

## ***MANAGEMENT SERVICES DIVISION 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 in accordance with all applicable local, state and federal procurement rules and regulations, and assist in making best value procurement decisions while maintaining the highest ethical standards.

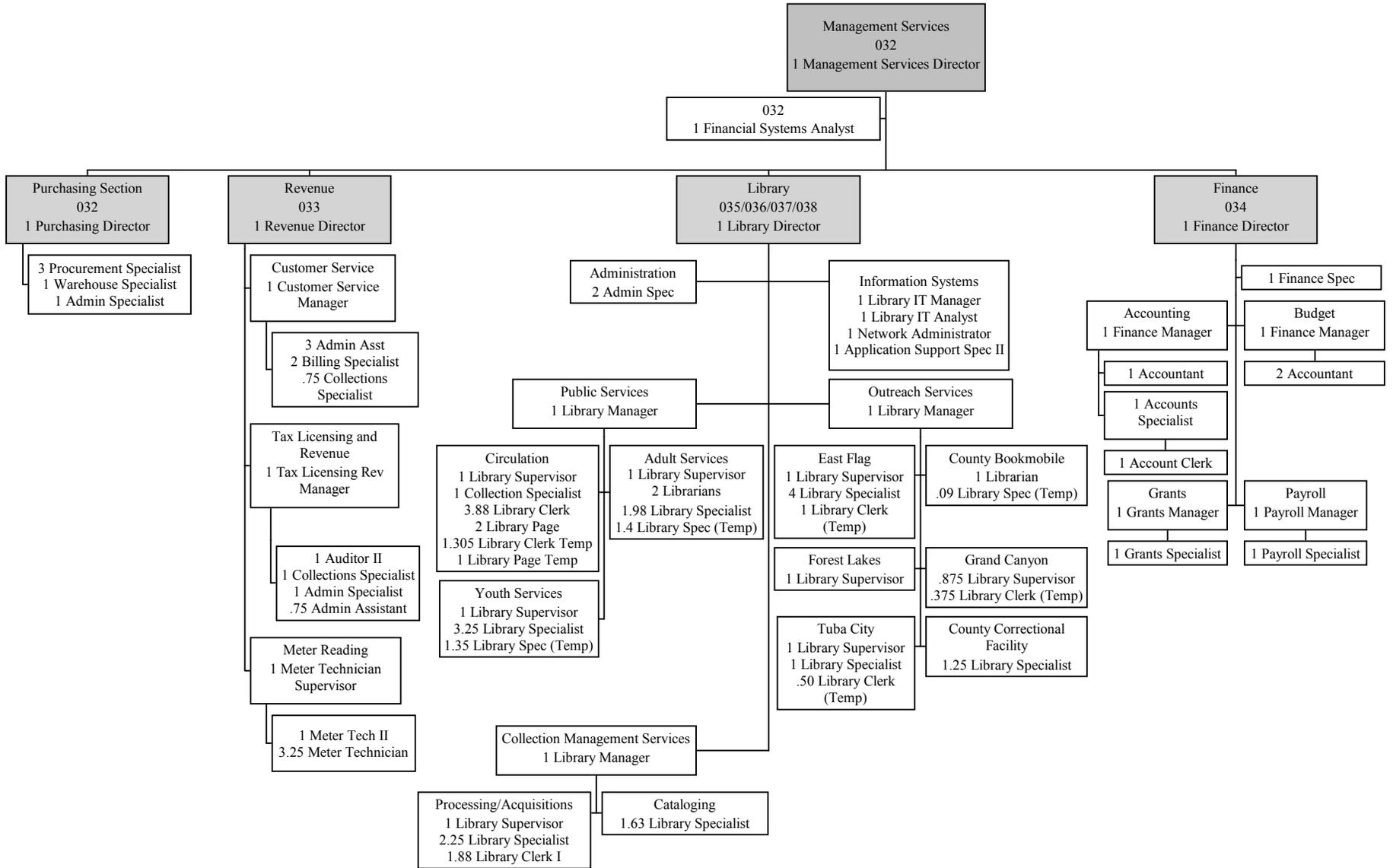
The mission of the **Revenue Section** is to ensure the City is accurately billing and collecting City revenues and to ensure that customers and the City are complying with all applicable local, state, and federal rules and regulations.

The mission of the **Finance and Budget Section** is to ensure that the 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.

The mission of the **Library Section** is to provide a supportive environment for the community, enhancing quality of life through services, materials, programs, Internet access and electronic resources that meet the diverse needs of residents of all ages as well as visitors to Flagstaff and Coconino County.



# MANAGEMENT SERVICES



**MANAGEMENT SERVICES**

**SECTION 031**

**MANAGEMENT SERVICES  
ADMINISTRATION**

| <b>SECTION:</b>                  |                               | <b>31-MANAGEMENT SERVICES</b> |                                  |                           |                        |
|----------------------------------|-------------------------------|-------------------------------|----------------------------------|---------------------------|------------------------|
| <b>EXPENDITURES BY CATEGORY:</b> |                               |                               |                                  |                           |                        |
|                                  | Actual Expenditures 2013-2014 | Adopted Budget 2014-2015      | Estimated Expenditures 2014-2015 | Proposed Budget 2015-2016 | Budget-Budget Variance |
| Personnel Services               | \$ -                          | \$ -                          | \$ -                             | \$ 251,303                | \$ 251,303             |
| Contractuals                     | -                             | -                             | -                                | 11,665                    | 11,665                 |
| Commodities                      | -                             | -                             | -                                | 1,100                     | 1,100                  |
| <b>TOTAL</b>                     | <b>\$ -</b>                   | <b>\$ -</b>                   | <b>\$ -</b>                      | <b>\$ 264,068</b>         | <b>\$ 264,068</b>      |
| <b>EXPENDITURES BY PROGRAM:</b>  |                               |                               |                                  |                           |                        |
| General Administration           | \$ -                          | \$ -                          | \$ -                             | \$ 264,068                | \$ 264,068             |
| <b>TOTAL</b>                     | <b>\$ -</b>                   | <b>\$ -</b>                   | <b>\$ -</b>                      | <b>\$ 264,068</b>         | <b>\$ 264,068</b>      |
| <b>SOURCE OF FUNDING:</b>        |                               |                               |                                  |                           |                        |
| GENERAL FUND                     |                               |                               |                                  | \$ 249,583                |                        |
| LIBRARY FUND                     |                               |                               |                                  | 1,941                     |                        |
| HIGHWAY USER REVENUE FUND        |                               |                               |                                  | 1,541                     |                        |
| TRANSPORTATION FUND              |                               |                               |                                  | 1,801                     |                        |
| WATER AND WASTEWATER FUND        |                               |                               |                                  | 4,794                     |                        |
| STORMWATER FUND                  |                               |                               |                                  | 344                       |                        |
| AIRPORT FUND                     |                               |                               |                                  | 491                       |                        |
| SOLID WASTE FUND                 |                               |                               |                                  | 3,254                     |                        |
| ENVIRONMENTAL SERVICES FUND      |                               |                               |                                  | 319                       |                        |
|                                  |                               |                               |                                  | <b>\$ 264,068</b>         |                        |

**COMMENTARY:**  
 The Management Services section is new in FY2016. Prior to FY2016 these expenditures and authorized personnel were included in Section 32- Purchasing.



**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 in accordance with all applicable local, state, and federal procurement rules and regulations, and to assist in making best-value procurement decisions while maintaining the highest ethical standards.

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**PROGRAM DESCRIPTION**

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

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**FY 15 ACCOMPLISHMENTS**

- ✓ The Purchasing Section was awarded the Achievement of Excellence in Procurement (AEP) award by the National Purchasing Institute (NPI). Below, is information with regard to the award from the AEP Committee. In 1995, the NPI established a program designed to recognize organizational excellence in public procurement. The AEP award is awarded annually. This prestigious award is earned by those organizations that demonstrate excellence by obtaining a high score based on standardized criteria. The criteria are designed to measure innovation, professionalism, productivity, e-procurement and leadership attributes of the procurement organization. The City of Flagstaff was 1 of only 16 government agencies in Arizona and 1 of only 58 Cities in the United States to receive this award.  
The AEP award is sponsored by the NPI, the California Association of Public Procurement Officers (CAPPO), the Florida Association of Public Procurement Officers (FAPPO), the Institute for Supply Chain Management (ISM), the National Institute of Governmental Purchasing (NIGP), the National Association of State Procurement Officials (NASPO), the National Association of Educational Procurement (NAEP), and the Texas Public Purchasing Association (TXPPA).
- ✓ Purchasing Section staff negotiated with various vendors selected for contract awards through a Request for Proposals and Request for Statements of Qualifications that resulted in a little more than **\$105,787** in cost savings/cost avoidance FY 2015. The Warehouse has brought in **\$78,988** in revenues through two (2) public auctions conducted for the sale of surplus property.
- ✓ Purchasing Section staff continued work on identifying “contribution dollars” given to various nonprofit organizations approved by Council and creating contracts with these organizations to hold them responsible and ensure mutuality of obligations for the services they provide. This is an effort to better monitor, manage and keep apprised of expiration dates for renewals/extensions or the need for a new competitive solicitation process.
- ✓ Purchasing Section staff worked with the Fleet Warehouse to improve their process regarding inventory control to achieve higher inventory accuracy rates.
- ✓ Purchasing Section staff worked with the City Attorney’s office on a “Straightening the Pipes” initiative that involved standardizing procurement solicitations and contracts through the development of document related templates. We have completed these templates and we are now working on formatting these templates to prevent revisions being made by unauthorized staff. These templates will result in more efficient use of staff time (i.e., Legal, Purchasing and End-users), Solicitations will be more “user friendly” for businesses seeking to conduct business with the City and end-users will enjoy more timely assistance from Purchasing and more timely legal review.

- ✓ Purchasing Section staff conducted over 67 formal solicitations, in which 45 have been awarded and the balance of 22 are either in the advertisement phase or they are currently being evaluated and will be on a future Council meeting agenda for action.
- ✓ Purchasing Section staff has completed a Request for Statements of Qualifications (RSOQ) solicitation for Job Order Contracting (JOC), which is one of three (3) Alternative Project Delivery Methods (APDM) for the delivery of construction related projects. This RSOQ solicitation was a very arduous task that took a few months to develop, due to the various scopes of work that needed to be outlined in the RSOQ and the varying needs of our end-users.
- ✓ Purchasing Section staff has made great strides in outsourcing our Central Warehousing operation, which includes the disposition of surplus property. We continue to work through this transition so that the overall outsourcing is “seamless” to our key stakeholders. Our goal is to complete this transition by the end of April of 2015.

**FY 16 NEW INITIATIVES AND GOALS**

- Continue to meet or exceed all of the evaluation criteria to be awarded the Achievement of Excellence in Procurement (AEP) award by the National Purchasing Institute (NPI).
- Research and Implement competitive bid processes, where Bidders submit their respective bids electronically (“on-line”).
- Continue to identify and implement cost savings/cost avoidance opportunities through competitive solicitations, vendor management and vendor negotiations when applicable.
- Maintain professional purchasing certifications, for Purchasing Section staff, through ongoing professional development.
- Identify and utilize more national cooperative purchasing contracts for more competitive pricing.
- Identify more opportunities for joint purchases with other public sector agencies to try and obtain more competitive pricing by leveraging our purchases.

**PERFORMANCE MEASURES**

**Priority: Management - Effective Governance**

**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/feedback

**Frequency:** Annually

**Scoring:** 75%+ progressing (Average)

**Trend:** ↑, The Purchasing Section will be meeting with our end-users to identify areas of dissatisfaction and formulate a plan to address these areas to better meet expectations.

| <b>Measures:</b>                                | <b>CY 13<br/>Actual</b> | <b>CY 14<br/>Actual</b> | <b>CY 15<br/>Estimated</b> | <b>CY 16<br/>Proposed</b> |
|---|-------------------------|-------------------------|----------------------------|---------------------------|
| Overall rating of meets or exceeds expectations | 90%                     | 72%                     | 85%                        | 90%                       |

|                            |                    |                   |
|----------------------------|--------------------|-------------------|
| <b>MANAGEMENT SERVICES</b> | <b>SECTION 032</b> | <b>PURCHASING</b> |
|----------------------------|--------------------|-------------------|

**Priority: Management - Effective Governance**

**Goal:** Provide local vendor educational forums on the City's procurement process.

**Objective:** To provide educational opportunities for our vendor community regarding the City's procurement process.

**Type of Measure:** Program Effectiveness

**Tool:** External vendor survey/feedback

**Frequency:** Bi-annually

**Scoring:** Meets or exceeds expectations

**Trend:** ←→

| <b>Measures:</b>                                | <b>CY 13<br/>Actual</b> | <b>CY 14<br/>Actual</b> | <b>CY 15<br/>Estimated</b> | <b>CY 16<br/>Proposed</b> |
|---|-------------------------|-------------------------|----------------------------|---------------------------|
| Overall rating of meets or exceeds expectations | Exceeds                 | Exceeds                 | Exceeds                    | Exceeds                   |

**Priority: Management - 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:** ↑

| <b>Measures:</b>                         | <b>CY 13<br/>Actual</b> | <b>CY 14<br/>Actual</b> | <b>CY 15<br/>Estimated</b> | <b>CY 16<br/>Proposed</b> |
|--|-------------------------|-------------------------|----------------------------|---------------------------|
| Total cost savings and/or cost avoidance | \$100,000               | \$110,000               | \$120,000                  | \$125,000                 |

**Priority: Management - 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:** Annual report that reflects the actual percentage of any increases or decreases in procurement card transactions. (The Purchasing Section's procurement card administrator actually runs monthly reports. However, increases or decreases in procurement card transactions are measured annually).

**Frequency:** Annually

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

**Trend:** ←→

| <b>Measures:</b>   | <b>CY 13<br/>Actual</b> | <b>CY 14<br/>Actual</b> | <b>CY 15<br/>Estimated</b> | <b>CY 16<br/>Proposed</b> |
|--|-------------------------|-------------------------|----------------------------|---------------------------|
| Percentage of total purchase transactions utilizing procurement card vs. requisition/purchase order process. | 17%                     | 18%                     | 18%                        | 20%                       |

**MANAGEMENT SERVICES**

**SECTION 032**

**PURCHASING**

**Priority: Management - 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:** Reports that reflect the total or length of time it takes purchasing staff to process a requisition into a purchase order.

**Frequency:** Annually

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

**Trend:** ←→

| <b>Measures:</b>  | <b>CY 13 Actual</b> | <b>CY 14 Actual</b> | <b>CY 15 Estimated</b> | <b>CY 16 Proposed</b> |
|---|---------------------|---------------------|------------------------|-----------------------|
| Length of time it takes to process a purchase order once a requisition has been approved. | Within 24 hrs.      | Within 24 hrs.      | Within 24 hrs.         | Within 24 hrs.        |

| <b>SECTION: 032-PURCHASING</b>   |                               |                          |                                  |                           |                        |
|--|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| <b>EXPENDITURES BY CATEGORY:</b>   |                               |                          |                                  |                           |                        |
|  | Actual Expenditures 2013-2014 | Adopted Budget 2014-2015 | Estimated Expenditures 2014-2015 | Proposed Budget 2015-2016 | Budget-Budget Variance |
| Personnel Services   | \$ 747,443                    | \$ 772,709               | \$ 771,709                       | \$ 497,623                | \$ (275,086)           |
| Contractuals   | 30,652                        | 38,236                   | 38,236                           | 25,362                    | (12,874)               |
| Commodities  | 10,819                        | 6,952                    | 6,952                            | 9,352                     | 2,400                  |
| <b>TOTAL</b>   | <b>\$ 788,914</b>             | <b>\$ 817,897</b>        | <b>\$ 816,897</b>                | <b>\$ 532,337</b>         | <b>\$ (285,560)</b>    |
| <b>EXPENDITURES BY PROGRAM:</b>  |                               |                          |                                  |                           |                        |
| General Administration   | \$ 256,409                    | \$ 304,623               | \$ 303,623                       | \$ 1,000                  | \$ (303,623)           |
| Purchasing   | 447,509                       | 424,642                  | 424,642                          | 442,775                   | 18,133                 |
| Warehouse  | 84,996                        | 88,632                   | 88,632                           | 88,562                    | (70)                   |
| <b>TOTAL</b>   | <b>\$ 788,914</b>             | <b>\$ 817,897</b>        | <b>\$ 816,897</b>                | <b>\$ 532,337</b>         | <b>\$ (285,560)</b>    |
| <b>SOURCE OF FUNDING:</b>  |                               |                          |                                  |                           |                        |
| GENERAL FUND   |                               |                          |                                  | \$ 184,561                |                        |
| LIBRARY FUND   |                               |                          |                                  | 20,598                    |                        |
| HIGHWAY USER REVENUE FUND  |                               |                          |                                  | 43,428                    |                        |
| TRANSPORTATION FUND  |                               |                          |                                  | 1,694                     |                        |
| WATER AND WASTEWATER FUND  |                               |                          |                                  | 188,195                   |                        |
| STORMWATER FUND  |                               |                          |                                  | 17,526                    |                        |
| AIRPORT FUND   |                               |                          |                                  | 17,207                    |                        |
| SOLID WASTE FUND   |                               |                          |                                  | 53,866                    |                        |
| ENVIRONMENTAL SERVICES FUND  |                               |                          |                                  | 5,262                     |                        |
|  |                               |                          |                                  | <b>\$ 532,337</b>         |                        |
| <b>COMMENTARY:</b>   |                               |                          |                                  |                           |                        |
| The Purchasing operating budget has decreased 35% and there are no capital expenditures planned. Personnel Services decrease is due to transfer of 2 FTEs to Management Service Administration Section. Contractual decrease are due to the transfer of related expenditures for the 2 FTEs. Commodities increases are due to one-time approval for E-Procurement software purchase. |                               |                          |                                  |                           |                        |

**MISSION**

The mission of the Revenue Section is to ensure the City is accurately billing and collecting City revenues and to ensure that customers and the City are complying with all applicable local, state, and federal rules and regulations.

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**PROGRAM DESCRIPTION**

The Revenue Section performs a wide variety of functions for the City through its various areas which include Customer Service, Meter Services, Sales Tax and Licensing, and Copy Center. Customer Service is responsible for billing, collections, copy center, cashiering, and phones. Meter services is responsible for meter reading, utility account service orders, and meter change-outs and repairs. Sales Tax and Licensing is responsible for license issuance and renewal, tax return processing, and sales tax collections. The Copy Center is responsible for copying, printing, scanning, and mail processing.

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**FY 15 ACCOMPLISHMENTS**

- ✓ Initiated a fixed network meter reading pilot program.
  - ✓ Implemented the Innoprise billing and cash receipt systems.
  - ✓ Processed approximately 44,500 city sales tax returns for FY15, which is an increase of 1.6% over FY14.
  - ✓ Renewed over 7,500 existing sales tax and business licenses.
  - ✓ Implemented the SafePoint cash handling safe solution to simplify the balancing and depositing of customer payments.
  - ✓ Performed 50 sales tax audits and reviews that generated over \$250,000 in additional revenue.
  - ✓ Implemented the Council approved Use Tax and the voter approved Transportation Tax rate changes.
  - ✓ Issued 750 new sales tax and business licenses in FY15.
  - ✓ Updated the City Tax Code for all changes adopted in Model City Tax Code through December 2014.
  - ✓ Implemented the new water and sewer rates effective January 1, 2015.
  - ✓ Procured and implemented a new vendor to manage payment processing services for Customer Service, Solid Waste, Community Development, and Courts.
  - ✓ Implemented a new lockbox processing vendor to process mailed utility and miscellaneous account receivables bills.
  - ✓ Added over 900 new radio read devices into the meter system.
  - ✓ Identified, diagnosed, and repaired more than 600 failed electronic receiver/transmitters (ERTs) on water meters throughout the City.
  - ✓ Managed over 400 community restitution workers with over 9,000 hours of service.
  - ✓ Collected over \$1,100,000 from delinquent miscellaneous accounts receivable.
  - ✓ Collected over 2,500 delinquent library accounts totaling over \$135,000 in library material fines.
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**FY 16 NEW INITIATIVES AND GOALS**

- Expand the fixed network meter reading program.
  - Implement changes to facilitate the Arizona Department of Revenue (ADOR) takeover of administration of City of Flagstaff Transaction Privilege (Sales) Tax.
  - Perform 50 sales tax audits and reviews.
  - Increase the number of radio read/fixed network meters from approximately 80% of the total meters in the City to 90% of the total meters in the City.
  - Implement payment processing solutions for the Library and Police departments.
  - Install over 200 new radio read/fixed network meters with Meter Services staff.
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**PERFORMANCE MEASURES**

**Priority: Management – Customer Service**

**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 50 people per year, an average of 10 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:** >90%, Very Good, 70%-90%, Adequate, <70%, Underperforming

**Trend:** ←→ Meets expectations. \*Please Note: With the takeover of sales tax collection by the Arizona Department of Revenue (ADOR) on January 1, 2016, the City will not conduct sales tax education seminars.

| <b>Measures:</b>  | <b>CY 13 Actual</b> | <b>CY 14 Actual</b> | <b>CY 15 Estimate</b> | <b>CY 16 Proposed</b>       |
|---|---------------------|---------------------|-----------------------|-----------------------------|
| Output-The number of people attending the seminars  | 29                  | 73                  | 50                    | *N/A. See note under Trend. |
| Outcome- At least 90% of attendees found the seminar useful, the presentation and the materials provided were easy to follow. | 95%                 | 94%                 | 95%                   | *N/A. See note under Trend. |

**Priority: Management - Effective Governance**

**Goal:** Maintain a high collection rate of sales tax accounts.

**Objective:** Keep write-offs below the designated % of total revenue.

**Type of Measure:** Program Outcome

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

**Frequency:** Annually

**Scoring:** Sales Tax: <.30% Very Good, .30% to .50%, Adequate, >.50%, Underperforming

**Trend:** ↑ The amounts written-off rose in CY14. The CY15 estimate is for a lower percentage. \*Please Note: With the takeover of sales tax collection by the Arizona Department of Revenue (ADOR) on January 1, 2016, the City will no longer collect on outstanding amounts owed. Therefore, to clean the City's accounts, the CY16 write-off is expected to be quite large as some accounts may not be collected on as long as in the past.

| <b>Measures:</b>                                       | <b>CY 13 Actual</b> | <b>CY 14 Actual</b> | <b>CY 15 Estimate</b> | <b>CY 16 Proposed</b>               |
|--|---------------------|---------------------|-----------------------|-------------------------------------|
| Annual write off of sales tax accounts.                | \$100,866.05        | \$140,569.91        | \$125,000             | *\$250,000<br>See note under Trend. |
| Sales tax write offs as a percentage of total revenue. | 0.29%               | 0.40%               | 0.30%                 | *N/A. See note under Trend.         |

**Priority: Management - Effective Governance**

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

**Objective:** Achieve a rate of return on managed investments that exceeds the designated benchmark rate.

**Type of Measure:** Program Outcome

**Tool:** Compare rate of return on managed investments outside to the rate of return of the designated benchmark.

**Frequency:** Annually

**Scoring:** Spread between City rate of return and designated benchmark. >.25% Very Good, .1% to .25%, Adequate, <.1% Underperforming

**Trend:** ←→ Although returns are projected to decline due to historically low rates, investment returns are expected to remain above the designated benchmark.

| Measures:                                   | CY 13 Actual | CY 14 Actual | CY 15 Estimated | CY 16 Proposed |
|---|--------------|--------------|-----------------|----------------|
| Rate of return on investments outside LGIP. | 0.61%        | 1.24%        | 1.35%           | 1.35%          |
| Benchmark rate of return.                   | 0.54%        | 1.24%        | 1.25%           | 1.25%          |
| Spread between City and benchmark returns.  | 0.07%        | 0.00%        | 0.10%           | 0.10%          |

**Priority: Management - 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:** # of completed audits per year >50, Very Good, 30-49, Adequate, <30, underperforming.

**Trend:** ←→ Audit assessments are expected to remain stable over the next few years.

| Measures:                              | FY 13 Actual | FY 14 Actual | FY 15 Estimated | FY 16 Proposed |
|--|--------------|--------------|-----------------|----------------|
| Audit assessments for the fiscal year  | \$523,305    | \$1,182,790  | \$250,000       | \$250,000      |
| Audit program expenses                 | \$102,000    | \$105,000    | \$105,000       | \$105,000      |
| Number of audits and reviews performed | 58           | 57           | 50              | 60             |



**Spring, Summer and Fall Equine Events for all to see.**

**Priority: Management - 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:** Outcome

**Tool:** Annual accounts presented to Council and written off.

**Frequency:** Annual

**Scoring:** Utility Billing <.20% Very Good, .20 to .30% Adequate, >.30% Underperforming

Miscellaneous Account Receivables: <.20%, Very Good, .20% to .30%, Adequate, >.30% Underperforming

**Trend:** ↑ Utility write off amounts are expected to normalize around \$100,000 due to an increase in the account deposit amount and to an increase in the number of account disconnections for nonpayment performed by staff.

↔ Miscellaneous account receivables write off amounts have stabilized at very good levels.

| Measures:   | CY 13 Actual | CY 14 Actual | CY 15 Estimate | CY 16 Proposed |
|---|--------------|--------------|----------------|----------------|
| Annual write off of customer utility accounts.                                | \$121,300.64 | \$191,097.80 | \$100,000      | \$100,000      |
| Utility write offs as a percentage of total billed.                           | 0.38%        | 0.58%        | 0.20%          | 0.15%          |
| Annual write off of miscellaneous account receivable accounts.                | \$3,831.73   | \$2,125.86   | \$10,000       | \$10,000       |
| Miscellaneous account receivables write offs as a percentage of total billed. | 0.04%        | 0.03%        | 0.15%          | 0.15%          |

**Priority: Management – Customer Service**

**Goal:** Provide accurate billings.

**Objective:** Limit the number of estimated read billings.

**Type of Measure:** Outcome

**Tool:** Spreadsheet data for meter reading.

**Frequency:** Monthly

**Scoring:** Reading Estimate: <2% Exceeding, 2-5% Meeting, >5% Not Meeting

**Trend:** ↔ Meeting expectations

| Measures:                        | CY 13 Actual | CY 14 Actual | CY 15 Estimate | CY 16 Proposed |
|----------------------------------|--------------|--------------|----------------|----------------|
| Percent of estimated meter reads | 11.36%       | 1.27%        | 1.00%          | 1.00%          |



**MANAGEMENT SERVICES**

**SECTION 033**

**REVENUE**

| <b>SECTION:</b>   |                               | <b>033-REVENUE</b>       |                                  |                           |                        |
|---|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| <b>EXPENDITURES BY CATEGORY:</b>  |                               |                          |                                  |                           |                        |
|   | Actual Expenditures 2013-2014 | Adopted Budget 2014-2015 | Estimated Expenditures 2014-2015 | Proposed Budget 2015-2016 | Budget-Budget Variance |
| Personnel Services  | \$ 1,032,759                  | \$ 1,137,812             | \$ 1,137,812                     | \$ 1,144,809              | \$ 6,997               |
| Contractuals  | 353,244                       | 334,489                  | 334,489                          | 392,189                   | 57,700                 |
| Commodities   | 40,397                        | 48,500                   | 48,500                           | 40,800                    | (7,700)                |
| Capital   | -                             | -                        | -                                | 35,000                    | 35,000                 |
| <b>TOTAL</b>  | <b>\$ 1,426,400</b>           | <b>\$ 1,520,801</b>      | <b>\$ 1,520,801</b>              | <b>\$ 1,612,798</b>       | <b>\$ 91,997</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>   |                               |                          |                                  |                           |                        |
| General Administration  | \$ 158,805                    | \$ 171,053               | \$ 171,053                       | \$ 166,271                | \$ (4,782)             |
| Licensing and Support   | 104,053                       | 105,792                  | 105,792                          | 92,678                    | (13,114)               |
| Auditing  | 162,905                       | 173,085                  | 173,085                          | 175,263                   | 2,178                  |
| Sales Tax Collections   | 76,297                        | 77,952                   | 77,952                           | 81,318                    | 3,366                  |
| Customer Service  | 607,127                       | 608,739                  | 608,739                          | 718,551                   | 109,812                |
| Billing and Collections   | 41,503                        | 48,438                   | 48,438                           | 48,489                    | 51                     |
| Print and Mail Services   | 3,349                         | 10,900                   | 10,900                           | -                         | (10,900)               |
| Meter Services  | 272,361                       | 324,842                  | 324,842                          | 330,228                   | 5,386                  |
| <b>TOTAL</b>  | <b>\$ 1,426,400</b>           | <b>\$ 1,520,801</b>      | <b>\$ 1,520,801</b>              | <b>\$ 1,612,798</b>       | <b>\$ 91,997</b>       |
| <b>SOURCE OF FUNDING:</b>   |                               |                          |                                  |                           |                        |
| GENERAL FUND  |                               |                          |                                  | \$ 259,637                |                        |
| LIBRARY FUND  |                               |                          |                                  | 10,142                    |                        |
| HIGHWAY USER REVENUE FUND   |                               |                          |                                  | 12,994                    |                        |
| TRANSPORTATION FUND   |                               |                          |                                  | 275,400                   |                        |
| WATER AND WASTEWATER FUND   |                               |                          |                                  | 769,480                   |                        |
| STORMWATER FUND   |                               |                          |                                  | 20,611                    |                        |
| AIRPORT FUND  |                               |                          |                                  | 27,161                    |                        |
| SOLID WASTE FUND  |                               |                          |                                  | 218,963                   |                        |
| SEMS  |                               |                          |                                  | 18,410                    |                        |
|   |                               |                          |                                  | <b>\$ 1,612,798</b>       |                        |
| <b>COMMENTARY:</b>  |                               |                          |                                  |                           |                        |
| <p>The Revenue operating budget has increased 4% and there are capital expenditures (totaling \$35,000) resulting in an overall net increase of 6%. Personnel Services increases are due to 2% market pay increase net of the elimination of .5 FTE related to ADOR changes. Contractuals increases are due to increase in credit card processing fees and and one time costs for sales tax system setup for ADOR data transfer. Commodities decreases are due to decreases in office supplies and computer software. Major capital (&gt;\$10,000) include call center software and hardware.</p> |                               |                          |                                  |                           |                        |



**MISSION**

The mission of the Finance 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.

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**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.

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**FY 15 ACCOMPLISHMENTS**

- ✓ Received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for Fiscal Year (FY) 2015 for the 21<sup>st</sup> consecutive year.
  - ✓ Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for FY 2014 for the 21<sup>th</sup> consecutive year.
  - ✓ Completed Fiscal Year 2014 financial and single audit with no findings.
  - ✓ Received a National and State Award for Water and Environment for the Disaster Recovery-Inner Basin Pipeline Reconstruction Project.
  - ✓ Implemented Positive Pay for checking accounts to reduce risk of fraud.
  - ✓ Processed a one-time longevity pay for employees in December.
  - ✓ Moved all Flagstaff Housing Authority personnel to the same payroll system used for City employees.
  - ✓ Implemented Pay Card for city payroll and eliminated printing paper checks.
  - ✓ Upgraded payroll system to improve reporting related to the Affordable Health Care Act.
  - ✓ Successfully completed the Schultz Flooding FEMA/ADEM Audit and received reimbursement.
  - ✓ Implement the Economic Development Administration Revolving Loan Fund
  - ✓ Continued full implementation of the Grants Navigator database and trained internal users.
  - ✓ Created new Fund for the Road Repair and Street Safety tax approved by voters.
  - ✓ Created web page for financial transparency of the City's grant awards.
  - ✓ Began implementing changes related to the Federal Super Circular update
  - ✓ Submitted the Airport Capital Improvement 5-Year Plan for 2016-2020 for \$18.5M to FAA and ADOT
  - ✓ Continued to work with Coalition Members through the Brownfield Assessment Grant to develop potential Petroleum and Hazardous Substance sites for assessments.
  - ✓ Successfully completed the AZ Criminal Justice Commission METRO FY 12 & 13 Audit
  - ✓ Successfully completed the Victim Rights FY 14 Audit
  - ✓ Grant staff attended the National Grant Professional Conference in October 2014.
- 

**FY 16 NEW INITIATIVES AND GOALS**

- Finalize the Economic Development Administration grant for a Business Accelerator and Alternate Emergency Operations Center and hold an Opening Ceremony celebrating the project success.
- Through the Small Air Service Community Grant, continue to work with staff to secure second Airline
- Continue to work with staff to purchase Airport Land from the Coconino National Forest Service
- Continue to submit required reports such as EEOP, FFATA, and DBE to meet grant compliance
- Implement new Innoprise software for Work Management, Capital Assets, Payroll and HR
- Manage payroll changes to bring police staff to market based pay
- Complete User Fee updates and present to Council for Community Development, Fire, and Recreation.
- Complete the Airport Sustainability Master Plan
- Submit the Airport Capital Improvement 5-Year Plan for 2017-2021 to FAA and ADOT

**PERFORMANCE MEASURES**

**Priority: Management – 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 13<br>Actual | CY 14<br>Actual | CY 15<br>Estimated | CY 16<br>Proposed |
|--|-----------------|-----------------|--------------------|-------------------|
| GFOA Certificate of Achievement              | 100%            | 100%            | 100%               | 100%              |
| GFOA Distinguished Budget Presentation Award | 100%            | 100%            | 100%               | 100%              |

**Priority: Management – 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 13<br>Actual | FY 14<br>Actual | FY 15<br>Estimated | FY 16<br>Proposed |
|--|-----------------|-----------------|--------------------|-------------------|
| Projected Grant Budgeted Revenue             | \$29,776,120    | \$31,993,929    | \$24,641,975       | \$11,751,055      |
| Actual Grant Revenue Received                | \$8,235,865     | \$16,605,476    | \$10,000,000       | \$10,000,000      |
| Grant Amounts Awarded During the Fiscal Year | \$15,230,258    | \$15,798,329    | \$10,000,000       | \$10,000,000      |

**Priority: Management – 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 13<br>Actual | FY 14<br>Actual | FY 15<br>Estimated | FY 16<br>Proposed |
|---|-----------------|-----------------|--------------------|-------------------|
| Grants Applications Submitted           | 35              | 39              | 29 to date         | 40                |
| Grants Awarded                          | 26              | 27              | 18 to date         | 30                |
| Active Grants Worked During Fiscal Year | 140             | 136             | 153                | 150               |

|                            |                    |                |
|----------------------------|--------------------|----------------|
| <b>MANAGEMENT SERVICES</b> | <b>SECTION 034</b> | <b>FINANCE</b> |
|----------------------------|--------------------|----------------|

**Priority: Management – Customer Service and 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:** ↑

| <b>Measures:</b>               | <b>CY 13<br/>Actual</b> | <b>CY 14<br/>Actual</b> | <b>CY 15<br/>Estimated</b> | <b>CY 16<br/>Proposed</b> |
|--------------------------------|-------------------------|-------------------------|----------------------------|---------------------------|
| Vendors paid by EFT            | 186                     | 200                     | 225                        | 225                       |
| Number of Payments Made by EFT | 1,604                   | 1,946                   | 2,000                      | 2,200                     |
| Percent of Total Payments      | 21%                     | 23%                     | 25%                        | 27%                       |
| Percent of Total Dollars Paid  | 47%                     | 54%                     | 55%                        | 60%                       |

**Priority: Management – 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:** ↑

| <b>Measures:</b>                           | <b>CY 13<br/>Actual</b> | <b>CY 14<br/>Actual</b> | <b>CY 15<br/>Estimated</b> | <b>CY 16<br/>Proposed</b> |
|--|-------------------------|-------------------------|----------------------------|---------------------------|
| City of Flagstaff control deficiencies     | 2                       | 0                       | 0                          | 0                         |
| City of Flagstaff significant deficiencies | 0                       | 0                       | 0                          | 0                         |
| Single audit findings                      | 2                       | 0                       | 0                          | 0                         |



**Leading by example - healthy living surrounds you.**

|                            |                    |                |
|----------------------------|--------------------|----------------|
| <b>MANAGEMENT SERVICES</b> | <b>SECTION 034</b> | <b>FINANCE</b> |
|----------------------------|--------------------|----------------|

|                                  |  |                                |  |                                 |                           |
|----------------------------------|--|--------------------------------|--|---------------------------------|---------------------------|
| <b>SECTION:</b>                  | <b>034-FINANCE</b>   |                                |  |                                 |                           |
| <b>EXPENDITURES BY CATEGORY:</b> | Actual<br>Expenditures<br>2013-2014  | Adopted<br>Budget<br>2014-2015 | Estimated<br>Expenditures<br>2014-2015 | Proposed<br>Budget<br>2015-2016 | Budget-Budget<br>Variance |
| Personnel Services               | \$ 898,587   | \$ 948,707                     | \$ 948,707                             | \$ 1,153,132                    | \$ 204,425                |
| Contractuals                     | 55,063   | 53,372                         | 53,372                                 | 55,402                          | 2,030                     |
| Commodities                      | 16,996   | 17,116                         | 17,116                                 | 15,784                          | (1,332)                   |
| <b>TOTAL</b>                     | <b>\$ 970,646</b>  | <b>\$ 1,019,195</b>            | <b>\$ 1,019,195</b>                    | <b>\$ 1,224,318</b>             | <b>\$ 205,123</b>         |
| <b>EXPENDITURES BY PROGRAM:</b>  |  |                                |  |                                 |                           |
| General Administration           | \$ 120,955   | \$ 132,585                     | \$ 132,585                             | \$ 235,083                      | \$ 102,498                |
| Accounting                       | 378,375  | 402,625                        | 402,625                                | 499,670                         | 97,045                    |
| Payroll                          | 151,469  | 159,799                        | 159,799                                | 161,222                         | 1,423                     |
| Accounts Payable                 | 127,289  | 126,394                        | 126,394                                | 128,204                         | 1,810                     |
| Grants Management                | 192,558  | 197,792                        | 197,792                                | 200,139                         | 2,347                     |
| <b>TOTAL</b>                     | <b>\$ 970,646</b>  | <b>\$ 1,019,195</b>            | <b>\$ 1,019,195</b>                    | <b>\$ 1,224,318</b>             | <b>\$ 205,123</b>         |
| <b>SOURCE OF FUNDING:</b>        |  |                                |  |                                 |                           |
|                                  | GENERAL FUND   |                                |  | \$ 880,654                      |                           |
|                                  | LIBRARY FUND   |                                |  | 60,522                          |                           |
|                                  | HIGHWAY USER REVENUE FUND  |                                |  | 38,823                          |                           |
|                                  | TRANSPORTATION FUND  |                                |  | 23,729                          |                           |
|                                  | WATER AND WASTEWATER FUND  |                                |  | 100,854                         |                           |
|                                  | STORMWATER FUND  |                                |  | 6,319                           |                           |
|                                  | AIRPORT FUND   |                                |  | 41,696                          |                           |
|                                  | SOLID WASTE FUND   |                                |  | 58,332                          |                           |
|                                  | SEMS   |                                |  | 13,389                          |                           |
|                                  |  |                                |  | <b>\$ 1,224,318</b>             |                           |
| <b>COMMENTARY:</b>               | <p>The Finance operating budget has increased 20% and there are no capital expenditures planned. Personnel Services increases are due to 2% market pay increase and an increase in 1 FTE for an Accountant and 1 FTE for Finance Specialist. Contractual increases are due to increases in travel and training. Commodities decrease are due to decreases in office supplies and computer equipment purchases.</p> |                                |  |                                 |                           |



**MISSION**

The mission of the Flagstaff City-Coconino County Public Library is to provide a supportive environment for the community, enhancing quality of life through services, materials, programs, Internet access and electronic resources that meet the diverse needs of residents of all ages as well as visitors to Flagstaff and Coconino County.

**PROGRAM DESCRIPTION**

We support this mission by providing a user friendly information and communication gateway for our patrons. The Library's collections and services support many areas of interest, including culture, business, education, literacy, life-long learning, general and local history, genealogy, government, and technology. Professional and technological assistance in accessing and researching information is offered along with access to computers and the internet. The Library also serves as a community center for social networking, news, non-profits, and the dissemination of ideas. It is dedicated to freedom of access for all within established library policies.

**FY 15 ACCOMPLISHMENTS****Flagstaff City-Coconino County Public Library and East Flagstaff Community Library**

- ✓ Completed an LSTA grant that provided the funding for a new electronic resource on Flagstaff History and programs that reflect the diverse culture of the area.
- ✓ Provided adult programs: Flagstaff Reads – Flagstaff's one book; Stories to Life – classic tales, poems, and literature; Friends of the Library book discussion; One Book AZ; and Science Reads book discussion.
- ✓ Hosted a Catholic Charities representative at specific times during library hours.
- ✓ Offered HIV testing through the County Health Department within the library.
- ✓ Implemented iStorytime, a program allowing preschoolers to interact with iPads in a story time setting.
- ✓ Upgraded the Teen Area to include more seating and a chalkboard loft.
- ✓ Piloted new Summer Reading software in conjunction with the Maricopa County Library System.
- ✓ Completed the Library's Authorities Processing project, a major catalog clean-up process.
- ✓ Implemented a google-like catalog search interface called Enterprise.
- ✓ Implemented e-Resource Central (eRC) at all the county libraries. eRC is a link between the library's online catalog and the library's e-book and e-audiobook vendors.
- ✓ Implemented text messaging notices for on-the-go patrons.
- ✓ Promoted Social Library, a Facebook app that allows the public to interact with the library without leaving Facebook. Users can search the catalog, place holds, and renew items.
- ✓ Set up Mobile Circulation to allow library staff more flexibility in serving the public.
- ✓ Implemented BLUEcloud Cataloging which includes an entirely web based interface with new, powerful catalog record editing tools.
- ✓ Implemented printing from Wi-Fi for users with their own laptops or other portable devices.
- ✓ Facilitated trainings for library staff on new technologies at the libraries.
- ✓ Fostered new relationship with Northern AZ College Resource Center.
- ✓ Purchased and installed a security camera system at the East Flagstaff Community Library.
- ✓ Installed additional Wi-Fi antennas at the Downtown Library.
- ✓ Implemented new inter-library loan process, including the new cloud-based Illiad system.
- ✓ Participated in the digitization and online access of the Flagstaff Water History project.
- ✓ Enhanced RDA implementation with OCLC and LC records through continuing education opportunities.
- ✓ Completed the cataloging of DVDs and books comprising the Youth Services Back-up shelf.
- ✓ Added new RTI DVD cleaners in Collection Management Services, Circulation, and at the East Flagstaff Community Library.

**Coconino County Library District**

- ✓ Updated computers at the Grand Canyon, Tuba City, Page and Fredonia libraries.
- ✓ Moved to a new web filtering mechanism called OpenDNS. This cloud-based service allows the library to filter the internet at all the county libraries in accordance with Federal and State laws effectively and efficiently.
- ✓ Bookmobile – Added more stops, including Mormon Lake and the Sandstone Highland Apartments.
  - Successfully coordinated culturally rich performance series.
  - Provided engaging programs at senior centers, which also supported local arts scene.
  - Increased patron visitation numbers.
  - Created a promotional Bookmobile DVD.
- ✓ Detention Center Library – Added new periodicals and improved the magazine distribution system in the pods.
  - Installed new computer and analyzed for county network compatibility.
- ✓ Forest Lakes Community Library – Fostered new relationship with Forest Lakes Owners Association to pursue and create fund raising programs.
  - Began “Operation Chicken Project”, a community awareness program.
  - Planned and organized weekly children’s summer programs: Make and Take Craft Day, Kids Fishing Tournament, Nature Day, Monsoon’s Coming!, Craft Fair, Cooking with the Kids, Christmas in July, Hiking Day with Ranger Bob, as well as a community Halloween party.
- ✓ Grand Canyon Community Library – Added an additional temporary staff member.
  - Worked with National Park Services on new carpet installation – ongoing.
- ✓ Tuba City Public Library – Provided Notary Public Services.
  - Enhanced Youth Area with Youth reading materials, games, and furnishings; also improved Toddler collection with baby board books, furnishing, and toys.
  - Attended Children’s Reading Workshop for the Summer Reading Program.
- ✓ Fredonia Public Library – Reestablished a new Library Board.
  - Transferred Teen Career Day and Job Fair to a central group to include all High Schools and Adults in the area.
  - Increased staff member to full-time.
- ✓ Page Public Library – Increased materials and services to the outreach library at the Community Center.
  - Offered staff training opportunities including Early Literacy, First Aid/CPR, and STEM workshops.
  - Added new position – Circulation Supervisor.
- ✓ Sedona Public Library – Installed a new roof on the library building.
  - Created a fundraising/development department to cultivate donors and establish sustainable funding.
  - Received a \$9000 LSTA grant to reorganize the Children’s Room and create an interactive, early literacy skill-building play area.
  - Created outreach services through a grant from the Kemper and Ethel Marley Foundation.
  - Established the ACT One Culture Pass program, which gives a library card holder free admission for two people to 20 different museums and cultural attractions across the state.
- ✓ Williams Public Library – Increased large print area to be able to expand the ever-growing collection.
  - Expanded children’s programming to include a weekly session for infants and toddlers, presented by North Country Health Care.
  - Installed a historic photo display in the Williams Visitor Center featuring photos from our ongoing historic photo project (initially funded by a LSTA grant from AZDLAPR).
  - Replaced furniture in children’s area.

**FY 16 NEW INITIATIVES AND GOALS****Flagstaff City-Coconino County Public Library and East Flagstaff Community Library**

- Add more computers to our Youth Services computer lab to accommodate afterschool groups.
- Add Brain Box programming in Youth Services.
- Increase Youth Services Accelerated Reading Information through labeling and adding to our catalog.

- Plan for RFID (Radio Frequency Identification) technology at East Flagstaff and Downtown Libraries.
- Implement an eCommerce solution which will allow internet users the ability to pay library fines & fees online.
- Provide local computer training opportunities for library staff, including hardware, operating system, networking, and software application topics.
- Move forward with centralized cataloging involving the Forest Lakes, Fredonia, Grand Canyon, Tuba City, and Williams Libraries. Centralized cataloging would permit Collection Management Services at Downtown Flagstaff to catalog library material before distribution to the other libraries. The goal is to provide record uniformity in the catalog.
- Create a Collection Management Services Procedures Manual.
- Begin process to run global edit reports for cataloging continuity.
- Implement BLUEcloud cataloging through SirsiDynix which will provide access to 20 million Authority and MARC records, resulting in reduced cataloging costs.

#### **Coconino County Library District**

- Research options, then select and install new Wi-Fi gateways at all District Libraries.
- Bookmobile – Expand the Assisted Living Program Series.
  - Research the viability of a stop at the Twin Arrows Casino for Navajo employees.
- Detention Center Library – Complete major weeding project for entire collection.
  - Provide training to assist staff as they oversee library services in a Detention Center environment.
- Forest Lakes Community Library – Facilitate monthly cooking classes for Forest Lakes' children.
  - Develop partnership with the local quilting guild to promote community improvement projects.
- Grand Canyon Community Library – Partner with the Kaibab Learning Center on Summer Reading Program.
  - Initiate a humanities outreach program.
- Tuba City Public Library – Write a grant to develop an early literacy Toddler Tales program.
  - Develop a genealogy collection for the community by collecting local obituaries.
  - Weed outdated library materials and duplicate library cards.
  - Secure \$30,000 from Navajo Hopi Land Commission for TCPL projects.
- Fredonia Public Library – Install new gutters to prevent additional basement flooding.
  - Install new doors and door counters to both front and back of library.
- Page Public Library – Purchase new vehicle.
  - Employ a sufficient number of well-trained staff and administration to meet the library needs of all patrons through superior service.
  - Create a plan for remote pick up locations, in areas such as Kayenta and Big Water, UT.
  - Continue to develop the library as a cultural and educational center and public gathering place for the community.
- Sedona Public Library – Introduce Smart Board technology to the community.
  - Expand existing Early Literacy Tutoring program which uses iPads, Reading A-Z, and RAZ-Kids software to address stricter state guidelines for students entering the 3<sup>rd</sup> grade.
  - Acquire a patron printing station that offers fax/scanning/printing/copying services for all patrons, including those using Wi-Fi.
  - Offer Tech with Teens program to bring young adults together with older patrons to work with technology.
  - Create a Maker Space for locals to exhibit their engineering and crafting abilities and share their talents and tools.
- Williams Public Library – Investigate and Implement programming for adults and Senior Citizens.
  - Train part-time help using Workflows.
  - Expand access to our historic photo collection by purchasing a photo printer.
  - Update Library policies.

**PERFORMANCE MEASURES**

**Priority: Regional Plan (2030) – Community Character, Community Design (Goal CC.3) and Arts, Sciences, and Education (Goal CC.5)**

**Goal:** Provide positive, diverse opportunities for educational, cultural, arts, and leisure activities and programs in an equitable manner.

**Objective:** Offer special programming for children, youth, adults and seniors

**Type of Measure:** Outcome and Output, Number of Programs and Participants in Library Programs

**Tool:** Customer Surveys, Hardcopy & Online- Library Website; Customer Questions & Feedback, Program Stats

**Frequency:** Daily, Monthly, Quarterly, Annually (ongoing)

**Scoring:** 99%

**Trend:** ↑

| Measures: FPL, EFCL, and PALS                              | CY 13 Actual | CY 14 Actual | CY 15 Estimate | CY 16 Proposed |
|--|--------------|--------------|----------------|----------------|
| Customer satisfaction with programs offered at the Library | 99%          | 99%          | 99%            | 99%            |
| Number of programs offered                                 | 1,117        | 1,224        | 1,261          | 1,299          |
| Number of participants in programs                         | 27,031       | 27,542       | 28,368         | 29,219         |

**Priority: Regional Plan (2030) – Community Character, Community Design (Goal CC.3) and Arts, Sciences, and Education (Goal CC.5)**

**Goal:** Provide exceptional customer service

**Objective:** Provide a welcoming community space, access to computers and the internet, and meet the informational needs, requests and desires of library patrons

**Type of Measure:** Outcome

**Tool:** Customer Surveys, Hardcopy and Online- Library Website; Customer Questions and Feedback

**Frequency:** Daily, Monthly, Quarterly, Annually (ongoing)

**Scoring:** 98%

**Trend:** ↔

| Measures: FPL, EFCL, and PALS                   | CY 13 Actual | CY 14 Actual | CY 15 Estimate | CY 16 Proposed |
|---|--------------|--------------|----------------|----------------|
| Customers pleased with their Library experience | 99%          | 98%          | 98%            | 98%            |

**Priority: Regional Plan (2030) – Community Character, Community Design (Goal CC.3) and Arts, Sciences, and Education (Goal CC.5)**

**Goal:** Continue to be a focal point of the community. Provide a wide variety of diverse materials to enhance the quality of life for the community

**Objective:** Select, acquire, prepare, and maintain quality resources in different formats for use by the public

**Type of Measure:** Outcome and Output

**Tool:** Customer Surveys, Hardcopy and Online- Library Website; Customer Questions and Feedback, Circulation Statistical Records

**Frequency:** Daily, Weekly, Quarterly, Annually (ongoing)

**Scoring:** 99%

**Trend:** ↑

| Measures: FPL, EFCL, and PALS  | CY 13 Actual | CY 14 Actual | CY 15 Estimate | CY 16 Proposed |
|--|--------------|--------------|----------------|----------------|
| Customers believe that having access to the library and library resources enhances their quality of life | 98%          | 99%          | 99%            | 99%            |
| Number of items circulated/checked out by patrons  | 1,064,698    | 1,062,380    | 1,094,251      | 1,127,079      |
| E-materials: electronic format checkouts and database use  | 20,670       | 18,976       | 19,545         | 20,131         |

**Priority:** Regional Plan (2030) – Community Character, Arts, Sciences, and Education (CC.5), Community Design (Goal CC.3, Economic Development, Education and Workforce Training (Goal ED.2)

**Goal:** Maintain and deliver a quality, reliable technological information infrastructure and electronic resources

**Objective:** Address the digital divide by providing computers for use by the public, internet and wireless access, customer training and assistance, electronic databases, and electronic formats (downloadable digital and audiobooks), including customer access from home saving fuel and time.

**Type of Measure:** Output

**Tool:** Circulation, Youth Services, and Reference Statistical Records

**Frequency:** Daily, Weekly, Quarterly, Annually (ongoing)

**Scoring:** 98%

**Trend:** ↑

**Measures:** FPL, EFCL, and PALS

|  | CY 13<br>Actual | CY 14<br>Actual | CY 15<br>Estimate | CY 16<br>Proposed |
|--|-----------------|-----------------|-------------------|-------------------|
| Computer Usage: all public computers, Early Literacy Stations use, and wireless internet users | 255,207         | 260,815         | 268,639           | 276,699           |
| Computer Training, Classes, Tutoring, and Job Help   | 937             | 1,368           | 1,409             | 1,451             |
| Hits to the Library website  | 559,767         | 608,781         | 627,044           | 645,856           |



**MANAGEMENT SERVICES**

**SECTION 035/036/038**

**LIBRARY SERVICES**

|   |                               |                                |                                  |                           |                        |
|---|-------------------------------|--------------------------------|----------------------------------|---------------------------|------------------------|
| <b>SECTION:</b>   |                               | <b>035-LIBRARY CITY DIRECT</b> |                                  |                           |                        |
| <b>EXPENDITURES BY CATEGORY:</b>  |                               |                                |                                  |                           |                        |
|   | Actual Expenditures 2013-2014 | Adopted Budget 2014-2015       | Estimated Expenditures 2014-2015 | Proposed Budget 2015-2016 | Budget-Budget Variance |
| Personnel Services  | \$ 2,295,535                  | \$ 2,390,978                   | \$ 2,390,978                     | \$ 2,484,967              | \$ 93,989              |
| Contractuals  | 316,992                       | 585,189                        | 554,189                          | 395,189                   | (190,000)              |
| Commodities   | 441,565                       | 652,699                        | 487,699                          | 760,699                   | 108,000                |
| Capital   | -                             | 213,390                        | -                                | 434,390                   | 221,000                |
| <b>TOTAL</b>  | <b>\$ 3,054,092</b>           | <b>\$ 3,842,256</b>            | <b>\$ 3,432,866</b>              | <b>\$ 4,075,245</b>       | <b>\$ 232,989</b>      |
| <b>EXPENDITURES BY PROGRAM:</b>   |                               |                                |                                  |                           |                        |
| General Administration  | \$ 452,402                    | \$ 967,137                     | \$ 702,747                       | \$ 1,015,200              | \$ 48,063              |
| Technical Services  | 743,897                       | 889,440                        | 819,440                          | 862,602                   | (26,838)               |
| Public Services   | 1,381,314                     | 1,493,215                      | 1,438,215                        | 1,560,600                 | 67,385                 |
| East Flag Library   | 461,331                       | 471,514                        | 451,514                          | 605,893                   | 134,379                |
| Main Library Automation   | 14,562                        | 19,500                         | 19,500                           | 29,500                    | 10,000                 |
| Outreach  | 586                           | 1,450                          | 1,450                            | 1,450                     | -                      |
| <b>TOTAL</b>  | <b>\$ 3,054,092</b>           | <b>\$ 3,842,256</b>            | <b>\$ 3,432,866</b>              | <b>\$ 4,075,245</b>       | <b>\$ 232,989</b>      |
| <b>SOURCE OF FUNDING:</b>   |                               | LIBRARY FUND                   |                                  | \$ 4,075,245              |                        |
|   |                               |                                |                                  | <b>\$ 4,075,245</b>       |                        |
| <b>COMMENTARY:</b>  |                               |                                |                                  |                           |                        |
| The Library operating fund has increased by 6%. Personnel Services witnessed an increase of 4% due to a 2% market increase as well as an increase in FTE of 1.125 positions for a Library Clerk (temp) and Library Specialist. Contractuals had a decrease of 32% which represents one time allowances. Commodities increase of 17% is related to one time allowances. The capital for this section is related to a roof replacement and ADA compliance renovating at the Main Library. |                               |                                |                                  |                           |                        |

|                                  |                               |                                  |                                  |                           |                        |
|----------------------------------|-------------------------------|----------------------------------|----------------------------------|---------------------------|------------------------|
| <b>SECTION:</b>                  |                               | <b>036-LIBRARY COUNTY DIRECT</b> |                                  |                           |                        |
| <b>EXPENDITURES BY CATEGORY:</b> |                               |                                  |                                  |                           |                        |
|                                  | Actual Expenditures 2013-2014 | Adopted Budget 2014-2015         | Estimated Expenditures 2014-2015 | Proposed Budget 2015-2016 | Budget-Budget Variance |
| Personnel Services               | \$ 393,097                    | \$ 368,038                       | \$ 368,038                       | \$ 411,473                | \$ 43,435              |
| Contractuals                     | 74,486                        | 83,500                           | 83,500                           | 91,039                    | 7,539                  |
| Commodities                      | 73,776                        | 134,660                          | 134,660                          | 121,894                   | (12,766)               |
| <b>TOTAL</b>                     | <b>\$ 541,359</b>             | <b>\$ 586,198</b>                | <b>\$ 586,198</b>                | <b>\$ 624,406</b>         | <b>\$ 38,208</b>       |
| <b>EXPENDITURES BY PROGRAM:</b>  |                               |                                  |                                  |                           |                        |
| County Jail                      | \$ 70,112                     | \$ 77,202                        | \$ 77,202                        | \$ 86,954                 | \$ 9,752               |
| County Bookmobile                | 85,692                        | 84,515                           | 84,515                           | 88,704                    | 4,189                  |
| Forest Lakes Library             | 75,590                        | 91,015                           | 91,015                           | 92,052                    | 1,037                  |
| Tuba City Library                | 209,836                       | 223,109                          | 223,109                          | 243,894                   | 20,785                 |
| Supai Library                    | 1,965                         | 15,500                           | 15,500                           | 5,500                     | (10,000)               |
| Grand Canyon                     | 98,164                        | 94,857                           | 94,857                           | 107,302                   | 12,445                 |
| <b>TOTAL</b>                     | <b>\$ 541,359</b>             | <b>\$ 586,198</b>                | <b>\$ 586,198</b>                | <b>\$ 624,406</b>         | <b>\$ 38,208</b>       |
| <b>SOURCE OF FUNDING:</b>        |                               | LIBRARY FUND                     |                                  | \$ 624,406                |                        |
|                                  |                               |                                  |                                  | <b>\$ 624,406</b>         |                        |

| <b>SECTION: 038-LIBRARY GRANTS AND COUNTY WIDE PROJECTS</b>  |                               |                          |                                  |                           |                        |
|--|-------------------------------|--------------------------|----------------------------------|---------------------------|------------------------|
| <b>EXPENDITURES BY CATEGORY:</b>   |                               |                          |                                  |                           |                        |
|  | Actual Expenditures 2013-2014 | Adopted Budget 2014-2015 | Estimated Expenditures 2014-2015 | Proposed Budget 2015-2016 | Budget-Budget Variance |
| Personnel Services   | \$ 151,194                    | \$ 152,546               | \$ 152,546                       | \$ 155,194                | \$ 2,648               |
| Contractuals   | 1,029,186                     | 2,292,301                | 225,299                          | 1,599,632                 | (692,669)              |
| Commodities  | 213,242                       | 189,890                  | 189,890                          | 332,258                   | 142,368                |
| <b>TOTAL</b>   | <b>\$ 1,393,622</b>           | <b>\$ 2,634,737</b>      | <b>\$ 567,735</b>                | <b>\$ 2,087,084</b>       | <b>\$ (547,653)</b>    |
| <b>EXPENDITURES BY PROGRAM:</b>  |                               |                          |                                  |                           |                        |
| County-wide Projects   | \$ 511,532                    | \$ 2,555,737             | \$ 488,735                       | \$ 1,898,459              | \$ (657,278)           |
| State Grants In Aid 2014   | 25,000                        | -                        | -                                | -                         | -                      |
| Special Service Grant  | 209                           | -                        | -                                | -                         | -                      |
| State Grant-in-Aid FY 2014   | -                             | 25,000                   | 25,000                           | -                         | (25,000)               |
| Showcasing Science through Sustainable Space   | -                             | 30,000                   | 30,000                           | -                         | (30,000)               |
| Preserve Honor Flagstaff Past  | 9,929                         | -                        | -                                | -                         | -                      |
| Toddler Tools for Tuba City  | 60                            | -                        | -                                | -                         | -                      |
| Expanding Access to STEM Technology  | -                             | -                        | -                                | -                         | -                      |
| Youth Services Grant   | 835,874                       | 24,000                   | 24,000                           | 23,850                    | (150)                  |
| <b>TOTAL</b>   | <b>\$ 1,393,622</b>           | <b>\$ 2,634,737</b>      | <b>\$ 567,735</b>                | <b>\$ 2,087,084</b>       | <b>\$ (547,653)</b>    |
| <b>SOURCE OF FUNDING:</b>  |                               |                          |                                  |                           |                        |
| LIBRARY FUND   |                               |                          |                                  | \$ 2,087,084              |                        |
|  |                               |                          |                                  | <b>\$ 2,087,084</b>       |                        |
| <b>COMMENTARY:</b>   |                               |                          |                                  |                           |                        |
| Library grants are, in nature, one time revenues and expenditures as grant funding opportunities arise. Also, included are other items for county wide projects, that are also one time in nature. |                               |                          |                                  |                           |                        |



