

Butler Facility Boosts Peoria's Water Allotment

New Reclamation Facility Will Treat 10 Million Gallons Daily

Peoria officials dedicated the city's new, \$121 million Butler Water Reclamation Facility on June 16, and the plant began operating the next day.

"That's less than two years since we began construction," says Peoria Utilities Engineering Manager Shawn Kreuzwiesner.

With an overall cost around \$135 million once land acquisition and design are included, Butler is the most expensive capital project in city history. It was completed on time and on budget.

Because the city is permitted to pump additional groundwater equal to the amount it recharges back into the ground, the Butler facility will

give the city access to an additional 10 million gallons of groundwater per day. Peoria had sent wastewater to a treatment facility in Tolleason for three decades, missing out on that reclamation benefit.

Construction of the Butler plant was funded through a mixture of bonds, development impact fees and operating revenue, all tied to water and wastewater operations. The facility, located at 8660 N. 79th Ave., just south of the city's Municipal Operations Center, serves the area of the city south of Beardsley Road.

More than eight miles of underground pipe carry wastewater from around that portion of the city to the plant, then convey the



Many residents took advantage of the opportunity to tour the new \$121 million Butler Water Reclamation Facility during its grand opening on June 16.

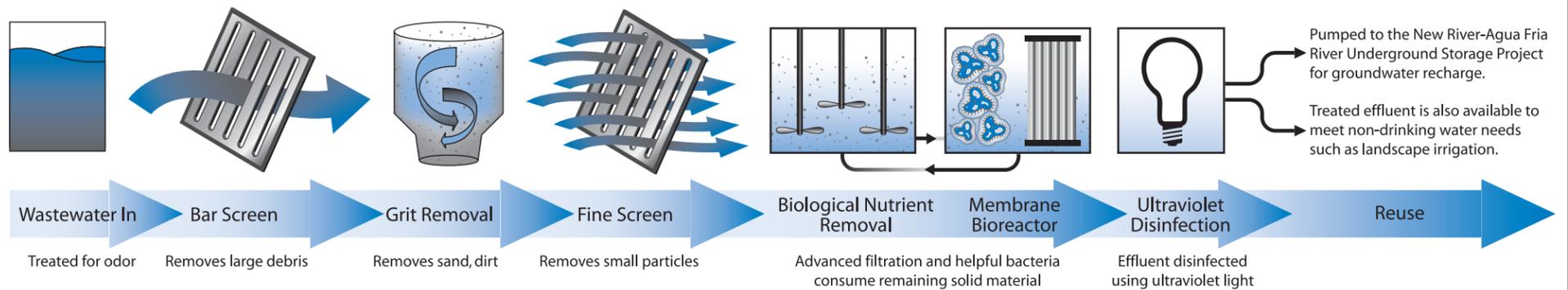
reclaimed water to the New River-Agua Fria River Underground Storage Project, an SRP facility near Bethany Home Road and New River. At the recharge facility, large, open basins let the reclaimed water percolate back into the aquifer.

Butler's capacity can be expanded to 13 million gallons per day in the future, though Kreuzwiesner says that probably is a decade away.

For more information, contact the Utilities Department at 623-773-7286 or utilities@peoriaaz.gov

Butler Water Reclamation Facility Treatment Process

The Butler plant uses a six stage treatment process that includes membrane bioreactors, one of the best available technologies for treating municipal wastewater.



Peoria Looks Inward for New City Manager

Swenson Served as Deputy for Two Years, Previously Managed Chicago Suburb

Peoria's new city manager, Carl Swenson, brings a unique blend of leadership, experience and local knowledge to City Hall

The City Council decided in early May to promote Swenson, formerly deputy city manager for development and community services, upon the retirement of Terry Ellis, who stepped down July 1 after leading the city government for 11 years.

Swenson came to Peoria in April 2006, so he has had more than two years to familiarize himself with city operations. In all, he has more than 25 years of municipal government management experience, including 10 years as village manager for Oak Park, Ill., a Chicago suburb of 52,000.

"Carl Swenson not only has a strong professional background, he also has the demeanor and the personality to lead the city," says Mayor Bob Barrett. "He understands the priorities of the Mayor and City Council, and he understands this city and what we need to be successful in the future."

One of Swenson's

immediate priorities will be guiding Peoria through the current economic downturn.

"We need to monitor our revenues and expenditures closely," Swenson says. "In addition, there needs to be a contingency plan in place if the trend continues—so we're ahead of the game."

Beyond that, he thinks the city's biggest

challenge in the coming years will be managing growth.

"We need to focus on concepts of smart growth and transit-oriented development, and incorporate these concepts into the existing strategies," Swenson says. "We also need to enhance our strategic partnerships with other agencies, like the schools, private organizations and the different layers of government."

The city manager is Peoria's chief executive officer and is responsible for overseeing city operations and implementing the policies of the City Council.

For more information, contact the City Manager's Office at 623-773-7300.



Guiding Peoria through the current economic downturn is among the top priorities for City Manager Carl Swenson.

CITY COUNCIL HIGHLIGHTS

April

- Passed an economic development work plan. High priorities include attracting major employers, a hospital and a college or university. It also calls for rapid infrastructure development for the Loop 303 corridor.
- Adopted a 12-month policy agenda to guide and prioritize city efforts in the year ahead. A number of agenda items focus on livability, including one that calls for new programs to enhance neighborhoods. The document also calls for a program to improve right-of-way quality and maintenance on arterial roads and directs the Engineering Department to study truck routes with an eye toward improving conditions in western Peoria.
- Approved the submission of a grant proposal to the Arizona State Parks Department State Historic Preservation Office for a study of the Hood Building at the corner of 83rd Avenue and Washington Street in Oldtown – as well as \$10,000 in matching funds. (The grant was approved in June.)
- Accepted a \$61,728 Waste Reduction Assistance Grant from the Arizona Department of Environmental Quality for expanding recycling to multifamily housing. The City Council also authorized matching funds.

May

- Rezoned 48 acres in northern Peoria for construction of the Peoria Regional Medical Center, to be built along Lake Pleasant Parkway north of Happy Valley Road.
- Appointed Deputy City Manager Carl Swenson to succeed the retiring Terry Ellis as city manager effective July 1. (*See the related story in this issue of FOCUS.*)
- Authorized continuation of an agreement with Peoria Unified School District that enables the city to use school facilities for various recreation programs and other activities and events.
- Approved an agreement with the Arizona Department of Transportation for development of a multiuse pathway and underpass along Skunk Creek between 83rd Avenue and Rio Vista Community Park. This segment will link the Skunk Creek trail east of 83rd with the New River trail. The City Council also approved \$250,000 in matching funds for the project.

June

- Approved collective bargaining agreements with three unions representing city employees: the Peoria Police Officers Association, the United Phoenix Firefighters Association and the American Federation of State, County and Municipal Employees (AFSCME).
- Adopted a resolution expressing the city's position that a proposed Arizona Public Service (APS) power line should be located within the State Route 74 corridor rather than along the Carefree Highway alignment, which APS prefers.
- Adopted the Fiscal Year 2009 Budget and Capital Improvement Program. (*See the Budget in Brief insert in this issue of FOCUS.*)
- Accepted a \$5,000 grant from Wal-Mart to help the Peoria Public Library pay for literacy programs. The City Council also approved matching funds.

Mayor's Report

There is reason to believe that the compelling personal stories of John McCain and Barack Obama will lure a lot of new voters to the polls this fall. It's also worth noting that, because of Peoria's rapid population growth, many of you may be voting here for the first time. For those reasons, I'd like to remind you that all of the action isn't at the top of the ballot, nor is it just in November.

In addition to filling three City Council seats, residents voting in the Sept. 2 primary election will be asked to vote on three propositions. Of those, Proposition 401 could have a big impact on Peoria's future development. It asks voters to repeal a section of the City Charter that calls for voter approval for certain projects that would cost more than \$500,000.

Some homes in Peoria cost more than \$500,000. Yet, when the city needs to build a facility that will certainly exceed that amount, it must wait and ask permission from voters. The problem with the \$500,000 "cap" is that the city cannot act quickly. For example, when the Cardinals were trying to find a new home, Peoria was under consideration. However, because city funds would have been needed to build infrastructure (streets, curbs, sidewalks, etc.), Peoria was out of the running. Subsequently, the stadium ended up in Glendale ... along with Westgate.

Would Peoria have agreed to the stadium? I don't know. The point is, we never had a chance at it. How many more potential projects, perhaps along the new Loop 303, will Peoria lose because we cannot act quickly?

The other two propositions concern a water franchise agreement and the number of City Council meetings each month.

Ballots for the Nov. 4 general election will include three questions asking permission for the city to issue bonds. When a city issues bonds, it essentially takes out a loan. State law requires municipalities to seek voter approval before issuing debt.

We do not take issuing debt lightly. Back in October, I appointed a 29-member Citizens Bond Committee. The residents on the committee worked with city staff to review Peoria's capital needs, help prioritize a number of projects to meet those needs and recommend which ones should go before the voters. The Peoria City Council accepted the committee's recommendations in May 2008 and directed that three separate bond questions, totaling around \$378 million, go before voters on Nov. 4. (*See the related story in this issue of FOCUS.*)

Voting "yes" on the bond questions will not raise your taxes. The Citizens Bond Committee included in its recommendations to City Council a note that the bonds could be sold only if the city's property tax rates do not increase. The City Council has pledged that the tax rate will not be increased to pay off these bonds.

It has been a priority of the City Council to live within the financial boundaries of our property tax rate. That prudence is reflected in the fact that Peoria's primary property tax rate will decline next year — 5 cents per \$100 of assessed valuation — while Peoria's fiscal 2009 budget is 1.45 percent smaller than this year's.

Peoria's continued growth impacts everything from finances to fire protection, street maintenance to sports recreation programs, building safety to buying library books. It is the responsibility of your city leaders to try and balance the growth in the best interests of our community.

You have a part to play as well: Consider the merits of all these questions and register your conclusions at the polls this fall.

Mayor Bob Barrett

CITY COUNCIL District Roundup



Contact the Mayor and Council by calling 623-773-7306.

Council meetings are held the first and third Tuesday of each month at 7 p.m. in the Peoria City Council Chamber, 8401 West Monroe Street.

Council agenda packets and meeting minutes are available at www.peoriaaz.gov/council or from the City Clerk's Office at (623) 773-7340.

All City Council meetings are broadcast live on Peoria Channel 11 and then re-broadcast the following week.

Watch meetings live and on-demand www.peoriaaz.gov/channel_11.

Acacia District – Councilmember Vicki Hunt

The Facade Improvement Program comes on the scene just as Oldtown Peoria begins revitalization in earnest. This matching grant program encourages owners and operators to improve the appearance, lighting and signage of their storefronts. Grants up to \$25,000 will be awarded to applicants who provide matching funds. For more information on this exciting new program, contact Economic Development Coordinator Scott Cooper at (623) 773-7781.

Ironwood District – Councilmember Dave Pearson

Barricades and blinking lights are signs of roadway improvements in several areas in the Ironwood District. Freeway access will improve via the Beardsley Connection to Loop 101 which begins later this fall. After the completion of ongoing drainage improvements, Deer Valley Road between 83rd and 91st avenues will be widened to include an additional lane in each direction, and the busy intersection at 83rd Avenue and Deer Valley Road will be improved.

Mesquite District – Vice Mayor Cathy Carlat

Peoria's first hospital will open next year, offering traditional hospital services and rapid, accurate and compassionate emergency care. Peoria Regional Medical Center guarantees "Door to Doc in 31 Minutes," a unique philosophy in urgent care. Located northwest of Lake Pleasant Parkway and Happy Valley Road, the facility will stand only two stories high and be resort-like in design. This is a successful step in bringing quality employment and needed health care to Peoria.

Palo Verde District – Councilmember Ron Aames

As we all go about living our lives, it is easy to take for granted all those things that make a city run efficiently: the streets we drive on; the police and fire departments that keep us safe; and the utilities and public works we depend upon every day. Visit www.peoriaaz.gov to get a better idea of just what it takes to make Peoria the great city that it is. If you have any questions or concerns regarding the Palo Verde District please call my office at 623-773-7306 or email ron.aames@peoriaaz.gov.

Pine District – Councilmember Carlo Leone

The Peoria Sports Complex hosts Rookie League baseball through the end of August, where you can catch future baseball stars today. The Peoria Library hosts fun summer programs for kids, like the "Be a Star" program on August 16th. Or, you can still beat the heat at any of Peoria's three pools or at the Rio Vista Recreation Center, which offers fitness programs and classes for all ages.

Willow District – Councilmember Joan Evans

Summer drags on, but Peoria gives you lots to do. Take in a movie at one of our two multiplex theaters or taste the arts at the Peoria Center for the Performing Arts. Keep cool at our local ice skating rink, nearby swimming pools or in the splash pads at Rio Vista Community Park. Peoria's Lake Pleasant is a wonderful place to spend a few hours or a whole day. Don't forget all of our wonderful places to eat. The list goes on. Get out and play, Peoria!

Expect Surge in High-Pollution Days This Summer

Exercise Caution When Outdoors; Share Your Drives



The number of “high-pollution advisory” days is expected to increase by a factor of 10 this summer, compared with last year. This means that ground-level ozone often will be at harmful concentrations, affecting children, adults, plants and pets.

The Arizona Department of Environmental Quality (ADEQ) issues high-pollution advisories when forecast weather conditions are expected to generate levels of ozone that may exceed the federal health standard. Ozone pollution can scar our respiratory systems and aggravate breathing disorders. Repeated exposure may cause permanent damage by scarring lung tissue. People who spend time outdoors during high-ozone periods – construction workers, landscapers, lifeguards and outdoor exercise enthusiasts, for example – may experience a variety of problems, such as: aggravated asthma, bronchitis or emphysema; chest pain; and increased susceptibility to respiratory infection and lung inflammation.

Ground-level ozone is not emitted directly into the air, but forms when emissions of nitrogen oxides and volatile organic compounds “cook” in the sun. Power plants, motor vehicle exhaust, industrial facilities, gasoline vapors and chemical solvents are the major human-made sources of these emissions. Vehicle emissions are the single largest contributor to summer ozone pollution. Reducing the number of times we drive alone in our vehicles is the best way to alleviate ozone pollution.

Ozone pollution is a bigger problem during the summer months because strong sunlight and hot weather result in harmful concentrations in the air we breathe. Many urban and suburban areas of Maricopa County have high levels of “bad” ozone because winds can carry emissions hundreds of miles away from their original sources. Maricopa, Pinal, Pima and Gila counties are all in violation of federal ozone standards.

When a High Pollution Advisory has been announced, please be careful while outdoors, limit the number of solo drives and avoid idling your car.

For more information on the Valley's air and how you can help improve it, visit www.runningoutofair.com.

Coming to Peoria Channel 11 in August!

FOCUS TV

Peoria Channel 11 just completed a cutting edge television studio, and is now busy working on the first program to be created there – Peoria FOCUS TV.

FOCUS TV will be a 30-minute news magazine produced each month. The program will feature the latest news and information about city programs, events and services, as well as interviews with newsmakers around Peoria.

“We’re going to take the kind of information people are used to reading in Peoria FOCUS and bring it to life on television,” says Public Information Manager Kelly Corsette, who oversees Peoria Channel 11. “Doing a new episode each month means we’ll be able to cover all of the latest things happening in Peoria.”

Peoria’s new studio features cameras and broadcast equipment that can broadcast in high-definition. Although Peoria Channel 11 is not yet a high-definition channel, purchasing gear that can produce the higher quality format means the city won’t have to spend more to upgrade in the near future.

Look for the first episode of Peoria FOCUS TV on Channel 11 in August.

Voters to Decide Propositions, Bond Questions This Fall

Peoria voters will be asked to make some very important decisions in this fall’s primary and general elections.

The Sept. 2 primary election is important for all Peoria voters, not just those affiliated with a particular political party. In addition to city council seats in the Ironwood, Mesquite and Willow districts, voters will decide on three propositions:

Proposition 400: Franchise Agreement – Peoria Water User Association

Proposition 400 allows Peoria voters to determine whether the city enters into a franchise agreement with the Peoria Water User Association (PWUA), a public-service corporation in Oldtown Peoria that provides irrigation water utility services to a specific part of the downtown area. PWUA operates under the state law and would be granted access to public right-of-way to construct, maintain and operate water systems within that specific service area. A “YES” vote would allow the Peoria Water User Association, its successors and assigns to provide water to Peoria residents and businesses within its service area; a “NO” vote would reject the franchise agreement.

Proposition 401: City Charter Amendment – Expenditure Ordinance

Proposition 401 asks Peoria voters to grant the City Council the authority to approve city funding for the construction of arena, stadium, convention facility, sports complex or city office building projects. The City Charter limits to \$500,000 the City Council’s authority to approve funding for these types of projects; more expensive projects must be placed on a ballot for voter approval. A “YES” vote would amend the City Charter by deleting Article VI, Section 8. It would allow the City Council to approve funding greater than \$500,000 for the construction of arena, stadium, convention facility, sports complex or city office building projects; a “NO” vote would leave that section of the charter unchanged.

Proposition 402: City Charter Amendment – Council Meetings

Proposition 402 asks Peoria voters to reduce from two to one the number of times the City Council must meet each month and adopt a proposed schedule of regular meetings for the calendar year. Article II, Section 14, Paragraph A of the City Charter requires the City Council to meet at least twice a month.

A “YES” vote would reduce the number City Council meetings required each month and create a schedule of regular meetings for the year; a “NO” vote would leave that section of the charter unchanged.

Bond Questions

The Nov. 4 general election ballot will include three bond questions (in addition to the recall election for those in the Acacia District):

Question No. 1 asks for the authority to borrow almost \$277 million to pay for street, bridge, traffic-control, transportation and drainage projects. Examples include the laying of rubberized asphalt, replacement of traffic signal components, rerouting truck traffic from Beardsley Road and work on storm drains and drainage channels.

Question No. 2 seeks voters’ permission to finance more than \$60 million in public safety, technology and municipal operations projects, including new police and fire stations and renovations to the Main Library.

Question No. 3 would authorize the city to raise almost \$41 million to pay for park, recreation and trail projects. This includes planning for two additional community parks, as well as an Agua Fria trail in northern Peoria.

For information on registering to vote or requesting an early ballot, visit the City Clerk’s election information Web page at www.peoriaaz.gov/elections, or call 623-773-7340.



**Primary Election:
Sept. 2**

**General Election:
Nov. 4**

CALENDAR

See more listings at www.peoriaaz.gov/events

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24 31	25	26	27	28	29	30

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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Sun	Mon	Tue	Wed	Thu	Fri	Sat
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

- TV Aug. 7** Planning & Zoning Commission, Council Chamber, 6:30 p.m.
- TV Aug. 21** Planning & Zoning Commission, Council Chamber, 6:30 p.m.
- TV Aug. 26** Special City Council Meeting and Study Session, City Hall Pine Room, 4 p.m.
- TV Aug. 26** Special City Council Meeting, Council Chamber, 7 p.m.
- Sept. 1** Labor Day: city offices closed, holiday trash schedule in effect this week.
- Sept. 2** Primary Election. Voting information: 623-773-7340.
- TV Sept. 4** Planning & Zoning Commission, Council Chamber, 6:30 p.m.
- TV Sept. 16** Special City Council Meeting and Study Session, City Hall Pine Room, 4 p.m.
- TV Sept. 16** City Council Meeting, Council Chamber, 7 p.m.
- TV Sept. 18** Planning & Zoning Commission, Council Chamber, 6:30 p.m.
- TV Oct. 2** Planning & Zoning Commission, Council Chamber, 6:30 p.m.
- Oct. 2** Peoria Performances - (band TBD) City Hall Amphitheater, 7 to 8 p.m.
- TV Oct. 7** City Council Meeting, Council Chamber, 7 p.m.

- Oct. 9** Peoria Performances - *Pamela Morita* City Hall Amphitheater, 7 to 8 p.m.
 - TV Oct. 16** Planning & Zoning Commission, Council Chamber, 6:30 p.m.
 - Oct. 16** Peoria Performances - *Jed's A Millionaire*, City Hall Amphitheater, 7 to 8 p.m.
 - TV Oct. 21** City Council Study Session, City Hall Pine Room, 4 p.m.
 - TV Oct. 21** City Council Meeting, Council Chamber, 7 p.m.
 - Oct. 23** Peoria Performances - *Mary Hoffman* City Hall Amphitheater, 7 p.m. to 8 p.m.
 - Oct. 30** Peoria Performances - *Come Back Buddy*, City Hall Amphitheater, 7 to 8 p.m.
 - Oct. 25** Halloween Monster Bash & Balloon Illumination, Peoria Sports Complex, 5 p.m. to 9 p.m. Info: 623-773-7198 or www.peoriaaz.gov/specialevents.
- The Council Chamber, City Hall & City Hall amphitheater are located on the Peoria Municipal Campus (8401 W. Monroe St.)
- TV** Broadcast live (or on tape) on Peoria's Channel 11 (on Cox & Qwest cable), and rebroadcast throughout the week. Streaming live and on-demand at www.peoriaaz.gov/channel_11.



PEORIA'S HALLOWEEN MONSTER BASH

& BALLOON ILLUMINATION

Saturday, October 25th
Peoria Sports Complex
5 p.m. 'til 9 p.m.

 **Costume Contest**
Trick or Treating 
 **Carnival Games**
Mad Science 

Free admission with canned food to benefit the St. Mary's~Westside Food Bank Alliance.
Info: 623-773-7198
www.peoriaaz.gov/specialevents
Presenting Sponsor:
PARK WEST



Do you want a look inside City Hall?



Peoria Leadership Institute is your opportunity to get an up-close behind-the-scenes look at how the City of Peoria operates.

If you'd like to learn more about the city's budget and finances, public works, utilities, police and fire operations through interactive discussions with city staff, then Peoria Leadership Institute is for you.

Applications for the Fall 2008 and Spring 2009 sessions are being accepted. Apply online at www.peoriaaz.gov/up or call the Communications and Public Affairs Department at 623-773-7000.

Peoria Leadership Institute applicants must be Peoria residents age 18 & older.

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- 
Cell Phone
 Via Twitter, the popular free Web service, at www.twitter.com/PeoriaAZ.

Questions? Suggestions? information@peoriaaz.gov

City of Peoria Telephone Numbers		ALL NUMBERS ARE IN THE 623 AREA CODE	
AM/PM Program	773-7137	Library (Sunrise Mountain Branch).....	487-5150
Building Inspections	773-7225	Mayor and Council Offices	773-7306
City Attorney's Office	773-7330	Parks and Recreation.....	773-7137
City Clerk's Office.....	773-7340	Peoria Job Hotline	773-7105
City Manager's Office	773-7300	Peoria Municipal Court.....	773-7400
Code Compliance	773-7162	Planning and Zoning	773-7200
Community Center.....	773-7436	Police (non-emergency).....	773-8311
Community Development.....	773-7200	Solid Waste Billing.....	773-7160
Dial-a-Ride	773-7435	Solid Waste Collection.....	773-7431
Fire Department (non-emergency).....	773-7279	Street Maintenance.....	773-7432
Graffiti Hotline	773-7094	Water Billing / Service	773-7160
Library (Main).....	773-7555	Water Leaks.....	773-7433



Watch us Online!

Peoria Channel 11 is now streaming live and on-demand at www.peoriaaz.gov/channel_11



PEORIA FOCUS

2008, Issue 3

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Budget in Brief

Budget Highlights p.2

Revenues and Expenditures p.3

Capital Improvement Program p. 4

The City of Peoria Fiscal Year 2009 Budget reflects the City Council's policies and philosophy in fiscal terms and provides a practical framework for implementing these policies throughout the year.

The budget is balanced — all expenditures are supported by revenues.

The Fiscal Year 2009 (FY 2009) Budget totals \$680 million, which represents a 1.45 percent reduction from last year's budget. The Operating Budget — the amount required to run all of the day-to-day programs and services of the city — is \$234 million, an increase of 1.9 percent from last year.

The FY 2009 Budget was developed in the context of a slowing economy. An overheated housing market was followed by a cataclysmic credit crunch. Within Arizona, reliance on the real estate and construction sectors has taken its toll, with job growth and consumer spending lower than any time in recent memory. These factors not only affect the overall economy, but also the city's fiscal picture.

New retail development in Peoria will help offset the slowdown in the local economy. While annual sales are expected to be lower, the opening of new auto dealerships and retail centers should help maintain the city's sales tax collections.

However, the city's portion of state-shared revenues (the percentage of state income, sales and vehicle license taxes Peoria receives based upon population) is expected to be flat at best, an unfortunate reality in this major revenue source.

With this in mind, the FY 2009 Budget is a reality check. The goal is to slow the growth of services and spending while maintaining core service levels.

Based on policy guidance received from the City

Council at its September mid-year financial review workshop, the budget reflects a five cent (or nearly 21%) reduction in the city's Primary Property Tax rate. The rate will fall from 24 cents to 19 cents per \$100 of assessed valuation. The overall tax rate will thus change from \$1.49 to \$1.44 per \$100 of assessed valuation.

While the city's revenue growth appears to be slowing, the city must at the same time support rising costs in

a number of key areas. For example, county prisoner-incarceration fees, the cost of fuel, utilities, and employee-benefit cost increases, must be incorporated into department budgets. Just keeping up with these built-in-overhead increases accounts for much of the budget growth this year.

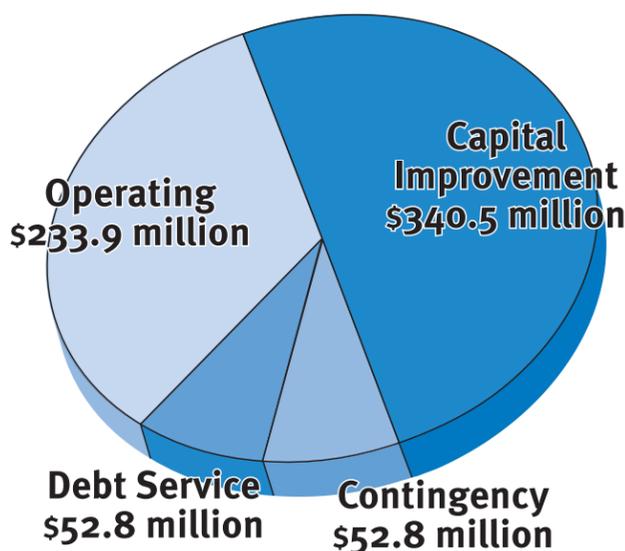
The budget includes 12 new staff positions. Five of these will staff the new branch library, which is

currently under construction. The remaining seven staff positions are necessary to bolster core services and are funded through various grants, transportation revenue, internal service charges and utility rates.

The FY 2009 Budget is balanced, responds appropriately to new economic realities and positions the city to respond as

needed in the years ahead. It continues the city's philosophy of fiscal discipline, attention to core principles and priorities, and always living within financial means.

**City of Peoria
FY 2009 Total Budget
\$680 million**



The FY 2009 Budget is a reality check. The goal is to slow the growth of services and spending while maintaining core service levels.

Budget Highlights

Fire

The Fire Department experienced increases in utility, fuel and dispatch costs. Consistent with recommendations emerging from recent emergency training, one-time funding is provided to create a back-up emergency operations center. Ongoing funding was included to continue the enhanced level of fire and emergency medical response initiated last year in the Lake Pleasant area. The city also will replace all of the cardiac monitors used by the department with newer, more effective models.

To help offset these costs, the Fire Department scaled back on training overtime, extended the schedules for equipment and uniform replacement, and reduced the amount budgeted for contract labor in the Fire Inspection Division.

Police

The budget includes additional funding to support a heightened evening security presence for the 13 city-owned facilities in the general vicinity of the city's municipal campus. A new grant-funded police officer position is assigned to the State Gang Task Force.

The Police Department believes that it is very important to begin a School Resource Officer Program in local high schools. To get the program started, the department will convert two existing police officer positions to school resource officers, to be assigned to two high schools in Peoria as determined by need. The program then can be expanded to include all four high schools as future funding permits. The Peoria Unified School District will fund 30 percent of the cost of these officers.

To help address rising costs, the department reallocated some existing funding over several functional areas and made reductions to pager and cell phone costs, copy and printing expenses, building maintenance funds and selected training programs.

The Police Department is experiencing large cost increases in certain expenditure areas. County jail incarceration fees and fuel costs in particular increased faster than the rate of inflation.



Community Services

A high priority of the City Council is to increase the level (and quality) of public right-of-way maintenance; the Community Services budget was increased to accomplish this goal. The recent re-bidding of the landscape maintenance contract already has improved the appearance of streets and detention basins.



The Community Services budget includes all the equipment and supplies required to operate the new branch library, which opens in Spring 2009.

This budget also makes possible additional playground shade structures in a number of parks and renovates deteriorating playground surfaces. Rising costs for fuel and electricity in parks were offset by reducing material costs in a number of recreation programs.

Community Development

The Community Development Department budget includes \$100,000 to continue the highly successful Neighborhood Grant Program, through which neighborhood associations may receive funding for community improvements. This program has been well received by the public, and also was identified as a City Council priority.

Economic Development

During the past year, the City Council and staff have worked to develop an Economic Development work plan focused on creating more employment opportunities and high-quality commercial development. One-time money will go to health-care campus and university location studies, which will help target future city investments relating to these key sectors.

An infrastructure study will be undertaken for the Loop 303/Lake Pleasant Parkway area to help design the blueprint for future development of this strategic corridor. Funding is included for

The budget conforms to the City Council's adopted "Principles of Sound Financial Management," and all recommendations have been based upon long-term financial forecast models. As called for in Peoria's financial policies, the city has prepared for unforeseen circumstances and events, whether of a financial nature, natural, or man-made disasters. These financial policies and management practices, have prevented the need to make drastic budget cuts this year.

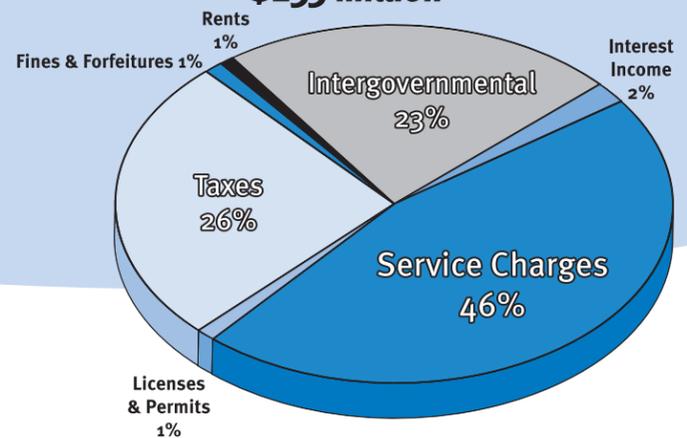
Revenue & Expenditures

Operating Revenue

In FY 2009, the city's operating revenue is projected to be \$255 million, a 1.7 percent increase from FY 2008 estimates. The FY 2009 revenue comes from a variety of different sources and includes one-time revenue projections of approximately \$9.3 million.

Service charges account for the largest percentage of revenue by source. The bulk is from rate fees paid by customers for city services such as water, wastewater and garbage pickup. The second largest revenue source is city taxes, primarily city sales taxes — Peoria expects to collect about \$57.6 million in local sales taxes during the fiscal year.

FY 2009 Operating Revenue Sources
\$255 million



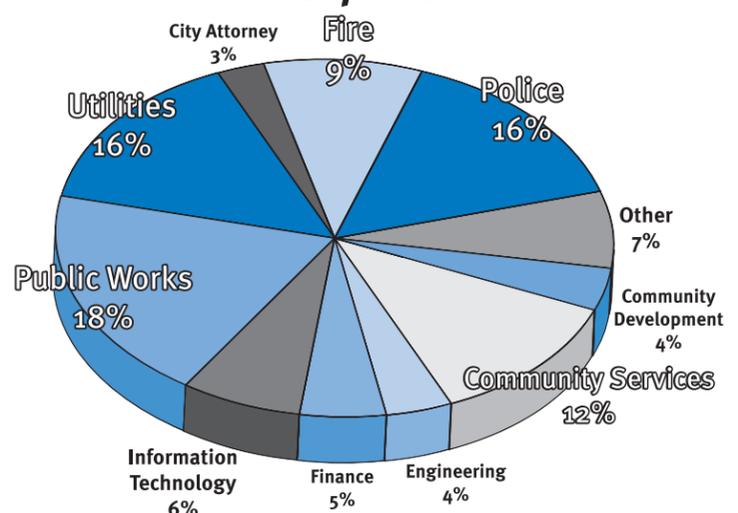
Intergovernmental (money received by Peoria from the state or other agencies) is the third largest category of city operating revenue sources. State shared revenue accounts for the largest portion here. In FY 2009, Peoria will receive about \$38.7 million from taxes levied and collected by the state, specifically income taxes, sales taxes, gasoline taxes and vehicle registration fees.

Operating Expenditures

For FY 2009, the city's operating budget is \$233.9 million, a 1.9 percent increase from FY 2008. This small increase is a reflection of a slowing economy. The operating budget also includes \$8.1 million in one-time expenditures.

Public safety — the Police and Fire departments — get the lion's share of the operating budget (25 percent between the two), followed closely by Public Works, which maintains city streets and traffic signals, collects trash and recyclables and maintains city facilities. Utilities (water and wastewater) and Community Services (parks, recreation, libraries and the Peoria Sports Complex) are the other departments with double-digit pieces of the operating budget.

FY 2009 Operating Expenditures by Department



"Other" includes the remaining city departments: Budget, City Clerk, Communications and Public Affairs, Economic Development, Human Resources and the City Manager's Office, Mayor & City Council and the Municipal Court.

participation in a regional analysis of potential future light-rail routes, with possible links to the Metro Rail network.

Information Technology

Part of Peoria's service-delivery strategy has been to maximize the use of information technology to deliver services. But this strategy carries a cost, and budget increases are required for licensing and maintenance of system hardware and software. The Information Technology staff did everything possible to limit cost increases relating to these systems by extending warranties and reducing contract support where feasible.

Also underway is a review in the computer equipment replacement program to find cost savings.

Citywide Efforts

Throughout the organization, all city job vacancies are being reviewed as they occur to determine replacement need, and in some cases whether a reassignment might make sense. This does not constitute a "hiring freeze" per se, but rather a systematic review of staffing needs and priorities as vacancies occur.

Public Works

With the recent slowdown in development, the focus of the Solid Waste Division budget has shifted from keeping up with expanding service areas to addressing the rising costs of doing business, including vehicles, fuel, parts and maintenance and landfill tipping fees. These operational cost increases were the basis for the 50 cent-per-month rate increase the City Council approved for residential sanitation service, effective Jan. 1, 2009. On the plus side, the new Curbside Recycling Program is very successful and is helping reduce overall landfill costs.

To save money, the useful life of non-public safety vehicles will be extended where possible.



*Recommendations regarding operating funds
continues to maintain strong reserves for
reserve policies, combined with adopted*

FY 2009 Capital Improvement Program Highlights

The Capital Improvement Program (CIP) is the city's financial plan for building large projects. The fully funded 10-year CIP addresses the growing needs of the community and enhances the quality of life through major public investment. It is an essential ingredient in the city's service-delivery plan.

The 10-year CIP totals \$1 billion, and the FY 2009 portion of that is \$340 million. Some major projects funded in FY 2009 are listed here.

Parks & Recreation Facilities

- 1 Sunrise Mountain Branch Library** • Completion of a 22,000-square-foot branch library, plus the purchase of books, computers and other materials (FY 09: \$8.5 million; total project cost \$11.7 million).
- 2 Osuna Park Renovations** • Planned improvements include adding a plaza and outdoor venue adjacent to the Peoria Center for the Performing Arts (\$1 million).
- 3 Community Park #2** • Design and construction of a 50-acre community park near the southeast corner of 83rd & Olive avenues (\$7.8 million).
- 4 Skunk Creek Trailhead** • Construction of parking, rest area and access to the Skunk Creek Trail under Loop 101 and under 83rd Avenue (\$1.8 million).

Public Safety Systems

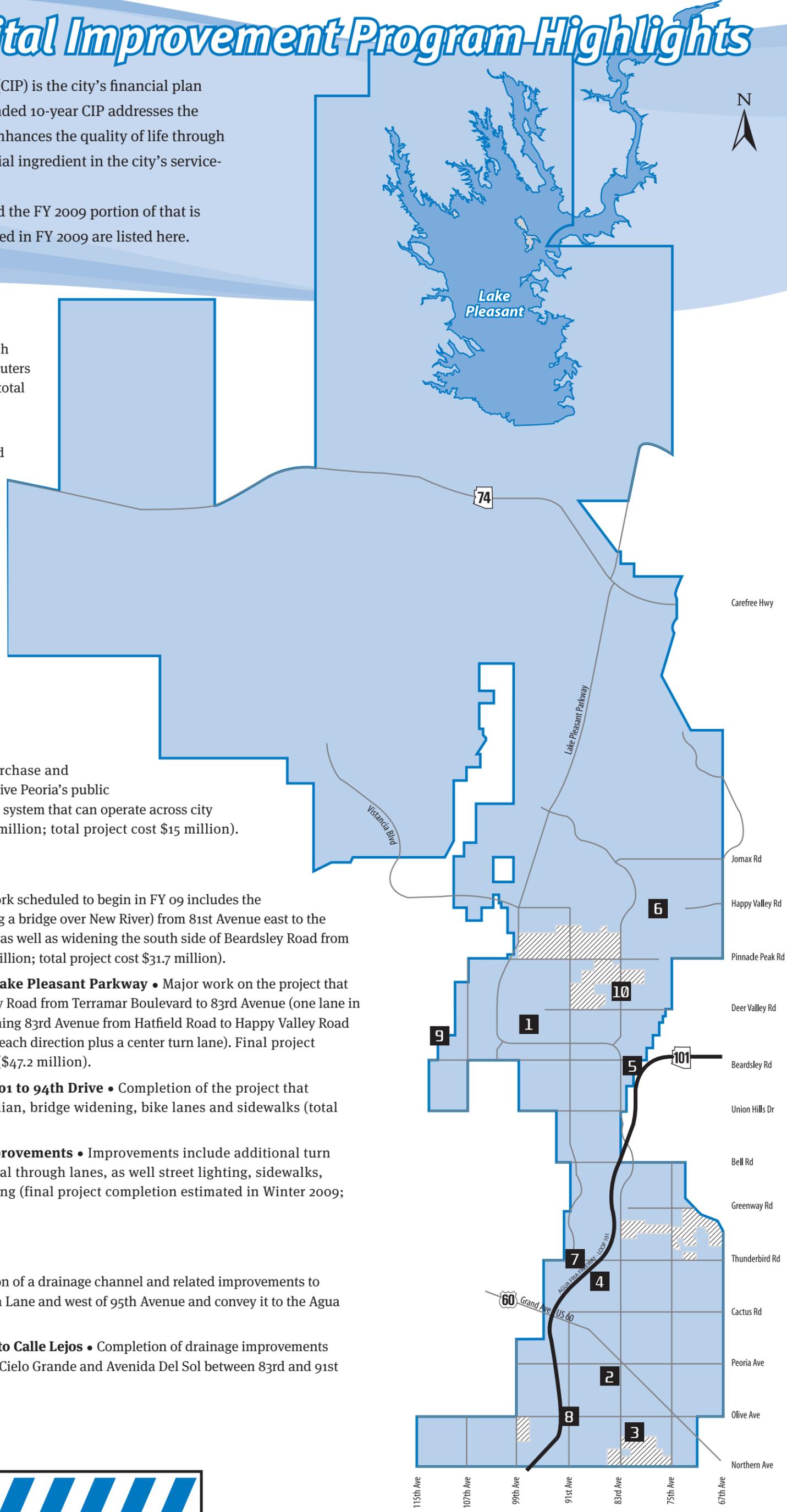
Citywide Radio System Upgrade • Purchase and installation of a new radio network to give Peoria's public safety and field personnel a more reliable system that can operate across city boundaries in emergencies (FY 09: \$6.6 million; total project cost \$15 million).

Streets

- 5 Beardsley Connection to Loop 101** • Work scheduled to begin in FY 09 includes the construction of Beardsley Road (including a bridge over New River) from 81st Avenue east to the future Loop 101 frontage road alignment, as well as widening the south side of Beardsley Road from 81st Avenue to 83rd Avenue (FY 09: \$13 million; total project cost \$31.7 million).
- 6 Happy Valley Road; 67th Avenue to Lake Pleasant Parkway** • Major work on the project that includes the construction of Happy Valley Road from Terramar Boulevard to 83rd Avenue (one lane in each direction plus bike lanes) and widening 83rd Avenue from Hatfield Road to Happy Valley Road from two lanes to five lanes (two lanes in each direction plus a center turn lane). Final project completion is scheduled for Fall 2009. (\$47.2 million).
- 7 Thunderbird Road Widening; Loop 101 to 94th Drive** • Completion of the project that includes additional lanes, a center median, bridge widening, bike lanes and sidewalks (total project cost \$15 million).
- 8 91st & Olive Avenue Intersection Improvements** • Improvements include additional turn lanes (both right and left) and additional through lanes, as well street lighting, sidewalks, pedestrian access ramps and landscaping (final project completion estimated in Winter 2009; total project cost \$3.7 million).

Drainage

- 9 Rose Garden Lane Channel** • Completion of a drainage channel and related improvements to capture storm water north of Rose Garden Lane and west of 95th Avenue and convey it to the Agua Fria River (\$9.1 million).
- 10 83rd Avenue Drainage, Williams Road to Calle Lejos** • Completion of drainage improvements to capture storm water along Calle Lejos, Cielo Grande and Avenida Del Sol between 83rd and 91st avenues (\$3.8 million).



BUILDING PEORIA

Learn more about city construction projects at WWW.PEORIAAZ.GOV/BUILDINGPEORIA

The City of Peoria Fiscal Year 2009 Budget in Brief is produced by the Communications and Public Affairs Department for the City of Peoria Budget Office.

For more information on the city's budget, visit www.peoriaaz.gov/budget or call 623-773-7126.