

CITY OF **PRESCOTT**
ARIZONA
Everybody's Hometown



CELEBRATING 125 YEARS OF THE WORLD'S OLDEST RODEO

ANNUAL BUDGET
FISCAL YEAR 2012-2013

City of Prescott, Arizona Annual Budget

for fiscal year
July 1, 2012 – June 30, 2013



City Council

Marlin Kuykendall, Mayor

Charlie Arnold

Steve Blair

Alan Carlow

Chris Kuknyo

Jim Lamerson

Len Scamardo

Administrative Staff

Craig McConnell
City Manager

Mark Woodfill
Finance Director

Jodi Fisher
Budget Manager

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PREFACE

BUDGET PROCESS OVERVIEW

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.

Purpose of the Budget

The fundamental purpose of the City's budget is to link what we want to accomplish for the community with the resources necessary to do so. The budget process does this by setting City goals and objectives; establishing reasonable timeframes and organizational responsibility for achieving them and allocating resources for programs and projects. To this end, the budget serves four roles:

- **Policy Document.** Sets forth goals and objectives to be accomplished and the fundamental fiscal principles upon which the budget is prepared.
- **Fiscal Plan.** Identifies and appropriates the resources necessary to accomplish objectives and deliver services and ensures that the City's fiscal health is maintained.
- **Operations Guide.** Describes the basic organizational units and activities of the City.
- **Communications Tool.** Provides the public with a blueprint of how public resources are being used and how these allocations were made.

Major City Goals

Linking important objectives with necessary resources requires a process that identifies key goals at the very beginning of the budget preparation. The City begins this process with the Mayor and City Council meeting and setting the goals that guide the departments in

their budget preparation. City staff then prepares the proposed budget based on the Council's policy guidance.

Financial Plan Policies

Formally articulated budget and fiscal policies provide the foundation for preparing and implementing the budget while assuring the City's long-term fiscal health. Included in this budget document, these policies include general budget, debt and investment policies.

Preparation and Review Process

The budget development is headed by the City Manager, Finance Director and the Budget Manager along with the city's department heads. The following discusses the general approach under the City's budget process:

The Budget and Finance Department provided department/division heads, supervisors, and budget coordinators with instructions and guidance in developing and entering their FY2013 budgets. Along with the FY2013 budget preparation detail, forms, instructions, and information regarding the preparation of the Five-Year Capital Improvement Plan (FY2014-FY2018) 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 9th 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 Improvement Plan) was March 23rd. 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 FY2012 but not expected to be received or completed by June 30, 2012, were needed to determine estimated

PREFACE

BUDGET PROCESS OVERVIEW

expenditures in FY2012 and the carry forward amounts for FY2013.

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 9 through April 27. 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 17 and 24, 2012.

Expenditure Limit Hearing: The City currently operates under the Home Rule Option which as been approved by the voters. As part of that process, a public hearing is mandatory. At the Council Meeting of June 12, 2012, the hearing date was set for June 26, 2012.

Tentative Adoption: One June 12, 2012, Council adopted the tentative budget and set June 26, 2012, as the date for the public hearing on the final budget, expenditure limitation, and tax levy for Fiscal Year 2013. 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, Adoption of City Job Roster, Establishment of Expenditure Limitation, and Identification of Unfunded Capital: On June 26, 2012, the final budget, five-year capital improvement plan, city job roster were adopted, identification of unfunded capital was made, and the expenditure limitation was established.

Property Tax Levy: Adoption of the property tax levy ordinance follows fourteen days later, or July 10, 2012, in accordance with State law.

Mid-Year Review. The Budget and Finance Director presents a mid-year budget report to the Mayor and Council at a public workshop each January.

Interim Financial and Project Status Reports. On-line access to "up-to-date" financial information is provided to staff throughout the organization via the financial system "MUNIS".

Administration

As set forth in the City Charter, the department heads may make transfers of appropriations within the department. The City Manager may transfer budgeted amounts within any fund. Any revisions that alter the total expenditures of any fund must be approved by the City Council. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level.

Budget Calendar

A calendar is prepared for the annual budget development. This budget year's budget calendar is presented on the next page.

PREFACE

DETAIL BUDGET CALENDAR – FISCAL YEAR 2012-2013

<u>Date</u>	<u>Description</u>
January 31, 2012	Budget Action Plan session by Council
February 9, 2012	Budget “Kick-off” Meeting
February 17, 2012	Department Missions, Division Missions, Goals, Performance Measures, and Organizational Charts due
February 24, 2012	FY2012 estimated endings for temp personnel and overtime, list of anticipated retirements due FY2013 requests for temporary personnel, overtime, new personnel requests, position reclassifications and list of anticipated retirements due
March 9, 2012	Base budgets due – FY2012 estimated endings and FY2013 requests
March 23, 2012	Capital requests for FY2013 through FY2018 to be submitted. This also includes a list of estimated endings and carryovers for any FY2012 projects. List of estimated endings for grants for FY2012 and anticipated grants for FY2013 along with the grant checklist is due.
Mid-April	City Manager meetings with departments for the review of base budgets, capital requests, new personnel request and other issues.
May 4, 2012	Submit list of changes to estimated endings and carryovers for capital outlay/project and grants.
May 17, 2012	Workshop with full Council (public invited) – Operating budget
May 24, 2012	Workshop with full Council (public invited) – Capital Budget
June 12, 2012	Set public hearing on expenditure limitation and tentative adoption
June 26, 2012	Official public hearing on budget and adoption of budget
July 6, 2012	List of Prior Year Results (FY2012) and Outcomes are due
July 10, 2012	Adoption of Tax Levy

INTRODUCTION

ORGANIZATIONAL VALUES



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

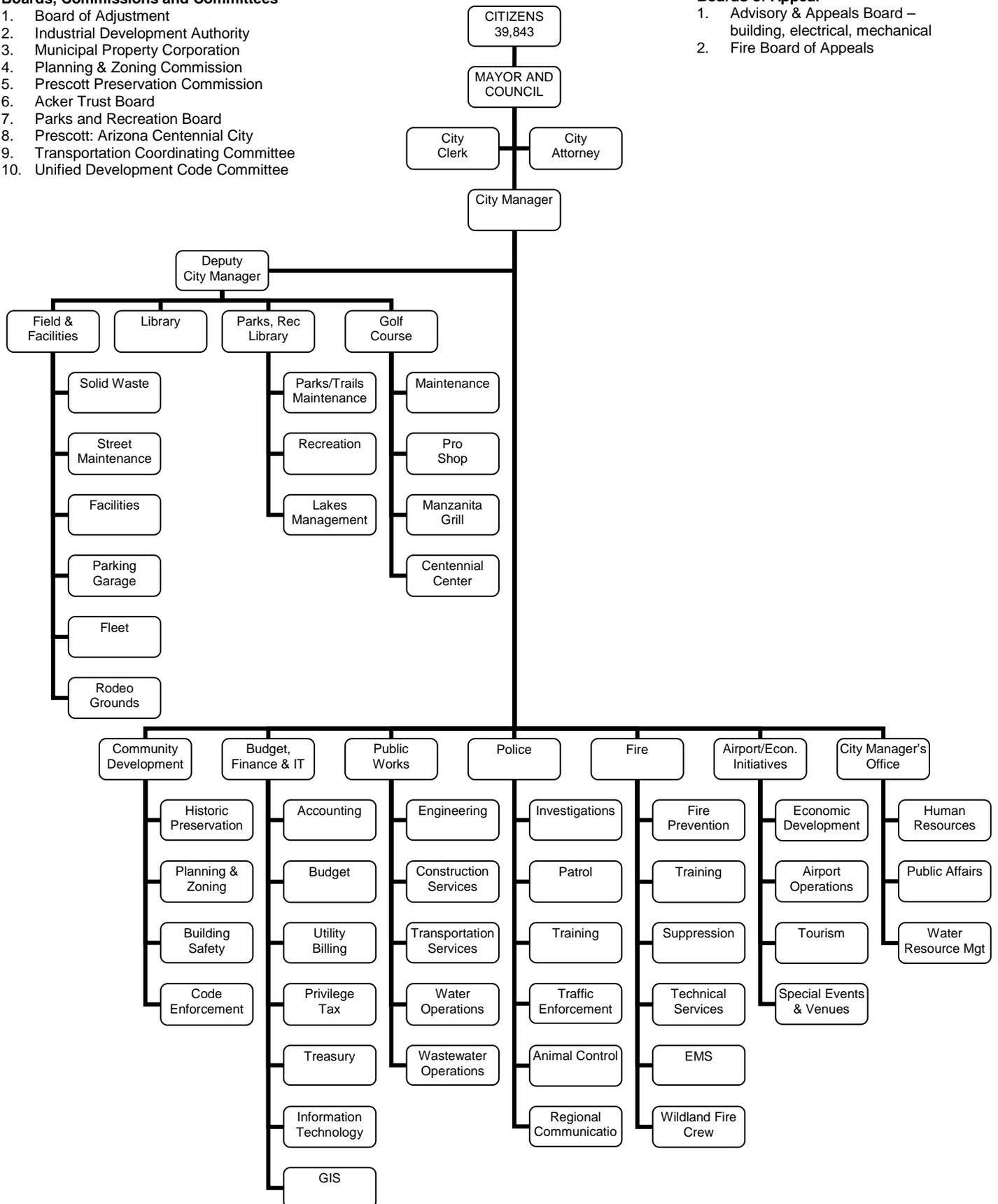
ORGANIZATIONAL CHART AND CITY OFFICIALS

Boards, Commissions and Committees

1. Board of Adjustment
2. Industrial Development Authority
3. Municipal Property Corporation
4. Planning & Zoning Commission
5. Prescott Preservation Commission
6. Acker Trust Board
7. Parks and Recreation Board
8. Prescott: Arizona Centennial City
9. Transportation Coordinating Committee
10. Unified Development Code Committee

Boards of Appeal

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



ORGANIZATIONAL CHART AND 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.



Charlie Arnold, Councilman

Charlie Arnold has had a passion for community service since his days as an Eagle Scout at Prescott's St. Luke's Episcopal Church.

A fourth generation Prescottonian, Arnold's affinity for the area runs deep. Following his college years, he had numerous career opportunities in larger metropolitan areas, but he had a calling to return to Prescott and continue the family tradition of giving back to the community.

At the age of 25, Arnold became the youngest Chamber of Commerce president in the history of Arizona when he assumed that post in Chino Valley Area. He has also been an active participant and board member with organizations like the Central Arizona Partnership, Yavapai County Contractor's Association, Prescott Area Coalition for Tourism, Prescott Area Leadership, American Legion, and many others. In 2010, Arnold was honored by the Prescott Young Professionals with the coveted 2010 Visionary Award.

As a member of the Prescott city Council, Arnold's top priority is to ensure continued support for the police, fire, and public works departments. He believes these core services are fundamental to ensuring every citizen's basic right to health, safety, and quality of life.

Arnold graduated from Prescott High School in 2003 and continued his education at Yavapai College and the University of Arizona, developing a foundation for his specialties in regional planning and economic development.

In his professional life, Arnold owns Southwest Development Consultants and Northern Arizona Tree Service.

ORGANIZATIONAL CHART AND CITY OFFICIALS



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.



Alan Carlow, Councilman

Alan Carlow is first and foremost a business professional and public servant. Following Tammy Linn's resignation in July 2011, he was elected to fill the remaining two-years left on her council

seat. He plans to draw upon his 30 years of diversified business expertise to meet his

number one priority of enhancing Prescott's "Everybody's Hometown" values by striving to be an open, vibrant city.

Carlow hails from Michigan by way of California and Colorado and has lived in Prescott for four years. He's been actively involved with numerous community groups including the Prescott Chamber of Commerce as a member of the Economic Development and Government Affairs committees.

Older adult issues have been an area of focus for Carlow. He's served as Chairperson for the 2050 Committee's senior issues group and was an original member of Yavapai Elder Abuse Regional Task Force. Carlow ranks serving as President of Tender Hearts Elder Care Advisory Services among the highlights of his career.

Carlow is currently the CEO of a mortgage post-closing technology and services start-up company. He holds a Masters degree in Business Administration and is a Certified Senior Advisor with expertise in strategic planning, business development, and best practices implementation. As a Vice President at GE Capital (Mortgage Insurance & Residential Connections), Carlow was a Senior Operations Leader performing merger and acquisition activities as well as business integration.

As a Prescott city council member Carlow is dedicated to providing quality basic services and maintaining necessary infrastructure. He will support fiscal responsibility by spending conservatively, prioritizing projects, reducing costs and improving service levels. He will promote economic development by creating an environment for business growth and retention.

ORGANIZATIONAL CHART AND CITY OFFICIALS



Chris Kuknyo, Councilman

Chris Kuknyo is a longtime Prescott resident. He relocated from Chicago with his family in 1978 and immediately fell in love with the area's forests, lakes, and trails.

Kuknyo graduated from Prescott High School in 1984 and began pursuing a career in broadcasting. After marrying his wife May in 1990, Kuknyo set his radio-television aspirations aside in order to earn a living that would allow the newlyweds to raise a family. Over the next decade, he held a series of jobs, working as an underground miner, asphalt mover, and factory machine operator.

In the summer of 2000, Kuknyo's fortunes changed when a longtime friend asked him to partner in a start-up trash hauling venture. By 2011, "the little company that started with one truck and a dream" had over 30 employees providing service to homes from Chino Valley to Sedona.

Kuknyo spends his free time keeping up with the activities of his two teenage children. He also participates in various community programs having served on the boards of the Prescott Valley Chamber of Commerce and Economic Development Foundation. Kuknyo says he is also a passionate supporter of the Yavapai Food Bank.

As Chairman of the Governmental Affairs committee, Kuknyo has traveled to Washington, D.C. to testify before the congressional committee on small business. He believes that targeted regional economic development and cooperation will attract the base jobs needed to sustain essential services and infrastructure.

Kuknyo's primary goal as a Prescott City Councilman is to work towards increasing governmental transparency and responsiveness to all citizens.



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."

ORGANIZATIONAL CHART AND CITY OFFICIALS



**Len Scamardo,
Councilman**

Len Scamardo has twice been unanimously appointed to the Prescott city council. In July, 2011 he did a four month stint for Tammy Linn following her

resignation until a permanent replacement was found. In April, 2012 he was once again appointed to serve on council – this time for departing member John Hanna who resigned in order to run for District 1 Supervisor in Yavapai County.

Scamardo has nearly 20 years of experience on City of Prescott boards and commissions. He served two four-year terms on the Prescott Board of Adjustment followed by three terms on the Planning and Zoning Commission as commissioner. He has also served on the City's Unified Development Code Committee. Scamardo moved to Phoenix in 1979 to take a commercial real estate job with Lucky Stores. He retired in the late 1980s and opened a store in downtown Prescott with his daughter.

A native of upstate New York, Scamardo had a lengthy, successful career in commercial real estate and shopping center development. His present term will expire in November, 2012.



**Craig McConnell,
City Manager**

Craig McConnell was appointed to the City Manager position in August of 2011, after serving as a temporary City Manager since May.

McConnell started with the City of Prescott in 2002 as the Public Works Director. Since 2008, he has served as Deputy City Manager and recently, Regional Programs Director. McConnell's focus in the past has been on major issues like infrastructure planning, annexations, water, and the Big Chino Water Ranch. Clearly, his

greatest challenge will be to keep the general fund balanced.

McConnell began his career as a U.S. Navy Civil Engineer Corps Officer in 1971. He holds a Master's degree in civil geotechnical engineering and has over 30 years experience in varying levels of government and executive level management.

INTRODUCTION

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Prescott, Arizona for its annual budget for the fiscal year beginning July 1, 2011. 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.



POLICIES AND OBJECTIVES

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.

POLICIES AND OBJECTIVES

GENERAL BUDGET, DEBT & INVESTMENT POLICIES

- 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

The following General Fund functions are allocated based on their total City budget:

- City Council
- City Clerk
- City Manager
- City Attorney
- Purchasing
- Budget and Finance

The allocation basis for Human Resources is the number of full-time equivalent employees in each fund.

Information Technology allocation basis is calculated by the number of computers, phones, scanners and printers 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.

POLICIES AND OBJECTIVES

GENERAL BUDGET, DEBT & INVESTMENT POLICIES

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.

POLICIES AND OBJECTIVES

GENERAL BUDGET, DEBT & INVESTMENT POLICIES

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.

POLICIES AND OBJECTIVES

GENERAL BUDGET, DEBT & INVESTMENT POLICIES

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.

POLICIES AND OBJECTIVES

GENERAL BUDGET, DEBT & INVESTMENT POLICIES

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 91) 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

POLICIES AND OBJECTIVES

GENERAL BUDGET, DEBT & INVESTMENT POLICIES

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.

POLICIES AND OBJECTIVES

GENERAL BUDGET, DEBT & INVESTMENT POLICIES

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 probable 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

POLICIES AND OBJECTIVES

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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 and 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:

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GENERAL BUDGET, DEBT & INVESTMENT POLICIES

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;

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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

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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.

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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.

MAJOR CITY GOALS

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 adopted economic development policy while, at the same time, maintain the flexibility to respond to unknown opportunities.

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

In formulating the FY2012-13 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.

At the Council/staff retreat in January, City Council reaffirmed their vision, mission, core beliefs, and goals for the City thereby providing clear-cut guidance to staff in the formulation of the FY2013 Budget. The goals that were reaffirmed at this meeting 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

MAJOR CITY GOALS

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

LINKING CITY GOALS TO BUDGET

CITY GOALS	RELATED BUDGET ITEMS
Stronger Local Economy and Expanded Tax Base	Economic Development Agreements/Incentives Kuebler Field and Parking Lot Goldwater Lake Day Use Expansion
Better Mobility through Improved Roads and Transportation System	Williamson Valley Road Pavement Preservation Senator Highway Reconstruction Park Avenue Reconstruction Mount Vernon Reconstruction Airport Runway Extension Ruger Road Realignment
Managed Growth for a Balanced Community	General Plan Update Water Model Update Wastewater Collection Model Update Impact Fee Ordinance Implementation Open Space
Polished City – Beautiful and Clean	Neighborhood Cleanup Household Hazardous Waste Day Automated Side Loader Big Belly Solar Compactors
First Class Utility System	Old North Tank Reservoir Replacement New Thumb Butte Reservoir Copper Basin Reservoir Small Water Main Upgrades Airport Phase 1 (3.75MG) Sundog Filter Replacement/Denitrification Cliff Rose Lift Station Upgrade Airport Zone 12 New Reservoir Recovery Wells at Airport
Alive Downtown	Bed Tax Projects

BUDGET SUMMARIES

AMENDING THE BUDGET, BUDGET BASIS, AND FUND STRUCTURE

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 (object codes) 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.

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

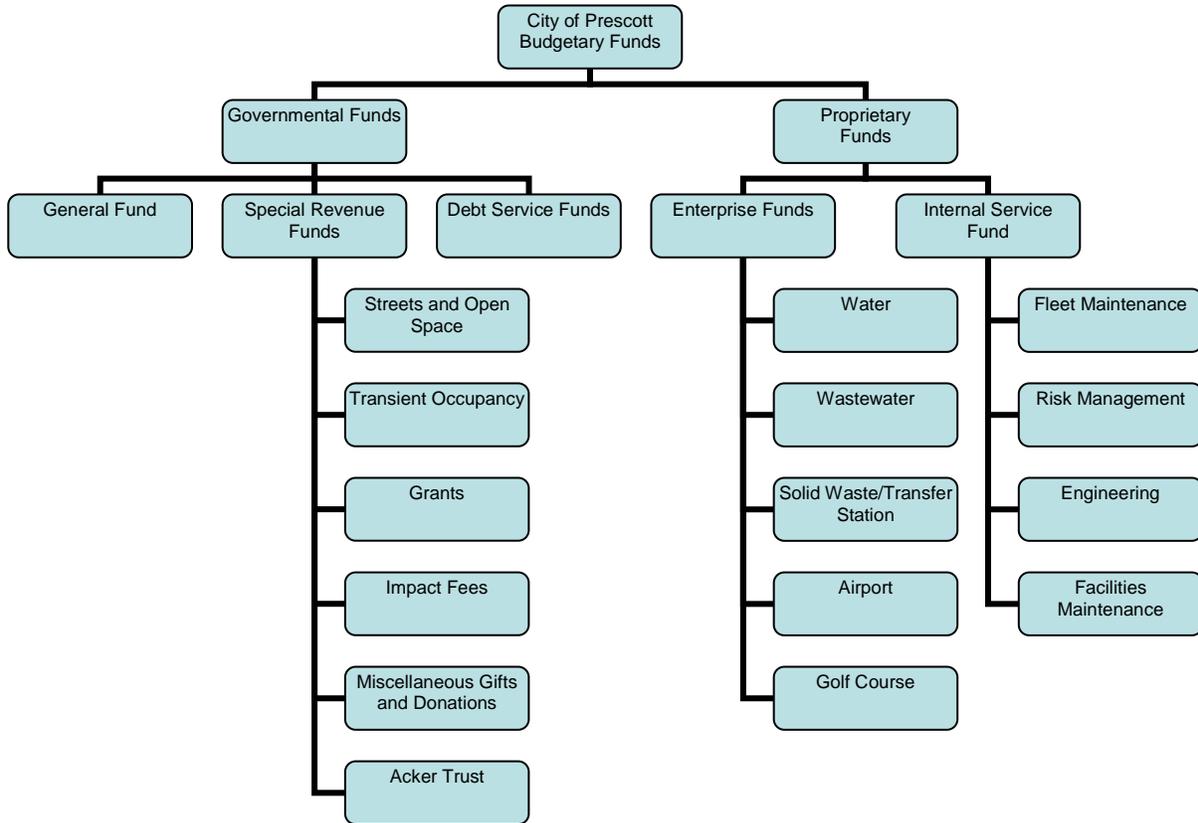
The City of Prescott budget as adopted is substantially consistent with generally accepted accounting principles (GAAP) with major differences being (1) encumbrances are treated as expenditures at fiscal year end; (2) certain liabilities, such as vacation and sick pay, are not accrued at year end for 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.

FUND STRUCTURE

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. Governmental 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:

BUDGET SUMMARIES

AMENDING THE BUDGET, BUDGET BASIS, AND FUND STRUCTURE



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, or Enterprise 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.

BUDGET SUMMARIES

AMENDING THE BUDGET, BUDGET BASIS, AND FUND STRUCTURE

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 Fund – This represents projects 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 Funds – These funds represent accounts to expend impact fees received to offset the cost of growth related projects.

Miscellaneous Gifts Fund – Provide an account to track any contributions for miscellaneous gifts which the City may receive as well as the expenditures made.

Acker Trust Fund – Accounts for the assets willed to the City by J.S. Acker. Revenue from investments and land sales are to be expended for cultural and recreational purposes only.

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 six 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 wastewater 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/Transfer Station Fund – To account for sanitation, landfill, and recycling services provided to City and County residents along with the operations of the City's transfer station facility that opened in September, 1991. 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.

BUDGET SUMMARIES

AMENDING THE BUDGET, BUDGET BASIS, AND FUND STRUCTURE

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.

Fleet Maintenance – To account for the cost of operating a maintenance facility for automotive and other equipment used by various departments. These costs are billed to the various using departments. The various user departments who acquire automotive and other equipment are responsible for replacement costs.

Risk Management – To account for the costs, both direct and indirect, of maintaining comprehensive property damage and general liability and workers' compensation insurance coverage. Revenue to this fund is derived from charges to City departments.

Engineering Services – To account for the costs, both direct and indirect, of the engineering department, which does work for other departments of the City. Revenue to this fund is derived from charges to City departments based on the work performed for the department.

Facilities Maintenance – To provide maintenance and custodial service to all city owned facilities.

BUDGET SUMMARIES

FY2013 BUDGET TRANSMITTAL MESSAGE

This Fiscal Year 2013 (FY13) budget reflects many decisions, measures and actions taken to address a weak economy that while slowly showing signs of recovery, has dramatically impacted municipal and state governments throughout the country, including those in Arizona. The FY13 Budget continues the City's efforts to strategically approach and manage the budget challenges we face, particularly in the General Fund, allocating incremental increases in revenue to strengthen long term sustainability of services and organizational stability. This budget includes no increase in either the primary property tax or sales tax rate, maintaining the City of Prescott's distinction of having the lowest of these levies in the Quad City Area.

Despite a moderate upswing in the economic activity generating revenue to fund City operations, the limited tools available to Arizona municipalities result in undue reliance upon one source of revenue, local sales/use tax, to support the City's General Fund. This is the fund through which basic governmental services are provided, including police, fire, parks and recreation, library, planning and zoning, and general city governmental functions. Action taken to address this ongoing structural funding challenge include continuing review and restructuring of departments, eliminating unneeded positions, increasing operating efficiencies, reducing costs and, where possible, growing revenues through new initiatives.

The need for a comprehensive, in-depth analysis of City revenues and expenditures led to a nine-month series of public budget presentations and dialogue to set the stage for formulation of this FY13 Budget. The process culminated in a Budget Action Plan identifying specific areas, summarized below, for further work to address short and longer term operations, services, and finances.

1. Ongoing review of all City services for necessity, priority, efficiency/effectiveness, and means of delivery, public and/or private
2. Review of organizational structure and positions correlated to service provision and workload; adjustments made where indicated
 - The FY13 budget includes 10 fewer budgeted full time equivalent positions and streamlining of several service units
3. Validation of vehicles and equipment in the City fleet for operational need; eliminate units/extend service life where practical
 - The review reduced the fleet by 12 vehicles and increased designated pool vehicles in lieu of assignments to individual operating units
4. Continuous review and initiation of code updates to eliminate unnecessary/inefficient regulation
5. Public Safety
 - The Community Service Restitution Program was reviewed, modified, and reassigned to Parks and Recreation at an annual savings of \$30,000
 - Review of alternatives to be accomplished during the fiscal year addressing delivery of public safety services, to identify and implement efficiencies (fire suppression, paramedic, transport, policing and interrelated programs)
6. Antelope Hills Golf Course
 - Rates were reviewed and adjusted to pre-2010 levels, and marketing redirected to increase revenue
 - Milestones were established for in-depth analysis of the business operation, to be accomplished in FY13
7. Review and adjustment of other user fees where indicated
 - This budget includes fee adjustments for the Airport and golf course, as well as a review of utility rates and development fees; and contemplates continuing dialogue regarding Library funding

BUDGET SUMMARIES

FY2013 BUDGET TRANSMITTAL MESSAGE

8. Tourism – a goal was established to transition all current General Fund support for tourism development to the Transient Occupancy (Bed) Tax
 - The cost to the General fund was reduced by approximately \$50,000
9. Airport – ongoing review and adjustments to revenue generators (fees, rates, leases) to align with market
10. Economic development – update Economic Development Plan to include Airport business plan oriented to economic expansion
 - The Airport and Economic Enterprises Department was established by this budget, providing a new, airport-oriented focus which recognizes the economic vitality and further potential of this area

The Fiscal Year 2013 Budget totals \$160,059,296.00, which represents a 1.6% decrease from the prior year level, primarily attributable to completion of funded projects in the City's aggressive infrastructure rehabilitation and replacement programs. The \$76,731,340 Operating Budget primarily supports delivery of day to day core services, and is an increase of 0.7% over last year. The five year Capital Improvement Program (CIP) totals \$97,413,565 with the Capital Budget for FY13 totaling \$83,327,956.

As evidenced by the following highlights, the City continues to provide high levels of service to Prescott residents, businesses, and visitors, and realize many successes in our competitive commercial environment despite the budget challenges arising from external economic factors and the municipal revenue structure of the state.

Financial Sustainability

- Secured and opened high profile businesses including Trader Joe's, Natural Grocers by Vitamin Shoppe, Cal Ranch Stores, Five Guys Burgers, House of Bread, Manzanita Outdoor, and expansion of Davidson's/Proforce (law enforcement product distribution)
- Hosted various commercial film shorts and including Toyota Prius, History Channel "Back in My Day," Koppen Clothing, CenturyLink, and MTV "Made"
- Updated employee benefits, reducing long-term financial liability and increasing productivity
- Collected \$657,744 in fees through field and desk audits (income which otherwise would be unrealized)

Public Safety

- Crime Prevention implemented a home security survey program providing on-site home surveys and suggestions for improving home security
- Police officers responded to 46,145 incidents; 30,544 of which were dispatched calls for service
- Secured grant funding to support 13 DUI Taskforce details, two weeks of enhanced enforcement for "Click it or Ticket," and six speed and aggressive driver enforcement details
- Volunteers donated a total of 11,290 hours, including 8,994 by Citizens on Patrol
- Biannual audit by DPS for ACJIS confirmed the Police Department was 100% in compliance with state and federal mandates
- Recognition by the National Association of Town Watch for the annual National Night Out, placing 15th in the Country for cities with a population of 15,000-49,999
- Prescott Regional Communications Center (PRCC) answered 299,203 inbound calls to the Center and dispatched over 70,400 calls for service to participating jurisdictions
- Fire Department obtained two wildland fuels reduction grants for bark beetle and Title III Hazardous Fuels programs

BUDGET SUMMARIES

FY2013 BUDGET TRANSMITTAL MESSAGE

- Wildland Fire Crews completed 166 detailed home assessments, treated 5 homes for defensible space, completed 614 Red-Zone home assessments, 652 chip jobs for home owners, 52 vegetation inspections for new construction, and 10 acres of fuel reduction on City of Prescott open space, treating a total of 521.5 acres within the Prescott Basin

Completed Major Capital Improvements

- Small Water Main Upgrades
- Old North Reservoir Replacement
- Willow Creek 14" Water Main Replacement
- Concrete Dam Repairs
- Airport Recovery Well #3 drilling and equipping
- Chino Valley Well Site Landscaping and Improvements
- Meadowbrook Water Main Replacement
- Penn Alley Sewer Rehabilitation
- Williamson Valley Road Reconstruction
- Hornet Drive Pavement Reconstruction
- Cliffrose/Blackhawk Drainage Improvements

Streets

- Responded to 18 emergency storm events (3,043 man-hours)
- Maintained 596 lane-miles of paved streets
- Replaced and repaired 1,320 traffic control and street signs
- Annual chipseal and pavement repair program treated 10 lane-miles generally within the Southview, Copper Canyon, and Sandretto Hills subdivisions

Community Development

- Continued the productive Preliminary Application Conference process facilitating and shortening the development review process
- Implemented 8 neighborhood enhancements reducing blight (60 tons of waste removed)
- Organized and guided the Council-appointed General Plan Committee

Quality of Life

Elks Opera House

- Implemented a Bulk Rental Contract, providing discounts to renters who book 10 or more events in a 12 month period; the three contracts in effect provide for the hosting of 30 events per year
- Increased the number of events by 48% over the prior year, with a total of 58 hosted

Parks & Recreation

- Partnered with the Prescott Mountain Bike Alliance for construction of the popular Granite Creek Park Pump Track
- Completed the 2+ mile Centennial Trail and parking lot on the west side of Prescott through recently acquired open space, with extensive volunteer participation
- Realized construction of the half-mile North Shore Trail via a license agreement with the private property owner, completing the five mile loop trail around Watson Lake
- Increased camping sites at Watson Lake from 23 to 34 within the existing budget, providing additional capacity for the public and enhancing revenue generation

BUDGET SUMMARIES

FY2013 BUDGET TRANSMITTAL MESSAGE

Library

- Delivered 282 library programs for adults with attendance of 7,748, and youth services programming that reached 16,914 children up to age 18
- The library gate count was 509,236; 673,559 physical items and 28,727 electronic items were checked out
- The “Ask a Librarian” desk fielded over 132,000 questions during the year, and public computers were signed on to 112,886 times

Antelope Hills Golf Course

- Deployed a new fleet of electric golf carts at a one-time cost of \$495,000, anticipated to return \$400,000 in revenue annually, with additional benefits of reduced maintenance and fuel savings
- During the first nine months of operation, the remodeled Centennial Center generated positive cash flow as an additional asset for major tournaments, and other community and private events

Energy and Environment

- Lightning retrofits were accomplished, qualifying the City for APS rebates, at the Granite Street parking garage, Public Works, Fleet Maintenance, Police Department, Facilities Management, and Engineering Services buildings, estimated to produce annual energy savings of 33%
- Light timers were installed on all Parks and Recreation fields to reduce energy consumption
- Solid Waste removed 187 tons of trash from neighborhoods during the Annual Spring Cleanup

Public Information

- More than 50,000 impressions on social media accounts (Facebook, Twitter, and YouTube)
- National Merit Telly and Emmy Award nomination for "Live+Work+Play Prescott" video
- Honored by Governor's Office as a "Tourism Champion of the Year" for the Centennial Best Fest

Utility Systems (Water and Wastewater)

- Funding of \$510,000 granted by Yavapai County Flood Control District for updating flood studies and maps
- 1,170,000 feet (221+ miles) of sewer main cleaned and condition assessed for preventive maintenance
- Responded to and performed 9860 Blue Stakes (marking of water and sewer facilities)
- Improved solids (sludge) processing operations reducing weekend/holiday operations at wastewater treatment plants

Facilities and Vehicle/Equipment Fleet

- Rodeo Grounds “Grandstands Project” completed restoring bleachers to original configuration, improving ingress and egress for public, and improving subsurface drainage
- Participated in the annual Solid Waste Association of North America competition for refuse truck mechanics, with two personnel placed second and third in the state

Tourism

- Transient Occupancy Bed) Tax revenue increased 10.4% and occupancy was up 5.4%
- Revenue per Available Room (RevPAR) increased 8.8%

BUDGET SUMMARIES

FY2013 BUDGET TRANSMITTAL MESSAGE

- Average Daily Rate (ADR) also increased, up 3.2%
- The Tourism website attracted 122,000 visitors and a new mobile version of the website was launched
- Partnered with Yavapai-Prescott Indian Tribe through a \$10,000 grant for tourism marketing
- Over \$6 million in media coverage value was realized by Prescott without purchase
- Representation was provided at five major trade/consumer/media shows

Challenges Going Forward

Despite our concerted efforts to address funding of the City's short and long-term operational and capital needs, significant challenges remain which will not be overcome in their entirety by turnarounds in the national and state economies:

- Census driven impacts to revenues collected and shared by the State
- Reduction and elimination of grants providing important supplemental funding of public safety programs
- Local economic development and competition
- Shifting of financial costs from the State to municipalities
- Increases in employee insurance and retirement costs
- Increases in utility and fuel costs
- Compliance with more extensive, costly federal and state regulations
- Funding deferred replacement of vehicles and equipment, adequate maintenance of facilities, and necessary training

These items will require in-depth scrutiny and new approaches to assure that mandated responsibilities are successfully met.

In summary, this Fiscal Year 2013 Budget is focused on services, programs, and amenities central to assuring a high quality of life in Prescott. These will continue to keep our community safe and clean, implement and complement strategic economic development, encourage tourism, and assure traffic flow. In order to do so, tradeoffs were necessary including funding fewer full time equivalent positions, adjustment of paid time off, and keeping overall compensation for positions at prior year (Fiscal Year 2012) levels. The end result of the annual budget formulation process responsibly balances income and expenditures to effectively and efficiently deliver the services our citizens need and expect.

I wish to thank the City Council for their guidance and support in this process, the invaluable input from residents, and the employees of Prescott for their contributions in keeping Prescott a city renowned for its welcoming, picturesque ambiance.

Respectfully submitted,

Craig McConnell
City Manager

BUDGET SUMMARIES

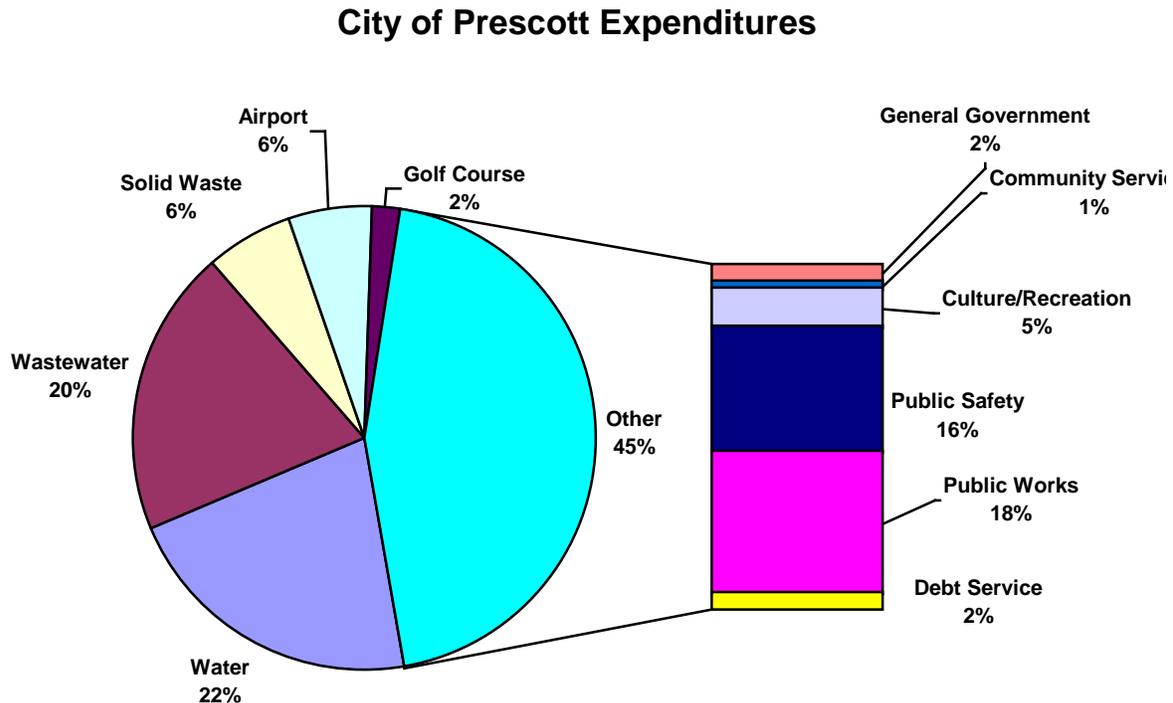
FY2013 BUDGET SUMMARY

The FY2012-13 Budget consists of two different components – the operating budget and the capital budget. The operating budget is \$76,731,340 representing a 0.7% increase from FY2011-12. 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 and recreation; library services; water; wastewater; 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 \$83,327,956, a 3.6% increase from FY2012-13. 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 FY2012-13 to \$160,059,296

The following pie chart shows how the FY2012-13 expenditures of \$160,059,296 are spread percentage wise among the various Enterprise Funds and Governmental Funds.

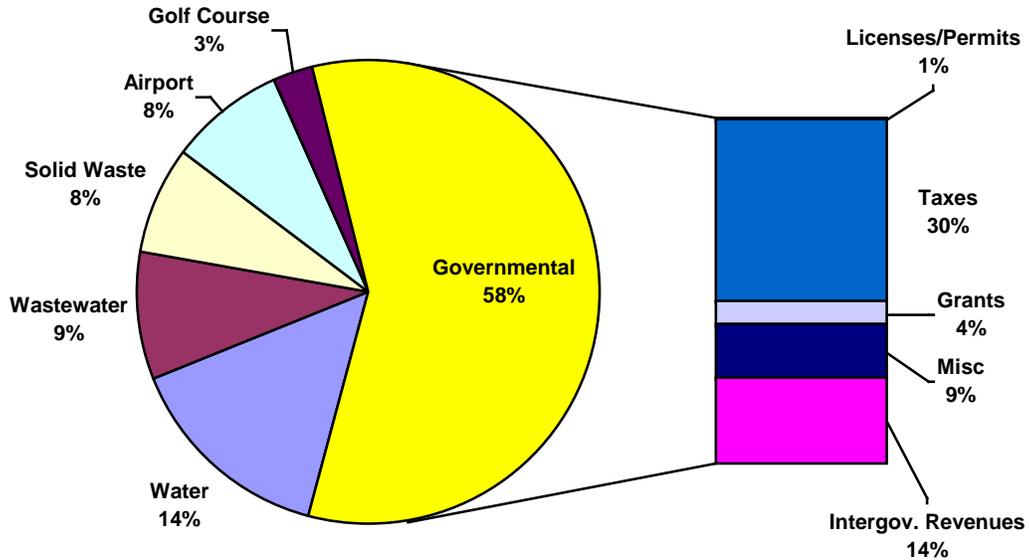


FY2012-13 revenues of \$107,443,771 are shown below in the same format for your easy comparison.

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

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.

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

CITY OF PRESCOTT ALL FUNDS SUMMARY

	Actual FY2009	Actual FY2010	Actual FY2011	Budget FY2012	Est End FY2012	Budget FY2013
Source of Funds:						
Beginning Fund Balance						
General Fund	12,489,782	11,904,768	19,580,170	16,432,568	16,432,568	14,637,437
Special Revenue Funds	22,673,217	14,856,515	18,175,581	23,450,474	23,450,474	17,077,757
Other Funds	7,164,788	9,255,231	10,012,412	9,198,641	9,198,641	9,223,597
Enterprise Funds	<u>27,621,538</u>	<u>23,785,378</u>	<u>25,437,275</u>	<u>30,027,470</u>	<u>30,027,470</u>	<u>24,782,576</u>
Total Beginning Fund Balance	69,949,324	59,801,891	73,205,439	79,109,153	79,109,153	65,721,367
Revenues						
General Fund	32,400,800	31,436,877	29,184,635	27,800,351	27,859,784	29,691,997
Special Revenue Funds	18,942,319	19,958,337	20,370,285	24,437,119	19,654,272	21,757,113
Other Funds	3,109,158	2,269,048	2,315,316	3,169,709	3,318,546	3,146,610
Enterprise Funds	<u>36,582,752</u>	<u>33,696,461</u>	<u>35,787,151</u>	<u>46,852,240</u>	<u>41,287,744</u>	<u>46,061,391</u>
Subtotal	91,035,029	87,360,722	87,657,387	102,259,419	92,120,346	100,657,111
Other Funding Sources						
Bond Proceeds	2,999,904	38,515,381	15,138,969	10,100,000	4,532,658	30,369,451
Costs Recovered From Other Funds	9,745,127	8,512,311	6,169,169	6,586,438	6,669,603	6,776,661
Transfers In	<u>6,093,327</u>	<u>12,482,955</u>	<u>475,155</u>	<u>1,074,998</u>	<u>804,230</u>	<u>590,182</u>
Subtotal	18,838,358	59,510,647	21,783,293	17,761,436	12,006,491	37,736,294
Total Revenues and Other Funding Sources	109,873,387	146,871,369	109,440,680	120,020,855	104,126,837	138,393,405
Use of Funds:						
Operating Budget						
General Fund	31,161,771	29,243,278	29,045,393	29,045,894	28,510,407	29,121,839
Special Revenue Funds	5,838,135	5,134,814	6,972,890	7,926,807	7,635,083	7,663,086
Other Funds	9,474,507	8,626,542	8,586,032	9,951,675	9,037,222	10,190,841
Enterprise Funds	<u>27,192,760</u>	<u>36,397,468</u>	<u>27,824,698</u>	<u>29,280,045</u>	<u>30,910,844</u>	<u>29,755,573</u>
Subtotal	73,667,173	79,402,102	72,429,012	76,204,421	76,093,556	76,731,340
Capital Budget						
General Fund	285,369	547,413	3,079,464	1,186,594	619,232	861,961
Special Revenue Funds	22,608,242	24,763,534	16,770,647	36,174,731	20,363,069	26,457,656
Other Funds	905,933	1,437,636	712,224	2,479,482	925,971	2,381,797
Enterprise Funds	<u>16,053,729</u>	<u>17,340,732</u>	<u>9,888,356</u>	<u>46,561,903</u>	<u>19,163,643</u>	<u>53,626,542</u>
Subtotal	39,853,273	44,089,316	30,450,691	86,402,710	41,071,915	83,327,956
Transfers Out	3,646,716	11,724,526	657,264	962,059	684,956	666,663
Total Expenditures and Transfers Out	117,167,162	135,215,943	103,536,968	163,569,190	117,850,428	160,725,959
Ending Fund Balance						
General Fund	11,904,768	19,580,170	16,432,568	13,360,722	14,637,437	13,755,450
Special Revenue Funds	14,856,515	18,175,581	23,450,474	4,484,645	17,077,757	4,991,954
Other Funds	9,255,231	10,012,412	9,198,641	6,563,163	9,223,597	6,576,980
Enterprise Funds	<u>23,785,378</u>	<u>25,437,275</u>	<u>30,027,470</u>	<u>11,191,820</u>	<u>24,782,576</u>	<u>18,067,723</u>
Total Ending Fund Balance	59,801,891	73,205,439	79,109,153	35,600,351	65,721,367	43,392,108

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

CITY OF PRESCOTT GENERAL FUND FUND SUMMARY

	Actual FY2009	Actual FY2010	Actual FY2011	Budget FY2012	Est End FY2012	Budget FY2013
Source of Funds:						
Beginning Fund Balance						
General Fund Reserve	7,017,399	6,480,160	6,287,375	5,836,927	5,836,927	5,571,957
Capital Reserve			4,674,618	1,673,324	1,673,324	1,796,589
Long-Term Commitments	3,144,651	3,220,065	3,348,959	2,837,301	2,837,301	2,400,000
Interfund Loans	19,148	-	3,452,886	3,964,030	3,964,030	3,503,248
Unreserved Fund Balance	<u>2,308,584</u>	<u>2,204,543</u>	<u>1,816,332</u>	<u>2,120,986</u>	<u>2,120,986</u>	<u>1,365,643</u>
Total Beginning Fund Balance	12,489,782	11,904,768	19,580,170	16,432,568	16,432,568	14,637,437
Revenues						
Taxes						
Sales/Use Tax	12,944,266	13,646,121	12,144,489	11,924,000	12,051,000	12,625,000
Primary Property Tax	1,203,539	1,235,701	1,257,419	1,255,878	1,255,878	1,095,856
Franchise Taxes	1,567,388	1,673,000	1,637,128	1,735,747	1,669,021	1,719,092
Intergovernmental Revenues						
State Sales Tax	3,243,790	3,134,416	3,112,851	3,014,378	3,014,378	3,331,681
State Income Tax	6,093,130	5,263,678	3,968,257	3,362,918	3,362,918	4,069,508
State Vehicle License	2,307,037	2,341,887	2,273,532	2,115,643	2,115,643	2,070,382
Joint Dispatch	1,160,463	1,036,886	1,099,845	1,106,896	1,106,896	1,226,681
Library	723,288	749,770	919,721	688,225	591,924	582,123
Other	388,407	315,000	330,565	331,516	333,516	380,816
Licenses and Permits	378,666	304,243	388,083	306,600	333,516	332,600
Service Charges	1,291,624	918,739	1,155,854	1,089,850	1,137,343	1,399,458
Fines & Forfeitures	551,824	468,842	525,898	450,750	505,300	504,800
Miscellaneous	<u>547,377</u>	<u>348,594</u>	<u>370,992</u>	<u>417,950</u>	<u>382,451</u>	<u>354,000</u>
Subtotal	32,400,800	31,436,877	29,184,635	27,800,351	27,859,784	29,691,997
Other Funding Sources						
Lease Purchase Proceeds	250,000	-	-	-	-	-
Transfers In	<u>80,000</u>	<u>7,665,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	330,000	7,665,540	-	-	-	-
Total Revenues & Other Funding Sources	32,730,800	39,102,417	29,184,635	27,800,351	27,859,784	29,691,997
Use of Funds:						
Departments						
General Government						
Mayor and City Council	23,652	10,495	17,502	52,066	34,699	39,104
City Clerk	31,323	(91)	53,858	105,681	82,748	78,451
City Court	477,439	517,297	481,028	522,912	484,527	549,961
City Manager	193,877	143,050	179,125	178,443	42,000	112,250
Public Communications	49,481	54,833	52,814	(21,226)	(22,396)	(27,909)
Special Events	194,242	147,358	121,671	111,089	120,817	-
Prescott Community Access Channel	98,570	87,144	87,144	87,365	87,365	87,247
Legal	230,923	260,445	295,727	282,631	282,581	246,865
Economic Development	255,602	225,389	2,203,159	1,695,680	1,641,933	-
Human Resources	226,310	244,667	(71,836)	-	(5,053)	702
Insurance and Retirements	<u>343,887</u>	<u>199,654</u>	<u>473,493</u>	<u>494,165</u>	<u>636,552</u>	<u>524,885</u>
General Government Total	2,125,304	1,890,240	3,893,685	3,508,806	3,385,772	1,611,556

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

CITY OF PRESCOTT GENERAL FUND FUND SUMMARY

	Actual FY2009	Actual FY2010	Actual FY2011	Budget FY2012	Est End FY2012	Budget FY2013
Budget and Finance	1,337,372	1,245,223	394,298	392,503	458,066	415,008
Field and Facilities						103,381
Administrative Services	195,992	233,795	330,593	329,699	257,870	-
Community Development	1,750,537	1,490,241	1,396,011	1,477,238	1,406,526	1,288,728
Parks and Recreation	5,895,615	5,239,869	2,537,552	2,521,862	2,535,904	2,896,449
Library			2,332,200	2,278,345	2,168,194	2,248,752
Police	9,847,652	9,505,904	9,075,056	9,283,735	9,053,828	12,122,646
Fire	7,502,323	7,184,086	6,699,849	6,865,658	6,840,026	7,045,229
Regional Communications	2,344,962	2,291,907	2,305,141	2,388,048	2,404,220	-
Economic Enterprises	-	-	-	-	-	1,390,090
Debt Service	162,014	162,014	81,007	-	-	-
Total Operating Budget	31,161,771	29,243,278	29,045,393	29,045,894	28,510,407	29,121,839
Capital Outlay/Projects						
General Government						
<i>City Council</i>	26,250	15,000	38,728	-	-	-
<i>City Clerk</i>	-	115,015	-	-	-	-
<i>City Manager</i>	90,000	-	-	-	-	-
<i>Economic Development</i>	-	-	2,142,742	-	39,470	-
Budget and Finance	74,524	188,585	22,488	163,940	8,500	146,940
Field & Facilities						35,000
Administrative Services	-	-	329,735	278,824	77,274	-
Community Development	6,337	14,514	3,066	17,000	10,000	19,500
Parks and Recreation	38,028	226,049	17,939	55,000	55,000	160,000
Library						
Police	-	-	-	145,040	145,000	323,145
Fire	45,038	-	274,064	-	-	177,376
Regional Communications	5,192	(11,750)	250,701	526,790	283,988	-
Total Capital Outlay/Projects	285,369	547,413	3,079,464	1,186,594	619,232	861,961
Transfers Out						
Economic Incentives	1,541,864	1,300,000	-	-	-	-
Surplus (Revenues over Expenditures)	105,751	-	-	-	-	-
Grant Matches	211,583	317,579	207,381	639,709	525,276	590,183
Parking Garage	-	18,744	-	-	-	-
Planned Growth Strategy	9,475	-	-	-	-	-
Total Transfers Out	1,868,673	1,636,323	207,381	639,709	525,276	590,183
Total Expenditures & Transfers Out	33,315,813	31,427,014	32,332,237	30,872,197	29,654,915	30,573,983
Ending Fund Balance						
General Fund Reserve	6,480,160	6,287,375	5,836,927	5,560,070	5,571,957	5,938,399
Capital Reserve		4,674,618	1,673,324	809,889	1,796,589	1,103,453
Long-Term Commitments	3,220,065	3,348,959	2,837,301	2,400,000	2,400,000	3,005,544
Interfund Loans	-	3,452,886	3,964,030	3,294,142	3,503,248	3,448,898
Unreserved Fund Balance	2,204,543	1,816,332	2,120,986	1,296,621	1,365,643	259,156
Total Ending Fund Balance	11,904,768	19,580,170	16,432,568	13,360,722	14,637,437	13,755,450

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

CITY OF PRESCOTT SPECIAL REVENUE FUNDS SUMMARY

	Actual FY2009	Actual FY2010	Actual FY2011	Adopted FY2012	Est End FY2012	Adopted FY2013
Source of Funds:						
Beginning Fund Balance						
Streets (HURF) Fund	541,237	2,809,728	15,522,259	20,307,203	20,307,203	13,477,516
1% Streets and Open Space Fund	9,567,914	-	-	-	-	-
Transient Occupancy Tax	170,895	104,664	122,533	257,781	257,781	230,597
Impact Fee Fund Accounts	2,163,592	2,537,953	2,475,895	2,828,839	2,828,839	3,109,523
Capital Improvement Fund	10,193,078	9,393,775	-	-	-	-
Grants Fund	36,501	10,395	54,894	56,651	56,651	260,121
Total Beginning Fund Balance	22,673,217	14,856,515	18,175,581	23,450,474	23,450,474	17,077,757
Revenues						
Taxes	12,691,181	12,173,984	12,127,875	12,071,624	11,990,441	12,634,170
Intergovernmental Revenues	4,815,140	5,950,155	6,791,579	11,012,951	6,349,418	8,049,364
Licenses and Permits	316,364	668,452	529,851	564,725	353,440	362,600
Interest Income	778,442	473,565	241,222	104,200	213,200	88,200
Miscellaneous	341,192	692,181	679,759	683,619	747,773	622,779
Subtotal	18,942,319	19,958,337	20,370,285	24,437,119	19,654,272	21,757,113
Other Funding Sources						
Debt Issue	-	18,250,000	8,415,000	-	1,032,658	-
Transfers In	5,748,312	3,123,966	440,225	773,590	677,181	353,760
Subtotal	5,748,312	21,373,966	8,855,225	773,590	1,709,839	353,760
Total Revenues & Other Funding Sources	24,690,631	41,332,303	29,225,510	25,210,709	21,364,111	22,110,873
Use of Funds:						
Expenditures						
Streets and Open Space Fund						
<i>Operating</i>	5,838,135	5,134,814	6,972,890	7,926,807	7,635,083	7,663,086
<i>Capital</i>	17,209,521	18,884,872	14,652,866	27,923,516	15,758,025	19,783,523
Transient Occupancy Tax	675,926	487,888	445,799	780,468	695,125	611,905
Impact Fee Fund Accounts	-	85,052	108,356	1,424,475	412,785	1,427,350
Capital Improvement Fund	3,577,064	3,642,099	-	-	-	-
Grants Fund	1,145,731	1,663,623	1,563,626	6,046,272	3,497,135	4,634,878
Total Expenditures	28,446,376	29,898,348	23,743,537	44,101,538	27,998,153	34,120,742
Transfers Out						
Streets (HURF) Fund	853,784	638,587	44,099	-	-	-
Transient Occupancy Tax	-	-	17,611	-	18,000	20,000
Impact Fee Fund Accounts	463,184	774,759	145,372	75,000	56,480	56,480
Capital Improvement Fund	77,673	8,409,663	-	-	-	-
Total Transfers Out	1,394,641	9,823,009	207,082	75,000	74,480	76,480
Total Expenditures & Transfers Out	29,841,017	39,721,357	23,950,620	44,176,538	28,072,633	34,197,222
Ending Fund Balance						
Streets and Open Space Fund	2,809,728	15,522,259	20,307,203	2,328,259	13,477,516	2,581,086
Transient Occupancy Tax	104,664	122,533	257,781	128,937	230,597	157,876
Impact Fee Fund Accounts	2,537,953	2,475,895	2,828,839	1,970,799	3,109,523	1,992,871
Capital Improvement Fund	9,393,775	-	-	-	-	-
Grants Fund	10,395	54,894	56,651	56,651	260,121	260,121
Total Ending Fund Balance	14,856,515	18,175,581	23,450,474	4,484,645	17,077,757	4,991,954

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

CITY OF PRESCOTT OTHER FUNDS FUND SUMMARY

	Actual FY2009	Actual FY2010	Actual FY2011	Adopted FY2012	Est End FY2012	Adopted FY2013
Source of Funds:						
Beginning Fund Balance						
Capital Projects Funds						
<i>Willow/Watson Lake Development</i>	383,402	-	-	-	-	-
Expendable Trust Funds						
<i>Acker Trust Fund</i>	536,010	574,994	583,335	584,873	584,873	582,373
<i>Miscellaneous Gifts & Donations</i>	162,882	218,659	213,484	209,384	209,384	-
Internal Service Funds						
<i>General Self-Insurance Fund</i>	1,428,337	1,659,838	1,673,903	1,121,493	1,121,493	1,138,867
<i>Central Garage Fund</i>	4,213,042	6,307,258	6,904,328	6,165,784	6,165,784	5,317,789
<i>Engineering Services Fund</i>	152,502	32,580	196,764	683,393	683,393	687,893
<i>Facilities Maintenance Fund</i>	94,653	237,791	216,487	204,623	204,623	231,014
Debt Service Fund	193,960	224,111	224,111	229,091	229,091	1,265,661
Total Beginning Fund Balance	7,164,788	9,255,231	10,012,412	9,198,641	9,198,641	9,223,597
Revenues						
Taxes	1,923,713	1,622,151	1,914,717	2,785,044	2,943,394	2,925,019
Gifts and Donations	122,458	65,518	142,016	-	188,087	-
Interest	636,941	487,552	258,583	332,415	187,065	171,591
Miscellaneous	426,046	93,827	-	52,250	-	50,000
Subtotal	3,109,158	2,269,048	2,315,316	3,169,709	3,318,546	3,146,610
Other Funding Sources						
Cost Recovery from Other Funds	9,745,127	8,512,311	6,169,169	6,586,438	6,669,603	6,776,661
Subtotal	9,745,127	8,512,311	6,169,169	6,586,438	6,669,603	6,776,661
Total Revenues & Other Funding Sources	12,854,285	10,781,359	8,484,485	9,756,147	9,988,149	9,923,271
Use of Funds:						
Departments						
Internal Service Funds						
<i>General Self-Insurance Fund</i>	1,987,727	1,961,382	2,364,014	2,105,121	2,103,753	2,243,329
<i>Central Garage Fund</i>	1,976,826	1,883,398	1,930,585	1,938,957	2,137,995	2,257,453
<i>Engineering Services Fund</i>	2,091,591	1,780,009	1,325,418	1,856,509	1,814,316	1,618,817
<i>Facilities Maintenance Fund</i>	1,065,772	1,015,974	981,044	1,047,879	1,007,269	1,101,632
Debt Service Fund	2,352,591	1,985,779	1,984,971	3,003,209	1,973,889	2,969,610
Total Operating Budget	9,474,507	8,626,542	8,586,032	9,951,675	9,037,222	10,190,841
Capital Outlay/Projects						
Expendable Trust Funds						
<i>Acker Trust Fund</i>	5,000	9,365	8,800	10,000	10,000	9,750
<i>Miscellaneous Gifts & Donations</i>	66,796	70,693	146,116	193,482	397,471	205,547
Internal Service Funds						
<i>Central Garage Fund</i>	834,137	1,357,578	557,308	2,257,500	500,000	2,010,500
<i>Facilities Maintenance Fund</i>	-	-	-	18,500	18,500	156,000
Total Capital Outlay/Projects	905,933	1,437,636	712,224	2,479,482	925,971	2,381,797

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

**CITY OF PRESCOTT
OTHER FUNDS
FUND SUMMARY**

	Actual FY2009	Actual FY2010	Actual FY2011	Adopted FY2012	Est End FY2012	Adopted FY2013
Transfers Out						
Capital Projects Funds						
<i>Willow/Watson Lake Development</i>	383,402	-	-	-	-	-
Total Transfers Out	383,402	-	-	-	-	-
Total Expenditures & Transfers Out	10,763,842	10,064,178	9,298,256	12,431,157	9,963,193	12,572,638
Ending Fund Balance						
Expendable Trust Funds						
<i>Acker Trust Fund</i>	574,994	583,335	584,873	584,873	582,373	582,373
<i>Miscellaneous Gifts & Donations</i>	218,659	213,484	209,384	15,902	-	(205,547)
Internal Service Funds						
<i>General Self-Insurance Fund</i>	1,659,838	1,673,903	1,121,493	1,162,499	1,138,867	1,153,516
<i>Central Garage Fund</i>	6,307,258	6,904,328	6,165,784	3,720,327	5,317,789	2,990,836
<i>Engineering Services Fund</i>	32,580	196,764	683,393	660,067	687,893	688,811
<i>Facilities Maintenance Fund</i>	237,791	216,487	204,623	190,404	231,014	93,330
Debt Service Fund	224,111	224,111	229,091	229,091	1,265,661	1,273,661
Total Ending Fund Balance	9,255,231	10,012,412	9,198,641	6,563,163	9,223,597	6,576,980

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

CITY OF PRESCOTT ENTERPRISE FUNDS FUND SUMMARY

	Actual FY2009	Actual FY2010	Actual FY2011	Budget FY2012	Est End FY2012	Budget FY2013
Source of Funds:						
Beginning Fund Balance						
Water Fund	24,619,987	25,148,678	20,574,738	21,010,409	21,010,409	17,534,520
Wastewater Fund	191,859	(4,565,849)	2,503,221	5,391,604	5,391,604	4,278,274
Solid Waste Fund	4,409,966	6,181,459	6,336,498	6,812,772	6,812,772	6,305,894
Transfer Station/Regional Landfill	1,155,819	-	-	-	-	-
Airport Fund	(688,931)	(458,477)	(699,207)	206,080	206,080	217,971
Golf Course Fund	(2,108,443)	(2,527,046)	(3,272,111)	(3,361,889)	(3,361,889)	(3,503,249)
Parking Garage	41,281	6,613	(5,864)	(31,506)	(31,506)	(50,834)
Total Beginning Fund Balance	27,621,538	23,785,378	25,437,275	30,027,470	30,027,470	24,782,576
Revenues						
Water	15,104,851	13,304,266	14,164,473	16,246,099	16,270,164	16,093,795
Wastewater	6,277,317	7,317,907	8,095,303	8,979,404	8,970,908	9,840,700
Solid Waste	9,297,556	8,784,924	8,257,228	8,186,900	8,267,692	8,294,520
Airport						
<i>Operations</i>	1,717,776	1,353,485	1,597,234	1,459,875	1,383,855	1,458,170
<i>Grants</i>	341,966	208,617	796,330	9,114,944	3,677,908	7,478,466
Golf Course	3,791,381	2,674,145	2,837,254	2,824,478	2,675,694	2,895,740
Parking Garage	51,905	53,117	39,329	40,540	41,523	-
Subtotal	36,582,752	33,696,461	35,787,151	46,852,240	41,287,744	46,061,391
Other Funding Sources						
Bond Proceeds	2,749,904	20,265,381	6,723,969	10,100,000	3,500,000	30,369,451
Transfers In	265,015	1,693,449	34,930	301,408	127,049	236,422
Subtotal	3,014,919	21,958,830	6,758,899	10,401,408	3,627,049	30,605,873
Total Revenues & Other Funding Sources	39,597,671	55,655,291	42,546,050	57,253,648	44,914,793	76,667,264
Use of Funds:						
Departments						
Water Fund	7,890,723	17,204,531	10,452,937	9,400,485	9,895,509	9,513,146
Wastewater Fund	5,524,141	5,847,431	5,524,108	7,525,034	8,558,091	7,748,390
Solid Waste Fund	8,560,891	8,329,204	7,538,153	8,110,134	8,209,370	8,256,620
Airport Fund	1,497,323	1,521,376	1,294,316	1,345,233	1,351,969	1,396,028
Golf Course Fund	3,633,109	3,419,210	2,932,602	2,821,974	2,817,054	2,841,391
Parking Garage	86,573	75,716	82,582	77,185	78,851	-
Total Operating Budget	27,192,760	36,397,468	27,824,698	29,280,045	30,910,844	29,755,575
Capital Outlay/Projects						
Water Fund	8,053,272	14,520,494	8,449,644	24,854,731	9,850,544	22,842,728
Wastewater Fund	6,892,953	2,177,863	738,002	11,747,127	5,026,147	22,371,400
Solid Waste Fund	120,991	35,487	-	580,000	480,000	687,526
Airport Fund	409,638	606,888	211,280	9,380,045	3,806,952	7,724,888
Golf Course Fund	576,875	-	489,430	-	-	-
Total Capital Outlay/Projects	16,053,729	17,340,732	9,888,356	46,561,903	19,163,643	53,626,542

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

**CITY OF PRESCOTT
ENTERPRISE FUNDS
FUND SUMMARY**

	Actual FY2009	Actual FY2010	Actual FY2011	Budget FY2012	Est End FY2012	Budget FY2013
Transfers Out						
Solid Waste Fund	-	265,194	242,801	247,350	85,200	-
Total Transfers Out	-	265,194	242,801	247,350	85,200	-
Total Expenditures & Transfers Out	<u>43,246,489</u>	<u>54,003,394</u>	<u>37,955,855</u>	<u>76,089,298</u>	<u>50,159,687</u>	<u>83,382,117</u>
Ending Fund Balance						
Water Fund	25,148,678	20,574,738	21,010,409	3,001,292	17,534,520	12,891,892
Wastewater Fund	(4,565,849)	2,503,221	5,391,604	5,198,847	4,278,274	2,749,184
Solid Waste Fund	6,181,459	6,336,498	6,812,772	6,062,188	6,305,894	5,656,268
Airport Fund	(458,477)	(699,207)	206,080	289,674	217,971	270,113
Golf Course Fund	(2,527,046)	(3,272,111)	(3,361,889)	(3,359,385)	(3,503,249)	(3,448,900)
Parking Garage	6,613	(5,864)	(31,506)	(796)	(50,834)	(50,834)
Total Ending Fund Balance	<u>23,785,378</u>	<u>25,437,275</u>	<u>30,027,470</u>	<u>11,191,820</u>	<u>24,782,576</u>	<u>18,067,723</u>

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

Financial Issues:

Many financial issues are being faced by the City of Prescott in Fiscal Year 2012-2013. 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 up 21.0% over FY2012 estimated endings. State Income Tax is based on tax collections that were received by the State of Arizona two years ago. This significant increase reflects the beginning of the slow recovery in the economic climate. This, along with a 10.5% increase projected in the City's share of the State Sales Tax and a 2.1% 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 increase 4.8% in FY2013 when compared to FY2012 revised estimates. The Prescott economy has been showing signs of recovery in fiscal 2012. Housing inventory has been dropping and values have shown some signs of stabilizing. Permits for single-family homes increased 111.1% in FY12 compared with 2011. New commercial permits are also up, the value of those permits increased over 2011 and 2012. Overall, new commercial permits gained from 9 in FY11 to 12 in FY12.

The highly anticipated Trader Joe's opened on the 7.5 acre site at the Shops at Gateway, along with Five Guys Burgers, House of Bread and Fresh Vitamins. New retailer Natural Grocers by Vitamin Shoppe broke ground at The Shops at the Boulders and Manzanita Outdoors located in the Depot Marketplace. New Prescott restaurants include Arturo's Mexican Restaurant and Prescott Station. Prescott Lakes Golf Course opened their new dining room and clubhouse. There has also been growth in the manufacturing/industrial sector. Davidson's, a gun wholesaler, has grown their operations in Prescott by expanding into a larger building near the airport. Cobham, PLC, an international aerospace manufacturer, relocated its slip ring manufacturing division to Prescott from France adding 8 new jobs.

Our property tax revenue is \$2,680,831 (Primary \$1,095,856, Secondary \$1,584,975). Prescott's net assessed value for 2012 of \$554,022,335 represents 23.0% 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 4.5%.

The City's share of Public Safety Personnel Retirement costs increased. Police went from 34.58% to 41.18% of gross pay for FY2013. Fire went from 29.72% to 33.92% of gross pay in FY2013.

The Arizona State Retirement costs increased by 3.8% going from 10.10% to 10.48%. As the result of State Legislation, the City's share and Employee's share amount is a 50/50 split.

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

The Tuition Assistance program and Pay-for-Performance continues to be placed on hold in FY2013.

There were no salary adjustments, merit increases, and pay-for-performance awards budgeted for in FY2013; however, funding of the 20.0% subsidy for employees' dependent insurance coverage remains in place. 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.

No new regular staff positions were added for FY2013:

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

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>
General Government + Grant	35.300	34.000	32.920
Budget/Finance	22.600	22.500	22.000
Field and Facilities	0.200	0.250	0.250
Community Development	15.500	14.250	12.480
Parks and Recreation	18.000	16.600	18.600
Library	25.000	25.000	23.000
Police	119.000	122.000	121.500
Fire	75.000	75.000	73.000
Economic Enterprises	4.100	5.050	5.500
Total General Fund + Grants	314.700	314.650	309.250
Fleet Maintenance	9.200	9.400	9.100
Self-Insurance	2.950	2.950	3.000
Facilities Maintenance	5.400	5.500	5.850
Engineering	17.800	17.800	17.300
Total Internal Service Funds	35.350	35.650	35.250
Water Department	39.750	41.300	41.300
Wastewater Department	34.550	34.600	34.200
Solid Waste Department	26.860	26.900	26.900
Airport Operations	7.000	7.000	7.250
Golf Course	17.000	17.050	16.000
Total Enterprise Funds	125.160	126.850	125.650
Streets and Open Space	34.540	34.600	34.600
CYMPO	2.500	2.500	-
Total Special Revenue Funds	37.040	37.100	34.600
Total Positions	512.250	514.250	504.750

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

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 4.5% increase for premiums in the FY2012-2013. Additionally, as part of its employee compensation and benefit package, the City will maintain the subsidy toward dependent insurance coverage with the Trust at 20.0% 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 FY2012-2013 budget are part of the Five-Year Capital Improvement Plan adopted during the FY2011-2012 budget process.

Water Fund

The major funding allocation in the Water Fund is \$3,500,000 for the design and construction of a new 3,250,000 million gallon reservoir to replace the existing tank in the same location. The water storage capacity this reservoir will provide is critical to meet growing peak demands in both this and adjacent pressure zones.

Other notable projects in the Water Fund include:

- \$2,500,000 for the completion of the second production/recovery well within the Airport area and follow with siting and developing of additional wells.
- Funding for New Thumb Butte Reservoir in the amount of \$2,103,650. This project is to locate and purchase land and install a new 1.25 million gallon water reservoir located near the Thumb Butte Road area.
- Allocation in the amount of \$1,410,750 for the Copper Basin Reservoir 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 (\$18,000,000) is part of a multi-phased construction project for new improvements to upgrade the Airport Wastewater Treatment Plant to 3.75MG capacity.
- Sundog Filter Replacement/Denitrification (\$1,000,000) - 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 the Cliff Rose Lift Station Upgrade (\$875,000) to design and construct a major upgrade to the lift station located east of the SR89 and Rosser Street intersection.

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.

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

Solid Waste/Transfer Station Fund

Several capital expenditures are planned in this fund for FY2012-2013. The following is a list of the equipment/capital projects that will be funded:

- Automated Side Loader
- Paving at the Transfer Station
- Repair Transfer Station Floor
- Inert Debris Recycling
- Household Hazardous Waste Day
- Welding Shop at Transfer Station
- Big Belly Solar Compactors
- Recycle Education & Outreach (REO)
- Assembly and Training Room Modification
- Work Lights at the Transfer Station

Airport Fund

Infrastructure projects totaling nearly \$7.7 million are grant funded for FY2012-2013 with the City's share of these grants being \$236,422.

Golf Course

There are no capital items budgeted in the Golf Course Fund in FY2012-2013.

Streets and Open Space Fund

Street maintenance operations continue to be funded at a level of \$7.7 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 FY2012-2013 budget is \$500,000 for potential open space purchases. Also in this fund is nearly \$27.0 million in street projects; the largest of which is the Senator Highway Reconstruction project with \$4.4 million budgeted. Other notable projects are the Park Avenue Reconstruction project (\$2,257,616) and an amped up Pavement Maintenance and Rehabilitation Program budget at \$4,372,630.

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, finance, 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 FY2012-2013 includes: \$143,685 as a carryover for completion of the radio infrastructure project, remodel at 215 N McCormick for the Fire Administration offices (\$95,850), and the planned purchase of an Email Archiving System in the amount of \$75,000.

BUDGET SUMMARIES

FY2013 BUDGET SUMMARY

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FY2013 BUDGET

GENERAL FUND

REVENUE SUMMARY

GENERAL GOVERNMENT

BUDGET & FINANCE

FIELD AND FACILITIES

ADMINISTRATIVE SERVICES

COMMUNITY DEVELOPMENT

PARKS AND RECREATION

LIBRARY

POLICE DEPARTMENT

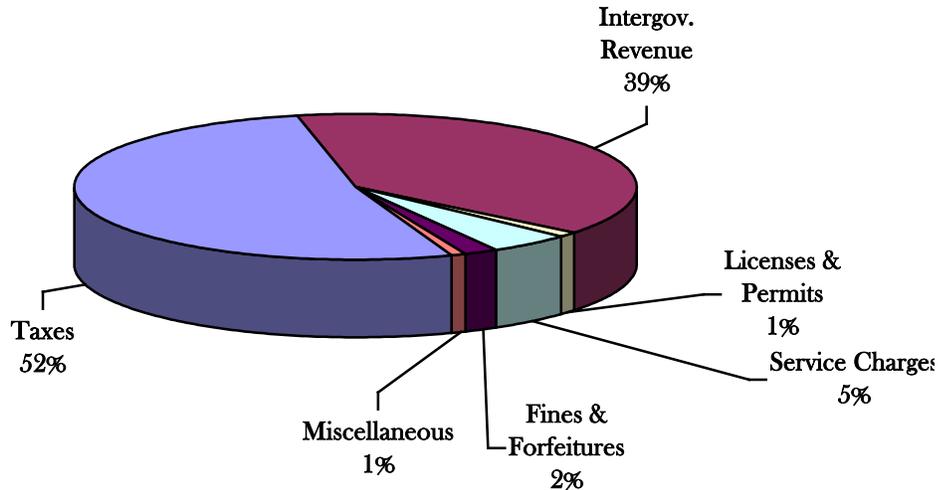
FIRE DEPARTMENT

ECONOMIC ENTERPRISES

FY2013 BUDGET

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 FY2013 totals \$29,983,800. Current year projected revenues total \$29,691,996, which is a 6.6% increase from the revised estimates for FY2012 projected at \$27,857,784.

Cash available as of July 1, 2012 is estimated at \$14,637,437. As per the Budget Policy, \$5,571,957, or 20% of operating revenues, of the available cash will continue to be held as a reserve. An additional \$2,400,000 is reserved to meet long-term commitments. The remaining \$1,365,643 is to assist in the funding for capital projects and equipment budgeted in FY2013 including carryovers for items not completed or received during FY2012. Also, effective the end of FY2010, the Capital Improvement Fund is combined with the General Fund. The \$1,796,589 Capital Reserve and the Interfund Loans to the Golf Course (\$3,503,248) originate from these funds.

Total General Fund revenue and expenditure activity for the past four years and projections for FY2013 are as follows:

FY2013 BUDGET

GENERAL FUND SUMMARY

	Actual FY2009	Actual FY2010	Actual FY2011	Budget FY2012	Est End FY2012	Budget FY2013
Source of Funds:						
Beginning Fund Balance						
General Fund Reserve	7,017,399	6,480,160	6,287,375	5,836,927	5,836,927	5,571,957
Capital Reserve			4,674,618	1,673,324	1,673,324	1,796,589
Long-Term Commitments	3,144,651	3,220,065	3,348,959	2,837,301	2,837,301	2,400,000
Interfund Loans	19,148	-	3,452,886	3,964,030	3,964,030	3,503,248
Unreserved Fund Balance	<u>2,308,584</u>	<u>2,204,543</u>	<u>1,816,332</u>	<u>2,120,986</u>	<u>2,120,986</u>	<u>1,365,643</u>
Total Beginning Fund Balance	12,489,782	11,904,768	19,580,170	16,432,568	16,432,568	14,637,437
Revenues						
Taxes						
Sales/Use Tax	12,944,266	13,646,121	12,144,489	11,924,000	12,051,000	12,625,000
Primary Property Tax	1,203,539	1,235,701	1,257,419	1,255,878	1,255,878	1,095,856
Franchise Taxes	1,567,388	1,673,000	1,637,128	1,735,747	1,669,021	1,719,092
Intergovernmental Revenues						
State Sales Tax	3,243,790	3,134,416	3,112,851	3,014,378	3,014,378	3,331,681
State Income Tax	6,093,130	5,263,678	3,968,257	3,362,918	3,362,918	4,069,508
State Vehicle License	2,307,037	2,341,887	2,273,532	2,115,643	2,115,643	2,070,382
Joint Dispatch	1,160,463	1,036,886	1,099,845	1,106,896	1,106,896	1,226,681
Library	723,288	749,770	919,721	688,225	591,924	582,123
Other	388,407	315,000	330,565	331,516	333,516	380,816
Licenses and Permits	378,666	304,243	388,083	306,600	333,516	332,600
Service Charges	1,291,624	918,739	1,155,854	1,089,850	1,137,343	1,399,458
Fines & Forfeitures	551,824	468,842	525,898	450,750	505,300	504,800
Miscellaneous	<u>547,377</u>	<u>348,594</u>	<u>370,992</u>	<u>417,950</u>	<u>382,451</u>	<u>354,000</u>
Subtotal	32,400,800	31,436,877	29,184,635	27,800,351	27,859,784	29,691,997
Other Funding Sources						
Lease Purchase Proceeds	250,000	-	-	-	-	-
Transfers In	<u>80,000</u>	<u>7,665,540</u>	-	-	-	-
Subtotal	330,000	7,665,540	-	-	-	-
Total Revenues & Other Funding Sources	32,730,800	39,102,417	29,184,635	27,800,351	27,859,784	29,691,997
Use of Funds:						
Departments						
General Government						
<i>Mayor and City Council</i>	23,652	10,495	17,502	52,066	34,699	39,104
<i>City Clerk</i>	31,323	(91)	53,858	105,681	82,748	78,451
<i>City Court</i>	477,439	517,297	481,028	522,912	484,527	549,961
<i>City Manager</i>	193,877	143,050	179,125	178,443	42,000	112,250
<i>Public Communications</i>	49,481	54,833	52,814	(21,226)	(22,396)	(27,909)
<i>Special Events</i>	194,242	147,358	121,671	111,089	120,817	-
<i>Prescott Community Access Channel</i>	98,570	87,144	87,144	87,365	87,365	87,247
<i>Legal</i>	230,923	260,445	295,727	282,631	282,581	246,865
<i>Economic Development</i>	255,602	225,389	2,203,159	1,695,680	1,641,933	-
<i>Human Resources</i>	226,310	244,667	(71,836)	-	(5,053)	702
<i>Insurance and Retirements</i>	<u>343,887</u>	<u>199,654</u>	<u>473,493</u>	<u>494,165</u>	<u>636,552</u>	<u>524,885</u>
General Government Total	2,125,304	1,890,240	3,893,685	3,508,806	3,385,772	1,611,556

FY2013 BUDGET

GENERAL FUND SUMMARY

	Actual FY2009	Actual FY2010	Actual FY2011	Budget FY2012	Est End FY2012	Budget FY2013
Budget and Finance	1,337,372	1,245,223	394,298	392,503	458,066	415,008
Field and Facilities						103,381
Administrative Services	195,992	233,795	330,593	329,699	257,870	-
Community Development	1,750,537	1,490,241	1,396,011	1,477,238	1,406,526	1,288,728
Parks and Recreation	5,895,615	5,239,869	2,537,552	2,521,862	2,535,904	2,896,449
Library			2,332,200	2,278,345	2,168,194	2,248,752
Police	9,847,652	9,505,904	9,075,056	9,283,735	9,053,828	12,122,646
Fire	7,502,323	7,184,086	6,699,849	6,865,658	6,840,026	7,045,229
Regional Communications	2,344,962	2,291,907	2,305,141	2,388,048	2,404,220	-
Economic Enterprises	-	-	-	-	-	1,390,090
Debt Service	162,014	162,014	81,007	-	-	-
Total Operating Budget	31,161,771	29,243,278	29,045,393	29,045,894	28,510,407	29,121,839
Capital Outlay/Projects						
General Government						
<i>City Council</i>	26,250	15,000	38,728	-	-	-
<i>City Clerk</i>	-	115,015	-	-	-	-
<i>City Manager</i>	90,000	-	-	-	-	-
<i>Economic Development</i>	-	-	2,142,742	-	39,470	-
Budget and Finance	74,524	188,585	22,488	163,940	8,500	146,940
Field & Facilities						35,000
Administrative Services	-	-	329,735	278,824	77,274	-
Community Development	6,337	14,514	3,066	17,000	10,000	19,500
Parks and Recreation	38,028	226,049	17,939	55,000	55,000	160,000
Library						
Police	-	-	-	145,040	145,000	323,145
Fire	45,038	-	274,064	-	-	177,376
Regional Communications	5,192	(11,750)	250,701	526,790	283,988	-
Total Capital Outlay/Projects	285,369	547,413	3,079,464	1,186,594	619,232	861,961
Transfers Out						
Economic Incentives	1,541,864	1,300,000	-	-	-	-
Surplus (Revenues over Expenditures)	105,751	-	-	-	-	-
Grant Matches	211,583	317,579	207,381	639,709	525,276	590,183
Parking Garage	-	18,744	-	-	-	-
Planned Growth Strategy	9,475	-	-	-	-	-
Total Transfers Out	1,868,673	1,636,323	207,381	639,709	525,276	590,183
Total Expenditures & Transfers Out	33,315,813	31,427,014	32,332,237	30,872,197	29,654,915	30,573,983
Ending Fund Balance						
General Fund Reserve	6,480,160	6,287,375	5,836,927	5,560,070	5,571,957	5,938,399
Capital Reserve		4,674,618	1,673,324	809,889	1,796,589	1,103,453
Long-Term Commitments	3,220,065	3,348,959	2,837,301	2,400,000	2,400,000	3,005,544
Interfund Loans	-	3,452,886	3,964,030	3,294,142	3,503,248	3,448,898
Unreserved Fund Balance	2,204,543	1,816,332	2,120,986	1,296,621	1,365,643	259,156
Total Ending Fund Balance	11,904,768	19,580,170	16,432,568	13,360,722	14,637,437	13,755,450

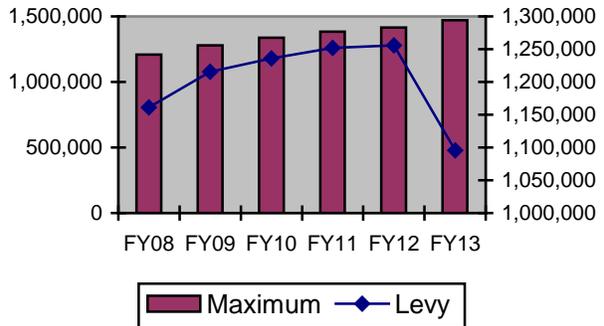
FY2013 BUDGET

GENERAL FUND SUMMARY

Property Tax: The primary property tax levy for FY2012-2013 is \$1,095,856. This is a 12.7% decrease from the FY2012 primary property tax levy. Staff was directed to maintain the primary property tax rate at the same level as FY2012. The FY2013 estimated primary rate is \$0.1978 per \$100 assessed valuation.

Annual Primary Property Tax Levies

Fiscal Year	Primary Levy	% Change from Prev. Year	Primary Tax Rate
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
2010-12	1,255,878	0.3%	0.1978
2010-13	1,095,856	-12.7%	0.1978

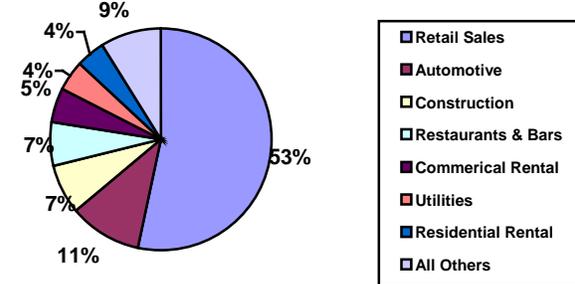


Transaction Privilege Tax (Sales Tax): All Arizona cities and towns have a transaction privilege tax which is commonly referred to as a sales tax. However, the transaction privilege tax is far more extensive than retail sales. It includes taxation of residential and commercial rentals; taxation of utilities 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 \$12,625,000. This estimate is 4.8% higher than previous year collections and is reflective of an economy that is slowly recovering.

City Sales Tax (Without Use Tax or Audits)

Fiscal Year	Revenues	% Change from Prev. Year
2007-08	14,186,536	-5.2%
2008-09	11,894,244	-16.2%
2009-10	11,161,606	-6.2%
2010-11	12,144,489	8.8%
2011-12 (est)	12,051,000	-0.8%
2012-13 (est)	12,625,000	4.8%

Sales Tax Reporting Categories

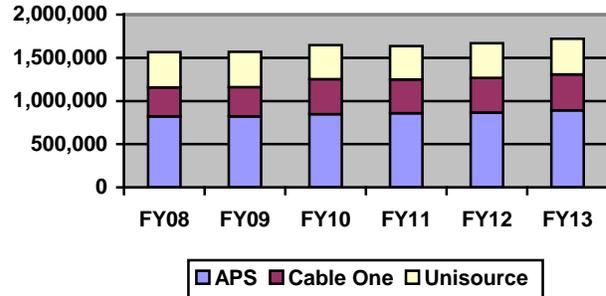


Franchise Taxes: Franchise taxes are from Cable One, Unisource Gas and Arizona Public Service. Franchise rates for Unisource Gas and Arizona Public Service are set (by the voters) at 2.0% of gross revenues while the negotiated rate for the cable company is 5.0% of gross revenues. From the ensuing table it can be observed the projection for FY2013 is 3.0% over FY2012 revised estimates.

FY2013 BUDGET

GENERAL FUND SUMMARY

Franchise Taxes		
Fiscal Year	Revenues	% Change from Prev. Year
2007-08	1,563,883	5.1%
2008-09	1,567,388	0.2%
2009-10	1,644,978	5.0%
2010-11	1,637,128	-0.5%
2011-12 (est.)	1,669,021	1.9%
2012-13 (est.)	1,719,092	3.0%



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
2007-08	0.84%	3,746,925	-3.3%
2008-09	0.84%	3,243,790	-13.4%
2009-10	0.84%	2,991,924	-7.8%
2010-11	0.79%	3,112,851	4.0%
2010-12 (est.)	0.79%	3,014,378	-3.2%
2010-13 (est.)	0.79%	3,331,681	10.5%

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 \$4,069,508 which is an increase of \$706,590 or 21.0%. The State has estimated state income tax 21.0% higher 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 FY2013 is estimated at \$513.6 million and represents individual and corporate income tax collections by the State in the 2010-11 fiscal year.

The following table shows the City of Prescott's % allocation, \$ share and % change since 2007-08.

FY2013 BUDGET

GENERAL FUND SUMMARY

State Income Tax

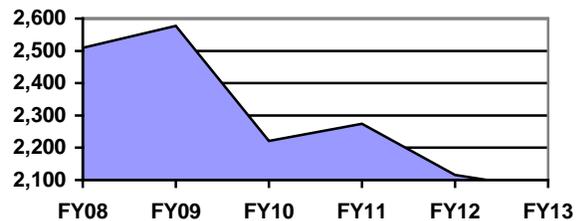
Fiscal Year	Prescott's % of State Collection	Prescott's \$ Share of State Collection	% Change from Prev. Year
2007-08	0.84%	5,737,563	24.0%
2008-09	0.84%	6,093,130	6.2%
2009-10	0.84%	5,263,835	-13.6%
2010-11	0.79%	3,968,257	-24.6%
2011-12 (est.)	0.79%	3,362,918	-15.3%
2011-13 (est.)	0.79%	4,069,508	21.0%

Vehicle License Tax (Auto Lieu Tax): Prescott's share of the vehicle tax for 2012-13 is estimated to be 2.1% lower than the FY2012 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 FY2008.

Fiscal Year	Revenues	% Change from Prev. Year
2007-08	2,509,253	-3.3%
2008-09	2,576,593	2.7%
2009-10	2,220,951	-13.8%
2010-11	2,273,532	2.4%
2011-12 (est.)	2,115,643	-6.9%
2012-13 (est.)	2,070,382	-2.1%

Vehicle License Tax (in 000s)



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. FY2013 revenues are projected to be fairly constant with the FY2012 revised estimates.

Library: Intergovernmental revenues for the Library consist of contributions from Yavapai County. Effective FY2012 the City is no longer the managing member 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.

FY2013 BUDGET

GENERAL FUND SUMMARY

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 increase 23.0% when comparing FY2012 estimated endings to FY2013 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.

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 stay level.

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 FY2012 estimated ending to the FY2013 budget.

FY2013 BUDGET

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.

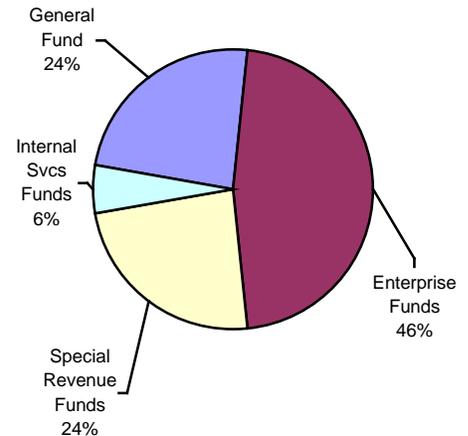
Mayor and Council Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 49,957	\$ 49,885	\$ 51,483
Supplies	3,021	3,000	3,000
Other Services & Charges	96,716	113,259	109,935
Capital Outlay/Projects	10,000	-	-
Total	\$ 159,694	\$ 166,144	\$ 164,418
Cost Recovery	\$ (132,192)	\$ (131,445)	\$ (125,314)

Mayor and Council Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	7.00	7.00	7.00
Mayor	1.00	1.00	1.00
Councilmembers	6.00	6.00	6.00

Mayor and Council Funding Sources



Significant Expenditures Changes: There are no significant expenditure changes in this area when comparing FY2012 estimated endings to FY2013 budget.

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.

FY2013 BUDGET

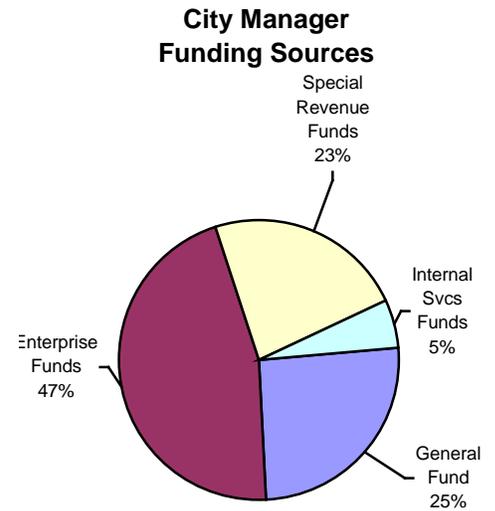
GENERAL GOVERNMENT

City Manager Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 487,063	\$ 405,059	\$ 369,991
Supplies	5,979	4,300	4,100
Other Services & Charges	78,243	78,251	66,741
Total	\$ 571,285	\$ 487,610	\$ 440,832
Cost Recovery	\$ (392,160)	\$ (445,610)	\$ (328,582)

City Manager Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	4.40	3.75	2.75
City Manager	1.00	0.75	0.75
Deputy City Manager	1.00	1.00	1.00
Asst to City Council	1.00	1.00	1.00
Asst to City Manager	1.00	1.00	0.00
Economic Dev Specialist	0.25	0.00	0.00
Administrative Specialist	0.00	0.00	0.00
Administrative Assistant	0.15	0.00	0.00



Significant Expenditure Changes: An 8.7% decrease can be observed in Personnel when comparing the FY2013 Budget to the FY2012 Estimated Endings. This is the result of the elimination of the Assistant to City Manager position in FY2013. Other Services & Charges is 14.7% lower when comparing FY2012 estimated endings to FY2013 Budget due to reductions in several areas. As part of the budget process, new management tightened up the division's budget to have it in line with actual spending. This is mainly reflected in travel & training and other professional service.

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 the Charter and State Statutes; and providing courteous and responsive customer service to internal and external customers.

FY2013 BUDGET

GENERAL GOVERNMENT

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Scanning legislative documents (Ordinances, Resolutions, Minutes, Contracts/Agreements) (# Documents/# Pages)	1,041/5,744	1,000/8,000	1,200/12,000

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
# of Ordinances/% processed within three days	51/100%	50/100%	50/100%
# of Resolutions/% processed within three days	60/100%	60/100%	60/100%
# of Liquor Licenses/% processed within three days	57/100%	60/100%	60/100%
# of Contracts, Leases and Agreements/% processed within three days	490/90%	350/90%	350/90%
# of Special/Regular Council Meetings requiring minutes (including RALG, UVRWP & Capital Needs)/% processed in three days	68/90%	60/90%	60/90%

Prior Year Results and Outcomes

Fiscal Year 2012 has continued to be a year for maintenance of programs put in place during prior years, including work on the Social Media Policy which addressed the E-Mail Retention Policy and working with representatives from other departments to discuss records management.

Staff continued to train Board/Commission/Committee members, which is now a semi-annual event.

Staff conducted an All-Mail Ballot Election in August of 2011 at which time voter turnout increased to 48.54%. A Mayor and 3 Councilmen were elected in the Primary and there was no need to hold a General Election. Staff also conducted a Special Election in November of 2011, with a voter turnout of 39%. Eight Propositions passed at this election and Councilman Carlow was elected to fulfill the remainder of Tammy Linn's term (two years). Mayor and 4 Councilmen were seated November 22, 2011.

Staff attended an Election Training workshop hosted by the League of Arizona Cities and Towns. The Deputy City Clerk received her Certified Municipal Election Officer designation in 2011 and her Certified Municipal Clerk certification in 2012.

FY2013 BUDGET

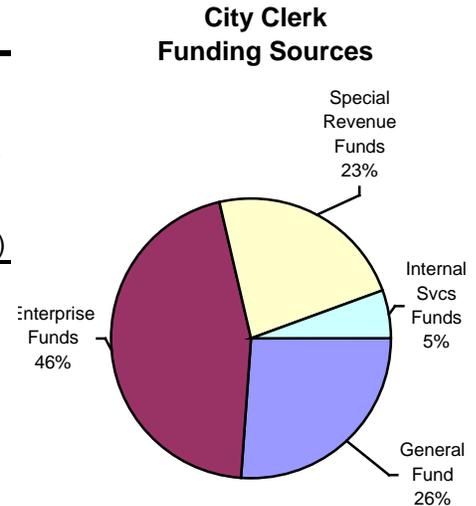
GENERAL GOVERNMENT

City Clerk Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 142,309	\$ 161,666	\$ 166,158
Supplies	1,793	2,587	1,500
Other Services & Charges	84,020	181,593	134,092
Total	\$ 228,122	\$ 345,846	\$ 301,750
Cost Recovery	\$ (174,264)	\$ (263,098)	\$ (223,299)

City Clerk Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	1.65	2.00	2.00
City Clerk	1.00	1.00	1.00
Deputy City Clerk	0.00	0.00	1.00
Administrative Assistant	0.65	1.00	0.00



Significant Expenditure Changes: As a result of budgeting for fewer elections in FY2013, the Other Services and Charges exhibits a significant decrease when comparing the FY2012 estimated ending to the FY2013 budget.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Case Closure Rates (Cases both filed and paid in full during FY)	75%	75%	76%

Strategy: Utilize case management system to identify problems and monitor caseload status.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Case Disposition Rate (Calendar Year)	94%	95%	95%

Strategy: Conduct trial management conferences on each jury trial to minimize last-minute delays.

FY2013 BUDGET

GENERAL GOVERNMENT

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Restitution \$ collected by the Court for crime victims	\$35,424	\$37,000	\$41,000

Strategy: Use a collection agency on previously uncollectible accounts.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
\$ collected by collection agency for consolidated court on old and uncollectible accounts.	\$135,776	\$140,000	\$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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Defendant's assigned	1,766	1,800	1,850
Hours completed	18,659	19,000	19,500
Minimum wage value	\$142,741	\$145,350	\$149,175
Incarceration savings @ \$60 per day	\$159,935	\$162,857	\$167,143

Prior Year Results and Outcomes:

Upgraded the computer equipment using grant funds for the use of volunteer Civil Traffic Hearing Officers for civil traffic cases and utilize City Council Chambers for hearings. There are currently four fully trained and active hearing officers. This program has received very positive comments from area officers in terms of professionalism and time efficiency.

Added additional functionality to automatically receipt payments from Defensive Driving Schools completions to the defendant's case. This saves staff from having to manually receipt hundreds of cases each month.

Increased interceptions from 166 defendants' 2010 state tax refunds in 2011 that resulted in \$19,974 collected for city 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.

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.

FY2013 BUDGET

GENERAL GOVERNMENT

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			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Personnel	\$ 329,992	\$ 340,215	\$ 362,962
Supplies	5,350	5,900	7,500
Other Services & Charges	<u>163,204</u>	<u>158,012</u>	<u>199,499</u>
Total	\$ 498,546	\$ 504,127	\$ 569,961
Cost Recovery	\$ (17,518)	\$ (19,600)	\$ (20,000)

City Court Staffing Summary			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Authorized Staffing Level	6.24	6.24	6.49
Senior Court Clerk	1.00	1.00	1.00
Court Clerk	4.75	4.75	5.00
Temp Employees	0.49	0.49	0.49

Significant Expenditure Changes: One Court Clerk was increased from a $\frac{3}{4}$ time position to a full time position. This change can be observed in the 6.7% increase in Personnel when comparing the FY2013 budget to the FY2012 estimated ending.

The 26.3% increase when comparing the FY2012 estimated endings to the FY2013 budget in Other Services & Charges is the result of monies not being expended in FY2012 that were budgeted. The full amount for Computer Services is budgeted again in FY2013.

FY2013 BUDGET

GENERAL GOVERNMENT

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Restitution ordered	\$243,031	\$250,000	\$255,000
Community service days ordered	2,207	2,350	2,400
Conviction rate	99.8%	95.5%	95.5%
Fines ordered	\$648,519	\$655,000	\$665,000
Jail days ordered	3,999	4,250	4,500
Hours of specialized training/attorney attendance at Continuing Legal Education seminars	38.25	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:	FY11 Actual	FY12 Estimate	FY1 Forecast
Civil cases resolved	57 cases 30 wins 4 settled 7 uncollectable 11 dismissed 5 bankruptcy & other	85 civil cases 80% resolution	95 cases 80% resolution
Restitution obtained for the City	\$29,444	\$35,000	\$40,000
Hearing/depositions conducted	30	30	40
Percentage of Council meetings, Board of Adjustment meetings and P & Z Commission Hearings attended by legal counsel	99.8%	99%	99%

FY2013 BUDGET

GENERAL GOVERNMENT

Number of other scheduled meetings attended (does not include Council or Board meetings)	200+	200+	225+
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	105.25	105.25	105.25
Hours of legal support staff training	6	10	15

Prior Year Results and Outcomes

Portions of motions to dismiss were granted in the Riley and Vicente litigation which disposed of a majority of the claims in each case. Favorable settlements were reached in the Brighton Patio Homes and Lexington Insurance cases against the City and personally against one of its utility locators; successful renegotiation of an effluent sales agreement to provide for maintenance and monitoring of a sinking fund for the Hassayampa wastewater treatment facility; successful settlement of a claim by the Centerpointe East development property owners regarding construction and location of the Side Road interchange.

Negotiated a purchase of commercial property by the City for \$2 mil (appraised at \$2.02 mil) and a ground lease with Red Development for location of a Trader Joes store in Prescott.

For fiscal year 2012, the Legal Department received and handled 195 written legal project requests from other City departments, compared to 194 such requests in fiscal year 2011.

Highly successful prosecution of over 2,851 criminal cases of which 228 were DUI cases. This figure does not include June of this year.

Civil cases (collection) initiated by legal department - successful collection (lawsuits) totaling \$54,990.91 (during fiscal year which does not include June)

FY2013 BUDGET

GENERAL GOVERNMENT

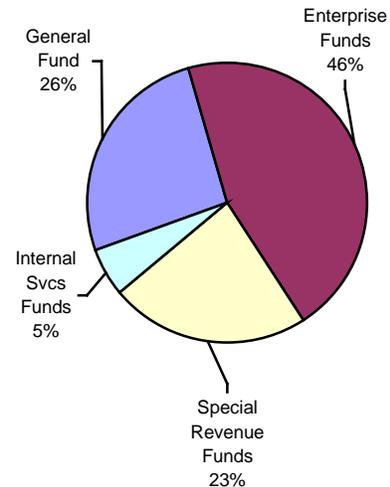
Legal Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 852,600	\$ 836,183	\$ 783,645
Supplies	6,868	6,650	6,650
Other Services & Charges	132,871	149,309	159,756
Total	\$ 992,339	\$ 992,142	\$ 950,051
Cost Recovery	\$ (696,612)	\$ (709,561)	\$ (703,186)

Legal Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	8.50	8.50	7.50
City Attorney	1.00	1.00	1.00
Chief Asst City Attorney	1.00	1.00	1.00
Sr Asst City Attorney	1.00	1.00	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	0.00
Legal Secretary	1.50	1.50	1.50

Legal Department



Significant Expenditure Changes: The elimination of the Legal Secretary in the Legal Department has resulted in a 6.3% reduction in Personnel.

The 7.0% increase that can be observed when comparing the FY2012 estimated endings to the FY2013 budget is the result of funds not being expended in FY2012 that are anticipated to be spent in FY2013.

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 encourages the development of the City's most valuable asset, its employees.

FY2013 BUDGET

GENERAL GOVERNMENT

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
# of grievances	1	2	2
Turnover rate (FT turnover/# of FT budgeted employees)	8.5%/512	9%/514	10%/500
# of employment claims/lawsuits	3	2	3

Prior Year Results and Outcomes

Updated, standardized and provided electronically numerous forms used in recruitment, performance evaluations, retirements, FMLA and payroll in an effort to obtain and maintain current and up-to-date information and eliminate paper and processes that are outdated and inefficient.

Implemented electronic new employee payroll, insurance and personnel packets in an effort to complete packets before a new employee is slated to start work, again, in an effort to streamline processes.

Developed online health insurance annual open enrollment packets for employees as cost savings measure which resulted in a more organized enrollment and expedient process. Also, eliminated the printing of expensive bound plan documents and replaced with CD's at a fraction of the cost.

Continued partnership with NACOG assisting transitional workers re-entering the workforce after encountering personal hardships and subsequent loss of employment. The program is a "win-win" as workers gain new job skills and training, and the City saves on personnel costs for temporary project or seasonal employees. The program is partially, and in some cases, fully funded by NACOG.

Continued partnership with AARP placing workers 55+ years of age into the workplace by updating or creating new skill sets. This program is completely funded by AARP therefore saving the City personnel costs for temporary or project work. The AARP organization consistently uses the COP as a success story as an example of training displaced workers and assisting them in re-entering the workforce.

Department Head participates as Board Member and Benefits Specialist is on Advisory Board of Yavapai Combined Trust Health Plan in an effort to maintain current health benefits for full time employees and to be always informed as to health care trends, wellness programs and cost containment.

Continue to inform all City employees of online training when applicable to their positions in an attempt to continue education while reducing travel and trainer expenditures.

Continual expansion of the MUNIS/HRIS and Payroll system modules including utilization of the training and professional certification, employee evaluation, applicant tracking, Commercial Driver's License and immunization records, etc. This will continue to be an ongoing requirement in an effort to use Munis to its full potential but also is very labor intensive.

FY2013 BUDGET

GENERAL GOVERNMENT

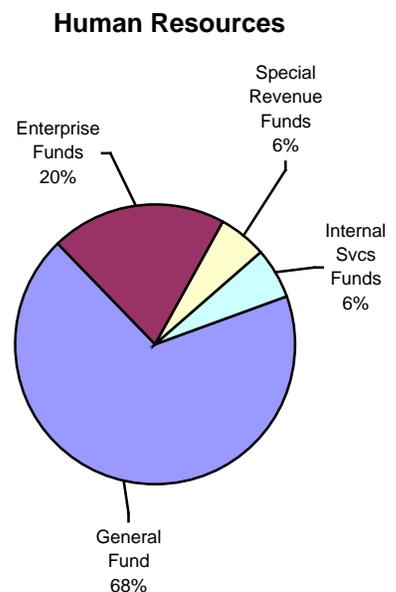
Continual new and existing policy language, updating and reformatting for ease of use and clarification posted electronically on the employee portal. Examples are the new Arizona Marijuana Law as it relates to HIPPA, CDL and workplace drug policies, constant updates of Fair Labor Standards Act (FLSA) changes, Family Medical Leave Act (FMLA), State and Federal statutes and regulations, social media, and many more changes in all policies as necessary.

Human Resources Expenditure Summary

	FY10 Actual	FY11 Estimate	FY12 Budget
Personnel	\$ 339,590	\$ 358,851	\$ 425,809
Supplies	3,940	4,500	4,915
Other Services & Charges	182,342	197,220	193,735
Debt Service	81,007	-	-
Insurance & Retirements	473,493	636,552	524,885
Total	\$ 1,080,372	\$ 1,197,123	\$ 1,149,344
Cost Recovery	\$ (597,708)	\$ (565,624)	\$ (623,757)

Human Resources Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	5.00	5.00	6.00
Human Resources Director	1.00	1.00	1.00
Human Resources Analyst	1.00	1.00	1.00
Human Resources Assistant	1.00	1.00	1.00
Benefits Specialist	1.00	1.00	1.00
Payroll Specialist	1.00	1.00	1.00
Payroll Technician	0.00	0.00	1.00



Significant Expenditures Changes:

The 18.7% increase in Personnel can be attributed to the addition of the Payroll Technician position during FY2013.

FY2013 BUDGET

GENERAL GOVERNMENT

Public Communications

Division Mission: Working under direction of the City Manager to develop, implement and maintain a comprehensive, public information plan with the goal of making Prescott the quad-cities area leader in quality communications.

The division will oversee public information, public relations, departmental marketing projects, social media, website content, maintain relationship and contract with PCAC/Access Channel 13 staff, expedite creative service requests for internal clients (e.g. graphic design, photography/videography, presentations), press release generation, and create opportunities for elected officials to engage residents via radio/TV/and public appearances.

Goal: To increase public awareness of the City of Prescott's community contributions, policies, news, and events through the City's various external communications channels. Insure all media messages including broadcast, print, web-based, are reflective of the city's commitment to professionalism and public service.

Strategy: Receive regular information from department liaisons, city management, and elected officials. Package and direct information to press and stakeholders via releases, press conferences, video production, self/staff/elected official media appearances, city website postings, and through approved social media sites. Provide creative services and consultation to all city departments assuring quality control for public communication materials. Manage relationship/contract between COP and PCAC/Access 13 and Franchise Agreement with Cable One.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of news stories/press releases/spotlight notifications	372	375-400	375-400
Number of website page view per mo. (approx. average)	2.2 million	2.3 million	2.4 million
Number of video productions	30	15	15
Number of PSA spot broadcasts commercial TV/public TV/radio	6,290	6,000	6,000
Number of media appearances	30	40	60
Social Media Impressions	30,000	60,000	70,000

Prior Year Results and Outcomes:

City Website: 2 million+ page views. (100% increase over past 3 years) #1 website referrer to Tourism page. 400 city public information oriented news stories & press releases posted/distributed to press Television/Radio Broadcast Hours Promoting Council/Staff: 25

Broadcast Television PSA's: 15 :30 spots produced/1k free spot "spins" per franchise agreement. 2k spot buys/spins from allocated ad budget with a reach of 27,000 households.

Government Television Channel: Video Bulletin Boards promoting city services running daily in government time slot. In addition, well produced public information news segments rotated regularly on a daily basis throughout the fiscal year.

On-line Public Information Video content outreach: YouTube Channel, Access 13 "Video On Demand," Public Service Announcements and other distribution channels resulted in approximately

FY2013 BUDGET

GENERAL GOVERNMENT

200k views.

Social Media: Facebook/Twitter/YouTube - 50k+ impressions

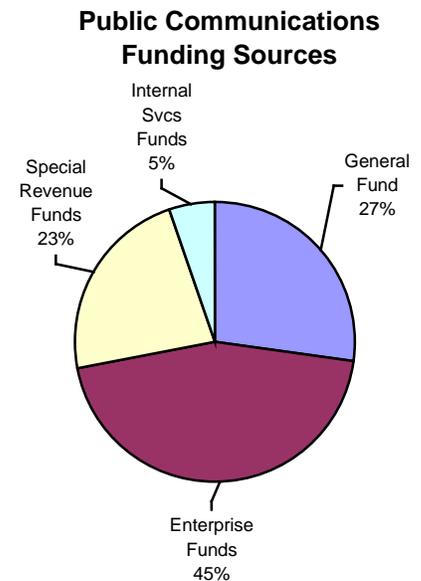
Special Recognition: Live+Work+Play Prescott - Channel 13 Best Program Award, National Merit Telly Award, Emmy Award nomination, participant in Governor's Tourism Award for Centennial Best Fest.

Public Communications Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 154,069	\$ 88,213	\$ 90,031
Supplies	8,588	6,566	5,390
Other Services & Charges	51,390	48,002	34,730
Total	\$ 214,047	\$ 142,781	\$ 130,151
Cost Recovery	\$(161,232)	\$(165,177)	\$(158,060)

Public Communications Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	2.00	1.00	1.00
Public Affairs Director	1.00	1.00	1.00
Public Affairs Coordinator	1.00	0.00	0.00



Significant Expenditure Changes: Other Services & Charges show a reduction when comparing the FY2013 budget to the FY2012 estimated endings. This reflects a reduction in the advertising budget.

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

	FY11 Actual	FY12 Estimate	FY13 Budget
Contractual Services	\$ 87,144	\$ 87,365	\$ 87,247

FY2013 BUDGET

GENERAL GOVERNMENT

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.

Special Events

Division Mission: To create events and activities that make Prescott a destination for residents and tourists.

Special Events Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 74,978	\$ 73,512	\$ -
Supplies	6,268	5,624	-
Other Services & Charges	40,424	41,681	-
Total	\$ 121,670	\$ 120,817	\$ -

Special Events Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	1.000	1.000	0.000
Special Events Coord.	1.000	1.000	0.000

Significant Expenditure Changes: Special Events was moved into the new Economic Enterprises/Airport Department in FY2013.

Tourism

Division Mission: The mission of the Office of Tourism is to develop, promote and maintain Prescott as a year round visitor destination benefitting the community economically and socially.

FY2013 BUDGET

GENERAL GOVERNMENT

Tourism Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 205,697	\$ 213,629	\$ -
Supplies	3,799	650	-
Other Services & Charges	1,993,664	1,427,654	-
Capital Outlay/Projects	2,142,742	39,470	-
Total	\$ 4,345,902	\$ 1,681,403	\$ -

Tourism Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	1.95	2.50	0.00
Tourism Director	1.00	1.00	0.00
Public Affairs Coordinator	0.00	1.00	0.00
Tourism/Economic Dev Coord	0.75	0.50	0.00
Administrative Assistant	0.20	0.00	0.00

*Remainder of Tourism/Economic Development Coordinator is charged to Economic Development.

Significant Expenditure Changes: This division is now part of the new Airport/Economic Initiative Department beginning in FY2013.

FY2013 BUDGET

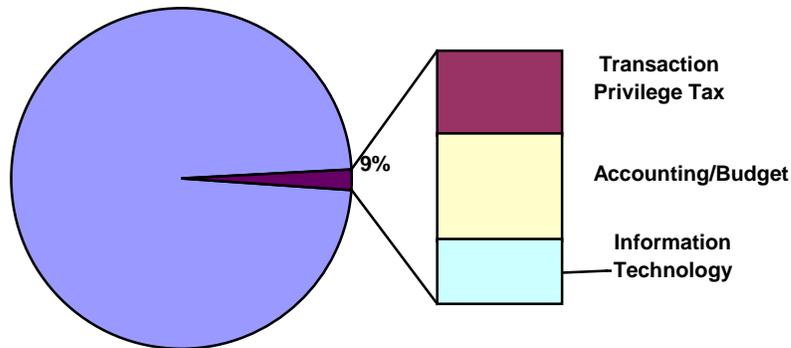
BUDGET AND FINANCE

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.

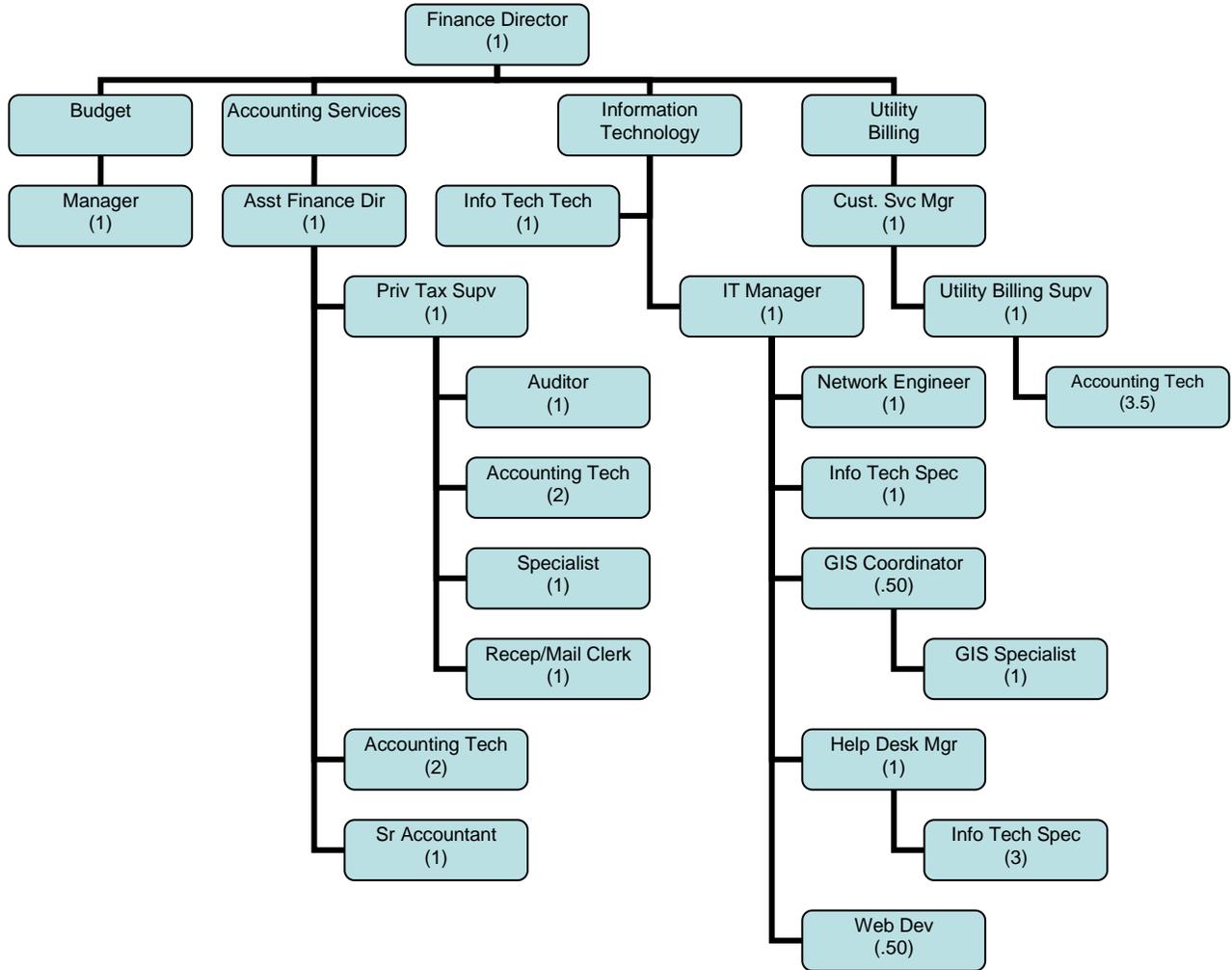
DEPARTMENT MISSION: The Finance Department will continue to lead in government accountability, providing creative solutions to problems while efficiently managing city resources.

% of General Fund Operating Budget



FY2013 BUDGET

BUDGET AND FINANCE



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

FY2013 BUDGET

BUDGET AND FINANCE

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,657,337	\$ 1,580,339	\$ 1,645,691
Supplies	223,048	273,470	274,300
Other Services & Charges	601,673	637,287	639,218
Cost Recovery	(2,143,110)	(2,088,380)	(2,199,551)
Debt Service	55,349	55,349	55,350
Capital Outlay/Projects	22,488	8,500	146,940
Total	\$ 416,785	\$ 466,565	\$ 561,948
Authorized Staffing Level	21.50	21.50	22.00
Transaction Privilege Tax	5.00	5.50	6.50
Accounting	6.90	6.40	5.40
Information Technology	9.60	9.60	10.10

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:	FY11 Actual	FY12 Estimate	FY13 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of information handouts available for selected areas of taxation, business related matters	28	28	28
Number of Privilege Tax Audits (Desk & Field)	290	175	180
Number of taxpayer training seminars	0	6	6

FY2013 BUDGET

BUDGET AND FINANCE

Goal: Collect delinquent privilege tax accounts and minimize write-offs.			
Strategy: Maximize collection effort by phone calls and timely follow-up			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Audit assessments which have gone to hearing	0	0	1

Prior Year Results and Outcomes

Successfully completed 56 field audits for a total of \$334,635.

Completed 288 desk reviews for a total of \$256,947.

Completed and collected 15 Use Tax desk reviews on out of state vehicle purchases in the amount of \$62,163.

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

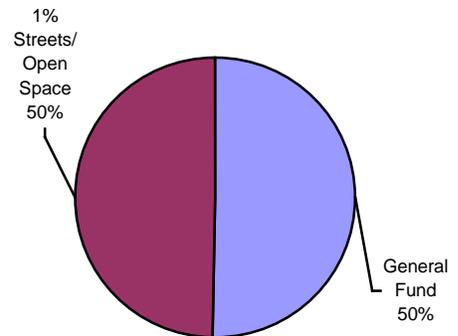
Held taxpayer training seminars for rental property, retail sales, and construction contracting twice during the year.

Issued 1,088 new privilege tax licenses; of which 94 were commercial rental and 302 were residential rentals. The balance of 692 new licenses is a compilation of the various taxable classifications such as retail sales and construction contracting.

Transaction Privilege Tax & Licensing Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 288,799	\$ 281,823	\$ 327,634
Supplies	2,216	2,800	2,800
Other Services & Charges	88,423	82,712	85,875
Total	\$ 379,438	\$ 367,335	\$ 416,309
Cost Recovery	\$ (192,564)	\$ (182,976)	\$ (207,439)

Transaction Privilege Tax & Licensing Funding Sources



FY2013 BUDGET

BUDGET AND FINANCE

Transaction Privilege Tax & Licensing Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	5.00	5.50	6.50
Asst Finance Director	0.00	0.50	0.50
Privilege Tax Supervisor	1.00	1.00	1.00
Privilege Tax Auditor	1.00	1.00	1.00
Tax & Licensing Specialist	1.00	1.00	1.00
Accounting Technician	2.00	2.00	2.00
Accounting Clerk	0.00	0.00	1.00

Significant Expenditures Changes: Personnel shows a significant expenditure change due to the movement of the Accounting Clerk position from the Accounting/Budget division in FY2013.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Cost to deliver financial services as a percentage of total City operating budget	1.15%	1.15%	1.15%
City credit card purchases			
• Volume	15,596	14,972	15,000
• Dollars	\$2,890,590	\$2,767,601	\$2,800,000
Checks issued to vendors	7,719	7,602	7,300

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Receive the GFOA award	Yes	Yes	Yes

FY2013 BUDGET

BUDGET AND FINANCE

Goal: Encourage involvement and distinction in reporting.			
Strategy: Coordinate the annual financial audit maintaining accuracy, consistency and integrity.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Average yield on investments (that exceeds the benchmarks below)	2.90%	2.30%	2.00%
Three month U.S. Treasury Bill average	.04%	.05%	.05%

Prior Year Results and Outcomes:

Received the Distinguished Budget Presentation Award (highest form of recognition) for the tenth 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.

FY2013 BUDGET

BUDGET AND FINANCE

Accounting/Budget Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 577,333	\$ 526,984	\$ 500,561
Supplies	6,260	4,500	6,700
Other Services & Charges	164,942	168,484	199,353
Mail & Copy Center	79,252	71,891	82,300
Debt Service	55,349	55,349	55,350
Capital Outlay/Projects	22,488	2,500	61,000
Total	\$ 905,624	\$ 829,708	\$ 905,264
Cost Recovery	\$ (651,636)	\$ (619,775)	\$ (639,367)
Capital Outlay/Projects			
Financial Reporting System			61,000
Total Capital Outlay/Projects			\$ 61,000

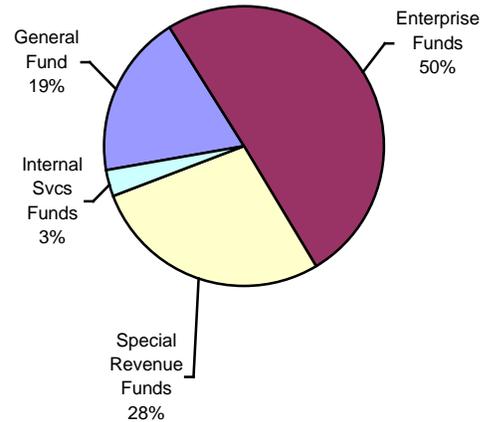
Accounting/Budget Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	6.90	6.40	5.40
Finance Director*	0.90	0.90	0.90
Asst Finance Director**	1.00	0.50	0.50
Customer Services Mgr	1.00	1.00	1.00
Budget Manager	1.00	1.00	1.00
Accounting Technician	2.00	2.00	2.00
Account Clerk	1.00	1.00	0.00

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

**Asst Finance Director is also charged to Transaction Privilege Tax & Licensing

Accounting/Budget Funding Sources



Significant Expenditure Changes: The 5.0% decrease when comparing the FY2013 Budget to the FY2012 estimated endings reflects the movement of the Account Clerk to the Transaction Privilege Tax & Licensing division.

In FY2013 Purchasing was decentralized and a portion of the duties were absorbed by the Accounting/Budget employees. Increased costs can be observed in Supplies and Other Services & Charges.

Information regarding the Capital Outlay/Projects can be located in the Capital Improvement Plan section of this book.

FY2013 BUDGET

BUDGET AND FINANCE

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
% of up time	99.9%	99.9%	99.9%
Number of security incidents	0	0	0

Goal: Provide user training and support to maximize user productivity.			
Strategy: To train 25% of users during the fiscal year. Handle submitted work requests in a timely and concise manner.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY12 Forecast
% of users trained	25%	25%	25%
Number of work orders closed	5,715	5,190	5,300

Goal: Assist the departments in cost effective automation solutions.			
Strategy: Implement 100% of approved projects successfully.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Reviewed and updated plan.	Yes	Yes	Yes

Prior Year Results and Outcomes

Integration of Library networks with City corporate networks - Result is improved network capabilities for Library staff to match other City staff. Another result of this item is increased data security for Library networks including patron access to the Internet from the Library. The Library public web site is now hosted on City IT web server and framework which results in better data security and availability for the web site.

Upgrade of various servers - Several servers were upgraded such as the Employee portal/web development server which drives our public web site. Other upgraded servers include home directory (Q-drive) server, new email firewall servers, public web site search server, and network monitoring server.

FY2013 BUDGET

BUDGET AND FINANCE

Implementation of Zabbix monitoring system - IT has used a variety of network monitoring systems over the years. Zabbix replaces those disparate systems and allows IT to have management and monitoring information from devices ranges from UPS battery backup units to servers/firewalls, etc and environment monitoring systems.

Zabbix is open source software (free as in beer and speech) and gives IT a tool to proactively monitor, trend, and receive notified of events on our network as they happen.

Zabbix will also allow IT to 'right-size' the purchase of replacement servers by providing complete and accurate performance metrics on the systems that are to be replaced.

Email firewall upgrade - New email firewalls were evaluated and provisioned in FY2012. These firewalls improve on key design and performance defects of our previous email firewalls. The net result is better email system security and a reduction in the amount of spam emails that slip into our email system.

Antelope Hills CableOne easement - IT partnered with CableOne at Antelope Hills for the use of City owned conduit. This conduit was used by CableOne to provide high speed network and data services to businesses in the airport development region on the northeast side of Antelope Hills. In return, the City received a free fiber optic feed from CableOne for Antelope Hills. This run will allow IT to retire a fiber run that is difficult to maintain from golf maintenance at 5930 Wilkinson Drive to Station 73 at 1980 Clubhouse Drive.

Public safety microwave network - IT is partnering with the Regional Dispatch Center to improve networking speeds at select locations via the public safety microwave network. This upgrade provides higher levels of feature parity for users at these locations. The fundamentals principles of this item allow for integration of additional network sites such as Public Works water and wastewater sites. This last element has the benefit of not only allowing for management of these assets from the City network but also replacing expensive (and comparatively slow) leased data circuits at these locations.

Refresh City network equipment - IT has begun to upgrade pieces of our network infrastructure. The items being replaced have been in service for 5 to 8 years. The replacement equipment offers higher performance, better features, and a lower cost of ownership in terms of setup, support, and maintenance costs.

FY2013 BUDGET

BUDGET AND FINANCE

Information Technology Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 788,686	\$ 771,532	\$ 817,496
Supplies	207,956	259,370	258,000
Other Services & Charges	278,193	321,000	278,490
Capital Outlay/Projects	-	6,000	85,940
Total	\$ 1,274,835	\$ 1,357,902	\$ 1,439,926
Cost Recovery	\$ (1,298,909)	\$ (1,285,629)	\$ (1,352,745)
Capital Outlay/Projects			
E-Mail Archiving			\$ 75,000
Geodesy			6,940
Document Imaging System			4,000
Total Capital Outlay/Projects			\$ 85,940

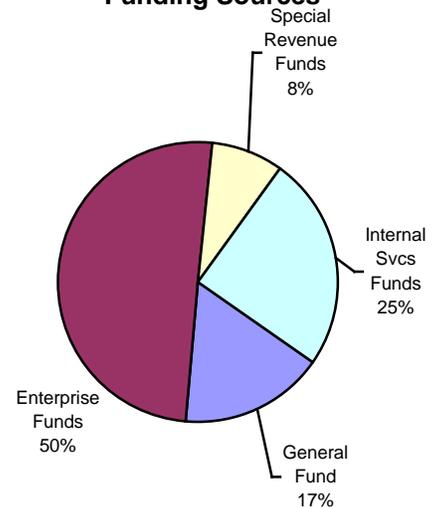
Information Technology Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	9.60	9.60	10.10
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	4.00	4.00	4.00
App Mgr/GIS Coord**	0.50	0.50	0.50
Web Developer	0.00	0.00	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.

Information Technology Funding Sources



Significant Expenditure Changes: The 6.0% increase in Personnel is the result of the addition of the half-time Web Developer position that has been added for FY2013.

When comparing the FY2013 budget to the FY2012 estimated ending there is a 13.2% decrease in Other Services & Charges. This is the result of higher than anticipated miscellaneous maintenance expenses for the City's network.

FY2013 BUDGET

BUDGET AND FINANCE

For more information regarding the E-Mail Archiving, Document Imaging System and the Geodesy, refer to the Capital Improvement Plan area of this book.

FY2013 BUDGET

FIELD AND FACILITIES

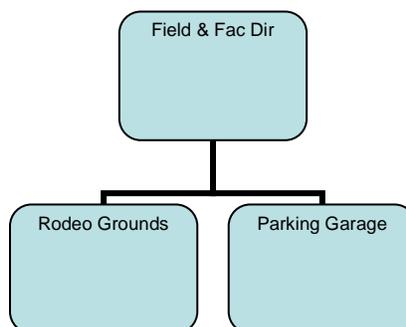
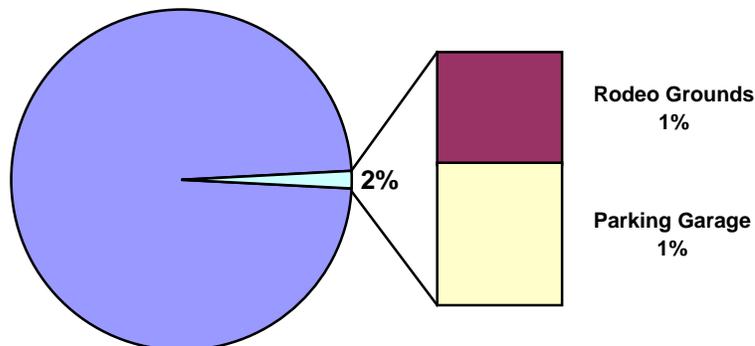
Beginning FY2013, the Field and Facilities Department was reorganized to include the Rodeo Grounds and the Parking Garage. These two divisions are shown in the General Fund portion of the Annual Budget book because the primary financing comes from this fund. The other areas of Field and Facilities include Street Operations, Solid Waste/Transfer Station, Fleet Maintenance and Facilities Maintenance. More information regarding these areas can be found throughout the book.

DEPARTMENT MISSION: Keeping Prescott a great place to live, work, and visit.

We do this by keeping streets safe and clean; by keeping neighborhoods clean and free of trash; by keeping the fleet of City vehicles operating safely and efficiently; and by keeping City buildings safe, clean, and well-maintained.

We work hard to ensure Prescott's exemplary performance as an environmental steward. We explore innovative methods to reduce Prescott's waste stream while increasing revenues. We take pride in learning and practicing current maintenance methods. We operate in a fiscally responsible manner to safeguard the City's physical assets and infrastructure. We keep a close eye on the bottom line!

% of General Fund Operating Budget



FY2013 BUDGET

FIELD AND FACILITIES

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ -	\$ -	\$ 37,357
Supplies	-	-	16,250
Other Services & Charges	-	-	49,774
Capital Outlay/Projects	-	-	35,000
Total	\$ -	\$ -	\$ 138,381
Authorized Staffing Level	0.00	0.00	0.25
Rodeo	0.00	0.00	0.15
Parking Garage	0.00	0.00	0.10

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

Completed the Rodeo Grounds "Grandstands Project" on-time and under budget by 12%. Restored bleachers to original configuration and provided ample ingress and egress, removing aisle obstructions and developing drainage for underground springs coming through grandstands. Repainted all yellow caution markings on stairways and added safety cages to light fixtures.

Cooperated with Prescott Frontier Days to provide paint and labor to improve south wall of grandstands.

Rodeo Expenditure Summary

	FY11 Actual	FY12 Est End	FY13 Budget
Personnel	\$ -	\$ -	\$ 14,589
Supplies	-	-	7,675
Other Services & Charges	-	-	6,786
Capital Outlay/Projects	-	-	5,000
Total	\$ -	\$ -	\$ 34,050
Capital Outlay/Projects			
Rodeo Ground Improvements			5,000
Total Capital Outlay/Projects			\$ 5,000

FY2013 BUDGET

FIELD AND FACILITIES

Rodeo Grounds Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.000	0.000	0.150
Facilities Director	0.000	0.000	0.000
Facilities Manager	0.000	0.000	0.150

*Facilities Manager also charged 75% Facilities Maintenance and 10% Parking Garage.

Significant Expenditure Changes: There are no significant expenditures changes in this division. Information regarding the Rodeo Ground Improvements can be found in the Capital Improvement Plan section of this book.

Parking Garage Operations

Division Mission: To provide downtown visitors, tourists, and workers ample convenient and safe off-street parking.

Prior Year Results and Outcomes

Rehabilitated two of the three stairways.

Added nine new parking leases totaling \$4,860 annually.

Surpassed budgeted revenue, under budget in expenses.

Conducted monthly monitoring of lighting and correct light levels and implemented safety inspections including correction of elevator telephone.

Reduced elevator maintenance costs from \$3,046 annually to \$1,094 through "piggyback" of federal contract.

FY2013 BUDGET

FIELD AND FACILITIES

Parking Garage Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ -	\$ -	\$ 22,768
Supplies	-	-	8,575
Other Services & Charges	-	-	42,988
Capital Outlay/Projects	-	-	30,000
Total	\$ -	\$ -	\$ 104,331

Capital Outlay/Projects			
High Definition Cameras			30,000
Total Capital Outlay/Projects			\$ 30,000

Parking Garage Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.000	0.000	0.100
Facilities Director	0.000	0.000	0.000
Admin Services Director	0.000	0.000	0.100

Note: Facilities Director also charged 75% Facilities Maintenance;
and 15% to Rodeo Grounds

Significant Expenditures Changes: There are no significant expenditures changes in this fund. Information regarding the High Definition Cameras can be located in the Capital Improvement Plan.

FY2013 BUDGET

ADMINISTRATIVE SERVICES

The Administrative Services Department was reorganized to and the divisions were apportioned to different departments. FY2012 is the last year for the Administrative Services Department.

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Est End	FY13 Budget
Personnel	\$ 233,524	\$ 187,805	\$ -
Supplies	29,271	15,718	-
Other Services & Charges	148,822	129,770	-
Cost Recovery	(81,024)	(75,423)	-
Capital Outlay/Projects	<u>329,735</u>	<u>77,274</u>	<u>-</u>
Total	\$ 660,328	\$ 335,144	\$ -
Authorized Staffing Level	2.350	2.200	0.000
Rodeo Grounds	0.100	0.150	0.000
Purchasing	1.100	1.000	0.000
Elks Opera House	1.150	1.050	0.000

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.

FY2013 BUDGET

ADMINISTRATIVE SERVICES

Purchasing Expenditure Summary

	FY11 Actual	FY12 Est End	FY13 Budget
Personnel	\$ 95,923	\$ 81,629	\$ -
Supplies	1,304	1,945	-
Other Services & Charges	20,760	21,646	-
Capital Outlay/Projects	329,735	77,274	-
Total	\$ 447,722	\$ 182,494	\$ -
Cost Recovery	\$ (81,024)	\$ (75,423)	\$ -

Purchasing Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	1.100	1.000	0.000
Facilities Director	0.100	0.000	0.000
Purchasing Manager	1.000	1.000	0.000

Significant Expenditures Changes: Purchasing has been decentralized beginning FY2013.

Elks Opera House

Division Mission: Promote the theatre to become a destination of entertainment for Prescotttonians and tourists alike.

Elks Opera House Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 122,848	\$ 87,536	\$ -
Supplies	27,967	12,998	-
Other Services & Charges	126,774	106,737	-
Total	\$ 277,589	\$ 207,271	\$ -

FY2013 BUDGET

ADMINISTRATIVE SERVICES

Elks Opera House Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	2.990	2.050	0.000
Administrative Svcs Dir	0.050	0.050	0.000
Facilities Director	0.100	0.000	0.000
Business Manager	1.000	1.000	0.000
Temp Employees	1.840	1.000	0.000

Significant Expenditure Changes: Elks Opera House was moved into the new Economic Enterprises/Airport Department in FY2013.

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.

Rodeo Expenditure Summary

	FY11 Actual	FY12 Est End	FY13 Budget
Personnel	\$ 14,753	\$ 18,640	\$ -
Supplies	-	775	-
Other Services & Charges	1,288	1,387	-
Total	\$ 16,041	\$ 20,802	\$ -

Rodeo Grounds Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.100	0.150	0.000
Facilities Director	0.100	0.000	0.000
Facilities Manager	0.000	0.150	0.000

Significant Expenditure Changes: This division was moved to the Field and Facilities Department for FY2013.

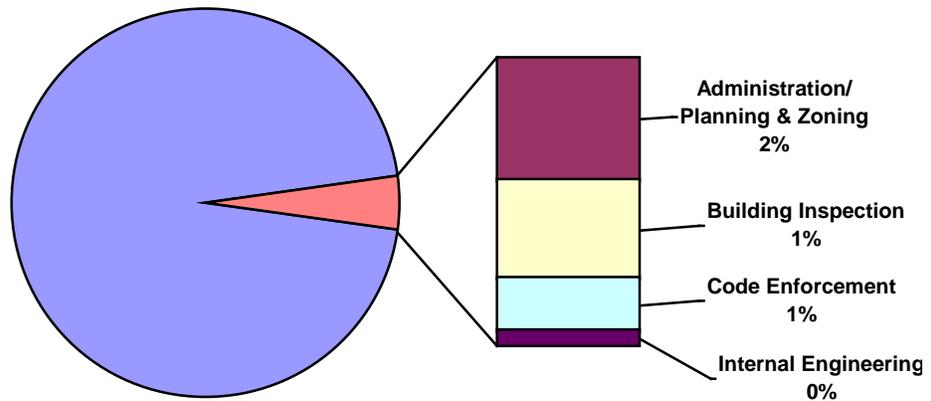
FY2013 BUDGET

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.

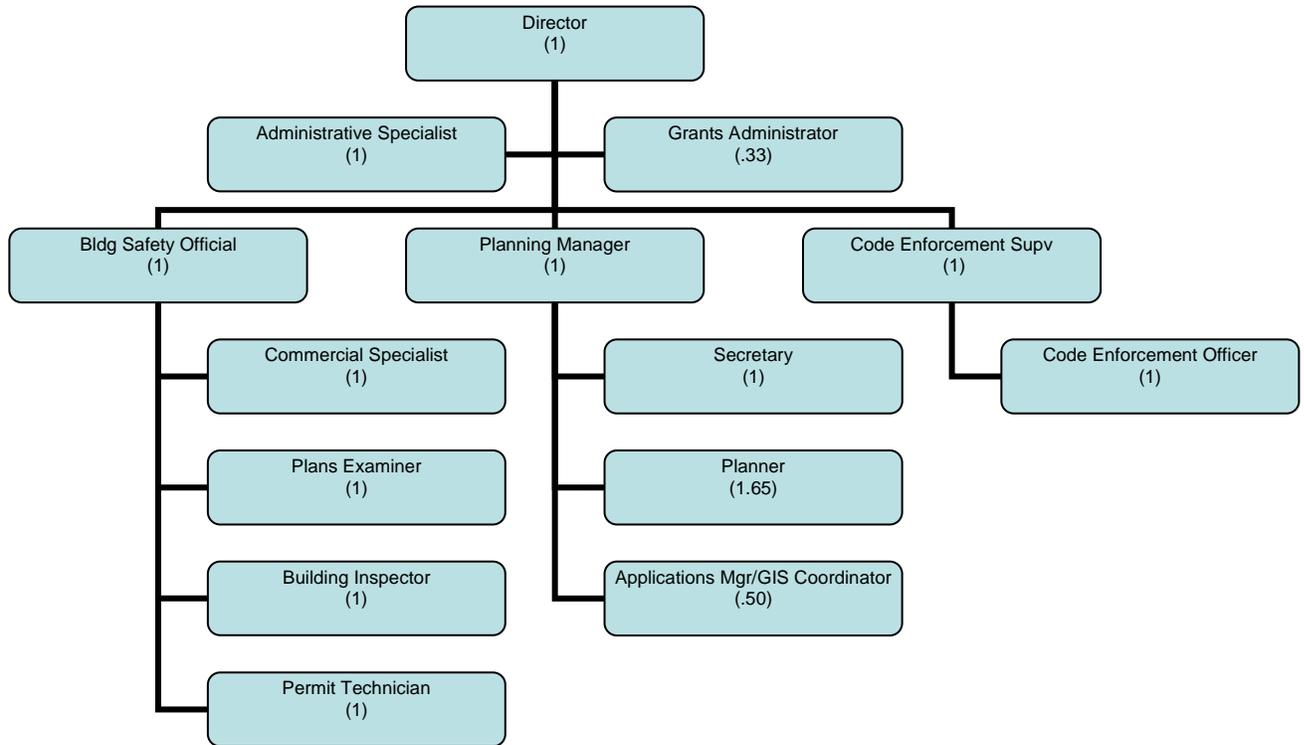
DEPARTMENT MISSION: The mission of the Community Development Department is to promote orderly and planned growth through land use regulations designed to protect and enhance the health, safety and welfare of the community and its environmental, cultural, economic and aesthetic resources. Staff strives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

% of General Fund Operating Budget



FY2013 BUDGET

COMMUNITY DEVELOPMENT



Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,128,642	\$ 1,107,066	\$ 987,262
Supplies	11,532	20,963	24,100
Other Services & Charges	255,837	278,497	277,366
Capital Outlay/Projects	3,066	10,000	19,500
Total	\$ 1,399,077	\$ 1,416,526	\$ 1,308,228
Authorized Staffing Level	15.50	14.75	12.48
Administration/P&Z	6.60	6.35	4.58
Building Inspections	5.30	5.30	5.30
Code Enforcement	3.60	2.60	2.60
Economic Development	0.00	0.50	0.00

FY2013 BUDGET

COMMUNITY DEVELOPMENT

Administration/Planning & Zoning

Division Mission: To provide residents, builders and developers with quality, timely information and efficient service. To assist residents, builders and developers during the permitting and project review processes to facilitate development. To monitor and periodically review land use codes to reduce unnecessary and burdensome regulation.

Goal: Continue to improve the efficiency and effectiveness of the Pre-Application Conference 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Pre-Application Items	98	65	75

Goal: Implement a community outreach effort for the historic status tax benefit program.

Strategy: Inventory and identify the likely properties that are qualified to receive the historic tax credit. Contact the homeowners to educate them on the program. Assist with enrollment in the program. Re-evaluate the properties receiving the credit six months post outreach.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
% of Analysis Completed	N/A	100%	N/A
% of Contacts Made	N/A	100%	100%
% of Re-evaluations Completed	N/A	50%	50%

Goal: Provide staff support to the Unified Development Code Committee (UDC) to actively review land use codes to identify and remove unnecessary and overly burdensome development requirements while maintaining regulations needed to protect the health, safety and welfare of the residents and business community.

Strategy: Monitor the application of land use regulations and seek public comments and suggestions to improve the effectiveness of the adopted codes. Bring potential Land Development Code (and other land use regulations) modifications to the UDC for their review and recommendations. Pursue formal P&Z Commission and City Council review as directed by the UDC.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of regularly scheduled meetings of the UDC with relevant agenda items.	4	6	11

Prior Year Results and Outcomes

Promoted the PAC process to developers and builders to facilitate and shorten the plan review process

Sought quick and definitive problem resolution, while acting as facilitators to assist the development community through the plan and project review process

FY2013 BUDGET

COMMUNITY DEVELOPMENT

Identified and inventoried properties eligible to receive the state historic property tax credit and made contact with the owners to educate them about the program

Maintained a high level of customer service through telephone, electronic and personal contact with planning, zoning and historic preservation customers

Provided staff support, organizational assistance and guidance to the City Council appointed General Plan Committee

Administration/Planning & Zoning Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 511,438	\$ 478,906	\$ 390,810
Supplies	6,489	8,441	10,500
Other Services & Charges	92,247	128,477	160,444
Capital Outlay/Projects	-	-	7,000
Total	\$ 610,174	\$ 615,824	\$ 568,754
Capital Outlay/Projects			
General Plan Update			7,000
Total Capital Outlay/Projects			\$ 7,000

Administration/Planning & Zoning Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	6.60	6.35	4.58
Director*	0.50	0.50	0.50
Planning Manager**	0.60	0.60	0.60
Planner***	3.00	2.75	1.65
Grants Administrator****	0.00	0.00	0.33
Administrative Assistant	1.00	0.00	0.00
Administrative Specialist	0.00	1.00	1.00
App Mgr/GIS Coord*****	0.50	0.50	0.50
Secretary	1.00	1.00	0.00

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

**40% of Planning Manager is charged to Code Enforcement

***Remainder of 1 Planner (35%) is charged to Alt Water

****Grants Administrator is also charged to the Grants Fund.

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

FY2013 BUDGET

COMMUNITY DEVELOPMENT

Significant Expenditures Changes: Personnel exhibits a 18.4% decrease when comparing the FY2013 budget to the FY2012 estimated endings. This is the result of increasing the charge of one planner to Alternative Water Resources from 25% in FY2012 to 35% in FY2013. Also, one Planner position has been eliminated in FY2013.

The large increase in Other Services & Charges is observed in Maintenance of Office Equipment. It is anticipated that more monies will be expended in FY2013 than has been spent in the previous budget year.

Building Inspection

Division Mission: 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Contractors' Meetings	3	4	4
Yavapai County Building Officials' Meetings	4	6	6
Percentage of reinspections	20%	17%	16%

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of plan reviews that meet current turnaround times	95	100	100

FY2013 BUDGET

COMMUNITY DEVELOPMENT

Goal: To provide staff support to the Advisory and Appeals board in the review of the 2012 International building codes, and identify unnecessary or overly burdensome codes while maintaining needed local requirements to protect the health, life safety and welfare of local citizens.

Strategy: Review the implementation of the 2012 International building codes and the impact to the construction community. Regularly seeking public comments and suggestions thru the use of the local contractors association and development community, to help improve the effectiveness of the 2012 International building codes implementation. Will bring these suggestions to the Advisory and Appeals Board for their review and seek City Council direction.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Advisory and Appeals meetings	N/A	N/A	8
Number of Contractors' meetings	N/A	N/A	4

Prior Year Results and Outcomes:

Issued 133 New single family permits

Had 6 Building officials meeting in the local area

Did three Radio shows with YCCA

Total of 1613 permits were issued

Total valuation of \$60,859,431.27

Total inspections

Had 3 contractors meeting

95% of Plan reviews were done within the time frame

Had over 19,000 phone calls

Had over 7000 inspections

Helped over 4500 people at the front counter

Had less than 15% re-inspections

Had 89 PAC meetings

Helped with the Home show for the community

Had 15 after hours call outs Fire, Crash, and etc

FY2013 BUDGET

COMMUNITY DEVELOPMENT

Building Inspections Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 407,909	\$ 402,052	\$ 393,960
Supplies	2,789	8,050	8,550
Other Services & Charges	77,600	46,592	37,933
Total	\$ 488,298	\$ 456,694	\$ 440,443

Building Inspections Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	5.30	5.30	5.30
Comm. Devel. Director*	0.30	0.30	0.30
Chief Building Official	1.00	1.00	1.00
Bldg Insp/Plans Examiner	0.00	0.00	2.00
Commerical Specialist	1.00	1.00	0.00
Plans Examiner	1.00	1.00	1.00
Building Inspector	1.00	1.00	0.00
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: There are no significant expenditure changes in the Building Inspection Division.

Code Enforcement

Division Mission: The mission of Code Enforcement is to uphold and enforce codes and standards adopted by the City of Prescott to protect the health, safety and welfare of the community.

Code Enforcement will help insure that properties are maintained through regular neighborhood inspections and by encouraging businesses to maintain the aesthetic appeal of their properties. Code Enforcement will be helpful to the economic climate of the community by promoting a cleaner, inviting, city through public education, partnering with businesses and regular neighborhood clean-up events.

Code Enforcement will focus on voluntary compliance, where possible, and will provide information and assistance to residents about the codes and their responsibilities. Code Enforcement will promptly act to address identified life safety and health violations.

FY2013 BUDGET

COMMUNITY DEVELOPMENT

Goal: Continue the Neighborhood Enhancement/Cleanup program to help reduce blight and the accumulation of unwanted clutter from neighborhoods through collaborative efforts between city departments, neighborhood residents, and community organizations.

Strategy: Schedule periodic neighborhood clean-ups in areas identified through regular inspections. Stage a roll-off dumpster in a location easily accessible to the public and on a specific date to encourage residents to reduce or eliminate the accumulation of unwanted items. Provide effective public announcements of neighborhood clean-ups through direct mailing, postings on the City website and public service announcements.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Neighborhood Enhancement/Cleanups	4	5	6
Tons removed	45	50	64

Goal: Communicate the purpose of code enforcement to the citizens of Prescott through systematic inspections, while seeking voluntary compliance with city codes.

Strategy: Provide daily inspections of the major arterial routes and neighborhoods throughout the City of Prescott and proactively educate the public about the city codes through personal contact. Address violations through a process of education, inspections, and information.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of cases opened	873	1,000	800
Number of cases closed	956	950	750
Violations resolved by Personal Contact	N/A	600	900

Prior Year Results and Outcomes

Maintained a high level of customer service through telephone, electronic and personal contact with the citizenry of Prescott.

Resolved 530 potential code violations immediately providing code education via personal contact.

Implemented 8 neighborhood enhancements further reducing blight and removing 60 tons of waste.

Partnered with the Field and Facilities departments to clear tree debris from streets, parkways, and city right of ways.

Provided daily removal of flyers and posters placed on utility poles and boxes to help maintain the visual appearance of the city.

Processed the following FY2012 case load: Cases opened, 1040; cases closed, 956; cases referred to hearing officer, 5

FY2013 BUDGET

COMMUNITY DEVELOPMENT

Code Enforcement Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 208,819	\$ 195,258	\$ 202,492
Supplies	2,255	4,472	5,050
Other Services & Charges	28,105	18,105	13,805
Capital Outlay/Projects	3,066	10,000	12,500
Total	\$ 242,245	\$ 227,835	\$ 233,847
Capital Outlay/Projects			
Neighborhood Cleanup			12,500
Total Capital Outlay/Projects			\$ 12,500

Code Enforcement Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	3.60	2.60	2.60
Comm. Development Dir*	0.20	0.20	0.20
Planning Manager**	0.40	0.40	0.40
Code Enforcement Supv	1.00	1.00	1.00
Code Enforcement Officer	2.00	1.00	1.00

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

**60% of Planning Manager is charged to Administration

Significant Expenditures Changes: There are no significant expenditure changes in the Code Enforcement Division.

Economic Development

Division Mission: To lead in building a stronger and more diversified economy by promoting increased public/private sector collaboration, delivering business development initiatives focused on new investment and quality job growth, enhancing the competitiveness of Prescott's business climate, and driving regional initiatives.

FY2013 BUDGET

COMMUNITY DEVELOPMENT

Economic Development Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 477	\$ 30,850	\$ -
Other Services & Charges	-	20,050	-
Total	\$ 477	\$ 50,900	\$ -

Economic Development Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.00	0.50	0.00
Tourism & Economic Dev Coord	0.00	0.50	0.00

Note: Remainder of Tourism & Economic Development Coordinator is charged to Tourism

Significant Expenditures Changes: This division was moved to the newly created Economic Enterprises/Airport Department in FY2013.

Internal Engineering

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

Internal Engineering Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Other Services & Charges	\$ 57,884	\$ 65,273	\$ 65,184

Significant Expenditure Changes: This amount includes \$57,794 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.

FY2013 BUDGET

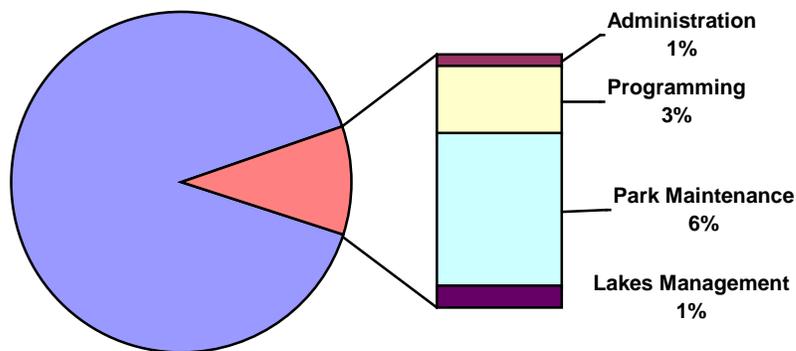
PARKS AND RECREATION

The Parks and Recreation 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, and children's play areas.

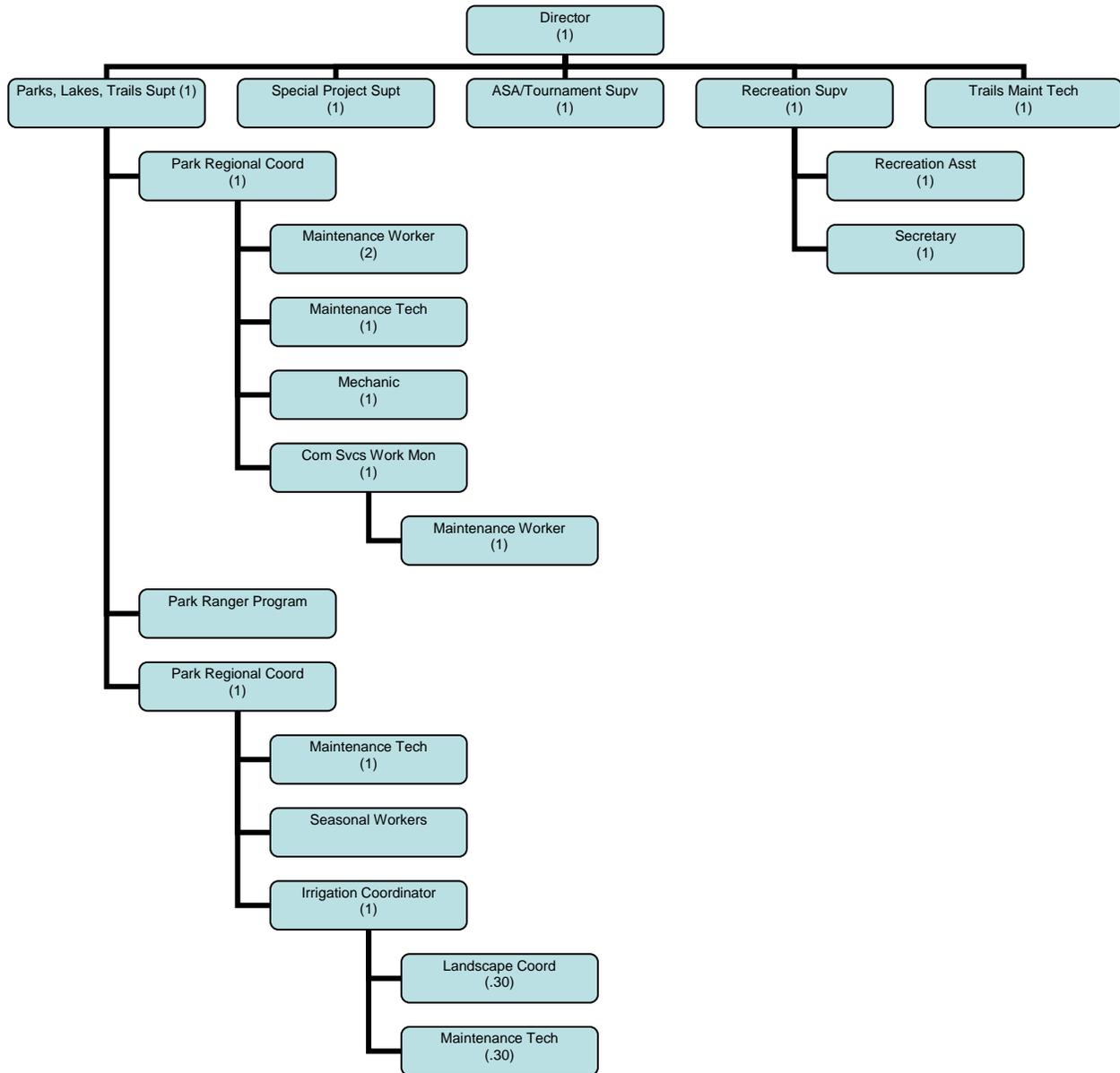
DEPARTMENT MISSION: To provide safe, enjoyable, attractive, parks and programs with responsive service which enhance our quality of life and preserve the natural and recreational assets of the city of Prescott. To promote tourism and its associated economic benefits through hosting events.

% of General Fund Operating Budget



FY2013 BUDGET

PARKS AND RECREATION



FY2013 BUDGET

PARKS AND RECREATION

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,356,624	\$ 1,334,261	\$ 1,565,638
Supplies	198,312	251,948	278,800
Other Services & Charges	982,616	949,695	1,052,011
Capital Outlay/Projects	17,939	55,000	160,000
Total	\$ 2,555,491	\$ 2,590,904	\$ 3,056,449
Authorized Staffing Level	28.400	27.280	32.350
Administration	1.092	1.092	1.092
Programming	8.194	7.644	7.644
Park Maintenance	16.114	15.544	20.614
Lakes Management	3.000	3.000	3.000

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 sub-division 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.

Administration Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 110,335	\$ 117,238	\$ 119,534
Supplies	7,743	7,800	6,850
Other Services & Charges	39,531	48,648	44,564
Total	\$ 157,609	\$ 173,686	\$ 170,948

FY2013 BUDGET

PARKS AND RECREATION

Administration Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	1.092	1.092	1.092
Parks & Recreation Dir	0.000	1.000	1.000
Asst Parks & Rec Dir	1.000	0.000	0.000
Secretary	0.092	0.000	0.000
Recreation Assistant*	0.000	0.092	0.092
Remainder charged to Programming (.794) and Park Maintenance (.114)			

Significant Expenditures Changes: There are no significant expenditure 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. Live, Work and Play in Prescott.

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 Nursing Homes, Granite Creek Clean Up, Crisis Pregnancy Center and others.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of community service work projects	4	5	6
Number of performances by the SNAP signers	42	45	47
Number of Social Nights Out	10	11	12
Number of dances and bingo night	23	23	23
Community Partners	N/A	N/A	5

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

Strategy: Maintain registration fees with minimal entry fee increase to cover costs. Utilize balls and other equipment in frugal ways for as long as safely possible. Hold wages of staff and contract employees at 2011 levels.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Summer softball teams	146	150	150
Individual softball players registered	1,752	1,800	1,800
Spring volleyball teams	21	24	24
Fall volleyball teams	56	50	50
Individual volleyball players	616	592	592
Winter basketball teams	39	40	40

FY2013 BUDGET

PARKS AND RECREATION

Summer basketball teams	20	24	24
Individual basketball players registered	472	504	512

Goal: To maintain the success of City Tournaments that will continue to generate economical impact and provide opportunities for our local sports enthusiasts.

Strategy: Continue conducting two annual ASA Youth Open Invitational tournaments that remain self supportive.

Performance Measures	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of ASA "Beat the Heat" teams	44	47	48
Number of ASA "Best of the West" teams	63	67	69

Strategy: To begin planning and organizing the awarded 2012 ASA Girl's Class A Fast-pitch 18U Western and Men's 60 and Over Fast-Pitch Nationals.

Performance Measures	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Men's 60 and Over Teams	N/A	10	10
Number of Girls Class "A" Fast-pitch 18U Western Teams	N/A	45	45

Prior Year Results and Outcomes:

Sports

Summer sports continue to prosper in the City of Prescott. Our Summer City Adult Softball League continues to thrive despite the economy with 142 teams participating in 2012. Our teams play Monday through Friday from May-August at 5 different ball fields in Prescott. There were 66 Men's Slow Pitch, 58 Co Rec Slow Pitch, 6 Men's Senior Slow Pitch, 7 Women's Slow Pitch and 5 Men's Fast Pitch Teams. That's over 700 softball games played throughout the summer at Pioneer Park and Ken Lindley Field. Overall, nearly 2,000 individuals were on City league softball rosters. Per capita, Prescott continues to be 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 includes approximately 60 part time seasonal scorekeepers, site supervisors and officials that work all of our City leagues and ASA tournaments throughout the year .

As we Coordinate all of the ASA youth tournaments internally, we have a tournament account through the finance department with all tournament entry fees going directly through us as well. Overall, the 2011 economic impact for all of our internal ASA Youth Tournaments, contract tournaments as well as the AYSO Mile High Soccer Classic brought \$1.5 Million of Estimated Direct Spending and almost \$6.0 million worth of total economic impact 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

FY2013 BUDGET

PARKS AND RECREATION

League Baseball (550 players), Prescott Rebels Baseball Club (50 players), Prescott Girls Softball Association (170 players), AYSO Soccer (1,000 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.

The Recreation Programming division also offers Open Gym Volleyball and Basketball on Monday/Wednesday/Fridays at the Grace Sparkes Activity Center Gym. The Volleyball group utilizes the gym from 9am-Noon and Basketball uses the gym from Noon-2pm. There are approximately 40 volleyball and 50 basketball players coming to the site for this service.

Another 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.

We have increased our GSAC rental rates to include providing a paid employee to supervise the entire reservation from open to close. We have put the charge onto the renter to ensure that the facility is being taken care of as well as assist them with any needs such as having access to the Flagstone Room, storage for chairs and tables, etc.

S.N.A.P – Special Needs Activity Program for 2011 – 2012

The SNAP program continues to provide social, creative, and educational opportunities for the Prescott Quad-City area adults with developmental and/or cognitive disabilities. SNAP sponsors monthly dances, crafts, karaoke, "dinner & a movie" nights, sign language performances, and special outings to sporting events. The program also provides many weekly opportunities with swimming, swim team, weight training, and sign language class. This unique program for special needs adults is not offered anywhere else in the community.

SNAP generated **\$15,267** in revenue with dues, fees, outings, and events; an **increase of \$3396** in revenue over last year.

Our **monthly dances**, sponsored by various special needs support groups or community sponsors, have continued to grow in members attending, averaging 150 to 160 people. We had 2 new dance sponsors and continue to pursue more.

In partnership with the YMCA, SNAP offers two exercise programs: **Water Aerobics** and **Workout Wednesday**. SNAP added a **Swim Team** in 2010 to our exercise program and presently has 16 athletes and continues to grow. We now have 6 trained Special Olympics Aquatic Coaches working with our members. The swim team looks forward to competing in their first Special Olympics Swimming Area and State Meets in the fall.

"**Something Special**" television program came into existence in January 2011 on Access 13. The SNAP program is currently on hold due to my 18 hour part-time status and lack of volunteers to help with this project.

FY2013 BUDGET

PARKS AND RECREATION

The SNAP Signers continue to grow in numbers as well. The program is presently up to 40 signers, up from 30 last year. As traveling diplomats, the program performs on average three-to-four times a month at various venues around Prescott and the state. I am proud of the group and all of their hard work in having learned 22 songs in sign. The SNAP Signers have once again been invited to the Hopi Reservation to perform at the Hopi 17th Annual Special Needs Activity Day in September and has just been invited to sign "God Bless America" at the Diamondbacks game on July 29th for Disability Awareness Day at the park.

Craft Night has been reduced to a quarterly event due to cost containment, even with a local donation. The program continues to look for outside sponsors to keep this extremely popular event going, and await the time when the program can provide this more frequently. Craft night is very labor intensive with 50 plus participants, and we are pleased to announce that we have enlisted the support of 10 volunteers to help.

"Dinner & a Movie" nights are well attended with an increase of 60 plus members in attendance. We meet at a local restaurant then head to the Harkins Theatre to enjoy a PG movie.

Bingo has increased in attendance with 60-65 people joining us in the monthly festivities. It continues to be a popular event due to the generosity of our donators of the re-gifting program.

SNAP's Re-gifting program is always looking for gently used or new items for our bingo, dance door prizes, and Christmas program. This helps keep the program expenses down tremendously!

SNAP does encourage **Community Service** with participation in the Granite Creek Cleanup by collecting trash at Willow Lake. Also, this year we were blessed to partner again with the Kiwanis, and due to a very generous donation of \$550, we were able to make 43 baby blankets for our Community Pregnancy Center. This doubles of record from last year!

Paid **knowledgeable Staff** is a vital component of SNAP program to ensure a safe and fun environment for all who attend our events. SNAP's part-time staff has been in the special needs community where behavior issues can play a part in our events. The program attempts to keep all paid staff expenses to a minimum, while taking safety into consideration.

Volunteers play a very important part in the SNAP program and we are actively recruiting volunteers for all of our programs. We have been blessed to have a dozen plus active helpers for swimming, workout, bingo, and dances.

Special Olympics' is a vital part of our special needs community and SNAP plays a major part in it. SNAP partners with the Prescott Area Special Olympics and is on the S.O Prescott Committee; a volunteer for basketball and swimming, as well as securing the armory for practices and what ever else the delegation needs.

Partnering with Access 13, **"Something Special"** television program came into existence in January 2011 on channel 13. It is presently on hold due to my 18 hour per week part-time restraints and lack of volunteers to help with filming and production of this show. It did feature SNAP members hasting, performing, and interviewing people that support our special needs community. We are hoping to get it back into production again in the near future.

FY2013 BUDGET

PARKS AND RECREATION

Recreation Programming Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 349,248	\$ 339,108	\$ 391,767
Supplies	29,252	33,000	65,000
Other Services & Charges	229,796	251,904	350,527
Total	\$ 608,296	\$ 624,012	\$ 807,294

Recreation Programming Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	7.264	7.144	7.144
Recreation Supervisor	1.000	1.000	1.000
ASA/Tournament Supv	1.000	1.000	1.000
Secretary	1.794	1.000	1.000
Recreation Assistant*	0.000	0.794	0.794
Summer Inst. (temp)	3.470	3.350	3.350

*Remainder of Recreation Assistant charged to Administration (.092) and Park Maintenance (.114).

Significant Expenditure Changes: Significant expenditure changes can be seen in all categories when comparing the FY2013 budget to the FY2012 estimated endings. This is the result of tournaments being moved from the Transient Occupancy Tax Fund to the General Fund – Recreation Programming effective July 1, 2012.

Parks, Trails and Landscape Maintenance

Division Mission: Our Mission is to create a high-quality recreational experience within our park and recreation systems. We strongly encourage pride and a sense of personal ownership by staff towards the appearance and function of all facilities. In order to promote local recreation and economy, we strive to exceed all expectations.

Our secondary mission is to oversee the financial and operational aspects of the department's affairs in a manner that is highly efficient and adds value to the local community.

Prior Year Results and Outcomes

Installed more efficient lighting in the Grace Sparks Activity Center decreasing cost.

FY2013 BUDGET

PARKS AND RECREATION

Reduced the electric budget by \$39,000 in Park maintenance.

Installed light timers on all ball field lights to ensure they are turned off after a certain time.

Reduced water budget by \$30,000 due to better water management.

Reduced telephone budget department wide by \$10,000.

A restroom building was added at the Peavine Trail head.

Parks and Recreation department continues to host a variety of tournaments and events throughout the park system and downtown area.

Added 6 miles of trails.

Installed a parking lot on Kyle street to allow for parking for trail use.

Continued to maintain more with less staff.

Remodeled Maintenance shop within the budget.

Performed another successful 4th of July event.

Completed annual audits of utilities and assets.

Ken Lindley wall project: Previously budgeted as a \$200,000 capital project. Revised to \$25,000 after interdepartment value engineering. Completed for \$23,200. In addition to the wall issue we were able to include the completion of the following items in the project/Long overdue tree trimming on Washington and Willis St/ reconfigure playground equipment and add new fall protection material/landscape Washington St right of way including planting seven trees.

Pump track at Granite creek park: Partnered with Prescott Mountain bike alliance and others to complete the much used facility.

Centennial trail and parking lot: With much help from our community partners we completed a 2+ mile trail and parking lot on the west side of Prescott through the recently acquired open space (Devereaux).

Pioneer Park sidewalk: Utilizing existing staff we formed poured and finished a 340 ft section of five foot sidewalk at the entrance walkway to Pioneer Park. This much needed improvement allows for better handicap access and is the first step in a phased approach to improving and beautifying the entrance to this tournament venue.

FY2013 BUDGET

PARKS AND RECREATION

Parks, Trails and Landscape Maintenance Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 768,475	\$ 746,266	\$ 923,944
Supplies	135,234	179,468	182,550
Other Services & Charges	634,275	565,803	572,410
Capital Outlay/Projects	17,939	55,000	160,000
Total	\$ 1,555,923	\$ 1,546,537	\$ 1,838,904
Capital Outlay/Projects			
Equipment Replacement (various)			\$ 70,000
Community Skate Park Sealant			50,000
Partnering Projects			30,000
Ballfield Infield Material			10,000
Total Capital Outlay/Projects			\$ 160,000

Parks, Trails and Landscape Maintenance Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	16.114	15.544	20.614
Special Projects Supt.	1.000	1.000	1.000
Parks Maintenance Supt.	1.000	1.000	1.000
Park Regional Coordinator	2.000	2.000	2.000
Landscape Coordinator*	1.000	0.300	0.300
Equipment Mechanic	1.000	1.000	1.000
Turf & Irrigation Coord	1.000	1.000	1.000
Maintenance Technician*	3.000	2.300	2.300
Community Svcs Work Mon	0.000	0.000	1.000
Maintenance Worker	0.000	0.000	1.000
Recreation Assistant**	0.000	0.114	0.114
Secretary	0.114	0.000	0.000
Seasonal Maintenance	6.000	6.830	9.900

*70% of Landscape Coordinator and one Maintenance Technician is charged to Streets Operations

**Remainder charged to Administration (.092) and Programming (.794)

Significant Expenditure Changes: When comparing the FY2013 budget to the FY2012 estimated endings, an increase can be found in Personnel (23.8%). This comes about by the transferring the Community Services work crew consisting of a Work Monitor and Maintenance Worker from the Police Department to this division in Parks & Recreation. This division will now assume the duties associated with this program. Also, temporary salaries has been increased considerably to help with field preparation during busy times.

FY2013 BUDGET

PARKS AND RECREATION

Information regarding the Capital Outlay/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 and Fish continue to stock Goldwater and Watson lakes.

In June along with Arizona Game and Fish we hosted the 5th Annual Kid's First Fish Day.

Supported the Firefighting efforts for the Gladiator fire with allowing the use of Goldwater lake as a water resource.

Watson Lake campground expansion: Increased the available camping sites at Watson Lake from 23 to 34 within existing budget increasing its revenue potential.

Northshore Trail (Watson Lake): Through a license agreement with a private property owner (Horsley) we were able to gain access and construct a ½ mile trail that completes a five mile loop trail around Watson Lake.

Lakes Management Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 128,566	\$ 131,649	\$ 130,393
Supplies	26,083	31,680	24,400
Other Services & Charges	79,014	83,340	84,510
Total	\$ 233,663	\$ 246,669	\$ 239,303

Lakes Management Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	3.00	3.00	3.00
Maintenance Tech	1.00	1.00	1.00
Maintenance Worker	2.00	2.00	2.00

FY2013 BUDGET

PARKS AND RECREATION

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

FY2013 BUDGET

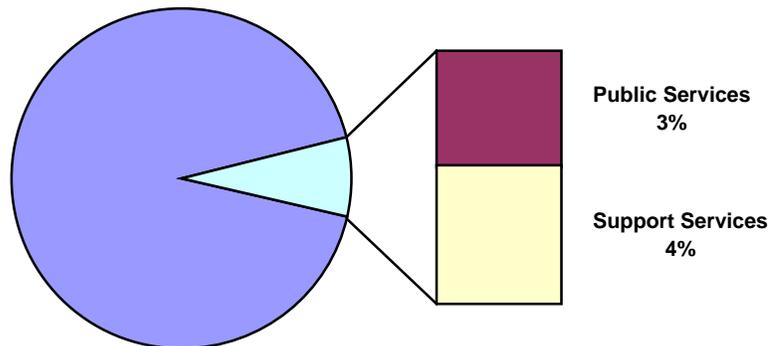
LIBRARY

The Library Department provides open and equal access to resources and services in order to help community residents obtain information to meet their personal enrichment, enjoyment and educational needs. The library offers a wide variety of materials and programs, supplies adults with current reading materials, provides reference services to all levels of students and other information seekers. The library has a special mission to young children and their parents to encourage a love of reading and learning.

The library offers circulating collections of current high-demand, high-interest materials in a variety of formats. The library's collections represent a broad spectrum of knowledge on a variety of subjects and in a variety of formats, The library provides reference service of timely and accurate information in a variety of formats with access from diverse locations, and programs and services for all ages that encourage reading, learning, and cultural enrichment. Meeting facilities are available for local individuals, groups, organizations and agencies.

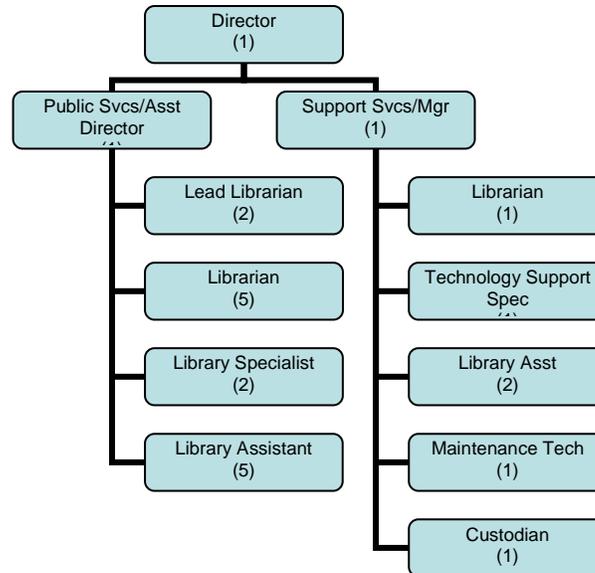
DEPARTMENT MISSION: The Prescott Public Library provides open and equal access to resources and services in order to help community residents obtain information to meet their personal enrichment, enjoyment and educational needs. The library is dedicated to providing access to both traditional and emerging technologies. The library makes meeting facilities available for local individuals, groups, organizations and agencies.

% of General Fund Operating Budget



FY2013 BUDGET

LIBRARY



Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,490,787	\$ 1,407,298	\$ 1,434,196
Supplies	285,758	233,746	217,850
Other Services & Charges	464,099	527,149	596,706
Capital Outlay/Projects	91,557	-	-
Total	\$ 2,332,201	\$ 2,168,193	\$ 2,248,752
Authorized Staffing Level	28.070	28.000	26.000
Public Services	27.070	20.500	18.500
Support Services	0.000	7.500	7.500
Prescott Gateway Branch	1.000	0.000	0.000

Public Services

Division Mission: 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 services and we take a personal interest in ensuring that they are delivered in a welcoming, convenient and responsive manner.

FY2013 BUDGET

LIBRARY

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 maintain high service levels to library visitors, despite reduced resources and library hours.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Maintain high circulation per capita	17.4	18.1	18.9
Maintain high number of active borrowers as a percentage of Service Area Population	100%	100%	103%
Number of patrons with a library card	39,913	40,000	41,000
Gate Count	520,794	508,422	515,000
Visits per capita	13	12.8	12.9
Reference Transactions	114,600	128,000	135,000
Questions per capita	2.9	3.0	3.4
Summer reading program enrollment	1,054	1,100	1,120
Percentage of youth under 18 years old	19%	20%	21%

Prior Year Results and Outcomes

In FY2012 Prescott Public library remained busy and responsive to the needs of the citizens of Prescott. The gate count at the library for FY2012 was 509,236. 673,559 physical items and 28,727 electronic items were checked out. These figures show that the average resident of Prescott visited the library 13 times during the year and checked out 17.7 items. 89% of Prescott residents are active library users.

The Prescott Public Library remains a destination of choice for many people. 7,748 persons attended 282 library programs for adults. The Youth Services programs reached 16,914 children between the ages of 0-18. In addition to programs presented by library staff, the library partnered with organizations such as the Prescott Astronomy Club, Tsunami on the Square, Arizona Humanities Council and the Grand Canyon Association to present informative and entertaining programs to the public.

The summer reading programs remains popular. As of June 30, 966 children between 0-18 had signed up to participate in the program. 2,429 children and parents have attended the weekly programs associated with the summer reading program. Summer reading participants wrote 438 reviews of books they read. Reading during the summer has been shown to help maintain student reading levels during the summer break.

Despite this being the "age of the internet," the Ask a Librarian desk fielded over 132,000 questions during the year. Public computers were signed on to 112,886 times.

FY2013 BUDGET

LIBRARY

Public Services Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,262,741	\$ 1,011,574	\$ 1,034,999
Supplies	276,257	-	-
Other Services & Charges	400,393	-	2,883
Capital Outlay/Projects	91,557	-	-
Library Network	237,599	-	-
Total	\$ 2,268,547	\$ 1,011,574	\$ 1,037,882

Public Services Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	27.07	20.50	18.50
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	0.00
Librarian	7.00	5.00	5.00
Business Manager	1.00	0.00	0.00
Library Specialist	3.00	3.00	2.00
Library Assistant	6.00	5.00	5.00
Maintenance Technician	1.00	0.00	0.00
Custodian	1.00	0.00	0.00
Clerks (Temporary)	3.07	2.50	2.50

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

Support Services

Division Mission: To be a destination of choice for area residents and visitors, a keystone of Prescott's Downtown.

Lead Yavapai County and Arizona libraries by demonstrating appropriate and innovative use of technology to meet community needs.

FY2013 BUDGET

LIBRARY

Goal: To be a destination of choice of area residents and visitors, a keystone of Prescott's Alive Downtown.

Strategy: Continue to supplement library personnel by maintaining volunteer opportunities. Continue to meet community needs for a comfortable leisure space and meeting room space.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of volunteers	140	142	145
Volunteer hours	15,653	15,800	16,150
Meeting room use (# of bookings)	4,105	4,210	4,250
Public Computer Use	113,996	116,084	118,200
Web visits	371,798	316,968	325,000

Goal: Lead Yavapai County and Arizona libraries by demonstrating appropriate and innovative use of technology to meet community needs.

Strategy: Reduce lines and waiting times for Prescott Public Library borrowers via use of self-service technology.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Increase use of self-checkout as % of total Downtown Library checkouts	50% (350,169 items via self check)	51% (372,034 items via self check)	60% (451,000 items via self check)
Downloadable Media			
Audio Books	8,767	10,892	12,000
eBooks	4,735	12,254	16,000
% of total circulation	2%	3%	4%

Prior Year Results and Outcomes

The interest in downloadable e-books and audiobooks has grown tremendously during the past year. 17,249 e-books were downloaded by Prescott library card holders during the year—a 249% increase over FY2011. 11,478 audiobooks were downloaded—an increase of 31%. Library staff presented monthly instructional classes to 267 persons on how to use their new e-readers and how to download books from the library.

Support Services Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 5,422	\$ 395,724	\$ 399,197
Supplies	127	232,673	217,850
Other Services & Charges	-	518,962	593,823
Capital Outlay/Projects	-	1,854	-
Total	\$ 5,549	\$ 1,149,213	\$ 1,210,870

FY2013 BUDGET

LIBRARY

Support Services Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.00	7.50	7.50
Manager, Support Svcs	0.00	1.00	1.00
Librarian	0.00	1.00	1.00
Technology Support Spec.	0.00	1.00	1.00
Library Assistant	0.00	2.00	2.00
Maintenance Technician	0.00	1.00	1.00
Custodian	0.00	1.00	1.00
Clerks (Temporary)	0.00	0.50	0.50

Significant Expenditure Changes: Other Services & Charges exhibits a 14.4% increase when comparing the FY2013 budget to the FY2012 estimated endings. This can be tied to the computer cost recovery. Because of an additional number of phones, scanners, printers, or computers the commitment from the Information Technology has increased.

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

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 47,832	\$ -	\$ -
Supplies	1,361	1,074	-
Other Services & Charges	8,911	6,333	-
Total	\$ 58,104	\$ 7,407	\$ -

Prescott Gateway Branch Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	1.00	0.00	0.00
Library Assistant	1.00	0.00	0.00

FY2013 BUDGET

LIBRARY

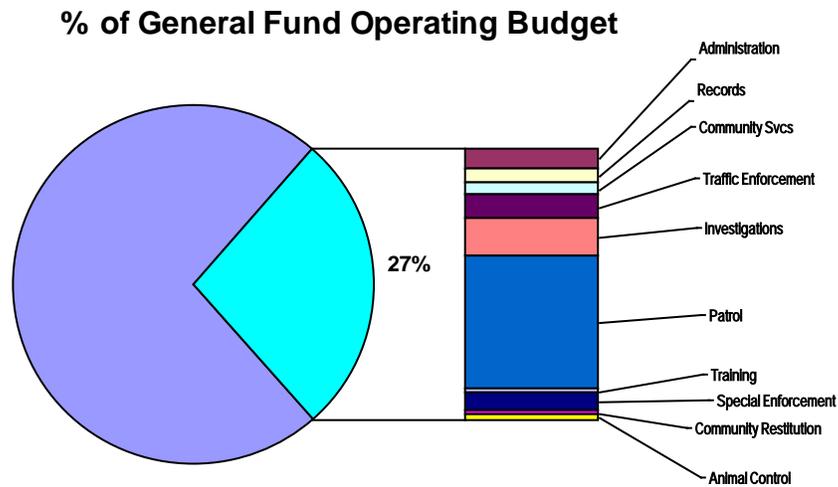
Significant Expenditure Changes: This The Prescott Gateway Branch closed in FY2012.

FY2013 BUDGET

POLICE

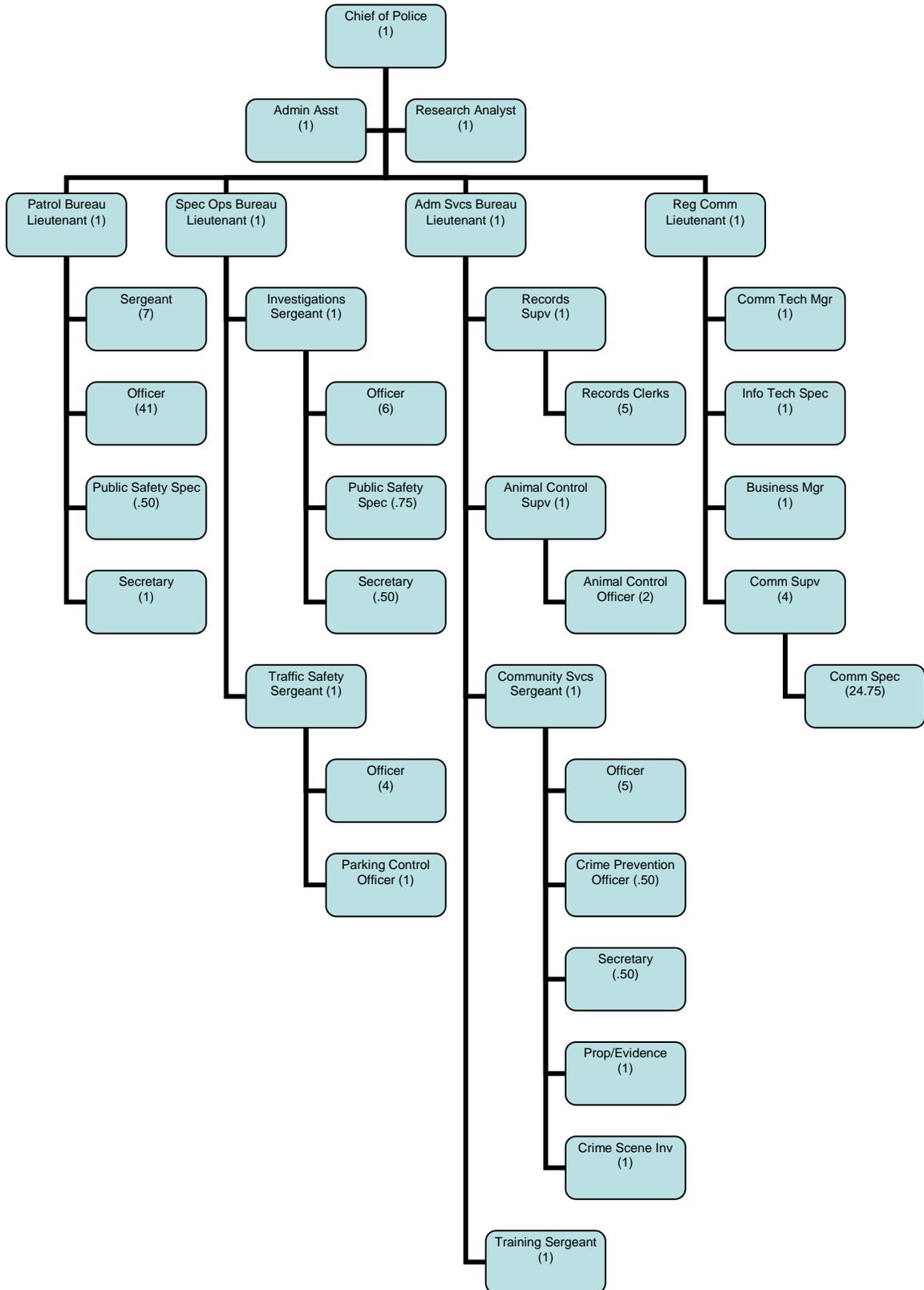
The Prescott Police Department is dedicated to providing our community with the best professional services available within our resources. The department is committed to establishing close working relationships with our citizens and visitors to resolve problems and issues. This department is committed 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 provide the highest level of service in a collaborative effort with our community to protect life, property, and the rights of citizens.



FY2013 BUDGET

POLICE



FY2013 BUDGET

POLICE

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 9,654,327	\$ 9,494,706	\$ 10,068,366
Supplies	355,397	378,075	397,275
Other Services & Charges	1,370,473	1,585,267	1,657,005
Capital Outlay/Projects	250,701	428,988	323,145
Total	\$ 11,630,898	\$ 11,887,036	\$ 12,445,791
Authorized Staffing Level	120.43	123.43	122.93
Administration	4.00	4.00	4.00
Records	6.00	6.00	6.00
Community Services	4.00	6.00	7.00
Traffic Enforcement	6.00	5.00	6.00
Investigations	12.25	12.25	11.25
Special Enforcement	5.00	0.00	0.00
Patrol	44.50	51.50	50.50
Training	1.00	1.00	1.00
Animal Control	3.00	3.00	3.00
Comm Restitution Prog	2.50	2.50	0.00
Regional Communications	32.18	32.18	34.18

Administration

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

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

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

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Create and Update Document	1	1	1
Planning and Strategy Meetings	4	4	4

Goal: To insure the community receives efficient public safety response to address crime and respond to calls for service.

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

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
UCR Part I	1,456	1,410	1,440
UCR Part II	4,831	3,830	4,000

FY2013 BUDGET

POLICE

Calls for service	29,190	29,300	30,000
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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:	FY11 Actual	FY12 Estimate	FY13 Forecast
NARTA Advisors/Hours	0/0	1/693	0/0
NARTA Instructor/Hours	26/520	26/572	26/572
NARTA Class Sergeant/Hours	1/2080	1/2080	1/2080
PUSD School Resource Officers/Hours	1/2080	1/2080	1/2080
MATForce/Hours	2/55	2/55	2/55
NACOG – Local workforce investment board, youth council/Hours	1/10	1/10	1/10
IFEMG/Hours	3/35	3/25	3/25
Salvation Army Advisory Board/Hours	1/15	1/15	1/15
Special Events Committee/Hours	12/12	12/12	12/12
PANT Board of Directors/Hours	1/24	1/24	1/24
PANT Detective/Hours	1/8	1/10	1/10
Prescott Youth Football Association/Hours	1/325	1/375	1/275
DUI Task Force/Hours	13/364	12/336	12/336
Gun Safety Classes to Elementary School (Eddie Eagle)/Hours	4/8	10/10	10/10
Citizen's Academy/Hours	1/18	0/0	0/0
School Lunch Program/Hours	1/12	1/12	2/20
Bicycle Rodeos/Hours	0/0	1/8	2/16

Goal: 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of industrial claims filed	16	18	15
Dollar amount paid for industrial injuries	\$147,101	\$110,000	\$100,000
Safety Training	15	15	17

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 and tracking equipment and uniforms.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of department vehicles maintained	74	76	76
Number of employees acquiring support and/or equipment:			
Sworn	69.5	72.5	72.5
Reserve	1	1	2
Civilian	19.25	20.25	17.75

FY2013 BUDGET

POLICE

Dispatch	31.75	30.75	32.75
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Prior Year Results and Outcomes

The Department continues to participate in the Northern Arizona Regional Training Academy (NARTA) and Chief Kabbel serves on the Board of Directors as the Chairman. Department personnel continue to contribute a significant number of hours to provide quality class instruction, as well as appointing a full-time Recruit Training Officer to one of the two academy classes held during the year as well as a Class Sergeant.

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

Chief Kabbel continues to be a voting member of the Homeland Security Regional Advisory Council in which he was appointed by Governor Jan Brewer.

During this past year, the Department has submitted numerous grant applications and received a total of 10 grants for a total of \$394,994 which had been expended and \$643,554 which ultimately was not expended and is being carried over to next fiscal year. These grant funds have allowed us to receive needed equipment such as providing body armor for our officers, purchase equipment and supplies in support of the Canine Unit and other law enforcement programs, and provide enhanced police services to our community.

Chief Kabbel continues to serve on the Executive Committee for MATForce. MATForce is a county-wide coalition which goal is to provide education and support for successful drug prevention programs and treatments.

Lieutenant Andy Reinhardt serves on the Arizona Council of Governments' local Workforce Investment Youth Council Board as well as serving on the MATForce Steering Committee.

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

During FY2011/2012, Department volunteers worked a total of 11,290.25 hours, including 8,994 hours which were worked by Citizens on Patrol volunteers.

Implemented an alarm ordinance program which was approved through City Council and became effective July 1, 2011. Those alarm holders that have repetitive false alarms are now being charged fee assessments to off-set the costs for police response.

FY2013 BUDGET

POLICE

Administration

Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 405,103	\$ 432,416	\$ 448,173
Supplies	12,809	11,125	10,975
Other Services & Charges	306,239	392,019	414,225
Capital Outlay/Projects	-	145,000	-
Total	\$ 724,151	\$ 980,560	\$ 873,373

Administration

Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	4.00	4.00	4.00
Police Chief	1.00	1.00	1.00
Police Lieutenant	1.00	1.00	1.00
Police Research Analyst	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00

Significant Expenditures Changes: The 5.7% increase in Other Services & Charges can be tied to the methodology used in calculating the cost recovery of Personnel and Facilities Maintenance.

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: Review each fingerprint and disposition card received from the Yavapai County Sheriff Office, process corrections and notify Arizona DPS of the corrected information.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Disposition sheets received/correction reported	893/92	900/81	910/71

Goal: To disseminate all public records requests as soon as possible within our manpower capabilities.

Strategy: The Records Division will be responsible for the timely, accurate and completeness of disseminating public records requests received from the general public, Government office, CPS and the Armed Forces.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Public Requests	470	480	500
Number of Government Agency Requests	111	115	120

FY2013 BUDGET

POLICE

Number of Child Protective Services Requests	1,027	1,030	1,035
Number of Armed Forces Requests	228	230	232

Goal: To maintain the Department's records through yearly purging following Arizona State Library and Archives retention schedules.

Strategy: The Records Division will be responsible for preparing departmental paperwork for scanning and destruction based on the State's retention schedules.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of boxes shredded	84	88	90
Number of electronic files/records maintained	42,500	43,900	45,300
Number of paper files/records maintained	30,025	28,639	27,500

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of accidents processed	1,139	1,200	1,250
Number of citations and warnings processed	16,826	17,400	17,600
Number of warrants validated	1,925	1,955	1,985
Number of police reports processed	21,240	21,740	22,240

Prior Year Results and Outcomes:

Participated in biannual audit by DPS for ACJIS in which results indicated the department was 100% in compliance with state and federal mandates.

Signed an agreement with Yavapai College partnering with them to house their ACJIS records at the Regional Communications Center and updated our agreement with Prescott Valley Police Department on housing their ACJIS records.

Worked with Property and Evidence to develop an electronic system for logging property and evidence directly into our records management system – ADSi system.

Participated in the coordination of our connection to the CopLink database enabling our detectives and officers access to statewide information on known suspects and occurrences.

Updated our procedures for scanning file data to meet the new State Library and Archives criteria for annual purging of data.

Records Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 312,100	\$ 320,091	\$ 316,311
Supplies	9,175	10,500	10,500
Other Services & Charges	111,058	129,055	139,513
Total	\$ 432,333	\$ 459,646	\$ 466,324

FY2013 BUDGET

POLICE

Records Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 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: There are no significant expenditure changes in this division for FY2013.

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 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of special events	8	8	8
Number of parades	6	6	6
Number of races	4	4	4

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Parking citations	4,225	4,300	4,350
Handicap parking citations	71	60	70
Parked not within markings citations	95	100	100
Overtime parking citations	3,109	3,150	3,200

Goal: To provide accurate and complete motor vehicle crash investigations.

Strategy: Respond and investigate motor vehicle crashes.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of crash investigations – fatal collisions	1	1	1
Number of crash investigations – injury collisions	152	170	170
Number of crash investigations – non-injury collisions	376	450	450

FY2013 BUDGET

POLICE

Goal: To enhance safety, reduce death/serious injury crashes 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of citations issued	3,402	4,000	4,500
Number of warnings issued	926	2,500	2,500
Commercial vehicle inspections performed	14	75	75
DUI Enforcement Details	13	12	12
Speed/Aggressive Driver Details	6	8	8
Impaired driver arrests	98	120	120
Directed Traffic Monitoring (COPs)	102	100	100

Prior Year Results and Outcomes:

Provided traffic control and a police presence at 25 different races, parades and various community special events.

Through grant funding the Traffic Section augmented enforcement for equipment and paid overtime to administer the following:

- Acquisition of new marked Enforcement Motor which was received through grant funding at the cost of \$20,983.
- 13 DUI Taskforce details including Saturation Patrols and Joint Command Post operations.
- 2 week enforcement wave of "Click it or Ticket" National Campaign.
- Six Speed and Aggressive driver enforcement details throughout FY 2012.

Members of the Traffic Safety Section received advanced training to continue proficiency in numerous specialty areas such as:

- Advanced Accident Investigation.
- Three officers attended Child Safety Seat Technician course which will allow for additional certified officers to inspect, install, and educate citizens on the proper installation of child car seats.
- Two officers attended Advanced Accident training so they can meet the pre-requisites to become accident reconstructionists.

Traffic Enforcement Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 633,512	\$ 704,598	\$ 742,381
Supplies	19,624	25,550	25,550
Other Services & Charges	89,176	80,719	88,846
Total	\$ 742,312	\$ 810,867	\$ 856,777

FY2013 BUDGET

POLICE

Traffic Enforcement Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	6.00	5.00	6.00
Sergeant	1.00	1.00	1.00
Police Officer	4.00	3.00	4.00
Parking Control Officer	1.00	1.00	1.00

Significant Expenditure Changes: Personnel increased 5.4% when comparing the FY2013 budget to the FY2012 estimated endings. This is due to the increase in the employers cost for Public Safety Retirement.

The 10.1% increase in Other Services & Charges results from the addition of the mobile data computers to the Information Technology cost recovery.

Investigations

Division Mission: The Investigations Section mission is to investigate specifically assigned crimes by clearing serious crimes against persons, property and financial crimes while supporting other department sections and criminal justice practitioners in law enforcement duties.

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, along with having pawn shops adhere to the police department's designated electronic reporting system.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Pawn items reviewed, entered and evaluated	5,209	5,300	5,500

Goal: The Investigations Division will focus on investigating and assisting in prosecuting crimes against people, property and financial frauds.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of cases assigned	798	344	350
Number of cases cleared	311	238	300
Cases Investigations continues	28	103	150
Cases Investigation Court process	113	115	200
Cases Closed	298	57	100

FY2013 BUDGET

POLICE

Goal: To secure property and evidence within the Prescott Police Department while ensuring chain of custody.

Strategy: To provide a secure location for impounded property and evidence by storing, tracking, releasing and disposing of items and making available upon requests.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of property items impounded	5,292	5,400	5,500
Number of property items released	1,148	960	975
Copies made of digital, audio & video evidence for criminal justice practitioners	1,145	1,250	1,250
Pounds of prescription drugs destroyed	448	475	500

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of CVSA usages for criminal investigations	9	19	22
Number of CVSA usages for hiring purposes	33	17	25

Prior Year Results and Outcomes

Conducted training to local businesses about laws pertaining to pawn shops, precious metal dealers, and scrap metal dealers by directing them on how to abide by current AZ statutes.

Worked detail targeting underage smoking, littering as well as other criminal activity with an emphasis on controlling blight in the downtown area.

Investigations Section obtained an emergency response vehicle which the Fire Department was going to retire. This vehicle was refurbished and was equipped to be used as a Forensic Response Unit.

Executed thirty-five Residential / Business Search Warrants.

Conducted thirty-eight Computer Stress Analyzer Tests on pre-hires and individuals suspected in criminal acts.

FY2013 BUDGET

POLICE

Investigations Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 993,933	\$ 1,293,538	\$ 1,341,394
Supplies	34,740	41,800	41,800
Other Services & Charges	126,597	139,959	154,839
Capital Outlay/Projects	-	-	138,125
Total	\$ 1,155,270	\$ 1,475,297	\$ 1,676,158

Capital Outlay/Projects

Digital Evidence Management/Server			\$ 69,500
Mechanical Mobile Evidence Storage System			57,000
Walk-In Cooler (additional \$3,875 in Impact Fees)			11,625
Total Capital Outlay/Projects			\$ 138,125

Investigations Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	12.25	12.25	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	0.50	0.50	0.50
Property/Evidence Tech	2.00	2.00	1.00
Crime Scene Investigator	0.00	0.00	1.00
Public Safety Specialist	0.75	0.75	0.75

Significant Expenditure Changes: The 10.6% increase that can be observed Other Services & Charges is the result of the methodology used when calculating the Insurance cost recovery each year. This calculation is based on number of vehicles, percentage of budget and loss history. Due to this, the budget varies yearly.

Patrol

Division Mission: The mission of the Patrol Division is to protect life, fight crime preserve our community quality of life while responding to calls for police service.

FY2013 BUDGET

POLICE

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Traffic control	211	220	240
Evidence transports	97	100	100
Property checks	1,495	1,500	1,550
Citizen patrol volunteer hours	11,197	11,400	12,000
Number of handicap citations issued	22	20	20
Crime scene security	26	25	25
Transport of city funds and documents	1,061	780	720
Abandoned vehicles (tagged)	292	300	320

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of neighborhood contacts	1,041	1,100	1,200
Number of business contacts	2,700	3,000	3,200
Problem solving	12	15	20
Number of meetings attended	28	35	35

Goal: To provide safe transportation of prisoners and mental health patients to the Verde Valley for incarceration or mental health treatment.

Strategy: Officers are required to transport prisoners to the Yavapai County Jail intake between 7PM & 7AM located in Camp Verde. Officers are required to transport mental health patients to the Mingus Center in Cottonwood for treatment.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of persons transported to Yavapai County Jail in Camp Verde – 90 miles round trip	744	140	120
Number of persons Transported to Mingus Center in Cottonwood. – 110 miles round trip	72	40	45

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, public events and special engagements within the community.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of public events and special engagements	19	40	40
Number of building searches	33	50	55
Number of vehicle searches	35	49	60
Number of drug seizures	25	35	50

FY2013 BUDGET

POLICE

Prior Year Results and Outcomes

Police Officers responded to 46,145 incidents; 30,544 of which were dispatched calls for service. The SWAT team was activated eight times during the fiscal year for various high risk tactical operations including:

- 4 High Risk Warrant Services
- 1 Dignitary Protection Detail
- 2 Barricaded Subjects
- Callout for felony arrest

The SWAT team trained 14 times over the past year and they also attended an Arizona Tactical Officer's Association (ATOA) Conference to network with other Arizona Tactical Teams. They also trained locally with the YCSO SWAT Team to prepare for a large scale tactical operation.

SWAT Team Leader Sergeant Jon Brambila was elected to serve as a Board Member for the Arizona Tactical Officer's Association.

The team has moved closer to the National Tactical Officer's Association (NTOA) standards as they continue to train two 10 hour days every other month and one 10 hour day in alternating months.

The COP Volunteers provided their services for the Arizona Best Fest, the Whiskey Off Road Race, the Whiskey Row Marathon and the 4th of July city events including the Prescott Rodeo. They assisted with the city Christmas holiday events and the Halloween Detail on Mount Vernon. They also continued to provide public safety services throughout the year with regular patrols, money runs, evidence runs and property checks.

Patrol Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 4,045,307	\$ 4,165,255	\$4,644,506
Supplies	200,488	228,500	248,500
Other Services & Charges	249,192	289,638	355,378
Total	\$ 4,494,987	\$ 4,683,393	\$5,248,384

Patrol Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	44.50	51.50	50.50
Lieutenant	1.00	1.00	1.00
Sergeant	5.00	6.00	7.00
Officer	37.00	43.00	41.00
Information Technology Tech	0.00	0.50	0.50
Public Safety Specialist	0.50	0.00	0.00
Secretary	1.00	1.00	1.00

FY2013 BUDGET

POLICE

Significant Expenditures Changes: Personnel shows a substantial increase (11.6%) when comparing the FY2013 budget to the FY2012 estimated endings. In addition to the increased cost of public safety retirement, three officers in FY2012 were paid for out of a grant. Those positions are budgeted to come out of this division in FY2013.

Information Technology cost recovery charges also affected this division for FY2013. The addition of the mobile data computers located in each of the vehicles increased the number of units being cost recovered.

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.

Special Enforcement Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 515,458	\$ -	\$ -
Supplies	17,875	-	-
Other Services & Charges	54,082	-	-
Total	\$ 587,415	\$ -	\$ -

Special Enforcement Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	5.00	0.00	0.00
Sergeant	1.00	0.00	0.00
Officer	4.00	0.00	0.00

Significant Expenditures Changes: This division was combined with Investigations effective FY2012.

Training

Division Mission: To maintain staffing levels and required continuing education, training and equipment for police personnel.

FY2013 BUDGET

POLICE

Goal: To provide and ensure that all training conforms to Federal, State and Department requirements.			
Strategy: Schedule and coordinate approved training.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Average per officer AZPOST required continuing training hours. (8 hrs required per year/officer)	38	42	42
Average per office AZPOST required proficiency training hours. (8 hrs required every 3 years/officer)	18	20	20
AZPOST and departmental required firearms qualifications. (5 yearly per officer)	8	8	8
Additional training hours provided to personnel (per year/avg per officer)	4	4	4
Hours of risk management training on an annual basis to patrol officer	2	2	2

Goal: To maintain staffing level for sworn and civilian employees.			
Strategy: Actively recruit and evaluate the best applicants for employment.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Sworn applications processed	250	200	200
Civilian applications processed	90	80	80
Background investigations completed	40	40	40
New employees hired	12	8	8

Prior Year Results and Outcomes

Completed background investigations for over 25 Police Officer candidates, dispatchers, park volunteers, Police civilian employees and other required City employees.

Maintain training blog for certified personnel regarding current training issues and crime trends.

Coordinated volunteer Park Ranger Training by Police Department to include the use of pepper spray, graffiti cards, patrol procedures, positive community relations.

Coordinated required OSHA instruction for department personnel, coordinated required continuing and proficiency instruction to sustain AZPOST certification for 76 sworn personnel.

Provided support to the Arizona Law Enforcement Academy (ALEA).

Assisted and supported the Field Training Officer program by creating and tracking all paper work related to training for the Patrol Bureau.

Provided a centralized location and resourced for all Department employees to acquire law enforcement related equipment, uniforms and supplies.

FY2013 BUDGET

POLICE

Training Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 107,626	\$ 112,810	\$ 117,608
Supplies	16,407	15,900	16,100
Other Services & Charges	27,861	28,546	25,229
Total	\$ 151,894	\$ 157,256	\$ 158,937

Training Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	1.00	1.00	1.00
Police Sergeant	1.00	1.00	1.00

Significant Expenditures Changes: There are no significant expenditure changes in this division for FY2013.

Community Services

Division Mission: To be a proactive policing resource to the community and police department focusing on special enforcement, education and training.

Goal: To provide law enforcement services and law enforcement educational classes at the Prescott High School.

Strategy: Supply a School Resource Officer to conduct educational classes and a law enforcement presence at Prescott High School. Provide the opportunity for high school students to participate in a mentoring program for middle school students.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of character and law related education classes taught at the high school	60	65	68
Number of students in character and law related education classes at the high school	1,200	1,300	1,360
Number of investigations conducted by SROs at the high school	120	105	105
Number of high school students participating in the Scholarship Mentor Program for middle school children	52	55	55

FY2013 BUDGET

POLICE

Goal: Provide a proactive approach to solving crime and addressing community problems.

Strategy: Utilizing various forms of enforcement and education to assist the Patrol Bureau, Traffic Safety Section and the Investigations Section.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Investigation Section assists	10	20	15
Number of Patrol Bureau assists	20	22	50
Number of Traffic Safety Section assists	10	15	35
Number of summer vacation and school break special enforcement projects	20	20	40

Goal: Provide Crime Prevention services to the residential and business community.

Strategy: Conduct Block Watch and Business Watch meetings. Provide community outreach programs for various groups to provide crime prevention information.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Block Watch groups	45	49	55
Number of Business Watch members	153	160	166
Number of security surveys	13	15	18
Number of speaker presentations	39	42	47

Prior Year Results and Outcomes

School Resource Officer:

During this year, the SRO has been at Prescott High School on a full time basis. During the year the SRO wrote 132 reports for miscellaneous incidents and criminal reports and completed 32 citations.

The SRO instructed approximately 142 hours of classroom instruction teaching law related classes. This year the SRO also continued their participation in the Teen Maze event. The block of instruction taught was on underage drinking. This was a 3-day event in which approximately 1000 8th grade students from within the county attended.

The SRO continued the Youth Role Model Scholarship program which incorporates senior students who are drug and crime free. These students complete an application and undergo a background check. After they travel to the middle schools and give presentations and answer questions from students in the 6th and 8th grades of the local middle schools. At the completion, students are selected to receive a scholarship based on participation, essay and a formal interview. This year there were 56 students that applied.

Crime Prevention:

Business Watch program includes 161 active members. This year 21 new members enrolled. Crime prevention visited 282 businesses this year.

Crime prevention was recognized by the National Association of Town Watch for our annual National Night Out. The City of Prescott Placed 15th in the Country for those city's with a population of 15,000-49,999.

National Night Out Kick-off concert at Granite Creek Park occurred in July 2011 in which over 100 people attended. In addition to Prescott, the Yavapai County Sheriff's Office and Prescott Valley Police Department participated.

FY2013 BUDGET

POLICE

During this past year the Crime Prevention Section was actively involved in various community outreach programs listed:

- Thirty-eight crime alerts were e-mailed to businesses and block watch members.
- Nine businesses had security surveys conducted
- Fifty four presentations and block watch meetings were attended
- 250 mailings for Crime Free Multi Housing program participation were sent which resulted in 30 organizations participating in this program focused on reducing crime.
- Three presentations were given on various subjects requested by church organizations.

Crime Prevention implemented a home security surveys program this year. Resident's can request a formalized survey to be completed of their homes with suggested corrective methods to better secure their homes in attempt to decrease chances of being victimized.

The 14th annual shop-with-a- Cop program was held in December and assists those under-privileged children to spend time with an officer and shop for Christmas gifts through community donations. Eighty-five children this year would otherwise not have a traditional Christmas and was made possible due to this program.

Quarterly newsletter, *Eyes Alive*, is published. An annual Crime Prevention through Environmental Design (CPTED) publication is also issued to residents/businesses. These publications are distributed to over 600 residents/business owners via email, city employee portal, block watch meetings, and the police department lobby.

Community Services Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 366,040	\$ 150,235	\$ 172,221
Supplies	9,310	9,400	10,600
Other Services & Charges	34,932	59,964	43,647
Total	\$ 410,282	\$ 219,599	\$ 226,468

Community Services Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	4.00	6.00	7.00
Sergeant	1.00	2.00	1.00
Police Officer	2.00	3.00	5.00
Crime Prevention Specialist	0.50	0.50	0.50
Secretary	0.50	0.50	0.50

Significant Expenditures Changes: Personnel exhibits a 14.6% increase when comparing the FY2013 Budget to the FY2012 Estimated Endings. This is due to one Sergeant being moved from this division offset by two Police Officers being added.

FY2013 BUDGET

POLICE

The 27.2% decrease in Other Services & Charges can be tied to the method used in calculating the information technology charges along with the assignment of assets.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Total hours completed	17,398	19,000	0
Number of defendants assigned	1,824	1,750	0
Number of defendants worked	1,174	19,000	0
Strategy: Conduct work with court assigned community restitution workers saving the City at a rate of \$7.35/hr.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Hours worked on city properties	13,506	15,000	0
City savings	\$103,321	\$114,570	0
Hours worked for non-profit groups	3,892	4,000	0
Non profit savings	\$29,774	\$30,600	0
Strategy: Wash city vehicles with court ordered community restitution workers in lieu of commercial washing.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of city vehicles washed	1,590	1,900	0
Savings @ \$8.95 per vehicle	\$14,231	\$17,005	0

Prior Year Results and Outcomes

A total of 20,278 manpower hours were expended, by defendants sentenced to community service, on city and non-profit organization projects.

Approximately 16,240 pounds of debris/trash were disposed of at the transfer station through community service projects.

One monitor continued to tackle the issues of graffiti abatement on a routine basis; maintaining a log of all graffiti for prosecutorial purposes and also maintaining the goal of removing the graffiti within 48 hours from when it was reported.

Approximately 1,044 defendants provided 2,362 days of community restitution for an approximate savings of \$155,126.70 (\$7.65/hr) to the city and non-profit organizations.

FY2013 BUDGET

POLICE

Community Restitution Program Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 111,457	\$ 128,327	\$ -
Supplies	8,084	6,450	-
Other Services & Charges	9,648	12,840	-
Total	\$ 129,189	\$ 147,617	\$ -

Community Restitution Program Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	2.50	2.50	-
Monitor	2.00	2.00	-
Secretary	0.50	0.50	-

Significant Expenditures Changes: This division was moved to the Parks Maintenance Division within Parks & Recreation beginning FY2013.

Animal Control

Division Mission: To promote as well as protect the safety, health and welfare of the citizens of the City of Prescott from dangers involving both wild and domesticated animals. To protect and care for the welfare of the animals. Provide a quick response while always showing professionalism and efficiency to the citizens and visitors of Prescott.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of classes taught	5	6	7

Goal: Provide superior service to the citizens of Prescott in response to animal related issues.

Strategy: Respond to calls for service while ensuring continuity between the pet and its owner, and enforce animal related laws and ordinance.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of dogs returned to owners (City of Prescott)	138	158	170
Number of calls for service – Animal Control related	1,947	2,300	2,500
Number of citations issued	24	33	40
Number of warnings issued	250	275	300
Number of animals seized/impounded	400	465	480

FY2013 BUDGET

POLICE

Goal: To ensure quality care, housing and service for our citizens' animals under our professional services contract with the Yavapai Humane Society.			
Strategy: To regularly perform checks of our contract animal shelter facility.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of kennel checks	14	17	20

Prior Year Results and Outcomes

Animal control continues to animal safety, bite prevention and other animal control classes to elementary schools through-out Prescott.

Miscellaneous Statistics

- 90 animal bites in the City limits
- 37 animals euthanized from the City of Prescott
- 85 cases of animal cruelty
- 300 barking dog complaints
- 4000 licenses sold (approximately)
- 475 animal related warnings and citations
- 630 other animal problems
- 1,716 animal control calls (fiscal year)

Animal Control Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 158,443	\$ 159,241	\$ 160,711
Supplies	11,035	11,700	12,500
Other Services & Charges	77,745	93,652	98,514
Total	\$ 247,223	\$ 264,593	\$ 271,725

Animal Control Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	3.00	3.00	3.00
Supervisor	1.00	1.00	1.00
Animal Control Officer	2.00	2.00	2.00

Significant Expenditures Changes: There are no significant expenditure changes in this division for FY2013.

FY2013 BUDGET

POLICE

Regional Communications

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.

Goal: 100% of all 911 calls arriving at the PRCC will be answered within ten seconds; and 100% 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
% of 911 calls answered within ten seconds (Goal 100%)	99.6%	100.0%	100.0%
% of all 7/10 digit emergency calls within ten seconds (Goal 100%)	99.6%	100.0%	100.0%

Goal: Dispatch 100% 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
% of Fire/EMS calls dispatched within 60 seconds (Goal 80%)	57.5%	80.0%	85.0%
% of Police calls dispatched within 60 seconds (Goal 80%)	31.5%	80.0%	85.0%

Prior Year Results and Outcomes

Prescott Regional Communication Center continues to provide full-time dispatching services for three police departments and six fire departments / districts in Yavapai County.

As a Federal requirement to be Narrowband compliant by calendar year 2013, the PRCC has completed Narrowband licensing for the City of Prescott and have completed narrow-banding compliance with all mobile and portable radios.

Prescott Regional Communications Center answered 299,203 inbound calls to the Center which includes 41,356 911 calls which is 18% of all calls received by the Center.

Dispatched in excess of 70,400 calls for service to all partners within the PRCC.

FY2013 BUDGET

POLICE

Maintained paging application for 338 individual receivers and 28 paging groups for all agencies. Switched all receivers (personnel) to cell phone text messaging and updated paging groups to include CVFD, Hazmat and TRT groups. PRCC maintained security and reporting application for Police and Fire and assisted with computer updates and personnel changes.

Regional Communications Expenditure Summary

	FY11 Actual	FY12 Est End	FY13 Budget
Personnel	\$ 2,031,850	\$ 2,074,337	\$ 2,125,061
Supplies	16,873	18,650	33,400
Other Services & Charges	256,418	311,233	324,164
Capital Outlay/Projects	250,701	283,988	185,020
Total	\$ 2,555,842	\$ 2,688,208	\$ 2,667,645
Capital Outlay/Projects			
Radio Infrastructure			143,755
Emergency Services/Alarm Monitoring			41,265
Total Capital Outlay/Project			\$ 185,020

Regional Communications Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	32.18	32.18	34.18
Regional Comm. Director	1.00	0.00	0.00
Police Lieutenant	0.00	1.00	1.00
Communications Tech Mgr	1.00	1.00	1.00
Info Technology Specialist	1.00	1.00	1.00
Communication Supv.	4.00	4.00	4.00
Communications Spec.	22.75	22.75	24.75
Business Manager	1.00	1.00	1.00
Comm. Spec - Temp	1.43	1.43	1.43

Significant Expenditure Changes: An increased budget for tower maintenance supplies are budgeted in FY2013. This accounts for the 79.1% increase in Supplies.

Information regarding capital items can be found in the Capital Improvement Plan area of this budget book.

FY2013 BUDGET

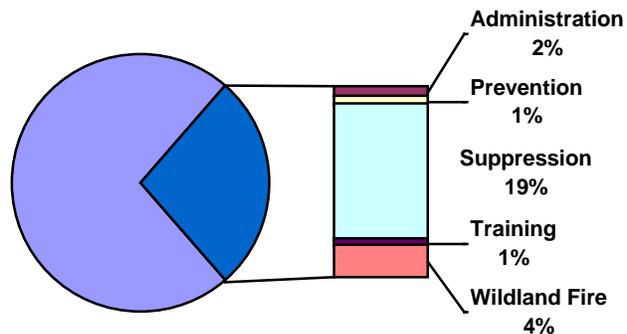
FIRE

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.

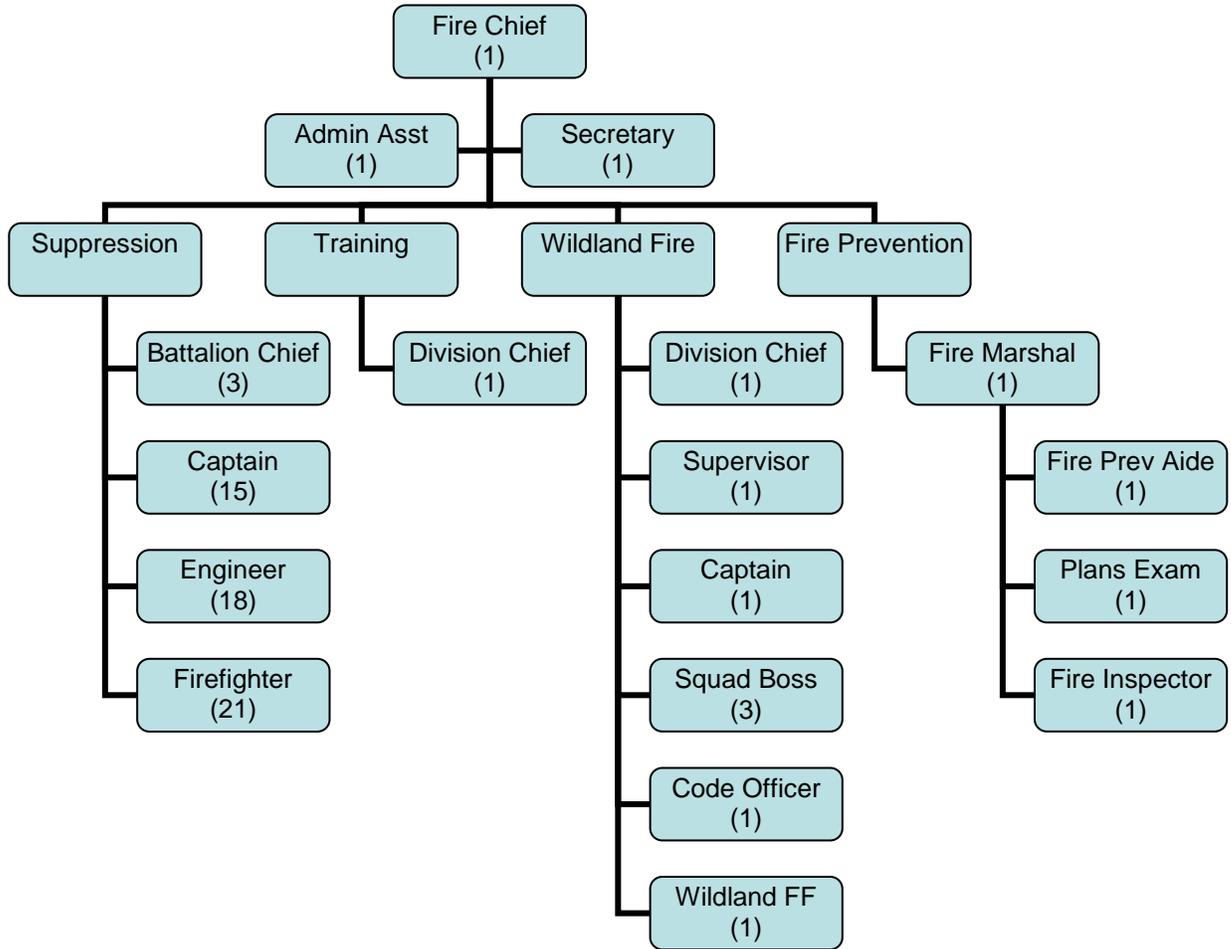
DEPARTMENT MISSION: The Prescott Fire Department is dedicated to “Excellence in Service” by providing the most efficient and effective services to our community by responding fast, solving the problem, being nice and going home safe. Prescott Fire Department is committed to preserving the quality of life, protecting lives, property, and the environment with compassion, vigilance, and dedication to excellence.

% of General Fund Operating Budget



FY2013 BUDGET

FIRE



FY2013 BUDGET

FIRE

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 7,165,258	\$ 7,243,853	\$ 7,393,511
Supplies	272,027	253,199	274,839
Other Services & Charges	785,932	803,343	743,926
Cost Recovery	(1,523,368)	(1,460,369)	(1,367,047)
Capital Outlay/Projects	274,064	-	177,376
Total	\$ 6,973,913	\$ 6,840,026	\$ 7,222,605
Authorized Staffing Level	78.00	80.00	79.00
Administration	3.00	3.00	3.00
Prevention	4.00	4.00	4.00
Suppression	57.00	57.00	57.00
Training	1.00	1.00	1.00
Fire Vegetation Crew	13.00	15.00	14.00

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
\$ amount of structural fire loss within the City of Prescott	\$429,350	\$1,000,000	\$1,000,000
Number of vehicles, equipment and apparatus replaced in accordance with long range plan	0	1	1
Number of strategic planning meetings/critical issues forums held	1	2	4

Prior Year Results and Outcomes

Secured approximately \$934,566 in various grants for wildland.

Continued operating budget reductions to meet the decrease in FY12 State and Local revenue projections.

Continued to improve on the new wellness/ fitness program to ensure firefighter health and safety.

FY2013 BUDGET

FIRE

Compiled and formatted the firefighting section of the Airport Emergency plan for Airport Administration.

Sorted and filed all EMS records to follow records retention schedule.

Updated training, classes, and fire assignments in the IQS program for the Wildland Division.

Administration Expenditure Summary			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Personnel	\$ 358,100	\$ 364,775	\$ 379,931
Supplies	4,574	7,120	8,320
Other Services & Charges	121,635	166,018	111,678
Cost Recovery	(67,210)	(85,178)	(85,528)
Capital Outlay/Projects	-	-	128,350
Total	\$ 417,099	\$ 452,735	\$ 542,751
Capital Outlay/Projects			
215 N McCormick Remodel			\$ 95,850
Station Roof Modification			32,500
Total Capital Outlay/Projects			\$ 128,350

Administration Staffing Summary			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Authorized Staffing Level	3.00	3.00	3.00
Fire Chief	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Secretary	1.00	1.00	1.00

Significant Expenditures Changes: A slight increase (5.3%) can be observed in Personnel due to a higher temporary employee budget. These monies will only be expended if necessary.

The 32.7% decrease in Other Services & Charges can be tied to the method used in calculating the information technology charges along with the assignment of assets. Also, funds were expended in FY2012 for outside legal services that are not anticipated in FY2013.

FY2013 BUDGET

FIRE

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of service requests/complaints	93	58	75
Number of existing business inspections conducted	1,121	995	1,294
Number of plan reviews completed	812 total	633 total	688 total
• Commercial	135	98	108
• Subdivision	8	0	0
• Suppression systems	131	142	156
• Residential	232	171	180
• Miscellaneous	306	222	224
Number of students trained in life-safety	2,660 total	3,158 total	3,315 total
• 1 st grade	1,110	1,166	1,224
• 7 th grade firetrap	540	567	595
• Engine public-education	510	900	945
• Miscellaneous	500	525	551
Number of new construction inspections	593 total	483 total	719 total
• Certificate of occupancy	77	96	106
• Vegetation	45	46	50
• Suppression systems	471	342	564
Number of miscellaneous inspections	210	238	286

Prior Year Results and Outcomes

Trained 2,550 students in fire and life safety.

Received and cleared 75 life safety complaints and requests.

Conducted 1,577 fire inspections.

Conducted 28 fire investigations.

Reviewed 933 plans for new subdivisions and buildings.

Received approximately \$4,635 in public donations for public education materials.

Displayed public education at the Gateway Mall for Fire Prevention Week.

FY2013 BUDGET

FIRE

Decreased the City's liability by removing Chapter 4-8: Amusement Rides and Devices from the City Code.

Fire Prevention Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 286,008	\$ 289,473	\$ 297,505
Supplies	9,017	9,825	11,843
Other Services & Charges	22,154	35,721	28,882
Total	\$ 317,179	\$ 335,019	\$ 338,230

Fire Prevention Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 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: There are no significant expenditure changes in this area.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
% response time to all emergencies is within 50 seconds of notification	32.7%	33.0%	33.0%
% travel time to incidents does not exceed 5 minutes for first due unit on Code 3 calls	39.02%	40.0%	40.0%
Number of emergency incidents responded to	8,224	8,500	8,800

FY2013 BUDGET

FIRE

Prior Year Results and Outcomes:

Suppression/Operations

Responded to 7,920 emergency calls (averaging 21.7 responses per day).

Serviced 2,256 fire hydrants.

Conducted 334 engine company inspections.

Suppression/Communications

Placed three additional Motorola XTS 2500 radios in service in front line response vehicles.

Purchased four Impress smart charges which will recondition Impress batteries extending their service life.

Purchased six Motorola charges to replace damaged or broken charges.

Reprogrammed entire radio inventory on two occasions to meet changes made by the USFS and recommendations may be Tad Coyner.

Reprogrammed BC radio's to allow for emergency alert tone notification.

Purchased six impress batteries and put into service, replacing older and non-functioning batteries.

Suppression Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 5,144,857	\$ 5,174,061	\$ 5,372,451
Supplies	136,799	143,000	154,105
Other Services & Charges	417,129	395,565	413,763
Capital Outlay/Projects	274,064	-	49,026
Total	\$ 5,972,849	\$ 5,712,626	\$ 5,989,345
Capital Outlay/Projects			
Station 75 Drainage Improvements			\$ 42,193
Interior Light Replacement			6,833
Total Capital Outlay/Projects			\$ 49,026

FY2013 BUDGET

FIRE

Suppression Staffing Summary			
	FY11 Actual	FY12 Estimate	FY13 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 3.8% increase in Personnel can be tied to the increased costs for public safety retirement.

Information regarding Capital Outlay/Projects can be located in the Capital Improvement Plan section of this book.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of man-hours of training	19,250	17,000	19,000
% of proficiency drills complete and passed	100%	100%	100%
Number of multi-company/multi-agency drills	72	75	72
Number of engine companies	170	176	176
Number of multi-company/multi-agency Night Hot Drills	15	17	16
Number of engine companies	42	48	48

Prior Year Results and Outcomes

Conducted 17,840 hours of in-house training.

Conducted an Interagency Captains Academy in conjunction with the Prescott Area Fire Training Group.

Conducted an Engineer (4 people) and Captain's promotional exam.

Conducted a new firefighter hire process.

FY2013 BUDGET

FIRE

Hired and graduated personnel through our new hire training academy.

Supported five personnel attending the Prescott Area Fire Training Group sponsored Company Officer Academy.

Trained two personnel in Advanced Vehicle Extrication Techniques

Training Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 151,733	\$ 153,344	\$ 164,447
Supplies	3,239	4,453	4,230
Other Services & Charges	11,513	17,472	9,356
Total	\$ 166,485	\$ 175,269	\$ 178,033

Training Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 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 for FY2013.

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:	FY10 Actual	FY11 Estimate	FY12 Forecast
Number of citizens trained in CPR and First Aid	1,604	1,400	1,500
Number of Basic and Advanced Life Support responses	4,710	4,750	4,940

Prior Year Results and Outcomes

Responded to 4,955 EMS calls (63 of total calls).

FY2013 BUDGET

FIRE

Trained 1,253 citizens in CPR.

Approximately 1,065 hours of Basic and Advanced Life Support continuing education and recertification training.

Emergency Medical Services Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 26,970	\$ 27,562	\$ 29,810
Supplies	26,050	25,091	26,691
Other Services & Charges	24,195	24,622	22,493
Total	\$ 77,215	\$ 77,275	\$ 78,994

Significant Expenditure Changes: There are no significant expenditure changes in this division for FY2013.

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 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Basic and Advanced Life Support responses	4,600	4,775	4,800
Number of citizens trained in CPR and First Aid	1,441	1,450	1,450

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of monthly drills/meetings/training			
TRT	3	3	4
Haz Mat	1	1	1
% of time annual live fire certification is met for ARFF	100%	100%	100%

FY2013 BUDGET

FIRE

personnel			
% 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
% of time ARFF engineer position is staffed for commercial flight coverage	100%	100%	100%
Number of regional training classes conducted by PFD certified TRT technician instructors	0	4	6

Prior Year Results and Outcomes

Hazardous Materials

Responded to 2 major Hazardous Materials incidents.

Implemented online monthly training.

Haz-Mat exercise with DPS Bomb Squad and Arizona's National Guard's 91st Civil Support Team.

Participated in 12 monthly Haz-Mat drills.

Technical Rescue

Conducted a Fall and Spring Regional TRT Exercise.

Conducted 36 Regional TRT Drills; up from 16 last year.

Implemented online monthly training for personnel.

Tower Rescue certification, Swift Water Rescue Training Renewal, Confined Space Entry requirement.

Developed and issued regional "All Risk" credentialing cards.

Secured an ATV Grant.

Secured a specialty equipment grant for regional partners.

Participated in the Joint Regional TRT Coordination Group.

Participated in 12 meetings.

1,112.5 hours of training.

Aircraft Rescue Fire Fighting (ARFF)

Conducted # hours of Aircraft Rescue and Firefighting training.

FY2013 BUDGET

FIRE

12 ARFF certifications in live ARFF training.
Passed the annual FAA ARFF audit and timed drill.

Developed and implemented ARFF, TRT and Haz-Mat on line in-house training.

Participated in live fire training at Davis-Mathon Air Force Base.

Responded to # ARFF related calls.

Technical Services Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Supplies	\$ 892	\$ 2,160	\$ 1,660
Other Services & Charges	942	5,497	8,071
Total	\$ 1,834	\$ 7,657	\$ 9,731

Significant Expenditures Changes: There are no significant expenditure changes in this division for FY2013.

Wildland Fire Crew

Division Mission: To provide a comprehensive wildland and all-hazard program that prevents the loss of life and property for all people of our community. This is accomplished through public education, wildland code enforcement, vegetation management, training, and prompt response to wildland or all-hazard incidents.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of interagency training hours	84	66	66
Technical Rescue Training	40	60	60
Emergency Medical Service Training	316	32	40
Number of Work Order Assessments	194	175	175
Number of Red Zone Assessments	495	475	500
Number of Code Enforcement Assessments	47	50	75
Total acres assessed	26	30	30
Number of residences treated	31	40	40
Total residential acres treated	15	20	20
Total City owned property treated in acres	50	75	75
Total other open space treated in acres	12	20	20
Total acres treated	328	300	300
Tons of vegetation processed	3,095	2,800	2,800

FY2013 BUDGET

FIRE

Acres of vegetation processed	75	75	75
Number of trees felled	141	150	125
Number of days involved in wildfire suppression	115	90	90
Number of participants in public education events	445	500	500
Number of participants in the Arizona Wildland and Incident Management Academy	12	15	15

Prior Year Results and Outcomes

Completed 166 detailed home assessments.

Treated 5 homes for defensible space.

Completed 614 Red-Zone home assessments.

Completed 652 chip jobs for home owners.

Completed 10 acres of fuel reduction on City of Prescott open space.

Completed 52 vegetation inspections for new construction.

Treated 521.5 total acres within the Prescott Basin.

Successfully obtained three additional fuels mitigation grants to support the Wildland division. Two 90%-10% grants and one Title III Hazardous Fuels State 100% grant.

Granite Mountain Hot Shots spent 108 days fighting wildland fires across the country.

Trained 248 1st and 2nd Grade students on defensible space techniques (8 classes).

Trained 22 citizens in home assessment techniques in Hidden Valley.

Trained 12 students (landscapers) in defensible space techniques through U of A cooperative extension classes.

Attended 4 HOA Firewise committee meetings on public education programs such as Ready, Set, Go, Defensible space, and evacuation procedures.

Attended National Night Out meetings in Timber Ridge, Los Pinos, and the Village.

Wild Land Fire Crew Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,197,590	\$ 1,234,638	\$ 1,149,367
Supplies	91,457	61,550	67,990
Other Services & Charges	174,086	141,256	132,502
Cost Recovery	(1,456,158)	(1,375,191)	(1,281,519)
Total	\$ 6,975	\$ 62,253	\$ 68,340

FY2013 BUDGET

FIRE

Wild Land Fire Crew Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	13.00	15.00	14.00
Wildland Division Chief	1.00	1.00	1.00
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	1.00
Wildland Crew (Seasonal)	3.00	5.00	6.00

Significant Expenditures Changes: The 6.9% decrease when comparing FY2013 budget in Personnel to FY2012 estimated ending is the result of the reduction in Fuels Tech/Wildland firefighters from three to one.

Disaster Preparedness

Division Mission: To provide local and regional leadership in disaster preparedness services to the community that will mitigate any potential emergency as well as providing for 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 conduct training for potential disasters.

Strategy: To prepare for and conduct annual disaster management sessions and update policies and procedures to position the City of Prescott to mitigate all disasters as well as to follow federal law in the recouping of funds expended on disaster management.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Conduct a minimum of two disaster preparedness exercises	4	3	3
Number of updates for COP Emergency Operations Manual	1	1	1
Number of annual disaster preparedness training programs conducted	4	6	4
Number of City Hazardous Mitigation Plan updates	1	1	1
Number of Airport Emergency Operations Plan updates	0	1	1

Prior Year Results and Outcomes

Completely rewrote the Airport Emergency Plan as required by FAA.

FY2013 BUDGET

FIRE

Updated the City Hazardous Mitigation Plan as required by the State of Arizona.
Conducted # All Hazard training programs.

Conducted # Interagency Wildfire Drills.

Updated the City of Prescott Disaster Procedures.

Maintained compliance with the National Incident Management System.

Disaster Preparedness Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Other Services & Charges	\$ 14,280	\$ 17,192	\$ 17,181

Significant Expenditures Changes: This charge, which is based on population, is in accordance with an agreement with Yavapai County.

FY2013 BUDGET

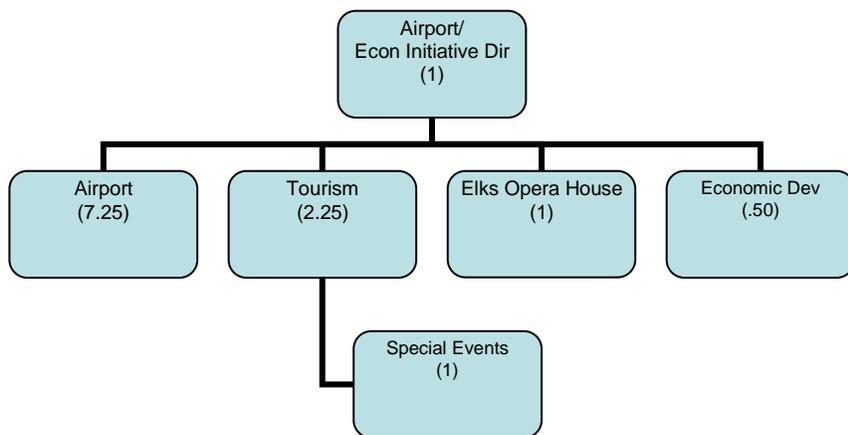
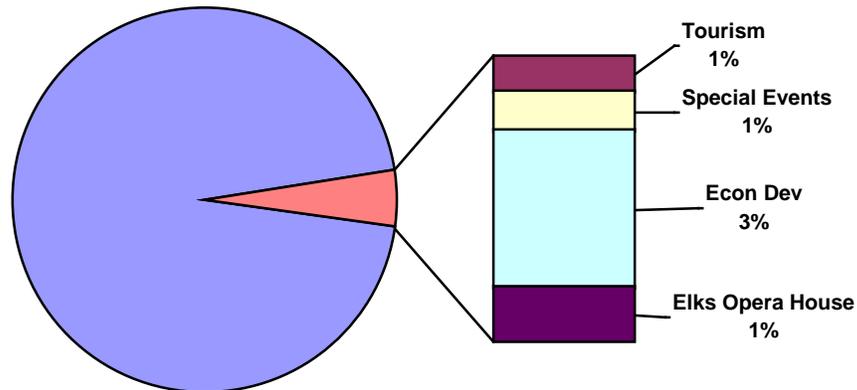
ECONOMIC ENTERPRISES

During FY2013, the Economic Enterprises/Airport Initiatives Department was created to include Tourism, Economic Development, Special Events, Elks Opera House and Airport.

For additional information on the Airport, see the Enterprise Funds section of this document.

DEPARTMENT MISSION: The mission of the Airport and Economic Initiatives Department is to build a stronger local economy and expand the Transient Occupancy (Bed) Tax by creating and supporting development initiatives that bring quality jobs and diversify the economy, focusing on the airport as an “economic engine,” continuing as the regional retail center, and working to assure and promote availability of business/commercial sites suitable for development.

% of General Fund Operating Budget



More information on the Airport can be found in the Enterprise Funds section.

FY2013 BUDGET

ECONOMIC ENTERPRISES

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Est End	FY13 Budget
Personnel	\$ -	\$ -	\$ 403,661
Supplies	-	-	19,650
Other Services & Charges	-	-	966,779
Total	\$ -	\$ -	\$ 1,390,090
Authorized Staffing Level	0.000	0.000	4.750
Tourism	0.000	0.000	2.250
Special Events	0.000	0.000	1.000
Elks Opera House	0.000	0.000	1.000
Economic Development	0.000	0.000	0.500

Tourism

Division Mission: The mission of the Office of Tourism is to develop, promote and maintain Prescott as a year round visitor destination benefitting the community economically and socially.

Prior Year Results and Outcomes

Transient Occupancy (Bed) Tax was up 10.89% at the end of FY12

Lodging Occupancy increased 5.3% over FY11

Revenue per Available Room (RevPAR) was up 8.3% over FY 11

Average Daily Rate (ADR) was up 2.9% from FY11

The Tourism website attracted 121,996 visitors in FY 12, an increase of 9% over FY11

\$4.9 million in media coverage of Prescott was generated during FY12

Tourism staff attended 5 major travel shows in FY 12 meeting with consumers, travel agents, tour operators, travel writers and journalists.

FY2013 BUDGET

ECONOMIC ENTERPRISES

Tourism Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ -	\$ -	\$ 153,870
Supplies	-	-	1,450
Other Services & Charges	-	-	26,088
Total	\$ -	\$ -	\$ 181,408

Tourism Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.00	0.00	2.25
Tourism Director	0.00	0.00	1.00
Tourism/Economic Dev Coord*	0.00	0.00	0.50
Marketing Coordinator**	0.00	0.00	0.75

*Remainder of Tourism/Economic Development Coordinator is charged to Economic Development.

**This position is funded from Transient Occupancy Tax.

Significant Expenditure Changes: The 28.7% decrease in Personnel is the result of the elimination of the Public Affairs Coordinator position. The new ¾ time Marketing Coordinator is not charged to the General Fund, but to the Transient Occupancy Fund.

Elks Opera House

Division Mission: Promote the theatre to become a destination of entertainment for Prescotttonians and tourists alike.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Revenue from rental, tickets and concessions	\$99,125	\$150,000	\$100,000

FY2013 BUDGET

ECONOMIC ENTERPRISES

Expenses (rental, tickets & concessions)	\$31,000	\$50,000	\$34,000
Number of events booked	44	60	60

Prior Year Results and Outcomes

Increased number of events by approximately 48% from FY2011 resulting in increased revenue of \$9,231.

Implemented a Bulk Rental Contract which allows our renters to save when booking 10 or more events in a 12 month period of time. We have three executed Bulk Contracts with three separate projection companies, ensuring 30+ events in a 12-month period.

Implemented a Non-Profit Contract, benefitting 501c3 organizations cutting their costs by approximately 25%.

Built solid relationships with local media for promotional purposes, including but not limited to, hotels, radio stations, local newspaper and various local businesses.

Successfully trained docents and volunteers to operate the box office during the box office operating hours as well as events, to allow staff to concentrate on other areas of operation as well as payroll savings.

Elks Opera House Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ -	\$ -	\$ 91,014
Supplies	-	-	16,350
Other Services & Charges	-	-	150,470
Total	\$ -	\$ -	\$ 257,834

Elks Opera House Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.000	0.000	1.000
Business Manager	0.000	0.000	1.000

Significant Expenditure Changes: This division was moved from Administrative Services beginning in FY2013.

FY2013 BUDGET

ECONOMIC ENTERPRISES

Special Events

Division Mission: To create events and activities that make Prescott a destination for residents and tourists.

Prior Year Results and Outcomes

Events Date & Estimated Attendance

Get Out Get Into It** 4-16 2300

Chalk It Up** 4-16 to 4-17 3500

Whiskey Off Road ~ Epic Ride 4-27 to 29 16000+

Whiskey Row Marathon** 5-5 4500+

Mountain Artist Guild Arts & Wine Tasting 5-12 2500+

Summer Concert Series* 6-1 to 9-8 39,000+

Prescott Idol* 6-1 to 9-8 9,000+

Blue Grass Festival** 6-25 to 6-26 10,000+

July 4* 7-4 12,000+

Centennial/Best Fest ** 9-16 to 9-18 70,000+

City Picnic** 10-12

Dog-Toberfest* 10-3 2-legged 5000+ 4 legged 2000+

Pumpkin Patch and Carnival* 10-24 6000+

Christmas Party** 10-12 12-11

Boot Drop** 12-31 1000+

*Developed, coordinate, work event from start to finish.

**Help facilitate event from beginning to end.

Each event is self-supporting with most creating revenue. Impact to the city from parking, hotel/motels, food and shopping add to the benefit of keeping Prescott "Everybody's Hometown" and to help keep our 365 day tourists proud to live, work and play right in there backyard!

With events, we bring awareness to what Prescott has to offer and help promote Prescott as a tourist destination.

FY2013 BUDGET

ECONOMIC ENTERPRISES

Each year these events get bigger and better, keeping out tourists and locals coming out to enjoy helping to keep our local businesses and economy strong.

Prescott's July 4th Celebration put out an advertising video *just two weeks prior to the event*. This video has had over Three Thousand Hits. This is a great example that tourists are looking for events and things to do, proving if we provide and promote...they will come!

Created many in-kind sponsorships/services saving over \$70,000+ to the city.

Special Events developed sponsorships for events bringing in over \$18,000+.

Throughout the year Special Events continues to find avenues to promote events through free advertising means, Radio, AZ TV, news articles, social media, web sites, presentations, social media etc., giving a huge exposure boost and adding awareness saving the city thousands of dollars.

Special Events works hard to find the "deals" from purchasing supplies, (always local first) free advertising to utilizing community service workers/volunteers for events keeping costs down,

Worked with Embry Riddle on creating another three-year contract lease for the use of their parking areas for city events.

Negotiated city radio contract saving the city thousands.

Create posters, fliers and advertisements.

Write and produce commercials for city events/Road Updates.

Give help and assist departments needing supplies, products, banners, advertising, etc.,

Throughout the year, Special Events streams thousands of calls along with e-mails answering questions on what's "Happening" in Prescott., also attending meetings to field questions and concerns with putting on event(s).

Special Events Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ -	\$ -	\$ 75,057
Supplies	-	-	1,850
Other Services & Charges	-	-	112,586
Total	\$ -	\$ -	\$ 189,493

FY2013 BUDGET

ECONOMIC ENTERPRISES

Special Events Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.000	0.000	1.000
Special Events Coord.	0.000	0.000	1.000

Significant Expenditure Changes: The only significant expenditure change in this division is in Other Services & Charges. This is the result of the 4th of July Celebration budget being moved from the Transient Occupancy Fund to the General Fund.

Economic Development

Division Mission: To lead in building a stronger and more diversified economy by promoting increased public/private sector collaboration, delivering business development initiatives focused on new investment and quality job growth, enhancing the competitiveness of Prescott's business climate, and driving regional initiatives.

Goal: Promote the Prescott business and film community through a social media marketing plan.

Strategy: Remain active in social media marketing

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Facebook fans: Prescott Film	N/A	50	100
Number of click on links/photos: Prescott Film	N/A	200	400
Number of Tweets/Status Updates: Prescott Film	N/A	100	150

Goal: Develop Prescott's Ernest A. Love Field into an economic engine for the region.

Strategy: Promote the airport as a regional center for targeted industries, activity and employment.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of meetings with property owners and agency representatives	11	15	30
Update Airport Plan	N/A	N/A	Anticipated Completion

Goal: Continue to pursue retail and targeted industries.

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

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of meetings with clients and property owners	28	30	35

FY2013 BUDGET

ECONOMIC ENTERPRISES

Economic Development Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ -	\$ -	\$ 83,720
Other Services & Charges	-	-	677,635
Total	\$ -	\$ -	\$ 761,355

Economic Development Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.00	0.00	0.50
Tourism & Economic Dev Coord	0.00	0.00	0.50

Note: Remainder of Tourism & Economic Development Coordinator is charged to Tourism

Significant Expenditures Changes: This division was moved from Community Development in FY2013. The only significant expenditure change is in Other Services and Charges. This is due to some of the economic development incentive agreements being fulfilled in FY2012.

FY2013 BUDGET

SPECIAL REVENUE FUNDS

STREETS AND OPEN SPACE FUND

TRANSIENT OCCUPANCY TAX FUND

IMPACT FEES FUNDS

GRANTS

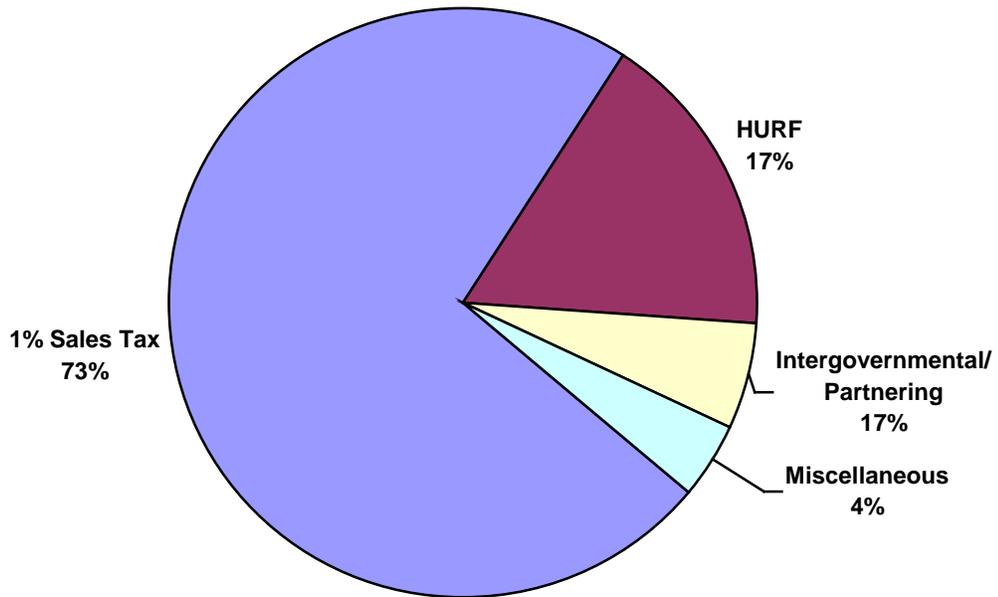
MISCELLANEOUS GIFTS AND DONATIONS

ACKER TRUST

FY2013 BUDGET

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 FY2011, Revised Estimates for FY2012 and FY2013 Budget Projections.

FY2013 BUDGET

STREETS AND OPEN SPACE FUND

Summary of Fund			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ 15,522,259	\$ 20,307,204	\$ 13,477,516
Revenues			
1% Tax	11,618,387	11,449,000	12,076,486
Highway User Revenue	3,012,608	2,485,394	2,808,792
Intergovernmental/Partnering	2,265,639	579,646	960,000
Build America Bond Subsidy	312,290	308,974	303,812
Street Light Fees	223,502	225,135	231,889
Interest Income	186,134	175,000	50,000
Miscellaneous	33,064	46,660	62,720
Total Revenues	\$ 17,651,625	\$ 15,269,809	\$ 16,493,699
Adjustments/Other Revenue Sources			
Debt Proceeds	\$ 8,415,000	\$ 1,032,658	\$ -
Transfers In/Out (Net)	344,075	260,953	56,480
Total Adjustments/Other Sources	\$ 8,759,075	\$ 1,293,612	\$ 56,480
Total Funding Sources	\$ 26,410,700	\$ 16,563,420	\$ 16,550,179
Expenditures	(21,625,755)	(23,393,108)	(27,446,609)
Ending Cash, 6/30	\$ 20,307,204	\$ 13,477,516	\$ 2,581,086

Cash available as of July 1, 2012 is estimated at \$13,477,516. This amount along with the anticipated funding sources of \$16,493,699 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 FY2013 total \$27,446,609. This leaves an estimated ending balance of \$2,581,086.

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 FY2013, 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.

FY2013 BUDGET

STREETS AND OPEN SPACE FUND

Arizona Highways Users Revenue: The 2012-13 revenue estimate of \$2,808,792 is provided by the State and is higher than the FY2012 revised estimate by \$323,398 or 13.0%. 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 contributions from the County for major street projects and FEMA related projects. Effective FY2013 Central Yavapai Municipal Planning Organization (CYMPO) is no longer administered by the City of Prescott.

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 \$231,889. 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.

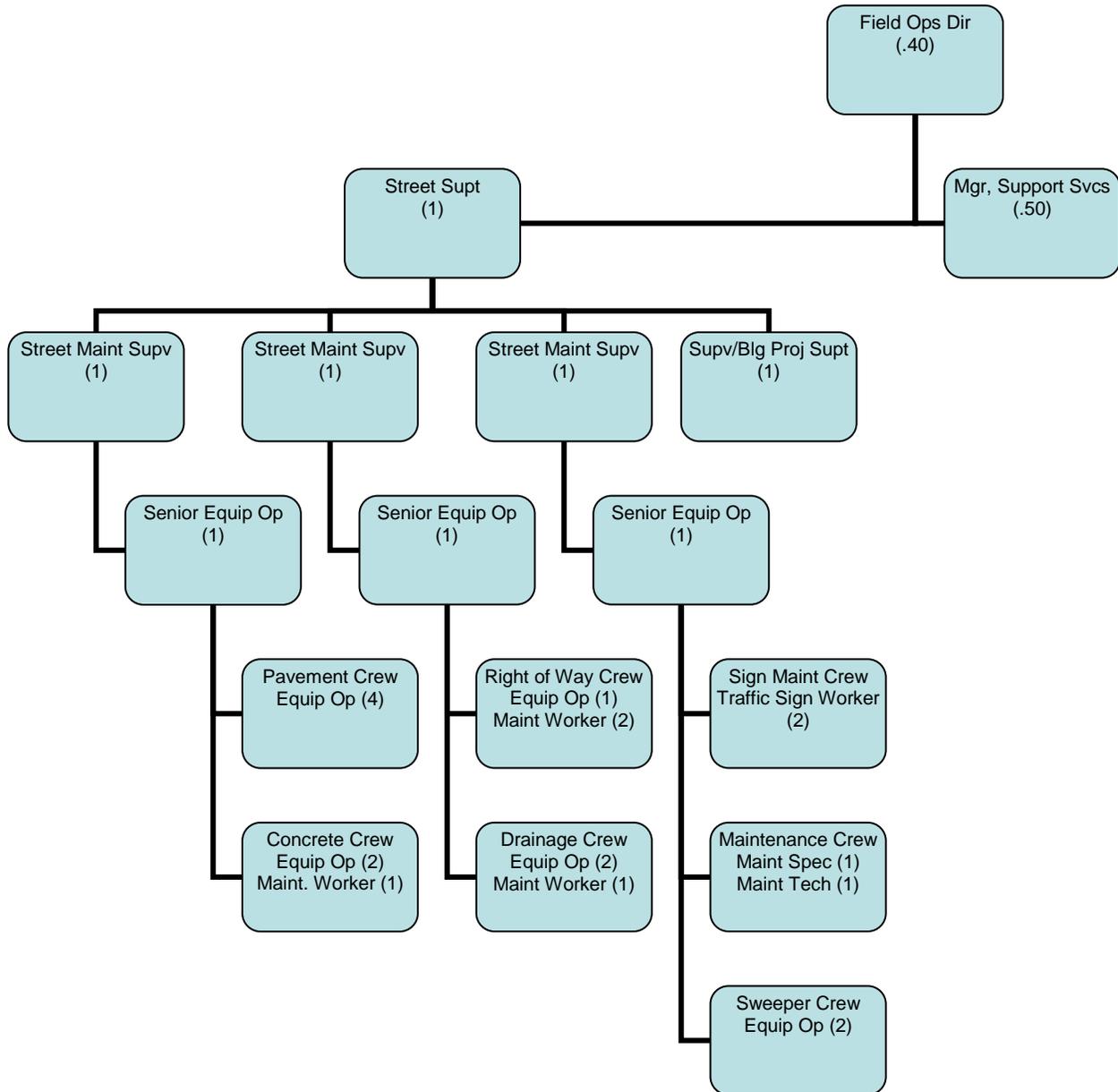
Streets and Open Space Fund			
Consolidated Expenditure and Staffing Level Summary			
	FY11	FY12	FY13
	Actual	Est End	Budget
Personnel	\$ 2,386,341	\$ 2,537,737	\$ 2,480,080
Supplies	668,636	647,135	651,235
Other Services & Charges	2,263,705	2,112,355	2,250,267
Debt Service	1,654,208	2,337,857	2,281,504
Capital Outlay/Projects	14,652,866	15,758,025	19,783,523
Total	\$ 21,625,756	\$ 23,393,109	\$ 27,446,609
Authorized Staffing Level	37.04	37.10	34.60
Streets Projects Admin	1.00	0.30	0.30
CYMPO	2.50	2.50	0.00
Streets Maintenance	28.54	29.30	29.30
Transportation Services	5.00	5.00	5.00

FY2013 BUDGET

STREETS AND OPEN SPACE FUND

Street Operations

Division Mission: We are committed to efficient maintenance and repair of Prescott's streets.



FY2013 BUDGET

STREETS AND OPEN SPACE FUND

Note: .70 of Landscape Coordinator and one Maintenance Worker report to Park Maintenance

Goal: 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. 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.

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 preventative maintenance while coordinating efforts and sharing resources.

Workload Indicators	FY11 Actual	FY12 Estimate	FY13 Forecast
Lane-miles of paved streets maintained	576	577	577
Miles of unpaved streets graded	1	0	0
Miles of unpaved alleys graded	9	5	0
Lineal feet of piped drainage ways	55,000	55,000	57,000
Lineal feet of open drainage ways	927,000	927,000	927,000
Number of drainage structures	2,350	2,350	2,350
Number of work requests from public	1,247	1,300	1,400
Performance Measures	FY11 Actual	FY12 Estimate	FY13 Forecast
Ratio of [scheduled work:work accomplished] Target: 75%	50%	75%	75%
Pavement quality index (PQI) of major thoroughfare system Target: 71	68	68	69

Prior Year Results and Outcomes:

Responded to 18 emergency storm response events.

Worked 3,043 hours on emergency storm response in FY 2012.

Maintained 596 miles of paved streets.

Swept 3,797 miles of streets. Sweeping of City parking lots increased due to Stormwater Pollution Prevention Plan (SWPPP), downtown clean-up increased, cross-training of crews, sweeper drivers assisting with crack sealing and paving.

Replaced and repaired 1,320 traffic control and street signs.

FY2013 BUDGET

STREETS AND OPEN SPACE FUND

Streets Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,682,973	\$ 1,915,905	\$ 2,018,389
Supplies	648,255	626,030	639,300
Other Services & Charges	623,844	858,514	649,245
Capital Outlay/Projects	71,249	12,040	660,076
Total	\$ 3,026,321	\$ 3,412,489	\$ 3,967,010

Capital Outlay/Projects

Pavement Marking Equipment			\$ 252,000
Transfer Station Paving			140,576
Flail Mower (carryover)			105,000
As-Built/Mylar Scanning Project			77,000
Asphalt Recycler			71,000
Asphalt Hot Box			14,500
Total Capital Outlay/Projects			\$ 660,076

Streets Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	28.54	29.30	29.30
Field Operations Mgr	0.14	0.00	0.00
Field & Facilities Dir*	0.00	0.40	0.40
Street Maint Supt.	1.00	1.00	1.00
Manager, Support Services*	1.00	0.50	0.50
Street Maint Supervisors	3.00	3.00	3.00
Supv/Bldg Project Supt	1.00	1.00	1.00
Maintenance Specialist	1.00	1.00	1.00
Senior Equip Operator	3.00	3.00	3.00
Traffic Control Worker	2.00	2.00	2.00
Maintenance Technician***	1.00	1.70	1.70
Equipment Operator	11.00	11.00	11.00
Landscape Coordinator***	0.00	0.70	0.70
Utility Worker	0.40	0.00	0.00
Maintenance Worker	4.00	4.00	4.00

*Remainder is charged to Solid Waste (40%), Fleet Maint. (10%), and Facilities Maintenance (10%)

**Solid Waste also charged 50%

***30% of Landscape Coordinator and one Maintenance Tech is charged to Parks Maintenance

FY2013 BUDGET

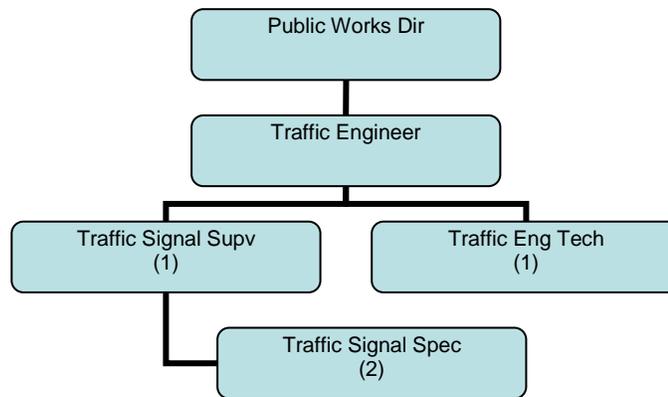
STREETS AND OPEN SPACE FUND

Significant Expenditures Changes: The increase in Personnel (5.3%) is due to the budget for temporary employees. An amount is budgeted for snow removal and it is only used as necessary.

Other Services & Charges exhibits a 24.4% decrease when comparing the FY2013 budget to the FY2012 estimated endings. This can be tied to the smaller cost recovery budget for auditing & accounting. The methodology used when calculating this charges lends to it fluctuating each year.

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	FY11 Actual	FY12 Estimate	FY13 Forecast
Traffic signals maintained (intersections)	52	53	53
Roundabouts maintained (intersections)	4	4	5
Service requests	155	155	160
Traffic volume counts (each)	255	210	248

FY2013 BUDGET

STREETS AND OPEN SPACE FUND

Prior Year Results and Outcomes

Maintenance/Infrastructure Projects:

Manage the time-of-day signal timing improvements along SR89, Willow Creek Corridor, and Downtown Coordination System to provide improved peak hour mainline flow.

Maintained 50 traffic signals and 4 roundabouts.

Maintained City wide roadway markings through the annual striping contract.

Installed street light mounted Christmas decorations.

Maintained 400 antique globe street lights in Central Business and Historic Districts

Constructed ADA Ramp Installations for the Dexter Neighborhood Grant project

Project Design and Construction:

Prescott Lakes Parkway Roundabout guardrail modification.

Provided inspection services for Changeable Radar signs on Rosser Street Project.

Willow Creek @ Commerce Drive traffic signal constructed.

Willow Creek @ Prescott Honda traffic signal constructed.

Project management of West Gurley Street Pedestrian Enhancement (Transportation Enhancement Grant) awarded at \$420K under the FHWA Transportation Grant (SAFETEA-LU) program.

Project Management of Safe Route to School Infrastructure Projects (Washington School, Taylor Hicks School, Miller Valley School)

Traffic Analysis/Studies/Plan Review:

ADOT SR89 Widening PA – assisted in coordination of Deep Well Ranch Road alignment design concept.

Sundog Connector Road Planning Assistance for Rural Area (PARA) study commenced under the ADOT grant program.

Willow Creek Road Planning Assistance for Rural Area (PARA) study commenced under the ADOT grant program.

Provided sign locations and details for the HSIP program awarded at \$227K under the ADOT grant program – through CYMPO affiliation.

Authored the DRAFT Low Water Crossing Policy.

Assisted with the update of the Circulation Element portion of the Prescott General Plan
Staff liaison for the Transportation Coordinating Committee.

FY2013 BUDGET

STREETS AND OPEN SPACE FUND

Conducted 5 multi-way stop warrants, 5 protected left turn arrow warrants, 2 traffic signal warrants, 27 speed studies and 1 crosswalk study.

FY12 Annual Traffic Count Contract work completed.

Reviewed and processed 5 traffic impact analysis reports for developments.

Reviewed and approved 150 construction traffic control plans.

Provided traffic control plans and /or plan review for over 47 special events.

Responded to 100 traffic requests.

Transportation Services Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 428,049	\$ 427,004	\$ 432,424
Supplies	16,374	18,105	9,035
Other Services & Charges	356,422	313,086	408,335
Capital Outlay/Projects	25,947	187,000	227,000
Total	\$ 826,792	\$ 945,195	\$ 1,076,794
Capital Outlay/Projects			
Street Lights			\$ 85,000
Intersection Signalization Project			75,000
Survey Grade GPS Unit			25,000
Signal Replacement Equipment			25,000
Traffic Signal Design			10,000
General Plan Update			7,000
Total Capital Outlay/Projects			\$ 227,000

Transportation Services Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	5.00	5.00	5.00
Traffic Engineer	1.00	1.00	1.00
Traffic Signal Supervisor	1.00	1.00	1.00
Traffic Engineering Tech	1.00	1.00	1.00
Traffic Signal Specialist	2.00	2.00	2.00

Significant Expenditure Changes: Supplies decreased 50.1% when comparing FY2013 budget to the FY2012 estimated endings. This is due to some expenditures being made in FY2012 that are not anticipated in FY2013.

FY2013 BUDGET

STREETS AND OPEN SPACE FUND

The large increase in Other Services & Charges (30.4%) is the result of the methodology used when calculating the Insurance cost recovery. This calculation is based on size of budget, number of vehicles and loss history.

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

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 275,319	\$ 194,828	\$ 29,267
Supplies	4,008	3,000	2,900
Other Services & Charges	1,283,439	940,755	1,192,687
Debt Service	1,654,208	2,337,857	2,281,504
Capital Outlay/Projects	14,555,670	15,558,985	18,896,447
Total	\$ 17,772,644	\$ 19,035,425	\$ 22,402,805

Streets Projects Administration Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	3.50	2.80	0.30
Public Works Director*	0.30	0.30	0.30
Senior Project Manager	0.70	0.00	0.00
CYMPO Administrator	1.00	1.00	0.00
CYMPO Program Manager	0.50	0.50	0.00
CYMPO Program Coord.	1.00	1.00	0.00

*Public Works Director also charged to Water Administration (35%), and Wastewater Administration (35%).

FY2013 BUDGET

STREETS AND OPEN SPACE FUND

Streets and Open Space Projects	
Capital Outlay/Projects	
Pavement Preservation	\$ 4,372,630
Senator Highway Reconstruction	3,434,753
Park Avenue Reconstruction	2,257,616
Ruger Road Realignment	1,760,830
Williamson Valley Road	1,700,000
Mt Vernon (Gurley-Senator Highway)	1,547,935
Walker Road Rehab (SR69-City Limits)	705,000
Open Space	500,000
SR89/Phippen Roundabout	400,000
Yavapai Hills Drainage Improvements	390,000
City Shop Underground Storage Tank Release Cleanup	241,333
NPDES PHII Implementation	217,600
Willow Creek Channel Improvements	190,000
Cliffrose - Marvin Gardens Drainage	180,000
Aerial Images	175,000
Annual Pavement Markings	150,000
FEMA Flood Insurance Map Update	140,000
Acker Pond Design	100,000
Willow Creek Wall Repair	100,000
As-Built/Mylar Scanning Project	77,000
Overland Trail Bridge Reconstruct	75,000
Engineering & Safety Projects	50,000
Unpaved Streets	50,000
Pavement Management System	30,000
Sidewalks - ADA Compliance	25,750
CYMPO Matching Funds	16,000
Traffic Calming - Various Streets	10,000
Total Capital Outlay/Projects	<u>\$ 18,896,447</u>

Significant Expenditure Changes: Beginning in FY2013, CYMPO administration is being handled by Yavapai County. The elimination of the CYMPO employees attributes to the significant decrease in Personnel.

Other Services & Charges shows a 26.8% increase when comparing the FY2013 budget to the FY2012 estimated endings. This can be tied to methodology used when calculating the cost recovery amounts for computer service, auditing and accounting, personnel, and legal. These amounts can fluctuate each year.

FY2013 BUDGET

TRANSIENT OCCUPANCY TAX FUND

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 FY2013 is estimated to produce \$557,684. Additionally, \$1,500 is anticipated in the form of audits, penalties and interest.

	FY11 Actual	FY12 Estimate	FY13 Budget
Beginning Cash Balance, 7/1	\$ 122,532	\$ 257,779	\$ 230,595
Revenues			
Transient Occupancy Tax	509,488	541,441	557,684
Parks and Rec Charges	87,287	143,000	-
Audits, Penalties and Interest	1,883	1,500	1,500
Total	\$ 598,658	\$ 685,941	\$ 559,184
Expenditures/Transfers	\$ (463,411)	\$ (713,125)	\$ (631,905)
Ending Cash Balance, 6/30	\$ 257,779	\$ 230,595	\$ 157,874

Expenditures:

In FY2013 staff is budgeting to spend the available funding of \$631,905. No specific projects have been assigned to this fund and will be determined at a later date.

FY2013 BUDGET

IMPACT FEE FUNDS

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 FY2013 impact fees are based on 120 building permits for residential units. A basis of 120 building permits was used for the FY2012 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			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 1,407,476	\$ 1,470,723	\$ 1,522,523
Revenues/Transfers In	145,315	100,800	100,800
Expenditures/Transfers Out	(82,068)	(49,000)	(1,423,475)
Ending Cash Balance, 6/30	\$ 1,470,723	\$ 1,522,523	\$ 199,848

Effective March 1, 2002 the fee charged on every residential unit building permit was increased from \$500 to \$715. Projected FY2013 revenues are based on 120 residential building permits at \$715 each. Combining that revenue with the beginning cash balance of \$1,522,523 and estimated interest earnings of \$15,000 provide a total available for FY2011 of \$1,623,323.

FY2013 commitments include expanding the Kuebler Multi-Use Complex (\$712,475), Goldwater Lake Day Use Expansion (\$350,000), Kuebler Complex Parking Lot (\$266,000), and Sundog Trailhead Restroom (\$95,000).

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			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ (426,462)	\$ (363,875)	\$ -
Revenues/Transfers	62,587	363,875	-
Expenditures/Transfers	-	-	-
Ending Cash Balance, 6/30	\$ (363,875)	\$ -	\$ -

Due to legislation during FY2012 this impact fee will no longer be charged.

FY2013 BUDGET

IMPACT FEE FUNDS

Fire Impact Fee. Effective March 1, 2002 the fee increased from \$167 to \$525. Revenues in this area consist of fire impact fees (\$63,000), rent from Life Line Ambulance (\$24,358), and interest earned (\$6,000).

Fire Impact Fee			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 320,141	\$ 438,222	\$ 531,226
Revenues	118,081	93,004	93,358
Expenditures/Transfers	-	-	-
Ending Cash Balance, 6/30	\$ 438,222	\$ 531,226	\$ 624,584

There are no budgeted expenditures for FY2013.

Library Impact Fee. Effective March 1, 2002 the Library Impact fee increased from \$208 to \$253. FY2013 expected revenues include impact fees in the amount of \$30,360 along with interest earned in the amount of \$4,000.

Library Impact Fee			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 245,531	\$ 292,607	\$ 326,967
Revenues	47,076	34,360	34,360
Expenditures/Transfers	-	-	-
Ending Cash Balance, 6/30	\$ 292,607	\$ 326,967	\$ 361,327

There are no budgeted expenditures for FY2013.

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 FY2012, it is estimated that \$544,276 will be available for growth related expenditures. Anticipated revenues for FY2013 encompass impact fees totaling \$70,680 and interest earnings of \$6,000.

Police Impact Fee			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 360,987	\$ 467,596	\$ 544,276
Revenues	106,609	76,680	76,680
Expenditures/Transfers	-	-	(3,875)
Ending Cash Balance, 6/30	\$ 467,596	\$ 544,276	\$ 617,081

A portion of the Walk-In Cooler (\$3,875) is budgeted in Police Impact Fees in FY2013. The remaining \$11,625 is charged to the Police Department in the General Fund.

Street Impact Fee. This impact fee increased from \$456 to \$469 per residential unit effective March 1, 2002. Forecasted revenues for FY2013 are made up of street impact fees (\$56,280) and interest earnings (\$200).

FY2013 BUDGET

IMPACT FEE FUNDS

Street Impact Fee			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 72,434	\$ -	\$ 56,480
Revenues	72,938	56,480	56,480
Expenditures/Transfers	(145,372)	-	(56,480)
Ending Cash Balance, 6/30	\$ -	\$ 56,480	\$ 56,480

The FY2013 budget includes a transfer (\$56,480) 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. The only revenue budgeted in FY2013 is for interest earnings on the balance of the account (\$5,500).

Public Buildings Impact Fee			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash Balance, 7/1	\$ 495,789	\$ 523,567	\$ 184,532
Revenues	54,066	24,750	5,500
Expenditures/Transfers	(26,288)	(363,785)	-
Ending Cash Balance, 6/30	\$ 523,567	\$ 184,532	\$ 190,032

This impact fee was also eliminated in FY2012 due to legislation passed.

FY2013 BUDGET

GRANTS FUND

The total Grant Funds, excluding Airport grants, is funded at \$4,634,878 of which total matches from the General Fund are anticipated at a level of \$353,760.

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	1,030,000	-0-
Judicial Collection Enhancement Fund and Fill the Gap – Provides funding for court collection efforts.	152,700	-0-
Community Development Block Grant (CDBG) – Provides funding for the following: Administration – Entitlement West Yavapai Guidance Clinic Fair Housing Education Program AARA Meals on Wheels ADA Dexter Coalition for Compassion Catholic Charities	45,557 57,000 1,460 32,000 61,657 15,000 11,200	899 -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.	30,000	-0-
Early Literacy Play Space – Create a defined Early Literacy Play Space for children ages 0-5 and their caregivers.	21,000	-0-
Arizona State Parks – Historic Preservation – Scholarships, maps and booklets	9,500	-0-
Governor's Office of Highway Safety – Selective Traffic Enforcement – Provides funding for overtime involving traffic safety and related equipment.	17,500	-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.	41,250	-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.	350,000	-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.	453,722	226,861
Fire Department Arizona Wildland Hazardous Fuels Project – Provides for mitigation of risk through reduction of fuels.	220,000	22,000
Arizona Department of Transportation – Vehicle Impound Reimbursement – Accounts for impound fees and related expenses.	91,000	-0-

FY2013 BUDGET

GRANTS FUND

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-
Canine Grant – Yavapai County Community Foundation Grant for K-9 programs	8,000	-0-
Fire Department Miscellaneous Grants – Budget to enable the Fire Department to take advantage of grant opportunities that may arise during the fiscal year.	200,000	-0-
Broadband Technology – Grant for Job Help Hub	26,500	-0-
Yavapai County Fire Wise – Grant funding for fuels mitigation	75,117	-0-
JAG Edward Byrne Memorial – Funding for law enforcement programs	15,000	-0-
School Crossing Zone – Fund to purchase equipment for use with School Crossings	3,860	-0-
Local Network Management – Provides funding for emergency telecommunications	3,400	-0-
Arizona Homeland Security – Grants for equipment and training to enhance ability “to prevent, protect against, respond to, and recover from terrorist attacks and other disasters”	62,000	-0-
Wildfire Academy Tohon – Tribal grant for wildland firefighter education and training	80,000	-0-
County Homeland Grants (Fire) – Grants from Yavapai County or State of Arizona Emergency Management for training or equipment	20,000	-0-
AZHS Communications – Arizona Homeland Security grant for the funding of additional AIRS Suite	50,300	-0-
COPS Hiring Recovery - Department of Justice will fund all costs associated with the hiring of three full time entry-level police officer positions for a period of three years.	632,155	-0-
RICO - Funding for radio console replacement and work station upgrades in the Regional Communications center.	230,000	100,000
Miscellaneous Grants – Budget to enable the City to take advantage of grant opportunities that may arise during the fiscal year.	500,000	-0-

FY2013 BUDGET

MISCELLANEOUS GIFTS AND DONATIONS FUND

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 \$19,898.

Summary of Fund			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ 213,484	\$ 209,384	\$ (0)
Revenues			
Gifts and Donations	<u>142,016</u>	<u>188,087</u>	<u>-</u>
Total Revenues	\$ 142,016	\$ 188,087	\$ -
Expenditures	(146,116)	(397,471)	(205,547)
Ending Cash, 6/30	\$ 209,384	\$ (0)	\$ (205,547)

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 \$205,547 this year to provide spending authority for any donations/bequests that may be received.

FY2013 BUDGET

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		
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ 583,335	\$ 584,873	\$ 584,873
Revenues			
Interest Income	10,338	10,000	10,000
Total Revenues	\$ 10,338	\$ 10,000	\$ 10,000
Expenditures	(8,800)	(10,000)	(9,750)
Ending Cash, 6/30	\$ 584,873	\$ 584,873	\$ 585,123

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 FY2013, an expenditure allowance in the amount of \$9,750 will be made to cover annual scholarships and bequests.

FY2013 BUDGET

ACKER TRUST FUND

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FY2013 BUDGET

DEBT SERVICE FUND

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FY2013 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 FY2013 will be \$2,969,610 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 \$3,000.

Debt Service Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Principal	\$ 1,692,151	\$ 1,755,044	\$ 2,830,044
Interest	291,848	215,845	136,566
Fiscal Agents Fee	972	3,000	3,000
Total	\$ 1,984,971	\$ 1,973,889	\$ 2,969,610

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, 2012, the City is well within its debt limits, having \$108.8 million in borrowing capacity in the 20% category, and \$33.5 million in borrowing capacity in the 6% category. Calculations for these figures are included in the following chart:

FY2013 BUDGET

DEBT SERVICE FUND

General Obligation Bonds

All Others 6%	Water & Sewer 20%
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Legal Debt Limitation

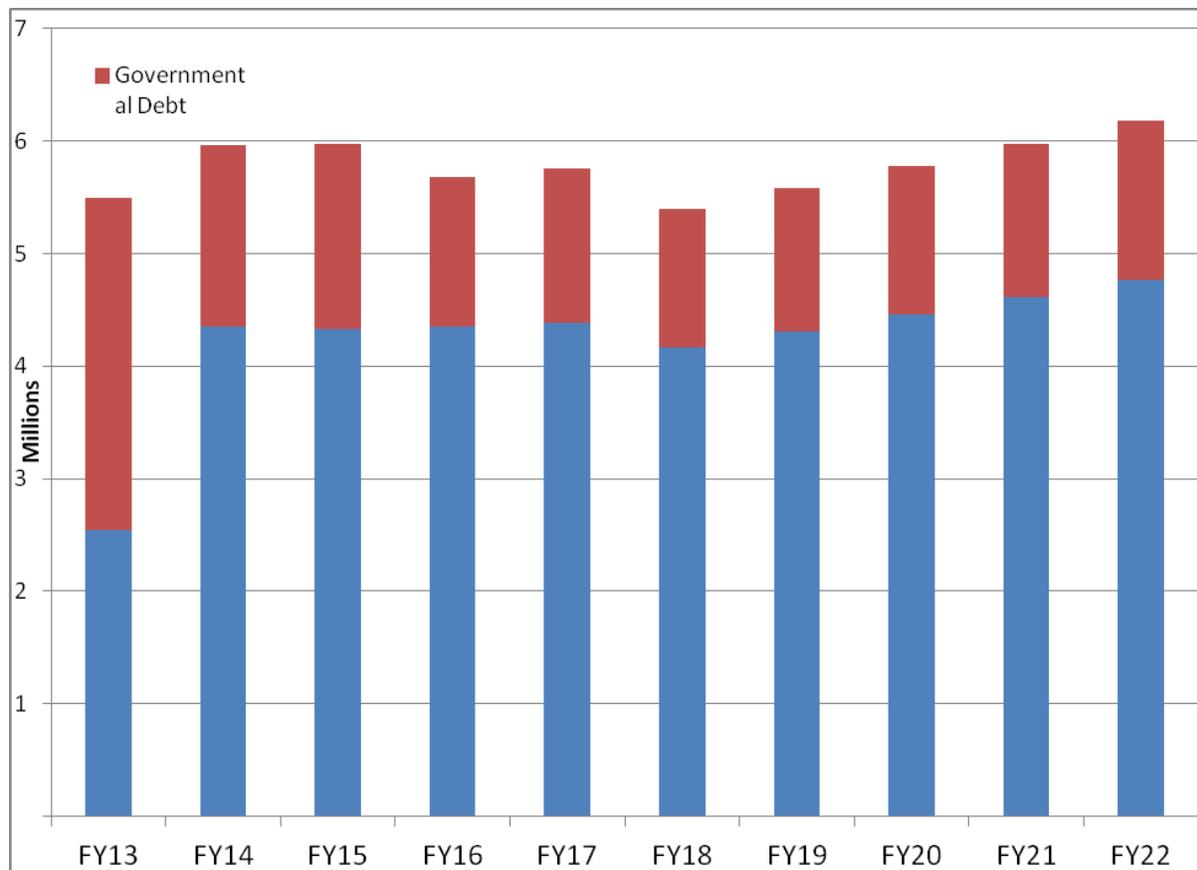
Secondary Assessed Valuation - \$555,286,772	\$ 33,497,206	\$ 111,057,354
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Outstanding Debt

Municipal facilities & refunding bond series 1998	-	2,170,000
Total outstanding debt	-	2,170,000
Total margin available	33,497,206	108,887,354

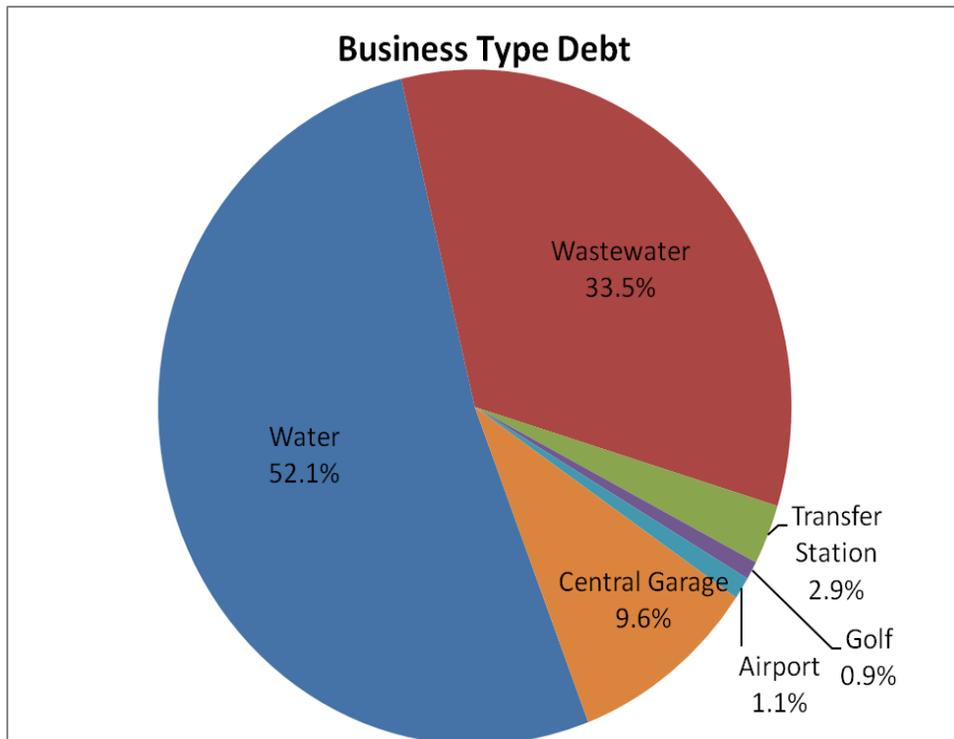
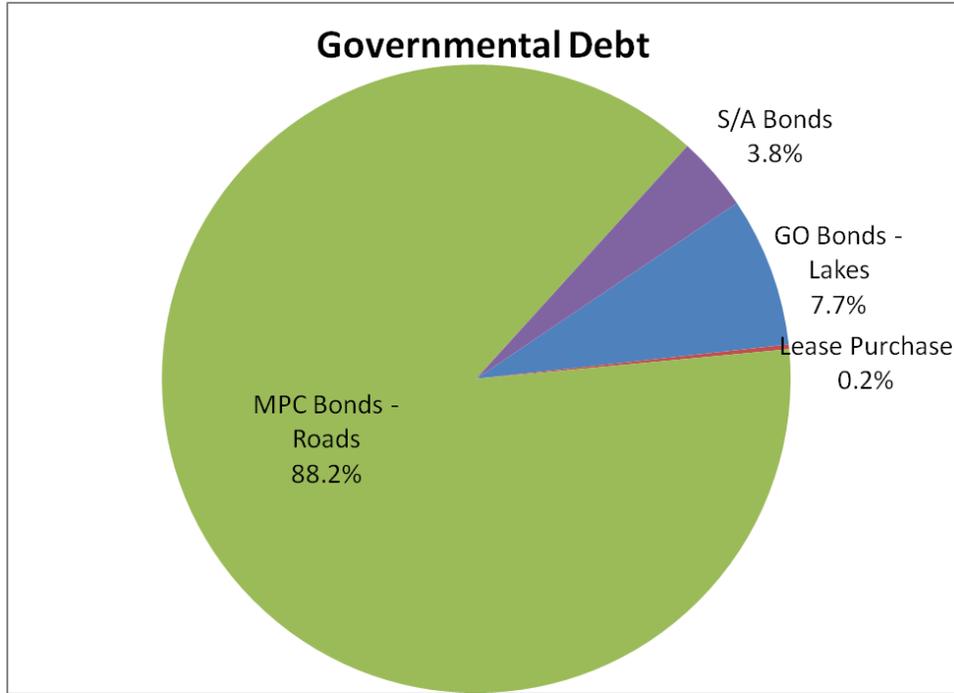
Total debt applicable to the limit as a percentage	0.0%	2.0%
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The break down of outstanding debt principal can be observed in the charts below.



FY2013 BUDGET

DEBT SERVICE FUND



FY2013 BUDGET

DEBT SERVICE FUND

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FY2013 BUDGET

ENTERPRISE FUNDS

WATER

WASTEWATER

SOLID WASTE/TRANSFER STATION

AIRPORT

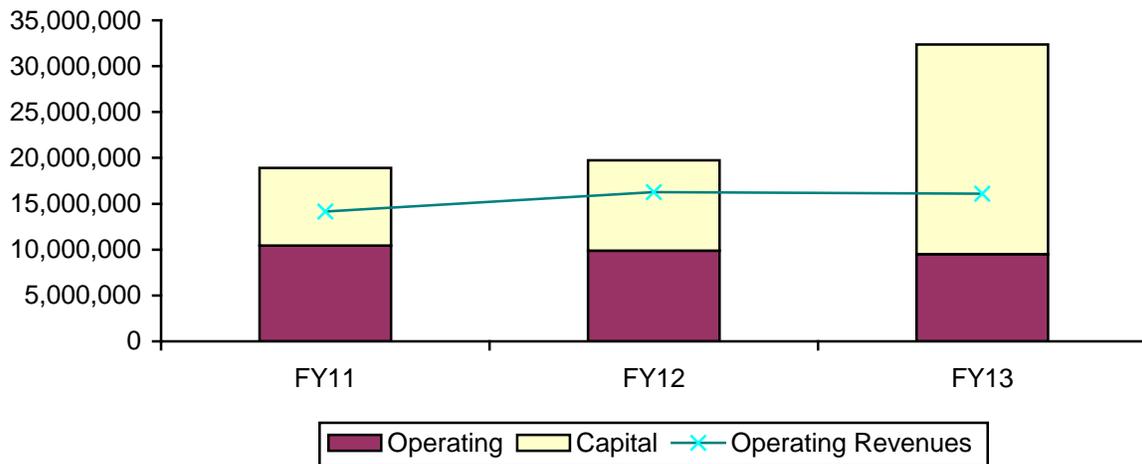
GOLF COURSE

PARKING GARAGE

FY2013 BUDGET

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 FY2013 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 FY2013 totals \$32,355,874 including \$842,290 in Alternative Water Sources, \$8,705,454 in Water System Impact, and \$1,300,336 in Water Resource Development. Current year revenues are estimated at \$27,713,246 (Alternative Water Sources - \$1,675,199, Water System Impact - \$5,318,593, and Water Resource Development - \$872,187).

FY2013 BUDGET

WATER FUND

Combined Water Historical Activity			
	FY11 Actual	FY12 Estimate	FY13 Budget
Water Utilities Beginning Cash, 7/1	\$ 17,630,345	\$ 19,422,060	\$ 17,079,264
Alt Water Sources Beginning Cash, 7/1	\$ 2,475,034	\$ 3,055,113	\$ 3,874,544
Water System Impact Beginning Cash, 7/1	\$ (905,548)	\$ (2,077,490)	\$ (4,634,720)
Water Resource Development Beginning Cash, 7/1	\$ 1,374,907	\$ 610,726	\$ 1,215,432
Water Utilities Revenues	15,531,584	12,593,875	19,847,267
Water Utilities Expenditures	(13,739,869)	(14,936,671)	(21,507,794)
Alt Water Revenues	1,503,796	1,647,918	1,675,199
Alt Water Expenditures	(923,717)	(828,487)	(842,290)
Water System Impact Revenues	1,721,190	669,542	5,318,593
Water System Impact Expenditures	(2,893,132)	(3,226,772)	(8,705,454)
Water Resource Development Revenues	581,682	1,358,829	872,187
Water Resource Development Expenditures	(1,345,863)	(754,123)	(1,300,336)
Water Utilities Ending Cash, 6/30	\$ 19,422,060	\$ 17,079,264	\$ 15,418,737
Alt Water Sources Ending Cash, 6/30	\$ 3,055,113	\$ 3,874,544	\$ 4,707,453
Water System Impact Ending Cash, 6/30	\$ (2,077,490)	\$ (4,634,720)	\$ (8,021,581)
Water Resource Development Ending Cash, 6/30	\$ 610,726	\$ 1,215,432	\$ 787,283

FY2013 BUDGET

WATER FUND

Combined Water Fund Revenues

Revenue Source	FY11 Actual	FY12 Rev. Est.	FY13 Budget
Water Utilities			
Bond Proceeds	\$ 4,056,536	\$ -	\$ 6,990,486
Water Sales	10,956,766	12,088,525	12,451,181
Interest Income	317,959	300,100	200,100
Water Connection Fees	133,922	170,000	170,000
Miscellaneous	66,401	35,250	35,500
Total Water Utilities	15,531,584	12,593,875	19,847,267
Alternative Water Sources			
Alternative Water Source Fees	1,426,760	1,563,203	1,610,099
Interest Income	72,664	65,000	65,000
Miscellaneous	4,372	19,715	100
Total Alternative Water Sources	1,503,796	1,647,918	1,675,199
Water System Impact			
Bond Proceeds	1,117,243	-	4,628,965
Water System Impact Fee	591,092	669,542	689,628
Interest Income	12,855	-	-
Total Water System Impact	1,721,190	669,542	5,318,593
Water Resource Development			
Intergovernmental Contributions	56,261	805,974	302,746
Water Resource Development Fee	525,420	552,855	569,441
Total Water Resource Development	581,682	1,358,829	872,187
Total Revenues	\$ 19,338,252	\$ 16,270,164	\$ 27,713,246

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 \$12,451,181 in FY2013 compared to \$12,088,525 for FY2012 representing a 3.0% change. This revenue is very weather sensitive.

The following chart represents the water sales revenues received since FY2003.

FY2013 BUDGET

WATER FUND

Water Sales		
Fiscal Year	Revenues	% Change from Previous Year
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	9,971,066	-7.0%
2010-11	10,956,766	9.9%
2011-12 (est)	12,088,525	10.3%
2012-13 (est)	12,451,181	3.0%

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.

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.

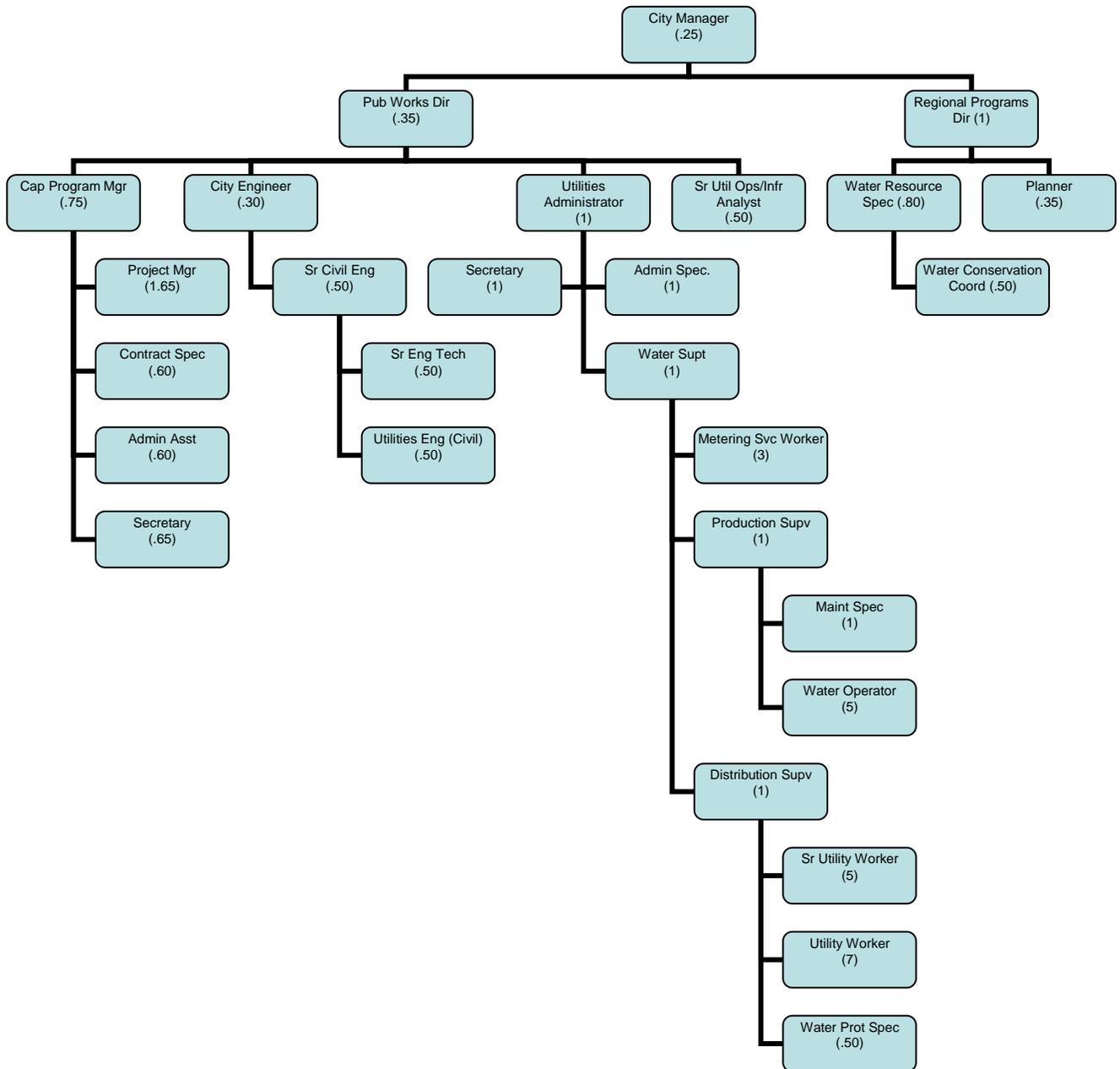
Alternative Water Sources. This is a surcharge fee based on water consumption. During FY2004, a study was conducted by Rick Giardina and Associates on City of Prescott's fees to cover the research and implementation costs of alternative water sources. As a result of this study the Alternative Water Sources 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 \$569,441 in revenues during FY2013. This is based on the minimal growth that has been occurring.

FY2013 BUDGET

WATER FUND

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.

FY2013 BUDGET

WATER FUND

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 2,638,364	\$ 2,791,467	\$ 2,697,109
Supplies	1,854,537	760,877	794,275
Other Services & Charges	4,907,647	4,181,063	4,524,682
Cost Recovery	(277,248)	(336,532)	(347,240)
Capital Outlay/Projects	8,449,644	9,850,544	22,842,728
Debt Service	1,329,637	2,498,634	1,844,320
Total	\$ 18,902,581	\$ 19,746,053	\$ 32,355,874
Authorized Staffing Level	39.75	41.30	41.30
Utility Billing*	4.50	4.50	4.50
Metering Services	3.40	4.15	4.35
Water Utilities Admin.	6.65	6.95	6.55
Water Production	8.30	7.75	8.15
Water Distribution	13.70	14.25	14.65
Alternative Water	3.20	3.70	3.10

*Utility Billing personnel report to the Budget and Finance Director.

Utility Billing

Division Mission: To produce accurate, understandable utility bills in an efficient, timely manner and provide friendly, courteous and effective customer service to the 21,000+ City utility customers.

Goal: To continue to encourage customers to use the convenient payment options we offer. This new budget year will include options for online payments and receiving their bills via e-mail. Our goal is to get 5% of our customers using both of these options.

Strategy: Continue to offer all payment options to current and new customers. Continue to put information and sign-up forms in the welcome packets. Advertise e-pay when it becomes available. Add a message to our website and the bills. Offer to all customers paying over the phone.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of surepay customers	5,438	5,500	5,550
Number of E-pay	0	1,042	2,084
Number of E-bills	139	1,042	2,084
Cost per bill	2.05	2.04	2.03

Prior Year Results and Outcomes:

FY2013 BUDGET

WATER FUND

Utility Billing Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 236,485	\$ 233,737	\$ 236,436
Supplies	4,085	4,851	3,600
Other Services & Charges	263,912	246,078	257,067
Cost Recovery	(277,248)	(336,532)	(347,240)
Debt Service	53,179	53,179	53,179
Total	\$ 280,413	\$ 201,313	\$ 203,042

Utility Billing Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	4.50	4.50	4.50
Utility Billing Supervisor	1.00	1.00	1.00
Accounting Technician	3.50	3.50	3.50

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

Meter Services

Division Mission: To provide exceptional customer service while efficiently and effectively performing monthly reading, providing on/off services, 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of meters read per meter reader per month	7,560	7,570	7,610
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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Average response times for emergency offs	15 min.	15 min.	15 min.
Respond to customer service requests within one day	95%	95%	95%

FY2013 BUDGET

WATER FUND

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of meter box maintenance	334	502	600

Prior Year Results and Outcomes

A total of 58 new meters were added to the system.

A total of 22,710 meters are currently read on a monthly basis.

A total of 3,737 routine on/off's were performed.

A total of 877 meters were re-read.

A total of 764 ERTS were replaced/ repaired.

A total of 58 meters were calibrated/tested.

Metering Services Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 188,584	\$ 173,694	\$ 215,648
Supplies	1,238,555	140,076	150,800
Other Services & Charges	41,198	40,986	64,911
Capital Outlay/Projects	161,571	-	-
Total	\$ 1,629,908	\$ 354,756	\$ 431,359

Metering Services Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	3.40	4.15	4.35
Metering Service Worker	3.00	3.00	3.00
Secretary*	0.20	0.15	0.35
Admin Specialist	0.20	1.00	1.00

Note: One Secretary also charged to Water Production (40%) and Water Distribution (40%). Second Secretary remainder charged to Water Production (25%), Water Distribution (25%), WWTP (10%) and Wastewater Collection (25%)

FY2013 BUDGET

WATER FUND

Significant Expenditure Changes: The large increase that can be observed in Personnel when comparing the FY2013 budget to the FY2012 estimated endings can be directly linked to the Admin Specialist being charged to this division 100% beginning in FY2013. Also, a larger percentage of the Secretary is being charged to Meter Reading.

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

Zone 56 - Transmission Main, Reservoir and General Site Civil design – 60-percent complete

Dam Repairs – Upper and Lower Goldwater Dam, Willow Lake Dam and Granite Creek Dam at Watson Lake – completed

Chino Valley Well Site – Landscape and Walls – Complete

Meadowbrook Water Main Replacement – Complete

Water Utilities Administration Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 664,163	\$ 710,592	\$ 670,684
Supplies	6,314	9,200	10,925
Other Services & Charges	1,029,998	926,271	721,505
Debt Service	695,975	1,859,563	1,090,994
Capital Outlay/Projects	157,359	94,515	53,000
Total	\$ 2,553,809	\$ 3,600,141	\$ 2,547,108
Capital Outlay/Projects			
Aerial Images			50,000
General Plan Update			3,000
Total Capital Outlay/Projects			\$ 53,000

FY2013 BUDGET

WATER FUND

Water Utilities Administration Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	6.65	6.95	6.55
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
Sr Proj Mgr/Utilities Admin	0.20	0.00	0.00
Utilities Manager**	0.00	0.50	0.50
City Engineer****	0.30	0.30	0.30
Utilities Engineer (Civil)	0.50	0.50	0.50
Project Manager**	1.65	1.65	1.65
Sr Utilities Ops/Infra Analyst**	0.50	0.50	0.50
Water Resource Specialist*****	0.20	0.20	0.20
Sr Engineering Tech****	0.50	0.50	0.50
Contract Specialist*****	0.40	0.40	0.40
Administrative Asst*****	0.40	0.40	0.40
Secretary	0.40	0.40	0.00

*Remainder charged to Wastewater Administration (35%), Private Development (10%), and 1% Streets and Open Space (20%)

**Balance charged to Wastewater Administration

***.25 charged to Wastewater Administration

****Remainder charged to Wastewater Admin (10%) and Engineering (60%)

*****Also charged to Alt Water (60%) and Wastewater Admin (20%)

*****Contract Specialist also charged .40 to Wastewater Admin and .20 to Alt Water

*****Admin Asst also charged .10 to Alt Water, .10 to

Transportation Services; and .40 to Wastewater Admin

Significant Expenditure Changes: The 22.1% reduction in Other Services & Charges when comparing the FY2013 budget to the FY2012 estimated ending reflects the methodology used when calculating cost recovery for Auditing & Accounting and City Administration. This methodology can result in a fluctuation from year to year.

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.

FY2013 BUDGET

WATER FUND

Water Improvements Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Capital Outlay/Projects	4,271,013	6,128,380	12,988,399
Total	\$ 4,271,013	\$ 6,128,380	\$ 12,988,399
Capital Outlay/Projects			
New Thumb Butte Reservoir			\$ 1,901,285
Small Water Main Upgrades			1,400,000
Copper Basin Reservoir			1,269,675
Park Avenue Reconstruction			1,130,000
Granite Creek & Willow Creek Dam			1,069,000
Hassayampa Pump Station - New Zone 19			806,693
White Spar Water Main			685,000
Old North Tank Reservoir Replacement			500,000
12" Line - Thumb Butte			455,000
Lower Thumb Butte Pump			452,500
Airport Zone 12 New Reservoir			350,000
Prescott Resort Pump Station Upgrade			303,000
Copper Basin Reservoir Piping			270,479
36" and 18" Emergency Valve			250,000
Chino Piping Reconfiguration			250,000
Recovery Wells at Airport			250,000
Willow Creek Trans Main Scour			200,000
South Mt Vernon			200,000
Water Model Update			200,000
18" Line Smoke Tree Lane			180,000
Capital Contingencies			160,000
Willow Creek 14" Transmission Line			123,000
City Shop UST Release Cleanup			120,667
Booster Station Upgrade			106,000
SR89 Water Main Relocation			85,000
Yavapai Hills Lower Pump Station			50,000
Production Well Maintenance			44,000
PRV Upgrade			41,000
Airport Zone 12 Tank Res Transmission Piping			25,000
Prescott Canyon Reservoir			25,000
Willow/Watson Lake Enhancement Program			25,000
Maintenance Management			25,000
As-Built/Mylar Scanning Project			23,100
Leak Detection Program			13,000
Total Capital Outlay/Projects			\$ 12,988,399

FY2013 BUDGET

WATER FUND

Significant Expenditure Changes: Please see the preceding box for the list of projects comprising this \$12,988,399 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 at the lowest possible cost to our customers.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of water quality samples collected (calendar year)	1,064	1,120	940
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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Peak day gallons	10,346,000	10,053,000	10,400,000
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:	FY11 Actual	FY12 Estimate	FY13 Forecast
SCADA upgrades to Water Production Facilities	4	8	10
Pump stations improved	35	40	45
Pressure reducing stations improved	27	35	40

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage of time responded to emergencies within 30 minutes during working hours and 45 minutes after hours.	95%	95%	95%

FY2013 BUDGET

WATER FUND

Prior Year Results and Outcomes

Collected and submitted 1120 water quality samples were taken to monitor all constituents to meet State and Federal regulations.

Responded to over 857 customer service calls, i.e. no water, leaks, frozen meters, etc.

Produced 6751 acre-feet of water.

Performed 40 flow tests for the Fire Department or external parties for fire flow determination.

Completed 17 mechanical repairs on pump stations.

Completed 40 construction meter sets.

Documented 163 water pump station preventive maintenance stops.

Completed 22 well repairs.

Documented 63 PRV preventive maintenance stops, and repairs.

Completed 124 electrical repairs on pump stations and tank sites.

Documented 47 tank maintenance stops.

Documented work on 145 special projects.

Continued use of information obtained from pump test initiative to run most efficient pump/motors in succession and stay within our electrical time of use billing plan to move the maximum amount of water for the least amount of cost.

Water Production Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 560,922	\$ 586,857	\$ 578,436
Supplies	210,758	196,800	213,150
Other Services & Charges	2,704,534	2,271,798	2,614,377
Capital Outlay/Projects	-	30,000	283,000
Total	\$ 3,476,214	\$ 3,085,455	\$ 3,688,963
Capital Outlay/Projects			
Storage Tank Maintenance			\$ 160,000
Telemetry/SCADA			123,000
Total Capital Outlay/Projects			\$ 283,000

FY2013 BUDGET

WATER FUND

Water Production Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	8.30	7.75	8.15
Water Superintendent*	0.50	0.50	0.50
Water Production Supv	1.00	1.00	1.00
Water Operator	4.00	5.00	5.00
Water Quality Technician	1.00	0.00	0.00
Maintenance Specialist	1.00	1.00	1.00
Admin Specialist	0.40	0.00	0.00
Secretary**	0.40	0.25	0.65

*Also charged 50% to Water Distribution.

**One Secretary also charged to Metering Services (20%) and Water Distribution (40%). Second Secretary remainder charged to Metering Services (15%), Water Distribution (25%), WWTP (10%) and Wastewater Collection (25%)

Significant Expenditure Changes: There are no significant expenditure changes in this division for FY2013.

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 safe and reliable operation and maintenance of the City's water distribution system at the lowest possible cost to our customers.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Respond to emergencies within 30 minutes during working hours and 45 minutes after hours.	95%	95%	95%

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of fire hydrants repaired or replaced	60	50	50

FY2013 BUDGET

WATER FUND

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of services repaired or replaced	48	100	100
Number of replaced main line valves	12	10	15
Number of water mains repaired	53	65	50

Goal: To maintain water system maps to provide accurate and prompt response for Blue State requests.			
Strategy: Update 24 maps per quarter.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of maps updated for Blue Stake	48	50	50

Prior Year Results and Outcomes

Responded to and performed 9860 Blue Stakes (marking water and sewer facilities).

Responded to 158 customer requests.

Performed 27 inspections.

Repaired 212 water mains.

Replaced 55 service lines.

Performed 27 water taps.

Conducted 33 water system shutdowns.

Detected 57 leaks.

Upgraded 36 meters.

Installed 8 new services.

Re-plumbed 39 meters.

Replaced or repaired 164 fire hydrants.

Replaced or repaired 73 valves.

FY2013 BUDGET

WATER FUND

Water Distribution Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 778,288	\$ 837,905	\$ 833,583
Supplies	382,607	399,400	403,500
Other Services & Charges	175,319	202,129	213,205
Total	\$ 1,336,214	\$ 1,439,434	\$ 1,450,288

Water Distribution Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	13.70	14.25	14.65
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	5.90	7.00	7.00
Admin Specialist	0.40	0.00	0.00
Secretary***	0.40	0.25	0.65

*Also charged 50% to Water Distribution

**Remainder charged to Wastewater Treatment Plant

***One Secretary also charged to Water Production (40%) and Metering Services (20%). Second Secretary remainder charged to Water Production (25%), Metering Services (15%), WWTP (10%) and Wastewater Collection (25%)

Significant Expenditure Changes: There are no significant expenditure changes in this division for FY2013.

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.

FY2013 BUDGET

WATER FUND

Private Development Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Other Services	192,299	127,193	198,635
Total	\$ 192,299	\$ 127,193	\$ 198,635

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of Incentive Program Retrofit & Rebate participants	424	171	170
Number of Water Conservation Education Media Campaign advertisements & announcements	1,210	1,037	723
Number of Water Conservation Education presentations	37	29	12
Number of Water Conservation Education workshops	15	9	4
Number of Water Conservation Education billing inserts and handbooks.	14	9	7
Number of New Publications printed and distributed	12	11	1

Prior Year Results and Outcomes

Water Production and Recharge (for Calendar Year 2011)

6752.07 AF pumped from wells at Chino Valley Water Production Facility
 547.78 AF recharged from Watson and Willow Lakes
 6204.29 AF net withdrawal from the aquifer

FY2013 BUDGET

WATER FUND

2901.87 AF recharged from wastewater treatment plants (reclaimed supply)

[1 AF (acre-foot) = 325,851 gallons]

Lost and Unaccounted For Water 6.7% (ADWR standard $\leq 10\%$)

Water Conservation

- Designed Seasonal and Centennial Water Smart City of Prescott Vintage Card Campaign
- Updated Water Smart City website – user friendly upgrades and organization
- Developed new look for UVRWPC venues and continued to support work products. Sponsored the Water Smart regional education efforts on behalf of the Upper Verde River Watershed Protection Coalition (www.uvrwpc.org)
 - Provided watershed maps in K-12 classrooms – WET trained teachers
 - Developed and distribute three new Irrigation Guides
 - YCCA Home and Garden Show 2012 - Water Smart management
- Continued active partnership with Parks and Recreation introducing and investing in Soil Moisture Technology at 3 community green spaces. Water savings continue to be tracked using historic consumption
- Managed distribution of water conservation materials via utility billing, City website, and brochure racks at key locations.
- Continued effective public and private sector partnerships focused on Water Smart and Water Sense Products, projects and conservation programs.
- Water Education Teacher – WAC – UVRWPC Classroom Tools – Bookmarks and Watershed Maps – Class Pass to the Spot Children's Museum
- Built and Installed 3 subject displays for the Spot Children's Museum
- Installed 312 gallon rainwater harvest tank at Public Works
- Prepared Landscape Water Smart portfolio of ideas (www.prescottwatersmart.com)
- Hospitality Program outreach – 25 Prescott area lodging water smart partners identified
- 2 additional distribution points added to Water Smart “Rack Program”
- Distribution support provided for Prescott Creek Care Guide – Building Yavapai - YCCA 2012, City Parks and Recreation Trail Map, Newcomers Guide.

FY2013 BUDGET

WATER FUND

Alternative Water Sources Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 209,922	\$ 248,682	\$ 162,322
Supplies	12,217	10,550	12,300
Other Services & Charges	499,325	366,608	439,522
Debt Service	202,253	202,647	203,146
Capital Outlay/Projects	-	-	25,000
Total	\$ 923,717	\$ 828,487	\$ 842,290

Capital Outlay/Projects			
City Wide Evapo-Transportation Weather Station			25,000
Total Capital Outlay/Projects			\$ 25,000

Alternative Water Sources Staffing Summary

	FY10 Actual	FY11 Estimate	FY12 Budget
Authorized Staffing Level	3.20	3.70	3.10
City Manager*	0.00	0.25	0.25
Regional Programs Director	1.00	1.00	1.00
Water Resource Specialist**	0.60	0.60	0.60
Water Conservation Coord. Planner***	1.00	1.00	0.50
Contract Specialist***	0.00	0.25	0.35
Admin Assistant***	0.20	0.20	0.20
Secretary****	0.20	0.20	0.20

*City Manager's Office is also charged 75%

** .20 of Water Resource Specialist is charged to Water Administration and .20 to Wastewater Administration.

***Remainder charged to Community Development

****Contract Specialist and Admin Asst is also charged .40 to Wastewater Admin and .40 to Water Administration.

Significant Expenditures Changes: A 34.7% decrease can be viewed in Personnel when comparing the FY2013 budget to the FY2012 estimated endings. This is a result of the Water Conservation Coordinator going from full-time in FY2012 to half-time in FY2013.

Several areas in Other Services & Charges were budgeted for potential expenditures that could arise during the year that were not used in FY2012. The 19.9% increase is spread across computer service, consultants, legal services and other professional services.

FY2013 BUDGET

WATER FUND

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

	FY11 Actual	FY12 Estimate	FY13 Budget
Other Services and Charges	\$ 1,062	\$ -	\$ 15,460
Debt Service	378,231	383,246	497,001
Capital Outlay/Projects	<u>2,513,839</u>	<u>2,843,526</u>	<u>8,192,993</u>
Total	\$ 2,893,132	\$ 3,226,772	\$ 8,705,454
Capital Outlay/Projects			
Airport Zone 12 New Reservoir			\$ 3,150,000
Recovery Wells at Airport Recharge			2,250,000
Prescott Resort Pump Station Upgrade			909,000
12" Line - Thumb Butte			455,000
Airport Zone 12 Tank Res Transmission Piping			225,000
New Thumb Butte Reservoir			202,365
Impact Fee Ordinance Implementation			150,000
Yavapai Hills Lower Pump Station			150,000
Copper Basin Reservoir			141,075
SR69 Corridor Phase I			125,000
Willow Creek 14" Transmission Line			123,000
Prescott Canyon Reservoir			75,000
Senator Highway Reconstruction			70,000
Telemetry/SCADA Program			70,000
Copper Basin Reservoir Piping			30,053
Willow/Watson Lake Enhancements			25,000
Lower Thumb Butte Pump Station			22,500
18" Line Smoke Tree Lane			<u>20,000</u>
Total Capital Outlay/Projects			\$ 8,192,993

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.

FY2013 BUDGET

WATER FUND

Water Resource Development Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Capital Outlay/Projects	<u>1,345,863</u>	<u>754,123</u>	<u>1,300,336</u>
Total	\$ 1,345,863	\$ 754,123	\$1,300,336
Capital Outlay/Projects			
Big Chino Water Ranch			<u>1,300,336</u>
Total Capital Outlay/Projects			<u>\$1,300,336</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.

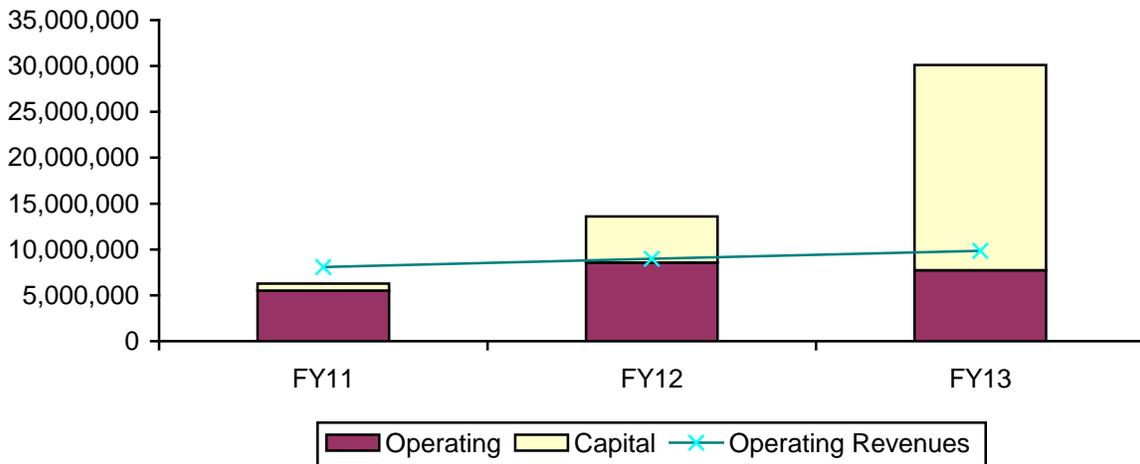
FY2013 BUDGET

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 \$28,590,700 while current year expenditures are estimated at \$30,119,790.

FY2013 BUDGET

WASTEWATER FUND

Combined Wastewater Fund Historical Activity

	FY11 Actual	FY12 Estimate	FY13 Budget
Wastewater Utilities Beginning Cash, 7/1	\$ 1,389,877	\$ 3,808,245	\$ 2,684,415
Wastewater System Impact Beginning Cash, 7/1	\$ 1,113,347	\$ 1,583,361	\$ 1,593,861
Wastewater Utilities Revenues	8,238,541	9,410,908	13,905,700
Wastewater Utilities Expenditures	(5,820,173)	(10,534,738)	(14,442,331)
Wastewater System Impact Revenues	911,952	3,060,000	14,685,000
Wastewater System Impact Expenditures	(441,938)	(3,049,500)	(15,677,459)
Wastewater Utilities Ending Cash, 6/30	\$ 3,808,245	\$ 2,684,415	\$ 2,147,784
Wastewater System Impact Ending Cash, 6/30	\$ 1,583,361	\$ 1,593,861	\$ 601,402

Wastewater Fund Revenues

Revenue Source	FY11 Actual	FY12 Rev. Est.	FY13 Budget
Wastewater Utilities			
Bond Proceeds	443,286	700,000	4,350,000
Wastewater User Charges	7,019,393	7,956,404	8,800,000
Effluent Sales	605,645	599,000	599,000
Interest Earned	37,398	35,000	35,000
Miscellaneous	132,819	120,504	121,700
Total Wastewater Utilities	8,238,541	9,410,908	13,905,700
Wastewater System Impact			
Bond Proceeds	611,904	2,800,000	14,400,000
Wastewater Impact Fees	290,334	250,000	275,000
Interest Earned	9,715	10,000	10,000
Total Wastewater System Impact	911,952	3,060,000	14,685,000
Total Revenues	\$ 9,150,493	\$ 12,470,908	\$ 28,590,700

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 10.60% over FY2012 revised estimates. A rate increase is reflected in the FY2013 revenues numbers. This rate increase was necessary to keep up with maintenance and repair of our aging wastewater lines. The dramatic increase from FY2008 revenue numbers compared to the revenue numbers for FY2009 is the result of a rate increase that went into effect August 1, 2008.

FY2013 BUDGET

WASTEWATER FUND

Revenues from Wastewater User Charges		
Fiscal Year	Revenues	% Change
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	6,063,719	8.49%
2010-11	7,019,393	15.76%
2011-12 (est)	7,956,404	13.35%
2012-13 (est)	8,800,000	10.60%

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.

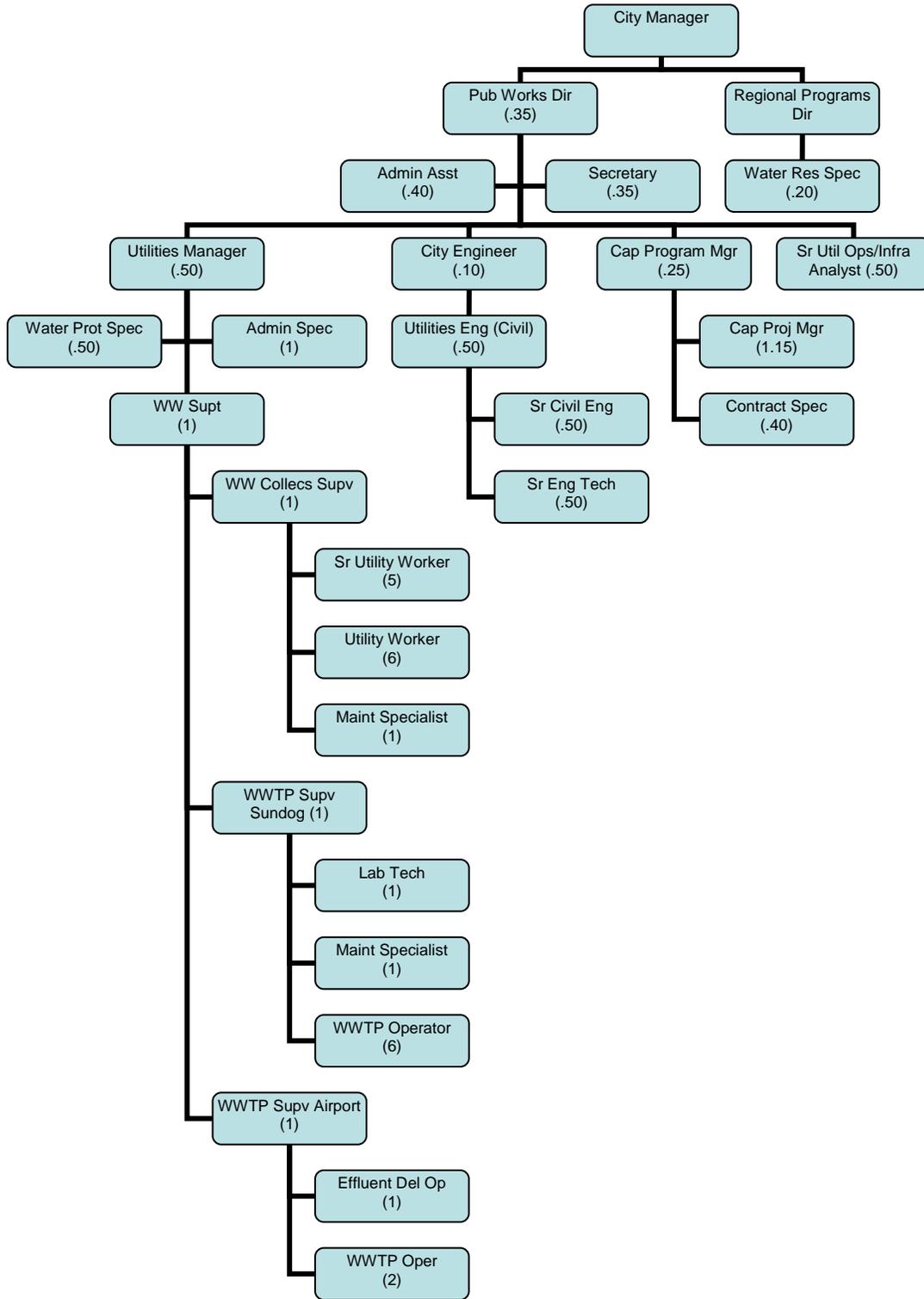
Effluent Sales: The City of Prescott charges for the sale of effluent. This revenue category reflects the sale of effluent to private golf courses such as Hassayampa and Prescott Lakes. It is also used by vendors in the construction field such as Hanson Concrete. The fees for the effluent are based on 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.

Miscellaneous: Miscellaneous revenues are items that are not expected to occur on a yearly basis. Also included in this number are septage disposal fees, plan reviews and inspection fees, and wastewater connections. Septage disposal fees are collected at the wastewater treatment plant from septic pumpers and private recreational vehicles. Plan Review 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. Finally, wastewater connections are the charges for customers hooking on to the existing wastewater mains.

FY2013 BUDGET

WASTEWATER FUND



FY2013 BUDGET

WASTEWATER FUND

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 2,296,133	\$ 2,423,222	\$ 2,376,293
Supplies	395,052	474,911	597,860
Other Services & Charges	1,651,932	1,796,311	2,108,368
Debt Service	1,180,991	3,863,647	2,665,869
Capital Outlay/Projects	738,002	5,026,147	22,371,400
Total	\$ 6,262,110	\$ 13,584,238	\$ 30,119,790
Authorized Staffing Level	34.55	34.60	34.20
Administration	4.95	5.35	4.95
WWTP	13.90	14.00	14.00
Wastewater Collection	14.70	14.25	14.25
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 water resources while maintaining full compliance with all local, state and federal standards.

Wastewater Utilities Administration Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 463,769	\$ 593,615	\$ 543,586
Supplies	6,197	6,400	7,600
Other Services & Charges	416,787	575,914	598,584
Debt Service	1,180,991	3,863,647	2,665,869
Capital Outlay/Projects	-	-	28,000
Total	\$ 2,067,744	\$ 5,039,576	\$ 3,843,639
Capital Outlay/Projects			
Aerial Images			25,000
General Plan Update			3,000
Total Capital Outlay/Projects			\$ 28,000

FY2013 BUDGET

WASTEWATER FUND

Wastewater Utilities Administration Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	4.95	5.35	4.95
Public Works Dir*	0.35	0.35	0.35
Utilities Manager***	0.00	0.50	0.50
City Engineer**	0.10	0.10	0.10
Utilities Engineer (Civil)***	0.50	0.50	0.50
Senior Civil Engineer***	0.50	0.50	0.50
Sr Util Ops/Infra Analyst***	0.50	0.50	0.50
Capital Program Manager**	0.25	0.25	0.25
Sr Project Mgr/Utilities Admin	0.10	0.00	0.00
Capital Project Manager****	0.75	0.75	0.75
Water Resource Spec.*****	0.20	0.20	0.20
Sr Engineering Technician**	0.50	0.50	0.50
Contract Specialist*****	0.40	0.40	0.40
Admin. Assistant*****	0.40	0.40	0.40
Secretary	0.40	0.40	0.00

*Public Works Director is also charged Water Administration (35%), Private Development (10%), and 1% Streets and Open Space (20%)

**City Engineer balance is charged 30% to Water Administration and 60% to Engineering.

***Remainder is charged to Water Administration.

****70% of Sr Project Mgr/Utilities Admin is charged to Streets and 20% Water Administration

*****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 8.4% decrease in Personnel is the result of the elimination of 40% of the secretary salary being charged to this division.

Information on the capital outlay/projects can be located in the Capital Improvement Plan section of this book.

FY2013 BUDGET

WASTEWATER FUND

Wastewater Improvements

Division Mission: To monitor the expenses associated with wastewater projects not necessarily related to a specific division.

Wastewater Fund Improvements Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Capital Outlay/Projects	295,843	1,851,647	6,636,400
Total	\$ 295,843	\$ 1,851,647	\$ 6,636,400
Capital Outlay/Projects			
Airport Phase 1 (3.75MG)			\$ 3,600,000
Sundog Filter Replacement/Denitrification			1,000,000
Park Avenue Reconstruction			550,000
Sundog Trunk Main			325,000
South Mt Vernon			300,000
Capital Contingencies			165,000
Lift Station Rehab/Abandonment Program			153,000
Wastewater Collection Model Update			100,000
Sewer Mainline Replacement			100,000
Chemical Root Control			100,000
Senator Highway Reconstruction			90,000
Forbing Park IGA			80,000
Pretreatment Study			55,000
As-Built/Mylar Scanning			15,400
Maintenance Management			3,000
Total Capital Outlay/Projects			\$ 6,636,400

Significant Expenditure Changes:

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 treat the City's wastewater and produce the highest quality effluent possible to protect the environment, maintain regulatory compliance, and to provide quality effluent to use as renewable resource for reuse and recharge at the lowest possible cost to our customers.

FY2013 BUDGET

WASTEWATER FUND

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage compliance results that meet permit limitations	99.9%	99.8%	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:	FY11 Actual	FY12 Estimate	FY13 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:	FY11 Actual	FY12 Estimate	FY13 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage of key equipment with parts or replacements in stock.	80%	85%	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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Natural gas purchase savings thru use of methane produced on site	\$65,000	\$78,000	\$78,000

Prior Year Results and Outcomes

Airport Water Reclamation Facility

Produced 392,491,000 gallons (1,204.51 ac/ft) of treated effluent for reuse and recharge.

Completed an upgrade on the chlorine system. This upgrade allows for the storage and use of 1-ton cylinders, improves chlorination of effluent and integrates a chlorine analyzer and a chlorine gas detector alarm system.

Installed and modified a 40 foot Conex box for expanded storage capacity, allowing for better organization and proper storage of chemicals and related supplies.

FY2013 BUDGET

WASTEWATER FUND

Improved solids processing operations by adapting the polymer feed system to accept totes as well as drums, allowing for extended operation of the centrifuge. This enhancement has increased flexibility and significantly reduced weekend/holiday operation requirements.

Improved roadways throughout the facility including improved drainage and the installation of a culvert and the addition of a loop behind the chlorine building allowing for delivery of chlorine cylinders.

Conducted extensive locates of yard piping and other buried lines resulting in a more accurate and complete record for use in future expansions of the plant.

Conducted training for all personnel on Lockout/Tagout, Chlorine Safety, Bloodborne Pathogens, CPR/First Aid, and continued monthly tailgate safety meetings.

Sundog Wastewater Treatment Plant

Produced 737,060,000 gallons (2,261.95 ac/ft) of treated effluent for reuse and recharge.

Purchased and installed new chlorine residual analyzer for use at contact chamber.

Repaired headworks drain and replaced slab for improved drainage in that area.

Took primary clarifier #2 off line and cleaned; inspected, repaired and adjusted chain tension to ensure proper operation.

Completed rebuild of primary sludge pump #2; total top end mechanism replacement.

Conducted training for all personnel on Lockout/Tagout and SWPP permit requirements and sampling procedures and continued in-house safety training events.

Successfully passed a laboratory inspection by Arizona Department of Health Services with only minor infractions.

Successful completion of WP study to validate laboratory QA/QC and performance measures for state certification requirements.

Completed upgrade of the chlorine feed system to include installation of new ejectors, feed pipes and rotameters for increased safety and efficiency of delivery for gas chlorine as well as removal of old chlorine feed cabinets.

Installation and start-up of new backup generator system; removal of old unit from generator building. Completed rehabilitation of UV system to include installation of new communications boards in both banks, new module boards in all modules of bank 1B, and new bulbs, ballasts and quartz sleeves as needed to bring that unit to 100% operational.

Completed multiple water quality sampling of Watson Lake in coordination with ADWR to document conditions in the lake throughout the summer months.

Annual safety inspection of all overhead cranes in the department.

FY2013 BUDGET

WASTEWATER FUND

Water Protection Specialist

Completed 45 Backflow Inspections for building inspections.

Sent approximately 3500 Backflow Test Due Notifications.

Responded to over 630 Customer Service Calls

Entered over 1580 Backflow Test Reports

Performed approximately 25 Backflow Tests

Wastewater Treatment Plants Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 889,814	\$ 917,730	\$ 913,789
Supplies	234,623	261,351	309,750
Other Services & Charges	722,610	674,156	852,831
Capital Outlay/Projects	-	125,000	52,500
Total	\$ 1,847,047	\$ 1,978,237	\$ 2,128,870
Capital Outlay/Projects			
Telemetry/SCADA Program			52,500
Total Capital Outlay/Projects			\$ 52,500

Wastewater Treatment Plants Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	13.90	14.00	14.00
Wastewater Supt*	0.50	0.50	0.50
WWTP Supervisor	2.00	2.00	2.00
Capital Project Manager	0.40	0.40	0.40
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*	0.50	0.50	0.50
Secretary***	0.00	0.10	0.10

*Remainder charged to Wastewater Collection.

**50% of Water Protection Specialist is charged to Water Distribution.

***Secretary is also charged to Metering Svcs (15%), Water Production (25%), Water Distribution (25%), and Wastewater Collections (25%).

FY2013 BUDGET

WASTEWATER FUND

Significant Expenditure Changes: FY2013 budget is 18.5% higher than the FY2012 estimated endings in Supplies. It is anticipated that the expenditures for materials to maintain the infrastructure will be higher in FY2013.

Other Services & Charges exhibits an 26.5% increase when comparing the budget years 2012 and 2013. This is the result of anticipated increased hauling and electricity costs.

Wastewater Collection

Division Mission: To deliver outstanding customer service by being prompt, courteous and professional in conjunction with providing a comprehensive operation, maintenance and safety program to improve and maintain 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage of wastewater mains cleaned per year	100%	100%	100%

Goal: To operate and maintain lift stations to prevent mechanical failures.			
Strategy: Clean wastewater lift stations on a quarterly basis.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage of emergencies responded to in 30 minutes during working hours and 45 minutes after hours.	100%	100%	100%

Goal: To provide superior customer service for all requests and daily operations.			
Strategy: Customer service requests receive next day service.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage of customer service requests responded to within 24 hours	100%	100%	100%

FY2013 BUDGET

WASTEWATER FUND

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage of data populated in the maintenance management system	80%	100%	100%

Prior Year Results and Outcomes

Upgraded Yavapai Hills Lift Station #1 to duplex operation. Installed additional force main, control panel, new pump and rehab wet well.

Treated 78,406 feet of sewer main with "Dukes" Root Control as part of the Preventive Maintenance Program.

Repaired 3 existing manholes and raised 28 cleanouts/manholes identified during maintenance procedures in order to maintain system operation.

Crews cleaned 1,170,001 feet (221+ miles) of sewer main as part of the Preventive Maintenance Structured Cleaning Program.

The Camera Crew performed 186,569 feet (35+ miles) of CCTV inspection in sewer mains as part of Preventive and Follow-Up Inspection Program.

Construction crews performed a total of 19 Spot Repairs on existing sewer mains that were identified during CCTV Inspection.

Crews cleaned a total of 193 Lift Stations as part of the Quarterly Lift Station Maintenance Program. Performed 27 sewer line taps.

Supported the Watson Lake Dam Project for 226.5 hours.

Assisted other departments for 837 hours.

Wastewater Collection Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 872,811	\$ 842,539	\$ 848,718
Supplies	146,438	183,350	256,350
Other Services & Charges	343,346	416,184	453,837
Total	\$ 1,362,595	\$ 1,442,073	\$ 1,558,905

FY2013 BUDGET

WASTEWATER FUND

Wastewater Collections Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	14.70	14.25	14.25
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	6.70	6.00	6.00
Maintenance Specialist	1.00	1.00	1.00
Administrative Specialist*	0.50	0.50	0.50
Secretary**	0.00	0.25	0.25

*Also charged 50% to Wastewater Treatment Plant.

***Secretary is also charged to Metering Svcs (15%), Water Production (25%), Water Distribution (25%), and Wastewater Treatment Plant (25%).

Significant Expenditure Changes: Supplies displays a 56.2% increase when comparing the FY2013 budget to the FY2012 estimated ending. The higher material to maintain infrastructure object is the cause of this increase.

Another category showing an increase is Other Services & Charges at 9.0%. As has been noted in other divisions – the cause of this spike is due to the methodology used for calculating cost recoveries.

Effluent Delivery

Division Mission: To distribute a safe renewable resource of B+ quality effluent and surface water by resourcefully managing its use through groundwater recharge and/or beneficial reuse.

Goal: To provide effluent reuse to met 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage of time that effluent is available for immediate delivery	100%	100%	100%
Recharge maximum amount of effluent possible	2,699 ac ft	2,700 ac ft	2,600 ac ft

FY2013 BUDGET

WASTEWATER FUND

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Total acre feet surface water recharged	1,549	500	1,200

Goal: To divert surface water to meet irrigation water rights agreements.			
Strategy: Communicate with downstream users to deliver irrigation waters.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Total acre feet of effluent for reuse	195	300	375

Goal: Maintain and improve surface water and effluent delivery system and structures.			
Strategy: Perform inspections quarterly to prioritize maintenance and repairs items.			
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percent of system inspected quarterly	100%	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 174,420,000 gallons (535.28 ac/ft) for the fiscal year.

A combined flow totaling 809,887,000 gallons (2484.38 ac/ft) in treated effluent was delivered to the Aquifer Recharge Facility.

Treated effluent totaling 1,369.86 ac/ft was delivered to the following major users:

Antelope Hills Golf Course	861.25 ac/ft
Prescott Lakes Golf Course	443.43 ac/ft
Hansen Materials	44.38 ac/ft
Construction Use	20.81 ac/ft

Worked in conjunction with A. Miner to improve and upgrade surface water recharge pipeline and canal, enabling us to better capture lake water for recharge purposes.

Completed soil cultivation of seven recharge facility basins resulting in faster percolation rates and a reduction in water loss through evaporation.

Installed Danger signs on both Watson and Willow dams.

Effluent Delivery Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 69,738	\$ 69,338	\$ 70,200
Supplies	7,795	23,810	24,160
Other Services & Charges	32,971	30,057	41,692
Capital Outlay/Projects	221	-	-
Total	\$ 110,725	\$ 123,205	\$ 136,052

FY2013 BUDGET

WASTEWATER FUND

Effluent Delivery Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 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

	FY11 Actual	FY12 Estimate	FY13 Budget
Other Services & Charges	136,219	100,000	138,465
Total	\$ 136,219	\$ 100,000	\$ 138,465

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.

FY2013 BUDGET

WASTEWATER FUND

Wastewater System Impacts Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Other Services & Charges	\$ -	\$ -	\$ 22,959
Capital Outlay/Projects	441,938	3,049,500	15,654,500
Total	\$ 441,938	\$ 3,049,500	\$ 15,677,459
Capital Outlay/Projects			
Airport Phase 1 (3.75MG)			14,400,000
Cliff Rose Lift Station Upgrade			875,000
Sundog Trunk Main			175,000
Wastewater Collection Model Update			100,000
Impact Fee Ordinance Implementation			50,000
Sewer Mainline Replacement/Rehabilitation			25,000
Telemetry/SCADA Program			22,500
Maintenance Management			7,000
Total Capital Outlay/Projects			\$ 15,654,500

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.

FY2013 BUDGET

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.

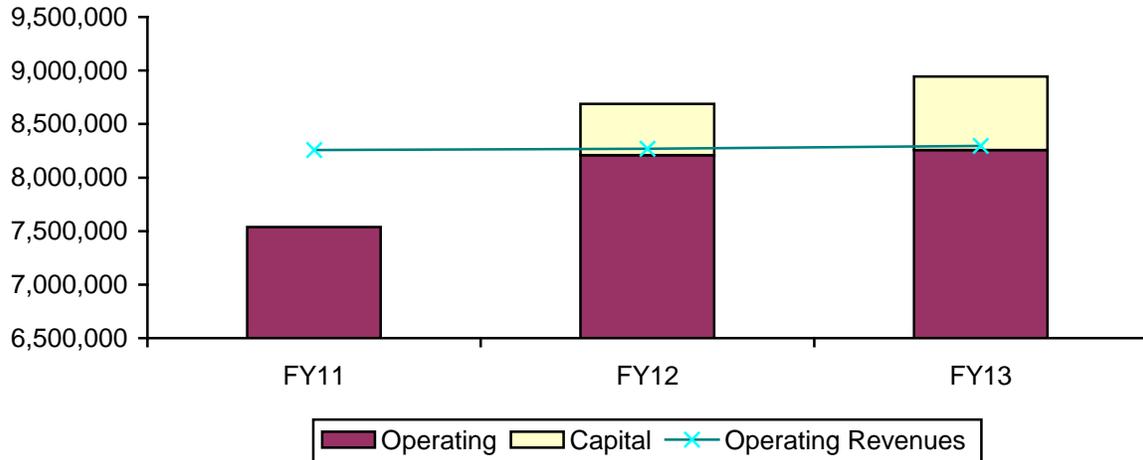
Voluntary curbside recycling began in 1992, following a very successful pilot program. Recyclables are collected on a weekly basis with the City providing the containers to the customers. In June 1996, the City added plastics to items collected for recycling purposes. During FY1999, the City mailed a 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 \$8,294,520 while current year expenditures are estimated at \$8,944,146.

FY2013 BUDGET

SOLID WASTE/TRANSFER STATION FUND



Solid Waste/Transfer Station Fund Historical Activity

	FY11 Actual	FY12 Estimate	FY13 Budget
Unrestricted Beginning Cash, 7/1	\$ 5,812,409	\$ 6,200,525	\$ 5,622,280
Restricted Beginning Cash, 7/1	\$ 524,089	\$ 612,247	\$ 683,614
Revenues	\$ 8,257,228	\$ 8,267,692	\$ 8,294,520
Expenditures	\$ (7,538,153)	\$ (8,689,370)	\$ (8,944,146)
Transfers Out	\$ (242,801)	\$ (85,200)	\$ -
Unrestricted Ending Cash, 6/30	\$ 6,200,525	\$ 5,622,280	\$ 4,907,650
Restricted Ending Cash, 6/30	\$ 612,247	\$ 683,614	\$ 748,618

Solid Waste/Transfer Station Fund Revenues

Revenue Source	FY11 Actual	FY12 Rev. Est.	FY13 Budget
Solid Waste/Transfer Station			
Refuse Collection Charges	\$ 4,853,398	\$ 4,851,000	\$ 4,851,000
Transfer Station Fees	2,913,733	2,800,000	2,800,000
Recycling Revenue	253,633	375,000	415,000
Interest Earned	109,415	100,000	100,000
Landfill Closure Surcharge	117,730	120,000	120,000
Miscellaneous	9,320	21,692	8,520
Total Revenues	\$ 8,257,228	\$ 8,267,692	\$ 8,294,520

FY2013 BUDGET

SOLID WASTE/TRANSFER STATION FUND

Explanation of Solid Waste/Transfer Station Fund Revenue Sources:

Revenue Collection Charges: FY2013 collection charges are expected to yield \$4,851,000 which is level with the FY2012 revised estimates. This is the result of a 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.

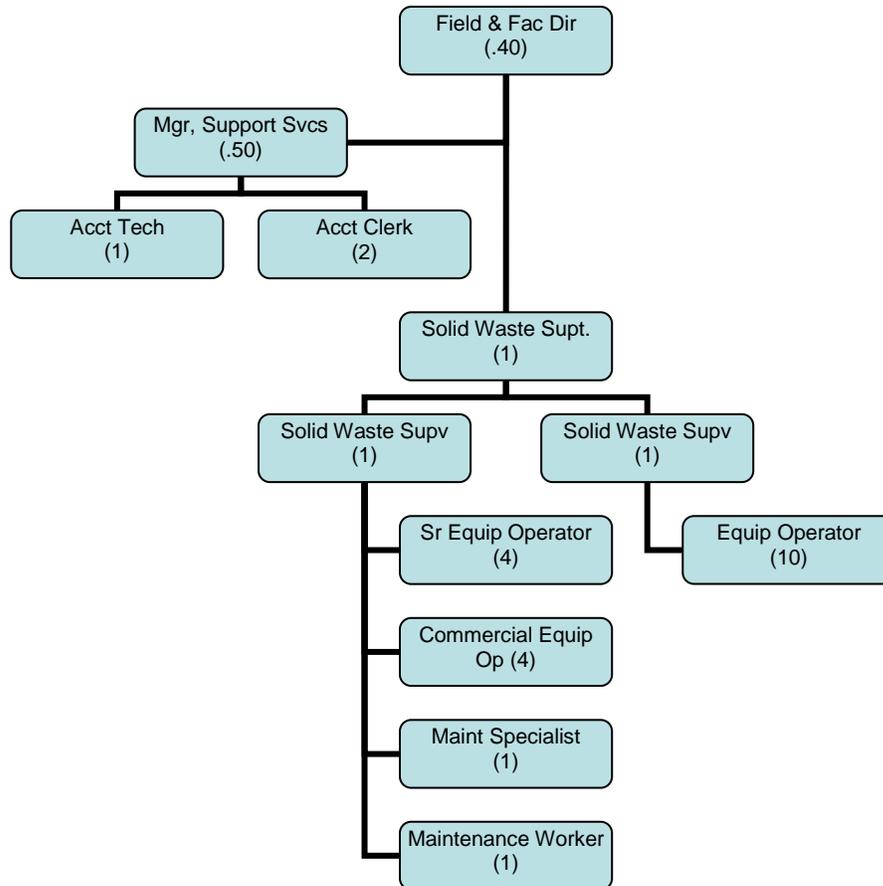
Recycling Revenue: Revenues received from the sale of recyclables obtained from residents and commercial vendors. FY2013 estimates remain conservative in comparison to FY2012 estimated endings due to this revenue being based on the market value of recyclable materials.

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.

Miscellaneous Revenue consists of the County Tire Contribution and Charge Account Permits: The County Tire Contribution is 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.

FY2013 BUDGET

SOLID WASTE/TRANSFER STATION FUND



FY2013 BUDGET

SOLID WASTE/TRANSFER STATION FUND

Sanitation

Division Mission: To provide efficient and economical garbage and recycling services in compliance with environmental regulations.

Goal: To operate and maintain the Transfer Station at its current or increased level of service.

Strategy: Use existing Transfer Station to accept and process approximately 220 tons of refuse per day. (Maximum capacity is 250 tons per day)

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of tons per day/year	171.5/51,627	183/55,000	185/55,685

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of commercial recycling accounts	127	145	181

Goal: To divert as much recycling as possible before transporting to the landfill.

Strategy: Proactively recover as many recyclables as possible from refuse received before delivering to the landfill through hands-on diversion utilizing Transfer Station staff, both full time and temporary workers.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Tons of metal diverted to recycling	356.39	445	550
Tons of cardboard diverted	184.78	231	288
Tons of inert materials diverted	3,571.02	4,460	5,000
Tons of green waste diverted	3,056.35	3,800	4,000

Prior Year Results and Outcomes

Serviced 888 dumpsters and 20,503 residential trash containers for solid waste removal each week.

Serviced 177 recycle dumpsters and 12,400 residential recycle bins for recycling of materials each week.

Removed 187.37 tons of trash from neighborhoods during the Annual Clean-up in May 2012 - a service available to citizens at no additional charge.

Collected \$2,911,753.62 in fees from drive-in customers at the Sundog Transfer Station.

Realized a 93% increase in revenue generated through the sale of recycling materials collected in the City's recycling program. FY12 revenues totaled \$255,392.

FY2013 BUDGET

SOLID WASTE/TRANSFER STATION FUND

Sanitation

Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,722,928	\$ 1,794,070	\$ 1,772,723
Supplies	569,921	647,800	590,000
Other Services & Charges	5,129,649	5,649,573	5,777,213
Debt Service	115,655	117,927	116,684
Capital Outlay/Projects	-	480,000	687,526
Total	\$ 7,538,153	\$ 8,689,370	\$ 8,944,146

Capital Outlay/Projects

Automated Side Loader	170,000
Transfer Station Paving	140,576
Transfer Station Floor Repair	100,000
Inert Debris Recycling	75,000
Household Hazardous Waste Day	66,400
Welding Shop at Transfer Station	60,000
Big Belly Solar Compactors	21,050
Recycle Education & Outreach	20,000
Assembly & Training Room Modification	20,000
Work Lights at Transfer Station	14,500
Total Capital Outlay/Projects	\$ 687,526

Sanitation

Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	26.86	26.90	26.90
Field & Facilities Director*	0.00	0.40	0.40
Field Operations Mgr	0.86	0.00	0.00
Solid Waste Supt.	1.00	1.00	1.00
Manager, Support Svcs**	0.00	0.50	0.50
Solid Waste 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	1.00	1.00	1.00
Accounting Tech	1.00	1.00	1.00
Accounting Clerk	2.00	2.00	2.00

*40% charged to Streets Operations, 10% charged to both Fleet Maintenance and Facilities Maintenance.

**Remainder charged to Streets Operations.

FY2013 BUDGET

SOLID WASTE/TRANSFER STATION FUND

Significant Expenditures Changes: The 8.9% increase in Supplies is the result of shifting the cost of tires for this division to the Fleet Maintenance division. The cost will now be reflected in the Internal Repair work orders.

FY2013 BUDGET

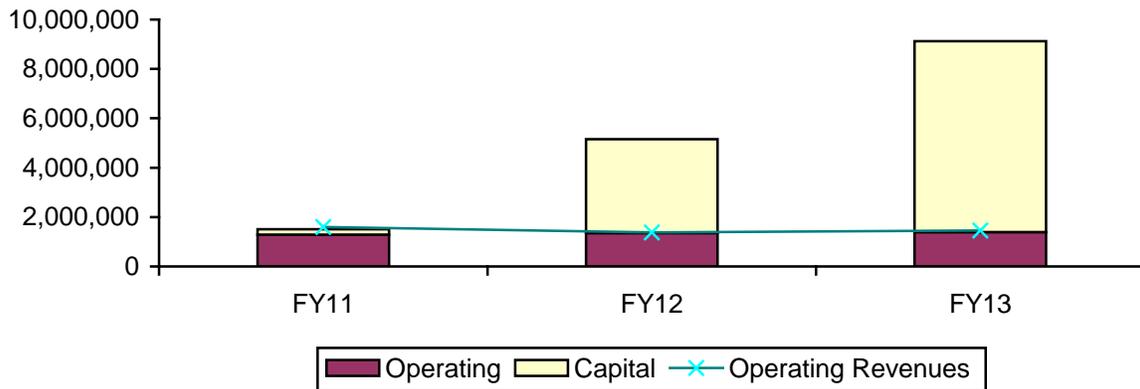
AIRPORT FUND

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 \$9,120,916. Revenues are estimated to be sufficient to cover operational expenditures.

Airport Fund Historical Activity

	FY11 Actual	FY12 Estimate	FY13 Budget
Beginning Cash, 7/1	\$ (699,207)	\$ 206,080	\$ 217,971
Revenues	\$ 2,393,564	\$ 5,061,763	\$ 8,936,636
Transfers In	\$ 17,319	\$ 109,049	\$ 236,422
Expenditures	\$ (1,505,596)	\$ (5,158,921)	\$ (9,120,916)
Ending Cash, 6/30	\$ 206,080	\$ 217,971	\$ 270,113

FY2013 BUDGET

AIRPORT FUND

Airport Fund Revenues

Revenue Source	FY11 Actual	FY12 Rev. Est.	FY13 Budget
Tie Down and Hangar Rentals	\$ 1,225,299	\$ 1,217,554	\$ 1,318,188
Fuel Flowage Fee	142,345	126,450	82,860
Landing Fees	30,624	20,906	22,029
Miscellaneous	198,965	18,945	35,093
Total Operating Revenues	\$ 1,597,234	\$ 1,383,855	\$ 1,458,170
Add: Other Sources			
FAA & ADOT Grants	796,330	3,677,908	7,478,466
Transfer In/Grants Received	17,319	109,049	236,422
Total Other Sources	\$ 813,649	\$ 3,786,957	\$ 7,714,888
Total Combined Sources	\$ 2,410,883	\$ 5,170,812	\$ 9,173,058

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 8.3% increase is based on potential rent increases based on consumer price index.

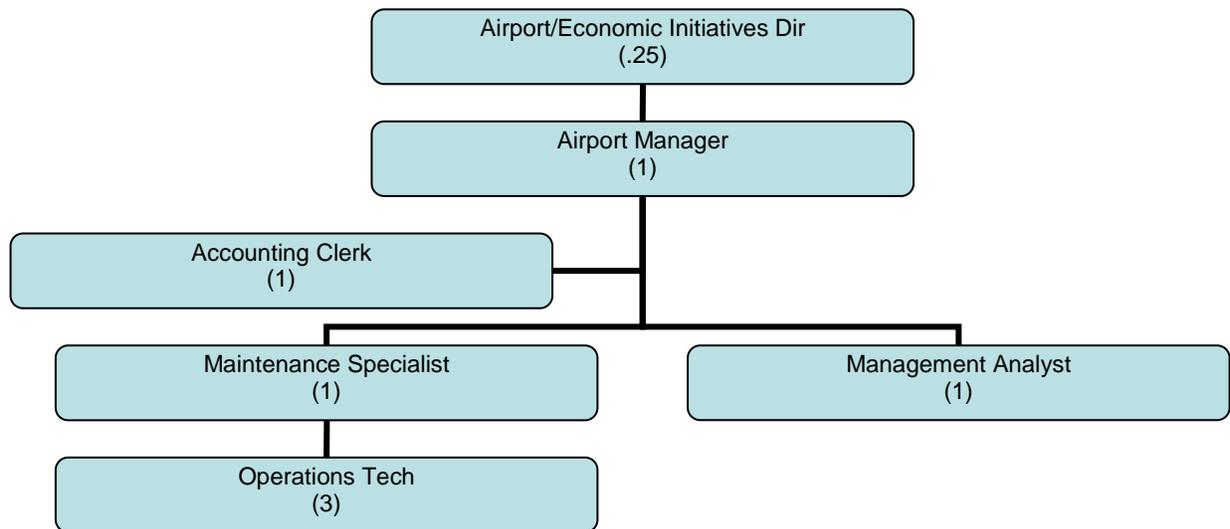
Fuel Flowage Fees: A fuel flowage fee is a specified amount of money per gallon of fuel pumped and paid to the airport by the entity pumping the fuel, for the privilege of pumping the fuel on the airport.

Landing Fees: Landing fees in the amount of \$5 per landing are assessed to all airlines and cargo carriers. Effective March 1, 2012 the fee will be \$1.20 per 1,000 lbs Maximum Gross Landing Weight for transient commercial aircraft over 12, 500 lbs. 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.

FY2013 BUDGET

AIRPORT FUND



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: 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:	FY11 Actual	FY12 Estimate	FY13 Forecast
In house training hours	250	270	270
Number of advanced training courses attended	1	0	2
Number of OSHA required training courses	0	1	2

FY2013 BUDGET

AIRPORT FUND

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. Develop and implement long term capital planning. Participate in regional area development meetings.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of project grant funding sought	3	3	7
Number of projects grant funding obtained	3	3	1
Number of planning meetings attended with ADOT and FAA representatives	2	2	2
Number of regional area development planning meetings attended	5	10	10

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: Evaluate and implement staffing optimizations. Evaluate funding options for a preventative maintenance program. Development and implementation of preventative maintenance programs.

Performance Measures:	FY11 Actual	FY11 Estimate	FY13 Forecast
FAA 139 Inspection discrepancies	3	2	1
Work orders issued and resolved	794	890	1,200
Number of cycles of complete airfield vegetation management (mowing) of approximately 300+ acres	3	4	6
Gallons of airfield markings applied	100	200	300
Airfield signs panels replacement	34	34	34

Prior Year Results and Outcomes

Awarded contract for \$9 million 3R-21L Runway Safety Project

Completed Wildlife Assessment/Mitigation Plan

Completion of Storm Water Pollution Prevention Plan

Constructed Airfield Markings

Continuation of Law Enforcement Reimbursable Agreement

FY2013 BUDGET

AIRPORT FUND

Airport Expenditure Summary

	FY11 Actual	FY12 Est End	FY13 Budget
Personnel	\$ 415,763	\$ 485,786	\$ 555,900
Supplies	50,034	101,075	100,800
Other Services & Charges	430,318	430,812	405,032
Cost Recovery	(4,650)	-	-
Capital Outlay/Projects	23,970	19,995	10,000
Grant Projects	187,310	3,786,957	7,714,888
Debt Service	402,851	334,296	334,296
Total	\$ 1,505,596	\$ 5,158,921	\$ 9,120,916

Capital Outlay/Projects

Stormwater Pollution Prevention Plan	10,000
Total Capital Outlay/Projects	\$ 10,000

Airport Grants

RW 21L-3R Runway Safety	\$ 7,244,888
ADOT APMS	393,000
Law Enforcement Officers	77,000
Total Airport Grants	\$ 7,714,888

Airport Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	7.00	7.00	7.25
Airport/Econ Initiatives Dir*	0.00	0.00	0.25
Airport Manager	1.00	1.00	1.00
Airport Operations Tech.	3.00	3.00	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

*Remainder charged to Economic Development

Significant Expenditure Changes: The 14.4% increase in Personnel is due to a portion of a new position, Airport/Economic Initiatives Director, being charged to this Department.

Other Services & Charges displays a 6.0% smaller budget when comparing the FY13 budget to the FY2012 estimated ending. This can be tied to the cost recovery object codes. As discussed previously, the methodology used to calculate these numbers causes yearly fluctuations based on departmental budgets.

FY2013 BUDGET

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;

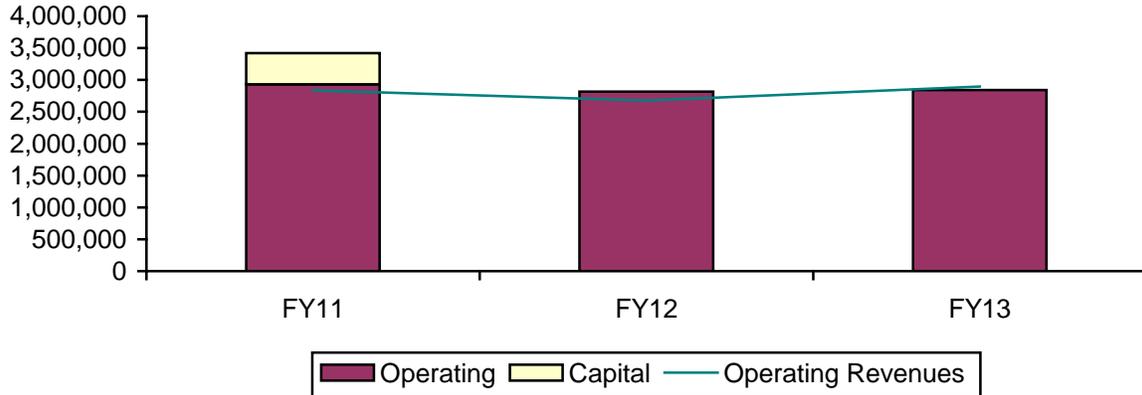
Second, payment of bonded debt principal and interest; and

Third, use of revenues exceeding expenses for capital improvements to the course.

FY2013 BUDGET

GOLF COURSE FUND

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

	FY11 Actual	FY12 Estimate	FY13 Budget
Beginning Cash, 7/1	\$ (3,272,111)	\$ (3,361,888)	\$ (3,503,248)
Revenues	\$ 3,332,254	\$ 2,675,694	\$ 2,895,740
Expenditures	\$ (3,422,031)	\$ (2,817,054)	\$ (2,841,390)
Ending Cash, 6/30	\$ (3,361,888)	\$ (3,503,248)	\$ (3,448,898)

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.

Golf Course Fund Revenues

Revenue Source	FY11 Actual	FY12 Rev. Est.	FY13 Budget
Greens Fees	\$ 1,184,980	\$ 1,168,318	\$ 1,268,415
Restaurant	703,259	798,481	822,000
Rentals	391,031	459,613	510,104
Pro Shop Sales	234,448	247,647	295,221
Miscellaneous	3,936	1,635	-
Sale of Assets	319,600	-	-
Lease/Purchase Proceeds	495,000	-	-
Total Revenues	\$ 3,332,254	\$ 2,675,694	\$ 2,895,740

FY2013 BUDGET

GOLF COURSE FUND

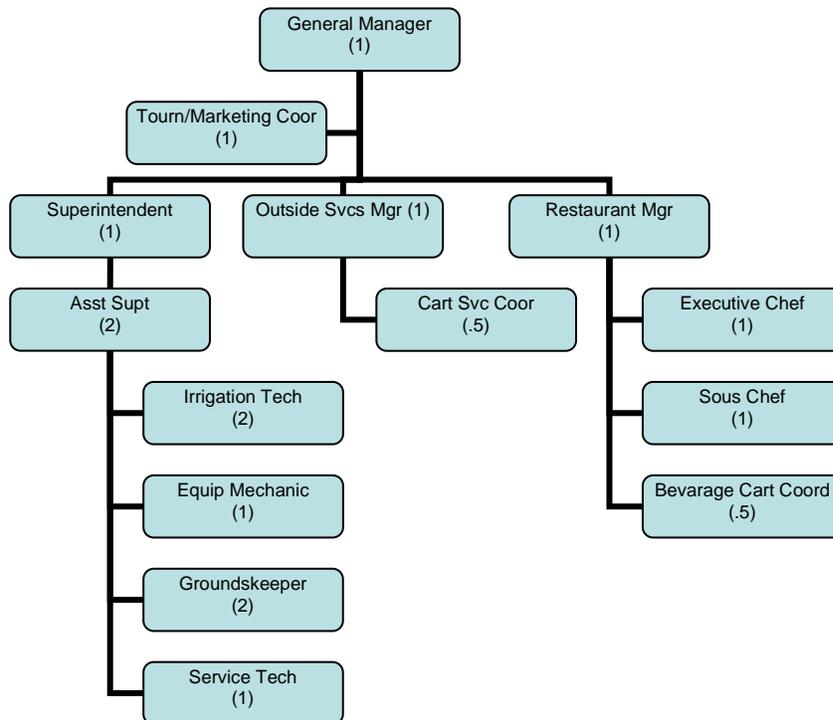
Explanation of Golf Course Fund Revenue Sources:

Greens Fees: The Golf Course Manager is projecting an increase in greens fees of 8.6% over the FY2012 revised estimates. This projected increase is predicated on bringing the rate structure more in line.

Rentals: Cart rental fees are also expected to increase during FY2013 because of a rate adjustment that was put in place toward the end of FY2012.

Pro Shop Sales: FY2013 merchandise sales are expected to increase 11.0% over FY2012 due to an anticipated larger volume of rounds played at the golf course.

Concession/Restaurant: This revenue source exhibits a 2.9% increase in FY2013 over FY2012 estimated endings as a result of continued popularity of the restaurant at the golf course.



FY2013 BUDGET

GOLF COURSE FUND

Consolidated Departmental Expenditure and Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 1,435,920	\$ 1,384,657	\$ 1,419,728
Supplies	681,549	594,164	576,611
Other Services & Charges	629,868	696,361	708,725
Capital Outlay/Projects	489,430	-	-
Debt Service	185,265	141,872	136,327
Total	\$ 3,422,032	\$ 2,817,054	\$ 2,841,391
Authorized Staffing Level	36.87	36.72	36.27
Maintenance	14.69	14.74	14.34
Pro Shop	8.47	8.72	8.72
Manzanita Grill	12.51	12.46	12.41
Golf Carts	1.20	0.80	0.80

Note: The staff of the Maintenance Division consists of 8.34 regular full time employees. The remainder are seasonal and are the equivalent of 6.0 full time employees.

The Pro Shop has 3.58 regular full time employees with a seasonal staff of 5.14 full time equivalent employees.

Manzanita Grill includes 3.58 regular full time employees and 8.83 seasonal employees.

Golf Cart Division employs .50 regular full time employees and a seasonal staff of .30 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.

Prior Year Results and Outcomes

Acquired a used 2007 TORO 5700-D spray rig for approximately \$4,000 from a private club in Sedona, Az. The item had been repossessed by the lender, and after a winter overhaul, we were able to make ready a good, reliable unit to achieve optimum control of weeds and grubs on the golf courses. The same unit new would have cost approximately \$45,000.

FY2013 BUDGET

GOLF COURSE FUND

Completed a sod and cart path project behind the Centennial Center at #11 green North following the remodeling of the building. Also, the original pro tee on at #10 was restored with sod at the same time.

Installed a rip-rap and xeriscape project at the #12 tee of the North Course.

Assisted the Friends of Antelope Hills with a landscape project at the #1 tee of the North Course. GCM provided all labor and equipment, as well as supplied a geo-textile fabric for weed control.

FY 2012 was a hot and very dry year at AHGC. We exceeded our original effluent budget by almost \$38,000 at our new rate of \$330/acre foot. When estimating our year-end, the amount of water used the prior year over the same time frame was calculated. Unfortunately, since the early April snow storm of 2012, there was zero rainfall at the golf courses all the way through the end of fiscal.

GCM has exceeded its original overall budget by \$18,000 as of 7/24/2012. Second quarter unemployment numbers have yet to be entered into YE, so final results will probably be a little higher. There are always things planned that do not get done, and conversely, there are always things that get done that were not planned. Effluent, pump station CPU and VFD, unemployment, unbudgeted landscape projects were a few of the line items that drove the budget upwards. To compensate for some of the overages, GCM had to forego previously planned activity in other line items, i.e. Ag Supplies, Equipment Rental, Earth Products, Other Professional Services, etc.

Golf Course Maintenance Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 667,480	\$ 642,882	\$ 661,208
Supplies	242,229	230,500	218,750
Other Services & Charges	356,753	407,397	402,284
Debt Service	69,444	9,550	5,689
Total	\$ 1,335,906	\$ 1,290,329	\$ 1,287,931

FY2013 BUDGET

GOLF COURSE FUND

Golf Course Maintenance Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	14.69	14.74	14.34
Grounds Superintendent	1.00	1.00	1.00
Asst Grounds Super.	2.00	2.00	2.00
Business Manager	0.15	0.00	0.00
Equipment Mechanic	1.00	1.00	1.00
Service Technician	1.00	1.00	1.00
Irrigation Tech	2.00	2.00	2.00
Groundskeeper*	2.34	2.34	1.34
Seasonal Maint. Empl.	5.20	5.40	6.00

*One Groundskeeper also charged .33 to Pro Shop and .33 to Restaurant

Significant Expenditures Changes: There are no significant expenditure changes in this division.

Pro Shop

Division Mission: The mission of Antelope Hills Golf Courses is to provide a quality golf experience at a fair/competitive price for visitors and residents of Prescott and a golf facility that is "above and beyond" the typical municipal golf course in service and quality.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Merchandise sales	2.13/round	2.52/round	3.00/round

Goal: To increase rounds.

Strategy: Improve all areas of customer service and develop ways to market ourselves better.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Focus marketing Antelope Hills to non resident golfers	90%	90%	100%
Number of training meetings with cart crew, starters and rangers	3	6	6
Number of tournaments and participation in outside events	6,000	6,500	7,500

FY2013 BUDGET

GOLF COURSE FUND

Prior Year Results and Outcomes

Completed golf rates study and made recommendation to City Council to adjust rates back to the FY2010 level. Council approved a \$2 increase in green fees and a \$1 increase in cart fees. It is estimated that this rate adjustment will result in an increase in revenues of \$230,000 for FY2013.

Established rental and food & banquet rates for newly remodeled Centennial Center and set up the reservation policy.

Conducted a "Demo Day" for golf club sales resulting in a one day sale of \$15,000.

Coordinated with Friends of Antelope Hills to improve practice sand trap on the driving range. The friends paid for the sand and netting at a price of \$900.00.

Instituted a weekday "Stay & Play" promotion with 10 participating area hotels/motels to improve weekday play. This program has resulted in 60+ non-resident rounds of golf and income of \$2,100.

Hired "full-time" Marketing/Tournament Promotion position. This approved position had been left unfilled for one year. Results have been an increase of tournament play. (A summary of revenues for this action will be assessed in October 2012.

Pro Shop Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 349,761	\$ 363,539	\$ 370,290
Supplies	142,304	82,048	76,050
Other Services & Charges	<u>147,459</u>	<u>164,222</u>	<u>185,641</u>
Total	\$ 639,524	\$ 609,809	\$ 631,981

FY2013 BUDGET

GOLF COURSE FUND

Pro Shop Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	8.47	8.72	8.72
General Manager	1.00	1.00	1.00
Business Manager	0.75	0.00	0.00
Outside Svcs Mgr	1.00	1.00	1.00
Tournament/Marketing Coord	0.00	1.00	1.00
Restaurant Manager*	0.25	0.25	0.25
Groundskeeper**	0.33	0.33	0.33
Seasonal Pro Shop Emp	5.14	5.14	5.14

*Restaurant Manager also charged to Restaurant

**Groundskeeper also charged .34 to Golf Maintenance and .33 to Restaurant

Significant Expenditure Changes: There is a 13.0% increase in Other Services & Charges when comparing the FY2013 budget to the FY2012 estimated ending. An Operational/Economic Impact Analysis has been budgeted in FY2013.

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 cart concessions in a professional and timely manner. To ensure that the value of food and beverage service results in customers getting the lowest possible price while maintaining a break-even scenario.

Goal: To have the mix-of-sales by 75% food and 25% beverage. To control cost of sales, labor and other expense to ensure the highest value to the customer while maintaining a break-even scenario.

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Mix of sales (food/beverage)	75/25	75/25	75/25
Cost of Food and Beverage sales	36.0%	37.0%	36.5%
Labor Cost	44.5%	44.0%	44.0%
Other Cost	19.5%	19.0%	19.5%

FY2013 BUDGET

GOLF COURSE FUND

Prior Year Results and Outcomes

Adjusted pricing on menu items in May 2012 to enhance revenues. Results of increases to be analyzed in October 2012.

Adjusted scheduling of beverage cart service to enhance customer service.

Evening dining schedule adjusted. Evening schedule changed to Thursday, Friday and Saturday.

Extended contract with Pepsi to include discounts on product and a rebate of \$5,000 annually to enhance revenues. This contract runs through 2013.

Manzanita Grill Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 378,971	\$ 357,751	\$ 359,684
Supplies	278,403	275,062	274,311
Other Services & Charges	96,027	99,406	95,701
Debt Service	4,042	-	-
Total	\$ 757,443	\$ 732,219	\$ 729,696

Manzanita Grill Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	12.51	12.46	12.41
Facilities Manager	0.00	0.05	0.00
Executive Chef	1.00	1.00	1.00
Restaurant Manager*	0.75	0.75	0.75
Business Manager	0.10	0.00	0.00
Sous Chef	1.00	1.00	1.00
Beverage Service Coordinator	0.50	0.50	0.50
Groundskeeper**	0.33	0.33	0.33
Temp Employees	8.83	8.83	8.83

*Restaurant Manager also charged to Pro Shop

**Groundskeeper also charged .34 to Golf Maintenance and .33 to Pro Shop

Significant Expenditure Changes: There are no significant expenditure changes in this division for FY2013.

FY2013 BUDGET

GOLF COURSE FUND

Golf Carts

Division Mission: To provide number of clean, mechanically sound, and attractive golf cars to the Antelope Hills customer. The golf cart division is critical to revenues from both resident and non resident golfers. (Tourism).

Goal: To maintain current new electric golf fleet in clean and well maintained manner.

Strategy: Insure proper cart rotation system to maximize life span of cart batteries. Maintain cart storage area and golf charges. Continue with staff training to meet department goals.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Percentage of carts cleaned and maintained	100%	100%	100%
Percentage of cart rotation maintained	100%	100%	100%
Number of necessary training meetings conducted with cart crew	4	6	6

Golf Carts Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 27,152	\$ 20,485	\$ 28,545
Supplies	18,613	6,554	7,500
Other Services & Charges	29,628	25,336	25,099
Capital Outlay/Projects	489,430	-	-
Debt Service	111,779	132,322	130,638
Total	\$ 676,602	\$ 184,697	\$ 191,782

Golf Carts Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	1.20	0.80	0.80
Cart Service Coordinator	0.50	0.50	0.50
Temp Golf Cart Attendant	0.70	0.30	0.30

Significant Expenditure Changes: There are no significant expenditure changes in this division for FY2013.

Insurance/Retirements

Division Mission: To provide an account to pay for costs of retirement bonuses for Golf Course Department retirees.

FY2013 BUDGET

GOLF COURSE FUND

Golf Course - Insurance/Retirements
Expenditure Summary

	FY11	FY12	FY13
	Actual	Estimate	Budget
Personnel	12,556	-	-
Total	\$ 12,556	\$ -	\$ -

Significant Expenditures Changes: There are no anticipated retirements in the Golf Course Fund during FY2013.

FY2013 BUDGET

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.

Effective July 1, 2012, the Parking Garage will be part of the General Fund. Parking Garage revenue and expenditure activity for the past two years is as follows:

Parking Garage Fund Historical Activity			
	FY11	FY12	FY13
	Actual	Estimate	Budget
Beginning Cash, 7/1	\$ (5,864)	\$ (31,506)	\$ (50,834)
Revenues	\$ 39,329	\$ 41,523	\$ -
Transfers In	\$ 17,611	\$ 18,000	\$ -
Expenditures	\$ (82,582)	\$ (78,851)	\$ -
Ending Cash, 6/30	\$ (31,506)	\$ (50,834)	\$ (50,834)

The following table shows the revenues for FY2011 and FY2012.

Parking Garage Fund Revenues			
Revenue Source	FY11	FY12	FY13
	Actual	Rev. Est.	Budget
Parking Revenue	\$ 37,783	\$ 38,873	\$ -
Lease/Rental Revenue	1,546	2,600	-
Miscellaneous	-	50	-
Transfer In	17,611	18,000	-
Total Revenues	\$ 56,940	\$ 59,523	\$ -

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.

FY2013 BUDGET

PARKING GARAGE FUND

Parking Garage Operations

Division Mission: To provide downtown visitors, tourists, and workers ample convenient and safe off-street parking.

Parking Garage Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Personnel	\$ 25,543	\$ 21,981	\$ -
Supplies	3,339	3,575	-
Other Services & Charges	53,646	53,295	-
Debt Service	54	-	-
Total	\$ 82,582	\$ 78,851	\$ -

Parking Garage Staffing Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	0.100	0.100	0.000
Facilities Director	0.100	0.000	0.000
Facilities Manager	0.000	0.100	0.000

Note: Facilities Manager also charged 75% Facilities Maintenance;
and 15% to Rodeo.

Significant Expenditures Changes: Effective FY2013, the Parking Garage will be reported as part of the General Fund.

FY2013 BUDGET

INTERNAL SERVICE FUNDS

GENERAL SELF-INSURANCE FUND

FLEET MAINTENANCE

ENGINEERING

FACILITIES MAINTENANCE

FY2013 BUDGET

SELF-INSURANCE FUND

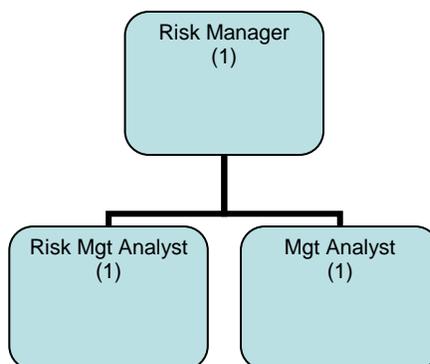
The Risk Management program is designed to reduce, eliminate or transfer liability for loss exposures associated with city operations, and to manage and properly dispose of liability claims against the City. Risk Management assesses and purchases appropriate insurance coverage with adequate self-insured 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 made the final payment back to the Alternative Water Sources Fund for the \$2.5 million loan in FY2007. 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.



FY2013 BUDGET

SELF-INSURANCE FUND

Goal: To pro-actively protect the City through risk avoidance by transferring risk when possible; continue to perform investigations of liability claims and worker compensation claims with a goal toward reducing future loss exposures to the City; continue interaction with Departments regarding safety and risk assessments; strive to reduce loss exposure to the City through indemnification language and insurance requirements in contracts.

Strategy: Ongoing interaction with Departments to evaluate potential loss exposure to the City and eliminate the risks; Review contracts to ensure sufficient insurance limits are required and indemnification language properly protects the City; provide quarterly employee injury reports to department supervisors in an effort to minimize future losses; ongoing supervisory training in an effort to reduce the City's liability.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Supervisory training (Goal 100%)	50%	75%	75%
Review all contracts for sufficient insurance limits (Goal 100%)	25%	75%	75%
Provide Departments with employee injury quarterly reports (Goal 100%)	N/A	50%	100%
Interaction with Departments regarding safety and loss control (Goal 100%)	50%	75%	75%

Prior Year Results and Outcomes

Subrogation – Recovered a total of \$14,007 from 3rd parties that caused damage to City property or injury to City employee(s).

Liability Claims – Risk received 50 new liability claims. Each claim was reviewed and a preliminary investigation performed before forwarding to our Third Party Administrator (TPA), Travelers, for resolution. Travelers investigated and interviewed claimants, witnesses and/or City employees before reaching a determination. Travelers/City denied 19 of 50 claims for a total amount of \$140,348.47.

Safety Training – 49 City employees who regularly drive City of Prescott vehicles attended Driver Safety training. APS presented electrical safety training to all Fire and Police first responders.

Workers' Compensation – Reduced total outstanding reserves by \$205,471.

FY2013 BUDGET

SELF-INSURANCE FUND

Self Insurance Fund Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Beginning Cash Balance, 7/1	\$ 1,673,904	\$ 1,121,494	\$ 1,138,868
Revenues			
Interest Income and Misc	47,517	15,000	15,000
Total Revenues	\$ 47,517	\$ 15,000	\$ 15,000
Expenditures			
Personnel Supplies	\$ 241,753	\$ 240,280	\$ 247,526
Supplies	5,503	2,518	3,250
Other Services & Charges	2,116,758	1,860,955	1,992,553
Cost Recovery	(1,764,087)	(2,106,127)	(2,242,978)
Total Expenditures	\$ 599,927	\$ (2,374)	\$ 351
Ending Cash Balance, 6/30	\$ 1,121,494	\$ 1,138,868	\$ 1,153,517

Self Insurance Fund Staffing Level Summary

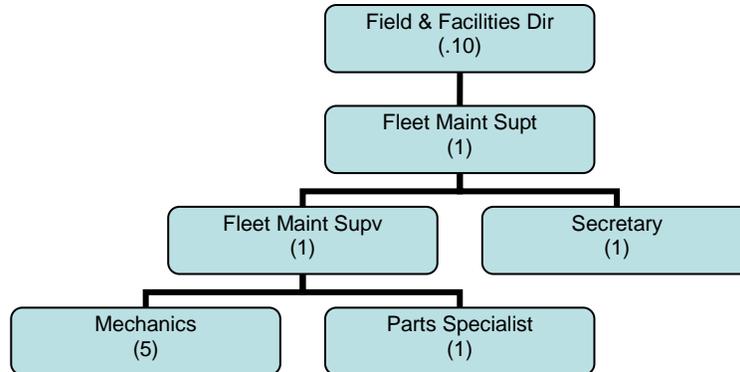
	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	2.95	2.95	3.00
Administrative Services Dir	0.95	0.95	0.00
Risk Manager	0.00	0.00	1.00
Risk Management Analyst	1.00	1.00	1.00
Management Analyst	0.00	1.00	1.00
Risk Management Specialist	1.00	0.00	0.00

Significant Expenditure Changes: The large decrease observed when comparing the FY2013 budget to the FY2012 estimated endings in Other Services & Charges is the result of the City having to adjust their claims payable reserves to include claims that will be handled by outside counsel.

FY2013 BUDGET

FLEET MAINTENANCE FUND

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Number of pieces of rolling stock including mobile off road equipment	541	548	513
Number of light vehicle preventive maintenance services	525	549	480
Number of heavy duty preventive maintenance services	203	173	174
Number of off-road equipment preventive maintenance services	38	49	50
Number of emergency road service calls	49	44	50
Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Average equipment availability (%) Target: 95% minimum	98%	96%	97%
Ratio of sublet/vendor services costs to total expenditures Target: 6%	9.58%	5.26%	6%
Warranty Claims Submitted	44	32	34
Warranty Claims Resolved Target: 95% minimum	100%	100%	100%

FY2013 BUDGET

FLEET MAINTENANCE FUND

Prior Year Results and Outcomes:

Provided preventative maintenance for the City's fleet in accordance with original equipment manufacturer's (OEM) recommendations and provided fleet vehicle repairs as requested by end users.

Continued to maintain an average availability rate of 96% for all City fleet vehicles that are maintained by Fleet Services staff. Mechanic productivity, the ratio scheduled hours available to number of hours billed through the Fleet Repair Order system, averaged 97% for FY12.

Continued to perform truck safety inspections on a bi-weekly basis for Prescott Fire Department, keeping the fleet safe and ready on a moments notice to service the City.

Serviced emergency power generators for city of Prescott. Performed preventive maintenance and repairs, coordinated the load bank testing with an outside vendor, and worked with departments to minimize impacts to department operations.

Provided preventative maintenance and safety inspections for Groom Creek Fire District vehicles and equipment through an intergovernmental agreement (IGA). Revenue through this IGA produces approximately \$20,000 annually.

Provided vehicle pick up and vehicle returns for departments as customer support services for all City Departments.

Worked with Risk Management to have vehicles repaired if involved in an accident and made sure the work was completed correctly.

Completed all paper work for newly purchased vehicles and equipment for City asset numbers and Arizona titles.

Operated the Motor Pool, consisting of vans, trucks, sedans and economy cars.

Administered new vehicle and replacement parts warranties, coordinated and processed all vehicle related warranty claims and recovered costs of those claims which are then credited back to the appropriate department or line item budget.

Attained a combined total of nine (9) ASE (Automotive Service Excellence) certifications. Each of these ASE certifications requires a minimum of 40 hours of study and preparation time to pass one topic tests.

Participated in the annual SWANA (Solid Waste Association of North America) mechanic competition for refuse truck mechanics, with two mechanics placing placed second (2nd) and third (3rd) in the state of Arizona.

Developed an established and permitted Stormwater Pollution Prevention Plan (SWPPP) in compliance with Arizona Department of Environmental Quality and Environmental Protection Agency regulations.

Conducted monthly safety meetings and Occupational Safety and Health Administration (OSHA) mandatory trainings.

FY2013 BUDGET

FLEET MAINTENANCE FUND

Completed 867 scheduled preventative maintenance (PM) work orders.

Completed 2,172 non-preventive maintenance repair orders.

Completed 792 repair order line items with outside vendors and billed by Fleet Services.

Initiated and completed 3,039 repair orders.

Fleet Maintenance Fund Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Beginning Cash Balance, 7/1	\$ (474,045)	\$ (560,181)	\$ (813,233)
Beginning Designated Cash Balance, 7/1	\$ 7,378,373	\$ 6,725,965	\$ 6,131,022
Revenues			
Proceeds from Sale of Assets	-	-	50,000
Interest Income and Misc	118,329	90,000	91,000
Total Revenues	\$ 118,329	\$ 90,000	\$ 141,000
Expenditures			
Personnel Supplies	\$ 624,239	\$ 695,102	\$ 656,528
Supplies	569,969	694,016	849,400
Other Services & Charges	347,541	359,538	364,843
Cost Recovery	(1,631,020)	(1,700,000)	(1,800,000)
Debt Service	388,836	389,339	386,682
Capital Outlay/Projects	557,308	500,000	2,010,500
Total Expenditures	\$ 856,873	\$ 937,995	\$ 2,467,953
Ending Cash Balance, 6/30	\$ (560,181)	\$ (813,233)	\$ (1,094,184)
Ending Designated Cash Balance, 6/30	\$ 6,725,965	\$ 6,131,022	\$ 4,085,020
Capital Outlay/Projects			
Vehicle Replacements (as approved by Fleet Mnt Manager)			2,000,000
Rotor/Drum Brake Lathe			10,500
Total Capital Outlay/Projects			\$ 2,010,500

FY2013 BUDGET

FLEET MAINTENANCE FUND

Fleet Maintenance Fund Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	9.20	9.40	9.10
Facilities Director	0.20	0.00	0.00
Field & Facilities Director	0.00	0.10	0.10
Facilities Manager	0.00	0.30	0.00
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: Field & Facilities Director is also charged to Street Operations (40%);
Solid Waste (40%); and Facilities Maintenance (10%).

Significant Expenditure Changes: The 5.5% decrease in Personnel when comparing the FY2013 budget to the FY2012 estimated endings is the result of the Facilities Manager no longer being charged to this division.

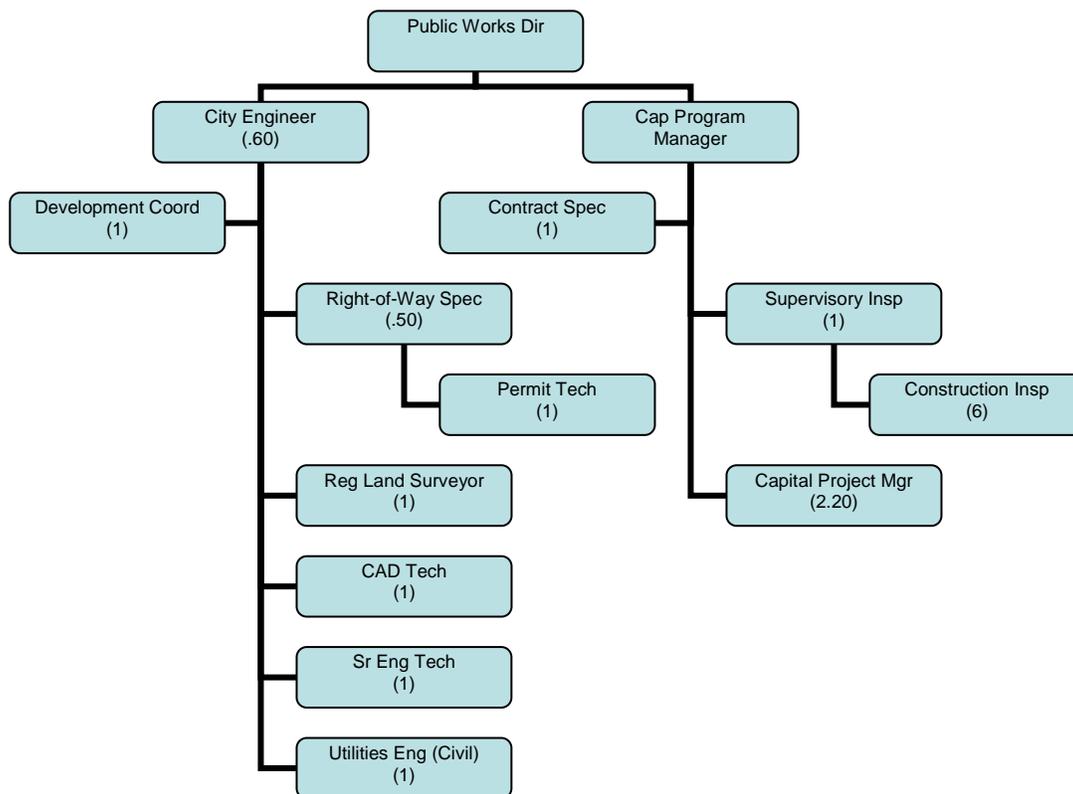
A larger Revolving Inventory budget in the Supplies category is responsible for the 22.4% increase in Fleet Maintenance.

FY2013 BUDGET

ENGINEERING FUND

Division Mission: To provide in-house designs or assist in the procurement of professional engineering services for the City Capital Improvement Program (CIP) for street, drainage and utility improvement projects and studies, to include surveying, design, contracting and quality assurance. 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.

To provide timely and effective project management, inspection and procurement services for new and reconstructed public infrastructure (streets, drainage and utilities) including permitted work within the rights-of-way, private development and capital improvement projects.



FY2013 BUDGET

ENGINEERING FUND

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:	FY11 Actual	FY12 Estimate	FY13 Forecast
Ratio of actual number of in-house designs completed vs. total number planned. Target: 80%	21/22 =95%	12/13 = 92%	16/20 = 80%

Prior Year Results and Outcomes:

Miscellaneous In-House Designs

Kuebler Field Parking Lot Design – 95-percent complete

Zone 56 - Transmission Main, Reservoir and General Site Civil design – 60-percent complete

Dam Repairs – Upper and Lower Goldwater Dam, Willow Lake Dam and Granite Creek Dam at Watson Lake – completed

Chino Valley Well Site – Landscape and Walls – Complete

Meadowbrook Water Main Replacement – Complete

Park Avenue – on-going

In-House Pavement Maintenance & Preservation Designs Completed in FY 12:

FY13 Pavement Rehabilitation Project – 11.7 Lane Miles

- Gurley Street – (Marina Street to Rush Street)
- Cortez Street – (Sheldon Street to Goodwin Street)
- Montezuma Street – (Gurley Street to Goodwin Street)
- Prescott Lakes Parkway – (Willow Lake Road to SR 89)
- Willow Creek Road – (Willow Creek Bridge to 600' n/o Commerce Drive)

FY13 Chip Seal, Seal Coat, and Various Pavement Repairs Project – 31.7 Lane Miles:

- Summit Pointe Subdivision
- City Lights Subdivision
- Portion of Blooming Hills Estates Subdivision
- Portions of Yavapai Hills Subdivision
- Bradshaw Drive and ancillary streets

FY2013 BUDGET

ENGINEERING FUND

- Portion of Meadowbrook Drive
- Prescott Lakes Parkway from State Route 89 to State Route 69
- Previously unpaved alleys in central Prescott
- Pavement Repairs at various locations

Drainage Projects/Programs – FY12

Secured funding authorization of \$1,170,000 from the Yavapai County Flood Control District and expedited approximately \$950,000 for the following projects:

- Construction:
 - Cliff Rose Subdivision
 - Yavapai Hills (Cactus Drive)
- Engineering Services Contracts:
 - Yavapai Hills
 - Willow Creek and Willow Creek Tributary
 - Drainage Criteria Manual Peer Review

Spent \$130,966 in FY12 of the \$350,000.00 authorized FEMA's Cooperating Technical Partner (CTP) program, \$201,568 was spent in FY11, for the Floodplain analysis completed and submitted to FEMA in January, 2012. The limits of the studies were as follows:

- Willow Creek – Willow Creek Drive to confluence of Granite Creek
- Willow Creek – Williamson Valley Road to upstream limits of existing FEMA study
- Granite Creek – Watson Lake to downstream of Bottleneck Wash
- Bottleneck Wash from upstream of the City of Prescott Airport to its confluence with Granite Creek

General Engineering Standards

City staff in concert with local engineering firms and developers continued to work together to develop City of Prescott General Engineering Standards Manual (GES). 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 GES Manual is to provide clear and concise technical requirements, polices and processes for design professionals to prepare plans, specifications and design 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, sewer, drainage, traffic & transportation, dry utilities, submittals & as-builts, and survey control. Outstanding items include development and revision of Standard Details, CADD standards, illustrations for the Drainage Criteria Manual and the GES Variance Process.

Development Review

Completed 262 plan reviews for Private Development/ ROW Permits

Completed 114 Pre-Application Conference plan reviews

FY2013 BUDGET

ENGINEERING FUND

Completed 197 official plan reviews for Capital Projects

Issued 20 Approvals to Operate (ATO)s.

Issued 27 Approvals to Construct (ATC)s.

Engineering Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Beginning Cash Balance, 7/1	\$ 196,764	\$ 683,393	\$ 687,893
Revenues			
Interest Income and Misc	3,793	4,500	-
Total Revenues	\$ 3,793	\$ 4,500	\$ -
Expenditures			
Personnel Supplies	\$ 1,083,850	\$ 1,513,970	\$ 1,324,882
Supplies	31,456	39,427	37,850
Other Services & Charges	210,112	260,919	256,085
Cost Recovery	(1,808,254)	(1,814,316)	(1,616,735)
Total Expenditures	\$ (482,836)	\$ -	\$ 2,082
Ending Cash Balance, 6/30	\$ 683,393	\$ 687,893	\$ 685,811

FY2013 BUDGET

ENGINEERING FUND

Engineering Fund Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	17.80	17.80	17.30
City Engineer*	0.60	0.60	0.60
Utilities Engineer (Civil)	1.00	1.00	1.00
Development Services Manager	1.00	1.00	0.00
Development Coordinator	1.00	1.00	1.00
Right-of-Way Specialist	0.00	0.00	0.50
Supervisory Inspector	1.00	1.00	1.00
Senior Engineering Technician	1.00	1.00	1.00
Capital Projects Manager	2.20	2.20	2.20
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	6.00	6.00	6.00
Permit Technician	1.00	1.00	1.00

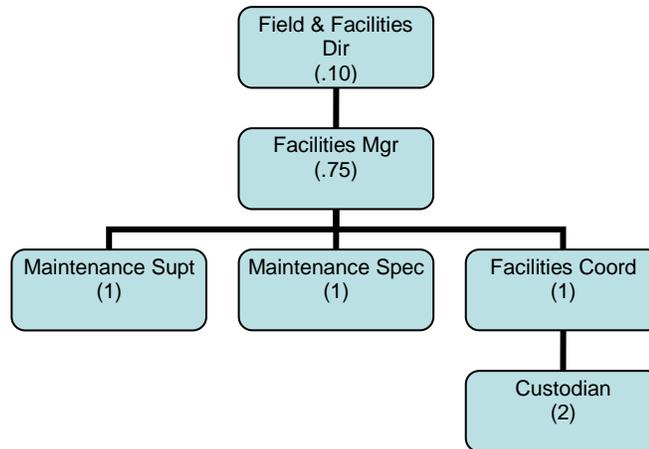
*City Engineer is also charged .30 to Water Administration and .10 to Wastewater Administration.

Significant Expenditure Changes: Personnel shows a significant decrease at 12.5% due to the fewer retirements being budgeted in FY2013. When an employee retires there are certain payouts they are entitled to at the time of separation from the City.

FY2013 BUDGET

FACILITIES MAINTENANCE FUND

Division Mission: To provide safe, clean and well maintained buildings and facilities for use by employees and general public. To improve efficiency and longevity of electrical, mechanical, plumbing, HVAC and other facility systems when repairs or replacements are warranted.



Goal: To maintain all city facilities consistent with the mission and decrease the energy use of the facilities by replacing old inefficient lighting and HVAC systems and controls. Assist in special projects as needed. Clean and maintain interior finishes using maintenance intervals to ensure the appearance of floor and wall coverings exhibit a professional appearance and reduced replacement.

Strategy: Increase work order turnarounds of both short and long-term projects, monitor schedules, prevent costly repairs, and increase workloads to complete energy efficiency upgrades.

Performance Measures:	FY11 Actual	FY12 Estimate	FY13 Forecast
Work orders initiated	497	500	500
Percentage of work orders completed in one day	50%	50%	60%
Percentage of work orders completed in three days	50%	50%	40%
Number of special projects	3	5	5

Prior Year Results and Outcomes

Completed lighting retrofits of the Granite Street parking garage, the Public Works building, Fleet Maintenance building offices, the Police Department building, Facilities Management offices, and the Engineering Services building. Removed T-12 and installed premium T-8 fixtures. The anticipated reduction in kilowatt hours for these fixtures is 30-33%.

FY2013 BUDGET

FACILITIES MAINTENANCE FUND

	<u>Project Cost</u>	<u>Rebate</u>	<u>City Cost</u>	<u>Est. Savings</u>
Parking Garage	\$15,968	\$14,500	\$1,468	50%
Public Works	\$ 2,427	\$ 2,096	\$ 331	30%
FMF Office area	\$ 2,800	\$ 2,128	\$ 672	30%
Police Dept	\$ 8,975	\$ 5,360	\$3,615	30%
Facilities Offices	\$ 437	\$ 384	\$ 53	30%
Engineering Svc.	<u>\$ 3,501</u>	<u>\$ 2,512</u>	<u>\$ 989</u>	<u>30%</u>
Total	\$34,108	\$26,980	\$7,128	33%

Additionally, the Motor Cops garage and City Hall have been completed. Project costs, rebates, City costs and estimated savings are forthcoming.

Conducted a building assessment of the McCormick building for the Fire Department.

Installed Trane Tracker systems for energy use monitoring on City Hall and the Police Department.

Installed a new "drive-up" window for Utility Billing.

Removed an old boiler and air handling device in City Hall, recycled the steel, and converted storage space into an office for Utility Billing.

Found the "Time Capsule" for the Centennial event and developed a parking plan for the Granite Street parking garage during Best Fest activities.

Provided oversight of the Library's remodeling of the Teen Zone and installed mural signs.

Completed lease agreement extensions with Prescott Frontier Days, Northern Arizona Council of Governments (NACOG), and the Chamber of Commerce, including updating of required insurance certificates.

Helped develop a request for proposal for the sale of the Elks Theatre, conducted numerous tours and advised management on best practices.

Refinished gym floors for the Grace Sparks Armory, R.P. Simmons Adult Center and Elks Theatre stage.

Continued to keep general contracting, carpentry contracting and electrical contracting licenses current for facilities staff. Conducted safety and personal protective equipment training for all staff (ongoing).

Completed comprehensive certifications for all fixed machinery (lifts, compressors, generators, etc.) using current time-schedules.

Replaced restroom dividers and roof shingles and repainted Watson Lake restrooms. Repainted Roughrider, Skate Park and Granite Park restrooms. Replaced City Hall men's restroom dividers.

Repaired roof, replaced shingles, and painted the exterior of the Public Works building.

Completed Police Department remodel upgrades of the stairwell, locker rooms, and entrance lobby. Repaired and replaced the shingles on the dormers.

FY2013 BUDGET

FACILITIES MAINTENANCE FUND

Installed a tank-less water heater for the truck wash area.

Repaired, re-colored and resealed the City Hall exterior entrance walkway.

Replaced four compressors on heating, ventilation and air conditioning equipment.

Facilities Maintenance Expenditure Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Beginning Cash Balance, 7/1	\$ 216,487	\$ 204,623	\$ 231,014
Revenues			
Interest and Miscellaneous	3,372	3,000	3,000
Total Revenues	\$ 3,372	\$ 3,000	\$ 3,000
Total Funding Sources	\$ 3,372	\$ 3,000	\$ 3,000
Expenditures			
Personnel Supplies	\$ 334,083	\$ 355,826	\$ 428,668
Supplies	76,916	77,800	81,450
Other Services & Charges	570,045	573,643	591,514
Cost Recovery	(965,808)	(1,049,160)	(1,116,948)
Capital Outlay/Projects	-	18,500	156,000
Total Expenditures	\$ 15,236	\$ (23,391)	\$ 140,684
Capital Outlay/Projects			
Facilities Improvements			\$ 140,000
Facilities Maintenance Management			16,000
Total Capital Outlay/Projects			\$ 156,000
Ending Cash Balance, 6/30	\$ 204,623	\$ 231,014	\$ 93,330

FY2013 BUDGET

FACILITIES MAINTENANCE FUND

Facilities Maintenance Fund Staffing Level Summary

	FY11 Actual	FY12 Estimate	FY13 Budget
Authorized Staffing Level	5.40	5.50	5.85
Facilities Director	0.40	0.00	0.00
Field & Facilities Director*	0.00	0.10	0.10
Facilities Manager**	0.00	0.40	0.75
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	2.00	2.00	2.00

*Field & Facilities Director also charged to Street Operations (40%); Solid Waste (40%); and Fleet Maintenance (10%)

**15% of Facilities Manager is charged to Rodeo and 10% to Parking Garage

Significant Expenditure Changes: The 20.5% increase in Personnel is tied to the higher percentage of the Facilities Manager being charged to this division.

FY2013 BUDGET

CAPITAL IMPROVEMENT PLAN

FY2013 BUDGET

CAPITAL IMPROVEMENT PLAN

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 FY2013 Annual Budget. Also included is the Five Year Capital Plan covering FY2014-2018 and the Unfunded Capital List that were approved by Council.

FY2013 BUDGET

CAPITAL IMPROVEMENT PLAN

Page No.	Project Title	FY2013 Budget
	Utility Projects	
273	Airport Phase 1 (3.75 MG)	18,000,000
274	Airport Zone 12 New Reservoir	3,500,000
301	Recovery Wells at Airport	2,500,000
295	New Thumb Butte Reservoir	2,103,650
281	Copper Basin Reservoir	1,410,750
304	Small Water Main Upgrades	1,400,000
277	Big Chino Water Ranch	1,300,336
299	Prescott Resort Pump Station Upgrade	1,212,000
288	Granite Creek and Willow Creek Dam	1,069,000
306	Sundog Filter Replacement/Denitrification	1,000,000
271	12" Line - Thumb Butte	910,000
280	Cliff Rose Lift Station Upgrade	875,000
289	Hassayampa Pump Station - New Zone 19	806,693
310	White Spar Water Main	685,000
296	Old North Tank Reservoir Replacement	500,000
307	Sundog Trunk Main	500,000
293	Lower Thumb Butte Pump Station	475,000
279	Capital Contingencies	325,000
281	Copper Basin Reservoir Piping	300,532
307	Telemetry/SCADA Program	268,000
271	36" and 18" Emergency Valve	250,000
280	Chino Piping Reconfiguration	250,000
274	Airport Zone 12 Tank Res Transmission Piping	250,000
311	Willow Creek 14" Transmission Line	246,000
312	Willow Creek Trans Main Scour	200,000
310	Water Model Update	200,000
271	18" Line Smoke Tree Lane	200,000
313	Yavapai Hills Lower Pump Station	200,000
310	Wastewater Collection Model Update	200,000
290	Impact Fee Ordinance Implementation	200,000
305	Storage Tank Maintenance	160,000
292	Lift Station Rehab/Abandonment Program	153,000
304	SR69 Corridor Phase I	125,000
303	Sewer Mainline Replacement	125,000
278	Booster Station Upgrade	106,000
298	Prescott Canyon Reservoir	100,000
279	Chemical Root Control	100,000
304	SR89 Water Main Relocation	85,000
287	Forbing Park IGA	80,000
299	Pretreatment Study	55,000
312	Willow/Watson Lake Enhancement Program	50,000
299	Production Well Maintenance	44,000

FY2013 BUDGET

CAPITAL IMPROVEMENT PLAN

Page No.	Project Title	FY2013 Budget
300	PRV Upgrade	41,000
293	Maintenance Management	35,000
280	City Wide Evapo-Transportation Weather Station	25,000
292	Leak Detection Program	13,000
	Total Utility Projects	<u>42,633,961</u>
	General Government	
309	Vehicle Replacements	2,000,000
294	Miscellaneous Grants	500,000
280	City Shop Underground Storage Tank Release Cleanup	362,000
308	Transfer Station Paving	281,152
294	Miscellaneous Gifts and Donations	205,547
276	Automated Side Loader	170,000
291	Judicial Collection Enhancement Fund and Fill the Gap	152,700
285	Facilities Improvement	140,000
308	Transfer Station Floor Repair	100,000
284	E-Mail Archiving	75,000
290	Inert Debris Recycling	75,000
289	Household Hazardous Waste Day	66,400
279	CDBG - ADA Dexter	61,657
286	Financial Reporting System	61,000
310	Welding Shop at Transfer Station	60,000
279	CDBG - West Yavapai Guidance Clinic	57,000
279	CDBG - Administration - Entitlement	45,557
279	CDBG - AARA Meals on Wheels	32,000
289	High Definition Cameras	30,000
278	Broadband Technology	26,500
277	Big Belly Solar Compactors	21,050
301	Recycle Education & Outreach	20,000
276	Assembly & Training Room Modification	20,000
287	General Plan Update	20,000
285	Facilities Maintenance Management	16,000
279	CDBG - Coalition for Compassion	15,000
312	Work Lights at Transfer Station	14,500
295	Neighborhood Cleanup	12,500
279	CDBG - Catholic Charities	11,200
302	Rotor/Drum Brake Lathe	10,500
288	Geodesy	6,940
283	Document Imaging System	4,000
279	CDBG - Fair Housing Education Program	1,460
	Total General Government	<u>4,674,663</u>

FY2013 BUDGET

CAPITAL IMPROVEMENT PLAN

Page No.	Project Title	FY2013 Budget
	Tourism/Recreation	
291	Kuebler Multi-Use Complex	712,475
277	Bed Tax Projects	611,905
296	Open Space	500,000
288	Goldwater Lake Day Use Expansion	350,000
291	Kuebler Complex Parking Lot	266,000
306	Sundog Trailhead Restroom	95,000
284	Equipment Replacement (Parks)	70,000
281	Community Skate Park Sealant	50,000
294	Miscellaneous Library Grants	50,000
297	Partnering Projects	30,000
283	Early Literacy Play Space	21,000
276	Ballfield Infield Material	10,000
272	Acker Trust	9,750
275	Arizona State Parks - Historic Preservation	9,500
301	Rodeo Ground Improvements	5,000
	Total Tourism/Recreation	<u>2,790,630</u>
	Transportation	
302	RW 21L-3R Runway Safety	7,244,888
298	Pavement Preservation	4,372,630
297	Park Avenue Reconstruction	3,937,616
303	Senator Highway Reconstruction	3,594,753
295	Mt Vernon (Gurley-Senator Highway)	2,047,935
302	Ruger Road Realignment	1,760,830
311	Williamson Valley Road	1,700,000
309	Walker Road Rehab (SR69 - City Limits)	705,000
305	SR89/Phippen Roundabout	400,000
273	ADOT APMS	393,000
313	Yavapai Hills Drainage Improvements	390,000
298	Pavement Marking Equipment	252,000
273	Aerial Images	250,000
296	NPDES PHII Implementation	217,600
275	As-Built/Mylar Scanning Project	192,500
311	Willow Creek Channel Improvements	190,000
281	Cliffrose - Marvin Gardens Drainage	180,000
274	Annual Pavement Markings	150,000
285	FEMA Flood Insurance Map Update	140,000
287	Flail Mower (carryover)	105,000
272	Acker Pond Design	100,000
312	Willow Creek Wall Repair	100,000
306	Street Lights	85,000

FY2013 BUDGET

CAPITAL IMPROVEMENT PLAN

Page No.	Project Title	FY2013 Budget
296	Overland Trail Bridge Reconstruct	75,000
290	Intersection Signalization Project	75,000
275	Asphalt Recycler	71,000
309	Unpaved Streets	50,000
284	Engineering & Safety Projects	50,000
297	Pavement Management System	30,000
300	Public Transit	30,000
303	Sidewalks - ADA Compliance	25,750
307	Survey Grade GPS Unit	25,000
303	Signal Replacement Equipment	25,000
282	CYMPO Matching Funds	16,000
275	Asphalt Hot Box	14,500
308	Traffic Calming - Various Streets	10,000
308	Traffic Signal Design	10,000
306	Stormwater Pollution Prevention Plan	10,000
	Total Transportation	<u>29,026,002</u>
	Public Safety	
285	Federal Emergency Management Grants	1,030,000
282	COPS Hiring Recovery	632,155
286	Fire Department Vegetation Management Crew	453,722
294	Miscellaneous Police Grants	350,000
301	RICO	230,000
286	Fire Department Arizonal Wildland Hazardous Fuels Project	220,000
286	Fire Department Miscellaneous Grants	200,000
300	Radio Infrastructure	143,755
271	215 N McCormick Remodel	95,850
272	ADOT - Vehicle Impound Reimbursement	91,000
311	Wildfire Academy Tohon	80,000
292	Law Enforcement Officers	77,000
313	Yavapai County Fire Wise	75,117
283	Digital Evidence Management/Server	69,500
274	Arizona Homeland Security	62,000
293	Mechanical Mobile Evidence Storage System	57,000
276	AZHS Communications	50,300
305	Station 75 Drainage Improvements	42,193
284	Emergency Services/Alarm Monitoring	41,265
283	DUI Enforcement Regional Grant	41,250
305	Station Roof Modification	32,500
298	Prescott Area Narcotics Task Force	30,000
282	County Homeland Grants (Fire)	20,000
288	GOHS - Selective Traffic Enforcement	17,500
309	Walk-in Cooler	15,500
291	JAG Edward Byrne Memorial	15,000
279	Canine Grant	8,000

FY2013 BUDGET

CAPITAL IMPROVEMENT PLAN

Page No.	Project Title	FY2013 Budget
278	Bureau of Justice Assistance Equipment Grant	8,000
290	Interior Light Replacement (Fire)	6,833
302	School Crossing Zone	3,860
293	Local Network Management	3,400
	Total Public Safety	<u>4,202,700</u>
	Total Capital Outlay/Projects	<u>83,327,956</u>

CAPITAL IMPROVEMENT PLAN

12" Line – Thumb Butte Road

Location:	Hassayampa Village Road to Lower Thumb Butte Pump Station
Project Type:	Utility Project
Budget:	\$910,000
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

18" Line Smoke Tree Lane

Location:	30" Main at Willow Creek to Birchwood Cove
Project Type:	Utility Project
Budget:	\$200,000
Description:	This project is to construct an 18" water main from the 30" Chino transmission main in Smoke Tree Lane to Birchwood Cove to supply water to existing mains in the Prescott Lake area.
Operating Impact:	Minor increase in manpower time will be required to operate valves and patrol the main

215 N McCormick Remodel

Location:	215 N McCormick Street
Project Type:	Public Safety
Budget:	\$95,850
Description:	To remodel the interior to facilitate office for Fire Administration. This includes exterior paint, re-flashing the roof parapet wall, removal of pavers from the deck area, and the repair of the deck.
Operating Impact:	Increased utility costs and maintenance

36" and 18" Check Valve Installation

Location:	Between Chino Valley and City of Prescott
Project Type:	Utility Project
Budget:	\$250,000
Description:	This project will consist of installing check valves and associated vaults on the

CAPITAL IMPROVEMENT PLAN

City's transmission mains between Chino Valley and the City of Prescott.

Operating Impact: No significant impact because the check valves require minimal maintenance

Acker Pond Design

Location: Virginia Street

Project Type: Transportation/Drainage

Budget: \$100,000

Description: As part of the City's Regional Stormwater Management Program (RSMP), the Acker Park Regional Pond will provide storm flow mitigation benefitting downstream properties along the Virginia Street Channel.

Operating Impact: None anticipated

Acker Trust

Location: No specific location

Project Type: Culture/Recreation

Budget: \$9,750

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

ADOT – Vehicle Impound Reimbursement

Location: No specific location

Project Type: Grant

Budget: \$91,000

Description: Accounts for impound fees and related expenses

Operating Impact: None

CAPITAL IMPROVEMENT PLAN

ADOT Airport Pavement Maintenance

Location: Airport
Project Type: Grant
Budget: \$393,000
Description: Thin asphalt overlay of Runway 12/30
Operating Impact: None

Aerial Images

Location: No specific location
Project Type: Governmental
Budget: \$250,000
Description: 6" resolution aerial imagery flown for the area around City Limits and the watershed that drains through Prescott. This imagery with ground control and flight information can then be used to produce 2 foot contours for the flight areas. An additional flight area over Big Chino Water Ranch is also included as a component of this project, which is an area we have never had flown for 6" imagery.
Operating Impact: None

Airport Phase I – (3.75MG) Plant Process Expansion and Improvements

Location: Airport
Project Type: Utility Project
Budget: \$18,000,000
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.

CAPITAL IMPROVEMENT PLAN

Airport Zone 12 New Reservoir

Location:	Near Airport
Project Type:	Utility Project
Budget:	\$3,500,000
Description:	This project is to design and construct a new 3.25 million gallon water reservoir.
Operating Impact:	Additional long-term tank maintenance including cleaning and painting

Airport Zone 12 Tank Res Transmission Piping

Location:	Near Airport
Project Type:	Utility Project
Budget:	\$250,000
Description:	300 lf of parallel 18" water mains from the future Zone 12 tank in Granite Dells Estates to connect to the existing water main at Old 89A.
Operating Impact:	No significant increase anticipated

Annual Pavement Markings

Location:	No specific location
Project Type:	Street Project
Amount:	\$150,000
Description:	This project provides for the annual striping of long line, parking stalls, crosswalks, stop bars and legends. It is for striping of both streets and various public parking lots in the downtown area.
Operating Impact:	None

Arizona Homeland Security

Location:	No specific location
Project Type:	Grant
Amount:	\$62,000
Description:	Funding for equipment and training to enhance ability "to prevent, protect against, respond to, and recover from terrorist attacks and other disasters."
Operating Impact:	None

CAPITAL IMPROVEMENT PLAN

Arizona State Parks – Historic Preservation Grant

Location:	No specific location
Project Type:	Grant
Amount:	\$9,500
Description:	Grant from Arizona State Parks to provide funding for scholarships, maps and booklets
Operating Impact:	None

As-Built/Mylar Scanning Project

Location:	No specific location
Project Type:	Transportation
Budget:	\$192,500
Description:	This project will include electronic scanning of all as-built plans from an outside independent contractor, re-numbering of all as-built plans, proper storage of original documents, and input of city infrastructure into the GIS system. This cost will be spread amongst several funds.
Operating Impact:	None

Asphalt Hot Box

Location:	No specific location
Project Type:	Equipment
Budget:	\$14,500
Description:	An asphalt hot box is a portable, trailer-mounted, propane-heated steel asphalt container with an approximate capacity of two tons. It will provide the means to produce higher quality hot mix asphalt patches as needed.
Operating Impact:	Minor maintenance costs

Asphalt Recycler

Location:	No specific location
Project Type:	Equipment
Budget:	\$71,000
Description:	The purchase of a piece of equipment that will use reclaimed and excess

CAPITAL IMPROVEMENT PLAN

asphalt and rejuvenate and recycle it into a useable and environmentally beneficial product.

Operating Impact: Minor maintenance costs

Assembly & Training Room Modification

Location: Transfer Station

Project Type: General Government

Budget: \$20,000

Description: Construction of additional office space to the south of existing administration buildings at the Transfer Station. Also, includes removal of a non-load bearing wall in the lunchroom building which will enable department meetings that include all staff.

Operating Impact: Minimal additional electrical and maintenance costs.

Automated Side Loader – “Mountain Goat”

Location: No specific location

Project Type: Equipment

Budget: \$170,000

Description: The purchase of a Class 5 or smaller refuse truck with the ability to operate in mountainous terrain and in adverse weather conditions.

Operating Impact: Minor maintenance costs

AZHS Communications

Location: No specific location

Project Type: Grant

Budget: \$50,300

Description: Arizona Homeland Security grant for the funding of additional AIRS Suite

Operating Impact: None

Ballfield Infield Material

Location: Various City Ballparks

Project Type: Culture/Recreation

CAPITAL IMPROVEMENT PLAN

Budget: \$10,000
Description: Install red stabilizer infield material at all City ballfields.
Operating Impact: None

Bed Tax Projects

Location: No specific location
Project Type: Culture/Recreation
Budget: \$611,905
Description: Contingency for any tourism or recreation related projects that may arise during the year. Council will make the determination of which projects will receive funding.
Operating Impact: None known at this time

Big Belly Solar Compactors

Location: No specific location
Project Type: Equipment
Budget: \$21,050
Description: Purchase of 5 compactors as part of a demonstration program to seek partnerships with the Downtown Partnership and Yavapai County. The Big Belly Solar Compactor is a cordless solar automatic trash compactor.
Operating Impact: None known at this time – could possible reduce labor costs in the future

Big Chino Water Ranch

Location: Big Chino Water Ranch
Project Type: Utility Project
Budget: \$1,300,336
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

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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

Budget: \$106,000

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

Broadband Technology

Location: Library

Project Type: Grant

Budget: \$26,500

Description: Grant for Job Help Hub

Operating Impact: None anticipated

Bureau of Justice Assistance Equipment Grant

Location: No specific location

Project Type: Grant

Budget: \$8,000

Description: Provides funding for a police car, bullet proof vests, and other operational equipment.

Operating Impact: None identified

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Canine Grant

Location: No specific location

Project Type: Grant

Budget: \$8,000

Description: Yavapai County Community Foundation Grant for K-9 programs

Operating Impact: None indentified

Capital Contingencies

Location: No specific location

Project Type: Utility Projects

Budget: \$325,000

Description: Contingency monies for any projects that may arise during the fiscal year. Budgets can be located in both Water and Wastewater funds.

Operating Impact: None

Community Development Block Grant

Location: No specific location

Project Type: Grant

Budget: \$223,874

Description: Various community development block grants.

Operating Impact: None

Chemical Root Control

Location: No specific location

Project Type: Utility Project

Budget: \$100,000

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

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Impact:

Chino Piping Reconfiguration

Location: Town of Chino Valley

Project Type: Utility Project

Budget: \$250,000

Description: This project will consist of reconfiguring the water transmission mains within the Town of Chino Valley. It will reconfigure connection points between wells and transmission mains to eliminate entry point into distribution system. Approximately 1,300 lineal feet of main will be built across City owned property to connect the production wells directly to the transmission main and reservoir.

Operating Impact: None anticipated because facilities currently exist

City Shop Underground Storage Tank Release Cleanup

Location: City Shop

Project Type: Environmental

Budget: \$362,000

Description: This project will provide initial resampling of the aquifer from several wells previously drilled in accordance with the site characterization and remediation plan previously approved by ADEQ.

Operating Impact: None anticipated

City Wide Evapo-Transportation Weather Station

Location: No specific location

Project Type: Utility Project

Budget: \$25,000

Description: This equipment entails a weather station that monitors precipitation and the evapo-transportation rate within Prescott with a connection to Parks and Recreation's City-wide irrigation system..

Operating Impact: None anticipated

Cliff Rose Lift Station Upgrade

Location: Cliff Rose Subdivision

Project Type: Utility Project

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Budget: \$875,000

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

Cliff Rose – Marvin Gardens Drainage

Location: Cliff Rose Subdivision

Budget: \$180,000

Project Type: Public Works

Description: Design and construct a project to resolve drainage issues within this subdivision.

Operating Impact: None anticipated

Community Skate Park Sealant

Location: Community Skate Park

Budget: \$50,000

Project Type: Culture/Recreation

Description: Repair concrete where needed and apply the necessary sealer for the concrete surfaces which was never applied at time of construction.

Operating Impact: None anticipated

Copper Basin Reservoir

Location: Copper Basin Road

Project Type: Utility Project

Budget: \$1,410,750

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

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Project Type: Utility Project
Budget: \$300,532
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

COPS Hiring Recovery Grant

Location: No specific location
Project Type: Grant
Budget: \$632,155
Description: Department of Justice Grant to fund all costs associated with the hiring of three full time entry-level police officer positions for a period of three years.
Operating Impact: None anticipated

County Homeland Grants (Fire)

Location: No specific location
Project Type: Grant
Budget: \$20,000
Description: Grants from Yavapai County or State of Arizona Emergency Management for training or equipment
Operating Impact: None anticipated

CYMPO – Matching Funds

Location: No specific locations
Project Type: Transportation
Budget: \$16,000
Description: City share of CYMPO operations
Operating Impact: None anticipated

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Digital Evidence Management/Server

Location:	No specific locations
Project Type:	Public Safety
Budget:	\$69,500
Description:	New server to store all digital media including video, audio, and photographs
Operating Impact:	Cost savings over five years in the amount of \$36,000

Document Imaging System

Location:	No specific location
Project Type:	Technology
Budget:	\$4,000
Description:	Completion of project budgeted in previous fiscal years. 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

DUI Enforcement Regional Grant

Location:	No specific location
Project Type:	Grant
Budget:	\$41,250
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

Early Literacy Play Space

Location:	No specific location
Project Type:	Culture/Recreation
Budget:	\$21,000
Description:	Create a defined Early Literacy Play Space for children ages 0-5 and their caregivers.

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Operating Impact: None anticipated

Email Archiving

Location: No specific location

Project Type: General Government

Budget: \$75,000

Description: This proposed system is designed to meet the broad needs of Human Resources, Legal and the City Clerk's office for an automated and efficient email collection system. This email collection system will provide a web based interface which will allow designated stake holders to search for email information that matches various criteria.

Operating Impact: Ongoing license and maintenance in the amount of \$10,000 per year

Emergency Services/Alarm Monitoring

Location: Regional Communications Center

Project Type: Public Safety

Budget: \$41,265

Description: Upgrade the existing alarm monitoring software and hardware at the Regional Communications Center to allow for alarm monitoring to take place at any dispatch console.

Operating Impact: Cost savings could result since many city buildings are monitored by outside vendors.

Engineering & Safety Projects

Location: No specific location

Project Type: Transportation

Budget: \$50,000

Description: Miscellaneous minor safety and/or maintenance projects.

Operating Impact: None anticipated

Equipment Replacement (Parks)

Location: No specific location

Project Type: Culture/Recreation

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Budget: \$70,000
Description: Purchase of a Toro 4500 Rotary Mower and two utility vehicles
Operating Impact: Reduce maintenance costs

Facilities Improvement

Location: No specific location
Project Type: General Government
Budget: \$140,000
Description: Miscellaneous facilities improvements that may become necessary during the fiscal year.
Operating Impact: None anticipated

Facilities Maintenance Management

Location: No specific location
Project Type: General Government
Budget: \$16,000
Description: Program to allow Facilities Maintenance staff to more accurately track their expenses, time, and work orders. Additionally it will enable staff to forecast an equipment replacement schedule and quantify a maintenance program.
Operating Impact: Annual licensing fee

Federal Emergency Management Grant

Location: No specific location
Project Type: Public Safety
Budget: \$1,030,000
Description: Homeland Security grant provides funding for a wide range of activities aimed to increase security and prepare for emergencies.
Operating Impact: None anticipated

FEMA Flood Insurance Map Update

Location: Various locations
Project Type: Public Works

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Budget: \$140,000

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

Budget: \$61,000

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

Budget: \$220,000

Description: Provides for mitigation of risk through reduction of fuels.

Operating Impact: None anticipated

Fire Department Miscellaneous Grants

Location: No specific location

Project Type: Public Safety

Budget: \$200,000

Description: To provide a budget to enable the Fire Department to take advantage of grant opportunities that may arise during the year

Operating Impact: None anticipated

Fire Vegetation Management Crew

Location: No specific location

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Project Type: Public Safety
Budget: \$453,722
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

Flail Mower

Location: No specific location
Project Type: Transportation
Budget: \$105,000
Description: Funding for the purchase of a replacement flail mower for right-of-way maintenance.
Operating Impact: Reduce maintenance costs

Forbing Park IGA

Location: Forbing Park
Project Type: Utility Project
Budget: \$80,000
Description: This project is to replace 6" wastewater main in Forbing Park including manholes in conjunction with an FCD storm drain project. The Flood Control District will design the improvement and manage the construction of the wastewater main to be reimbursed by the City.
Operating Impact: None known

General Plan Update

Location: City of Prescott
Project Type: General Government
Budget: \$20,000
Description: Conduct evaluation of 2003 General Plan for compliance with statutory requirements and statistical relevance. Research and collect accurate data for plan update. Establish and coordinate with General Plan Citizens Committee to develop plan. Conduct public outreach and involvement program to assure citizen involvement in plan contents.

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Operating Impact: None known

Geodesy

Location: No specific location

Project Type: General Government

Budget: \$6,940

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. This is for the completion of the project.

Operating Impact: Minimal maintenance costs

Governor's Office of Highway Safety – Selective Traffic Enforcement

Location: No specific location

Project Type: Public Safety

Budget: \$17,500

Description: Provides funding for overtime involving traffic safety and related equipment

Operating Impact: None anticipated

Goldwater Lake Day Use Expansion

Location: Goldwater Lake

Project Type: Culture/Recreation

Budget: \$350,000

Description: This project entails significant expansion to day use areas to meet the demands of this park. It entails drilling a well and installing a water storage tank; creating new park roads and parking areas; and installing water lines, vault toilets, group-use armadas, picnic tables, grills, garbage receptacles and signage.

Operating Impact: Increased maintenance costs will be offset by ramada rentals

Granite Creek & Willow Creek Dam

Location: Various lakes

Project Type: Utility

Budget: \$1,069,000

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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

Hassayampa Pump Station – New Zone 19

Location: Sierra Vista along Copper Basin Road

Project Type: Utility Project

Budget: \$806,693

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

High Definition Cameras

Location: Parking Garage

Project Type: General Government

Budget: \$30,000

Description: Purchase of high definition cameras for the Parking Garage on Granite Street will enhance the ability of Prescott Police officers in securing the area.

Operating Impact: Operating costs will be offset by reduced security guard costs.

Household Hazardous Waste Day

Location: Transfer Station

Project Type: General Government

Budget: \$66,400

Description: Contract with a hazardous waste disposal company for a collection day in FY2013

Operating Impact: None anticipated

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Impact Fee Ordinance Implementation and User Rates Project

Location: No specific location

Project Type: Utility Project

Budget: \$200,000

Description: Perform a rate and fee updated analysis associated with the water study completed in 2005 and wastewater study completed in 2007. Cost will be shared by Water and Wastewater funds.

Operating Impact: None known

Inert Debris Recycling

Location: No specific location

Project Type: General Government

Budget: \$75,000

Description: Rental of a grinder for inert materials deposited at the Transfer Station to create a useful product which can take the place of AB material in many uses.

Operating Impact: Fee charged to customers for dropping off inert debris should offset the rental costs of the equipment.

Interior Light Replacement (Fire)

Location: All Fire Stations

Project Type: Public Safety

Budget: \$6,833

Description: Full replacement of all antiquated fluorescent light fixtures in Fire Department facilities.

Operating Impact: Cost savings due to more energy efficient lights being used.

Intersection Signalization Project

Location: None identified

Project Type: Transportation

Budget: \$75,000

Description: Design and installation of complete signal system at one intersection as needed.

Operating Impact: Minimal maintenance costs

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Impact:

JAG Edward Byrne Memorial

Location: No specific location
Project Type: Public Safety
Budget: \$15,000
Description: Provides funding for law enforcement programs.
Operating Impact: None anticipated

Judicial Collection Enhancement Fund and Fill the Gap Grant

Location: No specific location
Project Type: General Government
Budget: \$152,700
Description: Provides funding for court collection efforts
Operating Impact: None

Kuebler Complex Parking Lot

Location: Kuebler Field at Pioneer Park
Project Type: Tourism/Recreation
Budget: \$266,000
Description: This project entails trenching and conduit for lighting, grading and compaction, paving, striping, curb & gutter, and installation of lights. Additionally, it will involve bleachers and benches, shade for spectators, and other amenities for soccer and baseball users.
Operating Impact: Increase electrical costs for complex

Kuebler Multi-Use Complex

Location: Pioneer Park
Project Type: Tourism/Recreation
Budget: \$712,475
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

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needed.

Operating Impact: Additional impact due to the maintenance of additional facilities

Law Enforcement Officers

Location: Airport

Project Type: Public Safety

Budget: \$77,000

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

Budget: \$13,000

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

Budget: \$153,000

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

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Local Network Management

Location: Ken Lindley Field/Washington Street
Project Type: Tourism/Recreation
Budget: \$3,400
Description: Provides funding for emergency telecommunications
Operating Impact: None known

Lower Thumb Butte Pump Station

Location: Thumb Butte Pump Station
Project Type: Utility Project
Budget: \$475,000
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
Budget: \$35,000
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. Costs shared between Water and Wastewater Funds.
Operating Impact: Possible annual maintenance agreement or licensing costs

Mechanical Mobile Evidence Storage System

Location: Police Department
Project Type: Public Safety
Budget: \$57,000

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Description: Purchase of a high capacity mechanical assist mobile storage system with heavy duty shelving and security doors. The unit would be customized to fit the current Property and Evidence Room at the Police Department Headquarters.

Operating Impact: None known

Miscellaneous Gifts and Donations

Location: No specific location

Project Type: General Government

Budget: \$205,547

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 Grants

Location: No specific location

Project Type: General Government

Budget: \$500,000

Description: Budget to enable the City to take advantage of grant opportunities that may arise during the fiscal year.

Operating Impact: None

Miscellaneous Library Grants

Location: Prescott Public Library

Project Type: Culture/Recreation

Budget: \$50,000

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

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Budget: \$350,000

Description: Budget to enable the Police Department to take advantage of grant opportunities that may arise during the fiscal year.

Operating Impact: None

Mount Vernon Avenue (South)

Location: Mt. Vernon Ave from Gurley Street to North of Carleton Street

Project Type: Transportation

Budget: \$2,047,935

Description: Reconstruct and improve Mt Vernon Avenue including water and wastewater improvements

Operating Impact: Reduction in maintenance costs

Neighborhood Cleanup

Location: Various locations

Project Type: Community Development

Budget: \$12,500

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

Budget: \$2,103,650

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

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NPDES Phase II Implementation

Location:	No specific location
Project Type:	Transportation
Budget:	\$217,600
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 North Tank Reservoir Replacement

Location:	North Prescott
Project Type:	Utility
Budget:	\$500,000
Description:	This project is to design and construct a new 1,400,000 million gallon reservoir to replace the existing tank in same location. The water storage capacity this reservoir provides is critical to meet growing peak demands in both this (North-South) and adjacent pressure zones.
Operating Impact:	No significant impact is expected as this is an existing reservoir location

Open Space Management

Location:	Various open space locations
Project Type:	Tourism/Recreation
Budget:	\$500,000
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

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Budget: \$75,000

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

Budget: \$3,937,616

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

Budget: \$30,000

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

Budget: \$30,000

Description: Professional services for ongoing updating of the condition of the City's maintained street system.

Operating Impact: None anticipated

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Pavement Marking Equipment

Location: Various locations

Project Type: Transportation

Budget: \$252,000

Description: Equipment procurement to implement an in-house pavement marking crew.

Operating Impact: Operating costs should be offset by the elimination of the outside contract

Pavement Preservation

Location: Various locations

Project Type: Transportation

Budget: \$4,372,630

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

Budget: \$30,000

Description: Provides funding for potential drug task force operation support by SWAT.

Operating Impact: None known

Prescott Canyon Reservoir

Location: West of Prescott Lakes Parkway

Project Type: Utility Project

Budget: \$100,000

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: Addition tank maintenance

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Prescott Resort Pump Station Upgrade

Location:	West of Heather Heights and North of Highway 69
Project Type:	Utility Project
Budget:	\$1,212,000
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

Pretreatment Study

Location:	No set location
Project Type:	Utility Project
Budget:	\$30,000
Description:	This project is to continue the development of a wastewater pretreatment program to ensure compliance with EPA and ADEQ requirements. It will include an analysis of businesses and sewage discharges, along with a review and an update of the City's Pretreatment Code.
Operating Impact:	None known

Production Well Maintenance

Location:	No specific location
Project Type:	Utility Project
Budget:	\$44,000
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

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PRV Upgrade

Location:	No specific location
Project Type:	Utility Project
Budget:	\$41,000
Description:	This project continues the program of replacing and upgrading the 87± water pressure reducing stations throughout the City. The program replaces obsolete valves with modern equipment, installs relief valves, the modifies vaults to improve accessibility for maintenance.
Operating Impact:	Not yet determined

Public-Transit Grant

Location:	No specific location
Project Type:	Transportation
Budget:	\$30,000
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

Radio Infrastructure

Location:	City-wide
Project Type:	Public Safety
Budget:	\$143,755
Description:	Improvement and construction of radio tower sites. Upgrading Glassford Hill, Badget Mountain, and Mingus Reservoir sites as needed. Create new sites with equipment buildings, towers, power and communication equipment at three new locations. The new locations are the Northwest tank site near Southview, Indian Hills tank site, and the Peavine Overlook by the old landfill site. This project will also include the radio frequency interface equipment needed to interface with the computer aided dispatch system currently in the Regional Communications Center.
Operating Impact:	This has not yet been determined. On-going maintenance will have to be evaluated as to whether local companies can provide this service or whether we will need to employ and equip our own technicians.

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Recovery Wells at Airport

Location: Airport

Project Type: Utility Project

Budget: \$2,500,000

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

Recycle Education & Outreach

Location: No specific location

Project Type: General Government

Budget: \$20,000

Description: Information, education and advertising for the purpose of increasing participation in the City's recycling efforts.

Operating Impact: None known

RICO Funds

Location: Regional Communications Center

Project Type: Public Safety

Budget: \$230,000

Description: Funding for radio console replacement and work station upgrades in the Regional Communications center.

Operating Impact: None known

Rodeo Ground Improvements

Location: Rodeo Grounds

Project Type: Tourism/Recreation

Budget: \$5,000

Description: Contingency for completing projects necessary at the Rodeo Grounds

Operating Impact: None known

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Rotor/Drum Brake Lathe

Location: Central Garage
Project Type: General Government
Budget: \$10,500
Description: Purchase a new brake/lathe capable of resurfacing brake disc and rotors of light vehicles up to 1 ton trucks.
Operating Impact: None anticipated

Ruger Road Realignment

Location: Ruger Road
Project Type: Transportation
Budget: \$1,760,830
Description: Realignment of Ruger Road to intersect at a new roundabout on SR89
Operating Impact: None anticipated as this is a reconstruct

RW 2L-3R Runway Safety

Location: Airport
Project Type: Grant
Budget: \$1,760,830
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

School Zone Crossing

Location: No specific location
Project Type: Public Safety
Budget: \$3,860
Description: Fund to purchase equipment for use with School Crossings
Operating Impact: None known

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Senator Highway Reconstruction

Location: Senator Highway from Mt Vernon to City Lights

Project Type: Transportation

Budget: \$3,594,753

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

Budget: \$125,000

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.

Sidewalks – ADA Compliance

Location: No specific location

Project Type: Transportation

Budget: \$25,750

Description: This project is an annual recurring project to correct deficiencies in sidewalks, ramps and other pedestrian access areas to maintain compliance with ADA requirements.

Operating Impact: No operating impact

Signal Replacement Equipment

Location: No specific location

Project Type: Transportation

Budget: \$25,000

CAPITAL IMPROVEMENT PLAN

Description: Annual replacement of signal equipment as needed.

Operating Impact: None anticipated

Small Water Main Upgrades

Location: No specific location

Project Type: Utility Project

Budget: \$1,400,000

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.

SR69 Corridor Phase I

Location: Tribal Intersections and SR69

Project Type: Utility Project

Budget: \$125,000

Description: Install pipe sleeves in conjunction with planned Tribal intersections with SR69 to accommodate future water main improvements.

Operating Impact: None known

SR89 Water Main Relocation

Location: North of existing Ruger Road

Project Type: Utility Project

Budget: \$85,000

Description: This project will consist of relocation/realignment of City water infrastructure within Arizona Department of Transportation right-of-way in preparation of the upcoming ADOT roadway improvements.

Operating Impact: None anticipated

CAPITAL IMPROVEMENT PLAN

SR89/Phippen Roundabout

Location: SR89 near Phippen Museum

Project Type: Transportation

Budget: \$400,000

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

Station 75 Drainage Improvements

Location: Fire Station 75

Project Type: Public Safety

Budget: \$42,193

Description: Construct drainage improvements at Fire Station 75 on Lee Blvd

Operating Impact: None known

Station Roof Modification

Location: Fire Station on Iron Springs Road

Project Type: Public Safety

Budget: \$32,500

Description: Roof modification of the west roof section

Operating Impact: None known

Storage Tank Maintenance

Location: No specific location

Project Type: Utility project

Budget: \$160,000

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

CAPITAL IMPROVEMENT PLAN

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

Stormwater Pollution Prevention Plan

Location: Airport

Project Type: Transportation

Budget: \$10,000

Description: Funding for stormwater pollution at Airport

Operating Impact: None anticipated

Street Lights

Location: No specific location

Project Type: Transportation

Budget: \$85,000

Description: Annual project to fund the replacement of existing and install new street lights.

Operating Impact: None

Sundog Filter Replacement/Denitrification

Location: Sundog Wastewater Treatment Plant

Project Type: Utility Project

Budget: \$1,000,000

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

Sundog Trailhead Restroom

Location: Peavine Trail

Project Type: Tourism/Recreation

Budget: \$95,000

CAPITAL IMPROVEMENT PLAN

Description: New restroom building, city water meter and extending utilities to building location

Operating Impact: Maintenance and utility costs to new facilities

Sundog Trunk Main

Location: No specific location

Project Type: Utility Project

Budget: \$500,000

Description: This project is to design replacements and upgrades to the Sundog Trunk Main and to begin construction of Phase I replacements

Operating Impact: Project will correct deficiencies with the II and pipe slope deficiencies which will reduce maintenance to the system.

Survey Grade GPS Unit

Location: No specific location

Project Type: Transportation

Budget: \$25,000

Description: Purchase of one Trimble R8 Unit to be used by existing City surveyors.

Operating Impact: None known

Telemetry/SCADA

Location: No specific location

Project Type: Utility Project

Budget: \$268,000

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.

CAPITAL IMPROVEMENT PLAN

Traffic Calming – Various Streets

Location: No specific location

Project Type: Transportation

Budget: \$10,000

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

Traffic Signal Design

Location: No specific location

Project Type: Transportation

Budget: \$10,000

Description: Engineering of new signals and other traffic related items that arise throughout the year.

Operating Impact: None identified

Transfer Station Floor Repair

Location: Transfer Station

Project Type: General Government

Budget: \$100,000

Description: Repair cantilever over push pit in transfer station

Operating Impact: No new costs anticipated

Transfer Station Paving

Location: Transfer Station

Project Type: General Government

Budget: \$281,152

Description: Grading and paving at the Transfer Station to be completed in phases.

Operating Impact: None

CAPITAL IMPROVEMENT PLAN

Unpaved Streets

Location: No specific location

Project Type: Transportation

Budget: \$50,000

Description: To provide asphalt, base materials and other street construction materials for various streets to be paved by Field Operations

Operating Impact: None anticipated

Vehicle Replacements

Location: No specific location

Project Type: Equipment

Budget: \$2,000,000

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

Walker Road Rehab

Location: Walker Road (SR69-City Limits)

Project Type: Transportation

Budget: \$705,000

Description: Remove and replace existing paved surface including subgrade preparation, new signal loop-detectors and striping, as needed

Operating Impact: Reduction in maintenance costs

Walk-In Cooler

Location: Police Station

Project Type: Public Safety

Budget: \$15,500

Description: Replacement of walk-in evidence cooler. Cost will be shared between General Fund and Police Impact Fee

Operating Impact: None anticipated

CAPITAL IMPROVEMENT PLAN

Wastewater Collection Model Update

Location: No specific location

Project Type: Utility Project

Budget: \$200,000

Description: Update wastewater model that was completed in 2007 to plan for capital projects and private development

Operating Impact: None anticipated

Water Model Update

Location: No specific location

Project Type: Utility Project

Budget: \$200,000

Description: Update water model that was completed in 2005 to plan for capital projects and private development

Operating Impact: None anticipated

Welding Shop at Transfer Station

Location: Transfer Station

Project Type: General Government

Budget: \$60,000

Description: Construction to enclose a work space for the container maintenance program in back of the Transfer Station.

Operating Impact: None anticipated

White Spar Water Main

Location: White Spar Road from Copper Basin Road to Canyon Drive

Project Type: Utility Project

Budget: \$685,000

Description: Replacement and relocation of City water infrastructure within Arizona Department of Transportation right-of-way in preparation of the upcoming ADOT roadway improvement.

Operating Impact: None anticipated

CAPITAL IMPROVEMENT PLAN

Wildfire Academy Tohono

Location: No specific location

Project Type: Public Safety

Budget: \$80,000

Description: Tribal grant for wildland firefighter education and training

Operating Impact: None anticipated

Williamson Valley Road

Location: Williamson Valley Road

Project Type: Transportation

Budget: \$1,700,000

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 Creek 14" Transmission Line

Location: Willow Creek

Project Type: Utility Project

Budget: \$246,000

Description: This project is to replace and upgrade the existing 12" transmission main, washed out during the January 2005 floods and temporarily reconstructed, with a 14" main to meet capacity requirements. This line will also be relocated out of the Willow Creek channel.

Operating Impact: Reduced maintenance due to elimination of high-maintenance section of transmission main

Willow Creek Channel Improvements

Location: Willow Creek Channel

Project Type: Transportation

Budget: \$190,000

Description: Assessment of the Willow Creek levee and its compliance with FEMA certification.

CAPITAL IMPROVEMENT PLAN

Operating Impact: None known

Willow Creek Trans Main Scour

Location: Within Willow Creek

Project Type: Utility Project

Budget: \$200,000

Description: Design and construct scour protection for the 36", 18", and 14" water transmission mains that cross Willow Creek. The scour protection will prevent lateral and vertical channel geomorphology from rupturing the water mains.

Operating Impact: Reduction of time and materials resulting from responding to emergency calls.

Willow Creek Wall Repair

Location: Willow Creek Road

Project Type: Transportation

Budget: \$100,000

Description: Remove and replace the outer layer of the retaining wall on Willow Creek Road

Operating Impact: Decreased maintenance costs

Watson and Willow Lakes Enhancement Project

Location: Watson and Willow Lakes

Project Type: Utility Project

Budget: \$50,000

Description: This project provides for water and sediment sampling, testing and data analysis at Willow and Watson Lakes. It also provides for public involvement and dissemination of information gathered to identify potential future water quality.

Operating Impact: None known

Work Lights at Transfer Station

Location: Transfer Station

Project Type: General Government

Budget: \$14,500

Description: Installation of lights similar to those commonly used in parking lots in

CAPITAL IMPROVEMENT PLAN

compliance with Prescott City Code.

Operating Impact: Increased electricity costs

Yavapai County Fire Wise

Location: No specific location

Project Type: Public Safety

Budget: \$75,117

Description: Grant funding for fuels mitigation

Operating Impact: None known

Yavapai Hills Drainage

Location: Yavapai Hills

Project Type: Transportation

Budget: \$390,000

Description: Design and/or construct projects that focus on the drainage issues in this subdivision

Operating Impact: None known

Yavapai Hills Lower Pump Station

Location: Yavapai Hills

Project Type: Utility Project

Budget: \$200,000

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

CAPITAL IMPROVEMENT PLAN

Five Year Plan FY2014-FY2018

Project Description	FY2014	FY2015	FY2016	FY2017	FY2018
Water Fund					
Airport Zone Production/Recovery Wells	133,000	1,197,000			133,000
Small Water Main Replacements	1,061,000	1,239,000	1,126,000	1,315,000	1,195,000
Big Chino Water Ranch (BCWR)	1,201,270	1,522,270	1,838,270	1,630,270	1,671,270
18" Line Smoke Tree Lane - 30" Main at Willow Creek to Bir	1,465,000				
SR69 Corridor All Phases Water Infrastructure		510,000	1,650,000		
Prescott Canyon 1.25 MG Tank Reservoir & Piping	2,173,814				
Haisley New Tank Reservoir		513,000	1,419,000		
12" Line Meadowbrook, Forest Hills Rd - Thumb Butte Rd to Thumb Butte Tanl		160,000	1,100,000		
Chino Forebay Improvements			5,000,000	8,400,000	
Mingus Tank Reservoir Replacement			300,000	1,500,000	
Total Water Fund	\$ 6,034,084	\$ 5,141,270	\$ 12,433,270	\$ 12,845,270	\$ 2,999,270
Wastewater Fund					
Airport Phase 1 (3.75MG) (Debt Issue)	18,000,000	2,000,000			
Sundog Trunk Main	500,000	3,250,000			
Sundog Solids Handling Rehabilitation	1,000,000				
Sundog Equalization Basin	750,000	5,000,000			
Total Wastewater Fund	20,250,000	10,250,000	-	-	-
Streets and Open Space Fund					
Pavement Maintenance and Preservation	4,503,809	4,638,923	4,778,091	4,921,434	5,069,077
Open Space	500,000	500,000			
SR89/Side Road Connector Roundabout		1,128,432			
Sundog Connector Storm Ranch - DA City Share	1,420,635				
Total Streets and Open Space Fund	6,424,444	6,267,355	4,778,091	4,921,434	5,069,077
Total	\$ 32,708,528	\$ 21,658,625	\$ 17,211,361	\$ 17,766,704	\$ 8,068,347

FY2013 BUDGET

APPENDIX

COMMUNITY PROFILE

RESOLUTION

LEGAL SCHEDULES

SALARY RANGES

AUTHORIZED POSITION SCHEDULE

GLOSSARY OF TERMINOLOGY

BUDGET SUMMARIES

COMMUNITY PROFILE

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

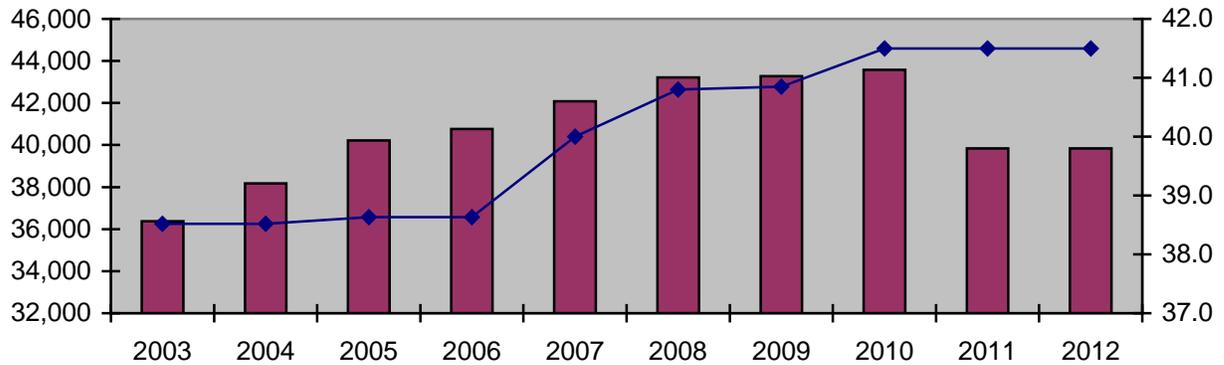
The council-manager form of government was adopted in 1958. The Mayor is elected on a nonpartisan ballot to represent the entire City for a two-year term. The six members of Council are elected at large for four year terms on a nonpartisan ballot. Three of the six positions and the Mayor's position are 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.

BUDGET SUMMARIES

COMMUNITY PROFILE



Population and Area				
Year	Population	Population		
		Yavapai County	as % of County	Land Area
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
2011	39,843	211,033	18.9%	41.50 square miles
2012	39,843	211,888	18.8%	41.50 square miles

BUDGET SUMMARIES

COMMUNITY PROFILE

Racial/Ethnic Composition, 2010 Est	
White, Non-Hispanic	86.40%
Hispanic	2.90%
Black	0.60%
Other	10.10%

Population by Sex, 2010 Est	
Male	49.00%
Female	51.00%

Population by Age, 2010 Est	
Under 5	5.00%
5-9	5.20%
10-14	5.60%
15-19	5.60%
20-24	4.80%
25-34	8.80%
35-44	9.70%
45-54	14.10%
55-59	8.40%
60-64	8.70%
65-74	13.70%
75 and Over	10.40%

Households by Income, 2010 Est	
\$200,000 or more	1.70%
150,000 to 199,999	1.10%
100,000 to 149,999	4.70%
75,000 to 99,999	7.00%
50,000 to 74,999	16.70%
35,000 to 49,999	18.70%
25,000 to 34,999	15.90%
15,000 to 24,999	17.20%
10,000 to 14,999	8.10%
under 14,999	9.00%

Average Income	\$ 40,910
Median Income	\$ 43,290
Per Capita Income	\$ 25,527

Economy

Although small in population, 39,843, 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

BUDGET SUMMARIES

COMMUNITY PROFILE

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	9.5%

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	25,458

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

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013
Total Operating Budget (000s)	\$ 85,720	\$ 80,514	\$ 81,449	\$ 70,857	\$ 74,654	\$ 76,727
Total Regular Employees (Note 1)	573.500	572.500	518.25	512.25	513.75	504.75
Total Employees per 1000	13.63	13.25	11.97	11.75	12.89	12.67
Assessed Valuation (000s)	583,116	660,247	729,027	720,770	634,923	554,022
Property Tax Rate	0.4972	0.4233	0.3697	0.3830	0.4433	0.4832
City Prop Tax Paid Per Capita	\$ 73.11	\$ 73.00	\$ 66.60	\$ 64.84	\$ 71.26	\$ 67.28
City Sales Tax Rate	2%	2%	2%	2%	2%	2%
City Sales Tax Paid Per Capita	\$ 374.24	\$ 335.52	\$ 288.82	\$ 275.40	\$ 299.27	\$ 316.87
Note: Regular employees does not include part-time temporary or seasonal employees.						

BUDGET SUMMARIES

COMMUNITY PROFILE

City Services

Neighborhood Resources

Parks	21
Park Acres	1,394
Golf Courses	2
Miles of Trails	45
Open Space - Natural Parklands (acres)	765
Libraries	1
Circulation of Library Materials	702,286

Public Safety

Police Employees	121.50
Calls for Services	30,000
Part 1 Crimes	1,440
Part 2 Crimes	4,000
Fire Stations	5
Fire Employees	73.00
Calls for Services	7,920
Inspections	1,577

Building Inspections

Number of Permits Issued	1,613
Value of Permits (in millions)	60.9

Transportation

Total Miles of Streets (lane miles)	577
Cold Mix Repairs (lbs)	43,153
Hot Mix Repairs (tons)	1,430

Refuse Collection

Household Accounts	20,503
Commercial Accounts	888
Refuse Collected (tons)	30,971

Transfer Station

Transactions Per Year	69,430
Tons Per Year	55,685

Airport (Calendar Year 2010)

Commercial Aircraft Landings	1,725
Passengers	5,222
FAA Traffic Count	265,093

City of Prescott Water

Miles of Water Mains	537.8
Number of Connections	22,710

City of Prescott Wastewater

Miles of Wastewater Lines	389.8
Number of Connections	18,979

BUDGET SUMMARIES

BUDGET RESOLUTIONS

RESOLUTION NO. 4120-1240

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 2012-13, 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 2012-13. 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 26th day of June, 2012, 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 2012-13 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 10th day of July, 2012, 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 2012-13 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.

BUDGET SUMMARIES

BUDGET RESOLUTIONS

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 12th day of June, 2012.

/s/ MARLIN D. KUYKENDALL, Mayor

ATTEST:
APPROVED AS TO FORM:

/s/ ELIZABETH A BURKE, City Clerk
/s/ GARY D KIDD, City Attorney

BUDGET SUMMARIES

BUDGET RESOLUTIONS

RESOLUTION NO. 4139-1249

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 2013, 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 12th day of June, 2012, 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 26, 2012, 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 10, 2012, 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 2013.

SECTION 2. THAT, the expenditure limitation for the City of Prescott for fiscal year 2013 be established at \$160,059.296.

BUDGET SUMMARIES

BUDGET RESOLUTIONS

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 26th day of June, 2012.

/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 2013

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2012	ACTUAL EXPENDITURES/EXPENSES ** 2012	FUND BALANCE/ NET ASSETS*** July 1, 2012**	PROPERTY TAX REVENUES 2013	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2013	OTHER FINANCING 2013		INTERFUND TRANSFERS 2013		TOTAL FINANCIAL RESOURCES AVAILABLE 2013	BUDGETED EXPENDITURES/EXPENSES 2013
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 30,232,488	\$ 29,129,638	\$ 15,829,797	\$ 1,095,856	\$ 28,596,140	\$	\$	\$ 20,000	\$ 590,183	\$ 44,951,610	\$ 29,983,800
2. Special Revenue Funds	43,896,538	27,684,368	20,504,352		21,767,113			410,240	76,480	42,605,225	34,336,039
3. Debt Service Funds Available	3,003,209	1,973,889		1,584,975	1,392,635					2,977,610	2,969,610
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	3,003,209	1,973,889		1,584,975	1,392,635					2,977,610	2,969,610
6. Capital Projects Funds											
7. Permanent Funds	408,482	407,471									
8. Enterprise Funds Available	75,841,948	50,074,486	25,573,472		46,061,391	11,619,451		236,423		83,490,737	83,382,116
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	75,841,948	50,074,486	25,573,472		46,061,391	11,619,451		236,423		83,490,737	83,382,116
11. Internal Service Funds	9,224,466	7,237,359	4,488,673		6,935,661					11,424,334	9,387,731
12. TOTAL ALL FUNDS	\$ 162,607,131	\$ 116,507,210	\$ 66,396,294	\$ 2,680,831	\$ 104,752,940	\$ 11,619,451	\$	\$ 666,663	\$ 666,663	\$ 185,449,516	\$ 160,059,296

EXPENDITURE LIMITATION COMPARISON

	2012	2013
1. Budgeted expenditures/expenses	\$ 162,607,131	\$ 160,059,296
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	162,607,131	160,059,296
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 162,607,131	\$ 160,059,296
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 not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

CITY OF PRESCOTT, ARIZONA
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2013

	<u>2012</u>	<u>2013</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>1,415,244</u>	\$ <u>1,472,037</u>
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)	\$ <u> </u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>1,255,878</u>	\$ <u>1,095,856</u>
B. Secondary property taxes	<u>1,583,350</u>	<u>1,584,975</u>
C. Total property tax levy amounts	\$ <u>2,839,228</u>	\$ <u>2,680,831</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u>1,218,202</u>	
(2) Prior years' levies	<u>37,676</u>	
(3) Total primary property taxes	\$ <u>1,255,878</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ <u>1,532,683</u>	
(2) Prior years' levies	<u>50,667</u>	
(3) Total secondary property taxes	\$ <u>1,583,350</u>	
C. Total property taxes collected	\$ <u>2,839,227</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.1978</u>	<u>0.1978</u>
(2) Secondary property tax rate	<u>0.2455</u>	<u>0.2854</u>
(3) Total city/town tax rate	<u>0.4433</u>	<u>0.4832</u>
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 assessment 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 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
GENERAL FUND			
Local taxes			
Privilege and Use Tax	\$ 11,924,000	\$ 12,051,000	\$ 12,625,000
Franchise Taxes	1,735,747	1,669,021	1,719,092
Licenses and permits	306,600	333,516	332,600
Intergovernmental			
State	8,492,939	8,492,939	9,471,571
Local Jurisdictions	2,126,637	2,030,336	2,189,619
Charges for services	1,089,850	1,137,343	1,399,458
Fines and forfeits	450,750	505,300	504,800
Interest on investments	324,500	263,100	263,250
In-lieu property taxes	67,000	67,000	67,000
Miscellaneous	26,450	52,351	23,750
Total General Fund	\$ 26,544,473	\$ 26,601,906	\$ 28,596,140
SPECIAL REVENUE FUNDS			
Streets and Open Space Funds			
Streets and Open Space Tax	\$ 11,545,000	\$ 11,449,000	\$ 12,076,486
Intergovernmental - Federal	680,000	201,568	
Intergovernmental - State	2,577,894	2,656,256	2,808,792
Intergovernmental - County	2,174,800	187,188	960,000
Intergovernmental - Local Jurisdictions	7,800	28	
Interest Earned	50,000	175,000	50,000
Miscellaneous	536,109	600,769	654,901
	\$ 17,571,603	\$ 15,269,809	\$ 16,550,179
Transient Occupancy Tax			
Transient Occupancy Tax	\$ 526,624	\$ 541,441	\$ 557,684
Fees/Donations	123,500	143,000	
Miscellaneous	1,500	1,500	1,500
	\$ 651,624	\$ 685,941	\$ 559,184
Impact Fee Fund			
Impact Fees	\$ 564,725	\$ 353,440	\$ 306,120
Miscellaneous	76,710	60,704	61,058
	\$ 641,435	\$ 414,144	\$ 367,178
Grants Fund			
Miscellaneous Grants	5,572,458	3,284,378	4,280,572
	\$ 5,572,458	\$ 3,284,378	\$ 4,280,572
Acker Trust			
Interest Earned	10,000	10,000	10,000
	\$ 10,000	\$ 10,000	\$ 10,000
Total Special Revenue Funds	\$ 24,447,120	\$ 19,664,272	\$ 21,767,113

* 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 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
DEBT SERVICE FUNDS			
Special Assessments	\$ 1,360,044	\$ 1,360,044	\$ 1,340,044
Interest Earned	74,065	67,065	52,591
Total Debt Service Funds	\$ 1,434,109	\$ 1,427,109	\$ 1,392,635
ENTERPRISE FUNDS			
Water	\$ 16,246,099	\$ 16,270,164	\$ 16,093,795
Wastewater	8,979,404	8,970,908	9,840,700
Solid Waste/Transfer Station	8,186,900	8,267,692	8,294,520
Golf Course	2,824,478	2,675,694	2,895,740
Airport	10,574,818	5,061,763	8,936,636
Parking Garage	40,540	41,523	
Total Enterprise Funds	\$ 46,852,239	\$ 41,287,744	\$ 46,061,391
INTERNAL SERVICE FUNDS			
Fleet Maintenance	\$ 1,751,468	\$ 1,790,468	\$ 1,941,000
Self-Insurance	2,146,127	2,121,127	2,257,978
Facilities Maintenance	1,052,160	1,814,316	1,616,735
Engineering	1,833,183	1,052,160	1,119,948
Total Internal Service Funds	\$ 6,782,938	\$ 6,778,071	\$ 6,935,661
TOTAL ALL FUNDS	\$ 106,060,879	\$ 95,759,102	\$ 104,752,940

* 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 2013

FUND	OTHER FINANCING 2013		INTERFUND TRANSFERS 2013	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Grants	\$	\$	\$	\$ 590,183
Parking Garage			20,000	
Total General Fund	\$	\$	\$ 20,000	\$ 590,183
SPECIAL REVENUE FUNDS				
Grants	\$	\$	\$ 353,760	\$
Transient Occupancy Tax				20,000
Streets and Open Space			56,480	
Street Impact Fee				56,480
Total Special Revenue Funds	\$	\$	\$ 410,240	\$ 76,480
ENTERPRISE FUNDS				
Airport	\$	\$	\$ 236,423	\$
Water		11,619,451		
Total Enterprise Funds	\$	\$ 11,619,451	\$ 236,423	\$
TOTAL ALL FUNDS	\$	\$ 11,619,451	\$ 666,663	\$ 666,663

CITY OF PRESCOTT, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2013

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012	ACTUAL EXPENDITURES/ EXPENSES* 2012	BUDGETED EXPENDITURES/ EXPENSES 2013
GENERAL FUND				
City Council	\$ 52,066	\$	\$ 34,699	\$ 39,104
City Clerk	105,681		82,748	78,451
City Court	522,912		484,527	549,961
City Manager	2,545,517		2,540,688	697,175
Legal	282,631		282,581	246,865
Budget & Finance	556,443		466,566	561,948
Field & Facilities				138,381
Administrative Services	608,523		335,144	
Community Development	1,494,238		1,416,526	1,308,228
Parks, Recreation & Library	4,855,207		4,759,098	
Parks & Recreation				3,056,449
Library				2,248,752
Police Department	9,428,774		9,198,828	12,445,791
Fire Department	6,865,658		6,840,026	7,222,605
Regional Dispatch	2,914,838		2,688,208	
Economic Enterprises				1,390,090
Total General Fund	\$ 30,232,488	\$	\$ 29,129,638	\$ 29,983,800
SPECIAL REVENUE FUNDS				
Streets and Open Space	\$ 35,850,323	\$	\$ 23,393,108	\$ 27,446,609
Transient Occupancy Tax	780,468		695,125	611,905
Impact Fee Fund	1,424,475		99,000	1,427,350
Grants Fund	6,046,272	(205,000)	3,497,135	4,634,878
Trust Funds				215,297
Total Special Revenue Funds	\$ 44,101,538	\$ (205,000)	\$ 27,684,368	\$ 34,336,039
DEBT SERVICE FUNDS				
	\$ 3,003,209	\$	\$ 1,973,889	\$ 2,969,610
PERMANENT FUNDS				
Trust Funds	\$ 203,482	\$ 205,000	\$ 407,471	\$
Total Permanent Funds	\$ 203,482	\$ 205,000	\$ 407,471	\$
ENTERPRISE FUNDS				
Water	\$ 34,255,216	\$	\$ 19,746,052	\$ 32,355,874
Wastewater	19,272,161		13,584,238	30,119,790
Solid Waste/Transfer Station	8,690,134		8,689,370	8,944,146
Golf Course	2,821,974		2,817,054	2,841,390
Airport	10,725,278		5,158,921	9,120,916
Parking Garage	77,185		78,851	
Total Enterprise Funds	\$ 75,841,948	\$	\$ 50,074,486	\$ 83,382,116
INTERNAL SERVICE FUNDS				
Fleet Maintenance	\$ 4,196,457	\$	\$ 2,293,520	\$ 4,267,953
Self-Insurance	2,105,121		2,103,753	2,243,329
Engineering	1,856,509		1,814,317	1,618,817
Facilities Maintenance	1,066,379		1,025,769	1,257,632
Total Internal Service Funds	\$ 9,224,466	\$	\$ 7,237,359	\$ 9,387,731
TOTAL ALL FUNDS	\$ 162,607,131	\$	\$ 116,507,210	\$ 160,059,296

* 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 2013

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED	ACTUAL EXPENDITURES/ EXPENSES *	BUDGETED EXPENDITURES/ EXPENSES
	2012	2012	2012	2013
Public Works:				
Streets and Open Space	\$ 32,541,450	\$	\$ 20,108,784	\$ 23,605,636
Engineering	1,856,509		1,814,317	1,618,817
Water	34,255,216		19,746,052	32,355,874
Wastewater	19,272,161		13,584,238	30,119,790
Department Total	\$ 87,925,336	\$	\$ 55,253,391	\$ 87,700,117
Field Operations:				
Streets and Open Space	\$ 3,308,873	\$	\$ 3,284,324	\$
Solid Waste/Transfer Station	8,690,134		8,689,370	
Department Total	\$ 11,999,007	\$	\$ 11,973,694	\$
Field & Facilities				
Rodeo Grounds/General Fund	\$	\$	\$	\$ 29,056
Parking Garage/General Fund				104,325
Streets and Open Space				3,840,973
Solid Waste/Transfer Station				8,944,146
Fleet Maintenance				4,267,953
Facilities Maintenance				1,257,632
Department Total	\$	\$	\$	\$ 18,444,085
Airport and Economic Enterprises				
Economic Dev/General Fund	\$	\$	\$	\$ 121,355
Elks/General Fund				257,834
Tourism/General Fund				181,408
Special Events/General Fund				129,493
Airport				9,120,916
Department Total	\$	\$	\$	\$ 9,811,006

* 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.

POLICIES AND OBJECTIVES

FY2013 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

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	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 Clerk						
City Clerk	1.000	1.000	1.000	Open Range		0
Administrative Assistant	0.650	1.000	1.000	33,675	47,133	53
Total City Clerk	1.650	2.000	2.000			
City Court						
Senior Court Clerk	1.000	1.000	1.000	28,330	39,666	46
Court Clerk	4.750	4.750	5.000	25,667	35,922	42
Total City Court	5.750	5.750	6.000			
City Manager						
City Manager	1.000	0.750	0.750	Open Range		0
Deputy City Manager	1.000	1.000	1.000	Open Range		0
Assistant to City Council	1.000	1.000	1.000	48,776	68,266	68
Assistant to City Manager	1.000	1.000	-	46,426	64,979	66
Economic Development Specialist	0.250	-	-	39,049	54,668	59
Administrative Assistant	0.150	-	-	33,675	47,133	53
Total City Manager	4.400	3.750	2.750			
Public Communications						
Public Affairs Director	1.000	1.000	1.000	57,970	81,162	75
Public Affairs Coordinator	1.000	-	-	43,098	60,341	63
Total	2.000	1.000	1.000			
Human Resources						
Human Resources Director	1.000	1.000	1.000	Open Range		0
Human Resources Analyst	1.000	1.000	1.000	48,776	68,266	68
Payroll Specialist	1.000	1.000	1.000	48,776	68,266	68
Benefits Specialist	1.000	1.000	1.000	38,106	53,331	58
Payroll Technician	-	-	1.000	33,675	47,133	53
Human Resources Assistant	1.000	1.000	1.000	33,675	47,133	53
Total Human Resources	5.000	5.000	6.000			
Legal Department						
City Attorney	1.000	1.000	1.000	Open Range		0
City Prosecutor	1.000	1.000	1.000	79,914	111,883	88
Chief Assistant City Attorney	1.000	1.000	1.000	79,914	111,883	88
Senior Asst City Attorney	1.000	1.000	1.000	72,384	101,358	84
Police Officer	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	-	37,170	52,042	57
Legal Secretary	1.500	1.500	1.500	32,053	44,866	51
Total Legal Department	8.500	8.500	7.500			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
CDBG Administration						
Grants Administrator	1.000	1.000	0.670	45,282	63,398	65
Total	1.000	1.000	0.670			
Total General Government	35.300	34.000	32.920			
Budget and Finance Department						
<u>Tax & Licensing</u>						
Assistant Finance Director	-	0.500	0.500	72,384	101,358	84
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
Tax & Licensing Specialist	1.000	1.000	1.000	48,776	68,266	68
Accounting Technician	2.000	2.000	2.000	33,675	47,133	53
Accounting Clerk	-	-	1.000	26,957	37,752	44
Total	5.000	5.500	6.500			
<u>Accounting Services</u>						
Finance Director	0.900	0.900	0.900	Open Range		0
Assistant Finance Director	1.000	0.500	0.500	72,384	101,358	84
Senior Accountant	1.000	1.000	1.000	51,230	71,739	70
Budget Manager	1.000	1.000	1.000	51,230	71,739	70
Accounting Technician	2.000	2.000	2.000	33,675	47,133	53
Accounting Clerk	1.000	1.000	-	26,957	37,752	44
Total	6.900	6.400	5.400			
<u>Information Technology</u>						
Finance Director	0.100	0.100	0.100	Open Range		0
IT Manager	1.000	1.000	1.000	72,384	101,358	84
Application Mgr/GIS Coordinator	0.500	0.500	0.500	57,970	81,162	75
Network Engineer	1.000	1.000	1.000	51,230	71,739	70
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
Web Developer	-	-	0.500	Open Range		0
GIS Specialist	1.000	1.000	1.000	Open Range		0
Info Tech Specialist	4.000	4.000	4.000	Open Range		0
Total	9.600	9.600	10.100			
<u>Purchasing</u>						
Facilities Director	0.100	-	-	Open Range		0
Purchasing Manager	1.000	1.000	-	56,555	79,186	74
Total	1.100	1.000	-			
Total Finance Department	22.600	22.500	22.000			
Field and Facilities						
<u>Rodeo</u>						
Administrative Svcs Director	0.100	0.150	-	Open Range		0
Facilities Manager	-	-	0.150	68,910	96,470	82
Total	0.100	0.150	0.150			
<u>Parking Garage Fund</u>						
Facilities Director	0.100	-	-	Open Range		0
Administrative Services Director	-	0.100	0.100	Open Range		0
Total	0.100	0.100	0.100			
Total Field and Facilities	0.200	0.250	0.250			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
Community Development						
<u>Administration/Planning & Zoning</u>						
Comm. Devel. Director	0.500	0.500	0.500	Open Range		0
Planning Manager	0.600	0.600	0.600	60,902	85,259	77
Application Mgr/GIS Coordinator	0.500	0.500	0.500	57,970	81,162	75
Planner	3.000	2.750	1.650	51,230	71,739	70
Grants Administrator	-	-	0.330	45,282	63,398	65
Administrative Assistant	1.000	-	-	33,675	47,133	53
Administrative Specialist	-	1.000	1.000	32,843	45,989	52
Secretary	1.000	1.000	-	26,957	37,752	44
Total	6.600	6.350	4.580			
<u>Building Inspections</u>						
Comm. Devel. Director	0.300	0.300	0.300	Open Range		0
Chief Building Official	1.000	1.000	1.000	60,902	85,259	77
Commercial Specialist	1.000	1.000	-	48,776	68,266	68
Combo Bldg Insp/Plans Examiner	-	-	2.000	48,776	68,266	68
Plans Examiner	1.000	1.000	1.000	44,179	61,859	64
Building Inspector	1.000	1.000	-	38,106	53,331	58
Permit Tech	1.000	1.000	1.000	31,262	43,784	50
Total	5.300	5.300	5.300			
<u>Code Enforcement</u>						
Comm. Devel. Director	0.200	0.200	0.200	Open Range		0
Planning Manager	0.400	0.400	0.400	60,902	85,259	77
Code Enforcement Supervisor	1.000	1.000	1.000	48,776	68,266	68
Code Enforcement Officer	2.000	1.000	1.000	29,037	40,643	47
Total	3.600	2.600	2.600			
Total Community Development	15.500	14.250	12.480			
Parks and Recreation						
<u>Administration</u>						
Recreation Services Director	-	1.000	1.000	Open Range		0
Asst Parks & Rec Director	1.000	-	-	65,582	91,811	80
Recreation Assistant	-	0.092	0.092	26,957	37,752	44
Secretary	0.092	-	-	26,957	37,752	44
Total	1.092	1.092	1.092			
<u>Recreation Programming</u>						
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
Recreation Assistant	-	0.794	0.794	29,037	40,643	47
Secretary	1.794	1.000	1.000	26,957	37,752	44
Total	3.794	3.794	3.794			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
<u>Parks, Trails, and Landscape Maintenance</u>						
Special Projects Supt.	1.000	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	0.300	0.300	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	2.300	2.300	32,843	45,989	52
Community Services Worker Monitor	-	-	1.000	26,957	37,752	44
Recreation Assistant	-	-	0.114	26,957	37,752	44
Secretary	0.114	0.114	-	26,957	37,752	44
Maintenance Worker	-	-	1.000	25,043	35,048	41
Total	10.114	8.714	10.714			
<u>Lakes Management</u>						
Maintenance Technician	1.000	1.000	1.000	32,843	45,989	52
Maintenance Worker	2.000	2.000	2.000	25,043	35,048	41
Total	3.000	3.000	3.000			
Total Parks, Recreation & Library	18.000	16.600	18.600			
Library						
<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	-	51,230	71,739	70
Manager, Support Services	-	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	6.000	41,018	57,429	61
Technical Support Specialist	-	1.000	1.000	41,018	57,429	61
Business Manager	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
Custodian	1.000	1.000	1.000	21,590	30,222	35
Total	24.000	25.000	23.000			
<u>Prescott Gateway Branch</u>						
Library Assistant	1.000	-	-	27,643	38,688	45
Total	1.000	-	-			
Total Library	25.000	25.000	23.000			
Police Department						
<u>Administration</u>						
Police Chief	1.000	1.000	1.000	Open Range		0
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
Total	4.000	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			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
<u>Traffic</u>						
Sergeant	1.000	1.000	1.000	61,485	74,797	Police
Police Officer	4.000	3.000	4.000	42,661	60,736	Police
Parking Control Officer	1.000	1.000	1.000	29,037	40,643	47
Total	6.000	5.000	6.000			
<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	1.000	32,053	44,866	51
Crime Scene Investigator	-	-	1.000	32,053	44,866	51
Public Safety Specialist	0.750	0.750	0.750	30,514	42,702	49
Secretary	0.500	0.500	0.500	26,957	37,752	44
Total	12.250	12.250	11.250			
<u>Patrol</u>						
Lieutenant	1.000	1.000	1.000	76,752	93,413	Police
Sergeant	5.000	6.000	7.000	61,485	74,797	Police
Officer	37.000	43.000	41.000	42,661	60,736	Police
Public Safety Specialist	0.500	-	-	30,514	42,702	49
IT Technician	-	0.500	0.500	30,514	42,702	49
Secretary	1.000	1.000	1.000	26,957	37,752	44
Total	44.500	51.500	50.500			
<u>Special Enforcement</u>						
Sergeant	1.000	-	-	61,485	74,797	Police
Officer	4.000	-	-	42,661	60,736	Police
Total	5.000	-	-			
<u>Training</u>						
Sergeant	1.000	1.000	1.000	61,485	74,797	Police
Total	1.000	1.000	1.000			
<u>Community Services</u>						
Sergeant	1.000	2.000	1.000	61,485	74,797	Police
Police Officer	2.000	3.000	5.000	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	6.000	7.000			
<u>Community Restitution Program</u>						
Com. Serv. Worker Monitor	2.000	2.000	-	26,957	37,752	44
Secretary	0.500	0.500	-	26,957	37,752	44
Total	2.500	2.500	-			
<u>Animal Control</u>						
Supervisor	1.000	1.000	1.000	34,507	41,413	54
Animal Control Officer	2.000	2.000	2.000	29,037	40,643	47
Total	3.000	3.000	3.000			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
<u>Regional Communications</u>						
Regional Communications Director	1.000	1.000	1.000	65,582	91,811	80
Communications Tech Manager	1.000	1.000	1.000	65,582	91,811	80
Info Tech Specialist	1.000	1.000	1.000	Open Range		0
Communications Supervisor	4.000	4.000	4.000	41,018	57,429	61
Business Manager	1.000	1.000	1.000	38,106	53,331	58
Communications Specialist	22.750	22.750	24.750	33,675	47,133	53
Total	30.750	30.750	32.750			
Total Police Department	119.000	122.000	121.500			
Fire Department						
<u>Administration</u>						
Fire Chief	1.000	1.000	1.000	Open Range		0
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	3.000	3.000	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	1.000	1.000	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	1.000	27,643	38,688	45
Total	10.000	10.000	8.000			
Total Fire Department	75.000	75.000	73.000			
Economic Enterprises						
<u>Economic Development</u>						
Airport/Economic Initiatives Director	-	-	0.750	Open Range		0
Tourism/Economic Dev Coordinator	-	0.500	0.500	40,025	56,035	60
Total	-	0.500	1.250			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
<u>Tourism</u>						
Tourism Director	1.000	1.000	1.000	Open Range		0
Public Affairs Coordinator	-	1.000	-	43,098	60,341	63
Tourism/Economic Dev Coordinator	-	0.500	0.500	40,025	56,035	60
Economic Development Specialist	0.750	-	-	39,049	54,668	59
Marketing Coordinator	-	-	0.750	37,170	52,042	57
Administrative Assistant	0.200	-	-	33,675	47,133	53
Total	1.950	2.500	2.250			
<u>Special Events</u>						
Special Events Manager	1.000	1.000	1.000	43,098	60,341	63
Total	1.000	1.000	1.000			
<u>Elks Opera House</u>						
Administrative Svcs Director	0.050	0.050	-	Open Range		0
Facilities Director	0.100	-	-	Open Range		0
Business Manager	1.000	1.000	1.000	43,098	60,341	63
Total	1.150	1.050	1.000			
Total Economic Enterprises	4.100	5.050	5.500			
Total General Fund	314.700	314.650	309.250			
<u>Streets and Open Space</u>						
<u>Street Operations</u>						
Field Operations Manager	0.140	-	-	Open Range		0
Field & Facilities Director	-	0.400	0.400	Open Range		0
Street Maintenance Superintendent	1.000	1.000	1.000	56,555	79,186	74
Manager, Support Services	1.000	0.500	0.500	56,555	79,186	74
Street Maintenance Supervisor	3.000	3.000	3.000	48,776	68,266	68
Supv/Bldg Project Supt	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 Equipment Operator	3.000	3.000	3.000	36,254	50,773	56
Traffic Control Worker	2.000	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
Landscape Coordinator	-	0.700	0.700	40,019	56,035	60
Maintenance Technician	-	0.700	0.700	32,843	45,989	52
Utility Worker	0.400	-	-	29,765	41,662	48
Maintenance Worker	4.000	4.000	4.000	25,043	35,048	41
Total	28.540	29.300	29.300			
<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 Engineering Technician	1.000	1.000	1.000	43,098	60,341	63
Traffic Signal Specialist	2.000	2.000	2.000	41,018	57,429	61
Total	5.000	5.000	5.000			
<u>Private Development</u>						
Public Works Director	0.100	0.100	0.100	Open Range		0
Total	0.100	0.100	0.100			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
<u>Streets and Open Space</u>						
Public Works Director	0.200	0.200	0.200	Open Range		0
Senior Project Manager	0.700	-	-	74,194	103,875	85
Total	0.900	0.200	0.200			
<u>CYMPO</u>						
CYMPO Administrator	1.000	1.000	-	Open Range		0
Program Manager	0.500	0.500	-			
Program Coordinator	1.000	1.000	-	74,194	103,875	85
Total	2.500	2.500	-			
Total Streets and Open Space	37.040	37.100	34.600			
Water Fund						
<u>Utility Billing</u>						
Utility Billing Supervisor	1.000	1.000	1.000	46,426	64,979	66
Accounting Technician	3.500	3.500	3.500	33,675	47,133	53
Total	4.500	4.500	4.500			
<u>Meter Reading</u>						
Administrative Specialist	0.200	1.000	1.000	32,843	45,989	52
Secretary	0.200	0.150	0.350	26,957	37,752	44
Meter Reader	3.000	3.000	3.000	26,312	36,816	43
Total	3.400	4.150	4.350			
<u>Water Administration</u>						
Public Works Director	0.350	0.350	0.350	Open Range		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
Capital Program Manager	0.750	0.750	0.750	76,066	106,475	86
Utilities Manager	-	0.500	0.500	76,066	106,475	86
Senior Project Manager/Utilities Admin	0.200	-	-	74,194	103,875	85
Utilities Engineer (Civil)	0.500	0.500	0.500	68,910	96,470	82
Project Manager	1.650	1.650	1.650	67,226	94,120	81
Sr Utilities Ops/Infra Analyst	0.500	0.500	0.500	63,986	89,580	79
Water Resource Specialist	0.200	0.200	0.200	51,230	71,739	70
Senior Engineering Technician	0.500	0.500	0.500	51,230	71,739	70
Contract Specialist	0.400	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	-	26,957	37,752	44
Total	6.650	6.950	6.550			
<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	-	-	26,254	40,773	56
Water Operator	4.000	5.000	5.000	26,254	40,773	56
Maintenance Specialist	1.000	1.000	1.000	39,042	54,662	59
Admin Specialist	0.400	-	-	32,843	45,989	52
Secretary	0.400	0.250	0.650	26,957	37,752	44
Total	8.300	7.750	8.150			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
<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
Admin Specialist	0.400	-	-	32,843	45,989	52
Utility Worker	5.900	7.000	7.000	29,765	41,662	48
Secretary	0.400	0.250	0.650	26,957	37,752	44
Total	13.700	14.250	14.650			
<u>Alternate Water Sources</u>						
City Manager	-	0.250	0.250	Open Range		0
Regional Program Director	1.000	1.000	1.000	Open Range		0
Water Resource Specialist	0.600	0.600	0.600	51,230	71,739	70
Planner	-	0.250	0.350	51,230	71,739	70
Water Conservation Coordinator	1.000	1.000	0.500	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	-	26,957	37,752	44
Total	3.200	3.700	3.100			
Total Water Fund	39.750	41.300	41.300			
Wastewater Fund						
<u>Wastewater Utilities Administration</u>						
Public Works Director	0.350	0.350	0.350	Open Range		0
City Utilities Engineer	0.100	0.100	0.100	76,066	106,475	86
Capital Program Manager	0.250	0.250	0.250	76,066	106,475	86
Senior Civil Engineer	0.500	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	72,384	101,358	84
Utilities Engineer (Civil)	0.500	0.500	0.500	68,910	96,470	82
Capital Project Manager	0.750	0.750	0.750	67,226	94,120	81
Sr Utilities Ops/Infra Analyst	0.500	0.500	0.500	63,986	89,580	79
Water Resource Specialist	0.200	0.200	0.200	51,230	71,739	70
Senior Engineering Technician	0.500	0.500	0.500	51,230	71,739	70
Contract Specialist	0.400	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	-	26,957	37,752	44
Total	4.950	5.350	4.950			
<u>Wastewater Treatment Plant</u>						
Capital Project Manager	0.400	0.400	0.400	67,226	94,120	81
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	0.500	32,843	45,989	52
Secretary	-	0.100	0.100	26,957	37,752	44
Total	13.900	14.000	14.000			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
<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	6.700	6.000	6.000	29,765	41,662	48
Secretary	-	0.250	0.250	26,957	37,752	44
Total	14.700	14.250	14.250			
<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	34.550	34.600	34.200			
Solid Waste Fund						
<u>Sanitation</u>						
Field Operations Manager	0.860	-	-	Open Range		0
Field & Facilities Director	-	0.400	0.400	Open Range		0
Solid Waste Superintendent	1.000	1.000	1.000	60,903	85,264	77
Manager, Support Services	-	0.500	0.500	56,555	79,186	74
Solid Waste Supervisor	2.000	2.000	2.000	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	4.000	36,254	50,773	56
Commercial Equipment Operator	4.000	4.000	4.000	34,507	48,318	54
Account Technician	1.000	1.000	1.000	33,675	47,133	53
Equipment Operator	10.000	10.000	10.000	32,843	45,989	52
Accounting Clerk	2.000	2.000	2.000	26,957	37,752	44
Maintenance Worker	1.000	1.000	1.000	25,043	35,048	41
Total	26.860	26.900	26.900			
Total Solid Waste Fund	26.860	26.900	26.900			
Airport Fund						
Airport Manager	1.000	1.000	1.000	60,902	85,259	77
Airport/Economic Initiatives Director	-	-	0.250	56,555	79,186	74
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	3.000	3.000	3.000	32,843	45,989	52
Accounting Clerk	1.000	1.000	1.000	26,957	37,752	44
Total Airport Fund	7.000	7.000	7.250			
Golf Course Fund						
<u>Maintenance</u>						
Grounds Superintendent	1.000	1.000	1.000	56,555	79,186	74
Asst Grounds Superintendent	2.000	2.000	2.000	44,179	61,859	64
Equipment Mechanic	1.000	1.000	1.000	39,042	54,662	59
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	1.000	1.000	32,843	45,989	52
Groundskeeper	2.340	2.340	1.340	25,043	35,048	41
Total	9.490	9.340	8.340			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Job Classifications	2010-11	2011-12	2012-13	Min	Max	Number
<u>Pro Shop</u>						
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	1.000	38,106	53,331	58
Restaurant Manager	0.250	0.250	0.250	40,019	56,035	60
Tournament & Marketing Coordinator	-	1.000	1.000	34,507	48,318	54
Groundskeeper	0.330	0.330	0.330	25,043	35,048	41
Total	3.330	3.580	3.580			
<u>Manzanita Grill</u>						
Facilities Manager	-	0.050	-	Open Range		0
Executive Chef	1.000	1.000	1.000	48,776	68,266	68
Restaurant Manager	0.750	0.750	0.750	40,019	56,035	60
Business Manager	0.100	-	-	38,106	53,331	58
Sous Chef	1.000	1.000	1.000	28,330	39,666	46
Groundskeeper	0.330	0.330	0.330	25,043	35,048	41
Beverage Service Coordinator	0.500	0.500	0.500	15,288	21,382	21
Total	3.680	3.630	3.580			
<u>Golf Carts</u>						
Cart Service Coordinator	0.500	0.500	0.500	25,043	35,048	41
Total	0.500	0.500	0.500			
Total Golf Course Fund	17.000	17.050	16.000			
Fleet Maintenance						
Facilities Director	0.200	-	-	Open Range		0
Field & Facilities Director	-	0.100	0.100	Open Range		0
Facilities Manager	-	0.300	-	56,555	79,186	74
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 Fleet Maintenance Fund	9.200	9.400	9.100			
Engineering Fund						
City Engineer	0.600	0.600	0.600	79,914	111,883	88
Utilities Engineer (Civil)	1.000	1.000	1.000	68,910	96,470	82
Capital Project Manager	2.200	2.200	2.200	67,226	94,120	81
Development Services Manager	1.000	1.000	-	51,230	71,739	70
ROW Specialist	-	-	0.500	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
CAD Specialist	-	1.000	1.000	46,426	64,979	66
Registered Land Surveyor	1.000	1.000	1.000	44,179	61,859	64
CAD Technician	1.000	-	-	43,098	60,341	63
Construction Contracts Specialist	1.000	1.000	1.000	41,018	57,429	61
Construction Inspector	6.000	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	17.800	17.800	17.300			

POLICIES AND OBJECTIVES

FY2013 BUDGET AUTHORIZED POSITIONS BY FISCAL YEAR

Authorized Positions Job Classifications	Number of FTE's			Salary Range		Range Number
	2010-11	2011-12	2012-13	Min	Max	
Self-Insurance Fund						
Administrative Services Director	0.950	0.950	-	Open Range		0
Risk Manager	-	-	1.000	Open Range		0
Risk Management Analyst	1.000	1.000	1.000	46,426	64,979	66
Management Analyst	-	1.000	1.000	46,426	64,979	66
Risk Management Specialist	1.000	-	-	41,018	57,429	61
Total Self-Insurance Fund	2.950	2.950	3.000			
Facilities Maintenance Fund						
Facilities Director	0.400	-	-	Open Range		0
Field & Facilities Director	-	0.100	0.100	Open Range		0
Facilities Manager	-	0.400	0.750	68,910	96,470	82
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	2.000	2.000	2.000	21,590	30,222	35
Total Facilities Maint. Fund	5.400	5.500	5.850			
Total City-wide Authorized Full-Time Equivalents	512.250	514.250	504.750			

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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.

FY2013 BUDGET

GLOSSARY OF TERMS

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).

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GLOSSARY OF TERMS

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

FY2013 BUDGET

GLOSSARY OF TERMS

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.

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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.

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GLOSSARY OF TERMS

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.

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GLOSSARY OF TERMS

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).