

# City of Show Low

## Final Budget



Fiscal Year Ending  
June 30, 2007



# CITY OF SHOW LOW

## FINAL BUDGET

For The Fiscal Year Ending June 30, 2007

Mayor

Honorable  
Rick Fernau

City Council

Gordon Kearl, Vice Mayor  
Rennie Crittenden  
Virginia Evans  
Gene Kelly  
Daryl Seymore  
Gerry Whipple

Michael Maag  
City Manager

Mike Urie  
Administrative Services Director

August 1, 2006

City Of Show Low  
2006-07 FINAL BUDGET  
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**2006-07 Final Budget Message  
City of Show Low**

August 3, 2006

Honorable Mayor and City Council:

**BUDGET FORMAT STAYS THE SAME FOR 2006-07**

The format for this budget is the same as last year. With this the case, comparisons from year to year should be easy to make as you study this final budget. Each department budget page provides one year of actual expenditures as well as budget amounts and revised expenditure estimates for the past fiscal year (2005-06). Lastly, each page shows the budgeted amount for 2006-07.

Department budget pages also provide information about significant changes in each department's budget as well as the program goal for the department.

Budget tables for each fund numerically summarize the information that is presented to you. Individual department budget pages itemize the different spending categories the City uses in its accounting system.

**LOCAL ECONOMY CONTINUES TO SURGE**

I continue to see robust growth in Show Low during this year. As was the case last year, many new housing developments are going to move ahead in the near future.

Sales taxes continue to grow within the city. However, I believe sales tax growth in Show Low is also closely associated with housing growth. Again, we should not spend too many of these one-time revenues for operational programs.

**MANDATED INCREASES FOR 2006-07**

The city is facing one mandated increase for the 2006-07 budget. The Arizona State Retirement System (ASRS) is requiring a 23% increase in the city contributions.

Show Low (along with all other cities) will now be making a 9.1% of salary contribution to ASRS vs. a 7.4% contribution last year. This will result in the city increasing its payment to ASRS by approximately \$66,385 during the 2006-07 budget year given current salary levels.

## **FUEL INCREASES FOR 2006-07**

Like all of us, the city has to deal with increasing fuel prices. As we did last fiscal year, fuel budgets for all departments using vehicles have been increased significantly. We anticipate fuel will exceed \$3.00 per gallon during the summer months. Some experts also predict that fuel costs will not go below \$3.00 per gallon once the summer driving season is over.

While reviewing the budget, please keep in mind that staff has tried to provide enough funding for fuel so supplemental transfers from contingency will not be required.

## **CAPITAL IMPROVEMENT PROGRAMS**

Capital improvements are a top priority for 2006-07. Staff has budgeted over \$10.1 million in capital projects for the upcoming budget year. These projects include water and sewer improvements (\$1.9 million), airport improvements (\$2.8 million) and general improvements throughout the City of Show Low (\$5.4 million).

All of these improvements will improve the infrastructure within the city. However, major collector street improvements still need to be made, specifically Old Linden Road and Whipple Street. Council should consider directing staff to pursue issuing Certificates of Participation or other debt to generate funds to upgrade these roadways. COP debt service could be repaid by pledging some of the city's current excise tax revenues.

## **EQUIPMENT UPGRADES**

The City will purchase several pieces of needed office equipment during 2006-07. The central copy machine (used by all departments in the interim city hall) will be replaced. It is near its life expectancy and is experiencing frequent breakdowns. Additionally, a new copier could be hooked to the city's computer network. This would speed packet production and improve productivity.

Also, the Engineering division needs to purchase a large format copier to allow it to make copies of developer plan submissions and other like documents. Currently, the engineering division has to send large-size plans out for reproduction and this slows the review process. The Engineering division can also charge outside vendors for copies on this machine.

Lastly, the Post Office is mandating that businesses move to new digital postage machines by December 31, 2006. This mandate will allow more on-line postal services that will speed mail handling in general. With this the case, the City must purchase or lease one of these new postage machines.

## **OUTSIDE AGENCY FUNDING**

Staff is maintaining funding for outside agencies for next fiscal year. The Show Low Chamber of Commerce (\$64,000), White Mountains Partnership (\$40,000), White Mountain Regional Development (\$40,432), and Show Low Main Street (\$44,000) are all budgeted to receive the same funding as they did during the 2005-06 fiscal year.

Additionally, other community promotion programs will receive their normal allocations in 2006-07. Community promotion programs supported by the city include the Humane Society (\$3,500), Meals on Wheels (\$10,000), White Mountain SAFE House (\$3,500), the Senior Center (\$12,000), and support for the Arizona League of Cities and Towns (\$2,000).

## **NEW POSITIONS**

Departments received a number of new positions for 2006-07. These include:

- Police Department – two new patrol officers, \$149,398 (includes 2 cars)
- Planning and Zoning – one planner and one building inspector, \$122,213
- Maintenance – one maintenance worker, \$41,663
- Engineering – one engineer and one construction inspector, \$148,720
- Water – two water technicians, \$82,792
- TV-4 – conversion of a part-time position to full time, \$22,546

Adding these nine and one-half positions (\$567,332) will address several employee shortfalls. First, the two new police officer positions will continue to address the need for a fifth patrol squad. Second, the planning, engineering and inspector positions will allow project reviews to occur in a timelier manner. Lastly, the maintenance worker and the two Water technicians will help start a number of maintenance projects in the city that are not being completed at the present time.

## **HIGHWAY USER REVENUE FUND**

The HURF continues to be in good financial condition. This fund uses gas tax revenues to fund street maintenance in Show Low. Some transfers are made to the Capital Improvement Fund for street resurfacing programs in Show Low each year.

## **WATER FUND**

The water fund continues to be very stable. A number of capital improvements to keep up with growth were finished during the 2005-06 fiscal year.

Staff is proposing a number of operational changes that will make it easier for the city to collect water bills. Last year, the city wrote off over \$110,000 in past due accounts due

to old collection rules. The City Council needs to carefully consider implementing new rules to allow staff to better collect past due water and sewer bills.

As Council requested last year, funds have been set aside (\$100,000) as a reserve for a future water treatment plant at Show Low Lake.

## **WASTEWATER FUND**

The recent increase in wastewater fund user rates has helped the financial stability of this fund. Wastewater fund revenues now pay for most of the operational costs of the wastewater fund.

Next year's budget proposes that some money be set aside for sludge removal in the future (\$40,000). If we start doing this now, the city will have money available for sludge removal the next time it is needed.

## **ADDITIONAL PROGRAMS**

### Show Low Regional Airport

The Show Low Regional Airport continues to do well. Airport revenues (not counting grants) exceeded \$1 million during the 2005-06 fiscal year. In addition, the airport continues to apply for a number of FAA grants to improve the facility.

The airport just took possession of a high-speed vacuum vehicle, funded by a federal grant, which will be used to better maintain the runways. Commercial air service to Phoenix has been enhanced by the addition of passenger screening facilities at the Show Low terminal. In fact, commercial air service to Show Low has been very successful since it began.

### Public Transit

The public transportation system continues to have ridership increases. An accomplishment for 2005-06 was the construction of a small bus maintenance and administration facility. Staff plans to purchase some larger capacity buses in the future to accommodate the increased ridership in the area.

### Refuse Collection

As Council is aware, a new waste collection contract will go into effect June 1, 2006 and run for three years. As a result of the new contract the city will save over \$100,000 per year compared to what was being paid under the old contract. This savings have been passed on to Show Low citizens beginning in June 2006.

### Aquatic Center

The aquatic center will continue all of its programs in 2006-07. However, the general fund contribution to the aquatic center will be in the vicinity of \$300,000 for the 2006-07 fiscal year.

The aquatic center is very well used during most of the year and adds to the quality of life in Show Low. However, aquatic center staff needs to consider new revenue sources for the aquatic center to reduce the general fund contribution to the facility.

#### Medical Insurance

The medical insurance fund continues to do very well. Therefore, staff does not expect to have any medical insurance increases passed on to employees for the 2006-07 fiscal year.

Medical insurance continues to be a major cost for most employers and employees throughout the United States. Show Low is no exception. The city has had a low claims experience over the past several years and this is the reason our employees premium contributions have remained stable.

#### Debt Service

Show Low continues to pay its debt service obligations in a normal manner. The City is up to date on all of its debt service payments and has managed its debt in a prudent manner. Debt service budgeted for 2006-07 is consistent with existing debt service schedules.

Staff reviews the City's debt service obligations on an ongoing basis so that any refunding opportunities are taken advantage of at appropriate times.

#### Improvement Districts

There is little change to Improvement Districts Nos. 5 and 6. Assessments will be made and as the assessments are paid off, the improvement district bonds will be retired.

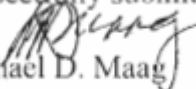
As Council knows, Improvement District No. 7 has been formed. Construction will begin sometime in 2006. Once construction has been completed, assessments will be made against the improved properties.

### **SUMMARY**

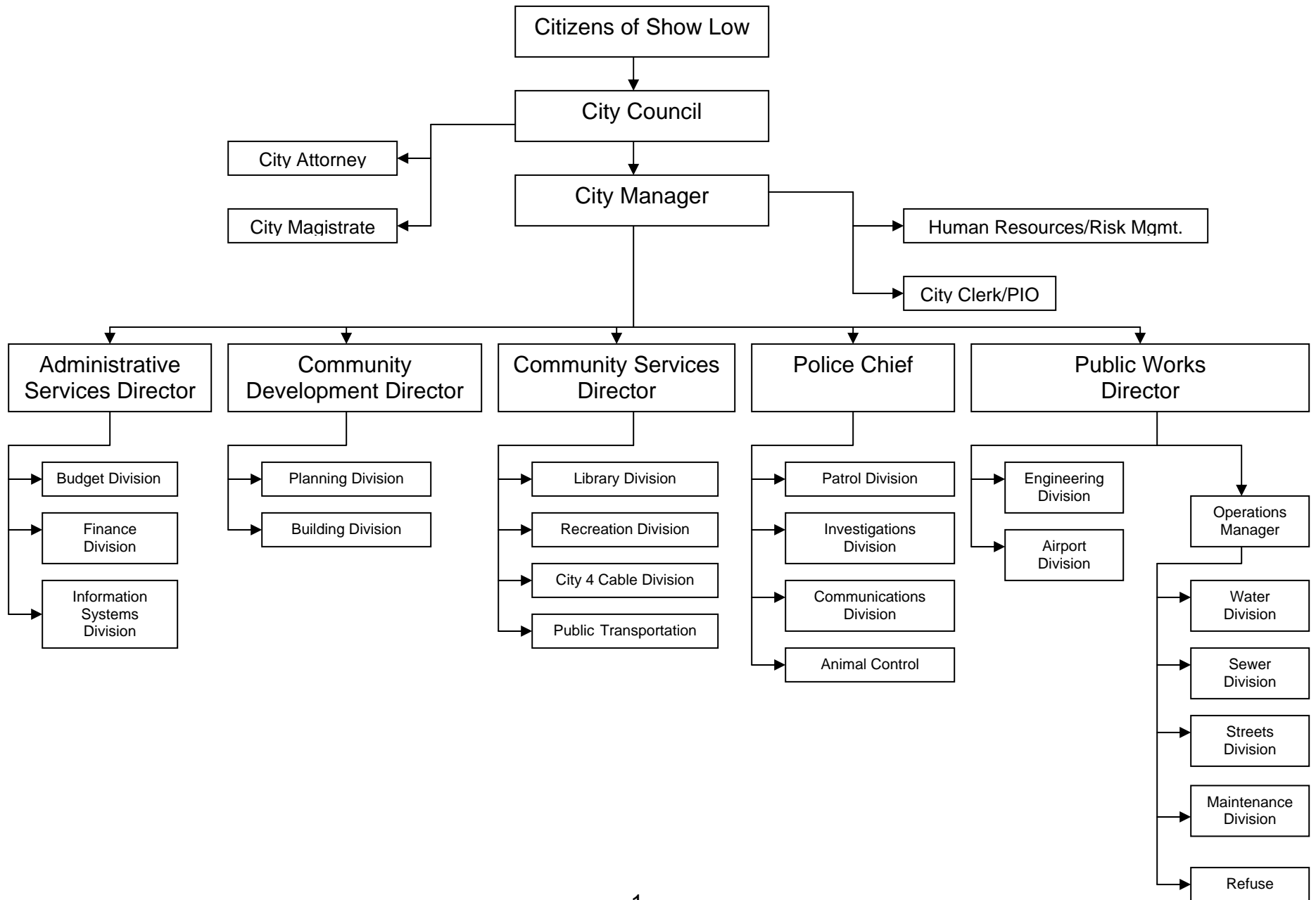
Show Low continues to grow at a moderate pace. Again this year, there are many residential and some commercial projects slated to start. The budget presented to you tries to keep up with this growth while still maintaining solid financial footing for Show Low.

Capital projects make up a large part of this budget consistent with Council direction. I hope you will consider this proposed budget carefully. As always, staff is available to answer any questions you may have.

Respectfully submitted:

  
Michael D. Maag  
City Manager

# City of Show Low Organizational Chart



CITY OF SHOW LOW  
ALL FUNDS  
REVENUE AND EXPENDITURE SUMMARY  
2007 BUDGET

<u>FUND</u>	<u>ESTIMATED BEGINNING RESERVES</u>	<u>2007 REVENUES</u>	<u>2007 BUDGET</u>	<u>ESTIMATED YEAR END RESERVES</u>
GENERAL	\$ 7,196,546	\$ 31,707,989	\$ 36,167,185	\$ 2,737,350
HIGHWAY USER REVENUE	80,236	1,540,673	1,363,370	257,540
LOCAL TRANS. ASSISTANCE (LTAF)	188,616	71,331	199,050	60,897
PUBLIC TRANSPORTATION	-	769,248	769,248	-
STREET LIGHT DISTRICT	28,660	110,975	127,500	12,135
AIRPORT	20,370	3,512,014	3,532,385	(0)
AQUATIC CENTER	-	392,302	392,302	-
REFUSE	26,372	535,430	538,560	23,242
WATER	-	2,182,661	2,179,165	-
WASTEWATER	-	2,122,438	2,121,154	1,284
WATER PLANT INVESTMENT FUND	498,789	415,500	900,000	14,289
WASTE WATER PLANT INVESTMENT FUND	3,793,491	1,020,500	1,100,000	3,713,991
CAPITAL IMPROVEMENTS (CDBG)	-	308,149	308,149	-
CAPITAL IMPROVEMENTS	15,500	7,029,554	7,045,054	-
DEBT SERVICE	501,422	630,803	615,803	516,422
IMPROVEMENT DISTRICT #5	110,002	663,260	662,060	111,202
IMPROVEMENT DISTRICT #6	51,068	582,900	581,700	52,268
IMPROVEMENT DISTRICT #7	450,500	130,000	502,500	78,000
MEDICAL INSURANCE POOL	<u>1,467,890</u>	<u>1,643,000</u>	<u>3,110,890</u>	<u>-</u>
TOTALS	<u>\$ 14,429,463</u>	<u>\$ 55,368,727</u>	<u>\$ 62,216,076</u>	<u>\$ 7,578,619</u>

CITY OF SHOW LOW  
GENERAL FUND SUMMARY  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	ACTUAL	ORIGINAL BUDGET	REV. EST.	ORIGINAL BUDGET
<u>Beginning Reserves</u>	\$4,964,432	\$ 6,380,975	\$5,632,162	\$7,196,546
<b>REVENUES</b>				
State Sales Tax	712,867	753,774	1,087,300	925,000
City Sales Tax	8,544,891	9,140,439	9,655,727	10,428,185
Electric Franchise Tax	153,686	151,500	154,500	165,000
Gas Franchise Tax	82,377	69,750	83,700	70,100
TV Franchise Tax	47,386	57,805	53,500	58,000
Urban Revenue Sharing	715,536	805,343	725,500	945,866
Auto In Lieu Tax	440,379	440,289	441,500	445,238
Business Licenses	10	3,000	11,400	3,000
Charges for Services (Dev. Fees)	222,258	225,510	341,929	297,500
Other Funding Sources	230,381	40,022	81,000	40,000
Interest Earned on Investments	136,582	51,000	170,500	140,500
Fines and Forfeitures	114,375	140,500	101,000	144,850
Planning and Zoning Fees	580,880	501,500	865,500	815,250
Plan Check Fees	40,515	39,000	95,100	65,500
Library Fees	45,241	18,500	17,500	19,000
Engineering Services	29,250	37,500	37,500	38,000
Dispatching Services	49,038	115,000	115,000	145,000
IG Revenue	196,770	106,000	106,000	107,000
Animal Control	4,024	4,000	4,000	4,000
Parks Fees	59,964	65,800	65,800	66,000
Cable TV Fees	2,583	9,000	21,000	12,000
Unanticipated Revenues	-	10,700,000	10,700,000	16,500,000
Misc Income	75,280	73,000	73,000	73,000
Homeland Security Grant	-	100,000	100,000	-
Forest Health Grant	304,688	200,000	150,000	200,000
<b>TOTAL REVENUES</b>	<b>12,788,961</b>	<b>23,848,232</b>	<b>25,257,956</b>	<b>31,707,989</b>
<b>EXPENDITURES</b>				
City Council	366,195	197,358	186,031	405,051
Economic Development/Promotion Programs	379,191	496,784	416,284	436,950
City Attorney	222,133	324,175	395,990	329,990
City Manager	150,753	679,268	179,617	685,408
City Magistrate	111,479	173,639	185,355	182,304
Human Resources	527,767	678,145	648,317	699,792
City Clerk/Public Information	146,195	203,864	233,885	277,581
Finance	433,273	668,735	672,360	656,195
Budget Admin.	-	58,590	60,003	61,164
Information Systems	281,718	384,963	380,433	413,995
Community Development (P&Z)	695,317	864,245	821,978	1,086,899
Community Services Administration	440,178	330,287	284,657	336,881
Library	423,496	554,642	543,702	630,006
Recreation	340,249	315,378	324,007	345,359
TV-4	145,923	152,894	173,418	222,197
Police	2,369,327	2,588,418	2,816,762	2,956,068
Police Communications	506,722	757,288	782,029	845,356
Animal Control	97,796	168,339	176,228	143,987
Public Works Administration	322,774	267,465	271,422	306,522
Engineering	451,855	564,749	589,226	704,013
Maintenance	637,365	721,535	702,727	860,624
Capital Outlay	1,280,004	-	-	-
Unanticipated Expenditures	-	10,700,000	10,700,000	16,500,000
Transfers Out	1,791,523	5,989,498	2,149,140	7,080,844
<b>TOTAL EXPENDITURES</b>	<b>12,121,231</b>	<b>27,840,259</b>	<b>23,693,571</b>	<b>36,167,185</b>
Total Reserves	\$5,632,162	\$2,388,948	\$7,196,546	\$2,737,350
Less Required Reserve		1,056,784	1,056,784	1,056,784
Ending Reserves		\$ 1,332,164	\$ 6,139,762	\$ 1,680,566

CITY OF SHOW LOW  
PERSONNEL LISTING  
BY DEPARTMENT  
2007 BUDGET

	2006	2007	
<u>DEPARTMENT</u>	<u>BUDGETED</u>	<u>PROPOSED</u>	<u>CHANGE</u>
	<u>FTE'S</u>	<u>FTE'S</u>	<u>FROM 2006</u>
City Attorney	2.0	2.0	
City Manager	1.0	1.0	
City Magistrate	3.7	3.7	
Human Resources	4.0	4.0	
City Clerk/Public Information	2.0	3.0	1.0
Finance	8.0	7.0	-1.0
Budget Administration	1.0	1.0	
Information Systems	3.0	3.0	
Community Development (P&Z)	11.7	13.7	2.0
Community Services Administration	1.0	1.0	
Library	8.9	9.0	0.1
Recreation	5.5	5.5	
Cable TV	2.8	3.0	0.2
Police	28.0	30.0	2.0
Police Communications	13.0	13.0	
Animal Control	2.2	2.2	
Public Works Administration	3.0	3.0	
Engineering	6.0	8.0	2.0
Maintenance	<u>8.8</u>	<u>9.8</u>	<u>1.0</u>
<b>TOTAL GENERAL FUND</b>	<b>115.6</b>	<b>122.9</b>	<b><u>7.3</u></b>
Airport	5.2	5.2	
Aquatic Center	10.1	10.1	
Highways (HURF)	10.3	10.3	
Water	6.6	8.6	2.0
Wastewater	<u>11.6</u>	<u>11.6</u>	
<b>TOTAL OTHER FUNDS</b>	<b><u>43.8</u></b>	<b><u>45.8</u></b>	<b><u>2.0</u></b>
<b>GRAND TOTAL</b>	<b><u>159.4</u></b>	<b><u>168.7</u></b>	<b><u>9.3</u></b>

# City Council

## Program Goal

The City Council serves as the legislative and policy making body of the municipal government and has responsibilities for enacting city ordinances, appropriating funds to conduct city business and providing policy direction to the administrative staff. The City Council appoints a city manager who is responsible for carrying out its established policies and administering operations.

## Budget Allowance Explanation

The City Council budget of \$405,051 is \$207,693 than the 2005-06 budgeted expenditures. The contingency account has been raised to \$300,000 from \$100,000 for the 2006-07 fiscal year. Contingency funds are used for unexpected expenses during the year.

There are no other changes to this budget for the 2006-07 fiscal year. Funds are provided for Council salaries and other Council programs. Training and travel monies are budgeted for Council travel to workshops, conferences and other educational functions.

Council will hold a minimum of 24 Council meetings and have study sessions as needed during the 2006-07 fiscal year.

## Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$67,618	\$366,195	\$197,358	\$186,031	\$405,051
Positions	---	---	---	---	---

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2007 BUDGET

CITY COUNCIL

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 19,551	\$ 21,602	\$ 21,600	\$ 21,600
FICA & MEDICARE EXPENSE	1,356	1,653	1,653	1,653
WORKER'S COMP	<u>689</u>	<u>128</u>	<u>128</u>	<u>128</u>
Total Personnel Services	21,596	23,383	23,381	23,381
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	1,400	15,000	15,000	22,695
OTHER CONTRACTUAL SERVICE	360	5,000	5,000	5,000
REPRODUCTION & PRINTING	135	3,250	3,250	3,250
TRAVEL & TRAINING	21,631	30,000	20,500	30,000
DUES & MEMBERSHIPS	5,106	6,000	6,300	6,000
EXPENDABLE MATERIALS	10,157	11,625	9,500	11,625
POSTAGE	336	250	250	250
BOOKS & SUBSCRIPTIONS	-	350	350	350
TELEPHONE	2,244	2,500	2,500	2,500
CONTINGENCY RESERVE	<u>303,230</u>	<u>100,000</u>	<u>100,000</u>	<u>300,000</u>
Total Operating Expenses	344,599	173,975	162,650	381,670
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	-	-	-	-
CITY COUNCIL TOTALS	\$366,195	\$197,358	\$186,031	\$405,051

## **City Attorney**

### **Program Goal**

The City Attorney provides effective legal services to the Mayor and City Council, the city manager, departments and advisory boards. The City Attorney also interprets and enforces city, state, and federal laws as they pertain to the city.

### **Budget Allowance Explanation**

The City Attorney 2006-07 budget of \$329,990 is \$5,815 or 1.8 percent more than the 2005-06 budget.

The revised estimates for the current year reflect water adjudication expenses incurred by the City.

No changes are anticipated for the City Attorney's budget for the 2006-07 budget year. Funding is provided for normal activities of the department.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$235,879	\$222,133	\$324,175	\$395,990	\$329,990
Positions (FTE)	2.0	2.0	2.0	2.0	2.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

CITY ATTORNEY

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services</i>				
REGULAR SALARIES & WAGES	\$ 120,025	\$ 129,804	\$ 134,651	\$ 134,651
GROUP MEDICAL INSURANCE	24,694	25,484	22,547	22,547
FICA & MEDICARE EXPENSE	9,253	9,930	10,301	10,301
RETIREMENT	7,107	8,732	12,253	12,253
WORKER'S COMP	<u>(175)</u>	<u>375</u>	<u>388</u>	<u>388</u>
Total Personnel Services	160,904	174,325	180,140	180,140
<i>Operating Expenses:</i>				
CONTRACTUAL SERVICES	90	102,500	102,500	102,500
GENERAL OUTSIDE COUNSEL	11,456	10,000	10,000	10,000
PROSECUTION	2,257	2,500	2,500	2,500
WATER ADJUDICATION	33,911	15,000	81,000	15,000
PERSONNEL	636	2,500	2,500	2,500
REPRODUCTION & PRINTING	20	200	200	200
TRAVEL & TRAINING/STAFF	7,870	7,000	7,000	7,000
DUES & MEMBERSHIPS	2,307	3,000	3,000	3,000
EXPENDABLE MATERIALS	1,787	2,800	2,800	2,800
POSTAGE	169	350	350	350
BOOKS & SUBSCRIPTIONS	128	3,000	3,000	3,000
TELEPHONE	598	1,000	1,000	1,000
SMALL EQUIPMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	61,229	149,850	215,850	149,850
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	-	-	-	-
CITY ATTORNEY TOTALS	\$ 222,133	\$ 324,175	\$ 395,990	\$ 329,990

## City Manager

### Program Goal

The City Manager provides professional administration of the policies and objectives established by the Mayor and the City Council, develops alternative solutions to community problems for the Mayor and City Council consideration and plans programs that meet the future public needs of the City of Show Low.

### Budget Allowance Explanation

The City Manager budget of \$685,408 is \$6,140 or 1.0 percent more than budgeted expenditures for 2005-06. The primary reason for this increase is additional FICA taxes are budgeted and the contribution rate to ASRS has increased for 2006-07.

There are no significant changes to the City Manager's budget. Funds are provided for city-wide salary adjustments during the 2006-07 fiscal year. Additionally, \$25,000 is again provided for economic development promotion in Show Low during 2006-07.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$171,317	\$150,753	\$679,268	\$179,617	\$685,408
Positions (FTE)	1.0	1.0	1.0	1.0	1.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

CITY MANAGER

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 99,051	\$ 102,304	\$ 105,372	\$ 105,372
RANGE ADJUSTMENT POOL & BEN	14,850	34,850	25,000	34,850
GROUP MEDICAL INSURANCE	6,024	7,382	7,383	7,383
FICA & MEDICARE EXPENSE	8,341	7,064	8,061	8,061
RETIREMENT	6,778	7,570	7,798	9,589
WORKER'S COMP	1,178	1,798	1,853	1,853
DEFERRED COMP ALLOWANCE	1,144	4,650	4,650	4,650
MARKET ADJUSTMENT POOL	-	465,150	-	465,150
<b>Total Personnel Services</b>	<b>137,366</b>	<b>630,768</b>	<b>160,117</b>	<b>636,908</b>
PROFESSIONAL & CONSULTING SVCS	3,000	10,000	2,500	10,000
REPRODUCTION & PRINTING	51	200	200	200
TRAVEL & TRAINING/STAFF	7,362	6,000	5,000	6,000
DUES & MEMBERSHIPS	239	1,500	1,500	1,500
EXPENDABLE MATERIALS	1,032	2,500	2,000	2,500
POSTAGE	61	100	100	100
BOOKS & SUBSCRIPTIONS	38	500	500	500
FUELS & LUBRICANTS	534	700	700	700
SMALL EQUIPMENT	-	500	500	500
ECONOMIC DEVELOPMENT	-	25,000	5,000	25,000
TELEPHONE	1,070	1,500	1,500	1,500
<b>Total Operating Expenses</b>	<b>13,387</b>	<b>48,500</b>	<b>19,500</b>	<b>48,500</b>
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	-	-	-	-
<b>Total Capital Outlay</b>	-	-	-	-
<b>TOTAL CITY MANAGER</b>	<b>\$ 150,753</b>	<b>\$ 679,268</b>	<b>\$ 179,617</b>	<b>\$ 685,408</b>

## City Clerk/Public Information

### **Program Goal**

The City Clerk disseminates information on city governmental services to residents and the media and assists them in using and understanding the information. This office also prepares and distributes council agendas, maintains city records and coordinates elections.

### **Budget Allowance Explanation**

The 2006-07 City Clerk budget of \$277,581 is \$73,717 or 36.1 percent more than 2005-06 budgeted amounts. The increase is due to several changes listed below.

Funds are budgeted to replace the central copier during the 2006-07 budget year (\$17,500). The current copier has exceeded its life span and is not reliable given the high volume of copies that are made on it. This often slows packet production for a variety of City meetings where copies of agendas and reports are needed. Also, as mentioned earlier, the postage meter must be replaced by December of 2006 (\$7,500).

During 2006 a position was transferred from the Administrative Services Department to the City Clerk's department to provide staffing for the reception desk at the Interim City Hall.

Additionally, funds are now budgeted in this department to maintain the pool vehicles that are now shared by individuals located in the Interim City Hall. Now, only one pool vehicle is kept at the Cooley building.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$159,350	\$146,195	\$203,864	\$233,885	\$277,581
Positions (FTE)	2.0	2.0	2.0	3.0	3.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

PUBLIC INFORMATION

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 80,160	\$ 83,149	\$ 101,148	\$ 108,547
GROUP MEDICAL INSURANCE	25,870	30,328	45,492	45,492
FICA & MEDICARE EXPENSE	6,068	6,361	7,738	8,303
RETIREMENT	4,596	9,736	9,204	9,877
WORKER'S COMP	-	240	253	312
Total Personnel Services	116,694	129,814	163,835	172,531
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	510	4,000	3,000	4,000
OTHER CONTRACTUAL SERVICE	882	3,500	3,500	3,500
LEGAL ADS AND NOTICES	-	5,000	12,500	13,000
ADVERTISING	-	2,000	2,000	-
REPRODUCTION & PRINTING	16,856	22,000	17,500	22,000
TRAVEL & TRAINING/STAFF	3,788	6,500	5,000	8,000
DUES & MEMBERSHIPS	226	350	350	350
EXPENDABLE MATERIALS	824	800	800	1,600
POSTAGE	1,334	3,600	3,600	3,600
BOOKS & SUBSCRIPTIONS	41	100	100	100
AUTO PARTS & LABOR	-	-	-	3,200
FUELS & LUBRICANTS	-	-	-	4,000
RENTAL & MAINTENANCE CONTRACTS	1,373	1,000	1,000	-
TELEPHONE	236	600	600	600
UTILITIES	569	600	600	600
ELECTION EXPENSES	369	24,000	19,500	16,000
Total Operating Expenses	27,008	74,050	70,050	80,550
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	2,493	-	-	24,500
Total Capital Outlay:	2,493	-	-	24,500
PUBLIC INFORMATION TOTALS	\$ 146,195	\$ 203,864	\$ 233,885	\$ 277,581

## Economic Development

### Program Goal

The Economic Development program provides for the funding of programs that enhance the economy and vitality of Show Low.

### Budget Allowance Explanation

The 2006-07 Economic Development budget of \$436,950 or \$59,834 less than the 2005-06 budget. Some projects that were originally in this budget have been moved to the CIP budget since they are capital projects.

Funding is provided for the Chamber of Commerce as well as several other agencies that work to bring new industry and business to the local area (\$193,613). Community promotion programs are also funded out of this budget (\$102,700).

Last, funds are budgeted for revolving capital improvements as identified by staff and Council (\$100,000), Christmas lights (\$40,000) and for the City share of a water assessment (\$637).

There were no other changes to this budget.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$589,742	\$379,191	\$496,784	\$416,284	\$436,950
Positions (FTE)	--	---	--	--	--

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

ECONOMIC DEVELOPMENT

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Operating Expenses:</i>				
ECONOMIC DEVELOPMENT	\$ 177,016	\$ 194,632	\$ 194,632	\$ 193,613
COMMUNITY PROMOTION PROGRAMS	72,271	70,515	70,515	102,700
REVOLVING IMPROVEMENT FUNDS	<u>-</u>	<u>100,000</u>	<u>25,000</u>	<u>100,000</u>
Total Operating Expenses	249,287	365,147	290,147	396,313
<i>Capital Outlay:</i>				
CAPITAL CARRYOVER	-	-	-	-
IMPROVEMENTS	32,100	81,000	75,500	-
OTHER CAPITAL EXPENSE	<u>97,804</u>	<u>50,637</u>	<u>50,637</u>	<u>40,637</u>
Total Capital Outlay	129,904	131,637	126,137	40,637
ECONOMIC DEVELOPMENT TOTALS	\$ 379,191	\$ 496,784	\$ 416,284	\$ 436,950

## **Human Resources**

### **Program Goal**

The Human Resources Department partners with departments and employees to hire, compensate, support and develop a diverse workforce that is dedicated to delivering high quality services to the community and employees.

### **Budget Allowance Explanation**

The Human Resources budget of \$699,792 is \$14,222 or 3.2 percent more than the 2005-06 budgeted amounts. The increase is mainly due to employee raises and related increases for FICA and ASRS.

Staff has budgeted funds for temporary help at the city when needed (\$8,000).

Funding is provided for normal operating programs in the department. Additionally, monies are budgeted for insurance premiums for the City insurance programs.

Human Resources staff also administers the medical insurance plan for the City.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$507,539	\$527,767	\$678,145	\$648,317	\$699,792
Positions (FTE)	4.0	4.0	4.0	4.0	4.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

HUMAN RESOURCES

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 137,705	\$ 155,324	\$ 154,026	\$ 166,826
PART-TIME WAGES	2,687	6,000	6,000	6,000
OVERTIME	-	1,485	1,486	1,486
GROUP MEDICAL INSURANCE	21,625	36,042	32,350	36,041
FICA & MEDICARE EXPENSE	9,861	12,055	12,356	13,335
RETIREMENT	8,861	18,794	18,982	22,606
UNEMPLOYMENT	8,938	10,000	10,000	10,000
WORKER'S COMP	2	749	615	801
EMPLOYEE BENEFITS	<u>34,233</u>	<u>43,000</u>	<u>43,000</u>	<u>48,000</u>
Total Personnel Services	223,912	283,449	278,815	305,096
<i>Operating Expenses</i>				
PROFESSIONAL & CONSULTING SVCS	4,119	9,895	15,000	11,895
ADVERTISING & PUBLICITY	13,085	20,000	15,000	20,000
LEGAL ADS & NOTICES	125	3,000	3,000	1,000
REPRODUCTION & PRINTING	1,274	3,000	3,000	3,000
TRAVEL & TRAINING/STAFF	12,351	11,500	11,500	11,500
TRAVEL & TRAINING/NON-STAFF	2,438	3,299	2,000	3,299
DUES & MEMBERSHIPS	925	3,752	3,752	3,752
EXPENDABLE MATERIALS	5,213	9,000	9,000	9,000
POSTAGE	407	1,000	1,000	1,000
BOOKS & SUBSCRIPTIONS	1,410	1,500	1,500	1,500
TELEPHONE	301	1,000	1,000	1,000
INSURANCE PREMIUMS	254,514	283,750	283,750	283,750
CASUALTY LOSS	<u>3,111</u>	<u>44,000</u>	<u>20,000</u>	<u>44,000</u>
Total Operating Expenses	299,273	394,696	369,502	394,696
<i>Capital Outlay:</i>				
CARRYOVER	2,880	-	-	-
EQUIPMENT PURCHASE	<u>1,702</u>	-	-	-
Total Capital Outlay	4,582	-	-	-
HUMAN RESOURCES TOTALS	\$ 527,767	\$ 678,145	\$ 648,317	\$ 699,792

## Magistrate Court

### Program Goal

The Court provides with integrity, to all individuals who come before the court: equal access, professional and impartial treatment, and just resolution of all court matters.

### Budget Allowance Explanation

The Court budget of \$182,304 is \$8,665 or 5.0 percent more than 2005-06 budgeted expenditures. The increase is due to salary related increases for Court employees.

There are no significant changes to the Court budget for the 2006-07 budget year. Utility costs have been eliminated from the budget since the court is no longer in a separate building.

Funds are budgeted for mandated training programs that occur through out the year (\$4,000).

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$129,474	\$111,479	\$173,639	\$185,355	\$182,304
Positions (FTE)	3.7	3.7	3.7	3.7	3.7

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

MAGISTRATE COURT

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 77,534	\$ 78,686	\$ 90,866	\$ 91,674
PART-TIME WAGES	-	16,017	16,017	16,017
TEMPORARY PERSONNEL	452	6,800	6,800	6,800
OVERTIME	-	576	575	575
GROUP MEDICAL INSURANCE	13,074	22,546	22,547	22,547
FICA & MEDICARE EXPENSE	5,743	7,823	8,176	8,176
RETIREMENT	3,439	6,924	6,767	8,395
WORKER'S COMP	(102)	1,489	1,430	1,442
Total Personnel Services	100,140	140,861	153,177	155,626
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	70	500	500	500
HOUSING PRISONERS FEES	(732)	-	-	-
PUBLIC DEFENDER REIMBURSEMENT	(407)	-	-	-
LEGAL FEES	2,377	10,557	10,557	10,557
REPRODUCTION & PRINTING	240	900	900	900
TRAVEL & TRAINING/STAFF	2,291	3,000	3,000	4,000
DUES & MEMBERSHIPS	75	100	100	100
EXPENDABLE MATERIALS	1,166	1,200	1,200	1,200
POSTAGE	828	1,500	1,500	1,500
BOOKS & SUBSCRIPTIONS	199	300	300	300
RENTAL & MAINTENANCE CONTRACTS	2,481	4,321	4,321	4,321
REPAIRS & MAINTENANCE	-	800	800	800
TELEPHONE	287	1,500	1,500	1,500
SMALL EQUIPMENT	-	5,000	5,000	1,000
UTILITIES	2,464	3,100	2,500	-
Total Operating Expenses	11,339	32,778	32,178	26,678
<i>Capital Outlay:</i>				
MAGISTRATE SURCHARGE FUND	-	-	-	-
EQUIPMENT PURCHASE	-	-	-	-
Total Capital Outlay	-	-	-	-
CITY MAGISTRATE TOTALS	\$ 111,479	\$ 173,639	\$ 185,355	\$ 182,304

## Finance

### Program Goal

The Finance Department maintains a fiscally sound governmental organization that conforms to legal requirements and to generally accepted financial management principles; provides for effective treasury management; provides an effective debt management program; and provides budget and financial advisory services for all departments.

### Budget Allowance Explanation

The 2006-07 budget of \$656,195 is \$12,540 or 2.0 percent less than the 2005-06 budget. The main reason for this decrease is the fact that the receptionist position was transferred to the City Clerk department at the interim city hall.

Planned purchases include an automated timekeeping system to better track the hours employees work (\$30,000). Also the software vendor for the city is planning a major upgrade to the accounting software in 2007 (\$10,000).

There are no other significant changes to the Finance budget for next year.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$881,451	\$433,273	\$668,735	\$672,360	\$656,195
Positions (FTE)	9.0	9.0	8.0	7.0	7.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

FINANCE

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 230,153	\$ 304,597	\$ 353,230	\$ 288,966
OVERTIME	619	-	-	-
GROUP MEDICAL INSURANCE	46,204	97,968	98,366	98,367
FICA & MEDICARE EXPENSE	19,492	23,303	27,022	22,106
RETIREMENT	15,691	27,865	27,272	26,296
WORKER'S COMP	<u>(114)</u>	<u>1,050</u>	<u>1,018</u>	<u>841</u>
Total Personnel Services	312,045	454,783	506,908	436,576
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	24,800	35,000	35,000	35,000
OTHER CONTRACTUAL SERVICE	3,959	6,133	6,133	10,000
LEGAL ADS & NOTICES	13,952	2,000	2,000	2,000
ADVERTISING	1,079	-	-	-
REPRODUCTION & PRINTING	3,889	5,500	5,500	5,500
TRAVEL & TRAINING/STAFF	15,826	15,500	17,000	21,500
DUES & MEMBERSHIPS	1,552	2,299	2,699	2,699
OFFICE SUPPLIES	12,627	14,000	14,000	14,000
EXPENDABLE MATERIALS	8,115	8,000	9,000	9,000
POSTAGE	3,696	4,700	4,700	4,700
BOOKS & SUBSCRIPTIONS	882	1,200	1,700	1,700
AUTO PARTS & LABOR	4,087	4,000	2,500	800
FUELS & LUBRICANTS	3,949	4,900	5,000	1,000
RENTAL & MAINTENANCE CONTRACTS	14,080	18,869	18,869	23,869
REPAIRS & MAINTENANCE	95	1,500	1,500	1,500
TELEPHONE	1,016	1,351	1,351	1,351
SMALL EQUIPMENT	-	4,500	5,000	5,000
CASUALTY LOSS	(817)	-	-	-
OVER/SHORT EXPENSE	(16,614)	-	-	-
BANK CHARGES	<u>21,185</u>	<u>15,000</u>	<u>15,000</u>	<u>35,000</u>
Total Operating Expenses	117,358	144,452	146,952	174,619
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	<u>3,870</u>	<u>69,500</u>	<u>18,500</u>	<u>45,000</u>
Total Capital Outlay	3,870	69,500	18,500	45,000
FINANCE TOTALS	\$433,273	\$668,735	\$672,360	\$656,195

## **Budget Administration**

### **Program Goal**

The Budget Division of Administrative Services ensures effective, efficient allocation of city resources to enable the city council, city manager and city departments to provide quality services to our residents.

### **Budget Allowance Explanation**

The Budget Division's operating budget allowance of \$61,164 is \$2,574 or 4.3 percent more than 2005-06 budgeted expenditures.

There are no changes to this budget from 2005-06.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$---	\$---	\$58,590	\$60,003	\$61,164
Positions (FTE)	---	---	1.0	1.0	1.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ -	\$ 40,879	\$ 42,107	\$ 42,107
GROUP MEDICAL INSURANCE	-	7,382	7,382	7,382
FICA & MEDICARE	-	3,127	3,222	3,222
RETIREMENT	-	3,025	3,115	3,831
WORKER'S COMP	-	177	177	122
<b>Total Personnel Services</b>	-	54,590	56,003	56,664
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	-	-	-	-
TRAVEL & TRAINING/STAFF	-	1,500	1,500	2,000
DUES & MEMBERSHIPS	-	400	400	400
EXPENDABLE MATERIALS	-	1,000	1,000	1,000
POSTAGE	-	-	-	-
BOOKS & SUBSCRIPTIONS	-	500	500	500
FUELS & LUBRICANTS	-	100	100	100
TELEPHONE	-	-	-	-
SMALL EQUIPMENT	-	500	500	500
<b>Total Operating Expenses:</b>	-	4,000	4,000	4,500
<b>BUDGET ADMINISTRATION TOTALS</b>	\$ -	\$ 58,590	\$ 60,003	\$ 61,164

## **Information Systems**

### **Program Goal**

The Information Systems Department coordinates the use of information technology across the various departments and agencies of city government to ensure that accurate and timely information is provided to residents, elected officials, city management and staff in the most cost effective manner possible. The department provides operating departments with information processing through the application and coordination of computer technology and procures, manages and maintains the city's telephone, alarm and computer network systems.

### **Budget Allowance Explanation**

The Information Systems budget allowance of \$413,995 is \$29,032 or 7.5 percent more than 2005-06 budgeted amounts.

Staff is continuing the four-year replacement cycle for all personal computers within the city. This type of program reduces maintenance costs and allows city staff to have more up to date and productive equipment as time passes. A replacement cycle such as this has become an industry standard.

Additionally, IS staff has budgeted funds to accommodate the move out of the Cooley building sometime in 2007. Funds will be held in reserve to pay for new or additional equipment required to keep the network functioning wherever Administrative Services moves to next year.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$280,831	\$281,718	\$384,963	\$380,433	\$413,995
Positions (FTE)	3.0	3.0	3.0	3.0	3.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

INFORMATION SYSTEMS

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 121,197	\$ 127,660	\$ 133,073	\$ 133,073
GROUP MEDICAL INSURANCE	38,836	45,492	45,492	45,492
FICA & MEDICARE	9,200	9,766	10,180	10,180
RETIREMENT	7,280	9,446	9,847	12,109
WORKER'S COMP	<u>389</u>	<u>999</u>	<u>1,041</u>	<u>1,041</u>
Total Personnel Services	176,902	193,363	199,633	201,895
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	1,573	26,000	20,000	10,000
REPRODUCTION & PRINTING	-	3,500	500	500
TRAVEL & TRAINING/STAFF	12,447	12,000	12,000	15,000
DUES & MEMBERSHIPS	-	200	200	200
EXPENDABLE MATERIALS	868	1,000	900	1,000
POSTAGE	147	100	100	100
PRINTER SUPPLIES	7,316	4,500	5,300	5,500
BOOKS & SUBSCRIPTIONS	49	1,000	1,000	1,000
AUTO PARTS & LABOR	419	2,000	2,000	2,000
FUELS & LUBRICANTS	477	1,000	1,000	1,000
RENTAL & MAINTENANCE CONTRACTS	-	-	-	5,000
REPAIRS & MAINTENANCE	12,046	13,500	13,500	10,000
TELEPHONE	2,148	2,000	4,000	4,000
SMALL EQUIPMENT	-	82,300	82,300	78,300
INTERNET CONNECTIVITY	<u>7,319</u>	<u>8,000</u>	<u>8,000</u>	<u>14,000</u>
Total Operating Expenses	44,809	157,100	150,800	147,600
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	<u>60,007</u>	<u>34,500</u>	<u>30,000</u>	<u>64,500</u>
Total Capital Outlay	60,007	34,500	30,000	64,500
INFORMATION SYSTEMS TOTALS	\$ 281,718	\$ 384,963	\$ 380,433	\$ 413,995

## **Community Development**

### **Program Goal**

The Community Development Department manages the development approval process to ensure the construction of safe buildings and compatible site improvements that enhance the local environment and promote economic development and vitality.

### **Budget Allowance Explanation**

The Community Development operating budget allowance of \$1,086,899 is \$222,654 or 25.7 percent more than the 2005-06 budget. This budget continues funding to complete the general plan that was started during the 2005-06 budget year. State law requires this update.

New funding is included for a comprehensive study of development fees at the City of Show Low (\$50,000). Also, an additional Planner position (\$61,930) and an additional Building Inspector (\$60,283) are included in the 2006-07 budget. These positions are needed to deal with the increased development activity in Show Low.

Fees that are charged to the developers for plan checks and building permits offset most of the expenses of this department.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$560,531	\$695,317	\$864,245	\$821,978	\$1,086,899
Revenues			\$540,500	\$960,600	\$815,500
Positions (FTE)	11.2	11.2	11.7	11.7	13.7

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

COMMUNITY DEVELOPMENT

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 433,860	\$ 465,166	\$ 473,860	\$ 553,479
PART-TIME WAGES	38,752	40,315	40,315	40,315
OVERTIME	1,122	3,991	3,991	3,991
GROUP MEDICAL INSURANCE	83,673	143,832	103,000	174,160
FICA & MEDICARE	36,022	39,582	38,935	45,026
RETIREMENT	26,481	50,291	43,121	66,222
WORKER'S COMP	<u>3,815</u>	<u>6,818</u>	<u>6,905</u>	<u>6,956</u>
Total Personnel Services	623,725	749,995	710,128	890,149
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	1,018	50,000	50,000	100,000
REPRODUCTION & PRINTING	2,185	5,000	5,000	5,000
TRAVEL & TRAINING/STAFF	13,994	17,000	17,000	17,000
TRAVEL & TRAINING/NON-STAFF	3,673	5,000	5,000	5,000
DUES & MEMBERSHIPS	1,122	2,500	2,500	2,500
EXPENDABLE MATERIALS	4,466	4,500	4,500	4,500
POSTAGE	2,155	2,500	2,500	3,000
BOOKS & SUBSCRIPTIONS	2,176	2,500	2,500	3,500
AUTO PARTS & LABOR	1,485	2,500	2,000	2,500
FUELS & LUBRICANTS	4,288	4,500	6,000	6,000
RENTAL & MAINTENANCE CONTRACTS	4,858	8,000	8,000	8,000
TELEPHONE	3,102	3,750	350	4,250
LEGAL ADS & NOTICES	-	5,000	5,000	6,000
SMALL EQUIPMENT	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Total Operating Expenses	44,522	114,250	111,850	168,750
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	4,023	-	-	-
VEHICLE PURCHASE	<u>23,047</u>	<u>-</u>	<u>-</u>	<u>28,000</u>
Total Capital Outlay	27,070	-	-	28,000
COMMUNITY DEVELOPMENT TOTALS	\$ 695,317	\$ 864,245	\$ 821,978	\$ 1,086,899

## Community Services Administration

### Program Goal

Community Services Administration coordinates the operations of the Library, Recreation, Aquatics, Cable Television and Public Transportation Divisions with the goal of providing high-level services in all of these areas to the public.

### Budget Allowance Explanation

The Community Services Administration budget of \$336,881 is \$6,594 or 1.9 percent more than budgeted expenditures for 2005-06. This budget reflects the grant expenses for the healthy forest grant administered by this department (\$200,000).

Funds continue to be included for the city's share of the funding for the administrator of the Sitgreaves Wildfire Community Protection Plan (\$24,000).

Community Services Administration will, however, continue to seek needed grants for human services programs in Show Low. Additionally, Community Services will administer the healthy forest grant and other related projects during the 2006-07-budget year.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$209,777	\$440,178	\$330,287	\$284,657	\$336,881
Positions (FTE)	1.0	1.0	1.0	1.0	1.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

COMMUNITY SERVICES ADMIN

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 65,646	\$ 68,352	\$ 72,000	\$ 72,000
GROUP MEDICAL INSURANCE	13,142	15,164	15,164	15,164
FICA & MEDICARE	5,056	5,228	5,508	5,508
RETIREMENT	3,888	5,058	5,328	6,552
WORKER'S COMP	<u>1,303</u>	<u>1,700</u>	<u>1,872</u>	<u>1,872</u>
Total Personnel Services	89,035	95,502	99,872	101,096
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	1,178	26,000	26,000	26,000
TRAVEL & TRAINING/STAFF	1,696	3,700	3,700	4,700
DUES & MEMBERSHIPS	-	400	400	400
EXPENDABLE MATERIALS	3,132	2,358	2,358	2,358
POSTAGE	(2)	200	200	200
BOOKS & SUBSCRIPTIONS	242	400	400	400
FUELS & LUBRICANTS	578	727	727	727
TELEPHONE	437	1,000	1,000	1,000
SMALL EQUIPMENT	-	-	-	-
FOREST HEALTH GRANT	<u>343,882</u>	<u>200,000</u>	<u>150,000</u>	<u>200,000</u>
Total Operating Expenses:	351,143	234,785	184,785	235,785
COMMUNITY SERVICES ADMIN. TOTALS	\$ 440,178	\$ 330,287	\$ 284,657	\$ 336,881

## Library

### Program Goal

The Library provides information and resources that are relevant, accessible and responsive to the intellectual needs and interests of the community.

### Budget Allowance Explanation

The Library budget of \$630,006 is \$75,364 or about 13.5% more than 2005-06 budgeted expenditures.

Staff has budgeted for additional part-time hours (1,040) to provide temporary vacation and sick leave coverage when needed during 2006-07 at an additional cost of \$10,000. This will reduce checkout times at the library when full-time staff members are sick or are on vacation. Also, funding is provided to expand library hours beginning in the summer of 2007.

Additionally, new chairs and tables will be purchased for the library conference rooms to accommodate the increased use of the conference rooms (\$5,000) and handicapped accessible doors will be installed at the library entrance (\$8,000). Budgeted amounts for new books and subscriptions have been increased to accommodate increased library usage (\$7,500).

Funds are provided to paint the outside of the building in 2006-07 (\$25,000). This project did not get started in the last fiscal year due to the move to the Interim City Hall.

Last, funds are budgeted for a new copier in the library (\$12,000). The current copier in the library has passed its expected life and is not reliable given its heavy usage by library patrons.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$412,413	\$423,496	\$554,642	\$543,702	\$630,006
Revenues			\$ 18,500	\$ 21,500	\$ 19,000
Positions (FTE)	8.0	8.0	8.9	8.9	9.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

LIBRARY

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 187,228	\$ 196,665	\$ 204,365	\$ 209,365
PART-TIME WAGES	26,464	46,041	48,910	67,540
GROUP MEDICAL INSURANCE	64,515	90,585	90,586	90,586
FICA & MEDICARE EXPENSE	14,955	18,567	19,375	21,184
RETIREMENT	12,330	23,552	15,123	26,634
WORKER'S COMP	<u>1,572</u>	<u>832</u>	<u>698</u>	<u>797</u>
Total Personnel Services	307,064	376,242	379,057	416,106
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVC	2,000	8,000	12,677	5,500
OTHER CONTRACTUAL SERVICES	2,260	27,400	7,400	40,400
ADVERTISING & PUBLICITY	2,185	1,000	2,568	1,000
REPRODUCTION & PRINTING	580	1,000	1,000	1,000
TRAVEL & TRAINING/STAFF	6,064	4,000	4,000	4,000
DUES & MEMBERSHIPS	1,173	1,200	1,200	1,200
EXPENDABLE MATERIALS	17,500	16,000	16,000	16,000
POSTAGE	1,471	1,300	1,300	1,800
BOOKS & SUBSCRIPTIONS	53,693	47,500	47,500	55,000
RENTAL & MAINTENANCE CONTRACT	837	2,500	2,500	2,500
REPAIRS & MAINTENANCE	2,340	4,000	4,000	4,000
TELEPHONE	1,306	3,500	3,500	3,500
UTILITIES	8,855	52,000	52,000	52,000
SMALL EQUIPMENT	-	7,000	7,000	12,000
REFERENCE MATERIAL UPGRADE	<u>5,085</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Total Operating Expenses	105,348	178,400	164,645	201,900
<i>Capital Outlay:</i>				
CAPITAL CARRYOVER	-	-	-	-
AMERICAN FOR LIBRARIES GRANT	3,003	-	-	-
CARRYOVER-LIBRARY REPLACEMENT	1,045	-	-	-
EQUIPMENT PURCHASE	<u>7,035</u>	<u>-</u>	<u>-</u>	<u>12,000</u>
Total Capital Outlay	11,083	-	-	12,000
LIBRARY TOTALS	\$ 423,496	\$ 554,642	\$ 543,702	\$ 630,006

## Recreation Programs

### Program Goal

The Recreation Division provides a diverse parks and recreation system available and accessible to all, which contributes to the physical, mental, social and cultural needs of the community and permits outlets that cultivate a wholesome sense of civic pride and social responsibility.

### Budget Allowance Explanation

The 2006-07-recreation budget allowance of \$345,359 is \$29,981 or 9.5 percent more than 2005-06 budgeted expenditures.

The increase is mainly due to salary and related adjustments for the 2006-07 fiscal year. However, a portable stage will be purchased to make it easier for the city to host special events (\$9,500).

There are no other proposed changes to this budget.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$223,753	\$340,249	\$315,378	\$324,007	\$345,359
Revenues					
Positions (FTE)	5.5	5.5	5.5	5.5	5.5

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

RECREATION

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 123,700	\$ 134,368	\$ 142,065	\$ 142,065
PART-TIME WAGES	72,308	45,000	45,000	45,000
GROUP MEDICAL INSURANCE	38,080	37,710	37,711	37,711
FICA & MEDICARE	14,363	13,721	14,310	14,310
RETIREMENT	7,617	9,944	10,086	12,928
WORKER'S COMP	3,604	4,555	4,755	4,755
UNIFORMS	1,250	1,260	1,260	1,260
Total Personnel Services	260,922	246,558	255,187	258,029
<i>Operating Expenses:</i>				
OTHER CONTRACTUAL SERVICES	14,229	-	-	-
ADVERTISING & PUBLICITY	439	1,000	1,000	4,200
REPRODUCTION & PRINTING	3,120	3,500	3,500	3,650
TRAVEL & TRAINING/STAFF	4,216	4,300	4,300	4,300
TRAVEL & TRAINING/NON-STAFF	-	-	-	-
DUES & MEMBERSHIPS	610	1,030	1,030	840
EXPENDABLE MATERIALS	4,522	3,000	3,000	3,000
POSTAGE	540	1,500	1,500	1,500
BOOKS & SUBSCRIPTIONS	391	450	450	350
AUTO PARTS & LABOR	79	400	400	500
FUELS & LUBRICANTS	532	250	250	800
SAFETY EQUIPMENT	52	250	250	250
REPAIRS & MAINTENANCE	499	400	400	400
TELEPHONE	770	650	650	950
SMALL EQUIPMENT	20,497	-	-	-
CONCERTS IN THE PARK	16,612	14,750	14,750	14,750
AFTER SCHOOL PROGRAMS	-	5,000	5,000	5,000
SPECIAL EVENTS	-	3,500	3,500	3,500
SENIOR CENTER PROGRAMS	-	2,840	2,840	2,840
ADULT SPORTS	-	17,500	17,500	17,500
YOUTH SPORTS	-	7,500	7,500	7,500
TEEN ACTIVITIES	1,659	1,000	1,000	1,000
Total Operating Expenses	68,767	68,820	68,820	72,830
<i>Capital Outlay:</i>				
CAPITAL CARRYOVER	-	-	-	-
CIP-PARKS/REC MASTER	10,560	-	-	-
MISC GRANTS	-	-	-	5,000
NIKOLAUS SKATE PARK	-	-	-	-
EQUIPMENT PURCHASE	-	-	-	9,500
Total Capital Outlay	10,560	-	-	14,500
RECREATION TOTALS	\$ 340,249	\$ 315,378	\$ 324,007	\$ 345,359

## City 4 TV

### **Program Goal**

The City 4 TV program facilitates open and effective communication between the City, its employees and the community and provides special interest programming to the community.

### **Budget Allowance Explanation**

The 2006-07 City 4 TV budget of \$222,197 is \$69,303 or 45.3 percent more than the 2005-06 budget.

The main reason for this increase is the need to replace the master player system in the TV- 4 production room (\$10,500). The current piece of equipment is no longer reliable due to its age and length of use. Additionally, a part-time technician position has been made full-time for the 2006-07 fiscal year (\$22,456).

Additionally, staff budgeted additional funds under contractual services to allow for web streaming of meetings (\$9,000), and additional funds in small equipment to purchase four communications cameras to improve the video quality of the council and planning and zoning meetings on the City cable television channel (\$17,000).

There were no other changes to this budget for 2006-07.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$148,858	\$145,923	\$152,894	\$173,418	\$222,197
Revenues			\$ 9,000	\$ 21,000	\$ 12,000
Positions (FTE)	2.8	2.8	2.8	2.8	2.8

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

CITY 4 TV

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 70,120	\$ 70,359	\$ 73,066	\$ 93,866
PART-TIME WAGES	15,126	15,600	16,380	-
GROUP MEDICAL INSURANCE	21,425	22,546	22,547	45,492
FICA & MEDICARE	6,256	6,575	6,843	7,181
RETIREMENT	4,153	6,362	5,406	8,542
WORKER'S COMP	<u>377</u>	<u>702</u>	<u>730</u>	<u>766</u>
Total Personnel Services	117,457	122,144	124,971	155,847
<i>Operating Expenses:</i>				
OTHER CONTRACTUAL SERVICES	-	-	-	9,000
ADVERTISING & PUBLICITY	1,591	1,600	1,600	1,600
TRAVEL & TRAINING/STAFF	3,646	3,400	3,400	5,000
DUES & MEMBERSHIPS	350	350	350	350
EXPENDABLE MATERIALS	4,511	4,500	4,500	4,500
POSTAGE	140	300	200	300
AUTO PARTS & LABOR	442	1,500	1,546	1,500
FUELS & LUBRICANTS	118	500	600	600
REPAIRS & MAINTENANCE	3,918	3,000	3,000	3,000
SMALL EQUIPMENT	-	5,000	20,000	28,600
CASUALTY LOSS	-	-	12,062	-
TELEPHONE	<u>994</u>	<u>600</u>	<u>1,189</u>	<u>1,400</u>
Total Operating Expenses	15,710	20,750	48,447	55,850
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	<u>12,756</u>	<u>10,000</u>	<u>-</u>	<u>10,500</u>
Total Capital Outlay	12,756	10,000	-	10,500
CITY 4 CABLE TV TOTALS	\$ 145,923	\$ 152,894	\$ 173,418	\$222,197

## **Public Works Administration**

### **Program Goal**

Public Works Administration oversees engineering and maintenance services for the city, supervises the airport function and has the overall responsibility for the streets, water, wastewater and refuse collection divisions.

### **Budget Allowance Explanation**

The Public Works Administration budget of \$306,522 is \$39,057 or 14.6 percent more than the 2005-06 budgeted expenditures. The increase is mainly due to the replacement of a vehicle.

The 2006-07 budget includes replacing the truck the Public Works Director uses (\$29,000). The current truck will replace a vehicle in the Streets Department that has high mileage on the odometer and requires excessive maintenance.

There were no other significant changes to this budget.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$328,394	\$322,774	\$267,465	\$271,422	\$306,522
Positions (FTE)	4.0	4.0	3.0	3.0	3.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

PUBLIC WORKS ADMIN

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 198,645	\$ 155,031	\$ 158,659	\$ 156,219
GROUP MEDICAL INSURANCE	49,711	45,493	45,492	45,492
FICA & MEDICARE	15,174	11,859	12,137	12,137
RETIREMENT	11,696	11,472	11,741	20,030
WORKER'S COMP	<u>1,317</u>	<u>2,359</u>	<u>2,393</u>	<u>2,393</u>
Total Personnel Services	276,543	226,214	\$ 230,422	\$ 236,272
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	15,541	25,000	25,000	25,000
REPRODUCTION & PRINTING	-	751	500	750
TRAVEL & TRAINING/STAFF	3,390	6,000	6,000	6,000
DUES & MEMBERSHIPS	869	1,000	1,000	1,000
LEGAL ADS AND NOTICES	-	2,000	2,000	2,000
EXPENDABLE MATERIALS	424	600	600	600
POSTAGE	596	700	700	700
BOOKS & SUBSCRIPTIONS	229	325	325	325
AUTO PARTS AND LABOR	986	500	500	500
FUELS & LUBRICANTS	851	875	875	875
TELEPHONE	1,398	1,500	1,500	1,500
SMALL EQUIPMENT	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Total Operating Expenses	24,284	41,251	41,000	41,250
<i>Capital Outlay:</i>				
CAPITAL CARRYOVER	-	-	-	-
TIMBER MESA TRAIL EXT.	11,755	-	-	-
CIP-OLD TOWNSITE IMPROVEMENTS	10,192	-	-	-
EQUIPMENT PURCHASE	-	-	-	-
VEHICLE PURCHASE	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,000</u>
Total Capital Outlay:	21,947	-	-	29,000
PUBLIC WORKS ADMIN. TOTALS	\$ 322,774	\$ 267,465	\$ 271,422	\$ 306,522

## Engineering

### Program Goal

The Engineering Division provides for the economical, safe and aesthetic design and construction of facilities on city property and serves as the central depository for all official records relating to capital projects.

### Budget Allowance Explanation

The Engineering budget allowance of \$704,013 is \$139,264 or 24.6 percent more than 2005-06 budgeted expenditures.

The Engineering Department will be replacing the large format copier (\$20,000). The existing copier requires excessive maintenance and when it is being repaired documents must be sent to outside vendors for duplication. This slows the review process when staff is reviewing development projects.

Also, engineering staff will be purchasing a two-person total station (\$15,000). This piece of equipment helps in determining road alignments and flood plain patterns associated with new developments.

Last, staff will add one engineer position (\$85,439) and one Construction Inspector position (\$62,930) to the department. These positions would allow for faster review times when developer documents are submitted.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$338,789	\$451,855	\$564,749	\$589,226	\$704,013
Revenues			\$ 37,500	\$ 25,000	\$ 37,500
Positions (FTE)	6.0	6.0	6.0	6.0	7.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

ENGINEERING

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 251,455	\$ 292,169	\$ 302,061	\$ 413,514
GROUP MEDICAL INSURANCE	59,773	90,984	90,984	121,312
FICA & MEDICARE	18,763	22,351	23,108	31,634
RETIREMENT	14,582	21,620	22,352	37,630
WORKER'S COMP	<u>1,922</u>	<u>2,950</u>	<u>5,312</u>	<u>6,923</u>
Total Personnel Services	346,495	430,074	\$ 443,817	\$ 611,013
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	-	80,000	80,000	-
REPRODUCTION & PRINTING	767	1,000	1,000	1,000
TRAVEL & TRAINING/STAFF	9,739	4,800	9,000	12,000
TRAVEL & TRAINING/NON-STAFF	-	2,500	-	-
DUES & MEMBERSHIPS	296	750	750	750
EXPENDABLE MATERIALS	3,471	6,375	6,375	10,000
POSTAGE	92	500	500	500
BOOKS & SUBSCRIPTIONS	82	350	350	350
AUTO PARTS & LABOR	2,452	4,000	4,000	4,000
FUELS & LUBRICANTS	2,763	2,900	2,900	2,900
RENTAL & MAINTENANCE CONTRACTS	2,275	10,000	13,332	15,000
SMALL EQUIPMENT	-	17,500	17,500	7,500
CASUALTY LOSS	-	-	5,702	-
TELEPHONE	<u>3,342</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total Operating Expenses	25,279	134,675	145,409	58,000
<i>Capital Outlay:</i>				
CAPITAL CARRYOVER	-	-	-	-
EQUIPMENT PURCHASE/IMPROVEMENTS	52,315	-	-	35,000
VEHICLE PURCHASE	<u>27,766</u>	-	-	-
Total Capital Outlay	80,081	-	-	35,000
ENGINEERING TOTALS	\$ 451,855	\$ 564,749	\$ 589,226	\$ 704,013

## Maintenance

### Program Goal

The Maintenance Division provides on-going maintenance services for all city buildings, city property and city parks.

### Budget Allowance and Explanation

The Maintenance budget of \$860,624 is \$149,068 or 19.2 percent more than 2005-06 budgeted expenditures.

This budget adds one Maintenance Worker position in this division to address needed maintenance projects at various city facilities including parks (\$41,663).

Also, staff plans on repairing the tennis courts (\$44,000), replacing a riding lawnmower (\$8,000), and purchasing a landscape trailer (\$5,000). Last, staff will replace a one-ton utility truck that is also used for snow removal (\$46,000).

There were no other changes to this budget.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$586,580	\$637,365	\$721,535	\$702,727	\$860,624
Positions (FTE)	8.8	8.8	8.8	8.8	9.8

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

MAINTENANCE

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 181,502	\$ 183,645	\$ 195,611	\$ 215,840
PART-TIME WAGES	30,663	39,897	39,897	39,897
OVERTIME	11,123	8,082	8,082	8,082
GROUP MEDICAL INSURANCE	81,089	120,058	98,367	113,532
FICA & MEDICARE	16,897	17,719	18,634	20,183
RETIREMENT	11,910	18,754	15,073	22,468
WORKER'S COMP	4,255	6,380	5,448	7,472
UNIFORMS	1,642	3,500	3,500	4,000
<b>Total Personnel Services</b>	<b>339,080</b>	<b>398,035</b>	<b>384,612</b>	<b>431,474</b>
<i>Operating Expenses:</i>				
OTHER CONTRACTUAL SERVICES	5,162	11,000	11,000	11,000
REPRODUCTION & PRINTING	-	-	-	-
TRAVEL & TRAINING/STAFF	4,428	5,000	5,000	5,000
DUES & MEMBERSHIPS	195	500	615	650
EXPENDABLE MATERIALS	17,095	21,000	12,000	12,000
JANITORIAL SUPPLIES	13,042	16,000	16,000	16,000
AUTO PARTS & LABOR	10,911	13,000	15,500	16,000
FUELS & LUBRICANTS	12,719	13,500	15,000	15,000
EQUIPMENT RENTAL-OTHER	1,525	1,500	1,500	1,500
SAFETY EQUIPMENT	1,012	1,000	500	-
REPAIRS & MAINTENANCE	34,674	55,000	55,000	64,000
TELEPHONE	77,935	60,000	60,000	90,000
UTILITIES	67,943	55,000	55,000	85,000
SMALL EQUIPMENT	-	10,000	10,000	10,000
CASUALTY LOSS	-	-	-	-
<b>Total Operating Expenses</b>	<b>246,641</b>	<b>262,500</b>	<b>257,115</b>	<b>326,150</b>
<i>Capital Outlay:</i>				
CAPITAL CARRYOVER	-	-	-	-
CIP (CAPITAL IMPROVEMENT PROJ)	-	-	-	-
CEMETERY IMPROVEMENTS	16,000	-	-	-
OTHER IMPROVEMENTS	14,268	-	-	44,000
EQUIPMENT PURCHASE	21,375	61,000	61,000	13,000
VEHICLE PURCHASE	-	-	-	46,000
<b>Total Capital Outlay</b>	<b>51,643</b>	<b>61,000</b>	<b>61,000</b>	<b>103,000</b>
<b>MAINTENANCE TOTALS</b>	<b>\$ 637,365</b>	<b>\$ 721,535</b>	<b>\$ 702,727</b>	<b>\$ 860,624</b>

## Police

### Program Goal

The Police Department provides the community with a law enforcement system that integrates and uses all departmental, civic and community resources for police services and protection of the lives and property of our residents.

### Budget Allowance Explanation

The Police budget of \$2,956,068 is \$367,650 or 14.2 percent more than 2005-06 budgeted expenditures.

Funds are budgeted for normal Police operations including the purchase of one additional police car (\$30,000). The fuel budget was also increased to reflect the additional cost of gasoline (\$10,000).

This budget funds thirty positions. As mentioned earlier, two patrol positions with vehicles are being added for 2006-07 (\$149,398).

There were no other major changes to the Police budget for 2006-07.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$2,087,803	\$2,369,327	\$2,588,418	\$2,816,762	\$2,956,068
Revenues			\$ 346,000	\$ 346,000	\$ 345,000
Positions (FTE)	25.0	27.0	27.0	28.0	30.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

POLICE

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 1,128,850	\$ 1,223,295	\$ 1,378,344	\$ 1,484,755
PART-TIME WAGES	24,310	30,000	30,000	30,000
TEMPORARY PERSONNEL	(4,712)	-	3,000	3,000
OVERTIME	113,192	125,000	125,000	125,000
GROUP MEDICAL INSURANCE	299,361	389,908	401,250	446,742
FICA & MEDICARE	98,749	105,439	115,235	123,375
RETIREMENT	117,461	130,699	144,157	139,082
WORKER'S COMP	36,647	38,277	42,468	44,114
POLICE UNIFORM ALLOWANCE	41,757	42,000	39,816	44,000
POLICE VESTS	<u>8,016</u>	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>
Total Personnel Services	1,863,631	2,093,618	2,288,270	2,449,068
<i>Operating Expenses:</i>				
PROFESSIONAL & CONSULTING SVCS	6,662	12,000	12,000	12,000
TRANSPORT SERVICES	-	-	-	-
OTHER CONTRACTUAL SERVICE	3,275	6,400	6,400	6,400
FINGER PRINTING	3,056	3,000	4,000	5,000
REPRODUCTION & PRINTING	11,598	9,700	9,700	9,700
TRAVEL & TRAINING/STAFF	18,641	25,000	25,000	30,000
TRAVEL & TRAINING/NON-STAFF	268	500	500	500
DUES & MEMBERSHIPS	1,093	1,800	2,300	2,500
EXPENDABLE MATERIALS	31,653	50,000	50,000	50,000
POSTAGE	1,459	2,200	2,200	2,200
AMMUNITION	4,897	15,000	15,000	15,000
BOOKS & SUBSCRIPTIONS	2,537	2,500	2,500	2,500
RESERVES	2,568	2,500	2,500	2,500
AUTO PARTS & LABOR	58,985	58,000	58,000	58,000
FUELS & LUBRICANTS	44,889	40,500	58,500	75,000
RENTAL & MAINTENANCE CONTRACTS	14,185	21,500	21,500	21,500
REPAIRS & MAINTENANCE	29,979	29,000	29,000	29,000
TELEPHONE	25,567	24,000	24,000	30,000
UTILITIES	17,023	17,000	17,000	17,000
SMALL EQUIPMENT	-	40,000	40,000	40,000
HOMELAND SECURITY GRANT (6-21-05)	-	100,000	100,000	-
CASUALTY LOSS	9,583	-	14,192	-
PRISONER EXPENSES	<u>4,102</u>	<u>4,200</u>	<u>4,200</u>	<u>4,200</u>
Total Operating Expenses	292,020	464,800	498,492	413,000
<i>Capital Outlay:</i>				
CAPITAL CARRYOVER	10,261	-	-	-
LAW ENFORCEMENT BLOCK GRANT	11,054	-	-	-
GOHS EQUIPMENT GRANT	5,825	-	-	-
EQUIPMENT PURCHASE	173,060	-	-	-
VEHICLE PURCHASE	6,103	30,000	30,000	94,000
DUI GRANT EXPENDITURES	<u>7,373</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	213,676	30,000	30,000	94,000
POLICE TOTALS	\$ 2,369,327	\$ 2,588,418	\$ 2,816,762	\$ 2,956,068

## Police Communications

### Program Goal

The Communications Program provides effective dispatch services to police and fire personnel in the Show Low area to insure appropriate response times to all calls.

### Budget Allowance Explanation

The 2006-07 budget of \$845,356 is \$88,068 or 11.6 percent more than 2005-06 budgeted expenditures. The increase is mainly due to salary and related increases in the communications division (\$33,016).

Additionally, staff has budgeted a reserve amount (\$20,000) in the communications section so funds can accumulate for the replacement of dispatch equipment in the future when it is needed.

Funding is received from other jurisdictions to compensate the city for the salaries of two dispatcher positions. The communications division expects to start dispatching for Heber in the near future.

There are no other significant changes to this budget for 2006-07.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$506,698	\$506,722	\$757,288	\$782,029	\$845,356
Revenues			\$115,000	\$115,000	\$145,000
Positions (FTE)	10.0	13.0	13.0	13.0	13.0

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

COMMUNICATIONS

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 333,413	\$ 437,122	\$ 459,785	\$ 483,668
OVERTIME	18,085	27,000	27,000	27,000
GROUP MEDICAL INSURANCE	94,698	180,365	188,953	188,953
FICA & MEDICARE	26,445	35,505	37,239	39,066
RETIREMENT	22,192	44,049	36,022	54,098
WORKER'S COMP	<u>888</u>	<u>2,597</u>	<u>2,380</u>	<u>2,721</u>
Total Personnel Services	495,721	726,638	751,379	795,506
<i>Operating Expenses:</i>				
OTHER CONTRACTUAL SERVICES	-	-	-	-
TRAVEL & TRAINING/STAFF	4,386	10,000	10,000	10,000
DUES & MEMBERSHIPS	-	350	350	550
EXPENDABLE MATERIALS	4,284	6,000	6,000	6,000
SMALL EQUIPMENT	-	13,000	13,000	13,000
BOOKS & SUBSCRIPTIONS	<u>35</u>	<u>300</u>	<u>300</u>	<u>300</u>
Total Operating Expenses	8,705	29,650	29,650	29,850
<i>Capital Outlay:</i>				
OTHER CAPITAL EXPENSE	-	-	-	-
EQUIPMENT PURCHASE	2,296	-	-	-
EQUIPMENT REPLACEMENT FUND	<u>-</u>	<u>1,000</u>	<u>1,000</u>	<u>20,000</u>
Total Capital Outlay	2,296	1,000	1,000	20,000
COMMUNICATIONS TOTALS	\$ 506,722	\$ 757,288	\$ 782,029	\$ 845,356

## **Animal Control**

### **Program Goal**

The Animal Control program provides effective dog, cat and wildlife regulation programs for the protection of the animals and the community.

### **Budget Allowance Explanation**

The 2006-07 budget of \$143,987 is \$28,352 or 15.7 percent less than 2005-06 budgeted expenditures. The primary reason for the reduction is the fact that the new animal control truck was budgeted and purchased during the 2005-06 fiscal year.

Staff requests that \$7,000 be allocated for the part-time position that was approved last year to maintain the dog kennel. This is a \$1,000 increase from this year.

There were no significant changes to this budget for 2006-07.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$94,294	\$97,796	\$168,339	\$176,228	\$143,987
Revenues			\$ 4,000	\$ 5,500	\$ 4,000
Positions (FTE)	2.0	2.0	2.2	2.2	2.2

CITY OF SHOW LOW  
GENERAL FUND  
OPERATING BUDGET  
2006 BUDGET

ANIMAL CONTROL

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	\$ 40,664	\$ 52,536	\$ 55,576	\$ 55,576
PART-TIME WAGES	-	6,000	7,000	9,000
OVERTIME	4,627	6,000	8,000	8,000
GROUP MEDICAL INSURANCE	21,356	22,546	22,547	22,547
FICA & MEDICARE	3,255	4,209	5,170	5,246
RETIREMENT	2,607	3,628	4,112	4,719
WORKER'S COMP	364	795	998	1,024
POLICE UNIFORM ALLOWANCE	<u>1,536</u>	<u>2,300</u>	<u>2,300</u>	<u>2,300</u>
Total Personnel Services	74,409	98,014	105,703	108,412
<i>Operating Expenses:</i>				
OTHER CONTRACTUAL SERVICE	-	-	-	-
REPRODUCTION & PRINTING	106	1,000	1,000	1,000
TRAVEL & TRAINING/STAFF	2,267	4,125	4,125	4,125
EXPENDABLE MATERIALS	7,599	8,000	8,000	8,000
AUTO PARTS & LABOR	421	2,200	2,200	2,200
FUELS & LUBRICANTS	3,303	4,000	4,000	6,000
TELEPHONE	300	-	200	250
SMALL EQUIPMENT	-	5,000	5,000	5,000
UTILITIES	<u>9,391</u>	<u>9,000</u>	<u>9,000</u>	<u>9,000</u>
Total Operating Expenses	23,387	33,325	33,525	35,575
<i>Capital Outlay:</i>				
EQUIPMENT	<u>-</u>	<u>37,000</u>	<u>37,000</u>	<u>-</u>
Total Capital Outlay	-	37,000	37,000	-
Animal Control Totals	\$ 97,796	\$ 168,339	\$ 176,228	\$ 143,987

## Street Transportation (HURF)

### Program Goal

The Streets Division plans for the safe and convenient movement of people and vehicles on city streets, effectively maintains the city's streets, inspects streets to assure they meet specifications and minimizes street damage through the control of irrigation and storm water.

### Budget Allowance Explanation

The Street 2006-07 budget allowance of \$1,363,370 is \$47,802 or 3.6 percent more than 2005-06 budgeted expenditures.

Funding for the street maintenance program comes from gas tax and license plate revenues as well as transfers from the city general fund if necessary.

The City will replace a 6-wheel dump truck (\$60,000), purchase a lay down machine (\$100,000), and a replacement water truck (\$30,000). The street department also will purchase a scan tool for the shop (\$10,000) to use in evaluating heavy equipment when repairs are needed.

Street maintenance personnel are also responsible for snow removal on city streets during inclement winter weather.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$1,347,222	\$1,441,817	\$1,315,568	\$1,309,670	\$1,363,370
Positions (FTE)	10.3	10.3	10.3	10.3	10.3

CITY OF SHOW LOW  
HURF FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

STREETS

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>Beginning Reserves</u>	\$ -	\$ -	\$ 80,132	\$ 80,236
<b>REVENUES</b>				
Highway User tax	1,241,091	1,309,274	1,309,274	1,538,173
Transfer from GF	80,318	-	-	-
Grants	182,769	-	-	-
Sale of Assets	17,771	6,294	500	2,500
<b>TOTAL REVENUES</b>	<b>1,521,949</b>	<b>1,315,568</b>	<b>1,309,774</b>	<b>1,540,673</b>
<b>EXPENDITURES</b>				
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	340,422	344,926	370,404	349,870
OVERTIME	9,502	18,893	18,893	21,500
GROUP MEDICAL INSURANCE	116,174	108,698	104,953	143,859
FICA & MEDICARE	26,319	27,832	29,781	28,410
RETIREMENT	21,474	32,439	27,409	37,926
WORKER'S COMP	21,518	29,500	22,971	22,524
UNIFORMS	2,286	6,000	6,000	5,000
<b>Total Personnel Services</b>	<b>537,695</b>	<b>568,288</b>	<b>580,411</b>	<b>609,089</b>
<i>Operating Expenses:</i>				
OTHR CONTR SVCS-STREET REPAIR	97,309	98,500	94,500	139,478
OTHER CONTRACTUAL SERVICE	30,171	40,650	70,702	40,650
REPRODUCTION & PRINTING	368	500	500	500
TRAVEL & TRAINING/STAFF	7,532	8,500	9,118	8,500
DUES & MEMBERSHIPS	1,377	600	790	600
EXPENDABLE MATERIALS	17,629	15,000	14,500	15,000
POSTAGE	58	-	4	50
BOOKS & SUBSCRIPTIONS	-	-	168	200
AUTO PARTS & LABOR	78,597	83,000	83,000	83,000
FUELS & LUBRICANTS	33,999	34,000	40,000	40,000
EQUIPMENT RENTAL-OTHER	7,862	6,000	6,000	6,000
REPAIRS & MAINTENANCE	5,204	5,000	5,000	5,000
TELEPHONE	2,759	5,000	5,000	5,000
UTILITIES	12,691	14,000	14,000	14,000
SMALL EQUIPMENT	-	-	2,410	2,000
TRANSFERS OUT	-	181,084	128,121	123,635
DEBT SERVICE	100,000	58,946	58,946	70,668
<b>Total Operating Expenses</b>	<b>395,556</b>	<b>550,780</b>	<b>532,759</b>	<b>554,281</b>
<i>Capital Outlay:</i>				
CARRYOVER	-	-	-	-
11TH & WHIPPLE	465,413	-	-	-
OLD LINDEN ROAD IMP.*	-	-	-	-
SHOW LOW CREEK BRIDGE*	-	-	-	-
CIP (CAPITAL IMPROVEMENT PROJECTS)	-	-	-	-
SL CREEK BRIDGE @ US60*	11,285	-	-	-
R & R PROGRAM	16,774	-	-	-
PENROD RD	-	-	-	-
IMPROVEMENTS	-	-	-	-
EQUIPMENT PURCHASE	15,094	46,500	46,500	140,000
VEHICLE PURCHASE	-	150,000	150,000	60,000
<b>Total Capital Outlay</b>	<b>508,566</b>	<b>196,500</b>	<b>196,500</b>	<b>200,000</b>
<b>HIGHWAY USERS FUND EXPENDITURES</b>	<b>1,441,817</b>	<b>1,315,568</b>	<b>1,309,670</b>	<b>1,363,370</b>
<b>Ending Reserves</b>	<b>\$ 80,132</b>	<b>\$ -</b>	<b>\$ 80,236</b>	<b>\$ 257,540</b>

## Public Transit

### Program Goal

Public Transit strives to provide public transit services and increased ridership in the Show Low area through the operation of a coordinated fixed route system.

### Budget Allowance Explanation

The Transit operating budget of \$769,248 is \$127,700 or 19.9 percent more than 2005-06 budgeted expenditures. The main reason for the difference is the planned purchase of two new twenty-five passenger busses (\$230,000).

The city contracts with a private vendor for this service. Revenue comes from grants, ridership fees and matching contributions from area cities.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$358,273	\$412,104	\$641,548	\$655,013	\$769,248
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
PUBLIC TRANSPORTATION  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
Beginning Reserves	\$ -	\$ -	\$ -	\$ -
<b>REVENUES</b>				
GRANTS	342,386	422,750	472,215	593,596
FARE & OTHER REVENUES	21,379	22,000	22,000	38,000
TRANSFERS IN	48,339	47,158	47,158	68,821
ADVERTISING REVENUE	-	32,000	15,550	-
CONTRIB-OTHER MUNICIPALITIES	-	117,630	98,080	68,821
INVESTMENT EARNINGS	-	10	10	10
<b>TOTAL REVENUES</b>	<b>412,104</b>	<b>641,548</b>	<b>655,013</b>	<b>769,248</b>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES-FINANCE ADMIN	-	52,143	52,143	71,776
<b>Total Personnel Services</b>	<b>-</b>	<b>52,143</b>	<b>52,143</b>	<b>71,776</b>
<i>Operating Expenses:</i>				
CONTRACTUAL SERVICES	289,150	320,791	318,750	343,858
ADVERTISING & PUBLICITY	1,957	2,169	1,000	2,169
REPRODUCTION & PRINTING	1,700	2,825	500	2,825
TRAVEL & TRAINING/STAFF	776	1,500	2,100	1,500
DUES & MEMBERSHIPS	35	200	50	200
EXPENDABLE MATERIALS	287	200	100	200
RTAP SUBSTANCE ABUSE PROGRAM	-	1,280	50	1,280
REPAIRS & MAINTENANCE	165	230	220	230
SMALL EQUIPMENT	-	-	-	40,000
TELEPHONE	187	210	100	210
<b>Total Operating Expenses</b>	<b>294,257</b>	<b>329,405</b>	<b>322,870</b>	<b>392,472</b>
<i>Capital Outlay:</i>				
EQUIPMENT PURCHASE	117,847	260,000	280,000	305,000
<b>TOTAL CAPITAL OUTLAY</b>	<b>117,847</b>	<b>260,000</b>	<b>280,000</b>	<b>305,000</b>
<b>PUBLIC TRANSPORTATION TOTALS</b>	<b>412,104</b>	<b>641,548</b>	<b>655,013</b>	<b>769,248</b>
Ending Reserves	\$ -	\$ -	\$ -	\$ -

## Transportation Assistance Fund

### Program Goal

The Transportation Assistance Fund provides for current and future sidewalk development in Show Low.

### Budget Allowance Explanation

The sidewalk replacement program for 2006-07 totals \$199,050. Revenues for these improvements come State Lottery proceeds. The City Council has dedicated lottery revenues to sidewalk development in Show Low.

Sidewalk programs are identified by city staff and are approved by the City Council on a project-by-project basis.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$---	\$107,914	\$199,050	\$15,500	\$199,050
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
TRANSPORTATION ASSISTANCE FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ 190,457	\$ 127,719	\$ 130,285	\$ 188,616
<u>REVENUES</u>				
TRANSPORTATION ASST. FUND	45,176	68,831	68,831	68,831
MISCELLANEOUS INCOME	-	-	-	-
INTEREST EARNINGS	<u>2,566</u>	<u>2,500</u>	<u>5,000</u>	<u>2,500</u>
TOTAL REVENUES	47,742	71,331	73,831	71,331
<u>EXPENDITURES</u>				
TRANSFERS OUT	-	199,050	15,500	199,050
CAPITAL OUTLAY	<u>107,914</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	107,914	199,050	15,500	199,050
Ending Reserve	\$ 130,285	\$ -	\$ 188,616	\$ 60,897

## Street Lighting District

### Program Goal

The Street Lighting District lights the streets in the City of Show Low for street safety purposes.

### Budget Allowance Explanation

The Street Light District budget of \$127,500 is \$15,000 or 13 percent more than 2005-06 budgeted expenditures. The increase is due to the increased cost of electricity that we are experiencing at the present time.

There are no program changes to this budget from last year. Expenses consist of utility payments for the streetlights in Show Low. This district does not fund the installation of new streetlights.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$126,366	\$102,119	\$112,500	\$112,500	\$127,500
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
STREET LIGHTING DISTRICT  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ 38,662	\$ 19,887	\$ 41,345	\$ 28,660
<u>REVENUES</u>				
SPECIAL ASSESSMENTS	101,620	99,590	99,590	110,750
TRANSFERS IN	2,709	-	-	-
INTEREST EARNINGS	<u>473</u>	<u>225</u>	<u>225</u>	<u>225</u>
TOTAL REVENUES	104,803	99,815	99,815	110,975
<u>EXPENDITURES</u>				
REPAIRS & MAINTENANCE	-	2,500	2,500	2,500
UTILITIES	100,740	110,000	110,000	125,000
IMPROVEMENTS	<u>1,379</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	102,119	112,500	112,500	127,500
Ending Reserve	\$ 41,345	\$ 7,202	\$ 28,660	\$ 12,135

## Water Services

### Program Goal

Water Services is responsible for providing a safe and adequate domestic water supply to all residents of the Show Low water service area.

### Budget Allowance Explanation

The Water budget for 2006-07 of \$2,179,165 is \$174,719 or 8.7 percent more than 2005-06 budgeted expenditures. The proposed budget provides funding for all water programs in Show Low.

Significant changes for 2006-07 include transfers to support the Wastewater Fund (\$550,346) and increased utility expenses due to the operation of several new pumps (\$25,000).

Additionally, two new Maintenance Workers have been added to the Water Department for 2006-07 (\$82,792). These new positions will allow for increased water line replacements and for additional maintenance on the water system.

Additionally, funding has been continued for maintenance at Show Low Lake (\$50,000) and for future costs of a water treatment plant at Show Low lake (\$100,000).

Capital outlay items budgeted in 2006-07 include a fork lift (\$45,000) and a lo-boy trailer (\$50,000).

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$4,372,844	\$1,628,392	\$2,004,446	\$1,845,903	\$2,179,165
Revenues			\$1,904,446	\$1,937,957	\$2,182,661
Positions (FTE)	6.6	6.6	6.6	6.6	8.6

CITY OF SHOW LOW  
WATER FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	ACTUAL	BUDGET	REV. EST.	BUDGET
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserves	\$ 1,338,871	\$ -	\$ 1,486,738	\$ 1,678,792
<b>REVENUES</b>				
WATER SALES	\$ 1,605,726	\$ 1,694,453	\$ 1,694,453	\$ 1,945,286
RECONNECT FEES	57,905	46,315	50,315	51,321
METER INSTALLATIONS	59,056	54,379	85,500	86,355
WATER TAP FEES	5,670	19,103	30,560	19,103
MISC. INCOME	992	467	2,500	467
INTEREST FROM OTHER SERVICES	36,395	29,629	29,629	29,629
TRANSFERS IN	-	100,000	100,000	-
INVESTMENT EARNINGS	10,515	60,100	45,000	50,500
<b>TOTAL REVENUES</b>	<b>1,776,259</b>	<b>2,004,446</b>	<b>2,037,957</b>	<b>2,182,661</b>
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	188,559	196,319	245,050	266,731
OVERTIME	6,121	12,766	12,766	12,766
GROUP MEDICAL INSURANCE	58,452	82,804	82,805	121,313
FICA & MEDICARE	13,884	15,995	19,235	20,893
RETIREMENT	11,557	22,170	19,078	26,424
WORKER'S COMP	3,873	5,252	7,865	9,229
UNIFORMS	1,723	3,040	3,040	4,000
<b>Total Personnel Services</b>	<b>284,169</b>	<b>338,346</b>	<b>389,839</b>	<b>461,355</b>
<i>Operating Expenses:</i>				
OTHER CONTRACTUAL SERVICES	5,588	8,000	10,000	8,000
LEGAL FEES	-	-	-	-
REPRODUCTION & PRINTING	3,598	8,000	8,000	8,000
TRAVEL & TRAINING/STAFF	5,862	6,000	6,000	10,000
DUES & MEMBERSHIPS	465	600	600	600
EXPENDABLE MATERIALS	6,872	11,000	11,000	11,000
POSTAGE	6,088	8,000	8,000	8,000
BOOKS & SUBSCRIPTIONS	442	325	325	325
AUTO PARTS & LABOR	11,803	15,000	15,000	15,000
FUELS & LUBRICANTS	15,714	15,000	18,000	18,000
EQUIPMENT RENTAL-OTHER	163	2,500	2,500	2,500
REPAIRS & MAINTENANCE	1,996	3,000	8,000	3,000
SHOW LOW LAKE MAINTENANCE	-	50,000	15,000	50,000
TELEPHONE	1,831	1,750	1,750	1,750
UTILITIES	166,016	175,000	175,000	200,000
CASUALTY LOSS	30	-	-	-
TESTING FEES	21,009	20,000	20,000	25,000
WATER MAINTENANCE	98,189	150,000	150,000	340,000
BANK CHARGES	-	-	-	-
SMALL EQUIPMENT	-	-	2,872	3,000
BAD DEBT EXPENSE	58,482	3,000	1,000	1,000
TRANSFERS OUT	833,627	746,925	746,925	550,346
DEBT SERVICE	-	-	-	-
<b>Total Operating Expenses</b>	<b>1,237,775</b>	<b>1,224,100</b>	<b>1,199,972</b>	<b>1,255,521</b>
<i>Capital Outlay:</i>				
WATER PLANT RESERVE	-	100,000	100,000	-
CAPITAL CARRYOVER	-	-	-	-
WATER TAP FEES	-	-	-	-
METER EXCHANGE PROGRAM	9,818	-	-	-
WELL PUMP REPLACEMENT	41,771	-	-	-
BOOSTER PUMPS	3,034	12,000	-	-
WATER TANK REHAB	-	-	-	-
WATER LINE REPLACEMENT - CIP	-	-	-	367,289
IMPROVEMENTS	17,288	200,000	25,280	-
EQUIPMENT PURCHASE	34,537	80,000	80,812	95,000
VEHICLE PURCHASE	-	50,000	50,000	-
<b>Total Capital Outlay</b>	<b>106,448</b>	<b>442,000</b>	<b>256,092</b>	<b>462,289</b>
<b>WATER TOTALS</b>	<b>\$ 1,628,392</b>	<b>\$ 2,004,446</b>	<b>\$ 1,845,903</b>	<b>\$ 2,179,165</b>
Ending Reserves	\$ 1,486,738	\$ -	\$ 1,678,792	\$ 1,682,288

## Wastewater Services

### **Program Goal**

The Wastewater Program provides a clean, healthy environment through the effective management of all water-borne wastes within the Show Low drainage area.

### **Budget Allowance Explanation**

The 2006-07 Wastewater budget of \$2,121,154 is \$48,506 or 2.3 percent more than the budgeted expenditure for 2005-06. The primary reason for the increase is the fact that additional capital projects are budgeted for 2006-07.

The budget contains funding for the Hydro truck lease payment (\$50,000) and funding for two replacement trucks (\$54,000). Also, funds (\$40,000) are set aside for desludging projects in the future.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$1,778,272	\$1,614,355	\$2,072,648	\$1,604,875	\$2,121,154
Revenues			\$1,237,000	\$1,361,732	\$2,122,438
Positions (FTE)	11.6	11.6	11.6	11.6	11.6

CITY OF SHOW LOW  
WASTEWATER FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	ACTUAL	BUDGET	REV. EST.	BUDGET
<u>ACCOUNT DESCRIPTION</u>				
<u>REVENUES</u>				
SERVICE FEES	1,225,663	1,200,000	1,351,232	1,571,092
TRANSFERS IN	-	835,648	835,648	550,346
SALE OF ASSETS	61	-	-	-
INVESTMENT EARNINGS	75,675	37,000	10,500	1,000
<b>TOTAL REVENUES</b>	<b>1,301,399</b>	<b>2,072,648</b>	<b>2,197,380</b>	<b>2,122,438</b>
<u>Personnel Services:</u>				
REGULAR SALARIES & WAGES	339,290	313,458	320,458	317,596
OVERTIME	15,888	14,066	14,066	14,066
GROUP MEDICAL INSURANCE	131,476	159,024	128,695	166,805
FICA & MEDICARE	25,277	24,517	25,591	24,834
RETIREMENT	20,546	29,400	23,713	32,844
WORKER'S COMP	11,784	14,161	12,866	15,188
UNIFORMS	2,014	4,200	4,200	5,500
<b>Total Personnel Services</b>	<b>546,276</b>	<b>558,826</b>	<b>529,589</b>	<b>576,833</b>
<u>Operating Expenses:</u>				
OTHER CONTRACTUAL SERVICE	7,042	8,000	8,000	8,000
LEGAL FEES	-	-	-	-
REPRODUCTION & PRINTING	2,600	6,500	6,500	6,500
TRAVEL & TRAINING/STAFF	8,586	8,000	8,000	10,000
DUES & MEMBERSHIPS	187	800	800	800
EXPENDABLE MATERIALS	8,354	7,000	8,000	8,000
POSTAGE	7,199	6,000	6,000	6,000
BOOKS & SUBSCRIPTIONS	351	325	325	325
AUTO PARTS & LABOR	21,470	21,000	21,000	21,000
FUELS & LUBRICANTS	24,663	25,000	30,000	30,000
EQUIPMENT RENTAL-OTHER	1,139	2,500	2,500	2,500
REPAIRS & MAINTENANCE	2,397	3,000	5,000	3,000
TELEPHONE	3,307	1,750	2,400	2,400
UTILITIES	149,081	170,000	157,236	170,000
CASUALTY LOSS	651	-	-	-
TESTING FEES	48,649	50,000	50,000	60,000
SEWER MAINTENANCE	75,168	120,000	120,000	120,000
USE PERMITS	3,836	5,000	5,000	5,000
SMALL EQUIPMENT	-	-	3,000	3,000
BAD DEBT EXPENSE	(13,777)	3,000	1,000	1,000
DEBT SERVICE	102,129	392,471	392,471	432,796
<b>Total Operating Expenses</b>	<b>453,030</b>	<b>830,346</b>	<b>827,232</b>	<b>890,321</b>
<u>Capital Outlay:</u>				
CAPITAL CARRYOVER	-	-	-	-
LIFT STATION PUMPS	8,686	-	-	-
WWTP MODIFICATIONS	14,682	185,773	172,054	-
WWTP MASTER PLAN* IMPLEMENTATION	-	297,738	-	200,000
SHOW LOW CREEK TRUNK SEWER SOUTH*	-	-	-	-
SHOW LOW CREEK NORTH TRUNKLINE*	477,133	44,555	34,000	-
CIP WWTP IMPROVEMENTS*	2,359	-	-	-
CIP- INFLOW & INFILTRATION*	112,189	130,410	17,000	300,000
IMPROVEMENTS	-	-	-	100,000
VEHICLE PURCHASE	-	25,000	25,000	54,000
TREATMENT PLANT AERATORS	-	-	-	-
<b>Total Capital Outlay</b>	<b>615,050</b>	<b>683,476</b>	<b>248,054</b>	<b>654,000</b>
<b>SEWER FUND TOTALS</b>	<b>1,614,355</b>	<b>2,072,648</b>	<b>1,604,875</b>	<b>2,121,154</b>

## Airport

### Program Goal

The Airport provides the Show Low area with an airport that accommodates commercial and general aviation in a safe, efficient and convenient manner.

### Budget Allowance Explanation

The airport budget of \$3,532,385 is \$1,303,379 more than budgeted expenditures for 2005-06. The primary reason for this increase is that the airport expects to obtain two new grants in the amount of \$1,215,030 during 2006-07. The City match to obtain these grants would be about \$46,194.

There are no other significant changes to the airport budget for 2006-07. Airport staff will continue to try and obtain federal grants to improve the airport when possible. Also, the airport relies on profits from fuel sales and other income to help support its operating programs.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$745,554	\$3,767,294	\$2,229,006	\$2,287,499	\$3,532,385
Revenues			\$ 795,934	\$ 813,994	\$ 881,622
Positions (FTE)	5.2	5.2	5.2	5.2	5.2

CITY OF SHOW LOW  
AIRPORT FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserves	\$ 113,511	\$ -	\$ 113,848	\$ 20,370
<u>REVENUES</u>				
RECEIPTS FROM CUSTOMERS	200,450	141,622	171,842	141,622
GAS AND OIL SALES	734,499	639,312	636,152	725,000
MISCELLANEOUS INCOME	5,700	10,000	5,000	10,000
TRANSFERS IN	655,766	381,152	396,645	387,799
INTEREST INCOME	2,141	5,000	1,000	5,000
GRANT INCOME (FAA/ADOT)	2,169,075	1,051,920	983,382	2,242,593
TOTAL REVENUES	3,767,631	2,229,006	2,194,021	3,512,014
<i>Personnel Services:</i>				
REGULAR SALARIES & WAGES	165,987	160,950	174,000	174,000
OVERTIME	17,624	7,338	7,338	7,338
GROUP MEDICAL INSURANCE	63,685	75,820	75,820	75,820
FICA & MEDICARE EXPENSE	12,623	12,874	13,872	13,872
RETIREMENT	9,305	12,941	13,947	16,905
WORKER'S COMP.	5,180	5,661	6,099	6,099
UNIFORM ALLOWANCE	2,200	2,200	2,200	2,200
Total Personnel Services	276,604	277,784	293,277	296,235
<i>Operating Expenses:</i>				
FUEL & OIL FOR RESALE (Cost of Goods Sold)	694,224	500,000	550,000	550,000
FEDERAL EXCISE TAX	7,000	7,000	-	-
PROFESSIONAL & CONSULTING SVCS	13,508	2,250	2,250	2,250
OTHER CONTRACTUAL SERVICE	1,000	5,200	5,200	6,000
REPRODUCTION & PRINTING	900	900	900	900
TRAVEL & TRAINING/STAFF	4,400	4,500	4,500	6,000
DUES & MEMBERSHIPS	400	400	400	400
EXPENDABLE MATERIALS	3,300	4,300	4,300	4,300
POSTAGE	700	750	750	750
BOOKS & SUBSCRIPTIONS	470	2,500	2,500	2,870
AUTO PARTS & LABOR	4,500	8,500	8,500	8,500
FUELS & LUBRICANTS	3,750	5,500	5,500	6,000
SAFETY EQUIPMENT	1,200	1,400	1,400	1,400
REPAIRS & MAINTENANCE	49,609	9,500	9,500	9,500
TELEPHONE	2,000	2,200	2,200	2,400
UTILITIES	29,528	37,000	37,000	39,596
INSURANCE PREMIUMS	16,850	27,750	27,750	27,750
MARKETING & PROMOTIONS	-	1,000	1,000	1,000
LEGAL ADVERTISING	-	500	500	500
USE PERMITS	750	1,200	1,200	1,200
SMALL EQUIPMENT	-	15,000	15,000	15,000
DEBT EXPENSE	193,654	194,808	194,808	195,803
Total Operating Expenses:	1,027,743	832,158	875,158	882,119
<i>Capital Outlay:</i>				
ARFF GRANT #E2F03*	8,240	8,240	8,240	-
TAXIWAY*	-	85,000	85,000	-
SECURITY FENCING/ACCESS CONTROL*	1,147,148	53,544	53,544	-
NEW PROJECTS FOR POSSIBLE FUNDING	173,547	612,896	612,896	1,599,017
ARFF PHASE III/HELICOPTER LANDING*	862,575	110,574	110,574	-
PAVEMENT PRESERVATION GRANT*	173,954	-	-	-
IMPROVEMENTS (AIP 14)	46,000	116,146	116,146	630,014
OTHER CAPITAL EXPENSE*	-	132,664	132,664	125,000
EQUIPMENT PURCHASE	51,483	-	-	-
Total Capital Outlay	2,462,947	1,119,064	1,119,064	2,354,031
AIRPORT FUND EXPENDITURES	3,767,294	2,229,006	2,287,499	3,532,385
Ending Reserves	\$ 113,848	\$ -	\$ 20,370	\$ (0)

## **Aquatic Center**

### **Program Goal**

The Aquatic Center provides and maintains a year-round swimming facility available and accessible to all, which contributes to the needs of the community and permits an alternative exercise experience for everyone in a controlled environment.

### **Budget Allowance Explanation**

The Aquatic Center budget of \$392,302 is \$33,144 or 9.2 percent more than the 2005-06 budget.

The maintenance budget for the aquatic center has also been increased to deal with on-going maintenance issues at the center (\$7,584). Lastly, the small equipment category has been increased to allow for the purchase of several pieces of maintenance equipment to replace worn out hoses, vacuums and pumps needed to keep the facility clean (\$10,000).

There are no other major changes to the aquatic center budget.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$490,240	\$403,858	\$359,158	\$366,505	\$392,302
Revenues			\$ 97,550	\$90,500	\$90,750
Positions (FTE)	10.1	10.1	10.1	10.1	10.1

CITY OF SHOW LOW  
AQUATIC CENTER FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserves	\$ -	\$ -	\$ -	\$ -
<u>REVENUES</u>				
RECEIPTS FROM CUSTOMERS	131,190	97,550	90,500	90,750
TRANSFERS IN	<u>272,668</u>	<u>261,608</u>	<u>276,005</u>	<u>301,552</u>
TOTAL REVENUES	403,858	359,158	366,505	392,302
<u>Personnel Services</u>				
REGULAR SALARIES & WAGES	70,456	65,502	71,364	71,364
PART-TIME WAGES	97,777	118,756	118,756	118,756
OVERTIME	-	500	500	500
GROUP MEDICAL INSURANCE	27,177	37,910	37,910	37,910
FICA & MEDICARE	12,666	13,535	14,544	14,544
RETIREMENT	4,141	4,847	5,281	6,494
WORKER'S COMP	3,226	3,917	3,959	3,959
UNIFORMS	<u>2,969</u>	<u>2,500</u>	<u>2,500</u>	<u>2,750</u>
Total Personnel Services	218,412	247,467	254,814	256,277
<u>Operating Expenses:</u>				
AQUATIC CENTER RESALE	2,313	500	500	2,500
OTHER CONTRACTUAL SERVICE	4,701	4,000	4,000	4,000
ADVERTISING & PUBLICITY	2,500	-	-	1,500
REPRODUCTION & PRINTING	2,026	-	-	2,000
TRAVEL & TRAINING/STAFF	3,851	6,150	6,150	6,150
DUES & MEMBERSHIPS	390	845	845	845
EXPENDABLE MATERIALS	8,794	5,190	5,190	5,190
POSTAGE	224	250	250	650
BOOKS & SUBSCRIPTIONS	633	500	500	350
SAFETY EQUIPMENT	278	1,000	1,000	1,000
OTHER EQUIPMENT & SUPPLIES	3,980	6,000	6,000	4,000
REPAIRS & MAINTENANCE	58,284	22,416	22,416	30,000
TELEPHONE	1,291	1,560	1,560	1,560
UTILITIES	60,024	60,780	60,780	60,780
SMALL EQUIPMENT	1,405	2,500	2,500	12,500
BIRTHDAY PARTIES	3,184	-	-	3,000
OVER/SHORT EXPENSE	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	153,880	111,691	111,691	136,025
<u>Capital Outlay:</u>				
CARRYOVER	-	-	-	-
IMPROVEMENTS	31,490	-	-	-
EQUIPMENT PURCHASE	<u>76</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Outlay	31,566	-	-	-
FAMILY AQUATIC CENTER EXPENDITURES	403,858	359,158	366,505	392,302
Ending Reserves	\$ -	\$ -	\$ -	\$ -

## Water Plant Investment Fund

### Program Goal

The Water Plant Investment Fund provides funding for long term water plant and related improvements associated with housing and commercial growth in the City.

### Budget Allowance Explanation

The 2006-07 budget anticipates additional improvements to the water plant as identified by staff and the City Council. Revenues for these capital improvements come from development fees.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$---	\$---	\$1,000,000	\$498,789	\$900,000
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
WATER PLANT INVESTMENT FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ 1,282,856	\$ 1,094,688	\$ 1,094,688	\$ 498,789
<u>REVENUES</u>				
IMPACT FEES	270,505	400,000	485,984	400,000
INTEREST EARNED	-	-	-	15,500
	-	-	-	-
TOTAL REVENUES	270,505	400,000	485,984	415,500
<u>EXPENDITURES</u>				
CAPITAL PROJECTS	458,673	1,000,000	1,081,883	800,000
TRANSFER TO RESERVE	-	-	-	100,000
	-	-	-	-
TOTAL EXPENDITURES	458,673	1,000,000	1,081,883	900,000
Ending Reserve	\$ 1,094,688	\$ 494,688	\$ 498,789	\$ 14,289
WATER PLANT RESERVE	-	100,000	-	200,000

## **Wastewater Plant Investment Fund**

### **Program Goal**

The Wastewater Plant Investment Fund provides funding for long term water plant improvements associated with housing and commercial growth in the City.

### **Budget Allowance Explanation**

The 2006-07 budget anticipates additional improvements to the wastewater plant as identified by staff and the City Council. Revenues for waste water improvements come from development fees.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$---	\$---	\$900,000	\$581,794	\$1,100,000
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
WASTEWATER INVESTMENT FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ 3,078,698	\$ 2,824,472	\$ 2,781,612	\$ 3,793,491
<u>REVENUES</u>				
IMPACT FEES	775,715	775,000	1,593,673	1,000,000
INTEREST EARNED	-	-	-	20,500
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	775,715	775,000	1,593,673	1,020,500
<u>EXPENDITURES</u>				
CAPITAL PROJECTS	1,072,801	900,000	581,794	1,100,000
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	1,072,801	900,000	581,794	1,100,000
Ending Reserve	\$ 2,781,612	\$ 2,699,472	\$ 3,793,491	\$ 3,713,991

## Refuse

### Program Goal

The refuse program assists in providing a safe and aesthetically acceptable environment through effective, integrated management of the solid waste stream, including collection and disposal.

### Budget Allowance Explanation

The 2006-07 Refuse operating budget of \$538,560 is \$46,850 or 8 percent less than 2005-06 budgeted expenditures. The reduction is due to a new waste collection contract that reduced collection costs to the City. This savings is being passed on to the customers serviced by the contractor.

Waste collection is accomplished thru a contract with a private company. As Council knows, the City will be in the first year of a new contract for the 2006-07 fiscal year.

There is no change in actual garbage collection programs for 2006-07. Only the amount charged by Waste Management has changed.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$528,235	\$565,154	\$585,410	\$585,410	\$538,560
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
REFUSE FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserves	\$ 41,250	\$ 69,503	\$ 38,972	\$ 26,372
<u>REVENUES</u>				
COLLECTION FEES	562,876	572,660	572,660	535,080
INVESTMENT EARNINGS	-	150	150	350
TOTAL REVENUES	562,876	572,810	572,810	535,430
<u>EXPENDITURES</u>				
CONTRACTURAL SERVICES	536,843	525,410	525,410	478,560
POSTAGE	5,786	5,000	5,000	5,000
ANNUAL CLEANUP	25,496	50,000	50,000	50,000
MISC EXPENSE	(2,971)	5,000	5,000	5,000
TOTAL EXPENDITURES	565,154	585,410	585,410	538,560
Ending Reserves	\$ 38,972	\$ 56,903	\$ 26,372	\$ 23,242

## Capital Improvement Program

### Program Goal

The Capital Improvement Program is a multiyear plan for capital expenditures needed to replace, expand, and improve infrastructure and major systems.

### Budget Allowance Explanation

The Capital Improvement Program for 2006-07 totals \$7,045,054. Revenues for these improvements come from several sources.

Transfers from the General Fund total approximately \$5,706,869. Other transfers come from the Highway User Fund (\$123,635), from the LTAF Fund (\$199,000) and from other grants and contributions.

The City also makes use of CDBG funds for certain improvements (\$308,149) and will receive a contribution from the County for Show Low Creek Bridge (\$500,000).

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$---	\$1,878,679	\$5,326,685	\$1,104,424	\$7,045,054
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
CAPITAL IMPROVEMENTS FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	ACTUAL	BUDGET	REV. EST.	BUDGET
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ -	\$ -	\$ -	\$ 15,500
<u>REVENUES</u>				
TRANSFERS IN (GF)	-	4,638,402	668,154	5,706,869
TRANSFERS IN (HURF)	-	181,084	128,121	123,635
TRANSFERS IN (LTAF)	-	199,050	15,500	199,050
SCOTT RANCH ROAD GRANT	-	-	-	500,000
OTHER CONTRIBUTIONS (COUNTY)	-	-	-	500,000
<b>TOTAL REVENUES</b>	-	<b>5,018,536</b>	<b>811,775</b>	<b>7,029,554</b>
<u>EXPENDITURES</u>				
<u>CAPITAL PROJECTS:</u>				
<u>Re-Budgeted Projects For 2006-07</u>				
K-Mart Detention Basin	-	40,127	-	40,127
Timber-Mesa Trail Extension	-	269,400	2,082	267,318
Old Townsite Improvements	-	426,478	-	576,478
Parks/Recreation Master Plan	-	325,000	-	425,000
Open Space Preservation	-	100,000	-	100,000
Show Low Creek Bridge	-	886,215	215,794	-
Old Linden Road	-	211,342	-	211,342
Turn Lanes at Sierra Pines	-	-	-	300,000
Aquatic Center Wall	-	15,000	2,544	12,456
Needles Creek	-	7,785	7,785	-
Cemetery Improvements	-	49,546	867	98,679
Sidewalks (LTAF)	-	149,050	8,806	190,244
Street Light Improvements	-	19,627	-	39,627
Frontier Bldg., Remaining Expenses	-	105,000	144,013	-
City Facilities	-	-	18,757	-
<u>Development Agreements/Misc. Projects: Rebudgeted for 2006-07</u>				
Kennedy & Jenks - Wastewater Master Plan	-	81,523	-	81,523
Dibble & Assoc - Stormwater Master Plan	-	109,085	31,367	-
Resource Environmental Group - Sludge Rem.	-	49,500	83,272	-
Central Light	-	150,000	-	150,000
Relocate Power Lines	-	90,000	10,322	80,000
School District IGA	-	123,980	-	143,000
Meadowbrook	-	100,000	-	100,000
N. 4th Ave. Improvements	-	23,435	-	43,435
Central Ave. Fence at Trailer Park	-	50,000	-	50,000
Banner Replacement	-	10,000	-	10,000
American Fence Annexation Agreement	-	10,135	-	10,135
Countryside Meadow Dev. Agreement	-	75,000	-	75,000
Central Ave. at Puesta del Sol Sidewalk Imp.	-	40,000	-	40,000
Directory Signs (Downtown)	-	18,808	666	18,142
Street Lights	-	20,000	-	-
Landscape Partership/ROW	-	10,000	-	10,000
<u>2006-07 Capital Improvements:</u>				
Pavement R & R Program	-	290,000	270,000	323,805
Turn Lane-Sierra Pines	-	295,000	-	-
Old Linden Road Improvements	-	-	-	370,000
W McNeil, N 16th Ave to SR260	-	-	-	117,500
Scott Ranch Road Grant	-	-	-	500,000
Show Low Creek Bridge	-	367,500	-	1,735,000
Open Space Improvements	-	100,000	-	100,000
Parks & Rec Master Plan	-	100,000	-	150,000
Cemetery Expansion	-	50,000	-	100,000
Old Town Site Improvements	-	150,000	-	150,000
City Facilities	-	150,000	-	181,243
Civic Center Project	-	-	-	175,000
Streetlights	-	-	-	20,000
Sidewalk (LTAF)	-	50,000	-	50,000
<b>TOTAL EXPENDITURES</b>	-	<b>5,118,536</b>	<b>796,275</b>	<b>7,045,054</b>
Ending Reserve	\$ -	\$ (100,000)	\$ 15,500	\$ -

CITY OF SHOW LOW  
 CAPITAL IMPROVEMENTS-CDBG  
 REVENUES AND EXPENDITURES  
 2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ -	\$ -	\$ -	\$ -
<u>REVENUES</u>				
INTERGOVERNMENTAL GRANT (CDBG)	-	308,149	308,149	308,149
INVESTMENT EARNINGS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	-	308,149	308,149	308,149
<u>EXPENDITURES</u>				
TRANSFERS	-	-	-	-
CAPITAL OUTLAY	<u>-</u>	<u>308,149</u>	<u>308,149</u>	<u>308,149</u>
TOTAL EXPENDITURES	-	308,149	308,149	308,149
Ending Reserve	\$ -	\$ -	\$ -	\$ -

## Debt Service

### Program Summary

Debt service expenditures include payments of principal and interest for certificates of participation issued by the city. In general, the city has used certificates of participation to finance certain programs of the city.

The city currently has two certificate of participation issues outstanding. One issue was sold in 1997 and the other in 2000.

Debt service expenditures are primarily for these two issues. Additionally, the city has some minor lease purchase programs for equipment.

### Budget Allowance Explanation

Expenditures for this budget are budgeted in accordance with the appropriate debt service schedules for the 2006-07 fiscal year.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$917,327	\$767,330	\$586,932	\$586,932	\$615,803
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
DEBT SERVICE FUND  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ 499,089	\$ 500,899	\$ 499,610	\$ 501,422
<u>REVENUES</u>				
INTEREST EARNED ON INVESTMENTS	23,366	15,000	15,000	15,000
TRANSFERS IN	<u>744,485</u>	<u>572,455</u>	<u>572,455</u>	<u>615,803</u>
TOTAL REVENUES	767,851	587,455	587,455	630,803
<u>EXPENDITURES</u>				
DEBT PRINCIPAL	139,075	-	-	-
DEBT PRINCIPAL COP'S 1997	277,500	290,000	290,000	305,000
DEBT PRINCIPAL COP'S 2000	131,184	136,650	136,650	144,849
DEBT INTEREST	18,909	-	-	-
DEBT INTEREST COP'S 1997	92,393	52,187	52,187	64,863
DEBT INTEREST COP'S 2000	46,783	40,224	40,224	35,500
LEASE PURCHASE	57,870	57,871	57,871	55,591
TRUSTEE FEES & SERVICES	<u>3,616</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
TOTAL EXPENDITURES	767,330	586,932	586,932	615,803
Ending Reserve	\$ 499,610	\$ 501,422	\$ 500,133	\$ 516,422

## **Improvement Districts**

### **Program Goal**

The Improvement District program provides an alternative method of financing capital improvements in designated areas of the city. These improvements may be streets, streetlights, sidewalks or other capital improvements of this nature.

### **Budget Allowance Explanation**

The 2006-07 budget of \$1,746,260 is \$501,310 or 40 percent more than 2005-06 budgeted expenditures. Funds are budgeted based on the anticipated assessments that will be paid by property owners in the three improvement districts.

The 2006-07 budget for the three improvement districts is more than in the previous year because of the formation of the new improvement district during 2006 (SID #7). Assessments and other expenditures for that district will begin during the 2006-07 fiscal year.

The Administrative Services Department processes and mails assessment bills to property owners at appropriate times during the year. After the assessments are paid, staff calls the required number of outstanding bonds and retires them.

No general taxpayer funding is associated with these districts.

### **Expenditure and Position Summary**

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$1,324,426	\$1,145,410	\$1,244,950	\$1,354,450	\$1,746,260
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
ID #5  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ 66,359	\$ 130,174	\$ 105,002	\$ 110,002
<u>REVENUES</u>				
SPECIAL ASSESSMENTS	645,061	662,150	662,150	659,760
FINES	5,831	2,500	2,500	2,500
INTEREST EARNINGS	<u>1,141</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
TOTAL REVENUES	652,033	665,650	665,650	663,260
<u>EXPENDITURES</u>				
DEBT SERVICE	613,390	659,850	659,850	659,760
POSTAGE	-	300	300	300
BANK CHARGES	<u>-</u>	<u>500</u>	<u>500</u>	<u>2,000</u>
TOTAL EXPENDITURES	613,390	660,650	660,650	662,060
Ending Reserve	\$ 105,002	\$ 135,174	\$ 110,002	\$ 111,202

CITY OF SHOW LOW  
ID #6  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ 53,733	\$ 57,763	\$ 46,068	\$ 51,068
<u>REVENUES</u>				
SPECIAL ASSESSMENTS	520,648	585,800	585,800	579,400
FINES	2,752	2,500	2,500	2,500
INTEREST EARNINGS	<u>955</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
TOTAL REVENUES	524,355	589,300	589,300	582,900
<u>EXPENDITURES</u>				
		<u>500</u>	<u>500</u>	<u>2,000</u>
TOTAL EXPENDITURES	532,020	584,300	584,300	581,700
Ending Reserve	\$ 46,068	\$ 62,763	\$ 51,068	\$ 52,268

CITY OF SHOW LOW  
ID #7  
REVENUES AND EXPENDITURES  
2007 BUDGET

	2005	2006	2006	2007
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>
<u>ACCOUNT DESCRIPTION</u>				
Beginning Reserve	\$ -	\$ -	\$ -	\$ 450,500
<u>REVENUES</u>				
BOND PROCEEDS	-	-	550,000	-
SPECIAL ASSESSMENTS	-	-	-	125,000
INTEREST EARNINGS	-	-	1,000	5,000
TOTAL REVENUES	-	-	551,000	130,000
<u>EXPENDITURES</u>				
CAPITAL PROJECTS	-	-	100,000	400,000
DEBT SERVICE	-	-	-	100,000
POSTAGE	-	-	-	500
BANK CHARGES	-	-	500	2,000
TOTAL EXPENDITURES	-	-	100,500	502,500
Ending Reserve	\$ -	\$ -	\$ 450,500	\$ 78,000

## Medical Insurance Pool

### Program Goal

The Medical Insurance pool provides medical, dental and vision insurance in a cost effective manner for all eligible city employees.

### Budget Allowance Explanation

The 2006-07 budget of \$3,110,890 is \$971,320 or about 45 percent more than 2005-06 budgeted expenditures. The change is due to the fact that all reserves in this fund are budgeted in case there is a need for an unanticipated expenditure.

Staff estimates that claims will remain consistent over during the next fiscal year.

The medical insurance plan has enjoyed a good claims history for a number of years resulting in a consistent reserve balance. The plan does not intend to raise employee contribution amounts during the 2006-07 fiscal year.

### Expenditure and Position Summary

	2004 Actual	2005 Actual	2006 Budget	2006 Rev. Est.	2007 Budget
Expenditures	\$1,492,113	\$1,693,692	\$2,139,570	\$985,000	\$3,110,890
Positions (FTE)	---	---	---	---	---

CITY OF SHOW LOW  
 SELF INSURED MEDICAL FUND  
 REVENUES AND EXPENDITURES  
 2007 BUDGET

	2005	2006	2006	2007		
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>REV. EST.</u>	<u>BUDGET</u>		
<u>ACCOUNT DESCRIPTION</u>						
Beginning Reserve	\$ 629,509	\$ 503,070	\$ 804,890	\$ 1,467,890		
<u>REVENUES</u>						
		3,500	15,000	10,000		
TOTAL REVENUES	1,869,073	1,636,500	1,648,000	1,643,000		
<u>EXPENDITURES</u>						
MEDICAL PLAN EXPENSES	1,360,392	1,931,070	850,000	2,902,390		
DRUG PLAN	97,500	98,500	25,000	98,500		
PREMIUMS	235,800	110,000	110,000	110,000		
TOTAL EXPENDITURES	1,693,692	2,139,570	985,000	3,110,890		
Ending Reserve	\$ 804,890	\$ -	\$ 1,467,890	\$ -		

# **CITY OF SHOW LOW INVESTMENT POLICY**

## **I. SCOPE:**

This investment policy applies to activities of the City of Show Low (the City) with regard to investing the financial assets of the General Fund and all other Funds established by the City.

## **II. OBJECTIVES:**

The City's investment portfolio shall be managed in a manner to attain a market rate of return throughout budgetary and economic cycles while preserving and protecting capital in the overall portfolio. Investments shall be based on statutory constraints. The primary investment criteria in priority sequence are safety, liquidity, and avoidance of speculation.

## **III. DELEGATION OF AUTHORITY:**

The City Manager of the City, or a designee, shall be the "Investment Officer" responsible for investment decisions and activities. The Investment Officer shall operate the investment management program consistent with this policy. In order to optimize total return through vigilant portfolio management, resources shall be allocated to the investment management program.

## **IV. PRUDENCE:**

A. The standard of prudence to be applied by the Investment Officer shall be the "prudent investor" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

B. While the potential returns of an investment are of central importance in assessing its quality, appropriateness, or suitability, returns must be weighed against risk. Risk is the uncertainty that a particular investment will not achieve the expected return and each investment opportunity (types of securities) has different risk qualities. Because no investment is risk-free, the Investment Officer shall make a reasonable investigation of the financial products that may be suitable and prudently consider the desired performance relative to the risk undertaken to achieve that performance.

- C. The Investment Officer, acting in accordance with this policy and exercising due diligence, shall not be personally responsible for a specific security's risk or market price changes.

**V. MONITORING AND ADJUSTING THE PORTFOLIO:**

The Investment Officer will routinely monitor the contents of the portfolio, the available markets, and the relative safety of competing instruments. The portfolio shall be priced at least monthly.

**VI. INTERNAL CONTROLS:**

The Investment Officer shall organize, control, and make decisions relating to cash flow needs and investment opportunities. When it is determined that funds are available for investments and other portions of this policy have been followed, the Investment Officer shall wire transfer the same amount to the appropriate financial institution. The Custodian shall receive copies of the confirmations and all securities to be held in safekeeping except those held by the Federal Reserve. Wire transfers made for investments may be made only to qualified institutions. Other controls may be adopted to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions.

**VII. SHORT-TERM VERSUS LONG-TERM PORTFOLIO:**

Limitations on investments, diversification, and maturity scheduling shall depend upon whether the funds being invested are considered short-term (five years or less) or long-term funds (over five years). All funds shall be normally considered short-term except those reserved for building construction projects (e.g., bond sale proceeds) and any unreserved funds used to provide investment flexibility for a future fiscal year.

**VIII. SHORT-TERM PORTFOLIO DIVERSIFICATION:**

- A. The City may diversify its short-term investments by using the following instruments as authorized:
  - 1. U.S. Treasury Obligations (bills, notes, and bonds)
  - 2. U.S. Government Agency Securities
  - 3. SEC Registered Money Market Mutual Funds
  - 4. Commercial Paper (A1/P1)
  - 5. Repurchase Agreements
  - 6. Certificates of Deposit in FDIC-Insured Arizona Commercial
  - 7. Banks and Savings and Loan Associations with 102% collateral
  - 8. Local Government Investment Pools

- B. The City shall diversify its short-term investments by using multiple financial institutions so that, whenever possible, no more than 65 percent of the total portfolio is with any one financial institution when the total portfolio exceeds \$2,000,000. When the total portfolio is less than \$2,000,000, diversification may not be necessary or possible.
- C. Short-term investment maturities for all funds shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures as well as considering sizeable blocks of anticipated revenue.

**IX. LONG-TERM PORTFOLIO DIVERSIFICATION:**

Instruments and diversification for the long-term portfolio shall be the same as for the short-term portfolio. Maturity scheduling shall be timed according to anticipated need. For example, investment of building construction funds shall be timed to meet contractor payments. No long-term investment shall exceed five years unless the City Council specifically authorizes such investment by ordinance.

**X. QUALIFIED DEPOSITORIES AND FINANCIAL INSTITUTIONS:**

- A. The City shall maintain a list of banking institutions approved as depositories for its public funds that are federally insured and collateralize deposits over \$100,000. The City shall maintain cash balances with these approved depositories that are adequate to cover anticipated checks as well as any required compensating balances under bank service agreements, and such other deposits as the Investment Officer deems prudent.
- B. Separate from the banking institutions approved as depositories, the City shall maintain a listing of financial institutions, which are approved by the Investment Officer for investment purposes. The Investment Officer shall conduct a due diligence review of the condition and the regulatory history of each financial institution, including state pools, prior to its approval. This review shall be accomplished by requiring financial institutions to submit a Statement of Qualification covering all officers and control persons, which includes full disclosure of all information that would be required on an NASD Form U4 for Broker Dealers or an SEC Form ADV Parts 1 and 2 for Investment Advisors.
- C. Prior to the approval of any financial institution, other than institutions approved as depositories, the Investment Officer shall require that its authorized representative assigned to the City certify to having read and understood these investment policies and that the financial institution, through its representative, agrees to comply with them.

**XI. SAFEKEEPING AND COLLATERALIZATION:**

- A. All fixed-term investment securities purchased under this policy shall be held in third-party safekeeping by a custodial institution. The custodian shall issue a safekeeping receipt listing the specific instrument, rate, maturity, and other pertinent information.
- B. Other investments requiring collateral including repurchase agreements will be secured by the actual security held in safekeeping by a third-party custodian. At a minimum all collateral shall meet the Level 2 category as defined by the Governmental Accounting Standards Board (GASB).

**XII. OVERSIGHT:**

- A. The Investment Officer will establish a group of knowledgeable citizens to act as an advisory committee for a two-year period following the adoption of this policy. This group shall have no power to modify these investment policies or make any decision delegated to the Investment Officer under these policies, but shall be advisory to the Investment Officer only. At the end of the two-year period, the City Council will decide to disband or continue the advisory committee.
- B. As a minimum, the City's investment portfolio composition and performance will be included in the City's annual budget development and approval process. More frequent reviews of the portfolio may be conducted at the request of the City Council.

## Glossary

**Accrual Basis** – A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

**Adoption** – Formal action by the City Council that sets the spending limits for the fiscal year.

**Appropriation** – An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified.

**Arizona Highway User Revenue (AHUR)** – Various gas tax and vehicle licensing fees imposed and collected by the state and shared with cities and towns. This revenue must be used for street or highway purposes.

**Base Budget Allowance** – Funding for ongoing expenditures for personnel, commodities, contractual services and replacement equipment. The base budget allowance provides funding to continue preciously authorized programs.

**Bonds** – Debt instruments that require repayment of a specified principal amount on a certain date, along with interest at a stated rate.

**Bond Rating** – An evaluation of a bond issuer's credit quality and perceived ability to pay principal and interest on time and in full.

**Budget** – A plan of financial operation for a specific time period (Show

Low's adopted budget is for a fiscal year July 1 – June 30).

**Capital Funds** – Resources derived from issuance of bonds for specific purposes, related federal grants and participation from other agencies.

**Capital Outlay** – Items that cost more than \$5,000 and have a useful life of more than two years.

**Capital Project** – New facility, technology system, land acquisition or equipment acquisition. These become fixed assets after completion.

**Carryover** – Expenditure originally planned for in the fiscal year, but because of delays, is postponed to the following fiscal year.

**Cash Basis** – A basis of accounting in which transactions are recognized only when cash is increased or decreased.

**Commodities** – Consumable goods such as office supplies, repair parts, small tools and fuel, which are not of a capital nature.

**Community Development Block Grant (CDBG)** – Grant funds allocated to the City to use for the prevention and removal of slum and blight, and to benefit low and moderate-income persons.

**Contingency** – An appropriation of funds to cover unforeseen events that occur during the fiscal year.

**Contractual Services** – Expenditures for services performed by firms, individuals or other city departments.

**Council-Manager Form of Government** – An organizational structure in which the mayor and City Council appoint an independent city manager to be the chief operating officer of a local government.

**CFD** – Community Facility District. A special assessment district established by Council to levy taxes to pay for new infrastructure improvements associated with growth.

**Cycle Time** – The amount of time, from the customer's perspective, it takes to complete a defined task, process or service.

**Debt Service** – Payment of principal and interest on an obligation resulting from the issuance of bonds.

**Encumbrance** – A reservation of funds to cover purchase orders, contracts or other funding commitments that are yet to be fulfilled. The budget basis of accounting considers an encumbrance to be the equivalent of expenditure.

**Enterprise Funds** – Funds that are accounted for in a manner similar to a private business. Enterprise funds usually recover their costs (including depreciation) through user fees).

**Estimate** – The most recent prediction of current year

## Glossary

revenue and expenditures. Estimates are based upon several months of actual expenditure and revenue information and are prepared to consider the impact of unanticipated costs or other economic changes.

**Expenditures** – Refers to current cash operating expenses and encumbrances.

**Full-Time Equivalent Position (FTE)** – A position converted to the decimal equivalent of a full time position based on 2,080 hours per year.

**Fund** – An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities and fund balance.

**Fund Balance** – As used in the budget, the excess of resources over expenditures. The beginning fund balance is the residual funds brought forward from the previous fiscal year.

**General Obligation Bonds (G.O. Bonds)** – Bonds that require voter approval and finance a variety of public capital projects such as streets, buildings, parks and improvements.

**General Funds** – Resources derived from taxes and fees that have unrestricted use, meaning they are not earmarked for specific purposes.

**Generally Accepted Accounting Principles (GAAP)** – Uniform

minimum standards of financial accounting and reporting that govern the form and content of basic financial statements.

**GFOA** – Government Finance Officers Association.

**Goal** – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

**Grant** – A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function.

**HUD** – U.S. Department of Housing and Urban Development.

**Infrastructure** – Facilities that support the daily life and growth of the city, for example, roads, water lines, sewers, public buildings and parks.

**Impact Development Fees** – Fees requiring new development to pay its proportional share of the costs associated with providing necessary public infrastructure.

**Improvement Districts** – Special assessment districts formed by property owners who desire and are willing to pay for mutually enjoyed improvements such as streets, sidewalks, sewers and lighting.

**Mandate** – Legislation passed by the state or federal government requiring action or provision of programs. An example would be the Americans with Disabilities Act.

**MBE/WBE** – Minority and Women-Owned Business Enterprise.

**Net Direct Debt Ratio** – The ratio between property tax-supported debt service and secondary assessed valuation. The Net Direct Debt Ratio is one way to gauge the ability of a local property tax base to support general obligation debt service.

**Objective** – A desired output-oriented accomplishment that can be measured and achieved within a given time frame, and advances the activity and organization toward a corresponding goal.

**Operating Funds** – Resources derived from continuing revenue sources used to finance ongoing operating expenditures and “pay-as-you-go” capital projects.

**Ordinance** – A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the city.

**Outstanding Bonds** – Bonds not yet retired through principal and interest payments.

## Glossary

**Pay-As-You-Go Capital Projects** – Capital projects whose funding comes from day-to-day operating revenue sources.

**Personal Services** – All costs related to compensating city employees including employee benefits costs such as contributions for retirement, social security and health insurance. It also includes fees paid to elected officials and jurors.

**Preliminary Budget** – A balanced budget presented to the City Council by the City Manager based upon City Council and community feedback.

**Program** – A group of related activities performed by one or more organizational units.

**Property Tax** – A levy upon each \$100 of assessed valuation in a City or County. Property taxes usually support a city's general fund.

**Reappropriated Funds** – Funds for contracts entered in a previous fiscal year but which are still in progress.

**Recoveries** – Cancelled prior year encumbrances.

**Resources** – Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances.

**Revenue Bond** – Bonds that are backed by revenues from a specific system (i.e., Water and Sewer Revenue

Bonds are payable from water and sewer revenues).

**Special Revenue Fund** – A fund used to account for receipts from revenue sources that have been reserved for specific activities and related expenditures. An example would be the Arizona Highway User Revenue Funds, which must be used for street and highway purposes.

**State Expenditure Limit** – A limitation on annual expenditures imposed by the Arizona Constitution as approved by the voters in 1980. Certain expenditures may be exempt by the state constitution or by voter action.

**State-Shared Revenues** – Revenues levied and collected by the state but shared with local governments as determined by state government each year. In Arizona, a portion of the state's sales, income, and vehicle license tax revenues are distributed on the basis of a city's relative population percentage.

**Street Light Improvement District** – Special taxing district established to pay the costs of electricity associated with street lights.

**Supplemental** – Resources to provide new or enhanced programs or services over the base budget allocation.

**Tax Levy** – The total amount to be raised by general property taxes.

**Technical Review** – A detailed line-item review of each city department's budget by the Administrative Services Department.

**User Fees or User Charges** – A fee paid for a public service or use of a public facility by the individual or organization benefiting from the service.

**Trust Fund** – Used to account for resources held by the City as a trustee for a private party, such as volunteer firemen's pension boards.

**Zero Base Budgeting** – A process for allocating financial resources that provides for the comparison and prioritization of existing and proposed programs and services. The process includes organizing individual expenditures in decision packages and priority ranking all decision packages.