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ANNUAL BUDGET FISCAL YEAR 2017 - 2018



CITY OF SIERRA VISTA, ARIZONA ANNUAL BUDGET For the Fiscal Year July 1, 2017 - June 30, 2018

CITY OF SIERRA VISTA LEADERSHIP

CITY COUNCIL

Rick Mueller, Mayor

Bob Blanchard, Council Member

Kristine Wolfe, Council Member

Rachel Gray, Council Member

Alesia Ash, Mayor Pro Tem

Gwen Calhoun, Council Member

Craig Mount, Council Member

MANAGEMENT STAFF

Charles P. Potucek, City Manager

Victoria Yarbrough, Assistant City Manager

Linda Jones, Budget Officer

SENIOR STAFF

Adam Thrasher, Police Chief

Ron York, Fire Chief

Sharon Flissar, Public Works Director

Laura Wilson, Leisure and
Library Services Director

Matt McLachlan, Community
Development Director

Nathan Williams, City Attorney

David Felix, Chief Financial Officer

Barbara Fleming,
Chief Human Resources Officer

Abe Rubio, Chief Information Officer

Vacant, Chief Procurement Officer

Jill Adams, City Clerk

Tony Boone,
Economic Development Manager

Judy Hector, Marketing and
Public Affairs Manager/PIO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Sierra Vista
Arizona**

For the Fiscal Year Beginning

July 1, 2016

Jeffrey R. Egan

Executive Director



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The City of Sierra Vista's Fiscal Year 2018 budget book serves as a policy document, financial plan, operations guide, and communications device. The City is proud to be a 25-time recipient of the Government Financial Officer's Association Distinguished Budget Presentation Award. This brief guide outlines the budget book structure.

The Introduction section of this book includes a formal letter from the City Manager to the Mayor and Council describing management and service objectives of the budget. Following the letter is a section featuring information about Sierra Vista and City leadership, organizational structure, and strategic plan. The body of the budget book consists of three major sections: Budget Summary, Funds, and Departmental Budgets.

The Budget Summary section provides an overview of the FY18 budget, a description of budget development, and the budgeting principles applied to the development process. The introduction includes historical information regarding city revenue and spending and a narrative description of the forces driving both. Expenditures are divided into four major categories: personnel, operations and maintenance, capital, and debt. Personnel expenditures are related to salaries and benefits for employees of the city. Operations and maintenance expenditures are necessary to carry on the core business of the city and to preserve existing assets through a maintenance program. Capital expenses are for new equipment, software, infrastructure, facilities and vehicles. Debt expenditures repay the City's long and short term debt obligations. The section concludes with the City's Financial Policies providing the regulatory framework that guides the budget preparation.

The Funds section provides projected revenue and expenditures, along with descriptions, for the 21 active funds maintained by the City. The section begins by summarizing expenditures and revenues, and provides the fund balance for each fund category. It then provides the projected revenue and sources of revenue for each fund to establish the base of available resources. The last final portion of this section details expenditures by fund, separated into the four expenditure categories described above.

The Departmental Budgets section set forth the expenditures budgeted for each department and division. Each segment addresses the department's mission, vision, goals, and objectives, and provides performance measures. Each begins with an organizational chart along with a recap of major departmental achievements from the prior year and a summary of major plans for the current year's expenditures.

The City's Five-Year Capital Improvement and Capital Maintenance and Replacement Plans are also included in this book. The Capital Improvement Plan highlights the City's long term capital projects and their operating costs. The City is very careful to analyze a current capital project's ongoing costs to ensure long-term sustainability.

The budget book concludes with an appendix and glossary containing supplemental legal materials and a list of technical terms and acronyms with definitions.



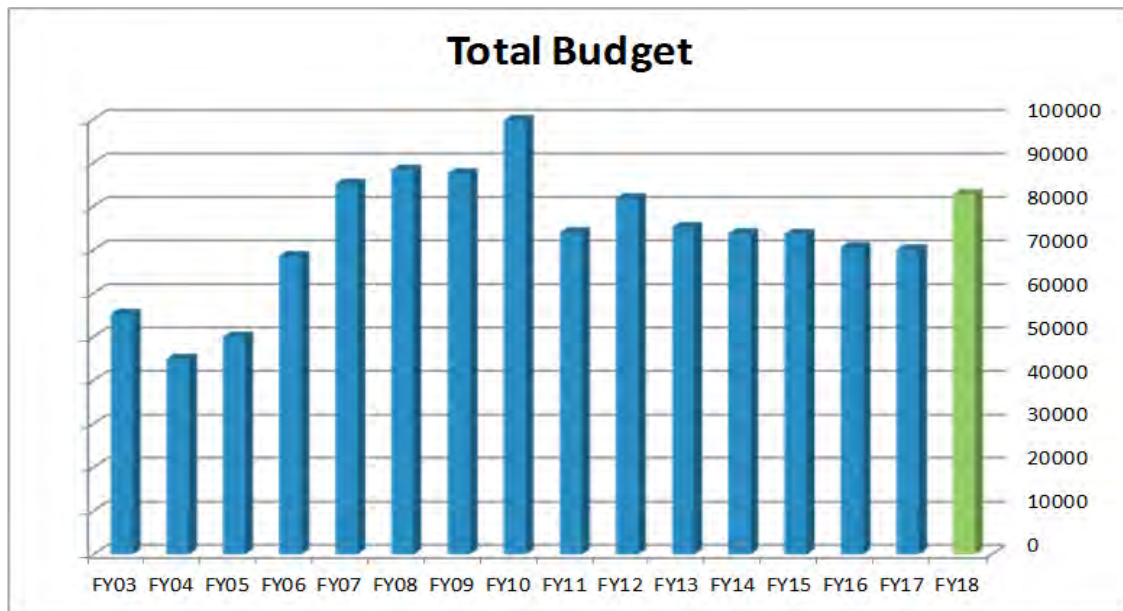
City Manager Charles P. Potucek

To The Honorable Mayor and City Council:

I am pleased to present the Fiscal Year 2017-2018 (FY18) budget, without tax increases or sewer/sanitation rate increases, of \$82,723,790. This figure represents a \$12,703,177 (18.1%) increase from the FY17 budget. This increase is mainly due to bond refinancing and the proposed Fort ambulance agreement. We achieved a balanced budget through conservative budgeting and ongoing efficiencies and reductions in operations and maintenance costs to maintain high quality services for our residents. This year's budget includes the classification and compensation plan that was adopted in 2015.

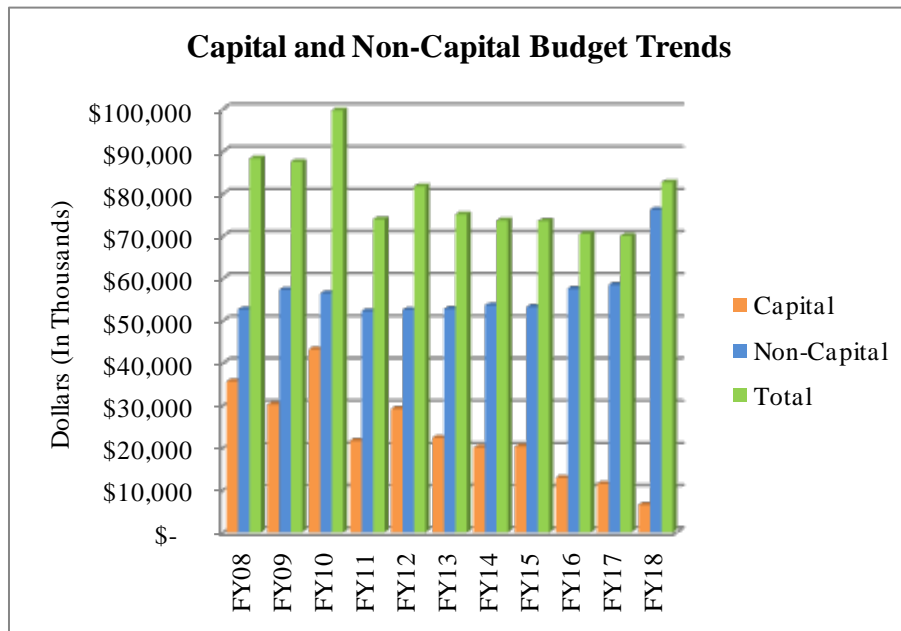
Current economic challenges, primarily relating to defense spending cuts on Fort Huachuca, continue to result in stagnant local revenue growth. In order to maintain our service levels, we must constantly identify areas to improve our productivity, particularly regarding the use of automation improvements, and rely upon the efforts of our staff despite the reduction of twenty percent of our workforce since fiscal year 2008-2009.

The graph below depicts the total budgets for FY03 to FY18.





A reduction in grants and capital spending greatly affected this year's budget. The graph below separates the budget into capital and non-capital expenditures for the last ten fiscal years. In the FY18 budget, non-capital expenditures increased roughly nine percent and capital expenditures decreased eight percent from the FY17 budget. As you can see, the non-capital budget consisting of personnel, debt, and operations and maintenance (O&M) expenditures remained relatively stable throughout the past ten-year period shown, while capital expenditures fluctuated primarily due to the availability of grant funding. The main increase in non-capital is to the debt to refinance the series municipal property corporation bonds.



City Council Strategic Plan

The FY18 budget reflects the Mayor and Council's strategic plan initiatives, recently updated in May 2017. The plan, titled "Our Future Vistas," provides short-term policy objectives that shape resource allocations in the budget process. The FY18 budget includes funds to advance or complete strategic plan objectives within the next year. In developing their plan, the Council established a framework consisting of five critical success factors:

Critical Success Factors

A. Economic Prosperity

Sierra Vista offers diverse employment options by successfully attracting new businesses, retaining and growing current ones, supporting Fort Huachuca, and



attracting and retaining a quality workforce. Regional, national, and international tourism and trade are vital contributors to the local economy. Quality education at all levels prepares our youth and workforce for success.

B. Accountable, Collaborative, and Efficient City Government

The City returns a high value to taxpayers by providing quality and innovative services, programs, and facilities that exceed expectations while embracing community engagement and fostering effective partnerships.

C. Environmental Leadership

The City has a strong culture of environmental stewardship and is known as a leader in water and energy conservation efforts.

D. Well-Maintained Infrastructure and Facilities

The City maintains its infrastructure through effective resource allocation. Alternative funding sources are sought and maximized through new and existing partnerships. The City employs new technologies and analytical techniques to improve efficiencies and reduce costs.

E. Safe, Healthy, and Welcoming Community

Sierra Vista is a beautiful, inviting community with safe and appealing neighborhoods that welcome and support residents and visitors alike. The City provides professional, proactive, and innovative public safety and community services and prioritizes offering diverse recreation and wellness opportunities, programs, and infrastructure. Sierra Vista provides abundant open spaces and access to natural amenities to serve all ages.

Within that framework, Council then developed the following two-year goals and objectives:

Strategic Focus Area A: Economic Prosperity

- A-1. Ensure a welcoming City development environment – people, resources, and processes.
- A-2. Advance a robust tourism attraction strategy.
- A-3. Build partnerships regionally, nationally, and internationally.



- A-4. Identify workforce needs and facilitate solutions.
- A-5. Support Fort Huachuca retention/expansion.
- A-6. Identify and mitigate barriers to workforce retention and business expansion.
- A-7. Revitalize older commercial areas of the community to attract expansion.

Strategic Focus Area B: Accountable, Collaborative, and Efficient City Government

- B-1. Proactively and effectively, tell the City's story in a way that highlights residents' experiences.
- B-2. Improve resident education, outreach, and engagement about City government through proactive and robust communication strategies.
- B-3. Highlight and advance innovative City programs.
- B-4. Establish short and long-term fiscal policies that meet community priorities and financial obligations.
- B-5. Attract and retain a quality municipal workforce.
- B-6. Continually evaluate to ensure City service delivery is aligned with community expectations.
- B-7. Foster an organizational culture that values employee and community collaboration.

Strategic Focus Area C: Environmental Leadership

- C-1. Determine how to continue/enhance recycling efforts.
- C-2. Identify/maximize additional water recharge and conservation opportunities, seeking partners to help fund.
- C-3. Increase community participation in clean-up and beautification efforts.
- C-4. Explore alternative energy sources for City facilities.



Strategic Focus Area D: Well-Maintained Infrastructure and Facilities

- D-1. Explore additional funding opportunities for infrastructure maintenance.
- D-2. Develop an affordable Capital Improvement Plan based on documented needs.
- D-3. Investigate partnerships with other agencies to reduce infrastructure maintenance costs.
- D-4. Develop a capital-funding plan.

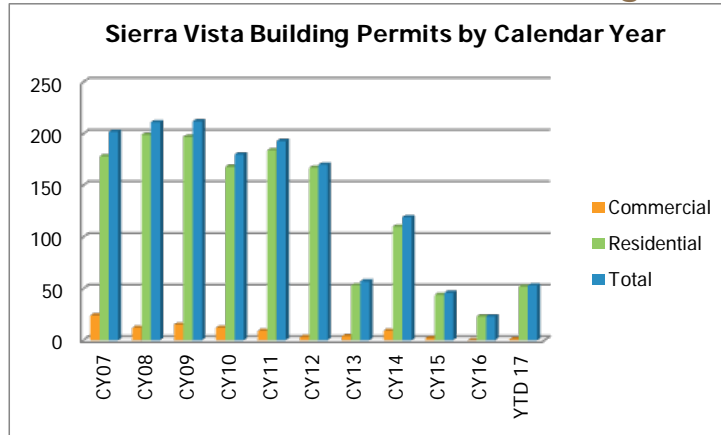
Strategic Focus Area E: Safe, Healthy, and Welcoming Community

- E-1. Facilitate partnerships to expand recreational and educational opportunities that ensure our community is aware of healthy lifestyle choices.
- E-2. Engage the community through a multitude of recreational choices, including special events, festivals, sports options, and parks.
- E-3. Identify roadblocks and opportunities to enhance community services and maintain quality neighborhoods.

Local Economic Conditions

Sierra Vista's economy continues to stagnate as a result of the aforementioned spending reductions on Fort Huachuca. These reductions manifest themselves in uncertainty regarding force reduction at Fort Huachuca, federal spending on defense contracting with resulting job losses, and privatized army lodging, hurting the local lodging industry.

Commercial and residential building permits continue to be low in both number and valuation. Foreclosed homes offered at lower prices continue to diminish demand for new home construction in Sierra Vista which limits residential construction. The chart below depicts the downward trends for both commercial and residential building permits over the past ten years.



Despite the current economic environment, we see positive signs as a result of expanding economic development efforts; the completion of Canyon Vista Medical Center, Sierra Vista’s new hospital; the completion of Cochise College, Downtown Center and continued strong Mexican retail business, as well as a number of new businesses starting and completing construction.

Economic Development

Given local economic uncertainty and Sierra Vista’s continued reliance on one industry (Department of Defense) to drive our financial health, we plan to continue aggressively to pursue economic development opportunities in FY18. Using the 2013 “Plan for Prosperity” economic development framework, we are taking lead role in the community regarding economic development efforts focusing on diversification of the local economy to drive our financial health.

Internal City initiatives this year include new efforts to emphasize Sierra Vista’s position as a national leader in environmental sustainability, a message that supports both tourism and economic development goals. Additionally, visitor attraction efforts will expand into multi-channel marketing opportunities while remaining tightly focused on target markets.

As we continue to aggressively pursue economic development opportunities, we are working in four main areas of focus –Attraction of new companies; Expansion and Entrepreneurial growth; Retention of existing companies; and Tourism. This year, we will continue to work on creating a cyber security cluster along with promoting Sierra Vista nationally to site decision makers. Also, we will emphasize Sierra Vista’s position as a national leader in environmental sustainability, a message that supports both tourism and economic development goals. Lastly, visitor attraction efforts will expand into multi-channel marketing opportunities while remaining tightly focused on target markets.



The FY18 budget continues to fund and expand the economic development division in the City Manager's office.

Public Safety Partnerships

The City maintains partnerships with local safety and emergency agencies. We currently provide communication services for the Fry Fire District, Whetstone Fire, and Fort Huachuca Military Police, and Fort Huachuca Fire. Our regional compatibility allows for improved communications in the event of a large scale emergency and improves the level of service to the community of day to day operations as well as the safety of our first responders. The joint regional communications project with Cochise County Sheriff's office (CCSO) is moving forward with an anticipated opening during this fiscal year.

Sierra Vista Fire & Medical Services renewed the intergovernmental agreement with Fry Fire District to provide automatic aid, via closest unit response, regardless of jurisdiction. This agreement sends the closest apparatus to any emergency within the city or district response zones, which ensures the quickest service for our customers.

We also have automatic aid with Fort Huachuca, which allows for a more robust response to the city's west side, as well as anywhere else assistance is needed. A mutual aid agreement with other neighboring departments allows for seamless help in the event of numerous, simultaneous incidents, or one large, overwhelming event.

Vista 2030

Every ten years, the State requires the City to update its general plan. Citizens of Sierra Vista voted in the November 2014 general election to approve the Vista 2030 update to the general plan with a 58 percent majority approval. City staff incorporated resident input from the "*Dream Your City*" visioning process, held in 2013, into all elements of the General Plan.

Refuse

Upward pressure on refuse rates are contributed by three factors. First, a State law changed so the City can no longer make the property owner liable for refuse service. Second, another State law changed that opened commercial refuse services up to private sector competition. Third, tipping fees at the county landfill are increasing significantly. This year they are going up by over 5% and the City is hoping that this will level out within the next few years.

The Residential 1&1 Refuse and Recycling Program, in which garbage and recycling are each collected one day per week, continues to benefit our refuse operations in the form



of landfill diversion and improved service delivery to our customers. The City also continues to collect bulk yard waste from residents free of charge that is then combined with bio-solid waste from the wastewater treatment plant to create Class A compost for bulk sale. Sierra Vista's compost program continues to be the only one of its kind in the country.

Bond Rating

The City maintains Standard & Poor's AA/Stable rating. Standard & Poor's indicated the City's strong debt service coverage ratio and strong retail sales tax per capita, and stated that Fort Huachuca still acts as a stabilizing factor on the local economy in the long term.

Debt

Debt management remains one of our top priorities. The City conservatively uses bonded indebtedness in order to fund capital projects projected for long-term use. We then plan early defeasance of those bonds when possible in order to save interest expenses and improve cash flow.

The City does not use long-term debt financing to finance current operations. We first attempt to utilize "pay-as-you-go" capital funding, grants, and/or the use of operation funds or impact fees when applicable. In fact, overall debt has decreased from \$46,023,574 to \$20,090,818 from FY08 to the end of FY16.

Revenue

The city sales tax, a major local revenue source, comprises 26 percent of the total revenue raised by the City. The City Council approved a .2% sales tax increase that went into effect November 1, 2015. Fiscal year 2017 actual sales tax revenues are below projections, so the City is forecasting no growth in the budgeted revenue amount. While Department of Defense spending cuts and troop reductions on Fort Huachuca has impacted the City's revenue for several years, economic impacts are being offset by promoting tourism and growth in private business.

State-shared revenue continues to be a positive but diminishing influence on the revenue projections in FY17. The City saw a slight increase in state-shared revenue. As other cities in Arizona grow more rapidly than Sierra Vista, they will receive a greater share of state-shared revenues.

In FY16, the City increased fees in several categories to cover increasing operations costs. They include: library fines, dog adoption fees, police records fees, and ambulance fees. No fees were increased for FY18 budget year.



Personnel

Personnel costs continue to make up the largest expenditure category in the City budget. The City of Sierra Vista relies heavily on its personnel to deliver services. We remain committed to ensuring that we recruit and retain the best employees possible. Due to the budget challenges described above, the City continues to operate with minimal staff while maintaining a high level of performance.

The City Council voted to implement comprehensive classification and compensation plan changes in FY15, increasing the personnel budget by roughly \$1.5 million. These changes resulted in full time employee salaries adjusted to 100% of market pay for each position.

Personnel expenses increased one percent from FY17 to FY18 largely as a result of implementation of the 2015 classification and compensation plan, increases to the cost of the Public Safety Personnel Retirement System (PSPRS) and the minimum wage increase. In FY18, the City is adding two new positions and reclassifying two positions. These positions are located in library and Fire.

The minimum wage increase had a negligible effect on this budget.

Operations and Maintenance

Departments remain diligent in keeping operations and maintenance costs low, regularly seeking innovative solutions to accomplish this goal. For example, in FY16 the fleet services section of Public Works contracted out its inventory management to improve the parts purchasing process and reduce expenditures. In FY17, the City completed the new fuel management system that has streamlined operations.

The City will continue to find ways to stretch O&M resources through the use of technology, volunteers, and department of corrections personnel in an effort to avoid deferred maintenance on public facilities.

Capital

The City will complete a few capital projects in FY18. Some of the projects to be completed include:

- Cove Maintenance \$150,000
- Building Security Initiatives \$316,000
- Fry/Garden Avenue Design \$265,000
- Coronado Street Widening \$200,000



These capital projects are funded by a variety of sources including development fees, grants, and general fund revenue.

Annual Budget Process

The preparation of any budget must start with basic policies and principles. Ours include:

- Conservative revenue projections
- Presentation of a balanced budget
- Adequate general fund reserves

The objectives in the two-year Council strategic plan and input from the Citizens Advisory Commission drove preparation of this year's budget. This plan provides fundamental policy guidance for the budget.

After projecting and establishing a preliminary revenue base, City departments identified anticipated requirements for the upcoming year. Staff worked through a series of budget meetings to identify goals and prioritize expenditures following Council guidance.

Once staff completed a preliminary balanced budget, they met with the Mayor and Council Members in small groups. These meetings provided a forum in which they could focus on the details of the budget and ask questions of particular concern to them. The City Council held a series of public work sessions after the small group meetings which allowed the Council Members to discuss any revisions they wished to make in a public forum and finalize the tentative budget.

The tentative and final budgets, along with the City property tax levy were approved in accordance with the Arizona state mandated schedule.

Basis of Accounting

The City uses fund accounting to report on its financial position and the results of its operations. All governmental type funds (such as the General Fund, the Library Fund, the Capital Improvements Fund, etc.) use the modified accrual basis of accounting. This means we recognize revenues only when they become measurable and available, and we recognize expenditures when we incur the fund liability (when we commit to spend the money). Proprietary type funds (such as the Sewer Fund and the Refuse Fund) use the full accrual basis of accounting. In the latter case, we also recognize expenditures when we incur the fund liability, but we recognize revenues when they are obligated to the City (which can be before we actually receive them).



The City also uses a formal encumbrance system that commits funds for later payment and ensures that we cannot overspend those appropriations. Re-categorizing money to an encumbrance occurs when we commit to a purchase. Encumbrance money may not be spent on any other purchase.

The City Manager can make transfers along budget lines interdepartmentally if he deems it necessary and the cost of the item is under \$10,000. Transfers of appropriated expenditures over \$10,000, between funds, require Council approval by resolution. Transfer of appropriations within a fund does not require approval by the City Council.

The City uses an established internal control structure to protect our assets from loss, theft, or misuse and ensure that we comply with accepted accounting principles. We maintain budgetary control through an annual budget review and resolution approved by the City Council.

In all cases, when goods and services are not received by the end of the fiscal year end, the encumbrance expires.

The Comprehensive Annual Financial Report shows the status of the City's finances based on "generally accepted accounting principles" (GAAP). In most cases, this conforms to the City's basis of budgeting. Exceptions follow:

- a. Compensated absences liabilities expected to be liquidated with expendable available financial resources become accrued as earned by employees (GAAP) as opposed to being expended when paid (budget).
- b. Principal payments on long-term debt within the Enterprise Funds get applied to the outstanding liability (GAAP) as opposed to being expended (budget).
- c. Enterprise Funds capital outlay gets recorded as assets (GAAP) as opposed to expenditures (budget).

Budget Amendments

Per Arizona law, total expenditures cannot exceed the final appropriation after adoption of the preliminary budget. The City Council, by resolution, can amend the total appropriations for an individual fund; however, when one fund's total appropriation increases, another fund's total appropriation must decrease by an equal amount. The City Manager can approve the transfer of appropriations within funds. The City's computerized financial system tracks all transfers of appropriations.



Future Challenges

Economic uncertainty remains our most pressing challenge. The City Council continues to take the lead role in improving Sierra Vista's approach toward economic development with the hope of diversifying our dependence upon the presence of Fort Huachuca. The success of City economic development efforts requires partnering with many community organizations and taking advantages of opportunities to expand tourism and bring new business into the region.

Despite creating a few new positions in FY17, the City's staffing level remains very low, challenging our ability to meet the community service level expectations. We will continue to invest in technology and seek out process efficiencies in order to increase the productivity of our employees.

In FY18, the contribution rates to the Public Safety Pension Retirement System (PSPRS) continually increase and will likely continue increasing over the next several years. Deficiencies in PSPRS funding levels require additional contributions from the City in order to increase the system's funding levels and future solvency. The increased retirement system contributions negatively impacted available general fund resources to fund City operations.

Addressing the long-term water and other environmental needs of the community always presents an ongoing challenge. The City remains involved with the Gila River Adjudication with an eye towards concerns regarding the ultimate adjudicated groundwater allocations to both Fort Huachuca and the San Pedro Riparian National Conservation Area (SPRNCA).

The City of Sierra Vista continues its efforts to preserve its relationship with Fort Huachuca and assist in expanding the Forts related missions.

Conclusion

Despite Sierra Vista's new and ongoing challenges, the FY18 City budget continues to ensure a high level of service to the community. Our employees consistently rise up to meet our community's needs despite our current difficulties.

I wish to thank our departments for their cooperation in the development of this budget. It remains a pleasure and a privilege to serve the Mayor and City Council and the wonderful community they represent.

Respectfully Submitted,

Charles P. Potucek
City Manager



Sierra Vista (Spanish for "Mountain View") is a thriving community of 43,754 and serves as the regional center for southeastern Arizona. The City is approximately 75 miles southeast of Tucson, and boasts unique views of the Huachuca, Dagoon, and Mule Mountains. The San Pedro River serves as the City's eastern border. At an elevation of 4,623 feet, Sierra Vista enjoys a temperate year-round climate and abundant sunshine.

History

In 1877, the United States Army established Camp Huachuca to protect the settlers in the area. Five years later, the U.S. Army declared it a permanent post and renamed it Fort Huachuca. The post was the home base of the famed "Buffalo Soldiers" of the 9th and 10th Cavalry. The early mission of the post was to secure the southern border of the expanding United States. Several major commands now operate on Fort Huachuca, including the U.S. Army Network Enterprise Technology Command/9th Army Signal Command, the Army Intelligence Center and School, and the Electronic Proving Grounds.

The areas around Fort Huachuca were virtually unpopulated during those early years, except for a few small ranches spread along the San Pedro River and close to the mountains. A small community gradually began to grow east of the Fort. In 1956, this community was incorporated as Sierra Vista. Fort Huachuca was annexed by the city in 1971. Since its incorporation, Sierra Vista has steadily grown to encompass more than 130 square miles.



Activities and Attractions

Sierra Vista is the largest city in Cochise County and home to many cultural and community activities. The community also serves as a base camp for visitors exploring the surrounding attractions, history, and natural wonders.

Major annual events held in Sierra Vista include: the Cochise Cowboy Poetry and Music Gathering; the Cultural Diversity Fair; a spectacular Independence Day celebration; Oktoberfest; Savor Sierra Vista; Art in the Park; and several Christmas events including a lighted parade, multiple bazaars, Santa in the Park, Festival of Trees, and many others. In between these event pillars, residents and visitors alike enjoy regular music and arts programs, lectures, sporting events, guided tours, and more.



Nicknamed the "Hummingbird Capital of the United States," Sierra Vista attracts bird enthusiasts from all over the world to explore the Nature Conservancy's Ramsey Canyon Preserve, Garden Canyon, Brown Canyon Ranch, the San Pedro National Riparian Conservation Area (SPRNCA) and other nearby places to observe and photograph hundreds of different bird species. In fact, several bird and wildlife festivals are held in and around Sierra Vista each year, including Southwest Wings Bird and Nature Festival, Wings Over Willcox, and the Tucson Audubon Society Bird and Wildlife Festival.



Other outdoor sightseeing and recreational opportunities abound at nearby Bureau of Land Management Conservation Areas, state and national parks, and on the Coronado National Forest. Visitors travel to Sierra Vista to see the abundant prehistoric, historic, and natural attractions, including Clovis sites; a presidio abandoned by Spanish Conquistadors; several ghost towns; military, Native American, and Old West history sites; the ecologically significant SPRNCA and Ramsey Canyon Preserve; Coronado National Memorial; historic Fort Huachuca; and the spectacular Kartchner Caverns State Park. Mountain bicyclists and hikers are increasingly drawn to the abundant trail system throughout the Huachuca Mountains. In addition, motorcycle and road bicycle enthusiasts are discovering the hundreds of miles of relatively low-traffic roadways that crisscross this corner of Arizona.

Recreational facilities include conventional and disc golf courses, public tennis courts, pickle ball, numerous sports fields, and neighborhood parks, the Sierra Vista Aquatic Center ("The Cove") and several athletic clubs. Major service clubs, veterans groups, fraternal organizations, and the Chamber of Commerce are active in the city, along with more than 30 places of worship.

Governance

The City of Sierra Vista employs the Council-Manager form of government. The Mayor and six City Council Members are elected at-large in a nonpartisan election and serve four-year terms. Once elected, the Mayor and City Council Members are responsible for appointing the City Manager, City Attorney, and City Magistrate.

The City Council develops policies and directs the City Manager to implement those policies.



Mayor Rick Mueller

After serving three terms on the Sierra Vista Council, Frederick William "Rick" Mueller was elected to serve his second term as the Mayor in November 2014.

Rick's long and warm relationship with the community began when his parents returned to retire in Sierra Vista and he made the first of many visits starting in 1978. After serving his country in various leadership positions as an Army Field Artillery Officer, he retired from the Army in 1995 and settled in Sierra Vista.

He was born in the U.S. Territory of Alaska to Captain Harold W. Mueller M.D. and Mrs. M. Maxine Mueller R.N. The second of six "Army brats," Rick and his siblings grew up and went to school in many communities in the U.S. and Europe. After graduating from High School in Georgia, he attended the University of Nebraska on a four year Army ROTC Scholarship, graduating with a B.A. in Political Science and minors in History and English. He is an Honor Graduate of the Defense Language Institute (GREEK), a graduate of the Army Command and General Staff College, and has completed postgraduate work in Management.

Mayor Mueller currently serves as a member of the Executive Board, League of Arizona Cities and Towns; Commissioner, Arizona Military Affairs Commission; Board Member, Arizona Region Economic Development Foundation; Member, Community Advisory Council, Boy Scouts of America; Vice-Chairman, Upper San Pedro Partnership; Ex-Officio Member, Huachuca 50; and Director at Large, Sierra Vista Historical Society.

Rick has been active in many service, civic, and charitable organizations since moving to Sierra Vista. He has served as Chairman of the SEAGO Executive Committee, President of the University South Foundation, President of the Sierra Vista Rotary Club, and President of the 1200 Club. He is a member of the Huachuca Museum Society, Sierra Vista Symphony Association, MOAA, Honorary Member of the Sierra Vista Lions Club, and has served as a member of the Sierra Vista Citizens' Advisory Committee. He is an Eagle Scout, a member of the Order of St. Barbara, and regularly attends the Sierra Lutheran Church.



Mayor Pro Tem Alesia Ash

Alesia was elected to the Sierra Vista City Council in 2014, and appointed Mayor Pro Tem in 2017. She is currently the Council Liaison to the Commission on Disability Issues, Youth Commission, and Arts and Humanities Commission. One of the youngest elected officials in the state, Alesia has been committed to serving her community from early years on the Sierra Vista Youth Commission.

Alesia has served as Outreach and Constituent Services Representative in the Congressional District 2 Office under both Republican and Democratic leadership. In this role, she is tasked with engaging key stakeholders, to include the business and Fort Huachuca communities, and helping constituents of Sierra Vista and Cochise County resolve issues with federal agencies. This experience has afforded her the opportunity to gain a deeper understanding of the issues and opportunities impacting our community.

Alesia attended Sierra Vista Public Schools and graduated from Buena High School, earning an academic scholarship to Arizona State University (ASU). While attending ASU, Alesia interned for then-Congresswoman Gabrielle Giffords. She was later employed by the Arizona State Legislature and worked as a Congressional Aide in Downtown Phoenix. Alesia graduated from ASU with a Bachelor's of Science in Health Sciences, Health Policy. Upon graduation from ASU, Alesia chose to return to Sierra Vista to invest her education and professional experience in the community.

Alesia is honored to have been named a Flinn-Brown Fellow by the Arizona Center for Civic Leadership for the 2015 cohort of the Flinn-Brown Leadership Academy, and named a 2015 Community Luminary by the State of Black Arizona.



Council Member Rachel Gray

Rachel Gray was elected to the City Council in November 2012 and is a 16-year resident of Sierra Vista. Raised as a Pastor's daughter in the South, her passion for community service developed at a very early age. Rachel attended the University of Southern Mississippi, where she studied speech communication.

Rachel and her husband, Thomas, moved to Sierra Vista from Mississippi in 2001 when her husband was stationed at Fort Huachuca. Upon their departure from the Army, Rachel and her family decided to stay and make Sierra Vista their home. She and her husband have one son.

Council Member Gray has served the Sierra Vista community in many capacities--as a teacher, a realtor, and a volunteer. Over the past ten years, she has assisted local organizations, clubs, and charities in a variety of different ways through service and leadership. Since 2016, she has served as CEO of Premier Alliances, Inc., a Sierra Vista-based nonprofit organization with the mission of improving the lives of people with disabilities.

As a former small business owner, Council Member Gray has been involved with small business development and enhancement in Sierra Vista. She looks forward to continuing to serve the citizens of Sierra Vista during her term as a Council Member.

During her first two years as a Council member, Rachel served as the Council liaison to the Arts and Humanities, West End, and Youth Commissions. She currently serves as Council liaison to the Planning and Zoning Commission, and is a city representative to both Sierra Vista Metropolitan Planning Organization and the Upper San Pedro Partnership.



Council Member Gwen Calhoun

In 2010, Gwen was appointed to the Sierra Vista City Council and was elected to the position in 2012 and 2016. She has served as Council Liaison to the Commission on Cultural Diversity, the Environmental Affairs Commission, the Sister Cities Commission, and the West End Commission.

After a successful career in public school nursing and counseling, Gwen served in the Behavioral Health discipline as Southeast AZ Regional Director at the Community Partnership of Southern Arizona and also served as a counselor with Arizona's Children Association.

Gwen was selected to attend and graduated from the Flinn-Brown Leadership Academy in 2013, where the focus is building strong Arizona Civic leaders. She has served on the board of the Arizona Community Foundation Affiliate of Cochise for many years and is on the Arizona Community Foundation Board.

Gwen was most recently elected to the Arizona Town Hall Board. Additionally she serves on the board of the Southeast Arizona affiliate of the National Alliance on Mental Illness. Currently Gwen holds membership in the Sierra Vista South Rotary Club, and the local chapter of the NAACP. As a Sierra Vista city council member, Gwen is a member of and has attended several Arizona and National League of Cities and Towns and Arizona Town Hall conferences.

Her goals as a council member are to prepare Sierra Vista for a future where the community continues to have quality services that are as inviting to those who live there as they are to visitors, where members of the community believe in stewardship of the environment, and where city government is transparent and responsible to the citizens we serve.



Council Member Kristine Wolfe

Kristine Wolfe was born into a military family and grew up in Indiana, outside of Chicago. She received her B.A. from Valparaiso University, where she majored in political science. After graduating magna cum laude, she continued on to law school at the College of William & Mary in Virginia, where she received her J.D. in 2005. After graduation, she worked for the Commonwealth of Virginia as a prosecutor where she focused on Fourth Amendment issues as well as other cases such as Armed

Robbery and Murder. Due to her success, she was given a detail to the U.S. Attorney's Office, where she prosecuted firearms and drug offenders under Project Safe Neighborhood. She is very proud of her efforts to have helped make the City of Newport News a safer place.

Kristine came to Sierra Vista in 2013 because her husband (Eric Potvin) was active active duty military and assigned to Fort Huachuca. They fell in love with the people, the mountains, and the small town way of life, so they chose to make Sierra Vista their home.

Kristine was recently asked to serve as Vice President on the SEAHA (South Eastern Arizona Hospitality Association) board. She previously served on the West End Committee (2015-2016) and planned the 2016 West End Fair. She has participated in several volunteer clean up events in the West End as well as helped clean up the Coronado National Forrest. She also participates in several other clubs around the community.

Kristine also has a crazy black Labrador named Fish who sometimes pretends that she is a horse. In her spare time, she enjoys watching TV shows that her husband hates, reading, and having a glass of wine.



Council Member Robert Dewitt Blanchard

Robert (Bob) DeWitt Blanchard was born on the Philippine Islands while his father served a tour of duty in the Army. Bob, himself, later joined the Army and served two tours in Korea, two tours in Vietnam and two tours at Ft Huachuca, where he chose to retire in 1978. Bob served in the infantry and the Corp of Engineers and retired as the director of Facility Engineering.

Blanchard attended four different high schools, received his Bachelor's degree in geological engineering and his Master's degree from Texas A & M in civil engineering. As a resident since 1978, Bob worked for the City of Sierra Vista for ten years as an assistant city engineer, the superintendent of Public Works and retired as a building inspector.

Bob has spent eighteen years as a Sierra Vista city council member, four years as a board member on the Planning & Zoning Commission, and almost two years as a board member on the Parks and Recreation Commission. He is a member of the Employee Benefit Trust, and is council liaison to the Parks and Recreation Commission and Municipal Property Corporation. He is currently on his fifth council term.

Bob has four children and eight grandchildren dispersed throughout the United States. In his spare time, he enjoys gardening, specifically growing beautiful tomatoes, and peppers that he generously shares with his friends and colleagues.



Council Member Craig Mount

Craig Mount was elected to the City Council in 2014. Craig has been a resident of Sierra Vista since 2006 and was stationed here while attending Fort Huachuca's US Army Intelligence School in 2002.

Craig was born and raised in Houston, Texas, graduating from J. Frank Dobie High School in 1996. In 2001, he enlisted in the US Army following the 9/11 terrorist attacks as an active duty intelligence Soldier. He conducted Basic Training at Fort Jackson, SC, and Advanced Individual Training at Fort Huachuca, AZ. Craig was stationed at Fort Hood, TX and was assigned to the 1st

Squadron, 7th United States Cavalry. In 2004, the unit deployed in support of Operation Iraqi Freedom II and conducted operations in Baghdad, Iraq, returning home in 2005. He was then assigned to Intelligence Electronic Warfare Test Directorate at Fort Huachuca, AZ. He supported the operational test and evaluation of experimental technologies, and earned a Knowlton Award for his work conducting Counter-IED experiments. Craig left the US Army honorably in 2010 with a Meritorious Service Medal, Combat Action Badge, and other awards.

While serving in the military, Craig earned a Bachelor's of Science degree in Intelligence Operations and a Masters in Management from Wayland Baptist University (WBU). Since leaving, he completed a Master's in Public Administration from WBU, received Black Belt certifications in Six Sigma and LEAN Six Sigma from Villanova University, and his Project Management Professional (PMP) certification from Project Management Institute. Craig served as a Project Manager for nearly seven years, and now as Vice President of Business Operations for ICE, Inc., a large locally owned contracting firm. In 2017, he co-founded and currently co-owns Nemean Solutions, a Service-Disabled Veteran Owned Small Business specializing in Project Management. Since 2012, he has served as an Adjunct Professor for Wayland Baptist University teaching management and government courses to dozens of local students.

Craig serves as council liaison for the Sierra Vista Cultural Diversity Commission and the Library Commission. In 2014, he was active in the Proposition 408 campaign to repeal the Red-Light Cameras in Sierra Vista, which included the one of the largest ballot initiatives in the city's history and Election Day landslide repeal. He has supported resolutions that have protected our night skies, voted against higher taxes, relentlessly pursued the elimination of wasteful spending, voted against more regulations on local business owners, and introduced innovative ideas and solutions with the support of local economic and business community. In 2017, he wrote the Commission Empowerment Plan, worked with City Management to change city Fiscal Policy for the first time in nearly a decade, and coordinated the first ever Sierra Vista City Council Budget Town Hall.

In 2006, Craig married his wife and best friend Brittney Mount, moving to Sierra Vista a week after being married to start their lives together. They attend Calvary Chapel in Sierra Vista, have four local rescue dogs (Jill, Koda, Dodge, and Tank), and are often out enjoying the local and southern Arizona life, events, wine & food, and weather.



City Manager Charles P. Potucek

Charles P. Potucek was appointed City Manager of the City of Sierra Vista on April 1, 1996. He has worked for the city since September 1986 in several capacities including administrative analyst, budget analyst, and assistant to the city manager. Potucek holds both Bachelor of Science (B.S.) in Public Affairs and Master of Public Affairs (M.P.A.) degrees from Indiana University in Bloomington. Potucek spent the next eight years working in the private sector - as an industrial engineering technician for Johnson and Johnson Baby Products in Park Forest South, Illinois, as a sales engineer for New Park Drilling Fluids out of Denver, Colorado. Falling oil prices convinced Potucek to resume his education, and he returned to Indiana University in 1984 to begin work on his M.P.A. degree which he earned in May 1986. Shortly thereafter, his wife-to-be spotted an opening for his first position as an administrative analyst with the City of Sierra Vista and started in September of 1986.

During his 31 years of service to the city, Sierra Vista has experienced dramatic growth and has undergone significant change. Potucek's accomplishments include negotiating the agreement that brought the Mall at Sierra Vista; the Highway 90/92-Charleston Road commercial cluster; construction of the Environmental Operations Park; establishment of Sierra Vista as a founding member of the Upper San Pedro Partnership; construction of Avenida Cochise and Martin Luther King, Jr. Parkway; the development of the award-winning Sierra Vista transit system; the enhancement of the City's bond rating; and facilitation of improved citizen participation. Capital improvements accomplished during his tenure as city manager include the Sierra Vista Aquatics Facility (the Cove), Sierra Vista Public Library, the Pedro Castro Maintenance Center, our multi-use path system, renovation of the Ethel Berger Center, Nancy J. Brua Animal Care Center, Kiwanis Skate & Bike Court, Fire Station #3, expansion of the C. Reed Vance police facility and Centennial Pavilion. Potucek envisions Sierra Vista as a regional center for commerce, health care and education, a model for environmental programs, a technology center, and expanding upon its history as an outstanding public service provider. Above all, he wants Sierra Vista to become a place where children grow up and stay - instead of having to go elsewhere for educational and employment opportunities.

Potucek and his wife Maureen were married June 26, 1987 and have two children - Michael and Mark. Also, he is involved in a number of civic and religious organizations, including the local Chamber of Commerce, Convention and Visitor's Bureau, Rotary Club, and Immanuel Lutheran Church. He is also a member of the International City and County Management Association (ICMA) and the Arizona City/County Management Association.



Assistant City Manager Victoria Yarbrough

Victoria Yarbrough was promoted to Sierra Vista's Assistant City Manager in September 2017. Prior to this position, Yarbrough served as the Leisure & Library Services Director for Sierra Vista for six years. She also worked in libraries and recreation for the City of Douglas from 2007-2011, and at the University of Arizona Main Library in Tucson from 2005-2007.

Yarbrough functions as the organization's Chief Operating Officer and currently supervises all non-public safety operational and administrative departments, constituting a wide span of functions to include the library, leisure and recreation, planning, building inspection, fleet and facility maintenance, parks and grounds maintenance, streets, engineering, capital planning, wastewater, refuse, transit, the airport, human resources, procurement, information technology, the City Clerk's office, and intergovernmental relations for the City. She is involved in leading a variety of special projects such as community engagement efforts, development and management of the City Council's strategic plan, City-wide annexation efforts, and overseeing the City's legislative agenda.

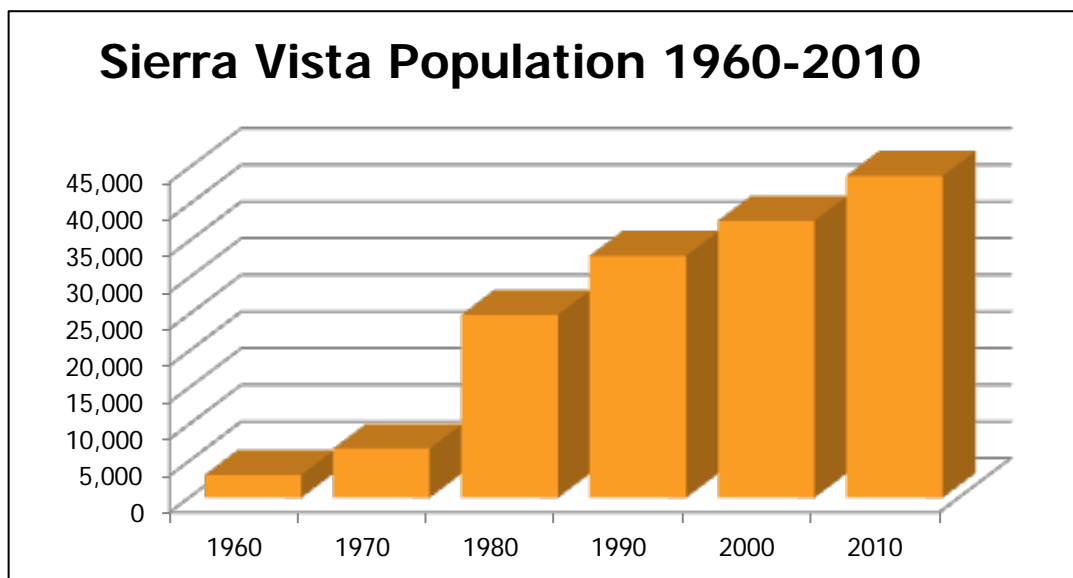
Yarbrough is an active member of the International City/County Management Association (ICMA) and a member of the Arizona City/County Management Association (ACMA). She holds a Bachelor of Arts degree in Political Science from the University of Pittsburgh, a Master of Arts in Library Science & Information Resources degree, and a Master of Science in Educational Technology degree, both from the University of Arizona. Yarbrough is originally from Pennsylvania, and has resided in Cochise County since 2004 when her husband, Eddie, was stationed at Fort Huachuca. When Eddie retired from the United States Marine Corps after 22 years of service in 2008, the couple was pleased to make Sierra Vista home.



Population

The City of Sierra Vista has been a growing community for more than 50 years. The City experienced very rapid population growth in its early years, increasing by 273% in the decade between 1970 and 1980. The City continues to expand today, providing new challenges and opportunities for local government.

Sierra Vista Population		
Year	Population	Percentage Change
1960	3,121	
1970	6,689	114%
1980	24,937	273%
1990	32,983	32%
2000	37,755	14%
2010	43,888	16%
2015	44,183	17%





Demographics

Gender	
Male	50.9%
Female	49.1%

Income (2015) ¹	
Less than \$10,000	7.3%
10,000 to \$14,999	4.6%
\$15,000 to \$24,999	8.0%
\$25,000 to \$34,999	10.0%
\$35,000 to \$49,999	13.0%
\$50,000 to \$74,999	19.7%
\$75,000 to \$99,999	14.3%
\$100,000 to \$149,999	15.1%
\$150,000 to \$199,999	4.9%
\$200,000 and more	3.0%
Median Household Income	\$59,091

Racial Composition	
Two or more Races	5.7%
One Race:	
White	74.5%
Black or African American	9.0%
American Indian and Alaska Native	1.1%
Asian	4.1%
Native Hawaiian/Pacific Islander	0.6%
Other	10.7%
Hispanic or Latino (of any race)	19.4%

Educational Attainment	
Less than 9 th grade	3.6%
9 th to 12 th grade, no diploma	3.4%
HS grad	18.9%
Some College, no degree	29.8%
Associates degree	12.9%
Bachelor's degree	20.0%
Graduate or professional degree	11.5%

Industry ²	
Public Administration	21.5%
Educational, Health, and Social Services	21.0%
Prof, Scientific, Mgmt, Admin, & Waste Mgmt	12.6%
Arts, Recreation, Accommodation and Food Svc	12.5%
Retail trade	10.8%
Other	21.6%

¹ US Census 2011-2015 American Community Survey 5-Year Estimates

² US Census 2011-2015 American Community Survey 5-Year Estimates

Cost of Living

The City of Sierra Vista's cost of living is comparable to other cities in Arizona, as shown by 2017 data from the Cost of Living Index³ prepared by the Council for Community and Economic Research (C2ER). The C2ER COLI compares the cost of groceries, housing, utilities, transportation, health care and miscellaneous expenditures in various cities. The table below shows the percentage difference in the pricing index between Sierra Vista and each individual city. The data indicates how much lower (represented by a negative number) or how much more expensive (represented by a positive number) Sierra Vista is in comparison to that particular commodity group of each city.

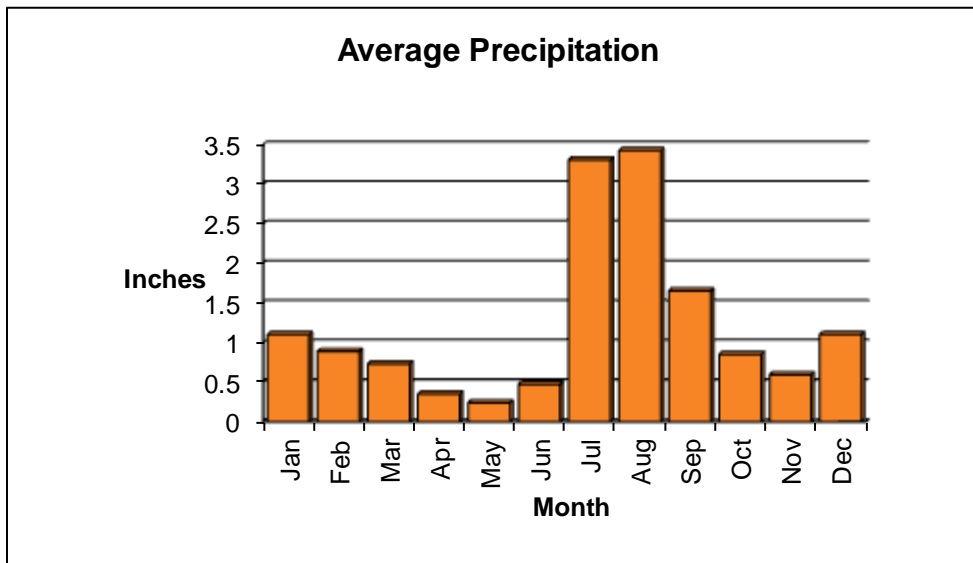
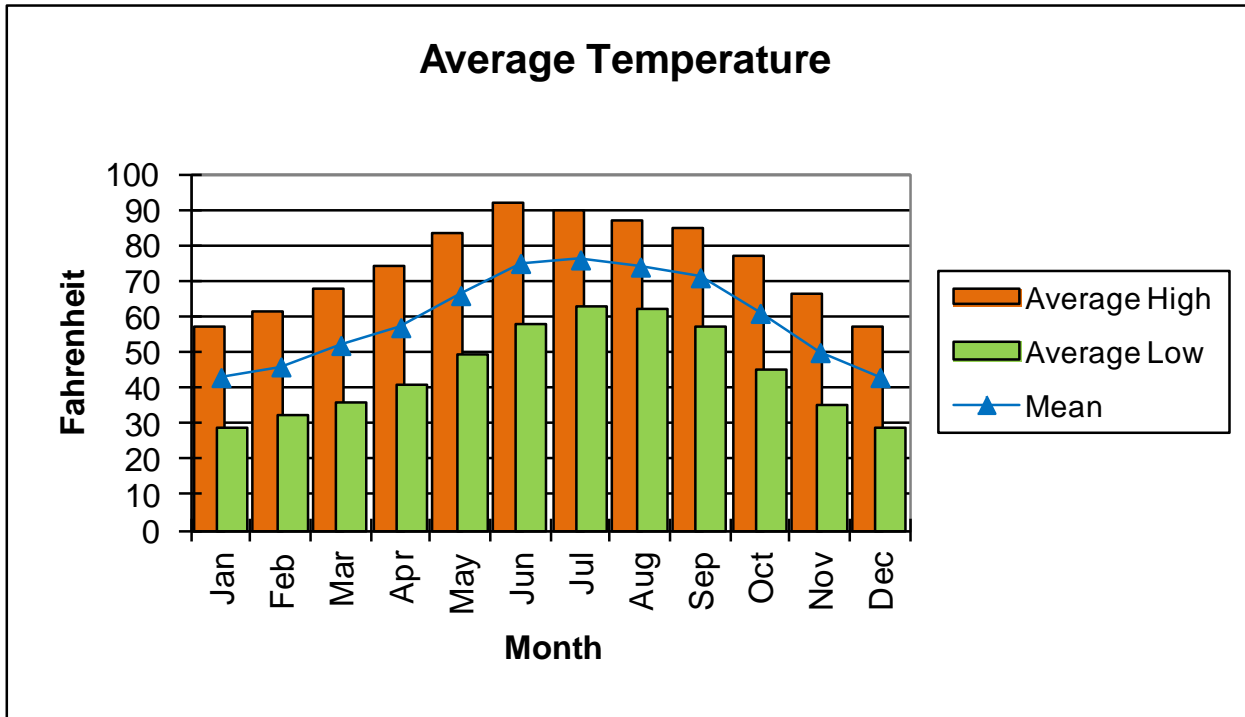
Sierra Vista To:	Phoenix	Flagstaff	Lake Havasu City	Prescott	Tucson
Groceries	7.35%	-.49%	6.23%	5.57%	2.51%
Housing	-7.54%	-34.37%	-17.09%	-15.63%	14.23%
Utilities	5.96%	-8.81%	2.84%	23.96%	10.70%
Transportation	2.34%	-6.34%	-8.64%	5.90%	2.24%
Health Care	-2.27%	-14.53%	-3.96%	-.53%	-5.30%
Miscellaneous	-3.10%	-8.50%	-5.40%	-1.70%	-8.20%
COMPOSITE	-1.50%	-18.50%	-7.10%	-2.10%	1.50%

Climate

The City of Sierra Vista is located at 4,632 feet. Residents and visitors enjoy moderate year-round temperatures. The chart below reflects 2016 average temperature.

Month	Average High	Average Low	Average Mean	Average Precipitation	Record High	Record Low
Jan	57°F	29°F	43°F	1.1 in.	81°F (1999)	12°F (1987)
Feb	61°F	32°F	46°F	0.89 in.	83°F (1986)	11°F (1985)
Mar	68°F	36°F	52°F	0.73 in.	91°F (1989)	23°F (1985)
Apr	74°F	41°F	57°F	0.35 in.	97°F (1989)	28°F (1999)
May	83°F	49°F	66°F	0.24 in.	102°F (2002)	38°F (2003)
Jun	92°F	58°F	75°F	0.47 in.	107°F (1990)	46°F (1991)
Jul	90°F	63°F	76°F	3.3 in.	108°F (1989)	56°F (2004)
Aug	87°F	62°F	74°F	3.42 in.	102°F (1995)	53°F (1992)
Sep	85°F	57°F	71°F	1.65 in.	98°F (1983)	45°F (1985)
Oct	77°F	45°F	61°F	0.85 in.	96°F (1983)	30°F (1996)
Nov	66°F	35°F	50°F	0.59 in.	85°F (1988)	19°F (2004)
Dec	57°F	29°F	43°F	1.1 in.	79°F (2007)	15°F (1987)

³ <http://www.coli.org/compare.asp>





Major Employers

Sierra Vista's Top 10 Employers, 2016 ⁴	
Employer	Fulltime Equivalent Employees*
U.S. Army Fort Huachuca	7,956
Sierra Vista Unified School District	707
General Dynamics Information Technology	623
Canyon Vista Medical Center	623
City of Sierra Vista	407
ManTech International Corporation	389
Cochise College	331
Engility Corporation	215
Lawley Automotive Group	181
Cochise County	135

*A fulltime equivalent (FTE) employee equals one fulltime employee or two part-time employees. For employers with multiple site locations, the number of FTE employees reflects only those employees reporting to work in Sierra Vista. Note: this list includes only those employers who responded to the CER's annual top employer survey. Source: Cochise College Center for Economic Research.

⁴ Cochise College Center for Economic Research 2017 Sierra Vista Economic Outlook



The Mayor and City Council adopted a Strategic Plan, “Our Future Vistas,” in 2017, directing the City’s current priorities. The Strategic Plan complements Vista 2030, the City’s voter-approved General Plan.

Strategic planning is important because it establishes a vision of where the City would like to be in 20 years and then set goals and objectives that will help the City get there. The plan gives the City a flexible roadmap to the future. Rather than base, our future on the trajectory of today, the hope of “Our Future Vistas” is to establish a vision for 20 years from now and steer the City to that vision.

Vision

Sierra Vista in 2030 is an attractive, vibrant and inviting place to live, work and visit. Our community, with its spectacular natural environment, mountain vistas, military heritage, and engaged citizens provides a big city experience in a small town atmosphere.

Residents celebrate the addition of a new town center that marks a renaissance in the City’s continued growth and development. The center serves as a gathering place for families and visitors with a variety of restaurants, arts and cultural activities, retail and nightlife in a safe, walkable setting.

Sierra Vista is a place where people are friendly and helpful, ideas are respected, and actions are taken based on collaborative input. We have a diverse population committed to developing and strengthening a healthy community and our citizen-centric city government operates with transparency.

The City’s economy is strong and diverse with varied employment opportunities. Fort Huachuca continues to be a key regional and state economic driver, as well as an important U.S. military asset. A strong community- supported economic development program has resulted in new, quality business and industry in Sierra Vista, providing family-wage jobs that retain our youth to stay and raise families of their own. Businesses choose Sierra Vista for our innovative and entrepreneurial spirit and because



they are regarded as valued members of the community. Cultural, convention, military, and eco-tourism also strengthen our economy, drawing visitors from around the world. The success of the regional hospital has spurred the expansion of a thriving cluster of medical firms that serve communities throughout southeast Arizona. Retail activity is healthy, with a mix of independently owned and chain stores in attractive commercial districts. The West End is an appealing community gateway that invites military personnel, visitors, and residents to live, dine, shop and relax in this diverse neighborhood.

We have a bright sense of community, fostered by well-planned, managed growth that fills in, rather than expands the borders of our city. Our attractive neighborhoods, abundant parks, and readily accessible multi-use paths provide both recreation and transportation alternatives. The busy teen center provides safe and fun activities for our community's young people.

Sierra Vista has excellent police and fire protection; dependable water, trash, and sewer service; and well-maintained public facilities, roads and airport. Emergency preparedness for natural or manmade disaster is a high priority. We protect and cherish our natural resources and have cooperatively developed creative conservation and landscaping solutions to moderate water use, and we have preserved our namesake mountain view. We consider community stewardship of the environment to be very important.

Sierra Vista is adjusting gracefully to growth in 2030 and is a delightful place to call home.

Mission

As stewards of the public trust, the City of Sierra Vista provides quality services and amenities through strategic and ethical leadership and is committed to building a strong, healthy, and vibrant community where its residents can prosper.

Organizational Values

- We serve and are accountable to the public
- We are all responsible for achieving success in the City's strategic focus areas
- We collaborate across City departments to achieve our goals
- We value and encourage public participation
- We embrace every opportunity for partnerships
- We strive for continuous improvement



Critical Success Factors

A. Economic Prosperity

Sierra Vista offers diverse employment options by successfully attracting new businesses, retaining and growing current ones, supporting Fort Huachuca, and attracting and retaining a quality workforce. Regional, national, and international tourism and trade are vital contributors to the local economy. Quality education at all levels prepares our youth and workforce for success.

B. Accountable, Collaborative, and Efficient City Government

The City returns a high value to taxpayers by providing quality and innovative services, programs, and facilities that exceed expectations while embracing community engagement and fostering effective partnerships.

C. Environmental Leadership

The City has a strong culture of environmental stewardship and is known as a leader in water and energy conservation efforts.

D. Well-Maintained Infrastructure and Facilities

The City maintains its infrastructure and facilities through effective resource allocation. Alternative funding sources are sought and maximized through new and existing partnerships. The City employs new technologies and analytical techniques to improve efficiencies and reduce costs.

E. Safe, Healthy, and Welcoming Community

Sierra Vista is a beautiful, inviting community with safe and appealing neighborhoods that welcome and support residents and visitors alike. The City provides professional, proactive, and innovative public safety and community services and prioritizes offering diverse recreation and wellness opportunities, programs, and infrastructure. Sierra Vista provides abundant open spaces and access to natural amenities to serve all ages.

Within that framework, Council then developed the following two-year goals and strategies.



Initiatives:

Strategic Focus Area A: Economic Prosperity

- A-1. Ensure a welcoming City development environment – people, resources, and processes.
- A-2. Advance a robust tourism attraction strategy.
- A-3. Build partnerships regionally, nationally, and internationally.
- A-4. Identify workforce needs and facilitate solutions.
- A-5. Support Fort Huachuca retention/expansion.
- A-6. Identify and mitigate barriers to workforce retention and business expansion.
- A-7. Revitalize older commercial areas of the community to attract expansion.

Strategic Focus Area B: Accountable, Collaborative, and Efficient City Government

- B-1. Proactively and effectively, tell the City's story in a way that highlights residents' experiences.
- B-2. Improve resident education, outreach, and engagement about City government through proactive and robust communication strategies.
- B-3. Highlight and advance innovative City programs.
- B-4. Establish short and long-term fiscal policies that meet community priorities and financial obligations.
- B-5. Attract and retain a quality municipal workforce.
- B-6. Continually evaluate to ensure City service delivery is aligned with community expectations.
- B-7. Foster an organizational culture that values employee and community collaboration.



Strategic Focus Area C: Environmental Leadership

- C-1. Determine how to continue/enhance recycling efforts.
- C-2. Identify/maximize additional water recharge and conservation opportunities, seeking partners to help fund.
- C-3. Increase community participation in clean up and beautification efforts.
- C-4. Explore alternative energy sources for City facilities.

Strategic Focus Area D: Well-Maintained Infrastructure and Facilities

- D-1. Explore additional funding opportunities for infrastructure maintenance.
- D-2. Develop an affordable Capital Improvement Plan based on documented needs.
- D-3. Investigate partnerships with other agencies to reduce infrastructure maintenance costs.
- D-4. Develop a capital-funding plan.

Strategic Focus Area E: Safe, Healthy, and Welcoming Community

- E-1. Facilitate partnerships to expand recreational and educational opportunities that ensure our community is aware of healthy lifestyle choices.
- E-2. Engage the community through a multitude of recreational choices, including special events, festivals, sports options, and parks.
- E-3. Identify roadblocks and opportunities to enhance community services and maintain quality neighborhoods.



The State of Arizona requires general plans in all municipalities to guide their future growth. Elements of the required plans vary according to the size of the community. Sierra Vista chose to include all the elements mandated by State law regardless of the City's size.

A general plan has guided the City since 1965. Over the years, Sierra Vista's general plan has contained the community's goals and strategies for the future in areas like land use, environment, transportation, and public services. The plan has provided the basis for development regulations and project funding. The General Plan authored in 1965 was produced by a consultant and includes standards, maps, and goals and objectives, many of which are still relevant.

The City's first revision to the 1965 plan was the 1985 VISTA 2000 General Plan. In drafting this new plan, the City staff created a planning process that encouraged community-wide participation and contributions by public officials.

The City Council adopted VISTA 2010 in 1995. The planning process for VISTA 2010 began with the Planning and Zoning Commission review of each goal, policy, and objective. City staff attended a variety of meetings with local service and business organizations to present information on the plan and adoption process. Additionally, staff held a series of public meetings to discuss the plan and receive community views. A major focus of VISTA 2010 was to create a user-friendly document, unlike the 500-page VISTA 2000. The adoption of VISTA 2010 reaffirmed a number of previously adopted specific plans, including plans for housing, surface water, sewers, fire protection, and the airport.

In 1998 and 2000 respectively, the Arizona State Legislature passed Growing Smarter (GS) and Growing Smarter Plus (GS+) that established new guidelines for general plan content and adoption. These new State guidelines caused the City of Sierra Vista to initiate a rewrite of their existing General Plan. VISTA 2020, ratified by voters in May 2003, conformed to the new requirements contained in GS and GS+.

In VISTA 2030, the newest revision of the plan approved by voters in November 2014, each element stands alone, as required by state law. However, all elements are interrelated; therefore, a holistic decision-making approach is fundamental to City action. Management and planning tools, such as modeling, forecasting, census analysis, and decision-trees, are beneficial to this type of integrated approach.

The following pages present VISTA 2030 and how "Our Future Vistas" strategic plan focus areas and initiatives relate to the VISTA 2030 goals.



Vista 2030 Goal	Strategic Plan Focus Area	Strategic Plan two-year Objective
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Element 1: Citizen Participation		
Goal 1.1: Increase citizen participation in the governmental decision process.	Accountable, Collaborative City Government	

Element 2: Land Use		
Goal 2.1: Develop a well-planned City	Safe, Healthy and Welcoming Community	
Goal 2.2: Coordinate with Fort Huachuca for all future City development	Accountable, Collaborative City Government	
Goal 2.3: Economic development shall be considered when planning future sites.	Economic Prosperity	Review and update the City's economic development framework to ensure direction is consistent with community priorities and opportunities
Goal 2.4: Consider environmental impacts when planning future sites.	Environmental Leadership	
Goal 2.5: Develop and implement aesthetic standards along all major roadways and gateways into the City.	Safe, Healthy and Welcoming Community	
Goal 2.6: Plan appropriate development of vacant State Trust Land located within the City.	Economic Prosperity	
Goal 2.7: Annex areas that provide the most benefit to the City as stated in the City's Annexation policy.	Accountable, Collaborative City Government	

Element 3: Transportation and Circulation		
Goal 3.1: A public transportation system that incorporates and encourages all modes of transportation.	Safe, Healthy and Welcoming Community	
Goal 3.2: Design roadways and	Well-Maintained	Using roadway



circulation patterns that enable efficient movement for all modes of transportation.	Infrastructure and Facilities	condition assessment data, develop a comprehensive pavement maintenance plan for City streets that maximizes efficiency, and identify a funding strategy to implement the plan
Goal 3.3: Meet or exceed ADA (Americans with Disabilities Act) requirements for public infrastructure and the public transit system.	Safe, Healthy and Welcoming Community	
Goal 3.4: Expand transportation choices that reduce reliance on single-occupancy vehicles.	Safe, Healthy and Welcoming Community	
Goal 3.5: Ensure that VISTA Transit meets the needs of the growing community.	Accountable, Collaborative City Government	Improve the efficiency of Vista Transit and focus service on those who need access to public transportation

Element 4: Open Space		
Goal 4.1: Identify potential open space land.	Environmental Leadership	
Goal 4.2: Obtain land for open space.	Environmental Leadership	
Goal 4.3: Provide stewardship programs to protect open space land.	Environmental Leadership	

Element 5: Growth		
Goal 5.1: Ensure growth areas are developed meeting community expectations.	Safe, Healthy and Welcoming Community	
Goal 5.2: Coordinate with other government agencies when developing	Accountable, Collaborative	



in the growth areas.	City Government	
Goal 5.3: Create strategies that ensure economic diversity within the growth areas.	Economic Prosperity	Build partnership regionally, nationally, and internationally

Element 6: Environmental Planning

Goal 6.1: Maintain a high standard of air quality.	Environmental Leadership	
Goal 6.2 Maintain a high standard of water quality.	Environmental Leadership	
Goal 6.3: Protect natural resources.	Environmental Leadership	Explore alternative energy sources for City facilities.

Element 7: Cost of Development

Goal 7.1: Update the analysis determining the fiscal and capital cost-revenue impact of new development.	Accountable, Collaborative City Government	Establish short and long term fiscal policies that meet community priorities and financial obligations
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Element 8: Water Resources

Goal 8.1: Participate in partnerships between local, state, and federal agencies and private water companies.	Accountable, Collaborative City Government	
Goal 8.2: Purchase local, private water companies, when feasible and available.	Accountable, Collaborative City Government	

Element 9: Conservation

Goal 9.1: Protect and conserve natural resources.	Environmental Leadership	Explore alternative energy sources for City facilities
Goal 9.2: Develop effective water management policy for City	Environmental Leadership	



government.		
Goal 9.3: Reduce water pumping from the aquifer.	Environmental Leadership	
Goal 9.4: Augment existing water supplies.	Environmental Leadership	
Goal 9.5: Establish effective partnerships with other public and private entities to advance water conservation.	Accountable, Collaborative City Government	
Goal 9.6: Provide educational programs and materials	Environmental Leadership	
Goal 9.7: Mitigate development impact on areas designated as wildlife corridors and sensitive vegetation.	Environmental Leadership	

Element 10: Parks and Recreation		
Goal 10.1: Increase designated parkland to meet City’s level of service (LOS) standard.	Safe, Healthy and Welcoming Community	
Goal 10.2: Design and develop sufficient parkland and facilities to meet the needs of the community.	Safe, Healthy and Welcoming Community	Facilitate partnerships to expand recreational and educational opportunities that ensure our community is aware of healthy lifestyle choices
Goal 10.3: Maintain parks and facilities to City standards.	Well-Maintained Infrastructure and Facilities	
Goal 10.4: Establish facilities and programs to meet the needs of Sierra Vista residents.	Safe, Healthy and Welcoming Community	Engage the community through a multitude of recreational choices, including special events, festivals, sports options, and parks
Goal 10.5: Improve interconnectivity	Safe, Healthy	



between the paved multi-use path system and parks.	and Welcoming Community	
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Element 11: Public Facilities, Services, and Public Buildings		
Goal 11.1: Provide high-level of city services and high-quality facilities.	Well-Maintained Infrastructure and Facilities	
Goal 11.2: Site new schools in appropriate locations.	Economic Prosperity	
Goal 11.3: Deliver high-quality customer service.	Accountable, Collaborative City Government	Continually evaluate to ensure City service delivery is aligned with community
Goal 11.4: Advance a business friendly approach to development.	Economic Prosperity	
Goal 11.5: Incorporate the natural environment, surrounding land uses, and community design standards when locating and developing public buildings and facilities.	Environmental Leadership	
Goal 11.6: Responsibly and intentionally, create a city that protects neighborhood vitality and improves community and economic development.	Economic Prosperity	Develop and implement strategies to educate, attract, and facilitate the growth of entrepreneurs and other small businesses within the community
Goal 11.7: Integrate the Surface Water Plan provisions into designs and construction of improvements and modifications to washes and drainage ways.	Well-Maintained Infrastructure and Facilities	
Goal 11.8: Comply with Cochise County's Regional Solid Waste Management Plan.	Accountable, Collaborative City Government	



Goal 11.9: Maintain an economical, environmentally safe, and efficient wastewater treatment system.	Well-Maintained Infrastructure and Facilities	Explore additional funding opportunities for infrastructure maintenance
Goal 11.10: Provide fire and emergency services protection that meet or exceed the National Fire Protection Association (NFPA) standards.	Safe, Healthy and Welcoming Community	
Goal 11.11: Provide public safety (police) protection that meets or exceeds the Commission on Accreditation of Law Enforcement Agencies (CALEA®) standards.	Safe, Healthy and Welcoming Community	
Goal 11.12: Provide quality library services.	Safe, Healthy and Welcoming Community	

Element 12: Housing and Neighborhoods

Goal 12.1: Promote quality affordable rental housing.	Economic Prosperity	
Goal 12.2: Promote quality affordable owner-occupied housing.	Economic Prosperity	
Goal 12.3: Improve understanding of property management and maintenance for homeowners and renters.	Safe, Healthy and Welcoming Community	
Goal 12.4: Continue enforcing the Neighborhood Enhancement Property Maintenance Program to encourage the quality, safety, and livability of neighborhoods.	Safe, Healthy and Welcoming Community	Identify road blocks and opportunities to enhance community services and maintain quality neighborhoods
Goal 12.5: Revitalize targeted areas.	Economic Prosperity	Revitalize older commercial areas of the community to attract expansion
Goal 12.6: Build strong neighborhoods.	Safe, Healthy and Welcoming Community	Identify road blocks and opportunities to enhance community services and maintain quality



		neighborhoods
Goal 12.7: Safeguard the condition and quality of the housing stock in order to maintain attractive and livable neighborhoods.	Economic Prosperity	
Goal 12.8: Increase housing choices that serve all age groups and needs.	Economic Prosperity	
Goal 12.9: Develop High-Quality Housing Developments.	Economic Prosperity	

Element 13: Redevelopment and Infill Development

Goal 13.1: Maintain, improve, and revitalize older areas of the community.	Economic Prosperity	Partner with the Sierra Vista Metropolitan Planning Organization to fund and construct Phase I of the Fry Boulevard Corridor and North Garden
Goal 13.2: Promote the Infill Incentive District Policy.	Economic Prosperity	
Goal 13.3: Promote the adaptive reuse of buildings.	Economic Prosperity	

Element 14: Safety

Goal 14.1: Mitigate or minimize the impacts of a disaster.	Safe, Healthy and Welcoming Community	
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Element 15: Economic Development

Goal 15.1: Update the <i>Plan for Prosperity</i> every five years.	Economic Prosperity	
Goal 15.2: Actively promote the growth and expansion of a strong and diverse regional economic base while collaborating with employers and educational organizations to improve the quality of workforce readiness and economic development.	Economic Prosperity	Review and update the City's economic development framework to ensure direction is consistent with community priorities and opportunities



Goal 15.3: Encourage opportunities for a diverse economy.	Economic Prosperity	Explore the possibility of partnering with other organizations to create a "maker space" that leads to employment or business creation
Goal 15.4: Make certain that private development is consistent with the City's environmental goals/concerns.	Environmental Leadership	
Goal 15.5: Make Sierra Vista the hub of tourist activities in southeastern Arizona.	Economic Prosperity	Advance a robust tourism attraction strategy

Element 16: Arts, Humanities, and Cultural Activities		
Goal 16.1: Create a climate where arts, humanities, and cultural activities flourish.	Safe, Healthy and Welcoming Community	

Element 17: Urban Design		
Goal 17.1: Make Sierra Vista a city distinguished by its orderly and aesthetic-character.	Safe, Healthy and Welcoming Community	
Goal 17.2: Develop a cohesive urban character that makes Sierra Vista a community unto itself.	Safe, Healthy and Safe, Healthy, Welcoming Community	
Goal 17.3: Provide a variety of housing types.	Economic Prosperity	
Goal 17.4: Develop a Town Center.	Economic Prosperity	



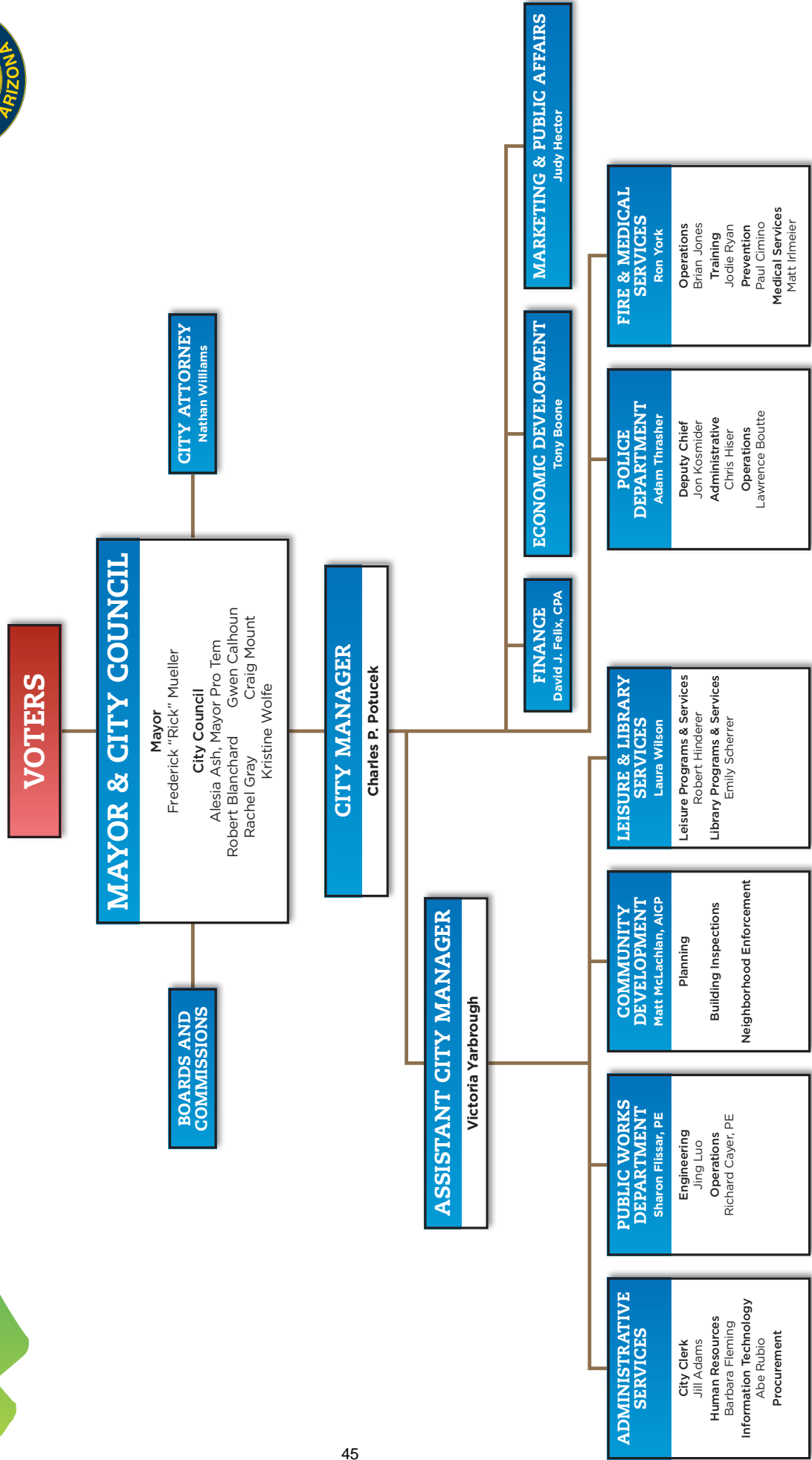
Schedule of Budget Process and State Mandated Deadlines

Action	Deadline
City Council retreat to establish priorities and review mid-year revenue analysis	January
Budget kick-off meeting with departments heads to disseminate instructions and worksheets	Mid-February
Initial department budget submittals due to Budget Officer	Mid-March
City Manager review of budgets, meetings with departments	Late March
Revenue projections finalized and presented to Council	Early April
Recommended Tentative Budget distributed to City Council	Late May
Individual budget meetings with Council Members	Early June
City Council Tentative Budget Work Sessions	Early June
City Council Adopts Tentative Budget	On or before the first Monday in July
Tentative Budget published once per week for two consecutive weeks in newspaper, including the time and place of the budget hearing and a statement indicating where the proposed budget may be examined.	Depends on budget adoption date and newspaper publishing dates
Receive from the county assessor certified property values necessary to calculate the property tax levy limit. Notify the Property Tax Oversight Commission within three days as to agreement or disagreement with the property tax levy limit.	On or before the tenth day prior to adopting the tax levy
Make the property values provided by the county assessor available for public inspection	Seven days prior to adoption of tax levy
Hold public hearing on budget and property tax levy. Convene special meeting to adopt final proposed budget	On or before the seventh day before the tax levy is adopted
Adopt property tax levy	On or before the third Monday in August
Forward certified copy of tax levy ordinance to county. Tax levy by the board of supervisors must be made on or before the third Monday in August – A.R.S. 42-304 a.)	On or before the third Monday in August



CITY OF SIERRA VISTA

CHART OF ORGANIZATION





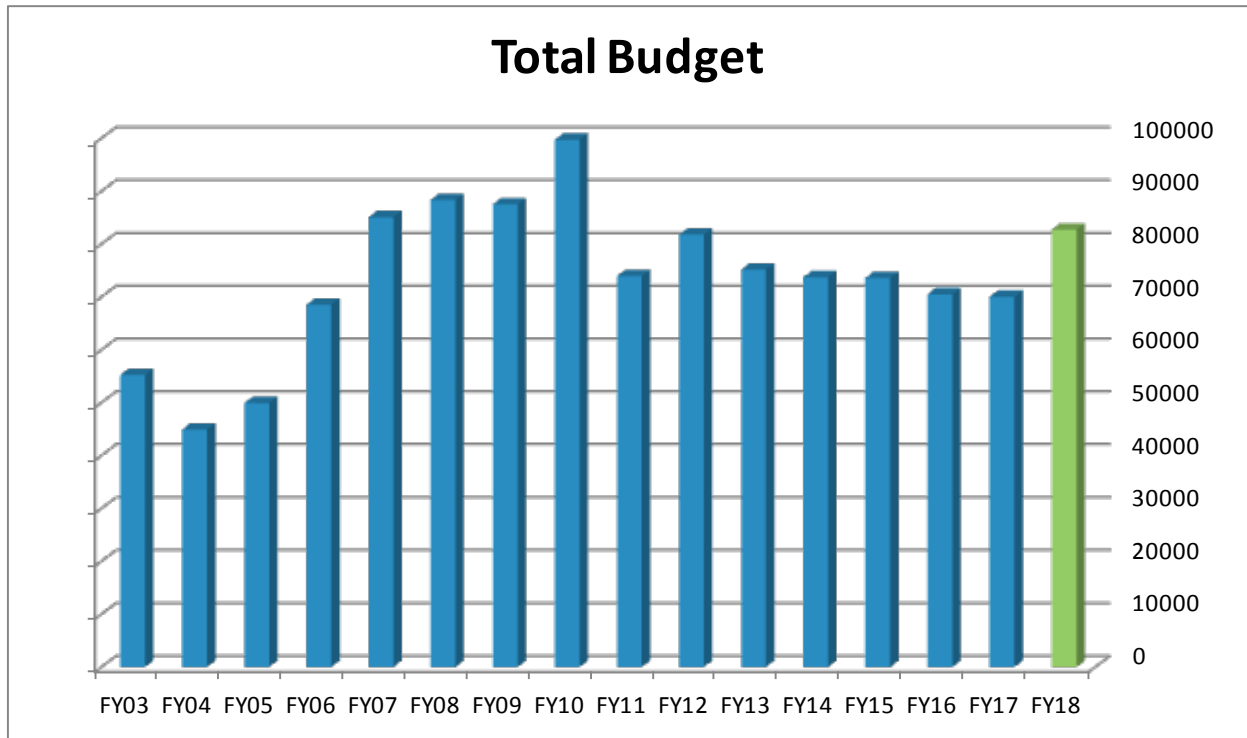
Budget Summary

The first part of this section provides an overview of the FY18 budget along with a summary of budgeting practices and principles. It continues with a summary of different revenue sources. The second part of this section provides a summary of expenditures by major category.

FY18 Overview

The Fiscal Year 2018 (FY18) budget increased 18.1% from Fiscal Year 2017 (FY17) due to bond refinancing and the proposed Fort ambulance agreement. Below is a table showing the total budget amounts for the last fifteen years, along with a graph depicting the changes over time? The City budget steadily increased from 2005 until 2008, when Sierra Vista and the rest of the United States experienced recession. Due to conservative budgeting and strict financial management, the City did not experience the same budget shortfalls that many others did around the country. Following the recession, the FY10 Budget was inflated due to one-time revenue of \$21.5 million in American Recovery and Reinvestment Act Funds. Since then, the City has continued to project revenue decreases and has budgeted accordingly. The City implemented budget reduction measures before adoption of the FY14 Budget. These measures included a hiring freeze, reorganizations, and a reduction in capital expenditures, which have continued in the years since. As a result, the FY18 budget reflects fiscal stability through conservative budgeting and ongoing efficiencies and reductions in operations and maintenance costs.

Year	Budget Amount	Change
FY03	\$ 55,207,924	0%
FY04	\$ 44,917,175	-19%
FY05	\$ 49,918,997	11%
FY06	\$ 68,526,036	37%
FY07	\$ 85,052,587	24%
FY08	\$ 88,330,664	4%
FY09	\$ 87,501,649	-1%
FY10	\$ 99,728,492	14%
FY11	\$ 73,919,307	-26%
FY12	\$ 81,758,371	11%
FY13	\$ 75,151,135	-8%
FY14	\$ 73,708,643	-2%
FY15	\$ 73,570,106	-0.2%
FY16	\$ 70,484,240	-4.2%
FY17	\$ 70,020,613	-0.7%
FY18	\$ 82,723,790	18.1%



The graph above shows the total budget expenditures from FY03 to FY18. City revenues, while low, are stable as Sierra Vista recovers from difficult economic conditions. Federal defense spending reductions following the Great Recession significantly impacted local sales tax collections because of the influence of Fort Huachuca on Sierra Vista’s economy. City revenue began to stabilize in FY14 due to an increase in State Shared Revenue (Highway User Revenue Fund, Income Tax, and Sales Tax) but stagnated overall due to a reduction in Local Sales Tax Revenue. For the upcoming fiscal year (FY18), local and state-shared revenues are projected to remain constant.

During the most difficult years of the recession, the City was able to balance its budget without laying-off a single employee, nor reducing any salaries. This year’s budget includes the classification and compensation plan that was adopted in 2015.



Developing the City's Annual Budget

The City of Sierra Vista uses a July 1st to June 30th Fiscal Year. This fiscal year is the same as the fiscal year used by the State of Arizona.

To start the budget process, the City estimates revenue for the coming year. The City reviews actual revenues from several past years, coupled with local, state and national economic projections of spending and cost data. The League of Arizona Cities and Towns prepares and presents estimates of specific State-shared revenue to the City. The estimates, provided by the State, tend to be fairly accurate and used as a comparison for the City's revenue projection. The City uses historical data along with current projections in order to prepare a more accurate revenue forecast.

After reviewing all of this information, the City develops an estimate of anticipated revenue for the coming year. Projections are made by combining a quantitative data review with subjective analysis that allows the City to incorporate current economic conditions.

Solid revenue projections ensure that the City allocates resources properly. This enables the City to provide the highest level of service to its citizens. If the City were to overestimate revenue, cuts may be required mid-year. On the other hand, if the City were to underestimate revenue, the City would not be providing the highest level of service possible to its citizens.

Budget Principles

In order to ensure that the City of Sierra Vista is able to maximize its ability to serve its citizens, the City uses a set of principles. These principles are used throughout the budget process.

1. Incorporate the Voters approved general plan.
2. Prioritize the accomplishment of City Council's Strategic Plan Initiatives.
3. Budget decisions will be made with long-term implications taken into account.
4. Focus on benefit to community as a whole.
5. Fiscally responsible decisions when making budget decisions.
6. Conservative revenue estimates to account for economic uncertainty.
7. Adequate general fund reserve levels.
8. Smart personnel management to not overextend available resources.
9. Maintain class and comp plan.
10. Balance the Budget without reserve usage.
11. Review enterprise fund operations to ensure value for ratepayers.
12. Plan for long-term maintenance cost of new and existing City facilities.
13. Use a consensus with Department Directors on necessary programs and projects.



14. City Manager makes final budget decisions for the recommended budget.

15. The City Council makes final budget decisions.

The City's General Plan serves as a guiding framework for the development of the Strategic Plan. The General Plan is the objectives and goals voted on by the community.

Incorporation of Strategic Plan

The FY18 Budget continues to incorporate the City Council's Strategic Plan Framework. The City is dedicated to completing the two-year initiatives and making progress on areas identified as critical success factors. City Council updated their Strategic Plan Framework in 2017; the FY18 Budget represents the first year of the current plan.

The strategic plan is broken into five critical success factor areas, with nineteen initiatives (objectives). These factors and initiatives form the priorities for the City to accomplish in a given budget year, and help to inform decisions regarding both funding and staff time.

Revenue by Major Category

In order to provide services for citizens, the City must raise revenue. The City currently estimates raising \$82,723,790 in FY18. The City raises revenue through many sources including taxes (both sales and property), user fees (fees to use a service, e.g., The Cove and Refuse), State-Shared Revenue, and grants. The City applies for and receives many grants, including grants for Public Safety, Airport and street maintenance. The Police Department has received specialized equipment through the grant process.

The City also receives money from donations and private grants. It is projected that the City will raise \$5,956,436 in donations and grants this year. These donations and grants include resources to many departments including the Library, Police, Parks, Leisure, and Public Works. The voluntary donations assist the City in maintaining services and buildings. Previous donations helped construct the Nancy Brua Animal Care Center and the Skate and Bike Court. Not all donations consist of monetary gifts from individuals or organizations. Some very large donations are projects such as roads which are paid for by another entity and donated to the City for maintenance. The full value of these donations are recorded as assets for the purposes of accounting and tracking depreciation in accordance with generally accepted accounting principles.

The table on the next page summarizes the amount of revenue budgeted in FY18 by major category. The largest revenue generators are the City Sales Tax, State-Shared Revenue, and Grants. These three categories comprise approximately 43 percent of the total revenue generated.



	FY17 Budget	FY18 Budget	% Change	FY18 % of Total
City Sales Tax	\$17,931,524	\$18,021,182	1%	21.78%
Property Tax	\$362,147	\$359,240	-1%	0.43%
Franchise Fees	\$1,325,000	\$1,325,000	0%	1.60%
Licenses & Permits	\$340,500	\$395,500	16%	0.48%
Grants	\$4,576,216	\$3,028,012	-34%	3.66%
Local Govt. Payments	\$481,096	\$2,742,241	470%	3.31%
State Shared Revenue	\$14,349,418	\$14,651,586	2%	17.71%
Health & Accident	\$4,319,000	\$4,319,000	0%	5.22%
Ambulance Fees	\$1,975,000	\$1,943,000	-2%	2.35%
Public Safety Fees	\$100,000	\$100,000	0%	0.12%
GMC Revenues	\$1,336,500	\$1,252,880	-6%	1.51%
Transit Fares	\$116,000	\$116,000	0%	0.14%
Airport Revenues	\$1,098,561	\$905,436	-18%	1.09%
Sewer Revenues	\$3,776,676	\$3,742,676	-1%	4.52%
Refuse Revenues	\$4,462,693	\$3,902,000	-13%	4.72%
Leisure Revenue	\$1,090,000	\$1,196,635	10%	1.45%
Planning Revenue	\$78,000	\$23,000	-71%	0.03%
Development Fees	\$373,472	\$0	-100%	0.00%
Investment Income	\$14,500	\$13,500	-7%	0.02%
Donations	\$3,062,424	\$2,928,424	-4%	3.54%
Sale of Fixed Assets	\$40,000	\$70,000	75%	0.08%
Notes Payable	\$1,804,500	\$16,718,000	826%	20.21%
Carryover	\$6,139,086	\$4,269,678	-30%	5.16%
Misc Revenue	\$868,300	\$700,800	-19%	0.85%
Total	\$70,020,613	\$82,723,790	18%	100.00%

City Sales Tax Package

The City of Sierra Vista uses a sales tax package to generate revenue for services. City Council voted to change the tax package in FY16 for the first time since FY07 by approving a .2% increase to both retail sales and use tax. The table below shows the different taxes levied by the City as well as the amount levied by the County and State. The percentages were increased to maintain a high level of City services, and invest in facilities maintenance, economic development, administrative efficiency, and neighborhood enforcement.

The Citizens' Advisory Commission studied the overall tax package level in FY15, FY12, and FY07. After recommending no changes in FY12, the Commission's FY15 study recommended several options for changes to the City sales tax structure. The Sierra



Vista City Council ultimately agreed on the modest increase to retail sales and use taxes, which took effect on November 1, 2015.

	City	State and County	Total
Retail Privilege (Sales) Tax	1.95%	6.10%	8.05%
Use Tax	1.95%	5.60%	7.55%
Restaurant/Bar	2.60%	6.10%	8.70%
Hotel/Motel	5.50%	6.05%	11.55%
Construction Contracting	2.45%	6.10%	8.55%
Rental of Real Property	1.00%	0.00%	1.00%
Utilities	2.00%	6.10%	8.10%

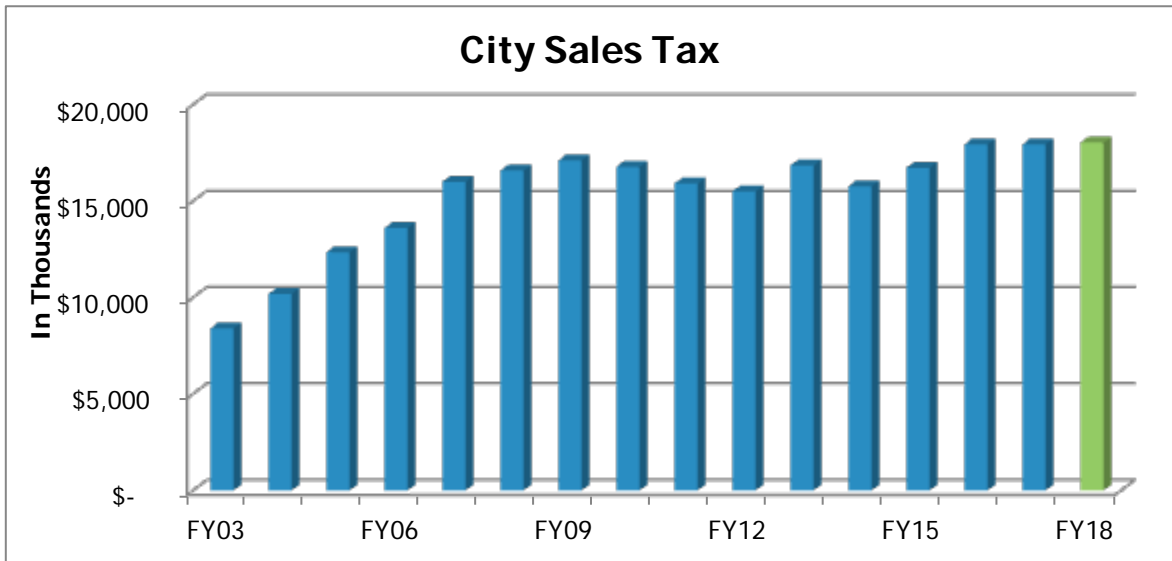
The City’s tax package contributes about 21 percent of the City’s total revenue. These taxes contribute about one-third of the total general fund revenue.

The City relies on a Retail Privilege (Sales) Tax for a large percentage of revenue raised through the City Sales Tax Package. The local sales tax collections appear to have recovered from a downward trend, with slight increases projected for the coming year in addition to the small rate increase. However, the City of Sierra Vista will continue to make conservative revenue projections because the long-term outlook for Department of Defense spending at Fort Huachuca remains uncertain given federal budget challenges.

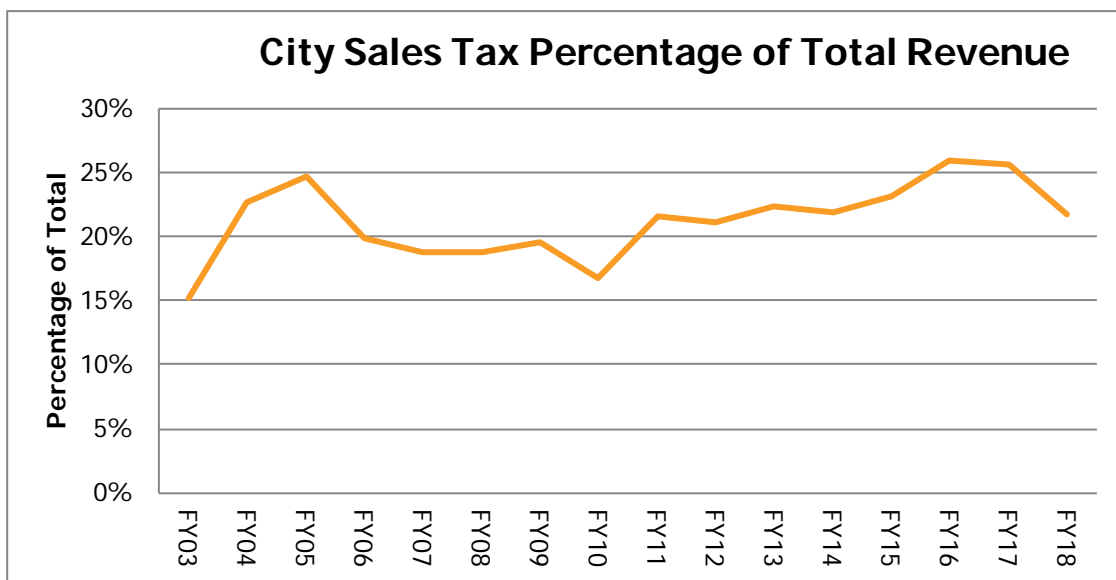
Of the total sales tax, one-half of one percent (0.5%) is designated for capital projects. This money is used for the construction and operations of major capital projects. The money is also used for major capital maintenance projects. For FY18, \$3,821,212 is projected to be set aside for these purposes.

Approximately five percent (5%) of the total city tax revenue comes from a 1% tax on the rental of real property.

The following graphs illustrate the overall revenue generated by the City Tax Package and the proportion of the City’s total revenue that the Tax Package generates for the last fourteen years, including the FY17 and FY18 budgets.



The City Sales Tax is not the only source of revenue for the City. The graph below depicts the percentage of the City's revenue generated by the City Sales Tax. With the decline in State-Shared Revenue in FY02-FY04, the percentage of revenue raised through the sales tax increased. The trend then declined from FY05 until FY10, when the City felt the impacts of the recession. Since FY10, the City Sales Tax has gradually become a larger portion of the total City revenue once again. In FY18, Sales Tax comprises roughly twenty-two percent (22%) of the overall revenue received.





Property Tax

The City levies a property tax. The property tax makes up a very small percentage (0.53%) of the City's total revenue. The current rate is \$0.1136 per \$100 of assessed value. This translates to a City property tax bill of \$11.36 per \$100,000 of assessed valuation. The City property tax rate has remained the same since FY13, while actual revenue received has decreased due to declining property assessment values.

Property taxes are limited in the amount of revenue that they can generate by state law. The aggregate Property Tax amount can increase only two percent each year. A city's property tax aggregate amount can increase more than two percent based on new construction. The City does not receive a large percent of its revenue from property taxes.

The City Council had the option to charge a Property Tax rate of up to 0.1608 in FY15 but chose to keep the levy rate at the FY13 level of \$0.1136. If the City increased the property levy to its maximum allowable, the City would collect an additional \$199,858.

State Shared Revenue

State-Shared Revenue is another source of revenue. The major types of State-Shared Revenue are sales tax, income tax, vehicle licensing tax, and gas tax (HURF).

	FY17 Budget	FY18 Budget	Change
Income	\$5,312,329	\$5,351,144	\$ 38,815
Sales	\$4,087,089	\$4,050,442	\$ (36,647)
HURF	\$2,950,000	\$3,150,000	\$ 200,000
Auto Tax	\$2,000,000	\$2,100,000	\$ 100,000
Total	\$14,349,418	\$14,651,586	\$ 302,168

Distribution of State-Shared Income Tax is based on population. Cities in the State of Arizona cannot levy an income tax, but the State allocates 15 percent of the total state income tax collected to incorporated municipalities using a formula approved by the Legislature. Each jurisdiction receives a percentage of the State revenue in direct proportion to the percentage of the total state population represented by that jurisdiction. As a result, if other Arizona cities grow faster than Sierra Vista, then Sierra Vista represents a smaller percentage of the total State population. If Sierra Vista grows proportionally faster than other Arizona cities, then the City receives a larger proportion of the available pool received by the State. The State Department of Economic Security develops population estimates.



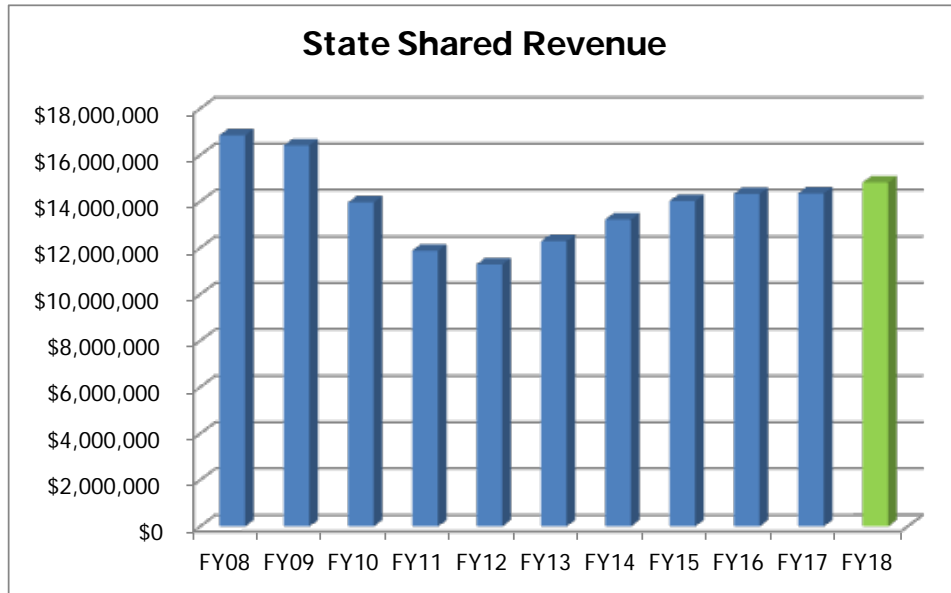
The City also receives State-Shared Sales Tax. Similar to the State Income Tax sharing, cities in Arizona share 25 percent of the overall base state sales tax collection based on a population formula.

Highway User Revenue Funds (HURF) are generated from a gas tax on each gallon of gasoline and diesel fuel sold in the state. This tax is also collected by the State, but redistributed back to Counties and Municipalities. HURF funds are restricted to being spent on the construction and maintenance of street operations. The concept of this funding source is to have those who drive on the streets (i.e., pay for fuel for their vehicle) pay to maintain and build those same streets. However, it is not a one-to-one relationship and the State funding is insufficient to cover all of the costs of building and maintaining the public streets in the City of Sierra Vista.

In FY18, the City anticipates receiving a small increase of State Shared Revenue from FY17. State Shared Revenue is the second largest revenue source to the City, contributing just over 17 percent of the total budget and just below 32 percent of the General Fund Budget.

The following chart and graph depict State-Shared Revenue from the last ten years. The City experienced a decrease in State-Shared Revenue following the 2010 census because Sierra Vista experienced a lower population growth rate than other Arizona cities. Since the revenue is distributed based on population, a change in population will affect the percentage that a City receives. State Shared Revenue collections have since increased for the past four years, but the City anticipates another decline following the next Census adjustments.

	State Shared Revenue	% Change
FY08	\$16,850,298	13%
FY09	\$16,413,186	-3%
FY10	\$13,955,564	-15%
FY11	\$11,882,753	-15%
FY12	\$11,290,654	-5%
FY13	\$12,284,953	9%
FY14	\$13,222,907	8%
FY15	\$14,015,003	5.7%
FY16	\$14,326,840	2.2%
FY17	\$14,349,418	0%
FY18	\$14,651,586	2.6%



Grants

In order to enhance and expand services provided by the City without tax increases, the City applies for and receives numerous grants each year. Police, Fire, Public Works, and Community Development receive the most in grant awards.

Grant revenue accounts for 3.6 percent of the total estimated revenue to be received in FY18. Grant-funded projects include economic development programs, fire and police equipment, airport capital improvements, and others.

Notes Payable

The City of Sierra Vista utilizes short-term financing to complete capital projects and also for the purchase of capital equipment. The City will raise \$16,718,000 in financing funds in FY18. The \$4,740,818 will be used to purchase fleet vehicles, 2 ambulances and other large vehicles. The remainder \$11,977,182 is budgeted to refinance the series municipal property corporation bonds. A full list of financed projects and equipment can be found in the debt section.



User Fees

User Fees cover a wide range of revenue. The following table displays a list of the fees and forecasted revenue. Sewer and Refuse fees are user fees but presented in another section.

	FY18	% of User Fee Revenue
Labor Charges	\$ 300,000	14%
Fluids Charges	\$ 315,000	14.8%
Other GMC Revenues	\$ 50,000	2.4%
Lease Revenues	\$ 19,200	0.9%
Hangar Lease Revenue	\$ 190,000	8.9%
Hangar Electrical Revenue	\$ 5,000	0.2%
Tie Down Lease Revenue	\$ 7,500	0.4%
Office Space Rental Revenue	\$ 7,500	0.4%
Delinquent Lease Fees	\$ 1,000	0.0%
Court Fees	\$ 20,000	0.9%
Court Fines	\$ 100	0.0%
Library Fines	\$ 15,000	0.7%
Performing Arts - Rec	\$ 45,000	2.1%
Kids World	\$ 445,000	20.9%
Rentals	\$ 115,000	5.4%
Aquatics	\$ 250,000	11.8%
Sports	\$ 89,000	4.2%
Classes	\$ 75,000	3.5%
Adult Trips	\$ 15,000	0.7%
Senior Programming	\$ 15,000	0.7%
Community Events	\$ 147,635	6.9%
	\$2,126,935	100.0%

Ambulance Fees

The City charges fees to the user of ambulance services. Expected revenue from the provision of ambulance services for FY18 is \$1,943,000. This is an increase of about \$168,000 due to a second EMS crew being added in FY18, but the overall amount was decreased based on actuals used from FY17. The EMS crew will transport patients to and from medical appointments, nursing homes and the Life Care center. Ambulance fees are separate from other user fees as a result of their unique identity. The City will continue an approved service charge for all EMS (911 Ambulance) calls requiring extensive treatment without transport.



Public Works Services

The City receives money from Public Works operations, which includes fleet and equipment maintenance provided for outside agencies. These are reflected as Labor, Fluid and other GMC revenues in the user Fee table.

Animal Control

The City charges a fee for adoption of animals. The adoption fees for dogs increased in FY16 from \$50 to \$75. The new fee increase is a result of cost increases at the Nancy J. Brua Animal Care Center.

Lease Revenue

The City also collects revenue from leasing property. The Airport charges fees to the users of the airport hangars. The City charges the users of the airport, not the general population.

Library Fines

The City charges library patrons a fine for late books. In FY16, library fines increased from \$.10 to \$.20 per day.

Fuel Revenue

The City charges outside users for their purchase of fuel. This includes fuel for vehicles as well as aircraft. The City receives a five cent flowage fee for all automobile fuel sales and a ten cent flowage fee for aviation fuel.

Leisure Services

Leisure and Library Services charges fee for activities. These fees include leisure classes, admission to The Cove, and ball field lighting.



Development Fees

Development Fees are charged on new development and are intended to pay for the increase demand that new development has on existing City infrastructure and services. These costs are not passed on to existing residents. The forecast for development fees is slightly lower for FY18. Development Fees contribute less than one percent of the total budget. The City is suspending the Development Fees for two years to help improve economic development beginning July 2018.

Enterprise Fees

User Fees are charged for the Sewer and Refuse Funds. These funds operate independently from the General Government Funds and are supported through charges for the service delivered.

The revenue received for these services cannot be used for general governmental purposes. The revenue must be held in the fund and can only be used to support services that are provided by the fund. This can include the purchase of equipment and vehicles necessary for the provision of those services (i.e., garbage trucks).

Miscellaneous Revenue

Miscellaneous revenue includes revenue received that does not fit into one of the above mentioned categories. Some examples of this revenue include revenue received for providing dispatch services (from Fry Fire District, Whetstone Fire District, and Palominas Fire District) and refunds on insurance deposits if risk performance is kept low.



Expenditures by Major Category

The City of Sierra Vista's budgeted expenditures total \$82,723,790 for FY18, \$12,703,177 more than the FY17 budget. The majority of the increase is attributable due to bond refinancing and the proposed Fort ambulance agreement. Capital Expenditures decreased by \$4,954,001, (43%) from FY17. Personnel expenditures increased by roughly one percent \$462,393 reflecting the maintenance of the classification and compensation plan, which brings employee salaries to 100% of market pay. The City's Operating and Maintenance expenses increased by ten percent, \$2,125,076. Almost all of this increase is due to a potential EMS intergovernmental agreement with Fort Huachuca.

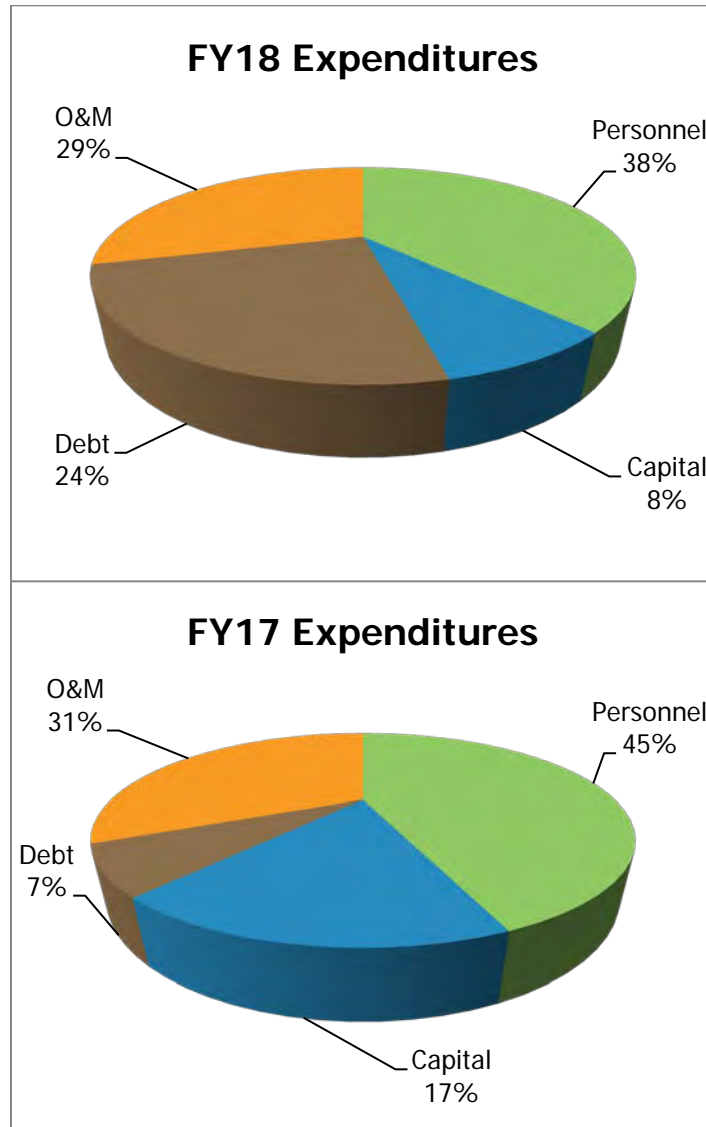
	FY17 Budget	FY18 Budget	Difference	% Change	% Total
Personnel	\$ 31,342,517	\$ 31,804,910	\$ 462,393	1%	38%
O&M	\$ 22,130,986	\$ 24,256,062	\$ 2,125,076	10%	29%
Capital	\$ 11,526,001	\$ 6,572,000	\$ (4,954,001)	-43%	8%
Debt	\$ 5,021,109	\$ 20,090,818	\$15,069,709	300%	24%
Total	\$ 70,020,613	\$ 82,723,790	\$12,703,177	18%	100%

The following table provides an overview of the percentage of expenditures by category from FY09-FY18. Debt currently makes up seven percent of the City expenditures. Capital Expenditures make up 10 percent. These are expenditures that reinvest money back into the community through construction or equipment acquisition. The percentage of the budget expended on Personnel has fluctuated since FY09 and currently comprises 38 percent of the total budget. Operations and Maintenance (O&M) comprises 29 percent of the total budget.

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Personnel	34%	30%	37%	33%	37%	36%	38%	43%	45%	38%
Capital	35%	37%	30%	36%	30%	27%	28%	18%	17%	8%
Debt	8%	8%	7%	6%	7%	7%	7%	7%	7%	24%
O&M	24%	25%	27%	26%	27%	30%	28%	32%	31%	29%

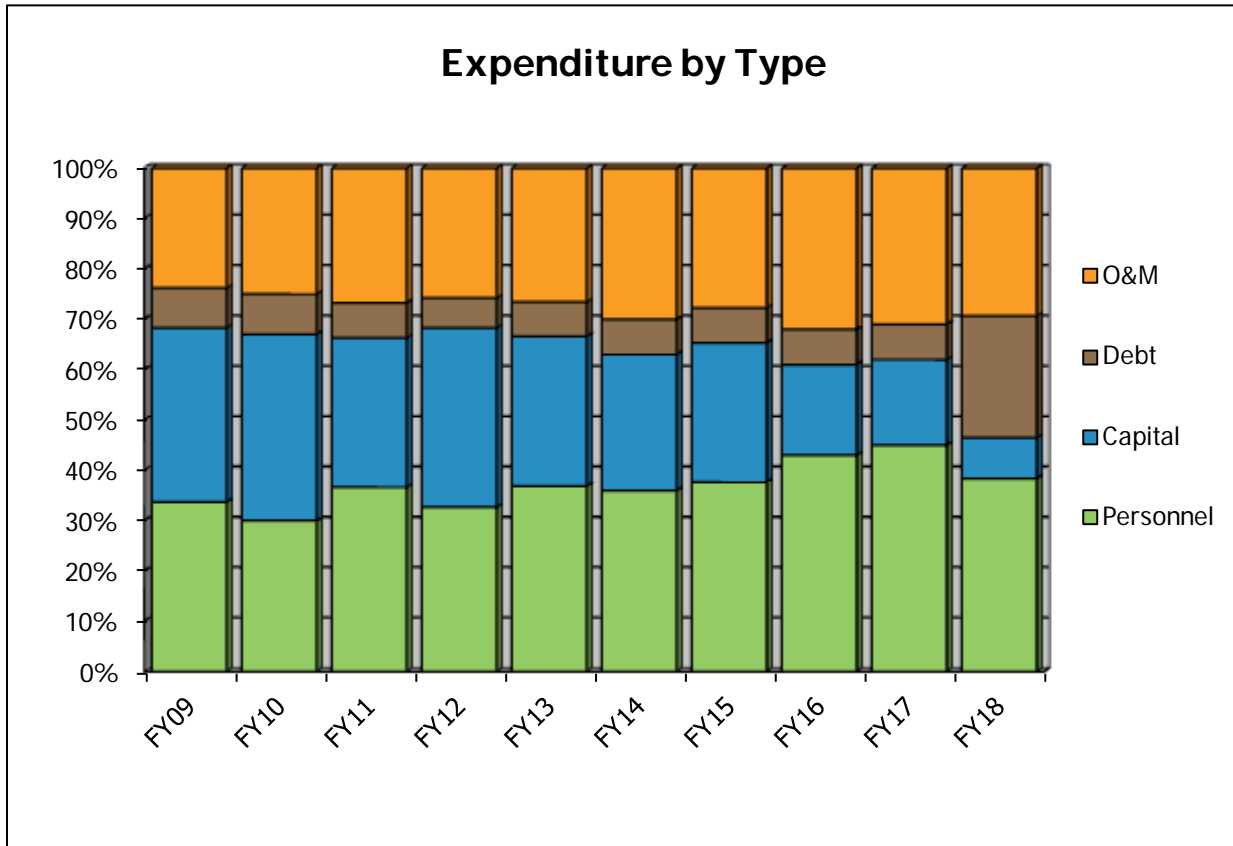


The graphs below depict the percentage of total budget, per major category, for FY17 and FY18. The shift in higher debt is largely a result of the refinance of the series municipal property corporation bonds.





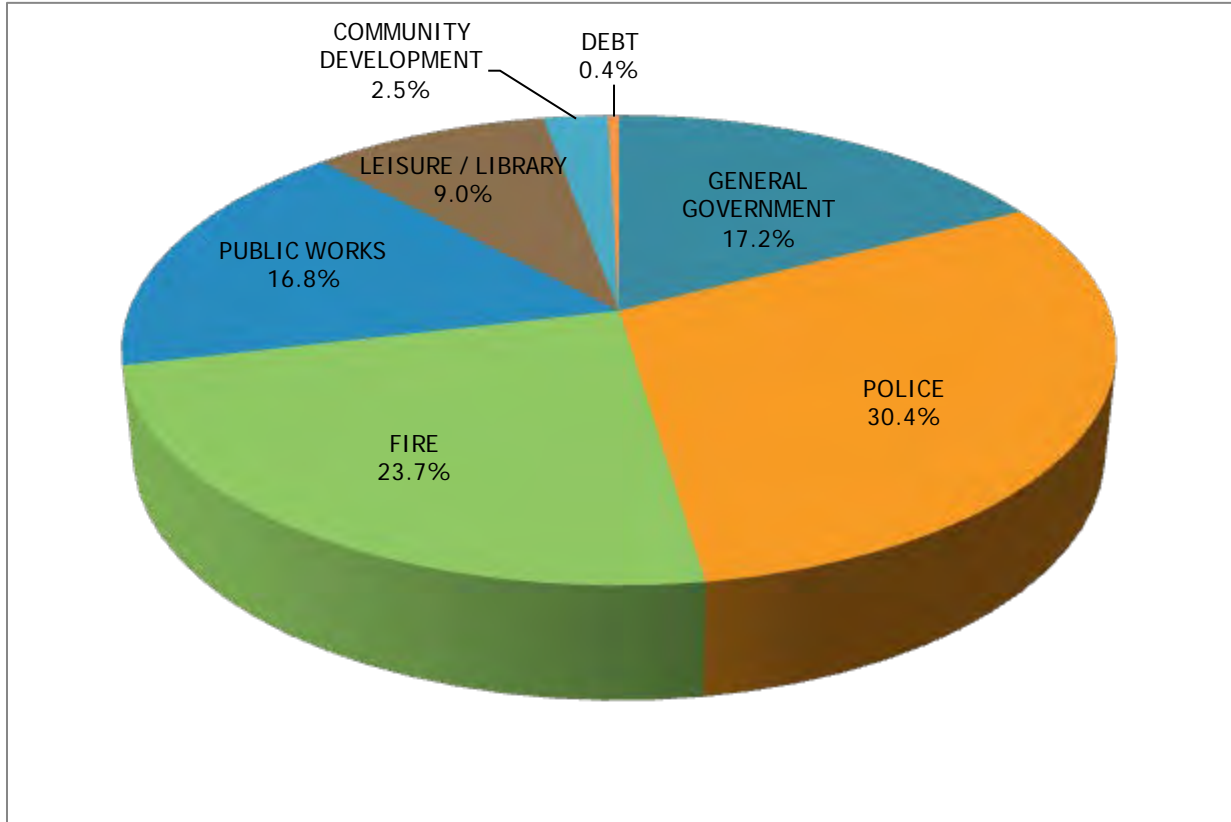
The graph below depicts the percentage of total expenditures by category for FY09-FY18.





General Fund Expenditures

The largest and most flexible City fund is the General Fund. The General Fund provides services including Administration, Communications and Marketing, Public Works, Leisure and Library Services, and Public Safety. FY18 General Fund expenditures total \$36,698,521. The chart below illustrates the FY18 General Fund budget percentage by major category.



The largest percentage of general fund expenditures is Public Safety (Police and Fire) representing 54% of the total expenditures in the General Fund. The next largest expenditure occurs in General Government (17.2%), followed by Public Works (16.8%), and then Leisure/Library, Community Development and Debt.

The chart on the next page shows the percentage of the General Fund for each department since FY10.



Percentage of General Fund Expenditures by Department

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
General Government	22%	20%	19%	21%	19%	20%	15%	19%	17%
Police	29%	28%	28%	29%	30%	32%	31%	32%	30%
Fire	15%	15%	15%	16%	15%	17%	17%	19%	24%
Public Works	17%	16%	21%	20%	22%	20%	19%	18%	17%
Leisure & Library	10%	16%	13%	12%	11%	10%	11%	10%	9%
Community Development	4%	3%	3%	3%	3%	2%	3%	3%	3%
Debt	3%	2%	1%	1%	1%	0.4%	0.3%	0.3%	0.4%

Personnel

The City is primarily a service organization, and personnel are critical to providing services. Hiring and retaining top employees remains one of the City’s top priorities.

Personnel expenses increased one percent from FY17 to FY18 largely as a result of implementation of the 2015 classification and compensation plan and large increases to the cost of the Public Safety Personnel Retirement System (PSPRS). In addition, the City relies heavily on volunteers and Department of Correction personnel to reduce personnel expenditures where possible.

As demonstrated by the chart on the following page, Personnel Expenses consistently grew from FY04 to FY09. The City then implemented a non public safety hiring freeze in FY09, meaning the City did not fill positions when they become open, with the exception of positions that generate revenue or are vital to basic City operations. The hiring freeze allowed the City to avoid roughly \$3 million in personnel expenses for several years. The freeze also resulted in City employees having to take on additional tasks and seek efficiencies to compensate for the loss of positions. In FY18, the City is upgrading the library circulation coordinator, and adding a second EMS transport crew. These positions are located in Library and Fire.



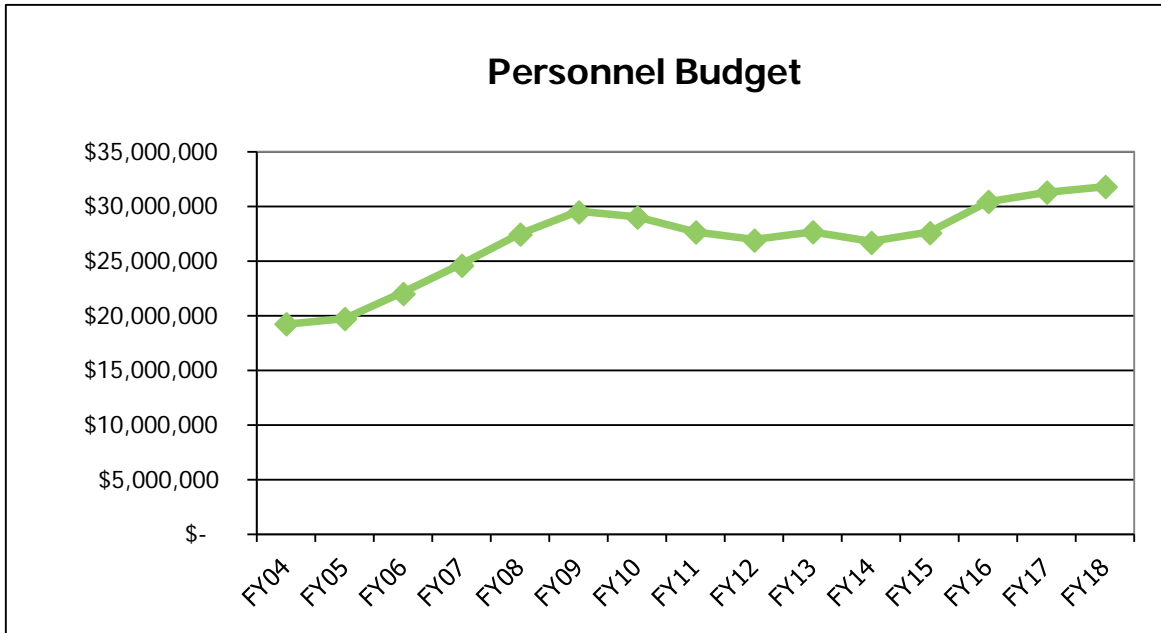
	Personnel Budget	% Change
FY04	\$ 19,303,184	0%
FY05	\$ 19,778,813	2%
FY06	\$ 22,064,958	12%
FY07	\$ 24,649,386	12%
FY08	\$ 27,498,627	12%
FY09	\$ 29,529,921	7%
FY10	\$ 29,055,856	-2%
FY11	\$ 27,697,934	-5%
FY12	\$ 26,950,101	-3%
FY13	\$ 27,714,442	3%
FY14	\$ 26,741,763	-4%
FY15	\$ 27,634,917	3%
FY16	\$ 30,481,244	10%
FY17	\$ 31,342,517	3%
FY18	\$ 31,804,910	1%

The FY18 budget includes maintenance of the classification and compensation adjustments that took effect in August 2015. This adjustment is intended to bring all employee salaries to 100% of the market pay for the position. This adjustment will provide relief to city employees whose wages have stagnated for many years.

In addition to the classification and compensation plan, personnel costs have grown in FY18 as a result of increases of the City's contribution to the State's Public Safety Personnel Retirement System.

Since FY08, the City has seen its self-funded health insurance program cost effectively managed through a change to a new third party administrator. The insurance takes advantage of the Blue Cross Blue Shield of Arizona network and provides an excellent level of service to employees and their families. The insurance trust fund has been healthy over the past several years, but a downward trend indicated that some premium changes needed to be made to continue to keep it that way in FY17. The City implemented a modest increase in the family rate beginning July 1, 2017 and an increase in office visit co-payments. There is no change in the FY18 budget. The City provides all full time employees with health care at no cost to the employee. The administrator will continue to monitor and analyze participation and claims as well as new federal laws associated with the Affordable Health Care Act, recommending premium or other plan management changes as needed.

The graph below depicts the change in total budget dollars for personnel the last fourteen years.



Capital

Capital projects are defined as those that cost over \$5,000 and have a useful life longer than one year. The City will complete several capital projects in FY18. These include yearly capital street maintenance and year three of the police Crown Victoria replacement. These are just two of the improvements, a full list can be found in the capital section.

The table on the following page shows the changes in total capital expenditures from FY04-FY18. The amounts fluctuate considerably from year to year depending on potential grant funded capital projects. The FY18 budget decreased substantially \$4,954,001 from the FY17 budget. Many capital requests were cut from the tentative budget in order to balance the general fund because capital grant matches were not available.

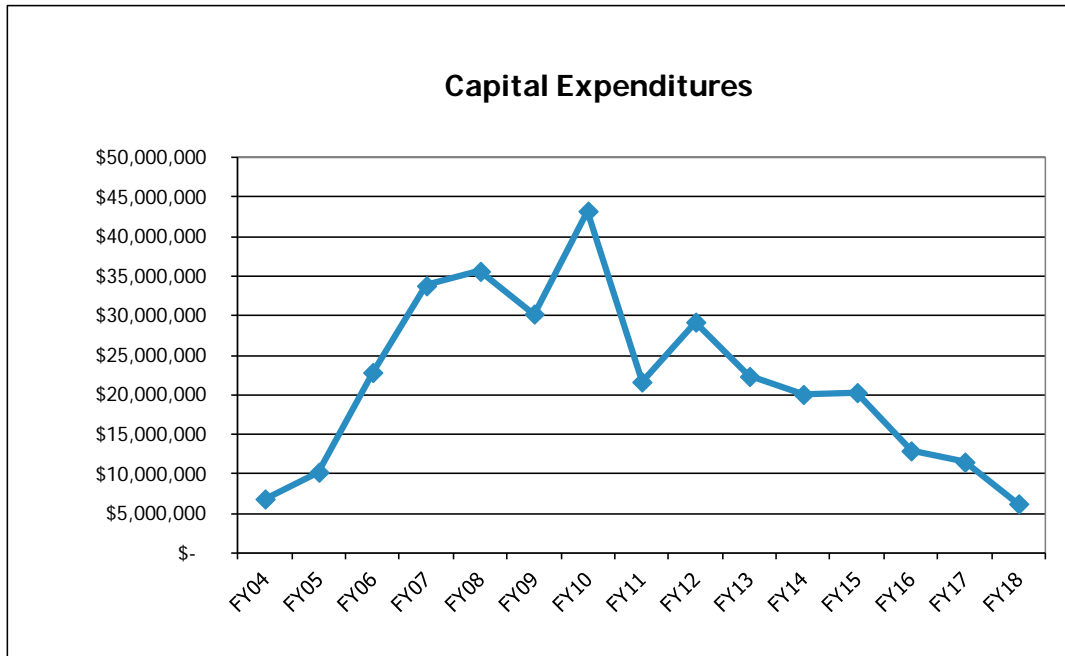
The Five Year Capital Replacement plan is displayed in the back of this budget book. The items that were funded are on pages 125 and 302.



	Capital Budget	% Change
FY04	\$ 6,861,021	0%
FY05	\$ 10,244,571	49%
FY06	\$ 22,850,167	123%
FY07	\$ 33,814,025	48%
FY08	\$ 35,637,431	5%
FY09	\$ 30,239,735	-15%
FY10	\$ 43,249,715	43%
FY11	\$ 21,652,883	-50%
FY12	\$ 29,221,789	35%
FY13	\$ 22,350,914	-24%
FY14	\$ 20,071,848	-10%
FY15	\$ 20,308,990	1%
FY16	\$ 12,941,640	-36%
FY17	\$ 11,526,001	-11%
FY18	\$ 6,572,000	-43%

The capital section found later in this document includes the costs associated with new capital projects. Capital Projects include large one-time expenses along with the ongoing operating and maintenances expenses for the life of the project. Ongoing O&M expenses for capital projects are an important consideration to maintain the long-term financial health of the City. The City analyzes the ongoing O&M expenses by fund. This allows the City to plan for the cost in each fund.

The graph on the following page shows the fluctuation of capital expenditures since FY04.



Debt

The City borrows money to provide a high level of service to its citizens. One of the City Manager's top priorities continues to be the reduction of debt. Reducing debt remains important for a number of reasons. Reducing debt allows the City to spend money on additional capital projects that incur debt service, and helps the City ensure the availability of additional capital access in future years. In FY18, the City's debt increased due to the refinancing of the series municipal property corporation bonds, which will actually save the City money over the next few years.

The following illustrates the total debt service, and percentage change in debt for the last ten years.

	Debt Budget	% Change
FY09	\$ 6,655,707	
FY10	\$ 6,227,559	-6%
FY11	\$ 4,894,543	-21%
FY12	\$ 4,512,635	-8%
FY13	\$ 5,133,063	14%
FY14	\$ 5,016,872	-2%
FY15	\$ 5,000,900	-0.3%
FY16	\$ 4,771,863	-4.9%
FY17	\$ 5,021,109	0.4%
FY18	\$20,090,818	321.0%

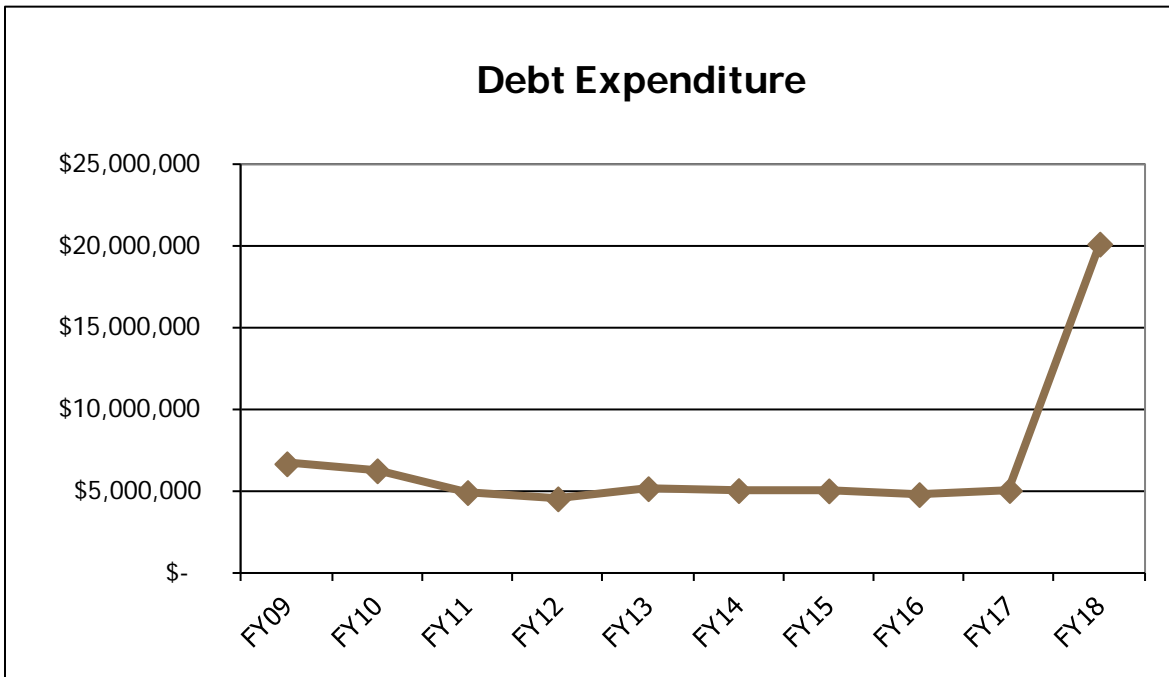


The City's current bond ratings include:

- Standard and Poore 'AA'
- Fitch 'A'
- Moody's 'A3'

Level "A" ratings are considered investment grade ratings. The higher the rating, the lower the interest rate on debt issuances.

These ratings affect the borrowing rate for the City. The rating agencies reviewed the City's Bond rating prior to the issuance of the current bonds. The graph below shows the amount of debt expenditures from FY09-FY18. In FY18, the City's debt increased due to the refinancing of the series municipal property corporation bonds, which will actually save the City money over the next few years.



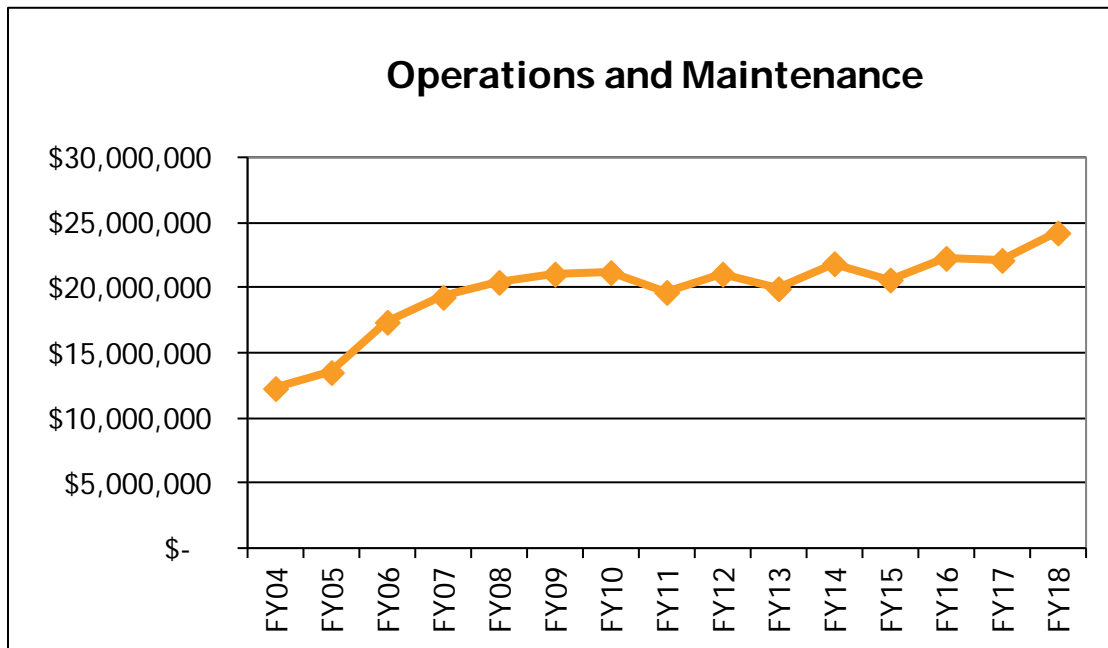
Operations and Maintenance

Operations and Maintenance (O&M) expenses include the costs associated with operating City services, maintenance of buildings, electricity, professional services, water, telephone, etc. O&M costs can escalate quickly if not properly planned. O&M had increased from FY04 to FY10 before a decrease in FY11 and fluctuations in all subsequent years. Just as they are every year, City Departments were integral in ensuring that the City could present a balanced budget for FY18 by recommending O&M reductions where possible. The increase in O&M for FY18 is largely due the



potential Fort EMS IGA agreement. The table and graph on the following page show the percent change in the O&M budget since FY04

	O&M Budget	% Change
FY04	\$ 12,286,305	0%
FY05	\$ 13,516,816	10%
FY06	\$ 17,379,391	29%
FY07	\$ 19,294,504	11%
FY08	\$ 20,446,715	6%
FY09	\$ 21,076,286	3%
FY10	\$ 21,195,362	1%
FY11	\$ 19,673,947	-7%
FY12	\$ 21,073,846	7%
FY13	\$ 19,952,716	-5%
FY14	\$ 21,878,160	10%
FY15	\$ 20,625,299	-6%
FY16	\$ 22,289,493	8%
FY17	\$ 22,130,986	-1%
FY18	\$ 24,256,062	10%



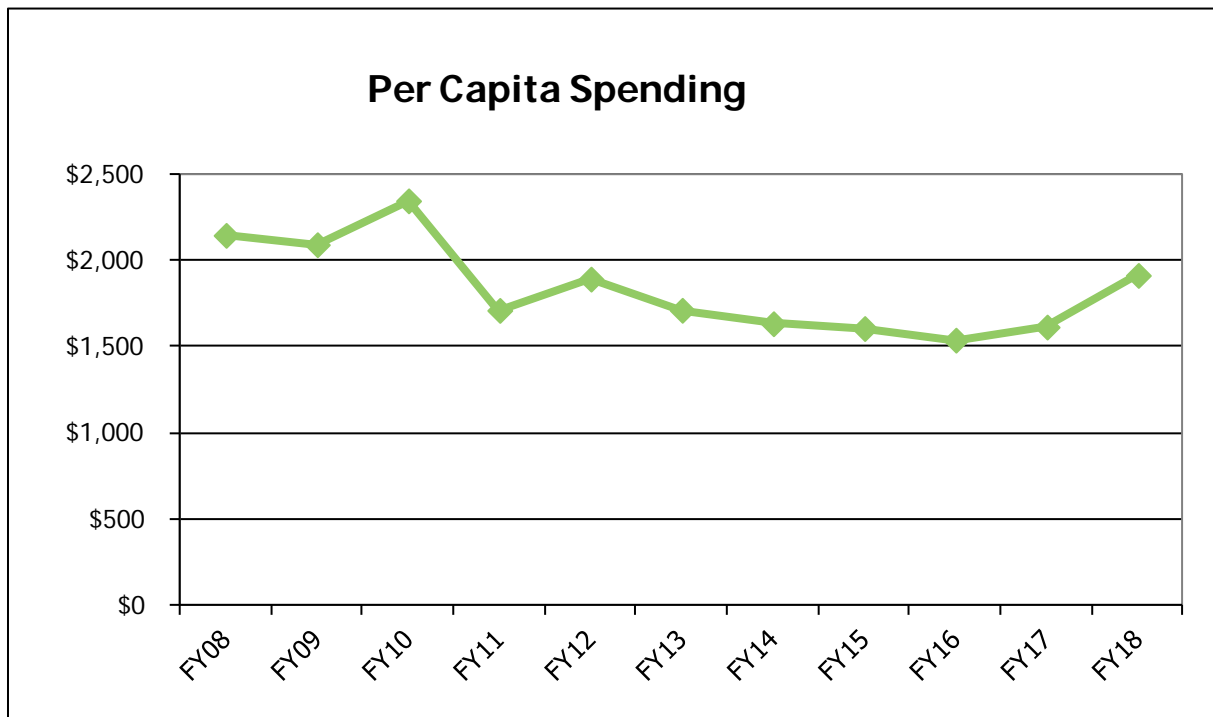


Per Capita Spending

Per capita spending allows the City to analyze its expenditures based on its population. One expects that when population increases expenditures also increase. The trends of per capita spending show if the City's spending is increasing at the same rate of population. If population and total spending increase at the same rate, the per capita spending remains unchanged. A high per capita spending level can signal tapping into a lot of non-maintainable revenue sources. A low per capita spending means the City may have opportunities to find new revenue sources.

The budget amount for the FY17/18 budget year is \$82,723,790. The population figures used to calculate the per capita spending is from the 2016 State Shared Revenue census estimate report. The population estimate used for the City of Sierra Vista is 43,208.

	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Per Capita	\$2,147	\$2,093	\$2,347	\$1,712	\$1,893	\$1,712	\$1,634	\$1,607	\$1,539	\$1,615	\$1,915



The table on the following page summarizes per capita spending by city department.



Departmental Per Capita Spending

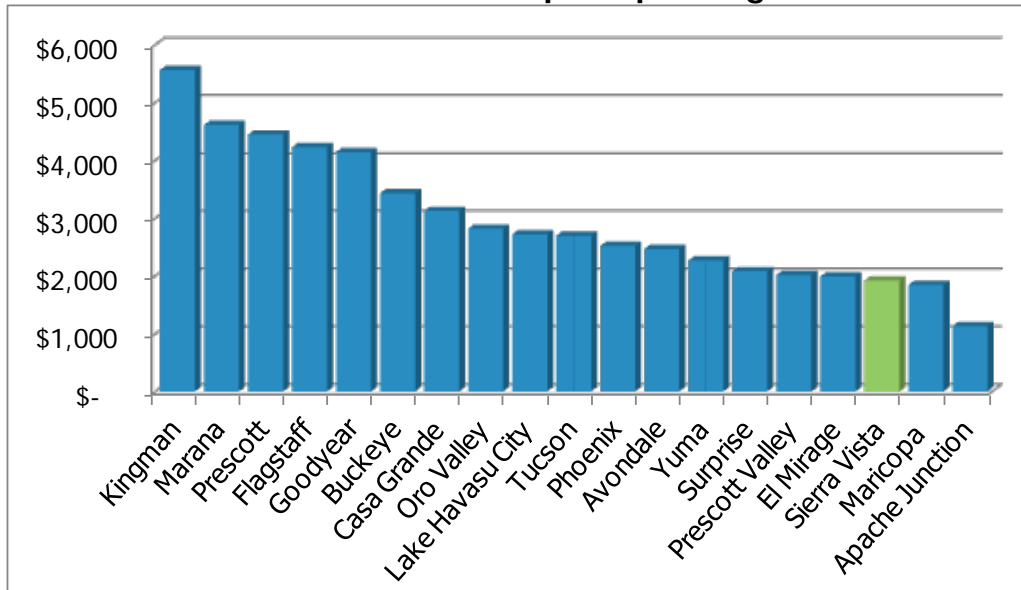
	FY16 Budget	FY17 Budget	FY18 Budget
City Council	\$ 3.87	\$ 4.02	\$ 3.90
Administrative Services	\$ 70.28	\$ 80.26	\$ 75.08
City Manager	\$ 70.03	\$ 73.30	\$ 84.97
Court and Legal	\$ 5.90	\$ 6.28	\$ 6.36
General	\$ 126.10	\$ 134.59	\$ 134.79
Debt	\$ 104.20	\$ 115.81	\$ 464.98
Police	\$ 280.72	\$ 274.85	\$ 277.52
Fire	\$ 119.26	\$ 185.11	\$ 225.49
Leisure and Library	\$ 91.41	\$ 91.95	\$ 88.10
Public Works	\$ 400.52	\$ 400.90	\$ 335.47
Sewer	\$ 86.64	\$ 89.79	\$ 90.92
Refuse	\$ 124.66	\$ 87.22	\$ 92.53
Public Transportation	\$ 34.00	\$ 44.97	\$ 4.63
Community Development	\$ 21.58	\$ 26.00	\$ 29.81
Total	\$1,539.16	\$1,615.05	\$ 1,914.55

In order to compare the City's per capita spending to other cities, the list of Arizona Cities on the following page is offered for comparison from data most recently available. The City of Sierra Vista has the third lowest per capita budget in FY18 for similarly sized cities.



City	FY18 Per Capita Spending
Kingman	\$ 5,558
Marana	\$ 4,609
Prescott	\$ 4,442
Flagstaff	\$ 4,226
Goodyear	\$ 4,140
Buckeye	\$ 3,427
Casa Grande	\$ 3,122
Oro Valley	\$ 2,814
Lake Havasu City	\$ 2,717
Tucson	\$ 2,694
Phoenix	\$ 2,515
Avondale	\$ 2,462
Yuma	\$ 2,264
Surprise	\$ 2,079
Prescott Valley	\$ 2,015
El Mirage	\$ 1,989
Sierra Vista	\$ 1,915
Maricopa	\$ 1,842
Apache Junction	\$ 1,130

FY18 Per Capita Spending





Graphs and Charts

The graphs in this section demonstrate trends, but do not account for inflation. The buying power of the dollar has decreased each year at the rate of inflation. The graphs depict a real dollar amount trend not an adjusted dollar amount. Some numbers have been rounded for presentation purposes.

The following sections present an analysis of revenues and expenditures. It begins with the City's financial policies followed by an analysis of the revenue for all funds maintained by the City. The expenditure analysis section then separates capital, personnel, debt service and operating and maintenance expenses with more detailed descriptions. Finally, the remainder of the book highlights the functions, performance measures, and budgets for each City department.



Authority

The City Manager is directed and authorized to carry out this financial policy. The City Manager may delegate the authority of this policy.

Basis of Accounting

The City's annual budget, capital improvement program and annual financial report shall conform to all current state statutes and regulations and be in conformance with currently promulgated governmental accounting "generally accepted accounting principles."

Basis of Budgeting

In most cases, the City's basis of budgeting conforms to the City's basis of accounting. Exceptions follow:

- a) Compensated absences liabilities expected to be liquidated with expendable available financial resources become accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget).
- b) Principal payments on long-term debt within the Enterprise Funds get applied to the outstanding liability (GAAP) as opposed to being expended (Budget).
- c) Enterprise Funds capital outlay gets recorded as assets (GAAP) as opposed to expenditures (Budget).

Financial Publications

The City shall publish an annual budget and comprehensive annual financial report ("CAFR"). The City's CAFR shall be reviewed by a certified independent auditor and include the auditor's opinion within the published financial report.

Budget Timeline

Arizona Revised Statutes establish certain key dates for the adoption of the City's budget. These dates currently are:

- Adoption of tentative budget – on or before the third Monday of July
- Adoption of final budget – on or before the first Monday of August
- Adoption of property tax levy – on or before the third Monday of August

Based on City Council's meeting schedule, the City strives to meet the below timeline:

- Adoption of tentative budget – on the second Council meeting of June
- Adoption of final budget – on the second Council meeting of July
- Adoption of property tax levy – on the first Council meeting of August



Revenue and Expenditure Estimates

The City's revenue and expenditure estimates shall be based upon all relevant economic, demographic and City Council policy data and information and will be done in a conservative, but realistic manner. The City will monitor revenues and expenditures periodically throughout the fiscal year and make periodic reports of the current budgetary status to the City Council.

End-of-Year Encumbrances

All projects and encumbrances that carry forward into a new fiscal year shall have their related expenditures paid for from new fiscal year revenues. At the end of the fiscal year, all unspent budgeted funds shall be transferred to the fund's fund balance.

Capital Maintenance

The City recognizes the importance of maintaining its capital assets and the impact appropriate maintenance expenses can have on the annual budget. Therefore, the City shall establish a five (5) year capital maintenance plan that covers all of the City's capital assets and maintains them at a sufficient level to protect the City's investment, minimize future replacement and maintenance costs, and maintain service levels. The plan shall be reviewed and updated annually. During the annual budget process, the following year's maintenance projects shall be prioritized. The maintenance projects included in the following year's budget shall be based on the prioritized list and available funding.

Cost recovery

The City has established various policies regarding the cost recovery of certain fees and charges. This policy unifies and establishes the City's cost recovery targets as follows:

- Building Permit and Development Processing fees – 100% of direct costs and 15% of overhead costs
- Leisure Fees – 100% of leisure expenditures. The General Fund shall pay the Leisure Fund for usage of its resources if they are used for an approved City program or event that benefits the general population.
- Aquatics Facility fees – 50% of direct salary and operating & maintenance costs, excluding utilities.
- Fuel charges – 100% of purchase price plus a per gallon flowage fee to cover the infrastructure and maintenance costs of the fuel system.



Fleet parts and labor charges – 100% of direct costs plus an overhead charge to cover the indirect costs of providing the service.

In addition, any program or event that is expected to require financial support of the General Fund of at least \$10,000 shall be identified and analyzed during the annual budgeting process.

Fund/Cash Balances

The City recognizes the importance of maintaining adequate financial resources to mitigate the negative effect of economic downturns and unforeseen events on its service delivery. Given the fundamental difference between the governmental accounting standards used for the General Fund and accrual basis of accounting used for the enterprise funds, the City will use a fund balance target for the General Fund and cash balance targets for the sewer and refuse funds.

Most of the City's special revenue funds depend upon General Fund transfers for operations. Therefore, the City shall strive to maintain an unreserved General Fund balance equal to two months of General Fund expenditures and operating transfers out.

The sewer and refuse funds shall establish cash balance reserve funds equal to two months of expenses, including allocations in.

Capital Improvements

Planning for the future capital needs of the City is a key element to long-term financial success. In order to be proactive to future capital needs, the City will develop and maintain a ten (10) year capital improvement plan. This plan shall be divided into two parts. The first part shall cover anticipated capital needs during years one (1) through five (5). All new capital projects the City sees a demand for within this timeframe shall be included in this list. The information presented for each project shall include the project's name, a detailed description of the project, a description of how the project ties into the Council's strategic plan, the year in which the project is expected to start construction and the estimated ongoing annual operating costs. The second part of the capital improvement plan shall cover years six (6) through ten (10). The information presented in this part shall include longer term projects estimated to be potentially funded by impact development fees.



Debt Service Issuance and Limitations

The City understands the balance between using debt to fund its capital needs and the impact of debt service requirements on future years' resources.

The City will not use long-term debt financing to finance current operations or projects that should be financed from current revenues or resources. The City will first attempt to utilize "pay-as-you-go" capital funding and/or the use of operating funds or impact fees where applicable.

Depending upon the type and purpose of a project, the expected life of the asset and other factors, the City will analyze the best financing method to use including, but are not limited to, lease-purchase contracts, revenue bonds, general obligation bonds, excise tax revenue bonds, state loans, federal loans and bonds issued by the Municipal Property Corporation. The term of the financing shall not exceed the life expectancy of the asset.

The City shall keep its General Obligation bonded indebtedness within the State of Arizona's Constitution limits. The limit currently is 20% of secondary assessed value for projects involving water, wastewater, public safety, streets, open space, and recreation facility improvements. The limit is currently 6% of secondary assessed valuation for any other project.

The City's current debt service coverage ratio on its Municipal Property Corporation (transaction privilege tax) bonds is four (4) times revenue to debt service. Given the lack of control of State Shared Revenues, which are pledged revenues to the City's excise tax bonds, the City shall strive to maintain a six (6) times coverage ratio on the excise tax bonded debt.

To ensure independence, the City's Financial Advisor shall not be allowed to bid on, nor underwrite any, City debt issues.

The City will consider the purchase of municipal bond insurance when it is financially advantageous to do so.

The City will consider retiring outstanding bonds prior to maturity when it is economically advantageous and fiscally prudent to do so.



Bond Rating Goals

The City's bond rating has a direct effect on its cost of capital. The City will maintain regular contact with rating agencies through meetings and visits on and off site. The City shall strive to maintain an investment grade bond rating by all three bond rating agencies, and, when possible to, attempt to achieve an upgrade to existing bond ratings from the three agencies.

Investments

Earning investment income on the City's cash balances is an important component of its overall revenue package. The primary objectives, in order of priority, of the City's investment policy shall be safety, liquidity and yield. The City shall use the 'prudent person' standard when evaluating investment options and shall abide by all Federal and State laws regarding the investment of public funds. Currently, Arizona Revised Statutes § 35-323 lists the authorized securities the City may invest in. Under no circumstances shall the City use public funds for speculative purposes. The investment of bond proceeds shall, at all times, be consistent with state statutes and bond covenants.

Human resources

Employees are a key resource of the City. Given the importance they play in service delivery, the City wishes to attract and retain quality personnel. Two key factors employees, and potential employees, look at when deciding whether to stay at or come work for the City are the wages and growth opportunities it offers. Therefore, the City shall pay a competitive market wage and develop and maintain an employee development program.

The City shall review its organizational structure annually to ensure efficient service delivery.

Procurement

The City shall strive to obtain the best value for its dollar when procuring goods and services. The City shall adopt a procurement code and develop policies and procedures that encourage full and open competition in the procurement process. To assist in obtaining the best value, the City may enter into cooperative purchasing agreements with other governmental entities and purchase items under other governmental contracts.



Risk Management

The City's assets and resources face risks that affect its ability to provide ongoing services to its citizens. Therefore, the City shall maintain a fiscally responsible risk management program that protects the City against the financial consequences of accidental losses and ensures a safe work environment for its employees.

Ethics

Public Service is a public trust. Each City employee has a responsibility to the citizens of Sierra Vista for honesty, loyalty and the performance of their duties under the highest ethical principles.

Balanced Budget Requirement

The State of Arizona requires that cities present a balanced budget. This means that the budgeted revenue must equal the budgeted expenditures for all funds. The City of Sierra Vista maintains 21 funds and the revenue budgeted equals the expenditures budgeted for all 21 funds. The City is pleased to be able to balance the FY18 budget, while providing a high level of service to the citizens of Sierra Vista.

Introduction

The following section addresses City revenue and expenditures by fund. The amount of revenue received by our community directly impacts service delivery and infrastructure development during the fiscal year. For the City of Sierra Vista, and all cities and towns in Arizona, the fiscal year (FY) begins on July 1st and ends on June 30th.

Balanced Budget Requirement

The State of Arizona requires that cities present a balanced budget. This means that the budgeted revenue must equal the budgeted expenditures for all funds. The City of Sierra Vista maintains 21 funds and the revenue budgeted equals the expenditures budgeted for all 21 funds. The City is pleased to be able to balance the FY18 budget, while providing services to the citizens of Sierra Vista.

Budget Principles

In order to ensure that the City of Sierra Vista is able to maximize its ability to serve its citizens, the City uses a set of principles. These principles are used throughout the budget process.

1. Incorporate the Voters approved general plan.
2. Prioritize the accomplishment of City Council's Strategic Plan Initiatives.
3. Budget decisions will be made with long-term implications taken into account.
4. Focus on benefit to community as a whole.
5. Fiscally responsible decisions when making budget decisions.
6. Conservative revenue estimates to account for economic uncertainty.
7. Adequate general fund reserve levels.
8. Smart personnel management to not overextend available resources.
9. Maintain class and comp plan.
10. Balance the Budget without reserve usage.
11. Review enterprise fund operations to ensure value for rate payers.
12. Plan for long-term maintenance cost of new and existing City facilities.
13. Use a consensus with Department Directors on necessary programs and projects.
14. City Manager makes final budget decisions for the recommended budget.
15. The City Council makes final budget decisions.

Estimating City Revenues – Process

The first administrative activity in any municipality's budget process involves estimating revenues available for the coming fiscal year. In general, historical trend analysis (looking at revenues in previous years) provides us with a relatively accurate projection of most of our revenue sources. In the case of State-Shared Revenues (revenues collected and distributed by the state using various formulae), the State of Arizona or



the League of Arizona Cities and Towns provides estimates. The City uses historical analysis to adjust projections and ensure a more accurate revenue forecast for State Shared Revenue. In all cases conservative estimates are used. Conservative estimates account for unforeseen fluctuations in the economy that may reduce the revenues below anticipated levels. In this way, mid-year budget adjustments are less likely to be needed.

In this section, revenues are presented by fund. For each fund, an explanation is provided to explain its purpose and revenue sources, discuss significant changes or impacts, and indicate projected trends for major revenue sources.

Revenues Section

This section begins with an overview of the City's accounting principles. After the funds are described, there is a table displaying all sources of revenue for the General Fund. The General Fund is the City's largest fund and is the source of monies for all activities that are not accounted for in other specialized funds. The table lists the amounts from last fiscal year (FY17), and the current fiscal year (FY18).

The next part of the section provides information, both numeric and graphic, covering several years, for major General Fund revenues identified in the General Fund Revenue Sources table. It also provides information indicating other funds to which revenues are allocated. For example, the Property Tax page indicates that, for FY18, \$359,240 is allocated to the General Fund. The graphs also indicate revenue estimates, from the identified source (in the example, Property Tax), for the year.

The last section illustrates revenues for the other City funds (Highway User Revenue Fund [HURF], Local Transportation Assistance Fund [LTAF], Airport Fund, etc). Comparison is provided between last fiscal year (FY17) and this fiscal year (FY18) as is an analysis of the revenue source and any current economic conditions affecting their levels.

The very last page provides a list of all City funds and a total revenue figure for the current fiscal year.

Fund Accounting

The City uses fund accounting to report on its financial position and the results of its operations. All governmental type funds (such as the General Fund and the Capital Improvements Fund) use the modified accrual basis of accounting. This means revenues are recognized only when they become measurable and available and expenditures are recognized when the fund liability is incurred (when the money is



committed to be spent). Proprietary type funds (such as the Sewer Fund and the Refuse Fund) use the full accrual basis of accounting. In this latter case, we also recognize expenditures when the fund liability is incurred, but revenues are recognized when they are obligated to the City (which can be before they are actually received).

A formal encumbrance system is utilized that commits funds for later payment and ensures that appropriations cannot be overspent. Re-categorizing money to an encumbrance occurs when a commitment to purchase is made. Encumbrance money may not be spent. Goods and services not received by the fiscal year end result the encumbrance lapsing and rolling over into the next fiscal year.

The City Manager can make inter-fund transfers along budget lines if deemed necessary and if the cost of the item is under \$10,000. Inter-fund transfers of appropriated expenditures over \$10,000 require council approval by resolution. Transfer of appropriations within a fund does not require approval by the City Council.

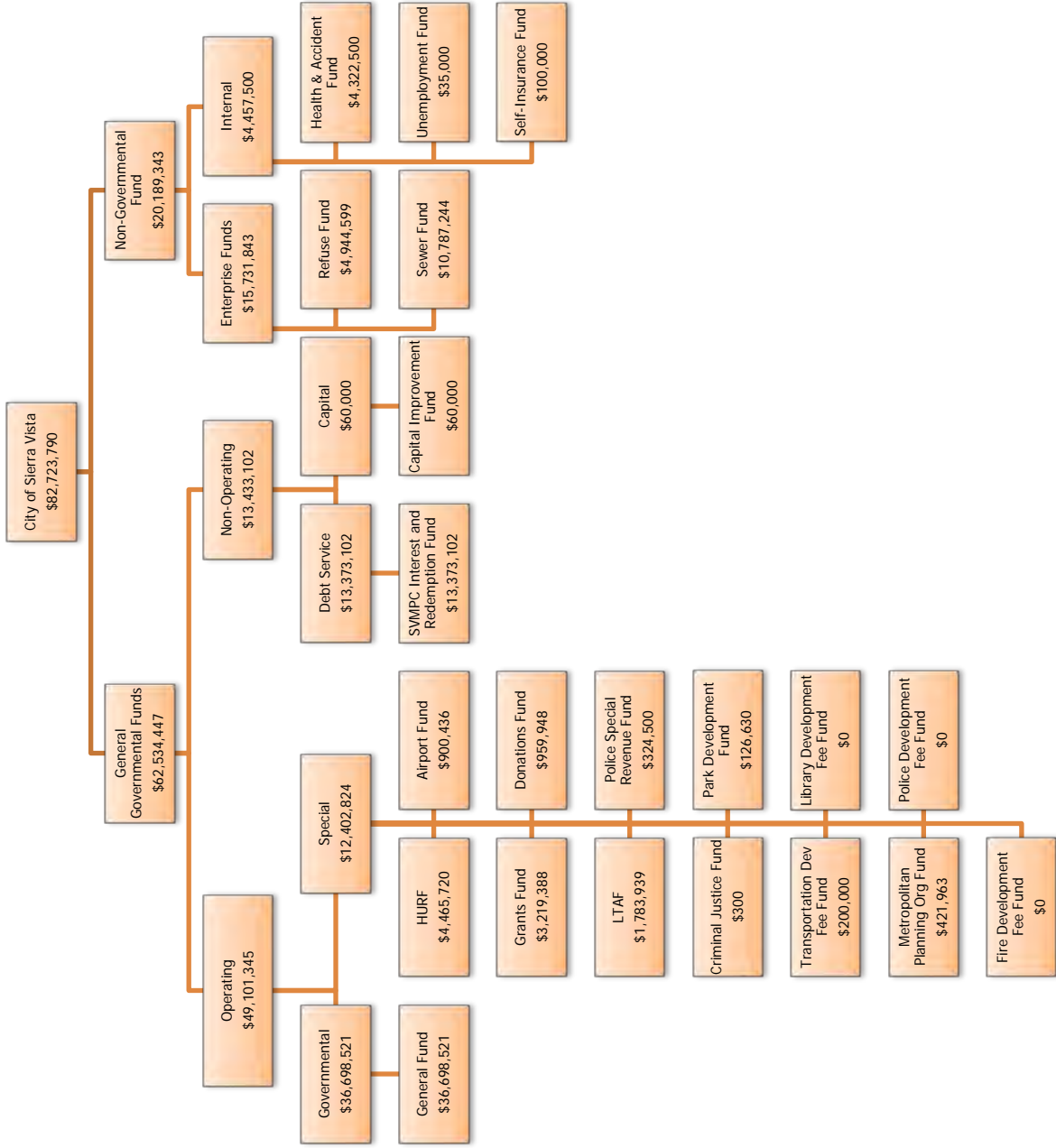
An established internal control structure is used to protect assets from loss, theft or misuse and to ensure that compliance is maintained with accepted accounting principles. Budgetary control is maintained through an annual budget review and resolution approved by the City Council.

The Comprehensive Annual Financial Report shows the status of the City's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases this conforms to the City's basis of budgeting. Exceptions follow:

- a. Compensated absences liabilities expected to be liquidated with expendable available financial resources become accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget).
- b. Principal payments on long-term debt within the Enterprise Funds get applied to the outstanding liability (GAAP) as opposed to being expended (Budget).
- c. Enterprise Funds capital outlay gets recorded as assets (GAAP) as opposed to expenditures (Budget).

The funds are separated into two major categories, Governmental and Non-Governmental. Governmental Funds are broken into two categories: Operating and Non-Operating. The Operating section includes Governmental Funds, Special Funds and Internal Funds. The Non-Operating Fund includes debt service and capital. Currently the City maintains 21 funds.

This chart provides a visual depiction of the funds the City uses as well as the organization of these funds.





Funds

The chart below shows the expenditure per fund separated into departments.

	City Council	Administrative Services	City Manager	Court & Legal	General Government	Police	Fire	Public Works	Leisure & Library	Community Development	Debt	Total
General Fund	\$ 108,494	\$ 2,617,031.00	\$ 2,331,577.00	\$ 274,446.00	\$ 996,363.00	\$ 11,156,771.00	\$ 8,683,678.00	\$ 6,151,207.00	\$ 3,317,347.00	\$ 904,954.00	\$ 156,653	\$ 36,698,521
HURF					\$ 73,997.00			\$ 4,355,872.00			\$ 35,851	\$ 4,465,720
LTAF								\$ 1,783,939.00				\$ 1,783,939
Police Special Revenue						\$ 324,500.00						\$ 324,500
Grants			\$ 806,849.00			\$ 18,124.00	\$ 1,043,000.00	\$ 950,000.00	\$ 80,000.00	\$ 321,415.00		\$ 3,219,388
Judicial Enhancement				\$ 300.00				\$ 825,089.00			\$ 75,347	\$ 900,436
Airport												\$ 300
Donations	\$ 32,950		\$ 800.00			\$ 491,554.00	\$ 16,488.00	\$ 6,890.00	\$ 409,485.00	\$ 1,781.00		\$ 959,948
Park Development											\$ 126,630	\$ 126,630
Library Development												\$ -
Police Development												\$ -
Fire Development												\$ -
Transportation Dev.								\$ 200,000.00				\$ 200,000
Metropolitan Planning								\$ 421,963.00				\$ 421,963
Capital Improvement										\$ 60,000.00		\$ 60,000
SVMPC I&R											\$ 13,373,102	\$ 13,373,102
Sewer	\$ 13,561	\$ 307,952.00	\$ 278,368.00		\$ 147,994.00			\$ 3,928,521.00			\$ 6,110,848	\$ 10,787,244
Refuse	\$ 13,561	\$ 319,152.00	\$ 253,660.00		\$ 147,994.00			\$ 3,997,845.00			\$ 212,387	\$ 4,944,599
Health & Accident					\$ 4,322,500.00							\$ 4,322,500
Unemployment					\$ 35,000.00							\$ 35,000
Self Insured Retention					\$ 100,000.00							\$ 100,000
Total	\$ 168,566	\$ 3,244,135.00	\$ 3,671,254.00	\$ 274,746.00	\$ 5,823,848.00	\$ 11,990,949.00	\$ 9,743,166.00	\$ 22,621,326.00	\$ 3,806,832.00	\$ 1,288,150.00	\$ 20,090,818	\$ 82,723,790



Fund Balance Estimates, 2016-2018

The City of Sierra Vista prepares a balanced budget each year. This means that every year the revenue forecasts equal the expenditure forecast. Having an equal expenditure and revenue at the end of the year is rarely the case. Many times the revenue collected will outpace the expenses incurred. This leads the City to have a positive balance in the fund at the end of the year. A positive fund balance means that the City will have a reserve amount in the following year. A positive ending fund balance is in effect a saving account for the future.

The next section analyzes the fund balances for the General Fund, Special Funds, Debt Service Funds, Capital Funds, Enterprise Funds and Internal Service Funds. The charts provide the actual revenue collected for FY16 along with the estimated FY17 and budgeted FY18 revenue. These charts are helpful in providing the estimated funds available. When a fund has an ending balance lower than the last year, it means that the City will be utilizing the fund balance in FY18 to fund certain projects.

The charts on the following pages are informational for budgetary purposes only and the City's official ending fund balance will be presented in our CAFR.



Fund Balances

The General Fund is the largest fund maintained by the City. The general fund is used for many city services, including public safety and public works. A chart of revenue and expenditures for the general fund is below. The ending fund balance (Fund Balance, June 30) is an estimate and has not been audited.

(For Budgetary Purposes Only)

	General Fund		
	2016	2017	2018
	Actual	Estimated	Budget
Revenues:			
Taxes	14,185,319	14,491,470	14,559,210
Intergovernmental	11,803,274	11,981,418	14,191,586
Charges for services	3,898,193	4,614,500	4,615,515
Licenses and permits	1,553,851	1,665,500	1,720,500
Fines	20,202	15,000	15,000
Investment income	14,918	10,000	10,000
Contributions	2,867	1,000	1,000
Other revenues	188,773	530,500	340,500
Total estimated revenues	<u>31,667,398</u>	<u>33,309,388</u>	<u>35,453,311</u>
Expenditures:			
Current-			
General government	6,280,113	6,637,387	6,327,911
Public safety	15,058,023	17,748,639	19,840,449
Public works	5,492,550	6,069,564	6,151,207
Culture and recreation	3,079,712	3,417,047	3,317,347
Community development	861,803	870,820	904,954
Debt service -			
Principal retirement	96,901	98,154	145,871
Interest and fiscal charges	3,305	2,059	10,782
Total estimated expenditures	<u>30,872,407</u>	<u>34,843,670</u>	<u>36,698,521</u>
Other financing sources (uses):			
Operating transfers in	-	1,182,800	1,317,440
Operating transfers out	(732,718)	(548,518)	(432,230)
Net proceeds from sale of bonds			
Proceeds from installment purchase		900,000	360,000
Total other financing sources (uses)	<u>(732,718)</u>	<u>1,534,282</u>	<u>1,245,210</u>
Net increase (decrease) in fund balance	<u>62,273</u>	<u>-</u>	<u>-</u>
Fund balances, July 1	<u>4,066,675</u>	<u>4,128,948</u>	<u>4,128,948</u>
Fund balances, June 30	<u>4,128,948</u>	<u>4,128,948</u>	<u>4,128,948</u>

The City's General fund balance is projected to remain level from FY16 to FY18. The FY18 budget is balanced per State law, and therefore shows a zero growth in the fund balance. The City working to achieve the fund balance of approximately \$6 million listed in its Financial Policy.



Fund Balances

The City of Sierra Vista maintains 12 Special Funds. These funds are used to track revenues the City receives that are legally restricted for certain specified uses. A summary of the 12 Special Funds balance is shown below.

(For Budgetary Purposes Only)

	Special Revenue Funds		
	2016 Actual	2017 Estimated	2018 Budget
Revenues:			
Taxes			
Intergovernmental	4,532,913	7,425,312	6,195,253
Charges for services	1,809,658	1,607,233	1,030,636
Licenses and permits			
Fines	4	100	100
Investment income	2,359	-	-
Contributions	1,701,743	2,561,424	2,427,424
Other revenues	185,422	85,000	91,000
Total estimated revenues	<u>8,232,100</u>	<u>11,679,069</u>	<u>9,744,413</u>
Expenditures:			
Current-			
General government	74,409	352,929	914,896
Public safety	279,946	2,193,042	1,893,666
Public works	7,104,998	10,079,331	8,343,753
Culture and recreation	55,574	569,485	489,485
Community development	655,253	1,716,282	523,196
Debt service -			
Principal retirement	237,891	242,335	213,772
Interest and fiscal charges	30,554	26,173	24,056
Total estimated expenditures	<u>8,438,624</u>	<u>15,179,577</u>	<u>12,402,824</u>
Other financing sources (uses):			
Operating transfers in	1,382,718	1,335,268	1,233,860
Operating transfers out	(894,628)	(1,002,128)	(430,000)
Net proceeds from sale of bonds			
Proceeds from installment purchase			
Total other financing sources (uses)	<u>488,090</u>	<u>333,140</u>	<u>803,860</u>
Net increase (decrease) in fund balance	<u>281,566</u>	<u>(3,167,368)</u>	<u>(1,854,551)</u>
Fund balances, July 1	<u>(641,189)</u>	<u>(359,623)</u>	<u>(3,526,991)</u>
Fund balances, June 30	<u>(359,623)</u>	<u>(3,526,991)</u>	<u>(5,381,542)</u>

The special revenue funds' fund balances are projected to increase in FY18. It is estimated that the special funds will increase by \$1,854,551 in FY18 to an ending balance of (\$5,381,542).



Fund Balances

The City also maintains one capital project fund, the Capital Improvement Fund. The chart below summarizes this fund.

(For Budgetary Purposes Only)

	Capital Projects Funds		
	2016 Actual	2017 Estimate	2018 Budget
Revenues:			
Taxes	3,923,331	3,802,201	3,821,212
Intergovernmental			
Charges for services			
Licenses and permits			
Fines			
Investment income			
Contributions			
Other revenues	-	-	-
Total estimated revenues	<u>3,923,331</u>	<u>3,802,201</u>	<u>3,821,212</u>
Expenditures:			
Current-			
General government			
Public safety		-	
Public works	10,427	600,000	-
Culture and recreation		-	
Community development		90,000	60,000
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total estimated expenditures	<u>10,427</u>	<u>690,000</u>	<u>60,000</u>
Other financing sources (uses):			
Operating transfers in		7,500	430,000
Operating transfers out	(3,141,328)	(4,283,486)	(5,417,359)
Net proceeds from sale of bonds			
Proceeds from installment purchase	-		
Total other financing sources (uses)	<u>(3,141,328)</u>	<u>(4,275,986)</u>	<u>(4,987,359)</u>
Net increase (decrease) in fund balance	<u>771,576</u>	<u>(1,163,785)</u>	<u>(1,226,147)</u>
Fund balances, July 1	<u>2,183,326</u>	<u>2,954,902</u>	<u>1,791,117</u>
	-	-	-
Fund balances, June 30	<u>2,954,902</u>	<u>1,791,117</u>	<u>564,970</u>

The City's Capital Improvement Fund, funded with 0.5 percent of the City Sales Tax, is financially stable and able to pay for several projects in FY18.



Fund Balances

In order to pay for capital projects, the City borrows money. Borrowing money requires the City to repay the lending institutes. The City maintains one debt service fund, the Sierra Vista Municipal Property Corporation Interest and Redemption Fund and below is a summary of this fund.

(For Budgetary Purposes Only)

	Debt Service Funds		
	2016 Actual	2017 Estimate	2018 Budget
Revenues:			
Taxes			
Intergovernmental			
Charges for services			
Licenses and permits			
Fines			
Investment income	10	-	
Contributions			
Other revenues			
Total estimated revenues	<u>10</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current-			
General government			
Public safety			
Public works			
Culture and recreation			
Community development			
Debt service -			
Principal retirement	2,690,000	2,805,000	12,865,000
Interest and fiscal charges	<u>735,570</u>	<u>623,377</u>	<u>503,102</u>
Total estimated expenditures	<u>3,425,570</u>	<u>3,428,377</u>	<u>13,368,102</u>
Other financing sources (uses):			
Operating transfers in	3,485,769	3,433,377	3,423,102
Operating transfers out			
Net proceeds from sale of bonds			
Proceeds from installment purchase	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>3,485,769</u>	<u>3,433,377</u>	<u>3,423,102</u>
Net increase (decrease) in fund balance	<u>60,210</u>	<u>5,000</u>	<u>(9,945,000)</u>
Fund balances, July 1	<u>1,339,024</u>	<u>1,399,234</u>	<u>1,404,234</u>
	-	-	-
Fund balances, June 30	<u>1,399,234</u>	<u>1,404,234</u>	<u>(8,540,766)</u>



Fund Balances

Debt Service funds are supported by the transfer of resources from other funds in order to repay the interests and principal for projects. These funds do not receive any more resources than needed from other funds.

There are a total of 15 governmental funds, as summarized by the chart below. The charts in the previous pages provide a more detail analysis of the different fund types.

(For Budgetary Purposes Only)

	Total Governmental Funds		
	2016 Actual	2017 Estimate	2018 Budget
Revenues:			
Taxes	18,108,650	18,293,671	18,380,422
Intergovernmental	16,336,187	19,406,730	20,386,839
Charges for services	5,707,851	6,221,733	5,646,151
Licenses and permits	1,553,851	1,665,500	1,720,500
Fines	20,207	15,100	15,100
Investment income	17,287	10,000	10,000
Contributions	1,704,610	2,562,424	2,428,424
Other revenues	374,195	615,500	431,500
Total estimated revenues	<u>43,822,839</u>	<u>48,790,658</u>	<u>49,018,936</u>
Expenditures:			
Current-			
General government	6,354,522	6,990,316	7,242,807
Public safety	15,337,969	19,941,681	21,734,115
Public works	12,607,974	16,748,895	14,494,960
Culture and recreation	3,135,285	3,986,532	3,806,832
Community development	1,517,056	2,677,102	1,488,150
Debt service -			
Principal retirement	3,024,792	3,145,489	13,224,643
Interest and fiscal charges	769,429	651,609	537,940
Total estimated expenditures	<u>42,747,027</u>	<u>54,141,624</u>	<u>62,529,447</u>
Other financing sources (uses):			
Operating transfers in	4,868,487	5,958,945	6,404,402
Operating transfers out	(4,768,674)	(5,834,132)	(6,279,589)
Net proceeds from sale of bonds	-	-	-
Proceeds from installment purchase	-	900,000	360,000
Total other financing sources (uses)	<u>99,813</u>	<u>1,024,813</u>	<u>484,813</u>
Net increase (decrease) in fund balance	<u>1,175,624</u>	<u>(4,326,153)</u>	<u>(13,025,698)</u>
Fund balances, July 1	<u>6,947,836</u>	<u>8,123,460</u>	<u>3,797,307</u>
	-	-	-
Fund balances, June 30	<u>8,123,460</u>	<u>3,797,307</u>	<u>(9,228,391)</u>



Not only does the City maintain governmental funds, it also maintains Non-Governmental Funds. These funds are supported entirely by the user of the services and operate as a separate entity from the governmental funds. The two areas of non-governmental funds are Enterprise Funds (Sewer, Refuse) and Internal Service Funds (Health & Accident, Unemployment, Self-Insurance).

Below is a summary of the Enterprise Funds.

(For Budgetary Purposes Only)

	Enterprise Funds		
	2016 Actual	2017 Estimated	2018 Budget
Operating revenues:			
Charges for sales and services	7,753,870	8,039,369	7,489,676
Contributions			
Other income	97,440	123,500	105,000
Total operating revenues	<u>7,851,310</u>	<u>8,162,869</u>	<u>7,594,676</u>
Operating expenses:			
Salaries, wages and related expenses	2,953,112	3,423,540	3,421,900
Operations and maintenance	3,611,231	3,668,938	4,923,708
Depreciation	1,391,146	1,450,000	1,425,000
Benefits paid			
Premiums paid			
Total operating expenses	<u>7,955,489</u>	<u>8,542,478</u>	<u>9,770,608</u>
Operating income (loss)	<u>(104,179)</u>	<u>(379,609)</u>	<u>(2,175,932)</u>
Nonoperating revenues (expenses):			
Connection income	184,946	200,000	200,000
Gain on Sale of Fixed Assets	38,121		
Investment income		1,000	
Interest expense	(190,451)	(208,368)	(190,156)
Total nonoperating revenues	<u>32,616</u>	<u>(7,368)</u>	<u>9,844</u>
Income before operating transfers	(71,563)	(386,977)	(2,166,088)
Operating transfers:			
Operating transfers in			
Operating transfers out	(149,813)	(149,813)	(149,813)
Total operating transfers	<u>(149,813)</u>	<u>(149,813)</u>	<u>(149,813)</u>
Net Income (loss)	<u>(221,376)</u>	<u>(237,164)</u>	<u>(2,315,901)</u>
Capital Contributions		500,000	500,000
Retained earnings, July 1	<u>30,459,736</u>	<u>30,238,360</u>	<u>30,001,196</u>
	-	-	-
Retained earnings, June 30	<u>\$ 30,238,360</u>	<u>30,001,196</u>	<u>27,685,295</u>



Fund Balances

The City also maintains three Internal Service Funds. These are funds used for employee benefits. The City continues to have a self-funded health insurance plan. The City also maintains an unemployment fund and self-insurance fund. A summary of these funds is below.

(For Budgetary Purposes Only)	Internal Service Funds		
	2016 Actual	2017 Estimated	2018 Budget
Operating revenues:			
Charges for sales and services			
Contributions	3,709,811	4,119,000	4,119,000
Other income	323,363	300,000	300,000
Total operating revenues	<u>4,033,174</u>	<u>4,419,000</u>	<u>4,419,000</u>
Operating expenses:			
Salaries, wages and related expenses			
Operations and maintenance	272,017	301,500	301,500
Depreciation			
Benefits paid	3,850,999	3,796,000	3,796,000
Premiums paid	427,281	360,000	360,000
Total operating expenses	<u>4,550,297</u>	<u>4,457,500</u>	<u>4,457,500</u>
Operating income (loss)	<u>(517,123)</u>	<u>(38,500)</u>	<u>(38,500)</u>
Nonoperating revenues (expenses):			
Connection income			
Gain on Sale of Fixed Assets			
Investment income	8,969	3,500	3,500
Interest expense			
Total nonoperating revenues	<u>8,969</u>	<u>3,500</u>	<u>3,500</u>
Income before operating transfers	<u>(508,154)</u>	<u>(35,000)</u>	<u>(35,000)</u>
Operating transfers:			
Operating transfers in	50,000	25,000	25,000
Operating transfers out			
Total operating transfers	<u>50,000</u>	<u>25,000</u>	<u>25,000</u>
Net Income (loss)	<u>(458,154)</u>	<u>(10,000)</u>	<u>(10,000)</u>
Capital Contributions			
Retained earnings, July 1	<u>4,984,671</u>	<u>4,526,517</u>	<u>4,516,517</u>
	-	-	-
Retained earnings, June 30	<u>\$ 4,526,517</u>	<u>4,516,517</u>	<u>4,506,517</u>

The three internal service funds continue to have a strong financial position. The expected FY18 ending fund balance is \$4,506,517.



Below is a total summary of the non-governmental funds.

(For Budgetary Purposes Only)	Non-Governmental Funds		
	2016 Actual	2017 Estimated	2018 Budget
Operating revenues:			
Charges for sales and services	7,753,870	8,039,369	7,489,676
Contributions	3,709,811	4,119,000	4,119,000
Other income	420,803	423,500	405,000
Total operating revenues	<u>11,884,484</u>	<u>12,581,869</u>	<u>12,013,676</u>
Operating expenses:			
Salaries, wages and related expenses	2,953,112	3,423,540	3,421,900
Operations and maintenance	3,883,248	3,970,438	5,225,208
Depreciation	1,391,146	1,450,000	1,425,000
Benefits paid	3,850,999	3,796,000	3,796,000
Premiums paid	427,281	360,000	360,000
Total operating expenses	<u>12,505,786</u>	<u>12,999,978</u>	<u>14,228,108</u>
	-	-	-
Operating income (loss)	<u>(621,302)</u>	<u>(418,109)</u>	<u>(2,214,432)</u>
Nonoperating revenues (expenses):			
Connection income	184,946	200,000	200,000
Gain on Sale of Fixed Assets	38,121	-	-
Investment income	8,969	4,500	3,500
Interest expense	(190,451)	(208,368)	(190,156)
Total nonoperating revenues	<u>41,585</u>	<u>(3,868)</u>	<u>13,344</u>
	-	-	-
Income before operating transfers	<u>(579,717)</u>	<u>(421,977)</u>	<u>(2,201,088)</u>
Operating transfers:			
Operating transfers in	50,000	25,000	25,000
Operating transfers out	<u>(149,813)</u>	<u>(149,813)</u>	<u>(149,813)</u>
Total operating transfers	<u>(99,813)</u>	<u>(124,813)</u>	<u>(124,813)</u>
	-	-	-
Net Income (loss)	<u>(679,530)</u>	<u>(247,164)</u>	<u>(2,325,901)</u>
Capital Contributions			
Retained earnings, July 1	<u>35,444,407</u>	<u>34,764,877</u>	<u>34,517,713</u>
Retained earnings, June 30	<u>34,764,877</u>	<u>34,517,713</u>	<u>32,191,812</u>



General Fund Revenue

The largest fund of the City, the General Fund, comprises 46 percent (or \$36,698,521) of the proposed FY18 budget revenues. Services included in this fund include Public Safety, Leisure and Library Services, Facility Maintenance, Development Services, and General Government Administration. The State provides the City Council with the most flexibility in terms of raising revenues and making expenditures within the General Fund. As a result, the fund experiences the most competition for its resources. Most of the Council's financial decision making occurs with regard to General Fund revenues and expenditures.

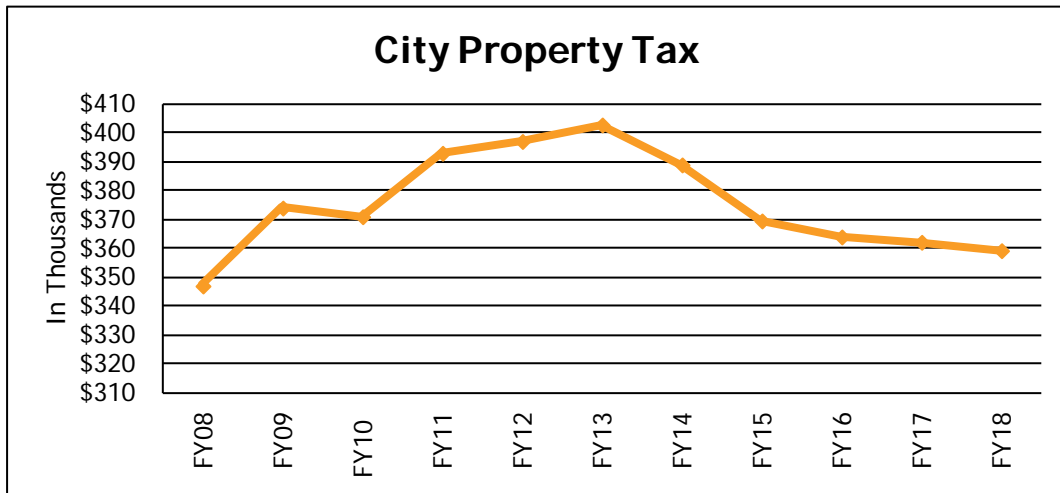
The chart on the next page provides a summary of revenue sources for the General Fund along with the expected change.

The pages following the summary chart provide information on the revenue components of the General Fund. A description of each revenue source along with historical revenue collection information is also provided.



General Fund Revenue

General Fund Revenue				
Revenue	FY17	FY18	% Change	% of GF
Local				
Taxes				
Property	\$ 362,147	\$ 359,240	-0.8%	1.0%
Sales	\$ 14,129,323	\$ 14,199,970	0.5%	38.7%
Total Local Taxes	\$ 14,491,470	\$ 14,559,210	0.5%	39.7%
Fees				
Ambulance	\$ 1,975,000	\$ 1,943,000	-1.6%	5.3%
Development	\$ 78,000	\$ -	-100.0%	0.0%
Public Safety	\$ 100,000	\$ 100,000	0.0%	0.3%
Public Works	\$ 1,336,500	\$ 1,252,880	-6.3%	3.4%
Leisure	\$ 1,090,000	\$ 1,196,635	9.8%	3.3%
Cove	\$ 250,000	\$ 250,000	0.0%	0.7%
Recreational Classes	\$ 840,000	\$ 946,635	12.7%	2.6%
General Gov.	\$ 35,000	\$ 35,000	0.0%	0.1%
Total Local Fees	\$ 4,614,500	\$ 4,527,515	-1.9%	12.3%
Licenses & Permits				
Bldg. Permits	\$ 165,000	\$ 200,000	21.2%	0.5%
Franchise	\$ 1,325,000	\$ 1,325,000	0.0%	3.6%
Business	\$ 125,500	\$ 145,500	15.9%	0.4%
Animal Control	\$ 35,000	\$ 35,000	0.0%	0.1%
Right of Way	\$ 15,000	\$ 15,000	0.0%	0.0%
Total Local Licenses	\$ 1,665,500	\$ 1,720,500	3.3%	4.7%
Total Local	\$ 20,771,470	\$ 20,807,225	0.2%	56.7%
Other				
<u>Transfers Out</u>	\$ (548,518)	\$ (432,230)	-21.2%	-1.2%
LTAF	\$ (430,000)	\$ (400,000)		
Grants	\$ -	\$ (7,230)		
Dev Fees	\$ (93,518)	\$ -		
Unemployment	\$ (25,000)	\$ (25,000)		
<u>Transfers In</u>	\$ 1,182,800	\$ 1,200,000	1.5%	3.3%
CIF	\$ 1,182,800	\$ 1,317,440		
Grants	\$ -	\$ -		
Note Proceeds	\$ 900,000	\$ 360,000	0.0%	1.0%
Library Fines	\$ 15,000	\$ 15,000	0.0%	0.0%
Interest	\$ 10,000	\$ 10,000	0.0%	0.0%
Contributions	\$ 1,000	\$ 1,000	0.0%	0.0%
Local Government Pmts	\$ 356,000	\$ 2,461,000	591.3%	6.7%
Misc. Revenue	\$ 530,500	\$ 545,940	2.9%	1.5%
Total Other	\$ 2,446,782	\$ 4,160,710	70.0%	11.3%
State Taxes				
Sales	\$ 4,087,089	\$ 4,050,442	-0.9%	11.0%
Income	\$ 5,312,329	\$ 5,351,144	0.7%	14.6%
Auto	\$ 2,000,000	\$ 2,100,000	5.0%	5.7%
Total State Taxes	\$ 11,399,418	\$ 11,501,586	0.9%	31.3%
Grants				
Grants	\$ 226,000	\$ 229,000	1.3%	0.6%
Total G.F. Rev.	\$ 34,843,670	\$ 36,698,521	5.3%	100.0%



Description

The City levies a primary property tax each year. In 2006, the City's maximum primary property tax levy was reset to \$333,961.

This maximum amount is increased two percent per year, as per state law, plus the value of new construction. For 2018, the maximum levy increased to \$555,224. The City has chosen to keep the property tax levy from FY17 resulting in a total levy amount of \$359,240. The FY18 property tax levy amount corresponds to a tax rate of \$0.1136 per \$100 of assessed value, unchanged from the FY15 tax rate of \$0.1136 per \$100 of assessed value.

According to the Arizona State Constitution, Article IX, Section 19, the City can only increase their total primary tax levy by two percent each year. In the FY18 budget, the tax levied has decreased due to the assessed valuation of property in Sierra Vista decreasing. The tax levy for FY18 is \$359,240.

The City does not levy a secondary property tax. A secondary property tax may only be levied to pay the principal and interest on bonds that have been voter approved.

General Fund Contribution: \$359,240



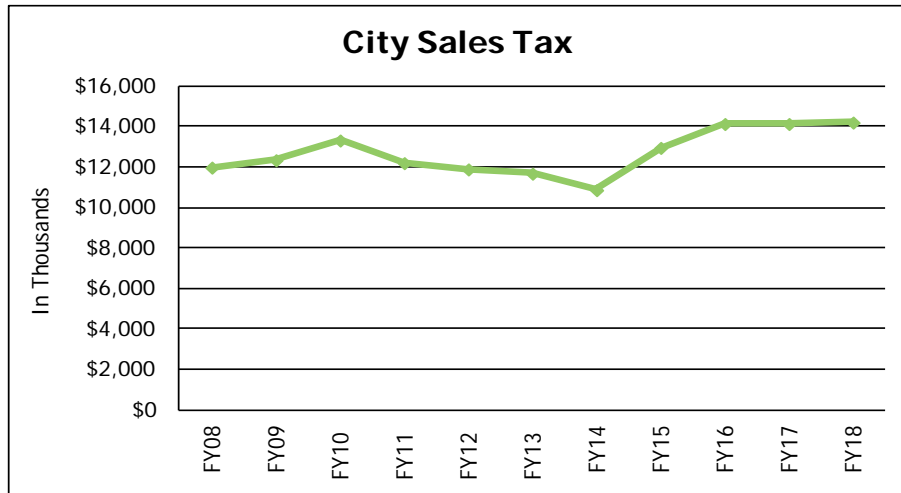
Example of Property Tax

Market Value	Assessed Value (10% of Market Value)	Tax Rate \$0.1136 per \$100 Assessed Value
\$100,000	\$10,000	$(\$10,000/\$100) * \$0.1136 = \11.36

A resident with a \$100,000 home would pay \$11.36 in City Property Taxes.

In FY18 the tax rate for the primary property tax is 0.1136. This City primary property tax rate is the lowest level of any municipality in of Cochise County. For comparison purposes the property tax rate for other municipalities in Cochise County is displayed below.

2017 Property Tax Levy		
	<u>Primary</u>	<u>Secondary</u>
Cochise County	2.6276	
Bisbee	2.4845	
Douglas	1.1762	
Tombstone	0.8939	0.8823
Huachuca City	0.7562	
Benson	0.5838	
Willcox	0.3892	0.8200
Sierra Vista	0.1136	



Description

In FY12 the City Council tasked the Citizens' Advisory Commission (CAC) with reviewing the City's sales tax structure and its efficiency in raising revenue to cover future operating expenses. After a lengthy analysis, the CAC recommended no changes to the tax structure. The CAC again analyzed the City's sales tax structure in FY15 and presented recommended changes to the City Council. The City Council voted to increase the sales tax rate in FY16 from 1.75% to 1.95%, effective November 1, 2015.

National, state, and local economic conditions have affected the City. The City budgets a rise in the expected year-end City sales tax figures in FY18. The increased projection is the result of the retail sales tax increase that the City is estimating in FY18. The City's projections remain very conservative.

By ordinance, 0.5 percent of the City's sales tax goes to the Capital Improvement Fund. While consumers pay a 1.95 percent sales tax to the general fund; a full half cent of that amount goes to the capital improvement fund.

General Fund Contribution- \$14,199,970

Capital Improvement Fund Contribution- \$3,821,212



City Sales Tax Rates

	City	State and County	Total
Retail Privilege (Sales) Tax	1.95%	6.10%	8.05%
Use Tax	1.95%	5.60%	7.55%
Restaurant/Bar	2.60%	6.10%	8.70%
Hotel/Motel	5.50%	6.05%	11.55%
Construction Contracting	2.45%	6.10%	8.55%
Rental of Real Property	1.00%	0.00%	1.00%
Utilities	2.00%	6.10%	8.10%

Transaction Privilege (Sales) Tax Authorization

Arizona Revised Statue (A.R.S.) 42-6051 established the Model City Tax Code. The following sections describe each classification levied by the City of Sierra Vista along with the Model City Tax Code section authorizing the classification.

Retail Sales

Section _A-460. The retail classification is comprised of the business activity upon every person engaging or continuing in the business of selling tangible personal property at retail. The City's total rate for FY18 is 1.95 percent. The City Council voted to increase the sales tax rate in FY16 from 1.75% to 1.95%, effective November 1, 2015.

Real Property Rental

Section _A-445. The Real Property Rental classification is comprised of the business activity upon every person engaging or continuing in the business of leasing or renting real property located within the City for a consideration, to the tenant in actual possession, or the licensing for use of real property to the final licensee located within the City for a consideration including any improvements, rights, or interest in such property. This classification applies to both commercial and residential property. The City's rate for FY18 is one percent, unchanged from FY12.

Use

Section _A-610. There is levied and imposed an excise tax on the cost of tangible personal property acquired from a retailer, upon every person storing or using such property not purchased within the City boundaries. The City's rate for FY18 is 1.95 percent. The City Council voted to increase the sales tax rate in FY16 from 1.75% to 1.95%, effective November 1, 2015.



Construction

Section _A-415. The Construction classification is levied upon every construction contractor engaging or continuing in the business activity of construction contracting within the City. The tax base for the prime contracting classification is sixty five per cent of the gross proceeds of sales or gross income derived from the business. The City's rate for FY18 is 2.45 percent, unchanged from FY12.

Restaurant/Bar

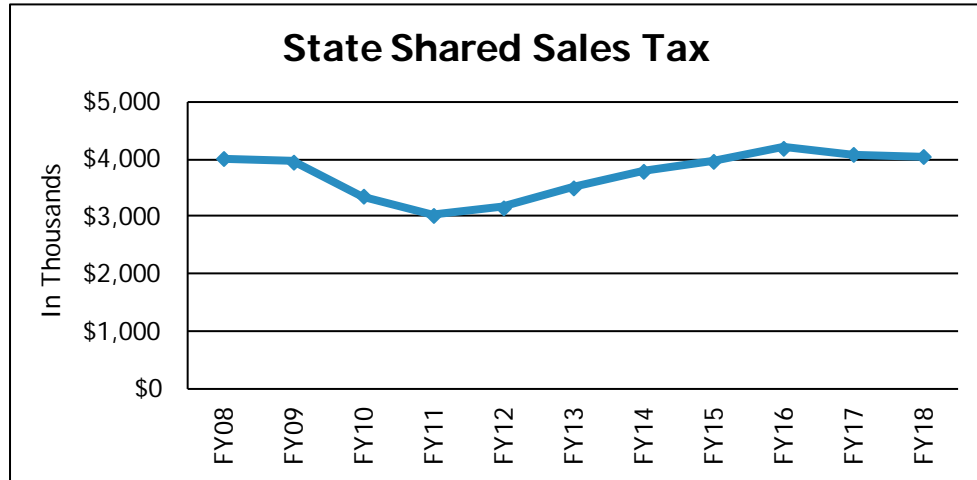
Section _A-455. The Restaurant classification is comprised of the business activity upon every person engaging or continuing in the business of preparing or serving food or beverage in a bar, cocktail lounge, restaurant, or similar establishment where articles of food or drink are prepared or served for consumption on or off the premises, including also the activity of catering. Cover charges and minimum charges must be included in the gross income of this business activity. The City's rate for FY18 is 2.60 percent, unchanged from FY12.

Utility

Section _A-480. The Utilities classification is comprised of the business activity upon every person engaging or continuing in the business of producing, providing, or furnishing utility services, including electricity, electric lights, current, power, gas (natural or artificial), or water to consumers or ratepayers who reside within the City.

Hotel/Motel

Section _A-444. The Hotel classification is comprised of the business activity upon every person engaging or continuing in the business of operating a hotel charging for lodging and/or lodging space furnished to any person. The City's rate for FY18 is 5.50 percent, unchanged from FY12.

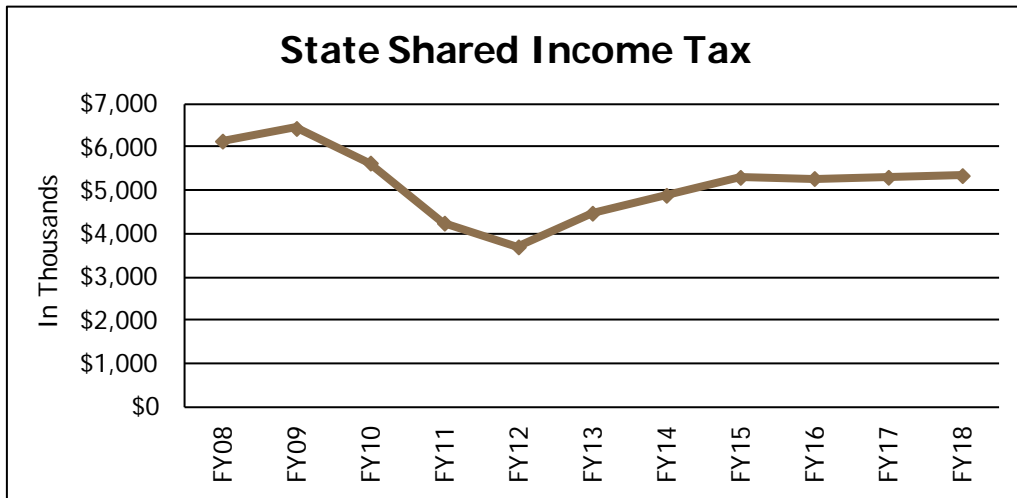


Description

The State of Arizona imposes a State tax on the sales of goods and then distributes 25 percent to incorporated Cities and Towns. The City receives its share of revenue based on population estimates from the most recent U.S. Census or Census Survey.

The City receives the State Sales Tax estimates from the League of Arizona Cities. These estimates are used to compare the City's own budget projections. In the past, the State estimates have been higher than the City's actual collection. The City's conservative revenue projection process uses historical analysis to more closely predict the expected revenue.

General Fund Contribution: \$4,050,442



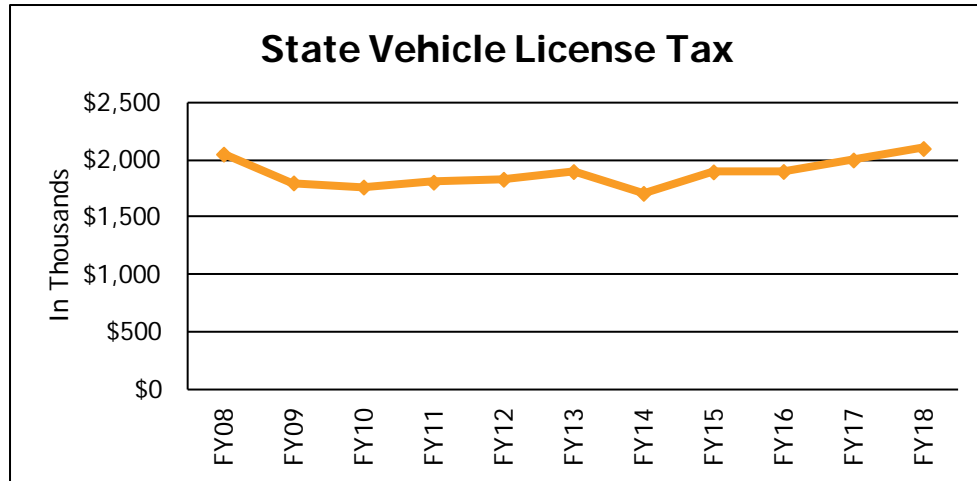
Description

The State of Arizona levies income taxes. Statutes stipulate that Arizona cities and towns share 15 percent of the tax distributed based on a population basis. This revenue source depends heavily upon the condition of the state's economy.

There is a two-year lag from the year the taxes are levied and the year they are distributed to the cities. This means that the City receives their share of the 2016 income taxes in FY18.

The City's share of income tax revenues has stabilized as a result of the economic recovery experienced throughout the State, but is not experiencing significant growth. The State provides an estimate for the expected revenue to the City, which is almost 100 percent accurate. The FY18 Budget for income tax revenues increases 2 percent from FY17.

General Fund Contribution: \$5,351,144

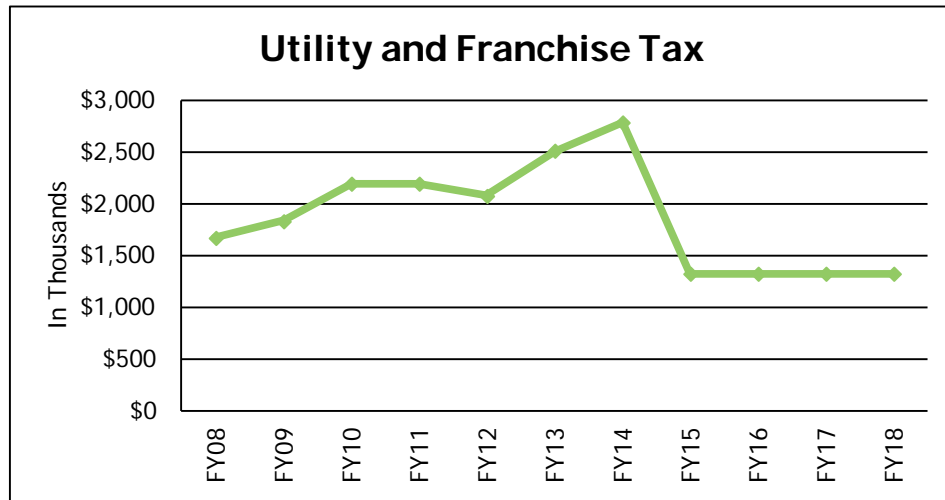


Description

The State of Arizona levies a tax on vehicle licenses. The revenue that the City receives represents state-shared revenue derived from the vehicle registration fees. Cities and towns receive 25 percent of the net revenues collected within their county.

The State of Arizona provides an estimate for the expected Vehicle Licensing Tax the City will receive. However, the City uses its own estimate based on historical trend analysis, because the State's estimate is often too optimistic. The City estimate is roughly ten percent lower than the State's estimate. In FY18, the City projects a 5.0% increase in levels from FY17.

General Fund Contribution: \$2,100,000



Description

The Public Utility tax includes the two percent excise tax on water, gas, electric and phone utilities. The franchise tax includes the five percent franchise fee on cable television. Because the public utility tax was originally established separately from the City’s privilege tax, it has been tracked separately. Beginning in FY15, the Utility Tax began being tracked and accounted for with the Transaction Privilege Tax, so the total revenue in this section appears lower for FY15, but is in fact relatively flat as a combined rate.

The Franchise Tax revenue is projected to be \$1,325,000 in FY18.

The residents of Sierra Vista approved the franchise agreement with Southwest Gas in 2008. The franchise agreement included a two percent franchise fee, transaction privilege sales tax, and a one percent reimbursement fee.

The residents of Sierra Vista approved the franchise agreement with Sulphur Springs Valley Electrical Cooperative franchise agreement in 2012. The franchise agreement included a two percent transaction privilege tax and a two percent franchise fee. All of the estimated revenue from the franchise agreement (\$700,000) is transferred to fund street maintenance in the FY18 Budget.

General Fund Contribution: \$1,325,000

Current rates

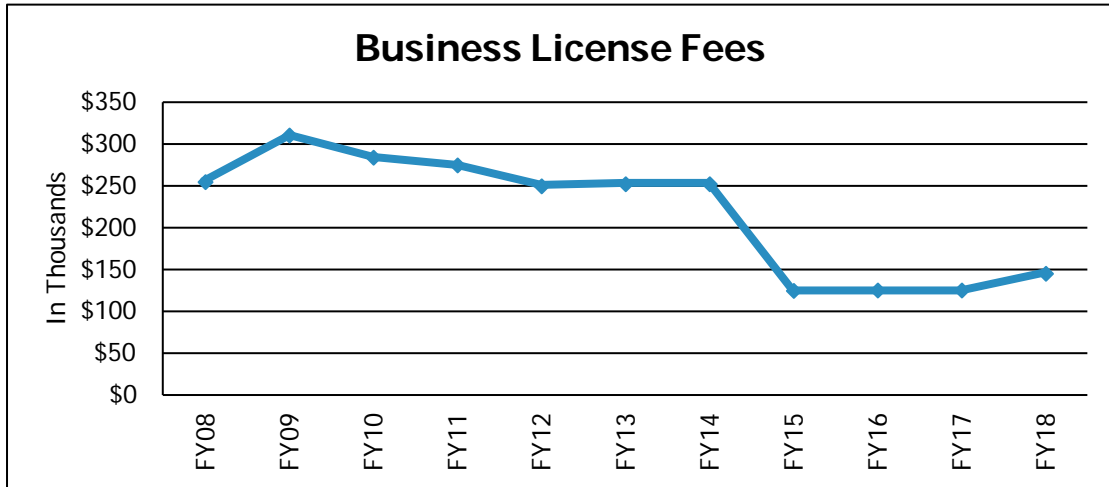
SSVEC- 4% Franchise (2% Transaction Privilege Tax, 2% Franchise)

SWG- 5% Franchise (2% Transaction Privilege Tax, 2% Franchise, 1% Right-of-Way)

Water- 2% Utility

Phone- 2% Utility

Cox- 5% License

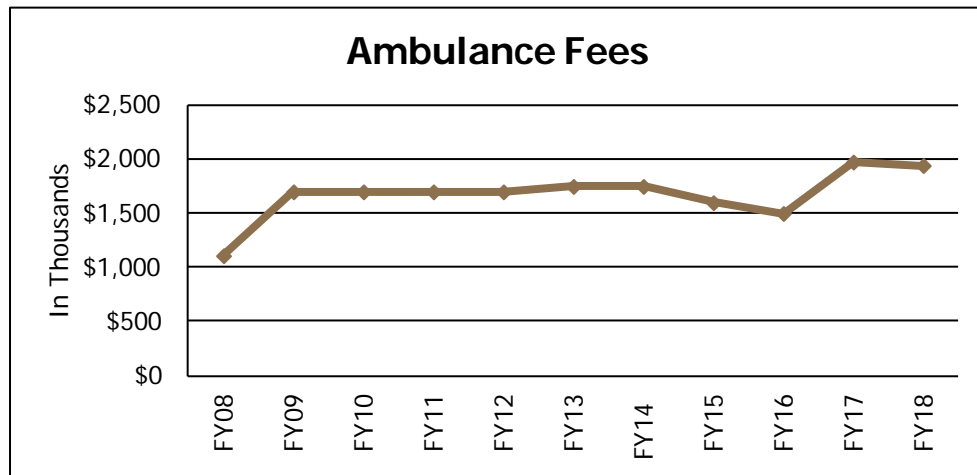


Description

The City increased its annual business license fee from \$112 in FY03 to \$130 in FY04 and then reduced it to \$100 effective July 1, 2014. The reduction was a conscious decision to stimulate business interest and growth in the City. This fee is charged for various services provided by the City, like monitoring compliance with fire and building code requirements to ensure that businesses operating in the City do so in a safe manner.

The estimate uses historical trend analysis. With fewer businesses in town, the amount collected for business licenses decreased over the last several years and stabilized in FY15. The City will be focusing on all businesses having a business license and will begin the implementation of visiting business owner and helping them obtain such license so a slight increase in revenue is projected in FY18.

General Fund Contribution: \$145,500



Description

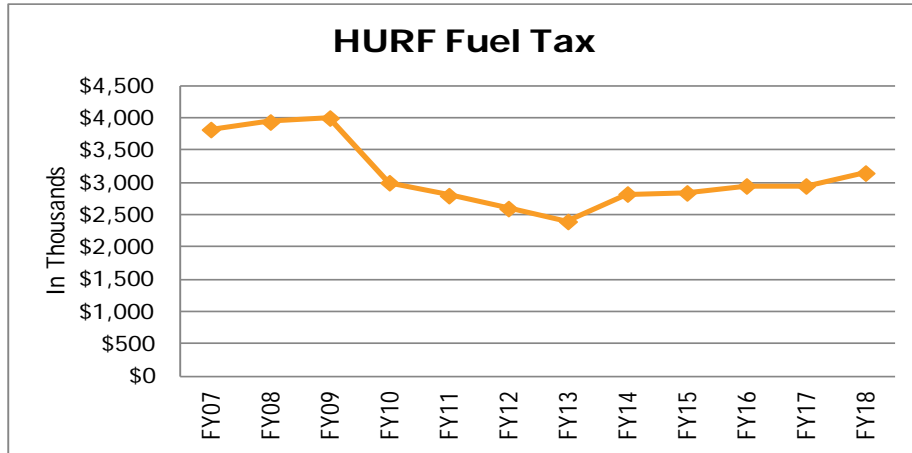
The City charges for ambulance services. The revenue received over the last several years has remained level. As a result of the completed construction of the Canyon Vista Medical Center in FY15, the City saw a slight reduction in the inter-facility transport program. This program transported patients between medical facilities in Sierra Vista.

The revenue projection is based on current year FY17 estimates plus adding a second EMS crew in FY18. The City transport crews transport patients between Life Care, nursing homes and to and from medical appointments. The expected gross revenue from the second EMS crew is projected to be \$168,000 for FY18.

General Fund Contribution: \$1,943,000



Highway User Revenue Fund (HURF) Revenue



Estimated HURF revenues total \$4,465,720 in the FY18 budget. State statutes mandate that the HURF fund is established and maintained as a special revenue fund for the purpose of using State-Shared Fuel Tax dollars for street and transportation-related expenditures. The State distributes 27.5 percent of total fuel tax revenues to Arizona cities and towns using a formula which:

1. takes one-half of the 27.5 percent and apportions the revenues based on population, and
2. takes the remaining one-half and distributes the revenues based on gasoline sales within the county of origin and the proportion of a municipality's population in relation to the other municipalities in that county.

The majority of HURF revenues derive from the fuel tax, grants, and contributions. The HURF fund has increased this year from FY17 as a result of grant funding and Notes Payable Proceeds that are currently available. The following table compares budgeted FY17 and FY18 HURF revenues.

The transfer-in from the capital fund is the anticipated franchise fee agreement revenue. The franchise fee amount will be transferred to HURF for street maintenance in FY18 in the anticipated amount of \$700,000.



Highway User Revenue Fund (HURF)

The following table compares budgeted FY17 and FY18 HURF revenues.

	FY17 Budget	FY18 Budget
Fuel Tax	\$ 2,950,000	\$ 3,150,000
Note Proceeds	\$ -	\$ 288,000
Transfers In - CIF	\$ 700,000	\$ 700,000
Loc Gov Payments	\$ -	\$ 15,000
Misc. Revenue	\$ -	\$ 10,000
Grants	\$ -	\$ 302,720
Total	\$ 3,650,000	\$ 4,465,720



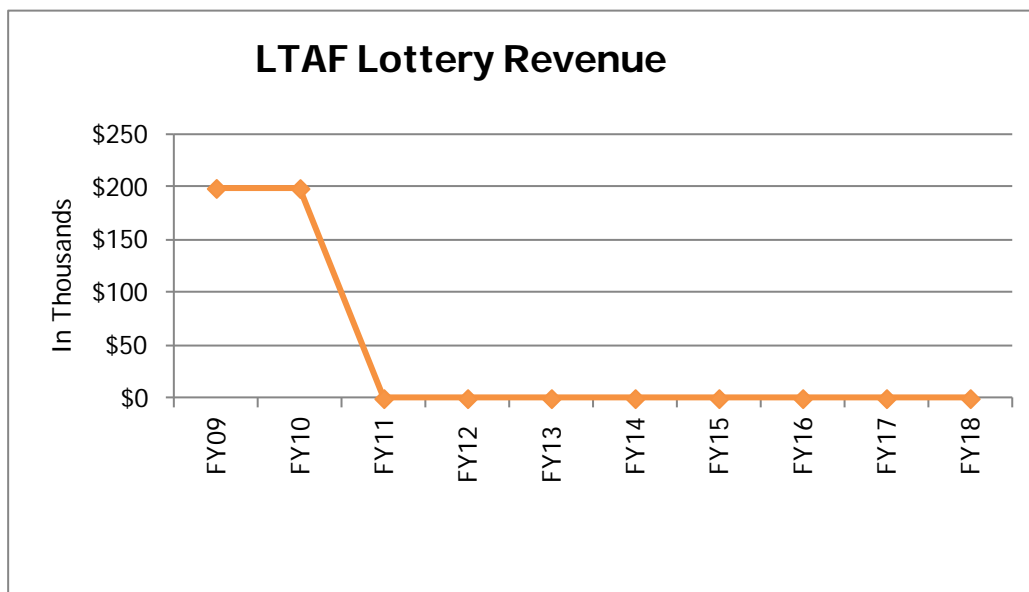
Local Transportation Assistance Fund Revenue

The Local Transportation Assistance Fund (LTAF) represented a state-shared special revenue fund generated by proceeds from the lottery. The State distributed these proceeds to cities and towns using a population-based formula. Cities then used the revenue for public transportation purposes. During the economic downturn in 2008, the State ceased sharing this revenue with the Cities, forcing the City to use General Fund revenues to make up the lost revenue. The City maintains this fund to track the grants it receives to help operate the transit operations.

	FY17 Budget	FY18 Budget
Carryover	\$ 166,815	\$ 147,498
Lease Revenue	\$ 19,200	\$ 19,200
Grants	\$ 1,212,789	\$ 1,100,241
Bus Fares	\$ 116,000	\$ 116,000
Transfers In – CIF	\$ -	\$ -
Transfers In – General Fund	\$ 430,000	\$ 400,000
Misc. Revenue	\$ 5,000	\$ 1,000
Total	\$ 1,949,804	\$ 1,783,939

The City receives grant and operational revenue associated with Vista Transit. This fiscal year, \$1,100,241 in grants funding (for regular administration, operation, and capital) plus \$116,000 in bus fare revenue receipts are anticipated.

The \$400,000 General Fund transfer-in is to fund shortfalls in Transit revenues needed to operate the City's transit system. This amount was decreased this year by \$30,000.





Sewer Enterprise Fund Revenue

For FY18, total budgeted revenues for the Sewer Enterprise Fund are \$10,787,244, an increase of \$4,968,264 from last year's budget of \$5,818,980.

As an enterprise fund, the Sewer Enterprise Fund must use the revenues generated from user fees to balance the fund's expenditures. This means that the sewer ratepayers who use these services bear the costs through the payment of their fees. For many years, the rates charged to customers were not increased, and rates will not increase in FY18.

The revenue projections for this fund depend on the size of the customer base and the planned expenditures for FY18.

The following table displays the FY17 and FY18 budgeted revenues. The revenue for this fund increased by 85 percent from last year due to the notes payable being used to pay off municipal bonds.

	FY17 Budget	FY18 Budget
Carryover	\$ 1,056,117	\$ 736,381
Sewer Service Charges	\$ 1,338,791	\$ 1,338,791
Capital Service Charges	\$ 1,272,572	\$ 1,272,572
Sewer Usage Charges	\$ 930,313	\$ 930,313
Sewer Connection Fees	\$ 200,000	\$ 200,000
Delinquencies	\$ 35,000	\$ 1,000
Miscellaneous	\$ 100,000	\$ 135,000
Capital Contributed by Developers	\$ 500,000	\$ 500,000
Notes Payable	\$ 535,500	\$ 5,823,000
Capital Reimbursement	\$ 500	\$ -
Transfer Out- SVMPC	\$ (149,813)	\$ (149,813)
Total	\$ 5,818,980	\$ 10,787,244



Refuse Enterprise Fund Revenue

For FY18, revenues for the Refuse Enterprise Fund total \$4,944,599, a decrease of \$402,910 from the FY17 budgeted total of \$5,347,509. The bulk of this decrease was due to the amount of carryover in FY17 that helped support an additional collection route.

As an enterprise fund, the revenues generated by the system of user fees must cover the cost of the operations. Like the Sewer Enterprise Fund, the ratepayers, as the users of the service, pay these costs and not the general taxpayer. The FY18 Budget currently reflects the same rate structure as FY17 while the department continues to review the rising costs of the County landfill prices.

The City implemented an expanded recycling program in FY13. The expanded program increased recycling pick-ups from once per month to once per week. The new schedule provides pick up of regular refuse and recycling one day per week. With the increased recycling pickups the amount of material that can be recycled will also increase. The new program has been successful and has reduced costs of operations.

The following table displays the FY17 and FY18 budgeted revenues for the Refuse Enterprise Fund.

	FY17 Budget	FY18 Budget
Carryover	\$ 491,316	\$ 730,599
Refuse Charges	\$ 4,325,693	\$ 3,775,000
Delinquency Charges	\$ 37,000	\$ 37,000
Interest	\$ 1,000	\$ -
Note Proceeds	\$ 369,000	\$ 297,000
Compost	\$ 100,000	\$ 100,000
Miscellaneous	\$ 23,500	\$ 5,000
Total	\$ 5,347,509	\$ 4,944,599



Airport Fund Revenue



The City operates the Sierra Vista Municipal Airport. Substantial portions of the fund's revenues have been from Federal Aviation Administration (FAA) and Arizona Department of Transportation (ADOT) grants that cover major capital projects.

The following table compares the FY17 and FY18 budgeted revenues for this fund. The Airport Fund decreased \$2,596,152 or 74%. The decrease is due to no available grants and no CIF transfer available to transfer-in from the Capital Improvements Fund.

	FY17 Budget	FY18 Budget
Carryover	\$ -	\$ 430,000
FAA/ADOT Grants	\$ 2,281,277	\$ -
Gas & Oil Revenues	\$ 887,561	\$ 684,436
Leases	\$ 211,000	\$ 211,000
Transfer Out-CIF	\$ -	\$ (430,000)
Transfer In-CIF	\$ 111,750	\$ -
Misc Revenue	\$ 5,000	\$ 5,000
Total	\$ 3,496,588	\$ 900,436



Police Special Revenue Fund

The Police Special Revenue Fund receives its revenues from the Police Department's operations against illicit drug activities and vehicle impounds. The funds can only use these revenues for specific purposes. The following table shows the projected revenues for the Police Special Revenue Fund.

	FY17	FY18
Carryover	\$ 199,500	\$ 199,500
Police Special Revenue	\$ 125,000	\$ 125,000
Total	\$ 324,500	\$ 324,500

Grants Fund

The Grants Fund includes grants for Community Development Block Grants (CDBG), Public Safety, Tourism and Leisure and Library Services. The grants fund fluctuates between years due to the grants that are awarded to the City. The City also budgets grant funds in the General Fund, HURF, LTAF, Airport, Sewer, and Refuse funds.

	FY17	FY18
Carryover	\$ 10,500	\$ 10,829
Federal Grants	\$ 444,501	\$ 977,575
State Grants	\$ 50,000	\$ 20,000
Organizational Grants	\$ 2,180,000	\$ 2,046,000
Local Gov Payments	\$ -	\$ 157,754
Transfer-In GF	\$ -	\$ 7,230
Total	\$ 2,685,001	\$ 3,219,388

Donation Fund

The Donation Fund includes voluntary contributions from private citizens. Several departments benefit from these contributions, with the majority going to the Department of Leisure and Library Services and Animal Control. The Donation Fund budgeted revenues for FY18 in the amount of \$959,948, which is level with FY17. The City budgets the full account balances in FY18 to ensure the funds can be used if needed.

Judicial Enhancement

The State of Arizona created a Judicial Enhancement Fund to improve the efficiency of the court system. The City still maintains this fund even though the City does not have its own court. The City anticipates revenue of \$300 in FY18.



Health and Accident Fund

The City of Sierra Vista continues to operate a self-funded insurance fund. Employee contributions are utilized to maintain this fund. There are no changes to the employee contributions for FY18. The City's plan is healthy and assured that the plan will remain self-funded and grandfathered from some Health Care Reform mandates.

	FY17	FY18
Employees	\$ 3,932,000	\$ 3,932,000
COBRA Premiums	\$ 11,000	\$ 11,000
Recovery Income	\$ 200,000	\$ 200,000
Dental	\$ 176,000	\$ 176,000
Interests	\$ 3,500	\$ 3,500
Total	\$ 4,322,500	\$ 4,322,500

Unemployment Fund

The City of Sierra Vista maintains an unemployment fund. The fund is funded with \$10,000 in carryover monies and a \$25,000 transfer in from the General Fund. FY18 total is \$35,000.

Self-Insured Fund

The City of Sierra Vista is self-insured and maintains this account for that purpose. The fund will receive \$100,000 in Miscellaneous Revenue this year that is received from the risk pool.



Capital Improvements and Debt Service Funds

The City maintains one capital improvements fund and one debt service fund during FY18. The following narratives describe the purposes and revenue sources of each.

Capital Improvements Fund (CIF)

The Capital Improvements Fund receives one half of one percent of the City's sales tax that, by ordinance, must be used for the construction and debt service on major capital projects. Ongoing maintenance of CIF projects is budgeted through departmental operations and maintenance (O&M) budgets

The following table compares the FY17 and FY18 budgeted CIF revenues.

	FY17 Budget	FY18 Budget
Carryover	\$ 1,372,985	\$ 1,226,147
City Sales Tax	\$ 3,802,201	\$ 3,821,212
Transfer Out-General	\$ (1,142,000)	\$ (1,317,440)
Transfer Out-Airport	\$ (111,750)	\$ -
Transfer Out-HURF	\$ (700,000)	\$ (700,000)
Transfer Out-SVMPC-I&R	\$ (2,288,936)	\$ (3,273,289)
Transfer Out- Park Deve Fees	\$ -	\$ (126,630)
Transfer In-Airport Fund	\$ -	\$ 430,000
Transfer In-Impact Fees	\$ 7,500	\$ -
Total	\$ 940,000	\$ 60,000

The transfer out to General Fund is to cover major operating capital projects. The transfer out to the HURF fund is to cover yearly street maintenance and is the amount of the franchise fee revenue. The transfer to SVMPC I&R covers outstanding Municipal Property Corporation debt payments.

Sierra Vista Municipal Property Corp.-Interest and Redemption Fund (SVMPC-I&R)

The SVMPC I & R fund pays debt service obligations on bonds issued to construct capital projects.

	FY17 Budget	FY18 Budget
Transfer In-CIF	\$ 2,288,936	\$ 3,273,289
Transfer In-Sewer	\$ 149,813	\$ 149,813
Transfer In-Park Development Fees	\$ 521,119	\$ -
Transfer In-Police Development Fees	\$ 212,043	\$ -
Transfer in- Fire Development Fees	\$ 261,466	\$ -
Bond Proceeds		\$ 9,950,000
Total	\$ 3,433,377	\$ 13,373,102



Park Development Impact Fee Fund

The slowdown in construction had an impact on all development impact fees. This is most noticeable on the Park Development Fund because it has been in place for a number of years. For FY18, the revenue estimates break down as follows:

	FY17 Budget	FY18 Budget
Carryover*	\$ 520,310	\$ -
Planning Revenue	\$ 127,500	\$ -
Transfer In - CIF	\$ -	\$ 126,630
Transfer Out - SVMPC I & R	\$ (521,119)	\$ -
Total	\$ 126,691	\$ 126,630

Library Development Impact Fee Fund

The Library Development Fee Revenue is presented below. The Library Development fee pays for buy in for the current excess capacity at the current Library.

	FY17 Budget	FY18 Budget
Planning Revenue	\$ 7,500	\$ -
Transfer Out- CIF	\$ (7,500)	\$ -
Total	\$ -	\$ -

Police Development Impact Fee Fund

The Police Development Impact Fee Fund revenue is presented below.

	FY17 Budget	FY18 Budget
Carryover*	\$ 162,412	\$ -
Planning Revenue	\$ 35,650	\$ -
Transfer In- General Fund	\$ 13,981	\$ -
Transfer Out- SVMPC I&R	\$ (212,043)	\$ -
Total	\$ -	\$ -



Transportation Development Impact Fee

The Transportation Development Impact Fee revenue is presented below.

	FY17 Budget	FY18 Budget
Carryover*	\$ 1,326,090	\$ 200,000
Planning Revenue	\$ 160,837	\$ -
Transfer In- General Fund	\$ 63,073	\$ -
Total	\$ 1,550,000	\$ 200,000

Fire Development Impact Fee

The Fire Development Impact Fee revenue is presented below.

	FY17 Budget	FY18 Budget
Carryover*	\$ 203,017	\$ -
Planning Revenue	\$ 41,985	\$ -
Transfer In- General Fund	\$ 16,464	\$ -
Transfer Out- SVMPC I&R	\$ (261,466)	\$ -
Total	\$ -	\$ -

*The City uses Carryover funds in order to construct capital projects. The City does not receive enough development fees funding in any given year to complete a major capital project. This being the case, the City saves the funds until enough is available, and then uses those funds as carryover. The City also uses the carryover funds to cover the debt service charges on financed development fee projects.



Internal Service Funds

A recap of the projected FY18 revenues by fund compared to FY17 follows:

Revenue Summary by Fund				
	<u>FY17</u>	<u>FY18</u>	<u>% of Whole</u>	<u>Change</u>
General	\$ 34,843,670	\$ 36,698,521	44.36%	5.32%
Special Revenue				
Highway User Revenue Fund	\$ 3,665,000	\$ 4,465,720	5.40%	21.85%
Local Transportation Fund	\$ 1,949,804	\$ 1,783,939	2.16%	-8.51%
Airport	\$ 3,496,588	\$ 900,436	1.09%	-74.25%
Police Special Revenue	\$ 324,500	\$ 324,500	0.39%	0.00%
Grants	\$ 2,685,001	\$ 3,219,388	3.89%	19.90%
Criminal Justice Enhancement	\$ 300	\$ 300	0.00%	0.00%
Donation	\$ 959,948	\$ 959,948	1.16%	0.00%
Park Development Impact Fee	\$ 126,671	\$ 126,630	0.15%	-0.03%
Library Impact Fee	\$ -	\$ -	0.00%	0.00%
Police Impact Fee	\$ -	\$ -	0.00%	0.00%
Transportation Impact Fee	\$ 1,550,000	\$ 200,000	0.24%	-87.10%
Fire Impact Fee	\$ -	\$ -	0.00%	0.00%
Metropolitan Planning Org	\$ 421,765	\$ 421,963	0.51%	0.05%
Capital				
Capital Improvement Fund	\$ 940,000	\$ 60,000	0.07%	-93.62%
Debt Service				
SVMPC I&R	\$ 3,433,377	\$ 13,373,102	16.17%	289.50%
Internal Services				
Health and Accident	\$ 4,322,500	\$ 4,322,500	5.23%	0.00%
Unemployment	\$ 35,000	\$ 35,000	0.04%	0.00%
Self Insured Retention	\$ 100,000	\$ 100,000	0.12%	0.00%
Enterprise				
Sewer	\$ 5,818,980	\$ 10,787,244	13.04%	85.38%
Refuse	\$ 5,347,509	\$ 4,944,599	5.98%	-7.53%
Total All Funds	\$70,020,613	\$ 82,723,790	100%	18%



Introduction

The following section contains detailed information regarding City expenditures. It is subdivided into four major categories: 1) Capital, 2) Personnel, 3) Debt Service, and 4) Operations & Maintenance (O&M). Individual project information is included in each category.

State law requires that cities operate balanced budgets every year, meaning that total city budget expenditures must equal revenues. After each major category, a subtraction table depicting the reduction in each fund is presented. When all categories are subtracted from the fund balance, the ending fund balance will equal zero. The zero balance means that expenditures equal revenues, making the budget balanced.

Expenditure Table

The table below contains total expenditures by category. The table includes the difference between FY17 and FY18 figures, and the percent change between the two years. The most significant change in the FY18 budget is the completion of certain capital project and paying off the municipal bonds. The fund balance in this table will be used in the subtraction tables after each category.

	FY17 Budget	FY18 Budget	Difference	% Change	% Total
Personnel	\$ 31,342,517	\$ 31,804,910	\$ 462,393	1%	38%
O&M	\$ 22,130,986	\$ 24,256,062	\$ 2,125,076	10%	29%
Capital	\$ 11,526,001	\$ 6,572,000	\$ (4,954,001)	-43%	9%
Debt	\$ 5,021,109	\$ 20,090,818	\$ 15,069,709	300%	24%
Total	\$ 70,020,613	\$ 82,723,790	\$ 12,703,177	18%	100%



Department Budget Summary

The table below summarizes the City's proposed departmental expenditures broken down by personnel, operations and maintenance (O&M), and capital expenditures, with debt service costs included in the capital column. Personnel costs continue to make up the largest portion of City expenditures, followed by O&M.

Departmental Budget Summary - FY 2018

Department	Personnel	O & M	Capital	Total	% of Total
Mayor/Council	\$ 67,173	\$ 101,393	\$ -	\$ 168,566	0.2%
City Manager	1,838,766	1,832,488	-	3,671,254	4.4%
Administrative Services	1,913,639	1,330,496	-	3,244,135	3.9%
Court/Legal	174,446	100,300	-	274,746	0.3%
General Government	820,848	5,003,000	-	5,823,848	7.0%
Police	10,320,175	980,774	690,000	11,990,949	14.5%
Fire	5,948,131	3,045,035	750,000	9,743,166	11.8%
Public Works	7,218,253	9,909,110	5,072,000	22,199,363	26.8%
Leisure & Library	2,609,527	1,197,305	-	3,806,832	4.6%
Community Development	780,149	448,001	60,000	1,288,150	1.6%
Debt Service	-	-	20,090,818	20,090,818	24.3%
MPO	113,803	308,160	-	421,963	0.5%
Totals	\$ 31,804,910	\$ 24,256,062	\$ 26,662,818	\$ 82,723,790	
% of Total	38.45%	29.32%	32.23%	100.00%	

The next section is broken into four categories; Capital, Personnel, Operating and Maintenance, and Debt.

1) Capital

The Capital section identifies each project title, the fund used to pay for the project, the department in which the project is budgeted, the estimated cost of the project, and the means by which it will be financed.

2) Personnel

The Personnel section contains a table of expenditures by fund for this year (FY18) and the previous budget year (FY17). The personnel section also includes the personnel expense by department for FY18 and a current roster of personnel.



3) Debt Service

The Debt Service section contains information on the City's debt payments (principal and interest). As with the other sections, payments are identified by the fund from which they are drawn. Debt payments are also divided into three schedules (Schedule A, B and C), "A" identifying debt service by fund, "B" bonded debt and "C" lease purchase debt. Lease purchase debt is comprised of bank loans and is relatively short-term. Bonded debt contains City bond issues and is long-term debt.

4) Operations and Maintenance

The last section contains a table of expenditures by fund for this year (FY18) and the previous budget year (FY17). A table of O&M expenses per department is also included in this section.

There is a table following each of the four sections that shows what remains of the budget after each category of expenditures has been deducted. After the O&M section, when all expenditures have subtracted from the remaining budget, the fund balances will equal zero, demonstrating that the City has created a balanced budget.

The Chart on the next page depicts the expenditure by fund per type.



Expenditures

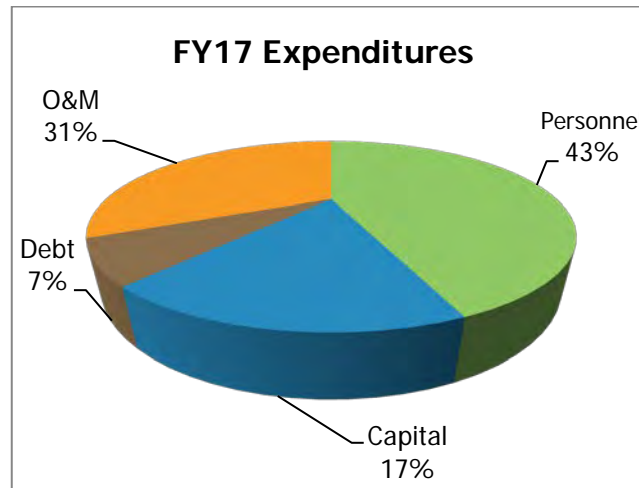
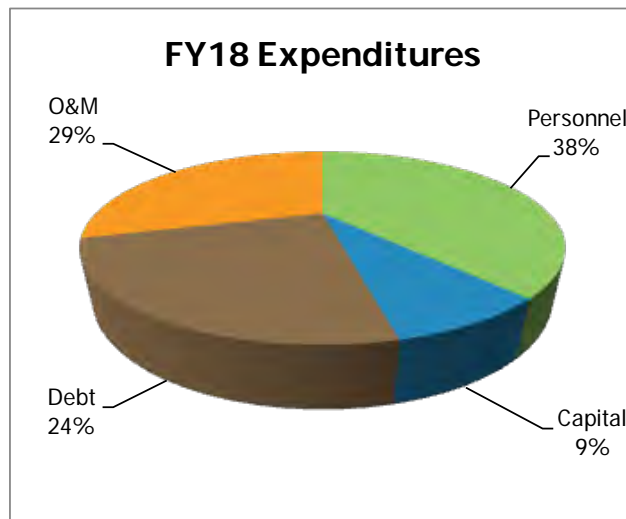
FY 18 Expenditure Summary by Fund

	Capital	Personnel	Debt	O&M	Total
General	\$ 1,661,000	\$ 27,741,053	\$ 156,653	\$ 9,736,521	\$ 39,295,227
Special Revenue					
Highway User Revenue Fund	\$ 1,673,000	\$ 1,074,552	\$ 35,851	\$ 1,276,710	\$ 4,060,113
Local Transportation Fund	\$ 525,000	\$ 869,239		\$ 389,700	\$ 1,783,939
Airport		\$ 128,289	\$ 75,347	\$ 696,800	\$ 900,436
Police Special Revenue	\$ 190,000			\$ 134,500	\$ 324,500
Grants	\$ 1,200,000			\$ 2,019,388	\$ 3,219,388
Criminal Justice Enhancement				\$ 300	\$ 300
Donation				\$ 959,948	\$ 959,948
Park Development Impact Fee			\$ 126,630		\$ 126,630
Library Impact Fee					\$ -
Police Impact Fee					\$ -
Transportation Impact Fee	\$ 200,000				\$ 200,000
Fire Impact Fee					\$ -
Metropolitan Planning Org		\$ 113,803		\$ 308,160	\$ 421,963
Capital					
Capital Improvement Fund	\$ 60,000				\$ 60,000
Debt Service					
SVMPC I&R			\$ 13,373,102		\$ 13,373,102
Internal Services					
Health and Accident				\$ 4,322,500	\$ 4,322,500
Unemployment				\$ 100,000	\$ 100,000
Self Insured Retention				\$ 35,000	\$ 35,000
Enterprise					
Sewer	\$ 733,000	\$ 774,646	\$ 6,110,848	\$ 2,002,185	\$ 9,620,679
Refuse	\$ 330,000	\$ 1,103,328	\$ 212,387	\$ 2,274,350	\$ 3,920,065
Total All Funds	\$ 6,572,000	\$31,804,910	\$ 20,090,818	\$24,256,062	\$ 82,723,790



Expenditure Graph

The below graphs depict the four categorical groups as a percent of total City expenditures. Figures are provided for the current year (FY18) and the previous year (FY17). Personnel expenditure (38 percent) comprises the largest percentage of expenditures in FY18, followed by Operations & Maintenance (29 percent) and Debt service at 24 percent. The smallest percentage of the total budget is Capital, comprising only nine percent.

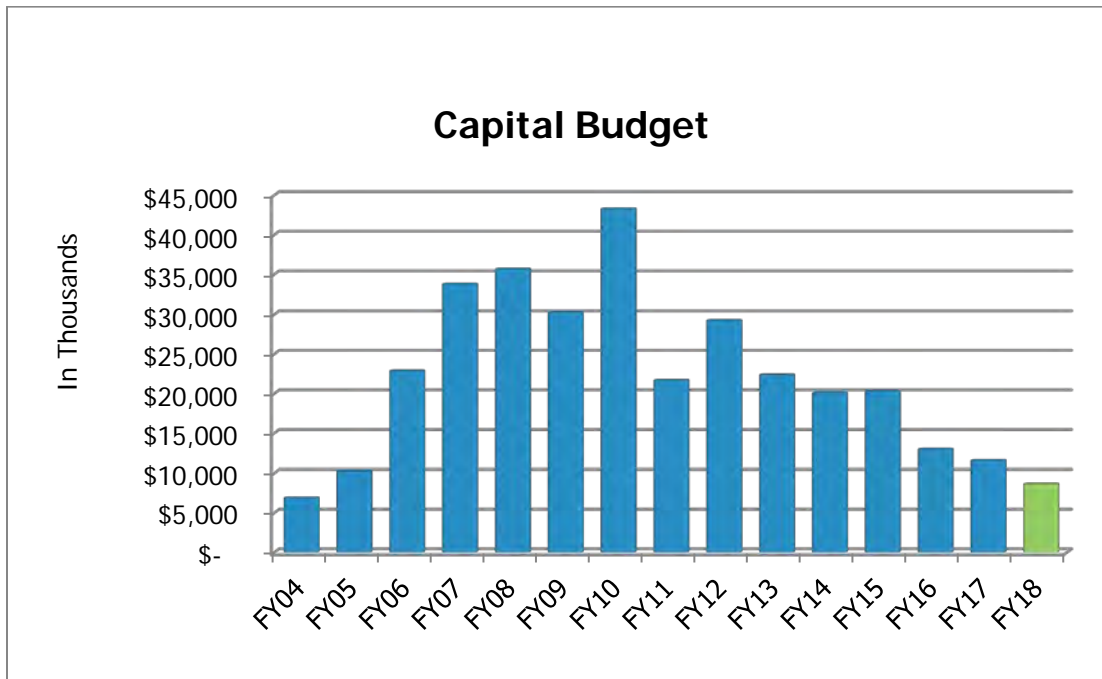




Capital Expenditures

The FY18 recommended capital budget equals \$6,572,000; a decrease of \$4,954,001 (or 43%) from the FY17 total of \$11,526,001.

Capital Projects generally include buildings, roads, major equipment systems and other infrastructure improvements such as detention basins.



The City of Sierra Vista is planning to complete \$6,572,000 in Capital Improvement Projects in FY18. The projects are separated by several funding sources, with some projects being funded by more than one fund. The major funds that will be supporting projects in FY18 are the General, Capital Improvement, Development Fees, Highway User Revenue Fund (HURF), LTAF, Grants, , and Enterprise Funds (Sewer, Refuse).

The FY18 Capital Summary and General Fund/Capital Improvement Funds are listed below by location where funds are allocated in the Budget.



FY 18 Capital Summary				
ITEM/PROJECT	FUND	DEPARTMENT	BUDGETED COST	PAYMENT
Cove Maintenance	General	Public Works	\$ 150,000.00	Cash-CIF
Building Security Initiatives	General	Public Works	\$ 316,000.00	Cash-CIF
Library re-carpeting	General	Public Works	\$ 75,000.00	Cash-CIF
Library roof	General	Public Works	\$ 100,000.00	Cash - carryover
Fire Station 2 Reflooring	General	Public Works	\$ 20,000.00	Cash-CIF
Ford Vehicle Replacements	General	Police	\$ 500,000.00	Cash-CIF
Fire Apparatus	General	Fire	\$ 100,000.00	Cash - carryover
2 x Ambulances (replacements)	General	Fire	\$ 400,000.00	Finance
Annual Capital Street Maintenance	HURF	Streets	\$ 1,088,000.00	Cash
5 x 1/2 Ton Pick Ups	HURF	Streets	\$ 200,000.00	Finance
3/4 Ton Pick Up	HURF	Streets	\$ 50,000.00	Finance
4x4 Tractor	HURF	Streets	\$ 70,000.00	Finance
Fry/W. Garden Design	HURF	Streets	\$ 265,000.00	MPO -Grant
Tranist Facility ADA Improvement	LTAf	Transit	\$ 40,000.00	Grant
Replacement Buses (3)	LTAf	Public Works	\$ 410,000.00	Grant
Fleet Fueling System	LTAf	Public Works	\$ 75,000.00	Grant - carryover
Police Equipment	PSR	Police	\$ 100,000.00	RICO
Police Vehicles	PSR	Police	\$ 90,000.00	RICO
Fire Infrastructure Grant	Grant	Fire	\$ 100,000.00	Grant
Fire Equipment Grant	Grant	Fire	\$ 150,000.00	Grant
New Ball Field	Grant	Leisure	\$ 950,000.00	Grant
Fry Clean-up	CIF	Comm. Dev	\$ 60,000.00	Cash-CIF Carryover
Coronado Widening	Infrastructure development	Public Works	\$ 200,000.00	Inf Dev Fee-carryover



ITEM/PROJECT	FUND	DEPARTMENT	BUDGETED COST	PAYMENT
Side loader - replacement	Refuse	Public Works	\$ 330,000.00	Finance
Camera Van - replacement	Sewer	Public Works	\$ 240,000.00	Finance
1 Ton Pick Up	Sewer	Public Works	\$ 70,000.00	Finance
3/4 Ton Pick Up	Sewer	Public Works	\$ 50,000.00	Finance
Flatbed Spray Rig	Sewer	Public Works	\$ 158,000.00	Cash
Trailer Mount Pump	Sewer	Public Works	\$ 60,000.00	Cash
VMP Well Refurbishment	Sewer	Public Works	\$ 80,000.00	Cash
Third Street Wash Stabilization	Sewer	Public Works	\$ 75,000.00	Cash

Capital By Fund	
General	\$1,661,000
Capital Improvements	\$60,000
HURF	\$1,673,000
Grant	\$1,200,000
LTAF	\$525,000
Police Special Revenue	\$190,000
Infrastructure Dev Fee	\$200,000
Refuse	\$330,000
Sewer	\$733,000
Total	\$6,572,000

The City is refining its 5 year Capital improvement plan process. The plan projects are moved from the 5 year Capital improvement plan into the budget based on the financial resources that fiscal year. The improvement plan is then readjusted based on the following years plan and based off of what was approved based on available financial resources in the City's budget. The decision to move the project into the final budget not only involves the cost to purchase the Capital but also the ability to have financial resources available to maintain ongoing operating costs.



The following list of Capital projects is broken down by each project, project description, project cost by fund over the next five years and any expense or cost savings to the City’s Operating and & Maintenance budget.

1. Cove Maintenance

Maintenance performed to repair cracking and deterioration to keep the Cove operational and maintained.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$150,000					\$150,000

2. Building Security Initiatives

This project will provide additional security and monitoring along with maintaining safety issues at all municipal buildings.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$316,000					\$316,000

3. Library Re-Carpeting

Replacement of the carpet in the library due to wear and tear.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$75,000					\$75,000

4. Library Roof

The replacement and repair of the front portion of the roof is needed to keep the library dry during monsoon season rains.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$100,000					\$100,000

5. Fire Station 2 Re-flooring

Replacement of flooring due to wear and tear and safety issues.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$20,000					\$20,000



6. Ford Vehicle Replacements

Five year capital maintenance rotation and replacement plan for 10 vehicles. O&M savings on cost of repairs.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$500,000					\$500,000
O&M		(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$25,000)

7. Fire Apparatus

This fire apparatus will replace the 1996 Pierce Quantum pumper and 2000 Wheeled Coach ambulance. Both pumper and ambulance are past due on replacement plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$100,000					\$100,000

8. Ambulance Replacement X 2

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$400,000					\$400,000

9. Annual Capital Street Maintenance

Street repair and maintenance.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$1,088,000					\$1,088,000

10. Five ½ Ton Pickups

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$200,000					\$200,000
O&M	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(\$12,500)



11. 3/4 Ton Pickup

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$50,000					\$50,000

12. 4x4 Tractor

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$70,000					\$70,000

13. Fry/W. Garden Design

The existing 5-lane roadway is overbuilt for current and future needs, resulting in extra pavement maintenance costs. In addition, the unappealing aesthetics of the roadway are a barrier to redevelopment. The project will narrow the roadway and provide additional landscaping to more closely align the character of the roadway with its current context. This first phase will be for the design only.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$265,000					\$265,000

14. Transit Facility ADA Improvement

This project will bring the transit facility compliant with ADA regulations.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
LTAf	\$40,000					\$40,000

15. Bus Replacement

The replacement of two (3) Vista Transit buses would increase the reliability of the Transit fleet, alleviating the necessity to delay or cancel scheduled routes and services. The purchase would also decrease the burden on Fleet Services by reducing unnecessary call outs and saving time on additional non-routine and expensive bus maintenance. The new buses could serve to



promote the City's new branding campaign by including the new branding elements. Cost savings to O&M for less repairs and maintenance.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
LTAf	\$410,000					\$410,000
O&M	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$25,000)

16. Fleet Fueling System

A fuel management solution is designed to better manage consumable assets for the City of Sierra Vista and our IGA partners with fueling and maintenance contracts. The system will be capable of processing all fuel transactions and validating them in real-time. The system will also be able to monitor recall notifications, provide temporary fuel cards in the event of an emergency and track preventative maintenance reminders.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
LTAf	\$75,000					\$75,000

17. Police Equipment

This grant will provide for ongoing equipment needs for the Police Department to continue to run effectively and meet the safety standards. It will also assist when certain equipment fails to meet replacement schedules and needs to be replaced sooner than expected due to constant maintenance problems and downtime.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
PSR	\$100,000					\$100,000

18. Police Vehicle

This project will cover the cost of additional police vehicles if deemed necessary by the needs of the department and safety standards.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
PSR	\$90,000					\$90,000



19. Fire Infrastructure Grant

This project will provide additional security/monitoring capabilities at all three fire stations by providing key card access. Cost to O&M for maintenance.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Grant	\$100,000					\$100,000
O&M	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000

20. Fire Equipment Grant

This grant will provide for ongoing equipment needs for the Fire Department to continue to run effectively and meet the safety standards. It will also assist when certain equipment fails to meet replacement schedules and needs to be replaced sooner than expected due to constant maintenance problems and downtime.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Grant	\$150,000					\$150,000

21. New Ball Field

This project will add a much needed new ball field due to overuse and overbooking of the current fields.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Grant	\$950,000					\$950,000

22. Fry Clean-Up

The City is partnered with Cochise County to acquire and abate several blighted properties in the Fry Town Site. Using funds from both the City and County, the properties are being cleaned up and eventually sold.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
CIF	\$60,000					\$60,000



23. Coronado Widening

Coronado is designated as an arterial roadway on the City's Traffic Circulation Plan, and most of the roadway is constructed with either four or five lanes. However, there is a segment between Busby and Golf Links that is only two lanes, and the reduced width creates a constriction point. Expanding the roadway to four or five lanes will improve traffic flow and also facilitate new development in the area. Traffic signals are also planned for the Busby/Coronado and Golf Links/Coronado intersections. Cost will be added to O&M for maintenance.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Infrastructure	200,000					\$200,000
Development						
O&M	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000	\$70,000

24. Side Loader Replacement

This project in on the Five year replacement plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Refuse	\$330,000					\$330,000

25. Camera Van Replacement

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$240,000					\$240,000

26. 1 Ton Pickup

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$70,000					\$70,000

27. ¾ Ton Pickup

Due for replacement per the five year Capital Maintenance and Replacement Plan.



Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$50,000					\$50,000

28. Flatbed Spray Rig

This equipment is needed for sewer project operations.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$158,000					\$158,000

29. Trailer Mount Pump

The addition of a high volume pump will enable Wastewater section personnel to rapidly pump down tanks, the EOP clarifiers, and basins. It will also be used as a bypass pump in projects that require high volumes of wastewater to be bypassed during repairs to the existing sewer infrastructure or during new construction projects.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$60,000					\$60,000

30. VMP Well Refurbishment

The well pump at Veteran’s Park has shown a decrease in performance over the years and is past its life expectancy. The existing design scheme has the well pump directly feeding a hydro pneumatic tank which causes the pump and motor to start and stop excessively, degrading the motor’s performance. The well site needs to be evaluated for possible component replacement and, if feasible, re-design of site components.

The well pump should be pulled from its casing and inspected by a qualified well service company, and replaced as necessary. The well casing should also be inspected and rehabilitated as necessary. Alternatives to the existing design should also be evaluated.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$80,000					\$80,000

31. Third Street Wash Stabilization

This project will stop the erosion along 3rd Street Wash behind the Bella Vista Estates Subdivision. If the erosion continues unabated, it is only a matter of time before the road and the sewer line are lost.



Capital Improvement Plan

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$75,000					\$75,000

CAPITAL AND O&M COSTS

	Capital	O&M
General	\$1,661,000	(\$25,000)
Capital Improvements	\$60,000	\$0.00
HURF	\$1,673,000	(\$12,500)
Grant	\$1,200,000	\$5,000
LTAF	\$525,000	(\$25,000)
Police Special Revenue	\$190,000	\$0.00
Infrastructure Dev Fee	\$200,000	\$70,000
Refuse	\$330,000	\$0.00
Sewer	\$733,000	0.00
Total	\$6,572,000	\$12,500

The City is refining its 5 year Capital improvement plan process. The plan projects are moved from the 5 year Capital improvement plan into the budget based on the financial resources that fiscal year. The improvement plan is then readjusted based on the following years plan and based off of what was approved based on available financial resources in the City's budget. The decision to move the project into the final budget not only involves the cost to purchase the Capital but also the ability to have financial resources available to maintain ongoing operating costs.



Capital Improvement Plan Six to Ten Years

The City of Sierra Vista also maintains a capital improvement plan for projects expected to be completed in the next ten years. Projects listed below are in the long-term plans of the City.

<u>PROJECT</u>	<u>5 YEAR TOTAL</u>
Annual Major Street Reconstruction Project	\$8,250,000
Relocation of Fire Station No. 2	\$4,000,000
Public Safety Training Facility	\$2,000,000
Tribute Water Reclamation Facility	\$10,000,000
Runway 12/30 Extension	\$1,500,000
BST Extension (SR92 to Avenida Del Sol)	\$3,250,000
Taxiway "D" Extension	\$850,000
Garden Canyon Linear Park	\$1,100,000
BST Extension (SR92 to Avenida Del Sol)	\$3,250,000
Taxiway "D" Extension	\$850,000
Garden Canyon Linear Park	\$1,100,000
Police Substation	\$3,000,000
BST/Avenida Del Sol Signal	\$350,000
Avenida Cochise/Avenida Del Sol Signal	\$400,000
Snyder/Avenida Del Sol Signal	\$350,000
Guilio Cesare (SR90 to Michelangelo) Improvements	\$625,000
City Hall Renovation Project	\$500,000
El Camino Real/Coyote Wash Crossing Improvements	\$350,000
Avenida Del Sol Construction (Calle Cumbre to BST)	\$3,500,000
Cyr Center Park Phase II and III	\$2,000,000
Public Community Center	\$14,000,000
Public Safety WiFi Project	\$2,000,000
SR 92/ Snyder Blvd Intersection Signal Improvement Project	\$400,000
Section 36 Detention Basin	\$500,000
Total	\$64,125,000

**Expenditure Summary by Fund**

	FY18 Total Resources Available	Capital Expenditure	Subtotal Balance After Capital Deducted
General	\$ 39,295,227	\$ 1,661,000	\$ 37,634,227
		\$ -	
Special Revenue		\$ -	
Highway User Revenue Fund	\$ 4,060,113	\$ 1,673,000	\$ 2,387,113
Local Transportation Fund	\$ 1,783,939	\$ 525,000	\$ 1,258,939
Airport	\$ 900,436	\$ -	\$ 900,436
Police Special Revenue	\$ 324,500	\$ 190,000	\$ 134,500
Grants	\$ 3,219,388	\$ 1,200,000	\$ 2,019,388
Criminal Justice Enhancement	\$ 300	\$ -	\$ 300
Donation	\$ 959,948	\$ -	\$ 959,948
Park Development Impact Fee	\$ 126,630	\$ -	\$ 126,630
Library Impact Fee	\$ -	\$ -	\$ -
Police Impact Fee	\$ -	\$ -	\$ -
Transportation Impact Fee	\$ 200,000	\$ 200,000	\$ -
Fire Impact Fee	\$ -	\$ -	\$ -
Metropolitan Planning Org	\$ 421,963	\$ -	\$ 421,963
		\$ -	
Capital		\$ -	
Capital Improvement Fund	\$ 60,000	\$ 60,000	\$ -
		\$ -	
Debt Service		\$ -	
SVMPC I&R	\$ 13,373,102	\$ -	\$ 13,373,102
		\$ -	
Internal Services		\$ -	
Health and Accident	\$ 4,322,500	\$ -	\$ 4,322,500
Unemployment	\$ 100,000	\$ -	\$ 100,000
Self Insured Retention	\$ 35,000	\$ -	\$ 35,000
		\$ -	\$ -
Enterprise		\$ -	
Sewer	\$ 9,620,679	\$ 733,000	\$ 8,887,679
Refuse	\$ 3,920,065	\$ 330,000	\$ 3,590,065
Total All Funds	\$82,723,790	\$ 6,572,000	\$ 76,151,790



Personnel Expenditures

People represent the heart of any service organization and a significant investment of financial resources. The FY18 expenditures for personnel (including benefits) total \$31,804,910 (38%) of the proposed FY18 budget, an increase of \$462,393 (1%) above the FY17 personnel budget total of \$31,342,517. The increase is primarily due to maintaining the classification and compensation plan adopted in FY16.

Benefits are projected to be \$10,751,950 and represent 34 percent of the total personnel budget. Benefits include social security, worker's compensation, insurance, retirement, employee recognition, and educational assistance.

The following table compares the FY17 and FY18 personnel budgets by fund.

	FY17	FY18	Change
General	\$ 25,352,083	\$ 25,848,187	\$ 496,104
HURF	\$ 1,496,495	\$ 1,423,492	\$ (73,003)
LTAF	\$ 833,876	\$ 869,239	\$ 35,363
Airport	\$ 122,371	\$ 128,289	\$ 5,918
Metropolitan Planning Org	\$ 114,152	\$ 113,803	\$ (349)
Sewer	\$ 1,625,493	\$ 1,610,890	\$ (14,603)
Refuse	\$ 1,798,047	\$ 1,811,010	\$ 12,963
Total	\$ 31,342,517	\$ 31,804,910	\$ 462,393

As the table above indicates, the general fund pays for the majority of the City's personnel costs, approximately 81 percent.



The table below separates the personnel expenses into the categories of salaries and benefits. Salaries account for 66 percent of the total personnel expense while benefits account for the other 34 percent of personnel expense.

	FY17	FY18	% of Total	Change
Salaries				
Salaries-Regular	\$ 18,999,220	\$ 18,904,242	59%	\$ (94,978)
Salaries-Overtime	\$ 566,583	\$ 674,627	2%	\$ 108,044
Salaries-Part-Time	\$ 1,642,189	\$ 1,546,960	5%	\$ (95,229)
Total Salaries	\$ 21,207,992	\$21,125,829	66%	\$ (82,163)
Benefits				
FICA/MICA	\$ 1,380,643	\$ 1,271,228	4%	\$ (109,415)
State Retirement	\$ 1,315,372	\$ 1,254,649	4%	\$ (60,723)
Public Safety Retirement	\$ 3,316,797	\$ 3,952,619	12%	\$ 635,822
Workers Comp	\$ 385,761	\$ 349,063	1%	\$ (36,698)
OPEB and Admin	\$ 173,651	\$ 173,016	1%	\$ (635)
Uniforms	\$ 272,178	\$ 275,311	1%	\$ 3,133
Health & Accident Ins	\$ 2,345,750	\$ 2,345,429	7%	\$ (321)
Dental	\$ 178,954	\$ 182,484	1%	\$ 3,530
Retiree Health Insurance	\$ 704,419	\$ 814,832	3%	\$ 110,413
Education	\$ 21,000	\$ 20,450	0%	\$ (550)
Employee Recognition	\$ 40,000	\$ 40,000	0%	\$ -
Total Benefits	\$ 10,134,525	\$10,679,081	34%	\$ 544,556
Total Personnel	\$ 31,342,517	\$31,804,910	100%	\$ 462,393

The City of Sierra Vista has 340 full-time employee positions. A second new EMS peak hour crew has been added. A list of all positions is presented on the following pages.

At its peak several years ago, the City had 397 full-time positions. Since then, positions have been cut through attrition in order to reduce costs to the City.



POSITIONS	2017/2018		
	Authorized	Frozen	Funded
CITY MANAGER'S OFFICE			
City Manager			
City Manager	1		1
Assistant City Manager	1		1
Management Analyst	1		1
Executive Secretary	1		1
Management Support Specialist	1		1
Economic Development			
Economic Development Manager	1		1
Management Analyst	1		1
Public Affairs and Marketing			
Public Affairs Manager	1		1
Management Support Specialist	0		0
Administrative Secretary	2		2
Customer Service Representative	1		1
Management Analyst	1		1
Human Resources			
Chief Human Resources Officer	1		1
Management Analyst	2		2
Recruitment Coordinator	1		1
Payroll/Benefits Coordinator	1		1
Procurement			
Chief Procurement Officer	1		1
Buyer II	1		1
Buyer	1		1



Expenditures

	Personnel		
Management Analyst	1		1
	2017/2018		
	Authorized	Frozen	Funded
Information Technology			
Chief Information Officer	1		1
Systems Administrator I	2		2
Network Administrator II	1		1
Senior Network Administrator	2		2
Database Administrator	1		1
Sr. Systems Administrator	1		1
City Clerk			
City Clerk	1		1
Deputy City Clerk	1		1
Administrative Secretary	1		1
Customer Service Representative	2		2
Finance			
Chief Financial Officer	1		1
Grant Administrator/Senior Accountant	1		1
Accountant	2		2
Junior Accountant	3		3
Accounting Assistant	1		1
Administrative Secretary	1		1
Total City Manager's Office	43	0	43



POSITIONS	2017/2018		
	Authorized	Frozen	Funded
COMMUNITY DEVELOPMENT			
Planning			
Director	1		1
Management Analyst	1		1
Senior Planner	1		1
Planner	1		1
Neighborhood Enforcement Officer	2		2
Administrative Secretary	2		2
Building			
Building Administrator	1		1
Senior Building Inspector	2	1	1
Total Community Development	11	1	10
FIRE DEPARTMENT			
Chief	1		1
Deputy Chief	1	1	0
Battalion Chief	3		3
Captain	9		9
Fire Marshal	1		1
Inspector	1		1
Engineer/EMT	9		9
Firefighter	27		27
Transport Crew	4		4
Administrative Secretary	2		2
Total Fire Department	58	1	57



POSITIONS	2017/2018		
	Authorized	Frozen	Funded
POLICE DEPARTMENT			
Administration			
Chief	1		1
Deputy Chief	1		1
Commander	2		2
CALEA Administrator (Management Analyst)	1		1
Police Resource Specialist	1		1
Management Support Specialist	1		1
Communications Administrator	1		1
Senior Records Clerk	1		1
Records Clerk	5		5
Public Safety Dispatcher I/II	12		12
CSR Police Call Taker	0		0
Records Supervisor	1		1
Operations			
Lieutenant	3		3
Sergeant	6		6
Corporal	8		8
Police Officer	45		45
Evidence Custodian	1		1
Animal Control			
Animal Control Supervisor	1		1
Animal Control Officer I/II	4		4
Customer Service Representative	0		0
Total Police Department	95	0	95



POSITIONS	2017/2018		
	Authorized	Frozen	Funded
DEPARTMENT OF PUBLIC WORKS			
Administration			
Director	1		1
City Engineer	1		1
Operations Manager	1		1
PW Administrator	2		2
Management Analyst	2		2
Public Works Admin Coordinator	1		1
Administrative Secretary	3		3
Customer Service Representative	1	1	0
Airport			
Airport Worker	1		1
Airport Technician	1		1
Engineering			
Senior Civil Engineer	3		3
Civil Engineer	0		0
Engineering Technician	1		1
Construction Inspector	1		1
Drafting Technician	1		1
Street Maintenance			
Transportation Supervisor	1		1
Streets Technician	4		4
Streets Worker	13		13
Roadside/Drainage Way Maintenance Worker	0		0
Sewer Maintenance			
Water/Sewer Supervisor	1		1



Expenditures

POSITIONS	Authorized	Personnel	
		2017/2018 Frozen	Funded
Water/Sewer Technician I/II	3		3
Water/Sewer Worker	8		8
Facilities Maintenance			
Facilities Supervisor	1		1
Facilities Technician	2		2
Facilities Worker	2		2
Lead Custodian	1		1
Custodian	6		6
Fleet Maintenance			
Fleet Service Coordinator	1		1
Fleet Technician	7		7
Park Maintenance			
Park Maintenance Supervisor	1		1
Park Maintenance Technician	2		2
Park Maintenance Worker	7		7
Refuse Operations			
Refuse Supervisor	1		1
Refuse Technician	1		1
Refuse Worker	14		14
Transit			
Transit Dispatcher	2		2
Transit Driver	7		7
Transit Department Specialist	1		1
Total Public Works	106	1	105



POSITIONS	2017/2018		
	Authorized	Frozen	Funded
LEISURE & LIBRARY SERVICES			
Administration			
Director	1		1
Leisure Services Manager	1		1
Customer Service Coordinator	1		1
Business Resources Specialist	1		1
Administrative Secretary	1		1
Customer Service Representative	1		1
General Maintenance Worker	2		2
Museum			
Museum Curator	1		1
Leisure Services			
Recreation Program Supervisor	3		3
Recreation Coordinator	4		4
Recreation Leader	1	1	0
Aquatics			
Aquatics Coordinator	1		1
Customer Service Representative	1		1
Head Lifeguard	1		1
Administrative Secretary	1		1
Library			
Library Manager	1		1
Librarian	2		2
Library Specialist	1		1
Library Technician	1		1
Circulation Coordinator	1		1
Total Leisure & Library Services	27	1	26



Expenditures

	Personnel		
	Authorized	Frozen	Funded
TOTAL NUMBER OF POSITIONS	340	4	336

On the next page is a summary of personnel expenses and the remaining balance in each fund once capital and personnel are subtracted.



Sierra Vista

A R I Z O N A

EXTRAORDINARY SKIES.
UNCOMMON GROUND.



Expenditure Summary by Fund			
	<u>Subtotal Balance</u>		<u>Subtotal Balance</u>
	<u>After Capital</u>		<u>after Capital &</u>
	<u>Deducted</u>	<u>Personnel Expenditure</u>	<u>Personnel</u>
	<u>Deducted</u>		<u>Deducted</u>
General	\$ 37,634,227	\$ 27,741,053	\$ 9,893,174
Special Revenue			
Highway User Revenue Fund	\$ 2,387,113	\$ 1,074,552	\$ 1,312,561
Local Transportation Fund	\$ 1,258,939	\$ 869,239	\$ 389,700
Airport	\$ 900,436	\$ 128,289	\$ 772,147
Police Special Revenue	\$ 134,500	\$ -	\$ 134,500
Grants	\$ 2,019,388	\$ -	\$ 2,019,388
Criminal Justice Enhancement	\$ 300	\$ -	\$ 300
Donation	\$ 959,948	\$ -	\$ 959,948
Park Development Impact Fee	\$ 126,630	\$ -	\$ 126,630
Library Impact Fee	\$ -	\$ -	\$ -
Police Impact Fee	\$ -	\$ -	\$ -
Transportation Impact Fee	\$ -	\$ -	\$ -
Fire Impact Fee	\$ -	\$ -	\$ -
Metropolitan Planning Org	\$ 421,963	\$ 113,803	\$ 308,160
Capital			
Capital Improvement Fund	\$ -	\$ -	\$ -
Debt Service			
SVMPC I&R	\$ 13,373,102	\$ -	\$ 13,373,102
Internal Services			
Health and Accident	\$ 4,322,500	\$ -	\$ 4,322,500
Unemployment	\$ 100,000	\$ -	\$ 100,000
Self Insured Retention	\$ 35,000	\$ -	\$ 35,000
Enterprise			
Sewer	\$ 8,887,679	\$ 774,646	\$ 8,113,033
Refuse	\$ 3,590,065	\$ 1,103,328	\$ 2,486,737
Total All Funds	\$ 76,151,790	\$ 31,804,910	\$ 44,346,880



Debt Expenditures

Just like the average household, the City must borrow in order to accomplish goals and provide services, and also needs to maintain a good credit rating. This fiscal year's debt service budget amounts to \$20,090,818 or twenty-four percent of the total budgetary expenditures. This is an increase of \$15,069,709.

The City uses two different debt financing policies, depending upon the fund involved. Within the sewer and refuse enterprise funds, capital replacement and depreciation reserves are accumulated for the eventual replacement of sewer plant and equipment. For the remaining funds, a "pay-as-you-go" strategy is utilized simply because they do not accumulate the reserves mentioned above.

To start a fund-by-fund discussion of the City's debt situation, the following projected debt service schedules are provided. **Schedule A** has the debt service by fund, **Schedule B** has the City's bonded debt (for which the City "floats" bonds) and **Schedule C** has the City's lease purchase debt (essentially a bank loan). These schedules contain information regarding our projected year-end total payments for FY17 and the budgeted FY18 principal and interest payments. The payments are broken out by note or bond.

Outstanding Debt:

Estimated Outstanding Debt as of June 30, 2017:	\$ 22,579,802
Estimated Debt Principal Payments in FY18 Budget:	\$(19,357,723)
Estimated new Debt FY18:	<u>\$ 16,718,000</u>
Estimated Outstanding Debt as of June 30, 2018:	\$ 19,940,079

**Schedule A – Lease Purchase Debt**

Lease purchase debt is essentially loans from a bank. They are of shorter duration than bonded debt. The table below provides the total FY18 debt service budget by fund, as well as columns showing principle and interest payments separately.

Schedule A					
Debt Service Budget by Fund					
Fund	Interest rate- Due Date	FY17 Total	FY18 Principal	FY18 Interest	FY18 Total
Airport	1. 2.06%- 6/23	\$ 75,347	\$ 67,274	\$ 8,073	\$ 75,347
Airport Total		\$ 75,347	\$ 67,274	\$ 8,073	\$ 75,347
General	1. 1.28%- 6/18	\$ 100,214	\$ 99,416	\$ 797	\$ 100,213
	2. 4.00%- 6/22		\$ 46,455	\$ 9,985	\$ 56,440
General Total		\$ 100,214	\$ 145,871	\$ 10,782	\$ 156,653
HURF	1. 1.48%- 6/17	\$ 43,214			
	2. 1.28%- 6/18	\$ 23,257	\$ 23,071	\$ 185	\$ 23,256
	3, 4.00%- 6/22		\$ 10,365	\$ 2,230	\$ 12,595
HURF Total		\$ 66,471	\$ 33,436	\$ 2,415	\$ 35,851
Park Dev	1. 2.06%- 6/23	\$ 126,691	\$ 113,063	\$ 13,567	\$ 126,630
Park Dev Total		\$ 126,691	\$ 113,063	\$ 13,567	\$ 126,630
Refuse	1. 1.48%- 6/17	\$ 171,685			
	2. 1.28%- 6/18	\$ 24,913	\$ 24,715	\$ 198	\$ 24,913
	3. 2.02%- 6/23	\$ 101,245	\$ 100,439	\$ 805	\$ 101,244
	4. 4.00%- 6/22		\$ 70,975	\$ 15,255	\$ 86,230
Refuse Total		\$ 297,843	\$ 196,129	\$ 16,258	\$ 212,387
Sewer	1. 2.66%- 6/27	\$ 672,168	\$ 5,907,170	\$ 164,998	\$ 6,072,168
	2. 4.00%- 6/22		\$ 29,780	\$ 6,400	\$ 36,180
Sewer Total		\$ 672,168	\$5,936,950	\$ 171,398	\$6,108,348
Grand Total		\$1,338,734	\$6,492,723	\$ 222,493	\$6,715,216



Schedule B – Bonded Indebtedness

Debt in this section is for bonds issued by the City. This debt tends to be more long-term than the lease-purchase debt above. A City can use bonds through several mechanisms. The two currently in use by the City are Street Improvement Bonds, and Non-Profit Corporation Bonds through the Municipal Property Corporation.

Sierra Vista Municipal Property Corporation (SVMPC)

The Sierra Vista Municipal Property Corporation is a non-profit organization that issues bonds for revenue generating projects within the City. The revenues collected by the MPC from the project are then used to retire the bonds (those revenues being the bond payments themselves). In essence, the City is leasing projects constructed under this funding mechanism from the MPC. When the bonds are completely paid off, the property reverts to the City.

SVMPC Interest and Redemption Fund

This fund pays for the Series 2008 bonds issued to construct the Cove, Police Station Expansion, Fire Station No. 3, Fire Station No. 3 Detention Basin, Eddie Cyr Park, 100' Aerial Ladder Truck, Centennial Pavilion. The second component of this fund involves the debt service on the aquatic facility and the government maintenance center that was refinanced in 2010. Schedule B breaks down the FY18 payments associated with each of the items comprising the total debt service of the fund \$3,418,102.

The City also pays \$7,500 in fiscal agent fees to the bond trustee to make the principal and interest payments to the bond holders.

The City is budgeted to refinance both SVMPC bonds and the sewer bond.

Schedule B Bonded Indebtedness					
Fund	Bond Series	FY17 Total	FY18 Principal Payment	FY18 Interest Payment	FY18 Total
SVMPC I&R	2008 MFRBs	\$ 2,267,977	\$ 8,515,000	\$ 352,202	\$ 8,867,202
	2010 MFRBs	\$ 1,160,400	\$ 4,350,000	\$ 150,900	\$ 4,500,900
Total		\$ 3,428,377	\$ 12,865,000	\$ 503,102	\$ 13,368,102

**Schedule C – Lease Purchase Financing**

Debt in this section is for capital items that can be financed over their expected life.

**Schedule C
FY18- Lease Purchase Financing**

1. General Fund

Ambulance (2)	\$ 400,000
Down Payment	\$ 40,000
Finance Amount- General Fund	\$ 360,000

2. HURF

1/2 Ton Pick up	\$ 200,000
3/4 Ton Pick up	\$ 50,000
4x4 Tractor	\$ 70,000
Down Payment	\$ 32,000
Finance Amount-HURF	\$ 288,000

2. Sewer

Camera Van	\$ 350,000
1 Ton Pick up	\$ 70,000
3/4 Ton Pick up	\$ 50,000
Down Payment	\$ 47,000
Finance Amount-Sewer	\$ 423,000

2. Refuse

Refuse Truck	\$ 330,000
Down Payment	\$ 33,000
Finance Amount-Refuse	\$ 297,000

Total Lease Purchase Finance Amount **\$1,368,000**

On the following page is a summary of the debt expenditure by fund and the remaining balance of the FY18 once debt, personnel, and capital expenditures have been subtracted.



Expenditure Summary by Fund			
	<u>Subtotal Balance</u> <u>after Capital &</u> <u>Personnel</u> <u>Deducted</u>	<u>Debt Expenditure</u>	<u>Subtotal Balance</u> <u>after Capital,</u> <u>Personnel & Debt</u> <u>Deducted</u>
General	\$ 9,893,174	\$ 156,653	\$ 9,736,521
Special Revenue			
Highway User Revenue Fund	\$ 1,312,561	\$ 35,851	\$ 1,276,710
Local Transportation Fund	\$ 389,700		\$ 389,700
Airport	\$ 772,147	\$ 75,347	\$ 696,800
Police Special Revenue	\$ 134,500	\$ -	\$ 134,500
Grants	\$ 2,019,388	\$ -	\$ 2,019,388
Criminal Justice Enhancement	\$ 300	\$ -	\$ 300
Donation	\$ 959,948	\$ -	\$ 959,948
Park Development Impact Fee	\$ 126,630	\$ 126,630	\$ -
Library Impact Fee	\$ -	\$ -	\$ -
Police Impact Fee	\$ -	\$ -	\$ -
Transportation Impact Fee	\$ -	\$ -	\$ -
Fire Impact Fee	\$ -	\$ -	\$ -
Metropolitan Planning Org	\$ 308,160	\$ -	\$ 308,160
Capital			
Capital Improvement Fund	\$ -	\$ -	\$ -
Debt Service			
SVMPC I&R	\$ 13,373,102	\$ 13,373,102	\$ -
Internal Services			
Health and Accident	\$ 4,322,500	\$ -	\$ 4,322,500
Unemployment	\$ 100,000	\$ -	\$ 100,000
Self Insured Retention	\$ 35,000	\$ -	\$ 35,000
Enterprise			
Sewer	\$ 8,113,033	\$ 6,110,848	\$ 2,002,185
Refuse	\$ 2,486,737	\$ 212,387	\$ 2,274,350
Total All Funds	\$ 44,346,880	\$ 20,090,818	\$ 24,256,062

**Operations and Maintenance Expenditures**

Operations and Maintenance (O&M) costs account for 29 percent of the total budget expenditure. O&M expenses include items such as paper, fuel, studies and designs, professional services, utilities, and training.

O&M expenses have increased from the FY17 budget predominantly as a result of a potential EMS partnership with Fort Huachuca. The current O&M expenditure is \$24,256,062.

Below is a summary of O&M Expenditures by department and the difference from the FY17 Budget.

Department	FY17 Budget	FY18 Budget	Difference	% Change
Mayor/Council	\$ 107,150	\$ 101,393	\$ (5,757)	-5.4%
City Manager	\$ 1,264,085	\$ 1,832,488	\$ 568,403	45.0%
Administrative Services	\$ 1,406,314	\$ 1,330,496	\$ (75,818)	-5.4%
Court/Legal	\$ 100,300	\$ 100,300	\$ -	0.0%
General Government	\$ 5,118,000	\$ 5,003,000	\$ (115,000)	-2.2%
Police	\$ 985,607	\$ 980,774	\$ (4,833)	-0.5%
Fire	\$ 1,050,035	\$ 3,045,035	\$ 1,995,000	190.0%
Public Works	\$ 10,418,525	\$ 9,909,110	\$ (509,415)	-4.9%
MPO	\$ 307,613	\$ 308,160	\$ 547	0.2%
Leisure & Library	\$ 1,132,270	\$ 1,197,305	\$ 65,035	5.7%
Community Development	\$ 241,087	\$ 448,001	\$ 206,914	85.8%
Totals	\$ 22,130,986	\$ 24,256,062	\$ 2,125,076	9.6%

Finally, when O&M funds are subtracted from the remaining budget balance, there is zero left in each fund, as shown on the following page. This indicates a balanced FY18 budget.



Expenditure Summary by Fund				
	<u>Subtotal Balance</u>		<u>Subtotal Balance</u>	
	<u>after Capital,</u>		<u>after Capital,</u>	
	<u>Personnel & Debt</u>		<u>Personnel, Debt &</u>	
	<u>Deducted</u>	<u>O&M Expenditure</u>	<u>O&M Deducted</u>	
General	\$ 9,736,521	\$ 9,736,521	\$ -	
		\$ -		
Special Revenue		\$ -		
Highway User Revenue Fund	\$ 1,276,710	\$ 1,276,710	\$ -	
Local Transportation Fund	\$ 389,700	\$ 389,700	\$ -	
Airport	\$ 696,800	\$ 696,800	\$ -	
Police Special Revenue	\$ 134,500	\$ 134,500	\$ -	
Grants	\$ 2,019,388	\$ 2,019,388	\$ -	
Criminal Justice Enhancement	\$ 300	\$ 300	\$ -	
Donation	\$ 959,948	\$ 959,948	\$ -	
Park Development Impact Fee	\$ -	\$ -	\$ -	
Library Impact Fee	\$ -	\$ -	\$ -	
Police Impact Fee	\$ -	\$ -	\$ -	
Transportation Impact Fee	\$ -	\$ -	\$ -	
Fire Impact Fee	\$ -	\$ -	\$ -	
Metropolitan Planning Org	\$ 308,160	\$ 308,160	\$ -	
Capital				
Capital Improvement Fund	\$ -	\$ -	\$ -	
Debt Service				
SVMPC I&R	\$ -	\$ -	\$ -	
Internal Services				
Health and Accident	\$ 4,322,500	\$ 4,322,500	\$ -	
Unemployment	\$ 100,000	\$ 100,000	\$ -	
Self Insured Retention	\$ 35,000	\$ 35,000	\$ -	
	\$ -	\$ -	\$ -	
Enterprise	\$ -	\$ -	\$ -	
Sewer	\$ 2,002,185	\$ 2,002,185	\$ -	
Refuse	\$ 2,274,350	\$ 2,274,350	\$ -	
Total All Funds	\$ 24,256,062	\$ 24,256,062	\$ -	



Mission Statement

As stewards of the public trust, the City of Sierra Vista provides quality services and amenities through strategic and ethical leadership and is committed to building a strong, healthy and vibrant community where its residents can prosper.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$123,763	\$113,083	\$108,494
Sewer	15,471	14,136	13,561
Refuse	15,471	14,136	13,561
Donations	22,345	32,950	32,950
Total	\$177,050	\$174,305	\$168,566

Description:

The Mayor and six Council members are elected representatives of the residents of Sierra Vista, serving four-year terms, which are staggered every two years. The responsibilities of the Mayor and Council include enacting ordinances and resolutions that provide appropriate direction necessary for the proper governance of the City's affairs; reviewing and approving the proposed budget and insuring it meets the strategic direction set by the Council; appointing a City Manager who is hired to be the administrative head of the city organization; appointing a City Attorney and magistrate. The City Council also appoints citizens to various boards and commissions, establishes other policies and measures, and promotes the general welfare of the City and the safety and health of its citizens. The Mayor and Council also represent the City at official functions and in relationships with other public and private organizations.

Arizona Revised Statutes Title 9, Articles 3 and 4, describe in more detail the powers and duties of a "common council" of the state of Arizona. In addition to the above, the Council is given the authority to do such things as:

- Appropriate money and pay debts;
- Control the finances and property of the City;
- Maintain control over streets, alleys, other rights of way and other infrastructure;
- Regulate the provision of public safety services; and
- Set taxes and fees.

Performance Measures

	FY13/14	FY14/15	FY 15/16	FY17/18
Bond Rating- Standard and Poor's	AA	AA	AA	AA
Bond Rating- Fitch	AA-	AA-	AA-	AA-



City Council Strategic Plan

In May 2017, the Mayor and City Council adopted a two-year Strategic Plan Framework, which provides the overall direction and specific initiatives to be achieved during the planning period. The Strategic Plan takes into consideration the



priorities and expectations contained in the City's general plan, Vista 2030, which was ratified by voters in November 2014.

The Strategic Plan Framework incorporates the vision developed with input from the community and included in the Vista 2030 general plan, which is a view of where residents want to see Sierra Vista in 20 years. The plan further identifies five critical success factors that serve as focus areas for the organization. These areas help define where resources should be spent - both time and money - to reach the vision of Sierra Vista over time. They include:

- A. Economic Prosperity
- B. Accountable, Collaborative and Efficient City Government
- C. Environmental Leadership
- D. Well Maintained Infrastructure and Facilities
- E. Safe, Healthy and Welcoming Community

Within these critical success factor areas, the City Council then developed a series of strategies to help determine the overarching ways in which success can be obtained, along with nineteen specific initiatives they have directed the City Manager to complete by June 30, 2019. Those initiatives are specifically called out within the department budget summaries based upon where they have been assigned.

Major Accomplishments

1. Continued the partnership with Cochise County and the private Huachuca 50 organization to fund a consultant to target retention and expansion of missions on Fort Huachuca; led a delegation of partner representatives to Washington, D.C., to advocate for the Fort.
2. Earned the national designation of *Great American Defense Community* by the Association of Defense Communities.
3. Established a City Council subcommittee to evaluate the City's Boards and Commissions, resulting in the implementation of recommendations to improve collaboration and efficiency.
4. Approved expenditures of the City's annual Community Development Block Grant allocation targeted at improving the safety and livability of the community's lower income areas, including the placement of dozens of solar street lights in targeted areas of the City's West End.



5. Supported efforts to enhance economic development in the community, including the continuation of the Mayor's Visitation Program to area businesses; monthly recognition of businesses at City Council meetings; and convening of a community Economic Development Leadership Forum with area leaders.
6. In partnership with the Cochise County Board of Supervisors, supported efforts and agreements that will see the long-planned Regional Joint Communications Center operational by 2017.
7. Approved a renewal of the successful and beneficial consolidated court agreement with Cochise County for another five years.
8. Supported City policies and practices that led to the Fitch rating agency reestablishing the City's current strong AA- rating.

City Council

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Part Time	\$ 66,000	\$ 66,000	\$ 66,000
Benefits	1,155	1,155	1,173
Total Personnel	\$ 67,155	\$ 67,155	\$ 67,173
Community Relations	\$ 15,000	\$ 15,000	\$ 9,000
Professional Associations	45,000	37,000	36,943
Travel & Training	24,550	20,200	20,000
Office Supplies	2,500	2,000	2,500
Specialized Supplies	500	-	-
City Council Donations	22,345	32,950	32,950
Total O&M	\$ 109,895	\$ 107,150	\$ 101,393
Totals	\$ 177,050	\$ 174,305	\$ 168,566

Comments

Community relations budget includes expenditures for programs and activities supported by the Council through its boards and commissions and participation in local and state events. It includes costs associated with: tours and meals with visiting dignitaries, Sierra Vista Ability Day, Mayor's Arts Awards, historic programs, Cultural Diversity Fair, Arizona League of Cities and Towns conference programs, and others.

The professional Associations account includes memberships in the National League of Cities, the Arizona League of Cities, Southeastern Arizona Governments Organization (SEAGO), AUSA, Regional Transportation Advisory Commission (RTAC), and Sister Cities International.

City Council Donations include money for advertising community events and FY17 carryover.



The City Manager’s Department consists of four divisions: City Manager’s Office, Marketing and Public Affairs, Economic Development, and Finance Services.

Vision

Provide leadership in the development and implementation of exceptional municipal services in order to meet the needs of the community and maintain a high quality of life for our residents.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$656,523	\$810,958	\$682,277
Sewer	103,933	104,362	97,007
Refuse	103,933	104,362	97,007
Total	\$864,389	\$1,019,682	\$876,291

Mission Statement

Under the policy direction of the City Council, the City Manager’s Office provides overall leadership and direction to the entire city organization and ensures that municipal services are effectively developed and delivered by employing sound planning, management, and fiscal policies and practices.

Description:

The City Manager is the chief executive officer for the City and serves at the pleasure of the City Council. By ordinance, the City Manager is responsible for the administration of all affairs of the City, and for the oversight of all City personnel except the City Attorney, who is directly appointed by the Council. He and his staff administer policies and goals established by the City Council; supervise management of day-to-day city operations and personnel; oversee budgetary and administrative planning and control; support and participate in community and governmental partnerships; and provide support to the City Council. The City Manager annually presents a recommended budget to the Mayor and City Council which takes into consideration implementation of the Council’s strategic plan, as well as other short and long range plans of the organization.



He then insures the budget is implemented in accordance with Council direction. The City Manager also relies on a highly skilled senior management team, consisting of the Assistant City Manager, department directors, division managers, and other professional staff to oversee various departments and functions.

City Council Strategic Plan Initiatives

The City Manager is responsible for administering City Council Policy. Since the Strategic Plan Framework is the directive of the Council, the City Manager is responsible for every aspect of that plan. More specifically, the following objective has been assigned to the City Manager's office for implementation:

- Partner with local, regional, and state leaders to develop and implement a cohesive strategy to communicate the value and importance of Fort Huachuca and advocate for its retention and expansion.
- Adopt a formal policy to address the PSPRS liability issue.

Major Accomplishments:

1. Provided leadership in the application and award of a \$720,000 grant from the Department of Defense Office of Economic Adjustment to assist Sierra Vista in diversifying its economy away from Fort Huachuca.
2. Negotiated and authored the intergovernmental agreement, draft by-laws and other documents necessary to move forward the implementation of a joint emergency communications center between Sierra Vista and Cochise County.
3. Negotiated and oversaw the implementation of a unique partnership with Cochise County that resulted in a landowner on the City's West End dedicating ten properties to the City and the removal of 35 dilapidated mobile homes, dozens of junk vehicles and other refuse, as well as an annexation agreement for all remaining properties in the county enclave owned by the landowner.
4. Negotiated and obtained City Council approval of a 50 year agreement with the Arizona Power Authority for a small allocation of Hoover Dam power, a renewable commodity that will potentially save Sierra Vista electricity costs in the future.
5. Was successful in being nationally recognized by the Association of Defense Communities, for the second year in a row, with the designation as a Great American Defense Community.
6. On behalf of partner organizations Cochise County and the Fort Huachuca 50, coordinated lobbyist work retained to help the community take steps to maintain and expand missions on Fort Huachuca.
7. Facilitated a partnership with the Arizona Department of Forestry to have crews thin hundreds of acres of State Land located in the City's urban area in order to reduce wildland fire risk and improve overall safety for residents.
8. Represented the City at legal proceedings involving the establishment of water rights for the Bureau of Land Management.



Goals

Goals	Objectives
Accomplish the goals and objectives set forth by City Council's Strategic Plan Framework.	<ul style="list-style-type: none"> • Work with Departments to move initiatives forward. • Set priorities for projects and initiatives to help ensure City stays on track. • Provide management and oversight of city-wide performance management program.
Provide leadership and oversight of city efforts designed to enhance community prosperity and business attraction and retention.	<ul style="list-style-type: none"> • Oversee implementation of the economic development and tourism tactical plans. • Monitor metrics to evaluate effectiveness of city efforts, making course corrections as needed. • Oversee progress of outside lobbyist retained through partnership with Cochise County and the Fort Huachuca 50 to help retain and expand Fort missions.
Work closely with Fort Huachuca leadership to identify ways in which the City can support the installation through improved partnerships and environmental advocacy.	<ul style="list-style-type: none"> • Oversee and direct consultant retained to monitor environmental actions of the federal government that could adversely impact the Fort and its requirements. • Explore additional municipal partnerships with mutual benefit to the Fort and City.
Provide leadership in overseeing progress toward the City's 2014 voter approved ten year general plan, Vista 2030.	<ul style="list-style-type: none"> • Work with departments in identifying, prioritizing and completing general plan goals that can be achieved in the coming fiscal year within city resources.
Facilitate partnerships with public and private sector organizations that can help improve efficiency, reduce costs, or increase revenues.	<ul style="list-style-type: none"> • Provide leadership to Procurement Division in evaluating and pursuing other private and public sector partnerships and contracts.



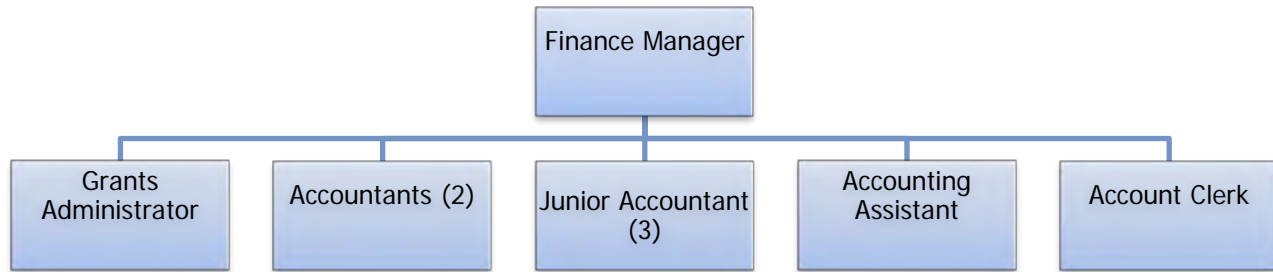
City Manager's Office

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 430,561	\$ 433,553	401,974
Salaries - Part Time	-	-	-
Benefits	125,828	133,629	123,427
Total Personnel	\$ 556,389	\$ 567,182	\$ 525,401
Professional Services	264,000	412,500	318,000
Office Equipment Maintenance	-	-	-
Printing & Binding	1,000	1,000	1,000
Professional Associations	6,000	6,000	5,500
Travel & Training	21,500	18,500	14,390
Office Supplies	15,000	14,000	8,000
Specialized Supplies			3,500
Books & Periodicals	500	500	500
Total O&M	\$ 308,000	\$ 452,500	\$ 350,890
Totals	\$ 864,389	\$ 1,019,682	\$ 876,291

Comments

Professional services include USPP administrative support (\$10,000), WaterWise program support (\$46,000), environmental consulting (\$68,000, with Cochise County reimbursing \$34,000) and other lobbying/consulting services (\$60,000 for Triadvocates and \$60,000 for Niemeyer and Associates, with Cochise County reimbursing the City \$30,000), funds for Cox franchise legal review (\$4,000) and \$70,000 for the Sullivan contract.

Professional Association memberships include the City's membership with the Sierra Vista Chamber of Commerce, the Association of Defense Communities, the International City/County Management Association, the Arizona City/County Management Association, and the City Manager's Rotary Club dues.



Vision

The Finance Division works to ensure the City's financial position is protected.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$505,132	\$577,504	\$674,203
Sewer	150,720	148,752	\$150,477
Refuse	150,702	148,752	\$150,477
Total	\$806,572	\$875,008	\$975,157

Mission Statement

The Division provides quality, timely and accurate information and payments to our internal and external customers.

Description:

The Finance Division is responsible for the integrity of the City's financial records. Finance provides management support through analysis and reporting on the City's fiscal transactions, and monitors the City's compliance to statutes. It processes vendor payments and payroll. It bills the City's sewer, sanitation, ambulance, airport, and fleet customers. Finance is responsible for handling and administering all the City grants. It compiles and publishes the City's Consolidated Annual Financial Report (CAFR) and assists with the Annual Budget.

City Council Strategic Plan Initiatives

The Finance Division has no specific initiatives assigned for the current plan, but will work with all departments in assisting in the completion of others.



Major Accomplishments:

1. Won the distinguished Budget Presentation Award for FY 17.
2. Won the distinguished Comprehensive Annual Financial Report (CAFR) award for FY 15, for the twenty-eighth consecutive year.

Goals

Goals	Objectives
Enhance the usage of the City's new financial ERP system.	<ul style="list-style-type: none">• Set up fuel billing interface with new fuel management software.• Implement employee reimbursement module.
Document the ERP's critical operations	<ul style="list-style-type: none">• Complete standard operating procedures documentation for the key finance functions in the new ERP system.

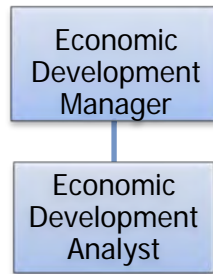


Finance

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 476,481	\$ 532,412	\$ 552,072
Benefits	159,988	169,493	169,552
Total Personnel	\$ 636,469	\$ 701,905	\$ 721,624
Professional Services	\$ 144,053	\$ 148,053	\$ 230,483
Printing & Binding	5,000	4,000	3,500
Professional Associations	2,525	2,525	2,525
Travel & Training	4,675	4,675	4,675
Office Supplies	6,500	6,500	6,500
Specialized Equipment	2,500	2,500	1,500
Software	3,850	3,850	3,850
Books & Periodicals	1,000	1,000	500
Total O&M	\$ 170,103	\$ 173,103	\$ 253,533
Totals	\$ 806,572	\$ 875,008	\$ 975,157

Comments

Professional Services include a state-mandated payment to the Arizona Department of Revenue for sales tax administration, annual auditing, PSPRS consultant, Dunn and Bradstreet subscription, additional cost for the potential outside ambulance billing contract, and budget and CAFR awards programs.



Vision

Strengthen the Sierra Vista economy by providing leadership along with implementing programs and partnerships that help in creating, retaining and expanding businesses and in turn fostering job growth, providing general fund revenue, supporting a vibrant commercial district, and encouraging entrepreneurship.

Mission Statement

Work with internal and external partners to foster and encourage best practices in economic development activities. Facilitate an environment that is conducive to growing and attracting

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$325,977	\$364,111	\$394,476
Grants	600,000	250,000	\$721,399
Total	\$925,977	\$614,111	\$1,115,875

businesses resulting in job creation, business retention, an increased tax base, and an improved sustainability and quality of life for the citizens of Sierra Vista.

Description:

The Economic Development Division was created in FY14 as a result of the City Council’s adoption of a community-based economic development framework, the Plan for Prosperity. The plan was created to identify a strategy for enhancing the City’s role in growing and diversifying the local economy. More recently, the City Council established the FY18-FY19 Strategic Plan Framework, which includes specific initiatives designed to further the overall economic development goals of the community.

The City’s overall economic development approach incorporates a multi-pronged approach to economic development providing strategies for attraction, retention and expansion of business as well as growing the community’s own businesses through programs that support and enhance entrepreneurship. While unmanned aerial systems, healthcare, government contracting, trade with Mexico, and retail are still targeted sectors, attraction efforts focus on the cyber security arena in the hopes that the city can create a cluster industry. In an effort to diversify Sierra Vista’s economy,



private, non-defense growth is emphasized, and a recent grant from the Department of Defense Office of Economic Adjustment will help the City make progress in that area over the coming two years. Tourism is also important. The division is working with the Marketing and Public Affairs Division who has responsibility for tourism.

Support of Fort Huachuca continues to be a high priority. Retaining and increasing missions are emphasized as well as educating elected and military staff to the importance the Fort plays in American security. In all areas, the City will continue to leverage its economic development partnerships, working with local, regional, statewide, and national organizations.

City Council Strategic Plan Initiatives

- Explore the possibility of partnering with other organizations to create a "maker space" that leads to employment or business creation.
- Analyze and evaluate ways in which to maximize the use of the City airport consistent with community economic strategies.
- Develop and implement strategies to educate, attract, and facilitate the growth of entrepreneurs and other small businesses within the community.
- Review and update the City's economic development framework to ensure direction is consistent with community priorities and opportunities.

Major Accomplishments:

1. Applied for and was awarded a \$720,000 grant from the Department of Defense Office of Economic Adjustment to implement two initiatives to assist Sierra Vista with economic diversification.
2. Strengthened regional partnerships, including connecting with Sun Corridor in the Tucson metropolitan area to co-sponsor the International Site Selector's Guild annual meeting and conference in March 2017.
3. Significantly broadened regional media coverage of Sierra Vista's business attraction opportunities with articles in the Phoenix Business Journal, Arizona Business Magazine, Experience Arizona Magazine, Phoenix Magazine and Entertainer Magazine.
4. Completed over a year of monthly business walks in partnership with the Sierra Vista Chamber of commerce, communicating with 375 business proprietors since February 2016.
5. Distributed over 750 copies of the division's Small Business Handbook to current and prospective merchants, with the majority of distribution handled via personal interaction and review of content by division staff.



- 6. Enhanced internal procedures between Community Development and Economic Development in order to improve communication with businesses and streamline permitting processes.
- 7. Established ongoing meetings with local brokers, Tucson brokers and Sierra Vista defense contractors.

Goals

Goal	Objectives
Elevate Sierra Vista's economic development competitiveness.	<ul style="list-style-type: none"> • Continue to enhance marketing program to assist with the state and national exposure of ED opportunities within Sierra Vista.
Retain and grow the City's existing economic cluster industries.	<ul style="list-style-type: none"> • Continue and expand the efforts of the Ombudsman Office along with retention efforts.
Capitalize on Sierra Vista's business, cultural, retail, and natural attractions and its proximity to the Arizona-Mexico border.	<ul style="list-style-type: none"> • Strengthen and expand relationships with Cananea, Agua Prieta, and Naco to encourage additional trade. • Identify division collateral materials that would benefit from translation into Spanish for distribution to prospective businesses.
Complete Year 1 requirements of OEA grant.	<ul style="list-style-type: none"> • Finalize airport study and have consultant conclusions and recommendations presented to the City Council and other stakeholders. • Award contract for business diversification program, and work with contractor to identify space, stand up program, and oversee first year efforts.
Continue to implement identified strategies to retain/expand, attract, and grow firms in sectors that will benefit from and strengthen Sierra Vista's existing assets and advantages.	<ul style="list-style-type: none"> • Continue efforts to create cyber security cluster. • Develop and implement strategies that focus on workforce development, research and development, and business development.

**Economic Development**

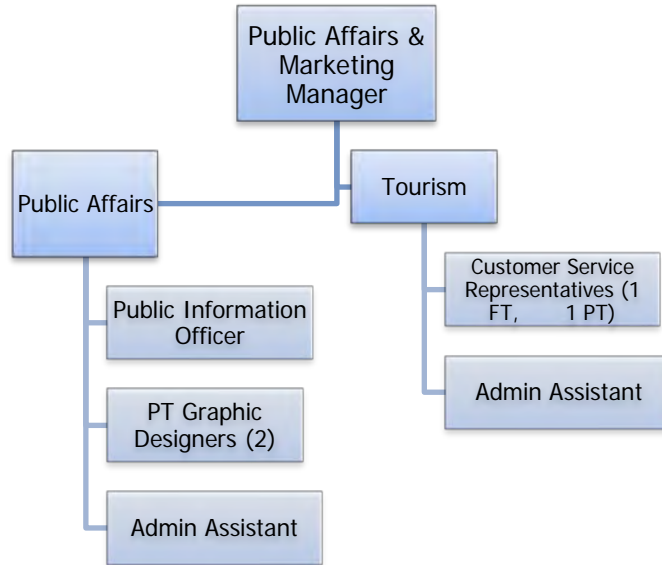
Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 167,566	\$ 175,456	\$ 156,771
Benefits	26,769	48,318	43,131
Total Personnel	\$ 194,335	\$ 223,774	\$ 199,902
Professional Services	\$ 24,500	\$ -	\$ 576,885
Economic Development	55,500	93,850	148,550
Land & Building Rental			85,000
Advertising	19,000	22,258	22,258
Printing & Binding	8,000	2,950	2,900
Professional Associations	4,063	5,184	9,516
Travel & Training	18,110	14,695	28,862
Office Supplies	2,000	1,000	41,602
Books & Periodicals	469	400	400
Grants	600,000	250,000	
Total O&M	\$ 731,642	\$ 390,337	\$ 915,973
Totals	\$ 925,977	\$ 614,111	\$ 1,115,875

Comments

The Economic Development budget includes the full two-year \$721,399 OEA grant. The balance not used in FY18 will be carried over into FY19.

Professional services includes the Attraction Fund dollars previously in the City Manager's budget, as well as the attraction/promotion contract, GIS website functionality subscription, RSVP Program contribution, Sun Corridor membership and resources for targeted attraction/small business efforts.

Advertising includes the annual CER sponsorship, promotional advertising, and trade show participation.



Vision

Enhance Sierra Vista’s image through strategic communication efforts that promote City services, programs, and amenities to residents and visitors.

Mission Statement

Effectively communicate City news and information; promote Sierra Vista as a travel destination to business and leisure travelers, and travel professionals; encourage local residents to become informed and involved with the community using public relations; marketing; advertising; social media; positive media coverage; and cooperation with local, regional and state organizations.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$574,072	\$621,500	\$580,621
Grants	0	0	\$85,450
Sewer	29,206	33,414	\$30,884
Refuse	5,841	13,366	\$6,176
Donations	868	800	\$800
Total	\$609,987	\$668,280	\$703,931

Description

The Public Affairs Office provides strategic marketing and communications planning and implementation for all City departments. This includes but is not limited to: copy writing, graphic design, media and public relations, crisis and issues management, emergency communications, public participation and education programs, marketing and advertising campaigns, tourism marketing, and promotions. The department develops, manages, and employs marketing communications tools, such as print collateral, social media, video, scripts for broadcast media, Channel 12 programming, and integrated websites for the municipality and the visitor center.



FY2018-2019 City Council Strategic Plan Initiatives

The Public Affairs Office has no specific initiatives assigned for the current plan, but will work with all departments in assisting in the completion of others.

Major Accomplishments

1. Analyzed tourism marketing messaging, demographics, and language; re-launched tourism marketing campaign to target specific audiences and popular visitor activities based on industry research, and local data analysis.
2. Fine-tuned advertising to reach specific tourism niches that surfaced through research (bicycle, winery/culinary, bird watching, hiking, and winter visitors). Utilized multi-layered marketing tactics to ensure our messaging is effective and resonates with our intended audience.
3. Bolstered bicycle tourism product by developing and implementing a “Bike Friendly Business” program modeled on the successful Travel Oregon effort. To further Sierra Vista’s reputation as a destination for bicyclists, we completed an application for a Bicycle Friendly Community designation from the League of American Bicyclists, which was awarded in May 2017 and has earned the City positive press in statewide media.
4. Leveraged partnership with many tourism partners, including neighboring communities, Cochise County Tourism Council, Arizona Office of Tourism, Sierra Vista Area Chamber of Commerce, Arizona Trail Gateway Community Association, and others.
5. Participated in media events, resulting in heightened interest in the Pacific Northwest market resulting in the City hosting travel writers from those geographic markets.
6. Partnered with Leisure & Library Services Department to develop and coordinate the Savor Sierra Vista weekend and led the marketing effort for the event. Worked closely with the Chamber to create and add a Friday night event to the program to round out the weekend.
7. Partnered with Cochise County Tourism Council and Willcox Chamber of Commerce & Agriculture to bring Adventure Birding television crew to Sierra Vista for a filming in May. The 30-minute program will air on Nat Geo television.
8. Created and produced comprehensive promotional and marketing materials for a variety of city programs, such as: Police Department recruitment videos and print collateral; Fire & Medical Services recruitment; West End Revitalization; Good Morning Sierra Vista monthly networking breakfast; Spotlight Breakfast; Arizona League of Cities and Towns showcase; economic development collateral; Airport fly-in; Teen Center; and others.
9. Completed and submitted application for the Great American Defense Communities designation, which was awarded in January 2017. An application to the International City/County Management Association to nominate Jesus “Chuy” Estrada in the “Life Well Run” campaign, which recognizes community heroes,



resulting in his recognition as one of ten “heroes” across the nation in April 2017. Both efforts earned Sierra Vista positive national press.

- 10. Continued expansion of social media use by frequently updating content, using more photos and in-house produced video, resulting in significant online readership in the past year.
- 11. Redesigned and launched the Visit Sierra Vista tourism website consistent with the City's main and business sites, using new brand elements and a clean, organized structure to improve the online experience for potential visitors, aid in trip planning, and emphasize Sierra Vista’s tourism pillars.
- 12. Implemented a drip marketing software to enable follow-up with visitor leads, strategically matching message content and timing to complement the request for information.
- 13. Earned recognition by the City/County Communicaitons & Marketing Association (3CMA) for community engagement mustered during the brand launch, and the Governor’s Conference on Tourism/Arizona Office of Tourism for the Adventure Guide visitor booklet.

Goals

Goals	Objectives
Advance a robust tourism attraction strategy.	<ul style="list-style-type: none"> • Identify media outlets that will reach the largest strategic markets, matching media consumers with strategic targets. • Explore development of cooperative marketing campaigns with area partners. • Research funding mechanisms utilized by other destination marketing organizations.
Proactively and effectively tell the City’s story in a way that highlights residents’ experiences.	<ul style="list-style-type: none"> • Investigate and utilize, where feasible, media to add new tools to our Public Affairs toolbox with the goal of reaching a broader audience. • Establish a process that will facilitate the flow of information from departments to the Marketing & Public Affairs division.



Performance Measures

<i>Public Affairs</i>	FY13/14	FY 14/15	FY 15/16	FY 16/17
Internal Customer Satisfaction Survey		80%	97%	100%*
Total page views, SierraVistaAZ.gov	372,860	1,196,293	1,177,522	899,822**
Facebook Total Impressions, City of SV (millions)	0.391	1.283	1.689	183.998

<i>Tourism</i>	FY13/14	FY 14/15	FY 15/16	FY 16/17
Total Page Views, VisitSierraVista.com		672,270	813,100	
Facebook Total Impressions, Visit SV (millions)		0.942	0.739	25.390
OVG Distribution		35,382	24,782	25,096
Total Hospitality Tax Revenue : Tourism Investment		22.7 : 1	16.4 : 1	16.51 : 1
Extended Stay Tax Revenue	\$782,244	\$857,956	\$796,341	\$848,399
Restaurant & Bar Tax Revenue	\$1,916,690	\$2,997,772	\$2,126,418	\$2,156,733

*98.33% of respondents reported that they were satisfied or very satisfied with the overall services provided by the Marketing & Public Affairs Division. 1.67% were somewhat satisfied, and 0% were dissatisfied.

**This drop in total page views may be attributed to the new municipal website. In an effort to streamline information, the new site has significantly fewer pages.

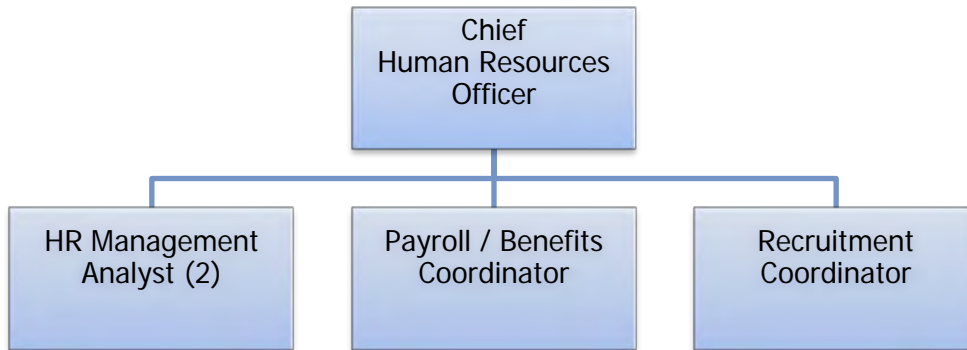


Public Affairs/Tourism

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 239,539	\$ 262,365	\$ 247,876
Salaries - Part Time	65,873	62,764	62,764
Benefits	90,277	95,806	81,199
Total Personnel	\$ 395,689	\$ 420,935	\$ 391,839
Professional Services	\$ 28,400	\$ 40,475	\$ 20,610
Office Equipment Maintenance	-	-	-
Advertising	86,095	91,250	169,652
Printing & Binding	50,610	56,250	65,220
Professional Associations	21,180	22,420	24,760
Travel & Training	4,975	5,550	12,025
Office Supplies	4,368	2,500	1,400
Specialized Supplies	18,670	23,850	13,825
Event Supplies	-	5,850	4,600
Total O&M	\$ 214,298	\$ 248,145	\$ 312,092
Totals	\$ 609,987	\$ 669,080	\$ 703,931

Comments

The increase in the PAO budget is directly attributed to the expectation that via a revised IGA with Cochise County and five other municipalities in the county scheduled for action in the early summer, the City will serve as the fiscal agent for the Cochise County Tourism Steering Committee/Council.



Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$452,215	\$450,364	\$453,881
Sewer	49,608	56,295	\$56,736
Refuse	49,608	56,295	\$56,736
Total	\$551,431	\$562,954	\$567,353

Principles for Human Resources Management

The following reflects the values and principles to which the City of Sierra Vista leaders aspire in their daily activities and interactions with the employee.

The City believes that the strength of the organization is in its people.

The City values integrity and honest communication, and declares them to be guiding principles in managing the human resources of the City.

The City values and embraces differences in people and cultures, recognizing that such differences are vital to the success of the City, its citizens and employees.

The City values a healthy and safe work environment that supports people working together to achieve the goals of the organization.

The City is committed to providing a fair pay structure for employees.



The City values every employee's contributions, expects every employee to meet established performance expectations, and works to encourage excellence in a variety of ways:

- All Officials, employees, and volunteers shall treat every person with respect.
- The City strives to give ongoing informal feedback about performance.
- The City strives to provide formal feedback about performance at least once each year.
- The City supports career and professional growth by allowing reasonable time away from work to attend workshops and seminars and by encouraging employees to attend academic classes and provides an education assistance program.
- The City recognizes that work is only one aspect of a person's life, and supports employee efforts to balance personal and professional lives.
- The City supports employee efforts to maintain good physical, mental, and emotional health.

Description:

The Division is responsible for administration and development of the Personnel Rules and Regulations, legislative compliance, fair and impartial employment services, employee relations, training and development, management of the classification and compensation plan, payroll and benefits administration.

As the City continues to manage through an economic downturn, the Human Resources Department's priority is to invest in our employees who are our greatest asset. Our primary goal is to protect the integrity of the personnel infrastructure which we believe is the key to ensuring that the City's goals can be accomplished. The new Classification and Compensation Plan was approved and implemented by the City Council in July 2015 to include 2% annual step increases for non-exempt employees and a 2% annual increase for exempt employees. The positions and pay classifications are reviewed on an ongoing basis and revised to reflect economic conditions, compensation objectives and the City's needs including its changing competitive position. Hiring and retaining competent and quality employees remains a high priority in maintaining our high performance culture.

City Council Strategic Plan Initiatives
<ul style="list-style-type: none"> • Maintenance of the Classification and Compensation Plan for City employees.



Major Accomplishments:

1. During the Annual Service Awards Luncheon, 59 employees were recognized for their 3, 5, 10, 15, 20 and 30 years of service. These employees represent a combined total of 588 years of City service.
2. In support of the City's continued green initiatives, Human Resources continues to support web-based (webinar) training opportunities to include individual department training sessions. Webinars not only save the City money for travel, but also reduce the City's carbon footprint.
3. Human Resources branded an internal training program as SV Connect Academy. The City held the following training sessions in FY 17:
 - Introduction to Public Records Mgmt. This was for all employees but especially for supervisors and managers who are responsible for department records. This webinar provided employees with what public records are and their legal obligation to properly manage them including retention and purging.
 - FMLA – Family Medical Leave Act. Supervisory training regarding what falls under FMLA and when to notify Human Resources.
 - Ethics Matter! This mandatory training reviewed the importance of applying laws, rules, and policies to behavior and how to apply ethics to the gray areas.
 - Reasonable Suspicion (Drug & Alcohol) Testing: What Supervisors Need To Know. City supervisors were trained on the fundamentals of reasonable suspicion testing of employees; what to look for; when to notify Human Resources.
 - What Employees Need to Know About Drug & Alcohol Testing. This was mandatory for all CDL licensed drivers and DOT safety sensitive employees regarding the regulations & requirements of drug & alcohol testing.
 - Verbal Judo. Provided employees the skills necessary to remain focused during many verbal circumstances and techniques on how to effectively redirect behavior rather than react, diffuse difficult situations, & generate voluntary compliance.
 - With All Due Respect (Harassment Training). This mandatory training taught the importance of promoting a respectful workplace.
 - A Policy is Not Enough (Harassment Training). This mandatory training for supervisors focused on an additional level of training on creating a respectful organizational culture.
 - Warning Label: Reading Legal Drugs. This was mandatory for all safety-sensitive employees. The two hour class is designed to focus participant's knowledge and avoidance of possible impairments caused by legal and over the counter drugs and drug interactions.



Human Resources Division

4. The City's Municipal Risk Pool attorneys Justin Pierce and Stephen Coleman of Pierce Coleman presented two days of supervisor training regarding ADA, FMLA, and FLSA laws and how to avoid litigation as well as workplace harassment; how to avoid it and costly litigation.
5. ALICE training was presented by the Sierra Vista Police Dept. and the Cochise County Sheriffs Dept. to the City's employees. This training was geared to teach everyone what can be done in an active shooter situation in order to survive.
6. To promote employee wellness, the City continues to offer on-site influenza vaccinations and mammograms. Also this year we offered a combined cardiac and organ screening package that screened for blood pressure, stroke, abdominal aortic aneurysm, peripheral arterial disease, bone density/osteoporosis, thyroid, gall bladder, kidneys & liver; 80 participated.
7. Six employees participated in the City's Education Assistance Program. Three completed their degree programs this fiscal year.

Goals

Goals	Objectives
Recruit qualified personnel through advertisement, applicant screening, testing, and interviewing.	<ul style="list-style-type: none"> • Fill vacant positions by public announcement within 60 days of department request. • Maintain a ratio of minority applicants reflective of the area population by advertising in targeted publications. • Seek new advertising resources to increase number of qualified applicants.
Maintenance of Class Compensation Structure	<ul style="list-style-type: none"> • Clearly define the essential functions of each position through written job descriptions. • Reinforce employee perception of fair compensation between classifications and with comparable classifications outside the organization by performing evaluations on several classes of employees each fiscal year.
Provide a work environment that promotes employee job satisfaction.	<ul style="list-style-type: none"> • Conduct internal citywide training. • Review and revise performance appraisal document.
Provide a structure for employees to plan for benefit, career, and retirement options.	<ul style="list-style-type: none"> • Communicate education requirements for career advancement; promote the City's Education Assistance Program.

**Performance Measures**

	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Average days to fill Full-time Position	49	48	70	77
Cost per Insured Employee for Health Care	\$6720	\$6518	\$6536	\$6806
Number of Full Time Positions Filled	30	42	49	68
Number of Part Time Positions Filled	77	51	106	84
Number of Internal FT Job Recruitments	18	17	16	14
Number of External FT Job Recruitments	24	39	24	26
Number of Applications Processed	1920	2550	2936	2502
Percentage of minority applicants	39%	38%	39%	41%
Percentage of minority offered Full Time positions	30%	17%	22%	16%
Employee Full Time Turnover Rate	5.31%	11.3%	11.62%	9.71%
*Without Retirements	4.69%	10.1%	9.36%	7.77%
Employee Part Time Turnover Rate	41.0%	34.2%	51.89%	55.04%
Number of Volunteers	545	424	405	716
Number of Volunteer Hours	30,549	26,595	24,898	21,710
Value of Volunteer Services	\$397,140	\$345,735	\$574,397*	\$500,850*

* Updated volunteer in kind rate to \$23.07 per the BLS.



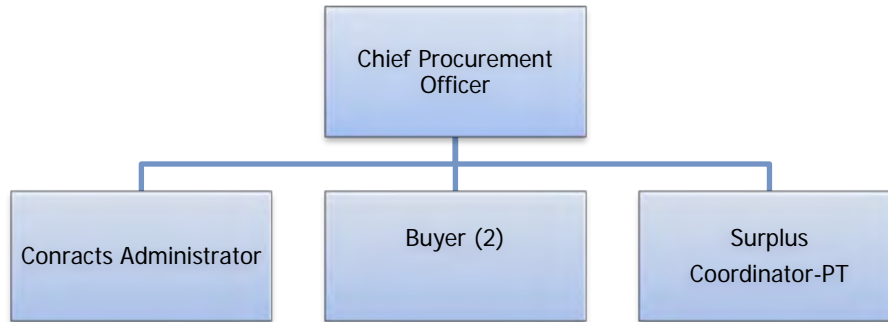
Human Resources

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 331,122	\$ 325,687	\$ 337,960
Salaries - Part-Time	7,793	7,793	7,793
Benefits	21,302	98,154	92,205
Employee Programs	30,960	61,000	60,450
Total Personnel	\$ 391,177	\$ 492,634	\$ 498,408
Professional Services	\$ 34,305	\$ 41,965	\$ 43,450
Office Equipment Maintenance	500	1,000	1,000
Advertising	7,500	7,500	3,500
Printing & Binding	400	1,000	1,000
Professional Associations	2,100	2,485	2,690
Travel & Training	12,495	13,895	14,530
Office Supplies	1,200	1,200	1,500
Specialized Supplies	1,025	1,025	1,025
Books & Periodicals	500	250	250
Total O&M	\$ 60,025	\$ 70,320	\$ 68,945
Totals	\$ 451,202	\$ 562,954	\$ 567,353

Comments

The Employee Programs budget includes money for employee recognition and educational development.

The Professional Services account includes pre-employment screening services, employee training, and fingerprinting and background checks.



Vision

The vision of the Procurement Division for the City of Sierra Vista is to deliver quality goods to internal customers while providing the best value for the tax payer. We aim to exceed the expectations of all policies and state laws while providing transparent, fair, and ethical service to all.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$177,440	\$249,356	\$245,260
Sewer	34,502	48,486	\$47,415
Refuse	34,502	48,486	\$47,415
Total	\$246,444	\$346,328	\$340,090

Mission Statement

The Procurement Division is committed to continuously improve by promoting the use of technology and e-procurement solutions in order to maximize transparency and available resources to ensure that the needs of customers will be met while upholding high ethical standards personally, professionally, and organizationally.

Description

The Procurement Division of the City of Sierra Vista is an internal service delivery unit. The division is responsible for material/service/real property acquisition, inventory management, and property disposal. In addition, the unit is the primary administrative contact point for the City with regards to services, construction projects, purchasing agreements, consulting agreements, contracts, and intergovernmental agreements.

City Council Strategic Plan Initiatives

The Procurement Division works in support of all departments/divisions in their pursuit to achieve their strategic plan initiatives by providing acquisition strategies which save tax payer dollars and assist in the balancing of the City budget.



Major Accomplishments

1. Vendor Self Serve (VSS) was released for public use. This enhancement will lead into implementing the City's full e-procurement bid and response program.
2. Streamlined the City's on-line auction site to enhance collection efforts by accepting online payments. We have dedicated a part-time employee to move City surplus out at a faster and more predictable rate.
3. Met with, and will continue to meet with, vendors by appointment, upon request, in order to discuss their individual businesses and to facilitate discussion regarding how to conduct business with the City of Sierra Vista.
4. Mandatory requisition entry directive for all purchases over \$2,500.00. This helps to identify potential savings and preserve procurement integrity at smaller thresholds while realizing additional savings and offering broader solutions by shopping requests between \$2,500.00 and \$10,000.00 on a consistent basis.
5. Expanded use of Cooperative Purchasing Agreements in order to increase cost savings and improve efficiencies, while continuing to give local vendors an opportunity to win the business on a wide variety of commodities and services.
6. Significantly reduced number of Open PO's and expanded use of Purchasing Card (pCard) usage by revising an Administrative Directive encouraging pCard usage for departmental purchases under \$2,500.00 and simultaneously rescinded the Petty Cash program. This resulted in additional captured revenue in the form of the annual pCard rebate.
7. Enhanced compliance measures by assigning a staff member to monitor Citywide pCard usage daily for potential misuse and fraud and to set up real time alerts when parameters are breached. This has enabled procurement to react faster, notify the card user and our pCard issuing bank more quickly, and protect the City's interests in a more appropriate way while encouraging individual accountability.

Goals

Goals	Objectives
Increase efficiencies in the bidding of projects and services.	<ul style="list-style-type: none"> • Continue to utilize technology and e-procurement strategies in order to market bidding opportunities to a larger vendor base. • Expand use of on-line auction disposal of surplus. Utilize automated online payments; expand marketing for major ticket items. • Use "organizational thinking" when procuring goods and/or services. Think of how one decision affects others and attempt to provide overall solutions to requests rather than simply



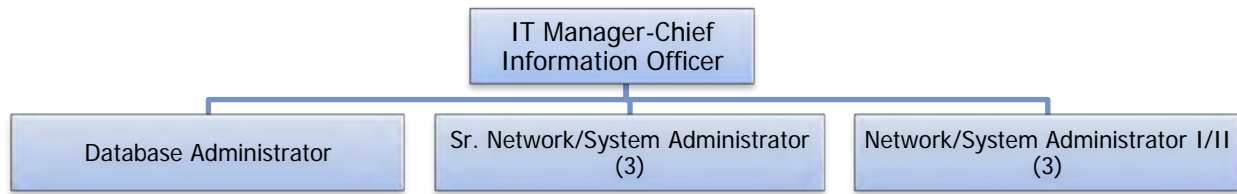
	<p>purchasing a requested item.</p> <ul style="list-style-type: none">• Continue to improve communication with vendors and other City Departments.
<p>Actively engage local vendors in an effort to increase the procurement of local goods and services.</p>	<ul style="list-style-type: none">• Attend and speak at meetings/forums focused business development in order to provide education to local business owners/operators on how to work together for the benefit of the tax payers.• Educate local businesses on how to participate on state, federal, and other municipal contracting opportunities as well as Disadvantaged Business Enterprise (DBE) certification through outreach and office hours.
<p>Act as a resource to departments and divisions.</p>	<ul style="list-style-type: none">• Continue to seek out opportunities in the requisition process to utilize technology and alternative procurement methods to search for, and take advantage of, the best value for the City.• Continue to utilize existing Cooperative Purchasing Agreements with other government entities while pursuing new cost saving partnerships.
<p>Administer the Purchasing Card Program.</p>	<ul style="list-style-type: none">• Continue to reduce the use of open Purchase Orders (PO's) by encouraging the use of the Purchasing Card Program for smaller dollar purchases at the departmental level.• Seek opportunities to utilize Purchasing Cards for bigger ticket items and to increase pCard spend.• Provide oversight and compliance monitoring in order to ensure proper use of program.• Provide training and materials to using departments in order to ensure cost-saving partnerships interdepartmentally.



Procurement

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 167,628	\$ 261,407	\$ 240,242
Salaries - Part-Time	\$ 13,902	\$ 13,902	\$ 13,902
Benefits	55,764	63,035	76,701
Total Personnel	\$ 237,294	\$ 338,344	\$ 330,845
Office Equipment Maintenance	\$ -	\$ -	\$ -
Printing & Binding	-	500	-
Professional Associations	950	500	1,210
Travel & Training	5,000	3,709	5,735
Office Supplies	2,000	2,000	1,250
Specialized Supplies	1,000	1,075	850
Books & Periodicals	200	200	200
Total O&M	\$ 9,150	\$ 7,984	\$ 9,245
Totals	\$ 246,444	\$ 346,328	\$ 340,090

Performance Measures	FY 14/15	FY 15/16	FY 16/17
Percentage of total dollars spent within Cochise County:	26%	21%	19%
Percentage of total dollars spent with Sierra Vista businesses:	11%	11%	9%
Percentage of dollars spent with Arizona businesses for purchases less than \$50,000.00:	54%	57%	99%
Surplus auction revenue:	\$ 125,417	\$127,307*	\$96,227*
* FY16/17 NET Surplus Auction Revenue as of May 23, 2017			



Vision

To be a customer-focused, cost effective, I.T. organization that is committed to providing the City with the required technology tools necessary to provide exceptional support to the City of Sierra Vista and its citizens.

Expenditure by Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$1,630,315	\$1,772,105	\$1,570,673
CIF	0	0	0
Sewer	203,039	198,301	\$196,334
Refuse	203,039	198,301	\$196,334
Total	\$2,036,393	\$2,168,707	\$1,963,341

Mission Statement

The mission for this division is to be an enterprise information and technology services organization that provides responsive, quality, flexible and cost-effective information technology solutions and services, while encouraging innovation to shape the demands of the organization, meanwhile enabling City departments to be successful in achieving their respective missions, striving always to exceed expectations.

Description

The I.T. Division delivers five core services ultimately designed to improve government services, our community, and the lives of the City's customers - individuals and organizations who live, work, and/or visit our community, physically and virtually by way of the Internet.

1. E-Services

These services are provided directly to the public to enhance the accessibility and transparency of City government using the City's official Web site as well as other engagement tools, as key communication and service-delivery portals, the goal being to improve civic engagement as well as municipal services.

2. Application Management and Support

These services deliver technology solutions to the organization and are structured around the City's communities of interest (COI's). Delivery of technology solutions includes consulting, process review, design and architecture, project management, implementation, integration, and ongoing maintenance.



3. End User Support Services

These services support the customers that use the technology systems provided by the division. They include technical training, technical support services, and helpdesk assistance. IT continues to streamline internal processes and support in order to continue providing outstanding service in the midst of shrinking budgets and increasing demands. Investing in and deploying easy-to-use technology is not only beneficial to the user; it's ultimately valuable to IT

4. Network Infrastructure Services & Support

These services implement upgrade and support the infrastructure necessary to deploy, operate, and maintain the organization's communications and information systems. The tasks performed include design, ordering, installation, configuration, deployment, ongoing maintenance and repair, as well as providing adequate procedures to ensure the City's technical infrastructure is secure and remains centralized.

5. Business Integration & Enterprise Support

These services support the operations of the department, implementation of the new organizational structure, service delivery approach and the automated systems that facilitate the flow of information within the organization. In addition, these services focus on the long-term sustainability of existing systems.

City Council Strategic Plan Initiatives
The Information Technology Division was not assigned any City Council strategic plan initiatives from the current plan but continues to assist all city departments as required.

Major Accomplishments

1. Upgraded microwave radio data links at both the Parks Maintenance and Public Works. These enhancements will provide higher bandwidth and speed to increase efficiencies and employee productivity. This will also increase our level of services to the community.
2. Continue to collaborate with City Clerk and City Manager departments to develop and implement an online citizen portal for public document requests in addition to making other frequently requested documents available as well.
3. Upgraded the city's payment system to a new processor and installed new EMV credit card terminals in all required locations. This brings the city in to compliance with EMV industry standards and liability rules. Additionally, it protects consumers and reduces fraud costs, as these chip enabled devices are considered more secure by the credit card companies.



Information Technology Division

4. IT continues its commitment to improving and increasing efficiencies in the Public Safety departments. Network and security operations revamping carry on, thus increasing application and communications systems efficiency. A complete upgrade of the wireless infrastructure for the City was completed. As a result, wireless network connectivity was expanded to public safety and because of security enhancements, we are now able to provide officers with the ability to upload videos directly from their vehicles when parked in a designated area. Additionally, IT assisted with the setup and implementation of 60 Body Cams and 43 smart phones during the PD rollout of Body Cameras.
5. Preparing to implement and rollout SharePoint 2016 for use throughout the City. This will provide dynamic solutions to help our customers increase productivity, cut costs, and respond to rapidly changing business environments. SharePoint features a single, extensible platform for flexible intranet, extranet, and Internet solutions.
6. Modernized the City's core data switching infrastructure to increase performance, reduce maintenance costs and enhance our network security. This enhancement increased speed and efficiency throughout our network, as well as adding additional proficiencies to our failover and disaster recovery capabilities. Additionally, we are now able to manage our assets centrally.
7. Continue to provide project management and engage other departments to ensure Tyler Munis continues to grow and departments utilize the system to its full potential. Looking to implement more features in the Employee Self Service module and also engaging citizens with the addition of more features in our Contractor and Vendor Self Service modules, as well as other available e-services within Munis.
8. IT is moving ahead with enhancing the City's Cyber Security portfolio. We continue to mitigate the constant risk of nefarious threats by utilizing both software and hardware solutions. In addition, we provide constant training to our employees, thereby maintaining alertness regarding our IT infrastructure and how to recognize potential threats.

Goals

Goals	Objectives
Provide citizens with increased services for transparency and access to more information while promoting efficient service delivery and remaining cost-effective.	<ul style="list-style-type: none"> • Continue collaborating with departments and vendors to develop and customize applications and implement technology solutions to better meet the needs of the community and staff, with the overall goal being to facilitate the sharing of information both internally and externally.
Continue promoting technology	<ul style="list-style-type: none"> • Partner with City departments to offer



Information Technology Division

solutions that encourage citizen engagement and improve municipal services to the community, while maintaining a secure, modernized and sustainable IT infrastructure.	<p>more online services and/or Web portals facilitating citizen/employee interaction with City Hall.</p> <ul style="list-style-type: none"> • Work with departments to evaluate, manage and implement computing technologies to improve service offerings and minimize costs.
Realize the City's goals/objectives through the use of prevailing technology	<ul style="list-style-type: none"> • Continue to evaluate other Tyler/Munis modules to determine their feasibility and value to the City. • Research the feasibility of utilizing Cloud and Collaboration technologies to increase efficiency, agility and innovation.
Oversee and manage the technology required by the city to include software, communications, computing requirements, mobility and data center infrastructure in an effort to provide outstanding results, while maintaining fiscal responsibility and stewardship.	<ul style="list-style-type: none"> • Continue promoting the use of collaboration tools to increase employee productivity and efficiency. • Research new technologies such as Office 365 and SharePoint and develop a plan to transition and implement in the near future. • Sustain an IT culture that supports new ideas and innovation to improve City processes.
Pursue the feasibility of collaborating with other government agencies to improve efficiencies and technologies, and remain cost effective.	<ul style="list-style-type: none"> • Partner with Cochise County to improve communications and collaborate on the move to a combined regional dispatch center. • Maintain extending Spillman services and support to multiple agencies

Performance Measures

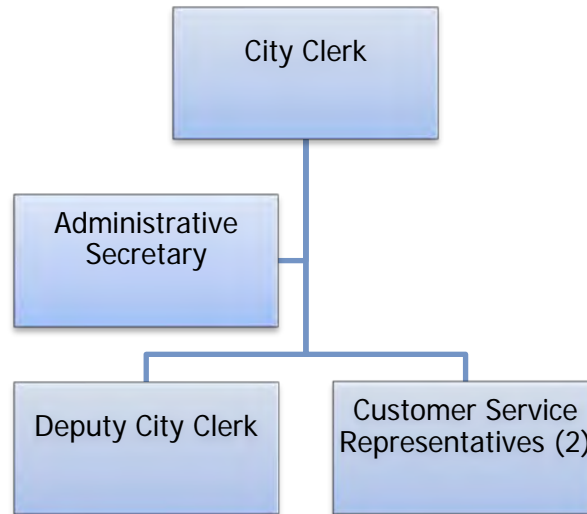
	FY12/13	FY13/14	FY14/15	FY16/17	FY17/18
Work Orders Processed:					
Emergency/High in nature	312	139	395	297	388
Above routine/routine in nature	582	875	1410	1811	2054
Other requests not high in nature nor routine	132	93	133	92	158

**Information Technology**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 528,818	\$ 556,220	\$ 574,458
Salaries - Overtime	6,000	2,000	2,000
Benefits	171,766	178,462	178,762
Total Personnel	\$ 706,584	\$ 736,682	\$ 755,220
Professional Services	\$ 60,000	\$ 55,000	\$ 50,000
Office Equipment Maintenance	696,184	671,638	668,626
Professional Associations	400	400	400
Travel & Training	16,000	18,000	20,000
Telephone	410,000	375,000	405,000
Office Supplies	9,200	5,200	9,200
Specialized Supplies	49,600	67,537	22,300
Software	55,675	53,200	32,245
Books & Periodicals	350	350	350
Total O&M	\$ 1,297,409	\$ 1,246,325	\$ 1,208,121
Machinery & Equipment	\$ 32,400	\$ 185,700	\$ -
Total Capital	\$ 32,400	\$ 185,700	\$ -
Totals	\$ 2,036,393	\$ 2,168,707	\$ 1,963,341

Comments

The Office Equipment Maintenance account includes software and hardware maintenance contracts for the entire City organization.



Vision

Maintain the highest level of professionalism in administering and protecting the City's legislative process. Maintain the highest standards of professional ethics and integrity and employ the most qualified personnel.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$357,197	\$373,401	\$347,217
Sewer	7,682	8,030	\$7,467
Refuse	19,204	20,075	\$18,667
Total	\$384,083	\$401,506	\$373,351

Mission Statement

The City Clerk's Office strives to present a courteous, service-oriented team of professionals who, in partnership with the City Council, other City departments, and the community, provides the citizens of Sierra Vista with quality service.

Description

The City Clerk's Office provides customer service by issuing business licenses, collecting revenues, maintaining public records in partnership with other City departments, overseeing the City's election process, acting as official recorder of all City Council meetings and work sessions, and providing risk management services.

City Council Strategic Plan Initiatives
The City Clerk has no specific initiatives assigned for the current plan, but will work with all departments in assisting in the completion of others as needed.



Major Accomplishments

1. Continued conversion, development, and implementation of a citywide electronic records management program.
2. Continued expansion of the digital delivery program of documents for council packets, inquiries, requests for public records, and other needs.
3. Maintained professional, timely and exceptional customer service in FY 16-17.

Goals

Goals	Objectives
Records Management.	<ul style="list-style-type: none"> • Continue Development of a City wide records management policy. • Continue expansion of document imaging program, utilizing the Tyler Content Management Program, to other departments in City Hall while evaluating other departments for future implementation. • Prepare and submit application to begin approval process to move towards designation of digital records as official records • Develop Customer Self Serve Records Search Program on City Website
Provide the City with quality Risk Management Services.	<ul style="list-style-type: none"> • Establish Regular Safety Inspection Program for City Facilities • Provide Safety Training Opportunities for City Staff
Initiate a Citywide Title VI Program	<ul style="list-style-type: none"> • Obtain approval a Title VI Plan for all City Departments • Provide Educational Opportunities for City Staff related to the Title VI Non Discrimination Policies
Continue improving the level of customer service provided by the department in all aspects of our duties.	<ul style="list-style-type: none"> • Continue to provide training opportunities for staff to improve the level of services provided. • Work with various departments to obtain input and suggestions regarding procedures to ensure we achieve the highest level of service possible. • Cross train department members in duties of other divisions to provide back up when necessary.

**Performance Measurements**

	FY12/13	FY13/14	FY 14/15	FY15/16	FY16/17
New Business Licenses Issued	384	332	319	278	282
Liquor Licenses Issued	20	31	32	22	36
Number of Requests for Documents	194	200	210	355	486
Claims or Potential Claims	75	55	59	115	86
Vehicle Accident Review Board Cases	50	46	65	48	41

City Clerk

	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Expenditures			
Salaries - Regular	\$ 240,728	\$ 237,492	\$ 245,443
Salaries - Part Time	1,932	1,932	1,932
Benefits	81,338	80,397	81,791
Total Personnel	\$ 323,998	\$ 319,821	\$ 329,166
Professional Services	\$ 40,000	\$ 64,000	\$ 26,500
Professional Associations	2,085	2,085	2,085
Travel & Training	5,500	4,100	4,100
Office Supplies	5,000	4,000	4,000
Books & Periodicals	7,500	7,500	7,500
Total O&M	\$ 60,085	\$ 81,685	\$ 44,185
Totals	\$ 384,083	\$ 401,506	\$ 373,351

Comments

Professional Services includes Election Costs on a Bi-Annual Basis



City Attorney

City Attorney

Description

The City Attorney, appointed by the Mayor and City Council, is legal advisor and attorney for the City.

The City Attorney presents and defends the City's legal interests

and rights in the prosecution of misdemeanor complaints. The Attorney is also responsible for attending City Council meetings and serving as legal counsel during such meetings. Upon request, he/she furnishes a written opinion on questions of law involving their respective powers and duties. The City Attorney provides legal advice to the City Manager and departments as needed.

Expenditure by Fund			
	Budget FY 2016	Budget FY 2017	Budget FY 2018
General	\$269,823	\$271,828	\$274,446
Judicial	300	300	\$300
Total	\$270,123	\$272,128	\$274,746

Magistrate Court

Description

The Sierra Vista Magistrate Court provides all administrative and judicial support required by law to operate a non-record court in Arizona, including the processing and adjudication of criminal traffic, civil traffic, juvenile traffic, misdemeanors, city ordinances, juvenile alcohol offenses, orders of protection, injunctions prohibiting harassment, collection of fines and bonds, scheduling of trials (jury, non-jury), and scheduling of civil hearings. The court is also responsible for issuing warrants, summonses, and subpoenas based on filed complaints. The court also provides administrative and clerical support for prosecuting attorneys. Other public services provided include registering people to vote, witnessing ballots when applicable, and releasing information to the public, armed forces, police agencies, and other courts.

This service is currently provided through an intergovernmental agreement with Cochise County. The Justice of the Peace also serves as the City's magistrate or hearing officer.

The City also utilizes the Superior Court for jury trials.

**Court & Legal**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 104,000	\$ 104,000	\$ 104,327
Salaries - Part Time	28,000	28,000	32,200
Benefits	37,823	39,828	37,919
Total Personnel	\$ 169,823	\$ 171,828	\$ 174,446
Professional Services	\$ 100,300	\$ 100,300	\$ 100,300
Professional Associations	-	-	-
Total O&M	\$ 100,300	\$ 100,300	\$ 100,300
Totals	\$ 270,123	\$ 272,128	\$ 274,746

Comments

The Professional Services account includes the County court agreement described on the previous page.



Description - Debt Service

Debt Service is considered a general government expenditure because it is paid by the City as a whole and is not restricted to any one department.

Debt Service

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Bond Principal	\$ 2,690,000	\$ 2,805,000	\$ 12,865,000
Bond Interest	735,570	623,377	503,102
Fiscal Agent Fees	5,000	5,000	7,500
Other Debt Principal	1,116,213	1,351,132	6,492,723
Other Debt Interest	222,580	234,100	222,493
Total Debt	\$ 4,769,363	\$ 5,018,609	\$ 20,090,818

In FY18, the City's debt increased due to the refinancing of the series municipal property corporation bonds, which will actually save the City money over the next few years.



Description - General Government

Expenditure By Fund			
	Budget FY 2016	Budget FY 2017	Budget FY 2018
General	\$1,206,194	\$1,033,177	\$996,363
Sewer	160,826	137,757	\$147,994
Refuse	160,826	137,757	\$147,994
HURF	80,413	68,879	\$73,997
H&A	4,031,500	4,322,500	\$4,322,500
Unemployment	35,000	35,000	\$35,000
Self Insurance	100,000	100,000	\$100,000
Total	\$5,774,759	\$5,835,070	\$5,823,848

General Government

	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Expenditures			
Benefits	\$ 899,259	\$ 711,070	\$ 820,848
Total Personnel	\$ 899,259	\$ 711,070	\$ 820,848
Professional Services	\$ 46,500	\$ 41,500	\$ 41,500
Insurance	520,000	570,000	455,000
Postage	85,000	60,000	60,000
Advertising	20,000	12,500	12,500
Office Supplies	8,000	8,000	8,000
Specialized Supplies	1,000	-	-
Bank Fees	60,000	60,000	60,000
Health & Accident Insurance	3,990,000	4,281,000	4,281,000
Unemployment Insurance	100,000	50,000	50,000
Self Insured Retention	35,000	35,000	35,000
Total O&M	\$ 4,865,500	\$ 5,118,000	\$ 5,003,000
Totals	\$ 5,764,759	\$ 5,829,070	\$ 5,823,848

Comments

The General Government budget includes costs that are shared across departments and funds. The Benefits account line includes retired employee benefits. The Health and Accident Insurance, Unemployment Insurance, and Self Insured Retention accounts represent the City's three internal service funds.



Description

The Sierra Vista Police Department is committed to providing the best possible service to the community. The Department consists of two divisions: Administrative Services and Police Operations. The Administrative Services Division consists of the Administrative Support Bureau (Records, Communications and Animal Control Sections), while the Police Operations Division consists of the Patrol Operations and Special Operations Bureaus.

Mission

To protect and serve through professional, proactive, and innovative police services.

Vision

The Sierra Vista Police Department sets the standard for professional law enforcement agencies through exceptional performance and quality community services.

City Council Strategic Plan Initiatives
<ul style="list-style-type: none">• Assess the number of police/fire personnel and corresponding funding required to meet current service levels and identify potential impacts to community public safety if staffing remains the same.• Identify the cost and funding sources for a joint Fire and Police facility in south Sierra Vista.

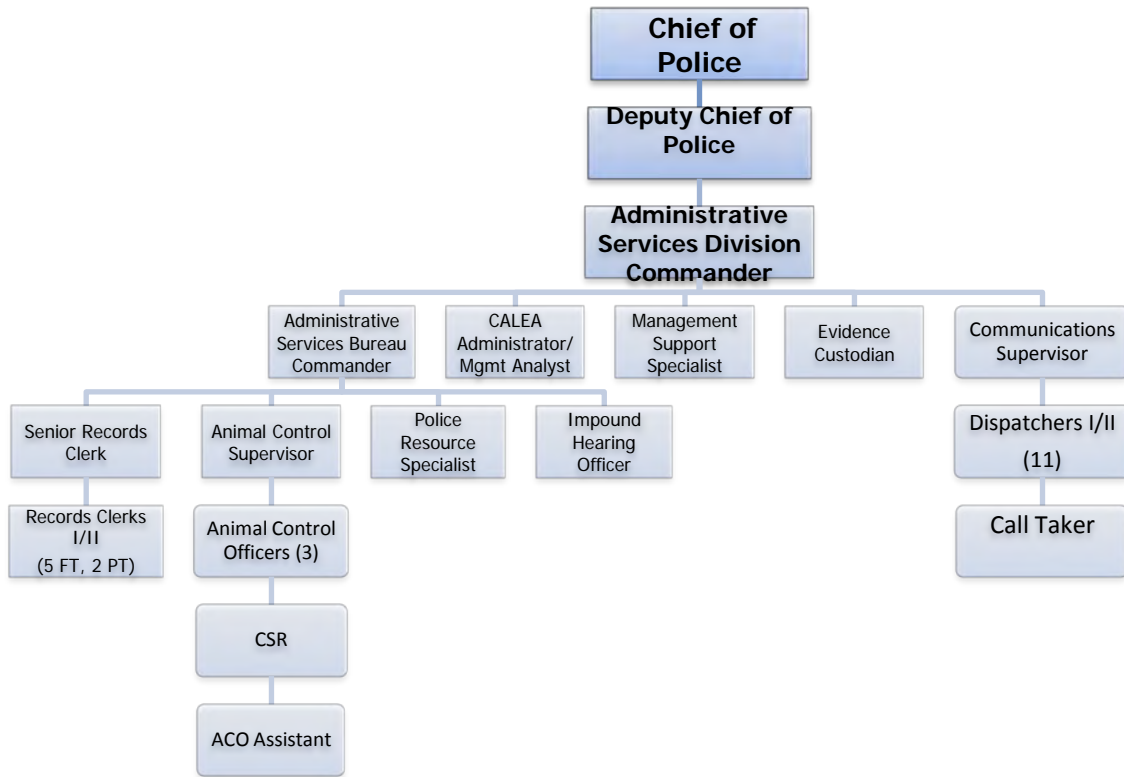


Police

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Administration	\$ 2,037,958	\$ 2,237,249	\$ 1,865,155
Police Operations	7,428,620	7,676,223	8,148,671
Animal Control	297,425	299,309	306,349
Total Personnel	\$ 9,764,003	\$ 10,212,781	\$ 10,320,175
Administration	\$ 109,587	\$ 86,250	\$ 84,865
Police Operations	398,338	314,292	316,919
Animal Control	318,561	585,065	578,990
Total O&M	\$ 826,486	\$ 985,607	\$ 980,774
Administration	\$ -	\$ -	\$ -
Police Operations	1,709,139	705,000	690,000
Animal Control	-	-	-
Total Capital	\$ 1,709,139	\$ 705,000	\$ 690,000
Totals	\$ 12,299,628	\$ 11,903,388	\$ 11,990,949



Administrative Services



Description:

The Administrative Services Division manages the Department's finances and provides service in public records maintenance, statistical tracking, communications, training, and new employee recruitment. In addition to the above responsibilities, the Administrative Services Division manages the Animal Control Section and coordinates policy development, volunteer services, and grant funding.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$2,137,741	\$2,311,795	\$1,938,316
Donations	9,804	11,704	\$11,704
Dev Fees	0	0	0
Total	\$2,147,545	\$2,323,499	\$1,950,020

Mission

The Administrative Services Division provides management of those financial, physical, and human resources allocated by the City Council, while providing technical, communication and records support.



Goals

Goals	Objectives
<p>Community Confidence & Partnerships Increase the community confidence in, and maintain the support of, the Police Department in order to fulfill the legitimate expectations and values of the community.</p>	<ul style="list-style-type: none"> • Increase Department participation in events that foster positive relationships with members of the community to include community forums and open houses. • Implement various public awareness campaigns that foster increased interaction between the Department and community.
<p>Human Resources Maintain the highest standards in the recruitment, selection, and retention of Police Department personnel while also providing for the highest level of police services.</p>	<ul style="list-style-type: none"> • Assess the number of police personnel and corresponding funding required to meet current service levels and identify potential impacts to community public safety if staffing remains the same. • Establish a Department-wide recruiting team that will assist the Department Recruiter at recruiting events, at college presentations, and in making contacts with community members in an effort to increase the number and quality of all Department applicants.
<p>Productivity Maintain a Department FBI Uniform Crime Report (UCR) clearance rate of not less than 30% and a recovery rate for stolen property of not less than 35% by promoting activities and programs which improve efficiency.</p>	<ul style="list-style-type: none"> • Develop and implement a formal investigations training program for all officers that focuses on crime scene investigation, follow-up investigation techniques, and case management.
<p>Physical Resources & Technology Increase efficiency by promoting the timely development/ acquisition of police equipment and technology.</p>	<ul style="list-style-type: none"> • Continue to explore options related to the development of a Regional Communications Center.

Major Accomplishments

1. Successfully obtained a grant from the Governor’s Office of Highway Safety (GOHS) to purchase an in-car camera recording system.



Police Administration

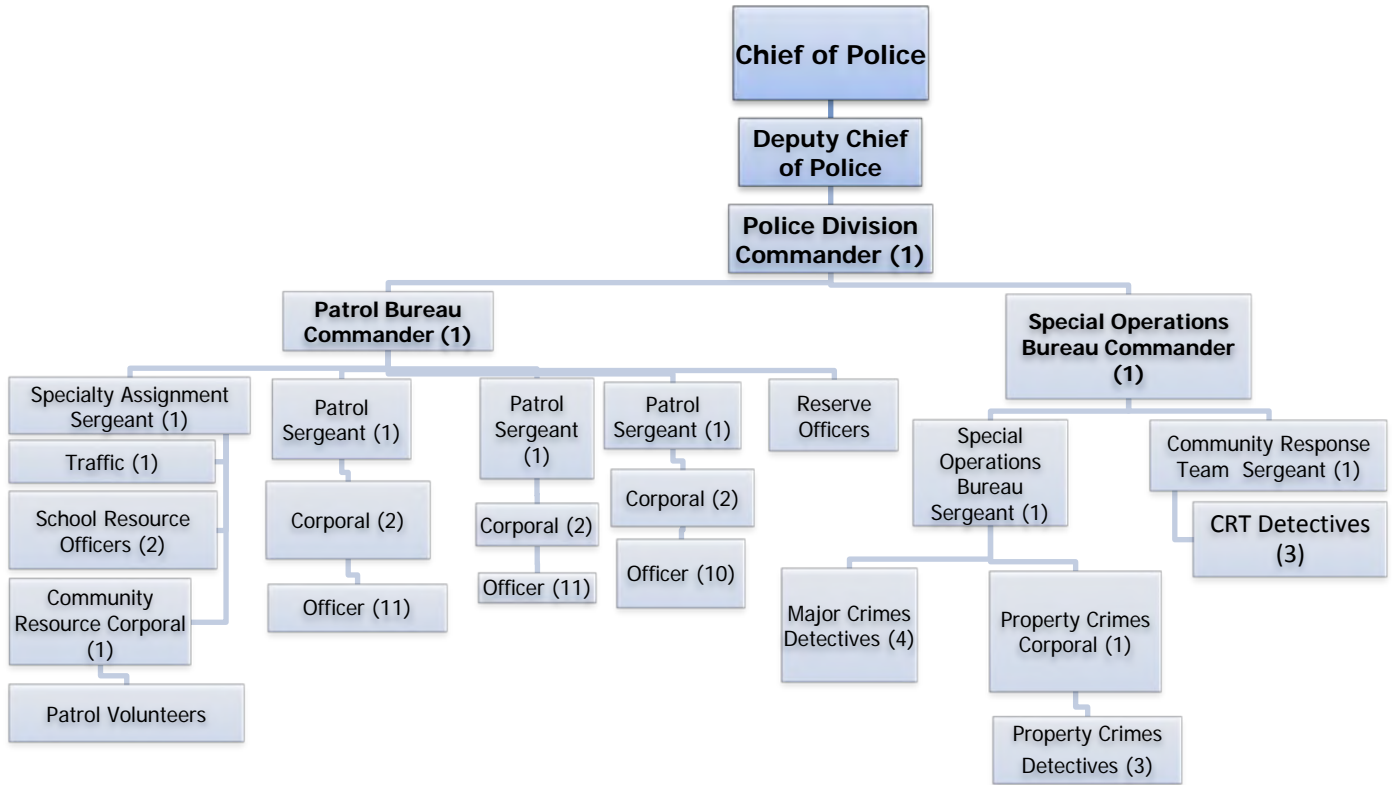
2. Successfully obtained re-accreditation through CALEA.
3. The Communications Section entered 59,924 calls for service for both police and fire in 2016.
4. The Communications Section answered 23,200 911 calls in 2016, an increase of 1% from 2015.
5. The Records Section processed 8,416 requests for records, 1,550 background check requests, and 166 requests for statistical information in 2016.
6. A new police officer hiring/testing preparation workshop on Saturdays was implemented to enhance successful recruitment efforts.

Administration

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 1,432,512	\$ 1,504,166	\$ 1,256,610
Salaries - Overtime	16,572	16,572	16,572
Salaries - Part Time	41,373	59,453	59,453
Benefits	547,501	657,058	532,520
Total Personnel	\$ 2,037,958	\$ 2,237,249	\$ 1,865,155
Professional Services	\$ 9,740	\$ 9,740	\$ 8,985
Equipment Maintenance	4,800	1,300	550
Professional Associations	1,614	1,452	1,452
Travel & Training	21,000	12,900	12,900
Office Supplies	25,000	19,450	20,000
Specialized Supplies	29,950	23,400	23,400
Books & Periodicals	7,679	6,304	5,874
Donations	9,804	11,704	11,704
Total O&M	\$ 109,587	\$ 86,250	\$ 84,865
Machinery & Equipment	\$ -	\$ -	\$ -
Total Capital	\$ -	\$ -	\$ -
Totals	\$ 2,147,545	\$ 2,323,499	\$ 1,950,020



Operations Division



Mission

Consistent with the Department's overall mission, the Police Operations Division seeks to continue its partnership with the community in order to achieve the highest level of public safety service.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$7,647,726	\$8,342,515	\$8,817,966
PD Special	428,684	319,500	319,500
Grants	1,502,871	33,500	18,124
Capital	500,000	0	0
Total	\$10,079,281	\$8,695,515	\$9,155,590

Description

The Police Operations Division serves the community through its Patrol Operations and Special Operations Bureaus.



Goals

Goals	Objectives
<p>Productivity Maintain a Department FBI Uniform Crime Report (UCR) clearance rate of not less than 30% and a recovery rate for stolen property of not less than 35% by promoting activities and programs in order to improve efficiency.</p>	<ul style="list-style-type: none"> • Implement a formal case review process to ensure cases are fully investigated, cleared properly, and recovered property is documented properly.
<p>Productivity Reduce the impact of negative traffic behaviors on the community.</p>	<ul style="list-style-type: none"> • Develop and implement an integrated traffic safety campaign to educate the community regarding traffic safety and enforce traffic law regarding behaviors that cause the most accidents in the community.
<p>Physical Resources & Technology Increase efficiency by promoting the timely development/ acquisition of police equipment and technology.</p>	<ul style="list-style-type: none"> • Research and implement a Department-wide body camera program by December 31, 2016.
<p>Community Confidence & Partnerships Enter into mutually beneficial partnerships which are designed to increase public safety and enhance the quality of life of the community.</p>	<ul style="list-style-type: none"> • Partner with the Cochise County Sheriff's Office and area schools to provide active threat training throughout Sierra Vista and Cochise County. • Identify and implement options for further partnerships with the Cochise County Sheriff's Office and other area organizations to provide the most efficient use of resources.

Major Accomplishments

1. In 2016 the Department had a clearance rate of 37.6% and a recovery rate of 27.1% for UCR Part I offenses.
2. In partnership with the Cochise County Sheriff's Office, for the second consecutive year Sierra Vista Police Department continued to train Cochise County Schools in the new A.L.I.C.E. active killer response methods.



Police Operations

3. The Sierra Vista Police Department partnered with the Cochise County Sheriff's Office and the Arizona Department of Public Safety to conduct two multi-agency traffic enforcement deployments focusing on moving violations that contribute to collisions in and around the Sierra Vista area.
4. The Sierra Vista Police Department Community Response Team was re-instituted.
5. Body cameras were purchased for all officers and a policy governing the use of body cameras was implemented.
6. Two community forums to foster a good working relationship with the public were held in 2016.

Performance Measures*

	CY 2013	CY 2014	CY 2015	CY 2016
UCR Part I Clearance Rate	34.88%	33.9%	39.69%	37.6%
Part I Recovery Rate	30.28%	38.4%	28.63%	27.1%
Public Highway Accidents	550	570	578	611

*Please note that numbers are being reported in calendar year.

Part I crimes are reported to the FBI by law enforcement agencies. These are particular crimes uniformly identified as a baseline for activity within an agency's jurisdiction. The number of Part I Crimes is determined by adding all homicides, rapes, aggravated assaults, robberies, burglaries, thefts, auto thefts, and arsons. Clearance rate means crimes that have been cleared, either solved or otherwise cleared. Recovery rate is the percentage of goods recovered to the amount reported stolen/missing.

UCR Crime Statistics*

	CY 2013	CY 2014	CY 2015	CY 2016
Homicide	2	2	2	3
Forcible Rape	20	9	8	15
Robbery	11	19	14	18
Aggravated Assault	89	51	50	50
Burglary	294	246	181	250
Larceny-Theft	1122	1034	1034	977
Motor Vehicle Theft	57	53	49	55
Arson	27	16	15	6
Total	1622	1430	1353	1374
% Change	-3%	-12%	-5%	+2%

*Please note that numbers are being reported in calendar year.

**Police Operations**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 4,237,034	\$ 4,214,227	\$ 4,342,700
Salaries - Overtime	343,582	343,582	394,757
Salaries - Part Time	17,289	-	-
Benefits	2,830,715	3,118,414	3,411,214
Total Personnel	\$ 7,428,620	\$ 7,676,223	\$ 8,148,671
Professional Services	\$ 30,200	\$ 5,200	\$ 5,200
Professional Associations	2,286	1,686	1,146
Travel & Training	76,647	89,133	99,133
Specialized Supplies	287,430	216,498	211,105
Books & Periodicals	1,775	1,775	335
Total O&M	\$ 398,338	\$ 314,292	\$ 316,919
Machinery & Equipment	\$ 1,609,139	\$ 115,000	\$ 100,000
Vehicles	100,000	590,000	590,000
Total Capital	\$ 1,709,139	\$ 705,000	\$ 690,000
Totals	\$ 9,536,097	\$ 8,695,515	\$ 9,155,590

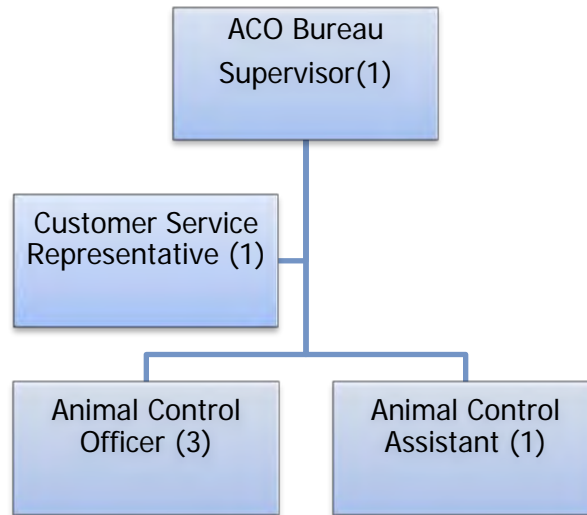
Comments

Machinery and Equipment contains RICO and grant funds.

One half of the Specialized Supplies account is funded by grants and police special revenue.



Animal Control



Mission

Provide quality service with regards to the control, apprehension, impoundment and disposition of the City's animal population. This will be accomplished by efficient and effective enforcement of state and local ordinances combined with public education.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$430,680	\$412,199	\$400,489
PD Special	5,000	5,000	5,000
Donations	192,565	479,850	479,850
Total	\$628,245	\$897,049	\$885,339

Description

The Animal Control Bureau provides comprehensive animal control services for the City of Sierra Vista. This includes, but is not limited to: animal registration; impounding, maintaining and processing the stray, unwanted and dangerous animals; and the investigation and prosecution of animal control violations. Additional services provided are: public education, wildlife removal, dead animal disposal, euthanasia services, rabies vaccination and licensing clinics, pet sterilization programs, and adopt-a-pet month.



Goals

Goals	Objectives
<p>Community Confidence & Partnerships Increase the community confidence in, and maintain the support of, the Police Department in order to fulfill the legitimate expectations and values of the community.</p>	<ul style="list-style-type: none"> • Increase Department participation in events that foster positive relationships with members of the community to include open houses. • Implement various public awareness campaigns that foster increased interaction between the Department and community.

Major Accomplishments

1. Along with other organizations and agencies, held the first “Celebrating Animals” event at Veteran’s Memorial Park on March 19, 2016.
2. The Nancy J. Brua Animal Care and Control Center held four mobile vaccination clinics in conjunction with the Friends of the Animal Shelter. A total of 170 animals were vaccinated during these events.
3. Redeemed 403 animals back to their owners in 2016.
4. Issued 2,756 dog licenses in 2016.

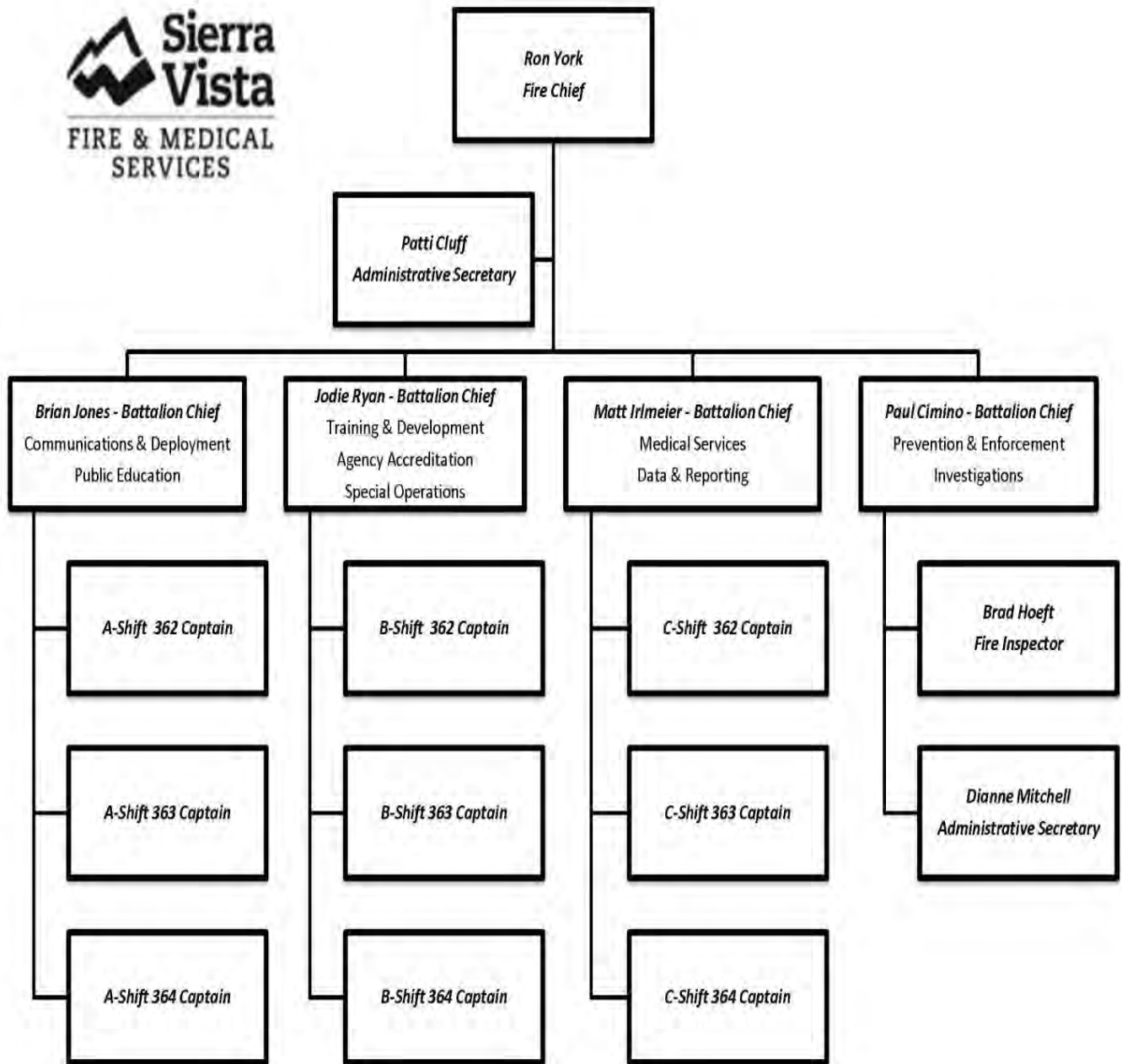
Performance Measures*

	CY 2013	CY 2014	CY 2015	CY 2016
Number of Animals Adopted	728	731	786	741
Calls for Service	5,469	4,413	4,451	3,465
Number of Animals Impounded	1,629	1,619	1,458	1,395

*Please note that numbers are being reported in calendar year.

**Animal Control**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 207,095	\$ 204,571	\$ 202,864
Salaries - Overtime	8,835	8,835	8,835
Salaries - Part Time			12,675
Benefits	81,495	85,903	81,975
Total Personnel	\$ 297,425	\$ 299,309	\$ 306,349
Professional Services	\$ 5,290	\$ 18,725	\$ 18,005
Building Maintenance	10,556	5,000	2,680
Professional Associations	150	150	150
Travel & Training	10,000	6,340	3,305
Specialized Supplies	100,000	75,000	75,000
Donations	192,565	479,850	479,850
Total O&M	\$ 318,561	\$ 585,065	\$ 578,990
Totals	\$ 615,986	\$ 884,374	\$ 885,339





Vision

We, the members of Sierra Vista Fire & Medical Services, will aggressively pursue new opportunities to enhance our services and exceed our community's expectations.

	Expenditure By Fund		
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$5,395,924	\$6,682,130	\$8,633,678
Grants	24,000	1,327,000	1,043,000
Donations	41,591	16,488	16,488
Development Fees	0	0	0
Total	\$5,461,515	\$8,025,618	\$9,743,166

Mission Statement

We, the members of the Sierra Vista Fire & Medical Services, will passionately serve our community by being helpful and kind *Always*.

Description

Sierra Vista Fire & Medical Services provides fire suppression, rescue, and emergency medical services; fire prevention services, including plan reviews, code compliance checks, fire investigations, and complete fire inspection services; and public education and community outreach programs. Our goal is to provide a wide range of programs designed to inform and educate the community on ways to improve quality of life by remaining safe from fires, medical emergencies, and other disasters.

City Council Strategic Plan Initiatives
1) Assess the number of police/fire personnel and corresponding funding required to meet current service levels and identify potential impacts to community public safety if staffing remains the same. 2) Identify the cost and funding sources for a joint fire/police facility in south Sierra Vista

Major Accomplishments

1. Implemented a peak-hours paramedic ambulance crew to help stabilize our ambulance transport revenues.
2. Continued work to improve dispatching procedures. Made significant strides toward implementing Rip-n-run and Quickest route software, which will enhance the ability to dispatch the closest, most appropriate apparatus, and notify select personnel of serious or specialized incidents.
3. Expanded firefighter training abilities with Cochise College thru a joint purchase of a live fire training facility, to be located at station 203.
4. Began the arduous talk of pursuing agency accreditation. Developed a team, strategies, and timelines, and made significant progress toward the first step in the process, producing a standards of cover document.
5. Began utilizing data more efficiently to document response time deficiencies and coverage issues around the community



Goals

Human Resources

Goals	Objectives
Enhance our abilities to recruit and retain fire service professionals	<ul style="list-style-type: none"> • Retain existing department members and set a higher standard for those who wish to become members. • Utilize national standards to recruit and hire • Focus on recruiting women into the fire service.

Physical Resources

Goals	Objectives
Enhance our existing partnership with Cochise College to enable live fire training for FFI/II students locally	<ul style="list-style-type: none"> • Update IGA to include live fire training facility. • Research costs to share purchase, maintenance, and/or upgrades • Joint purchase class A burn building to be located on grounds of station 203

Marketing and Publicity

Goals	Objectives
Increase use of social media.	<ul style="list-style-type: none"> • Ensure all education classes are announced, and provide on-line registration and payment • Post seasonal public safety messages.

Technology

Goals	Objectives
Collaborate with IT and PD to purchase, install, and utilize a CAD station alerting software system that will reduce call processing time and streamline all fire/EMS dispatching procedures	<ul style="list-style-type: none"> • Ensure station alerting software will meet our needs for the coming years. Research other products. • Purchase and install the software and hardware components • Review/adjust response and deployment parameters to work with new software • Oversee/manage training for dispatchers

Innovation

Goals	Objectives
Enhance the CARE program to help reduce the number of repeat customers, lift assists, and fall injuries.	<ul style="list-style-type: none"> • Utilize grant funding to secure a dedicated position for the CARE program • Target frequent-use and elderly patients for entrance into the program



Performance Measures

	FY12/13	FY 13/14	FY 14/15	FY 15/16	FY16/17
Total calls for service	6,210 ⁽¹⁾	7,351 ⁽²⁾	8,957 ⁽²⁾	6,932 ⁽¹⁾	6972
Automatic Aid Given	N/A	N/A	N/A	N/A	451
Automatic Aid Received	N/A	N/A	N/A	N/A	1697
Total fire calls	N/A	N/A	N/A	802	870
Structure fires	44	21	34	70	50
Vehicle fires	14	13	11	14	13
Brush fires	4	41	35	10	32
Other (alarm, smoke, assist...)	N/A	N/A	N/A	708	775
Total EMS calls	4,694	3,401	7,064	6130	6102
Heart attack	N/A	430	705	551	466
Stroke	N/A	80	183	477	137
MVA	N/A	119	220	241	260
Diabetic	N/A	N/A	N/A	63	67
EMS other	N/A	N/A	N/A	4,767	5172
Commercial inspections	1,052	1,064	984	996	987
ISO rating	4	4	4	4	4
Grant and federal fund acquisition	75,000	43,892	N/A	N/A	5,000

¹ City-only responses

² Includes automatic aid responses with Fry Fire District

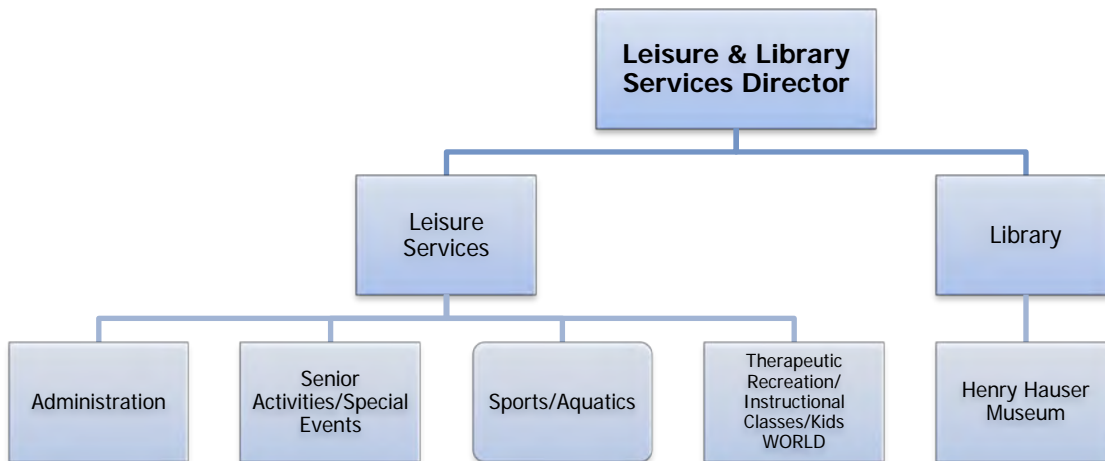


Fire

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 3,278,585	\$ 3,554,143	\$ 3,603,937
Salaries - Overtime	104,629	114,629	174,458
Benefits	1,639,837	1,726,811	2,169,736
Total Personnel	\$ 5,023,051	\$ 5,395,583	\$ 5,948,131
Professional Services	\$ -	\$ -	\$ 1,950,000
Office Equipment Maintenance	8,000	3,000	1,500
Building Maintenance	15,000	13,000	13,000
Vehicle & Equipment Maint	13,500	15,500	5,000
Printing & Binding	2,000	2,000	2,000
Professional Associations	3,273	3,271	3,271
Travel & Training	50,750	59,750	55,750
Office Supplies	7,800	7,800	7,800
Specialized Supplies	116,050	821,976	882,976
EMS Supplies	100,000	103,250	103,250
Books & Periodicals	4,000	4,000	4,000
Donations	41,591	16,488	16,488
Total O&M	\$ 361,964	\$ 1,050,035	\$ 3,045,035
Infrastructure	\$ -	\$ -	\$ 100,000
Machinery & Equipment	-	430,000	-
Vehicles	76,500	1,150,000	650,000
Total Capital	\$ 76,500	\$ 1,580,000	\$ 750,000
Totals	\$ 5,461,515	\$ 8,025,618	\$ 9,743,166

Comment: Professional Services includes the potential Fort Huachuca EMS IGA contract.

*Specialized Supplies include a portion of \$1,043,000 grant funding.



Description

The Leisure & Library Services Department is responsible for providing a variety of programs and services to the community that enhances overall quality of life. These programs range from recreational and sports to educational and cultural. The following pages break out the department into specific budgetary divisions, but the graphic above reflects the overall organizational structure of the department.

The budgetary divisions include: Administration, Leisure, Disabled/Therapeutic Recreation, Aquatics, Museum, and Library. Each area within Leisure & Library Services has distinct goals, objectives, and an overall mission to perform. Those tasks are outlined in the narrative below.

The Leisure & Library Services Department is committed to improving the quality of life in the City of Sierra Vista by providing exceptional customer service, and a wide variety of recreational, cultural, educational, and informational activities.

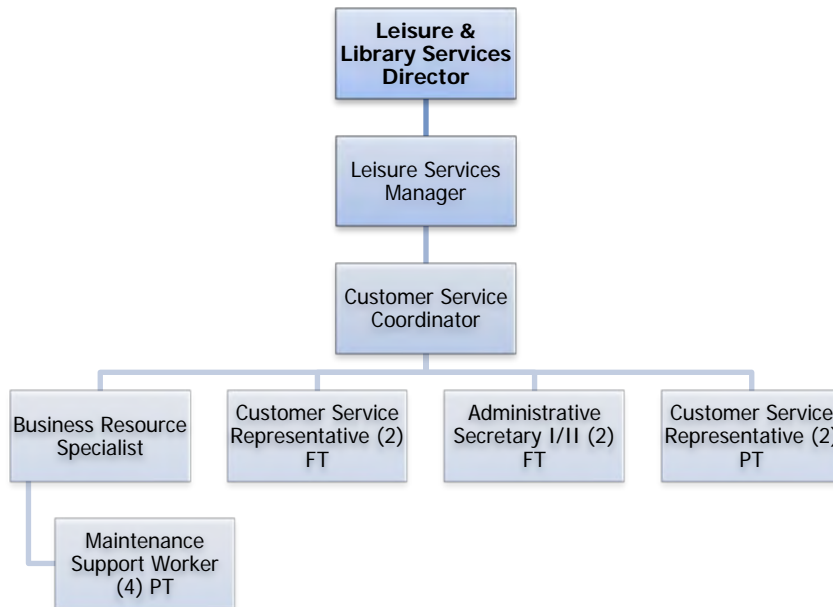


Leisure & Library Services

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Administration	\$ 471,605	\$ 550,224	\$ 494,459
Leisure	1,083,223	927,256	966,133
Cultural	162,071	129,757	68,838
Aquatics	527,634	465,583	407,336
Museum	64,195	65,491	66,967
Library	557,996	615,951	605,794
Total Personnel	\$ 2,866,724	\$ 2,754,262	\$ 2,609,527
Administration	\$ 149,194	\$ 283,120	\$ 282,620
Leisure	292,250	340,610	484,145
Cultural	9,000	7,000	4,000
Aquatics	55,100	54,450	43,450
Museum	15,850	17,725	17,725
Library	356,768	367,065	365,365
Total O&M	\$ 878,162	\$ 1,069,970	\$ 1,197,305
Leisure	100,000	100,000	-
Aquatics			-
Total Capital	\$ 100,000	\$ 100,000	\$ -
Totals	\$ 3,844,886	\$ 3,924,232	\$ 3,806,832



Administrative Division



Vision

The Leisure & Library Services Administrative division provides residents and visitors a variety of choices for public recreation and cultural and educational opportunities through:

- Professionally staffed facilities offering exemplary customer service.
- Offering a wide variety of programs, events, classes and activities.
- Enhanced open spaces with parks, multi-use paths, trails, and sports complexes.

Expenditure by Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$517,455	\$606,974	\$550,709
Donations	103,344	226,370	226,370
Total	\$620,799	\$833,344	\$777,079

Mission Statement

Administrative staff team members strive for friendly effective customer service by operating the public facilities and programs in a fair, courteous, uniform, and fiscally sound manner.



Description:

Staff team members manage facilities, resources, and day-to-day operations of the Oscar Yrun Community Center, Ethel H. Berger Center, and the Sierra Vista Aquatics Center, "The Cove." Division team members coordinate and control financial transactions, initiate and process purchase orders, work orders, requisitions, travel, training and manage the department budget. Staff team members coordinate rentals and public services for buildings, rooms, sports fields and lighting, and park usage.

Administrative team members also respond to public inquiries about programs, facilities, area attractions, youth and adult sports leagues, and other community recreation and cultural resources.

City Council Strategic Plan Initiatives
<p>The Leisure & Library Services department will be working on the following two-year initiatives across ALL divisions:</p> <ul style="list-style-type: none">• Develop a plan for the most efficient and cost effective way to provide tennis to the community.• Explore partnership with the school district to acquire or lease recreational properties.

Major Accomplishments:

1. Consistently offered quality customer friendly services despite continuing staff and budget limitations.
2. Continued to support all departmental and city events conducted during or after business hours.



Goals

Goals	Objectives
<p>Provide current information about programs, events and community resources in a timely and courteous manner.</p>	<ul style="list-style-type: none"> • Continue to improve coordination between program staff, customer service staff and community resources to ensure that the public has the best and most accurate information available. • Provide ongoing training to customer service staff, develop and use internal communications to distribute up to date information to front line staff. • Maintain an online web-based program registration module with credit and debit card processing capabilities for external customers. • Enhance the ability to reserve fields and register people for classes by processing requests over the phone and online via the use of a credit and debit cards.
<p>Expand public awareness of department programs and activities in order to increase participation.</p>	<ul style="list-style-type: none"> • Continue to work with the Public Affairs Office to ensure timely information is published in the Vistas. • Advertise special interest programs in the most cost-effective way possible, using radio, cable, city website, and print media resources. • Provide program information to City Public Affairs staff and the Visitor's Center in a timely manner. • Maintain an online monthly calendar of events for the department as well as an updated activity calendar displayed at the OYCC.
<p>Continue to support public/private partnerships and work towards obtaining full access to other public facilities.</p>	<ul style="list-style-type: none"> • Continue to contract with the Sierra Vista School District for public access to school owned recreation and classroom facilities. • Process transactions for programs that protect children in the Kids W.O.R.L.D. before and after school recreation program • Work with Fort Huachuca Family, Morale, Welfare, and Recreation staff towards gaining access to base recreation facilities such as sports fields and gymnasiums.
<p>Pursue alternate funding sources for Arts, Recreation and Cultural programming.</p>	<ul style="list-style-type: none"> • Coordinate with Leisure Staff and the Arizona Parks and Recreation Association to promote senior health and recreation programs. • Coordinate grant based projects and the associated funding and reporting activities with the City Finance department.



Goals	Objectives
Insure staff members are adequately trained to meet customer and emergency preparedness needs.	<ul style="list-style-type: none"> • Request sufficient funds for administrative staff to ensure their ongoing professionalism while meeting customer service needs. • Work with American Red Cross trainers so that department staff can meet their obligations under the Sierra Vista Emergency Operations Plan. • Ensure that key staff members receive all necessary training and updates to manage the “RecTrac” and “WebTrac” software system.

Performance Measures

	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Admin Cost percent of Department budget	15%	15%	15%	15%
Admin/Leisure advertising \$ per participant	\$0.100	\$0.100	\$0.100	\$0.155**
Aquatics Participants*				
Open Swim			38,000	34,128
Lap Swim			10,862	11,321
Swim lessons			1,600	1,800
Exercise Classes			609	646
Splash Time			4,250	4,013
Instructional class participants			7,500	7,370
Senior Activities participants				
Adult trips			261	213
Bazaars			1,387	1,128
Senior Holiday Dinner			256	203
Sports/Special Events participants				
Oktoberfest			10,250	15,000
Savor Sierra Vista**				2,800
Cultural Heritage Festival				1,100
Easter Eggstravaganza				2,500
Fourth of July				20,000
Youth basketball			1,250	1,180



Administration

Tennis – youth/adult			197	204
Summer sports camps			276	189
Start Smart Sports			375	162
Adult softball			648	800
Races/Triathlon			504	470
Therapeutic Recreation participants			393	376
Kids WORLD participants			9,631	10,459
Pool rentals			20,500	28,200
Ramada rentals			32,500	42,100
Practice field rentals			52,250	43,250
Sports League field rentals - games				
Football			5,200	5,200
Soccer – 4 leagues			40,203	40,203
Sierra Vista Little League			29,320	29,320
Ponytail Softball			19,100	19,100
Total participants/rentals			290,120	303,651

* Individual participant/rental numbers were reported individually in the budget book for the first time in FY 15/16.

**New Event for FY 16/17



Administration

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 359,029	\$ 409,448	\$ 373,051
Benefits	112,576	140,776	\$ 121,408
Total Personnel	\$ 471,605	\$ 550,224	\$ 494,459
Professional Services	\$ 1,600	\$ 3,600	\$ 2,600
Equipment Rentals	1,000	1,000	1,000
Advertising	6,000	19,950	19,950
Postage	5,000	2,500	1,500
Printing & Binding	1,000	1,000	1,000
Professional Associations	2,100	3,750	3,750
Travel & Training	5,900	2,750	4,250
Office Supplies	12,500	12,200	12,200
Recreation Supplies	10,000	10,000	10,000
Specialized Supplies	750	-	-
Donations	103,344	226,370	226,370
Total O&M	\$ 149,194	\$ 283,120	\$ 282,620
Totals	\$ 620,799	\$ 833,344	\$ 777,079

Arts and Humanities Commission Programs

Mayor's	Expenses	Labor*
Arts & Humanities Awards	\$1,450	\$375

Commission on Cultural Diversity

Cultural Heritage Fair	Expenses	Labor*
	\$1,750	\$1,875

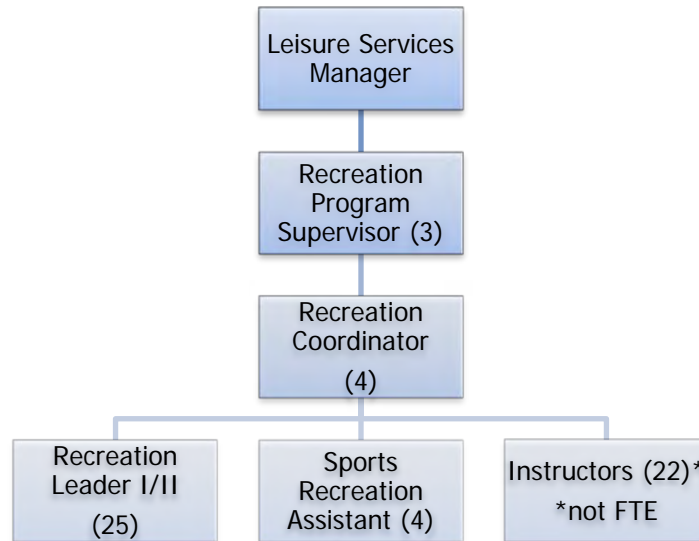
Sister Cities

Student Exchange	Expenses	Labor
	\$1,800	\$425

(*)Labor includes FT employee costs



Leisure Services



Vision

Promote a full range of special interest classes, excursions, and public special events throughout the year, in the area of the performing arts, culture, sports and public recreation as a means of enhancing the quality of life for residents of our community.

Expenditure by Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$1,317,473	\$1,267,866	\$1,370,278
Grants	190,000	160,000	80,000
Total	\$1,565,473	\$1,427,866	\$1,450,278

Mission Statement

Provide a wide variety of quality leisure, cultural, recreational, and educational activities and programs to seniors, adults, and youth in a safe environment.

The Leisure Division offers a variety of activities for residents of all ages - from toddlers to senior citizens - through various youth and adult sports programming, as well as school-based before and after school recreation programs; half-day arts and recreation programs; and fall, winter, and spring break programs. 2015/16 community events supported included the Senior Holiday Dinner, Christmas tree lighting and parade, Children's Holiday Party, Easter Eggstravaganza, Independence Day Celebrations, Veteran's Day Parade, Summer Concerts and Summer Movies in the Park, Sierra Vista Second Saturday, Amazing Arizona presentations, and the Cultural Heritage Fair. All of these events are community supported events.



Major Accomplishments

1. Instructed over 250 area children in the basic sports skills needed to participate in basketball, football, tennis, golf, track, and bowling at sports camps.
2. 450+ participants in the annual youth basketball program incorporating youth from Ft. Huachuca's MWR program.
3. Kids W.O.R.L.D. before and after school program provided services for 340 elementary students based at 4 main sites rented from SVUSD.
4. The Empty Bowls Project, facilitated by the Pottery Studio @ Sierra Vista, raised over \$17,500 for area food banks and shelters.
5. Attracted over 2,500+ kids and family members to annual Easter Extravaganza at The Mall at Sierra Vista.
6. The Back To School Fair registered 75 school/agencies/businesses, and 3,500+ attended.
7. Kids W.O.R.L.D. Summer Recreation Served 251 youth at two sites.
8. Partnered with Bolt Multisport to host the area's largest youth triathlon with 100 participants.
9. Partnered with Bisbee Vogue to bring Sierra Vista its first public Pickleball court.
10. Partnered with 5 local restaurants, providing Dine-a-Night for Active Adults age 55+ the opportunity for a meal, socialization with their peers, and a positive community experience, translating into over \$13,500 spent at local businesses by the 80+ monthly attendees.
11. Partnered with Seago, Prestige Assisted Living, and Canyon Vista Medical Center to provide 20+ educational classes with a combined attendance of 300+ to the community on health, wellness, Medicare updates, Stroke Caregiver Support, and resources for the Sierra Vista Community.
12. Facilitated 3 craft bazaars providing the opportunity for 125 local vendors utilizing 159 booth spaces across 2 facilities to display and sell their wares to 1300+ members of the local community.
13. 1200+ community members attended the 13th annual Cultural Heritage Celebration where 28 countries were represented.
14. 11 summer concerts free of charge utilizing the Centennial Pavilion, providing 1400+ attendees a culturally enriching, outdoor, family friendly experience.



Goals

Goals	Objectives
Provide highly qualified staff and instructors for classes, programs and community events.	<ul style="list-style-type: none">• Recruit and select the best staff and most highly qualified instructors for activities and classes offered.• Insure that classes are self-funding whenever feasible.• Offer new classes, each quarter, as staffing permits.
Provide a variety of quality activities that meet the diverse needs of our community.	<ul style="list-style-type: none">• Provide programs that encourage repeat customers.• Offer low-cost recreation and training programs that educate and protect children, including before and after school recreation programs, half day, fall, winter, spring, and summer break programs.



<p>Enhance recreational opportunities through the use of partnerships and agreements.</p>	<ul style="list-style-type: none"> • Develop new contacts and cultivate positive working relationships that improve and enhance our ability to provide recreational and cultural programs. • Actively pursue contracts for community access to School District and Fort Huachuca facilities, for youth and adult sports programs, as long as similar public facilities for the City do not exist. • Seek out community financial support and sponsorship opportunities for families that face economic and social challenges if staffing permits.
<p>Continuous Improvement-revise programs to achieve greater program efficiency and satisfaction.</p>	<ul style="list-style-type: none"> • Review current recreational trends to insure that our offerings meet the needs of the clients we serve. • Revamp existing programs to be more streamlined and cost effective. • Make program changes that improve access and the variety and quality of offerings.

Performance Measures

	FY 13/14	FY 14/15	FY 15/16	FY 16/17
New program users that become repeat customers	85%	80%	80%	80%
Disabled clients served with a positive outcome	100%	100%	100%	100%
Leisure and Recreation dollars budgeted by the City ⁺	1,976,674	1,952,221	2,569,278	2,084,656
Number of public participants in Department sponsored programs	285,011	289,814	290,120	303,651
Per Person Cost for participating in City Programs	\$6.70	\$6.63	\$6.39	\$5.39
Leisure Classes Operated	178	180	187	187
Number of Participants in Leisure Classes	2,339	3,174	2,199	1,337
Average Class size	6	5	5	5
Annual Instructional Classes*	N/A	960	1,560	1,500
Annual Revenue-Recreation *	N/A	\$756,637	\$727,415	\$1,090,000
Total miles of bike, walking and hiking trails*	N/A	25.42	27	27

⁺Leisure, Aquatics, DD/TR personnel, O&M and Capital budget.

*Indicates new performance measure



Leisure

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 324,135	\$ 345,227	\$ 406,404
Salaries - Overtime	5,522	750	750
Salaries - Part Time	576,376	400,213	390,213
Benefits	177,190	181,066	168,766
Total Personnel	\$ 1,083,223	\$ 927,256	\$ 966,133
Professional Services	\$ 3,000	\$ 1,500	\$ 56,500
Land & Building Rental	77,300	117,760	117,760
Equipment Rental	-	4,000	4,000
Advertising	16,700	-	-
Printing & Binding	-	500	500
Travel & Training	5,500	7,100	5,000
Office Supplies	4,000	4,000	4,000
Recreation Supplies	123,750	123,750	123,750
Specialized Supplies	-	-	25,000
Event Supplies	62,000	82,000	147,635
Bank Charges	-	-	-
Total O&M	\$ 292,250	\$ 340,610	\$ 484,145
Infrastructure	\$ 100,000	\$ 100,000	\$ -
Machinery & Equipment	-	-	-
Furniture and Fixtures	-	-	-
Total Capital	\$ 100,000	\$ 100,000	\$ -
Totals	\$ 1,475,473	\$ 1,367,866	\$ 1,450,278

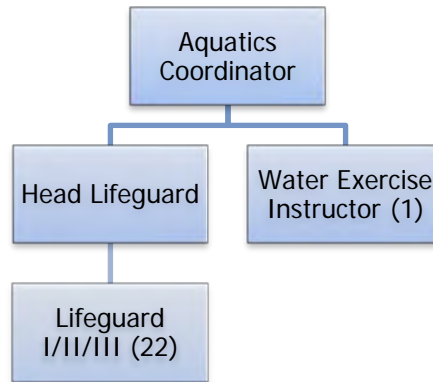
Comments

The Recreation Supplies budget includes items for various Leisure classes.

The Event supplies budget includes items for the community events that Leisure manages.



Aquatics



Vision

Promote public wellness through recreational swimming while also supporting local competitive swimmers and divers by operating a state of the art family-oriented indoor aquatics center.

Mission Statement

Operate the award-winning Sierra Vista Aquatics Center, "The Cove," with its many features in a way that promotes community and individual health, wellness, and fun.

Expenditure by Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$582,734	\$520,033	\$450,786
Capital	250,000	0	0
Total	\$832,734	\$520,033	\$450,786

Description:

The Aquatics Division is responsible for the day-to-day operations of Sierra Vista's year-round indoor community aquatic facility.

Major Accomplishments:

1. Began private adult swim lessons.
2. Taught approximately 470 children and 15 adults how to swim.
3. Obtained community support and sponsorship for families that face economic and social challenges.
4. Provided 2 Tsunami Nights and one Dive In Movie Night for the community with an approximate attendance of 1,500 participants generating \$15,000 in ticket sales.
5. Hosted 2 Buena High School home swim meets at the Cove with an estimated 600 people attending to spectate.
6. Provided 35 weekly Home School swim time sessions.
7. Increased cost recovery from previous year from 46% to 50%.

**Goals**

Goals	Objectives
Provide a variety of quality water related activities.	<ul style="list-style-type: none"> • Program events for a variety of age groups. • Support High School competitive swimmers and divers. • Ensure repeat recreational customers. • Offer private rental opportunities.
Provide a safe environment.	<ul style="list-style-type: none"> • Require all lifeguards to be ARC certified. • Insure lifeguard to customer ratios are maintained and staff receive ongoing training. • Insure that facility meets all current state and federal safety standards.
Provide swimming opportunities and reduced fees for low-income families.	<ul style="list-style-type: none"> • Offer volume discount passes. • Work with Kiwanis to sponsor swim classes for children. • Keep entry costs as low as possible.

Performance Measures

	FY13/14	FY 14/15	FY 15/16	FY 16/17
Number of Cove Customers	60,000	54,000	46,074	47,996
Number of Lap Swim Participants	17,000	18,000	14,139	10,000
Income to Expenditure Ratio (Less Utility Costs)	Goal .40 to .50	Goal .40 to .50	Goal .40 to .50	Goal .40 to .50
Number of Class Participants (Water Classes + Splash Time classes)	4,600	6,100	3,935	3,935
Average daily attendance (Total/open days)	206	194	189	200
Annual Visitors to The Cove	72,000	70,000	46,074	47,996
Open days	288	278	235	235
Annual Revenue Aquatics*	N/A	\$235,202	\$223,729	\$215,192
Annual Expenditures Aquatics *	N/A	\$490,850	\$480,125	\$313,052

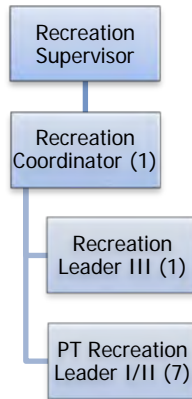
* Indicates new performance measure

**Aquatics**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 134,024	\$ 133,597	\$ 105,311
Salaries - Overtime	4,970	500	500
Salaries - Part-Time	311,207	250,084	240,084
Benefits	77,433	81,402	61,441
Total Personnel	\$ 527,634	\$ 465,583	\$ 407,336
Professional Services	\$ 3,500	\$ 3,500	\$ 3,500
Office Equipment Maintenance	-	-	-
Equipment Maintenance	2,000	2,000	2,000
Advertising	6,500	3,000	3,000
Printing & Binding	2,500	1,000	500
Books & Periodicals	1,000	1,000	500
Travel & Training	9,600	8,950	8,950
Recreation Supplies	30,000	35,000	25,000
Total O&M	\$ 55,100	\$ 54,450	\$ 43,450
Building Repairs	90,000	60,000	-
Total Capital	\$ 340,000	\$ 60,000	\$ -
Totals	\$ 582,734	\$ 520,033	\$ 450,786



Therapeutic Recreation



Vision

Provide a full range of cultural and therapeutic recreation programming and life skills training opportunities for those developmentally disabled clients placed in our care through the State of Arizona’s Developmental Disabilities program via a Qualified Vendor Agreement.

Expenditure by Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$171,071	\$136,757	\$72,838
Total	\$171,071	\$136,757	\$72,838

Mission Statement

The purpose of the Therapeutic Recreation Program is to provide safe and wholesome recreation and leisure opportunities to developmentally challenged people, which will enhance their quality of life and maximize their integration into the community setting, while addressing goals and objectives established in the Individual Service and Program Planning (ISPP) process.

Description:

This program provides direct client services under a State of Arizona Department of Economic Security, Division of Developmental Disabilities Qualified Vendor Agreement.

Major Accomplishments:

1. Provided socialization and life skills services to 48 adults in the department's State licensed Developmentally Disabled Therapeutic Recreation program.
2. Met the operating guidelines and standards as a contract service provider as required by the Arizona DES Division on Developmental Disabilities.



3. Insured that safe and wholesome opportunities for therapeutic recreation and leisure services were provided while addressing their Individual Service Programming Plan (ISPP) process.

Goals

Goals	Objectives
Provide a variety of activities that meet the diverse needs of the challenged clients.	<ul style="list-style-type: none"> • Ensure that the 40 special needs clients have a positive outcome as defined by their ISPP team. • Emphasize learning, receptive and expressive language skills. • Design programs that enhance self-sufficiency and independent living skills.
Ensure that the clients have a safe environment available to aid in their personal growth.	<ul style="list-style-type: none"> • Provide a facility and staff that allow clients to develop self-care and related life skills. • Ensure that facilities meet the full access needs of clients with compromised mobility.
Ensure that qualified staff members are available and proper client to staff ratios are maintained.	<ul style="list-style-type: none"> • Recruit staff with good interpersonal skills. • Insure that staff members are American Red Cross CPR and first aid trained.

Performance Measures

	FY 13/14	FY 14/15	FY 15/16	FY 16/17
% Clients with an ISPP positive outcome	100%	100%	100%	100%
Outside Funds Received	\$98,000*	\$72,000*	\$61,500*	\$69,500*
Number of Participants	40**	42**	40**	48***

*Program so impactful, 3 Clients private pay who do not qualify for state funding.

**Partnering with A.I.R.E.S. of Sierra Vista participating in evening event.

***Echoing Hope Branch of Sierra Vista participating in evening events.

**Therapeutic Recreation**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 50,627	\$ 60,195	\$ 15,049
Salaries - Part Time	85,642	45,045	45,045
Benefits	25,802	24,517	8,744
Total Personnel	\$ 162,071	\$ 129,757	\$ 68,838
Recreation Supplies	\$ 9,000	\$ 7,000	\$ 4,000
Total O&M	\$ 9,000	\$ 7,000	\$ 4,000
Totals	\$ 171,071	\$ 136,757	\$ 72,838

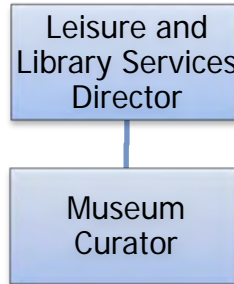
Comments

The Department of Economic Security program costs are budgeted under this division.

This program is operated under a contract with the State.



Museum



Vision

The Museum’s vision is to showcase and educate area residents about the rich cultural and natural heritage of the Greater Sierra Vista area.

Mission Statement

The mission of the Henry F. Hauser Museum is to collect, document, preserve, interpret, research, and disseminate knowledge about the history of the City of Sierra Vista and its surrounding area, to include the Huachuca Mountain Region and San Pedro Valley, from 1826 to present.

Expenditure by Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$80,045	\$83,216	\$84,692
Total	\$80,045	\$83,216	\$84,692

Description:

The Henry F. Hauser Museum is located inside the front entrance to the Ethel Berger Center and operations are fully supported by the Leisure, Library, and Administrative divisions of the department.

Major Accomplishments:

1. Created lasting partnerships with non-profit and governmental organizations across the county and state including the Arizona State Library & Archives, ASU Library Special Collections, and the Southwest Association of Buffalo Soldiers, to work toward preserving common history and heritage by creating programming for the public.
2. Created volunteer opportunities for members of the community interested in preserving the area’s natural and cultural heritage, with over 3,600 hours of volunteer work donated annually.
3. Continued to offer educational outreach programs, including genealogy and collection and preservation techniques, particularly involving textiles.
4. Continued youth education outreach programs with the Junior Historian program, Summer Saturdays outreach program for families, and an annual Vintage Holiday program for school age children and their families.



5. Hosted several all-day professional workshops, including archiving, genealogy, conservation, and the OK Corral Inquest Papers Program.
6. Increased opportunities for researchers through ongoing growth of the oral history program and searchable collections database.
7. Upgraded to PastPerfect 5.0 Online software, enabling remote viewing of electronically cataloged objects.
8. Cataloged, preserved, and stored over 975 items.

Goals

Goals	Objectives
Provide exceptional collection management of museum artifacts.	<ul style="list-style-type: none"> • Contact community members to explain the mission and goals of the museum. • Review potential artifacts for the collection. • Go through an orderly accession/de-accession process consistent with accepted policies and procedures. • Properly maintain donor files to insure that donated items are preserved and protected. • Properly maintain on-loan files to insure that loaned items are preserved and protected.
Conduct appropriate research to enhance programs and collections.	<ul style="list-style-type: none"> • Catalog the history and provenance of each item in the museum's artifact, archival, and photograph collection. • Conduct detailed research into all facets of future exhibits. • Make inquiries with libraries, historical societies and other museums. • Provide research opportunities for historians, students and the general public. • Research and answer all historical inquiries from the public.
Coordinate and provide educational exhibits and programs to inform area residents and visitors of history connected to museum.	<ul style="list-style-type: none"> • Provide community outreach through public forums, workshops and speakers. • Interpret artifacts and archival materials into meaningful displays (temporary and long term). • Provide guided tours to individuals and community groups. • Provide programming for use in classrooms. • Provide undergraduate and graduate internship opportunities.

**Performance Measures**

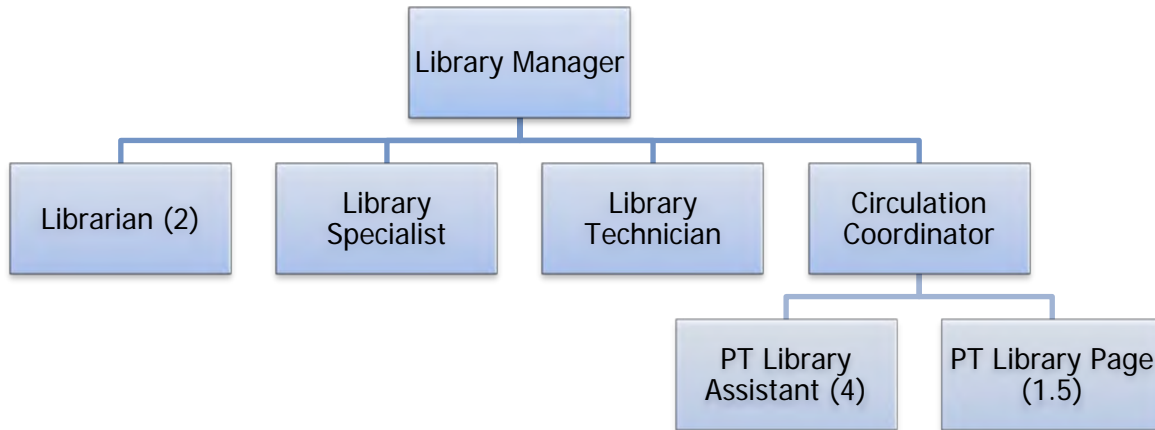
	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Number of Visitors	6,313	4,672	4,961	4,127
Public Workshops/Classes/Open House attendance	2,198	1,209	1,431	1,279

M useum

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 47,036	\$ 47,969	\$ 48,922
Benefits	17,159	17,522	18,045
Total Personnel	\$ 64,195	\$ 65,491	\$ 66,967
Professional Services	\$ 7,050	\$ 7,850	\$ 7,850
Professional Associations	300	375	375
Travel & Training	-	1,000	1,000
Office Supplies	3,500	3,500	3,500
Specialized Supplies	5,000	5,000	5,000
Total O&M	\$ 15,850	\$ 17,725	\$ 17,725
Totals	\$ 80,045	\$ 83,216	\$ 84,692



Library



Vision

The Sierra Vista Public Library will be recognized as a library that excels in providing efficient, modern, accessible, and customer-oriented services.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$741,546	\$802,201	\$788,044
Donations	174,518	183,115	183,115
Development Fees	0	0	0
Total	\$916,064	\$985,316	\$971,159

Mission

The mission of the Sierra Vista Public Library is to provide free access to information and services for all members of the community.

Description:

The Division provides comprehensive library services to residents throughout Cochise County . Through a mutually beneficial intergovernmental agreement, the library provides services to any citizen of the county, and is only one of two libraries in the country that serves as a military installation's official public library. Services include collection development, reference assistance, interlibrary loan, and services for youth from birth through 18 years of age. The library provides access to the Library of Congress Talking Book program for visually/physically disabled customers, in addition to a large print book collection and a video print magnifier. The facilities at the library include free study rooms available to the public, and small and large meeting rooms available to non-profit and community groups at no charge. Computer services include online catalogs, online databases, online services through the library web site, and Internet access, including wireless access throughout the building. The Cafe at the Library provides a relaxed, comfortable gathering place with a reasonably priced food and drink menu for members of our community.



Major Accomplishments:

1. Introduced Early Literacy Stations in the Youth Department specifically for children ages 3-7 to aide in developing speech and literacy skills.
2. Built a technology area for youth and teens (0-18) in our Young Adult section of the library.
3. Hosted the 2nd annual Teen Leadership Conference, which had over 25 young adults participate in numerous developmental exercises, including examining and re-imagining their community spaces.
4. Reallocated funds to hire a part-time youth assistant to create fun, educational programming specifically for tweens and teens. Programs such as Anime Club, Spa Nights, and Murder Mysteries have been extremely well-attended.
5. Participated in "Savor Sierra Vista" by planning and executing the Sky Islands Summit Challenge event portion of the weekend.

Goals

Goals	Objectives
The community will have the resources available to fulfill its information needs.	<ul style="list-style-type: none"> • Each year the number of people using the library will increase by 1%. • Each year the number of people using the Internet will increase by 1%.
Circulate large number of popular titles and topics to further reading enjoyment.	<ul style="list-style-type: none"> • By June 2018 the library's annual collection circulation will increase 1% over previous year. • Each year the number of people utilizing eBook services will increase by at least 1%.
SVPL will provide facilities that are enjoyable, safe, and comfortable for all members of the community.	<ul style="list-style-type: none"> • Explore new ways to collaborate with the Cafe at the Library. • Continue to explore partnerships with other organizations. • Provide ongoing, innovative programs for the community for all ages, and explore new methods to do so; i.e., technology, STEAM content, and more.
The entire community will have lifelong learning opportunities fostering personal growth.	<ul style="list-style-type: none"> • Each year the library will have 100 or more lifelong learning displays and/or programs. • Upgrade all patron Internet and word processing computers in the library every five years. • The number of attendees at lifelong learning programs (e.g., story time, summer reading program, AHC programs, Movie Matinee) will stay within 25% of current figures over the next five years.

**Performance Measures**

	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Total number of items circulated	327,927	348,274	331,113	342,589
Expenditures on library personnel and operations	\$878,932	\$844,531	\$916,064	\$985,316
Circulation per capita	7.45	7.38	7.53	7.79
Circulation for all electronic materials*	N/A	13,652	17,569	22,195
Circulation for all hard copy materials*	N/A	334,622	313,544	320,394
Number of persons using the Internet through public access terminals (26)*	N/A	37,916	32,413	31,663
Number of attendees at library programs*	N/A	5,829	9,897	12,810
Number of library visitors*	N/A	197,139	167,652	154,771
Number of registered borrowers*	N/A	34,108	32,068	28,217

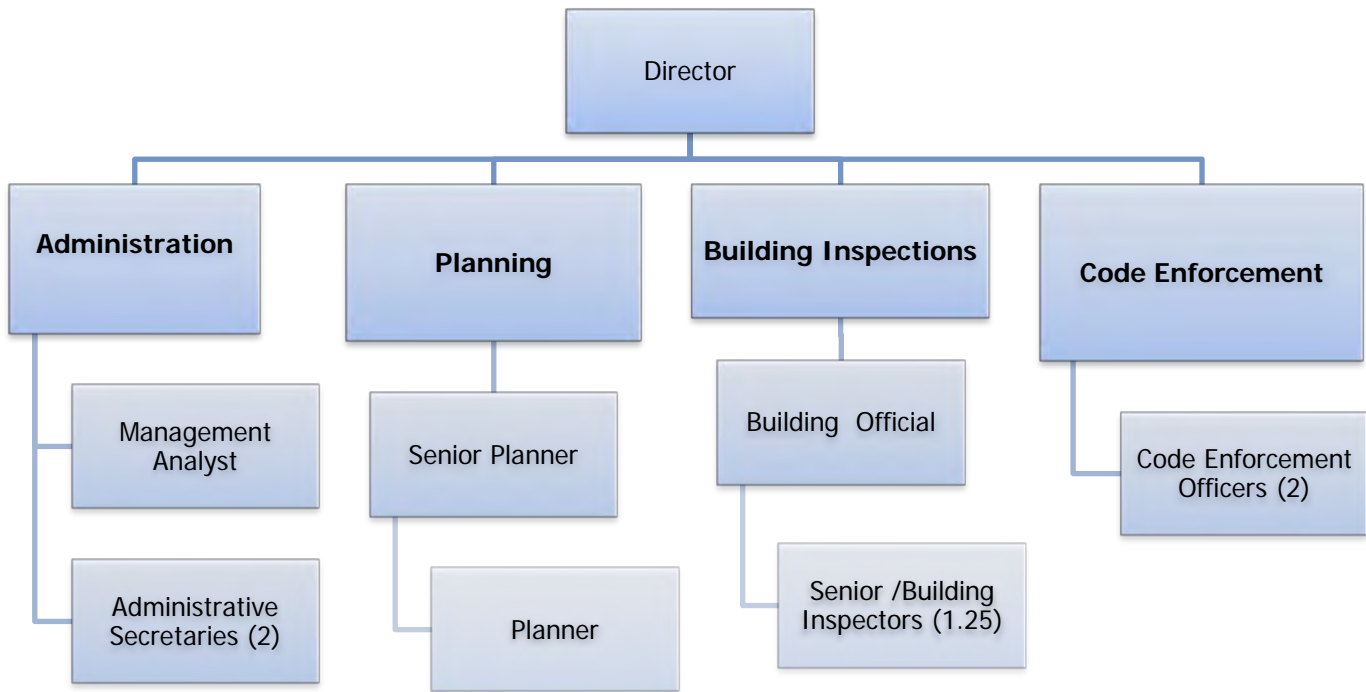
* Indicates new Performance Measures.

Library

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 284,611	\$ 328,353	\$ 328,351
Salaries - Part Time	155,216	161,581	161,581
Benefits	118,169	126,017	115,862
Total Personnel	\$ 557,996	\$ 615,951	\$ 605,794
Professional Services	\$ -	\$ -	\$ -
Office Equipment Maintenance	8,250	7,950	7,950
Advertising	-	-	1,300
Travel & Training	-	-	1,000
Postage	10,000	10,000	6,000
Office Supplies	24,000	26,000	26,000
Books & Periodicals	140,000	140,000	140,000
Donations	174,518	183,115	183,115
Total O&M	\$ 356,768	\$ 367,065	\$ 365,365
Totals	\$ 914,764	\$ 983,016	\$ 971,159

Comments

Advertising was moved to the Library budget from Administration in FY16.



Description

The Department of Community Development provides professional planning and enforcement of a variety of city codes and ordinances in order to ensure quality development, safe structures, and desirable neighborhoods. The department consists of three divisions whose functions are more fully described on the following pages:

1. Planning and Administrative Division
2. Building Inspections Division
3. Code Enhancement Division

City Council Strategic Plan Initiatives
<ul style="list-style-type: none">• Explore the possibility of partnering with other organizations to create a “maker space” that leads to employment or business creation.• Analyze and evaluate ways in which to maximize the use of the City airport consistent with community economic strategies.• Reduce obsolete or unnecessary code provisions.



Community Development

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Planning	\$ 566,038	\$ 636,403	\$ 619,514
Building Inspections	231,225	159,612	160,635
Total Personnel	\$ 797,263	\$ 796,015	\$ 780,149
Planning	\$ 50,992	\$ 32,521	\$ 403,916
Building Inspections	9,325	4,415	4,415
Neighborhood Enhancement	40,550	204,151	39,670
Total O&M	\$ 100,867	\$ 241,087	\$ 448,001
Neighborhood Enhancement	\$ -	\$ -	\$ 60,000
Total Capital	\$ -	\$ -	\$ 60,000
Totals	\$ 898,130	\$ 1,037,102	\$ 1,288,150



Planning and Administration

Vision

Provide leadership in the development of our community through excellence in customer service, quality community planning, promoting education, citizen empowerment, and providing the tools and support necessary to meet the challenges of growth and change.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$615,249	\$667,143	\$700,234
Grants	0	0	321,415
Donation	1,781	1,781	1,781
Total	\$617,030	\$668,924	\$1,023,430

Mission Statement

SHAPE the future with visionary comprehensive planning that is supported by data and analysis. REVITALIZE with creative planning and regulatory solutions. IMPROVE with vigorous inspection programs. CARE for people with special needs.

Description

The Planning Division is responsible for managing growth and redevelopment activities of the City, and implementing and communicating the vision established by the City's General Plan. Work programs within the Planning Division include long-range planning, or land use projects (plan amendments, special studies), as well as current planning activities involving site and subdivision reviews, rezoning petitions, property owner annexations, concurrency, and agreements. Planners work cooperatively with applicants, their representatives, the public and outside agencies. The Planning Division ensures applications are consistent with and further the goals and strategies of the General Plan and meet all adopted code requirements.

The Planning Division provides staff support to the Planning and Zoning Commission, the West End Commission, and the Commission on Disability Issues in helping them carry out their respective agendas and formulate recommendations to City Council on policy matters. The Division also works closely with Cochise County on regional planning and zoning issues.

The Administrative function is responsible for administering Community Development Block Grant (CDBG) activities and documenting compliance with federal program requirements. The City of Sierra Vista is an "entitlement community," receiving a



formula-based annual grant award from the U.S. Department of Housing and Urban Development. The primary objective of the CDBG program is to develop viable communities by providing decent, safe housing, a suitable living environment, and expanding economic opportunities that principally benefit low and moderate income households.

Major Accomplishments

1. Prepared amendments to City Code of Ordinances establishing use permissions and permitting procedures for modifications to existing improvements inside public rights-of-way and easements. Final ordinance adopted by City Council on December 8, 2016.
2. Prepared amendments to Development Code relating to bicycle and shared parking standards. Final ordinance adopted by City Council on March 9, 2017.
3. Developed work program for potential code amendments to be considered in FY 17-18.
4. Completed Finding of Necessity Study for proposed West Sierra Vista Redevelopment Area along with alternative concepts that are being investigated.
5. Site Plans reviewed by the Planning Division include Arizona Kidney Disease and Hypertension Center, Sierra Vista Mobile Home Village (final phase), The Works Car Wash, Lawley Nissan, Immanuel Lutheran Church expansion and Christian House Fellowship.
6. Completed annexation process for eight parcels comprising 1.8 acres on the west side of 5th Avenue North in the Fry Town Site.
7. Developed annexation strategy for Fry Town Site.
8. Sierra VistaAbility Day was held at the Mall at Sierra Vista which included additional vendors and foot traffic.
9. Implemented the following CDBG funded projects: installation of 35 street lights in the Fry Town Site and Sulger neighborhoods; curb, gutter and sidewalk along Taylor Drive; and replacement of Good Neighbor Alliance roof.



Goals (combined for all divisions)

Superior Customer Service and Partnerships

Goal: Assure excellent customer service and a positive reputation of Planning, Building, and Code Enforcement Officials within the Community.	
Objectives:	
	<ul style="list-style-type: none"> • Encourage employee led process and procedure improvements that result in increased customer satisfaction levels. • Continually re-evaluate and streamline processes and procedures to make development review understandable and accessible to non-planners. • Continually assess customer feedback to ensure "front counter" is run efficiently, wait times are minimized, and comprehensive and accurate information is provided. Ask customers to complete online feedback survey. • Keep records current and readily available. • Maintain a constant presence in the community by volunteering for service projects, attending and participating in neighborhood and service organization meetings, and disseminating timely information and updates through the public information office.

Technology

Goal: Maximize the use of technology for internal staff efficiency and external access to information.	
Objectives:	
	<ul style="list-style-type: none"> • Enhance the effectiveness of the City's Geographic Information System to support mapping and analysis needs, create better linkages to property records and availability of information to the public. • Review and update the content and format of the Community Development Department webpage. • Enhance the capabilities of the City's permitting software and ability to schedule and review inspection status online.



Neighborhood Improvement

Goal: Encourage residents and property owners to improve and maintain their properties and neighborhoods	
Objectives:	
	<ul style="list-style-type: none"> • Maintain a visible presence in neighborhoods and walk and talk with residents about the need and benefits of code compliance. • Support and augment the capacity of volunteer organizations in lending a helping hand to residents that need assistance with property maintenance.

Effective Planning

Goal: Support planning resources that promote the sustainability, growth, and expansion of the region's economic base.	
Objectives:	
	<ul style="list-style-type: none"> • Partner with Economic Development on strategic plan initiatives.

Goals	Objectives
<p>(Administration Goal) Increase excellence in customer service by providing a timely response to requests for past information on properties within three working days (day 1 is the next working day following the request) 80 percent of the time.</p> <p>The goal is 90 percent within the three days.</p>	<ul style="list-style-type: none"> • Account for all service requests and time spent fulfilling the request. • Develop a system to track the needed parameters • Identify work methods to ensure that goal is achieved • In FY 2015, Administration developed a tracking system that (1) identified the date staff received the request, (2) the time spent on fulfilling the request, and (3) the date the information was returned to the requestor. • In FY 2016, the Department received 147 public requests through the end of April 2016, and 95 percent of those requests were completed within the 3-day time frame.
<p>(Planning Goal) Improve the development code by taking three major changes to City Council for approval.</p>	<ul style="list-style-type: none"> • Work Program for FY 16-17 to be presented to City Council on May 23, 2017 for feedback and direction. • Incorporate the community outreach program into Development Code changes. • Have code change adopted by City Council.

**Planning**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 441,513	\$ 484,984	\$ 479,153
Benefits	124,525	151,419	140,361
Total Personnel	\$ 566,038	\$ 636,403	\$ 619,514
Professional Services	\$ 12,625	\$ 2,650	\$ 373,815
Office Equipment Maintenance	-	-	-
Equipment Rentals	-	-	-
Printing & Binding	1,000	800	800
Professional Associations	1,601	1,255	1,255
Travel & Training	9,760	1,660	7,140
Postage	-	-	-
Advertising	10,400	10,200	6,200
Office Supplies	8,000	6,500	5,500
Specialized Supplies	5,600	7,450	7,200
Books & Periodicals	225	225	225
Donations	1,781	1,781	1,781
Total O&M	\$ 50,992	\$ 32,521	\$ 403,916
Totals	\$ 617,030	\$ 668,924	\$ 1,023,430

Performance Measures

PLANNING & ZONING DIVISION	FY 15-16	FY 16-17
Development Cases		
# of Site Plan (including Modified) Applications	7	6
# of Annexation Petitions Processed	1	1
# of Variance Cases (including Modification of Setbacks)	7	5
# Conditional Use Requests	1	1
# of Rezoning Petitions	0	0
# of Subdivision Plats Reviewed	0	1
#Temporary Uses	13	15
# Zoning Compliances	63	81
#Home Based Businesses	58	70



#Permanent Signs	56	57
#Temporary Signs	22	21
# Code Amendments	3	2
Effectiveness		
Average # of Days to Review Development Cases	30	30
% of Projects Completed on Schedule	100%	100%

Building Inspection

Vision

Promote the safety, health, and welfare of our community and citizens through enforcement of sound building practices and codes.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$240,550	\$164,027	\$165,050
Total	\$240,550	\$164,027	\$165,050

Mission Statement

Provide quality service by giving excellent customer service, consistent building plan review, and complete building inspection services for the community.

Description

The Building Inspection Division provides a full range of building plan review, inspection, and support services for all public and private construction within the City. The Division enforces all adopted City Codes, applicable state and federal codes, and regulations relating to building.

Major Accomplishments

1. Customer Self Serve was rolled out at the end of September 2016 for online applications in the building department. There are 38 contractors signed up to use CSS as of May 4, 2017. This is roughly 65% of the contractors who have applied regularly for a permit since the program first rolled out. The remaining 35% of vendors are not using the system because they have either applied for less than two permits per month, do not use computers in their office, or they are out of town contractors doing single commercial projects in town.



Goals	Objectives
Provide consistent interpretations of the codes	<ul style="list-style-type: none">• Train together as a division on all codes to ensure code interpretations are being consistently applied.
Maintain open lines of communication with the contracting community on code issues and concerns	<ul style="list-style-type: none">• Continue to participate and network at SACA.• Encourage feedback through customer experience survey and other methods.
Decrease the number of open permits in MUNIS which have either been completed or have expired but not closed out.	<ul style="list-style-type: none">• Identify those open/expired permits through Munis.• Contact the permit holder and schedule a time to inspect.• Ascertain through inspections whether the permit should be closed, extended, or made to be renewed.
Assist Code Enforcement in identifying building issues as they pertain to property maintenance.	<ul style="list-style-type: none">• Provide inspections and reports supporting code enforcement efforts in property maintenance

**Building Inspections**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 177,923	\$ 116,879	\$ 116,606
Salaries - Part Time	-	2,600	5,000
Benefits	53,302	40,133	39,029
Total Personnel	\$ 231,225	\$ 159,612	\$ 160,635
Professional Services	\$ 500	\$ 400	\$ 350
Printing & Binding	500	300	200
Professional Associations	200	175	175
Travel & Training	6,125	3,540	3,490
Books & Periodicals	2,000	-	200
Total O&M	\$ 9,325	\$ 4,415	\$ 4,415
Totals	\$ 240,550	\$ 164,027	\$ 165,050

Performance Measures

BUILDING & INSPECTIONS DIVISION	FY 15-16	FY 16-17
Development Cases		
# of Building Plans Reviewed	292	490
# of Building Permits Issued	986	1,041
# of Inspections Performed	2,378	2,141
Effectiveness		
Average Plan Review Time (within 5 Business Days)	100%	100%
Average Inspection Time (Next Day)	100%	100%



Code Enforcement

Vision

Provide revitalization through a variety of acceptable techniques and methods that include enforcement of the property maintenance and public nuisance codes, and ensuring quality customer service to the citizens of the City.

Expenditure By Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$40,550	\$39,650	\$39,670
Grants	0	164,501	0
Capital	90,000	90,000	60,000
Total	\$130,550	\$294,151	\$99,670

Mission Statement

Promote quality housing, neighborhood health, revitalization, and civic pride by using proven industry techniques and working in partnership with community residents.

Description

The Division works to assist residents with maintaining and improving their neighborhoods and staff works to enforce development, property maintenance, and public nuisance codes. The Code Enforcement Division assists neighborhood organizations.

Major Accomplishments

1. Assumed responsibility for adopt programs resulting in increased participation by volunteer groups maintaining City rights-of-way and facilities.
2. Continued proactive code enforcement sweeps across the City, resulting in increased compliance with minimum building and property maintenance codes.
3. Orchestrated cleanup of Fry Townsite (Balmer) properties and two additional properties (Danny Lane and Busby Drive) acquired by the City in the Sulger neighborhood.
4. Participated in Carmichael Neighborhood Association meetings and neighborhood clean-up efforts.
5. Continued support to the Southwest Sierra Vista Residents Association.
6. Continued providing administrative and financial support for the West End Clean Up and the West End Fair.



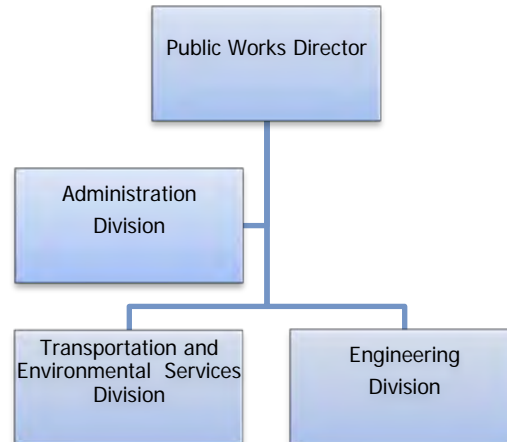
Goals	Objectives
Improve service to our community through a accessible complaint driven program, which emphasizes voluntary compliance. Strive to achieve 80% voluntary compliance rate within 30 days of initial contact.	<ul style="list-style-type: none">• Continue to improve communication methods and materials. Promote the use of the MySierraVista reporting application.
Ensure code enforcement violations referred to municipal court are upheld through clear, accurate, and professionally produced reports and evidence consistent with required procedures.	<ul style="list-style-type: none">• To motivate non-cooperative property owners to resolve code violations in a timely manner by imposing fines, penalties, and/or restitution as a last resort.
Reduce the time and expense of abatements through the use of internal staff and Department of Corrections Workers as available.	<ul style="list-style-type: none">• To minimize use of general tax dollars on properties in cases where code enforcement liens are precluded by state law and cost recovery is not possible.

**Neighborhood Enhancement**

Expenditures	FY 2015/2016	FY 2016/2017	FY 2017/2018
	Budgeted	Budgeted	Budgeted
Professional Services	\$ 33,300	\$ 198,301	\$ 33,800
Advertising	2,200	1,500	1,520
Printing & Binding	3,800	1,100	1,100
Professional Associations	250	250	250
Travel & Training	-	1,200	1,200
Specialized Supplies	1,000	1,800	1,800
Total O&M	\$ 40,550	\$ 204,151	\$ 39,670
Infrastructure	\$ -	\$ -	\$ 60,000
Total Capital	\$ -	\$ -	\$ 60,000
Totals	\$ 40,550	\$ 204,151	\$ 99,670

Performance Measures

CODE ENFORCEMENT	FY 15-16	FY 16-17
Inspections Initiated by Code Officers	1,844	1,004
Civil Citations Issued	5	1
Court Hearings	1	7
Abatements Performed	12	4
Vacant Properties Registered	56	113
Properties Secured	4	7
Average Time to Respond to a Complaint		
High Priority Cases	24 hours	24 hours
Other	2 business days	1 business day
Average # of Days to Gain Compliance	30 days	30 days



Description

The Department of Public Works provides support services to the citizens of Sierra Vista, other public agencies, and other city departments by utilizing over 100 fulltime and approximately 20 part-time employees. The Public Works Department is one of the most diverse departments in the City organization. The department consists of three major functional divisions: Administration, Transportation and Environmental Services, and Engineering.

1. The **Administration Division** provides managerial oversight and administrative support services for the department. In addition, the division provides staff liaison services to the Airport Commission, the Environmental Affairs Commission, the Transit Advisory Committee, and the Traffic Safety Committee.
2. The **Engineering Division** is responsible for overseeing the planning, design, construction, and maintenance of the City's streets, drainage ways, parks, and public buildings/facilities. The Engineering Division includes the Engineering, Streets Maintenance, Parks Maintenance, and Facilities Maintenance Sections.
3. The **Transportation and Environmental Services Division** is responsible for overseeing and maintaining the City's Environmental Operations Park and associated Wastewater infrastructure, the City's Fleet and equipment, Refuse collection and disposal activities, Vista Transit, and the Sierra Vista Municipal Airport. Composting operations at the Environmental Operations Park are also included in the Transportation and Environmental Services Division.

The Public Works Department is supported by six (6) different funding sources:

- **General Fund** (approximately 27% of the Public Works total budget) funds the Administration Division and the Engineering, Fleet, Facilities, and Parks Maintenance Sections
- **HURF Fund** (approximately 19% of the Public Works total budget) funds the Streets Maintenance Section



- **Airport Fund** (special fund supported by profits from fuel sales and ground lease and hangar rental revenues, 3%) partially funds O&M of the Sierra Vista Municipal Airport
- **Sewer Enterprise Fund** (approximately 17% of Public Works total budget) funds the Water/Wastewater Services Section
- **Federal Transit Administration** (approximately 7% of Public Works total budget) funds the Vista Transit Section
- **Refuse Enterprise Fund** (approximately 17% of Public Works total budget) funds the Refuse Section

Mission Statement

To provide and maintain quality public services and sustainable infrastructure to meet our community's needs.

Vision Statement

The Sierra Vista Department of Public Works is the recognized steward of the community's physical assets, managed through innovative technology and the provider of superior services for a sustainable future.

Values

Public Works employees are committed to the highest standards of ethical conduct in all that we do. We believe that honesty and loyalty together form the cornerstone of our department. We abide by the policies and procedures outlined by our department and the city in general.

Public Works employees recognize that our success depends on the talent, skills, and expertise of our employees, along with our ability to function as a tightly integrated team. We understand the importance of our mission and the trust our customers place in us.

The following core values reflect what is truly important to us, as a department. These are not values that change from time to time, situation to situation, or person to person, but rather they are the foundation of our culture.

- ❖ **Pride:** We pledge to provide "top notch" services to our customers and, in return, appreciate the gratification and satisfaction of our efforts, which reinforces our commitment to excellence.
- ❖ **Respect:** We treat our fellow employees and the public with dignity and respect – as we wish to be treated ourselves.



Public Works Department

- ❖ **Integrity:** Our most important core value. We acknowledge that we are accountable for our own actions and honor our commitment to meeting our customers' needs.
- ❖ **Dependability:** We are committed to being loyal, honest, and reliable to the department and the city in accomplishing our mission.
- ❖ **Excellence:** Our most important job. We are committed to providing exceptional customer service.

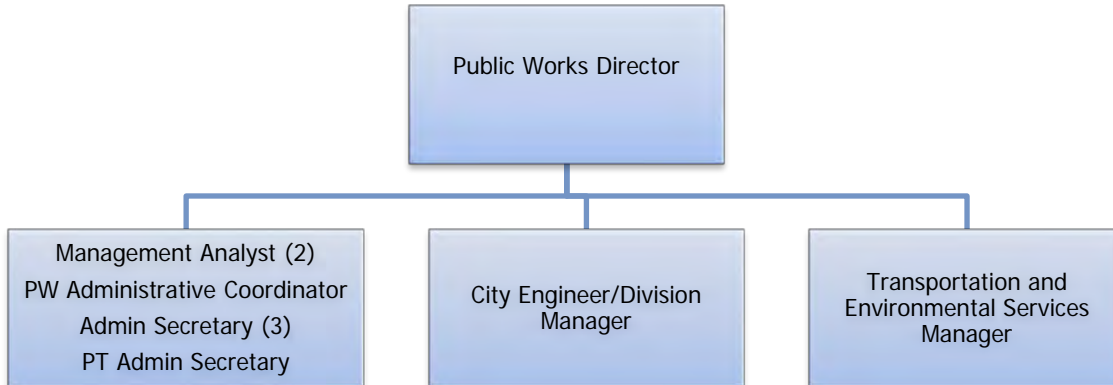
The Public Works employees endorse a work ethic that integrates the values of **Pride, Respect, Integrity, Dependability, and Excellence.** These values are communicated through the Department's motto, "**Pride in Service.**"

Public Works

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Administration Division	\$ 1,196,068	\$ 1,144,129	\$ 1,000,877
Engineering Division	2,394,541	2,502,857	2,416,763
Municipal Services Division	3,643,536	3,652,733	3,800,613
Total Personnel	\$ 7,234,145	\$ 7,299,719	\$ 7,218,253
Administration Division	\$ 1,160,696	\$ 893,065	\$ 777,515
Engineering Division	3,644,805	3,597,010	3,304,895
Municipal Services Division	6,847,315	5,928,450	5,826,700
Total O&M	\$ 11,652,816	\$ 10,418,525	\$ 9,909,110
Administration Division	\$ 2,148,000	\$ 2,500,000	\$ -
Engineering Division	4,044,000	3,765,158	2,606,000
Municipal Services Division	3,661,515	1,910,515	2,466,000
Total Capital	\$ 9,853,515	\$ 8,175,673	\$ 5,072,000
Totals	\$ 28,740,476	\$ 25,893,917	\$ 22,199,363



Administration



Expenditure By Type			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$365,412	\$343,815	\$548,714
HURF	223,964	210,726	181,719
Donations	12,146	6,890	6,890
Sewer	294,690	277,271	107,990
Refuse	294,690	277,271	107,990
Development Fees	0	0	0
Total	\$1,190,902	\$1,115,973	\$953,303

Vision

The Sierra Vista Department of Public Works is the recognized steward of the community's physical assets, managed through innovative technology and the provider of superior services for a sustainable future.

Mission Statement

To provide and maintain quality public services and sustainable infrastructure to meet our community's needs.

Description:

The Administration Division oversees the Department's financial and human resources, implements the Department's Five-Year Capital Maintenance and Replacement Plan and Capital Improvement Plan, and coordinates with other City Departments in accomplishing City Council Strategic Plan initiatives. This Division provides the necessary support and leadership to the entire Department, which includes management and supervision of all public works services and programs, records management, budgeting, customer payments, supply purchases, and promotion of employee development, training, and recognition programs.



City Council Strategic Plan Initiatives

The Administration Division will provide essential support for the projects completed within the department and will focus on the following Strategic Leadership Initiatives:

- Explore ways in which the City can reduce energy use or use alternative power at City facilities.

Major Accomplishments

1. Initiated a complete rewrite of the City's Capital Improvement Plan
2. Updated the Five-Year Capital Maintenance and Replacement Plan
3. Began the process of drafting departmental safety policies, including a Uniform Policy and Personal Protective Equipment (PPE) policy. Future efforts will focus on writing or updating other policies in accordance with OSHA guidelines.
4. Implemented a new employee checklist to ensure that staff receives appropriate and consistent training and information upon starting a career with the Public Works Department.

Goals

Goals	Objectives
Provide quality administrative and managerial support services within the Department of Public Works.	<ul style="list-style-type: none"> • Conduct periodic review of departmental administrative procedures and policies to improve efficiency and worker safety. • Deliver excellent customer service to our internal and external customers. • Provide professional and proactive liaison support to our Commissions.
Promote a safety conscious work environment where all personnel are trained in accordance with established safety requirements by OSHA, NIMS, and other regulatory entities.	<ul style="list-style-type: none"> • Continue to train all new department employees in OSHA's Globally Harmonized System (GHS). • Monitor emergency training requirements for Public Works personnel through FEMA and Homeland Security, and ensure that all new employees receive NIMS training. • Monitor safety training requirements to ensure compliance. • Engage the Pete Castro Center Employee Committee PCCEC in developing and reviewing safety related policies and procedures.



<p>Promote quality service through an excellent workforce.</p>	<ul style="list-style-type: none">• Assist employees with maintaining job required certifications.• Monitor Public Works industry related changes to stay informed on new training requirements and certifications.• Encourage attendance at job related training seminars and/or conferences.• Conduct a periodic review of the department's employee recognition and rewards program through the Pete Castro Center Employee Committee (PCCEC) to ensure program effectiveness.
<p>Generate effective avenues for outreach and education on Public Works programs and services to our internal and external customers.</p>	<ul style="list-style-type: none">• Review and update the department's website at least quarterly to keep information current and improve communications with the public.• Promote programs and services through effective marketing avenues that are cost effective and provide accurate and timely information to our target audiences.

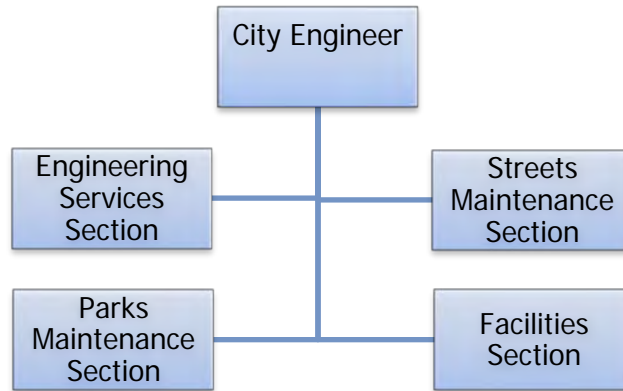


Administration Division

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 810,930	\$ 767,871	\$ 658,869
Salaries - Part Time	14,196	14,196	14,196
Salaries- Over Time	1,702	1,702	202
Benefits	249,578	237,989	199,321
Total Personnel	1,076,406	1,021,758	872,588
Professional Services	\$ 16,200	\$ 16,200	\$ 16,200
Office Equipment Maintenance	1,500	500	500
Printing & Binding	5,500	3,500	3,500
Professional Associations	10,000	6,500	5,000
Travel & Training	39,650	34,125	27,125
Office Supplies	12,500	12,000	10,000
Specialized Supplies	16,000	14,000	11,000
Books & Periodicals	1,000	500	500
Donation	12,146	6,890	6,890
Total O&M	114,496	94,215	80,715
Totals	1,190,902	1,115,973	953,303



Engineering



Vision

The Sierra Vista Department of Public Works is the recognized steward of the community's physical assets, managed through innovative technology and the provider of superior services for a sustainable future.

Mission Statement

To provide and maintain quality public services and sustainable infrastructure to meet our community's needs.

Description

The Engineering Division of the Department of Public Works consists of the Streets Maintenance, Parks Maintenance, Facilities, and the Engineering Services Sections. The Division is responsible for providing professional civil engineering design and construction management services for the City's Capital Improvement Program, as well as the infrastructure maintenance of roadways and drainage ways, parks and sports fields, and City facilities.

City Council Strategic Plan Initiatives

The Engineering Division will provide essential support for the projects completed within the department and will focus on the following Strategic Leadership Initiatives:

- Partner with the Sierra Vista Metropolitan Planning Organization to fund and construct Phase I of the Fry Boulevard Corridor and North Garden Avenue Plans.
- Complete a Capital Improvement Plan (CIP) which prioritizes projects and needs based on cost, funding source, and category.
- Using roadway condition assessment data, develop a comprehensive pavement maintenance plan for City streets that maximizes efficiency, and identify a funding strategy to implement the plan. Create an asset inventory and needs assessment for all City facilities to guide future investments.

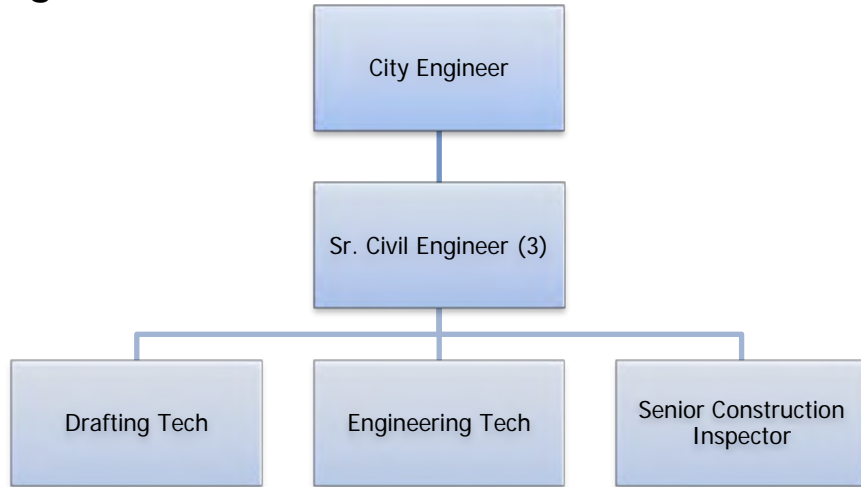


Engineering Division

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Engineering Services Section	\$ 587,641	\$ 625,012	\$ 567,565
Streets/Traffic Section	1,074,216	1,110,254	1,074,552
Water/Wastewater Section	732,684	767,591	774,646
Total Personnel	\$ 2,394,541	\$ 2,502,857	\$ 2,416,763
Engineering Services Section	\$ 95,000	\$ 46,000	\$ 26,000
Streets/Traffic Section	\$ 1,304,605	\$ 1,420,760	\$ 1,276,710
Water/Wastewater Section	\$ 2,245,200	\$ 2,130,250	\$ 2,002,185
Total O&M	\$ 3,644,805	\$ 3,597,010	\$ 3,304,895
Streets/Traffic Section	\$ 3,525,000	\$ 2,770,158	\$ 1,873,000
Water/Wastewater Section	\$ 519,000	\$ 995,000	\$ 733,000
Total Capital	\$ 4,044,000	\$ 3,765,158	\$ 2,606,000
Totals	\$ 10,083,346	\$ 9,865,025	\$ 8,327,658



Engineering Services



Expenditure by Type			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$361,800	\$355,637	\$152,852
HURF	170,660	167,753	149,891
Sewer	136,528	134,202	148,291
Refuse	13,653	13,420	142,531
Total	\$682,641	\$671,012	\$593,565

Description

Engineering Services is primarily funded by the General Fund and is responsible for providing professional civil engineering planning, design, construction management and drafting/mapping services to all City departments. The Engineering Section oversees all phases of public improvement projects. It further provides review and inspection of infrastructure improvement plans associated with private development.

Major Accomplishments

1. Planning: Initiated or continued planning of the following projects: Cove Equipment Renovation, 5-year Capital Improvement Program, and the Surface Water Master Plan.
2. Design Projects – Initiated and/or completed design of the following projects: Annual Street Maintenance – Avenida Cochise Reconstruction, Coronado Widening, Taylor Drive Sidewalk Improvements, Solar Streetlight Installation, City Entryway Sign, Treated Effluent Reuse at the Environmental Operations Park, Charleston Wall, Library Roof Replacement, Animal Control Building Expansion, and School Crosswalk at Avenida del Sol.



- 3. Construction Projects –Initiated and/or completed construction on the following projects: Coronado Widening, Avenida Cochise Reconstruction, City Entryway Sign, School Crosswalk at Avenida del Sol, Taylor Drive Sidewalk Improvements, Solar Streetlight Installation, Taxiway G and J Improvements, Campus / Colombo Traffic Signal Installation, Library Roof Replacement, and miscellaneous sewer point repairs.

Goals

Goals	Objectives
In conjunction with Community Development, help to ensure that high quality public and private improvements are constructed in the City of Sierra Vista.	<ul style="list-style-type: none"> Review public and private improvement plans for conformance with City Code and other applicable standards and provide timely comments to Community Development. Perform construction inspections and testing to insure that all work in the public right-of-way is constructed per approved work plans and City Code. Monitor completed work during the warranty period to identify deficiencies in need of correction by the original contracting agency.
Construct high quality public infrastructure through the City's Capital Improvement Program (CIP).	<ul style="list-style-type: none"> Complete and/or coordinate design of assigned capital improvement projects within the project schedules approved by the City Manager. Complete and/or coordinate design of assigned capital improvement projects within the budget constraints. Perform construction inspections and testing to insure that all Public Works improvements are constructed per approved work plans and City Code. Monitor completed work during the warranty period to identify deficiencies in need of correction by the contractor.
Provide high quality computer-aided drafting services and information support services to other City departments and the general public.	<ul style="list-style-type: none"> Complete requested computer-aided drafting services in accordance with stakeholder established timelines and expectations. Verify that stakeholder comments have been fully addressed prior to issuing plans. Investigate and respond to customer requests regarding existing City design files.



<p>Provide professional engineering support services to the City Council, other City departments and the general public.</p>	<ul style="list-style-type: none"> • Complete City Council and Public Works strategic plan initiatives within the two-year timeframe allotted by Council. • Respond to professional inquiries in accordance with established departmental policy or within mutually agreed upon timeframes.
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Performance Measures

	FY13/14	FY14/15	FY15/16	FY16/17
Number of Commercial/Industrial Inspections	N/A	327	331	251
Number of Utility Inspections*	N/A	N/A	N/A	495
Number of site inspection visits	N/A	1325	1065	937
Average calendar days to development plan approval	N/A	96	65	50
Number of plan reviews conducted	N/A	19	17	14
Percent of right-of-way permits approved within 48 hours*	N/A	N/A	N/A	90%
Percent of project bids within budget*	N/A	N/A	N/A	37.5%

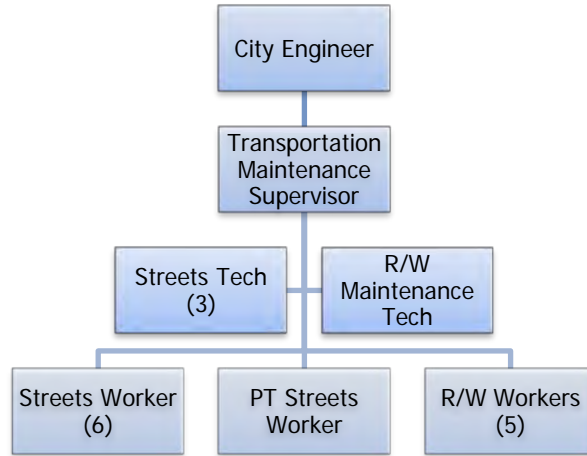
*Indicates new performance measures.

Engineering Services Section

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 445,955	\$ 474,941	\$ 433,059
Salaries - Part Time	-	-	-
Benefits	141,686	150,071	134,506
Total Personnel	\$ 587,641	\$ 625,012	\$ 567,565
Professional Services	\$ 85,000	\$ 42,000	\$ 22,500
Specialized Supplies	10,000	4,000	3,500
Total O&M	\$ 95,000	\$ 46,000	\$ 26,000
Totals	\$ 682,641	\$ 671,012	\$ 593,565



Streets/Traffic Services



Expenditure by Type			
	Budgeted FY 2015	Budgeted FY 2016	Budgeted FY 2017
HURF	\$7,414,716	\$3,553,821	\$3,151,172
Cap. Improvement	500,000	650,000	600,000
Dev Fees	2,000,000	1,700,000	1,550,000
Total	\$9,914,716	\$5,903,821	\$5,301,172

Description

This Section is funded primarily by the Highway User Revenue Fund (HURF) and responsible for maintaining pavement on all public streets; concrete curbs, gutters and sidewalks; street drainage systems; public drainage ways; separated multi-use path pavement surfaces; mowing of public street rights-of-way; traffic control signs; streetlights; traffic signals; pavement striping; and special markings.

Major Accomplishments

1. Repaired 3,694 square feet of damaged sidewalks that had become a hazard to pedestrian traffic.
2. Cleaned, trimmed, and mowed over 212 acres of public right of ways and 318 acres of public drainage ways.
3. Mowed public alleys throughout the City and cleared illegal dumping.
4. Performed preventive maintenance, and on-call service to 42 signalized intersections and numerous signalized pedestrian and school crosswalks.
5. Added a new school crosswalk at Avenida Del Sol at Paseo Las Palmas
6. Continued to update information contained within the GIS system on an annual basis.
7. Successfully abated approximately 5,680 square feet of graffiti within the City.
8. Routed and crack sealed roadways.



Streets/Traffic Services

- 9. Striped 759,110 linear feet of City-owned streets and crosswalks.
- 10. Made repairs to the Carl Hayden Wash using City crews, saving the City at least \$40,000 in contracting costs.
- 11. Raised the grade in the Wood Cutters Detention Basin to prevent overflowing.
- 12. With the Sign Replacement Project completed, staff is continuing the program by standardizing signage throughout the entire City to comply with MUTCD requirements.
- 13. Supported a variety of events held in the City by setting up traffic control devices.

Goals

Goals	Objectives
Provide safe, efficient and cost-effective transportation infrastructure and services.	<ul style="list-style-type: none"> • Identify a minimum acceptable pavement condition index (PCI) number in the GIS system. • Develop a multi-year plan to bring all City streets up to an established minimum standard. • Respond to sign and signal knockdowns in a timely manner to mitigate safety concerns associated with missing infrastructure.
Preserve the roadway network to insure safety and serviceability, while optimizing all available resources.	<ul style="list-style-type: none"> • Provide preventive maintenance by use of acrylic seal, rubberized crack fill, signal preventive maintenance, and assisting Engineering staff in administering the annual street maintenance reconstruction program. • Choose pavement types and rehabilitation activities so that the flow of dollars into the pavement system is provided at the lowest, constant level possible, yet maintains the pavement in an acceptable condition. • Prioritize critical pavement concerns in the annual Five Year Capital Maintenance and Replacement Plan.
Maintain City rights-of-way in a clean and safe condition.	<ul style="list-style-type: none"> • Provide regular street sweeping services to remove debris from City streets. • Maintain vegetation within the public right-of-way to enhance its visual appeal and avoid trip hazards and traffic disruptions. • Using the City's Wash Maintenance Plan as guidance, remove weeds and trash from the City's drainage ways and alleys to maintain access, aesthetics, and reduce fire risk. • Remove graffiti promptly to improve visual appeal and reduce the potential for additional vandalism.

**Performance Measures**

	FY13/14	FY14/15	FY 15/16	FY 16/17
Expenditures, Road rehabilitation: Paved lane miles.*	N/A	\$855,634 602	\$953,935 602	2,202,628 602
Lane miles of bike paths within road right-of-way.*	N/A	48	48	48
Number of linear miles swept.*	N/A	2101	1782	2381
Paved lane miles assessed as satisfactory as a percentage of miles assessed.*	N/A	60%	70%	70%
Street sweeping expenditures per lane mile.*	N/A	\$17.83	\$17.55	\$15.20

Note: Performance measures were changed in FY/15, so no data is available for previous years.



Streets/Traffic Services Section

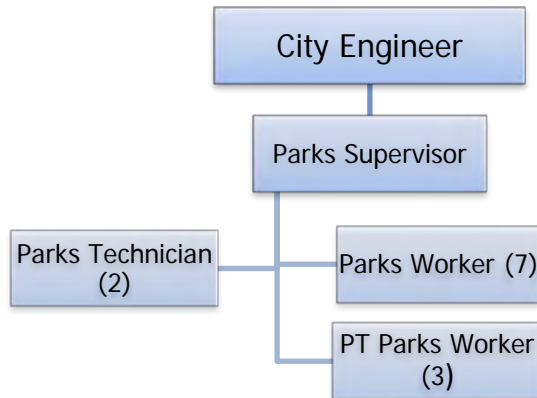
	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 644,016	\$ 671,249	\$ 663,819
Salaries - Overtime	16,566	16,566	16,566
Salaries - Part Time	92,325	93,552	93,552
Benefits	321,309	328,887	300,615
Total Personnel	\$ 1,074,216	\$ 1,110,254	\$ 1,074,552
Professional Services	\$ 34,050	\$ -	\$ 5,000
Electricity	475,000	545,750	545,750
Telephone	-	25,000	25,000
Vehicle Maintenance	81,500	81,500	90,000
Equipment Maintenance	-	-	-
Infrastructure Maintenance	486,150	551,150	424,825
Wash Maintenance	12,000	18,000	18,000
Equipment Rentals	8,000	8,000	4,000
Advertising	1,000	1,000	-
Professional Associations	1,000	1,500	1,500
Travel & Training	11,355	10,935	10,935
Office Supplies	1,900	1,900	500
Specialized Supplies	121,775	115,775	100,000
Fuel	70,875	60,250	51,200
Total O&M	\$ 1,304,605	\$ 1,420,760	\$ 1,276,710
Infrastructure	\$ 3,525,000	\$ 2,460,158	1,553,000
Vehicles	-	270,000	320,000
Machinery & Equipment	-	40,000	-
Total Capital	\$ 3,525,000	\$ 2,770,158	\$ 1,873,000
Totals	\$ 5,903,821	\$ 5,301,172	\$ 4,224,262

Comments

The Infrastructure budget includes yearly Capital street maintenance.



Parks Maintenance



Expenditure by Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$894,475	\$1,141,972	\$963,292
Grants	1,921,374	750,000	950,000
Donations	0	0	0
Park Dev	0	0	0
Fees			
Capital	0	0	0
Total	\$2,815,849	\$1,891,972	\$1,913,292

Description:

The Parks Maintenance section is currently comprised of one supervisor, two technicians, seven workers, and three part time workers. This staff maintains 21 park sites encompassing 280 acres, as well as 8 miles of park trails. Staff also maintains 38 acres of sports facilities and 36 acres of municipal landscaping at 21 sites. Park Maintenance staff oversees the operations of the City’s aquatic center pool operating systems, which includes a 425,000 gallon wave pool, 138,000 gallon dive pool, and an 8,700 gallon therapy pool. Parks maintenance staff provides support for numerous events at City facilities, sports fields, and the aquatic facility such as park reservations, special events, concerts, movies, Christmas festivities, and parades.

Major Accomplishments:

1. Assisted Community Development and volunteer groups that provided a variety of services ranging from trash pick-up to planting trees and shrubs at various City locations.



Parks Maintenance Section

2. Supervised and assisted contractors in the installation of the new Tot Turf at Len Roberts Park and Soldier Creek Park. At Summit Park, contractors installed new play equipment as well as the Tot Turf.
3. Performed in-depth audits of all playground equipment and features to identify necessary repairs or improvements for public safety.
4. Worked with Procurement and outside turf maintenance professionals to implement a turf renovation and maintenance plan for the Eddie Cyr Soccer Fields. We also developed a turf renovation plan for the Domingo Paiz Soccer Fields, which will start in 2017.
5. The deep-tine aerator, a new piece of equipment purchased in the fall of 2016, is helping to alleviate soil compaction issues. It also greatly improves water, air and soil amendment transfer within the soil and is having a positive impact on the overall health of our turf areas on the sports fields and parks.
6. Worked with the City Compost Facility to utilize over 629 tons of their compost for topdressing and overseeding operations on the sports fields and in the parks. This is an increase of 129 tons from the previous year.
7. Renovated a major portion of the City Hall atrium and installed commercial grade artificial plants to greatly improve the appearance and minimize maintenance. The small area near Community Development should be finished by June 2017.
8. Performed renovations to the Large Dog Park within Tompkins Park. New benches were installed and a large gravel area was added around the ramada to help with drainage. The turf area was aerated, overseeded and topdressed.
9. The aging horseshoe pit area near the Ethel Berger Center was removed and new horseshoe pits were installed near the volleyball court at Veterans Memorial Park. Staff will be installing another new feature in the same area: two new Cornhole game (beanbag toss) pits. There have been a number of citizen requests for this feature. A lot of large organization picnic events request the Ramada 1 Volleyball Court area and frequently set up make-shift horseshoe pits and other games, so these additional features will be a great improvement to that area of Veterans Memorial Park.
10. Three members of our Park Maint. staff that maintain the water quality operations at The Cove restored functionality to plumbing that connects the outdoor Dive Pool with plumbing inside the building. This has enabled the Dive Pool filtration system to be backwashed properly as designed when the building was new. This function has been non-operational for several years.
11. Staff has been working with Leisure & Library Services, Engineering, Facilities and S.S.V.E.C. on a joint project to provide a source for electrical service to serve the Farmers Market at Veteran's Memorial Park.



Goals

Goals	Objectives
Sustain and improve the quality of existing City Parks, Sports Fields and Public Grounds.	<ul style="list-style-type: none"> • Ensure that Parks, Sports Fields and Public Grounds are clean, litter free, and safe for public use. • Conduct a customer survey to gauge satisfaction levels with City Parks, Sports Fields, and Public Grounds. • Continue to work the Cochise Water Project, Horizon Irrigation, and their project partners to look for ways to mitigate water usage on Parks and Sports Field turf areas. • Maintain City grounds to facilitate safe public access and to complement City buildings. • Continue the relationships with community volunteer groups such as the Desert Gardeners and U of A Master Gardeners that desire to take part in the stewardship of desert landscaped areas within City grounds.
Goals	Objectives
Ensure that staff receives training and are fully certified to safely perform their job duties.	<ul style="list-style-type: none"> • Promote job training programs and other ongoing education opportunities which further develop a skilled workforce. • Provide regularly scheduled safety awareness training for all staff. • Integrate a variety of training methods and topics to maintain effectiveness.

Performance Measures

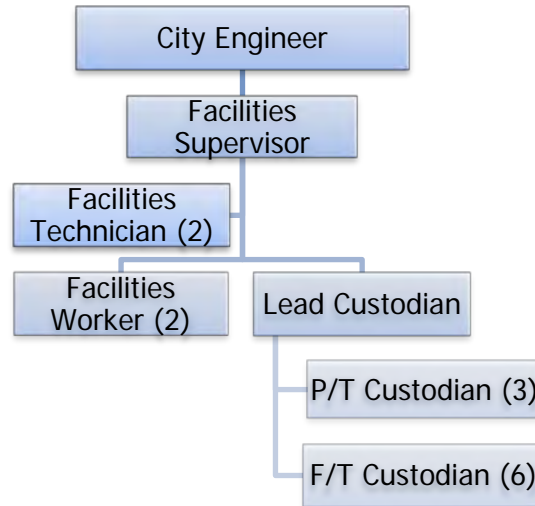
	FY12/13	FY13/14	FY14/15	FY15/16
Number of Sports Field reservations	2863	2862	3009	3437
Number of Park Facilities reservations	720	994	892	718
Tons of compost from the City Compost Facility utilized for turf topdressing operations	311	430	499	629
Community Events: Support man-hours	N/A	N/A	844	1024

**Parks Facilities Maintenance Services**

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 411,869	\$ 398,819	\$ 413,071
Salaries - Part Time	-	34,953	34,953
Overtime	7,179	7,179	7,179
Benefits	162,077	163,806	158,539
Total Personnel	\$ 581,125	\$ 604,757	\$ 613,742
Professional Services	\$ 43,000	\$ 53,500	\$ 61,000
Building Maintenance	13,500	13,500	13,500
Vehicle & Equipment Maint	-	-	-
Infrastructure Maintenance	100,100	109,750	135,600
Office Supplies	67,500	67,500	62,500
Recreation Supplies	89,250	81,450	76,950
Total O&M	\$ 313,350	\$ 325,700	\$ 349,550
Buildings	\$ -	\$ -	\$ -
Other Improvements	1,921,374	936,515	950,000
Machinery & Equipment	-	25,000	-
Total Capital	\$ 1,921,374	\$ 961,515	\$ 950,000
Totals	\$ 2,815,849	\$ 1,891,972	\$ 1,913,292



Facilities



Expenditure by Type			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$2,213,458	\$2,165,910	\$2,438,800
Sewer	39,324	39,915	162,409
Refuse	39,324	39,915	39,646
Total	\$2,292,106	\$2,495,740	\$2,640,855

Description

This section is responsible for the maintenance of all City-owned and leased buildings and their associated operating systems.

Major Accomplishments:

1. Completed a total of 1001 work orders for the all City facilities.
2. Replaced 24 roof ventilation screens at the Cove.
3. Painted the exterior of all PCC buildings.
4. Installed LED light tubes and fixtures for lighting retrofits at The Cove per Energy Management Program.
5. Repaired boilers at the Library, Police Station, and PCC Administration buildings.
6. Replaced the commercial water heater at The Cove.
7. Repaired/replaced all 20 PCC Administration building VAV HVAC zone valves.
8. Replaced 2 chiller compressors at the Police Department.
9. Installed/remodeled three new offices at City Hall.
10. Repaired HVAC system venting at the front desk area at City Hall.
11. Oversaw the installation of a new security camera system at the Airport.



- 12. Installed new ice machines at the OYCC and PCC Administration buildings.
- 13. Hired a new Facilities Worker and three new part-time Custodians, who improved maintenance staff productivity and effectiveness.
- 14. Repaired fabric upholstery on secretary office cubicles at the PCC Administration building.

Goals

Goals	Objectives
Provide quality maintenance and custodial services to all city-owned or leased buildings.	<ul style="list-style-type: none"> • Assist with City Council Strategic Initiative to “Create an asset inventory and needs assessment for all City facilities to guide future investments.” • Manage City facility assets in a way that prolongs their useful life and minimizes failures and emergency repairs. • Ensure that all maintenance services are provided in a professional, sustainable, cost effective, and environmentally safe manner.
Complete capital projects on time and within budget.	<ul style="list-style-type: none"> • Work with internal and external resources to prioritize projects early in the fiscal year. • Look for opportunities to “value engineer” projects to achieve an end result which meets established goals while also being cost effective.
Provide quality customer service.	<ul style="list-style-type: none"> • Complete work orders in a timely manner. • Resolve customer issues within a reasonable response time and in a professional and courteous manner. • Reduce call-outs through increased preventive maintenance.
Reduce City utility usage through effective energy management.	<ul style="list-style-type: none"> • Implement an Energy Management Program. • Educate City employees on the Energy Management Program and energy conservation opportunities.

Performance Measures

	FY13/14	FY14/15	FY15/16	FY16/17
Total sqft of occupied building cleaned per FTE*	N/A	N/A	N/A	32,400
Average number of days to close a work order*	N/A	N/A	N/A	23
Number of work orders completed*	N/A	N/A	N/A	1001

Note: Performance measures were changed in FY 16/17, so no data is available for previous years.



Facilities

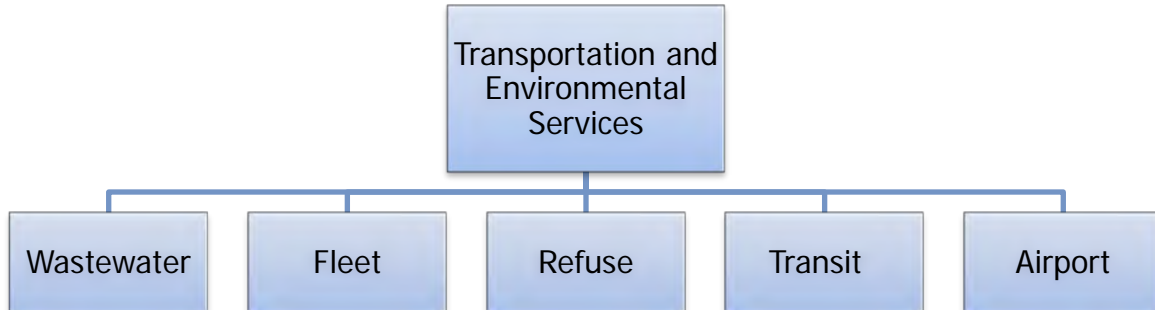
	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Recommended
Salaries - Regular	\$ 482,128	\$ 459,757	\$ 452,383
Salaries - Overtime	8,460	8,460	7,000
Salaries - Part Time	-	38,025	38,025
Benefits	193,577	189,198	183,147
Total Personnel	\$ 684,165	\$ 695,440	\$ 680,555
Professional Services	\$ 149,000	\$ 149,000	\$ 149,000
Electricity	550,000	550,000	550,000
Water	180,000	180,000	230,000
Natural Gas	200,000	200,000	150,000
Office Equipment Maintenance	3,500	3,500	2,500
Equipment Maintenance	38,000	38,000	38,000
Building Maintenance	48,700	63,200	63,200
Infrastructure Maintenance	35,600	38,600	38,600
Specialized Supplies	78,000	78,000	78,000
Total O&M	\$ 1,282,800	\$ 1,300,300	\$ 1,299,300
Buildings	\$ -	\$ 500,000	\$ 661,000
Infrastructure	325,141	-	-
Machinery & Equipment	-	-	-
Total Capital	\$ 325,141	\$ 500,000	\$ 661,000
Totals	\$ 2,292,106	\$ 2,495,740	\$ 2,640,855

Comments

Water, natural gas, and electricity for all City departments are included in the Facilities Section budget.



Municipal Services



Vision

The Sierra Vista Department of Public Works is the recognized steward of the community's physical assets, managed through innovative technology and the provider of superior services for a sustainable future.

Mission Statement

To provide and maintain quality public services and sustainable infrastructure to meet our community's needs.

Description:

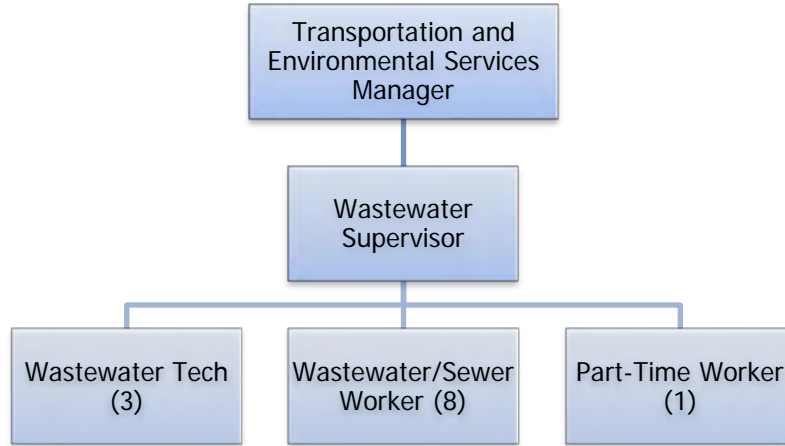
The Transportation and Environmental Services Division of Public Works consists of the Wastewater, Fleet Maintenance, Refuse, Transit, and Airport sections. These sections are responsible for maintaining City sewer infrastructure and the Environmental Operations Park; City fleet and equipment; refuse collection and disposal; Vista Transit operations; and the Sierra Vista Municipal Airport.

**Municipal Services Division**

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Facilities Services Section	\$ 684,165	\$ 695,440	\$ 680,555
Fleet Services Section	\$ 471,807	\$ 462,980	\$ 533,749
Refuse Services Section	\$ 1,107,966	\$ 1,055,680	\$ 1,103,328
Transit Services Section	798,473	833,876	869,239
Parks Facility Maintenance	581,125	604,757	613,742
Total Personnel	\$ 3,643,536	\$ 3,652,733	\$ 3,800,613
Facilities Services Section	\$ 1,282,800	\$ 1,300,300	\$ 1,299,300
Fleet Services Section	1,954,700	1,560,250	1,513,800
Refuse Services Section	2,838,125	2,315,900	2,274,350
Transit Services Section	458,340	426,300	389,700
Parks Facility Maintenance	313,350	325,700	349,550
Total O&M	\$ 6,847,315	\$ 5,928,450	\$ 5,826,700
Facilities Services Section	\$ 325,141	\$ 500,000	\$ 661,000
Fleet Services Section	\$ -	\$ 39,000	\$ -
Refuse Services Section	\$ 1,415,000	\$ 410,000	\$ 330,000
Transit Services Section	\$ -	\$ -	\$ 525,000
Parks Facility Maintenance	\$ 1,921,374	\$ 961,515	\$ 950,000
Total Capital	\$ 3,661,515	\$ 1,910,515	\$ 2,466,000
Totals	\$ 14,152,366	\$ 11,491,698	\$ 12,093,313



Wastewater



Expenditure by Type			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
Sewer	\$3,496,884	\$3,892,841	\$3,509,831
Total	\$3,496,884	\$3,892,841	\$3,509,831

Description

This section is funded by the Sewer Enterprise Fund and is responsible for the maintenance of the City's sewer collection system and operation of the City's Water Reclamation and Effluent Recharge Facility (WRF) at the Environmental Operations Park (EOP). This section is also responsible for operation and maintenance of the City's four potable water well systems.

City Council Strategic Plan Initiatives
<p>The Wastewater section will provide essential support for the projects completed within the department and will focus on the following Strategic Leadership Initiatives:</p> <ul style="list-style-type: none"> Identify ways in which future city effluent should be used for maximum benefit to the community.



Major Accomplishments

1. Treated and recharged 2,048 acre feet of effluent for a yearly total of 667 million gallons.
2. Cleaned 109 miles of sanitary sewer pipe.
3. Inspected and treated 214 manholes for pests.
4. Conducted 22 sewer point repairs of the sanitary sewer collection system.

Goals

Goals	Objectives
Consistently improve quality of services provided for residential and commercial sewer customers.	<ul style="list-style-type: none"> • Provide public outreach to educate citizens on the operations of the section. • Maintain a high level of response to customer inquiries or concerns.
Maintain city sewer lines, manholes, and treatment facility through various programs.	<ul style="list-style-type: none"> • Maintain the mosquito control program and measure the effectiveness of larvicide and adulticide applications to control population at the EOP. • Identify and improve problem sewer lines to reduce emergency call-outs.
Operate, maintain, and monitor water use of City's water wellheads and distribution systems.	<ul style="list-style-type: none"> • Compile a monthly water usage report. • Operate and maintain city-owned fire hydrants at the airport. • Sound water tables monthly.
Operate, maintain, and monitor the EOP to increase efficiencies.	<ul style="list-style-type: none"> • Utilize new technologies to more effectively monitor water recharge flows. • Utilize new technologies to better evaluate influent flows and assess final water quality.

Performance Measures

	FY12/13	FY13/14	FY14/15	FY15/16
Number of customer complaints per 1,000 people served.	<1	<1	<1	<1
Number of educational presentations to the public.	N/A	8	11	6
Miles of sewer collection lines cleaned as a percentage of total miles.	42%	39%	43%	37%
% of work that is emergency response.	<1%	<1%	<1%	<1%
Number of sanitary sewer overflows or stoppages per 100 miles of sewer line.	<1	<1	0	<1



Wastewater

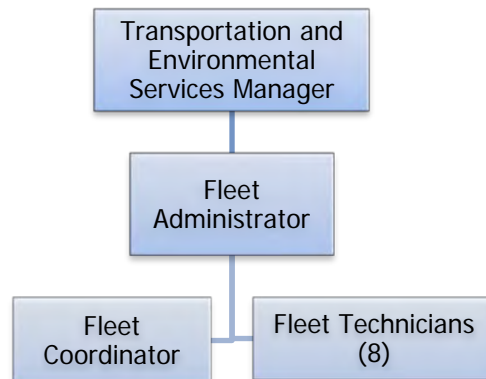
	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 453,142	\$ 475,461	\$ 484,769
Salaries - Overtime	4,518	4,518	4,518
Salaries - Part Time	17,978	17,978	17,978
Benefits	257,046	269,634	267,381
Total Personnel	\$ 732,684	\$ 767,591	\$ 774,646
Depreciation Expense	\$ 1,000,000	\$ 1,000,000	\$ 925,000
Professional Services	386,200	405,700	301,200
Electricity	250,000	200,000	200,000
Water	27,000	30,000	30,000
Vehicle Maintenance	50,200	45,000	60,000
Infrastructure Maintenance	240,000	165,000	200,000
Equipment Rentals	24,000	20,000	30,000
Advertising	9,000	2,000	2,000
Professional Associations	1,000	1,000	1,000
Travel & Training	8,500	9,000	9,000
Specialized Supplies	202,050	227,550	202,550
Software	-	-	16,435
Fuel	47,250	25,000	25,000
Total O&M	\$ 2,245,200	\$ 2,130,250	\$ 2,002,185
Infrastructure	\$ 234,000	\$ 355,000	\$ 155,000
Vehicles	\$ 285,000	\$ 595,000	\$ 518,000
Machinery & Equipment	-	45,000	60,000
Total Capital	\$ 519,000	\$ 995,000	\$ 733,000
Totals	\$ 3,496,884	\$ 3,892,841	\$ 3,509,831

Comments

The Vehicles expenditure is for a sewer vector replacement.

The Infrastructure budget includes yearly sewer line reconstruction and repair.

Fleet Services



Expenditure by Fund			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
General	\$2,426,507	\$2,062,230	\$2,047,549
Total	\$2,426,507	\$2,062,230	\$2,047,549

Description

The Fleet Maintenance staff consists of a Public Works Administrator, a Fleet Service Coordinator, and 8 Technicians. This section is responsible for maintaining and providing fuel for 662 City assets and is tasked to evaluate and replace failing vehicles and equipment for all City departments. The Fleet Maintenance staff also provides fleet maintenance services to 22 outside government agencies and fueling services to 7 additional entities through Intergovernmental Agreements (IGAs).

Major Accomplishments

1. Developed specifications, ordered and received:
 - a. Ten Ford Explorer Pursuit Police Interceptor Vehicles (PPIV) with the City's new branding design (7 patrol and 3 detective units).
 - b. One new refuse front loader truck with the City's new branding design, and two new pick-ups.
 - c. A new Vactor, back hoe, spreader, and a pick-up for the Wastewater Section.
 - d. A new bucket truck, a dump truck, and a new crash attenuator trailer for the Streets Section.
 - e. A new deep tine aerator for the Parks Section.



- 2. The integrated business solutions (IBS) with the NAPA store in fleet has been operational for over a year, resulting in reduced costs and increased efficiency.
- 3. Determined surplus vehicles/equipment and assisted the Procurement Division with online vehicle and equipment auctions.
- 4. Purchased and implemented a new fuel management system (Trak).
- 5. Maintained fueling facility: (*figures from 07/01/16 to 12/31/16, half year)

- a. Dispensed 45,548 gallons of fuel to IGA customers.

DIESEL	6,966
UNLEADED	38,582

- b. Dispensed 162,632 gallons to City assets:

DIESEL	41,408
UNLEADED	65,880
E-85	17,414
BIO DIESEL	37,930

Goals

Goals	Objectives
Maintain the City and IGA fleet through appropriate maintenance programs.	<ul style="list-style-type: none"> • Continue working towards the establishment and implementation of a proactive PM scheduling program for all vehicles. • Complete preventive maintenance on all vehicles within ten days of service due date. • Complete all non-emergency vehicle and equipment repairs within five days of request.
Update the Five-Year Capital Maintenance and Replacement Plan and assist in implementing the plan each fiscal year.	<ul style="list-style-type: none"> • Determine the quantity and types of vehicles and equipment that require replacement. • Assist departments in preparing specifications for all replacement vehicles and equipment. • Assist Procurement in preparing City assets for rotation out of service and auction. • Develop an accurate inventory of vehicles and equipment.
Provide quality customer service to all external agencies and internal departments.	<ul style="list-style-type: none"> • Meet with department representatives each year and review recommended new or replacement vehicles and equipment. • Educate customers on operational methods that could reduce future maintenance and repair costs. • Utilize the Tyler Munis fleet management and maintenance program in conjunction with a new fuel management program to provide improved tracking, vehicle amortization, and a preventive maintenance schedule.



Develop improved vehicle maintenance parts program utilizing Integrated Business Solutions (IBS) NAPA.	<ul style="list-style-type: none"> Establish an accurate working parts inventory that best assists overall department needs for vehicles and equipment repairs.
Purchase an updated fueling program.	<ul style="list-style-type: none"> Acquire and utilize a fuel management system that will provide improved tracking and accurate usage, billing, and miles per gallon (MPG). Develop a preventive maintenance program utilizing the fuel management program. Continue to develop and distribute fuel conservation measures to customers.

Performance Measures

	FY 14/15	FY 15/16	FY16/17*
Total Number of vehicles and equipment	500	562	686
Total number of service requests	1,282	1,657	1,780
Service requests for outside agencies	59	56	50
Gallons of fuel distributed	355,001	344,082	341,750
Gallons of fuel distributed to outside agencies	101,715	93,506	91,132

*Projected totals based on six month actuals

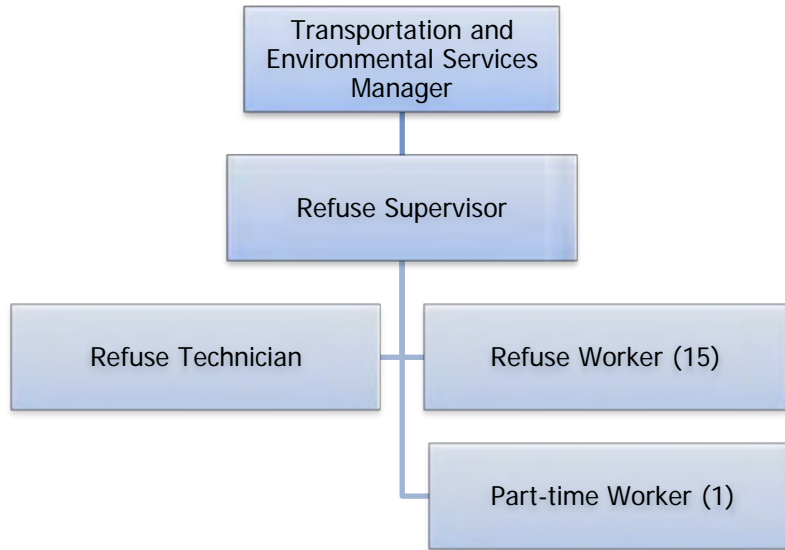


Fleet

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 337,040	\$ 325,453	\$ 376,711
Salaries - Overtime	8,460	8,460	8,460
Benefits	126,307	129,067	148,578
Total Personnel	\$ 471,807	\$ 462,980	\$ 533,749
Professional Services	\$ 36,600	\$ 35,600	\$ 37,600
Vehicle Maintenance	700,600	500,000	610,200
Specialized Supplies	38,500	22,500	14,000
Fuel	1,179,000	1,002,150	852,000
Total O&M	\$ 1,954,700	\$ 1,560,250	\$ 1,513,800
Vehicles	-	-	-
Machinery & Equipment	\$ -	\$ 39,000	\$ -
Total Capital	\$ -	\$ 39,000	\$ -
Totals	\$ 2,426,507	\$ 2,062,230	\$ 2,047,549



Refuse Services



Expenditure By Type			
	Budgeted FY 2016	Budgeted FY 2017	Budgeted FY 2018
Refuse	\$5,361,091	\$3,781,580	\$3,707,678
Total	\$5,361,091	\$3,781,580	\$3,707,678

Description

The Refuse Services Section is funded by the Refuse Enterprise Fund and provides for the collection of solid waste generated by City residents and commercial customers. This section is also responsible for overseeing recycling programs and composting operations.

Major Accomplishments:

1. Extended the Fort Huachuca Residential Trash/Recycling Contract.
2. Supported/hosted special community events, including annual Customer Appreciation Day, West End Fair, Fourth of July Celebration, Festival of the Southwest, OktoberFest, State Land Cleanup and abatement programs.
3. Successfully diverted 684 dry metric tons of Class A biosolids into the composting process to increase diversion savings and improve compost quality.
4. Produced and delivered over 600 tons of special blend compost to City sports fields and parks to be used as a soil amendment and to conserve water.
5. Implemented Large Commercial dumpster recycling program, resulting in an additional 114 tons of solid waste diverted from the landfill.
6. Maintained glass recycling drop-off site at the PCC, diverting 105 tons of glass.
7. Acquired new accounts in Commercial, Small Commercial, and Roll-Off services.



Goals

Goals	Objectives
Provide efficient and convenient Refuse and Recycling services to the City's Refuse customers.	<ul style="list-style-type: none"> • Monitor customer satisfaction with Refuse and Recycling services through a periodic customer satisfaction survey. • Respond to new service orders within three working days. • Review operations and seek areas to control costs both internally and externally.
Educate and inform customers about City Refuse and Recycling services and programs.	<ul style="list-style-type: none"> • Educate City Refuse customers on Refuse and Recycling programs through effective marketing avenues and through staff participation at annual events. • Distribute at least annually a collection schedule and other service and program related information. • Utilize a variety of formats to educate and inform customers about Refuse and Recycling programs.
Provide City Refuse customers additional options to reduce, reuse, and recycle.	<ul style="list-style-type: none"> • Increase residential and commercial customer participation in the recycling program through ongoing marketing and outreach efforts. • Increase recycling efforts by expanding the opportunity to include large dumpster commercial recycling. • Evaluate opportunities to reduce, reuse, and recycle materials and work in collaboration with Cochise County and other partners.

Performance Measures

	2014	2015	2016
Residential Survey: Refuse Collection: Excellent	N/A	49%	N/A
Residential Survey: Refuse Collection: Good	N/A	23%	N/A
Residential Survey: Refuse Collection: Fair	N/A	1%	N/A
Residential Survey: Refuse Collection: Poor	N/A	2%	N/A
Total Waste Diversion: Percentage diverted*	28%	24%	26%

*Calendar Year 2016 waste diversion.



Refuse

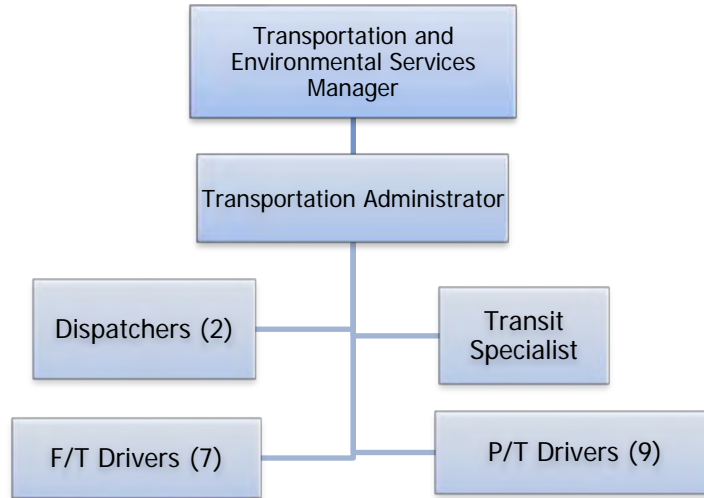
	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 560,895	\$ 531,832	\$ 643,371
Salaries - Overtime	21,049	21,049	21,049
Salaries - Part Time	134,221	130,421	52,000
Benefits	391,801	372,378	386,908
Total Personnel	\$ 1,107,966	\$ 1,055,680	\$ 1,103,328
Depreciation Expense	\$ 450,000	\$ 450,000	\$ 500,000
Professional Services	154,450	130,000	53,800
Intergovernmental Contracts	1,200,000	1,015,000	1,015,000
Electric	1,600	1,600	1,600
Water	10,300	10,300	10,300
Vehicles & Equipment Maint	302,900	302,500	302,500
Infrastructure Maintenance	20,000	5,000	1,500
Professional Associations	1,500	1,500	1,200
Rentals	10,000	-	-
Travel & Training	7,200	5,000	1,200
Printing & Binding	22,000	14,000	2,000
Postage	-	-	-
Advertising	52,000	10,000	4,500
Supplies	2,400	1,000	-
Specialized Supplies	313,650	185,000	223,750
Fuel	290,125	185,000	157,000
Total O&M	\$ 2,838,125	\$ 2,315,900	\$ 2,274,350
Machinery & Equipment	\$ -	\$ -	\$ -
Infrastructure	-	-	-
Buildings	-	-	-
Vehicles	1,415,000	410,000	330,000
Total Capital	\$ 1,415,000	\$ 410,000	\$ 330,000
Totals	\$ 5,361,091	\$ 3,781,580	\$ 3,707,678

Comments

The Intergovernmental Contracts budget is for the County transfer station.



Transit Services



Description

The Transit Services Section is responsible for planning public transit routes, transit facility improvements and equipment purchases, and overseeing the day-to-day operations of the Sierra Vista Transit System.

City Council Strategic Plan Initiatives
The Transit Division will Improve the efficiency of Vista Transit and focus service on those who need access to public transportation.

Major Accomplishments:

1. Awarded \$144,000 in FTA 5339 Grant funds to purchase a replacement bus (FY 18 funds).
2. Ordered two new 18-passenger buses to replace transit buses that have exceeded their useful life using FTA 5307 Grant funds (FY 17 funds).
3. Conducted a passenger survey to identify the number of unique riders using the Vista Transit fixed-route system.
4. Improved Saturday bus service and increased ridership on Ft. Huachuca.
5. Combined Routes 4 & 5 to improve efficiencies and reduce costs in response to staffing shortage.
6. Actively partnered with SEAGO to complete the intercity bus service feasibility study to provide daily service between Douglas, Bisbee, Sierra Vista and Benson.



Goals

Goals	Objectives
Effectively market Vista Transit services to citizens of Sierra Vista and Fort Huachuca to increase ridership.	<ul style="list-style-type: none"> • Educate the public about Vista Transit services. • Introduce Vista Transit services to at least one new user group each quarter. • Review effectiveness of marketing efforts and modify as necessary.
Provide bus operations that efficiently and effectively serve passengers' transit needs.	<ul style="list-style-type: none"> • Continue implementing Vista Transit's Short Range Transit Plan based on available resources. • Conduct periodic passenger surveys to assess customer satisfaction.
Generate supplemental revenue to assist in funding Vista Transit's operations.	<ul style="list-style-type: none"> • Develop a list of potential Vista Transit advertisers and pursue long-term advertising contracts. • Expand advertising options such as on-board video and bus shelter advertising. • Identify potential transportation partners/sponsors.
Expand Vista Transit's occupational training and employee development program.	<ul style="list-style-type: none"> • Insure all Vista Transit employees meet yearly ADOT training requirements.
Maintain and expand coordination and collaboration efforts in the region.	<ul style="list-style-type: none"> • Include local, nonprofit transportation agencies in Vista Transit's monthly training sessions. • Regularly attend regional coordination meetings. • If feasible, implement intercity services between Bisbee and Sierra Vista to improve regional connectivity.

Performance Measures

	2014	2015	2016
Total number of passengers served	175,956	165,725	154,043
Operational cost per passenger trip	\$6.07	\$5.80	\$6.39
Cost per vehicle revenue mile	\$4.22	\$3.96	\$4.74
Cost per vehicle revenue hour	\$68.44	\$52.31	\$52.59



Vista Transit

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Transit-Adminstration	\$ 89,041	\$ 94,193	\$ 101,768
Transit-Operations	709,432	739,683	767,471
Total Personnel	\$ 798,473	\$ 833,876	\$ 869,239
Transit-Administration	\$ 183,300	\$ 176,100	\$ 169,500
Transit-Operations	275,040	250,200	220,200
Total O&M	\$ 458,340	\$ 426,300	\$ 389,700
Transit-Administration	\$ 300,086	\$ 360,000	\$ 525,000
Transit-Operations	-	-	-
Total Capital	\$ 300,086	\$ 360,000	\$ 525,000
Totals	\$ 1,556,899	\$ 1,620,176	\$ 1,783,939



Transit Administration

Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 67,755	\$ 71,677	\$ 74,030
Benefits	21,286	22,516	27,738
Total Personnel	\$ 89,041	\$ 94,193	\$ 101,768
Professional Services	\$ 2,000	\$ 2,000	\$ -
Electricity	-	-	-
Water	-	-	-
Telephone	-	-	-
Natural Gas	-	-	-
Vehicle Maintenance	175,000	167,800	164,500
Equipment Maintenance	-	-	-
Infrastructure Maintenance	-	-	-
Advertising	-	-	-
Printing & Binding	-	-	-
Travel & Training	6,300	6,300	5,000
Office Supplies	-	-	-
Specialized Supplies	-	-	-
Total O&M	\$ 183,300	\$ 176,100	\$ 169,500
Buildings			40,000
Machinery & Equipment			75,000
Vehicles	300,086	360,000	410,000
Total Capital	\$ 300,086	\$ 360,000	\$ 525,000
Totals	\$ 572,427	\$ 630,293	\$ 796,268

Comments

The Sierra Vista Public Transit System receives grant funding from the federal government through the Federal Transportation Administration's 5307 and 5339 grant programs.

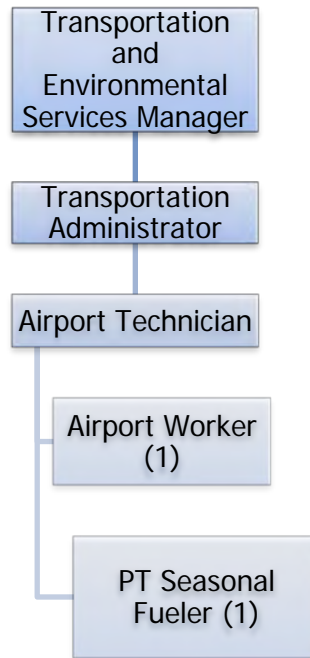


Transit Operations

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 364,357	\$ 385,161	\$ 404,812
Salaries - Overtime	5,304	6,137	6,137
Salaries - Part Time	160,909	174,315	174,315
Benefits	178,862	174,070	182,207
Total Personnel	\$ 709,432	\$ 739,683	\$ 767,471
Professional Services	\$ 8,840	\$ 6,300	\$ 5,000
Electricity	6,000	6,000.0	6,000.0
Water	1,200	1,200.0	1,200.0
Telephone	7,000	7,000	7,000
Natural Gas	4,000	4,000	4,000
Vehicle Maintenance	-	-	-
Equipment Maintenance	3,500	3,500	4,500
Infrastructure Maintenance	-	4,000	4,000
Insurance	46,500	65,000	65,000
Advertising	23,000	7,500	5,000
Printing & Binding	9,000	9,000	9,000
Travel & Training	-	5,000	4,000
Office Supplies	3,500	3,500	3,000
Specialized Supplies	10,500	10,200	9,000
Safety Supplies	-	1,500	1,500
Fuel	152,000	116,500	92,000
Total O&M	\$ 275,040	\$ 250,200	\$ 220,200
Improvements Other Than Bldgs	\$ -	\$ -	\$ -
Machinery and Equipment	-	-	-
Vehicles	-	-	-
Total Capital	\$ -	\$ -	\$ -
Totals	\$ 984,472	\$ 989,883	\$ 987,671



Municipal Airport



Description

This Section is funded by the Airport Fund and is responsible for overseeing the operations at the Sierra Vista Municipal Airport. The Airport Services Section maintains general aviation hangars, tie-down areas, fueling areas, the aviation ground services hangar, taxiways, aircraft apron areas, and lighting systems associated with the Airport.

Major Accomplishments

1. Successfully supported air operations for the U.S. Forest Service and Parks Service by providing fuel services to aircraft and helicopters during fire incidents.
2. Provided refueling support to the Cochise County Sheriff's Office helicopter, Air Evac helicopter, Customs and Border Patrol aircraft, and Air National Guard aircraft.
3. Conducted a Part 139 inspection with the Federal Aviation Administration.
4. Hosted the 23rd Annual Airport Open House. Coordinated Fly-In event with the Experimental Airport Association and provided first flights to 256 children under the age of 17.
5. Provided a venue for the Sierra Vista Sports Car Club to hold events on several occasions.
6. Continued to implement hangar lease incentives recommended by the Airport Commission to hopefully attract new tenants.



Goals

Goals	Objectives
Maintain quality airport infrastructure that supports the needs of customers and provides for safe and efficient airfield operations.	<ul style="list-style-type: none"> • Conduct and document inspections to comply with OSHA, NFPA, TSA, and FAA regulations. • Work in partnership with Libby Army Airfield to issue and maintain all NOTAMS and emergency response activities. • Work with the Facilities and Streets Maintenance Sections to address maintenance concerns and conduct needed repairs.
Improve the economic viability of the Airport by investigating and implementing changes to increase revenue.	<ul style="list-style-type: none"> • Develop new strategies to help reduce facility vacancy rates. • Investigate new options for generating increased revenue, such as additional marketing or revised user fees.
Maintain a high level of support for airport operators.	<ul style="list-style-type: none"> • Explore additional opportunities to enhance service operations. • Maintain regular contact with key representatives to respond promptly to any needs.

Performance Measures

	2013	2014	2015	2016
Number of call-outs for customer support.	N/A	77	46	17
Total number of tie-down and hangar customers.	56	50	48	56
Airport operators' level of satisfaction with support services.	52%	35%	N/A*	N/A*
Percent occupancy of the hangars	66%	58%	57%	69%

*The Airport did not perform an internal survey in 2015 or 2016.

Fueling Service FY 16/17

Aviation Gasoline:

40,300 Gallons Sold

Jet Fuel:

144,105 Gallons Sold

Self-Serve:

11,345 Gallons Sold

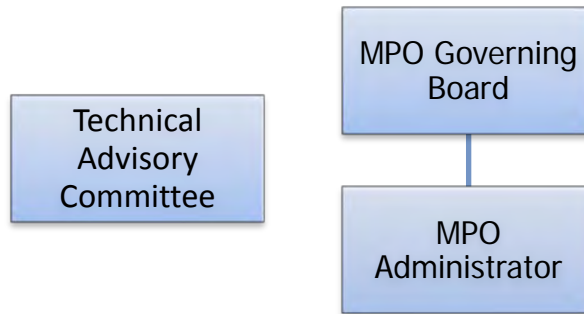
Totals:

195,750 Gallons Sold



Airport

	FY 2015/2016	FY 2016/2017	FY 2017/2018
Expenditures	Budgeted	Budgeted	Budgeted
Salaries - Regular	\$ 43,810	\$ 66,045	\$ 77,481
Salaries - Overtime	5,644	5,644	5,644
Salaries - Part Time	35,346	14,707	14,707
Benefits	34,862	35,975	30,457
Total Personnel	\$ 119,662	\$ 122,371	\$ 128,289
Professional Services	\$ 107,200	\$ 7,200	\$ 7,200
Electricity	43,000	33,600	33,600
Telephone	4,000	-	-
Natural Gas	4,000	3,000	3,000
Building Maintenance	4,700	-	-
Infrastructure Maintenance	8,100	8,100	10,000
Equipment Rentals	27,000	27,000	27,000
Advertising	7,500	3,000	3,000
Specialized Supplies	12,000	12,000	10,000
Travel & Training	3,700	3,700	3,000
Fuel	825,000	701,250	600,000
Total O&M	\$ 1,046,200	\$ 798,850	\$ 696,800
Infastrucure	\$ 2,033,000	\$ 2,500,000	\$ -
Machinery & Equipment	115,000	-	-
Total Capital	\$ 2,148,000	\$ 2,500,000	\$ -
Totals	\$ 3,313,862	\$ 3,421,221	\$ 825,089



Description

The Sierra Vista Metropolitan Planning Organization (SVMPO) was established in May 2013. The Sierra Vista region was classified, as a result of the 2010 U.S. Census, as an Urbanized Area (UA) with a population of greater than 50,000.

Member jurisdictions of SVMPO are the City of Sierra Vista, Cochise County, and the Arizona Department of Transportation (ADOT). The Sierra Vista Metropolitan Planning Organization (SVMPO) is the designated transportation planning organization for the urbanized area of Sierra Vista, Arizona and surrounding Cochise County.

The SVMPO plans and coordinates surface transportation activities and improvements to maintain a comprehensive, cooperative, and continuing multi-agency transportation planning program for the Sierra Vista region.

The City of Sierra Vista began including the MPO in its budget process in FY16. While included in the overall City budget, the SVMPO is independently funded along with in-kind City grant matches. Through an intergovernmental agreement, the City provides financial management and oversight to the MPO, which is why the function is included in the City's budget document.



M etropolitan Planning Organization			
Expenditures	FY 2015/2016 Budgeted	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted
Salaries - Regular	\$ 74,531	\$ 90,603	\$ 90,378
Benefits	20,867	23,549	23,425
Total Personnel	\$ 95,398	\$ 114,152	\$ 113,803
Professional Services - Engineering	\$ 300,322	\$ 221,221	\$ 218,740
Professional Services - Other	\$ 59,982	\$ 34,189	\$ 33,681
Telephone	\$ 700	\$ 700	\$ 700
Office Rental	\$ 24,000	\$ 30,000	\$ 30,000
Postage	\$ 500	\$ 1,200	\$ -
Advertising	\$ 6,500	\$ 6,500	\$ 1,848
Printing & Binding	\$ 1,000	\$ 1,000	\$ 1,143
Professional Associations	\$ 4,000	\$ 4,000	\$ 5,852
Travel & Training	\$ 10,000	\$ 5,000	\$ 10,000
Specialized Supplies	\$ 1,000	\$ 3,500	\$ 5,893
Software	\$ 303	\$ 303	\$ 303
Total O&M	\$ 408,307	\$ 307,613	\$ 308,160
Infrastructure	\$ 30,000	\$ -	\$ -
Total Capital	\$ 30,000	\$ -	\$ -
Totals	\$ 533,705	\$ 421,765	\$ 421,963



Introduction

The City of Sierra Vista is committed to providing the Citizens of Sierra Vista with the highest level of quality in public infrastructure. In order to meet the future needs of the community, the City must plan for the future. The Capital Improvement Plan (CIP) allows the City to prepare for future needs. Having a plan allows the City to develop tentative funding sources.

The Sierra Vista City Council adopted a Strategic Leadership Plan in 2007 addressing the needs of the community. One of the council Strategic Leadership Plan objectives was to create and adopt a 5-year Capital Improvement Plan. The City has been proactive in developing a Capital Improvement Plan in order to ensure that the City and its citizens are aware of future capital infrastructure. The Strategic Leadership Plan has since been updated every two years, most recently in May 2017.

The Capital Improvement Plan also includes the City's Capital Infrastructure Improvement Plan. The infrastructure improvement plan is the formal document used to assess development impact fees. Incorporation in the fee schedule requires a project to be located on the Capital Infrastructure Plan. Development impact fees allow the City to provide the same level of service to its citizens as population grows.

Capital Improvement Plan Development

The Capital Improvement Plan (CIP) is not a plan solely developed by City staff. The City Council's adopted Strategic Leadership Plan is the planning document for the City. The Strategic Leadership Plan is the council's top priorities for the next two-years. Many of their two-year objectives are Capital Improvement Projects. The City Manager is charged with carrying out the directives of the City Council and the Strategic Leadership Plan is a directive from the council.

In order to assess the capital improvement needs of the City, City departments are required to submit a list of potential capital projects. Departments are the best source of information in regards to specific capital improvement needs in their department. To ensure an effective use of departmental resources, the City Manager reviews the list and selects projects that have a reasonable start date in the next five years. Departments did not need to submit a comprehensive justification for projects that will be started in the next five to ten years due to the uncertainty of future funding availability and future needs. The needs of the community beyond five years may be drastically different than the community's current needs.

Once the City Manager selected the projects that have a reasonable start date in the next five years, Department Directors submitted a capital improvement submittal form for each project. The submittal form includes detailed project information.



Departments prioritized projects as well as provided justification for why each project should be included in the CIP.

After the projects were submitted, Department Directors met and prioritized the capital improvement projects. The department directors used a 1-5 scale to rank the projects. The scale that was used is presented here.

1	<p>This is a project that should be completed in the first year of the Capital Improvement Plan. Delaying the project is not a good option.</p> <p>This project is a two-year Strategic Plan Objective –or- This project is necessary to alleviate a significant, existing, documented safety hazard –or- This project will not have a large impact on the City’s General Fund –or- This is a project that cannot be reasonable postponed –or- The project will increase the quality of life for residents. –or- This project will address a significant public welfare situation –or- This project will have a significant impact on the ability to retain and expand business in Sierra Vista</p>
2	<p>This is a project that needs to be completed in the next year or two. Delaying this project for a year is acceptable but a long-term delay is not beneficial to the community.</p> <p>This project is part of the Council’s Strategic Plan Goals –or- This project needs to be completed to prevent the onset of a likely safety hazard –or- This project is needed to ensure structural integrity of existing assets –or- The project would increase City revenue or reduce City expenditures.</p>
3	<p>This is a project that needs to be completed in the five-year time frame and shouldn’t be delayed beyond five years.</p> <p>This project will address a potential public safety concern –or- This is a project that has outside funding and low commitment from the City.</p>
4	<p>This is a project that is important to be completed in the next five-years but could be delayed for a few years and could even be pushed out further with budgetary problems.</p>



	<p>This is a project that should be completed within the five-year time frame but can be delayed a few years –or- This is a project that is needed for potential public safety concerns in the future.</p>
5	<p>This is a project that is important to be completed in the coming years but could be postponed to a later date (Years 6-10) if funding is not available. Completing it in the next five-years is not of the outmost importance.</p> <p>These are projects that do not generally support the Council’s strategic plan goals –or- This is a project that will have a tremendous impact on the City’s general fund operating budget.</p>

The prioritization scale used was helpful in simplifying the prioritization process while allowing for collaboration in the prioritization process. The City Department Directors were able to communicate the needs for each project to one another and also discuss the recommendations made by the City Manager. This was also the time that Department Directors were able to discuss projects on the 6-10 year Capital Infrastructure Plan for possible inclusion in the five-year Capital Improvement Plan. There were several projects that were ranked high by departments that, after discussion, their priority were modified.

This entire process was most recently completed prior to the FY14 budget year. Adjustments have been made to the document in FY16 and FY17 by City staff as a result in changes in funding or priorities.

Capital Improvement Projects

The City of Sierra Vista has adopted a policy in regards to the definition of a Capital Improvement Project. This is important in order to ensure that the City is consistent in its Capital Improvement Plan as well as to ensure that the City meets all the requirements for accounting purposes.

Capital Assets

A Capital Asset is defined as a permanent addition to the City’s fixed assets of major importance and cost. Capital Assets are major assets that have a useful life of more than one year. Typical examples of Capital Assets are:

1. Buildings and Improvements
2. Infrastructure
3. Land and Improvements
4. Furniture



5. Easements
6. Vehicles
7. Machinery
8. Equipment
9. Works of Art
10. Various Intangible Assets

The City will have two main categorizes of Capital Assets, Capital Improvement Assets and Capital Maintenance Assets. Capital Improvement Assets will be included in the five-year Capital Improvement Plan and Capital Maintenance Assets will be included in the department budget submittals.

Capital Improvement Assets

A Capital Improvement Asset is an asset that is a major addition or improvement to the City's assets and non-routine in nature. A capital improvement asset is one that is new or a change in the current function or capabilities of an existing asset. A Capital Asset has a value greater than \$5,000. Examples of a Capital Improvement Asset are:

New Additions: Any new additions to the City's assets, valued at \$5,000, are considered Capital Improvement Assets.

Change in Function: When a project changes the function or initial intent of an existing asset, the new assets will be considered a Capital Improvement Asset. An example of this is the complete remodel of the Oscar Yrun Community Center.

Increase in Capabilities: If an asset significantly increases the capabilities of an asset then it will be considered a Capital Improvement Asset. An example of this would be the change from a black and white camera to a color camera. Another example would be a new module for HTE, e.g. Police and Fire expansion.

Major Improvement: If a project makes a major improvement to an existing asset, it is considered a Capital Improvement asset. An example of this is the Police Station Expansion.

Plans and Studies: A major plan that has a cost of over \$30,000 and has a useful life of over three (3) years will be considered a Capital Improvement Asset. An example of this would be the Airport Master Plan, which costs about \$200,000 and will be valid for five (5) years.

Software and Licenses: Software and licenses can be considered capital improvements if the software is a new project and costs over \$5,000. The upgrades to the software will not be considered a Capital Improvement Asset nor will ongoing renewals or maintenance projects.



New Art Project: If there is a new art project on a site that does not currently have artwork, the new artwork will be considered a Capital Improvement Asset. The new artwork must have a cost greater than \$5,000. An example of this would be if artwork were purchased for the brick wall on SR92.

Capital Replacement Assets:

A Capital Replacement Asset is the replacement of an existing asset that is required either to extend the life of existing City assets or replace assets that are beyond their life expectancy. An example of a capital replacement asset would be removing the old roof at City Hall and installing a new roof. Another example would be if the City Hall HVAC units that heat/cool City Hall reached the end of their useful life and had to be replaced in order to keep the longer life expectancy asset, City Hall, functional.

Another example is a Capital Replacement Asset that enhances the structural integrity of an existing major capital asset and prolongs the life cycle of the asset for an additional ten (10) plus years. An example of this is the annual street overlay/reconstruction program or sewer line replacement program budgeted every year in Public Works.

Funding Sources for Projects

Funding for capital projects is the most important component to completion any of project. The City of Sierra Vista plans for future financing options in order to provide the City with the highest level of capital infrastructure possible. The City of Sierra Vista is proactive in seeking out grant opportunities with a small City match as well as other unique financial opportunities.

Funding Sources

General Fund/Capital Improvement Fund

The City of Sierra Vista has different funding sources for different projects. Some projects will be funded by more than one funding source. They appear in the larger funding source section. The description of each project later in this document displays the funding source breakdown for each project. The major category of funding is the General Fund/Capital Improvement Fund.

Development Impact Fees

Another funding source for capital improvement projects is Development Impact Fees. These fees are in place to ensure that future residents pay for service that they are going to receive. The development impact fees are in place to provide the same level of service to the community with an increase in population.



Highway User Revenue Fund (HURF)

Another funding source for capital projects is the Highway User Revenue Fund (HURF). This fund is used for street projects. HURF is also used for maintenance on many capital improvement projects and is discussed in that section. Projects listed below incorporate many different funding sources. These sources include the General Fund/CIF, Grants, Developers and contributions.

Airport Fund

The Airport Fund will fund a portion of capital improvement projects.

Grants/Donations

The City is active in applying for, and accepting, grant/donation funds for the development of capital improvement projects. Grant/donation funds allow the City to construct projects that would not otherwise be possible. The grants/donations come from different sources, some from the federal government, state government, as well as other sources. The grants/donations that are received are applied to other funds to complete projects.



Capital Improvement Plan

The City of Sierra Vista is planning to complete \$6,572,000 in Capital Improvement Projects in FY18. The projects are separated by several funding sources, with some projects being funded by more than one fund. The major funds that will be supporting projects in FY18 are the General, Capital Improvement, Development Fees, Highway User Revenue Fund (HURF), LTAF, Grants, Airport, and Enterprise Funds (Sewer, Refuse).

The FY18 Capital Summary and General Fund/Capital Improvement Funds are listed below by location where funds are allocated in the Budget.

FY 18 Capital Summary				
ITEM/PROJECT	FUND	DEPARTMENT	BUDGETED COST	PAYMENT
Cove Maintenance	General	Public Works	\$ 150,000.00	Cash-CIF
Building Security Initiatives	General	Public Works	\$ 316,000.00	Cash-CIF
Library re-carpeting	General	Public Works	\$ 75,000.00	Cash-CIF
Library roof	General	Public Works	\$ 100,000.00	Cash - carryover
Fire Station 2 Reflooring	General	Public Works	\$ 20,000.00	Cash-CIF
Ford Vehicle Replacements	General	Police	\$ 500,000.00	Cash-CIF
Fire Apparatus	General	Fire	\$ 100,000.00	Cash - carryover
2 x Ambulances (replacements)	General	Fire	\$ 400,000.00	Finance
Annual Capital Street Maintenance	HURF	Streets	\$ 1,088,000.00	Cash
5 x 1/2 Ton Pick Ups	HURF	Streets	\$ 200,000.00	Finance
3/4 Ton Pick Up	HURF	Streets	\$ 50,000.00	Finance
4x4 Tractor	HURF	Streets	\$ 70,000.00	Finance
Fry/W. Garden Design	HURF	Streets	\$ 265,000.00	MPO -Grant
Tranist Facility ADA Improvement	LTAF	Transit	\$ 40,000.00	Grant
Replacement Buses (3)	LTAF	Public Works	\$ 410,000.00	Grant
Fleet Fueling System	LTAF	Public Works	\$ 75,000.00	Grant - carryover
Police Equipment	PSR	Police	\$ 100,000.00	RICO
Police Vehicles	PSR	Police	\$ 90,000.00	RICO



Capital Improvement Plan

ITEM/PROJECT	FUND	DEPARTMENT	BUDGETED COST	PAYMENT
Fire Infrastructure Grant	Grant	Fire	\$ 100,000.00	Grant
Fire Equipment Grant	Grant	Fire	\$ 150,000.00	Grant
New Ball Field	Grant	Leisure	\$ 950,000.00	Grant
Fry Clean-up	CIF	Comm. Dev	\$ 60,000.00	Cash-CIF Carryover
Coronado Widening	Infrastructure development	Public Works	\$ 200,000.00	Inf Dev Fee- carryover
Side loader - replacement	Refuse	Public Works	\$ 330,000.00	Finance
Camera Van - replacement	Sewer	Public Works	\$ 240,000.00	Finance
1 Ton Pick Up	Sewer	Public Works	\$ 70,000.00	Finance
3/4 Ton Pick Up	Sewer	Public Works	\$ 50,000.00	Finance
Flatbed Spray Rig	Sewer	Public Works	\$ 158,000.00	Cash
Trailer Mount Pump	Sewer	Public Works	\$ 60,000.00	Cash
VMP Well Refurbishment	Sewer	Public Works	\$ 80,000.00	Cash
Third Street Wash Stabilization	Sewer	Public Works	\$ 75,000.00	Cash

Capital By Fund	
General	\$1,661,000
Capital Improvements	\$60,000
HURF	\$1,673,000
Grant	\$1,200,000
LTAF	\$525,000
Police Special Revenue	\$190,000
Infrastructure Dev Fee	\$200,000
Refuse	\$330,000
Sewer	\$733,000
Total	\$6,572,000



The following list of Capital projects is broken down by each project, project description, project cost by fund over the next five years and any expense or cost savings to the City’s Operating and & Maintenance budget.

1. Cove Maintenance

Maintenance performed to repair cracking and deterioration to keep the Cove operational and maintained.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$150,000					\$150,000

2. Building Security Initiatives

This project will provide additional security and monitoring along with maintaining safety issues at all municipal buildings.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$316,000					\$316,000

3. Library Re-Carpeting

Replacement of the carpet in the library due to wear and tear.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$75,000					\$75,000

4. Library Roof

The replacement and repair of the front portion of the roof is needed to keep the library dry during monsoon season rains.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$100,000					\$100,000

5. Fire Station 2 Re-flooring

Replacement of flooring due to wear and tear and safety issues.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$20,000					\$20,000



6. Ford Vehicle Replacements

Five year capital maintenance rotation and replacement plan for 10 vehicles. O&M savings on cost of repairs.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$500,000					\$500,000
O&M		(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$25,000)

7. Fire Apparatus

This fire apparatus will replace the 1996 Pierce Quantum pumper and 2000 Wheeled Coach ambulance. Both pumper and ambulance are past due on replacement plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$100,000					\$100,000

8. Ambulance Replacement X 2

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
General	\$400,000					\$400,000

9. Annual Capital Street Maintenance

Street repair and maintenance.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$1,088,000					\$1,088,000

10. Five ½ Ton Pickups

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$200,000					\$200,000
O&M	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(\$12,500)



11. 3/4 Ton Pickup

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$50,000					\$50,000

12. 4x4 Tractor

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$70,000					\$70,000

13. Fry/W. Garden Design

The existing 5-lane roadway is overbuilt for current and future needs, resulting in extra pavement maintenance costs. In addition, the unappealing aesthetics of the roadway are a barrier to redevelopment. The project will narrow the roadway and provide additional landscaping to more closely align the character of the roadway with its current context. This first phase will be for the design only.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
HURF	\$265,000					\$265,000

14. Transit Facility ADA Improvement

This project will bring the transit facility compliant with ADA regulations.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
LTAf	\$40,000					\$40,000

15. Bus Replacement

The replacement of two (3) Vista Transit buses would increase the reliability of the Transit fleet, alleviating the necessity to delay or cancel scheduled routes and services. The purchase would also decrease the burden on Fleet Services by reducing unnecessary call outs and saving time on additional non-routine and expensive bus maintenance. The new buses could serve to



promote the City's new branding campaign by including the new branding elements. Cost savings to O&M for less repairs and maintenance.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
LTAf	\$410,000					\$410,000
O&M	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$25,000)

16. Fleet Fueling System

A fuel management solution is designed to better manage consumable assets for the City of Sierra Vista and our IGA partners with fueling and maintenance contracts. The system will be capable of processing all fuel transactions and validating them in real-time. The system will also be able to monitor recall notifications, provide temporary fuel cards in the event of an emergency and track preventative maintenance reminders.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
LTAf	\$75,000					\$75,000

17. Police Equipment

This grant will provide for ongoing equipment needs for the Police Department to continue to run effectively and meet the safety standards. It will also assist when certain equipment fails to meet replacement schedules and needs to be replaced sooner than expected due to constant maintenance problems and downtime.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
PSR	\$100,000					\$100,000

18. Police Vehicle

This project will cover the cost of additional police vehicles if deemed necessary by the needs of the department and safety standards.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
PSR	\$90,000					\$90,000



19. Fire Infrastructure Grant

This project will provide additional security/monitoring capabilities at all three fire stations by providing key card access. Cost to O&M for maintenance.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Grant	\$100,000					\$100,000
O&M	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000

20. Fire Equipment Grant

This grant will provide for ongoing equipment needs for the Fire Department to continue to run effectively and meet the safety standards. It will also assist when certain equipment fails to meet replacement schedules and needs to be replaced sooner than expected due to constant maintenance problems and downtime.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Grant	\$150,000					\$150,000

21. New Ball Field

This project will add a much needed new ball field due to overuse and overbooking of the current fields.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Grant	\$950,000					\$950,000

22. Fry Clean-Up

The City is partnered with Cochise County to acquire and abate several blighted properties in the Fry Town Site. Using funds from both the City and County, the properties are being cleaned up and eventually sold.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
CIF	\$60,000					\$60,000



23. Coronado Widening

Coronado is designated as an arterial roadway on the City's Traffic Circulation Plan, and most of the roadway is constructed with either four or five lanes. However, there is a segment between Busby and Golf Links that is only two lanes, and the reduced width creates a constriction point. Expanding the roadway to four or five lanes will improve traffic flow and also facilitate new development in the area. Traffic signals are also planned for the Busby/Coronado and Golf Links/Coronado intersections. Cost will be added to O&M for maintenance.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Infrastructure	200,000					\$200,000
Development						
O&M	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000	\$70,000

24. Side Loader Replacement

This project in on the Five year replacement plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Refuse	\$330,000					\$330,000

25. Camera Van Replacement

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$240,000					\$240,000

26. 1 Ton Pickup

Due for replacement per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$70,000					\$70,000

27. ¾ Ton Pickup

Due for replacement per the five year Capital Maintenance and Replacement Plan.



Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$50,000					\$50,000

28. Flatbed Spray Rig

This equipment is needed for sewer project operations.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$158,000					\$158,000

29. Trailer Mount Pump

The addition of a high volume pump will enable Wastewater section personnel to rapidly pump down tanks, the EOP clarifiers, and basins. It will also be used as a bypass pump in projects that require high volumes of wastewater to be bypassed during repairs to the existing sewer infrastructure or during new construction projects.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$60,000					\$60,000

30. VMP Well Refurbishment

The well pump at Veteran’s Park has shown a decrease in performance over the years and is past its life expectancy. The existing design scheme has the well pump directly feeding a hydro pneumatic tank which causes the pump and motor to start and stop excessively, degrading the motor’s performance. The well site needs to be evaluated for possible component replacement and, if feasible, re-design of site components.

The well pump should be pulled from its casing and inspected by a qualified well service company, and replaced as necessary. The well casing should also be inspected and rehabilitated as necessary. Alternatives to the existing design should also be evaluated.

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$80,000					\$80,000

31. Third Street Wash Stabilization

This project will stop the erosion along 3rd Street Wash behind the Bella Vista Estates Subdivision. If the erosion continues unabated, it is only a matter of time before the road and the sewer line are lost.



Capital Improvement Plan

Project Costs

	FY18	FY19	FY20	FY21	FY22	Total
Sewer	\$75,000					\$75,000

CAPITAL AND O&M COSTS

	Capital	O&M
General	\$1,661,000	(\$25,000)
Capital Improvements	\$60,000	\$0.00
HURF	\$1,673,000	(\$12,500)
Grant	\$1,200,000	\$5,000
LTAF	\$525,000	(\$25,000)
Police Special Revenue	\$190,000	\$0.00
Infrastructure Dev Fee	\$200,000	\$70,000
Refuse	\$330,000	\$0.00
Sewer	\$733,000	0.00
Total	\$6,572,000	\$12,500

The City is refining its 5 year Capital improvement plan process. The plan projects are moved from the 5 year Capital improvement plan into the budget based on the financial resources that fiscal year. The improvement plan is then readjusted based on the following years plan and based off of what was approved based on available financial resources in the City's budget. The decision to move the project into the final budget not only involves the cost to purchase the Capital but also the ability to have financial resources available to maintain ongoing operating costs.



Capital Improvement Plan Six to Ten Years

The City of Sierra Vista also maintains a capital improvement plan for projects expected to be completed in the next ten years. Projects listed below are in the long-term plans of the City.

<u>PROJECT</u>	<u>5 YEAR TOTAL</u>
Annual Major Street Reconstruction Project	\$8,250,000
Relocation of Fire Station No. 2	\$4,000,000
Public Safety Training Facility	\$2,000,000
Tribute Water Reclamation Facility	\$10,000,000
Runway 12/30 Extension	\$1,500,000
BST Extension (SR92 to Avenida Del Sol)	\$3,250,000
Taxiway "D" Extension	\$850,000
Garden Canyon Linear Park	\$1,100,000
BST Extension (SR92 to Avenida Del Sol)	\$3,250,000
Taxiway "D" Extension	\$850,000
Garden Canyon Linear Park	\$1,100,000
Police Substation	\$3,000,000
BST/Avenida Del Sol Signal	\$350,000
Avenida Cochise/Avenida Del Sol Signal	\$400,000
Snyder/Avenida Del Sol Signal	\$350,000
Guilio Cesare (SR90 to Michelangelo) Improvements	\$625,000
City Hall Renovation Project	\$500,000
El Camino Real/Coyote Wash Crossing Improvements	\$350,000
Avenida Del Sol Construction (Calle Cumbre to BST)	\$3,500,000
Cyr Center Park Phase II and III	\$2,000,000
Public Community Center	\$14,000,000
Public Safety WiFi Project	\$2,000,000
SR 92/ Snyder Blvd Intersection Signal Improvement Project	\$400,000
Section 36 Detention Basin	\$500,000
Total	\$64,125,000

CITY OF SIERRA VISTA



Five Year Capital Maintenance and Replacement Plan Fiscal Year 2018-2022

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CITY OF SIERRA VISTA
FIVE YEAR CAPITAL MAINTENANCE AND REPLACEMENT PLAN
Fiscal Year 2018-2022

A. Introduction

The Sierra Vista City Council adopted a Strategic Leadership Plan to more effectively address the needs of the community. The fiscal elements of the plan were designed to ensure the long-term financial viability and operational effectiveness of the City of Sierra Vista. As an integral part of this fiscal strategy, one objective establishes a Five-Year Capital Maintenance and Replacement Plan. The plan calls for the Department of Public Works to inventory, rate, and develop maintenance or replacement plans for the following categories of assets: Facilities Maintenance and Equipment Replacement; Fleet Vehicle and Equipment Replacement; Streets Maintenance; Sewer Line Maintenance/Replacement and Water and Wastewater Facility Replacement; and Parks Facilities, Sports Fields and Grounds.

The following Capital Maintenance and Replacement plan was developed using specific methodology and definitions as to what constitutes capital asset maintenance and capital asset replacement items within the scope of City operations.

B. Purpose

Consistent with the Department of Public Work’s Vision Statement, the Capital Maintenance and Replacement Plan provides sustainable, innovative, long-term goals for the preservation and stewardship of the community’s physical assets. The plan establishes standardized procedures and cost estimates for the maintenance and replacement of the City’s capital assets. The plan encompasses a five-year period that covers the City’s major capital assets and prioritizes the maintenance and/or replacement of assets at a sufficient level to protect the City’s investment, minimize future replacement and maintenance costs, and maintain established service levels.

C. Objectives

The objectives of the plan are to: (1) Define capital maintenance and replacement assets as distinguished from routine or preventative operational maintenance (O&M). (2) Develop standard methodology to determine when a capital asset is to be replaced or maintained and what subsequent type of maintenance system is used. (3) Estimate the five-year capital maintenance and replacement costs associated with each major asset category for budget purposes.

D. Definitions

Capital Assets

A Capital Asset is defined as a permanent, fixed asset of major importance and financial investment. Capital Assets are major assets which have a useful life of more than 10 years. Typical examples of Capital Assets are:

1. Public Buildings and Improvements
2. Public Infrastructure (i.e. sewer lines, sidewalks, multi-use paths, etc.)
3. Land with Improvements (i.e. City parks, ball fields etc.)
4. Vehicles, heavy equipment and machinery
5. Works of Art
6. Various Intangible Assets

Capital Improvement Assets

A Capital Improvement Asset is an asset that is a major addition or improvement to existing City assets. A Capital Improvement Asset is one that is new or a significant change in the current function or capabilities of an existing asset and classified as follows:

1. **New Additions:** Any new additions to the City's assets, valued at \$50,000 or more, are considered Capital Improvement Assets.
2. **Change in Function:** When a project changes the function or initial intent of an existing asset, the new assets will be considered a Capital Improvement Asset.
3. **Increase in Capabilities:** If a project or improvement significantly increases the capabilities of an existing asset, it will be considered a Capital Improvement Asset.
4. **Major Improvement:** A new asset that makes a major improvement to an existing asset system or service program.
5. **Software and Licenses:** Software and licenses can be considered a capital improvement if the software is a new program or improvement to the system. The upgrades to the software will not be considered a Capital Improvement Asset, nor will ongoing renewals or maintenance projects.
6. **New Art Project:** A new art project on a site that does not currently have artwork, or the new artwork associated with a new capital improvement project (Art-in-public places) will be considered a Capital Improvement Asset.

Capital Replacement Assets

A Capital Replacement Asset replaces an existing asset that is required either to extend the life of existing assets or replace assets that are beyond their life expectancy. A Capital Replacement Asset can also include assets that enhance the structural integrity of an existing major capital asset and/or prolong the life cycle of the asset for an additional ten years or more.

Operating and Maintenance (O&M) Items

Maintenance of capital assets that preserve an asset or maintain its operability is considered routine or preventative maintenance items. While some of these routine maintenance items can be expensive, not performing them could affect the longevity, functionality and/or appearance of an asset.

E. Capital Asset Replacement Program Methodologies and Cost Summaries

The cost summaries and methodologies used for developing each Capital Asset Replacement and Maintenance Program are outlined on the following pages. The replacement and maintenance guidelines are based on predetermined criteria developed for each Capital Replacement Asset. However, additional consideration will be given based on specific use, safety and overall condition of the Capital Asset. The plan will be reviewed and updated annually during the budget process. The maintenance projects included in the next Fiscal Year Budget will be based on the prioritized list and available funding.

FACILITIES MAINTENANCE PROGRAM

Facilities Equipment Replacement Program:

- All public building equipment replacement items associated with the City’s public buildings and/or facilities are based on the following life cycle intervals, presuming proper preventative maintenance was performed as scheduled.

ASSET	REPLACEMENT INTERVAL
AUTOMATIC DOORS	15 YEARS
LARGE STOVES/OVENS/KILN	20 YEARS
HVAC (SMALL, < 7 TONS)	15 YEARS
HVAC (LARGE, > 7 TONS)	15 YEARS
SWITCH GEAR AND PANELS	30 YEARS

- In addition, all public building equipment is further evaluated and prioritized based on the following criteria:

CRITERIA	RATING
SYSTEM FAILURE (REPAIR REQUIRED)	1
ASSET PRESERVATION/REHABILITATION	2
FUNCTIONAL IMPROVEMENT/UPGRADE	3
COSMETIC/AESTHETIC/CONVENIENCE	4

**DETAILED SUMMARY OF RECOMMENDED
FACILITIES CAPITAL EQUIPMENT REPLACEMENT PROGRAM**

FY 2018 - 2022

FY 2018					
ASSET	INTERVAL	LOCATION	RATING	COST	
FIRE PANEL/SYSTEM	30	AIRPORT	2	\$ 18,000	
LARGE STOVES/OVENS/KILNS	20	ETHEL BERGER CENTER	2	\$ 20,000	
HVAC (SMALL < 7 TON)	10	PCC SHOPS (AHU & A/C)	2	\$ 35,000	
FIRE PANEL/SYSTEM	30	OYCC	2	\$ 25,000	
PD CHILLER COMPRESSOR 1	10	POLICE STATION	2	\$ 35,000	
PD CHILLER COMPRESSOR 2	10	POLICE STATION	2	\$ 35,000	
REPLACE NOVUS/EDGE ACCESS SYSTEM	15	PCC	2	\$ 85,000	
LIBRARY COMPRESSOR A	10	LIBRARY	2	\$ 65,000	
AUTOMATIC VEHICLE GATE	10	PCC MAINTENANCE YARD	1	\$ 125,000	
REPLACE FLEET EXHAUST SYSTEM	10	FLEET	1	\$ 20,000	
ABOVE GROUND VEHICLE LIFTS	15	FLEET	1	\$ 22,000	
STORAGE BUILDING AND SHELVING	30	FLEET	2	\$ 35,000	
REPLACE 1 PORTABLE VEHICLE LIFT	15	FLEET	1	\$ 40,000	
REPLACE OIL HOSES AND REELS	15	FLEET	1	\$ 25,000	
LIBRARY ROOF	N/A	LIBRARY	1	\$ 200,000	
TOTAL				\$ 785,000	

FY 2019					
ASSET	INTERVAL	LOCATION	RATING	COST	
HVAC (SMALL <7 TON)	10	AIRPORT TERMINAL	2	\$ 20,000	
HVAC (SMALL <7 TON)	10	PCC WAREHOUSE	2	\$ 20,000	
PD BOILER 2	10	POLICE STATION	2	\$ 45,000	
REPLACE SECURITY GATES	10	AIRPORT	2	\$ 165,000	
TOTAL				\$ 250,000	

FY 2020					
ASSET	INTERVAL	LOCATION	RATING	COST	
HVAC (LARGE > 15 TON)	10	PCC ADMIN BUILDING	2	\$ 35,000	
HVAC (SMALL < 7 TON)	10	CITY HALL UNIT #2	2	\$ 20,000	
TOTAL				\$ 55,000	

FY 2021					
ASSET	INTERVAL	LOCATION	RATING	COST	
HVAC (SMALL < 7 TON)	10	AGS BUILDING	2	\$ 10,000	
HVAC (LARGE > 15 TON)	10	NANCY BRUA (AHU & A/C)	2	\$ 55,000	
TOTAL				\$ 65,000	

FY 2022					
ASSET	INTERVAL	LOCATION	RATING	COST	
ABOVE GROUND LIFTS	10	FLEET	2	\$ 80,000	
HVAC UNIT REPLACEMENT	10	MULTIPLE LOCATIONS	2	\$ 100,000	
FIRE SUPPRESSION SYSTEM	20	IT ROOM AT CITY HALL	2	\$ 55,000	
UPGRADE TRANSFORMER/POWER	30	CITY HALL	2	\$ 500,000	
GENERATOR REPLACEMENT	15	AIRPORT, FLEET, CITY HALL	3	\$ 405,000	
TOTAL				\$ 1,140,000	

Facilities Structural Maintenance Program:

- All public building structural maintenance components are based on the following life cycle interval, presuming proper preventative maintenance was performed as scheduled.

ASSET	REPLACEMENT INTERVAL
BUILDING REMODEL/RECONSTRUCT	25 YEARS
SECURITY ALARM SYSTEMS	15 YEARS
ROOF REPAIRS	AS NEEDED
ROOF RECOATING	5 YEARS
REPLASTER	10 YEARS
POWER UPGRADES	AS NEEDED
INTERIOR AND EXTERIOR PAINT	12 YEARS
FIRE PANEL AND SYSTEM	25 YEARS
FLOOR COVERING	15 YEARS
SKYLIGHT SEALING/WINDOWS	10 YEARS
ACCESS CONTROLS	10 YEARS
LIGHTING	AS NEEDED

- In addition, all public building equipment is further evaluated and prioritized based on the following criteria:

FACILITIES STRUCTURAL EVALUATION CRITERIA	
CRITERIA	PRIORITY
SYSTEM FAILURE (REPAIR REQUIRED)	1
ASSET PRESERVATION/REHABILITATION	2
FUNCTIONAL IMPROVEMENT/UPGRADE	3
COSMETIC/AESTHETIC/CONVENIENCE	4

**DETAILED SUMMARY OF RECOMMENDED
FACILITIES STRUCTURAL REPLACEMENT PROGRAM
FY 2018 - 2022**

FY 2018				
ASSET	INTERVAL	LOCATION	RATING	COST
STRUCTURAL REPAIRS	N/A	COVE AQUATIC CENTER	2	\$ 68,000
ROOF RECOATING	5	COVE AQUATIC CENTER	2	\$ 20,000
INTERIOR/EXTERIOR PAINT	12	FIRE STATION 1	2	\$ 18,000
CARPET	15	LIBRARY	2	\$ 150,000
CARPET	15	POLICE STATION	2	\$ 75,000
ROOF RECOATING	5	CITY HALL	2	\$ 30,000
ROOF RECOATING	5	TRANSIT CENTER	2	\$ 3,000
POOL DECK RESURFACE/REPAIR	2	COVE AQUATIC CENTER	2	\$ 50,000
FOUNDATION REPAIR	N/A	COVE AQUATIC CENTER	2	\$ 200,000
ROOF PANELS	N/A	COVE AQUATIC CENTER	2	\$ 28,500
FIRE STATION RENNOVATION (VARIOUS)	N/A	ALL FIRE		\$ 54,000
TOTAL				\$ 696,500

FY 2019				
ASSET	INTERVAL	LOCATION	RATING	COST
ROOF RECOATING	5	TR BUILDING	2	\$ 3,000
ROOF RECOATING	5	LIBRARY	2	\$ 35,000
ROOF RECOATING	5	SEWER OFFICE	2	\$ 3,000
ROOF RECOATING	5	POLICE ANNEX	2	\$ 11,000
INTERIOR/EXTERIOR PAINT	12	AIRPORT	4	\$ 37,000
INTERIOR/EXTERIOR PAINT	12	COVE AQUATIC CENTER	4	\$ 45,000
EXHAUST FAN AND ROOF REPAIR	5	COVE AQUATIC CENTER	1	\$ 35,000
ROOF REPAIR/REPLACE	5	ETHEL BERGER CENTER	1	\$ 77,000
REPLACE TRACKING SKY LIGHT	10	PCC TRAINING ROOM	1	\$ 5,000
TOTAL				\$ 251,000

FY 2020					
ASSET	INTERVAL	LOCATION	RATING	COST	
ROOF RECOATING	5	FIRE STATION 3	2	\$ 5,000	
ROOF RECOATING	5	OYCC	2	\$ 15,000	
ROOF RECOATING	5	ETHEL BERGER CENTER	2	\$ 15,000	
ROOF RECOATING	5	POLICE STATION	2	\$ 11,000	
INTERIOR/EXTERIOR	12	ANIMAL CARE FACILITY	4	\$ 10,000	
WINDOW FILM	N/A	LIBRARY	4	\$ 50,000	
INTERIOR PAINT	12	ETHEL BERGER CENTER	4	\$ 18,000	
INTERIOR/EXTERIOR PAINT	12	OYCC	4	\$ 20,000	
INTERIOR/EXTERIOR PAINT	12	PCC SHOP BUILDING	4	\$ 30,000	
CARPET REPLACEMENT	5	PCC, OYCC EBC, AIRPORT	2	\$ 100,000	
ROOF MAINTENANCE	5	WASTEWATER, ACO, PCC	2	\$ 100,000	
TOTAL				\$ 374,000	

FY 2021					
ASSET	INTERVAL	LOCATION	RATING	COST	
ROOF RECOATING	5	LIBRARY	2	\$ 15,000	
ROOF RECOATING	5	ETHEL BERGER CENTER	2	\$ 15,000	
ROOF RECOATING	5	AGS BUILDING	2	\$ 15,000	
INTERIOR/EXTERIOR PAINT	12	FIRE STATION 3	4	\$ 20,000	
CARPET REPLACEMENT	5	FIRE STATION 1&2	2	\$ 100,000	
ROOF MAINTENANCE	5	AIRPORT, OYCC, TR BUILDING	2	\$ 55,000	
TOTAL				\$ 220,000	

FY 2022					
ASSET	INTERVAL	LOCATION	RATING	COST	
ROOM DIVIDER	N/A	FIRE STATION #3	2	\$ 180,000	
CARPET REPLACEMENT	5	ANIMAL CONTROL, TRANSIT	2	\$ 100,000	
ROOF MAINTENANCE	5	TRANSIT, POLICE	2	\$ 100,000	
SKY LIGHT REPLACEMENT	10	WASTE WATER LAB	2	\$ 3,000	
TOTAL				\$ 383,000	

FLEET AND EQUIPMENT REPLACEMENT PROGRAM

Fleet and Equipment Replacement Program:

- City vehicles and equipment are replaced based on the criteria listed in the following chart. In addition, other criteria such as safety standards and departmental need are factored in as well.
- The odometer/hour meter readings are accurate as of January 17, 2017

PRIORITIZATION CRITERIA SCORE*	
MAINTENANCE	VEHICLES PRIORITIZED BASED ON COST PER MILE
MILEAGE	VEHICLES PRIORITIZED BASED ON TOTAL MILES
AGE	VEHICLES PRIORITIZED BASED ON AGE
UTILIZATION	VEHICLES PRIORITIZED BASED ON MILES DRIVEN PER YEAR
*CRITERIA IS ENTERED INTO A MATRIX TO DETERMINE PRIORITY RANKING SCORE	

**SUMMARY OF RECOMMENDED FLEET AND EQUIPMENT
REPLACEMENT PROGRAM BY FUND
FY 2018-2022**

FY 2018

GENERAL FUND POLICE						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2027	SUV, EXCURSION, 4X4	2003	15	134,130	41	\$ 53,000
SV2028	SUV, EXCURSION, 4X4	2003	15	134,235	40	\$ 53,000
SV1022	AUTO, CROWN VICTORIA	2006	12	108,076	61	\$ 53,000
SV1054	AUTO, CROWN VICTORIA	2007	11	114,896	56	\$ 53,000
SV1026	AUTO, CROWN VICTORIA	2006	12	117,542	63	\$ 53,000
SV1031	AUTO, CROWN VICTORIA	2006	12	94,441	57	\$ 53,000
SV1025	AUTO, CROWN VICTORIA	2006	12	131,625	58	\$ 53,000
SV1011	AUTO, CROWN VICTORIA	2003	15	85,476	60	\$ 53,000
TOTAL						\$ 424,000

GENERAL FUND ADMIN POOL						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV93	AUTO, CROWN VICTORIA	2000	18	109,067	42	\$ 30,000
SV81	AUTO, CROWN VICTORIA	1998	20	89,715	33	\$ 30,000
SV97	AUTO, CROWN VICTORIA	2001	17	74,605	31	\$ 30,000
SV96	AUTO, CROWN VICTORIA	2001	17	95,055	41	\$ 30,000
SV1012	AUTO, CROWN VICTORIA	2003	15	68,109	34	\$ 30,000
TOTAL						\$ 150,000

GENERAL FUND COMMUNITY DEVELOPMENT						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV190	PICKUP, 1/2 TON	2000	18	70,753	35	\$ 40,000
SV144	PICKUP, 1/2 TON	1998	18	103,529	36	\$ 40,000
SV113	PICKUP, 1/2 TON	1998	20	99,800	35	\$ 40,000
SV199	PICKUP, 1/2 TON	2001	17	125,963	40	\$ 40,000
TOTAL						\$ 160,000

GENERAL FUND LEISURE						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV310	BUS, 28 PASS, AERO ELITE	1999	19	164,338	25	\$ 170,000
SV166	PICKUP, 1/2 TON	1996	22	114,129	44	\$ 40,000
SV167	PICKUP, 1/2 TON	1996	22	111,685	44	\$ 40,000
TOTAL						\$ 250,000

GENERAL FUND FIRE						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV338	TRUCK, HEAVY, LADDER	2004	14	96,371	37	\$ 1,100,000
SV2057	PICKUP, 1/2 TON	2008	10	98,503	19	\$ 45,000
NEW	SUV, EXCURSION, 4X4					\$ 53,000
TOTAL						\$ 1,198,000

GENERAL FUND FACILITIES						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV3005	VAN, 1/2 TON, CARGO	2000	18	150,485	48	\$ 40,000
NEW	TWO-MAN SCISSOR LIFT	2018				\$ 15,000
TOTAL						\$ 55,000

GENERAL FUND FLEET						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV177	PICKUP, 1 TON, FLATBED	1998	20	38,836	41	\$ 65,000
SV2046	SHOP TRUCK	2006	12	71,797	41	\$ 185,000
TOTAL						\$ 250,000

GENERAL FUND PARKS						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2005	PICKUP, 3/4 TON	2001	17	162,138	41	\$ 40,000
SV100	PICKUP, 1 TON, DUMP	1994	24	71,088	47	\$ 62,000
SV183	PICKUP, 1/2 TON	1999	19	103,985	40	\$ 40,000
SV2014	PICKUP, 1/2 TON	2002	16	107,013	36	\$ 40,000
NEW	DITCH WITCH VACUUM EXCAVATOR	2018				\$ 49,000
SV302	NEW HOLLAND TRACTOR	1998	20	1,930	39	\$ 65,000
SV340	JOHN DEERE GATOR	1997	21	3,559	39	\$ 15,000
TOTAL						\$ 311,000

ENTERPRISE FUND STREETS						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV170	PICKUP, 1/2 TON	1997	21	125,012	39	\$ 40,000
SV129	PICKUP, 1/2 TON	1995	23	100,950	43	\$ 40,000
SV102	PICKUP, 1/2 TON	1989	29	73,184	47	\$ 40,000
SV2022	PICKUP, 1/2 TON EXT CAB	2003	15	74,177	42	\$ 40,000
SV195	PICKUP, 3/4 TON	2000	18	83,356	48	\$ 40,000
SV238	TRACTOR 4X4	2002	16	4,425	39	\$ 80,000
SV181	PICKUP, 1/2 TON W/DIESEL FUEL TANK	1999	19	73,960	44	\$ 40,000
TOTAL						\$ 320,000

ENTERPRISE FUND REFUSE						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV346	TRUCK, HEAVY, RAPID RAIL	2006	12	100,013	42	\$ 330,000
SV372	TRUCK, HEAVY, FRONT LOADER	2009	9	88,322	36	\$ 330,000
TOTAL						\$ 660,000

ENTERPRISE FUND WASTEWATER						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV331	VAN, 2 TON, STEP, CAMERA VAN	1998	20	41,523	42	\$ 250,000
SV2039	PICKUP, 3/4 TON, 4X4	2005	13	92,645	48	\$ 40,000
SV156	CHEVY 3500 FLAT BED SPRAY RIG	1995	22	31,589		\$ 40,000
NEW	TRUCK, 1 TON, DUMP	2018				\$ 180,000
NEW	TRASH PUMP TRAILER MOUNT	2018				\$ 8,000
TOTAL						\$ 518,000

GRANT FUNDS TRANSIT						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV355	INTERNATIONAL	2007	11	193,362	32	\$ 200,000
SV351	INTERNATIONAL	2007	11	198,544		\$ 200,000
SV350	INTERNATIONAL	2007	11	161,980		\$ 200,000
SV379	ELDORADO EZRIDER II	2010	8	136,485	34	\$ 220,000
SV380	ELDORADO EZRIDER II	2010	8	132,871	32	\$ 220,000
TOTAL						\$1,040,000

TOTAL GRANT FUNDS						\$1,040,000
TOTAL ENTERPRISE FUND						\$1,498,000
TOTAL GENERAL FUND						\$2,798,000
GRAND TOTAL FY 2018						\$5,336,000

FY 2019

GENERAL FUND POLICE DEPARTMENT						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV1063	AUTO, CROWN VICTORIA	2007	12	90,172	48	\$ 53,000
SV1071	AUTO, CROWN VICTORIA	2007	12	100,839	47	\$ 53,000
SV1078	AUTO, CROWN VICTORIA	2008	11	78,100	40	\$ 53,000
SV1076	AUTO, CROWN VICTORIA	2008	11	89,325	45	\$ 53,000
SV1059	AUTO, CROWN VICTORIA	2007	12	82,628	42	\$ 53,000
SV1084	AUTO, CROWN VICTORIA	2008	11	78,944	44	\$ 53,000
SV1058	AUTO, CROWN VICTORIA	2007	12	88,359	43	\$ 53,000
SV13	AUTO, CROWN VICTORIA	2008	11	83,107	46	\$ 53,000
TOTAL						\$ 424,000

GENERAL FUND FIRE DEPARTMENT						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2035	PICKUP, 3/4 TON	2004	15	84,324	19	\$ 40,000
SV2011	AMBULANCE	2001	18	82,168	10	\$ 200,000
TOTAL						\$ 240,000

GENERAL FUND PARKS DEPARTMENT						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV188	PICKUP, 1/2 TON	2000	19	87,334	40	\$ 40,000
SV2004	PICKUP, 1/2 TON	2007	12	81,165	40	\$ 40,000
SV2040	PICKUP, 3/4 TON UTILITY	2005	14	85,252	49	\$ 50,000
SV143	PICKUP, 1/2 TON S-10 W/DIESEL FUEL TANK	1998	21	99,864	35	\$ 40,000
TOTAL						\$ 170,000

ENTERPRISE FUND REFUSE						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV375	TRUCK, HEAVY, RAPID RAIL	2009	10	67,247	36	\$ 320,000
SV376	TRUCK, HEAVY, RAPID RAIL	2009	10	59,937	36	\$ 320,000
SV335	TRACTOR, LOADER, KOMATSU	2004	15	8,742	42	\$ 205,000
SV336	TRUCK, MEDIUM, WATER, 1500	2000	19	18,268	45	\$ 140,000
TOTAL						\$ 985,000

ENTERPRISE FUND WASTEWATER						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV219	TRACTOR, TL-70	1999	20	2,244	45	\$ 140,000
SV237	TRACTOR, MOWER	1988	31	3,255	45	\$ 140,000
SV269	TRACTOR, DOZER	1982	37	1,314	45	\$ 250,000
TOTAL						\$ 530,000

ENTERPRISE FUND STREETS						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV191	PICKUP, 1/2 TON	2000	19	103,776	39	\$ 40,000
SV192	PICKUP, 1/2 TON	2000	19	106,398	36	\$ 40,000
SV2003	PICKUP, 3/4 TON	2001	18	85,459	40	\$ 40,000
SV2031	PICKUP, 3/4 TON, EXT CAB	2003	16	78,817	44	\$ 40,000
SV357	TRACTOR 4X4	2008	19	1,843	36	\$ 80,000
NEW	3YD CEMENT MIXER	2019				\$ 160,000
TOTAL						\$ 400,000

GRANT FUNDS TRANSIT							
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST	
SV374	ARBOC	2010	7	131,980	22	\$ 220,000	
SV93	FORD CROWN VIC	2000	17	109,067		\$ 30,000	
SV381	ELDORADO	2010	7	124,777	37	\$ 220,000	
SV377	ARBOC	2010	7	129,380	20	\$ 220,000	
TOTAL							\$ 690,000
TOTAL GRANT FUNDS							\$ 690,000
TOTAL ENTERPRISE FUND							\$1,915,000
TOTAL GENERAL FUND							\$ 834,000
GRAND TOTAL FY 2019							\$3,439,000

FY 2020

GENERAL FUND CITY MANAGER

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV1020	AUTO, CROWN VICTORIA	2005	15	89,154	40	\$ 30,000
TOTAL						\$ 30,000

GENERAL FUND POLICE DEPARTMENT

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2051	SUV, EXPLORER	2006	14	107,650	36	\$ 53,000
SV1077	AUTO, CROWN VICTORIA	2008	12	79,155	40	\$ 53,000
SV104	SUV, TAHOE, K9	2008	12	117,925	47	\$ 53,000
SV1061	AUTO, CROWN VICTORIA	2007	13	70,104	37	\$ 53,000
SV1082	AUTO, CROWN VICTORIA	2008	12	43,863	41	\$ 53,000
SV98	AUTO, CROWN VICTORIA	2001	19	87,385	53	\$ 53,000
SV1081	AUTO, CROWN VICTORIA	2008	12	73,600	35	\$ 53,000
TOTAL						\$ 371,000

GENERAL FUND FIRE

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV101	SUV, EXPEDITION, 4X4	2007	13	70,007	19	\$ 68,000
SV2060	AMBULANCE	2009	11	85,169	16	\$ 200,000
TOTAL						\$ 268,000

GENERAL FUND PARKS

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV172	PICKUP, 1/2 TON W/DIESEL FUEL TANK	1997	23	70,184	47	\$ 40,000
SV326	MOWER	2001	19	2,268	39	\$ 60,000
SV226	MOWER	2000	20	435	33	\$ 60,000
TOTAL						\$ 160,000

GENERAL FUND FLEET						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2049	PICKUP, 1/2 TON	2006	14	38,660	30	\$ 40,000
TOTAL						\$ 40,000

GENERAL FUND ENGINEERING						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2008	PICKUP, 1/2 TON EXT 4X4	2001	19	133,425	41	\$ 40,000
SV2015	PICKUP, 1 TON. UTILITY	2002	18	92,438	40	\$ 50,000
SV2030	PICKUP, 3/4 TON UTILITY	2003	17	103,858	40	\$ 50,000
TOTAL						\$ 140,000

ENTERPRISE FUND REFUSE						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV309	TRACTOR, UNILOADER	1999	21	2,619	39	\$ 40,000
SV328	COMPOST, SCREEN	2001	19	2,008	45	\$ 50,000
TOTAL						\$ 90,000

ENTERPRISE FUND WASTEWATER						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2024	PICKUP, 3/4 TON UTILITY 4X4	2003	17	100,089	40	\$ 50,000
SV2025	PICKUP, 3/4 TON UTILITY	2003	17	95,041	40	\$ 50,000
SV2041	PICKUP, 1 TON, UTILITY, 4X4	2005	15	79,610	46	\$ 50,000
TOTAL						\$ 150,000

ENTERPRISE FUND STREETS						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV198	PICKUP, 1/2 TON	2001	19	89,814	44	\$ 40,000
SV197	PICKUP, 1/2 TON	2001	19	89,718	36	\$ 40,000
SV2001	PICKUP, 1/2 TON	2001	19	97,317	36	\$ 40,000
TOTAL						\$ 120,000

GRANT FUNDS TRANSIT						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2092	BUS, 18 PASS, ARBOC	2013	7	100,992		\$ 200,000
SV2091	BUS, 18 PASS, ARBOC	2013	7	83,946		\$ 200,000
TOTAL						\$ 400,000
TOTAL GRANT FUNDS						\$ 400,000
TOTAL ENTERPRISE FUND						\$ 360,000
TOTAL GENERAL FUND						\$ 1,009,000
GRAND TOTAL FY 2020						\$ 1,769,000

FY 2021

GENERAL FUND POLICE DEPARTMENT

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2023	PICKUP, 1/2 TON, EXTENDED	2003	18	159,506	37	\$ 40,000
SV118	PICKUP, 3/4TON	2008	13	100,090	37	\$ 40,000
SV329	TRUCK, MEDIUM	2001	20	11,881	39	\$ 250,000
SV1087	AUTO, CROWN VICTORIA	2010	11	56,131	39	\$ 30,000
SV850	POLARIS MINI VEHICLE	2010	11	286	33	\$ 25,000
TOTAL						\$ 385,000

GENERAL FUND FIRE

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2059	AMBULANCE	2009	12	72,671	19	\$ 200,000
SV2053	VAN, 1 TON	2006	15	34,659	25	\$ 50,000
TOTAL						\$ 250,000

GENERAL FUND PARKS

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV107	PICKUP, 1 TON, CREW	2007	14	40,126	42	\$ 40,000
SV2047	PICKUP, 1/2 TON	2006	15	32,678	28	\$ 40,000
TOTAL						\$ 80,000

ENTERPRISE FUND REFUSE

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV356	CHIPPER, MORBARK	2006	15	1,561	42	\$ 785,000
TOTAL						\$ 785,000

ENTERPRISE FUND WASTEWATER

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2017	TRUCK, 1 TON, FLATBED	2002	19	58,436	34	\$ 40,000
SV2026	TRUCK, 3/4 TON, UTILITY	2003	18	102,846	36	\$ 50,000
SV719	AIR COMPRESSOR ATTACHED TO SV 2017	1988	33	N/A	39	\$ 20,000
SV731	PUMP, WHITEMAN	2000	21	N/A	39	\$ 10,000
TOTAL						\$ 120,000

ENTERPRISE FUND STREETS						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV345	TRUCK, MEDIUM SWEEPER	2006	15	56,869	42	\$ 100,000
SV2042	PICKUP, 3/4 TON	2006	15	71,508	46	\$ 40,000
SV369	TRACTOR, LOADER	2003	18	1,370	33	\$ 100,000
TOTAL						\$ 240,000
GRANT FUNDS TRANSIT						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2121	BUS, 18 PASS, ARBOC	2014	7	76,468	0	\$ 200,000
SV2122	BUS, 18 PASS, ARBOC	2014	7	51,238	0	\$ 200,000
TOTAL						\$ 400,000
TOTAL GRANT FUNDS						\$ 400,000
TOTAL ENTERPRISE FUND						\$ 1,145,000
TOTAL GENERAL FUND						\$ 715,000
GRAND TOTAL FY 2021						\$ 2,260,000

FY 2022

GENERAL FUND POLICE DEPARTMENT

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2023	PICKUP, 1/2 TON	2003	14	159,506		\$ 40,000
SV1051	AUTO, CROWN VICTORIA	2006	11	110,159		\$ 53,000
SV1029	AUTO, CROWN VICTORIA	2006	11	126,500		\$ 53,000
SV1055	AUTO, CROWN VICTORIA	2007	10	119,235		\$ 53,000
SV1028	AUTO, CROWN VICTORIA	2006	11	97,045		\$ 53,000
TOTAL						\$ 252,000

GENERAL FUND FIRE

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV318	PIERCE FIRE TRUCK PUMPER	2000	17	9,989		\$ 800,000
SV186	AMBULANCE	2000	17	92,942		\$ 200,000
SV252	PIERCE FIRE TRUCK PUMPER	2005	12	8,415		\$ 800,000
SV254	PIERCE DASH FIRE TRUCK	1991	26	5,198		\$ 1,000,000
TOTAL						\$ 2,800,000

GENERAL FUND PARKS

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2002	PICKUP, 3/4 TON	2001	16	136,925		\$ 40,000
SV241	TORO RIDING MOWER 3110	1995	22	2,340		\$ 70,000
SV249	CASE 570 LXT 3110	1998	19	3,780		\$ 90,000
SV117	PICKUP, 1/2 TON	2008	9	54,838		\$ 40,000
TOTAL						\$ 240,000

ENTERPRISE FUND REFUSE

REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2034	BOXVAN	2003	14	98,101		\$ 60,000
SV2016	PICKUP, 1/2 TON EXT CAB	2002	15	66,095		\$ 40,000
SV3011	TRUCK, MEDIUM	2000	17	65,100		\$ 200,000
SV33	AUTO, CROWN VICTORIA	1998	19	53,869		\$ 30,000
TOTAL						\$ 330,000

ENTERPRISE FUND WASTEWATER						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2033	TRUCK, MEDIUM	2003	14	147,411		\$ 200,000
SV352	VACTOR SEWER	2007	10	9,770		\$ 450,000
SV2043	PICKUP, 1/2 TON	2006	11	63,000		\$ 40,000
TOTAL						\$ 690,000
ENTERPRISE FUND STREETS						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV312	TRUCK, MEDIUM DUMP	2000	17	48,223		\$ 200,000
SV196	PICKUP, 1 TON	2000	17	31,782		\$ 40,000
SV324	BUCKET LIFT	2001	16	90,655		\$ 200,000
SV116	PICKUP, 1 TON, DUMP	2006	11	61,470		\$ 60,000
TOTAL						\$ 500,000
GRANT FUNDS TRANSIT						
REFERENCE NUMBER	DESCRIPTION	YEAR	AGE	METER	POINTS	COST
SV2066	VAN, 1/2 TON, WHEELCHAIR	2010	7	21,031		\$ 40,000
TOTAL						\$ 40,000
TOTAL GRANT FUNDS						\$ 40,000
TOTAL ENTERPRISE FUND						\$ 1,520,000
TOTAL GENERAL FUND						\$ 3,292,000
GRAND TOTAL FY 2022						\$ 4,852,000

STREET RECONSTRUCTION PROGRAM

- Street Reconstruction of the local, collector, residential, and arterial streets is determined based on the following criteria, plus the average daily traffic (ADT) counts recorded annually. Strategies for replacing/reconstructing a street asset (overlays, reconstructions, and SAMS) occur when the street is in a poor to failed condition. General preventative, routine maintenance is performed to the street assets in good condition as part of the normal O&M programs.

STREET RATING SYSTEM		
SURFACE RATING	VISIBLE DISTRESS	GENERAL CONDITION/TREATMENT MEASURES
5 EXCELLENT	NONE	NEW CONSTRUCTION/RECENT OVERLAY. 3-5 YR - RUBBERIZED ACRYLIC SEAL, CRACK SEAL GUTTER LINE
4 GOOD	VERY SLIGHT OR NO RAVELING. SOME LONGITUDINAL CRACKS. ALL CRACKS SEALED OR TIGHT (LESS THAN 1/4 IN). LESS THAN 20% ALLIGATOR AND/OR 30% RUTTING.	FIRST SIGNS OF AGING. 5-10 YR-CRACK FILL, ACRYLIC, SLURRY SEAL, CONVENTIONAL CHIP. MAINTAIN WITH ROUTINE CRACK FILLING, MINOR PATCHING AND EXTEND LIFE WITH RUBBERIZED ACRYLIC SEAL.
3 FAIR	MODERATE TO SEVERE RAVELING (LOSS OF FINE AND COARSE AGGREGATE). LONGITUDINAL AND TRAVERSE CRACKS OPEN. (1/4-1/2 IN). LESS THAN 50% ALLIGATOR AND/OR 60% RUTTING.	SURFACE AGING. CRACK SEAL, RUBBERIZED ACRYLIC SEAL, SAMS, ACFC. MINOR REPAIRS WITH PATCHING AND SEALCOAT.
2 POOR	CLOSELY SPACED LONGITUDINAL AND TRAVERSE CRACKS. LESS THAN 75% ALLIGATOR AND/OR 75% RUTTING. PATCHES IN FAIR TO POOR CONDITION. OCCASIONAL POTHOLE.	MAJOR PATCHING AND REPAIR PRIOR TO AC OVERLAY. CRACK SEAL, SAMS, OVERLAY, PATCHING. MILLING AND REMOVAL OF DETERIORATION EXTENDS LIFE OF OVERLAY.
1 FAILED	SEVERE RAVELING DISTRESS WITH EXTENSIVE LOSS OF SURFACE INTEGRITY. ALLIGATOR CRACKING AND RUTTING GREATER THAN 75%. POTHOLES	FAILED. COLD MILL RECYCLE, BOMAG/OVERLAY, MILL/OVERLAY. NEEDS TOTAL RECONSTRUCTION.

FY 2018 PROJECTS

STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
CORRAL RD	AVENIDA DEL SOL	END	32,096	1	\$ 145,000
SULGER PAVEMENT	VARIOUS		N/A	1	\$ 45,000
LEFT TURN SIGNAL	AVENIDA COCHISE	CORONADO	N/A	N/A	\$ 35,000
N GARDEN/FRY DESIGN	NORTH GARDEN	FRY	N/A	N/A	\$ 400,000
SCHOOL CROSSWALK	AVENIDA DEL SOL	PASEO LAS PALMAS	N/A	N/A	\$ 30,000
SCHOOL CROSSWALK	AVENIDA COCHISE	CORONADO	N/A	N/A	\$ 50,000
N MOSON ROAD	S.R. 90	MURRAY SPRINGS	147,024	1	\$ 200,000
WILCOX DR	BUFFALO SOLDIER TRAIL	SEVENTH ST	230,828	2	\$ 1,200,000
CHARLESTON WALL II	LEONARDO DA VINCI	COLOMBO	N/A	1	\$ 150,000
FY 2018 Project Total					\$ 2,255,000

FY 2018 SAMS

Street	From Street	To Street	Sq Ft	Rating	COST
DRIFTWOOD CIRCLE	CRESTWOOD DR	CRESTWOOD DR	30,520	2	\$ 14,412
DRIFTWOOD COURT	DRIFTWOOD CIRCLE	END	7840	2	\$ 3,702
VIA CAMELLIA	CAMINO BELLA ROSA	END	7,684	2	\$ 3,629
VIA LA CRESTA	CAMINO BELLA ROSA	END	8,399	2	\$ 3,966
TACOMA ST	CORONADO DR	END	151,126	2	\$ 71,365
MOORMAN AVE	WILCOX DR	SANTA CATALINA DR	11,350	2	\$ 5,360
CALLE CUMBRE	BARRANCA ARBOLADA	LA CANADA	19,684	2	\$ 9,295
MOORMAN AVE	CORONADO DR	E FRY BLVD	33,440	2	\$ 15,791
CHARLESTON RD	S.R. 90	TREE TOP AVE	118,864	2	\$ 56,130
CORONADO DR	E FRY BLVD	MLK DR	105,472	2	\$ 49,806
JUDD ST	JENNIFER LN	GOLF LINKS RD	58,275	2	\$ 27,519
TACOMA ST	PFISTER AVE	TAYLOR DR	36,360	2	\$ 17,170
SAINTE ANDREWS DR	S.R. 92	BUFFALO SOLDIER TRAIL	244,260	2	\$ 115,345
TIFFANY PL	CORONADO DR	END	15,456	2	\$ 7,299
FOOTHILLS DR	CORONADO DR	END	60192	2	\$ 28,424
ASHLEY PLACE	FOOTHILLS DR	END	9800	2	\$ 4,627
DONNA PL	CORONADO DR	END	17920	2	\$ 8,463
LEA ST	GOLF LINKS RD	MEADOWS DR	37,120	2	\$ 17,529
NORTH AVE	KAYETAN DR	TAYLOR DR	55,896	2	\$ 26,395
FORT AVE	N GARDEN AVE	KAYETAN DR	49,874	2	\$ 23,552
PASEO SAN LUIS	FOOTHILLS DR	SNYDER BOULEVARD	67,640	2	\$ 31,941
FY 2018 SAMS Total					\$ 541,720
FY 2018 Grand Total					\$ 2,796,720

FY 2019 PROJECTS

STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
NORTH GARDEN CONST.					\$ 2,600,000
SULGER PAVEMENT	VARIOUS			1	\$ 40,000
Total					\$ 2,640,000

FY 2019 SAMS

STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
RAINBOW WAY	S.R. 90	BLUE HORIZON	49,504	2	\$ 23,377
BARTOW DR	CARMICHAEL AVE	FIFTH ST	67,035	2	\$ 31,655
PASEO DE LA LUNA	VIA RIATA	AVENIDA COCHISE	78,470	2	\$ 37,055
NORTH AVE	TAYLOR DR	W FRY BLVD	98,031	2	\$ 46,292
E BUSBY DR	SEVENTH ST	CALLE DEL NORTE	221,056	3	\$ 104,388
TACOMA ST	SEVENTH ST	LENZNER AVE	132,616	3	\$ 62,624
TACOMA ST	SEVENTH ST	FIRST ST	70,524	3	\$ 33,303
FAB AVE	W FRY BLVD	WILCOX DR	32,088	3	\$ 15,153
TERRA DR	GOLF LINKS RD	HIGHLAND DR	50,720	3	\$ 23,951
JOSHUA TREE DR	OCOTILLO DR	END	59,772	3	\$ 28,226
SNEAD DR	SAINT ANDREWS DR	PLAYER DR	75,460	3	\$ 35,634
ESSEX DR	SEVENTH ST	END	50,204	3	\$ 23,707
CARMELITA DR	SEVENTH ST	LENZNER AVE	133,538	3	\$ 63,060
AVENIDA COCHISE	VIA RIATA	CAMINO MONTANA	33,902	3	\$ 16,009
NORTH AVE	CYR CENTER	KAYETAN DR	24,300	3	\$ 11,475
CARMICHAEL AVE	DANSER DR	SCHOOL DR	72,922	3	\$ 34,435
GIULIO CESARE AVE	CHARLESTON RD	S.R. 90	201,971	3	\$ 95,375
CRESTVIEW WAY	SUNFLOWER WAY	AVENIDA COCHISE	14,420	3	\$ 6,809
MESA ST	PRAIRIE ST	SAVANNA DR	7,264	3	\$ 3,430
PRAIRIE ST	GOLF LINKS RD	MEADOWS DR	51,808	3	\$ 24,465
QUAIL PLACE	QUAIL RUN DR	END	7,264	3	\$ 3,430
MYER DR	CARMICHAEL AVE	SEVENTH ST	99,360	3	\$ 46,920
Total					\$ 770,773

FY 2019 Total

\$ 3,410,773

FY 2020 SAMS

STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
PAMPAS PL	SEVENTH ST	END	22,336	3	\$ 10,548
TAYLOR DR	CYR CENTER	TACOMA ST	70,884	3	\$ 33,473
LENZNER AVE	E FRY BLVD	CARMELITA DR	82,018	3	\$ 38,731
CAMELOT RD	SEVENTH ST	REGENCY DR	24,128	3	\$ 11,394
CATALINA DR	OCOTILLO DR	TACOMA ST	77,280	3	\$ 36,493
E CARDINAL DR	CARDINAL AVE	EL CAMINO REAL	63,750	3	\$ 30,104
CALLE VISTA	PASEO SAN LUIS	VIA RIATA	70,490	3	\$ 33,287
INDUSTRY DR	S.R. 90	TECHNOLOGY DR	37,856	3	\$ 17,876
TAYLOR DR	N GARDEN AVE	TACOMA ST	85,280	3	\$ 40,271
CAMINO EL JARDIN	CANYON DE FLORES	END	21,896	3	\$ 10,340
CHERRY HILLS DR	NEWPORT AVE	GREENBRIAR RD	32,480	3	\$ 15,338
MLK DR	S.R. 90	AVENIDA ESCUELA	105,465	3	\$ 49,803
MOORMAN AVE	E FRY BLVD	WILCOX DR	37,488	3	\$ 17,703
FOOTHILLS DR	S.R. 92	SNYDER BOULEVARD	220,110	3	\$ 103,941
VIA ENTRADA	E DESERT SHADOWS	S SUNSET VISTA DR	17,724	3	\$ 8,370
CHARLESTON RD	FIGHTING COLT DR	EAST COUNTY LINE	85,248	3	\$ 40,256
PASEO CIELO	E DESERT SHADOWS DR	END	3,360	3	\$ 1,587
WINDSOR DR	TOWN AND COUNTRY	END	11,312	3	\$ 5,342
JUDD PL	JUDD ST	END	8,224	3	\$ 3,884
PFISTER AVE	TACOMA ST	TAYLOR DR	19,580	3	\$ 9,246
VIA ENTRADA	CEDAR SPRINGS DR	E DESERT SHADOWS	6,860	3	\$ 3,239
WINDSOR DR	CHANTILLY DR	CANTERBURY DR	15,008	3	\$ 7,087
CRESTWOOD DR	CORONADO DR	CHANTILLY DR	68,780	3	\$ 32,479
HIGHLAND DR	LEA ST	MEADOWS DR	33,728	3	\$ 15,927
RIDGE CREST CT	RIDGE CREST ST	END	8,680	3	\$ 4,099
SYCAMORE DR	NORTH AVE	PFISTER AVE	14,850	3	\$ 7,013
VIOLA PLACE	VIOLA DR	END	7,452	3	\$ 3,519
E DESERT SHADOWS	AVENIDA DEL SOL	MESA VERDE DR	67,716	3	\$ 31,977
LENZNER AVE	WILCOX DR	BUSBY DR	74,307	3	\$ 35,089
BARRANCA ARBOLADA	CALLE CUMBRE	END	23,128	3	\$ 10,922
SKYLINE CT	SKYLINE AVE	END	7,812	3	\$ 3,689
WOLFE ST	NORTH AVE	CARMICHAEL AVE	27,000	3	\$ 12,750

FY 2020 SAMS (continued)

STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
CHARLES DR	SECOND ST	SEVENTH ST	52,496	3	\$ 24,790
KEATING ST	NORTH AVE	CARMICHAEL AVE	29,400	3	\$ 13,883
PAMPAS PL	SEVENTH ST	END	22,336	3	\$ 10,548
FY 2020 Total					\$ 734,998

FY 2021 PROJECTS					
STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
SULGER PAVEMENT	VARIOUS	N/A	N/A	2	\$ 200,000
FY 2021 Project Total					\$ 200,000

FY 2021 SAMS					
STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
JAMES DR	NORTH AVE	TAYLOR DR	23,528	3	\$ 11,110
FOOTHILLS DR	CORONADO DR	END	60,192	3	\$ 28,424
SAVANNA DR	GOLF LINKS RD	SEVENTH ST	74,366	3	\$ 35,117
STEFFENS ST	CARROLL DR	CARMICHAEL AVE	46,080	3	\$ 21,760
INVERRARY DR	OAK HILL STREET	PEBBLE BEACH DR	35,560	3	\$ 16,792
E CIELO CIR	MEDITERRANEAN DR	MEDITERRANEAN DR	26,740	3	\$ 12,627
ELDER CT	NICHOLS DR	END	8,960	3	\$ 4,231
HURON PL	SUMA DR	END	10,121	3	\$ 4,779
LENZNER AVE	BUSBY DR	GOLF LINKS RD	73,680	3	\$ 34,793
DRIFTWOOD COURT	DRIFTWOOD CIRCLE	END	7,840	3	\$ 3,702
TOWN AND COUNTRY	GOLF LINKS RD	PICCADILLY DR	123,360	3	\$ 58,253
N SECOND ST	SCHOOL DR	TACOMA ST	26,372	3	\$ 12,453
CALLE MERCANCIA	AVENIDA COCHISE	S.R. 92	95,684	3	\$ 45,184
CAMINO ARROYO	CAMINO BELLA ROSA	END	59,840	3	\$ 28,258
CHATEAU DR	WINDSOR DR	DEVONSHIRE DR	25,620	3	\$ 12,098
LENZNER AVE	CARMELITA DR	LAS BRISAS WAY	83,592	3	\$ 39,474
BARTOW DR	FIFTH ST	SEVENTH ST	15,120	3	\$ 7,140
TREE TOP AVE	CHARLESTON RD	S.R. 90	58,912	3	\$ 27,820
LENZNER AVE	E FRY BLVD	WILCOX DR	44,436	3	\$ 20,984
SHADOW RIDGE DR	CHEROKEE AVE	MOUNTAIN RIDGE DR	82,080	3	\$ 38,760
DEVONSHIRE DR	WINDSOR DR	CHANTILLY DR	37,240	3	\$ 17,586
CORTE ENCANTADA	PASEO DE LA LUNA	END	13,944	3	\$ 6,585
VIA SERENA PL	VIA SERENA	END	5,600	3	\$ 2,644
CHARLES DR	SEVENTH ST	PALO VERDE DR	26,040	3	\$ 12,297
ASHLEY PLACE	FOOTHILLS DR	END	9,800	3	\$ 4,628
S GARDEN AVE	W FRY BLVD	WILCOX DR	17,940	3	\$ 8,472
THUNDERBIRD DR	CORAL RIDGE DR	SAINT ANDREWS DR	72,408	3	\$ 34,193

PLAZA DE LA YERBA	VIA LAS PAMPAS	END	48,246	3	\$	22,783
BREWER DR	SAINT ANDREWS DR	PLAYER AVENUE	60,228	3	\$	28,441
LITTLER CT	PLAYER AVENUE	END	6,888	3	\$	3,253
TACOMA ST	TAYLOR DR	CARMICHAEL AVE	20,400	3	\$	9,633
N THIRD ST	THEATRE DR	NORTH COUNTY LINE	8,320	3	\$	3,929
DENMAN AVE	N SECOND ST	N CANYON DR	17,952	3	\$	8,477
DONNA PL	CORONADO DR	END	17,920	3	\$	8,462
BEL AIR PLACE	E FRY BLVD	WILCOX DR	33,408	3	\$	15,776
PICCADILLY CR	PICCADILLY LN	END	11,648	3	\$	5,500
CARDINAL PL	AVENIDA ESCUELA	END	6,272	3	\$	2,962
CENTRAL PARK DR	ORLANDO PL	END	103,190	3	\$	48,729
CITADEL DR	QUEBENS WAY	END	46,233	3	\$	21,832
PASEO CIELO	E DESERT SHADOWS DR	VIA ENTRADA	12,516	3	\$	5,910
SNEAD DR	SAINT ANDREWS DR	PLAYER DR	75,460	3	\$	35,634
FY 2021 SAMS Total					\$	771,485
FY 2021 Grand Total					\$	971,485

FY 2022 SAMS

STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
SUFFOLK DR	SEVENTH ST	REGENCY DR	24,640	3	\$ 11,636
BLUE BIRD DR	S.R. 92	COUNTY LINE	16,684	3	\$ 7,879
SECOND ST	EFY BLVD	MYER DR	45,400	3	\$ 21,439
E WILDEWOOD CT	SHADOW LN	END	8,316	3	\$ 3,927
BLUE BIRD DR	AVE ESCUELA	CALLE PORTAL	13,080	3	\$ 6,177
VIA DEL TRINIDAD	CALLE JASMIN	END	14,892	3	\$ 7,032
PETERSON ST	CARROLL DR	CARMICHAEL AVE	51,240	3	\$ 24,197
S CARMICHAEL AVE	FRY BLVD	BUSBY DR	119,280	3	\$ 56,327
LAUREL LN	CORONADO DR	PICCADILLY LN	29,624	3	\$ 13,989
REMINGTON DR	AVENIDA COCHISE	TAOS DR	34,000	3	\$ 16,056
S GARDEN AVE	WILCOX DR	BUFFALO SOLDIER TRAIL	42,688	3	\$ 20,158
WHITTON ST	CARROLL DR	N GARDEN AVE	16,632	3	\$ 7,854
LANGAN AVE	SYCAMORE DR	TACOMA ST	20,664	3	\$ 9,758
AVENIDA DEL SOL	SNYDER BOULEVARD	CALLE CUMBRE	54,016	3	\$ 25,508
E DAKE RD	CHARLESTON RD	EAST COUNTY LINE	45,240	3	\$ 21,363
DUCHESS DR	CITADEL DR	BUSBY DR	39,452	3	\$ 18,630
VIA SERENA	DESERT SHADOWS	VIA SERENA PL	7,980	3	\$ 3,768
BROCKBANK PL	TAYLOR DR	CARMICHAEL AVE	20,576	3	\$ 9,716
CEDAR DR	TREE TOP AVE	PINE TREE DR	17,160	3	\$ 8,103
CANYON CREST DR	RIDGE CREST ST	SHADOW RIDGE DR	16,604	3	\$ 7,841
COTTONWOOD DR	LENZNER AVE	SILVERWOOD DR	40,732	3	\$ 19,235
SHERBUNDY ST	CARROLL DR	CARMICHAEL AVE	49,476	3	\$ 23,364
GRAHAM AVE	TACOMA ST	TAYLOR DR	18,564	3	\$ 8,766
RAYMOND DR	SCHOOL DR	SEVENTH ST	27,240	3	\$ 12,863
VIA CARISMA	CAMINO BELLA ROSA	END	7,755	3	\$ 3,662
N GIUSEPPE PL	E EVERGREEN DR	END	10,444	3	\$ 4,932
ANDREA DORIA DR	N DE MEDICI DR	E MARCONI DR	13,020	3	\$ 6,148
CARGIL DR	CARMICHAEL AVE	NELSON DR	27,120	3	\$ 12,807
NORMAN AVE	SYCAMORE DR	TACOMA ST	13,200	3	\$ 6,233
CORTE BRUMOSO	PASEO DE LA LUNA	END	11,900	3	\$ 5,619
GOLF LINKS RD	BUFFALO SOLDIER TRAIL	SEVENTH ST	121,488	3	\$ 57,369
WINDSOR DR	TOWN AND COUNTRY	CHANTILLY DR	31,220	3	\$ 14,743

FY 2022 SAMS (continued)

STREET	FROM STREET	TO STREET	SQ FT	RATING	COST
TREVINO DR	JACKLIN AVENUE	HAGEN AVENUE	41,300	3	\$ 19,503
E BUSBY DR	MOUNTAIN VISTA APT	END	20,263	3	\$ 9,569
N SECOND ST	E FRY BLVD	DENMAN AVE	32,480	3	\$ 15,338
PINE TREE DR	TREE TOP AVE	CHARLESTON RD	44,000	3	\$ 20,778
CANYON DE FLORES	LOMA VENTOSA	SAINT ANDREWS DR	54,340	3	\$ 25,661
MEDITERRANEAN DR	N COLOMBO AVE	TOSCANNI AVE	42,826	3	\$ 20,223
PLAYER AVENUE	GREENBRIER RD	SAINT ANDREWS DR	73,920	3	\$ 34,907
CHANTILLY DR	SEVENTH ST	CRESTWOOD DR	81,210	3	\$ 38,349
JOSEPH PLACE	LENZNER AVE	END	10,624	3	\$ 5,017
VIA DE LOMAS	VIA CERRITO	AVENIDA DEL SOL	41,160	3	\$ 19,437
FREIHAGE DR	CARMICHAEL AVE	NELSON DR	37,152	3	\$ 17,544
CAMINO BELLA ROSA	CANYON DE FLORES	CAMINO ARROYO	73,304	3	\$ 34,616
DE PALMA ST	TAYLOR DR	TACOMA ST	18,540	3	\$ 8,755
LEXINGTON DR	CORONADO DR	PICCADILLY LN	30,100	3	\$ 14,214
CLARK DR	SCHOOL DR	SEVENTH ST	17,612	3	\$ 8,317
Total					\$ 769,327

IV. SEWER LINE RECONSTRUCTION MAINTENANCE PROGRAM

- The sewer line reconstruction program is based on annual camera inspection of all main City sewer lines. Once the sewer lines are inspected and camera footage is recorded, the following criteria are used to prioritize sewer line maintenance and/or replacement/reconstruction. Strategies for capital asset replacement of the sewer line system occur when the sewer is in poor to failed condition.

SEWER RATING SYSTEM			
RATING	STRUCTURAL DISTRESS	O & M DISTRESS	GENERAL CONDITION/ TREATMENT MEASURES
5 EXCELLENT	ROUGHNESS INCREASED, CIRCUMFERENTIAL CRACK, MEDIUM JOINT OFFSET.	SOME FINE LATERAL ROOTS, <=5% OBSTRUCTIONS, ATTACHED, SETTLED AND INGRESS DEPOSITS. SOME VERMIN, COCKROACH OR OTHER.	MINOR DEFECTS, FAILURE UNLIKELY IN FORESEEABLE FUTURE. ANNUAL CLEANING.
4 GOOD	MINOR SURFACE SPALLING, LONGITUDINAL CRACK, CIRCUMFERENTIAL FRACTURE, LARGE JOINT OFFSET.	SOME FINE BARREL ROOTS, LATERAL TAP ROOTS AT JOINT, "WEEPER" INFILTRATION, <=10% OBSTRUCTIONS, ATTACHED, SETTLED AND INGRESS DEPOSITS, AND INTRUDING SEAL MATERIAL. <=20 DEGREE LINE, <=30% WATER LEVEL. SOME RATS	DEFECTS HAVE NOT BEGUN TO DETERIORATE, PIPE UNLIKELY TO FAIL FOR AT LEAST 20 YEARS. CAMERA VAN INSPECTIONS, ANNUAL CLEANING.
3 FAIR	AGGREGATE VISIBLE, PROJECTING, LINING FAILURE, SOME WELD FAILURE, MULTIPLE CRACKS, LONGITUDINAL AND SPIRAL FRACTURES, SOME DISPLACED BRICKWORK AND MISSING MORTAR.	SOME BARREL ROOTS AT JOINT, "DRIPPER" INFILTRATION, <=20% OBSTRUCTIONS, ATTACHED, SETTLED AND INGRESS DEPOSITS, AND INTRUDING SEAL MATERIAL. <=50% WATER LEVEL.	MODERATE DEFECTS THAT WILL CONTINUE TO DETERIORATE, PIPE MAY FAIL IN 10-20 YEARS. CAMERA VAN INSPECTIONS, ANNUAL CLEANING, MINOR "HOT SPOT" REPAIRS.

<p>2 POOR</p>	<p>MULTIPLE FRACTURES, SOME BROKEN PIPE, AGGREGATE MISSING, LOCALIZED LINING DEFECTIVE, PATCH REPAIRS</p>	<p>MEDIUM BARREL, LATERAL AND CONNECTION ROOTS AT JOINT, "RUNNER" INFILTRATION, <=30% OBSTRUCTIONS, INTRUDING SEAL MATERIALS, >20 DEGREE LINE. > 50% WATER LEVEL AND >= 50% WATER MARK.</p>	<p>SEVERE DEFECTS THAT WILL BECOME GRADE 1 DEFECTS WITHIN THE FORESEEABLE FUTURE, PIPE WILL PROBABLY FAIL IN 5-10 YEARS. CAMERA VAN INSPECTIONS, SEMI- ANNUAL CLEANING, MAJOR "HOT SPOT" REPAIRS.</p>
<p>1 FAILED</p>	<p>PIPE FAILURE, SOIL AND VOID VISIBLE, MISSING WALL, REINFORCEMENT CORRODED, DROPPED INVERT.</p>	<p>BALL ROOTS AT JOINT, "GUSHER" INFILTRATION, >30% OBSTRUCTIONS, INTRUDING SEAL MATERIALS. >75% WATER MARK.</p>	<p>DEFECTS REQUIRING IMMEDIATE ATTENTION, PIPE HAS FAILED OR WILL LIKELY FAIL WITHIN THE NEXT 5 YEARS. IMMEDIATE REPAIR OF LINE.</p>

DEPARTMENT OF PUBLIC WORKS
Sewer line reconstruction Maintenance Program
FY 2018 - 2022

FY 2018					
LOCATION	PRIORITY	QUANTITY	MANHOLE	RATING	COST
CHARLESTON SIPHON ASSESSMENT	1	7,500		3	\$ 140,000
TACOMA/SEVENTH SEWER LINE ACCESS	2				\$ 30,000
Total					\$ 170,000

FY 2019					
LOCATION	PRIORITY	QUANTITY	MANHOLE	RATING	COST
SYCAMORE DRIVE PIPE LINING	1	500		2	\$ 100,000
FOOTHILLS AND CAMINO AMABLE PIPE LINING	2	50		2	\$ 50,000
Total					\$ 150,000

FY 2020					
LOCATION	PRIORITY	QUANTITY	MANHOLE	RATING	COST
PDS CONNECTOR GRADE RECOMPACTON	1	15,000	25	3	\$ 125,000
Total					\$ 125,000

FY 2021					
LOCATION	PRIORITY	QUANTITY	MANHOLE	RATING	COST
RELOCATE SEWER LINE FRY/CARL HAYDEN DRIVE	1	375		2	\$ 150,000
Total					\$ 150,000

FY 2022					
LOCATION	PRIORITY	QUANTITY	MANHOLE	RATING	COST
EPOXY COAT MANHOLES – VARIOUS LOCATIONS	1		12	2	\$ 120,000
Total					\$ 120,000

V. WATER & WASTEWATER TREATMENT FACILITY REPLACEMENT PROGRAM

- The Wastewater Treatment Facility at the Environmental Operations Park contains several large asset components (i.e., pumps, aerators, clarifiers, etc.) and the replacement program for these assets is based on the following life expectancy intervals, provided proper preventative maintenance was performed as scheduled. Each asset is visually inspected on a yearly basis and tested for structural integrity. For example, electrical systems are load tested to ensure proper electrical capacity and performance.
- The City owns and operates 4 potable water well sites, varying in age from 10 years to 35 years. Life expectancy of potable water well system components (i.e., pumps, storage tanks, distribution systems, electrical systems, etc.) varies based on use, size of the well, and demand on the well system.
- Listed below are the anticipated replacement intervals for water and wastewater treatment capital asset components:

WATER AND WASTEWATER TREATMENT FACILITY REPLACEMENT INTERVALS	
ASSET	REPLACEMENT INTERVAL
Clarifiers	30 years
Centrifuges	20 years
Aerators	10 years
Electrical Systems	20 years
Potable Water Well Distribution Systems	30 years
Potable Water Well Storage Tanks	25 years
Potable Water Well Pump Assemblies	10 years

**DEPARTMENT OF PUBLIC WORKS
Proposed Water and Wastewater Treatment Asset Replacement Plan**

FY 2018-2022

FY 2018				
LOCATION	PRIORITY	REPLACEMENT INTERVAL	COST	
VETERANS PARK WELL REFURBISH	1	15	\$ 80,000	
WATER REUSE PROJECT	1	N/A	\$ 400,000	
THIRD STREET WASH STABILIZATION	1	N/A	\$ 75,000	
Total			\$ 555,000	
FY 2019				
LOCATION	PRIORITY	REPLACEMENT INTERVAL	COST	
EOP MECHANICAL BAR SCREEN	1	20	\$ 180,000	
Total			\$ 180,000	
FY 2020				
LOCATION	PRIORITY	REPLACEMENT INTERVAL	COST	
EOP RECHARGE BASIN ACTUATORS	1	20	\$ 90,000	
Total			\$ 90,000	
FY 2021				
LOCATION	PRIORITY	REPLACEMENT INTERVAL	COST	
AIRPORT WELL #2 REFURBISH	1	15	\$ 80,000	
Total			\$ 80,000	
FY 2022				
LOCATION	PRIORITY	REPLACEMENT INTERVAL	COST	
EOP PARTIAL MIX BASIN A2 RE-LINE	1	15	\$ 220,000	
Total			\$ 220,000	

VI. PARKS FACILITIES/SPORTS FIELD/GROUNDS ASSET REPLACEMENT PROGRAM

- All public parks, sport fields and grounds asset replacement items are based on the following life cycle intervals, presuming proper preventive maintenance was performed as scheduled and each item is subject to normal usage. All items are monitored and inspected for safety, proper operation, and structural condition (see rating system chart below). If it is found that an asset has deteriorated to a replacement point, said replacement or removal from service will be recommended regardless of suggested replacement intervals.

PARKS FACILITIES, SPORT FIELDS & GROUNDS REPLACEMENT INTERVALS	
Asset	Replacement Interval
Playgrounds	15-20 Years
Shade Structures	15-20 Years
Irrigation Systems	15-30 Years
Pool Systems	10-15 Years
Lighting Systems	30-40 years
Sports Fields	15-40 Years
Sport Courts	15-20 Years
Trails & Paths	15-20 Years
Parking Lots	15-30 Years

- Along with the recommended asset replacement intervals, items are also rated to help determine their condition. Rating for capital replacements can include sub-systems of significant cost such as playgrounds, shade structures, irrigation systems, pool systems, lighting systems, sport fields, sport courts, trails & paths, parking lots, equipment, and vehicles. Safety concerns and overall condition of items are rated using the chart below to help determine priority of replacement, along with the projected life span.

PARKS FACILITIES, SPORT FIELDS & GROUNDS RATING SYSTEM

RATING	STRUCTURAL CONDITION	LIFE SPAN %	PREVENTATIVE MAINTENANCE MEASURES
5 Excellent	Like New	80- 100%	Perform required inspections and maintenance.
4 Good	Minimal deterioration- fading, scratches, dents, minor degradation on parts or sections, meets manufacture's specifications and it's intended use	60- 80%	Perform required inspections and maintenance.
3 Fair	Some deterioration- fading, scratches, dents, medium degradation on parts or sections, continues to meet manufacture's specifications and it's intended use	40- 60%	Perform required inspections and maintenance. Focus is on details of the component is stressed at this point and replacement of parts or sections showing signs of deterioration is a priority.
2 Poor	Noticeable deterioration-failure of parts start to occur, degradation becomes more of a concern, meeting manufacture's specifications or it's intended use becomes more of a challenge	20- 40%	Perform required inspections and maintenance. Focus is on details of the component is stressed even more at this point and replacement of parts or sections showing signs of deterioration is a priority. Maintenance costs start to become an issue.
1 Failure	Deterioration-failure of parts continue to occur, degradation becomes a safety issue, may no longer meet manufacture's specifications or it's intended use	0- 20%	Perform required inspections and maintenance. Focus is on details of the component is highly stressed at this point and replacement of parts or sections showing signs of deterioration is a priority. Determination must be made if equipment is safe, cost effect, needs to be replaced or taken out of service.

**DETAILED SUMMARY OF RECOMMENDED
PARKS FACILITIES, SPORT FIELDS & GROUNDS
ASSET REPLACEMENT PROGRAM**

FY 2018-2022

FY 2018						
LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST	
ARBENZ FIELD	MUSCO LIGHT WARRANTIES	2004	1	2	\$ 32,000	
BELLA VISTA PARK	TOT-TURF REPAIR/RESURFACE	1995	2	2	\$ 25,000	
PURPLE HEART PARK	PLAYGROUND/TOT TURF//SHADE	1997	2	3	\$ 62,000	
VMP PLAYGROUND	ADA SWING SET/TOT TURF		2	2	\$ 50,000	
TOTAL					\$ 169,000	

FY 2018 - COVE						
LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST	
POOL WATER HEATERS	REPLACEMENT OF HEATER SYSTEM	2002	1	2	\$ 100,000	
WAVE MACHINE	WAVE MACHINE SYSTEM REPLACEMENT	2002	1	1	\$ 390,000	
TOTAL					\$ 490,000	

FY 2019						
LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST	
LEN ROBERTS PARK	SHADE STRUCTURES	N/A	3	N/A	\$ 40,000	
BELLA VISTA PARK	SHADE STRUCTURE - NEW	N/A	3	N/A	\$ 25,000	
NANCY HAKES PARK	SHADE STRUCTURES (2)	N/A	3	N/A	\$ 110,000	
TIMOTHY LANE PARK	TRAIL/EXERCISE/TOT-TURF	N/A	3	N/A	\$ 36,000	
TOTAL					\$ 211,000	

FY 2019 - COVE						
LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST	
WATER FEATURE - "SHIPWRECK"	END OF USEABLE LIFE SPAN	2002	1	2	\$ 15,000	
WATER FEATURE - "RAINDROP"	END OF USEABLE LIFE SPAN	2002	1	2	\$ 10,000	
TOTAL					\$ 25,000	

FY 2020						
LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST	
VMP - VOLLEYBALL COURT	MUSCO WARRANTY	2010	2	3	\$ 6,000	
PAVILION	UPGRADE ELECTRICAL SERVICE	2010	3	1	\$ 150,000	
"A" / ROBERTS FIELD	FIELD REFURBISHMENT	PRE - 1990	4	2	\$ 50,000	
"C" / BROWN FIELD	FIELD REFURBISHMENT	PRE - 1990	4	2	\$ 50,000	
TOTAL					\$ 256,000	

FY 2020 - COVE						
LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST	
DIVING BOARD REPLACEMENT	END OF LIFE SPAN - 5 YEARS	2015	1	2	\$ 15,000	
PEBBLE TECH	REPLACE IN ALL 3 POOLS	2005	1	2	\$ 120,000	
TOTAL					\$ 135,000	

FY 2021						
LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST	
OYCC TENNIS COURT	FENCING	1980	3	3	\$ 10,000	
TR PICKLEBALL COURT	CHAIN LINK FENCING	N/A	3	3	\$ 4,000	
VETERANS MEMORIAL PARK	MTC BUILDING REPLACEMENT	PRE - 1990	1	1	\$ 150,000	
TIMOTHY LANE	PAVED PARKING	N/A	3		\$ 10,000	
NANCY HAKES	WALKING TRAIL W/EXERCISE		3		\$ 30,000	
TOTAL					\$ 204,000	

FY 2021 - COVE						
LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST	
POOL WATER FILTER SYSTEM	POOL FILTER REPLACEMENT	2002	2	3	\$ 500,000	
TOTAL					\$ 500,000	

FY 2022

LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST
COLE FIELD	FIELD REFURBISHMENT	PRE - 1990	4	2	\$ 50,000
ARBENZ FIELD	FIELD REFURBISHMENT	PRE - 1990	4	2	\$ 50,000
DOMINGO PAIZ COMPLEX	SPORTS FIELD LIGHTING	PRE - 1998	4	3	\$ 300,000
HOWARD FIELD	FIELD REFURBISHMENT	PRE - 1990	4	2	\$ 50,000
VETERAN'S PARK - IRRIGATION	SURVEY/DESIGN	PRE - 1980	3	2	\$ 60,000
STONE SPORTS COMPLEX	FIELD REFURBISHMENT	PRE - 1990	4	2	\$ 75,000
TOTAL					\$ 585,000

FY 2022 - COVE

LOCATION	ASSET	YR BUILT	PRIORITY	RATING	COST
WATER SLIDE FEATURE	REPLACE	2002	2	3	\$ 150,000
VARIABLE FREQUENCY DRIVES	REPLACE	2013	2	3	\$ 25,000
WAVE MACHINE COMPUTER	REPLACE	2013	2	3	\$ 30,000
WAVE MACHINE SOFT-STARTS	REPLACE	2013	2	3	\$ 20,000
TOTAL					\$ 225,000

RESOLUTION 2017-058

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA; ADOPTING THE FY 2017/2018 OPERATING BUDGET; HOLDING A PUBLIC HEARING FOR TAXPAYERS ON THE ESTIMATED EXPENDITURES AND REVENUES FOR FISCAL YEAR 2017/2018; GIVING NOTICE OF THE COUNCIL MEETING TO MAKE FY 2017/2018 TAX LEVIES; AND AUTHORIZING AND DIRECTING THE CITY MANAGER, CITY CLERK, CITY ATTORNEY OR THEIR DULY AUTHORIZED OFFICERS AND AGENTS TO TAKE ALL STEPS NECESSARY TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, pursuant to the provisions of Arizona Revised Statutes, Title 42, the Mayor and Council have completed review of the estimated amounts required to meet public expenses for the ensuing Fiscal Year 2017/2018; and

WHEREAS, the Mayor and Council have likewise completed review of the amount to be raised by taxation upon real and personal property within the City of Sierra Vista; and

WHEREAS, following due public notice, the Mayor and Council have met on this 27th day of July 2017, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the estimated expenditures; and

WHEREAS, publication has been duly made, and required by law of said estimates and allocations together with a notice that the Mayor and Council would meet on the 10th day of August 2017, for the purpose of making tax levies as set forth in said estimates; and

WHEREAS, the sums to be raised by primary taxation, as specified in the statements and schedules attached hereto, do not in the aggregate amount exceed the maximum allowed pursuant to Arizona Revised Statutes, Title 42, Section 13301.

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

SECTION 1

That the estimated expenditures and revenues allocations hereinafter set forth in the attached statements and schedules be, and hereby are, adopted as the Operating Budget for the City of Sierra Vista, Cochise County, Arizona, for the Fiscal Year 2017/2018.

RESOLUTION 2017-058
PAGE ONE OF TWO

SECTION 2

That the public notice, publication and public hearing, as required by Law have been duly made and notice that the City Council shall meet for the purpose of making tax levies on the 10th day of August, 2017, at 5:00 p.m. at Sierra Vista City Hall, 1011 N. Coronado Drive, Sierra Vista, Arizona, be, and hereby is, authorized and directed.

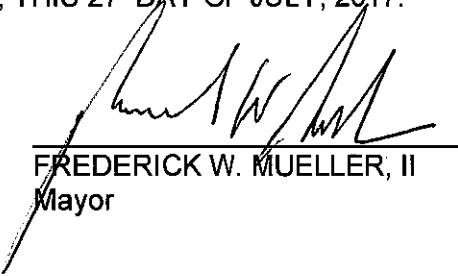
SECTION 3

That the monies from any budgeted fund may be used for any of these adopted appropriations, except monies specifically restricted by State law or by City ordinance or resolution, and the transfer of any sums between funds which are more than \$10,000 shall be made upon approval by the City Manager and Council, be, and hereby are, approved and authorized.

SECTION 4


The City Manager, City Clerk, City Attorney, or their duly authorized officers and agents are hereby authorized and directed to take all steps necessary to carry out the purposes and intent of this Resolution.

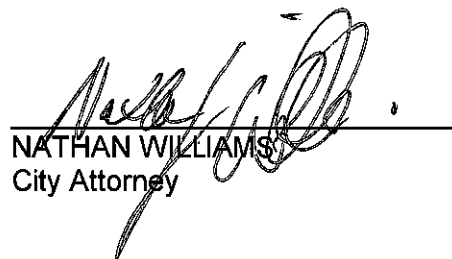
PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, THIS 27th DAY OF JULY, 2017.


FREDERICK W. MUELLER, II
Mayor

ATTEST:

APPROVED AS TO FORM:


JILL ADAMS
City Clerk


NATHAN WILLIAMS
City Attorney

PREPARED BY:
Linda Jones, Budget Officer

RESOLUTION 2017-058
PAGE TWO OF TWO

City of Sierra Vista
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Fiscal Year 2018

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Schedule E—Expenditures/Expenses by Fund

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**City of Sierra Vista
Tax Levy and Tax Rate Information
Fiscal Year 2018**

	2017	2018
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>544,337</u>	\$ <u>555,224</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>362,147</u>	\$ <u>359,240</u>
B. Secondary property taxes		
C. Total property tax levy amounts	\$ <u>362,147</u>	\$ <u>359,240</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u>219,036</u>	
(2) Prior years' levies	<u>143,111</u>	
(3) Total primary property taxes	\$ <u>362,147</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ <u>362,147</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.1136</u>	<u>0.1136</u>
(2) Secondary property tax rate	<u> </u>	<u> </u>
(3) Total city/town tax rate	<u>0.1136</u>	<u>0.1136</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>zero</u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* 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 Sierra Vista
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
GENERAL FUND			
Local taxes			
Transaction Privilege Tax	\$ 14,129,323	\$ 14,150,667	\$ 14,199,970
Licenses and permits			
Business Licenses	125,500	135,345	145,500
Building Permits	165,000	302,655	200,000
Animal Control Permits	35,000	38,065	35,000
Right-of-Way Permits	15,000	15,718	15,000
Franchise Fees	1,325,000	1,226,920	1,325,000
Intergovernmental			
Grants	226,000	126,847	229,000
State Shared Sales Tax	4,087,089	3,285,273	4,050,442
State Shared Vehicle License Tax	2,000,000	1,754,483	2,100,000
Urban Revenue Sharing	5,312,329	3,977,846	5,351,144
Local Government Payments	356,000	116,672	2,461,000
Charges for services			
General Government	35,000	25,349	100,000
Public Safety	2,075,000	1,733,576	2,043,000
Public Works	1,336,500	1,017,278	1,252,880
Leisure & Library	1,090,000	1,031,275	1,196,635
Community Development	78,000	31,123	23,000
Fines and forfeits			
Library	15,000	18,178	15,000
Interest on investments			
Investment Income	10,000	6,076	10,000
Contributions			
Voluntary contributions	1,000	5,538	1,000
Miscellaneous			
Misc Revenue	490,500	307,179	270,500
Sale of Fixed Assets	40,000	39,637	70,000
Lease Revenues			
Total General Fund	\$ 32,947,241	\$ 29,345,701	\$ 35,094,071

* 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 Sierra Vista
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
SPECIAL REVENUE FUNDS			
Highway User Revenue			
State Shared Revenue	\$ 2,950,000	\$ 2,563,696	\$ 3,150,000
Grants		109,430	302,720
Loca government payments		1,536	15,000
Investment Income		1,912	
Misc	15,000	10,031	10,000
	\$ 2,965,000	\$ 2,686,605	\$ 3,477,720
Local Transportation Assistance			
Grants	\$ 1,212,789	\$ 530,393	\$ 1,100,241
Fares	116,000	101,621	116,000
Lease Revenues	19,200	19,010	19,200
Misc	5,000	4,965	1,000
	\$ 1,352,989	\$ 655,988	\$ 1,236,441
Police Special Revenue			
Police Special Revenue	\$ 125,000	\$ 52,328	\$ 125,000
	\$ 125,000	52,328	125,000
Grants			
Grants	\$ 2,674,501	\$ 9,556	\$ 3,201,329
	\$ 2,674,501	\$ 9,556	\$ 3,201,329
Airport			
Grants	\$ 2,281,257	\$ 1,064,857	\$
Fuel Sales	887,561	1,076,669	684,436
Lease Revenue	211,000	173,358	211,000
Misc	5,000	4,923	5,000
	\$ 3,384,818	\$ 2,319,807	\$ 900,436
Judicial Enhancement			
Fines	\$ 100	\$ 24	\$ 100
	\$ 100	24	100
Donations			
Contributions	\$ 381,424	\$ 125,735	\$ 381,424
	\$ 381,424	125,735	381,424
Park Development			
Development Impact Fees	\$ 127,500	\$ 29,652	\$
	\$ 127,500	29,652	
Library Development			
Development Impact Fees	\$ 7,500	\$ 936	\$
	\$ 7,500	936	
Police Development			
Development Impact Fees	\$ 35,650	\$ 27,389	\$
	\$ 35,650	27,389	
Infrastructure Development			
Development Impact Fees	\$ 160,837	\$ 141,645	\$
	\$ 160,837	141,645	
Fire Development			
Development Impact Fees	\$ 41,985	\$ 15,914	\$
	\$ 41,985	15,914	
Metropolitan Planning Organization			
Grants	\$ 361,669	\$ 233,447	\$ 363,476
Local Government Payments	60,096	29,351	58,487
	\$ 421,765	262,799	421,963
Total Special Revenue Funds	\$ 11,679,069	# 6,328,377	# 9,744,413

**City of Sierra Vista
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
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* 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 Sierra Vista
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
DEBT SERVICE FUNDS			
SVMPC I&R			
N/A	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
Total Debt Service Funds	\$ _____	\$ _____	\$ _____
CAPITAL PROJECTS FUNDS			
Capital Improvements			
Transaction Privilege Tax	\$ 3,802,201	\$ 1,862,760	3,821,212
Misc	\$ _____	\$ _____	\$ _____
	\$ 3,802,201	1,862,760	3,821,212
Total Capital Projects Funds	\$ 3,802,201	\$ 1,862,760	\$ 3,821,212

* 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 Sierra Vista
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
PERMANENT FUNDS			
None	\$	\$	\$
Total Permanent Funds	\$	\$	\$
ENTERPRISE FUNDS			
Sewer			
Charges for Service	\$ 3,776,676	\$ 3,690,194	3,742,676
Grants			35,000
Capital Contributions	500,000		500,000
Misc	100,000	106,357	100,000
	\$ 4,376,676	3,796,551	4,377,676
Refuse			
Charges for Service	\$ 4,462,693	\$ 3,641,572	3,912,000
Interest	1,000		
Misc	23,500	1,463	5,000
	\$ 4,487,193	3,643,035	3,917,000
Total Enterprise Funds	\$ 8,863,869	\$ 7,439,586	\$ 8,294,676

* 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 Sierra Vista
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
INTERNAL SERVICE FUNDS			
Health & Accident			
Premiums	\$ 4,319,000	\$ 153,685	4,319,000
Interest	3,500	5,011	3,500
	<u>\$ 4,322,500</u>	<u>158,696</u>	<u>4,322,500</u>
Self Insured Retention			
Misc	\$ 100,000	\$ 18,111	100,000
	<u>\$ 100,000</u>	<u>18,111</u>	<u>100,000</u>
Total Internal Service Funds	<u>\$ 4,422,500</u>	<u>176,807</u>	<u>4,422,500</u>
TOTAL ALL FUNDS	<u>\$ 61,714,880</u>	<u>\$ 45,153,231</u>	<u>\$ 61,376,872</u>

* 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 Sierra Vista
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2018

FUND	OTHER FINANCING 2018		INTERFUND TRANSFERS 2018	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Notes Payable	\$ 360,000	\$	\$	\$
Interfund Transfers			1,317,440	432,230
Total General Fund	\$ 360,000	\$	\$ 1,317,440	\$ 432,230
SPECIAL REVENUE FUNDS				
HURF	\$ 288,000	\$	\$ 700,000	\$
LTAf			400,000	
Grants			7,230	
Airport				430,000
Park Development			126,630	
Library Development				
Police Development				
Infrastructure Development				
Fire Development				
Police Special Revenue				
Metropolitan Planning Organization				
Total Special Revenue Funds	\$ 288,000	\$	\$ 1,233,860	\$ 430,000
DEBT SERVICE FUNDS				
SVMPC I&R	\$ 9,950,000	\$	\$ 3,423,102	\$
Total Debt Service Funds	\$ 9,950,000	\$	\$ 3,423,102	\$
CAPITAL PROJECTS FUNDS				
Capital Improvements	\$	\$	\$ 430,000	\$ 5,417,359
Total Capital Projects Funds	\$	\$	\$ 430,000	\$ 5,417,359
PERMANENT FUNDS				
N/A	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Sewer	\$ 5,823,000	\$	\$	\$ 149,813
Refuse	297,000			
Total Enterprise Funds	\$ 6,120,000	\$	\$	\$ 149,813
INTERNAL SERVICE FUNDS				
	\$	\$	\$ 25,000	\$
Total Internal Service Funds	\$	\$	\$ 25,000	\$
TOTAL ALL FUNDS	\$ 16,718,000	\$	\$ 6,429,402	\$ 6,429,402

**City of Sierra Vista
Expenditures/Expenses by Fund
Fiscal Year 2018**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
GENERAL FUND				
City Council	\$ 113,083	\$	\$ 95,517	\$ 108,494
Administrative Services	2,845,226		2,521,346	2,617,031
City Manager	2,374,073		1,936,550	2,331,577
Legal	271,828		262,481	274,446
General Government	1,033,177		854,915	996,363
Police	11,066,509		10,082,634	11,156,771
Fire	6,682,130		6,178,741	8,683,678
Public Works	6,069,564		4,659,799	6,151,207
Leisure & Library Services	3,417,047		3,074,997	3,317,347
Community Development	870,820		789,842	904,954
Debt	100,213		100,212	156,653
Total General Fund	\$ 34,843,670		30,557,034	36,698,521
SPECIAL REVENUE FUNDS				
HURF	\$ 3,665,000	\$	\$ 2,800,790	\$ 4,465,720
LTAF	1,949,804		1,156,696	1,783,939
Police Special Revenue	324,500		129,266	324,500
Grants	2,685,001		26,098	3,219,388
Judicial Enhancement	300			300
Airport	3,496,568		2,183,171	900,436
Donations	959,948		117,754	959,948
Park Development	126,691		126,630	126,630
Library Development				
Police Development				
Infrastructure Development	1,550,000		365,612	200,000
Fire Development				
Metropolitan Planning Org	421,765		336,510	421,963
Total Special Revenue Funds	\$ 15,179,577		7,242,526	12,402,824
DEBT SERVICE FUNDS				
SVMPC I&R	\$ 3,433,377	\$	\$ 3,150,885	\$ 13,373,102
Total Debt Service Funds	\$ 3,433,377		3,150,885	13,373,102
CAPITAL PROJECTS FUNDS				
Capital Improvements	\$ 940,000	\$	\$ 372,698	\$ 60,000
Total Capital Projects Funds	\$ 940,000		372,698	60,000
PERMANENT FUNDS				
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Sewer	\$ 5,818,980	\$	\$ 3,428,926	\$ 10,787,244
Refuse	5,347,509		3,735,600	4,944,599
Total Enterprise Funds	\$ 11,166,489		7,164,526	15,731,843
INTERNAL SERVICE FUNDS				
Health & Accident	\$ 4,322,500	\$	\$ 3,356,135	\$ 4,322,500
Unemployment	35,000		3,577	35,000
Self Insured Retention	100,000		40,266	100,000
Total Internal Service Funds	\$ 4,457,500		3,399,978	4,457,500
TOTAL ALL FUNDS	\$ 70,020,613	#	51,887,647	# 82,723,790

* 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 Sierra Vista
Expenditures/Expenses by Department
Fiscal Year 2018**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED	ACTUAL EXPENDITURES/ EXPENSES*	BUDGETED EXPENDITURES/ EXPENSES
	2017	2017	2017	2018
City Council				
General Fund	\$ 113,083	\$	\$ 123,789	108,494
Sewer	14,136			13,561
Refuse	14,136			13,561
Donations	32,950		4,658	32,950
Department Total	\$ 174,305		128,447	168,566
List Department:				
Administrative Services				
General Fund	\$ 2,845,226	\$	\$ 3,155,615	2,617,031
Capital Improvements				
Sewer	311,112			307,952
Refuse	323,157			319,152
Department Total	\$ 3,479,495		3,155,615	3,244,135
List Department:				
City Manager				
General Fund	\$ 2,374,073	\$	\$ 2,489,558	2,331,577
Donations	800		821	800
Grants	250,000			806,849
Sewer	286,528		7,286	278,368
Refuse	266,480		7,286	253,660
Department Total	\$ 3,177,881		2,504,951	3,671,254
Legal				
General Fund	\$ 271,828	\$	\$ 262,481	274,446
Judicial Enhancement	300			300
Department Total	\$ 272,128		262,481	274,746
General Government				
General Fund	\$ 1,033,177	\$	\$ 1,199,308	996,363
HURF	68,879			73,997
Sewer	137,757			147,994
Refuse	137,757			147,994
Health & Accident	4,322,500		3,356,135	4,322,500
Unemployment	35,000		3,577	35,000
Self Insured Retention	100,000		40,266	100,000
Department Total	\$ 5,835,070		4,599,286	5,823,848
Police				
General Fund	\$ 11,066,509	\$	\$ 10,082,634	11,156,771
Police Special Revenue	324,500		129,266	324,500
Capital Improvements Fund				
Grants	33,500		10,805	18,124
Donations	491,554		29,713	491,554
Police Development Fee				
Department Total	\$ 11,916,063		10,252,418	11,990,949
Fire				
General Fund	\$ 6,682,130	\$	\$ 6,178,741	8,683,678
Grants	1,327,000		4,028	1,043,000
Donations	16,488		908	16,488
Fire Development Fee				
Department Total	\$ 8,025,618		6,183,677	9,743,166

**City of Sierra Vista
Expenditures/Expenses by Department
Fiscal Year 2018**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED	ACTUAL EXPENDITURES/ EXPENSES*	BUDGETED EXPENDITURES/ EXPENSES
	2017	2017	2017	2018
Public Works				
General Fund	\$ 6,069,564	\$	\$ 5,820,272	6,151,207
HURF	3,529,651		2,287,164	4,355,872
LTAF	1,949,804		1,156,696	1,783,939
Grants	750,000			950,000
Airport	3,421,221		2,107,825	825,089
Capital Improvements	850,000		250,000	
Sewer	4,344,229		2,005,276	3,928,521
Refuse	4,112,186		2,487,899	3,997,845
Donations	6,890		1,402	6,890
Park Development				
Infrastructure Development	1,550,000		365,612	200,000
Metropolitan Planning Org	421,765		336,510	421,963
Department Total	\$ 27,005,310		16,818,655	22,621,326
Leisure & Library				
General Fund	\$ 3,417,047	\$	\$ 3,074,997	3,317,347
Grants	160,000		4,071	80,000
Capital Improvements				
SVMPC Construction				
Donations	409,485		79,017	409,485
Library Development				
Department Total	\$ 3,986,532		3,158,085	3,806,832
Community Development				
General Fund	\$ 870,820	\$	\$ 789,842	904,954
Grants	164,501		7,193	321,415
Capital Improvements Fund	90,000		122,698	60,000
Donations	1,781		1,237	1,781
Department Total	\$ 1,127,102		920,970	1,288,150
Debt				
General Fund	\$ 100,213	\$	\$ 100,212	156,653
HURF	66,470		66,268	35,851
Airport	75,347		75,346	75,347
Park Development	126,691		126,630	126,630
SVMPC I&R	3,433,377		3,150,885	13,373,102
Sewer	725,218		215,443	6,110,848
Refuse	493,793		168,278	212,387
Department Total	\$ 5,021,109		3,903,062	20,090,818
Total	\$ 70,020,613		\$ 51,887,647	82,723,790

* 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 Sierra Vista
Full-Time Employees and Personnel Compensation
Fiscal Year 2018**

FUND	Full-Time Equivalent (FTE) 2018	Employee Salaries and Hourly Costs 2018	Retirement Costs 2018	Healthcare Costs 2018	Other Benefit Costs 2018	Total Estimated Personnel Compensation 2018
GENERAL FUND	275	\$ 16,431,506	\$ 4,928,220	\$ 2,881,122	\$ 1,651,008	\$ 25,891,856
SPECIAL REVENUE FUNDS						
HURF	18	\$ 1,122,877	\$ 76,228	\$ 129,483	\$ 94,904	\$ 1,423,492
LTAIF	10	\$ 659,294	\$ 54,994	\$ 95,505	\$ 59,446	\$ 869,239
Airport	2	\$ 97,832	\$ 8,896	\$ 14,294	\$ 7,267	\$ 128,289
Metropolitan Planning Org	1	\$ 90,378	\$ 9,390	\$ 6,947	\$ 7,088	\$ 113,803
Total Special Revenue Funds	31	\$ 1,970,381	\$ 149,508	\$ 246,229	\$ 168,705	\$ 2,534,823
DEBT SERVICE FUNDS						
Total Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
Total Capital Projects Funds		\$	\$	\$	\$	\$
PERMANENT FUNDS						
Total Permanent Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
Sewer	12	\$ 1,343,509	\$ 55,663	\$ 86,072	\$ 125,646	\$ 1,610,890
Refuse	16	\$ 1,424,102	\$ 73,877	\$ 129,322	\$ 183,709	\$ 1,811,010
Total Enterprise Funds	28	\$ 2,767,611	\$ 129,540	\$ 215,394	\$ 309,355	\$ 3,421,900
TOTAL ALL FUNDS	334	\$ 21,169,498	\$ 5,207,268	\$ 3,342,745	\$ 2,129,068	\$ 31,848,579

ORDINANCE 2017-005

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA; LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF SIERRA VISTA SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM FINES, LICENSES, AND OTHER SOURCES OF REVENUE; PROVIDING A GENERAL FUND FOR GENERAL MUNICIPAL EXPENSES ALL FOR THE FISCAL YEAR ENDING JUNE 30, 2018; AUTHORIZING AND DIRECTING THE CITY MANAGER, CITY CLERK, CITY ATTORNEY OR THEIR DULY AUTHORIZED OFFICERS AND AGENTS TO TAKE ALL STEPS NECESSARY TO CARRY OUT THE PURPOSES AND INTENT OF THIS ORDINANCE; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR SEVERABILITY

WHEREAS, by the provisions of the state law, the ordinance levying taxes for the Fiscal Year 2017/2018 is required to be adopted not later than the third Monday in August; and

WHEREAS, the County of Cochise is the assessing and collecting authority for the City of Sierra Vista, the City Clerk is hereby directed to transmit a certified copy of this ordinance to the Assessor and the Board of Supervisors of Cochise County, Arizona; and

WHEREAS, it is settled policy of the City Council to adopt the ordinance levying property taxes for the fiscal year not later than the third Monday in August.

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

SECTION 1

There is hereby levied on each One Hundred Dollars (\$100) of assessed value of all property, both real and personal, within the corporate limits of the City of Sierra Vista, except such property as may be by law exempt from taxation, a tax rate sufficient to raise the sum of Three Hundred Fifty Nine Thousand Two Hundred and Forty Dollars (\$359,240) for the purpose of providing the City of Sierra Vista for the fiscal year ending on the 30th day of June, 2018, but not to exceed the \$0.1136 per each One Hundred Dollars (\$100) of the assessed valuation of all real and personal property in the City of Sierra Vista subject to taxation.

ORDINANCE 2017-005
PAGE ONE OF TWO

SECTION 2

There is no secondary tax levied upon the property within the corporate limits of the City of Sierra Vista for the fiscal year ending June 30, 2018.

SECTION 3

No failure by the county officials of Cochise County, Arizona, to properly return the delinquent list and no irregularity in the assessment or omission in the same, or irregularity of any kind in any proceedings shall invalidate such proceedings or invalidate any title conveyed by any tax deed; nor shall any failure or neglect of any officer or officers to perform any of the duties assigned to him or to them on the day within the time specified, work an invalidation or any proceedings or of any such deed or sale or affect the validity of the collection of the same may be enforced or in any manner affect the lien of the City upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for the collection of taxes or the foreclosure; and the acts of officers de facto shall be valid as if prepared by officers de jure.

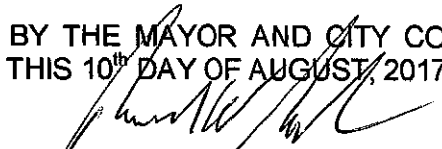
SECTION 4

Should any section, clause or provision of this Ordinance be declared by the courts to be invalid, such invalidity shall not affect other provisions which can be given effect without the invalid provision, and to this end, the provisions of this Ordinance are declared to be severable.

SECTION 5

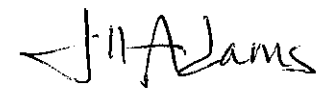
That the City Manager, City Clerk, City Attorney, or their duly authorized officers and agents are hereby authorized and directed to take all steps necessary to carry out the purposes and intent of this Ordinance.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, THIS 10th DAY OF AUGUST, 2017.



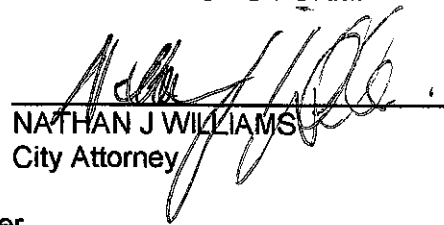
FREDERICK W. MUELLER, II
Mayor

ATTEST:



JILL ADAMS
City Clerk

APPROVED AS TO FORM:



NATHAN J WILLIAMS
City Attorney

PREPARED BY: Linda Jones, Budget Officer

ORDINANCE 2017-005
PAGE TWO OF TWO



ACCRUALS:	Accounts on a balance sheet that represent liabilities and non-cash-based assets. These accounts include, among many others, accounts payable, accounts receivable, future tax liability, and future interest expense.
AMERICAN RECOVERY AND RENIVESTMENT ACT (2009) :	Federal Legislation passes in 2009 to stimulate the economy.
APPROPRIATION:	An authorization made by the city council which permits the city to incur obligations and to make expenditures of resources.
ASSESSED VALUATION:	A value which is established for real and personal property for use as a basis for levying property taxes. (Note: the county establishes Property values.)
ASSETS:	Property owned by a government which has a monetary value.
BALANCED BUDGET:	Achieved when projected revenue and expenditures are equal for every fund. The State of Arizona requires that we present a balanced budget every year.
BOND:	A written promise to pay a sum of money on a specific date at specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation, revenue bonds, and special improvement district bonds. These are most frequently used for construction of large capital projects such as buildings, streets and sewers.
BUDGET:	A financial plan for a specified period of time (fiscal year).



BUDGET

ADJUSTMENT: A procedure to revise a budget appropriation, either by city council approval through the adoption of a supplemental appropriation ordinance for any interdepartmental or inter-fund adjustments or by city manager authorization to adjust appropriations within a departmental budget.

BUDGET DOCUMENT: The official written statement prepared by the budget office and supporting staff, which presents the proposed budget to the council.

BUDGET MESSAGE: The opening section of the budget, which provides the city council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and recommendations made by the city manager.

BUDGETARY CONTROL: The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

CAPITAL ASSETS: Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

CAPITAL IMPROVEMENTS

BUDGET: A plan of proposed capital expenditures and the means of financing them. The capital budget is usually enacted as part of the complete annual budget, which includes both operating and capital outlays. The capital budget normally is based on a capital improvement program (CIP).

CAPITAL IMPROVEMENT PROGRAM:

A plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project of expansion, acquisition, or rehabilitation of the city's capital assets; identifying the expected beginning and ending date for each project, the amount to be



expended in each year, and the method of financing those expenditures.

CARRYOVER: Funds that were allocated in a prior fiscal year, that will be used in the current fiscal year. Bond projects receive the bond revenue in one fiscal year, but are constructed in another. The money that is used for constructed is transferred from the prior year to the New Year.

CASH BASIS: The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

CONTINGENCY ACCOUNT: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

DEBT SERVICE: Payment of interest and repayment of principal to holders of a government's debt instruments.

DEFICIT: 1. The excess of an entity's liabilities over its assets (see Fund Balance). 2. That portion of the cost of a capital asset, which is charged as an expense during a particular period.

DEPRECIATION: 1. Expiration in the service life of a capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. 2. That portion of the cost of a capital asset, which is charged as an expense during a particular period.

ENCUMBRANCE: The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds or a future expenditure.

ENTERPRISE FUND: A fund established to account for operations financed in a manner similar to a private business enterprise, i.e., where the costs of providing goods and services to the public are financed or recovered through user charges.



ESTIMATED REVENUE:	The amount of projected revenue to be collected during the fiscal year.
EXPENDITURE/ EXPENSE:	This term refers to the outflow of funds paid for an asset, goods, or services obtained.
FISCAL YEAR:	The time period designated by the city signifying the beginning and ending period for recording financial transactions. The City of Sierra Vista has specified July 1 to June 30 as its fiscal year.
FIXED ASSETS:	Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.
FUND:	An accounting entity which as a set of self-balancing accounts and records all financial transactions for specific activities or government functions. Eight commonly used fund types in public accounting are general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, trust and agency funds, internal service funds, and special assessment funds.
GENERAL FUND:	The largest fund within the city, the general fund, accounts for most of the financial resources of the government not specifically accounted for in other funds. General fund revenues include primary property taxes, licenses and permits, local taxes, service charges, and other locally generated types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, data processing, courts, attorneys, parks and recreation, libraries, public works and general administration.



GENERAL OBLIGATION

BONDS:

Bonds which finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from secondary property taxes, and these bonds are backed by the full faith and credit of the issuing government.

GOVERNMENTAL FUND:

GRANT:

A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes. Grants may be classified as either categorical or block depending upon the amount of discretion allowed the grantee.

HURF: Highway Users Revenue Fund

The resources for this fund come from gasoline taxes. The state stipulates that the city must use these funds for street-related purposes.

INTERNAL SERVICES:

Those services provided within the City organization to support operations, including: Human Resources, Information Technology, Facilities Maintenance, and Fleet Services.

LTAF: Local Transportation Assistance Fund

The State Lottery generates the monies for this fund. The city must then spend these funds on transportation-related activities.

LINE-ITEM BUDGET:

A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

MATURITIES:

The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.



MILL:	The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of property valuation.
OPERATING BUDGET:	The portion of the budget that pertains to daily operations that provides basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel and fuel.
OUR FUTURE VISTAS:	The City of Sierra Vista's Strategic Leadership Plan adopted by the City Council
PER CAPITA:	Total amount of a good divided by the total population.
PERFORMANCE BUDGET:	A budget, which focuses upon activities rather than line items. Workload and unit cost data are collected in order to assess the efficiency of services. Typical data collected might include miles of streets paved per year, cost of paved streets per mile, tons of garbage collected per man-hour, or cost per man-hour of garbage collection.
PROGRAM BUDGET:	A budget which focuses upon the goals and objectives of an agency or jurisdiction rather than upon its' organizational budget units or object classes of expenditure.
RESERVE:	An account used to indicate that a portion of a fund's assets as legally restricted for a specific purpose and is, therefore, not available for general appropriation.
REVENUE:	Funds which the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.
REVENUE BONDS:	Bonds usually sold for constructing a project, which will produce revenue for the government. The revenue is pledged to pay the principal and interest of the bond.



REVENUE ESTIMATE:	A formal estimate of how much revenue will be earned from a specific revenue source for some future period, typically, a future fiscal year.
RISK MANAGEMENT:	An organized attempt to protect a government's assets against accidental loss in the most economical method.
SECONDARY ASSESSED VALUE:	The full value of the property as determined by the County Assessor's office, calculated by multiplying the Full Cash Value by the Assessment Ratio.
SOURCE OF REVENUE:	Revenues are classified according to their source or point of origin.
SPECIAL ASSESSMENT:	A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.
SPECIAL REVENUE FUND:	An account established to collect money that must be used for a specific project, providing an extra level of accountability and transparency to taxpayers that their tax dollars will go toward an intended purpose.
STATE SHARED REVENUE:	The State of Arizona collects revenue and then distributes those revenues back to the Cities based on population or use.
TAX LEVY:	The total amount to be raised by general property taxes.
TAX RATE:	The amount of taxes (mills) levied for each \$1,000 of assessed valuation.



USER FEES: The money that is paid to receive the good or service. Customers pay a fee to use the aquatic center as well as to use sewer and refuse services.

Common Acronyms and Abbreviations

ADA:	Americans with Disabilities Act
ADOT:	Arizona Department of Transportation
ARRA:	American Recovery and Reinvestment Act of 2009
CAFR:	Comprehensive Annual Financial Report
CIP:	Capital Improvement Fund
CY:	Calendar Year
EBC:	Ethel Berger Center (community center)
EOP:	Environmental Operations Park
EXP:	Expenditure
FY:	Fiscal Year
GAAP:	Generally Accepted Accounting Principles
GASB:	Governmental Accounting Standards Board
GF:	General Fund
GFOA:	Government Finance Officers Association
GMC:	Government Maintenance Center
HURF:	Highway User Revenue Fund
IT:	Information Technology
LTAf:	Local Transportation Assistance Fund
O&M:	Operations and Maintenance
MPC:	Municipal Property Corporation
MUP:	Multi-Use Path
PCC:	Pete Castro Center (Public Works office building)
REV:	Revenue
RICO:	Racketeer Influenced and Corrupt Organization
SR:	State Route
SV:	Sierra Vista
SWOT:	Strengths, Weaknesses, Opportunities, and Threats
TR:	Therapeutic Recreation
USPP:	Upper San Pedro Partnership