

Minutes - Citizens Advisory Commission
Wednesday, February 11, 2015
City Manager Conference Room, City Hall

Call to Order

Liz York called the meeting to order at 1:00 pm

Members present:

Liz York
Sandra Kenny
Ken Cecil
Jeff Anselmi
Greg Thomas
LaVerne Jenkins
Clyne Namuo

Other people present:

Mary Jacobs, Assistant City Manager
Pam Weir, City of Sierra Vista Staff Liaison
David Felix, Finance Manager
Don Brush, Community Development Director

Presentation of Final Meeting Schedule

Ms. York shared the final meeting schedule (attached) with the rest of the CAC, noting that meetings are subject to change and more may be added. The City will post final agendas at least 24 hours prior to each meeting, so members of the public can double check meeting times and locations each week.

Budget Overview Staff Presentation

Ms. Weir, Ms. Jacobs, and Mr. Felix presented a general overview of the Sierra Vista City Budget (attached). The presentation and discussion described the various funds of the city and explained the general fund budget in detail. Staff also presented the City's current tax rates. CAC members were specifically interested in learning about the revenue sources on which they may make recommendations. These sources are: City sales tax, City property tax, and assorted license, permit, and user fees.

VISTA 2030 General Plan Staff Presentation

Mr. Brush presented an overview of the components of the VISTA 2030 General Plan (attached) and the Dream Your City Process.

Questions and Discussion of Presentations

CAC members discussed the importance of educating the public about the City budget and Sierra Vista's tax rates relative to other Arizona communities.

Call to the Public

Bruce Piepho remarked that the CAFR (Comprehensive Annual Financial Report) provides good information about City finances and is available online. He described his work on the General Plan as a member of the Planning and Zoning Commission, and expressed the importance of transparency in government.

Jacqueline O'Connor discussed fluctuations she has observed in the City budget over the years and noted the cuts that have been made to City staff in the past few years. She expressed hope that the CAC will recommend raising additional revenue.

Glen Cobb noted that the highest category of sales tax is in the hotel/motel category. She encouraged the City to continue its work to raise awareness about what Sierra Vista has to offer around the state and region to increase tourism.

Glenn McDaniel stated that public safety should be the City's highest priority.

Tricia Gerrodette encouraged the CAC to develop several alternatives with projected results for the City Council to consider even if some seem to be more viable than others.

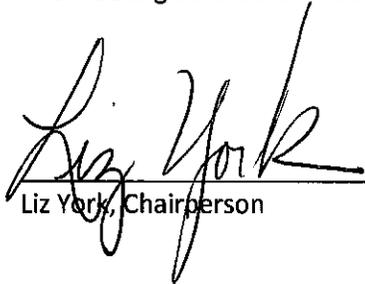
Andre Newcomb shared that he would like his opinions heard by the CAC and has many ideas regarding alternative revenues for the City.

Next Meeting

Scheduled for Wednesday, February 18 at 1:00 pm in the City Manager's Conference Room. Topics will include CAC officer elections and a presentation by the Police Department.

Meeting Adjourned

The meeting concluded at 2:52 pm

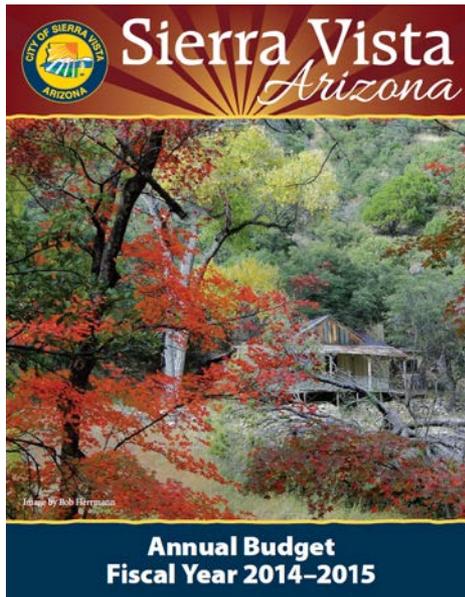

Liz York, Chairperson


Ken Cecil, Secretary

Final CAC Meeting Schedule

Wednesday, February 11, 1-3 pm: City Manager's Conference Room	Budget 101 -- Overall city budget, revenue sources, focus on general fund and what it covers. Review costs and projections for major city-wide expenses (insurance, pension costs, fuel, etc.) Brief overview of Vista 2030 General Plan
Wednesday, February 18, 1-3 pm: City Manager's Conference Room	CAC Officer Elections Police Department
Wednesday, February 25, 1-3 pm: 2 nd Floor City Hall Conference Room	Fire Department Staff provides draft community engagement strategy
Wednesday, March 4, 1-3 pm: City Manager's Conference Room	Community Development Economic Development Marketing/Tourism
Tuesday, March 10, 1-3 pm: City Manager's Conference Room	Leisure and Library Services Administrative Support Finalize community engagement strategy
Wednesday, March 18, 1-3 pm: City Manager's Conference Room	Public Works Present summary of overall projections for all departments
Wednesday, March 25, 1-3 pm: City Manager's Conference Room	Discuss service levels and areas recommended for reduction/expansion. Develop options for meeting above recommendations
Monday, March 30, 2-4 pm: City Manager's Conference Room	Begin finalizing options and review report drafted by staff. Finalize options/information to be included in community engagement process. Begin community engagement process (in-person meetings and via electronic media)
Wednesday, April 1, 1-3 pm: City Manager's Conference Room	Continue finalizing options and review report drafted by staff.
Tuesday, April 7, 1-3 pm: City Manager's Conference Room	Discuss community input. Finalize written report and recommendations/options. Provide to Council by April 10.
Thursday, April 16, 4-5:30 pm: City Council Chambers	Special Council Work Session to present CAC recommendations

Citizens Advisory Commission Budget Workshop



February 11, 2015

community
operations
Sierra Vista
finance
priorities
maintenance
capital
revenue
balanced
debt
citizens
service
budget
economy
general fund
expenditure
City Council
personnel



State Requirements

- Must have a balanced budget
 - Revenues = Expenditures
- Tentative Budget sets the cap of the maximum amount of money the City can spend in the fiscal year
- Tentative budget must be passed by Council no later than July 20



Major Revenue Categories

	FY15 Budget	FY15 % of Total
City Sales Tax	\$16,723,106	22.73%
Property Tax	\$369,537	0.50%
State Shared Revenue	\$14,015,003	19.05%
Franchise Tax	\$1,325,000	1.80%
Licenses and Permits	\$577,500	0.78%
Grants	\$11,948,711	16.24%
User Fees	\$2,007,500	2.73%
Ambulance	\$1,600,000	2.17%
Fuel Sales	\$1,739,157	2.36%
Planning Revenue	\$56,500	0.08%
Sewer Carryover	\$1,096,707	1.49%
Sewer Refuse Carryover	\$0	0.00%
Refuse	\$4,957,623	6.74%

	FY15 Budget	FY15 % of Total
Development Fees c/o	\$2,099,435	2.85%
Development Fees	\$500,556	0.68%
Employee Premiums	\$3,188,500	4.33%
Donations	\$1,796,154	2.44%
Transit Fares	\$110,000	0.15%
Police/ACO Revenue	\$42,000	0.06%
CIF Carryover*	\$762,384	1.04%
Carryover	\$525,368	0.71%
Interest	\$18,500	0.03%
Notes Payable	\$1,752,300	2.38%
Sale of Fixed Assets	\$0	0.00%
Misc Revenue	\$2,359,986	3.21%

Total	\$73,570,106	100.00%
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Fund Accounting

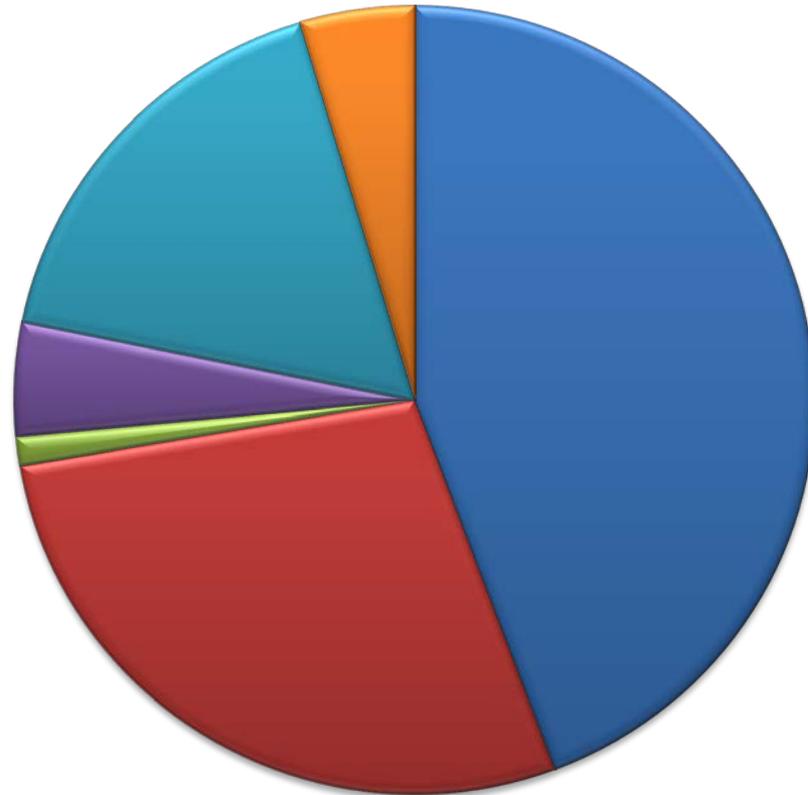
- Fund Types

- General Fund (GF): Main fund of the City
- Special Revenue Funds: Legally restricted revenues
- Capital Funds: Major capital projects
- Debt Service Funds: Bond payments
- Enterprise Funds: Operate like a private company
- Internal Service Funds: Provide services to other funds
- Agency Funds: Other entities' money



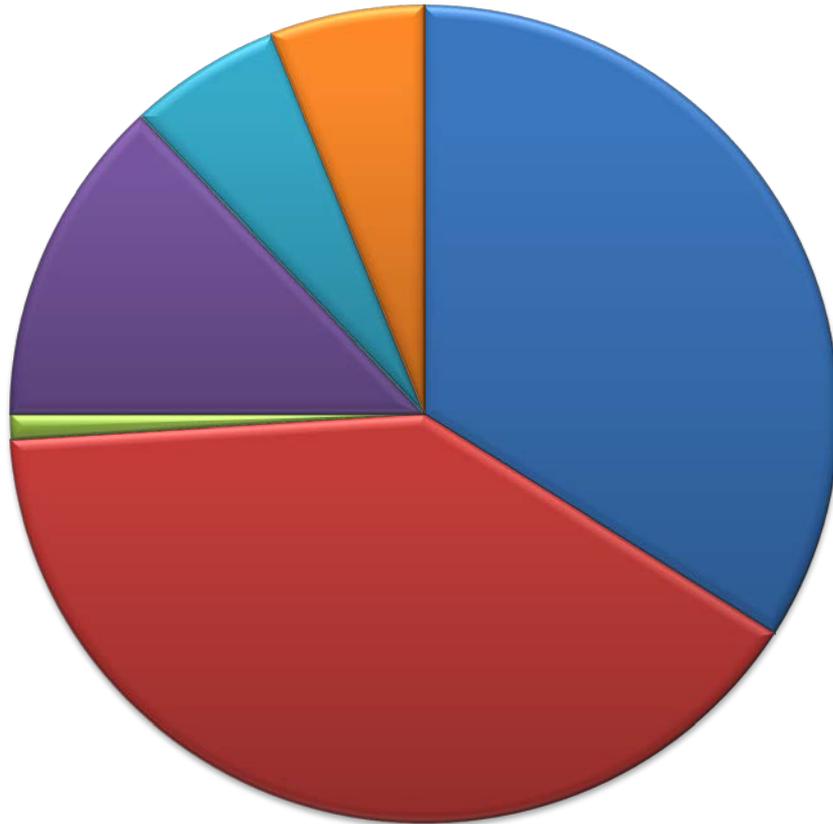
FY15 Budget Breakdown By Type

- General- 44.3%
- Special Revenue- 28.0%
- Capital Improvements- 1.2%
- Debt Service- 4.7%
- Enterprise- 17.2%
- Internal Service- 4.6%



General Fund Revenues

(44.3% of City's Total Revenue)



- State Shared Revenue- 34%
- City Sales Taxes- 40%
- City Property Tax- 1%
- Fees (ambulance, development, leisure, etc.)- 13%
- Licenses (building permits, business licenses, etc.)- 6%
- Other (interest, note proceeds, grants, etc.)- 6%



Current Transaction Privilege Tax Package

	City	State and County	Total
Retail Privilege (Sales) Tax	1.75%	6.10%	7.85%
Use Tax	1.75%	5.60%	7.35%
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%



How We Compare Regionally

Cochise County

	State	County	Local	Total
Tombstone	5.6	0.5	3.5	9.6
Willcox	5.6	0.5	3.0	9.1
Douglas	5.6	0.5	2.8	8.9
Benson	5.6	0.5	2.5	8.6
Bisbee	5.6	0.5	2.5	8.6
Sierra Vista	5.6	0.5	1.75	7.85
Huachuca City	5.6	0.5	1.5	7.6

Pima County

Tucson	5.6	0.5	2.0	8.1
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How We Compare Across the State

- Third lowest combined tax rate throughout the State of AZ (Chandler and Gilbert are tied for second)



Bottom 4

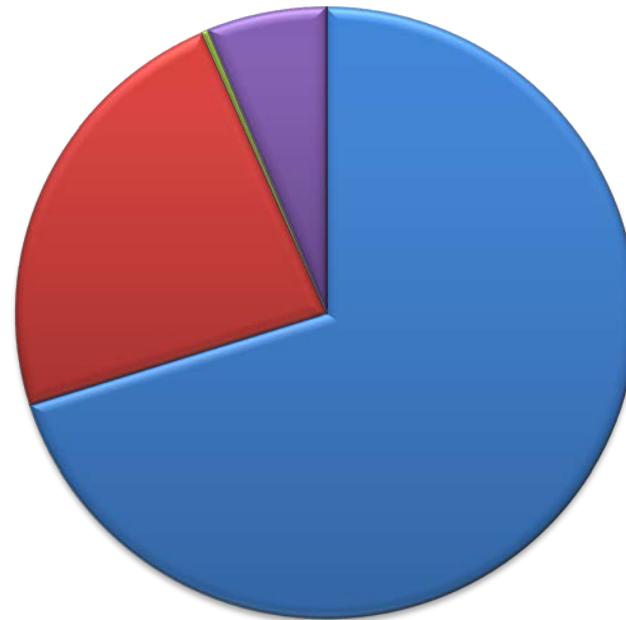
	State	County	Local	Total
Sierra Vista	5.6	0.5	1.75	7.85
Chandler	5.6	0.7	1.5	7.8
Gilbert	5.6	0.7	1.5	7.8
Huachuca City	5.6	0.5	1.5	7.6



General Fund in 2015

\$32,589,520 Total Budget

- Personnel, including burden- 70%
- Operations and Maintenance (O&M)- 23%
- Debt Service- .4%
- Capital- 6%



O&M includes all non-personnel related expenses, like electricity, fuel, and office supplies



Services supported by GF

- Police (entire department)
 - Dispatch
 - Records and Evidence Management
 - Patrol/Crime Prevention
 - Animal Control
- Public Works
 - Engineering
 - Facility and Vehicle Maintenance
 - Parks and Grounds Maintenance
- Community Development
 - Planning
 - Building
 - Neighborhood Services
- Fire/EMS (entire department)
- Leisure and Library Services
 - Classes
 - Senior and Sports Programs
 - Sierra Vista Public Library
 - The Cove
 - Henry F. Hauser Museum
- Administrative Functions
 - Finance, Human Resources, Information Technology, Purchasing, City Manager, City Clerk, etc.
 - Economic Development, Tourism, and Marketing
- Equipment & vehicles



General Fund Expenditure by Department



- Police- 31.5%
- Public Works- 19.9%
- Fire- 16.5%
- Admin Services (IT, HR, Procurement, Clerk)- 8.1%
- Leisure and Library- 9.7%
- City Manager (PAO, Finance, ED)- 6.2%
- General Government- 3.8%
- Community Development- 2.4%
- Legal- 1.1%
- City Council- .4%
- Debt- .4%



Funds that support the GF

- Capital improvements
 - Capital purchases
 - Capital maintenance

Funds supported by the GF

- Local Transportation Assistance (LTAF)
- Grants
- Highway User Revenue (HURF)



Notable FY 15 GF Personnel Costs

- Retirement: \$3,195,478
 - Arizona State Retirement System (ASRS) - \$972,261
 - Public Safety Retirement System (PSPRS) - \$2,223,217
- Retiree health care: \$838,392

PSPRS costs increase by approximately \$550,000 next year, to be paid entirely from the general fund



Major GF O&M Expenditures

- Fuel: \$1,179,000
- Phone/Water/Electric/Utilities: \$1,397,035
- Insurance: \$465,000
- IT Maintenance: \$535,998
- Vehicle Maintenance: \$690,600

These five items total \$4.27M, or 56% of the GF O&M budget that covers all departments



Entire FY15 City Budget: \$73,570,106





VISTA 2030

Sierra Vista General Plan Update

VISTA 2030

- VISTA 2030 is the City of Sierra Vista General Plan
- All Arizona cities are required to have a general plan
- It's the over-arching plan used to guide development and City services over the upcoming 10 years

VISTA 2030

- The purpose of a general plan is to ensure that decisions made by your city government are consistent with the community's vision
- Per State Law, general plans must be updated every 10 years and ratified by the voters

History

- Sierra Vista's first plan was in 1965



- Additional plan updates were adopted:
 - VISTA 2000 (1985)
 - VISTA 2010 (1995)
 - VISTA 2020, (2002) - the current plan and first plan ratified by the voters per State Law

A “*visioning*” effort was undertaken in 2012/2013 called “*Dream Your City*”



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- This visioning effort reached some 500 people who provided hundreds of comments
 - The Plan was written using the comments from that process along with input from the Planning and Zoning Commission and City Council meetings

VISTA 2030

- The Vision Statement says, in part, that the City is “*an attractive, vibrant and inviting place to live, work and visit*”. It mentions the natural environment, mountain vistas, military heritage and engaged citizenry

VISTA 2030

- Why does the Plan matter?

City Council Strategic Plan – the long range planning effort city staff focuses on



Transportation – where the road network, transit and “complete streets” are developed



Economic Development – how will we retain and expand existing businesses and attract new ones



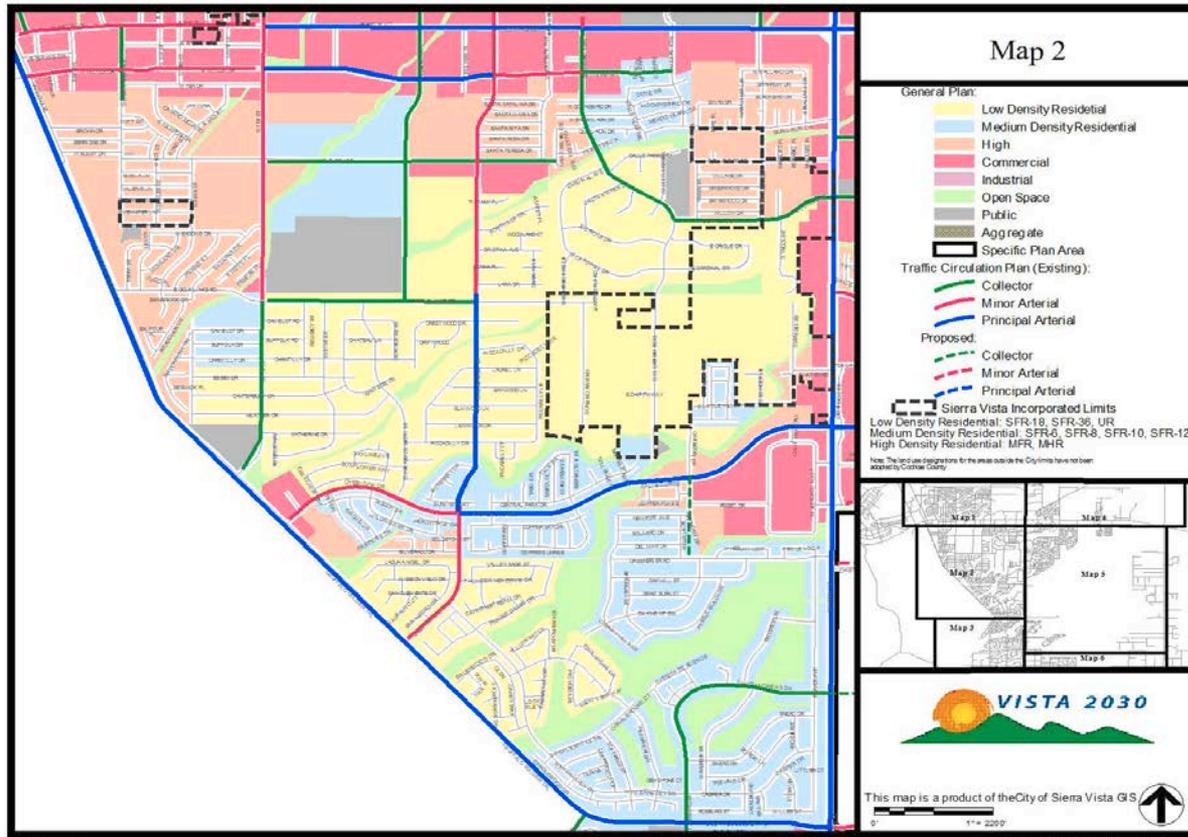
Parks and Multi-Use Paths: where will they be built



Urban Design – how our commercial development buildings are constructed adds aesthetic appeal to the City



Land Use – effective zoning and planned growth ensure long-term quality of life for all citizens



Water Conservation – protection of our water resources protects the San Pedro river which benefits Fort Huachuca



VISTA 2030

- Plan elements:
 - Citizen Participation
 - Land Use
 - Transportation and Circulation
 - Open Space
 - Growth
 - Environmental Planning
 - Cost of Development

VISTA 2030

- Water Resources
- Parks and Recreation
- Public Facilities, Services, and Public Buildings
- Housing and Neighborhoods
- Redevelopment and Infill Development
- Safety
- Economic Development
- Arts, Humanities, and Cultural Activities
- Urban Design

VISTA 2030

- The Plan was approved by the Mayor and City Council on June 26 of this year
- The Plan was then approved by the voters of Sierra Vista in the November 4 general election
- The Plan will be in effect for the upcoming 10-year period



VISTA 2030

SIERRA VISTA GENERAL PLAN

