

Annual Budget and Financial Plan

Fiscal Year 2008-2009
City of Flagstaff, Arizona

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
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**City of Flagstaff
Arizona**

Special Performance Measures Recognition

For the Fiscal Year Beginning

July 1, 2007

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Flagstaff, Arizona for its annual budget for the fiscal year beginning July 1, 2007. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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**CITY OF FLAGSTAFF, ARIZONA
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USERS GUIDE

The budget document serves a myriad of purposes. Most important is its use as a communications device. The budget presents the public an opportunity to review the types of services and level of service provided within the financial constraints of the community. The allocation of financial resources translates into what services will be provided to the community. As community needs and demands for service change, the allocation of resources should respond accordingly. Therefore, this document attempts to communicate financial information to allow for informed citizenry.

Transmittal - The City Manager's message and Budget Summary provides readers with a synopsis of the resource allocation priorities established by the City Council for fiscal year 2008.

Budget Overview - The overview provides an overview of the key policy issues, priorities and strategies which shaped the fiscal year 2008 budget, the budget process fiscal policies, revenue assumptions, and expenditure highlights.

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

Issues and Updates - Excerpts from the Council Review and Discussion Book used during the two weeks of study sessions discuss specific Council decision/directions impacting the prior and current fiscal year budgets.

Financial Summaries - The schedules consolidate the major financial information and operating data elements. Several schedules also serve to meet state statutory reporting requirements. The expenditure summaries are used primarily for operational purposes, e.g., monitoring expenditures at a fund level and at a category level, and maintaining accountability at a department level, with managers accountable at the cost center level.

Department Detail - Each operating Division Summary provides a description, goals and objectives, major accomplishments of fiscal year 2008, performance indicators, expenditure history and budget, commentary on significant changes, and sources of funding.

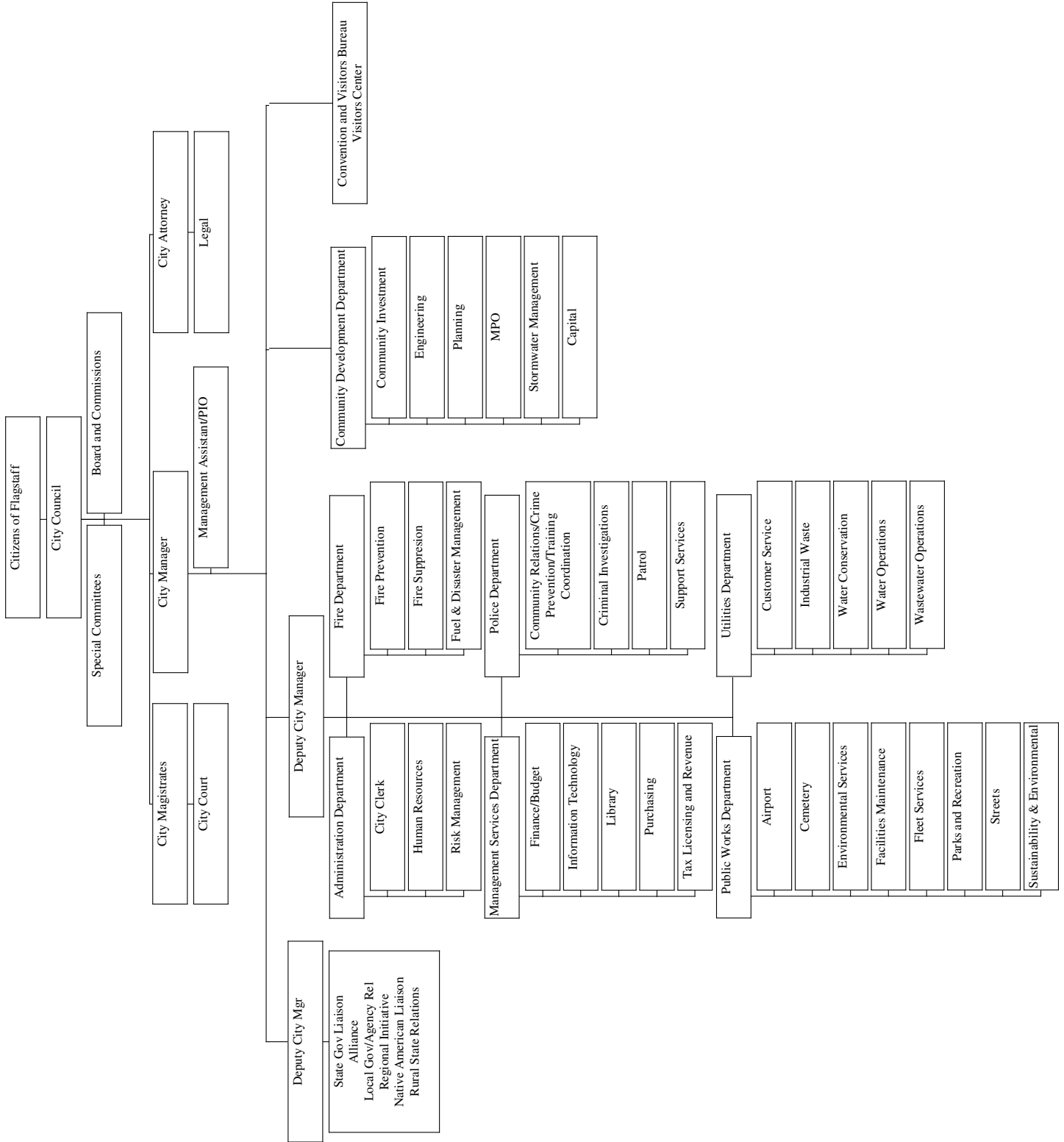
Capital Improvements - The current year portion of the five-year capital improvement program is listed, along with location maps and funding source. A more detailed project-planning sheet is available in the separately published five-year Capital Budget and Capital Improvement Plan.

Community Profile - The profile provides background information so that the budget can be viewed in the context of the factors that shape and affect budget decisions, priorities, and financial parameters within which the community operates. Also provided are select statistical tables providing historical trend information on tax rates, expenditures, and assessed valuations of property.

Appendix - In the appendices the user will find a glossary of budget terminology, ordinances/resolutions adopting the levies and budget, a summary of authorized personnel/positions by department, the city pay plan, and a summary of the cost allocation basis.

For additional information, please call the Finance and Budget Office directly at (928) 774-5281 extension 3201. This budget document may also be viewed on the City of Flagstaff website, www.flagstaff.az.gov, in Adobe Acrobat format.

City of Flagstaff



City Council

CITY COUNCIL GOALS

ECONOMIC DEVELOPMENT

GOAL: Maintain and strengthen Flagstaff as a regional center for retail, employment and hospitality, while enhancing the quality of life for our residents through technology and innovation and the attraction of employers who pay livable wages.

FISCAL HEALTH

GOAL: Maintain written policies to provide for a balanced budget that meets a vast array of community needs, to ensure that resources are available to meet future needs and allow for community infrastructure to be maintained at adequate levels and other sound financial practices that maintain the fiscal health of the organization.

PUBLIC SAFETY

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

AFFORDABLE HOUSING

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

PLANNING FOR GROWTH

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



Mayor Sara Presler

Mayor Presler was elected to office in May 2008. She is an energetic, positive, Flagstaff professional. Sara was raised in rural Arizona, and moved to Flagstaff in 1997. After completing law school, she accepted a public defense attorney position in downtown Flagstaff with Coconino County. Sara represented the needs of children, the mentally ill and low-income clients in the justice system. Sara currently teaches Business Law & Ethics for Northern Arizona University and serves as Legal Aid Counsel for students. Sara and her husband, Scott, truly love Flagstaff. Scott works for the W.A. Franke College of Business at NAU. Together, they enjoy artistic and cultural events in Flagstaff and hiking throughout

northern Arizona with their dog, Shadow. As Mayor of Flagstaff, Presler's approach is a citizen-centered focus that emphasizes relationship building and community development to address pressing concerns such as the environment, managed growth, and transportation. Mayor Presler is focused on solutions for Flagstaff around innovative economic development; preserving the Flagstaff we love; and, ensuring an effective process

Vice-Mayor Al White

Councilmember Al White was first elected to the Flagstaff City Council in May 2000 and re-elected in 2004 serving two years as Vice-Mayor, and has been re-elected in 2008 and will again serve two years as Vice-Mayor. He moved to Flagstaff in 1989 from the Grand Canyon where he worked in hotel management for 13 years. His career in the hospitality industry provided Councilmember White a key understanding of tourism issues in Flagstaff. His work in the recycling industry (owner/operator of New World Recycling) also afforded him an opportunity to observe the operation and actions of City government. Before running for City Council, Councilmember White furthered his involvement in his community by becoming the Chairperson of the City's Disability Awareness Commission, holding a special interest in disability issues since he became a paraplegic in 1996. Councilmember White was awarded a Bachelor of Science Degree in Communication Studies from the University of Massachusetts in Amherst, Massachusetts. He currently serves as the Council representative to the Disability Awareness Commission, the Sustainability Commission, the Tourism Commission, and on the Board for the northern Arizona Business and Technology Incubator. He remains convinced that economic growth does not have to be at the expense of conservation and environmental protection. Finding that blend is his primary concern



City Council

CITY COUNCIL GOALS

CAPITAL IMPROVEMENT

GOAL: Plan, program, design and construct public works and facilities capital improvements through a structured, efficient and transparent process ensuring scarce public resource expenditure for the greatest benefit to the community; creating a built environment shaped through citizen involvement, reflecting community pride.

QUALITY OF LIFE

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

PLANNING FOR GROWTH

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

CUSTOMER SERVICE

GOAL: Instill a positive customer service culture throughout the organization and with each employee of the City in the delivery of service both externally and internally.



Councilmember Karla Brewster

Councilmember Karla was elected to a four year term on the Flagstaff City Council in May 2008. A native of Oregon, Karla lived most of her life in the Phoenix area until moving to Flagstaff in 1998 where she enjoys working with people and diversity. She earned degrees are from Arizona State University, B.A. in Education, and University of Northern Colorado, M.A. in Education. She has been a teacher, both elementary and at the community college level, and served at John C. Lincoln hospital as an administrative secretary in the volunteer services program. Karla is currently an administrative assistant at Northern Arizona University in the office of the Vice Provost for Undergrad Studies. She is the president of the Democratic Women of Northern Arizona, president-elect of Classified Staff Advisory Council at NAU, past president of the Organization of Administrative Support Staff at NAU, current precinct committee person.

Councilmember Coral Evans

Councilmember Coral Evans was elected to a four-year term in May 2008. She is the third generation of her family to live in Flagstaff. Her family originally located in Flagstaff in 1929. Coral has a Master's degree in Business Administration, a Bachelor of Science Degree in Business Management and a Masters-level certificate in Public Management. She is the executive director of two nonprofit organizations (the Sunnyside Neighborhood Association, Inc. & the Southside Community Association, Inc.). She is a member of the Coconino County Workforce Investment Board (appointed position) and a member of the Chamber of Commerce – Community Development subcommittee. Recognitions include the Athena award. Her specific areas of interest for the City include well-planned & sustainable economic development, workforce development & education, workforce & affordable housing and transportation, traffic-management and roads. Councilmember Evans believes that City Government should be accessible, accountable and approachable. She is committed to ensuring that Flagstaff has a balanced approach to decision-making that is participatory and inclusive.

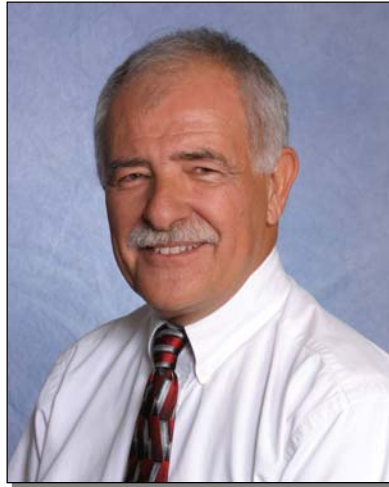


City Council

CITY COUNCIL GOALS

COLLABORATION

GOAL: Strengthen the community by strengthening partnerships with sovereign nations, public, non-profit and private agencies. Develop collaborative goals, through all levels of the organization, based upon common interests with these agencies to optimize the use of community resources and the delivery of services to the citizens of Flagstaff.



Councilmember Joe Haughey

Councilmember Joe Haughey was elected to the Flagstaff City Council in May 2002 and re-elected in May 2006. He and his daughter Valerie are realtors. In his 30 years in Flagstaff, Councilmember Haughey has been involved in many volunteer organizations. He is a graduate of the Flagstaff Leadership Program and with the Flagstaff Metropolitan Planning Organization, is a past Board member of Flagstaff Cultural Partners, and is a certificate holder with the Flagstaff Medical Center. As a Councilmember he serves on the City Traffic and Water Commission. Born in Los Angeles, Councilmember Haughey spent the majority of his youth in Saudi Arabia, Jordan, and Lebanon. He returned to California to finish high school and receive his Bachelor of Science degree from Cal State Los Angeles. A private pilot and an avid outdoorsman, Councilmember Haughey served as a Seabee in the U. S. Navy. He and his wife Liz raised their four children in Flagstaff and they now have 10 grandchildren living in the community.



Councilmember Scott Overton

Councilmember Scott Overton was elected to the Flagstaff City Council in May 2006 and served as the Vice-Mayor from 2006-2008. He is a Flagstaff native and graduate of Sinagua High School and Northern Arizona University. His leadership role is based on a solid foundation of experiences as a small business owner and an instructor in the Flagstaff Unified School district teaching career and technical education courses at Flagstaff High School. Vice-Mayor Overton graduated with a Bachelor of Science degree in Industrial Technology Education in 1996 and a Master of Education degree in Educational Leadership in 2002, currently, he operates a small construction company, SR Overton Construction. Councilmember Overton has an interest in providing a reasonable, common sense, working approach in addressing issues and concerns facing the citizens of Flagstaff. He will continue to utilize his personal ethics and professionalism to serve the City of Flagstaff to the best of his ability.

Councilmember Rick Swanson

Councilmember Rick Swanson was elected to the Flagstaff City Council in May 2006. Councilmember Swanson is the Center Director of the Northern Arizona Area Health Education Center, and he is on the management team at North Country Community Health Center in Flagstaff. He directed a capital campaign to raise \$3 million for a new facility. He was the director of the Northern Arizona Book Festival for the years 2000 through 2003. He has lived in Flagstaff for over twenty years, and this is his second time serving a term on the Flagstaff City Council. Rick has worked at a corporation, W.L. Gore and Associates, he worked at a non-profit organization, North Country Community Health Center, and he once owned a children's bookstore in Flagstaff's historic downtown. He has served on various boards, including the Literacy Volunteers of Coconino County, and the *High Country News*, a newspaper that covers environmental and social issues of the intermountain West.



