

**RESOLUTION NO. 4029-1059**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, FINALLY DETERMINING AND ADOPTING ESTIMATES OF PROPOSED EXPENDITURES FOR THE FISCAL YEAR 2011, AND DECLARING THAT THE SAME SHALL CONSTITUTE THE BUDGET FOR THE CITY OF PRESCOTT FOR SAID FISCAL YEAR AND ESTABLISHING THE EXPENDITURE LIMITATION, APPROVING AND UPDATING THE JOB ROSTER FOR THE CITY OF PRESCOTT AND SETTING FORTH ITS DETERMINATION AS TO UNFUNDED CAPITAL AND OTHER UNFUNDED BUDGETARY REQUESTS**

**RECITALS:**

WHEREAS, in accordance with the Provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes, the City Council did, on the 8th day of June, 2010, make an estimate of the different amounts required to meet the public expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Prescott; and

WHEREAS, in accordance with said sections of said title, and following due public notice, the Council met on June 22, 2010, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures, establishing the expenditure limitation, or tax levies; and

WHEREAS, the City Job Roster is included in the accompanying exhibit and the Council wishes to update its job roster and approve the job roster as provided by the Prescott City Charter; and

WHEREAS, Unfunded Capital Projects are included in the accompanying exhibits to this resolution and such projects have been determined not to be funded by the City of Prescott in the 2011 fiscal year; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the City Council would meet on July 13, 2010, in Prescott City Council Chambers at 201 South Cortez Street, Prescott, Arizona for the purpose of making tax levies as set forth in said estimates; and

WHEREAS, it appears that the sums to be raised by primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Arizona Revised Statutes, Title 42, Section 17051.A.

**ENACTMENTS:**

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT, the said estimates of revenue and expenditures shown on the accompanying schedules as now increased, reduced or changed by and the same are hereby adopted as the budget of the City of Prescott for the fiscal year 2011.

SECTION 2. THAT, the expenditure limitation for the City of Prescott for fiscal year 2011 be established at \$152,931,705.


SECTION 3. THAT, the Roster of Jobs shown in the attached accompanying exhibit be adopted and approved by the City of Prescott and in accordance with Article IV of the Prescott City Charter.

SECTION 4. THAT, the Council in its legislative discretion has reviewed the budgetary items referred to in the annual budget proposals as "Unfunded Capital," which items are referred to in the accompanying exhibit referenced as Unfunded Capital and in the exercise resources for the purchase of equipment, personnel, construction, reconstruction or maintenance of the unfunded proposals and projects contained in or referred to in the "Unfunded Capital" exhibit. Further, the City Council has exercised its budgetary and legislative discretion with respect to its decision not to provide governmental funding or services for the Unfunded Capital items, as well as for the requested equipment, personnel, construction or maintenance of facilities or capital items requested in departmental budgetary proposals considered by the Council in its annual budget retreat and its review of the budget proposals of each city department, (Including all proposals for capital funding and that the decision not to fund, to repair, to improve, maintain, reconstruct). The Council has determined not to spend existing resources for the purchase of equipment, personnel, construction, reconstruction or maintenance of the unfunded proposal and unfunded projects requested by the City departments. This determination constitutes a decision by the City Council not to provide the resources necessary for such proposals to be funded, including specifically the decision as to which streets, sidewalks, sanitary sewers, and parking lots will be repaired, maintained, and reconstructed or otherwise funded for the ensuing fiscal year and which will not be funded.


PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 22<sup>nd</sup> day of June, 2010.

  
MARLIN KUYKENDALL, Mayor

ATTEST:

  
ELIZABETH A. BURKE, City Clerk

APPROVED AS TO FORM:

  
GARY D. KIDD, City Attorney

**CITY OF PRESCOTT, ARIZONA**  
**Summary Schedule of Estimated Revenues and Expenditures/Expenses**  
**Fiscal Year 2011**

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2010	ACTUAL EXPENDITURES/EXPENSES ** 2010	FUND BALANCE/NET ASSETS*** July 1, 2010**	PROPERTY TAX REVENUES 2011	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2011	OTHER FINANCING 2011		INTERFUND TRANSFERS 2011		TOTAL FINANCIAL RESOURCES AVAILABLE 2011	BUDGETED EXPENDITURES/EXPENSES 2011
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 31,112,233	\$ 30,166,088	\$ 18,373,655	\$ 1,251,878	\$ 27,659,851	\$	\$	\$ 300,000	\$ (1,026,670)	\$ 48,612,154	\$ 31,628,601
2. Special Revenue Funds	53,628,238	29,874,130	17,195,311		26,788,837	8,013,193		1,274,106	(477,611)	53,729,058	39,218,402
3. Debt Service Funds Available	1,986,840	1,986,840	224,111	1,573,160	427,331					2,224,602	1,985,491
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds	1,986,840	1,986,840	224,111	1,573,160	427,331					2,224,602	1,985,491
6. Capital Projects Funds											
7. Permanent Funds	100,000	85,000	781,126		10,000					801,126	110,000
8. Enterprise Funds Available	84,190,196	43,374,366	35,918,505		39,408,202	46,008,668		170,234	(240,059)	121,745,668	71,055,479
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds	84,190,196	43,374,366	35,918,505		39,408,202	46,008,668		170,234	(240,059)	121,745,668	71,055,479
11. Internal Service Funds	9,801,186	8,719,095	8,124,693		6,491,806					14,618,499	8,933,733
12. TOTAL ALL FUNDS	\$ 180,818,693	\$ 114,205,519	\$ 80,627,401	\$ 2,825,138	\$ 100,766,027	\$ 54,021,861	\$	\$ 1,744,340	\$ (1,744,340)	\$ 241,729,107	\$ 152,931,705

**EXPENDITURE LIMITATION COMPARISON**

	2010	2011
1. Budgeted expenditures/expenses	\$ 180,818,693	\$ 152,931,705
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	180,818,693	152,931,705
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 180,818,693	\$ 152,931,705
6. EEC or voter-approved alternative expenditure limitation	\$	\$

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

\* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

\*\* Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

\*\*\* Amounts in this column represent Fund Balance/Net Asset amounts except for amounts invested in capital assets, net of related debt, and reserved/restricted amounts established as offsets to assets presented for informational purposes (i.e., prepaids, inventory, etc.).

**CITY OF PRESCOTT, ARIZONA**  
**Summary of Tax Levy and Tax Rate Information**  
**Fiscal Year 2011**

	<u>2010</u>	<u>2011</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>1,338,494</u>	\$ <u>1,383,159</u>
2. Amount received from primary property taxation in the <b>current year</b> in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ <u>                    </u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>1,235,701</u>	\$ <u>1,251,978</u>
B. Secondary property taxes	<u>1,646,680</u>	<u>1,573,160</u>
C. Total property tax levy amounts	\$ <u>2,882,381</u>	\$ <u>2,825,138</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ <u>1,203,915</u>	
(2) Prior years' levies	<u>31,786</u>	
(3) Total primary property taxes	\$ <u>1,235,701</u>	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	\$ <u>1,599,529</u>	
(2) Prior years' levies	<u>47,151</u>	
(3) Total secondary property taxes	\$ <u>1,646,680</u>	
C. Total property taxes collected	\$ <u>2,882,381</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.1695</u>	<u>0.1737</u>
(2) Secondary property tax rate	<u>0.2002</u>	<u>0.2093</u>
(3) Total city/town tax rate	<u>0.3697</u>	<u>0.3830</u>

B. Special assessment district tax rates

Secondary property tax rates - As of the date the proposed budget was prepared, the City of Prescott did not operate any special districts for which secondary property taxes are levied.

\* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**CITY OF PRESCOTT, ARIZONA**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2011**

SOURCE OF REVENUES	ESTIMATED REVENUES 2010	ACTUAL REVENUES* 2010	ESTIMATED REVENUES 2011
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
Privilege and Use Tax	\$ 12,677,500	\$ 11,943,100	\$ 11,922,500
Franchise Taxes	1,608,902	1,673,000	1,700,240
<b>Licenses and permits</b>	<b>397,750</b>	<b>304,243</b>	<b>300,750</b>
<b>Intergovernmental</b>			
State	10,812,411	10,739,981	9,261,684
Local Jurisdictions	2,344,708	2,101,656	2,392,833
<b>Charges for services</b>	<b>540,720</b>	<b>918,739</b>	<b>1,150,800</b>
<b>Fines and forfeits</b>	<b>442,500</b>	<b>468,842</b>	<b>455,500</b>
<b>Interest on investments</b>	<b>200,000</b>	<b>200,000</b>	<b>350,000</b>
<b>In-lieu property taxes</b>	<b>74,142</b>	<b>73,280</b>	<b>73,280</b>
<b>Miscellaneous</b>	<b>324,124</b>	<b>75,314</b>	<b>52,264</b>
<b>Total General Fund</b>	<b>\$ 29,422,757</b>	<b>\$ 28,498,155</b>	<b>\$ 27,659,851</b>
<b>SPECIAL REVENUE FUNDS</b>			
<b>Highway User Revenue Fund</b>			
Intergovernmental - State	\$ 3,118,684	\$ 3,034,402	\$ _____
Intergovernmental - Local Jurisdictions	284,544	255,209	_____
Miscellaneous	232,721	231,361	_____
<b>Total Highway User Revenue Fund</b>	<b>\$ 3,635,949</b>	<b>\$ 3,520,972</b>	<b>\$ _____</b>
<b>Streets and Open Space Fund</b>			
Streets and Open Space Tax	\$ 12,195,000	\$ 11,470,000	\$ 11,450,000
Intergovernmental - Federal	_____	12,737	478,000
Intergovernmental - State	1,000,000	1,510,000	3,017,275
Intergovernmental - County	2,010,000	1,500,000	1,487,924
Interest Earned	120,000	50,000	51,000
Intergovernmental - Local Jurisdictions	157,420	1,893	124,149
Miscellaneous	480,000	369,989	1,539,011
<b>Total Local Transportation Assistance Fund</b>	<b>\$ 15,962,420</b>	<b>\$ 14,914,619</b>	<b>\$ 18,147,359</b>
<b>Transient Occupancy Tax</b>			
Transient Occupancy Tax	\$ 491,817	\$ 447,553	\$ 460,980
Fees/Donations	38,000	59,000	82,000
Miscellaneous	100	1,308	_____
<b>Total Transient Occupancy Tax Fund</b>	<b>\$ 529,917</b>	<b>\$ 507,861</b>	<b>\$ 542,980</b>
<b>Capital Improvement Fund</b>			
Interest Earned	\$ 250,000	\$ 150,000	\$ _____
Miscellaneous	500	29,700	_____
<b>Total Capital Improvement Fund</b>	<b>\$ 250,500</b>	<b>\$ 179,700</b>	<b>\$ _____</b>
<b>Impact Fees Fund</b>			
Impact Fees	\$ 322,700	\$ 668,850	\$ 645,400
Miscellaneous	97,820	75,235	75,235
<b>Total Impact Fees Fund</b>	<b>\$ 420,520</b>	<b>\$ 744,085</b>	<b>\$ 720,635</b>
<b>Grants Fund</b>			
Miscellaneous Grants	13,512,539	1,360,679	7,357,863
<b>Total Grants Fund</b>	<b>\$ 13,512,539</b>	<b>\$ 1,360,679</b>	<b>\$ 7,357,863</b>
<b>Total Special Revenue Funds</b>	<b>\$ 34,311,845</b>	<b>\$ 21,227,916</b>	<b>\$ 26,768,837</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**CITY OF PRESCOTT, ARIZONA**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2011**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2010</u>	<u>ACTUAL REVENUES* 2010</u>	<u>ESTIMATED REVENUES 2011</u>
<b>DEBT SERVICE FUNDS</b>			
Special Assessments	\$ 332,151	\$ 332,151	\$ 337,151
Interest Earned	121,464	106,464	90,180
<b>Total Debt Service Funds</b>	<b>\$ 453,615</b>	<b>\$ 438,615</b>	<b>\$ 427,331</b>
<b>PERMANENT FUNDS</b>			
Acker Trust	25,000	10,000	10,000
	\$ 25,000	\$ 10,000	\$ 10,000
<b>Total Permanent Funds</b>	<b>\$ 25,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>
<b>ENTERPRISE FUNDS</b>			
Water Fund	\$ 16,040,675	\$ 13,864,032	\$ 15,267,790
Wastewater Fund	6,958,609	7,006,315	8,338,096
Solid Waste/Transfer Station Fund	9,400,449	8,642,331	8,276,042
Golf Course Fund	3,377,007	2,771,893	2,965,117
Airport Fund	2,960,681	1,633,412	4,502,107
Parking Garage Fund	64,500	57,732	59,050
<b>Total Enterprise Funds</b>	<b>\$ 38,801,921</b>	<b>\$ 33,975,715</b>	<b>\$ 39,408,202</b>
<b>INTERNAL SERVICE FUNDS</b>			
Central Garage Fund	\$ 3,709,176	\$ 3,845,618	\$ 1,601,468
Self-Insurance Fund	2,044,627	2,023,677	2,046,517
Facilities Maintenance Fund	990,793	991,293	956,047
Engineering Fund	1,903,222	1,820,479	1,887,774
<b>Total Internal Service Funds</b>	<b>\$ 8,647,818</b>	<b>\$ 8,681,067</b>	<b>\$ 6,491,806</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 111,662,956</b>	<b>\$ 92,831,468</b>	<b>\$ 100,766,027</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**CITY OF PRESCOTT, ARIZONA**  
**Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2011**

FUND	OTHER FINANCING 2011		INTERFUND TRANSFERS 2011	
	SOURCES	<USES>	IN	<OUT>
<b>GENERAL FUND</b>				
	\$	\$	\$ 300,000	\$ (1,026,670)
<b>Total General Fund</b>	\$	\$	\$ 300,000	\$ (1,026,670)
<b>SPECIAL REVENUE FUNDS</b>				
Streets and Open Space Fund	\$ 8,013,193	\$	\$ 400,059	\$ (300,000)
Impact Fee Funds				(160,000)
Transient Occupancy Tax				(17,611)
Grants Fund			874,047	
<b>Total Special Revenue Funds</b>	\$ 8,013,193	\$	\$ 1,274,106	\$ (477,611)
<b>ENTERPRISE FUNDS</b>				
Water Fund	\$ 10,808,668	\$	\$	\$
Wastwater Fund	35,200,000			
Solid Waste Fund				(240,059)
Parking Garage			17,611	
Golf Course Fund				
Airport Fund			152,623	
<b>Total Enterprise Funds</b>	\$ 46,008,668	\$	\$ 170,234	\$ (240,059)
<b>TOTAL ALL FUNDS</b>	\$ 54,021,861	\$	\$ 1,744,340	\$ (1,744,340)

**CITY OF PRESCOTT, ARIZONA**  
**Summary by Department of Expenditures/Expenses Within Each Fund Type**  
**Fiscal Year 2011**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010	ACTUAL EXPENDITURES/ EXPENSES* 2010	BUDGETED EXPENDITURES/ EXPENSES 2011
<b>GENERAL FUND</b>				
City Council	\$ 55,941	\$	\$ 54,278	\$ 118,134
City Clerk	75,150	40,000	105,815	172,987
City Court	525,193		507,098	523,160
City Manager	1,760,663		1,675,149	2,923,062
Legal Department	277,292		268,664	306,928
Budget & Finance	1,746,610		1,370,172	749,922
Administrative Services	236,756		214,978	908,976
Community Development	1,638,460		1,619,540	1,618,515
Parks, Recreation & Library	5,452,628		5,367,755	5,361,906
Police Department	9,863,514	(240,000)	9,509,290	9,067,321
Fire Department	7,045,674	200,000	7,184,388	6,911,841
Regional Communications	2,434,352		2,288,962	2,965,848
<b>Total General Fund</b>	<b>\$ 31,112,233</b>	<b>\$</b>	<b>\$ 30,166,088</b>	<b>\$ 31,628,601</b>
<b>SPECIAL REVENUE FUNDS</b>				
Highway User Fund	\$ 3,882,857	\$	\$ 3,649,120	\$
1% Streets and Open Space	29,388,936		20,297,821	29,332,099
Transient Occupancy Tax	594,393		462,507	656,643
Capital Improvement Fund	4,614,042		3,696,282	
Impact Fee Fund	191,700		100,000	825,000
Grants Fund	14,956,310		1,668,400	8,404,660
<b>Total Special Revenue Funds</b>	<b>\$ 53,628,238</b>	<b>\$</b>	<b>\$ 29,874,130</b>	<b>\$ 39,218,402</b>
<b>DEBT SERVICE FUNDS</b>	<b>\$ 1,986,840</b>	<b>\$</b>	<b>\$ 1,986,840</b>	<b>\$ 1,985,491</b>
<b>PERMANENT FUNDS</b>				
Trust Funds	100,000		85,000	110,000
<b>Total Permanent Funds</b>	<b>\$ 100,000</b>	<b>\$</b>	<b>\$ 85,000</b>	<b>\$ 110,000</b>
<b>ENTERPRISE FUNDS</b>				
Water Fund	\$ 55,707,840	\$	\$ 21,595,240	\$ 39,000,607
Wastewater Fund	12,880,361		8,062,928	16,490,321
Solid Waste/Transfer Station Fund	9,082,788		8,467,303	8,047,453
Golf Course Fund	3,372,782		3,320,820	2,964,510
Airport Fund	3,069,265		1,851,322	4,476,306
Parking Garage Fund	77,160		76,753	76,282
<b>Total Enterprise Funds</b>	<b>\$ 84,190,196</b>	<b>\$</b>	<b>\$ 43,374,366</b>	<b>\$ 71,055,479</b>
<b>INTERNAL SERVICE FUNDS</b>				
Central Garage Fund	\$ 4,689,818	\$	\$ 3,927,555	\$ 4,099,615
Self-Insurance Fund	2,223,627		1,983,677	2,006,493
Engineering Fund	1,898,948		1,819,879	1,861,925
Facilities Maintenance Fund	988,793		987,984	965,700
<b>Total Internal Service Funds</b>	<b>\$ 9,801,186</b>	<b>\$</b>	<b>\$ 8,719,095</b>	<b>\$ 8,933,733</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 180,818,693</b>	<b>\$</b>	<b>\$ 114,205,519</b>	<b>\$ 152,931,705</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.



**CITY OF PRESCOTT, ARIZONA**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2011**

<b>DEPARTMENT/FUND</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010</b>	<b>ACTUAL EXPENDITURES/ EXPENSES * 2010</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2011</b>
<b>Public Works:</b>				
1% Streets and Open Space	\$ 29,388,936	\$	\$ 20,297,821	\$ 25,426,271
Streets (HURF) Fund	2,582,799		2,554,781	
Engineering	1,898,948		1,819,879	1,861,925
Water Fund	55,707,840		21,595,240	39,000,607
Wastewater Fund	12,880,361		8,062,928	16,490,321
<b>Department Total</b>	<b>\$ 102,458,884</b>	<b>\$</b>	<b>\$ 54,330,649</b>	<b>\$ 82,779,124</b>
<b>Field Operations:</b>				
Streets (HURF) Fund	\$ 1,300,058	\$	\$ 1,094,339	\$
1% Streets and Open Space				3,863,078
Solid Waste/Transfer Station	9,082,788		8,467,303	8,047,453
<b>Department Total</b>	<b>\$ 10,382,846</b>	<b>\$</b>	<b>\$ 9,561,642</b>	<b>\$ 11,910,531</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.