

CITY OF **PRESCOTT**
Everybody's Hometown

**ANNUAL
BUDGET**
For Fiscal Year
2010 - 2011

City of Prescott, Arizona

City of Prescott, Arizona Annual Budget

for fiscal year
July 1, 2010 – June 30, 2011



City Council

Marlin Kuykendall, Mayor

Steve Blair

John Hanna

Jim Lamerson

Tammy Linn

Lora Lopas

Mary Ann Suttles

Administrative Staff

Steve Norwood
City Manager

Laurie Hadley
Deputy City Manager

Mark Woodfill
Finance Director

Jodi Fisher
Budget Manager

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The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Prescott, Arizona for its annual budget for the fiscal year beginning July 1, 2009. 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.

This 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.



PRESCOTT VISION 2020

Prescott is a beautiful, growing city that has a vibrant historic downtown, is the regional economic center for the Tri-Cities and is a 1st class tourist destination.

Prescott is a livable, dynamic community where there is a range of housing choices for all, where residents and guests enjoy an active lifestyle with great recreation and leisure amenities, where people have quality living, where the community acts as a responsible environmental steward and where there is pride in our hometown.

The Gem of Arizona

CITY OF PRESCOTT MISSION STATEMENT

The mission of the City of Prescott is to provide superior city services, to create a financially sustainable city and serve as the leader of the region.

CITY OF PRESCOTT CORE BELIEFS

We believe in:

- Acting with integrity
- Having personal commitment and loyalty
- Working as a team
- Solving problems
- Taking pride in excellent results
- High level of productivity
- Being nice

City of Prescott Organizational Chart – FY2011

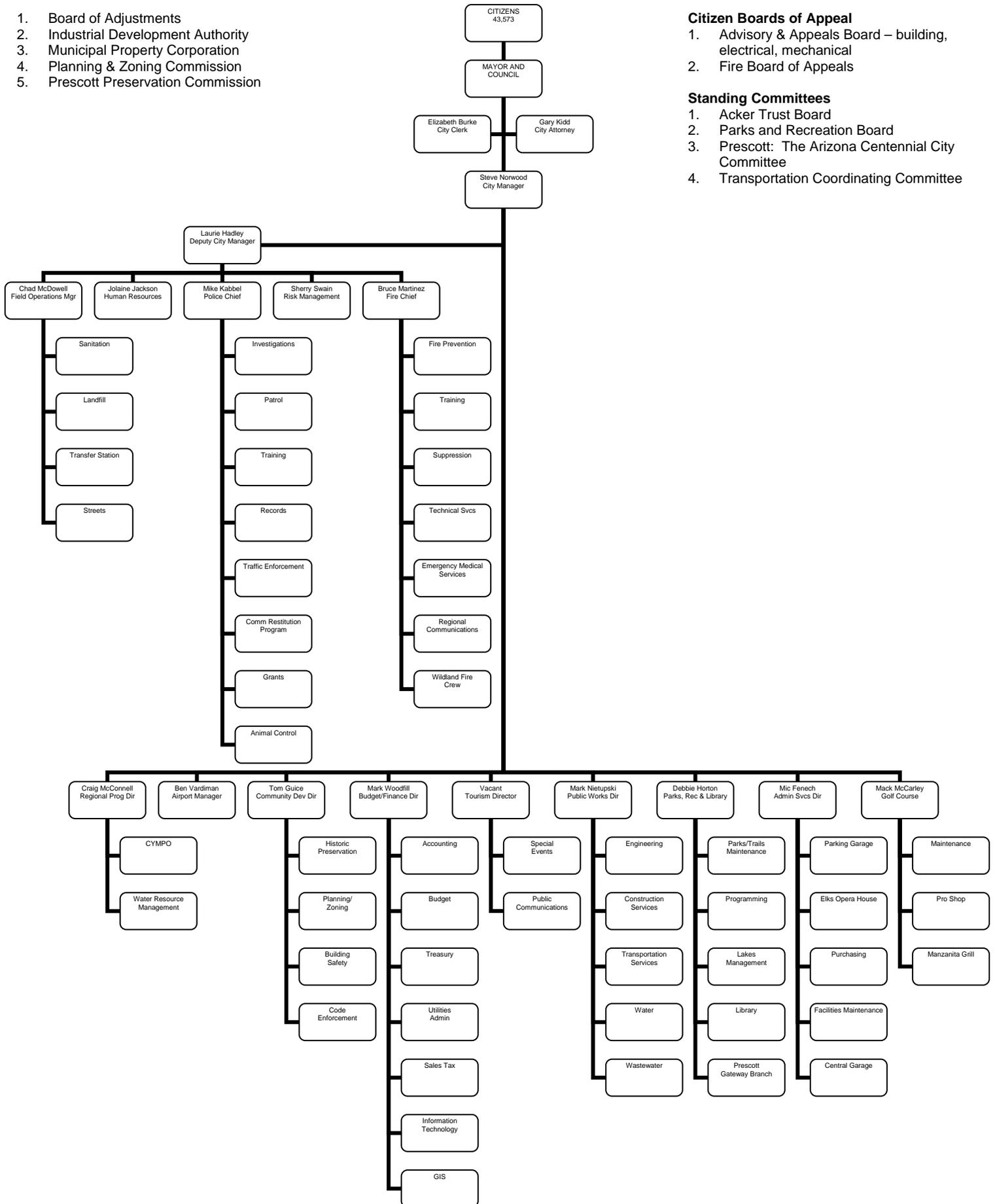
1. Board of Adjustments
2. Industrial Development Authority
3. Municipal Property Corporation
4. Planning & Zoning Commission
5. Prescott Preservation Commission

Citizen Boards of Appeal

1. Advisory & Appeals Board – building, electrical, mechanical
2. Fire Board of Appeals

Standing Committees

1. Acker Trust Board
2. Parks and Recreation Board
3. Prescott: The Arizona Centennial City Committee
4. Transportation Coordinating Committee



City Officials



Marlin Kuykendall, Mayor

The Mayor services as the chair of the City Council and presides over Council meetings. He or she is recognized as the head of the city government for all ceremonial purposes and is responsible for governing the city during times of crisis, such as natural disasters. To reach the Mayor's office, call 777-1270.

There's an old proverb about work that goes, "A man grows most tired while standing still." So I guess you could say it's natural that I don't tire easily; I've always been energized by work and service. As a teenager, I worked for Blakeley Oil Company, and then enlisted in the Arizona Army National Guard in 1953. I was on active duty with the U.S. Army by 1956, serving 3 years before returning to the National Guard, where I was made the Prescott Unit's Commanding Officer in 1959.

Later I served as Tactical Officer of the Arizona Military Academy, as an aide de camp to the Commanding General of the Arizona Army National Guard. And as Northern Arizona Chair of the Defense Department's Employer Support of the Guard and Reserve (ESGR), I escorted civilian VIPs on fact-finding tours across several continents.

I've lived in Prescott for more than 40 years, opening our town's first Toyota dealership – and later I acquired the Buick Pontiac and GMC franchises here. I also built the Antelope Hills Inn, and ran it myself until 2007.

Community services has always been an important part of my life. I've been President of the Mile-Hi Kiwanis Club and Lt. Governor of the Kiwanis International Southwest District. I've served on the City of Prescott's Planning and Zoning Commission and the Airport Advisory Committee. I've been a Prescott City Councilman twice: I was elected in 1971; later I

was appointed due to a Councilman's death in 1991.

I raised my sons right here in Prescott, and I'm proud that all three are graduates of our hometown Prescott High School. My wonderful wife, Tana, and I will celebrate our 8th wedding anniversary in August.



Steve Blair, Councilman

Steve has been in Prescott for 53 years. He is a graduate of Prescott High School, received an A.A. degree from Yavapai College and a B.S. degree from Arizona State University.

Steve has been the owner/operator of Blair Distributing LLC/Holsum Bakery for 44 years as well as owner/operator of Blind Brothers Window Coverings for 28 years.

Steve has a long record of service to the community. He served on the City of Prescott Charter Review Committee in 1977, was a member of the Parks Recreation/Library Advisory Board, and served four years on the Planning & Zoning Commission and eight years on the City Council. In addition, he has twice been appointed to special committees by Arizona Senate President Ken Bennett.

Among his accomplishments on behalf of the community, Steve cites retaining the "World's Oldest Rodeo" here in Prescott and securing the Rodeo Grounds from Yavapai County; developing a sound, fiscal water policy; encouraging the development of a community skate park; helping achieve the Library restoration; and ensuring that the Fire and Police Departments have the equipment they need to serve our citizens and businesses.



**John Hanna,
Councilman**

I have been a resident of Prescott for 53 years. I am a retired Prescott Police Officer. My wife of 33 years, Sherrie, and I had the great privilege of growing up in Prescott. We

raised our 3 children here and are fortunate to have our 5 grandchildren living in Prescott, too. I truly believe that our Prescott community is one of the best and I was to ensure my grandchildren come to enjoy all the things that make this town Everybody's Hometown!

I believe that government from the federal level to the local level needs to remember our morals and values and bring common sense back to the heart of our cities and towns. I know that with hard work and good decision-making, Prescott will always be a great place to live!



**Jim Lamerson,
Councilman**

With a well-worn copy of the Constitution of the United States in his shirt pocket and a personal commitment to the moral tenants of the Ten Commandments, Jim Lamerson is

dedicated to his responsibility as a City Council member because, in his own words, "It's the right thing to do."

Lamerson, a long-time resident and local jeweler, was driven to serve the community in a decision-making capacity. He and his wife, Anne, have lived in Prescott since 1979. The couple have a daughter, April, who attends Prescott High School.

Serving on the Prescott City Council exemplifies Lamerson's intense desire for public service. He has served on various city boards and commissions, is a past Rotary Club of Prescott president and two-term board member. He served on the Prescott General Plan Committee, is a past chairman of the Prescott Chamber of Commerce, among other civic posts.

Lamerson's priorities include providing the basic services Prescott taxpayers pay for. He is an advocate for public safety, maintaining the infrastructure necessary for quality basic services, decreasing government involvement in private-property issues and the free-market system. Lamerson supports private-sector development of workforce housing by eliminating governmental barriers which prevent equal opportunity for a wide variety of housing to exist in Prescott. Expansion of the city limits and advancing intergovernmental relationships necessary to promote Prescott's interests are also areas of interest for Lamerson.

"I like a lot of non-essential things. My priorities, however, will always elevate those things that impacts peoples' safety and life essentials first. I don't know how I could serve this community any better than that."



**Tammy Linn,
Councilwoman**

Tammy Linn has two favorite quotes: "Too many people are ready to carry the stool when the piano needs to be moved." And, "The only people who don't fail are the people who don't try."

With a Bachelor of Science Degree from Moorhead State University, Tammy and husband Dr. Steven Linn relocated to Arizona in 1986 where she obtained a Master's Degree in Elementary Education from the University of Phoenix and took graduate courses at Arizona State University toward an MBA. During this time she also headed her own company, Tammy Linn & Company in Scottsdale, served as Vice President and Director of Marketing with Bank of Arizona, Scottsdale/Phoenix, and Manager and Director of Marketing for Lund Cadillac Company, Phoenix. Later, Tammy was Director, Governor's Division for Women, Phoenix, and Deputy Associate Superintendent/Director, Arizona Character Education Initiative.

When Tammy and Steve decided to relocate Prescott in 2005, she became Executive Director of United Way of Yavapai County, June 15, 2006-June 30, 2008. Since Tammy had co-

founded the Arizona Character Education Foundation in 1999, after leaving United Way it was natural for her to take on the job of Character Education Teacher and Job for Arizona Graduates Coordinator, Yavapai County High Schools. Other civic involvement includes Arizona's Blue Ribbon Task Force for Character Education (chairman, 2007-present), CHARACTER COUNTS! National Leadership Council (2000-present), and Arizona Republic Parent Advisory Panel (2006-present). Among Tammy's Prescott undertakings are Prescott Capital Needs Committee-Chairman, Suchitoto sister City Board of Directors/Chairman, Prescott Area Leadership (PAL) Board of Directors and PAL Chairman for Central Yavapai Institute 2009. Married for 27 years, Tammy and Steve are the proud parents of three boys – Alex, Austin, and Andrew.



**Lora Lopas,
Councilwoman**

I am an Arizona Native and have lived in Prescott since 1978. I am married and the mother of two young children and Prescott is my hometown by choice. I want it to continue to

be "Everybody's Hometown."

I believe we can no longer use "band-aid" solutions. We need to solve problems and plan for future generations.

Our current children and grandchildren are relying on us to plan the future of Prescott. We need to implement renewable energies and a safe and plentiful water supply. We need to start maximizing our local resources and work cooperatively with out neighboring communities.

We all cherish the quality of life Prescott has to offer. I plan on maintaining this quality with smart growth and proper planning that is crucial to the future of Prescott.

I am the current Chairperson of the Prescott Open Space Advisory Committee, working to preserve Prescott land so Prescott is as beautiful tomorrow as it is today. I am also a co-owner of Long Realty located on Montezuma

Street and I serve on the Primavera school board.

Top priorities I will address include growth management, land preservation, economic growth and conservation in the City of Prescott.



**Mary Ann Suttles,
Councilwoman**

Once in politics, it's hard to stay away for good. Just ask Mary Ann Suttles, who managed about a two-year hiatus from the local political scene before she was talked into running for

a second term on the Prescott City Council.

A 30-year resident of Prescott, Suttles first served on the Council from 1991 to 1995. She was recruited for a second term and in the fall of 2003 won election. "If you're in politics and you like it, you're back," she said.

Suttles made a downtown parking garage a priority issue on her second term and, in May 2005, the Garage on Granite – a five-story, 503-space parking structure, opened on South Granite Street. She also is focused on long-term water management, keeping close tabs on the city's acquisition of ranch lands north of the Prescott Active Management Area and plans for water importation from the ranch. She is also intent on ensuring that the city attracts businesses and jobs.

"What commercial (development) we can continue to get into town would be a plus," she said.

Suttles and her late husband, Ken, raised two sons in Prescott, Corey and Ryan, who attended Prescott schools and now live with their families in Cedar Rapids, Iowa, and Lubbock, Texas, respectively. She enjoys photographing her extended family members, including grandchildren, Max, Emily, Carter and the newest arrival, Kendall.

When she's not working, attending meetings of the Republican Women of Prescott, the Prescott Frontier Days board and a variety of other community organizations, Suttles enjoys

keeping up the yard that her late husband labored in.



**Steve Norwood,
City Manager**

Steve Norwood has served as Prescott City Manager since July 1, 2003. Prior to taking the top management post in Prescott, he was the assistant city manager in North

Richland Hills, Texas, a fast-growing suburban community northeast of Fort Worth, Texas.

Steve's city management experience also included managing the communities of Lancaster and Wylie in Texas for a combined six years.

Steve earned a criminal justice degree from Sam Houston State University and a master's degree in urban affairs from the University of Texas at Arlington. He and his wife, Shelly, have three children, Zachary, Hailey and Nicklaus. Steve's late father, Charles, managed cities through the Southwest for 25 years. "I picked up some of the business from him," Steve said.

Along with eight other primary departments, the Prescott City Manager's Office directly oversees the city's economic development efforts. With Director of Economic Development Jane Bristol, Steve has prioritized maintaining and enhancing Prescott's vibrant local economy and quality jobs, quality industrial and commercial development, targeted business attraction, expansion and retention, as well as tourism support.

Readers' Guide

The City of Prescott FY2010-11 Annual Budget contains a narrative description of revenue sources, our financial policies, and programs and services planned for the upcoming fiscal year. Multi-year comparisons for each City department and fund, staffing allocations, and planned expenditures by organizational sub-unit and type are also included. To further enhance and clarify the presentation, graphs appear throughout the document. Presenting the budget in distinct levels of detail allowed the user to choose the degree of specificity best suited to his/her needs.

Copies of the budget document in book form are available by contacting the City of Prescott Budget and Finance Department and (928) 777-1242 or on the City of Prescott website – www.cityofprescott.net.

City Manager's Budget Transmittal and Budget Summary

The City Manager's Budget Transmittal and Budget Summary provide an in-depth look at the City Manager's priorities and outlook for the upcoming fiscal year. These priorities reflect months of working with the Mayor and City Council, City Staff, and community groups, as well as referencing many other guiding documents including the Community Strategic Plan and the 2003 General Plan.

Community Profile and Trends

This section provides a look at Prescott's major service level trends over the past several years along with a brief demographic history.

FY2010-11 Budget Process, Amendments and Basis of Presentation

This segment elaborates on our budget process as well as major assumptions included in the preparation of the FY2010-11 Annual Budget. A narrative describing each significant revenue source is presented. The planned budget accomplishments, financial policies, and a brief description of the basis of accounting are provided.

Department Program Summaries

Each City Department's/Division's missions, goals, strategies, performance measures, prior

year highlights, funding, and staffing levels are contained in this section. Significant budget changes in Departments and Divisions are explained as well.

Capital Improvement Plan

In this area, projects to be completed throughout the next five years as well as outlay for new and replacement capital items are identified.

Schedules

The schedules provided in the Annual Budget consist of Resolutions, Legal Schedules required by the State of Arizona to be prepared and published, Salary and Pay Range Schedules, an Authorized Positions Schedule, and a Schedule of Outstanding Debt Principal.

Glossary

Definitions of the terms used throughout the budget document are presented in the Glossary. If you need further clarification of any of the terms used in this document, please contact the City of Prescott Budget and Finance Department.

FY10 Budget Transmittal Message

The past year has presented some of the most daunting challenges in decades to the local and national economies as well as to the City of Prescott's fiscal situation. Nonetheless, the City has responded decisively and responsibly to the economic downturn, and is well-positioned to continue to do so.

The City-wide budget planning and goal setting process has provided an array of tools with which our departments have adapted to reduced revenues while still preserving critical services. As we have aligned our spending decisions with citizen priorities over the past few budget cycles, we have streamlined the organization, captured tremendous efficiencies, and created a structurally balanced financial framework that will continue to serve Prescott residents well in good economic times and bad.

Most important, our success at creating a agile and responsive business operation will position us for the economic recovery and help us continue our progress toward making Prescott the most livable city in the country. The proposed Fiscal Year 2011 Budget totals \$152,931,705, which represents a 15.4% decrease from last year's budget. The Operating Budget - the amount required to run all of the day-to-day programs and services of the City - is \$72,528,904, which is a decrease of 11.2% from last year. The CIP is closely aligned with Council Goals and integrates a number of specialized facility and infrastructure projects. Looking ahead, the five -year CIP totals \$106,847,115 million; with the Capital Budget for FY2011 totaling \$80,402,801 (which includes carryover funds for some large projects currently underway). With the successful passage of the ¾ cent sales tax extension, we are gearing up for major repair and renovation of streets and the associated water and wastewater improvements.

The Fiscal Year 2011 Budget is the product of a process that got under way almost a year ago. All departments explored ways to free up resources for priority projects and services. Indeed, this budget is an extension of the cost-containment efforts undertaken to balance the books for the current fiscal year – measures that in many cases yielded long-term, sustainable efficiencies rather than just temporary savings. This budget also reflects my commitment and that of the City Council to a fundamentally different philosophy of municipal budgeting in times of scarcity – an approach that focuses on carefully targeted reductions rather than indiscriminate, across-the-board cuts; a strategy that utilizes creative means of limiting personnel expenditures (the recommended budget includes no funding for merit increases, step plan adjustments, or cost of living adjustments) before resorting to large-scale layoffs; and especially, a priority on limiting the negative impacts on direct services to citizens.

The real bottom line of a city budget isn't a dollar figure; rather it is found in the approval and trust of the people we serve. With the Fiscal Year 2011 Budget, I am confident we will earn their approval and trust, just as we did in Fiscal Year 2010 – to that end, here are some of our most outstanding accomplishments last year ~

Financial Sustainability –

- Successful passage of the ¾ cent sales tax extension dedicated to building and rebuilding our streets.
- The new Munis financial accounting software has resulted in greater efficiencies including a new utility billing system. When fully implemented will allow customers to access their account and pay their bill through the internet.
- We took advantage of several federal stimulus programs which resulted in significant savings to the City. Forgiven principal and interest rebates will amount to \$8 million.
- Addition of Bed, Bath & Beyond to Prescott Gateway Mall.
- Facilitated expansion of Cobham, PLC (formerly Global Wulfsberg), in Prescott, Arizona, resulting in the addition of 50 jobs.
- Established new partnership with AARP placing workers 55+ years of age into the workplace and updating or creating new skill sets. This program is completely funded by AARP therefore saving the City personnel costs.

Road Improvements -

- Thirty unpaved street segments chip sealed as final surface treatment of unpaved streets, paved with recycled asphalt by Streets Field Operations as part of the dust suppression efforts.
- Completed Country Club Dr., Demerse Ave., and West Rosser Street.

Public Safety -

- Prescott Police Department was selected as a National Award Winner in the National Association of Town Watch (NATW) competition. NATW is an association who sponsors and promotes the National Night Out event.
- Activated the Incident Management System to successfully mitigate the “2010 Prescott Winter Storm” emergency using local Type III incident management resources
- Secured approximately \$700,000 in various grants for wildland, special operations, suppression, and EMS divisions.
- Conducted 4 disaster training programs for Police/Fire/Field operations personnel.
- Successfully supported our partners during the snow and flooding in January 2010 (Answered 3,571 phone calls) (Dispatched 1,138 emergency calls).
- Initiated and completed Job Hazard Assessments (JHA), Written Programs for every City position with the cooperation and input of every City Department in order to complete an updated City Employee Safety Manual.

Community Development -

- Updated specification sheets and code-related issues, both on the City’s website and also on computer discs to reduce the cost of paper distribution
- Reviewed 95% of all plans submitted within the prescribed turnaround times.
- Completed the establishment of a new National Register Historic District (North Prescott National Historic District) in Fall 2009 which includes 92 buildings, one site and one structure listed in the National Register of Historic Places

Quality of Life –

- In FY2010, 539,278 people visited the library in person Library visitation continued to increase, and was up 6% from record levels in FY2009
- Summer sports continue to prosper in the City of Prescott. Our Summer City Adult Softball League increased from 138 teams in 2009 to 150 teams in 2010.
- The City’s volunteer Park Ranger program was successfully launched in early FY10. This included the recruitment and training of 26 volunteer park rangers who perform four different patrols.
- Recently, the national organization Rails-to-Trails Conservancy inducted the City of Prescott’s Peavine Trail to the National Rail-Trail Hall of Fame due to their scenic characteristics

Environmental protection -

- Removed 312 tons of trash from neighborhoods during the Annual Clean Up.
- Manually diverted approximately 40 tons of recyclable metal from the public dump area
- Complete Stimulus Energy Efficiency Glass Project at City Hall, Airport Terminal, Parks and Recreation Administration Department.
- Established a new Utility Smart Guide program. The goal is to educate the public in the importance of sewer backwater valves, fats, oils & grease and backflow assembly.
- Hosted a Sewer Smart workshop with area plumbers in order to reduce the amount of sewer back-ups.

- Replaced over 6000 square feet of turf with low maintenance low water usage landscaping saving potable water.

Public information

- Honored with “Best Government Program of the Year” award by PCAC Board and viewers.
- Five news information programs nominated for Best Program award.
- Production of “History of Elks Opera House” nominated for National Merit Award by Sharlot Hall Museum

Utility systems -

- Completed wastewater projects:
 - North Prescott Regional Force Main,
 - Country Club Dr. Sewer replacement,
 - Airport Zone North And South Loops,
 - Zone 39 Phase I
 - Main Aubrey St. and Pioneer Pump Station,
 - Zone 39 Phase II-
 - Main Country Club Dr.,
 - Zone 39 Phase III Indian Hills Reservoir
 - 12” Main White Spar,
 - Small Water Main Upgrades –
 - Zone 12 Water Main (Granite Dells)
- Abandoned over 1,000 feet of old 2-inch water mains which paralleled new larger mains to reduce system complexity and water loss.
- Collected and submitted 909 water quality samples, monitoring 113 elements to meet State and Federal regulations
- Completed full rehabilitation of Yavapai Hills Lift Stations #3 and #4 including new control panels and additional pumps in order to upgrade to duplex.
- Crews cleaned 702,380 feet (133+ miles) of sewer main as part of the Preventive Maintenance Structured Cleaning Program

Tourism -

- Created City of Prescott’s first Tourism Director Position. Recruited Don Prince, who brings over 20 years of tourism and marketing experience to the position.
- The Elks Opera House underwent a 1.7 million dollar restoration/renovation project made possible by a donation from the James Harold Family Trust, The City of Prescott, and The Elks Opera House Foundation. Many local community members also donated money, services, and time. The restoration of the Elks Opera House, completed for the Gala Opening on July 24, 2010
- Attracted Film Office Projects: Discovery Channel’s Desert Car Kings, political campaign and educational commercials
- Assisted Epic Rides with development of Whiskey Off Road event, which attracted over 1,000 registered participants
- Hosted 51st Annual Father – Son Golf Tournament with 492 participants - the largest tournament in Arizona.

Our community is in the midst of change, and our organization is responding. Three years ago, our focus was placed on managing growth to our community. Now, we must grapple with how best to preserve the excellent quality of life in our community. This comes with its share of challenges; some we can control and manage others are put upon us by State and Federal mandates.

Going forward, we will continue to engage with our citizens, partner with our stakeholders, and strategically invest in efforts to strengthen our community.

I would like to take a moment to thank the City Council for their guidance and support throughout the development of this proposed budget. In addition, I would like to thank the Finance and Budget Department staff, my Deputy City Manager, Department Directors, and all of the employees of the city who have contributed by creativity and sacrifice to make the FY 2011 budget a reality.

Respectfully submitted,

Steven P. Norwood
City Manager

2010-2011 Budget Summary

Concepts presented in the Prescott Community Strategic Plan encourage the City to invest any available funds in projects that would return, and eventually exceed, its investment while still providing basic services during the investment period. Strategic investments, in turn, would insure the ability to provide basic services in the future. In order to fulfill that objective, we will continue to strengthen five-year planning efforts in all funds and target all available excess resources for economic investments including the downtown commercial area. Economic development incentives are in accordance with the Council adopted economic development policy while, at the same time, maintain the flexibility to respond to unknown opportunities.

In formulating the FY2009-10 Budget, recommendations were keyed on feedback from Mayor and Council through its goals, policies, and guidelines; input from various advisory committees; 2003 General Plan; community input (from individuals, neighborhood groups or service clubs); downtown groups; as well as corridor and area plans.

Future goals identified as part of the 2003 General Plan are as follows:

- Population: Achieving a Balanced Community
- Balanced Mix of Land Uses
- Meeting Housing Needs
- Balancing Community Values
- Managing Current and Projected Traffic
- Preserving and Protecting the Environment Historic Preservation
- Adequate Water Resources for Future Needs
- Strong Economic Base

At the Council/staff retreat in January, City Council developed their vision, mission, core beliefs, and goals for the City thereby providing clear-cut guidance to staff in the formulation of the FY2010 Budget. The goals that were defined at this retreat are listed below:

Stronger Local Economy and Expanded Tax Base

- More quality jobs with family wages
- More diverse economy which is less retail dependent
- Development of our airport as an “economic engine”
- Continue as the Regional Retail Center
- Make land available for developing business/commercial sites

Better Mobility through Improved Roads and Transportation System

- Improved condition and quality of city streets
- All city streets and alleys paved
- Air service to alternative hubs
- Effective and functioning Municipal Planning Organization
- Sidewalks on major arterials

Managed Growth for a Balanced Community

- More affordable (workforce) housing units
- Well-planned annexed areas with mixed and balanced uses
- Preservation of Prescott's historic charm and character
- Growth paying for growth
- Development consistent with Land Development Code

Polished City – Beautiful and Clean

- Cleaner and well-maintained streets, alleys and rights-of-way
- Reduced number of blighted homes and buildings
- Effective solid waste collection and management
- Redevelopment of aging commercial centers
- Well maintained parks and recreational areas

First Class Utility System

- Water supply for the next 100 years
- Sewers for all residences and businesses
- Well-maintained water treatment and distribution system
- Well-maintained wastewater collection and treatment facility
- Effective storm water management system

Alive Downtown

- Cleaner downtown with improved infrastructure
- More commercial offices with people working downtown
- More activity venues for attracting residents and events
- More people living downtown
- More evening activities with businesses open beyond 5:30

Summary:

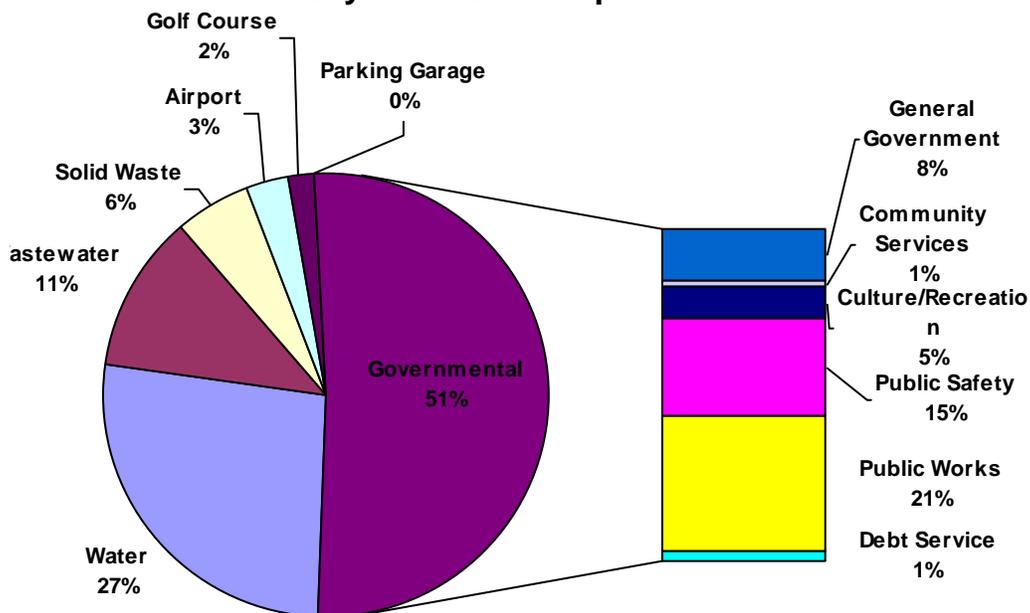
The FY2010-11 Budget consists of two different components – the operating budget and the capital budget. The operating budget is \$72,528,904 representing a 11.2% decrease from FY2009-10. The operating budget is comprised of the costs to continue operations from year to year without any capital expenditures. It encompasses all the basic services provided to Prescott's residents: police and fire protection; parks, recreation, and library services; water; sewer; solid waste collection including recycling; streets maintenance; planning and zoning; building inspection; economic development; and administrative services. The operating budget has been prepared without an increase in taxes.

The second component, the capital budget, is set at \$80,402,801, a 10.9% decrease from FY2009-10. It includes projects and new programs that are included in the five-year plan and considered affordable within current revenue sources or planned debt issuance. Capital budgets tend to rise and fall each year depending on the timing of projects – especially if a city, such as Prescott, is primarily on a “pay-as-you-go” program.

The operational and capital components bring the total budget for FY2010-11 to \$152,931,705.

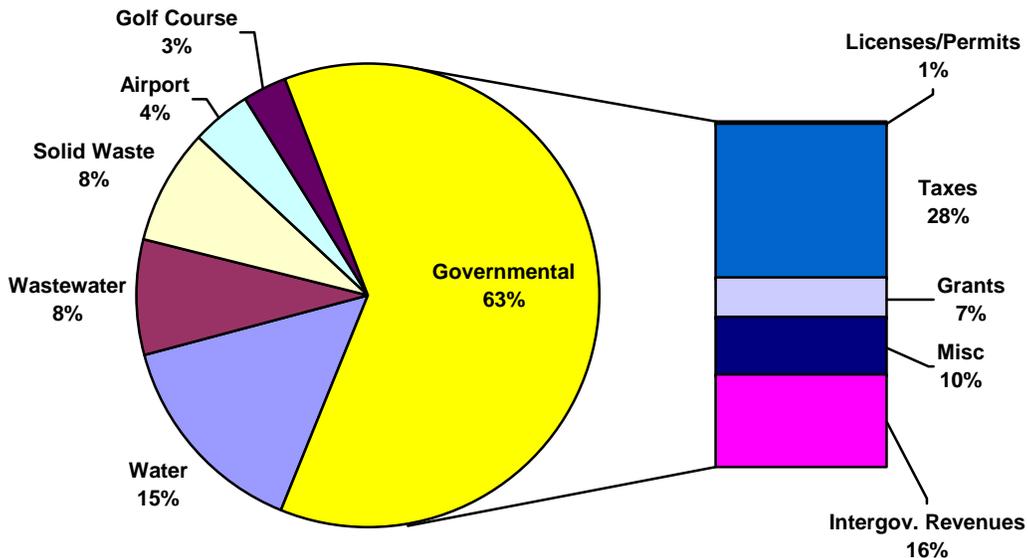
The following pie chart shows how the FY2010-11 expenditures of \$152,931,705 are spread percentage wise among the various Enterprise Funds and Governmental Funds.

City of Prescott Expenditures



FY2010-11 revenues of \$103,591,165 are shown below in the same format for your easy comparison.

City of Prescott Revenues



The ensuing tables summarize beginning fund balances, revenues, expenditures, other financing sources, transfers in and out, and ending fund balances for the City's major fund types. The fund balance levels are sufficient to maintain adequate cash flow and a reserve to cover unanticipated expenditures and revenue shortfalls.

**CITY OF PRESCOTT
ALL FUNDS SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Source of Funds:							
Beginning Fund Balance							
General Fund	10,754,999	12,680,921	11,756,603	12,489,782	11,904,769	11,904,769	17,819,332
Special Revenue Funds	29,026,038	33,965,564	33,097,616	22,673,217	13,025,614	13,025,614	15,905,624
Other Funds	2,951,382	2,938,878	7,151,776	7,164,788	9,255,231	9,255,231	9,791,700
Enterprise Funds	17,139,114	16,554,883	19,656,622	24,941,744	21,047,154	21,047,154	35,344,752
Total Beginning Fund Balance	59,871,533	66,140,246	71,662,616	67,269,530	55,232,768	55,232,768	78,861,408
Revenues							
General Fund	32,674,041	35,310,759	35,086,997	32,400,800	30,658,458	29,733,856	28,911,829
Special Revenue Funds	24,443,351	25,139,729	23,600,574	18,942,319	25,969,229	21,326,716	26,895,837
Other Funds	2,442,559	2,810,421	3,007,192	3,109,158	2,308,795	2,331,995	2,204,591
Enterprise Funds	33,630,243	38,478,570	38,726,893	36,524,322	38,801,921	33,975,715	39,408,203
Subtotal	93,190,194	101,739,479	100,421,656	90,976,599	97,738,403	87,368,282	97,420,460
Other Funding Sources							
Bond Proceeds	734,000	13,822,930	8,476,915	2,999,904	59,527,413	42,048,652	54,021,861
Costs Recovered From Other Funds	6,981,111	6,766,163	10,583,589	9,745,127	8,668,230	8,439,863	6,297,706
Transfers In	7,204,354	8,648,038	3,392,873	6,093,327	4,357,610	11,308,566	1,540,090
Subtotal	14,919,465	29,237,131	22,453,377	18,838,358	72,553,253	61,797,081	61,859,657
Total Revenues and Other Funding Sources	108,109,659	130,976,610	122,875,033	109,814,957	170,291,656	149,165,363	159,280,117
Use of Funds:							
Operating Budget							
General Fund	26,192,107	28,699,249	31,875,263	31,161,771	30,574,990	29,879,023	28,268,573
Special Revenue Funds	4,304,653	4,662,588	3,815,367	5,838,135	9,174,347	5,503,293	6,891,625
Other Funds	7,355,115	7,708,556	9,102,938	9,474,507	9,000,527	8,650,389	8,669,224
Enterprise Funds	24,523,844	26,270,008	29,181,775	27,192,760	32,949,557	28,641,839	28,699,482
Subtotal	62,375,719	67,340,401	73,975,343	73,667,173	81,699,421	72,674,544	72,528,904
Capital Budget							
General Fund	901,442	1,030,641	437,511	285,369	537,243	287,066	3,360,027
Special Revenue Funds	19,577,392	28,214,190	32,213,033	22,604,198	35,601,061	25,030,708	32,326,777
Other Funds	1,966,208	5,214,025	4,312,896	905,933	2,900,000	1,585,000	2,360,000
Enterprise Funds	9,740,258	16,371,771	12,767,458	16,053,729	51,240,639	14,731,548	42,355,997
Subtotal	32,185,300	50,830,627	49,730,898	39,849,229	90,278,943	41,634,322	80,402,801
Transfers Out	7,279,915	9,201,575	3,561,878	3,646,716	5,224,273	11,227,856	760,420
Total Expenditures and Transfers Out	101,840,934	127,372,603	127,268,119	117,163,118	177,202,637	125,536,722	153,692,125
Ending Fund Balance							
General Fund	12,680,921	11,756,603	12,489,782	11,904,769	9,931,251	17,819,332	15,152,561
Special Revenue Funds	33,965,564	33,097,616	22,673,217	13,025,614	15,505,471	15,905,624	12,413,358
Other Funds	2,938,878	7,151,776	7,164,788	9,255,231	8,331,729	9,791,700	7,264,773
Enterprise Funds	16,554,882	19,656,622	24,941,744	21,047,154	14,553,336	35,344,752	49,636,319
Total Ending Fund Balance	66,140,245	71,662,616	67,269,530	55,232,768	48,321,787	78,861,408	84,467,011

**CITY OF PRESCOTT
GENERAL FUND
FUND SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Source of Funds:							
Beginning Fund Balance							
General Fund Reserve	5,723,761	6,534,797	7,062,152	7,017,399	6,480,160	6,480,160	5,946,771
Capital Reserve							4,670,280
Long-Term Commitments	-	1,628,516	1,628,516	3,144,651	3,220,065	3,220,065	3,348,959
Interfund Loans	1,741,726	1,187,896	657,523	19,148	-	-	2,745,260
Unreserved Fund Balance	<u>3,289,512</u>	<u>3,329,712</u>	<u>2,408,412</u>	<u>2,308,584</u>	<u>2,204,544</u>	<u>2,204,544</u>	<u>1,108,062</u>
Total Beginning Fund Balance	10,754,999	12,680,921	11,756,603	12,489,782	11,904,769	11,904,769	17,819,332
Revenues							
Taxes							
Sales/Use Tax	15,223,087	15,962,034	14,975,742	12,944,266	12,677,500	11,943,100	11,922,500
Primary Property Tax	1,050,811	1,124,329	1,148,586	1,203,539	1,235,701	1,235,701	1,251,978
Franchise Taxes	1,369,307	1,488,072	1,563,883	1,567,388	1,608,902	1,673,000	1,700,240
Intergovernmental Revenues							
State Sales Tax	3,638,647	3,875,080	3,746,925	3,243,790	3,134,416	3,134,416	3,058,659
State Income Tax	3,553,288	4,628,849	5,737,563	6,093,130	5,263,678	5,263,678	3,967,662
State Vehicle License	2,576,593	2,595,676	2,509,253	2,307,037	2,414,317	2,341,887	2,235,363
Joint Dispatch	887,716	875,398	1,045,441	1,160,463	1,163,801	1,036,886	1,106,397
Library	495,309	676,937	696,939	723,288	723,288	749,770	941,436
Other	426,675	463,752	513,260	388,407	457,619	315,000	345,000
Licenses and Permits	1,366,946	1,116,462	937,143	378,666	295,750	304,243	300,750
Service Charges	671,594	863,181	896,203	1,291,624	931,220	918,739	1,150,800
Fines & Forfeitures	436,545	404,494	498,810	551,824	450,000	468,842	455,500
Miscellaneous	<u>977,523</u>	<u>1,236,495</u>	<u>817,249</u>	<u>547,377</u>	<u>302,266</u>	<u>348,594</u>	<u>475,544</u>
Subtotal	32,674,041	35,310,759	35,086,997	32,400,800	30,658,458	29,733,856	28,911,829
Other Funding Sources							
Lease Purchase Proceeds	734,000	-	-	250,000	-	-	-
Transfers In	-	-	22	80,000	250,000	7,665,540	50,000
Subtotal	734,000	-	22	330,000	250,000	7,665,540	50,000
Total Revenues & Other Funding Sources	33,408,041	35,310,759	35,087,019	32,730,800	30,908,458	37,399,396	28,961,829
Use of Funds:							
Departments							
General Government							
<i>Mayor and City Council</i>	29,894	63,739	43,683	23,652	49,691	48,028	58,134
<i>City Clerk</i>	110,472	21,069	80,565	31,323	75,150	105,815	172,987
<i>City Court</i>	478,898	511,598	448,809	477,439	525,193	507,098	523,160
<i>City Manager</i>	161,409	125,393	185,568	193,877	161,392	147,856	175,347
<i>Public Communications</i>	-	-	39,570	49,481	66,326	67,099	62,612
<i>Special Events</i>	-	-	181,434	194,242	148,717	148,509	120,643
<i>Prescott Community Access Channel</i>	-	-	69,069	98,570	82,144	87,144	87,148
<i>Legal</i>	365,822	263,951	243,562	230,923	277,292	268,664	306,928
<i>Economic Development</i>	278,508	291,055	348,374	255,602	246,669	242,825	270,328
<i>Human Resources</i>	189,852	203,550	241,114	226,310	244,840	244,519	(85,576)
<i>Insurance and Retirements</i>	<u>483,717</u>	<u>364,830</u>	<u>720,832</u>	<u>343,887</u>	<u>633,561</u>	<u>560,184</u>	<u>511,551</u>
General Government Total	2,098,572	1,845,185	2,602,580	2,125,304	2,510,975	2,427,741	2,203,262
Budget and Finance							
Administrative Services	739,589	437,777	169,420	195,992	236,756	214,978	361,379
Community Development	1,955,733	2,264,883	2,069,843	1,750,537	1,623,460	1,594,540	1,608,515
Parks, Recreation and Library	4,843,787	5,432,172	5,797,757	5,895,615	5,347,628	5,176,704	5,331,906
Police	9,351,769	8,793,070	10,074,865	9,847,652	9,863,514	9,509,290	9,067,321
Fire	6,024,978	6,687,543	7,590,693	7,502,323	7,045,674	7,184,388	6,851,843
Regional Communications		1,855,943	2,115,109	2,344,962	2,434,352	2,300,712	2,315,496
Debt Service	<u>81,007</u>	<u>162,014</u>	<u>162,014</u>	<u>162,014</u>	<u>162,014</u>	<u>162,014</u>	<u>81,007</u>
Total Operating Budget	26,192,107	28,699,249	31,875,263	31,161,771	30,574,990	29,879,023	28,268,573

**CITY OF PRESCOTT
GENERAL FUND
FUND SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Capital Outlay/Projects							
General Government							
<i>City Council</i>		-	12,500	26,250	21,250	21,250	60,000
<i>City Clerk</i>	-	59,958	17,981	-	-	-	-
<i>City Manager</i>	-	27,500	27,500	90,000	-	-	-
<i>Economic Development</i>	53,424	-	-	-	-	-	1,700,000
Budget and Finance	632,734	157,197	33,240	74,524	395,993	61,515	302,078
Administrative Services	20,042	-	-	-	-	-	547,597
Community Development	499	59,915	373	6,337	15,000	25,000	10,000
Parks, Recreation and Library	82,843	452,262	56,972	38,028	105,000	191,051	30,000
Police	99,642	252,581	182,848	-	-	-	-
Fire	12,258	21,228	101,495	45,038	-	-	60,000
Regional Communications	-	-	4,602	5,192	-	(11,750)	650,352
Total Capital Outlay/Projects	901,442	1,030,641	437,511	285,369	537,243	287,066	3,360,027
Transfers Out							
Economic Incentives	1,196,388	1,315,734	1,324,388	1,541,864	1,600,000	1,300,000	-
Vehicle Replacements	-	-	-	-	-	-	-
Surplus (Revenues over Expenditures)	2,824,092	4,840,617	452,923	105,751	153,621	-	-
Grant Matches	260,630	317,466	260,035	211,583	-	-	-
Library Expansion	65,000	-	-	-	-	-	-
Facilities Maintenance	8,517	-	-	-	-	-	-
Parking Garage	33,931	7	-	-	10,122	18,744	-
Planned Growth Strategy	-	-	-	9,475	6,000	-	-
Gifts Fund	-	-	3,720	-	-	-	-
Parks Master Plan	-	19,281	-	-	-	-	-
One Day Hazardous Disposal Event	-	12,082	-	-	-	-	-
Total Transfers Out	4,388,558	6,505,187	2,041,066	1,868,673	1,769,743	1,318,744	-
Total Expenditures & Transfers Out	31,482,107	36,235,077	34,353,840	33,315,813	32,881,976	31,484,833	31,628,601
Ending Fund Balance							
General Fund Reserve	6,534,797	7,062,152	7,017,399	6,480,160	5,966,472	5,946,771	5,782,366
Capital Reserve						4,670,280	3,788,239
Long-Term Commitments	1,628,516	1,628,516	3,144,651	3,220,065	2,871,654	3,348,959	2,837,301
Interfund Loans	1,187,896	657,523	19,148	-	-	2,745,260	2,744,653
Unreserved Fund Balance	3,329,712	2,408,412	2,308,584	2,204,544	1,093,125	1,108,062	2
Total Ending Fund Balance	12,680,921	11,756,603	12,489,782	11,904,769	9,931,251	17,819,332	15,152,561

**CITY OF PRESCOTT
SPECIAL REVENUE FUNDS
SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Source of Funds:							
Beginning Fund Balance							
Streets (HURF) Fund	878,611	934,465	499,131	541,237	2,902,525	2,902,525	15,239,738
1% Streets and Open Space Fund	13,251,152	21,342,271	19,406,930	9,567,914	-	-	-
Transient Occupancy Tax	484,662	270,097	72,392	170,895	104,664	104,664	131,274
Impact Fee Fund Accounts	4,918,043	3,758,365	3,125,796	2,163,592	2,537,953	2,537,953	2,407,459
Capital Improvement Fund	9,466,425	7,639,552	9,963,435	10,193,078	7,470,078	7,470,078	(1,927,741)
Grants Fund	27,145	20,814	29,932	36,501	10,395	10,395	54,894
Total Beginning Fund Balance	29,026,038	33,965,564	33,097,616	22,673,217	13,025,614	13,025,614	15,905,624
Revenues							
Taxes	15,107,131	15,768,865	14,895,027	12,691,181	12,686,817	11,917,553	11,910,980
Intergovernmental Revenues	5,256,791	6,124,206	5,905,103	4,815,140	11,706,491	7,549,774	13,592,211
Licenses and Permits	1,726,406	985,631	516,040	316,364	322,700	691,585	668,135
Interest Income	818,360	1,782,548	1,486,898	778,442	468,920	370,674	415,790
Miscellaneous	1,534,663	478,479	797,506	341,192	784,301	797,130	308,721
Subtotal	24,443,351	25,139,729	23,600,574	18,942,319	25,969,229	21,326,716	26,895,837
Other Funding Sources							
Debt Issue	-	-	-	-	20,500,000	18,250,000	8,013,193
Transfers In	6,830,593	8,366,325	3,358,584	5,748,312	3,975,976	3,484,905	1,319,856
Subtotal	6,830,593	8,366,325	3,358,584	5,748,312	24,475,976	21,734,905	9,333,049
Total Revenues & Other Funding Sources	31,273,944	33,506,054	26,959,158	24,690,631	50,445,205	43,061,621	36,228,886
Use of Funds:							
Expenditures							
Streets and Open Space Fund							
<i>Operating</i>	4,304,653	4,662,588	3,815,367	5,838,135	9,174,347	5,503,293	6,891,625
<i>Capital</i>	181,127	231,514	237,405	17,209,521	24,097,446	18,443,649	22,440,474
1% Streets and Open Space Fund	6,667,009	18,256,496	24,655,580	-	-	-	-
Transient Occupancy Tax	694,410	642,100	433,411	675,926	594,393	481,251	656,643
Impact Fee Fund Accounts	2,437,580	2,015,979	1,567,361	-	384,098	100,000	825,000
Capital Improvement Fund	7,880,651	4,658,282	3,817,126	3,573,020	4,614,042	4,342,185	-
Grants Fund	1,716,615	2,409,819	1,502,150	1,145,731	5,911,082	1,663,623	8,404,660
Total Expenditures	23,882,045	32,876,778	36,028,400	28,442,332	44,775,408	30,534,001	39,218,402
Transfers Out							
Streets (HURF) Fund	-	-	3,349	853,784	883,000	867,470	342,750
1% Streets and Open Space Fund	839,664	490,495	1,248,321	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-	17,611
Impact Fee Fund Accounts	1,150,000	950,376	72,918	463,184	612,191	774,579	160,000
Capital Improvement Fund	462,709	56,353	30,547	77,673	1,694,749	8,005,560	-
Grants	-	-	22	-	-	-	-
Total Transfers Out	2,452,373	1,497,224	1,355,157	1,394,641	3,189,940	9,647,609	520,361
Total Expenditures & Transfers Out	26,334,418	34,374,002	37,383,557	29,836,973	47,965,348	40,181,610	39,738,763
Ending Fund Balance							
Streets and Open Space Fund	934,465	499,131	541,237	2,902,525	9,110,691	15,239,738	12,125,501
1% Streets and Open Space Fund	21,342,271	19,406,930	9,567,914	-	-	-	-
Transient Occupancy Tax	270,097	72,392	170,895	104,664	40,188	131,274	17,611
Impact Fee Fund Accounts	3,758,365	3,125,796	2,163,592	2,537,953	1,962,184	2,407,459	2,143,094
Capital Improvement Fund	7,639,552	9,963,435	10,193,078	7,470,078	4,382,014	(1,927,741)	(1,927,741)
Grants Fund	20,814	29,932	36,501	10,395	10,395	54,894	54,894
Total Ending Fund Balance	33,965,564	33,097,616	22,673,217	13,025,614	15,505,471	15,905,624	12,413,358

**CITY OF PRESCOTT
OTHER FUNDS
FUND SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Source of Funds:							
Beginning Fund Balance							
Capital Projects Funds							
<i>Willow/Watson Lake Development</i>	(312,803)	(540,359)	518,669	383,402	-	-	-
Expendable Trust Funds							
<i>Acker Trust Fund</i>	530,238	533,056	528,089	536,010	574,994	574,994	574,994
<i>Miscellaneous Gifts & Donations</i>	209,141	130,567	143,116	162,882	218,659	218,659	143,659
Internal Service Funds							
<i>General Self-Insurance Fund</i>	1,569,493	1,776,278	1,299,052	1,428,337	1,659,838	1,659,838	1,699,838
<i>Central Garage Fund</i>	791,800	825,526	4,454,702	4,213,042	6,307,258	6,307,258	6,776,331
<i>Engineering Services Fund</i>	113,275	116,220	(10,643)	152,502	32,580	32,580	33,180
<i>Facilities Maintenance Fund</i>	(56,713)	(20,830)	55,097	94,653	237,791	237,791	241,100
Debt Service Fund	106,951	118,420	163,694	193,960	224,111	224,111	322,598
Total Beginning Fund Balance	2,951,382	2,938,878	7,151,776	7,164,788	9,255,231	9,255,231	9,791,700
Revenues							
Taxes	1,703,150	1,705,226	1,891,993	1,923,713	1,646,680	1,646,680	1,573,160
Gifts and Donations	45,458	51,284	59,882	122,458	-	-	-
Interest	288,906	486,724	622,469	636,941	279,964	260,564	244,280
Miscellaneous	405,045	567,187	432,848	426,046	382,151	424,751	387,151
Subtotal	2,442,559	2,810,421	3,007,192	3,109,158	2,308,795	2,331,995	2,204,591
Other Funding Sources							
Lease/Purchase Proceeds	-	6,665,531	-	-	-	-	-
Cost Recovery from Other Funds	6,981,111	6,766,163	10,583,589	9,745,127	8,668,230	8,439,863	6,297,706
Transfers In	104,745	-	3,720	-	-	-	-
Subtotal	7,085,856	13,431,694	10,587,309	9,745,127	8,668,230	8,439,863	6,297,706
Total Revenues & Other Funding Sources	9,528,415	16,242,115	13,594,501	12,854,285	10,977,025	10,771,858	8,502,297
Use of Funds:							
Departments							
Internal Service Funds							
<i>General Self-Insurance Fund</i>	1,218,671	1,334,729	1,690,533	1,987,727	2,223,627	1,983,677	2,006,493
<i>Central Garage Fund</i>	1,183,800	1,392,865	1,799,107	1,976,826	1,902,319	1,872,009	1,849,615
<i>Engineering Services Fund</i>	2,024,895	1,962,941	2,338,238	2,091,591	1,898,948	1,819,879	1,861,925
<i>Facilities Maintenance Fund</i>	742,074	829,404	914,467	1,065,772	988,793	987,984	965,700
Debt Service Fund	2,185,675	2,188,617	2,360,593	2,352,591	1,986,840	1,986,840	1,985,491
Total Operating Budget	7,355,115	7,708,556	9,102,938	9,474,507	9,000,527	8,650,389	8,669,224
Capital Outlay/Projects							
Capital Projects Funds							
<i>Willow/Watson Lake Development</i>	227,556	483,291	-	-	-	-	-
Expendable Trust Funds							
<i>Acker Trust Fund</i>	18,070	23,135	19,962	5,000	25,000	10,000	10,000
<i>Miscellaneous Gifts & Donations</i>	29,770	39,098	51,024	66,796	75,000	75,000	100,000
Internal Service Funds							
<i>General Self-Insurance Fund</i>	7,920	-	-	-	-	-	-
<i>Central Garage Fund</i>	1,627,419	4,561,123	4,238,902	834,137	2,800,000	1,500,000	2,250,000
<i>Engineering Services Fund</i>	25,511	88,327	8	-	-	-	-
<i>Facilities Maintenance Fund</i>	29,962	19,051	3,000	-	-	-	-
Total Capital Outlay/Projects	1,966,208	5,214,025	4,312,896	905,933	2,900,000	1,585,000	2,360,000

**CITY OF PRESCOTT
OTHER FUNDS
FUND SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Transfers Out							
Capital Projects Funds							
<i>Willow/Watson Lake Development</i>	-	-	165,655	383,402	-	-	-
Expendable Trust Funds							
<i>Miscellaneous Gifts & Donations</i>	94,595	-	-	-	-	-	-
Internal Service Funds							
<i>General Self-Insurance Fund</i>	125,000	1,025,000	-	-	-	-	-
Total Transfers Out	219,595	1,025,000	165,655	383,402	-	-	-
Total Expenditures & Transfers Out	9,540,918	13,947,581	13,581,489	10,763,842	11,900,527	10,235,389	11,029,224
Ending Fund Balance							
Capital Projects Funds							
<i>Willow/Watson Lake Development</i>	(540,359)	518,669	383,402	-	-	-	-
Expendable Trust Funds							
<i>Acker Trust Fund</i>	533,056	528,089	536,010	574,994	574,994	574,994	574,994
<i>Miscellaneous Gifts & Donations</i>	130,567	143,116	162,882	218,659	143,659	143,659	43,659
Internal Service Funds							
<i>General Self-Insurance Fund</i>	1,776,278	1,299,052	1,428,337	1,659,838	1,689,838	1,699,838	1,739,862
<i>Central Garage Fund</i>	825,526	4,454,702	4,213,042	6,307,258	5,309,027	6,776,331	4,278,184
<i>Engineering Services Fund</i>	116,220	(10,643)	152,502	32,580	36,854	33,180	59,029
<i>Facilities Maintenance Fund</i>	(20,830)	55,097	94,653	237,791	239,791	241,100	231,447
Debt Service Fund	118,420	163,694	193,960	224,111	337,566	322,598	337,598
Total Ending Fund Balance	2,938,878	7,151,776	7,164,788	9,255,231	8,331,729	9,791,700	7,264,773

**CITY OF PRESCOTT
ENTERPRISE FUNDS
FUND SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Source of Funds:							
Beginning Fund Balance							
Water Fund	10,336,722	9,035,407	12,229,543	21,219,340	21,646,504	21,646,504	30,273,830
Wastewater Fund	5,175,702	4,894,756	2,841,983	191,859	(4,237,703)	(4,237,703)	2,146,781
Solid Waste Fund	1,401,065	2,165,351	3,206,533	4,045,244	5,816,737	5,816,737	5,730,262
Transfer Station/Regional Landfill	418,441	821,634	2,035,116	1,155,819	-	-	-
Airport Fund	117,434	200,824	249,559	157,292	17,672	17,672	(60,861)
Golf Course Fund	(310,250)	(560,913)	(964,803)	(1,862,755)	(2,196,333)	(2,196,333)	(2,745,260)
Parking Garage	-	(2,176)	58,691	34,945	277	277	-
Total Beginning Fund Balance	17,139,114	16,554,883	19,656,622	24,941,744	21,047,154	21,047,154	35,344,752
Revenues							
Water	12,008,356	16,707,223	17,739,936	15,003,324	16,040,675	13,864,032	15,267,790
Wastewater	6,021,925	5,913,709	5,819,331	6,605,463	6,958,609	7,006,315	8,338,096
Solid Waste	5,370,850	5,881,150	5,985,804	9,297,556	9,400,449	8,642,331	8,276,042
Transfer Station/Regional Landfill	4,228,561	4,117,570	3,546,962	-	-	-	-
Airport							
<i>Operations</i>	1,750,362	1,853,166	2,080,904	1,347,702	1,502,348	1,364,468	1,485,643
<i>Grants</i>	1,529,620	479,975	225,628	341,966	1,458,333	268,944	3,016,465
Golf Course	2,620,475	3,367,754	3,263,047	3,876,406	3,377,007	2,771,893	2,965,117
Parking Garage	100,094	158,023	65,281	51,905	64,500	57,732	59,050
Subtotal	33,630,243	38,478,570	38,726,893	36,524,322	38,801,921	33,975,715	39,408,203
Other Funding Sources							
Bond Proceeds	-	7,157,399	8,476,915	2,749,904	39,027,413	23,798,652	46,008,668
Transfers In	269,016	281,713	30,547	265,015	131,634	158,121	170,234
Subtotal	269,016	7,439,112	8,507,462	3,014,919	39,159,047	23,956,773	46,178,902
Total Revenues & Other Funding Sources	33,899,259	45,917,682	47,234,355	39,539,241	77,960,968	57,932,488	85,587,105
Use of Funds:							
Departments							
Water Fund	6,879,106	7,633,358	8,108,038	7,890,723	12,350,591	9,511,353	10,766,659
Wastewater Fund	4,784,878	5,334,168	5,879,035	5,524,141	6,691,816	5,824,045	5,577,360
Solid Waste Fund	4,508,382	4,827,886	5,008,164	8,560,891	9,007,788	8,467,303	8,047,453
Transfer Station/Regional Landfill	3,802,632	3,961,661	3,743,598	-	-	-	-
Airport Fund	1,653,416	665,076	2,193,009	1,497,323	1,449,420	1,441,565	1,267,218
Golf Course Fund	2,793,159	3,750,703	4,160,904	3,633,109	3,372,782	3,320,820	2,964,510
Parking Garage	102,271	97,156	89,027	86,573	77,160	76,753	76,282
Total Operating Budget	24,523,844	26,270,008	29,181,775	27,192,760	32,949,557	28,641,839	28,699,482
Capital Outlay/Projects							
Water Fund	6,487,097	11,587,488	5,570,632	8,053,272	43,357,249	12,082,907	28,233,948
Wastewater Fund	1,517,993	2,620,232	5,911,350	6,892,953	6,188,545	2,238,884	10,912,961
Solid Waste Fund	98,182	-	138,929	120,991	75,000	-	-
Transfer Station/Regional Landfill	22,736	467,427	682,661	-	-	-	-
Airport Fund	1,605,660	1,675,683	236,337	409,638	1,619,845	409,757	3,209,088
Golf Course Fund	8,590	20,941	227,549	576,875	-	-	-
Total Capital Outlay/Projects	9,740,258	16,371,771	12,767,458	16,053,729	51,240,639	14,731,548	42,355,997
Transfers Out							
Water Fund	150,000	150,000	-	-	-	-	-
Wastewater Fund	-	12,082	-	-	-	-	-
Solid Waste Fund	-	12,082	-	-	264,590	261,503	240,059
Golf Course Fund	69,389	-	-	-	-	-	-
Total Transfers Out	219,389	174,164	-	-	264,590	261,503	240,059
Total Expenditures & Transfers Out	34,483,491	42,815,943	41,949,233	43,246,489	84,454,786	43,634,890	71,295,538

**CITY OF PRESCOTT
ENTERPRISE FUNDS
FUND SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Ending Fund Balance							
Water Fund	9,035,407	12,229,543	21,219,340	21,646,504	9,503,772	30,273,830	17,349,681
Wastewater Fund	4,894,756	2,841,983	191,859	(4,237,703)	1,343,525	2,146,781	29,194,556
Solid Waste Fund	2,165,351	3,206,533	4,045,244	5,816,737	5,869,808	5,730,262	5,718,792
Transfer Station/Regional Landfill	821,634	2,035,116	1,155,819	-	-	-	-
Airport Fund	200,824	249,559	157,292	17,672	30,600	(60,861)	117,564
Golf Course Fund	(560,913)	(964,803)	(1,862,755)	(2,196,333)	(2,192,108)	(2,745,260)	(2,744,653)
Parking Garage	(2,177)	58,691	34,945	277	(2,261)	-	379
Total Ending Fund Balance	16,554,882	19,656,622	24,941,744	21,047,154	14,553,336	35,344,752	49,636,319

Financial Issues:

Many financial issues are being faced by the City of Prescott in Fiscal Year 2010-2011. The economic downturn that is being felt in many communities has affected many revenue sources that contribute to the operations of the City of Prescott. The impact of these revenues is reflected below.

The City's share of the State Income Tax is down 24.6% from FY2010 estimated endings. State Income Tax is based on tax collections that were received by the State of Arizona two years ago. This significant decrease reflects the timing of decline in the economic climate. This, along with a 2.4% reduction projected in the City's share of the State Sales Tax and a 7.4% lower State Vehicle License Tax contribution, will effect how the City will maintain basic service levels in the general fund service areas.

Sales tax revenues are estimated to decrease 5.4% in FY2011 when compared to FY2010 revised estimates. The Prescott economy has been showing signs of recovery in fiscal 2010. Housing inventory has been dropping and values have shown signs of stabilizing. Permits for single-family homes increased almost 17% in FY10 compared with 2009. New commercial permits were fewer, but the value of those permits increased 24% in 2010 over FY09. Overall, new commercial permits dropped from 393 in FY09 to 366 in FY10; however, the permit value more than doubled to \$44.6 million.

Business news was mixed this fiscal year, but there were significant gains. The historic Burmeister Building on Gurley Street in downtown Prescott is being renovated inside and out to accommodate several boutique stores and possibly a restaurant. The result of this renovation should look very similar to the Bashford Courts Building right next door, which includes upscale shopping and dining. The Embry-Riddle Technology Building will not be built on campus, and the City of Prescott has moved the location to the Granite Dells Ranch mixed use subdivision. The City will build, own and operate the structure, as well as attract technology-related businesses as tenants. Bed Bath and Beyond did indeed fill the 30,000 square feet vacated by Linens 'n' Things at Prescott Gateway Mall, and Cobham Avionics completed their consolidation resulting in 50 new high-tech jobs for Prescott. Horizon Air announced their once-daily flight to Los Angeles would cease operating in August, 2010. The airline provided a crucial link to Los Angeles CA for local businesses with connections domestically and internationally

Our property tax revenue is \$2,825,138 (Primary \$1,251,978, Secondary \$1,573,160). Prescott's net assessed value for 2010 of \$720,770,540 represents 22.7% of Yavapai County's net assessed values.

All fund balance reserves have been maintained at the levels required by the policy and there are no plans to reduce or utilize any of the reserves.

Employee Compensation and Related Issues:

The significant increases in costs of benefits that had to be addressed this year were:

Health insurance increases for employees (paid by the City) and for dependents (paid by the employee) were budgeted at 5.1%.

The City's share of Public Safety Personnel Retirement costs increased. Police went from 27.68% to 30.15% of gross pay for FY2011. Fire went from 26.39% to 27.10% of gross pay in FY2011. Employees' share did not increase.

Both the City's and Employees' share of Arizona State Retirement costs increased by 4.8% going from 9.40% to 9.85%.

The Tuition Assistance program and Pay-for-Performance continues to be placed on hold in FY2011.

There were no salary adjustments, merit increases, and pay-for-performance awards budgeted for in FY2011; however, funding of the 35.0% subsidy for employees' dependent insurance coverage has been reduced to 25.0%. As in years past, funding has been allocated for an employee picnic as well as service awards dinner.

The City continues to have a large number of major projects planned or underway which, directly and indirectly, places an increased workload on existing staff. Population growth as well has affected our ability to deliver the current level of services.

New regular staff positions for FY2011 total 2.5 full time equivalents and consist of the following:

Elks Theatre Manager

This position will promote and operate the newly renovated Elks Opera House Theatre. It is anticipated that by restoring this theatre the community will utilize the facility more and it will attract many out of town visitors.

Police Secretary – extend one half-time secretary to full-time

The secretary will provide clerical support to the Special Operations Bureau which includes the Investigations, Special Enforcement, and Traffic sections. With the elimination of the Investigations Secretary last year, a major loss in support was realized and resulted in delays in case processing and follow-up.

Senior Project Manager (Public Works)

Under administrative supervision of the Public Works Director, this position will perform high-level professional work for major roadway and utilities projects from planning through design and construction.

These new positions were offset by the elimination of 9.5 positions during FY2010.

The City's staffing is at 512.25 regular employees and 61.81 seasonal/temporary employees. This total includes the seven Mayor and Council positions.

For an easy reference to determine which departments had changes in funded positions, please see the following chart:

	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011</u>
General Government + Grant	31.450	36.490	36.950
Administrative Services	5.275	1.225	2.300
Budget/Finance	23.000	21.500	21.500
Community Development	24.500	16.400	16.500
Parks, Recreation & Library	50.000	47.500	43.000
Police Dept + Grants	91.750	88.850	88.250
Fire Dept + Grants	75.340	75.630	74.830
Regional Communications	<u>29.580</u>	<u>30.920</u>	<u>30.920</u>
Total General Fund + Grants	330.895	318.515	314.250
Central Garage	9.100	9.150	9.200
Self Insurance	3.000	3.460	3.000
Facilities Maintenance	6.400	6.400	5.900
Engineering Fund	<u>22.000</u>	<u>18.600</u>	<u>18.600</u>
Total Internal Service Funds	40.500	37.610	36.700
Water Department	40.750	38.650	38.850
Wastewater Department	33.020	34.550	34.150
Solid Waste Department	26.160	26.160	27.160
Airport Operations	8.330	7.500	7.000
Golf Course	16.125	16.150	18.000
Parking Garage	<u>0.100</u>	<u>0.075</u>	<u>0.100</u>
Total Enterprise Funds	124.485	123.085	125.260
Streets and Open Space	34.540	34.740	33.540
CYMPO	2.500	2.500	2.500
Total Special Revenue Funds	37.040	37.240	36.040
Total Positions	532.920	516.450	512.250

The City has continued its partnership with Yavapai College, Yavapai County, and the Town of Chino Valley in the self-insured employee and dependent health insurance program known as the Yavapai Combined Trust. This partnership has enabled each of our organizations to keep employee benefit costs at a more affordable level compared with purchasing insurance in the private market. Nevertheless, due to rising medical costs, it was necessary to include a 5.0% increase for premiums in the FY2010-2011 along with the reduction of the subsidy to 25.0% and elimination of vision offering. Additionally, as part of its employee compensation and benefit package, the City will reduce the subsidy toward dependent insurance coverage with the Trust to 25.0% of the cost of dependent health insurance purchased outside the Yavapai Combined Trust for those employees enrolled as of June 30, 2002. New enrollment for this benefit was discontinued as of July 1, 2002.

Capital Investments to Maintain Quality Basic Services:

With a few modifications, the capital investments included in the FY2010-2011 budget are part of the Five-Year Capital Improvement Plan adopted during the FY2009-2010 budget process.

Water Fund

The major funding allocation in the Water Fund is \$3,247,854 for the design and replacement of the existing surface water recharge pipeline and related infrastructure referred to as the Surface Water Recharge Pipeline Replacement project.

Other notable projects in the Water Fund include:

- Funding for Airport Zone 12 New Reservoir in the amount of \$3,075,000. This project is to design and construct a new 3.25 million gallon water reservoir on the northern boundary of the Granite Dells Annexation area in the Airport service area.
- Allocation in the amount of \$2,285,814 for the purchase of necessary land west of Prescott Lakes Parkway and north of SR69 from the State Land Department and construction of a new 1.25 million gallon tank for pressure zone 56.
- \$2,200,000 for the Airport Zone 12 Tank Reservoir Transmission Piping project.

Each year the City plans several ongoing capital projects such as replacement of undersized water service lines, the small reservoir maintenance program, meter replacement program, or fire hydrant upgrades along with miscellaneous equipment replacements.

Wastewater Fund

Within the Wastewater Fund, the largest allocations are as follows:

- Airport Phase 1 (\$3,360,000) is part of a multi-phased construction project for new improvements to upgrade the Airport Wastewater Treatment Plant to 3.2MG capacity.
- Sundog Filter Replacement/ Dentrification (\$3,000,000) - Tertiary filters are at capacity and have partially failed requiring major system repairs and well as additional structural components to remain in service and provide for additional capacity.
- An allocation for Wastewater Mainline Replacement/Rehabilitation (\$1,850,000) to replace failing wastewater main lines identified through wastewater system investigations.

Like the Water Department, the Wastewater Department each year plans several ongoing capital projects such as recharge cell cleaning at the Wastewater Treatment Plant, lift station rehabilitation, manhole rehabilitation, etc. Equipment purchases are minimal in this fund.

Solid Waste/Transfer Station Fund

There are no planned capital expenditures in this fund for FY2010-2011.

Airport Fund

Infrastructure projects totaling nearly \$3.2 million are grant funded for FY2010-2011 with the City's share of these grants being \$152,623.

Golf Course

There are no capital items budgeted in the Golf Course Fund in FY2010-2011.

Parking Garage

One project has been budgeted in FY2010-2011 in this fund. The possible implementation of the downtown parking study is anticipated.

Streets and Open Space Fund

Street maintenance operations continue to be funded at a level of \$4.7 million. Maintenance operations include snow removal, striping (in-house and contractual), signage, signal maintenance, installation of new street lights including maintenance through Arizona Public Service, drainage improvements, trash and weed removal, crack sealing, pothole patching, unpaved road grading, and electricity for the street light system and traffic signals.

Included in the FY2010-2011 budget is \$500,000 for potential open space purchases. Also in this fund is nearly \$22.0 million in street projects; the largest of which is the Williamson Valley Road Widening project with \$6.0 million budgeted. Other notable projects are the completion of the SR89A/Side Road project

(\$4,004,207) and an amped up Pavement Maintenance and Rehabilitation Program budget at \$3,150,750.

General Fund

These are the departments/division providing basic services (administration, city court, legal department, parks programs and maintenance, library services, building inspection, planning and zoning, code enforcement, economic development, police, fire, etc.). All have been funded to provide quality service at the levels currently offered to Prescott residents.

Notable capital outlay in the General Fund for FY2010-2011 includes: \$177,138 as a carryover for a financial reporting and the HR/Payroll software program system, and \$118,000 for a document management system (carryover).

Future Issues:

While the city has progressed in many areas, certain challenges still exist. As we undertook the task of developing the FY2011 budget, we recognized the following issues confronting the city.

- ✓ Assured water supply – short and long term.
- ✓ Securing infrastructure financing for airport area economic development.
- ✓ Establishing water and wastewater fees sufficient to pay for needed infrastructure repair and expansion.
- ✓ Costs associated with bringing Police Department's Property and Evidence division up to required standards.
- ✓ Ensuring a safe operating environment at the Airport in the face of declining revenues and increased levels of federal and state requirements.
- ✓ The rising costs of providing basic employee health care coverage and the implications of the National Healthcare Reform Bill.
- ✓ Continued decline in local revenue and state shared revenue affects all City operations.

Community Profiles

History

Prescott was founded in 1863 and incorporated in 1883. During the late 1800s, Prescott twice served as the territorial capital, and the Governor's Mansion is now preserved at the Sharlot Hall Museum.

In 1864, the town site of Prescott was surveyed and laid out along Granite Creek where gold had been panned. The town was designated the capital of the new territory of Arizona after Arizona was separated from New Mexico. President Lincoln wanted the territorial capital in the northern part of the territory, far away from the Confederate sympathizing cities to the south.

Lincoln also decided to populate this new capital with Northerners and Mid-westerners and this decision resulted in Prescott being the most Mid-western looking city in Arizona. Victorian homes and peaked roof homes were built, a far cry from the adobe structures that were more common in the Southwest.

The early economy of the area centered on cattle ranching and mining. In July of 1900, a fire destroyed much of Prescott's commercial district. Within hours, make-shift shelters were erected on the Courthouse Plaza and business began rebuilding. Following the fire, most buildings in the downtown area were reconstructed of brick, providing today's rich architectural heritage.

Dubbed "Everybody's Hometown", Prescott is culturally diverse from its downtown Courthouse Plaza, famous Whiskey row, preservation emphasis with 809 buildings on the National Register of Historic Places, World's Oldest Rodeo, Prescott Fine Arts Association, Sharlot Hall Museum, Phippen Art Museum, Folk Arts Fair, Frontier Days, and Territorial Days to its official designation by the State of Arizona as "Arizona's Christmas City".

Location

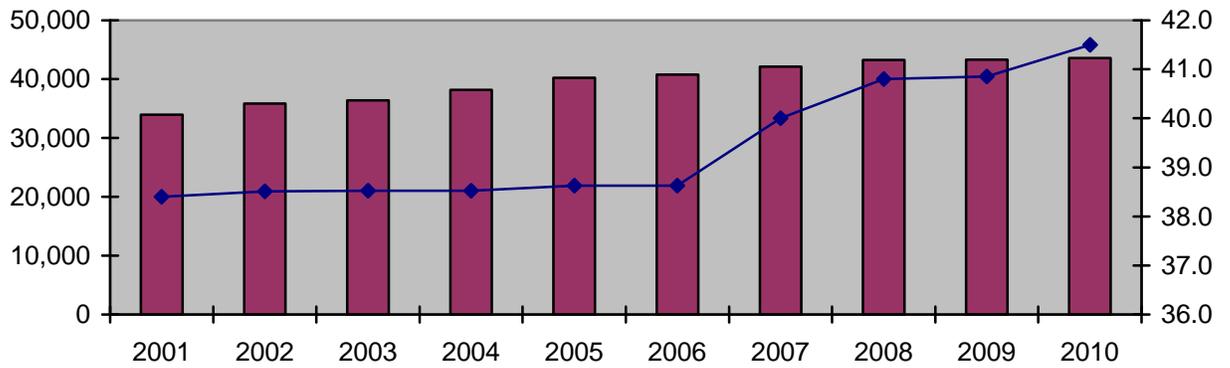
Located in the mountains of north central Arizona approximately 90 miles northwest of Phoenix and 90 miles southwest of Flagstaff, the City borders the Prescott National Forest to the south and west. The average elevation is 5,400 feet. The local climate is mild, with average high temperatures ranging from fifty degrees to ninety degrees F and the average precipitation recorded at 19.8 inches, most of which is rain. Prescott and the nearby towns of Chino Valley, Prescott Valley and the newly incorporated Dewey-Humboldt form what is known locally as the Quad-City area.

City Government

The council-manager form of government was adopted in 1958. The Mayor is elected on a nonpartisan ballot to represent the entire City for a two-year term. The six members of Council are elected at large for four year terms on a nonpartisan ballot. Three of the six positions and the Mayor's position are up for reelection at the same time. Under the provisions of the City Charter, the Council appoints a City Manager who is responsible for carrying out its established policies and administering operations.

Demographics

The City of Prescott is the largest city in Yavapai County and the base of county government operations.



Population and Area				
Year	Population	Population		
		Yavapai County	as % of County	Land Area
2001	33,938	173,743	19.5%	38.40 square miles
2002	35,815	179,138	20.0%	38.51 square miles
2003	36,375	184,576	19.7%	38.52 square miles
2004	38,180	190,628	20.0%	38.52 square miles
2005	40,225	196,760	20.4%	38.63 square miles
2006	40,770	205,105	19.9%	38.72 square miles
2007	42,085	213,285	19.7%	40.00 square miles
2008	43,217	220,773	19.6%	40.80 square miles
2009	43,280	227,348	19.0%	40.85 square miles
2010	43,573	228,494	19.1%	41.50 square miles

Racial/Ethnic Composition, 2007 Est	
White, Non-Hispanic	84.20%
Hispanic	8.20%
Black	50.00%
Other	7.10%

Population by Sex, 2007 Est	
Male	49.20%
Female	50.80%

Population by Age, 2007 Est	
Under 5	3.70%
5-9	4.20%
10-14	4.80%
15-19	6.70%
20-24	7.60%
25-34	8.10%
35-44	10.80%
45-54	13.90%
55-59	6.70%
60-64	6.70%
65-74	13.80%
75 and Over	12.90%

Households by Income, 2007 Est	
\$200,000 or more	2.20%
150,000 to 199,999	1.40%
100,000 to 149,999	6.10%
75,000 to 99,999	7.60%
50,000 to 74,999	16.20%
35,000 to 49,999	17.20%
25,000 to 34,999	13.90%
15,000 to 24,999	16.10%
10,000 to 14,999	8.70%
under 14,999	10.60%

Average Income	\$ 46,481
Median Income	\$ 35,446
Per Capita Income	\$ 22,565

Economy

Although small in population, 43,573, the City is not dependent on any one company or industry for economic vitality. The region is diverse in nature and benefits from the following industries who are the top ten taxpayers in the City of Prescott:

Top 10 Taxpayers
Arizona Public Service
Best Buy
Costco
Fry's Food & Drug
Lamb Chevrolet
Lowe's
Safeway
Tim's Buick Pontiac Toyota
Unisource Gas, Inc
Wal-Mart

Personal Income (thousands of dollars)	
(Yavapai County - Calendar Year)	
2001	3,701,821
2002	3,853,070
2003	4,049,851
2004	4,518,554
2005	4,875,841
2006	5,537,703
2007	5,860,461
2008	N/A
2009	N/A

Annual Unemployment Rate	
(Yavapai County - Calendar Year)	
2001	4.2%
2002	5.3%
2003	5.1%
2004	4.6%
2005	4.4%
2006	3.9%
2007	3.7%
2008	5.6%
2009	N/A

Personal Income (thousands of dollars)	
2001	21,308
2002	21,514
2003	21,969
2004	23,696
2005	24,521
2006	26,786
2007	27,620
2008	N/A
2009	N/A

School Enrollment	
2001	5,049
2002	5,031
2003	5,000
2004	5,113
2005	5,242
2006	5,558
2007	5,688
2008	5,763
2009	5,776

Financial

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
Total Operating Budget (000s)	\$ 66,356	\$ 70,730	\$ 85,720	\$ 80,514	\$ 81,449	\$ 70,857
Total Regular Employees (Note 1)	530.000	564.500	573.500	572.500	518.25	512.25
Total Employees per 1000	13.18	13.86	13.63	13.25	11.97	11.75
Assessed Valuation (000s)	466,996	517,402	583,116	660,247	729,027	720,770
Property Tax Rate	0.5658	0.5275	0.4972	0.4233	0.3697	0.3830
City Prop Tax Paid Per Capita	\$ 68.25	\$ 69.56	\$ 73.11	\$ 73.00	\$ 66.60	\$ 64.84
City Sales Tax Rate	2%	2%	2%	2%	2%	2%
City Sales Tax Paid Per Capita	\$ 349.32	\$ 358.32	\$ 374.24	\$ 335.52	\$ 288.82	\$ 275.40

Note: Regular employees does not include part-time temporary or seasonal employees.

City Services

Neighborhood Resources

Parks	21
Park Acres	1,394
Golf Courses	2
Miles of Trails	36
Open Space - public (acres)	278
Libraries	1
Circulation of Library Materials	842,410

Public Safety

Police Employees	87.75
Calls for Services	30,370
Part 1 Crimes	1,490
Part 2 Crimes	4,041
Fire Stations	5
Fire Employees	77.80
Calls for Services	7,799
Inspections	1,925

Building Inspections

Number of Permits Issued	1,416
Value of Permits (in millions)	70

Transportation

Total Miles of Streets (paved miles)	236
Cold Mix Repairs (lbs)	90,215
Hot Mix Repairs (tons)	1,730

Refuse Collection

Household Accounts	17,159
Commercial Accounts	920
Refuse Collected (tons)	31,837

Transfer Station

Transactions Per Year	69,509
Tons Per Year	60,826

Airport (Calendar Year 2009)

Commercial Aircraft Landings	5,417
Passengers	11,668
FAA Traffic Count	240,443

City of Prescott Water

Miles of Water Mains	537.0
Number of Connections	22,184

City of Prescott Wastewater

Miles of Wastewater Lines	389.0
Number of Connections	17,580

FY2010-2011 Budget Process, Budget Amendments and Basis of Presentation

Each year, using a modified zero-based budgeting process, the City of Prescott's budget is developed by the Budget and Finance Department in conjunction with the individual departments, the City Manager, the Mayor and Council, citizen advisory groups, and general citizen input.

FY2010-11 Budget Calendar	
February	Held Council Retreat on Goals and Objectives
February	Provided Departments/Divisions with Budget Preparation Instructions for FY2010-11. Instructions were located on the "Budget Blog".
April 12 - April 26	Review of base budgets, capital, new personnel, and issues by Manager, Budget Department, and each Department
May 24	Budget presented to full Council and public at a workshop.
June 8	Council adopted tentative budget and set June 22 as date for public hearing on final budget, expenditure limitation, and tax levy
June 13 and 20	Published tentative budget and public hearing notice
June 22	Public hearing on final budget, Council adoption of final budget and five year capital improvement program, and establishment of expenditure limitation
July 13	Council adopted property tax levy ordinance

The Budget and Finance Department produced a new Budget Preparation Manual in February to assist department/division heads, supervisors, and budget coordinators in developing and entering their FY2011 budgets. Along with the FY2011 budget preparation detail, forms, instructions, and information regarding the preparation of the Five-Year Capital Improvement Program (2012-2016) were provided to all department heads at this time.

Base budgets (the costs associated with providing current levels of service for the following year) were submitted by the departments electronically by March 12th to the Budget and Finance Department. The deadline for decision packages (requests for new positions, capital equipment or new programs not submitted in the Five-Year Capital Plan) was March 26. Payroll forecasts were entered by the Human Resources Division. Input was provided by the departments concerning temporary/seasonal employment needs as well as overtime requirements. Lists of capital outlay and projects budgeted for in FY2010 but not expected to be received or completed by June 30, 2010, were needed to determine estimated expenditures in FY2010 and the carry forward amounts for FY2011.

Meetings with each department, the City Manager, and the Budget and Finance Department for the purpose of internal review of bases, additional decision packages, and any issues that may affect the budget were held during the weeks of April 12 through April 26. During these meetings the Capital Improvement Plan issues were also discussed and any reductions or movement from year to year was determined.

After these meetings were completed, a proposed balanced budget was prepared for submittal to the full Council and public at workshops held on May 24, 2010.

Expenditure Limit Hearing: The City currently operates under the Home Rule Option which has been approved by the voters. As part of that process, a public hearing is mandatory. At the Council meeting of June 8, 2010, the hearing date was set for June 22, 2010.

Tentative Adoption: On June 8, 2010, Council adopted the tentative budget and set June 22, 2010, as the date for the public hearing on the final budget, expenditure limitation, and tax levy for Fiscal Year 2011. Upon tentative adoption, the budget becomes the City Council's program of services for the

ensuing fiscal year. The Council may later reduce or adjust the budget; however, the total may not be increased.

Final Budget Adoption, Adoption of the Five-Year Capital Improvement Plan, and Establishment of Expenditure Limitation: On June 22, 2010, the final budget, tax levy, five-year capital improvement plan, city job roster, and identification of unfunded capital were adopted and the expenditure limitation was established (Resolution 4029-1059).

Property Tax Levy: Adoption of the property tax levy ordinance follows fourteen days later, or July 13, 2010, in accordance with State law.

AMENDING THE BUDGET

Control of each legally adopted annual budget, according to City Charter, is at the department level. The City Manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditure (line items) within an office, department or agency. The City Manager generally gives authority to department heads to exceed one line item as long as other line items are reduced by a like amount. These arrangements are usually made directly between the requesting department and the Budget and Finance Department.

At the request of the City Manager, the Council may transfer any unencumbered appropriation balance or portion thereof between one office, department or agency to another.

Pursuant to Arizona Revised Statutes, "No expenditure shall be made for a purpose not included in such budget. . ." Thus a Council Contingency is included within the General Fund to accommodate most unplanned expenditures. The other option in amending the budget, according to state law, is for the Council to declare an emergency and then transfer the monies from one project to another. In essence, any approved Council transfers do amend the budget although the budget is never reprinted. All transfers are reflected on the following year's legal schedules as required by the Auditor General's Office.

BUDGET BASIS

The City of Prescott budget as adopted is substantially consistent with generally accepted accounting principles (GAAP) with major differences being (1) encumbrances are treated as expenditures at fiscal year end; (2) certain liabilities, such as vacation and sick pay, are not accrued at year end for budget purposes; (3) interest expense has been accrued for GAAP in some General Fund departments, but not expenses in the budget comparisons; (4) depreciation is not budgeted as an expenditure in budgetary accounting; and (5) capital outlay is an expenditure in budgetary accounting and an asset in GAAP.

BASIS OF PRESENTATION – FUND ACCOUNTING

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City of Prescott uses the following funds in its budget process:

The **GENERAL FUND** is established for the revenue and expenditures necessary to carry out basic governmental activities of the City such as police protection, recreation, planning, legal services, administrative services, etc. General Fund expenditures are made primarily for current day-to-day operating expenses and operating equipment. Capital expenditures for large-scale public improvements, such as parks or streets, are accounted for elsewhere in the Special Revenue Funds, Capital Project Funds, Enterprise Funds or Expendable Trust Funds.

SPECIAL REVENUE FUNDS are used to account for revenues derived from specific taxes or other earmarked revenue sources. These funds are usually required by statute, charter provision or ordinance to finance particular functions or activities. The Special Revenue funds listed below are used by the City of Prescott.

Streets and Open Space – 1% Additional Tax and Highway User Revenues – In September, 1995, the voters approved increasing the sales tax rate from 1.0% to 2.0% for the purpose of street repairs and improvements for a ten year period effective January 1, 1996. In May, 2000, the voters expanded the use of the funds to include open space acquisitions and extended the sunset to January 1, 2016. In September of 2009, the voters approved the extension of this tax at ¾% for street repairs and improvements. Financing for this fund is also provided by the City’s share of State gasoline taxes. State law requires these gasoline taxes to be used to maintain or construct streets. Beginning in FY2011, the Highway User Fund and Streets and Open Space Funds were combined. The accumulation and expenditure of these funds are accounted for in this area.

Transient Occupancy Tax Fund – In 1987 the voters established a two percent (2.0%) transient occupancy (hotel/bed) tax. By ballot provision, these revenues can only be used for tourism promotion and development of recreational facilities.

Grants Funds – This represents a group of funds which expend grant monies received for various projects. Grant funds must be used for the stated purpose of the grant and must meet grantor expenditure guidelines.

Impact Fee Fund – This fund represents a group of accounts which expend impact fees received to offset the cost of growth related projects.

Capital Improvement Fund – This fund, established by Council policy, receives revenues from the sale of unrestricted municipal property and transfers of General Fund unobligated reserves for the purpose of general capital improvements for infrastructure improvements, special capital projects as approved by Council or improvements to existing City facilities.

CAPITAL PROJECTS FUNDS are established to account for the purchase or construction of major capital facilities other than those financed by Proprietary Funds or Trust Funds.

DEBT SERVICE FUNDS are established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City of Prescott’s Debt Service Fund was established during FY1999 to pay for the principal and interest of general obligation debt for the police station construction and the Watson and Willow Lakes water rights and land purchase as well as improvement district bond payments.

ENTERPRISE FUNDS are established to account for operations that (1) are financed and operated in a manner similar to private business operations where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City of Prescott has seven enterprise funds as follows:

Water Fund – To account for the provision of water services to the residents of the City and some residents of the County. All activities necessary to provide for water services are accounted for in this fund.

Wastewater Fund – Previously this fund was combined with the Water Fund. However, beginning in FY1994 this fund accounts for the provision of wastewater services to the residents of the City. All activities necessary to provide for sewer services are accounted for in this fund.

Golf Course Fund – To account for the provision of year-around golf to the residents of the City, county and visitors to the area. Beginning in FY1994, the Golf Course was established as a separate department. Prior to FY1994 the Golf Course was under direction of Recreation Services.

Airport Fund – To account for the provision of airport services to the general aviation and commercial flying public. Services include fueling, hangar and tie down rentals, etc.

Solid Waste Fund – To account for sanitation, landfill, and recycling services provided to City and County residents. All activities necessary to provide these services are accounted for in this fund. Since April of 1994, only fill materials have been accepted at the City's landfill.

Transfer Station Fund – To account for the operations of the City's transfer station. This facility was opened in September, 1991 and all activities necessary to provide this service are accounted for in this fund.

Parking Garage Fund – To account for the operations of the City's parking garage. This facility was opened in June, 2005 and all activities necessary to maintain and operating the parking garage facility are accounted for in this fund.

EXPENDABLE TRUST FUNDS are used to account for assets held by a government unit in a trustee capacity for others. Expendable trust funds are those who's principal and income may be expended in the course of their designated operations. The City of Prescott maintains the Acker Trust Fund to account for assets willed to the City of Prescott by J.S. Acker. Revenue from investments and land sales are to be expended for cultural and recreational purposes only.

The City also maintains a Miscellaneous Gifts Trust Fund as expendable trust funds.

INTERNAL SERVICE FUNDS are used to account for services and commodities furnished by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's Central Garage, Engineering Services, Self-Insurance Fund, and Facilities Maintenance Fund are operated as Internal Service Funds.

General Budget, Debt & Investment Policies

Budget Policy

Background

The focus of the City of Prescott's budget policy is the process by which a budget is formulated from departmental requests to the Mayor and Council adoption, including the adoption of the Five-Year Capital Improvement Plan and other issues presented to the Mayor and Council during the budget process.

A budget policy addresses the authorization levels for the approval of the annual budget and all budget adjustments for revenues and expenditures of all funds.

Standards

Generally accepted accounting principles (GAAP)
Government Finance Officers Association's (GFOA) Criteria for Distinguished Budget Award
Constitution of the State of Arizona
Arizona Revised Statutes (ARS)
Prescott City Code
City of Prescott Charter

Fund Reserves

Sound financial policy requires the establishment of appropriate fund balance levels to maintain adequate cash flow and a reserve to cover unanticipated expenditures and revenue shortfalls.

The following General Fund balances will be maintained through the budgeting process:

- Reserve of amounts for inventories, advances to other funds, or other amounts unavailable for appropriation.
- Designation of amounts re-appropriated from unencumbered balances for the completion of projects in subsequent periods.
- An unreserved and undesignated balance equal to 20% of the Fund's operating revenues: 10% to be used for the cash flow need due to timing differences between receipts and disbursements during the fiscal year and 10% that can only be used with approval of the City Council to cover unanticipated expenditure and revenue shortfalls.

All other fund equities will be maintained to meet the objectives of the fund.

Budget Objectives

The Mayor and Council of the City of Prescott annually set priorities for the City and the budget objectives will be consistent with such priorities.

The budget objectives will provide policy direction for the formulation of the City of Prescott's proposed budget and the budget schedule will identify important dates throughout the budget preparation and adoption period.

The following issues shall be considered in the development of budget objectives:

- Adoption of budget and five-year capital improvement program
- Anticipated property tax rate levels
- Provision of employee compensation including pay for performance bonuses for City employees and market sensitive salary benchmark adjustments that will ensure that the City

continues to retain and attract outstanding employees. The dependent health insurance subsidy shall be equal to thirty-five percent (35%) of the cost of the dependent health insurance of the "Preferred Plan" if purchased within the Yavapai Combined Trust. The City will continue to provide a monthly subsidy of \$45.00 towards the cost of dependent health insurance purchased outside of the Yavapai Combined Trust for those employees enrolled as of June 30, 2002. Enrollment for this benefit will be discontinued as of July 1, 2002. This subsidy shall be funded as part of the base budget.

- Compliance with financial policies and maintenance of bond ratings.

The following items will be considered in conjunction with the budget preparation and adoption process unless it has been determined that the issues must be considered in a more expeditious manner.

- Ordinance changes involving fee/rate changes
- New positions or changes involving fee/rate changes
- Requests for long-term financing

The operating budget will be balanced with current revenues along with beginning fund balances less required reserves as established by City Council, greater than or equal to current expenditures.

In order to present the full cost of providing goods and services, it is necessary that all indirect costs be allocated to the service levels. General fund internal support and administrative costs will be allocated to the Enterprise Funds, Internal Service Funds, and Special Revenue Funds that benefit from the services being provided. The City's cost allocation plan will be maintained in accordance with generally accepted accounting principles for governmental organizations. The internal support and administrative systems below will be allocated based on the following factors:

- A method that allocates costs in proportion to the support or benefit received
- A method that is clearly understood and easy to explain
- A measure that is readily available and easy to apply

General Fund Function	Allocation Basis
City Council	Total City budget
City Clerk	Total City budget
City Manager	Total City budget
City Attorney	Total City budget
Purchasing	Total City budget
Budget and Finance	Total City budget
Human Resources	Full-time equivalent employees in each fund
Information Technology	Number of computers in each division

Five-Year Capital Improvement Program (CIP)

CIP is a program for capital expenditures and a means of funding facilities, projects, equipment and vehicles with a unit cost greater than \$5,000 during the next five fiscal years.

The operating impact of proposed capital projects, including personnel, operating expenditures, capital outlay

and debt service, as applicable, will be identified in the CIP document and considered in preparing the Five-Year Capital Improvement Program.

Financing of capital expenditures from available funds, pay-as-you-go-funding, is the least costly and most desirable method to cover capital expenditure. Every effort will be made in the CIP to accumulate funds to allow this method of funding.

Necessary capital expenditures, which are unable to be funded from available resources, will follow financing options and methods outlined in the Debt Management Policy.

Utility projects will be primarily funded by user fees as resources are available.

The program will identify all major budget assumptions, including the anticipated collection of revenues, use of fund balance, expenditures, future operating costs of capital improvements and proposed changes in services levels and fees.

The program will clearly illustrate proposed service levels and the means to finance such service levels over the five-year period.

Compliance with debt and fund balance policies shall be maintained for each year of the program.

The funding of on-going programs with nonrecurring revenues will need to be supplanted with on-going revenues and/or corresponding decrease in another on-going expenditure as identified in the five-year capital improvement program in order for on-going programs to continue.

Budget Preparation

The Finance Department and City Manager will establish a budget schedule by December 1 that will include important dates throughout the budget preparation period.

All departments will submit their budget requests to the Finance Department in accordance with the budget preparation schedule. Budget requests will include, but not be limited to, detail as to personnel, operating and capital requests, including five-year capital improvement program requests and performance measures.

The Planning and Zoning Commission shall review the City Manager's Proposed Five-year Capital Improvement Program (CIP).

Public workshops on the budget, CIP, ordinance changes and property tax rates shall be held in accordance with the budget calendar.

A public hearing on Expenditure Limitation and tentative adoption of the budget will occur on or before the third Monday in July. Mayor and Council will convene to adopt tentative budget and Expenditure Limitation.

Tentative budget and public hearing notices along with a notice of final budget adoption meeting shall be advertised once a week for two consecutive weeks following the adoption of the tentative budget.

If the proposed primary tax levy, excluding amounts attributable to new construction, is greater than the amount levied by the City the previous year, notification of the public hearing will be published. The following requirements will be met:

- The notice has to be published twice in a newspaper of general circulation in the city. The first publication shall be at least fourteen but no more than twenty days before the date on which the proposed levy will be discussed. The second publication must be at least seven but not more than ten days before the hearing.

- The notice must be at least one-fourth page in size and shall be surrounded by a solid black border at least one-eighth inch in width.
- The headline of the notice must read “Truth in Taxation Hearing – Notification of Tax Increase” in at least 18-point type and the text must be in substantially the same form as the statute.
- In lieu of publishing the notice, the City has the option of mailing the notice to all registered voters in the city at least ten but not more than twenty days before the hearing on the proposed levy.

A public hearing on budget adoption and property tax levy will occur on or before the 7th day before the tax levy is adopted.

Adoption of property tax levy will occur on or before the third Monday in August.

Budget Adoption

Following the public hearing on final budget adoption, Mayor and Council will convene to adopt the Final Budget and Five-Year Capital Improvement Program.

The budget is legally enacted through adoption of an appropriations resolution for all governmental and proprietary fund types, which places legal restrictions on expenditures at the department level.

For all funds, the level of control is at the department level as established by the City of Prescott Charter.

Although legal limits on expenditures are established at the department level, effective administrative control over expenditures is maintained through the establishment of a more detailed line-item budget.

At all times, the City will maintain compliance with the Arizona Revised Statutes in appropriating, advertising public notices, ordinance changes, requests for bond financing and any other legal restrictions imposed upon localities.

All appropriations and encumbrances unexpended at year-end lapse and are not available in the following year. Included with the budget resolutions is approval for the reappropriation of all encumbered balances.

As part of the adopted budget, all ordinance changes and other budgetary issues requiring Mayor and Council approval will be presented to the Mayor and Council for consideration.

All new positions and reclassifications approved in the budget will be effective July 1 of the new fiscal year unless presented differently to the Mayor and Council.

The Adopted Budget Document will be forwarded to the Government Finance Officers Association (GFOA) and other interested parties within 90 days of budget adoption for the Distinguished Budget Award program.

Budget Amendments

The City Manager may transfer any unencumbered appropriation between divisions within a department. Council will be notified of this transaction. Only the Council may transfer any unencumbered appropriation balance or portion thereof from one department to another.

If fund deficits are anticipated within a fiscal year recommended spending reductions will be proposed by the City Manager and presented to the Mayor and Council during the fiscal year, in a timely manner, in order to sufficiently offset the deficit.

Budgetary Accounting

Budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP) with the major differences being:

- Accrued compensated absences are not recognized as expenditures for budgetary purposes.
- Capital outlays for Proprietary Funds are treated as expenditures.
- Debt service principal payments are treated as expenditures for Proprietary funds.
- Capital grants in Enterprise Funds are budgeted as revenue.
- Depreciation is not budgeted as an expenditure.

Debt Policy

Background

A debt policy addresses the level of indebtedness the City of Prescott can reasonably expect to incur without jeopardizing its existing financial position and to ensure the efficient and effective operation of the City.

The debt policy shall conform to Federal and State Regulations.

A debt policy also addresses the purposes for the types of debt that will be issued.

The debt policy is to be used in conjunction with the Adopted Budget, the Capital Improvement Program and other financial policies as directed by Mayor and Council.

Planning and Performance

The planning, issuance and review of outstanding and proposed debt issuances will ensure that compliance with the debt policy is maintained.

The City may issue debt for the purpose of acquiring or constructing capital projects including buildings, machinery, equipment, furniture and fixtures.

Debt issuances will be pooled together when feasible to minimize issuance costs.

The City will prepare and adopt annually a Five-year Capital Improvement Program to identify and establish an orderly plan to meet the City's infrastructure needs with all debt-related projects and the debt service impact upon operations identified, appropriately adjusted by inflation to properly reflect costs incurred in the applicable future fiscal year.

All issuance subject to arbitrage constraints shall be monitored by the applicable personnel and have arbitrage liability calculations performed in a timely manner.

Investment of bond proceeds shall at all times be in compliance with the City's Investment Policy and meet all requirements of bond proceeds covenants.

Debt shall be within statutory and sound financial management limits.

Types of Debt

Interfund Borrowing is the borrowing by one fund from another is an acceptable means of meeting cash flow needs.

- Short-term interfund borrowing, defined as paid back in less than one year, will occur due to occasional cash shortages in a fund. All funds borrowing from the City's available cash pool on a short-term basis should be charged an interest rate equivalent to the State Treasurers Pool for the prior month.
- Long-term borrowing, defined as paid back in more than one year, must come from a specific fund and be established by Council action. This action would include the fund borrowing the cash, fund lending the cash, terms (length of repayment period and amount of payments) of loan, and interest rate to be paid.

Lease Purchase Financing – It is legal to use lease purchasing for any lawful or necessary short-term or long-term projects; however, it is the objective not to use lease purchase financing on future equipment replacements, additions or building acquisitions. It is recognized that future events such as new services of unfunded legal mandates may require the City to provide unanticipated services or programs and that this financing technique may have to be utilized to

fund start-up capital costs of such new services or programs. If this is the case, the City can first look to its own cash pool to ascertain if a fund would have sufficient moneys to lend, with interest, over the desired term of the needed financing.

General Obligation Bonds may be used for any lawful project approved by the voters. Pursuant to Arizona Constitution, principal outstanding may not exceed:

- 20% of net secondary assessed value for water, wastewater, lighting, parks, open spaces and recreational purposes; or
- 6% of net secondary assessed value for all other purposes.
- This type of debt issuance is generally the lowest cost financing approach since the debt repayment is backed by property taxes. However, it is the policy of this Council that if general obligation debt is issued for a project with a revenue stream (i.e., water/wastewater project), that revenues from the appropriate enterprise fund be used to pay for the debt repayment and not property taxes. Debt repayment for non-revenue supported projects such as park improvements would have to be repaid through property taxes.

Utility Revenue Bonds – These voter-approved bonds may be used for acquiring, constructing or improving “utility undertakings” including water, wastewater, gas, electric light or power, airport buildings or facilities, and garbage disposal systems. Utility revenue bonds are not a general or full faith and credit obligation of the City and are secured by revenues of the applicable utility undertaking. Debt repayment is from revenues from the appropriate enterprise. A limitation on these bonds is that the prior year’s net revenues must exceed maximum annual debt service by a specific factor. These bonds would be appropriate to use if the City wanted to preserve general obligation capacity for future needs.

Municipal Property Corporation Bonds – These non-voter approved bonds are for all city-approved projects. In essence, the City makes annual payments equal to debt service under a lease-purchase or loan agreement with the Municipal Property Corporation. City payments may be guaranteed by pledge of excise taxes, enterprise revenues or annual appropriations. After the debt is retired, the City receives ownership of the financed project. The Municipal Property Corporation bonds are appropriate to use for (1) mandated projects that the City has no choice, but to complete, (2) projects that are a matter of public safety and welfare which can be backed by a sufficient revenue stream to allow retirement of the debt, or (3) projects which meet a stated economic development goal of the City. Examples of mandates include a required upgrade of a wastewater treatment plant or a landfill closure. Current City of Prescott limitations on this financing technique is that the prior year’s excise tax revenues must exceed maximum annual debt service by two times. Examples of public safety and welfare projects include water storage tanks, water transmission and distribution lines, sewer plan expansions and sewer collection system.

Street and Highway Revenue Bonds (HURF Bonds) are voter-approved bonds that can be used for improving, constructing or maintaining City streets and highways as well as for acquisition of necessary rights of way for street projects. Debt repayment is through use of HURF revenues. The legal limit on the amount of bonds that can be issued is government by the amount of HURF receipts in that the maximum annual debt service may not exceed two-thirds (three times coverage) of the most recent year’s receipts as long as the bonds are rated “A” or above. If the bonds are rated below “A”, the maximum annual debt service may not exceed 50% of the most recent year’s receipts (two times coverage). Recommendation for issuance of these bonds should be carefully considered since if the maximum allowable were issued (approximately \$15 million), there would not be sufficient yearly revenues available after debt repayment to operate the streets department.

Improvement District Bonds are issued for numerous governmental purposes including financing streets, curbs, gutters, sidewalks, streetlights, wastewater systems, etc. Although the bonds are not subject to voter authorization, they may be rejected by a majority of property owners within the boundaries of the designated district. The debt repayment is through assessments levied

against property located within the district and the debt is backed by a contingent liability of the City's general fund. One restriction is that the improvements to be made cannot be of general benefit to the City as a whole. These bonds are recommended to be issued to bring unpaved streets to a paved status and installing wastewater systems within neighborhoods.

Investment of Municipal Funds
City of Prescott Investment Policy

I. SCOPE OF POLICY

This investment policy shall govern the investment activities of all funds of the City of Prescott, excluding any specific funds cited hereafter. This policy serves to satisfy the state statute requirement to define and adopt a formal investment policy.

A. FUND INCLUDED:

All financial assets of all current funds of the City of Prescott, Arizona and any new funds created in the future, unless specifically exempted, will be administered in accordance with the objectives and restrictions set forth in this policy. These funds are accounted for in the City's Comprehensive Annual Financial Report.

B. POOLING OF FUNDS:

Except for cash in certain restricted and special funds, the City of Prescott will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

II. PRUDENCE

Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probably safety of the capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio of funds, rather than a consideration as to the prudence of a single investment. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion to the City Manager and the City Council of the City of Prescott, and appropriate action is taken in accordance with the terms of this policy.

III. OBJECTIVES OF POLICY

The primary objectives in priority order of investment activities shall be preservation and safety of principal, liquidity, and yield:

A. SAFETY:

The foremost and primary objective of the City's investment program is the preservation and safety of capital in the overall portfolio. The objectives will be to mitigate credit risk and interest rate risk. To control credit risk, investments should be limited to the safest types of securities, financial institutions, broker/dealers intermediaries and advisers which the City will do business.

To control interest rate risk, the City will structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations and monitoring credit rating of portfolio positions to assure compliance with rating requirements imposed by the Public Funds Investment Act.

B. LIQUIDITY:

The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow funding requirements, by investing in securities with active secondary markets and by diversification of maturities and call dates. Furthermore, since all possible cash demands cannot be anticipated, a small portion of the portfolio may also be placed in money market mutual funds or local government investment pools which offer same day liquidity for short term funds.

C. YIELD:

The City's investment portfolio will be designed with the objective of regularly exceeding the average rate of return on three month U.S. Treasury Bills. The investment program will seek to augment returns above this threshold consistent with risk constraints identified herein, cash flow characteristics of the portfolio and prudent investment principles. The care of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

1. A security swap that would improve the quality, yield or target duration in the portfolio.
2. Liquidity needs of the portfolio require that the security be sold.
3. If market conditions present an opportunity for the City to benefit from the sale.

D. RISK OF LOSS:

All participants in the investment process will seek to act responsibly as custodians of the public trust. Investment officials will avoid any transactions that might impair public confidence in the City's ability to govern effectively. The governing body recognizes that in a diversified portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

IV. INVESTMENT STRATEGY

The City of Prescott intends to pursue an active vs. passive portfolio management philosophy. Active management means that the financial markets will be monitored by investment officials and investments will be purchased and sold based on the City's parameters for liquidity and based on market conditions. All marketable securities purchased by the City shall have active secondary markets, unless a specific cash outflow is being matched with an investment that will be held to maturity to meet that obligation. Securities may be purchased as a new issue or in the secondary markets. Securities may be sold before they mature if market conditions present an opportunity for the city to benefit from the trade or if changes in the market warrant the sale of securities to avoid future losses. Securities may be purchased with the intent from the beginning, to sell them prior to maturity or with the expectation that the security would likely be called prior to maturity under the analyzed market scenario. Market and credit risk shall be minimized by diversification. Diversification by market sector and security types, as well as maturity will be used to protect the city from credit and market risk in order to meet liquidity requirements.

The portfolio will be structured to benefit from anticipated market conditions and to achieve a reasonable return. Relative value between asset groups shall be analyzed and pursued as part of the active investment program within the restrictions set forth by this policy.

V. RESPONSIBILITY AND CONTROL

A. DELEGATION:

Oversight management responsibility for the investment program has been delegated to the Chief Financial Officer, to establish written procedures and controls for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for the daily cash management operation, the execution of investment transactions, overall portfolio management and investment reporting.

B. SUBORDINATES:

All persons involved in investment activities shall be referred to as "investment officials". No person shall engage in an investment transaction except as provided under the terms of this policy, the procedures established by the Chief Financial Officer and the explicit authorization by the City Manager to withdraw, transfer, deposit and invest the City's funds. The City Council, by resolution, has authorized the City Manager to appoint these individuals. The Chief Financial Officer shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of subordinate investment officials.

C. CONFLICTS OF INTEREST:

Investment officials and employees involved in the investment process will refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials and employees shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. THIS POLICY EXPRESSLY INCORPORATES THE PROVISIONS OF TITLE 38, CHAPTER 3, ARTICLE 8, ARIZONA REVISED STATUTES.

D. DISCLOSURE:

Investment officials and employees shall disclose to the City Manager any material financial interest in financial institutions that conduct business with the City of Prescott. Investment officials and employees shall further disclose any material, personal investment positions that could be related to the performance of the City's investment portfolio. Investment officials and employees shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales. An investment official who is related within the second degree by affinity or consanguinity to individuals seeking to sell an investment to the city shall file a statement disclosing that relationship.

E. INVESTMENT TRAINING:

Investment officials shall have a finance, account or related degree and knowledge of treasury functions. Investment training must take place not less than once in a two year period and receive no less than ten hours of instruction relating to investment responsibilities from an independent source such as Government Finance Officers Association, Municipal Treasurers Association, American Institute of Certified Public Accountants, Arizona Finance Officers Association, Arizona Society of Public Accounting or other professional organizations. The Chief Financial Officer and all investment officials of the City shall attend at least one training session relating to their cash management and investment responsibilities within 12 months after assuming these duties for the City. Training must include education in investment controls, security risks, strategy risks, market risks, and compliance with State investment statutes.

VI. AUTHORIZED INVESTMENTS

Funds of the City of Prescott, Arizona may be invested in the following investments. Investments not specifically listed below are not authorized:

1. Obligations of the United States or its agencies and instrumentalities;
2. Direct obligations of this state or its agencies;
3. Collateralized Mortgage Obligations and pass-through securities directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, the State of Arizona or the United States or its instrumentalities;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state, rated as to investment quality by a nationally recognized investments rating firm not less than A or its equivalent;
6. Certificates of deposit that are issued by a state or national bank or savings and loan domiciled in the State of Arizona and that are guaranteed or insured by the Federal Deposit Insurance Corporation or are secured as to principal by obligations described in the preceding clauses or in any other manner and amount provided by law for City deposits.
7. Fully collateralized Repurchase or Reverse Repurchase Agreements that have a defined termination date and are fully secured by obligations described in the preceding paragraphs (1) through (5) of this section of the policy;
8. The pooled investment funds established by the state treasurer pursuant to ARS 35-326;
9. Money Market Mutual Funds investing exclusively in obligations authorized by the preceding paragraphs (1) through (5) of this section of the policy.

VII. INVESTMENT REPORTS

The Chief Financial Officer shall submit quarterly an investment report including a management summary that provides and analysis of the status of the current investment portfolio with comparison to the average three-month US Treasury Bill.

VIII. PORTFOLIO AND INVESTMENT ASSET PARAMETERS

A. BIDDING PROCESS FOR INVESTMENTS:

Investment officials for the City may accept bids for certificates of deposit and for all marketable securities either orally, in writing, electronically, or in any combination of these methods. The investment official will strive to receive two to three price quotes on marketable securities being sold, but may allow one broker/dealer to sell at a predetermined price under certain market conditions. Investments purchased shall be shopped competitively between approved financial institution and broker/dealers. Security swaps are allowed as long as maturity extensions, credit quality changes and profits or losses taken are within the other guidelines set forth in this policy.

B. MAXIMUM MATURITIES:

The City of Prescott will manage its investments to meet anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than seven years from the date of purchase. The City shall adopt weighted average maturity limitations consistent with the investment objectives.

C. MAXIMUM DOLLAR-WEIGHTED AVERAGE MATURITY:

Under most market conditions, the composite portfolio will be managed to achieve a two year dollar-weighted average maturity. However, under certain market conditions, investments officials may need to shorten or lengthen the average life or duration of the portfolio to protect the city. The maximum-dollar weighted average maturity based on the stated final maturity, authorized by this investment policy for the composite portfolio of the City shall be three years.

D. PRICING:

Market price for investments acquired for the City's Investment Portfolio shall be priced using independent pricing sources and market value monitor at least monthly.

IX. SELECTION OF DEPOSITORY, FINANCIAL INSTITUTIONS AND BROKER/DEALERS

A. BIDDING PROCESS:

Depositories shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP) issued at least every five years with a typical contract being for two (2) years with an option to extend the contract for three (3) additional one (1) year terms. In selecting depositories, the credit worthiness of institutions shall be considered, and the Chief Financial Officers shall conduct a comprehensive review of prospective depositories credit characteristics and financial history. No public deposit shall be made except in a qualified public depository as established by state depository laws. The depository bank bid will not include bids for investment rates on certificates of deposit. Certificate of deposit rates will be shopped competitively between qualified financial institutions in accordance with the manner in which all other types of investment assets are purchased.

B. INSURABILITY:

Banks and Savings and Loan Associations seeking to establish eligibility for the City's competitive certificate of deposit purchase program, shall submit financial statements, evidence of federal insurance and other information as required by the investment officials of the City of Prescott.

C. AUTHORIZED DEPOSITORY, FINANCIAL INSTITUTIONS AND BROKER/DEALERS:

The Chief Financial Officer will maintain a list of financial institutions authorized to provide investment services. All financial institutions and broker/dealers or bank/dealers who desire to become a qualified bidder for investment transactions must supply the Chief Financial Officer with the following:

1. Audited financial statements.
2. Proof of National Association of Security Dealers certification where applicable.
3. Proof of state registration where applicable.
4. Completed broker/dealer questionnaire.
5. Certification of having read the City of Prescott's investment policy.

A current audited financial statement is required to be on file for each financial institution and broker/dealer which the City of Prescott uses.

X. COLLATERALIZATION OF CITY'S DEPOSITS

A. INSURANCE OR COLLATERAL PLEDGED:

Collateralization shall be required on depository bank deposits, certificates of deposit, and repurchase (and reverse) agreements in accordance with the "Public Funds Collateral Act" and depository laws (see Appendix B). In order to anticipate market changes and provide a level of security for all funds, the collateralization level will not be less than 102% of market value of principal and accrued interest, less an amount of \$100,000, which represents insurance by the FDIC or FSLIC on certain types of bank deposits. Evidence of the pledged collateral shall be documented by a safekeeping agreement or a master repurchase agreement with the collateral pledged clearly listed in the agreement and safekeeping confirmations. The master repurchase agreement must be executed and in place prior to the investment of funds. Collateral shall be monitored daily to ensure that the market value of the securities pledged equals or exceeds the related deposit or investment balance.

B. COLLATERAL DEFINED:

The City of Prescott shall accept only the following insurance and securities as collateral for cash deposits, certificates of deposit, and repurchase agreements:

1. FDIC insurance coverage
2. Obligations of the United States of America, its agencies and instrumentalities, including agency and instrumentality issued mortgage backed collateral.
3. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Arizona or the United States of America or its agencies and instrumentalities.
4. Obligations of states, agencies thereof, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investments rating firm and having received a rating of no less than A or its equivalent.

C. COLLATERAL SAFEKEEPING AGREEMENT:

The City shall not accept, as depository collateral, any security that is not specifically allowed to be held as a direct investment by the City's portfolio and that the maximum maturity of the collateral securities may not be greater than five years. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. The safekeeping agreement must clearly define the responsibility of the safekeeping bank. The safekeeping institution shall be the Federal Reserve Bank or an institution not affiliated with the financial institution or broker/dealer that is pledging the collateral. The safekeeping agreement shall include the authorized signatures of the City and the firm pledging collateral.

D. AUDIT OF PLEDGED COLLATERAL:

All collateral shall be subject to verification and audit by the Chief Financial Officer or the City's independent auditors.

XI. SAFEKEEPING AND CUSTODY OF INVESTMENT ASSETS

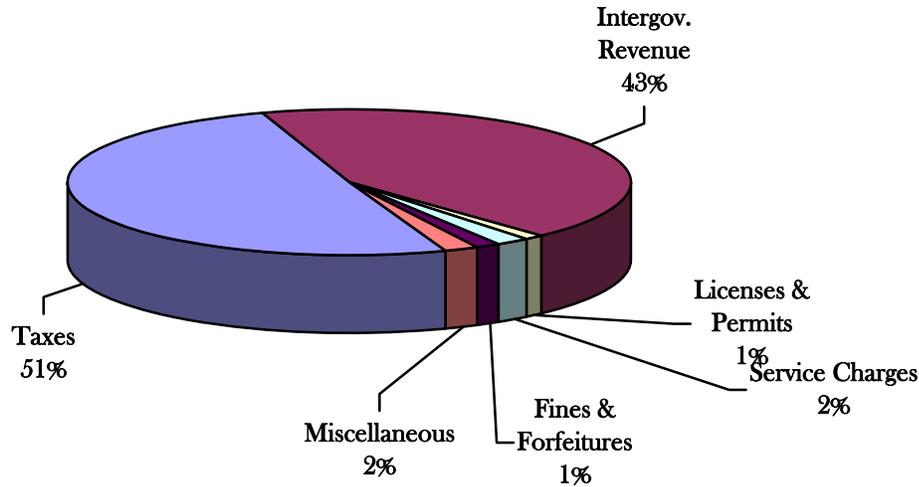
All security transactions, including collateral for repurchase (reverse) agreements, entered into by the City shall be conducted using the delivery vs. payment (DVP) basis. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the safekeeping bank. The safekeeping or custody bank is responsible for matching up instructions from the City's investment officials on an investment settlement with what is wired from the broker/dealer, prior to releasing the City's designated funds for a given purchase. The security shall be held in the name of the City or held on behalf of the City in a bank nominee name. Securities will be held by a third party custodian designated by the Chief financial Office and evidenced by safekeeping receipts. The safekeeping bank's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City. A safekeeping agreement must be in place which clearly defines the responsibilities of the safekeeping bank.

GENERAL FUND

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General Fund Summary

General Fund pays for basic governmental services including legal, manager, council, finance and administrative services, police, fire, library, parks and recreation, and community development. Revenues are from the local city sales tax, intergovernmental state shared revenues, primary property tax, franchise taxes, licenses and permits, service charges, and fines and forfeitures.



The General Fund budget for FY2011 totals \$31,628,601. Current year projected revenues total \$28,911,829, which is a 2.76% decrease from the revised estimates for FY2010 projected at \$29,733,856.

Cash available as of July 1, 2010 is estimated at \$10,403,792. As per the Budget Policy, \$5,946,771, or 20% of operating revenues, of the available cash will continue to be held as a reserve. An additional \$3,348,959 is reserved to meet long-term commitments. The remaining \$1,108,062 is to assist in the funding for capital projects and equipment budgeted in FY2011 including carryovers for items not completed or received during FY2010. Also, effective the end of FY2010, the Capital Improvement Fund is combined with the General Fund. The \$4,670,280 Capital Reserve and the \$2,745,260 Interfund Loan to the Golf Course originate from these funds.

Total General Fund revenue and expenditure activity for the past four years and projects for FY2011 are as follows:

**CITY OF PRESCOTT
GENERAL FUND
FUND SUMMARY**

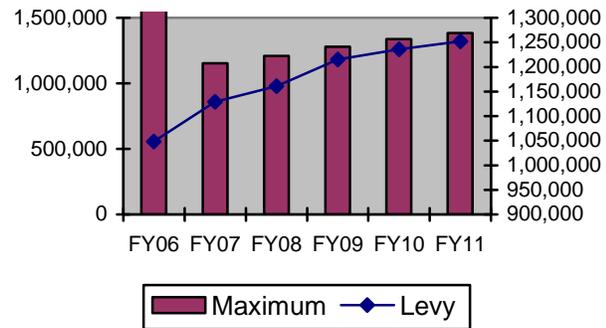
	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Source of Funds:							
Beginning Fund Balance							
General Fund Reserve	5,723,761	6,534,797	7,062,152	7,017,399	6,480,160	6,480,160	5,946,771
Capital Reserve							4,670,280
Long-Term Commitments	-	1,628,516	1,628,516	3,144,651	3,220,065	3,220,065	3,348,959
Interfund Loans	1,741,726	1,187,896	657,523	19,148	-	-	2,745,260
Unreserved Fund Balance	<u>3,289,512</u>	<u>3,329,712</u>	<u>2,408,412</u>	<u>2,308,584</u>	<u>2,204,544</u>	<u>2,204,544</u>	<u>1,108,062</u>
Total Beginning Fund Balance	10,754,999	12,680,921	11,756,603	12,489,782	11,904,769	11,904,769	17,819,332
Revenues							
Taxes							
Sales/Use Tax	15,223,087	15,962,034	14,975,742	12,944,266	12,677,500	11,943,100	11,922,500
Primary Property Tax	1,050,811	1,124,329	1,148,586	1,203,539	1,235,701	1,235,701	1,251,978
Franchise Taxes	1,369,307	1,488,072	1,563,883	1,567,388	1,608,902	1,673,000	1,700,240
Intergovernmental Revenues							
State Sales Tax	3,638,647	3,875,080	3,746,925	3,243,790	3,134,416	3,134,416	3,058,659
State Income Tax	3,553,288	4,628,849	5,737,563	6,093,130	5,263,678	5,263,678	3,967,662
State Vehicle License	2,576,593	2,595,676	2,509,253	2,307,037	2,414,317	2,341,887	2,235,363
Joint Dispatch	887,716	875,398	1,045,441	1,160,463	1,163,801	1,036,886	1,106,397
Library	495,309	676,937	696,939	723,288	723,288	749,770	941,436
Other	426,675	463,752	513,260	388,407	457,619	315,000	345,000
Licenses and Permits	1,366,946	1,116,462	937,143	378,666	295,750	304,243	300,750
Service Charges	671,594	863,181	896,203	1,291,624	931,220	918,739	1,150,800
Fines & Forfeitures	436,545	404,494	498,810	551,824	450,000	468,842	455,500
Miscellaneous	<u>977,523</u>	<u>1,236,495</u>	<u>817,249</u>	<u>547,377</u>	<u>302,266</u>	<u>348,594</u>	<u>475,544</u>
Subtotal	32,674,041	35,310,759	35,086,997	32,400,800	30,658,458	29,733,856	28,911,829
Other Funding Sources							
Lease Purchase Proceeds	734,000	-	-	250,000	-	-	-
Transfers In	-	-	22	80,000	250,000	7,665,540	50,000
Subtotal	734,000	-	22	330,000	250,000	7,665,540	50,000
Total Revenues & Other Funding Sources	33,408,041	35,310,759	35,087,019	32,730,800	30,908,458	37,399,396	28,961,829
Use of Funds:							
Departments							
General Government							
Mayor and City Council	29,894	63,739	43,683	23,652	49,691	48,028	58,134
City Clerk	110,472	21,069	80,565	31,323	75,150	105,815	172,987
City Court	478,898	511,598	448,809	477,439	525,193	507,098	523,160
City Manager	161,409	125,393	185,568	193,877	161,392	147,856	175,347
Public Communications	-	-	39,570	49,481	66,326	67,099	62,612
Special Events	-	-	181,434	194,242	148,717	148,509	120,643
Prescott Community Access Channel	-	-	69,069	98,570	82,144	87,144	87,148
Legal	365,822	263,951	243,562	230,923	277,292	268,664	306,928
Economic Development	278,508	291,055	348,374	255,602	246,669	242,825	270,328
Human Resources	189,852	203,550	241,114	226,310	244,840	244,519	(85,576)
Insurance and Retirements	<u>483,717</u>	<u>364,830</u>	<u>720,832</u>	<u>343,887</u>	<u>633,561</u>	<u>560,184</u>	<u>511,553</u>
General Government Total	2,098,572	1,845,185	2,602,580	2,125,304	2,510,975	2,427,741	2,203,264
Budget and Finance	1,096,672	1,220,662	1,292,982	1,337,372	1,350,617	1,308,657	447,844
Administrative Services	739,589	437,777	169,420	195,992	236,756	214,978	361,379
Community Development	1,955,733	2,264,883	2,069,843	1,750,537	1,623,460	1,594,540	1,608,515
Parks, Recreation and Library	4,843,787	5,432,172	5,797,757	5,895,615	5,347,628	5,176,704	5,331,906
Police	9,351,769	8,793,070	10,074,865	9,847,652	9,863,514	9,509,290	9,067,321
Fire	6,024,978	6,687,543	7,590,693	7,502,323	7,045,674	7,184,388	6,851,843
Regional Communications		1,855,943	2,115,109	2,344,962	2,434,352	2,300,712	2,315,496
Debt Service	<u>81,007</u>	<u>162,014</u>	<u>162,014</u>	<u>162,014</u>	<u>162,014</u>	<u>162,014</u>	<u>81,007</u>
Total Operating Budget	26,192,107	28,699,249	31,875,263	31,161,771	30,574,990	29,879,023	28,268,575

**CITY OF PRESCOTT
GENERAL FUND
FUND SUMMARY**

	Actual FY2006	Actual FY2007	Actual FY2008	Actual FY2009	Budget FY2010	Est End FY2010	Adopted FY2011
Capital Outlay/Projects							
General Government							
<i>City Council</i>		-	12,500	26,250	21,250	21,250	60,000
<i>City Clerk</i>	-	59,958	17,981	-	-	-	-
<i>City Manager</i>	-	27,500	27,500	90,000	-	-	-
<i>Economic Development</i>	53,424	-	-	-	-	-	1,700,000
Budget and Finance	632,734	157,197	33,240	74,524	395,993	61,515	302,078
Administrative Services	20,042	-	-	-	-	-	547,597
Community Development	499	59,915	373	6,337	15,000	25,000	10,000
Parks, Recreation and Library	82,843	452,262	56,972	38,028	105,000	191,051	30,000
Police	99,642	252,581	182,848	-	-	-	-
Fire	12,258	21,228	101,495	45,038	-	-	60,000
Regional Communications	-	-	4,602	5,192	-	(11,750)	650,352
Total Capital Outlay/Projects	901,442	1,030,641	437,511	285,369	537,243	287,066	3,360,027
Transfers Out							
Economic Incentives	1,196,388	1,315,734	1,324,388	1,541,864	1,600,000	1,300,000	-
Vehicle Replacements	-	-	-	-	-	-	-
Surplus (Revenues over Expenditures)	2,824,092	4,840,617	452,923	105,751	153,621	-	-
Grant Matches	260,630	317,466	260,035	211,583	-	-	-
Library Expansion	65,000	-	-	-	-	-	-
Facilities Maintenance	8,517	-	-	-	-	-	-
Parking Garage	33,931	7	-	-	10,122	18,744	-
Planned Growth Strategy	-	-	-	9,475	6,000	-	-
Gifts Fund	-	-	3,720	-	-	-	-
Parks Master Plan	-	19,281	-	-	-	-	-
One Day Hazardous Disposal Event	-	12,082	-	-	-	-	-
Total Transfers Out	4,388,558	6,505,187	2,041,066	1,868,673	1,769,743	1,318,744	-
Total Expenditures & Transfers Out	31,482,107	36,235,077	34,353,840	33,315,813	32,881,976	31,484,833	31,628,603
Ending Fund Balance							
General Fund Reserve	6,534,797	7,062,152	7,017,399	6,480,160	5,966,472	5,946,771	5,782,366
Capital Reserve						4,670,280	3,788,239
Long-Term Commitments	1,628,516	1,628,516	3,144,651	3,220,065	2,871,654	3,348,959	2,837,301
Interfund Loans	1,187,896	657,523	19,148	-	-	2,745,260	2,744,653
Unreserved Fund Balance	3,329,712	2,408,412	2,308,584	2,204,544	1,093,125	1,108,062	-
Total Ending Fund Balance	12,680,921	11,756,603	12,489,782	11,904,769	9,931,251	17,819,332	15,152,559

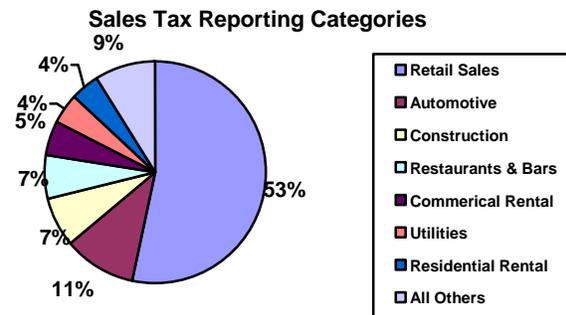
Property Tax: The primary property tax levy for FY2010-2011 is \$1,251,978. This increase is caused by new construction not increased property valuations. In FY2011 the primary property tax levy remained fairly constant, but the property tax values decrease; thus, causing an increase in the property tax rate. The FY2011 estimated primary rate is \$0.1737 per \$100 assessed valuation. As depicted in the graph below, the maximum allowable tax levy was reduced in FY2007. This change was dictated by Arizona State Law.

Fiscal Year	Primary Levy	% Change from Prev. Year	Primary Tax Rate
2005-06	1,048,406	4.8%	0.2245
2006-07	1,128,971	7.7%	0.2182
2007-08	1,160,983	2.8%	0.1991
2008-09	1,215,502	4.7%	0.1839
2009-10	1,235,701	1.7%	0.1695
2010-11	1,251,978	1.3%	0.1737



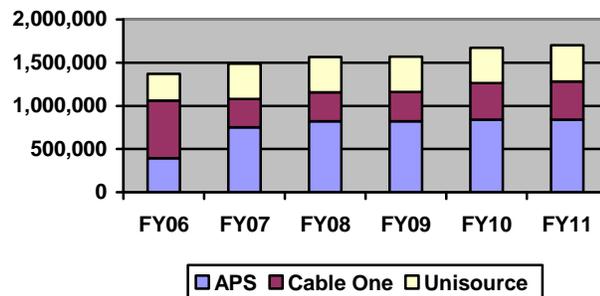
Transaction Privilege Tax (Sales Tax): All Arizona cities and towns have a transaction privilege tax which is commonly referred to as a sales tax. However, the transaction privilege tax is far more extensive than retail sales. It includes taxation of residential and commercial rentals; taxation of utilities and communications; taxation of retail sales; construction activities; and auto dealerships to mention a few. Thus, even if retail sales do not increase due to a competing regional environment, this revenue category can still increase. Sales tax is projected to yield \$11,300,000. This estimate is level with previous year collections and is reflective of the struggling economy.

Fiscal Year	Revenues	% Change from Prev. Year
2005-06	14,436,346	13.3%
2006-07	14,968,648	3.7%
2007-08	14,186,536	-5.2%
2008-09	11,894,244	-16.2%
2009-10 (est)	11,300,000	-5.0%
2010-11 (est)	11,300,000	0.0%



Franchise Taxes: Franchise taxes are from Cable One, Unisource Gas and Arizona Public Service. Franchise rates for Unisource Gas and Arizona Public Service are set (by the voters) at 2.0% of gross revenues while the negotiated rate for the cable company is 5.0% of gross revenues. From the ensuing table it can be observed the projection for FY2011 is 1.60% over FY2010 revised estimates.

Fiscal Year	Revenues	% Change from Prev. Year
2005-06	1,369,307	10.8%
2006-07	1,488,072	8.7%
2007-08	1,563,883	5.1%
2008-09	1,567,388	0.2%
2009-10 (est.)	1,673,000	6.7%
2010-11 (est.)	1,700,240	1.6%



State Sales Tax (Transaction Privilege Tax): Through May 31st, 2001, citizens of Prescott, through collection by local businesses, pay the State 5.0% on retail purchases and varying rates on other transactions. State sales tax was increased to 5.6% on June 1, 2001 and 6.6% on June 1, 2010. A portion of that sales tax is returned to the City based on Prescott's population compared to the incorporated population of the State, Cities and Towns share in 25.0% of two percent of the State's 6.6%.

State Shared Sales Tax			
Fiscal Year	Prescott's Share of Total Distributed to Cities	Prescott's \$ Share of Total Distributed to Cities	% Change from Prev. Year
2005-06	0.84%	3,638,647	15.7%
2006-07	0.84%	3,875,080	6.5%
2007-08	0.84%	3,746,925	-3.3%
2008-09	0.84%	3,243,790	-13.4%
2009-10 (est.)	0.84%	3,134,416	-3.4%
2010-11 (est.)	0.84%	3,058,659	-2.4%

State Income Tax: The State of Arizona collects income taxes and shares that revenue with incorporated cities and towns based on population.

The City of Prescott's share of State income tax is estimated to be \$3,967,662 which is a decrease of \$1,296,016 or 24.6%. The State has estimated state income tax 25.0% lower than last year's estimate. This is the only one of the state shared revenues which can be accurately forecast since it is drawn from collections two years ago. From 1973 through FY1992, cities in Arizona shared in 15% of the State personal and corporate income tax collected two years prior and distributed in proportion to the cities' share of State population. Beginning in FY1993, the cities' share was lowered to 12.8%. This change was enacted by the State, along with revisions to the individual and corporate State income tax in 1990, and was designed to keep the cities' share revenue neutral. The portion of the State tax which will be distributed to cities and towns in FY2011 is estimated at \$474.0 million and represents individual and corporate income tax collections by the State in the 2008-09 fiscal year.

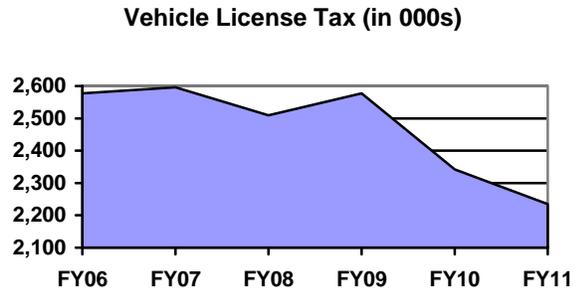
The following table shows the City of Prescott's % allocation, \$ share and % change since 2005-06.

State Income Tax			
Fiscal Year	Prescott's % of State Collection	Prescott's \$ Share of State Collection	% Change from Prev. Year
2005-06	0.84%	3,553,288	13.9%
2006-07	0.84%	4,628,849	30.3%
2007-08	0.84%	5,737,563	24.0%
2008-09	0.84%	6,093,130	6.2%
2009-10 (est.)	0.84%	5,263,678	-13.6%
2010-11 (est.)	0.84%	3,967,662	-24.6%

Vehicle License Tax (Auto Lieu Tax): Prescott's share of the vehicle tax for 2010-11 is estimated to be 4.5% lower than the FY2010 revised estimate. Twenty-five percent of the net revenues collected for the licensing of motor vehicles by a particular county is distributed back to incorporated cities and towns within that county. License fees are collected by the State and distributed to counties, cities and towns. A city or town receives its share of the vehicle license tax collections based on its population in relation to the total incorporated population of the county. The only stipulation on the use of this revenue is that it must be expended for a public purpose.

The following chart illustrates the City's actual collections and percentage change since FY2006.

Vehicle License Tax		
Fiscal Year	Revenues	% Change from Prev. Year
2005-06	2,576,593	15.6%
2006-07	2,595,676	0.7%
2007-08	2,509,253	-3.3%
2008-09	2,576,593	2.7%
2009-10 (est.)	2,341,887	-9.1%
2010-11 (est.)	2,235,363	-4.5%



Joint Dispatch: Revenues for this category are received from other governmental agencies participating in the Regional Communications Center. The Regional Communications Center became fully functional during fiscal year 2006. At that time seven and one-half dispatchers were transferred to the City from Central Yavapai Fire District. FY2011 revenues are projected to be 6.7% lower than the FY2010 revised estimates.

Library: Intergovernmental revenues for the Library consist of contributions from Yavapai County and percentage share of costs from other governmental members participating as part of the Library Network.

Other Intergovernmental Revenues: This category is primarily made up of the Fire contract with Yavapai Prescott Indian Tribe for the city to provide fire protection for homes and businesses located on the reservation. It also consists of monies received by the Fire Department for a portion of the reimbursements received from Arizona State Land Department for fire assistance on state lands. The remaining components of this category are for contributions towards Animal Control and City Court.

Licenses and Permits: This revenue category consists mainly of Building Permit fees and Plan Check fees. Other revenues in this are Dog Licenses, Liquor Licenses, Blasting Permits, and Film Permits.

Service Charges: Recreation fees for sports and programs are the main element of the Service Charges grouping. Revenues are expected to remain fairly level when comparing FY2010 estimated endings to FY2011 budget.

Fines and Forfeitures: This category covers monies paid to the City of Prescott for fines and forfeitures assessed by the Police Department, City Court, Legal Department, Library and Animal Control. Staff projects that this revenue will increase by 25.2%.

Miscellaneous: The largest revenue source in this area is Interest Earned. Typically staff is conservative when projecting interest earnings. This is evident when comparing the FY2010 estimated ending to the FY2011 budget. Another large revenue source listed under Miscellaneous is rents received by the City of Prescott. A majority of the rent received is for wireless sites located on City owned property. Other minor revenues in this category are Administrative Fees for Hassayampa community Facilities District and Sale of Property.

GENERAL GOVERNMENT

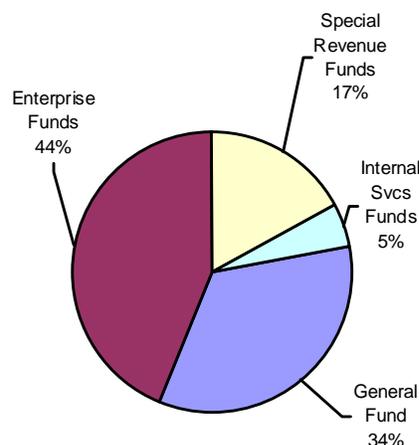
Mayor and Council

Division Mission: The Mayor and Council serve as the legislative and policy-making body of the municipal government and have responsibility for enacting City ordinances, appropriating funds to conduct City business, and providing policy direction to the administrative staff.

Mayor and Council Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 49,388	\$ 50,354	\$ 49,885
Supplies	3,976	7,350	4,250
Other Services & Charges	94,656	105,234	136,170
Capital Outlay/Projects	26,250	21,250	60,000
Total	\$ 174,270	\$ 184,188	\$ 250,305
Cost Recovery	\$ (124,368)	\$ (114,910)	\$ (132,171)
Capital Outlay/Projects			
FAA Mandated Projects			50,000
Youth Count			10,000
Total Capital Outlay/Projects			\$ 60,000

Mayor and Council Funding Sources



Mayor and Council Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	7.00	7.00	7.00
Mayor	1.00	1.00	1.00
Councilmembers	6.00	6.00	6.00

Significant Expenditures Changes: The only significant increase in this budget is in Other Services & Charges and it pertains to the cost recovery for Information Technology and Human Resources. In previous years the General Fund portion of these cost recoveries were not spread throughout the various General Fund departments/divisions, but are beginning FY2011. This was done to more accurately show the cost of each department/division.

Information regarding FAA Mandated Projects and Youth Count can be found in the Capital Improvement Plan section in this book.

City Manager

Division Mission: The City Manager provides professional administration of the policies and objectives established by the City Council; develops alternative solutions to community problems for Council consideration; and plans programs that meet the future public needs of the City. The City Manager also oversees the City economic development efforts, which provides resources for businesses looking to open a new location, expand an existing business or learn of networking groups and business services.

City Manager Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 525,803	\$ 502,711	\$ 488,501
Supplies	8,738	5,600	4,600
Other Services & Charges	55,276	44,575	74,408
Capital Outlay/Projects	90,000	-	-
Total	\$ 679,817	\$ 552,886	\$ 567,509
Cost Recovery	\$ (395,940)	\$ (405,030)	\$ (392,162)

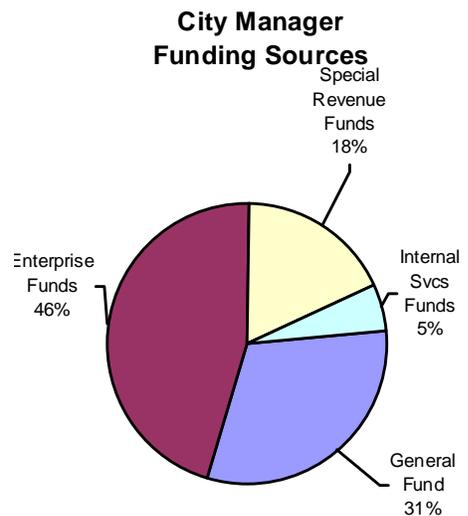
City Manager Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.45	3.95	4.10
City Manager	1.00	1.00	1.00
Deputy City Manager*	1.20	0.70	0.70
Executive Assistant	1.00	1.00	1.00
Economic Dev Specialist**	0.00	0.25	0.25
Administrative Assistant***	0.00	0.00	0.15
Administrative Specialist	0.25	1.00	1.00

*30% of one Deputy City Manager is charged to the Solid Waste Fund

**Remainder of Economic Development Specialist is charged to Economic Development.

***Admin Asst is also charged to City Clerk (.65) and Economic Development (.20)



Significant Expenditure Changes: As observed in other departments throughout the General Fund, the City Manager's area exhibits a 66.9% increase over FY2010 estimated endings due to the distribution of the Information Technology and Human Resource cost recovery.

City Clerk

Division Mission: The mission of the City Clerk's Office is to maintain integrity in the governing process by processing, maintaining and preserving the official records of the City of Prescott; overseeing all municipal elections in an efficient and effective manner, and in accordance with State Statutes; and providing courteous and responsive customer service to internal and external customers.

Goal: Provide excellent customer service to customers, by making available more information electronically.

Strategy: Expand use of scanner to provide legislative documents on-line and/or internally on the City's Portal.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Scanning legislative documents (Ordinances, Resolutions, Minutes, Contracts/Agreements) (# Documents/# Pages)	1,296/15,209	1,039/11,305	1,500/15,000

Goal: Maintain, preserve and make available legislative documents in a timely manner.

Strategy: Complete all documentation and actions from Council meetings within three days of meeting.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
# of Ordinances/% processed within three days	46/100%	46/100%	60/100%
# of Resolutions/% processed within three days	80/100%	60/100%	65/100%
# of Liquor Licenses/% processed within three days	40/100%	43/100%	40/100%
# of Contracts, Leases and Agreements/% processed within three days	222/90%	189/90%	250/90%
# of Special/Regular Council Meetings requiring minutes (including RALG, UVRWP & Capital Needs)/% processed in three days	67/90%	84/90%	90/90%

Prior Year Results and Outcomes

Fiscal Year 2010 has been a year for maintenance of programs put in place during the prior years. Much of Fiscal Year 2009 (latter) and Fiscal Year 2010 has been spent dealing with elections. The City held a Primary/Special Election in September and a General/Special Election in November. In addition to candidates on the ballot for Mayor and Council, the Primary/Special Election included a question on the ballot to extend the one-cent tax for roads/open space after its 12/15/2015 deadline at $\frac{3}{4}$ of one cent for the next 25 years. It also included a court case with regard to candidate requirements and role of the City Clerk's office in confirming that those requirements have been met.

The General/Special Election included the selection of candidates for Council as well as two questions; one on Home Rule and the other was the Taxpayer Protection Initiative. Also with the General/Special Election was another court case dealing with a Council candidate's name moving onto the ballot after one of the final six withdrew his name.

In the spring of 2010 staff worked with the Council subcommittee and Legal Department to review the City Charter and prepare for charter amendments to be placed on the November 2010 ballot, including preparation of the publicity pamphlet.

Having candidate elections as well as questions which required a publicity pamphlet to be prepared and distributed, the court cases and other issues of concern with overall election practices, all for the 2009 elections, in addition to the preparation for the November 2010 charter amendment election, a great deal of the City Clerk's time was focused in this area.

While this was occurring the Assistant City Clerk assumed more duties with transcription of meeting minutes and oversight of the liquor license program of the City. She was also able to attend election training provided by the Arizona Municipal Clerks Association in conjunction with the League of Arizona Cities and Towns, and the week-long IIMC Institute conducted through Arizona State University.

Efforts continued with imaging of the City's Council and board/commission minutes, ordinances, resolutions, contracts, and packets which makes them available to everyone. Additionally, changes were made to the process followed for appointment of members to the City's various boards and commissions and these new processes were put in place with a complete reappointment of members.

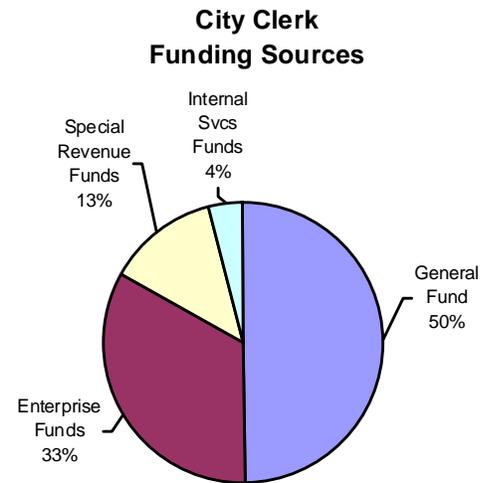
**City Clerk
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 156,357	\$ 126,871	\$ 142,515
Supplies	3,038	1,800	1,800
Other Services & Charges	49,192	158,437	202,934
Total	\$ 208,587	\$ 287,108	\$ 347,249
Cost Recovery	\$(177,264)	\$(181,293)	\$(174,262)

**City Clerk
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	1.50	1.50	1.65
City Clerk	1.00	1.00	1.00
Administrative Assistant	0.50	0.50	0.65

Note: 20% of Administrative Assistant is charged to Economic Development and 15% to City Manager.



Significant Expenditure Changes: The significant increase in the Personnel category can be attributed to a larger portion of the Administrative Assistant being charged to this area.

The significant increase in the Other Services and Charges category can be attributed to the elections. In FY2010 the City of Prescott participated in two elections. FY2011 anticipates two elections also, but one election is a potential special election which costs significantly more due to it not being combined with a County election. This money will not be spent should the election not come to fruition.

City Court

Division Mission: The Municipal Court provides prompt and effective judicial services, adjudicating violations of the Arizona Revised Statutes and Prescott City Code occurring within the city limits.

Goal: Utilize aggressive, court-driven case management to decrease litigant time and costs.			
Strategy: Manage the processing of cases from inception to completion and monitor case progress to assume control of scheduling specific events from filing to disposition.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Case Closure Rates (Cases both filed and paid in full during FY)	75%	72%	73%
Strategy: Utilize case management system to identify problems and monitor caseload status.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Case Disposition Rate (Calendar Year)	91%	94%	94%
Strategy: Conduct trial management conferences on each jury trial to minimize last-minute delays.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Trial Rate (3-10% rate nationwide)	1%	1%	1%

Goal: Emphasize enforcement of court orders and collection efforts.			
Strategy: Serve victims through court-ordered restitution.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Restitution \$ collected by the Court for crime victims	\$35,407	\$40,000	\$41,000
Strategy: Use a collection agency on previously uncollectible accounts.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
\$ collected by collection agency for consolidated court on old and uncollectible accounts.	\$141,910	\$143,000	\$145,000

Goal: Continue project to reconnect court to local community			
Strategy: Expand restorative justice concept by aggressive assignment of community restitution in lieu of jail.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Defendant's assigned	1,646	1,700	1,800
Hours completed	20,454	20,740	21,960
Minimum wage value	\$148,292	\$150,365	\$159,210
Incarceration savings @ \$60 per day	\$175,320	\$177,771	\$188,228

Prior Year Results and Outcomes:

Finished the implementation of the E-Citation process to save time and resources for both Police and City Court in processing traffic tickets and misdemeanor citations. The Court provided \$83,000 in local grant money for 10 handheld units and the necessary programming to get the project up and running. All citations including paper version are electronically filed with the Court saving clerk time by reducing manual entry of data.

Evaluated the need to increase downtown parking overtime violation fines. Elicited feedback from local community groups, such as Prescott Downtown Partnership, Prescott City Council and local area citizens. The result was increased revenue and fewer violations.

Expanded the use of volunteer Civil Traffic Hearing Officers for civil traffic cases and utilize City Council Chambers for hearings. One additional officer was trained this year bringing the total to five. This program has received very positive comments from area officers in terms of professionalism and time efficiency.

Court staff spent numerous hours in studying the impact on the Court of implementing photo enforcement in Prescott including site visits and networking with other photo enforcement Courts in Arizona. The Court was heavily involved in the RFP preparation. It was determined that additional City Court Clerks would be necessary to staff this program as it was in Prescott Valley. This could vary depending on the number of citing locations selected or added. Space for these employees would have to be found at other city facilities as there is no more space at the Prescott Consolidated Court.

Intercepted 133 defendants' 2009 state tax refunds resulting in \$10,271 in Court ordered restitution and fine payment through Arizona Tax Intercept Program.

Enforced payment of fines and restitution by utilizing a professional collection agency at no cost to the city. As a pilot Court authorized by the Arizona Supreme Court, implemented policies regarding DUI case management to achieve timely resolution of DUI cases while maintaining due process of the law.

Continued effective methods of dealing with substance abuse or aggressive behavior by using education-based programs and jail where appropriate.

Continued to emphasize community service.

Continued to make the court more efficient and user friendly. The Prescott Consolidated Court received very high marks in a recent citizen satisfaction survey conducted by the Administrative Office of the Courts.

Conducted regular training for the clerks in various areas such as ethics, domestic violence/orders of protection, criminal and civil procedure.

Continued to enforce the payment of fines and completion of court imposed sanctions such as community restitution.

Continued to foster good relations and mutual benefit between the City of Prescott and Yavapai County concerning the consolidation of the Prescott City Court and the Prescott Justice Court.

Continued aggressive court-driven case management resulting in decreased time and costs.

City Court Expenditure Summary			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Personnel	\$ 329,239	\$ 329,383	\$ 339,639
Supplies	8,866	8,000	9,000
Other Services & Charges	158,351	185,715	192,521
Total	\$ 496,456	\$ 523,098	\$ 541,160
Cost Recovery	\$ (19,017)	\$ (16,000)	\$ (18,000)

**City Court
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	6.24	6.24	6.24
Senior Court Clerk	1.00	1.00	1.00
Court Clerk	4.75	4.75	4.75
Temp Employees	0.49	0.49	0.49

Significant Expenditure Changes: There are no significant expenditures in the City Court when comparing the FY2010 estimated endings and the FY2011 budget.

Legal Department

Division Mission: To provide quality legal services, representation and counsel to the City of Prescott and City officials; maintaining the highest ethical standards; to successfully prosecute criminal and traffic cases occurring within the City limits, keeping in mind societal concerns and the rights of (and harm caused to) victims.

To continue to provide quality legal services, representation and counsel to the City of Prescott government, its elected and appointed officials, City departments and City employees in civil matters.

To maintain active enforcement of the City Codes and regulations.

Goal: To successfully prosecute violations of misdemeanors, traffic violations and City Code violations; to provide ongoing training to the Police Department; to pursue restitution in criminal cases; to pursue community service in criminal cases.

Strategy: To provide, either in person or via memo, advice to Police Department personnel advising of new laws, tactics and procedures, or suggested changes to same; to maintain a current law library concerning criminal matters.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Restitution ordered	\$271,972	\$215,500	\$250,000
Community service days ordered	2,589	2,250	2,500
Conviction rate	99.41%	95.00%	95.00%
Fines ordered	\$896,391	\$1,005,000	\$920,000
Jail days ordered	4,653	4,400	4,700
Hours of specialized training/attorney attendance at Continuing Legal Education seminars	16	16	16

Goal: To provide quality legal services, representation and counsel to the City of Prescott government, its elected appointed officials and employees in civil matters.

Strategy: To maintain an adequate law library, research and resource materials, and maintain continuing legal education for the departmental staff. To attend and advise the City Council, employees, Boards and Commissions on legal matters; and to prepare and/or review all ordinances, resolutions, contracts, and other legal documents prior to consideration by the Council or City staff. To educate City staff and actively advise them in areas of loss prevention, potential claims.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Civil cases resolved	68 cases 28 wins 4 settled	85 civil cases 80% resolved	95 cases 80% resolved

	6 loss 5 dismissed 25 bankruptcy & other		
Restitution obtained for the City	\$50,593.43	\$58,000	\$65,000
Hearing/depositions conducted	66	70	73
Percentage of Council meetings, Board of Adjustment meetings and P & Z Commission Hearings attended by legal counsel	99.8%	99%	99%
Number of other scheduled meetings attended (does not include Council or Board meetings)	200+	250+	275+
Percentage of contracts, ordinances, resolutions reviewed prior to action by Council or staff	95%	95%	95%
Hours of specialized training/attorney attendance at Continuing Legal Education seminars	63.5	63.5	63.5
Hours of legal support staff training	0	10	10

Prior Year Results and Outcomes

Lawsuit victories of Atkinson, Brogdon, Home Builders, Joiner, Bennett, Mason & Griffin, Pine Lakes, Katan, Thau, Howell State case, Good, Enchanted Canyon Subdivision, and APS/GDEP

Favorable settlement of the following cases: Hensley, Seastrand, Allen, and Raber

Highly successful prosecution of over 3,741 criminal and 255 DUI cases

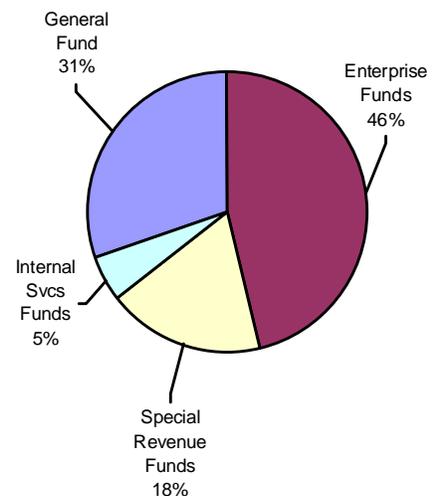
Civil cases (collection) initiated by legal department – successful collection (lawsuits) totaling \$45,610.37

Successful handling of 3 in-house appeals. Petition for review in Howell v. P.A.N.T. in Arizona Supreme court, Katan V. City of Prescott, and Central Arizona Home Builders v. City of Prescott.

Legal Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 778,222	\$ 775,407	\$ 833,245
Supplies	7,403	8,850	8,850
Other Services & Charges	71,998	123,212	161,452
Total	\$ 857,623	\$ 907,469	\$ 1,003,547
Cost Recovery	\$ (626,700)	\$ (638,805)	\$ (696,619)

Legal Department



**Legal
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	8.50	8.04	8.50
City Attorney	1.00	1.00	1.00
Chief Asst City Attorney	0.50	0.77	1.00
Sr Asst City Attorney	0.50	0.77	1.00
Prosecutor	1.00	1.00	1.00
Investigator	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00
Legal Assistant	1.00	1.00	1.00
Legal Secretary	1.50	1.50	1.50
Paralegal	1.00	0.00	0.00

Significant Expenditure Changes: The 7.5% increase in Personnel is mainly due to the Chief Assistant City Attorney and the Senior Assistant City Attorney no longer being charged to the Risk Management Division. Also, the Paralegal position has been moved to the Risk Management Division.

When comparing the FY2010 estimated ending to the FY2011 budget in Other Services & Charges, a 31.0% increase is displayed. This is due to the cost recovery for Information Technology and Human Resources being spread amongst the General Fund areas in FY2011. You will see this effect in all the General Fund divisions throughout this book.

Economic Development

Division Mission: Our mission is to enhance Prescott's economy by providing excellent customer service to the business community.

Goal: Continue to pursue retail and eco-friendly industrial prospects.

Strategy: Utilize the Arizona Department of Commerce, trade shows, and local development companies to put Prescott's best foot forward in the pursuit of future businesses for the City. Work to assist businesses through the process with the City to ensure quality and on-time projects.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Meetings with clients and property owners	26	30	35
New transaction privilege tax licenses issued	1,176	760	750
Retail square footage built	255,924	25,000	75,000

Goal: Attract commercial film projects to Prescott.

Strategy: Attend annual AFCI Locations Trade show and remain active with State Film Office efforts to draw film projects to the State.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of leads from all sources	25	25	25

Goal: Implement EDA Grant to design and construct a technology building in Prescott.			
Strategy: Work with City staff and other agencies to facilitate development of initial phase and create new jobs.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Meetings with property owners and agency representatives	10	12	12
Apply for state grants to assist development	0	0	1
Meetings with prospective employers for relocation or expansion	4	6	15

Goal: Implement Focused Future II Strategic Plan			
Strategy: Follow Focused Future II guidelines for implementation.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Strategies in progress	25	37	45
Strategies completed	2	4	6
Strategies supported	2	2	4

Goal: Promote the Prescott business and film community through a social media marketing plan.			
Strategy: Implement social media marketing plan.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Twitter Followers:			
PrescottBizNews	N/A	125	250
Prescott Film	N/A	500	750
Film Prescott My Space friends	N/A	50	100
Facebook fans:			
PrescottBizNews	N/A	50	200
Prescott Film	N/A	50	200
Clicks on links/photos	N/A	200	400
Number of Tweets/Status Updates:			
PrescottBizNews	N/A	300	250
Prescott Film	N/A	200	250

Prior Year Results and Outcomes

Business Attraction/Retention

Attended trade shows for film, retail, medical manufacturing and solar manufacturing industries and followed up with leads from all shows.

ERAU was not able to continue the technology park project, and as a result, Economic Development moved to transfer responsibility for EDA grant to the City of Prescott. Application is pending.

Addition of Bed, Bath & Beyond to Prescott Gateway Mall.

Facilitated expansion of Cobham, PLC (formerly Global Wulfsberg), in Prescott, Arizona, resulting in the addition of 50 jobs.

Film Office

Attracted Film Office Projects: Discovery Channel's Desert Car Kings, political campaign and educational commercials.

Employed social media to market Prescott through PrescottBizNews Twitter Page, PrescottFilm Twitter Page, and MySpace FilmPrescott Page, resulting in increased followers and marketing opportunities.

Other

Horizon Air Service announced cessation of service for Flagstaff and Prescott upon fulfillment of its 2-year commitment.

Assisted Epic Rides with development of Whiskey Off Road event, which attracted over 1,000 registered participants.

Collaborated with Zeitgiest Consulting for "Recommendations for Enhancing Destination Marketing Efforts in the Prescott Area, which ultimately resulted in City of Prescott taking the destination marketing efforts in house. "

Participated with members of Prescott Tourism Committee to explore new opportunities to improve the tourism product, i.e., social media, group leads and special promotions.

Provided professional assistance to Chamber Economic Development Committee and Prescott Young Professionals, Prescott Downtown Partnership, Prescott Area Coalition for Tourism, Prescott Arts & Humanities Council and Prescott Tourism Committee.

**Economic Development
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 183,621	\$ 163,796	\$ 163,939
Supplies	2,490	1,085	985
Other Services & Charges	69,491	77,944	105,404
Capital Outlay/Projects	-	-	1,700,000
Total	\$ 255,602	\$ 242,825	\$ 1,970,328
Capital Outlay/Projects			
Economic Development Agreements/Incentives			1,700,000
Total Capital Outlay/Projects			\$ 1,700,000

**Economic Development
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	1.95	1.95	1.95
Economic Dev Director	1.00	1.00	1.00
Economic Dev Specialist	0.75	0.75	0.75
Administrative Assistant*	0.20	0.20	0.20

Note: Remainder of Administrative Assistant is charged to City Clerk (65%) and to Human Resources (15%).

Significant Expenditure Changes: As explained in earlier divisions, the distribution of the General Fund Information Technology and Human Resource costs among each division resulted in a 35.2% increase in Other Services & Charges. There is no increased cost to the General Fund; it is just distributed differently beginning in FY2011. Also, funding has been shifted to this division from Special Events. The City will be shifting its focus from Economic Development to Tourism during FY2011 and this additional funding will go toward those efforts.

Human Resources

Division Mission: Human Resources Division provides services which are responsive to the individual employee and the City's mission, vision and core values. The division facilitates and helps foster a culture, which encourage the development of the City's most valuable asset, its employees.

Goal: To maintain sustainable employment levels to ensure consistent delivery of services for the citizens of Prescott.			
Strategy: To ensure a fair and equitable workplace that views employees as our most valuable asset.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
# of grievances	1	0	1
Turnover rate (FT turnover/# of FT budgeted employees)	13%	9%	8.5%
# of employment claims/lawsuits	1	1	2

Prior Year Results and Outcomes

Continued partnership with NACOG assisting transitional workers re-entering the workforce. The program is a “win-win” as workers get new job skills and training, and the City saves on personnel costs as the program is fully funded by NACOG.

Established new partnership with AARP placing workers 55+ years of age into the workplace and updating or creating new skill sets. This program is completely funded by AARP therefore saving the City personnel costs. A City AARP placement employee was featured in a Yavapai College production video of the Lifelong Learning program as a success story.

Acted as Yavapai Combined Trust, Health Plan Administrator. Successes for YCT include successful compliance audits of the financials; audit by the Department of Insurance and RFP selection for the primary benefits consultant.

Partnered with Communications Skills for Life Founder, Richard Moore, to streamline curriculum and continuing training opportunities for enhancing communication and customer service for City employees.

Temporary Orientation was created that included training components on customer service, Human Resources and Risk Management.

Online training is being maximized when possible to reduce travel expenditures and enhance convenience and access for employees. For example, the City’s annual mandatory sexual harassment training was made available on the portal for 24/7 access.

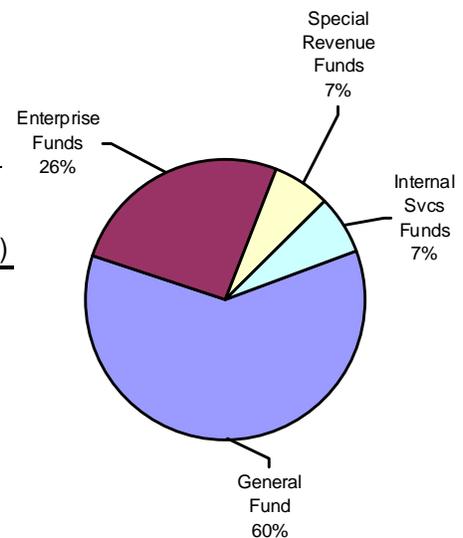
Successful completion of IRS audit in partnership with the Finance Department.

Continued expansion of the munis HRIS system components including utilization of the training module and Drivers License tracking.

**Human Resources
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 291,774	\$ 340,784	\$ 326,381
Supplies	7,532	4,400	4,500
Other Services & Charges	150,658	122,406	181,237
Debt Service	162,014	162,014	81,007
Tuition Assistance	30,007	-	-
Insurance & Retirements	343,887	560,184	511,553
Total	\$ 985,872	\$ 1,189,788	\$ 1,104,678
Cost Recovery	\$ (253,661)	\$ (223,071)	\$ (597,694)

Human Resources



**Human Resources
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.30	4.30	4.00
Human Resources Director	1.00	1.00	1.00
Human Resources Analyst	1.00	1.00	1.00
Benefits Specialist	1.00	1.00	1.00
Administrative Assistant	0.30	0.30	0.00
Payroll Specialist	0.00	1.00	1.00

Significant Expenditures Changes: The only category in Human Resources that shows a significant increase is Other Services & Charges. A 48.1% increase can be observed when comparing the FY2011 budget to the FY2010 estimated endings. Two factors led to this increase – Information Technology costs and Legal costs. Information Technology costs are spread throughout the City departments/division based upon the number of technology related equipment maintained by the IT division. Legal costs are for the potential outside legal costs that could be occurred should it be necessary. As with other contingencies, this money will not be spent if no issues are brought forward.

Public Communications

Division Mission: To provide effective communication between the City of Prescott and its employees, residents, businesses and visitors; to maintain the city’s website by frequently updating and improving its content; and to increase production values and promote public interest in City of Prescott government television programming.

Prior Year Results and Outcomes:

External Website

- Frequently updated content resulted in traffic increase of approx. 35% over prior year
- Managed transition of PACT website to City of Prescott Tourism site
- Initiated social media marketing strategy and supervise maintenance of sites

Internal Website

- Provided frequently updated editorial content and photography

Marketing/Advertising/Public Relations

- Crafted and distributed releases for requesting departments.
- Made numerous appearances on local television and radio in support of COP policy and events.
- Produced three statewide commercial spots promoting tourism
- Promoted all city events through television, radio, web, and print advertising
- Provided marketing support for Census 2010 resulting in largest participant turnout in city’s history.

Television

- Honored with “Best Government Program of the Year” award by PCAC Board and viewers.
- Five news information programs nominated for Best Program award
- Production of “History of Elks Opera House” nominated for National Merit Award by Sharlot Hall Museum

Event Photography:

- Chronicled the Elks Opera House year long restoration project and covered all city internal and external special events

Special Events

- Supervised Special Events Manager’s activity. Aggregate community event attendance increased approximately 25% over prior year with positive feedback and support from community leaders and local merchants.

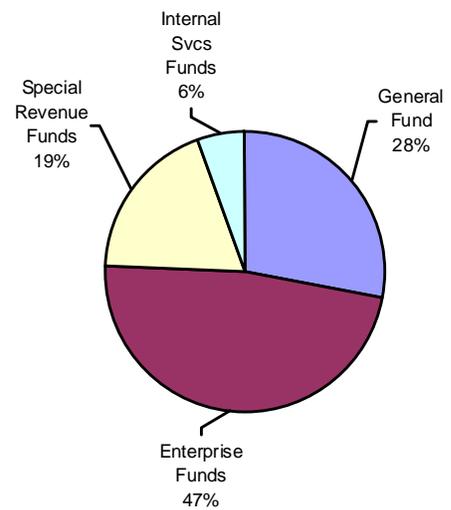
**Public Communications
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 164,669	\$ 153,836	\$ 153,587
Supplies	21,081	22,600	14,600
Other Services & Charges	31,322	41,215	55,660
Total	\$ 217,072	\$ 217,651	\$ 223,847
Cost Recovery	\$(167,592)	\$(150,552)	\$(161,235)

**Public Communications
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	2.10	2.00	2.00
Administrative Svcs Dir	0.10	0.00	0.00
Public Affairs Director	1.00	1.00	1.00
Public Affairs Coordinator	1.00	1.00	1.00

**Public Communications
Funding Sources**



Significant Expenditure Changes: Public Communications exhibits a 35.4% reduction in their Supplies category. This is due to reduced funding for small tools and equipment along with other operating supplies. Each department/division was required to cut back on their expenditure requests for FY2011.

Other Services and Charges shows a 35.0% increase when comparing the FY2011 budget to the FY2010 estimated endings. As explained with other divisions, this a result of the Human Resource and Information Technology costs recoveries being distributed throughout the General Fund.

Special Events

Division Mission: To create an “Everybody’s Hometown Destination” for locals and visitors.

The development, presentation, support and promotion of special events which entertain, enhance quality of life, encourage community pride and participation, aid in developing a greater cross cultural community and assist all special event sponsors throughout the community.

Prior Year Results and Outcomes:

Maintain and input upcoming event and programs from outside and city sponsored events to the City’s Calendar. This is to help keep our locals and tourists informed as to what’s happening in Prescott.

Increased out of area tourism with in-kind advertisements through all forms of media.

Increased attendance and revenue on all Special Events.

Been successful in bringing in sponsorship dollars and in-kind service for all events.

Have increased volunteer participation for events to help off set the costs.

Was able to take last years budget for Summer Concert Series from two days to five with no additional funds, Have increased attendance on the previous year on the two days and have had such a positive response to added nights.

Working with outside organizations to co-sponsor events.

Creating a three day Centennial opening event for the kick off in 2011

Special Events Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 84,336	\$ 75,693	\$ 72,758
Supplies	22,787	18,540	6,250
Other Services & Charges	87,119	54,276	41,635
Total	\$ 194,242	\$ 148,509	\$ 120,643

Special Events Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	1.265	1.220	1.000
Administrative Svc Dir	0.025	0.000	0.000
Special Events Coord.	1.000	1.000	1.000
Temp Employees	0.240	0.220	0.000

Significant Expenditure Changes: When comparing the FY2011 budget to the FY2010 estimated endings two categories show significant decreases. The 66.3% reduction in Supplies and 23.3% reduction in Other Services & Charges comes from a portion of the Special Events budget being moved

to Economic Development. As previously stated, in FY2011 the City of Prescott will put more emphasis on Tourism Development and these monies will be available to the new Tourism Director.

Prescott Community Access Channel

Division Mission: Through the Prescott Community Access Channel, all City Council study sessions and regular meetings are televised on a weekly basis. Special programs concerning City issues are televised as well. Funding is provided primarily by an agreement to pay the Access Channel one percent of cable franchise fees received by the City of Prescott.

Prescott Community Access Channel Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Contractual Services	\$ 98,571	\$ 87,144	\$ 87,148

Significant Expenditures Changes: The City receives 5% of the cable company's gross revenues. In previous years 25% of this amount was allocated to the Prescott Community Access Channel. This contract was modified in the latter part of FY2009 and is now a flat rate per year.

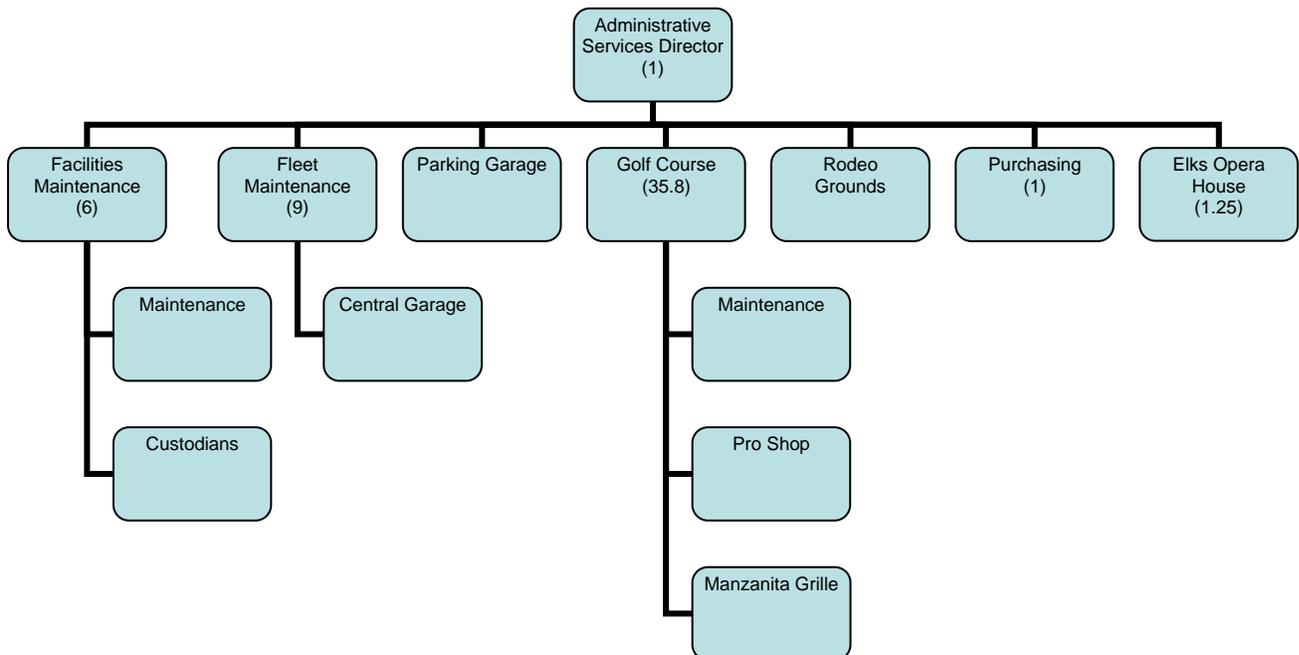
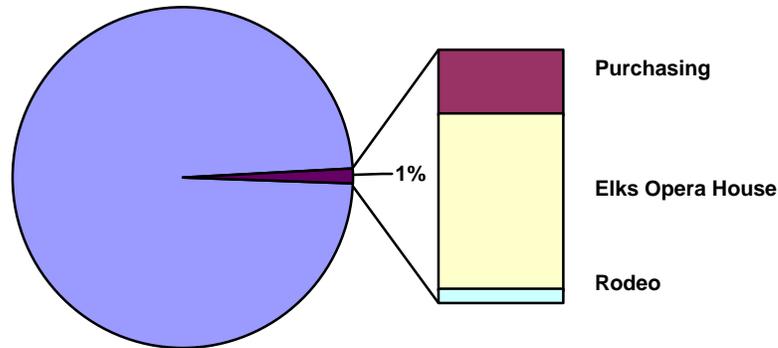
ADMINISTRATIVE SERVICES

During FY2005, the Administrative Services Department was reorganized to include Central Purchasing, Elks Opera House, Parking Garage, Public Communications, Fleet Maintenance and Facilities Maintenance. Human Resources and Risk Management are no longer a function of this department. In FY2006, the responsibility for the Manzanita Grille was assigned to the Administrative Services Director. Previously the restaurant was privately owned and operated. Finally, in FY2007 the Golf Course was added to the Administrative Services Director's responsibilities.

For additional information on Facilities Maintenance and Fleet Maintenance, see the Internal Services Funds section of this document. The Parking Garage, Golf Course and Manzanita Grille information can be located in the Enterprise Funds section.

DEPARTMENT MISSION: The delivery of internal services to the organization in order to facilitate and enhance the City's overall mission of providing superior customer service to our citizens and visitors.

% of General Fund Operating Budget



**Consolidated Departmental Expenditure
and Staffing Level Summary**

	FY09 Actual	FY10 Est End	FY11 Budget
Personnel	\$ 183,080	\$ 186,068	\$ 269,752
Supplies	17,352	17,837	21,737
Other Services & Charges	83,219	87,035	150,915
Cost Recovery	(87,660)	(75,962)	(81,025)
Capital Outlay/Projects	-	-	547,597
Total	\$ 195,992	\$ 214,978	\$ 908,976
Authorized Staffing Level	3.900	3.065	2.550
Purchasing	1.100	1.075	1.100
Elks Opera House	2.775	1.915	1.350
Rodeo	0.025	0.075	0.100

Purchasing

Division Mission: To obtain the right materials or services (meeting quality requirements) in the right quantity for delivery at the right time to the right place from the right source (a responsive and responsible supplier) with the right service at the right price in compliance with State law, the City Charter and Procurement Code, and all applicable ordinances, rules and policies, and promote environmental stewardship practices where practical.

To supply internal customers with an uninterrupted flow of goods and services.

To place emphasis on quality and best value, not simply on the lowest price and to purchase competitively by keeping ahead of the marketplace.

Goal: Provide procurement training (including Munis procedures) to all department personnel engaged in purchasing on behalf of the City.

Strategy: Develop and market quarterly training sessions focusing on various aspects of purchasing including the Munis Purchasing Module.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Average number of employees attending each quarterly training session	0	6	4

Goal: Establish and maintain excellence in customer service.

Strategy: Process properly completed requisitions within forty-eight (48) hours of receipt and formal solicitations (greater than \$10,000) within two (2) weeks of receiving complete specifications.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
% of properly completed requisitions processed into purchase orders within 48 hours of receipt.	90%	95%	95%
% of formal solicitation requests processed within two (2) weeks of receiving complete specifications	95%	93%	90%

Goal: Successful implementation of Munis Purchasing Module.			
Strategy: Develop and implement Munis purchase requisition and contract administration training sessions to department contacts.			
All department contacts responsible for purchase requisition entry into Munis shall be properly trained in Munis procedures and provided with on-going support during implementation and training.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of employees attending and completing training	N/A	10	8
Number of follow-up sessions for support	N/A	4	4

Prior Year Results and Outcomes

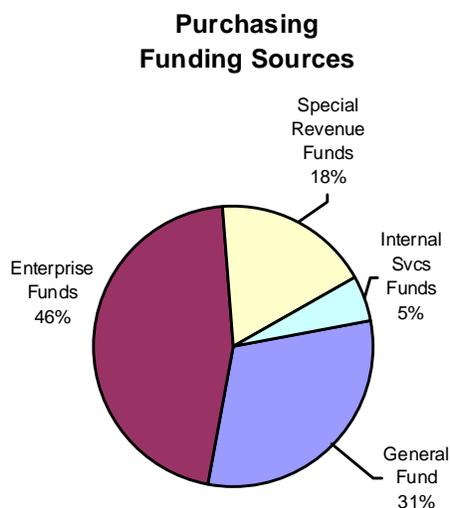
Contributed over \$1,100 to the Human Resources Employee Recognition fund via office supply rebate (requirement of contract) and vending machine rebate (requirement of contract). These monies are specifically designated for the Employee Christmas Party to assist in offsetting employee costs.

Processed 518 purchase orders and 53 formal solicitations (14% and 20% increase in volume respectively vs. FY09). The average increase in volume each year (for the past six years) has been 7% and 27% respectively. Total increase in volume since tracking began in FY04 is 41% and 164% respectively.

Collected auctioned surplus vehicles receipts in the amount of \$92,567.70.

Purchasing Expenditure Summary

	FY09 Actual	FY10 Est End	FY11 Budget
Personnel	\$ 94,371	\$ 92,723	\$ 96,245
Supplies	4,794	4,230	1,250
Other Services & Charges	7,854	8,825	19,255
Capital Outlay/Projects	-	-	547,597
Total	\$ 107,020	\$ 105,778	\$ 664,347
Cost Recovery	\$ (87,660)	\$ (75,962)	\$ (81,025)
Capital Outlay/Projects			
Old Clubhouse Refresh			\$ 275,000
City Hall Heating/Cooling			272,597
Total Capital Outlay/Projects			\$ 547,597



Purchasing Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	1.100	1.075	1.100
Administrative Svcs Dir*	0.100	0.075	0.100
Purchasing Manager	1.000	1.000	1.000

*Administrative Services Director is also charged 40% Facilities Maintenance; 20% Central Garage; 10% Rodeo; 10% Parking Garage; and 10% Elks.

Significant Expenditures Changes: An 118.3% increase is observed when comparing the FY2011 budget to the FY2010 estimated ending in Other Services & Charges. This is a direct result of the cost recovery for Human Resources and Information Technology being spread throughout the General Fund departments beginning in FY2011.

Elks Opera House

Division Mission: Enhance and preserve the historic nature of the Elks Opera House Theater while simultaneously making it a technologically competitive option for users. Promote the Elks Theater as a contributing factor in the vibrancy of the historic downtown area and enhance its status as a source of pride for all Prescottonians.

Goal: Continue to bring first class entertainment to the Elks while simultaneously raising the number of bookings for private and public events, thereby increasing the annual revenues of the theater. Create programming that will keep the Elks in the public eye and generate excitement and loyalty among patrons.

Strategy: Acquire private funding for programming through grants from corporate and private foundations. Create programming that will keep the Elks in the public eye, such as regularly scheduled events to give patrons an opportunity and reason to visit the Elks every month. Coordinate a more effective marketing plan partnering with Prescott Downtown Partnership, the Chamber of Commerce, Cable One, and PACT.

Performance Measures:	FY09 Actual	FY10* Estimate	FY11 Forecast
Revenue from rental, tickets and concessions	\$46,294	\$7,138	\$100,000
Number of events booked	42	2	75

*closed entire season

Prior Year Results and Outcomes

Underwent a 1.7 million dollar restoration/renovation project made possible by a donation from the James Harold Family Trust, the City of Prescott, and the Elks Opera House Foundation. Many local community members also donated money, services, and time. The restoration of the Elks Opera House was completed for the Gala Opening on July 24, 2010.

Created a children's theatre summer camp program. The theatre camp made it possible for 68 children to learn vocal exercises, blocking and expression, Broadway stage choreography, pop and rock choreography, music theory, lighting and effects for outside venue, and Broadway to movie history. This production was accomplished while the Elks Opera house was dark for restoration by the generosity of the Parks and Recreation Department for rehearsals and then performed on the portable stage at Granite Creek Park.

Produced and performed Scrooged and How the Grinch Stole Christmas with a cast of 52 children. This production was again performed while the theatre was dark in the Grace Sparks Activity Center.

Elks Opera House Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 84,960	\$ 78,689	\$ 158,700
Supplies	11,564	11,807	19,287
Other Services & Charges	<u>66,580</u>	<u>75,710</u>	<u>129,866</u>
Total	\$ 163,104	\$ 166,206	\$ 307,853

**Elks Opera House
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	2.775	1.915	2.350
Administrative Svcs Dir*	0.025	0.075	0.100
Elks Opera House Manager	0.000	0.000	1.000
Elks Opera House Coord.	1.000	0.000	0.000
Temp Employees	1.750	1.840	1.250

*Administrative Services Director is also charged 40% Facilities Maintenance; 20% Central Garage; 10% Rodeo; 10% Parking Garage; and 10% Purchasing.

Significant Expenditure Changes: All of the categories in the Elks Opera House exhibit significant expenditure changes. The most significant change can be observed in Personnel. The 101.7% increase when comparing the FY2010 estimated endings to the FY2011 budget is the result of the addition of an Elks Opera House Manager.

The primary reason for the large increase in Supplies and Other Services & Charges is in preparation of the Elks Grand Reopening in FY2011 and the fact that the theatre will be open all fiscal year as opposed to FY2010 when it was closed for remodeling.

Rodeo Grounds

Division Mission: To restore and maintain the historic grandstands, buildings, and grounds, home of the World's Oldest Rodeo for future generations to enjoy.

Prior Year Results and Outcomes

Facilities Staff located a water main leak under the concrete slab of Barn 'B' which was thought to be a natural spring for the past ten to fifteen years. Locating and ultimately bypassing the leak has resulted in a savings of approximately two million gallons of water a year.

Facilities recently took possession of 4,000 square feet of Barn 'A' and are currently using this square footage for much needed storage.

**Rodeo
Expenditure Summary**

	FY09 Actual	FY10 Est End	FY11 Budget
Personnel	\$ 3,749	\$ 14,656	\$ 14,807
Supplies	994	1,800	1,200
Other Services & Charges	8,785	2,500	1,794
Total	\$ 13,529	\$ 18,956	\$ 17,801

**Rodeo Grounds
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	0.025	0.075	0.100
Administrative Svcs Dir*	0.025	0.075	0.100

*Administrative Services Director is also charged 40% Facilities Maintenance; 20% Central Garage; 10% Elks; 10% Parking Garage; and 10% Purchasing.

Significant Expenditure Changes: There are no significant expenditures changes in this division.

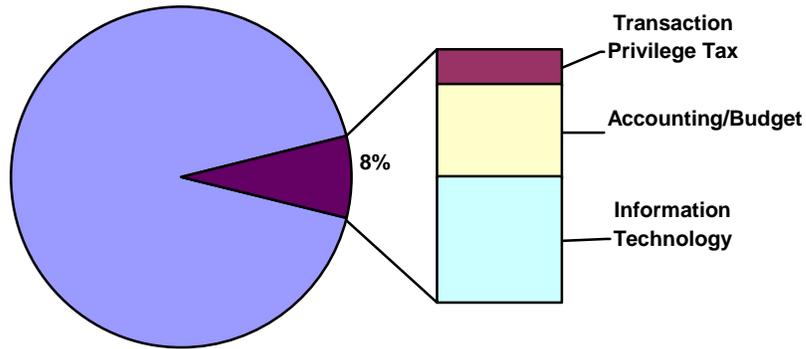
BUDGET AND FINANCE

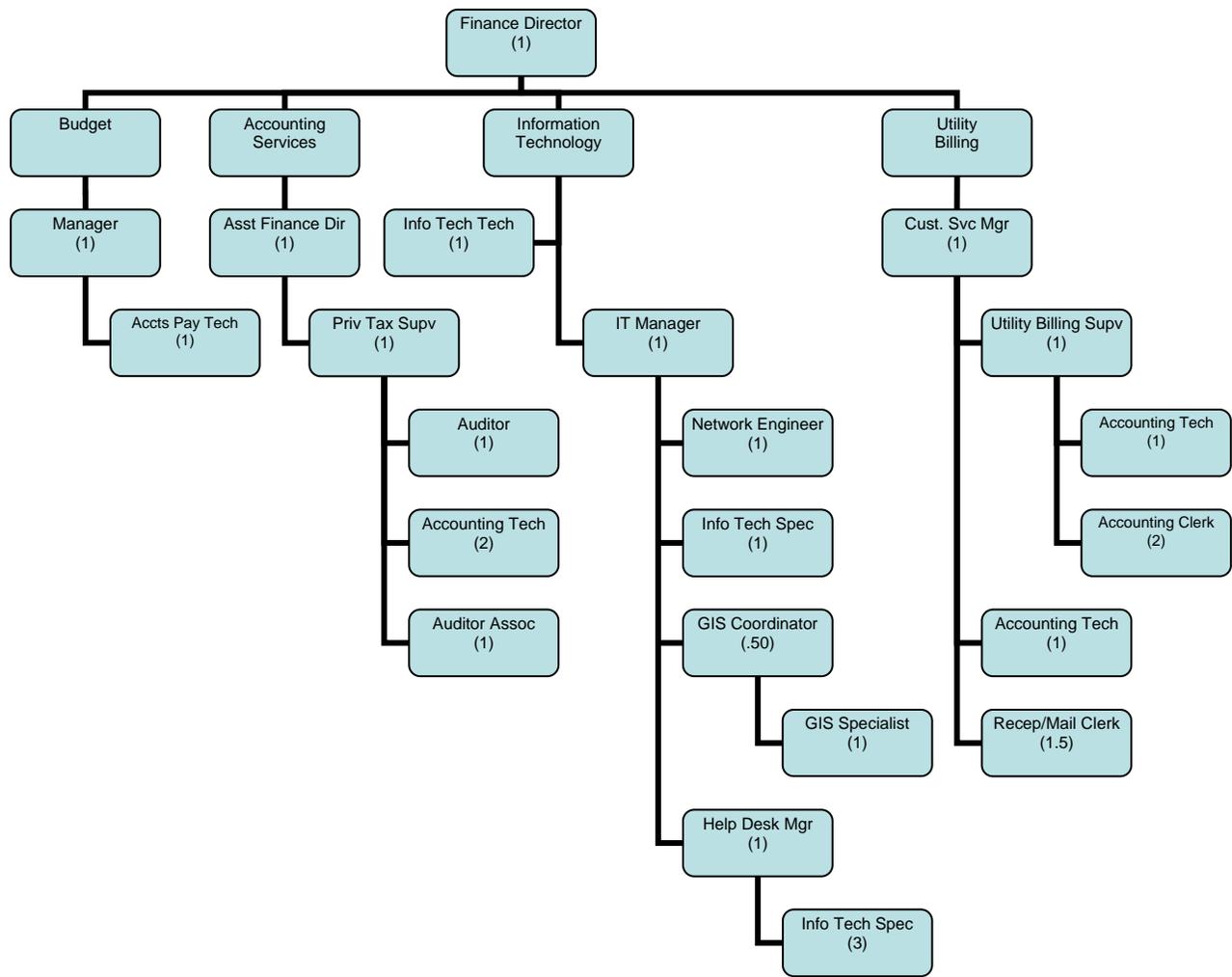
The Budget and Finance Department is accountable for all major financial management functions of the City. In addition to facilitating overall financial management and reporting for the City Manager, City Council, and the general public, this department has the responsibility for budget preparation and management, accounting, transaction privilege tax, utility billing, project management accounting, grants accounting, investments, payroll, and information technology.

For additional information on Utility Billing, see the Water Fund in the Enterprise Funds section of this book.

DEPARTMENT MISSION: The Finance Department will continue to lead in government accountability, providing creative solutions to problems while efficiently managing city resources.

% of General Fund Operating Budget





Note: Utility Billing reports to the Finance Director, but division is located in the Water Fund portion of the Budget Book.

**Consolidated Departmental Expenditure
and Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 1,817,041	\$ 1,706,011	\$ 1,684,993
Supplies	209,122	290,485	276,580
Other Services & Charges	450,226	534,704	603,606
Cost Recovery	(1,180,527)	(1,277,893)	(2,172,684)
Debt Service	41,512	55,349	55,349
Capital Outlay/Projects	74,524	61,515	302,078
Total	\$ 1,411,898	\$ 1,370,171	\$ 749,922
Authorized Staffing Level	23.50	22.00	22.00
Transaction Privilege Tax	3.00	5.00	5.00
Accounting	8.90	6.90	6.90
Mail/Copy Center	0.50	0.50	0.50
Information Technology	11.10	9.60	9.60

Transaction Privilege Tax and Licensing Division

Division Mission: To enforce the tax code by educating the public, providing clear interpretation of the tax code, and performing compliance audits; to administer the collection of privilege tax; to issue transaction privilege tax licenses as well as nonprofit and transient merchant/peddler/solicitor licenses; to maintain the privilege tax and licensing records; to keep the Budget and Finance Director apprised of proposed legislation that may affect the City's tax revenues; and to provide technical support to the director of Budget and Finance for special financial projects.

Goal: Efficiently provide taxpayer forms and information.			
Strategy: All information requests will be handled within 3 working days.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
% compliance with promised response time to taxpayer inquiries	100%	100%	100%

Goal: Promote accurate privilege tax self-assessments through compliance audits and educations.			
Strategy: Conduct education seminars for the various taxable activities.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of information handouts available for selected areas of taxation, business related matters	28	28	28
Number of Privilege Tax Audits (Desk & Field)	469	351	420

Goal: Collect delinquent privilege tax accounts and minimize write-offs.			
Strategy: Maximize collection effort by phone calls and timely follow-up			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Audit assessments which have gone to hearing	0	1	0

Prior Year Results and Outcomes

Successfully completed 49 field audits for a total of \$451,292.

Completed 420 desk reviews for a total of \$268,235.

Completed and collected 54 Use Tax desk reviews on out of state vehicle purchases in the amount of \$17,472.

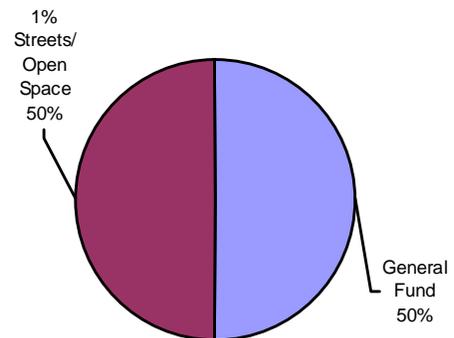
Maintained the service level of getting privilege tax forms out in three days or less after the close of the reporting period.

Issued 1,409 new privilege tax licenses; of which 97 were commercial rental and 659 were residential rentals. The balance of 653 new licenses is a compilation of the various taxable classifications such as retail sales and construction contracting.

**Transaction Privilege Tax & Licensing
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 224,570	\$ 307,442	\$ 307,472
Supplies	2,079	4,930	4,430
Other Services & Charges	47,929	58,435	73,128
Total	\$ 274,578	\$ 370,807	\$ 385,030
Cost Recovery	\$ (130,536)	\$ (162,269)	\$ (192,548)

Transaction Privilege Tax & Licensing Funding Sources



**Transaction Privilege Tax & Licensing
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.00	5.00	5.00
Privilege Tax Supervisor	1.00	1.00	1.00
Privilege Tax Auditor	1.00	1.00	1.00
Privilege Tax Auditor Assoc	0.00	1.00	1.00
Accounting Technician	1.00	2.00	2.00

Significant Expenditures Changes: Other Services & Charges shows a 25.1% increase for FY2011. This is due to the Information Technology and Human Resource allocation for cost recovery.

Accounting/Budget

Division Mission: To provide accurate and meaningful financial solutions and information that meets our customer's expectations.

Goal: Leverage technology to deliver efficient, economic and innovative financial solutions.

Strategy: Provide effective and efficient accounting and financial support through the use of innovative and creative approaches.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Cost to deliver financial services as a percentage of total City operating budget	1.17%	1.4%	1.3%
City credit card purchases <ul style="list-style-type: none"> • Volume 	4,102	13,825	15,000

• Dollars	\$982,361	\$2,675,000	\$3,000,000
Checks issued to vendors	11,682	9,750	9,500

Goal: Produce a comprehensive, user-friendly budget document that meets the criteria prescribed by the Government Finance Officers Association (GFOA).

Strategy: Follow the guidelines established by the GFOA.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Receive the GFOA award	Yes	Yes	Yes

Goal: Encourage involvement and distinction in reporting.

Strategy: Coordinate the annual financial audit maintaining accuracy, consistency and integrity.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Unqualified opinion on the annual financial audit and single audit from external auditors, which are completed by November 30 th .	Yes	Yes	Yes
Comprehensive annual Financial Report in conformance with GAAP and GFOA financial reporting benchmarks	Yes	Yes	Yes

Goal: Safeguard the City's cash and maximize yields.

Strategy: Manage the City's investments in accordance with the investment policy and while obtaining high yields.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Average yield on investments (that exceeds the benchmarks below)	2.70%	1.50%	1.50%
Three month U.S. Treasury Bill average	.05%	.08%	.11%

Prior Year Results and Outcomes:

Received the Distinguished Budget Presentation Award (highest form of recognition) for the eighth year in a row.

Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada for the City's Comprehensive Annual Financial Report.

The new Munis Payroll/Human Resource software package is nearing full implementation; once this occurs the system will provide greater efficiency and additional tools to manage the City.

**Accounting/Budget
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 708,688	\$ 591,445	\$ 592,021
Supplies	12,774	5,850	6,050
Other Services & Charges	91,088	108,036	181,310
Mail & Copy Center	72,746	115,544	117,436
Debt Service	-	55,349	55,349
Capital Outlay/Projects	1,680	61,515	177,138
Total	\$ 886,976	\$ 937,739	\$ 1,129,304
Cost Recovery	\$ (656,265)	\$ (697,122)	\$ (696,804)
Capital Outlay/Projects			
Financial Reporting System			177,138
Total Capital Outlay/Projects			\$ 177,138

**Accounting/Budget
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	8.90	6.90	6.90
Finance Director*	0.90	0.90	0.90
Asst Finance Director	1.00	1.00	1.00
Customer Services Mgr	1.00	1.00	1.00
Budget Manager	1.00	1.00	1.00
Payroll Specialist	1.00	0.00	0.00
Accounting Technician	3.00	2.00	2.00
Account Clerk	1.00	1.00	1.00

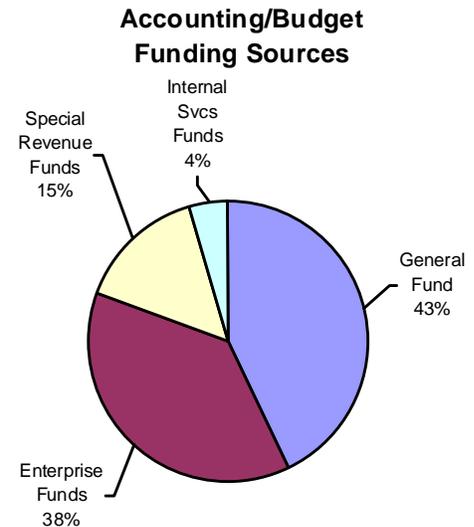
*The remainder of the Finance Director is charged to the Information Technology Division.

Significant Expenditure Changes: Other Services & Charges reflect a 67.8% increase largely due to the distribution of Information Technology and Human Resource cost recovery throughout the General Fund departments/divisions.

Information regarding the Financial Reporting System can be located in the Capital Improvement Plan at the end of this book.

Information Technology

Division Mission: The Information Technology Division will provide and deliver quality and innovative information solutions and services in a timely manner through the appropriate use of technology within a long-range plan that enables departments within the City to meet their goals in the most cost-effective and efficient manner possible.



Goal: Provide the City a stable, secure, and accessible network.			
Strategy: To maintain the city network up time at 100% during the fiscal year.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
% of up time	99.9%	100%	100%

Goal: Provide user training and support to maximize user productivity.			
Strategy: To train 20% of users during the fiscal year.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
% of users trained	30%	25%	35%

Goal: Assist the departments in cost effective automation solutions.			
Strategy: Implement 100% of approved projects successfully.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
% of approved projects	100%	100%	100%

Goal: Provide an up-to-date technology road map for the City.			
Strategy: Review and update the technology plan annually.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Reviewed and updated plan.	Yes	Yes	Yes

Prior Year Results and Outcomes

IT

Mobile Data Computers – pivotal for linking police officers and firefighters with the same data accessible to dispatchers

- Completed the infrastructure work necessary to integrate Prescott Fire Department mobile data computers with the regional dispatch center
- Completed the infrastructure work necessary to integrate Town of Prescott Valley mobile data computers with the regional dispatch center
- Completed the infrastructure work necessary to integrate Central Yavapai Fire District mobile data computers with the regional dispatch center
- Configured over 40 Prescott Valley mobile data computers to work with the infrastructure

Worked closely with Golf Course staff to successfully implement the EZlinks point of sale and golf course management software system

Develop several blog based web sites for City departments in areas that require a more commercial web presence. This resulted in increased flexibility for the web site content and marketing strategies

Developed a dynamic web-based timeline for the history of Prescott

GIS/Addressing

Implement phase II wireless mapping at the Prescott regional dispatch center

- Provides consistent regional map data for dispatchers and mobile data computers
- Regional GIS consortium leveraged to produce and update the data used in this

Converted Parks and Recreation data to the National Recreation and Park Association GIS data standards. This allows for Prescott to engage in more effective local and regional parks data sharing

Worked with the Census Bureau to review and update addressing information for every address inside the Prescott city limits

Replaced multiple Water Service Agreement listings with an accurate and centralized listing

**Information Technology
Expenditure Summary**

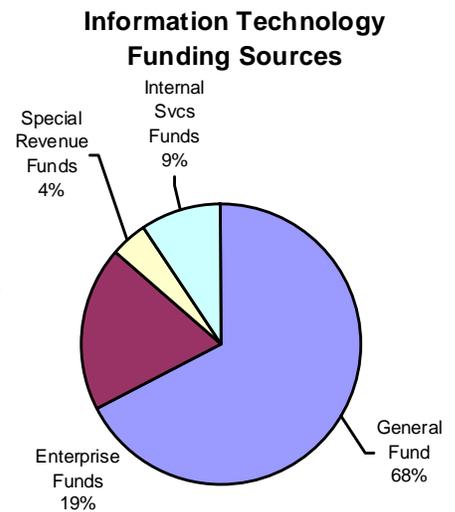
	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 873,446	\$ 791,835	\$ 770,152
Supplies	182,837	274,105	260,500
Other Services & Charges	260,230	273,578	252,680
Capital Outlay/Projects	8,636	-	124,940
Total	\$ 1,325,149	\$ 1,339,518	\$ 1,408,272
Cost Recovery	\$ (393,726)	\$ (418,502)	\$ (1,283,332)
Capital Outlay/Projects			
Document Imaging System			\$ 118,000
Geodesy			6,940
Total Capital Outlay/Projects			\$ 124,940

**Information Technology
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	11.10	9.60	9.60
Finance Director*	0.10	0.10	0.10
Network Engineer	1.00	1.00	1.00
IT Manager	1.00	1.00	1.00
Help Desk Manager	1.00	1.00	1.00
Info Tech Specialists	5.00	4.00	4.00
App Mgr/GIS Coord**	1.00	0.50	0.50
GIS Specialist	1.00	1.00	1.00
Info Technology Tech	1.00	1.00	1.00

*The remainder of the Finance Director is charged to the Accounting/Budget Division.

**Application Mgr/GIS Coordinator is charged 50% to Community Development.



Significant Expenditure Changes: A 5.0% decrease when comparing the FY2010 estimated ending and the FY2011 budget in the Supplies category is the result of a reduction in Small Tools and Equipment. With budget cutbacks, this division feel some purchases can be postponed.

Other Services and Charges shows a 7.6% decrease due an anticipated reduction in maintenance on machinery and equipment along with other miscellaneous maintenance items.

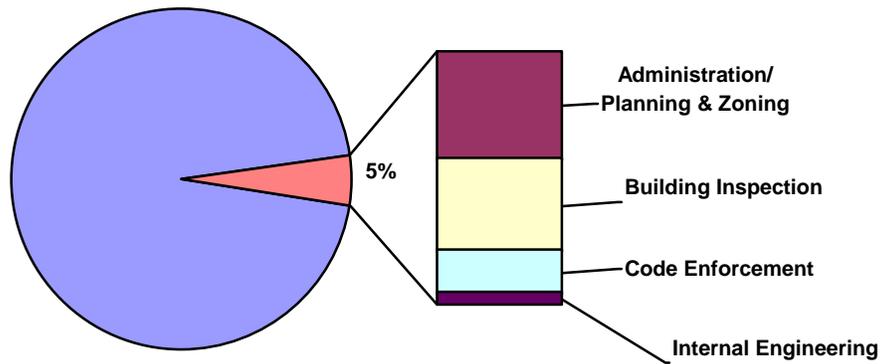
The two capital outlay/projects budgeted in this area are the Document Imaging and Geodesy. More information can be found relating to these items in the Capital Improvement Plan section of this book.

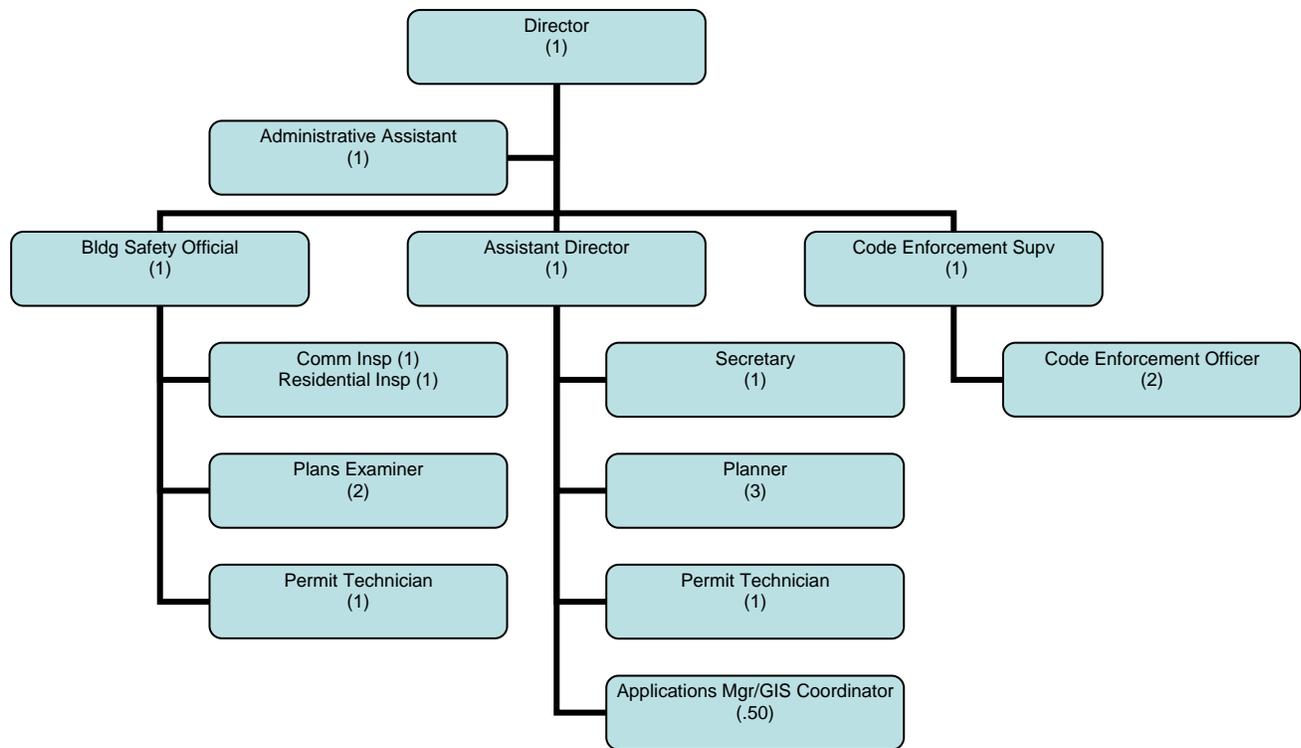
COMMUNITY DEVELOPMENT

The Community Development Department consists of the divisions of administration (incorporating the functions of planning and zoning and community development), building inspection, code enforcement and animal control.

DEPARTMENT MISSION: The mission of the Community Development Department is to promote orderly and planned growth through land use regulations designed to protect and enhance the community and its environmental, cultural, economic and aesthetic resources. Staff strives to accomplish this through high levels of productivity, responsiveness, efficiency and professionalism.

% of General Fund Operating Budget





**Consolidated Departmental Expenditure
and Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 1,486,115	\$ 1,311,031	\$ 1,248,714
Supplies	20,402	34,050	24,350
Other Services & Charges	244,019	249,459	335,451
Capital Outlay/Projects	6,337	25,000	10,000
Total	\$ 1,756,873	\$ 1,619,540	\$ 1,618,515
Authorized Staffing Level	18.55	16.53	16.63
Administration/P&Z	9.25	7.23	6.73
Building Inspections	7.20	6.20	6.30
Code Enforcement	2.10	3.10	3.60

Administration/Planning & Zoning

Division Mission: To continue to improve the efficiency and effectiveness of the Pre-Application Meetings to assist builders and developers in improving the completeness of application submittals and speeding up the length of the permitting process.

Goal: Continue to improve the efficiency and effectiveness of the Pre-Application Meetings to assist builders and developers in improving the completeness of applications and shorten the length of the permitting process.

Strategy: Promote the Pre-Application process to developers or builders as a no cost means to get necessary answers to important questions and to shorten the critical path of the permit review process.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of Pre-Application Items	77	71	75

Prior Year Results and Outcomes

Continued to update and make amendments to the *Land Development Code*

Worked with the US Census Bureau throughout the 2010 Decennial Census count resulting in one of the highest initial return rates for any Decennial Census

Prepared the HUD 2010 update to the Impediments to Fair Housing Survey to coincide with the adoption of the 2010-2015 Consolidated Plan

Maintained a high level of customer support through telephone and personal contact with planning and zoning clients

Monitored the two-year contract with the Yavapai Humane Society for animal care services via site inspections

Processed the annexation of approximately 350 acres of commercial lands east of the airport

Evaluated, nominated, and forwarded four properties to the City Council for Historic Preservation Restoration and/or Stewardship Awards

Completed the establishment of a new National Register Historic District (North Prescott National Historic District) in Fall 2009 which includes 92 buildings, one site and one structure listed in the National Register of Historic Places

Administration/Planning & Zoning Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 700,417	\$ 684,843	\$ 539,967
Supplies	13,606	14,850	11,500
Other Services & Charges	94,204	105,657	142,754
Capital Outlay/Projects	-	10,000	-
Total	\$ 808,227	\$ 815,350	\$ 694,221

**Administration/Planning & Zoning
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	9.25	7.23	6.73
Director*	0.60	0.60	0.50
Asst Comm Dev Director**	1.00	1.00	0.60
Planner	4.00	3.00	3.00
Administrative Assistant	1.00	1.00	1.00
Administrative Specialist	1.00	0.00	0.00
Historic Preservation Spec	0.50	0.00	0.00
App Manager/GIS Coord***	0.00	0.50	0.50
Secretary	1.00	1.00	1.00
Temp Employees	0.15	0.13	0.13

*Community Development Director is also charged 30% to Building Inspection; and 20% to Code Enforcement

**40% of Assistant Director is charged to Code Enforcement

***Applications Manager/GIS Coordinator also charged 50% to Information Technology.

Significant Expenditures Changes: A 21% decrease can be observed in Personnel when comparing the FY2010 estimated endings to the FY2011 budget. This is due to the retirement of the Historic Preservation Specialist in FY10 and the elimination of a Planner in the same fiscal year.

Other Services & Charges exhibits a 35.1% increase for the same time period. This is due to the methodology that is now used for distributing Human Resources and Information Technology costs. These costs are now spread through all the General Fund divisions.

Building Inspection

Division Mission: Building Safety helps foster a better community for citizens through a working partnership with the local contractors, the construction community at large, neighboring jurisdictions and by participating in the code development process at the regional, state and national levels.

The mission of the Building Safety division is to provide the local community with quality customer service via consistent, timely professional plan review and on-site inspection services. The division utilizes nationally recognized and adopted construction codes to insure minimum requirements are met that safeguard the health, safety and welfare of the public. The focus also includes safety of life and property from fire and other hazards occurring in the building environment as well as the safety of emergency responders during emergency operations. The division's focus occurs in the areas of structural strength, means of egress, stability, sanitation, adequate light and ventilation, and energy conservation.

Goal: To help provide quality education to the contractors' community, thereby reducing on-site re-inspections; and, developing a regional approach to code adoption and enforcement that better serves the contractors' community.			
Strategy: To provide contractors' meetings that include time for education, code development as well as time for contractors' to voice concerns; partnering with local jurisdictions and local contractors' associations to ensure regional implementation of code enforcement; and, enduring staff is certified in two or more areas.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Contractors' Meetings	3	3	4
Yavapai County Building Officials' Meetings	0	3	6
Percentage of reinspections	10%	17%	16%
Percentage of staff certified in two or more areas	50	60	100

Goal: To review all plans submitted to the Building Safety division within the prescribed turnaround times. One of the components includes working on the plan review and submitted process to insure the most efficient, professional process possible.			
Strategy: Monitor the plan reviews on a daily basis to ensure plans are to be taken in the order of submission; and, if necessary, implement a daily and/or weekly workload quota to ensure proper turnaround times for all submitted plans. To include, in this monitoring, an on-going evaluation of the current review process to examine areas where turnaround time may be shortened.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of plan reviews that meet current turnaround times	90	95	100

Prior Year Results and Outcomes:

Held five contractors' meetings to disseminate information relating to plan review, the permitting process and inspections to identify and take a proactive stance in solving problems experienced within the development community. Approximately 35 to 40 contractors attended each meeting.. This training helped reduce the amount of re-inspections necessary.

Updated specification sheets and code-related issues, both on the City's website and also on computer discs to reduce the cost of paper distribution.

Reviewed 95% of all plans submitted within the prescribed turnaround times.

Implemented a weekly workload quota to ensure workflow performance.

Provided cross-training for planners and plan examiners to be able to issue over-the-counter building permits and to use TrakIt for entering data.

Promoted a "better-built community" through working partnerships with the construction community and neighboring jurisdictions.

**Building Inspection
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 662,569	\$ 460,758	\$ 474,398
Supplies	4,307	13,500	9,050
Other Services & Charges	61,355	57,113	94,825
Total	\$ 728,231	\$ 531,371	\$ 578,273

**Building Inspections
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	7.20	6.20	6.30
Comm. Devel. Director*	0.20	0.20	0.30
Chief Building Official	1.00	1.00	1.00
Private Devel Facilitator	1.00	0.00	0.00
Bldg Insp/Plans Examiner	1.00	1.00	1.00
Commerical Specialist	1.00	1.00	1.00
Plans Examiner	1.00	1.00	1.00
Building Inspector**	1.00	1.00	1.00
Permit Tech	1.00	1.00	1.00

*Community Development Director is also charged 50% to Administration/Planning & Zoning and 20% to Code Enforcement

Significant Expenditure Changes: The largest significant expenditure change in this division can be found in the Other Services & Charges category. This 66.0% increase when comparing the FY2011 budget to the FY2010 estimated endings is the result of the Human Resources and Information Technology cost recoveries. As stated earlier, beginning in FY2011 the general fund portion of these costs are spread throughout the general fund divisions.

Code Enforcement

Division Mission: The mission of Code Enforcement is to uphold and enforce codes and standards established by the City Council of the City of Prescott, as well as protect the public health, safety and welfare while ensuring every citizen the right to a safe, clean neighborhood.

Code Enforcement will help insure that properties are maintained through regular neighborhood inspections and will encourage community business partners to maintain the aesthetic appeal of the business. Code Enforcement will be helpful in the economic growth of the Prescott business community; and will promote a cleaner city through public education and awareness.

Code Enforcement will conduct an enforcement program that will foster voluntary compliance and will provide education to the citizens. Code Enforcement will provide prompt corrections that are consistent and fair to noted violations.

Goal: Provide a higher level of public participation related to Code Enforcement standards through improved public notification.

Strategy: Decrease the response time for Code Enforcement to act on citizens' concerns. Enhance the current processes of notifications of possible code violations as well as the Code Enforcement hearing process. (Voluntary compliance procedures and completion of the hearing process).

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of regular mailings	4,200	4,800	3,500
Number of certified mailings	250	250	250
Cases Presented to Hearing Officer	17	20	10
Public Information Notices (Neighborhood Cleanups)	3,900	3,000	2,000

Goal: Enhance the ability to communicate the concepts of the Code Enforcement division to the citizens of Prescott. (Based on the citizens' perspective, internal procedures and education).			
Strategy: Utilize CodeTrak™ more efficiently to document information; and, utilize the City's website for general information purposes on a regular basis. (Public announcements of neighborhood cleanups will occur via newspaper and radio advertisements). Proactively educate the general public by attending neighborhood meetings, homeowners' association meetings, etc.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of cases opened	1,109	1,600	1,400
Complete Case Information	500	1,200	1,400
Website Information	N/A	Monthly	Bi-Monthly

Goal: To expand the enforcement processes and procedures to include coverage of the <i>Land Development Code</i> and other City Codes if so directed by the Community Development Director and/or City Council.			
Strategy: To provide assistance and information to the Community Development Director and staff with documentation of responses by Code Enforcement staff of <i>Land Development Code</i> /City Code violations. To continue to provide assistance to City departments in investigations of code violations outside the purview of the Code Enforcement Division.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Information gathered from 2009 Code Enforcement records to determine the response types.	N/A	20	40

Goal: To build a proactive Code Enforcement division through systematic inspections and discoveries as well as address and gain compliance before a member of the community feels compelled to report the situation.			
Strategy: Provide monthly routine inspections of area neighborhoods and major arterial routes throughout the City of Prescott in addition to responding to citizens' concerns. The target will be to decrease the percentage of externally-generated complaints by 10% annually.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of cases opened	948	1,105	1,600
Number of cases closed	901	150	1,500
Number of cases presented to Hearing Officer	2	17	30

Prior Year Results and Outcomes

Since the adoption of the City's first property maintenance ordinance (No. 17) in 1878, City Councils in Prescott have been concerned with ensuring a clean, safe and livable community. The neighborhood clean-up program is a voluntary opportunity for residents to discard unwanted trash and debris. This program enables the resolution of numerous code violations within a neighborhood to be corrected without a single notice of violation being issued. The Code Enforcement Division completed several neighborhood cleanups during the fiscal year 2010, removing approximately 80 tons of trash and debris.

In addition to neighborhood clean-up program, Code Enforcement processed the following case load in FY10: Cases opened, 1,346; cases closed, 1,476; and, cases referred to hearing officer, 20.

**Code Enforcement
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 123,129	\$ 165,430	\$ 234,349
Supplies	2,489	5,700	3,800
Other Services & Charges	23,293	21,560	32,754
Capital Outlay/Projects	6,337	15,000	10,000
Total	\$ 155,248	\$ 207,690	\$ 280,903

Capital Outlay/Projects			
Neighborhood Cleanup			10,000
Total Capital Outlay/Projects			\$ 10,000

**Code Enforcement
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	2.10	3.10	3.60
Comm. Development Dir*	0.10	0.10	0.20
Assistant Director**	0.00	0.00	0.40
Code Enforcement Supv	0.00	1.00	1.00
Code Enforcement Officer	2.00	2.00	2.00

*The remainder of the Community Development Director is charged to Administration/Planning & Zoning (50%) and Building Inspections (30%).

**60% of Assistant Director is charged to Administration/Planning & Zoning

Significant Expenditures Changes: A 41.7% increase can be observed in Personnel when comparing the FY2010 estimated endings to the FY2011 budget. This is due to a portion of the Assistant Director being charged to this division beginning FY2011. Also, the Code Enforcement Supervisor position was filled in the later part of FY2010 after sitting vacant most of the fiscal year.

The distribution of the Human Resources and Information Technology cost recoveries throughout the General Fund divisions resulted in a 51.9% increase in Other Services & Charges. This occurrence can be found in all General Fund divisions.

Internal Engineering

This division provides an account within the General Fund for the Engineering Services Division to bill its charges.

**Internal Engineering
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Other Services & Charges	\$ 65,168	\$ 65,129	\$ 65,118

Significant Expenditure Changes: This amount includes \$55,279 for 30% of 80% of the Development Services Manager's and Engineering Tech's salaries. The remainder is budgeted for other Internal Engineering charges billed to the General Fund on an as used basis.

PARKS, RECREATION AND LIBRARY

The Parks, Recreation and Library Department endeavors to provide leisure and information service systems to meet the needs of all Prescott residents and visitors. By involving the public in the planning and evaluation of these services through user surveys and citizen's boards and committees, the Department has developed facilities and activities to provide maximum leisure and learning opportunities for all ages.

This department offers organized recreation space for softball, football, soccer, jogging, fishing, boating, picnicking, camping, tennis, volleyball, basketball, hiking, biking, bird watching and a myriad of additional outdoor experiences for approximately 150,000 citizens and visitors. We provide turf, trees, trails, open space, lakes, tables, benches, ramadas, restrooms, campgrounds, ball fields, children's play areas, and a public library with a circulation of over 808,000 books per year.

DEPARTMENT MISSION: To preserve, protect, and enhance the parklands, trails, lakes and public open spaces of the City of Prescott for the benefit of citizens and visitors, acting as conscientious stewards of the environment.

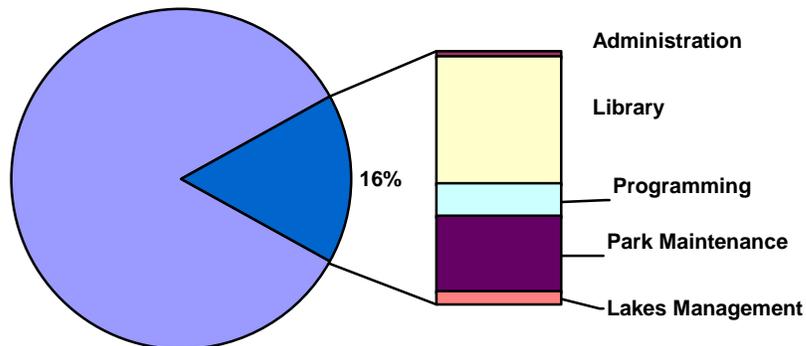
To provide leisure and information service systems that are responsive to and directed by the diverse and changing needs of our patrons.

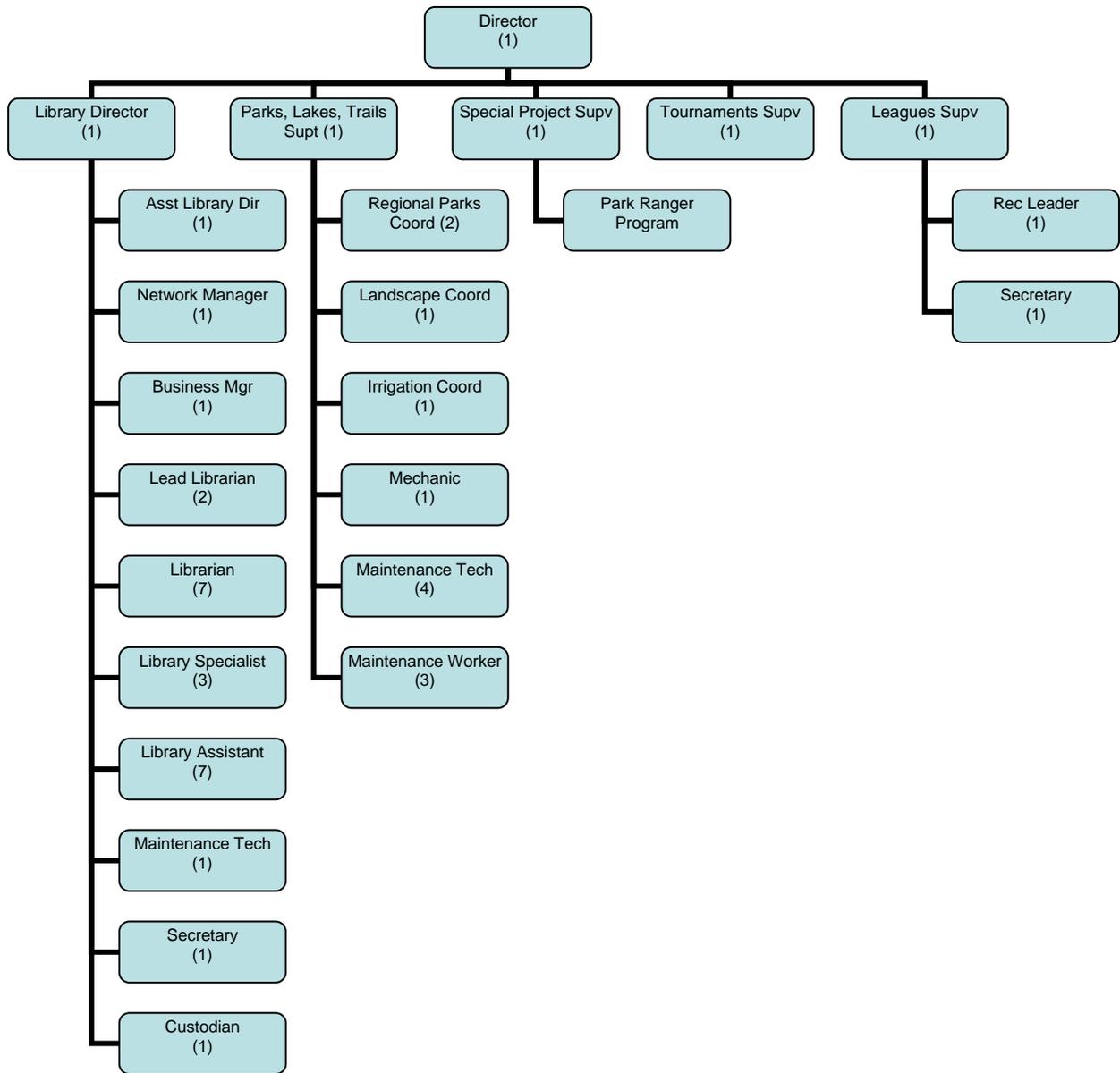
To plan for future growth and expansion of park facilities, lake properties, open spaces, trails, activity centers, and library services.

To operate well-maintained facilities including parks, libraries, and recreation centers that support our image of a polished city – beautiful and clean.

To promote Prescott's reputation as a first class tourist destination by offering great recreation, leisure and learning amenities.

% of General Fund Operating Budget





**Consolidated Departmental Expenditure
and Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 3,515,691	\$ 3,069,933	\$ 2,995,030
Supplies	683,695	601,504	414,825
Other Services & Charges	1,696,229	1,505,267	1,922,051
Capital Outlay/Projects	38,028	191,051	30,000
Total	\$ 5,933,643	\$ 5,367,755	\$ 5,361,906
Authorized Staffing Level	62.41	60.41	58.26
Administration	3.20	2.00	1.00
Library/Library Network	28.54	28.51	27.51
Prescott Gateway Branch	2.00	1.00	1.00
Programming	8.13	8.00	9.75
Park Maintenance	17.50	18.90	16.00
Lakes Management	3.04	2.00	3.00

Administration

Division Mission: To provide budget oversight for the department while serving as the purchasing manager for maintenance and programming divisions. This will be accomplished by increasing cost comparison shopping with an emphasis on shopping local when possible. Assist divisions and subdivision with annual budget process and day-to-day procedures. Conduct monthly Special Event meetings with the public to provide high quality events. Track fleet maintenance ensuring vehicles are operational and safe. Supply safety training to all employees as needed, and ensure certifications remain current. Involve employees in all required training and projects. Manage special projects within the department ensuring the city is receiving the best quality possible. Control the Department's inventory with monthly inspections of inventory.

Goal: Assist the department with purchasing getting the best price possible and trying to keep it local. Manage the fleet tracking maintenance cost and repairs. Bring down the amount of damages to the fleet with more drivers training. Manage Special Events to ensure compliance, cooperation and a quality event. Control inventory for the Department with monthly inspections.

Strategy: Continue to train employees on safety and awareness to help reduce accidents.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Total number of accidents	Unknown	23	5
Total number of personal injuries	Unknown	2	0
Strategy: Continue to maintain number of special events and try to increase			
Performance Measures	FY09 Actual	FY10 Estimate	FY11 Forecast
Total number of special events	44	40	42

**Administration
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 193,054	\$ 121,056	\$ 112,236
Supplies	1,192	4,126	8,600
Other Services & Charges	48,514	12,813	42,408
Total	\$ 242,760	\$ 137,995	\$ 163,244

**Administration
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.20	2.00	1.00
Parks & Recreation Dir	1.00	1.00	1.00
Lake Parks Supt	0.20	0.00	0.00
Parks Security Ranger	1.00	0.00	0.00
Administrative Assistant	1.00	1.00	0.00

Significant Expenditures Changes: Other Services & Charges exhibits an increase in FY2011. As in other divisions, this is due to the methodology for distributing the Human Resource and Information Technology cost recoveries.

Library and Library Network

Division Mission: The Prescott Public Library mission is to be the learning center of our community and the place people turn to for the discovery of ideas, the joy of reading and the power of information. Community needs drive our service and we take a personal interest in ensuring that they are delivered in a welcoming, convenient and responsive manner. To be a destination of choice for area residents and visitors, a keystone of Prescott's Alive Downtown.

The Yavapai Library Network mission is to provide efficient, convenient, responsive and cost-effective library services to the region via centralized hardware, software, and system administration. To lead Yavapai County and Arizona libraries by demonstrating appropriate and innovative use of technology to meet community needs. To maintain Prescott Public Library's leadership of a nationally known consortium of school, academic, museum and public libraries. To increase access to information for all Yavapai County libraries, schools, offices and homes.

Goal: Be the learning center of our community and the place people turn to for the discovery of ideas, the joy of reading and the power of information.

Strategy: To remain responsive to community needs as demonstrated by the number of items (books, videos, CDs, & magazines) checked out as well as by the number of active library cardholders.

FY09 service area population is estimated at 46,136, FY10 population at 47,416, and FY11 at 48,670.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Maintain high circulation per capita	18.5	18.7	19.0
Maintain high number of active borrowers as a percentage of Service Area Population	91.7%	92.8%	94.0%

Goal: To be a destination of choice of area residents and visitors, a keystone of Prescott's Alive Downtown.			
Strategy: Enhance and maintain library programs and services to meet community needs for comfortable leisure space, meeting room space and evening activity, while maintaining volunteer opportunities like the Friends of the Library Book Sale.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Book sales	\$68,048	\$69,409	\$70,797
Volunteers	126	130	135
Volunteer hours	16,225	16,550	16,881
Strategy: Maintain high service levels to library visitors, despite reduced resources.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Gate count (Downtown & PGB)	507,858	518,015	528,375
Meeting room use (# of bookings)	4,217	4,301	4,387
Total attendance at library programs (Downtown & PGB)	27,632	28,185	28,748
Total number of reference transactions (Downtown & PGB)	56,000	62,000	65,000
Total attendance at youth programs	15,228	15,533	15,843
Summer reading program enrollment	1,059	1,080	1,102

Goal: Increase access to information for all Yavapai County libraries, schools, offices and homes.			
Strategy: Promote use of resources and facilities of the Network's 40+ libraries, as well as of library services available 24/7.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of Intra-Network requests (items loaned to each other by member libraries)	295,652	307,478	319,777
Circulation of materials by Network member libraries (includes PPL)	2,267,062	2,357,744	2,452,054

Goal: Maintain Prescott Public Library's leadership of the Yavapai Library Network, a nationally known consortium of school, academic, museum and public libraries.			
Strategy: Encourage new members and retain old, despite reduced resources county-wide. Network stability preserves regional resource sharing and protects the City of Prescott from significant increases to ILS operating and maintenance costs.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Prescott's share of Integrated Library System purchase and maintenance costs	17.39%	22.23%	21.34%
Yavapai Library Network members	41	41	42
Special collections	8	8	9
Titles in iPAC with Accelerated Reader (AR) information for area schools	17,654	18,007	18,367
PPL as Net Borrower from YLN Libraries	PPL Loan To-66,396 PPL Borrow From – 102,066	PPL Loan To-67,724 PPL Borrow From – 104,107	PPL Loan To-69,078 PPL Borrow From – 106,189

Goal: Lead Yavapai County and Arizona libraries by demonstrating appropriate and innovative use of technology to meet community needs.			
Strategy: Reduce lines and busy signals for Prescott Public Library borrowers via use of self-service technology.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Increase calls to the automated library clerk (TeleCirc)	6,606	6,738	6,873
Increase self-placed holds as a percentage of holds placed	77.6% (115,591 self-placed, 149,051 total)	78.3% (119,059 self-placed, 152,032 total)	79.1% (122,630 self-placed, 155,073 total)
Increase self-renewal of library materials	117,273 items renewed	121,964 items renewed	126,842 items renewed
Increase use of self-checkout as % of total checkout	31% 266,314 items checked out	36% 311,746 items checked out	37% 324,216 items checked out
Maintain or increase # of patron computer uses	149,116 logins	152,098 logins	155,140 logins

Prior Year Results and Outcomes

In FY2010 539,278 people visited the library in person. Library visitors checked out 842,410 items, and logged on to public computers 137,761 times. 142 active library volunteers helped library staff with a wide array of activities, including the Friends Book Sale, which in FY2010 generated \$71,866 to support library programs and services.

Between the October 2009 opening of the new Prescott Valley Public Library and the reduction of Prescott Gateway Branch hours from 55 to 20 hours a week, check outs of library materials were down about 1% compared to FY2009. Check outs are expected to decline further in FY2010, due to budget-related cuts to Downtown Library hours and to funds available for purchase of new library materials.

Library visitation continued to increase, and was up 6% from record levels in FY2009.

Highlights of the year:

Solar-powered lights now brighten the south entrance to the Downtown Library from dusk to dawn. Originally conceived as a means of lighting the popular *Beyond Words* mural (dedicated September 26, 2009), the lights have the additional advantage of making the south side of the library safer after dark. Each set of LED lights has a solar panel and a battery that stores enough electricity to power the lights through five days of cloudy skies.

In December 2009, 63 roof-mounted solar panels began to help power library computers and lights. By the end of the fiscal year, these panels had generated enough energy to power 12,000 computers for one day. Thanks to donations from library patrons, 12 more solar panels were added in June.

In March Prescott Public Library completed the move to an RFID (radio frequency identification) system for check out, check in, and inventory control. The project has won rave reviews from library staff, volunteers and patrons. Not only does the new system reduce lines at check out and backlogs at check in, if a book or a DVD is not properly checked out, an alarm is sounded as the patron leaves the library.

The year was capped by a successful migration to all-new library software, including a new online catalog. The SirsiDynix Symphony software powers the entire Yavapai Library Network, a consortium of over 40 school, public and college libraries.

**Library/Library Network
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 1,520,042	\$ 1,542,537	\$ 1,488,401
Supplies	393,150	367,525	136,550
Other Services & Charges	522,911	451,585	993,041
Capital Outlay/Projects	12,928	93,051	-
Total	\$ 2,449,031	\$ 2,454,698	\$ 2,617,992

**Library/Library Network
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	28.54	28.51	27.51
Director	1.00	1.00	1.00
Assistant Director	1.00	1.00	1.00
Lead Librarian	2.00	2.00	2.00
Library Network Manager	1.00	1.00	1.00
Librarian	7.00	7.00	7.00
Business Manager	1.00	1.00	1.00
Library Specialist	3.00	2.00	2.00
Library Assistant	6.00	7.00	7.00
Maintenance Technician	1.00	1.00	1.00
Secretary	1.00	1.00	0.00
Custodian	1.00	1.00	1.00
Clerks (Temporary)	3.54	3.51	3.51

Significant Expenditure Changes: When comparing the Supplies category FY2010 estimated ending to the FY2011 budget there is a 62.8% decrease. This is largely due to the considerable reduction in the budget for the purchase of library books. It was determined that this area could be reduced in the upcoming fiscal year and postponing purchases for the time being.

There are two factors that result in Other Supplies & Charges displaying a 119.9% increase when comparing the same time period. First, as explained before allocating the General Fund costs for Human Resources and Information Technology throughout the divisions accounts for a portion of the larger budget. Secondly, it is anticipated that the Library will receive an increase in monies received for the County Automation Project. This money comes from the Yavapai County Free Library District which provides supplemental funding for library operations and library materials for all affiliated public libraries.

Prescott Gateway Branch

Division Mission: To provide a dynamic popular reading, video and recorded books collection, and a convenient pickup and drop-off point for materials from other Network libraries. To provide convenient passport application acceptance services to the region. To provide popular services, such as public Internet access, to citizens and visitors. To provide meeting, event, display and brochure spaces that can be used by citizens and City officials for various purposes.

**Prescott Gateway Branch
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 105,078	\$ 42,614	\$ 42,884
Supplies	2,322	1,874	1,875
Other Services & Charges	15,955	4,614	9,364
Total	\$ 123,355	\$ 49,102	\$ 54,123

**Prescott Gateway Branch
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.00	1.00	1.00
Librarian	1.00	0.00	0.00
Library Assistant	2.00	1.00	1.00

Significant Expenditure Changes: There are no significant expenditures changes in this division.

Recreation Programming

Division Mission: To organize and provide recreational and leisure opportunities for citizens and visitors of all ages and abilities. "Your leisure time is our *business!*"

Goal: Increase community awareness of the Special Needs population. Allow the group to give back to the community through work and celebration.

Strategy: Seek opportunities to perform community service through organizations such as Habitat for Humanity, Granite Creek Clean Up, Crisis Pregnancy Center and others.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of community service work projects	5	5	6
Number of performances by the SNAP signers	8	12	12
Number of Social Nights Out	5	8	8

Goal: To maintain the success of City adult sports leagues in the current economic climate.

Strategy: Maintain registration fees at 2009 levels. Obtain competitive quotes from local merchants for awards and trophies. Utilize balls and other equipment in frugal ways for as long as safely possible. Hold wages of staff and contract employees at 2009 levels.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Summer softball teams	140	140	150
Spring softball teams	N/A	N/A	100
Individual softball players registered	1,680	1,680	3,000
Spring volleyball teams	32	32	32
Fall volleyball teams	44	44	44
Individual volleyball players	610	610	640
Winter basketball teams	45	39	45
Summer basketball teams	24	28	28
Individual basketball players registered	544	536	584

Goal: To continue administrating the annual Senior Olympics games that promote tourism and health awareness for senior citizens.			
Strategy: Continue the recruitment and appointment of the volunteer committee members. Continue to maintain the number of events. Continue to increase participation in all events. Continue to utilize local venues for the events.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Recruitment and training of volunteer committee members	27	25	25
Number of Senior Olympic events	29	29	26
Number of Senior Olympic participants	1,061	935	900
Number of Venues for Senior Olympic events	19	17	17

Goal: To maintain the success of City Tournaments that will continue to generate economical impact and tourism.			
Strategy: Bring one additional ASA Youth Tournament over Memorial Day Weekend.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of Memorial Weekend ASA Youth Tournament Teams	16	16	30
Strategy: Continue conducting two annual ASA Youth Open Invitational tournaments that remain self supportive.			
Performance Measures	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of ASA "Beat the Heat" teams	26	30	35
Number of ASA "Best of the West" teams	57	60	65
Strategy: Conduct the City's first ever ASA Adult Slow-Pitch National Championships in our new 4-plex			
Performance Measures	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of ASA men's Class "C" Slow-Pitch National Championship Teams	0	20	20
Strategy: To host and conduct two separate ASA Men's Fast-Pitch National Championships and strive to obtain our "Award of Excellence" with a performance rating of 90% or higher			
Performance Measures	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of Men's 40 and Over Teams	0	8	0
Number of Men's 50 and Over Teams	13	12	0

Prior Year Results and Outcomes:

Summer sports continue to prosper in the City of Prescott. Our Summer City Adult Softball League increased from 138 teams in 2009 to 150 teams in 2010. Our teams play Monday through Friday from May-August at 6 different ball fields in Prescott. We had 125 returning teams with 25 new teams that have never played softball in Prescott which is a great sign for the future. There are 64 Men's Slow Pitch, 65 Co Rec Slow Pitch, 6 Men's Senior Slow Pitch, 8 Women's Slow Pitch and 7 Men's Fast Pitch Teams. Overall, nearly 3,000 individuals were on City league Softball rosters. Per capita, Prescott has the largest softball program in the State.

Other City adult sports organized by the Recreation Programming Division include adult basketball and adult volleyball leagues. We organize a 10 week winter basketball and 6 week summer basketball program with over 75 teams and 600 participants in these two programs. We also provide a 10 week fall volleyball and 6 week spring volleyball programs with approximately 70 teams and 560 participants in these two programs during the non-summer months. The Division also sponsors Youth Tennis programs that services about 50 youth tennis players throughout the year.

The Recreation Programming Division moved all contracted scorekeepers and officials that work our City leagues and ASA tournaments from an annual contract to becoming city employees. This was a difficult

process, but we successfully transitioned over 70 contracted employees to part time seasonal personnel within the department. We also had to transition our ASA tournaments from an outside bank account to organizing these tournaments through the City of Prescott. We worked with the finance department and now have all entry fees go directly through us as well as pay our newly transitioned staff that includes scorekeepers, officials and site supervisors as City employees. Overall, the 2009 economic impact for all ASA tournaments as well as the AYSO Mile High Soccer Classic brought \$4.8 million to the City.

The Recreation Programming Division co-sponsors a variety of Youth and Adult organizations by providing facilities and league administration throughout the year. These include the Prescott Little League Baseball (700 players), Prescott Rebels Baseball Club (100 players), Prescott Girls Softball Association (250 players), AYSO Soccer (1,100 players), and Prescott Youth Football (250 players) programs throughout the year. These youth organizations utilize every city facility we have to offer during their seasons. We also co-sponsor, Yavapai College Softball and Soccer programs at Ken Lindley Field and Roughrider Park fields respectfully, as well as Senior Softball at Pioneer Park and Heritage Park, and finally the Prescott High School Girls Softball program at Pioneer Park.

One beneficial addition to the department was the creation of a new Prescott Athletic Board in February 2010. This board is comprised of all of our co-sponsored youth league presidents and school related athletic directors. The board meets once a month for one hour to improve communication between all organizations that utilize City and School District fields. This also serves to better coordinate each individual organization's schedule simultaneously and address everyone's needs as a whole. Every representative who has attended believes this is a great format to relay information to all of our user groups and get everyone on the same page on a monthly basis.

The Recreation Programming Division also serves as the Reservation desk for park Ramadas and meeting room rentals. Staff processed over 1,300 reservation requests this year, serving the recreational needs of over 80,000 participants.

Finally, the 11th annual Prescott Senior Olympics played host to approximately 800 Senior Olympic athletes, ranging from 50-96 years of age. About 50% of the athletes traveled to Prescott from outside Yavapai County to participate. It is estimated that the Senior Olympic teams generated an economic impact of over \$375,000 in Prescott in a two week period. Senior Olympians participated in over 30 events such as softball, volleyball, basketball, mountain biking, track and field, tennis, badminton, bocce, and scrabble.

**Recreation Programming
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 591,618	\$ 413,001	\$ 387,677
Supplies	59,193	31,412	48,800
Other Services & Charges	334,811	259,339	236,950
Capital Outlay/Projects	10,100	-	-
Total	\$ 995,722	\$ 703,752	\$ 673,427

**Recreation Programming
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	8.13	8.00	9.75
Assistant Director	0.50	0.00	0.00
Supt of Administration	0.00	1.00	0.00
Recreation Supervisor	1.00	1.00	1.00
ASA/Tournament Supv	1.00	1.00	1.00
Recreation Leader	1.00	1.00	1.00
Secretary	1.00	1.00	1.00
Summer Inst. (temp)	3.63	3.00	5.75

Significant Expenditure Changes: Parks and Recreation Programming Division exhibited a lot of changes when comparing the FY2010 estimated endings to the FY2011 budget. Personnel showed a 6.1% decrease due to the movement of the Superintendent of Administration being moved to the Parks Maintenance budget in FY2011. This is partially offset by an increase in temporary salaries. In the previous years scorekeepers and umpires were paid as contract employees, but due to IRS regulations they are now paid as temporary employees. A reduction will be observed in Other Services & Charges for this reason.

A large increase is displayed in Supplies for the same time periods. The 55.4% higher budget is a result of moving expenses for Senior Olympics out of the Transient Occupancy Tax fund into this area. Most of the costs involved with Senior Olympics are recovered through fees charged to the athletes and donations.

Other Services & Charges has many changes that have occurred. The reduction due to the shifting of the scorekeepers and umpire pay into the Personnel category along with the addition of the portion of the Human Resource and Information Technology cost recovery assigned to Recreation Programming affected this area.

Parks, Trails and Landscape Maintenance

Division Mission: Our mission is to adequately maintain and manage high quality recreational experiences within our park system, three city-owned lakes, Mile-High Trail System, athletic facilities, landscaped areas, and natural parklands (a.k.a. open space areas) in a safe and efficient manner. We strive to encourage pride and a sense of personal ownership by staff in the appearance and function of our Parks and Recreation facilities. Furthermore, our secondary mission is to provide high quality special events and bandwagon services to residents and visitors of the quad-cities area.

Prior Year Results and Outcomes

Parks

Renovation of and improvements to the sand volleyball and horseshoe areas at Jim McCasland - Willow Creek Park. Some of these upgrades were funded by Sunup Rotary.

Additional chain link fencing at Heritage and Pioneer Parks to better secure the facilities.

Mural painting of the restroom at Acker Park.

Painting and gate upgrades to Bill Vallely Fields at Roughrider Park.

Extensive cleanup and repairs to Granite Creek Park following the January flood event. Extensive tree, fence, sediment, and debris removal was required to return the park to ideal conditions.

Upgrades to Granite Creek Park prior to the employee picnic included painting the restroom and Ramada, and reconstruction of the horseshoe area.

As a joint venture with Yavapai County, the in-line hockey complex was completed at Pioneer Park, and is cooperatively managed with Prescott Youth Hockey Association with occasional hockey tournaments. This complex and complimentary landscaping and picnic Ramadas near the four-plex, have greatly benefitted the visitor experience.

Upgrades to turf throughout the park system using a new mulch for better nutrition. This was made possible through funding from the City's water conservation program, which also included all new low-flow sprinkler heads for Flinn Park, and many new low-flow sprinkler heads for Granite Creek Park.

The Parks Division continues to offer major support to all city events including 4th of July, City Employee Picnic, Eggstraveganza, Dogtoberfest, and the December Dickens of a Holiday event.

Additionally, the Parks Division continues to provide and set-up the City's bandwagon (portable stage) for 20+ events per year. One of these events includes Epic Rides' Whiskey Off-Road Mountain Bike Race in April, which has evolved into one of the largest mountain bike races in the southwestern U.S. attracting over 1000 racers.

Mile High Trail System

The City of Prescott continues to be one of the most progressive cities in Arizona in developing and managing a recreational a transportational trail system. Credit is partially due to political support and the many necessary easements from private property owners.

2.5 miles of new trails were constructed with the addition of a trail system in the Granite Dells north of Watson Lake, and west of the Prescott Peavine National Recreation Trail. These trails offer a variety of loops, and access to the scenic canyons north of Watson Lake. These additional trails bring the City's total mileage to 35.5 miles under City of Prescott management.

Reroutes and upgrades were completed to both the Aspen Creek and Butte Creek trails (i.e., City trails on public easements within Hassayampa Golf Club).

Planning is occurring to complete trail system loops around both Watson and Willow Lakes, which includes progress with private property owners. These trails will be a powerful tool in enticing tourists to our area

Following the flooding in mid-January, most of the damaged three-mile greenways trail system was reconstructed through a joint venture with the City's Field Operations Department, with assistance from City trail volunteers. Funding was made possible by the City's transient occupancy tax set aside for open space management.

The City trail volunteers, also known as, the Over-The-Hill-Gang, continue to work every Monday and some Saturdays to construct and maintain the City's trail system. This volunteer labor source was established in late 1998, and continues today. This labor source is also supplemented by Prescott Police Department's Community Services Program (i.e., court-appointed workers), and Yavapai County's Adult and Juvenile Probation programs. Without these labor sources, and a specific trails staff position, the trail system would not be where it is today.

Recently, the national organization Rails-to-Trails Conservancy inducted the City of Prescott's Peavine Trail, and Town of Prescott Valley's Iron King Trail to the National Rail-Trail Hall of Fame due to their scenic characteristics.

Park Ranger Program

The City's volunteer Park Ranger program was successfully launched in early FY10.

This included the recruitment and training of 26 volunteer park rangers who perform four different patrols.

These four-hour patrols include parks, trails, greenways, and open space areas and include a variety of duties to include identifying vandalism, public contact and information dissemination, locating and reporting illegal campsites, assisting park maintenance staff with litter patrol and graffiti removal, and being highly visible in attempt to deter certain behaviors in our park system

With the foundation for the program in place, another tier of park rangers is being developed for FY11 that will ideally include team patrols in evenings, and issuing parking citations for non-compliance of parking fees at the three lakes and Sun Dog Trailhead.

Open Space

Following the U.S. Army Corps of Engineers' required revegetation and monitoring of the Granite Gardens/Hazelwood purchase by the City of Prescott, the area continues to recover well from the previous impacts. It also continues to serve as the primary access point for rock climbers accessing the northern (published) climbing routes in Granite Dells.

The Community Nature Center continues to serve teachers and students of the Prescott Unified School District throughout the school year, school camps in the summer, and the visiting public on the weekends. The 2nd grade program from Taylor Hicks Elementary has used the Nature Center almost continuously for 33 years.

Much of the Granite Dells region that has been purchased with open space monies (i.e., east and west of SR89) is now open to the public via public trails. Some of these trails have been featured nationwide, as they provide the challenges many mountain bicyclists are seeking and unmatched scenery.

Prescott's Greenways continue to provide the downtown linear corridor for a non-motorized transportation trail system that links neighborhoods, parks, schools, businesses, and other destinations. These linear corridors of open space, and the non-street connectivity they provide for walkers and bicyclists, are not common in Arizona. Future connections to Yavapai College, VA Hospital, and the Prescott Rodeo Grounds will increase the importance of this interconnected system.

**Parks, Trails and Landscape Maintenance
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 896,261	\$ 854,829	\$ 830,174
Supplies	193,867	164,396	187,900
Other Services & Charges	693,904	688,193	564,275
Capital Outlay/Projects	15,000	23,000	30,000
Total	\$ 1,799,032	\$ 1,730,418	\$ 1,612,349
Capital Outlay/Projects			
Partnering Projects			30,000
Total Capital Outlay/Projects			\$ 30,000

**Parks, Trails and Landscape Maintenance
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	17.50	19.40	16.00
Asst Parks & Rec Dir.	0.50	0.50	0.00
Special Projects Supt.	0.00	0.00	1.00
Parks Maintenance Supt.	1.00	1.00	1.00
Park Regional Coordinator	2.00	2.00	2.00
Landscape Coordinator	1.00	1.00	1.00
Equipment Mechanic	1.00	1.00	1.00
Turf & Irrigation Coordinator	1.00	1.00	1.00
Maintenance Technician	3.00	3.00	3.00
Maintenance Worker	2.00	2.00	0.00
Seasonal Maintenance	6.00	7.90	6.00

Significant Expenditure Changes: The 14.3% increase in Supplies is the result of additional funding for agricultural and earth products in FY2011. This division was the recipient of several cuts in FY2010 so these purchases are necessary to maintain city ball fields and parks.

When comparing Other Services & Charges FY2011 budget to the FY2010 estimated endings an 18.0% decrease is observed. This is due to the Vehicle Replacement Fund not being funded in FY2011. Divisions such as Park Maintenance with several vehicles reflect this change more significantly.

The Capital Improvement Plan portion of this budget book provides information regarding the Partnering Projects.

Lakes Management

Division Mission: To contribute to Prescott’s reputation as a first class tourist destination.

To provide a variety of great recreation and leisure amenities and events.

To protect and enhance the unique ecosystems of Goldwater Lake, Willow Lake and Watson Lake.

Prior Year Results and Outcomes

Arizona Game & Fish Department continues to stock Goldwater Lake with rainbow trout, bass and catfish on a regular basis.

On June 12th, staff and Arizona Game & Fish Department hosted the 3rd Annual Kid’s First Fish Day.

Watson Lake Park and associated turf area continues to host a variety of special events to include the Antique Auto Show, and Prescott Pow-wow, and Ragnar Running Relay. These events draw large numbers of visitors from throughout Arizona.

Three 20 hour per week part-time AARP funded staff were hired and trained to serve as lakes customer service representatives, thereby collecting \$2 per vehicle in parking fees and providing information to the general public. The staff are also assisting the public with the transition to the automated pay kiosks.

From March 12 to June 28 of 2010, staff collected a total of \$22,234 in parking fees at the three lakes combined.

The purchase and installation of new automated pay kiosks at the three lakes and Sun Dog Trailhead for the Peavine Trail will allow the City of Prescott to capture all revenue from parking fees, for all hours of operation. Machines are expected to go live in early FY11.

**Lakes Management
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 209,638	\$ 95,896	\$ 133,658
Supplies	33,970	32,171	31,100
Other Services & Charges	80,135	88,723	76,013
Capital Outlay/Projects	-	75,000	-
Total	\$ 323,743	\$ 291,790	\$ 240,771

**Lakes Management
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.04	2.00	3.00
Lake Parks Supt*	0.80	0.00	0.00
Maintenance Tech	1.00	1.00	1.00
Maintenance Worker	1.00	1.00	2.00
Maint. Worker - seasonal	0.24	0.00	0.00

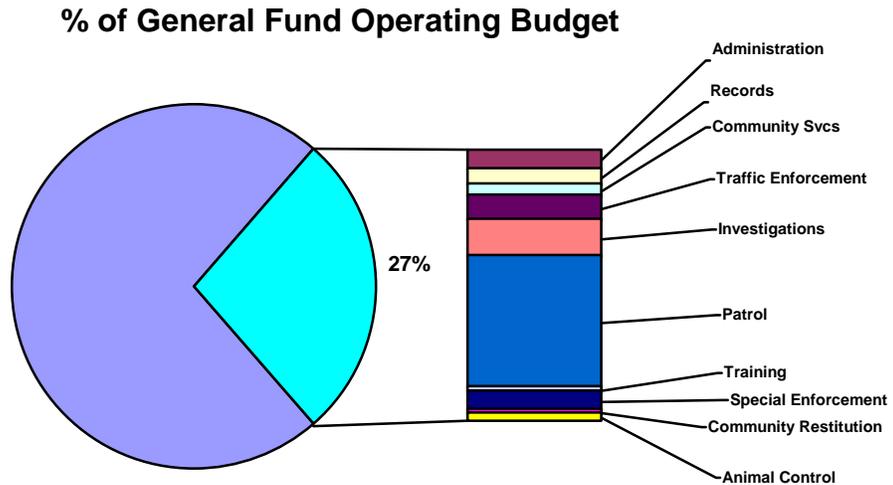
Significant Expenditure Changes: When comparing the FY2011 Personnel budget to the FY2010 estimated endings a 39.4% increase can be observed. This can be tied to the shifting of one maintenance worker from Park Maintenance to Lakes Management. This occurred during FY2010 and the full impact will be felt in FY2011.

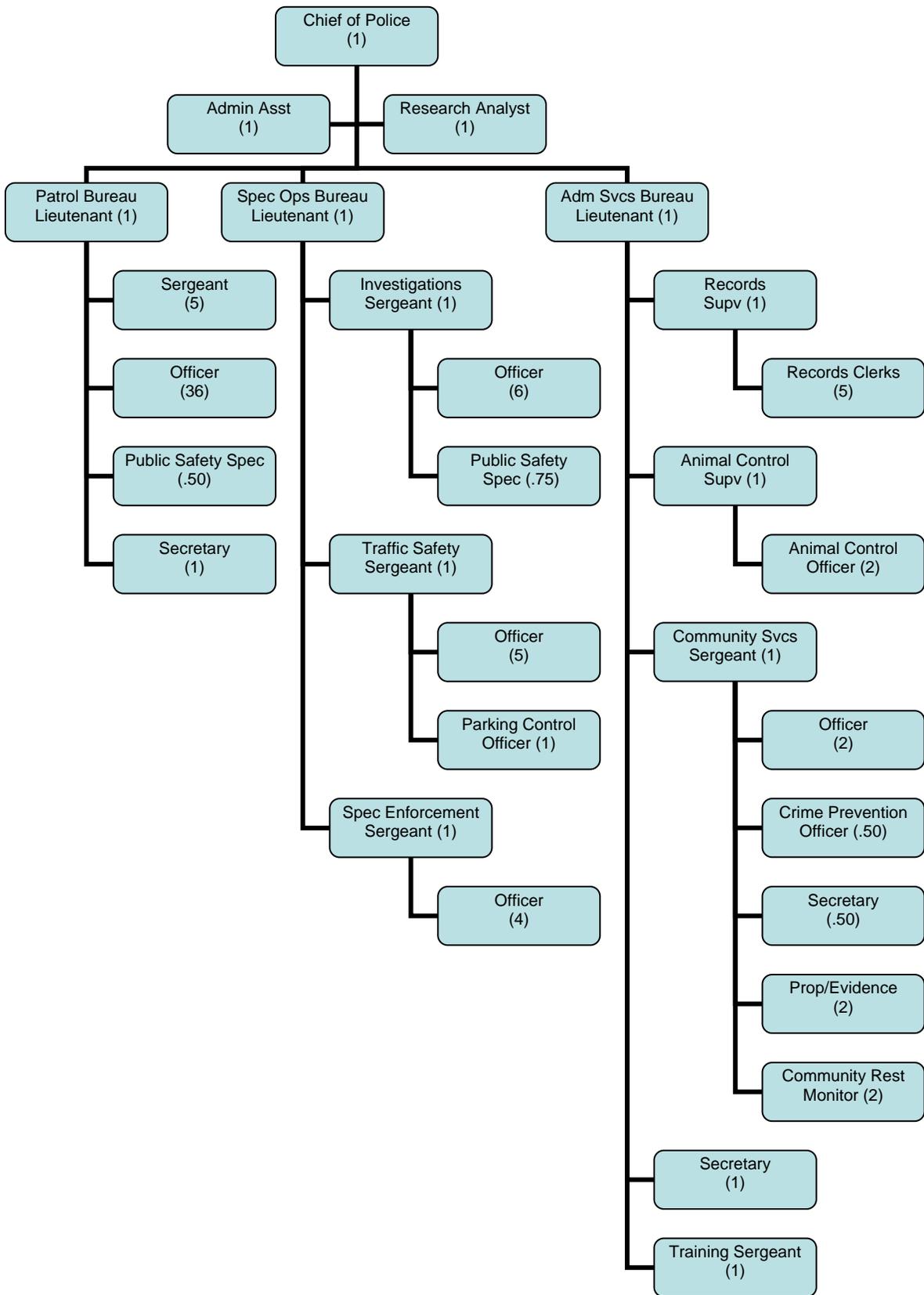
The Vehicle Replacement charges being eliminated in FY2011 is the main reason for the 14.3% decrease in Other Services & Charges.

POLICE DEPARTMENT

The Prescott Police Department is dedicated to providing our community with the best professional services available within our resources. The department is committed to establishing close working relationships with our citizens and visitors to resolve problems and issues. This department is committed to an aggressive response to criminal activity throughout the City of Prescott in a manner consistent with safeguarding the rights of all citizens.

DEPARTMENT MISSION: The mission of the Prescott Police Department is to protect people, property, and rights in our community.





**Consolidated Departmental Expenditure
and Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 8,007,262	\$ 7,997,889	\$ 7,669,693
Supplies	340,818	286,840	286,875
Other Services & Charges	1,499,573	1,224,561	1,110,753
Total	\$ 9,847,653	\$ 9,509,290	\$ 9,067,321
Authorized Staffing Level	95.85	88.75	88.25
Administration	6.00	4.00	4.00
Records	6.00	6.00	6.00
Community Services	4.00	4.00	4.00
Traffic Enforcement	8.00	7.00	7.00
Investigations	12.75	11.75	11.25
Special Enforcement	5.00	5.00	5.00
Patrol	45.50	43.50	44.50
Training	1.00	1.00	1.00
Animal Control	5.10	4.00	3.00
Comm Restitution Prog	2.50	2.50	2.50

Administration

Division Mission: The mission of the Police Administration is to manage and support the divisions within the Prescott Police Department to insure all divisions are working toward the accomplishment of their goals and the department's mission.

Goal: Create a strategic plan for the Prescott Police Department.

Strategy: Through a cooperative effort of all divisions and bureaus within the Prescott Police Department, build a living document that offers vision and direction for our employees.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Completed document	Yes	Yes	Yes

Goal: To insure the community receives efficient public safety response to address crime and respond to calls for service that will enhance the community's quality of life.

Strategy: Maintain a fully staffed, professional and well trained police force to handle all calls for service.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
UCR Part I	1,359	1,490	1,500
UCR Part II	3,487	4,041	4,050
Calls for service	29,771	30,370	30,500

Goal: Provide public safety support to local area agencies and organizations.

Strategy: Supply manpower to assist in cooperative efforts in public safety, training, and community policing.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
NARTA Advisors	1	0	1
NARTA Instructor Hours	420	370	840
PANT Detective	1	1	1

PUSD/Sacred Heart DARE/School Resource Officers	3	2	2
MATForce	2	2	2
NACOG – Youth Council	0	1	1
IFEMG	3	3	3
Salvation Army	1	1	1
Special Events Committee	1	1	1
PANT Board of Directors	1	1	1

Prior Year Results and Outcomes

Chief of Police Randy Oaks retired in January 2010; Deputy Chief Mike Kappel appointed as Chief of Police.

Implemented requirement that all supervisors and managers participate in career pathing and mentoring with their subordinates in order to enhance professional development.

The Department continues to participate in the Northern Arizona Regional Training Academy (NARTA) and Chief Kappel serves on the Board of Directors. Department personnel continue to contribute a significant number of hours to provide quality class instruction, as well as a full-time class advisor to each of the classes held during the year.

Chief Kappel continues to serve as a member of the Board of Directors for the Partners Against Narcotics Trafficking (PANT). Also continued operational support of PANT through assignment of one Detective to assist this special investigative and enforcement unit.

Continued to promote the Department's community policing effort by partnering with community business owners, service organizations, and citizenry. Numerous meetings were held to share information, encourage community involvement, and enhance communications in an effort to reduce crime and increase our service level to the community.

With funding assistance from the Department of Homeland Security, an airport security program was implemented with the hiring of three part-time Arizona certified police officers.

We continue to implement programs and processes to bring the Department into the electronic age. Implementations include:

- Mobile data computers (MDC's) expanded to all Patrol vehicles and transport van
- Mobile email, report writing, GPS, and Mobile Mapping capabilities added to MDC's
- On-line booking capabilities with Yavapai County Sheriff's Office added to MDC's
- MDTForce - a mobile dispatch solution which works through our dispatch center to deliver critical dispatch information to the units on the street
- License Plate Reader installed and operational
- Thermal Imager installed and operational
- Electronic ticket writers (E-Ticket Writers)
- Electronic Patrol squad briefings

Successfully pursued grants that have allowed the Department to continue participating in DUI saturation patrols, partnering with the Prescott Valley Police Department for education and enforcement of auto thefts, seatbelt and child restraint safety. Our Department has also been awarded additional grant funding to provide body armor and equipment for our officers, purchase equipment and supplies in support of law enforcement programs, and provide enhanced police services to our community.

Chief Kappel continues to serve on the Executive Committee for MATForce.

Lieutenant Andy Reinhardt serves on the Arizona Council of Governments' local Workforce Investment Board and serves on the MatForce Steering Committee.

The Prescott Police Department's Honor Guard is made up of nine (9) officers from different sections of the Department. During the last fiscal year, the Honor Guard performed at a number of events, including:

- September 11th Tribute - Tempe
- Arizona Police Officer Memorial – Phoenix
- Two fallen Police Officer funerals - Phoenix
- School Resource Officer Conference - Prescott
- Posted colors for the Irish Guard – Yavapai College, Prescott
- Posted colors for the Phoenix Coyotes – Glendale

Provided departmental response to numerous citizen and business requests for city-wide crime statistics.

Provided central location for administration of all Police Department federal, state and county grant awards.

Completed background investigations for six new Citizens on Patrol volunteers and one new Crime Prevention volunteer. During FY2009/2010, Department volunteers worked a total of 10,167 hours, including 7,691 hours by Citizens on Patrol volunteers.

Administration Expenditure Summary			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Personnel	\$ 540,726	\$ 514,499	\$ 389,878
Supplies	10,053	11,675	10,675
Other Services & Charges	330,055	278,989	311,588
Total	\$ 880,834	\$ 805,163	\$ 712,141

Administration Staffing Summary			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Authorized Staffing Level	6.00	4.00	4.00
Police Chief	1.00	1.00	1.00
Deputy Police Chief	1.00	0.00	0.00
Police Lieutenant	1.00	1.00	1.00
Police Research Analyst	1.00	1.00	1.00
Quartermaster (Act Analyst)	1.00	0.00	0.00
Administrative Assistant	1.00	1.00	1.00

Significant Expenditures Changes: The 24.2% decrease in Personnel can be linked to the elimination of the Deputy Police Chief in the later part of FY2010. This position was vacated when the current Deputy Police Chief was promoted to Police Chief when that position became vacant.

Other Services & Charges increased 11.7% from FY2010 estimated endings. This can be linked to the Human Resource and Information Technology costs being recovered throughout all General Fund divisions.

Records

Division Mission: To maintain a Records Management System and account for the collection, dissemination and retention of police records.

Goal: Improve accuracy and completeness of criminal history records on arrests through the Arizona Automated Fingerprint identification System (AZAFIS).			
Strategy: Report corrections to Yavapai County Sheriff Office and the courts.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Corrections reported to YCSO and courts	200	200	200

Goal: Maintain the high level of accuracy we obtained on Federal, State and Associated Press audits.			
Strategy: The Records Division will be responsible for the timely, accurate and completeness of data collection, dissemination and retention of police-related information.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
State ACJIS audit results	100% compliance	100% compliance	100% compliance
FBI audit results	Model Agency Classification	Model Agency Classification	Model Agency Classification
Associated Press audit results	Compliant on Records Release Laws	Compliant on Records Release Laws	Compliant on Records Release Laws

Goal: To maintain an accurate and complete records management system.			
Strategy: The Records Division will be responsible for the timely, accurate and completeness of data collection, dissemination and retention of police-related information.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of part one crimes processed	1,359	1,490	1,500
Number of part two crimes processed	3,487	3,500	3,800
Number of accidents processed	1,222	1,350	1,400
Number of citations and warnings processed	27,034	26,500	27,500
Number of warrants validated	1,583	1,700	1,700

Prior Year Results and Outcomes:

Transitioned to a new database for scanned reports and documents.

Joint project with Prescott Valley completed to allow access to the ADSi (Application Data Systems, Inc.) Records Management system to provide each agency's officers the ability to view the other agency's report information.

We are in the testing phase with the Department of Public Safety to allow our mobile data computers (MDC's) to wirelessly interface with the Arizona Crime Justice Information System (ACJIS).

Trained Yavapai College Police Department personnel on the use of ADSi, which is Prescott Police Department's current computer aided dispatch (CAD).

Assisted with the integration of new E-Ticket Writers with ADSi.

**Records
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 349,870	\$ 317,344	\$ 317,531
Supplies	12,460	14,000	14,000
Other Services & Charges	55,691	89,954	152,876
Total	\$ 418,021	\$ 421,298	\$ 484,407

**Records
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	6.00	6.00	6.00
Records Supervisor	1.00	1.00	1.00
Records Clerk	5.00	5.00	5.00

Significant Expenditure Changes: A 69.9% increase can be observed in the Other Services & Charges category. Three factors contribute to this increase. Telephone charges are anticipated to be higher due to the additional mobile data computers being added. Secondly, monies are budgeted in Office Equipment Rental for the lease of a photocopier. Finally, as in other divisions, Human Resource and Information Technology cost recoveries being charged across all General Fund divisions beginning FY2011.

Traffic Enforcement

Division Mission: To provide safe and efficient travel on the roadways within the city through a well trained, professional team that will be responsive to our citizens and visitors traffic concerns.

Goal: To provide education to our community regarding traffic safety and laws.

Strategy: Education will be provided through speaking engagements and demonstrations to neighborhood watch groups, homeowners associations, public interest groups, radio, newspaper and TV.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of public education events	30	25	25

Goal: To be responsive to special event activities.

Strategy: Build effective working relationships with our community by working with the Special Events committee in planning and providing assistance for numerous Special Events throughout the year.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of special events	34	35	35

Goal: To enhance compliance of parking laws and regulation in the downtown business area.

Strategy: Parking Enforcement will enforce the City and State parking regulations in the downtown area to ensure parking space availability for citizens and visitors in our downtown area.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Parking citations	4,855	4,000	4,500

Goal: To provide accurate and complete motor vehicle crash investigations.			
Strategy: Respond and investigate motor vehicle crashes.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of crash investigations	764	772	780

Goal: To enhance safety, reduce death/serious injury and damage within the City of Prescott.			
Strategy: Proactively enforce traffic laws by the use of radar, saturation patrol, DUI Task Force, directed patrol, and enforcement in high frequency accident locations.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of citations/warnings issued	10,321	8,000	8,500
Commercial vehicle inspections performed	115	80	90
Number of saturation patrols	14	11	12
Number of DUI sobriety checkpoints	1	2	2

Prior Year Results and Outcomes:

Provided traffic control and a police presence at 29 different races, parades and various community special events.

15 DUI Saturation Patrols and/or Checkpoints were conducted with the Tri-City DUI Task Force.

Received numerous grants funding through the Governor’s Office of Highway Safety that allowed for enhanced enforcement and equipment, including:

- Two enforcement waves of “Click it or Ticket” details in the amount of \$2,500
- Seven separate traffic details in the amount of \$16,000
- Acquisition of new AIMS (automated information management system) tool in the amount of \$18,000

Members of the Traffic Safety Section received advanced training to include: Officer Luke Williams - training to become the department’s first officer certified to install child safety seats of special needs individuals; Officer Dan Smith – training to become certified to inspect vehicles hauling hazardous materials as an extension of his commercial vehicle certification; Officers Nathan Barto and Glenn Koester - training to become the department’s only certified radar and laser instructors, as well as training in pedestrian and bicycle crash reconstruction.

Traffic Officer Garry Grahlmann retired; Officer Robert Coker selected as new Traffic Officer.

The Traffic Safety Section provided approximately 226 hours of instruction at the NARTA Facility.

During this past year, the Traffic Safety Section:

- Wrote 6,673 traffic tickets and warnings
- Investigated 678 traffic crashes
- Made 88 DUI arrests
- Tagged 104 abandoned vehicles
- Towed 12 abandoned vehicles
- Had a 50% decrease in fatal accidents in comparison to the prior year

**Traffic Enforcement
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 816,986	\$ 719,330	\$ 676,348
Supplies	30,697	24,850	25,550
Other Services & Charges	<u>128,259</u>	<u>96,150</u>	<u>87,481</u>
Total	\$ 975,942	\$ 840,330	\$ 789,379

**Traffic Enforcement
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	8.00	7.00	7.00
Sergeant	1.00	1.00	1.00
Police Officer	6.00	5.00	5.00
Parking Control Officer	1.00	1.00	1.00

Significant Expenditure Changes: The 6.0% decrease in Personnel reflects one officer position being eliminated following a retirement during FY2010. This elimination was done in an effort to reduce costs in the General Fund to offset decreasing revenues.

Other Services & Charges displays a 9% increase when comparing FY2010 estimated endings to FY2011 budget. This is a result of the Vehicle Replacement charges not being utilized in FY2011 offset by the Human Resources and Information Technology throughout the General Fund divisions being implemented.

Investigations

Division Mission: The Investigations Section mission is to investigate and clear felony and other specifically assigned crimes.

Goal: Maintain a computer data entry on pawned property which pawn shops are required, by law, to provide to the Police Department.

Strategy: Utilize the VIP program to enter the pawned property from information received via pawn shops.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Pawn items reviewed, entered and evaluated	3,229	3,300	4,700

Goal: The Investigations Division will focus on serious crimes involving threats to personal safety and substantial financial loss.

Strategy: Assign follow up on Part I and Part II crimes. Assign follow up on misdemeanor cases as they relate to Part I crimes.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of cases assigned	459	450	475
Number of cases cleared	604	500	550
Percentage cases cleared to cases assigned	75.9%	90.0%	86.4%
Cases Investigations continues	77	96	95

Cases Investigation Court process	82	80	85
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Goal: To continue the use of the CVSA for investigative and hiring purposes.			
Strategy: Utilize the CVSA (Computer Voice Stress Analyzer), truth verification equipment, as an investigative tool to verify suspect's and victim's statements in criminal cases. Additionally, the CVSA is used in the Police Department hiring process (civilian and volunteers) and in internal investigations.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of CVSA usages for criminal investigations	3	5	10
Number of CVSA usages for hiring purposes	15	20	20

Prior Year Results and Outcomes

Investigations conducted:

- 14 Computer Stress Analyzer Tests
- 12 Sex Offender Notifications

Assigned 505 cases, completed 186 cases, and closed 210 cases.

23 residential/business search warrants executed.

Received advanced training in the areas of: Officer Involved Shooting, Shooting Reconstruction, The Bullet Proof Mind, Homicide, Crisis Negotiation, Fire/Arson Investigation I, II, III, & IV, Forensic Interview/Peer Review, & Advanced Forensic Interview.

**Investigations
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 1,039,248	\$ 1,139,446	\$ 1,075,741
Supplies	19,723	20,000	21,700
Other Services & Charges	109,869	89,238	112,690
Total	\$ 1,168,840	\$ 1,248,684	\$ 1,210,131

**Investigations
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	12.75	11.75	11.25
Lieutenant	1.00	1.00	1.00
Sergeant	1.00	1.00	1.00
Police Officer	7.00	7.00	6.00
Secretary	1.00	0.00	0.50
Property/Evidence Tech	2.00	2.00	2.00
Public Safety Specialist	0.75	0.75	0.75

Significant Expenditure Changes: Personnel reflects a 5.6% decrease when the FY2011 budget is put side by side to the FY2010 estimated endings. This is due to the movement of one police officer to the Patrol division. An offsetting increase can be observed in that division.

Other Services & Charges reflects a 26.3% increase when comparing the FY2010 estimated ending to the FY2011 budget. Cost recovery charges are the cause of this change. The addition of Human

Resource and Information Technology costs and the reduction and/or elimination of the insurance and vehicle replacement costs factor in to this increase.

Patrol

Division Mission: The mission of the Patrol Division is to protect life and property while responding to calls for police service. The Special Weapons and Tactics (SWAT) Team preserves life in high risk, dangerous situations.

Goal: Utilize the Citizen on Patrol Program to augment community based policing and patrol functions.			
Strategy: To use Citizen on Patrol volunteers to assist with specialty functions.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Traffic control	208	220	230
Evidence transports	24	25	25
Property checks	700	750	750
Citizen patrol volunteer hours	5,684	5,700	5,800
Number of handicap citations issued	35	35	30
Crime scene security	15	20	20
Transport of city funds	60	60	60
Abandoned vehicles	186	150	140

Goal: Risk management – to reduce/eliminate liability exposure to our city, department, and patrol officers and establish prevention measures to maintain a low level of industrial injuries.			
Strategy: Implement standards and requirements that would assist officers to effectively perform their assigned tasks in a safe manner while reducing liability exposure.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Perform one hour of risk management training on an annual basis to patrol officers	2	2	2
Number of industrial claims filed	8	6	5
Dollar amount paid for industrial injuries	\$24,868	\$12,000	\$10,000

Goal: Increase the Community Based Policing concept in an effort to promote public awareness and community involvement in crime prevention and detection.			
Strategy: Develop partnerships and networks with the business community and citizens to be proactive in community problem solving through interaction with clubs, organizations, and citizen groups.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of neighborhood contacts	2,310	2,200	2,100
Number of business contacts	5,215	5,100	5,200
Problem solving	36	40	40
Number of meetings attended	37	35	30

Goal: The Special Weapons and Tactics Team will respond to assist patrol officers in high risk tactical situations. SWAT will also respond to assist neighboring agencies when requested.			
Strategy: Using specialized training, tactics and weapons the SWAT Team will assist in the resolution of high risk, dangerous situations.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of SWAT Team callouts	6	9	6

Goal: To maintain a well trained professional team available for immediate response to high risk, life threatening situations.			
Strategy: SWAT will focus on maintaining an elite well trained team of tactical professionals using NTOA standards.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Standard training per month for all team members (hours)	10	10	10
Additional tactical training (outside team training) for individual members (hours)	160	120	200

Prior Year Results and Outcomes

Officers were involved in 50,475 incidents, 29,281 of which were dispatched calls.

All Patrol vehicles were equipped with MDC's to facilitate report writing and GPS mapping functionality.

10 additional Tasers purchased for Patrol.

New outer vests carriers were purchased with grant funding for all officers, which keep officers cooler and provide better mobility.

The SWAT unit consists of a 16 man team who responds to assist officers in high risk tactical situations, to include neighboring agencies. During the past fiscal year, the unit:

- Was activated six times - three times to serve high risk warrants for the Investigations Section, once to assist Patrol with a barricaded subject, once to assist the Special Enforcement Section, and once to assist Prescott Valley Police Department with a barricaded subject.
- Trained 11 times, missing one month due to a state emergency in Prescott to assist during a snowstorm.
- Gave three community presentations.

Patrol Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 3,811,741	\$ 4,009,114	\$3,970,930
Supplies	203,856	160,100	148,600
Other Services & Charges	<u>751,841</u>	<u>475,668</u>	<u>278,034</u>
Total	\$ 4,767,438	\$ 4,644,882	\$4,397,564

Patrol Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	45.50	43.50	44.50
Lieutenant	1.00	1.00	1.00
Sergeant	5.00	5.00	5.00
Officer	38.00	36.00	37.00
Public Safety Specialist	0.50	0.50	0.50
Secretary	1.00	1.00	1.00

Significant Expenditures Changes: The major factor for the 41.5% decrease in Other Services & Charges can be linked to the vehicle replacement charges. Patrol division has a large number of vehicles

so the removal of these charges has a large impact. A portion of the reduction is offset by the inclusion of Human Resource and Information Technology charges beginning in FY2011.

Special Enforcement

Division Mission: The mission of the Special Enforcement Section of the Prescott Police Department is to seek out and investigate high crime areas and to conduct special enforcement investigations as directed within the City of Prescott.

Goal: To provide a specialized K-9 resource to enhance law enforcement tactics and community relations.			
Strategy: Utilizing the K-9 for specialized police functions, community contacts and special engagements.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of community contacts and special engagements	40	52	60
Number of building searches	75	100	120
Number of vehicle searches	150	170	200
Number of drug seizures/finds	90	100	110

Goal: To improve the quality of life within the City of Prescott by being proactive in targeting high crime areas.			
Strategy: Using a versatile team of officers designed to fit any specific need that can address crimes in progress, actively survey and work reoccurring crime trends and locate and identify key leads or suspects for both Patrol and Investigations.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of self initiated investigations conducted per officer	30	40	45
Number of Investigations Section assists	18	22	27
Number of Patrol Bureau assists	24	30	38
Number of arrests made by the Special Enforcement Section	159	200	250

Prior Year Results and Outcomes

The Special Enforcement Section (SES) consists of two canine (K-9) officers and two full-time officers whose primary duties are to assist other sections within the department in a proactive approach to law enforcement. During the past fiscal year, the Section:

- Developed approximately 10 confidential informants in attempt to make substantial impact on serious crime.
- 75 arrests made, leading to over \$300,000 in vehicles, cash and property seized.
- Assisted other sections and bureaus on over 60 occasions, 15 Investigation assists, 28 Patrol Bureau assists, 1 Traffic Safety Section assist, and 5 assists to other agencies.
- K-9s participated in 21 special engagements and community contacts; assisted the Patrol Bureau 186 times, SES 7 times, PANT 5, other agencies twice; searched 26 buildings and 62 vehicles, and had 16 drug seizures.

**Special Enforcement
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 521,613	\$ 502,860	\$ 509,722
Supplies	8,049	9,900	14,600
Other Services & Charges	15,597	40,283	58,399
Total	\$ 545,259	\$ 553,043	\$ 582,721

**Special Enforcement
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	5.00	5.00	5.00
Sergeant	1.00	1.00	1.00
Officer	4.00	4.00	4.00

Significant Expenditures Changes: In Supplies, the FY2011 budget is a mirror image of what the budget was in FY2010. Several purchases were not made in FY2010 due to uncertainty of certain revenue flows and it is anticipated that they will need to be made in FY2011. This results in a 47.5% increase when comparing the FY2010 estimated ending to the FY2011 budget.

As in other divisions changes in cost recovery areas affected Other Services & Charges. The addition of Human Resource and Information Technology costs recoveries and the elimination for FY2011 of the Vehicle Replacement charges netted a 45.0% increase.

Training

Division Mission: To maintain staffing levels while providing quality training opportunities and equipment to our employees.

Goal: To provide a centralized location for all department employees to acquire law enforcement related equipment and uniforms.

Strategy: Maintain accountability in ordering, issuing, receiving, tracking and maintaining equipment and uniforms.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of department vehicles maintained	74	82	85
Number of employees acquiring equipment	95	95	95

Goal: To provide and insure that all training conforms to Federal, State and Department requirements.

Strategy: Schedule and coordinate approved training.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
AZPOST/OSHA continuing and proficiency training hours	1,536	1,536	1,536
Department and AZPOST required firearms training hours.	616	616	616

Goal: To maintain staffing level for sworn and civilian employees.

Strategy: Actively recruit and evaluate the best applicants for employment.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Sworn applications processed	20	10	15
Civilian applications processed	10	10	15
Background investigations completed	35	30	35
New employees hired	6	3	6

Prior Year Results and Outcomes

Completed background investigations for three police officer candidates, custodians, volunteer park rangers and intern.

Authorized signatory for SIDA badges at the airport

Produced Department briefing video

Helped produce "Shop with a Cop" promotional video

Continued to disseminate weekly training info on Police blog

Coordinated Volunteer Park Ranger Training by Police Department to include:

- Bicycle safety
- Graffiti cards
- Pepper spray
- Positive Community Relations
- Patrol and Observation

Coordinated required OSHA instruction for Department personnel.

Coordinated instruction required to sustain AZ POST certification of 72 sworn personnel.

Provided instruction in support of the Northern Arizona Regional Training Academy (NARTA).

Assisted and supported the Field Training Officer program by creating and tracking all paper work related to training for the Patrol Bureau.

Coordinated MDT training for all certified officers.

Hosted an AZ POST certified General Instructor program for 30 students from seven different agencies.

Identified fiscally effective sources and coordinated the purchase of munitions, equipment and uniforms required for the functions of the Department.

Facilitated and maintained equipment for the Department gym and firearms range.

Facilitated and coordinated over 1720 man hours of AZ POST continuing education and proficiency training and facilitated 600 plus hours of AZ POST and Department mandated firearms training.

Provided a centralized location and resource for all Department employees to acquire law enforcement related equipment, uniforms and supplies.

**Training
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 130,702	\$ 107,937	\$ 107,131
Supplies	17,753	16,100	17,100
Other Services & Charges	8,255	11,089	27,333
Total	\$ 156,710	\$ 135,126	\$ 151,564

**Training
Staffing Summary**

	FY08 Actual	FY09 Estimate	FY10 Budget
Authorized Staffing Level	2.00	1.00	1.00
Police Sergeant	1.00	1.00	1.00
Quartermaster	1.00	0.00	0.00

Significant Expenditures Changes: The significantly higher budget in Other Services & Charges is related to the addition of Human Resource and Information Technology costs recovery charges that will be made to this division in FY2011.

Community Services

Division Mission: To be a resource to the community and Police Department for special enforcement, education and training.

Goal: To provide a stronger law enforcement presence in both public middle schools.

Strategy: One School Resource Officer will divide his time between two middle schools in an attempt to provide basic SRO services at the assigned schools.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of character and law related education classes taught at the middle school	96	130	135
Number of students in character and law related education classes at the middle schools	1,050	1,250	1,250
Number of investigations conducted by SROs at middle schools	185	190	195

Goal: To provide law enforcement educational classes at the high school.

Strategy: Supply a School Resource Officer to conduct educational classes and a law enforcement presence at the high school.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of character and law related education classes taught at the high school	210	300	300
Number of students in character and law related education classes at the high school	385	400	400
Number of investigations conducted by SROs at the high school	140	150	150

Goal: Provide a proactive approach to solving crime and addressing community problems.			
Strategy: Utilizing various forms of enforcement to assist the Patrol Bureau, the Special Enforcement Section and Investigations Section with ongoing investigations.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of Investigation Section assists	14	18	20
Number of Patrol Bureau assists	20	30	40
Number of Special Enforcement Section assists	6	8	10

Goal: Provide excellent service to criminal justice practitioners and participants in the area of property and evidence.			
Strategy: Store evidence with appropriate safeguards to maintain its value and the chain of custody.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of property items impounded	5,735	5,200	5,200
Number of property items released	763	750	690
Copies made of digital, audio and video evidence for criminal justice practitioners	749	900	680

Prior Year Results and Outcomes

The Prescott Police Department was selected as a National Award Winner in the National Association of Town Watch (NATW) competition. NATW is an association who sponsors and promotes the National Night Out event. Prescott was ranked 27 of 54 jurisdictions awarded in our category and competed against 14,625 other communities nationwide.

The Crime Prevention unit created a Business Watch program modeled after the Block Watch program and currently has 138 members.

The Crime Prevention unit created a "Crime Alert" program to inform Watch groups of current crime trends. Last year, 41 crime alerts were emailed to the Watch groups.

The Community Services Section coordinated and participated in the 12th annual "Shop with a Cop" program, which afforded 85 children the opportunity to shop for Christmas.

The Community Services Section was responsible for handling approximately 47 presentations to community groups.

The School Resource Officer (SRO) program continues to provide full-time coverage at Prescott High School. The SRO teaches Government and law-related classes on a weekly basis at the High School.

A School Resource Officer was assigned to provide law enforcement coverage at Prescott Mile High School and Granite Mountain Middle School. The SRO also provided MATForce drug resistance lessons and education on bullying and the 4th Amendment.

A Prescott Police Youth Role Model Scholarship fund was created and \$2,250 was received in donations, including a donation from MATForce, which provided three scholarships to students from Prescott High School for continuing education upon graduating.

Middle School Resource Officer worked the Teen Maze/Alcohol Resistance booth and educated approximately 1,200 middle/high school-aged children throughout the county on the dangers of youth alcohol abuse and DUI.

Explorer Post #778 organized and held several fundraising events, including its 1st annual golf tournament, raising over \$11,000.

**Community Services
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 407,873	\$ 351,020	\$ 354,554
Supplies	9,909	12,250	13,750
Other Services & Charges	30,978	38,283	33,758
Total	\$ 448,760	\$ 401,553	\$ 402,062

**Community Services
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	4.00	4.00	4.00
Sergeant	1.00	1.00	1.00
Police Officer	2.00	2.00	2.00
Crime Prevention Officer	0.50	0.50	0.50
Secretary	0.50	0.50	0.50

Significant Expenditures Changes: There are no significant expenditure changes in this division.

Community Restitution Program

Division Mission: To provide monitored labor services of individuals as assigned by the court.

Goal: Use the court orders restitution program to benefit the community.

Strategy: Account for the number defendants and hours worked of participants assigned to the program.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Total hours completed	20,556	21,000	21,500
Number of defendants assigned	1,514	1,530	1,000
Number of defendants worked	926	960	1,000
Strategy: Conduct work with court assigned community restitution workers saving the City at a rate of \$7.25/hr.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
City savings	\$118,233	\$124,000	\$125,000
Non profit savings	\$30,102	\$31,000	\$31,250
Strategy: Wash city vehicles with court ordered community restitution workers in lieu of commercial washing.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of city vehicles washed	2,016	2,050	2,070
Savings @ \$8.95 per vehicle	\$18,043	\$18,348	\$18,527

Prior Year Results and Outcomes

A total of 1,925 city vehicles were washed at a savings of \$19,153.75 (\$9.95 each) to the City of Prescott.

Work crews assisted with the following events:

- Relay 4 Life – American Cancer Society
- Frontier Days Rodeo
- Eggstravaganza
- Dickens of a Holiday Event
- Pumpkin Festival
- Dog-toberfest
- Fourth of July Events
- Boys and Girls Club

Work crews assisted the following City departments:

- Parks & Recreation
- Adopt-A-Highway (1 mile section of Highway 69)
- Twice weekly Square/Downtown litter lifts
- Rodeo Grounds
- Antelope Hills Golf Course
- Airport
- City Hall/Code Enforcement
- Streets Sign Department (graffiti removal)
- Police (special projects: painting and graffiti reporting/removal)

A total of 20,790 manpower hours were expended on city and community organization projects.

Approximately 41,200 pounds of debris/trash were disposed of at the Transfer Station. Additionally, tons of plant debris was dumped at the Airport, Golf Course and Parks & Recreation-Willow Lake free dump sites.

928 defendants provided 2,971 days of community restitution, for an approximate savings of \$150,724.75 (\$7.25/hour).

**Community Restitution Program
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 100,226	\$ 109,589	\$ 108,762
Supplies	8,135	7,950	8,100
Other Services & Charges	9,972	23,363	17,622
Total	\$ 118,333	\$ 140,902	\$ 134,484

**Community Restitution Program
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	2.50	2.50	2.50
Monitor	2.00	2.00	2.00
Secretary	0.50	0.50	0.50

Significant Expenditures Changes: The 24.6% decrease in Other Services & Charges is the result of the Vehicle Replacement charges being eliminated in FY2011. This reduction was partially offset by the addition of Human Resource and Information Technology charges.

Animal Control

Division Mission: To be a resource in the City of Prescott for all issues related to the health and welfare of the community and its' animals.

Goal: To educate school children within the City of Prescott about the safe handling of animals.

Strategy: To appear at public Schools and provide training about safety around animals.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of classes taught	0	2	4

Goal: Provide superior service to the citizens of Prescott in response to calls for service pertaining to animal related issues.

Strategy: Maintain a staffing level to accommodate calls for service and ensuring continuity between the pet and its owner.

Performance Measures:	FY08 Actual	FY09 Estimate	FY10 Forecast
Number of dogs returned to owners (City of Prescott)	463	470	500
Number of calls for service – Animal Control related	1,308	1,320	1,360
Number of citations issued	39	42	45
Number of warnings issued	111	120	125
Number of licenses sold	4,810	5,400	5,500

Prior Year Results and Outcomes

Management of the Animal Control facility has been turned over, contractually, to the Yavapai Humane Society.

Animal Control Supervisor Larry Davis retired from the City of Prescott in January 2010; Shannon Gray promoted to Supervisor.

Prescott Animal Control reduced its manpower to three animal control officers.

Animal control received advanced training in the areas of Chemical Immobilization of Animals, Equine, and Animal Care and Control.

Implemented the use of stun batons to provide safety and protection for Animal Control officers against violent animals.

Provided animal safety education classes to elementary schools in the Prescott Unified School District.

Animal Control performance measures:

- Over 5,000 City of Prescott licenses sold
- 240 dogs returned to owner
- 398 animal related citations and warnings
- 203 barking dog complaints
- 37 cases of animal cruelty
- animals from the city of Prescott euthanized
- 140 dogs in custody
- 90 animal bites in the city limits
- 350 other animal problems

**Animal Control
Expenditure Summary**

	FY09	FY10	FY11
	Actual	Estimate	Budget
Personnel	\$ 288,276	\$ 226,750	\$ 159,096
Supplies	20,184	10,015	12,800
Other Services & Charges	59,056	81,544	30,972
Total	\$ 367,516	\$ 318,309	\$ 202,868

**Animal Control
Staffing Summary**

	FY09	FY10	FY11
	Actual	Estimate	Budget
Authorized Staffing Level	5.10	4.00	3.00
Community Development Dir	0.10	0.00	0.00
Supervisor	1.00	1.00	1.00
Animal Control Officer	4.00	3.00	2.00

Significant Expenditures Changes: All categories within the Animal Control division exhibit significant expenditure changes when comparing the FY2010 estimated endings to the FY2011 budget. This reflects the transfer the responsibility of running the animal control shelter to the Yavapai Human Society. The budget reflects the elimination of those expenses and one animal control officer during FY2010.

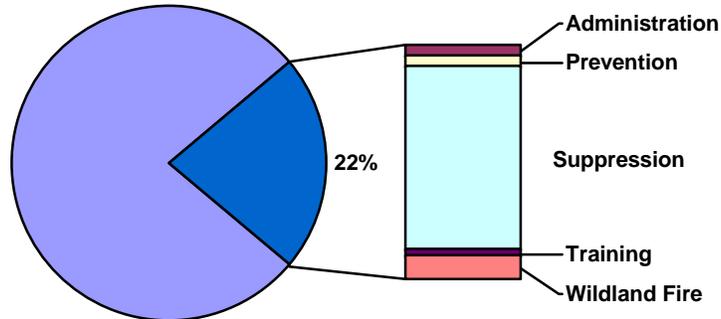
FIRE DEPARTMENT

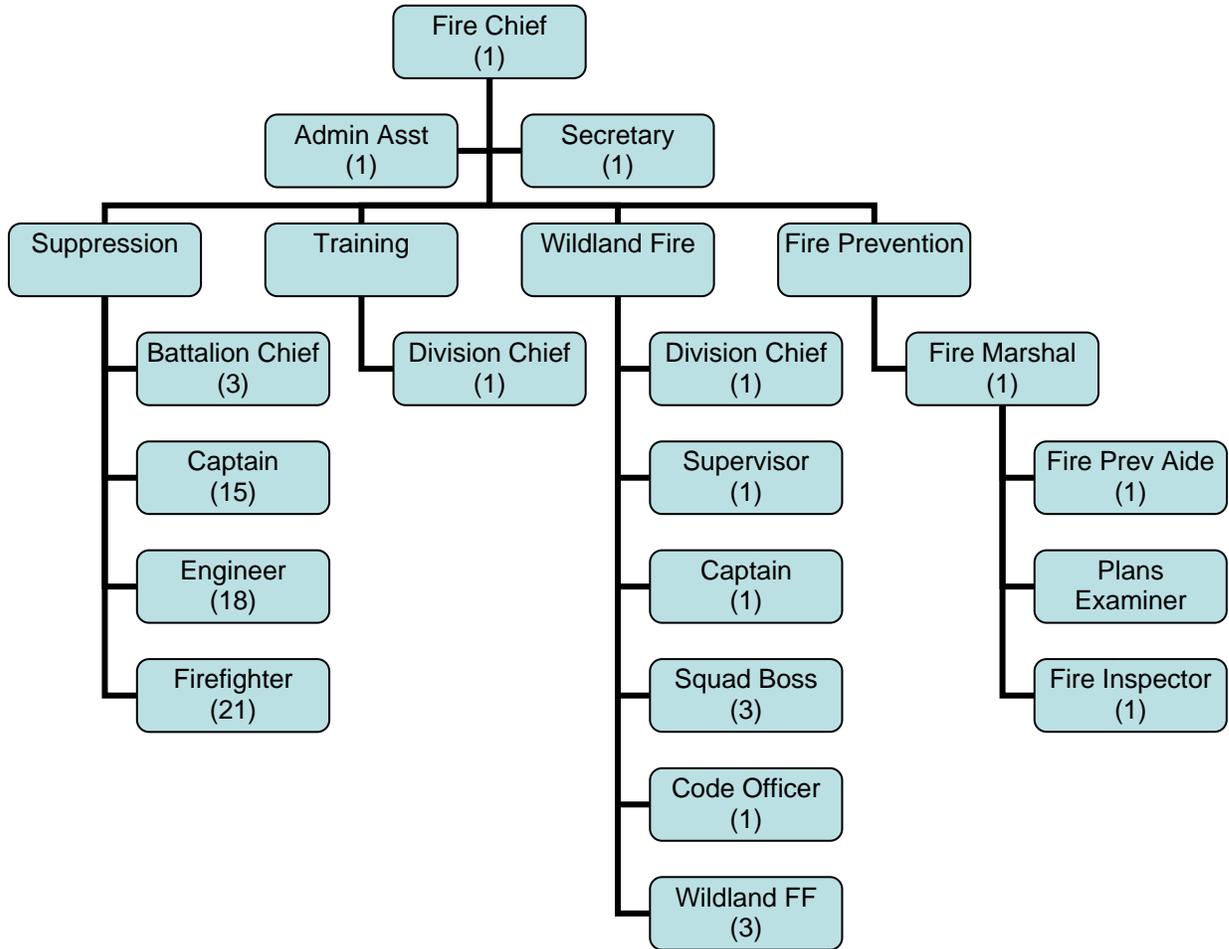
The Prescott Fire Department is the oldest fire department in the state of Arizona. It was established in 1885 and is today a modern and highly professional career fire department. The department has a wonderful history full of firefighting traditions and past times.

The department is dedicated to providing the highest level of service in the prevention and mitigation of emergency incidents in a growing community and treating our citizens and employees in a fair and considerate manner while remaining financially responsible. The Prescott Fire Department values a creative and proactive work place, and is involved in numerous joint partnerships to include automatic aid with the Central Yavapai Fire District, United States Forest Service, and Yavapai-Prescott Indian Tribe.

DEPARTMENT MISSION: The Prescott Fire Department is dedicated to “Excellence in Service” by providing the most efficient and effective services to our community by responding fast, solving the problem, being nice and going home safe. Prescott Fire Department is committed to preserving the quality of life, protecting lives, property, and the environment with compassion, vigilance, and dedication to excellence.

% of General Fund Operating Budget





Consolidated Departmental Expenditure and Staffing Level Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 7,301,581	\$ 7,039,716	\$ 6,471,951
Supplies	271,968	218,437	255,309
Other Services & Charges	1,145,309	930,755	717,462
Cost Recovery	(1,216,536)	(1,004,521)	(592,879)
Capital Outlay/Projects	45,038	-	60,000
Total	\$ 7,547,360	\$ 7,184,387	\$ 6,911,843
Authorized Staffing Level	77.51	77.80	77.00
Administration	3.34	3.80	3.00
Prevention	4.00	4.00	4.00
Suppression	56.00	57.00	57.00
Training	1.00	1.00	1.00
Fire Vegetation Crew	13.17	12.00	12.00

A portion of the Fire Vegetation Crew is charged to the Vegetation Grant.

Administration

Division Mission: To administer and ensure the essential functions of the Fire Department are accomplished, and to support the organization in carrying out its mission.

Goal: To provide leadership, guidance and administrative services that support a superior customer service oriented, all-risk emergency management department.

Strategy: Fire administration will ensure the prompt delivery of emergency services and fire related services, as well as the mitigation of emergencies, while maintaining financial responsibility.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
\$ amount of structural fire loss within the City of Prescott	\$783,811	\$900,000	\$1,000,000
Number of vehicles, equipment and apparatus replaced in accordance with long range plan	2	0	0
Number of strategic planning meetings/critical issues forums held	2	2	2
% design complete of new downtown fire station/ administrative office building	10%	75%	100%
% construction complete of new downtown fire station/ administrative office building	0%	0%	25% (if grant received)

Prior Year Results and Outcomes

Reorganized Staff positions to adapt to economic downturn.

Secured approximately \$700,000 in various grants for wildland, special operations, suppression, and EMS divisions.

Reviewed and adjusted our 5-year business plan to match the current and forecasted economy.
Renewed a 3-year lease agreement with Lifeline Ambulance Service Inc. at fair market value.

Continued operating budget reductions to meet the decrease in FY11 revenue projections.

Discontinued lease agreement for the wildland division housing and moved them to the city owned 6th St. property for an annual savings of \$34,000.

Continued to improve on the new wellness/ fitness program to ensure firefighter health and safety.

Solidified and implemented a labor/management team procedure.

Celebrated Prescott Fire Department's 125th anniversary!

Completed station refurbishment capital improvement projects to 6 fire stations to include; re-flooring, roofing repair, air handling equipment repair, landscape and drainage improvements, appliance and fixtures, and the repair of engine bay exhaust systems.

Refurbished 6th St. Property to house the Granite Mountain Interagency Hot Shot/Crew 7.

**Administration
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 471,879	\$ 324,418	\$ 282,941
Supplies	31,093	29,417	7,400
Other Services & Charges	109,230	47,534	117,656
Capital Outlay/Projects	7,004	-	-
Total	\$ 619,206	\$ 401,369	\$ 407,997

**Administration
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.34	3.80	3.00
Fire Chief	0.00	1.00	1.00
Emergency Services Dir	0.34	0.00	0.00
Wildland Division Chief*	0.00	0.80	0.00
Deputy Chief	1.00	0.00	0.00
Administrative Assistant	1.00	1.00	1.00
Secretary	1.00	1.00	1.00

Significant Expenditures Changes: In Personnel a 12.8% decrease can be viewed when comparing the FY2011 budget to the FY2010 estimated endings. This is the result of the Wildland Division Chief's salary being moved fully into a grant.

A 74.8% decrease can be found in Supplies. This is due to SCBA bottle replacements budget being moved to Suppression.

The significant increase in Other Services & Charges relates to the inclusion of Information Technology and Human Resource charges. As previously explained, beginning FY2011 these costs will be spread across the General Fund.

Prevention

Division Mission: To provide enhanced life safety and property conservation through public education, code enforcement, plan review, and fire investigative services to maintain a livable and dynamic community.

Goal: To provide risk mitigation services in the areas of public education, code enforcement, fire investigation, plan reviews and complaint investigation.

Strategy: Using the most current codes and work policies, conduct a full service risk mitigation program that is customer friendly and reduces the threat of fire and other emergencies.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of service requests/complaints	350	136	177
Number of existing business inspections conducted	921	1,124	1,461
Number of plan reviews completed	981 total	636 total	690 total
• Commercial	176	130	142
• Subdivision	49	7	8

<ul style="list-style-type: none"> • Suppression systems • Residential • Miscellaneous 	158 247 351	74 194 233	81 203 256
Number of students trained in life-safety	3,390 total	3,281 total	3,445 total
<ul style="list-style-type: none"> • 1st grade • 7th grade firetrap • Engine public-education • Miscellaneous 	1,080 480 1,380 450	1,134 504 1,170 473	1,191 529 1,229 496
Number of new construction inspections	769 total	381 total	381 total
<ul style="list-style-type: none"> • Certificate of occupancy • Vegetation • Suppression systems 	123 94 552	68 49 264	68 49 264
Number of miscellaneous inspections	274	170	204

Prior Year Results and Outcomes

Trained 3,000 students in fire and life safety.

Received and cleared 121 life safety complaints and requests.

Conducted 1,925 fire inspections.

Conducted 14 fire investigations.

Reviewed 728 plans for new subdivisions and buildings.

Received approximately \$3,800 in public donations for public education materials.

The majority of public information inquiries are handled through Fire Prevention.

Displayed public education at the Gateway Mall for Fire Prevention Week.

Finalized and made public the Fire Protection Guidelines for builders, developers, engineers, and architects.

The historic Elk's Theatre was retrofitted with fire protection systems during major renovations.

**Fire Prevention
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 348,945	\$ 286,425	\$ 278,702
Supplies	4,194	8,146	12,009
Other Services & Charges	<u>33,863</u>	<u>33,945</u>	<u>25,165</u>
Total	\$ 387,002	\$ 328,516	\$ 315,876

**Fire Prevention
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	4.00	4.00	4.00
Fire Marshall	1.00	1.00	1.00
Plans Examiner	1.00	1.00	1.00
Fire Inspector	1.00	1.00	1.00
Fire Prevention Aide	1.00	1.00	1.00

Significant Expenditure Changes: A 47.4% increase can be seen in the Supplies category. This is due to higher vehicle costs such as gas, oil, tires and tubes. Also, it is anticipated that more educational supplies will be purchased for the community events.

Offsetting cost recovery changes for FY2011 has affected the Other Services & Charges. The addition of Human Resource and Information Technology costs and the removal of the Vehicle Replacement charges results in a 25.9% decrease.

Suppression

Division Mission: To provide the most efficient and effective services to our community through fire protection, emergency medical services, and specialized response to technical rescues, aircraft emergencies, hazardous materials, and other all-risk incidents.

Goal: To provide a highly motivated, rapid response force to all-risk emergency incidents, limiting damage and injuries in the most effective way possible.

Strategy: To be strategically located and respond to emergencies efficiently, as well as providing for community services and excellent customer service.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
% response time to all emergencies is within 50 seconds of notification	75.0%	75.0%	75.0%
% travel time to incidents does not exceed 5 minutes for first due unit on Code 3 calls	40.76%	43.0%	45.0%
Number of emergency incidents responded to	8,273	8,500	8,500

Prior Year Results and Outcomes:

Responded to 8,994 emergency calls (1% increase).

Received and placed in service new Type 1 Engine.
Received and placed in service new Support apparatus.

Received and placed in service new breathing air compressor.

Serviced 2,011 fire hydrants.

Purchased 35 Motorola STX 2500 replacement radios.

Re-programmed all fire department radios to meet current FCC requirements in regards to safety and communication.

Completed mass update of all communications radios, both mobile and handheld to all fire department radio equipment.

Trained all personnel in use of new communications equipment.

Installed and currently using 3 Mobile Data Computers. Submitted and awarded grant for 7 additional Mobile Data Computers to be implemented in fall of 2010.

**Suppression
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 5,183,594	\$ 5,347,816	\$ 5,238,142
Supplies	152,959	119,600	161,800
Other Services & Charges	699,997	610,998	413,916
Capital Outlay/Projects	38,035	-	60,000
Total	\$ 6,074,585	\$ 6,078,414	\$ 5,873,858
Capital Outlay/Projects			
Fire Station Refurbishments			60,000
Total Capital Outlay/Projects			\$ 60,000

**Suppression
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	57.00	57.00	57.00
Battalion Chief	3.00	3.00	3.00
Captain	15.00	15.00	15.00
Engineer	18.00	18.00	18.00
Firefighter	21.00	21.00	21.00

Significant Expenditure Changes: The 35.3% increase in Supplies when comparing the FY2011 budget to the FY2010 estimated endings is the result of this division “tightening their belts” during FY2010 and holding off on many purchases. These purchases will need to be made during FY2011.

Fire Suppression division Other Services & Charges budget is greatly influenced by the removal of the Vehicle Replacement Charges. The monthly charges for the fire truck fleet are high so the removal leads to a 32.3% decrease.

Training

Division Mission: To provide for the educational needs of a well-trained, professional and motivated work force that acts with integrity, solves customers’ problems, and works safely and effectively as a team.

Goal: To provide comprehensive all-risk training program that improves services and provides for maximum safety of both the Prescott Fire personnel and the personnel of cooperating agencies.

Strategy: To provide for regularly scheduled in-service training that meets NFPA, OSHA, NWCG, State Emergency Service, and FEMA/Home Land Security Training.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of man-hours of training	27,677	28,000	28,000
% of proficiency drills complete and passed	100%	100%	100%
Number of multi-company/multi-agency drills	72	54	72
Number of engine companies	178	142	178
Number of multi-company/multi-agency Night Hot Drills	16	16	16
Number of engine companies	48	48	48

Prior Year Results and Outcomes

Conducted 18,647 hours of in-house training.

Conducted interagency Captains Academy and three day strategy and tactics class.

Conducted Firefighter, Engineer, and Captains examination.

Provided on-line fire training classes.

Training Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 119,586	\$ 117,807	\$ 119,745
Supplies	2,617	4,099	4,800
Other Services & Charges	8,986	9,649	9,422
Total	\$ 131,189	\$ 131,555	\$ 133,967

Training Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	1.00	1.00	1.00
Training Division Chief	1.00	1.00	1.00

Significant Expenditure Changes: There are no significant expenditure changes in this division.

Emergency Medical Services

Division Mission: To provide coordination, training, and support services to facilitate professional pre-hospital care from the Prescott Fire Department.

Goal: To provide Basic and Advanced Life Support to those in need of medical care.

Strategy: To provide rapid Emergency Medical Services and community based training programs in CPR and First Aid.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of citizens trained in CPR and First Aid	1,600	1,600	1,725
Number of Basic and Advanced Life Support responses	4,528	4,750	4,940

Prior Year Results and Outcomes

Responded to 4,719 EMS calls (53% of total calls).

Trained 1,604 citizens in CPR.

2 additional paramedics in paramedic training.

Provided monthly on-line continuing education for all EMS personnel.

Active participation on Yavapai County’s Pandemic response committee.

Approximately 2,500 hours of Basic and Advanced Life Support continuing education and recertification training.

**Emergency Medical Services
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 35,252	\$ 31,468	\$ 23,730
Supplies	20,565	21,507	25,950
Other Services & Charges	30,749	29,294	21,319
Total	\$ 86,566	\$ 82,269	\$ 70,999

Significant Expenditure Changes: The large decrease in Personnel for the EMS division is due to the reduction of overtime. The department will offer less training classes during the fiscal year to cut back in this area.

There are no other significant expenditures changes in this area.

Technical Services

Division Mission: To provide regional leadership, training, and specialized equipment to facilitate well-trained, professional, and safe specialty teams that respond to hazardous materials incidents, high and low angle rope rescue, confined space, structural collapse, swift water and lake rescue, and aircraft rescue firefighting.

Goal: To ensure the preparedness of response with respect to Technical Services which includes Regional Hazardous Materials Team (Haz-Mat), Regional Technical Rescue Team (TRT) and Aircraft Rescue Firefighting (ARFF).

Strategy: To meet OSHA, NFPA and PFD standards as it relates to safe operations; evaluate current equipment, identify deficiencies and act on needs identified; maintain personnel staffing levels who meet the qualifications as Technician; and ensure personnel meet annual training requirements and documentation.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of monthly drills/meetings/training			
TRT	2	3	3
Haz Mat	1	1	1
% of time annual live fire certification is met for ARFF personnel	100%	100%	100%
Preparation of annual report on personal protective			

equipment and serviceability of all equipment and vehicles			
TRT	1	1	1
Haz Mat	1	1	1
ARFF	1	1	1
% of time minimum staffing level of one qualified technician is assigned to			
TRT (Station 74)	100	100	100
Haz Mat (Station 75)	100	100	100
ARFF (Station 73)	95	95	95
Number of regional training classes conducted by PFD certified TRT technician instructors	1	1	0

Prior Year Results and Outcomes

Hazardous Materials

- Responded to 73 Hazardous Materials incidents.
- Placed gas detectors on all frontline engines.
- Received a 27k grant for Class A Haz-Mat Suits (DHS Grant)
- Participated in 12 monthly Haz-Mat drills

Technical Rescue

- Sponsored and taught the 2nd Regional TRT program bringing our regional total number of regional TRT technicians to over 34 (DHS Grant)
- Coordinated the development of the Regional TRT advisory committee that includes:
 - Prescott Fire Department
 - Central Yavapai Fire District
 - Chino Valley Fire District
 - Yavapai County Sheriffs' Office
 - Arizona Department of Public Safety
 - Groom creek Fire District
 - Williamson Valley Fire District
 - Mayer Fire District
- Participated in 16 monthly TRT drills.

Aircraft Rescue Fire Fighting (ARFF)

- Conducted 650 hours of Aircraft Rescue and Firefighting training.
- Took delivery of a Regional Mass Casualty trailer which is capable of treating 75 people. This unit is housed at the Airport (DHS Grant)
- 12 ARFF certifications live ARFF training at Boeing-Mesa AZ. 3 in Salt Lake City UT through grant (DHS)
- Passed the annual FAA ARFF audit and timed drill.
- Developed and implemented ARFF, TRT and Haz-Mat on line in-house training.
- Responded to 67 ARFF calls.

Technical Services Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Supplies	\$ 4,558	\$ 3,450	\$ 3,950
Other Services & Charges	23,504	27,177	9,430
Total	\$ 28,062	\$ 30,627	\$ 13,380

Significant Expenditures Changes: The removal of Vehicle Replacement charges resulted in the 65.3% decrease in Other Services & Charges.

Wildland Fire Crew

Division Mission: To provide regional leadership in wildland fire mitigation and protection through a well-trained, professional, and safe work force that acts as a responsible environmental steward.

Goal: To provide wild land fire mitigation services to the community.

Strategy: To reduce the threat from wildland fire through education, risk assessments, fuel reduction and response to wildland fire.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of interagency training simulations conducted	3	3	3
Number of residential risk assessments conducted	550	6,000	100
Number of homes on private property treated with defensible space treatments	250	250	250
Tons of flammable vegetation removed	6,400	6,000	6,200
Number of acres treated	350	350	350

Prior Year Results and Outcomes

Completed 148 detailed home assessments.

Treated 56 homes for defensible space.

Completed 356 "Red-zone" home assessments.

Completed 137 chip jobs for home owners.

Cut and removed 101 dead trees for home owners.

Completed 26 acres of fuel reduction on City of Prescott open space.

Completed 59 vegetation inspections for new construction.

Treated 222 total acres within the Prescott Basin.

Granite Mountain Hot Shots spent 81 Days fighting wildland fires across the country.

Successfully obtained three fuels mitigation grants to support the Wildland division. One 100% grant, one 90% grant, and one 50% grant.

Implemented a new public education program entitled "Ready, Set, Go", which help homeowners identify hazards as well as prepare for and evacuation. Prescott is one of nine jurisdictions in the United States chosen as a pilot program for the International Association of Fire Chief's program.

Trained 367 1st and 2nd grade students on defensible space techniques (14 classes).

Completed 8 community assessment disaster plans.

**Wild Land Fire Crew
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 1,142,324	\$ 931,782	\$ 528,691
Supplies	55,982	32,219	39,400
Other Services & Charges	224,690	157,877	106,272
Cost Recovery	<u>(1,216,536)</u>	<u>(1,004,521)</u>	<u>(592,879)</u>
Total	\$ 206,460	\$ 117,357	\$ 81,484

**Wild Land Fire Crew
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	13.17	12.00	12.00
Wildland Division Chief	0.17	0.00	0.00
Wildland Captain	1.00	1.00	1.00
Wildland Crew Supervisor	1.00	1.00	1.00
Squad Boss	3.00	3.00	3.00
Code Enforcement Officer	1.00	1.00	1.00
Fuels Tech/Wild Land FF	3.00	3.00	3.00
Wildland Crew (Seasonal)	4.00	3.00	3.00

Significant Expenditures Changes: The 43.3% decrease in Personnel is due to the movement of temp employees and overtime to the Fire Department Vegetation Management Grant in FY2011.

Vehicle Replacement Charges removed and Human Resources/Information Technology charges included lead to the 32.7% decrease when comparing the FY2011 budget to the FY2010 estimated endings in Other Services & Charges.

Disaster Preparedness

Division Mission: To provide local and regional leadership in disaster preparedness and emergency management services during any disaster.

Goal: To participate with Yavapai County Division of Emergency Management as a unified emergency management partner to mitigate and train for potential disasters.

Strategy: To prepare for and conduct annual disaster management training sessions and to maintain an updated disaster management operation manual.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Conduct a minimum of two disaster preparedness exercises	2	4	3
Update disaster operations manual	Complete	Complete	Complete
Number of annual disaster preparedness training programs conducted	4	4	4

Prior Year Results and Outcomes

Conducted two major interagency disaster exercises.

Activated the Incident Management System to successfully mitigate the “2010 Prescott Winter Storm” emergency using local Type III incident management resources.

Updated the City disaster policy manual.

Maintained National Incident Management System Compliance through FEMA for all City functions.

Conducted 4 disaster training programs for Police/Fire/Field operations personnel.

5 staff personnel attended and were certified at a five day FEMA National Fire Academy “All Hazards Incident Management Team” training course.

Conducted 4 disaster training programs for Police/Fire/Field operations personnel.

Maintained currency with the federally mandated NIMS program.

**Disaster Preparedness
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Other Services & Charges	\$ 14,290	\$ 14,281	\$ 14,282

Significant Expenditures Changes: This charge, which is based on population, is in accordance with an agreement with Yavapai County. There is no significant expenditure change for FY2011.

REGIONAL COMMUNICATIONS

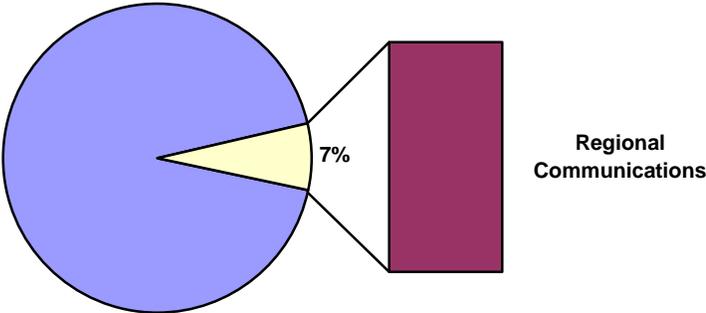
The Prescott Regional Public Safety Communication Center is the emergency answering point for three police agencies and six fire agencies. The regional center concept has the advantage of real time communications between partnering agencies.

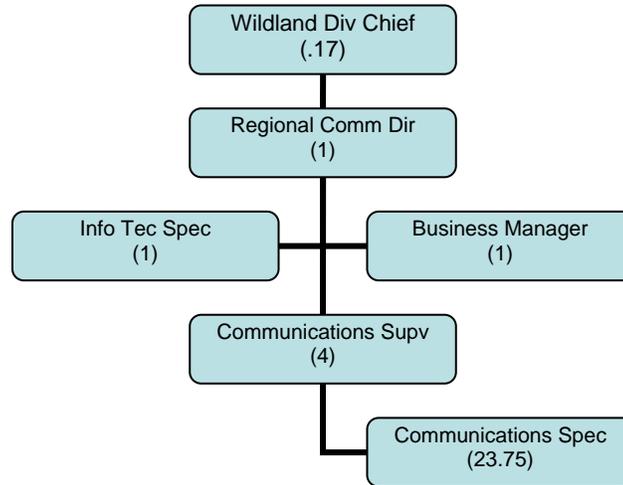
The Center answers over 20,000 telephone calls per month. Over 7,000 calls for service are dispatched per month. In November of 2007 the Center was moved from the Prescott Police Department to the newly created Emergency Services Department of the City of Prescott along with Airport Operations and the Prescott Fire Department.

Prescott Regional Public Safety Communications Center includes the following partners: Prescott Police Department, Prescott Fire Department, Prescott Valley Police Department, Central Yavapai Fire District, Yavapai College Police Department, Chino Valley Fire District, Groom Creek Fire District, and Williamson Valley Fire District. The Communication Center is a 24 hour operation staffed by 30 civilian employees who are cross trained to handle Police, Fire and EMS emergency calls.

DEPARTMENT MISSION: The mission of the Prescott Regional Communications Center is to provide superior Public Safety services to citizens, firefighters and officers through life saving techniques, accurate receipt and relay of critical information and expedient dispatch of Fire and Police personnel.

% of General Fund Operating Budget





Goal: 95% of all 911 calls arriving at the PRCC will be answered within ten seconds; and 90% of all 7/10 digit emergency lines will be answered within ten seconds.			
Strategy: Provide training, equipment and staffing to adequately comply with this National Standard. Implement quality assurance guidelines to ensure that goals are met and track, chart and distribute standard data on a monthly basis to partners and key personnel.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
% of 911 calls answered within ten seconds (Goal 95%)	96.0%	96.0%	96.0%
% of all 7/10 digit emergency calls within ten seconds (Goal 90%)	99.0%	96.0%	96.0%

Goal: Dispatch 80% of high priority, emergency Police, Fire and EMS calls within 60 seconds of the 911 call for service.			
Strategy: Provide training and staffing to adequately comply with this National Standard. Implement quality assurance guidelines to meet the 60 second goal and track, chart and distribute data on a monthly basis to partnered agencies and key personnel.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
% of Fire/EMS calls dispatched within 60 seconds (Goal 80%)	60.0%	70.0%	75.0%
% of Police calls dispatched within 60 seconds	29.0%	50.0%	55.0%

Prior Year Results and Outcomes

Radio Infrastructure project 80% complete; the Public Safety microwave system is operational at all seven Communications sites.

Prescott Police Department has 20 MDC's in service providing improved information and services from dispatch which improves Officer safety.

Prescott Valley Police Department has 40 MDC's installed and operational; Officers have all been trained.

Prescott Fire Department has successfully tested four fire MDC's in front line fire trucks; personnel are trained and units are in service.

PRCC is testing the new ACJIS connectivity required for complete MDC functionality.

The phase II wireless project is complete at the PRCC allowing us the ability to identify the location of every 911 cell phone caller.

More than 50% of our 911 calls for service now come from cell phones.

Answered a total of 171,475 emergency and 911 calls.

Answered a total of 292,500 emergency and non emergency phone calls.

PRCC dispatched emergency responders to 70079 emergency calls for service during the 2009 calendar year.

Successfully supported our partners during the snow and flooding in January 2010 (Answered 3,571 phone calls) (Dispatched 1,138 emergency calls).

We have successfully trained four acting Supervisors to fill in when a Supervisor is off which improves efficiency and saves overtime.

Increased building security by installing concrete planters in front of the PRCC after a vehicle damaged our front entry.

Assisted Prescott Fire Department with their portable radio upgrade which standardized their equipment in preparation for the Narrowband mandate.

Have Implemented emergency call taking Quality Assurance measures.

**Regional Communications
Expenditure Summary**

	FY09 Actual	FY10 Budget	FY10 Est End	FY11 Budget
Personnel	\$ 2,132,304	\$ 2,195,660	\$ 2,054,950	\$ 2,072,685
Supplies	14,652	15,500	16,900	17,300
Other Services & Charges	198,006	223,192	228,862	225,511
Capital Outlay/Projects	<u>5,192</u>	<u>-</u>	<u>(11,750)</u>	<u>650,352</u>
Total	\$ 2,350,154	\$ 2,434,352	\$ 2,288,962	\$ 2,965,848
Capital Outlay/Projects				
Radio Infrastructure				<u>650,352</u>
Total Capital Outlay/Project				<u>\$ 650,352</u>

**Regional Communications
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	31.46	32.17	32.17
Emergency Services Dir	0.33	0.00	0.00
Wildland Division Chief*	0.00	0.17	0.17
Regional Comm. Director	1.00	1.00	1.00
Info Technology Specialist	1.00	1.00	1.00
Communication Supv.	5.00	4.00	4.00
Communications Spec.	21.25	23.75	23.75
Business Manager	0.00	1.00	1.00
Administrative Assistant	1.00	0.00	0.00
Comm. Spec - Temp	1.88	1.25	1.25

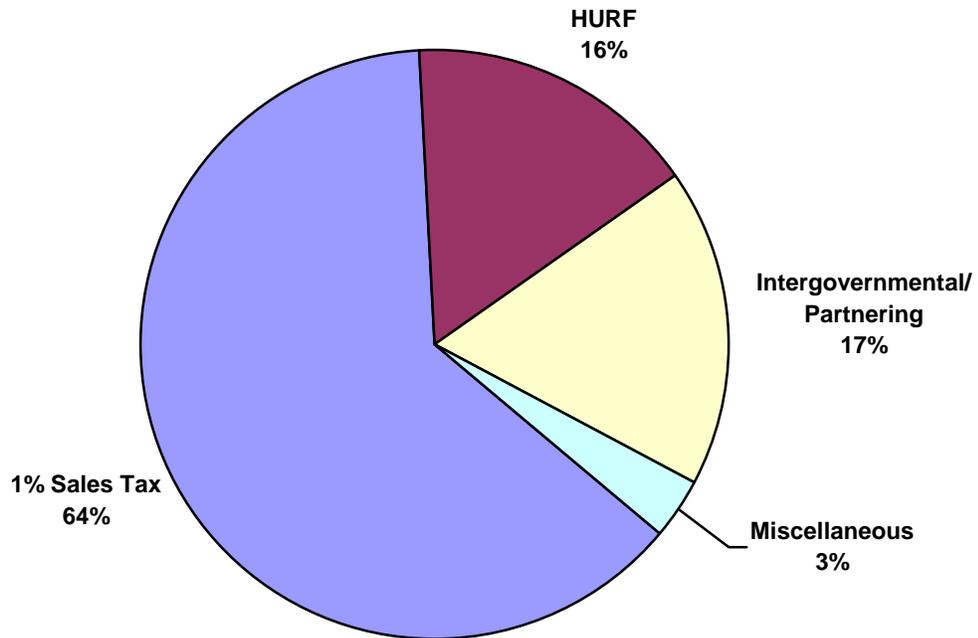
Significant Expenditure Changes: There are no significant expenditure changes in this division.

SPECIAL REVENUE FUNDS

STREETS AND OPEN SPACE FUND	149
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STREETS AND OPEN SPACE FUND

Effective FY2011 the Highway Users Revenue Fund and the Streets and Open Space Fund were combined into one fund – Streets and Open Space Fund. The main sources of revenue for this fund are the 1% sales tax and the Highway User's Revenue issued as state shared revenue. These revenues will provide the funding for street construction and maintenance along with any acquisitions of open space that may arise.



The following table illustrates the activity of this fund for FY2009, Revised Estimates for FY2010 and FY2011 Budget Projections.

Summary of Fund

	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ 10,109,151	\$ 2,902,525	\$ 15,239,739
Revenues			
1% Tax	12,132,375	11,470,000	11,450,000
Highway User Revenue	3,024,565	2,929,892	2,934,709
Intergovernmental/Partnering	870,365	3,384,349	3,172,639
Build America Bond Subsidy	-	115,374	312,290
Street Light Fees	223,100	220,721	220,721
Interest Income	248,245	52,800	51,000
Miscellaneous	44,354	262,455	6,000
Total Revenues	\$ 16,543,004	\$ 18,435,591	\$ 18,147,359
Adjustments/Other Revenue Sources			
Debt Proceeds	\$ -	\$ 18,250,000	\$ 8,013,193
Transfers In/Out (Net)	(701,975)	(401,435)	57,309
Total Adjustments/Other Sources	\$ (701,975)	\$ 17,848,565	\$ 8,070,502
Total Funding Sources	\$ 15,841,029	\$ 36,284,156	\$ 26,217,861
Expenditures	(23,047,655)	(23,946,942)	(29,332,099)
Ending Cash, 6/30	\$ 2,902,525	\$ 15,239,739	\$ 12,125,501

Cash available as of July 1, 2010 is estimated at \$15,186,704. This amount along with the anticipated revenues of \$26,217,861 is available to fund operating costs for street operations, capital outlay and projects that may be deemed necessary for this fund. The estimated expenditures for FY2011 total \$29,332,099. This leaves an estimated ending balance of \$12,072,466.

Funding Sources

Sales Tax: On September 26, 1995 the voters of Prescott approved increasing the sales tax rate from 1.0% to 2.0% for the purpose of street repairs and improvements for a ten year period effective January 1, 1996. Total revenue from the 1% sales tax increase was initially projected at \$54.5 million for the ten-year authorization, assuming no growth in collections, or about \$5.5 million per year. Collections have outpaced the initial forecast – by FY2009, the annual revenue had increased to \$12.0 million.

In May 2000 voters approved extension of the 1% sales tax through December 2015, with the use of proceeds expanded to include acquisition of open space. A schedule for acquisition of specific properties and associated financing plan has not yet been adopted.

City staff once again went to the voters in September 2009 to ask for an extension of the sales tax that is scheduled to sunset in December 2015. Voters overwhelmingly approved this request and the 1% sales tax will convert to .75% sales tax for street purposes only beginning January 2016.

Arizona Highways Users Revenue: The 2010-11 revenue estimate of \$2,934,709 is provided by the State and is slightly higher than the FY2010 revised estimate by \$2,817. The distribution formula provides for 50.0% of the Highway Users Revenue to go to the Arizona Department of Transportation, 20.0% to the counties and 30.0% to the cities and towns. Revenue allocated from the 30.0% share to incorporated cities is distributed on the basis of (a) one-half based on the city's population relative to statewide population of incorporated cities and towns and (b) one-half, first, on the basis of county origin of sales of motor vehicle fuel, and secondly, on the basis of the city's population relative to county-wide population of incorporated cities.

Intergovernmental/Partnering: Intergovernmental Partnering revenues included in this fund relate to the Central Yavapai Municipal Planning Organization monies that will be reimbursed to the City of Prescott by the participating governmental entities. These participants include – Prescott Valley, Chino Valley and Yavapai County. Also included are contributions from the County for major street projects and FEMA related projects.

Build America Bond Subsidy: This is the amount of interest that has been rebated through the issuance of Build America Bonds for the SR89A/Side Road Interchange project in FY2010. For auditing purposes, the reduction in interest costs on the bonds is being recorded as revenue.

Street Light Fee: This fee, which was implemented during FY1995, is projected to bring in \$220,721. The fee is based on \$.75 per residence or commercial unit and \$.75 per unit for multi-family structures. The purpose of this fee is to help offset electrical costs for street lights located throughout the City of Prescott.

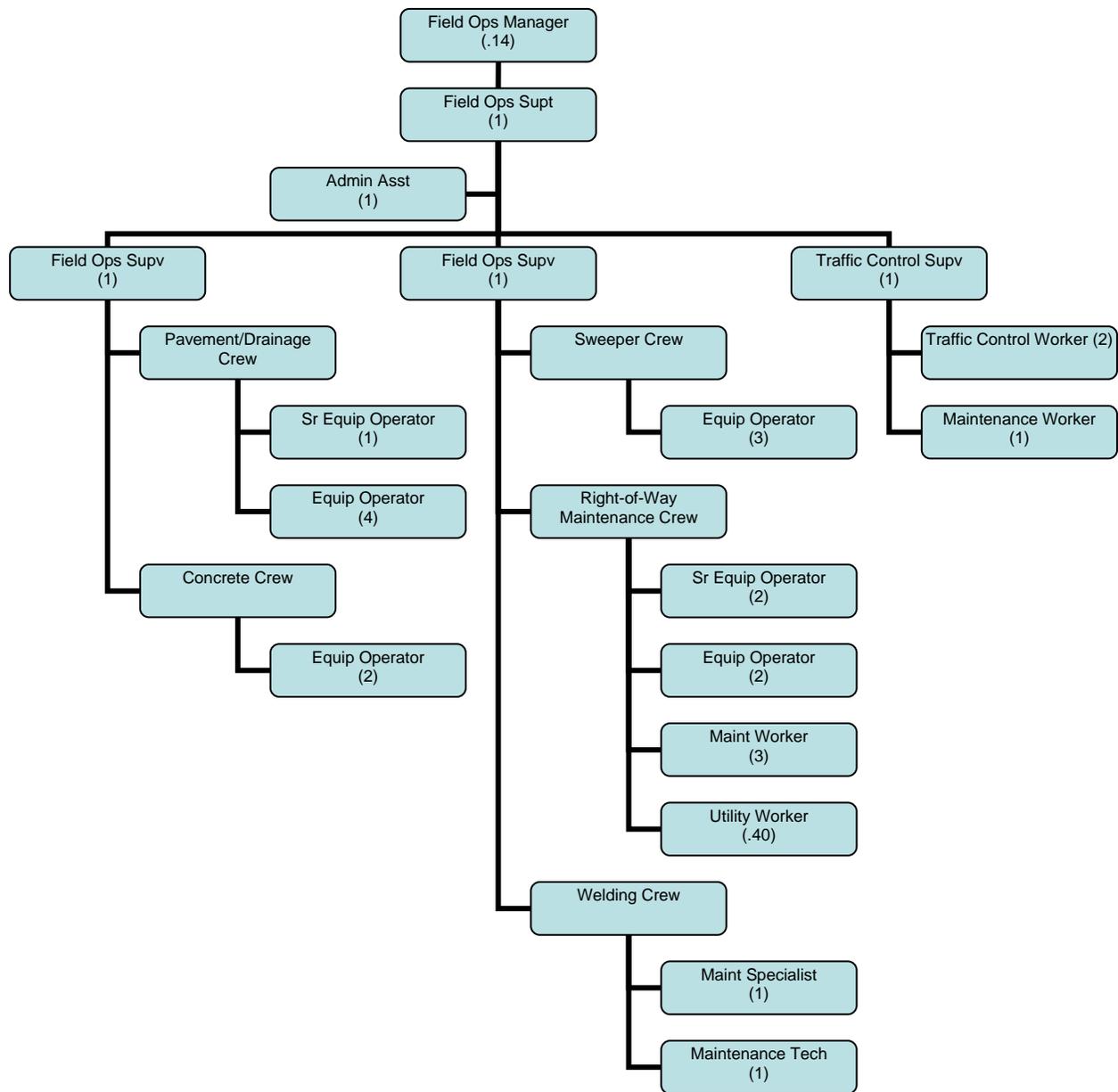
Interest Earnings: This amount is interest earned on the cash balance in the fund. It is a difficult estimate to make due to the fluctuation of cash balances and the interest rates.

Miscellaneous Revenues: These are unanticipated revenues that may arise during the fiscal year.

Streets and Open Space Fund			
Consolidated Expenditure and Staffing Level Summary			
	FY09	FY10	FY11
	Actual	Est End	Budget
Personnel	\$ 2,357,563	\$ 2,403,403	\$ 2,410,245
Supplies	694,230	623,840	607,235
Other Services & Charges	2,786,295	2,146,410	2,221,887
Debt Service	46	329,640	1,652,258
Capital Outlay/Projects	17,209,521	18,443,649	22,440,474
Total	\$ 23,047,655	\$ 23,946,942	\$ 29,332,099
Authorized Staffing Level	34.14	32.54	32.54
Streets Projects Admin	2.50	2.70	3.50
Streets Maintenance	29.14	27.54	27.54
Transportation Services	5.00	5.00	5.00

Street Operations

Division Mission: To provide the citizens of the City of Prescott and visitors with well-maintained streets and alleys. To improve the quality of life enjoyed by our citizens by providing dust abatement measures. Furthermore, it is our goal to carry out our duties in a safe, courteous, and cost-effective manner.



Goal: To improve service to the citizens of the City by proactively planning and implementing timely and efficient repairs to streets, averting the need for reconstruction where possible, by coordination with City Engineering Services and use of the maintenance management system. To apply dust suppression membrane to the unpaved roads in the City providing safe, dust-free ingress and egress to the citizens of the City of Prescott.			
Strategy: Recycle used asphalt (millings) into a dust suppression membrane for application on dirt roads. To continuously maintain dialog with the Utilities and Engineering Departments, aggressively pursuing preventive maintenance while coordinating efforts and sharing resources.			
Workload Indicators:	FY09 Actual	FY10 Estimate	FY11 Forecast
Lane-miles of paved streets maintained	508	510	517
Miles of unpaved streets graded	7	6	0
Miles of unpaved alleys graded	9.5	9.0	7.5
Lineal feet of piped drainage ways	55,000	55,000	55,750
Lineal feet of open drainage ways	927,000	927,000	927,000
Number of drainage structures	2,300	2,350	2,400
Number of work requests from public	1,280	1,500	1,400
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Ratio of [scheduled: total work] accomplished Target: 75%	70%	70%	75%
Pavement condition index (PCI) of major thoroughfare system Target: 7.1	6.7	6.7	6.6

Prior Year Results and Outcomes:

Responded to 17 emergency storm response events, including one Federal and State Emergency Declaration in January

Worked 3,888 hours on emergency storm response in FY 2010

Maintained 515 miles of paved streets

Swept 13,130 miles of street

Replaced and repaired 1,650 traffic control and street signs

**Streets
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 1,629,073	\$ 1,652,648	\$ 1,646,423
Supplies	667,634	605,300	585,000
Other Services & Charges	975,013	804,420	514,844
Debt Service	46	-	-
Total	\$ 3,271,766	\$ 3,062,368	\$ 2,746,267

**Streets
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	26.14	29.54	27.54
Field Operations Mgr*	0.14	0.14	0.14
Field Operations Supt	1.00	1.00	1.00
Field Operations Supv	2.00	2.00	2.00
Traffic Control Supervisor	0.00	1.00	1.00
Maintenance Specialist	1.00	1.00	1.00
Senior Equip Operator	4.00	4.00	3.00
Traffic Control Worker	0.00	2.00	2.00
Equipment Operator	11.00	11.00	11.00
Maintenance Technician	1.00	1.00	1.00
Maintenance Worker	5.00	5.00	4.00
Administrative Assistant	0.00	1.00	1.00
Administration Specialist	1.00	0.00	0.00
Utility Worker	0.00	0.40	0.40

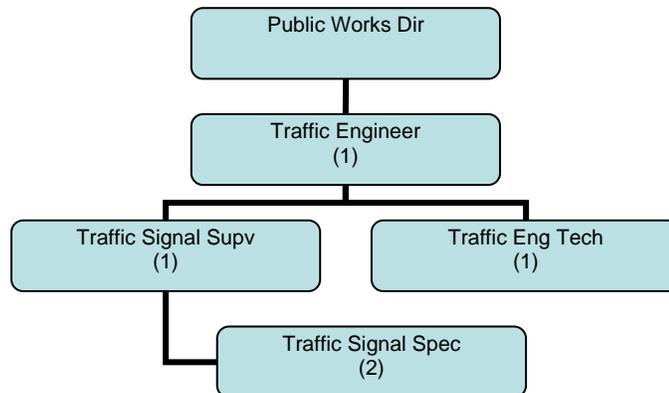
*Remainder of Field Operations Manager is charged to Solid Waste.

**Utility Worker also charged to Water Distribution (45%) and Wastewater Collection (35%).

Significant Expenditures Changes: The 36.0% decrease in Other Services & Charges when comparing the FY2010 estimated endings to the FY2011 budget is a result of the Vehicle Replacement charges not being applied in FY2011. This division is vehicle intensive so the elimination of the charge has a big impact.

Transportation Services

Division Mission: Facilitate safe and efficient vehicular and alternate mode traffic circulation within the City street system through transportation planning, traffic engineering, and traffic operations including traffic signals, signing, and marking.



Goal: To provide for the safe, efficient and convenient movement of persons and goods by coordination of planning, geometric design and traffic operation of roads, streets, abutting lands and other modes of transportation.

Strategy: Install and maintain traffic signs, traffic signals and pavement markings in order to improve traffic safety, and minimize delay and City liability. Evaluate existing traffic control facilities for adequacy. Review roadway construction and development plans for conformance with current national, state and local traffic engineering and highway design policies and guidelines.

Performance Measures	FY09 Actual	FY10 Estimate	FY11 Forecast
Traffic signals maintained (intersections)	50	51	52
Roundabouts maintained (intersections)	3	3	4
Traffic signs maintained	31,500	31,500	32,000
Service requests	155	145	150
Traffic volume counts (each)	170	70	255

Prior Year Results and Outcomes

Maintenance/Infrastructure Projects:

- Rebuilt and improved the Gurley @ Marina signal in the downtown area with new poles mast arms, and 12" indications.
- Rebuilt and improved the Gurley @ Sheldon signal by restoring westbound movements.
- Implemented time-of-day signal timing improvements along Willow Creek Road to provide improved peak hour mainline flow.
- Maintained 50 traffic signals and 3 roundabouts
- Maintained City wide roadway markings through the annual striping contract.
- Gateway Blvd @ Mall Entrance Drives re-striped to create right turn lanes, improving sight visibility and allowing an increased speed limit.
- Installed street light mounted Christmas decorations.
- Assisted with the Elks Opera House renovation with street light removal and City Hall communication wire installation.

Project Design and Construction:

- Prescott Lakes Parkway Roundabout Design finalized.
- Constructed the South View Tank Emergency Conduit Project for the Fire Department saving the City \$80,000 of general fund monies.
- Constructed the Veterans Memorial Park Monument.

Traffic Analysis/Studies/Plan Review:

- ADOT SR89 Widening PA – Coordination of IGA Development
- Downtown Video Surveillance System requirement and cost estimate development
- Safe Route to School Project (Lincoln School) awarded under the FHWA Transportation Grant (SAFETEA-LU) program – done in partnership with PAT
- Staff liaison for the Transportation Coordinating Committee.
- Conducted 11 multi-way stop warrants, 4 protected left turn arrow warrants and three (3) crosswalks studies
- FY10 Annual Traffic Count Contract work completed.
- Authored the Transportation Section (Chapter 6) of the General Engineering requirements, including development of 19 new standard plans and 4 plan checklists.
- Reviewed and processed 7 traffic impact analysis reports for new developments.
- Reviewed and approved 117 construction traffic control plans.
- Provided traffic control plans and /or plan review for over 41 special events.
- Responded to 114 traffic requests.

**Transportation Services
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 425,129	\$ 422,334	\$ 422,032
Supplies	20,364	17,040	19,285
Other Services & Charges	373,835	346,529	349,491
Capital Outlay/Projects	<u>48,681</u>	<u>45,000</u>	<u>35,000</u>
Total	\$ 868,009	\$ 830,903	\$ 825,808
Capital Outlay/Projects			
Signal Replacement Equipment			\$ 25,000
Street Lights			<u>10,000</u>
Total Capital Outlay/Projects			\$ 35,000

**Transportation Services
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	8.40	5.00	5.00
Traffic Engineer	1.00	1.00	1.00
Traffic Signal Supervisor	1.00	1.00	1.00
Traffic Control Supervisor	1.00	0.00	0.00
Contract Specialist	0.20	0.00	0.00
Traffic Engineering Tech	1.00	1.00	1.00
Traffic Signal Specialist	2.00	2.00	2.00
Administrative Assistant	0.10	0.00	0.00
Traffic Control Worker	2.00	0.00	0.00
Secretary	0.10	0.00	0.00

Significant Expenditure Changes: There are no significant expenditure changes in this division.

Street Project Administration

Division Mission: To plan, design, build, and maintain transportation infrastructure for residents, businesses and departments of the City; and provide superior service in meeting customer needs with pride and professionalism in a cost effective manner.

**Streets Project Administration
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 247,549	\$ 253,556	\$ 306,805
Supplies	6,233	1,500	2,950
Other Services & Charges	1,437,446	995,461	1,357,552
Debt Service	-	329,640	1,652,258
Capital Outlay/Projects	<u>17,160,840</u>	<u>18,398,649</u>	<u>22,405,474</u>
Total	\$ 18,852,068	\$ 19,978,806	\$ 25,725,039

**Streets and Open Space Projects
Capital Outlay/Projects**

CYMPO Projects:		
FTA Transit Activities		\$ 500,000
CYMPO Long Range Planning		150,000
Transit FTA Sec 5303 Grant		103,208
FTA Transit Administrator		80,000
FTA Grant Management		35,000
Williamson Valley Road		6,008,215
SR89A/Side Road		4,004,207
Pavement Preservation		3,150,750
Sundog Connector - Storm Ranch DA		2,000,000
Rosser Reconstruction		1,759,344
Sundog Connector - Yav Cty IGA		1,200,000
Drainage Master Plan/Flood Insurance		828,000
Clubhouse Dr Relocation		705,000
Open Space		500,000
FEMA Flood Insurance Map Update		350,000
ERAU Improvement District		250,000
SR89/Phippen Roundabout		200,000
NPDES PHII Implementation		100,000
Iron Springs Road Retaining Wall		100,000
Overland Trail Bridge Reconstruct		75,000
Unpaved Streets		50,000
Engineering & Safety Projects		50,000
SR89 Widening - Design Concept		50,000
Merritt St Drainage Improvements		45,000
Prescott Peavine Trail Transportation Enhancement		42,750
Pavement Management System		30,000
Traffic Calming - Various Streets		25,000
Park Avenue Reconstruction		<u>14,000</u>
Total Capital Outlay/Projects		\$ 22,405,474

**Streets Projects Administration
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	2.50	2.70	3.50
Public Works Director*	0.00	0.20	0.30
Senior Project Manager**	0.00	0.00	0.70
CYMPO Administrator	1.00	1.00	1.00
CYMPO Program Manager	0.50	0.50	0.50
CYMPO Program Coordinato	1.00	1.00	1.00
Administrative Assistant	0.00	0.00	0.00

*Public Works Director also charged to Water Administration (35%), and Wastewater Administration (35%).

**20% of Senior Project Manager is charged to Water Administration and 10% to Wastewater Administration.

Significant Expenditure Changes: Personnel category shows a 21.0% increase when comparing FY2010 Estimated Endings to the FY2011 Budget. A large portion of a new Senior Projects Manager is charged to this area. This position will be utilized to oversee the many street projects that are planned for FY2011.

A 36.4% increase is observed in Other Services & Charges due to the methodology used to calculate cost recovery for City admin costs, legal services, auditing and accounting, and insurance. One component of this calculation is based on size of budget compared to the city budget as a whole. This results in large fluctuations in some funds from year to year.

Debt Service is significantly larger due to FY2011 having a full year of principal and interest due on the SR89A/Side Road project.

This allocation includes, but is not limited to, Williamson Valley Road construction (\$6,008,215), \$4,004,207 for completion of SR89A/Side Road, Pavement Preservation projects (\$3,150,750) and \$2,000,000 for Sundog Connector – Yavapai County Intergovernmental Agreement. Details on these projects and others in this fund are included in the Capital Improvement Plan section of the FY2011 budget book.

TRANSIENT OCCUPANCY TAX

The Transient Occupancy Tax (Bed Tax) Fund is limited by ballot language to tourism promotion and recreational development.

Traditionally the portion of revenues allocated towards recreation development has been used to improve or expand parks, which serve tourists.

Bed tax revenue for FY2011 is estimated to produce \$460,980. Additionally, \$82,000 is anticipated in the form of parks and recreation charges for hosting several softball tournaments.

	FY09 Actual	FY10 Estimate	FY11 Budget
Beginning Cash Balance, 7/1	\$ 170,895	\$ 104,664	\$ 131,274
Revenues			
Transient Occupancy Tax	558,806	447,553	460,980
Parks and Rec Charges	-	20,308	82,000
Senior Olympics Donations	47,666	40,000	-
Audits, Penalties and Interest	3,223	-	-
Total	\$ 609,695	\$ 507,861	\$ 542,980
Expenditures/Transfers	\$ (675,926)	\$ (481,251)	\$ (674,254)
Ending Cash Balance, 6/30	\$ 104,664	\$ 131,274	\$ -

Expenditures:

Beginning FY2011 the City will no longer be contracting with PACT for tourism. A tourism division has been created and will be handling all tourism related projects. \$175,000 has been designated within this budget for Marketing and Promotion for the City of Prescott.

Also, the following items have been budgeted in FY2011:

ASA Tournaments	112,327
4th of July	64,250
Signature Events	50,000
Elks Opera House	35,000
Courthouse Lighting	30,000
Contingency	27,566
Sharlot Hall Museum	25,000
Rodeo Masterplan	25,000
Frontier Days Marketing	20,000
Special Events Overtime	20,000
Support for the Arts	15,000
Open Space Management	15,000
Clubhouse Upgrades	15,000
Prescott Creeks Match	12,500
Inhouse Video Marketing	10,000
Prescott Film Festival	5,000
Transfers Out	17,611

IMPACT FEES FUND

The City currently has nine impact fee accounts; however, water and wastewater buy-in fees are included within the Water and Wastewater Funds. The remaining seven impact fees cover the areas of Park Development, Recreational Development, Library, Police, Fire, Streets and Public Buildings.

During FY2011 impact fees are based on 200 building permits for residential units. A basis of 200 building permits was used for the FY2010 revised estimates. The current policy is that if the residential growth does not produce the required revenues to fund the planned projects, the projects will have to be delayed.

Park Development Impact Fee. This fund was originally the Neighborhood Parks Fund and was changed to Park Development Fund at the time the overall impact fee system was developed. Primarily, it has been used to expand the use of existing facilities for growth related purposes.

Park Development Impact Fee			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 737,817	\$ 1,225,118	\$ 1,388,118
Revenues/Transfers In	487,301	163,000	163,000
Expenditures/Transfers Out	-	-	(825,000)
Ending Cash Balance, 6/30	\$ 1,225,118	\$ 1,388,118	\$ 726,118

Effective March 1, 2002 the fee charged on every residential unit building permit was increased from \$500 to \$715. Projected FY2011 revenues are based on 200 residential building permits at \$715 each. Combining that revenue with the beginning cash balance of \$1,388,118 and estimated interest earnings of \$20,000 provide a total available for FY2011 of \$1,551,118.

FY2011 commitments include expanding the Kuebler Multi-Use Complex (\$750,000) and \$75,000 for the purchase of additional equipment such as bleachers, etc. to meet the growth of the citizens served at our recreation complexes.

Recreational Development Impact Fee. Effective March 1, 2002 the fee charged on every residential unit building permit was increased from \$400 to \$401. All fees collected (except those prior to July 1, 1996, and interest earnings) were dedicated toward the commitment to the YMCA for the new community center partnership arrangement. During FY2001, the City fulfilled its obligation towards the \$1,000,000 commitment.

The other large commitment for this impact fee source was the construction of the new Adult Center building that was completed in FY2007.

Recreational Development Impact Fee			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ (545,127)	\$ (511,042)	\$ (430,342)
Revenues/Transfers	34,085	80,700	80,700
Expenditures/Transfers	-	-	-
Ending Cash Balance, 6/30	\$ (511,042)	\$ (430,342)	\$ (349,642)

Revenues for FY11 include impact fees in the amount of \$80,200 and interest earnings in the amount of \$500.

There are no projects budgeted in FY2011.

Fire Impact Fee. Effective March 1, 2002 the fee increased from \$167 to \$525. Revenues in this area consist of fire impact fees (\$105,000), rent from Life Line Ambulance (\$22,735), and interest earned (\$7,500).

Fire Impact Fee			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 590,601	\$ 462,788	\$ 312,001
Revenues	103,779	135,235	135,235
Expenditures/Transfers	(231,592)	(286,022)	-
Ending Cash Balance, 6/30	\$ 462,788	\$ 312,001	\$ 447,236

No expenditures are planned in FY2011.

Library Impact Fee. Effective March 1, 2002 the Library Impact fee increased from \$208 to \$253. FY2011 expected revenues include impact fees in the amount of \$50,600 along with interest earned in the amount of \$4,000.

Library Impact Fee			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 159,009	\$ 188,354	\$ 242,954
Revenues	29,345	54,600	54,600
Expenditures/Transfers	-	-	-
Ending Cash Balance, 6/30	\$ 188,354	\$ 242,954	\$ 297,554

No projects are budgeted in this area during the upcoming fiscal year.

Police Impact Fee. Effective March 1, 2002 the fee charged on every residential unit building permit was increased from \$84 to \$589. At the end of FY2010, it is estimated that \$344,839 will be available for growth related expenditures. Anticipated revenues for FY2011 encompass impact fees totaling \$117,800 and interest earnings of \$10,000.

Police Impact Fee			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 688,251	\$ 551,064	\$ 344,839
Revenues	94,405	127,800	127,800
Expenditures/Transfers	(231,592)	(334,025)	-
Ending Cash Balance, 6/30	\$ 551,064	\$ 344,839	\$ 472,639

There are no planned expenditures from Police Impact Fees in FY2011.

Street Impact Fee. This impact fee increased from \$456 to \$469 per residential unit effective March 1, 2002. Forecasted revenues for FY2011 are made up of street impact fees (\$93,800) and interest earnings (\$3,000).

Street Impact Fee			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 106,532	\$ 151,989	\$ 67,707
Revenues	45,457	120,250	96,800
Expenditures/Transfers	-	(204,532)	(160,000)
Ending Cash Balance, 6/30	\$ 151,989	\$ 67,707	\$ 4,507

The FY2011 budget includes a transfer to Streets and Open Space Fund to go towards the Willow Creek Road Widening project that was completed several years ago. Impact fee funds will be transferred until the Streets and Open Space Tax Fund has been reimbursed.

Public Buildings Impact Fee. This impact fee was the latest to be adopted by the City Council and has been set at the rate of \$275 per residential unit. The Public Buildings Impact Fee was implemented to provide funding for adequate public buildings to support the expanding population. Revenues projected for FY2011 include impact fees in the amount of \$55,000 and interest earnings in the amount of \$7,500.

Public Buildings Impact Fee			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 426,506	\$ 430,080	\$ 442,580
Revenues	23,375	62,500	62,500
Expenditures/Transfers	(19,801)	(50,000)	-
Ending Cash Balance, 6/30	\$ 430,080	\$ 442,580	\$ 505,080

No projects are budgeted as part of the FY2011 budget.

CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund was originally created by Resolution 2620 during FY1994. This Resolution was rescinded and a new policy was adopted to define the purpose of this fund. Proceeds from the sale of unneeded real estate are deposited in this fund unless the sale of property is Acker Trust or enterprise fund related. The primary source of funding has been the transfer of excess revenues over expenditures from the General Fund. The funding of the account is considered "non-renewable" so it is understood by Council that once all the money has been spent, it will take time to rebuild the balance in this account. Effective FY2011, this account is combined with the General Fund for reporting purposes.

CAPITAL IMPROVEMENT FUND			
	FY09 Actual	FY10 Estimate	FY11 Budget
Beginning Fund Balance, 7/1	\$ 10,193,078	\$ 9,397,818	\$ (0)
Funding Sources			
Sale of Property	25,500	-	-
Intergovernmental Revenue	-	29,500	-
Interest Earned	389,344	150,000	-
Miscellaneous	572	200	-
Transfer In	2,440,018	2,770,227	-
Total Funding Sources	\$ 2,855,434	\$ 2,949,927	\$ -
Expenditures/Transfers Out			
Economic Development & Projects	2,015,746	3,371,093	-
Radio Infrastructure	1,126,256	249,648	-
Airport Improvements/Horizon Air	217,081	-	-
Fire Station Refurbishment	81,701	90,000	-
Grant Transfers	77,673	590,020	-
Community Center AV/Security	54,318	-	-
Downtown Fire Station	32,286	150,000	-
Grace Sparks Roof Repair	25,984	-	-
City Hall Heating/Cooling	19,647	3,073	-
Elks Fire Sprinkler	-	256,000	-
FAA Mandated Projects	-	150,000	-
Elks Marquee	-	72,372	-
Transfer to General Fund	-	7,415,540	-
Total Expenditures/Transfers Out	\$ 3,650,693	\$ 12,347,745	\$ -
Ending Fund Balance, 6/30	\$ 9,397,818	\$ (0)	\$ (0)

GRANT FUNDS

The total Grant Funds, excluding Airport grants, is funded at \$8,404,660 of which total matches are anticipated at a level of \$919,797. The General Fund transfer is estimated at \$877,047 and the Streets and Open Space Fund is contributing \$42,750.

GRANT AND PURPOSE	TOTAL PROJECT	CITY'S SHARE
Federal Emergency Management Grants – Homeland Security grant provides funding for a wide range of activities aimed to increase security and prepare for emergencies. Various Equipment Grants – Fire	1,560,800	13,000
State Homeland Security Communication Equipment – Communication Funding	215,000	-0-
Arizona Department of Transportation – Provides funding for Safe School Routes.	500,000	-0-
Judicial Collection Enhancement Fund and Fill the Gap – Provides funding for court collection efforts.	139,700	-0-
Prescott Technology Complex – Economic Development Administration grant funding for land and construction	3,022,744	647,859
APS Economic Development Grant – Provides funding for economic development projects.	2,000	-0-
Economic Strengths Projects – Arizona Department of Commerce reimbursement grant. This will provide funds for improvements related to economic development.	200,000	
Arizona Humanities Council – Voices of Arizona: Mexico: Prescott's "Distant" Neighbor	400	200
Community Development Block Grant (CDBG) – Provides funding for the following: Housing Rehabilitation Administration – Entitlement Prescott Area Women's Shelter West Yavapai Guidance Clinic Fair Housing Education Program Project Aware AARA Meals on Wheels AARA Catholic Charities Virginia St. ADA Improvements Dexter	110,800 63,777 23,000 80,000 3,000 100,000 30,000 67,031 19,106	-0- -0- -0- -0- -0- -0- -0- -0- -0-
Public Transit – Money will be used as pass through funds to qualified non-profit agencies to subsidize capital costs to provide public transit services such as vehicle purchases and for new sidewalk construction.	10,000	2,500
Tribal Gaming Compact Grant - Compact funds provided to city for distribution to other organizations.	70,000	-0-
State Library Grants in Aid – LSTA – Camp Verde USD Grants	16,000	-0-
Arizona State Parks – Historic Preservation – Scholarships, maps and booklets	4,000	1,600
Prescott Peavine Trail Transportation Enhancement – Provides funding for Peavine trail crossings City share is from Streets and Open Space Fund.	750,000	42,750
Governor's Office of Highway Safety – Selective Traffic Enforcement – Provides funding for overtime involving traffic safety and related equipment.	54,218	-0-
Governor's Office of Highway Safety – AIMS – Police funding for bullet proof vests	1,596	-0-

DUI Enforcement Regional Grant – Provides funding for officers' overtime costs and equipment associated with special DUI traffic enforcement assignments and underage youth liquor enforcement.	87,100	-0-
Arizona Department of Administration – Local Network Management – Provides funding for emergency telecommunications.	2,200	-0-
STU/Rico Reimbursement – Provides funding to support the Prescott Area Narcotics Task Force in its operations making high risk entries by special tactical units.	130,000	-0-
Bureau of Justice Assistance Equipment Grant – Provides funding for a police car, bullet proof vests, and other operational equipment. Bullet Proof Vests	8,000	4,000
Miscellaneous Police Department Grants – Budget to enable the Police Department to take advantage of grant opportunities that may arise during the fiscal year.	250,000	-0-
Fire Department Vegetation Management Crew – provides staffing for a ten-month, 13-member community wide vegetation management plan to prevent and suppress wildfires. Also includes equipment, supplies and services.	390,000	195,000
Fire Department Arizona Wildland Hazardous Fuels Project – Provides for mitigation of risk through reduction of fuels.	108,088	12,888
Arizona Department of Transportation – Vehicle Impound Reimbursement – Accounts for impound fees and related expenses.	120,000	-0-
Prescott Area Narcotics Task Force – Provides funding for potential drug task force operation support by SWAT	30,000	-0-
Miscellaneous Library Grants – Budget to enable the Library to take advantage of grant opportunities that may arise during the fiscal year.	50,000	-0-
Animal Control Grant – Spay/Neuter program	10,000	-0-
Recovery Act Byrne Law Enforcement JAG – Police funding for law enforcement equipment.	20,000	-0-
Federal Stimulus Energy Funding – Provides funding for energy conservation related projects.	151,100	-0-
Cable One – Funding for communications equipment.	5,000	-0-

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OTHER FUNDS

EXPENDABLE TRUST FUNDS	167
INTERNAL SERVICE FUNDS	169
DEBT SERVICE FUND	181

EXPENDABLE TRUST FUNDS

Expendable Trust Funds are used to account for assets held by the City of Prescott in a trustee capacity for others. The City will use two trust funds during FY2011: Acker Trust Fund and Miscellaneous Gifts Trust Fund.

Acker Trust Fund

Division Mission: Account for assets willed to the City of Prescott by J.S. Acker. Revenue from investments and land sales are to be expended for cultural and recreation purposes only.

Prior Year Results and Outcomes:

Continued scholarship program for music at Prescott High School.

Continued support for the Artists in Residence program with Yavapai College.

Visited local schools and conducted workshops with music students.

Provided Prescott Fine Arts scholarships for attendance at music camps and continuing music education.

Summary of Fund			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ 536,010	\$ 574,994	\$ 574,994
Revenues			
Interest Income	43,984	10,000	10,000
Total Revenues	\$ 43,984	\$ 10,000	\$ 10,000
Expenditures	(5,000)	(10,000)	(10,000)
Ending Cash, 6/30	\$ 574,994	\$ 574,994	\$ 574,994

Significant Expenditures Changes: The Acker Trust's goal is to always maintain a balance and to spend only the interest earnings off the principal. For FY2011, an expenditure allowance in the amount of \$10,000 will be made to cover annual scholarships and bequests.

Miscellaneous Gifts & Donations

Division Mission: Provide an account to track any contributions for miscellaneous gifts which the City may receive as well as the expenditures made.

Prior Year Results and Outcomes:

Shop-with-a-Cop (Police Gift Fund) – Coordinated and participated in the twelfth annual Shop-with-a-Cop program which provides an opportunity for disadvantaged children to shop for Christmas gifts. This year's project resulted in financial aid in the amount of \$21,904.

Summary of Fund

	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ 162,882	\$ 218,659	\$ 143,659
Revenues			
Gifts and Donations	122,458	-	-
Interest Income	115	-	-
Total Revenues	\$ 122,573	\$ -	\$ -
Expenditures	(66,796)	(75,000)	(100,000)
Ending Cash, 6/30	\$ 218,659	\$ 143,659	\$ 43,659

Significant Expenditure Changes: Throughout the year, the City receives gifts and donations. Some of them are for a specific purpose such as the DARE program and library bequests, and some are unspecified.

The City is budgeting \$100,000 this year to provide spending authority for any donations/bequests that may be received.

INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for services and commodities furnished by one department to other departments of the City on a cost reimbursement basis. The City has the following Internal Service Funds: General Self-Insurance Fund, Central Garage, Engineering Services and Facilities Maintenance.

General Self-Insurance Fund

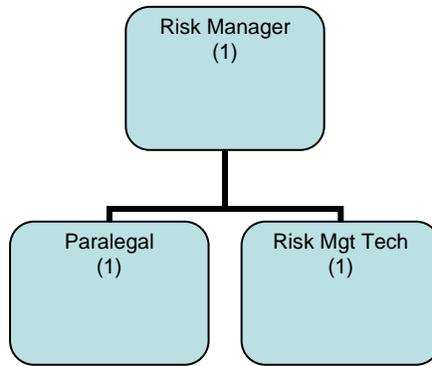
The Risk Management program is designed to reduce, eliminate or transfer liability for loss exposures associated with city operations, and to manage and properly dispose of liability claims against the City. Risk Management assesses and purchases appropriate insurance coverage with adequate self-insured retention levels. Additionally, the division strives to improve City operations through an internal review function and employee training.

From August 17, 1986, through June 20, 1992, the City of Prescott was totally self-insured. For the period of July 1, 1992, through September 30, 1993, the City was insured with the Arizona Municipal Risk Retention Pool. Effective October 1, 1993, the City again became totally self insured except for property insurance and airport liability insurance.

During FY1995 the City settled an extraordinary claim in the amount of \$3.5 million. In order to pay for the claim, the City used \$1.0 million of cash available from the Self Insurance Fund and borrowed \$2.5 internally from the Alternative Water Sources Fund. The Self Insurance Fund will pay back the Alternative Water Sources Fund the \$2.5 million over 20 years at no interest. As a result of this settlement, the City decided to re-enter the insurance market, purchase excess insurance above an approximate level of \$.5 million and keep the cash balance of the Self Insurance Fund at approximately \$1 million.

On July 1, 1996, it was decided that this fund would be used to pay workers' compensation claims against the City. After a self-insurance feasibility study was performed by an independent actuarial, it was decided to leave State Compensation Fund. The goal of this division is twofold: to provide an increasingly safe work environment and to provide adequate self-insurance and purchase insurance to cover work related injuries to City employees. The workers' compensation funds are appropriated from the employee related workers' compensation expense.

Division Mission: The Risk Management Division provides pro-active management of the City's property and casualty insurance programs; including self-insurance for both liability and workers' compensation. Risk provides direction and education by developing and maintaining sound safety practices, risk assessment, claims administration, contractual transfer of exposures and risk mitigation strategies to protect the City of Prescott's human, financial and property assets from the adverse impact of loss.



Goal: Protect the City through risk avoidance by transferring the risk through contract/certificate of insurance centralization and tracking.			
Strategy: Continue city-wide contract review; establish insurance/indemnification contract language and requirements; assist IT in design of centralized system; establish procedures for centralization/tracking system of contracts and certificates of insurance.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Review of city-wide contracts	N/A	N/A	75%
Establish contract language and requirements for each department	N/A	N/A	75%
Assist IT in design of centralized contract/certificate of insurance system	N/A	N/A	100%

Goal: Reduce number of on-the-job injuries (Workers' Compensation).			
Strategy: Encourage senior management involvement to promote overall safety culture by providing loss statistics. Update Risk Management Safety Library and assist in locating resources to assist department's in safety training for injury prevention based on department/injury trends.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of open claims	36	30	30
Number of new claims	83	80	80
Number of lost time claims	14	10	10
Number of medical only claims	69	70	70
Average cost per lost time claim	\$23,673	\$20,000	\$20,000

Prior Year Results and Outcomes

Worker's Compensation

Reduced the City's outstanding worker's compensation reserves by \$57,721.05 by requesting a complete file review of all open claims with the third-party administrator. Risk worked with adjusters to close out claims.

Subrogation

Recovered \$55,116.65 from 3rd parties that caused damage to City property or injury to City employee(s).

Liability Claims

Increased efficiency of the Risk Management Division by contracting with Traveler's as the third-party administrator for all public, director's and officers, and law enforcement liability.

Safety Review Board

Re-established a City Safety Review Board comprised of city employees and Supervisors from different departments/divisions to improve employee safety.

Employee Safety Manual

Initiated and completed Job Hazard Assessments (JHA), Written Programs for every City position with the cooperation and input of every City Department in order to complete an updated City Employee Safety Manual.

Backwater Valve Prevention Program

Worked in conjunction with the water department to establish a new Utility Smart Guide program. The goal is to educate the public in the importance of sewer backwater valves, fats, oils & grease and backflow assembly. In addition, hosted a Sewer Smart workshop with area plumbers in order to reduce the amount of sewer back-up claims.

Self Insurance Fund Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Beginning Cash Balance, 7/1	\$ 1,428,337	\$ 1,659,838	\$ 1,699,838
Revenues			
Interest Income and Misc	112,621	40,000	40,000
Total Revenues	\$ 112,621	\$ 40,000	\$ 40,000
Expenditures			
Personnel Supplies	\$ 268,670	\$ 274,717	\$ 215,623
Supplies	998	3,169	6,250
Other Services & Charges	1,718,059	1,705,791	1,784,620
Cost Recovery	(2,106,607)	(1,983,677)	(2,006,517)
Total Expenditures	\$ (118,880)	\$ -	\$ (24)
Ending Cash Balance, 6/30	\$ 1,659,838	\$ 1,699,838	\$ 1,739,862

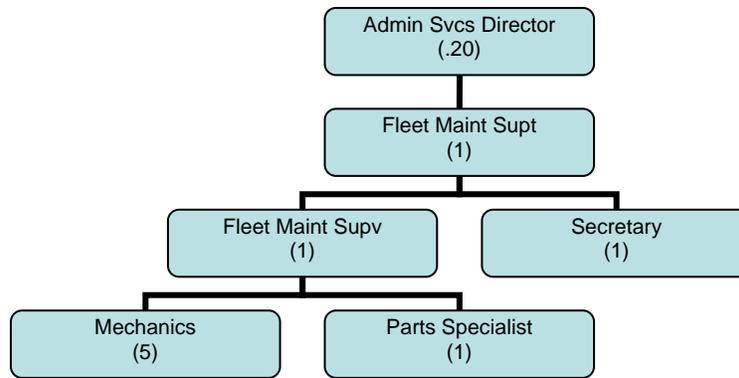
Self Insurance Fund Staffing Level Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.00	3.46	3.00
Chief Asst City Attorney	0.50	0.23	0.00
Senior Assistant Attorney	0.50	0.23	0.00
Risk Manager	1.00	1.00	1.00
Paralegal	0.00	1.00	1.00
Risk Management Tech	1.00	1.00	1.00

Significant Expenditure Changes: The 21.5% decrease in Personnel is the result of the movement of the Chief Assistant City Attorney and the Senior Assistant Attorney salaries back to the Legal Department.

Central Garage

Division Mission: To provide effective and efficient fleet maintenance/repair and acquisition services to maximize equipment availability and serviceability for internal customer departments.



Goal: Maximize equipment availability and serviceability.			
Strategy: (1) Use fleet management software integrated with Streets Division maintenance management system (MMS) and City's cost accounting/financial management system; (2) Balance in-house mechanic and parts activities with vendor sublet services to achieve competitive, cost effective operation; (3) Monitor equipment utilization, cumulative operating and repair costs, and market value of units to be disposed of; and (4) Perform truck and equipment inspections on Field Operations and Solid Waste Divisions to minimize breakdowns and cost which benefit the city as a whole.			
Workload Indicators:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of pieces of rolling stock including mobile off road equipment	482	445	445
Number of light vehicle preventive maintenance services	557	594	595
Number of heavy duty preventive maintenance services	210	205	206
Number of off-road equipment preventive maintenance services	46	47	48
Number of emergency road service calls	45	44	41
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Average equipment availability (%) Target: 95% minimum	98%	98%	98%
Ratio of sublet/vendor services costs to total expenditures Target: 6%	6%	8%	7%
Warranty Claims Submitted	115	200	190
Warranty Claims Resolved Target: 95% minimum	97%	98%	98%

Prior Year Results and Outcomes:

The Central Garage proactively provided preventative maintenance for the City fleet in accordance with OEM recommendations and responsively provided fleet vehicle repairs as requested by end users. We strive to provide a very high level of customer service to all of our internal customers. We take pride in our workmanship, provide a high level of quality in a cost effective manner. We continue to maintain an average availability rate of 96% for all City fleet vehicles that are maintained by the Central Garage.

The Central Garage continues to perform truck safety inspections on a bi-weekly basis for City divisions including Solid Waste, Field Operations and the Prescott Fire Dept.

The Central Garage provides customer support services for all City departments by providing research for vehicles/equipment to meet the specific need that any of our customers may have. We also conduct surplus vehicle disposal services through a public online auction process when a number of surplus

vehicles have been identified and turned in to the Central Garage for removal from the fleet. The Central Garage administers new vehicle and replacement parts warranties, coordinates and processes all vehicle related warranty claims and recovers costs of those claims which are then credited back to the appropriate department or line item budget.

The Central Garage established a Fleet Focus Group (FFG) this year and each City department has representative to speak on their respective department's behalf. The FFG studied each fleet vehicle's utilization, fleet costs and made recommendation to remove 26 vehicles from the fleet in effort to reduce costs to the City budget. The Central Garage was involved several significant steel fabrication projects in FY10 including a portable Communications trailer, custom fabrication and upfitting a new truck for the Wildland Fire division supervisor, upfitting a new Utility Support van for the Fire Suppression division and a Type 6 Patrol Wildland fire vehicle for the Prescott Fire Dept.

Central Garage staff equipment mechanics have now attained a combined total of six (6) ASE (Automotive Service Excellence) certifications and two (2) EVT (Emergency Vehicle Technician) certifications during FY10. Each Central Garage equipment mechanic is continuing work toward attaining additional ASE and EVT certifications in FY11 as time and budget constraints allow.

A snapshot recap of the Central Garage workload for FY10 is as follows:

- 834 - Scheduled preventative maintenance (PM) work orders completed
- 1767 - Non- PM repair orders completed
- 752 - Repair order line items were performed by outside vendors and billed by the Central Garage
- 2,602 - Total number of repair orders initiated and completed by the Central Garage in FY10.
- The Central Garage billed out a combined total of regular and overtime labor hours of 6,952 hours during FY2010.

**Central Garage
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Beginning Cash Balance, 7/1	\$ (319,497)	\$ (285,743)	\$ (460,927)
Beginning Designated Cash Balance, 7/1	\$ 4,532,539	\$ 6,593,001	\$ 7,237,258
Revenues			
Proceeds from Sale of Assets	125,104	92,568	50,000
Interest Income and Misc	309,790	101,000	101,000
Total Revenues	\$ 434,894	\$ 193,568	\$ 151,000
Expenditures			
Personnel Supplies	\$ 664,348	\$ 642,766	\$ 660,413
Supplies	613,408	583,025	525,188
Other Services & Charges	307,649	253,841	275,178
Cost Recovery	(4,470,285)	(3,647,514)	(1,450,468)
Debt Service	391,421	392,377	388,836
Capital Outlay/Projects	834,137	1,500,000	2,250,000
Total Expenditures	\$ (1,659,322)	\$ (275,505)	\$ 2,649,147
Ending Cash Balance, 6/30	\$ (285,743)	\$ (460,927)	\$ (664,758)
Ending Designated Cash Balance, 6/30	\$ 6,593,001	\$ 7,237,258	\$ 4,942,942
Capital Outlay/Projects			
Vehicle Replacements (as approved by Fleet Mnt Manager)			2,250,000
Total Capital Outlay/Projects			\$ 2,250,000

**Central Garage Fund
Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	9.10	9.15	9.20
Administrative Services Director	0.10	0.15	0.20
Fleet Maintenance Supt	1.00	1.00	1.00
Fleet Maintenance Supv	1.00	1.00	1.00
Equipment Mechanic	5.00	5.00	5.00
Parts Specialist	1.00	1.00	1.00
Secretary	1.00	1.00	1.00

Note: Administrative Services Director is also charged to Facilities Maintenance (40%), Parking Garage (10%), Purchasing (10%), Elks (10%), and Rodeo (10%).

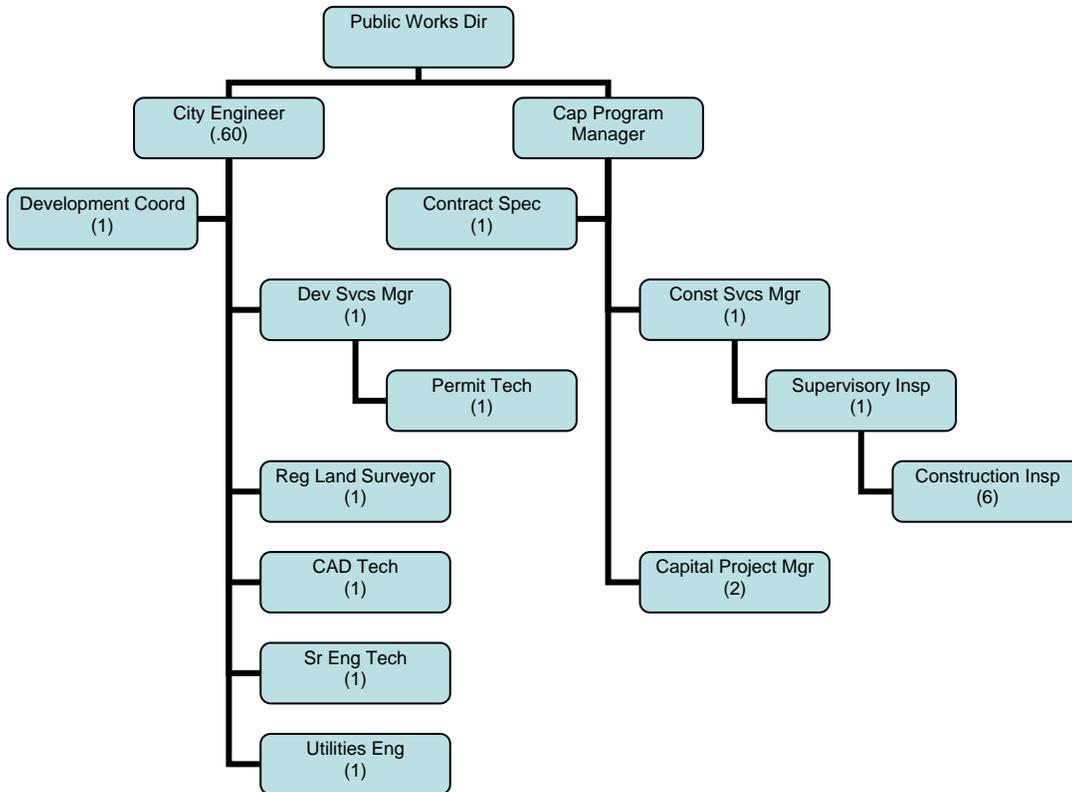
Significant Expenditure Changes: The 10% decrease in Supplies can be tied to the reduction in revolving inventory budget. In FY2011, inventory will be kept at a minimum to keep expenditures down in this department.

Other Services & Charges is 5.4% higher in FY2011 compared to FY2010 estimated endings. This change occurred because of the methodology used when figuring the city administrative, accounting, and legal cost recoveries. These calculations are based upon the size of the department budget in comparison to the city-wide budget as a whole so they fluctuate every year. The increase is partially offset by the removal of the vehicle replacement charges in FY2011.

Information regarding the capital outlay can be found in the Capital Improvement Program section of this year's budget book.

Engineering Services

Division Mission: To provide or procure professional engineering and other associated services for City Capital Improvement Plan street and utility improvement projects, to include surveying, design, contracting and quality assurance; and to implement provisions of the City's Land Development Code pertaining to civil engineering plan review and quality assurance.



Goal: Provide quality professional services during the design and construction phases of capital improvement and private development projects (e.g., roadway, sidewalk, curb & gutter, drainage, traffic control, etc.). Provide quality review of private development project civil plan review for compliance with the City's Land Development Code.

Strategy: Prepare professional level biddable civil plans and specification for capital improvement projects utilizing in-house design staff. Provide quality assurance to outside engineering firms to ensure a high level of professional designs for streets capital improvement projects. Provide mapping and support services to other City departments in evaluating infrastructure conditions and costs for proposed annexation, infrastructure policy generation and public requests. Provide a high level of professionalism in performing civil plan review for private developments both in meeting the required timelines and to ensure compliance with the City's Land Development Code.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Ratio of actual number of in-house designs completed vs. total number planned. Target: 80%	11/15 = 73%	20/25 = 80%	9/10 = 90%

Prior Year Results and Outcomes:

Pavement Reconstruction In-House

- In progress Prescott View Place North and South
- In progress Cedarwood Drive
- In progress Yavapai Hills Drive

Pavement Preservation In-House

- Annual Chip Seal Program – Various Streets within The Ranch at Prescott, Country Club, North Central Business District, Pinion Oaks Drive, Downer Trail, MacCurdy Drive, North Central Prescott Area Streets
- ACFC-AR Pavement Rehabilitation plans: Miller Valley Road, Montezuma Street, White Spar, Goodwin Street, and Prescott Lakes Parkway

Sidewalk Extension Design In-House

- Campbell Street Sidewalk and Paving for In-House Construction

Miscellaneous Project Design In-House

- South Montezuma Paving, Drainage, Sewer submitted final review
- Clearwater Drive Waterlines Graphics for Analysis
- Zone 56 Water Tank Access Road Design
- Zone 56 Waterline profiles
- Zone 19 Sierra Vista Topo for Pump Station
- APS line to City Water Tank at Prescott Lakes Parkway
- Zone 24 Reservoir Road
- Side Road Temporary Detour Revisions
- Yavapai College at Sheldon Landscaping Plans
- Williamson Valley Road Waterline Graphics for Analysis
- Elks Opera House Alley Fire Line
- V.A. Monument Site

Unpaved Streets

- City Hall Parking Lot for In-House Construction
- Campbell Street Sidewalk and Paving for In-House Construction
- Thirty unpaved street segments chip sealed as final surface treatment of unpaved streets, paved with recycled asphalt by Streets Field Operations as part of the dust suppression efforts on unpaved streets citywide

Drainage Projects/Programs

- Secured funding authorization of \$510,000.00 from the Yavapai County Flood Control District which was used as follows
 - \$100,000.00 – Willow Creek FEMA flood study update
 - \$60,000.00 – Willow Creek Levee analysis to determine our ability to meet federal levee regulations (65.10)
 - \$300,000 – FEMA flood study updates of the following Granite Creek Tributaries:
 - Manzanita Creek
 - Aspen Creek
 - Miller Creek
 - Granite Creek North Fork
 - \$15,000.00 – Expansion of the hydrologic analysis of the Granite Creek watershed to Bottleneck Wash, including Willow Lake and Watson Lake
 - \$20,000.00 – Expanded the 2' topographic mapping to include drainage areas beyond the City Limits
 - \$15,000.00 – Engineering Services for review and participation in the development of the City design criteria
- Continued participation in the FEMA Cooperating Technical Partner Program (CTP)
- Completed the initial draft of the City of Prescott Drainage Criteria Manual

General Engineering Requirements

City staff in concert with local engineering firms and developers have been working together to develop City of Prescott General Engineering Requirements Manual (GER). The goal of the Manual is to assist in the orderly development and improvement of property that protects the public's health, safety and welfare and achieves lasting value and quality of life for the citizens of Prescott.

The purpose of the GER Manual is to provide clear and concise technical requirements, polices and processes for design professionals to prepare plans, specifications and reports necessary for the development of both public and private projects with the City of Prescott. Having such a document will help streamline the plan development, review, and approval process.

Specific areas that have been developed and reviewed by local engineering firms include grading, water, traffic, transportation, dry utilities, submittals & as-builts, and survey control. Outstanding sections include storm water, waste water, and variances.

Development Review

- Completed 183 plan reviews for Private Development/ ROW Permits
- Completed 315 plan reviews for Capital Projects
- Issued 14 Approvals to Operate (ATO)s.
- Issued 23 Approvals to Construct (ATC)s.

**Engineering
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Beginning Cash Balance, 7/1	\$ 152,502	\$ 32,580	\$ 33,180
Revenues			
Interest Income and Misc	2,890	600	600
Total Revenues	\$ 2,890	\$ 600	\$ 600
Expenditures			
Personnel Supplies	\$ 1,731,919	\$ 1,492,355	\$ 1,580,965
Supplies	37,966	46,050	45,550
Other Services & Charges	321,706	281,474	235,410
Cost Recovery	(1,968,779)	(1,819,879)	(1,887,174)
Total Expenditures	\$ 122,812	\$ -	\$ (25,249)
Ending Cash Balance, 6/30	\$ 32,580	\$ 33,180	\$ 59,029

**Engineering Fund
Staffing Level Summary**

	FY08 Actual	FY09 Estimate	FY10 Budget
Authorized Staffing Level	22.00	18.60	18.60
City Engineer*	1.00	0.60	0.60
Construction Services Manager	1.00	1.00	1.00
Utilities Engineer (Civil)	1.00	1.00	1.00
Development Services Manager	1.00	1.00	1.00
Development Coordinator	1.00	1.00	1.00
Supervisory Inspector	1.00	1.00	1.00
Senior Engineering Technician	1.00	1.00	1.00
Capital Projects Manager	2.00	2.00	2.00
Construction Contracts Specialist	1.00	1.00	1.00
CAD Technician	1.00	1.00	1.00
Registered Land Surveyor	1.00	1.00	1.00
Construction Inspector	8.00	6.00	6.00
Engineering Technician	1.00	0.00	0.00
Permit Technician	1.00	1.00	1.00

*City Engineer is also charged .30 to Water Administration and .10 to Wastewater Administration.

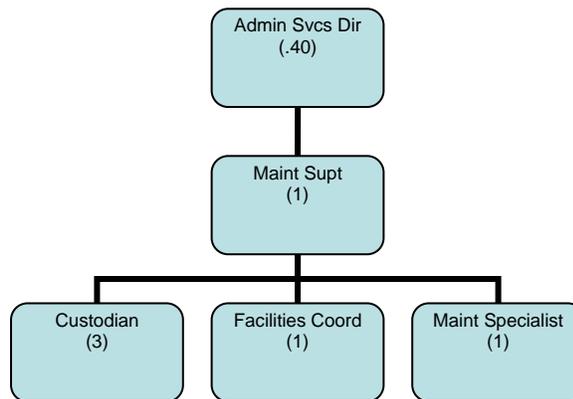
Significant Expenditure Changes: Significant expenditures changes can be viewed in both the Personnel and Other Services & Charges categories.

The 5.9% increase in Personnel can be linked to the potential for six retirements in FY2011. Due to the retirement policy, there are payouts that will be due to the employees when they retire.

Other Services & Charges exhibits a 16.4% decrease when comparing the FY2010 estimated endings to the FY2011 budget. This is the result of the methodology that is used for the administrative costs, accounting, and legal. The methodology causes fluctuation from year to year. Also, the vehicle replacement charges are eliminated for FY2011.

Facilities Maintenance

Division Mission: To provide safe, clean and well maintained buildings and facilities for use by employees and general public.



Prior Year Results and Outcomes

Golf Course ~

- Surveyed all HVAC equipment at Manzanita Grille and made all necessary repairs.

Police Department ~

- Repair Police Evidence Storage Area Roof.
- Paint exterior of Police Evidence Storage Building and add grounding conductors to exciting electrical system in building.

ADOSH and OSHA ~

- Completed Job Hazard Analysis for every task performed in Facilities Maintenance.
- Participated with ADOSH consultant to maintain a safe work environment for employees and maintain OSHA compliance.

Fire Department ~

- Helped Wildland Fire Crew with building issues prior to moving into the 6th Street property.

Stimulus Project ~

- Complete Stimulus Energy Efficiency Glass Project at City Hall, Airport Terminal, Parks and Recreation Administration Department.

Tyson House ~

- Completion of Tyson House Asbestos Survey and Abatement.

Public Works ~

- Help with relocation of Public Works Inspectors Offices to the Traffic Signal Department area.

Storm Damage ~

- Completed Storm Damage repairs including the following;
 - New roof at Heritage Park Concession Building.
 - New roof at Granite Park Restroom Building.
 - Awning South side of Water Production Building.
 - Re-skin South side of Transfer Station Building.
 - Elk's Theater Roof repairs.
 - Cleaned City Hall Basement carpets.

Library ~

- Help w/ installation of Security Gates at all entrances.
- Manage all repairs from runaway Motor Home on Goodwin Street side of Library.
- Plan, layout and install Solar Lighting for Mural on Parking Lot retaining wall At Library.

Grace Parks Activity Center ~

- Replace 20ft of water line for main building.

Elk's Theater ~

- Help with storage of theater equipment at Grace Sparks Activity Center and the Rodeo Grounds Barn "A".
- Helped as needed with Renovation Projects.

Facilities Maintenance has completed more than 400 Work Orders over the past Fiscal Year.

**Facilities Maintenance
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Beginning Cash Balance, 7/1	\$ 94,653	\$ 237,791	\$ 241,100
Revenues			
Interest and Miscellaneous	9,454	2,500	2,500
Total Revenues	\$ 9,454	\$ 2,500	\$ 2,500
Total Funding Sources	\$ 9,454	\$ 2,500	\$ 2,500
Expenditures			
Personnel Supplies	\$ 455,964	\$ 385,758	\$ 384,135
Supplies	104,753	75,700	69,400
Other Services & Charges	505,055	526,526	512,165
Cost Recovery	(1,199,456)	(988,793)	(953,547)
Total Expenditures	\$ (133,684)	\$ (809)	\$ 12,153
Ending Cash Balance, 6/30	\$ 237,791	\$ 241,100	\$ 231,447

**Facilities Maintenance Fund
Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	6.40	6.40	5.90
Administrative Services Director*	0.40	0.40	0.40
Maintenance Superintendent	1.00	1.00	1.00
Facilities Coordinator	1.00	1.00	1.00
Maintenance Specialist	1.00	1.00	1.00
Custodian	3.00	3.00	2.50

*20% of Admin Svcs Director is charged to Central Garage; 10% to Parking Garage; 10% to Purchasing; 10% to Rodeo; 10% to Elks

Significant Expenditure Changes: There are no significant expenditure changes in this area when comparing FY2010 estimated endings to FY2011 budget.

DEBT SERVICE FUND

The Debt Service Fund was created during FY1999 primarily as the result of the voter-approved general obligation issue for the purchase of Watson and Willow Lakes in September, 1998. Added to the debt service payments for the aforementioned project are the debt service for the Police Station building approved by the voters in 1989 and special assessment payments for Improvement Districts previously issued and to be issued in the future.

As part of the issuance of the bonds for the purchase of Watson and Willow Lakes, the remainder of the debt for the Police Station was also refunded without extending the life of the debt service (final payment was made in FY2009). There was a savings by the reissuance due to a lower interest rate being available than when the bonds were originally issued in FY1989.

Total principal and interest payments for FY2011 will be \$1,983,241 to be offset by property tax revenues for the two general obligation issues and assessments paid by property owners for Improvement Districts. Fiscal agents' fees amount to \$2,250.

Debt Service Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Qwest Settlement	\$ 15,623	\$ -	\$ -
Principal	1,907,151	1,622,151	1,692,151
Interest	444,581	362,439	291,090
Fiscal Agents Fee	859	2,250	2,250
Total	\$ 2,368,214	\$ 1,986,840	\$ 1,985,491

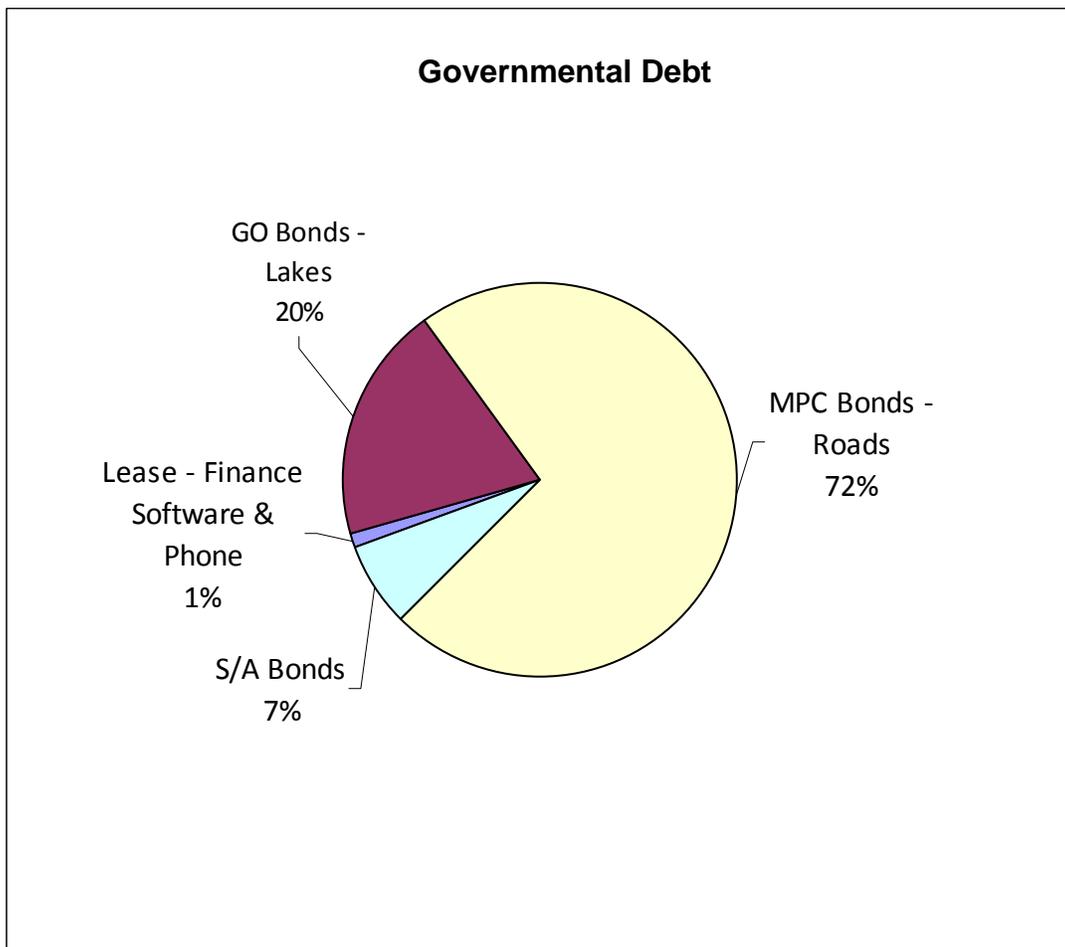
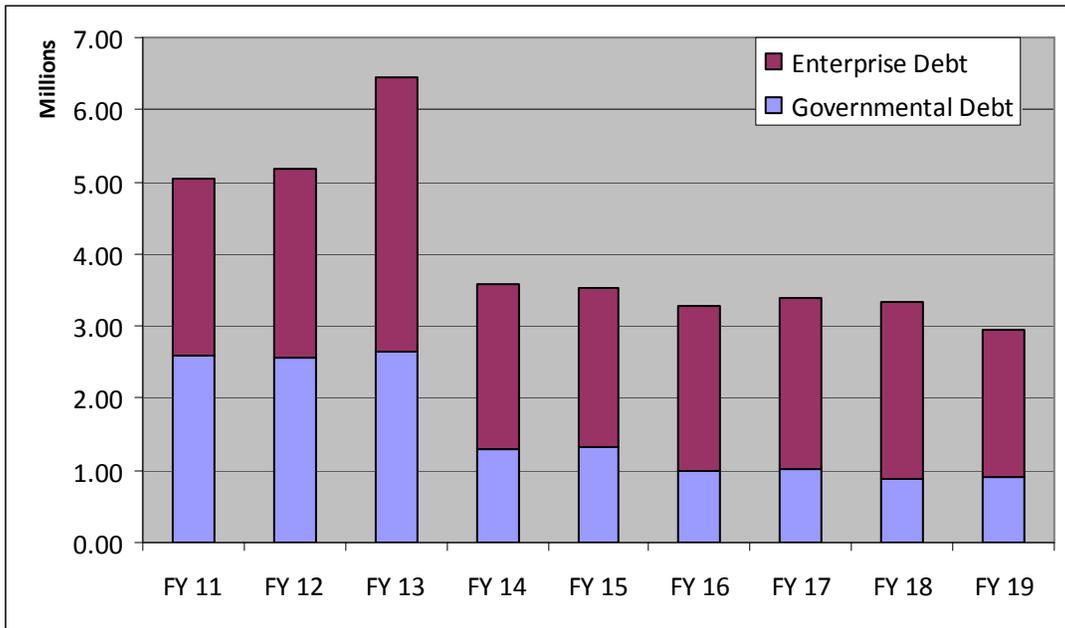
Legal Debt Margins:

Under the provisions of the Arizona Constitution, outstanding general obligation bonded debt for combined water, sewer, lighting, parks, open space and recreational purposes may not exceed 20% of a city's net secondary assessed valuation. Outstanding general obligation bonded debt for other general municipal purposes may not exceed 6% of a city's net secondary assessed valuation. As of June 30, 2010, the City is well within its debt limits, having \$159.5 million in borrowing capacity in the 20% category, and \$9.3 million in borrowing capacity in the 6% category. Calculations for these figures are included in the following chart:

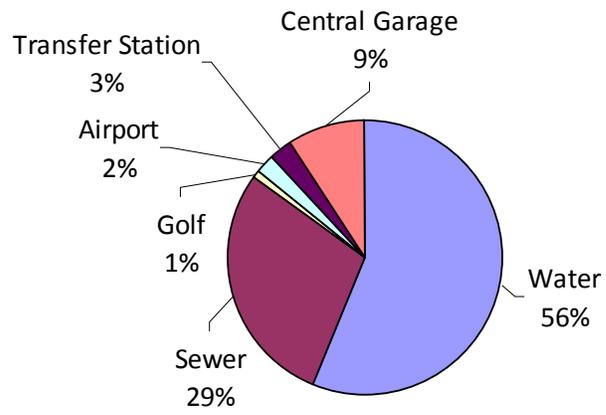
General Obligation Bonds

	All Others 6%	Water & Sewer 20%
<u>Legal Debt Limitation</u>		
Secondary Assessed Valuation - \$822,167,484	\$ 49,330,049	\$ 164,433,497
<u>Outstanding Debt</u>		
Municipal facilities & refunding bond series 1998	-	4,950,000
Total outstanding debt	-	4,950,000
Total margin available	49,330,049	159,483,497
Total debt applicable to the limit as a percentage	0.0%	3.0%

The break down of outstanding debt principal can be observed in the charts below.



Business Type Debt



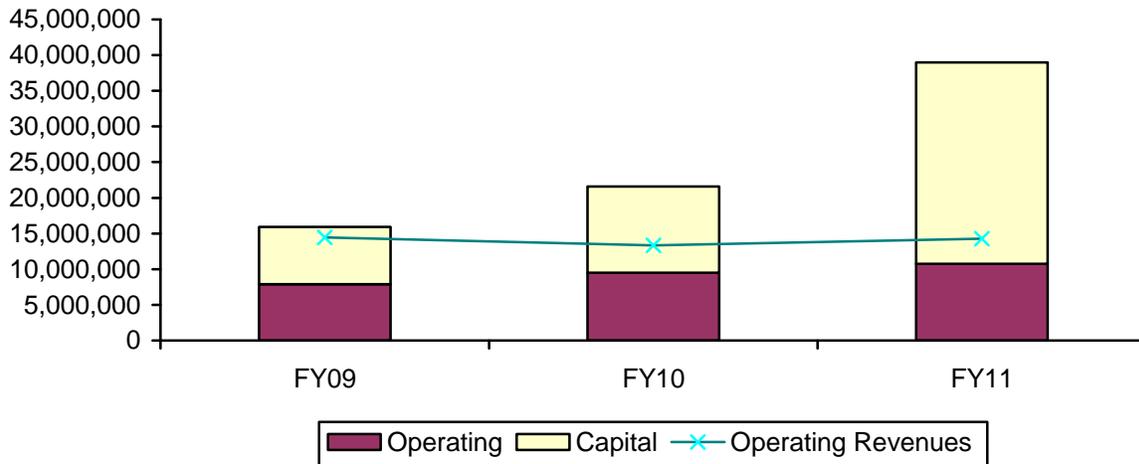
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ENTERPRISE FUNDS

WATER FUNDS	185
WASTEWATER FUND	204
SOLID WASTE/TRANSFER STATION FUND	217
AIRPORT FUND	223
GOLF COURSE FUND	229
PARKING GARAGE FUND	239

WATER FUND

The purpose of the Water Fund is to insure a safe and reliable supply of water to our customer base through the protection of existing supplies, the acquisition of new supplies, and the continued maintenance and upgrade of the existing water delivery infrastructure. All activities necessary to provide this service are accounted for in this fund. Emphasis will continue to be placed on upgrading the City's water system during FY2010 through replacement of various undersized water lines as part of our regular maintenance program plus an expanded program to keep up with replacing water lines prior to streets being repaired and/or replaced, and routine maintenance projects such as small reservoir maintenance, pressure reducing valve upgrades and fire hydrant upgrades.



The water fund budget for FY2011 totals \$39,000,607 including \$1,077,696 in Alternative Water Sources, \$14,219,005 in Water System Impact, and \$1,950,280 in Water Resource Development. Current year revenues are estimated at \$26,076,458 (Alternative Water Sources - \$1,077,696, Water System Impact - \$9,718,279, and Water Resource Development - \$1,444,694).

Combined Water Historical Activity

	FY09 Actual	FY10 Estimate	FY11 Budget
Water Utilities Beginning Cash, 7/1	\$ 12,794,748	\$ 15,656,783	\$ 22,061,534
Alt Water Sources Beginning Cash, 7/1	\$ 2,114,219	\$ 2,404,566	\$ 2,355,474
Water System Impact Beginning Cash, 7/1	\$ 3,626,181	\$ 1,442,644	\$ 3,792,101
Water Resource Development Beginning Cash, 7/1	\$ 2,684,192	\$ 2,142,512	\$ 2,064,722
Water Utilities Revenues	12,291,688	19,991,740	13,840,235
Water Utilities Expenditures	(9,429,653)	(13,586,989)	(21,753,626)
Alt Water Revenues	1,226,366	988,948	1,073,250
Alt Water Expenditures	(936,019)	(1,038,040)	(1,077,696)
Water System Impact Revenues	1,748,191	8,172,268	9,718,279
Water System Impact Expenditures	(3,931,728)	(5,822,811)	(14,219,005)
Water Resource Development Revenues	1,104,915	1,068,630	1,444,694
Water Resource Development Expenditures	(1,646,595)	(1,146,420)	(1,950,280)
Water Utilities Ending Cash, 6/30	\$ 15,656,783	\$ 22,061,534	\$ 14,148,143
Alt Water Sources Ending Cash, 6/30	\$ 2,404,566	\$ 2,355,474	\$ 2,351,028
Water System Impact Ending Cash, 6/30	\$ 1,442,644	\$ 3,792,101	\$ (708,625)
Water Resource Development Ending Cash, 6/30	\$ 2,142,512	\$ 2,064,722	\$ 1,559,136

Combined Water Fund Revenues

Revenue Source	FY09 Actual	FY10 Rev. Est.	FY11 Budget
Water Utilities			
Bond Proceeds	\$ 414,439	\$ 8,918,016	\$ 1,837,474
Water Sales	10,716,675	10,500,000	11,435,011
Interest Income	935,424	371,000	371,000
Water Connection Fees	200,451	150,000	150,000
Miscellaneous	24,699	52,724	46,750
Total Water Utilities	12,291,688	19,991,740	13,840,235
Alternative Water Sources			
Alternative Water Source Fees	885,309	900,000	918,000
Intergovernmental Contributions	113,030	-	80,000
Interest Income	226,526	75,000	75,000
Miscellaneous	1,500	13,948	250
Total Alternative Water Sources	1,226,366	988,948	1,073,250
Water System Impact			
Bond Proceeds	953,396	7,439,538	8,971,194
Water System Impact Fee	669,091	717,730	732,085
Interest Income	125,704	15,000	15,000
Total Water System Impact	1,748,191	8,172,268	9,718,279
Water Resource Development			
Intergovernmental Contributions	450,390	526,207	895,179
Water Resource Development Fee	615,462	531,387	542,015
Interest Income	29,572	7,500	7,500
Lease Revenue	9,492	3,536	-
Total Water Resource Development	1,104,915	1,068,630	1,444,694
Total Revenues	\$ 16,371,159	\$ 30,221,586	\$ 26,076,458

Explanation of Water Fund Revenues:

Water Sales. During FY2006 the City of Prescott staff worked with Red Oak Consulting on a water rate and development fee review. Water rates had not been adjusted since September 1995. The new rates have been restructured to strongly encourage conservation so the percentage increase depends on the customer's usage. At the January 31, 2006 workshop Council directed staff to reduce the consumption portion of the proposed rates by 15% which results in an 18% increase for a residential account using 5,000 gallons a month effective July 1, 2006 and another 25.6% increase for the same account effective July 1, 2007. Water sales are projected at \$11,435,011 in FY2011 compared to \$10,500,000 for FY2010 representing a 8.9% change. This revenue is very weather sensitive. FY2011 revenue numbers include a potential rate increase.

The following chart represents the water sales revenues received since FY2001.

Fiscal Year	Revenues	% Change from Previous Year
2000-01	5,540,084	5.0%
2001-02	5,982,575	8.0%
2002-03	6,219,200	4.0%
2003-04	6,303,294	1.4%
2004-05	7,139,120	13.3%
2005-06	6,345,783	-11.1%
2006-07	8,095,182	27.6%
2007-08	11,272,385	39.2%
2008-09	10,716,675	-4.9%
2009-10 (est)	10,500,000	-2.0%
2010-11 (est)	11,435,011	8.9%

Water System Impact Fee (formerly Water Buy-In Fees). Buy-in fees were adjusted during FY2006. Previously this charge was based on the number of fixture units (\$63 per fixture unit). As a result of the water rate and development fee review by Red Oak Consulting, this fee is now determined by the water meter size ranging from \$4,888 for a ¾" meter to \$26,053 for a 2" meter. This adjustment was predicated upon growth related projects needed in future years.

Bond Proceeds. Proceeds from a bond issue that will fund capital improvements on water infrastructure. During FY2011 the major funding need is for miscellaneous water projects such as the Surface Water Recharge Pipeline, Airport Zone 12 Tank Reservoir & Piping, Prescott Canyon 1.25 MG Tank Reservoir & Piping, and the Airport Zone 12 New Tank Reservoir & Booster Station that are necessary, but do not have funding available. The monies to repay this debt issue come from existing water fees.

Water Connection Fees. These fees are for costs involved with the City installing new water meters and administrative fees for setting up the account. The installation fee is based on a cost plus 10% fee with a minimum charge at \$420 for a 5/8" meter.

Interest Income. This is monies earned on the available cash in the Water Fund. It is a difficult estimate to make due to the fluctuation of cash balances and the interest rates.

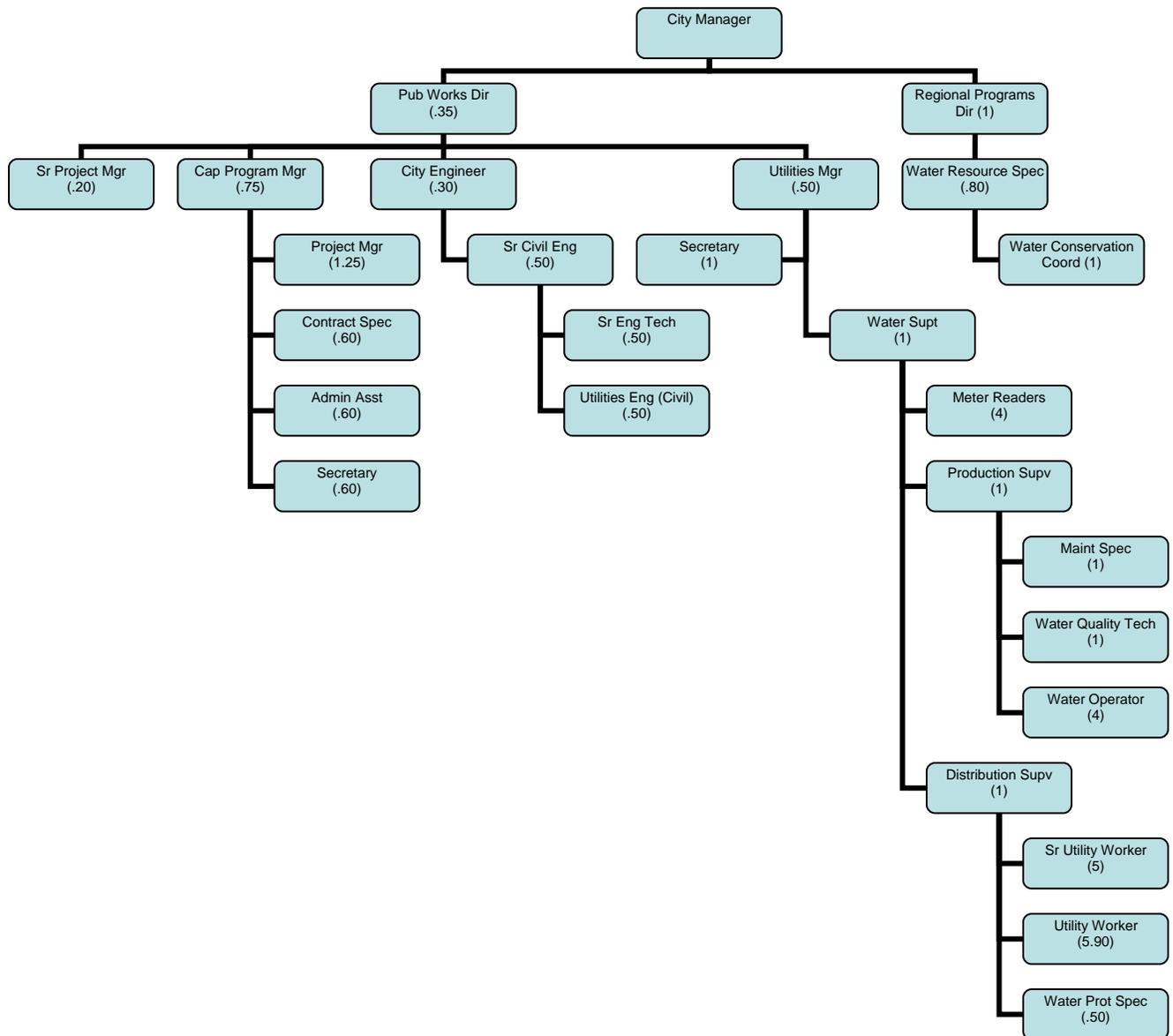
Miscellaneous. Miscellaneous income encompasses NSF charges, sales tax accounting allowance and other minor fees that may be collected by this fund throughout the year.

Alternative Water Sources. This is a surcharge fee based on water consumption. During FY2004, a study was conducted by Rick Giardina and Associates on City of Prescott's fees to cover the research and implementation costs of alternative water sources. As a result of this study the Alternative Water Sources Fee was increased. This increase from a sliding scale ranging from \$.10/1000 gallons to

\$.16/1000 gallons to a scale of \$.21/1000 gallons to \$.33/1000 gallons was phased in over the four fiscal years with the final phase occurring FY2008.

Water Resource Development Fee (formerly Alternative Water Impact Fee). Effective July 12, 2004, the City of Prescott instituted the Alternative Water Impact Fee to help cover new development impact on the City's water system. The fee will go toward the recovery of costs related to the research and implementation of alternative water sources. This fee is based on the customer's meter size ranging from \$4,485 for a ¾" meter to \$23,905 for a 2" meter. It is anticipated that the City will receive \$542,015 in revenues during FY2011. This is based on the minimal growth that has been occurring.

Intergovernmental Contributions. This category is for reimbursements made to the City of Prescott by the Town of Prescott Valley for expenditures made regarding the Big Chino Ranch that was purchased during FY2006. As per an intergovernmental agreement, the Town of Prescott Valley is responsible for 45.9% of the costs involved with the water ranch.



Note: Utility Billing personnel report to the Finance Director; therefore, these personnel are not reflected on the Water Department organizational chart.

**Consolidated Departmental Expenditure
and Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 2,638,439	\$ 2,661,991	\$ 2,660,431
Supplies	792,209	1,635,520	2,101,900
Other Services & Charges	3,489,129	4,030,491	4,767,932
Cost Recovery	(253,956)	(285,480)	(277,236)
Debt Service	1,224,902	1,468,831	1,513,632
Capital Outlay/Projects	8,053,272	12,082,907	28,233,948
Total	\$ 15,943,995	\$ 21,594,260	\$ 39,000,607
Authorized Staffing Level	40.70	38.65	38.65
Utility Billing*	4.00	4.00	4.00
Meter Reading	4.20	4.20	4.20
Water Utilities Admin.	6.00	6.05	6.05
Water Production	7.90	7.90	7.90
Water Distribution	15.40	13.30	13.30
Alternative Water	3.20	3.20	3.20

*Utility Billing personnel report to the Budget and Finance Director.

Utility Billing

Division Mission: To accurately and efficiently process all monies received by the City including revenues generated by other departments such as the golf course, recreational services and transfer station, as well as, receive all payments for utility billing, sales tax and license fees, building permits and impact fees. To generate all billing for water, sewer and sanitation services in a timely manner. To provide good customer service in response to customer requests for new service, transfer of service and explanation of charges.

Goal: Continue to provide good customer service to the rapidly growing number of customers.

Strategy: Utilize modern technology by providing services on-line such as applications, rate schedules and surepay forms. Offer payments by phone to customers and explore the availability of electronic payment via the internet.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of utility accounts per month per employee	5,880	5,890	5,900

Goal: Continue to increase customer usage of surepay automatic payment system by 10 sign-ups per week.

Strategy: Offer sign-up forms to new customers when they sign up for service and include messages with the utility bills.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of surepay customers	5,049	5,065	5,080

Goal: To maintain consistent monthly billing cycles for utility customers.			
Strategy: Initiate program for meter readers that will enable them to know by what date meter should be read.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Utility bills sent	262,687	260,802	261,000

Prior Year Results and Outcomes:

Converted to a new billing system and when fully implemented will allow customers to access their account and pay their bill through the internet.

Processed a total of 260,802 utility bills in routine monthly billing cycles.

Increased the number of surepay customers by almost 4%.

Utility Billing Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 199,370	\$ 196,865	\$ 196,847
Supplies	2,484	3,300	3,300
Other Services & Charges	210,980	235,149	226,589
Cost Recovery	(253,956)	(285,480)	(277,236)
Debt Service	39,884	53,179	53,179
Capital Outlay/Projects	244,273	-	-
Total	\$ 443,035	\$ 203,013	\$ 202,679

Utility Billing Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	4.00	4.00	4.00
Utility Billing Supervisor	1.00	1.00	1.00
Accounting Clerk	2.00	2.00	2.00
Accounting Technician	1.00	1.00	1.00

Significant Expenditure Changes: There are no significant expenditure changes in this division.

Meter Reading

Division Mission: To provide exceptional customer service while efficiently and effectively performing monthly reading, turning services on/off, and installing and replacing meters.

Goal: Read all city water meters accurately on a monthly basis.			
Strategy: Provide an average of 100% accurate reads on a monthly basis.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of meters read per meter reader per month	4,831	5,600	5,712
Percentage of accurate reads	99%	99%	99%

Goal: Provide superior customer service for all requests and daily operations.			
Strategy: Respond to all customer service requests by the next day of business.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Average response times for emergency offs	15 min.	15 min.	15 min.
Respond to customer service requests within one day	95%	95%	95%

Goal: Safely read all large meters in vaults and meters located in remote or difficult access areas. Assure that all meters are accurate and meet AWWA standards.			
Strategy: Continue to implement the conversion to remote-read meters that are included in the meter replacement program. Meters are to be changed out based upon age and use analysis.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of meters replaced per year	500	6,481	5,600

Prior Year Results and Outcomes

123 new meters were added to the system in FY 2010.

A total of 22,229 meters are currently read on a monthly basis.

Researched 870 meters that were identified by Utility Billing as having a zero read.

Meter Reading Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 244,681	\$ 216,929	\$ 211,641
Supplies	132,113	1,128,761	1,531,100
Other Services & Charges	46,769	45,138	46,448
Total	\$ 423,563	\$ 1,390,828	\$ 1,789,189

Meter Reading Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	4.20	4.20	4.20
Customer Service Rep	1.00	0.00	0.00
Meter Reader	3.00	4.00	4.00
Secretary	0.20	0.20	0.20

Note: Secretary is also charged .40 to Water Distribution and .40 to Water Production.

Significant Expenditure Changes: A 35.6% increase in Supplies is due to anticipated increased spending in supplies to maintain the metering infrastructure and for replacement of large malfunctioning meters not included in the meter change-out program.

Water Utilities Administration

Division Mission: To provide exceptional customer service to the citizens and business community, managing and accounting water resources while maintaining full compliance with all local, state and federal standards.

Prior Year Results and Outcomes

Water Projects – Design (Outside Consultants)

- Zone 56 Pump Station(Prescott Resort) – Started design in FY10 (on going)
- Zone 12 Water Main Improvements – Design completed in FY10
- Zone 12 Tank and Zone 101 Pump Station – Started design in FY10 (on going)
- Zone 24 Tank Replacement - Started design in FY10 (on going)
- Zone 27 Tank, Pump Station and Water Main – Started design in FY10 (on going)
- Zone 19 Tank, Water Main, and Pump Station (Copper Basin) – Site Selection and concept design completed FY10
- Willow Creek 14” Water Main – design completed FY10
- Old North Reservoir Replacement – design completed FY10
- Airport Recovery Wells (Well #3) – Well siting and preliminary concept design completed FY10
- FY11 Small Water Main Upgrades – design completed FY10
- 36” Main Douglas Ave. – Design completed FY10
- Surface Water Recharge Pipeline - Started design in FY10 (nearing completion)

Water Projects - Construction

- Airport Zone North And South Loops – completed FY10
- Zone 39 Phase I- 20” Main Aubrey St. and Pioneer Pump Station – complete
- Zone 39 Phase II- 16” Main Country Club Dr. – Complete
- Zone 39 Phase III Indian Hills Reservoir – construction began FY10, in progress
- 12” Main White Spar – complete
- Small Water Main Upgrades - construction began FY10, in progress
- Zone 12 Water Main (Granite Dells) – Phase I complete, Phase II in progress

Water Utilities Administration Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 554,368	\$ 602,325	\$ 611,435
Supplies	5,560	8,200	9,750
Other Services & Charges	804,469	915,867	1,039,096
Debt Service	814,694	895,952	832,634
Capital Outlay/Projects	<u>47,885</u>	<u>-</u>	<u>150,000</u>
Total	\$ 2,226,976	\$ 2,422,344	\$ 2,642,915
Capital Outlay/Projects			
Production/Distribution Warehouse			<u>150,000</u>
Total Capital Outlay/Projects			\$ 150,000

**Water Utilities Administration
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	6.05	6.05	6.25
Public Works Director*	0.35	0.35	0.35
Senior Civil Engineer**	0.50	0.50	0.50
Capital Program Mgr***	0.75	0.75	0.75
Utilities Manager**	0.50	0.50	0.50
City Engineer****	0.30	0.30	0.30
Utilities Engineer (Civil)**	0.50	0.50	0.50
Project Manager*****	1.25	1.25	1.25
Water Mgmt Analyst	0.20	0.00	0.00
Water Resource Spec*****	0.00	0.20	0.20
Sr Engineering Tech**	0.50	0.50	0.50
Contract Specialist*****	0.30	0.40	0.40
Secretary*****	0.40	0.40	0.40
Administrative Asst*****	0.00	0.40	0.40
Senior Project Mgr*****	0.00	0.00	0.20
City Utilities Engineer	0.50	0.00	0.00

*Remainder charged to Wastewater Administration (35%), Private Development (10%), and 1% Streets and Open Space (20%)

**Also charged 50% to Wastewater Admin

***.25 charged to Wastewater Administration

****Remainder charged to Wastewater Admin (10%) and Engineering (60%)

*****Balance charged to Wastewater Administration

*****Also charged to Alt Water (20%) and Wastewater Admin (20%)

*****Admin Asst and Contract Spec also charged .20 to Alt Water and .40 to Wastewater Admin

*****Remainder charged to Streets (70%) and Wastewater Administration (10%)

Significant Expenditure Changes: The other area that shows a significant expenditure change is Other Supplies & Services. This 13.5% increase is the result of the methodology used to calculate cost recoveries. These areas fluctuate yearly due to this methodology.

Information on the capital outlay/projects can be located in the Capital Improvement Plan section of this book.

Water Fund Improvements

Division Mission: To track expenses for water projects not necessarily related to a specific division.

Combined with Water Utilities Administration

**Water Improvements
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Capital Outlay/Projects	1,887,523	5,689,700	10,102,776
Total	\$ 1,887,523	\$ 5,689,700	\$ 10,102,776

Capital Outlay/Projects			
Copper Basin Reservoir			\$ 1,710,000
New Thumb Butte Reservoir			1,512,000
Small Water Main Upgrades			1,100,000
Upper Thumb Butte Tank			967,500
Lower Thumb Butte Pump			727,500
Prescott Canyon Reservoir			544,931
Intermediate Pump Station & Reservoir			400,000
Prescott Resort Pump Station Upgrade			350,000
12" Line - Thumb Butte			350,000
A/P Zone 12 New Reservoir			307,483
Arsenic Treatment Plant			298,000
Granite Creek & Willow Creek Dam			250,000
A/P Zone 12 Tank Res Trans			220,000
Water Model Update			200,000
Copper Basin Reservoir Piping			189,450
Capital Contingencies			150,000
Recovery Wells at Airport			133,000
Indian Hills Reservoir			129,412
Haisley A (Virginia) Pump Station Rehab			100,000
Hassayampa Pump Station - New Zone 19			100,000
Booster Station Upgrade			100,000
12" Line - Virginia St			67,500
A/P New Zone 101 Pump			60,000
Production Well Maintenance			40,000
Yavapai Hills Lower Pump Station			37,500
Willow/Watson Lake Algae Study			25,000
Rates Update			12,500
Leak Detection Program			11,000
Maintenance Management			10,000
Total Capital Outlay/Projects			\$ 10,102,776

Significant Expenditure Changes: Please see the preceding box for the list of projects comprising this \$10,102,776 allocation. More information on these projects can be found in the Capital Improvement Program in this book.

Water Production

Division Mission: To produce potable water efficiently and effectively to meet all applicable local, state and federal drinking water standards.

Goal: To meet all U.S. EPA and Arizona Department of Environmental Quality drinking water standards and requirements.			
Strategy: Monitor water quality by sampling as required by the Arizona Department of Environmental Quality and taking any action required to meet standards.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of water quality samples collected (calendar year)	929	1,064	1,054
Percentage of samples meeting requirements	100%	100%	100%

Goal: To maintain an adequate water supply to meet peak demands with reserve capacity.			
Strategy: Manage reservoir and tank levels throughout the City and maintain adequate storage of existing pumps.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Total acre feet pumped (calendar year)	7,374	7,200	7,800
Peak day gallons	11,512,000	10,500,000	10,500,000
Maximum storage levels maintained % of the time	95%	95%	95%

Goal: Reduce emergency repairs on well equipment and pump stations.			
Strategy: Monitor performance of existing pumps and explore new technologies to maximize pumping effectiveness and efficiency.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Pump stations improved	14	8	8
Pressure reducing stations improved	7	12	12

Goal: Provide emergency response for pump station and reservoir alarms to avoid disruption to service.			
Strategy: Respond to emergencies within 30 minutes during working hours and 45 minutes after hours.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of time responded to emergencies within 30 minutes during working hours and 45 minutes after hours.	95%	95%	95%

Prior Year Results and Outcomes

Collected and submitted 909 water quality samples, monitoring 113 constituents to meet State and Federal regulations.

Responded to over 1,364 customer service calls, i.e. no water, leaks, frozen meters, etc.

Painted the interior, including the piping, of three Pump Stations.

Produced 6,611 acre-feet of water in FY 2010.

Performed 42 flow tests for the Fire Department or external parties for fire flow determination.

Managed and assisted in completion of four water tank wash outs and preformed comprehensive inspection of five tanks.

Completed 60 mechanical repairs on Pump Stations.

Completed 118 electrical repairs on Pump Stations and Tank Sites.

Participated with Arizona Public Service in the completion of a pump check initiative for efficiencies and electrical consumption of the Chino Booster Pumps and Wells.

Supported Layne Christianson in the final completion and start up of the Arsenic Treatment Facilities at Well Sites 3, 4, and 5.

**Water Production
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 548,303	\$ 577,357	\$ 576,580
Supplies	236,948	153,361	192,450
Other Services & Charges	1,590,165	1,986,916	2,741,786
Capital Outlay/Projects	<u>97,880</u>	<u>68,000</u>	<u>278,000</u>
Total	\$ 2,473,296	\$ 2,785,634	\$ 3,788,816
Capital Outlay/Projects			
Storage Tank Maintenance			\$ 155,000
Telemetry/SCADA			<u>123,000</u>
Total Capital Outlay/Projects			\$ 278,000

**Water Production
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	7.90	7.90	7.90
Water Superintendent*	0.50	0.50	0.50
Water Production Supv	1.00	1.00	1.00
Water Operator	4.00	4.00	4.00
Water Quality Technician	1.00	1.00	1.00
Maintenance Specialist	1.00	1.00	1.00
Secretary	0.40	0.40	0.40

*Also charged 50% to Water Distribution.

**Remainder is charged to Meter Reading (20%) and Water Distribution (40%).

Significant Expenditure Changes: A 25.5% increase can be observed in the Supplies category. This is due to a reduction in expenditures in FY2010 in regards to materials used to maintain the water infrastructure. This includes booster stations, well sites and tanks. It is anticipated that the funding will be needed for this purpose in FY2011.

Other Services & Charges exhibits a dramatic increase in FY2011. The FY2011 budget displays a 38.0% increase over the FY2010 estimated endings. This is due to the cost recoveries fluctuation as a result of the methodology that is used.

Details on the capital outlay and projects for this division can be located at the back of the budget book in the Capital Improvement Plan.

Water Distribution

Division Mission: To deliver superior customer service through the operation and maintenance of the City's water distribution system.

Goal: Provide emergency response for water main breaks to minimize water loss and disruptions to service. Provide superior customer service for all requests and daily operations.			
Strategy: Respond to emergencies within 30 minutes during working hours and 45 minutes after hours.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Respond to emergencies within 30 minutes during working hours and 45 minutes after hours.	95%	95%	95%
Percentage of customer service requests that were served same day.	98%	98%	98%

Goal: Maintain water system to reduce leaks and ensure adequate fire flows.			
Strategy: Replace or install a total of 30 new fire hydrants per year.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of fire hydrants repaired or replaced	120	53	60
Number of water mains repaired	85	48	70

Goal: To reduce water losses to achieve state requirements of 10% or less.			
Strategy: Replace a minimum of 100 services and 10 broken main line valves per year.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of services repaired or replaced	85	48	70
Number of water mains repaired	90	53	42

Goal: To maintain water system maps to provide accurate and prompt response for Blue State requests.			
Strategy: Update 24 maps per quarter.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of maps updated for Blue Stake	96	107	48

Prior Year Results and Outcomes

Responded to and performed 3,919 Blue Stakes (marking water and sewer facilities).

Installed and/or repaired 159 water lines to improve or establish service.

Repaired or replaced 89 fire hydrants to maintain fire protection.

Performed 69 water taps on mains.

Repaired/replaced 17 water system main line valves.

Abandoned over 1,000 feet of old 2-inch water mains which paralleled new larger mains to reduce system complexity and water loss.

Replaced over 440 feet of 6-inch to 12-inch water mains due to failure situations.

Replaced over twenty 2-inch pressure regulating valves on high pressure water service lines in Chino Valley.

**Water Distribution
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 814,386	\$ 754,933	\$ 746,414
Supplies	408,500	334,150	353,600
Other Services & Charges	289,084	244,526	176,966
Capital Outlay/Projects	275,192	-	1,800,000
Total	\$ 1,787,162	\$ 1,333,609	\$ 3,076,980
Capital Outlay/Projects			
Williamson Valley Road			\$ 1,000,000
Rosser Reconstruction			800,000
Total Capital Outlay/Projects			\$ 1,800,000

**Water Distribution
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	15.40	13.30	13.30
Water Superintendent*	0.50	0.50	0.50
Water Distribution Supv	1.00	1.00	1.00
Senior Utility Worker	5.00	5.00	5.00
Water Protection Spec**	0.50	0.50	0.50
Utility Worker***	8.00	5.90	5.90
Secretary****	0.40	0.40	0.40

*Also charged 50% to Water Distribution

**Remainder charged to Wastewater Treatment Plant

***Two Utility Workers are charged 35% to Wastewater Collection and 20% Streets

****40% of Secretary is charged to Water Production and 20% to Meter Reading.

Significant Expenditure Changes: A 5.8% increase can be seen in Supplies when comparing the FY2010 estimated endings to the FY2011 budget. This reflects the fluctuation in street maintenance materials used by this division. The costs for these materials are incurred on an as needed basis and are unpredictable in frequency and material cost increases.

Other Services & Charges was impacted by the vehicle replacement charges. As mentioned earlier, the vehicle replacement fund is not being funded in FY2011. Divisions with a larger number of vehicles and vehicles with a higher base cost felt the change more significantly.

More information regarding the capital outlay and projects can be found at the end of this book in the Capital Improvement Program.

Private Development

Division Mission: To provide an account in which to charge plan reviews of water infrastructure installations for new private developments. These plan reviews are performed by the Development Services Manager and Permit Technician; a proportionate share of their salaries is charged here in the Internal Engineering Services line item.

Private Development Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Other Services	188,101	150,322	150,271
Total	\$ 188,101	\$ 150,322	\$ 150,271

Significant Expenditure Changes: This division was restructured in FY2004 and provides for an account in which to charge plan reviews of water infrastructure installations for new private development. Plans are reviewed by the Development Services Manager and Permit Technician whose time is charged at 80% of 25% of their salaries.

Alternative Water Sources

Division Mission: Manage the City of Prescott's Water Portfolio; plan for and secure additional water resources required for implementation of the General Plan including the Big Chino Water Ranch (importation) project; advocate prudent and reasonable water use by City's water consumers through conservation, pricing and other strategies.

Goal: To promote water resource conservation through improved public education and an effective, appropriate rate structure.

Strategy: Collaborate with regional and local community leadership, conservation and education partners, and water users including the City Council, Public Works and Parks and Recreation Departments, landscape and irrigation industries, and County Extension Agency, to develop and continually improve outreach and achieve support for a comprehensive conservation and education program.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of Incentive Program Retrofit & Rebate participants	583	633	700
Number of Water Conservation Education Media Campaign advertisements & announcements	781	3,151	2,600
Number of Water Conservation Education presentations	26	24	24
Number of Water Conservation Education workshops	12	12	12
Number of Water Conservation Education newsletter and billing inserts.	12	14	14

Goal: To contribute to Prescott Active Management Area achieving safe yield by 2025.

Strategy: Formulate and implement City of Prescott short and long term water management policies and actions including Big Chino Water Ranch (BCWR) project.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Modify Assured Water Supply Designation to include	Application	Approval/	Clear

BCWR imported water	submitted 10/07	Issuance of Decision and Order by ADWR	anticipated legal appeals; ADWR AWS final
Develop Long Term Water Policy	Top 2008 Council priority	Commence formulation of policy following issuance of ADWR final decision and order	Policy drafted for public review and comment

Prior Year Results and Outcomes

Water Production and Recharge

7,087 AF pumped from wells at Chino Valley Water Production Facility
 1,615 AF recharged from Watson and Willow Lakes
 2,430 AF recharged from the WWTPs (reclaimed supply)
 3,042 AF = Net withdrawal from the aquifer

[1 AF (acre-foot) = 325,851 gallons]

CY 2009 Lost and Unaccounted for Water 8.82% (ADWR standard ≤ 10%)

Water Conservation

- Water Smart regional education implemented for Upper Verde River Watershed Protection Coalition www.uvrwpc.org
- 633 Incentive Credit applications processed (20% increase over prior year; 232 AF cumulative water savings from 2006-2009)
- Completed regional survey, planning, training, Conservation Handbook, and "retiree connection" public service messages funded by U.S. Bureau of Reclamation grant
- Strengthened partnership with Parks and Recreation for playing fields irrigation efficiency enhancement project and CLIA (Certified Landscape Irrigation Auditor) training and implementation
- Designed Utility Smart program complementing Water Smart program to educate plumbers, landscapers and property owners regarding proper installation and maintenance of backflow protection and sewer backwater valves
- Expanded distribution of water conservation materials via utility bills, City website, and brochure racks at key locations
- Continued effective public and private sector partnerships focused on Water Smart and Water Sense awareness and conservation programs

**Alternative Water Sources
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 277,330	\$ 313,582	\$ 317,514
Supplies	6,605	7,748	11,700
Other Services & Charges	354,930	452,564	386,776
Debt Service	288,777	233,494	201,706
Capital Outlay/Projects	<u>8,377</u>	<u>30,652</u>	<u>160,000</u>
Total	\$ 936,019	\$ 1,038,040	\$ 1,077,696
Capital Outlay/Projects			
Water Smart: P & R Improvements			<u>160,000</u>
Total Capital Outlay/Projects			\$ 160,000

**Alternative Water Sources
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	3.20	3.20	3.20
Regional Programs Director	0.00	1.00	1.00
Senior Project Manager	1.00	0.00	0.00
Water Resource Specialist*	0.00	0.60	0.60
Management Analyst	0.60	0.00	0.00
Water Conservation Coord.	1.00	1.00	1.00
Contract Specialist**	0.20	0.20	0.20
Admin Assistant**	0.20	0.20	0.20
Secretary***	0.20	0.20	0.20

*.20 of Water Resource Specialist is charged to Water Administration and .20 to Wastewater Administration.

**Contract Specialist and Admin Asst is also charged .40 to Wastewater Admin and .40 to Water Administration.

***Remainder is charged to Water Administration (.40) and Wastewater Administration (.20).

Significant Expenditures Changes: The 14.5% decrease in Other Services & Charges when comparing the FY2010 estimated endings to the FY2011 budget is the result of the budget for retrofit/landscaping projects was moved from the base budget into it's own project account.

Information regarding the Water Smart: P & R Improvements can be found in the Capital Plan section of this budget book.

Water System Impact

Division Mission: To provide an account to charge costs for water improvement projects that are related to growth.

**Water System Impact
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Other Services and Charges	\$ 4,632	\$ 10	\$ -
Debt Service	81,547	674,656	426,113
Capital Outlay/Projects	3,845,549	5,148,145	13,792,892
Total	\$ 3,931,728	\$ 5,822,811	\$ 14,219,005
Capital Outlay/Projects			
Surface Water Recharge Pipeline			\$ 3,247,854
A/P Zone 12 New Reservoir			2,767,517
A/P Zone 12 Tank Reservoir			1,980,000
Prescott Canyon Reservoir/Piping			1,740,883
Recovery Wells at Airport Recharge			1,197,000
Prescott Resort Pump Station Upgrade			950,000
A/P Zone 101 Pump			540,000
12" Line - Thumb Butte			350,000
Copper Basin Reservoir			190,000
Indian Hills Reservoir			170,588
New Thumb Butte Reservoir			168,000
Yavapai Hills Lower Pump Station			112,500
Upper Thumb Butte Tank			107,500
Intermediate Pump Station & Reservoir			100,000
Telemetry/SCADA Program			70,000
Lower Thumb Butte Pump Station			47,500
Copper Basin Reservoir Piping			21,050
Senator Highway Reconstruction			15,000
Haisley A (Virginia) Pump Station Rehab			10,000
12" Line - Virginia St			7,500
Total Capital Outlay/Projects			\$ 13,792,892

Significant Expenditures Changes: This cost center was created in FY2007 to separate and track funding for projects that are needed due to growth impacts. Information on the individual projects can be located in the Capital Improvement Plan of this budget book.

Water Resource Development

Division Mission: To provide an area to charge projects related to providing alternative sources of water to the citizens of Prescott.

Prior Year Results and Outcomes

Water Resource Development

- Final Decision & Order of the Director, ADWR, issued December 30, 2009, recognizing City alternative (renewable) and Big Chino water resources
- Big Chino Water Ranch (BCWR) Project engineering and for reservoirs, pump stations, and transportation pipeline remains at 95% completion level

- Agreement in Principle signed February 11, 2010, by the City, Town of Prescott Valley, and Salt River Project providing a framework for additional, more detailed agreements for settlement of litigation, creation of Big Chino/Upper Verde groundwater model, expansion of the groundwater monitoring system, and formulation of conceptual mitigation measures to assure protection of the Upper Verde River

**Water Resource Development
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Capital Outlay/Projects	<u>1,646,595</u>	<u>1,146,420</u>	<u>1,950,280</u>
Total	\$ 1,646,595	\$ 1,146,420	\$ 1,950,280
Capital Outlay/Projects			
Big Chino Water Ranch			<u>1,950,280</u>
Total Capital Outlay/Projects			<u>\$1,950,280</u>

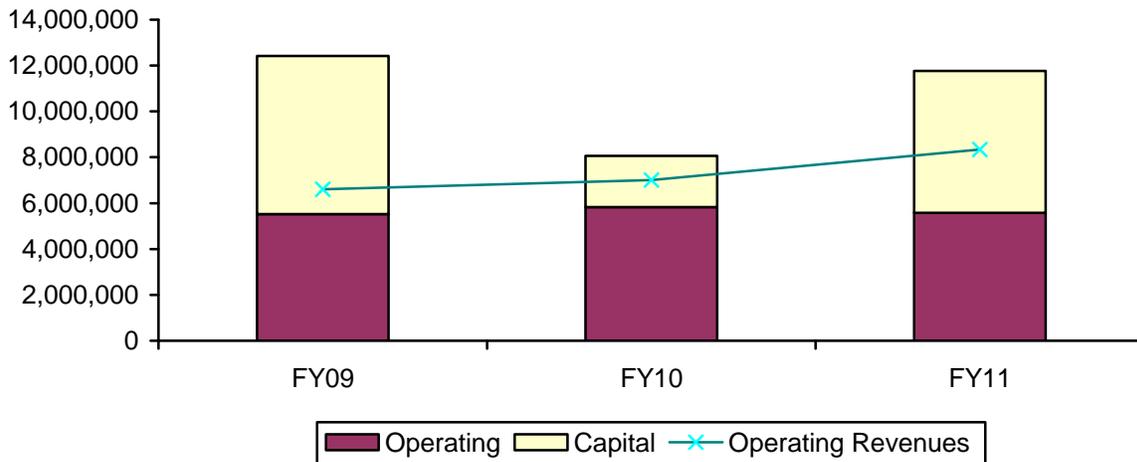
Significant Expenditures Changes: This cost center was created in FY2007 to separate and monitor projects that are needed for providing alternative water sources to the citizens of Prescott. Additional information on the Big Chino Water Ranch project can be located in the Capital Improvement Plan.

WASTEWATER FUND

The purpose of the Wastewater Fund is to account for the provision of wastewater services to the residents of the City of Prescott and some residents of the County. Wastewater Collections is responsible for the operation and maintenance of the City wastewater system. The system requires cleaning of 400+ miles of main line, 8,200+ manholes and 64 lift stations. System maintenance includes main line repairs, manhole rehabilitation, pump replacement/repairs and response to customer services requests.

Wastewater collected by the City wastewater system flows to the Wastewater Treatment Plant, where it undergoes a multi-faceted biological process to separate out the solids and treat the water for reuse and recharge. The Wastewater Fund operates and maintains two wastewater treatment plants: Sundog – 6.5 million gallons and Airport – 2.2 million gallons. All plants are operated in accordance with Environmental Protection Agency and State Health Department standards. The treated water, called effluent, is sold for use in watering golf courses and construction to reduce potable water demand. The solids are used in land application and/or hauled off to a landfill for cover.

All activities necessary to provide wastewater services are accounted for in the fund.



Current year revenues are estimated at \$43,538,096 while current year expenditures are estimated at \$16,490,321.

Combined Wastewater Fund Historical Activity

	FY09 Actual	FY10 Estimate	FY11 Budget
Wastewater Utilities Beginning Cash, 7/1	\$ 893,613	\$ (3,535,949)	\$ 1,485,394
Wastewater System Impact Beginning Cash, 7/1	\$ (701,754)	\$ (701,754)	\$ 661,387
Wastewater Utilities Revenues	7,987,532	11,875,618	17,363,096
Wastewater Utilities Expenditures	(12,417,094)	(6,854,275)	(11,392,360)
Wastewater System Impact Revenues	-	2,571,795	26,175,000
Wastewater System Impact Expenditures	-	(1,208,654)	(5,097,961)
Wastewater Utilities Ending Cash, 6/30	\$ (3,535,949)	\$ 1,485,394	\$ 7,456,130
Wastewater System Impact Ending Cash, 6/30	\$ (701,754)	\$ 661,387	\$ 21,738,426

Wastewater Fund Revenues

Revenue Source	FY09 Actual	FY10 Rev. Est.	FY11 Budget
Wastewater Utilities			
Bond Proceeds	1,382,069	5,234,303	9,440,000
Wastewater User Charges	5,589,293	6,006,883	7,171,187
Wastewater Buy-In Fees	256,067	-	-
Effluent Sales	443,122	460,000	598,909
FEMA Reimbursements	141,991	-	-
Interest Earned	39,308	30,000	30,000
Septage Disposal Fees	109,892	105,000	105,000
Miscellaneous	10,902	21,932	500
Plan Reviews and Inspection Fees	12,088	15,500	15,500
Wastewater Connections	2,800	2,000	2,000
Total Wastewater Utilities	7,987,532	11,875,618	17,363,096
Wastewater System Impact			
Bond Proceeds	-	2,206,795	25,760,000
Wastewater Impact Fees	-	350,000	400,000
Interest Earned	-	15,000	15,000
Total Wastewater System Impact	-	2,571,795	26,175,000
Total Revenues	\$ 7,987,532	\$ 14,447,413	\$ 43,538,096

Explanation of Wastewater Fund Revenue Sources:

Bond Proceeds: If several of the capital projects planned for this fund are completed during the fiscal year, it may become necessary for the City to borrow monies necessary to pay for the projects. Should the projects not come to fruition; the City will not proceed with the process of borrowing money.

Wastewater User Charges: Wastewater fees are projected to increase 19.38% over FY2010 revised estimates. A potential rate increase is reflected in the FY2011 budget. This rate increase will be necessary to keep up with maintenance and repair of our aging wastewater lines. The dramatic increase from FY2008 budget numbers compared to the estimated endings for FY2009 is the result of a rate increase that went into effect August 1, 2008.

Revenues from Wastewater User Charges		
Fiscal Year	Revenues	% Change
2000-01	3,553,223	3.57%
2001-02	3,553,662	0.01%
2002-03	3,656,594	2.90%
2003-04	3,662,948	0.17%
2004-05	3,914,983	6.88%
2005-06	3,887,777	-0.69%
2006-07	4,148,814	6.71%
2007-08	4,225,537	1.85%
2008-09	5,589,293	32.27%
2009-10 (est)	6,006,883	7.47%
2010-11 (est)	7,171,187	19.38%

Wastewater Impact Fees (formerly Wastewater Buy-In Fees): Buy-in fees were increased from \$37.00 to \$56.00 per fixture unit during FY1995. As part of an overall analysis of the Wastewater Fund, it was decided to place more emphasis on new connections to the wastewater system paying for growth related capital projects rather than to increase the rates placing the burden on existing wastewater customers. Due to state legislature, there is a moratorium on impact fees and they cannot be increased.

This results in a modest increase in impact fee revenue in the wastewater fund. This increase is based on modest growth in the service area.

Effluent Sales: The City of Prescott charges for the sale of effluent. This revenue category reflects the sale of effluent to private golf courses such as Hassayampa and Prescott Lakes. It is also used by vendors in the construction field such as Hanson Concrete. The fees for the effluent are based on existing contract agreements with these users. Also included in this category is the effluent sold to the City owned golf course. Finally, budget numbers include the rechargeable effluent fee that is charged to the Water Fund. This is the 15th year of this revenue source which is the charge to the Water Fund for treating effluent which is being discharged into the water table for recharge credit.

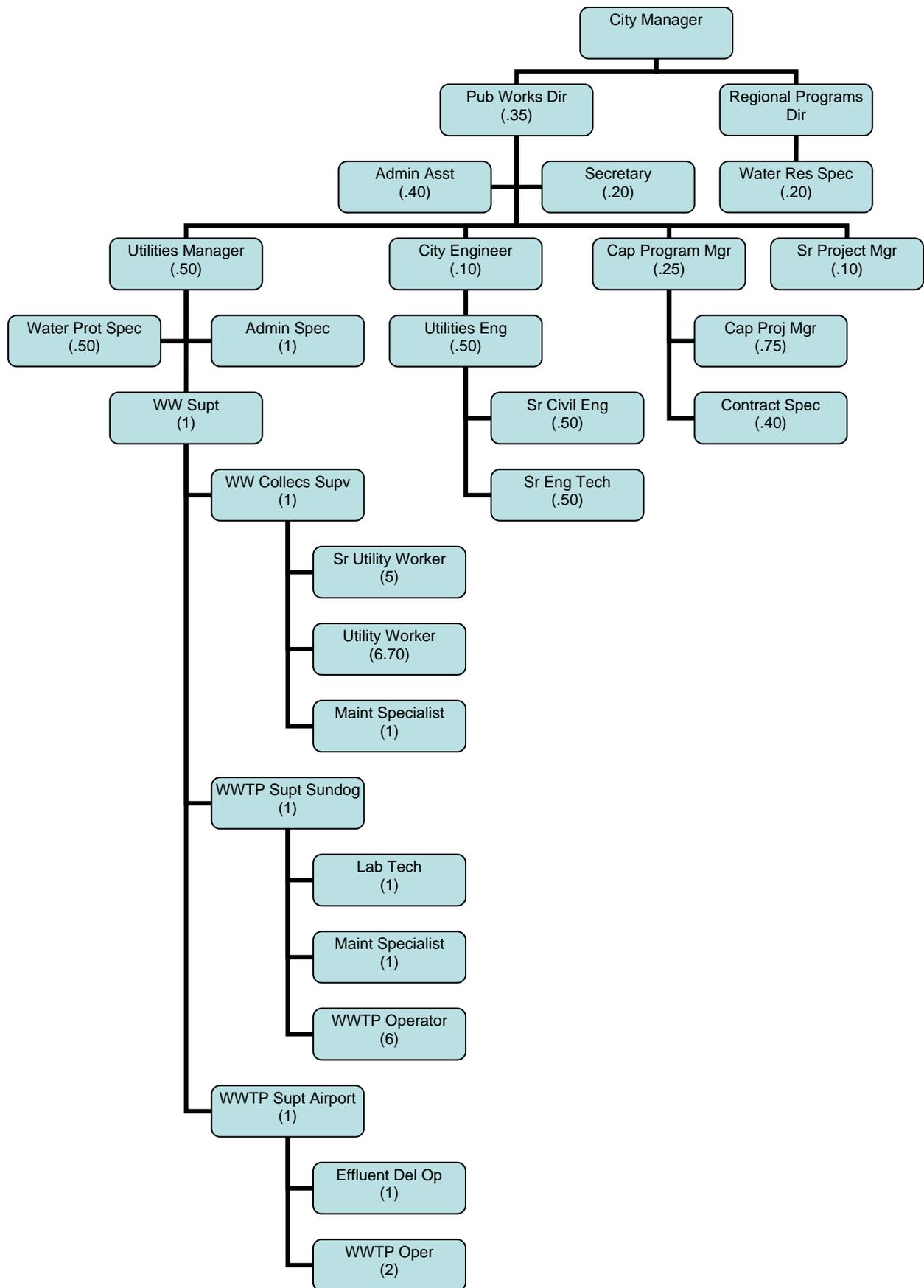
Interest Earned: This is monies earned on the available cash in the Wastewater Fund. It is a difficult estimate to make due to the fluctuation of cash balances and the interest rates.

Septage Disposal Fees: These are fees collected at the wastewater treatment plant from septic pumpers and private recreational vehicles.

Miscellaneous: Miscellaneous revenues are items that are not expected to occur on a yearly basis.

Plan Reviews and Inspection Fees: Engineering Plan Check Fees are to cover costs for Engineering and Public Works staff to review infrastructure plans to ensure compliance with codes. Inspection Fees are to cover the costs for the Inspectors to inspect the infrastructure to ensure the work is in compliance with the approved plans and specifications and codes.

Wastewater Connections: This is the charge for customers hooking on to the existing wastewater mains. The budget for this line item is based on historical data and the reasonable expectation that this trend will continue.



**Consolidated Departmental Expenditure
and Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 2,227,824	\$ 2,408,117	\$ 2,319,385
Supplies	475,808	397,998	470,099
Other Services & Charges	2,025,222	2,040,331	1,680,027
Debt Service	795,287	977,599	1,107,849
Capital Outlay/Projects	6,892,953	2,238,884	10,912,961
Total	\$ 12,417,094	\$ 8,062,929	\$ 16,490,321
Authorized Staffing Level	33.50	34.05	34.05
Administration	4.75	4.85	4.85
WWTP	13.75	13.50	13.50
Wastewater Collection	14.00	14.70	14.70
Effluent Delivery	1.00	1.00	1.00

Wastewater Utilities Administration

Division Mission: To provide exceptional customer service to the citizens and business community, managing and accounting for effluent and surface water resources while maintaining full compliance with all local, state and federal standards.

Prior Year Results and Outcomes

Sewer Projects – Design (Outside Consultant Engineering)

- Wastewater Master Planning – begun in FY10 (on going)
- Virginia St. Sewer Replacement – completed
- Penn Alley Sewer Replacement – completed
- Wastewater Improvements North and South of Hwy89A – Phase 1 (Granite Dells portion) completed
- Cliff Rose Lift Station - begun in FY10 (on going)

Sewer Projects - Construction

- North Prescott Regional Force Main –completed in FY10
- Country Club Dr. Sewer replacement – completed

**Wastewater Utilities Administration
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 389,905	\$ 515,637	\$ 467,525
Supplies	5,668	9,100	9,000
Other Services & Charges	602,391	752,747	423,079
Debt Service	793,821	977,599	1,107,849
Capital Outlay/Projects	38,797	-	-
Total	\$ 1,830,582	\$ 2,255,083	\$ 2,007,453

**Wastewater Utilities Administration
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	4.27	5.35	4.95
Utilities Director	0.50	0.00	0.00
Public Works Dir*	0.00	0.35	0.35
Utilities Manager**	0.50	0.50	0.50
City Utilities Engineer***	0.47	0.10	0.10
Utilities Engineer (Civil)**	0.50	0.50	0.50
Senior Civil Engineer**	0.00	0.50	0.50
Capital Program Manager**	0.00	0.75	0.25
Senior Project Manager****	0.00	0.00	0.10
Capital Project Manager*****	0.50	0.75	0.75
Water Resource Spec.*****	0.00	0.20	0.20
Water Mgmt Analyst	0.20	0.00	0.00
Sr Engineering Technician**	0.50	0.50	0.50
Contract Specialist*****	0.30	0.40	0.40
Admin. Assistant*****	0.40	0.40	0.40
Secretary*****	0.40	0.40	0.40

*Public Works Director is also charged Water Administration (35%), Private Development (10%), and 1% Streets and Open Space (20%)

**Remainder is charged to Water Administration.

***City Utilities Engineer balance is charged 30% to Water Administration and 60% to Engineering.

****70% of Senior Project Manager is charged to Engineering and 20% Streets

*****1.25 of Capital Project Manager is charged to Water Admin.

*****Balance of Water Resource Specialist is charged to Alt Water Resources (20%) and Water Administration (60%).

*****Contract Specialist is also charged .40 to Water Admin and .20 to Alt Water Resources.

*****Remainder is charged to Alt Water Resources (.20) and Water Administration (.40).

Significant Expenditures Changes: The 9.3% decrease in the FY2011 Personnel budget under the FY2010 estimated endings can be directly correlated to the reorganization that occurred involving this department during FY2010. This division was assigned a higher percentage for some employees during FY2010 and this change reflects in the FY2011 budget numbers.

Other Services & Charges displayed a 43.8% decrease under the FY2010 estimated endings. This can be linked to the cost recovery charges for computer services, administration, facilities maintenance and insurance. Because of the methodology used for these charges, they have a tendency to fluctuate yearly.

Wastewater Improvements

Division Mission: To monitor the expenses associated with wastewater projects not necessarily related to a specific division.

Prior Year Results and Outcomes

Combined with Wastewater Utilities Administration section

Wastewater Fund Improvements Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Capital Outlay/Projects	5,429,283	669,747	5,815,000
Total	\$ 5,429,283	\$ 669,747	\$ 5,815,000
Capital Outlay/Projects			
Sundog Filter Replacement/Denitrification			3,000,000
Sewer Mainline Replacement			1,480,000
Airport Phase 1 (3.25MG)			672,000
Digester Cleaning			300,000
Lift Station Rehab/Abandonment Program			150,000
Chemical Root Control			105,000
Capital Contingencies			77,500
South Mt Vernon			15,000
Rates Update			12,500
Maintenance Management			3,000
Total Capital Outlay/Projects			\$ 5,815,000

Significant Expenditure Changes: As noted in the Wastewater Fund Expenditure Summary, there are several projects budgeted in this area the largest of which are Sundog Filter Replacement/Denitrification (\$3,000,000) and Sewer Mainline Replacement (\$1,480,000). Additional monies are budgeted for the Wastewater Projects in the Wastewater System Impact Fee Account.

Information regarding all wastewater improvement projects listed above can be found in the Capital Improvement Program section of the budget book.

Wastewater Treatment Plants

Division Mission: To provide the community with high quality treated wastewater effluent effectively and efficiently through operation and maintenance of the Sundog and Airport Wastewater Treatment Facilities while maintaining full compliance with state and federal requirements.

Goal: To treat all wastewater to ADEQ Aquifer Protection Permit standards to maintain full regulatory compliance.

Strategy: To utilize the expertise of the facility personnel to execute the best operational practices.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage compliance results that meet permit limitations	99.8%	99.9%	100%

Goal: To treat all wastewater received to the best quality for reuse & recharge.

Strategy: To treat all wastewater to class B+ standards for reuse & recharge.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Acre-feet of effluent produced at Sundog WWTP	2,863	2,600	2,400
Acre-feet of effluent produced at Airport WWTP	1,234	1,200	1,200

Goal: To treat all wastewater bio-solids to meet Class B standards for land application.			
Strategy: Operate digesters and solids dewatering equipment to produce land applicable bio-solids.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Tons of bio-solids removed from the treatment plants	4,949	4,000	4,000

Goal: To reduce emergency repairs on treatment facility equipment.			
Strategy: To maintain an inventory of replacement parts and equipment.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of key equipment with parts or replacements in stock.	75%	80%	90%

Goal: To reduce gas purchases by utilizing methane gas.			
Strategy: To utilize methane gas produced at the Sundog WWTP for heating demands of the digester facility.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Natural gas purchase savings thru use of methane produced on site	\$60,000	\$60,000	\$60,000

Prior Year Results and Outcomes

Airport Facility

- Produced 420,088,000 gallons (1,289.20 ac/ft) of treated effluent for reuse and recharge.
- During the storm event of January 2010, operated the APWWTP 24 hours a day for five days while experiencing flows up to five times normal conditions.
- Completed extensive repair and replacement project on the Ultra Violet Light Disinfection System after receiving damage to the system associated with January 2010 storm event.
- Completed full rehabilitation of the Non-Potable system with upgraded pumps, piping, variable frequency drive, and hydrostatic tank.
- Conducted training for all personnel on Lockout/Tagout, Chlorine Safety, Bloodborne Pathogens, CPR/First Aid, and continued monthly tailgate safety meetings.
- Supported and assisted with the Local Limit sampling.

Sundog Facility

- Produced 939,331,000 gallons (2,882.70 ac/ft) of treated effluent for reuse and recharge.
- Performed sampling and analyses for the Local Limits Study. Over a seven day sampling period, staff collected over 650 samples from nine sites. Our laboratory technician performed daily analyses in-house for a total of 693 parameters over that period. Contract laboratories performed analyses for over 1260 parameters to complete the analysis package.
- During the storm event of January 2010, operated the SDWWTP 24 hours a day for five days and extended hours for an additional four while experiencing flows exceeding five times normal conditions. Also conducted creek and lake fecal coliform monitoring to track storm flow water quality.
- Placed two new solids dewatering boxes into operation for grease and skimmings, greatly reducing odors and vector attraction allowing for cleaning and removal of grease drying bed from service.
- Completed and documented Job Hazard Analysis for all tasks performed at the Treatment Facility.
- Conducted training for all personnel on Lockout/Tagout, Chlorine Safety, Bloodborne Pathogens, CPR/First Aid, and continued monthly tailgate safety meetings.
- Successfully passed a laboratory inspection by Arizona Department of Health Services with only minor infractions. Upon completion of a timely and satisfactory response, the City received approval for continuation of laboratory licensing.
- Continued painting of facilities, including chlorine, generator, non-potable and final basins buildings as well as headworks structures and equipment.

**Wastewater Treatment Plants
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 904,179	\$ 927,079	\$ 901,241
Supplies	287,650	221,272	250,489
Other Services & Charges	797,010	754,427	765,135
Capital Outlay/Projects	1,377,630	360,475	-
Total	\$ 3,366,469	\$ 2,263,253	\$ 1,916,865

**Wastewater Treatment Plants
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	13.75	13.50	13.50
Deputy City Manager	0.25	0.00	0.00
Wastewater Supt**	0.50	0.50	0.50
WWTP Supervisor	2.00	2.00	2.00
WWTP Operator	8.00	8.00	8.00
Wastewater Lab Tech	1.00	1.00	1.00
Water Protection Spec.***	0.50	0.50	0.50
WWTP Maint. Spec.	1.00	1.00	1.00
Admin Specialist	0.00	0.50	0.50
Accounting Clerk**	0.50	0.00	0.00

**Remainder charged to Wastewater Collection.

***50% of Water Protection Specialist is charged to Water Distribution.

Significant Expenditure Changes: The 13.2% increase in Supplies is reflective of the increase in materials to maintain wastewater treatment plant infrastructure. Less expenditures were made during FY2010 that will be necessary during FY2011.

Wastewater Collection

Division Mission: To deliver superior customer service through professionalism, good safety practices and detailed operation & maintenance of the City's wastewater collection system.

Goal: To maintain wastewater mains free of system backups and overflows.

Strategy: Clean a minimum of 200 miles of wastewater mains per year.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of wastewater mains cleaned per year	80%	85%	90%

Goal: To operate and maintain lift stations to prevent mechanical failures.

Strategy: Clean wastewater lift stations on a quarterly basis.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of wastewater lift stations cleaned on a quarterly basis	100%	100%	100%

Goal: To provide emergency response for wastewater back-ups to minimize overflows and property damage.			
Strategy: Respond to emergencies within 30 minutes during working hours and 45 minutes after hours.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of emergencies responded to in 30 minutes during working hours and 45 minutes after hours.	98%	99%	99%

Goal: To provide superior customer service for all requests and daily operations.			
Strategy: Customer service requests receive next day service.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of customer service requests responded to within 24 hours	100%	100%	100%

Goal: Implement the maintenance management systems as the basis for system enhancements and operational improvements.			
Strategy: Provide accurate data to track maintenance and operation costs in the maintenance management system.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of data populated in the maintenance management system	80%	100%	100%

Prior Year Results and Outcomes

Completed full rehabilitation of Yavapai Hills Lift Stations #3 and #4 including new control panels and additional pumps in order to upgrade to duplex operation at each station.

Treated 58,456 feet of sewer main with Dukes Chemical Root Control as part of the Preventive Maintenance Program.

Repaired 14 existing manholes identified during maintenance procedures in order to maintain system operation.

Crews cleaned 702,380 feet (133+ miles) of sewer main as part of the Preventive Maintenance Structured Cleaning Program.

The Camera Crew performed 191,590 feet (35+ miles) of CCTV inspection in sewer mains as part of Preventive and Follow-Up Inspection Program.

Construction crews performed a total of 33 Spot Repairs on existing sewer mains that were identified during CCTV Inspection.

Crews cleaned a total of 244 Lift Stations as part of the Quarterly Lift Station Maintenance Program.

Completed and documented Job Hazard Analysis for all tasks performed by Wastewater Collections.

Wastewater Collection Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 866,352	\$ 896,179	\$ 881,501
Supplies	169,097	141,516	184,500
Other Services & Charges	442,256	368,813	323,288
Debt Service	1,466	-	-
Capital Outlay/Projects	47,243	8	-
Total	\$ 1,526,414	\$ 1,406,516	\$ 1,389,289

**Wastewater Collections
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	14.00	14.70	14.70
Wastewater Supt*	0.50	0.50	0.50
Wastewater Coll. Supv.	1.00	1.00	1.00
Senior Utility Worker	5.00	5.00	5.00
Utility Worker**	6.00	6.70	6.70
Maintenance Specialist	1.00	1.00	1.00
Administrative Specialist*	0.50	0.50	0.50

*Also charged 50% to Wastewater Treatment Plant.

**Two utility workers are also charged 35% to Water Distribution and 20% to Streets.

Significant Expenditure Changes: The significant increase in Supplies is offset by the decrease in Other Services & Charges. This offset is due to moving some of the budget from Other Professional Services up to the appropriate materials category. It is important that charges are made to the appropriate object codes to truly reflect the division's expenditures and it was discovered that charges were being incorrectly coded.

Effluent Delivery

Division Mission: To efficiently distribute and account for the City's treated wastewater effluent and surface water for recharge and reuse.

Goal: To provide effluent reuse to meet required customer demand. To deliver all excess effluent to recharge facility.

Strategy: Monitor and regulate flows to maintain effluent availability. Monitor and regulate effluent use to deliver all excess to recharge.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of time that effluent is available for immediate delivery	99%	100%	100%
Recharge maximum amount of effluent possible	2,699 ac ft	2,600 ac ft	2,600 ac ft

Goal: To deliver maximum amount of surface water to recharge facility.

Strategy: Monitor and regulate effluent use to deliver all excess to recharge. Operate and maintain surface water delivery system to transport water to recharge facility.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Total acre feet surface water recharged	1,800	2,200	1,000

Goal: To divert surface water to meet irrigation water rights agreements.

Strategy: Communicate with downstream users to deliver irrigation waters.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Deliver 375 acre-feet of irrigation water to meet	237	200	150

allocations			
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Goal: Maintain and improve surface water and effluent delivery system and structures.			
Strategy: Perform inspections quarterly to prioritize maintenance and repairs items.			
Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percent of system inspected quarterly	80%	100%	100%

Prior Year Results and Outcomes

Surface water from Watson and Willow Lakes was efficiently managed and delivered to the Aquifer Recharge Facility totaling 742,042,000 gallons (2,277.26 ac/ft) for the fiscal year.

A combined flow totaling 982,537,000 gallons (3,015.30 ac/ft) in treated effluent was delivered to the Aquifer Recharge Facility.

Treated effluent totaling 1,232.26 ac/ft was delivered to the following major users:

Antelope Hills Golf Course	715.19 ac/ft
Prescott Lakes Golf Course	445.17 ac/ft
Hansen Materials	25.56 ac/ft
Construction Use	45.33 ac/ft

Improved operational abilities of the effluent recharge system by installing a new 18” plug valve.

Completed soil cultivation of seven recharge facility basins resulting in faster percolation rates and a reduction in water loss through evaporation.

Completed brush removal and grading to improve operation of Watson/Willow Lake Crossover Channel.

Effluent Delivery

Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 67,388	\$ 69,222	\$ 69,118
Supplies	13,393	26,110	26,110
Other Services & Charges	34,966	41,740	43,525
Total	\$ 115,747	\$ 137,072	\$ 138,753

Effluent Delivery

Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	1.00	1.00	1.00
Water Operator	1.00	1.00	1.00

Significant Expenditure Changes: There are no significant expenditures changes.

Private Development

Division Mission: To provide an account in which to charge plan reviews of wastewater infrastructure installations for new private developments. These plan reviews are performed by the Development Services Manager and Permit Technician; a proportionate share of their salaries is charged here in the Internal Engineering Services line item.

**Private Development
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Other Services & Charges	148,599	122,604	125,000
Total	\$ 148,599	\$ 122,604	\$ 125,000

Significant Expenditure Changes: This division was restructured in FY2004 and provides for an account in which to charge plan reviews of wastewater infrastructure installations for new private development. Plans are reviewed by the Development Services Manager and Permit Technician whose time is charged at 80% of 25% of their salaries.

Wastewater System Impact

Division Mission: To provide an account to charge costs for wastewater improvement projects that are related to growth.

Prior Year Results and Outcomes

Combined with Wastewater Utilities Administration

**Wastewater System Impacts
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Capital Outlay/Projects	-	1,208,654	5,097,961
Total	\$ -	\$ 1,208,654	\$ 5,097,961
Capital Outlay/Projects			
Airport Phase 1 (3.25MG)			2,688,000
Cliff Rose Lift Station Upgrade			791,361
Granite Dells			500,000
Sundog Collector/Sundog Ranch Rd			395,000
Sewer Mainline Replacement/Rehabilitation			370,000
Rosser Reconstruction			139,100
Williamson Valley Road			130,000
Capital Contingencies			77,500
Maintenance Management			7,000
Total Capital Outlay/Projects			\$ 5,097,961

Significant Expenditures Changes: This cost center was created in FY2009 to separate and track funding for projects that are needed due to growth impacts. Information on the individual projects can be located in the Capital Improvement Plan of this budget book.

SOLID WASTE/TRANSFER STATION FUND

The purpose of the Solid Waste Fund is to account for the financial activities of providing refuse collection and disposal, recycling, and related services to the citizens of Prescott. The mission of the department is to protect the public and environment through legal, efficient, and effective collection, recycling and disposal of solid waste; while enhancing relationships with the community, co-workers, elected and appointed officials, and the local businesses.

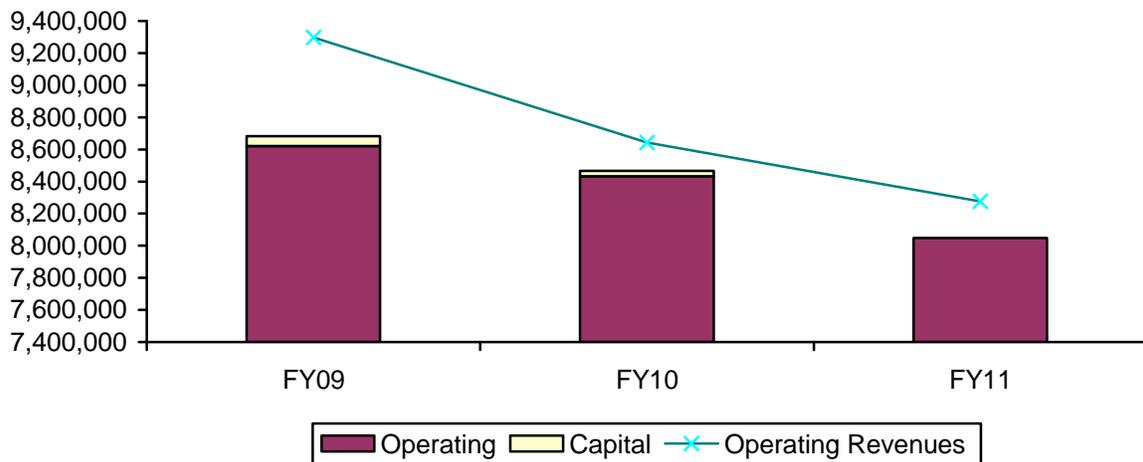
The City is responsible for providing sanitation collection services to its residents according to Arizona State law. Pickup is provided weekly for residential customers and pickup for commercial customers ranges from once per week to six times per week depending on the individual commercial customer's needs.

During FY1992 the landfill was closed to residential and commercial customers with the exception of continuing to accept construction debris from City accounts and private contractors. In actuality, very few private construction firms are using the landfill because the construction debris has to be separated. The partial closing was necessary because the landfill had almost reached capacity. The collected sanitation is now taken to the City's Transfer Station and then hauled by a contracted firm to a private disposal site. Sludge is hauled to private disposal sites.

Voluntary curbside recycling began in 1992, following a very successful pilot program. Recyclables are collected on a weekly basis with the City providing the containers to the customers. In June 1996, the City added plastics to items collected for recycling purposes. During FY1999, the City mailed a survey along with the utility bills asking the public their opinions on expanding the residential recycling program. As a result of the favorable responses, Council approved expanding and automating the program to enable collection and transportation of commingled recyclable materials. The new program commenced in spring of FY2000.

During FY1992 a transfer station was constructed in partnership with Yavapai County. All vehicles, including the City's sanitation trucks, are weighed at the station and are charged accordingly. This fund accounts for the payments of tipping fees and hauling costs to private companies for the transporting and disposal of solid waste and collects tipping fees from individuals, contractors and private collection companies opting to use the transfer station. Beginning in FY2009, the Transfer Station Fund was combined with the Solid Waste Fund.

Current year revenues are estimated at \$8,276,042 while current year expenditures are estimated at \$8,047,453.



Solid Waste/Transfer Station Fund Historical Activity

	FY09	FY10	FY11
	Actual	Estimate	Budget
Unrestricted Beginning Cash, 7/1	\$ 4,764,900	\$ 5,383,609	\$ 5,219,903
Restricted Beginning Cash, 7/1	\$ 436,163	\$ 433,129	\$ 510,360
Revenues	\$ 9,297,556	\$ 8,642,331	\$ 8,276,042
Expenditures	\$ (8,681,881)	\$ (8,467,303)	\$ (8,047,453)
Transfers Out	\$ -	\$ (261,503)	\$ (240,059)
Unrestricted Ending Cash, 6/30	\$ 5,383,609	\$ 5,219,903	\$ 5,123,407
Restricted Ending Cash, 6/30	\$ 433,129	\$ 510,360	\$ 595,386

Solid Waste/Transfer Station Fund Revenues

Revenue Source	FY09	FY10	FY11
	Actual	Rev. Est.	Budget
Solid Waste/Transfer Station			
Refuse Collection Charges	\$ 5,335,075	\$ 5,230,051	\$ 4,801,187
Transfer Station Fees	3,293,798	2,979,803	3,039,399
Landfill Closure Surcharge	158,959	156,800	159,936
Interest Earned	336,839	117,450	120,000
Recycling Revenue	137,674	150,000	150,000
Grant Funds	29,938	-	-
County Tire Contribution	2,520	2,520	2,520
Charge Account Permits	2,844	3,000	3,000
Miscellaneous	(91)	2,707	-
Total Revenues	\$ 9,297,556	\$ 8,642,331	\$ 8,276,042

Explanation of Solid Waste/Transfer Station Fund Revenue Sources:

Revenue Collection Charges: FY2011 collection charges are expected to yield \$4,801,187 which represents an 8.2% decrease from FY2010 revised estimates. This decrease is the result of a potential decrease in accounts due to a legislative change. Outside companies now have the ability to service sanitation customers located within the City of Prescott city limits. Previously, this was prohibited. Residential rates are \$14.50 per month structured as follows: \$11.00 to pay for the collection and disposal of solid waste; \$3.00 for the voluntary recycling program; and \$.50 for a landfill closure surcharge.

Transfer Station Fees: Effective 1/01/2005 the tipping fee rate went from \$55.00 per ton to \$57.25 per ton for vehicles under 10,000 pounds gross vehicle weight and \$62.98 for vehicles over 10,000 pounds gross vehicle weight. It is mainly commercial vehicles that exceed the 10,000 pounds gross vehicle weight.

The **landfill closure surcharge** became effective September 1, 1993 and is designed to help defray the long term costs of closing the City's existing landfill. The landfill closure plan has been approved by the State. The State granted the City a small landfill exemption which avoids full closure requirements. After the landfill has been closed, this fee will be reevaluated.

Interest Earned: This is monies earned on the available cash in the Solid Waste/Transfer Station Fund. It is a difficult estimate to make due to the fluctuation of cash balances and the interest rates.

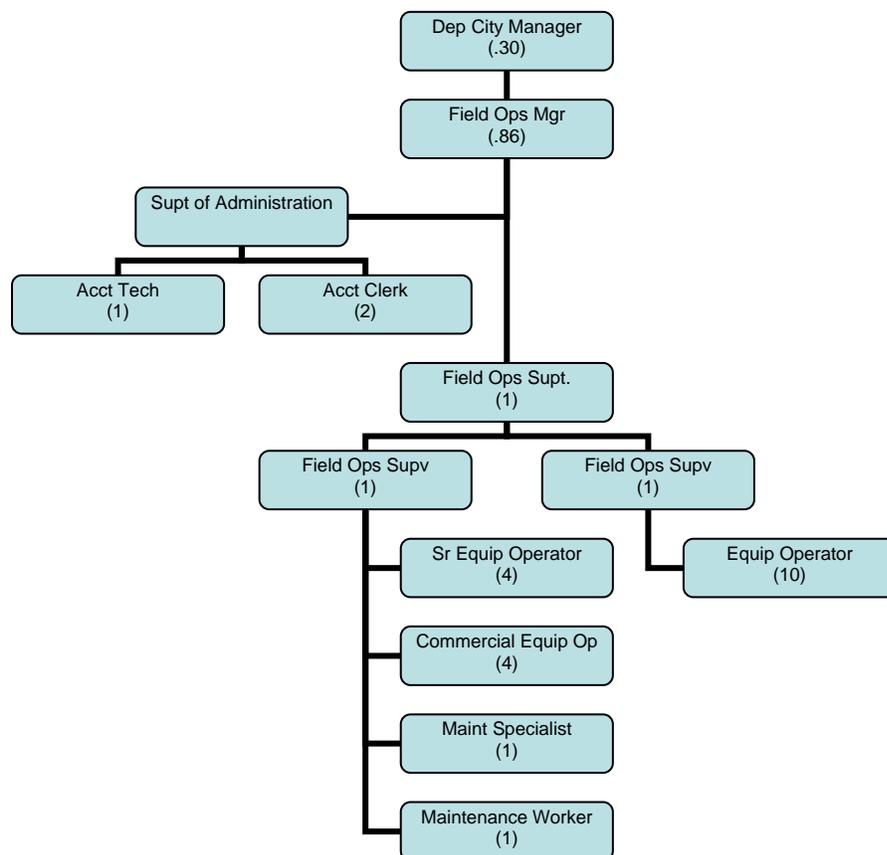
Recycling Revenue: Revenues received from the sale of recyclables obtained from residents and commercial vendors. FY2011 estimates remain conservative in comparison to FY2010 estimated endings due to this revenue being based on the market value of recyclable materials.

Tipping Fees: When City departments use the landfill to dispose of inert debris, these departments are billed for their usage. With the closure of the MSW (municipal solid waste) landfill in FY1999, the City opened a new site for inert debris disposal.

County Tire Contribution: This is the contribution received from Yavapai County for use of land south of the transfer station for the Yavapai County Tire Yard. Up to five passenger tires per year can be dumped by City of Prescott residents at no charge. There is a charge for additional or heavier tires.

Charge Account Permits: The City of Prescott handles approximately 350 charge accounts for users of the transfer station. Each account is charged a \$12 annual fee plus \$12 for every plate received by each user.

Transfers Out: The transfer out in the amount of \$240,059 is going to the Streets Fund as a user fee for the sanitation trucks travel on the City of Prescott streets. This is to go toward street maintenance and repair for the “wear and tear” that the trucks put on the streets. This fee is based on 5% of the sanitation fees received from customers.



Sanitation

Division Mission: To provide comprehensive solid waste management programs incorporating modern technologies to maximize the protection of the environment and efficiently utilize the disposal system. Provide a superior level of customer service.

To continue operating an efficient customer friendly curbside and drop-off recycling program that maximizes waste diversion from landfill operations.

Through educating the businesses of Prescott, enlist several more commercial recycling accounts to take full advantage of the waste diversion from the landfill.

To operate a professional, well maintained facility consequently providing a well-functioning waste disposal site for the City of Prescott and Yavapai County. Utilize and manage the current facility and equipment to reduce safety issues.

Ensure that all federal, state and local policies are enforced.

To continue operating an affordable and accessible alternative to existing disposal methods for inert debris in conformance with ADEQ and EPA regulations.

Goal: To fix the problem before the customer knows there is a problem. Reduce the amount of customer calls regarding broken cans, wheels, lids and missed garbage by taking care of these issues at the time of service rather than waiting for the customer to call in.

Strategy: Encourage drivers to take care of route maintenance daily.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Total number of pickups annually	1,866,000	1,950,000	2,000,000
Total number of incidents	9	5	5
Total number of carts collected per man hour	126	130	130

Goal: Increase the number of commercial recycle accounts by 25% during the fiscal year.

Strategy: Contact high volume commercial users and demonstrate the cost savings that can be associated with the diversion of recyclable materials out of their commercial waste container.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of commercial recycling accounts	98	110	120
Number of commercial recycle tons diverted	682	750	800

Goal: Provide effective and efficient weekly curbside collection of recyclables from all participating customers within the City of Prescott to reduce the volume of material sent to Grey Wolf Landfill. To make the residential recycling program a profitable business that is able to sustain itself.

Strategy: Encourage participation in recycling by providing excellent customer service and providing larger recycle containers. Effectively negotiate contracts with vendors for the sale or purchase of our recyclables.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of tons diverted	3,068	3,150	3,200

Goal: To operate and maintain the Transfer Station at its current or high level of service, especially while the Transfer Station is under construction. To divert as much recycling as possible from going into the landfill.

Strategy: Use existing Transfer Station to handle the approximate 220 tons per day. Promote and divert as much recycling as possible using the expansion of the Transfer Station.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of tons per day/year	181/55,300	200/61,500	225/70,000
Number of tons metal recycling per year	270	400	450
Inert Materials Diverted (Tons)	3,900	2,700	3,000

Prior Year Results and Outcomes

Serviced 1,100 dumpsters and 16,000 residential trash containers for solid waste removal each week = 889,200 containers emptied annually

Serviced 130 recycle dumpsters and 9,600 residential recycle bins for recycling of materials each week = 505,960 containers annually

Removed 312 tons of trash from neighborhoods during the Annual Clean-up in June

Collected \$3,098,640 in fees from drive-in customers at the Transfer Station

Manually diverted approximately 40 tons of recyclable metal from the public dump area, saving \$38.36 per ton in fees to Gray Wolf, and earning \$126.50 per ton as recyclables. Instead of paying \$18,400, the City has been paid \$60,700. (Net gain to the City = \$79,100)

Sanitation Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 1,691,170	\$ 1,748,592	\$ 1,802,236
Supplies	594,022	592,250	658,750
Other Services & Charges	6,158,804	5,974,265	5,470,812
Debt Service	116,895	116,709	115,655
Capital Outlay/Projects	120,991	35,487	-
Total	\$ 8,681,882	\$ 8,467,303	\$ 8,047,453

Sanitation Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	26.16	26.16	27.16
Deputy City Manager*	0.30	0.30	0.30
Field Operations Mgr**	0.86	0.86	0.86
Field Operations Supt.	1.00	1.00	1.00
Field Operations Supv.	2.00	2.00	2.00
Senior Equip. Operator	4.00	4.00	4.00
Commercial Equip. Oper.	4.00	4.00	4.00
Sanitation Equip. Operator.	10.00	10.00	10.00
Maintenance Specialist	1.00	1.00	1.00
Maintenance Worker	0.00	0.00	1.00
Accounting Tech	1.00	1.00	1.00
Accounting Clerk	2.00	2.00	2.00

*Remainder of Deputy City Manager is charged to City Manager.

**Field Operations Manager also charged .14 to Street Operations.

Significant Expenditures Changes: The 11.2% increase in the Personnel FY2011 budget over FY2010 estimated ending is due to two potential retirements. The retirement payouts are budgeted in this area. Should one or both of the employees not retire, no monies will be expended. Also included is a Maintenance Worker that was not charged to this area in FY2010.

Other Services & Charges reflects a 8.4% decrease. Sanitation is another vehicle intensive department so the removal of the vehicle replacement charges in FY2011 has an extreme affect on this area.

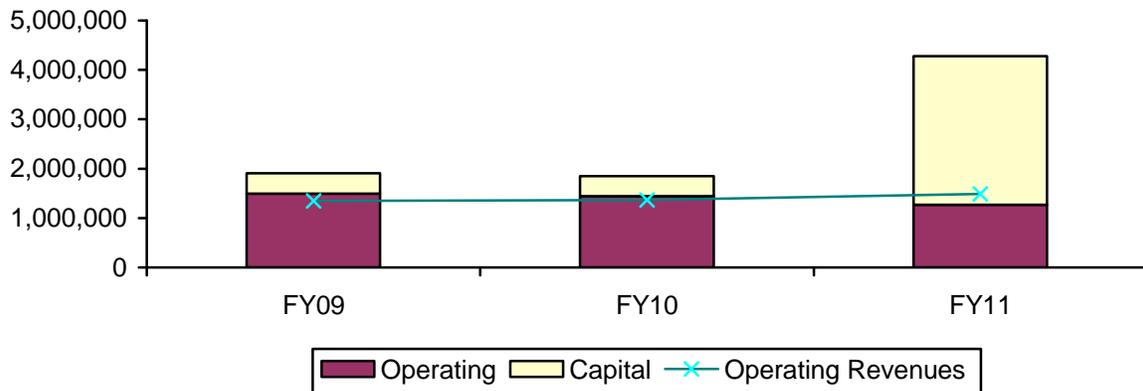
AIRPORT FUND

The Airport Fund accounts for the financial activities at Ernest A Love Field, Prescott's municipal airport. In addition to the sale of 100 octane gas and jet fuel, the terminal houses a waiting area, a restaurant, rent-a-car agencies and Great Lakes airlines.

T-hangar and tie down rentals are available to accommodate approximately 260 planes based at Love Field. Other facilities at the airport include charter flight schools, aircraft maintenance operations, and a U.S. Forest Service firefighting operations base.

Embry-Riddle Aeronautical University, the world's only accredited 100% aviation-oriented university, has established flight operations at Love Field.

Airport Fund - Revenues vs Expenditures



The total Airport budget, including grant and airport operations capital projects, is \$4,476,306. Revenues are estimated to be sufficient to cover operational expenditures.

Airport Fund Historical Activity

	FY09 Actual	FY10 Estimate	FY11 Budget
Beginning Cash, 7/1	\$ 157,292	\$ 17,672	\$ (60,861)
Revenues	\$ 1,689,668	\$ 1,633,412	\$ 4,502,108
Transfers In	\$ 77,673	\$ 139,377	\$ 152,623
Expenditures	\$ (1,906,961)	\$ (1,851,322)	\$ (4,476,306)
Ending Cash, 6/30	\$ 17,672	\$ (60,861)	\$ 117,564

Airport Fund Revenues

Revenue Source	FY09 Actual	FY10 Rev. Est.	FY11 Budget
Tie Down and Hangar Rentals	\$ 1,084,969	\$ 1,178,826	\$ 1,231,124
Fuel Flowage Fee	225,875	92,308	159,243
Landing Fees	4,758	49,447	52,558
Miscellaneous	32,099	43,887	42,718
Total Operating Revenues	\$ 1,347,702	\$ 1,364,468	\$ 1,485,643
Add: Other Sources			
FAA & ADOT Grants	341,966	268,944	3,016,465
Transfer In/Grants Received	77,673	139,377	152,623
Total Other Sources	\$ 419,638	\$ 408,321	\$ 3,169,088
Total Combined Sources	\$ 1,767,340	\$ 1,772,789	\$ 4,654,731

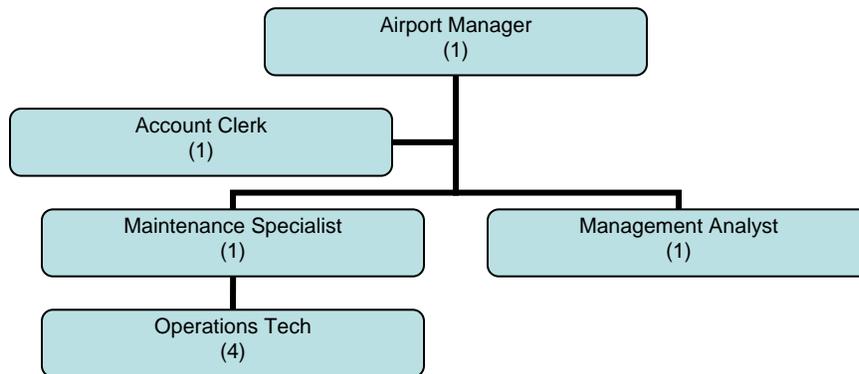
Explanation of Revenue Sources:

Tie Downs, Hangar Rentals, Shades and Storage Unit Fees: Based upon fair market appraisals for vacant property as well as facilities at the airport, rates were adjusted for hangars, shades and storage units during FY1997. Additionally, the rates were changed to be exclusive of tax rather than inclusive of tax. The 4.4% increase is based on potential rent increases based on consumer price index.

Fuel Flowage Fees: A fuel flowage fee is a specified amount of money per gallon of fuel pumped and paid to the airport by the entity pumping the fuel, for the privilege of pumping the fuel on the airport.

Landing Fees: Landing fees in the amount of \$5 per landing are assessed to all airlines and cargo carriers. Monies received from this fee are used to help fund maintenance and repairs of the runways.

Miscellaneous: Miscellaneous revenues consist of airport access fees and other revenue items that do not occur on a regular basis. This includes land leases, badging, fingerprinting, and interest.



Airport Operations and Capital

Division Mission: Prescott Municipal Airport, as a public facility, will meet the region's air transportation needs for corporate travel, scheduled airline service, governmental, military and general aviation. The airport will also provide citizens interested in aviation an opportunity for education, recreation and personal enrichment.

The Airport Administration is responsible for planning and implementing the short term and long term development of the airport, managing the real property assets, preparing and implementing the airport budget, and overseeing the safe and efficient operation of the airport in accordance with applicable rules and regulations.

The Operations/Maintenance area is responsible for performing, coordinating, tracking, documenting, and complete resolution of all airport operational and maintenance activities including, but not limited to, training, safety, security, regulatory enforcement/compliance, customer interaction, and coordination with management and contractors regarding airfield and area activities impacting the quality of services provided to the general public.

Goal: Diversify and expand the airport generated revenues with the goal of becoming self sustaining in all aspects of the operations and development of the Airport.

Strategy: Evaluate, plan and implement an update of airport rates and charges in line with industry standards.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Implementation of Minimum Operating Standards and associated aeronautical business permit fees	0	June 2009	Effective Sept 2009
Phased increase of hangar rental rates to match Fair Market Rates	2.0%	2.0%	2.0%
New and Renegotiated/Extended Leases/License Agreements	0	2	2
Begin Development of an Airport Business Plan	N/A	N/A	Formation of Airport Working Group

Goal: Completion of the Airport Master Plan

Strategy: Work with the public and the members of the Project Management Team, the Planning Advisory Committee and the Airport Manager's Aviation Working Group to ensure completion and adoption of the Airport Master Plan by the City of Prescott and the surrounding communities. Currently awaiting FAA and ADOT review and comment of Draft Master Plan.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of public meetings	6	1	1
Number of presentations	3	1	1
Percentage of plans completed	60%	95%	100%

Goal: Improve the overall efficiency and management of the airport administrative, operations, and maintenance functions through increased use of information systems and computer technology.

Strategy: Purchase a dedicated airport management (or functionally compatible) software program and enhance the airport computer equipment and infrastructure capabilities including better networking of information. Develop and implement Minimum Operating Standards to ensure equal standards exist.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Produce management reports on a timely basis (monthly/quarterly)	N/A	2	4

Computerized operational/maintenance record keeping and tracking	N/A	N/A	RFP and System Evaluation
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Goal: Development and retention of a professional airport staff capable of meeting the demanding requirements of the applicable federal, state, and local regulations/standards and the needs of the City and citizens.

Strategy: Continue development and implementation of in-house training programs. Certification of staff through attendance of advanced training opportunities.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
In house training hours	250	250	250
Number of advanced training courses attended	2	1	1
Number of OSHA required training courses	2	2	2

Goal: Development of facilities and infrastructure to enhance the safety, capacity and services at the airport to meet the projected growth of both business aircraft and scheduled airlines including but not limited to: 1) land acquisition, 2) equipment acquisition, 3) building/facility improvements, 4) airfield construction projects.

Strategy: Seek all available funding sources. Obtain community support.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of project grant funding sought	1	2	6
Number of projects grant funding obtained	1	2	4

Goal: Continue to maintain the airport in a safe and efficient operating environment through increased preventative maintenance of airport facilities which improve visual aesthetics of the airport and response to customer's maintenance requests.

Strategy: Development and implementation of preventative maintenance programs.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
FAA 139 Inspection discrepancies	21	5	0
Work orders issued and resolved	569	900	1,000
Number of cycles of complete airfield vegetation management (mowing) of approximately 300+ acres	4	8	10

Prior Year Results and Outcomes

The Airport Department successfully marketed and increased commercial airline passenger service to LAX, Ontario, CA and Denver, CO. In a time when most airports across the country were seeing a decrease of passengers, Prescott experienced a 27% increase in the airline passenger enplanements has been seen for the FY10 as compared to FY09.

The Airport Department has successfully partnered with several private entities through out the year to host 5 public events and fly-ins at the airport.

The Airport Department successfully managed the airport badging system to increase the efficiency with which renewal badges are issued. Several positive comments have been received from members of the public regarding the ease of the process.

The Airport Department successfully partnered with Legend Aviation for the installation of a Self-Service Fueling station at the airport.

The Airport Department successfully increased the revenue production of property at the airport by entering into 3 new commercial license agreements, 1 new long term lease, and 1 through the fence operation.

The Airport Department successfully acquired federal grant funding and initiated several projects at the airport including the TSA LEO checkpoint coverage which allows for airport staff to focus on maintenance and operational duties as well as the mandated Wildlife Hazard Assessment.

The Airport Department successfully implemented a landing fee and overnight parking fee collection system for Contract Aircraft with the US Forest Service.

**Airport
Expenditure Summary**

	FY09 Actual	FY10 Est End	FY11 Budget
Personnel	\$ 569,950	\$ 546,632	\$ 493,883
Supplies	57,115	64,834	58,400
Other Services & Charges	475,001	427,247	333,084
Cost Recovery	(7,595)	-	(21,000)
Capital Outlay/Projects	-	-	40,000
Grant Projects	409,638	409,757	3,169,088
Debt Service	402,852	402,852	402,851
Total	\$ 1,906,961	\$ 1,851,322	\$ 4,476,306
Capital Outlay/Projects			
Yavapai College Fence			\$ 21,000
Fuel Tank Relocation			19,000
Total Capital Outlay/Projects			\$ 40,000
Airport Grants			
Runway Extension			\$ 2,706,700
Construct Airfield Markings			197,000
Law Enforcement Officers			133,367
Environmental Assessment			84,130
Wildlife Hazard Assessment			43,100
Airport Master Plan Update			4,791
Total Airport Grants			\$ 3,169,088

**Airport
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	8.33	7.50	7.00
Emergency Services Dir*	0.33	0.00	0.00
Airport Manager	1.00	1.00	1.00
Airport Operations Tech.	4.00	3.50	3.00
Maintenance Specialist	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00
Accounting Clerk	1.00	1.00	1.00

Significant Expenditure Changes: The 9.6% decrease in Personnel when comparing the FY2011 budget to the FY2010 estimated endings is caused by the elimination of ½ an Airport Operations Tech. A full time employee retired in this department and the position is being filled as a part time employee.

The methodology used for calculating cost recovery charges for administration, legal, insurance, auditing and accounting, and personnel can cause a department's budget to fluctuate greatly. The charge is

based on a department's budget compared to the city-wide budget as a whole. This accounts for the 22.0% decrease in the Airport's Other Services & Charges category.

Please refer to the foregoing summary box for a complete listing of capital outlay/projects and grant projects. More information can be located in the Capital Improvement Plan section of the budget book.

GOLF COURSE FUND

The purpose of the Golf Course Fund is to account for the financial activities of Antelope North and South Golf Courses. It is the mission of the Golf Course to provide a positive golf experience and an enjoyable atmosphere for our customers while assuring revenues are more than sufficient to cover operating expenses, capital investments and debt payments.

Antelope Hills North Golf Course is a championship 18-hole course located on Highway 89 at the intersection of Highway 89 and Willow Creek Road. The PGA-sanctioned course, which surrounds the City of Prescott's municipal airport, is open to the public year-round. Antelope Hills South Golf Course was completed during FY1992. This 18 hole, par 72 course was opened for play July 1, 1992. The scenic landscaped course has views of Mingus Mountain, Granite Dells, Granite Mountain and a 100 mile view of the San Francisco Peaks, the highest point in Arizona. The South course is state of the art and includes a computerized irrigation system, multi-tees, bent grass greens and three lakes.

Seventy-seven homes sites were developed surrounding the course and all sites have been sold.

The clubhouse on Perkins Drive was built in 1993 and contains a restaurant, bar and full-line golf shop. The restaurant, Manzanita Grille, is currently operated by the City and is open daily to serve the public. Golfers are able to start on either course from the clubhouse.

Wastewater effluent from the City's wastewater treatment plant is used to irrigate the golf course turf on both courses. A well organized golf maintenance and development program is carried out including daily upkeep of golf course greens, fairways, tees and rough.

Many changes have been made over the last several years in the golf course operations. The objective to achieve financial self-sufficiency is being met. Other objectives include no further borrowing by the Golf Course Fund from the General Fund or other city funds (except for incidental cash flow purposes). In FY1998, the Golf Course completed payment to the General Fund of the approximately \$2 million previously borrowed. Golf Course objectives are being accomplished by using conservative estimates of increases in play while still insuring Prescott and Yavapai County residents receive preferred golf rates.

In September 1997, Council approved a change to the rate structure which established the same rates for City and County residents while keeping a differential for outside Yavapai County residents.

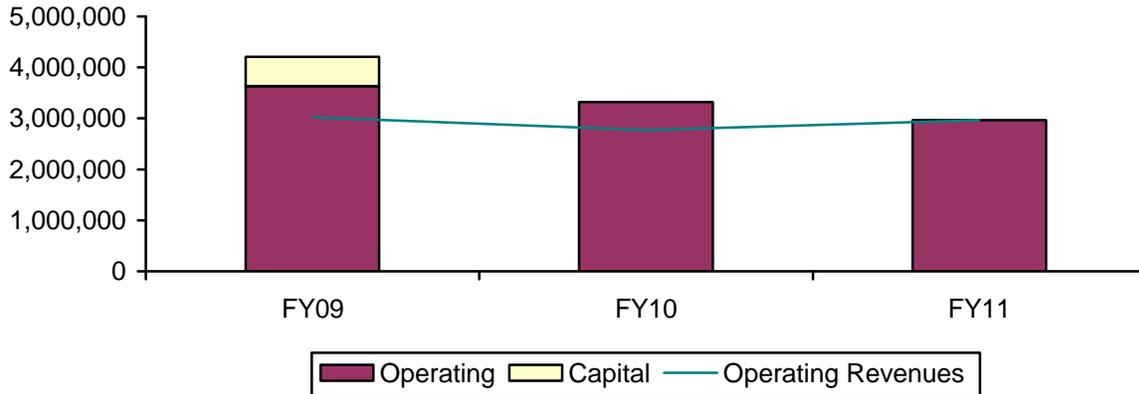
The overall cash strategy of the Golf Course Fund is to pay its operations, capital needs and debt obligations in the following order:

First, payment of the operations of the golf course;

Second, payment of bonded debt principal and interest; and

Third, use of revenues exceeding expenses for capital improvements to the course.

Golf Course Fund - Revenues vs Expenditures



Golf Course revenues and expenditure activity for the past two years and current year is as follows:

Golf Course Fund Historical Activity			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ (1,862,755)	\$ (2,196,333)	\$ (2,745,260)
Revenues	\$ 3,876,406	\$ 2,771,893	\$ 2,965,117
Expenditures	\$ (4,209,984)	\$ (3,320,820)	\$ (2,964,510)
Ending Cash, 6/30	\$ (2,196,333)	\$ (2,745,260)	\$ (2,744,653)

Adopted Council financial policies require that any time an enterprise fund is in a deficit position, interest will be charged to that fund. Accordingly, interest will be charged to the Golf Course Fund as long as it is not operating in a full self-sufficient manner. Golf Course revenues are extremely reliant on weather.

At the end of each fiscal year, large debt service payments are made for the construction of the second course and the recently installed replacement irrigation system on the North course. The payments result in a negative cash balance for approximately two to three months into the next fiscal year at which time the golf course operates in a positive cash balance position until the following June.

Golf Course Fund Revenues

Revenue Source	FY09 Actual	FY10 Rev. Est.	FY11 Budget
Greens Fees	\$ 1,460,649	\$ 1,286,027	\$ 1,322,299
Rentals	516,524	484,379	563,080
Pro Shop Sales	282,235	269,411	273,725
Restaurant	761,388	732,076	806,013
Sale of Assets	284,726	-	-
Lease/Purchase Proceeds	570,885	-	-
Total Revenues	\$ 3,876,406	\$ 2,771,893	\$ 2,965,117

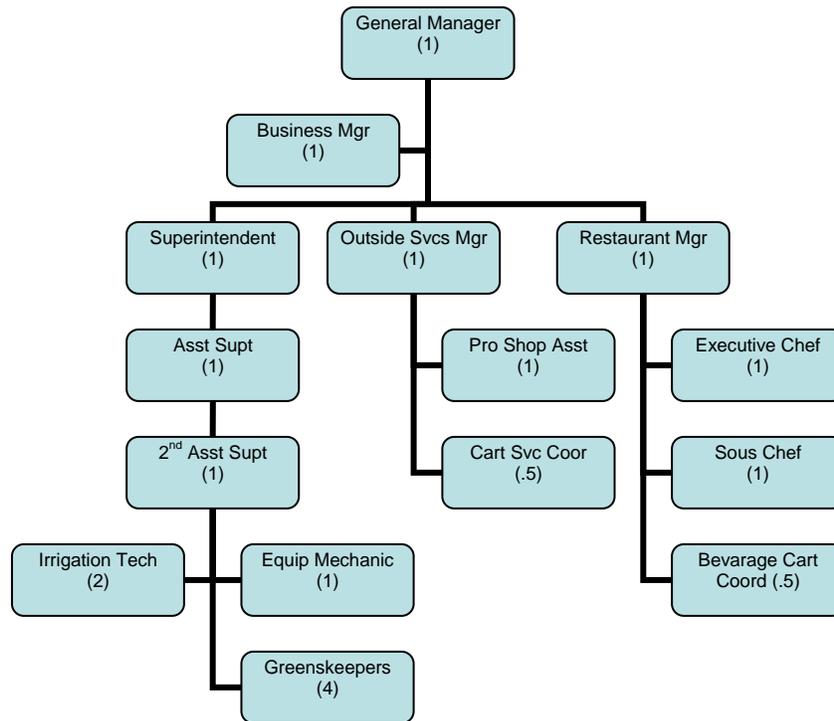
Explanation of Golf Course Fund Revenue Sources:

Greens Fees: The Golf Course Manager is projecting an increase in greens fees of 2.8% over the FY2010 revised estimates. This projected increase is based on an anticipated increase in rounds played.

Rentals: Cart rental fees are also expected to increase during FY2011 because of an anticipated increase in rounds played.

Pro Shop Sales: FY2011 merchandise sales are expected to increase 1.6% over FY2010 due to an anticipated larger volume of rounds played at the golf course.

Concession/Restaurant: This revenue source exhibits a 10.1% increase in FY2011 over FY2010 estimated endings as a result of continued popularity of the restaurant at the golf course.



**Consolidated Departmental Expenditure
and Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 1,422,384	\$ 1,417,900	\$ 1,440,671
Supplies	647,812	594,529	626,950
Other Services & Charges	665,081	652,188	711,624
Capital Outlay/Projects	576,875	-	-
Debt Service	<u>897,832</u>	<u>656,203</u>	<u>185,265</u>
Total	\$ 4,209,984	\$ 3,320,820	\$ 2,964,510
Authorized Staffing Level	38.97	36.30	35.80
Maintenance	15.09	15.20	14.95
Pro Shop	9.10	5.95	6.00
Manzanita Grill	13.28	13.55	13.35
Golf Carts	1.50	1.60	1.50

Note: The staff of the Maintenance Division consists of 10 regular full time employees. The remainder are seasonal and are the equivalent of 5.2 full time employees.

The Pro Shop has 2.6 regular full time employees with a seasonal staff of 6.2 full time equivalent employees.

Manzanita Grill includes 3.55 regular full time employees and 10 seasonal employees.

Golf Cart Division employs a seasonal staff of .93 full time equivalent employees.

Golf Course Maintenance

Division Mission: To be the leader in municipal golf in Arizona by setting the highest agronomic standards possible and providing our customers with superior course conditions.

Goal: To improve turf quality and the overall customer experience at the driving range and tee facility.

Strategy: Continue with two closures per week while in season in order to maintain and improve conditions. Schedule two one-day closures in the spring and fall for aerification.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of aerations performed	1	1	2
Percentage of established full stand of grass in target areas	0%	50%	100%

Goal: Continue to raise safety standards and fully comply with Arizona Department Occupational Safety Hazards (A.D.O.S.H.) requirements set forth.

Strategy: Implement new city-wide written safety program and review board, proper guidelines will be put into place resulting in creation of a safer working environment for our crew and our customers as well.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage completion of job hazard analysis	0%	90%	100%

Percentage completion of update to written HazMat program, labels and MSDS sheets	75%	100%	100%
Number of safety meetings conducted	5	10	12
Number of free and local outsource training seminars attended	1	3	6

Goal: To continue improving course conditions in our two weakest areas – cart paths and bunkers.

Strategy: Focus heavily on more frequent grading and the importing of materials to provide a smoother and drier surface for golf carts.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of monthly grading of cart paths	3-5	4-6	12

Strategy: Work to cap all greenside bunkers with fresh bunker sand on an annual basis.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of tons of road millings and material to fill in potholes and low areas	50-70	100	300
Number of bunkers addressed	0	8	30

Goal: To continue with long-term tree program for the North Course.

Strategy: Make the necessary adjustments in our future annual budgets to afford stump removal, tree trimming, tree removal and tree replacement

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of trees trimmed	275	0	50
Number of trees removed	10	20	25
Number of stumps removed	0	0	20
Number of trees replaced	0	0	25

Prior Year Results and Outcomes

Superintendent and one Irrigation Technician completed field audits becoming certified Irrigation auditors.

Reduced effluent by approximately 110 acre feet coming in nearly \$30,000 under budget for effluent.

Removed approximately 30 dead trees on North Course during slow winter months using in-house labor not affecting budget and reducing liability to City.

Replaced over 6000 square feed of turf with low maintenance low water usage landscaping saving potable water cost of \$1000 per year.

Golf Course Maintenance staff with perfect attendance in all City wide Safety meetings.

Golf Course Maintenance Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 676,088	\$ 652,278	\$ 682,879
Supplies	215,256	195,412	226,500
Other Services & Charges	377,704	362,676	368,494
Debt Service	805,842	536,268	69,444
Capital Outlay/Projects	25,682	-	-
Total	\$ 2,100,572	\$ 1,746,634	\$ 1,347,317

**Golf Course Maintenance
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	15.09	15.20	14.95
Greens Superintendent	1.00	1.00	1.00
Asst Greens Super.	1.00	1.00	1.00
2nd Asst Greens Supt	1.00	1.00	1.00
Business Manager	0.00	0.00	0.15
Equipment Mechanic	1.00	1.00	1.00
Irrigation Tech	2.00	2.00	2.00
Greenskeeper	4.00	4.00	4.00
Seasonal Maint. Empl.	5.09	5.20	4.80

Significant Expenditures Changes: An 15.9% increase can be observed in Supplies when comparing FY2010 estimated endings to FY2011 budget. This is the result of an increase in agricultural supplies and earth products budget. These areas cover needed materials to maintain the course to provide the expected quality.

There are no other significant expenditures changes.

Pro Shop

Division Mission: To maintain a high standard of customer service by maximizing our tee time reservations to insure that no customer is turned away. To provide quality apparel, equipment, and miscellaneous golf items that are value-priced while providing a profit center for the golf course.

To provide our golfing patrons with instructions concerning our course conditions and policies while keeping the tee time on schedule. To keep the pace of play desirable and to enforce course rules while addressing the concerns of patrons during their rounds.

To provide a first class facility with quality turf and balls, target areas, and professional instruction that will support the overall facility as another profit center.

Goal: To increase merchandise sales in the pro-shop.

Strategy: Improve our buying, stocking and marketing procedures, and aggressively price and promote our retail products.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Merchandise sales	2.49/round	2.54/round	2.46/round

Goal: To increase rounds.

Strategy: Improve all areas of customer service and develop ways to market ourselves better.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Percentage of implementation of EZ-Links	0%	25%	100%
Number of training meetings with cart crew, starters and rangers	0	2	2
Number of tournaments and participation in outside events	6,554	6,260	7,200

Number of non-resident rounds	2,644	2,355	6,000
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Prior Year Results and Outcomes

Hired PGA Hall of Fame golf Professional –Mack McCarley as General Manager and Head Golf Professional

Hosted 1st Annual “Leprechaun Open” in March with great success providing introduction of new General Manager.

Hosted annual Spring Classic in May with participation up by 90% over 2009.

Hosted 51st Annual Father – Son Golf Tournament with 492 participants (up 12 from 2009) largest tournament in Arizona.

Hosted “Ladies Invitational” golf tournament as a sold out – full field tournament / banquet.

Installed new Tee Sheet Management software – EZLinks that integrates with Point of Sale management system.

New Tee Sheet management program allows for on-line reservations as well as 24/7 call center for reservations and assistance.

Worked with Mayor’s Advisory Committee to examine and implement new rates for golf.

Worked with Mayor’s Advisory Committee to create “wish list” of projects to be carried out in 2010.

June 2010 to June 2009 comparison showed gain in rounds played and retail sales. First such gain in 30 months.

**Pro Shop
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 350,411	\$ 391,297	\$ 356,101
Supplies	114,666	101,100	99,050
Other Services and Charges	142,157	145,898	167,720
Total	\$ 607,234	\$ 638,295	\$ 622,871

**Pro Shop
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	9.10	5.95	4.25
Admin Svcs Director	0.10	0.10	0.00
General Manager	1.00	1.00	1.00
Outside Svcs Mgr	0.00	1.00	1.00
Pro Shop Mgr/Tour Dir/Buyer	1.00	0.00	0.00
Pro Shop Assistant	0.00	0.00	1.00
Business Manager	0.00	0.00	0.75
Restaurant Manager	0.50	0.50	0.25
Seasonal Pro Shop Emp	6.50	3.35	0.25

Significant Expenditure Changes: Personnel FY2010 budget displays a 9.0% decrease from FY2010 estimated endings. The root cause of this is the reduction of temporary staffing. With the poor economy staffs are carrying heavier work loads and reducing seasonal help.

Manzanita Grill

Division Mission: To provide value-oriented food and beverage service to Antelope Hills golfers, tournament events, and the local community. To provide high quality golf course concessions in a professional and timely manner.

Goal: To have the mix-of-sales by 75% food and 25% beverage.

Strategy: Continue to promote specialty nights such as All-you-can-eat Fish Fry, Prime Rib night, Sushi night, and Pasta night. To offer senior citizen and family discounts. To continue to promote weddings and catered events.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Mix of sales (food/beverage)	74/26	75/25	75/25

Prior Year Results and Outcomes

Hosted Annual Catholic Charities fund raising event with nearly 200 guests helping charity to raise over \$25,000.

Weekly Sushi Nights, Fish Fry and Prime Rib nights very successful with spring Sushi Nights often sold out.

Sunday business increased greatly allowing for greater bar sales.

Hosted popular and successful "All Association" end of the year banquet.

Hosted very successful Ladies Invitational golf tournament, also hosted popular 1st Annual Leprechaun Open in March.

Hosted wedding in May with nearly 200 guests which will serve as template to future wedding events.

Assisted in starting plans to renovate "North Clubhouse" which will be a great asset to restaurant/catering business.

Manzanita Grill Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 350,167	\$ 344,386	\$ 373,266
Supplies	285,209	268,700	272,150
Other Services & Charges	135,469	133,319	162,693
Debt Service	8,156	8,156	4,042
Capital Outlay/Projects	5,990	-	-
Total	\$ 784,991	\$ 754,561	\$ 812,151

**Manzanita Grill
Staffing Level Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	13.275	13.550	13.850
Admin Services Director	0.025	0.050	0.000
Restaurant Manager*	0.500	0.500	0.750
Asst Restaurant Manager	1.000	1.000	0.000
Executive Chef	1.000	1.000	1.000
Sous Chef	1.000	1.000	1.000
Business Manager	0.000	0.000	0.100
Beverage Cart Coordinator	0.000	0.000	0.500
Temp Employees	9.750	10.000	10.500

*Remainder of Restaurant Manager is charged to Pro Shop

Significant Expenditure Changes: FY2011 budget in Personnel exhibits an 8.4% increase compared to the FY2010 estimated ending. This is the result of a half-time Beverage Cart Coordinator added to the restaurant.

Other Services & Charges also displays a significant expenditure change with a 22.0% increase. This is due to additional funding being provided for marketing of the restaurant.

Golf Carts

Division Mission: To provide a sufficient number of clean, mechanically sound, and attractive golf carts. This will entice more usage and be perceived by the customer to be a value.

Goal: To provide well serviced and clean golf carts to our customers at all times.

Strategy: Through proper training, staffing and supervision we can ensure that at the end of the day all carts are washed and wiped down, free of trash, oil levels are checked, fuel is topped-off and divot mix bottles are filled.

Performance Measures:	FY09 Actual	FY10 Estimate	FY11 Forecast
Number of times oil changed and oil filters replaced on all golf carts	2	2	3
Number of times air filters changed on all carts	0	0	1
Percentage of cart facility paved to eliminate dust problem	0%	0%	100%
Number of necessary training meetings conducted with cart crew	0	2	3
Percentage of supervision and follow-up	0%	50%	100%

**Golf Carts
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 29,306	\$ 29,939	\$ 28,425
Supplies	32,681	29,317	29,250
Other Services & Charges	9,750	10,295	12,717
Debt Service	83,834	111,779	111,779
Capital Outlay/Projects	545,203	-	-
Total	\$ 700,774	\$ 181,330	\$ 182,171

**Golf Carts
Staffing Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	1.50	1.60	2.00
Cart Service Coordinator	0.00	0.00	0.50
Temp Golf Cart Attendant	1.50	1.60	1.50

Significant Expenditure Changes: There are no significant expenditure changes in this area.

Insurance/Retirements

Division Mission: To provide an account to pay for costs of retirement bonuses for Golf Course Department retirees.

**Golf Course - Insurance/Retirements
Expenditure Summary**

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	16,412	-	-
Total	\$ 16,412	\$ -	\$ -

Significant Expenditures Changes: There are no anticipated retirements in the Golf Course Fund during FY2011.

PARKING GARAGE FUND

The City of Prescott opened the “Garage on Granite”, a five-story, downtown parking garage in June 2005. The garage is conveniently located on South Granite Street, just a block from the Courthouse Plaza and Sharlot Hall Museum. Along with ample parking, garage users will find a glass elevator to transport them from floor to floor as well as a paved pedestrian access to downtown restaurants, shops, art galleries and lodging.

Parking in the garage is free for everyone on all but certain holidays and special event periods throughout the year.

Parking Garage revenue and expenditure activity for the past two years and current year is as follows:

Parking Garage Fund Historical Activity			
	FY09	FY10	FY11
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ 34,945	\$ 277	\$ -
Revenues	\$ 51,905	\$ 57,732	\$ 59,050
Transfers In	\$ -	\$ 18,744	\$ 17,611
Expenditures	\$ (86,573)	\$ (76,753)	\$ (76,282)
Ending Cash, 6/30	\$ 277	\$ -	\$ 379

The following table shows the projected revenues for FY2011.

Parking Garage Fund Revenues			
Revenue Source	FY09	FY10	FY11
	Actual	Rev. Est.	Budget
Parking Revenue	\$ 24,312	\$ 35,500	\$ 37,500
Lease/Rental Revenue	20,767	20,000	20,000
Interest Income	492	50	50
Miscellaneous	6,334	2,182	1,500
Transfer In from General Fund	-	18,744	17,611
Total Revenues	\$ 51,905	\$ 76,476	\$ 76,661

Explanation of Parking Garage Fund Revenue Sources:

Parking Revenue: The parking garage is free for everyone except for certain events such as Fall Fest in the Park, Oktoberfest, Holiday Light Parade, Christmas Parade, Courthouse Lighting and the Acker Music Festival. For these events a nominal fee is charged for parking in the Garage on Granite.

Lease/Rental Revenue: Lease/rental revenue is for the parking spaces that are leased out in the Parking Garage to different businesses.

Interest Earned: This is monies earned on the available cash in the Parking Garage Fund. It is a difficult estimate to make due to the fluctuation of cash balances and the interest rates.

Miscellaneous: Miscellaneous revenues consist of advertising signage fees and miscellaneous parking lot fees such as the Farmer’s Market.

Parking Garage Operations

Division Mission: To provide downtown visitors, tourists, and workers ample convenient and safe off-street parking.

Parking Garage Expenditure Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Personnel	\$ 24,552	\$ 20,337	\$ 22,700
Supplies	4,118	3,575	3,125
Other Services & Charges	57,903	52,841	50,457
Total	\$ 86,573	\$ 76,753	\$ 76,282

Parking Garage Staffing Summary

	FY09 Actual	FY10 Estimate	FY11 Budget
Authorized Staffing Level	0.100	0.075	0.100
Admin Services Director	0.100	0.075	0.100

Note: Administrative Services Director also charged 40% Facilities Maintenance; 20% Central Garage; and 10% to Purchasing, Rodeo and Elks.

Significant Expenditures Changes: There are no significant expenditures changes in this fund.

CAPITAL IMPROVEMENT PLAN

CAPITAL IMPROVEMENT PLAN

OVERVIEW

The City of Prescott has a significant investment in its streets, water infrastructure, wastewater infrastructure, public facilities, parks and other city infrastructure. Given existing revenue streams and the growth in demand for City services, preserving and upgrading these investments, and planning for future infrastructure needs of the community represent an unending challenge for City staff. The City's sensitivity to emerging economic challenges and its vigilant long-range planning have been key factors in Prescott's fiscal health.

Financing of capital expenditures from available funds, pay-as-you-go funding, is the least costly and most desirable method to cover capital expenditures. Every effort will be made to accumulate funds to allow this method of funding. Should the City not have sufficient funds available, it has a formal Debt Policy and issues debt for the purpose of acquiring or constructing capital projects including buildings, machinery equipment and furniture and fixtures. These needs are addressed through the budget process and the annual five-year capital improvement plan.

Long-range planning requires estimating and projecting of revenues as well as expenditures. Therefore, this is a dynamic process and will be reviewed and changed every year as the first step in the budgeting process. Organizational changes, funding uncertainties, unforeseen emergencies, project delays, or plans by other governmental units can throw off even the most carefully orchestrated capital plan.

The five-year capital improvement plan identifies projects to be completed throughout the next five years. The plan outlines project costs, funding sources, and future operating costs associated with each capital improvement. Because these projects typically span more than one fiscal year, the plan is updated annually to track existing projects and to identify new projects.

The five-year capital improvement plan is an important component of the City's budgeting process. It helps focus the budget process on a longer-term than just the next fiscal year. Here are some of the benefits from this longer-term approach:

- Facilitates long-range financial planning, allowing us to look at not only what the community wants, but also what they can afford.
- Enhances coordination of capital improvements among City departments and other governmental agencies.
- Clearly identifies the Council's goals and their capital priorities to achieve those goals.

To provide a complete capital picture, the City's plan includes all capital requests over \$5,000, including replacements. Management established the funding levels through review of available resources after projecting operational costs. Revenues and operating expenditures were projected using historic trends and anticipated changes.

In developing this financial plan, current Council policies were used. The annual review and update of a long-term plan is an excellent opportunity to reexamine Council goals and policies.

The following list describes the capital projects and capital outlay that were approved in the FY2011 Annual Budget. Also included is the Five Year Capital Plan covering FY2012-2016 and the Unfunded Capital List that were approved by Council.

Page No.	Project Title	FY2011 Budget
	Utility Projects	
247	Airport Phase 1 (3.25MG)	3,360,000
275	Surface Water Recharge Pipeline	3,247,854
247	A/P Zone 12 New Reservoir	3,075,000
274	Sundog Filter Replacement/Denitrification	3,000,000
266	Prescott Canyon Reservoir/Piping	2,285,814
247	A/P Zone 12 Tank Res Transmission Piping	2,200,000
250	Big Chino Water Ranch	1,950,280
252	Copper Basin Reservoir	1,900,000
270	Sewer Mainline Replacement/Rehabilitation	1,850,000
264	New Thumb Butte Reservoir	1,680,000
269	Recovery Wells at Airport	1,330,000
267	Prescott Resort Pump Station Upgrade	1,300,000
271	Small Water Main Upgrades	1,100,000
276	Upper Thumb Butte Tank	1,075,000
251	Cliff Rose Lift Station Upgrade	791,361
262	Lower Thumb Butte Pump	775,000
246	12" Line - Thumb Butte	700,000
246	A/P New Zone 101 Pump Station	600,000
261	Intermediate Pump Station & Reservoir	500,000
259	Granite Dells	500,000
273	Sundog Collector/Sundog Ranch Road	395,000
260	Indian Hills Reservoir	300,000
253	Digester Cleaning	300,000
251	Capital Contingencies	305,000
249	Arsenic Treatment Plant	298,000
259	Granite Creek & Willow Creek Dam	250,000
252	Copper Basin Reservoir Piping	210,500
277	Water Model Update	200,000
275	Telemetry/SCADA	193,000
277	Water Smart: P & R Improvements	160,000
273	Storage Tank Maintenance	155,000
278	Yavapai Hills Lower Pump Station	150,000
268	Production/Distribution Warehouse	150,000
262	Lift Station Rehab/Abandonment Program	150,000
260	Haisley A (Virginia) Pump Station Rehab	110,000
251	Chemical Root Control	105,000
260	Hassayampa Pump Station - New Zone 19	100,000
250	Booster Station Upgrade	100,000
246	12" Line - Virginia Street	75,000
268	Production Well Maintenance	40,000
269	Rates Update	25,000
263	Maintenance Management	20,000
271	South Mt Vernon	15,000
270	Senator Highway Reconstruction	15,000
262	Leak Detection Program	11,000
	Total Utility Projects	<u>37,052,809</u>

Page No.	Project Title	FY2011 Budget
	General Government	
268	Prescott Technology Complex Grant	3,022,744
276	Vehicle Replacements	2,250,000
252	Community Development Block Grant	496,714
279	City Hall Heating/Cooling	272,597
254	Economic Strengths Projects Grant	200,000
256	Financial Reporting System	177,138
256	Federal Stimulus Energy Funding Grant	151,100
261	Judicial Collection Enhancement Fund and Fill the Gap Grant	139,700
253	Document Imaging System	118,000
263	Miscellaneous Gifts and Donations	100,000
276	Tribal Gaming Compact Grant	70,000
264	Neighborhood Cleanup	10,000
260	Inhouse Video Marketing	10,000
278	Youth Count	10,000
248	Animal Control Grant	10,000
258	Geodesy	6,940
251	Cable One Grant	5,000
249	Arizona State Parks - Historic Preservation Grant	4,000
248	APS Economic Development Grant	2,000
	Total General Government	7,055,933
	Tourism/Recreation	
254	Economic Development Agreements/Incentives	1,700,000
267	Prescott Peavine Trail Transportation Enhancement Grant	792,750
261	Kuebler Multi-Use Complex	750,000
265	Open Space	500,000
265	Old Clubhouse Refresh	275,000
263	Marketing and Promotion	175,000
249	ASA Tournaments	112,327
255	Expansion of Parks Equipment	75,000
246	4th of July Celebration	64,250
263	Miscellaneous Library Grants	50,000
271	Signature Events	50,000
254	Elks Opera House	35,000
253	Courthouse Lighting	30,000
266	Partnering Projects	30,000
275	Transient Occupancy Tax Contingency	27,566
278	Willow/Watson Lake Algae Study	25,000
269	Rodeo Masterplan	25,000
270	Sharlot Hall Museum	25,000
257	Frontier Days Marketing	20,000
271	Special Events Overtime	20,000
273	State Library Grants in Aid	16,000
259	Clubhouse Upgrades	15,000
265	Open Space Management	15,000
274	Support for the Arts	15,000
267	Prescott Creeks Match	12,500
247	Acker Trust	10,000
267	Prescott Film Festival	5,000
249	Arizona Humanities Council Grant	400
	Total Tourism/Recreation	4,870,793

Page No.	Project Title	FY2011 Budget
	Transportation	
277	Williamson Valley Road	7,138,215
272	SR89A/Side Road	4,004,207
266	Pavement Preservation	3,150,750
270	Runway Extension	2,706,700
270	Rosser Reconstruction	2,698,444
274	Sundog Connector - Storm Ranch DA	2,000,000
274	Sundog Connector - Yavapai County IGA	1,200,000
254	Drainage Master Plan/Flood Insurance	828,000
251	Clubhouse Drive Relocation	705,000
258	FTA Transit Activities	500,000
248	Arizona Department of Transportation - Safe School Routes Grant	500,000
256	FEMA Flood Insurance Map Update	350,000
255	ERAU Improvement District	250,000
272	SR89/Phippen Roundabout	200,000
252	Construct Airfield Markings	197,000
253	CYMPO Long Rang Planning	150,000
275	Transit FTA Sec 5303	103,208
264	NPDES Phase II Implementation	100,000
261	Iron Springs Road Retaining Wall	100,000
255	Environmental Assessment	84,130
258	FTA Transit Administrator	80,000
265	Overland Trail Bridge Reconstruct	75,000
255	Engineering & Safety Projects	50,000
276	Unpaved Streets	50,000
272	SR89 Widening - Design Concept	50,000
256	FAA Mandated Projects	50,000
263	Merritt St Drainage Improvements	45,000
277	Wildlife Hazard Assessment	43,100
257	FTA Grant Management	35,000
266	Pavement Management System	30,000
275	Traffic Calming - Various Streets	25,000
271	Signal Replacement Equipment	25,000
278	Yavapai College Fence	21,000
258	Fuel Tank Relocation	19,000
265	Park Avenue Reconstruction	14,000
273	Street Lights	10,000
268	Public-Transit Grant	10,000
247	Airport Master Plan Update	4,791
	Total Transportation	<u>27,602,545</u>

Page No.	Project Title	FY2011 Budget
	Public Safety	
256	Federal Emergency Management Grant	1,560,800
	Radio Infrastructure	650,352
257	Fire Department Vegetation Management Crew	390,000
264	Miscellaneous Police Department Grants	250,000
272	State Homeland Security Communication Equipment	215,000
261	Law Enforcement Officers	133,367
273	STU/Rico Reimbursement Grant	130,000
249	Arizona Department of Transportation - Vehicle Impound Reimbursement	120,000
257	Fire Department Arizona Wildland Hazardous Fuels Project Grant	108,088
254	DUI Enforcement Regional Grant	87,100
257	Fire Station Refurbishments	60,000
259	Governor's Office of Highway Safety - Selective Traffic Grant	54,218
266	Prescott Area Narcotics Task Force Grant	30,000
269	Recovery Act Byrne Law Enforcement JAG Grant	20,000
250	Bureau of Justice Assistance Equipment Grant	8,000
248	Arizona Department of Administration - Local Network Grant	2,200
259	Governor's Office of Highway Safety - AIMS Grant	1,596
	Total Public Safety	<u>3,820,721</u>
	Total Capital Outlay/Projects	<u>80,402,801</u>

12" Line – Thumb Butte Road

Location: Hassayampa Village Road to Lower Thumb Butte Pump Station

Project Type: Utility Project

Description: Upgrade the existing 6" water line in Thumb Butte Road to a 12" water line. This line would connect the existing Lower Thumb Butte Pump Station to the new 12" line in Hassayampa Village Road. It would increase the capacity and fire flow to the Hassayampa Village and Thumb Butte service areas.

Operating Impact: Minor increase in manpower time will be required to operate valves and patrol the main

12" Line – Virginia Street

Location: Virginia Street Pump Station to Foothills Pump Station

Project Type: Utility Project

Description: Upgrade the existing 6" and 8" water lines that connect the Virginia Street pump station to the Foothills pump station. The Virginia Street pump station is located at the south end of Virginia Street and the Foothills pump station is located at the intersection of Senator Highway and Haisley Road. This new 12" line will increase the supply from the Virginia Street pump station to the Foothills pump station which would in turn increase the capacity to the areas served by the Foothills pump station.

Operating Impact: Minor increase in manpower time will be required to operate valves and patrol the main

4th of July Celebration

Location: Pioneer Park Facility

Project Type: Culture/Recreation

Description: Funding for annual 4th of July Celebration. This includes fireworks, temporary staff, entertainment and other items necessary for putting on this event.

Operating Impact: None

Airport New Zone 101 Pump Station

Location: Zone 101 in Airport area

Project Type: Utility Project

Description: 17.3 MGD booster station to be located within Zone 101 in the Airport area adjacent to the new Zone 12 reservoir.

Operating Impact: Increased operating costs due to additional pump station

Airport Zone 12 New Reservoir

Location: Zone 12 in Airport area

Project Type: Utility Project

Description: Design and construct a new 3.25 million gallon water reservoir.

Operating Impact: Increased operating costs due to addition reservoir

Airport Zone 12 Tank Reservoir Transmission Piping

Location: Zone 12 in Airport area

Project Type: Utility Project

Description: 18" water main from the future Zone 12 tank in Granite Dells Estates north along Granite Dells Parkway to Centerpointe Drive, west along Centerpointe Drive to Side Road, north across SR89A within a 30" steel casing, east along the north side of SR89A to Granite Dells Parkway, north along Granite Dells parkway to the north boundary of Granite Dells Ranch.

Operating Impact: Minor increase in manpower time will be required to operate valves and patrol the main

Acker Trust

Location: No specific location

Project Type: Culture/Recreation

Description: Revenue received off of investments and land sales are used for cultural and recreation purposes only. This money will be used to continue a scholarship program for music at Prescott High School, support for the Artists in Residence program with Yavapai College, conduct work shops with music students, and provide Prescott Fine Arts scholarships for attendance at music camps and continuing music education.

Operating Impact: None

Airport Master Plan Update

Location: Airport

Project Type: Grant

Description: Update the Airport Master Plan to plan for the future of the Airport.

Operating Impact: None

Airport Phase I – (3.75MG) Plant Process Expansion and Improvements

Location: Airport

Project Type: Utility Project

Description: This multi-phased project will construct new improvements to upgrade the Airport Wastewater Treatment Plant to a 3.75MG capacity. The equipment and structures will duplicate the existing filter and clarifier. This project would include all excavation, piping, concrete structures and equipment installations. The second phase will include rehabilitation or reconstruction of the original plant oxidation ditch to current standards and performance criteria.

Operating Impact: The addition of new equipment will increase electrical usage to run drive motors, aeration equipment and pumps.

Animal Control Grant

Location: No specific location

Project Type: Grant

Description: Funding for the spay/neuter program.

Operating Impact: None

APS Grant

Location: No specific location

Project Type: Grant

Description: Provides funding for economic development projects.

Operating Impact: None

Arizona Department of Administration – Local Network Grant

Location: No specific location

Project Type: Grant

Description: Arizona Department of Administration grant that provides funding for emergency telecommunications.

Operating Impact: None

Arizona Department of Transportation – Safe School Routes Grant

Location: No specific location

Project Type: Grant

Description: Arizona Department of Transportation grant that provides funding for safe school routes.

Operating Impact: None

Arizona Department of Transportation – Vehicle Impound Reimbursement

Location: No specific location

Project Type: Grant

Description: Accounts for impound fees and related expenses

Operating Impact: None

Arizona Humanities Council Grant

Location: No specific location

Project Type: Grant

Description: Library grant for Voices of Arizona: Mexico: Prescott's "Distant" Neighbor

Operating Impact: None

Arizona State Parks – Historic Preservation Grant

Location: No specific location

Project Type: Grant

Description: Grant from Arizona State Parks to provide funding for scholarships, maps and booklets

Operating Impact: None

Arsenic Treatment Plant

Location: Chino Valley Well Fields

Project Type: Utility Project

Description: This project is to provide for capital site improvements including landscaping, screening, paving of travelled surfaces and other similar improvements associated with the permit conditions of adding interim arsenic treatment equipment to five well sites (6 actual wells) in the Town of Chino Valley. This project also includes the cost of assistive engineering consulting fees encountered as a result of applying for Conditional Use Permits, attending public hearings, organizing public notification, etc.

Operating Impact: No impact

ASA Tournaments

Location: City of Prescott Ballfields

Project Type: Tourism/Recreation

Description: Monies for the City of Prescott to hold certain ASA tournaments.

Operating Impact: None

Big Chino Water Ranch

Location: Big Chino Water Ranch

Project Type: Utility Project

Description: The project consists of developing eight (8) new municipal water production wells at the BCWR; construction of an on-site reservoir, piping, and a chlorination system; approximately 23 miles of 36" gravity pipeline and 7 miles of 30" pressurized pipeline extending from the BCWR to the Chino Valley Water Production Facility (CVWPF); acquisition of easements and real property for siting project components including a pump station near the intersection of SR89 and Old Highway 89 north of Chino Valley to convey flow to the CVWPF; replacement of the existing CVWPF to provide increased capacity, reliability, and efficiency; systems for the supervision, control, communication and security of the facilities; accessways to the pipeline for operation and maintenance. Alternative project delivery methods including public/private partnerships allowing for value engineering and/or final design of certain project components, as well as construction and operation of the BCWR by a third party to be explored. The project IGA further contemplates the possibility of adding the Town of Chino Valley as a third project partner, which would require detailed analysis pertaining to quantification of water to be delivered, interfacing with the Town's water system, financing, and other aspects. The project construction timeframe is not presently set, and will depend on factors including new demand generated by future development and contribution by the City of Prescott to achievement of safe-yield which could involve reduction in pumping from the CVWPF.

Operating Impact: No impact can be determined at this time

Booster Station Upgrade

Location: No specific location

Project Type: Utility Project

Description: Refurbishments of existing building/enclosures or construction of new buildings at wells and booster stations. Also major component replacements like electrical panels and booster pumps.

Operating Impact: None anticipated

Bureau of Justice Assistance Equipment Grant

Location: No specific location

Project Type: Grant

Description: Provides funding for a police car, bullet proof vests, and other operational equipment.

Operating Impact: None identified

Cable One Grant

Location: No specific location
Project Type: Grant
Description: Funding for communications equipment
Operating Impact: None anticipated

Capital Contingencies

Location: No specific location
Project Type: Utility Projects
Description: Contingency monies for any projects that may arise during the fiscal year.
Operating Impact: None

Chemical Root Control

Location: No specific location
Project Type: Utility Project
Description: The purpose of the project specified is to apply a chemical root control agent in the sanitary sewers in order to kill root growth present in the mainlines and to inhibit re-growth without permanently damaging the vegetation producing the roots.
Operating Impact: Decreased maintenance costs

Cliff Rose Lift Station Upgrade

Location: Cliff Rose Subdivision
Project Type: Utility Project
Description: This project is to design and construct a major upgrade to the Cliff Rose Lift Station located east of the SR89 and Rosser Street intersection.
Operating Impact: None anticipated

Clubhouse Drive Relocation

Location: Wineglass Drive to Resort Way
Project Type: Street Project
Description: Realignment of Clubhouse Drive from Wineglass Drive to Resort Way
Operating Impact: This project will result in a reduction of overall maintenance and operational expenses due to the elimination or reduction of pre-existing maintenance problems.

Clubhouse Upgrades

Location: Golf Course
Project Type: Tourism/Recreation
Description: Remodel of restrooms at existing golf course clubhouse.
Operating Impact: None anticipated

Community Development Block Grant

Location: No specific location
Project Type: Grant
Description: Various community development block grants.
Operating Impact: None

Construct Airfield Markings

Location: Airport
Project Type: Grant
Description: Funding is to construct mandatory enhanced taxiway centerline markings and mandatory hold short markings as required by FAA.
Operating Impact: Minimal

Copper Basin Reservoir

Location: Copper Basin Road
Project Type: Utility Project
Description: Project is to locate, purchase land, design and construct a new 1.0 million gallon reservoir located near the end of Copper Basin Road. Upon the completion of the Copper Basin water line improvements and pump station upgrades, this reservoir can be put into operation to provide increased reserve capacity and fire flow.
Operating Impact: Minor additional costs involved with long-term maintenance cleaning and painting

Copper Basin Reservoir Piping

Location: Copper Basin Road at Sheriff's Posse Trail
Project Type: Utility Project
Description: Design and construct a 12" main from the end of the Copper Basin Road improvements at Sheriff's Posse Trail to the location of the new 1.0 million gallon reservoir.

Operating Impact: None anticipated

Courthouse Lighting

Location: Courthouse Plaza

Project Type: Culture/Recreation

Description: Funds will be used to contribute to either the purchase of lights or help the Prescott Downtown Partnership pay a contractor to put up lights on the Courthouse Plaza and remove and store lights at the completion of the holiday.

Operating Impact: None anticipated

CYMPO Long Range Planning

Location: No specific location

Project Type: Transportation

Description: An update to the regional long range transportation plan to consider boundary and land use changes and to confirm accurate representation of land use planning for each jurisdiction.

Operating Impact: None anticipated

Digester Cleaning

Location: Sundog WWTP

Project Type: Utility Project

Description: This project involves the periodic removal of accumulated grit and solids from the Sundog Wastewater Treatment Plant digesters and recoating the interior to prevent corrosion.

Operating Impact: None anticipated

Document Imaging System

Location: No specific location

Project Type: Technology

Description: This system will be used to digitally process, store, share, and track documents throughout the City's network. It will replace and upgrade capabilities from the current Fortis Imaging System and the current Clerk's Index System used to retrieve documents and process public requests.

Operating Impact: Annual license agreement and maintenance costs

Drainage Master Plan/Flood Insurance

Location: Various Locations

Project Type: Transportation

Description: Update the FEMA Flood Insurance Rate Maps to reflect current conditions in portions of Manzanita, Aspen, Willow, and Granite Creeks. Drainage storm sewer design for Park Avenue project. Drainage improvement plan for Yavapai Hills. Expansion of the alert flood early warning system. Expanded area coverage of our topographic mapping.

Operating Impact: None anticipated

DUI Enforcement Regional Grant

Location: No specific location

Project Type: Grant

Description: Provides funding for officers' overtime costs and equipment associated with special DUI traffic enforcement assignments and underage youth liquor enforcement.

Operating Impact: None anticipated

Economic Development Projects and Incentives

Location: No specific location

Project Type: General Government

Description: Provide funding for economic development incentives and reimbursements per existing agreements as well as potential opportunities that may arise.

Operating Impact: None anticipated

Economic Strengths Projects Grants

Location: No specific location

Project Type: Grant

Description: Arizona Department of Commerce reimbursement grant. This will provide funds for improvements related to economic development.

Operating Impact: None anticipated

Elks Opera House

Location: Elks Opera House Theatre

Project Type: Culture/Recreation

Description: This funding is comprised of two parts – marketing of the Elks Opera House and for seed money for concerts, symphonies, shows, etc.

Operating Impact: None anticipated

Engineering & Safety Projects

Location: No specific location

Project Type: Transportation

Description: Miscellaneous minor safety and/or maintenance projects.

Operating Impact: None anticipated

Environmental Assessment

Location: Airport

Project Type: Transportation

Description: Conduct environmental assessment for the 100+ acre land acquisition, construction of the runway extension and new terminal building.

Operating Impact: None anticipated

ERAU Improvement District

Location: Not determined

Project Type: Transportation

Description: Development of new roadway and utilities infrastructure to be determined

Operating Impact: Potential increase due to additional lane miles added to city infrastructure

Expansion of Parks Equipment

Location: Various recreation facilities

Project Type: Culture/Recreation

Description: This project entails expansion of amenities throughout the park system to include many picnic tables, spectator bleachers at sports fields, and various chain link fencing. The items in the system now are not adequately providing for the new growth of park system users in Prescott.

Operating Impact: Minor increase due to maintenance on new equipment

FAA Mandated Projects

Location: Airport

Project Type: Various

Description: Budget to provide funding for various equipment purchases and projects mandated by the Federal Aviation Administration.

Operating Impact: None known

Federal Emergency Management Grant

Location: No specific location

Project Type: Public Safety

Description: Homeland Security grant provides funding for a wide range of activities aimed to increase security and prepare for emergencies.

Operating Impact: None anticipated

Federal Stimulus Energy Funding Grant

Location: No specific location

Project Type: Grant

Description: Provides funding for energy conservation related projects

Operating Impact: None anticipated

FEMA Flood Insurance Map Update

Location: Various locations

Project Type: Public Works

Description: Update the FEMA Flood Insurance Rate Maps to reflect current conditions in tributaries of Willow Creek and Granite Creek North Fork of Miller Creek

Operating Impact: None anticipated

Financial Reporting System

Location: No specific location

Project Type: General Government

Description: This new system replaces existing utility billing, general billing, accounts receivable/cash receipts, purchasing and fixed asset cache based systems. The city has already acquired a portion of the system when it purchased a new Human Resource/Payroll system in fiscal year 2007.

Operating Impact: Maintenance costs on computer system will be offset by elimination of contracted computer programmer

Fire Department Arizona Wildland Hazardous Fuels Project Grant

Location: No specific location

Project Type: Public Safety

Description: Provides for mitigation of risk through reduction of fuels.

Operating Impact: None anticipated

Fire Station Refurbishment

Location: Various Fire Stations

Project Type: Public Safety

Description: Provide funding for the refurbishment of the existing City of Prescott fire stations.

Operating Impact: None anticipated

Fire Vegetation Management Crew

Location: No specific location

Project Type: Public Safety

Description: Provides staffing for a ten-month, 13-member community wide vegetation management plan to prevent and suppress wildfires. Also includes equipment, supplies and services.

Operating Impact: Operating costs covered by grant

Frontier Days Marketing

Location: No specific location

Project Type: Culture/Recreation

Description: Funds for Prescott Frontier Days Association for marketing of the annual rodeo

Operating Impact: None known

FTA Grant Management

Location: No specific locations

Project Type: Transportation

Description: Provides funding for special tasks including monthly activities (updates, monthly reporting, funding draw-downs, reconciliations, etc. for grant administration), assigned

projects such as preparation of a new grant, or reports to CYMPO; assuring compliance includes checking to make sure appropriate systems are in place for FTA activities, documenting this, and recommending any changes needed to CYMPO; monitoring program changes includes reviewing FTA notices, program information and regulatory information and carrying out any liaison activity needed with the FTA Region 9 and staff.

Operating Impact: None anticipated

FTA Transit Activities

Location: No specific locations

Project Type: Transportation

Description: Enhanced Voucher System (Demand Response) – Transit service delivery for the general public. Funded by an operational match of 50% from the participating jurisdictions and the remaining 50% from federal 5308 transit funds. This program builds on the existing voucher program currently administered through NACOG.

Operating Impact: None anticipated

FTA Transit Administrator

Location: No specific location

Project Type: Transportation

Description: Hiring of a 2-year contractual employee to provide transit expertise for the region. Major responsibilities include recommending policies to the CYMPO Board including objectives and plans for a public transit program; plan, develop and administer a transit program; utilize Section 5307 federal funding for transit related activities; explore governance and funding for an independent, regional public transit authority; coordinate all required reporting; and, develop policies and procedures manual.

Operating Impact: None anticipated

Fuel Tank Relocation

Location: Airport

Project Type: Airport

Description: This project will relocate the Airport automotive fuel tank from a leasehold property on the airport to allow for continual access to the automotive fuel tank by City vehicles.

Operating Impact: None known

Geodesy

Location: No specific location

Project Type: General Government

Description: The Geodesy organizes and packages GIS graphics and related attributes and makes the data accessible to a broad audience. It makes it easy to create high quality printed maps and reports.

Operating Impact: Minimal maintenance costs

Governor's Office of Highway Safety – AIMS Grant

Location: No specific location

Project Type: Public Safety

Description: Police funding for bullet proof vests

Operating Impact: None anticipated

Governor's Office of Highway Safety – Selective Traffic Enforcement

Location: No specific location

Project Type: Public Safety

Description: Provides funding for overtime involving traffic safety and related equipment

Operating Impact: None anticipated

Granite Creek & Willow Creek Dam

Location: Various lakes

Project Type: Utility

Description: Project will be to design and complete repairs and remediation measures identified by the Arizona Department of Water Resources (ADWR) Dam Safety division during yearly inspections of Upper Goldwater, Lower Goldwater, Willow Lake and Watson Lake Dams.

Operating Impact: None

Granite Dells

Location: Granite Dells area

Project Type: Utility

Description: This project would be to design and install a 12' collector main from the corner of the Side Road alignment and Old Highway 89A northward to the corner of Heckthorn Drive and Side Road, then a 8" collector to the west on Heckthorn Drive to the southern end of Centerpointe East Drive. It would also include a capacity increase of the sewage lift station at the northwest corner of the Centerpoint East subdivision.

Operating Impact: Marginal increase in the cost of electricity for operation of the higher-capacity pump station as well as periodic cleaning of sewage collection mains.

Haisley A (Virginia) Pump Station Rehab

Location: Haisley/Virginia

Project Type: Utility

Description: Upgrade the existing Virginia Pump Station from two pumps supplying 265 gpm each to three pumps supplying 1000+ gpm each to provide required domestic capacity and fire flows.

Operating Impact: No significant impacts identified

Hassayampa Pump Station – New Zone 19

Location: Sierra Vista along Copper Basin Road

Project Type: Utility

Description: The Water Model and Master Plan Report determined that a new water reservoir, water main, and pump station upgrades within Pressure Zone 19 are needed to improve water pressure, reliability and fire flow capabilities in this area. The existing Village Pump Station will be retired and the Sierra Vista Pump Station along Copper Basin road will be replaced and/or upgraded from a capacity of 220 gpm to 1000 gpm.

Operating Impact: Replaces existing facilities so no impact is anticipated

Indian Hills Reservoir

Location: Copper Basin Road

Project Type: Utility

Description: This project is to replace the two Indian Hill reservoirs from the existing capacity of 450,000 gallons to one tank with a capacity of 1,300,000 gallons.

Operating Impact: No significant impact is anticipated

In-house Video Marketing

Location: No specific location

Project Type: General Government

Description: In-house Video marketing provides our videographer and script writer with funding to produce commercials for city department; i.e. Library, Airport and Golf Course, as well as producing our own public service and public safety announcements. With the addition of the Channel 15 Government Channel, we will be responsible for filling a large amount of airtime with government related information and this fund will assist in producing City informational spots as well.

Operating Impact: None anticipated

Intermediate Pump Station & Reservoir

Location: Willow Creek Road/Pioneer Parkway

Project Type: Utility Project

Description: The new Intermediate Reservoirs/Pump Station Facility will reduce the pipeline pressure and provide additional reservoir storage capacity closer to Prescott.

Operating Impact: Increased costs will be applicable when the project is complete

Iron Springs Road Retaining Wall

Location: Iron Springs Road

Project Type: Transportation

Description: To reconstruct and relocate a portion of a retaining wall at Iron Springs Road and Vyne Street. The retaining wall as designed obstructs sight distance and is a design error. The designer reached a settlement agreement with the City and has provided funding for this project. Plans and specifications were also provided.

Operating Impact: None anticipated – replacement of existing wall.

Judicial Collection Enhancement Fund and Fill the Gap Grant

Location: No specific location

Project Type: General Government

Description: Provides funding for court collection efforts

Operating Impact: None

Kuebler Multi-Use Complex

Location: Pioneer Park

Project Type: Culture/Recreation

Description: This project entails constructing a new baseball field on the empty pad at Kuebler Field. It is to include turf (possibly synthetic), ball field lighting, dugouts, fencing, and a backstop. The field could also serve soccer and football if needed. Additionally, the project includes installing parking lot lighting for safety and paving the entire Kuebler Field parking area.

Operating Impact: Additional impact due to the maintenance of additional facilities

Law Enforcement Officers

Location: Airport

Project Type: Public Safety

Description: Provide for a law enforcement officer at the screening checkpoint at the airport in accordance with TSA requirements.

Operating Impact: None anticipated

Leak Detection Program

Location: No specific location

Project Type: Utility Project

Description: The Leak Detection Program is for improving accountability and handling of water by surveying miles of Underground water facilities and pinpointing leaks in the system that are not detectable at the surface. Upon pinpointing those leaks, repairs can be scheduled and completed. This would enable realization water losses, lower water production costs, a reduction in emergency repairs and overtime, and improve public relations.

Operating Impact: Reduced maintenance costs due to proactively locating and repairing major potential leaks that could occur during non-working hours.

Lift Station Rehab/Abandonment Program

Location: No specific location

Project Type: Utility Project

Description: The City of Prescott wastewater collection system includes 63 lift stations as part of the infrastructure. Many of these are aging to the point that they are in need of major work to maintain safe and efficient service to the system. The rehabilitation processes to be utilized will include some of the following: electrical panel replacements pump replacements, rail system installations, piping replacements, force main rehab, concrete rehab & epoxy coatings, emergency generator installations, site fencing, access improvements and site maintenance.

Operating Impact: Upgrading lift stations can reduce maintenance requirements

Lower Thumb Butte Pump

Location: Thumb Butte Pump Station

Project Type: Utility Project

Description: This project is to upgrade the existing Lower Thumb Butte Station to meet the existing and future demands. It will include the installation of new pumps, piping, controls and a new building enclosure.

Operating Impact: No significant impact

Maintenance Management

Location: No specific location

Project Type: Utility Project

Description: Carryover for the purchase of the Maintenance Management System for the purpose of establishing an automated system to plan, organize, and schedule maintenance through a network accessible database; establishing a systematic approach for continuous improvement; and training and guiding staff to fully utilize the system to plan, track and improve maintenance.

Operating Impact: Possible annual maintenance agreement or licensing costs

Marketing and Promotion

Location: No specific location

Project Type: Culture/Recreation

Description: Funding for items or events intended to create increased tourism.

Operating Impact: None known

Merritt Street Drainage Improvements

Location: Merritt Street

Project Type: Transportation

Description: To reconstruct roadway grades and install concrete valley gutters to create positive drainage.

Operating Impact: None anticipated

Miscellaneous Gifts and Donations

Location: No specific location

Project Type: General Government

Description: Accounting for any contributions for miscellaneous gifts which the City may receive such as Shop-with-a-Cop, DARE, Library bequests, etc.

Operating Impact: None

Miscellaneous Library Grants

Location: Prescott Public Library

Project Type: Culture/Recreation

Description: Budget to enable the Library to take advantage of grant opportunities that may arise

during the fiscal year.

Operating Impact: None

Miscellaneous Police Department Grants

Location: No specific location

Project Type: Public Safety

Description: Budget to enable the Police Department to take advantage of grant opportunities that may arise during the fiscal year.

Operating Impact: None

Neighborhood Cleanup

Location: Various locations

Project Type: Community Development

Description: Funding of tipping fees associated with six neighborhood cleanup projects throughout the fiscal year.

Operating Impact: None determined

New Thumb Butte Reservoir

Location: Thumb Butte Road area

Project Type: Utility Project

Description: The new Thumb Butte Tank Reservoir project is to locate and purchase land and install a new 1.25 million gallon water reservoir located near the Thumb Butte Road area. The first phase of the project would be to locate and purchase land for this tank and the second phase of this project would be to design and install the new water reservoir.

Operating Impact: Minor increase due to additional tank maintenance including cleaning and painting with larger reservoir

NPDES Phase II Implementation

Location: No specific location

Project Type: Transportation

Description: Operation and management of federally mandated drainage protection program, including: 1) public education; 2) construction of storm water controls; 3) post-construction controls for new developments and redevelopments; and 4) managing the program for pollution prevention and good housekeeping for municipal operations.

Operating Impact: Increased operational costs due to extensive educational, management, inspection, maintenance and enforcement requirements.

Old Clubhouse Refresh

Location: Golf Course

Project Type: Culture/Recreation

Description: Remodel and upgrade of the old clubhouse at the Golf Course.

Operating Impact: Higher utility costs with the increased use of the old clubhouse.

Open Space

Location: No specific location

Project Type: Culture/Recreation

Description: Continue to provide funding for the acquisition of open space.

Operating Impact: Maintenance costs on newly acquired property are possible. Currently volunteers are utilized for the maintenance.

Open Space Management

Location: Various open space locations

Project Type: Tourism/Recreation

Description: This item is the day-to-day management and maintenance of open space that is required. Specifically, the three major parcels in the Dells that were recently purchased will require intensive management to curb some undesirable uses. Maintenance tasks include recreational visitor management, vegetation management, ATV closures, and fencing and boundary management.

Operating Impact: None anticipated

Overland Trail Bridge Reconstruct

Location: Overland Trail

Project Type: Transportation

Description: To design and construct replacement bridge on Overland Trail east of Gurley Street.

Operating Impact: None anticipated – replacement bridge

Park Avenue Reconstruction

Location: Park Avenue

Project Type: Transportation

Description: Acquisition of right-of-way needed for reconstruction of Park Avenue from Gurley Street to Copper Basin Road together with water and wastewater upgrades and improvements.

Operating Impact: None anticipated

Partnering Projects

Location: Recreation facilities

Project Type: Culture/Recreation

Description: Funding for various projects that could occur during the fiscal year. Various community groups come forward at times and would like to partner with the City on projects related to parks and recreation infrastructure. This provides a funding mechanism should this occur.

Operating Impact: None identified

Pavement Management System

Location: Various locations

Project Type: Transportation

Description: Professional services for ongoing updating of the condition of the City's maintained street system.

Operating Impact: None anticipated

Pavement Preservation

Location: Various locations

Project Type: Transportation

Description: Overlay segments of various city streets.

Operating Impact: Slight decrease in operating costs anticipated

Prescott Area Narcotics Task Force Grant

Location: No specific location

Project Type: Public Safety

Description: Provides funding for potential drug task force operation support by SWAT.

Operating Impact: None known

Prescott Canyon Reservoir/Piping

Location: Prescott Lakes Parkway/SR69

Project Type: Utility

Description: This project will consist of purchasing required land west of Prescott Lakes Parkway and north of SR69 from the State Land Department and construction of a new 1.25 million gallon tank for pressure zone 56. Also included is on-site and interconnecting piping to the existing system.

Operating Impact: Additional long-term tank maintenance including cleaning and painting

Prescott Creeks Match

Location: South of Watson Lake

Project Type: Culture/Recreation

Description: Prescott Creeks Preservation Association has had a long-term contractual agreement to rehabilitate the riparian areas out of Watson Lake. In order for PCPA to continue the work on that section of Granite Creek, as well as other sections and other creeks, the City of Prescott will match funds annually. PCPA will match the City's funds, dollar for dollar, with funds raised from alternative sources.

Operating Impact: None known

Prescott Film Festival

Location: No specific location

Project Type: Culture/Recreation

Description: Provides contribution towards Prescott Film Festival event.

Operating Impact: None

Prescott Peavine Trail Transportation Enhancement Grant

Location: Peavine Trail

Project Type: Culture/Recreation

Description: Provides funding for Peavine trail crossings

Operating Impact: None anticipated – trails are maintained by volunteers

Prescott Resort Pump Station Upgrade

Location: West of Heather Heights and North of Highway 69

Project Type: Utility Project

Description: This project is to upgrade the existing Prescott Canyon Pump Station that feeds pressure zone 56 along Highway 69 to meet existing and future demands. The location is west of Heather Heights and north of Highway 69. This project would be the second phase of required upgrades to this pressure zone.

Operating Impact: No significant impact due to this being an existing pump station

Prescott Technology Complex Grant

Location: Airport area

Project Type: Grant

Description: Transfer of federal funds previously awarded to ERAU to construct a 10,000 square foot building on land to be purchased by the city. The purpose of the transferring of these funds is to construct the first building of a technology complex that will be used to attract computer, software, and other technology-related companies to Prescott to create jobs. The building will house offices for lease and a business assistance center to be operated and staffed by NACOG.

Operating Impact: None anticipated

Production Well Maintenance

Location: No specific location

Project Type: Utility Project

Description: Maintenance/repair (as needed) of any of the six existing wells in Chino Valley that are the source of water supply for the City of Prescott. Maintenance/repair can include the removal of the pump, disassembly and inspection of all components (pump assembly, column pipe, line shaft, bearings, etc); rebuild/replace as necessary. Additionally, video logging for inspection of outer casing condition, Gyroscopic alignment/plumbness of well, brushing (cleaning) of outer casing, and bailing of debris may be included.

Operating Impact: Possible decrease depending upon maintenance completed

Production/Distribution Warehouse

Location: Sundog Ranch Road

Project Type: Infrastructure

Description: Construction of a 50' x 100' steel industrial building, concrete approach aprons, pipe storage area and paving for housing of the supply warehouse for water utilities. This building will include room to store all parts used to repair and maintain the water system and will be built at the location of the current Water division building located on Sundog Ranch Road across from the Wastewater Treatment Plant. The project will be accomplished by job order contracting. Design will include space for a training/meeting room currently lacking at the existing water building location and restroom and showers for Water Distribution personnel.

Operating Impact: Minor annual maintenance costs will be offset by less manpower used due to all equipment being located in one place.

Public-Transit Grant

Location: No specific location

Project Type: Transportation
Description: Money will be used as pass through funds to qualified non-profit agencies to subsidize capital costs to provide public transit services such as vehicle purchases and for new sidewalk construction.

Operating Impact: None anticipated

Rates Update

Location: No specific location
Project Type: Utility Project
Description: Update of water and wastewater rates

Operating Impact: None anticipated

Recovery Act Byrne Law Enforcement JAG Grant

Location: No specific location
Project Type: Public Safety
Description: Provides funding for law enforcement programs.

Operating Impact: None anticipated

Recovery Wells at Airport

Location: Airport
Project Type: Utility Project
Description: This on-going project will complete the first production/recovery well within the Airport area and follow with siting and developing a minimum of three additional wells.

Operating Impact: Increased costs due to additional electric usage

Rodeo Masterplan

Location: Rodeo Grounds
Project Type: Culture/Recreation
Description: Funding for the creation of a Rodeo Masterplan

Operating Impact: None anticipated

Rosser Reconstruction

Location: Rosser Street

Project Type: Transportation

Description: This project is for the reconstruction of a portion of Rosser Street along with utility upgrades in the area.

Operating Impact: Minimal impact since this is a reconstruction

Runway Extension

Location: Airport

Project Type: Grant

Description: Design Runway 21L/3R and Taxiways C&D to minimum of 9,300 ft and 200,000 pounds max gross landing weigh, relocate to meet runway safety area.

Operating Impact: Increased maintenance costs due to additional runway

Senator Highway Reconstruction

Location: Senator Highway from Mt Vernon to City Lights

Project Type: Transportation

Description: Reconstruct and improve Senator Highway from Mt Vernon Avenue to City Lights

Operating Impact: Replacing existing roadway so no anticipated additional costs

Sewer Mainline Replacement/Rehabilitation

Location: No specific location

Project Type: Utility Project

Description: Replacement of failing sewer main lines identified through sewer system investigations. With work order tracking, flow monitoring and mainline camera reports, sewer mainlines that cause repeated maintenance work, continuous service calls and have large amounts of infiltration are slated for replacements. The identified sewer lines will be evaluated to determine the best method for replacement.

Operating Impact: Reduced operating and maintenance expense due to fewer plugs, overflows and call-outs. Reduced pumping and treatment cost due to reduced infiltration.

Sharlot Hall Museum

Location: Sharlot Hall Museum

Project Type: Culture/Recreation

Description: Monies to defray the costs of three major events organized by the Sharlot Hall Museum.

These events result in numerous hotel stays for out of town guests.

Operating Impact: None anticipated

Signal Replacement Equipment

Location: No specific location

Project Type: Transportation

Description: Annual replacement of signal equipment as needed.

Operating Impact: None anticipated

Signature Events

Location: No specific location

Project Type: Culture/Recreation

Description: Funding for potential tourism related events that could occur during the fiscal year.

Operating Impact: None anticipated

Small Water Main Upgrades

Location: No specific location

Project Type: Utility Project

Description: This project will remove existing small and undersized lines with new larger lines. It will remove lines that are 4" in diameter and smaller and replace them with lines a minimum of 6" in diameter. Per ADEQ regulations to be able to provide firefighting capabilities water lines need to be a minimum of 6" in diameter.

Operating Impact: None anticipated due to being replacement lines.

South Mt Vernon

Location: South Mt Vernon from Gurley St to North of Carleton St

Project Type: Transportation

Description: Reconstruct and improve Mt Vernon Ave from Gurley Street to North of Carleton Street including water and sewer improvements.

Operating Impact: None anticipated since it is a reconstruction

Special Events Overtime

Location: No specific location

Project Type: Culture/Recreation
Description: Overtime necessary to staff special events that may occur within the City of Prescott during the fiscal year.
Operating Impact: None anticipated

SR89 Widening – Design Concept

Location: SR89 at Ruger Road
Project Type: Transportation
Description: SR89 at Ruger Road has been identified as requiring widening and/or modification to account for increased traffic and turn lanes. This project is to identify project goals and need by procuring professional services to provide a design concept report.
Operating Impact: None anticipated

SR89/Phippen Roundabout

Location: SR89 near Phippen Museum
Project Type: Transportation
Description: Construction of a new roundabout on SR89 at the intersection of a new connector road between SR89 and Side Road near the vicinity of the Phippen Museum.
Operating Impact: Increased roadway will lead to additional maintenance costs

SR89A/Side Road

Location: SR89A near Side Road
Project Type: Transportation
Description: Completion of the study, design and construction of a grade separated traffic interchange at SR89A and Side Road.
Operating Impact: Increased operating costs due to the addition of new lane miles to be maintained.

State Homeland Security Communication Equipment

Location: No specific location
Project Type: Public Safety
Description: Funding for communications equipment
Operating Impact: Maintenance costs on additional equipment

State Library Grants in Aid

Location: Prescott Public Library

Project Type: Culture/Recreation

Description: Funding for LSTA Training, Lifespan Learning and Centennial Digitization grants.

Operating Impact: None anticipated

Storage Tank Maintenance

Location: No specific location

Project Type: Utility project

Description: Priority #1 Tanks possess a completely spent interior coating system with evidence of aggressive interior corrosion. These tanks are considered to be in need of immediate renovation to maintain their water containment capabilities and minimize existing structural deficiencies. Additionally, heavy metals have been found in the interior and/or exterior coatings of these tanks. Exterior coatings on these tanks are degraded and are beginning to fail. If these tank exteriors are over coated prior to the onset of major failure, the costs of performing complete lead abatement will be avoided.

Operating Impact: Reduced future maintenance due to arrested rate of corrosion and degradation

Street Lights

Location: No specific location

Project Type: Transportation

Description: Annual project to fund the replacement of existing and install new street lights.

Operating Impact: None

STU/Rico Reimbursement Grant

Location: No specific location

Project Type: Public Safety

Description: Provides funding to support the Prescott Area Narcotics Task Force in its operations making high risk entries by special tactical units.

Operating Impact: None

Sundog Collector/Sundog Ranch Road

Location: Sundog Ranch Road

Project Type: Utility Project

Description: This project constructs new sewer mainline, manholes, and materials connecting to the Sundog collector as required by the IGA with Yavapai County and Storm Ranch Development Agreement.

Operating Impact: Marginal increase in operations cost for periodic cleaning of sewer collection mains

Sundog Connector – Storm Ranch DA

Location: Sundog Ranch Rd at Storm Ranch

Project Type: Transportation

Description: Construction of a new regional connector within City limits including a new roundabout at Prescott Lakes parkway. The lead on this project is the developer who's responsibility it is to construct the new Sundog Connector Road. City participation in this project is for improvements beyond those required of Storm Ranch for their project.

Operating Impact: Additional lane miles added to city infrastructure should increase maintenance costs

Sundog Connector – Yavapai County IGA

Location: Sundog Ranch Road at Prescott Lakes Parkway

Project Type: Transportation

Description: Roadway infrastructure to serve County Complex off Prescott Lakes Parkway as agreed upon in the City of Prescott/Yavapai County Intergovernmental Agreement.

Operating Impact: Increased maintenance costs due to increase in lane miles

Sundog Filter Replacement/Denitrification

Location: Sundog Wastewater Treatment Plant

Project Type: Utility Project

Description: The tertiary filters are at capacity and have partially failed that has required major system repairs as well as additional structural components to remain in service and provide for additional capacity.

Operating Impact: No significant impact to operating budget as project replaces existing facilities

Support for the Arts

Location: No specific location

Project Type: Culture/Recreation

Description: Funds for contributions to performing arts groups.

Operating Impact: None

Surface Water Recharge Pipeline

Location: No specific location

Project Type: Utility Project

Description: This project is to design and replace the existing surface water recharge pipeline and related infrastructure with approximately 12,000 feet of 36" diameter HDPE pipe with associated structures and appurtenances. The project will consist of a complete design of the entire delivery system with construction phased over two years.

Operating Impact: Reduced operations and maintenance costs due to more efficient recharge system with less water lost in transport to the recharge cells.

Telemetry/SCADA

Location: No specific location

Project Type: Utility Project

Description: Telemetry (SCADA) Installations/Upgrades at well, booster station and storage tank sites. Engineering for a comprehensive telemetry system design to incorporate the Big Chino Water Ranch with the existing utility control systems is underway.

Operating Impact: Reduced labor and transportation costs due to ability to monitor system remotely.

Traffic Calming – Various Streets

Location: No specific location

Project Type: Transportation

Description: To enhance safety on local residential streets. Traffic calming measures will be deployed as necessary upon TCC recommendation and Council concurrence.

Operating Impact: None identified

Transient Occupancy Tax Contingency

Location: No specific location

Project Type: Culture/Recreation

Description: Contingency to be used by Mayor and Council should the need arise.

Operating Impact: None

Transit FTA Sec 5303

Location: No specific location

Project Type: Transportation

Description: Ancillary transit planning related activities, i.e., miscellaneous transit consultant

activities, printing, advertising, and reimbursable funding for MPO staff time directly related to transit planning.

Operating Impact: None anticipated

Tribal Gaming Compact Grant

Location: No specific location

Project Type: Grant

Description: Compact funds provided to the City for distribution to other organizations

Operating Impact: None

Unpaved Streets

Location: No specific location

Project Type: Transportation

Description: To provide asphalt, base materials and other street construction materials for various streets to be paved by Field Operations

Operating Impact: None anticipated

Upper Thumb Butte Tank

Location: Thumb Butte Reservoir

Project Type: Utility Project

Description: This project is to replace the existing Upper Thumb Butte reservoir (existing capacity of 100,000 gallons) with a larger reservoir on the same site (new capacity of 500,000 gallons).

Operating Impact: Minor additional increase due to tank maintenance on a larger tank

Vehicle Replacements

Location: No specific location

Project Type: Equipment

Description: This is for the funding for the replacement of vehicles and equipment as recommended by the Fleet Maintenance Manager.

Operating Impact: Decreased maintenance costs due to replacement of older vehicles

Water Model Update

Location: No specific location

Project Type: Utility Project

Description: The City's water system production and distribution model was completed in 2005. The water model serves as a broad overview and guidance of the water system capabilities and provides recommendations for system improvements. The water model needs to be updated every 5 years to account for changes in growth patterns, as-built infrastructure and facilities that have differed from original projections. Actual water system demands have also decreased by an average 25% since 2006 changing much of the original water use projections since the water model was completed.

Operating Impact: None anticipated

Water Smart: Parks & Recreation Improvements

Location: Recreation facilities

Project Type: Utility Project

Description: Installation of drip irrigation and fertilization injection systems.

Operating Impact: This project should lead to decreased water costs

Wildlife Hazard Assessment

Location: Airport

Project Type: Airport Grant

Description: Grant funding study of wildlife in the vicinity of the Airport.

Operating Impact: None anticipated

Williamson Valley Road

Location: Williamson Valley Road

Project Type: Transportation

Description: Reconstruction and widening of Williamson Valley Road from Sidewinder Road to Shadow Valley Ranch Road. Yavapai County is the lead on this project. Installation and upgrading of water lines in accordance with the water model and installation of sewer main to facilitate future service.

Operating Impact: Increased maintenance costs associated with the expanded width of the roadway.

Willow/Watson Lake Algae Control Study

Location: Recreation facilities

Project Type: Culture/Recreation

Description: This project involves soliciting proposals and contracting with a consulting firm to complete the following: 1) Studying the water quality and algae growth; and 2) making recommendations for remediation to improve water quality at both lakes (to possibly include aeration).

Operating Impact: None determined

Yavapai College Fence

Location: Airport

Project Type: Airport Infrastructure

Description: Realign the Airport fence line to the property line that exists between the Airport and Yavapai College. It will also provide a 60' wide access gate in accordance with the YC Thru-the-Fence agreement. The cost of the access gate is to be reimbursed by YC.

Operating Impact: None anticipated

Yavapai Hills Lower Pump Station

Location: Yavapai Hills

Project Type: Utility Project

Description: This project will consist of relocating the existing Lower Yavapai Hills pump station that feeds pressure zones east of Prescott Lakes Parkway, eastward to the new 1.25MG water storage tank for pressure zone 56, and relocated and upgraded from 300 gallons per minute (GPM) to 750 GPM to meet existing and future domestic and fire flow demands for this area. This project would include installation of new pumps, associated controls and appurtenances, and an above-ground building enclosure. This project would be after the installation of the new Prescott Canyon 1.25MG tank and Prescott Canyon upgrade, but prior to upgrading the existing 8" and 12" mains to 16".

Operating Impact: None anticipated due to being a replacement

Youth Count

Location: No specific location

Project Type: Culture/Recreation

Description: Partner with Youth Count of Yavapai County, which consists of the Town of Prescott Valley, Yavapai County and Yavapai College, to develop and expand resources for community organizations focused on recreation, academics and other youth serving services. Projects included in Youth Count are Youth Volunteer Corp, Americorp in conjunction with Prescott Mile High Middle School, Mayor's Youth Advisory Partnership, Juvenile Court Community Advisory Board, and MATForce, Yavapai County's

Substance Abuse Coalition. Youth Count develops and expands resources for community organizations focused on recreation, academics and other youth serving services.

Operating Impact: None anticipated

City Hall Heating/Cooling

Location: City Hall

Project Type: General Government

Description: Replacement of the current heating and cooling system at Prescott City Hall.

Operating Impact: None anticipated

Capital Requests - Water/Alt Water

Project Description	FY2012	FY2013	FY2014	FY2015	FY2016
Big Chino Water Ranch (BCWR)	2,855,250	1,810,250	1,035,250	935,250	935,250
Airport Zone Production/Recovery Wells	133,000	1,197,000	133,000	1,197,000	
Small Water Main Replacements	1,000,000	1,167,000	1,061,000	1,239,000	1,126,000
A/P New Zone 101 Pump Station	2,687,000				
Old North Tank Reservoir Repl	4,599,000				
Park Avenue	1,130,000				
Haisley New Tank Reservoir	513,000	1,419,000			
SR69 Corridor All Phases Water Infrastructure	510,000	1,650,000			
Mingus Tank Reservoir Replacement			600,000	3,700,000	
18" Line Smoke Tree Lane - 30" Main at Willow Creek to Birchwood Cove			200,000	1,465,000	
12" Line Meadowbrook, Forest Hills Rd - Thumb Butte Rd to Thumb Butte Tank			160,000	1,100,000	
	\$ 13,427,250	\$ 7,243,250	\$ 3,189,250	\$ 9,636,250	\$ 2,061,250

Capital Requests - Wastewater

Project Description	FY2012	FY2013	FY2014	FY2015	FY2016
Airport Phase 1 (3.2MG) (Debt Issue)	11,340,000	14,000,000	3,500,000		
Sewer Mainline Repl/Rehab	1,030,000	103,000	1,061,000	107,000	1,093,000
Granite Dells - Centerpointe East Wastewater Improvements	1,000,000	500,000			
	<u>13,370,000</u>	<u>14,603,000</u>	<u>4,561,000</u>	<u>107,000</u>	<u>1,093,000</u>

Funded Capital Requests - Streets and Open Space Fund

Project Description	FY2012	FY2013	FY2014	FY2015	FY2016
Pavement Maintenance and Rehabilitation	4,620,272	4,758,880	4,901,647	5,048,696	5,200,157
Sundog Connector Storm Ranch DA		1,420,635			
SR89/Side Road Connector Roundabout				1,128,432	
Park Ave Gurley to Copper Basin	2,143,616				
Senator Hwy S Mt Vernon - City Limits	3,734,753				
Mt Vernon Ave (Gurley - Senator Hwy)	1,847,935				
Robinson Drive	1,540,012				
Ruger Road Realignment@SR89 DA			1,210,830		
	<u>13,886,588</u>	<u>6,179,515</u>	<u>6,112,477</u>	<u>6,177,128</u>	<u>5,200,157</u>

Unfunded Capital - Summary

<u>Project Description</u>	<u>FY2011</u>
<u>Administrative Services</u>	
Rodeo Grandstands - Electrical Upgrades	882,532
Rodeo Grounds Restrooms	575,000
Rodeo Grandstands - Concessions	350,000
Rodeo Grandstands Roof Replacement	270,000
Rodeo Grandstands Concrete Remediation	257,100
Rodeo Grounds Lead Paint & Asbestos Survey	27,300
Total Administrative Services	<u>2,361,932</u>
<u>Finance/Information Technology</u>	
E-Mail Archiving System	75,000
Total Finance/IT	<u>75,000</u>
<u>Community Development</u>	
Neighborhood Cleanup Program	10,000
Total Community Development	<u>10,000</u>
<u>Parks, Recreation & Library</u>	
ADA Compliant Play Area Surfacing	100,000
Total Parks, Recreation & Library	<u>100,000</u>

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APPENDIX

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RESOLUTION NO. 4062-1056

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, ADOPTING A TENTATIVE BUDGET, ADOPTING THE ESTIMATED AMOUNTS REQUIRED TO MEET THE PUBLIC EXPENSES FOR THE CITY OF PRESCOTT FOR THE FISCAL YEAR 2010-11, AUTHORIZING AND DIRECTING PUBLICATION OF STATEMENTS AND SCHEDULES OF THE TENTATIVE BUDGET, TOGETHER WITH NOTICE OF HEARING ON SAID BUDGET AND NOTICE OF DATE OF FINAL ADOPTION OF SAID BUDGET, AND NOTICE OF DATE OF ESTABLISHMENT OF THE EXPENDITURE LIMITATION, AND NOTICE OF THE DATE FOR FIXING A TAX LEVY

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT, the statements and schedules attached are hereby adopted as the estimated amounts required to meet the public expenses for the City of Prescott and as the tentative budget for the fiscal year 2010-11. Copies of said statements and schedules have been distributed to the Council and are on file in the office of the City Manager. Said copies are attached hereto for the purpose of publication only, except that they are hereby ordered to be entered into the minutes of the City Council of the City of Prescott.

SECTION 2. THAT, the Clerk is hereby authorized and directed to publish in the manner prescribed by law, the attached statements and schedules as said tentative budget, together with a copy of this Resolution as notice of the meetings of the City Council, to wit:

- A. That the City Council will meet on the 22nd day of June, 2010, at 3:00 P.M., in the Council Chambers of the Municipal Offices Building, 201 South Cortez Street, Prescott, Arizona, at a Regular Meeting to hold a public hearing when and where any citizen may appear and be heard or submit written comments in favor of or against any proposed use within the budget, expenditure limitation, or the tax levy; at said time and place or after said hearing for the purpose of finally adopting the budget and establishment of the expenditure limitation for the fiscal year 2010-11 for the City of Prescott. The proposed budget may be examined on weekdays at 201 South Cortez Street, Prescott, Arizona, between 8:00 A.M. and 5:00 P.M. or on the Internet at www.cityofprescott.net.
- B. That the City Council will further meet at a Regular Meeting on the 13th day of July, 2010, at 3:00 P.M. in the Council Chambers of the Municipal Building, 201 South Cortez Street, Prescott, Arizona, for the purpose of adopting the property tax levy for fiscal year 2010-11 for the City of Prescott.

SECTION 3. THAT, upon the recommendation by the City Manager and with the approval of the Council, expenditures may be made from the appropriation for contingencies. The transfers of any sums within or without any specific appropriations shall conform to Article VI, Section 11, Prescott City Charter.

SECTION 4. THAT, money from any fund may be used for any of these appropriations except money specifically restricted by State Law, City Charter, codes, ordinance, or resolution.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 9th day of June, 2010.

/s/ MARLIN D. KUYKENDALL, Mayor

ATTEST:
APPROVED AS TO FORM:

/s/ ELIZABETH A BURKE, City Clerk
/s/ GARY D KIDD, City Attorney

RESOLUTION NO. 4029-1059

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, FINALLY DETERMINING AND ADOPTING ESTIMATES OF PROPOSED EXPENDITURES FOR THE FISCAL YEAR 2011, AND DECLARING THAT THE SAME SHALL CONSTITUTE THE BUDGET FOR THE CITY OF PRESCOTT FOR SAID FISCAL YEAR AND ESTABLISHING THE EXPENDITURE LIMITATION, APPROVING AND UPDATING THE JOB ROSTER FOR THE CITY OF PRESCOTT AND SETTING FORTH ITS DETERMINATION AS TO UNFUNDED CAPITAL AND OTHER UNFUNDED BUDGETARY REQUESTS.

RECITALS:

WHEREAS, in accordance with the Provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes, the City Council did, on the 8th day of June, 2010, make an estimate of the different amounts required to meet the public 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 Prescott; and

WHEREAS, in accordance with said sections of said title, and following due public notice, the Council met on June 22, 2010, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures, establishing the expenditure limitation, or tax levies; and

WHEREAS, the City Job Roster is included in the accompanying exhibit and the Council wishes to update its job roster and approve the job roster as provided by the Prescott City Charter; and

WHEREAS, Unfunded Capital Projects are included in the accompanying exhibit and the Council wishes to update its job roster and approve the job roster as provided by the Prescott City Charter; 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 13, 2010, in Prescott City Council Chambers at 201 South Cortez Street, Prescott, Arizona 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 primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Arizona Revised Statutes, Title 42, Section 17051.A.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT, the said estimates of revenue and expenditures shown on the accompanying schedules as now increased, reduced or changed by and the same are hereby adopted as the budget of the City of Prescott for the fiscal year 2011.

SECTION 2. THAT, the expenditure limitation for the City of Prescott for fiscal year 2011 be established at \$152,931,705.

SECTION 3. THAT, the Roster of Jobs shown in the attached accompanying exhibit and approved by the City of Prescott and in accordance with Article IV of the Prescott City Charter.

SECTION 4. THAT the Council in its legislative discretion has reviewed the budgetary items referred to in the annual budget proposals as "Unfunded Capital," which items are referred to in the accompanying exhibit referenced as Unfunded Capital and in the exercise of such legislative function has determined in its discretion not to spend existing resources for the purchase of equipment, personnel, construction, reconstruction or maintenance of the unfunded proposals and projects contained in or

referred to in the “Unfunded Capital” exhibit. Further, the City Council has exercised its budgetary and legislative discretion with respect to its decision not to provide governmental funding or services for the Unfunded Capital items, as well as for the requested equipment, personnel, construction or maintenance of facilities or capital items requested in departmental budgetary proposals considered by the Council in its annual budget retreat and its review of the budget proposals of each city department, (including all proposals for capital funding and that the decision not to fund, to repair, to improve, maintain, reconstruct). The Council has determined not to spend existing resources for the purchase of equipment, personnel, construction, reconstruction or maintenance of the unfunded proposals and unfunded projects requested by the City departments. This determination constitutes a decision by the City Council not to provide the resources necessary for such proposals to be funded, including specifically the decision as to which streets, sidewalks, sanitary sewer, and parking lots will be repaired, maintained, and reconstructed or otherwise funded for the ensuing fiscal year and which will not be funded.

PASSED, APPROVED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 22nd day of June, 2010.

/s/ MARLIN D KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

/s/ ELIZABETH A BURKE, City Clerk

/s/ GARY D KIDD, City Attorney

CITY OF PRESCOTT, ARIZONA
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2011

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2010	ACTUAL EXPENDITURES/ EXPENSES ** 2010	FUND BALANCE/ NET ASSETS*** July 1, 2010**	PROPERTY TAX REVENUES 2011	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2011	OTHER FINANCING 2011		INTERFUND TRANSFERS 2011		TOTAL FINANCIAL RESOURCES AVAILABLE 2011	BUDGETED EXPENDITURES/ EXPENSES 2011
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 31,112,233	\$ 30,166,088	\$ 18,373,655	Primary: \$ 1,251,978	\$ 27,659,851	\$	\$	\$ 300,000	\$ (1,026,670)	\$ 48,612,154	\$ 31,628,601
2. Special Revenue Funds	53,628,238	29,874,130	17,195,311	Secondary: \$ 1,251,978	26,768,837	8,013,193		1,274,106	(477,611)	53,729,058	39,218,402
3. Debt Service Funds Available	1,986,840	1,986,840	224,111	1,573,160	427,331					2,224,602	1,985,491
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds	1,986,840	1,986,840	224,111	1,573,160	427,331					2,224,602	1,985,491
6. Capital Projects Funds											
7. Permanent Funds	100,000	85,000	791,126		10,000					801,126	110,000
8. Enterprise Funds Available	84,190,196	43,374,366	35,918,505		39,408,202	46,008,668		170,234	(240,059)	121,745,668	71,055,479
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	84,190,196	43,374,366	35,918,505		39,408,202	46,008,668		170,234	(240,059)	121,745,668	71,055,479
11. Internal Service Funds	9,801,186	8,719,095	8,124,693		6,491,806					14,616,499	8,933,733
12. TOTAL ALL FUNDS	\$ 180,818,693	\$ 114,205,519	\$ 80,627,401	\$ 2,825,138	\$ 100,766,027	\$ 54,021,861	\$	\$ 1,744,340	\$ (1,744,340)	\$ 241,729,107	\$ 152,931,705

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC or voter-approved alternative expenditure limitation

	2010	2011
1. Budgeted expenditures/expenses	\$ 180,818,693	\$ 152,931,705
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	180,818,693	152,931,705
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 180,818,693	\$ 152,931,705
6. EEC or voter-approved alternative expenditure limitation	\$	\$

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

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

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

*** Amounts in this column represent Fund Balance/Net Asset amounts except for amounts invested in capital assets, net of related debt, and reserved/restricted amounts established as offsets to assets presented for informational purposes (i.e., prepaids, inventory, etc.).

CITY OF PRESCOTT, ARIZONA
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2011

	2010	2011
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 1,338,494	\$ 1,383,159
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$	
3. Property tax levy amounts		
A. Primary property taxes	\$ 1,235,701	\$ 1,251,978
B. Secondary property taxes	1,646,680	1,573,160
C. Total property tax levy amounts	\$ 2,882,381	\$ 2,825,138
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 1,203,915	
(2) Prior years' levies	31,786	
(3) Total primary property taxes	\$ 1,235,701	
B. Secondary property taxes		
(1) Current year's levy	\$ 1,599,529	
(2) Prior years' levies	47,151	
(3) Total secondary property taxes	\$ 1,646,680	
C. Total property taxes collected	\$ 2,882,381	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.1695	0.1737
(2) Secondary property tax rate	0.2002	0.2093
(3) Total city/town tax rate	0.3697	0.3830

B. Special assessment district tax rates
 Secondary property tax rates - As of the date the proposed budget was prepared, the City of Prescott did not operate any special districts for which secondary property taxes are levied.

* 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.

CITY OF PRESCOTT, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2011

SOURCE OF REVENUES	ESTIMATED REVENUES 2010	ACTUAL REVENUES* 2010	ESTIMATED REVENUES 2011
GENERAL FUND			
Local taxes			
Privilege and Use Tax	\$ 12,677,500	\$ 11,943,100	\$ 11,922,500
Franchise Taxes	1,608,902	1,673,000	1,700,240
Licenses and permits	397,750	304,243	300,750
Intergovernmental			
State	10,812,411	10,739,981	9,261,684
Local Jurisdictions	2,344,708	2,101,656	2,392,833
Charges for services	540,720	918,739	1,150,800
Fines and forfeits	442,500	468,842	455,500
Interest on investments	200,000	200,000	350,000
In-lieu property taxes	74,142	73,280	73,280
Miscellaneous	324,124	75,314	52,264
Total General Fund	\$ 29,422,757	\$ 28,498,155	\$ 27,659,851
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Intergovernmental - State	\$ 3,118,684	\$ 3,034,402	\$
Intergovernmental - Local Jurisdictions	284,544	255,209	
Miscellaneous	232,721	231,361	
Total Highway User Revenue Fund	\$ 3,635,949	\$ 3,520,972	\$
Streets and Open Space Fund			
Streets and Open Space Tax	\$ 12,195,000	\$ 11,470,000	\$ 11,450,000
Intergovernmental - Federal		12,737	478,000
Intergovernmental - State	1,000,000	1,510,000	3,017,275
Intergovernmental - County	2,010,000	1,500,000	1,487,924
Interest Earned	120,000	50,000	51,000
Intergovernmental - Local Jurisdictions	157,420	1,893	124,149
Miscellaneous	480,000	369,989	1,539,011
Total Local Transportation Assistance Fund	\$ 15,962,420	\$ 14,914,619	\$ 18,147,359
Transient Occupancy Tax			
Transient Occupancy Tax	\$ 491,817	\$ 447,553	\$ 460,980
Fees/Donations	38,000	59,000	82,000
Miscellaneous	100	1,308	
Total Transient Occupancy Tax Fund	\$ 529,917	\$ 507,861	\$ 542,980
Capital Improvement Fund			
Interest Earned	\$ 250,000	\$ 150,000	\$
Miscellaneous	500	29,700	
Total Capital Improvement Fund	\$ 250,500	\$ 179,700	\$
Impact Fees Fund			
Impact Fees	\$ 322,700	\$ 668,850	\$ 645,400
Miscellaneous	97,820	75,235	75,235
Total Impact Fees Fund	\$ 420,520	\$ 744,085	\$ 720,635
Grants Fund			
Miscellaneous Grants	13,512,539	1,360,679	7,357,863
Total Grants Fund	\$ 13,512,539	\$ 1,360,679	\$ 7,357,863
Total Special Revenue Funds	\$ 34,311,845	\$ 21,227,916	\$ 26,768,837

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

CITY OF PRESCOTT, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2011

SOURCE OF REVENUES	ESTIMATED REVENUES 2010	ACTUAL REVENUES* 2010	ESTIMATED REVENUES 2011
DEBT SERVICE FUNDS			
Special Assessments	\$ 332,151	\$ 332,151	\$ 337,151
Interest Earned	121,464	106,464	90,180
Total Debt Service Funds	\$ 453,615	\$ 438,615	\$ 427,331
PERMANENT FUNDS			
Acker Trust	25,000	10,000	10,000
	\$ 25,000	\$ 10,000	\$ 10,000
Total Permanent Funds	\$ 25,000	\$ 10,000	\$ 10,000
ENTERPRISE FUNDS			
Water Fund	\$ 16,040,675	\$ 13,864,032	\$ 15,267,790
Wastewater Fund	6,958,609	7,006,315	8,338,096
Solid Waste/Transfer Station Fund	9,400,449	8,642,331	8,276,042
Golf Course Fund	3,377,007	2,771,893	2,965,117
Airport Fund	2,960,681	1,633,412	4,502,107
Parking Garage Fund	64,500	57,732	59,050
Total Enterprise Funds	\$ 38,801,921	\$ 33,975,715	\$ 39,408,202
INTERNAL SERVICE FUNDS			
Central Garage Fund	\$ 3,709,176	\$ 3,845,618	\$ 1,601,468
Self-Insurance Fund	2,044,627	2,023,677	2,046,517
Facilities Maintenance Fund	990,793	991,293	956,047
Engineering Fund	1,903,222	1,820,479	1,887,774
Total Internal Service Funds	\$ 8,647,818	\$ 8,681,067	\$ 6,491,806
TOTAL ALL FUNDS	\$ 111,662,956	\$ 92,831,468	\$ 100,766,027

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

CITY OF PRESCOTT, ARIZONA
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2011

FUND	OTHER FINANCING 2011		INTERFUND TRANSFERS 2011	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Total General Fund	\$ _____	\$ _____	\$ 300,000	\$ (1,026,670)
	\$ _____	\$ _____	\$ 300,000	\$ (1,026,670)
SPECIAL REVENUE FUNDS				
Streets and Open Space Fund	\$ 8,013,193	\$ _____	\$ 400,059	\$ (300,000)
Impact Fee Funds	_____	_____	_____	(160,000)
Transient Occupancy Tax	_____	_____	_____	(17,611)
Grants Fund	_____	_____	874,047	_____
Total Special Revenue Funds	\$ 8,013,193	\$ _____	\$ 1,274,106	\$ (477,611)
ENTERPRISE FUNDS				
Water Fund	\$ 10,808,668	\$ _____	\$ _____	\$ _____
Wastewater Fund	35,200,000	_____	_____	_____
Solid Waste Fund	_____	_____	_____	(240,059)
Parking Garage	_____	_____	17,611	_____
Golf Course Fund	_____	_____	_____	_____
Airport Fund	_____	_____	152,623	_____
Total Enterprise Funds	\$ 46,008,668	\$ _____	\$ 170,234	\$ (240,059)
TOTAL ALL FUNDS	\$ 54,021,861	\$ _____	\$ 1,744,340	\$ (1,744,340)

CITY OF PRESCOTT, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2011

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES* 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
GENERAL FUND				
City Council	\$ 55,941	\$	\$ 54,278	\$ 118,134
City Clerk	75,150	40,000	105,815	172,987
City Court	525,193		507,098	523,160
City Manager	1,760,663		1,675,149	2,923,062
Legal Department	277,292		268,664	306,928
Budget & Finance	1,746,610		1,370,172	749,922
Administrative Services	236,756		214,978	908,976
Community Development	1,638,460		1,619,540	1,618,515
Parks, Recreation & Library	5,452,628		5,367,755	5,361,906
Police Department	9,863,514	(240,000)	9,509,290	9,067,321
Fire Department	7,045,674	200,000	7,184,388	6,911,841
Regional Communications	2,434,352		2,288,962	2,965,848
Total General Fund	\$ 31,112,233	\$	\$ 30,166,088	\$ 31,628,601
SPECIAL REVENUE FUNDS				
Highway User Fund	\$ 3,882,857	\$	\$ 3,649,120	\$
1% Streets and Open Space	29,388,936		20,297,821	29,332,099
Transient Occupancy Tax	594,393		462,507	656,643
Capital Improvement Fund	4,614,042		3,696,282	
Impact Fee Fund	191,700		100,000	825,000
Grants Fund	14,956,310		1,668,400	8,404,660
Total Special Revenue Funds	\$ 53,628,238	\$	\$ 29,874,130	\$ 39,218,402
DEBT SERVICE FUNDS	\$ 1,986,840	\$	\$ 1,986,840	\$ 1,985,491
PERMANENT FUNDS				
Trust Funds	100,000		85,000	110,000
Total Permanent Funds	\$ 100,000	\$	\$ 85,000	\$ 110,000
ENTERPRISE FUNDS				
Water Fund	\$ 55,707,840	\$	\$ 21,595,240	\$ 39,000,607
Wastewater Fund	12,880,361		8,062,928	16,490,321
Solid Waste/Transfer Station Fund	9,082,788		8,467,303	8,047,453
Golf Course Fund	3,372,782		3,320,820	2,964,510
Airport Fund	3,069,265		1,851,322	4,476,306
Parking Garage Fund	77,160		76,753	76,282
Total Enterprise Funds	\$ 84,190,196	\$	\$ 43,374,366	\$ 71,055,479
INTERNAL SERVICE FUNDS				
Central Garage Fund	\$ 4,689,818	\$	\$ 3,927,555	\$ 4,099,615
Self-Insurance Fund	2,223,627		1,983,677	2,006,493
Engineering Fund	1,898,948		1,819,879	1,861,925
Facilities Maintenance Fund	988,793		987,984	965,700
Total Internal Service Funds	\$ 9,801,186	\$	\$ 8,719,095	\$ 8,933,733
TOTAL ALL FUNDS	\$ 180,818,693	\$	\$ 114,205,519	\$ 152,931,705

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

CITY OF PRESCOTT, ARIZONA
Summary by Department of Expenditures/Expenses
Fiscal Year 2011

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES * 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
Public Works:				
1% Streets and Open Space	\$ 29,388,936	\$	\$ 20,297,821	\$ 25,426,271
Streets (HURF) Fund	2,582,799		2,554,781	
Engineering	1,898,948		1,819,879	1,861,925
Water Fund	55,707,840		21,595,240	39,000,607
Wastewater Fund	12,880,361		8,062,928	16,490,321
Department Total	\$ 102,458,884	\$	\$ 54,330,649	\$ 82,779,124
Field Operations:				
Streets (HURF) Fund	\$ 1,300,058	\$	\$ 1,094,339	\$
1% Streets and Open Space				3,863,078
Solid Waste/Transfer Station	9,082,788		8,467,303	8,047,453
Department Total	\$ 10,382,846	\$	\$ 9,561,642	\$ 11,910,531

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

Fiscal Year 2010-11 Budget Salary Ranges

Salary Range	Minimum	Midpoint	Maximum	Salary Range	Minimum	Midpoint	Maximum
11	11,936.04	14,323.25	16,710.46	61	41,025.47	49,230.57	57,435.66
12	12,234.45	14,681.34	17,128.23	62	42,051.10	50,461.32	58,871.54
13	12,540.31	15,048.37	17,556.43	63	43,102.37	51,722.85	60,343.32
14	12,853.82	15,424.59	17,995.35	64	44,179.94	53,015.93	61,851.92
15	13,175.16	15,810.19	18,445.22	65	45,284.44	54,341.33	63,398.22
16	13,504.53	16,205.44	18,906.34	66	46,416.55	55,699.86	64,983.17
17	13,842.14	16,610.57	19,379.00	67	47,576.97	57,092.37	66,607.76
18	14,188.21	17,025.85	19,863.49	68	48,766.39	58,519.67	68,272.95
19	14,542.91	17,451.49	20,360.07	69	49,985.56	59,982.67	69,979.78
20	14,906.48	17,887.78	20,869.07	70	51,235.19	61,482.23	71,729.27
21	15,279.15	18,334.98	21,390.81	71	52,516.08	63,019.30	73,522.51
22	15,661.13	18,793.36	21,925.58	72	53,828.97	64,594.77	75,360.56
23	16,052.66	19,263.19	22,473.72	73	55,174.70	66,209.64	77,244.58
24	16,453.97	19,744.77	23,035.56	74	56,554.06	67,864.87	79,175.68
25	16,865.32	20,238.39	23,611.45	75	57,967.92	69,561.51	81,155.09
26	17,286.95	20,744.34	24,201.73	76	59,417.11	71,300.53	83,183.95
27	17,719.12	21,262.95	24,806.77	77	60,902.54	73,083.05	85,263.56
28	18,162.11	21,794.53	25,426.95	78	62,425.10	74,910.12	87,395.14
29	18,616.16	22,339.39	26,062.62	79	63,985.73	76,782.88	89,580.02
30	19,081.56	22,897.87	26,714.18	80	65,585.39	78,702.47	91,819.55
31	19,558.60	23,470.32	27,382.04	81	67,225.02	80,670.03	94,115.03
32	20,047.57	24,057.09	28,066.60	82	68,905.65	82,686.78	96,467.91
33	20,548.77	24,658.53	28,768.28	83	70,628.28	84,753.94	98,879.59
34	21,062.48	25,274.98	29,487.47	84	72,393.99	86,872.79	101,351.59
35	21,589.03	25,906.84	30,224.64	85	74,203.84	89,044.61	103,885.38
36	22,128.77	26,554.53	30,980.28	86	76,058.94	91,270.73	106,482.52
37	22,681.98	27,218.38	31,754.77	87	77,960.41	93,552.49	109,144.57
38	23,249.04	27,898.85	32,548.66	88	79,909.41	95,891.29	111,873.17
39	23,830.26	28,596.31	33,362.36	89	81,907.14	98,288.57	114,670.00
40	24,426.01	29,311.21	34,196.41	90	83,954.82	100,745.79	117,536.75
41	25,036.67	30,044.01	35,051.34	91	86,053.69	103,264.43	120,475.17
42	25,662.58	30,795.10	35,927.61	92	88,205.04	105,846.05	123,487.06
43	26,304.14	31,564.97	36,825.80	93	90,410.17	108,492.21	126,574.24
44	26,961.75	32,354.10	37,746.45	94	92,670.43	111,204.52	129,738.60
45	27,635.79	33,162.95	38,690.11	95	94,987.18	113,984.62	132,982.05
46	28,326.68	33,992.02	39,657.35	96	97,361.87	116,834.25	136,306.62
47	29,034.85	34,841.82	40,648.79	97	99,795.91	119,755.09	139,714.27
48	29,760.71	35,712.85	41,664.99	98	102,290.80	122,748.96	143,207.12
49	30,504.73	36,605.68	42,706.62	99	104,848.07	125,817.69	146,787.30
50	31,267.36	37,520.83	43,774.30	100	107,469.29	128,963.15	150,457.01
51	32,049.04	38,458.85	44,868.66	101	110,156.02	132,187.23	154,218.43
52	32,850.26	39,420.31	45,990.36	102	112,909.93	135,491.92	158,073.90
53	33,671.53	40,405.84	47,140.14	103	115,732.67	138,879.21	162,025.74
54	34,513.31	41,415.97	48,318.63	104	118,625.99	142,351.19	166,076.39
55	35,376.14	42,451.37	49,526.60	105	121,591.64	145,909.97	170,228.30
56	36,260.54	43,512.65	50,764.76	106	124,631.43	149,557.72	174,484.00
57	37,167.06	44,600.47	52,033.88	107	127,747.22	153,296.67	178,846.11
58	38,096.22	45,715.47	53,334.71	108	130,940.91	157,129.09	183,317.27
59	39,048.63	46,858.36	54,668.08	109	134,214.42	161,057.31	187,900.19
60	40,024.84	48,029.81	56,034.78	110	137,569.78	165,083.74	192,597.69

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
Mayor and Council						
Mayor	1.000	1.000	1.000	9,000	9,000	0
Councilman	6.000	6.000	6.000	6,000	6,000	0
Total Mayor and Council	7.000	7.000	7.000			
City Manager						
City Manager	1.000	1.000	1.000	Open		0
Deputy City Manager	1.200	0.700	0.700	Open		0
Executive Assistant	1.000	1.000	1.000	41,018	57,429	61
Economic Development Specialist	0.250	0.250	0.250	39,049	54,668	59
Administrative Assistant	-	-	0.150	33,675	47,133	53
Administrative Specialist	-	1.000	1.000	32,843	45,989	52
Total City Manager	3.450	3.950	4.100			
City Clerk						
City Clerk	1.000	1.000	1.000	Open		0
Administrative Assistant	0.500	0.500	0.650	33,675	47,133	53
Total City Clerk	1.500	1.500	1.650			
City Court						
Senior Court Clerk	1.000	1.000	1.000	28,330	39,666	46
Court Clerk	4.750	4.750	4.750	25,667	35,922	42
Total City Court	5.750	5.750	5.750			
Legal Department						
City Attorney	1.000	1.000	1.000	Open		0
City Prosecutor	1.000	1.000	1.000	79,914	111,883	88
Chief Assistant City Attorney	0.500	0.770	1.000	79,914	111,883	88
Senior Asst City Attorney	0.500	0.770	1.000	72,384	101,358	84
Investigator	1.000	1.000	1.000	42,058	58,864	62
Office Manager	1.000	1.000	1.000	38,106	53,331	58
Legal Assistant	1.000	1.000	1.000	37,170	52,042	57
Paralegal	1.000	-	-	37,170	52,042	57
Legal Secretary	1.500	1.500	1.500	32,053	44,866	51
Total Legal Department	8.500	8.040	8.500			
Economic Development						
Economic Dev Director	1.000	1.000	1.000	Open		0
Economic Development Specialist	0.750	0.750	0.750	39,049	54,668	59
Administrative Assistant	0.200	0.200	0.200	33,675	47,133	53
Total Economic Development	1.950	1.950	1.950			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
Human Resources						
Human Resources Director	1.000	1.000	1.000	Open		0
Human Resources Analyst	1.000	1.000	1.000	48,776	68,266	68
Payroll Specialist	-	1.000	1.000	48,776	68,266	68
Benefits Specialist	1.000	1.000	1.000	38,106	53,331	58
Administrative Assistant	0.300	0.300	-	33,675	47,133	53
Total Human Resources	3.300	4.300	4.000			
Public Communications						
Administrative Svcs Director	-	-	-	Open		0
Public Affairs Director	-	1.000	1.000	57,970	81,162	75
Public Affairs Manager	-	-	-	57,970	81,162	75
Public Affairs Coordinator	-	1.000	1.000	43,098	60,341	63
Total	-	2.000	2.000			
Special Events						
Administrative Svcs Director	-	-	-	Open		0
Special Events Coordinator	-	1.000	1.000	43,098	60,341	63
Total	-	1.000	1.000			
CDBG Administration						
Grants Administrator	-	1.000	1.000	44,179	61,859	64
Total	-	1.000	1.000			
Total General Government	31.450	36.490	36.950			
Administrative Services						
<u>Purchasing</u>						
Administrative Svcs Director	0.100	0.075	0.100	Open		0
Purchasing Manager	1.000	1.000	1.000	56,555	79,186	74
Total	1.100	1.075	1.100			
<u>Elks Opera House</u>						
Administrative Svcs Director	0.025	0.075	0.100	Open		0
Elks Opera House Manager	-	-	1.000	43,098	60,341	63
Elks Opera House Coordinator	1.000	-	-	43,098	60,341	63
Total	1.025	0.075	1.100			
<u>Rodeo</u>						
Administrative Svcs Director	0.025	0.075	0.100	Open		0
Total	0.025	0.075	0.100			
<u>Public Communications</u>						
Administrative Svcs Director	0.100	-	-	Open		0
Public Affairs Director	1.000	-	-	57,970	81,162	75
Public Affairs Coordinator	1.000	-	-	43,098	60,341	63
Total	2.100	-	-			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
<u>Special Events</u>						
Administrative Svcs Director	0.025	-	-	Open		0
Special Events Coordinator	1.000	-	-	43,098	60,341	63
Total	1.025	-	-			
Total Administrative Services	5.275	1.225	2.300			
Finance Department						
<u>Tax & Licensing</u>						
Privilege Tax Supervisor	1.000	1.000	1.000	51,230	71,739	70
Privilege Tax Auditor	1.000	1.000	1.000	48,776	68,266	68
Privilege Tax Auditor Associate	-	1.000	1.000	40,025	56,035	60
Accounting Technician	1.000	2.000	2.000	33,675	47,133	53
Total	3.000	5.000	5.000			
<u>Accounting Services</u>						
Finance Director	0.900	0.900	0.900	Open		0
Assistant Finance Director	1.000	1.000	1.000	72,384	101,358	84
Customer Service Manager	1.000	1.000	1.000	51,230	71,739	70
Budget Manager	1.000	1.000	1.000	51,230	71,739	70
Payroll Specialist	1.000	-	-	48,776	68,266	68
Accounting Technician	3.000	2.000	2.000	33,675	47,133	53
Accounting Clerk	1.000	1.000	1.000	26,957	37,752	44
Total	8.900	6.900	6.900			
<u>Information Technology</u>						
Finance Director	0.100	0.100	0.100	Open		0
IT Manager	1.000	1.000	1.000	72,384	101,358	84
Application Mgr/GIS Coordinator	1.000	0.500	0.500	57,970	81,162	75
Operations Manager	-	-	-	57,970	81,162	75
Network Engineer	1.000	1.000	1.000	51,230	71,739	70
Web/Program Designer	-	-	-	Open		0
Help Desk Manager	1.000	1.000	1.000	51,230	71,739	70
Information Technology Tech	1.000	1.000	1.000	33,675	47,133	53
GIS Specialist	1.000	1.000	1.000	Open		0
Info Tech Specialist	5.000	4.000	4.000	Open		0
Total	11.100	9.600	9.600			
Total Finance Department	23.000	21.500	21.500			
Community Development						
<u>Administration/Planning & Zoning</u>						
Comm. Devel. Director	0.600	0.600	0.500	Open		0
Asst Comm. Devel. Director	1.000	1.000	0.600	72,384	101,358	84
Application Mgr/GIS Coordinator	-	0.500	0.500	57,970	81,162	75
Planner	4.000	3.000	3.000	51,230	71,739	70
Historic Preservation Spec.	0.500	-	-	44,179	61,859	64
Administrative Assistant	1.000	1.000	1.000	33,675	47,133	53
Administrative Specialist	1.000	-	-	32,843	45,989	52
Secretary	1.000	1.000	1.000	26,957	37,752	44
Total	9.100	7.100	6.600			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
<u>Building Inspections</u>						
Comm. Devel. Director	0.200	0.200	0.300	Open		0
Chief Building Official	1.000	1.000	1.000	60,902	85,259	77
Private Develop. Facilitator	1.000	-	-	57,970	81,162	75
Commercial Specialist	1.000	1.000	1.000	48,776	68,266	68
Combo Bldg Insp/Plans Examiner	1.000	1.000	1.000	48,776	68,266	68
Plans Examiner	1.000	1.000	1.000	44,179	61,859	64
Building Inspector	1.000	1.000	1.000	38,106	53,331	58
Permit Tech	1.000	1.000	1.000	31,262	43,784	50
Total	7.200	6.200	6.300			
<u>Code Enforcement</u>						
Comm. Devel. Director	0.100	0.100	0.200	Open		0
Asst Comm. Devel. Director	-	-	0.400	72,384	101,358	84
Code Enforcement Supervisor	-	1.000	1.000	48,776	68,266	68
Code Enforcement Officer	2.000	2.000	2.000	29,037	40,643	47
Total	2.100	3.100	3.600			
<u>Animal Control</u>						
Comm. Devel. Director	0.100	-	-	Open		0
Supervisor	1.000	-	-	48,776	68,266	68
Animal Control Officer	4.000	-	-	29,037	40,643	47
Total	5.100	-	-			
<u>CDBG Administration</u>						
Grants Administrator	1.000	-	-	44,179	61,859	64
Total	1.000	-	-			
Total Community Development	24.500	16.400	16.500			
Parks, Recreation & Library						
<u>Administration</u>						
Recreation Services Director	1.000	1.000	1.000	Open		0
Lake Parks Superintendent	0.200	-	-	56,555	79,186	74
Park Security Ranger	1.000	-	-	32,053	44,866	51
Administrative Asst	1.000	1.000	-	33,675	47,133	53
Total	3.200	2.000	1.000			
<u>Library/Library Network</u>						
Library Director	1.000	1.000	1.000	68,910	96,470	82
Assistant Director	1.000	1.000	1.000	56,555	79,186	74
Library Network Manager	1.000	1.000	1.000	51,230	71,739	70
Lead Librarian	2.000	2.000	2.000	45,282	63,398	65
Librarian	7.000	7.000	7.000	41,018	57,429	61
Business Manager	1.000	1.000	1.000	38,106	53,331	58
Maintenance Technician	1.000	1.000	1.000	32,843	45,989	52
Library Specialist	3.000	2.000	2.000	32,053	44,866	51
Library Assistant	6.000	7.000	7.000	27,643	38,688	45
Secretary	1.000	1.000	-	26,957	37,752	44
Custodian	1.000	1.000	1.000	21,590	30,222	35
Total	25.000	25.000	24.000			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
<u>Prescott Gateway Branch</u>						
Librarian	1.000	-	-	41,018	57,429	61
Library Assistant	2.000	1.000	1.000	27,643	38,688	45
Total	3.000	1.000	1.000			
<u>Recreation Programming</u>						
Asst Parks & Rec Director	0.500	-	-	65,582	91,811	80
Supt of Administration	-	1.000	-			
Recreation Supervisor	1.000	1.000	1.000	48,776	68,266	68
ASA/Tournament Supervisor	1.000	1.000	1.000	48,776	68,266	68
Secretary	1.000	1.000	1.000	26,957	37,752	44
Recreation Leader	1.000	1.000	1.000	25,043	35,048	41
Total	4.500	5.000	4.000			
<u>Parks, Trails, and Landscape Maintenance</u>						
Assistant Parks & Rec Director	0.500	0.500	-	65,582	91,811	80
Special Projects Supt.	-	1.000	1.000	56,555	79,186	77
Parks Maintenance Supt.	1.000	1.000	1.000	56,555	79,186	74
Park Regional Coordinator	2.000	2.000	2.000	42,058	58,864	62
Landscape Coordinator	1.000	1.000	1.000	40,019	56,035	60
Equipment Mechanic	1.000	1.000	1.000	39,042	54,662	59
Turf & Irrigation Coordinator	1.000	1.000	1.000	37,170	52,042	57
Maintenance Technician	3.000	3.000	3.000	32,843	45,989	52
Maintenance Worker	2.000	2.000	-	25,043	35,048	41
Total	11.500	12.500	10.000			
<u>Lakes Management</u>						
Lake Parks Superintendent	0.800	-	-	56,555	79,186	74
Maintenance Technician	1.000	1.000	1.000	32,843	45,989	52
Maintenance Worker	1.000	1.000	2.000	25,043	35,048	41
Total	2.800	2.000	3.000			
Total Parks, Recreation & Library	50.000	47.500	43.000			
Police Department						
<u>Administration</u>						
Police Chief	1.000	1.000	1.000	Open		0
Deputy Police Chief	1.000	-	-	79,914	111,883	88
Lieutenant	1.000	1.000	1.000	76,752	93,413	Police
Police Research Analyst	1.000	1.000	1.000	42,058	58,864	62
Administrative Assistant	1.000	1.000	1.000	33,675	47,133	53
Quartermaster	1.000	-	-	32,053	44,866	51
Total	6.000	4.000	4.000			
<u>Records</u>						
Records Supervisor	1.000	1.000	1.000	48,776	68,266	68
Records Clerk	5.000	5.000	5.000	32,053	44,866	51
Total	6.000	6.000	6.000			
<u>Traffic</u>						
Sergeant	1.000	1.000	1.000	61,485	74,797	Police
Police Officer	6.000	5.000	5.000	42,661	60,736	Police
Parking Control Officer	1.000	1.000	1.000	29,037	40,643	47
Total	8.000	7.000	7.000			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
<u>Investigations</u>						
Lieutenant	1.000	1.000	1.000	76,752	93,413	Police
Sergeant	1.000	1.000	1.000	61,485	74,797	Police
Police Officer	7.000	7.000	6.000	42,661	60,736	Police
Property/Evidence Tech	2.000	2.000	2.000	32,053	44,866	51
Public Safety Specialist	0.750	0.750	0.750	30,514	42,702	49
Secretary	1.000	-	0.500	26,957	37,752	44
Total	12.750	11.750	11.250			
<u>Patrol</u>						
Lieutenant	1.000	1.000	1.000	76,752	93,413	Police
Sergeant	5.000	5.000	5.000	61,485	74,797	Police
Officer	38.000	36.000	37.000	42,661	60,736	Police
Public Safety Specialist	0.500	0.500	0.500	30,514	42,702	49
Secretary	1.000	1.000	1.000	26,957	37,752	44
Total	45.500	43.500	44.500			
<u>Special Enforcement</u>						
Sergeant	1.000	1.000	1.000	61,485	74,797	Police
Officer	4.000	4.000	4.000	42,661	60,736	Police
Total	5.000	5.000	5.000			
<u>Training</u>						
Sergeant	1.000	1.000	1.000	61,485	74,797	Police
Quartermaster	1.000	-	-	32,053	44,866	51
Total	2.000	1.000	1.000			
<u>Community Services</u>						
Sergeant	1.000	1.000	1.000	61,485	74,797	Police
Police Officer	2.000	2.000	2.000	42,661	60,736	Police
Crime Prevention Officer	0.500	0.500	0.500	30,513	36,608	49
Secretary	0.500	0.500	0.500	26,957	37,752	44
Total	4.000	4.000	4.000			
<u>Community Restitution Program</u>						
Com. Serv. Worker Monitor	2.000	2.000	2.000	26,957	37,752	44
Secretary	0.500	0.500	0.500	26,957	37,752	44
Total	2.500	2.500	2.500			
<u>Animal Control</u>						
Comm. Devel. Director	-	0.100	-		Open	0
Supervisor	-	1.000	1.000	34,507	41,413	54
Animal Control Officer	-	3.000	2.000	29,037	40,643	47
Total	-	4.100	3.000			
Total Police Department	91.750	88.850	88.250			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
Fire Department						
<u>Administration</u>						
Fire Chief	-	1.000	1.000	Open		0
Emergency Services Director	0.340	-	-	Open		0
Wildland Division Chief	-	0.800	-			
Deputy Chief	1.000	-	-	79,914	111,883	88
Administrative Assistant	1.000	1.000	1.000	33,675	47,133	53
Secretary	1.000	1.000	1.000	26,962	37,746	44
Total	3.340	3.800	3.000			
<u>Prevention</u>						
Fire Marshal/Division Chief	1.000	1.000	1.000	74,194	103,875	85
Plans Examiner	1.000	1.000	1.000	44,179	61,859	64
Fire Inspector	1.000	1.000	1.000	38,096	53,335	58
Fire Prevention Aide	1.000	1.000	1.000	26,962	37,746	44
Total	4.000	4.000	4.000			
<u>Suppression</u>						
Battalion Chief	3.000	3.000	3.000	80,350	93,995	Fire
Captain	15.000	15.000	15.000	60,424	73,528	Fire
Engineer	18.000	18.000	18.000	49,670	60,424	Fire
Firefighter	21.000	21.000	21.000	39,811	56,638	Fire
Total	57.000	57.000	57.000			
<u>Training</u>						
Training Division Chief	1.000	1.000	1.000	80,350	93,995	Fire
Total	1.000	1.000	1.000			
<u>Fire Vegetation Crew</u>						
Wildland Division Chief	1.000	0.830	0.830	72,384	101,358	84
Wildland Crew Supervisor	1.000	1.000	1.000	48,776	68,266	68
Wildland Captain	1.000	1.000	1.000	42,058	58,864	62
Squad Boss	3.000	3.000	3.000	34,507	48,318	54
Code Enforcement Officer	1.000	1.000	1.000	29,037	40,643	47
Fuels Tech/Wildland Firefighter	3.000	3.000	3.000	27,643	38,688	45
Total	10.000	9.830	9.830			
Total Fire Department	75.340	75.630	74.830			
Regional Communications						
<u>Communications</u>						
Emergency Services Director	0.330	-	-	Open		0
Wildland Division Chief	-	0.170	0.170	72,384	101,358	84
Regional Communications Director	1.000	1.000	1.000	65,582	91,811	80
Info Tech Specialist	1.000	1.000	1.000	Open		0
Communications Supervisor	5.000	4.000	4.000	41,018	57,429	61
Business Manager	-	1.000	1.000	38,106	53,331	58
Communications Specialist	21.250	23.750	23.750	33,675	47,133	53
Administrative Assistant	1.000	-	-	35,675	47,133	53
Total	29.580	30.920	30.920			
Total Regional Communications	29.580	30.920	30.920			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
Streets and Open Space						
<u>Street Operations</u>						
Field Operations Manager	0.140	0.140	0.140	Open		0
Field Operations Superintendent	1.000	1.000	1.000	56,555	79,186	74
Administration Superintendent	-	1.000	1.000	56,555	79,186	74
Field Operations Supervisor	2.000	3.000	3.000	48,776	68,266	68
Maintenance Specialist	1.000	1.000	1.000	39,042	54,662	59
Senior Equipment Operator	4.000	4.000	3.000	36,254	50,773	56
Traffic Control Worker	-	2.000	2.000	33,675	47,133	53
Maintenance Technician	1.000	1.000	1.000	32,843	45,989	52
Equipment Operator	11.000	11.000	11.000	32,843	45,989	52
Administration Specialist	1.000	-	-	32,843	45,989	52
Utility Worker	-	0.400	0.400	29,765	41,662	48
Maintenance Worker	5.000	5.000	4.000	25,043	35,048	41
Total	26.140	29.540	27.540			
<u>Transportation Services</u>						
Traffic Engineer	1.000	1.000	1.000	79,914	95,888	88
Traffic Signal Supervisor	1.000	1.000	1.000	51,230	71,739	70
Traffic Control Supervisor	1.000	-	-	44,179	61,859	64
Traffic Engineering Technician	1.000	1.000	1.000	43,098	60,341	63
Contract Specialist	0.200	-	-	41,018	57,429	61
Traffic Signal Specialist	2.000	2.000	2.000	41,018	57,429	61
Administrative Assistant	0.100	-	-	33,675	47,133	53
Traffic Control Worker	2.000	-	-	33,675	47,133	53
Secretary	0.100	-	-	26,957	37,752	44
Total	8.400	5.000	5.000			
<u>Private Development</u>						
Public Works Director	-	-	0.100	Open		0
Total	-	-	0.100			
<u>Streets and Open Space</u>						
Public Works Director	-	0.200	0.200	Open		0
Senior Project Manager	-	-	0.700	74,194	103,875	85
Total	-	0.200	0.900			
Total Streets and Open Space	34.540	34.740	33.540			
Water Fund						
<u>Utility Billing</u>						
Utility Billing Supervisor	1.000	1.000	1.000	46,426	64,979	66
Accounting Technician	1.000	1.000	1.000	33,675	47,133	53
Accounting Clerk	2.000	2.000	2.000	26,957	37,752	44
Total	4.000	4.000	4.000			
<u>Meter Reading</u>						
Customer Service Representative	1.000	-	-	34,507	48,318	54
Meter Reader	3.000	4.000	4.000	26,312	36,816	43
Secretary	0.200	0.200	0.200	26,957	37,752	44
Total	4.200	4.200	4.200			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
<u>Water Administration</u>						
Public Works Director	0.350	0.350	0.350	Open		0
City Engineer	0.300	0.300	0.300	79,914	111,883	88
Senior Civil Engineer	0.500	0.500	0.500	79,914	111,883	88
City Utilities Engineer	0.500	-	-	76,066	106,475	86
Capital Program Manager	0.750	0.750	0.750	76,066	106,475	86
Utilities Manager	0.500	0.500	0.500	76,066	106,475	86
Senior Project Manager	-	-	0.200	74,194	103,875	85
Utilities Engineer (Civil)	0.500	0.500	0.500	68,910	96,470	82
Project Manager	1.250	1.250	1.250	67,226	94,120	81
Water Management Analyst	0.200	0.200	0.200	47,970	81,162	75
Senior Engineering Technician	0.500	0.500	0.500	51,230	71,739	70
Contract Specialist	0.300	0.400	0.400	41,018	57,429	61
Administrative Assistant	-	0.400	0.400	33,675	47,133	53
Secretary	0.400	0.400	0.400	26,957	37,752	44
Total	6.050	6.050	6.250			
<u>Water Production</u>						
Water Superintendent	0.500	0.500	0.500	60,902	85,259	77
Water Production Supervisor	1.000	1.000	1.000	48,776	68,266	68
Water Quality Technician	1.000	1.000	1.000	26,254	40,773	56
Water Operator	4.000	4.000	4.000	26,254	40,773	56
Maintenance Specialist	1.000	1.000	1.000	39,042	54,662	59
Secretary	0.400	0.400	0.400	26,957	37,752	44
Total	7.900	7.900	7.900			
<u>Water Distribution</u>						
Water Superintendent	0.500	0.500	0.500	60,902	85,259	77
Water Distribution Supervisor	1.000	1.000	1.000	48,776	68,266	68
Water Protection Specialist	0.500	0.500	0.500	39,042	54,662	59
Senior Utility Worker	5.000	5.000	5.000	32,843	45,989	52
Utility Worker	8.000	5.900	5.900	29,765	41,662	48
Secretary	0.400	0.400	0.400	26,957	37,752	44
Total	15.400	13.300	13.300			
<u>Alternate Water Sources</u>						
Regional Program Director	-	1.000	1.000	Open		0
Senior Project Manager	1.000	-	-	74,194	103,875	85
Water Management Analyst	0.600	-	-	57,970	81,162	75
Water Resource Specialist	-	0.600	0.600			
Water Conservation Coordinator	1.000	1.000	1.000	46,426	64,979	66
Contract Specialist	0.200	0.200	0.200	41,018	57,429	61
Administrative Assistant	0.200	0.200	0.200	33,675	47,133	53
Secretary	0.200	0.200	0.200	26,957	37,752	44
Total	3.200	3.200	3.200			
Total Water Fund	40.750	38.650	38.850			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
Wastewater Fund						
<u>Wastewater Utilities Administration</u>						
Public Works Director	-	0.350	0.350	Open		0
Utilities Director	0.500	-	-	Open		0
City Utilities Engineer	0.470	0.100	0.100	76,066	106,475	86
Capital Program Manager	-	0.750	0.250	76,066	106,475	86
Senior Civil Engineer	-	0.500	0.500	76,066	106,475	86
Senior Project Manager	-	-	0.100	74,194	103,875	85
Utilities Manager	0.500	0.500	0.500	72,384	101,358	84
Utilities Engineer (Civil)	0.500	0.500	0.500	68,910	96,470	82
Capital Project Manager	0.500	0.750	0.750	67,226	94,120	81
Water Management Analyst	0.200	-	-	57,970	81,162	75
Water Resource Specialist	-	0.200	0.200			
Senior Engineering Technician	0.500	0.500	0.500	51,230	71,739	70
Contract Specialist	0.300	0.400	0.400	41,018	57,429	61
Administrative Assistant	0.400	0.400	0.400	33,675	47,133	53
Secretary	0.400	0.400	0.400	26,957	37,752	44
Total	4.270	5.350	4.950			
<u>Wastewater Treatment Plant</u>						
Deputy City Manager	0.250	-	-	Open		0
Wastewater Superintendent	0.500	0.500	0.500	60,903	85,259	77
WWTP Supervisor	2.000	2.000	2.000	51,230	71,739	70
WWTP Operator	8.000	8.000	8.000	39,042	54,662	59
Water Protection Specialist	0.500	0.500	0.500	39,042	54,662	59
WWTP Lab Technician	1.000	1.000	1.000	39,042	54,662	59
WWTP Maintenance Specialist	1.000	1.000	1.000	39,042	54,662	59
Administrative Specialist	-	0.500	0.500	32,843	45,989	52
Accounting Clerk	0.500	-	-	26,957	37,752	44
Total	13.750	13.500	13.500			
<u>Wastewater Collection</u>						
Wastewater Superintendent	0.500	0.500	0.500	60,902	73,091	77
Wastewater Collection Supervisor	1.000	1.000	1.000	48,776	68,266	68
Maintenance Specialist	1.000	1.000	1.000	39,042	54,662	59
Senior Utility Worker	5.000	5.000	5.000	32,843	45,989	52
Administrative Specialist	0.500	0.500	0.500	32,843	45,989	52
Utility Worker	6.000	6.700	6.700	29,765	41,662	48
Total	14.000	14.700	14.700			
<u>Effluent Delivery</u>						
Water Operator	1.000	1.000	1.000	36,254	50,773	56
Total	1.000	1.000	1.000			
Total Wastewater Fund	33.020	34.550	34.150			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
Solid Waste Fund						
<u>Sanitation</u>						
Deputy City Manager	-	0.300	0.300	Open		0
Field Operations Manager	0.430	0.860	0.860	Open		0
Field Operations Superintendent		1.000	1.000	60,903	85,264	77
Field Operations Supervisor	1.500	2.000	2.000	48,776	68,266	68
Maintenance Specialist	-	1.000	1.000	39,042	54,662	59
Senior Equipment Operator	1.000	4.000	4.000	36,254	50,773	56
Commercial Equipment Operator	4.000	4.000	4.000	34,507	48,318	54
Account Technician	0.500	1.000	1.000	33,675	47,133	53
Sanitation Equipment Operator	10.000	10.000	10.000	32,843	45,989	52
Accounting Clerk	-	2.000	2.000	26,957	37,752	44
Maintenance Worker	-	-	1.000	25,043	35,048	41
Total	17.430	26.160	27.160			
<u>Transfer Station</u>						
Deputy City Manager	0.300	-	-	Open		0
Field Operations Manager	0.430	-	-	Open		0
Field Operations Supervisor	1.500	-	-	48,776	68,266	68
Maintenance Specialist	1.000	-	-	39,042	54,662	59
Senior Equipment Operator	3.000	-	-	36,254	50,773	56
Accounting Technician	0.500	-	-	33,675	47,133	53
Accounting Clerk	2.000	-	-	26,957	37,752	44
Total	8.730	-	-			
Total Solid Waste Fund	26.160	26.160	27.160			
Airport Fund						
Emergency Services Director	0.330	-	-	Open		0
Airport Manager	1.000	1.000	1.000	60,902	85,259	77
Management Analyst	1.000	1.000	1.000	46,417	64,983	66
Maintenance Specialist	1.000	1.000	1.000	39,042	54,662	59
Airport Operations Technician	4.000	3.500	3.000	32,843	45,989	52
Accounting Clerk	1.000	1.000	1.000	26,957	37,752	44
Total Airport Fund	8.330	7.500	7.000			
Golf Course Fund						
<u>Maintenance</u>						
Grounds Superintendent	1.000	1.000	1.000	56,555	79,186	74
Asst Grounds Superintendent	1.000	1.000	1.000	44,179	61,859	64
Equipment Mechanic	1.000	1.000	1.000	39,042	54,662	59
2nd Asst Grounds Superintendent	1.000	1.000	1.000	38,106	53,331	58
Business Manager	-	-	0.150	38,106	53,331	58
Irrigation Technician	2.000	2.000	2.000	32,843	45,989	52
Service Technician	-	-	1.000	32,843	45,989	52
Groundskeeper	4.000	4.000	3.000	25,043	35,048	41
Total	10.000	10.000	10.150			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
<u>Pro Shop</u>						
Administrative Services Director	0.100	0.100	-	Open		0
General Manager	1.000	1.000	1.000	68,910	96,470	82
Business Manager	-	-	0.750	38,106	53,331	58
Outside Services Manager	-	1.000	1.000	38,106	53,331	58
Restaurant Manager	0.500	0.500	0.250	40,019	56,035	60
Tournament Director/Buyer	1.000	-	-	40,019	56,035	60
Pro Shop Assistant	-	-	1.000	21,590	30,222	35
Total	2.600	2.600	4.000			
<u>Manzanita Grill</u>						
Administrative Services Director	0.025	0.050	-	Open		0
Executive Chef	1.000	1.000	1.000	48,776	68,266	68
Restaurant Manager	0.500	0.500	0.750	40,019	56,035	60
Business Manager	-	-	0.100	38,106	53,331	58
Asst Restaurant Manager	1.000	1.000	-	28,330	39,666	46
Sous Chef	1.000	1.000	1.000	28,330	39,666	46
Beverage Service Coordinator	-	-	0.500	15,288	21,382	21
Total	3.525	3.550	3.350			
<u>Golf Carts</u>						
Cart Service Coordinator	-	-	0.500			
Total	-	-	0.500			
Total Golf Course Fund	16.125	16.150	18.000			
Parking Garage Fund						
Administrative Services Director	0.100	0.075	0.100	Open		0
Lead Parking Ambassador	-	-	-	19,552	27,373	31
Total Parking Garage Fund	0.100	0.075	0.100			
Central Garage						
Administrative Services Director	0.100	0.150	0.200	Open		0
Fleet Maintenance Superintendent	1.000	1.000	1.000	56,555	79,186	74
Fleet Maintenance Supervisor	1.000	1.000	1.000	48,776	68,266	68
Equipment Mechanic	5.000	5.000	5.000	39,049	54,668	59
Parts Specialist	1.000	1.000	1.000	32,843	45,989	52
Secretary	1.000	1.000	1.000	26,957	37,752	44
Total Central Garage Fund	9.100	9.150	9.200			

**Fiscal Year 2010-11 Budget
Authorized Positions by Fiscal Year**

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2008-09	2009-10	2010-11	Min	Max	
Engineering Fund						
City Engineer	1.000	0.600	0.600	79,914	111,883	88
Construction Services Supt	1.000	1.000	1.000	70,628	98,880	83
Utilities Engineer (Civil)	1.000	1.000	1.000	68,910	96,470	82
Capital Project Manager	2.000	2.000	2.000	67,226	94,120	81
Development Services Manager	1.000	1.000	1.000	51,230	71,739	70
Senior Engineering Technician	1.000	1.000	1.000	51,230	71,739	70
Supervisory Inspector	1.000	1.000	1.000	47,570	66,602	67
Registered Land Surveyor	1.000	1.000	1.000	44,179	61,859	64
CAD Technician	1.000	1.000	1.000	43,098	60,341	63
Engineering Technician	1.000	-	-	43,098	60,341	63
Construction Contracts Specialist	1.000	1.000	1.000	41,018	57,429	61
Construction Inspector	8.000	6.000	6.000	38,106	53,331	58
Development Coordinator	1.000	1.000	1.000	36,254	50,776	56
Permit Technician	1.000	1.000	1.000	31,262	43,784	50
Total Engineering Fund	22.000	18.600	18.600			
Self-Insurance Fund						
Risk Manager	1.000	1.000	1.000	Open		0
Chief Assistant City Attorney	0.500	0.230	-	79,914	111,883	88
Senior Asst City Attorney	0.500	0.230	-	72,384	101,358	84
Risk Management Analyst	1.000	1.000	1.000	46,426	64,979	66
Risk Management Specialist	-	1.000	1.000	41,018	57,429	61
Total Self-Insurance Fund	3.000	3.460	3.000			
Facilities Maintenance Fund						
Administrative Services Director	0.400	0.400	0.400	Open		0
Maintenance Superintendent	1.000	1.000	1.000	56,555	79,186	74
Maintenance Specialist	1.000	1.000	1.000	39,042	54,662	59
Facilities Coordinator	1.000	1.000	1.000	37,170	52,042	57
Custodian	3.000	3.000	2.500	21,590	30,222	35
Total Facilities Maint. Fund	6.400	6.400	5.900			
Total City-wide Authorized Full-Time Equivalents	530.420	513.950	509.750			

GLOSSARY OF TERMS

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Actual - Actual, as used in the fund summaries and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a GAAP basis, with the exception that depreciation and amortization are not budgeted and principal payments on debt in the enterprise funds are budgeted as expenses.

Adopted Budget - Formal action made by City Council which sets the spending limits for the fiscal year.

Appropriation - An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

ARFF – Airport Rescue Fire Fighting

Assessed Valuation - A value placed upon real estate or other property by the County Assessor and the State as a basis for levying ad valorem property taxes.

Asset - Resources owned or held by a government which have monetary value.

Authorized Positions - Employee positions, which are authorized in the adopted budget, to be filled during the year.

Balanced Budget - Arizona State law requires a “balanced” budget, which is “all-inclusive”. Arizona State Revised Statute (42-17151) defines a “balanced” budget as follows:

“Fix, levy and assess the amount to be raised from primary property taxation and secondary property taxation. This amount, plus all other sources of revenue, as estimated, and unencumbered balances from the preceding fiscal year, shall equal the total of amounts proposed to be spent in the budget for the current fiscal year.”

Base Budget Allowances - Ongoing expense for personnel, commodities, and contractual services.

Beginning Balance - The beginning balance is the residual funds brought forward from the previous fiscal year (ending balance).

Bond Refinancing - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Bonds - Bonds are debt instruments which require repayment of a specified principal amount on a certain date (maturity data), together with interest at a stated rate, or according to a formula for determining the interest rate.

Budget - A budget is a plan of financial operation embodying an estimate of proposed expenditures and the means of financing them.

Budget Basis - This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

Budget Calendar - The schedule of key dates which a government follows in the preparation and adoption of the budget.

Budgetary Control - The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

C.Y.M.P.O. - Central Yavapai Metropolitan Planning Organization

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Improvements - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvement Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capital Project - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

Capital Outlay - Items costing more than \$5,000 and having a useful life of more than one year are defined as capital outlay.

Carryover - 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.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

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 Block Grant (CDBG) - Grant funds allocated by the Federal Government to the City of Prescott to use for the prevention and removal of slum and blight, and to benefit low and moderate income persons. The City of Prescott disburses these funds via an application process open to all non-profit organizations and City of Prescott departments.

Compression - A problem that occurs when, due to market conditions, the bottom of the pay range moves up more rapidly than salaries of the incumbents.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as flood emergencies, Federal mandates, shortfalls in revenue and similar eventualities.

Contractual Services - Contractual Services are services provided to the City by firms, individuals, or other City departments.

Cost Center - An organizational budget/operating unit within each City division or department.

Cost-of-living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

D.A.R.E. - Drug Abuse Resistance Education

Debt Service - Payment of interest and principal on an obligation resulting from the issuance of bonds and/or lease purchase contracts.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - A major administrative division of the City which indicates overall management responsibility for an operation or group of related operations within a functional area.

Development-related Fees - Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees, and zoning, platting and subdivision fees.

Disbursement - The expenditure of monies from an account.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Division - A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Employee Benefits - Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

Encumbrance - A reservation of funds to cover purchase orders, contracts or other funding commitments which are yet to be fulfilled. The budget basis of accounting considers an encumbrance to be the equivalent of an expenditure.

Enterprise Funds - Funds which are accounted for in a manner similar to a private business enterprise. Usually the governmental entity intends for enterprise funds to fully recover their costs (including depreciation) through user fees. The City of Prescott has six such self-supporting funds: Airport, Water, Wastewater, Golf, Solid Waste, and Transfer Station.

Estimate - As used throughout the budget document, represents the most recent estimate for current year revenue and expenditures. The estimates used are prepared using several months of actual expenditure and revenue experience and are prepared to consider the impact of unanticipated price or other economic changes.

Expenditures - Refers to current cash operating expenses and encumbrances.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Expenditure Limitation - The Arizona State Legislature imposed constitutional amendment which limits the annual expenditures of all municipalities. This limit is set by the Economic Estimates Commission based on population growth and inflation.

Fiscal Year - The time period designated by the City satisfying the beginning and ending period for recording financial transactions. The City of Prescott has specified July 1 to June 30 as its fiscal year.

Fixed Assets - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Full-Time Equivalent Position - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be equivalent to .5 of a full-time position.

Fund - An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities and fund balance.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves, and carryover.

GAAP - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Fund - A fund used to account for all general-purpose transactions of the City which do not require a special type of fund.

General Obligation Bonds (G.O. Bonds) - Bonds that require voter approval and finance a variety of public capital projects such as streets, buildings, parks and improvements. The bonds are backed by the "full faith and credit" of the issuing government.

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 given time period.

Grant - A grant is a contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function, i.e., library materials, drug enforcement, but it is sometimes for general purposes.

Highway User Revenue Fund (HURF) - 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.

Impact Fees - Fees charged to developers or individuals to cover, in whole or in part, the anticipated costs of improvements that will be necessary as a result of the development.

Improvement Districts - Consists of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on affected property. Improvement District debt is paid for by a compulsory levy (special assessment) made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure - The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Interfund Transfers - Transfer of resources between funds that are not recorded as revenues to the fund receiving or expenditures to the fund providing.

Intergovernmental Revenue - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Charges - The charges to user departments for internal services provided by another government agency, such as data processing, or insurance funded from a central pool.

Levy - To impose taxes for the support of government activities.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Mandate - Legislation passed by the State or Federal government requiring action or provision of services and/or programs. Examples include the Americans With Disabilities Act which requires actions such as physical facility improvements and provision of specialized transportation services.

Municipal Property Corporation (MPC) - The Municipal Property Corporation is a non-profit corporation established to issue bonds to fund City capital improvement projects.

Net Budget - The legally adopted budget less all interfund transfers and interdepartmental charges.

Objective - Desired output oriented accomplishments which can be measured and achieved within a given time frame. Achievement of the objective advances the activity organization toward a corresponding goal.

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - A budget for general expenditures such as salaries, utilities, and supplies.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Funds - Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

Pay-As-You-Go Capital Projects - Pay-as-you-go capital projects are capital projects whose funding source is derived from City revenue sources other than through the use of debt.

Performance Indicators - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Performance Measure - Data collected to determine how effective or efficient a program is in achieving its objectives.

Personnel - All employer's costs related to compensating employees of the City of Prescott, including employee fringe benefit costs such as City portion of retirement, social security, and health and industrial insurance.

Primary Property Tax - A limited tax levy used to support general government operations. The total levy for primary property taxes is restricted to a 2% annual increase, plus allowances for previously unassessed property (primarily new construction).

Program - A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the City is responsible.

Property Tax - A levy upon each \$100 of assessed valuation of property within the City of Prescott. Arizona has two types of property taxes. Primary property taxes support the City of Prescott's general fund, and secondary property taxes pay general obligation debt.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances.

Revenue - Sources of income financing the operations of government.

SCADA - Supervisory Control and Data Acquisition

Secondary Property Tax - An unlimited tax levy restricted to general bonded debt obligations.

Service Level - Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Source of Revenue - Revenues are classified according to their source or point of origin.

Special Assessment - A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

State-Shared Revenues - Revenues levied and collected by the State but shared on a predetermined basis with local governments.

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.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers - Transfers are the authorized exchanges of cash or other resources between funds.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

U/W/I - Urban Wildland Interface

Unrestricted Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Workload Indicator - A unit of work to be done (e.g., number of permit applications received, the number of household receiving refuse collection service, or the number of burglaries to be investigated).