

MANAGEMENT SERVICES DIVISION MISSION

The mission of the **Customer Service Section** is to ensure accurate and timely billing of Water, Sewer, Trash, Recycling, and Stormwater Services.

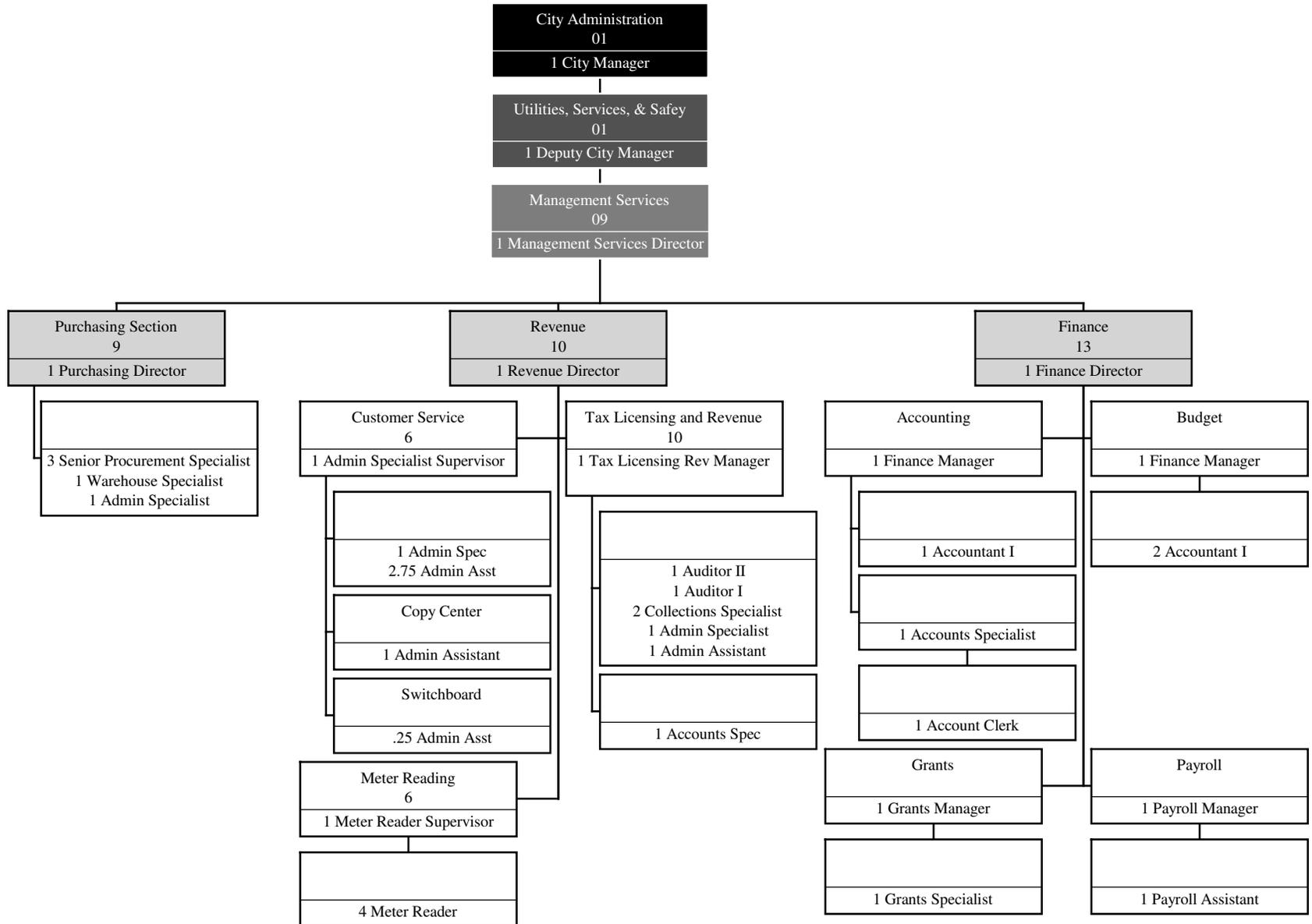
The mission of the **Purchasing Section** is to support the goals and objectives of the City by delivering consistent and professional procurement support to all employees, and assist in making best value procurement decisions while maintaining the highest ethical standards.

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

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



MANAGEMENT SERVICES



MISSION

The mission of the Customer Service Section is to strive to provide accurate and timely billing of Water, Sewer, Trash, Recycling, and Stormwater Services. To also be committed to providing excellent customer service to both our internal and external customers. To assist in all copier center needs as well as answer all incoming calls to the switchboard.

PROGRAM DESCRIPTION

Customer Service is responsible for meter reading, water and sewer billing, and collection of delinquent accounts including the disconnection and lock off of water service for unpaid billings and non-sufficient fund checks for the Utilities Department. Unusually high or low water consumption is investigated and inactive meters are monitored for possible consumption. This division is also responsible for cashiering operations for most City departments and for the calculation and collection of utility system fees for all new or added construction. In addition Customer Service operates the copy center and switchboard with the responsibilities of incoming and out going mail as well as any copier center needs for our internal customers as well as answering and directing any calls coming into the switchboard.

FY 10 ACCOMPLISHMENTS

- ✓ Work Order Conversion – Converted the Sungard Service Orders to Work Orders. This allowed Environmental Services to begin using Work Orders to help them be more efficient in management of information of the section.
- ✓ Mail Processing Equipment – Purchased new hardware and software to help process daily mail from customers. The system reads the payment stubs and checks, and then we upload the payments into the cash receipts system. Images can be stored and the information can be sent to our bank for immediate processing.

- ✓ Automated On-line Bill Pay – Worked with our bank to change customer on-line payments they make through their bank from a check form to and electronic transfer. Money is now remitted to bank sooner and a file is uploaded to cash receipts.
- ✓ Reorganization – Work with Management Service Director and other section heads in restructuring the various sections within management services to minimize layoffs and reduce expenses over all.

FY 11 NEW INITIATIVES AND GOALS

- Landfill and Police Cashiering – Work with these two sections to allow them to use the Sungard Cash Receipt system. This eliminates double entry and allows better reconciliation and research. Using the cash receipt system will also allow the acceptance of credit cards at these locations.
- Work toward integration between the Sungard Land Management application and the City's GIS Mapping application so that our information is more consistent.
- Work with the Management Services Division to assure the transfer of switchboard and copy center services is effective and seamless to our customers.
- Continue to promote Paperless Billing & Bank Drafting.
- Convert remaining water meters to automated meter reads.

MANAGEMENT SERVICES	SECTION 06	CUSTOMER SERVICE
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PERFORMANCE MEASURES

Council Priority: Fiscal Health

Goal: Limit the amount of accounts written off.

Objective: Timely collections of past due accounts and adequate deposits billed to reduce the amount of receivables written off.

Type of Measure: Program Outcome

Tool: Annual accounts presented to Council and written off.

Frequency: Annual

Scoring: <.20% Very Good, .20 to .30% Adequate, >.30% needs attention

Trend: ←→

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Annual write off of customer accounts, excluding bankruptcies	\$39,784	\$57,408	\$50,000	\$50,000
Write offs as a percentage of total billed	0.18%	0.25%	0.20%	0.20%

Council Priority: Facilities and Basic Services

Goal: Provide timely and accurate billings.

Objective: Limit the number of estimated read billings and send bills to customers in a timely manner.

Type of Measure: Outcome

Tool: Spreadsheet data for meter reading and billing calendar.

Frequency: Monthly

Scoring: Reading Estimate: (FY08-FY10) <2% Exceeding, 2-5% Meeting, >5% Not Meeting
 (FY11) <15% Exceeding, 15-25% Meeting, >25% Not Meeting

Billing: 34+ bills sent=Meeting, <34 bills sent=Not Meeting

Trend: Reading - ←→, Billing - ←→

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Percent of estimated meter reads	4.66%	2.71%	4.50%	20.00%
Number of bills sent out within 34 days of prior bill (36 total)	35	36	36	36

MANAGEMENT SERVICES

SECTION 06

CUSTOMER SERVICE

SECTION:		06-CUSTOMER SERVICE			
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ -	\$ 581,738	\$ 531,628	\$ 510,298	\$ (71,440)
CONTRACTUAL	-	278,440	299,970	302,995	24,555
COMMODITIES	-	48,700	29,170	35,875	(12,825)
CAPITAL	-	-	4,827	-	-
TOTAL	\$ -	\$ 908,878	\$ 865,595	\$ 849,168	\$ (59,710)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ -	\$ 270,710	\$ 215,826	\$ 254,016	\$ (16,694)
FIELD READING	-	207,162	202,611	202,119	(5,043)
COLLECTION	-	95,935	97,845	88,482	(7,453)
MAIL ROOM	-	-	-	8,500	8,500
CUSTOMER SERVICE	-	335,071	349,313	296,051	(39,020)
TOTAL	\$ -	\$ 908,878	\$ 865,595	\$ 849,168	\$ (59,710)
SOURCE OF FUNDING:					
	GENERAL FUND			\$ (87,058)	
	LIBRARY FUND			1,291	
	HIGHWAY USER REVENUE FUND			1,043	
	TRANSPORTATION FUND			1,045	
	WATER AND WASTEWATER FUND			717,877	
	STORMWATER FUND			20,937	
	AIRPORT FUND			18	
	ENVIRONMENTAL SERVICES FUND			194,015	
				\$ 849,168	
COMMENTARY:					
Customer Service was transferred to Management Services from Utilities in the 2010 Citywide reorganization. The Customer Service operating budget has decreased 7% and there are no capital expenditures. Personal Services decreases are due to the Management Services reorganization. Contractuals increases are due to increases in credit card fees. Commodities decreases are due to reductions in automotive parts and other miscellaneous equipment. There is no major capital (<\$10,000) for this section.					

MISSION

The mission of the Purchasing Section is to support the goals and objectives of the City by delivering consistent and professional procurement support to all employees, and assist in making best value procurement decisions while maintaining the highest ethical standards.

PROGRAM DESCRIPTION

The objectives of the Purchasing Section is to provide program support in maximizing value for purchase dollars spent through either an informal or formal solicitation process, and contract management; satisfy purchasing requirements at the lowest overall cost consistent with quality and service levels required; maintain continuity of supplies in support of City-wide programs; and disposition of surplus property.

FY 10 ACCOMPLISHMENTS

- ✓ Conducted Business Outreach Program to educate our vendor community on "How To Do Business With The City of Flagstaff".
- ✓ Conducted "Joint Bidding" with other Cities to leverage purchases and obtain more competitive pricing.
- ✓ Developed a format for the City's list of contracts for goods, services, and construction and posted to the City's website.
- ✓ Better standardization with the purchase of cell phones and office supplies that have resulted in cost savings and price protection.

- ✓ Successful vendor and contract management that resulted in \$147,000 in revenues back to the City.
 - ✓ Successfully completed 2 auctions in the first 6 months of FY 2010 for the sale of surplus property that resulted in \$60,249 in revenues back to the City.
 - ✓ Implemented an "on-line" fillable vendor application form on our City's website.
 - ✓ All Buyers within the Purchasing Section have met various experience and educational requirements and have successfully passed rigorous purchasing related exams to obtain their professional purchasing certifications.
 - ✓ Completed a City-wide draft Procurement Code Manual that is currently being reviewed by our City Attorney's office.
 - ✓ Successfully defended all formal protests filed with the City regarding a procurement process.
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FY 11 NEW INITIATIVES AND GOALS

- Centralize and manage all IGAs, development agreements, term contracts, and lease agreements within the "Contract Assistant Software" (Enterprise Version).
 - Conduct training with internal customers on procurement rules and practices as it pertains to the City's Procurement Code Manual.
 - Implement more long-term contracts through a formal solicitation process to obtain more competitive pricing.
 - Develop and implement a vendor performance database to track vendor performance on City contracts.
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MANAGEMENT SERVICES	SECTION 09	PURCHASING
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PERFORMANCE MEASURES

Council Priority: Facilities and Basic Services

Goal: Provide exemplary customer service for the procurement of goods, services and construction.

Objective: To provide timely formal and informal solicitations, contract management, and vendor management.

Type of Measure: Program Effectiveness

Tool: Internal Customer Survey

Frequency: Annually

Scoring: 75%+ progressing (Average)

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Overall rating of meets or exceeds expectations	n/a	80%	90%	92%

Council Priority: Fiscal Health

Goal: Provide cost effective procurement of goods, services, and construction.

Objective: Identify and implement cost saving, and cost avoidance opportunities in the procurement of goods, services, and construction.

Type of Measure: Program Efficiency

Tool: Documented comparison of budgeted dollars to actual dollars expended.

Frequency: Annually

Scoring: \$50,000 - Progressing (Average), \$35,000-Caution (Warning), \$35,000 and less-Need to Review

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Total cost savings and/or cost avoidance	n/a	\$35,000	\$52,000	\$60,000

Council Priority: Fiscal Health

Goal: To be efficient and effective with small dollar purchases.

Objective: Continue to utilize procurement card program for more efficient and effective purchases of small dollar maintenance, repair and operating supplies.

Type of Measure: Program Efficiency

Tool: Percentage of total purchases utilizing procurement cards.

Frequency: Annually

Scoring: 12%- Progressing (Average), 10% -- 12%-Caution (Warning), 10% and less- Need To Review

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Percentage of total purchase transactions utilizing procurement card vs. requisition/purchase order process.	4%	5%	10%	15%

MANAGEMENT SERVICES	SECTION 09	PURCHASING
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Council Priority: Fiscal Health

Goal: To process requisitions into purchase orders within a 24 hour time period after requisitions have been approved.

Objective: To make purchases for requested material goods, services and construction in a timely manner.

Type of Measure: Program Efficiency

Tool: Total or length of time.

Frequency: Annually

Scoring: Within 24 hrs.- Progressing (Average), 24hrs. – 36hrs.- Caution (Warning), More than 36 hrs.- Need To Review

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Length of time it takes to process a purchase order once a requisition has been approved.	n/a	n/a	n/a	Within 24 hrs.

SECTION: 09-PURCHASING					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 920,640	\$ 668,337	\$ 605,492	\$ 618,263	\$ (50,074)
CONTRACTUAL	49,220	29,718	26,560	25,427	(4,291)
COMMODITIES	16,693	7,081	8,323	6,224	(857)
TOTAL	\$ 986,553	\$ 705,136	\$ 640,375	\$ 649,914	\$ (55,222)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 183,067	\$ 176,659	\$ 114,133	\$ 161,577	\$ (15,082)
PURCHASING	587,410	442,510	441,988	411,645	(30,865)
MAIL SERVICES	28,268	8,500	7,690	-	(8,500)
WAREHOUSE	86,400	77,467	76,564	76,692	(775)
PROPERTY MANAGEMENT	101,408	-	-	-	-
TOTAL	\$ 986,553	\$ 705,136	\$ 640,375	\$ 649,914	\$ (55,222)
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 146,991	
	LIBRARY FUND			47,382	
	HIGHWAY USER REVENUE FUND			57,571	
	TRANSPORTATION FUND			51,336	
	WATER AND WASTEWATER FUND			230,281	
	STORMWATER FUND			21,816	
	AIRPORT FUND			37,864	
	ENVIRONMENTAL SERVICES FUND			56,673	
				\$ 649,914	
COMMENTARY:					
The Purchasing operating budget has decreased 8% with no capital expenditures. Personal Services decreases are due to .5 FTE staffing reduction of a Buyer position. In addition, there are small benefit increases. Contractual decreases are due to the Mail Services program budget moved to Customer Service section. Commodities decrease are due to reductions in office supplies. There is no major capital (>\$10,000) for this section.					

MISSION

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

PROGRAM DESCRIPTION

The Tax, Licensing, and Revenue section is responsible for the licensing of new businesses and the processing of city sales tax returns. Staff also audits taxpayers for sales tax liability, collects delinquent sales tax and business license accounts. Division staff holds tax workshops and disseminates City and State sales tax information to the local taxpayers. This division is responsible for the collection of delinquencies from utility billings, library accounts, City Court fines, parking tickets, miscellaneous city billings and NSF checks. Staff also bills monthly for the miscellaneous receivable accounts. This division also manages City’s daily cash needs and invests excess funds.

FY 10 ACCOMPLISHMENTS

- ✓ Processed 38,317 city sales tax returns for FY 10. This is an increase of 0.6% over FY 09.
- ✓ Issued 1,002 sales tax and business licenses in FY 10.

- ✓ Performed 40 sales tax audits and reviews that generated \$275,000 in additional tax revenue.
- ✓ Collected \$1.7 million from delinquent miscellaneous revenue accounts.
- ✓ Managed collections for over 5,200 parking tickets totaling over \$138,000.
- ✓ Collected for over 2,100 library delinquent accounts for over \$97,000 in library fines.
- ✓ Collected delinquent sales tax of \$1.2 million.
- ✓ Collected 4,056 delinquent tax returns.
- ✓ Pursued collections for over 200 non-sufficient funds checks.
- ✓ Miscellaneous revenue monthly billings averaged over 500 accounts and \$1.2 million.
- ✓ Implemented billing process for Fire Department User Fees collection.
- ✓ Implemented Special Improvement District fees collection for Aspen Sawmill Development.

FY 11 NEW INITIATIVES AND GOALS

- Implement new tax and licensing software program that will enable our taxpayers to apply for license, file sales tax returns, make payments and maintain account information online.
- Reposition our investment portfolio to achieve better overall returns in this low interest rate environment.

PERFORMANCE MEASURES

Council Priority: Fiscal Health

Goal: Provide sales tax education to new business owners

Objective: Conduct at least 5 seminars during the year

Type of Measure: Output and Outcome

Tool: Output: Number of people that attend the seminars. The goal is 60 people per year, an average of 12 per seminar.

Tool: Outcome: At least 90% of the seminar evaluations completed by the attendees show that the seminars provided information and instructions that were easy to follow and that the material presented was basic, but provided sufficient detail.

Frequency: 5 per year

Scoring: Declining

Trend: ↓ Due to downturn in new license applications the number of attendees has declined.

Trend: ↔ The seminars continue to meet the needs of our customers.

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Output-The number of people attending the seminars	75	70	40	60
Outcome- At least 90% of attendees found the seminar useful, the presentation and the materials provided were easy to follow.	83%	91%	84%	80%

Council Priority: Fiscal Health

Goal: Maintain a high collection rate of sales tax and miscellaneous billing accounts.

Objective: Keep write-offs below 1% of total revenue.

Type of Measure: Program Outcome

Tool: Evaluate the amount of write-offs taken to council each year

Frequency: Annually

Scoring: Progressing

Trend: ↔ The amounts written-off remain well under the goal of 1% of revenues.

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Outcome-Sales tax write-offs as a percentage of revenue	0.4%	0.1%	0.32%	0.4%
Outcome-Miscellaneous receivables as a percentage of revenue	0.1%	0.1%	0.19%	0.4%

Council Priority: Fiscal Health

Goal: Invest city funds with the goal of maximum return but keeping mind that safety of the principal is more important than the return on that principal.

Objective: Achieve a rate of return on investments outside the Local Government Investment Pool (LGIP) that exceeds the LGIP rate.

Type of Measure: Program Outcome

Tool: Compare rate of return on investments outside the LGIP with the rate of return at the LGIP.

Frequency: Annually

Scoring: Declining

Trend: ←→ Although declining compared to last year, investment returns remain well above LGIP and two year treasury notes average.

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Annual rate of return on investments outside LGIP	4.202%	4.05%	2.5%	2.5%
LGIP annual rate of return	3.99%	1.22%	0.11%	0.11%

Council Priority: Fiscal Health

Goal: Have a sales tax audit program that is financially productive and performing enough audits and reviews to keep a high profile within the business community.

Objective: Sales tax audit assessments will exceed the cost of operating an audit program and performing approximately 70 audits and reviews per year.

Type of Measure: Program Outcome

Tool: Compare sales tax audit assessments with the expenses required to have an audit function.

Frequency: Annually

Scoring: Declining

Trend: ←→ Continuing to meet program objectives.

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Audit assessments for the fiscal year	538,813	275,967	275,000	350,000
Audit program expenses	165,605	164,424	176,714	155,058
Number of audits and reviews performed	133	60	40	70

MANAGEMENT SERVICES

SECTION 10

TAX, LICENSING, & REVENUE

SECTION: 10-TAX, LICENSES, AND REVENUE COLLECTION					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 598,340	\$ 616,027	\$ 558,135	\$ 632,010	\$ 15,983
CONTRACTUAL	33,517	37,784	39,014	39,376	1,592
COMMODITIES	20,659	16,342	15,850	16,743	401
TOTAL	\$ 652,516	\$ 670,153	\$ 612,999	\$ 688,129	\$ 17,976
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 211,139	\$ 234,575	\$ 169,180	\$ 286,527	\$ 51,952
AUDIT	164,424	169,585	176,714	137,953	(31,632)
COLLECTIONS	140,086	122,895	122,895	120,423	(2,472)
LICENSING AND CLERICAL	83,705	88,865	88,865	89,367	502
ACCOUNTS RECEIVABLE	53,162	54,233	55,345	53,859	(374)
TOTAL	\$ 652,516	\$ 670,153	\$ 612,999	\$ 688,129	\$ 17,976
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 280,777	
	LIBRARY FUND			41,621	
	HIGHWAY USER REVENUE FUND			884	
	TRANSPORTATION FUND			241,756	
	WATER AND WASTEWATER FUND			35,976	
	STORMWATER FUND			-	
	AIRPORT FUND			28,766	
	ENVIRONMENTAL SERVICES FUND			58,349	
				\$ 688,129	
COMMENTARY:					
<p>The Sales Tax operating budget has increased 3% with no capital expenditures. Personal Services increases are due to one-time temporary staffing for the implementation of new sales tax software. In addition, there are small benefit increases. Contractual increases are due to increases in travel and education. Commodities increases are due to increases in office supplies. There is no major capital (>\$10,000) for this section.</p>					

MISSION

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

PROGRAM DESCRIPTION

The Finance Division provides a variety of financial services to the Council and City staff. Services include accounts payable, payroll, financial analysis, budget reporting, grant management, citywide switchboard operations, and performance reporting.

FY 10 ACCOMPLISHMENTS

- ✓ Received the Government Finance Officers Association (GFOA) Distinguished Budget presentation award for Fiscal Year (FY) 2010 for the sixteenth consecutive year.
- ✓ Received special recognition from the GFOA on our FY 2010 budget document for performance measurements for the third consecutive year.
- ✓ Received the GFOA Certificate of Achievement in financial reporting for FY 2008 for the fifteenth consecutive year.
- ✓ Began submitting vendor payments thru Electronic Funds Transfers (EFT) and projecting 6% of payments made with this method.
- ✓ Completed Fiscal Year 2009 financial audit with new audit agency.
- ✓ Completed Fiscal Year 2009 financial audit with no major deficiencies.
- ✓ Offered employees an Employee Self Serve website to review payroll information including prior check inquiry, accruals inquiry, and “what if” calculations.
- ✓ Eliminated printing of employee direct deposit check stubs.
- ✓ American Recovery & Reinvestment Act Funding – grant application amount submitted \$17,921,263 / amount awarded \$4,038,194.

- ✓ Attended a number of Recovery Act webinars & organized Recovery Team meetings for Grants Representatives administering recovery funding.
- ✓ Reviewed quarterly 1512 Recovery Reports,
- ✓ Worked with multi-agency team to submit a large Recovery Competitive Energy Efficiency Block Grant Application.
- ✓ Extensive work on receiving the COPS Hiring award for 6 new officers’ positions.
- ✓ Continued training and testing of the new Grants Administration Program Application.
- ✓ Completed an audit with the Government Accountability Office for Recovery Act funding.
- ✓ Submitted the Airport Capital Improvement 5-Year Plan for 2011-2015.
- ✓ Presented the Economic Development Administration Grant proposal to NACOG Regional Council for the Downtown Parking Garage and prepared and submitted the grant application in the amount of \$25 million.
- ✓ Presented information and direction in Council Executive Session regarding Airport project claim and submitted letter of request to FAA for settlement cost reimbursement.
- ✓ Presented Tribal Gaming Pass thru Proposal to the Yavapai-Apache Tribal Council.
- ✓ Received and updated quarterly performance reporting statistics for various divisions.
- ✓ Worked with IT Division to implement and improve the City’s phone system as we move to a voice over internet system.
- ✓ Assisted Management Services Director in the reorganization of our divisions.

FY 11 NEW INITIATIVES AND GOALS

- Work with the Federal Housing Authority of Flagstaff (FHA) as their services and fiscal policies become aligned with the City of Flagstaff organization.
- Train and enhance use of the Sungard Grants Administration application.
- Complete Recovery Act funding projects on time and in compliance with grant terms & conditions.
- Continue to increase grant application submission and success on award approval.
- Implement time entry and schedule software for citywide use.
- Continue to explore paperless payroll as a City policy decision.

MANAGEMENT SERVICES	SECTION 13	FINANCE/BUDGET
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- Work on citywide project to explore and possible implementation of a document imaging software.
- Improve budget processes to add efficiencies.
- Work with sections for improved and timely financial reporting thru automated reporting tools

such as QRep and Extended Reporting which the City has in place.

PERFORMANCE MEASURES

Council Priority: Fiscal Health

Goal: To maintain external validation of appropriate budget and year end financial reporting.

Objective: Maintain the Government Finance Officer’s Association (GFOA) Certificate of Achievement of Excellence in Financial Reporting and the GFOA Distinguished Budget Presentation Award.

Type of Measure: Outcome

Tool: Produce Documents and Submit for Review

Frequency: Yearly

Scoring: 100%

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
GFOA Certificate of Achievement	100%	100%	100%	100%
GFOA Distinguished Budget Presentation Award	100%	100%	100%	100%

Council Priority: Fiscal Health

Goal: Continue to maintain budgeted grant revenue levels.

Objective: To budget & apply for projected grant revenue in the amount of approximately \$10 million per Fiscal Year.

Type of Measure: Outcome

Tool: Budget Document, Schedule of Grant Revenues, FY Grant Revenue Reconciliation, Grants Management Database

Frequency: Yearly

Scoring: \$10 million or more

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Projected Grant Budgeted Revenue	\$18,815,572	\$15,301,097	\$17,221,239	\$14,571,521
Actual Grant Revenue Received	\$14,995,764	\$5,249,709	\$10,000,000	\$10,000,000
Grant Amounts Awarded During the Fiscal Year	\$5,812,317	\$5,476,603	\$7,000,000	\$10,000,000

Council Priority: Fiscal Health

Goal: To apply and succeed in grant applications submitted

Objective: Of the grants applied for expect successful awards on more that 50%.

Type of Measure: Outcome

Tool: Grants Management Database

Scoring: > 60%=Exceeding, 50%-60%=Meeting, <50%=Needs Attention

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Grants Applications Submitted	45	65	80	70
Grants Awarded	26 (58%)	44 (68%)	55 (68%)	42 (60%)
Active Grants Worked During Fiscal Year	150	141	163	150

Council Priority: Fiscal Health

Goal: Increase the number of vendors paid through Electronic Funds Transfers.

Objective: Continue to increase the percentage of EFT versus paper check payments.

Type of Measure: Output

Tool: Check Registers

Frequency: Every Check-Run

Scoring: >10% Very Good, 5%-10% Good, <5% Needs Attention

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
Vendors paid by EFT	0	23	75	125
Number of Payments Made by EFT	0	113	500	1,000
Percent of Total Payments	0.00%	1.25%	6.00%	10.00%

Council Priority: Fiscal Health

Goal: Limit the number of single audit auditor findings.

Objective: To have no audit findings on either the City general or single audit.

Type of Measure: Outcome

Tool: Single Audit

Frequency: Yearly

Scoring: 100%

Trend: ↑

Measures:	FY 08 Actual	FY 09 Actual	FY 10 Estimate	FY 11 Proposed
City of Flagstaff control deficiencies	3	0	0	0
City of Flagstaff significant deficiencies	0	0	0	0
Single audit findings	2	0	0	0

MANAGEMENT SERVICES

SECTION 13

FINANCE/BUDGET

SECTION: 13-FINANCE AND BUDGET					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2008-2009	Adopted Budget 2009-2010	Estimated Expenditures 2009-2010	Proposed Budget 2010-2011	Budget-Budget Variance
PERSONAL SERVICES	\$ 962,483	\$ 921,852	\$ 849,806	\$ 844,153	\$ (77,699)
CONTRACTUAL	33,866	23,655	27,586	23,904	249
COMMODITIES	23,072	13,231	16,923	14,850	1,619
TOTAL	\$ 1,019,421	\$ 958,738	\$ 894,315	\$ 882,907	\$ (75,831)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 183,877	\$ 135,193	\$ 92,091	\$ 111,841	\$ (23,352)
ACCOUNTING	414,923	371,218	360,694	335,523	(35,695)
PAYROLL	140,050	133,406	135,426	135,906	2,500
ACCTS PAYABLE/ RECEIVABLE	159,676	144,612	144,947	124,524	(20,088)
BUDGET	7,384	5,536	6,146	6,500	964
GRANTS ADMINISTRATION	113,511	168,773	155,011	168,613	(160)
TOTAL	\$ 1,019,421	\$ 958,738	\$ 894,315	\$ 882,907	\$ (75,831)
SOURCE OF FUNDING:					
GENERAL FUND				\$ 481,542	
LIBRARY FUND				65,731	
HIGHWAY USER REVENUE FUND				64,260	
TRANSPORTATION FUND				29,028	
WATER AND WASTEWATER FUND				119,530	
STORMWATER FUND				6,224	
AIRPORT FUND				29,441	
ENVIRONMENTAL SERVICES FUND				87,151	
				\$ 882,907	
COMMENTARY:					
<p>The Finance and Budget operating budget has decreased 8% with no capital expenditures. Personal Services decreases are due to .25 FTE staffing reduction of an Account Clerk and limiting all Accountant positions to Accountant I positions. In addition, there are small benefit increases. There were small contractual and commodities increases for printing, copying and postage. There is no major capital (>\$10,000) for this section.</p>					