



The City of Glendale recently held three public meetings to discuss the 2011 budget proposal which aims to close our budget deficit of \$14.7 million. The City Council will use input from these meetings to help make our decisions in developing a final budget. Our discussions will begin on March 23.

Balancing the budgets of Arizona cities and towns for the upcoming fiscal year is made even more difficult, however, because the State of Arizona continues to address their \$3 billion budget deficit by taking revenue intended for our local governments.

On March 9, the Arizona legislature went into its seventh special session in order to pass a budget for Fiscal Year 2010. By the end of that week, the House had passed all of the budget bills and the Senate had passed all but two of the bills. ([Click here](#)) if you would like to review the FY 2010 budget bills and their summaries.

Early state budget proposals included shifting \$20 million of State Shared Revenues away from cities and towns. Fortunately, that provision was defeated.

However, another devastating provision did remain in the current state budget package. That provision will permanently eliminate the Local Transportation Assistance Funds (LTAF and LTAF II). These LTAF funds were established as a commitment to the voters when the voters approved the state lottery. Here is what elimination of LTAF and LTAF II means in Glendale.

**In FY 2010, Glendale received \$1.3 M in LTAF funding,** or just under half of the annual budget for the programs these fund. This amount of funding represents 49,400 Dial-A-Ride trips for primarily elderly and disabled riders accessing medical, work, grocery, meals, church, social, and other trip purposes. These services cannot be pulled off the street and are mandated by the Federal Government.

**In FY 2010, Glendale received \$344,765 in LTAF II funding.** This funding is used for fixed route services in Glendale. This amount of funding represents 52,100 miles of bus service annually, which equates to nearly 2 full routes that serve Glendale and other West Valley cities.

What this means is that all of the work done by our management, staff, union officials, and citizens is incomplete once again as the State Legislature has created a new \$1.6 million problem for us. The same is happening in the other Arizona cities and towns.

We also continue to be watchful for “sweeps” of State Shared Revenues such as were planned in HB2010 and SB2010. An explanation of just what State Shared Revenues are and why they are so important to cities and towns follows.

State Shared Revenues are based on a citizen’s initiative that was passed in 1972 that required the state to “share” tax collections with cities and towns based on population. This money is vital to the budget of all Arizona cities. In Glendale, State Shared Revenues make up 39% of our \$155 million operating budget. The budgets of cities with comparable diversification of revenue sources are comprised of a similar percentage of State Shared Revenues. In cities with fewer other sources to rely on, the percentage may well exceed 50% of their total budgets.

It is important to continue to watch the status of State Shared Revenues as the state’s attempts to reduce the formula has been a recurring issue and may come up again in the future. The fact that this provision was defeated was due to the hard work of our cities and other organizations that represent mutual interests, and also because of our citizens who were aware of this unfair and unacceptable provision and contacted their legislators to let them know.

You can get involved. I encourage all of you to contact your legislators and give them your input about the LTAF program. ([Click Here](#)) for a list of legislators and their contact information. I would also encourage Glendale residents to join myself and our Intergovernmental Programs staff for a Legislative Link mid-session review this Thursday, March 18 from 6:00 to 8:00 PM at the Glendale Adult Center. Please RSVP your attendance by calling 623-930-2813 or by email at [dburt@glendaleaz.com](mailto:dburt@glendaleaz.com).

([Click Here](#)) to get more information about the state budget and how it affects Glendale. We will continue to keep this page updated with current information.

*Thank you taking the time to read my “Glendale Bulletins”. Please contact me at (623) 930-2260 or [mayorscruggs@glendaleaz.com](mailto:mayorscruggs@glendaleaz.com), if you have any comments or questions. I strive to provide the most timely information and best possible service to you, the citizens of Glendale. I sincerely appreciate your feedback.*