - An organizational budget/operating unit within each City division or department.

CSR – Customer Service Representative

DEBT SERVICE - Payment of principal, interest, and related service charges on obligations resulting from the issuance of bonds.

DEBT SERVICE FUND REQUIREMENTS - The amounts of revenue which must be provided for a Debt Service Fund so that all principal and interest payments can be made in full on schedule.

DEPARTMENT - A major administrative division of the City which indicates overall management responsibility for an operation or group of related operations within a functional area.

DOJ – Department of Justice

DPS - Department of Public Safety, the enforcement division of the Arizona State Highway department.

DRB – Development Review Board

ENCUMBRANCES - Obligations in the form of purchase orders, or contracts, which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbered when the obligations are paid or otherwise liquidated.

ENTERPRISE FUND - An Accounting entity established to account for the acquisition, operation and maintenance of governmental facilities, and services which are entirely or predominately self-supporting.

ESTIMATED REVENUE - The amount of projected revenue to be collected during the fiscal year.

EXPENDITURE/EXPENSE - This term refers to the outflow of funds paid for an asset obtained or goods and services obtained.

EXPENDITURE LIMITATION - The Arizona State Legislature imposed constitutional amendment which limits the annual expenditures of all municipalities. This limit is set by the Economic Estimates Commission based on population growth and inflation.

FAA – Federal Aviation Administration

FCP – Flagstaff Cultural Partners. Created by the Alliance to establish local arts, cultural and science programs.

FHWA - Federal Highway Administration

FISCAL YEAR - A 12-month period of time to which the Annual Budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. For the City of Flagstaff, it is July 1, through June 30.

FIT – Flagstaff Interagency Taskforce for Safe Housing – an interagency team with the purpose of identifying and correcting unsafe housing and living conditions in the Flagstaff area.

FIXED ASSETS - Assets of a long-term character that is intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FMLA – Family Medical Leave Act

FMPO - Flagstaff Metropolitan Planning Organization

FTA - Federal Transit Administration

FTE – Full-Time Equivalent - A position, permanent or temporary, based on 2,080 hours per year. Part-time positions are converted for budget purposes to a decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part time employee working 520 hours, would be equivalent to .25 of a full time position.

FUND - An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations.

FUND BALANCE - Fund balance is the excess of assets over liabilities and reserves and is, therefore, also known as surplus funds.

FUNDS CARRIED FORWARD - The balance of operating funds brought forward from prior years.

FUTS – Flagstaff Urban Trail System. A multi-modal trail system used by pedestrian commuters, runners, bicyclists, hikers, and cross-country skiers. The interconnected trails link virtually every area of the city and will provide a continuous link to the Arizona Trail, connecting the borders of Mexico and Utah.

GENERAL ADMINISTRATION DEPARTMENT - Refers to the following group of Divisions: City Manager, City Clerk, Capital Management, Law, City Court, Tourism Administration, and Visitor Services.

GENERAL FUND - A fund used to account for all general-purpose transactions of the City that do not require a special type of fund.

GENERAL GOVERNMENT REVENUE - The revenues of a government other than those derived from and retained in an enterprise fund.

GENERAL OBLIGATION BONDS – (G.O.) Bonds that finance a variety of public projects such as streets, buildings, and improvements.

The repayment of these bonds is usually made from secondary property taxes.

GOAL - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a specific time period.

GRANT - A contribution by the state or federal government or other agency to support a particular function.

HURF – Highway User Revenue Fund. Highway user revenues are a gasoline tax collected by the state and distributed to counties and cities based on the county of origin and population. These revenues are to be used for Highways and Streets maintenance and construction.

INTERFUND TRANSFER - Amounts transferred from one fund to another.

JCEF – Judicial Collection Enforcement Fund.

LEAF – Law Enforcement Administrative Facility. A shared facility between Coconino County and the City of Flagstaff.

LERRDS – Corps of Engineers acronym for, “Lands, Easements, Rights-of-way, Relocations, and Disposals.”

LMWTP – Lake Mary Water Treatment Plant

MANAGEMENT SERVICES DEPARTMENT - Refers to the following group of Divisions: Human Resources, Information Services, Management Services Administration, Finance/Budget, Sales Tax & Licensing, and Library division.

MIS – Management Information Systems

MPO - Metropolitan Planning Organization

MRF – Materials Recovery Facility. A processing operation to sort, process and resale bulk recyclable materials collected from residential and commercial customers. The facility opened in 1998 through a public-private partnership.

NAPEBT – Northern Arizona Public Employees Benefit Trust. A joint venture combining the purchasing power for health insurance; members include the City of Flagstaff, Coconino County, Flagstaff Unified School District, and Coconino Community College.

NAU – Northern Arizona University

NFPA – National Fire Protection Association

NON-DEPARTMENTAL - Refers to the following Divisions: Contributions to Other Agencies, G.O.B.-Debt Service, Council & Commissions, Non-Departmental, Real Estate Proceeds, Firemen's Pension, Special Assessments and Transit.

NON-RECURRING REVENUE - Revenue which is a one time receipt or which is not received on a continual basis.

NPDES – National Pollutant Discharge Elimination System

NRFP – North Reservoir Filtration Plant

OBJECTIVES - A statement of specific measurable outcomes which contribute toward accomplishing the departmental mission.

OPERATING BUDGET - A budget for general expenditures such as salaries, utilities, and supplies.

OPERATING REVENUE - Resources derived from recurring revenue sources used to finance recurring operating expenditures and pay-as-you-go capital expenditures.

OSHA - Occupational, Safety, and Health Administration

OUTSIDE AGENCIES - Refers to organizations, which are not associated with or can be allocated to any particular Department.

PERFORMANCE INDICATORS - Measures used to evaluate the performance of a program or activity. Effectiveness and efficiency are two types of "outcome" performance indicators.

PERSONAL SERVICES - All employers costs related to compensating employees of the City of Flagstaff, including employee fringe benefit costs such as City portion of retirement, social security, and health and industrial insurance.

PERSONNEL SERVICES - Expenditures for salaries, wages and fringe benefits of a government's employees.

PFAC – Ponderosa Fire Advisory Council

PIT – Project Implementation Team. A team comprised of City employees to ensure that the Capital Improvement Project process is expedient with the goal of getting work done in a timely manner and within the appropriated budget.

POLICE DEPARTMENT - Refers to both Police and Police Grant Divisions.

PRIMARY TAXES & VALUES - Primary or "limited" values are used to calculate primary property taxes which are collected to fund the maintenance and operation of school districts, community college districts, counties, cities and state government. Primary values and taxes are both "limited" as to how much they can increase if no changes have been made to the property.

PROGRAM - A group of related functions or activities performed by a division where there is a desire to budget and identify expenditures independently of other activities within the division.

PROPERTY TAX LEVY - The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

PRV – Pressure reduction valve

PUBLIC WORKS DEPARTMENT - Refers to the following Divisions: Airport, Facilities Maintenance, Cemetery, Mechanical Shop, Parks and Recreation, Environmental Services and Streets.

PURCHASED CAPITAL OUTLAY - Acquisition of any item of capital that is complete in and of itself when it is purchased.

RECURRING REVENUES - Revenue sources available on a constant basis to support operating and capital budgetary needs.

RESTRICTED REVENUES - Are legally restricted for a specific purpose by the Federal, State, and local government.

RFP – REQUEST FOR PURPOSAL – A request for an offer, by one party to another, based on a requested scope of services.

RSL – REVISED SERVICE LEVEL – A request for appropriation above the targeted base budget of the division. These may be for one-time purchases or ongoing expenditures.

REVENUES – Amounts estimated to be received from taxes and other sources during the fiscal year.

SCADA – Supervisory and Control Data Acquisition. This is a program used by the Utilities Department.

SECONDARY PROPERTY TAXES - Ad valorem taxes or special property assessments used to pay the principal and interest charges on any bonded indebtedness or other lawful long-term obligation issued or incurred for a specific purpose by a municipality.

SECONDARY TAXES & VALUES - Secondary, or "full cash" values are synonymous to market values. They are used to calculate secondary property taxes to support voter-approved budget overrides, bond issues and other debt service, such as special districts.

SID – Special Improvement District

STREET AND HIGHWAY BONDS - Bonds which are secured by the City's Highway User Revenues and used for the construction of street, highway and related capital projects.

STS – Safe To School.

TAX LEVY - The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

TAX RATE - The amount of tax levied for each \$100 of assessed valuation.

TEA-21 – Transportation Equity Act for the 21st Century

URBAN DESIGN - Refers to the following group of Divisions: Beautification-General Administration, Streetscape, Flagstaff Urban Trails System, Rehabilitation Projects, and Reserve-Beautification.

USDOT - United States Department of Transportation

USFS – United States Forest Service

USGS – United States Geological Survey

UTILITIES DEPARTMENT - Refers to the following Divisions: Betterments & Improvements Water District, Betterments & Improvements Water Production, Debt Service-Sewer, Debt Service-Water, Lake Mary Water Plant, Meter Reading, North Reservoirs, Utilities Administration, Wastewater Collection, Wastewater Collection Improvements, Wastewater Monitoring, Wastewater Treatment Improvements, Wastewater Treatment Plant, Water Distribution System, Woody Mountain Wells, and Reclaimed Plant.

WIFA – Water Infrastructure Financing Authority

Council Goals

The City of Flagstaff Council undertook a tremendous effort in FY 2002 to develop citywide goals that would be incorporated throughout the planning processes undertaken by the various departments and their divisions.

The Council set these broad areas and staff then developed cross-departmental teams to identify specific objectives or work programs. These work programs set the base from which all divisions developed their FY 2003 budget. All divisions had to identify their objectives within one of the goal areas.

The City of Flagstaff recognizes that this project is in its' infancy. One hurdle was cleared by the Council initiating the effort. The City will have to maintain this effort. The plan will need to be reviewed on an ongoing basis to assess both the ongoing need and relevance for the goals as well as the progress on the work program.

The following list highlights the ten major areas established by Council and the complete work plan ensues.

- **Affordable Housing**
- **Economic Development/Redevelopment**
- **Capital Improvements**
- **Public Safety**
- **Customer Service**
- **Quality of Life**
- **Fiscal Health**
- **Organizational Support**
- **Collaboration**
- **Planning for Growth**

GOAL STATEMENTS

AFFORDABLE HOUSING

GOAL STATEMENT AFFORDABLE HOUSING	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>Maintain current data on housing market conditions, trends and issues. Ensure the full benefit of such data is available to the City and the general public for use in market studies, grant applications and petitions for national and state policy changes. Ensure housing plans remain current, accurate and in concert with all other City plans including the Regional Plan.</p>	<p>Update the Consolidated Plan (Annual Action Plan) for continued federal funding</p> <p>Retrieve the DDA designation to increase the chances for increased LIHTC allocations</p> <p>Maintain a close working/planning relationship with the New Arizona Department of Housing</p> <p>Raise the FHA Mortgage Insurance Limit for Coconino County Raise the Fair Market Rents for Coconino County</p> <p>Raise the Fair Market Rents for Coconino County</p>	<p>COF Planning Division</p>
<p>Develop policy recommendations to City Council for addressing identified affordable housing problems. Successfully Implement affordable housing policy as mandated by City Council.</p>	<p>Successfully implement the LDC based affordable housing incentive Ordinance (No. 2001-14)</p> <p>Identify multiple means to ensure long term affordability of owner occupied homes built by the private sector.</p>	<p>COF Planning Division</p>
<p>Maintain current knowledge of state of the art housing program and policy initiatives undertaken successfully by other jurisdictions. Incorporate new ideas into City programs as necessary to increase effectiveness and application</p>	<p>Develop a Community Land Trust Model to provide homeownership for very low income homeowners</p> <p>Complete an analysis of successful housing programs conducted by municipalities with similar housing market conditions.</p>	<p>COF Planning Division</p>
<p>Identify additional funding resources and secure additional funding for the expansion of existing programs and the creation of new programs.</p>	<p>Successfully obtain multiple grant resources from the newly establishes Arizona Department of Housing to augment CDBG funds.</p>	<p>COF Planning Division</p>
<p>Increase the supply of affordable rental housing for extremely low and low income households</p>	<p>Proactively cultivate the interest of multiple LIHTC developers for the construction of new and the rehabilitation of existing rental housing developments</p> <p>Make City land available for affordable rental housing developments where appropriate</p>	<p>COF Planning Division Non-profit tax credit developers For-profit tax credit developers Arizona Housing Department</p>
<p>Significantly reduce the substandard housing stock</p>	<p>Continue to fund and coordinate owner occupied housing rehabilitation programs</p> <p>Incorporate the elimination of severely deteriorated housing and substandard trailer parks in future redevelopment efforts.</p>	<p>COF Planning Division Christmas in April NACOG The Affordable Housing Coalition</p>

GOAL STATEMENT AFFORDABLE HOUSING	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
Increase the supply of entry level owner occupied homes available to low, moderate and middle income households	<p>Continue to fund and coordinate non-profit housing construction programs to build entry level homes</p> <p>Coordinate partnerships with private developers to build residential and mixed use subdivisions on City owned with a variety of housing types and a minimum of 20% being entry level affordable</p>	COF Planning Division Habitat for Humanity Affordable Housing Coalition Private Developers Private Design Professionals
Increase the amount of homeownership among low and moderate income households in Flagstaff	<p>Continue to fund and coordinate non-profit homebuyers assistance programs providing education and loans for down payment and closing costs</p> <p>Continue to fund and coordinate non-profit acquisition/rehabilitation programs converting vacant and renter occupied homes into homeownership</p>	COF Planning Division Affordable Housing Coalition NACOG
Commit appropriate parcels of City land as a resource for affordable housing. Purchase new parcels of land with proceeds received from land sales. Ensure land purchases cover a wide geographic area preventing segregation of affordable housing to one area and integrating worker housing close to existing and prospective job markets.	<p>Continue the commitment to sell Ponderosa Homes and Rio Homes to a developer with the expertise to build a variety of housing designs requiring that at least 20% are affordable entry-level homes. Use the sale proceeds to purchase more property for the same purpose thus integrating affordable housing throughout the City.</p> <p>Acquire new parcels of land as appropriate throughout the City for the development of mixed income residential affordable housing developments as appropriate to be suitable to prospective employers and employees alike.</p>	City of Flagstaff Planning Division Private Sector Developers Non-Profit Homebuyer Assistance Programs
Incorporate affordable housing components in appropriate redevelopment projects using excellent design and maximizing the livability of area functions.	Incorporate a variety of housing types and affordabilities in the residential portion of redevelopment projects	COF Planning Division Professional Planning and Architectural Firms

ECONOMIC DEVELOPMENT/REDEVELOPMENT

GOAL STATEMENT ECONOMIC DEVELOPMENT/REDEVELOPMENT	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
Maintain and strengthen Flagstaff as the regional center for retail, employment and hospitality while enhancing the quality of life for our residents.	Job Creation: The Greater Flagstaff Economic Council (GFEC) seeks to create and maintain quality jobs (those positions that pay greater than the County median wage and offer benefits) through not only the recruitment and retention of quality employers, but also by assisting start-up companies through the Northern Arizona Technology and Business Incubator. Additional emphasis is placed on those targeted employers in the renewable energy, bio-industry, and information technology sectors in the creation of quality jobs.	Greater Flagstaff Economic Commission (GFEC)
	Technology Plans: GFEC realizes that the implementation of high-speed telecommunication technology with the specific goal of access to this technology for all residents, business and public agencies in the Greater Flagstaff area is of primary importance.	GFEC
	<p>Strategy Statement: Shift dependence to less recession-prone industries</p> <p>Research top recession-proof industries such as medical services; pharmaceuticals, government, and food services</p> <p>Develop action steps for attracting such businesses to the Greater Flagstaff area.</p>	GFEC
	<p>Strategy Statement: Take it to another level. Feed the current engine as well as develop new.</p> <p>Identify supply chain issues that are problematic with large employers in the area, including NAU, W.L. Gore & Associates, Ralston Purina, Walgreen's, and others.</p> <p>Develop recruitment and retention strategies to attract/keep those businesses, once identified, that support large employers' supply chains.</p>	GFEC
	<p>Strategy Statement: Create policy to make economic development more attractive for our desired targets.</p> <p>Develop action plans for specific areas of the community (i.e., the Airpark) in developing those qualities (labor, infrastructure, etc.) needed, and in preparation for, our target industries.</p>	GFEC

GOAL STATEMENT ECONOMIC DEVELOPMENT/REDEVELOPMENT	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Strategy Statement: Demonstrate connectedness of economic development, redevelopment, and growth strategies.</p> <p>Support redevelopment plans within the community by ensuring that complementary economic development occurs in those areas.</p> <p>Develop a strategy to identify whether a lead is better suited for economic development or redevelopment, and ensure that leads are forwarded to the proper responding agency.</p> <p>Participate in all land-use planning activities to ensure that proper inventory is available for complementary economic development within the community.</p>	GFEC
	<p>Strategy Statement: Maximize sales tax and employment growth salary level.</p> <p>Identify opportunities for local companies to create jobs through the expansion of product sales and markets.</p> <p>As sales and markets grow, so does the need for quality (high-paying) employees.</p> <p>As new employees are added to the local workforce, the tax base (sales tax) grows as consumption of goods and services increases.</p>	GFEC
	<p>Strategy Statement: Maximize economic opportunity through thoughtful analysis and policy formation.</p> <p>Analyze our workforce as an economic development asset by engaging in studies to:</p> <ol style="list-style-type: none"> 1. Determine those persons who are underemployed (overqualified) in their current positions to determine currently available labor resources. 2. Determine if NAU alumni wish to remain in flagstaff and what their skill sets are. 	GFEC
	<p>Strategy Statement: CIP plan overall goal is value-added investment.</p> <p>Look for opportunities to develop (infrastructure) land inventory that will promote complementary economic development in our targeted industries.</p>	GFEC

GOAL STATEMENT ECONOMIC DEVELOPMENT/REDEVELOPMENT	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Strategy Statement: Increase the economic benefits of tourism by balancing out Flagstaff's seasonality—establishing Flagstaff as a year-round destination.</p> <p>By working with the arts, educational, and scientific organizations and others, identify niche markets with high value customers.</p>	Convention and Visitors Bureau (CVB)
	<p>Create opportunities for attractions, restaurants, etc. to benefit from non-leisure related visitors by working closely with hotels, local companies, NAU and others. E.g., create itineraries that specifically address their interests and their time constraints.</p>	CVB
	<p>Educate the Tucson and Phoenix media, specifically meteorologists, to inform their viewers of the correct winter driving conditions through the "Clear the Road to Flagstaff" PR initiative beginning this winter.</p>	CVB
	<p>Work with local groups/organizers to facilitate a convention center that would help to establish Flagstaff as a meeting center, while contributing to our tax base.</p>	CVB
	<p>Reestablish Flagstaff as a premier destination to the international markets by having a strong presence at the following trade shows this fiscal year: Pow Wow, Rocky Mountain Symposia, ITB and WTM.</p>	CVB
	<p>Strengthen regional marketing efforts (AZ Rocks, N.AZ Coalition, etc.) by positioning Flagstaff as the leader and hub of Northern Arizona.</p>	CVB
	<p>Set and accomplish aggressive quarterly telemarketing, sales call, and cold call goals.</p>	CVB
	<p>Strategy Statement: Establish enthusiasm in the community for tourism-related activities to create a local base of support that would ultimately open the door to additional economic opportunities.</p> <p>Work closely with businesses and organizations such as GFEC, Chamber of Commerce, etc., to identify opportunities to tie in their goals, while increasing tourism. In addition, work to unify our marketing message to boost all of our efforts.</p>	CVB
	<p>Along with the flagstaff Cultural Partners (FCP) and the Chamber of Commerce, explore the idea of a Cultural Pass that would enhance the art/science/cultural experiences for residents and visitors.</p>	CVB
	<p>Work with local media in developing stories that strive to lessen the division between visitors and residents.</p>	CVB
	<p>Through active recruiting, adding a non-industry seat, and imposing a directional emphasis fully utilize the power and influence of the Tourism Commission.</p>	CVB

GOAL STATEMENT ECONOMIC DEVELOPMENT/REDEVELOPMENT	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	Continue to strengthen and widen the efforts of "Service at Its Peak" to raise the level of service at Flagstaff area businesses, benefiting residents and visitors alike.	CVB
	Expand the distribution list for the CVB's weekly and seasonal calendar of events.	CVB
	<p>Strategy: Redevelopment Marketing</p> <p>Begin an aggressive marketing campaign in national trade magazines to raise awareness about the advantages of our community to potential developers, lenders, investors and tenants.</p> <p>A lifestyle theme will be used to appeal to specific retailers and corporations.</p>	City of Flagstaff, Community Development (CD)
	<p>Strategy: Downtown Redevelopment</p> <p>Create development scenarios that private partners will implement for a five-block area in the western portion of Downtown that will serve as a catalyst for continued growth and economic expansion of the Downtown while providing the City with additional municipal space, public parking, retail, office and housing opportunities. Examine other areas in the Downtown that might provide additional opportunities for economic expansion.</p> <p>Request for Proposals from developers to be issued in late 2002 or early 2003.</p>	CD
	<p>Strategy: East Flagstaff Gateway Area</p> <p>Complete a Redevelopment Area Plan for this area that can serve as an anchor and gateway for the City.</p> <p>The plan will include stabilization and rebuilding of the existing industrial area into a more "park like" setting.</p> <p>The Mall expansion may include additional retail offerings, housing and possibly an auto mall.</p> <p>All of this will strengthen the community's tax base while serving as an economic engine for additional redevelopment in the area.</p> <p>Work towards an expansion opening in late 2004 or early 2005.</p>	CD

GOAL STATEMENT ECONOMIC DEVELOPMENT/REDEVELOPMENT	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Strategy: Southside Warehouse District</p> <p>Create development scenarios for this area that private partners will implement for a four-block area adjacent to the BNSF Railway and north of Phoenix. This project will serve as the catalyst for additional investment in the Southside neighborhood.</p> <p>The project concepts will seek to preserve the Southside's culture and history while creating a vital, mixed-use neighborhood that serves as the link between NAU and Downtown.</p> <p>Depending on design concepts, issue a Request for Proposal in 2003.</p> <p>Begin working on Southside Specific Revitalization Plan in cooperation with the Housing Section in 2002.</p>	CD
	<p>Strategy: Rio de Flag</p> <p>Continue partnership with the Army Corps of Engineers to create a flood control project that can also be a major recreational amenity and multi-modal link for the community.</p> <p>This project will also remove much of the Downtown, Southside and NAU from the floodplain and allow for redevelopment and reinvestment in the area.</p> <p>Completion expected in 2005.</p>	CD
	<p>Strategy: Stone Container</p> <p>Work with the developer to create plans for a mixed-use neighborhood center that may also include some regional businesses or headquarters.</p> <p>Project should serve as an anchor on Butler Avenue and eventual link and Gateway to the Southside and NAU.</p>	CD
	<p>Strategy: Downtown Gateway East</p> <p>Explore opportunities for redevelopment of this prominent and highly visible section of the Downtown that should serve as a multi-modal link along Aspen Avenue.</p>	CD
	<p>Strategy: Downtown Enhancements</p> <p>Work to create a gateway along Route 66 through the Downtown in cooperation with ADOT and BNSF including enhancement of multi-modal transportation and resolution of the auto, train and pedestrian conflicts.</p>	CD

GOAL STATEMENT ECONOMIC DEVELOPMENT/REDEVELOPMENT	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	Strategy: Milton Road Work with the Urban Mobility Study to identify future redevelopment opportunities along this corridor that may allow us to create a better entry experience for visitors along Milton Road and adjacent streets.	CD

CAPITAL IMPROVEMENTS

GOAL STATEMENT CAPITAL IMPROVEMENTS	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITIES
<p>Plan, program, design and construct public works and facilities capital improvements through a structured, efficient and transparent process ensuring scarce public resource expenditure for the greatest benefit to the community; creating a built environment shaped though citizen involvement, reflecting community pride.</p> <hr/> <p><u>Discussion:</u> The City Council realizes the importance of delivering all Capital Improvement projects on-time and on-budget through a structured program ensuring public funds are leveraged, through partnerships when appropriate, for the greatest benefit of the community. Programmed capital infrastructure expenditures facilitate a planned growth, economic development and protect existing community investments. Allocating resources through a coordinated planning and engineering process with high levels of public involvement assures our community is shaped in alliance with citizen support. Partnerships with other public and private entities leverage our resources.</p>	<p>Plan: Define each project's elements and costs through a concept-level engineering and planning effort, which engages our citizens. <u>Safe-to-School; FUTS; Bikeways; Pedestrian; Dirt Street Paving</u></p>	<p>Capital Division CD Public Works Utilities FMPO Other City Departments</p>
	<p>Program: Provide clear information and rational to match available revenues with prioritized projects funded through the adopted Capital Improvements Program. <u>All Capital Projects</u></p>	<p>Capital Division Finance FMPO CIP Committee Budget Committee Citizens Transportation Advisory Committee</p>
	<p>Design: Develop project plans with continued involvement of the community and project partners striving to enhance the built environment. <u>4th St.; Sunnyside III; Industrial Drive; Dirt Street Paving; Multi-Modal</u></p>	<p>Capital Division Funding Department Maintaining Department CD Purchasing</p>
	<p>Construct: Deliver a final product that is cost effective with a quality of workmanship that ensures a lasting value for our citizens. <u>Butler/Enterprise; USGS #6; Sunnyside II; Airport Taxiway; Soliere; Country Club; Birch Ave. Sewer; Multi-Modal; early 4th St.; Street Maintenance Program; Lucky Lane Waterline</u></p>	<p>Capital Division Funding Department Inspection Services Purchasing Contracts Management</p>
	<p>Public Involvement: Engage citizens through meaningful public dialogue and involvement ensuring consideration of their input and providing a full understanding of project impacts.</p>	<p>Capital Division Public Involvement Officer FMPO</p>
	<p>Process Improvements: Continual refinement of our internal process to ensure the most rapid delivery of projects while ensuring compliance to all legal/policy requirements.</p>	<p>Contracts Management Capital Division Risk Management Attorney's Office Purchasing</p>
	<p>Stormwater System: Implementation of system improvements through the Stormwater Utility.</p>	<p>Stormwater Management Capital Division Public Works</p>

PUBLIC SAFETY

GOAL STATEMENT PUBIC SAFETY	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>The goal is to maintain a safe community through an integrated public safety system that addresses the underlying issues affecting public safety, health and quality of life.</p> <p><u>Discussion:</u> The council recognizes that the role of public safety encompasses a broad array of interrelated activities. Public order and quality of life issues must be addressed on a broad front through a partnership of shared responsibility and trust between Police, Fire, other city departments, civic organizations and the community. Community safety and well being must be built from within each neighborhood and cannot be imposed from the outside. The integrated approach of using all available resources of government, private enterprise, civic organizations and neighborhoods, each accepting shared responsibility is the optimal use of public safety services and will result in an enhanced quality of life for the community.</p>	Continue to improve upon the coordination and team approach of focusing Police, Fire, Planning & Zoning, Environmental Management, Legal and health services to efficiently address safety and health needs.	All
	Clean & Green to continue the abandoned vehicle and litter control programs in partnership with block watch and neighborhood organizations.	Clean & Green Police
	Push decision-making down to the lowest competent level to increase efficiency.	All
	Promote the PRIDE block watch program as a forum for the promotion and nurturing of a partnership of shared responsibility and trust with Police, Fire, government and residents, to identify and address those issues that are adverse to public safety and quality of life.	All
	Continue participation in after school programs as well as those during school hours that offer opportunities for education, mentoring and value building.	Police Fire Parks & Recreation
	Continue partnering of Police, Fire and parks & Recreation in joint ventures such as Teen Night, the Teen Leadership Academy, GREAT Camp and other positive youth projects.	Parks & Recreation Police Fire
	Review Park security issues, as well as the impact of alcohol on Park Use and Permit Policies.	Police Parks & Recreation Fire
	Continue participation in United Way partnerships such as the Sunnyside Neighborhood Association, Success by Six and Weed and Seed, to address social issues and foster neighborhood responsibility.	All

GOAL STATEMENT PUBIC SAFETY	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	Use every opportunity and community forum to educate residents of their responsibility to contribute to the well being of their neighborhood, community and country, by participating in the identification and resolution of those social and economic issues that adversely affect crime, the fear of crime, public health and overall quality of life.	All
	Provide sufficient resources to focus on preventive public safety initiatives such as fuel management, fire code enforcement, and development review.	Fire
	Staff, train, and equip City public safety to contend with the realized demand for service within the community.	Fire Police
	Adequately respond to realize demand for emergency services and prepare for the potential demands associated with disaster management.	All

CUSTOMER SERVICE

GOAL STATEMENT CUSTOMER SERVICE	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>Instill a positive customer service culture throughout the organization and with each employee of the City in the delivery of service both externally and internally.</p> <p><u>Discussion:</u> The City Council recognizes the importance of partnership with the citizens of our community, specifically in staff providing good customer service, while building positive working relationships with the community.. Therefore, a customer service committee was formed a year ago to improve and strengthen customer service and relationships with the citizens.</p>	<p>Training: Provide ongoing customer service training for all employees to ensure they understand and demonstrate good customer service and that they are aware they are always in the public eye.</p>	Human Resources
	<p>Employment: Include in all job descriptions a statement that excellent customer service is a job requirement. Include a question on customer service as part of the interview process for all positions. This will communicate to current, as well as prospective employees, that the City believes customer service is a priority in the delivery of the services we provide the citizens of Flagstaff.</p>	Human Resources
	<p>Performance Evaluations: Revise the current performance evaluation form to include a section that addresses customer service. This will hold supervisors and employees accountable for providing good customer service both externally and internally. Provide training to supervisors on an ongoing basis to ensure that employees are properly rated in this area.</p>	Human Resources Customer Service Committee
	<p>New Employee Orientation: Provide all new employees with an overview of expectations regarding customer service</p>	Human Resources
	<p>Measure Effectiveness of Program: Survey internal and external customers to determine effectiveness.</p>	Customer Service Committee Public Relations
	<p>Complaint Tracking: Establish a uniform process so that complaints are tracked to ensure resolution in a timely manner.</p>	Customer Service Committee Department Heads City Manager
	<p>Recognition/Award Program: Recognize annually employees who have provide outstanding customer service.</p>	Customer Service Committee Human Resources Manager's Award Committee
	<p>Annual Renewal Celebration: Celebrate each year to remind all employees of the importance of good customer service as well as highlighting accomplishments and successes related to good customer service.</p>	Customer Service Committee
	<p>Dress Code: Adopt employee dress guidelines that establish a minimum standard and an overall philosophy regarding personal appearance and expectations.</p>	Customer Service Committee Supervisor

QUALITY OF LIFE

GOAL STATEMENT QUALITY OF LIFE	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
To enhance the quality of life for our community, we will assure comprehensive programs that allow for balanced resource development and protection, that include cultural components that cross generational boundaries and strive to create cost effective and proactive approaches to meet the social, physical and economic needs of our citizenry as we celebrate Flagstaff's heritage, diversity and vast aesthetic appeal.	<p>Environment: Through funding from ADEQ we will implement a permanent household hazardous waste program that will be available to residents year round.</p> <p>Expand the HHW program to include conditionally exempt small businesses.</p>	Environmental Services
Consideration will be given to quality of life preservation and enhancement in all City actions and appropriations towards open space, neighborhood and historical preservation, land acquisition, facility and park development, environmental impact and controls, view shed retention and other community identified values in order to retain the essential and appropriate balance when considering issues related to growth and development and the related economic implications.	<p>Environment: Continue to support and fund the fuel management efforts in cooperation with our regional partners.</p>	Fire Department
The City will incorporate the responsibility for enhancing quality of life as a component of every policy decision, appropriation, and governmental initiative and will always strive for a balance between growth, economic development and quality of life.	<p>Environment: Continue to support and expand our successful community wide recycling program and increase the number of businesses participating in the program.</p> <p>Increase the materials being diverted from the landfill by expanding the types of materials accepted for recycling as markets are developed and development of a municipal composting program.</p>	Environmental Services
We will recognize the diversity of our community both culturally and generationally and will strive to preserve the aesthetic values and well as our environment while promoting citizen awareness and participation.	<p>Environment: Continue to develop water resources in a manner consistent with long-term needs and resource sustainability as well as continue to develop and implement cooperative agreements with regional partners.</p> <p>Expand the use of reclaimed water resources throughout the community and continue to educate our community of the value of our water resources so that we can all make educated resource decisions.</p>	Utilities

GOAL STATEMENT QUALITY OF LIFE	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Environment: Through open space retention, reclamation and planned acquisition, we will continue to preserve our natural environment and heritage for our residents and future generations.</p> <p>Completion of the FUTS Trail primary spine and expand neighborhood links.</p>	Planning
	<p>Neighborhoods: Through implementation of Design Review Guidelines and the development of a comprehensive Gateways program, we will identify and enhance our neighborhoods and help to build a better quality and more livable community.</p> <p>Implement a Property Maintenance Ordinance, Design Review Guidelines as well as design and construct community gateways to help promote, preserve and maintain the livability of our neighborhoods.</p>	Community Development
	<p>Neighborhoods: Through the Clean & Green Committee, we will continue to listen to our citizen representatives and develop on-the-ground neighborhood conservation programs.</p>	Environmental Services
	<p>Cultural Heritage: Through the Arts & Science Commission we will continue to support local non-profits who strive to develop their outreach and build our community's dynamic cultural base.</p>	Planning
	<p>Cultural Heritage: Through Public Art Advisory Committee we will continue to support a variety of public art projects throughout the community.</p>	Planning
	<p>Cultural Heritage: Through the Historic Preservation Commission we will actively work to preserve historic sites within our community so that future generations will better understand and appreciate our rich heritage.</p> <p>Explore the possibility of expanding the Downtown Historic District or the creation of new districts to help protect historic resources in our neighborhoods.</p>	Planning
	<p>Cultural Heritage: The Library serves as a repository for our community's media based historic materials.</p>	Library
	<p>Youth & Elderly: We will continue to invest in before and after school programs, preteen and teen service opportunities, skill development, and diversion/adaptive programs as well as services for senior citizens including the many programs offered at the Adult Center and other recreation facilities.</p> <p>Pursue multi-generational facility construction and program enhancement to meet citizenry needs as established in Master Plan through 2004 bond initiative.</p>	Parks & Recreation

GOAL STATEMENT QUALITY OF LIFE	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Youth & Elderly: The Library provides a wide variety of youth and elderly services and will continue to develop it technical, multi-media format of service delivery.</p> <p>Staff will work to secure grant funding to improve the technology based information systems.</p>	Library
	<p>Parks & Recreation: Through completion of the '96 bond initiative, our residents and visitors will benefit from improved parks and recreation facilities that offer improved amenities that promote quality of life through physical opportunities and multi-generational programming.</p> <p>Community-wide priorities will be reviewed and selected through Master Plan updates for development and inclusion on the 2004 bond initiative.</p>	Parks & Recreation
	<p>Aesthetics: Continue to improve the visual quality of Flagstaff's environment through a variety of enhancement projects.</p> <p>Through continued streetscape landscaping, preservation of public spaces and protection of important views whenever possible, we will preserve the essence of our mountain community.</p>	Planning

FISCAL HEALTH

GOAL STATEMENT FISCAL HEALTH	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>The City of Flagstaff shall maintain good fiscal health through sound financial management and fiscal integrity. The City shall maintain written polices that provide for a balanced budget that meets the vast array of community needs, that ensure that resources are available to meet future need, allows for community infrastructure to be maintained at adequate levels and other sound financial practices.</p> <p>Discussion: The Council recognizes that the vision and intentions of the policy makers exceeds the economic realities. In order to accomplish the plans of shaping a Flagstaff that stays true to it's quality of life interests, the strategy must include the creation of community wealth through economic development, redevelopment, the creation of new revenues and the leveraging of financial assets.</p>	Capital Improvements – work with CIP to develop comprehensive plan of infrastructure needs	CIP, PW, Finance, Utilities
	Expenditure control – consider development of incentives versus penalties relative to year-end expenditures.	Finance/ Budget team
	Fee Policies – Develop a policy of mandatory fee reviews including frequency and responsibility.	Finance
	Work Smarter –In an effort to reduce redundant work and paper work, explore electronic opportunities, i.e., online contracts, faxing of purchase orders.	EMT coordinating committee
	New Revenues – Implement fee recommendations from 2002 user fee study.	Finance
	Impact fees – Implement impact fee recommendations as desired.	Planning
	Leverage grants – Find grants for the Rio de Flag project and other projects as may be desirable.	Purchasing
	Stormwater Utility – Finalize the policies and fee structure for implementation in December 2002.	Engineering, Utilities, finance
	Cost allocation – Implement new cost allocation methodology and start process of including overhead recovery in grants.	Finance
	Water and Sewer capacity charges – Implement increased capacity charges based on 2002 analysis.	Utilities
	Public Private Partnerships – look for ongoing opportunities to coordinate infrastructure development to meet the needs of both parties.	PW, Utilities, engineering
	Fleet Purchases – consideration to extend the useful lives and years on replacement criteria.	Fleet committee
	Utilities Optimization program - Continue implementation, a program designed to reduce job redundancy and incorporate better technology.	Utilities
	ICMA benchmarking- formalize budget and decision process to consider comparative data.	Budget team
	Credit Cards – Implement the credit card program citywide to reduce cost of processing.	Purchasing
	Bond Program – based on a unfunded needs develop a bond program and financing alternatives.	Finance, CIP, PW, Fire
	Sales Tax – remove the expiration clause on the City 1%sales tax to create revenue stability.	Finance

ORGANIZATIONAL SUPPORT

GOAL STATEMENT ORGANIZATION SUPPORT	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>To ensure that the City of Flagstaff has the necessary organizational structure and staff who are trained to achieve the goals of the City, now and in the future. To develop and maintain compensation and benefits systems that allow the City as an employer to hire and retain a workforce that is recognized by the Council and public as committed public servants.</p> <p><u>Discussion:</u> The City Council recognizes the importance of positioning the City as a quality employer within the community to enhance recruitment and retention of employees. To do so requires providing a compensation and benefit package to attract and retain qualified employees. The City further recognizes that to accomplish established goals requires a well-trained staff.</p> <p>An outcome of providing an excellent integrated and comprehensive level of service will be the establishment of an ongoing partnership with our citizens.</p>	<p>Compensation: Maintain a compensation and benefits system that is internally equitable and externally competitive within the financial capability of the City. This will include conducting a market survey annually to ensure the City's salaries are within the market.</p>	<p>Employee Advisory Committee Compensation Committee Human Resources</p>
	<p>Job Classifications: Review job descriptions to ensure positions are systematically classified.</p>	<p>Human Resources Department Heads</p>
	<p>Training: Develop a method of identifying training needs and conducting ongoing training. This training will enhance the employees' knowledge, skills and abilities, potential for career growth, and leadership development.</p>	<p>Human Resources Department Heads</p>
	<p>Employee Support: Evaluate current and proposed programs to ensure adequate financial and organizational support to successfully accomplish the goals.</p>	<p>Department Heads Budget Team</p>
	<p>Organizational Structure: Review current organizational structure to determine relationships, organizational efficiency and effectiveness. Identify areas of existing organizational structure to identify potential improvements considering new and existing programs. Review to include appropriate staffing levels and skill requirements.</p>	<p>City Manager Deputy City Managers OD Steering Committee</p>
	<p>Performance Evaluations: Improve the City's employee performance evaluation system to provide timely, accurate, and honest employee reviews, which reflect the goals and mission of the City of Flagstaff. To provide ongoing training for supervisors in conducting performance evaluations.</p>	<p>Department Heads Budget Team Human Resources</p>

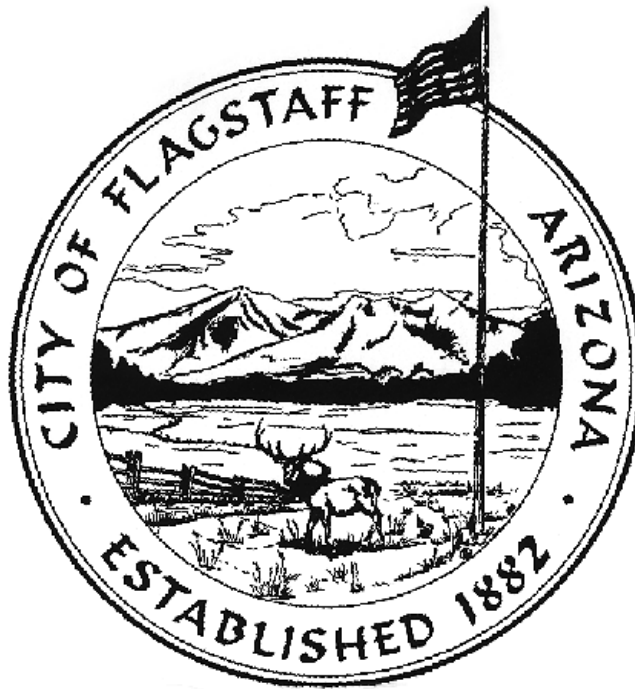
COLLABORATION

GOAL STATEMENT COLLABORATION	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>Strengthen the community by strengthening partnerships with sovereign nations, public, non-profit and private agencies. Develop collaborative goals, through all levels of the organization, based upon common interests with these agencies to optimize the use of community resources and the delivery of services to the citizens of Flagstaff.</p>	<p>(1) Collaborative organizational culture – external relations: Department Heads/Division Heads to seek and strengthen ties with other agencies to obtain benefits for the community from shared resources, ideas, and funding.</p>	EMT
	<p>(2) Collaborative organizational culture – internal relations: Develop internal education process for the review and discussion of potential interdepartmental, inter-division relationships to support collaborative efforts. Integrate the collaborative process into the routine work of the organization by developing processes and time frames during the budgetary and legislative cycles.</p>	CM, DCMs EMT
	<p>(3) Interest-based negotiation: Provide training in interest-based negotiation to encourage City employees to move from positional, or rights-based thinking, to the use of more productive approaches to finding common ground.</p>	CM, DCMs EMT
	<p>(4) Policy development: Develop resources, through entities such as NAU, to identify strategies that address rural and regional issues on a broad scale. Encourage other agencies with common goals, such as other cities, Sovereign Nations, counties, and state and federal agencies to discuss and/or negotiate various issues using these strategies.</p>	CM, DCMs
	<p>(5) Alliance Work Program: Strengthen the commitment to the existing collaborative structure of the Alliance to obtain maximum benefits in areas such as telecommunications, health care for employees, after-school programs and community mediation services</p>	CM, DCMs
	<p>(6) Municipal Policy Statement: Refine policy statement development for internal and external use.</p>	Council, CM, DCMs
	<p>(7) Relationships with regional partners: Formalize meetings and development of policies, as well as clarify outcome expectations with regional partners.</p>	CM, DCMs

PLANNING FOR GROWTH

GOAL STATEMENT PLANNING FOR GROWTH	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>To shape growth, with the involvement of the community, in a manner that preserves our region's natural environment, livability, and sense of community.</p>	<p>Ratification of the Regional Plan by the electorate with an elaborate public information outreach program prior to the May 21, 2002 election</p>	<p>Planning Division</p>
	<p>Enter into an Intergovernmental Agreement with Coconino County to implement the Regional Plan.</p>	<p>Planning Division & City Council</p>
	<p>In conjunction with the City and County Planning & Zoning Commissions, prepare and submit to the City Council and Board of Supervisors an annual report that documents the progress made towards implementing the provisions of the IGA.</p>	<p>Planning Division & Planning & Zoning Commission</p>
	<p>Regional Plan as Decision-Making Guide: Through the development plan review process, regulatory controls, and creation and establishment of appropriate programs, master plans and incentives, and the pursuit of private/public partnerships, adhere to the policies in the Regional Plan that contain growth, promote the creation of quality traditional neighborhoods, protect the urban and regional open spaces, advance a multi-modal transportation system, facilitate the protection of our historic properties, and support reinvestment and redevelopment in the city's established areas, with the aim of providing affordable housing.</p>	<p>Planning Division, Planning & Zoning Commission & City Council</p>
	<p>Mutual Development Review Process: Implement regional mutual development review system between City & County</p>	<p>Planning Division</p>
	<p>Amend the Land Development Code as needed for compliance with the Regional Plan, including development of Traditional Neighborhood Design guidelines; development criteria and standards for the Business Park Zoning District and Mixed-use zoning; additional lighting standards for Astronomical Zone 1.</p>	<p>Planning Division</p>
	<p>Explore the potential for City and County regional funding and management of services, facilities, resources, such as parks and open spaces, and administrative structures as needed and agreed upon within the region.</p>	
	<p>Proceed with West Side Annexation Process</p>	<p>Planning Division</p>
	<p>IGA with government agencies: Enter into an Intergovernmental Agreement with the US Forest Service, National Parks Service, Coconino County and state agencies to protect lands adjacent to Walnut Canyon.</p>	<p>Planning Division</p>

GOAL STATEMENT PLANNING FOR GROWTH	FY 2003 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>API Petitions: Submit petitions to the State Land Department through the Arizona Preserve Initiative for the reclassification of State Trust lands as suitable for conservation purposes.</p> <p>Support a statewide initiative that sets aside State Trust lands for their conservation as natural areas not to be sold or lease for development.</p> <p>Use various means to protect open spaces: Obtain designated open spaces through land exchanges, fee title acquisitions, regulatory provisions, conservation easements, and development incentives.</p>	<p>Planning Division</p> <p>City Council</p> <p>Planning Division</p>



City of Flagstaff Citizen Survey 2001

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City of Flagstaff Citizen Survey 2001

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I. Methodology

The City of Flagstaff commissioned the Social Research Laboratory at Northern Arizona University to conduct a survey of Flagstaff residents, focusing on residents' evaluations of municipal services, city parks and recreation programs, and stormwater issues. A similar survey had been conducted by the Social Research Laboratory in December, 2000; findings from the earlier survey were reported to the City of Flagstaff in March, 2001. The second survey instrument was collaboratively developed by the City of Flagstaff and the Social Research Laboratory, and featured a core block of questions from the previous survey and a series of new questions.

The survey was conducted between September 14, 2001 and September 21, 2001 with 418 randomly selected Flagstaff residents, 18 years of age and older. All adult respondents were screened for living within the Flagstaff city limits and considering Flagstaff to be their primary place of residence. Calling took place Monday through Sunday, with morning, afternoon and evening shifts. The average length of the survey was approximately 10 minutes. Fifty trained interviewers were employed to conduct the calling.

The survey utilized a random-digit dial (RDD) sampling technique to generate a representative sample of households living in the Flagstaff area. RDD produces a more representative sample of the population than most other sampling methods because all households with working telephones have an equal chance of being contacted. Listed and unlisted residential households have similar probabilities of being included in the RDD study.

The survey fielding was conducted using Computer Assisted Telephone Interviewing (CATI) technology. CATI is a system in

which computers are employed to increase the accuracy, flexibility, and efficiency of telephone surveys. The computer system maintains a database of phone numbers, engages the sampling process, schedules callbacks, and records the disposition of each call. Interviewers are trained on interviewing protocol and use of the CATI system prior to the fielding of the survey. Interviewers view survey questions on the computer screen in a programmed sequence and record respondents' answers with the use of a keyboard. Data entry errors are decreased using this system.

The "sampling error" associated with a 418 person sample drawn from a population of approximately 53,000 people is +/-5 percent at a 95 percent confidence level. "Sampling error" is a social science term that describes the probable difference between interviewing everyone in a given population and interviewing a sample drawn from that population. The percentages obtained in telephone surveys such as these are estimates of what the percentage would be if the entire population had been surveyed.

Thus, if 50 percent of those in the sample are found to agree with a particular statement, the actual percentage of agreement in the population from which the sample is drawn would be between 45 percent and 55 percent (50% +/- 5%). The 95 percent confidence level means that this +/-5 percent would occur in 95 out of 100 samples of this size drawn from the city of Flagstaff. Sampling error increases as the sample size is reduced. This must be kept in mind when comparing the responses of different groups within the sample (e.g., men versus women). Smaller numbers of respondents on any question translate into higher margins of error.

In some tables, “don’t know” and/or “refused” responses are considered to be “missing data.” Additionally, all figures are rounded off to whole numbers. Therefore, total responses to some questions may be greater or less than 100 percent.

II. Executive Summary

Quality of Life

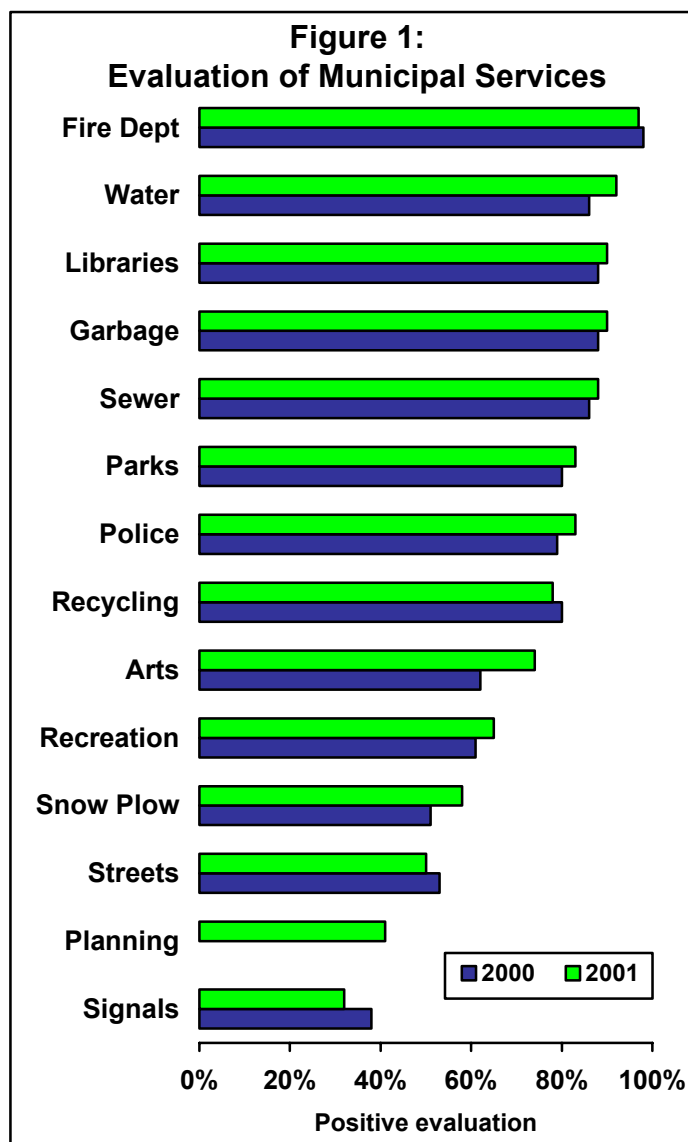
Twenty-nine percent of Flagstaff residents say the city has become a better place to live in the time they have lived here. Almost half of residents believe Flagstaff has stayed about the same during this period, while 18 percent believe the city has become a worse place to live. These results are virtually unchanged from the 2000 survey.

Over two-thirds of Flagstaff residents believe the quality of life in their neighborhoods has stayed about the same over the past year. Seventeen percent of residents say the quality of life in their neighborhoods has improved and 14 percent say it has gotten worse. These figures are also very similar to those from 2000.

Respondents were asked, “What is the one thing that the City of Flagstaff can do to most improve the quality of life in Flagstaff?” Their open-ended responses were categorized and analyzed. “Improving traffic conditions” was the most popular reform suggested by Flagstaff residents. Forty percent of respondent suggestions involved comments on the need to improve the traffic situation, up from 34 percent in the 2000 survey. Twelve percent of residents think Flagstaff’s quality of life would be improved if the City did a better job “managing growth and zoning,” a figure unchanged from 2000.

Municipal Services

Survey respondents were asked to rate the quality of various Flagstaff municipal services as “excellent,” “good,” “fair,” or “poor.” The overall rate of satisfaction with Flagstaff municipal services was unchanged from the 2000 levels: this year, 81 percent of residents said Flagstaff was doing an “excellent” or “good” job of providing municipal services to the public. Assessments of specific city services and



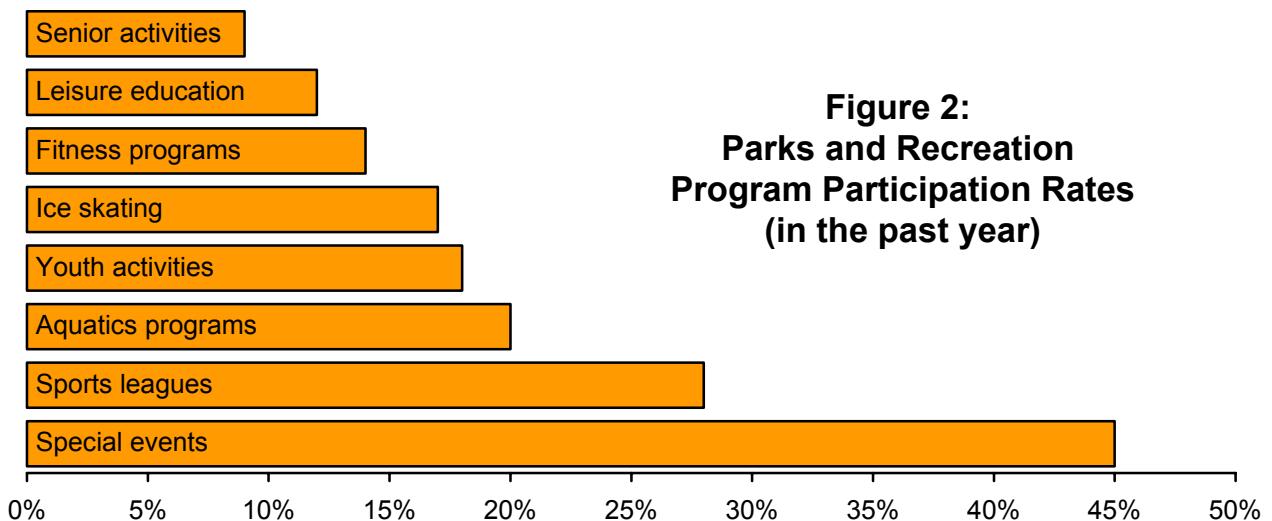
programs generally rose in 2001, relative to results from 2000. Almost all services received a positive rating from city residents, meaning that at least half of respondents rated the service as “excellent” or “good.”

As in 2000, the “fire department” received the highest level of support, with a 97 percent positive rating (see Figure 1). “Water services” followed with a 92 percent rating and “libraries” and “garbage collection” each earned 90 percent approval marks. “Sewer services,” “parks,” and the “police department” all received positive ratings over the 80 percent level.

Dissatisfaction with city “traffic signals” deepened in 2001. “Traffic signals” garnered only a 32 percent positive rating (down from 38 percent in 2000) to again finish last among municipal services. Thirty-five percent of residents rated “traffic signals” as “poor,” a sharp increase from last year’s figure of 26 percent. “Planning and Building services” received 41 percent positive support. “Street maintenance” narrowly avoided a negative assessment, dropping from 53 percent in 2000 to an even 50 percent approval measure this year.

City Parks and Recreation

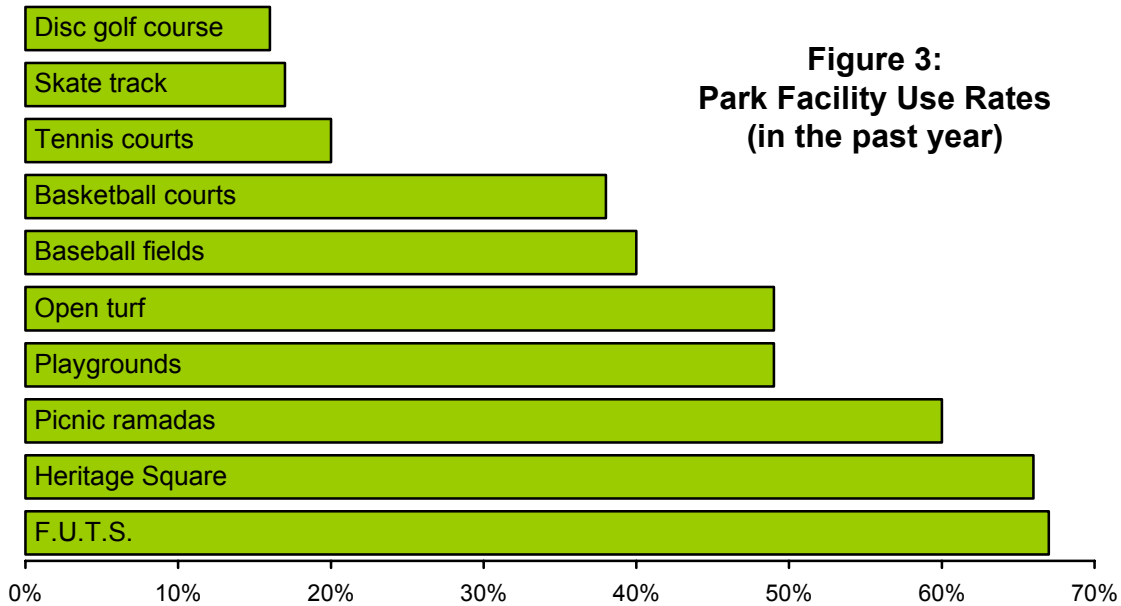
Flagstaff residents reported a high rate of participation in City Parks and Recreation programs, with 65 percent of respondents reporting some level of involvement. “Special events” such as Community Tree Lighting and the Spring Carnival proved most popular; 45 percent of city residents attended special events in the past year (see Figure 2). “Sports leagues” boasted the next-highest level of involvement, with 28 percent of respondents reporting participation in the past year.



Survey respondents also reported high levels of attendance at city parks and recreation centers. Ninety-four percent reported visiting parks (including 37 percent who said they went “very often”), and sixty-six percent of residents indicated visiting recreation centers.

City parks received high marks from survey respondents. Ninety-eight percent of respondents said parks were “very well-maintained” or “somewhat well-maintained,” and 95 percent said

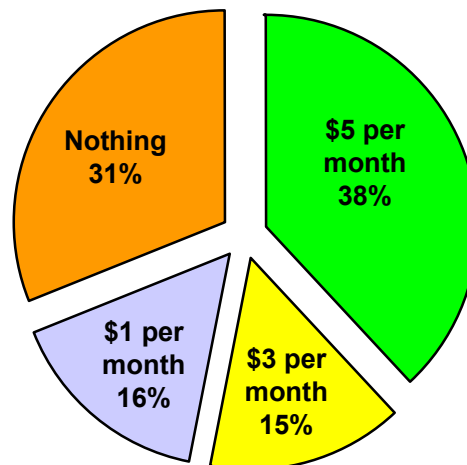
parcs were “very safe” or “somewhat safe” to visit. The “Flagstaff Urban Trails System (F.U.T.S.)” was reported to be the most-used city park facility, with 67 percent saying they had accessed it in the past year (see Figure 3). “Heritage Square” and “park picnic ramadas” also had high rates of usage (66 percent and 60 percent, respectively, in the past year).



Stormwater

Slightly more than half of Flagstaff residents were aware of stormwater problems in the city, and a quarter of respondents had personally experienced such problems at home or work. Sixty-eight percent of those interviewed saw no change in the severity of stormwater problems since they had lived in the city, while 16 percent of respondents thought stormwater problems were getting better, and an equal proportion of respondents thought stormwater problems were getting worse.

Figure 4:
How much would you be willing to pay to solve stormwater problems?



When asked how much they would be willing to pay as part of their household water bill to solve stormwater problems, the largest group of respondents (38 percent) chose the largest sum offered, five dollars per month (see Figure 4). In contrast, 31 percent said they would not pay anything. On average, respondents were willing to pay \$2.51 per month to solve stormwater problems in Flagstaff.

It should be noted that on the second day of calling for the survey (Saturday, September 16), a large storm hit the Flagstaff area, causing extensive flooding in parts of the city. It is possible that this storm may have had the effect of heightening residents' awareness and sensitivity to the stormwater issue to levels that are not typical.

III. Annotated Survey

INTRODUCTION

Hello, my name is {STATE YOUR FIRST AND LAST NAME}, and I am calling from Northern Arizona University on behalf of the City of Flagstaff. We are not selling anything. We are calling to find out how residents feel about services provided by the City of Flagstaff. This information will be used by City officials to make important policy decisions. The survey will only take about 5 to 10 minutes to complete. Your answers are very important to us and are voluntary and confidential. I need to speak to someone who is 18 years of age or older. Would that be you or someone else?

1. Self
2. Someone else

Is now a good time to ask you a few questions?

1. Yes → (Proceed with survey)
2. No → When would be a better time to call you back? (Schedule callback)

SCREENING QUESTIONS

1. First, do you currently live within the Flagstaff city limits?

	2000	2001
Yes	100% (N=418)	100% (N=410)

2. Are you a full-time or part-time resident of Flagstaff?

	2001	2000
Full-time resident	97%	96%
Part-time resident (primary residence)	3%	4%
Total	100% (N=418)	100% (N=418)

QUALITY OF LIFE

3. In the time you've lived here, do you think Flagstaff has become a better place to live, a worse place, or has it stayed about the same?

	2001	2000
Better	29%	30%
Worse	18%	18%
Stayed about the same	47%	47%
Both better and worse	6%	6%
Total	100% <i>(N=407)</i>	101% <i>(N=405)</i>

4. Over the past year, would you say that the quality of life in your neighborhood has gotten better, gotten worse, or stayed about the same?

	2001	2000
Better	17%	20%
Worse	14%	14%
Stayed about the same	69%	67%
Both better and worse	1%	--
Total	101% <i>(N=391)</i>	101% <i>(N=392)</i>

CITY SERVICES

5. Now I'd like to ask you some questions about the City of Flagstaff. The City of Flagstaff is responsible for providing municipal services like police and fire protection, and implementing and enforcing policies for the community's well-being.

Overall, do you think the City of Flagstaff is doing an excellent, good, fair, or poor job of providing municipal services to you?

	2001	2000
Excellent	23%	24%
Good	58%	58%
Fair	15%	15%
Poor	4%	4%
Total	100% <i>(N=415)</i>	101% <i>(N=406)</i>

6. Now, I will read a list of some of the municipal services that the City of Flagstaff provides to its residents. As I read each one, please rate the quality of (*service name here*) as excellent, good, fair, or poor. If you don't have an opinion, just tell me and I'll go on to the next one.

CITY SERVICES AND PROGRAMS		RATING OF SERVICES					
		Excellent	Good	Fair	Poor	Total	
						Percent	Count
a. Libraries	2001	37%	53%	10%	1%	101%	N=342
	2000	33%	55%	10%	2%	100%	N=339
b. Parks	2001	27%	56%	15%	2%	100%	N=405
	2000	22%	58%	17%	3%	100%	N=391
c. Recreation Programs	2001	14%	51%	28%	8%	101%	N=296
	2000	13%	48%	30%	9%	100%	N=287
d. Fire Department	2001	50%	47%	3%	--	100%	N=347
	2000	42%	56%	3%	--	101%	N=331
e. Police Department	2001	34%	45%	14%	7%	100%	N=393
	2000	31%	52%	12%	6%	101%	N=389
f. Water services	2001	34%	58%	16%	3%	100%	N=392
	2000	22%	64%	12%	2%	100%	N=397
g. Sewer services	2001	21%	67%	12%	1%	101%	N=362
	2000	19%	67%	12%	1%	99%	N=376
h. Garbage collection services	2001	30%	60%	8%	2%	100%	N=410
	2000	29%	59%	10%	2%	100%	N=398
i. Traffic signals	2001	3%	29%	33%	36%	101%	N=416
	2000	6%	32%	36%	26%	100%	N=406
j. Street Maintenance	2001	8%	42%	34%	17%	101%	N=415
	2000	8%	45%	35%	12%	100%	N=405
k. Snow Plowing	2001	19%	49%	21%	11%	100%	N=390
	2000	12%	49%	29%	11%	101%	N=405
l. Community Arts and Cultural Planning	2001	17%	57%	22%	4%	100%	N=319
	2000	11%	51%	29%	9%	100%	N=313
m. Recycling Programs	2001	25%	53%	17%	6%	101%	N=394
	2000	24%	56%	15%	5%	100%	N=383
n. Planning and Building Services	2001	5%	36%	38%	21%	100%	N=309
	2000	(Not rated in 2000)					

7. What is the ONE thing that the City of Flagstaff can do to MOST improve the quality of life in Flagstaff? (*open-ended, recoded*)

QUALITY OF LIFE SUGGESTIONS	2001	2000
Better traffic flow, roads, mass transit	40%	34%
Manage growth, zoning	12%	12%
Improve, increase recreation and youth programs	8%	9%
More affordable housing	4%	3%
Improve police department / reduce crime	3%	4%
Improve recycling	2%	5%
Better communication, information	2%	2%
Assist elderly, children, needy, homeless	2%	1%
More employment, higher wages	2%	5%
Lower cost of living	2%	2%
Better snow removal	1%	2%
Nothing, no opinion, things are fine	14%	17%
Other	9%	5%
Total	101% (N=419)	101% (N=396)

Other responses:

- Beautify the community.
- Close the campuses of Flagstaff schools.
- Don't promote the downtown so much.
- Double the capacity of the local guidance center.
- Even out the economy so that a middle class forms. People are either rich or struggling.
- Fill the Skydome with Jacks football fans.
- Fire Dave Wilcox.
- Focus on providing equal opportunities for minorities.
- Get a better phone service than Qwest.
- Get rid of the City Manager. He's the biggest detriment to the city.
- Have more community activities.
- Have more community events.
- Have more trash pick-ups.
- Have the firefighters get rid of all the weeds taking over the plant life.
- Improve pet services such as the Humane Society.
- Improve the water supply by removing arsenic.
- Keep green areas.
- Lower taxes.
- Maintain green spaces between neighborhoods.
- Make use of the empty buildings.
- Offer more for people between the ages of 19 and 22.
- Pay attention to certain areas in Flagstaff, especially the mobile haven area.
- Plant more aspen trees around downtown Flagstaff.
- Promote shopping locally.
- Provide more community programs for groups of differing ages and ethnic backgrounds.
- Quit advertising for tourism.
- Quit wasting money on the airport.
- Show more concern for residents than tourists.
- Spend less on beautification.
- The city needs to get a vision and become less confused.
- Use renewable sources of energy (wind power, solar power).
- Work on pollution problems caused by vehicles and plants on Butler.

CITY PARKS AND RECREATION

The questions in this section were asked only in 2001.

8. Do you or your family participate in City Parks and Recreation programs frequently, sometimes, not very often, or not at all? (If "not at all," skip to Q. 10)

	<i>Percent</i>
Frequently	15%
Sometimes	26%
Not very often	24%
Not at all	35%
Total	100% (N=417)

9. Now I am going to read a list of Parks and Recreation programs. Please tell me if you or your family participated in any of these during the past year. (Asked only to those respondents who indicated in Q.8 that they participate in Parks and Recreation programs)

PARTICIPATION	<i>Yes</i>	<i>No</i>	<i>Count</i>
a. Fitness programs / lessons	22%	79%	<i>N=273</i>
b. Sports leagues	43%	58%	<i>N=273</i>
c. Ice skating programs	26%	74%	<i>N=273</i>
d. Special events	69%	31%	<i>N=273</i>
e. Youth activities	28%	72%	<i>N=273</i>
f. Aquatics programs	30%	70%	<i>N=273</i>
g. Senior citizen activities	11%	89%	<i>N=273</i>
h. Leisure Education classes	19%	81%	<i>N=273</i>

10. How often do you or your family visit a City recreation center such as Flagstaff Recreation Center, Adult Center, Cogdill Recreation Center, Jay Lively Ice Rink, or Murdock Recreation Center: very often, sometimes, not very often, or never?

	Percent
Very often	9%
Sometimes	28%
Not very often	29%
Never	34%
Total	100% (N=416)

11. The Flagstaff Parks and Recreation Department offers a variety of programs and facilities for all age ranges. Do you prefer that the Department focus more attention on senior citizens, working adults, teenagers, children, or everyone?

	Percent
Senior citizens	2%
Working adults	3%
Teenagers	19%
Children	10%
Everyone	67%
Total	101% (N=390)

12. How often do you or your family visit a City Park such as Thorpe Park, Buffalo Park, Bushmaster Park, Wheeler Park, or others: very often, sometimes, not very often, or never? (If "never," skip to Q.14)

	Percent
Very often	37%
Sometimes	39%
Not very often	18%
Never	6%
Total	100% (N=417)

13. Now I am going to read a list of park facilities in Flagstaff. Please tell me if you or your family have used any of these facilities in the past year. (Asked only to those respondents who indicated in Q.12 that they visit city parks)

PARK FACILITY USE	Yes	No	Count
a. Playgrounds	53%	48%	(N=392)
b. Tennis courts	22%	79%	(N=391)
c. Basketball / Volleyball courts	40%	60%	(N=392)
d. Baseball / Softball fields	42%	58%	(N=391)
e. Picnic ramadas	64%	36%	(N=391)
f. Disc golf course	18%	83%	(N=392)
g. Skate track	18%	82%	(N=392)
h. Flagstaff Urban Trails System	72%	29%	(N=391)
i. Open turf	52%	48%	(N=392)
j. Heritage Square	70%	30%	(N=392)

14. Do you think Flagstaff City Parks are very well maintained, somewhat well maintained, not very well maintained, or very poorly maintained?

	Percent
Very well maintained	60%
Somewhat well maintained	38%
Not very well maintained	2%
Very poorly maintained	1%
Total	101% (N=398)

15. How safe do you think Flagstaff city parks are to visit? Are they are very safe, somewhat safe, not very safe or not at all safe places to visit?

	<i>Percent</i>
Very safe	49%
Somewhat safe	46%
Not very safe	4%
Not at all safe	1%
Total	100% (N=396)

STORMWATER

The questions in this section were asked only in 2001.

16. Have you personally experienced any stormwater problems affecting your home or place of business?

	<i>Percent</i>
Yes	27%
No	73%
Total	100% (N=415)

17. In the time since you've lived here, do you perceive stormwater problems to be getting better, getting worse, or staying about the same?

	<i>Percent</i>
Getting better	16%
Getting worse	16%
Staying about the same	68%
Total	100% (N=370)

18. Are you currently aware of stormwater problems anywhere in the community?

	<i>Percent</i>
Yes	54%
No	46%
Total	100% (N=411)

19. In order to solve current stormwater problems in Flagstaff, how much would you be willing to pay as part of your household water bill? **[Read options]**

	Percent
\$5 per month	38%
\$3 per month	15%
\$1 per month	16%
Nothing	31%
Total	100% (N=382)

DEMOGRAPHICS

Now I would like to ask you a few questions so that we can classify your answers.

20. How many years have you lived in Flagstaff?

	2001	2000
Less than one year	8%	11%
1-5 years	31%	31%
6-10 years	16%	15%
11-20 years	20%	20%
More than 20 years	26%	24%
Total	101% (N=418)	101% (N=402)

21. Do you own or rent your home?

	2001	2000
Own	57%	56%
Rent	42%	42%
Other arrangement	1%	2%
Total	100% (N=418)	100% (N=408)

22. Are you currently registered to vote in Flagstaff?

	2001	2000
Yes	75%	73%
No	25%	27%
Total	100% (N=416)	100% (N=407)

23. In what year were you born? (recoded into age categories)

	2001	2000
18-34	36%	45%
35-59	50%	41%
60 and over	14%	15%
Total	100% (N=410)	101% (N=399)

24. What is the highest grade of school or year of college that you have completed?

	2001	2000
Grade school	4%	4%
High school degree	14%	14%
Some college / Associate's degree	37%	36%
Bachelor's degree	23%	31%
Post-bachelor's degree	22%	17%
Total	100% (N=418)	102% (N=406)

25. Which of the following income groups includes your total family income in the past year before taxes? Tell me to stop when I read the correct category.

	2001	2000
Up to \$10,000	10%	9%
\$10,000 to \$25,000	15%	19%
\$25,000 to \$50,000	32%	32%
\$50,000 to \$75,000	22%	24%
\$75,000 to \$100,000	13%	9%
\$100,000 to \$150,000	6%	6%
Over \$150,000	3%	3%
Total	101% (N=347)	102% (N=346)

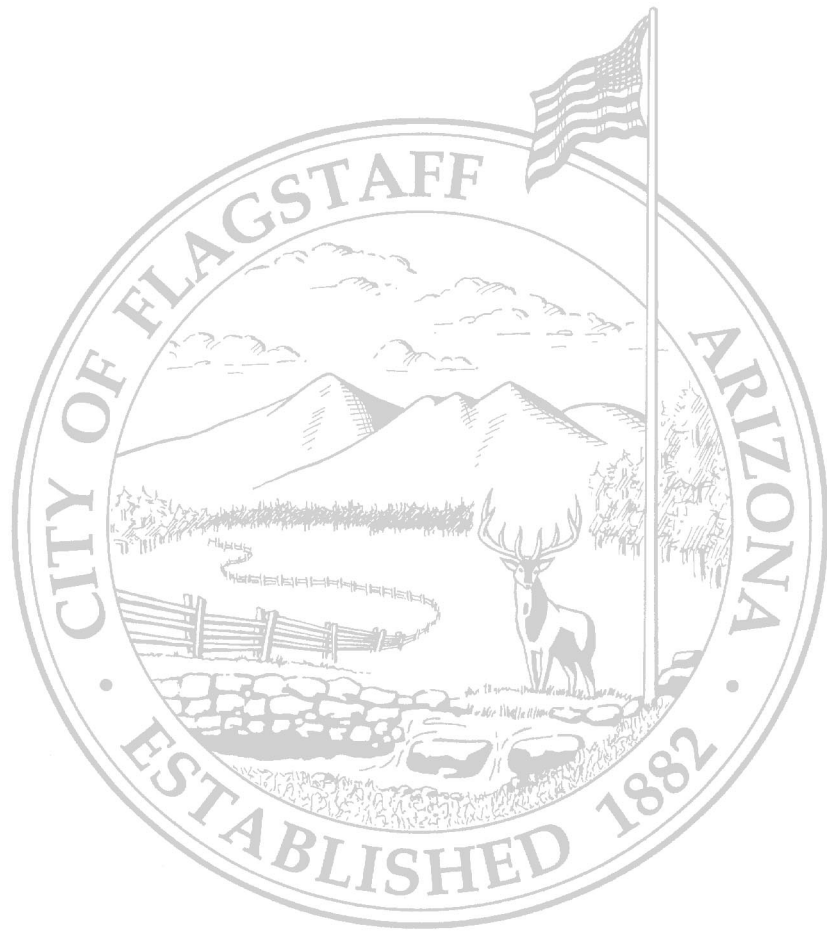
26. Do you have any children under the age of 18 living in your home?

	2001	2000
Yes	36%	36%
No	64%	64%
Total	100% (N=418)	100% (N=405)

27. Respondent Gender

	2001	2000
Female	50%	50%
Male	50%	50%
Total	100% (N=418)	100% (N=409)

Thank you for your time and participation in this survey. Have a nice day.





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