

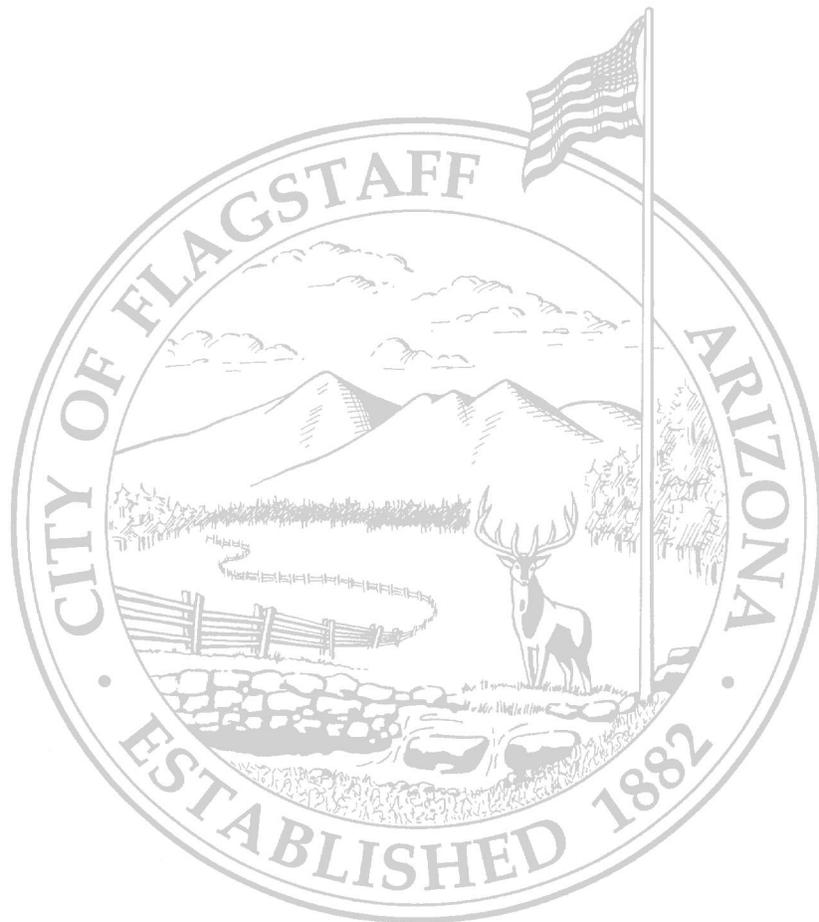
MANAGEMENT SERVICES DIVISION MISSION

The mission of the **Customer Service Section** is to provide accurate and timely billing of Water, Sewer, Trash, Recycling, and Stormwater Services. To provide excellent customer service to internal and external customers; to assist in all customer copy center needs and to answer all incoming switchboard calls.

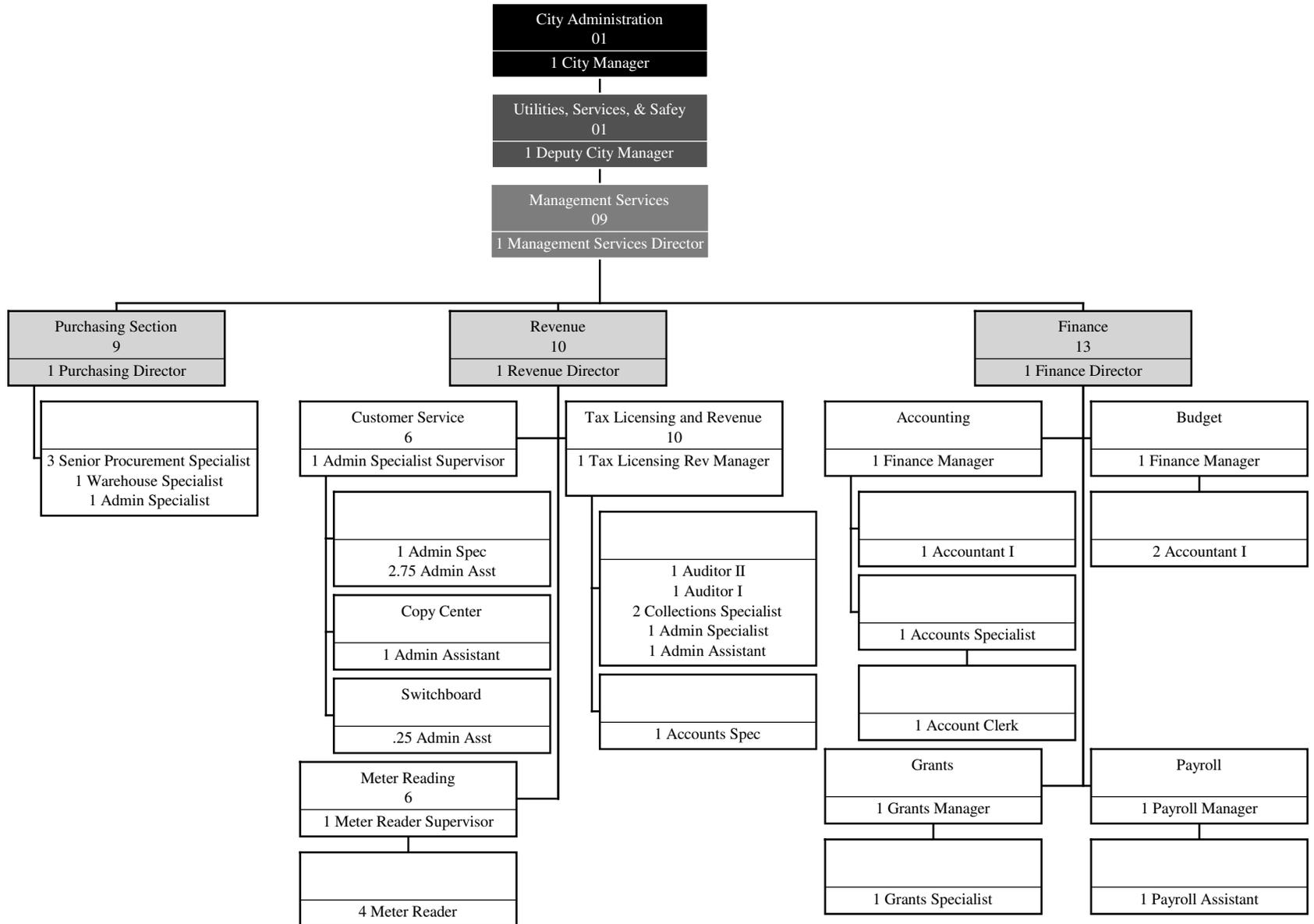
The mission of the **Purchasing Section** is to support the goals and objectives of the City by delivering consistent and professional procurement support to all employees, and assist in making best value procurement decisions while maintaining the highest ethical standards.

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 provide accurate and timely billing of water, sewer, trash, recycling, and stormwater services; to provide excellent customer service to internal and external customers; to assist in all customer copy center needs; and to answer all incoming switchboard calls.

PROGRAM DESCRIPTION

Customer Service is responsible for meter reading, utility billing, and for the turn-off and collection of delinquent accounts. Unusually high or low water consumption is investigated and inactive meters are monitored for possible consumption. The section is also responsible for cashing operations for most City departments and for the calculation and collection of utility system fees for all new or added construction. Customer Service also operates the copy center and switchboard; processing mail, fulfilling customer copy needs, and answering incoming calls.

FY 11 ACCOMPLISHMENTS

- ✓ Successfully integrated switchboard and copy center activities into the Customer Service section.
- ✓ Entered, tested, and implemented the new water and sewer rates passed by Council in September and effective January 1, 2011.
- ✓ Implemented Red Flag (privacy) policies and procedures to become compliant with federal rules.
- ✓ Worked with the Visitor's Center to enable independent entering of cash receipts and handling of bank deposits in the cash receipts system.
- ✓ Changed Meter Reader job title to Meter Technician to recognize the technical aspects of the work.
- ✓ Integrated Meter Technicians into the collections end of Customer Service. Meter Technicians now lock-off customers for non-payment.
- ✓ Added over 400 new radio read devices into the meter system.
- ✓ Identified, diagnosed, and repaired more than 500 failed electronic receiver/transmitters (ERTs) throughout the City.

FY 12 NEW INITIATIVES AND GOALS

- Landfill and Police cashing implementation. Work with these two sections to allow the use of the City's cash receipt system. This will eliminate double entry and provide for better reconciliation. It will also allow these locations to accept credit cards.
- Work with the IT Department on the installation of the VOIP phone system throughout the City and eliminate the physical switchboard.
- Continue to promote paperless billing to reduce printing and mailing expenses. Reach a total of 8% of customers signed up for paperless billing.
- Continue to promote bank drafting to reduce time and expenses associated with check processing.
- Encourage utility customers to make payments via the City's payment website, Click2Gov.
- Upgrade the MVRS system and handheld units to obtain data logging information in order for staff to more easily detect leaks within the City's water system.
- Convert over 500 visually read water meters to electronic radio read water meters with the assistance of the Water Distribution Section.
- Upgrade the City's 4 potable water self-loading stations to accept payment with a credit card in order to decrease the time and expense associated with self-loading station maintenance.
- Train Meter Technicians to install radio read registers and ERTs in order to improve reading efficiency.

PERFORMANCE MEASURES

Council Priority: Effective Governance

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:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
Annual write off of customer accounts, excluding bankruptcies	\$57,408	\$60,304	\$60,000	\$50,000
Write offs as a percentage of total billed	0.25%	0.25%	0.25%	0.20%

Council Priority: Effective Governance

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: (CY08-CY10) <2% Exceeding, 2-5% Meeting, >5% Not Meeting
(CY11) <15% Exceeding, 15-25% Meeting, >25% Not Meeting

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

Trend: Reading - ←→, Billing - ←→

Measures:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
Percent of estimated meter reads	2.71%	4.78%	15.00%	15.00%
Number of bills sent out within 34 days of prior bill (36 total)	36	34	36	36

MANAGEMENT SERVICES

SECTION 06

CUSTOMER SERVICE

SECTION: 06-CUSTOMER SERVICE					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2009-2010	Adopted Budget 2010-2011	Estimated Expenditures 2010-2011	Proposed Budget 2011-2012	Budget-Budget Variance
PERSONAL SERVICES	\$ 537,159	\$ 510,298	\$ 509,665	\$ 468,046	\$ (42,252)
CONTRACTUAL	277,471	302,995	292,136	326,270	23,275
COMMODITIES	27,606	35,875	28,079	28,050	(7,825)
CAPITAL	4,827	-	-	-	-
TOTAL	\$ 847,063	\$ 849,168	\$ 829,880	\$ 822,366	\$ (26,802)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 201,758	\$ 254,016	\$ 167,345	\$ 166,892	\$ (87,124)
FIELD READING	199,388	202,119	202,226	193,587	(8,532)
COLLECTION	93,998	88,482	88,500	88,839	357
MAIL ROOM	1	8,500	12,815	9,900	1,400
CUSTOMER SERVICE	351,918	296,051	358,994	363,148	67,097
TOTAL	\$ 847,063	\$ 849,168	\$ 829,880	\$ 822,366	\$ (26,802)
SOURCE OF FUNDING:					
GENERAL FUND				\$ (69,589)	
LIBRARY FUND				966	
HIGHWAY USER REVENUE FUND				768	
TRANSPORTATION FUND				241	
WATER AND WASTEWATER FUND				707,053	
STORMWATER FUND				19,490	
AIRPORT FUND				26	
ENVIRONMENTAL SERVICES FUND				163,411	
				\$ 822,366	
COMMENTARY:					
<p>The Customer Service operating budget has decreased 3% and there are no capital expenditures. Personal Services decreases are due to reduction of a Meter reader position by .75 FTE and small increases in retirement and insurance costs. Contractuals increases are due to one time items for new standpipe credit card readers and Commodities decreases are due to reduction in miscellaneous computer equipment. There is no major capital (<\$10,000) for this section.</p>					

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 11 ACCOMPLISHMENTS

- ✓ Have completed the scanning and set up of IGAs, term contracts, lease agreements and development agreements to centralize and manage within the Contract Assistant Software System;
- ✓ Conducted and participated in more “Joint Bidding” with other public sector agencies throughout Arizona to leverage our purchases to obtain more competitive pricing;
- ✓ Planned, implemented and conducted vendor outreach forums to educate our vendor community on “How to do business with the City” and the City’s procurement process;
- ✓ Developed and implemented a vendor performance database to track vendor performance and related issues on City projects;
- ✓ Implemented more long-term contracts through formal solicitations to obtain more competitive pricing;
- ✓ Developed and implemented policy and procedures involving task orders to initiate professional design services and construction projects;
- ✓ Organized and facilitated “Round Table” discussions with our local Flagstaff Design

- Professionals to develop and implement evaluation criteria under “Value Added
- ✓ Knowledge and Experience” to be incorporated into our Request For Statements of Qualifications documents. This additional evaluation criteria, will potentially allow local Flagstaff Design Professionals to score higher when being evaluated through their demonstration of “Value Added” knowledge and experience with Northern Arizona geology, cold weather climate and local building codes; and
 - ✓ Achieved cost savings/cost avoidance that amounted to just over \$150,000 and brought in over \$150,000 in revenues through on-site and on-line bidding and subsequent sale of surplus property.

FY 12 NEW INITIATIVES AND GOALS

- Research and identify national cooperative purchasing contracts in addition to what we utilize currently that could potentially provide more competitive pricing;
- Research and conduct “Cost Benefit Analysis” of lease vs. buy of computer and City vehicles;
- Formulate and implement flowchart and associated formal policy and procedures for the utilization of “Alternative Project Delivery Methods” for capital projects;
- With regard to the City’s Central Warehouse and City Shop, identify “dead stock” or “obsolete” inventory items and work with associated vendors to either buy back or provide a credit for future inventory purchases;
- Develop more aggressive cost saving/cost avoidance strategies.

PERFORMANCE MEASURES

Council Priority: Maintain and Deliver Quality, Reliable, Infrastructure

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:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
Overall rating of meets or exceeds expectations	80%	90%	92%	95%

Council Priority: Effective Governance

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:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
Total cost savings and/or cost avoidance	\$35,000	\$52,000	\$60,000	\$90,000

Council Priority: Effective Governance

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:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
Percentage of total purchase transactions utilizing procurement card vs. requisition/purchase order process.	5%	10%	15%	15%+

MANAGEMENT SERVICES

SECTION 09

PURCHASING

Council Priority: Effective Governance

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:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
Length of time it takes to process a purchase order once a requisition has been approved.	n/a	n/a	Within 24 hrs.	Within 24 hrs.

SECTION: 09-PURCHASING					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2009-2010	Adopted Budget 2010-2011	Estimated Expenditures 2010-2011	Proposed Budget 2011-2012	Budget-Budget Variance
PERSONAL SERVICES	\$ 636,077	\$ 618,263	\$ 618,263	\$ 695,314	\$ 77,051
CONTRACTUAL	36,514	25,427	26,006	25,427	-
COMMODITIES	10,370	6,224	5,340	6,252	28
TOTAL	\$ 682,961	\$ 649,914	\$ 649,609	\$ 726,993	\$ 77,079
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 147,889	\$ 161,577	\$ 162,733	\$ 236,311	\$ 74,734
PURCHASING	441,510	411,645	412,493	413,591	1,946
MAIL SERVICES	8,794	-	-	-	-
WAREHOUSE	84,503	76,692	74,383	77,091	399
PROPERTY MANAGEMENT	265	-	-	-	-
TOTAL	\$ 682,961	\$ 649,914	\$ 649,609	\$ 726,993	\$ 77,079
SOURCE OF FUNDING:					
GENERAL FUND				\$ 350,789	
LIBRARY FUND				29,408	
HIGHWAY USER REVENUE FUND				77,662	
TRANSPORTATION FUND				36,557	
WATER AND WASTEWATER FUND				149,241	
STORMWATER FUND				4,832	
AIRPORT FUND				30,220	
ENVIRONMENTAL SERVICES FUND				48,284	
				\$ 726,993	
COMMENTARY:					
The Management Services operating budget has increased 12% with no capital expenditures. Personal Services increases are due to the addition of Business Analyst position and small increases in retirement and insurance costs. Contractuals and Commodities has little to no change from FY2011. 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 tax reporting problems can be avoided.

PROGRAM DESCRIPTION

The Tax, Licensing, and Revenue section is responsible for the licensing of new businesses, the processing of city sales tax returns, and the collecting of delinquent sales tax and business license accounts. Section staff disseminates City and State sales tax information to taxpayers and management. The section 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 and manages the City's investment portfolio.

FY 11 ACCOMPLISHMENTS

- ✓ Analyzed sales tax section functions and developed work flows to help in the sales tax software implementation. Wrote system requirements for the new system to create efficiencies in the section's work flow.
- ✓ Successfully completed resiliency and Myers-Briggs team building trainings.
- ✓ Processed 39,950 city sales tax returns for FY 11. This is an increase of 1.04% over FY 10.
- ✓ Issued approximately 1,000 sales tax and business licenses in FY 11.
- ✓ Performed 30 sales tax audits and reviews that generated \$225,000 in additional tax revenue.

- ✓ Collected \$2.3 million from delinquent miscellaneous revenue accounts.
- ✓ Managed collections for over 3,500 parking tickets totaling over \$110,900.
- ✓ Collected on over 2,860 library delinquent accounts for over \$155,832 in library fines.
- ✓ Collected on 4,290 delinquent tax returns totaling \$1.2 million.
- ✓ Pursued collections for over 200 non-sufficient funds checks.
- ✓ Billed monthly through the miscellaneous receivables program an average of 650 accounts for \$850,000.
- ✓ Billed and collected for 350 Fire Department User Fee accounts with annual revenue of \$45,000.
- ✓ Managed 373 community restitution workers with 13,373 hours of service.

FY 12 NEW INITIATIVES AND GOALS

- Implement new tax and licensing program that will enable our taxpayers to apply for license, file sales tax returns, make payments, and maintain account information online.
- Implement the new tax and licensing program to improve processing efficiency and move the section away from the home-grown legacy system.
- Write procedures manuals for each function in the sales tax section to document step by step procedures.
- Put out a RFP for an outside party to manage the city's cash investments. The investments would be limited to those currently allowed by the city investment policy. City staff would oversee the investments made by the outside party.
- Implement electronic billing for miscellaneous revenue accounts.

PERFORMANCE MEASURES

Council Priority: Effective Governance

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: ↑ Total of 6 seminars were held and they continue to meet the needs of our customers.

Measures:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
Output-The number of people attending the seminars	43	52	45	60
Outcome- At least 90% of attendees found the seminar useful, the presentation and the materials provided were easy to follow.	93%	97%	98%	90%

Council Priority: Effective Governance

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 09 Actual	FY 10 Actual	FY 11 Estimate	FY 12 Proposed
Outcome-Sales tax write-offs as a percentage of revenue	0.1%	0.018%	0.34%	0.4%
Outcome-Miscellaneous receivables as a percentage of revenue	0.1%	1.01%	0.95%	0.7%

Council Priority: Effective Governance

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 returns have been declining compared to last year, investment returns remain well above LGIP and two year treasury notes average.

Measures:	FY 09 Actual	FY 10 Actual	FY 11 Estimate	FY 12 Proposed
Annual rate of return on investments outside LGIP	4.05%	2.5%	1.5%	1.5%
LGIP annual rate of return	1.22%	0.11%	0.17%	0.17

Council Priority: Effective Governance

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 50 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 09 Actual	FY 10 Actual	FY 11 Estimate	FY 12 Proposed
Audit assessments for the fiscal year	275,967	156,034	220,000	300,000
Audit program expenses	164,424	86,514	86,514	101,064
Number of audits and reviews performed	60	32	30	50

MANAGEMENT SERVICES

SECTION 10

TAX, LICENSING, & REVENUE

SECTION: 10-TAX, LICENSES, AND REVENUE COLLECTION					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2009-2010	Adopted Budget 2010-2011	Estimated Expenditures 2010-2011	Proposed Budget 2011-2012	Budget-Budget Variance
PERSONAL SERVICES	\$ 534,146	\$ 632,010	\$ 549,294	\$ 556,522	\$ (75,488)
CONTRACTUAL	33,771	39,376	39,291	40,819	1,443
COMMODITIES	15,440	16,743	16,845	15,300	(1,443)
TOTAL	\$ 583,357	\$ 688,129	\$ 605,430	\$ 612,641	\$ (75,488)
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 140,418	\$ 286,527	\$ 172,314	\$ 264,597	\$ (21,930)
AUDIT	177,132	137,953	174,157	77,251	(60,702)
COLLECTIONS	122,893	120,423	120,153	121,076	653
LICENSING AND CLERICAL	88,886	89,367	88,754	95,370	6,003
ACCOUNTS RECEIVABLE	54,028	53,859	50,052	54,347	488
TOTAL	\$ 583,357	\$ 688,129	\$ 605,430	\$ 612,641	\$ (75,488)
SOURCE OF FUNDING:					
GENERAL FUND				\$ 197,016	
LIBRARY FUND				59,811	
TRANSPORTATION FUND				204,056	
WATER AND WASTEWATER FUND				26,534	
AIRPORT FUND				41,216	
ENVIRONMENTAL SERVICES FUND				84,008	
				\$ 612,641	
COMMENTARY:					
<p>The Sales Tax operating budget has decreased 11% with no capital expenditures. Personal Services decreases are due to reduction of one Auditor I position. In addition, there are small increases for retirement and insurance benefits. Contractuals increases are due to increases in travel, registration, and education. Commodities decreases are due to reductions in photocopying and 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, and performance reporting.

FY 11 ACCOMPLISHMENTS

- ✓ Received the Government Finance Officers Association (GFOA) Distinguished Budget presentation award for Fiscal Year (FY) 2011 for the seventeenth consecutive year.
- ✓ Received the GFOA Certificate of Achievement in financial reporting for FY 2009 for the sixteenth consecutive year.
- ✓ Early implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.
- ✓ Completed Fiscal Year 2010 financial audit with only one major deficiency which was identified by staff and brought to the auditor’s attention.
- ✓ Continue to work with Grant Representatives on American Recovery and Reinvestment Act (ARRA) Grants and review all quarterly ARRA-1512 Reports.
- ✓ Hired a full-time Grants Specialist position.
- ✓ Submitted the Airport Capital Improvement 5-Year Plan for 2012-2016.
- ✓ Project coordination with Federal Emergency Management Agency (FEMA) and AZ Department of Emergency Management (ADEM) on Disaster Recovery efforts for the 2010 Winter Storm, Hardy Fire, Schultz Fire, and Schultz Flooding events.

- ✓ Provided guidance to staff and attended numerous meetings regarding the grant funded Airport-Snow Removal Equipment.
- ✓ Continue to work with staff and AZ Department of Transportation, Aeronautics Division on Airport Land Acquisition.
- ✓ Worked with staff and the Water Infrastructure Finance Authority (WIFA) on the ARRA-Sinagua Well project final grant compliance closeout.
- ✓ Reviewed and provided comments to the new Flagstaff Metropolitan Planning Organization (FMPO) Title IV Plan.
- ✓ Updated current grant access database and researched potential software.
- ✓ Attended and conducted Resiliency Training for Finance staff.
- ✓ Researched time entry and scheduling software for citywide use.
- ✓ Participated in due diligence group to identify pros and cons for new financial software.
- ✓ Working with Flagstaff Housing Authority (FHA) to align policies, processes, and reporting within those of the City of Flagstaff.
- ✓ Assisted with implementing new software at the Visitor Center that allows better integration with general ledger and inventory reporting.
- ✓ Implement recreation software changes to allow better reconciliation to general ledger and provide installment billing.

FY 12 NEW INITIATIVES AND GOALS

- Continue to increase grant application submission and success on award approval.
- Investigate new Grant Management programs if city moves to a new software package.
- Complete the Schultz Flooding-Inner Basin Pipeline Reconstruction Project with FEMA/ADEM.
- Continue to work with FHA to identify efficiencies and operational changes.
- Implement time entry and scheduling software for citywide use.
- Explore paperless payroll options.
- Work with sections for improved and timely financial reporting to meet their operational needs.
- Begin quarterly financial reporting to Council.
- Begin posting monthly financial reports and transactions on the city website.

PERFORMANCE MEASURES

Council Priority: Effective Governance

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:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
GFOA Certificate of Achievement	100%	100%	100%	100%
GFOA Distinguished Budget Presentation Award	100%	100%	100%	100%

Council Priority: Effective Governance

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 09 Actual	FY 10 Actual	FY 11 Estimate	FY 12 Proposed
Projected Grant Budgeted Revenue	\$15,301,097	\$17,221,239	\$22,000,000	\$22,000,000
Actual Grant Revenue Received	\$5,249,709	\$5,612,625	\$7,000,000	\$8,000,000
Grant Amounts Awarded During the Fiscal Year	\$5,476,603	\$4,884,046	\$7,000,000	\$8,000,000

Council Priority: Effective Governance

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 09 Actual	FY 10 Actual	FY 11 Estimate	FY 12 Proposed
Grants Applications Submitted	80	80	90	100
Grants Awarded	52 (65%)	55 (68%)	60 (67%)	70 (70%)
Active Grants Worked During Fiscal Year	141	163	175	200

Council Priority: Effective Governance

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: >25% Very Good, 15-25% Good, <15% Needs Attention

Trend: ↑

Measures:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
Vendors paid by EFT	23	106	150	150
Number of Payments Made by EFT	113	1,003	1,500	2,500
Percent of Total Payments	1%	14%	20%	35%

Council Priority: Effective Governance

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:	CY 09 Actual	CY 10 Actual	CY 11 Estimate	CY 12 Proposed
City of Flagstaff control deficiencies	0	0	0	0
City of Flagstaff significant deficiencies	0	1	0	0
Single audit findings	0	1	0	0

MANAGEMENT SERVICES

SECTION 13

FINANCE/BUDGET

SECTION: 13-FINANCE AND BUDGET					
EXPENDITURES BY CATEGORY:					
	Actual Expenditures 2009-2010	Adopted Budget 2010-2011	Estimated Expenditures 2010-2011	Proposed Budget 2011-2012	Budget-Budget Variance
PERSONAL SERVICES	\$ 829,670	\$ 844,153	\$ 816,350	\$ 850,385	\$ 6,232
CONTRACTUAL	27,986	23,904	33,604	22,800	(1,104)
COMMODITIES	21,851	14,850	14,800	15,954	1,104
CAPITAL	-	-	4,500	-	-
TOTAL	\$ 879,507	\$ 882,907	\$ 869,254	\$ 889,139	\$ 6,232
EXPENDITURES BY PROGRAM:					
GENERAL ADMINISTRATION	\$ 86,315	\$ 111,841	\$ 117,737	\$ 111,673	\$ (168)
ACCOUNTING	366,714	335,523	327,071	333,553	(1,970)
PAYROLL	138,299	135,906	135,753	136,856	950
ACCTS PAYABLE/ RECEIVABLE	144,561	124,524	123,674	125,864	1,340
BUDGET	6,312	6,500	6,800	6,050	(450)
GRANTS ADMINISTRATION	137,306	168,613	158,219	175,143	6,530
TOTAL	\$ 879,507	\$ 882,907	\$ 869,254	\$ 889,139	\$ 6,232
SOURCE OF FUNDING:					
	GENERAL FUND			\$ 530,673	
	LIBRARY FUND			60,463	
	HIGHWAY USER REVENUE FUND			59,866	
	TRANSPORTATION FUND			25,686	
	WATER AND WASTEWATER FUND			100,810	
	STORMWATER FUND			6,009	
	AIRPORT FUND			28,273	
	ENVIRONMENTAL SERVICES FUND			77,359	
				\$ 889,139	
COMMENTARY:					
<p>The Finance and Budget operating budget has increased 1% with no capital expenditures. Personal Services increases are due to small increases in retirement and insurance benefits. Contractual decreases are due to reductions in memberships and advertising. Commodities increases are due to increases in subscriptions and office supplies. There is no major capital (>\$10,000) for this section.</p>					