

FLAGSTAFF ARIZONA

Investing for an affordable future



The City of Flagstaff
June 2004



8th Avenue
Detention Basin

Rio Parking
Replacement

**City of Flagstaff 2004 - 2005
Annual Budget & Financial Plan**

**ANNUAL BUDGET AND FINANCIAL PLAN
OF THE
CITY OF FLAGSTAFF, ARIZONA
FISCAL YEAR 2004-2005**



CITY COUNCIL

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LIBBY SILVA

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
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PRESENTED TO

**City of Flagstaff
Arizona**

For the Fiscal Year Beginning

July 1, 2003

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Flagstaff, Arizona for its annual budget for the fiscal year beginning July 1, 2003. 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.

TABLE OF CONTENTS

INTRODUCTION

Budget Award	ii
Table of Contents	iii
Users Guide.....	ix
City of Flagstaff Organizational Chart.....	x
City Council Profiles	xi

TRANSMITTAL

City Manager's Budget Message	1
Mission Statement	12
Budget Highlights and Accomplishments	13

BUDGET OVERVIEW

Financial Resources Available	15
Total Appropriations	15
Operating Expenditures by Department	16
Budget Format and Process	17
Format	17
Process	19
Assumptions and Strategies	20
Economic Overview	20
Revenue Forecast.....	20
Expenditures	20
Fund Summaries	21
General Fund.....	21
Highway User Revenue Fund	22
Transportation Fund.....	23
Library Fund.....	23
BBB Funds.....	24
Other Funds	25
Utilities Fund	26
Environmental Services Fund	27
Airport Fund	27
Stormwater Fund	28
Five-Year Projections by Fund	28
Revenues	30
General Fund.....	30
BBB.....	33
Highway User Revenue Fund	34
Enterprise Funds	34
Capital Budget	37
Relationship between Operating and Capital Budget	37
Capital Improvement Plan.....	37
FY 2005 Capital Improvement Plan	38
Capital Plan Implications.....	38

Debt.....	39
Debt Capacity	39
Current Debt Position.....	39
Debt Service	40
POLICIES AND PROCEDURES	41
Fiscal Policies.....	41
General	41
Enterprise Funds	41
Real Estate Proceeds Fund	41
Debt Performance.....	41
Debt Management	42
Fund Balances and Reserves.....	42
Expenditure Limitation Control.....	42
Budget Policies	43
Revenue Distribution.....	43
Contributions to Art in Public Places	44
Operating Budget Impact.....	44
Minimum Levels of Capital Investment	44
Non-Recurring Revenues	44
ISSUES AND UPDATES.....	45
Personal Service Costs	45
Pay Plan	45
Health Insurance.....	45
Reclasses, Reranges, Retitles, Rezones.....	45
Position Additions/Deletions	47
Cost Allocation.....	48
Fleet Management.....	50
Five-Year Information Systems	51
2004 Updates	53
Acceptance of Debit and Credit Cards.....	53
Fuel Management and Forest Health.....	53
Homeland Defense and Its Impact on the Flagstaff Police Dept.....	53
Drug Cases and Probation at the Flagstaff Municipal Court	54
Flagstaff Runway Extension Issues	54
Parks and Recreation Program Reductions.....	54
Revenue Growth Strategies.....	54
Visitor Center	54
Water Policy Development and Conservation.....	55
Workforce Reduction and Development	55
2005 Issues	55
Brownfield Program	55
Waste Tire Collection Program	56
Stormwater Management.....	56
Intergovernmental Agreement for Technology Services at the LEAF	56
Coconino County Library District	57
East Flagstaff Community Library and Americans with Disabilities Act Compliance.....	57
Housing - Proposed Work Program Expansion	57

Judicial Work Load at the Flagstaff Municipal Court	58
Human Resources Reorganization	58
Organization Review.....	59
Succession Planning.....	59
Rural Policy Institute	60

FINANCIAL SUMMARIES

Total Resources and Appropriations Summary	61
Tax Levy	62
Revenues and Other Than Property Taxes	63
Transfer and Proceeds from Other Sources	67
Grant Revenue	72
Appropriations by Fund.....	74
Appropriations by Department	77
Operating Capital	79
Capital Improvement Program	81
Bonded Debt Service	83
Leases and Loans	84
Summary of Fiscal Activity.....	85
Five-Year Plans	86

DEPARTMENTAL DETAIL

GENERAL ADMINISTRATION.....	113
City Manager (01)	115
City Clerk (02).....	118
Human Resources (04).....	120
Risk Management (05).....	122
City Attorney (07).....	124
Flagstaff Municipal Court (65).....	127
Tourism - CVB (84).....	130
Visitor Services (85).....	132
MANAGEMENT SERVICES.....	135
Information Systems (08).....	137
Management Services (09).....	140
Tax, Licensing, & Revenue (10).....	142
Library (11 & 12)	144
Finance and Budget (13)	147
COMMUNITY DEVELOPMENT	149
Capital Improvement (03)	151
Metropolitan Planning Organization (14).....	153
Community Development Administration (15).....	155
Engineering (16)	157
Building and Development Services (17).....	159
Planning (18)	162
Community Redevelopment (31)	166
Arts and Science (71)	168
Stormwater (98).....	170

FIRE DEPARTMENT	171
Fire (21)	173
POLICE DEPARTMENT	175
Police (22).....	177
Police Grant (23).....	180
PUBLIC WORKS	181
USGS Maintenance (20).....	183
Public Works Administration (25).....	184
Parks (26)	186
Fleet Services (27).....	188
Cemetery (28).....	190
Facilities Maintenance (29).....	192
Recreation (30).....	194
Street Maintenance and Repairs (32)	196
Airport (38).....	198
Environmental Services (41).....	200
UTILITIES.....	203
Utilities Administration (42)	205
Lake Mary Water Treatment Plant (47).....	207
Customer Service (48)	209
Water Distribution (49)	211
Booster Stations (50)	213
Wildcat Wastewater Treatment Plant (53)	215
Wastewater Collection (54).....	217
Wastewater Monitoring (55).....	219
Rio de Flag Reclaim Plant (56).....	221
NON-DEPARTMENTAL	223
Council and Commissions (63).....	224
Contributions to Other Agencies (64).....	227
Non-Departmental (66)	229
Firemen's Pension (68).....	231
Economic Development (78).....	232
Transit (97)	233
CAPITAL IMPROVEMENT PROGRAM	
FY 2005 Capital Improvement Program	235
Schedule of Capital Improvements – FY 2004-2005	236
FY 2005 Capital Project Description	252
Capital Improvement Program Summary	264
Schedule of Capital Program Listings.....	265
Financing the Capital Plan.....	274
General Obligation (G.O.) Bonds	274
Highway User Revenue (HURF) Bond.....	274
Junior Lien Bonds Payable From Highway User Tax Revenues.....	274
Water and Sewer Revenue Bonds.....	274
Special Improvement/Assessment Districts	274

Municipal Facilities Corporation (MFC) Bonds	274
Certificates of Participation	275
Lease Financing	275
Grants	275
Intergovernmental Agreements (IGA)	275
State Revolving Loan Fund.....	275
Pay-As-You-Go Financing	276

COMMUNITY PROFILE

Community Profile	278
Principal Taxpayers Tax Year 2003.....	281
Property Tax Rates - All Overlapping Governments.....	282
Retail Sales Tax Rates-Direct and Overlapping	282
Miscellaneous Statistics	283
Bonded Debt-Interest/Coupon Rate by Issue and Year.....	285
Percent of Net General Bonded Debt to Secondary Assessed Value and Net General Bonded Debt per Capita	286
Total Bonds Payable-Past 5 Years	286
Consumer Price Index	287

APPENDICES

A-Authorized Personnel/Positions Summary.....	289
B-Job Classification Ranges & Pay Plan	298
C-Resolution for Budget Adoption	305
D-Ordinance for Property Tax Levy	306
E-Full-Cost Plan Summary of Allocation Basis	307
F-Glossary	309
G-List of Acronyms	314
H-Council Goals	316
I-Performance Measurement Through ICMA-CPM.....	358

**CITY OF FLAGSTAFF, ARIZONA
DIVISION SUMMARY
CROSS REFERENCE INDEX IN
CONSECUTIVE NUMBER ORDER**

#	DIVISION	PAGE
1	City Manager	115
2	City Clerk	118
3	Capital Improvement.....	151
4	Human Resources	120
5	Risk Management.....	122
7	City Attorney	124
8	Information Systems	137
9	Management Services Administration.....	140
10	Tax, Licensing, & Revenue	142

#	DIVISION	PAGE
11	Library.....	144
12	Library Grants.....	146
13	Finance and Budget.....	147
14	Metropolitan Planning Organization (MPO).....	153
15	Community Development Administration.....	155
16	Engineering.....	157
17	Building and Development Services.....	159
18	Planning.....	162
20	USGS Maintenance.....	183
21	Fire Department.....	173
22	Police Department.....	177
23	Police Grant.....	180
25	Public Works Administration.....	184
26	Parks.....	186
27	Fleet Services.....	188
28	Cemetery.....	190
29	Facilities Maintenance.....	192
30	Recreation.....	194
31	Community Redevelopment.....	166
32	Street Maintenance & Repairs.....	196
38	Airport.....	198
41	Environmental Services.....	200
42	Utilities Administration.....	205
47	Lake Mary Water Treatment Plant.....	207
48	Customer Service.....	209
49	Water Distribution.....	211
50	Booster Stations.....	213
53	Wildcat Wastewater Treatment Plant.....	215
54	Wastewater Collection.....	217
55	Wastewater Monitoring.....	219
56	Rio de Flag Wastewater Treatment Plant.....	221
63	Council & Commissions.....	224
64	Contributions to Other Agencies.....	227
65	Flagstaff Municipal Court.....	127
66	Non-Departmental.....	229
68	Firemen's Pension.....	231
71	Arts and Science.....	168
78	Economic Development Administration.....	232
84	Tourism - CVB.....	130
85	Visitor Services.....	132
97	Transit.....	233
98	Stormwater.....	170

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 2005.

Budget Overview - The overview provides an overview of the key policy issues, priorities and strategies which shaped the fiscal year 2005 budget, the budget process fiscal policies, revenue assumptions, and expenditure highlights.

Policies and Procedures – This section provides information on fiscal and budget policies as it related to certain funds, debt performance, fund balances, expenditure limitation control, revenues, operating budget impact, and capital investments.

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 2004, performance indicators, expenditure history and budget, commentary on significant changes, and sources of funding.

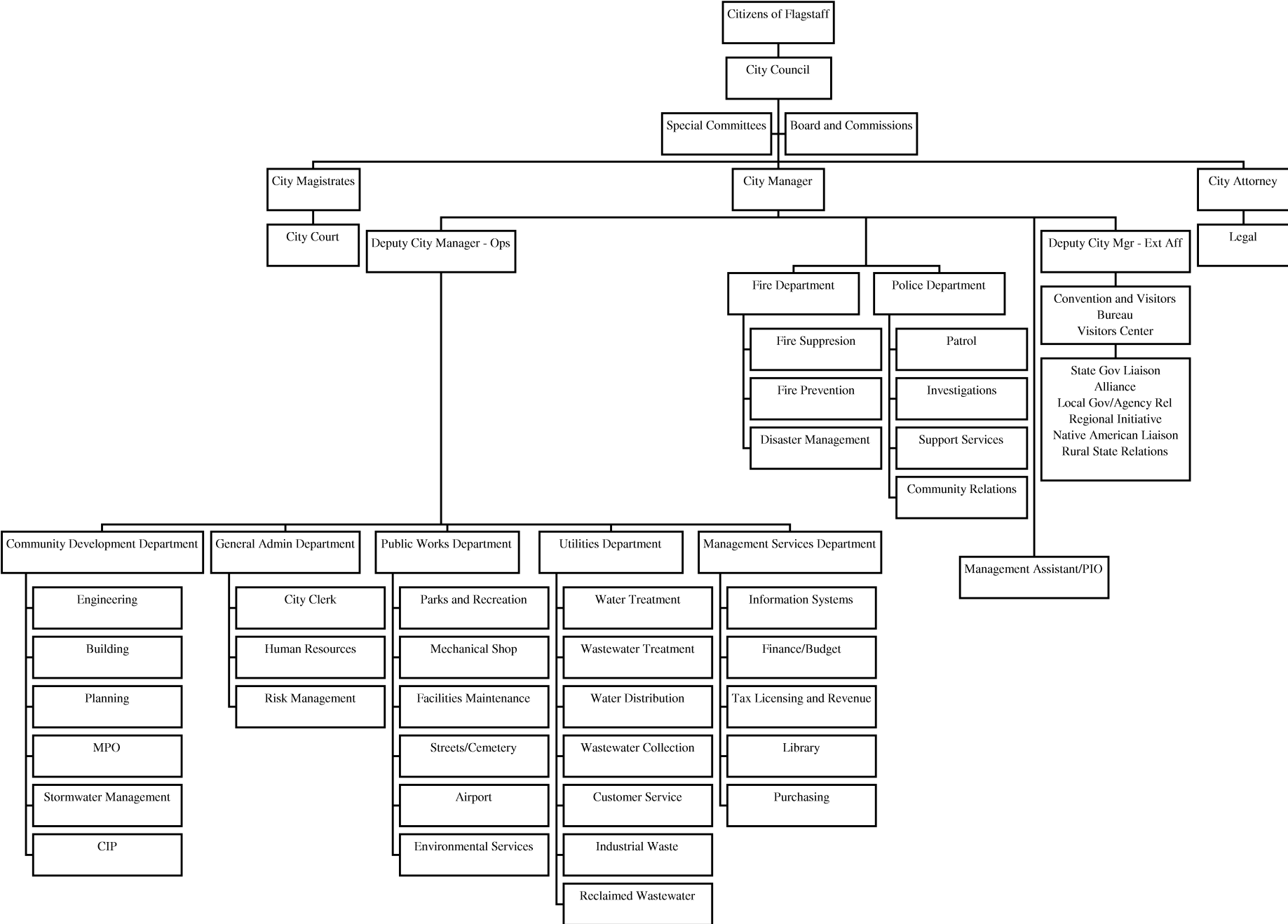
Capital Improvements - The current year portion of the five-year capital improvement program is listed, along with location maps and funding source. A more detailed project-planning sheet is available in the separately published five-year Capital Budget and Capital Improvement Plan.

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.

For additional information, please call the Finance and Budget Office directly at (928) 774-5281 extension 7323. This budget document may also be viewed on the City of Flagstaff website, www.flagstaff.az.gov, in Adobe Acrobat format.

City of Flagstaff



City Council

CITY COUNCIL GOALS

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 technology and innovation and the attraction of employers who pay livable wages.

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 the fiscal health of the organization.

PUBLIC SAFETY

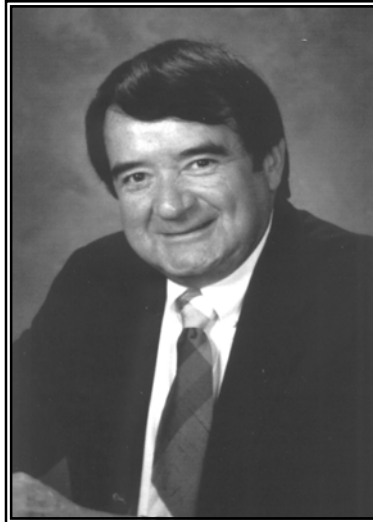
GOAL: To promote and maintain a safe community through integrated public safety systems that addresses the underlying issues affecting public safety, health and quality of life.

AFFORDABLE HOUSING

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

PLANNING FOR GROWTH

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



Mayor Joseph Donaldson

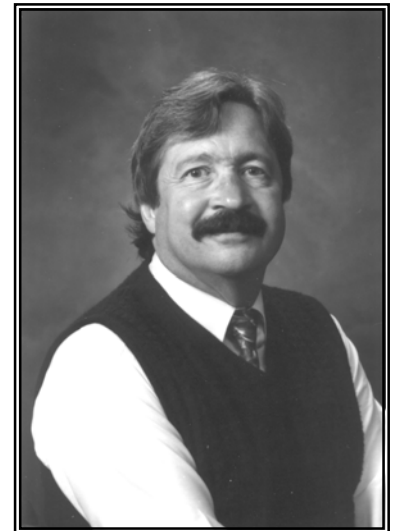
Mayor Joseph Donaldson was first elected as Mayor of Flagstaff in May of 2000 and was successfully re-elected in 2002 and 2004. Mayor Donaldson holds leadership positions, or is a member, of 20 local, state, and national organizations including: Vice-Chairman of the National League of Cities, Transportation Infrastructure Services Steering Committee; Chairman of the Subcommittee on Zoning and Implementation of the Arizona Forest Health Oversight Council; and the Northern Arizona Municipal Water Users Association. Prior to becoming elected as mayor, Donaldson was a Safeway Store manager for 38 years where he excelled in his commitment to customer service.

He has brought that same commitment to City government. Mayor Donaldson is a 53-year resident of Flagstaff and was recognized as Flagstaff's Citizen of the Year in 1997 and has been voted Best Elected Local Official in 2002, 2003 and 2004.

Vice-Mayor Al White

Vice-Mayor Al White was first elected to the Flagstaff City Council in May 2000 and re-elected in 2004. He moved to Flagstaff in 1989 from the Grand Canyon where he worked in hotel management for 13 years. His career in the hospitality industry provided Vice-Mayor White a key understanding of tourism issues in Flagstaff. His work in the recycling industry (owner/operator of New World Recycling) also afforded him an opportunity to observe the operation and actions of City government. Before running for City Council, Vice-Mayor White furthered his involvement in his community by becoming the Chairperson of the City's Disability Awareness Commission, holding a special interest in disability issues since he became a paraplegic in 1996.

Vice-Mayor White was awarded a Bachelor of Science Degree in Communication Studies from the University of Massachusetts in Amherst, Massachusetts. He currently serves as the Council representative to the Disability Awareness Commission, the Clean & Green Commission, the Tourism Commission, and on the Board for the Greater Flagstaff Economic Council.



City Council

CITY COUNCIL GOALS

CAPITAL IMPROVEMENT

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.

QUALITY OF LIFE

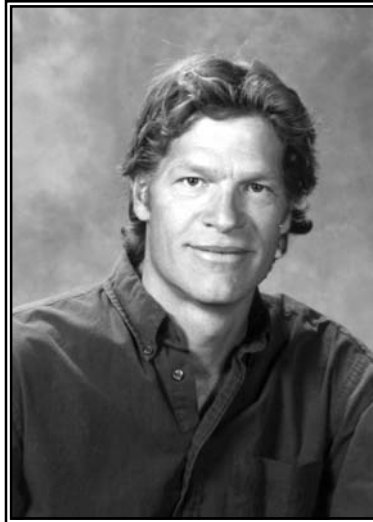
GOAL: To enhance the quality of life of our community, we will assure comprehensive programs that allow for a balance between economic development, resource protection and neighborhood concerns, that include cultural components that cross generational boundaries and strive to create cost effective and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

PLANNING FOR GROWTH

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

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.



Councilmember Art Babbott

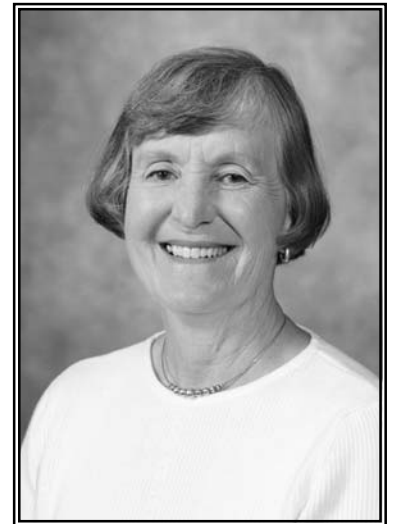
Councilmember Art Babbott was elected to the Flagstaff City Council in May 2002. Councilmember Babbott is self-employed and has a passion for protecting Flagstaff's environment through planning, sustainability and policy development. He serves on the Board of Directors for the Second Chance Animal Shelter and represents the Council on the Water Commission and the Flagstaff Housing Authority. Councilmember Babbott has a special interest in alternative energy and is involved with the Flagstaff Community Market in Flagstaff's Southside neighborhood and business district. Born in Burlington, Vermont, Councilmember Babbott has lived in Flagstaff for the past 9 years. He received his Bachelor

of Arts degree in Political Science from Amherst College in Amherst, Massachusetts and his Master of Arts Degree in Urban Affairs and Public Policy from the University of Delaware.

Councilmember Karen Cooper

Councilmember Karen Cooper was first elected to the Flagstaff City Council in May 2000, served as Vice-Mayor through June 2002, and was re-elected in May 2004. Prior to coming to Flagstaff nine years ago, Councilmember Cooper had significant involvement in local governments in Michigan and Colorado. In Flagstaff she served on the Flagstaff Planning & Zoning Commission and served as its Chairman and Vice-Chairman. She was also a member of the Regional Planning Task Force. As a Councilmember, Cooper serves as the liaison to the P & Z Commission, the Historic Preservation Commission, Library Board, Public Art Advisory Committee, Flagstaff Metropolitan Planning Organization, and the Citizens Transportation Advisory Committee.

Councilmember Cooper retired as Office Manager of the Shepherd of the Hills Lutheran Church and currently serves on the Board of the Flagstaff Leadership Program. She attended Duke University and received her degree in Political Science from Aquinas College in Michigan.

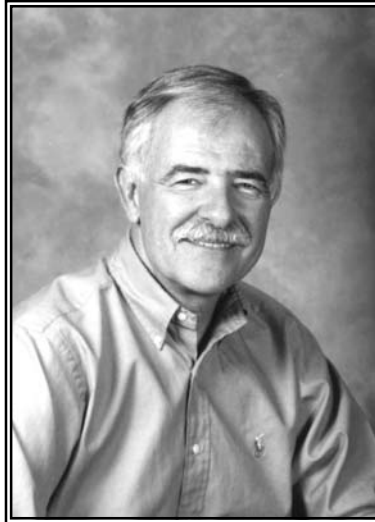


City Council

CITY COUNCIL GOALS

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.



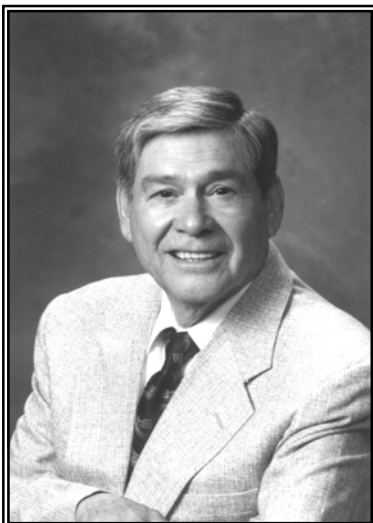
Councilmember Joe Haughey

Councilmember Joe Haughey was elected to the Flagstaff City Council in May 2002. He is a Realtor with Elk View Realty. In his 26 years in Flagstaff, Councilmember Haughey has been involved in many volunteer organizations. He is a graduate of the Flagstaff Leadership Program, is a Board Member with Flagstaff Cultural Partners and the Flagstaff Metropolitan Planning Organization and is a certificate holder with the Flagstaff Medical Center. Born in Los Angeles, Councilmember Haughey spends the majority of his youth in Saudi Arabia, Jordan, and Lebanon. He returned to California to finish high school and receive his Bachelor of Science degree from Cal State Los Angeles. A private pilot and an avid outdoorsman, Councilmember

Haughey served as a Seabee in the U. S. Navy. He and his wife Liz raised their four children in Flagstaff and they now have 8 grandchildren living in the community.

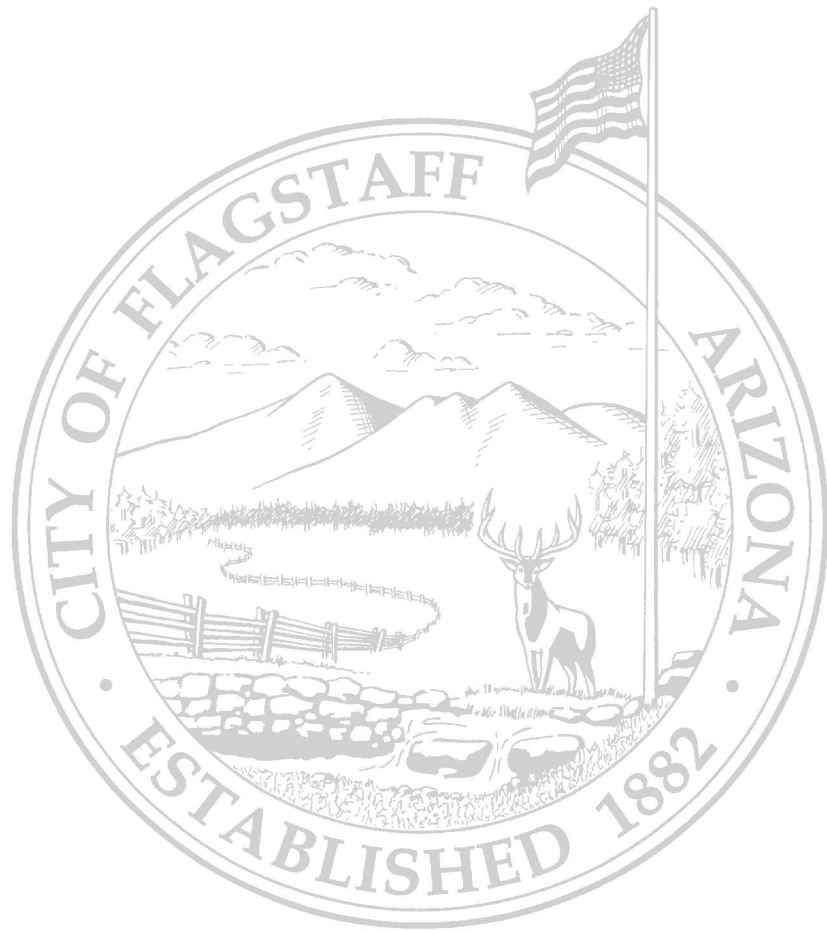
Councilmember Kara Kelty

Councilmember Kara Kelty was appointed to office in July 2002 and elected to a full term in May 2004. She is currently the Director of "Success by 6" for the United Way of Northern Arizona. Councilmember Kelty has been involved in a variety of civic, youth and professional organizations since moving to Flagstaff nine years ago. A graduate of the Flagstaff Leadership Program, she is also currently a member of the National League of Cities Equity and Opportunity Panel. From 1989 to 1995 Councilmember Kelty held Program Coordinator and Technical Training positions with the Peace Corps in the Philippines and Guatemala. Councilmember Kelty holds a Bachelor of Arts degree in Political Science from the College of the Holy Cross in Worcester, Massachusetts and was awarded her Masters in Education in Counseling: Human Relations from Northern Arizona University. She is married and has two children.



Councilmember Libby Silva

Councilmember Libby Silva was first elected to the Flagstaff City Council in May 1998, was re-elected in 2002 and served as Vice-Mayor until May 2004. Councilmember Silva currently serves on the Board of Directors for the National League of Cities, is currently a member of the National Organization of Hispanic Elected Local Officials where he will assume the President's position in December, and works with the Coordinating Council on Mexican American Affairs. He is also Chairman of the Workforce Investment Act in Coconino County and is leading a group of Hispanic individuals as mentors to Hispanic high school drop outs in an effort to get them back in school. Councilmember Silva is a Korean War Veteran having served in the Air Force. He attended New Mexico Western College and has retired as the Labor Relations Manager and Affirmative Action Coordinator for Mountain Bell. Councilmember Silva is an Arizona native, born and raised in Glendale and has lived the past 16 years in Flagstaff. He is also a licensed commercial pilot.





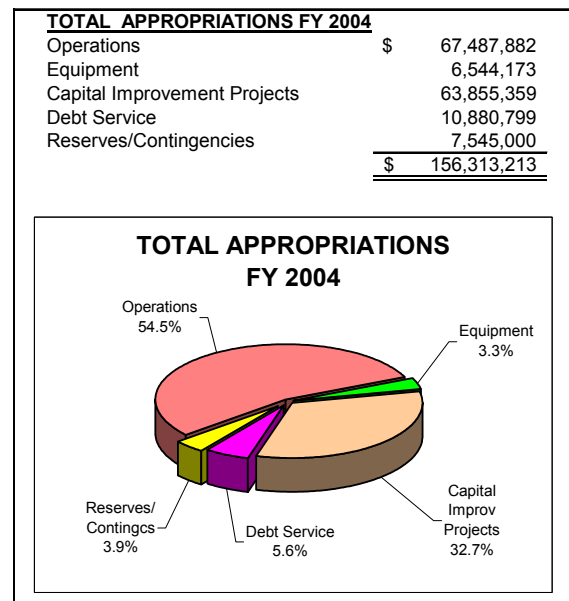
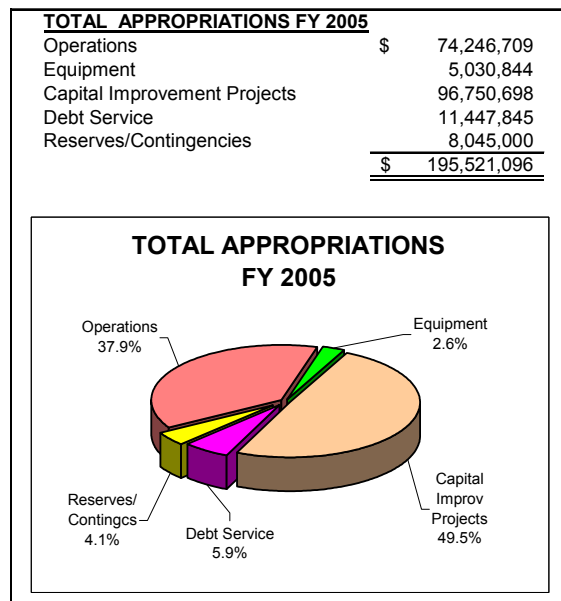
City of Flagstaff

OFFICE OF THE CITY MANAGER
(928) 779-7604

Honorable Mayor, City Council and Citizens of Flagstaff:

On July 6, 2004 the City Council adopted a record budget. While increasing expenditures from year to year are the norm, this statement underscores the rather dramatic increase from FY 2004 to FY 2005. Appropriations totaled \$156,313,213 in FY 2004. Adopted appropriations for FY 2005 add up to \$195,521,096, a 25% increase over the previous year. Major factors pushing budgeted appropriations include:

- Personnel increases, including market and merit;
- Adoption by voters of bonded, capital projects;
- Carryover of several large capital projects.



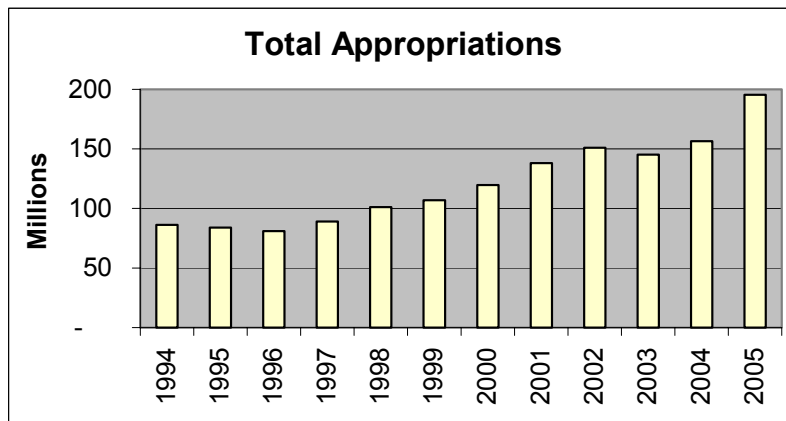
These figures appear to represent a rebound from service and employment reductions of recent years. In fact, recent reductions paved the way for new initiatives as revenue growth resumes. Moreover, citizen trust and support of City government appears to be strong, perhaps due to careful fiscal management which avoided the appearance of crisis observed with some other local governments. In May, voters approved ten out of thirteen capital projects, authorizing bonds over a multi-year period totaling \$155.2 million.

The City's fiscal management record is stellar. Since 1994, the City has received recognition from the Government Finance Officers Association for a budget that meets criteria as a policy document, an operations guide, a financial plan, and a communications device. Similar recognition has been awarded the City's Annual Financial Report. GFOA awards in essence recognize our elected officials and employees for consistently carrying-out sound financial management and an annual work program based on multi-year planning.

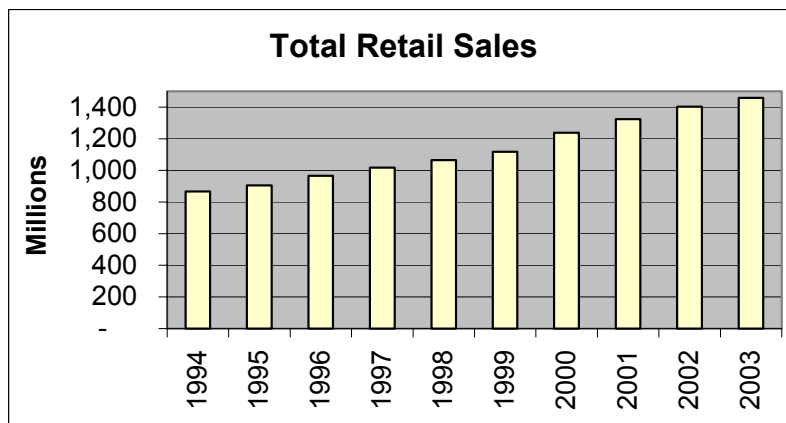
While the quality of our budget has been consistent, the organization and community have been very dynamic. A retrospective look is both interesting and instructive.

Looking Back

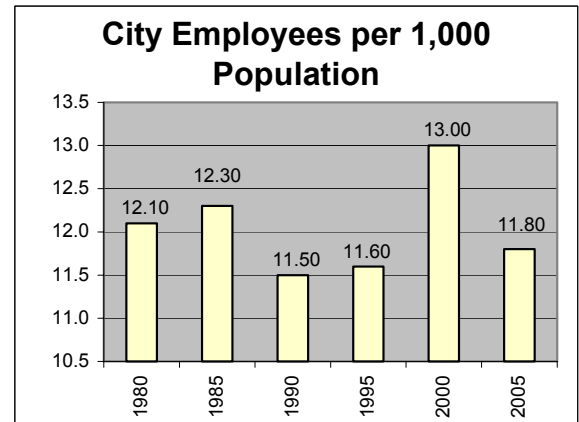
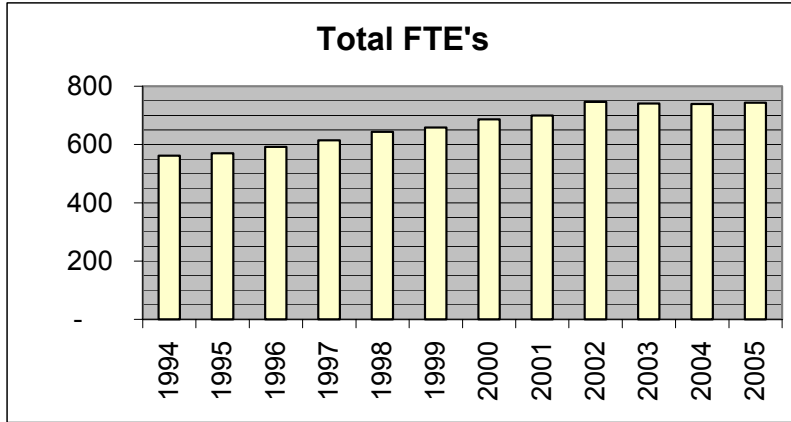
The total appropriation for FY 1994 was \$86,162,144, compared to \$195,521,096 for FY 2005. City employment totaled 564 full-time equivalent (FTE), which includes part-time employees. In 1994, 191.75 employees worked in public safety, 34% of the total work force. In FY 2005, 33% of the workforce continues to work in the Police and Fire Departments, totaling 247.75 employees.



In 1994, 50,469 people called Flagstaff home according to Arizona Department of Economic Security estimates; in 2005 the estimated population is 63,000. Retail sales of \$1,458,775,346 in FY 2003 compare to retail sales in 1994 totaling \$867,566,687, an increase of 25% per capita, roughly equivalent to the Consumer Price Index adjustment for the same period of just over twenty-three percent. The total sales tax rate paid by consumers in 1994 was 6.5%. In 2005 it will be 7.525%. (Sales tax figures do not include 2% BBB, which has remained constant over this period, or the transportation tax enacted in 2000 which is a variable figure). The City property tax rate in 2005 will be 1.7127, which is the same rate paid since 1998. In 1994, the property tax rate was significantly higher at 2.1014.



Operating a full service City government is expensive and the costs have increased significantly since 1994. As the population has increased the geographic coverage of services has also increased. For most services, more employees are needed to provide the same level of service to more people living on more acres and utilizing more miles of streets and utilities. Moreover, the operating cost per employee increases each year. In 1994, 564 employees costing \$23,151,294 provided services to 50,469 people. The personal services budget per employee (on average) was \$41,048 citywide. 743.45 employees will serve 63,000 people in FY 2005, costing \$44,173,493 or \$59,417 per employee. Employee compensation and benefit costs have increased by 91 percent since 1994. Average employee compensation has increased by 45%. The employee to population ratio of 11.18 in 1994 compares to 11.80 employees per 1,000 people in 2005.



Meanwhile, City services have increased significantly as the following comparisons demonstrate:

	<u>1994/95</u>	<u>2004/05</u>
Capital Projects Delivery: budgeted	\$32,564,265	\$96,750,698
Lane Miles of Streets: swept/maintained/plowed	384	585
Miles of Bike Lanes: on street	22	75.6
Court Case Filings	16,496	21,004
Computers/Printers Served	40-50	487
Enterprise Software Maintained	11	28
GIS Data Layers Maintained	6	70+
Sales Tax Licenses Issued (FY 94 & FY 03)	759	1,105
Sales Tax Returns Processed	19,897	30,961
Sales Tax Receipts @ 1%	\$6,736,801	\$12,320,000
(Does not include 2% BBB or Transportation Tax)		
Library Materials Circulation (CY 94/CY 03)	428,651	776,910
Library Main Branch – Visitor Count	324,580	573,737
Library Computers – Internet Access	1	75
Building Permits (CY 94/CY 03)	703	904
(Information does not include Misc. Permits or Permits for Mobile Home Installation)		
Value of Building Permits (CY 94/CY 03)	\$51,382,322	\$110,474,633
Fire Stations	5	6
Fire Calls – EMS	3,374	4,388
Fire and Other Calls	1,123	1,866
Acres Thinned/Rx Burns	0	1,696
Police Calls for Service (CY 94 and 03)	52,184	55,709
Incident Reports	25,303	37,644
DUI Arrests	771	959
Acres of Parks Maintained	596.98	702.3

(Continued from previous page)

	<u>1994/95</u>	<u>2004/05</u>
Other Acres (Cemetery/Streetscape/ROW)	14	81.6
Miles of FUTS	12.75	32.32
Acres of FUTS	250	650
Downtown Maintenance District Square Blocks	0	15
Number of Fleet Vehicles Maintained	384	536
Tons of Solid Waste	125,644	123,720
Tons of Recycling	737	12,635
Tons of Household Hazardous Waste	16.4	71.1
Gallons of Water Produced	2,519,228,000	2,767,511,000
Gallons of Wastewater Treated	2,315,023,000	2,214,714,000
Reclaimed Water Sold	390,468,800	529,557,568
Number of Meters Read	(1995) 166,106	204,630
Number of Utility Bills Processed	(1995) 167,565	206,750

In addition, a significant array of services now expected by our residents that were not provided in 1994. For example:

- Streetscape maintenance downtown. (The Downtown Project had not yet been built).
- Streetscape maintenance Citywide. (The first BBB Beautification project, Rt. 66, had not yet commenced).
- Recycling, curbside pickup.
- Household Hazardous Waste Drop-off Facility.
- Risk Management.
- Visitor Center operation at the Railroad Depot.
- Affordable Housing and CDBG.
- Rio de Flag (as a budgeted project, requiring full time staff over a multi year period).
- The creation of a Stormwater Utility to provide compliance with the National Stormwater Act.
- A redevelopment program to implement major goals of the Regional Plan.
- The Flagstaff Metropolitan Planning Organization (FMPO).
- Transit, funded by a voter approved sales tax.
- Branch libraries at Forest Lakes and Tuba City as well as the East Flagstaff Branch Library
- Sunnyside Multi-year Infrastructure Improvements \$4.6 million over the next 5 year period.
- Transportation Tax Improvements Implementation, a 20-year transportation improvement program totaling \$119 million, funded by sales tax.
- Forest Fuel Management.
- Citywide Grants Program.
- Environmental Clean Up and a new Brownfields Initiative.
- An extensive External Affairs program.
- After school program, in conjunction with Alliance partners, funded by the City in the amount of \$315,000.
- Many new Recreation and related Parks Programs: 1994 combined budget of \$2,199,599; 2005 budget of \$4,468,855.
- Open Space Plan and Implementation.
- Regional Plan Adoption and Implementation.

The observation that may be drawn from this information is that City staff has risen to the demand for increased services over the last decade. Many new services have been added. Service growth demands have been met. Where one might expect the number of City employees measured against total population to have increased significantly, this is not the case. To be sure, employment has grown; however, the ratio of employees to population has remained constant. Departmental leadership and employees have created new service opportunities through thoughtful planning, economizing, careful budgeting and creativity. I invite the beneficiaries of this superior delivery of public service to thank City employees.

Looking Ahead

In 2005 the Community will continue to enjoy the benefits of its tax dollars and our employees' labor. Careful budget planning and fiscal restraint during the last several years have paid off. While budgets have been reduced and positions eliminated, City departments have continued to supply high levels of service.

As a reminder, the City faced approximately \$2.4 million in revenue losses during recent years, primarily due to declining state shared revenues. Since 2001 the City has reduced operating budgets in response to the revenue loss. A total of 38 positions have been phased out, or will be phased out by the end of FY 2006. Services have been cut, including significant recreation and library services. Many other service areas show strain and subtle service impacts, such as degraded police response time and significantly reduced special assignments (bike patrol, for example.) in the Police Department. Moreover, every department has experienced increased workload stress on employees.

The proposed 2005 budget begins some modest corrective steps. Four positions cut or slated for phasing out by the end of 2005 are reinstated: a Firefighter position, Administrative Assistant in Community Development, the Facilities Maintenance Superintendent, and a support staff person in the Administrative Offices. Limited staff additions are proposed. While these corrections are modest, they represent a very positive turn of events.

The proposed budget is balanced and continues to focus on the City Council's priorities. The guiding parameters for the budget are the ten broad goals first adopted by the City Council three years ago and subsequently reaffirmed and modified to reflect Council direction. The most recent Council direction regarding these goals was provided at the February 2004 Council Budget Retreat.

CITY COUNCIL GOALS – FY 2005

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 technology and innovation and the attraction of employers who pay livable wages.

- Inasmuch as advanced technology is critical for the attraction and retention of desired employers, the City will work closely with GFEC and other partners to implement findings and recommendations of the Telecommunications Study being completed by GFEC.
- Economic development initiatives require public support; thus, staff is to develop an approach for project development, which engages public discussion and the City Council early in any process leading to a specific project.
- A core value and goal of the Regional Plan is redevelopment; staff is asked to develop a multi-year plan for Council discussion, which outlines when areas of the community will gain the focus of redevelopment strategies, including 4th Street area and implementation of the Urban Mobility Study.

- Continued implementation of several economic initiatives, which have been underway for one or more years:
- The Rio de Flag Project received a \$1.2 million federal construction appropriation in FY 2004 and \$3 million is expected to be appropriated for federal FY 05. The City continues to budget for its share of this local/federal project appropriating \$6,875,725 in FY 05. The City will spend a total of \$12 million for the project, noting increases in allocation to the Rio de Flag project included in this budget. The City may need to appropriate additional money for bridge reconstruction, not initially included in the current cost estimate. Design will continue and the first phase of construction will commence in this calendar year.
 - The likely investment in the Southside, following completion of the Rio de Flag Project, necessitates completion of a neighborhood plan in that area. The Southside planning process will be completed this year.
 - The East Flagstaff Gateway Project will move ahead with design and infrastructure construction commencing by Spring 2005.
 - The Empire Project construction startup is expected to begin in the summer of 2004. The City budget for the project totals \$2,591,162.
 - The Conference Center Project market feasibility study will be reviewed during the first quarter of the fiscal year. If the feasibility study concludes that reasonable financing options are available, a development agreement will be developed for Council/public discussion and Council consideration.
 - The City will issue an RFP for the Downtown Gateway West Project when financial projections are clearer and appropriate timing in conjunction with the Rio project can be concluded.
 - Airport Expansion Projects will continue with design of the runway extension, which will complete within 14 years the Airport 20-Year Master Plan adopted in 1991, with an investment of \$58 million in local, state and federal funding when completed in 2006.
 - USGS Campus Development Plans have been completed and voters authorized site development and building construction to meet expanding needs of USGS. A first phase will be determined and moved forward.
 - The Convention and Visitors' Bureau work program will include efforts to strengthen the tourism sector of the economy, including: enhanced marketing and public relations, bringing those functions in-house.
 - West Side Annexation will receive attention this year, although timing does not appear to be a critical concern.
 - The City Manager will work with the GFEC President to strengthen the City/GFEC economic development program partnership.

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 the fiscal health of the organization.

- Fiscal health must be of paramount interest when public/private partnerships for economic development are considered; and thus, fiscal impact and financial feasibility information must be clearly and openly discussed.
- Continue to study impact fees and provide opportunities for public and Council discussion of options and variations. Consider including water resource fees as part of the discussion.
- Develop Use Tax information for further Council discussion.
- Implement liquor license fees to recover issuance costs.
- Continue exploring revenue generating ideas and implement those already directed by the City Council.
- Continue an active grants program with a target of continuous improvement in the number and level of grants received.
- Complete negotiations of the Cable Franchise Agreement.
- Develop opportunities for service enhancements and efficiencies through intergovernmental consolidation will be studied.
- Staff will study necessary and appropriate long-term adjustments of HURF funded operations and/or capital allocations in view of declining HURF revenues from the State.

Public Safety

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

- Determine an appropriate increase in handicapped parking fines for Council consideration and develop a fair signage and enforcement policy.
- Police force strength will be improved, targeting authorized levels by filling the two positions requested as a priority by the Chief, and by providing greater shift flexibility through authorization of an additional sergeant position.
- The Police and Fire Departments will continue to work closely to improve emergency dispatch services, and to maintain response preparedness in the event of homeland security threats or actual incidents.
- A set aside for the current fiscal year of \$400,000 will be maintained and available for overtime in the event of a major fire experience or homeland treats.
- An active fuel management program to reduce both fuel densities and bark beetle infested trees will be continued.

- A firefighter position has been restored in the budget as an incremental step toward additional staffing.
- The Fire Department will develop a contract proposal with Flagstaff Ranch, which, if approved will require accelerating the construction/relocation of a fire station further west. It is proposed that proceeds from the proposed contract go toward debt service thus avoiding delay of other bond projects.

Affordable Housing

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

- A staffing increase is budgeted. Greater definition of need will be determined as Community Development staff works through reorganization decisions.
- The City will continue to facilitate a comprehensive discussion among agencies involved in providing housing with a goal of determining needs, funding and program opportunities, agency alignment and whether an Affordable Housing Commission is recommended.
- With the assistance of a HUD Technical Advisory Service, staff will determine the feasibility and best practice for establishing a community land trust.
- As directed by Council following legal advice from the City Attorney, pursue, as determined appropriate, authority for inclusionary zoning.

Capital Improvement

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.

- The Capital Division will be combined with and incorporated into the Community Development Department, with the CID Director designated as Deputy CD Director for transition into the Director position when the Director retires, as planned.
- The Capital Division will maintain the parks, utilities, transportation and multi-modal construction program, including Fourth Street Phase I and II, Rio de Flag Flood Control, Sunnyside II, III and IV, Butler Avenue Waterlines, Thorpe, Christensen and Thomas Fields, Sixth Avenue Detention Basin/BMX, Safe to School, and FUTS projects.
- The revised 5-year CIP planning process, which increases participation and gains Council adoption of the next fiscal year and five-plan will be utilized.

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.

- The use of technology to enhance customer service should be pursued, including, but not limited to, credit cards and information dissemination.
- Reinforce with staff that timely access to information is a component of customer service, and that customer service extends to the City Council and Council meetings.
- Wearing name badges and other means of helping customers identify City staff will be City policy.

Planning for Growth

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

- An array of planning activities will be delivered specifically designed to implement the Regional Plan, including: redevelopment planning and projects identified under the economic development goal; southside planning, continuation of FUTS project development and construction, incremental reclamation and enhancement of City-owned and occupied open space in conjunction with planned FUTS project corridors, and Open Space Plan implementation.
- The Community Development reorganization process will be largely complete and institutionalized.

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.

- Staff will schedule appropriate opportunities to discuss the proposed Rural Policy Institute with the Council, Alliance members and the public and to pursue funding opportunities from Federal and State governments and private sponsors.
- A process will be conducted with Alliance partners to identify primary issues for the continued follow up on the Alliance highest priority – education.
- State and federal agencies and elected representatives will be engaged proactively in pursuit of City interests, including, but not limited to, organizing a greater Council presence in the determination of local and statewide local government interests.
- Opportunities for service consolidation will be analyzed and implementation methodologies determined in cooperation with Alliance partners.
- Community and regional policy statements and strategies will be discussed with partners to identify best practices for implementation of programs including: transportation, sustainable water resources, economic development and state/federal funding.

Quality of Life

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

- Staff will assist the Open Space Commission in determining Open Space acquisition priorities and negotiating appropriate transactions, including Bond Program initiatives, if approved by voters.
- Water conservation policies adopted by the City Council will be implemented.
- Added focus will be given to water capacity development, including developing local underground resources and the acquisition of water rights for which conveyance to Flagstaff may be developed.
- Study the establishment of a water resource fee, preferably graduated in some equitable manner and to allow for affordable housing exemption.
- Staff will initiate location and design activities as appropriate for implementation of any Bond Program initiatives as approved by voters.

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 allows the City as an employer to hire and retain a workforce that is recognized by the Council and public as committed public employees.

- A timely discussion about a Meet and Confer Ordinance is to be scheduled for a Worksession, following an opportunity for employee education by the joint staff committee charged with developing a draft ordinance, as well as a vote by employees.
- Employee performance expectations will reasonably consider the impacts of decreases in staffing levels.
- Staffing levels are restored to some degree by including allocations for retaining/restoring five positions otherwise eliminated by the employment reduction program.
- A three percent market adjustment to employees is included in the budget along with increased allocations to pay for health insurance cost increases.
- Employer obligations towards employees will continue to be addressed. As discussed under fiscal health, adequate revenues are needed to support City services and the employees who provide them. It continues to be a City goal to position the City fiscally for FY 2005 and beyond to meet the needs of employees and the community.
- An additional staff position is proposed in Human Resources to correct an understaffing situation and to allow for time devoted to organizational development and transition planning.

SUMMARY

As I have stated, it is much easier to develop a proposed budget when clear direction is given by the Council. I would like to again thank the Council for its leadership and direction. Every effort has been made to reflect that direction in this budget. Of particular note, this budget includes a three percent market adjustment for employees. The proposed budget and market increase have been presented and discussed with EAC.

It is necessary to acknowledge and thank employees who have continuously and thoughtfully supported budget decisions during the last several years. Although position reductions are difficult, employees have examined our options and have supported the choices made.

All the while employees have continued to work hard, adjust to new challenges and changes, including some reorganizations, and to provide superb service to our citizens. They continue to be team players as adjustments are made in response to changing realities

As always our Finance and Budget teams under the direction of Mary Jo Jenkins and Barbara Goodrich have done an excellent job.

Respectfully submitted,



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 2004 – 2005

Accountability

Staff are to develop an approach for economic project development which engages public discussion and the City Council early in the process leading to a specific project.

Responsiveness

The Police and Fire departments will continue to work closely to improve emergency dispatch services to maintain response preparedness in the event of homeland security threats or actual incidents.

Quality

Pursue customer service enhancements through the use of technology, including but not limited to credit card acceptance and information dissemination.

Professionalism

Analyze future staffing concerns in relation to pending retirements in senior management through succession planning including reorganizations that maximize efficiency.

Teamwork

Work with GFEC and other partners to implement findings and recommendations of the Telecommunications Study.

Problem Solving

Facilitation of comprehensive discussions among agencies involved in providing housing with a goal of determining needs, funding and program opportunities, agency alignment, and the need for an Affordable Housing Commission.

Accomplishments 2003 - 2004

Accountability

Conducted a citizen survey eliciting feedback from citizens on water conservation and street maintenance, as well as a yearly rating of city services.

Responsiveness

The Police Department maintained 72 Block Watches to address neighborhood concerns such as traffic, graffiti, and other issues affecting quality of life.

Quality

Established an Electronics Recycling Program resulting in over 14 tons of electronic waste being recycled.

Professionalism

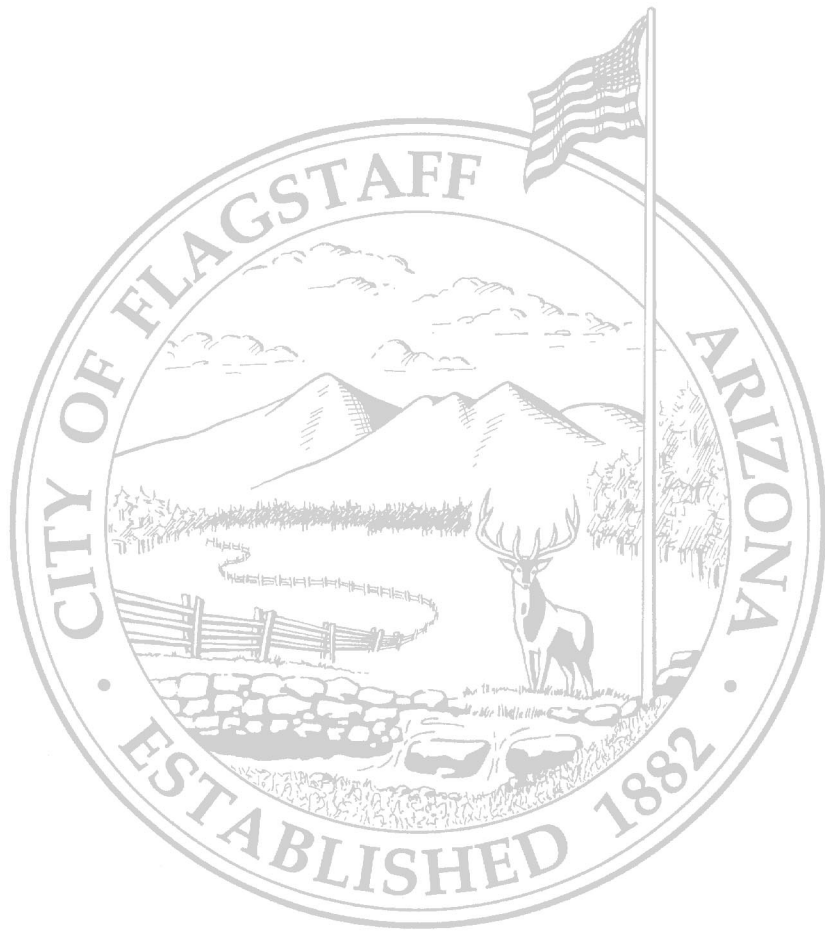
Government Finance Officers Association presented the City the Distinguished Budget Presentation (eleventh consecutive) and Excellence in Financial Reporting (thirteenth consecutive) Awards.

Teamwork

Worked with the Flagstaff Unified School District on a collaborative grant application for the Frances Short Pond Restoration project.

Problem Solving

Proactively met the community's need for materials and information by increasing the DVD and CD collections at the Library, as well as performing extensive maintenance on collections in all formats in order to make them more usable and up to date.



BUDGET OVERVIEW

The City of Flagstaff FY 2005 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 2005; *Debt Structure*; and the *Fund Balances*, which are the operating framework of the Financial Plan.

FINANCIAL RESOURCES AVAILABLE

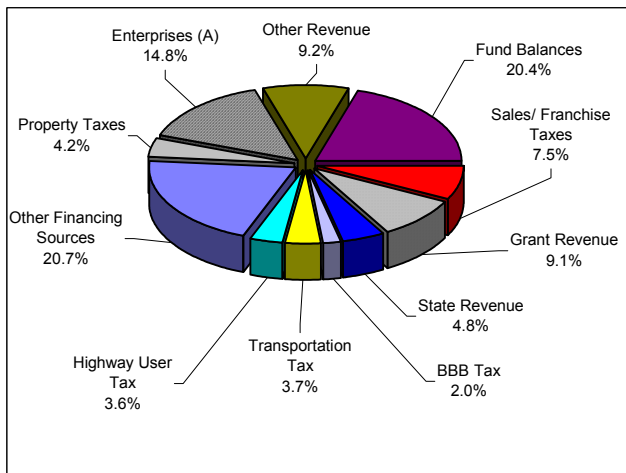
Sales/Franchise Taxes	\$ 14,821,504	7.5%
Grant Revenue	17,756,771	9.1%
State Revenue	9,435,934	4.8%
BBB Tax	3,993,176	2.0%
Transportation Tax	7,227,146	3.7%
Highway User Tax	6,995,000	3.6%
Other Financing Sources	40,463,996	20.7%
Property Taxes	8,157,327	4.2%
Enterprises (A)	28,886,609	14.8%
Other Revenue (B)	17,988,500	9.2%
Fund Balances	39,795,133	20.4%
	<u>\$ 195,521,096</u>	<u>100.0%</u>

(A) Enterprises:

Water	\$ 11,583,130
Wastewater	7,647,410
Airport	1,038,122
Environmental Services	8,106,947
Stormwater Utility	511,000
	<u>\$ 28,886,609</u>

(B) Other Revenue:

Licenses and Permits	\$ 1,986,208
County Vehicle Tax	2,014,949
Charges for Services	1,819,340
Fines and Forfeits	971,733
County Contribution	2,629,762
Interest on Investments	2,092,518
LTA/Misc Revenue	6,473,990
	<u>\$ 17,988,500</u>



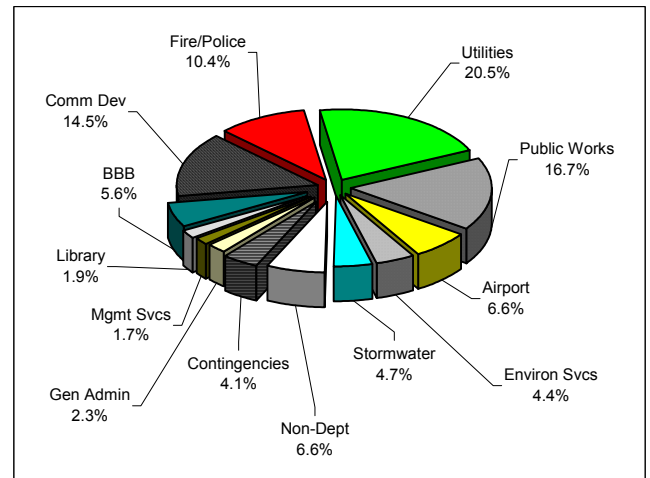
"WHERE THE MONEY COMES FROM"
\$195,521,096

TOTAL APPROPRIATIONS

General Administration	\$ 4,521,225	2.3%
Management Services	3,363,425	1.7%
Library	3,674,715	1.9%
BBB (A)	10,986,703	5.6%
Community Development	28,356,793	14.5%
Fire/Police	20,336,943	10.4%
Utilities	40,079,403	20.5%
Public Works	32,596,288	16.7%
Airport	12,939,652	6.6%
Environmental Services	8,529,036	4.4%
Stormwater	9,173,518	4.7%
Non Departmental	12,918,395	6.6%
Reserves/Contingencies	8,045,000	4.1%
	<u>\$ 195,521,096</u>	<u>100.0%</u>

(A) BBB Tax Funds:

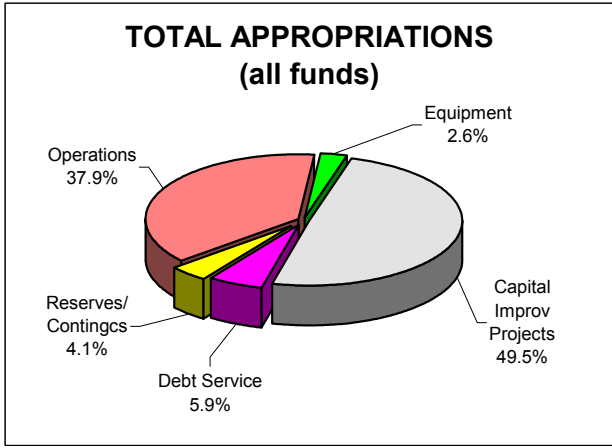
Beautification	\$ 4,574,929
Tourism	1,460,728
Economic Development	459,400
Arts and Science	409,706
Recreation-BBB	4,081,940
	<u>\$ 10,986,703</u>



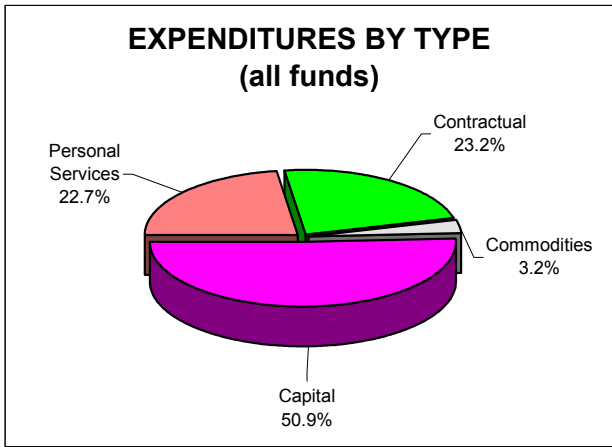
"WHERE THE MONEY GOES TO"
\$195,521,096

The following graphs depict the major classifications of appropriation for the total 2004-2005 budget and expenditures by major types.

TOTAL APPROPRIATIONS	
Operations	\$ 74,246,709
Equipment	5,030,844
Capital Improvement Projects	96,750,698
Debt Service	11,447,845
Reserves/Contingencies	8,045,000
	<u>\$ 195,521,096</u>



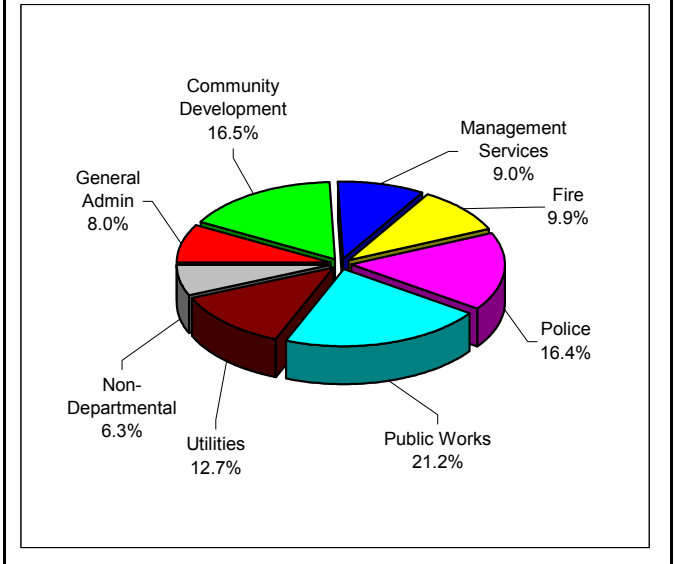
EXPENDITURES BY TYPE	
Personal Services	\$ 44,173,493
Contractual	45,438,447
Commodities	6,335,614
Capital	99,573,542
	<u>\$ 195,521,096</u>



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.

OPERATING BUDGET *	
General Administration	\$ 5,911,953
Community Development	12,279,701
Management Services	6,671,746
Fire	7,320,054
Police	12,170,096
Public Works	15,768,734
Utilities	9,447,911
Non-Departmental	4,676,514
	<u>\$ 74,246,709</u>
	<u>\$ 11,447,845</u>



General Administration activities comprise 8.0% of the budget (\$5.9 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. This department consists of City Manager, City Clerk, Law, City Court, Human Resources, Risk Management, and Tourism.

Community Development comprises 16.5% of the operating budget (\$12.3 million), excluding the debt service requirements for Fourth Street (\$2.0 million). The primary services in this Department include Engineering, Planning & Zoning, Building Inspection, Capital Improvements, and Stormwater. The services provided by these divisions meet the current needs of the community and plan for the future.

Management Services comprises 9.0% of the operating budget (\$6.7 million). The department encompasses those activities that provide administrative support and services including financial services, purchasing, information systems, sales tax, and real estate. The City/County public library system is also included within the department.

Fire Department services comprise 9.9% of the operating budget (\$7.3 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 Department activities comprise 16.4% of the operating budget (\$12.2 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 comprises are provided by nine divisions that account for 21.2% of the operating budget (\$15.8 million), excluding the debt service requirements for streets (\$2.4 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 12.7% of the operating budget (\$9.4 million), excluding \$3.9 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 6.3% of the budget (\$4.7 million) exclusive of \$2.1 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 operating activity at the division level with a *division mission, description of programs, specific goals and objectives* for FY 2005, *major accomplishments* in FY 2004, 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 2003*, the *Adopted Budget for FY 2004*, the *Estimated Actual for FY 2004*, and the *Adopted Budget for FY 2005*. 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)

Fund, Department, and Division Structure:

The City uses funds to report its financial position and the results of its operations. Fund accounting segregates funds according to their intended purpose and is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, which includes assets, liabilities, fund equity, revenues and expenditures/expenses.

Within each Fund there may be several Departments. Departments also may encompass several Funds. The Department level is the legal level of budget authority.

Departments are groups of Divisions that serve a similar function with the City. In addition, within each Division are Programs, which capture all expenditures related to an activity, cost center, or location of operation within a division.

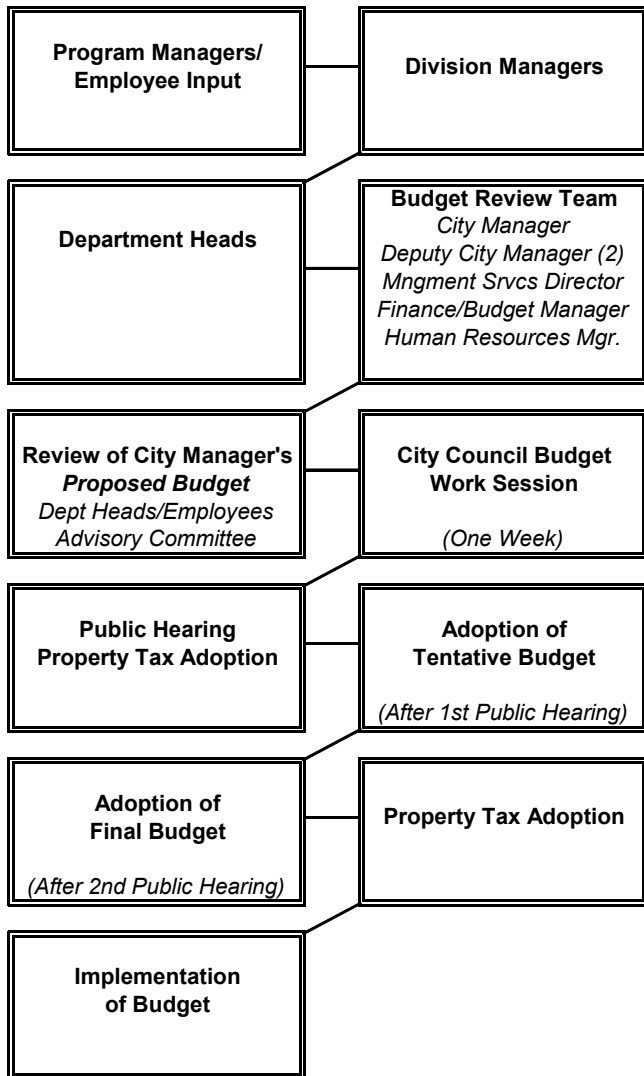
The following table represents the structure for the City.

Illustration of Relationship between Funds, Departments, and Divisions

DEPARTMENTS	General Administration	Management Services	Community Development	Fire	Police	Public Works	Utilities	Non-departmental
FUNDS								
General Fund	City Manager City Clerk Capital Improvements Human Resources Risk Management City Attorney Municipal Court	Information Systems Management Services Administration Tax, Licensing & Revenue Finance & Budget	Administration Engineering Building and Development Planning	Fire	Police	Administration Parks Fleet Cemetery Facilities Maintenance Recreation		Council and Commission Contributions Non-departmental
Library		Library						
Highway User Revenue						Street Maintenance & Repairs		
Transportation			4th Street Overpass Safe to School Safety Improvements					Transit
Economic Development								Economic Development
Beautification			Beautification					
Tourism	Convention & Visitors Bureau Visitor Services							
Recreation						Recreation		
Arts & Science			Arts & Science					
Real Estate Proceeds								Real Estate Proceeds
Community Redevelopment			Community Redevelopment					
Metropolitan Planning Organization			Metropolitan Planning Organization					
G.O. Bond Fund								G.O. Bond Fund
Secondary Property Tax								Secondary Property Tax
Special Assessment								Special Assessment
Water & Wastewater							Administration Lake Mary Water Treatment Plant Customer Service Water Distribution Services Booster Stations Wastewater Treatment Plants Wastewater Collection Wastewater Monitoring	
Airport						Airport		
Environmental Services						Environmental Services		
Stormwater			Stormwater					
Expendable Trust								Firemen's Pension

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 2005.
- The *Capital Improvement Plan (CIP)* for FY 2005 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.

BUDGET CALENDAR	
December	Budget Module available to all Divisions
January 30	Capital equipment requests reviewed by Fleet/MIS Committees for recommendation
March 8 - March 26	Review with Department Heads and City Manager
March	Personnel review of reclassification requests completed
May 19-21	Council Study Sessions Proposed Budget available to public
June 15	Public Hearing/Tentative Adoption of Proposed Budget Public Hearing on Tax Adoption
June 18	Publish first notice of Public Hearing for Final Adoption
June 25	Publish second notice of Public Hearing for Final Adoption
July 6	Public Hearing on Budget and Final Adoption of Budget
July 10	Notify Property Tax Oversight Commission of Compliance with Truth in Taxation
July 20	Adopt Property Tax Levy

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 October 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 6, 2004. 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.

The Adopted Budget reflects the total funds appropriated (\$195,521,096). Certain exclusions are allowed by the state [e.g., bond proceeds, debt service, grants] in computing the Expenditure Limitation (\$74,963,318), 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 2005, City sales tax revenue is budgeted to exceed the FY 2004 estimated actual by 3.4%. The trends reflect an overall increase in the economy with a slight dip in the auto service and home furnishing markets. Construction revenues are expected to remain steady as this category has shown increases in eight of the past nine years. A cyclical slow down could occur but based on the number of building permits issued, it is

not anticipated over the next year. The BBB category shows a 2.5% (\$97,394) budget to estimated actual 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 had identified approximately 3,000 additional citizens that should be added to the census base and submitted a request for review. These requests will not be reviewed and no change in the base census will be provided.

The State of Arizona continues to rebound after almost three years of negative or no growth. While the State budget continues to struggle it is currently maintaining funding levels to the cities. The City budget to estimated actual shows a 3.8% increase (\$167,421).

REVENUE FORECAST

State-shared revenues for sales and income tax are reflecting moderate increases (3.8% and 2.0%, respectively) due to the recovering economy. State shared income tax receipts are based on actual collections from two years prior. State sales tax receipts are distributed based on actual collections of the state and distributed by census population.

Highway user tax and local transportation assistance are projected to end the year 12.3% under budget due to a revised distribution formula by ADOT for HURF revenue. This reduction is anticipated to be ongoing.

County revenues for auto in lieu tax (license tags) are expected to increase by approximately 5.9%. The increase is based on continued local strength in auto sales.

The Utility Fund does not anticipate a rate increase for water or wastewater services. Rate increases may occur dependent on the result of the May 2004 bond election.

The Environmental Services Fund projects increased revenues for FY 2005 due to overall growth in residential, commercial, and landfill accounts.

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 that 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 2005 is estimated at \$5,551,318 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 15%.

The FY 2005 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 carryforward of expenditures in equipment and capital projects.

The City of Flagstaff held a bond election in May 2004. A total of 13 projects were offered individually for \$172.5 million. Ten projects totaling \$155.2 million passed. These projects are funded through lease agreements, secondary property taxes, and user fees. The FY 2005 budget includes some revenues and expense for certain projects. The citizens may realize a future increase in water/sewer rates, however the projects funded through the secondary property taxes will be timed so that no increase would be necessary.

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 2004.** Divisions were asked to estimate expected expenditures by line item for FY 2004. Overages and underages (and reasons, theretofore) were used to adjust the recommended budget for various line items in FY 2005. 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 narratives for increases in service levels and addition of staff. New staff additions were encouraged 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 within 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.

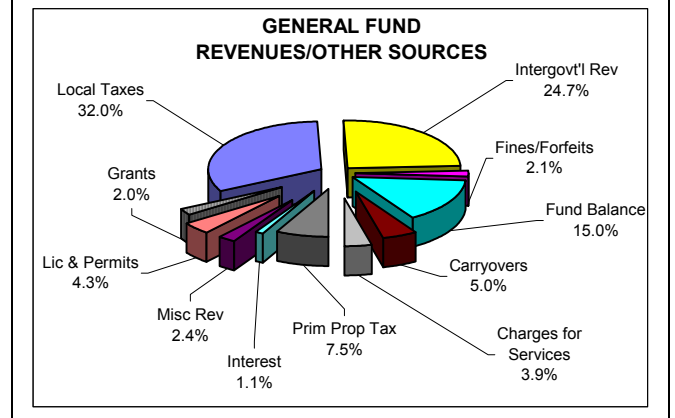
- **Capital Improvements.** The Capital Improvement Committee reviewed all requests of capital projects or public improvements.
- **Operational Impacts.** All funds are continually evaluated relative to five-year financial projections. Increased service levels due to new programs or capital construction 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 and Stormwater; 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	EST ACTUAL	BUDGET
	FY2004	FY 2005
Licenses and permits	\$ 2,251,526	\$ 1,986,208
Grants	1,104,384	922,323
Local taxes	14,388,897	14,821,504
Intergovernmental	11,075,872	11,450,883
Fines and forfeits	973,437	971,733
Fund Balance, net of Transfers	17,828,484	6,935,104
Fund Balance for Carryovers	2,203,898	2,304,298
Charges for services	1,696,573	1,787,340
Primary Property Tax	3,261,616	3,470,630
Interest	418,746	499,315
Miscellaneous	1,176,799	1,189,560
	<u>\$ 56,380,232</u>	<u>\$ 46,338,898</u>



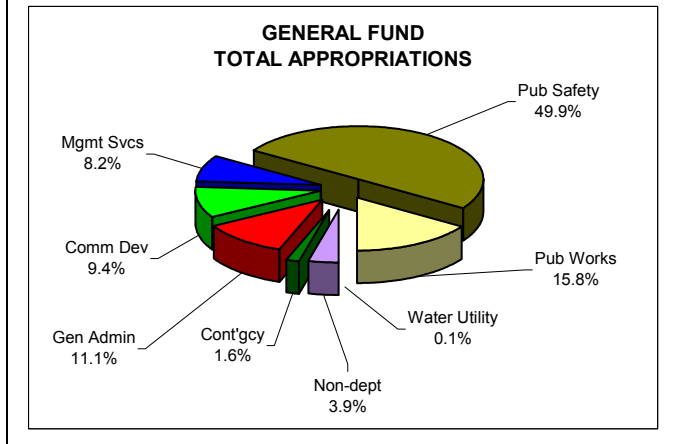
Total resources available for General Fund expenditures for FY 2005 are \$46.3 million including the beginning fund balance of \$20.0 million. A substantial portion of General Fund resources comes from two revenue categories: 1) local sales and franchise taxes and 2) intergovernmental revenues (specific 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 2005, and will generate an estimated \$3,470,630. This amount represents approximately 40% 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 \$21.2 million new construction placed on the tax rolls in the last year, and increased assessed values on existing properties (\$10.3 million).

General Fund revenue/other sources have decreased by 18.4% primarily due to the transfer of the Rio de Flag project to the Stormwater Utility. The general fund is transferring \$8.4 million for this project, which is netted out of fund balance.

APPROPRIATIONS	EST ACTUAL FY2004	BUDGET FY 2005
General Administration	\$ 3,897,213	\$ 4,521,225
Community Development	3,597,056	3,831,214
Management Services	3,073,998	3,363,425
Public Safety	18,518,857	20,336,943
Public Works	6,455,314	6,448,409
Water Utility	15,588	37,878
Non-departmental	498,088	1,598,486
Contingencies	250,000	650,000
	<u>\$ 36,306,114</u>	<u>\$ 40,787,580</u>



General Fund total appropriations have increased 12.3% in FY 2005. The increase is due to increases in salaries, benefits, insurance, capital projects, and contingency set aside. Overall, City staff received a 3% market increase and 75% (those not at the top of their range) received an average 3.2% merit. Also, a number of capital projects were carried over including redevelopment and new capital expenditures were added including a Type 1 fire engine. Contingency increases are anticipated due to the potential for an extreme fire season.

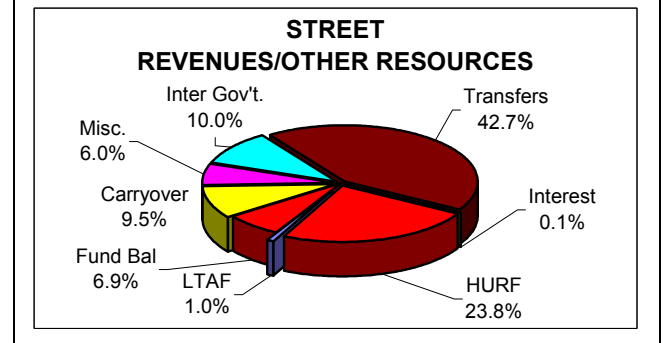
The financial position of the General Fund (after cost allocation distribution) remains strong. Accumulated funds will continue to be spent in Flagstaff for development opportunities as well as continued support

to study a major drainage way issue (the Rio de Flag project.)

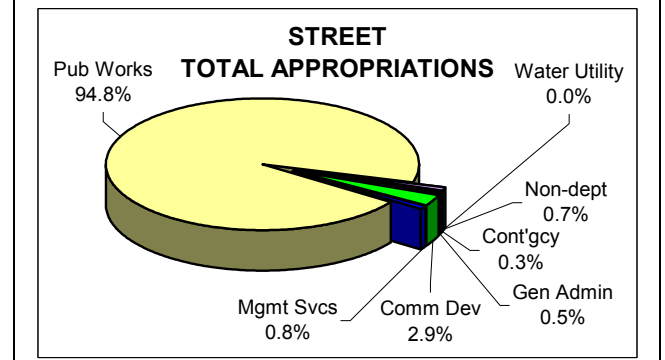
HIGHWAY USER REVENUE FUND

The Highway User Revenue Fund (HURF) is mainly supported by transportation related taxes distributed to the Cities and Counties by the State. Appropriations total \$27.8 million in FY 2005. Projects budgeted includes East Flag Gateway, Huntington Drive Improvements and Beulah Blvd. Improvements, our annual pavement maintenance program and Sunnyside Street improvements.

REVENUES/OTHER RESOURCES	
HURF	\$ 6,995,000
LTAF (lottery)	300,246
Fund Balance	2,033,857
Fund Balance for Carryovers	2,779,537
Miscellaneous	1,761,261
Inter Governmental	2,938,096
Transfers (net)	12,556,785
Interest	33,000
	<u>\$ 29,397,782</u>



APPROPRIATIONS	
General Administration	\$ 140,443
Community Development	813,791
Management Services	215,471
Public Works	26,296,570
Water Utility	1,818
Non-departmental	182,393
Contingency	100,000
	<u>\$ 27,750,486</u>

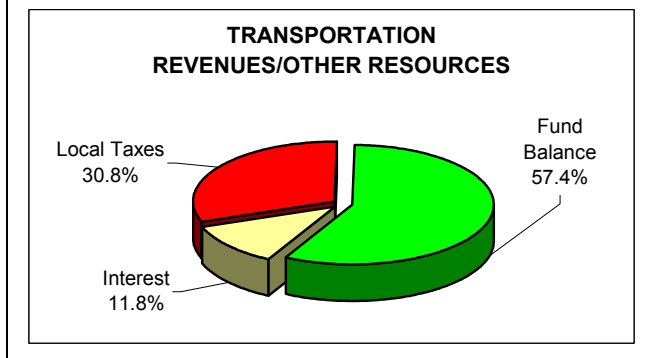


TRANSPORTATION FUND

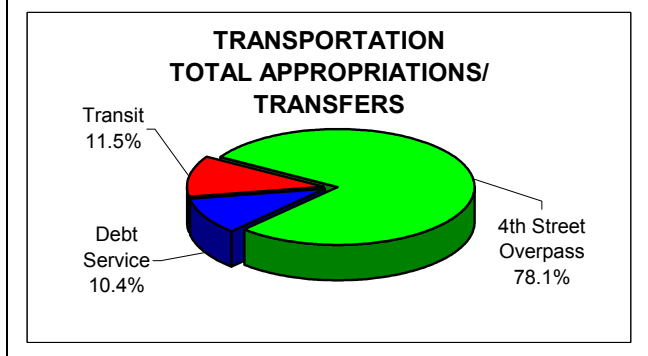
The Transportation Fund was formed in FY 2001 as a result of voter authorization on May 16, 2000 to increase sales taxes to support four transportation issues. The tax increase is valid for twenty years. The Sales Tax revenue collected for transportation is recorded in this fund. The expenditures related 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 2005 Revenues
4th Street Overpass	\$ 1,924,032
Safe-to-School, Pedestrian and Bike	962,016
Traffic Flow and Safety Improvements	2,236,688
Transit Service Enhancements	2,104,410
Totals	\$ 7,227,146

REVENUES/OTHER RESOURCES	
Local Taxes	\$ 7,227,146
Fund Bal, net of Transfers	13,499,787
Interest	575,000
Misc	2,200,000
Totals	\$ 23,501,933



APPROPRIATIONS/TRANSFERS	
Transit	\$ 2,267,779
4th Street Overpass	\$ 15,387,200
Debt Service	2,041,600
Totals	\$ 19,696,579



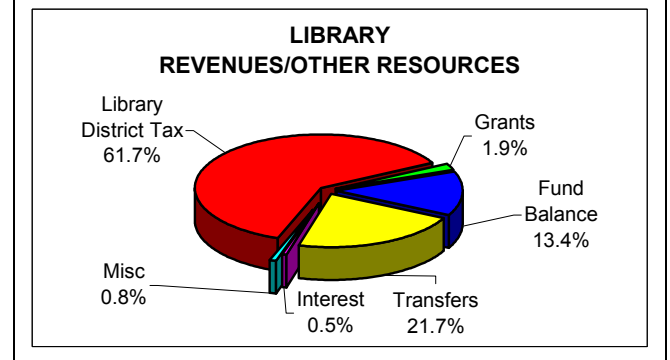
Appropriations total \$19.7 million in FY 2005. Appropriations are comprised of \$2,267,779 for transit

operations, \$15,387,200 for the 4th Street overpass. Transfers include \$8,756,689 to the HURF Fund for Safety and Street Improvements and \$1 million to fund FUTS projects in Beautification from Safety and Street Improvements. The combined transportation tax rate for FY 2005 is 0.601%.

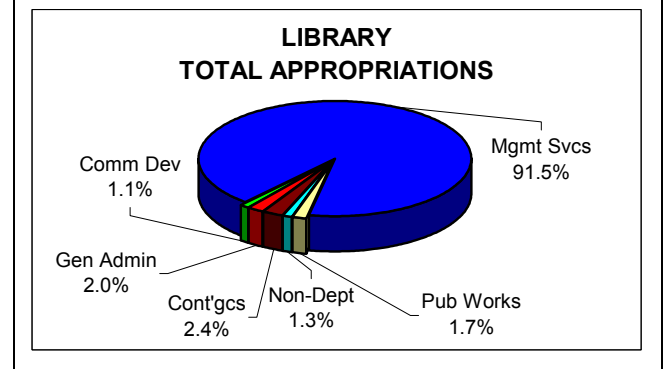
LIBRARY FUND

The City operates a joint City-County Public Library with auxiliary programs in outlying county locations and bookmobile services. \$2.6 million of the funding for library operations comes from the library district tax.

REVENUES/OTHER RESOURCES	
Library District Tax	\$ 2,629,762
Grants	82,300
Fund Balance	571,968
Transfers (net)	924,937
Interest	21,000
Miscellaneous	29,000
Totals	\$ 4,258,967



APPROPRIATIONS	
General Admin	\$ 81,895
Community Development	45,594
Management Services	3,780,660
Public Works	69,178
Water Utility	901
Non-Departmental	54,930
Contingencies	100,000
Totals	\$ 4,133,158



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

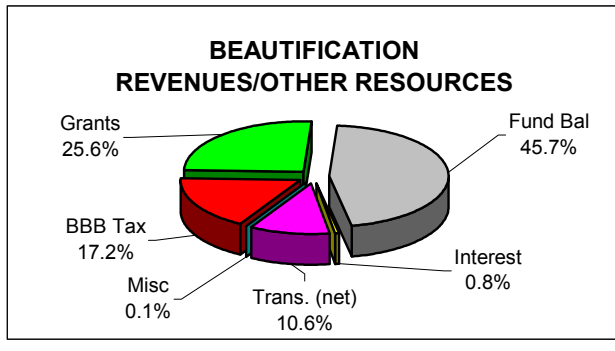
A dedicated 2% Bed, Board and Booze sales tax collected on the services provided by lodging, restaurants and bars, was approved by voters in 1988 with a sunset clause in 10 years and extended by the voters for 15 years in the 1996 general election. The BBB tax approved by voters will expire in 2013. 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 2003 increased by only 0.3% with hotels representing the greatest decline. Fiscal Year 2005 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:

REVENUES/OTHER RESOURCES	
BBB Tax	\$ 799,401
Grants	1,186,700
Fund Balance	2,122,547
Interest	36,900
Transfers (net)	492,799
Miscellaneous	3,000
	<u>\$ 4,641,347</u>
APPROPRIATIONS	
Beautification	\$ 4,574,929
Reserve	10,000
	<u>\$ 4,584,929</u>

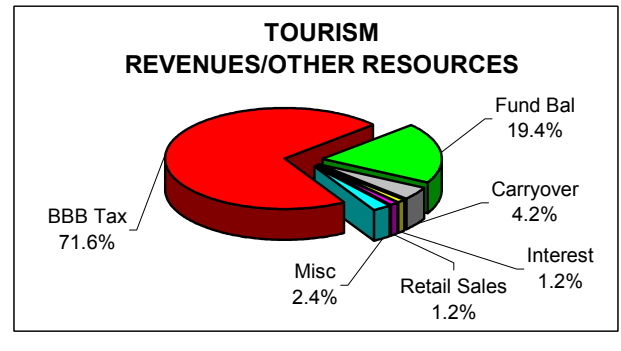


Total resources available for Beautification Fund activities amount to \$4.6 million including carryovers and approved grants. Expenditures from this fund are

primarily for capital improvements. (See the CIP Section for project list.) In FY 2005, 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.

Tourism Fund: Total resources available in FY 2005 are \$1.7 million. The total operating budget, including a \$50,000 reserve for contingencies, appropriations is \$1.5 million.

REVENUES/OTHER RESOURCES	
BBB Tax	\$ 1,199,102
Fund Bal, net of Transfers	324,360
Fund Bal for Carryover	70,000
Interest	20,000
Visitor Center Retail Sales	20,000
Miscellaneous	39,898
	<u>\$ 1,673,360</u>
APPROPRIATIONS	
General Administration	\$ 1,460,728
Reserve	50,000
	<u>\$ 1,510,728</u>



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.

Arts & Science Fund: Total resources available for Arts & Science activities are \$526,976. Expenditures include contributions to local organizations and Art in Public Places. Contributions to Other Agencies is \$280,000 and Art in Public Places has \$84,706 that is derived from a 1% allocation from citywide eligible capital project expenditures. Contributions of \$45,000 are administered through the Flagstaff Cultural Partners. Revenues received from the BBB tax are estimated to be \$299,775.

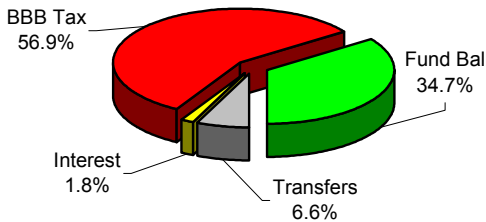
REVENUES/OTHER RESOURCES

BBB Tax	\$	299,775
Fund Balance		183,049
Transfers		35,000
Interest		9,152
	\$	<u>526,976</u>

APPROPRIATIONS

Arts & Science	\$	409,706
Reserve		10,000
	\$	<u>419,706</u>

**ARTS & SCIENCE
REVENUES/OTHER RESOURCES**



Recreation Fund: Total appropriations in FY 2005 for Recreation Fund activities are \$4.1 million. FY 2005 includes the following: Completion of Thorpe Park and two school fields, land acquisitions, and construction of a BMX park. 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.

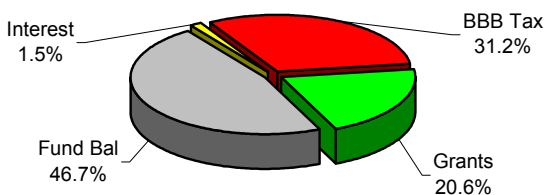
REVENUES/OTHER RESOURCES

BBB Tax	\$	1,315,182
Grants		869,000
Fund Bal, net of Transfers		1,965,572
Interest		63,200
	\$	<u>4,212,954</u>

APPROPRIATIONS

Recreation	\$	4,081,940
	\$	<u>4,081,940</u>

**RECREATION
REVENUES/OTHER RESOURCES**



Economic Development Fund: Economic Development is conducted primarily by the Greater Flagstaff Economic Council (GFEC). The City allocates \$330,000 to GFEC, \$100,000 for telecom, \$22,000 for partnership training funds, 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).

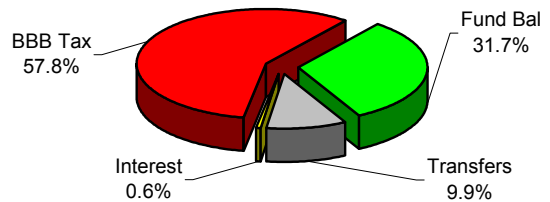
REVENUES/OTHER RESOURCES

BBB Tax	\$	379,716
Fund Balance		208,562
Transfers		65,000
Interest		4,000
	\$	<u>657,278</u>

APPROPRIATIONS

Economic Development	\$	459,400
Reserve		25,000
	\$	<u>484,400</u>

**ECONOMIC DEVELOPMENT
REVENUES/OTHER RESOURCES**



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).

METROPOLITAN PLANNING ORGANIZATION

REVENUES/OTHER RESOURCES

Grants	\$	711,700
Transfers	\$	15,000
	\$	<u>726,700</u>

APPROPRIATIONS

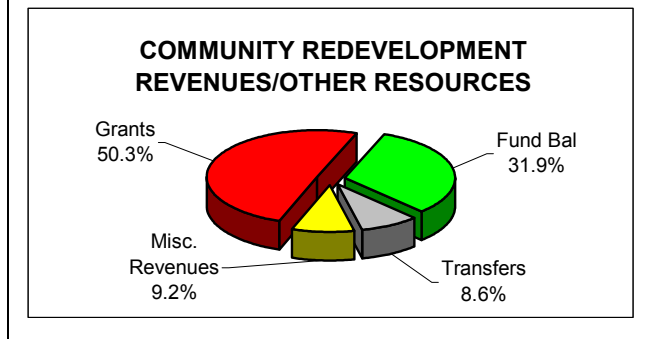
Community Development	\$	511,186
Non-Departmental	\$	15,514
Contingency	\$	200,000
	\$	<u>726,700</u>

The MPO has appropriated \$726,700 for this program for FY 2005. 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.

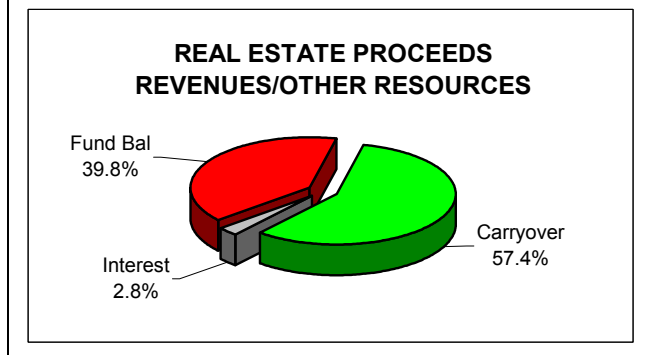
Community Redevelopment Fund: This fund finances activities in conjunction with the CDBG program and affordable housing activities. There is \$4.3 million appropriated to this activity for FY 2005. Expenditures in this fund includes \$1.1 million for land acquisition, \$1.5 million in CDBG related activities, and \$663,880 in state grant activities.

REVENUES/OTHER RESOURCES	
Grants	\$ 2,192,837
Fund Balance	1,388,527
Transfers	375,400
Misc. Revenues	402,054
	<u>\$ 4,358,818</u>
APPROPRIATIONS	
Community Development	\$ 4,317,814
	<u>\$ 4,317,814</u>



Real Estate Proceeds:

REVENUES/OTHER RESOURCES	
Fund Balance	\$ 370,994
Fund Balance for Carryover	535,000
Interest	26,350
	<u>\$ 932,344</u>
APPROPRIATIONS	
Non-Departmental	\$ 675,900
	<u>\$ 675,900</u>



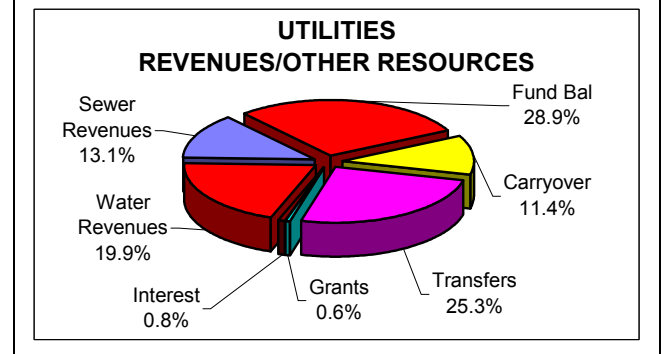
The Real Estate Proceeds fund is currently restricted to the purchase of real estate. The appropriations total \$675,900. Expenditures in this fund are for acquisition of open spaces.

ENTERPRISE FUNDS

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 \$43.8 million. Resources include \$19.2 million in utility user fees and \$6.6 million in fund balance carryforward.

REVENUES/OTHER RESOURCES	
Water Revenues	\$ 11,583,130
Sewer Revenues	7,647,410
Fund Balance	16,828,928
Fund Balance for Carryovers	6,620,836
Transfer	14,724,694
Grant Revenue	321,575
Interest	586,000
	<u>\$ 58,312,573</u>

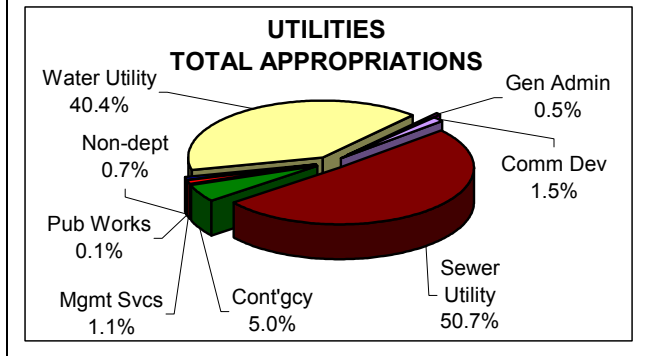


Water Operations: Total appropriations relating to direct costs for the water operations are \$17.7 million. Water fees are the major source of revenue supporting water operations. Bond funds support well development. Revenue estimates total \$10.1 million for water sales. No rate increase is anticipated for FY 2005.

Wastewater Operations: Total appropriations relating to the direct costs for the wastewater operations are \$22.2 million. Wastewater (sewer) fees are the major source of revenue supporting wastewater operations. Appropriation increased by \$11 million, which is primarily due to major improvements to the Wildcat Wastewater Treatment facility. Revenue estimates total \$6.0 million in wastewater service charges. Revenues are estimated

to increase 2% due to growth of the customer base and consumption.

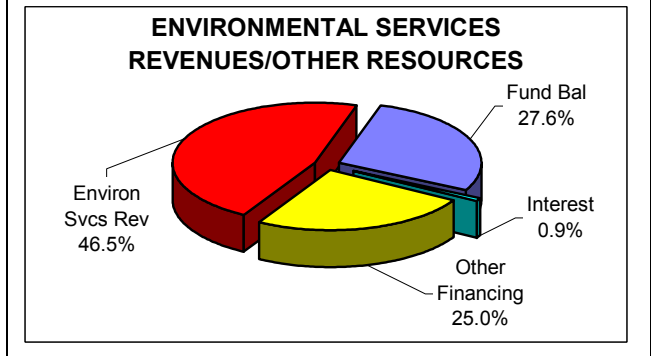
APPROPRIATIONS	
General Administration	\$ 221,209
Community Development	670,558
Management Services	478,507
Public Works	44,849
Non-departmental	304,144
Water Utility	17,692,968
Sewer Utility	22,234,895
Contingency	2,200,000
	<u>\$ 43,847,130</u>



ENVIRONMENTAL SERVICES FUND

Total financial resources are \$17.4 million. User fees are the major revenue source of solid waste disposal operations. The user fees are comprised of eight major customer services areas (residential sanitation, curbside recycling, commercial sanitation, hoist and haul, landfill dumping, inert materials pit, environmental, and commercial recycling) with different rates for each category based on cost of service.

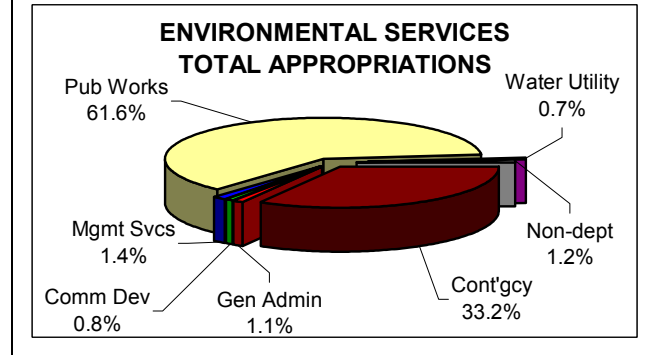
REVENUES/OTHER RESOURCES	
Environmental Svcs Revenue	\$ 8,106,947
Fund Bal, net of Transfers	4,810,572
Interest	162,000
Other Financing Sources	4,350,000
	<u>\$ 17,429,519</u>



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; as well as 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.

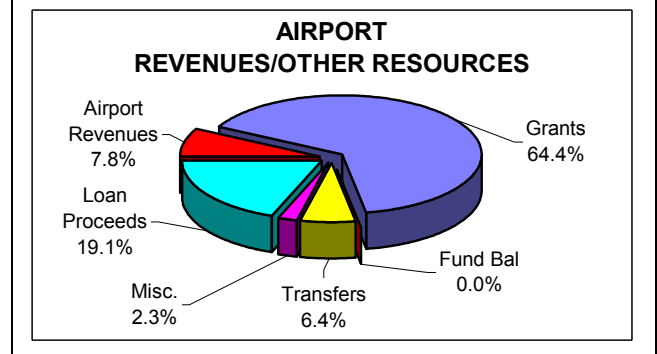
APPROPRIATIONS	
General Administration	\$ 149,706
Community Development	108,158
Management Services	204,687
Public Works	8,723,222
Water Utility	103,227
Non-departmental	174,458
Contingency	4,690,000
	<u>\$ 14,153,458</u>



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 \$13.2 million: \$1.2 million for operations, \$598,938 for debt and \$11.4 million in capital outlay. Primarily FAA and ADOT grants will fund the capital improvements.

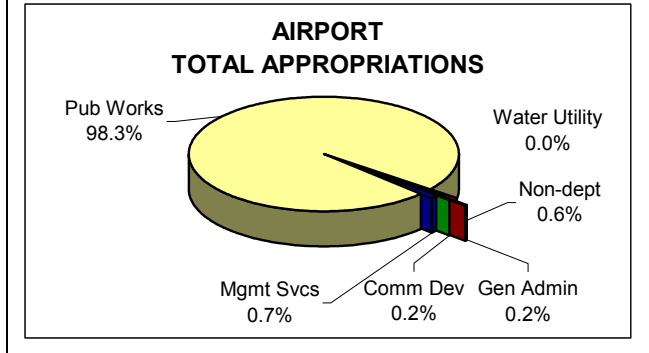
REVENUES/OTHER RESOURCES	
Airport Revenues	\$ 1,038,122
Grants	8,532,240
Fund Balance	4,629
Transfers	848,864
Miscellaneous	302,817
Lease/Loan Proceeds	2,516,457
	<u>\$ 13,243,129</u>



The general fund will continue to subsidize operations at \$287,000 this year with an additional \$243,000 for capital improvements including matching funds for grants. This year, of the \$11.4 million in capital

improvements, FAA and ADOT are funding \$8.5 million, Airpark proceeds will fund \$114,000, and lease proceeds are expected to fund \$2.5 million. The secondary property tax fund will transfer \$204,864 to cover debt service not paid with passenger facility charges.

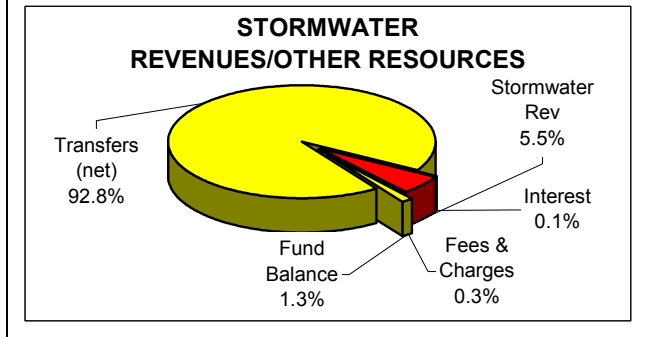
APPROPRIATIONS		
General Administration	\$	33,085
Community Development		25,226
Management Services		89,656
Public Works		13,015,826
Water Utility		401
Non-departmental		75,075
	\$	<u>13,239,269</u>



STORMWATER FUND

The Stormwater fund was initiated as a response to enhanced NPDES stormwater requirements affecting all communities with populations greater than 50,000 as of March 2003. The City of Flagstaff worked with consultants to design a program that met current minimum NPDES standards. Stormwater fees to both residential and commercial customers are stepped based on every 1,500 square feet of impervious area with the average monthly billing estimated at \$1.06.

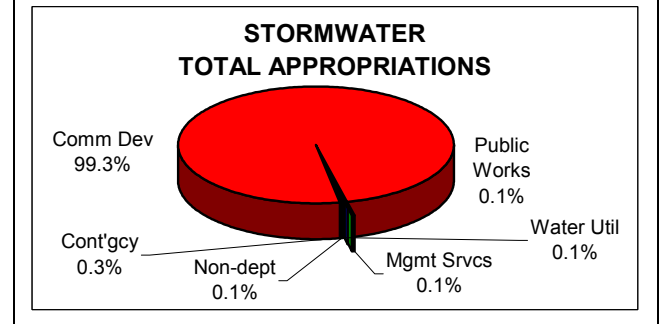
REVENUES/OTHER RESOURCES		
Stormwater Revenues	\$	511,000
Fees & Charges		32,400
Fund Balance		122,316
Transfers (net)		8,588,725
Interest		3,058
	\$	<u>9,257,499</u>



Total revenues/other resources include one-time transfers of \$8.4 million from the general fund. The Rio de Flag project has been transferred in its entirety from the General Fund to Stormwater. Total appropriations of

\$9.2 million include the operational components of NPDES implementation, general drainage maintenance, and the Rio de Flag including related parking.

APPROPRIATIONS		
General Admin	\$	10,656
Community Development		9,179,657
Management Services		12,928
Public Works		6,184
Water Utility		7,315
Non-departmental		13,396
Contingency		10,000
	\$	<u>9,240,136</u>



FIVE-YEAR PROJECTIONS BY FUND

The City updates five-year plans annually during the budget process. These plans are in important tool to continue our emphasis on strategic planning and to identify the capacity of the City to fund projected expenditures. Revenue and resource estimates are based on the latest available economic and demographic trend information. All significant expenditure issues have been incorporated into the projections including the following: employee compensation, City growth, and additional operational costs associated with completion of capital projects. The projections are not intended to be an exact prediction of what each department will spend in the next five years.

The policy of the City is to match ongoing expenditures with ongoing revenues. This policy is to assure that the funds have adequate revenues to support the continued operations. Several funds will use one-time revenues and fund balance to pay for capital equipment, capital improvements, and other types of one-time expenditures. Generally when you see major fluctuation in fund balance from beginning to ending, the change is related to carryover and/or budgeting of such items. Funds such as the General, Highway User, Transportation, Beautification, BBB-Recreation, Real Estate Proceeds, Community Redevelopment, Capital Projects Bond Funds rely heavily on these one-time expenditure commitments.

The five-year projections are located in the Financial Summary section, Schedule 13. The following narratives present the highlight of the forecasts by funds:

GENERAL

The primary purpose of the General Fund five-year projections is to assure that ongoing revenues are meeting or exceeding ongoing expenditures. Ongoing expenditures include debt service, fleet replacements, information system replacement and upgrades, an allocation for capital, and projected changes in personnel. As financial conditions change in the City, the five-year projections are continually updated to balance the ongoing sources and uses of funds.

The City is currently funding several projects with Fund Balance and non-recurring revenues. Such projects include the downtown redevelopment, Flagstaff Mall expansion, and Rio de Flag flood control.

LIBRARY

The five-year plan for Library shows the ability to fund ongoing operations costs with funding from the City, through revenue transfers, and the County, through Library District Taxes.

HIGHWAY USER

This fund is devoted to the maintenance, improvements, and construction of street related items. The fund first matches ongoing revenues with ongoing maintenance and then plans out the capital equipment and improvements. Several capital improvements include portions that are funded through revenue transfers from other funds. The five-year plan shows the ability to balance ongoing and one-time expenditures while maintaining and adequate fund balance.

TRANSPORTATION

The Transportation Fund is used to track revenues and expenditures related to a dedicated sales tax approved by voters. The five-year plan shows the completion of a 4th Street Overpass in FY 2006 and the ongoing funding of the transit system, which is operated by the County. Other projects are funded through revenue transfers to the fund where the projects are budgeted.

BEAUTIFICATION

The primary sources for this fund is Grants, BBB Tax, and Revenue Transfers. This fund primarily accounts for capital projects related to FUTS and Streetscapes. It is an ongoing effort to balance the amount of projects within the availability of revenues. This five-year plan shows how it is accomplished.

ECONOMIC DEVELOPMENT

This fund is balanced with ongoing revenues from BBB taxes, General Fund transfers, and ongoing expenditures related to contributions to agencies for economic development in our community. Based on revenue growth, contributions will be maintained or slightly increased over the next five years.

TOURISM

This fund is balanced with ongoing revenues from BBB taxes and ongoing expenditures related to tourism promotion and visitor center services. Based on

revenue growth, this fund can maintain existing operations levels.

ARTS AND SCIENCE

This fund is balanced with ongoing revenues from BBB taxes and ongoing expenditures related to contributions to agencies for projects related to awareness of arts and science in our community. Based on revenue growth, contributions will be maintained or slightly increased over the next five years.

RECREATION-BBB

This fund is used for the improvements to city and school recreational parks and fields. In addition, maintenance cost related to the improved parks and fields, maintenance of FUTS trails, debt service of bonds issued for improvements, and a transfer for construction of new FUTS trails are funded with ongoing revenues. Based on current projections, maintenance and construction needs will be met during the next five years.

REAL ESTATE PROCEEDS

This fund is used for one-time revenues and expenditures related to sale and acquisition of property. The City plans to sell property in Koch Field in the future. The fund balance is currently restricted for acquisition of open spaces. As the City sells additional properties, those funds will be restricted for a similar purchase of land as intended with the original land acquisition. Current projections allow open space acquisitions through fiscal year 2009.

COMMUNITY REDEVELOPMENT

This fund is primarily used to track revenues and expenditures related to Community Development Block Grants and other housing grants. The block grants are an entitlement to the City and are expected to stay level over the next 5 years. The City currently expects to receive State housing grants every other year. The City General Fund makes contributions annually to fund a revolving loan program, land acquisition, and affordable housing assistance.

METROPOLITAN PLANNING ORGANIZATION

This fund is used for transportation planning grants. The fund maintains a zero fund balance due to current grant eligible expenditures are offset with grant revenue. It is currently estimated that grant revenues will remain consistent throughout the next five years.

GENERAL OBLIGATION BOND

This fund is used to track the debt service payments on General Obligation Bonds. This five-year plan shows the City is meeting the requirements for future debt service payments.

SECONDARY PROPERTY TAX

This fund is used for tracking of secondary property tax revenue and the subsequent transfer to other funds to make debt service requirements. 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.

SPECIAL ASSESSMENT BOND

This fund is set up for repayment of bonds issued for special assessment district. The City currently has two such districts. The five-year projections show there are adequate assessments and fund balance to pay future debt service requirements.

CAPITAL PROJECTS BOND

This fund will be used to track the revenues and expenditures of the voter approved bond eligible projects. In May of 2004, the voters of Flagstaff approved nine projects. The exception will be for the Water and Wastewater projects that will be in that five-year plan. At the time of budget approval, the timeline for projects were not available. That is why you do not see any expenditures in the out years. The City has budgeted in the current year only the amount we expect to spend this year. The complete five-year plan will be available later this fiscal year.

PERPETUAL CARE

This fund is currently used for the tracking of contributions related to long-term maintenance at the City owned cemetery. Expenditures will not be budgeted until fund balance is adequate enough to pay for ongoing expenditures.

WATER AND WASTEWATER

As a City enterprise fund, this fund is managed on the basis that it will be self-sustaining. The five-year projections show that ongoing expenditures, capital improvements, and debt service requirements are being met with user fees, fund balance, and interest earnings. In addition to the five-year projections, the City uses a rate model to balance future operations and capital requirements with anticipated revenues over a ten-year period. Based on this model that was updated in 2004, no rate increase is anticipated. Due to voter approved bond projects, the City anticipates rate increase in June 2005. The City maintains a separate five-year plan for the tracking of bond eligible expenditures.

AIRPORT

This fund is responsible for the operations at Flagstaff Pulliam Airport. The majority of future revenues are grants related to continued expansion and capital improvements at the airport. Currently the airport is not self-sustaining for ongoing expenditures. It is the goal of the Airport Fund to become self-sustaining through additional Airpark developments and the expansion of the runway to allow regional jet service. Until then, the General Fund will make contributions to cover the differences. The capital improvement plan is based on annual updates to ADOT and FAA. The City General Fund also makes a transfer to the Airport Fund to cover

the match portion of capital grants awarded. Currently the City is expected to fund just 2.5% of federal grant eligible projects.

ENVIRONMENTAL SERVICES

This enterprise fund is self-sustaining through user fees. The five-year projection balances anticipated revenues at current rates with on-going operations; capital needs, and revised service levels for all operations. 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.

STORMWATER

This fund is an enterprise fund to oversee City issues related to drainage and the associated federal requirements. Ongoing operating expenditures are paid for with stormwater revenues and user fees. Capital projects are currently funded with transfers from other divisions

FIREMEN'S PENSION

This fund is maintained to pay eligible volunteer firemen monthly benefits. There are currently three beneficiaries. The five-year projection show adequate fund balance to pay these benefits.

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

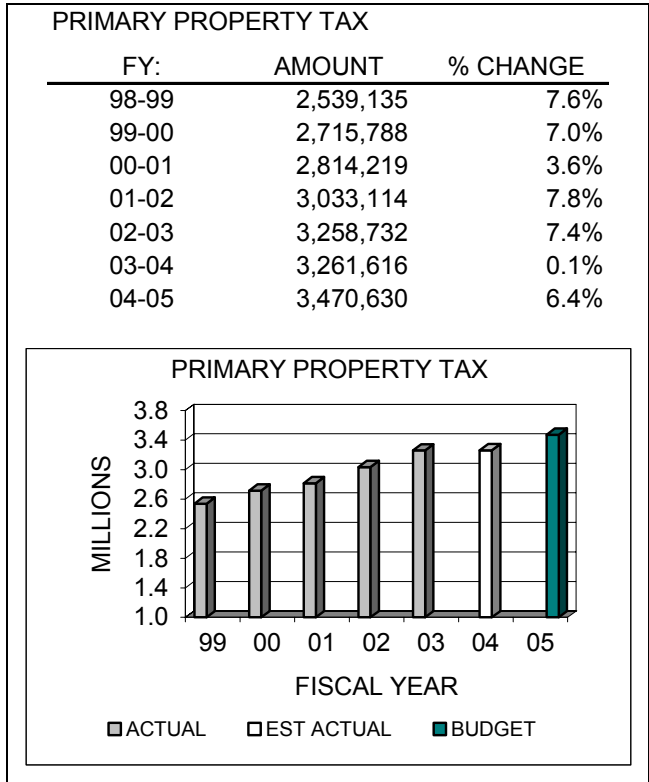
Description: The property tax is levied each year on or before the third Monday in August based on full cash value of the assessed property as determined by the Coconino County Assessors' Office.

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.

The projected increase for FY 2005 anticipated collections are twofold: new construction of 4.5% and increased assessed values on existing properties of 1.5% due to reassessments, net of a 3% delinquency factor.

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.



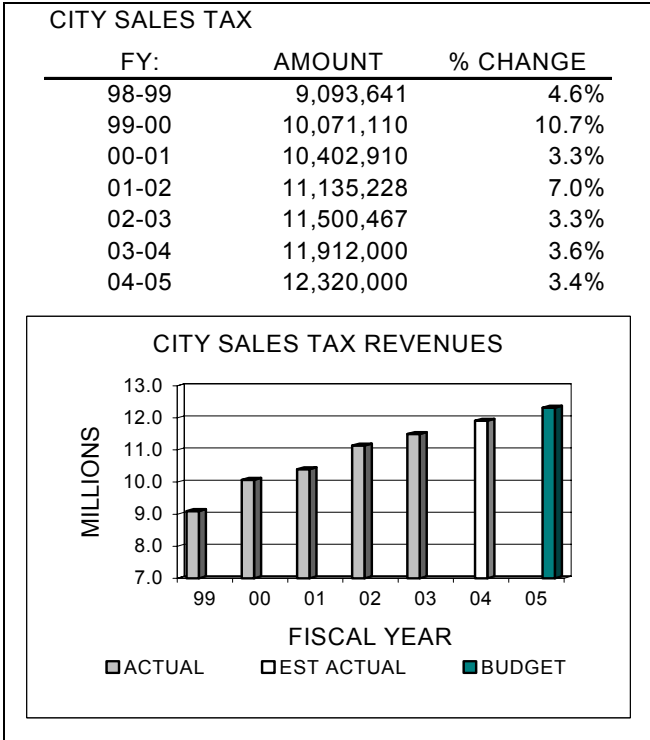
CITY SALES TAX (TRANSACTION PRIVILEGE TAX)

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 a 2% tax on hotels, restaurants and bars (BBB Tax).

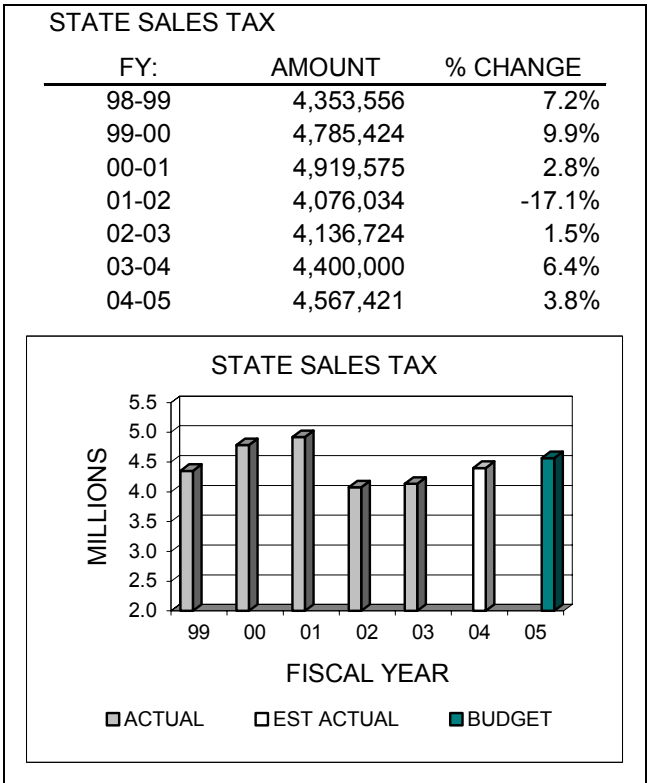
The 1% portion is designated as General Fund revenue to support activities and services provided by the City government. The City has designated the 2% BBB Tax for enhancements related to beautification, economic development, tourism, arts and sciences, and recreation. (The BBB Tax revenues are shown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

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 2004 was driven by increases in construction, auto sales, and a rebound in retail sales. Construction has enjoyed a strong year with an increase in residential and commercial projects. The revenue projection for FY 2005 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

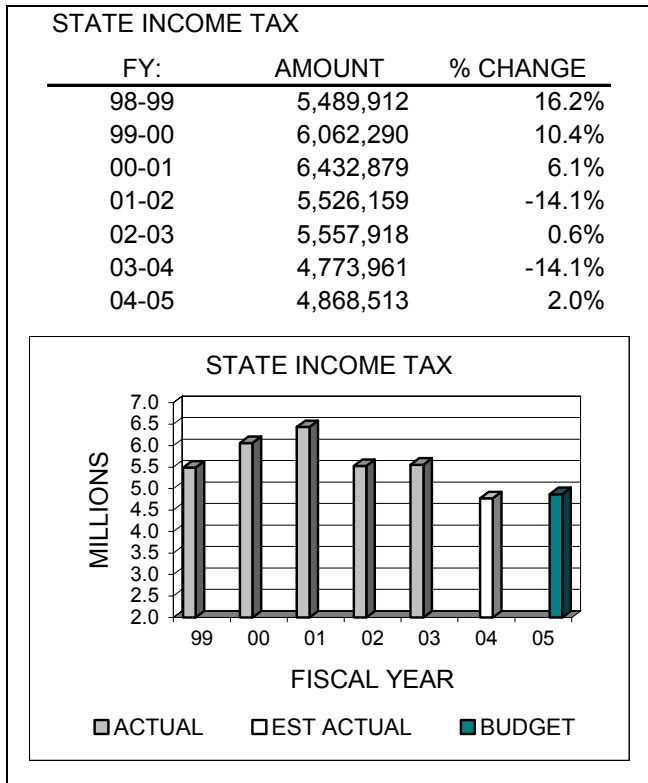
activities and services provided by the general government.

The sales tax revenue projected for FY 2005 reflects the economic rebound at the state level.

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.



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

The large decrease in FY 04 is due to the State receiving less revenue from income tax than previously estimated. All cities have received a proportionate decrease. The League of Arizona Cities and Towns provides the revenue estimates for FY 2005.

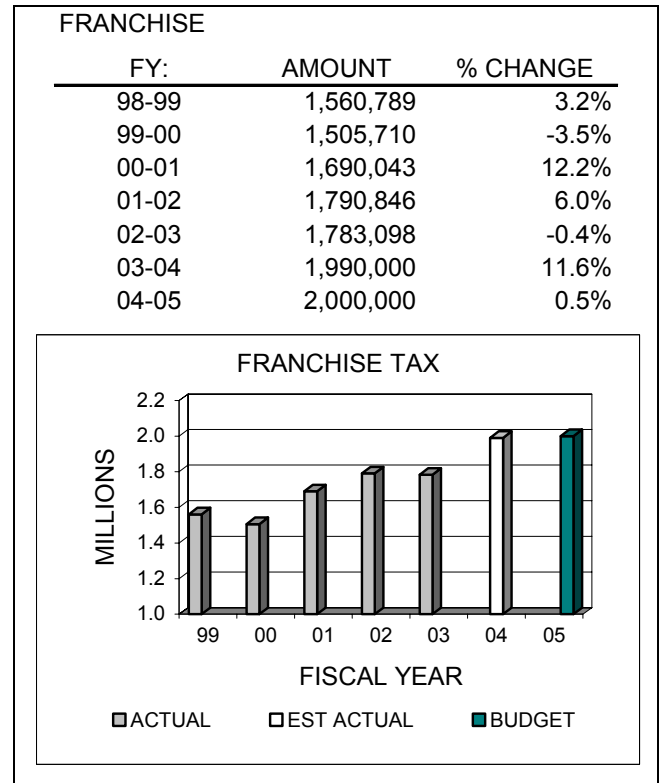
FRANCHISE TAX

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 has an agreement with Flagstaff Cablevision that expired 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 Qwest 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%.

The growth rate for Franchise Tax revenue for FY 2004 was due to a spike in natural gas prices. The anticipated growth rate in FY 2005 reflects a normalized rate across all companies.



FINES & FORFEITURES

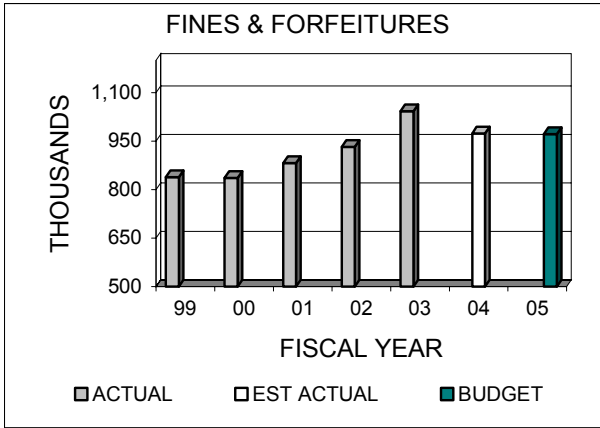
Legal Authority: Arizona Revised Statutes, Rules of Criminal Procedure
City Code, Title 1, Chapter 15, Section 8

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.

The increase in FY 2003 is due to the one time recognition of suspension fees. Fiscal years 2004 and 2005 reflect normalized collections. Some collections had been diverted to the state level in FY 04, however that directive has been set-aside for FY 2005.

FINES & FORFEITURES

FY:	AMOUNT	% CHANGE
98-99	838,306	6.9%
99-00	835,868	-0.3%
00-01	882,019	5.5%
01-02	931,950	5.7%
02-03	1,042,133	11.8%
03-04	973,437	-6.6%
04-05	971,733	-0.2%



AUTO IN LIEU TAX

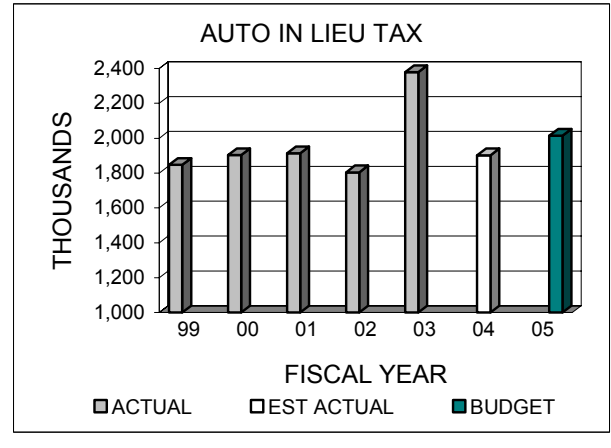
Legal Authority: Arizona Revised Statutes Section 28 - 1591 (c)

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.

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. The two-year sales boost in auto sales as a result of 0% financing has boosted receipts for FY 2003. It is anticipated that FY 2005 will follow a more equalized growth pattern, based on FY 2002 and FY 2004

AUTO IN LIEU TAX

FY:	AMOUNT	% CHANGE
98-99	1,847,142	20.5%
99-00	1,902,188	3.0%
00-01	1,913,662	0.6%
01-02	1,803,900	-5.7%
02-03	2,378,467	31.9%
03-04	1,901,911	-20.0%
04-05	2,014,949	5.9%



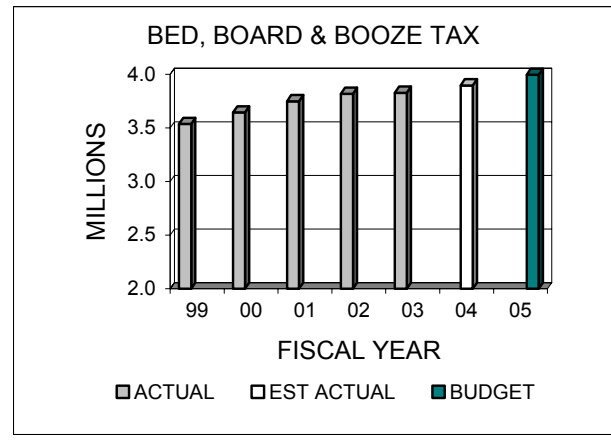
BBB FUNDS

BED, BOARD & BOOZE TAX

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

BBB

FY:	AMOUNT	% CHANGE
98-99	\$ 3,536,805	6.0%
99-00	3,644,822	3.1%
00-01	3,747,822	2.8%
01-02	3,817,028	1.8%
02-03	3,826,975	0.3%
03-04	3,895,782	1.8%
04-05	3,993,176	2.5%



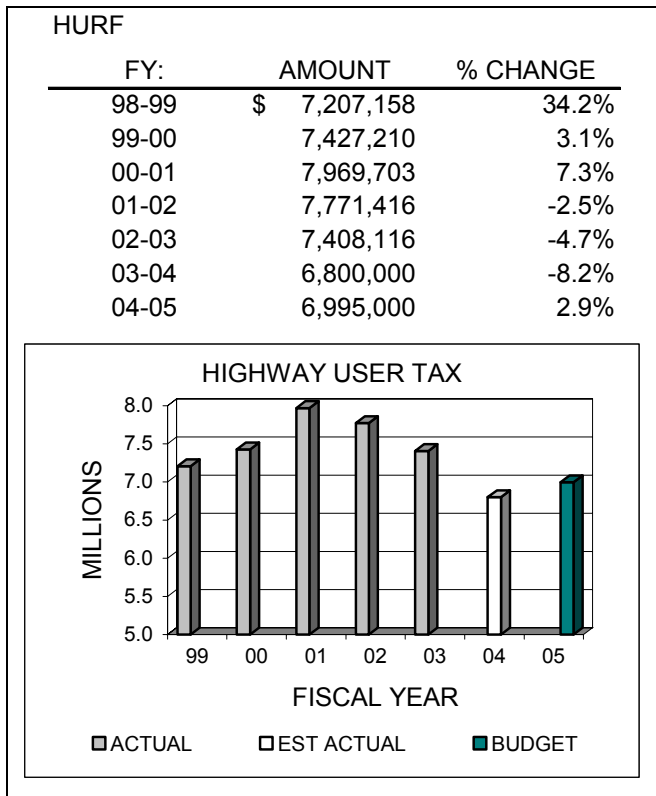
Description: An additional city sales tax of 2% is charged on the services of hotels, restaurants and bars. The City has designated all of these revenues for the purposes of enhancing beautification, tourism, economic development, recreation, and arts & sciences.

The growth in FY 2002 to FY 2004 was related to economic conditions in the City and State. The BBB Revenue projection for FY 2005 reflects a moderate increase of 2.5%. The economy is showing an overall increase in tourism, slowly recovering from the downshift experienced after the 9-11-01 terrorist attacks.

HIGHWAY USER REVENUE 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.

Due to a new reporting mechanism that the state is utilizing to distribute the state shared motor vehicle fuel tax, the City has experienced a decrease in the share of

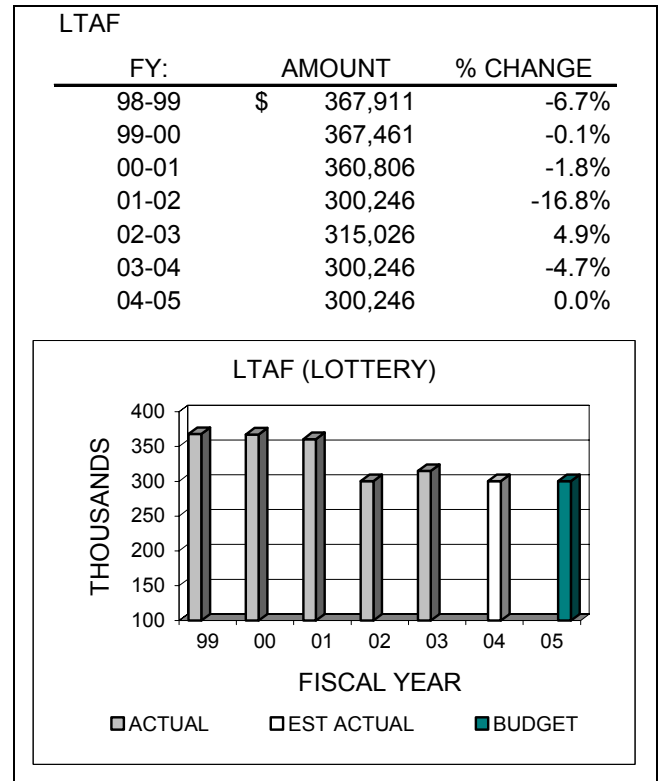
this revenue. The City has seen a decrease in approximately \$1 million in FY 2004 and expects this trend to continue in FY 2005 and subsequent years.

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.

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

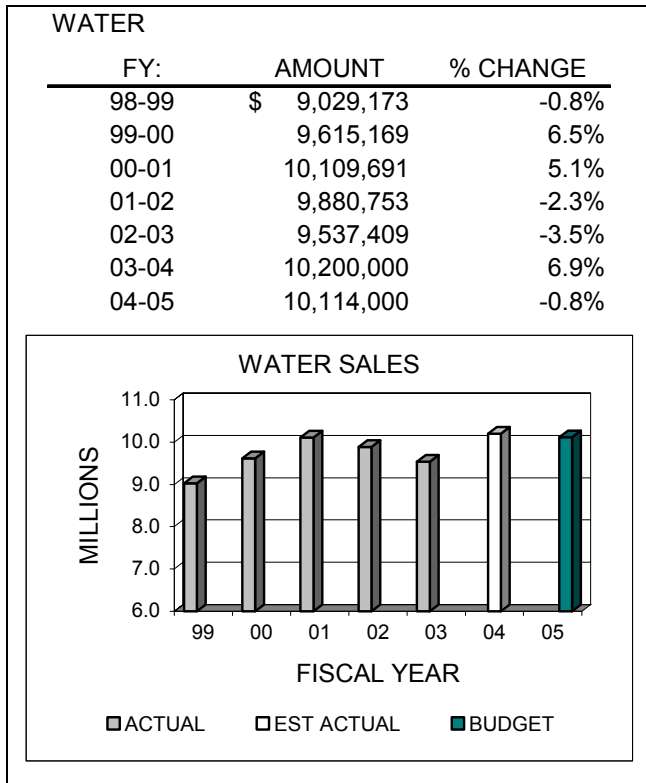
WATER SALES

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.

The decrease in FY 2002 and FY 2003 is because of water restrictions due to a drought year. No rate increase is projected in FY 2005. The decrease projected for FY 2005 is related to a major water using business switching to reclaim water.

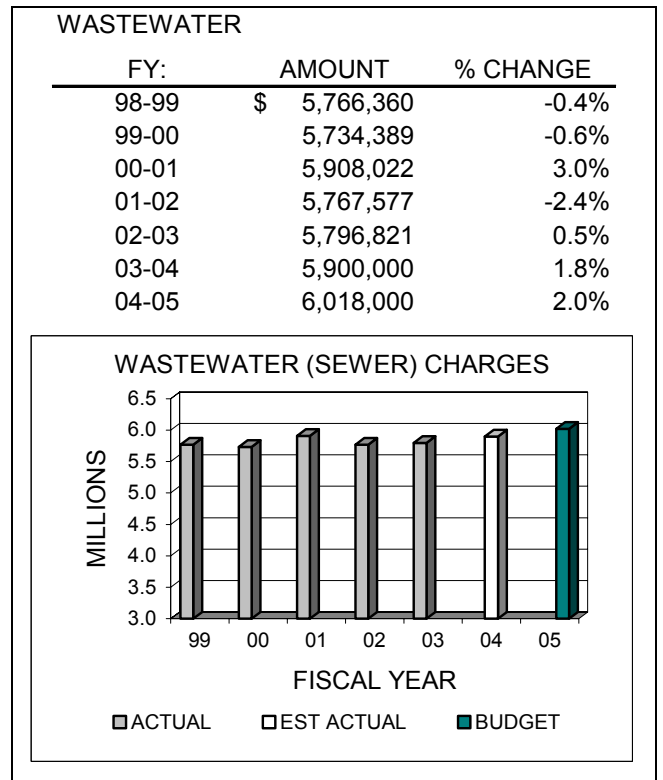


WASTEWATER SERVICE CHARGES

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

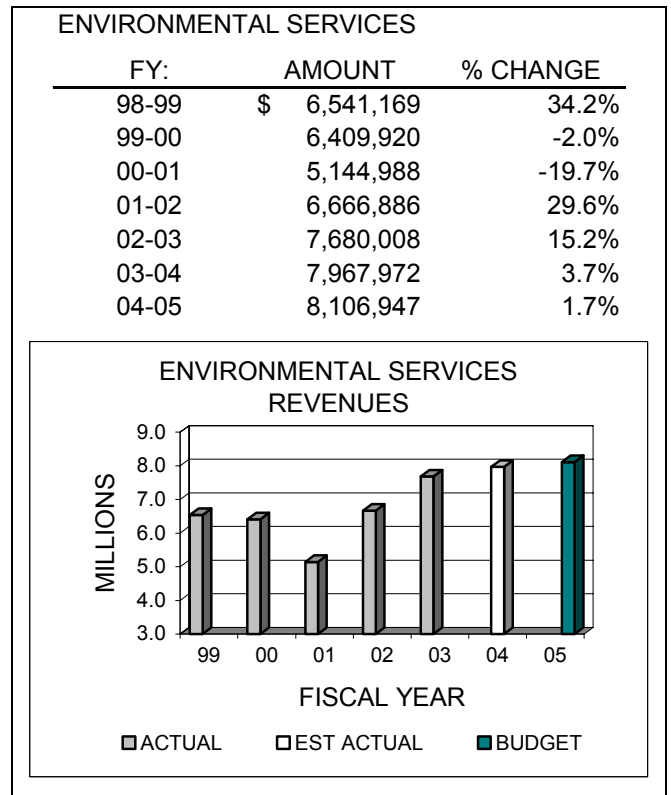
Description: The principal revenue for operating and managing the City's wastewater system is derived from revenues generated from wastewater (sewer) rates and user charges. Both residential and commercial customers are charged on the basis of water consumption. Residential customer charges are based 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.

The slight decrease in FY 2002 is due to water restrictions. The revenue projections include a 2.0% 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

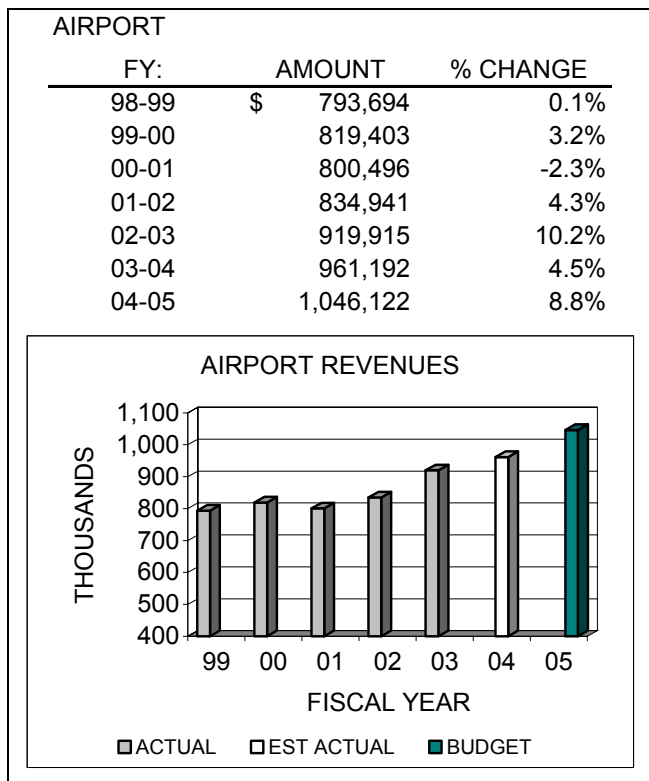
materials landfill fees, environmental service fees, and residential and commercial recycling. Service charges for residential and commercial customers are based on size of container and frequency of pickup. Hoist and haul is based on a cost per pull plus tonnage. Receipts from fees charged for dumping at the City Landfill are based on tonnage. The environmental service fee is a fixed monthly charge.

The increase in revenues for FY 2005 represents expected increases related to residential and commercial collection.

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.

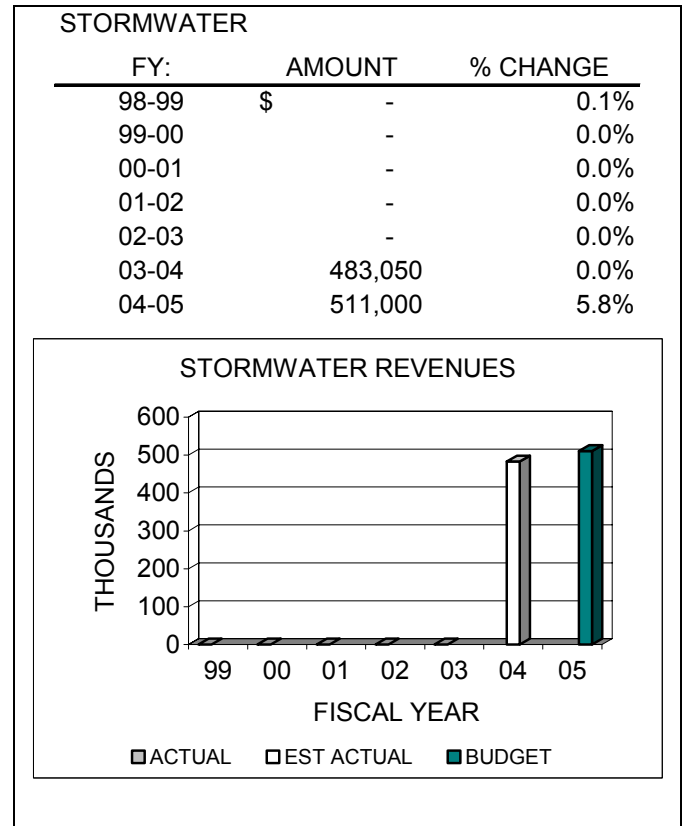


The increases from FY 2002 through FY 2005 are mainly due to a new terminal lease, growth in ground leases, auto rental revenues, and revenue from new hangars.

STORMWATER

Legal Authority: City Code, Title 12, Chapter 2, Section 3

Description: Stormwater revenue is determined by the number of Equivalent Runoff Units (ERU)s on a property. An ERU is defined as 1500 square foot of impervious matter. Charges are the same for both commercial and residential customers. Receipts are used to manage ADEQ NPDES requirements. The first year of implementation was FY 2004. The 5.8% increase in FY2005 reflects a full year billing for all recognized ERU's.



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 2003 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. Streetscape 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 streetscape projects to keep maintenance costs as low as possible. The 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 2005 CAPITAL IMPROVEMENT PLAN

The City budget for FY 2005 includes 99 capital improvement projects totaling \$96.7 million. This amount includes \$30.7 million in carryover items that have been budgeted. Project funding is comprised of the following: \$10.8 million in grants primarily for airport improvements, affordable housing, street construction and, beautification projects; \$30.6 million in general obligation (G.O.) bonds for the Fourth Street Overpass project and water and wastewater projects. \$55.2 million in operating funds that include street maintenance and improvements, flood control, land acquisition, FUTS and Streetscapes. In May 2004 General Election; the citizens of Flagstaff authorized the City to proceed with ten new projects totaling \$155.2 million. These projects will be phased in over a ten-year period with debt being issued in conjunction with the timing of each project. Each proposed project will be discussed below in its appropriate fund. Project listings are located in the Capital Improvement section of this book.

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 – Ten projects are scheduled for FY 2005 for a total of \$7.1 million. Projects include Redevelopment, and Acquisitions, and Facilities Improvements. Also included in this category are several of the projects authorized by voters in the May 2004 election. These include, USGS Campus Construction/Renovation; Fire Fighting Facilities and acquisition of emergency response vehicles and equipment; A Multi-generational Recreation Center; An Aquatic Center; Lake Mary Regional Park and other parks land acquisition; and Open Space acquisition, both regional and neighborhood acquisition.

Streets/Transportation – The City currently has 575 miles of paved streets, as well as an additional 10 miles of alleys and 14 miles of 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 Fourth Street Rail Crossing, Huntington

Drive Improvements, Beulah Blvd. Extension and various Safe to School projects and the start of the East gateway road projects. There are a total of 25 Streets Transportation projects scheduled at a budgeted cost of \$35.7 million. HURF funds are \$2.2 million, Transportation Tax funds are \$10.9 million and \$542,575 in Grant Revenues, \$15.3 million in Bonds and \$6.6 million in contributions.

BBB Funds – Projects include Beautification, Tourism and Recreation funding. These projects include Thorpe Park Improvements, A BMX Park on Sixth Avenue, Multi-Use Path along Highway 180 and continuing our connectivity of FUTS Trails. This year Federal and State grants will provide funding of \$2 million. Twenty-one projects are scheduled at a budgeted cost of \$8.5 million for FY 2005.

Utilities Fund – Major projects for Water production and distribution include \$2.5 million for water wells. Major projects for Waster plants and collection include \$1 million for Black Bart/Sinagua waterline and \$1 million for a waterline at Foxglen/Skyview. The Five-Year CIP also includes three replacement and upgrade projects to the water distribution system. 17 water projects and 13 wastewater projects are scheduled at a combined budget of \$25.3 million for FY 2005

Airport Fund – Six projects are scheduled at a budgeted cost of \$10.8 million for FY 2005 and the program focus is on expansion of airside infrastructure. The major project is the design for the Runway Extension and construction of an Airport Operation Building.

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 a landfill building, a residential drop off center and MFR entry improvements for a total cost of \$718,265.

Stormwater Fund – The Stormwater fund completed its first year of operations as a new utility fund for the City of Flagstaff. Four projects are budgeted in this fund with a cost of \$8.3M in FY 2005. These projects include; the completion of the Sixth Avenue Detention Basin with a carryforward of \$91,945; the Walnut Meadow drainage project of \$150,000; the Rio parking replacement project earmarked at a cost of \$1.2M. The Rio De Flag Hydrology project, which was originally housed in the General Fund, will be moved to this utility fund in FY 2005. This project has an anticipated budget in FY 2005 of \$6.8M.

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. In May 2004, voters authorized sale of bonds to implement 10 new projects totaling \$155.2M. These projects will be phase in over the next 10 years.

Utility Rate Structure: The Utility Rate Analysis, updated in the Spring of 2003, provides for major capital improvements, additional bond funding, and increased operating costs. No rate increase is recommended to meet these demands. In May 2004 the voters authorized the sale of bonds to support 3 new Utility projects. These projects are reclaimed water system and related wastewater improvements; water wells; and water rights acquisition.

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 streetscape along corridors, and the FUTS (Flagstaff Urban Trail System) and various 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; Safety to School/Pedestrian/Bike; traffic Flow and Safety Improvements; and Transit Service Enhancements. Through scheduled increases approved at the time of the election, the transportation tax is at 0.601% as of July 1, 2003.

DEBT

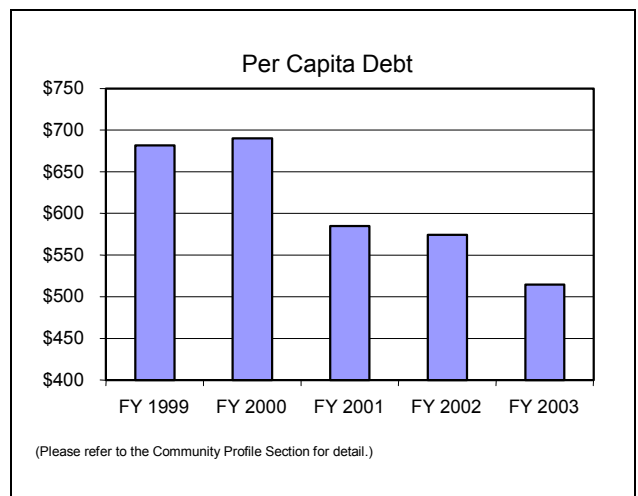
DEBT CAPACITY

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 projects proposed with the May 2004 bond election. Projects will be initiated over time through issuing new debt within capacity as old debt retires.

General Obligation Debt July 1, 2004	
20% Limitation (Water, Sewer, Lighting, Open Spaces, and Recreation Purpose Bonds)	
Assessed Valuation	<u>\$ 501,655,440</u>
Allowable 20% Debt	\$ 100,331,088
20% Debt Outstanding	<u>(24,492,902)</u>
Allowable Debt Margin	<u>\$ 75,838,186</u>
6% Limitation (All Other General Obligation Bonds)	
Assessed Valuation	<u>\$ 501,655,440</u>
Allowable 6% Debt	\$ 30,099,326
6% Debt Outstanding	<u>(2,555,000)</u>
Allowable Debt Margin	<u>\$ 27,544,326</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. Recurring revenue streams without reliance on one-time revenue sources, e.g., asset seizure funds or fund balance should support ongoing expenditures. 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, 2004, the total actual indebtedness is \$78.2 million. FY 2005 annual debt payments are projected to be \$11.1 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, 2004, the City's 20% general obligation debt of \$24,492,902 is well below the legal limit of \$100,331,088. The City's 6% general obligation debt of \$2,555,000 is also well below the legal limit of \$30,099,326. The following table illustrates the total

actual indebtedness through the life for all currently outstanding debt.

FY	Principal	Interest	Total
2005	7,860,827	3,265,105	11,125,932
2006	6,805,788	2,944,777	9,750,565
2007	7,171,507	3,084,762	10,256,269
2008	6,869,813	2,438,704	9,308,517
2009	7,042,924	2,153,609	9,196,533
2010	6,226,802	1,852,065	8,078,867
2011	6,421,474	1,599,018	8,020,492
2012	6,740,967	1,328,584	8,069,551
2013	4,632,877	1,047,176	5,680,053
2014	2,874,863	850,888	3,725,751
2015	2,467,275	730,689	3,197,964
2016	2,570,127	630,487	3,200,614
2017	2,228,434	508,529	2,736,963
2018	2,342,214	398,150	2,740,364
2019	2,456,482	282,031	2,738,513
2020	2,576,257	160,156	2,736,413
2021	446,556	32,245	478,801
2022	462,398	16,403	478,801
	<u>\$ 78,197,585</u>	<u>\$ 23,323,379</u>	<u>\$101,520,963</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 re-budget 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.

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 (\$.00601) sales tax for transportation purposes, which will expire in 2020.

The City's goal is to maintain a minimum general fund balance of 15%. The budgeted fund balance for FY 2005 is 15%.

Current revenues will be sufficient to support current operations. Grant funds are considered to leverage City funds. Inconsistent and/or fluctuating grants are not 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 the water and sewer rate model, sanitation requirements, and the stormwater rate model were prepared this year. The water and sewer model currently indicates no modifications in rate classes need to be implemented. The five-year Environmental Services analysis indicated the rate increases are not needed as rates were increased in FY 2004. In addition, a \$2 per household per month Environmental Services fee was initiated in FY 2003. 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.

The stormwater rate model indicated rate increases will be necessary in future years to accommodate upcoming needs to meet the requirements of NPDES.

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 projects 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:
 - ◆ Using Special Improvement Districts (SID), revenue bonds (street projects), or user charges (water and sewer bonds) whenever possible.
 - ◆ Determining if BBB funds (Beautification, Economic Development, Tourism, Recreation, and Arts & Science) should underwrite all or part of a proposed project.
 - ◆ Creating sinking funds when possible to provide for expansion or replacement of capital items.
 - ◆ 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.
 - ◆ 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.
 - ◆ Preparing an Official Statement on all bond offerings and notes, including Certificates of Participation.
 - ◆ 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 1988, 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

Budget Basis of Accounting – 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. Budget basis for enterprise funds differ primarily due to state laws. The major differences are as follows:

- Encumbrances (contractual commitments) are considered the equivalent of expenditures. Encumbrances at year-end for goods or services, which are not received prior to the end of the fiscal year, are cancelled.
- Fund balances reserved to inventory and bonded debts are not included in the budget.
- Certain expenditures, such as depreciation and landfill closure and post closure accrual, are not included in the budget.
- All funds except the Internal Service Fund are budgeted.
- Enterprise funds budget capital expenditures and debt service payments as expenses.
- Enterprise funds budget bond proceeds and grants as revenues.

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 four Enterprise Funds in the form of Utilities (Waste and Wastewater), Airport, Environmental Services, and Stormwater.

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, streetscape, 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. Funding for FY 2005 has not been budgeted.

Transportation funds benefit four major categories: Fourth Street overpass, Street Improvements, Safety Improvements, and Transit. The Street and Safety projects include Safe-To-School Projects, urban links, streets widening, and gateway development.

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.

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, approximately \$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.

NON-RECURRING REVENUES

The City will balance operating revenues against operating expenditures. Any non-recurring revenues are budgeted for other one-time and/or non-recurring expenditures. Should any non-recurring revenue source have ongoing operating implications, those considerations will be evaluated before the acceptance of such funding.

ISSUES AND UPDATES

PERSONAL SERVICE COSTS

PAY PLAN

The FY 2005 budget includes a market adjustment of 3% to the City's pay plan for classified employees. The cost of the market adjustment is approximately \$872,687 to all funds. This adjustment is based on a market analysis, which included the same markets as identified in previous survey. The market data includes local, private and public sector information. This recommendation has been presented to EAC.

The pay plan for the Administrative/Technical/Professional (ATP) employees has not changed; it is still open range that means ATP employees do not receive an automatic market adjustment; and any pay increase is based on performance. ATP employees in ranges 7 through 16 will be eligible to receive on average a 6.2% merit increase and ATP employees in Range 17 and above a 5.2% merit increase. The total salary cost for merit increases for ATP employees is estimated to be \$372,179 to all funds.

In addition, the average merit that classified staff will be eligible for is 3.2% costing approximately \$252,982.

Employees who are in the skill based pay plan are eligible for pay adjustments based on acquiring skills and knowledge that are associated with skill blocks.

Skill base pay was successfully implemented in Collections and Distribution in the Utilities Department. The Wildcat and Rio Plants have been under the skill base pay for the last two years. Skill base pay is a means to increase productivity and efficiency through use of technology and a multiple-skilled workforce and compensate employees for the increased value they bring to the job due to their knowledge and skills that are currently outside their specialty.

HEALTH INSURANCE

Fiscal year 2005 begins the twelfth 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, Coconino Community College, and the City of Flagstaff.

The premium increase for health insurance this year is 4.5%. This is well below national trend for plans similar to the City's, which is approximately 14%. The main reason the City is below trend is that employees are educated on how to use the plan; they are utilizing disease management programs, and using physicians in network. However, costs will continue to increase in the future due to prescriptions, technology, cost shifting based on government regulations, as well as plan utilization (claims).

Each year the Board of Trustees for NAPEBT reviews the plan design with its consultant, the Segal Company, to ensure appropriate levels of coverage and cost are being considered. There are two plan design changes this year. One is to eliminate Avesis, a discount eye care, and add VSP, and second to increase the lifetime maximum from \$2,000,000 to \$3,000,000.

The FY 2005 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 2005 the total budget for employee only health insurance is \$3,164,283. The total cost of the dependent subsidy to the City is \$1,087,873 that is approximately the same as FY 2004. The increased cost to employees for dependent health insurance will be approximately \$23.76 per month.

Dental insurance premiums, both employee only and dependent, resulted in a rate increase of approximately 10%. The City pays 100% of employee coverage and employees pay 100% for dependent coverage. No plan design changes were made for the FY 2005.

RECLASSES, RERANGES, RETITLES, REZONES

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 four 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 affects 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 affect pay.

4. REZONE - An individual within a broadband may be move to a higher-level zone within the broadband based on the employee's performance.

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 2005 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, 2004.

Human Resources received a total of 19 requests for reclassification and 8 requests for rezones. The following shows those positions that were approved:

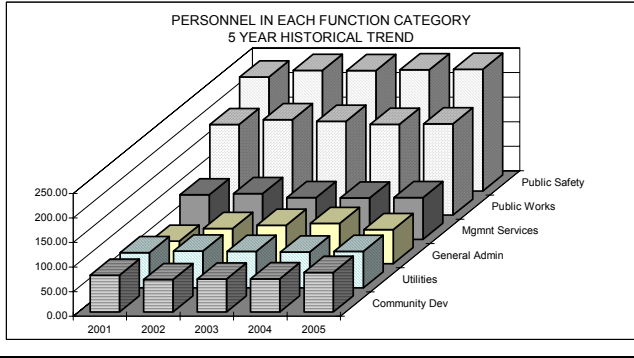
RECLASSES				
Old Position Classification	Old Range	New Title	New Range	No. of Employees Effected
Library Clerk	3	Library Assistant I	5	1
Library Assistant I	5	Library Assistant II	8	1
Admin Assistant (Utilities)	BBA1	Admin Specialist	BBB2	1
RERANGES				
Old Position Classification	Old Range	New Title	New Range	No. of Employees Effected
City Clerk	11	No Change	12	1
Risk Management Assistant	7	Risk Management Specialist	9	1
Finance/Budget Manager	15	No Change	16	1
Customer Service Manager	12	No Change	13	1
Cemetery Specialist	7	No Change	8	1
Program Assistant	7	Utilities Program Assistant	8	1
CVB Manager	15	CVB Director	16	1
Public Relations Associate	8	Public Relations Manager	12	1
Airport Service Worker I	4	No Change	6	3
Airport Service Worker II	6	No Change	7	3
RETITLES				
Old Position Classification	Old Range	New Title	New Range	No. of Employees Effected
Accounts Payable Clerk/Switchboard Operator	4	Account Clerk I	No Change	
REZONES				
Current Job Title	Old Zone	New Job Title	New Zone	No. of Employees Effected
Administrative Specialist	2	No Change	3	7
Plant Specialist	2	No Change	3	1

POSITION ADDITIONS/DELETIONS

In preparing budget requests for FY 2005, departments were informed that new position requests would not be considered except for:

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

	2001	2002	2003	2004	2005
Public Safety	232.00	245.50	245.00	246.75	247.75
Public Works	184.50	194.75	191.25	185.25	185.95
Mgmt Services	91.00	93.50	85.25	84.50	85.00
General Admin	45.75	71.50	78.00	81.75	69.50
Utilities	71.75	74.75	74.50	73.00	74.50
Community Dev	75.00	66.25	67.25	67.75	80.75
	700.00	746.25	741.25	739.00	743.45



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.

	Population	Employees	Emp/Pop
1980	34,743	422	12.1
1985	38,247	470	12.3
1990	45,857	527	11.5
1995	52,701	612	11.6
2000	52,894	685	13.0
2003 *	60,998	743.45	12.2

The bar chart displays the ratio of employees per 1,000 population for three specific years. The 2000 ratio is the highest at 13.0, followed by 1980 at 12.1 and 1990 at 11.5. The 2003 ratio is not shown in this chart but is 12.2.

* Estimated census per Arizona Department of Economic Security

As part of the budget reduction efforts, a Vacancy Review Committee (VRC) was established in FY 2003 to

review open positions. A total of 7.50 FTE's were reduced in FY 2003 through the VRC process. These efforts continued in FY 2004 with a workforce reduction program. The goal was to reduce 20 to 30 positions via the elimination or reduction of City programs. The City set aside dollars for staff training as staff was reassigned to other areas within the City. At the end of this review, a total of 22 positions were identified for elimination, sixteen in the first year by June 30, 2004 and four more by June 30, 2005. To date, the City has not had to effect lay offs; all employment reductions were achieved through retirement, reassignment, or resignation.

Increased Service Levels:

As part of ongoing budget reduction efforts, the City completed a programmatic review that identified low priority service areas and resulted in a reduction of 16 FTE's. All permanent staff members were moved to other positions within the City so there was no direct lay off of staff. There are further reductions that may need to occur in following fiscal years and will be assessed throughout the coming year. All staffing increases and reductions that impact FY2005 are detailed below.

Human Resources (1.25) The City is facing a number of retirements in the coming five years and it is imperative to begin succession planning now. Additionally, the City needs to have greater organizational development coordination to facilitate current reorganization efforts. Human Resources will take on these tasks through staff increases, additions, and reassignments of duties within the division.

Library (1.0) The east Flagstaff library will increase daily operations from five days per week to seven days per week to accommodate Department of Justice, Americans with Disability Act requirements.

Building Inspection (1.0) One full time Building Inspector was added to accommodate the Mall expansion project. This position will be funded through the building permit revenue increases generated by the Mall.

Planning (1.0) Affordable housing needs continue to grow within the community and the work program is expanding to offer better service to the community. A Housing Manager position will fill gaps in the current program milieu.

Environmental Services (4.0) The City will be entering into an IGA with the County to handle the Waste Tire program rather than the County continues to provide this service through an independent contractor. The City will add a Landfill Equipment Operator to accommodate, and the position will be 100% funded through the IGA. Additionally, an Operations Manager position was added to accommodate workload responsibilities within the division. Two positions were added to implement a brownfield program for the City.

Utilities (1.0) A GIS analyst position has been added to the Utility department to maintain the GIS systems.

Tourism (2.0) Two positions are being added to administer advertisement development and placement. The cost is 100% offset through a reduction in the contract previously held to provide those services.

Maintaining Service Levels:

Information Systems (1.0) Due to ongoing growth in the number of users and the complexity of information technology maintenance, one Computer Tech is being added to facilitate the work program. The position will be funded through an offset in the annual set aside for MIS acquisitions.

Police (4.0) Staffing needs are focused toward maintaining adequate police response during peak times and responding to greater numbers of calls. The Police Department added 3.0 FTE police officers (2 of which are grant funded) and one Police Lieutenant position.

Parks (2.0) Inventory in streetscape beautification projects, right of way projects, and FUTS trails have all increased necessitating additional temporary maintenance time to sustain the overall effort. The position costs will be offset through revenue transfers from the BBB tax and the HURF fund.

Environmental Services (2.0) The Environmental Service division received authorization in FY2004 for 2 Equipment Operators, however it was required that those positions be attempted to be filled through other staff reductions in the City. Those positions have now been filled and added to the staffing base of environmental services.

Decreased Service Levels:

Management Services (1.0) Through the service priority evaluation it was determined to not fill an Administrative Specialist position. Duties have been transferred to other personnel throughout the department.

Library (0.5) Through the service priority evaluation, the Library decreased Library Page temporary hours.

Engineering (2.75) The Survey Party Chief and the Survey Mapping Supervisor positions were eliminated through attrition as part of the budget reduction process. These functions will be replaced through both a reassignment of duties within the division and a decrease in the survey service offered to City departments. Additionally, an administrative assistant position was reassigned within the City.

Planning (1.0) A Planning Technician position was eliminated through the budget reduction process. Service reductions to be accommodated through the review and reprioritization of work program needs.

Police (3.0) The Police Caseworker position was eliminated and was assumed within the Police Officer FTE count as part of the budget reduction process. Additionally, information systems within the police department at the LEAF will be contracted for through Coconino County eliminating the two Police Information System Technician positions.

Facilities (2.0) The Facilities division decreased by 2.0 FTE in response to the budget reduction process. The impact to the City is delayed and decreased internal customer service.

Recreation (5.80) The Recreation program evaluated all service provision and eliminated or reduced those services that had low participation, (5.05 temporary FTE's). Additionally, 0.75 Administrative Assistant time was reduced within the division and the person was moved to another position within the City.

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 that 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 actual expenditures for the fiscal year ending June 30, 2003. The City utilized the services of a consultant to prepare this year's plan. The cost allocation plan also provides information for user fees and the ability to charge indirect cost to grants.

The City also utilizes the cost allocation plan to calculate an indirect cost rate that is allowable in accordance with OMB A-87. The City will annually update the indirect cost rate based on actual expenditures, as required by OMB A-87.

CITY OF FLAGSTAFF
Cost Allocation
For Fiscal Year 2005

CENTRAL SERVICE	GENERAL 001	LIBRARY 030	HURF 040-044	UTILITIES 201	STORMWTR 210	AIRPORT 270	ENVIRON. SERVICES 280	TOTAL	TOTAL CHARGED OUT - GF
GENERAL FUND SERVICES									
Non-Departmental	\$ 2,462,099	33,990	112,704	204,988	10,767	48,192	125,714	2,998,454	536,355
Council & Commissions	126,137	10,504	27,416	38,169	1,408	6,319	24,892	234,845	108,708
City Manager	344,580	37,564	65,148	101,547	4,409	14,980	69,151	637,379	292,799
City Clerk	80,881	2,912	7,342	12,503	392	1,611	6,908	112,549	31,668
City Attorney	324,356	17,281	43,566	61,566	2,327	9,562	40,994	499,652	175,296
Human Resources	206,506	17,843	14,746	30,445	2,640	4,614	22,311	299,105	92,599
Risk Management	67,236	6,295	9,641	15,148	888	2,318	10,342	111,868	44,632
Management Services	281,159	23,371	123,979	172,074	1,172	14,540	45,073	661,368	380,209
Information Systems	386,905	15,567	49,493	165,617	11,514	17,002	80,259	726,357	339,452
Finance	351,573	52,292	41,078	120,184	242	34,275	44,150	643,794	292,221
Sales Tax & Licensing	485,828	14,715	921	20,632	-	23,839	35,205	581,140	95,312
Public Works Admin.	62,899	-	46,010	-	-	58,540	39,480	206,929	144,030
Public Facilities Maintenance	440,988	68,572	35,902	21,801	6,184	14,231	52,104	639,782	198,794
Fleet Services	84,870	606	66,779	23,048	-	3,403	102,602	281,308	196,438
Engineering	508,369	-	698,847	508,123	-	-	-	1,715,339	1,206,970
Planning	636,297	45,594	114,944	162,435	6,139	25,226	108,158	1,098,793	462,496
Contributions	176,784	10,436	42,273	60,987	1,221	20,564	23,852	336,117	159,333
	<u>\$ 7,027,467</u>	<u>357,542</u>	<u>1,500,789</u>	<u>1,719,267</u>	<u>49,303</u>	<u>299,216</u>	<u>831,195</u>	<u>11,784,779</u>	<u>4,757,312</u>
BY DEPARTMENT									
General Administration	\$ 1,023,559	81,895	140,443	221,209	10,656	33,085	149,706	1,660,553	636,994
Community Development	1,144,666	45,594	813,791	670,558	6,139	25,226	108,158	2,814,132	1,669,466
Management Services	1,505,465	105,945	215,471	478,507	12,928	89,656	204,687	2,612,659	1,107,194
Public Works	588,757	69,178	148,691	44,849	6,184	76,174	194,186	1,128,019	539,262
Non-Departmental	2,765,020	54,930	182,393	304,144	13,396	75,075	174,458	3,569,416	804,396
	<u>\$ 7,027,467</u>	<u>357,542</u>	<u>1,500,789</u>	<u>1,719,267</u>	<u>49,303</u>	<u>299,216</u>	<u>831,195</u>	<u>11,784,779</u>	<u>4,757,312</u>
UTILITIES FUND SERVICES									
Customer Services	\$ 37,878	901	1,818	(151,540)	7,315	401	103,227	-	

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 2003; 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.

FLEET MANAGEMENT

The 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 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 conjunction with the end user the equipment is then scheduled for evaluation.

The Fleet Manager along with his staff evaluates each piece of equipment submitted for review. 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 and limited financial funds.

FLEET FY 2005	
<u>DIVISION</u>	<u>AMOUNT</u>
16 ENGINEERING	
TRUCK-1/2 TON EXT. CAB	\$ 20,000
21 FIRE	
TYPE I ENGINE	404,500
22 POLICE	
POLICE SEDANS (6)	141,000
ADMIN SEDANS (2)	28,000
PRISONER TRANSPORT VAN	37,500
26 PARKS	
TRASH TRAILERS (2)	14,000
66 NON-DEPARTMENTAL	
MID SIZE SEDAN	15,500
TOTAL GENERAL FUND FLEET	<u><u>660,500</u></u>
11 LIBRARY	
PALS BOOKMOBILE	50,000
TOTAL LIBRARY FLEET	<u><u>50,000</u></u>
32 STREET MAINT. & REPA	
DUMP TRUCK-10 WHEEL	135,000
PICK UP TRUCK-1 TON DUAL	25,000 a
WATER TENDER TRUCK	25,000
TOTAL HURF FLEET	<u><u>185,000</u></u>
38 AIRPORT	
ARFF VEHICLE	585,607 a
TOTAL AIRPORT FLEET	<u><u>585,607</u></u>
41 ENVIRONMENTAL SERVIC	
RESIDENTIAL SIDE LOADER	185,400
TUB GRINDER	522,720
TRUCK	20,000
RESIDENTIAL SIDE LOADERS (2)	352,000 a
TOTAL ENVIRONMENTAL SERVICES FLEET	<u><u>1,080,120</u></u>
42 UTILITIES ADMIN	
4X4 TRUCK-BLUESTAKE	16,500
49 WATER DISTRIBUTION	
1 1/2 TON SERVICE TRUCK	45,800
54 WASTEWATER COLLECTION	
CAMEL HYDRO-VAC	255,000 a
TOTAL UTILITIES FLEET	<u><u>317,300</u></u>
TOTAL FLEET	<u><u>\$ 2,878,527</u></u>

a-Indicates carryover funding.

This past fiscal year the Fleet Committee had a very busy year. Listed below are some of the major accomplishments and events that occurred:

- Performed the second overall fleet utilization review. Reduced the fleet by eight vehicles.
- Fuel Conservation and Engine Idling policies, which were approved, are currently being implemented. The Fleet Committee members are training city staff to comply with these policies.
- Reviewed vehicle evaluations, rotated older vehicles to better utilize equipment and removed older units.

- Updated the Surplus Property and Vehicle Disposal policies to better identify users and improve accounting of disposed units.
- Performed orientation and training sessions for the new Fleet Review Committee members.
- Performed the annual vehicle replacement and reviewed requests for 29 replacement vehicles, 12 replacements were approved along with two additional new units, a new plow truck for streets and an AARF rescue unit for the Airport.
- Reviewed and denied a request by Parks and Recreation to replace the ice rink engines and chillers under the Fleet Replacement Fund.

Proposed Objectives for FY 2005:

- Perform another annual utilization review.
- Review replacement criteria.
- Annual replacement review: look at streamlining process and placing information in a centralized database.
- Update five-year replacement program.
- Perform a life cycle costing analysis on hybrid vehicles.

FIVE-YEAR INFORMATION SYSTEMS

With the desired infrastructure in place, the City of Flagstaff must focus on maintaining existing hardware/software. We must also continue to purchase hardware/software in a logical and controlled manner. The City of Flagstaff is now faced with making decisions that will affect the future of the IT environment within Flagstaff and Northern Arizona. These decisions will impact our ability to entice clean industry to the Flagstaff area, our ability to increase revenues, and our ability to serve the citizens of Flagstaff and Northern Arizona.

Items to consider

- Creation of a citywide fiber optic infrastructure.
- Timely aerial imagery of the City and surrounding area (MPO), thus creating snap shots in time
- E-Government – Utility Billing review and payment, On line permitting – Business and Building, Recreation registration, etc
- Acceptance of Credit/Debit cards as a form of payment
- Data sharing with other public and private agencies
- Establishment of digital data standards for submittals to the City of Flagstaff.
- Establishment of a comprehensive Information Security Policy
- Planning for the next Census appeal. Identification of data resources, collection of data, etc.

FY2005 Acquisitions

The majority of the MIS acquisition funds for fiscal year 2005 will be expended on replacing existing computer related hardware. Replacements will encompass all

aspects of the City's computer network infrastructure ranging from the AS400 to basic network switches.

Replacements \$292,000

- Laser Printers \$15,000 – Continuation of existing laser printer replacement program
- Personal computers \$80,000 – Allocation will allow for the purchase 50 to 60 PC's during FY2004. This will allow for the continued replacement of the City's older PC's. Replacement could occur for two reasons – PC failure or need for increase processing speed. Purchases will be limited to 20 to 25 units a time.
- CAD PC Replacements \$20,000 – Allocation for replacement of existing PC's located within CID and Engineering.
- GIS plotter replacement \$12,000 – Existing plotter was purchased during the June of FY1999. Plotter is primary printer for all GIS products and is utilized by other departments. Existing plotter is no longer cover under a maintenance contract; all maintenance is performed on as-needed basis.
- GIS Workstations (PC's) and laptop \$15,000 – Allocation will allow for the replacement of aging workstations (PC's) and laptop computer. Workstations are used for day-to-day related tasks, application development, development of special projects, etc. Laptop is used for data collection in the field, other related off-site tasks, and product demonstration.
- Network switches \$10,000 – Allocation for replacement of network switches as needed.
- Upgrade of AS400 \$140,000 – This is a carryover item from FY 2004. Current installed AS400 was purchased during the first quarter of calendar year 1999. IBM has indicated that no additional upgrades will be available for this AS400 model/series. Based on past experience, the City anticipates IBM will remove this model from support in the near future. Current model will be replaced with AS400 i5 Series

Local & Wide Area Network \$200,000 – Tentative Acquisitions

- Security related software and hardware as needed
- Work order application for Information Systems Division
- Tape backup software
- Servers for cluster server environment
- Conversion of network operating system from Novell to Microsoft
- Conversion of e-mail application from Novell GroupWise to Microsoft Outlook

GIS \$10,000

- GPS Unit with ARCpad (sub meter) \$5,000 – For the collection of GIS related data
- Software upgrades / new licenses of various ESRI products

E-Gov \$30,000 – tentative acquisitions

- Permit Tracking E-Gov module
- RecTrac E-Gov module

New Hardware/Software \$109,176 – Tentative Acquisitions

- Imaging \$5,000– Hardware or software acquisitions as needed
- Navaline \$70,000 – Windows module for H T E applications
- Work Order Management application \$25,000 – Acquisition of work order application which interfaces with existing H T E Payroll, GMBA, and Fleet applications

- Miscellaneous software/hardware \$9,176 – i.e. - AutoCAD LT, Microsoft Project Management, Microsoft Visio, Pavement Mgmt, etc

Public Safety \$382,000

- Intergraph \$27,000 – Upgrade to Intergraph.
- Console \$78,300 – Upgrades at the police facility.
- Radio \$37,605 – Centrome consoles, repeaters, and base station at the police facility.
- Software \$9,750 – For I/PLOT software and PROQA/AMD licenses.
- Un-programmed \$229,345

MIS Five Year Projections	Budget				
	FY2005	FY2006	FY2007	FY2008	FY2009
Replacement Programs					
Laser Printers - Replacement	\$ 15,000	15,000	25,000	20,000	15,000
Replacement PC's	80,000	50,000	120,000	85,000	60,000
GIS Plotter	12,000	-	-	-	-
GIS Workstations	15,000	-	15,000	-	15,000
Network Switches	10,000	5,000	5,000	40,000	5,000
Network Core Switch	-	-	-	-	230,000
Wide Area Network	-	100,000	-	-	-
Upgrade of AS400	140,000	-	-	180,000	-
CD CAD PC Replacements	20,000	10,000	10,000	20,000	-
Total - Replacement Programs	292,000	180,000	175,000	345,000	325,000
Local & Wide Area Network					
City Hall - LAN - Cabling & Equip	90,000	30,000	50,000	60,000	30,000
Novell/Microsoft Conversion	110,000	45,000	-	-	-
Total - Local & Wide Area Network	200,000	75,000	50,000	60,000	30,000
GIS					
Hardware upgrades/replacement	5,000	5,000	5,000	10,000	5,000
Software upgrades	5,000	5,000	5,000	10,000	5,000
Total GIS	10,000	10,000	10,000	20,000	10,000
E-Gov					
	30,000	35,000	40,000	40,000	20,000
Software Upgrades					
Office (Word,Excel,Access,Power Point)	-	200,000	-	-	-
Total Software Upgrades	-	200,000	-	-	-
New Hardware & Software Purchases					
Imaging	5,000	10,000	-	10,000	-
Laser Printers-Color	-	-	-	30,000	-
Navaline	70,000	-	-	-	-
311	-	-	225,000	-	-
Work Order Management	25,000	-	-	-	-
Other Hardware & Software Purchases	9,176	16,235	52,547	75,174	4,183
Total New Hardware & Software	109,176	26,235	277,547	115,174	4,183
Public Safety					
Police Upgrades	162,000	109,000	109,000	149,000	149,000
Police Laptops	220,000	105,000	105,000	125,000	125,000
Total Public Safety	382,000	214,000	214,000	274,000	274,000
Total Expenditures					
	\$ 1,023,176	740,235	766,547	854,174	663,183
Funding					
General Fund MIS allocation	\$ 724,356	760,574	798,603	838,533	880,460
Excess/(deficit) Funding over Expenditures	(298,820)	20,339	32,056	(15,641)	217,277
Prior Year Balance-Carryforward	867,397	568,577	588,916	620,972	605,331
Cumulative Excess/(deficit)	\$ 568,577	588,916	620,972	605,331	822,608

2004 UPDATES

Acceptance of Debit and Credit Cards and Internet Payments

Due to increasing customer requests, the City is interested in expanding payment options to include the acceptance of debit and credit cards. This service will enhance the current practice of bank drafting which is utilized by 10% of the customer base.

Due to current budget constraints the City is pursuing the acceptance of credit cards through a third party vendor who would accept payments on our behalf over the telephone, Internet, through a Kiosk or wireless technology as an off-site solution available on a 24/7 basis. The vendor would charge a fee between \$2 - \$6 per transaction that would be paid by the customer in addition to their bill amount. Outsourcing is currently utilized by two other local utilities.

The cost to implement third party processing is anticipated to be minimal. However there are costs associated with the development of an Internet interface, totaling \$26,500 plus maintenance.

Utilities will test credit card acceptance for the City and as procedures are determined, credit card acceptance will be extended to other appropriate divisions throughout the City.

Fuel Management and Forest Health

Fuel management continues to be a primary threat to the Flagstaff community. Three factors influence the spread of wildfire: fuel, weather, and topography. Of these, the City can only manage fuel to reduce intensity and spread of wildfire.

The City of Flagstaff has had an active fuel management program since 1997. The program focuses on four main areas: Land use planning, public education, hazard mitigation, and response training.

To achieve the goal of a "Firewise Community", the City actively engages a number of partners including:

- Individual home and property owners
- Private business
- Flagstaff Unified School District
- Coconino County - Rural Environment Corps
- Ponderosa Fire Advisory Council
- Greater Flagstaff Forests Partnership
- Northern AZ University: School of Forestry Ecological Restoration Institute
- Arizona:
 - State Land Department
 - Dept of Transportation
 - Dept of Corrections
- Army National Guard – Camp Navajo

- Federal: US Forest Service
- US Naval Observatory

Future success in this program is dependent upon continued funding at the Federal level to ensure professional planning, an increased level of forest treatment implementation, and to continue cost share programs that pay for suppression actions.

Homeland Defense and Its Impact on the Flagstaff Police Department

The way law enforcement conducts business in this country was forever changed as a result of the terrorist attacks of September 11th. While the community of Flagstaff is considered relatively safe from such an attack, public safety agencies in the area cannot afford to remain complacent since Flagstaff is a regional hub.

The mission of the police in regards to homeland defense is extremely complex and requires considerable resources as the expectation is to both prevent and also to respond to such an event. Increased efforts in providing additional training, equipment, planning, gathering and sharing intelligence information, along with providing high profile patrols have been made a priority for the Flagstaff Police Department.

The following is a more detailed description of some of the tasks being conducted:

- One officer is assigned full time to work within the Joint Terrorism Task Force (J.T.T.F.) that is based out of the Flagstaff FBI Office. This task force tracks intelligence information on possible terrorist activity and following up on investigative leads. They also coordinate this information with other task forces in the state and across the nation.
- Officers spend additional time on security duties at many community functions including:
 - A more visible presence at City Council meetings
 - Conducting security sweeps of City Hall, City Court, and the Police Department on a routine basis.
- Additional training has been conducted in order to improve first responder capabilities.
- Considerable effort is being spent on regional emergency planning and preparation.
- Intensified patrols are being conducted at locations critical to the infrastructure of the community, including the City's Water Treatment Plants, major utility junctions, and the Airport.
- Public education on the topic of homeland defense and emergency preparation has increased.

Drug Cases and Probation at the Flagstaff Municipal Court

Last fiscal year the Flagstaff Municipal Court expanded their probation division with the addition of a probation officer. The need for this additional position was based upon three identified trends:

- Steadily increasing caseloads.
- Increased efficiency in filings
- Proposition 302 and changes in A.R.S. § 13-901.01.

The impact of adding the additional probation officer has been that the court has been able to maintain the ability to provide probation services that meet the expectations of legal requirements, defendants and judges. As case loads increased over the past year the Court has been able to handle the changes. While there are always changes in the law and the nature of the cases that the court sees, the Court has been able to handle those changes as they occur.

While no immediate changes appear to be on the horizon at this point, the Court finds that the overall increase in cases continues to be an issue.

Initial numbers from 2004 indicate that there is no lessening of the pressure for probation at the court and that the current level of services will need to be maintained.

Flagstaff Runway Extension Issues

As the City of Flagstaff looked to complete airport improvements cited in the 1991 Master Plan, the airline industry moved to the use of Regional Jet (RJ) aircraft as they are quiet and fuel efficient. They are the aircraft of choice to serve the link from small city to large hub, however due to weight and design considerations these aircraft, though smaller, require more runway for takeoff than the DC-9, 737 series of larger aircraft. America West and other airlines interested in serving the Flagstaff airport must have RJ aircraft capability.

The City needs to complete the required upgrades to accommodate the RJ aircraft that may expand the service area from Flagstaff to Phoenix and possibly also Denver, Salt Lake City and Los Angeles.

The City of Flagstaff has initiated two studies for the runway extension.

- A Cost/Benefit analysis
- An Environmental Assessment (EA)

Both the cost benefit analysis and the preliminary EA have had positive results. It is hoped to get the EA approved by the FAA this fall so the City can pursue grant funding that would allow the runway extension to start in the spring of 2005.

Parks and Recreation Program Reductions

The City Parks & Recreation program has experienced budget cuts starting with the FY2004 budget and the Murdock closure. One-time funding was provided for some of the primary weeklong programs during the summer of 2003. Provision of these programs last summer allowed for the Parks and Recreation division to give parents and guardians advanced notice of future elimination of the programs without creating an immediate hardship as they planned for the summer recess.

The FY05 budget reflects additional expense and revenue reductions related to the elimination of summer programs, the discontinuation of use of the McPherson Recreation Center for Parks and Recreation programming, and other program reductions.

The Therapeutic Recreation after-school and Special Olympics programs have been transferred to the Cogdill Recreation Center. Leisure learning programs, the teen night program, and other Therapeutic Recreation activities and events has been eliminated. The softball program has transitioned from using two officials per game to one per game.

Revenue Growth Strategies

For the last two years, the City has been evaluating areas to either implement new user fees or increase current user fees based on cost.

Changes made in FY 2004 include:

- Increased the Fire subscription service rate
- Increased some Parks & Recreation equipment and use fees
- Implemented the Stormwater Utility
- Increased easement and open/close fees at the Cemetery
- Implemented an indirect cost recovery rate for applicable federal grants
- Increased the square footage valuation for residential structures
- Implemented a DRB review fee
- Approved fees for Liquor license applications

Future considerations:

- City use tax
- Increase of the cable franchise fee
- Implementation of either an annual sales tax or business license fee

The City continues efforts to balance fee increases among various community sectors.

Visitor Center

In March of 2003 the Convention and Visitors Bureau assumed management of the Flagstaff Visitor Center. In

May, a Visitor Center Supervisor was hired and the transition has progressed smoothly. The renovation of the Visitor Center commenced at the beginning of the year and will be completed in May 2004. Visitation to the Center has risen and plans for the future include inviting the public to receptions for various events and spreading the word about the Visitor Center to businesses in Flagstaff and beyond!

Water Policy Development and Conservation

The City Council has identified water resource development and water conservation as priority issues. Addressing these Council concerns has continued through FY 04 and into FY 05.

Water resource development progress includes:

- Short-term – Evaluate the new water well drilled during FY 04 as water production is below expected levels. Productivity enhancement is being evaluated to determine if the well should be equipped. Additional water wells were approved as part of the 2004 bond program that went to the voters in May.
- Long-term – The Utilities Department continues to work with stakeholders and partners to evaluate opportunities for long-range water resource development such as groundwater and surface water importation. The 2004 City bond program received approval to sell up to \$15,000,000 in bonds for the procurement of water resources for future growth.

Water conservation efforts include:

- The plumbing fixture rebate program has been modified to include waterless urinals and dual flush toilets.
- The Water Commission has approved a turf reduction program
- The 2004 City bond program approved an upgrade of the Wildcat Hill Treatment Plant to enable it to produce class A+ reclaimed water. This will permit it to be connected to the Rio de Flag Plant reclaimed water system and provide additional integrity and supply to the City's reclaimed water system.
- SCA Tissue started testing their operation with reclaimed water the beginning of 2004. SCA Tissue is the City's second largest water customer and uses approximately 250,000 gallons per day year round.

Workforce Reduction and Development

Due to reduced revenues the City developed a workforce reduction and development program in an effort to provide sound financial management over the next two years by reducing or eliminating programs, minimizing the need to hire additional employees, and providing workforce development for current employees.

The goal was to reduce 20-30 positions over a two-year period without laying off employees and without implementing a traditional hiring freeze. Also \$50,000 was budgeted to fund training for individuals who were moving into new positions due to the elimination of their current position.

Through an extensive review process of all programs and positions, a list of 30 positions was identified for elimination. These positions were broken down into two priorities. Priority One list identified 22 positions for elimination and four of the 22 were identified to go in the second year. Priority Two positions were jobs that would not be eliminated unless financial conditions became even more critical.

Sixteen positions have been eliminated. Employees in those positions have either resigned or have been placed in other positions through workforce development. No employee has been laid off, and two administrative support positions and one facilities position have been restored.

2005 ISSUES

Brownfield Program

In 2002, President Bush signed the Small Business Liability Relief and Brownfields Revitalization Act defining a "brownfield site" as real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. This legislation strengthens the Environmental Protection Agency's Brownfields Program and empowers states, communities, and other stakeholders in economic redevelopment to work together to prevent, assess, safely clean up, and sustainably reuse brownfields. The EPA Program provides grant opportunities to assist in the redevelopment process and offers revolving loan fund grants to local communities. Numerous tax incentives are also available to qualifying entities.

Flagstaff has multiple properties that qualify as brownfield sites. Redevelopment of these properties is sometimes delayed because of fear of contamination or the costs of clean up. The City could provide clean up assistance by researching and applying for grants through EPA's program or by providing technical assistance and serving as a liaison between the owner or developer and city departments. Cities across the state have developed their own Brownfield Programs to take full advantage of federal and state assistance and grant funding.

The Brownfield Program has been approved for FY 2005 and will be funded through the current Environmental Management Program fee. The Brownfield Program includes two new full-time employees: a program coordinator and a technician. The Brownfield Program Coordinator would work very closely with other City

programs, including the Redevelopment Planning, Housing, Real Estate, and Development Review. The main goal of the Brownfield Program would be to identify qualifying parcels and get them cleaned up and ready for redevelopment, either by applying for grants and cleaning the property up ourselves, or by assisting property owners or developers in applying for their own grants.

Waste Tire Collection Program

The Coconino County Highway Department manages a waste tire collection program, which is funded through the Arizona Department of Environmental Quality's Waste Tire Recycling Fund. Tires from throughout the County are collected and stored at the County's tire collection yard. The County contracts with a private hauler to transport the tires to Phoenix for a variety of recycling processes. The majority of the funds provided for this program, approximately \$220,000 per year, are for the expenses of transportation and processing.

Due to increasing costs for transportation and waste tire processing, the funds available to the County for operations has been limited. Operating hours for the collection yard have been reduced to one day per week resulting in increased illegal dumping in the forest and at the Cinder Lake Landfill.

The Environmental Services Division has been researching the use of tire shreds as an alternative daily cover at the Landfill for several years and has received approval in the Landfill's operating permit for this process. The use of alternative daily cover has been very successful in conserving soil for long-term needs at the Landfill.

Environmental Services staff has had preliminary discussions with County representatives on the possibility of transferring the Waste Tire Collection Program to the Cinder Lake Landfill.

Landfill staff is in the process of evaluating the replacement of the Landfill's industrial wood waste grinder. This unit is now ten years old and has proven to be inadequate in dealing with large volumes of materials and stumps. There are units available that are capable of grinding wood waste and shredding tires.

The Landfill currently operates on a seven-day-a-week schedule and could offer waste tire disposal service on a more frequent basis. Through the formation of an IGA with the County, the funds collected by the County from the tire recycling fund would be passed through to the Environmental Services Division to cover the costs of operations and the lease/purchase of the machine.

Stormwater Management

In July 2003, the City began a stormwater utility as an enterprise-fund. 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 next primary program priority is to conduct a stormwater master planning effort for the City. This effort would identify the components of the existing storm sewer system, as well as the status of these components. The effort would identify the needs for improvements or additions to the existing system. These needs would be communicated to the citizens of Flagstaff through public meetings and subsequently prioritized on a cost-benefit basis. During the effort, any outfalls to the public storm sewer system could be identified and mapped. This is a specific requirement of the NPDES permit. Additionally, observations of any illicit discharges could be recorded and remedied which is also a specific requirement within the NPDES permit.

An additional priority is to respond to the development community's request to bill undeveloped land within the City, as well as their request to establish a sliding stormwater utility fee schedule in lieu of the currently proposed system of credits. The City does not currently have all the data necessary, or in an accessible format to successfully implement a sliding fee schedule. There is also a legal question regarding this proposal as it would be very difficult to relate a sliding fee schedule to the cost of service provided. There are also problems regarding the idea of billing undeveloped land.

The focus in the short-term for the Stormwater Program will therefore be:

1. A stormwater master plan for the City with an estimated cost of \$350,000,
2. Resolution of the development community's request to bill undeveloped land as well as establishment of a sliding fee schedule,
3. Drafting two ordinances required by the NPDES permit, including public meetings on the draft ordinances.

Intergovernmental Agreement for Technology Services at the LEAF

The City of Flagstaff is looking to enter into an Intergovernmental Agreement (IGA) with Coconino County through the Sheriffs Office to provide Technology Services at the LEAF. A centralization of technology services better suits the needs of each agency as the County is handling the overall management of the system.

In 2002 the Police Department moved the supervision of two IS technicians to the Network Systems Manager for the Sheriffs Office, even though they remained City

employees. Additional examination led to the conclusion that the technology needs of the Police Department were much greater than the contribution of resources. Further discussions determined that centralized technology services better suited both agencies, as it would more fairly distribute the cost basis for all users. Additionally, this separation of duties allowed the Communication Manager to focus efforts within the dispatch center to improve overall customer service.

The proposed IGA provides for these services:

- Managing and supporting Network Systems, Law Enforcement Software and other software for CCSO, FPD, Jail, Williams P.D., and NAUPD.
- Managing and supporting Radio Systems for CCSO, FPD, Jail, and NAUPD.
- Managing and supporting Telephone Systems for CCSO, Jail, and FPD.

The IGA calls for the two current City FTE's to be transferred to the County. The IGA also calls for the addition of a CAD/MAP System Specialist to maintaining the CAD and Map, giving additional relief to the Communication Manager. This will eventually eliminate support from Intergraph Public Service for map rolls and upgrades.

The total cost to the City is approximately \$293,000, which is offset by approximately \$102,000 due to the transfer of the two IS staff members to the County. The total new cost for this IGA is approximately \$191,000.

Coconino County Library District

In order to improve library funding distribution methods, the Coconino County Board of Supervisors hired Corbus Library Consultants in 1996 to provide a library tax allocation study. Based on the recommendations received in that report, the Coconino Library Council was formed as a means to maintain active communication in the varied facets of Library management including fund distribution. The Council allows the County libraries a measure of self-direction in deciding the best means of providing service to the citizens of Coconino County.

The Library Council has representation from 12 library locale's throughout Coconino County, including the reservation.

The Library Council has established a formula in order to keep funding equitable. Funds are currently distributed based on statistics concerning:

- # circulated materials
- # reference questions
- # people entering the building
- # people with library cards
- # population of the community

In addition, the Ashfork Public Library receives \$10,000 per year, as almost 40% of their patrons are Coconino County residents.

Most of the libraries in the County are quite small, with staffs of one or two people so the Flagstaff City – Coconino County Public Library provides assistance in a variety of ways including purchasing various operating supplies and library materials in a variety of formats; providing a leadership role by supplying assistance and guidance in the operation of library services and policy issues; and, providing opportunities for training and to attend meetings and workshops.

In 1997, a centralized information services position was created to provide training and technical support to all libraries in the County for automation. The Library Council has set aside \$300,000 for automation replacement and will continue to accumulate \$80,000 a year. Each library has identified automation needs.

It is anticipated to renew the Memorandum of Understanding among the Coconino County libraries in 2006 to continue to foster a very successful partnership.

East Flagstaff Community Library and Americans with Disabilities Act Compliance

The Federal Department of Justice requires that the City of Flagstaff operate each program, service, or activity so that, when viewed in its entirety, it is readily accessible to and usable by individuals with disabilities.

During its program access review, staff from the Department of Justice determined that the public restrooms in the main branch of the Flagstaff City – Coconino County Public Library are not in compliance with current ADA regulations. Although remodeling of these restrooms is scheduled to begin in the summer of 2004, there is not enough space to make them completely ADA compliant without displacing the circulation workroom.

The East Flagstaff Community Library, which is a newer facility, does meet ADA regulations. It was determined by the Department of Justice that if both libraries were open to the public a similar number of hours, that would be an acceptable compliance for accessibility standards.

In order to meet these ADA standards, the East Flagstaff Community Library, which is currently closed two days a week, will be open all day on Fridays and Saturdays beginning July 1, 2004. The estimated cost to do this is approximately \$42,000 per year. The hours at the main library will not change.

Housing – Proposed Work Program Expansion

The Flagstaff City Council created the Housing Section in 1993 and is currently staffed with two full time positions.

The current work program includes:

- Administration of the CDBG program
- Technical assistance
- Design and/or implementation of affordable housing programs within available funding
- Providing information to the community and City Council as requested on affordable housing issues
- Facilitating public participation in the creation of numerous community planning documents.

With the addition of staff, programs could be expanded and enhanced to include:

- Creation of housing options for Flagstaff's working population (middle income), thereby ensuring the economic viability of the community
- Special projects including the creation of new housing programs to address issues related to:
 - Land Trust
 - Employer Assisted Housing
 - Senior housing programs
 - Transitional housing development
- Cultivation of private/public partnership opportunities
- Staffing of city-wide housing programs incorporation study
- Additional funding identification and diversification
- Promotion of the existing City of Flagstaff set-aside policy to the private development community
- Housing Policy analysis, development and implementation
- Intergovernmental relations and new community collaborations
- Publicity and community education

Through Council support the City's participation in affordable housing efforts could be enhanced with a staff addition. This direction has been supported and will be pursued in FY 2005.

Judicial Work Load at the Flagstaff Municipal Court

During the last several years judicial work load and accompanying paperwork has increased as evidenced by:

- In 1995 the case load was at 17,856 filed, in 2003 21,004 cases filed, an 18% increase.
- In 1995 DUI filings totaled 1,086 and in 2003 there were 2,396, a 120% increase.
- In 1995 a total of 202 domestic violence petitions were filed for injunctions prohibiting harassment and orders of protection combined. In 2003 a total of 645 petitions were filed along with an increase in the number of hearings that accompany them, an increase of 319%.

It is anticipated that the trend will continue and may accelerate due to these recent events:

- The legislature increased DUI fines by \$500 to \$1500 that will cause more of these cases to go to trial rather than be settled by plea agreement.

- A 30% increase in serious felony case filings at the County accelerates the number of felony cases referred to the Municipal Court as misdemeanors. Due to the serious nature of these offenses a trial generally results.

To date, these increases have been managed by applying modern case management procedures, modifying operations where appropriate, and using automation when available. Also, all parties in the criminal justice system strive to streamline the entire process. These joint efforts include consolidation of operations (warrants, administration, training, automation, interpreters, etc.) and ongoing efforts to streamline the process, most notably with the current efforts in disposition reporting and integration of computer systems allowing for direct transfer of criminal justice data

These efficiencies have taken the Court a long way however at some point the Court must increase their overall capacity to deal with case loads and be able to maintain legally required processes within appropriate time lines.

Some solutions include:

- Creating specialized courts including a joint DV court with other courts in the area and a City/Courty DUI court that would work with the current drug court program by focusing specifically on DUIs in limited jurisdiction courts.
- Work with all members of the criminal justice community in an analysis and re-engineering of various aspects regarding the flow of criminal cases in the system with a focus on limited jurisdiction courts.
- Expanding Court operations with the addition of a full time magistrate and support staff to handle the increase in the criminal caseload.

The Court would like to plan proactively to handle the expanding workload. Longer term solutions will need to be an ongoing part of the court's planning for the future and near term we will continue with the efforts to make the criminal justice system in our community the most effective and efficient possible.

Human Resources Reorganization

Human Resources will need to restructure in order to address and assist the City with new challenges, specifically, succession planning/transition, service consolidation, reorganization, and meet and confer.

The two new functions that emerge out of these issues are organizational development and meet and confer.

Approximately 20% of City management and supervisors will be retiring within the next five years requiring succession planning, reorganizing, and the development of transition plans. This transition requires workforce

planning and enhanced communication so that remaining employees do not feel they will be burdened with extra work. At the same time, there is the opportunity to determine which functions and/or services can be consolidated within or outside the City in an effort to be more efficient and cost effective.

Due to Council mandate the City is developing a meet and confer ordinance. Human Resources will manage the process to ensure all parties are complying with the ordinance, complete cost analyses, participate in negotiations, complete Memorandums of Understanding (MOUs), ensure all parties comply with the MOUs, and assist in the election process for those individuals that want to organize by determining who may or may not participate.

The envisioned restructuring would redirect the efforts of the Human Resources Director to become responsible for the leadership of the workforce planning process and provide leadership to the meet and confer process, including participation in the negotiations. This position would continue to be responsible for providing leadership to the Human Resources Division as well as serving as the Affirmative Action Officer (EEO/AA), chair to the Customer Service Committee, member of the Budget Committee, and liaison to the EAC and Diversity Awareness Commission. When needed will also serve as the liaison to the Disabilities Awareness Commission.

The Human Resource Analyst position would increase to 1.00 FTE from 0.75 with a title change to Human Resources Operational Manager. This position would become responsible for the many of the day-to-day operations of Human Resources and supervisory responsibility for several positions.

One FTE would be added to support the meet and confer process, the OD or workforce planning process, employee relations, and support various classification and compensation analyses.

Organization Review

Over the last several years, the City, as an organization, has added various programs to meet new and changing goals of the Council and community. Examples of this are: recycling, conservation education, redevelopment, housing, CDBG entitlement administration, large-scale capital improvements projects, City-County collaborations, and water conservation. As an organization, there has not been a comprehensive examination on how these programs align with departmental responsibilities and Council goals. Through the organization review process, a comprehensive review with employees will be accomplished.

Additionally, the City will be experiencing a large number of retirements in critical positions. A key component of organization review will be working with the Human

Resources Division to: 1) develop plans that will ensure a seamless transition as personnel change; and 2) assure the community that department functions are met.

Given new programs and changes to existing programs, along with the need to prepare succession plans, a comprehensive review of the current organizational structure is warranted.

During FY 03-04, a framework for organizational structure changes was outlined to Council and employees. The focus of the effort this next fiscal year (FY 04-05) will be establishing processes to make further recommendations to the City Manager. Separate employee transition teams will be established to perform two basic functions. The first is to work with employees and supervisors in the affected divisions to develop a process to gather and distill employee input into proposed changes where review indicates changes are warranted. The second main function is to develop and implement a communications plan so that employees are constantly informed as to the status of various organizational analysis and proposals. This step is critical since organizational changes can create uncertainty, and through constant communication, this can be minimized.

Additional benefits to this process may include improved communication between departments, the ability to create more diversity, and the ability to strengthen programs with a high community value including development services and housing and neighborhood planning.

The City will establish the necessary transition teams to create a process to review and make organizational structural changes per Council direction.

Succession Planning

Succession planning or workforce planning refers to making provisions for a continuing supply of talent to meet the organizational needs as well as community goals. As approximately 20% of City management and supervisors will be retiring within the next five years, the City is initiating succession planning, reorganizing and developing transition plans in an effort to capitalize on the talents and skills of current employees who are not leaving, retaining the institutional history of employees that are planning to retire, and determining when new employees need to be hired. This type of transition requires workforce planning and more communication so that remaining employees do not feel they will be burdened with extra work. It is also important to ensure that those retiring do feel they are being pushed out since we cannot assume that everyone will retire when they become eligible. At the same time, there is the opportunity to determine which functions and/or services can be consolidated within or outside the City in an effort to be more efficient and cost effective. Again, all this

requires a concerted effort to communicate with all employees.

In order to address these new challenges the U.S. General Accounting Office (GAO) identifies five essential elements for a successful workforce planning effort that will benefit the City:

1. Involve top management and employees in developing, communicating and implementing a strategic workforce plan.
2. Determine the critical skills and competencies that will be needed to achieve future programmatic results.
3. Develop strategies tailored to address gaps and human capital conditions in critical skills and competencies that need attention.
4. Build the capability needed to address administrative and educational requirements to support workforce planning.
5. Monitor and evaluate progress toward human capital goals and the contribution that human capital results have made.

Workforce planning will not be easy or painless, but is necessary to address the challenges of the future.

Rural Policy Institute

Many rural areas share concerns related to high poverty, low-income levels, poor access to quality health care, inadequate transportation infrastructure, and limited high-technology communication capability. Further, rural interests often are fragmented and unprepared to analyze and significantly influence policies being discussed at state or national levels that will affect the quality of life and well-being of rural people and local public and private institutions.

Rural Arizona shares in these problems. The state is one of the most urbanized in the country and the rural population is dispersed widely over an extensive geographic area. The provision of social services is difficult, economic development strategies are challenging, and articulating the rural position on issues is daunting.

A new set of institutions is emerging across the country in response to these problems. They are centers that focus on the rural setting but gather information, conduct research and provide policy analysis across the full range of issues confronting rural America.

A Rural Policy Institute (RPI) for Arizona is proposed to meet this need. The proposed Institute would focus exclusively on rural Arizona (including its tribal lands) with a scope that would encompass all relevant subject matter areas. Its mission would be to assist in improving the quality of life in rural Arizona by conducting policy analysis and research that are of interest and concern to rural Arizonans.

The proposed RPI would be hosted by a university, providing access to the expertise of faculty from a range of disciplines to address policy-related issues. The RPI will be staffed partly by full-time professionals and support staff, and partly by others assigned to work with the institute on a part-time basis. Also, an Advisory Board should be established to guide the RPI in addressing important policy issues and to help secure needed support from various sources.

The budget for the proposed RPI is projected to total approximately \$292,000 in the Institute's first year, growing to nearly \$475,000 by Year 5 as the RPI's work expands. In addition, the RPI would take on policy-related research projects on a fee-for-service basis, with such fees covering the costs of those studies as well as contributing to the overall operation of the Institute. Several organizations have been identified as potential sources of operating funds for the RPI. These include various government agencies and programs, charitable foundations, and sponsorships by private firms.

It is recommended the Mayor and Council, as members of the Alliance of the Second Century, continue to actively support and pursue the establishment of the Rural Policy Institute at Northern Arizona University.

CITY OF FLAGSTAFF
 SUMMARY SCHEDULE OF ESTIMATED REVENUES AND EXPENDITURES/EXPENSES
 FISCAL YEAR 2004-2005

	UNRESERVED FUND BALANCE/ RETAINED EARNINGS AT 7/1/2004	ESTIMATED REVENUES AND OTHER FINANCING SOURCES 2004-2005	INTERFUND TRANSFERS 2004-2005		TOTAL FINANCIAL RESOURCES AVAILABLE 2004-2005	OPERATIONS	CAPITAL OUTLAY (EQUIP/CIP)	DEBT SERVICE	RESERVES/ CONTINGENCIES	TOTAL APPROPRIATIONS 2004-2005	FUND BALANCE 6/30/2005
			IN	OUT							
General Fund	\$ 20,074,118	37,099,496	3,634,442	(14,469,158)	46,338,898	36,258,375	3,414,366	464,839	650,000	40,787,580	5,551,318
Special Revenue Funds:											
Library	571,968	2,762,062	1,174,937	(250,000)	4,258,967	3,684,764	348,394	-	100,000	4,133,158	125,809
Highway User Revenue	4,813,394	12,027,603	12,701,785	(145,000)	29,397,782	4,535,346	20,717,044	2,398,096	100,000	27,750,486	1,647,296
Transportation	23,006,476	10,002,146	250,000	(9,756,689)	23,501,933	2,267,779	15,387,200	2,041,600	-	19,696,579	3,805,354
Beautification	2,122,547	2,026,001	1,110,000	(617,201)	4,641,347	106,154	4,468,775	-	10,000	4,584,929	56,418
Economic Development	208,562	383,716	65,000	-	657,278	459,400	-	-	25,000	484,400	172,878
Tourism	400,598	1,279,000	-	(6,238)	1,673,360	1,390,728	70,000	-	50,000	1,510,728	162,632
Arts & Science	183,049	308,927	35,000	-	526,976	409,706	-	-	10,000	419,706	107,270
Recreation-BBB	3,160,987	2,247,382	262,924	(1,458,339)	4,212,954	33,000	4,048,940	-	-	4,081,940	131,014
Real Estate Proceeds	905,994	26,350	-	-	932,344	-	675,900	-	-	675,900	256,444
Comm Redevelopment	1,388,527	2,594,891	375,400	-	4,358,818	4,317,814	-	-	-	4,317,814	41,004
Metro Planning Org	-	711,700	15,000	-	726,700	526,700	-	-	200,000	726,700	-
Debt Service Funds:											
G.O. Bond Fund	11,823	300	1,767,046	-	1,779,169	-	-	1,767,046	-	1,767,046	12,123
Sec. Property Tax	1,023,685	4,707,197	-	(4,022,820)	1,708,062	-	-	-	-	-	1,708,062
Special Assessment	434,396	235,428	-	-	669,824	400	-	298,998	-	299,398	370,426
Permanent Funds:											
Perpetual Care	25,420	13,069	-	-	38,489	-	-	-	-	-	38,489
Capital Projects Funds:											
Capital Projects Bond	-	3,797,539	-	-	3,797,539	-	3,797,539	-	-	3,797,539	-
Enterprise Funds:											
Water and Wastewater											
Operating	23,449,764	20,138,115	17,122,790	(2,398,096)	58,312,573	11,015,638	26,753,164	3,878,328	2,200,000	43,847,130	14,465,443
Bonds	-	29,800,000	-	(14,724,694)	15,075,306	-	-	-	-	-	15,075,306
Airport											
Operating	4,629	12,389,636	848,864	-	13,243,129	1,208,166	11,432,165	598,938	-	13,239,269	3,860
Airpark Proceeds	396,984	6,000	-	(114,000)	288,984	-	-	-	-	-	288,984
Environmental Services	4,800,250	12,618,947	15,000	(4,678)	17,429,519	7,113,073	2,350,385	-	4,690,000	14,153,458	3,276,061
Stormwater Utility	122,316	546,458	8,650,725	(62,000)	9,257,499	912,466	8,317,670	-	10,000	9,240,136	17,363
Fiduciary Funds:											
Firemen's Pension	219,085	4,000	-	-	223,085	7,200	-	-	-	7,200	215,885
TOTAL ALL FUNDS	\$ 87,324,572	155,725,963	48,028,913	(48,028,913)	243,050,535	74,246,709	101,781,542	11,447,845	8,045,000	195,521,096	47,529,439

Schedule 2: Tax Levy

CITY OF FLAGSTAFF
EXPENDITURE LIMITATION
AND
TAX LEVY INFORMATION
FISCAL YEAR 2004-2005

	<u>ESTIMATED FY 2003-2004</u>	<u>FY 2004-2005</u>
Expenditure Limitation [Economic Estimates Commission]		<u>\$ 74,963,318</u>
Total Estimated Expenditures Subject to Expenditure Limitation		
1. Maximum Allowable Primary Property Tax Levy [ARS 42-17051.A]	<u>\$ 8,347,205</u>	<u>\$ 8,899,503</u>
2. Amount Received from Primary Property Taxation in FY 2003-2004 in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy [ARS 42-17102.A.18]	<u>\$ -0-</u>	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	\$ 3,347,106	\$ 3,577,969
B. Secondary Property Taxes	4,550,192	4,686,697
C. Total Property Tax Levy Amount	<u>\$ 7,897,298</u>	<u>\$ 8,264,666</u>
4. Property Taxes Collected (Estimated)		
A. Primary Property Taxes:		
(1) FY 2003-2004 Levy	\$ 3,261,616	
(2) Prior Years' Levies	-0-	
(3) Total Primary Property Taxes Collected	<u>3,261,616</u>	
B. Secondary Property Taxes:		
(1) FY 2003-2004 Levy	4,550,192	
(2) Prior Years' Levies	-0-	
(3) Total Secondary Property Taxes Collected	<u>4,550,192</u>	
C. Total Property Taxes Collected	<u>\$ 7,811,808</u>	
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	<u>1.7127</u>	<u>1.7127</u>
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 Other Than Property Taxes

CITY OF FLAGSTAFF
SUMMARY BY FUND OF REVENUES OTHER THAN PROPERTY TAXES
FISCAL YEARS 2004 AND 2005
(WITH ACTUALS FOR FISCAL YEAR 2003)

SOURCE OF REVENUES	ACTUAL REVENUES 2002-2003	BUDGETED REVENUES 2003-2004	ESTIMATED ACTUAL REVENUES 2003-2004	BUDGETED REVENUES 2004-2005	CHANGE (BUDG-BUDG)	% CHANGE
GENERAL FUND						
Local taxes						
City Sales Tax	\$ 11,413,503	11,986,160	12,398,897	12,821,504	835,344	6.97%
Franchise Tax	1,783,098	1,879,725	1,990,000	2,000,000	120,275	6.40%
Licenses and permits						
Business Licenses	31,055	35,490	35,490	37,265	1,775	5.00%
Building Permits	1,975,518	1,593,936	1,993,936	1,717,693	123,757	7.76%
Other Licenses and permits	372,156	141,640	222,100	231,250	89,610	63.27%
Intergovernmental revenues						
State Income Tax Sharing	5,557,918	4,773,961	4,773,961	4,868,513	94,552	1.98%
State Shared Sales Tax	4,136,724	4,184,644	4,400,000	4,567,421	382,777	9.15%
County Vehicle License Tax	2,378,467	1,901,911	1,901,911	2,014,949	113,038	5.94%
Federal Grants	577,579	681,707	794,483	625,870	(55,837)	-8.19%
State Grants	364,514	579,530	309,901	296,453	(283,077)	-48.85%
Charges for services						
General Government	275,694	152,250	201,885	211,980	59,730	39.23%
Parks & Recreation	590,534	553,875	523,805	554,330	455	0.08%
Public Safety	743,738	901,536	854,033	898,337	(3,199)	-0.35%
Cemetery	114,130	116,850	116,850	122,693	5,843	5.00%
Fines and forfeits	1,181,019	1,071,358	973,437	971,733	(99,625)	-9.30%
Interest on investments	421,779	418,746	418,746	499,315	80,569	19.24%
Miscellaneous revenues	2,155,587	992,766	1,176,799	1,189,560	196,794	19.82%
Total General Fund	34,073,013	31,966,085	33,086,234	33,628,866	1,662,781	5.20%
SPECIAL REVENUE FUNDS						
LIBRARY FUND						
Intergovernmental revenues						
State Grants	54,328	-	26,537	82,300	82,300	0.00%
County Aid	1,607,306	2,460,151	2,277,590	2,629,762	169,611	6.89%
Interest on investments	18,084	21,000	21,000	21,000	-	0.00%
Miscellaneous revenues	17,747	29,000	29,000	29,000	-	0.00%
Total Library Fund	1,697,465	2,510,151	2,354,127	2,762,062	251,911	10.04%
HIGHWAY USER REVENUE FUND						
Intergovernmental revenues						
Federal Grants	850,000	1,580,000	35,655	2,938,096	1,358,096	85.96%
Highway User Tax	7,408,116	7,800,000	6,800,000	6,995,000	(805,000)	-10.32%
Local Transportation Assistance Funds	315,026	300,246	300,246	300,246	-	0.00%
Interest on investments	211,535	20,000	60,000	33,000	13,000	65.00%
Miscellaneous revenues	61,863	1,761,261	41,261	1,761,261	-	0.00%
Total Highway User Revenue Fund	8,846,540	11,461,507	7,237,162	12,027,603	566,096	4.94%

Schedule 3: Revenues Other Than Property Taxes

SOURCE OF REVENUES	ACTUAL	BUDGETED	ESTIMATED	BUDGETED	CHANGE (BUDG-BUDG)	% CHANGE
	REVENUES 2002-2003	REVENUES 2003-2004	ACTUAL REVENUES 2003-2004	REVENUES 2004-2005		
TRANSPORTATION FUND						
Transportation Tax	\$ 6,499,636	7,050,874	7,050,875	7,227,146	176,272	2.50%
Interest on Investments	81,773	1,364,000	159,000	575,000		
Miscellaneous revenues	(30,486)	-	-	2,200,000		
Total Transportation Fund	6,550,923	8,414,874	7,209,875	10,002,146	176,272	2.09%
BEAUTIFICATION FUND						
Intergovernmental revenues						
State Grants	92,832	1,100,000	85,000	1,186,700	86,700	7.88%
BBB Tax	765,395	771,458	779,904	799,401	27,943	3.62%
Interest on investments	31,302	20,000	36,000	36,900	16,900	84.50%
Miscellaneous revenues	(11,722)	113,000	86,162	3,000	(110,000)	-97.35%
Total Beautification Fund	877,807	2,004,458	987,066	2,026,001	21,543	1.07%
ECONOMIC DEVELOPMENT FUND						
BBB Tax	363,563	366,442	370,454	379,716	13,274	3.62%
Interest on investments	2,061	1,339	4,248	4,000	2,661	198.73%
Total Economic Development Fund	365,624	367,781	374,702	383,716	15,935	4.33%
TOURISM FUND						
Intergovernmental revenues						
State Grants	-	15,000	-	-	(15,000)	-100.00%
BBB Tax	1,148,092	1,157,186	1,169,855	1,199,102	41,916	3.62%
Retail Sales	5,179	-	12,000	20,000		
Interest on investments	19,696	38,577	17,704	20,000	(18,577)	-48.16%
Miscellaneous revenues	51,477	67,065	74,973	39,898	(27,167)	-40.51%
Total Tourism Fund	1,224,444	1,277,828	1,274,532	1,279,000	(18,828)	-1.47%
ARTS AND SCIENCE FUND						
BBB Tax	287,023	289,297	292,464	299,775	10,478	3.62%
Interest on investments	2,775	8,251	6,590	9,152	901	10.92%
Miscellaneous revenues	(1,418)	-	-	-	-	0.00%
Total Arts and Science Fund	288,380	297,548	299,054	308,927	10,478	3.52%
RECREATION-BBB FUND						
Intergovernmental revenues						
State Grants	632,246	550,000	-	869,000	319,000	58.00%
BBB Tax	1,262,902	1,300,911	1,283,105	1,315,182	14,271	1.10%
Interest on investments	83,354	62,000	68,000	63,200	1,200	1.94%
Miscellaneous revenues	(128,712)	-	-	-	-	0.00%
Total Recreation-BBB Fund	1,849,790	1,912,911	1,351,105	2,247,382	334,471	17.48%
REAL ESTATE PROCEED FUND						
Interest on investments	38,337	30,350	30,350	26,350	(4,000)	-13.18%
Miscellaneous revenues	(16,537)	297,000	14,297	-	(297,000)	-100.00%
Total Real Estate Proceeds Fund	21,800	327,350	44,647	26,350	(301,000)	-91.95%
COMMUNITY REDEVELOPMENT FUND						
Intergovernmental revenues						
Federal Grants	645,214	1,163,261	400,785	1,528,957	365,696	31.44%
State Grants	-	300,000	-	663,880	-	
Interest on investments	2,979	1,500	6,000	-	(1,500)	-100.00%
Miscellaneous revenues	153,778	1,946	735,906	402,054	400,108	20560.53%
Total Community Redevelopment Fund	801,971	1,466,707	1,142,691	2,594,891	764,304	52.11%

Schedule 3: Revenues Other Than Property Taxes

SOURCE OF REVENUES	ACTUAL REVENUES 2002-2003	BUDGETED REVENUES 2003-2004	ESTIMATED ACTUAL REVENUES 2003-2004	BUDGETED REVENUES 2004-2005	CHANGE (BUDG-BUDG)	% CHANGE
METRO PLANNING ORGANIZATION FUND						
Intergovernmental revenues						
Federal Grants	\$ 315,892	298,126	325,396	711,700	413,574	138.72%
Miscellaneous revenues	-	-	71,250	-	-	
Total Metro Planning Organization Fund	315,892	298,126	396,646	711,700	413,574	138.72%
TOTAL SPECIAL REVENUE FUNDS	22,840,636	30,339,241	22,671,607	34,369,778	2,234,756	7.37%
DEBT SERVICE FUNDS						
GENERAL OBLIGATION BONDS FUND						
Interest on investments	63	300	300	300	-	0.00%
Total G. O. Bond Fund	63	300	300	300	-	0.00%
SECONDARY PROPERTY TAX FUND						
Interest on investments	2,284	7,200	4,400	20,500	13,300	184.72%
Total Secondary Property Tax Fund	2,284	7,200	4,400	20,500	13,300	184.72%
SPECIAL ASSESSMENT BONDS						
Interest on investments	82,124	30,197	37,906	22,543	(7,654)	-25.35%
Miscellaneous revenues	357,303	203,214	204,516	212,885	9,671	4.76%
Total Special Assessment Bonds	439,427	233,411	242,422	235,428	2,017	0.86%
TOTAL DEBT SERVICE FUNDS	441,774	240,911	247,122	256,228	15,317	6.36%
PERMENANT FUNDS						
PERPETUAL CARE FUND						
Contributions	7,435	-	12,617	12,869	12,869	0.00%
Interest on investments	187	-	196	200	200	0.00%
Total Perpetual Care Fund	7,622	-	12,813	13,069	13,069	0.00%
TOTAL PERMENANT FUNDS	7,622	-	12,813	13,069	13,069	0.00%
ENTERPRISE FUNDS						
WATER AND WASTEWATER FUND						
OPERATING FUND						
Intergovernmental revenues						
State Grants	425	10,000	3,000	321,575	311,575	3115.75%
Water Revenues	11,252,282	11,552,112	11,640,350	11,583,130	31,018	0.27%
Sewer Revenues	7,601,981	7,231,596	7,320,540	7,647,410	415,814	5.75%
Interest on Investments	155,117	722,000	575,000	586,000	(136,000)	-18.84%
Miscellaneous revenues	(57,749)	-	(12,313)	-	-	0.00%
Total Water and Wastewater Fund	18,952,056	19,515,708	19,526,577	20,138,115	622,407	3.19%

Schedule 3: Revenues Other Than Property Taxes

SOURCE OF REVENUES	ACTUAL	BUDGETED	ESTIMATED	BUDGETED	CHANGE (BUDG-BUDG)	% CHANGE
	REVENUES 2002-2003	REVENUES 2003-2004	REVENUES 2003-2004	REVENUES 2004-2005		
AIRPORT FUND						
OPERATING FUND						
Intergovernmental revenues						
Federal Grants	4,317,435	2,084,389	1,156,129	7,136,773	5,052,384	242.39%
State Grants	211,935	102,319	56,753	1,395,467	1,293,148	1263.84%
Airport Revenues	919,915	1,008,732	961,192	1,038,122	29,390	2.91%
Interest on investments	5,846	-	300	-	-	0.00%
Miscellaneous revenues	(328)	99,261	40,765	302,817	203,556	205.07%
AIRPARK FUND						
Interest on investments	8,006	5,900	7,000	6,000	100	1.69%
Miscellaneous revenues	(4,207)	-	-	-	-	0.00%
Total Airport Fund	5,458,602	3,300,601	2,222,139	9,879,179	6,578,578	199.31%
ENVIRONMENTAL SERVICES FUND						
Intergovernmental revenues						
State Grants	48,813	-	-	-	-	0.00%
Environmental Services Revenues	7,680,008	7,721,424	7,967,972	8,106,947	385,523	4.99%
Interest on investments	(51,129)	108,000	170,920	162,000	54,000	50.00%
Miscellaneous revenues	2,453	80,474	99,179	-	(80,474)	-100.00%
Total Environmental Services Fund	7,680,145	7,909,898	8,238,071	8,268,947	359,049	4.54%
STORMWATER UTILITY						
Intergovernmental revenues						
State Grants	-	-	25,000	-	-	0.00%
Stormwater Utility Revenues	-	507,000	483,050	511,000	4,000	0.79%
Charges for Services	-	30,000	45,260	32,400	2,400	8.00%
Interest on investments	-	2,000	551	3,058	1,058	52.90%
Total Stormwater Utility Fund	-	539,000	553,861	546,458	7,458	1.38%
TOTAL ENTERPRISE FUNDS	32,090,803	31,265,207	30,540,648	38,832,699	7,567,492	24.20%
FIDUCIARY FUNDS						
VOLUNTEER FIREMEN'S PENSION FUND						
Interest on investments	4,630	4,800	4,400	4,000	(800)	-16.67%
Miscellaneous revenues	(2,333)	-	156	-	-	0.00%
Total Volunteer Firemen's Pension Fund	2,297	4,800	4,556	4,000	(800)	-16.67%
TOTAL FIDUCIARY FUNDS	2,297	4,800	4,556	4,000	(800)	-16.67%
TOTAL REVENUES	\$ 89,456,145	93,816,244	86,562,980	107,104,640	11,492,615	12.25%

Schedule 4: Transfers and Proceeds from Other Sources

CITY OF FLAGSTAFF
 SUMMARY BY FUNDING OF OTHER FINANCING SOURCES
 AND INTERFUND TRANSFERS
 FISCAL YEAR 2004-2005

FUND	PROCEEDS FROM		
	OTHER FINANCING SOURCES	INTERFUND TRANSFERS IN	OUT
GENERAL FUND	\$ -	3,634,442	14,469,158
SPECIAL REVENUE FUNDS			
Library Fund	-	1,174,937	250,000
Highway User Revenue Fund	-	12,701,785	145,000
Transportation Fund	-	250,000	9,756,689
Beautification Fund	-	1,110,000	617,201
Economic Development	-	65,000	-
Tourism Fund	-	-	6,238
Arts and Science Fund	-	35,000	-
Recreation-BBB Fund	-	262,924	1,458,339
Community Redevelopment Fund	-	375,400	-
MPO	-	15,000	-
Total Special Revenue Funds	<u>-</u>	<u>15,990,046</u>	<u>12,233,467</u>
DEBT SERVICE FUNDS			
G.O. Bond Fund	-	1,767,046	-
Secondary Property Tax Fund	-	-	4,022,820
Total Debt Service Funds	<u>-</u>	<u>1,767,046</u>	<u>4,022,820</u>
CAPITAL PROJECTS FUNDS			
Capital Projects Bond Fund	<u>3,797,539</u>	<u>-</u>	<u>-</u>
Total Capital Projects Funds	<u>3,797,539</u>	<u>-</u>	<u>-</u>
ENTERPRISE FUNDS			
Water and Wastewater Fund	-	17,122,790	2,398,096
Water and Sewer Bond Fund	29,800,000	-	14,724,694
Stormwater Utility	-	8,650,725	62,000
Airport Fund	2,516,457	848,864	-
Airpark Fund	-	-	114,000
Environmental Services Fund	4,350,000	15,000	4,678
Total Enterprise Funds	<u>36,666,457</u>	<u>26,637,379</u>	<u>17,303,468</u>
TOTAL ALL FUNDS	<u>\$ 40,463,996</u>	<u>48,028,913</u>	<u>48,028,913</u>

SCHEDULE OF TRANSFERS

FISCAL YEAR 2004-2005

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 - \$70,000

This transfer is for right-of-way maintenance completed by Parks staff.

Beautification Fund - \$167,201

This represents \$162,000 for streetscape maintenance on projects previously constructed by BBB funds that 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 - \$738,229

This transfer entails three separate actions 1) a contribution to the maintenance of FUTS which is a Parks responsibility \$89,664; 2) \$640,283 for increased maintenance in the Parks budget related to additional field maintenance associated with Recreation Bond projects; 3) \$8,282 for Skate park liability.

Water and Wastewater Fund - \$2,398,096

This is a transfer of utility revenue through the General Fund to Highway User Revenue Fund for a payment of debt.

Environmental Services Fund - \$4,678

This transfer represents \$4,678 for advertising in the citywide publication.

Transfers Out:

Library Fund - \$1,174,937

This is the operating transfer from the General Fund to the Library for general services.

Highway User Revenue Fund - \$3,897,546

This is \$2,397,546 for debt service and \$1.5 million for East Flagstaff Gateway (\$500,000 economic opportunity fund and \$1 million General Fund).

Economic Development - \$65,000

This represents a transfer to assist in the payment of Telecom.

Arts and Science Fund - \$35,000

This transfer is for \$25,000 to support Contributions to Agencies, and \$10,000 represents a contribution of 1% of eligible capital projects for Art in Public Places.

Community Redevelopment Fund - \$309,900

This transfer represents a \$150,000 funding for a revolving loan source, \$109,900 funding for land acquisition related to affordable housing development, and \$50,000 for affordable housing fees. The land acquisition transfer was reduced to fund a new housing position.

Metropolitan Planning Organization Fund - \$15,000

This transfer is for General Fund assistance with Freight Study.

Airport Fund - \$539,000

This transfer is for the general operations in the amount of \$274,000 and \$265,000 for capital at the Airport. The Airport is an enterprise fund whose goal is to eventually eliminate any requirement for general fund transfers.

Stormwater Fund - \$8,375,725

This transfer funds \$350,000 for a stormwater master plan, \$6,675,725 for the Rio de Flag project, \$1,200,000 for parking alternatives necessitated by the Rio project and \$150,000 for neighborhood stormwater mitigation.

Library Fund

Transfers In:

General Fund - \$1,174,937

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 - \$3,897,546

This \$2,397,546 is the transfer from the General Fund to Highway User Revenue Fund for payment of debt and \$1.5 million for East Flagstaff Gateway (\$500,000 economic opportunity fund and \$1 million General Fund).

Transportation Fund - \$6,341,974

This is a transfer of the transportation tax to fund various transportation projects. \$1,318,922 from Safe to School monies is for miscellaneous projects. \$5,023,052 is from Street Improvement for Huntington Drive Improvements, Empire Avenue extension, Beulah Boulevard extension and the East Flagstaff Gateway.

Stormwater Fund - \$47,000

This transfer is for drainage maintenance.

Transfers Out:

General Fund - \$70,000

This is for right-of-way maintenance completed by Parks staff.

Stormwater Utility - \$75,000

This is for the completion of 6th Avenue detention basin and general drainage maintenance.

Transportation Fund

Transfers In:

Beautification Fund - \$250,000

A transfer related to Fourth Street transportation project for FUTS component.

Transfers Out:

HURF - \$6,341,974

This is a transfer of the transportation tax to fund various transportation projects. \$1,318,922 is from Safe to School monies for urban link. \$5,023,052 is from Street Improvement for Huntington Drive Improvements, Empire Avenue extension, Beulah Boulevard extension, and the East Flagstaff Gateway.

Beautification Fund - \$1,000,000

This transfer funds various FUTS and Streetscape projects within the multi-modal transportation projects. The Streetscape projects include: Rt. 66 Enterprise to Arrowhead and US 89 Railhead to Snowflake. The FUTS projects include: Lake Mary Road to Beulah/Ponderosa Trails, McMillian Mesa, Rio Downtown Project, and US 180 Multi-use path.

Beautification Fund

Transfers In:

Transportation Tax - \$1,000,000

This transfer funds various FUTS and Streetscape projects within the multi-modal transportation projects. The Streetscape projects include: Rt. 66 Enterprise to Arrowhead and US 89 Railhead to Snowflake. The FUTS projects include: Lake Mary Road to Beulah/Ponderosa Trails, McMillian Mesa, Rio Downtown Project, 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 that are now maintained by the Parks division and \$5,201 in support of the citywide publication.

Stormwater Fund - \$200,000

Streetscape program transfer related to Rio de Flag Corridor Enhancements.

Transportation Fund - \$250,000

Transfer to transportation Fourth Street project for FUTS component.

Economic Development Fund

Transfers In:

General Fund - \$65,000

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 - \$35,000

This transfer is for \$25,000 to support Contributions to Agencies, and \$10,000 represents a contribution for Art in Public Places.

Recreation-BBB Fund

Transfers In:

Secondary Property Tax Fund - \$262,924

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 - \$738,229

This transfer entails three separate actions 1) a contribution to the maintenance of FUTS which is a Parks responsibility \$89,664; 2) \$640,283 for increased maintenance in the Parks budget related to additional field maintenance associated with Recreation Bond projects; 3) \$8,282 for Skate park liability.

Beautification Fund - \$110,000

This transfer is for a new FUTS construction.

G.O. Bond Fund - \$610,110

To pay the debt service on the Parks and Recreation Bonds.

Community Redevelopment Fund

Transfers In:

General Fund - \$309,900

This transfer represents a \$150,000 funding for a revolving loan source, \$109,900 funding for land acquisition related to affordable housing development, and \$50,000 for affordable housing fees. The land acquisition transfer was reduced to fund a new housing position.

Metropolitan Planning Organization Fund

Transfers In:

General Fund - \$15,000

This transfer is for General Fund assistance with Freight Study.

G.O. Bond Fund

Transfers In:

Recreation-BBB Fund - \$610,110

To pay the debt service on the Parks and Recreation Bonds.

Secondary Property Tax Fund - \$1,156,936

A transfer of Secondary Property Taxes collected for repayment of Library and Public Safety bonds.

Secondary Property Tax Fund

Transfers Out:

Recreation-BBB Fund - \$262,924

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 - \$1,156,936

There is a transfer of Secondary Property Taxes collected for repayment of Library and Public Safety bonds.

Water and Wastewater Fund - \$2,398,096

A transfer to Utilities for Secondary Property Taxes collected to support General Obligation Debt.

Airport Fund - \$204,864

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 - \$2,398,096

A transfer to Utilities for Secondary Property Taxes collected to support the General Obligation Debt.

Water and Sewer Bond Fund - \$14,232,171

This is the anticipated transfer to support water and wastewater development projects that are currently budgeted.

Transfers Out:

General Fund - \$2,398,096

This is a transfer of utility revenue to the General Fund; these funds are subsequently transferred to Highway User Tax Fund for a payment of debt.

Water & Sewer Bond Fund

Transfer Out:

Water and Wastewater Fund - \$14,232,171

This is the anticipated transfer to support water and wastewater development projects that are currently budgeted.

Airport Fund

Transfers In:

General Fund - \$539,000

This transfer is for the general operations in the amount of \$274,000 and \$265,000 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 - \$204,864

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.

Airpark Fund - \$114,000

This transfer of funds is for a match on the ADOT grant for land acquisition.

Airpark Fund

Transfer Out:

Airport Fund - \$114,000

This transfer of funds is for a match on the ADOT grant for land acquisition

Environmental Services Fund

Transfers In:

Stormwater Fund - \$15,000

This transfer represents a reimbursement for stormwater education and related operational costs.

Transfers Out:

General Fund - \$4,678

This transfer represents \$4,678 for advertising in the citywide publication.

Stormwater Fund

Transfers In:

HURF - \$75,000

This is for the 6th Avenue detention basin and general maintenance.

General Fund - \$8,375,725

This transfer funds \$350,000 for a stormwater master plan, \$6,675,725 for the Rio de Flag project, \$1,200,000 for parking alternatives necessitated by the Rio project and \$150,000 for neighborhood stormwater mitigation.

Beautification - \$200,000

Streetscape program transfer for Rio de Flag Corridor Enhancements

Transfers Out:

HURF - \$47,000

This transfer is for drainage maintenance.

Environmental Fund - \$15,000

This transfer represents a reimbursement for stormwater education and related operational costs.

Schedule 5: Grant Revenues

CITY OF FLAGSTAFF
SCHEDULE OF GRANT REVENUES
FISCAL YEAR 2004-2005

		BUDGETED	ESTIMATED	BUDGETED	CITY MATCH	BUDGETED	
		REVENUES	REVENUES	REVENUES		GRANT	
PROJECT NAME		2003-2004	2003-2004	2004-2005	2004-2005	REIMB %	FUNDING
GENERAL FUND							
POLICE	METRO (NORTHERN AZ STREET CRIMES TASK FORCE)	\$ 379,726	358,156	318,484	-	100%	F/S
POLICE	WEED AND SEED	58,000	40,950	58,000	-	100%	F/NP
POLICE	WATCH YOUR CAR GRANT	38,610	-	-	-	100%	S
POLICE	OT/DUI	-	11,436	-	-	100%	S
POLICE	PURCHASE OF 3 MOTORCYCLES	43,613	43,613	-	-	100%	F/S
POLICE	GANG RESISTANCE EDUCATION TRAINING (GREAT)	20,368	37,867	27,000	-	100%	F
POLICE	LEAF TRAINING AUDITORIUM	20,500	8,952	-	-	100%	S
POLICE	MISC. GRANTS UNDER \$5,000	25,000	-	-	-	100%	S
POLICE	TRAFFIC CITATION DUI REPORTING	213,466	7,999	-	-	100%	S
POLICE	LOCAL LAW ENFORCEMENT BLOCK GRANT (LLEBG)	30,000	64,803	40,386	4,487	90%	F
POLICE	OT/AIRPORT SECURITY	-	87,095	-	-	100%	F
POLICE	SEATBELT ENFORCEMENT	-	11,999	12,000	-	100%	F/S
POLICE	ANTI-TERRORISM TASK FORCE	-	-	20,000	-	100%	F
FIRE	VARIOUS	150,000	150,000	150,000	-	100%	F&S
FIRE	NAU FIRE GRANT II					100%	F/S
FIRE	FOREST HEALTH RESTORATION					50%	F/S
FIRE	HAZARD FUEL REDUCTION FY 03					50%	F
FIRE	HAZARD REDUCTION FY 04					50%	F
FIRE	PUBLIC EDUCATION FY 04					50%	F
FIRE	FOREST PRODUCTS NETWORKS					80%	F
COURT	COURT IMPROVEMENT FEES	83,920	83,920	86,440	-	100%	L
COURT	COURT WARRANT FEES	55,190	55,190	58,490	-	100%	L
COURT	COURT INTERPRETER	18,900	18,900	19,420	-	100%	L
COURT	TCPF/STATE JCEF FY 01/02 - COURT TRAINING OFFICER	24,850	22,560	22,522	-	100%	S
COURT	TCPF/LOCAL JCEF FY 01/02 - COURT TRAINING OFFICER	8,980	9,600	9,738	-	100%	L
COURT	LOCAL JCEF - TRAINING COUNTY	17,960	19,190	19,475	-	100%	L
COURT	STATE JCEF - 10 PRINTERS	12,000	12,000	-	-	100%	S
COURT	STATE J CEF - SOFTWARE	10,000	10,000	30,000	-	100%	S
COURT	COUNTY JCEF - INFORMATION SYSTEM TECH	25,077	25,077	25,184	-	100%	L
COURT	LOCAL TIME PMT. - INFORMATION SYSTEM TECH.	25,077	25,077	25,184	-	100%	L
SUBTOTAL-GENERAL FUND		1,261,237	1,104,384	922,323	4,487		
LIBRARY	STATE GRANTS	-	26,537	82,300	-	100%	S
LIBRARY	STATE GRANT-IN-AID					100%	S
LIBRARY	YOUTH ACCESS					100%	S
LIBRARY	PALSMOBILE					100%	S
SUBTOTAL		-	26,537	82,300	-		
HURF	FEDERAL HIGHWAY ADMIN. (BUS PULLOUTS/EMPIRE REPAY)	325,000	35,655	688,096	-	100%	F/S
HURF	CONTRIBUTION FROM ADOT (BUS PULLOUTS/REPAY TI/TURNBACKS)	200,000	-	2,000,000	-	100%	S
HURF	FLAGSTAFF MALL, DODGE AVE EXT. (ECONOMIC STRENGTHS)	250,000	-	250,000	-	100%	S
HURF	HELP LOAN PROCEEDS	805,000	-	-	-	100%	S
SUBTOTAL		1,580,000	35,655	2,938,096	-		

Schedule 5: Grant Revenues

PROJECT NAME		BUDGETED REVENUES 2003-2004	ESTIMATED REVENUES 2003-2004	BUDGETED REVENUES 2004-2005	CITY MATCH 2004-2005	BUDGETED GRANT REIMB %	FUNDING
BEAUT	FUTS - BOW & ARROW-ZUNI TO RIO	\$ 40,000	40,000	7,700	12,563	38%	S
BEAUT	FUTS - RIO DE FLAG N. TRAIL, CRESCENT-CHESHIRE LINK	70,000	5,000	95,000	155,000	38%	S
BEAUT	FUTS - TUNNEL SPRINGS TRAIL (RR SPRINGS TO OBS MESA)	40,000	40,000	4,000	4,000	50%	S
BEAUT	FUTS - MCMILLAN MESA	-	-	80,000	136,216	37%	S
BEAUT	ISTEA - FANNING TO MALL (Spur)	200,000	-	-	-	94%	F/S
BEAUT	TEA - 21 - US 89-RAILHEAD TO SNOWFLAKE	250,000	-	500,000	31,915	94%	F/S
BEAUT	TEA - 21 - US 180 -SECHRIST TO FREMONT	500,000	-	500,000	31,915	94%	F/S
SUBTOTAL		1,100,000	85,000	1,186,700	371,609		
TOURISM	ADVERTISING/MARKETING FY 03/04	15,000	-	-	-	100%	S
SUBTOTAL		15,000	-	-	-		
BBB-REC	THORPE PARK PHASE I RENOVATION	550,000	-	550,000	950,000	37%	S
BBB-REC	BMX PARK/6TH STREET	-	-	319,000	319,000	50%	S
SUBTOTAL		550,000	-	869,000	1,269,000		
HSG	99/00 CDBG ENTITLEMENT	-	1,489	-	-	100%	F
HSG	00/01 CDBG ENTITLEMENT	-	107	-	-	100%	F
HSG	01/02 CDBG ENTITLEMENT	-	12,619	24,000	-	100%	F
HSG	02/03 CDBG ENTITLEMENT	477,086	117,492	254,081	-	100%	F
HSG	03/04 CDBG ENTITLEMENT	686,175	269,078	383,097	-	100%	F
HSG	04/05 CDBG ENTITLEMENT	-	-	867,779	-	100%	F
HSG	HOUSING REHAB-HOME GRANT	300,000	-	663,880	-	100%	F
SUBTOTAL		1,463,261	400,785	2,192,837	-		
MPO	FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2003	72,323	84,935	-	-	93%	F/S
MPO	FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2004	225,803	240,461	485,897	36,573	93%	F/S
MPO	FLAGSTAFF METROPOLITAN PLANNING ORGANIZATION 2005	-	-	225,803	16,996	93%	F/S
SUBTOTAL		298,126	325,396	711,700	53,569		
UTIL	RIO DE FLAG WILDLIFE XERISCAPE PROJECT	10,000	3,000	16,575	-	100%	S
	SCA RECLAIMED WATERLINE EXT.	-	-	50,000	50,000	50%	F
		-	-	255,000	225,000	50%	F
SUBTOTAL		10,000	3,000	321,575	275,000		
AIRPT	GA APRON & AIR CARRIER, RWY 3/21 SAFETY AREA PH. 4 (AIP 19)	-	3,371	-	-	97.50%	F&S
AIRPT	MASTER PLAN UPDATE (AIP 22)	254,526	298,716	130,050	11,276	97.50%	F&S
AIRPT	CONSTRUCT ARFF BLDG (AIP 23 / E4F21)	670,922	910,795	1,724,247	111,622	97.50%	F&S
AIRPT	ARFF EQUIPMENT & SNOW REMOVAL (AIP23 / ADOT MATCH)	902,329	-	559,430	14,344	97.50%	F&S
AIRPT	DESIGN/CONSTR RUNWAY EXT., SAFETY AREA RW21 (AIP 24/EXXXX)	358,931	-	4,980,013	107,893	97.50%	F&S
AIRPT	WEST TAXIWAY-CRACK FILL/SEAL	-	-	112,500	12,500	90%	S
AIRPT	LAND ACQUISITION FY 01 (ADOT E1107)	-	-	1,026,000	114,000	90%	S
SUBTOTAL		2,186,708	1,212,882	8,532,240	245,135		
STORM	ADEQ-NPDES PHASE I	-	25,000	-	-	60%	F/S
SUBTOTAL		-	25,000	-	-		
TOTAL		\$ 8,464,332	3,218,639	17,756,771	2,218,800		

Funding: L=Local, N/P=Non-Profit, S=State, F=Federal, F/S=Federal thru State, F&S=Federal and State

Schedule 6: Appropriations by Fund

CITY OF FLAGSTAFF
SUMMARY BY DEPARTMENT OF EXPENDITURES/EXPENSES WITHIN EACH FUND
COMPARISON OF FISCAL YEAR 2004 AND 2005
(WITH ACTUAL FOR FISCAL YEAR 2003)

FUND/DEPARTMENT	ACTUAL EXPENDITURES/ EXPENSES 2002-2003	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2003-2004	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2003-2004	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2004-2005	CHANGE (BUDG-BUDG)	% CHANGE
GENERAL FUND						
General Administration	\$ 3,512,333	4,069,515	3,897,213	4,521,225	451,710	11.1%
Community Development	4,778,156	8,780,605	3,597,056	3,831,214	(4,949,391)	(56.4%)
Management Services	2,770,801	3,138,935	3,073,998	3,363,425	224,490	7.2%
Fire	7,330,505	6,984,231	7,024,933	7,881,104	896,873	12.8%
Police	10,746,919	12,068,055	11,493,924	12,455,839	387,784	3.2%
Public Works	5,895,847	7,303,359	6,455,314	6,448,409	(854,950)	(11.7%)
Utilities	15,588	15,588	15,588	37,878	22,290	143.0%
Non-departmental	(955,679)	3,525,838	498,088	1,598,486	(1,927,352)	(54.7%)
Contingency	166,737	750,000	250,000	650,000	(100,000)	(13.3%)
Total General Fund	<u>34,261,207</u>	<u>46,636,126</u>	<u>36,306,114</u>	<u>40,787,580</u>	<u>(5,848,546)</u>	<u>(12.5%)</u>
SPECIAL REVENUE FUNDS						
LIBRARY FUND						
General Administration	80,254	80,254	80,254	81,895	1,641	2.0%
Community Development	37,982	37,982	37,982	45,594	7,612	20.0%
Management Services	3,060,182	3,485,990	3,257,313	3,780,660	294,670	8.5%
Public Works	58,427	58,427	58,427	69,178	10,751	18.4%
Utilities	1,023	1,023	1,023	901	(122)	(11.9%)
Non-departmental	49,708	49,708	49,708	54,930	5,222	10.5%
Contingency	-	100,000	-	100,000	-	-
	<u>3,287,576</u>	<u>3,813,384</u>	<u>3,484,707</u>	<u>4,133,158</u>	<u>319,774</u>	<u>8.4%</u>
HIGHWAY USER REVENUE FUND						
General Administration	186,808	186,808	186,808	140,443	(46,365)	(24.8%)
Community Development	813,094	813,094	813,094	813,791	697	0.1%
Management Services	196,752	196,752	196,752	215,471	18,719	9.5%
Public Works	12,262,580	23,868,245	11,116,048	26,296,570	2,428,325	10.2%
Utilities	3,749	3,749	3,749	1,818	(1,931)	(51.5%)
Non-departmental	131,447	131,447	131,447	182,393	50,946	38.8%
Contingency	-	500,000	-	100,000	(400,000)	(80.0%)
	<u>13,594,430</u>	<u>25,700,095</u>	<u>12,447,898</u>	<u>27,750,486</u>	<u>2,050,391</u>	<u>8.0%</u>
TRANSPORTATION FUND						
Community Development	3,432,247	12,449,075	11,713,067	17,428,800	4,979,725	40.0%
Non-departmental	1,522,402	2,016,199	2,016,199	2,267,779	251,580	12.5%
	<u>4,954,649</u>	<u>14,465,274</u>	<u>13,729,266</u>	<u>19,696,579</u>	<u>5,231,305</u>	
BEAUTIFICATION FUND						
Community Development	541,916	3,895,116	641,809	4,574,929	679,813	17.5%
Reserve/Contingency	402	10,000	-	10,000	-	-
	<u>542,318</u>	<u>3,905,116</u>	<u>641,809</u>	<u>4,584,929</u>	<u>679,813</u>	<u>17.4%</u>
ECONOMIC DEVELOPMENT FUND						
Non-departmental	410,708	446,400	424,400	459,400	13,000	2.9%
Reserve/Contingency	-	25,000	-	25,000	-	-
	<u>410,708</u>	<u>471,400</u>	<u>424,400</u>	<u>484,400</u>	<u>13,000</u>	<u>2.8%</u>

Schedule 6: Appropriations by Fund

FUND/DEPARTMENT	ACTUAL EXPENDITURES/ EXPENSES 2002-2003	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2003-2004	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2003-2004	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2004-2005	CHANGE (BUDG-BUDG)	% CHANGE
TOURISM FUND						
General Administration	\$ 1,403,817	1,731,683	1,481,244	1,460,728	(270,955)	(15.6%)
Reserve/Contingency	-	50,000	-	50,000	-	-
	<u>1,403,817</u>	<u>1,781,683</u>	<u>1,481,244</u>	<u>1,510,728</u>	<u>(270,955)</u>	<u>(15.2%)</u>
ARTS AND SCIENCE FUND						
General Administration	364,152	373,340	332,468	409,706	36,366	9.7%
Reserve/Contingency	-	10,000	-	10,000	-	-
	<u>364,152</u>	<u>383,340</u>	<u>332,468</u>	<u>419,706</u>	<u>36,366</u>	<u>9.5%</u>
RECREATION-BBB FUND						
Public Works	3,730,879	2,251,381	163,361	4,081,940	1,830,559	81.3%
REAL ESTATE PROCEEDS FUND						
Non-departmental	249,890	685,000	9,650	675,900	(9,100)	(1.3%)
COMMUNITY REDEVELOPMENT FUND						
Community Development	1,009,965	2,380,271	758,571	4,317,814	1,937,543	81.4%
METRO PLANNING ORG FUND						
Community Development	315,892	298,126	390,653	511,186	213,060	71.5%
Non-departmental	-	-	5,993	15,514	15,514	-
Contingency	-	-	-	200,000	200,000	-
	<u>315,892</u>	<u>298,126</u>	<u>396,646</u>	<u>726,700</u>	<u>428,574</u>	<u>143.8%</u>
Total Special Revenue Funds	<u>29,864,276</u>	<u>56,135,070</u>	<u>33,870,020</u>	<u>68,382,340</u>	<u>12,247,270</u>	<u>21.8%</u>
DEBT SERVICE FUNDS						
GENERAL OBLIGATION BONDS FUND						
Non-departmental	1,891,983	2,018,456	2,010,848	1,767,046	(251,410)	(12.5%)
SPECIAL ASSESSMENT BONDS FUND						
Non-departmental	301,272	302,568	302,918	299,398	(3,170)	(1.0%)
Total Debt Service Funds	<u>2,193,255</u>	<u>2,321,024</u>	<u>2,313,766</u>	<u>2,066,444</u>	<u>(254,580)</u>	<u>(11.0%)</u>
CAPITAL PROJECT FUNDS						
CAPITAL PROJECTS BOND FUND						
Non-departmental	-	-	-	3,797,539	3,797,539	-
Total Capital Projects Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,797,539</u>	<u>3,797,539</u>	<u>-</u>
ENTERPRISE FUNDS						
WATER AND WASTEWATER FUND						
General Administration	285,354	285,354	285,354	221,209	(64,145)	(22.5%)
Community Development	665,796	665,796	665,796	670,558	4,762	0.7%
Management Services	396,183	396,183	396,183	478,507	82,324	20.8%
Public Works	64,058	64,058	64,058	44,849	(19,209)	(30.0%)
Utilities	19,263,835	27,272,171	20,378,824	39,927,863	12,655,692	46.4%
Non-departmental	229,328	229,328	229,328	304,144	74,816	32.6%
Contingency	30,594	1,400,000	-	2,200,000	800,000	57.1%
	<u>20,935,148</u>	<u>30,312,890</u>	<u>22,019,543</u>	<u>43,847,130</u>	<u>13,534,240</u>	<u>44.6%</u>

Schedule 6: Appropriations by Fund

FUND/DEPARTMENT	ACTUAL EXPENDITURES/ EXPENSES 2002-2003	ADOPTED BUDGETED EXPENSE 2003-2004	ESTIMATED ACTUAL EXPENSES/ 2003-2004	PROPOSED BUDGETED EXPENSE 2004-2005	CHANGE (BUDG-BUDG)	% CHANGE
AIRPORT FUND						
General Administration	\$ 51,638	51,638	51,638	33,085	(18,553)	(35.9%)
Community Development	72,839	72,839	72,839	25,226	(47,613)	(65.4%)
Management Services	149,072	149,072	149,072	89,656	(59,416)	(39.9%)
Public Works	6,044,034	6,207,086	2,793,454	13,015,826	6,808,740	109.7%
Utilities	1,037	1,037	1,037	401	(636)	(61.3%)
Non-departmental	48,704	48,704	48,704	75,075	26,371	54.1%
Contingency	3,600	-	-	-	-	-
	<u>6,370,924</u>	<u>6,530,376</u>	<u>3,116,744</u>	<u>13,239,269</u>	<u>6,708,893</u>	<u>102.7%</u>
ENVIRONMENTAL SERVICES FUND						
General Administration	152,264	152,264	152,264	149,706	(2,558)	(1.7%)
Community Development	99,022	99,022	99,022	108,158	9,136	9.2%
Management Services	186,687	186,687	186,687	204,687	18,000	9.6%
Public Works	6,565,652	8,349,164	7,462,817	8,723,222	374,058	4.5%
Utilities	68,266	68,266	68,266	103,227	34,961	51.2%
Non-departmental	115,030	115,030	115,030	174,458	59,428	51.7%
Contingency	14,640	4,690,000	-	4,690,000	-	-
	<u>7,201,561</u>	<u>13,660,433</u>	<u>8,084,086</u>	<u>14,153,458</u>	<u>493,025</u>	<u>3.6%</u>
STORMWATER UTILITY FUND						
General Administration	-	-	-	10,656	10,656	-
Community Development	-	659,534	563,985	9,179,657	8,520,123	1,291.8%
Management Services	-	-	-	12,928	12,928	-
Public Works	-	-	-	6,184	6,184	-
Utilities	-	-	-	7,315	7,315	-
Non-departmental	-	40,560	40,560	13,396	(27,164)	(67.0%)
Contingency	-	10,000	-	10,000	-	-
	<u>-</u>	<u>710,094</u>	<u>604,545</u>	<u>9,240,136</u>	<u>8,530,042</u>	<u>1,201.3%</u>
Total Enterprise Funds	<u>34,507,633</u>	<u>51,213,793</u>	<u>33,824,918</u>	<u>80,479,993</u>	<u>29,266,200</u>	<u>57.1%</u>
FIDUCIARY FUNDS						
VOLUNTEER FIREMEN'S PENSION						
Non-departmental	7,200	7,200	7,200	7,200	-	-
Total Fiduciary Funds	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>-</u>	<u>-</u>
TOTAL ALL FUNDS	<u>\$ 100,833,571</u>	<u>156,313,213</u>	<u>106,322,018</u>	<u>195,521,096</u>	<u>39,207,883</u>	<u>25.1%</u>

Schedule 7: Appropriations by Department

CITY OF FLAGSTAFF
 BUDGET BY DEPARTMENT AND DIVISIONS
 COMPARISON OF FISCAL YEAR 2004 AND 2005
 (WITH ACTUAL FOR FISCAL YEAR 2003)

	ACTUAL EXPENDITURES/ EXPENSES 2002-2003	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2003-2004	ESTIMATED ACTUAL EXPENDITURES/ EXPENSES 2003-2004	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2004-2005	CHANGE (BUDG-BUDG)	% CHANGE
GENERAL ADMINISTRATION						
City Manager	\$ 703,844	768,467	759,559	825,616	57,149	7.4%
City Clerk	214,281	346,487	310,294	200,284	(146,203)	(42.2%)
Capital Improvement	(141,960)	(181,211)	(187,604)	-	181,211	(100.0%)
City Court	1,511,619	1,695,388	1,660,023	1,911,689	216,301	12.8%
Law	826,628	916,463	864,422	965,844	49,381	5.4%
Human Resources	291,671	409,353	375,947	489,902	80,549	19.7%
Risk Management	106,250	114,568	114,572	127,890	13,322	11.6%
Tourism - Gen. Admin.	1,125,580	1,229,816	1,043,507	1,090,344	(139,472)	(11.3%)
Visitor Services	278,237	501,867	437,737	370,384	(131,483)	(26.2%)
TOTAL	4,916,150	5,801,198	5,378,457	5,981,953	180,755	3.1%
COMMUNITY DEVELOPMENT						
Community Development Admin.	227,078	207,195	206,699	277,402	70,207	33.9%
Engineering	1,581,335	1,490,729	1,242,418	1,418,354	(72,375)	(4.9%)
Capital Improvement	-	-	-	(123,111)	(123,111)	-
Building Inspection	875,292	918,103	959,828	1,014,711	96,608	10.5%
Community Redevelopment	1,009,965	2,380,271	758,571	4,317,814	1,937,543	81.4%
Planning	1,001,238	1,111,840	1,020,487	1,243,858	132,018	11.9%
Stormwater Utility	-	444,534	440,930	855,848	411,314	92.5%
Stormwater Capital	-	215,000	123,055	241,945	26,945	12.5%
Drainage	1,093,213	5,052,738	167,624	8,075,725	3,022,987	59.8%
Transportation	4,954,649	12,715,274	11,918,866	17,654,979	4,939,705	38.8%
Debt Service-4th Street	-	1,750,000	1,810,400	2,041,600	291,600	16.7%
Urban Design	79,497	87,911	86,677	91,154	3,243	3.7%
Streetscape	174,237	1,389,615	177,006	1,416,771	27,156	2.0%
Flag Urban Trails System	288,182	2,417,590	378,126	3,067,004	649,414	26.9%
Arts and Science	364,152	373,340	332,468	409,706	36,366	9.7%
Metro Planning Organization	315,892	298,126	390,653	511,186	213,060	71.5%
TOTAL	11,964,730	30,852,266	20,013,808	42,514,946	11,662,680	37.8%
MANAGEMENT SERVICES						
Information Systems	936,621	1,160,240	1,157,070	1,293,314	133,074	11.5%
Management Services Admin.	677,288	749,129	675,873	747,622	(1,507)	(0.2%)
Finance/Budget	684,317	736,523	735,587	791,215	54,692	7.4%
Sales Tax & Licensing	472,575	493,043	505,468	531,274	38,231	7.8%
Library	2,707,170	2,467,065	2,301,358	2,864,253	397,188	16.1%
Library Grants	234,421	900,334	837,364	810,462	(89,872)	(10.0%)
TOTAL	5,712,392	6,506,334	6,212,720	7,038,140	531,806	8.2%
FIRE DEPARTMENT	7,330,505	6,984,231	7,024,933	7,881,104	896,873	12.8%
POLICE DEPARTMENT						
Police	10,175,865	11,237,271	10,881,298	11,970,667	733,396	6.5%
Police Grants	571,054	830,784	612,626	485,172	(345,612)	(41.6%)
TOTAL	10,746,919	12,068,055	11,493,924	12,455,839	387,784	3.2%

Schedule 7: Appropriations by Department

	ACTUAL EXPENDITURES/ EXPENSES 2002-2003	ADOPTED BUDGETED EXPENDITURE/ EXPENSE 2003-2004	ESTIMATED ACTUAL EXPENSES/ EXPENSES 2003-2004	PROPOSED BUDGETED EXPENDITURE/ EXPENSE 2004-2005	CHANGE (BUDG-BUDG)	% CHANGE
PUBLIC WORKS						
Public Works Administration	\$ 179,379	192,551	204,103	214,448	21,897	11.4%
USGS Facilities	866,989	770,450	606,759	759,672	(10,778)	(1.4%)
Parks	1,808,938	2,351,227	1,952,828	2,460,259	109,032	4.6%
Fleet Services	52,591	-	73,963	-	-	-
Cemetery	168,223	273,772	235,850	182,836	(90,936)	(33.2%)
Public Facilities Maintenance	716,974	962,863	775,458	823,598	(139,265)	(14.5%)
Recreation	2,102,753	2,752,496	2,606,353	2,007,596	(744,900)	(27.1%)
Street Maintenance & Repairs	2,947,680	3,305,812	2,974,673	3,359,560	53,748	1.6%
Street Const. & Reconstruction	5,052,075	4,399,335	3,286,772	4,567,446	168,111	3.8%
Transportation CIP	1,669,703	13,935,500	2,644,045	15,822,777	1,887,277	13.5%
Street & Highway User Rev Bonds	2,400,360	2,034,836	2,017,796	2,398,096	363,260	17.9%
Airport	5,627,327	5,845,032	2,431,557	12,340,714	6,495,682	111.1%
Debt Service - Airport	352,325	297,672	297,515	598,938	301,266	101.2%
Environmental Services	6,338,036	8,121,548	7,235,201	8,529,036	407,488	5.0%
Recreation-BBB	3,730,879	2,251,381	163,361	4,081,940	1,830,559	81.3%
TOTAL	34,014,232	47,494,475	27,506,234	58,146,916	10,652,441	22.4%
UTILITIES						
Administration	710,887	1,157,897	976,321	1,226,925	69,028	6.0%
Lake Mary Water Plant	2,796,099	3,568,321	3,507,180	3,589,168	20,847	0.6%
Customer Service	571,992	699,240	655,794	714,460	15,220	2.2%
Water Distribution System	943,948	1,004,591	1,003,826	1,067,165	62,574	6.2%
Booster Stations	42,724	53,095	52,750	77,212	24,117	45.4%
Betterments & Imp. Water Dist	1,591,014	5,498,309	2,971,050	5,107,671	(390,638)	(7.1%)
Betterments & Imp. Water Prod	4,065,481	1,891,500	1,659,062	3,913,198	2,021,698	106.9%
Wastewater Treatment	1,483,897	2,393,014	2,425,291	1,605,014	(788,000)	(32.9%)
Wastewater Collection	720,190	829,193	596,861	841,516	12,323	1.5%
Wastewater Monitoring	242,386	298,464	296,166	377,778	79,314	26.6%
Reclaim Water Plant	803,828	-	-	823,312	823,312	-
Wastewater Treatment Imp	341,825	2,316,768	823,050	12,544,189	10,227,421	441.5%
Wastewater Collection Imp	1,422,954	3,639,514	1,643,406	4,313,467	673,953	18.5%
Debt Service - Water	1,890,288	2,279,996	2,126,434	2,148,709	(131,287)	(5.8%)
Debt Service - Sewer	1,725,985	1,731,932	1,731,296	1,729,619	(2,313)	(0.1%)
TOTAL	19,353,498	27,361,834	20,468,487	40,079,403	12,717,569	46.5%
NON-DEPARTMENTAL						
Council & Commissions	141,386	184,053	177,056	227,682	43,629	23.7%
Contributions to Other Agencies	727,529	760,016	737,542	742,394	(17,622)	(2.3%)
Non-Departmental	2,740,543	7,296,127	4,303,841	5,401,236	(1,894,891)	(26.0%)
Real Estate Proceeds	249,890	685,000	9,650	675,900	(9,100)	(1.3%)
Firemen's Pension	7,200	7,200	7,200	7,200	-	-
G.O. Bond - Debt Service	1,891,983	2,018,456	2,010,848	1,767,046	(251,410)	(12.5%)
Special Assessments Bonds	301,272	302,568	302,918	299,398	(3,170)	(1.0%)
Capital Projects Bond	108,661	-	-	3,797,539	3,797,539	-
Economic Development	410,708	446,400	424,400	459,400	13,000	2.9%
TOTAL	6,579,172	11,699,820	7,973,455	13,377,795	1,677,975	14.3%
RESERVES/CONTINGENCIES	215,973	7,545,000	250,000	8,045,000	500,000	6.6%
GRAND TOTAL	\$ 100,833,571	156,313,213	106,322,018	195,521,096	39,207,883	25.1%

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: Operating Capital

CITY OF FLAGSTAFF
SUMMARY OF OPERATING CAPITAL
FISCAL YEAR 2004-2005

DIV #	DIVISION	OPERATING CAPITAL	CARRYFWD 2003-2004	BUDGET 2004-2005
9	MANAGEMENT SERVICES	AUTOMATED MAILING SYSTEM	\$ -	18,000
11	LIBRARY	BOOKMOBILE	-	50,000
16	ENGINEERING	1/2 TON EXTENDED CAB	-	20,000
21	FIRE	TYPE I ENGINE	-	404,500
		AIR COMPRESSOR	-	35,000
		THERMAL IMAGING CAMERAS (2)	-	22,000
		DIESEL EXHAUST SYSTEM	-	54,550
		EMERGENCY OPERATIONS CENTER EQUIPMENT	-	45,000
22	POLICE	REPLACEMENT PATROL SEDANS (6)	-	141,000
		REPLACEMENT ADMINISTRATIVE SEDANS (2)	-	28,000
		REPLACEMENT PRISONER TRANSPORT VAN	-	37,500
		DIGITAL COPIER	-	32,000
		STORAGE SYSTEM FOR EVIDENCE VAULT	-	10,000
26	PARKS	TENNIS COURT RESURFACING	-	44,000
		TRASH TRAILERS (2)	-	14,000
28	CEMETERY	COLUMBARIUM	18,000	18,000
30	RECREATION	VIDEO MONITOR AND CAMERA	-	6,775
		CHILLER SYSTEM - ICE RINK	-	55,000
32	STREET MAINT & REP	SNOW PLOWS (2)	-	18,800
		DUMP TRUCK - 10 WHEEL	-	135,000
		WATER TENDER TRUCK	-	25,000
		ONE TON DUAL PICKUP	25,000	25,000
		DUST ABATEMENT PUMP	-	5,000
		CRASH ATTENUATOR	-	17,000
		CONFLICT MONITOR TESTER	-	8,865
		SIGN PLOTTER	-	6,981
		RECLAIM WATER LINE	18,000	18,000
		LED TRAFFIC BULBS	-	35,175
		END DUMP TRAILER	32,000	32,000
38	AIRPORT	AIRCRAFT RESCUE FIREFIGHTING VEHICLE	585,607	585,607
41	ENVIRONMENTAL SVCS	TUB GRINDER	-	522,720
		RESIDENTIAL SIDE LOADER	-	185,400
		GAS MITIGATION	-	25,000
		LITTER FENCING	-	15,000
		WIRELESS ANTENNA POLE AND EQUIPMENT	-	12,000
		LANDFILL CLOSURE SETASIDE	-	500,000
		TRUCK - OPERATIONS MANAGER	-	20,000
		RESIDENTIAL SIDE LOADER (2)	352,000	352,000
42	UTILITIES	BLUESTAKE TRUCK 4X4	-	16,500
		WILDLIFE VIEWING AREA	16,575	16,575

Schedule 8: Operating Capital

<u>DIV #</u>	<u>DIVISION</u>	<u>OPERATING CAPITAL</u>	<u>CARRYFWD 2003-2004</u>	<u>BUDGET 2004-2005</u>
47	LAKE MARY WTR PLAN	ELECTROCHEMICAL ANALYZER	\$ -	15,000
		ULM DAM IMPROVEMENTS	-	20,000
		BASIN PUMP SYSTEM	-	47,774
		POWER GENERATOR	48,500	160,500
		WATER FLOW METER	-	8,500
		SCADA REPEATER	-	13,000
49	WTR DISTR SYSTEM	1 1/2 TON SERVICE TRUCK	-	45,800
50	BOOSTER STATIONS	REMOTE TERMINAL UNIT - AMBERWOOD	-	8,000
51	BETTRMTS & IMP WATER	RADIO READ METERS	-	308,960
52	WATER PRODUCTION	WATER SYSTEM OPTIMIZATION	62,132	136,132
		WATER SYSTEM VULNERABILITY	-	100,000
53	WW TREAT PLANT	REPAIR GREASE TANK	-	26,790
		WEMCO PUMP	-	11,200
54	WSWTR COLLECTION	CAMEL HYDRO-VAC REPLACEMENT	255,000	255,000
55	WSWTR MONITORING	COPIER	-	10,000
57	WSWTR TREATMENT	WW OPTIMIZATION	150,000	150,000
		WILDCAT SEPS PUMP	29,879	34,495
66	NON-DEPARTMENTAL	DIGITAL SATELLITE COPIER (3)	-	30,000
		CANOPY AT HERITAGE SQUARE	21,245	21,245
		FLEET - MID SIZE SEDAN	-	15,500
		TOTAL	<u>\$ 1,613,938</u>	<u>5,030,844</u>

Schedule 9: Capital Improvement Program

CITY OF FLAGSTAFF
SUMMARY OF CAPITAL IMPROVEMENT PROGRAM
FISCAL YEAR 2004-2005

DIV #	DIVISION	PROJECT	CARRYFWD 2003-2004	BUDGET 2004-2005
11	LIBRARY	AIR CONDITIONER FOR MAIN LIBRARY	\$ 100,000	240,000
		REMODEL BATHROOMS AT MAIN LIBRARY	40,000	40,000
		EAST FLAGSTAFF BRANCH BLDG IMRPV	18,394	18,394
20	USGS	BUILDING 6 - OUTDOOR LIGHTING	-	30,000
22	POLICE	LEAF IMPROVEMENTS	-	37,243
24	CAPITAL PROJECTS BOND	VARIOUS BOND PROJECTS	-	3,297,539
		USGS RENOVATION & EXPANSION	-	500,000
26	PARKS	LAND ACQUISTION - GUADALUPE	200,000	200,000
33	STREET CONSTRUCTION	RESERVE FOR IMPROVEMENTS	-	50,000
		ANNUAL SIDEWALK REPLACEMENT PGM	-	15,000
		ANNUAL STREET MAINTENANCE PGM	45,000	1,522,720
		IMPROVEMENTS TO ADOT TURNBACKS	-	2,000,000
		BUTLER /ENTERPRISE RECONSTRUCTION	8,536	8,536
		SUNNYSIDE STREET IMPROVEMENTS	235,102	235,102
		SUNNYSIDE PHASE III B	-	300,000
		ROUTE 66 BUS PULLOUTS	270,823	292,575
		ADA SIDEWALK COMPLIANCE	51,942	143,513
34	DRAINAGE	RIO DE FLAG FLOOD CONTROL	3,315,740	6,875,725
		RIO PARKING REPLACEMENT	-	1,200,000
35	4TH STREET OVERPASS	FOURTH ST RAIL CROSSING	-	15,387,200
37	AIRPORT CAPITAL PROJ	PAVEMENT MAINTENANCE	-	125,000
		AIRPORT MASTER PLAN	-	252,261
		CONSTRUCT AIRPORT OPERATIONS BLDG	251,098	2,497,145
		LAND ACQUISITION	-	1,140,000
		RUNWAY EXTENSION	375,726	4,315,695
		HANGAR CONSTRUCTION	2,312,504	2,516,457
41	ENVIRONMENTAL SERVICES	LANDFILL MAINTENANCE BUILDING	-	400,000
		RESIDENTIAL DROP OFF	-	65,000
		MFR ENTRY IMPROVEMENTS	180,000	253,265
47	LAKE MARY WATER PLANT	LAND ACQUISITION	-	20,000
		INNER BASIN PIPELINE REPLACEMENT	89,819	200,000
51	BETTRMTS & IMP WATER	AMBERWOOD BOOSTER	7,000	7,000
		MALL WATERLINE	400,000	805,878
		TALKINGTON/LYNN/ELIZABETH	-	313,282
		SUNNYSIDE PH III	351,198	351,198
		SUNNYSIDE PH III B	-	62,383
		SUNNYSIDE PH IV	-	379,269
		BLACK BART/SINAGUA WATERLINE	753,179	1,234,898
		FOXGLENN/SKYVIEW WATERLINE	768,378	1,173,277
		ADOT WATERLINE RELOCATES	-	352,121
		RESERVE FOR IMPROVEMENTS	-	119,405
52	BET & IMP WTR DIST	TOWN WELL #5	396,568	397,566
		EAST RESERVOIR DEMOLITION	-	50,000
		WATER WELLS	-	2,575,000
		RAILROAD SPRINGS RESERVOIR	-	500,000
		WOODY MOUNTAIN ARSENIC REMOVAL	154,500	154,500

Schedule 9: Capital Improvement Program

DIV #	DIVISION	PROJECT	CARRYFWD 2003-2004	BUDGET 2004-2005
57	WSTWTR TREATMENT IMP	WC UPGRADE/RECLAIM CONSTRUCTION	\$ 1,209,300	12,149,694
		RIO PLANT CLAR SKIMMER MODS	-	100,000
		WILDCAT CLAR PIPE HANGARS	-	60,000
		WILDCAT LOADOUT STATION	50,000	50,000
58	WSTWTR COLLECTION IMP	MALL SEWER	406,084	808,929
		RECLAIM HYDRANTS	75,236	151,899
		ARROWHEAD/MT VIEW SEWER	258,429	258,429
		NAU RECLAIM SYSTEM	469,201	707,219
		CHRISTENSEN SCHOOL RECLAIM LINE	433,528	957,629
		SCA RECLAIM/SEWER	-	513,383
		XERISCAPE CITY HALL	-	100,000
		RIO OUTFALL	236,330	726,425
		RESERVE FOR IMPROVEMENTS	-	89,554
66	NON-DEPARTMENTAL	REDEVELOPMENT	2,065,053	2,095,053
67	REAL ESTATE	LAND ACQUISITION	660,900	675,900
74	STREETSCAPE	SPECIAL PROJECTS	-	25,625
		OPEN SPACE REHABILITATION	-	30,000
		RT 66 STREETSCAPE - ENTERPRISE TO ARROWHEAD	240,000	214,141
		US 89 STREETSCAPE - RAILHEAD TO SNOWFLAKE	550,000	1,042,293
		REDEVELOPMENT OPPORTUNITY FUND	-	28,500
		GATEWAY & FREEWAY CORRIDOR IMPROVEMENTS	76,212	76,212
75	FLAGSTAFF URBAN TRAIL	FUTS ROW AND OPEN SPACE ACQUISITIONS	100,000	80,000
		FUTS - RIO DE FLAG NORTH	201,688	221,607
		FUTS - US 180 MULTI-USE PATH	700,000	800,000
		FUTS - MCMILLAN MESA SYSTEM	-	436,371
		FUTS -DOWNTOWN CORRIDOR	50,000	50,000
		FUTS - LONETREE CORRIDOR	-	453,701
		FUTS - BNSF TRAIL, THOMPSON TO RIO	62,620	674,221
		FUTS - LAKE MARY ROAD, PONDEROSA TRAIL	200,000	300,204
		FUTS - US 180 TO BEAVER	28,000	35,900
85	VISITOR SERVICES	VISITOR CENTER RENOVATIONS	62,000	70,000
91	RECREATION-BBB TAX	THORPE PARK IMPROVEMENTS	1,640,455	1,640,455
		CHRISTENSEN SCHOOL FIELD IMPROVEMENTS	-	419,693
		THOMAS SCHOOL FIELD IMPROVEMENTS	332,212	332,212
		LAKE MARY LAND ACQUISITION	-	1,025,000
		SIXTH AVENUE BMX PARK	-	631,580
92	TRANSPORTATION CIP	MISC SAFE TO SCHOOL PROJECTS	-	961,742
		MISC BIKE/PED PROJECTS	-	755,340
		SOLIERE AVENUE	-	85,969
		COUNTRY CLUB DRIVE	-	25,961
		DIRT STREETS PROGRAM	-	787,931
		TRANSPORTATION PLANNING & PROGRAMMING	414,178	598,054
		EMPIRE ROAD EXTENSION	938,217	1,906,821
		LONE TREE ROAD STUDY	-	142,960
		HUNTINGTON DRIVE IMPROVEMENTS	-	980,149
		EAST FLAGSTAFF GATEWAY	8,417,588	8,417,588
		BEULAH BLVD EXTENSION	500,000	950,000
		DOWNTOWN PAVER REPAIRS	-	75,000
		STREET LIGHT LUMINARIES REPLACEMENT	-	100,000
		DOWNTOWN RAIL CROSSING MODIFICATIONS	-	10,262
		RESERVE FOR IMPROVEMENTS	-	25,000
99	STORMWATER CAPITAL PROJ	SIXTH AVENUE DETENTION BASIN	91,945	91,945
		WALNUT MEADOW DRAINAGE	-	150,000
		TOTAL	30,794,683	96,750,698

Schedule 10: Bonded Debt Service

CITY OF FLAGSTAFF
 BONDED DEBT SERVICE REQUIREMENTS
 FISCAL YEAR 2004-2005

	ORIGINAL ISSUE	OUTSTANDING 07/01/2004	PRINCIPAL	INTEREST	FISCAL CHARGES	TOTAL REQUIREMENTS
GENERAL FUND [70]						
Existing Debt:						
G.O. Series '97	\$ 9,500,000	1,975,000	1,510,000	93,292	320	1,603,612
2001 Parks & Recreation	3,100,000	3,100,000	-	141,001	-	141,001
G.O. Series 2003	720,000	720,000	-	22,238	195	22,433
	<u>13,320,000</u>	<u>5,795,000</u>	<u>1,510,000</u>	<u>256,531</u>	<u>515</u>	<u>1,767,046</u>
WATER AND WASTERWATER FUND [59,60]						
Existing Debt:						
G.O. Series '91B	924,240	204,064	-	32,116	650	32,766
State Revolving Loan	6,000,000	2,888,081	320,179	98,253	8,664	427,096
G.O. Bonds '97	8,000,000	1,680,000	-	75,600	273	75,873
G.O. Series 2001	13,820,000	9,895,000	1,605,000	442,462	565	2,048,027
WIFA 2002	6,775,760	6,290,440	255,648	223,153	-	478,801
G.O. Series 2003	8,230,000	7,760,000	565,000	248,800	1,965	815,765
	<u>43,750,000</u>	<u>28,717,585</u>	<u>2,745,827</u>	<u>1,120,384</u>	<u>12,117</u>	<u>3,878,328</u>
CAPITAL PROJECTS BOND FUND [24]						
Proposed Debt						
2004 Bond Projects	3,797,539	-	-	-	-	-
	<u>3,797,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
AIRPORT FUND [39]						
Existing Debt:						
G.O. Series 2001	3,450,000	1,450,000	235,000	64,781	83	299,864
	<u>3,450,000</u>	<u>1,450,000</u>	<u>235,000</u>	<u>64,781</u>	<u>83</u>	<u>299,864</u>
STREETS FUND [36]						
Existing Debt:						
Jr. Lien Rev Bonds, Series '92	5,580,000	5,580,000	-	341,673	1,186	342,859
Series 2003 Revenue Bonds	9,375,000	7,800,000	1,825,000	230,237	-	2,055,237
	<u>14,955,000</u>	<u>13,380,000</u>	<u>1,825,000</u>	<u>571,910</u>	<u>1,186</u>	<u>2,398,096</u>
4TH STREET [87]						
2003 MFC Revenue Bonds	25,000,000	23,990,000	1,000,000	1,037,100	4,500	2,041,600
	<u>25,000,000</u>	<u>23,990,000</u>	<u>1,000,000</u>	<u>1,037,100</u>	<u>4,500</u>	<u>2,041,600</u>
SPECIAL ASSESSMENT DISTRICTS [96]						
Existing Debt:						
Downtown (001)	1,525,000	200,000	200,000	5,700	600	206,300
Bow and Arrow (002)	720,000	485,000	70,000	22,050	648	92,698
	<u>2,245,000</u>	<u>685,000</u>	<u>270,000</u>	<u>27,750</u>	<u>1,248</u>	<u>298,998</u>
OTHER DEBT [20]						
Existing Debt:						
USGS	4,700,000	4,180,000	275,000	186,599	3,240	464,839
	<u>4,700,000</u>	<u>4,180,000</u>	<u>275,000</u>	<u>186,599</u>	<u>3,240</u>	<u>464,839</u>
Total Debt Service Requirements	\$ 111,217,539	78,197,585	7,860,827	3,265,055	22,889	11,148,771

Schedule 11: Leases and Loans

CITY OF FLAGSTAFF
 CAPITAL LEASES AND LOANS EXCLUDING BONDED DEBT SERVICE
 FISCAL YEAR 2004-2005

DEPT	ITEM DESCRIPTION	2004-2005	2005-2006	2006-2007	2007-2008	2008-2017	TOTAL
<u>EXISTING:</u>							
39	Airport Hangar Loan-ADOT (\$600,000)	\$ 54,949	54,949	54,949	54,949	467,068	686,864
	Total Existing Capital Leases/Loans	<u>54,949</u>	<u>54,949</u>	<u>54,949</u>	<u>54,949</u>	<u>467,068</u>	<u>686,864</u>
<u>PROPOSED:</u>							
39	Hangar Construction (\$2,985,000)	244,125	240,750	241,000	241,000	3,860,250	4,827,125
	Total Capital Leases/Loans Budgeted	<u>\$ 299,074</u>	<u>295,699</u>	<u>295,949</u>	<u>295,949</u>	<u>4,327,318</u>	<u>5,513,989</u>

Schedule 12: Summary of Fiscal Activity

CITY OF FLAGSTAFF
SUMMARY OF ALL FISCAL ACTIVITY

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005
Sources of Funds				
Total Beginning Fund Balance	\$ 70,646,503	93,216,756	73,336,943	87,324,572
Revenues	103,524,011	108,502,196	120,309,647	155,725,963
Total Funds Available	174,170,514	201,718,952	193,646,590	243,050,535
Use of Funds				
Departments				
General Administration	4,916,150	5,801,198	5,378,457	5,981,953
Management Services	5,712,392	6,506,334	6,212,720	7,038,140
Community Development	11,964,730	29,102,266	18,203,408	40,473,346
Fire	7,330,505	6,984,231	7,024,933	7,881,104
Police	10,746,919	12,068,055	11,493,924	12,455,839
Public Works	27,530,668	42,445,147	24,538,123	54,104,007
Utilities	15,737,225	23,349,906	16,610,757	36,201,075
Non-Departmental	4,385,917	9,378,896	5,659,689	7,514,212
Contingency	215,973	7,545,000	250,000	8,045,000
Total Departments	88,540,479	143,181,033	95,372,011	179,694,676
Debt Service				
G.O. Bonds	1,891,983	2,018,456	2,010,848	1,767,046
Transportation	-	1,750,000	1,810,400	2,041,600
Street & Highway Revenue Bonds	2,400,360	2,034,836	2,041,796	2,397,546
Airport	352,325	297,672	297,515	598,938
Special Assessment Districts	301,272	302,468	302,918	298,998
USGS	-	465,439	465,439	464,839
Utilities	3,616,273	4,011,928	3,857,730	3,878,328
Total Debt Service	8,562,213	10,880,799	10,786,646	11,447,295
Other Activities				
Capital Projects Bond Fund	-	-	-	3,797,539
Parks Bond Projects	3,730,879	2,251,381	163,361	581,586
Total Other Activities	3,730,879	2,251,381	163,361	4,379,125
Total Appropriations	100,833,571	156,313,213	106,322,018	195,521,096
Excess (Deficiency) of Revenues over Appropriations				
	2,690,440	(47,811,017)	13,987,629	(39,795,133)
Ending Fund Balances				
General Fund	19,972,589	5,637,376	20,074,118	5,551,318
Special Revenue Funds:				
Library	547,292	166,853	571,968	125,809
Streets	6,243,289	1,314,625	4,813,394	1,647,296
Transportation	6,646,693	12,957,612	23,006,476	3,805,354
Beautification	1,734,491	75,956	2,122,547	56,418
Economic Development	193,260	103,327	208,562	172,878
Tourism	613,548	234,578	400,598	162,632
Arts & Science	181,463	114,234	183,049	107,270
Recreation	2,974,422	1,578,534	3,160,987	131,014
Real Estate Proceeds	1,020,997	664,250	905,994	256,444
Comm Redevelopment	629,007	6,872	1,388,527	41,004
Metro Planning Org	-	-	-	-
Debt Service Funds:				
G.O. Bond Fund	11,523	12,381	11,823	12,123
Sec. Property Tax	440,405	942,459	1,023,685	1,708,062
Special Assessment	494,892	383,874	434,396	370,426
Capital Projects Funds:				
Capital Projects Bond Fund	-	-	-	-
Permenant Funds				
Perpetual Care	12,607	-	25,420	38,489
Enterprise Funds:				
Utilities				
Operating	25,942,730	18,089,501	23,449,764	14,465,443
Bonds	-	-	-	15,075,306
Airport				
Operating	5,079	15,508	4,629	3,860
Airpark Proceeds	389,984	400,085	396,984	288,984
Environmental Services	5,060,943	2,486,308	4,800,250	3,276,061
Stormwater Utility	-	1,906	122,316	17,363
Fiduciary Funds				
Firemen's Pension	221,729	219,500	219,085	215,885
Total Ending Fund Balance	\$ 73,336,943	45,405,739	87,324,572	47,529,439

CITY OF FLAGSTAFF
GENERAL FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 16,749,852	18,204,628	19,972,589	20,074,118	5,551,318	4,712,099	4,055,093	2,803,565	1,526,123
Revenues									
Taxes									
Sales Tax	11,413,503	11,986,160	12,398,897	12,821,504	13,144,549	13,475,745	13,815,299	14,163,422	14,520,330
Property Tax	3,303,228	3,261,616	3,261,616	3,470,630	3,592,102	3,717,826	3,847,950	3,982,628	4,122,020
Franchise Fees	1,783,098	1,879,725	1,990,000	2,000,000	2,050,000	2,101,250	2,153,781	2,207,626	2,262,817
Intergovernmental Revenues									
State Shared Income Tax	5,557,918	4,773,961	4,773,961	4,868,513	4,917,198	4,716,370	4,763,534	4,811,169	4,859,281
State Shared Sales Tax	4,136,724	4,184,644	4,400,000	4,567,421	4,704,444	4,798,533	4,894,504	4,992,394	5,092,242
Auto Lieu Tax	2,378,467	1,901,911	1,901,911	2,014,949	2,055,248	2,096,353	2,138,280	2,181,046	2,224,667
Federal Grants	577,579	681,707	794,483	625,870	480,571	492,970	505,690	518,739	532,126
State Grants	364,514	579,530	309,901	296,453	276,090	258,780	266,540	274,550	282,790
License & Permits									
Business Licenses	31,055	35,490	35,490	37,265	39,128	41,084	43,138	45,295	47,560
Building Permits	1,975,518	1,593,936	1,993,936	1,717,693	1,786,401	1,857,857	1,932,171	2,009,458	2,089,836
Other Licenses and Permits	372,156	141,640	222,100	231,250	241,225	251,699	262,696	274,243	286,368
Charges for Services									
General Government	275,694	152,250	201,885	211,980	222,579	233,708	245,393	257,663	270,546
Parks and Recreation	590,534	553,875	523,805	554,330	577,097	600,904	625,796	651,830	679,052
Public Safety	743,738	901,536	854,033	898,337	912,808	927,680	942,966	958,678	974,828
Cemetery	114,130	116,850	116,850	122,693	128,828	135,269	142,033	149,135	156,592
Fines & Forfeitures									
Court Fines	846,682	951,450	839,000	852,030	865,423	879,193	893,357	907,931	922,932
Other Fines	334,337	119,908	134,437	119,703	122,176	124,708	127,301	129,957	132,678
Other Revenue									
Interest Earnings	421,779	418,746	418,746	499,315	138,783	142,253	145,809	149,454	153,190
Miscellaneous	2,155,587	992,766	1,176,799	1,189,560	1,196,014	1,222,839	1,250,515	1,231,471	1,260,940
Total Revenues	37,376,241	35,227,701	36,347,850	37,099,496	37,450,664	38,075,021	38,996,754	39,896,689	40,870,795
Transfers In									
Library	-	250,000	-	250,000	-	-	-	-	-
HURF	130,069	-	-	70,000	71,750	73,544	75,382	77,267	79,199
Beautification	147,667	167,201	167,201	167,201	167,201	167,201	167,201	167,201	167,201
Tourism	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238
Recreation-BBB	664,057	787,712	631,332	738,229	852,303	905,822	947,441	1,000,159	1,029,072
Real Estate Proceeds		-	150,000	-	-	-	-	-	-
Utilities fund	2,403,310	2,018,336	2,017,796	2,398,096	2,417,472	2,410,772	1,812,572	1,805,197	1,800,771
Solid Waste	429,678	429,678	429,678	4,678	4,678	4,678	4,678	4,678	4,678
Total Transfers In	3,781,019	3,659,165	3,402,245	3,634,442	3,519,642	3,568,255	3,013,512	3,060,740	3,087,159
Total Revenues & Transfers In	41,157,260	38,886,866	39,750,095	40,733,938	40,970,306	41,643,276	42,010,266	42,957,429	43,957,954
Total Sources of Funds	57,907,112	57,091,494	59,722,684	60,808,056	46,521,624	46,355,375	46,065,359	45,760,994	45,484,076

CITY OF FLAGSTAFF
GENERAL FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Uses of Funds									
Departments									
General Administration	3,481,822	4,019,035	3,846,453	4,398,114	4,600,068	4,596,653	4,847,127	4,847,194	5,107,593
Management Services	2,770,801	3,138,935	3,073,998	3,345,425	3,435,840	3,528,701	3,624,076	3,722,032	3,822,641
Community Development	3,679,047	3,727,867	3,429,432	3,934,325	3,921,321	3,978,442	4,087,117	4,198,761	4,313,457
Fire	6,661,723	6,901,391	6,942,093	7,320,054	7,537,828	7,762,097	7,993,049	8,230,881	8,475,788
Police	10,537,441	11,796,442	11,227,985	12,170,096	12,328,633	12,662,680	13,005,789	13,358,206	13,720,183
Public Works	4,882,769	5,242,796	4,879,054	5,615,795	5,425,643	5,579,044	5,731,778	5,894,614	6,057,647
Non-Departmental	2,373,896	3,190,193	2,571,481	3,186,338	2,716,483	2,814,896	2,885,858	2,958,610	3,008,196
Contingency	166,737	750,000	250,000	650,000	250,000	250,000	250,000	250,000	250,000
Less Indirect Charges	(4,658,210)	(4,698,770)	(4,704,763)	(4,734,948)	(4,900,671)	(5,072,194)	(5,224,360)	(5,381,091)	(5,542,523)
Total Department Expenditures	29,896,026	34,067,889	31,515,733	35,885,199	35,315,145	36,100,319	37,200,434	38,079,207	39,212,982
Debt Service									
Bonds	462,327	462,199	462,199	464,839	460,599	459,199	462,399	459,534	460,614
Total Debt Service	462,327	462,199	462,199	464,839	460,599	459,199	462,399	459,534	460,614
Total Operating Budget	30,358,353	34,530,088	31,977,932	36,350,038	35,775,744	36,559,518	37,662,833	38,538,741	39,673,596
Revised service Levels									
Police officers - 3 to meet Cops in Schools	-	-	-	-	-	-	150,000	154,125	158,363
Additional operating costs	-	-	-	-	187,028	191,704	196,496	201,409	206,444
Decrease in pers costs \$500K/\$500K	-	-	-	-	(358,000)	(370,530)	(383,499)	(410,813)	(425,192)
Total Revised Service Levels	-	-	-	-	(170,972)	(178,826)	(37,002)	(55,280)	(60,384)
Capital/CIP									
Fleet	870,478	307,288	293,662	660,500	354,911	334,446	384,329	421,917	331,466
MIS	348,238	631,758	491,758	1,023,176	760,574	798,602	838,533	880,459	924,482
Cip	2,246,208	6,847,857	2,358,243	267,243	135,000	135,000	135,000	135,000	135,000
Capital	437,930	747,135	679,519	391,570	280,000	280,000	280,000	280,000	280,000
Total Capital/CIP	3,902,854	8,534,038	3,823,182	2,342,489	1,530,485	1,548,048	1,637,862	1,717,376	1,670,948
Transfers Out									
Library	1,127,079	1,155,256	1,155,256	1,174,937	1,204,310	1,234,418	1,265,279	1,296,911	1,329,333
MPO	-	-	-	15,000	-	-	-	-	-
Hurf	2,400,360	3,518,336	2,017,796	3,898,096	2,420,558	2,410,723	1,811,423	1,804,723	1,804,723
Economic Development	50,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Arts and Science	95,000	35,000	35,000	35,000	35,000	10,000	10,000	10,000	10,000
Real Estate Proceeds	150,000	-	-	-	-	-	-	-	-
Community Redevelopment	375,400	375,400	375,400	375,400	375,400	375,400	375,400	375,400	375,400
Airport	707,000	509,000	487,000	530,000	331,000	396,000	471,000	482,000	475,000
Stormwater	-	60,000	60,000	8,375,725	443,000	80,000	-	-	-
Total Transfers Out	4,904,839	5,717,992	4,195,452	14,469,158	4,874,268	4,571,541	3,998,102	4,034,034	4,059,456
Excess revenues over expenditures	1,991,214	(9,895,252)	(246,471)	(12,427,747)	(1,039,219)	(857,005)	(1,251,528)	(1,277,443)	(1,385,662)

CITY OF FLAGSTAFF
 GENERAL FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
One Time Projects									
Land Acquisition/Facility Needs	-	3,572,000	505,000	2,095,053	-	-	-	-	-
LERDS and Construction	(900,000)	(900,000)	(853,000)	-	(200,000)	(200,000)	-	-	-
Restatement of FY2002 Fund Balance	(331,523)	-	-	-	-	-	-	-	-
Total One Time Projects	(1,231,523)	2,672,000	(348,000)	2,095,053	(200,000)	(200,000)	-	-	-
Total Uses of Funds	37,934,523	51,454,118	39,648,566	55,256,738	41,809,525	42,300,281	43,261,794	44,234,872	45,343,616
Ending Fund Balance	\$ 19,972,589	5,637,376	20,074,118	5,551,318	4,712,099	4,055,093	2,803,565	1,526,123	140,460

CITY OF FLAGSTAFF
LIBRARY FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 1,010,324	564,830	547,292	571,968	125,809	127,466	190,356	262,292	343,262
Revenues									
State Grants	54,328	-	26,537	82,300	100,000	100,000	100,000	100,000	100,000
Library District Taxes	1,607,306	2,460,151	2,277,590	2,629,762	1,957,815	2,065,388	2,123,150	2,181,106	2,239,261
Interest Earnings	18,084	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Miscellaneous	17,747	29,000	29,000	29,000	29,000	29,000	29,000	29,000	29,000
Total Revenues	1,697,465	2,510,151	2,354,127	2,762,062	2,107,815	2,215,388	2,273,150	2,331,106	2,389,261
Transfers In									
General Fund	1,127,079	1,155,256	1,155,256	1,174,937	1,204,310	1,234,418	1,265,279	1,296,911	1,329,333
Total Transfers In	1,127,079	1,155,256	1,155,256	1,174,937	1,204,310	1,234,418	1,265,279	1,296,911	1,329,333
Total Sources of Funds	3,834,868	4,230,237	4,056,675	4,508,967	3,437,935	3,577,272	3,728,785	3,890,309	4,061,857
Uses of Funds									
Departments									
Library	2,265,886	2,308,671	2,300,208	2,515,859	2,515,150	2,574,839	2,637,238	2,700,187	2,765,959
Library Grants	54,432	-	26,537	37,300	100,000	100,000	100,000	100,000	100,000
Indirect Costs	345,985	345,985	345,985	358,443	367,404	376,589	386,004	395,654	405,545
Subtotal Departments	2,666,303	2,654,656	2,672,730	2,911,602	2,982,554	3,051,428	3,123,242	3,195,841	3,271,504
County Wide Projects & Growth	179,989	900,334	810,827	773,162	302,915	310,488	318,250	326,206	334,361
Subtotal County Wide Proj & Growth	179,989	900,334	810,827	773,162	302,915	310,488	318,250	326,206	334,361
Total Operating Expenditures	2,846,292	3,554,990	3,483,557	3,684,764	3,285,469	3,361,916	3,441,492	3,522,047	3,605,865
Contingency	-	100,000	-	100,000	-	-	-	-	-
Library Capital	441,284	158,394	1,150	348,394	25,000	25,000	25,000	25,000	25,000
County Capital	-	-	-	-	-	-	-	-	-
Total Capital	441,284	158,394	1,150	348,394	25,000	25,000	25,000	25,000	25,000
Transfer Out									
General Fund	-	250,000	-	250,000	-	-	-	-	-
Total Uses of Funds	3,287,576	4,063,384	3,484,707	4,383,158	3,310,469	3,386,916	3,466,492	3,547,047	3,630,865
Ending Fund Balance	\$ 547,292	166,853	571,968	125,809	127,466	190,356	262,292	343,262	430,992

CITY OF FLAGSTAFF
HIGHWAY USER FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 7,909,075	5,345,185	6,243,289	4,813,394	1,647,296	1,674,649	1,963,153	1,505,696	1,169,544
Revenues									
Intergovernmental Revenues	850,000	1,580,000	35,655	2,938,096	402,500	-	-	-	-
Highway User Revenues	7,408,116	7,800,000	6,800,000	6,995,000	7,169,875	7,349,122	7,532,850	7,721,171	7,914,200
LTAf	315,026	300,246	300,246	300,246	300,246	300,246	300,246	300,246	300,246
Interest Revenues	211,535	20,000	60,000	33,000	41,000	42,000	49,000	49,000	38,000
Miscellaneous Revenues	61,863	1,761,261	41,261	1,761,261	1,041,261	1,141,261	41,261	41,261	41,261
Total Revenues	8,846,540	11,461,507	7,237,162	12,027,603	8,954,882	8,832,628	7,923,356	8,111,678	8,293,707
Transfers In									
General Fund	2,400,360	3,518,336	2,017,796	3,898,096	2,420,558	2,410,723	1,811,423	1,804,723	1,804,723
Stormwater	-	47,000	47,000	47,000	47,000	47,000	47,000	47,000	47,000
Transportation Tax	1,711,813	7,617,692	2,644,045	8,756,689	2,077,800	1,693,000	3,493,000	4,290,000	5,225,000
Total Transfers in	4,112,173	11,183,028	4,708,841	12,701,785	4,545,358	4,150,723	5,351,423	6,141,723	7,076,723
Total Sources of Funds	20,867,788	27,989,720	18,189,292	29,542,782	15,147,536	14,658,000	15,237,932	15,759,097	16,539,974
Uses of Funds									
Departments									
Operating Expenditures	2,454,002	2,691,137	2,477,551	3,032,739	3,113,107	3,195,604	3,280,288	3,367,216	3,456,447
Indirect Cost	1,524,612	1,524,612	1,524,612	1,502,607	1,540,172	1,578,676	1,618,143	1,658,597	1,700,062
Capital Expenditures	7,215,456	18,949,510	6,427,939	20,717,044	5,724,800	5,236,300	6,947,000	7,681,750	8,568,919
Reserves/Contingencies	-	500,000	-	100,000	-	-	-	-	-
Total Expenditures	11,194,070	23,665,259	10,430,102	25,352,390	10,378,079	10,010,580	11,845,431	12,707,563	13,725,428
Debt Service									
Debt Service	2,400,360	2,034,836	2,017,796	2,398,096	2,823,058	2,410,723	1,811,423	1,804,723	1,804,723
Total Debt Service	2,400,360	2,034,836	2,017,796	2,398,096	2,823,058	2,410,723	1,811,423	1,804,723	1,804,723
Transfers Out									
Storm Water		75,000	75,000	75,000	-	-	-	-	-
General Fund	1,030,069	900,000	853,000	70,000	271,750	273,544	75,382	77,267	79,199
Total Transfers Out	1,030,069	975,000	928,000	145,000	271,750	273,544	75,382	77,267	79,199
Total Uses of Funds	14,624,499	26,675,095	13,375,898	27,895,486	13,472,887	12,694,847	13,732,236	14,589,552	15,609,349
Ending Fund Balance	\$ 6,243,289	1,314,625	4,813,394	1,647,296	1,674,649	1,963,153	1,505,696	1,169,544	930,625

CITY OF FLAGSTAFF
TRANSPORTATION FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 6,878,044	30,562,715	6,646,693	23,006,476	3,555,354	1,685,580	2,846,782	2,444,309	1,373,001
Revenues									
Sales Tax	6,499,636	7,050,874	7,050,875	7,227,146	7,407,826	7,593,022	7,782,847	7,977,418	8,176,854
Bond Proceeds	-	-	25,723,219	-	-	-	-	-	-
Interest Revenues	81,773	1,364,000	159,000	575,000	88,000	42,000	71,000	61,000	45,000
Miscellaneous Revenues	(30,486)	-	-	2,200,000	1,300,000	-	-	-	-
Total Revenues	6,550,923	8,414,874	32,933,094	10,002,146	8,795,826	7,635,022	7,853,847	8,038,418	8,221,855
Transfers In:									
Beautification	-	-	-	250,000	-	-	-	-	-
Total Transfers In	-	-	-	250,000	-	-	-	-	-
Total Sources of Funds	13,428,967	38,977,589	39,579,787	33,258,622	12,351,180	9,320,602	10,700,629	10,482,727	9,594,856
Uses of Funds									
Departments									
Operating									
Transit	1,522,402	2,016,199	2,016,199	2,267,779	2,317,776	2,266,220	2,266,220	2,322,876	2,380,948
Capital Expenditures									
4th Street Overpass	3,432,247	10,699,075	9,902,667	15,387,200	3,732,924	-	-	-	-
Total Expenditures	4,954,649	12,715,274	11,918,866	17,654,979	6,050,700	2,266,220	2,266,220	2,322,876	2,380,948
Transfers Out									
Highway User Revenue Fund	1,711,813	7,617,692	2,644,045	8,756,689	2,077,800	1,693,000	3,493,000	4,290,000	4,290,000
Stormwater	-	100,000	100,000	-	-	-	-	-	-
Beautification Fund	115,812	550,000	100,000	1,000,000	550,000	550,000	550,000	550,000	550,000
Total Transfers out	1,827,625	8,267,692	2,844,045	9,756,689	2,627,800	2,243,000	4,043,000	4,840,000	4,840,000
Debt Service	-	1,750,000	1,810,400	2,041,600	1,987,100	1,964,600	1,947,100	1,946,850	2,260,200
Total Uses of Funds	6,782,274	22,732,966	16,573,311	29,453,268	10,665,600	6,473,820	8,256,320	9,109,726	9,481,148
Ending Fund Balance	\$ 6,646,693	16,244,623	23,006,476	3,805,354	1,685,580	2,846,781	2,444,308	1,373,000	113,707

CITY OF FLAGSTAFF
BEAUTIFICATION FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 1,320,857	1,483,815	1,734,491	2,122,547	56,418	81,193	84,862	243,103	141,405
Revenues									
Intergovernmental Revenue	92,832	1,100,000	85,000	1,186,700	1,680,000	1,080,000	80,000	80,000	-
BBB Tax Revenue	765,395	771,458	779,904	799,401	819,386	839,871	860,868	882,389	904,449
Interest Earnings	31,302	20,000	36,000	36,900	37,823	38,768	39,737	40,731	41,749
Miscellaneous	(11,722)	113,000	86,162	3,000	3,000	3,000	3,000	3,000	3,000
Total Revenues	877,807	2,004,458	987,066	2,026,001	2,540,209	1,961,639	983,605	1,006,120	949,198
Transfers In									
Transportation Tax-STIS	115,812	550,000	100,000	1,000,000	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	225,812	660,000	210,000	1,110,000	660,000	660,000	660,000	660,000	660,000
Total Sources of Funds	2,424,476	4,148,273	2,931,557	5,258,548	3,256,627	2,702,832	1,728,467	1,909,223	1,750,602
Uses of Funds									
Departments									
General Operating	79,524	87,911	87,849	106,154	133,433	145,769	158,163	170,617	183,132
CIP	462,392	3,807,205	553,960	4,468,775	2,774,800	2,205,000	1,060,000	1,430,000	780,000
Reserves/Contingencies	402	10,000	-	10,000	-	-	-	-	-
Total Expenditures	542,318	3,905,116	641,809	4,584,929	2,908,233	2,350,769	1,218,163	1,600,617	963,132
Transfers Out									
General Fund	147,667	167,201	167,201	167,201	167,201	167,201	167,201	167,201	167,201
Transportation	-	-	-	250,000	-	-	-	-	-
Stormwater	-	-	-	200,000	100,000	100,000	100,000	-	-
Total Transfers Out	147,667	167,201	167,201	617,201	267,201	267,201	267,201	167,201	167,201
Total Uses of Funds	689,985	4,072,317	809,010	5,202,130	3,175,434	2,617,970	1,485,364	1,767,818	1,130,333
Ending Fund Balance	\$ 1,734,491	75,956	2,122,547	56,418	81,193	84,862	243,103	141,405	620,269

CITY OF FLAGSTAFF
ECONOMIC DEVELOPMENT FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 188,344	141,946	193,260	208,562	172,878	163,601	155,684	148,423	142,095
B.B. & B. TAX	363,563	366,442	370,454	379,716	389,208	398,939	408,912	419,135	429,613
Interest Income/Misc Rev.	2,061	1,339	4,248	4,000	3,915	3,544	3,227	2,937	2,684
Total Revenues	365,624	367,781	374,702	383,716	393,123	402,483	412,139	422,072	432,297
Transfer In									
General Fund	50,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Total Transfer In	50,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Total Sources of Funds	603,968	574,727	632,962	657,278	631,001	631,084	632,823	635,495	639,392
Uses of Funds									
Departments									
GFEC	307,091	317,000	317,000	330,000	338,000	346,000	355,000	364,000	373,000
Telecom	96,217	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Partnership Training Funds	-	22,000	-	22,000	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
Reserve/Contingencies	-	25,000	-	25,000	-	-	-	-	-
Total Operating Expenses	410,708	471,400	424,400	484,400	467,400	475,400	484,400	493,400	502,400
Total Uses of Funds	410,708	471,400	424,400	484,400	467,400	475,400	484,400	493,400	502,400
Ending Fund Balance	\$ 193,260	103,327	208,562	172,878	163,601	155,684	148,423	142,095	136,992

CITY OF FLAGSTAFF
 TOURISM FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 799,159	744,671	613,548	400,598	162,632	154,962	149,042	144,956	142,791
Revenues									
Intergovernmental Revenues	-	15,000	-	-	-	-	-	-	-
BBB Tax Revenues	1,148,092	1,157,186	1,169,855	1,199,102	1,229,079	1,259,806	1,291,301	1,323,584	1,356,674
Interest on Investments	19,696	38,577	17,704	20,000	20,500	21,013	21,538	22,076	22,628
Miscellaneous Revenues	51,477	67,065	74,973	39,898	40,895	41,918	42,966	44,040	45,141
Visitor Center Retail Sales	5,179	-	12,000	20,000	21,000	22,050	23,153	24,310	25,526
Total Revenues	1,224,444	1,277,828	1,274,532	1,279,000	1,311,474	1,344,787	1,378,958	1,414,010	1,449,969
Total Sources of Funds	2,023,603	2,022,499	1,888,080	1,679,598	1,474,106	1,499,748	1,528,000	1,558,966	1,592,760
Uses of Funds									
Departments									
Operating Expenditures	1,402,390	1,520,403	1,319,463	1,390,728	1,312,906	1,344,468	1,376,806	1,409,937	1,443,884
Capital Expenditures	1,427	211,280	161,781	70,000	-	-	-	-	-
Reserve/Contingencies	-	50,000	-	50,000	-	-	-	-	-
Total Expenditures	1,403,817	1,781,683	1,481,244	1,510,728	1,312,906	1,344,468	1,376,806	1,409,937	1,443,884
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	1,410,055	1,787,921	1,487,482	1,516,966	1,319,144	1,350,706	1,383,044	1,416,175	1,450,122
Ending Fund Balance	\$ 613,548	234,578	400,598	162,632	154,962	149,042	144,956	142,791	142,638

CITY OF FLAGSTAFF
ARTS AND SCIENCE FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 162,235	165,026	181,463	183,049	107,270	119,904	115,851	114,469	116,088
Revenues									
BBB Tax Revenues	287,023	289,297	292,464	299,775	307,270	314,952	322,825	330,896	339,168
Interest Income	2,775	8,251	6,590	9,152	5,364	5,995	5,793	5,723	5,804
Miscellaneous	(1,418)	-	-	-	-	-	-	-	-
Total Revenues	288,380	297,548	299,054	308,927	312,634	320,947	328,618	336,619	344,972
Transfers In									
General Fund	95,000	35,000	35,000	35,000	35,000	10,000	10,000	10,000	10,000
Total Transfers In	95,000	35,000	35,000	35,000	35,000	10,000	10,000	10,000	10,000
Total Sources of Funds	545,615	497,574	515,517	526,976	454,904	450,851	454,469	461,088	471,061
Uses of Funds									
Departments									
General Operating	229	-	89	-	-	-	-	-	-
Public Art	8,923	53,340	12,379	84,706	10,000	10,000	10,000	10,000	10,000
FCP Administration	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Contribution to Other Agencies	310,000	275,000	275,000	280,000	280,000	280,000	285,000	290,000	290,000
Reserve	-	10,000	-	10,000	-	-	-	-	-
Total Expenditures	364,152	383,340	332,468	419,706	335,000	335,000	340,000	345,000	345,000
Total Uses of Funds	364,152	383,340	332,468	419,706	335,000	335,000	340,000	345,000	345,000
Ending Fund Balance	\$ 181,463	114,234	183,049	107,270	119,904	115,851	114,469	116,088	126,061

CITY OF FLAGSTAFF
BBB-RECREATION FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 5,833,323	3,081,616	2,974,422	3,160,987	131,014	139,625	159,066	19,147	127,868
Revenues									
Intergovernmental Revenue	632,246	550,000	-	869,000	-	-	-	-	-
BBB Tax Revenue	1,262,902	1,300,911	1,283,105	1,315,182	1,348,062	1,381,764	1,416,308	1,451,716	1,488,009
Interest on Investments	83,354	62,000	68,000	63,200	2,600	2,800	3,200	400	2,600
Miscellaneous Revenues	(128,712)	-	-	-	-	-	-	-	-
Total Revenues	1,849,790	1,912,911	1,351,105	2,247,382	1,350,662	1,384,564	1,419,508	1,452,116	1,490,609
Transfers In									
Secondary Prop Tax Fund	315,792	255,266	255,266	262,924	270,811	278,936	287,303	295,922	304,800
Total Transfers In	315,792	255,266	255,266	262,924	270,811	278,936	287,303	295,922	304,800
Total Sources of Funds	7,998,905	5,249,793	4,580,793	5,671,293	1,752,487	1,803,125	1,865,877	1,767,185	1,923,277
Uses of Funds									
Departments									
Operating Expenditures	-	33,000	-	33,000	-	-	-	-	-
Capital Expenditures	3,730,879	2,218,381	163,361	4,048,940	-	-	-	-	-
Total Expenditures	3,730,879	2,251,381	163,361	4,081,940	-	-	-	-	-
Transfers Out									
General Fund	664,057	787,712	631,332	738,229	852,303	905,822	947,441	1,000,159	1,029,072
Debt Service	519,547	522,166	515,113	610,110	650,559	628,237	789,289	529,158	530,933
Beautification	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
Total Transfers Out	1,293,604	1,419,878	1,256,445	1,458,339	1,612,862	1,644,059	1,846,730	1,639,317	1,670,005
Total Uses of Funds	5,024,483	3,671,259	1,419,806	5,540,279	1,612,862	1,644,059	1,846,730	1,639,317	1,670,005
Ending Fund Balance	\$ 2,974,422	1,578,534	3,160,987	131,014	139,625	159,066	19,147	127,868	253,272

CITY OF FLAGSTAFF
 REAL ESTATE PROCEEDS FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 1,099,087	1,021,900	1,020,997	905,994	256,444	120,794	280,144	144,494	6,844
Revenues									
Real Estate Revenues	-	297,000	13,418	-	-	297,000	-	-	-
Interest on Investments	38,337	30,350	30,350	26,350	14,350	12,350	14,350	12,350	10,350
Miscellaneous	(16,537)	-	879	-	-	-	-	-	-
Total Revenues	21,800	327,350	44,647	26,350	14,350	309,350	14,350	12,350	10,350
Transfers In									
General Fund	150,000	-	-	-	-	-	-	-	-
Total Transfers In	150,000	-	-	-	-	-	-	-	-
Total Sources of Funds	1,270,887	1,349,250	1,065,644	932,344	270,794	430,144	294,494	156,844	17,194
Uses of Funds									
Departments									
Operating Expenditrues	-	-	9,650	-	-	-	-	-	-
Capital Expenditures	249,890	685,000	-	675,900	150,000	150,000	150,000	150,000	-
Total Expenditures	249,890	685,000	9,650	675,900	150,000	150,000	150,000	150,000	-
Transfers Out									
General Fund	-	-	150,000	-	-	-	-	-	-
Total Transfers Out	-	-	150,000	-	-	-	-	-	-
Total Uses of Funds	249,890	685,000	159,650	675,900	150,000	150,000	150,000	150,000	-
Ending Fund Balance	\$ 1,020,997	664,250	905,994	256,444	120,794	280,144	144,494	6,844	17,194

CITY OF FLAGSTAFF
 METRO PLANNING ORGANIZATION FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ -	-	-	-	-	-	-	-	-
Revenues									
Intergovernmental Revenue	315,892	298,126	325,396	711,700	325,803	325,803	325,803	325,803	325,803
Miscellaneous Revenues	-	-	71,250	-	-	-	-	-	-
Total Revenues	315,892	298,126	396,646	711,700	325,803	325,803	325,803	325,803	325,803
Transfers In									
General Fund	-	-	-	15,000	-	-	-	-	-
Total Transfers In	-	-	-	15,000	-	-	-	-	-
Total Sources of Funds	315,892	298,126	396,646	726,700	325,803	325,803	325,803	325,803	325,803
Uses of Funds									
Departments									
Operating Expenditures	315,892	298,126	390,653	511,186	215,050	215,050	215,050	215,050	215,050
Indirect Grant Cost	-	-	5,993	15,514	10,753	10,753	10,753	10,753	10,753
Total Expenditures	315,892	298,126	396,646	526,700	225,803	225,803	225,803	225,803	225,803
Contingency	-	-	-	200,000	100,000	100,000	100,000	100,000	100,000
Total Uses of Funds	315,892	298,126	396,646	726,700	325,803	325,803	325,803	325,803	325,803
Ending Fund Balance	\$ -	-	-	-	-	-	-	-	-

CITY OF FLAGSTAFF
 GENERAL OBLIGATION BOND FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 11,781	12,081	11,523	11,823	12,123	12,423	12,723	13,023	13,323
Revenues									
Interest Revenue	63	300	300	300	300	300	300	300	300
Total Revenues	63	300	300	300	300	300	300	300	300
Transfers In									
BBB- Recreation	519,547	522,166	515,113	610,110	650,559	628,237	789,289	529,158	530,933
Secondary Property Tax Fund	1,372,115	1,496,290	1,495,735	1,156,936	1,871,959	2,091,409	2,757,406	2,906,050	3,327,596
Total Transfers In	1,891,662	2,018,456	2,010,848	1,767,046	2,522,518	2,719,646	3,546,695	3,435,208	3,858,529
Total Sources of Funds	1,903,506	2,030,837	2,022,671	1,779,169	2,534,941	2,732,369	3,559,718	3,448,531	3,872,152
Uses of Funds									
Debt Service									
Debt Service	1,891,983	2,018,456	2,010,848	1,767,046	2,522,518	628,237	789,289	529,158	530,933
Total Debt Service	1,891,983	2,018,456	2,010,848	1,767,046	2,522,518	2,719,646	3,546,695	3,435,208	3,858,529
Total Uses of Funds	1,891,983	2,018,456	2,010,848	1,767,046	2,522,518	2,719,646	3,546,695	3,435,208	3,858,529
Ending Fund Balance	\$ 11,523	12,381	11,823	12,123	12,423	12,723	13,023	13,323	13,623

CITY OF FLAGSTAFF
SECONDARY PROPERTY TAX FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 313,239	357,631	440,405	1,023,685	1,708,062	1,742,262	1,777,062	1,812,562	1,848,862
Revenues									
Secondary Property Taxes	4,415,081	4,550,192	4,550,192	4,686,697	4,827,298	4,972,117	5,121,281	5,274,919	5,433,167
Interest Revenue	2,284	7,200	4,400	20,500	34,200	34,800	35,500	36,300	37,000
Total Revenues	4,417,365	4,557,392	4,554,592	4,707,197	4,861,498	5,006,917	5,156,781	5,311,219	5,470,167
Total Sources of Funds	4,730,604	4,915,023	4,994,997	5,730,882	6,569,560	6,749,179	6,933,843	7,123,781	7,319,029
Uses of Funds									
Transfers Out									
G. O. Bond Fund	1,372,115	1,496,290	1,495,735	1,156,936	1,871,959	2,091,409	2,757,406	2,906,050	3,327,596
Recreation - BBB	315,792	255,266	255,266	262,924	270,811	278,936	287,303	295,922	304,800
Airport	201,932	202,672	202,515	204,864	267,056	191,000	264,000	267,750	-
Utilities	2,400,360	2,018,336	2,017,796	2,398,096	2,417,472	2,410,772	1,812,572	1,805,197	1,800,771
Total Transfers Out	4,290,199	3,972,564	3,971,312	4,022,820	4,827,298	4,972,117	5,121,281	5,274,919	5,433,167
Total Uses of Funds	4,290,199	3,972,564	3,971,312	4,022,820	4,827,298	4,972,117	5,121,281	5,274,919	5,433,167
Ending Fund Balance	\$ 440,405	942,459	1,023,685	1,708,062	1,742,262	1,777,062	1,812,562	1,848,862	1,885,862

CITY OF FLAGSTAFF
 SPECIAL ASSESSMENT BOND FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 356,737	453,031	494,892	434,396	370,426	321,479	272,880	221,782	168,263
Revenues									
Special Assessments	360,158	203,214	203,214	212,885	29,118	29,505	31,835	34,166	36,502
Interest on Investments	82,124	30,197	37,906	22,543	16,480	13,742	11,042	8,125	5,091
Miscellaneous Revenues	(2,855)	-	1,302	-	-	-	-	-	-
Total Revenues	439,427	233,411	242,422	235,428	45,598	43,247	42,877	42,291	41,593
Total Sources of Funds	796,164	686,442	737,314	669,824	416,024	364,726	315,757	264,073	209,856
Uses of Funds									
Departments									
Operating Expense	-	100	400	400	400	400	400	400	400
Debt Service									
Bonds	301,272	302,468	302,518	298,998	94,145	91,446	93,575	95,410	96,951
Total Uses of Funds	301,272	302,568	302,918	299,398	94,545	91,846	93,975	95,810	97,351
Ending Fund Balance	\$ 494,892	383,874	434,396	370,426	321,479	272,880	221,782	168,263	112,505

CITY OF FLAGSTAFF
 PERPETUAL CARE FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 4,985	12,607	12,607	25,420	38,489	51,820	65,417	79,286	93,433
Revenues									
Contributions	7,435	-	12,617	12,869	13,127	13,389	13,657	13,930	14,209
Interest on Investments	187	-	196	200	204	208	212	216	221
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Revenues	7,622	-	12,813	13,069	13,331	13,597	13,869	14,147	14,430
Total Sources of Funds	12,607	12,607	25,420	38,489	51,820	65,417	79,286	93,433	107,862
Uses of Funds									
Departments									
Operating Expenditures	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-	-
Total Uses of Funds	-	-	-	-	-	-	-	-	-
Ending Fund Balance	\$ 12,607	12,607	25,420	38,489	51,820	65,417	79,286	93,433	107,862

CITY OF FLAGSTAFF
WATER AND WASTEWATER FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 21,153,012	28,886,683	25,942,730	23,449,764	14,465,443	12,205,443	10,594,845	10,401,522	9,955,333
Revenues									
Intergovernmental	425	10,000	3,000	321,575	-	-	-	-	-
Water Revenues	11,252,282	11,552,112	11,640,350	11,583,130	11,815,000	12,051,400	12,292,500	12,538,300	12,789,300
Wastewater Revenues	7,601,981	7,231,596	7,320,540	7,647,410	7,800,300	7,956,400	8,115,500	8,277,800	8,443,400
Interest Revenues	155,117	722,000	575,000	586,000	362,000	305,000	265,000	260,000	249,000
Bond Proceeds	6,775,760	-	-	-	-	-	-	-	-
Miscellaneous Revenues	(57,749)	-	(12,313)	-	-	-	-	-	-
Total Revenues	25,727,816	19,515,708	19,526,577	20,138,115	19,977,300	20,312,800	20,673,000	21,076,100	21,481,700
Transfers In									
Debt Service Fund	2,400,360	2,018,336	2,017,796	2,398,096	2,417,472	2,410,772	1,812,572	1,805,197	1,800,771
Water & Sewer Bond Fund	-	-	-	14,724,694	28,717,200	1,865,000	1,266,800	6,523,900	9,038,100
Total Transfers In	2,400,360	2,018,336	2,017,796	17,122,790	31,134,672	4,275,772	3,079,372	8,329,097	10,838,871
Total Sources of Funds	49,281,188	50,420,727	47,487,103	60,710,669	65,577,415	36,794,015	34,347,217	39,806,719	42,275,904
Uses of Funds									
Departments									
Operating Expenditures	7,475,584	8,892,258	8,797,166	9,447,911	9,684,100	9,926,298	10,174,523	10,428,889	10,689,609
Indirect Costs	1,551,056	1,551,056	1,551,056	1,567,727	1,606,900	1,647,100	1,688,300	1,730,500	1,773,800
Capital Expenditures	8,261,641	14,457,648	7,813,591	26,753,164	34,990,500	6,752,700	5,130,400	10,321,600	13,615,400
Reserves/Contingencies	30,594	1,400,000	-	2,200,000	-	-	-	-	-
Total Expenditures	17,318,875	26,300,962	18,161,813	39,968,802	46,281,500	18,326,098	16,993,223	22,480,989	26,078,809
Debt Service									
Bonds	3,616,273	4,011,928	3,857,730	3,878,328	4,673,000	5,462,300	5,139,900	5,565,200	5,382,100
Total Debt Service	3,616,273	4,011,928	3,857,730	3,878,328	4,673,000	5,462,300	5,139,900	5,565,200	5,382,100
Transfers Out									
General Fund	2,403,310	2,018,336	2,017,796	2,398,096	2,417,472	2,410,772	1,812,572	1,805,197	1,800,771
Total Transfers Out	2,403,310	2,018,336	2,017,796	2,398,096	2,417,472	2,410,772	1,812,572	1,805,197	1,800,771
Total Uses of Funds	23,338,458	32,331,226	24,037,339	46,245,226	53,371,972	26,199,170	23,945,695	29,851,386	33,261,680
Ending Fund Balance	\$ 25,942,730	18,089,501	23,449,764	14,465,443	12,205,443	10,594,845	10,401,522	9,955,333	9,014,224

CITY OF FLAGSTAFF
 WATER AND WASTEWATER BOND FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ -	-	-	-	15,075,306	1,358,106	(492,523)	12,740,677	6,216,777
Revenues									
Bond Proceeds	-	-	-	29,800,000	15,000,000	-	14,500,000	-	4,700,000
Interest on Investment	-	-	-	-	-	14,371	-	-	-
Total Revenue	-	-	-	29,800,000	15,000,000	14,371	14,500,000	-	4,700,000
Total Sources of Funds	-	-	-	29,800,000	30,075,306	1,372,477	14,007,477	12,740,677	10,916,777
Uses of Funds									
Transfers Out									
Water and Wastewater Fund	-	-	-	14,724,694	28,717,200	1,865,000	1,266,800	6,523,900	9,038,100
Total Transfers Out	-	-	-	14,724,694	28,717,200	1,865,000	1,266,800	6,523,900	9,038,100
Total Uses of Funds	-	-	-	14,724,694	28,717,200	1,865,000	1,266,800	6,523,900	9,038,100
Ending Fund Balance	\$ -	-	-	15,075,306	1,358,106	(492,523)	12,740,677	6,216,777	1,878,677

CITY OF FLAGSTAFF
AIRPORT FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 13,268	15,367	5,079	4,629	3,860	3,952	4,301	3,889	3,687
Revenues									
Intergovernmental Revenues	4,529,370	2,186,708	1,212,882	8,532,240	8,678,322	3,345,000	2,915,600	1,775,150	1,572,500
Airport Revenues	824,651	913,732	866,192	943,122	1,087,044	1,102,925	1,136,295	1,152,119	1,168,446
Interest Revenue	5,846	-	300	-	-	-	-	-	-
Recovery of Indirect Costs	472	95,396	44,968	299,617	307,110	150,929	128,151	74,486	51,882
Miscellaneous Revenues	(800)	3,865	(4,203)	3,200	3,200	3,200	3,200	3,200	3,200
Passenger Facility Charges	95,264	95,000	95,000	95,000	95,000	95,000	95,000	95,000	32,287
Loan/Lease Proceeds	-	2,524,144	211,640	2,516,457	-	-	-	-	-
Total Revenues	5,454,803	5,818,845	2,426,779	12,389,636	10,170,676	4,697,054	4,278,246	3,099,955	2,828,315
Transfers In									
Airpark Fund	-	-	-	114,000	154,000	25,000	-	-	55,555
Secondary Prop Tax Fund	201,932	202,672	202,515	204,864	267,056	191,000	264,000	267,750	(32,287)
General Fund-Operating	450,000	449,000	430,000	287,000	144,000	316,000	337,000	407,000	447,000
General Fund-Capital	256,000	60,000	57,000	243,000	187,000	80,000	134,000	75,000	28,000
Total Transfers In	907,932	711,672	689,515	848,864	752,056	612,000	735,000	749,750	498,268
Total Sources of Funds	6,376,003	6,545,884	3,121,373	13,243,129	10,926,592	5,313,006	5,017,547	3,853,594	3,330,270
Uses of Funds									
Departments									
Operating Expenditures	800,660	874,273	845,160	908,549	938,470	961,966	986,049	1,010,728	1,036,044
Indirect Cost	387,672	387,672	387,672	299,617	307,110	314,790	322,660	330,730	339,000
Capital Expenditures	4,795,808	4,831,171	1,496,809	11,432,165	9,019,305	3,450,000	3,050,000	1,850,000	1,655,555
Total Expenditures	5,984,140	6,093,116	2,729,641	12,640,331	10,264,885	4,726,756	4,358,709	3,191,458	3,030,599
Debt Service									
Bonds	297,196	297,672	297,515	299,864	362,056	286,000	359,000	362,750	-
Leases	34,639	84,639	34,639	244,125	240,750	241,000	241,000	240,750	240,250
Loans	54,949	54,949	54,949	54,949	54,949	54,949	54,949	54,949	54,949
Total Debt Service	386,784	437,260	387,103	598,938	657,755	581,949	654,949	658,449	295,199
Total Uses of Funds	6,370,924	6,530,376	3,116,744	13,239,269	10,922,640	5,308,705	5,013,658	3,849,907	3,325,798
Ending Fund Balance	\$ 5,079	15,508	4,629	3,860	3,952	4,301	3,889	3,687	4,472

CITY OF FLAGSTAFF
AIRPARK FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 386,185	394,185	389,984	396,984	288,984	139,284	116,384	118,084	119,884
Revenues									
Interest on Investments	8,006	5,900	7,000	6,000	4,300	2,100	1,700	1,800	1,800
Miscellaneous Revenue	(4,207)	-	-	-	-	-	-	-	-
Total Revenues	3,799	5,900	7,000	6,000	4,300	2,100	1,700	1,800	1,800
Total Sources of Funds	389,984	400,085	396,984	402,984	293,284	141,384	118,084	119,884	121,684
Uses of Funds									
Transfers Out									
Airport Fund	-	-	-	114,000	154,000	25,000	-	-	55,555
Total Transfers Out	-	-	-	114,000	154,000	25,000	-	-	55,555
Total Uses of Funds	-	-	-	114,000	154,000	25,000	-	-	55,555
Ending Fund Balance	\$ 389,984	400,085	396,984	288,984	139,284	116,384	118,084	119,884	66,129

CITY OF FLAGSTAFF
 ENVIRONMENTAL SERVICES FUND
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 5,012,037	4,301,521	5,060,943	4,800,250	3,276,061	2,448,553	2,077,843	1,536,647	1,724,659
Revenues									
Intergovernmental Revenues	48,813	-	-	-	-	-	-	-	-
Environmental Services Revenues	7,680,008	7,721,424	7,967,972	8,106,947	8,305,988	8,510,118	8,719,470	8,934,183	9,154,400
Other Financing Sources	-	4,350,000	-	4,350,000	-	-	-	1,000,000	-
Interest on Investments	(51,129)	108,000	170,920	162,000	82,000	61,000	52,000	38,000	43,000
Miscellaneous Revenues	2,453	80,474	99,179	-	-	-	-	-	-
Total Revenues	7,680,145	12,259,898	8,238,071	12,618,947	8,387,988	8,571,118	8,771,470	9,972,183	9,197,400
Transfers In									
Stormwater Utility Fund	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Total Transfers In	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Total Sources of Funds	12,692,182	16,576,419	13,314,014	17,434,197	11,679,049	11,034,671	10,864,314	11,523,830	10,937,059
Uses of Funds									
Departments									
Operating Expenditures	5,264,179	5,845,548	5,560,535	6,178,651	6,324,699	6,498,628	6,677,338	6,860,967	7,049,643
Indirect Costs	848,885	848,885	848,885	934,422	960,119	986,522	1,013,651	1,041,526	1,070,168
Capital Expenditures	1,073,857	2,276,000	1,674,666	2,350,385	1,941,000	1,467,000	1,632,000	1,892,000	748,000
Reserves/Contingencies	14,640	4,690,000	-	4,690,000	-	-	-	-	-
Total Expenditures	7,201,561	13,660,433	8,084,086	14,153,458	9,225,818	8,952,150	9,322,989	9,794,493	8,867,811
Transfers out:									
General Fund	429,678	429,678	429,678	4,678	4,678	4,678	4,678	4,678	4,678
Total Transfers Out	429,678	429,678	429,678	4,678	4,678	4,678	4,678	4,678	4,678
Total Uses of Funds	7,631,239	14,090,111	8,513,764	14,158,136	9,230,496	8,956,828	9,327,667	9,799,171	8,872,489
Ending Fund Balance (1)	\$ 5,060,943	2,486,308	4,800,250	3,276,061	2,448,553	2,077,843	1,536,647	1,724,659	2,064,570

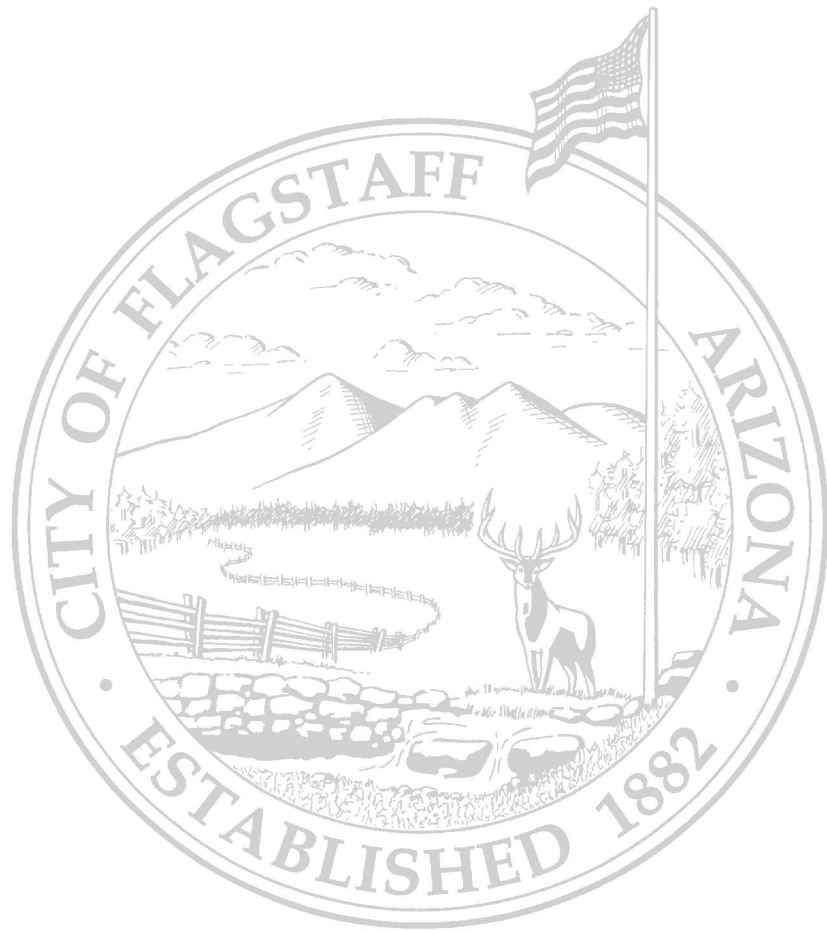
(1) Excludes monies set aside for closure costs.

CITY OF FLAGSTAFF
STORMWATER UTILITY FUND
FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ -	-	-	122,316	17,363	14,192	34,338	32,181	29,092
Revenues									
Stormwater Revenues	-	507,000	483,050	511,000	754,209	769,739	810,508	814,524	839,449
User Fees	-	30,000	44,880	32,000	32,800	33,620	34,461	35,322	36,205
Permits	-	-	380	400	410	420	431	442	453
Grants	-	-	25,000	-	-	-	-	-	-
Interest Earnings	-	2,000	551	3,058	2,446	284	687	644	582
Total Revenues	-	539,000	553,861	546,458	789,865	804,063	846,086	850,931	876,688
Transfers in									
General Fund	-	60,000	60,000	8,375,725	443,000	80,000	-	-	-
BBB-Beautification	-	-	-	200,000	100,000	100,000	100,000	-	-
4th Street	-	100,000	100,000	-	-	-	-	-	-
HURF	-	75,000	75,000	75,000	-	-	-	-	-
Total Transfers in	-	235,000	235,000	8,650,725	543,000	180,000	100,000	-	-
Total Sources of Funds	-	774,000	788,861	9,319,499	1,350,228	998,255	980,423	883,113	905,780
Uses of Funds									
Departments									
Operating Expenditures	-	444,534	440,930	855,848	650,569	638,264	699,322	701,752	724,566
Indirect Costs	-	40,560	40,560	56,618	58,033	59,484	60,971	62,496	64,058
Capital Expenditures	-	215,000	123,055	8,317,670	543,000	180,000	100,000	-	-
Reserves/Contingencies	-	10,000	-	10,000	-	-	-	-	-
Total Expenditures	-	710,094	604,545	9,240,136	1,251,602	877,748	860,293	764,248	788,624
Transfers Out									
Environmental Services	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
HURF	-	47,000	47,000	47,000	69,434	71,170	72,949	74,773	76,642
Total Transfers Out	-	62,000	62,000	62,000	84,434	86,170	87,949	89,773	91,642
Total Uses of Funds	-	772,094	666,545	9,302,136	1,336,036	963,918	948,242	854,021	880,266
Ending Fund Balance	\$ -	1,906	122,316	17,363	14,192	34,338	32,181	29,092	25,513

CITY OF FLAGSTAFF
 FIREMEN'S PENSION FUNDS
 FIVE YEAR PLAN 2005-2010

	Actual 2002-2003	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Sources of Funds									
Beginning Fund Balance	\$ 226,632	221,900	221,729	219,085	215,885	212,985	210,085	207,085	203,985
Revenues									
Interest on Investments	4,630	4,800	4,400	4,000	4,300	4,300	4,200	4,100	4,100
Miscellaneous Revenues	(2,333)	-	156	-	-	-	-	-	-
Total Revenues	2,297	4,800	4,556	4,000	4,300	4,300	4,200	4,100	4,100
Total Sources of Funds	228,929	226,700	226,285	223,085	220,185	217,285	214,285	211,185	208,085
Uses of Funds									
Departments									
Operating Expenditures	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Total Expenditures	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Total Uses of Funds	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
Ending Fund Balance	\$ 221,729	219,500	219,085	215,885	212,985	210,085	207,085	203,985	200,885



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 **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.

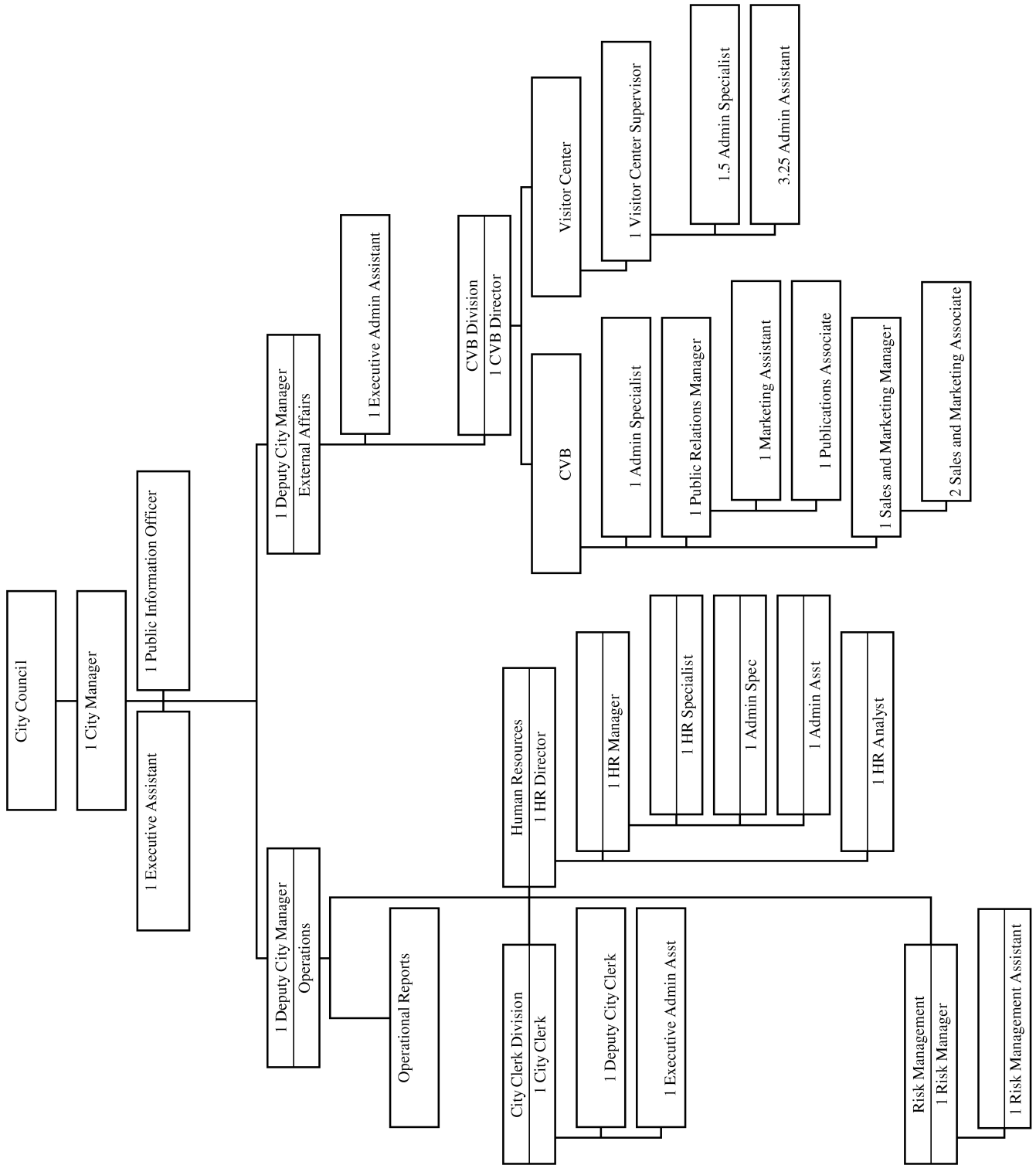
The mission of the **City Attorney's** office is to provide competent and sound legal advice and representation in matters involving or affecting the City.

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.

The mission of **Visitor Services** is to introduce and educate visitors about the vast tourism opportunities within Flagstaff and the surrounding areas, and to increase the length of visits to Flagstaff.

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.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****RESULTS:**

- ❖ Citizens provided with up to date information allowing them to give knowledgeable input to Council and staff.
- ❖ Local media have a working relationship with PIO and can depend on timely information and/or direction to proper sources.
- ❖ Citizens had access to timely and accurate information through a variety of methods that suits different needs.
- ❖ Citizens were able to access City Council and staff outside of City Hall. It also gave Council an opportunity to listen to citizens about neighborhood/community issues.
- ❖ A survey was completed that provided feedback from citizens on water conservation and street maintenance issues for program and budgeting purposes, and a yearly rating of city services.
- ❖ City employees are becoming more informed and can be a knowledgeable information source to citizens they encounter.

FY 05 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, 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/COMMUNICATION**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 annual meetings with local news agency representatives to evaluate and enhance methods of City communication to the community.
- ❖ Maintain or improve communication dissemination to citizens by:
 - Improving and updating the City web page with current information on programs and services.
 - Coordinating the development, design, layout, and distribution of Cityscape four times a year.
 - Maintaining televised City Council Work Sessions on Cable Channel 4 to community with some pre-meeting announcements and interviews.

- ❖ 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, and open house/issue related type programs.

- ❖ 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.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Maintain and/or increase City TV reports providing information to the community about City programs, services, issues	50 reports/yr	50 reports/year	50 reports/year
Maintain and/or increase City radio reports providing information to the community about City programs, services, and issues.	120 reports/year	100 reports/year	100 reports/year
Hold twice yearly meetings with local news agency representatives to evaluate and enhance methods of City communications to community	2 meetings – all agencies	1 meeting – all agencies	3 meetings 4 agencies
Improve and update City website with new information on programs and services and begin transition to more e-government services	Develop a plan for transition to e-government and added 5 new pages	RFP developed and distributed for web development and hosting company to meet short-term goals. Civic Plus hired.	New website developed and staff trained to maintain and improve on-line information and services. Planning for transition to e-government long-term goals.
Coordinate the development, design, layout, and distribution of Cityscape	4 times/year	4 times/year	4 times/year
Maintain or expand televised City Council work Sessions on Cable Channel 4 to community	48 times/year	48 times/year	48 times/year
Coordinate neighborhood meetings with the City Council, and other outreach type meetings and open houses.	4 times/year	4 times/year	7 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 implement methods to distribute information to employees and get their feedback on key city programs or services	City Manager quarterly meetings started, employee focus groups, emails and flyers.	At least 4 quarterly meetings with employees and focus groups. Maintain or increase number of informational emails and or flyers	Manager held division level meetings with majority of employees. Several quarterly meetings held and informational letters/flyers distributed.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 569,677	\$ 593,047	\$ 601,342	\$ 631,631	\$ 38,584
CONTRACTUAL	125,775	167,560	149,015	182,645	15,085
COMMODITIES	8,392	7,860	9,202	11,340	3,480
CAPITAL	-	-	-	-	-
TOTAL	\$ 703,844	\$ 768,467	\$ 759,559	\$ 825,616	\$ 57,149
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 594,250	\$ 628,067	\$ 635,605	\$ 672,931	\$ 44,864
DISABILITY AWARENESS	-	-	-	4,085	4,085
PUBLIC INFORMATION	81,136	96,350	86,045	104,550	8,200
CUSTOMER SERVICE	28,458	44,050	37,909	44,050	-
TOTAL	\$ 703,844	\$ 768,467	\$ 759,559	\$ 825,616	\$ 57,149
SOURCE OF FUNDING:					
GENERAL FUND				\$ 532,817	
LIBRARY FUND				37,564	
HIGHWAY USER REVENUE FUND				65,148	
WATER AND WASTEWATER FUND				101,547	
STORMWATER FUND				4,409	
AIRPORT FUND				14,980	
ENVIRONMENTAL SERVICES FUND				69,151	
				\$ 825,616	
COMMENTARY:					
The City Manager's operating budget has increased 7% and there are no capital expenditures. Personal Services increases reflect employee market and merit increases as well as an increase in the cost of health insurance. Contractual and commodity increases are due to the inclusion of the Diversity Awareness Commission, as well as publication space in the Arizona Daily Sun. 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, easements, rights-of-way, and leases. The City Clerk conducts all City elections, coordinates the Council's boards and commissions; conducts board and commission member training and maintains the board and commission member handbook; prepares the Council meeting, work session, and executive session agendas; oversees the City's record management program; oversees and maintains City's policies and procedures; administers the City Council/City Clerk postings on the website; and ensures legal requirements regarding official posting, public notices, publishing, and advertising are met.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****RESULTS:**

- ❖ Conduct March, 2004 Primary Election; and May, 2004 Special Bond Authorization and General Election.
- ❖ The new website is on-line and information is posted immediately to the website as it is updated/approved. The mechanism and process for linking full agenda packets to the web remains to be established.
- ❖ Significant forward movement has been made in bringing the records management program up to date, but work remains to be accomplished. This is a lengthy, on-going process that will take at least another year to complete.

- ❖ Efforts to review, revise, and standardize policies contained in the Policy Manual, and publish and distribute the revised City Policy Manual continue to be addressed by the executive management team.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Fully integrated the new City Clerk into the organization.
- ❖ Improved communication within the organization by providing broader support to departments and staff.
- ❖ Additional training and certification opportunities for Deputy City Clerk and Executive Assistant to the Mayor and Council were accomplished.
- ❖ Redesigned Board and Commission member training and conducted two in-house training sessions.
- ❖ Developed a Board and Commission staff liaison-training program.
- ❖ Converted City Code to a more useable and user-friendly format.
- ❖ Participated in on-going E-Government committee and activities.

FY 05 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Conduct possible 2004 Fall Special Election
- ❖ Update the board and commission member handbook
- ❖ Conduct biannual board and commission training sessions.
- ❖ Continue expanding website services
- ❖ Finalize the standardization, publishing, and distribution of the revised City Policy Manual.
- ❖ Bring the city's records management program into full compliance.
- ❖ Continue efforts to review, revise, and standardize policies contained in the Policy Manual, and publish and distribute the revised city Policy manual.

PERFORMANCE INDICATORS	FY02	FY03	FY04 EST.
All ordinances were codified within one week of their effective date	75%	75%	100%
All minutes prepared within three business days	N/A	100%	100%
All notices of meetings of appointments to boards and commission members distributed within three business days	N/A	100%	100%
Forward citizen requests for records to the responsible person or department for response or handling within one business day	100%	100%	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 monthly basis	100%	100%	100%
All public information provided on the City Clerk's web site updated within five days of change	75%	100%	100%
Revise and publish Board and Commission Member Handbook updates on an annual basis	100%	75%	100%
Conduct all elections in accordance with legal requirements	N/A	N/A	100%

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 169,935	\$ 176,862	\$ 175,655	\$ 187,149	\$ 10,287
CONTRACTUAL	33,367	166,740	132,165	11,550	(155,190)
COMMODITIES	2,918	2,885	2,474	1,585	(1,300)
CAPITAL	8,061	-	-	-	-
TOTAL	\$ 214,281	\$ 346,487	\$ 310,294	\$ 200,284	\$ (146,203)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 189,566	\$ 189,012	\$ 186,732	\$ 200,284	\$ 11,272
ELECTIONS	24,715	157,475	123,562	-	(157,475)
TOTAL	\$ 214,281	\$ 346,487	\$ 310,294	\$ 200,284	\$ (146,203)
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 168,616	
	LIBRARY FUND			2,912	
	HIGHWAY USER REVENUE FUND			7,342	
	WATER AND WASTEWATER FUND			12,503	
	STORMWATER FUND			392	
	AIRPORT FUND			1,611	
	ENVIRONMENTAL SERVICES FUND			6,908	
				\$ 200,284	
COMMENTARY:					
The City Clerk's operating budget has decreased 42% and there are no capital expenditures. There are no capital expenditures. Personal Services increases of 5% are due to employee market and merit increases and the increase in cost of health insurance. Contractuals and commodities decrease reflects the non-election budget year. 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.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****RESULTS:**

- ❖ Establish a uniform process so that complaints are tracked to ensure resolutions in a timely manner. A Complaint Resolution process was adopted and is being managed by Community Development for the entire City.
- ❖ Establish a comprehensive employee recognition program that incorporates all City recognition programs, i.e. City Manager's Excellent Award, WOW, QSI. The Customer Service Committee collaborated with the Employee Recognition Committee and revamped the City Manager's Excellence Award and incorporated all employee recognition programs under one program to include developing a policy which outlines all the various ways to reward and recognize employees.
- ❖ Annual Renewal Celebration. This was incorporated into the above goal.
- ❖ Provided Performance Evaluation training to supervisors.
- ❖ Provided "ART" of Customer Service training to all employees.

GOAL: ORGANIZATIONAL STRUCTURE**RESULTS:**

- ❖ Implement workforce development to include methodology to reduce employment through attrition and transfer – Successfully placed six individuals whose position was targeted for elimination.

- ❖ Streamline the on line employment application - For positions that are advertised City or Department wide only, city employees can now apply on line for these positions and in the past this feature was not available.
- ❖ Take Human Resources on the road – Human Resources staff attended division/department staff meetings at off site locations and provided information regarding benefits, and policy changes that impact employees.
- ❖ Continue to automate the personnel action forms. All departments are now automated. This has also resulted in a paperless personnel Action log.
- ❖ Completed the implementation of HIPAA Regulations. This has been completed to include establishing separate files for each employee and consolidating payroll and human resources records to comply with HIPAA.
- ❖ Automated the process of Delta Dental enrollment forms.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Revised Leave Section of Employee handbook
- ❖ Implemented Assignment Pay.
- ❖ Developed and Revised Smoking, Solicitation, and Tuition Reimbursement Policy.
- ❖ Implemented \$250 one time payment.
- ❖ Streamlined the hiring process of temporary snow removal reducing the time by 65%.
- ❖ Revised the EAC Ordinance to include meet and confer language.

FY 05 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Integrate the "ART" of Customer Service into New Employee Orientation.
- ❖ Implement the Employee Recognition Program.

GOAL: ORGANIZATIONAL STRUCTURE**OBJECTIVES:**

- ❖ Continue to maintain and monitor the Vacancy Review Process to address workforce reduction/development.
- ❖ Implement and Participate in Meet and Confer
- ❖ Review and Develop a Succession Plan to include reorganizing to maximize efficiency.
- ❖ Evaluate and review IS organizational structure to meet future needs.

- ❖ Continue to update the Employee Handbook.
- ❖ Expand outreach opportunities to improve diversity through education and informational workshops.

DIVERSITY AWARENESS COMMISSION

OBJECTIVES:

- ❖ Develop a process to recognize and award individuals or groups who support diversity and tolerance.

- ❖ Become more involved with the County Diversity Commission.
- ❖ Expand the “The Face of Our Community” event to include more schools.
- ❖ Continue to become more pro-active in the community in addressing issues and promoting diversity and tolerance.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Working days for external recruitment	N/A	N/A	65 days
Working days for internal recruitment	N/A	N/A	35 Days
Working days to reclassify positions	NA	3 mo	2 mo
Turnover Rates	11.7%	10.13%	10%
Number of employee grievances	NA	2	1
Number of grievances resolved before passing to management	NA	100%	100%
Performance Reviews Completed on schedule	NA	75%	85%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 250,803	\$ 268,733	\$ 275,566	\$ 361,323	\$ 92,590
CONTRACTUAL	25,049	116,415	76,658	101,540	(14,875)
COMMODITIES	15,819	24,205	23,723	27,039	2,834
CAPITAL	-	-	-	-	-
TOTAL	\$ 291,671	\$ 409,353	\$ 375,947	\$ 489,902	\$ 80,549

EXPENDITURES BY PROGRAM:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
GENERAL ADMINISTRATION	\$ 177,256	\$ 200,329	\$ 207,339	\$ 265,959	\$ 65,630
RECRUITMENT AND SELECTION	56,798	60,253	60,380	63,623	3,370
COMPENSATION AND CLASS.	75	200	200	200	-
TRAINING & DEVELOPMENT	57,542	148,571	108,028	158,560	9,989
DIVERSITY AWARENESS COMM.	-	-	-	1,560	1,560
TOTAL	\$ 291,671	\$ 409,353	\$ 375,947	\$ 489,902	\$ 80,549

SOURCE OF FUNDING:	Proposed Budget 2004-2005
GENERAL FUND	\$ 397,303
LIBRARY FUND	17,843
HIGHWAY USER REVENUE FUND	14,746
WATER AND WASTEWATER FUND	30,445
STORMWATER FUND	2,640
AIRPORT FUND	4,614
ENVIRONMENTAL SERVICES FUND	22,311
	\$ 489,902

COMMENTARY:
 The Human Resources operating budget has increased 20% and there are no capital expenditures. Personal Services increase is for one HR Analyst to increase to a full time position plus adding on one full time HR Operations Manager. There will also be employee market, merits, and insurance costs. Contractuals 13% decrease is for \$7,000 to be transferred from consulting fees to regular pay for temporary help in HR. There is also a reduction of \$10,000 in Education and Training.

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.

FY 04 GOALS AND RESULTS**RESULTS:**

- ❖ Responded to internal customers with an array of new training classes, and have a service expectation of contact within 24 hours with all new claimants.
- ❖ After review of the participating city's "Claim satisfaction response cards" it was determined that the ICMA benchmarking was not useful as there were few common denominators among the sample group.
- ❖ Obtained Associate in Claims designations by the Risk Manager and Assistant.
- ❖ Continue performing inspections, identifying areas of needed change, and implementing corrections to improve life safety and prevention of accidents. A recent fire affecting the City's residential sanitation trucks made it clear that the impacts of an accident extend beyond just financial loss.
- ❖ The City's Safety policies have been revised and updated and are ready for publication. The employee safety manual, a condensed version of the policies, is completing the review process. Distribution targeted for September 2004.
- ❖ Revised Accident reporting forms are on-line and training for supervisors to assist in developing recommendations for accident prevention is available.
- ❖ The City's goal of workers compensation accident reduction was not met. During the calendar year, 2003, an increase of 2 accidents over 2002 occurred, and lost workdays were up 89%.
- ❖ A successful fire evacuation drill was conducted at City Hall and a chlorine leak evacuation drill was

conducted at Wildcat identifying areas of improvement in both locations.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Liability claims – 66 closed during calendar year 2003.
- ❖ In excess of \$26,000 collected in restitution in calendar year 2003.
- ❖ Risk Manager and Assistant have received Defensive Driver Trainer certifications and are authorized to conduct training classes that have not been available to employees for over five years.

FY 05 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ To be responsive to both internal and external customers needs and requests.

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 evacuation drill scheduled at a city work site.
- ❖ “ICE” program to Identify, Communicate and Eliminate hazards to be promoted Citywide to encourage all staff to take personal responsibility to “ICE” hazards they encounter during their workday.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Complete one facility inspection monthly and make recommendations	11 inspections	12 inspections	12 inspections
Reduce the number of workers compensation claims compared to previous year	5%	5%	5%
Conduct monthly Accident Review Board meetings monthly and follow through on recommended preventative actions	10 meetings	11 meetings	11 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	No greater than 5% variance	No greater than 5% variance.	No greater than 5% variance.
Have contact with each division safety coordinator on a monthly basis	12 contacts/year	12 contacts/year	12 contacts/year
Emergency evacuation conducted at work site	12/31/02	12/31/03	12/31/04
On site accident inspections, casualty and Work Compensation	NA	12 per year	12 per year

EXPENDITURES BY CATEGORY:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 98,402	\$ 105,663	\$ 105,869	\$ 118,985	\$ 13,322
CONTRACTUAL	5,249	6,370	6,477	6,370	-
COMMODITIES	2,599	2,535	2,226	2,535	-
CAPITAL	-	-	-	-	-
TOTAL	\$ 106,250	\$ 114,568	\$ 114,572	\$ 127,890	\$ 13,322

EXPENDITURES BY PROGRAM:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
ADMINISTRATION	\$ 106,250	\$ 114,568	\$ 114,572	\$ 127,890	\$ 13,322
TOTAL	\$ 106,250	\$ 114,568	\$ 114,572	\$ 127,890	\$ 13,322

SOURCE OF FUNDING:	Proposed Budget 2004-2005
GENERAL FUND	\$ 83,258
LIBRARY FUND	6,295
HIGHWAY USER REVENUE FUND	9,641
WATER AND WASTEWATER FUND	15,148
STORMWATER FUND	888
AIRPORT FUND	2,318
ENVIRONMENTAL SERVICES FUND	10,342
	\$ 127,890

COMMENTARY:
Risk Management has increased 12% and there are no capital expenditures. The increase is to Personal Services for employee market, merits, and insurance costs.

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.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****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 FY 04 Additional Accomplishments.
- ❖ Prepare or review in a timely fashion all contracts, ordinances, resolutions, and other legal documents involving or affecting the City: Prepared or reviewed legal documents described above in a timely manner.

GOAL: PUBLIC SAFETY**RESULTS:**

- ❖ Prosecute or defend all litigation initiated by or against the City after all settlement attempts have failed: All litigation pursued as appropriate.
- ❖ Provide aggressive prosecution of criminal misdemeanors occurring within the City limits: Aggressive prosecution provided as needed.

GOAL: FISCAL RESPONSIBILITY**RESULTS:**

- ❖ Provide advice and guidance to reduce liability exposure and to reduce claims filed against the City of Flagstaff: Advice and guidance provided as needed.

FY 04 ADDITIONAL ACCOMPLISHMENTS**Community Health & Welfare**

- ❖ Increased efforts in the water and sewer utilities, flood control and storm water areas by reviewing, drafting, or revising ordinances, resolutions, or agreements pertaining to (1) gray water amendments to Uniform Plumbing Code, (2) water conservation (3) draft Storm Water Fee Credit Manual, (4) Rio de Flag Flood Control Project, and (5) IGA with NAU for design and construction of reclaim water line extension.
- ❖ Drafted or revised counter lease and office lease and rules and regulations for Airport.
- ❖ Amended compensation schedule provisions of Norton Environmental Lease Agreement, for operation of materials recovery facility.
- ❖ Researched and prepared memorandum for City Manger and Fire Chief with recommendations for ordinance amendments to permit more flexibility to operate in emergency conditions within state statutory requirements.
- ❖ Handled litter, building and zoning cases resulting in abatement of violations.
- ❖ Worked with Police Department regarding violations of the Sexually Oriented Business ordinance.

Redevelopment

- ❖ Continued oversight of condemnation actions for the Butler realignment, the Soliere extension, and the Country Club widening.
- ❖ Completed development agreement providing for Nestle Purina Petcare Company expansion.
- ❖ Continued work on draft documents needed to move the mall redevelopment project forward and review drafts of documents seeking proposals for downtown conference center and hotel.
- ❖ Continued work on legal issues and complexities of developing telecommunications fiber ring at the Airport.

Ordinances, Resolutions, Regulations, Agreements and Other Documents

- ❖ Prepared ordinances and resolutions pertaining to Airport rules and regulations, water conservation, affordable housing projects development agreement, and numerous intergovernmental agreements.
- Prepared rezoning ordinance, participated in preparation of development agreement and prepared resolution for development agreement for Mall expansion and Auto Park.

Claims, Litigation and Hearings and Audits

- ❖ Continued oversight of redistricting litigation.
- ❖ Saw the conclusion of several claims with a potential for large dollar exposure.
- ❖ Sales tax hearings continue to increase.
- ❖ Established positive working relationship with Department of justice attorney conducting ADA audit of City facilities and served as liaison with other City departments.

FY 05 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Provide legal advice to City Council, City Manager, the City's departments, and Boards and Commissions in a timely manner.

- ❖ Prepare or review in a timely fashion all contracts, agreements, ordinances, resolutions, and 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 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	CY02	CY03	CY04 EST.
Ordinances/Resolutions reviewed	20/90	23/73	28/80
Contracts/Leases/Agreements reviewed	135	106	115
Council meetings attended (Work/Regular/Special/Executive)	120	109	120
New Cases	4,024	3,840	3,932
Domestic Violence Cases	740	693	716
Driving under the Influence (DUI) cases	846	699	772
Juvenile Tobacco Cases	2	0	1
Criminal Traffic Cases (excluding DUI)	642	662	685
Sales Tax Cases	22	26	30
Other Cases	1,352	1,185	1,200
Underage Alcohol	135	182	210
Cases Involving a Victim	714	685	699
Pending DUI files at year end	175	218	230

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 781,068	\$ 851,729	\$ 813,995	\$ 896,015	\$ 44,286
CONTRACTUAL	18,089	27,059	21,724	31,804	4,745
COMMODITIES	27,471	37,675	28,703	38,025	350
CAPITAL	-	-	-	-	-
TOTAL	\$ 826,628	\$ 916,463	\$ 864,422	\$ 965,844	\$ 49,381
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 75,226	\$ 104,907	\$ 77,399	\$ 142,170	\$ 37,263
COUNCIL AND COMMISSIONS	392,819	409,402	426,809	402,318	(7,084)
POLICE COURT	358,583	402,154	360,214	421,356	19,202
TOTAL	\$ 826,628	\$ 916,463	\$ 864,422	\$ 965,844	\$ 49,381
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 790,548	
	LIBRARY FUND			17,281	
	HIGHWAY USER REVENUE FUND			43,566	
	WATER AND WASTEWATER FUND			61,566	
	STORMWATER FUND			2,327	
	AIRPORT FUND			9,562	
	ENVIRONMENTAL SERVICES FUND			40,994	
				\$ 965,844	
COMMENTARY:					
The Law division operating budget has increased 5% and there are no capital expenditures. Personal Services increases is due to market, merit, and health insurance increases. Contractual increases is for required Legal Education for attorney's to remain active with the State Bar plus increased advertising costs.					

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.

FY 04 GOALS AND RESULTS**GOAL: PUBLIC SAFETY****RESULTS:**

- ❖ Through active case management, adjudicate 90% of all cases within 90 days, (ABA standard) excluding warrant cases.
- ❖ Complied with all Rules of Court and Statutory case handling requirements.
- ❖ Provided accurate information to the public.
- ❖ Added an additional probation officer position to handle expanded role in drug violation cases.

GOAL: FISCAL HEALTH**RESULTS:**

- ❖ Maintained fiscal integrity in all financial transactions.
- ❖ Complied with all Minimum Accounting Standards and reported timely.
- ❖ Participated in development of statewide FARE collection program. Became a pilot court for working through collection backlog.

GOAL: CUSTOMER SERVICE**RESULTS:**

- ❖ Developing an attitude and expectation in providing service to court customers while maintaining integrity in the application of state law.
- ❖ Had all staff complete orientation and training requirements of Arizona Judiciary.
- ❖ Completed first draft of Minimum Operational Standards for limited jurisdiction courts that can be sued on a statewide basis.
- ❖ Upgraded facilities to be in compliance with ADA standards and provide better customer service.

- ❖ Staff completed a customer service-training program targeted at court employee situations.
- ❖ Coordinated efforts across a broad range of programs with other local courts, the Arizona Supreme Court, law enforcement, and the bar.
- ❖ Continued the multi-jurisdictional Drug Court while adding a streamlined process for misdemeanor cases.
- ❖ Worked with Statewide efforts for automation coordination through the Court Automation Coordinating Committee.
- ❖ Continued implementation of the Justice 2020 strategic plan in collaboration with Justice and Superior Courts.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Increased amount entered into tax intercept program to over \$3M.
- ❖ Upgraded jury management system to provide better notification and customer service for citizens serving as jurors.
- ❖ Implemented an on-line payment program in coordination with FARE collections.

FY 05 GOALS AND OBJECTIVES**GOAL: PUBLIC SAFETY****OBJECTIVES:**

- ❖ Through active case management, adjudicate 90% of all cases within 90 days, excluding warrant cases (ABA standard).
- ❖ Comply with all Rules of Court and Statutory case handling requirements.
- ❖ Provide accurate information to the public.
- ❖ Improve tracking of those who fail to comply with court orders.

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.
- ❖ Coordinate with the AOC to implement Full Fare collection efforts, including contract tracking for collections.

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.
- ❖ Finalize the development of Minimum Operational Standards for the Court that can be used and implemented on a statewide basis.
- ❖ Continue with development of facilities that provide improved access and security to the Court including the creation of plans for a temporary facility in coordination with downtown development

GOAL: COLLABORATION

OBJECTIVES:

- ❖ Coordinate 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 expanding use in misdemeanor cases with other jurisdictions.
- ❖ Work with Statewide efforts for automation coordination through the Court Automation Coordinating Committee.
- ❖ Continue implementation of the Justice 2020 strategic plan in collaboration with Justice and Superior Courts.
- ❖ Participate with evaluation and implementation of a new Case Management System (CMS) for limited jurisdiction courts in throughout the state.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Timely adjudication of all cased filed before the court			
Total # of charges filed (*change in process, excludes parking violations)	21,751*	21,004	23,000*
Cases completed 0-30 days (state average = 55%)	50%	49%	50%
Cases completed 31-60 days (state average = 24%)	29%	25%	25%
Cases completed 61-90 days (state average = 10%)	11%	8%	9%
Cases completed 91-120 days (state average = 5%)	4%	3%	3%
Cases completed 121+ days (state average = 6%)	7%	15%	13%
Consistent and accurate collection of fines imposed by the Court			
Amount of general funds collected	830,927	859,877	840,000
Amount of surcharges collected	745,010	806,607	750,000
Amount of local funds collected	231,959	249,749	233,000
Total amount collected	1,807,896	1,916,233	1,823,000

* - Reflects changes in statistical analysis process and elimination of parking violations from total count.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 1,189,524	\$ 1,342,786	\$ 1,330,284	\$ 1,398,704	\$ 55,918
CONTRACTUAL	202,035	227,598	209,493	437,361	209,763
COMMODITIES	97,610	74,524	69,486	75,624	1,100
CAPITAL	22,450	50,480	50,760	-	(50,480)
TOTAL	\$ 1,511,619	\$ 1,695,388	\$ 1,660,023	\$ 1,911,689	\$ 216,301
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 682,214	\$ 765,006	\$ 739,732	\$ 697,463	\$ (67,543)
TRIALS & ARRAIGNMENTS	359,155	390,142	408,962	488,749	98,607
RECORDS MANAGEMENT	211,712	262,710	232,040	437,865	175,155
COURT COLLECTIONS	258,538	277,530	279,289	287,612	10,082
TOTAL	\$ 1,511,619	\$ 1,695,388	\$ 1,660,023	\$ 1,911,689	\$ 216,301
SOURCE OF FUNDING:					
GENERAL FUND				\$ 1,911,689	
				\$ 1,911,689	
COMMENTARY:					
The City Court operating budget has increased 16%. Personal Services increases are due to employee market, merit, and insurance costs. The main increase in Contractuals is due to a \$205,163 transfer of warrants from Police to Court. There is no major capital (>\$10,000) for this division.					

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 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, locally and regionally.

FY 04 GOALS AND RESULTS

GOAL: ECONOMIC DEVELOPMENT/ REINVESTMENT

RESULTS:

- ❖ Increase visitation and lengths of stay by visitors to Flagstaff, increasing BBB and Sales Tax Revenues: for the CY02, the flagstaff RevPar was \$35.32 (a 1.8% dip from the previous year), and in CY03 it increased to \$36.03 (a 2.03% increase).
- ❖ Establish Flagstaff as a year round destination, balancing the effects of seasonality: Worked with the AZ Rocks to gain additional media attention to the region, with Marketing Committee changed

direction of advertising campaign to focus on events and seasons

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Increased visibility to the Film industry for the Film commission, which assisted in attracting a number of commercials and a feature film shoot to Flagstaff.
- ❖ Refilled all positions at the CVB
- ❖ Continued work on Tourism Strategic plan in conjunction with Tourism Commission.
- ❖ Successful transition of Visitor Center to City.
- ❖ Increased Tourism Economy while competitors struggled to regain visitation.
- ❖ Continued to increase coverage accomplishing major media coverage worth approximately \$825,000.

FY 05 GOALS AND OBJECTIVES

GOAL: ECONOMIC DEVELOPMENT/ REINVESTMENT

OBJECTIVES:

- ❖ Continue to BBB Tax Collection and Citywide RevPar.
 - Continue to work with Visitor Center to develop new sales strategies and initiatives.
 - Stay involved with state and regional marketing initiatives.
 - Stay involved with initiatives that will bring more winter visitors.

Strengthen reputation of Film commission

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Increase Hotel portion of BBB tax by 2%.	2.95%	.11%	1.0%
Increase RevPar Citywide by 2%.	(1.8%)	2.03%	2.0%

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 299,282	\$ 321,362	\$ 322,459	\$ 474,444	\$ 153,082
CONTRACTUAL	665,647	729,687	587,412	474,078	(255,609)
COMMODITIES	160,651	178,767	133,636	141,822	(36,945)
CAPITAL	-	-	-	-	-
TOTAL	\$ 1,125,580	\$ 1,229,816	\$ 1,043,507	\$ 1,090,344	\$ (139,472)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 348,913	\$ 422,101	\$ 395,667	\$ 515,101	\$ 93,000
MARKETING AND PROMOTION	774,326	797,715	642,365	570,243	(227,472)
FILM OFFICE	2,341	10,000	5,475	5,000	(5,000)
TOTAL	\$ 1,125,580	\$ 1,229,816	\$ 1,043,507	\$ 1,090,344	\$ (139,472)
SOURCE OF FUNDING:					
TOURISM FUND				\$ 1,090,344	
				\$ 1,090,344	
COMMENTARY:					
The Tourism operating budget has decreased 11% and there are no capital expenditures. Personal Services increases are due to market, merit and health insurance increases. Contractual decreases consist of Other Misc Services \$32,720, Travel & Education \$70,400, Advertising \$163,192, Memberships \$8,025 and Consulting Fees \$20,000. Commodities decreases are Promotional materials \$26,000, Photo & Microfilm \$8,995 and Office Equipment \$3,400.					

MISSION

The mission of Visitors Services strives to introduce and educate visitors about the vast tourism opportunities within Flagstaff and the surrounding areas, and to increase the length of visits to Flagstaff.

PROGRAM DESCRIPTION

The Flagstaff Visitor Center (VC) opened in the Historic Train Station in 1994. Until March of 2003 the VC was operated by the Flagstaff Chamber of Commerce; funded by the City of Flagstaff.

The Flagstaff Tourism commission sought an expanded mission for the VC and determined the operation would be more cohesive under the direction of the Flagstaff Convention and Visitor Bureau (CVB). The VC function was successfully transitioned to the CVB with existing staff becoming city employees.

FY 04 GOALS AND RESULTS

GOAL: ECONOMIC DEVELOPMENT/ REINVESTMENT

RESULTS:

- ❖ Increase visitation and lengths of stay by visitors to Flagstaff, increasing BBB and Sales Tax Revenues: increase in RevPar this year over last was 2.03%.
- ❖ Complete smooth transition of visitor Center to city programs: Retained all but one staff member, added Visitor Center Supervisor.
- ❖ Provide excellent customer service, create tracking mechanism to establish baselines and trends: Working with Attractions Group and NAU/HRM Research to develop comprehensive survey.
- ❖ Create programs for stakeholders that demonstrate value of Visitor Services: VC staff developing and

distributing Calendars of Events, Flagstaff Happenings and creating a rack card to promote the VC.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Joined Grand Circle Association to promote services regionally.
- ❖ Improved relationships within the community and networking.

FY 05 GOALS AND OBJECTIVES

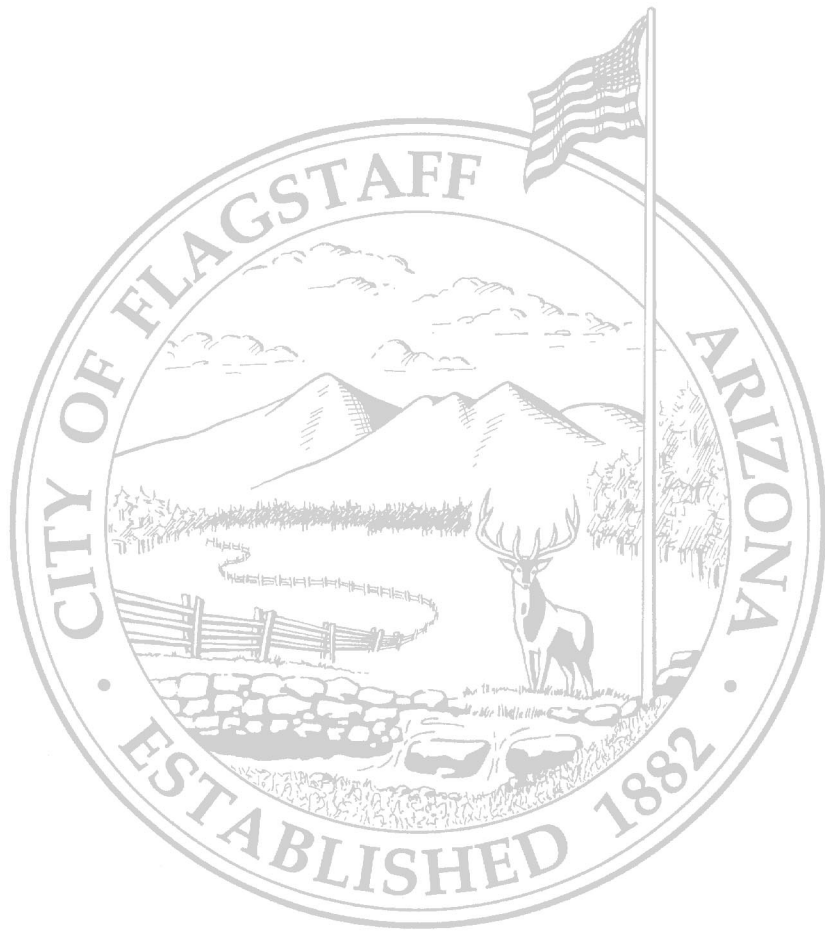
GOAL: ECONOMIC DEVELOPMENT/ REINVESTMENT

OBJECTIVES:

- ❖ Reintroduce Visitor Center to the Community:
 - Monitor success of rack card by tracking and feedback from stakeholders.
 - Continue VC staff visitors to stakeholders.
 - Explore ideas to host events and receptions.
- ❖ Create programs for stakeholders that demonstrate value of Visitor Services:
 - Work with attractions to house exhibits at Visitor Center.
 - Work with NAU on VC internships.
 - Explore ideas to host events and receptions.
- ❖ Provide excellent customer service, create tracking mechanism to establish and trends:
 - Revamp VC reporting programs.
 - VC survey in conjunction with attractions.
- ❖ Expand the VC retail segment.
 - Work with vendors to create new market niches.
 - Work with stakeholders to display their items
 - Explore bringing in NAU items.
 -

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Increase Distribution of Fulfillment	4,608	12,940	18,444
Increase Hotel portion of BBB tax by 2%	2.95%	.11%	1.0%

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 49,253	\$ 207,644	\$ 215,732	\$ 228,254	\$ 20,610
CONTRACTUAL	164,802	67,223	39,614	56,753	(10,470)
COMMODITIES	62,755	37,000	35,872	15,377	(21,623)
CAPITAL	1,427	190,000	146,519	70,000	(120,000)
TOTAL	\$ 278,237	\$ 501,867	\$ 437,737	\$ 370,384	\$ (131,483)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 217,190	\$ 215,862	\$ 207,350	\$ 248,807	\$ 32,945
TRAIN STATION OPERATIONS	61,047	286,005	68,606	51,577	(234,428)
VISITOR CENTER REMODEL	-	-	161,781	70,000	70,000
TOTAL	\$ 278,237	\$ 501,867	\$ 437,737	\$ 370,384	\$ (131,483)
SOURCE OF FUNDING:					
TOURISM FUND				\$ 370,384	
				\$ 370,384	
COMMENTARY:					
<p>The Visitor Services operating budget has decreased 4% and capital expenditures total \$70,000 resulting in an overall net decrease of 26%. Personal Services has increased 8% due to market, merit and health insurance costs. Contractual decreases consist of Telephone costs of \$9,000 and Maintenance & Equipment \$2,060. Commodities decreases are Janitorial costs of \$24,000. Major capital (>\$10,000) includes \$70,000 for the rehabilitation of the Visitor's Center of which \$62,000 is a carryforward from FY 04.</p>					



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. As an enforcement division, sales tax provides services to citizens and businesses that ensure compliance with all licensing, sales tax, audit, and collection codes.

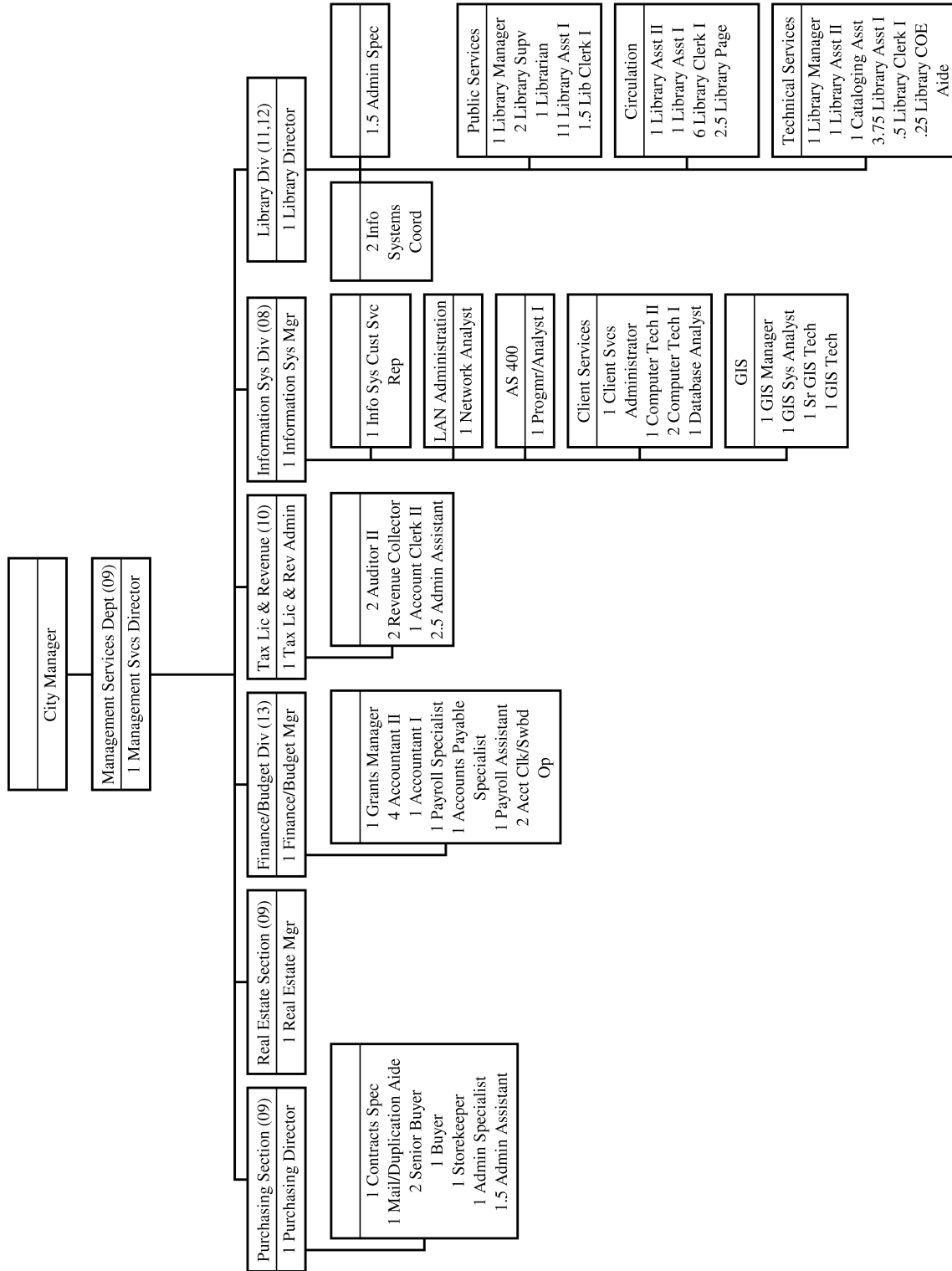
The mission of the **Information Systems Division** is to ensure City staff has the necessary resources (hardware/software) to access available data and geographical information which will assist staff in making informed decisions and to ensure the City's data resources are protected through sound security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

The mission of the **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.

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 and 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, maintained, and updated on an ongoing basis to provide accurate information in a timely manner.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****RESULTS:**

- ❖ Implementation of private wireless network for City of Flagstaff remote locations: Completed.
- ❖ Support of Stormwater, Rio de Flag Projects, Utilities Model (water/sewer) projects: Ongoing
- ❖ Deployment of desktops and upgrade of existing desktops to Windows 2000 Pro and MS Office: Completed.
- ❖ Support of Permit Tracking Applications (KIVA): Ongoing
- ❖ Implementation of Firehouse Enterprise Version: Completed
- ❖ Upgrade of HTE applications to latest version: Completed
- ❖ Upgrade of AS400 operating system: Completed
- ❖ Replacement of network Cisco core switch with redundant core switch configuration: In progress
- ❖ Replacement of network Cisco switches located in City Hall Computer Room, City Hall West Wing wiring closet, and Bank One wiring closet. In progress.
- ❖ Replacement of Novell Border Manager firewall with redundant Cisco PIX firewalls. In progress.
- ❖ Implementation and maintenance of network security management/monitoring applications. Ongoing

- ❖ Implementation of Intranet mapping application.
- ❖ Implementation of utilities water and sewer mapping application.

GOAL: ORGANIZATION SUPPORT**RESULTS:**

- ❖ Training of Information Technology staff: Ongoing
 - Certification acquired during FY04: Certified xioTECH engineer, Cisco Certified network Associate (CCNA),
 - Conduct training of City staff in beginning Microsoft (MS) 2000, MS Word, MS Excel, MS PowerPoint, Novell GroupWise, LaserFiche, and AS400 emulation. Ongoing.

FY 05 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Ensure the delivery of digital data to City of Flagstaff staff.
 - Continue maintenance and upgrade of the City's network infrastructure.
 - Replacement of AS400 with AS400 I Series.
 - Conversion of network operating system from Novell to Microsoft.
 - Conversion of City's email application from Novell GroupWise to Microsoft Exchange (Outlook)
 - Timely updates of various applications – THE, KIVA, Land Development, RecTrac, Etc.
 - Conversion to cluster (redundant) server technology for critical servers/applications (system redundancy).
 - Implementation of disk storage mirroring.

GOAL: ORGANIZATIONAL SUPPORT**OBJECTIVES:**

- ❖ Perform daily backup of all data files and maintenance of off site storage.
- ❖ Maintenance of image library of PC hard drives.
- ❖ Maintenance of firewalls as needed and ongoing evaluation of security techniques.
- ❖ Ensure users compliance with existing password policies by conducting periodic audits of passwords.
- ❖ Continued training and certification of Information Systems staff to ensure employees knowledge and skills are at a level that is relevant to the technology utilized by the City of Flagstaff.

❖ Provide training resources to Information Systems staff to ensure employees knowledge base and skills related to information technology security are at their highest level, thereby allowing staff to secure the City's data assets from outside intrusion and denial of services, insure confidential data is not compromised, and prevention of identity theft.

❖ Provide training resources to City staff for Microsoft (MS) 2000, MS Word, MS Excel, MS PowerPoint, Novell GroupWise, LaserFiche, and AS400 emulation.

PERFORMANCE INDICATORS	CY 02	CY03	CY04 EST.
Completion of service request within 5 working days	98%	95%	95%
User operational within two working days of receipt of completed user ID forms	98%	99%	99%
Maintain a 98% up time for all computer systems AS400/LAN/WAN	95%	95%	95%
Perform daily backups of all data files and maintenance of off-site storage	100%	100%	100%
Installation and testing of City of Flagstaff private wireless network	N/A	Completed	
Upgrade of Novell and AS400 operating systems to current versions	Completed	Completed	
Replacement of City Hall network switching equipment	N/A	N/A	Completed
Replacement of AS400	N/A	N/A	12/31/04
Timely updates of various applications (HTE, KIVA, RecTrac, etc)	Completed	Completed	12/31/04
Conversion to cluster server technology for critical application	25% Completed	25% Completed	50% Estimated
Security audit of City's computer infrastructure	N/A	N/A	9/30/04
Security of City of Flagstaff private wireless network	N/A	Completed	

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 645,213	\$ 744,680	\$ 691,373	\$ 817,644	\$ 72,964
CONTRACTUAL	227,943	378,260	410,871	425,420	47,160
COMMODITIES	63,465	37,300	54,826	50,250	12,950
CAPITAL	-	-	-	-	-
TOTAL	\$ 936,621	\$ 1,160,240	\$ 1,157,070	\$ 1,293,314	\$ 133,074
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 193,031	\$ 285,247	\$ 227,354	\$ 296,540	\$ 11,293
AS 400	137,837	169,684	184,357	181,648	11,964
CLIENT SERVICES	162,785	172,017	187,475	225,172	53,155
LAN/WAN	189,412	232,701	286,247	282,370	49,669
GIS	253,556	300,591	271,637	307,584	6,993
TOTAL	\$ 936,621	\$ 1,160,240	\$ 1,157,070	\$ 1,293,314	\$ 133,074
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 953,862	
	LIBRARY FUND			15,567	
	HIGHWAY USER REVENUE FUND			49,493	
	WATER AND WASTEWATER FUND			165,617	
	STORMWATER FUND			11,514	
	AIRPORT FUND			17,002	
	ENVIRONMENTAL SERVICES FUND			80,259	
				\$ 1,293,314	
COMMENTARY:					
The Information Systems operating budget has increased 11% and there are no capital expenditures. Personal Services increases are due the addition of one FTE Computer Tech I \$39,344 and to market, merit and insurance increases. Contractual and Commodities increases are for computer maintenance costs of \$38,900 plus \$14,000 for additional computer equipment.					

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. 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 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.

FY 04 GOALS AND RESULTS**GOAL: FISCAL HEALTH****RESULTS:**

- ❖ CIP Plan – Worked with CIP on the five-year capital plan for presentation to Council in April.
- ❖ Procurement Code – Worked with CID in the development of the process, procedures and contracts for the use of alternative construction services. This information will be incorporated into the new City's procurement code.
- ❖ Bonds – Analysis of various bond projects scenarios was performed in addition to economic analysis of the projects for the Council. Bond Advisory task force items have been placed on the May ballot.
- ❖ Bonds – Met with groups throughout the community to educate the public on the bond financing proposals.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Maintained current bond ratings.
- ❖ Worked with Alliance members on numerous cooperative purchases.
- ❖ Established a presence on the City's Web site.
- ❖ Completed the RFP process and awarded a contract for a Comprehensive Energy Audit and Management Program for the City of Flagstaff.
- ❖ Worked with Public Works to restructure the process for securing of street light maintenance services. By changing the process we estimate a cost savings of \$60,000 for the first year.

- ❖ Completed a desk audit with the IRS with no findings on the 1997 General Obligation bonds – arbitrage rebate compliance.
- ❖ Worked with the IT division and various department staff to develop a framework for service delivery.

FY 05 GOALS AND OBJECTIVES**GOAL: FISCAL HEALTH****OBJECTIVES:**

- ❖ Complete 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.
- ❖ Continue work with the developer on the evaluation and implementation of the Hotel/Conference center proposals.

GOAL: QUALITY OF LIFE**OBJECTIVES:**

- ❖ Provide timely acquisitions of parcels for CIP projects.
- ❖ Implement the results of the May 18, 2004 bond election.

GOAL: CUSTOMER SERVICE**OBJECTIVES:**

- ❖ Continue to foster a high level of customer service delivery in all areas.
- ❖ Work with departments on a strategic plan for IT services and technology delivery.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Complete and process Request for Quotes into purchase orders within ten days from receipt of complete and adequate information from requisition.	N/A	N/A	90%
Have formal bid requests completed and the purchase order issued within 75 days after receipt of all necessary information and a requisition	N/A	N/A	95%
Inventory record accurate	N/A	N/A	98%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 641,281	\$ 704,486	\$ 633,865	\$ 682,626	\$ (21,860)
CONTRACTUAL	28,362	34,623	32,165	36,851	2,228
COMMODITIES	7,645	10,020	9,843	10,145	125
CAPITAL	-	-	-	18,000	18,000
TOTAL	\$ 677,288	\$ 749,129	\$ 675,873	\$ 747,622	\$ (1,507)

EXPENDITURES BY PROGRAM:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
GENERAL ADMINISTRATION	\$ 161,416	\$ 196,760	\$ 145,942	\$ 158,190	\$ (38,570)
PURCHASING	327,124	369,393	343,799	383,736	14,343
MAIL SERVICES	23,098	24,267	23,794	42,859	18,592
BOND & SURETY ADMIN	7,948	-	6,529	-	-
WAREHOUSE	80,765	75,956	76,238	78,455	2,499
PROPERTY MANAGEMENT	76,937	82,753	79,571	84,382	1,629
TOTAL	\$ 677,288	\$ 749,129	\$ 675,873	\$ 747,622	\$ (1,507)

SOURCE OF FUNDING:	Proposed Budget 2004-2005
GENERAL FUND	\$ 367,413
LIBRARY FUND	23,371
HIGHWAY USER REVENUE FUND	123,979
WATER AND WASTEWATER FUND	172,074
STORMWATER FUND	1,172
AIRPORT FUND	14,540
ENVIRONMENTAL SERVICES FUND	45,073
TOTAL	\$ 747,622

COMMENTARY:
 The Management Services operating budget has decreased 3% and capital expenditures total \$18,000 resulting in an overall decrease of less than 1%. Personal costs have decreased due to the net effect of increases for employee market, merits, and health insurance costs and the elimination of one position in the division. Capital expenditures of \$18,000 is for an automated mailing system.

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 of delinquent sales tax and business license accounts. Division staff 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, parking tickets, miscellaneous city billings and NSF checks. Staff has the responsibility to bill for the miscellaneous receivable accounts. This division also invests excess funds as allowed by the City Investment Policy.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****RESULTS:**

- ❖ Continue the taxpayer education seminars: Held five seminars with 106 attendees for new businesses in conjunction with the Arizona Department of Revenue, Department of Economic Security and Internal Revenue Service.

GOAL: FISCAL HEALTH**RESULTS:**

- ❖ Take an in-depth look at the cost/benefits of scanning sales tax returns and license applications to the Laser Fiche. If this project is feasible it will eliminate the need to store applications and tax returns on sight and provide staff with immediate access to the information on their personal computers.
- ❖ Invest excess city funds and achieve a rate of return greater than that provided by the Local Government Investment Pool operated by the State Treasurer's Office. The funds invested in FY 04 will exceed the returns from the investment pool by more than \$500,000.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Since the division took over all of the keypunching of the information reported to the City on sales tax returns, we have been able to close out each month for the past twelve months in a timely manner.

- ❖ Continue to research the returned mail from sales tax mailers, update the files and reduce wasted postage on tax returns sent to businesses that are no longer in business.
- ❖ Acquired a new software program that allows staff to bill the semi-annual charges for Special Improvement Districts and provide year-end tax information quicker than we were able to before
- ❖ Review and provide analysis of state legislation that financially affects the city.

FY 05 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.
- ❖ Stay up to date on retiree health insurance issues and legislation.

GOAL: FISCAL HEALTH**OBJECTIVES:**

- ❖ Reduce sales tax and miscellaneous receivables delinquencies.
- Invest city funds and achieve a rate of return exceeding that of the Local Government Investment Pool while investing in low risk investment.

PERFORMANCE INDICATORS	CY01	CY02	CY04 EST.
Issued Occupational and Sales Tax Licenses	1,241	1,398	1,500
Processed sales tax returns	28,619	28,750	30,475
Performed sales tax audits (FY)	57	63	65
Sales tax delinquencies as a percent of budgeted sales tax revenue	1.1%	1.0%	1.3%
Collection of delinquent miscellaneous receivable accounts	65%	53%	65%
Collection of delinquent parking tickets	60%	70%	60%
Collection of delinquent utilities payments	40%	43%	45%

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 429,852	\$ 447,748	\$ 455,544	\$ 476,478	\$ 28,730
CONTRACTUAL	29,368	30,200	34,871	39,571	9,371
COMMODITIES	13,355	15,095	15,053	15,225	130
CAPITAL	-	-	-	-	-
TOTAL	\$ 472,575	\$ 493,043	\$ 505,468	\$ 531,274	\$ 38,231
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 131,701	\$ 136,637	\$ 143,291	\$ 155,569	\$ 18,932
AUDIT	139,660	146,390	146,996	151,528	5,138
COLLECTIONS	90,450	95,389	95,268	99,819	4,430
LICENSING AND CLERICAL	67,710	68,216	74,674	76,549	8,333
ACCOUNTS RECEIVABLE	43,054	46,411	45,239	47,809	1,398
TOTAL	\$ 472,575	\$ 493,043	\$ 505,468	\$ 531,274	\$ 38,231
SOURCE OF FUNDING:					
GENERAL FUND				\$ 435,962	
LIBRARY FUND				14,715	
HIGHWAY USER REVENUE FUND				921	
WATER AND WASTEWATER FUND				20,632	
AIRPORT FUND				23,839	
ENVIRONMENTAL SERVICES FUND				35,205	
				\$ 531,274	

COMMENTARY:

The Tax, Licenses, and Revenue Collection operating budget has increased 8% and there are no capital expenditures. Personal services increases are due to market, merit, and insurance cost increases. Contractual and commodities increases are for travel, postage, Hearing costs and office equipment.

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.

FY 04 GOALS AND RESULTS

GOAL: COLLABORATION

RESULTS:

- ❖ Work with Flagstaff Medical Center, the Flagstaff Community Foundation, and Literacy Volunteers of Coconino County on a new literacy program. Our new program, "Literacy Begins at Home" will fund distribution of books to low income families through collaboration with various local and Coconino County agencies.

GOAL: QUALITY OF LIFE

RESULTS:

- ❖ Proactively meet the community's need for materials and information. By popular request, the Library now has sizable collections of DVD's and books on CD. Extensive maintenance was done on the collections of materials in all formats in order to make them more usable and up to date.
- ❖ Develop new collections, services and programs for the East Flagstaff Community Library. This library now has a variety of programs for all ages and a new music CD collection.
- ❖ Create an after-school program in the Tuba City Public Library. A new program is about to be launched in cooperation with Libraries for the Future, the Arthur M. Blank Foundation, and the Arizona Community Foundation.

GOAL: FISCAL HEALTH

RESULTS:

- ❖ Write a technology plan for the Main and East Flagstaff branches of the Library. This has been accomplished and is an ongoing project.
- ❖ Continue to seek out funding opportunities made by grant making organizations to enhance collections and improve services. A wellness and literacy grant from Libraries for the Future entitled "Family Place" will fund parent/child workshops for families with children 1-3 years and fund the purchase of age appropriate equipment and parenting materials. Users of both branches of the Flagstaff Library and the Tuba City Public Library will benefit from this grant.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Approximately 1,301 young people participated in the Summer Reading Program.
- ❖ With the help of dedicated and knowledgeable volunteers and two library staff members, 471 members of public attended 95 computer classes.
- ❖ "Teen Zones" were created with the help of the Teen Council in both the Main Library and East Flagstaff Community Library.
- ❖ Staff applied for Universal Service Fund discounts for telecommunications (e-rate) for Tuba City, Fredonia, and Flagstaff. Approximately savings will be:

Tuba City	2,200
Fredonia	1,100
Flagstaff	10,000
- ❖ Technical Services staff worked with the Reference Manager to evaluate and contain the periodicals collection to make it more accessible usable for the public.
- ❖ The East Flagstaff Community Library is busy and popular, and the partnership with Coconino Community College continues to develop.
- ❖ Library staff created an Internet user fee for people who don't have or qualify for a Library card. We are collecting approximately 20 – 60 dollars per day.

FY 05 GOALS AND OBJECTIVES

GOAL: COLLABORATION

OBJECTIVES:

- ❖ Continue to nurture the Library's partnership with the Community College, in particular the Small Business Development Center and the Information Resources Center.

- ❖ Strengthen the relationship with the Nonprofit Resource Center of Northern Arizona and its founding agencies.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- ❖ Continue to proactively meet the community's need for materials and information.
- ❖ Recruit and train additional volunteers to assist the public with the use of library computers.
- ❖ Create and promote new programs and services for the public at the East Flagstaff Community Library.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Develop and configure a comprehensive plan to assist the City of Flagstaff in collection agency billing for lost library materials.
- ❖ Continue to seek out funding opportunities made by grant making organizations to enhance collections and improve services.

DIVISION 11-LIBRARY OPERATIONS

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 1,561,749	\$ 1,604,753	\$ 1,609,702	\$ 1,756,869	\$ 152,116
CONTRACTUAL	329,240	361,625	368,208	383,723	22,098
COMMODITIES	394,477	342,293	322,298	375,267	32,974
CAPITAL	421,704	158,394	1,150	348,394	190,000
TOTAL	\$ 2,707,170	\$ 2,467,065	\$ 2,301,358	\$ 2,864,253	\$ 397,188
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 385,452	\$ 442,557	\$ 396,936	\$ 708,489	\$ 265,932
TECHNICAL SERVICES	589,623	562,342	533,658	588,177	25,835
PUBLIC SERVICES	968,210	1,053,594	943,954	1,081,363	27,769
COUNTY JAIL	33,385	48,000	46,543	48,000	-
COUNTY BOOKMOBILE	29,019	42,050	41,656	42,050	-
FOREST LAKES LIBRARY	27,985	43,175	34,034	62,726	19,551
TUBA CITY LIBRARY	102,236	102,490	106,923	139,910	37,420
SUPAI LIBRARY	5,458	5,500	5,505	5,500	-
EAST FLAGSTAFF LIBRARY	-	156,482	176,856	177,163	20,681
MAIN LIBRARY AUTOMATION	13,993	10,875	11,322	10,875	-
E. FLAG COMMUNITY LIBRARY	158,171	-	3,585	-	-
E. FLAG LIBRARY REMODEL	393,638	-	386	-	-
TOTAL	\$ 2,707,170	\$ 2,467,065	\$ 2,301,358	\$ 2,864,253	\$ 397,188
SOURCE OF FUNDING:					
LIBRARY FUND				\$ 2,864,253	
				\$ 2,864,253	

COMMENTARY:

The Library operating budget has increased 9% and capital expenditures total \$348,394 resulting in an overall net increase of 16%. Personal Services increases are due to employee market, merits, insurance cost increases, and the addition of .5 FTE for a Library Assistant I. Major capital (>\$10,000) includes carryforward of \$18,394 for furniture/millwork/shelving for East Flag Branch, \$240,000 for an air conditioning system at Main, \$40,000 for bathroom remodel at the main library, and \$50,000 for replacement of Palmobile.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Shelve materials promptly when returned	956,847	972,714	981,168
Borrowers check out materials in a timely fashion	278,066	288,237	294,002
Provide successful response to requests for information	141,055	132,459	135,968
Provide successful response to reference questions from youth	49,829	51,703	52,737
Provide adequate number of materials for users (per capita)	3.8	3.8	3.7
Catalog all new materials as they are received	22,816	21,637	19,690

DIVISION 12-LIBRARY GRANTS

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 67,839	\$ 68,848	\$ 68,848	\$ 71,198	\$ 2,350
CONTRACTUAL	150,662	831,486	737,410	701,964	(129,522)
COMMODITIES	15,920	-	31,106	37,300	37,300
CAPITAL	-	-	-	-	-
TOTAL	\$ 234,421	\$ 900,334	\$ 837,364	\$ 810,462	\$ (89,872)
EXPENDITURES BY PROGRAM:					
CENT'L ORAL HISTORY PROJ	\$ 2,616	\$ -	\$ -	\$ -	\$ -
COUNTY WIDE PROJECTS	179,989	900,334	810,827	773,162	(127,172)
LIBRARIES FOR THE FUTURE	18,321	-	-	-	-
STATE GRANT-IN-AID 2002	2,743	-	-	-	-
STATE GRANT N AID 2002-03	21,638	-	1,256	-	-
CHILDREN IN POVERTY 02-03	9,114	-	-	-	-
STATE GRANT-IN-AID 2004	-	-	25,000	-	-
YOUTH ACCESS-TUBA CITY	-	-	281	8,500	8,500
FAMILY PLACE GRANT	-	-	-	3,800	3,800
STATE GRANT-IN-AID 2005	-	-	-	25,000	25,000
TOTAL	\$ 234,421	\$ 900,334	\$ 837,364	\$ 810,462	\$ (89,872)
SOURCE OF FUNDING:					
LIBRARY FUND				\$ 810,462	
				\$ 810,462	

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, grant management, citywide switchboard operations, and performance reporting.

FY 04 GOALS AND RESULTS

GOAL: FISCAL HEALTH

RESULTS:

- ❖ GASB Statement No. 34 reporting requirements successfully implemented for the fiscal year ended June 30, 2003.
- ❖ Electronic Personnel Action forms successfully implemented citywide.
- ❖ Efforts continuing to implement the HTE budget system for the FY 2006 budget process.
- ❖ Grant funding dollars maintained in FY 2004.
- ❖ Credit card implementation continues to be researched to assure administrative costs can be effectively managed.
- ❖ User fees continue to be reviewed and implemented with Council direction. User fees implemented in FY 2004 includes residential square footage valuation increases, a Development and Review Board fee, and recreation fee increases.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Received the GFOA Distinguished Budget Presentation award for the tenth year in a row.
- ❖ Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the ninth year in a row.
- ❖ Aided in the implementation of Hazardous Assignment pay for various divisions within the City.
- ❖ Processed and paid one-time salary adjustment to all benefit eligible staff.
- ❖ Monthly capital project reports developed to track financial status.
- ❖ Played integral role in implementing 5 year capital improvements program which was adopted by CTAC and the City Council.
- ❖ Issued procurement cards to 24 additional staff, for a total of 44 staff using procurement cards.
- ❖ Submitted 29 new grant applications in the amount of \$3.2 million, receiving grants totaling \$1.1 million.
- ❖ Worked with the Flagstaff Unified School District on a collaborative grant application for the Frances Short Pond Restoration project.
- ❖ Submitted information for the 4th year to ICMA for performance measurement

FY 05 GOALS AND OBJECTIVES

GOAL: FISCAL HEALTH

OBJECTIVES

- ❖ Convert to the HTE budget system.
- ❖ Maintain grant funding at current level.
- ❖ Implement new user fees as directed by Council.
- ❖ Develop plan for retroactive infrastructure valuation to finalize GASB 34 compliance.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Mandatory fee policy developed	NA	6/30/03	N/A
User fees implemented as designated by Council	NA	NA	Ongoing
Receive one grant for Rio de Flag project	NA	NA	0
Increase number of grant submittals	NA	NA	29

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 633,472	\$ 687,593	\$ 681,275	\$ 734,980	\$ 47,387
CONTRACTUAL	30,577	30,710	35,232	36,635	5,925
COMMODITIES	20,268	18,220	19,080	19,600	1,380
CAPITAL	-	-	-	-	-
TOTAL	\$ 684,317	\$ 736,523	\$ 735,587	\$ 791,215	\$ 54,692
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 92,088	\$ 106,350	\$ 100,008	\$ 125,579	\$ 19,229
ACCOUNTING	273,769	299,032	296,698	319,202	20,170
PAYROLL	106,948	112,734	115,326	117,477	4,743
ACCTS PAYABLE/ RECEIVABLE	120,179	128,703	127,786	136,628	7,925
BUDGET	9,456	5,150	7,487	7,525	2,375
GRANTS ADMINISTRATION	81,877	84,554	88,282	84,804	250
TOTAL	\$ 684,317	\$ 736,523	\$ 735,587	\$ 791,215	\$ 54,692
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 498,994	
	LIBRARY FUND			52,292	
	HIGHWAY USER REVENUE FUND			41,078	
	WATER AND WASTEWATER FUND			120,184	
	STORMWATER FUND			242	
	AIRPORT FUND			34,275	
	ENVIRONMENTAL SERVICES FUND			44,150	
				\$ 791,215	
COMMENTARY:					
The Finance and Budget operating budget has increased 7% and there are no capital expenditures. Personal Services increase of 6% is due to market, merit and health insurance increases. Contractual and Commodities increase is for Registration and Travel \$4,150 and advertising costs of \$2,500.					

COMMUNITY DEVELOPMENT DEPARTMENT MISSION

The missions of the **Community Development Administration, Engineering, Building Inspection, and Planning Divisions** are 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.

The mission of the **Capital Improvement Division** is to provide expertise and efficient, responsible management of resources to deliver a quality program and projects that improve the community of Flagstaff.

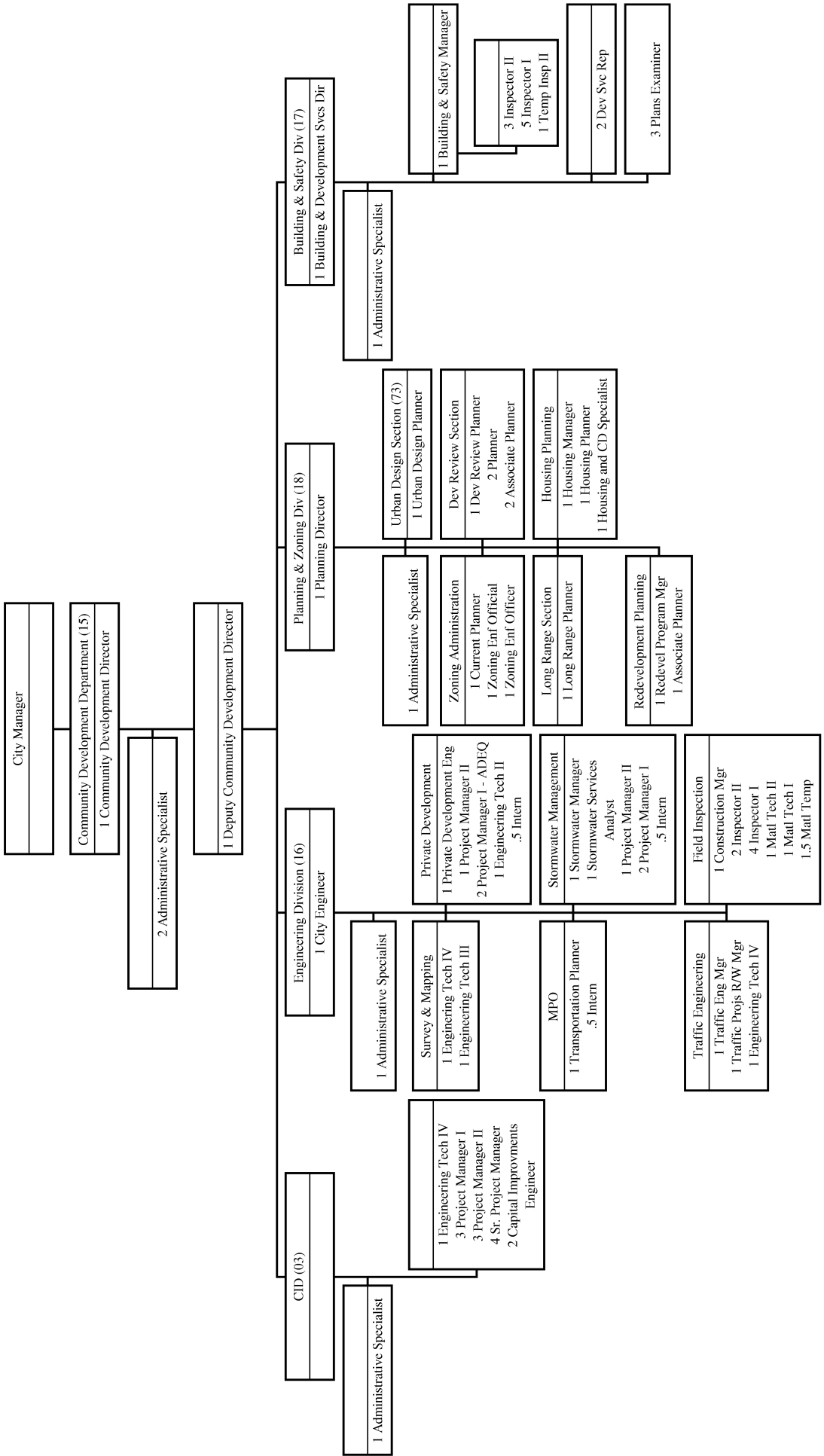
The mission of the **Metropolitan Planning Organization** is to develop standards and plans for a transportation system that progressively enables the land use decisions of the region in an atmosphere of consensus and to assist our members in programming capital projects to that end.

The mission of the **Community Redevelopment Division** is to provide community/neighborhood based planning and affordable housing opportunities for residents of Flagstaff, in particular to low to moderate income families so they can continue to thrive in decent housing, a suitable living environment, and enjoy economic opportunity.

The **Arts & Science Program** facilitates the strengthening of Flagstaff's arts, science and cultural environment through a competitive annual process offering financial support for selected organizations and events. The Public Art program strives to enhance the urban environment through the implementation of various public art projects.

The mission of the **Stormwater Division** is to promote the public health, safety, and general welfare to minimize public and private losses due to flood conditions with the City of Flagstaff and to comply with the applicable stormwater regulations.

Community Development



MISSION

The Capital Improvements Division provides expertise and efficient, responsible management of resources to deliver a quality program and projects that improve the community of Flagstaff.

PROGRAM DESCRIPTION

The Capital Improvement Division in General Administration produces the City's 5-year Capital Program, provides project planning and program delivery for Capital Improvement Projects. The Division is responsible for the project planning, programming, design and construction of City facilities and infrastructure in a comprehensive fashion while ensuring an appropriate level of public involvement.

FY 04 GOALS AND RESULTS**GOAL: CAPITAL IMPROVEMENTS****RESULTS:**

- ❖ Performance through Project Delivery System: All new project managers have been trained in PDS. All projects being delivered with this system.
- ❖ Delivery of Division Work Program/ Develop Performance Metrics: There are 42 distinct projects, with an FY03/04 budget of \$30M, in the annual Work Program. 37 projects are on-track for delivery, 4 projects are on-hold, 1 is well behind schedule (Lone Tree FUTS) and 1 project has been assigned to another Department (NAU Reclaimed Water).
- ❖ Implement Capital Planning Process: Refinements the 5-year Capital Improvements Program for the benefit of the organization. Prospectus Document development allowing a much greater understanding of project scope and requirements at the earliest possible stage.
- ❖ Develop Division Strategic Initiatives for FY 03/04: Sixteen initiatives developed in 5 major categories. All sixteen are either complete or substantially complete.

GOAL: CUSTOMER SERVICE**RESULTS:**

- ❖ Conduct public meetings for major projects to engage the public and establish positive working relationships: Numerous public meetings were held, several CityScape Articles published, and thorough weekly reports were submitted to the City Manager each week to ensure a well informed public.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Fourth Street Rail Crossing project: All project right-of-way secured, Phase I construction nearly complete and Phase II construction started.
- ❖ Soliere Avenue Extension construction completed.
- ❖ Country Club Drive widening construction completed.
- ❖ Leroux Street Paving, in Southside, completed.
- ❖ Completed construction of Sunnyside Phase II.
- ❖ Sunnyside Phase IIIA / West and Arrowhead Sewer completed.
- ❖ Sunnyside Phase IIIB construction started.
- ❖ Sunnyside Phase IV design started.
- ❖ Completed numerous ADA compliance projects: City Hall Rest Room, Jay Lively, Adult Center, Flag Recreation Center, Therapeutic Recreation Center, Cogdill Recreation Center, and the City Court.
- ❖ US 180 water and sewer replacement project completed, in conjunction with ADOT.
- ❖ Constructed majority of Lone Tree FUTS and Pine Knoll Safe-to-School (Kinsey Elementary) sidewalk project.
- ❖ Lake Mary Road FUTS: Beulah to Ponderosa Trail under construction.
- ❖ Railroad FUTS: Thompson to Rio de Flag final design in progress.
- ❖ Corridor Studies: 1) Lone Tree Road and 2) West/Arrowhead are both in progress.
- ❖ FUTS Bridges: Cedar and MNA under design.
- ❖ Citizens Transportation Advisory Committee (CTAC) annual report.
- ❖ Significant upgrade of database for comprehensive 5-year CIP adopted by CTAC and the City Council.
- ❖ On-Call engineering services contracts in place.
- ❖ Construction Manager at Risk contracts developed.
- ❖ CID Project Manager's Manual completed.
- ❖ Monthly Project Reports developed to track financial status of projects.
- ❖ CID fully staffed as of February 2, 2004.

FY 05 GOALS AND OBJECTIVES**GOAL: CAPITAL IMPROVEMENTS****OBJECTIVE:**

- ❖ Well-trained/equipped Team-Centered staff
- ❖ Delivery of Division Work Program
- ❖ Implement Capital Planning Process
- ❖ Implement FY 04/05 & 05/06 Strategic Initiatives

GOAL: CUSTOMER SERVICE

OBJECTIVE:

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

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Percentage of Capital Projects delivered in accordance with accepted work program	87%	88%	80%
Develop performance metrics for Program Delivery	NA	6-04	6-05
Improve Delivery of Program and Improve Annual CIP Process	NA	6-04	6-05
Completion of identified Strategic Initiatives	NA	90%	75%
Document public meetings and their impact on projects: Number of public meetings conducted.	N/A	6	6-05

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ (255,674)	\$ (310,291)	\$ (332,369)	\$ (245,791)	\$ 64,500
CONTRACTUAL	87,884	104,130	109,541	97,730	(6,400)
COMMODITIES	25,830	24,950	35,224	24,950	-
CAPITAL	-	-	-	-	-
TOTAL	\$ (141,960)	\$ (181,211)	\$ (187,604)	\$ (123,111)	\$ 58,100
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ (470,943)	\$ (619,161)	\$ (427,271)	\$ (628,156)	\$ (8,995)
PROJECT MANAGEMENT	290,152	437,950	191,762	475,560	37,610
ADOT PROJECT COORDINATION	2,771	-	5,104	7,366	7,366
HERITAGE SQ STAFF SUPPORT	40	-	-	-	-
UNPLANNED/UNPROGAMED WORK	36,020	-	2,616	-	-
5 YEAR CAPITAL PROG DEV	-	-	40,185	22,119	22,119
TOTAL	\$ (141,960)	\$ (181,211)	\$ (187,604)	\$ (123,111)	\$ 58,100
SOURCE OF FUNDING:					
GENERAL FUND				\$ (123,111)	
				\$ (123,111)	

COMMENTARY:
 The Capital Management Division is allocated to the divisions it provides services for based on an hourly rate percentage. All costs plus the administrative overhead assigned to the division is allocated. There are no increases in the operating budget this year.

MISSION

To develop standards and plans for a transportation system that progressively enables the land use decisions of the region in an atmosphere of consensus and to assist our members in programming capital projects to meet that end.

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).

FY 04 GOALS AND RESULTS**GOAL: CAPITAL IMPROVEMENTS****RESULTS:**

- ❖ By working with member agencies, funds were programmed for traffic signals and bus pullouts. Signal timing plans near complete, installation Spring 2004. Pullout plans complete, construction in Summer 2004.
- ❖ Complete design and start implementation of traffic signal synchronization system. See above.

GOAL: COLLABORATION**RESULTS:**

- ❖ Strengthen the FMPO executive board. Board has been apprised of important federal and state legislation and taken appropriate action.
- ❖ Expand cooperation with ADOT. FMPO reviewed plans for several regional ADOT projects including those on US 180, the East Flag TI, and seismic retrofit bridge plans and worked with ADOT on the Urban Mobility study and signal synchronization.
- ❖ Collaborated with NAU. FMPO added NAU to its TAC and Executive Board, worked with NAU on successful path grant application, and is involved NAU in transit planning.

GOAL: PLANNING FOR GROWTH**RESULTS:**

- ❖ Cooperate with ADOT on state planning. FMPO has participated fully in MoveAZ State Transportation Plan.
- ❖ Conduct a region-wide safety analysis. Not initiated
- ❖ Develop transit-oriented design standards. Partially completed through Pedestrian – Bicycle Design Guidelines.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Drafted residential Traffic Management Program for implementation by Traffic Commission and Traffic Engineering section.
- ❖ Developed Transportation Demand Management Program – "Trip Choice" that is proposed for funding by Coconino County in 2005. Pedestrian and Bicycle Guidelines: Solid direction and example of unified effort for region.
- ❖ Completed Northern Arizona Regional Freight Facility Market Analysis.

FY 05 GOALS AND OBJECTIVES**GOAL: CAPITAL IMPROVEMENTS****OBJECTIVE:**

- ❖ Work with member agencies to better inform and improve the coordination of project delivery and scheduling.

GOAL: COLLABORATION**OBJECTIVE:**

- ❖ Continue to explore avenues for cooperative planning ventures with ADOT – Transportation Planning Division and Flagstaff District, NACOG, and City and County planning and capital programs.
- ❖ Work with Coconino County Mountain Line to better integrate their system with NAU Mountain Campus Transit.

GOAL: PLANNING FOR GROWTH**OBJECTIVE:**

- ❖ Work cooperatively the City capital Improvement Division on a Lone Tree Corridor Study.
- ❖ Refine the regional traffic model to provide better information for project design purposes.
- ❖ Work with Coconino county mountain Line to produce the next 5-year Transit Plan.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Meeting deadlines on routine reports:			
Monthly/quarterly progress reports	4	4	4
Percent on time	0	0%	0%
Monthly/quarterly billings	4	4	4
Percent on time	75%	75%	75%
Meeting deadlines for TIP submittal and keeping projects on schedule	75%	80%	80%
Producing in-house studies and managing contracted efforts:			
Number of contracted efforts:	3	2	2
Percent on time:	0%	50%	0%
Percent effective:	100%	100%	100%
Milton road/W. Route 66 corridor study successfully completed with consensus among stakeholders or corridor on concepts	4/03/033	1/15/04	1/15/04
Community stakeholders to speak to and participate in four technical advisory committee and/or executive board meetings	50%	50%	50%
Adoption of the FY2003-2007 Transportation Improvement Program	Complete	Complete	Complete
Transportation Demand Management developed; initial implementation			7/04
Signal synchronization design complete			6/04
Adoption of FY 2004 – 2007 Transportation Improvement Program		6/03	6/05

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 94,390	\$ 97,230	\$ 103,393	\$ 105,401	\$ 8,171
CONTRACTUAL	216,518	195,196	278,809	399,935	204,739
COMMODITIES	4,984	5,700	8,451	5,850	150
CAPITAL	-	-	-	-	-
TOTAL	\$ 315,892	\$ 298,126	\$ 390,653	\$ 511,186	\$ 213,060
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 67,555	\$ 133,292	\$ 51,707	\$ 123,201	\$ (10,091)
SHORT RANGE PLANNING PROG	199,417	99,834	264,975	283,025	183,191
SHORT RANGE DATA COLLECTN	8,112	30,000	36,217	35,000	5,000
LONG RANGE TRANSIT PLAN	32,570	35,000	27,408	69,960	34,960
LONG RANGE "OTHER" TRANSP	8,238	-	10,346	-	-
TOTAL	\$ 315,892	\$ 298,126	\$ 390,653	\$ 511,186	\$ 213,060
SOURCE OF FUNDING:					
METROPOLITAN PLANNING FUND				\$ 511,186	
				\$ 511,186	

COMMENTARY:

The MPO operating budget has increased 32% and there are no capital expenditures. Personal Services increases are due to employee market, merits, and insurance cost increases. Contractual increases are due to the Model Update, Signal Synchronization and the Freight Study. 2004 carryforward of \$63,000 for Signal Synchronization, \$40,000 for the Model Update and a \$15,000 transfer from the General Fund for the Freight Study also contributed to the increase in Contractuals. 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 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, Development Services and Engineering. The Community Development Director acts as Chairperson for the Development Review Board and serves on a variety of other Boards and Commissions.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****RESULTS:**

- ❖ Met weekly with GFEC and NABA.
- ❖ Met quarterly with Community Builders.
- ❖ Held retreats with Development Community.

GOAL: ORGANIZATION SUPPORT**RESULTS:**

- ❖ Continued to represent City on FIT Committee.
- ❖ Fulfilled City's term as Chair for FMPO TAC.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Hosted summer picnic for city employees.
- ❖ Developed and implement Complaint Resolution Process.
- ❖ Reorganize Development Services and Building and Safety Division. Building and Safety and Development Services have been combined into one division.
- ❖ Scheduled weekly meetings with the Northern Arizona Homebuilders. Meetings held weekly on Friday mornings.
- ❖ Have held quarterly meetings with the Community Builders. Meetings are now held on the first month of each quarter with Community Builders and City staff.
- ❖ Held one-day retreat with building community in November. Retreats will now be held quarterly.

FY 05 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Continue to have weekly meetings with GFEC and NABA.
- ❖ Continue to have quarterly meetings with Community Builders.
- ❖ Hold quarterly retreats with Development Community.
- ❖ Develop Community Development quarterly newsletter.

GOAL: ORGANIZATIONAL SUPPORT**OBJECTIVES:**

- ❖ Represent City of Flagstaff on FIT Committee. Fulfill City's term as Chairperson for MPO Technical Advisory Committee (TAC).

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Install and implement Permit Tracking system:	NA	NA	100%
Percent of employees trained in use of system	NA	NA	100%
Project information installed on system	NA	NA	100%
Distribute and collect customer service evaluations daily. Customers satisfied with review process.	80%	80%	98%
Respond satisfactorily to complaints through Complaint Resolution System.	NA	NA	100%
Develop Community Development Newsletter	NA	NA	NA

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 216,480	\$ 193,095	\$ 195,307	\$ 259,982	\$ 66,887
CONTRACTUAL	2,156	5,270	4,165	11,270	6,000
COMMODITIES	8,442	8,830	7,227	6,150	(2,680)
CAPITAL	-	-	-	-	-
TOTAL	\$ 227,078	\$ 207,195	\$ 206,699	\$ 277,402	\$ 70,207
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 158,044	\$ 134,162	\$ 133,666	\$ 202,697	\$ 68,535
COUNCIL AND COMMISSIONS	69,034	73,033	73,033	74,705	1,672
TOTAL	\$ 227,078	\$ 207,195	\$ 206,699	\$ 277,402	\$ 70,207
SOURCE OF FUNDING:					
GENERAL FUND				\$ 277,402	
				\$ 277,402	

COMMENTARY:
 The Community Development Administration operating budget has increase 34%. Personal Services and Contractual have increased due to the transfer from the CIP Division of one FTE, the Deputy Community Development Director. There is no major capital (>\$10,000) for this division.

MISSION

The mission of the Community Development Department is to facilitate the orderly 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 seven areas: Administration, Private Development, Traffic Engineering, Construction Inspection, Materials Testing, Survey and Mapping, 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.

FY 04 GOALS AND RESULTS

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Measure and assess plan review quantities and percentages of on-time reviews. Ongoing
- ❖ Develop a traffic service request tracking system Ongoing.

GOAL: QUALITY OF LIFE

RESULTS:

- ❖ Ensure that the construction of projects meets the minimum standards required by the City. Ongoing
- ❖ Deliver quality materials testing that will result in a product of lasting value to our citizens. Ongoing
- ❖ Provide surveying and mapping services and information to the development community. Ongoing

GOAL: ECONOMIC DEVELOPMENT/ REDEVELOPMENT

RESULTS:

- ❖ Implement the Stormwater Management Utility to provide a dedicated funding source for stormwater quality protection, stormwater quantity control, environmental enhancement, capital investment, improved maintenance, and public education and involvement. Ongoing
- ❖ Provide Rio de Flag Flood Control Project delivery and coordination with U.S. Army Corps of Engineers in accordance with Project Management Plan. Ongoing

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Reviewed and improved civil construction plans and permitting of private development projects having a total value of more than \$11 million during calendar year 2003.
- ❖ Continued plan review tracking spreadsheet that assesses established review time frames and provided to Council monthly.
- ❖ Provided engineering inspection services on all private development projects.
- ❖ Provided materials testing services on all private development projects.
- ❖ Produced in-house traffic studies for use by the Traffic Commission.
- ❖ Submitted FEMA-Riverine Study field survey to FEMA Consultant.

FY 05 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Administer Flagstaff Metropolitan Planning Organization (FMPO).
- ❖ Responsive to needs of the citizens, Council, Manager, and City departments and divisions.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- ❖ Understandable and current standards and procedures.
- ❖ Review private development and capital improvements construction plans for compliance with Arizona Department of Environmental quality requirements.

GOAL: ECONOMIC DEVELOPMENT / REDEVELOPMENT

OBJECTIVES:

- ❖ Review of all private development projects, public improvements, and citizen concerns for compliance with applicable City code and engineering standards.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Private Development:			
Number of Development Review Board items reviewed	299	303	300
Number of plan reviews	158	110	120
Number plan reviews completed on time	123	93	110
Number of inspections performed	11,550	11,644	12,000
Complete 90% of construction plan reviews on time	81%	85%	92%
Complete draft traffic service request tracking system and service categorization and prioritization schemes	7/1/02	50%	100%
Provide Engineering inspection support services on 90% of the capital improvement projects	93%	92%	93%
Provide material testing on 90% of the capital improvement projects	93%	94%	93%
Reduce and maintain Second Order, Class One GPS control network adequate for urban development	6/30/03	0%	0%
Perform 10% of all field surveys in house	90%	10%	10%
Respond to all City and public requests for survey and public records information within one working day	100%	100%	100%
Placement of Land Information System on the City web site	7/31/03	0%	0%

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 1,290,466	\$ 1,325,090	\$ 1,076,462	\$ 1,258,412	\$ (66,678)
CONTRACTUAL	229,275	130,469	127,218	97,772	(32,697)
COMMODITIES	55,698	35,170	38,738	42,170	7,000
CAPITAL	5,896	-	-	20,000	20,000
TOTAL	\$ 1,581,335	\$ 1,490,729	\$ 1,242,418	\$ 1,418,354	\$ (72,375)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ (81,962)	\$ 267,936	\$ 15,726	\$ 249,208	\$ (18,728)
COUNCIL AND COMMISSIONS	-	-	-	1,050	1,050
PRIVATE DEVELOPMENT ENGR	343,607	328,208	327,591	335,132	6,924
TRAFFIC ENGINEERING	197,216	214,464	209,933	218,425	3,961
PUBLIC WORKS INSPECTION	464,357	254,740	259,880	343,377	88,637
MATERIALS TESTING	106,959	90,941	96,703	121,933	30,992
SURVEY	210,994	328,701	326,831	137,664	(191,037)
STORMWATER MANAGEMENT	338,958	-	15	-	-
ADEQ PLAN APPROVAL	1,206	5,739	5,739	11,565	5,826
TOTAL	\$ 1,581,335	\$ 1,490,729	\$ 1,242,418	\$ 1,418,354	\$ (72,375)
SOURCE OF FUNDING:					
GENERAL FUND				\$ 211,384	
HIGHWAY USER REVENUE FUND				698,847	
WATER AND WASTEWATER FUND				508,123	
				\$ 1,418,354	

COMMENTARY:

The Engineering operating budget has decreased 6% and capital expenditures total \$20,000 resulting in an overall net decrease of 5%. The decreases are due to the 2.75 position reductions and their related expenditures. Major capital (>\$10,000) consists of a \$20,000 replacement of a 1/2 ton pickup for the Inspection Program.

MISSION

The mission of the Community Development Department is to facilitate the orderly 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 & Development Services Division is primarily responsible for administering and enforcing the provisions of the various codes regulating construction and scheduling Development Review Board. 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. We are a primary contact for citizen questions and run a front counter customer operation.

FY 04 GOALS AND RESULTS**GOAL: PUBLIC SAFETY****RESULTS:**

- ❖ Training for the Building and Safety personnel to adequately enforce the 2003 International Codes and the 2002 National Electric Code. Majority of personnel sent to ICC classes in Phoenix.
- ❖ Implementation of new Building Codes through City Council adoption of new ordinance is scheduled for May 2004.
- ❖ Draft and implement agreement with Coconino County for use of Gray water systems within the City limits.

GOAL: CUSTOMER SERVICE**RESULTS:**

- ❖ Better communication between field personnel and office, contractors, and the community at large. Adopt "complaint resolution" process and work with public to answer questions in a timely manner.
- ❖ Attend regular Friday meetings with NABA and guest builders to improve services. Reduction of confusion about process and rules has resulted in at least a 75% success rate with builders (based on number of complaints reviewed and resolved).
- ❖ Streamlining of "small project" review by the Building Official has kept review (despite the same number of projects being submitted) to between 2-3 weeks. [Previous years had seen peaks of 7-8 weeks during mid-construction season].

- ❖ Better screen applications and provide available services to consultants, developers, and general public to assist in the timely presentation of projects to the Development Review Board using written instructions.
- ❖ Guidelines for exempting various projects from Development Review Board requirements has been posed to staff for acceptance, still in review.
- ❖ Transition to automated communication system met with initial opposition by both internal and external customers; however, the ability to provide services has continued with little or no impact.

GOAL: FISCAL HEALTH**RESULTS:**

- ❖ City Council approved a 30% increase in permit fees for residential and adoption of the Building Standards in December 2003.
- ❖ Alignment of fees was consistent with Coconino County increases in August 2003.
- ❖ City Council approved an administrative processing fee of \$250 with exceptions for Concept Plan review and Site Plan review initiated on 21 January 2004.
- ❖ Detailed instructions and conversion of switchboard operations was implemented in June of 2003. Cost of \$3,500 for one-time installation replaced the \$32,000 annual salaries of two part-time employees

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ 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.
- ❖ Established semi-annual meetings with the professional community to discuss Plan Review guidelines, revise DRB schedule, and reinforce communication with builders and consultants.
- ❖ Continued to abate numerous dangerous buildings and substandard buildings throughout the community; Hilland Motel has been removed.
- ❖ Continued to be a key member of the Flagstaff Interagency Taskforce for Safe Housing.
- ❖ Continued integration of Development Services and Building Division with Planning and Engineering.
- ❖ Successful remodel of front counter under estimated budget amount. Implement an automated switchboard operation.
- ❖ Successful completion and implementation of Complaint Resolution Process in accordance with EMT guidelines.

FY 05 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:
 - Review and improve the Gray Water standards to provide greater flexibility in the use of an existing natural resource.
 - Continue to identify and eliminate problem structures within the City limits.
 - Review the implementation of the International Building Codes and obtain public/professional input to the effectiveness of new codes.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Work with information Services for obtaining an interactive web site for customers to review inspection results and track projects.
- ❖ Work with internal management to consolidate the building inspectors with the rest of Building and Development Services to provide better access by the general public and contractors for information.
- ❖ Better communication between field personnel and office, contractors, and the community at large. Adopt "complaint resolution" process and work with public to answer questions in a timely manner.

- Attend regular Friday meetings with NABA and guest builders to improve services.
- Continue the streamlining of "small project" review by including commercial projects and using the Building Safety Manager in the review process.
- ❖ Better screen applications and provide available services to consultants, developers, and general public to assist in the timely presentation of projects to the Development Review Board.
- ❖ Publish an inclusive Development Guide for potential clients to obtain information on what to do, how much it will cost, when it has to be done. Change the structure of the organization to provide a single point of contact for developers that includes all questions about a project (this will require additional resources and personnel) when the budget will allow for expansion.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Continue the annual review of Building fees with a routine update provided at the beginning of a calendar year.
- ❖ Review every three years the valuation of building permit fees in conjunction with the Building Standards publications.
- ❖ Review and compare residential fees with other Northern Arizona permitting agencies for consistency.

PERFORMANCE INDICATORS (Building)	CY02	CY03	CY04 EST.
Maintain minimum turnaround time for all permits:			
Number of permits issued**	2,427	2,431	2,225
Percentage meeting turnaround time*	99%	94%	91%
Perform requested inspections on same day received ***	100%	98%	95%
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	5	6	10
Percentage of abatement through demolition or repair	90%	92%	92%
Adopt the International Codes and National Electric Code	NA	NA	100%
Send all Building and Safety personnel to available classes on International Codes and National Electric Code	NA	75%	100%
Add new certificate of occupancy permit	NA	COMP	N/A

* Two new plans examiners, 33% increase in workload without additional personnel, complexity of projects has increased. Some indicators (such as Design Review) will never be greater than 25% due to criteria set for implementation.

** Due to the reduction of available single family building lots projected for 2004-2005, we anticipate a reduction in the number of issued building permits.

*** Without increase in personnel for doing inspections, when the new Flagstaff East Gateway project comes on line in late 2004 and reviewing the number of major construction projects anticipated (Convention Center, USGS campus), we anticipate that the number of daily inspections during peak construction time (May through October) may either require over-time or more staff.

PERFORMANCE INDICATORS (Counter Operations)	CY02	CY03	CY04 EST.
Continue to improve front counter operations by issuing permits within scheduled review timeframes	95%	96%	97%
Install and implement Permit Tracking system:	90%	100%	N/A
Percent of employees trained in use of system	100%	100%	100%
Project information installed on system	95%	95%	95%
Distribute and collect customer service evaluations daily. Customers satisfied with review process.	94%	96%	96%
Verify permit issuance is consistent	NA	NA	NA
Staff proficiency attained in KIVA Vision software	20%	65%	95%
Implement "small permit" process	NA	90%	95%
Apply the new Design Review Guidelines and application process	15%	75%	100%

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 782,866	\$ 830,788	\$ 872,513	\$ 924,998	\$ 94,210
CONTRACTUAL	65,378	51,445	51,495	51,943	498
COMMODITIES	27,048	35,870	35,820	37,770	1,900
CAPITAL	-	-	-	-	-
TOTAL	\$ 875,292	\$ 918,103	\$ 959,828	\$ 1,014,711	\$ 96,608
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 271,800	\$ 286,425	\$ 327,524	\$ 312,732	\$ 26,307
ON-SITE FIELD INSPECTION	435,782	453,543	454,169	514,514	60,971
PLAN REVIEW	167,710	178,135	178,135	187,465	9,330
TOTAL	\$ 875,292	\$ 918,103	\$ 959,828	\$ 1,014,711	\$ 96,608
SOURCE OF FUNDING:					
GENERAL FUND				\$ 1,014,711	
				\$ 1,014,711	
COMMENTARY:					
The Building Inspection operating budget has increased 11% and there are not capital expenditures. Personal Services increases are for employee market, merit, insurance, and an additional 1 FTE for and Inspector I.					

MISSION

The mission of the Community Development Department is to facilitate the orderly 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.

FY 04 GOALS AND RESULTS**GOAL: QUALITY OF LIFE AND PLANNING GROWTH****RESULTS:**

- ❖ Public hearing held by Planning and Zoning Commission for Traditional Neighborhood Design (TND) amendment – currently pending at City Council.
- ❖ Completed first draft of Big Box Ordinance. Propose schedule for public hearing and adoption process.
- ❖ Design, print and distributed color illustrated public art pamphlet.
- ❖ Completed concept for McMillan Mesa open space (with consultant).
- ❖ The Flagstaff Area Regional Land Use and Transportation Plan was prepared with hyperlinks for posting on the City's web site; and the Plan has been made available via hard copy and CD.
- ❖ Developed informational materials, including fact sheets, ballot questions and publicity pamphlet, on open space lands for the consideration of the Bond Advisory Task Force, the public and City Council on potential projects to be presented to Flagstaff voters demonstrating and explaining the background, issues, benefits and costs associated with the proposed open space projects.
- ❖ Administered the Design Review Guidelines.

GOAL: AFFORDABLE HOUSING**RESULTS:**

- ❖ Completed 2004/2005 Annual Action Plan and received Council and HUD approval.
- ❖ Completed CDBG Consolidated Annual Performance and Evaluation Report and received satisfactory performance evaluation from HUD
- ❖ Completed and entered into development agreements for Rio Homes and Ponderosa Homes with mixed income residential housing.
- ❖ Provided Adult Day Care assistance to 120 individuals and their caregivers.

GOAL: ECONOMIC DEVELOPMENT/ REDEVELOPMENT**RESULTS:**

- ❖ A Request for Qualifications and Proposals was prepared and sent to a list of consultants on 1-26-2004. A consulting firm was selected to provide professional planning and consulting services with specific expertise in land use planning, historic preservation, urban and mixed-use design and architecture, in order to prepare specific plans, urban design and architectural concepts for redevelopment of the Southside.
- ❖ Issued a Request for Proposals for the Downtown Gateway West Project.
- ❖ Feasibility study underway for Conference Center and Hotel.
- ❖ Marketed Auto Park parcels to dealers and obtained initial Letters of Intent.
- ❖ Issued a Request for Proposal for City-owned property located on Fourth Street.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ During the period from July 1, 2003 through January 31, 2004, the Current Planning Staff reviewed 67 *Informal* Development Review Board (DRB) items, 75 *Formal* DRB items, and 17 Planning and Zoning Commission (P&Z) items. Totals for calendar year 2003 are as follows: 144 *Informal* DRB items, 162 *Formal* DRB Items, and 37 P&Z items.
- ❖ Enforcement activities kept up-to-date with appropriate responses, including approximately 184 enforcement letters sent (68 for zoning, 67 for signs, 49 for lighting), 90% corrections made.
- ❖ 904 single-family, remodels and manufactured housing permits reviewed.
- ❖ Design complete (by City consultant) for US 89 path/streetscape, Railhead to Snowflake
- ❖ Stabilization and repainting of Two Spot historic train complete.

FY 05 GOALS AND OBJECTIVES

GOAL: QUALITY OF LIFE AND PLANNING GROWTH

OBJECTIVES:

- ❖ Continuation of public art program
- ❖ Reclamation, identification and enhancement of city-owned open space, including selected acquisitions in conjunction with planned FUTS project corridors throughout the city.
- ❖ Prepare an annual report that documents the progress made towards implementing the Regional Plan.
- ❖ Implement the City's urban open space program to protect lands within the urban growth boundary.
- ❖ Provide urban design projects to improve and enhance appearance of Flagstaff streetscape projects.
- ❖ Provide urban design projects to improve and enhance the appearance of Downtown Flagstaff.

GOAL: AFFORDABLE HOUSING

OBJECTIVES:

- ❖ Develop a neighborhood urban design plan for the Southside
- ❖ Complete/implement Sunnyside neighborhood revitalization strategy and expand neighborhood

revitalization activities to the Southside and Plaza Vieja neighborhoods.

- ❖ Complete the construction of new affordable homes on previously purchased redevelopment and infill properties.
- ❖ Develop affordable housing opportunities for City-owned properties.
- ❖ Rehabilitate homes owned by low and moderate-income homeowners.
- ❖ Provide a homebuyer education program in conjunction with loans for down payments and closing costs for low- and middle-income first time homebuyers.

GOAL: ECONOMIC DEVELOPMENT/ REDEVELOPMENT

OBJECTIVES:

- ❖ Stone Container site redevelopment as a mixed-use site.
- ❖ Development of the Flagstaff Conference Center.
- ❖ Agreement with Westcor on design and tenanting of Mall expansion.
- ❖ Work with ADOT on Country Club/Route 66/ US 89 interchange.
- ❖ USGS Science and Technology Park and USGS campus expansion.

PERFORMANCE INDICATORS	FY03	FY04	FY05 EST.
Construction complete for Route 66 path/streetscape, Enterprise to Arrowhead.	N/A	N/A	06/30/05
Actively coordinate with Army COE on design and costs of Rio project enhancements/betterments & FUTS through downtown.	N/A	N/A	06/30/05
Continue local artist exhibits at City Hall and Airport.	N/A	N/A	06/30/05
Presentation by Open Space Commission of Open Space Projects.	N/A	N/A	06/30/05
In conjunction with County staff and 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 Regional Plan.	N/A	N/A	06/30/05
Prepare an Open Space Long Range Management Plan For The City of Flagstaff in collaboration with the Open Spaces Commission and other natural resource professionals from the community.	N/A	N/A	06/30/05

PERFORMANCE INDICATORS (CONTINUED)	FY03	FY04	FY05 EST.
In collaboration with an urban design consulting firm and the Southside community, a Southside master plan is prepared that includes tools and strategies for redevelopment, parking, internal circulation and bikeways circulation; design concepts that address a university town center and/or missed use development concept; market analysis of the commercial corridors; property cost analysis for development projects; infill guidelines; streetscape designs; and land uses.	N/A	N/A	06/30/05
Complete, obtain HUD approval and begin to implement the Sunnyside Neighborhood Revitalization Strategy.	N/A	N/A	06/30/05
Participate in neighborhood planning processes for all four target neighborhoods, as requested by neighborhood stakeholders or City Council	N/A	N/A	06/30/05
Complete the Izabel Homes subdivision and sell 16 new homes to first- time low- and moderate-income homebuyers.	N/A	N/A	06/30/05
Complete disposition of Rio Homes and Ponderosa Homes parcels. Identify other opportunities to leverage market rate housing with affordable.	N/A	N/A	06/30/05
Rehabilitate 12 homes owned and occupied by low and moderate-income persons.	N/A	N/A	06/30/05
Provide Emergency Repair assistance to 14 homes owned and occupied by low and moderate-income persons	N/A	N/A	06/30/05
Procure non-profit services to operate homebuyer assistance programs that make 50 loans.	N/A	N/A	06/30/05
Stone Container site under contract by private developer with design and rezoning; Private developer closes upon rezoning.	N/A	N/A	06/30/05
Conference Center feasibility study and Traffic Impact Analysis completed.	N/A	N/A	06/30/05
Conference Center project is feasible and Development Agreement approved.	N/A	N/A	06/30/05
Construction of the Mall expansion by Westcor initiated.	N/A	N/A	06/30/05
Tenants secured for Mall expansion.	N/A	N/A	06/30/05
Approval of Country Club/Route 66/Highway 89 design by ADOT and moving timetable forward for construction.	N/A	N/A	06/30/05
Agreement with the General Services Administration on a Master Plan Implementation for USGS Science & Technology Park and Campus expansion.	N/A	N/A	06/30/05
Issuance of a Request for Proposals for the private portion of USGS development.	N/A	N/A	06/30/05
Responses received on RFP's for USGS Park & Campus Expansion and development plan in place.	N/A	N/A	06/30/05

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 942,922	\$ 965,775	\$ 958,545	\$ 1,094,713	\$ 128,938
CONTRACTUAL	33,571	113,365	29,577	116,865	3,500
COMMODITIES	24,745	32,700	32,365	32,280	(420)
CAPITAL	-	-	-	-	-
TOTAL	\$ 1,001,238	\$ 1,111,840	\$ 1,020,487	\$ 1,243,858	\$ 132,018
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 251,403	\$ 347,524	\$ 256,122	\$ 372,164	\$ 24,640
DEVELOPMENT REVIEW	320,744	336,710	336,720	351,104	14,394
ADVANCED PLANNING	132,021	135,054	135,091	88,691	(46,363)
ZONING ADMINISTRATION	159,158	166,858	166,858	176,654	9,796
REDEVELOPMENT	82,807	125,694	119,638	141,190	15,496
HOUSING	55,105	-	6,058	109,725	109,725
COMMISSIONS	-	-	-	4,330	4,330
TOTAL	\$ 1,001,238	\$ 1,111,840	\$ 1,020,487	\$ 1,243,858	\$ 132,018
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 781,362	
	LIBRARY FUND			45,594	
	HIGHWAY USER REVENUE FUND			114,944	
	WATER AND WASTEWATER FUND			162,435	
	STORMWATER FUND			6,139	
	AIRPORT FUND			25,226	
	ENVIRONMENTAL SERVICES FUND			108,158	
				\$ 1,243,858	
COMMENTARY:					
The Planning operating budget has increased 13% and there are no capital expenditures. Personal Services increases are due to the addition of 1 FTE, Housing Manager. The increase costs for employee market, merit, and insurance costs also contributed to the increase in Personal Services.					

MISSION

The mission of the Housing Section is to provide community/neighborhood based planning and affordable housing opportunities for residents of Flagstaff, in particular low to moderate income families, so they can continue to thrive in decent housing, a suitable living environment and enjoy economic opportunity.

PROGRAM DESCRIPTION

The City Housing Section administers the Community Development Block Grant Entitlement program; provides technical assistance to neighborhood organizations; designs and implements new affordable housing programs as funding allows; provides information to the community and city council as requested on affordable housing issues; and facilitate public participation in the creation of numerous community planning documents.

FY 04 ACCOMPLISHMENTS**PLANNING AND ADMINISTRATION**

- ❖ Completed 2004/2005 Annual Action Plan and received Council and HUD approval.
- ❖ Completed Sunnyside Neighborhood Revitalization Strategy and received Council approval.
- ❖ Completed CDBG Consolidated Annual Performance and Evaluation Report and received satisfactory performance evaluation from HUD.
- ❖ Completed on-site monitoring visit from HUD with no findings and only minimal suggestions.
- ❖ Implemented system to apply HUD's new race/ethnicity requirements.
- ❖ Completed a new Analysis to Impediments to Fair Housing and submitted for HUD approval.
- ❖ Applied for and received Federal HOME funds and State Housing Trust Funds from the Arizona Department of Housing
- ❖ Met all HUD spending requirements
- ❖ Participated in and completed CDBG Integrated Disbursement Information System (IDIS) clean-up
- ❖ Attended the Institute for Community Economics land trust for affordable housing conference and training
- ❖ Initiated request for technical assistance from HUD to form community land trust in the City of Flagstaff
- ❖ Placed all program descriptions, applications and appropriate documents on the web.
- ❖ Held second successful community fair housing educational event

AFFORDABLE HOUSING DEVELOPMENT AND NEIGHBORHOOD CONSERVATION

- ❖ Acquired one parcel of property in Sunnyside for the construction of one unit of affordable housing.
- ❖ Completed construction of four affordable owner-occupied homes.
- ❖ Rehabilitated and sold one affordable home.
- ❖ Completed development plans for sixteen affordable owner-occupied homes and started construction.
- ❖ Completed eight owner-occupied housing rehabilitation projects.
- ❖ Assisted thirty-eight low- and middle-income first time homebuyers.
- ❖ Completed and entered into development agreements for Rio Homes and Ponderosa Homes with mixed income residential housing.
- ❖ Developer started construction on Rio Homes project
- ❖ Provided eviction/foreclosure prevention assistance to 80 households.
- ❖ Provided Adult Day Care assistance to 120 individuals and their caregivers
- ❖ Participated in neighborhood planning processes for all four target neighborhoods. (Southside, Pine Knoll, Sunnyside, Plaza Vieja)

FY 05 GOALS AND OBJECTIVES**GOAL: AFFORDABLE HOUSING AND /REDEVELOPMENT****OBJECTIVES:**

- ❖ Perform the planning work necessary to increase affordable housing production capacity by:
 - Complete all planning documents associated with funding sources and any additional documents as requested by council.
 - Complete/Implement Sunnyside Neighborhood Revitalization Strategy and Expand Neighborhood Revitalization Activities To The Southside And Plaza Vieja Neighborhoods.
 - Assist In Completion Southside Neighborhood Planning
 - Create A Community Land Trust Structured As A Private Non-Profit Organization For The Purpose Of Building Affordable Homes Preserving Public Investment In Land.
 - Increase Equal Housing Opportunity In Flagstaff.

- ❖ Increase the supply of affordable housing by:
 - Complete The Construction Of New Affordable Homes On Previously Purchased Redevelopment And Infill Properties.
 - Acquire Vacant And/Or Dilapidated Properties For The Construction Of New Affordable Homes.
 - Develop Affordable Housing Opportunities For City-Owned Properties.
- ❖ Preserve the existing affordable housing stock while decreasing substandard housing conditions by:
 - Rehabilitate Homes Owned By Low And Moderate-Income Homeowners.
 - Increase Grant Funds Available For Existing And New Affordable Housing Programs.
 - Provide A Homebuyer Education Program In Conjunction With Loans For Down Payments And Closing Costs For Low- And Middle-Income First Time Homebuyers.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 39,385	\$ 94,476	\$ 94,476	\$ 51,634	\$ (42,842)
CONTRACTUAL	955,765	2,282,295	625,036	4,260,780	1,978,485
COMMODITIES	2,854	3,500	1,351	5,400	1,900
CAPITAL	11,960	-	37,708	-	-
TOTAL	\$ 1,009,964	\$ 2,380,271	\$ 758,571	\$ 4,317,814	\$ 1,937,543
EXPENDITURES BY PROGRAM:					
REVOLVING LOAN GEN FUND	\$ 350,000	\$ 293,264	\$ 269,264	\$ 307,400	\$ 14,136
CDBG ENTITLEMENT ADMIN	52,611	146,527	123,281	171,094	24,567
LAND ACQUISITION-GF	-	-	-	1,573,177	1,573,177
AZ HOUSING TRUST FUNDS	-	-	-	153,890	153,890
HOME GRANT	-	300,000	-	509,990	209,990
AFFORDABLE HOUSING DEVELP	-	100,000	-	150,000	50,000
CDBG-REHAB OF ACQ HOMES	15,103	53,900	44,907	27,000	(26,900)
CDBG-ACQUISITION FOR REHAB	-	53,000	-	15,500	(37,500)
CDBG-NEIGH REV/HSG CONSTR	199,741	182,000	102,490	218,000	36,000
CDBG-PUBLIC IMPROVEMENTS	22,559	321,586	3,605	382,981	61,395
CDBG LAND ACQUISITION	176	427,400	-	-	(427,400)
CDBG HOUSING REHAB	190,724	297,000	107,862	276,000	(21,000)
CDBG MISC PROJECTS	28,139	95,000	56,568	234,000	139,000
CDBG NEIGH REV/HSG REHAB	14,792	-	-	-	-
CDBG HOME BUYERS ASSIST	136,119	110,594	50,594	175,000	64,406
CDBG ECONOMIC DEVELOPMENT	-	-	-	123,782	123,782
TOTAL	\$ 1,009,964	\$ 2,380,271	\$ 758,571	\$ 4,317,814	\$ 1,937,543
SOURCE OF FUNDING:					
COMMUNITY REDEVELOPMENT FUND				\$ 4,317,814	
				\$ 4,317,814	
COMMENTARY:					
The Community Redevelopment operating budget has increased 81% and there are no capital expenditures. Personal Services decrease is due to the net effect of increases due to the employee market, merit, and insurance costs along with a decrease of time charged to the grant program from the Housing Specialist. Contractuals and Commodities increased is due to carryover of grant funded projects, carryover of land acquisition budget, and additional grant awards.					

MISSION

The Arts & Science program facilitates the strengthening of Flagstaff's arts, science and cultural environment through a competitive annual process offering financial support for selected organizations and events. The Public Art program strives to enhance the urban environment through the implementation of various public art projects.

PROGRAM DESCRIPTION

The Arts & Science program is funded by a dedicated portion of BBB taxes. The program has been in existence for 11 years, and is administered through a service contract with Flagstaff Cultural Partners. Financial support is administered through an annual budget item for competitive grants to local arts, science and cultural organizations and events. This process is managed by FCP through its Arts & Science grant evaluation panel. Proposals are scored and discussed and a list of recommended grants is sent to the FCP Board for approval usually in June.

Public art projects are recommended to the City Council by the City's Public Art Advisory Committee, based on its annual budget allocation and other funding as available. Three major public art installations have been completed since 1998.

FY 04 GOALS AND RESULTS**GOAL: COLLABORATION****RESULTS:**

- ❖ Conducted third annual competitive grant process through Flagstaff Cultural Partners, the contracted service provider.
- ❖ Awarded financial grants to 35 local organizations and local events. Awarded totaled \$275,000.
- ❖ Monitored performance of grantee organizations to ensure compliance.
- ❖ Prepared and distributed a full report on awards and activities to the City Council.
- ❖ The Public art Advisory Committee evaluated proposals for a local artist project and recommended a project to be installed in Heritage Square in 2004.

FY 05 GOALS AND OBJECTIVES**GOAL: COLLABORATION****OBJECTIVES:**

- ❖ Review contract status with service provider (FCP) and either extend contract or competitively re-bid for FY05-07.
- ❖ Review performance of FY04 grant evaluation and selection process and revise as appropriate.
- ❖ Conduct FY05 competitive grant funding process, consisting of releasing RFP in January, scoring of applications in April, recommendations on funding awards in May, and FCP Board approval in June.
- ❖ The Public Art Advisory Committee will decide on its next project, conduct an appropriate competitive process, and recommend approval of the selected project to the City Council.

COMMUNITY DEVELOPMENT

DIVISION 71

ARTS AND SCIENCE

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 804	\$ 1,532	\$ 2,152	\$ 556	\$ (976)
CONTRACTUAL	363,165	371,658	330,045	409,000	37,342
COMMODITIES	182	150	271	150	-
CAPITAL	-	-	-	-	-
TOTAL	\$ 364,151	\$ 373,340	\$ 332,468	\$ 409,706	\$ 36,366
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 228	\$ -	\$ 89	\$ -	\$ -
CONTRACTUAL SERVICES	310,000	275,000	275,000	280,000	5,000
PUBLIC ARTWORK	8,923	53,340	12,379	84,706	31,366
FCP ADMINISTRATION	45,000	45,000	45,000	45,000	-
TOTAL	\$ 364,151	\$ 373,340	\$ 332,468	\$ 409,706	\$ 36,366
SOURCE OF FUNDING:					
ARTS AND SCIENCE FUND				\$ 409,706	
				\$ 409,706	
COMMENTARY:					
The Arts & Science operating budget has increased 10% and there are no capital expenditures. The primary reason for the increase in contractals is due to carryover for Public Art.					

COMMUNITY DEVELOPMENT

DIVISION 73

BEAUTIFCATION ADMIN

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 72,667	\$ 78,761	\$ 81,102	\$ 83,104	\$ 4,343
CONTRACTUAL	4,356	6,550	3,827	5,450	(1,100)
COMMODITIES	2,474	2,600	1,748	2,600	-
CAPITAL	-	-	-	-	-
TOTAL	\$ 79,497	\$ 87,911	\$ 86,677	\$ 91,154	\$ 3,243
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 79,497	\$ 87,911	\$ 86,677	\$ 91,154	\$ 3,243
TOTAL	\$ 79,497	\$ 87,911	\$ 86,677	\$ 91,154	\$ 3,243
SOURCE OF FUNDING:					
BEAUTIFICATION FUND				\$ 91,154	
				\$ 91,154	
COMMENTARY:					
The Beautification operating budget has increased 4% with no capital expenditures. Personal Services increases are due to the employee market, merit, and insurance cost increases.					

MISSION

The mission of the Stormwater Division is to promote the public health, safety and general welfare, to minimize public and private losses due to flood conditions within the City of Flagstaff, and to comply with the applicable stormwater regulations.

PROGRAM DESCRIPTION

The Stormwater Department includes: administration, utility management, engineering, customer service, and plan review components.

FY 05 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Respond in a timely manner to requests or needs of citizens, Council, Manager, and City departments and divisions.

- ❖ Review of all private development projects, public improvements, and citizen concerns in a timely manner.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- ❖ Ensure that the construction of projects meets the minimum standard required by the City.
- ❖ Maintain the city's eligibility in the National Flood Insurance Program and obtain best achievable flood insurance costs for the public.
- ❖ Adherence to the NPDES Phase II compliance schedule.

GOAL: ECONOMIC DEVELOPMENT/ REDEVELOPMENT

OBJECTIVES:

- ❖ Completion of the design of the Rio de Flag flood control project.
- ❖ Completion of reconciliation of unbilled stormwater utility accounts.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ -	\$ 275,928	\$ 259,497	\$ 295,795	\$ 19,867
CONTRACTUAL	-	164,244	154,326	550,221	385,977
COMMODITIES	-	4,362	27,107	9,832	5,470
CAPITAL	-	-	-	-	-
TOTAL	\$ -	\$ 444,534	\$ 440,930	\$ 855,848	\$ 411,314
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ -	\$ 143,513	\$ 250,738	\$ 279,157	\$ 135,644
ENG. & MASTER PLANNING	-	-	-	350,000	350,000
OPERATIONS	-	301,021	190,192	226,691	(74,330)
TOTAL	\$ -	\$ 444,534	\$ 440,930	\$ 855,848	\$ 411,314
SOURCE OF FUNDING:					
STORMWATER UTILITY FUND				\$ 855,848	
				\$ 855,848	

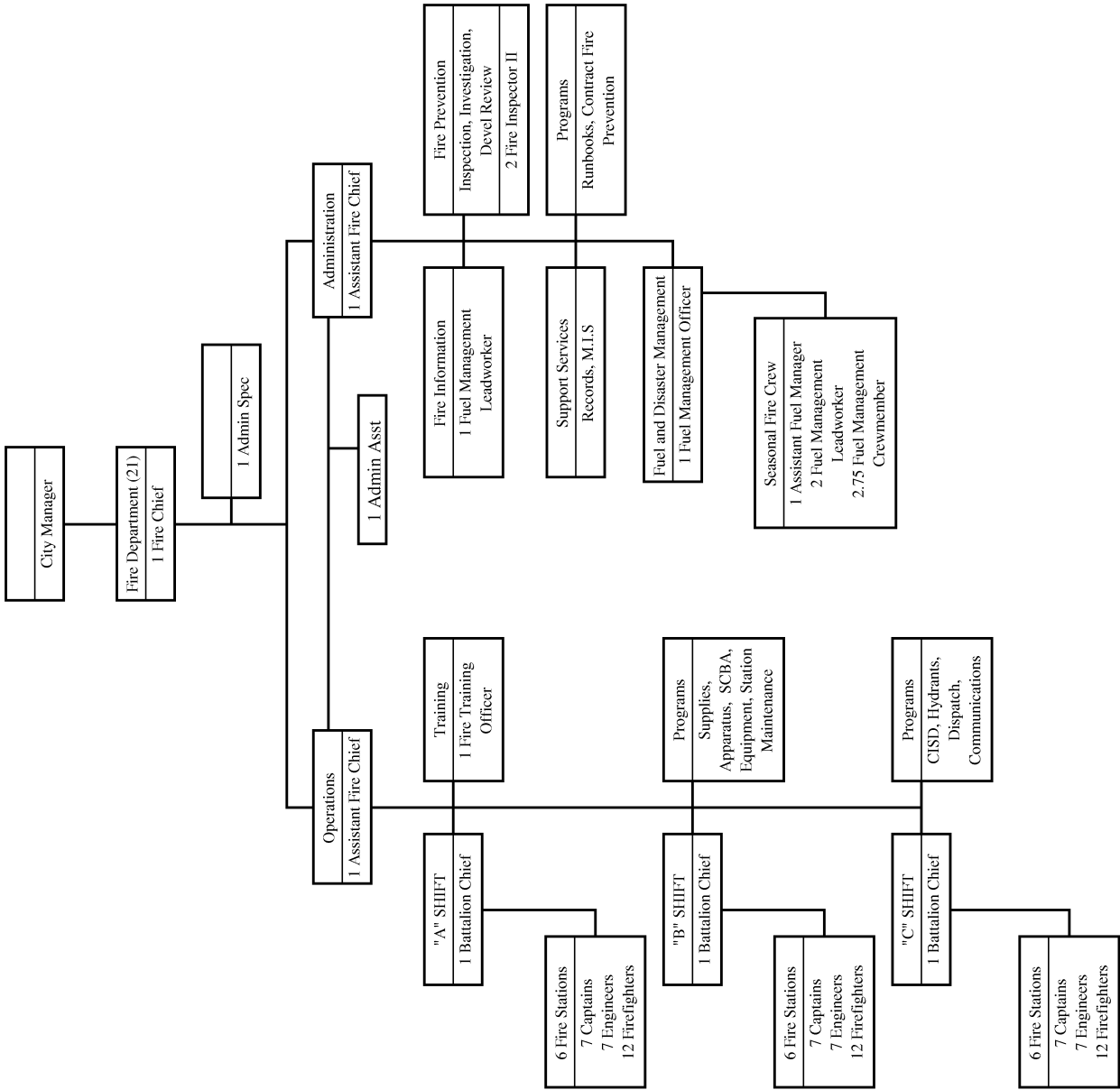
COMMENTARY:

The Stormwater Utility operating budget has increased 93% and capital expenditures are captured in Divisions 34 and 99. Personal Services increases are due to market, merit, and insurance increases. Contractual increases are due to the one time expense to complete the Stormwater Master Plan and an increase in the ongoing general drainage program. Capital projects proposed for FY 2005 include the completion of the 6th Avenue Detention, improvements to Walnut Meadows, and the Rio de Flag project including parking consideration.

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, Operations, and Fuel Management.

FY 04 GOALS AND RESULTS

GOAL: PUBLIC SAFETY

RESULTS:

- ❖ Hired and trained four new Firefighters, assigned them to Operations Division.
- ❖ Obtained a \$296,000 grant from the Local emergency Planning Committee to purchase a Special Operations Truck.
- ❖ Participation in a joint agency committee to improve dispatch/communication services in the City alarm center.
- ❖ Received \$64,000 in grants from the LEPC to purchase equipment to enhance response to WMD incidents.
- ❖ Completed a regional risk assessment in conjunction with the Office of Domestic Preparedness.
- ❖ Taught cardiopulmonary resuscitation (CPR) to 215 citizens.
- ❖ The department conducted 2,300 training sessions and completed 19,440 man-hours of training.

- ❖ Conducted joint training exercise with Burlington Northern Railroad.
- ❖ Completed Fuel Management projects, which provided for the thinning of 680 acres and prescribed burning of 1016 acres.
- ❖ Completed two multi-agency incident drills.
- ❖ Conducted regional High Rise firefighting training.
- ❖ Increased the number of fire protection contracts, and increased the contract service rates.
- ❖ Increased service fees for response to Hazardous Materials incidents.

FY 05 GOALS AND OBJECTIVES

GOAL: PUBLIC SAFETY

OBJECTIVES:

- ❖ 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 prepare, operate, and respond to emergencies, which meets community expectations and complies with National Fire Protection Agency and Occupational, Safety and Health Administration Standards.
- ❖ To provide the necessary leadership and management to accomplish the organization's mission, goals, and objectives in an effective manner.
- ❖ To provide a Disaster Management Program designed to prepare and protect the community from both man-made and natural disasters.
- ❖ To provide the necessary Fuel Management to minimize the risk of a catastrophic wildfire and promote forest health in our community.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Manage department budget within Council approved funding levels	97.8%	99.5%	99.5%
Training:			
Complete monthly and quarterly company level training	100%	100%	100%
Fuel Management:			
Complete and review plans totaling 600 acres.	609 acres	1,472 acres	600 acres
Thinning -Complete 800 acres of thinning.	1,126 acres	680 acres	800 acres
RX Fire - Complete 500 acres of RX fires.	428 acres	1,016 acres	750 acres

PERFORMANCE INDICATORS (continued)	CY02	CY03	CY04 EST.
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.	100%	100%	100%
Train 500 citizens in CPR.	226	500	500
Emergency Medical:			
Maintain EMS quality assurance program to base hospital standards.	100%	100%	100%
Maintain and monitor EMT-D certification for line personnel.	100%	100%	100%
Maintain and monitor CEP certification for paramedics.	100%	100%	100%
Conduct one (1) Multi-Agency Incident/Disaster Drill each year.	2 completed	1 completed	2 completed

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 6,124,524	\$ 6,330,825	\$ 6,373,862	\$ 6,658,457	\$ 327,632
CONTRACTUAL	214,090	238,853	252,761	297,150	58,297
COMMODITIES	323,109	331,713	315,470	364,447	32,734
CAPITAL	668,782	82,840	82,840	561,050	478,210
TOTAL	\$ 7,330,505	\$ 6,984,231	\$ 7,024,933	\$ 7,881,104	\$ 896,873

EXPENDITURES BY PROGRAM:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
GENERAL ADMINISTRATION	\$ 497,180	\$ 949,221	\$ 512,413	\$ 1,086,557	\$ 137,336
FIRE PREVENTION	214,970	230,914	231,072	244,757	13,843
TRAINING	84,253	97,760	93,368	81,640	(16,120)
FIRE OPERATIONS	6,176,322	5,349,832	5,829,693	6,053,315	703,483
NAU FIRE GRANT II	90,001	14,000	(3,212)	65,502	51,502
STATE FIRE ASSISTANT	91,718	-	593	-	-
FUEL MANAGEMENT PROGRAM	95,457	156,218	155,967	159,672	3,454
BUILDING SUSTAINABLE COMM	29,802	-	-	-	-
FOREST HEALTH RESTORATION	-	-	-	51,805	51,805
COMMUNITY CHALLENGE GRANT	8,010	-	-	-	-
STATE FIRE ASST-INFO & ED	30,473	30,928	23,756	-	(30,928)
HAZARD FUEL RED. F/Y 2004	12,319	155,358	176,783	101,452	(53,906)
EXTRACTION AIRBAG	-	-	4,500	-	-
FIRE SAFETY & PREVENTION	-	-	-	36,404	36,404
TOTAL	\$ 7,330,505	\$ 6,984,231	\$ 7,024,933	\$ 7,881,104	\$ 896,873

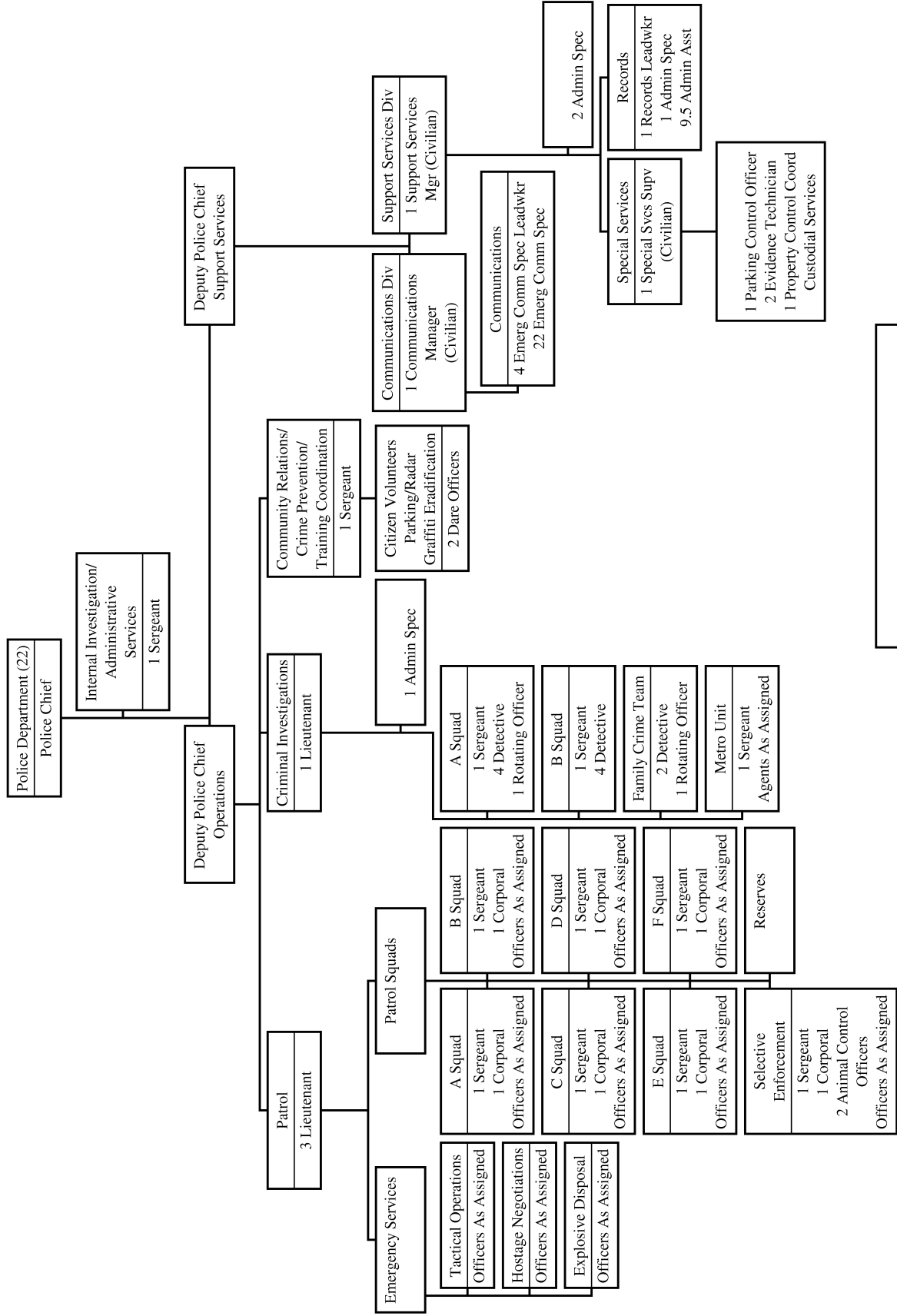
SOURCE OF FUNDING:			
GENERAL FUND			\$ 7,881,104
			\$ 7,881,104

COMMENTARY:
 The Fire operating budget has increased 6% and capital expenditures total \$561,050 resulting in an overall net increase of 13%. Personal Services increases are due to retirement contributions, market, merit, and insurance increases. Contractual increases are travel, registration, medical fees and equipment maintenance. Commodities increases are computer software and safety supplies. Major capital (>\$10,000) includes a Type 1 Engine-replacement \$404,500, an air compressor \$35,000, two thermal imaging camera's \$22,000, a diesel exhaust system \$54,550, and emergency operations center equipment \$45,000.

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.

Police



Total Number Police Officers = 64
 Total Commissioned Personnel = 100
 Total Civilian Personnel = 51
 Total Department Personnel = 151

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 accomplished 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. This is one of many grants the Flagstaff Police department has taken advantage of. Others include Homeland Security Overtime, Universal Cops Program, State Grants and others.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****RESULTS:**

- ❖ Rewrote General Order and Procedural Manuals.

GOAL: COLLABORATION**RESULTS:**

- ❖ We continue to partnership with other agencies whenever possible.

GOAL: PUBLIC SAFETY**RESULTS:**

- ❖ Worked to respond to emergency calls in five minutes or less.
- ❖ The department offered two citizen police academies, conducted DARE and GREAT training in the public schools and collaborated with the county sheriff to participate in the CERT (Citizen Emergency Response Team) training to citizen volunteers.
- ❖ Worked to hold no more than 8% of total calls for service 20 minutes or longer by allocating resources to address peak call loads.
- ❖ Maintained current level of responsive Block Watch (P.R.I.D.E.) programs.
- ❖ Had a reduction of 10% of all Part 1 crimes.
- ❖ Served 12,000 traffic citations, with an emphasis on red light violations.

- ❖ Ensured consistent and timely investigation and disposition of all assigned crimes.
- ❖ Began implementing strategic planning for technology and information systems for the short term (5 years) and long term (5 – 10 years).
- ❖ We continue working toward reaching and maintaining national benchmarking standards for dispatch.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ A total of 10,089 arrests were made, an increase of approximately 4%. A total of 3,038 traffic accidents were investigated. A total of 12,556 traffic citations were issued, including 968 for driving under the influence of alcohol/drugs.
- ❖ The Department maintained 72 Block Watches to address neighborhood concerns such as traffic, graffiti, and any other issue affecting quality of life.
- ❖ 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. Projects were planned and conducted in order to address specific problem areas in the community.
- ❖ Trained and equipped officers in issues dealing with Homeland Defense.
- ❖ Retrofitted all marked Police Vehicles with protective Firewalls to prevent gas tank rupture and explosions.
- ❖ Partnered with the County Sheriff to obtain and equip a Mobile command Center.
- ❖ Enhanced and improved communication interoperability.

FY 05 GOALS AND OBJECTIVES**GOAL: PUBLIC SAFETY****OBJECTIVES:**

- ❖ Increase traffic enforcement in high collision locations by identifying and targeting collision-causing violations.
- ❖ Identify and correct high collision locations through participation with the Traffic Safety Commission and other community resources.
- ❖ Continue emphasis on arresting intoxicated drivers by maintaining the current level of enforcement.
- ❖ Present alcohol and drug abuse educational programs through media, schools and Block Watch meetings.

- ❖ Utilize DUI van in conjunction with multi-agency proactive enforcement.
- ❖ Utilize the Speed Monitoring Trailer, the T.R.A.P. program, SAFE STREETS and other resources in selected neighborhoods in order to address concerns over traffic safety.
- ❖ Conduct specific red light enforcement and emphasize failure to yield violations.

GOAL: CUSTOMER SERVICE**OBJECTIVES**

- ❖ Improve service to Communications and Records customers.
- ❖ Improve our property and evidence management systems.
- ❖ Promote our community policing philosophy through continued training.
- ❖ Develop a viable volunteer program.

GOAL: COLLABORATION**OBJECTIVES:**

- ❖ Promote a positive, pro-active liaison with other criminal justice entities.
- ❖ Target repeat offenders for enhanced prosecution.
- ❖ Make full custody arrest in domestic violence cases where probable cause exists.
- ❖ Monitor case tracking policy to ensure department standards are maintained.

GOAL: ORGANIZATIONAL SUPPORT**OBJECTIVES:**

- ❖ Continue improving radio system area coverage.
- ❖ Work with user agencies to identify and implement communication needs.
- ❖ Evaluate new technologies to assist field operations.
- ❖ Work toward the development of a consolidated information systems team with Coconino County.
- ❖

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Calls for service	55,625	55,709	56,000
Misdemeanor reports	17,354	12,931	14,000
Felony reports	5,834	5,134	5,500
Incident reports	27,076	29,668	28,000
Accident reports	3,061	3,038	3,200
Arrests	9,384	10,089	10,000
Traffic citations	12,557	12,556	12,500
DUI arrests	974	968	1,000
Warning and repair orders issued	10,630	10,935	11,000
Detectives:			
Cases assigned	8,808	6,963	7,000
Cases cleared	5,298	4,233	4,300
Community Relations and Training:			
Presentations	619	440	500
Training (man hours)	15,959	12,287	15,000
Animal Control:			
Citations	152	197	175
Impounds	875	935	900
Man Hours in Field (Patrol)	100,322	98,297	100,000
Other:			
Emergency service response, Goal = 5 minutes	N/A	5.0	5.0
20 minute calls held for service not to exceed 8%	N/A	8.0%	8.0
Volunteer hours	542	2,000	1,444
Block watch meetings	117	100	72
Crime free multi-housing certifications	8	5	5

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 8,632,255	\$ 9,548,829	\$ 9,180,997	\$ 10,056,036	\$ 507,207
CONTRACTUAL	995,017	1,131,457	1,140,567	1,196,579	65,122
COMMODITIES	357,984	328,985	337,408	432,309	103,324
CAPITAL	190,609	228,000	222,326	285,743	57,743
TOTAL	\$ 10,175,865	\$ 11,237,271	\$ 10,881,298	\$ 11,970,667	\$ 733,396
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 1,057,895	\$ 1,620,918	\$ 1,268,613	\$ 1,793,621	\$ 172,703
PATROL	5,216,103	5,389,736	5,438,653	6,285,032	895,296
DETECTIVES	1,095,954	1,042,616	1,068,830	1,049,816	7,200
RECORDS	635,931	647,704	647,351	562,801	(84,903)
COMMUNICATIONS	1,430,015	1,728,913	1,643,029	1,361,206	(367,707)
SPECIAL SERVICES	641,416	703,907	710,377	810,534	106,627
CRIME PREVENTION & TRAIN	98,551	103,477	104,445	107,657	4,180
TOTAL	\$ 10,175,865	\$ 11,237,271	\$ 10,881,298	\$ 11,970,667	\$ 733,396
SOURCE OF FUNDING:					
GENERAL FUND				\$ 11,970,667	
				\$ 11,970,667	
COMMENTARY:					
<p>The Police operating budget has increased 6% and capital expenditures total \$285,743 resulting in an overall net increase of 7%. Personal Services increases are for a police officer position and a police lieutenant position plus retirement contributions, market, merit, and insurance increases. Contractual increases are \$65,122 in computer maintenance and technology services. Commodities are \$103,324 which consist of costs for communication equipment, gas & oil, motor vehicle parts, and safety supplies. Major capital (>\$10,000) is for 6 police sedans \$141,000, 2 administrative sedans \$28,000, prisoner transport van replacement \$37,500, digital copier \$32,000, storage system \$10,000, LEAF tenant improvements \$37,243.</p>					

POLICE

DIVISION 23

POLICE GRANTS

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 326,214	\$ 139,404	\$ 369,798	\$ 159,081	\$ 19,677
CONTRACTUAL	184,795	300,001	110,996	227,100	(72,901)
COMMODITIES	41,176	347,766	88,219	98,991	(248,775)
CAPITAL	18,869	43,613	43,613	-	(43,613)
TOTAL	\$ 571,054	\$ 830,784	\$ 612,626	\$ 485,172	\$ (345,612)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 3,252	\$ 1,501	\$ (58,094)	\$ 9,302	\$ 7,801
METRO	315,006	379,726	283,156	318,484	(61,242)
AZ INTERNET CRIMES-CHILD	867	-	-	-	-
COPS UNIVERSAL HIRING 03	-	-	75,000	-	-
RICO FUNDS FOR METRO	(512)	-	(1,890)	-	-
WEED AND SEED PROGRAM	17,217	58,000	40,950	58,000	-
LLEBG POLICE GRANT - 2004	4,829	-	-	30,000	30,000
WATCH YOUR CAR GRANT	2,489	38,610	-	-	(38,610)
O/T ADD'L DUI ACTIVITIES	11,226	-	-	-	-
(3) MOTOR CYCLES GRANT	14,267	43,613	43,613	-	(43,613)
GREAT GRANT 2004-2005	19,735	-	-	27,000	27,000
GREAT GRANT 2003 - 2004	489	20,368	37,867	-	(20,368)
LLEBG POLICE GRANT -2002	15,401	-	33,885	-	-
LEAF TRAINING AUDITORIUM	2,579	20,500	8,952	-	(20,500)
COC UNDERAGE DRINKING PGM	8,823	-	-	-	-
SECURITY-PULLIAM AIRPORT	139,440	-	(260)	-	-
DUI ENFORCEMENT 2003	14,634	-	7,999	-	-
MISC GRANTS UNDER 5,000	1,312	25,000	-	-	(25,000)
ANTI-TERRORIST TASK FORCE	-	-	-	20,000	20,000
TRAFFIC CITATION DUI REP.	-	213,466	-	-	(213,466)
LLEBG 2003	-	30,000	30,918	10,386	(19,614)
HOMELAND SECURITY GRANT	-	-	87,095	-	-
SEAT BELT O/T INFORCEMENT	-	-	11,999	12,000	12,000
2003 DUI O/T POLICE GRANT	-	-	11,436	-	-
TOTAL	\$ 571,054	\$ 830,784	\$ 612,626	\$ 485,172	\$ (124,532)
SOURCE OF FUNDING:					
GENERAL FUND				\$ 485,172	
				\$ 485,172	

PUBLIC WORKS DEPARTMENT MISSION

The **Public Works Department**, consisting of the **Airport, Cemetery, Environmental Services, Facilities Maintenance, Fleet Services, Parks & Recreation, 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** strives 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.

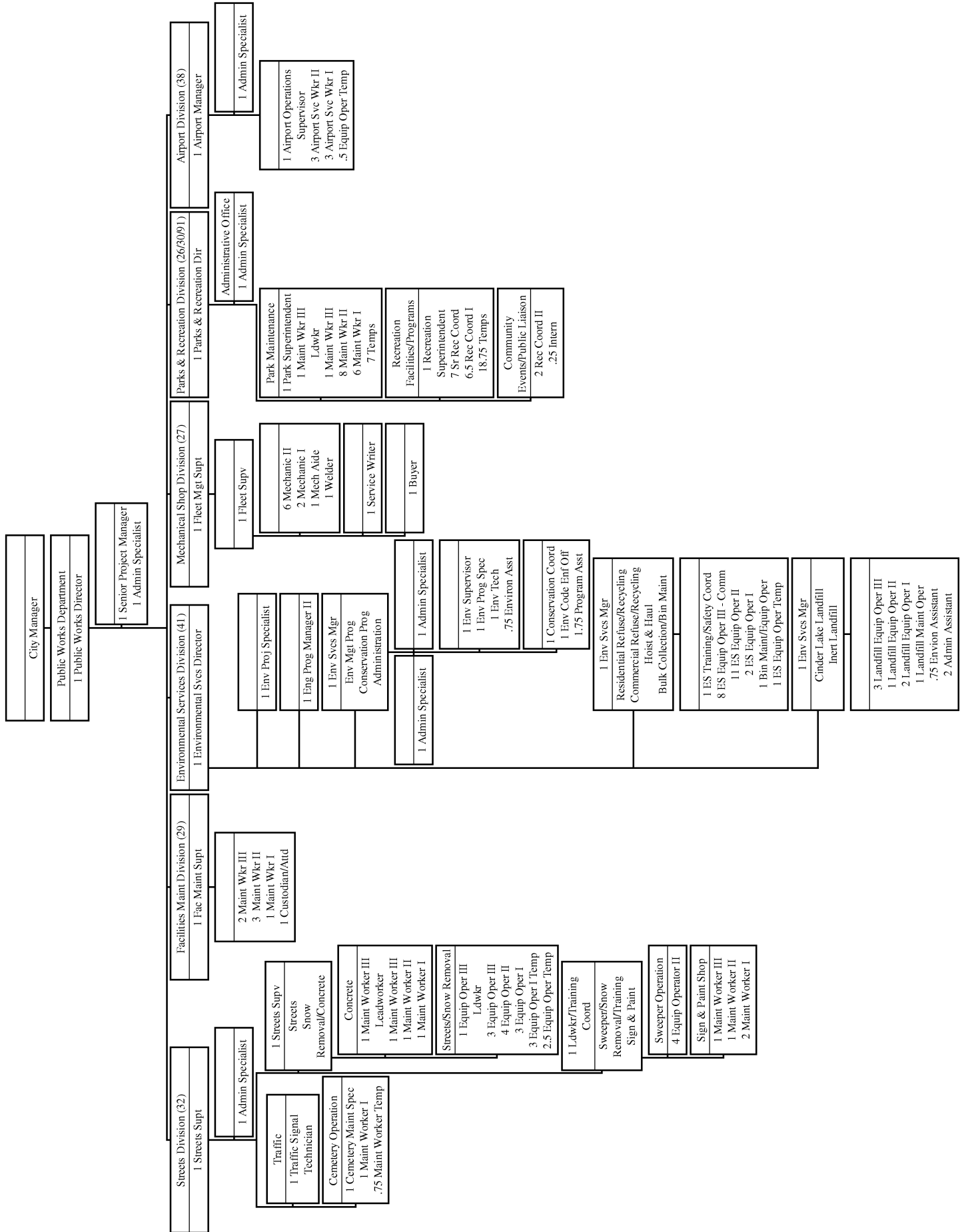
The **Fleet Services Division** vows to provide high quality, efficient maintenance services to City employees, and indirectly to Flagstaff citizens by keeping equipment in excellent condition.

The **Facilities Maintenance** mission is to provide 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



PROGRAM DESCRIPTION

The USGS Maintenance Division accounts for the costs associated with the USGS facilities owned by the City and leased by the GSA. The City currently has responsibility for Buildings 2, 3, and 6. The City will assume responsibility for Buildings 4 and 5 in 2006, giving the City the responsibility for the full campus. The Facilities and Parks Division share responsibility for the maintenance.

FY 05 GOALS AND OBJECTIVES

GOAL: Fiscal Responsibility

OBJECTIVE:

- ❖ Ensure maintenance costs are reasonable and necessary

GOAL: Customer Service

OBJECTIVE:

- ❖ Monitor facility needs and repairs to be proactive as appropriate and responsive when needed.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 16,378	\$ 12,003	\$ 11,363	\$ 14,374	\$ 2,371
CONTRACTUAL	622,040	592,907	583,464	670,798	77,891
COMMODITIES	2,751	15,540	11,932	44,500	28,960
CAPITAL	225,820	150,000	-	30,000	(120,000)
TOTAL	\$ 866,989	\$ 770,450	\$ 606,759	\$ 759,672	\$ (10,778)
EXPENDITURES BY PROGRAM:					
ADMINISTRATION	\$ 465,567	\$ 465,439	\$ 465,439	\$ 464,839	\$ (600)
MAINTENANCE-BLDG #1	66,644	-	-	-	-
MAINTENANCE-BLDG #2	29,650	196,492	37,199	51,794	(144,698)
BLDG #1 DEMOLITION	234,493	-	-	-	-
BUILDING 6	70,635	108,519	104,121	142,080	33,561
USGS BUILDING 3	-	-	-	100,959	100,959
TOTAL	\$ 866,989	\$ 770,450	\$ 606,759	\$ 759,672	\$ (10,778)
SOURCE OF FUNDING:					
GENERAL FUND				\$ 759,672	
				\$ 759,672	

MISSION

The Public Works Department dedicates its 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, Fleet Services, Parks and Recreation, and Streets.

FY 04 GOALS AND RESULTS

GOAL: ORGANIZATIONAL SUPPORT

RESULTS:

- ❖ Continue to encourage a no-lost time year through the safety program: Lost time accidents reduced from 21 days to 6, which equates to a 71% reduction.
- ❖ Accidents reduced 4% following last year's 30% reduction. Injury accident reduced 33%. The Airport Division has had no accidents or injuries for 3+ years. The Street Division has gone 1 year without any injuries.
- ❖ Continue to encourage employees to receive training and job enrichment in order to reduce

turnovers, excluding retirements: 164 job enrichment training throughout the year, which is reflected in the longevity of employees listed in additional accomplishment for FY04.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ 8 employees celebrated 5 years of service, 3 employees celebrated 10 years of service, 2 employees celebrated 15 years of service, 3 employees celebrated 20 years of service, and 1 employee celebrated 35 years of service. 1 commercial driver retired after 37 years of service with the City with no chargeable accidents!
- ❖ 3 employees received Governor's Pride Awards.

FY 05 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.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
"Zero" lost time accident ratio	21 days lost 397,800 0.042%	6 days lost 385,320 hrs of work >0.0125%	0 days lost 369,840 hrs of work >0.0%
Reduce accidents by 15%	26 accidents 850,000 miles driven 1 accident 32,700 miles 30% reduction	24 accidents 850,000 miles driven 1 accident/ 35,400 miles 8% reduction	20 accidents 850,000 miles driven 1 accident/ 35,400 miles 15% reduction

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 170,471	\$ 179,581	\$ 190,890	\$ 201,623	\$ 22,042
CONTRACTUAL	5,736	7,098	8,980	6,028	(1,070)
COMMODITIES	3,172	5,872	4,233	6,797	925
CAPITAL	-	-	-	-	-
TOTAL	\$ 179,379	\$ 192,551	\$ 204,103	\$ 214,448	\$ 21,897
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 179,379	\$ 192,551	\$ 204,103	\$ 214,448	\$ 21,897
TOTAL	\$ 179,379	\$ 192,551	\$ 204,103	\$ 214,448	\$ 21,897
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 70,418	
	HIGHWAY USER REVENUE FUND			46,010	
	AIRPORT FUND			58,540	
	ENVIRONMENTAL SERVICES FUND			39,480	
				\$ 214,448	
COMMENTARY:					
The Public Works Administration operating budget has increased 11% and there are no capital expenditures. Personal Services increases are due to the employee market, merit, and health insurance increases.					

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; school fields improved by BBB funds; maintenance of HURF-right of ways; BBB-streetscapes; maintenance of the FUTS; 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. The Parks and Recreation weed and tree plan management are also budgeted in this division.

FY 04 GOALS AND RESULTS**GOAL: QUALITY OF LIFE****RESULTS:**

- ❖ Completed maintenance upgrades in parks for improved safety and ADA accessibility to meet state and federal regulations: Resurfaced tennis and basketball courts at Bushmaster Park. Installed a new backstop at Continental minor field. Completed the second half of fence repairs at Guadalupe field. Installed new concrete ramps, walkways, stairs and tables pads at University Park and also at Smoke Rise Park installed concrete stairs and walkways. Installed ADA picnic tables and pads at McPherson Park.
- ❖ Installed new park entry signs at Cogdill Recreation Center, Flagstaff Recreation Center and at the Adult Center.

GOAL: PUBLIC SAFETY**RESULTS:**

- ❖ Maintaining all playground equipment, providing a safe environment and accessibility to all park users.

FY 04 ADDITIONAL ACCOMPLISHMENTS:

- ❖ The first phase at Joel Montalvo Park 3rd base side. Replaced the six foot chain link fence with a sixteen foot fence due to safety reasons of foul balls going into the street and home owner yards and doing property damage.
- ❖ Received a grant from Arizona State Parks for trail maintenance. The project is on the Sinclair Wash trail, between Lone Tree Road and Ft. Tuthill. Total cost of the project is \$109,000 dollars and the grant portion is \$61,000 dollars.

FY 05 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 parks trails and beautification projects at the highest possible level of service.
- ❖ Have additional staff members obtained certifications as Structural Pest Control, Backflow Prevention Certification and National Playground Inspector.
- ❖ Make necessary capital improvements to provide proper safe access and meet all ADA compliance with state and federal regulations through out our park system. Provide quality customer service. A cleanness of parks, Ramada's, restrooms and other park amenities.
- ❖ Complete Parks operating and CIP projects for FY05. Projects for FY05 consist of the 2nd half of fence repairs at Joel Montalvo Park. Thorpe Park Little League Fields, Thorpe Park Playground, Arroyo Field, and Thorpe multi Purpose Field replace railroad stairs with new concrete stairs and new hand railings and walkways for better access and safety. Resurface the tennis courts at Flagstaff Recreation Center.
- ❖ Establish a comprehensive signage system to be implemented in future years.

PERFORMANCE INDICATORS	CY02	CY02	CY04 EST.
Conduct weekly safety inspections of parks and playground equipment	80%	85%	85%
Complete daily and weekly maintenance tasks at all park areas	90% large parks	70% large parks	70% large parks
	80% small parks	70% small parks	70% small parks

EXPENDITURES BY CATEGORY:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 896,126	\$ 915,199	\$ 914,409	\$ 1,012,053	\$ 96,854
CONTRACTUAL	535,135	785,497	625,333	837,450	51,953
COMMODITIES	275,641	282,681	261,009	352,756	70,075
CAPITAL	102,036	367,850	152,077	258,000	(109,850)
TOTAL	\$ 1,808,938	\$ 2,351,227	\$ 1,952,828	\$ 2,460,259	\$ 109,032
EXPENDITURES BY PROGRAM:					
GENERAL ADMIN	\$ 102,922	\$ 122,718	\$ 102,380	\$ 145,221	\$ 22,503
PARK GROUNDS MAINT.	651,922	843,048	642,046	780,818	(62,230)
PARK BLDGS & FAC MAINT.	21,343	25,109	26,107	26,509	1,400
BBB-STREETScape/MEDIAN	142,469	192,214	185,119	215,882	23,668
RIGHT OF WAYS/MEDIAN	57,272	61,253	57,666	80,882	19,629
FUTS TRAIL SYSTEM	66,940	73,474	57,706	87,121	13,647
HERITAGE SQUARE MAINT	43,424	38,343	36,685	39,485	1,142
BBB RECREATION FIELDS	554,999	703,480	661,830	797,522	94,042
DOWNTOWN MAINTENANCE	54,755	58,111	53,872	61,616	3,505
NON-PARKS GROUNDS/LANDSCAPE	112,892	233,477	129,417	225,203	(8,274)
TOTAL	\$ 1,808,938	\$ 2,351,227	\$ 1,952,828	\$ 2,460,259	\$ 109,032
SOURCE OF FUNDING:					
GENERAL FUND				\$ 2,460,259	
				\$ 2,460,259	

COMMENTARY:

The Parks operating budget has increased 11% and capital expenditures total \$258,000 resulting in an overall net decrease of 5%. Personal Services increases are due to market, merit and health insurance increases in addition to 1.98 FTE increase for temp positions. Contractuals and Commodities slight increase is due to the net effect of prior year one-time items and the increases for additional FUTS, streetscape, recreation fields, and city grounds maintenance. One-time expenditure for this division is \$36,000 for walkways, stairs, railings, and fence repairs and \$112,000 for carryover of images and events money. Major capital (>\$10,000) includes \$44,000 for tennis court resurfacing, \$14,000 for two trash trailer replacements, and \$200,000 carryover for land acquisition.

MISSION

The Fleet Services 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.

FY 04 GOALS AND RESULTS**GOAL: CUSTOMER SERVICE****RESULTS:**

- ❖ Enroll fleet technicians in the ASE (Automotive Service Excellence) program to enable mechanic proficiency and certification for automotive and heavy equipment. Fleet Services technicians enrolled: seven for ASE training for November 2003 and seven fleet technicians will be enrolled in May 2004.
- ❖ Fleet Services Superintendent achieved Certified Equipment Manager from the Association of Equipment Management Professionals.
- ❖ Maintained mechanic productivity at 90%, evaluated shop rates, and continued to monitor mechanic proficiency
- ❖ Provided two customer service surveys, provided an opportunity for input and feed back for services provided.
- ❖ Provided customers with monthly vehicle and equipment fuel and operation costs reports.
- ❖ Provide users with repair orders describing services provided at time of service or repair.

GOAL: COLLABORATION**RESULTS:**

- ❖ Continued the collection of data and implementation of bio-diesel usage.
- ❖ Began a coordinated effort with Environmental Services the storm water pollution prevention master plan.

GOAL: FISCAL RESPONSIBILITY**RESULTS:**

- ❖ Established a warranty recovery procedure to ensure that warranty work performed by Fleet Services is billed to the vendor and credit memos or monies received from the vendor is tracked to the individual unit that incurred the costs.
- ❖ Reviewed vehicle and equipment replacement, provided cost data, provided cost data and utilization information to the Fleet Review Committee.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Conducted an ADEQ Clean-Green shop evaluation for pollution practices.
- ❖ Updated and revised the policy for surplus/dispensed property, fixed asset reassignment and surplus vehicle procedures.

FY 05 GOALS AND OBJECTIVES**GOAL: CUSTOMER SERVICE****OBJECTIVES:**

- ❖ Provide customers with monthly fuel and operations costs reports.
- ❖ Provide user departments with mileage/hours utilization reports to better manage resources.
- ❖ Keep preventive maintenance services within the month scheduled.
- ❖ Evaluate customer service satisfaction surveys and benchmark tracking of data to improve service levels and to better serve the needs of customers.
 - To determine technician proficiency at the highest level by attaining ASE certifications.
 - Provide customers with forms to rate preventive maintenance services.
 - Keep mechanic productivity at 90% to ensure proficiency and timely repair to equipment.

Continue to support technicians for ASE certification, seven techs enrolled in November 2004, seven techs enrolled for May 2005.

GOAL: FISCAL RESPONSIBILITY**OBJECTIVES:**

- ❖ We can realize an increase in cost recovery by providing fuels to additional agencies.
- ❖ Improve warranty recovery tracking to ensure money due to City is recovered.

GOAL: COLLABORATION

OBJECTIVES:

- ❖ Continue to provide fueling services for Coconino County and Pine Country Transit.
- ❖ Provide statistical data on pollution reduction and benefits to encourage county usage of bio-diesel.

- ❖ Provide data to substantiate the benefits of bio-diesel fuel for outside agencies including NAU and U.S. Forest Service.

PERFORMANCE INDICATORS	CY02r	CY03	CY04 EST.
Provide customers with quarterly vehicle and equipment performance and operations cost report	100%	100%	100%
Mechanic Productivity at 90%	91%	92%	92%
Increase technician and parts specialist ASE certification program	93%	94%	96%
Keep customer service survey satisfaction statistics at 90% or better	95%	95%	92%
Number of gallons sold to outside agencies	126,913	114,918	120,000

EXPENDITURES BY CATEGORY:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 131,811	\$ 112,494	\$ 169,541	\$ 97,494	\$ (15,000)
CONTRACTUAL	88,413	92,914	96,317	92,914	-
COMMODITIES	(167,633)	(205,408)	(191,895)	(190,408)	15,000
CAPITAL	-	-	-	-	-
TOTAL	\$ 52,591	\$ -	\$ 73,963	\$ -	\$ -

EXPENDITURES BY PROGRAM:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
GENERAL ADMINISTRATION	\$ 19,083	\$ (1,708)	\$ 36,086	\$ 44,161	\$ 45,869
INVENTORY MANAGEMENT	62,281	57,106	66,212	68,747	11,641
PREVENTIVE MAINTENANCE	102,862	98,690	98,690	103,117	4,427
VEHICLE REPAIR	(204,348)	(231,364)	(204,134)	(293,189)	(61,825)
POOL VEHICLES-CITY HALL	5,910	9,500	9,000	9,500	-
POOL VEHICLES-SHOP	7,487	6,750	6,750	6,750	-
OTHER SHOP WORK	59,316	61,026	61,359	60,914	(112)
TOTAL	\$ 52,591	\$ -	\$ 73,963	\$ -	\$ -

SOURCE OF FUNDING:	
GENERAL FUND	\$ (196,438)
LIBRARY FUND	606
HIGHWAY USER REVENUE FUND	66,779
WATER AND WASTEWATER FUND	23,048
AIRPORT FUND	3,403
ENVIRONMENTAL SERVICES FUND	102,602
	\$ -

COMMENTARY:
 The Fleet Management operating budget is a \$0 base budget and there are no capital expenditures. The shop rates and markups are set to fully recover operating cost of this division. Shop rate will be increased to \$49.00 per hour. Changes in the Personal Services includes increases market, merits, and insurance in addition to the charges to other divisions. The commodities decrease is related to fuel charge outs which will be offset by the increase in the labor rate.

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, facility and grounds maintenance. The Cemetery also provides opening/closing services for the Catholic Cemetery.

FY 04 GOALS AND RESULTS

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ As part of the FY 2002 budget cuts, time spent in ground maintenance was reduced. Tree trimming, grass mowing, and edging occurred approximately 50% of the time against the weekly schedule.
- ❖ Started work with the Masons on Section C to install irrigation and drought tolerant seed.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ USFS thinned out bark beetle infested trees.
- ❖ Purchase new backhoe with guaranteed maintenance and by back within 7 years saving money on extended repairs.

FY 05 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ As part of proper ground maintenance, keeping trees trimmed, grass mowed and edged at least one time per week.
- ❖ Work with Service Organization on upgrading their section. Masons would like to install irrigation and seed with drought tolerant seed.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Review fees annually, compare with other municipal cemeteries, adjust to cover operating budget within a 5-year period.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Mowing/trimming once per week	75%	80%	75%
Upgrade one private section yearly	100%	50%	50%
Annual fee review & adjust to recover 100% operating budget within 5 years		N/A	20%

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 88,471	\$ 103,385	\$ 94,239	\$ 97,349	\$ (6,036)
CONTRACTUAL	49,708	54,930	53,038	55,030	100
COMMODITIES	3,470	12,457	10,623	12,457	-
CAPITAL	26,574	103,000	77,950	18,000	(85,000)
TOTAL	\$ 168,223	\$ 273,772	\$ 235,850	\$ 182,836	\$ (90,936)
EXPENDITURES BY PROGRAM:					
GENERAL SERVICES	\$ 2,406	\$ 2,025	\$ 2,363	\$ 2,025	\$ -
OPENING & CLOSING	63,247	149,170	114,560	66,346	(82,824)
MAINTENANCE OF BUILDINGS	3,822	5,317	4,415	5,380	63
MAINTENANCE OF GROUNDS	98,748	117,260	114,512	109,085	(8,175)
TOTAL	\$ 168,223	\$ 273,772	\$ 235,850	\$ 182,836	\$ (90,936)
SOURCE OF FUNDING:					
GENERAL FUND				\$ 182,836	
				\$ 182,836	
COMMENTARY:					
The Cemetery operating budget has decreased 6% and capital expenditures total \$18,000 resulting in an overall net decrease of 33%. Personal Services decreases are due to fewer hours being charged to the cemetery for ongoing maintenance. The \$18,000 in capital is for a columbarium.					

MISSION

The Facilities mission is to provide 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.

FY 04 GOALS AND RESULTS

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Created survey and administered to Public Works. Will use as base line to coming years.
- ❖ Stayed within budget.
- ❖ Still monitoring and maintaining facilities within established time frames.

GOAL: COLLABORATION

RESULTS:

- ❖ Operations conditions for swimming pool equipment reached 100%.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Corp of Engineers facility remodel.
- ❖ Council chambers power point projector.
- ❖ ADA City Hall remodel.
- ❖ Computer area remodel.
- ❖ U.S.G.S. #3 building evaluation for July 2004 turn over to City.
- ❖ Main Library restroom remodel.
- ❖ Power harmonic correction at Chill Hall.
- ❖ Energy savings evaluations of all facilities.

FY 05 GOALS AND OBJECTIVES

GOAL: COLLABORATION

OBJECTIVE:

- ❖ Inform all Departments of difficulty in providing current service levels due to "work force reductions" that equates to a 20% cut in Facilities employees.

GOAL: CUSTOMER SERVICE

OBJECTIVE:

- ❖ Create a customer service satisfaction survey for both internal and external customers to provide a benchmark for improving service.
- ❖ Operate within budget outlines
- ❖ Still monitoring and maintaining facilities within established timeframes.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Customer satisfaction overall rating	70%	100%	100%

- A. Internal tracking will be accomplished through follow-up random phone calls as well as utilizing E-mail. This will greatly improve response time and quality of work performed.
- B. External tracking forms will be provided for all customers using the meeting rooms at City Hall. This will inform us of the needs of the community and how we may provide excellent customer service.

PUBLIC WORKS

DIVISION 29

FACILITIES MAINTENANCE

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 305,098	\$ 346,299	\$ 312,587	\$ 279,826	\$ (66,473)
CONTRACTUAL	309,831	165,332	232,854	204,263	38,931
COMMODITIES	89,374	247,209	128,347	339,509	92,300
CAPITAL	12,671	204,023	101,670	-	(204,023)
TOTAL	\$ 716,974	\$ 962,863	\$ 775,458	\$ 823,598	\$ (139,265)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 232,033	\$ 287,195	\$ 251,055	\$ 228,329	\$ (58,866)
CUSTODIAL SERVICE	77,069	76,326	66,580	85,665	9,339
STRUCTURAL & OTHER MAINT.	192,551	414,207	266,420	308,739	(105,468)
MAINT-MECH,ELECT & PLUMB	141,479	158,135	162,399	175,315	17,180
BEAVER ST ANNEX	2,331	-	-	-	-
MILLIGAN HOUSE	10,811	7,000	8,420	7,080	80
APS BUILDING	-	-	-	8,000	8,000
ASPEN - ANDY'S	-	-	-	6,000	6,000
MURDOCK	-	-	-	4,470	4,470
MISC. IMPROV. CITY FACIL.	52,895	20,000	3,870	-	(20,000)
COURT ADA REMODEL	7,805	-	16,714	-	-
TOTAL	\$ 716,974	\$ 962,863	\$ 775,458	\$ 823,598	\$ (139,265)
SOURCE OF FUNDING:					
GENERAL FUND				\$ 624,804	
LIBRARY FUND				68,572	
HIGHWAY USER REVENUE FUND				35,902	
WATER AND WASTEWATER FUND				21,801	
STORMWATER FUND				6,184	
AIRPORT FUND				14,231	
ENVIRONMENTAL SERVICES FUND				52,104	
				\$ 823,598	
COMMENTARY:					
<p>The Facilities Maintenance operating budget has decreased 9% and there are no capital expenditures resulting in an overall net decrease of 14%. Personal Services decreases are due to the elimination of 2 positions identified through the workforce reduction program. Contractual increases are due to increased facility maintenance needs and the carryover of budget for the UPS replacement and air conditioner at city hall. There is no major capital (> \$10,000) for this division.</p>					

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 two community centers, an adult center, an ice arena, two swimming pools, and numerous sports fields. Special event and use permits are coordinated for organizations and individuals; "leisure learning" activities are programmed for all ages and abilities, and sports are facilitated for both adults and youth. All Parks and Recreation administrative functions and master plan management are also budgeted in this division.

FY 04 GOALS AND RESULTS**GOAL: QUALITY OF LIFE****RESULTS:**

- ❖ Completed ADA renovations at FRC, Cogdill, Ice Rink, Adult Center and McPherson Recreation Center. Replaced carpet at Adult Center and FRC.
- ❖ Replaced pool decks at FHS and MEMS pools.
- ❖ Replaced pool vacuum.
- ❖ Installed fire and security alarm systems at FRC, Ice Rink, Adult Center and Cogdill.
- ❖ Repaired driveway, curb and sidewalks at Adult Center.
- ❖ Replaced roof at FRC and repaired roofs at Adult Center and Ice Rink.
- ❖ Purchased defibrillator and other identified equipment.
- ❖ Replaced basketball backboards at Cogdill.
- ❖ Replaced skate storage system at Ice Rink.

GOAL: FISCAL RESPONSIBILITY**RESULTS:**

- ❖ Exceeded FY03 revenue estimate by \$48,500.
- ❖ Completed rental, admittance and equipment fee assessment along with fee policy revision and received Council approval for fee adjustments to be implemented in full, effective January 2004.

GOAL: COLLABORATION**RESULTS:**

- ❖ Partnered with HASTC to provide a Tennis in the Park program, funded by an NRPA grant.
- ❖ Collaborated with the Peaks Senior Living Center to provide a Senior Aqua Aerobics program.
- ❖ Administered contracts with HASTC, CCCY, FUSD (FACTS) and FHA for community services.

- ❖ Continued participation with Coconino County in Nutrition Grant and Summer Program Fair.
- ❖ Received field upgrades at Arroyo Park with the development of "Mark Grace Field", funded by the Arizona Diamondbacks Charities and APS.

GOAL: CAPITAL IMPROVEMENTS**RESULTS:**

- ❖ Initiated Thorpe Park 1996 Bond Project improvements.
- ❖ Initiated construction of Christensen School 1996 Bond Project field improvements.
- ❖ Developed concept plans for McMillan Mesa M1 & M2 land uses, Joel Montalvo and McPherson parks.
- ❖ Participated in 2004 Bond Projects process, forwarding \$21 million in projects to vote in May 2004.
- ❖ Updated ten-year capital plan to complete 1996 bond projects and forecast 2004 bond projects.

FY 05 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:**

- ❖ Maintain self-sufficiency percentage.

GOAL: COLLABORATION**OBJECTIVES:**

- ❖ 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.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Implement new events	8	6	4
Improve gross revenue & self sufficiency percentage			
Revenue	\$583,640	\$586,892	\$525,000
Self sufficiency percentage	15%	32%	20%
Complete BBB/Recreation Bond projects	Foxglenn, McMillan Mesa	Thorpe Master Plan	Thorpe Phase I Christensen Field Improvements Thomas Field Improvements

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 1,385,625	\$ 1,376,630	\$ 1,279,474	\$ 1,325,521	\$ (51,109)
CONTRACTUAL	370,959	427,994	376,213	425,165	(2,829)
COMMODITIES	162,519	176,450	168,302	195,135	18,685
CAPITAL	183,650	771,422	782,364	61,775	(709,647)
TOTAL	\$ 2,102,753	\$ 2,752,496	\$ 2,606,353	\$ 2,007,596	\$ (744,900)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 446,866	\$ 404,447	\$ 318,031	\$ 504,161	\$ 99,714
ATHLETIC PROGRAMS	177,596	198,611	178,410	205,695	7,084
PARKS & RECR COMMISSION	-	-	-	2,170	2,170
AQUATICS	199,157	275,419	233,544	196,664	(78,755)
MURDOCK CENTER	131,071	41,222	25,768	-	(41,222)
LEISURE LEARNING	96,821	122,899	108,491	-	(122,899)
FLAGSTAFF RECREATION CNTR	228,084	283,182	259,151	280,413	(2,769)
ADULT CENTER	156,547	212,863	208,439	148,309	(64,554)
COGDILL CENTER	134,154	176,887	143,183	174,983	(1,904)
JAY LIVELY ACTIVITY CENTR	336,258	404,455	360,722	434,495	30,040
COMMUNITY SERVICES/EVENTS	24,043	54,620	54,327	60,706	6,086
RECREATION GRANTS	2,548	-	956	-	-
FACILITIES ADA COMPLIANCE	169,608	577,891	715,331	-	(577,891)
TOTAL	\$ 2,102,753	\$ 2,752,496	\$ 2,606,353	\$ 2,007,596	\$ (744,900)
SOURCE OF FUNDING:					
GENERAL FUND				\$ 2,007,596	
				\$ 2,007,596	

COMMENTARY:

The Recreation operating budget has decreased 2% and capital expenditures total \$61,775 resulting in an overall net decrease of 27%. Personal Services decrease is due to the elimination of positions through the Workforce Reduction program netted with increases for market, merits, and insurance. Contractuals decrease is due to the net effect of prior year one-time expenditures with increases for memberships, building maintenance, custodial services, Senior Olympics, program, and painting. commodities increases are due to equipment purchases for several programs. One-time expenditures for this division are \$15,040 for painting and lighting at Flagstaff Recreation Center, \$6,200 for painting at Cogdill Recreation Center, \$4,600 for volleyball standards, \$6,500 for defibrillators at the pools, \$10,925 for equipment at Flagstaff Recreation Center, and \$4,705 for portable staging. Major capital (>\$10,000) is \$55,000 for a chiller system at the ice rink.

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, streetlight and traffic signal maintenance.

FY 04 GOALS AND RESULTS

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Kept dirt streets graded and potholes patched before they deteriorate. This is currently being done, but not to the 100% satisfaction that we are looking at. We are at 85% on road grading and 80% patching potholes within 24 hours of notice.
- ❖ Shoulder asphalt streets without curbs to protect the integrity of the streets sub base. Due to workload only completed 50%.

GOAL: PUBLIC SAFETY

RESULT:

- ❖ Developed a winter storm priority schedule where cinders cleaned up in a 2-week period. Started this year and will continue into next year's goal.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Went one full year without a lost time injury.
- ❖ Represented city at State Equipment Rodeo – Bringing home a first and third place.
- ❖ Bid streetlight maintenance differently – savings estimated \$60,000 first year.

FY 05 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVE:

- ❖ Keep dirt streets graded and potholes patched before they deteriorate.
- ❖ Shoulder asphalt streets without curbs to protect the integrity of the streets sub-base.

GOAL: PUBLIC SAFETY

OBJECTIVE:

- ❖ Developed a winter storm priority schedule where cinders cleaned up (cinders) within a 2-week priority – arterials, collectors & bike paths.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Perform routine street sweeping, using four sweepers operating 40 hours/week	90%	95%	95%
Have all dirt street graded on a regular schedule and apply dust abatement as needed to 14 miles of dirt streets	85%	90%	90%
Shoulder dirt streets-residential streets once per year and arterial streets twice per year.	N/A	80%	80%
Patch potholes within 24 hours of notice	80%	90%	100%

PUBLIC WORKS

DIVISION 32

**STREET MAINTENANCE
AND REPAIRS**

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 1,392,402	\$ 1,683,119	\$ 1,509,770	\$ 1,874,495	\$ 191,376
CONTRACTUAL	499,224	275,323	371,396	448,554	173,231
COMMODITIES	562,376	732,695	596,385	709,690	(23,005)
CAPITAL	493,678	614,675	497,122	326,821	(287,854)
TOTAL	\$ 2,947,680	\$ 3,305,812	\$ 2,974,673	\$ 3,359,560	\$ 53,748
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 268,972	\$ 203,744	\$ 142,699	\$ 279,302	\$ 75,558
STREET CLEANING	274,168	725,434	714,426	292,117	(433,317)
SNOW CONTROL	486,356	627,101	417,226	551,948	(75,153)
SIGN,SIGNAL,MARK & LIGHT	289,214	292,908	265,311	349,322	56,414
STREET MAINTENANCE	1,071,735	849,370	917,027	1,326,177	476,807
DRAINAGE WAY MAINTENANCE	52,668	78,326	88,381	67,740	(10,586)
TRAINING	605	1,900	2,098	1,900	-
STREET LIGHTS	328,303	325,430	294,990	283,140	(42,290)
TRAFFIC SIGNAL MAINTENANC	171,227	201,599	135,427	207,914	6,315
WESTRIDGE ROADS	850	-	474	-	-
REPAIR AND DEMOLITION	3,582	-	(3,386)	-	-
TOTAL	\$ 2,947,680	\$ 3,305,812	\$ 2,974,673	\$ 3,359,560	\$ 53,748
SOURCE OF FUNDING:					
HIGHWAY USER REVENUE FUND				\$ 3,359,560	
				\$ 3,359,560	
COMMENTARY:					
<p>The Streets Maintenance operating budget has increased 13% and capital expenditures total \$326,821 resulting in an overall net increase of 2%. Operating Budget increases are due to less internal work being charged out to other departments. Major capital (>\$10,000) includes \$18,800 for two snow plows, \$135,000 for a dump truck, \$25,000 for a water tender truck, \$25,000 for a pickup, \$17,000 for a crash attenuator, \$18,000 for a reclaim line, \$35,175 for traffic bulbs, and \$32,000 for a trailer.</p>					

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 as a non-hub air carrier and general aviation airport by the Federal Aviation Administration (FAA). 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.

FY 04 GOALS AND RESULTS**GOAL: CAPITAL IMPROVEMENTS****RESULTS:**

- ❖ Made various capital improvements in order to comply with federal requirements and to accommodate increased demand by the flying public.
- ❖ Utilized ADOT Grant to fund 90% of taxiway overlay project.
- ❖ Contracted using Construction Manager at Risk process and began construction of executive hangars, t-hangers and shade hangars.
- ❖ Construction underway on new Airport Operations Building.
- ❖ Submitted Environmental Assessment for runway extension to FAA for approval.

GOAL: FISCAL HEALTH**RESULTS:**

- ❖ Pulliam LLC Phase II construction completed by the tenant. Phase III development in Planning Department for construction I FY 05.
- ❖ Leased terminal snack bar to a new operator to increase service to public and revenue to airport.
- ❖ Airport calendar year revenues increased by 5%.
- ❖ Discussions continue with several potential business park and airport tenants.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Negotiated return of ADOT Right of Way between I-17 and airport parcel 5B for future development within the Pulliam LLC leasehold.
- ❖ The Airport Division exceeded 1200 days without a work injury or accident and won the Public works Department Safety Division of the Year Award for the third year in a row.

FY 05 GOALS AND OBJECTIVES**GOAL: CAPITAL IMPROVEMENTS****OBJECTIVES:**

- ❖ Complete construction of additional hangars and shade hangars for aircraft storage.
- ❖ Complete new Airport Master Plan and FAR Part 150 Noise Impact Study.
- ❖ Complete construction of new Airport Operations Building and acquire new fire fighting equipment.
- ❖ Obtain Finding of No significant Impact from FAA for runway extension Environmental Assessment.
- ❖ Secure FAA and ADOT grants for design and construction of runway extension.

GOAL: FISCAL HEALTH**OBJECTIVES:**

- ❖ Continue to develop public/private partnerships with airport tenants. Continue discussions with several prospects to develop additional business leases on the Airport and Airpark.
- ❖ Lease property and develop consolidated rental car facility.

GOAL: ECONOMIC DEVELOPMENT/ REDEVELOPMENT**OBJECTIVES:**

- ❖ Continue dialog with airlines that might provide additional air service to Flagstaff.

PERFORMANCE INDICATORS	CY02	CY03	CY04 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%	100%	100%
All airfield facilities and equipment repairs are commenced within 24 hours of notification	100%	100%	100%
Show increase in revenues	-2%	+9%	+5%

EXPENDITURES BY CATEGORY:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 464,132	\$ 527,672	\$ 498,254	\$ 553,213	\$ 25,541
CONTRACTUAL	220,077	254,295	253,296	260,066	5,771
COMMODITIES	112,108	92,306	93,610	95,270	2,964
CAPITAL	339,443	1,102,138	104,588	585,607	(516,531)
TOTAL	\$ 1,135,760	\$ 1,976,411	\$ 949,748	\$ 1,494,156	\$ (482,255)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 386,189	\$ 477,302	\$ 440,233	\$ 405,528	\$ (71,774)
SAFETY AND SECURITY	73,342	1,030,689	76,770	655,585	(375,104)
SNOW CONTROL	272,882	67,569	40,487	56,732	(10,837)
MAINT BLDGS AND GROUNDS	317,166	317,252	307,291	306,156	(11,096)
MAINT RUNWAY & TAXIWAY	86,181	83,599	84,967	70,155	(13,444)
TOTAL	\$ 1,135,760	\$ 1,976,411	\$ 949,748	\$ 1,494,156	\$ (482,255)
SOURCE OF FUNDING:					
AIRPORT FUND				\$ 1,494,156	
				\$ 1,494,156	

COMMENTARY:

The Airport operating budget has increased 4% and capital expenditures total \$585,607 resulting in an overall net decrease of 24%. Personal Services increases are market, merits, and insurance increases less a reduction in overtime. Contractuals and commodities increases are related to the reallocation of the overtime from personal services. Onetime expenditures for this division is \$9,000 for carryover of economic development/marketing of the Airpark. Major capital (>\$10,000) is \$585,607 for an aircraft rescue/firefighting vehicle. The aircraft rescue/firefighting vehicle is grant funded.

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.

FY 04 GOALS AND RESULTS**GOAL: ORGANIZATIONAL SUPPORT****RESULTS:**

- ❖ Training programs are in place in all environmental services programs.

GOAL: QUALITY OF LIFE**RESULTS:**

- ❖ Environmental Management Program has ensured compliance with all regulations.
- ❖ Expanded the Household Hazardous Waste Collection Program to include electronics recycling. Recycled 14 tons of electronics waste.
- ❖ Operated the landfill in full compliance with state and federal regulations and utilize best management practices for daily operations.
 - Phase 1 of wind blown litter fence was delayed.
 - Completed installation of Phase 1 Stormwater Controls.
 - Assured full compliance with Special Waste Program and Regulatory Compliance Program. All records in place and inspections completed.
- ❖ Environmental Advisory Team (EAT) has expanded to include Public Works, utilities, Management Services and Risk Management.
- ❖ Provided once per week container collection.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Established an Electronics Recycling Program resulting in over 14 tons of electronic waste being recycled.
- ❖ Received recognition from governor's pride awards in two areas: Hazardous waste reduction and recycled art.
- ❖ Successfully completed the demolition of the Highland apartments.
- ❖ Staff began implementation of Stormwater Pollution Prevention plans (SWPPP) at City yard, Pulliam Airport, Wildcat Wastewater Treatment Plant and Rio de Flag Reclamation Plant.
- ❖ Became the first municipality to use BioDiesel in City vehicles.
- ❖ Assisted in the distribution of 340, 50 gallon rain barrels.
- ❖ Towed 167 junked or abandoned vehicles from private properties.
- ❖ Distributed 205 refurbished bikes to needy community members through Bicycle Recycle Program.
- ❖ Distributed 300 home composting bins to Flagstaff residents, totaling 2,200 bins over the past seven years.
- ❖ Landfill staff completed work on 5-year sequencing plan, which will assist in determining and controlling landfill growth.
- ❖ Completed modified Tier II Analysis, which resulted in very positive results including a delay in the requirement to install a gas extraction system for 5 years.
- ❖ 22 equipment operators completed a solid waste safety course.
- ❖ Reorganized the Hoist & Haul collection staff to provide six day per week service.

FY 05 GOALS AND OBJECTIVES**GOAL: ORGANIZATIONAL SUPPORT****OBJECTIVE:**

- ❖ Provide quality environmental assistance and direction as requested by departments on citywide projects.

GOAL: QUALITY OF LIFE**OBJECTIVES:**

- ❖ Pursue IGA opportunities with additional communities to provide recycling and hazardous waste services.

- ❖ Continue operating landfill in full compliance with state and federal regulations.
- ❖ Review expanding the Hazardous Waste Program to small quantity business generators.
- ❖ Continue efforts with Environmental Advisory Team, establishing clear direction and expanding citywide.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Develop mail out survey for all collections customers encouraging comments on service.
- ❖ Complete environmental services web pages to provide one stop access to all services.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Household hazardous waste center operational	9/1/02	Complete	Complete
Operate household hazardous waste facility with zero accidents	0	0	0
Divert to recycling 50% of the hazardous waste received	6/30/03	Ongoing	Ongoing
Return all phone calls/respond to requests from citizens for environmental management information within 24 hours	100%	100%	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	100%	96%	100%
Complete Phase I environmental site assessment requests in six weeks or less	100%	100%	100%
Increase the number of business recycling at 10% by 6/30/03	10%	15%	10%
Increase the volume of glass being recycled by 25% by 6/30/03	25%	10%	Ongoing
Increase the amount of green-waste diverted by 20%	20%	22%	Ongoing
Complete department audits and have initial report providing suggested direction to top staff	6/30/03	Complete	N/A
Create a partnership with Coconino County Jail for clean-up crews of illegal dump sites and littered areas	10/31/02	On hold	Ongoing
Reduce accidents in the collection program by 25%	20%	50%	Ongoing
Provide once per week container collection	100%	100%	100%
Respond to all customer inquiries within 24 hours	100%	98%	100%
Provide cross training to 25% of division Equipment Operators	6/30/03	Ongoing	Ongoing
New employees or employees changing type of equipment will undergo complete training within 60 days of assignment and pass training test	100%	100%	100%
Maximize use of alternative daily cover; limit use of dirt to 80cy per day	100%	92%	100%
Develop system for monitoring the effectiveness of new wind blown litter fences and a play for daily placement	10/31/02	On hold	Ongoing
Respond to customer requests for asbestos disposal within 24 hours and within 48 hours for wastes requiring lab analysis	100%	96%	100%

PUBLIC WORKS

DIVISION 41

ENVIRONMENTAL SERVICES

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 2,349,763	\$ 2,659,832	\$ 2,493,633	\$ 2,956,091	\$ 296,259
CONTRACTUAL	2,695,489	2,343,722	2,277,348	2,366,051	22,329
COMMODITIES	843,044	841,994	808,378	856,509	14,515
CAPITAL	721,092	2,276,000	1,655,842	2,350,385	74,385
TOTAL	\$ 6,609,388	\$ 8,121,548	\$ 7,235,201	\$ 8,529,036	\$ 407,488
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 315,991	\$ 402,990	\$ 349,460	\$ 544,829	\$ 141,839
RESIDENTIAL COLLECTION	1,394,999	1,511,968	1,355,377	1,583,104	71,136
COMMERCIAL COLLECTION	1,512,022	1,182,968	1,242,150	1,179,853	(3,115)
SANITARY LANDFILL	1,550,982	2,219,760	2,119,963	2,555,843	336,083
BIN MAINT-RESIDENTIAL	27,820	46,906	38,035	48,847	1,941
BIN MAINT-COMMERCIAL	50,311	67,975	62,534	68,213	238
HOIST & HAUL	336,146	371,854	350,882	209,373	(162,481)
RECYCLING-LANDFILL	79,337	96,021	96,839	92,137	(3,884)
HOUSEHOLD HAZ WASTE COLL	77,437	125,064	125,982	168,047	42,983
RECYCLING - CURBSIDE COLL	499,644	1,046,568	561,001	917,905	(128,663)
INERT MATERIAL LANDFILL	75,038	80,033	20,416	48,502	(31,531)
COMMERCIAL RECYCLING	362,424	590,554	559,905	422,521	(168,033)
CONSERVATION EDUCATION	43,906	73,537	59,357	69,993	(3,544)
CLEAN & GREEN	5,552	-	2,541	-	-
ENVIRONMENTAL MANAGEMENT	131,839	226,247	143,970	282,915	56,668
ENVIRONMENTAL CODE ENFORC	54,926	65,593	65,711	73,611	8,018
COMMERCIAL SALES	3,152	13,510	7,617	8,210	(5,300)
COUNTY COMMERCIAL REFUSE	10,937	-	37	-	-
COUNTY COMMERCIAL RECYCL	1,622	-	-	-	-
COUNTY - HOIST AND HAUL	1,426	-	228	-	-
CINDERLAKE ADMIN BLDG	148	-	(74)	-	-
HH HAZARDOUS WASTE BUILD	68,859	-	7	-	-
MRF Entry Improvements	4,870	-	73,263	255,133	255,133
TOTAL	\$ 6,609,388	\$ 8,121,548	\$ 7,235,201	\$ 8,529,036	\$ 407,488
SOURCE OF FUNDING:					
ENVIRONMENTAL SERVICES FUND				\$ 8,529,036	
				\$ 8,529,036	
COMMENTARY:					
<p>The Environmental Services operating budget has increased 6% and capital expenditures total \$2,350,385 resulting in an overall net decrease of 5%. Personal Services increases are due to employee market, merit, and health insurance increases. Contractual increases reflect expected increase in shop labor charge-outs and the reclassification of certain capital line items. Commodities has remain unaffected. Major capital (>\$10,000) includes capital equipment, landfill maintenance building, as well as capital improvements ongoing at the landfill. Refer to Schedules 8 and 9 for a detailed listing.</p>					

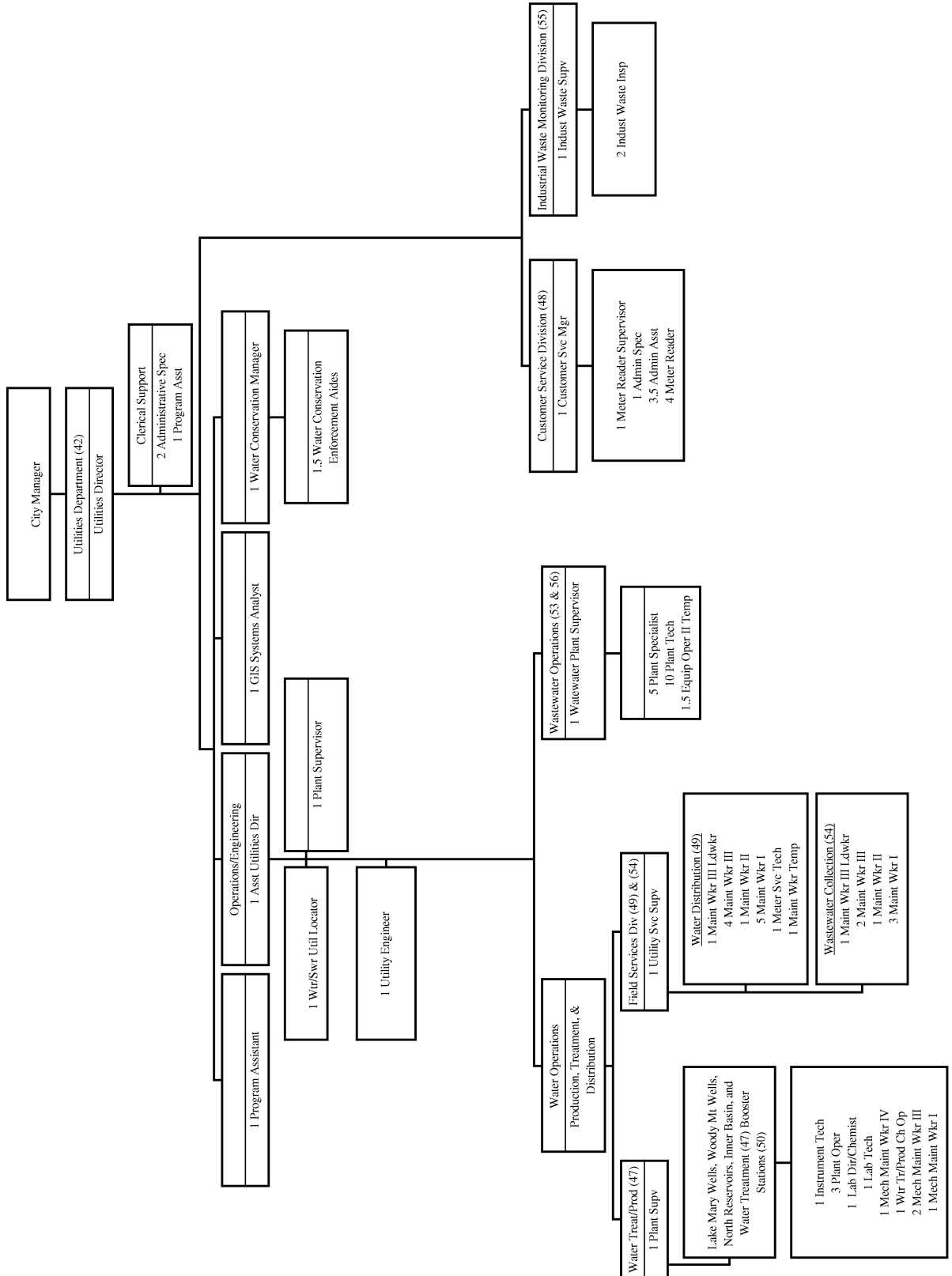
UTILITIES DEPARTMENT MISSION

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.

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 improvements 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 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.

FY 04 GOALS AND RESULTS

GOAL: PLANNING FOR GROWTH

RESULTS:

- ❖ Provided adequate water and wastewater capacity to meet City demand.
- ❖ 62% of the projects administered by Administration during the year were completed.

GOAL: FISCAL HEALTH

RESULTS:

- ❖ Provided for an equitable rate structure as measured by the departmental operating efficiency ratio.
- ❖ Total O&M cost/population equals \$146.

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Continue improvement of customer satisfaction through utilization of the Department's customer service survey (results available in April).
- ❖ Respond to customer, staff, and Council inquiries in a professional manner.
- ❖ Met deadlines mandated by the City Manager and Council.
- ❖ Participated in the AWWA QualServe Program.

GOAL: PUBLIC SAFETY

RESULTS:

- ❖ No significant violation of water or wastewater permits during FY 2004.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Updated 10-year Capital Improvement Program for the Utilities Department.
- ❖ Completed arsenic evaluation of Woody Mountain Well #4.
- ❖ Drilled Rio de Flag well
- ❖ Replaced sewer under I-40 for ADOT Bridge Project.
- ❖ Constructed Phase I at NAU reclaim system.
- ❖ Extended reclaim system to Siler Homes.

FY 05 GOALS AND OBJECTIVES

GOAL: PLANNING FOR GROWTH

OBJECTIVES:

- ❖ Provide uninterrupted water and sewer service to the City of Flagstaff.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Continue to review rates and recommend changes where necessary.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Exceed customer's water and wastewater service expectations.

GOAL: PUBLIC SAFETY

RESULTS:

- ❖ No permit violations.

PERFORMANCE INDICATORS	FY02	FY03	FY 04 EST.
Number of water and sewer impact studies done for private development	6	4	15
CIP expenditures verses budget	60%	62%	75%
O&M expenditures verses budget	90%	91%	90%
Number of water and sewer projects administered	14	18	13
Departmental operating efficiency ratio (total O&M/total population)	NA	\$152	\$146
Ratio of projects completed per year to projects budgeted per year	NA	75%	62%
Bill stuffer survey (Positive customer service responses/total responses)	NA	85%	Will not be available until April

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 529,369	\$ 739,744	\$ 684,829	\$ 727,072	\$ (12,672)
CONTRACTUAL	163,790	354,013	233,015	406,548	52,535
COMMODITIES	17,303	54,140	55,477	60,230	6,090
CAPITAL	425	10,000	3,000	33,075	23,075
TOTAL	\$ 710,887	\$ 1,157,897	\$ 976,321	\$ 1,226,925	\$ 69,028
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 432,182	\$ 705,757	\$ 600,439	\$ 729,219	\$ 23,462
WATER COMMISSION	-	-	-	2,575	2,575
CITY WTR SYSTEM ANALYSIS	-	10,000	10,000	12,100	2,100
FIXED ASSET INVENTORY	19,563	12,455	11,218	13,767	1,312
CITY SWR SYSTEM ANALYSIS	5	5,000	5,598	5,000	-
ENGINEERING	227,646	317,379	249,746	299,338	(18,041)
BLUE STAKE	(1,740)	(4,249)	(3,630)	12,951	17,200
WATER CONSERVATION	32,806	101,555	99,950	135,400	33,845
WILDLIFE VIEWING AREA	425	10,000	3,000	16,575	6,575
TOTAL	\$ 710,887	\$ 1,157,897	\$ 976,321	\$ 1,226,925	\$ 69,028
SOURCE OF FUNDING:					
WATER AND WASTEWATER FUND				\$ 1,226,925	
				\$ 1,226,925	

COMMENTARY:
 The Utilities Administration operating budget has increased 4% and capital expenditures total \$33,075 for a net increase of 6%. Personal Services decrease is due to the net effect of increases related to market, merits, and insurance and a decrease due to reorganization of employees positions. Contractuals increases are due to consulting fees, computer maintenance, postage, travel, registrations, education, advertising, and water rebates. Commodities increases are due to gas and oil, office supplies, computer software, equipment replacement, and promotional materials. One-time expenditures for this division are \$82,000 for consulting fees, \$7,500 for registration and travel, \$3,000 for a locator replacement, and \$12,000 for promotional materials. Major capital (>\$10,000) includes \$16,500 to replace the Bluestake truck and \$16,575 to complete the wildlife viewing area along the Rio de Flag.

PROGRAM DESCRIPTION

The Lake Mary Water Treatment Plant provides conventional surface water treatment for waters from Upper Lake Mary. Staff is responsible for the operation of all other water production facilities including: Lake Mary Wellfield, Woody Mountain Wellfield, the Inner Basin wells and springs, local wells, and the Reservoir Filtration Plant. Staff also operates and maintains system water tanks and booster stations (Division 50). The lab provides water sampling and analysis for: process control and state compliance.

This Division cost effectively produces water that meets all Safe drinking Water Act requirements. It manages the quantity of water to provide adequate flows for customers and for fire fighting. It teaches public awareness of the water system through educational programs and demonstrations.

FY 04 GOALS AND RESULTS

GOAL: ECONOMIC DEVELOPMENT / REDEVELOPMENT

RESULTS:

- ❖ Value added, land opportunity. Rio well drilled on City land, lessening land acquisition and infrastructure requirements.

GOAL: PUBLIC SAFETY

RESULTS:

- ❖ Vulnerability assessment completed, suggestions incorporated in FY 05 budget.
- ❖ Risk Management Plan is revised to include new chlorine facility.
- ❖ Arsenic remediation study uses WM #4.

GOAL: CAPITAL IMPROVEMENT

RESULTS:

- ❖ After two years of design and construction, work competed on \$5 million dollar Filter Building.
- ❖ Shop well completed.

- ❖ Interchange well completed.
- ❖ Rio Well drilled and cased.
- ❖ One half mile of Inner Basin pipeline installed.

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Employees attend customer service training.
- ❖ 14 complaints are tracked and resolved.

GOAL: QUALITY OF LIFE

RESULTS:

- ❖ Water sales facility is constructed for customers that haul water. Building is equipped with one side for residential haulers, and a large load-out for commercial haulers.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ New insertion flow meter installed on 36" finished water line.
- ❖ Reservoir Filtration Plant flat roof is replaced with a slopped roof over pumps and storage area to lesson water damage and mold formation

FY 05 GOALS AND OBJECTIVES

GOAL: PUBLIC SAFETY

OBJECTIVES:

- ❖ Reduce the amount of (monitoring) violations.

GOAL: CAPITAL IMPROVEMENT

OBJECTIVES:

- ❖ Design pumping facility for Rio well.
- ❖ Drill new well.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- ❖ Maximize the use of the least expensive source of water. Reduce cost by 5%.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Number of gallons of water produced (millions)	2,857	2,806	3,000
Cost per thousand gallons of treated water	\$1.07	\$1.06	\$1.10
Number of Safe Drinking Water Act Violations	-0-	6	-0-
Number of water tests performed	1,118	1,254	1,200
Number of water quality complaints	34	14	10

UTILITIES

DIVISION 47

**LAKE MARY WATER
TREATMENT PLANT**

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 599,966	\$ 689,888	\$ 689,604	\$ 680,730	\$ (9,158)
CONTRACTUAL	1,513,627	1,970,414	2,003,130	2,163,230	192,816
COMMODITIES	174,998	288,419	289,237	260,434	(27,985)
CAPITAL	507,508	619,600	525,209	484,774	(134,826)
TOTAL	\$ 2,796,099	\$ 3,568,321	\$ 3,507,180	\$ 3,589,168	\$ 20,847
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 336,253	\$ 485,397	\$ 443,705	\$ 388,829	\$ (96,568)
WATER TREATMENT OPERATION	249,335	306,069	313,566	228,386	(77,683)
CHEMICAL ANALYSIS	177,510	182,983	177,233	232,823	49,840
BLDGS & GROUNDS MAINT	92,193	70,291	66,744	79,778	9,487
EQUIPMENT MAINTENANCE	118,914	110,636	184,285	169,697	59,061
USFS LAKE MARY CONTRACT	8,860	8,860	8,860	8,860	-
UPPER LAKE MARY DAM IMP	1,873	21,000	21,000	21,000	-
SEDMNTION BASIN MODS (90)	-	15,000	15,000	15,000	-
SCADA TRACKING	4,935	38,850	30,941	34,350	(4,500)
FOXGLEN WELL	75,247	-	-	-	-
CONTINENTAL WELL	145,819	-	-	-	-
LOCAL WELLS	193	375,748	378,666	516,505	140,757
LAKE MARY WELLFIELDS	488,648	647,050	646,253	687,236	40,186
WOODY MOUNTAIN WELLFIELD	886,404	1,039,073	1,041,236	817,750	(221,323)
NORTH RESERVOIRS	67,134	52,030	52,734	52,183	153
INNER BASIN DEVELOPMENT	35,430	85,952	87,394	93,991	8,039
INNER BASIN PIPELINE	107,351	129,382	39,563	242,780	113,398
TOTAL	\$ 2,796,099	\$ 3,568,321	\$ 3,507,180	\$ 3,589,168	\$ 20,847
SOURCE OF FUNDING:					
WATER AND WASTEWATER FUND				\$ 3,589,168	
				\$ 3,589,168	
COMMENTARY:					
<p>The Lake Mary Water Treatment Plant operating budget has increased 5% and capital expenditures total \$484,774 resulting in an overall increase of 1%. Personal Services decreased due to the net effect of relocating personnel through the workforce reduction program and increases for market, merits and insurance. The major reason for an increase in contractals is related to a change in budget practice related to well maintenance agreements. In prior years these contracts were budgeted as capital. Other increase were for equipment rental, consultant fees, and registrations. Commodities increases are due to computer software, water parts, and various equipment. One-time expenditures for this division are \$30,000 for a drinking water database and \$7,500 for replacement equipment. Major capital (>\$10,000) includes \$200,000 for Inner Basin pipe replacement, \$160,500 for a power generator, \$47,774 for a basin pump system, \$20,000 for the land acquisition fund, \$20,000 for Upper Lake Mary dam improvements, \$15,000 for an electrochemical analyzer, and \$13,000 for a SCADA repeater.</p>					

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 cashing operations for most City departments and for the calculation and collection of utility system fees for all new or added construction.

FY 04 GOALS AND RESULTS

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Increased Bank Draft Customer base to 11%. Examined Credit Card acceptance options.
- ❖ Upgraded Billing System and trained Customer Service Reps on additional functionality.
- ❖ All Cycle bills ran on time with minimal estimated reads. \$2.6 million was collected in new construction System Fees.

GOAL: FISCAL HEALTH

RESULTS:

- ❖ The write-off was significantly lower for FY 03 due to increases in collections activity and billed deposits to delinquent payers.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ With IS, successfully implemented Stormwater and Environmental Fee Billing to 18,000 accounts. Trained System users in CD & PW.
- ❖ Replaced contract for print and mail of monthly utility billings.

FY 05 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Offer additional payment options through the acceptance of credit and debit cards.
- ❖ Install and implement Internet bill presentment and electronic payment acceptance.
- ❖ Send out timely and accurate utility and system fee billings.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Continue to lower annual write-off and minimize delinquent accounts by sending on-time delinquency notices and performing follow-up turn-offs to non-payers.
- ❖ Continue program of billing extra deposits to frequent cut-off list accounts reducing write offs.
- ❖ Continue, with the Distribution Division, the program to replace manually read meters with radio read meters.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Total billed including water/wastewater/other	\$21.7 million	\$22.6 million	\$22.9 Million
Meter Reader Efficiency - impact of applied technologies (meters read per Reader per Quarter)	16,616	17,053	17,875
Division Efficiency (Division Base Cost/Meters Read)	\$3.05	\$3.20	\$3.24
Total System and Capacity Fees, Taps, Etc. collected	\$2.1 million	\$2.6 million	\$2.5 Million
Collections Activity - Percent of Delinquent Accounts (Delinquent Accounts/Total Accounts)	4.2%	4.7%	4.8%
Percent of Estimated Reads	.20%	1.15%	1.00%

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 429,577	\$ 465,310	\$ 466,201	\$ 479,575	\$ 14,265
CONTRACTUAL	109,419	172,500	152,850	147,490	(25,010)
COMMODITIES	16,134	61,430	36,743	87,395	25,965
CAPITAL	16,862	-	-	-	-
TOTAL	\$ 571,992	\$ 699,240	\$ 655,794	\$ 714,460	\$ 15,220
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 80,735	\$ 178,082	\$ 134,575	\$ 193,586	\$ 15,504
FIELD READING	171,668	178,997	178,999	181,904	2,907
COLLECTION	56,212	58,325	58,384	63,523	5,198
CUSTOMER SERVICE	263,377	283,836	283,836	275,447	(8,389)
TOTAL	\$ 571,992	\$ 699,240	\$ 655,794	\$ 714,460	\$ 15,220
SOURCE OF FUNDING:					
GENERAL FUND				\$ 37,878	
LIBRARY FUND				901	
HIGHWAY USER REVENUE FUND				1,818	
WATER AND WASTEWATER FUND				562,920	
STORMWATER FUND				7,315	
AIRPORT FUND				401	
ENVIRONMENTAL SERVICES FUND				103,227	
				\$ 714,460	
COMMENTARY:					
<p>The Customer Service operating budget has increased 2% and there are no capital expenditures. Personal Services increases are due to market, merits, and insurance increases. Contractuals decrease is due to prior year one-time expenditures netted with increases for medical fees, telephone, postage, and computer maintenance. Commodities increases are due to computer software, food, tools, gas and oil, vehicle parts, and locking lids. One-time expenditure for this division is \$46,500 for computer software related to web access and credit card acceptance.</p>					

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.

FY 04 GOALS AND RESULTS

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ A 22% reduction in the number of customer complaints from the previous year.
- ❖ Meters are paid for and installed within ten working days.

GOAL: FISCAL HEALTH

RESULTS:

- ❖ Continued training and weekly tailgate safety meetings to reduce the number and severity of our accidents.

GOAL: PLANNING FOR GROWTH

RESULTS:

- ❖ Immediate response to our customer pressure problems, minimizing customer complaints and safety concerns.

GOAL: ORGANIZATIONAL SUPPORT

RESULTS:

- ❖ Instituted Skill Base Pay: Distribution and Collection Crews were combined, skill blocks developed and employee cross training initiated. The divisions successfully completed a pilot pay program and 50% of the individuals successfully completed an Arizona Department of Environmental Quality Operator training, testing and certification program. Continuing our effort to develop a multi-skilled workforce.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Sunnyside Phase II, Humphrey/Hwy 180, Coconino Avenue, Agassiz/Verde and Huntington/4th Street Capital Improvements Projects: Worked with public and private engineers, contractors and customers, coordinating a wide variety of projects including: Valve installations, main line realignments, shutdowns, turn-ons, mainline flushing and emergency repairs to our water distribution system.

- ❖ Radio Read Meters: Installation of an additional two thousand radio read meters in throughout the community. Enhancing customer service, by providing a safe, estimate free billing process, while increasing our overall efficiency and lowering operating costs.
- ❖ Reclaim Fire Hydrant Installations: Installation of two reclaim fire hydrants at specific locations around town. Reducing valuable potable water usage, while making the load-out areas more accessible to our customers.
- ❖ 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.

FY 05 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Exceed customer service expectations.

GOAL: FISCAL HEALTH

OBJECTIVE:

- ❖ Reduce accidents and maintain high safety standards.

GOAL: PLANNING FOR GROWTH

OBJECTIVE:

- ❖ Maintain water pressures throughout our service area within American Water Works Association (AWWA) guidelines.

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVE:

- ❖ Continue developing multi-skilled workforce through skill base pay.

UTILITIES

DIVISION 49

WATER DISTRIBUTION

PERFORMANCE INDICATORS	CY01	CY02	CY04 EST.
Number of complaints and responses	207	161	184
Number of meter replacements and repairs	655	557	650
Number of work orders completed	3,685	3,019	3,000
Cost per service/water distribution system	\$13.57	\$12.46	\$13.00

EXPENDITURES BY CATEGORY:	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 681,364	\$ 718,193	\$ 707,220	\$ 723,744	\$ 5,551
CONTRACTUAL	55,499	52,362	53,087	68,935	16,573
COMMODITIES	128,967	143,036	155,190	228,686	85,650
CAPITAL	78,118	91,000	88,329	45,800	(45,200)
TOTAL	\$ 943,948	\$ 1,004,591	\$ 1,003,826	\$ 1,067,165	\$ 62,574
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 137,893	\$ 178,633	\$ 84,671	\$ 154,348	\$ (24,285)
WATER SYS MAINT-OPERATION	140,191	139,042	152,486	149,699	10,657
MAIN & SERVICE LINE REPAIR	230,769	209,218	250,282	218,266	9,048
MAIN EXT-FIRE HYDR/VALVE	64,726	58,190	75,627	107,464	49,274
VALVE & FIRE HYDR MAINT	106,788	120,090	109,374	125,674	5,584
METER INSTALLATION	174,779	209,298	237,189	216,232	6,934
METER REPAIR & TESTING	88,802	90,120	94,197	95,482	5,362
TOTAL	\$ 943,948	\$ 1,004,591	\$ 1,003,826	\$ 1,067,165	\$ 62,574
SOURCE OF FUNDING:					
WATER AND WASTEWATER FUND				\$ 1,067,165	
				\$ 1,067,165	

COMMENTARY:

The Water Distribution operating budget has increased 12% and capital expenditures total \$45,800 resulting in an overall net increase of 6%. Personal Services decreased slightly due to the supervisor position charging out one half of his time to Division 54, wastewater collection, and the increases related to market, merits, and insurance. Contractual increase is due remodeling of the East Flagstaff facility. Commodities increase is due to annual expenditures that were budgeted as capital in prior years. One-time expenditures for this division is \$15,000 for the facility remodel. Major capital (>\$10,000) is \$45,800 for a replacement service truck.

PROGRAM DESCRIPTION

Provides for the operation and maintenance of booster stations that provide adequate volume and pressure for domestic and fire service outside of the normal pressure zones of the water distribution system. This Division manages the operation and maintenance of water storage tanks to mitigate any disruption in power and maintain adequate disinfection residuals.

FY 04 GOALS AND RESULTS

GOAL: CAPITAL IMPROVEMENT

RESULTS:

- ❖ Amberwood booster station operational.

GOAL: PUBLIC SAFETY

RESULTS:

- ❖ Installed Halogen motor operated chlorine shut off valves for the North Reservoir Filtration Plant booster station and Wood Mountain booster station protecting citizens from possible chlorine leaks.

GOAL: QUALITY OF LIFE

RESULTS:

- ❖ University Highlands is automated and on standby for second source supply to the West side higher elevation residences. Power requirements are minimal.

- ❖ Booster stations/local wells are landscaped creating a positive visual asset to the community.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ University Highland booster station reactivated and used as second source when leak is discovered to Railroad Springs tank.
- ❖ 8" pipe is laid to automate the university Highland booster station when needed as a second source.

FY 05 GOALS AND OBJECTIVES

GOAL: ECONOMIC DEVELOPMENT / REDEVELOPMENT

OBJECTIVES:

- ❖ Start-up and operate Kinlani II booster station.

GOAL: QUALITY OF LIFE

OBJECTIVES:

- ❖ Paint University Highlands tank.

PERFORMANCE INDICATORS

See Division 47

UTILITIES

DIVISION 50

BOOSTER STATIONS

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 17,693	\$ 23,795	\$ 20,795	\$ 21,536	\$ (2,259)
CONTRACTUAL	24,453	26,150	27,194	44,650	18,500
COMMODITIES	578	3,150	4,761	3,026	(124)
CAPITAL	-	-	-	8,000	8,000
TOTAL	\$ 42,724	\$ 53,095	\$ 52,750	\$ 77,212	\$ 24,117
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 24,879	\$ 30,795	\$ 27,816	\$ 28,536	\$ (2,259)
ZONE A	361	350	459	350	-
KINLANI	1,221	1,850	1,888	2,226	376
UNIVERSITY HIGHLANDS #1	1,962	1,300	4,512	9,300	8,000
AIRPORT BOOSTER	3,074	2,600	2,600	2,700	100
AMBERWOOD BOOSTER	-	3,150	-	11,350	8,200
RAILROAD SPRINGS BOOSTER	11,227	13,050	15,475	20,550	7,500
KINLANI II	-	-	-	2,200	2,200
TOTAL	\$ 42,724	\$ 53,095	\$ 52,750	\$ 77,212	\$ 24,117
SOURCE OF FUNDING:					
WATER AND WASTEWATER FUND				\$ 77,212	
				\$ 77,212	
COMMENTARY:					
The Booster Station operating budget has increased 30% and capital expenditures total \$8,000 resulting in an overall net increase of 45%. Increases in Contractuals and commodities are related to painting and light an power. One-time expenditure for this division is \$7,500 for painting of the University Highlands tank.					

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.

FY 04 GOALS AND RESULTS

GOAL: PLANNING FOR GROWTH

RESULTS:

- ❖ Currently in the planning process to upgrade Wildcat to provide customers with A+ water.

GOAL: ORGANIZATIONAL SUPPORT

RESULTS:

- ❖ Implemented multi-skilled workforce and skill base pay program.

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Responded to all complaints within 24 hours.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Provided wastewater treatment and reclaim water that meets or exceeded all federal and state permit requirements.
- ❖ Maintained State Certified laboratory Standards.
- ❖ All required state and federal monitoring reports were submitted accurately and on time.
- ❖ Treated all wastewater to NPDES permit requirements.
- ❖

FY 05 GOALS AND OBJECTIVES

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVES:

- ❖ Continue to develop multi-skilled workforce.

GOAL: PLANNING FOR GROWTH

OBJECTIVES:

- ❖ Encourage the use of reclaimed water.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

Exceed customer service expectations.

PERFORMANCE INDICATORS (Wildcat Hill WWTP)	CY02	CY03	CY04 EST.
Gallons of influent treated (billions)	1.5304	1.484714	1.57
Gallons of septage treated (millions)	1.2106	1.181078	1.3
Gallons of reclaimed water sold (millions)	401.6700	309.1327	390.0
Gallons of grease treated (thousands)	245.645	315.230	300.000
Gallons of commercial interceptor sludge (thousands)	35.85	60.45	60.00
Dry metric tons of solids/sludge injected	1,294.53	587.82	1300
Cost per thousand to treat (influent)	\$0.95	\$1.04	\$0.98

UTILITIES

DIVISION 53

**WILDCAT WASTEWATER
TREATMENT PLANT**

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 668,090	\$ 913,232	\$ 926,347	\$ 773,979	\$ (139,253)
CONTRACTUAL	470,794	1,014,932	1,054,749	501,979	(512,953)
COMMODITIES	239,736	379,675	382,443	291,066	(88,609)
CAPITAL	105,277	85,175	61,752	37,990	(47,185)
TOTAL	\$ 1,483,897	\$ 2,393,014	\$ 2,425,291	\$ 1,605,014	\$ (788,000)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 114,799	\$ 193,553	\$ 195,195	\$ 168,934	\$ (24,619)
WC-PLANT OPERATIONS	553,573	509,796	534,008	559,289	49,493
WC-PLANT MAINTENANCE	651,674	638,846	633,102	651,006	12,160
WC-LAB-PROC CNTRL-MONTR	115,051	108,785	103,007	126,766	17,981
WC-SEPTAGE	5,346	15,209	15,199	19,154	3,945
WC-WH RIO MAINTENANCE	3,327	7,558	3,756	6,714	(844)
WC-DRYING BEDS OPERATIONS	-	1,847	1,159	1,750	(97)
WC-SLUDGE INJECTION	40,127	75,811	76,101	71,401	(4,410)
RP-PLANT OPERATIONS	-	479,561	495,170	-	(479,561)
RP-PLANT MAINTENANCE	-	143,427	153,324	-	(143,427)
RP-LAB-PROC CNTRL-MONITOR	-	75,621	72,270	-	(75,621)
RP-RECLAIM CONNECTIONS	-	143,000	143,000	-	(143,000)
TOTAL	\$ 1,483,897	\$ 2,393,014	\$ 2,425,291	\$ 1,605,014	\$ (788,000)
SOURCE OF FUNDING:					
WATER AND WASTEWATER FUND				\$ 1,605,014	
				\$ 1,605,014	
COMMENTARY:					
<p>For FY 2005 the operating budgets for the Wildcat Treatment Plant and the Rio de Flag Treatment Plant have been separated. The Rio de Flag Treatment Plant will be budgeted in Division 56. The decrease to all portions of this budget is directly related to the transfer of this division. However, there were increases to some operation activities for the Wildcat Treatment Plant. Personal Services has increases for market, merit, insurance, and overtime. Contractuals and Commodities had several increases, of which, the major increases were for light and power, stormwater fees, chemicals, maintenance of buildings and equipment, purchase of equipment, safety supplies, and water and sewer parts. This division has \$34,429 in one-time expenditures which include wall repairs, maintenance on chlorinators, purchase of gas detectors, and purchase of two monitoring meters. Major capital (>\$10,000) includes \$26,790 for repair to grease tank and \$11,200 for a replacement WEMCO pump.</p>					

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.

FY 04 GOALS AND RESULTS

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ 14% reduction of service calls related to city problems from last year.

GOAL: ORGANIZATIONAL SUPPORT

RESULTS:

- ❖ Instituted Skill Base Pay: Distribution and Collection Crews were combined, skill blocks developed and employee cross training initiated. The divisions successfully completed a pilot pay program and 50% of the individuals successfully completed an Arizona Department of Environmental Quality Operator training, testing and certification program. Continuing our effort to develop a multi-skilled workforce.
- ❖ Criteria were developed and training initiated, streamlining the skill base pay, skill block sign off process.
- ❖ The development of crew rotation training schedule has strengthened the teamwork in the division.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Sunnyside Phase II, Humphrey/Hwy 180, Coconino Avenue, Agassiz/Verde and Huntington/4th Street Capital Improvements Projects: Worked with public and private engineers, contractors and customers, coordinating a wide variety of projects involving cleaning, locating manholes, customer complaints

and T.V. inspections pre and post construction, our collection system.

- ❖ Collection System Root Control Project: The collection personal successfully completed our tri-annual root control project. Ten of thousands of feet of sewer line are cleaned and chemically treated with a root-inhibiting product. Controlling tree roots in sanitary sewer lines reduce sewer backups and customer complaints. The project was completed at less than 42% of what a private contractor would have charged.
- ❖ 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.

FY 05 GOALS AND OBJECTIVES

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Exceed customer service expectations.

GOAL: FISCAL HEALTH

OBJECTIVES:

- ❖ Reduce accidents and maintain high safety standards.

GOAL: PLANNING AND GROWTH

OBJECTIVES:

- ❖ Encourage the use of reclaimed water throughout the community.

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVES:

- ❖ Continue developing a multi-skilled workforce through skill base pay.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Miles of sewer cleaned or rodded	175.4	190	200
Number of blockages (City responsibility)	52	45	48
Number of feet of sewer televised	64,705	119,201	67,000
O & M cost per service account	\$9.38	\$8.62	\$9.20

UTILITIES

DIVISION 54

WASTEWATER COLLECTION

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 447,698	\$ 412,622	\$ 472,108	\$ 452,860	\$ 40,238
CONTRACTUAL	27,375	41,550	38,262	33,305	(8,245)
COMMODITIES	86,640	100,021	86,491	100,351	330
CAPITAL	158,477	275,000	-	255,000	(20,000)
TOTAL	\$ 720,190	\$ 829,193	\$ 596,861	\$ 841,516	\$ 12,323
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 174,372	\$ 162,600	\$ 180,383	\$ 182,482	\$ 19,882
SERVICE CONNECTIONS	13,947	18,139	14,747	16,441	(1,698)
PREVENTIVE MAINTENANCE	207,102	460,936	213,293	456,248	(4,688)
TV INSPECT & HYDRO-CLEAN	245,248	91,226	98,512	91,894	668
CORRECTIVE MAINTENANCE	65,827	84,225	78,404	81,308	(2,917)
RECLAIMED WATER LINE	13,694	12,067	11,522	13,143	1,076
TOTAL	\$ 720,190	\$ 829,193	\$ 596,861	\$ 841,516	\$ 12,323
SOURCE OF FUNDING:					
WATER AND WASTEWATER FUND				\$ 841,516	
				\$ 841,516	
COMMENTARY:					
<p>The Wastewater Collection operating budget has increased 6% and capital expenditures total \$255,000 for a net increase of 1%. Personal Services increases are due to market, merit, and insurance increases and additional supervisor charges from Division 49, Water Distribution. Contractuals decrease is due to prior year one-time expenditures. Major capital (>\$10,000) is related to the carryover of the hydro-vac vehicle for \$255,000.</p>					

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, wastewater monitoring, and seepage control.

FY 04 GOALS AND RESULTS

GOAL: PUBLIC SAFETY

RESULTS:

- ❖ Inspected 1,000 businesses and industries to identify potential for bypass, interference or violation of the Public Owned Treatment Works (POTW).
- ❖ There were 1,462 backflow assemblies reported working, 810 assemblies were found failed and corrected at their annual inspection. There were 1,200 business inspected for proper backflow prevention application.

GOAL: COLLABORATON

RESULTS:

- ❖ Pollution prevention literature or onsite training and information was provided to 1,200 businesses.
- ❖ Pretreatment information is now provided on the City of Flagstaff web site. A meter lockout procedure was established to ensure backflow prevention equipment was in-place before attaching to the City potable water system.

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Two inspectors were given letters of commendation by a local business.
- ❖ The City of Flagstaff, Utilities web site helps keep the Division in- touch with the community.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Designed and modified two utility trailers for safe and secure field sampling.
- ❖ Developed electronic inspection forms for handheld computers.
- ❖ Completed background sampling to establish baseline for Local Limits Analysis.

FY 05 GOALS AND OBJECTIVES

GOAL: PUBLIC SAFETY

OBJECTIVES:

- ❖ Prevent bypass of the Public Owned Treatment Works (POTW).
- ❖ Prevent backflow of contaminants into potable water system.

GOAL: COLLABORATON

OBJECTIVES:

- ❖ Encourage pollution prevention for business and industries.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Provide service to our internal and external customers, beyond their expectation.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Number of businesses inspected for potential cross connection	1,272	1,200	1,500
Number of backflow device tests logged	1,539	1,462	2,000
Number of compliance samples analyzed	6,367	8,918	4,000
Number of pre-treatment business inspections	1,444	1,000	1,500
Percent of failed back flow tests	-0-	810	-0-

UTILITIES

DIVISION 55

WASTEWATER MONITORING

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 163,310	\$ 177,680	\$ 177,878	\$ 190,654	\$ 12,974
CONTRACTUAL	49,281	99,877	95,760	154,517	54,640
COMMODITIES	29,795	20,907	22,528	22,607	1,700
CAPITAL	-	-	-	10,000	10,000
TOTAL	\$ 242,386	\$ 298,464	\$ 296,166	\$ 377,778	\$ 79,314
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 106,676	\$ 160,233	\$ 113,966	\$ 231,815	\$ 71,582
NPDES MONITORING	33,479	31,660	48,510	33,066	1,406
INDUSTRIAL WASTE MONITOR	74,870	77,944	104,892	82,357	4,413
HAZARDOUS WASTE	3,643	3,827	3,751	4,059	232
BACKFLOW X CONN. CONTROL	23,718	25,004	25,047	26,481	1,477
STORM WATER	-	(204)	-	-	204
TOTAL	\$ 242,386	\$ 298,464	\$ 296,166	\$ 377,778	\$ 79,314
SOURCE OF FUNDING:					
WATER AND WASTEWATER FUND				\$ 377,778	
				\$ 377,778	
COMMENTARY:					
<p>The Wastewater Monitoring operating budget has increased 23% and capital expenditures total \$10,000 resulting in an overall net increase of 27%. Personal Services increases are due to market, merits, and insurance increases. Contractuals increases are due one-time expenditures for consulting, maintenance, and sampling. Commodities increases are due to one-time expenditures for computer equipment and tires. One-time expenditures for this division are \$72,000 for consulting fees related to local limits, \$1,700 for office painting, \$29,000 for background sampling for local limits, \$5,000 for two laptops, and \$400 for tires. Major capital (>\$10,000) is \$10,000 for a replacement copier.</p>					

PROGRAM DESCRIPTION

This program was combined with Division 53 for FY 2004 and is being separated for FY 2005.

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 was for riparian enhancement. The automated treatment facility used 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.

FY 04 GOALS AND RESULTS

GOAL: PLANNING FOR GROWTH

RESULTS:

- ❖ Now providing reclaim water for all irrigation of Pine Canyon Golf Club.
- ❖ Currently in test phase with SCA Paper mill using reclaim water for production. Could result in a savings of over 250,000 gallons of potable water daily and would also provide for year round reclaim demand.
- ❖ Further reduction in plant staffing level, plant now has four full time employees.
- ❖ Participate in an energy efficiency audit to find most likely areas to reduce energy demand (ongoing).

GOAL: ORGANIZATIONAL SUPPORT

RESULTS:

- ❖ Skill-based pay has been instituted.
- ❖ Ongoing cross training between operations, maintenance and laboratory staff.

GOAL: CUSTOMER SERVICE

RESULTS:

- ❖ Staff is committed to 100% customer satisfaction for all customers (ongoing).

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Installation of an additional waste activated sludge flow meter for process optimization.
- ❖ Installation of telemetry and flow meter upgrade at Pine Canyon.
- ❖ Designed and install a reclaim water line to Rio discharge point that will allow continuous flow to wetlands in times of high reclaim demand.
- ❖ Elimination of preventative and/or corrective maintenance backlog.
- ❖ Continuous use of computerized maintenance management system
- ❖ Operated single treatment train at 120% of capacity to meet high summer reclaims demand.

FY 05 GOALS AND OBJECTIVES

GOAL: PLANNING FOR GROWTH

OBJECTIVES:

- ❖ Encourage the use of reclaim water.
- ❖ Minimize treatment cost per unit of water treated.
- ❖ Develop an ongoing performance improvement program.

GOAL: ORGANIZATIONAL SUPPORT

OBJECTIVES:

- ❖ Continue to develop a multi-skilled workforce.
- ❖ Continue to foster a safe and healthy work environment.

GOAL: CUSTOMER SERVICE

OBJECTIVES:

- ❖ Continue commitment of 100% customers' satisfaction.

PERFORMANCE INDICATORS	CY02	CY03	CY04 EST.
Gallons of wastewater treated (millions)	675.9	730.0	735.0
Gallons of reclaim water produced (millions)	646.0	697.4	700.0
Gallons of reclaim water reused (millions)	163.1	214.6	220.0
Cost to produce 1,000 gallons reclaim water	\$0.98		\$1.00

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 217,477	\$ -	\$ -	\$ 237,221	\$ 237,221
CONTRACTUAL	482,297	-	-	499,491	499,491
COMMODITIES	61,242	-	-	86,600	86,600
CAPITAL	42,812	-	-	-	-
TOTAL	\$ 803,828	\$ -	\$ -	\$ 823,312	\$ 823,312
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 32,310	\$ -	\$ -	\$ 42,781	\$ 42,781
PLANT OPERATIONS	404,434	-	-	435,844	435,844
PLANT MAINTENANCE	168,100	-	-	145,962	145,962
LAB-PROCESS CONTROL-MONTR	56,033	-	-	81,384	81,384
RECLAIMED CONNECTIONS	142,951	-	-	117,341	117,341
TOTAL	\$ 803,828	\$ -	\$ -	\$ 823,312	\$ 823,312
SOURCE OF FUNDING:					
WATER AND WASTEWATER FUND				\$ 823,312	
				\$ 823,312	
COMMENTARY:					
<p>The Rio de Flag Treatment Plant was combined for FY 2004. A management decision was made during this FY to separate the operations back to its own division. In addition to transferring the base budget there were increases to the operating budget. Personal Services increases is due to market, merit, insurance, and overtime. Contractuals increases are due to permit fees, training, postage, light and power, stormwater fees, janitorial, tank inspection, and bar screening replacement. Commodities increases are due to computer equipment and chemicals. One-time expenditures for this division are \$2,500 for permit fees, \$2,000 for training, \$5,000 for cleaning and inspection of Buffalo Park tank, and \$10,000 for replacement of the bar screening.</p>					

NON-DEPARTMENTAL

Non-Departmental accounts for all divisions which are not under the direct supervision of a department head or whose operations are contractual in nature. These include:

The **Council and Commission 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.

The **Contributions to Other Agencies Division** accounts for contractual agreements with outside agencies that provide services to Flagstaff's citizens. The City is a major contributor to United Way, arts and cultural agencies whose activities benefit the citizens of Flagstaff and other Alliance partnerships.

The **Non-Departmental 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.

The **Firemen's Pension 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.

The **Economic Development Division** is responsible for the administration of economic development programs. The City contracts these services. 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.

The **Transit 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.

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 City Council enacts local legislation, assesses community need; sets the tax rate; determines and develops policies for the City Manager to implement and adopts budgets. The Council appoints the City Manager, City Attorney, Court Magistrates and individuals to various boards, commissions, and committees.

FY 04 GOALS AND RESULTS**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 1, 2003 for the period July 1, 2003 through June 30, 2004.
- ❖ Economic Development/Redevelopment
- ❖ Fiscal Health
- ❖ Public Safety
- ❖ Affordable Housing
- ❖ Capital Improvements
- ❖ Planning for Growth
- ❖ Regional Collaboration
- ❖ Quality of Life
- ❖ Organizational Support

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Began work on the Fourth Street Overpass bond project.
- ❖ Joined the Northern Arizona Municipal Water Users Association to advance water resource interests.
- ❖ Enacted the McMillan Mesa amendment to the Flagstaff Area Regional Land Use and Transportation Plan.
- ❖ Adopted amendments to the Long Range Master Plan for Parks, Recreation and Open Space.

- ❖ Adopted a Long-term Water Resource Sustainability Strategy Policy for the City of Flagstaff, Arizona.
- ❖ Continued joint efforts with ADOT to move the East Flagstaff Traffic interchange and the Pulliam Airport Interchange projects up in the funding cycle.
- ❖ Amended the Airport Rules and Regulations.
- ❖ Amended the City of Flagstaff Personnel Policies.
- ❖ Adopted a schedule of stormwater management service charges.
- ❖ Created the Commission on Open Spaces.
- ❖ Implemented a long-term water resource sustainability strategy for water conservation and water use efficiency.
- ❖ Increased salaries for the Mayor and council.
- ❖ Entered into a letter of understanding with the East Flagstaff Gateway Redevelopment Area.
- ❖ Initiated meet and confer discussions.
- ❖ Revised the Employee Advisory Committee.
- ❖ Commissioned a feasibility study on the downtown conference center project.

**FY 04 ADDITIONAL ACCOMPLISHMENTS
BOARDS AND COMMISSIONS****Airport Commission**

- ❖ Rewrote the Airport Rules and Regulations that spell out the rules for operation of the airport and conduct of business, setting minimum standards, rates, and fees for various activities.

Board of Adjustment

- ❖ Approved 16 variances.

Commission on Diversity Awareness

- ❖ Sponsored and presented "The Face of Our Community" art event at Killip School.
- ❖ Revised and updated the mission statement making it more relevant to the community.
- ❖ Three Commissioners participated in the United Way Community Assessment.
- ❖ One commissioner participated in the La Puente Conference.
- ❖ Presented the Mosaic Award to the director and cast of the "Laramie Project" of the Flagstaff Art and Leadership Academy for spreading awareness and tolerance in the community.
- ❖ Hosted a luncheon for the Diversity Groups/Commissions of NAU and the County.
- ❖ Collaborated with the County in the presentation of "Color of Fear".
- ❖ Sent a letter of support to NAU in an effort to assist them in addressing racial allegations.
- ❖

Disability Awareness Commission

- ❖ Created a standing committee to work on major commission goals:
 1. Banquet accessibility to public facilities;
 2. Community liaison; and
 3. Public relations.
- ❖ Co-sponsored a community workshop on ADA and employment issues.
- ❖ Planned and hosted the annual Disability Awareness Banquet.

Flagstaff Public Art Advisory Committee

- ❖ Designed, printed, and distributed 8000 copies of a color pamphlet on Flagstaff Public art. Continued with the juried local artist exhibits at City Hall and Airport Terminal.

Historic Preservation Commission

- ❖ Approved two downtown development requests.

Library Board

- ❖ Provided support and input concerning the opening of the East Flagstaff Community Library.

Open Spaces Commission

- ❖ Developed criteria, values, and priorities relating to McMillan Mesa open space.
- ❖ Worked on the open space bond questions for the 2004 Special Debt Authorization election.
- ❖ Worked with Parks and Recreation commission on policies and mutual interest projects.
- ❖ Engaged in the initial development stages of a long-range management plan for city-owned open space.

Parks and Recreation Commission

- ❖ Participated in the McMillan Mesa Land Use Plan amendment to the general plan.
- ❖ Amended the Parks and Recreation Long Range Master Plan.
- ❖ Recommended the Thorpe Park Concept Plan.
- ❖ Participated in the review of parks and recreation priority packages for the May 2004 bond election.

Planning and Zoning Commission

- ❖ Reviewed 23 Conditional Use Permits
- ❖ Revised eight tentative plat subdivisions
- ❖ Acted on two appeals and one rezoning case.
- ❖ Representatives served on the Water Commission, Open Space Commission, Transportation Advisory Committee, and the Board of Adjustment.
- ❖ Heard notable projects such as the East Gateway redevelopment/Mall Expansion projects and the Rio Homes and Isabel Town Homes affordable housing projects.
- ❖ Participated in the 5-year CIP process.

- ❖ Hosted speakers on water demand/water conservation.

Tourism Commission

- ❖ Assisted with the successful transition of the Visitors Center to the Convention and Visitors Bureau.
- ❖ Approached completion of the final stage of a 5-year strategic plan for tourism in Flagstaff.
- ❖ Changed the direction of the media plan, focusing on new ads better representing Flagstaff.

Traffic Commission

- ❖ Established a northbound bike lane on south San Francisco Street from Franklin Avenue to Butler Avenue.
- ❖ Recommended alternative off-street parking on South San Francisco between Butler and Phoenix Avenues in order to provide for a bike lane.
- ❖ Developed policies and public materials for a residential neighborhood traffic management program.

Water Commission

- ❖ Recommended the renaming of the Utilities Department to Water Resources Department.
- ❖ Amendments to the Tank and Scavenger Waste Hauler ordinance.
- ❖ Reviewed and recommended water and wastewater bond project for the May, 2004 election.
- ❖ Recommended a conversation agreement for reclaimed water to the Northwest Professional Plaza.
- ❖ Revised the Water Conservation Ordinance by adopting year-round water restriction.
- ❖ Established a strategy for conservation and preservation of water resources.
- ❖ Participated in the creation of the Water Conservation Specialist position.
- ❖ Recommended approval of water service area to Kinlani Estates Unit 2.
- ❖ Recommended modifications to the toilet rebate program to include dual flush toilets and waterless urinals.
- ❖ Recommended bank drafting incentives.

Youth Commission

- ❖ Conducted the 2003 Youth Town Hall.

FY 05 GOALS AND OBJECTIVES - BOARD AND COMMISSIONS

Individual Board and Commissions will now be contained in the various departments' budgets and that information will be provided as part of their budget presentations.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 54,573	\$ 73,690	\$ 77,075	\$ 124,018	\$ 50,328
CONTRACTUAL	63,890	83,968	73,175	71,794	(12,174)
COMMODITIES	22,923	26,395	26,806	31,870	5,475
CAPITAL	-	-	-	-	-
TOTAL	\$ 141,386	\$ 184,053	\$ 177,056	\$ 227,682	\$ 43,629
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 134,980	\$ 167,218	\$ 162,152	\$ 224,297	\$ 57,079
BOARDS AND COMMISSIONS	6,406	16,835	14,904	3,385	(13,450)
TOTAL	\$ 141,386	\$ 184,053	\$ 177,056	\$ 227,682	\$ 43,629
SOURCE OF FUNDING:					
GENERAL FUND				\$ 118,974	
LIBRARY FUND				10,504	
HIGHWAY USER REVENUE FUND				27,416	
WATER AND WASTEWATER FUND				38,169	
STORMWATER FUND				1,408	
AIRPORT FUND				6,319	
ENVIRONMENTAL SERVICES FUND				24,892	
				\$ 227,682	
COMMENTARY:					
<p>The Council and Commissions operating budget has increased 24% with no capital expenditures. Personal Services increases are due to the increase in compensation to the Mayor and three of the six Council members. The remaining three Council reimbursements will increase with the next election in 2006. There is no major capital (>\$10,000) for this division. Contractual decreases are due to moving the commission budgets as appropriate within each division that chairs the commission.</p>					

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, arts and cultural agencies whose activities benefit the citizens of Flagstaff and other Alliance partnerships.

FY 04 GOALS AND RESULTS

- ❖ Social service programs were supported through United Way contributions totaling \$289,386.
- ❖ Not for profit assistance given to the Arizona Heritage and Sister Cities organizations.
- ❖ Alliance partners including Weed & Seed, After School Program, FIT for Safe Housing, Coalition for Youth & Children, and the High Altitude Sports Training Center were supported.
- ❖ Quality of Life partnerships in our community with the Canyon Forest Partnership, Siler Homes, and the Emergency Housing Assistance were supported.

FY 04 ADDITIONAL ACCOMPLISHMENTS

Maintained budgeted funding levels through the year despite cuts in other programs.

FY 05 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.
- ❖ To support partnerships that enhances the quality of life in the community through the Canyon Forest Partnership, Siler Homes, and the emergency housing assistance.

PERFORMANCE INDICATORS

No performance indicators available at this time.

NON-DEPARTMENTAL

DIVISION 64

**CONTRIBUTIONS TO
OTHER AGENCIES**

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -
CONTRACTUAL	727,529	760,016	737,542	742,394	(17,622)
COMMODITIES	-	-	-	-	-
CAPITAL	-	-	-	-	-
TOTAL	\$ 727,529	\$ 760,016	\$ 737,542	\$ 742,394	\$ (17,622)
EXPENDITURES BY PROGRAM:					
HEALTH & SOC SERVICES	\$ -	\$ 339,386	\$ 296,442	\$ 311,264	\$ (28,122)
OTHER CONTRIBUTIONS	727,529	420,630	441,100	431,130	10,500
TOTAL	\$ 727,529	\$ 760,016	\$ 737,542	\$ 742,394	\$ (17,622)
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 583,061	
	LIBRARY FUND			10,436	
	HIGHWAY USER REVENUE FUND			42,273	
	WATER AND WASTEWATER FUND			60,987	
	STORMWATER FUND			1,221	
	AIRPORT FUND			20,564	
	ENVIRONMENTAL SERVICES FUND			23,852	
				\$ 742,394	
COMMENTARY:					
<p>The Contributions to Others operating budget has decreased 2% and there are no capital expenditures. Contributions are as follows: United Way \$296,442; Arizona Heritage \$1,000; Canyon Forest Partnership \$15,000; High Altitude Sports Training \$30,000; FACTS \$315,000; Weed & Seed \$7,000; Sister Cities \$3,000; Youth Coalition \$22,500; Siler Homes \$2,300; Emergency Housing \$25,000; NACOG Rural Transportation \$5,330; and Native American Festival \$5,000.</p>					

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.

FY 04 GOALS AND RESULTS**GOAL: COLLABORATION****RESULTS:**

- ❖ Continued work with the Alliance group on community debt management.

GOAL: FISCAL HEALTH**RESULTS:**

- ❖ Funded those programs and activities that are not readily associated with a single department or division within the City.
- ❖ Completed an annual audit per City Charter by an Independent Certified Public Accountant.
- ❖ Updated the OMB A87 study, which will be implemented in FY2005.
- ❖ Conducted a successful bond program in the community, resulting in 10 out of 13 proposed projects passing.
- ❖ Evaluated the most effective approach to update the census, which will be based on Arizona Department of Economic Security estimates.

GOAL: ORGANIZATIONAL SUPPORT**RESULTS:**

- ❖ Recognized outstanding employees through the City Manager's Award program.
- ❖ Continue to provide adequate computer and communication equipment to enable staff to perform at their highest level.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Completed purchase of Heil and APS buildings in continuing redevelopment efforts.
- ❖ Supported United Way fund raising efforts through the support of a staff activity

FY 05 GOALS AND OBJECTIVES**GOAL: COLLABORATION****OBJECTIVE:**

- ❖ Continue work with the Alliance group on community debt management.

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.
- ❖ Update the OMB A87 study to implement in the next fiscal year.

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

No performance indicators available at this time.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ 75,100	\$ 67,664	\$ 64,240	\$ 70,762	\$ 3,098
CONTRACTUAL	1,368,561	2,240,960	1,647,955	2,172,100	(68,860)
COMMODITIES	415,391	292,258	299,446	856,576	564,318
CAPITAL	887,324	4,695,245	2,292,200	2,301,798	(2,393,447)
TOTAL	\$ 2,746,376	\$ 7,296,127	\$ 4,303,841	\$ 5,401,236	\$ (1,894,891)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 1,281,806	\$ 1,150,718	\$ 1,019,175	\$ 1,234,776	\$ 84,058
EMPLOYEE BENEFITS	78,596	49,000	50,144	49,000	-
INSURANCE	648,000	915,500	908,000	915,500	-
CONSULTANTS	258,051	684,500	306,674	446,000	(238,500)
COPY CENTER	8,041	17,164	10,238	51,662	34,498
REDEVELOPMENT	403,865	406,000	190,463	583,000	177,000
DOWNTOWN REDEVELOPMENT	66,218	4,052,000	1,819,147	2,100,053	(1,951,947)
HERITAGE SQUARE CANOPY	1,799	21,245	-	21,245	-
TOTAL	\$ 2,746,376	\$ 7,296,127	\$ 4,303,841	\$ 5,401,236	\$ (1,894,891)
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 4,864,881	
	LIBRARY FUND			33,990	
	HIGHWAY USER REVENUE FUND			112,704	
	WATER AND WASTEWATER FUND			204,988	
	STORMWATER FUND			10,767	
	AIRPORT FUND			48,192	
	ENVIRONMENTAL SERVICES FUND			125,714	
				\$ 5,401,236	
COMMENTARY:					
<p>The Non-Departmental operating budget has increased 19% and capital expenditures total \$2,301,798 resulting in an overall net decrease of 26%. Personal Services increases are due to the employee market, merit, and insurance costs. Contractual decreases are due to the elimination of one time funding in FY2004 for a special census (\$500,000). Commodities increases are related to information services expenditures throughout the City and redevelopment efforts. Major capital (>\$10,000) includes a canopy at Heritage Square (\$21,245), a vehicle (\$15,500), 3 copiers (\$30,000), redevelopment (\$2,095,053) and AS400 replacement (\$140,000).</p>					

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.

FY 04 GOALS AND RESULTS**GOAL: FISCAL RESPONSIBILITY****RESULTS:**

- ❖ Benefit distributions were made in a timely manner to the three current participants.

FY 05 GOALS AND OBJECTIVES**GOAL: FISCAL RESPONSIBILITY****OBJECTIVES:**

Ensure that benefit distributions are made in a timely manner to all qualified recipients.

PERFORMANCE INDICATORS

No performance indicators available at this time.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -
CONTRACTUAL	7,200	7,200	7,200	7,200	-
COMMODITIES	-	-	-	-	-
CAPITAL	-	-	-	-	-
TOTAL	\$ 7,200	\$ 7,200	\$ 7,200	\$ 7,200	\$ -
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 7,200	\$ 7,200	\$ 7,200	\$ 7,200	\$ -
TOTAL	\$ 7,200	\$ 7,200	\$ 7,200	\$ 7,200	\$ -
SOURCE OF FUNDING:					
FIREMEN'S PENSION FUND				\$ 7,200	
				\$ 7,200	
COMMENTARY:					
The Firemen's Pension operating budget has not changed. 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.

- ❖ Assist existing area basic sector businesses by providing referral and consultation services, financial expertise, coordinated business training seminars, and general technical assistance.
- ❖ 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.

FY 04 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.

PERFORMANCE INDICATORS

No performance indicators available at this time.

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ -	\$ -	\$ -	\$ -	\$ -
CONTRACTUAL	410,708	446,400	424,381	459,400	13,000
COMMODITIES	-	-	19	-	-
CAPITAL	-	-	-	-	-
TOTAL	\$ 410,708	\$ 446,400	\$ 424,400	\$ 459,400	\$ 13,000
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 307,091	\$ 317,000	\$ 317,000	\$ 330,000	\$ 13,000
CONTRIBUTIONS	7,400	7,400	7,400	7,400	-
TELECOM	96,217	100,000	100,000	100,000	-
PARTNERSHIP TRAINING	-	22,000	-	22,000	-
TOTAL	\$ 410,708	\$ 446,400	\$ 424,400	\$ 459,400	\$ 13,000
SOURCE OF FUNDING:					
ECONOMIC DEVELOPMENT FUND				\$ 459,400	
				\$ 459,400	
COMMENTARY:					
The Economic Development operating budget has increased 3% and there are no capital expenditures. The increase is due to additional funding for GFEC.					

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.

FY 04 GOALS AND RESULTS

RESULTS:

- ❖ Increase bus frequency to 30 minutes on route 2, 66, and 4.
- ❖ Began planning for downtown circulator project.
- ❖ Added route 5 with service to Cheshire.
- ❖ Installed lighted signage at 40 stops.
- ❖ Installed ten bus shelters.

FY 04 ADDITIONAL ACCOMPLISHMENTS

- ❖ Received a \$1.4 million capital grant.
- ❖ Scored 6.3 for overall rider satisfaction on 1-7 scale.

FY 05 GOALS AND OBJECTIVES

GOAL: PLANNING FOR GROWTH

OBJECTIVES:

- ❖ Provide Saturday service on route 5.
- ❖ Increase ridership to 350,000 per year.
- ❖ Complete downtown circulator study.
- ❖ Install ten bus shelters.
- ❖ Purchase a transit facility.
- ❖

EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2002-2003	Adopted Budget 2003-2004	Estimated Expenditures 2003-2004	Proposed Budget 2004-2005	Budget-Budget Variance
PERSONAL SERVICES	\$ (61)	\$ -	\$ -	\$ -	\$ -
CONTRACTUAL	1,522,463	2,016,199	2,016,199	2,267,779	251,580
COMMODITIES	-	-	-	-	-
CAPITAL	-	-	-	-	-
TOTAL	\$ 1,522,402	\$ 2,016,199	\$ 2,016,199	\$ 2,267,779	\$ 251,580
EXPENDITURES BY PROGRAM:					
TRANSIT IMPROVEMENTS	\$ 1,522,402	\$ 2,016,199	\$ 2,016,199	\$ 2,267,779	\$ 251,580
TOTAL	\$ 1,522,402	\$ 2,016,199	\$ 2,016,199	\$ 2,267,779	\$ 251,580
SOURCE OF FUNDING:					
TRANSPORTATION FUND				\$ 2,267,779	
				\$ 2,267,779	
COMMENTARY:					
The Transit budget has increased by 12% this fiscal year. This is due to increased costs including but not limited to liability insurance, rents and employee benefits. The City contracts with the County to run the Transit System We contribute monthly based on the appropriated budget.					



CAPITAL IMPROVEMENTS

FY 2005 CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) for FY 2005 represents a \$96.7 million investment of public funds in infrastructure and public facilities. The project mix has changed from prior years to 50.5% of the funding being provided on the pay-as-you-go basis versus 71% in FY 2004. The major projects in this year's budget are Fourth Street overpass, Empire Avenue extension, East Flag Gateway, Airport improvements and the Rio De Flag project. This year's capital improvement program is funded 38.3% through debt financing including the Fourth Street bond program and Water and Wastewater projects authorized by voters in May 2004. The grant

funding of 11.2% is primarily for airport expansion, beautification, and streets.

In May 2004 voters approved 10 bond projects totaling \$155.2 million. These projects will be phased in over a 10-year period and budgeted on a cash flow basis.

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.

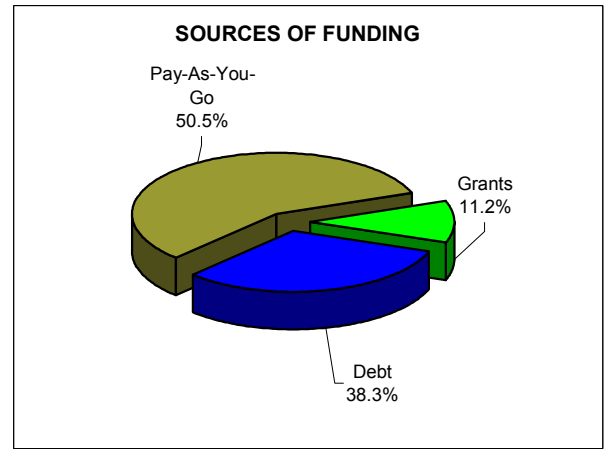
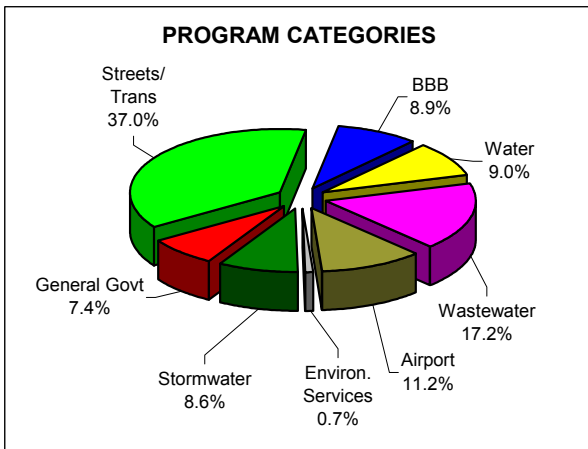
The following pages provided listing of the Capital Improvement projects along with a map to show the location of the improvements. The City Geographic Information System program provided the maps.

Funded projects in the five-year Capital Improvement Program fall into the following eight broad categories:

General Government	7.4%	\$ 7,134,129
Streets/Transportation	37.0%	35,777,423
BBB	8.9%	8,587,715
Water	9.0%	8,695,777
Wastewater	17.2%	16,673,161
Airport	11.2%	10,846,558
Environmental Services	0.7%	718,265
Stormwater	8.6%	8,317,670
	<u>100.0%</u>	<u>\$ 96,750,698</u>

Sources of funding are categorized in three categories as shown below:

Debt	38.3%	\$ 37,007,476
Pay-As-You-Go	50.5%	48,873,837
Grants	11.2%	10,869,385
	<u>100.0%</u>	<u>\$ 96,750,698</u>



SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2004-2005

GENERAL GOVERNMENT

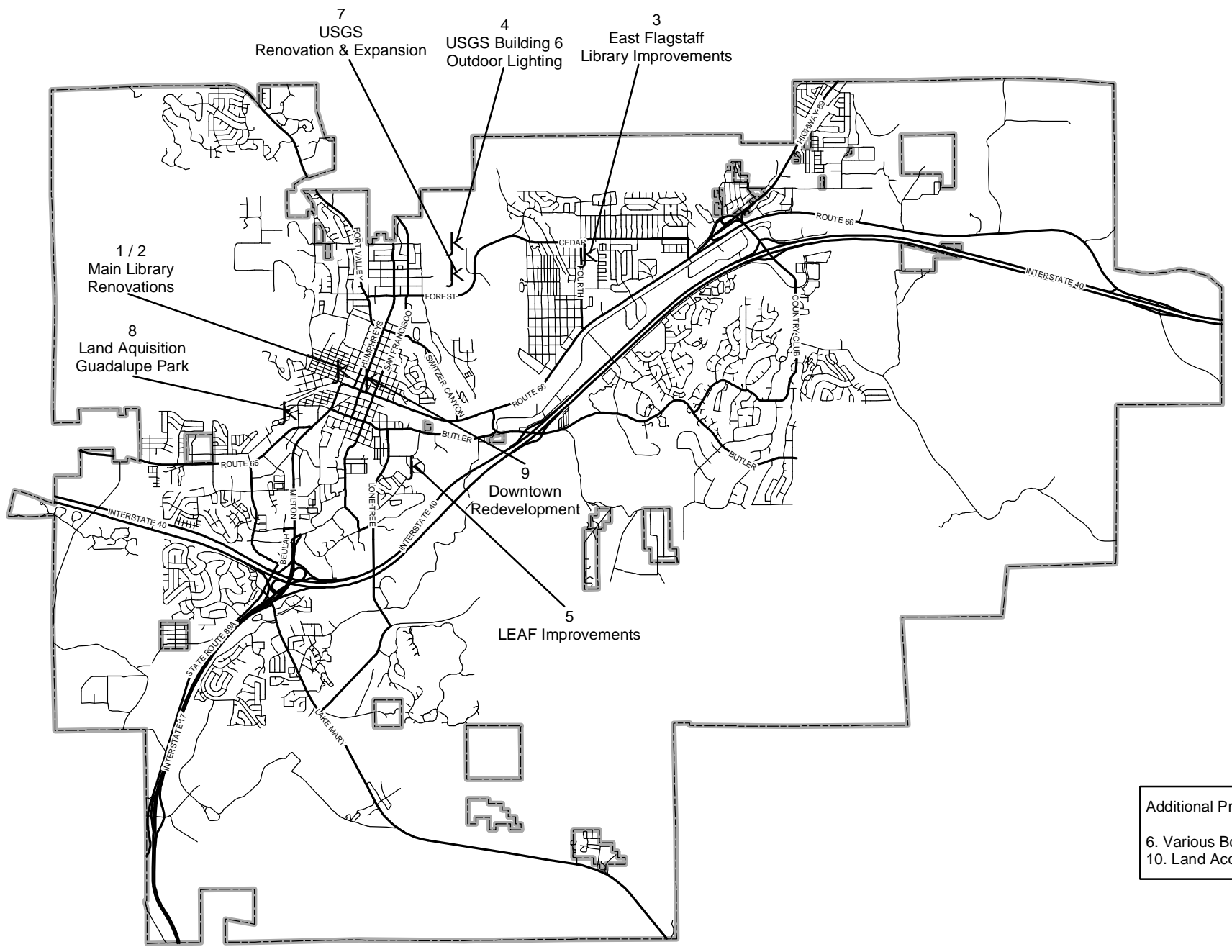
APPROPRIATIONS

	DIV	PROJECT	CARRY FY 2004	BUDGET FY 2005
1	11	AIR CONDITIONER FOR MAIN LIBRARY	\$ 100,000	240,000
2	11	REMODEL BATHROOMS AT MAIN LIBRARY	40,000	40,000
3	11	EAST FLAG BRANCH BUILDING IMPROVEMENTS	18,394	18,394
4	20	USGS BUILDING 6 - OUTDOOR LIGHTING	-	30,000
5	22	LEAF IMPROVEMENTS	-	37,243
6	24	VARIOUS BOND PROJECTS	-	3,297,539
7	24	USGS RENOVATION & EXPANSION	-	500,000
8	26	LAND ACQUISITION - GUADALUPE	200,000	200,000
9	66	REDEVELOPMENT	2,065,053	2,095,053
10	67	LAND ACQUISITION COSTS	660,900	675,900
			<u>\$ 3,084,347</u>	<u>7,134,129</u>

SOURCES OF FUNDING

	DIV	PROJECT	GENERAL FUND	BONDS	OTHER	TOTAL
1	11	AIR CONDITIONER FOR MAIN LIBRARY	\$ -	-	240,000	240,000
2	11	REMODEL BATHROOMS AT MAIN LIBRARY	-	-	40,000	40,000
3	11	EAST FLAG BRANCH BUILDING IMPROVEMENTS	-	-	18,394	18,394
4	20	USGS BUILDING 6 - OUTDOOR LIGHTING	-	-	30,000	30,000
5	22	LEAF IMPROVEMENTS	37,243	-	-	37,243
6	24	VARIOUS BOND PROJECTS	-	3,297,539	-	3,297,539
7	24	USGS RENOVATION & EXPANSION	-	500,000	-	500,000
8	26	LAND ACQUISITION - GUADALUPE	200,000	-	-	200,000
9	66	REDEVELOPMENT	2,095,053	-	-	2,095,053
10	67	LAND ACQUISITION COSTS	-	-	675,900	675,900
			<u>\$ 2,332,296</u>	<u>3,797,539</u>	<u>1,004,294</u>	<u>7,134,129</u>

**GENERAL GOVERNMENT PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2004-2005**



Additional Projects:
6. Various Bond Projects
10. Land Acquisition Costs

The City of Flagstaff
June 2004

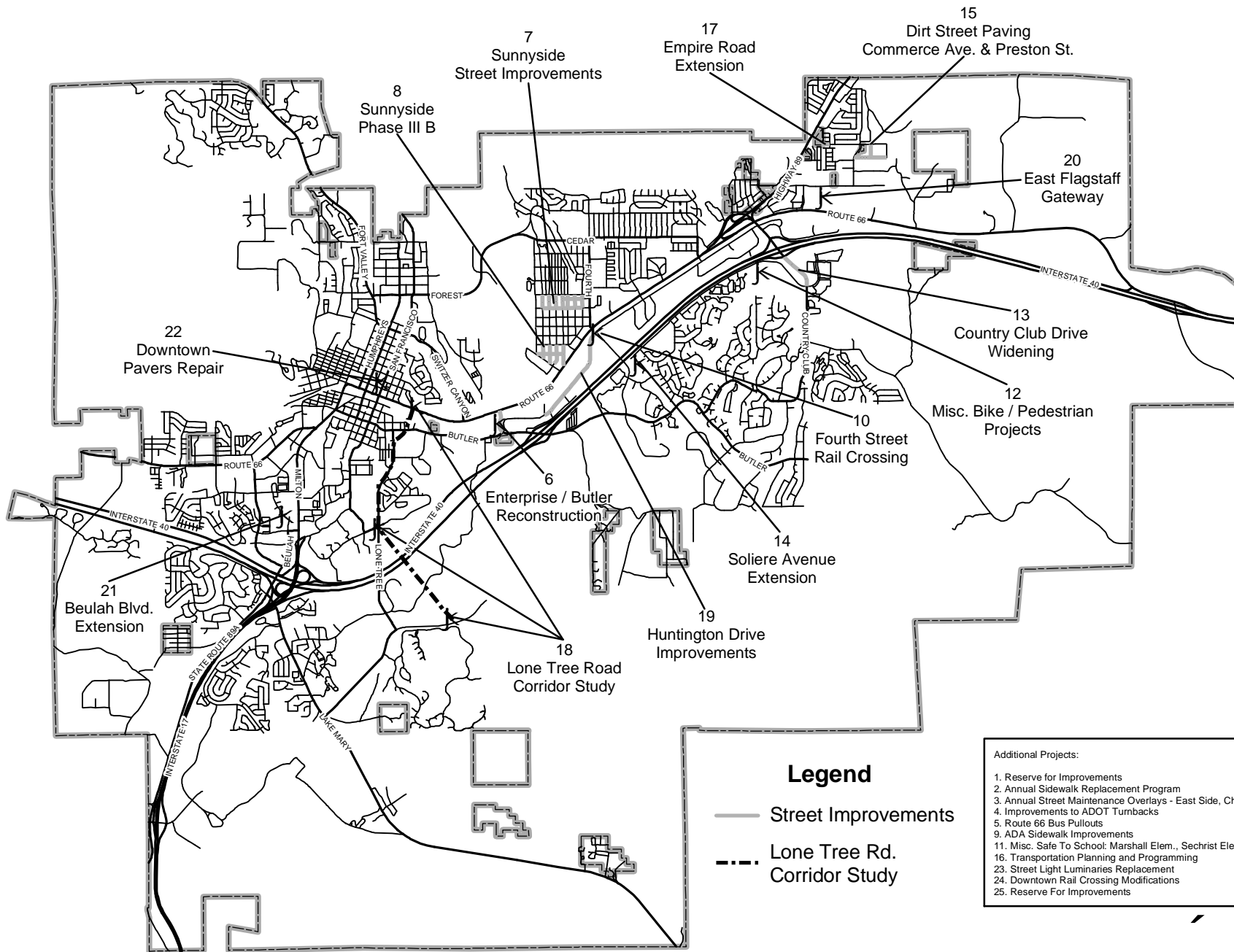
SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2004-2005

STREETS/TRANSPORTATION
APPROPRIATIONS

DIV	PROJECT	CARRY FY 2004	BUDGET FY 2005
1	33 RESERVE FOR IMPROVEMENTS	\$ -	50,000
2	33 ANNUAL SIDEWALK REPLACEMENT PGM	-	15,000
3	33 ANNUAL STREET MAINTENANCE PGM	45,000	1,522,720
4	33 IMPROVEMENTS TO ADOT TURNBACKS	-	2,000,000
5	33 ROUTE 66 BUS PULLOUTS	270,823	292,575
6	33 ENTERPRISE/BUTLER RECONSTRUCTION	8,536	8,536
7	33 SUNNYSIDE STREET IMPROVEMENTS	235,102	235,102
8	33 SUNNYSIDE PHASE III B	-	300,000
9	33 ADA SIDEWALK COMPLIANCE	51,942	143,513
10	35 FOURTH ST RAIL CROSSING	-	15,387,200
11	92 MISC SAFE TO SCHOOL PROJECTS	-	961,742
12	92 MISC BIKE/PED PROJECTS	-	755,340
13	92 COUNTRY CLUB DRIVE WIDENING	-	25,961
14	92 SOLIERE AVENUE EXTENSION	-	85,969
15	92 DIRT STREETS PROGRAM	-	787,931
16	92 TRANSPORTATION PLANNING & PROGRAMMING	414,178	598,054
17	92 EMPIRE ROAD EXTENSION	938,217	1,906,821
18	92 LONE TREE ROAD STUDY	-	142,960
19	92 HUNTINGTON DRIVE IMPROVEMENTS	-	980,149
20	92 EAST FLAGSTAFF GATEWAY	8,417,588	8,417,588
21	92 BEULAH BLVD EXTENSION	500,000	950,000
22	92 DOWNTOWN PAVERS REPAIRS	-	75,000
23	92 STREET LIGHT LUMINARIES REPLACEMENT	-	100,000
24	92 DOWNTOWN RAIL CROSSING MODIFICATIONS	-	10,262
25	92 RESERVE FOR IMPROVEMENTS	-	25,000
TOTAL STREETS/TRANSPORTATION		\$ 10,881,386	35,777,423

SOURCES OF FUNDING

DIV	PROJECT	HURF	TRANS- PORTATION	GRANTS	BONDS	OTHER	TOTAL
1	33 RESERVE FOR IMPROVEMENTS	\$ 50,000	-	-	-	-	50,000
2	33 ANNUAL SIDEWALK REPLACEMENT PGM	15,000	-	-	-	-	15,000
3	33 ANNUAL STREET MAINTENANCE PGM	1,522,720	-	-	-	-	1,522,720
4	33 IMPROVEMENTS TO ADOT TURNBACKS	-	-	-	-	2,000,000	2,000,000
5	33 ROUTE 66 BUS PULLOUTS	-	-	292,575	-	-	292,575
6	33 ENTERPRISE/BUTLER RECONSTRUCTION	8,536	-	-	-	-	8,536
7	33 SUNNYSIDE STREET IMPROVEMENTS	235,102	-	-	-	-	235,102
8	33 SUNNYSIDE PHASE III B	300,000	-	-	-	-	300,000
9	33 ADA SIDEWALK COMPLIANCE	143,513	-	-	-	-	143,513
10	35 FOURTH ST RAIL CROSSING	-	-	-	15,387,200	-	15,387,200
11	92 MISC SAFE TO SCHOOL PROJECTS	-	961,742	-	-	-	961,742
12	92 MISC BIKE/PED PROJECTS	-	755,340	-	-	-	755,340
13	92 COUNTRY CLUB DRIVE WIDENING	-	25,961	-	-	-	25,961
14	92 SOLIERE AVENUE EXTENSION	-	85,969	-	-	-	85,969
15	92 DIRT STREETS PROGRAM	-	787,931	-	-	-	787,931
16	92 TRANSPORTATION PLANNING & PROGRAMMING	-	598,054	-	-	-	598,054
17	92 EMPIRE ROAD EXTENSION	-	1,656,821	250,000	-	-	1,906,821
18	92 LONE TREE ROAD STUDY	-	142,960	-	-	-	142,960
19	92 HUNTINGTON DRIVE IMPROVEMENTS	-	980,149	-	-	-	980,149
20	92 EAST FLAGSTAFF GATEWAY	-	3,750,000	-	-	4,667,588	8,417,588
21	92 BEULAH BLVD EXTENSION	-	950,000	-	-	-	950,000
22	92 DOWNTOWN PAVERS REPAIRS	-	75,000	-	-	-	75,000
23	92 STREET LIGHT LUMINARIES REPLACEMENT	-	100,000	-	-	-	100,000
24	92 DOWNTOWN RAIL CROSSING MODIFICATIONS	-	10,262	-	-	-	10,262
25	92 RESERVE FOR IMPROVEMENTS	-	25,000	-	-	-	25,000
		\$ 2,274,871	10,905,189	542,575	15,387,200	6,667,588	35,777,423



**STREETS / TRANSPORTATION PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2004-2005**

- Legend**
- Street Improvements
 - - - Lone Tree Rd. Corridor Study

- Additional Projects:
1. Reserve for Improvements
 2. Annual Sidewalk Replacement Program
 3. Annual Street Maintenance Overlays - East Side, Chip Seal - SW Quadrant
 4. Improvements to ADOT Turnbacks
 5. Route 66 Bus Pullouts
 9. ADA Sidewalk Improvements
 11. Misc. Safe To School: Marshall Elem., Sechrist Elem., S. Beaver Elem., Weitzel Elem.
 16. Transportation Planning and Programming
 23. Street Light Luminaries Replacement
 24. Downtown Rail Crossing Modifications
 25. Reserve For Improvements

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2004-2005

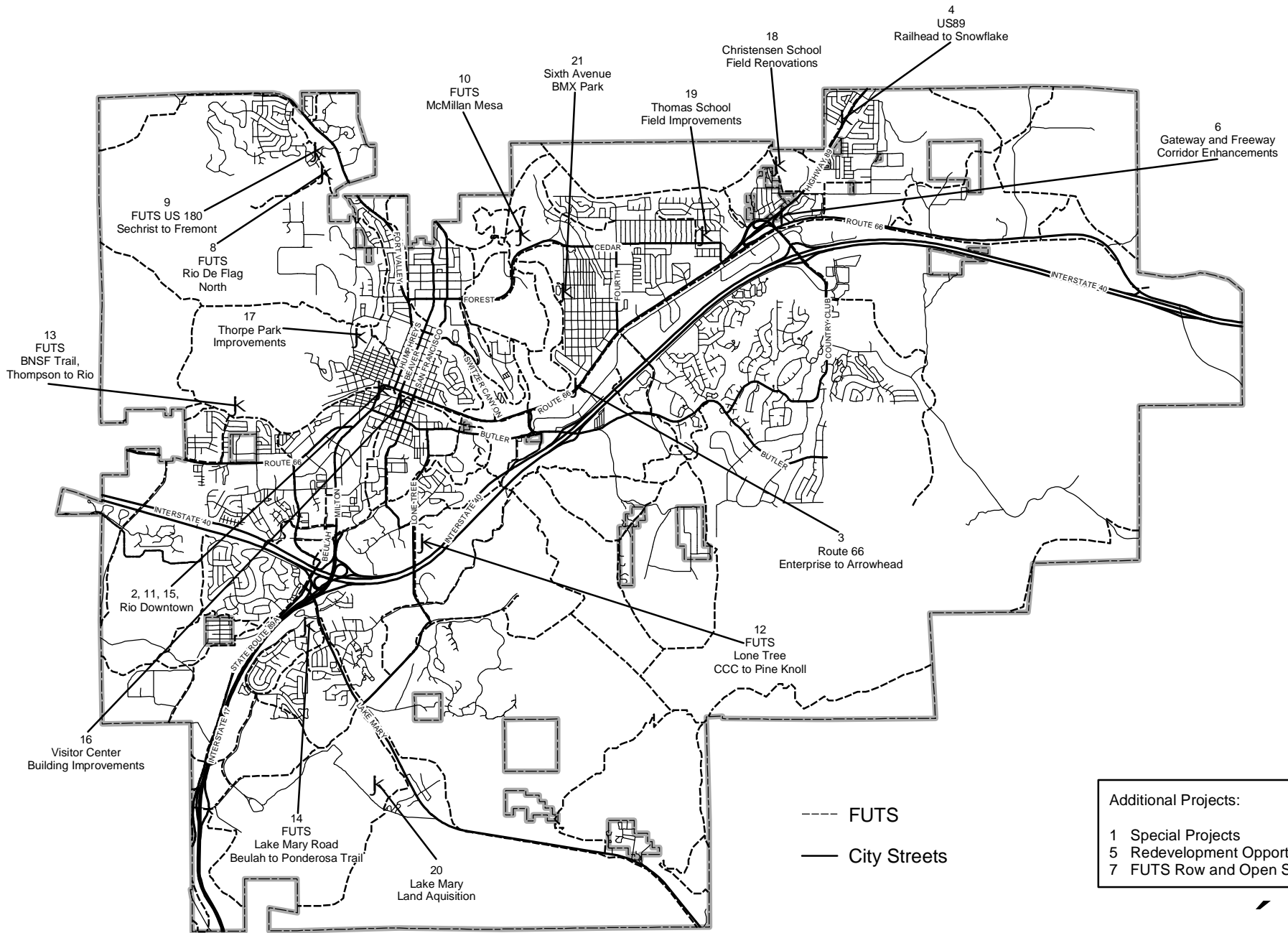
BBB

APPROPRIATIONS

DIV	PROJECT	CARRY FY 2004	BUDGET FY 2005
1 74	SPECIAL PROJECTS	\$ -	25,625
2 74	OPEN SPACE REHABILITATION	-	30,000
3 74	RT 66 - ENTERPRISE TO ARROWHEAD	240,000	214,141
4 74	US 89 RAILHEAD TO SNOWFLAKE	550,000	1,042,293
5 74	REDEVELOPMENT OPPORTUNITY FUND	-	28,500
6 74	GATEWAY AND FREEWAY CORRIDOR ENHANCEMENTS	76,212	76,212
7 75	FUTS - ROW AND OPEN SPACE ACQUISITIONS	100,000	80,000
8 75	FUTS - RIO DE FLAG NORTH	201,688	221,607
9 75	FUTS - US 180 MULTI-USE PATH	700,000	800,000
10 75	FUTS - MCMILLAN MESA SYSTEM	-	436,371
11 75	FUTS - DOWNTOWN CORRIDOR	50,000	50,000
12 75	FUTS - LONETREE CORRIDOR	-	453,701
13 75	FUTS - BNSF TRAIL, THOMPSON TO RIO	62,620	674,221
14 75	FUTS - LAKE MARY ROAD, PONDEROSA TRAIL	200,000	300,204
15 75	FUTS - US 180 TO BEAVER	28,000	35,900
16 85	VISITOR CENTER RENOVATIONS	62,000	70,000
17 91	THORPE PARK IMPROVEMENTS	1,640,455	1,640,455
18 91	CHRISTENSEN SCHOOL FIELD IMPROVEMENTS	-	419,693
19 91	THOMAS SCHOOL FIELD IMPROVEMENTS	332,212	332,212
20 91	LAKE MARY LAND ACQUISITION	-	1,025,000
21 91	SIXTH AVENUE BMX PARK	-	631,580
TOTAL BBB		\$ 4,243,187	8,587,715

SOURCES OF FUNDING

DIV	PROJECT	BBB	TRANS- PORTATION	GRANTS	BONDS	TOTAL
1 74	SPECIAL PROJECTS	\$ 25,625	-	-	-	25,625
2 74	OPEN SPACE REHABILITATION	30,000	-	-	-	30,000
3 74	RT 66 - ENTERPRISE TO ARROWHEAD	102,451	111,690	-	-	214,141
4 74	US 89 RAILHEAD TO SNOWFLAKE	417,293	125,000	500,000	-	1,042,293
5 74	REDEVELOPMENT OPPORTUNITY FUND	28,500	-	-	-	28,500
6 74	GATEWAY AND FREEWAY CORRIDOR ENHANCEMENTS	76,212	-	-	-	76,212
7 75	FUTS - ROW AND OPEN SPACE ACQUISITIONS	80,000	-	-	-	80,000
8 75	FUTS - RIO DE FLAG NORTH	121,607	-	100,000	-	221,607
9 75	FUTS - US 180 MULTI-USE PATH	200,000	100,000	500,000	-	800,000
10 75	FUTS - MCMILLAN MESA SYSTEM	186,371	170,000	80,000	-	436,371
11 75	FUTS - DOWNTOWN CORRIDOR	50,000	-	-	-	50,000
12 75	FUTS - LONETREE CORRIDOR	453,701	-	-	-	453,701
13 75	FUTS - BNSF TRAIL, THOMPSON TO RIO	474,221	200,000	-	-	674,221
14 75	FUTS - LAKE MARY ROAD, PONDEROSA TRAIL	-	300,204	-	-	300,204
15 75	FUTS - US 180 TO BEAVER	35,900	-	-	-	35,900
16 85	VISITOR CENTER RENOVATIONS	70,000	-	-	-	70,000
17 91	THORPE PARK IMPROVEMENTS	508,869	-	550,000	581,586	1,640,455
18 91	CHRISTENSEN SCHOOL FIELD IMPROVEMENTS	419,693	-	-	-	419,693
19 91	THOMAS SCHOOL FIELD IMPROVEMENTS	332,212	-	-	-	332,212
20 91	LAKE MARY LAND ACQUISITION	1,025,000	-	-	-	1,025,000
21 91	SIXTH AVENUE BMX PARK	312,580	-	319,000	-	631,580
TOTAL BBB		\$ 4,950,235	1,006,894	2,049,000	581,586	8,587,715



**BBB FUNDED PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2004-2005**

- Additional Projects:
- 1 Special Projects
 - 5 Redevelopment Opportunity Fund
 - 7 FUTS Row and Open Space Acquisitions

--- FUTS
— City Streets

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2004-2005

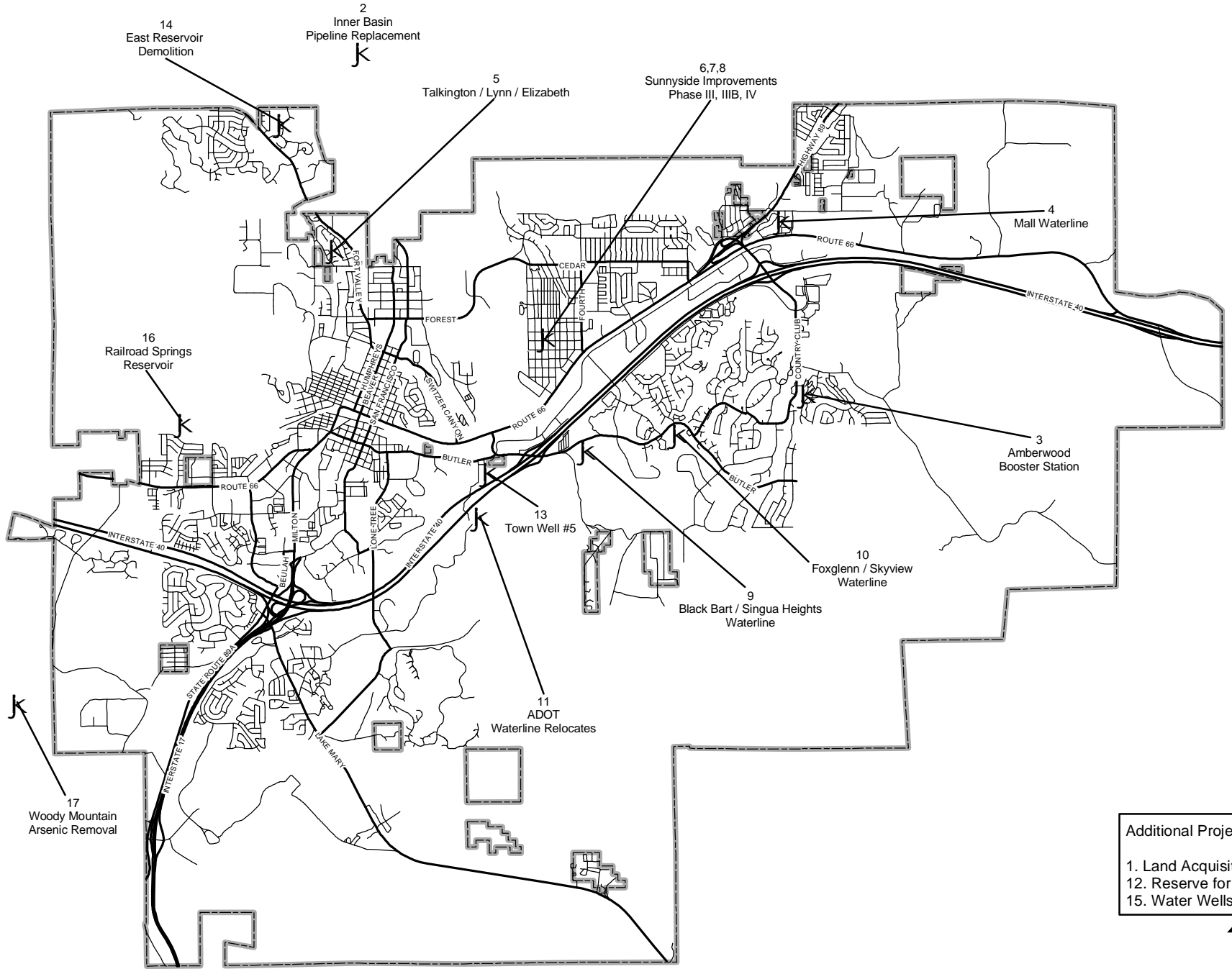
WATER

APPROPRIATIONS

	DIV	PROJECT	CARRY FY 2004	BUDGET FY 2005
1	47	LAND ACQUISITION	\$ -	20,000
2	47	INNER BASIN PIPELINE REPLACEMENT	89,819	200,000
3	51	AMBERWOOD BOOSTER	7,000	7,000
4	51	MALL WATERLINE	400,000	805,878
5	51	TALKINGTON/LYNN/ELIZABETH	-	313,282
6	51	SUNNYSIDE PH III	351,198	351,198
7	51	SUNNYSIDE PH III B	-	62,383
8	51	SUNNYSIDE PH IV	-	379,269
9	51	BLACK BART/SINAGUA WATERLINE	753,179	1,234,898
10	51	FOXGLENN/SKYVIEW WATERLINE	768,378	1,173,277
11	51	ADOT WATERLINE RELOCATES	-	352,121
12	51	RESERVE FOR IMPROVEMENTS	-	119,405
13	52	TOWN WELL #5	396,568	397,566
14	52	EAST RESERVOIR DEMOLITION	-	50,000
15	52	WATER WELLS	-	2,575,000
16	52	RAILROAD SPRINGS RESERVOIR	-	500,000
17	52	WOOD MOUNTAIN ARSENIC REMOVAL	154,500	154,500
		TOTAL WATER	<u>\$ 2,920,642</u>	<u>8,695,777</u>

SOURCES OF FUNDING

	DIV	PROJECT	OPERATING	BONDS	TOTAL
1	47	LAND ACQUISITION	\$ 20,000	-	20,000
2	47	INNER BASIN PIPELINE REPLACEMENT	200,000	-	200,000
3	51	AMBERWOOD BOOSTER	7,000	-	7,000
4	51	MALL WATERLINE	805,878	-	805,878
5	51	TALKINGTON/LYNN/ELIZABETH	313,282	-	313,282
6	51	SUNNYSIDE PH III	351,198	-	351,198
7	51	SUNNYSIDE PH III B	62,383	-	62,383
8	51	SUNNYSIDE PH IV	379,269	-	379,269
9	51	BLACK BART/SINAGUA WATERLINE	1,234,898	-	1,234,898
10	51	FOXGLENN/SKYVIEW WATERLINE	1,173,277	-	1,173,277
11	51	ADOT WATERLINE RELOCATES	352,121	-	352,121
12	51	RESERVE FOR IMPROVEMENTS	119,405	-	119,405
13	52	TOWN WELL #5	397,566	-	397,566
14	52	EAST RESERVOIR DEMOLITION	50,000	-	50,000
15	52	WATER WELLS	-	2,575,000	2,575,000
16	52	RAILROAD SPRINGS RESERVOIR	500,000	-	500,000
17	52	WOOD MOUNTAIN ARSENIC REMOVAL	154,500	-	154,500
		TOTAL WATER	<u>\$ 6,120,777</u>	<u>2,575,000</u>	<u>8,695,777</u>



**WATER SYSTEM PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2004-2005**

Additional Projects:
 1. Land Acquisition
 12. Reserve for Improvements
 15. Water Wells

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2004-2005

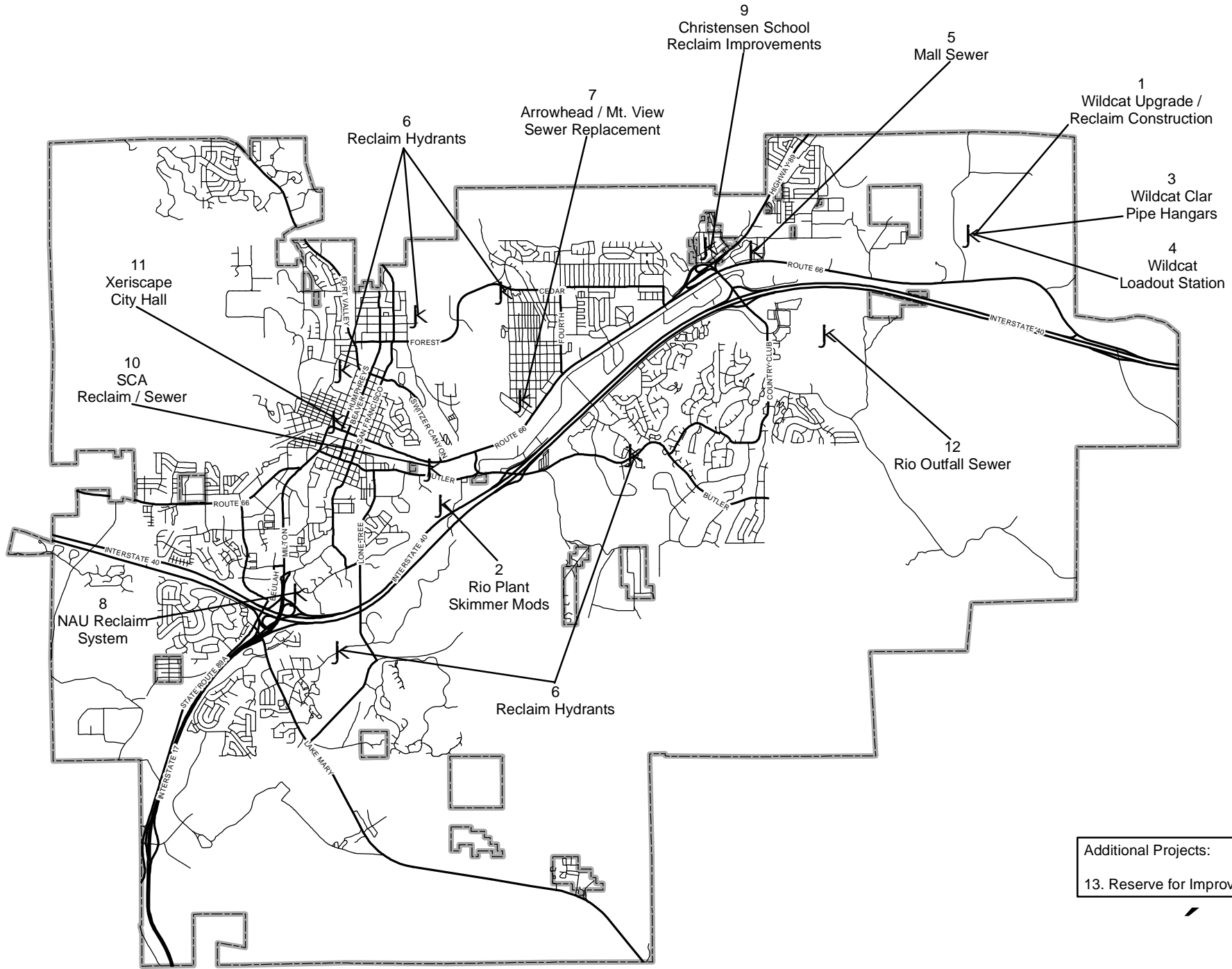
WASTEWATER

APPROPRIATIONS

	DIV	PROJECT	CARRY FY 2004	BUDGET FY 2005
1	57	WC UPGRADE/RECLAIM CONSTRUCTION	\$ 1,209,300	12,149,694
2	57	RIO PLANT CLAR SKIMMER MODS	-	100,000
3	57	WILDCAT CLAR PIPE HANGARS	-	60,000
4	57	WILDCAT LOADOUT STATION	50,000	50,000
5	58	MALL SEWER	406,084	808,929
6	58	RECLAIM HYDRANTS	75,236	151,899
7	58	ARROWHEAD/MT VIEW SEWER	258,429	258,429
8	58	NAU RECLAIM SYSTEM	469,201	707,219
9	58	CHRISTENSEN SCHOOL RECLAIM LINE	433,528	957,629
10	58	SCA RECLAIM/SEWER	-	513,383
11	58	XERISCAPE CITY HALL	-	100,000
12	58	RIO OUTFALL	236,330	726,425
13	58	RESERVE FOR IMPROVEMENTS	-	89,554
		TOTAL WASTEWATER	<u>\$ 3,138,108</u>	<u>16,673,161</u>

SOURCES OF FUNDING

	DIV	PROJECT	OPERATING	GRANTS	BONDS	TOTAL
1	57	WC UPGRADE/RECLAIM CONSTRUCTION	\$ -	-	12,149,694	12,149,694
2	57	RIO PLANT CLAR SKIMMER MODS	100,000	-	-	100,000
3	57	WILDCAT CLAR PIPE HANGARS	60,000	-	-	60,000
4	57	WILDCAT LOADOUT STATION	50,000	-	-	50,000
5	58	MALL SEWER	808,929	-	-	808,929
6	58	RECLAIM HYDRANTS	151,899	-	-	151,899
7	58	ARROWHEAD/MT VIEW SEWER	258,429	-	-	258,429
8	58	NAU RECLAIM SYSTEM	707,219	-	-	707,219
9	58	CHRISTENSEN SCHOOL RECLAIM LINE	957,629	-	-	957,629
10	58	SCA RECLAIM/SEWER	258,383	255,000	-	513,383
11	58	XERISCAPE CITY HALL	50,000	50,000	-	100,000
12	58	RIO OUTFALL	726,425	-	-	726,425
13	58	RESERVE FOR IMPROVEMENTS	89,554	-	-	89,554
		TOTAL WASTEWATER	<u>\$ 4,218,467</u>	<u>305,000</u>	<u>12,149,694</u>	<u>16,673,161</u>



**WASTEWATER SYSTEM PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2004-2005**

Additional Projects:
13. Reserve for Improvements

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2004-2005

AIRPORT

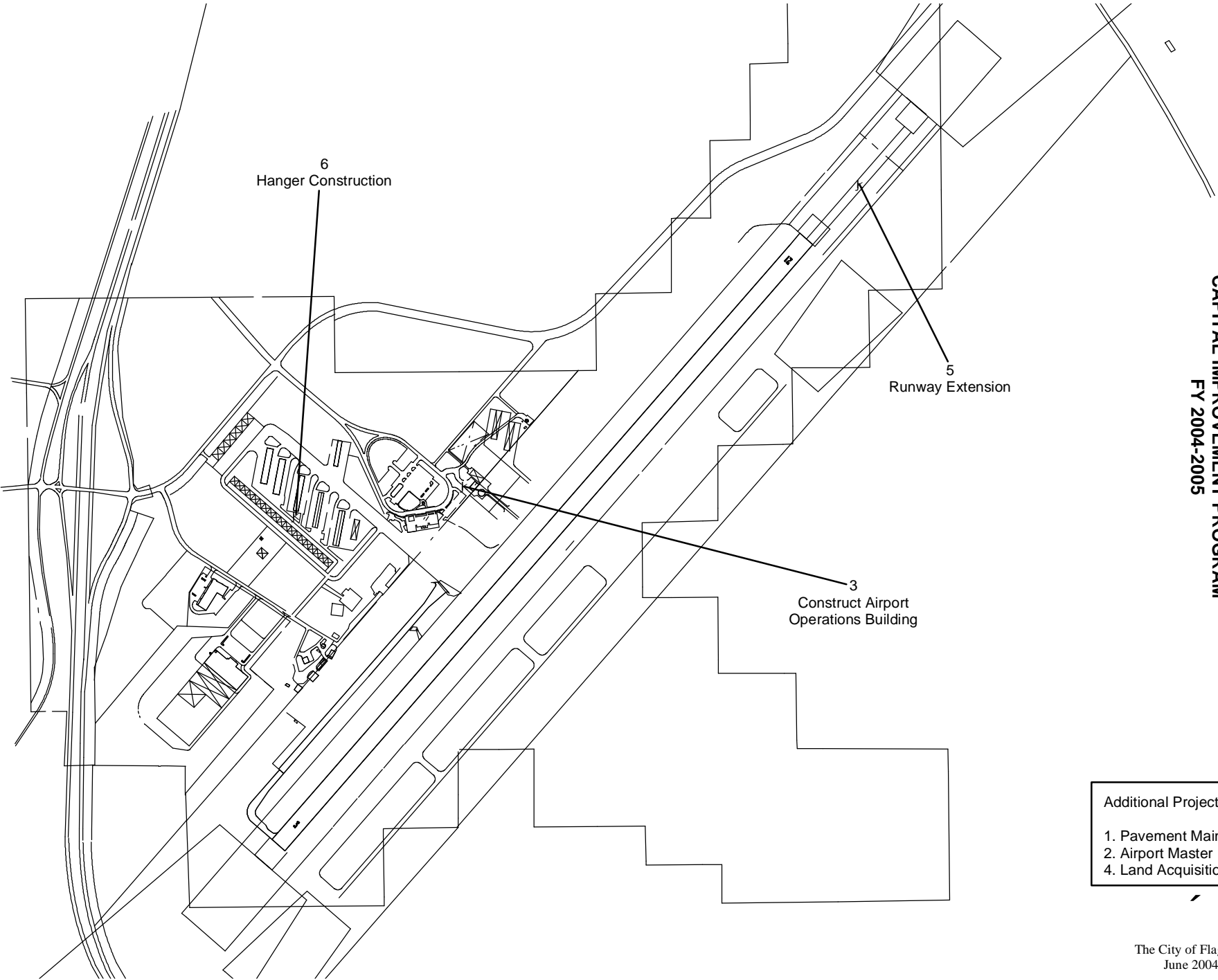
APPROPRIATIONS

DIV		PROJECT	CARRY FY 2004	BUDGET FY 2005
1	37	PAVEMENT MAINTENANCE	\$ -	125,000
2	37	AIRPORT MASTER PLAN	-	252,261
3	37	CONSTRUCT AIRPORT OPERATIONS BLDG	251,098	2,497,145
4	37	LAND ACQUISITION	-	1,140,000
5	37	RUNWAY EXTENSION	375,726	4,315,695
6	37	HANGAR CONSTRUCTION	2,312,504	2,516,457
TOTAL AIRPORT			<u>\$ 2,939,328</u>	<u>10,846,558</u>

SOURCES OF FUNDING

DIV		PROJECT	GRANTS	OPERATING	DEBT	OTHER	TOTAL
1	37	PAVEMENT MAINTENANCE	\$ 112,500	12,500	-	-	125,000
2	37	AIRPORT MASTER PLAN	240,985	11,276	-	-	252,261
3	37	CONSTRUCT AIRPORT OPERATIONS BLDG	2,385,523	111,622	-	-	2,497,145
4	37	LAND ACQUISITION	1,026,000	-	-	114,000	1,140,000
5	37	RUNWAY EXTENSION	4,207,802	107,893	-	-	4,315,695
6	37	HANGAR CONSTRUCTION	-	-	2,516,457	-	2,516,457
TOTAL AIRPORT			<u>\$ 7,972,810</u>	<u>243,291</u>	<u>2,516,457</u>	<u>114,000</u>	<u>10,846,558</u>

**PULLIAM AIRPORT PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2004-2005**



- Additional Projects:
- 1. Pavement Maintenance
 - 2. Airport Master Plan
 - 4. Land Acquisition

SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2004-2005

ENVIRONMENTAL SERVICES

APPROPRIATIONS

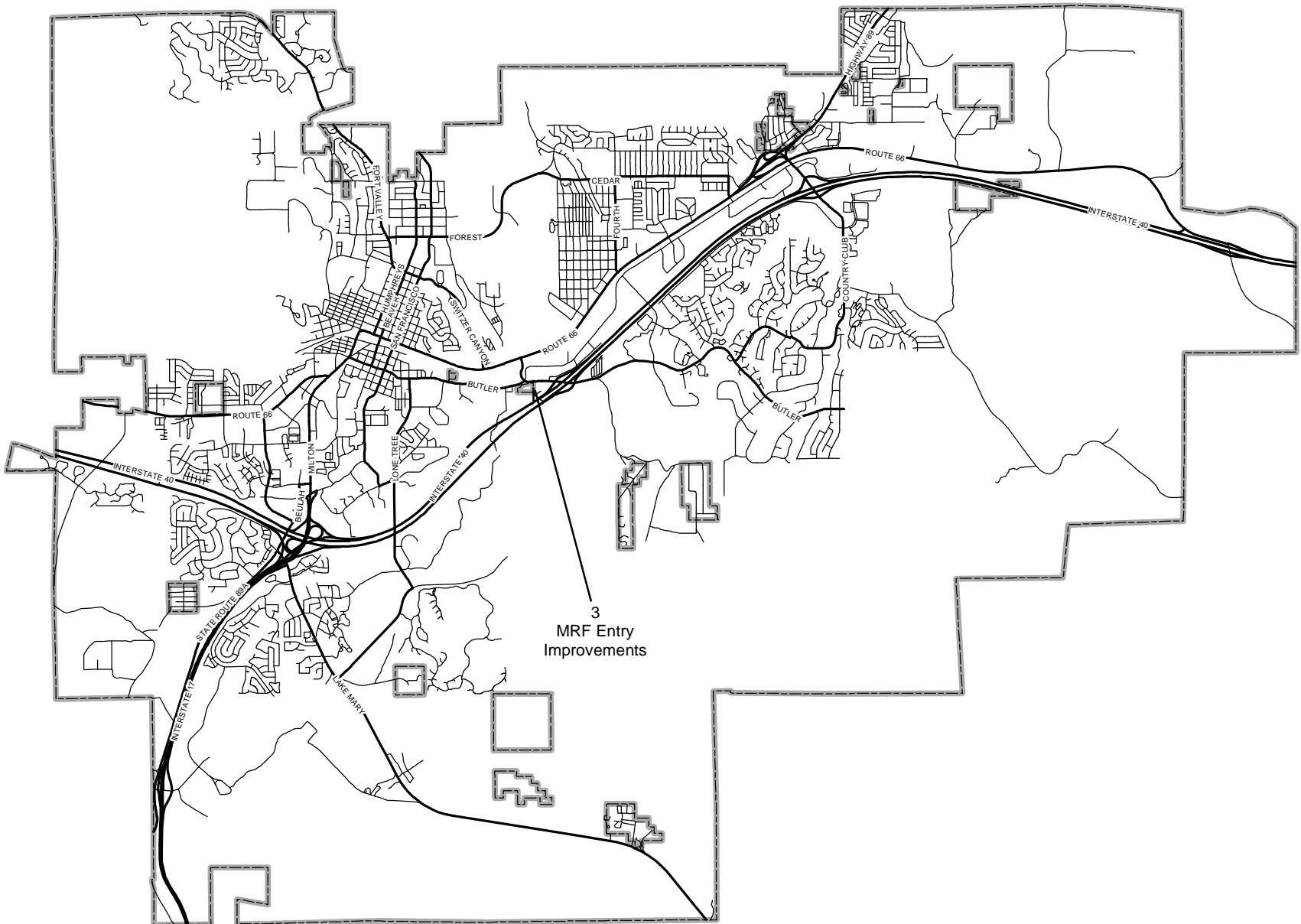
	DIV	PROJECT	CARRY FY 2004	BUDGET FY 2005
1	41	LANDFILL MAINTENANCE BUILDING	\$ -	400,000
2	41	RESIDENTIAL DROP OFF	-	65,000
3	41	MRF ENTRY IMPROVEMENTS	180,000	253,265
		TOTAL ENVIRONMENTAL SERVICES	<u>\$ 180,000</u>	<u>718,265</u>

SOURCES OF FUNDING

	DIV	PROJECT	OPERATING	TOTAL
1	41	LANDFILL MAINTENANCE BUILDING	\$ 400,000	400,000
2	41	RESIDENTIAL DROP OFF	65,000	65,000
3	41	MRF ENTRY IMPROVEMENTS	253,265	253,265
		TOTAL ENVIRONMENTAL SERVICES	<u>\$ 718,265</u>	<u>718,265</u>

**ENVIRONMENTAL SERVICES PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2004-2005**

- 1 Landfill Maintenance Building
 - 2 Residential Drop Off
- k



SCHEDULE OF CAPITAL IMPROVEMENTS - FISCAL YEAR 2004-2005

STORMWATER UTILITY

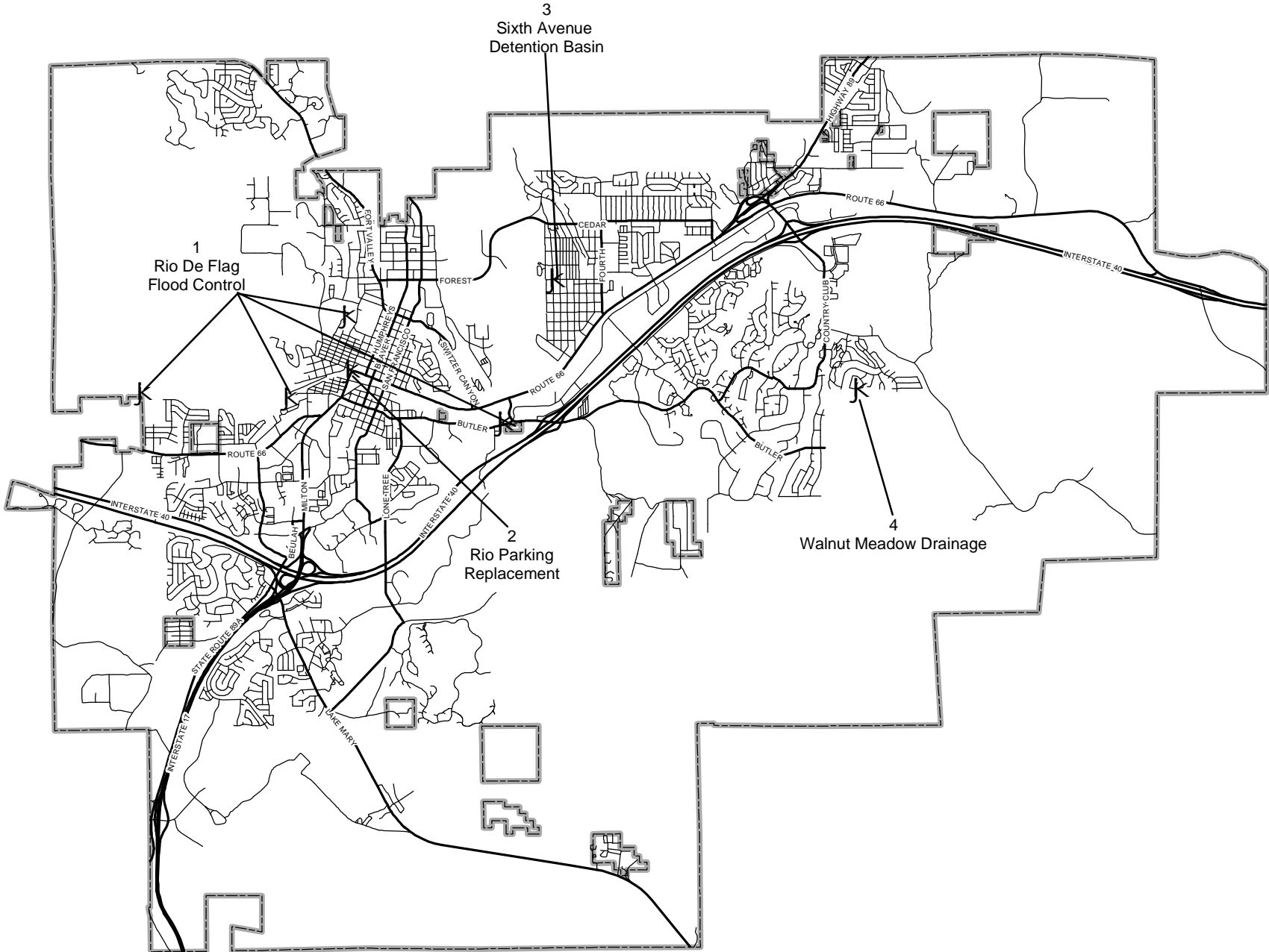
APPROPRIATIONS

			CARRY	BUDGET
			FY 2004	FY 2005
DIV	PROJECT			
1 34	RIO DE FLAG FLOOD CONTROL		\$ 3,315,740	6,875,725
2 34	RIO PARKING REPLACEMENT		-	1,200,000
3 99	SIXTH AVENUE DETENTION BASIN		91,945	91,945
4 99	WALNUT MEADOW DRAINAGE		-	150,000
TOTAL STORMWATER UTILITY			<u>\$ 3,407,685</u>	<u>8,317,670</u>

SOURCES OF FUNDING

			OPERATING	OTHER	TOTAL
DIV	PROJECT				
1 34	RIO DE FLAG FLOOD CONTROL		\$ -	6,875,725	6,875,725
2 34	RIO PARKING REPLACEMENT		-	1,200,000	1,200,000
3 99	SIXTH AVENUE DETENTION BASIN		91,945	-	91,945
4 99	WALNUT MEADOW DRAINAGE		-	150,000	150,000
TOTAL STORMWATER UTILITY			<u>\$ 91,945</u>	<u>8,225,725</u>	<u>8,317,670</u>

**STORMWATER UTILITY PROJECTS
CAPITAL IMPROVEMENT PROGRAM
FY 2004-2005**



PROJECT DESCRIPTIONS-FUNDED

GENERAL GOVERNMENT

1. Air Conditioning at the Main Library

Install Central Air Conditioning at the Main Library. Annual Maintenance costs estimated to be approximately \$500.

2. Remodel Bathrooms at Main Library

Annual remodel of restrooms.

3. Renovation East Flagstaff Library

On going remodel of East Flagstaff Library.

4. USGS Building 6 – Outdoor Lighting

Site lighting on the USGS Campus.

5. LEAF Improvements

Out building for evidence storage and enclosure of a fire corridor stairwell.

6. Various Bond Projects

Start up costs for Fire Stations and Multi-Generational Center and Aquatic Center.

7. USGS Renovation & Expansion

Design for Campus Improvements and Expansion.

8. Land Acquisition - Guadalupe

Baseball Field on Clay Avenue

9. Redevelopment

General funding of redevelopment opportunities as they occur.

10. Land Acquisitions Costs

Open space and redevelopment land acquisitions.

STREETS/TRANSPORTATION

1. Reserve for Improvements

Annual allocation for unprogrammed street improvements and/or City participation in projects of other agencies (ie: ADOT, BNSF, NAU).

2. Annual Sidewalk Replacement Program

Provides replacement of curb, gutter and sidewalk in cases where property owners contribute 50% of replacement costs.

3. Annual Street Maintenance

Annual crack sealing, seal coating and asphalt overlay.

4. Improvements to ADOT Turnbacks

Improve East Route 66 to current roadway standards

5. Route 66 Bus Pullouts

Construction of Bus Pullouts, shelter pad, right of way as needed and reconstruction of sidewalks.

6. Enterprise/Butler Reconstruction

Completion of LOMR with FEMA.

7. Sunnyside Streets

Street and drainage construction throughout Sunnyside neighborhood in conjunction with utility replacements. Annual O&M costs are estimated to be \$500.

8. Sunnyside Phase III B

Begin construction of project.

9. ADA Compliance

Replacement of non-conforming sidewalk and handicap ramps within public right of ways.

10. Fourth Street Rail Crossing

This project will improve and re-align Huntington Dr and Industrial Dr to allow for the fourth Street Railroad crossing bridge. This project will provide new curb, gutter, sidewalk, asphalt concrete paving, storm drain, franchise utilities, public water and sewer. The notice to proceed was issued for September of 2003 and construction is expected to be complete by November 2004. BNSF was a critical stakeholder for this project and the design was subject to their standards as well as City standards.

11. MISC Safe to School Projects

Various safe to school projects budgeted in FY 2005 including but not limited to Weitzel, South Beaver, DeMiguel and Kinsey Schools.

12. MISC Bike/Ped Projects

Various projects including but not limited to Tucson Avenue and Soliere Bike lanes.

13. Country Club Drive Widening

This project widened Country Club Drive from I-40 to Soliere Avenue/Cortland Blvd. Intersection from two to four traffic lanes. It included new curb & gutter, asphalt pavement, multi-purpose path, streetlights, concrete median, striping and signage. The project was completed in the fall of 2003. The median is scheduled to be landscaped during the fall of 2004.

14. Soliere Avenue Extension

Provide 3-lane roadway extension to south fourth Street with provision for traffic signal and turn lanes on fourth Street. Annual O&M costs estimated to be \$1,500.

15. Dirt Street Program

Class III 1400' in length – needs curb, gutter, sidewalks and asphalt. Located adjacent to the county yard and is a hill flowing from Empire Avenue to Penstock. Annual O&M costs estimated to be \$1,061.

16. Transportation Planning and Programming

Review by the Capital Improvement Program Committee and the Citizens Transportation Advisory Committee allows for community wide transportation projects to be identified and prioritized based on needs assessment and public input. Transportation projects include pedestrian bikeways, urban trails and safe to school improvements. Projects that define the 5-year Capital Improvement Program have been identified and coordination process will be reviewed and updated on an annual basis.

17. Empire Road Extension

Extension of Empire to 89 North with new signalized traffic intersection.

18. Lone Tree Road Study

This project currently consists of analyzing the anticipated project limits in accordance with the adopted Regional Land Use and Transportation Plan. The study will be focused on an alignment between JWP Blvd. On the southern end and Route 66 on the north, approximately two miles in length.

19. Huntington Drive Improvements

This project will provide curb, gutter and asphalt pavement for Huntington Drive. This project will complete improvements for Huntington Drive that existed between the Butler Enterprise and Fourth Street Railroad crossing projects. This project will be designed and constructed in FY 2005.

20 East Flagstaff Gateway

New roadway and re-alignment construction complements the East Flagstaff Gateway area redevelopment. Connecting Dodge Avenue to old Route 66 and providing additional access to the Mall via a new "loop" road that provides major connectors between old Route 66 and US 89, enhances traffic flow and provides infrastructure improvements to the existing industrial park. Preliminary design, site assessment and construction costs have been developed in conjunction with the approval of a Letter of Agreement between the City of Flagstaff and the developer enacted March 2003.

21. Beulah Blvd Extension

Land acquisition for future road construction.

22. Downtown Paver Repairs

Rework of pavers that have settled since original installation.

23. Street Light Luminaries Replacement

City-wide replacement of old luminaries with city lighting ordinance compliant fixtures.

24. Downtown Rail Crossing Modifications

Study to determine construction requirements necessary to eliminate train whistle noise pollution.

25. Reserve for Improvements

Set a side for unanticipated projects.

Minor Traffic Improvements

Annual appropriation to fund street capacity, safety or Operational improvements (i.e. Traffic signals, turn lanes, etc.)

Signal Synchronization - ATMS

Installation of Advanced Traffic Management System (ATMS) computer hardware and software, and fiber optic communications in loop around downtown.

Signal Synchronization

Installation of simultaneous synchronized clocks in all signals, development and implementation of timing plans. Estimated annual O&M costs are \$100,000.

Southside Traffic Improvements

Provide traffic signals and pedestrian improvements at Cottage Ave and Benton Ave intersections, potential streetscape improvements associated with the Southside redevelopment related to the Rio De Flag Flood control project. Annual O&M costs are estimated to be \$6,800.

Traffic Diverter at O'Leary

Design and construct raised, landscaped traffic diverter on South O'Leary St. at Butler Ave. Annual O&M costs Estimated to be \$500.

Brannen Avenue Paving

Class III street 800' in length. Project needs sidewalk, curb, and gutter (on both sides) and pavement. Street has commercial traffic mainly. Drainage-drains into Colorado Street. Annual O&M costs estimated to be \$606.

Butler Ave/4th Street Signal

Installation of new traffic signals.

Butler Avenue Bike Lanes

This project completes the connection of bike lines on Butler Avenue from Milton to Wakonda Street. This section proposed between Little America and Sinagua Heights is identified in the Regional Land Use and Transportation plan and supported by the Bicycle Advisory Committee. Butler Avenue is a high-speed minor arterial and designated truck route. Widening of Butler to accommodate 4.5 feet wide bike lanes on each side will enhance bike and pedestrian travel and safety. Coordination efforts with the Canyon Del Rio developers are on-going regarding their required offsite improvements on Butler Avenue and their proportionate contribution to the bike lanes.

Commerce Avenue Paving

Class III Street, 1500' in length, needs curb, gutter, and asphalt and drainage. Existing surrounding improvements include; curb, gutter and sidewalks. Estimated annual O&M costs are \$1,136.

West Street/Arrowhead Corridor Study

The request for Statement for Qualifications was advertised on February 18, 2004 and two responses

were received. It is anticipated the consultant will be selected by April 2004 with the project being started in May 2004. This Corridor Study will extend along West Street from Cedar Avenue to Arrowhead Avenue, and along Arrowhead Avenue from West Street to State Route 66. West Street and Arrowhead Avenue both consist of two-lanes with a mixture of residential homes and businesses that front along the entire length. Coconino High School is located on Izabel Street, which presents circulation problems during the morning and afternoon peak hours. Dortha Avenue and Felice Avenue are one-way roadways that service the high school from West Street to Izabel Street. Without many designated parking areas along West Street or Arrowhead Avenue, parking usually occurs on unpaved shoulders and lots, which at times, impedes the flow of traffic traveling through on West Street and Arrowhead Avenue.

The main objective of the project will be to prepare a Corridor Study to identify improvement alternatives to West Street and Arrowhead Avenue that will accommodate both the traveling public and motorists that need to park along West Street and Arrowhead Avenue in a manner that is safe, preferably within the City's existing right-of-way, and that will improve the ingress and egress peak movements to and from Coconino High School.

Country Club/Oakmont

Intersection improvement of vertical alignment correction.

East Flagstaff Gateway

New roadway and re-alignment construction complements the East Flagstaff Gateway Area Redevelopment. Connecting Dodge Avenue to old Route 66 and providing additional access to the Mall via a new "loop" road provides major connectors between old Route 66 and U.S. 89, enhances traffic flow and provides infrastructure improvements to the existing industrial park. Preliminary design, site assessment and construction costs have been developed in conjunction with the approval of a Letter of Agreement between the City of Flagstaff and the developer enacted March 2003.

Gabel Street Paving

Class II Street, 300' in length, project needs curb, gutter and pavement. The street leads to a recycling plant. Annual O&M costs estimated to be \$227.

I-40 T.I. Planning Studies

Studies to determine the viability of traffic interchanges along I-40 at Lone Tree Road and 4th Street.

Industrial Drive Paving

Class II, 4700' in length, needs curb, gutter and asphalt. 50' on each side of Eagle Mountain Drive has curb and gutter (south side of the road), and asphalt.

DeMiguel Elementary School Trail

The school trail extends from Cheryl Drive to DeMiguel Elementary School. City crews are scheduled to build the improvements for this project in the summer of 2004.

Lake Mary Road Bike Lanes

Widen the rural section of Lake Mary Road to min. 33-ft. to accommodate two 4.5-ft. min. bike lanes and two traffic lanes.

Lone Tree Road Reconstruction

Reconstruction of Lone Tree Road (on existing alignment) from south of Sawmill To Zuni – Actual project to be defined by corridor study to be performed in FY 2004. Annual O&M costs estimated to be \$2,500.

Marshall Safe-to-School

The improvements on this project included curb & gutter, sidewalks, asphalt pavement, bus pullout, signing, striping and drainage improvements. The project was constructed to improve student drop-off. Bus loading access, parking, and safer vehicular and pedestrian traffic circulation to and from the school. The project was completed in December of 2003. Meetings were held with FUSD staff and the school Principal to coordinate the design of this project. Public Open Houses were held at each of the Flagstaff high Schools in May 2002 to solicit input from the public on the Safe-to-School projects.

New Traffic Signal PGM

Various traffic signal installations.

Dirt Street Paving

Class III, 1400' in length, needs curb, gutter, sidewalks and asphalt. Located Adjacent to the county yard and is a hill flowing from Empire Avenue to Penstock. Annual O&M costs estimated to be \$1,061.

Penstock Avenue Paving

Class III, 1500' in length, needs curb, gutter, sidewalk, drainage and asphalt. Annual O&M costs estimated to be \$1,136.

Preston Road Paving

Class III Street, 700' in length. Needs curb, gutter, asphalt and drainage. Annual O&M costs estimated to be \$530.

Route 66 Bike Lanes - East

Reconstruct the existing shoulders – mill and replace on both sides for 25,600 ft. Repave 8' wide with new ADOT design rumble strips (min. 6-ft. clear paved shoulder).

Route 66 Bike Lanes – West

Re-stripe urban sections with 4.5-ft. shoulder. Add pavement and re-stripe as necessary for continuous paved shoulder in the rural sections. Total length is 10,500'.

Sechrist Elementary School

The Sechrist Elementary School project consists of an upgrading the existing trail from the school crosswalk to Navajo Drive. The City is contributing to the ADOT project to expand the trail to allow multi-modal transportation along Highway 180. The pathway project, slated for construction in 2005, is in the design concept phase.

Solier Avenue Bike Lanes

This project will complete the connection of bike lanes on Soliere Avenue from Fourth Street to Country Club Drive. Also ties into the bike lanes on Foxlair Drive and Foxglenn Drive and Foxglenn Street, completing the connection to the lanes on Butler Avenue. This project has been identified in the Regional Land Use and Transportation Plan and supported by the Bicycle Advisory Committee. Preliminary design work has begun.

South Beaver Elementary

The South Beaver Elementary School project includes improved sidewalks, landscaping, and pedestrian refuge at appropriate corners surrounding the school. The designer is working with the City of Flagstaff and the Flagstaff Unified School district to improve pedestrian and vehicular access to the school grounds. Construction is scheduled for completion by summer 2004.

Steves Blvd./Lakin Realign

Reconfiguration of Steves Blvd./Lakin Dr. intersection to allow for through movements along Steves Blvd. and Lakin Dr. and including a dedicated right turn lane for southbound Steves Blvd. approach to Rt. 66. Requires Traffic signal modifications at Rt. 66. Annual O&M costs estimated to be \$500.

Thomas/Lockett Intersection

New intersection, sidewalk and drainage improvements.

Thorpe Road Edge Improvements

Curb, gutter and sidewalk on north and south sides of Thorpe Road.

Traffic Signal Synchronization

Synchronization of Signal runs along major corridor throughout Flagstaff.

West Rt. 66 Widening at Woodlands Village Blvd.

Complete Type I Roadway and edge improvements (curb, gutter and sidewalk) at all intersection approaches. Estimated Annual O&M costs are \$750.

Weitzel Elementary School

The Weitzel Elementary School project is being designed by Flagstaff Unified School District to eliminate the remaining rolled curb along Fourth Street from Linda Vista to the Mount Elden Middle School parking lot, improve school driveways and paved connections to improve pedestrian and vehicular access to the school.

With the design and review underway the City of Flagstaff will rely on the School District to manage the construction, and contribute funding as necessary to complete this project. This project is slated for construction in the summer of 2004.

West/Arrowhead Improvements

Provide design and construction of roadway and pedestrian improvements in accordance with Street section requirements to be identified by the West/Arrowhead corridor study. Annual O&M estimated to be \$2,600.

U.S. 180/Fine Avenue to Navajo Road

This is an ADOT project but involved reconstruction of the city's water and sewer systems within the project area. Extensive public relations were utilized on this project. The City of Flagstaff's Parks and Recreation Division has developed a landscaping plan for the southwest corner of the 180/Humphreys intersection. There is a list of minor items that need to be corrected. This work is scheduled for May 2004.

Birch Avenue Sewer Project

This project was completed and accepted by the City on July 3, 2003. This project was designed by and the construction contract administered by Shephard-Wesnitzer Inc. Extensive public involvement was performed throughout the project duration to address protection/removal of street trees along the alignment. The project was delivered on schedule and \$47,000 under the authorized contract amount.

McMillian Bridge

This project will provide a link for the FUTS as well as that portion of the Arizona Trail which overlays in alignment as it passes through the City's boundaries. This project addresses the bridge construction over Cedar Avenue only. The trail connections are proposed to be constructed independently. Approval for the generation of a Design Concept report with an identification of a preferred alternative will go to City Council on April 20, 2004. The generation of the Design Concept Report has a 120-day contract time frame. The bridge, if approved for construction, is anticipated to be designed in the late summer or fall of 2004 with construction anticipated for spring 2005.

Route 66/Enterprise to Arrowhead

This project addresses the relocation of approximately 0.5 mile of existing FUTS trail away from the street between Enterprise Avenue and Arrowhead Street. Design services are anticipated to be procured through the On-Call Consultant Services contract. Award is anticipated for late April 2004. Construction services will be bid in conjunction with the Route 66 bus pullout. Construction is anticipated for fall 2004 or spring 2005.

Thomas/Lockett Intersection

The improvements on this project included curb & gutter, sidewalks, retaining walls, asphalt pavement, bus pullout, signing, striping and drainage improvements.

The project was constructed to improve student drop-off, bus loading access, parking, and safer vehicular and pedestrian traffic circulation to and from the school. The project was completed in November 2003. Meetings were held with FUSD staff and the school Principal to coordinate the design of this project. Public Open Houses were held at each of the Flagstaff High Schools in May 2002 to solicit input from the public on the Safe-to-School projects.

Clay Avenue Sidewalks

A 100-foot long sidewalk and new concrete driveway was constructed in December 2003 to connect the old town neighborhood with sidewalks along Milton Road for the benefit of pedestrians traveling to area schools.

Pine Knoll Dr. Sidewalk/Kinsey School

Preliminary project scoping and field survey had been completed. The City has been in contact with representatives from the Northern Arizona University to coordinate the new sidewalk with NAU's proposed FUTS trail at the intersection of San Francisco Street and Pine Knoll Drive. It is anticipated that the project will be designed under the annual consulting services contract beginning July 2004.

BBB

1. Special Projects

Annual program covering small projects and partnered contributions throughout the City. Also includes some Clean and Green projects.

2. Open Space Rehabilitation/Enhancement

Rehabilitation and enhancement as needed of city-owned open space corridors. Usually in connection with planned FUTS projects. Rehabilitation has included environmental remediation and reclamation, Vehicle access controls, identification monuments and map of city-owned open space.

3. Route 66 Streetscape: Enterprise to Arrowhead

Design and reconstruct multi-use path to current AASHTO standards.

4. US 89 Railhead to Snowflake

This project will provide approximately 6,500 linear feet of 10-foot wide concrete, multi-use path along US 89 North from Railhead Avenue to Snowflake. The path is a joint project of the City of Flagstaff and ADOT. The construction plans and specifications are at the 60% stage and the Environmental Determination is near completion. The tentative schedule calls for ADOT plan approval by the end of July 2004 with Advertisement and Award of Bid in late Summer 2004. The probable construction start is Spring 2005.

5. Redevelopment Opportunity Fund

Contribution to Redevelopment planning, design and Projects.

6. ADOT Gateway and Freeway Corridor

Design and construct in partnership with ADOT, Gateway installations at major entries into the City and freeway corridor improvements as warranted and approved. Annual O&M estimated to be \$500.

7. FUTS ROW and Open Space Opportunity

Acquisition of Right of Way for planned future FUTS projects.

8. FUTS – Rio de Flag North

FUTS project related to the Rio de Flag Army Corp of Engineers project.

9. FUTS: US 180 Multi-Use Path- Forest to Fremont

10' paved path with some landscaping. ADOT project with City coordination and oversight. Annual maintenance estimated to be \$5,000.

10. FUTS: McMillan Mesa System

Cedar Avenue FUTS pedestrian bike with City.

11. FUTS: Downtown Rio Corridor

San Francisco to Birch Standard 10' paved multi-use path. Coordinate with Rio Project. City responsibility is paving only. Annual O&M estimated to be \$2,000.

12. FUTS: Lone Tree Road

The project consists of constructing a multi-use trail including a retaining wall under I-40 along the east side of Lone Tree Road between Zuni Drive and Pine Knoll Drive. Construction should begin in May 2003 and be completed by August 2003. The Bicycle Advisory Committee, NAU and CCC have been involved in the design of this project and strongly support it.

13. FUTS: BNSF Trail, Thompson to Rio

FUTS trail from Railroad Springs to Walnut with a grade separated crossing at Walnut and grade separation crossing at Route 66.

14. FUTS: Lake Mary Road, Ponderosa Trail

Trail from Beulah Blvd. Under I-40 Lake Mary Interchange to Ponderosa Trails Park.

15. FUTS: US 180 to Beaver

Hospital link between 180 and Beaver.

16. Visitor Center Renovation

Exterior improvements and renovations.

17. Thorpe Park Improvements

Thorpe Park Master Plan and Phase I renovation project to improve existing softball fields, restroom, parking, walkways, pond, etc. (central section of park).

18. Christensen School Field Improvements

Various field improvements including new sod.

19. Thomas School Field Improvements

Improve field/turf to provide safe and accessible public recreation/soccer use. Annual O&M costs are estimated to be \$24,000.

20. Lake Mary Land Acquisition

Land acquisition for a regional park.

21. Sixth Avenue BMX Park

BMX park to be constructed within detention basin located at Sixth Avenue between Isabel and West Streets.

Route 66 Streetscape: Fanning to Mall

Design and construct 10' wide multi-use path, minor landscaping and related improvements. Estimated annual O&M costs are \$3,000.

Route 66: Elden to San Francisco

Stabilize and partially restore historic locomotive and tender including removal of lead paint, repainting and miscellaneous other items.

FUTS: 4th Street – Butler to Route 66

Standard 10' wide paved multi-use path. Does not include modification to ADOT Bridge over I-40. Annual O&M estimated to be \$2,000.

FUTS: Airport Area Connections across I-17

Standard 10' aggregate trail and related work. Utilize existing ADOT box under I-17 if feasible. Possible improvements across existing airport TI Bridge. Annual O&M costs estimated to be \$3,000.

FUTS: AZ Trail, Foot of Babbitt Way to Butler

Standard 10' packed aggregate trail and related work. Utilize existing ADOT box under I-17 if feasible. Annual O&M costs estimated to be \$2,000.

Bow and Arrow Wash Trail

Standard 10' packed aggregate Trail and related work. Estimated O&M costs annually are \$10,000.

East Flank McMillan Mesa

Standard 10' paved multi-use path and related work. ADOT coordination under I-40. Alignment not set North of Pine Knoll Drive – approximately 1.5 miles. Annual O&M costs estimated to be \$4,000.

Hospital Link

Standard 10' packed aggregate trail with related scope work. Approximately ½ miles. Annual O&M costs estimated to be \$1,000.

MNA Link to USFS System

Standard 10' aggregate surface and related work. Annual O&M costs estimated to be \$1,000.

Crescent to Cheshire Bridge

This project will provide a link for the FUTS over the Rio de Flag canyon on the Museum of Northern Arizona property. This project addresses the bridge construction

over the canon only. The trail connections are proposed to be constructed independently. This project is anticipated to be designed in the summer of 2004. Current thinking places construction in early 2005 pending agreements on easements.

FUTS: Sinclair Wash Trail to Woody Mountain Road
Design and construct 10' wide multi-use path and related improvements. Annual O&M estimated to be \$3,000.

West Village to Rio FUTS Project

The City has contracted with Turner Engineering of Flagstaff, Arizona to prepare the Design Concept Report for this project. Turner Engineering and the City are working together to prepare and submit all project related documentation to meet the requirements for the TEA Round 11 grant. At least one public meeting is anticipated near mid June of 2004, with completion of the DCR and 30% plans by mid-July of 2004. Upon completion and acceptance of the DCR, the City intends to process a change order to Turner Engineering to complete the construction plans near the beginning of 2005.

FUTS: Switzer Wash Trail

Standard 10' aggregate trail and related work. Utilize existing freeway culvert box. Annual O&M costs estimated to be \$2,000.

FUTS: Tunnel Springs Trail

Standard 10' aggregate surface and related work. Includes mitigations at RR Bridge. Annual O&M estimated to be \$5,000.

FUTS: University Highlands to Sinclair Wash Trail

Design and construct 10' wide multi-use path and related improvements. Annual O&M estimated to be \$2,000.

FUTS: University Highlands to Woody MTN Road

Design and construct 10' wide multi-use path and related improvements. Annual O&M costs estimated to be \$2,000.

Lake Mary Road – Beulah to Ponderosa Trails Park

Standard 10' paved multi-use path and related work. Length approximately 1 mile. Annual O&M estimated to be \$3,000.

WATER

1. Land Acquisition

Annual allocation for future land acquisition.

2. Inner Basin Pipeline Replacement

Replace approximately 14 miles of 14" and 16" concrete pipe with 16" ductile iron pipe. City crews replace approximately ½ mile each year and there is about nine miles remaining to replace.

3. Amberwood Booster

Booster station to increase water pressure in the Amberwood area.

4. Mall Waterline

City's contribution of infrastructure to Mall Expansion.

5. Talkington/Lynn/Elizabeth

Replace approximately 1,800 feet of 2" galvanized mains with 8" PVC main.

6. 7. & 8. Sunnyside Improvements

Replacement of undersized waterlines in Sunnyside. Project includes drainage, sewer, sidewalks, and street improvements.

9. Black Barts/Sinagua Waterline

Install approximately 4,200 feet of 18" pipe and install one pressure reducing station.

10. Foxglenn/Skyview Waterline

Install approximately 5,200 feet of 18" pipe.

11. ADOT Waterline Relocates

Relocating 27" waterline for the ADOT I-40 bridge rebuild projects.

12. Reserve for Improvements

Annual reserve for unanticipated line replacements and over sizing that may occur.

13. Town Well #5

Equipment for the Rio de Flag well.

14. East Reservoir Demolition

50 million gallon reservoir modified to meet ADWR regulations.

15. Water Wells

Construction of future water wells authorized by voters in the May 2004 general election.

16. Railroad Springs Reservoir

Participation with the construction of a 1 million gallon reservoir for the Pesidio development.

17. Woody Mountain Arsenic Removal

Arsenic removal equipment for woody Mountain Wells.

Basin Pipeline

Replace approximately 14 miles of 14" and 16" concrete pipe with 16" ductile iron pipe. City crews replace approximately ½ mile each year and there is about 9 miles remaining to replace.

27" Pipeline Replacement (LM Plant to Town)

Replacement of old 27" steel/concrete pipe that is not properly bedded.

Agassiz/Dupont/Verde Waterline

Replace approximately 1,725 feet of 2" galvanized waterline with 8" PVC main and add two fire hydrants.

Aspen Waterline (Sitgreaves/Aztec)

Replace approximately 1,400 feet of 4" waterline with 8" PVC main.

Beaver Street Waterline (Phoenix to Dupont)

Replace approximately 1,400 feet of 4" cast iron pipe with 8" PVC main.

Benton/SF Alley/Elden Waterline

Replace approximately 900 feet of 2" galvanized lines with 8" PVC mains; add hydrants on Benton and Elden.

CC College to NAU Waterline

Approximately 1,600 feet of 12" waterline from Coconino Community College to the NAU system.

Coconino Avenue Waterline

Replace approximately 820 feet of 2" and 4" pipe with 8" PVC.

Elm Street Waterline

Replace approximately 620 feet of 2" pipe with an 8" PVC main.

Franklin Waterline – Beaver to Lone Tree

Replace 2" and 4" galvanized pipe with 8" PVC and add fire hydrant. Approximately 2,260' of new main.

Mohawk Drive Waterline

Replace approximately 380 feet of 2" pipe with 8" PVC.

N. San Francisco Alley Service Replacements

Replace 12 service lines to front of homes to abandon old line in alley.

Park Street Waterline (Santa Fe to Dale)

Replace 1,400 feet of existing 2" cast iron pipe with 8" PVC main.

Pinal/Papago Alley Waterline

Replace approximately 695 feet of 2" pipe with 8" PVC waterline.

Ponderosa Trails to Airport Waterline

Install approximately 3,000 feet of 12" waterline from the existing 12" Ponderosa Trails waterline to the new Ft. Tuthill waterline.

Radio Read Meters

Conversion of 1,000 water meters to radio read for pilot test.

Reservoir Filtration Plant to Turquoise

Water Line replaces approximately 11,600' of 16" waterline with 18" PVC main.

Thomas Park Waterline

Relocate approximately 650 feet of 12" waterline that was not installed in existing adjacent easement.

Tombstone Ave./Alley Waterline

Replace approximately 625 feet of 2" and ¾" pipe with 8" PVC main.

Walapai Drive Alley Waterline

Replace approximately 900 feet of 2" pipe with 8" PVC main.

Clarifier Drive Assemblies

Replace existing clarifier drive units with "oil free" drive equipment and collector system. Annual O&M estimated to be \$200.

Flocculator Drive Assemblies

Convert flocculators to lightweight poly paddles, individual VFD drives and exterior mounted sprockets, drive chains, and related equipment. Annual O&M estimated to be \$200.

Gas Chromatograph

Purchase of gas chromatograph unit for lab.

Lake Mary Wellfield – LM #2 12" Waterline

Design and construct a 12" pipeline from LM #2 to raw water pump station. Abandon existing line.

SCADA Upgrades

Upgrade of SCADA system to keep with improving technology.

Water Production Lines

Design, drilling and equipping of additional water wells. Annual O&M costs estimated to be \$200,000.

Water System Optimization

Funds budgeted for continuation of EMA optimization process and automation of water treatment processes. Include computer hardware for CMMS, training and skill based pay.

Water System Vulnerability Assessment

Complete vulnerability assessment to determine security Weakness in the city water system.

WASTEWATER

1. WC Upgrade/Reclaim Construction

Upgrade plant to have nitrogen removal-class reclaimed water. Annual O&M costs estimated to be \$235,000.

2. Rio Plant Clar Skimmer Mods

Modification of secondary clarifier skimmer mechanism.

3. Wildcat Clar Pipe Hangars

Replacement of pipe hangars inside the primary clarifiers.

4. Wildcat Loadout Station

Relocation of reclaimed water loadout facility.

5. Mall Sewer

City's contribution of public infrastructure associated with Mall expansion.

6. Reclaim Hydrants

Install five hydrants on the reclaimed water system for construction and fire fighting.

7. Arrowhead/Mt View Sewer

Replacement of approximately 5,400' of 6" sewer along Arrowhead and Mountain View from MH 9-37 to MH 9-38 to MH 9-12 to MH 9-33.

8. NAU Reclaim System

Installation of approximately 15,000 feet of various sized reclaimed water lines to convert the NAU campus to reclaimed water use.

9. Christensen School Reclaim line

Extension of reclaim water line to provide irrigation at School field.

10. SCA Reclaim/Sewer

Sewer line and reclaim line to SCA Tissue.

11. Xeriscape City Hall

Installation of low water use landscaping.

12. Rio Outfall

Annual cost to slip line and parallel approximately 1-3/4 miles of 33" diameter sewer.

13. Reserves for Improvements

Annual reserve for unanticipated line replacements and over sizing agreements that may occur.

Additional Digester/Wildcat

Additional Digester for solids treatment. Annual O&M costs estimated to be \$3,600.

Coat Wildcat Digestors

Apply protective coating to interior walls of two digestors. Includes raising the floating covers.

EMA System Improvements

Funds budgeted for automation of wastewater treatment process.

Grease Treatment Tank

Design and construction of an additional grease treatment tank to handle restaurant grease that is hauled into the plant. Annual O&M costs estimated to be \$3,000.

Paint Buffalo Park Reservoir

Repaint the exterior of Buffalo Park tank.

Reclaim System Expansion

Reclaim System Expansion.

Replacement Dredge

Replacement of sludge removal dredge. Used to remove sludge from stabilization basins. Annual O&M costs estimated to be \$4,000.

Rio Plant Additional Filter

Addition of two tertiary dual media filters to plant. Filters to be enclosed. Project includes design and construction. Annual O&M costs estimated to be \$5,000.

Rio Plant Chip seal

Chip seal roadways around Rio plant.

Rio Plant SCADA

Upgrade of SCADA system for plant.

Rio Plant UPS

Replacement un-interruptible power supply for the SCADA system.

Wildcat Blast and Mortar Wash

Sandblasting and replacing the finish coat of mortar wash on the exterior of the buildings.

Wildcat Boiler Replacement

Replacement of Cleaver Brooks Boiler. Annual O&M costs estimated to be \$1,000.

Wildcat Hill Plant – Coating of Secondary .

Clarifier application of protective coating on secondary clarifiers.

Wildcat Hill Plant – Loadout Replacement

Relocation of reclaimed water loadout facility

Wildcat Hill Plant I - Crackseal

Roadway crackseal.

Wildcat Hill Plant II - Crack seal

Roadway crack seal.

Wildcat Hill Wastewater Plant

Roadway Crack and chip seal.

Wildcat Piping Replacement

Replacement of gas piping throughout the plant.

Wildcat Primary Clarifier Coating

Protective coating of primary clarifier basins.

Wastewater Plant Expansion

Design and construction of expansion to accommodate increase sewage flows. Determination of where plant will be is based on where future development takes place.

Butler/Ellery Sewer

Replacement of approximately 1,900 feet.

Cherry Hill Sewer Replacement

Replacement of approximately 2,040 feet of sewer.

Circle View Sewer

Replacement of approximately 1,000 feet of sewer.

Continental Outfall Sewer

Upsize line to 33" for approximately 1,400 feet between manholes M17-008 downstream to MH 17-001.

Hillside Sewer Replacement

Replacement of approximately 400 feet of sewer.

Huntington/Old Sewer Plant Upsize

Upsize approximately 2,200' of 21" and 24" VCP to 30" PVC sewer.

KCLS Sewer Extension

Replacement of approximately 200 feet of 8" diameter sewer.

Lower Greenlaw Sewer Replacement

Replacement of approximately 1,903 feet of sewer between several manholes.

Mike's Pike Sewer Replacement

Replacement of approximately 1,400 feet of sewer.

North Sunnyside Sewer Replacement

Replacement of approximately 5,900 feet of sewer.

Phoenix Sewer (Beaver/San Francisco)

Replacement of approximately 875 feet of sewer on East Phoenix Avenue between Beaver and San Francisco.

Reclaimed Water Loadout Station

Loadout station for the sale of reclaimed water. Annual O&M costs estimated to be \$1,000.

Reserves for Improvements

Annual reserve for unanticipated line replacements and over sizing agreements that may occur.

Rio Outfall

Annual cost to slip line and parallel approximately 1-3/4 miles of 33" diameter sewer.

South Beaver Street Sewer

Replacement of approximately 932 feet of 6" sewer from Benton Avenue south on Beaver to Butler.

San Francisco Sewer Replacement

Replacement of approximately 520 feet of sewer.

Siler Homes Reclaimed Water Extension

Installation of 1,300' of 6" PVC reclaimed water line and associated meters to serve Siler Homes.

Terrace/Birch Sewer Replacement

Replacement of 1,345 feet of 6" VCP sewer.

AIRPORT

1. Pavement Maintenance

Crack sealing and maintenance of runway, taxiway, and taxi lanes.

2. Airport Master Plan

Complete new 20-year master plan to include environmental assessments and noise study.

3. Construct Airport Operations Building

Airport rescue/fire facility – a 4,800 square foot equipment bay and 1,700 square foot administrative area, access road, parking lot, fencing, drainage, apron and utility. Annual O&M costs estimated to be \$10,000.

4. Land Acquisition

Acquire 640 acres of land in proximity to the Airport.

5. Construct Runway Extension

Extend runway north 1,200'-1500'. Build 1,000' safety area. Build associated taxiway and security fencing. Annual O&M costs estimated at \$5,000.

6. Construct Box Hangars and Shade Hangar

Design and build six (6) 60'X60' and up to fourteen (14) 50'X50' box hangars to accommodate larger aircraft. Also construct one 10-unit shade hangar. Annual O&M costs estimated to be \$5,000.

Access Road Construction

JWP extension to Lake Mary Road.

Construct New Parallel Taxiway North

Construct new parallel taxiway north from terminal to the end of runway 21. Install appropriate lighting and marking. Approximately 4,000 feet by 50 feet. Install new connecting taxiways and remove old taxiway pavements. Annual O&M costs estimated to be \$10,000.

JWP/Pulliam Widening

Design and construction of curb/gutter sidewalk and road widening – FUTS trail.

Runway 03 Safety Area Rehabilitation

Fill and level 1,000'X250' safety area at end of runway to meet FAA criteria. Annual O&M costs estimated to be \$300.

Taxilane/Apron – General Aviation

Design and construct taxilane and apron for new general aviation hangar area. Annual O&M estimated to be \$5,000.

ENVIRONMENTAL SERVICES

1. Landfill Maintenance Building

Storage for Streets and Environmental Services equipment.

2. Residential Drop Off Center

Area for safe residential refuse drop off.

3. MRF Entry Improvements

Realignment of MRF driveway to accommodate four way signalized intersection at Butler and Babbitt Avenues.

STORMWATER

1. Rio De Flag Food Control Project

In conjunction with the US Army Corps of Engineers, the project consists of design and construction of flood damage reduction improvements on the Rio De Flag and Clay Avenue Wash as identified in the USACE Feasibility Study and Environmental Impact Study.

2. Rio Parking Replacement

Replace parking spaces lost due to construction of Rio de Flag control project.

3. 6th Avenue Detention Basin

Design and build flood control project to detain upstream flows in the Sunnyside neighborhood.

4. Walnut Meadow Drainage

Payment to resolve neighborhood drainage claim.

PROJECT DESCRIPTIONS-UNFUNDED

GENERAL GOVERNMENT

Fire Training Center/Tower Relocation

A multi-purpose training center that provides the opportunity for firefighters to train and enhance skills. Operations and Maintenance costs estimated to be \$50,000.

Neighborhood Open Space and Flagstaff Urban Trails

Acquire 750-1000 acres of core open space. Annual O&M estimated to be \$14,000.

Relocate 4 Fire Stations

Relocate 4 Fire Stations to more centralized locations providing improved response times, greater availability and more evenly distributed call volume. Operations and maintenance costs estimated to be \$320,000 annually for all four stations combined.

USGS Facilities

Construction of USGS Buildings, which will in turn be leased back to GSA. No O&M costs incurred by the City of Flagstaff.

Arroyo Park Improvements

Develop existing acreage to include lighting an existing ball field and adding paved parking, playground, courts, picnic area, walkways, etc. Annual O&M costs estimated to be \$16,720.

Buffalo Park Improvements

Pave parking area, entryway improvement; build permanent restrooms, additional picnic areas. Annual O&M costs estimated to be \$8,360.

Bushmaster Park Land Acquisition/Expansion

Acquire north side (Lockett) street frontage property/lots. No O&M costs anticipated at this time.

Cheshire Park Improvements

Develop approximately 8 acres of park to include turf/soccer field, walkways, Ramada, playground, and parking lot. Annual O&M costs estimated to be \$58,520.

Christensen Park Land Acquisition/Expansion

Acquisition of USFS land to provide park access and visible frontage – approximately 5 acres. O&M costs estimated to be \$250 annually.

Clay Basin West Park Development

Development of community Park, including Soccer fields, Ramadas, Picnic Areas, Playgrounds, Walkways, Nature Trails, Parking, etc. Annual O&M costs estimated to be \$85,800.

Continental Regional Park Development

Development of Regional Park including Soccer Fields, Trails, Ramadas, Playgrounds, Dog Park, Parking, BMX, Disc Golf, Maintenance Shop, etc. Annual O&M costs estimated to be \$250,000.

Joel Montalvo Park Improvements

Upgraded Parking and Landscaping with potential expansion onto the complete park property due to future fire station relocation.

Lake Mary Land Acquisition – Phase II

Acquisition of USFS Land for regional park development – Phase II purchase. Approximately 115 acres. Estimate Annual O&M costs are \$1,000.

Lake Mary Regional Park Developments – Phase I

Development of Regional Park including infrastructure, playgrounds, ramadas, skate track, inline hockey, outdoor courts, parking, trails and walkways, etc. Park may also serve as site for future recreation facilities. Estimated annual O&M costs are \$148,400.

McPherson Park Improvements

Renovate existing park features and provide additional amenities, including outdoor courts, ramadas/picnicking, trails, enhanced parking, etc. \$25,080 is the estimated annual O&M costs.

Paradise Area Land Acquisition

Acquisition of USFS Land for Neighborhood Park – approximately 7 acres. Annual O&M costs are estimated to be \$250.

Sunnyside Park Acquisition & Development

Acquire Land and develop Neighborhood Park for community gathering and events similar to Wheeler Park. Annual O&M costs estimated to be \$34,020.

Thorpe Park Improvements – Phase II

Selected phase II renovations and improvements, which may include relocating maintenance shop, new skate track, BMX, ramadas, lights for soccer field, parking lots. Estimated O&M costs annually are \$33,440.

Woodlands Village Park Land Acquisition

Acquire approximately 5 acres of land for Neighborhood Park. Annual O&M costs estimated to be \$250.

New City Shop Facility

The existing shop facility is outdated; over crowded and has little available parking. Annual O&M costs are estimated to be \$250,000.

Cemetery Entrance

Construct new entrance – add turn lane on Lone Tree Rd., bridge over the Sinclair wash, curb & gutter, gates, landscaping and signage. Estimated Annual O&M costs are \$3,000.

Cemetery Office Addition

Add 24' X 38' building addition for new office, family meeting area, employee break room, showers and restrooms. Annual O&M costs estimated to be \$4,000.

Adult Center Expansion

Enlarge building by approximately 22,000 sq. ft to include a gymnasium, activity rooms, etc. Annual O&M costs estimated to be \$18,000.

Aquatic Center

Development of approximately 45,000 sq. ft. aquatic center to include leisure pool, lifestyle pool, and competitive pool components. Estimated Annual O&M costs are \$395,000.

Lighted Softball Complex

Build tournament quality Adult Softball Complex, includes fields, lights, concession and announcer areas, and restrooms. Annual O&M costs estimated to be \$158,760.

Multi Purpose Recreation Center

Development of approximately 50,000 sq. ft. recreation center, including indoor courts (basketball, volleyball, soccer), activity and meeting rooms, and administrative space. Annual O&M costs estimated to be \$325,000.

Municipal Golf Course

Development of 18-hole golf course, driving range, practice tees and clubhouse. O&M costs yet to be determined.

Snow Play Area

Develop a snow play area. Estimated annual O&M costs are \$11,440.

City Court Facility

New 15,000 sq. ft. City Court Facility

City Hall Annex

10,000 sq. ft. of additional city office space.

Downtown Gateway West Parking Garage

New parking garage for Downtown that will serve new developments, existing downtown businesses and City Hall.

BBB**McMillan Mesa Open Space**

Secure McMillan Mesa as open space with the City of Flagstaff allowing "paste back" development along the western edge. Annual O&M estimated to be \$14,000.

Regional Open Space Projects

Secure Picture Canyon and Observatory Mesa Open Space. Annual O&M estimated to be \$12,000.

McMillan Mesa System

Standard 10' aggregate surface and slope stabilization. Includes two planned bridges over cedar, one east of Turquoise, and the other north of Gemini. Annual O&M costs are \$5,000.

STORMWATER**Fanning Drive Wash Erosion Control**

Design and Construction of channel improvements, grade control, and channel bank erosion control.

Malapais Lane Storm Drain

Design and construction of new storm drain and drainage inlets.

University Heights Drive South Culvert Replacement

Design and construction of new concrete box culverts to replace existing culverts.

West Street Wash Detention Facility

Design and construction of a multi-use detention facility.

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM SUMMARY
FISCAL YEARS 2004-2010**

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
Beginning Balance	\$ 1,671,206	-	-	-	-	-	-	-	-
Resources									
Bonds	45,359,798	6,069,820	37,007,476	3,732,924	-	-	1,953,800	10,184,100	58,948,120
Grants	3,453,961	7,640,660	10,869,385	5,091,848	6,868,600	4,258,460	3,728,176	2,836,800	41,293,929
Pay-as-you-go	15,041,600	14,751,021	48,873,837	46,894,057	8,977,600	10,493,640	13,860,224	10,141,555	153,991,934
Total Resources	63,855,359	28,461,501	96,750,698	55,718,829	15,846,200	14,752,100	19,542,200	23,162,455	254,233,983
Expenditures									
General Government	11,042,757	2,869,458	7,134,129	310,000	310,000	310,000	310,000	160,000	11,403,587
Public Works: Streets	29,033,910	15,833,484	35,777,423	9,049,724	4,731,300	6,277,000	6,995,000	7,865,000	86,528,931
BBB	6,236,866	879,102	8,587,715	2,774,800	1,555,000	1,060,000	1,430,000	780,000	17,066,617
Utilities: Water	7,097,691	4,299,040	8,695,777	19,421,900	4,326,700	924,000	1,174,600	2,771,600	41,613,617
Utilities: Wastewater	5,540,514	2,285,106	16,673,161	13,875,100	793,200	2,531,100	7,282,600	9,430,300	52,870,567
Airport	3,868,621	1,481,809	10,846,558	9,019,305	3,450,000	3,050,000	1,850,000	1,655,555	31,353,227
Environmental Services	820,000	721,557	718,265	725,000	500,000	500,000	500,000	500,000	4,164,822
Stormwater Utility	215,000	91,945	8,317,670	543,000	180,000	100,000	-	-	9,232,615
Total Expenditures	63,855,359	28,461,501	96,750,698	55,718,829	15,846,200	14,752,100	19,542,200	23,162,455	254,233,983
Ending Balance	\$ 1,671,206	-	-	-	-	-	-	-	-

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2004-2010**

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
General Government									
Rio de Flag Hydrology Study	\$ 5,052,738	183,227	-	-	-	-	-	-	183,227
Rio de Flag Parking	-	-	-	-	-	-	-	-	-
Parks and Recreation	-	-	-	135,000	135,000	135,000	135,000	135,000	675,000
ADA Improvements - Recreation	-	780,392	-	-	-	-	-	-	780,392
ADA Improvements - Parks	759,991	-	-	-	-	-	-	-	-
Guadalupe	200,000	-	200,000	-	-	-	-	-	200,000
Environmental and Facilities									
Soils Remediation	20,000	-	-	-	-	-	-	-	-
ADA Improvements	184,023	94,410	-	-	-	-	-	-	94,410
-	-	-	-	-	-	-	-	-	-
Other projects	-	-	-	-	-	-	-	-	-
USGS Improvements	150,000	-	30,000	-	-	-	-	-	30,000
Police/ Sheriff Facility	-	-	37,243	-	-	-	-	-	37,243
Remodel of Courthouse	26,105	25,079	-	-	-	-	-	-	25,079
-	-	-	-	-	-	-	-	-	-
Non-Departmental									
Downtown Improvements	-	825,200	-	-	-	-	-	-	825,200
Heil Purchase	455,000	455,000	-	-	-	-	-	-	455,000
Redevelopment Acquisitions	3,572,000	505,000	2,095,053	-	-	-	-	-	2,600,053
General Fund Capital Projects									
2004 Bond Projects	-	-	3,797,539	-	-	-	-	-	3,797,539
Library									
Flagstaff Branch Remodel	18,394	1,150	18,394	-	-	-	-	-	19,544
Air Conditioner	100,000	-	240,000	-	-	-	-	-	240,000
Remodel Bathrooms - Main	40,000	-	40,000	25,000	25,000	25,000	25,000	25,000	165,000
Real Estate Proceeds									
Redevelopment Acquisitions	685,000	-	675,900	150,000	150,000	150,000	150,000	-	1,275,900
Total General Government	\$ 11,263,251	2,869,458	7,134,129	310,000	310,000	310,000	310,000	160,000	11,403,587

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2004-2010**

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
BBB									
Beautification									
Special Projects (Neighborhoods)	\$ 25,000	25,000	25,625	25,000	25,000	25,000	25,000	25,000	175,625
Route 66 - Verde To Switzer Canyon	-	-	-	-	-	-	-	-	-
Rio De Flag Corridor - Enhancements	150,000	-	-	-	0	0	0	-	-
Openspace Restoration/Enhancements	30,000	30,045	30,000	30,000	30,000	30,000	30,000	30,000	210,045
Sign Buyout Program	-	-	-	-	-	-	-	-	-
Route 66 - Elden To San Francisco (Incl 2 Spot)	20,000	29,500	-	-	-	-	-	-	29,500
Route 66 - Country Club to Spur	150,854	-	-	250,000	-	-	-	-	250,000
Route 66 - Enterprise To Arrowhead	288,261	1,723	214,141	-	-	-	-	-	215,864
Route 66-Enterprise/Butler	-	296	-	-	-	-	-	-	296
US 89 Railhead to Snowflake	575,500	30,442	1,042,293	-	-	-	-	-	1,072,735
Redevelopment Opportunity Fund	50,000	50,000	28,500	50,000	50,000	50,000	50,000	50,000	328,500
Adot Fwy Corridor & TI Enhance Ptnrshp	100,000	10,000	76,212	75,000	75,000	75,000	75,000	75,000	461,212
FUTS-Right of Way & Open Space Opportunity	100,000	879	80,000	100,000	100,000	100,000	100,000	100,000	580,879
FUTS-Rio To Foxglenn: Ph. I & II	-	2,089	-	-	175,000	-	-	-	177,089
FUTS-Fisher Point & Az. Trail Row	-	-	-	-	-	-	-	-	-
FUTS-Crescent To Cheshire: Phases I & II	398,963	6,435	221,607	-	-	-	-	-	228,042
FUTS-Bow & Arrow I & II	105,376	15,000	-	-	-	200,000	-	-	215,000
FUTS-Us 180 Sechrist To Fremont	750,000	15,000	800,000	-	-	-	-	-	815,000
FUTS-Enterprise/Az Trail	-	-	-	-	-	-	-	-	-
FUTS-Tunnel Springs Trail	75,000	50,291	-	-	-	-	-	-	50,291
FUTS-Mc Millian Mesa	114,425	32,183	436,371	200,000	-	280,000	-	-	948,554
FUTS-Downtown Rio Corridor	80,436	-	50,000	500,000	-	-	-	-	550,000
FUTS-Lonetree Corridor	361,945	72,601	453,701	-	-	-	-	-	526,302
FUTS- Thompson To Rio	142,620	348	674,221	800,000	200,000	-	-	-	1,674,569
FUTS-Lake Mary Rd; Beullah to Ponderosa Tr.	240,000	74,328	300,204	-	-	-	-	-	374,532
FUTS-West Village To Walnut	-	87,800	-	-	-	-	-	-	87,800
FUTS- US 180 to Beaver	48,825	20,000	35,900	-	-	-	-	-	55,900
FUTS- US 180 to USFS System	-	-	-	94,800	-	-	-	-	94,800
FUTS- East Flank Mc Millian Mesa	-	-	-	-	100,000	-	-	-	100,000
FUTS-Fourth Street, Butler to Rt. 66	-	-	-	-	-	150,000	-	-	150,000
FUTS-Mesa Drive to US 180	-	-	-	-	-	-	150,000	-	150,000
FUTS-Railroad Springs to Woody Mtn. Road	-	-	-	-	-	-	150,000	-	150,000
FUTS-Az Trail - Rio to Butler Realignment	-	-	-	-	-	-	250,000	-	250,000
FUTS-Sinclair Wash Trail	-	-	-	150,000	150,000	-	-	-	300,000
FUTS-University Highland to Sinclair Wash	-	-	-	-	-	150,000	-	-	150,000
FUTS-Airport Area Connections Across I-17	-	-	-	-	650,000	-	-	-	650,000
FUTS-Rio de Flag Rt 66 to Az Trail	-	-	-	-	-	-	200,000	-	200,000

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
BBB (continued)									
FUTS-US 180 Multi-Use Kendrick to Sechrist	-	-	-	500,000	-	-	-	-	500,000
FUTS-Sinclair Wash to Woody Mtn. Road	-	-	-	-	-	-	200,000	-	200,000
FUTS-Rt 66 Multi-Use - Spur Dr to Rio Crossing	-	-	-	-	-	-	200,000	-	200,000
FUTS - Reserves	-	-	-	-	-	-	-	500,000	500,000
Tourism									
Building Improvements-Visitor Center	211,280	161,781	70,000	-	-	-	-	-	231,781
Recreation									
Thorpe Park	1,719,167	78,674	1,640,455	-	-	-	-	-	1,719,129
Christensen	-	38,102	419,693	-	-	-	-	-	457,795
Thomas	394,831	45,733	332,212	-	-	-	-	-	377,945
Foxglenn Park	-	852	-	-	-	-	-	-	852
Lake Mary Land Acquisition	-	-	1,025,000	-	-	-	-	-	1,025,000
Aquatic Center Design Work	104,383	-	-	-	-	-	-	-	-
BMX Park - Sixth Avenue	-	-	631,580	-	-	-	-	-	631,580
Total BBB	\$ 6,236,866	879,102	8,587,715	2,774,800	1,555,000	1,060,000	1,430,000	780,000	17,066,617

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2004-2010**

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
Streets/Transportation									
Streets									
Curb, Gutter, Sidewalk	\$ 15,000	14,874	15,000	15,000	15,000	15,000	15,000	15,000	104,874
ADOT Turnbacks	-	-	2,000,000	-	-	-	-	-	2,000,000
Overlay	1,601,071	1,555,200	1,522,720	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	10,827,920
Lake Mary Rd @ LDS	-	3,225	-	-	-	-	-	-	3,225
Enterprise/Butler Reconstruction	315,000	263,722	8,536	-	-	-	-	-	272,258
Southside Traffic Improvements	152,400	125,391	-	300,000	200,000	-	-	-	625,391
ADA Compliance	155,155	85,411	143,513	125,000	125,000	125,000	125,000	125,000	853,924
Sunnyside	1,804,354	1,145,199	235,102	-	1,098,300	1,044,000	965,000	900,000	5,387,601
Sunnyside Phase III-B	-	15,464	300,000	1,199,000	-	-	-	-	1,514,464
Signal Scychron system design	-	11,557	-	-	-	-	-	-	11,557
Bus Pullouts	306,478	35,016	292,575	-	-	-	-	-	327,591
Reserve for Improvements	49,877	31,713	50,000	50,000	50,000	50,000	50,000	50,000	331,713
Transportation									
4th Street Overpass	10,699,075	9,902,667	15,387,200	3,732,924	-	-	-	-	29,022,791
Misc Safe to School	683,518	218,312	961,742	-	-	-	-	-	1,180,054
Thomas Drive Urban Link	150,000	232,432	-	-	-	150,000	-	-	382,432
Misc Bike/Ped	221,889	17,249	755,340	-	-	-	-	-	772,589
Soliere Avenue	419,894	553,996	85,969	-	-	-	-	-	639,965
Country Club Drive	627,718	680,356	25,961	-	-	-	-	-	706,317
Dirt Streets Program	-	7,500	787,931	-	-	-	-	-	795,431
Transportation Planning	521,955	103,788	598,054	112,500	75,000	75,000	75,000	75,000	1,114,342
East Flagstaff Gateway	8,648,887	81,053	8,417,588	-	-	-	-	-	8,498,641
Empire Avenue Extension	1,622,558	684,341	1,906,821	-	-	-	-	-	2,591,162
Birch avenue Curb and Gutter	-	14,927	-	-	-	-	-	-	14,927
Lone Tree Road Study	-	21,935	142,960	-	-	-	-	-	164,895
Beulah Blvd. Extension	500,000	-	950,000	450,000	450,000	350,000	350,000	850,000	3,400,000
Reserve for Improvements	-	-	25,000	-	-	-	-	-	25,000
Downtown Pavers	-	-	75,000	-	-	-	-	-	75,000
Street Light Luminaire Replacement	-	-	100,000	-	-	-	-	-	100,000
Downtown Rail Crossing Modifications	-	-	10,262	-	-	-	-	-	10,262
Ped-Xing Equipment	-	28,156	-	-	-	-	-	-	-
Annual Maintenance	-	-	-	200,000	200,000	200,000	200,000	250,000	1,050,000
Brannen Ave Paving	-	-	-	-	-	191,000	-	-	191,000
Butler Ave/4th Street Signal	-	-	-	250,000	-	-	-	-	250,000
Butler Ave Bike Lanes	-	-	-	140,300	-	-	-	-	140,300
Gabel Street Paving	-	-	-	-	-	54,000	-	-	54,000
Hunington Drive Improvements	539,081	-	980,149	-	-	-	-	-	980,149
I-40 TI Planning Studies	-	-	-	150,000	-	-	-	-	150,000

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
Streets/Transportation (continued)									
Industrial Drive Paving	-	-	-	-	300,000	-	1,600,000	-	1,900,000
Lake Mary Road Bike Lanes	-	-	-	275,000	172,700	-	-	-	447,700
Lone Tree Road Reconstruction	-	-	-	500,000	-	1,500,000	-	-	2,000,000
New Traffic Signal PGM	-	-	-	-	125,000	-	125,000	-	250,000
Street Paving	-	-	-	-	-	250,000	-	-	250,000
Penstock Avenue Paving	-	-	-	-	268,000	-	-	-	268,000
Route 66 Bike Lanes - East	-	-	-	-	102,300	137,200	-	-	239,500
Route 66 Bike Lanes - West	-	-	-	-	-	235,800	-	-	235,800
Thorpe Road Edge Improvements	-	-	-	-	-	-	90,000	-	90,000
Country Club - Oakmont	-	-	-	-	-	-	600,000	-	600,000
West Arrowhead Improvements	-	-	-	-	-	350,000	-	3,650,000	4,000,000
Steves Blvd. - Lakin Realign	-	-	-	-	-	-	1,000,000	-	1,000,000
Traffic Signal Synocronization	-	-	-	-	-	-	250,000	-	250,000
W. Rt 66 Widening at Woodlands Village	-	-	-	-	-	-	-	400,000	400,000
Total Streets/Transportation	\$ 29,033,910	15,833,484	35,777,423	9,049,724	4,731,300	6,277,000	6,995,000	7,865,000	86,500,775

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2004-2010**

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
Water/Wastewater									
Water									
Purch of Property Rights-Watershed	\$ 20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000
Inner Basin Pipeline	129,382	39,563	200,000	101,500	104,500	107,700	110,900	114,200	778,363
Water Loading Station	-	27,889	-	-	-	-	-	-	27,889
Lucky Lane Waterline	33,473	42,542	-	-	-	-	-	-	42,542
Amberwood Booster	318,262	354,182	7,000	-	-	-	-	-	361,182
Humphreys Waterline (ADOT)	5,942	26,577	-	-	-	-	-	-	26,577
Mall Infrastructure	401,084	-	805,878	-	-	-	-	-	805,878
Waterline Relocations	-	-	352,121	-	-	-	-	-	352,121
27" Pipeline Replacement	-	-	-	-	-	-	-	2,318,500	2,318,500
Agassiz/Dupont/Verde Waterline	167,595	171,263	-	-	-	-	-	-	171,263
Coconino Ave Waterline	130,657	124,257	-	-	-	-	-	-	124,257
Black Barts/Sinagua Hts Waterline	830,703	77,524	1,234,898	-	-	-	-	-	1,312,422
Foxgeln/Skyview Waterline	861,862	93,484	1,173,277	-	-	-	-	-	1,266,761
Sunnyside Improvements	2,332,804	1,740,818	792,850	1,308,000	1,746,500	-	-	-	5,588,168
Mohawk Dr Waterline	-	-	-	70,100	-	-	-	-	70,100
Elm Street Waterline	-	-	-	114,400	-	-	-	-	114,400
CC College/NAU Waterline	-	-	-	246,000	-	-	-	-	246,000
Ponderosa Trails to Airport W/L	-	-	-	382,500	-	-	-	-	382,500
Talkington/Lynn/Elizabeth Waterline	-	-	313,282	-	-	-	-	-	313,282
Benton/SF Alley/Elden Waterline	-	-	-	-	189,500	-	-	-	189,500
Franklin Waterline (Beaver/Lone Tree)	-	-	-	-	210,700	-	-	-	210,700
N. San Francisco Alley Waterline	-	-	-	-	67,500	-	-	-	67,500
Park Street Waterline (Santa Fe/Dale)	-	-	-	-	-	301,200	-	-	301,200
Aspen Waterline (Sitgreaves/Aztec)	-	-	-	-	-	301,200	-	-	301,200
Beaver Street WL	-	-	-	-	-	-	310,200	-	310,200
Pinal/Papago Alley Waterline	-	-	-	-	-	-	153,100	-	153,100
SCADA	-	-	-	-	-	-	-	184,500	184,500
Reserve	115,927	12,614	119,405	119,400	123,000	126,700	130,500	134,400	766,019
Town Well #4 Equip.	-	274,004	-	-	-	-	-	-	274,004
Town Wells 3 & 4	-	114,759	-	-	-	-	-	-	114,759
Town Well #5	1,500,000	1,103,432	397,566	-	-	-	-	-	-
East Reservoir Demolition	-	-	50,000	-	-	-	-	-	50,000
Railroad Springs Reservoir	-	-	500,000	-	-	-	-	-	500,000
Water Production Wells	-	-	2,575,000	2,060,000	1,865,000	-	-	-	6,500,000
Woody Mtn Arsenic Removal	250,000	76,132	154,500	-	-	-	-	-	230,632
Future Water Rights	-	-	-	15,000,000	-	-	-	-	15,000,000
Lake Mary Wellfield #2 Pipeline	-	-	-	-	-	67,200	356,400	-	423,600
Gas Chromatograph	-	-	-	-	-	-	93,500	-	93,500
Total Water	7,097,691	4,299,040	8,695,777	19,421,900	4,326,700	924,000	1,174,600	2,771,600	40,112,619

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
Wastewater									
WC Upgrade/Reclaim Connection	1,851,000	641,700	-	-	-	-	-	-	641,700
Primary Tank Pipe Hnge-WC	-	-	60,000	-	-	-	-	-	60,000
WW Plant Expansion Design	-	-	-	-	-	1,266,800	6,523,900	6,719,600	14,510,300
WC Treatment Upgrade/Rec	-	-	12,149,694	11,657,200	-	-	-	-	23,806,894
Wildcat Loadout Replacement	50,000	-	50,000	-	-	-	-	-	50,000
Replacement Dredge	-	-	-	189,900	-	-	-	-	189,900
Rio Plant Clear/Skim Modifier	-	-	100,000	-	-	-	-	-	100,000
Wildcat Primary Clarifier Coating	-	-	-	-	-	190,000	-	-	190,000
Wildcat Crackseal	-	-	-	33,100	-	-	-	-	33,100
Wildcat Pipe Replacement	-	-	-	59,700	123,000	261,000	-	-	443,700
Wildcat Blast and Mortar Wash	-	-	-	-	-	158,300	-	-	158,300
Rio Plant SCADA	-	-	-	-	-	-	-	184,500	184,500
Rio Plant Chipseal	-	-	-	-	-	-	33,600	-	33,600
Wildcat Crackseal & SSB	-	-	-	-	-	-	64,500	-	64,500
Coat Wildcat Digester	-	-	-	-	-	-	150,000	159,200	309,200
Second Street Sewer	200,000	129,832	-	-	-	-	-	-	129,832
Birch Ave Sewer	-	17,670	-	-	-	-	-	-	17,670
Humphreys Sewer (ADOT)	5,835	15,718	-	-	-	-	-	-	15,718
Mall Infrastructure	406,084	-	808,929	-	-	-	-	-	808,929
Christensen Reclaim Ext	821,549	388,021	957,629	-	-	-	-	-	1,345,650
SCA Reclaim/Sewer	-	-	513,383	-	-	-	-	-	513,383
Xeriscape Projects	-	-	100,000	-	-	-	-	-	100,000
Siler Homes Reclaim Ext	252,938	304,000	-	-	-	-	-	-	304,000
Arrowhead/Mt. View Sewer	845,077	467,156	258,429	-	-	-	-	-	725,585
Reclaim Hydrants	77,064	1,828	151,899	-	-	-	-	-	153,727
NAU Reclaim Expansion	707,565	238,364	707,219	721,000	-	-	-	-	1,666,583
Huntington/Old Pit Sewer Update	-	-	-	309,000	-	-	-	-	309,000
Rio Outfall	236,402	72	726,425	-	246,000	253,400	261,000	268,800	1,755,697
Continental Outfall Sewer	-	-	-	241,200	-	-	-	-	241,200
Reclaimed Loadout Station	-	-	-	163,900	-	-	-	-	163,900
Mike's Pike Sewer	-	-	-	207,800	-	-	-	-	207,800
Terrace/Birch Sewer	-	-	-	202,700	332,000	-	-	-	534,700
Lower Greenlaw Sewer	-	-	-	-	-	306,600	-	-	306,600
Phoenix Sewer (Beaver/SF)	-	-	-	-	-	-	151,700	-	151,700
South Beaver Street Sewer	-	-	-	-	-	-	-	164,700	164,700
Upper Greenlaw Phase II	-	-	-	-	-	-	-	781,800	781,800
West Side Interceptor Improvements	-	-	-	-	-	-	-	1,050,900	1,050,900
Reserve	87,000	80,745	89,554	89,600	92,200	95,000	97,900	100,800	645,799
Total Wastewater	5,540,514	2,285,106	16,673,161	13,875,100	793,200	2,531,100	7,282,600	9,430,300	52,870,567
Total Water and Wastewater	\$ 12,638,205	6,584,146	25,368,938	33,297,000	5,119,900	3,455,100	8,457,200	12,201,900	92,983,186

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2004-2010**

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
Airport									
Master Plan Update	\$ 266,436	312,693	252,261	-	-	-	-	-	564,954
Design & Construction Air Carrier Apron	-	3,528	-	-	-	-	-	-	3,528
Design & Constr Taxilane/Apron-GA	-	-	-	-	250,000	2,000,000	500,000	-	2,750,000
Design/Constr JWP/Pulliam Widening	-	-	-	1,300,000	500,000	-	-	-	1,800,000
Design/Constr ARFF & Snow Equip	702,315	953,413	2,497,145	-	-	-	-	-	3,450,558
New Parallel Taxiway North	-	535	-	-	-	-	-	-	535
Land Acquisition	-	-	1,140,000	1,140,000	-	-	-	-	2,280,000
Runway Extension	375,726	-	4,315,695	6,179,305	-	-	-	-	10,495,000
West Hangar Area	2,524,144	211,640	2,516,457	-	-	-	-	-	2,728,097
Perimeter Road Construction	-	-	-	400,000	2,700,000	800,000	-	-	3,900,000
Pavement Crack Seal Overlay	-	-	125,000	-	-	250,000	250,000	-	625,000
Future Projects-ADOT	-	-	-	-	-	-	-	555,555	555,555
Future Projects-FAA	-	-	-	-	-	-	1,100,000	1,100,000	2,200,000
Total Airport	\$ 3,868,621	1,481,809	10,846,558	9,019,305	3,450,000	3,050,000	1,850,000	1,655,555	31,353,227

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2004-2010**

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
Environmental Services									
Maintenance Building	\$ -	-	400,000	100,000	-	-	-	-	500,000
Annual Setaside - Landfill Closure	500,000	500,000		500,000	500,000	500,000	500,000	500,000	3,000,000
Stormwater	-		-	60,000	-	-	-	-	60,000
Cinderlake Landfill Residential Dropoff	-		65,000	65,000	-	-	-	-	130,000
Litter Control Berm	45,000	40,560	-	-	-	-	-	-	40,560
Tree Clearing Landfill	40,000	40,000	-	-	-	-	-	-	40,000
MRF Entry Improvements	320,000	140,000	253,265	-	-	-	-	-	393,265
HH Hazardous Waste Building	-	997	-	-	-	-	-	-	997
Total Environmental Services	\$ 905,000	721,557	718,265	725,000	500,000	500,000	500,000	500,000	4,164,822

**CITY OF FLAGSTAFF
CAPITAL IMPROVEMENT PROGRAM LISTING
FISCAL YEARS 2004-2010**

	Budget 2003-2004	Estimate 2003-2004	Budget 2004-2005	Budget 2005-2006	Budget 2006-2007	Budget 2007-2008	Budget 2008-2009	Budget 2009-2010	Total Plan
Stormwater Utility									
Sixth Avenue Drainage Detention	\$ 215,000	91,945	91,945	-	-	-	-	-	183,890
Walnut Meadows	-	-	150,000	-	-	-	-	-	150,000
Rio de Flag	-	-	6,875,725	543,000	180,000	100,000	-	-	7,698,725
Rio Parking Replacement	-	-	1,200,000	-	-	-	-	-	1,200,000
Total Stormwater Utility	215,000	91,945	8,317,670	543,000	180,000	100,000	-	-	9,232,615

FINANCING THE CAPITAL PLAN

The major sources of financing capital improvements in the upcoming fiscal year are:

Operating Funds	50.5%
Debt Financing	38.3%
Grants	11.2%

The rating agencies (Standard and Poors' Corp. and Moody Investors, Inc.) view 15% from operating funds as highly favorable. The City currently is financing 50.5% 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

Bonds issued as general obligations of the City are 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. \$27 million was outstanding on July 1, 2004, and the City has \$27.5 million in available capacity at the 6% debt margin and \$75.8 million in available capacity at the 20% debt margin as of July 1, 2004.

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 issued Refunding Bonds for \$9.3 million in April 2003. As a result, the refunded bonds are considered to be defeased. The advance refunding was undertaken to reduce total debt service payments over the next eight years by \$396,803 and resulted in an economic gain of \$321,874. \$9 million is outstanding as of July 2, 2003 on these refunding 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 \$5.2 million is outstanding as of July 2, 2003. The City may issue any combination of junior and senior lien bonds as long as the coverage requirements are satisfied. Approximately \$26.4 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. G.O. bonds accounted for \$33.9 million of the issuance. 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, 2003 is \$1.85 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 \$4.4 million is 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. The City issued these bonds in FY 2004.

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 airpark 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 streetscape 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. The City has applied for funding on the May 18 capital project ballot items.

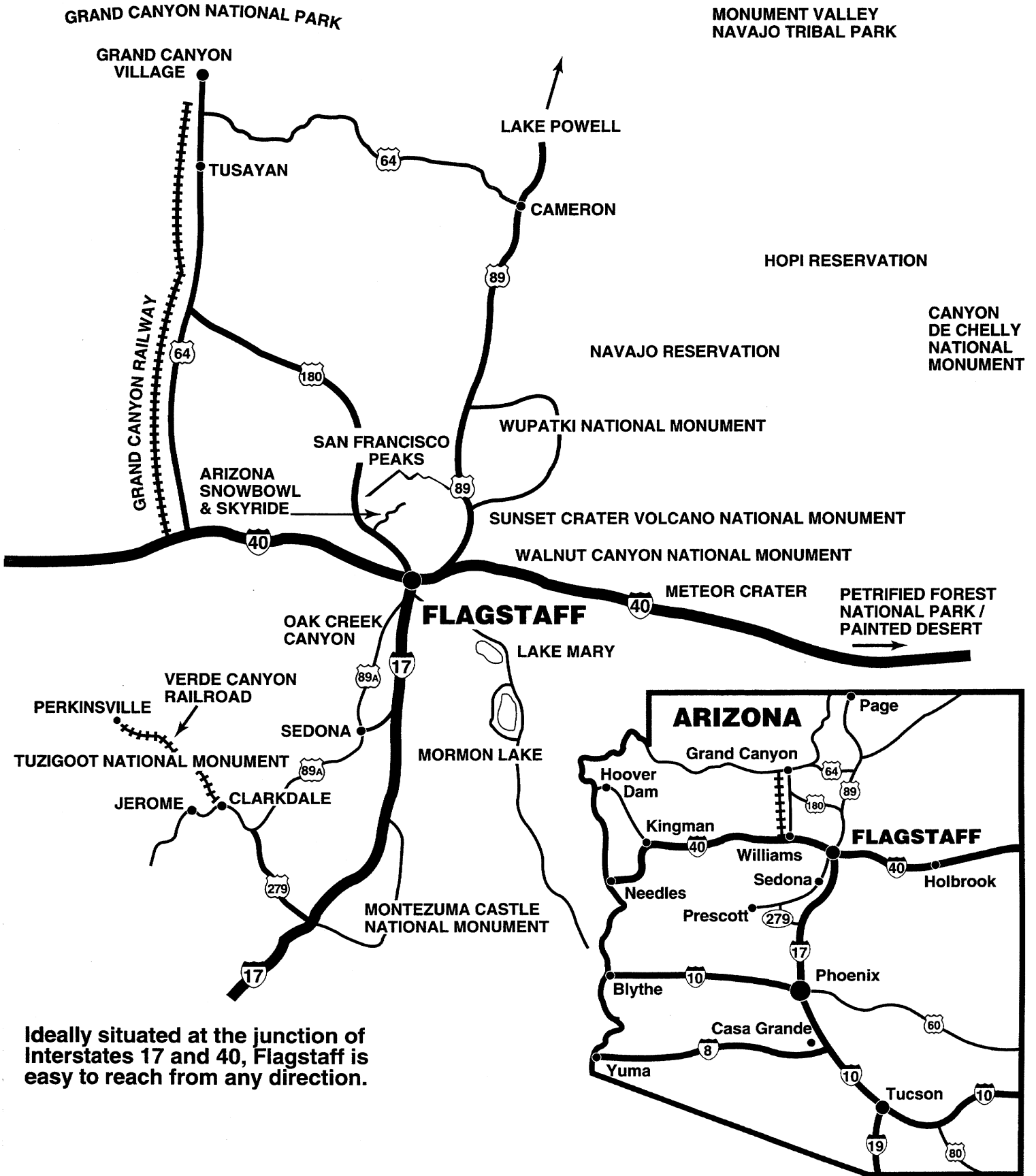
Another loan program available through the State is the Arizona State Transportation Board's Airport Revolving Loan Program. The loans are provided for airport-related construction projects not eligible for federal funding or under other programs and are designed to improve airport self-sufficiency. 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 50.5% 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.

Flagstaff Arizona



Ideally situated at the junction of Interstates 17 and 40, Flagstaff is easy to reach from any direction.

Flagstaff Community Profile

Flagstaff, Arizona is located at the intersection of Interstate 17 and Interstate 40, and is the largest city in Northern Arizona. The city is also the regional center and county seat for Coconino County, the second largest county in the 48 contiguous states. The City of Flagstaff, becoming a town in 1894, incorporated as a city in 1928, and currently comprising of just over 64 square miles, is nestled at the base of the San Francisco Peaks and surrounded by one of the largest pine forests on earth. Flagstaff drew its name from a very tall pine tree made into a flagpole in 1876 to celebrate our nations centennial. At nearly 7,000 feet, Flagstaff is also one of the highest elevation cities in the United States. The city is a year-round mecca for visitors and many Arizonans maintain second homes here.

History

In 1855 Lieutenant Beale, in surveying a road from the Rio Grande in New Mexico to Fort Tejon in California, passed over the spot where Flagstaff now stands. While camping at the Eastern extremity of the present town, the lieutenant had his men cut the limbs from a straight pine tree in order to fly the United States flag.

The town's first recognized permanent settler, Thomas F. McMillan, arrived in 1876 and built a cabin at the base of Mars Hill. During the 1880's Flagstaff began to grow, opening its first post office and welcoming the booming railroad industry. The town had timber, sheep and cattle and by 1886 Flagstaff was the biggest city on the main line between Albuquerque and the West Coast.

In 1894, Dr. Percival Lowell chose Flagstaff, due to its great visibility, as the site for the now famous Lowell Observatory. Thirty-six years later, Pluto was discovered through the observatory's telescopes. The Arizona Teacher's College began in 1899, later becoming Northern Arizona University (1966). During the 1920's, Route 66 was built and passed right through town making Flagstaff a popular tourist stop. Flagstaff was incorporated as a city in 1928.

Today, Flagstaff is a community rich with cultural diversity, beauty and history, as well as amazing educational, recreational and scientific opportunities.

Weather

Flagstaff enjoys four distinct seasons. Moderate summer temperatures average twenty degrees less than Phoenix, and are punctuated with afternoon rain showers in July and August. The winter brings an average annual snowfall of 99 inches, much to the enjoyment of skiers, ice skaters and snowboarders. As the snow thaws into spring, blooming wildflowers are abundant and fragrant along Flagstaff's many hiking trails. Autumn is highlighted with the changing of the aspen leaves that transform the surrounding mountains into a golden tapestry of color. 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.

Climate	Average Temperature		Average Precipitation
	Daily Max.	Daily Min.	
January	42.7	15.9	1.99
February	45.3	18	2.09
March	49.7	21.7	2.24
April	58.1	27.1	1.28
May	67.6	33.8	0.7
June	78	41.1	0.5
July	81.8	50.3	2.48
August	79.1	49.1	2.83
September	73.9	41.3	1.97
October	63.7	31	1.57
November	51.1	22	1.73
December	43.7	16.3	1.91
Year (average)	61.2	30.6	21.3

Source: Western Regional Climate Center (Jan. 1950-Dec. 2003)

Economic Information

Flagstaff is a governmental, educational, transportation, cultural and commercial center. Government is one of the largest employment sectors. Tourism is also a large employer as the city sees over 5,000,000 visitors a year. In addition, the City houses Northern Arizona University and other scientific and high tech research and development industries.

NAU, the largest employer in the City, has a major economic impact 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 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 Sports 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.

Population	1990	2000	2003
Flagstaff	45,857	52,894	61,030
Coconino County	96,591	116,320	128,925
Arizona	3,665,228	5,130,632	5,629,870

Sources: Arizona Department of Economic Security and U.S. Census Bureau

Five business and industrial parks are situated with excellent access to the Interstates (I-40 and I-17). One additional site resides within 15 miles of the City limits. Major manufacturers include W.L. Gore & Associates (of Gortex renown), manufacturer of medical equipment; Nestle Purina Petcare Products, manufacturer of pet

food; SCA Tissue, manufacturer of tissue paper; and Joy Cone, manufacturer of ice cream cones.

Business Licenses	June 2004
Construction Contracting	1,653
Building Materials	126
General Merchandising Stores	14
Drug and Liquor Stores	20
Food Stores	148
Auto Sales, Parts, etc.	336
Clothing Stores	74
Home Furnishings	397
Rentals	773
Advertising, Publishing, and Printing	156
BBB	386
Misc. Retail	1,884
Franchise Accounts	114
Service Related (Business Licenses)	1,394
Total	7,475

Source: City of Flagstaff, Tax, Licensing, and Revenue Division

Total sales generated by Flagstaff businesses reached \$2.57 billion in FY 2004.

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. Non-city residents provided an estimated 50% of the sales tax revenue. The City has 386 licensed businesses generating BBB tax revenues (an additional 2% sales tax).

Major private employers in the Flagstaff area are Nestle Purina, W. L. Gore & Associates, SCA Tissue, Sturmer and Klien, Walgreens Distribution, and Joy Cone. Major public employers in the Flagstaff area are Coconino County, Northern Arizona University, City of Flagstaff, Flagstaff Unified School District, and the U.S. Forest Service.

Labor Force Data	1990	2000	2003
(Annual Average)			
Civilian Labor Force	26,111	34,589	35,998
Unemployed	1,604	1,582	1,819
Unemployment Rate	6.10%	4.60%	5.10%

Source: Arizona Department of Economic Security

Growth Indicators	1990	2000	2003
Business Licenses	4,000 (est.)	5,440	7,144
Retail Sales	631,835,742	1,238,195,104	1,458,775,346
Primary Net Assessed Value	223,050,141	399,244,815	456,880,429

Sources: AZ Department of Revenue; City of Flagstaff

Cultural Opportunities and Scenic Attractions

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. 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 concerts, a young people's concert, and a children's holiday concert each year. The annual concert series often features 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.

Known as the "City of Seven Wonders," Flagstaff attracts millions of tourists each year due to its easy access to such scenic destinations as the Grand Canyon, Sunset Crater, Oak Creek Canyon, Meteor Crater, Walnut Canyon, Wupatki National Monument, and the San Francisco Peaks.

Community Facilities

Flagstaff offers a wide range of community and cultural facilities, including:

City Recreational Facilities:		Other Facilities:	
Recreation Centers	4	Museums	2
Parks-Developed	28	Art Galleries	10
Parks-Undeveloped	4	Libraries	3
Tennis Courts	17	Swimming Pools	2
Racquetball Courts	5	Bowling Alleys	1
Ramadas	11	Symphony Orchestra	1
Softball/Baseball Fields	17	Ski Resort	1
Ice Rinks	1	Movie Screens	12
Playgrounds	20		
Skate Tracks	2		
Soccer Fields	4		
Disc Golf Course	1		
Basketball Courts	19		
Volleyball Courts	6		
Horseshoe Courts	12		
Off Leash Areas-Bark Parks	2		

Education

Flagstaff Unified School District #1 is widely recognized as one of the finest in the Southwest with 12 elementary schools, 2 middle schools, 2 alternative schools, 3

magnet schools, and 3 high schools. In addition to the public school system, there are 11 charter 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 2002, NAU offered 95 Bachelor, 47 Master, and 9 Doctorate degrees. Its approximately 18,824 students (12,874 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. In the fall of 2002, enrollment was approximately 3,785 students (3,165 of which were enrolled at the two Flagstaff campus).

Transportation

Flagstaff is a major crossroads for the west. Interstates 17 and 40 provide road access to major west coast markets, including San Francisco, Las Vegas, Albuquerque, El Paso, Los Angeles, San Diego, parts of Mexico, and of course, Phoenix and Tucson. US Highway 89 provides access to the states north of Arizona and Highway 180 provides access to the Grand Canyon.

Approximate Drive Times from Flagstaff:	
Grand Canyon, AZ	2 Hours
Lake Powell, AZ	3 Hours
Nogales, AZ	4 1/2 Hours
Phoenix, AZ	2 1/4 Hours
Sedona, AZ	1 Hour
Tucson, AZ	3 1/2 Hours
Albuquerque, NM	5 Hours
El Paso, TX	9 Hours
Las Vegas, NV	4 Hours
Los Angeles, CA	7 1/2 Hours

Burlington Northern Santa Fe Railway serves the city of Flagstaff with more than 100 trains passing through town daily. Amtrak also services Flagstaff twice daily connecting with Los Angeles and Chicago. Bus services are available for within the city (Mountain Line), intra and interstate (Greyhound), and several tour guide companies provided service around Northern Arizona. In addition, there are several taxicab companies.

Flagstaff Pulliam Airport, located four miles south of downtown Flagstaff on I-17, provides frequent daily flights to and from Phoenix Sky Harbor International Airport, where national and international connections can be made.

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. The current draft of the proposed City/County regional plan shows an estimated 55 miles of FUTS. The City has completed approximately 32 miles to date.

Medical

Flagstaff has an extensive array of medical facilities and resources in the areas of traditional, integrative and alternative healthcare. Flagstaff Medical Center is the Northern Arizona Regional referral center for trauma, cancer, rehabilitation, cardiac care, high-risk maternal/fetal, MRI/CT scan, and more. More than 148 physicians are on active staff at the hospital, representing 36 medical specialties.

Recreation

The City is surrounded within and without by coniferous forests, which allow for an array of outdoor sports and camping and backpacking opportunities. 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.

Environmental Focus

Flagstaff citizens 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 sponsors a variety of programs including Adopt-An-Avenue (98 miles of roadway), Adopt-A-Park (22 parks maintained by various volunteer groups), and Adopt-A-Trail (9 miles maintained by volunteers). Clean and Green also operates the vehicle abatement program that tows approximately 230 unwanted vehicles annually. Volunteers from various neighborhood organizations, church groups, Americrops, and schools also get involved throughout the year to cleanup illegal dumping

sites, the Rio De Flag and other undeveloped areas. The average number of these service projects is 48 per year. In addition, the Environmental Services division assists the Flagstaff Police Department with an average of 35 cleanups each year of abated transient camp within the City limits. 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). The City of Flagstaff residents and business's recycle more than 50 tons of materials each day. The city operates the Household Hazardous Products Collection Center to accept hazardous waste year round.

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 city initiated a year round water use policy that restricts the times and day outside irrigation is allowed. The toilet rebate program has been extended to commercial and industrial users as well as residential customers. In addition, the city is considering incentives for installation of waterless urinals, hot water re-circulators, and turf reduction. The City has also initiated a program for the use of rain barrels. 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.

City of Flagstaff, Arizona Principal Taxpayers Tax Year 2003				
Taxpayer	Type of Business	Net Assessed Valuation	As a Percentage of the City Total Secondary Assessed Valuation	
UniSource Energy Co.	Utility	\$ 11,928,523	2.57%	
Arizona Public Service Company (T&D)	Utility	10,904,209	2.35%	
Qwest Corporation	Utility	9,888,282	2.13%	
W L Gore & Associates Inc.	Manufacturer	9,024,038	1.94%	
Ralston Purina	Manufacturer	5,081,044	1.09%	
Little America Refining Co.	Hotel/Tourism	4,266,517	0.92%	
Flagstaff Mall Associated Ltd. Partnership	Shopping Center	3,250,000	0.70%	
Consolidated Investment Co. Inc.	Real Estate	3,197,108	0.69%	
Walgreen Arizona Drug Co.	Retail	2,656,145	0.57%	
SACO Management Inc.	Property Management	2,268,475	0.49%	
Total Principal Taxpayers		62,464,341	13.45%	
Other Taxpayers		401,793,545	86.55%	
Total Secondary Assessed Valuation		<u>\$ 464,257,886</u>	<u>100.00%</u>	

Source: Arizona Department of Revenue, Central Information Services

**City of Flagstaff, Arizona
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

Tax Year	City	School District	Community College	County	State	Total
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	6.6741	0.5717	1.0951	-	10.0536
2003	1.7127	6.7590	0.5809	1.1941	-	10.2467

Note: Tax rates are per \$100 assessed valuation.

**City of Flagstaff, Arizona
Sales Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

June 30	City Sales Tax	City Transportation Tax	City BBB Tax	County Sales Tax	State Sales Tax	Total
1995	1.0000	-	-	0.5000	5.0000	6.5000
1996	1.0000	-	2.0000	0.5000	5.0000	8.5000
1997	1.0000	-	2.0000	0.5000	5.0000	8.5000
1998	1.0000	-	2.0000	0.8000	5.0000	8.8000
1999	1.0000	-	2.0000	0.8000	5.0000	8.8000
2000	1.0000	-	2.0000	0.8000	5.0000	8.8000
2001	1.0000	0.5100	2.0000	0.8000	5.6000	9.9100
2002	1.0000	0.5745	2.0000	0.8000	5.6000	9.9745
2003	1.0000	0.5745	2.0000	0.9250	5.6000	10.0995
2004	1.0000	0.6010	2.0000	0.9250	5.6000	10.1260

City of Flagstaff, Arizona
Miscellaneous Statistics

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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																																																																																																																																																																																																		
Total Sales Tax Revenue for Fiscal Year 2003																																																																																																																																																																																																			
	\$ 11,679,853																																																																																																																																																																																																		

**City of Flagstaff, Arizona
Miscellaneous Statistics**

Education

Number of Schools:		
Public Elementary		12
Public Middle School		2
Public High School		3
Alternative Schools		2
Magnet Schools		3
Charter Schools		11
Private Schools		6
Community College (Coconino)		1
University (Northern Arizona)		1

Number of Teachers (Fall 2003):		
Flagstaff Unified School District	(2002)	924
No. AZ University Faculty-Full Time		711
Coconino Community College Faculty	(2002)	275

Number of Students (Fall 2003):		
Flagstaff Unified School District		11,377
Charter		1,484
Private (Fall 2001)		315
Northern Arizona University		
Flagstaff Campus		12,874
All Locations		18,824
Coconino Community College		
Flagstaff Campuses (2)		3,165
All Locations		3,785

Utility Enterprise

Total Active Accounts on June 30, 2004		
Water		18,039
Sewer		17,588
Average Gallons/Household/Month		6,096

Plants Capacity (Million Gallons per Day):		
Water Treatment Plant		7
Reservoir Filtration Plant		2
Wildcat Hill Plant		6
Rio de Flag Reclaim Plant		4
Wells		24
Reservoirs		8
Reclaimed Reservoirs		1
Miles of Water Lines		357.29
Miles of Reclaimed Lines		14.77
Miles of Sewer Lines		235.23

Population

Census Population Count-Last Five Censuses:		
	2003**	61,030
	2002**	59,160
	2001**	57,700
	2000	52,894
	1995*	52,701
	1990	45,854
	1985*	38,247
	1980	34,743

*Special Census

**Estimate

2000 Census Information:

Age Distribution of Population for Urbanized Areas Only		
1-4 Years		3,546
5-17 Years		9,288
18-24 Years		11,487
25-44 Years		16,111
45-64 Years		8,309
65+ Years		4,153
		<u>52,894</u>

Number of Housing Units		21,396
Average Persons per Housing Unit		2.59
Average Family Size		3.13
Median Household Income	\$	37,146
Per Capita Income (2000)	\$	18,637

2000 Census information available at the following websites:

<http://www.census.gov/census2000/states/az.html>

<http://www.de.state.az.us/links/economic/webpage/index.html>

**City of Flagstaff, Arizona
Bonded Debt
Interest/Coupon Rate by Issue and Year**

Fiscal Year	1991 CAB's Sewer	1992 Revenue Street and Highway	1996 Special Assessment Downtown	1997 G.O. Public Safety, Parks, Water	1999 Special Assessment Bow & Arrow
2004	6.300	-	5.700	4.600	4.900
2005	6.300	-	5.700	4.700	4.900
2006	6.300	-	-	4.800	4.900
2007	6.750	-	-	-	4.900
2008	-	9.500	-	-	4.900
2009	-	7.750	-	-	4.900
2010	-	5.900	-	-	4.900
2011	-	5.900	-	-	-
2012	-	5.500	-	-	-
2013	-	-	-	4.500	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2018	-	-	-	-	-
2020	-	-	-	-	-

Fiscal Year	2001 G.O. Parks & Rec	2001 G.O. Water, Sewer Airport	2001 Certificates of Participation USGS	2003 G.O. Parks, Water	2003 Revenue Street and Highway	2003 Revenue 4th Street
2004	-	3.400	4.000	3.000	2.500	2.000
2005	-	3.500	4.000	3.000	2.500	5.000
2006	-	3.625	4.000	3.000	3.000	2.250
2007	-	5.000	4.000	3.000	3.000	2.250
2008	4.375	5.000	4.150	3.250	3.250	5.000
2009	4.500	5.000	4.350	3.250	3.250	3.000
2010	4.500	-	4.550	3.250	-	3.250
2011	4.500	-	4.550	3.250	-	3.750
2012	4.500	-	4.600	3.250	-	4.000
2013	4.650	-	4.625	3.250	-	4.000
2014	4.750	-	4.750	-	-	4.000
2015	-	-	4.750	-	-	4.000
2016	-	-	4.750	-	-	5.000
2017	-	-	-	-	-	5.250
2018	-	-	-	-	-	5.250
2018	-	-	-	-	-	5.250
2020	-	-	-	-	-	5.250

City of Flagstaff, Arizona
Percent of Net General Bonded Debt to Secondary Assessed Value
and Net General Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Secondary Assessed Value (2)	Gross Bonded Debt	Less Current Portion	Net Bonded Debt	Percent of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1994	50,774	\$ 270,619,542	\$ 47,548,493	\$ 3,585,000	\$ 43,963,493	16%	\$ 865.87
1995	52,701 *	284,954,647	44,029,701	4,270,000	39,759,701	14%	754.44
1996	53,966	294,100,721	39,830,151	3,595,000	36,235,151	12%	671.44
1997	55,885	310,066,911	53,809,898	4,371,000	49,438,898	16%	884.65
1998	58,145	340,743,258	49,470,273	4,170,000	45,300,273	13%	779.09
1999	59,945	362,625,557	45,333,746	4,465,000	40,868,746	11%	681.77
2000	52,894 **	385,566,202	40,904,461	4,405,000	36,499,461	9%	690.05
2001	57,700	408,592,733	36,537,570	2,805,000	33,732,570	8%	584.62
2002	59,160	429,030,400	36,873,231	2,888,505	33,984,726	8%	574.45
2003	61,030	464,257,886	34,012,849	3,570,000	30,442,849	7%	498.82

(1) Arizona Department of Economic Security projected population increases except 1995 and 2000, which are official census figures.

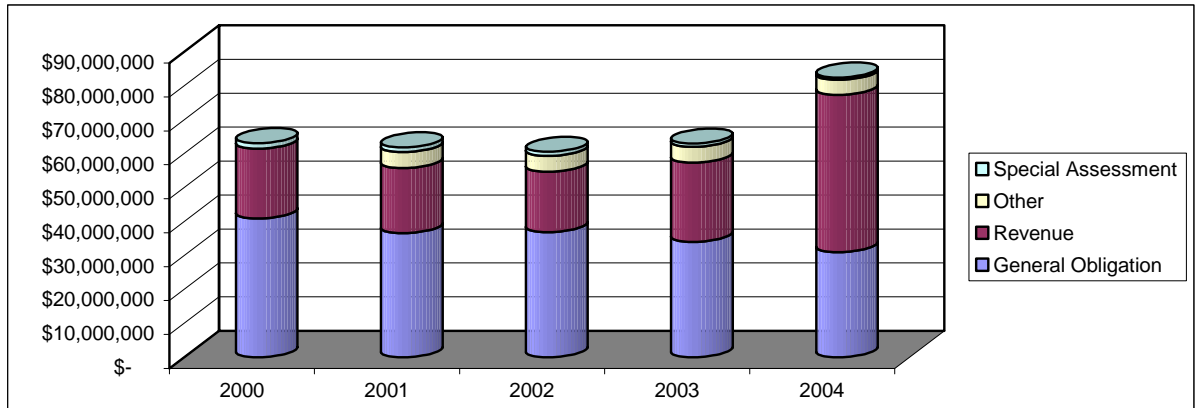
(2) From County Assessors Office.

* 1995 Special Census.

** Census estimates exceeded actual 2000 census results. FY2000 adjusted to reflect population per U.S. Census official results

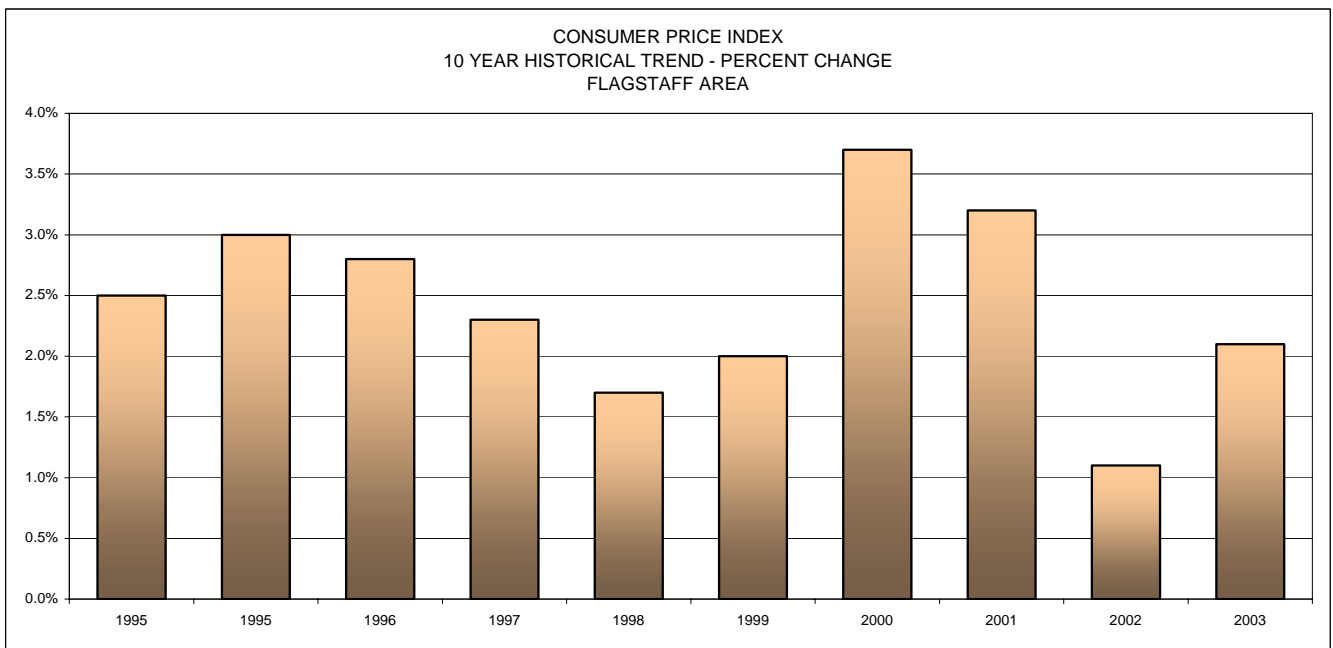
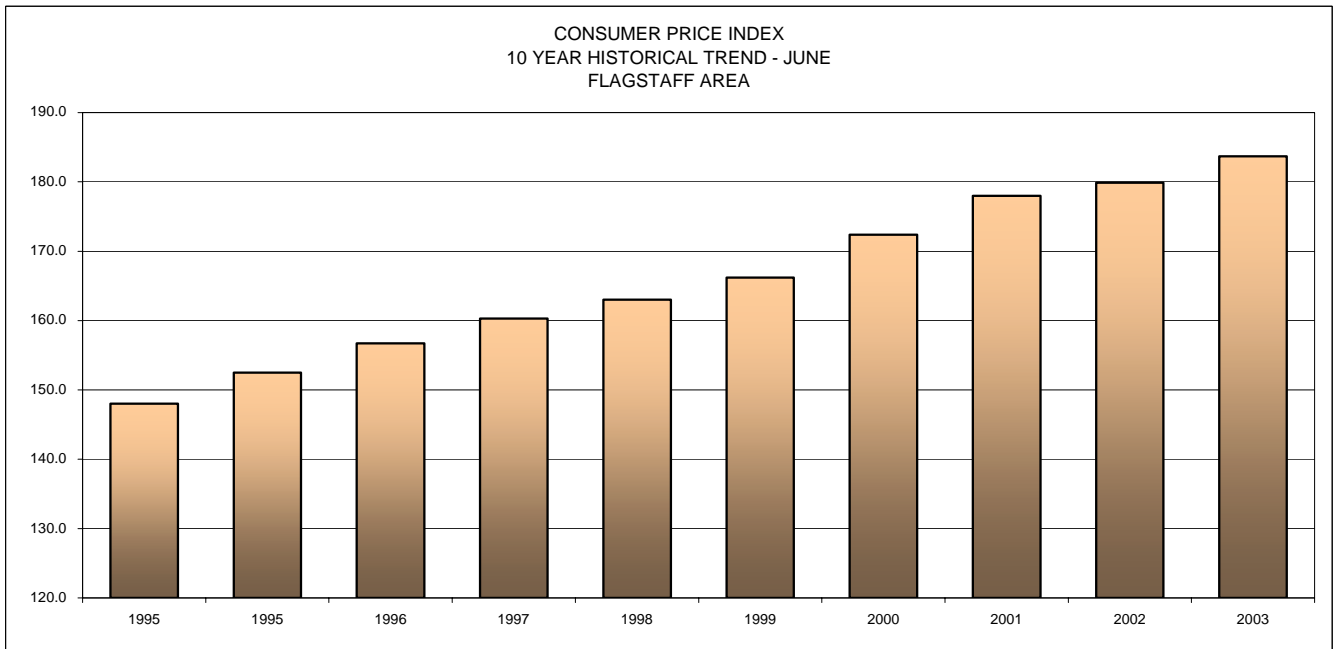
City of Flagstaff, Arizona
Total Bonds Payable
Last Five Fiscal Years

	2000	2001	2002	2003	2004
General Obligation	\$ 40,904,461	36,537,570	36,873,231	34,012,849	30,937,849
Revenue	20,555,000	19,180,000	17,760,000	23,295,760	46,327,329
Other	-	4,700,000	4,700,000	4,700,000	4,445,000
Special Assessment	1,620,000	1,417,000	1,188,000	944,000	685,000
Total Bonds Payable	\$ 63,079,461	61,834,570	60,521,231	62,952,609	82,395,178

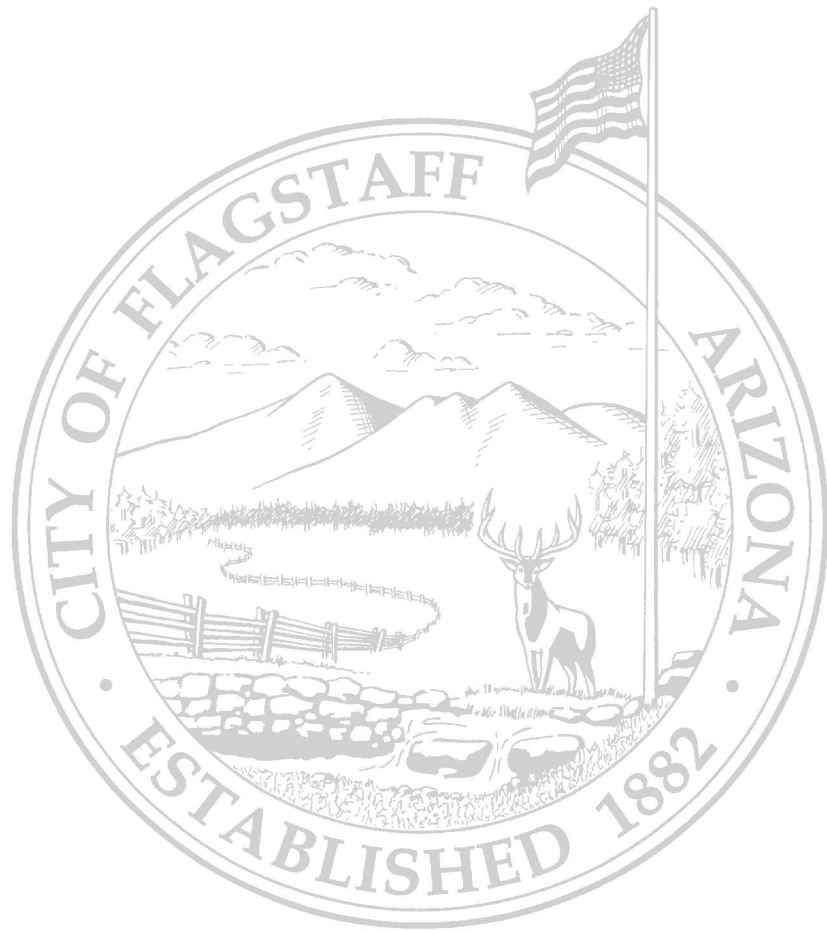


City of Flagstaff, Arizona
United States Consumer Price Index
10-Year Historical Trend - June Versus June
Flagstaff Area, Non-Seasonally Adjusted

	1995	1995	1996	1997	1998	1999	2000	2001	2002	2003
June	148.0	152.5	156.7	160.3	163.0	166.2	172.4	178.0	179.9	183.7
Percent Change	2.5%	3.0%	2.8%	2.3%	1.7%	2.0%	3.7%	3.2%	1.1%	2.1%



Source: Tax, Licensing, and Revenue Division



Appendix A – Authorized Personnel/Position Summary

**City of Flagstaff
Authorized Personnel/Position Summary**

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
CITY MANAGER						
Assistant City Manager	1	0	0	0	0	0
City Manager	1	1	1	1	1	1
Deputy City Manager	0	2	2	2	2	2
Exc Admin Assistant	0	1	1	1	1	1
Executive Assistant	1	1.25	1.25	1	1	1
Intern	0	0.75	0	0	0	0
Management Assistant-PIO	1	1	1	1	1	1
Total	4	7	6.25	6	6	6
CITY CLERK						
City Clerk	1	1	1	1	1	1
Deputy City Clerk	1	1	1	1	1	1
Exc Admin Assistant	1	1	1	1	1	1
Total	3	3	3	3	3	3
CAPITAL IMPROVEMENTS						
Admin Spclst	0	1	1	1	1	1
CIP Director	0	1	1	1	Transfer	0
Capital Improvements Engineer	0	2	2	2	2	2
Eng Project Manager I	0	2	3	2	2	2
Eng Project Manager I (Exempt)	0	0	Transfer	1	1	1
Eng Project Manager II	0	2	2	1	1	1
Engineering Technician III	0	1	0	0	0	0
Engineering Technician IV	0	3	2	1	1	1
Intern	0	0	0.5	0.5	0.5	0.5
Management Assistant -PIO	0	1	1	0	0	0
Project Manager II	0	0	0	1	1	1
Senior Project Manager	0	6	6	5	5	5
Total	0	19	18.5	15.5	14.5	14.5
HUMAN RESOURCES						
Admin Asst	1	1	1	1	1	1
Admin Spclst	1	1	1	1	1	1
Human Resources Analyst	1	0.75	0.75	0.75	2	2
Human Resources Assistant	1	0	0	0	0	0
Human Resources Manager	1	1	1	1	1	1
Human Resources Specialist	0	1	1	1	1	1
Risk Management Assistant	0	0.5	Transfer	0	0	0
Risk Manager	1	1	Transfer	0	0	0
Total	6	6.25	4.75	4.75	6	6
RISK MANAGEMENT						
Risk Management Assistant	0	Transfer	1	1	0	0
Risk Management Specialist	0	0	0	0	1	1
Risk Manager	0	Transfer	1	1	1	1
Total	0	0	2	2	2	2
LAW						
Admin Asst	1	1	1	1	1	1
Admin Spclst	2	2	2	2	2	2
Asst City Attny-Chief Prosecutor	1	1	1	1	1	1
Asst City Attny-Civil I	1	2	2	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
Intern	0.5	0.25	0.25	0.25	0.25	0.25
Total	11.5	12.25	12.25	12.25	12.25	12.25

Appendix A – Authorized Personnel/Position Summary

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
INFORMATION SYSTEMS						
Client Service Administrator	0	1	1	1	1	1
Computer Tech I	1	1	1	1	2	2
Computer Tech II	0	1	1	1	1	1
Computer/Data Ent Operator-temp	0.5	0.5	0	0	0	0
Data Base Analyst	1	1	1	1	1	1
Data Communications Tech	1	0	0	0	0	0
GIS Manager	1	1	1	1	1	1
GIS System Analyst	1	1	1	1	1	1
GIS Technician	0	0	1	1	1	1
GIS Temporary	0	1.5	0	0	0	0
Info. Sys. Customer Svc. Rep.	1	1	1	1	1	1
Info. Sys. Specialist	1	0	0	0	0	0
Information Systems Mgr.	1	1	1	1	1	1
Intern	2.25	0.75	0.75	0	0	0
Network Administrator	1	0	0	0	0	0
Network Analyst	0	1	1	1	1	1
Programmer/Analyst I	1	1	1	1	1	1
Senior GIS Technician	1.5	1	1	1	1	1
Software Support Tech	1	0	0	0	0	0
Total	15.25	13.75	12.75	12	13	13
MANAGEMENT SERVICES						
Admin Asst	1.5	1.5	1.5	1.5	1.5	1.5
Admin Spclst	2	2	2	2	1	1
Buyer	1	3	1	1	1	1
Contracts Assistant	1	2	1	0	0	0
Contract Specialist	0	0	0	1	1	1
Financial Services Director	1	1	0	0	0	0
Grants/Contract Manager	1	1	Transfer	0	0	0
Mail/Duplication Aide	1	1	1	1	1	1
Management Services Director	1	1	1	1	1	1
Purchasing Director	1	1	1	1	1	1
Real Estate Manager	1	1	1	1	1	1
Senior Buyer	2	0	2	2	2	2
Storekeeper	1	1	1	1	1	1
Total	14.5	15.5	12.5	12.5	11.5	11.5
SALES TAX						
Account Clerk II	1	1	1	1	1	1
Admin Asst	1.75	2.25	2.5	2.5	2.5	2.5
Auditor II	2	2	2	2	2	2
Revenue Collector	2	2	2	2	2	2
Tax Licensing & Revenue Adm	1	1	1	1	1	1
Total	7.75	8.25	8.5	8.5	8.5	8.5
LIBRARY - CITY/GRANTS						
Admin Spclst	1	1.5	1.5	1.5	1.5	1.5
Librarian	1	1	1	1	1	1
Library Assist. I	12.25	12.75	12.75	13	13.5	13.5
Library Assist. I (temp)	2.25	2.25	2.75	2.75	2.75	2.75
Library Assistant II	2	2	2	2	3	3
Library Cataloging Assist.	1	1	1	1	1	1
Library Clerk I	5.75	5.75	6.25	6.5	5.5	5.5
Library Clerk I (temp)	1.5	1.75	1.5	1.5	2	2
Library COE Aide	0.25	0.25	0.25	0.25	0.25	0.25
Library Director	1	1	1	1	1	1
Library Inf. Syst. Coord.	2	2	2	2	2	2
Library Manager	2	2	2	2	2	2
Library Page	2	2	2	1.5	1.5	1.5
Library Page (temp)	1.5	1.5	1.5	1.5	1	1
Library Supervisor	2	2	2	2	2	2
Total	37.5	38.75	39.5	39.5	40	40

Appendix A – Authorized Personnel/Position Summary

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
FINANCE						
Account Clerk I	0	0	0	0	2	2
Account Clerk II	1	0	0	0	0	0
Account Clerk III	1	1	0	0	0	0
Accountant I	2	1	1	1	1	1
Accountant II	2	4	4	4	4	4
Acct. Clrk/Switchbd Oper.	2	2	2	2	0	0
Accts Payable Specialist	0	0	1	1	1	1
Grants Manager	0	Transfer	1	1	1	1
Finance/Budget Manager	1	1	1	1	1	1
Payroll Assistant	0	1	1	1	1	1
Payroll Specialist	1	1	1	1	1	1
Total	10	11	12	12	12	12
MPO						
Intern	0	0.25	0.25	0.25	0.25	0.25
Transportation Planner	1	1	1	1	1	1
Total	1	1.25	1.25	1.25	1.25	1.25
COMMUNITY DEVELOPMENT ADMIN						
Admin Spclst	2	2	2	2	2	2
Community Development Dir.	1	1	1	1	1	1
Deputy Community Development Dir.	0	0	0	0	1	1
Development Services Rep	2	2	2	Transfer	0	0
Development Services Supv	0	0	1	0	0	0
Switchboard Operator	1	1	1.25	0	0	0
Total	6	6	7.25	3	4	4
ENGINEERING						
Admin Asst	0	0	0.75	0.75	0	0
Admin Spclst	1	1	1	1	1	1
Capital Impr. Eng.	1	transfer	0	0	0	0
City Engineer	1	1	1	1	1	1
Clerk Typist	0.75	0.75	0	0	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	1	1	1	1
Engineering Technician III	1	transfer	1	1	1	1
Engineering Technician IV	3	2	2	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	0	0
Materials Tech. I	1	1	1.75	2.5	2.5	2.5
Materials Tech. II	1	1	1	1	1	1
Private Dev. Eng.	1	1	1	1	1	1
Project Mgr. (temp)	1	0	0	0	0	0
Project Mgr. I	5	4	4	2	2	2
Project Mgr. II	2	2	2	1	1	1
Sr. Project Mgr.	4	transfer	0	0	0	0
Stormwater Manager	1	1	1	Transfer	Transfer	0
Survey Party Chief	1	1	1	1	0	0
Survey/Mapping Superv.	1	1	1	1	0	0
Traffic Eng. Mgr.	1	1	1	1	1	1
Traffic Projects & R/W Mgr.	1	1	1	1	1	1
Total	38	29	29.75	25.75	23	23
BUILDING INSPECTION						
Admin Spclst	1	1	1	1	1	1
Building & Safety Manager	1	1	0	1	1	1
Building & Develp Services Dir	1	1	1	1	1	1
Development Services Rep	0	0	Transfer	2	2	2
Inspector I	4	4	4	4	5	5
Inspector II	3	3	3	3	3	3
Plans Examiner	3	3	3	3	3	3
Total	13	13	12	15	16	16

Appendix A – Authorized Personnel/Position Summary

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
PLANNING						
Admin Spclst	1	1	1	1	1	1
Associate Planner	3	3	3	3	3	3
Current Planner	1	1	1	1	1	1
Development Review Planner	1	1	1	1	1	1
Housing Manager	0	0	0	0	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	2	2	2	2	2	2
Planning Director	1	1	1	1	1	1
Planning Technician	0	0	1	1	0	0
Redevelopment Program Mgr.	1	1	1	1	1	1
Review Planner	1	0	0	0	0	0
Senior GIS Technician	0	1	0	0	0	0
Zoning Enforce. Officer	1	1	1	1	1	1
Zoning Code Enf Official	1	1	1	1	1	1
Total	16	16	16	16	16	16
FIRE						
Admin Asst	1	1	1	1	1	1
Admin Spclst	1	1	1	1	1	1
Asst. Fire Chief	2	2	2	2	2	2
Asst. Fuel Mgr.	0	1	1	1	1	1
Fire Battalion Chief	3	3	3	3	3	3
Fire Captain	21	21	21	21	21	21
Fire Chief	1	1	1	1	1	1
Fire Engineer	21	21	21	21	21	21
Fire Fighter	30	36	36	36	41	36
Fire Inspector II	2	2	2	2	2	2
Fire Training Officer	1	1	1	1	1	1
Fuel Manager	1	1	1	1	1	1
Fuel Mgt. Crew Member	0	2.75	2.75	2.75	2.75	2.75
Fuel Mgt. Leadworker	0	3	3	3	3	3
Fuel Mgmt Student Intern	0.5	0.5	0	0	0	0
Total	84.5	97.25	96.75	96.75	101.75	96.75
POLICE						
Admin Asst	9	9	9.5	10	10	10
Admin Spclst	4	4	4	4	4	4
Animal Control Officer	2	2	2	2	2	2
Assist. Records Clerk-COE	0.5	0.5	0.5	0	0	0
COE Aide (clerical)	0.75	0.75	0.75	0	0	0
Deputy Police Chief	1	1	2	2	2	2
Emerg Comm Specialist	21.25	20	23.5	22	22	22
Emerg Comm Speclst - Idwkr	3	3	3	4	4	4
Evidence Clerk	1	1	1	0	0	0
Evidence Technician	1	1	1	2	2	2
Parking Control Officer	1	1	1	1	1	1
Police Captain	1	1	0	0	0	0
Police Caseworker	1	1	1	1	0	0
Police Chief	1	1	1	1	1	1
Police Clerk	0	1	0	0	0	0
Police Communications Mgr	0	0	1	1	1	1
Police Corporal/Det.	17	17	17	17	18	17
Police Infor. Sys.Coop.	1	1	0	0	0	0
Police Info System Tech	1	2	2	2	0	0
Police Lieutenant	3	3	3	3	4	4
Police Officer	61	61	58	61	67	64
Police Records Leadworker	1	1	1	1	1	1
Police Sergeant	11	11	11	11	12	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	1	1
Total	145.5	146.25	146.25	148	154	149

Appendix A – Authorized Personnel/Position Summary

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
POLICE GRANTS						
Admin Splclst	1	1	1	1	1	1
Police Seargent	1	1	1	1	1	1
Total	2	2	2	2	2	2
PUBLIC WORKS ADMINISTRATION						
Admin Splclst	1	1	1	1	1	1
Environmental Tech	0	0	0	0	0	0
Public Works Director	1	1	1	1	1	1
Senior Project Manager	0	0	Transfer	1	1	1
Total	2	2	2	3	3	3
PARKS						
Maintenance Worker	8.25	8.75	6.25	5	7	7
Maintenance Worker I	6	6	7	6	6	6
Maintenance Worker II	5	7.5	8	8	9	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
Plant Inventory Crew Member	0	1.25	0	0	0	0
Total	22.25	26.5	24.25	22	25	24
MECHANICAL SHOP						
Buyer I	0	0	1	1	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	2	2	2
Mechanic II	6	6	6	6	6	6
Service Writer	1	1	1	1	1	1
Sr. Equipment Parts Spec.	1	1	0	0	0	0
Welder	1	1	1	1	1	1
Total	15	15	15	14	14	14
FACILITIES MAINTENANCE						
City Hall Attendant	0.5	0.5	0	0	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	0	0	0
Maintenance Worker I	1	1	1	1	1	1
Maintenance Worker II	2	2	4	4	3	3
Maintenance Worker III	3	3	2	2	2	2
Recreation Mech. Maint. Worker	1	1	1	1	0	0
Total	9.75	9.75	10	10	8	8
RECREATION						
Admin Asst	0.75	0.75	0.75	0.75	0	0
Admin Splclst	1	1	1	1	1	1
Intern	0.5	0.5	0.25	0.25	0.25	0.25
Parks & Recreation Director	1	1	1	1	1	1
Parks Project Manager	1	1	1	Transfer	Transfer	0
Recreation Coord. I	7	7	7	7	6.5	6.5
Recreation Coordinator II	2	2	2	2	2	2
Recreation Mech. Maint. Worker	transfer	0	0	0	0	0
Recreation Supt.	1	1	1	1	1	1
Recreation Temporaries	28.5	29.5	27.25	24.75	20.2	20.2
Senior Recreation Coordinator	8	8	8	7	7	7
Total	50.75	51.75	49.25	44.75	38.95	38.95

Appendix A – Authorized Personnel/Position Summary

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
STREET MAINTENANCE & REPAIRS						
Admin Spclst	1	1	1	1	1	1
Cemetery Maint. Specialist	1	1	1	1	1	1
Equip. Oper. III LDWKR	1	1	1	1	1	1
Equip. Opers. various temps	2.5	2.5	2.5	5.5	5.75	5.5
Equipment Operator I	6	6	6	3	3	3
Equipment Operator II	8	8	8	8	8	8
Equipment Operator III	3	3	3	3	3	3
Leadworker/Training Coord.	1	1	1	1	1	1
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	1	1	1	1
Street Superintendent	1	1	1	1	1	1
Street Supervisor	1	1	1	1	1	1
Total	35.25	35.25	36.25	36.25	36.5	36.25
AIRPORT						
Admin Spclst	1	1	1	1	1	1
Airport Manager	1	1	1	1	1	1
Airport Operations Supv	0	0	1	1	1	1
Airport Service Leadworker	1	1	0	0	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
Total	9.5	9.5	9.5	9.5	9.5	9.5
ENVIRONMENTAL SERVICES						
Admin Asst	2	2	2	2	2	2
Admin Spclst	2	2	2	2	2	2
Bin Maint./Equip. Oper.	1	1	1	1	1	1
Brownfield Operations	0	0	0	0	2	2
Conservation Coordinator	1	1	1	1	1	1
Environmental Code Officer	0	1	1	1	1	1
Enviro Code/Ed Aide	1	1	0	0	0	0
Environ Operations Manager	0	0	0	0	1	1
Environ Program Manager	0	0	1	1	1	1
Environ Supervisor	2	0	1	1	1	1
Environ Svc Equip Oper I	2	2	2	2	2	2
Environmental Assistant	0	0	0	0	1.5	1.5
Environmental Program Specialist	0	1	1	1	1	1
Environmental Project Specialist	1	1	1	1	1	1
Environmental Services Director	0	1	1	1	1	1
Environmental Services Mgr	1	3	3	3	2	2
Environmental Technician	1	1.5	0.5	1	1	1
Equipment Oper. I - Temp.	0	1	1	1	1	1
Equipment Operator II	0	1	0	0	0	0
ES Equip. Oper. II	16	16	9	9	11	11
ES Equip. Oper. III-Commercial	0	0	8	8	8	8
ES Training & Safety Coord	0	0	1	1	1	1
Landfill Engineer	1	0	0	0	0	0
Landfill Equip Operator I	1	1	1	1	2	2
Landfill Equip Operator II	1	1	1	1	1	1
Landfill Equip Operator III	2	3	3	3	3	3
Landfill Maint Operator	1	1	1	1	1	1
Program Asst	1	1.5	1.5	1.75	1.75	1.75
Project Manager II	1	1	1	1	1	1
Public Works Engineer	1	1	0	0	0	0
Recycling Supervisor	1	0	0	0	0	0
Total	40	45	45	45.75	52.25	52.25

Appendix A – Authorized Personnel/Position Summary

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
UTILITIES ADMINISTRATION						
Admin Spclst	2	2	2	2	2	2
Assistant Utilities Director	1	1	1	1	1	1
GIS System Analyst	0	0	0	0	1	1
Plant Supervisor	0	0	1	1	1	1
Program Asst	0	1	1	1	0	0
Utilities Director	1	1	1	1	1	1
Utilities Engineer	1	2	1	1	1	1
Utilities Program Assistant	0	0	0	0	1	1
Utilities Service Supervisor	0	0	Transfer	0	0	0
Water Conservation Manager	0	0	0	1	1	1
Water Conservation Enforcement Aide	0	0	0	0	0.5	0.5
Water/Sewer Util. Locator	1	1	1	1	1	1
Total	6	8	8	9	10.5	10.5
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						
Admin Asst	3.25	3.25	4	3.5	2.5	2.5
Admin Spclst	1	1	1	1	2	2
Customer Srvc Manager	1	1	1	1	1	1
Meter Reader	4	4	4	4	4	4
Meter Reader Supervisor	0	0	0	1	1	1
Meter Reader Supervisor/Collections	1	1	1	0	0	0
Total	10.25	10.25	11	10.5	10.5	10.5
WATER DISTRIBUTION SYSTEM						
Maintenance Wkr - temp	1	0	0	0	0	0
Maintenance Worker	0	1	1	1	1	1
Maintenance Worker I	4	5	5	5	5	5
Maintenance Worker II	1	1	1	1	1	1
Maintenance Worker III	4	4	4	4	4	4
Maintenance Worker III-LDWKR	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	14	14	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	0	0	0
Lab Director/Chemist	1	1	1	0	0	0
Lab Technician	1	1	1	0	0	0
Mech. Maint. Wkr II	1	1	1	0	0	0
Mech. Maint. Wkr III	1	1	1	0	0	0
Mech. Maint. Wkr. IV	1	1	1	0	0	0
Mech. Maint. Worker I	2	2	2	0	0	0
Plant Operator	2	2	2	0	0	0
Plant Specialist	0	0	0	5	4	4
Plant Supervisor	1	1	1	1	1	1
Plant Tech-Multi-Skilled Wrk	0	0	0	10	7	7
Senior Plant Operator	1	1	1	0	0	0
Total	13.5	13.5	13.5	17.5	13.5	13.5

Appendix A – Authorized Personnel/Position Summary

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
WASTEWATER COLLECTION						
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	Transfer	Transfer	0
Total	8	8	8	7	7	7
WASTEWATER MONITORING						
Industrial Waste Inspector	2	2	2	2	2	2
Industrial Waste Supervisor	1	1	1	1	1	1
Total	3	3	3	3	3	3
RECLAIMED WASTEWATER TREATMENT PLANT						
Instrument Technician	1	1	1	Transfer	0	0
Lab Technician	1	1	1	Transfer	0	0
Mech. Maint. Wkr. III	1	1	1	Transfer	0	0
Plant Operator	1	1	1	Transfer	0	0
Plant Specialist		0	0	0	1	1
Plant Tech Multi-Skilled Wrk		0	0	0	3	3
Senior Plant Operator	1	1	1	Transfer	0	0
Total	5	5	5	0	4	4
CITY COURT						
Admin Asst	11	11	10	10	12	10
Admin Splst	2	2	2.25	2.25	2.25	2.25
Court Administrator	1	1	1	1	1	1
Court Collection Admin.	1	1	0	0	0	0
Court Collection Specialist	0	1	1	1	1	1
Court Info Systems Spec	0	0	1	1	1	1
Court Interpreter	0	1	1	1	1	1
Court Training Specialist	0	1	1	1	1	1
Deputy Court Administrator	0	0	2	2	2	2
Magistrate	1.75	1.75	1.75	1.75	2.75	1.75
Presiding Magistrate	1	1	1	1	1	1
Probation Officer	1	1	0.75	2	2	2
Probation Officer Reserve-Temp	0	0	0	0	0	0
Pro-Tem Magistrate	0.5	0.5	0.5	0.5	0.5	0.5
Warrant Officer	2	2	2	2	2	2
Total	21.25	24.25	25.25	26.5	29.5	26.5
BEAUTIFICATION						
Urban Design Planner	1	1	1	1	1	1
Total	1	1	1	1	1	1
TOURISM						
Admin Splst	1	1	1	1	1	1
Convention/Visitor Bur. Dir	1	1	0	0	0	0
CVB Communications Coord	1	1	0	0	0	0
CVB Director	0	0	0	0	1	1
CVB Manager	0	0	1	1	0	0
Domestic Travel Coord	1	1	0	0	0	0
Marketing Assistant	1	1	0	1	1	1
Public Relations Associate	0	0	1	1	1	1
Public Relations Manager	0	0	0	0	1	1
Sales Marketing & Associate	0	0	2	1	2	2
Sales & Marketing Manager	0	0	1	1	1	1
Travel Industry Mgr.	1	1	0	0	0	0
Total	6	6	6	6	8	8

Appendix A – Authorized Personnel/Position Summary

DIVISION	2000-2001	2001-2002	2002-2003	2003-2004	Requested 2004-2005	Adopted 2004-2005
TOURISM-VISITOR CENTER						
Admin Asst	0	0	0	3.25	3.25	3.25
Admin Spclst	0	0	0	1.5	1.5	1.5
Visitor Center Supervisor	0	0	0	1	1	1
Total	0	0	0	5.75	5.75	5.75
STORMWATER						
Clerical Temp	0	0	0	0.25	0	0
Intern	0	0	0	0.5	0	0
Project Manager I	0	0	0	2	2	2
Project Manager II	0	0	0	1	1	1
Stormwater Manager	0	0	0	1	1	1
Stormwater Service Analyst	0	0	0	1	1	1
Total	0	0	0	5.75	5	5
GRAND TOTALS	699.00	745.25	741.25	739.00	757.70	743.45

2004-2005 City of Flagstaff Pay Plan

Range	Pos #	Position Title	Min				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
1 A-1-0	10103	N Custodian/Attendant	7.99	8.34	8.68	9.03	9.37	9.72	10.07	10.41	10.79				
	10100	N Library Page	639.20	667.20	694.40	722.40	749.60	777.60	805.60	832.80	863.20				
			1,384.93	1,445.60	1,504.53	1,565.20	1,624.13	1,684.80	1,745.47	1,804.40	1,870.27				
			16,619.20	17,347.20	18,054.40	18,782.40	19,489.60	20,217.60	20,945.60	21,652.80	22,443.20				
2 A-1-1	10204	N Mail/Duplication Aide	9.21	9.60	10.00	10.40	10.80	11.21	11.61	12.01	12.42				
			736.80	768.00	800.00	832.00	864.00	896.80	928.80	960.80	993.60				
			1,596.40	1,664.00	1,733.33	1,802.67	1,872.00	1,943.07	2,012.40	2,081.73	2,152.80				
			19,156.80	19,968.00	20,800.00	21,632.00	22,464.00	23,316.80	24,148.80	24,980.80	25,833.60				
3 A-1-2	10302	N Library Clerk I	10.00	10.44	10.89	11.33	11.77	12.23	12.67	13.11	13.50				
			800.00	835.20	871.20	906.40	941.60	978.40	1,013.60	1,048.80	1,080.00				
			1,733.33	1,809.60	1,887.60	1,963.87	2,040.13	2,119.87	2,196.13	2,272.40	2,340.00				
			20,800.00	21,715.20	22,651.20	23,566.40	24,481.60	25,438.40	26,353.60	27,268.80	28,080.00				
4 A-1-3	10421	N Acct Clrk I	11.53	12.04	12.55	13.05	13.57	14.07	14.57	15.09	15.56				
	10400	N Engineering Tech (p/t)	922.40	963.20	1,004.00	1,044.00	1,085.60	1,125.60	1,165.60	1,207.20	1,244.80				
	10418	N Equipment Oper I	1,998.53	2,086.93	2,175.33	2,262.00	2,352.13	2,438.80	2,525.47	2,615.60	2,697.07				
	10412	N Evidence Clerk	23,982.40	25,043.20	26,104.00	27,144.00	28,225.60	29,265.60	30,305.60	31,387.20	32,364.80				
	10406	N Maintenance Wkr I													
	10403	N Mechanic Aide													
	10416	N Meter Reader													
	10407	N Parking Control Officer													
	10410	N Property Control Coord													
	10419	N Recreation Coord I													
5 B-2-1	10502	N Env Svcs Equip Oper I - Bulky	12.10	12.57	13.03	13.49	13.97	14.43	14.89	15.36	15.82	16.28	16.70		
	10500	N Library Assistant I	968.00	1,005.60	1,042.40	1,079.20	1,117.60	1,154.40	1,191.20	1,228.80	1,265.60	1,302.40	1,336.00		
			2,097.33	2,178.80	2,258.53	2,338.27	2,421.47	2,501.20	2,580.93	2,662.40	2,742.13	2,821.87	2,894.67		
			25,168.00	26,145.60	27,102.40	28,059.20	29,057.60	30,014.40	30,971.20	31,948.80	32,905.60	33,862.40	34,736.00		
6 B-2-2	10600	N Account Clerk II	12.48	12.96	13.43	13.91	14.39	14.86	15.34	15.81	16.28	16.77	17.23		
	10634	N Airport Service Worker I	998.40	1,036.80	1,074.40	1,112.80	1,151.20	1,188.80	1,227.20	1,264.80	1,302.40	1,341.60	1,378.40		
	10601	N Animal Control Officer	2,163.20	2,246.40	2,327.87	2,411.07	2,494.27	2,575.73	2,658.93	2,740.40	2,821.87	2,906.80	2,986.53		
	10602	N BIN Maint/Equip Oper	25,958.40	26,956.80	27,934.40	28,932.80	29,931.20	30,908.80	31,907.20	32,884.80	33,862.40	34,881.60	35,838.40		
	10622	N Computer Tech I													
	10627	N Engineering Tech II													
	10625	N Env Svcs Equip Oper II - Residential													
	10607	N Equipment Oper II													
	10632	N GIS Technician													
	10626	N Landfill Equip Oper I													
	10615	N Landfill Maint Oper													
	10610	N Maintenance Wkr II													
	10609	N Materials Tech I													
	10630	N Rec Coordinator II													
	10614	N Service Writer													
	10608	N Storekeeper													

2004-2005 City of Flagstaff Pay Plan

Range	Pos #	Position Title	Min		Mid 1-4		Mid 5-11		Mid 12+		Step 8	Step 9	Step 10	Step 11	Step 12	Step 13
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7							
7	10722	N Account Clerk III	13.65	14.17	14.69	15.20	15.73	16.24	16.77	17.28	17.80	18.32	18.84			
B-2-3	10741	N Airport Service Worker II	1,092.00	1,133.60	1,175.20	1,216.00	1,258.40	1,299.20	1,341.60	1,382.40	1,424.00	1,465.60	1,507.20			
	10735	N Court Collections Specialist	2,366.00	2,456.13	2,546.27	2,634.67	2,726.53	2,814.93	2,906.80	2,995.20	3,085.33	3,175.47	3,265.60			
	10714	N Development Svs Rep	28,392.00	29,473.60	30,555.20	31,616.00	32,718.40	33,779.20	34,881.60	35,942.40	37,024.00	38,105.60	39,187.20			
	10731	N Engineering Tech III														
	10739	N Environmental Assistant														
	10732	N Environmental Code Officer														
	10737	N Env Svcs Equip Oper III - Commercial														
	10705	N Evidence Tech														
	10740	N Executive Admin Asst														
	10738	N Firefighter Fuel Mgt Tech														
	10721	N Laboratory Technician														
	10728	N Landfill Equip Oper II														
	10709	N Library Cataloging Asst														
	10706	N Marketing Assistant														
	10700	N Mechanic I														
	10710	N Meter Service Tech														
	10734	N Payroll Assistant														
	10704	N Planning Tech														
	10703	N Plant Operator														
	10725	N Police Emerg Comm Spec														
	10717	N Program Assistant														
10727	N Recr Mech Maint Wkr															
10713	N Revenue Collector															
10702	N Wtr/Swr Utility Locator															
10711	N Zoning Enforce Officer															
	E Exec Admin Asst		13.65						16.38				19.11			
			1,092.00						1,310.40				1,528.80			
			2,366.00						2,839.20				3,312.40			
			28,392.00						34,070.40				39,748.80			
8	10834	N Accounts Payable Specialist	16.02	16.62	17.23	17.83	18.44	19.04	19.65	20.26	20.86	21.47	22.10			
B-2-4	10827	N Buyer	1,281.60	1,329.60	1,378.40	1,426.40	1,475.20	1,523.20	1,572.00	1,620.80	1,668.80	1,717.60	1,768.00			
	10839	N Cemetery Maint Specialist	2,776.80	2,880.80	2,986.53	3,090.53	3,196.27	3,300.27	3,406.00	3,511.73	3,615.73	3,721.47	3,830.67			
	10830	N Computer Tech II	33,321.60	34,569.60	35,838.40	37,086.40	38,355.20	39,603.20	40,872.00	42,140.80	43,388.80	44,657.60	45,968.00			
	10835	N Court Info Systems Specialist														
	10831	N Court Interpreter														
	10826	N Database Analyst														
	10836	N Deputy City Clerk														
	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														
	10837	N Meter Reader Supervisor														
	10825	N Police Info Systems Tech														
10809	N Probation Officer															
10841	N Publications Associate															
10838	N Sales and Marketing Associate															
10814	N Sr GIS Technician															
10829	N Sr Recreation Coordinator															
10824	N Software Support Tech															
10940	N Utilities Program Assistant															
10803	N Welder															
10819	N Zoning Enforce Official															
	E Executive Asst		16.02						19.22				22.42			
	E Public Relations Associate		1,281.60						1,537.60				1,793.60			
			2,776.80						3,331.47				3,886.13			
			33,321.60						39,977.60				46,633.60			

2004-2005 City of Flagstaff Pay Plan

Range	Pos #	Position Title	Min				Mid 1-4		Mid 5-11		Mid 12+			Step 12	Step 13
			Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11		
9 B-2-5	10909	N Accountant I	16.98	17.63	18.28	18.93	19.58	20.23	20.88	21.53	22.18	22.82	23.43		
	10911	N Associate Planner	1,358.40	1,410.40	1,462.40	1,514.40	1,566.40	1,618.40	1,670.40	1,722.40	1,774.40	1,825.60	1,874.40		
	10922	N Client Service Analyst	2,943.20	3,055.87	3,168.53	3,281.20	3,393.87	3,506.53	3,619.20	3,731.87	3,844.53	3,955.47	4,061.20		
	10931	N Contract Specialist	35,318.40	36,670.40	38,022.40	39,374.40	40,726.40	42,078.40	43,430.40	44,782.40	46,134.40	47,486.40	48,838.40		
	10923	N Court Training Specialist													
	10920	N Database Analyst													
	10928	N Env Svcs Training Safety Coord													
	10907	N Fire Inspector II													
	10924	N Fuel Management Leadworker													
	10921	N Housing and CD Specialist													
	10925	N Human Resources Specialist													
	10900	N Inspector II													
	10934	N Network Analyst													
	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													
10933	N Safety/Risk Mgt Specialist														
10918	N Senior Buyer														
10929	N Traffic Signal Technician														
10916	N Warrants Officer														
20905	E Environmental Program Spec		16.98					20.37					23.77		
20903	E Librarian		1,358.40					1,629.60					1,901.60		
			2,943.20					3,530.80					4,120.13		
			35,318.40					42,369.60					49,441.60		
10 B-3-1	11003	N Equip Oper III Ldwkr	17.78	18.46	19.15	19.83	20.51	21.19	21.87	22.55	23.23	23.92	24.53		
	11009	N Lab Director/Chemist	1,422.40	1,476.80	1,532.00	1,586.40	1,640.80	1,695.20	1,749.60	1,804.00	1,858.40	1,913.60	1,962.40		
	11002	N Ldwkr/Training Coord	3,081.87	3,199.73	3,319.33	3,437.20	3,555.07	3,672.93	3,790.80	3,908.67	4,026.53	4,146.13	4,251.87		
	11004	N Maint Worker III Ldwkr	36,982.40	38,396.80	39,832.00	41,246.40	42,660.80	44,075.20	45,489.60	46,904.00	48,318.40	49,753.60	51,022.40		
	11008	N Materials Tech II													
	11000	N Mech Maint Wkr IV													
	11010	N Water Treat/Prod Chf Op													
	21004	E Airport Operations Supervisor		17.64					21.43					25.22	
	21007	E Conservation Coordinator		1,411.20					1,714.40					2,017.60	
	21005	E Environmental Supervisor		3,057.60					3,714.53					4,371.47	
	21002	E Library Supervisor		36,691.20					44,574.40					52,457.60	
11 B-3-2	11100	N Detective/Corporal	19.66	20.40	21.16	21.90	22.65	23.39	24.14	24.88	25.64	26.38	27.13		
	11101	N Fleet Supervisor	1,572.80	1,632.00	1,692.80	1,752.00	1,812.00	1,871.20	1,931.20	1,990.40	2,051.20	2,110.40	2,170.40		
	11103	N Spec Services Supv	3,407.73	3,536.00	3,667.73	3,796.00	3,926.00	4,054.27	4,184.27	4,312.53	4,444.27	4,572.53	4,702.53		
	11104	N Inspection Supervisor	40,892.80	42,432.00	44,012.80	45,552.00	47,112.00	48,651.20	50,211.20	51,750.40	53,331.20	54,870.40	56,430.40		
	21106	E Assistant Fuel Manager		19.33					23.49					27.66	
	21107	E Visitor Center Supervisor		1,546.40					1,879.20					2,212.80	
12 C-4-1	11203	N Accountant II	20.46	21.16	21.86	22.56	23.27	23.97	24.67	25.37	26.08	26.78	27.48	28.18	28.83
	11200	N Auditor II	1,636.80	1,692.80	1,748.80	1,804.80	1,861.60	1,917.60	1,973.60	2,029.60	2,086.40	2,142.40	2,198.40	2,254.40	2,306.40
	11207	N Database Analyst	3,546.40	3,667.73	3,789.07	3,910.40	4,033.47	4,154.80	4,276.13	4,397.47	4,520.53	4,641.87	4,763.20	4,884.53	4,997.20
	11201	N Engineering Project Manager I	42,556.80	44,012.80	45,468.80	46,924.80	48,401.60	49,857.60	51,313.60	52,769.60	54,246.40	55,702.40	57,158.40	58,614.40	59,966.40
	11209	N GIS Systems Analyst													
	11208	N Programmer/Analyst II													
	11206	N Traffic Proj & R/W Mgr													

2004-2005 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		
12	21211	E Asst City Atty - Pros	20.19							23.56							29.27
C-4-1	21235	E Building and Safety Manager	1,615.20							1,884.80							2,341.60
(Cont.)	21239	E City Clerk	3,499.60							4,083.73							5,073.47
	21233	E Client Service Administrator	41,995.20							49,004.80							60,881.60
	21234	E Deputy Court Administrator															
	21230	E Environ Project Specialist															
	21232	E Environ Services Manager															
	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 Eng Project Manager I (E)															
	21222	E Parks Superintendent															
	21208	E Planner															
	21240	E Public Relations Manager															
	21223	E Recreation Superintendent															
	21236	E Sales and Marketing Manager															
	21237	E Stormwater Services Analyst															
	21200	E Streets Supervisor															
	21238	E Water Conservation Manager															
13	11303	N Engineering Project Manager II	22.27	23.02	23.78	24.53	25.30	26.05	26.81	27.56	28.33	29.08	29.84	30.59	31.39		
C-4-2	11301	N Police Sergeant	1,781.60	1,841.60	1,902.40	1,962.40	2,024.00	2,084.00	2,144.80	2,204.80	2,266.40	2,326.40	2,387.20	2,447.20	2,511.20		
			3,860.13	3,990.13	4,121.87	4,251.87	4,385.33	4,515.33	4,647.07	4,777.07	4,910.53	5,040.53	5,172.27	5,302.27	5,440.93		
			46,321.60	47,881.60	49,462.40	51,022.40	52,624.00	54,184.00	55,764.80	57,324.80	58,926.40	60,486.40	62,067.20	63,627.20	65,291.20		
	21326	E Construction Manager	21.98							25.64							31.86
	21301	E Current Planner	1,758.40							2,051.20							2,548.80
	21328	E Customer Service Manager	3,809.87							4,444.27							5,522.40
	21305	E Facilities Maint Supt	45,718.40							53,331.20							66,268.80
	21321	E GIS Manager															
	21319	E Housing Planner															
	21320	E Client Service Administrator															
	21322	E Network Analyst															
	21309	E Plant Supervisor															
	21303	E Project Manager II (E)															
	21324	E Real Estate Manager															
	21323	E Risk Manager															
	21308	E Transportation Planner															
	21327	E Urban Design Planner															
	21325	E Utility Service Supervisor															
14			25.33	26.19	27.06	27.92	28.79	29.65	30.52	31.38	32.25	33.11	33.98	34.84	35.71		
C-4-3			2,026.40	2,095.20	2,164.80	2,233.60	2,303.20	2,372.00	2,441.60	2,510.40	2,580.00	2,648.80	2,718.40	2,787.20	2,856.80		
			4,390.53	4,539.60	4,690.40	4,839.47	4,990.27	5,139.33	5,290.13	5,439.20	5,590.00	5,739.07	5,889.87	6,038.93	6,189.73		
			52,686.40	54,475.20	56,284.80	58,073.60	59,883.20	61,672.00	63,481.60	65,270.40	67,080.00	68,868.80	70,678.40	72,467.20	74,276.80		
	21404	E Airport Manager	25.00							29.16							36.25
	21422	E Environ Program Manager	2,000.00							2,332.80							2,900.00
	21410	E Fleet Management Supt	4,333.33							5,054.40							6,283.33
	21420	E Fuel Manager	52,000.00							60,652.80							75,400.00
	21405	E Long Range Planner															
	21419	E Police Communications Manager															
	21412	E Police Support Svc Manager															
	21418	E Redevelopment Program Mgr															
	21421	E Senior Capital Planner															
	21406	E Senior Project Manager															
	21409	E Streets Superintendent															
	21417	E Survey/Mapping Supv															
	21414	E Traffic Engineering Mgr															
	21416	E Utilities Engineer															

2004-2005 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
15	N		26.09	27.03	27.96	28.90	29.84	30.78	31.71	32.65	33.59	34.53	35.46	36.40	37.31
C-5-1			2,087.20	2,162.40	2,236.80	2,312.00	2,387.20	2,462.40	2,536.80	2,612.00	2,687.20	2,762.40	2,836.80	2,912.00	2,984.80
			4,522.27	4,685.20	4,846.40	5,009.33	5,172.27	5,335.20	5,496.40	5,659.33	5,822.27	5,985.20	6,146.40	6,309.33	6,467.07
			54,267.20	56,222.40	58,156.80	60,112.00	62,067.20	64,022.40	65,956.80	67,912.00	69,867.20	71,822.40	73,756.80	75,712.00	77,604.80
	21505	E Asst City Atty - Chf Pros	25.52						30.15						37.78
	21506	E Asst City Atty - Civil I	2,041.60						2,412.00						3,022.40
	21502	E Blding & Development Svcs Dir	4,423.47						5,226.00						6,548.53
	21510	E CVB Manager	53,081.60						62,712.00						78,582.40
	21501	E Develop Review Planner													
	21513	E Fire Battalion Chief (40)													
	21514	E Fire Battalion Chief (56)													
	21503	E Police Lieutenant													
	21504	E Private Dev Engineer													
	21512	E Stormwater Program Mgr													
	21500	E Tax License/Revenue Adm													
16	21602	E Capital Imp Engineer	27.35						32.30						40.48
C-5-2	21607	E Convention/Visitor Bureau Dir	2,188.00						2,584.00						3,238.40
	21610	E Finance/Budget Manager	4,740.67						5,598.67						7,016.53
	21609	E Human Resources Manager	56,888.00						67,184.00						84,198.40
	21608	E Information Systems Mgr													
	21601	E Parks & Recreation Dir													
17	21700	E Asst City Atty - Civil II	29.49						35.25						44.54
D-6-1	21706	E Asst Fire Chief	2,359.20						2,820.00						3,563.20
	21710	E Asst Utilities Director	5,111.60						6,110.00						7,720.27
	21712	E Court Administrator	61,339.20						73,320.00						92,643.20
	21711	E Environ Svc Director													
	21701	E Library Director													
	21702	E Police Captain													
	21707	E Purchasing Director													
18	21800	E City Engineer	30.78						36.78						46.47
D-6-2	21803	E CIP Director	2,462.40						2,942.40						3,717.60
	21801	E Deputy Police Chief	5,335.20						6,375.20						8,054.80
	21802	E Planning Director	64,022.40						76,502.40						96,657.60
19	21900	E Financial Services Director	32.04						38.31						48.39
D-6-3			2,563.20						3,064.80						3,871.20
			5,553.60						6,640.40						8,387.60
			66,643.20						79,684.80						100,651.20
20	22001	E Deputy CD Director	34.44						41.66						53.05
D-7-1			2,755.20						3,332.80						4,244.00
			5,969.60						7,221.07						9,195.33
			71,635.20						86,652.80						110,344.00
21	22103	E Community Dev Director	36.35						44.49						57.07
E-8-1	22101	E Fire Chief	2,908.00						3,559.20						4,565.60
	22106	E Management Svcs Director	6,300.67						7,711.60						9,892.13
	22100	E Police Chief	75,608.00						92,539.20						118,705.60
	22102	E Public Works Director													
	22105	E Utilities Director													
22	22200	E City Attorney	40.22						49.22						63.15
E-8-2	22201	E Deputy City Manager	3,217.60						3,937.60						5,052.00
			6,971.47						8,531.47						10,946.00
			83,657.60						102,377.60						131,352.00
26	22601	E City Manager	46.89						58.05						75.01
F-10-2			3,751.20						4,644.00						6,000.80
			8,127.60						10,062.00						13,001.73
			97,531.20						120,744.00						156,020.80

2004-2005 City of Flagstaff Pay Plan

2912 Hours

Range	Pos #	Position Title	Min				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
8	10813	N Firefighter	11.44	11.87	12.31	12.74	13.17	13.60	14.04	14.47	14.90	15.34	15.79		
			1,281.60	1,329.60	1,378.40	1,426.40	1,475.20	1,523.20	1,572.00	1,620.80	1,668.80	1,717.60	1,768.00		
			2,776.80	2,880.80	2,986.53	3,090.53	3,196.27	3,300.27	3,406.00	3,511.73	3,615.73	3,721.47	3,830.67		
			33,321.60	34,569.60	35,838.40	37,086.40	38,355.20	39,603.20	40,872.00	42,140.80	43,388.80	44,657.60	45,968.00		
9	10905	N Fire Engineer	12.13	12.59	13.06	13.52	13.99	14.45	14.91	15.38	15.84	16.30	16.74		
			1,358.40	1,410.40	1,462.40	1,514.40	1,566.40	1,618.40	1,670.40	1,722.40	1,774.40	1,825.60	1,874.40		
			2,943.20	3,055.87	3,168.53	3,281.20	3,393.87	3,506.53	3,619.20	3,731.87	3,844.53	3,955.47	4,061.20		
			35,318.40	36,670.40	38,022.40	39,374.40	40,726.40	42,078.40	43,430.40	44,782.40	46,134.40	47,465.60	48,734.40		
13	11300	N Fire Captain	15.91	16.44	16.99	17.52	18.07	18.61	19.15	19.69	20.24	20.77	21.31	21.85	22.42
			1,781.60	1,841.60	1,902.40	1,962.40	2,024.00	2,084.00	2,144.80	2,204.80	2,266.40	2,326.40	2,387.20	2,447.20	2,511.20
			3,860.13	3,990.13	4,121.87	4,251.87	4,385.33	4,515.33	4,647.07	4,777.07	4,910.53	5,040.53	5,172.27	5,302.27	5,440.93
			46,321.60	47,881.60	49,462.40	51,022.40	52,624.00	54,184.00	55,764.80	57,324.80	58,926.40	60,486.40	62,067.20	63,627.20	65,291.20

5% Add Pay

Range	Pos #	Position Title	Min				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
9	10905	N Fire Engineer	12.74	13.22	13.71	14.20	14.68	15.17	15.66	16.15	16.64	17.12	17.57		
			1,426.32	1,480.92	1,535.52	1,590.12	1,644.72	1,699.32	1,753.92	1,808.52	1,863.12	1,916.88	1,968.12		
			3,090.36	3,208.66	3,326.96	3,445.26	3,563.56	3,681.86	3,800.16	3,918.46	4,036.76	4,153.24	4,264.26		
			37,084.32	38,503.92	39,923.52	41,343.12	42,762.72	44,182.32	45,601.92	47,021.52	48,441.12	49,838.88	51,171.12		
9	10903	N Police Officer	17.83	18.51	19.19	19.88	20.56	21.24	21.92	22.61	23.29	23.96	24.60		
			1,426.32	1,480.92	1,535.52	1,590.12	1,644.72	1,699.32	1,753.92	1,808.52	1,863.12	1,916.88	1,968.12		
			3,090.36	3,208.66	3,326.96	3,445.26	3,563.56	3,681.86	3,800.16	3,918.46	4,036.76	4,153.24	4,264.26		
			37,084.32	38,503.92	39,923.52	41,343.12	42,762.72	44,182.32	45,601.92	47,021.52	48,441.12	49,838.88	51,171.12		

Skill Based Pay

Range	Pos #	Position Title	1 (LI#1)	2 (LI#2)	3 (LI#3)	4 (LI#1)	5 (LI#2)	6 (LI#3)	7 (Max)
SB1	10903	N Plant Technician - MSW	12.48	13.73	15.23	16.73	18.48	20.48	23.43
	11106	N Water Services Technician - MSW	998.40	1,098.40	1,218.40	1,338.40	1,478.40	1,638.40	1,874.40
			2,163.20	2,379.87	2,639.87	2,899.87	3,203.20	3,549.87	4,061.20
			25,958.40	28,558.40	31,678.40	34,798.40	38,438.40	42,598.40	48,734.40

2004-2005 City of Flagstaff Pay Plan

Broad Banding

			Zone 1															Zone 2		Zone 3	
			Minimum														Maximum				
Band	Pos #	Position Title	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	Step 14	Step 15	Step 16	Step 17	Step 18	
B1	80101	N Admin Assistant	9.21	9.58	9.96	10.33	10.70	11.08	11.45	11.83	12.20	12.57	12.95	13.32	13.69	14.07	14.44	14.82	15.19	15.56	
	80102		736.80	766.40	796.80	826.40	856.00	886.40	916.00	946.40	976.00	1,005.60	1,036.00	1,065.60	1,095.20	1,125.60	1,155.20	1,185.60	1,215.20	1,244.80	
	80103		1,596.40	1,660.53	1,726.40	1,790.53	1,854.67	1,920.53	1,984.67	2,050.53	2,114.67	2,178.80	2,244.67	2,308.80	2,372.93	2,438.80	2,502.93	2,568.80	2,632.93	2,697.07	
			19,156.80	19,926.40	20,716.80	21,486.40	22,256.00	23,046.40	23,816.00	24,606.40	25,376.00	26,145.60	26,936.00	27,705.60	28,475.20	29,265.60	30,035.20	30,825.60	31,595.20	32,364.80	

			Zone 1												Zone 2		Zone 3			
			Minimum														Maximum			
Band	Pos #	Position Title	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	Step 14	Step 15	Step 16	Step 17	Step 18
B2	80201	N Admin Specialist	12.10	12.50	12.89	13.29	13.69	14.08	14.48	14.88	15.27	15.67	16.06	16.46	16.86	17.25	17.65	18.05	18.44	18.84
	80202		968.00	1,000.00	1,031.20	1,063.20	1,095.20	1,126.40	1,158.40	1,190.40	1,221.60	1,253.60	1,284.80	1,316.80	1,348.80	1,380.00	1,412.00	1,444.00	1,475.20	1,507.20
	80203		2,097.33	2,166.67	2,234.27	2,303.60	2,372.93	2,440.53	2,509.87	2,579.20	2,646.80	2,716.13	2,783.73	2,853.07	2,922.40	2,990.00	3,059.33	3,128.67	3,196.27	3,265.07
			25,168.00	26,000.00	26,811.20	27,643.20	28,475.20	29,286.40	30,118.40	30,950.40	31,761.60	32,593.60	33,404.80	34,236.80	35,068.80	35,880.00	36,712.00	37,544.00	38,355.20	39,187.20

			Zone 1												Zone 2		Zone 3			
			Minimum														Maximum			
Band	Pos #	Position Title	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	Step 14	Step 15	Step 16	Step 17	Step 18
B3	80301	N Plant Specialist	16.98	17.58	18.18	18.78	19.37	19.97	20.57	21.16	21.76	22.36	22.95	23.55	24.15	24.74	25.34	25.94	26.53	27.13
	80302		1,358.40	1,406.40	1,454.40	1,502.40	1,549.60	1,597.60	1,645.60	1,692.80	1,740.80	1,788.80	1,836.00	1,884.00	1,932.00	1,979.20	2,027.20	2,075.20	2,122.40	2,170.40
	80303		2,943.20	3,047.20	3,151.20	3,255.20	3,357.47	3,461.47	3,565.47	3,667.73	3,771.73	3,875.73	3,978.00	4,082.00	4,186.00	4,288.27	4,392.27	4,496.27	4,598.53	4,702.53
	80401	N Water Services Spec	35,318.40	36,566.40	37,814.40	39,062.40	40,289.60	41,537.60	42,785.60	44,012.80	45,260.80	46,508.80	47,736.00	48,984.00	50,232.00	51,459.20	52,707.20	53,955.20	55,182.40	56,430.40
	80402																			
	80403																			

RESOLUTION NO. 2004-58

**A RESOLUTION FOR THE ADOPTION OF THE BUDGET FOR FISCAL YEAR 2004-2005; 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 15, 2004 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 15, 2004, 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 20, 2004, 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 2004-2005.

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 6, 2004.

PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 6th day of July, 2004.

/s/ Joseph C. Donaldson
MAYOR

ATTEST:

/s/ Margie Brown
CITY CLERK

APPROVED AS TO FORM:

/s/ Harry S. Lane
CITY ATTORNEY

ORDINANCE NO. 2004-13

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, 2005, AND DECLARING AN EMERGENCY.

WHEREAS, by the provisions of State law, the ordinance levying taxes for fiscal year 2004-2005 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, 2005. 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, 2005.

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 20, 2004.

PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 20th day of July, 2004.

/s/ Joseph C. Donaldson
MAYOR

ATTEST:
/s/ Margie Brown
CITY CLERK
APPROVED AS TO FORM:
/s/ Harry S. Lane
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 value of assigned equipment.
ND Computer-Number of personal computers.

ND General Admin:

Personal-Number of permanent full-time equivalent positions served.
Fiscal-Total expenses, capital at 10%, of units served.
Consultants-Direct allocation to ND Consultant-Other
Other-Direct allocation to ND General Admin-Other.

ND Employee Benefits:

Services-Number of permanent full-time equivalent positions served.

ND Insurance:

General Liability-Premium by department.
Auto Liability-Premium by department.
Property Liability-Premium by department.
Construction Equipment-Premium calculation by item of equipment.
Data Processing-Number of personal computers supported.
Employee Related-Number of full time equivalent positions served.
Flood City Hall-Gross square feet of assigned space.
City Liability-Total expense, capital at 10% of units served.
Single Items-Actual cost per premium schedule.

ND Consultants:

Audit & Fiscal-Total expenses expenditures of units served.
Other Services-Direct allocation to ND Consultants-Other.

Council & Commissions:

Council-Total expenses, capital at 10% of units served.
Boards-Total expenses of units served.

City Manager:

City Admin Personnel-Personal services of units supervised or served.
City Admin Fiscal-Total expenses, capital at 10%, of units served.
Deputy Personnel-Personal services of units supervised or served.
Deputy Fiscal-Total expenses, capital at 10%, of units served.

City Clerk:

Agenda Process-Direct allocation to City Council.
Records Management-Number of boxes stored.
Elections-Direct allocation to elections.
Other Services-Total expenses, capital at 10%, of units served.

City Attorney:

Civil Division-Total expenses, capital at 10%, of units served.
Criminal & Other-Direct allocation to City Attorney-Other

Human Resources:

Recruitment-Number of FTE's served, Fire & Police weighted.
Training/Benefits-Number of full-time equivalent positions served.

Risk Management:

Safety-Number of full-time equivalent positions served.
Claims-Total expenditures, capital at 10%, of units served.

Management Services Admin:

Department Admin-Personal services of units supervised or served.

Management Services Purchasing:

General Purchases-Number of encumbrances per division.
Large Projects-Estimated effort expended on larger projects.
Contract Admin-Expenditures of contract administered.

Management Services Mail Services:

Services-Number of pieces of mail processed.

Management Services Warehouse:

Services-Cost of items issued through warehouse.

Management Services Property Mgmt:

Services-Estimated effort spent on projects.

Management Services Financial Services:

Services- Total expenses, capital at 10%, of units served.

ND Copy Center:

Services-Actual copy center charges for twelve months.

Information Systems:

General Support-Number of personal computers supported.
GIS- Total expenses, capital at 10%, of units served.

Finance:

Accounting/Budget-Number of adjusting journal entries.
Accounts Payable-Number of Accounts Payable transactions.
Payroll-Number of payroll checks issued.

Appendix E – Full Cost Plan Summary of Allocation Basis

Switchboard- Number of full-time equivalent positions served.
Grants-Number of grants with Federal grants weighted at 1.5.

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.
Other Custodial-Number of restrooms maintained.
Preventive Maintenance-Gross square footage of assigned space maintained.
Special Maintenance-Planned hours spent on various projects.
City Hall Maintenance-Gross square feet of assigned space.
Other Maintenance-Planned hours spent on Recreation and other departments.
City Hall Utilities-Gross square feet of assigned space.
Beaver Street Annex-Direct allocation to Other.
Milligan House-Direct allocation to Tourism.

Mechanical Shop:

Services-Charges for services provided by Public Works Mechanical Shop.

Customer Services:

City Support-Total expenses, capital at 10%, of units served.
Deposit Assistance-Estimated hours of service provided.
Enterprise-Budgeted revenue of Utilities, Environmental Services, and Stormwater.
Field Reading-Direct allocation to Utilities.

Community Development Admin:

Departments Served-Personal services of units supervised or served.

Engineering:

Traffic Engineer-Direct allocation to Highway User Fund.
General Fund Other-Percentage of hour spent on projects.
Building Permit-Direct allocation to General Fund- Other.
Other-Dollar value of permits issued in prior year.

Planning:

Planning Services- Total expenses, capital at 10%, of units served.
Housing-Direct allocation to Planning-Other.

Contributions:

United Way-Total expenses by fund, less capital.
Others-Direct allocation to Contributions

GLOSSARY

Accrual Basis of Accounting – A method of accounting in which revenues are recorded when measurable and earned, and expenditures (or expenses) are recognized when a good or service is used.

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

BALANCED BUDGET – A budget in which current revenues equal current expenditures. The State or local government may set the legal requirements for a balanced budget.

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 that 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 and/or operating unit within each City division or department.

CSR – Customer Service Representative

CTAC – Citizens Transportation Advisory Committee

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 that 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 that 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

EMT - Executive Management Team - Team members selected from throughout the organization to participate in process improvement regarding organizational development.

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 that limits the annual expenditures of all municipalities. The Economic Estimates Commission based on population growth and inflation sets this limit.

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.

GAAP - Generally Accepted Accounting Principles – Financial accounting and reporting conventions, rules, and procedures that a business entity must use in preparing external financial statements.

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

MODIFIED ACCRUAL ACCOUNTING – Basis of accounting required for use by governmental funds in which revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred.

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 that 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.

RESERVES – Account that records a portion of the fund equity that must be segregated for some future use and that is, therefore, not available for further appropriation or expenditure.

RESTRICTED REVENUES – Are legally restricted for a specific purpose by the Federal, State, and local government.

RFP – REQUEST FOR PROPOSAL – 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

SPECIAL REVENUE FUND - Fund used to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government.

STREET AND HIGHWAY BONDS – Bonds that 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

ACRONYMS

<u>Acronym</u>	<u>Description</u>
ADA	Americans with Disabilities Act
ADEQ	Arizona Department of Environmental Quality
ADOT	Arizona Department of Transportation
AOC	Administrative Office of the Courts
AOT	Arizona State Office of Tourism
APP	Aquifer Protection Permit
ARB	Accident Review Board
ARS	Arizona Revised Statutes
ATA	Arizona Tourism Alliance
ATP	Administrative/Technical Personnel
ATTF	Anti Terrorism Task Force
AWWA	American Water and Wastewater Association
AZBO	Arizona Building Officials
BBB	Bed, Board, and Booze Tax
BNSF	Burlington Northern Santa Fe Railroad Company
CAFR	Comprehension Annual Financial Report
CCC	Coconino Community College
CD	Community Development
CDBG	Community Development Block Grant
CID	Capital Improvement Division
CIP	Capital Improvement Plan/Projects
COL	Cost of Living
CPM	Center for Performance Measurement
CPR	Cardio-Pulmonary Resuscitation
CSR	Customer Service Representative
CTAC	Citizens Transportation Advisory Committee
CVB	Convention and Visitor Bureau
CY	Calendar Year
DBM	Decision Band Method
DES	Department of Economic Security
DOJ	Department of Justice
DPS	Department of Public Safety
DRB	Development Review Board
EAC	Employee Advisory Committee
EOC	Emergency Operations Center
EMT	Executive Management Team
FAA	Federal Aviation Administration
FBI	Federal Bureau of Investigation
FCP	Flagstaff Cultural Partners
FEMA	Federal Emergency Management Agency
FHWA	Federal Highway Administration
FIT	Flagstaff Interagency Taskforce for Safe Housing
FMLA	Family Medical Leave Act
FMPO	Flagstaff Metropolitan Planning Organization
FTA	Federal Transit Administration
FTE	Full-Time Equivalent
FUTS	Flagstaff Urban Trail System
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board
GFEC	Greater Flagstaff Economic Council
GFOA	Government Finance Officers Association
GIS	Geographic Information System
GO	General Obligation
GPLET	Government Property Lease Excise Tax

ACRONYMS

<u>Acronym</u>	<u>Description</u>
GREAT	Gang Resistance Education and Training
GSA	Government Services Administration
HASTC	High Altitude Sports Training Complex
HIPAA	Health Insurance Portability and Accountability Act
HUD	Housing and Urban Development
HURF	Highway User Revenue Fund
ICBO	International Council of Building Officials
ICMA	International City/County Management Association
IGA	Intergovernmental Agreement
JCEF	Judicial Collection Enhancement Fund
JTTF	Joint Terrorism Task Force
LDC	Land Development Code
LEAF	Law Enforcement Administrative Facility
LERRDS	Lands, Easements, Rights-of-way, Relocations, and Disposals
LMWTP	Lake Mary Water Treatment Plant
LTAf	Local Transportation Assistance Funds
MIS	Management Information Systems
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MRF	Materials Recovery Facility
NABA	Northern Arizona Building Association
NAPEBT	Northern Arizona Public Employees Benefit Trust
NAU	Northern Arizona University
ND	Non-Departmental
NFPA	National Fire Protection Association
NPDES	National Pollutant Discharge Elimination System
O&M	Operations and Maintenance
OD	Organizational Development
OMB	Office of Management and Budget
OSHA	Occupational, Safety, and Health Administration
P&Z	Planning and Zoning
PFAC	Ponderosa Fire Advisory Council
PFC	Passenger Facility Charge
PIO	Public Information Officer
PIT	Project Implementation Team
PRV	Pressure Reduction Valve
PW	Public Works
QSI	Quality Service Increase
RFP	Request for Proposal
RJ	Regional Jet
RLTP	Regional Land Use and Transportation Plan (Flagstaff area)
ROW	Right of Way
RSL	Revised Service Level
SCADA	Supervisory and Control Data Acquisition
SID	Special Improvement District
STS	Safe-to-School
TEA-21	Transportation Equity Act for the 21st Century
USDOT	United States Department of Transportation
USFS	United States Forest Service
USGS	United States Geological Survey
VC	Visitor Center
VRC	Vacancy Review Committee
WIFA	Water Infrastructure Financing Authority
WOW	Wonderful Outstanding Workers

Council Goals

The City of Flagstaff Council undertook a tremendous effort in FY 2003 to review citywide goals adopted in FY 2002.

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 2005 budget. All divisions had to identify their objectives within one of the goal areas.

The latest review of these goals was undertaken in October 2003 to coincide with the fall Council retreat. The update status for the following goals relates to that timeframe.

The following list highlights the ten major areas established by Council and the complete work plan ensues.

- **Economic Development /Redevelopment**
- **Fiscal Health**
- **Public Safety**
- **Affordable Housing**
- **Capital Improvements**
- **Customer Service**
- **Planning for Growth**
- **Collaboration**
- **Quality of Life**
- **Organizational Support**

ECONOMIC DEVELOPMENT/REDEVELOPMENT

<p>GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT</p>	<p>FY 2005 AND FUTURE WORK PROGRAM STRATEGIES</p>	<p>RESPONSIBILITY</p>
<p>Maintain and strengthen Flagstaff as the regional center for retail, employment and hospitality while enhancing the quality of life for our residents.</p>	<p>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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • 64 new fulltime jobs created at above county median wages. • 183,000 sq ft added to existing industry with a capital investment value of \$11 million. • Pending projects for Y2004 represent 275 jobs. 	<p>GFEC</p>
	<p>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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Draft Telecommunication Plan completed in 2003, final comments from all stakeholders due by February 2004. • Rural Broadband Authority state legislation drafted December 2003, pending introduction. 	<p>GFEC</p>
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Research completed by the Battelle Institute in 2003 to identify best industry opportunities. • Local focus groups meeting to define GFEC strategic plan. Completion by March 2004. 	<p>GFEC</p>

GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<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, Nestle Purina, Walgreen’s, and others.</p> <p>Develop recruitment and retention strategies to attract/keep those business, once identified, that support large employers’ supply chains.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • AZBusinessLinc launched in 2003, links supply chain opportunities for B2B, 57 local companies signed up. 	GFEC
	<p>Strategy Statement: Create policy to make economic development more attractive for our desired targets. Development 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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Completed Incentive Program • Created BPI zoning specific to Airpark. • Pending land exchange decision to add BPI inventory to Airpark 	GFEC
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Significant changes made to GFEC contract with the City to define and clarify roles. • Weekly meetings with C.D. and GFEC for on-going communication. • GFEC referring appropriate leads to Redevelopment Director. 	GFEC

GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Strategy Statement: Employment growth salary levels.</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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Ongoing outreach efforts to meet with 100 companies per year, resulting in 8-10 local expansion projects YTD. 	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> <ul style="list-style-type: none"> • Determine those persons who are underemployed (overqualified) in their current positions to determine currently available labor resources. • Determine if NAU alumni wish to remain in Flagstaff and what their skill sets are. <p>FY2004 Status Update: GFEC currently conducting focus groups to identify workforce labor concerns with large local manufacturers/ Allied Health industry/ and small business. Outcome will result in new strategic plan for Business Retention & Expansion.</p> <ul style="list-style-type: none"> • Underemployed Data Base launched October 2003 to identify skill/education level of underemployed persons. • GFEC to attend NAU job fair to register participants. www.gfec.org/job 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Pending Yavapai Land Exchange legislation. • Pending telecom state legislation. • Available incentive program to address company specific infrastructure issues. 	GFEC

GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT	FY 2005 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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Set up Attractions Marketing group with the Flagstaff Cultural Partners to review co-op opportunities. • Worked with Tourism Commission Marketing Subcommittee to transform the media plan for the upcoming year to focus on niche markets and events. 	CVB
	<ul style="list-style-type: none"> • 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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Have created niche-based itineraries through the Visitor Center, and utilizing these in other markets. 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • At the beginning of the winter season, met with this group to update for current year. Now, we are just waiting for the snow. • Created a plan specifically addressing challenges during the fire season. 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Surveying meeting planners to help contribute pertinent information to the chosen developer. • Beginning to build excitement in the meetings niche for the proposed Conference Center. Waiting for the completion of the feasibility study. 	CVB

GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • All shows attended 	CVB
	<p>Strengthen regional marketing efforts (AZ Rocks, N. AZ Coalition, etc.) by positioning Flagstaff as the leader and hub of Northern Arizona.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Hired coordinator and are working toward the creation of a new fulfillment piece. The “brochure” will be included in magazines targeted at the Valley and Southern AZ with a circulation of 195,000. 	CVB
	<p>Set and accomplish aggressive quarterly telemarketing, sales call, and cold call goals.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Ongoing. 	CVB
	<p>Strategy Statement: Establish enthusiasm in the community for tourism-related activities; create a local base of that would open the door to additional opportunities.</p> <p>Work closely with business 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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Have worked with CD and GFEC to standardize the message that Flagstaff is promoting. Both agencies have used a joint Tour & Travel folder with their own information included on a CD. 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Brochure completed as first step in process. • Next step lies with the Visitor Center as they research promotional cards or discount coupons as a way to promote local businesses. 	CVB

GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Work with local media in developing stories that strive to lessen the division between visitors and residents.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Promoted local events such as the Pinecone Festival in local publications including Mountain Living and Flag Live!. • Participate in Cityscape and have regular column in the AZ Daily Sun. 	CVB
	<p>Through active recruiting, adding a non-industry seat and industry seat, and imposing a directional emphasis to fully utilize the power and influence of the Tourism Commission.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Completed. Formed three task forces • Strategic Planning is still in progress, Visitor Center task force has assisted with operational and renovation issues. • Marketing task force helped to forge a strong media plan for the upcoming year. 	CVB
	<p>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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Awarded outstanding service monthly. • Project now in hiatus as we look to a community formed organization to take on the charge of Service at its Peak. 	CVB
	<p>Expand the distribution list for the CVB’s weekly and seasonal calendar of events.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Refined the mailing lists, instituted door-to-door distribution. 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Ad campaign continues highlighting various projects in Shopping Centers Today and Urban Land. • Staff attended the annual International Shopping Center Conferences in Las Vegas and Palm Springs. 	CD

GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Meetings with several national developers and some property owners have been conducted. • Request for Proposals to be issued in January with return date of late July or August. Also have met with several potential office tenants. 	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. 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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Mall expansion and Auto Park was approved for rezoning by the Planning and Zoning Commission and has been forwarded to Council for action. • We currently have space reservations for the entire Auto Park. Work could begin this summer. 	CD

GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT	FY 2005 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; serving as the catalyst for additional investment in the Southside neighborhood.</p> <p>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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • A Request for Proposals has been prepared in cooperation with NAU and will be advertised in January. Work is anticipated to take six months. 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Project has received another round of funding from Congress. It is anticipated that the work will be completed in 2007. 	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 business or headquarters.</p> <p>Project should serve as an anchor on Butler Avenue and eventual link and Gateway to the Southside and NAU.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The City has had several meetings with the property owner. It is anticipated that the will choose a developer to create a mixed-use complex by March with zoning approval by Dec 2004 	CD

GOAL STATEMENT ECONOMIC DEVELOPMENT/ REDEVELOPMENT	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Six responses to the conference center RFP were received. • Hines was chosen as the developer with Benchmark Hospitality. • Hines will be retaining a feasibility consultant and will have work completed in March 2004. 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • T-21 funding secured (\$500K) • Working with Rio project to provide pedestrian enhancements and connections. 	CD
	<p>Strategy: Milton Road</p> <p>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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Urban mobility study completed 	CD
	<p>Strategy: USGS</p> <p>Continue to address new employment base opportunities and fund campus Master Plan improvements.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The SmithGroup has been retained to complete the campus master plan and design of buildings. • Designs should be completed in April 2004. • Will be issuing a Request for Proposals to the private sector for the development of a Technology and Science Park if voters approve the bonds for the USGS expansion in May. 	

FISCAL HEALTH

GOAL STATEMENT FISCAL HEALTH	FY 2005 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>	<p>Capital Improvements – work with CIP to develop comprehensive plan of infrastructure needs</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Five year CIP published. • Mapped all projects • Completed database for division input and reporting 	<p>CIP, PW, Finance, Utilities</p>
	<p>Expenditure control – consider development of incentives versus penalties relative to year-end expenditures.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Efforts to develop will be ongoing. 	<p>Finance/Budget team</p>
	<p>Fee Policies – Develop a policy of mandatory fee reviews including frequency and responsibility.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Initial policy completed by 6-30-03 • Policy yet to be reviewed by internal committee 	<p>Finance</p>
	<p>Work Smarter –In an effort to reduce redundant work and paper work, explore electronic opportunities, i.e., online contracts, faxing of purchase orders.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Electronic opportunities continue to be explored in conjunction with software capability and hardware capacity. 	<p>EMT coordinating committee</p>
	<p>New Revenues – Implement fee recommendations from 2002 user fee study.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Fee/charge increases implemented at the library, building permits, cemetery, recreation, fire subscription service, and facility room rentals • Fees in review include liquor license, DRB, use tax, annual business/sales tax license, and increased cable franchise fees 	<p>Finance</p>
	<p>Impact fees – Implement impact fee recommendations as desired.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The impact fee study is complete, however implementation has been delayed until further Council review can occur. 	<p>Planning</p>
	<p>Leverage grants – Find grants for the Rio de Flag project and other projects as may be desirable.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The City totaled \$7,165,127 for 67 grants 	<p>Finance</p>

GOAL STATEMENT FISCAL HEALTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Stormwater Utility – Finalize the policies and fee structure for implementation in December 2002.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The Stormwater Utility was implemented July 2003 • A five year plan is currently under development in concert with necessary fee increases 	Engineering, Utilities, Finance
	<p>Cost allocation – Implement new cost allocation methodology and start process of including overhead recovery in grants.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The OMB A-87 rate and full cost allocation plan was completed in FY 2002 for implementation in FY2003. • The same rates were applied for FY2004 • The rates and allocations for both the full cost and the OMB A87 plan will be updated for FY2005 as based on the actual numbers from FY2003. 	Finance
	<p>Water and Sewer capacity charges – Implement increased capacity charges based on 2002 analysis.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Completed in FY2003 	Utilities
	<p>Public Private Partnerships – look for ongoing opportunities to coordinate infrastructure development to meet the needs of both parties. – In process with NAU and reclaimed line construction on the campus</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Ongoing progress with NAU and the Mall 	PW, Utilities, engineering
	<p>Fleet Purchases – consideration to extend the useful lives and years on replacement criteria.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Completed in FY2003 	Fleet committee
	<p>Utilities Optimization program - Continue implementation, a program designed to reduce job redundancy and incorporate better technology.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • In FY2003, skill based was in place with the wastewater plants. • In FY2004, staff from the collection and distribution areas of the water plants were added • At the end of FY2004 it will be determined if any other areas will be implemented 	Utilities

GOAL STATEMENT FISCAL HEALTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>ICMA benchmarking- formalize budget and decision process to consider comparative data.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> The City continues to participate in the ICMA benchmarking project and continues to look for ways to utilize both the Flagstaff base information and the available comparative data 	Budget team
	<p>Credit Cards – Implement the credit card program citywide to reduce cost of processing.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> A staff committee has been developed to address the issues of credit card acceptance on both a test and actual city-wide basis to determine the feasibility of acceptance, the expense, and the time frame for implementation 	Purchasing
	<p>Bond Program – based on an unfunded needs develop a bond program and financing alternatives.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> A tentative slate of projects has been established for presentation on the May 2004 ballot 	Finance, CIP, PW, Fire
	<p>Sales Tax – remove the expiration clause on the City 1% Sales Tax to create revenue stability</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Future work strategy 	Finance
	<p>Maintenance -- Incorporate reduced maintenance as capital criteria. Example is the radio read meter program on the inner basin pipe replacement</p> <p>FY2004 Status Update: All capital projects continue to be reviewed to assess increased or reduced maintenance expenditures</p>	CIP, PW, Utilities, Finance
	<p>Investments - Invest excess City fund and achieve a rate higher than the Arizona State Treasurer’s Pool, current funds outside the pool earn 3.95% outside the fund, LGIP at 2.16%</p> <p>FY2004 Status Update: Approximately 35% of the City’s funds are in the LGIP, realizing an average year to date return of 1.49% The remaining 65% of the City’s funds are invested in other government-backed securities, with an average rate of return of 3.2%.</p>	Finance
	<p>Software -- Integrate software systems with the financial mainframe to the extent possible.</p> <p>FY2004 Status Update: Efforts ongoing</p>	Courts, Recreation, Finance

Appendix H – Council Goals

GOAL STATEMENT FISCAL HEALTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Sustainability -- Identify operational impacts of capital projects and other decisions to incorporate a sustainability analysis.</p> <p>FY2004 Status update: Efforts ongoing</p>	All departments, Finance
	<p>Bond ratings -- Maintain accounting standards and reporting to ensure good bond ratings.</p> <p>FY2004 Status Update: Bond ratings maintained at A or A+ by Standard and Poor's Bond ratings maintained at Aaa3 or A-1 by Moody's Investor Services</p>	Finance.

PUBLIC SAFETY

GOAL STATEMENT PUBLIC SAFETY	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>The goal is to maintain a safe community through an integrated public safety system that addressed the underlying issues affecting public safety, health and quality of life.</p> <p>Discussion: The City 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 if the optimal use of public safety services and will result in an enhanced quality of life for the community.</p>	<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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • New Fire Department software system installed that, along with wireless and T-1 connections to Fire Stations, allows remote sites to be “client/server” (e.g. working on a live database directly from each station). • GroupWise accounts have been installed for Fire Department officers and some program managers. Remaining GroupWise accounts still needed and will be budgeted for in the future. • The Police and Fire joint communications committee met throughout the year to enhance emergency dispatch and technical operations of the 911 Center. • The Police Department participated in several disaster exercises. Participants included members of all City departments as well as other governments agencies • The Police Department encouraged all City departments to participate in Block Watch forums to better enhance the partnership between City government and community members. • Police Department members have been asked to address officers at the squad level to coordinate City efforts. 	<p>All</p>
	<p>Clean & Green to continue the abandoned vehicle and litter control programs in partnership with block watch and neighborhood organizations.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Participated with Clean and Green in neighborhood clean-ups, within budget restrictions, in the Sunnyside & Old Town neighborhoods. • Officers completed a 2-day project and returned nearly 100 shopping carts to local stores. 	<p>Clean & Green Police</p>
	<p>Push decision-making down to the lowest competent level to increase efficiency. The City Manager’s office leads the effort to communicate with all the staff current issues facing the City.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The Fire Department established an internal training committee staffed with operational personnel to establish and implement training initiatives. • The Fire Department developed a program manual that identifies personnel responsible for accomplishing key program goals. • Beat meetings attended by police officers & supervisors where employees identify neighborhood issues and concerns and develop strategies to solve problems. • Police communication shift meetings are used as a conduit for in-service training and problem identification. 	<p>All</p>

GOAL STATEMENT PUBLIC SAFETY	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Approximately 120 Block Watch meetings were held by the Police Department. Fifty-eight Block Watch Groups participated. • Quarterly Block Watch Captains Meetings were held. • Two Citizen Police Academies were held. • The Department participated with the Sheriff's Office in the Community Emergency Response Team Training (CERT) 	All
	<p>Continue participation in after school programs as well as those during school hours that offer opportunities for education, mentoring and value building.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The Fire Department Public Education clown program completed fire safety shows to 10 of 12 elementary schools. • The Dare and Great programs continue as the primary prevention programs in the public schools. • Law Related Education (LRE) was presented to High School Students. • Two summer camps were presented to Junior High Students through the GREAT Summer Camp Program. 	Police Fire Parks & Recreation
	<p>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 programs.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The Police and Fire Department Honor Guards partnered for the September 11 "Day of Remembrance". • GREAT CAMP, Jam Zones, Celebrate Youth Day, and National Night Out were examples of programs completed while with other City Departments. • The Boy Scouts of America held their National Law Enforcement Explorer Post Convention and Competition in Flagstaff. The PD participated in the event as instructors and mentors. 	Parks & Recreation Police Fire
	<p>Review Park security issues, as well as the impact of alcohol on Park Use and Permit Policies.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Parks are constantly monitored for violations and compliance. • Permits are scrutinized to ensure adequate security and compatibility. 	Police Parks & Recreation Fire

GOAL STATEMENT PUBLIC SAFETY	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Continue participation in United Way partnerships such as the Sunnyside Neighborhood Association, Success by Six, and Weed & Seed, to address social issues and foster neighborhood responsibility</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Efforts are ongoing 	
	<p>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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The Fire Department conducted over 400 wildfire safety home assessments in University Heights (the first targeted neighborhood) using light duty employees, fuel management employees, and line fire companies. The ability to follow-up with homeowners has been comprised by the loss of a Fuel Management Lead worker/Fire Information Officer position in the recent cutbacks. The Fire Department will assess this impact and consider doing home assessments on a request only basis. • The Police Department continues to offer an array of forums, or are willing participate in such, to communicate the Mission of the Department and of the City. • Homeland Security and related issues continue to be a priority of the Police Department. 	All
	<p>Provide sufficient resources to focus on preventive public safety initiatives such as fuel management, fire code enforcement, and development review. The City continues to pursue a myriad of grant opportunities to support this work program.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Over 400 wildfire home assessments conducted, but the effort will be reduced due to personnel reductions necessitated through budget cuts. • The Fire Department will continue to pursue wildfire grants, however the 50% match requirement must be assessed in light of budget constraints. • A Fire Prevention task force was formed and assembly occupancies received individual technical assistance to prevent overcrowding, exiting, and pyrotechnic problems. • The Fire Department tested and maintained 3000 City fire hydrants to insure operability and compliance with ISO standards. 	Fire

GOAL STATEMENT PUBLIC SAFETY	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Staff, train and equip City Public Safety to contend with the realized demand for service within the community.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Fire Department training efforts have increased its focus in specialized areas including haz-mat and technical rescue. • A grant was received to fund a 100% of the cost of a new regional haz-mat vehicle. • Mobile Data Computers (MDC's) have been ordered for most police and fire vehicles and are operational. This allows data transmission of response information and improves the ability to track response times and on-scene activities more accurately. • The Fire Department implemented web-based EMS training recertification to reduce overtime costs. • Five new Police Officers were hired. Two were part of the COPS Grant. • The Communication Center is still understaffed per the Consultants recommendation. 	<p>Fire Police</p>
	<p>Adequately respond to realize demand for emergency services and prepare for the potential demands associated with disaster management.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Emergency Operations Center (EOC) training has been delivered at all levels of local government. State assistance has also been obtained. A wildfire EOC exercise was conducted June 2003. • A 100% funded grant was obtained to develop a joint city-county hazardous mitigation plan. The contract has been instituted and the plan is anticipated by the Spring of 2004. • A consultant was hired to conduct a GIS analysis of the most effective fire station locations in anticipation of the May 2004 bond election. • A weapons of mass destruction (WMD) drill was conducted March 2003 at Flagstaff High School. • The Police Department is working in concert with the Ponderosa Fire Advisory Council (PFAC) to develop a Wildland Fire Emergency Operation Plan for the Great Flagstaff area. 	<p>All</p>

AFFORDABLE HOUSING

GOAL STATEMENT AFFORDABLE HOUSING	FY 2005 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>Retrieve the DDA designation to increase the chances for increased LIHTC allocations.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The DDA designation was returned to the City in December 2002 leading to an increase in tax credit applications for projects in Flagstaff 	<p>COF Planning Division</p>
	<p>Maintain a close working/planning relationship with the new Arizona Department of Housing</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Efforts ongoing 	<p>COF Planning division</p>
	<p>Update Affordable Housing Gap Analysis in Arizona Department of Housing Format.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Target completion for submittal of 2006-2011 Consolidated Plan in 2005 	<p>COF Planning division</p>
	<p>Revise Sunnyside Neighborhood Revitalization Strategy per HUD direction to include more social service and economic development strategies and investigate new staff needs associated with a higher level of neighborhood services.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Work with the Sunnyside Neighborhood Association continues to complete the Revitalization Strategy. 	<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 Council.</p>	<p>Successfully implement the LDC based affordable housing incentive Ordinance (No. 2001-14)</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Rio Homes, public/private partnership will utilize the incentive Ordinance in 2004 	<p>COF Planning Division</p>
<p>Maintain current knowledge of state of the art housing program and policy initiatives undertaken successfully by other jurisdictions. Develop new private for-profit and non-profit resources.</p>	<p>Develop a Community Land Trust (non-profit agency) to homeownership for low-income homeowners.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Staff trained in creation of land trust, technical assistance requested from HUD 	<p>COF Planning Division</p>

GOAL STATEMENT AFFORDABLE HOUSING	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Continue to create and expand non-profit housing agency resources.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Letters of support supplied to agencies applying for additional funding to support affordable housing. 	COF Planning Division
	<p>Complete an analysis of successful housing initiatives conducted by municipalities with similar housing market conditions.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Successful programs from other cities being explored for feasibility 	COF Planning Division
Identify additional funding resources and secure additional funding for the expansion of existing programs and the creation of new programs.	<p>Successfully obtain multiple grant resources from the newly establishes Arizona Department of Housing to augment CDBG funds.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Grant application submitted to ADOH January 2004 	COF Planning Division
Increase the supply of affordable rental housing for extremely low and low income households	<p>Proactively cultivate the interest of multiple LIHTC developers for the construction of new and the rehabilitation of existing rental housing developments.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Four applications for tax credit projects in Flagstaff were submitted for the 2003 funding round 	COF Planning Division Non-profit tax credit developers For-profit tax credit developers AZ Department of Housing
	<p>Make City land available for affordable rental housing developments where appropriate.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Sandstone Highlands Senior Community on the City owned property awarded tax credits 	COF Planning Division Non-profit tax credit developers For-profit tax credit developers AZ Dept of Hsg
Significantly reduce the substandard housing stock	<p>Continue to fund and coordinate owner occupied housing rehabilitation programs</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> 7 homes rehabilitated in 2003, contract for 8 homes for 2004 awarded and underway. 	COF Planning Division Private Contractors The Affordable Housing Coalition
	<p>Incorporate the elimination of severely deteriorated housing and substandard trailer parks in affordable housing development efforts.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Additional funds to expand rehab program identified and grant application submitted in 2004 	COF Planning Division Private Contractors The Affordable Housing Coalition

GOAL STATEMENT AFFORDABLE HOUSING	FY 2005 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>FY2004 Status Update:</p> <ul style="list-style-type: none"> 8 homes completed in 2003, 4 underway spring 2004, planning, engineering and construction plans complete for 16 unit subdivision. 	<p>COF Planning Division Habitat for Humanity Affordable Housing Coalition Private Developers Private Design Professionals</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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Completed development agreement for Rio Homes winter of 2003, tax credits awarded for portion of Ponderosa Homes property. 	<p>COF Planning Division Habitat for Humanity Affordable Housing Coalition Private Developers Private Design Professionals</p>
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>FY2004 Status Update:</p> <ul style="list-style-type: none"> Homebuyer assistance programs continue to assist Flagstaff residents with first time home ownership 	<p>COF Planning Division Affordable Housing Coalition NACOG</p>
	<p>Continue to fund and coordinate non-profit acquisition/rehabilitation programs converting vacant and renter occupied homes into homeownership.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Ongoing efforts 	<p>COF Planning Division Affordable Housing Coalition NACOG</p>
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	<p>Complete development agreement with developers of Ponderosa Homes and Rio Homes resulting in the construction of 33 affordable homes and 96 affordable apartments.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Completed development agreement for Rio Homes winter of 2003, tax credits awarded for portion of Ponderosa Homes property. 	<p>City of Flagstaff Planning Division Private Sector Developers Non-Profit Homebuyer</p>
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>Use the sale proceeds from Ponderosa Homes and Rio Homes to purchase more property for affordable housing.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Property identification underway 	<p>Assistance Programs</p>
Incorporate affordable housing components in appropriate redevelopment projects using excellent design and maximizing the livability of area functions.	<p>Incorporate a variety of housing types and affordability in the residential portion of redevelopment projects</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Efforts ongoing 	<p>COF Planning Division Professional Planning and Architectural Firms</p>

CAPITAL IMPROVEMENTS

GOAL STATEMENT CAPITAL IMPROVEMENTS	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<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 through citizen involvement, reflecting community pride.</p> <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 to 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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Lone Tree and West/ Arrowhead Corridor study initiated • Multi-Modal projects efforts begun 	<p>Capital Division Community Development Public Works Utilities FMPO Other City Departments</p>
	<p>Program: Provide clear information and rationale to match available revenues with prioritized projects funded through the adopted 5-Year Capital Improvements Program.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Published 5-year CIP • Mapped all projects • Completed new database for division input and reporting • Initiated 5-year CIP Update 	<p>Capital Division Financial Services 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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Fourth St. design of Phase I complete; Phase II is 95% complete • Empire Extension design begun • Multi-modal and utilities projects delivery tracking work program 	<p>Capital Division Funding Department Maintaining Department Community Development Contract Administration</p>
	<p>Construct: Deliver a final product that is cost effective with a quality of workmanship that ensures a lasting value for our citizens.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Soliere, Country Club, ADA facility improvements, multi-modal, Lucky Lane waterline, and Leroux St. paving are completed. • Sunnyside Phase II is 95% complete • Sunnyside Phase IIIA is 50% complete • Fourth Street Railroad Crossing is in Phase I • All projects are being tracked with the CID work program 	<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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Public involvement continues to achieve successful results in Sunnyside and Fourth Street. • Weekly reports provide on-going status of all CID projects 	<p>Capital Division Public Involvement Officer FMPO CTAC</p>	

GOAL STATEMENT CAPITAL IMPROVEMENTS	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Prospectus document development • Schedule-based work program • Comprehensive 5-year CIP • Thorough project scope development • Team chartering • Project Manager's Manual • CID Employee Handbook • Project review process • Monthly financial reports • Alternative delivery methods 	<p>Contracts Administration Capital Division Risk Management Attorney's Office Purchasing</p>

CUSTOMER SERVICE

GOAL STATEMENT CUSTOMER SERVICE	FY 2005 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>Discussion: 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. The Customer Service Committee was established to implement, revise, or review internal policies and practices to ensure 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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> The Customer Service Committee is in the process of providing training to all employees with a completion date of April 30, 2004. Currently Utilities, Community Development, Fire Department, and Management Services have completed the training. 	<p>Human Resources Customer Service Committee</p>
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> Although this task was completed last year, Human Resources reviews all job descriptions when the job becomes vacant to ensure that the job description contains a statement regarding “excellent customer service.” Human Resources all ensures that there is an interview question regarding customer service when interviewing applicants. 	<p>Human Resources</p>
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> A new evaluation form was developed and implemented FY2004. Human Resources has conducted training for supervisors on how to use the new instrument and in general how to conduct performance evaluations. 	<p>Human Resources Customer Service Committee</p>

GOAL STATEMENT CUSTOMER SERVICE	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>New Employee Orientation: Provide all new employees with an overview of expectations regarding customer service.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • During the mission and values segment of the program, customer service is highlighted. However, once all the customer service training has been completed in April, then expectations regarding customer service will be incorporated into the program. 	Human Resources
	<p>Measure Effectiveness of Program: Survey internal and external customers to determine effectiveness.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Currently Community Development, Fire, Vehicle Shop, Utilities, Courts and Purchasing conduct surveys. The Customer Service Committee will have discussions in the future to determine if a citywide survey needs to be done. 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • A Complaint Resolution process was adopted and is being managed by Community Development for the entire City. 	Customer Service Committee Department Heads City Manager
	<p>Recognition/Award Program: Recognize annually employees who have provided outstanding customer service.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The Customer Service Committee has collaborated with the Employee Recognition Committee and is in the process of revamping the City Manager’s Excellence Award and incorporating all employee recognition programs under one umbrella. The deadline for completion is 7/1/05. 	Customer Service Committee Human Resources Manager’s Award Committee
	<p>Quarterly 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> <p>FY2004 Status Update: This program is part of the Recognition Award Program (see above).</p>	Customer Service Committee
	<p>Alternative Dispute Resolution: Provide an alternative for resolving interpersonal conflicts in a confidential setting on a voluntary basis in an effort to constructively resolve differences to increase organizational effectiveness.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • This task has been completed and was implemented in 7/1/02. 	Human Resources

PLANNING FOR GROWTH

GOAL STATEMENT PLANNING FOR GROWTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>To shape growth, with the involvement of the community, in a manner that preserves our regions 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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Regional Plan is posted on City’s website. Hard copies and CDs are being printed. 	<p>Planning Division</p>
<p>With a finite supply of land, we have to provide for the region’s growth in a manner that balances growth and conservation.</p>	<p>Enter into an Intergovernmental Agreement with Coconino County to implement the Regional Plan.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Spring adoption by County Board of Supervisors and City Council. In the interim, City and County staff will submit relevant plans and proposal for mutual review and comment to test system for level of service requirements. 	<p>Planning Division and City Council</p>
<p>Continued growth pressures in Flagstaff require the need to better manage and control development.</p> <p>Addressing inefficient land use patterns.</p> <p>Delivery of public facilities and services more effectively.</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. Submit 3-year Strategic Work program on annual basis.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Once IGA is adopted, an implementation report will be prepared for submittal to the City Council and Board of Supervisors. 	<p>Planning Division and Planning & Zoning Commission.</p>

GOAL STATEMENT PLANNING FOR GROWTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>Flagstaff will continue to grow. The community's natural resources and its growing economy make it reasonable to believe that growth is an inexorable force. Consideration of how to shape it is the most productive way to harness the positives of growth and minimize the negatives. Clarity about what we want the community to become as it grows and proactive adoption of policies to guide it in that direction are the primary tools. Flagstaff residents have very strong views about the future of Flagstaff and must be consulted and engaged as partners in shaping that future.</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, protect our historic properties, and support reinvestment and redevelopment in the city's established areas, with the aim of providing affordable housing.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • There are numerous projects underway in the city that meet the goals of the Regional Plan, including: The Presidio as a Traditional Neighborhood Design project; Neighborhood/FUTS and Observatory Mesa as urban and regional open space projects for the 2004 Bond election; construction of more FUTS trails extending the multi-modal transportation system; reinvestment and redevelopment projects are: the East Gate Way/Mall Expansion as a growth containment project; the proposed Conference Center Downtown, the Downtown Redevelopment Plan, Stone Forest Container site, and the USGS facilities expansion; and the South Side Master Plan. 	<p>Planning Division, Planning & Zoning Commission & City Council</p>
	<p>Mutual Development Review Process: Implement regional mutual development review system between City and County</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Coordination with Coconino County underway. IGA will further formalize relationship. 	<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.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • TND incentive revisions public hearings underway. 	<p>Planning Division</p>

GOAL STATEMENT PLANNING FOR GROWTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Coconino County voters passed an open spaces and parks sales tax in 2002. Funding was approved for state trust land acquisition adjacent to Walnut Canyon and on Observatory Mesa, with some funding for McMillan Mesa. • The City is also considering bonding for state trust land acquisition on Observatory Mesa. • The City Council has approved an API petition to have lands on Observatory Mesa reclassified for conservation and submitted to the State Land Dept. • The County is preparing an API petition for lands along Hwy 89A. • The two City and County API petitions cover lands within the Regional Plan. 	<p>Planning Division</p>
	<p>Pursue a Regional Open Space program to protect state and federal lands beyond the growth boundaries. Monitor Open Space/Greenways IGA</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Same as previous overview 	<p>Planning Division</p>
	<p>Participate in Coconino County Comprehensive plan update. 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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Coconino County completed and approved its comprehensive plan in 2003. • The City Council and Board of Supervisors passed a joint resolution 1 Dec 2002 requesting federal authorization for a special resources and land management study of lands surrounding Walnut Canyon. Senator McCain is sponsoring a bill seeking such a study and funding for the study. 	<p>Planning Division</p>
	<p>API Petitions: Submit petitions to the State Land Dept through the Arizona Preserve Initiative for the reclassification of State Trust lands as suitable for conservation purposes.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • See previous comment. 	<p>Planning Division</p>

GOAL STATEMENT PLANNING FOR GROWTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Support a state-wide initiative that sets aside State Trust lands for their conservation as natural areas not to be sold or leased for development</p> <p>FY 2004 Status Update:</p> <ul style="list-style-type: none"> • A group consisting of environmentalists, cattlegrowers, developers and education entities has been developing a comprehensive state land reform. Part of the reform calls for protection of state trust lands in and around Flagstaff. If placed on the ballot in Nov 2004, will most likely be through a referendum. 	Planning Division
	<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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Ongoing 	Planning Division
	<p>Enhance and improve the function and appearance of the community. US Hwy 89A streetscape/gateway/city limits to East Flag TI.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Several designs for streetscapes, gateways, Rio de Flag underway. 	Planning Division
	<p>US 180 streetscape/Fremont to Columbus TEA-21.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Design complete; ROW acquisition underway. Construction in 04/05. 	
	<p>Route 66 streetscape/Fanning to Flag Mall</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Design underway with East Flag TI; construction in 05/06. 	
	<p>Public Art Projects Open Space Restoration/Enhancement Projects Rio de Flag corridor improvements</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Design to be completed in September 2004. 	
	<p>East Flag TI Streetscape</p> <p>FY 2004 Status Update:</p> <ul style="list-style-type: none"> • Design underway/construction in 2005/2006. 	

Appendix H – Council Goals

GOAL STATEMENT PLANNING FOR GROWTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Prepare a master plan for McMillan Mesa to include mixed use development and open space protection</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Council approval major amendment in March 03 for McMillan Mesa. 	Planning Division
	<p>Urban Open space – prepare and implement an urban open spaces program for the acquisition and protection of critical open spaces within the city.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • In conjunction with the Open Spaces Commission, Planning Division staff is in the process of preparing a Long Range Open Spaces Management Plan to be completed in 2004. 	Planning Division
	<p>Urban Open Space plan and Proposition development.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Council approves three proposed open space components for 2004 Bond. 	
	<p>McMillan Mesa Area Plan.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Included in 2004 Bond Election 	
	<p>Design Review Adoption/Administration</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Ongoing. 	
	<p>Rio de Flag Open Space acquisitions.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Ongoing. 	
	<p>Urban Open Space Monument/Enhancements</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Monumentation continuing 	
	<p>Airport Land/USFS acquisitions.</p> <p>FY2004 Status Update:</p> <p>Underway.</p>	
	<p>MNA/Cheshire Park Expansion.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Acquisition complete. 	

GOAL STATEMENT PLANNING FOR GROWTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Proceed with land planning and annexation process as feasible, to include lands in Urban Growth Boundary limits. Proceed with west side annexation process.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Westside annexation petition not forwarded. Awaiting new petitioners. • Fort Valley annexation under development. 	Planning Division
	<p>Pursue development of a multi-modal transportation system. Participate in 2000 Transportation Bond Project/Program implementation.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • 5-year Capital program developed for FUTS and Safe to School projects. 	Planning Division
	<p>East Flagstaff Traffic Interchange DCR. Flagstaff Urban Trail Projects. Bow & Arrow Trail.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Several FUTS projects under design. • Bow and Arrow Phase I completed. 	Planning Division
	<p>Tunnel Springs trail.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Construction completed. 	
	<p>Rio de Flag/Cheshire Trail.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Fort Valley Road annexation under development 	
	<p>Fort Valley road trail.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • ROW acquisition underway – Phase I Design underway for Phase II 	
	<p>Butler/Enterprise Arizona Trail. Route 66/Hwy 89 Trail</p> <p>FY2004 Status Update:</p> <p>Design underway in conjunction with Mall expansion.</p>	
	<p>Various secondary neighborhood connectors.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Completed. 	

Appendix H – Council Goals

GOAL STATEMENT PLANNING FOR GROWTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Rio Corridors/Southside/NAU linkages. Affordable Housing. Pursue citywide distribution and development of affordable owner-occupied and rental housing in mixed-residential neighborhoods. Ponderosa Trails</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • ISTE A (500k) grant acquired for NAU FUTS segment. • Awaiting second tax credit allocation in March of '04 to finalize disposition. 	Planning Division
	<p>Woods at Clear Creek.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Sale completed, tentative plat approved, construction to start in Spring of 2004. 	
	<p>Sunnyside/Southside acquisition</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Izabel Homes-2 sites acquired/under design and construction. • Design complete, construction of off-site and site prep in spring of 2004. 	
	<p>Acquisition/Rehabilitation program</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Site acquired. 	
	<p>First time homebuyers' assistance.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Ongoing 	
	<p>Affordable Housing Set-Aside policy/incentives plan.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Adopted by Council in fall of 2001. • Utilized in Rio Homes project for 38 affordable housing units. 	
	<p>Design Review. Implementation of the design review process and integration into new development review process.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Process underway since February, 2002 	Community Development Planning Division
	<p>Develop an Impact Fee program to finance public facility needs created by new development. Development fee adoption and administration</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Fee report to Council October, 2002 awaiting direction 	Planning division

Appendix H – Council Goals

GOAL STATEMENT PLANNING FOR GROWTH	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Area Plans. Prepare master plan for various districts and neighborhoods to assist in implementing mixed-use developments, affordable housing, higher densities and walkable neighborhoods. South side area.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • RFP study release-Winter, 2003 • Consultant selection in March 04. 	<p>Planning Division</p>

COLLABORATION

GOAL STATEMENT COLLABORATION	FY 2005 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>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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Developed new and strengthened existing relationships with State and Federal agencies including: ADWR, AOT, ADOT, ADEQ, ADOC, USFS, and Interior among others. • Developing community approach to affordable housing. 	<p>EMT</p>
	<p>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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Gradual implementation has resulted in successes including: Capital Improvement process; bond program; organizational budget and structure development. 	<p>CM, DCMs EMT</p>
	<p>Interest-based negotiation: 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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Some senior staff aware of general concept; training needed for more active understanding and implementation. 	<p>CM, DCMs EMT</p>
	<p>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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Development and annual update of Alliance Policy statement. • Continued pursuit of funding for Rural Policy Institute; NAMWUA; Forest Partnership. 	<p>CM, DCMs</p>

GOAL STATEMENT COLLABORATION	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Strengthening relationships and refining objectives to update or develop policy positions; address broader community and regional issues; identifying and analyzing service purchase and consolidation opportunities e.g. IS/IT; maintenance; Parks, Recreation and Open Space; 	<p>CM, DCMs</p>
	<p>Municipal Policy Statement: Refine policy statement development for internal and external use.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Policy statement updated and adopted annually. 	<p>Council, CM, DCMs</p>
	<p>Relationships with regional partners: Formalize meetings and development of policies, as well as clarify outcome expectations with regional partners.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Continuing to develop relationships as the basis for future work program formalization. 	<p>CM, DCMs</p>

QUALITY OF LIFE

GOAL STATEMENT QUALITY OF LIFE	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>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> <p>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>	<p>Environment: Through funding from ADEQ we will implement a permanent household hazardous waste program, which will be available to residents year round. Expand the HHW program to include conditionally exempt small businesses.</p> <p>FY 2004 Status Update:</p> <ul style="list-style-type: none"> • The household hazardous waste program was available in FY2003. • Staff is working with ADEQ to assure regulatory and compliance issues are fully recognized. Assessing any budgetary impacts; both O&M and personnel and creating needed SOPs. 	<p>Environmental Services</p>
	<p>Environment: Continue to support and fund the fuel management efforts in cooperation with our regional partners.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • 	<p>Fire Department</p>
	<p>Environment: Continue to support and expand our successful community wide recycling program and increase the number of businesses participating in the program. 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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The recycling program continues to grow with more than 60 businesses signing up for service in the last year resulting in approximately 200 monthly increase in commercial tons. IGA partnerships have also grown with multiple communities in NE AZ now participating. The MRF is averaging 1,200 tons of recyclables per month. 	<p>Environmental Services</p>
<p>Discussion:</p> <p>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>	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Water resource development is an integral aspect of the May 2004 bond election that includes well development, plant improvements, and water rights acquisitions. 	<p>Utilities</p>

GOAL STATEMENT QUALITY OF LIFE	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
<p>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>	<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. Completion of the FUTS Trail primary spine and expand neighborhood links. Use of bond funds to purchase links.</p> <p>FY2004 Status Update: Open Space Commission created a 2003 work program underway.</p> <ul style="list-style-type: none"> • FUTS 5-year capital program budgeted and scheduled. • Open Space Bond developed for May 2004 election • Design Review Guidelines in second year of implementation. • Gateways design for 89 and East Flag TI underway. 	<p>Planning</p>
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • 	<p>Community Development</p>
	<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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • This past year has seen a great revitalization in community participation. The Adopt-an-Avenue, Park and Trail programs have realized a 97% increase in volunteer organizations. Cleanup projects are being coordinated and completed most every weekend. The Annual Compost Bin Distribution program continues to be highly successful and this year the County began participating due to overwhelming community requests. Approximately 200 citizens participated in the compost education workshops. 	<p>Environmental Services</p>
	<p>Cultural Heritage: Through Flagstaff Cultural Partners we will continue to support local non-profits who strive to develop their outreach and build our community's dynamic cultural base.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • 	<p>City Manager's office Deputy City Manager</p>

GOAL STATEMENT QUALITY OF LIFE	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Cultural Heritage: Through Public Art Advisory Committee we will continue to support a variety of public art projects throughout the community.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Exhibits continuing 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Southside Urban Design Plan consultant selection is underway. • City's Historic Preservation Grants Program to commence in Spring of 2004. 	Planning
	<p>Cultural Heritage: Continue to serve as a repository for our community's media based historic materials.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The library is now better serving the Sunnyside area with the new East Flagstaff Community Library. 	Library
	<p>Youth & Elderly: Continue to invest in out-of-school services and programs for children; preteen and teen service opportunities, skill development, and diversion, adaptive recreation programs, inclusive recreation programs, and services for senior citizens.</p> <p>Pursue multi-use/multi-generational recreation facility construction and program enhancement to meet citizen needs as established in the Master Plan and future bond initiatives.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • While most core programming continues, several offerings will be discontinued due to budget cuts. These include: most adaptive recreation programs and leisure learning classes. • Multi-Use/Multi-Generational Recreation Facility forwarded to Bond Advisory Task Force for 2004 bond package. 	Parks & Recreation

GOAL STATEMENT QUALITY OF LIFE	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Youth & Elderly: Continue to provide 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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • The Library is now better serving the Sunnyside area with the new East Flagstaff Community Library. 	Library
	<p>Parks & Recreation: Through completion of the '96 bond initiative, residents and visitors benefit from parks and recreation facilities, which offer improved amenities that promote quality of life through physical, social, and instructional programming.</p> <p>Community-wide priorities will be reviewed and selected through Master Plan updates for development and inclusion in future bond initiatives.</p> <p>FY2004 Status Update: Projects forwarded to the Bond Advisory Task Force for 2004 Bond package include:</p> <ul style="list-style-type: none"> • Aquatic Center • Multi-Generational Center • Snow Play Area • Continental Regional Park Development • Lake March Park – development and acquisition 	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> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Open Space Bond Program developed for May 2004. • Streetscape 5-year capital program budgeted and scheduled. 	Planning

GOAL STATEMENT QUALITY OF LIFE	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Events and Image: Continue to improve the quality of special events for residents and visitors compatible with the image and marketing of Flagstaff as a home and destination.</p> <p>Staff will continue teamwork with community partners to market and produce seasons of celebration, consistent with appropriate Flagstaff images.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Community events staff continue to produce year-round special events. Staff serves on image committee, discussing enhancement of City's usage and event production options. A standardized banner display format has been established. Pine Cone Festival banners have been installed. 	<p>Parks & Recreation CVB Planning</p>
	<p>Parks and Recreation: Continue to improve and protect outdoor public recreation resources through education and interaction with park and trail users.</p> <p>Explore the possibility of park ranger program through use of both paid staff and volunteers.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Park Ranger Program has not been implemented due to budget conditions. 	<p>Parks & Recreation</p>
	<p>Parks and Recreation: Through the use of available technology, manage botanical and archeological park resources.</p> <p>Expand use of GIS/GPS technology to create and maintain resource databases and adopt strategic management plans for tree, weed, and archaeological programs.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Databases are being created to generate information resources for weeds and trees as available. GPS unit was cut in the budget. No archaeological databases are being pursued as we lost the staff member who held that expertise. 	<p>Parks & Recreation</p>

ORGANIZATIONAL SUPPORT

GOAL STATEMENT ORGANIZATION SUPPORT	FY 2005 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>Discussion: 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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • HR with EAC are examining a possible retiree health insurance pre-funding mechanism. • In FY 2003-04, Human Resources conducted the City’s annual market pay plan analysis that concluded the City was 5.54% below market. The Budget Team recommended - due to financial constraints - no market increase would be budgeted. Merit increases were given to those eligible. Presentations were made to EAC regarding the recommendation and reasoning. • A \$250 one-time payment to all benefit eligible employees was approved. • Will conduct market survey for FY 04-05 consideration. 	<p>Employee Advisory Committee Human Resources</p>
	<p>Job Classifications: Review job descriptions to ensure positions are systematically classified.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Reclassification and rezone requests are conducted annually as part of budget process. 	<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>FY2004 Status Update: Ongoing efforts within budget constraints</p> <ul style="list-style-type: none"> • As part of the position reduction policy, HR has money budgeted to assist employees in skill enhancement and development to assist in employee transfers due to position reduction. 	<p>Human Resources Department Heads</p>

GOAL STATEMENT ORGANIZATION SUPPORT	FY 2005 AND FUTURE WORK PROGRAM STRATEGIES	RESPONSIBILITY
	<p>Employee Support: Evaluate current and proposed programs to ensure adequate financial and organizational support to successfully accomplish the goals.</p> <p>FY2004 Status Update:</p> <ul style="list-style-type: none"> • As part of the position reduction program, each department prepared a prioritized review of each program. 	<p>Department Heads Budget Teams</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>FY2004 Status Update:</p> <ul style="list-style-type: none"> • Human Resources is preparing a succession planning report to Deputy City Manager. 	<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>FY2004 Status Update: A new evaluation process has been implemented and Human Resources is conducting supervisory training on how to properly use.</p>	

PERFORMANCE MEASUREMENT THROUGH ICMA - CPM

The ICMA Center for Performance Measurement (CPM) was created to help cities and counties obtain comparable data about the quality and efficiency of service delivery to their citizens. The City of Flagstaff joined the CPM in FY 2000. The City completes the templates created and supplied by CPM on an annual basis to evaluate 14 areas within the City and then compares those areas with other cities or counties with like characteristics. The 14 areas evaluated are:

- Code Enforcement
- Facilities Management
- Fire and Emergency Medical Services
- Fleet Management
- Highways and Road Maintenance
- Housing
- Human Resources
- Information Technology
- Library Services
- Parks and Recreation
- Police Services
- Purchasing
- Refuse and Recycling
- Risk Management

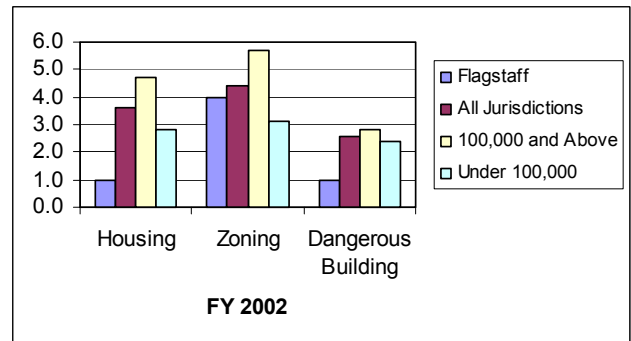
Published information generally becomes available in November for the previous years' fiscal year end. For example, the published information for the data submitted for FY 2003 will be available in November 2004. The CPM provides a great deal of demographic data should a city or county need to find a 'like' comparison. The CPM also separates data responses and comparisons to cities under and over 100,000 in population.

The City is learning to better use the CPM information for both internal and external reporting as well as process improvement. The following tables illustrate information as reported for FY 2002.

¹ Templates are completed in accordance with information availability. Not all sections in all templates are complete.

CODE ENFORCEMENT

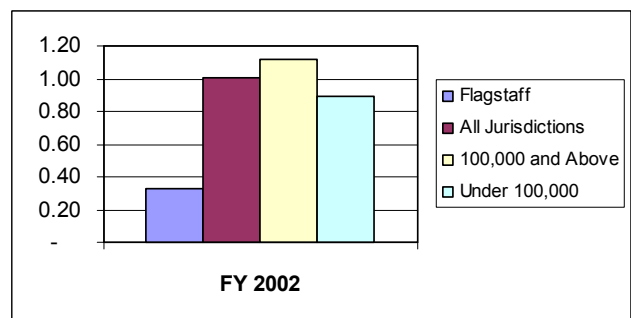
Number of Elapsed Calendar Days from First Report of Complaint Until Inspectors First Inspection



The Code Enforcement graph includes information on the average number of calendar days from first complaint report to first inspection only for housing, zoning, and dangerous building violations. An inspection is defined as the physical on-site checking or verification of complaints against established code, standards, or criteria by the City's code enforcement personnel. Some differences in time between first complaint and first inspection may be attributed to differences in state law, local ordinance, or policy that may require a jurisdiction to act upon one type of violation more rapidly than another. Flagstaff generally responds quickly in comparison with all other jurisdictions.

FIRE/EMS

Residential Structure Fires per 1,000 Population Served



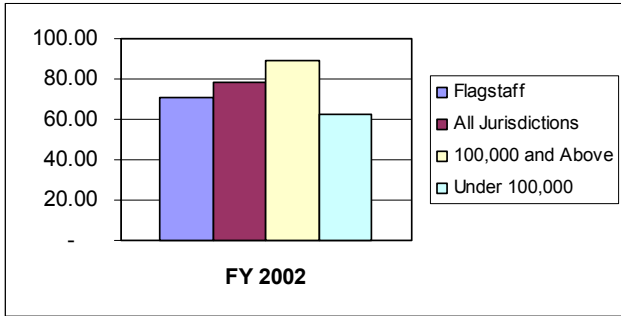
The above Fire/EMS graph includes incident information both for active fires and those in which the fire was out on arrival. Variations among jurisdictions may occur for a number of reasons including:

- The age of the housing stock assuming older structures may be more prone to electrical wiring problems and/or were constructed under less stringent fire-resistant building codes

- Population density or number of persons per room, with higher densities increasing the risk of fire
- Climatic differences, with jurisdictions experiencing more extreme heat or cold having more intensive use of heating or cooling equipment increasing the fire risk

This graph reflects that Flagstaff is significantly below other reporting entities for residential structure fires.

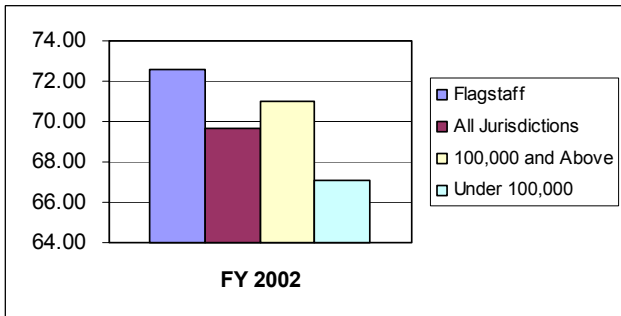
EMS Responses per 1000 Population Served



EMS responses per 1,000 population served are based on the population served for EMS. In some jurisdictions, this differs from the population served for fire services, however the service area is the considered the same for Flagstaff. This information shown combines Basic Life Support (BLS) and Advanced Life Support (ALS) response. Per this information, the Flagstaff fire department responds to a higher call volume when compared to jurisdictions of our size. This may be attributed to our high volume tourist population and proximity to two major interstates.

FLEET MANAGEMENT

Hours Billed as a Percentage of Hours Available

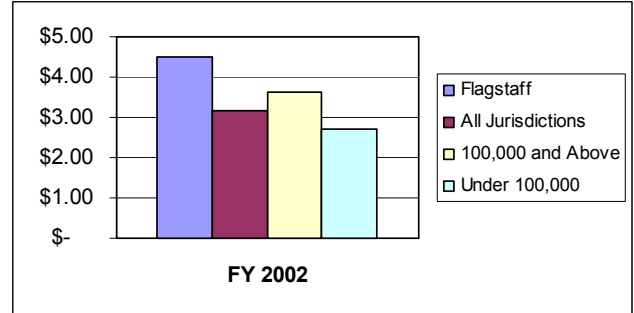


Jurisdiction policies vary regarding the charge back of fleet management time to departments. Hours billed can be comprised either of straight time hours charged to

work orders, or may be billed based on a pre-determined amount of time for certain routine maintenance activities. Flagstaff fleet staff charge a high percentage of time related to both the large fleet the City maintains as well as a reduction in work force coupled with a staff member on light duty for most of the year.

HIGHWAYS AND ROAD MAINTENANCE

Street Sweeping Expenditures per Capita



Variations in street sweeping expenditures per capita may be attributed to differences in the types of streets swept, the number of miles each type of street is swept, and the frequency with which each type of street is swept. Climate and geography also significantly impacts sweeping schedules and expenditures, as evidenced by:

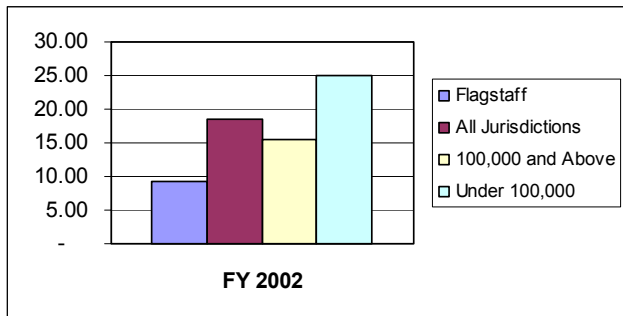
- The amount of rain received may influence the frequency with which streets need to be swept.
- The application of salt/sand/cinders may increase sweeping frequency
- The amount of fall foliage impacts both fall and spring clean up efforts in some areas.
- The amount of construction activity may increase street sweeping

The summertime level of street sweeping for Flagstaff is:
 Immediate downtown – 5 days per week
 Main arterials – Once per week
 Collectors – Once every two weeks
 Residential – Once every two weeks

Winter months vary due to snow removal, with the priority areas being downtown, bike lanes, and main arterials to clear cinders.

HOUSING

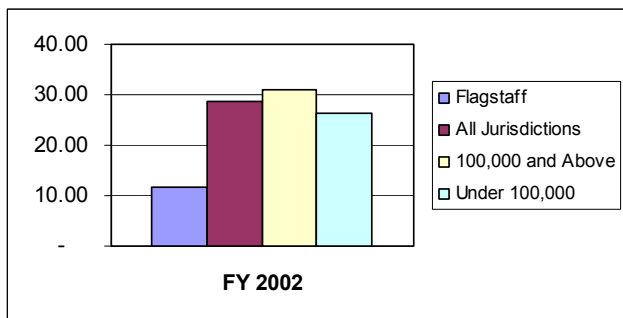
Number of Households assisted per \$100,000 of Public Financial Assistance for Home Ownership



Regional house prices influence the number of households that can be assisted with each \$100,000. Jurisdictions in regions with high housing prices are able to assist fewer households per increment than in jurisdictions with low housing prices. Flagstaff reflects a lower number than other jurisdictions under 100,000.

HUMAN RESOURCES

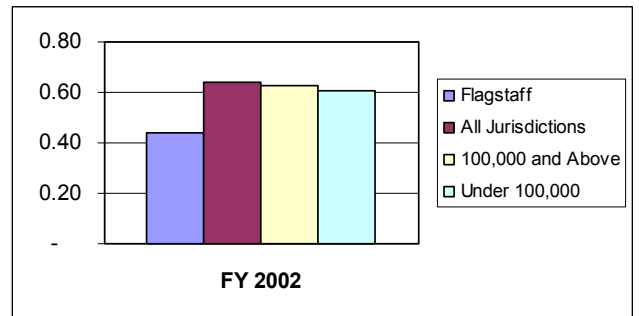
Sick Leave Hours Used per 1000 Hours Worked



Some variations among jurisdictions may be attributed to differences in sick leave policies. For example, some jurisdictions allow employees to use sick leave to care for family members who are ill, but others allow sick leave to be used only for personal illness. Other factors that may influence sick leave use include options for an employee to receive payment for unused sick leave and the ability to accumulate sick leave. Flagstaff shows a significantly lower than average sick leave use in comparison with all other jurisdictions.

INFORMATION TECHNOLOGY

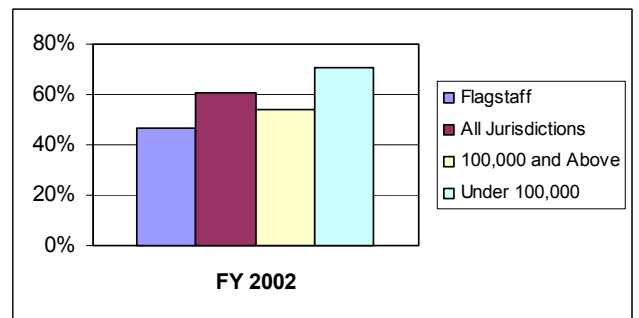
Ratio of Work Stations (Intelligent and Dumb Terminals) to Total Jurisdiction FTE's



The mean for all jurisdictions of the ratio of workstations to FTE's is 0.61 and Flagstaff has a mean of 0.44. Flagstaff had a total of 350 pieces of equipment compared to the average of 363 for other jurisdictions under 100,000.

LIBRARY

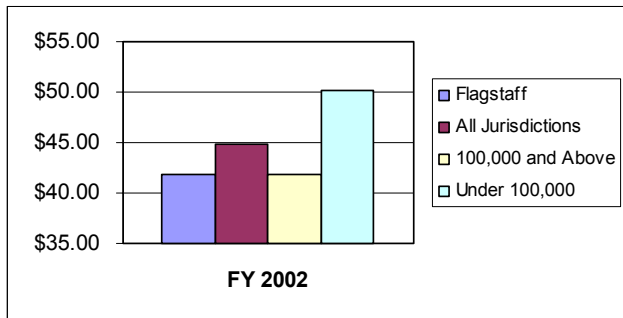
Registered Borrowers as a Percentage of Service Area Population



Some variation in the number of borrowers may be attributed to the frequency with which jurisdictions purge their borrower records. All other conditions being equal, jurisdictions that purge records frequently tend to report fewer registered borrowers than jurisdictions that purge infrequently. The City purges on a monthly basis as our service contract is based on the number of active users at the library.

Also, as Flagstaff is a City/County operation, the area of service for the library encompasses all of the Coconino County area.

Operating and Maintenance Expenditures per Registered Borrower

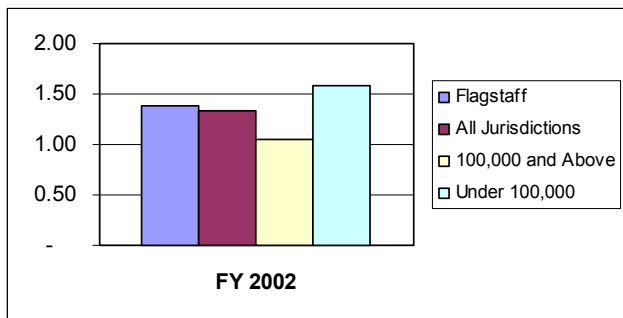


Total operating and maintenance expenditures include actual expenditures for salaries, benefits, supplies, material acquisitions, and contract services (overhead and capital improvements are excluded).

Variations in library expenditures may be attributed to differences in the number of library facilities, the hours of operation, and the size and scope of holdings and programs. Generally, Flagstaff reflects a below average cost per registered borrower.

PARKS AND RECREATION

Parks and Recreation FTE's per 1000 Population

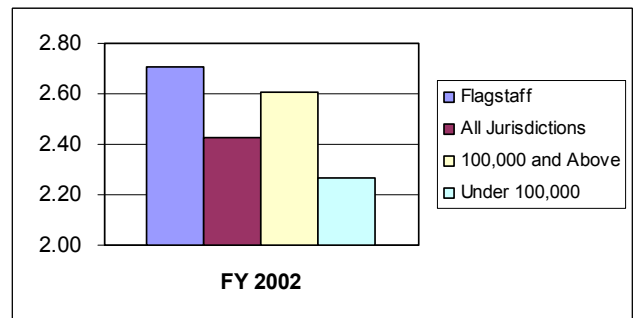


This indicator is calculated on the basis of paid staff only (excluding golf staff in those jurisdictions with golf facilities) who are employed directly by the jurisdiction. It does not include contract or volunteer staff. Therefore, differences in the availability and use of contract and volunteer staff may account for some variation among jurisdictions. The level of service provided by an adjacent jurisdiction may also influence how many staff a reporting jurisdiction employs. For example, a city located within a county that offers a wide selection of parks and recreation programs may offer fewer programs itself, and hence, employ fewer staff than the county. Additionally, some variation may be attributable to differences in the proportion of nonresidents (tourists,

other day time visitors) using the jurisdiction's parks and recreation services. This graph indicates that in FY 2001 Flagstaff had 1.5 FTE's per 1000 population to manage Parks and Recreation, while the average among other jurisdictions is approximately 1.0.

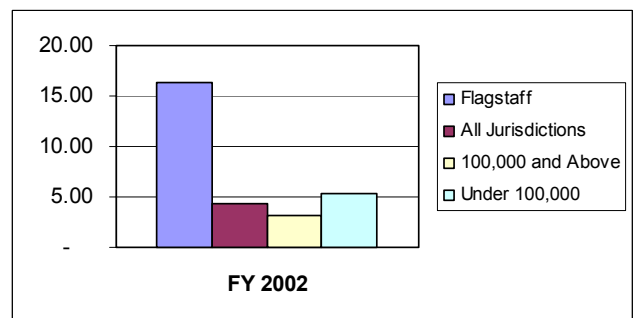
POLICE SERVICES

Sworn and Civilian FTE's per 1000 Population



Some variation among jurisdictions may be due to differences in daytime population levels. Jurisdictions that experience a large influx of commuters, tourists, or other visitors who use police services but who are not counted in the resident population may appear to have disproportionately high staffing levels when calculated on a population-unit basis. Also, some variation in staffing levels may be attributed to differences in the complement of services provided by each department or the differences among departments in the use of overtime to meet staffing needs.

DUI Arrests per 1000 Population

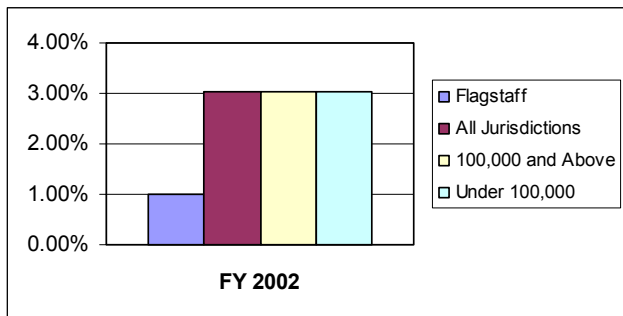


Some variation in the values reported for this indicator may be attributed to differences in state and local blood alcohol thresholds and other standards that may need to be met in order to arrest suspects for DUI offenses. Some jurisdictions suggest that the presence of a college or university within or near their boundaries contributes to the number of DUI arrests in their areas of population. Variability in daytime population populations

also contributes. Both of these factors certainly impact the number of DUI arrests that occur in our area.

PURCHASING

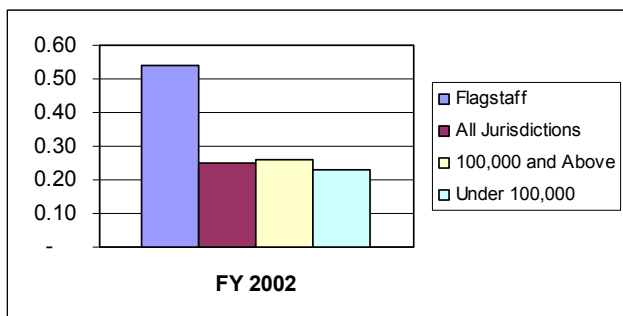
Percentage of Purchasing Conducted using Purchasing/Credit Cards



FY 2002 represented the second year the City of Flagstaff implement a Procurement Card (credit card) system for purchases up to \$1,000 per day, \$5,000 per month. As shown by this graph, this purchasing methodology is used on the average of 3.0% across all other reporting jurisdictions for total purchasing. Dollar limits per transaction or per month/quarter influences employees' ability to make purchases with purchasing cards. The p-card was available to only approximately 20 staff members throughout the entire City.

REFUSE AND RECYCLING

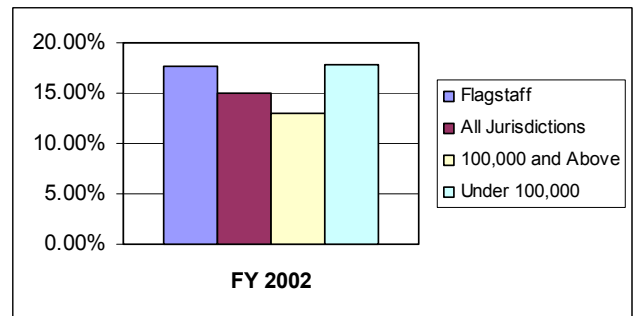
Average Tons of Refuse Collected per Refuse Collection Account



Some variance in tonnage collected may be due to differences in the composition of the refuse collected and from whom it is collected. For example, jurisdictions that collect bulk white goods, yard waste, and other refuse in addition to regular trash are likely to record higher tonnage values. Similarly, jurisdictions serving a high proportion of commercial and industrial customers

may show greater tonnage figures than jurisdictions that serve only residential customers. The high tonnage collected in Flagstaff is influenced by all the factors previously noted.

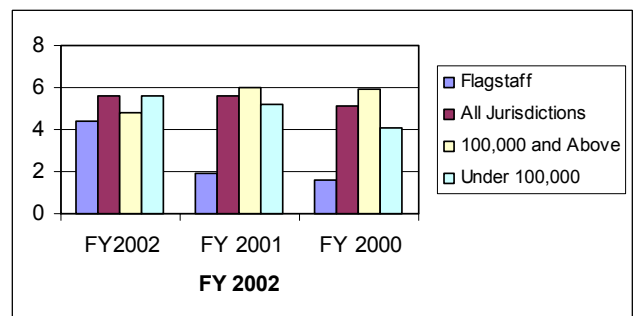
Tons of Recyclable Material Collected as a Percentage of all Refuse and Recyclable Material Collected



The types of recyclable materials collected by a jurisdiction may significantly affect the tons of recyclable material collected. For instance, a jurisdiction that includes glass pickup in addition to plastic/paper/metal could realize a greater percentage diversion. Generally, this graph indicates that most smaller communities have greater success at converting refuse in recyclables than larger communities.

RISK MANAGEMENT

Number of Worker Days Lost per Worker's Compensation Claim



Some variation indicated in this graph may be attributed to differences in the types of operations and hazardous duties undertaken by in-house staff compared with those undertaken by contractors or other agencies. Days lost per claim can be affected by a large number of claims with no time lost. Additional variation may relate to differences in policy or statute. However, Flagstaff is so low as the City endorses a very proactive system of returning workers to the workforce as soon as possible on light duty assignments.

1988 2008
The City of Flagstaff



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