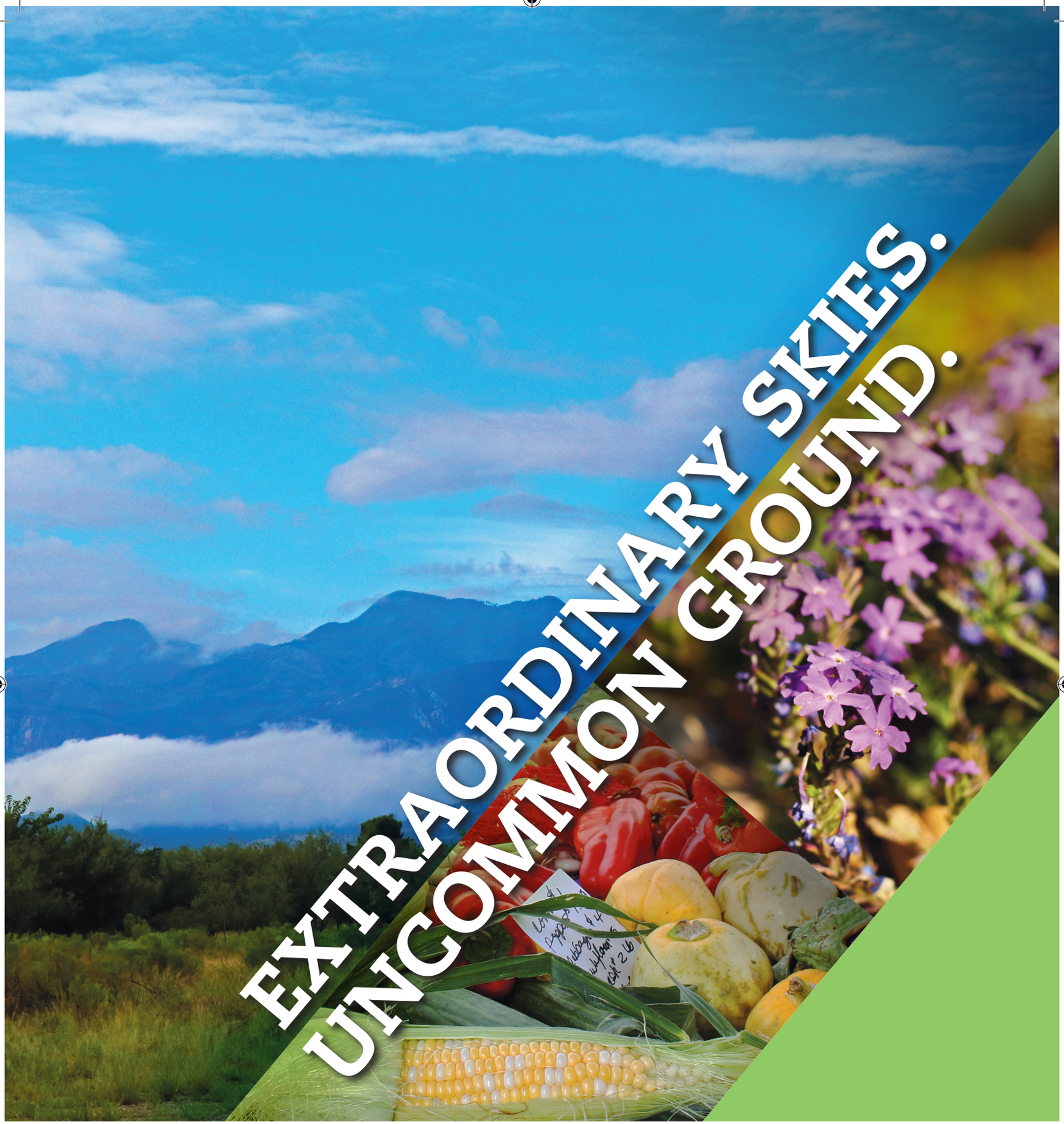

Sierra Vista
ARIZONA

ANNUAL BUDGET
FISCAL YEAR 2018 – 2019

2018–2019 Final Budget Cover.indd 1 5/30/2018 9:05:43 AM

Sierra Vista
EXTRAORDINARY SKIES.
UNCOMMON GROUND.

CITY OF SIERRA VISTA, ARIZONA ANNUAL BUDGET
For the Fiscal Year July 1, 2018 - June 30, 2019

CITY OF SIERRA VISTA LEADERSHIP

CITY COUNCIL

Rick Mueller, Mayor

Bob Blanchard, Council Member

Rachel Gray, Council Member

Gwen Calhoun, Council Member

Kristine Wolfe, Council Member

Alesia Ash, Mayor Pro Tem

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

Distinguished Budget Presentation Award

PRESENTED TO

City of Sierra Vista

Arizona

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morrill

Executive Director

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The City of Sierra Vista's Fiscal Year 2019 budget book serves as a policy document, financial plan, operations guide, and communications device. The City is proud to be a 26-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 FY 2019 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.

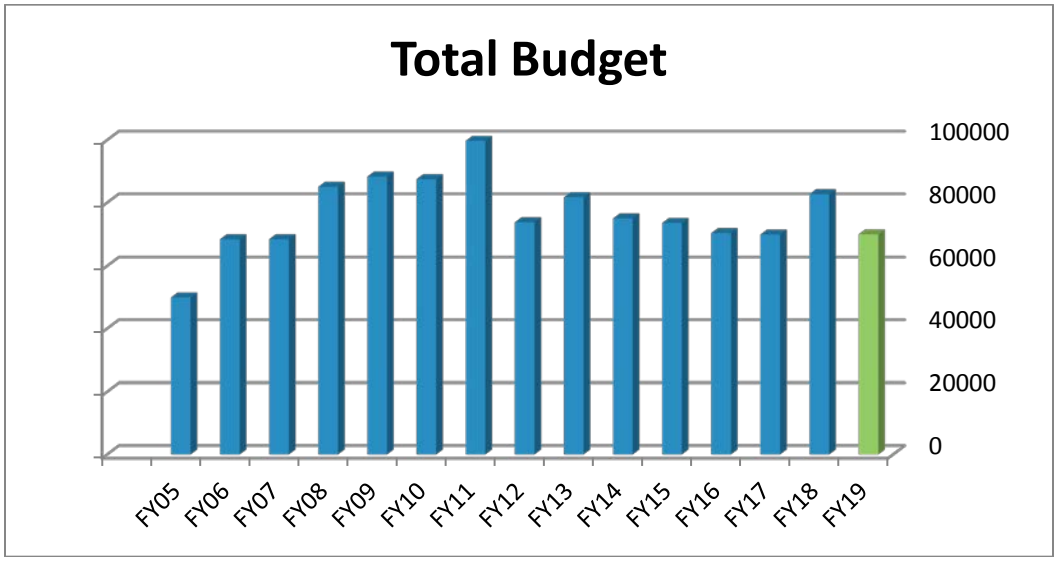
City Manager Charles P. Potucek

To The Honorable Mayor and City Council:

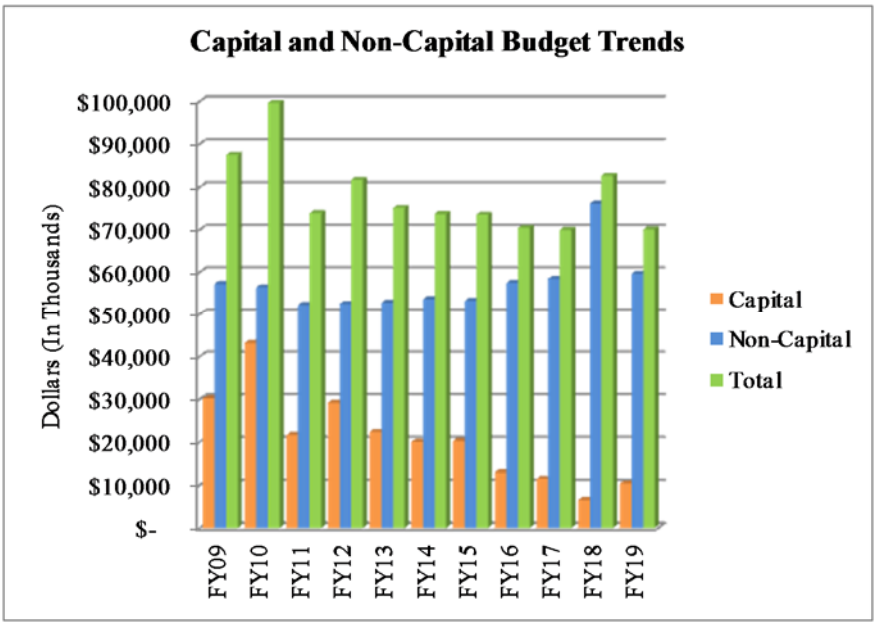
I am pleased to present the Fiscal Year 2018-2019 (FY19) budget in the amount of $70,092,846. The City was able to balance the budget without tax increases or sewer/sanitation rate increases; however, a 15% refuse rate increase was approved by Council for residential routes only. The FY19 budget represents a $12,630,944 (15%) decrease from the FY18 budget. This decrease is mainly due to no bond refinancing which was the major increase in the FY18 budget. 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 continues to include 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 to work effectively but yet efficiently.

The graph below depicts the total budgets for FY05 to FY19.



The graph below separates the budget into capital and non-capital expenditures for the last ten fiscal years. In the FY19 budget, non-capital expenditures decreased roughly twenty-eight percent and capital expenditures increased thirty-seven percent from the FY18 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 decrease in non-capital is the reduction in debt since there was no refinancing this year on the series municipal property corporation bonds.



City Council Strategic Plan

The FY19 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 FY19 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.

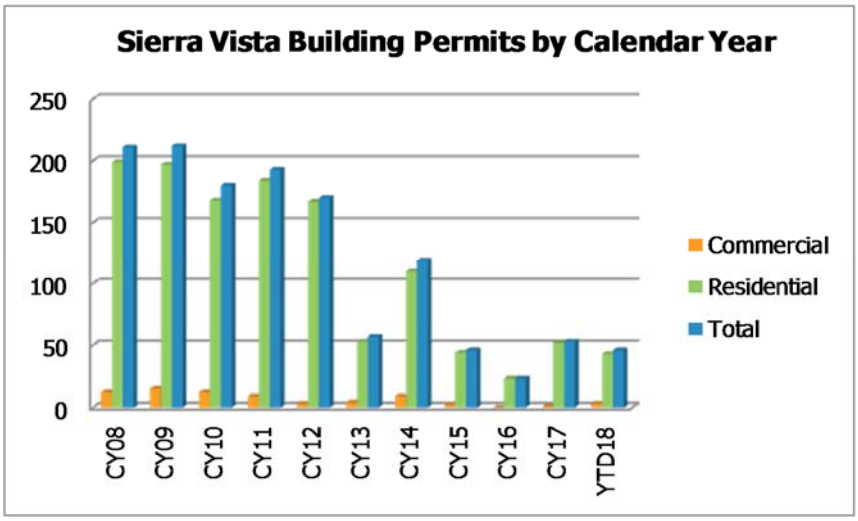
E-3. Identify roadblocks and opportunities to enhance community services and maintain quality neighborhoods.

Local Economic Conditions

Sierra Vista's economy is starting to improve due to increased training missions on Fort Huachuca. Commercial and residential building permits are on track to increase for the second consecutive year. This increase is attributable to both the improved economy and the decrease in foreclosure sales. The chart below depicts the trends for both commercial and residential building permits over the past ten years.

There are several new businesses occupying renovated and newly constructed space in Plaza Vista (former Sutherlands Home and Garden Warehouse). An outparcel in Cochise Crossroads (next to Target) is being redeveloped. Sierra Cycles has opened

to its new location on State Road 92 and Busby Drive. Businesses such as McDonalds and Lawley Nissan have refurbished their stores. Sun Canyon Inn on North Garden Avenue is being renovated and rebranded into a Best Western Plus. On the educational front, the Sierra Vista Unified School District is wrapping up major construction and renovation projects at several school sites and the Leman Academy has finished a major expansion project.



Economic Development

Given the recent optimism and positive economic indicators about the future of the City, we plan to continue aggressively to pursue economic development opportunities in FY19. Using the 2018 internally created economic development framework, we are taking lead role in the community with the entire City Staff to achieve our six objectives. The framework includes specific efforts to develop additional opportunities with Mexico, maximize the municipal airport, improve and sustain parks and community events, West-End Redevelopment, improve awareness of Sierra Vista, and expand awareness of Fort Huachuca highlighting growth potential.

As we continue to aggressively pursue economic development opportunities utilizing the framework objectives, we are also focused on business retention and expansion. Working across the entire City Staff to engage new businesses and assist our local businesses in their expansion through a coordinated effort. Further collaboration includes linking marketing efforts in tourism and economic development while leveraging community events to maximize the awareness of Sierra Vista and our strengths. We will pursue business attraction highlighting our technical workforce and unique educational opportunities.

Public Safety Partnerships

The City's police and fire departments maintain strong partnerships with local, state, and federal public safety agencies. The opening of the Southeastern Regional Communications Center (SEACOM) in July 2018 combined the public safety communication services of the city and county and allows for improved communications in the event of a large scale emergency. SEACOM currently provides services to multiple law enforcement agencies and fire services which improve the level of service to the community and safety of first responders throughout the city and county.

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.

Beginning January 1, 2018, Fort Huachuca contracted with the City of Sierra Vista, the first intergovernmental agreement of its kind, for emergency medical services.

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 four 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. Fourth, the market for recyclables has collapsed. This year the Council enacted a 15% rate increase for residential route customers. In addition, the Residential 1&1 Refuse and Recycling Program, in which garbage and recycling were each collected one day per week, has been modified to only two recycling pickups per month.

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 $22,579,811 from FY08 to the end of FY17.

Revenue

The city sales tax, a major local revenue source, comprises 27 percent of the total revenue raised by the City. Fiscal year 2018 actual sales tax revenues are above projections, so the City has forecasting a 2% growth over the end of year estimate 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 FY18. The City saw a slight increase in state-shared revenue. As cities in Arizona grow, 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 FY19 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 three percent from FY18 to FY19 largely as a result of implementation of the 2015 classification and compensation plan and increases to the cost of the Public Safety Personnel Retirement System (PSPRS). In FY19, the City is adding one new position and reclassifying three positions. These positions are located in fire, leisure and public affairs.

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:

- Domingo Paiz Lighting Project $663,604
- Fire Equipment Replacement $300,000
- Datacenter Infrastructure Replacement $245,000
- City Hall Remodeling $150,000

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 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 reclassifying a few positions in FY19, 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 FY19, 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

The FY19 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 43,824 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, Dragoon, 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 and the Youth 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 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. She is currently enrolled in the Masters of Public Administration program at the University of Arizona.

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 17-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.

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 has been elected to the position twice. She has served as Council Liaison to the Commission on Cultural Diversity, the Environmental Affairs Commission, the West End Commission, and the Sister Cities Commission.

After a successful career in public school nursing and counseling, Gwen served in the Behavioral Health discipline as Southeast Regional Director at the Community Partnership of Southern Arizona and also served 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 of Cochise for many years and the Arizona Town Hall Board.

She was recently voted to the Community Foundation 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.

In her spare time, Gwen loves to read, make jewelry, and play in the clay at the Sierra Vista Pottery Studio.

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 over 20 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 32 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 took on the role of Sierra Vista's Assistant City Manager in September 2017 after serving as the Leisure & Library Services Director for Sierra Vista for six years. She also worked in library and recreation for the City of Douglas from 2007-2011, and at the University of Arizona Main Library in Tucson from 2005-2007.

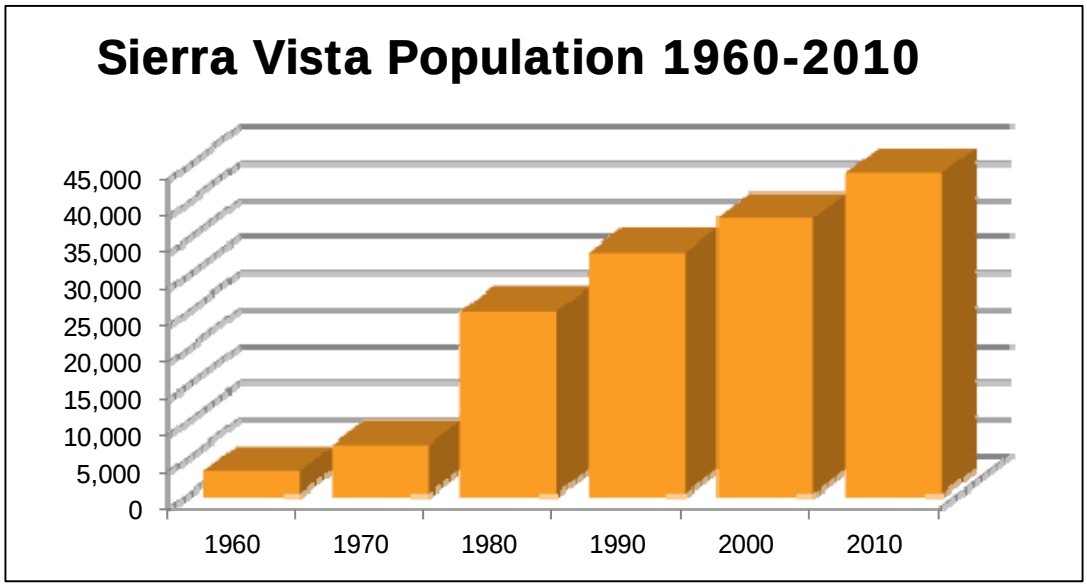
Yarbrough functions as the organization's Chief Operating Officer and currently supervises all non-public safety operational and administrative departments, constituting a wide span of functions to include the library, leisure and recreation, planning, building inspection, fleet and facility maintenance, 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's population has maintained steady with projections showing increase over the next ten years 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%
2017	43,824	0%



Gender	
Male	50.9%
Female	49.1%

Racial Composition	
Two or more Races	4.0%
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%

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%

Income[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	$56,280

Educational Attainment	
Less than 9th grade	3.6%
9th to 12th 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%

[1] US Census 2012-2016 American Community Survey 5-Year Estimates
[2] US Census 2012-2016 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 Index[3] 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.

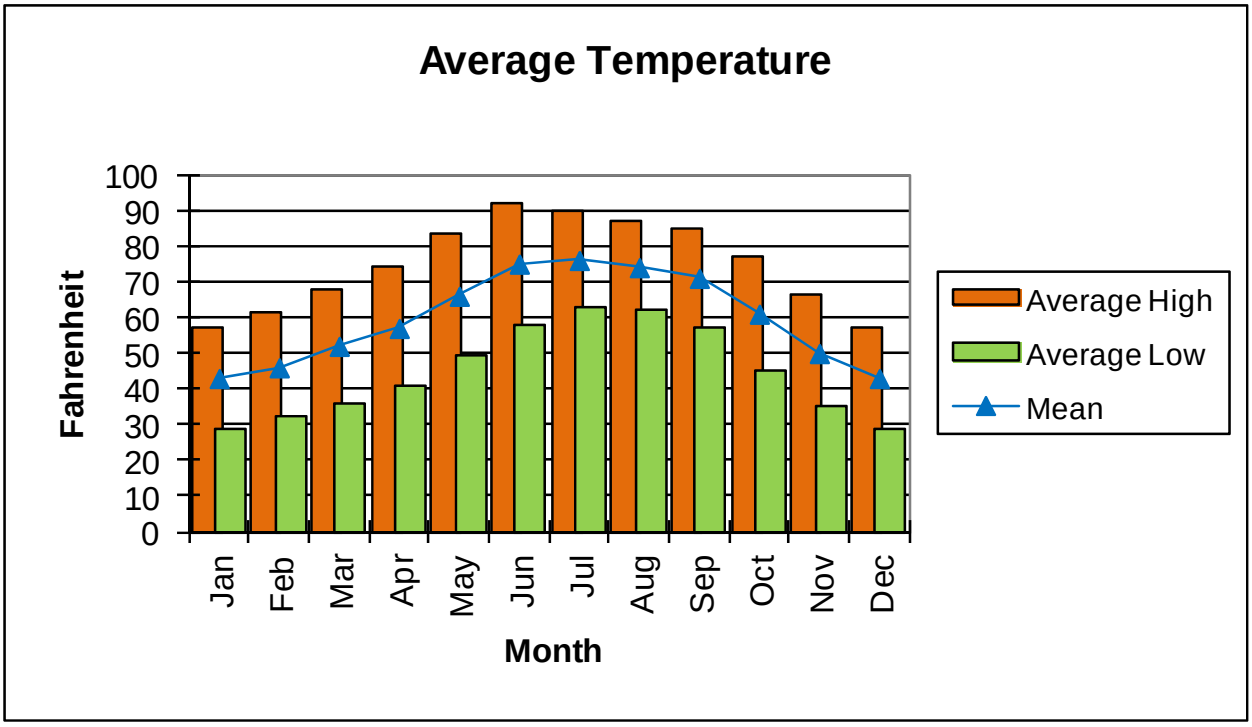
Sierra Vista To:	Phoenix	Flagstaff	Lake Havasu City	Prescott	Tucson
Groceries	7.35%	-.49%	6.23%	5.57%	2.51%
Housing	-7.54%	-34.37%	-17.09%	-15.63%	14.23%
Utilities	5.96%	-8.81%	2.84%	23.96%	10.70%
Transportation	2.34%	-6.34%	-8.64%	5.90%	2.24%
Health Care	-2.27%	-14.53%	-3.96%	-.53%	-5.30%
Miscellaneous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

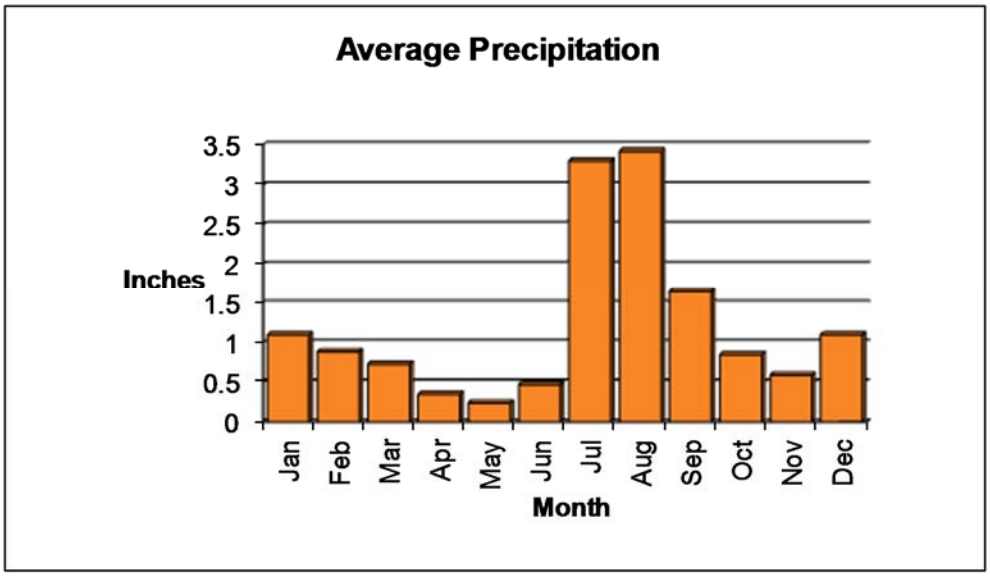
Climate

The City of Sierra Vista is located at 4,632 feet. Residents and visitors enjoy moderate year-round temperatures. The chart below reflects 2017 average temperature.

Month	Average High	Average Low	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


Average Temperature
Fahrenheit
100
90
80
70
60
50
40
30
20
10
0
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Month
Average High
Average Low
Mean


Average Precipitation
Inches
3.5
3
2.5
2
1.5
1
0.5
0
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Month

Major Employers

Sierra Vista's Top Employers[4]
Employer
U.S. Army Fort Huachuca
Sierra Vista Unified School District
General Dynamics Information Technology
Canyon Vista Medical Center
City of Sierra Vista
ManTech International Corporation
Cochise College
Engility Corporation
Lawley Automotive Group
Cochise County
Northrop Grumman
Raytheon
Teleperformance
Walmart

[4] Cochise College Center for Economic Research 2018 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 provides 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
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

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	

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	

Element 15: Economic Development		
Goal 15.1: Update the *Plan for Prosperity* 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	

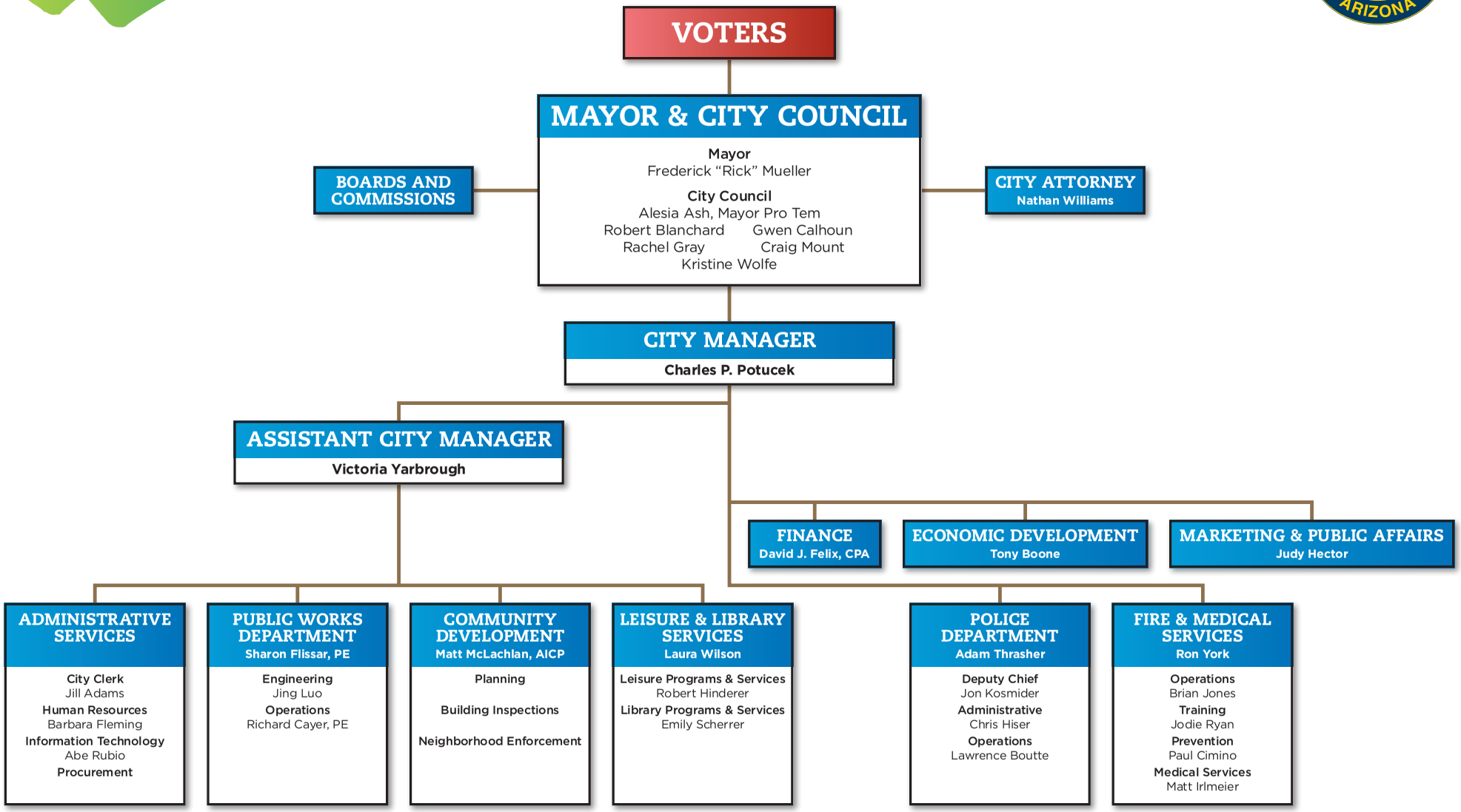
Element 17: Urban Design		
Goal 17.1: Make Sierra Vista a city distinguished by its orderly and aesthetic-character.	Safe, Healthy and Welcoming Community	
Goal 17.2: Develop a cohesive urban character that makes Sierra Vista a community unto itself.	Safe, Healthy and Safe, Healthy, Welcoming Community	
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



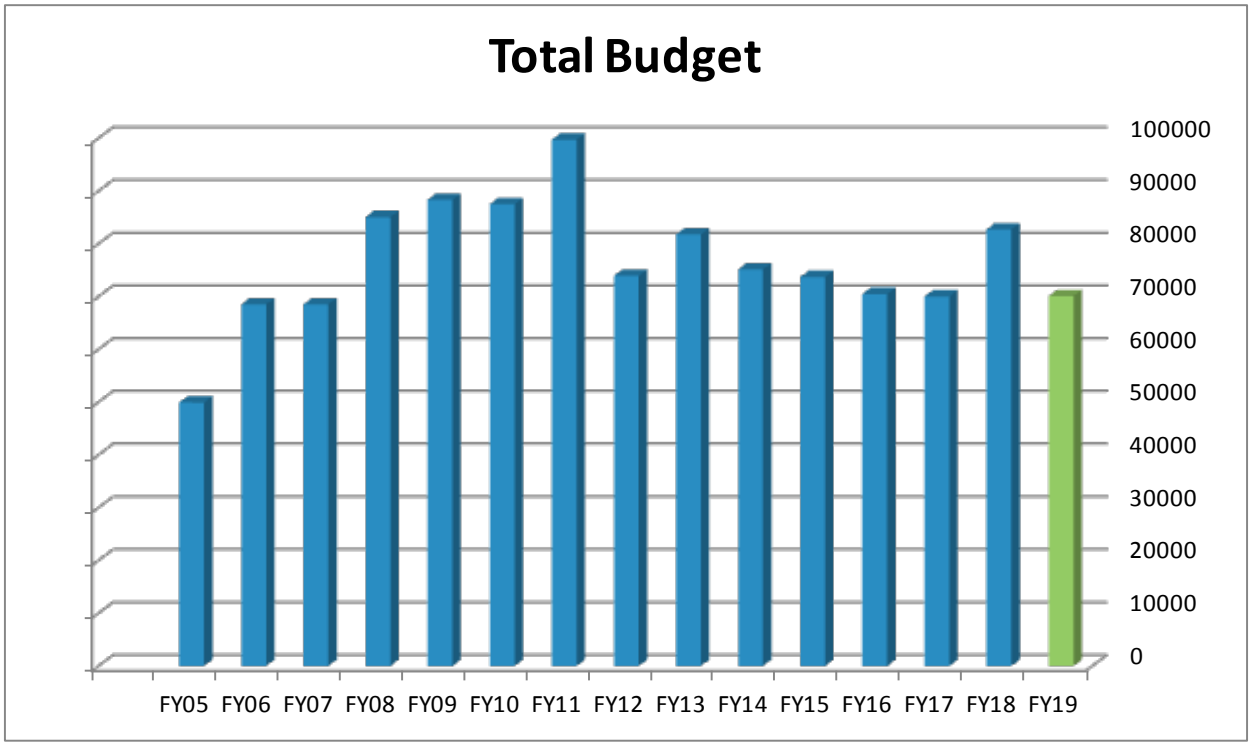
Budget Summary

The first part of this section provides an overview of the FY19 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.

FY19 Overview

The Fiscal Year 2019 (FY19) budget decreased 15.3% from Fiscal Year 2018 (FY18) mainly due to the completion of the bond refinancing. 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 FY19 budget reflects fiscal stability through conservative budgeting and ongoing efficiencies and reductions in operations and maintenance costs.

Year	Budget Amount	Change
FY04	$ 44,917,175	0%
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%
FY19	$ 70,092,846	-15.3%



The graph above shows the total budget expenditures from FY05 to FY19. 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 (FY19), local and state-shared revenues have been increased based on actuals from FY18.

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 FY19 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 FY19 Budget represents the second 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 $70,092,846 in FY19. The City raises revenue through many sources including taxes (both sales and property), user fees (fees to use a service, e.g., Sewer 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 $8,549,470 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 FY19 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.

	FY18 Budget	FY19 Budget	% Change	FY19 % of Total
City Sales Tax	$18,021,182	$19,198,368	7%	27.39%
Property Tax	$359,240	$359,883	0%	0.51%
Franchise Fees	$1,325,000	$1,325,000	0%	1.89%
Licenses & Permits	$395,500	$450,000	14%	0.64%
Grants	$3,028,012	$6,443,546	113%	9.19%
Local Govt. Payments	$2,742,241	$1,136,766	-59%	1.62%
State Shared Revenue	$14,651,586	$15,099,793	3%	21.54%
Health & Accident	$4,319,000	$4,319,000	0%	6.16%
Ambulance Fees	$1,943,000	$1,775,000	-9%	2.53%
Public Safety Fees	$100,000	$70,000	-30%	0.10%
GMC Revenues	$1,252,880	$1,252,880	0%	1.79%
Transit Revenue	$135,200	$133,200	-1%	0.19%
Airport Revenues	$905,436	$911,000	1%	1.30%
Sewer Revenues	$3,742,676	$3,721,854	-1%	5.31%
Refuse Revenues	$3,902,000	$3,660,714	-6%	5.22%
Leisure Revenue	$1,196,635	$1,230,158	3%	1.76%
Planning Revenue	$23,000	$30,000	30%	0.04%
Development Fees	$0	$0	NA	0.00%
Investment Income	$13,500	$23,500	74%	0.03%
Donations	$2,928,424	$2,105,924	-28%	3.00%
Sale of Fixed Assets	$70,000	$570,000	714%	0.81%
Notes Payable	$16,718,000	$873,116	-95%	1.25%
Carryover	$4,269,678	$4,731,160	11%	6.75%
Misc Revenue	$681,600	$671,984	-1%	0.96%
Total	**$82,723,790**	**$70,092,846**	-15%	**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%

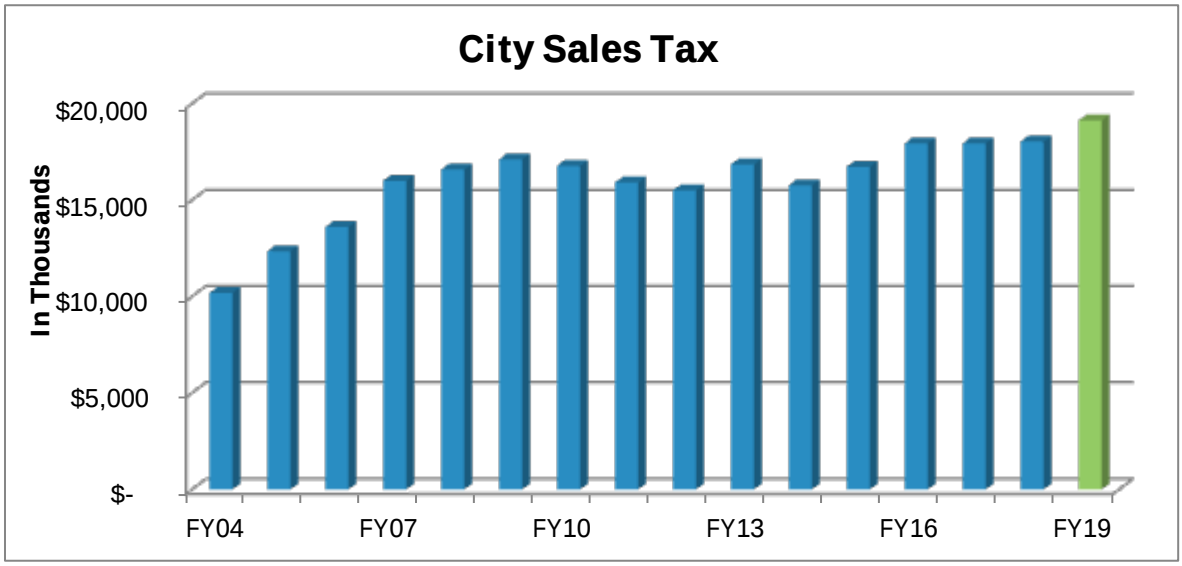
The City's tax package contributes about 27 percent of the City's total revenue. These taxes contribute about one-fourth of the total general fund revenue.

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.

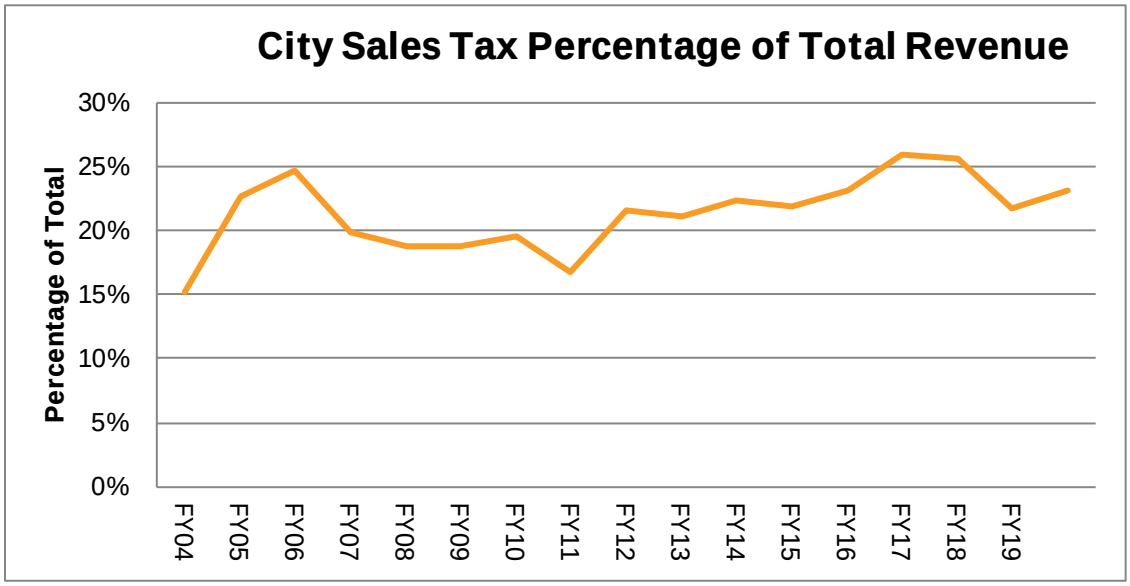
Of the total sales tax, one-half of one percent (0.5%) is designated for capital projects. This money is used for the construction and operations of major capital projects. The money is also used for major capital maintenance projects. For FY19, $4,053,541 is projected to be set aside for these purposes.

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 FY18 and FY19 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 FY19, Sales Tax comprises roughly twenty-three percent (23%) of the overall revenue received.



Property Tax

The City levies a property tax. The property tax makes up a very small percentage (0.51%) 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).

	FY18 Budget	FY19 Budget	Change
Income	$5,312,329	$5,215,882	$ (96,447)
Sales	$4,087,089	$4,258,911	$ 171,822
HURF	$2,950,000	$3,475,000	$ 525,000
Auto Tax	$2,000,000	$2,150,000	$ 150,000
Total	**$14,349,418**	**$15,099,793**	**$ 750,375**

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.

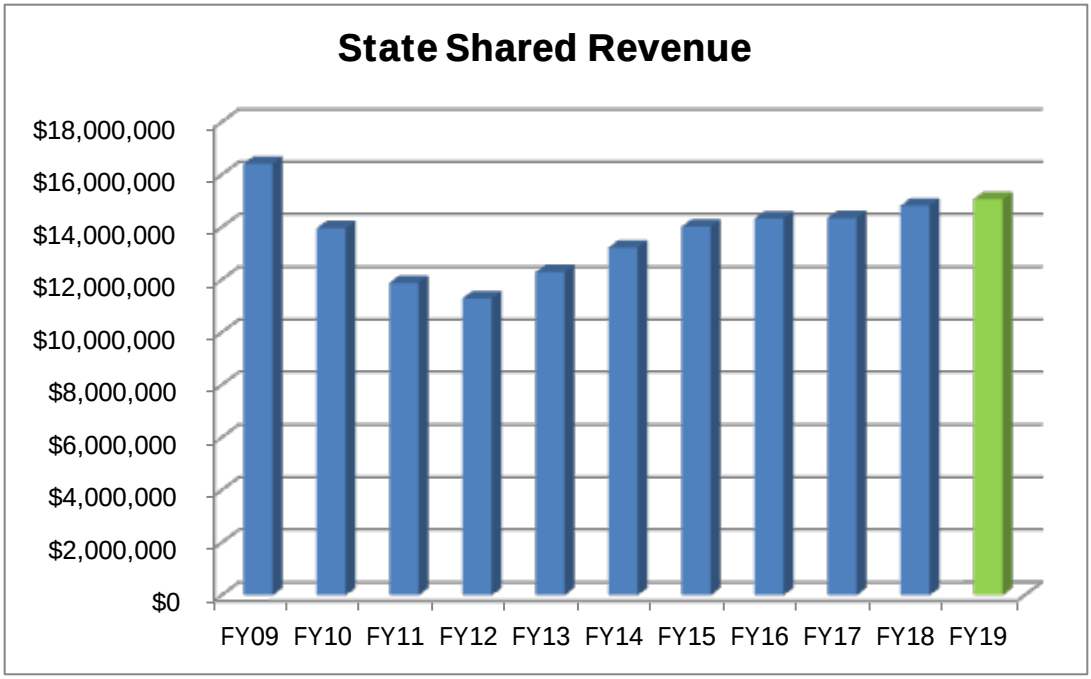
The City also receives State-Shared Sales Tax. Similar to the State Income Tax sharing, cities in Arizona share 25 percent of the overall base state sales tax collection based on a population formula.

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 FY19, the City anticipates receiving a small increase of State Shared Revenue compared to FY18. State Shared Revenue is the second largest revenue source to the City, contributing just over 21.5 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
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%
FY19	$15,099,793	2.8%



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 9.2 percent of the total estimated revenue to be received in FY19. 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 $873,116 in financing funds in FY19. This amount will be used to purchase fleet vehicles and provide a match on a grant to redo the Domingo Paiz lighting to an LED, energy efficient system.

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.

	FY19	% of User Fee Revenue
Labor Charges	$ 300,000	14%
Fluids Charges	$ 315,000	14.6%
Other GMC Revenues	$ 50,000	2.3%
Lease Revenues	$ 24,200	1.1%
Hangar Lease Revenue	$ 190,000	8.8%
Hangar Electrical Revenue	$ 5,000	0.2%
Tie Down Lease Revenue	$ 7,500	0.3%
Office Space Rental Revenue	$ 7,500	0.3%
Delinquent Lease Fees	$ 1,000	0.0%
Court Fees	$ 15,000	0.7%
Court Fines	$ -	0.0%
Library Fines	$ 18,000	0.8%
Performing Arts - Rec	$ 47,250	2.2%
Kids World	$ 447,173	20.7%
Rentals	$ 155,250	7.2%
Aquatics	$ 240,450	11.1%
Sports	$ 92,035	4.3%
Classes	$ 68,000	3.1%
Adult Trips	$ 36,350	1.7%
Senior Programming	$ 15,000	0.7%
Community Events	$ 128,650	5.9%
TOTAL	$2,163,358	100.0%

Ambulance Fees

The City charges Arizona Department of Health Services-regulated fees to the user of ambulance services. This includes a base rate and a mileage charge. Expected revenue from the provision of ambulance services for FY19 is $1,775,000. This is a decrease of about $168,000 based on actuals from FY18. Along with emergency 911 transports, crews also transport non-emergent patients from the ER to nursing homes, and vice-versa. 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.

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.

Impact 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. Development Fees contribute less than one percent of the total budget. The City suspended the Development Fees for two years to help improve economic development beginning July 2017.

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 Whetstone Fire District, and Palominas Fire District) and refunds on insurance deposits if risk performance is kept low. Fry Fire District does not pay a dispatch fee.

Expenditures by Major Category

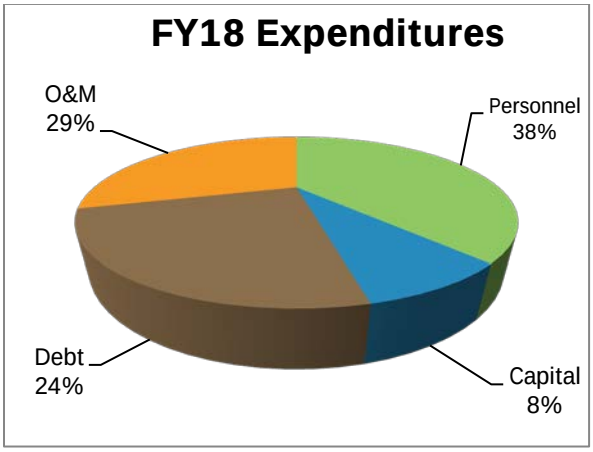
The City of Sierra Vista's budgeted expenditures total $70,092,846 for FY19, $12,630,944 less than the FY18 budget. The majority of the decrease is attributable to the bond refinancing completion. Capital Expenditures increased by $3,865,999, (59%) from FY18. Personnel expenditures increased by $893,774 (3%) reflecting the maintenance of the classification and compensation plan which brings employee salaries to 100% of market pay and the increased PSPRS liability. The City's Operating and Maintenance expenses decreased by $1,734,981 (7%). Overall, the City budget decreased 15 percent compared to FY18.

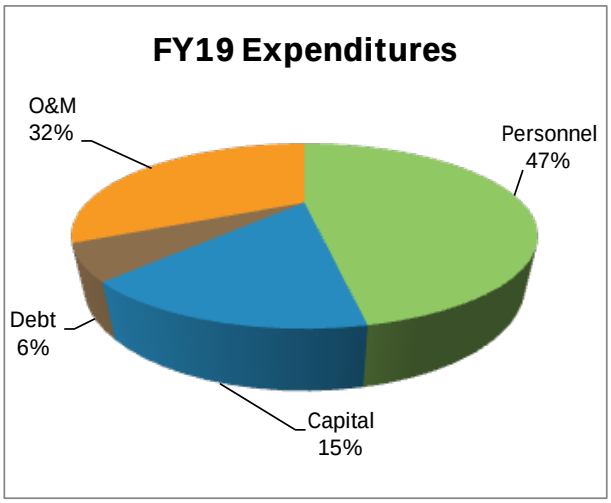
	FY18 Budget	FY19 Budget	Difference	% Change	% Total
Personnel	$ 31,804,910	$ 32,698,684	$ 893,774	3%	47%
O&M	$ 24,256,062	$ 22,521,081	$ (1,734,981)	-7%	32%
Capital	$ 6,572,000	$ 10,437,999	$ 3,865,999	59%	15%
Debt	$ 20,090,818	$ 4,435,082	$ (15,655,736)	-78%	6%
Total	$ 82,723,790	$ 70,092,846	$ (12,630,944)	-15%	100%

The following table provides an overview of the percentage of expenditures by category from FY09-FY19. Debt currently makes up six percent of the City expenditures. Capital Expenditures make up 15 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 47 percent of the total budget. Operations and Maintenance (O&M) comprises 32 percent of the total budget.

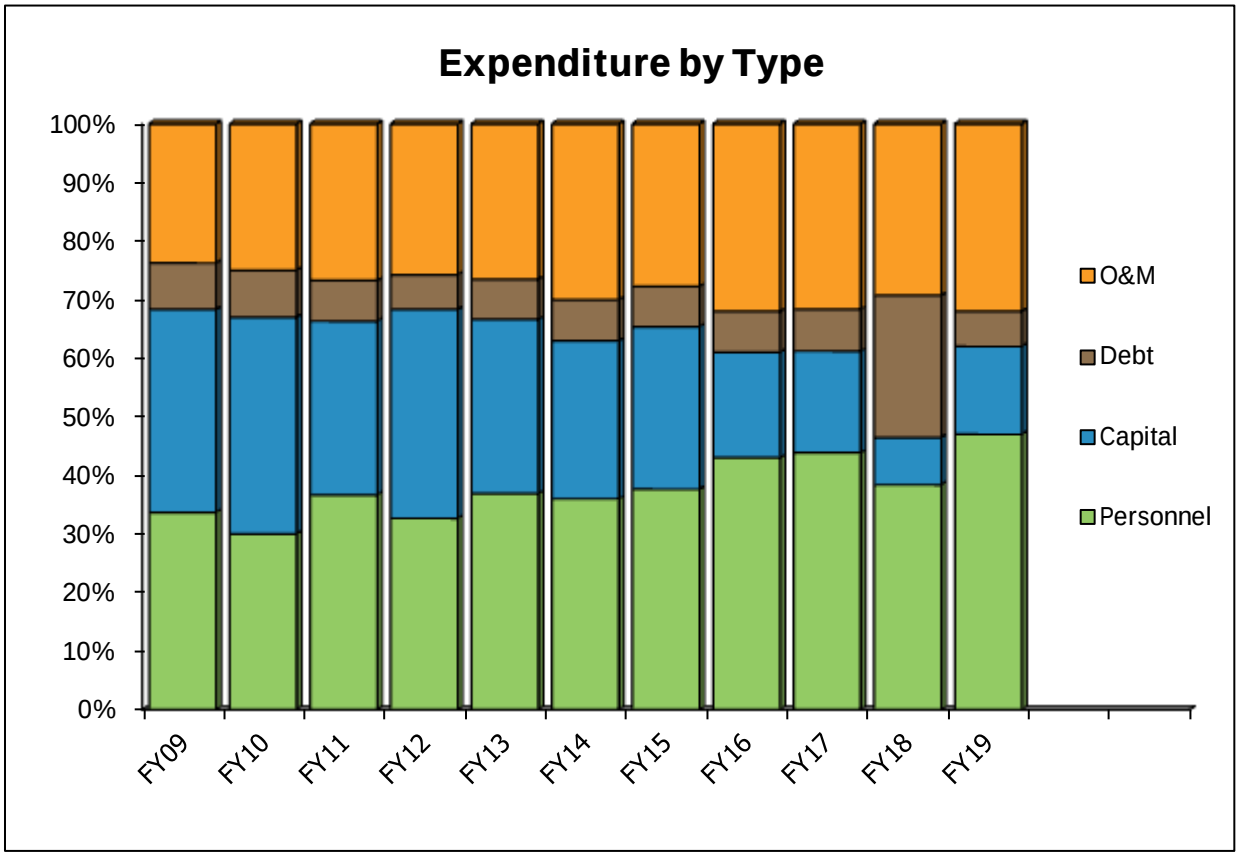
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Personnel	30%	37%	33%	37%	36%	38%	43%	45%	38%	47%
Capital	37%	30%	36%	30%	27%	28%	18%	17%	8%	15%
Debt	8%	7%	6%	7%	7%	7%	7%	7%	24%	6%
O&M	25%	27%	26%	27%	30%	28%	32%	31%	29%	32%

The graphs below depict the percentage of total budget, per major category, for FY18 and FY19. The shift in higher debt is largely a result of the refinance of the series municipal property corporation bonds.



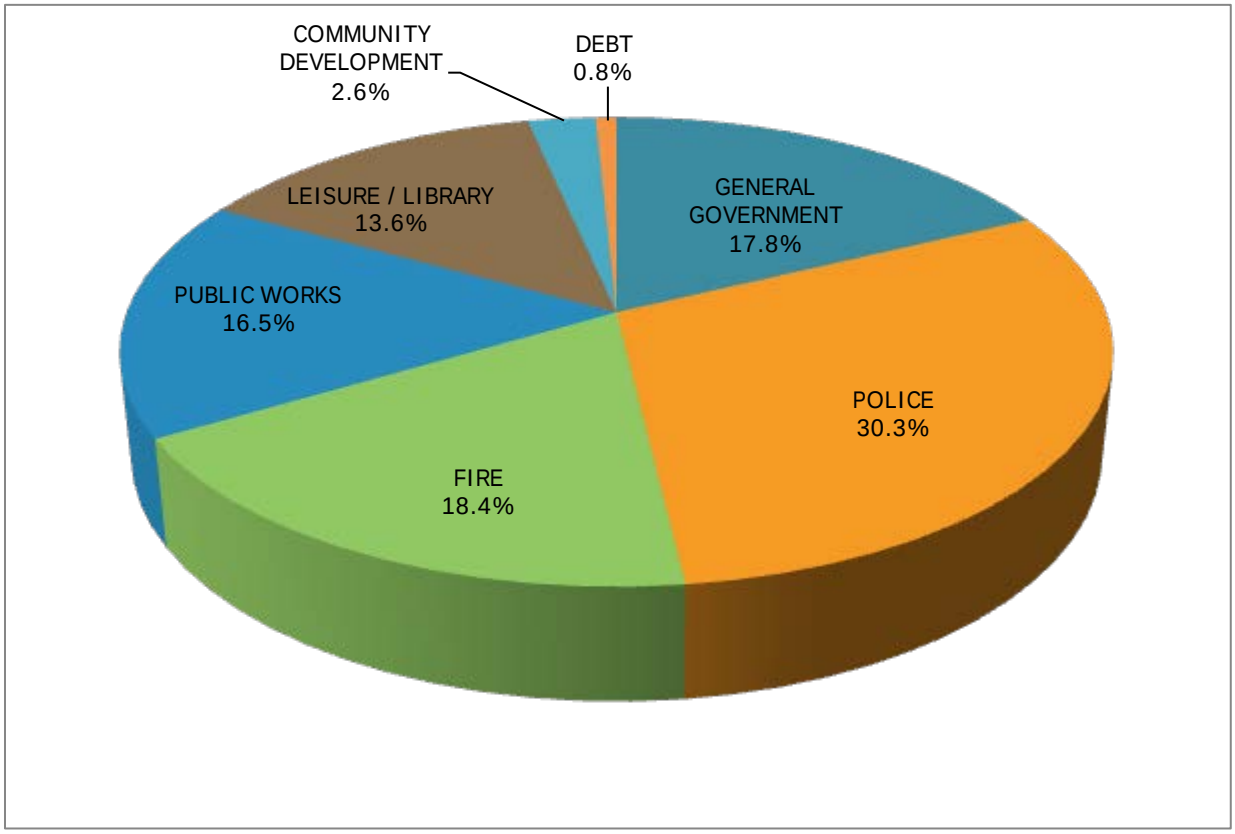


The graph below depicts the percentage of total expenditures by category for FY09-FY19.



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. FY19 General Fund expenditures total $37,772,553. The chart below illustrates the FY19 General Fund budget percentage by major category.



The largest percentage of general fund expenditures is Public Safety (Police and Fire) representing 48.7% of the total expenditures in the General Fund. The next largest expenditure occurs in General Government (17.8%), followed by Public Works (16.5%), 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	FY19
General Government	22%	20%	19%	21%	19%	20%	15%	19%	17%	18%
Police	29%	28%	28%	29%	30%	32%	31%	32%	30%	30%
Fire	15%	15%	15%	16%	15%	17%	17%	19%	24%	18%
Public Works	17%	16%	21%	20%	22%	20%	19%	18%	17%	17%
Leisure& Library	10%	16%	13%	12%	11%	10%	11%	10%	9%	14%
Community Development	4%	3%	3%	3%	3%	2%	3%	3%	3%	3%
Debt	3%	2%	1%	1%	1%	0.4%	0.3%	0.3%	0.4%	0.8%

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 three percent from FY18 to FY19 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 FY19, the City reclassified three positions in Leisure and Public Affairs. The City will also add one fire fighter position.

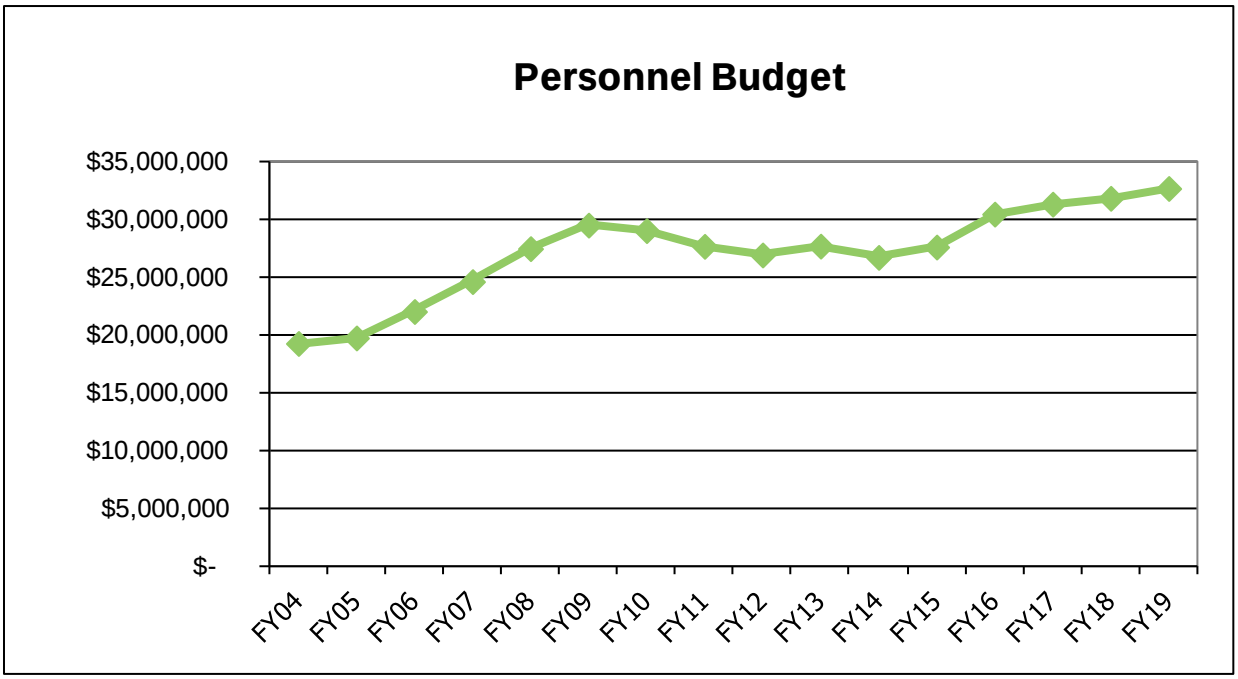
	Personnel Budget	% Change
FY04	$ 19,303,184	0%
FY05	$ 19,778,813	2%
FY06	$ 22,064,958	12%
FY07	$ 24,649,386	12%
FY08	$ 27,498,627	12%
FY09	$ 29,529,921	7%
FY10	$ 29,055,856	-2%
FY11	$ 27,697,934	-5%
FY12	$ 26,950,101	-3%
FY13	$ 27,714,442	3%
FY14	$ 26,741,763	-4%
FY15	$ 27,634,917	3%
FY16	$ 30,481,244	10%
FY17	$ 31,342,517	3%
FY18	$ 31,804,910	1%
FY19	$ 32,698,684	3%

The FY19 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 FY19 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 FY19. The City implemented a modest increase in the premiums due to increased health costs that will begin July 1, 2018. 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 FY19. These include yearly capital street maintenance and year four of the police Crown Victoria replacement. These are just two of the improvements. A full list can be found in the capital section.

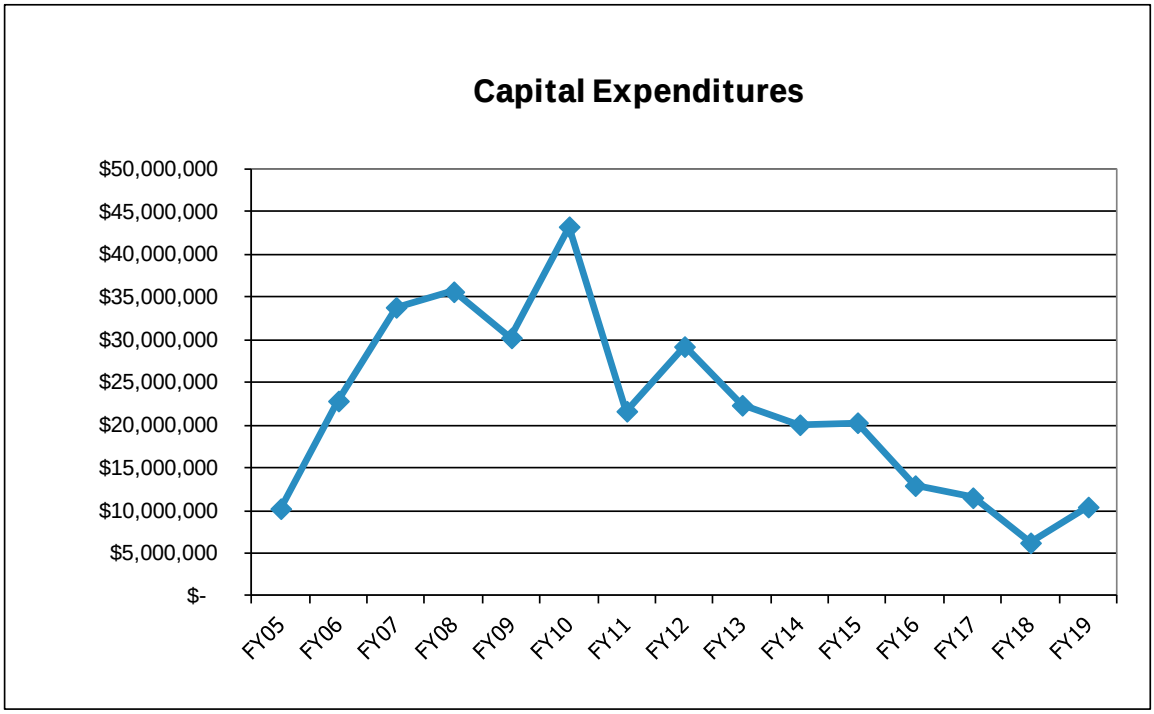
The table on the following page shows the changes in total capital expenditures from FY04-FY19. The amounts fluctuate considerably from year to year depending on potential grant funded capital projects. The FY19 budget increased substantially from the FY18 budget by $3,865,999. Many capital requests were added into the tentative budget in order according to the five year Capital Maintenance and Replacement Plan.

The Five Year Capital Replacement plan is displayed in the back of this budget book. The items that were funded are also included in the back of the budget book.

	Capital Budget	% Change
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%
FY19	$ 10,437,999	59%

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 FY05.



Debt

The City borrows money to provide a high level of service to its citizens. One of the City'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 FY19, the City's debt decreased due to the completion of the bond refinancing.

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

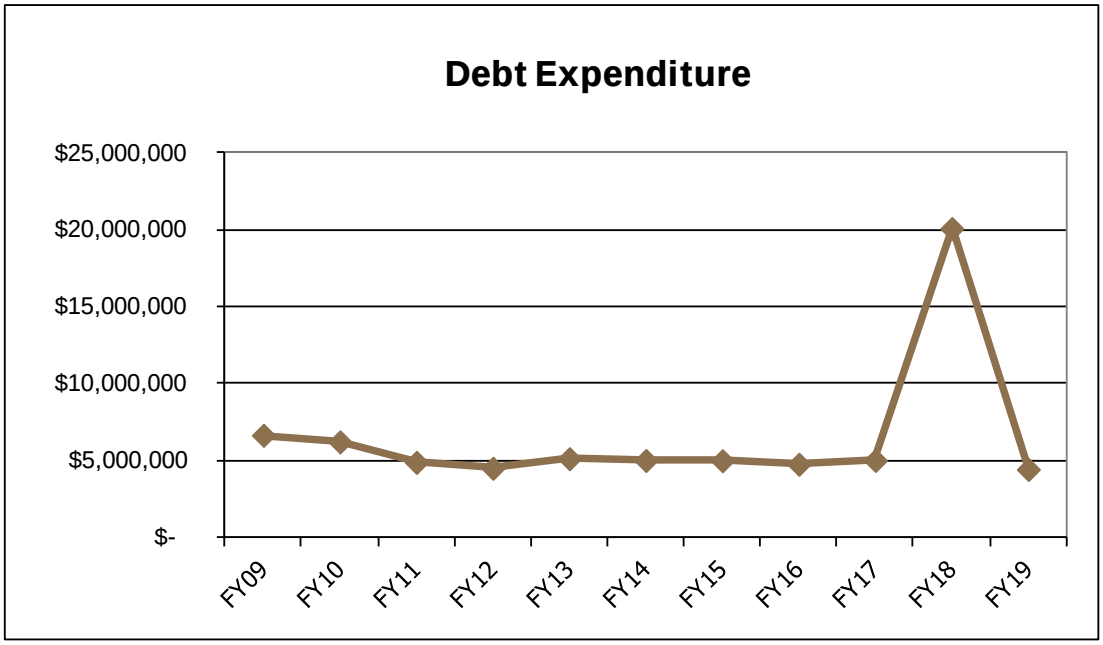
	Debt Budget	% Change
FY09	$ 6,655,707	
FY10	$ 6,227,559	-6%
FY11	$ 4,894,543	-21%
FY12	$ 4,512,635	-8%
FY13	$ 5,133,063	14%
FY14	$ 5,016,872	-2%
FY15	$ 5,000,900	-0.3%
FY16	$ 4,771,863	-4.9%
FY17	$ 5,021,109	0.4%
FY18	$20,090,818	321.0%
FY19	$ 4,435,082	-11.7%

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-FY19. 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. In FY19, the debt has decreased due to the completion of the bond refinancing.



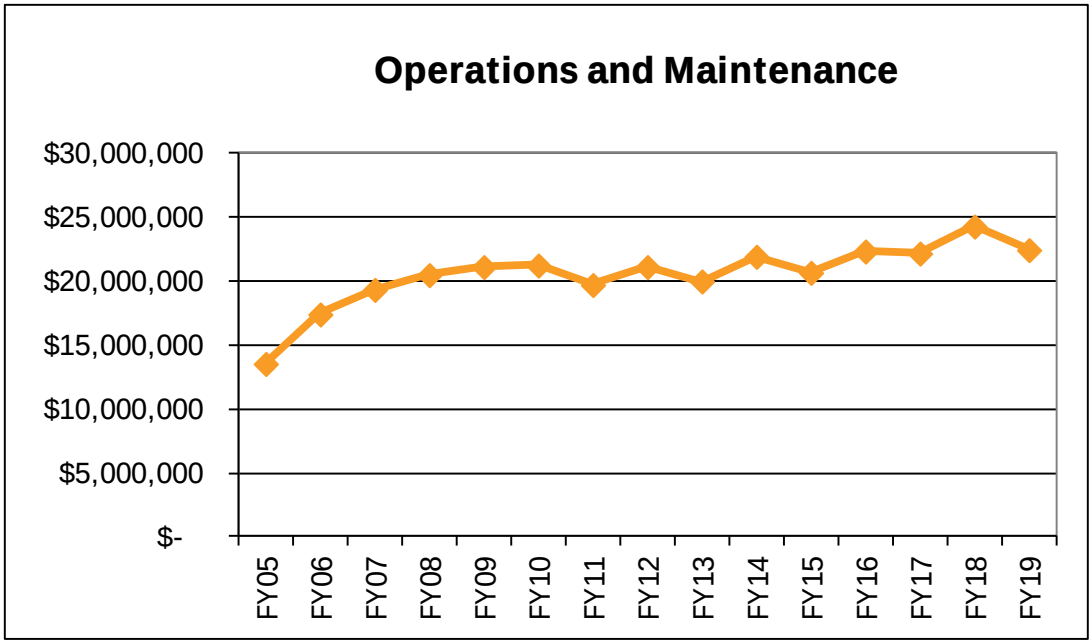
Operations and Maintenance

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 FY19 by recommending O&M reductions where possible. The decrease in O&M for FY19 is largely due to the

reduction of revenues and expenditure cuts. The table and graph show the percent change in the O&M budget since FY04

.

	O&M Budget	% Change
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%
FY19	$ 22,521,081	-7%

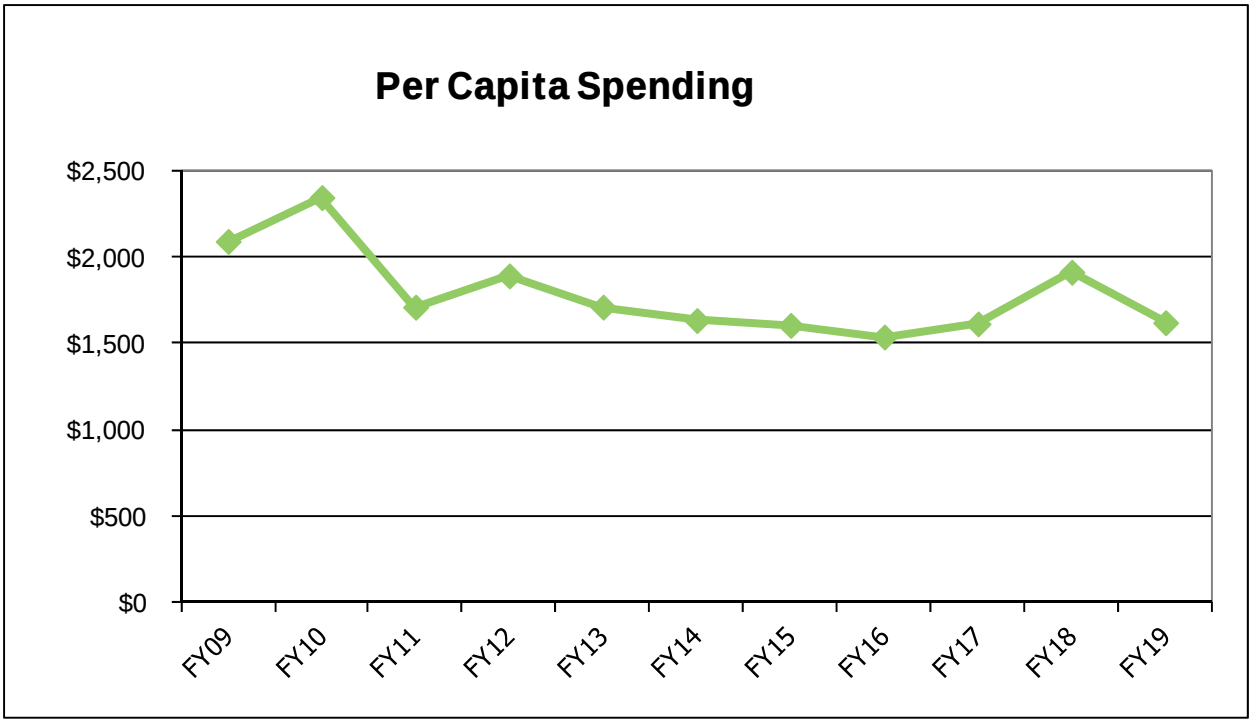


Per Capita Spending

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 FY18/19 budget year is $70,092,846. 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.

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Per Capita	$2,093	$2,347	$1,712	$1,893	$1,712	$1,634	$ 1,607	$ 1,539	$ 1,615	$1,915	$ 1,622



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

Departmental Per Capita Spending

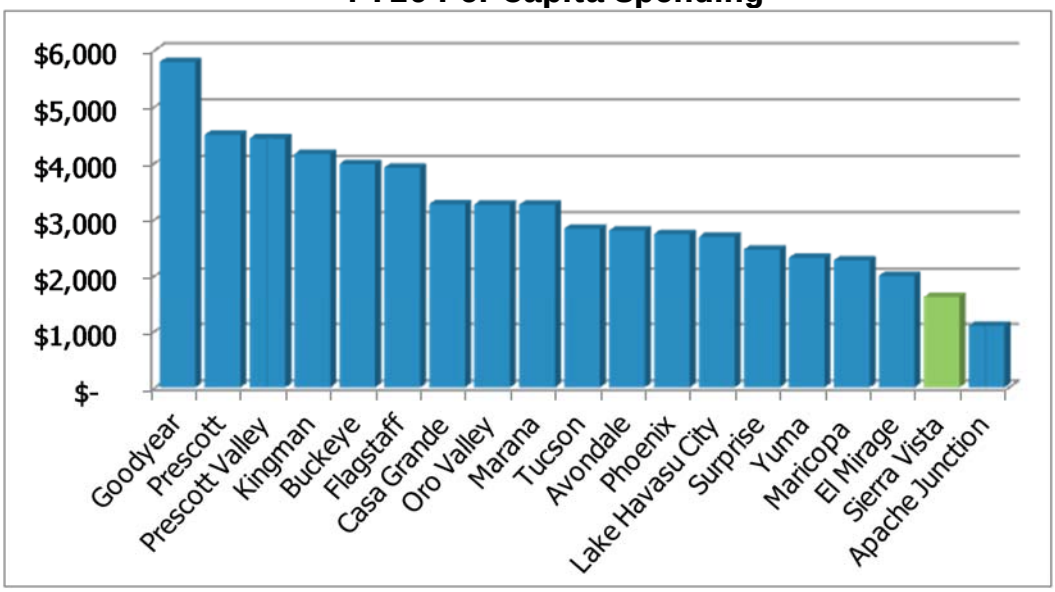
	FY17 Budget	FY18 Budget	FY19 Budget
City Council	$ 4.02	$ 3.90	$ 3.69
Administrative Services	$ 80.26	$ 75.08	$ 88.08
City Manager	$ 73.30	$ 84.97	$ 79.29
Court and Legal	$ 6.28	$ 6.36	$ 6.33
General	$ 134.59	$ 134.79	$ 131.56
Debt	$ 115.81	$ 464.98	$ 102.64
Police	$ 274.85	$ 277.52	$ 284.70
Fire	$ 185.11	$ 225.49	$ 185.00
Leisure and Library	$ 91.95	$ 88.10	$ 139.64
Public Works	$ 400.90	$ 335.47	$ 322.14
Sewer	$ 89.79	$ 90.92	$ 97.49
Refuse	$ 87.22	$ 92.53	$ 115.45
Public Transportation	$ 44.97	$ 4.63	$ 36.64
Community Development	$ 26.00	$ 29.81	$ 29.56
Total	$1,615.05	$1,914.55	$ 1,622.22

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 second lowest per capita budget in FY19 for similarly sized cities.

*Donations in the amount of $2,105,924 are included in the total budget amount used for Per Capita Spending. If removed, the City of Sierra Vista's Per Capita Spending reduces to $1,573.

City	FY19 Per Capita Spending
Goodyear	$ 5,790
Prescott	$ 4,499
Prescott Valley	$ 4,435
Kingman	$ 4,164
Buckeye	$ 3,980
Flagstaff	$ 3,918
Casa Grande	$ 3,270
Oro Valley	$ 3,264
Marana	$ 3,259
Tucson	$ 2,832
Avondale	$ 2,802
Phoenix	$ 2,738
Lake Havasu City	$ 2,690
Surprise	$ 2,465
Yuma	$ 2,320
Maricopa	$ 2,273
El Mirage	$ 1,999
Sierra Vista	$ 1,622
Apache Junction	$ 1,094

FY19 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 Class Fees – 100% of direct expenditures.
Aquatics Facility fees – 50% of direct salary and operating & maintenance costs, excluding utilities and Capital maintenance.
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 subsidy 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.

Before the financial statements are completed and issued for the fiscal year, the City shall project what the General Fund reserve change will be. If this change is positive, staff shall recommend to Council where the increase should be applied. Fund balance increases may be used for:

- Increasing fund balance
- Set aside to pay down Capital debt
- Pay down retirement liabilities
- Pay cash for Capital projects
- Cover emergency expenses
- Pay for strategic plan items

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 maintain a class and compensation plan and shall periodically update said plan and make every effort to stay competitive and strive to fund the plan.

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 FY19 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 FY19 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 (FY18), and the current fiscal year (FY19).

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 FY19, $359,883 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 (FY18) and this fiscal year (FY19) 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.

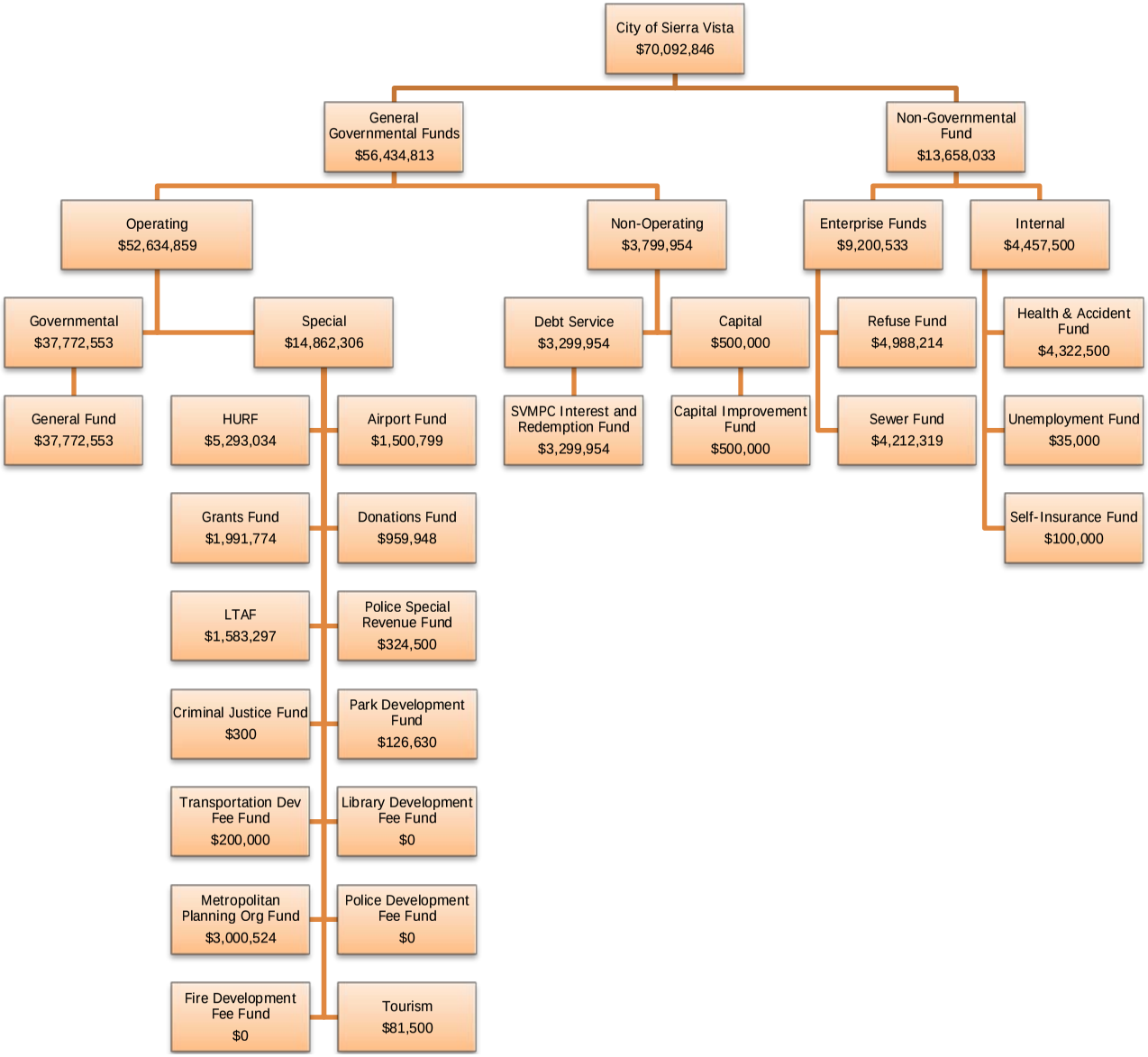
An established internal control structure is used to protect assets from loss, theft or misuse and to ensure that compliance is maintained with accepted accounting principles. Budgetary control is maintained through an annual budget review and resolution approved by the City Council.

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.



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	$ 99,494	$ 3,138,603.00	$ 2,310,208.00	$ 273,071.00	$ 908,752.00	$ 11,429,303.00	$ 6,939,673.00	$ 6,241,279.00	$ 5,113,977.00	$ 1,018,991.00	$ 299,202	$ 37,772,553
HURF					$ 63,651.00			$ 5,107,276.00			$ 122,107	$ 5,293,034
LTAF								$ 1,583,297.00				$ 1,583,297
Police Special Revenue						$ 324,500.00						$ 324,500
Grants			$ 386,596.00			$ 56,074.00	$ 1,037,437.00	$ 245,000.00	$ 10,000.00	$ 256,667.00		$ 1,991,774
Judicial Enhancement				$ 300.00								$ 300
Airport								$ 1,425,451.00			$ 75,348	$ 1,500,799
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.								$ -				$ -
Metropolitan Planning								$ 3,000,524.00				$ 3,000,524
Capital Improvement									$ 500,000.00	$ -		$ 500,000
SVMPC I&R											$ 3,299,954	$ 3,299,954
Sewer	$ 13,561	$ 326,924.00	$ 332,453.00		$ 127,303.00			$ 3,213,016.00			$ 199,062	$ 4,212,319
Refuse	$ 13,561	$ 340,235.00	$ 314,371.00		$ 127,303.00			$ 3,879,965.00			$ 312,779	$ 4,988,214
Tourism			$ 81,500.00									$ 81,500
Health & Accident					$ 4,322,500.00							$ 4,322,500
Unemployment					$ 35,000.00							$ 35,000
Self Insured Retention					$ 100,000.00							$ 100,000
Total	$ 159,566	$ 3,805,762.00	$ 3,425,928.00	$ 273,371.00	$ 5,684,509.00	$ 12,301,431.00	$ 7,993,598.00	$ 24,702,698.00	$ 6,033,462.00	$ 1,277,439.00	$ 4,435,082	$ 70,092,846

Fund Balance Estimates, 2017-2019

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 FY17 along with the estimated FY18 and budgeted FY19 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 FY19 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		
	2017	2018	2019
Revenues:	Actual	Estimated	Budget
Taxes	14,650,484	15,253,711	15,423,160
Intergovernmental	11,682,287	12,383,738	12,959,689
Charges for services	4,181,418	4,479,260	4,444,038
Licenses and permits	1,729,991	1,997,865	1,775,000
Fines	18,994	21,406	18,000
Investment income	26,019	40,957	20,000
Contributions	23,734	20,608	16,000
Other revenues	221,588	308,561	341,934
Total estimated revenues	32,534,515	34,506,106	34,997,821
Expenditures:			
Current-			
General government	6,077,689	7,072,246	6,730,128
Public safety	17,158,289	17,943,990	18,368,976
Public works	5,886,778	6,412,252	6,241,279
Culture and recreation	3,288,486	3,326,678	5,113,977
Community development	834,589	826,974	1,018,991
Debt service -			
Principal retirement	98,153	247,160	260,674
Interest and fiscal charges	2,059	13,599	38,528
Total estimated expenditures	33,346,043	35,842,899	37,772,553
Other financing sources (uses):			
Operating transfers in	639,122	1,317,440	2,342,550
Operating transfers out	(548,518)	(432,230)	(440,934)
Net proceeds from sale of bonds			
Proceeds from installment purchase	766,144	562,549	873,116
Total other financing sources (uses)	856,748	1,447,759	2,774,732
Net increase (decrease) in fund balance	45,220	110,966	-
Fund balances, July 1	4,128,942	4,174,162	4,285,128
Fund balances, June 30	4,174,162	4,285,128	4,285,128

The City's General fund balance is projected to remain level from FY17 to FY19. The FY19 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		
	2017	2018	2019
Revenues:	Actual	Estimated	Budget
Taxes			81,500
Intergovernmental	6,523,432	5,377,335	9,720,416
Charges for services	2,012,929	1,277,916	1,044,200
Licenses and permits			
Fines	26	24	100
Investment income	4,426	4,786	-
Contributions	141,109	896,127	1,589,924
Other revenues	129,214	197,395	91,000
Total estimated revenues	8,811,136	7,753,583	12,527,140
Expenditures:			
Current-			
General government	120,771	375,011	565,797
Public safety	229,323	262,653	1,926,053
Public works	8,011,416	6,280,170	11,368,438
Culture and recreation	95,988	151,428	419,485
Community development	1,582,370	291,902	258,448
Debt service -			
Principal retirement	242,334	236,372	259,104
Interest and fiscal charges	26,071	24,681	64,981
Total estimated expenditures	10,308,274	7,622,217	14,862,306
Other financing sources (uses):			
Operating transfers in	1,223,518	1,233,860	542,564
Operating transfers out	(996,508)	(430,000)	-
Net proceeds from sale of bonds	-		
Proceeds from installment purchase	170,944		
Total other financing sources (uses)	397,954	803,860	542,564
Net increase (decrease) in fund balance	(1,099,184)	935,226	(1,792,602)
Fund balances, July 1	(641,189)	(1,740,373)	(805,147)
Fund balances, June 30	(1,740,373)	(805,147)	(2,597,749)

The special revenue funds' fund balances are projected to decrease in FY19. It is estimated that the special funds will decrease by ($1,792,602) in FY19 to an ending balance of ($2,597,749).

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		
	2017	2018	2019
Revenues:	Actual	Estimate	Budget
Taxes	3,806,754	3,979,928	4,053,541
Intergovernmental			
Charges for services			
Licenses and permits			
Fines			
Investment income			
Contributions			
Other revenues	80,778	-	500,000
Total estimated revenues	3,887,532	3,979,928	4,553,541
Expenditures:			
Current-			
General government			
Public safety		-	
Public works	372,698	78,712	-
Culture and recreation		-	
Community development		52,528	-
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total estimated expenditures	372,698	131,240	-
Other financing sources (uses):			
Operating transfers in	1,880	430,000	-
Operating transfers out	(3,692,051)	(3,692,051)	(5,053,008)
Net proceeds from sale of bonds			
Proceeds from installment purchase	-		
Total other financing sources (uses)	(3,690,171)	(3,262,051)	(5,053,008)
Net increase (decrease) in fund balance	(175,337)	586,637	(499,467)
Fund balances, July 1	2,440,920	2,265,583	2,852,220
	-	-	-
Fund balances, June 30	2,265,583	2,852,220	2,352,753

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 FY19.

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		
	2017	2018	2019
Revenues:	Actual	Estimate	Budget
Taxes			
Intergovernmental			
Charges for services			
Licenses and permits			
Fines			
Investment income	743	-	
Contributions			
Other revenues			
Total estimated revenues	743	-	-
Expenditures:			
Current-			
General government			
Public safety			
Public works			
Culture and recreation			
Community development			
Debt service -			
Principal retirement	2,805,000	12,865,000	3,065,000
Interest and fiscal charges	628,376	508,102	234,954
Total estimated expenditures	3,433,376	13,373,102	3,299,954
Other financing sources (uses):			
Operating transfers in	3,497,370	3,423,102	3,299,954
Operating transfers out			
Net proceeds from sale of bonds		9,950,000	
Proceeds from installment purchase	-		
Total other financing sources (uses)	3,497,370	13,373,102	3,299,954
Net increase (decrease) in fund balance	64,737	-	-
Fund balances, July 1	1,394,234	1,458,971	1,458,971
	-	-	-
Fund balances, June 30	1,458,971	1,458,971	1,458,971

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		
	2017	2018	2019
Revenues:	Actual	Estimate	Budget
Taxes	18,457,238	19,233,639	19,558,201
Intergovernmental	18,205,719	17,761,073	22,680,105
Charges for services	6,194,347	5,757,176	5,488,238
Licenses and permits	1,729,991	1,997,865	1,775,000
Fines	19,020	21,430	18,100
Investment income	31,188	45,743	20,000
Contributions	164,843	916,735	1,605,924
Other revenues	431,580	505,956	932,934
Total estimated revenues	45,233,926	46,239,617	52,078,502
Expenditures:			
Current-			
General government	6,198,460	7,447,257	7,295,925
Public safety	17,387,612	18,206,643	20,295,029
Public works	14,270,892	12,771,134	17,609,717
Culture and recreation	3,384,474	3,478,106	5,533,462
Community development	2,416,959	1,171,404	1,277,439
Debt service -	-	-	-
Principal retirement	3,145,487	13,348,532	3,584,778
Interest and fiscal charges	656,506	546,382	338,463
Total estimated expenditures	47,460,391	56,969,458	55,934,813
Other financing sources (uses):			
Operating transfers in	5,361,890	6,404,402	6,185,068
Operating transfers out	(5,237,077)	(4,554,281)	(5,493,942)
Net proceeds from sale of bonds	-	9,950,000	-
Proceeds from installment purchase	937,088	562,549	873,116
Total other financing sources (uses)	1,061,901	12,362,670	1,564,242
Net increase (decrease) in fund balance	(1,164,564)	1,632,829	(2,292,069)
Fund balances, July 1	7,322,907	6,158,343	7,791,172
	-	-	-
Fund balances, June 30	6,158,343	7,791,172	5,499,103

Fund Balances

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-overnmental 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		
	2017	2018	2019
Operating revenues:	Actual	Estimated	Budget
Charges for sales and services	7,164,475	7,138,307	7,507,568
Contributions		34,400	-
Other income	108,048	110,248	105,000
Total operating revenues	7,272,523	7,282,955	7,612,568
Operating expenses:			
Salaries, wages and related expenses	3,198,848	3,234,396	3,462,517
Operations and maintenance	3,425,350	3,357,642	3,726,175
Depreciation	1,451,172	1,425,000	1,425,000
Benefits paid			
Premiums paid			
Total operating expenses	8,075,370	8,017,038	8,613,692
Operating income (loss)	(802,847)	(734,083)	(1,001,124)
Nonoperating revenues (expenses):			
Connection income	182,278	222,486	200,000
Gain on Sale of Fixed Assets	56,470	82,156	
Investment income		-	
Interest expense	(171,508)	(132,194)	(55,415)
Total nonoperating revenues	67,240	172,448	144,585
Income before operating transfers	(735,607)	(561,635)	(856,539)
Operating transfers:			
Operating transfers in			
Operating transfers out	(149,813)	(149,813)	(716,126)
Total operating transfers	(149,813)	(149,813)	(716,126)
Net Income (loss)	(885,420)	(411,822)	(1,572,665)
Capital Contributions			500,000
Retained earnings, July 1	30,238,360	29,352,940	28,941,118
	-	-	-
Retained earnings, June 30	$ 29,352,940	28,941,118	27,368,453

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		
	2017	2018	2019
Operating revenues:	Actual	Estimated	Budget
Charges for sales and services			
Contributions	3,972,980	3,778,174	4,119,000
Other income	322,397	445,782	300,000
Total operating revenues	4,295,377	4,223,956	4,419,000
Operating expenses:			
Salaries, wages and related expenses			
Operations and maintenance	286,975	377,995	301,500
Depreciation			
Benefits paid	3,304,159	2,770,234	3,796,000
Premiums paid	458,997	490,449	360,000
Total operating expenses	4,050,131	3,638,678	4,457,500
Operating income (loss)	245,246	585,278	(38,500)
Nonoperating revenues (expenses):			
Connection income			
Gain on Sale of Fixed Assets			
Investment income	20,327	46,027	3,500
Interest expense			
Total nonoperating revenues	20,327	46,027	3,500
Income before operating transfers	265,573	631,305	(35,000)
Operating transfers:			
Operating transfers in	25,000	25,000	25,000
Operating transfers out			
Total operating transfers	25,000	25,000	25,000
Net Income (loss)	290,573	656,305	(10,000)
Capital Contributions			
Retained earnings, July 1	4,526,517	4,817,090	5,473,395
	-	-	-
Retained earnings, June 30	4,817,090	5,473,395	5,463,395

The three internal service funds continue to have a strong financial position. The expected FY19 ending fund balance is $5,463,395.

Fund Balances

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

(For Budgetary Purposes Only)	Non-Governmental Funds		
	2017	2018	2019
Operating revenues:	Actual	Estimated	Budget
Charges for sales and services	7,164,475	7,138,307	7,507,568
Contributions	3,972,980	3,812,574	4,119,000
Other income	430,445	556,030	405,000
Total operating revenues	11,567,900	11,506,911	12,031,568
Operating expenses:			
Salaries, wages and related expenses	3,198,848	3,234,396	3,462,517
Operations and maintenance	3,712,325	3,735,637	4,027,675
Depreciation	1,451,172	1,425,000	1,425,000
Benefits paid	3,304,159	2,770,234	3,796,000
Premiums paid	458,997	490,449	360,000
Total operating expenses	12,125,501	11,655,716	13,071,192
	-	-	-
Operating income (loss)	(557,601)	(148,805)	(1,039,624)
Nonoperating revenues (expenses):			
Connection income	182,278	222,486	200,000
Gain on Sale of Fixed Assets	56,470	82,156	-
Investment income	20,327	46,027	3,500
Interest expense	(171,508)	(132,194)	(55,415)
Total nonoperating revenues	87,567	218,475	148,085
	-	-	-
Income before operating transfers	(470,034)	69,670	(891,539)
Operating transfers:			
Operating transfers in	25,000	25,000	25,000
Operating transfers out	(149,813)	(149,813)	(716,126)
Total operating transfers	(124,813)	(124,813)	(691,126)
	-	-	-
Net Income (loss)	(594,847)	244,483	(1,582,665)
Capital Contributions			
Retained earnings, July 1	34,764,877	34,170,030	34,414,513
Retained earnings, June 30	34,170,030	34,414,513	32,831,848

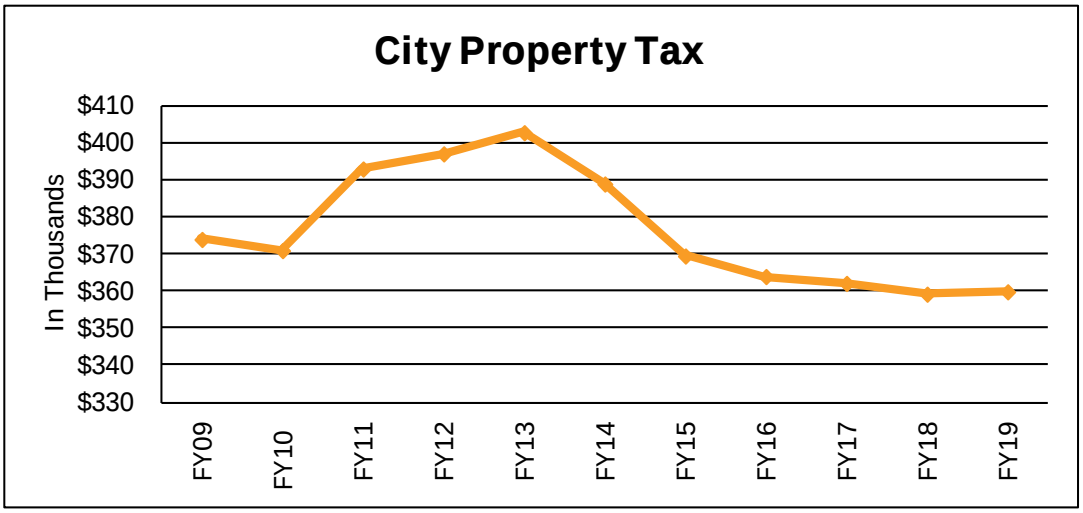
General Fund Revenue

The largest fund of the City, the General Fund, comprises 46 percent (or $37,772,553) of the proposed FY19 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						
Revenue		**FY18**		**FY19**	**% Change**	**% of GF**
Local						
Taxes						
Property	$	359,240	$	359,883	0.2%	1.0%
Sales	$	14,199,970	$	15,063,327	6.1%	39.9%
Total Local Taxes	$	14,559,210	$	15,423,210	5.9%	40.8%
Fees						
Ambulance	$	1,943,000	$	1,775,000	-8.6%	4.7%
Community Development	$	-	$	30,000	N/A	0.1%
Public Safety	$	100,000	$	70,000	-30.0%	0.2%
Public Works	$	1,252,880	$	1,252,880	0.0%	3.3%
Leisure	$	1,196,635	$	1,230,158	2.8%	3.3%
Cove	$	250,000	$	240,450	-3.8%	0.6%
Recreational Classes	$	946,635	$	989,708	4.6%	2.6%
General Gov.	$	35,000	$	21,000	-40.0%	0.1%
Total Local Fees	$	4,527,515	$	4,379,038	-3.3%	11.6%
Licenses & Permits						
Bldg. Permits	$	200,000	$	250,000	25.0%	0.7%
Franchise	$	1,325,000	$	1,325,000	0.0%	3.5%
Business	$	145,500	$	145,500	0.0%	0.4%
Animal Control	$	35,000	$	35,000	0.0%	0.1%
Right of Way	$	15,000	$	20,000	33.3%	0.1%
Total Local Licenses	**$**	**1,720,500**	**$**	**1,775,500**	**3.2%**	**4.7%**
Total Local	**$**	**20,807,225**	**$**	**21,577,748**	**3.7%**	**57.1%**
Other						
Transfers Out	$	(432,230)	$	(425,000)	-1.7%	-1.1%
LTAF	$	(400,000)	$	(400,000)	0.0%	
Grants	$	(7,230)	$	-	-100.0%	
Dev Fees	$	-	$	-		
Unemployment	$	(25,000)	$	(25,000)	0.0%	
Transfers In	$	1,200,000	$	2,342,550	95.2%	6.2%
CIF	$	1,317,440	$	2,342,550	77.8%	
Grants	$	-	$	-		
Note Proceeds	$	360,000	$	873,116	142.5%	2.3%
Library Fines	$	15,000	$	18,000	20.0%	0.0%
Interest	$	10,000	$	20,000	100.0%	0.1%
Contributions	$	1,000	$	1,000	0.0%	0.0%
Local Government Pmts	$	2,461,000	$	992,408	-59.7%	2.6%
Misc. Revenue	$	545,940	$	405,450	-25.7%	1.1%
Total Other	**$**	**4,160,710**	**$**	**4,227,524**	**1.6%**	**11.2%**
State Taxes						
Sales	$	4,050,442	$	4,258,911	5.1%	11.3%
Income	$	5,351,144	$	5,215,882	-2.5%	13.8%
Auto	$	2,100,000	$	2,150,000	2.4%	5.7%
Total State Taxes	**$**	**11,501,586**	**$**	**11,624,793**	**1.1%**	**30.8%**
Grants						
Grants	**$**	**229,000**	**$**	**342,488**	**49.6%**	**0.9%**
Total G.F. Rev.	**$**	**36,698,521**	**$**	**37,772,553**	**2.9%**	**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 $331,961.

This maximum amount is increased two percent per year, as per state law, plus the value of new construction. For 2019, the maximum levy increased to $555,224. The City has chosen to keep the property tax levy from FY18 resulting in a total levy amount of $359,883. The FY19 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 FY19 budget, the tax levied has decreased due to the assessed valuation of property in Sierra Vista decreasing. The tax levy for FY19 is $359,883.

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: $359,883

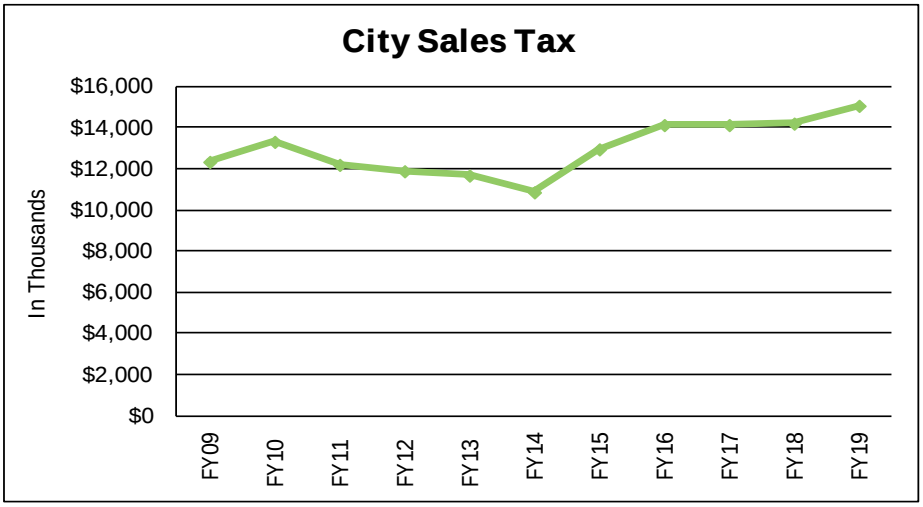
Example of Property Tax

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 FY19 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.

2018 Property Tax Levy		
	Primary	Secondary
Cochise County	2.6747	
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

The City's sales tax structure was analyzed in FY15 and recommendations were presented to Council to increase the City sales tax. 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 FY19. The increased projection is the result of the retail sales tax increase that the City is estimating in FY19. 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- $15,063,327
Capital Improvement Fund Contribution- $4,053,541

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 FY19 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 FY19 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 FY19 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 FY19 is 2.45 percent, unchanged from FY12.

Restaurant/Bar

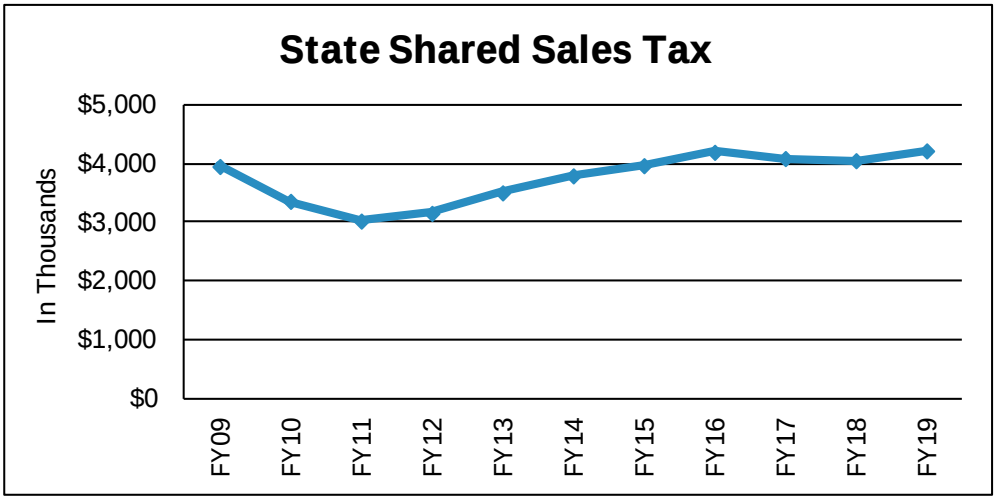
Section _A-455. The Restaurant classification is comprised of the business activity upon every person engaging or continuing in the business of preparing or serving food or beverage in a bar, cocktail lounge, restaurant, or similar establishment where articles of food or drink are prepared or served 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 FY19 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 current rate is 5.50 percent. The Council is considering a 1 percent increase to this tax so the possible increase has been incorporated into the budget, however, no date has been set to discuss and vote on this additional tax.

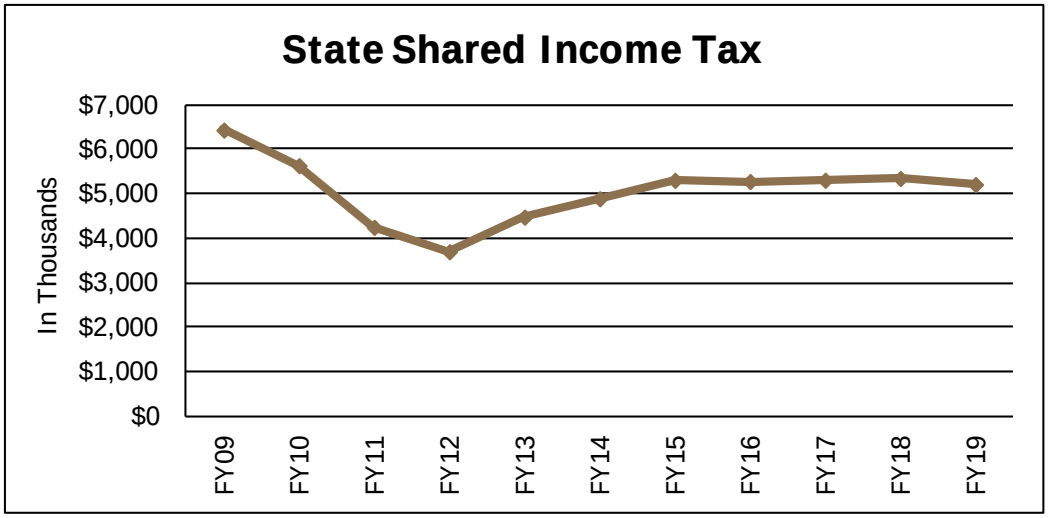


Description

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: $4,258,911



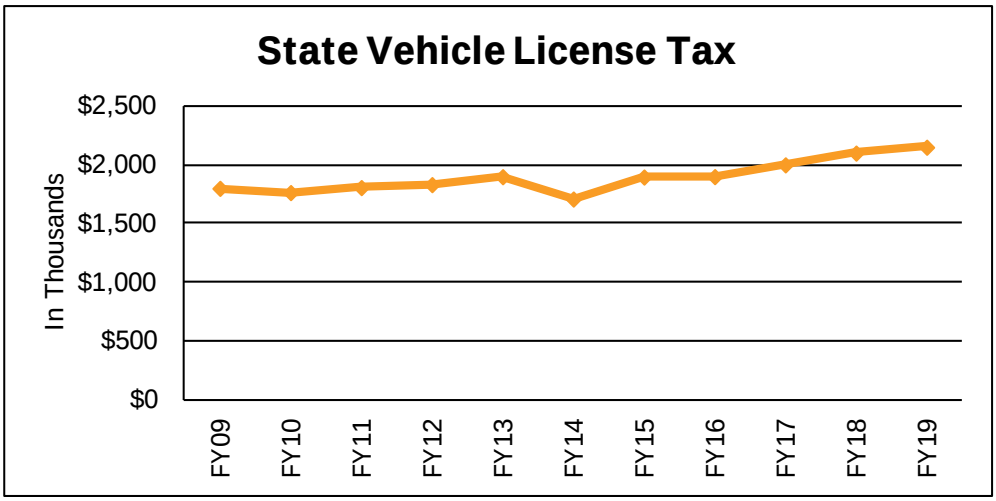
Description

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 2017 income taxes in FY19.

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 FY19 Budget for income tax revenues decreased 2.6 percent from FY18.

General Fund Contribution: $5,215,882

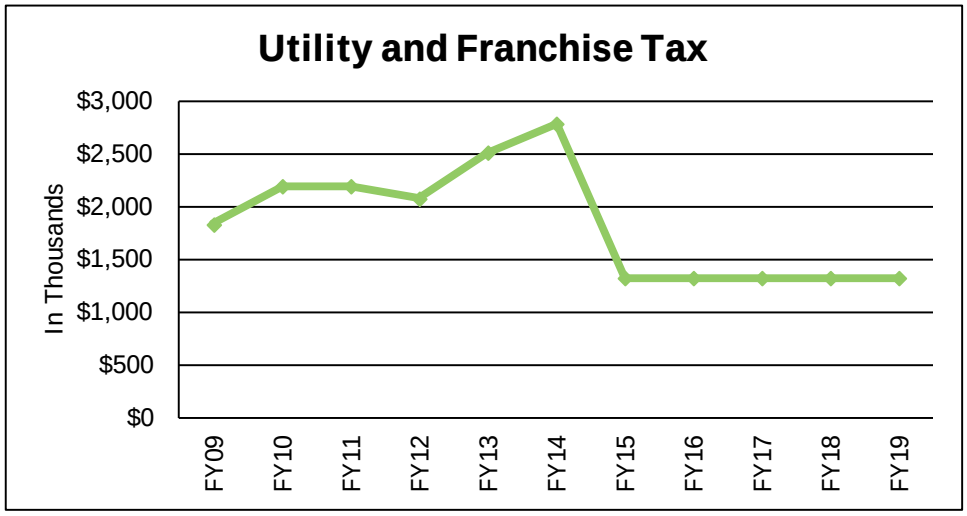


Description

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 FY19, the City projects a very small increase (.002%) in levels from FY18.

General Fund Contribution: $2,150,000



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.

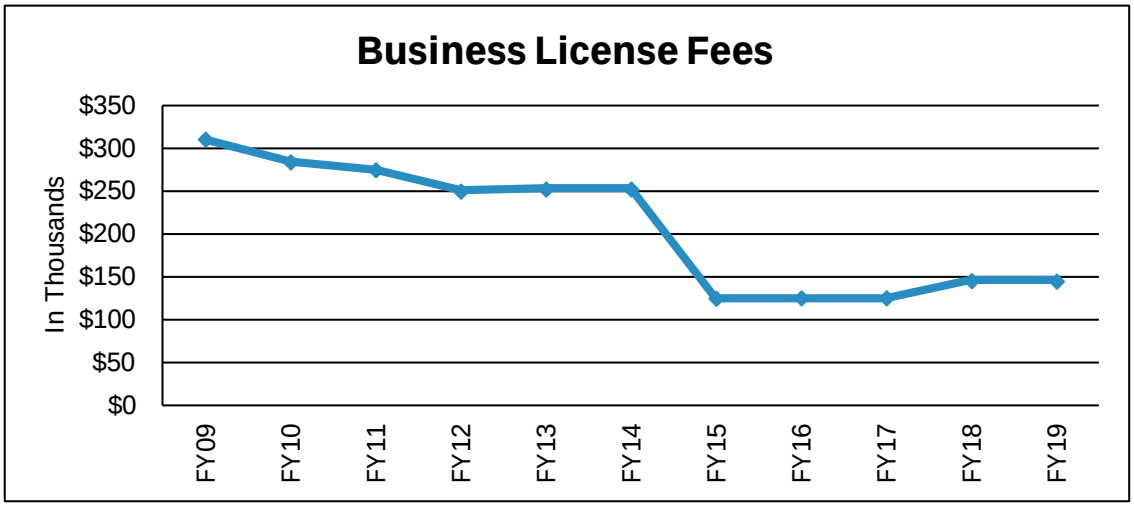
The Franchise Tax revenue is projected to be $1,325,000 in FY19.

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 ($764,213) is transferred to fund street maintenance in the FY19 Budget.

General Fund Contribution: $1,325,000

<u>Current rates</u>
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

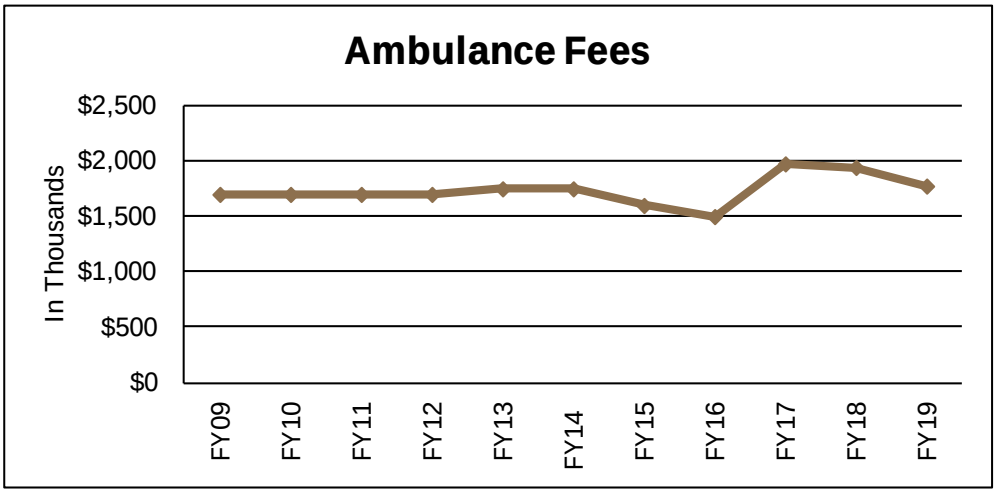


Description

The City increased its new 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 building code requirements to ensure that businesses operating in the City do so in a safe manner. Yearly renewals are $50.

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 has focused on all businesses having a business license and implemented in FY18 a process to visit business owners and help them obtain such license so little change in revenue is projected in FY19.

General Fund Contribution: $145,500



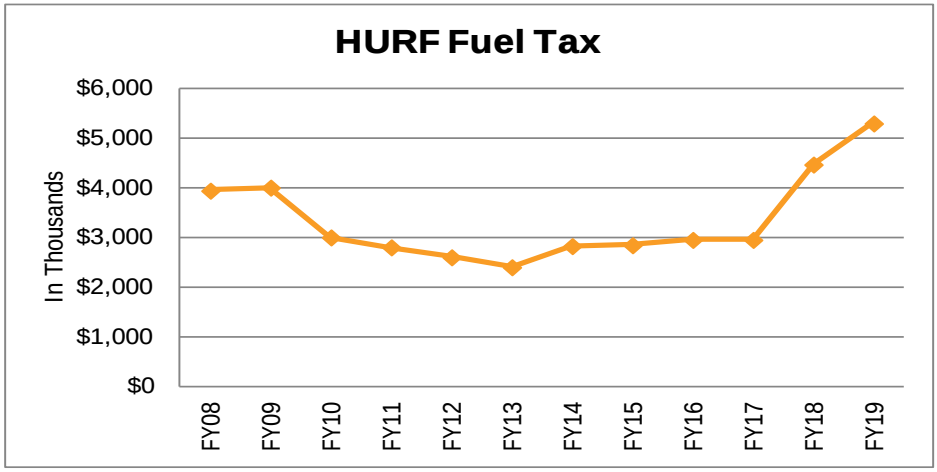
Description

The City charges state-approved rates for ambulance services. The revenue received over the last several years has remained level, even as call volume has seen a rather substantial increase. Due to this increase, a peak-hours ambulance was put into service, an attempt to offset and keep up with the patient demand during peak business hours, which data showed was from 8 am to 8 pm, Monday through Friday.

The City began a second peak-hours ambulance crew in 2018 to work weekends and holidays, as well, and the projected revenue was estimated. The revenue is less than projection from last year based on current actuals from FY18.

General Fund Contribution: $1,775,000

Highway User Revenue Fund (HURF) Revenue



Estimated HURF revenues total $5,293,034 in the FY19 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 FY18 as a result of grant funding proceeds that are currently available. The following table compares budgeted FY18 and FY19 HURF revenues.

The transfer-in from the capital improvement funds to HURF has been suspended. The City will be taking this amount from the reserve account this year. The franchise fee amount will be transferred to HURF for street maintenance in FY19 in the anticipated amount of $764,213.

The following table compares budgeted FY18 and FY19 HURF revenues.

	FY18 Budget	FY19 Budget
Fuel Tax	$ 3,150,000	$ 3,475,000
Note Proceeds	$ 288,000	$ -
Transfers In - CIF	$ 700,000	$ -
Loc Gov Payments	$ 15,000	$ 15,000
Misc. Revenue	$ 10,000	$ 10,000
Grants	$ 302,720	$ 1,093,034
Carryover	$ -	$ 700,000
Total	**$ 4,465,720**	**$5,293,034**

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.

	FY18 Budget	FY19 Budget
Carryover	$ 147,498	$ 86,433
Lease Revenue	$ 19,200	$ 19,200
Grants	$ 1,100,241	$ 962,664
Bus Fares	$ 116,000	$ 114,000
Transfers In – CIF	$ -	$ -
Transfers In – General Fund	$ 400,000	$ 400,000
Misc. Revenue	$ 1,000	$ 1,000
Total	**$ 1,783,939**	**$ 1,583,297**

The City receives grant and operational revenue associated with Vista Transit. This fiscal year, $962,664 in grants funding (for regular administration, operation, and capital) plus $114,000 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 remained level from last year.

MPO Fund

The Sierra Vista Municipal Planning Organization is a separate legal entity with a five member board comprised of the Mayor, two Council members, one County member and one ADOT member. Since the City has three members, it legally controls the board and therefore for accounting purposes must be included in the City's budget.

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 FY18 and FY19 budgeted revenues for this fund. The Airport Fund increased $600,363. The increase is largely due to available grants. There was no available CIF transfer-in or transfer-out from the Capital Improvements Fund.

	FY18 Budget	FY19 Budget
Carryover	$ 430,000	$ 202,679
FAA/ADOT Grants	$ -	$ 382,120
Gas & Oil Revenues	$ 684,436	$ 700,000
Leases	$ 211,000	$ 211,000
Transfer Out-CIF	$ (430,000)	$ -
Transfer In-CIF	$ -	$ -
Misc Revenue	$ 5,000	$ 5,000
Total	**$ 900,436**	**$ 1,500,799**

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.

	FY18	FY19
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.

	FY18	FY19
Carryover	$ 10,829	$ 25,266
Federal Grants	$ 977,575	$ 714,740
State Grants	$ 20,000	$ -
Organizational Grants	$ 2,046,000	$ 1,208,500
Local Gov Payments	$ 157,754	$ 39,335
Transfer-In GF	$ 7,230	$ 3,933
Total	**$ 3,219,388**	**$ 1,991,774**

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 FY19 in the amount of $959,948, which is level with FY18. The City budgets the full account balances in FY19 to ensure the funds can be used if needed.

Judicial Enhancement Fund

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 FY19.

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. The fees are currently suspended. For FY19, the revenue estimates break down as follows:

	FY18 Budget	FY19 Budget
Carryover*	$ -	$ -
Planning Revenue	$ -	$ -
Transfer In - CIF	$ 126,630	$ 126,630
Transfer Out - SVMPC I & R	$ -	$ -
Total	**$ 126,630**	**$ 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. The fees are currently suspended.

	FY18 Budget	FY19 Budget
Planning Revenue	$ -	$ -
Transfer Out- CIF	$ -	$ -
Total	**$ -**	**$ -**

Police Development Impact Fee Fund

The Police Development Impact Fee Fund revenue is presented below. The fees are currently suspended.

	FY18 Budget	FY19 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 Fund

The Transportation Development Impact Fee revenue is presented below. The fees are currently suspended.

	FY18 Budget	FY19 Budget
Carryover*	$ 200,000	$ -
Planning Revenue	$ -	$ -
Transfer In- General Fund	$ -	$ -
Total	**$ 200,000**	**$ -**

Fire Development Impact Fee Fund

The Fire Development Impact Fee revenue is presented below. The fees are currently suspended.

	FY18 Budget	FY19 Budget
Carryover*	$ -	$ -
Planning Revenue	$ -	$ -
Transfer In- General Fund	$ -	$ -
Transfer Out- SVMPC I&R	$ -	$ -
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.

Tourism Fund

Late in the budget process, Council discussed a 1% tax increase to the hotel/motel tax to be dedicated to tourism functions, however, no date has been set to discuss and vote on this additional tax. The City created a tourism fund and placed $81,500 as a placeholder under this fund in case a decision is made during the FY19 budget.

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 FY18 and FY19 budgeted CIF revenues.

	FY18 Budget	FY19 Budget
Carryover	$ 1,226,147	$ 999,467
City Sales Tax	$ 3,821,212	$ 4,053,541
Transfer Out-General	$ (1,317,440)	$ (2,342,550)
Transfer Out-Airport	$ -	$ -
Transfer Out-HURF	$ (700,000)	$ -
Transfer Out-SVMPC-I&R	$ (3,273,289)	$ (2,583,828)
Transfer Out- Park Deve Fees	$ (126,630)	$ (126,630)
Transfer In-Airport Fund	$ 430,000	$ -
Transfer In-Impact Fees	$ -	$ -
Sale of Fixed Assets	$ -	$ 500,000
Total	**$ 60,000**	**$ 500,000**

The transfer out to General Fund is to cover major operating capital projects. The transfer out to the HURF fund has been suspended this FY. 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.

	FY18 Budget	FY19 Budget
Transfer In-CIF	$ 3,273,289	$ 2,583,828
Transfer In-Sewer	$ 149,813	$ 716,126
Transfer In-Park Development Fees	$ -	$ -
Transfer In-Police Development Fees	$ -	$ -
Transfer in- Fire Development Fees	$ -	$ -
Bond Proceeds	$ 9,950,000	$ -
Total	**$ 13,373,102**	**$ 3,299,954**

Sewer Enterprise Fund Revenue

For FY19, total budgeted revenues for the Sewer Enterprise Fund are $4,212,319, an decrease of $6,574,925 from last year's budget of $10,787,244.

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 FY19.

The revenue projections for this fund depend on the size of the customer base and the planned expenditures for FY19.

The following table displays the FY18 and FY19 budgeted revenues. The revenue for this fund decreased by 61 percent from last year mostly due to the completion of the notes payable being used to pay off municipal bonds.

	FY18 Budget	FY19 Budget
Carryover	$ 736,381	$ 606,591
Sewer Service Charges	$ 1,338,791	$ 3,520,854
Capital Service Charges	$ 1,272,572	$ -
Sewer Usage Charges	$ 930,313	$ -
Sewer Connection Fees	$ 200,000	$ 200,000
Delinquencies	$ 1,000	$ 1,000
Miscellaneous	$ 135,000	$ 100,000
Capital Contributed by Developers	$ 500,000	$ 500,000
Notes Payable	$ 5,823,000	$ -
Capital Reimbursement	$ -	$ -
Transfer Out- SVMPC	$ (149,813)	$ (716,126)
Total	**$ 10,787,244**	**$ 4,212,319**

Refuse Enterprise Fund Revenue

For FY19, revenues for the Refuse Enterprise Fund total $4,988,214, an increase of $43,615 from the FY18 budgeted total of $4,944,599.

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 FY19 Budget includes a 15 percent residential route rate increase due to rising landfill prices and new recycling charges from the County.

For FY19, to help cut costs, the City reduced its recycling pickups from weekly to bi-monthly. The City also has reduced the commodities available for recycling due to the international market. The City will continue to monitor the refuse rates to insure the financial stability of the fund.

The following table displays the FY18 and FY19 budgeted revenues for the Refuse Enterprise Fund.

	FY18 Budget	FY19 Budget
Carryover	$ 730,599	$ 997,500
Refuse Charges	$ 3,775,000	$ 3,885,714
Delinquency Charges	$ 37,000	$ 25,000
Interest	$ -	$ -
Note Proceeds	$ 297,000	$ -
Compost	$ 100,000	$ 75,000
Miscellaneous	$ 5,000	$ 5,000
Total	**$ 4,944,599**	**$ 4,988,214**

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 minimal changes to the employee contributions for FY19. The City's plan is healthy and assured that the plan will remain self-funded.

	FY18	FY19
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. FY19 total is $35,000.

Self-Insured Fund

The City of Sierra Vista maintains this account for selected claims and deductible payments. The fund will receive $100,000 in Miscellaneous Revenue this year.

A recap of the projected FY19 revenues by fund compared to FY18 follows:

	FY18	FY19	% of Whole	Change
General	$ 36,698,521	$ 37,772,553	53.89%	2.93%
Special Revenue				
Highway User Revenue Fund	$ 4,465,720	$ 5,293,034	7.55%	18.53%
Local Transportation Fund	$ 1,783,939	$ 1,583,297	2.26%	-11.25%
Airport	$ 900,436	$ 1,500,799	2.14%	66.67%
Police Special Revenue	$ 324,500	$ 324,500	0.46%	0.00%
Grants	$ 3,219,388	$ 1,991,774	2.84%	-38.13%
Criminal Justice Enhancement	$ 300	$ 300	0.00%	0.00%
Donation	$ 959,948	$ 959,948	1.37%	0.00%
Park Development Impact Fee	$ 126,630	$ 126,630	0.18%	0.00%
Library Impact Fee	$ -	$ -	0.00%	0.00%
Police Impact Fee	$ -	$ -	0.00%	0.00%
Transportation Impact Fee	$ 200,000		0.29%	100.00%
Fire Impact Fee	$ -	$ -	0.00%	0.00%
Metropolitan Planning Org	$ 421,963	$ 3,000,524	4.28%	611.09%
Tourism	$ -	$ 81,500	0.12%	0.00%
Capital				
Capital Improvement Fund	$ 60,000	$ 500,000	0.71%	733.33%
Debt Service				
SVMPC I&R	$ 13,373,102	$ 3,299,954	4.71%	-75.32%
Internal Services				
Health and Accident	$ 4,322,500	$ 4,322,500	6.17%	0.00%
Unemployment	$ 35,000	$ 35,000	0.05%	0.00%
Self Insured Retention	$ 100,000	$ 100,000	0.14%	0.00%
Enterprise				
Sewer	$ 10,787,244	$ 4,212,319	6.01%	-60.95%
Refuse	$ 4,944,599	$ 4,988,214	7.12%	0.88%
Total All Funds	**$82,723,790**	**$ 70,092,846**	**100%**	**-15%**

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 FY18 and FY19 figures, and the percent change between the two years. The most significant change in the FY19 budget is the completion of the refinancing of certain bonds and notes and funding certain capital projects. The fund balance in this table will be used in the subtraction tables after each category.

	FY18 Budget	FY19 Budget	Difference	% Change	% Total
Personnel	$ 31,804,910	$ 32,698,684	$ 893,774	3%	47%
O&M	$ 24,256,062	$ 22,521,081	$ (1,734,981)	-7%	32%
Capital	$ 6,572,000	$ 10,437,999	$ 3,865,999	59%	15%
Debt	$ 20,090,818	$ 4,435,082	$ (15,655,736)	-78%	6%
Total	$ 82,723,790	$ 70,092,846	$ (12,630,944)	-15%	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 2019

Department	Personnel	O & M	Capital	Total	% of Total
Mayor/Council	$ 67,173	$ 92,393	$ -	$ 159,566	0.2%
City Manager	2,016,126	1,409,802	-	3,425,928	4.9%
Administrative Services	1,966,113	1,520,849	318,800	3,805,762	5.4%
Court/Legal	173,071	100,300	-	273,371	0.4%
General Government	686,509	4,998,000	-	5,684,509	8.1%
Police	10,512,561	1,098,870	690,000	12,301,431	17.6%
Fire	6,316,626	1,126,972	550,000	7,993,598	11.4%
Public Works	6,633,486	10,066,691	5,001,997	21,702,174	31.0%
Leisure & Library	3,362,351	1,367,507	1,303,604	6,033,462	8.6%
Community Development	844,668	432,771	-	1,277,439	1.8%
Debt Service	-	-	4,435,082	4,435,082	6.3%
MPO	120,000	306,926	2,573,598	3,000,524	4.3%
Totals	**$ 32,698,684**	**$ 22,521,081**	**$ 14,873,081**	**$ 70,092,846**	
% of Total	**46.65%**	**32.13%**	**21.22%**	**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 (FY19) and the previous budget year (FY18). The personnel section also includes the personnel expense by department for FY19 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 (FY19) and the previous budget year (FY18). 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.

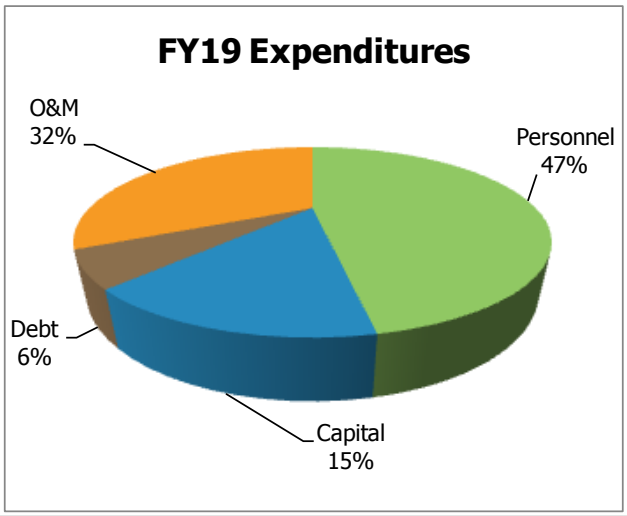
The Chart on the next page depicts the expenditure by fund per type.

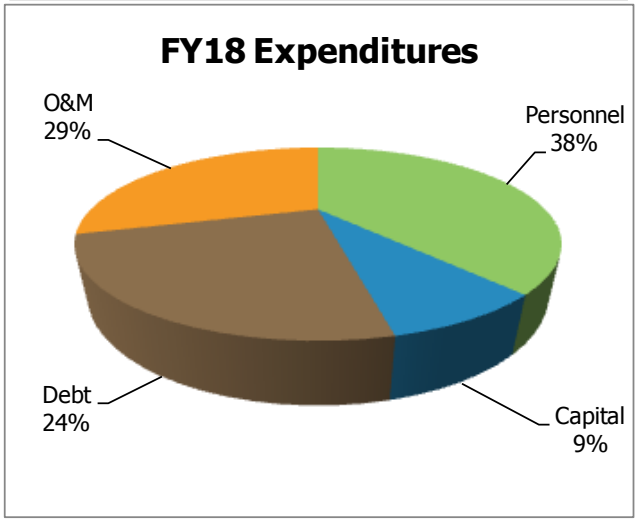
FY 19 Expenditure Summary by Fund

	Capital	Personnel	Debt	O&M	Total
General	$ 3,393,154	$ 26,631,390	$ 299,202	$ 7,530,307	$ 37,854,053
Special Revenue					
Highway User Revenue Fund	$ 2,271,247	$ 1,480,360	$ 122,107	$ 1,419,320	$ 5,293,034
Local Transportation Fund	$ 340,000	$ 881,766		$ 361,531	$ 1,583,297
Airport	$ 600,000	$ 122,651	$ 75,348	$ 702,800	$ 1,500,799
Police Special Revenue	$ 190,000			$ 134,500	$ 324,500
Grants	$ 495,000			$ 1,496,774	$ 1,991,774
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	$ 2,573,598	$ 120,000		$ 306,926	$ 3,000,524
Capital					
Capital Improvement Fund	$ 500,000				$ 500,000
Debt Service					
SVMPC I&R			$ 3,299,954		$ 3,299,954
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	$ 75,000	$ 1,621,717	$ 199,062	$ 2,316,540	$ 4,212,319
Refuse		$ 1,840,800	$ 312,779	$ 2,834,635	$ 4,988,214
Total All Funds	**$10,437,999**	**$32,698,684**	**$ 4,435,082**	**$22,521,081**	**$ 70,092,846**

Expenditure Graph

The below graphs depict the four categorical groups as a percent of total City expenditures. Figures are provided for the current year (FY19) and the previous year (FY18). Personnel expenditure (47 percent) comprises the largest percentage of expenditures in FY19, followed by Operations & Maintenance (32 percent) and Capital (15 percent). The smallest percentage of the total budget this year is Debt, comprising only six percent.

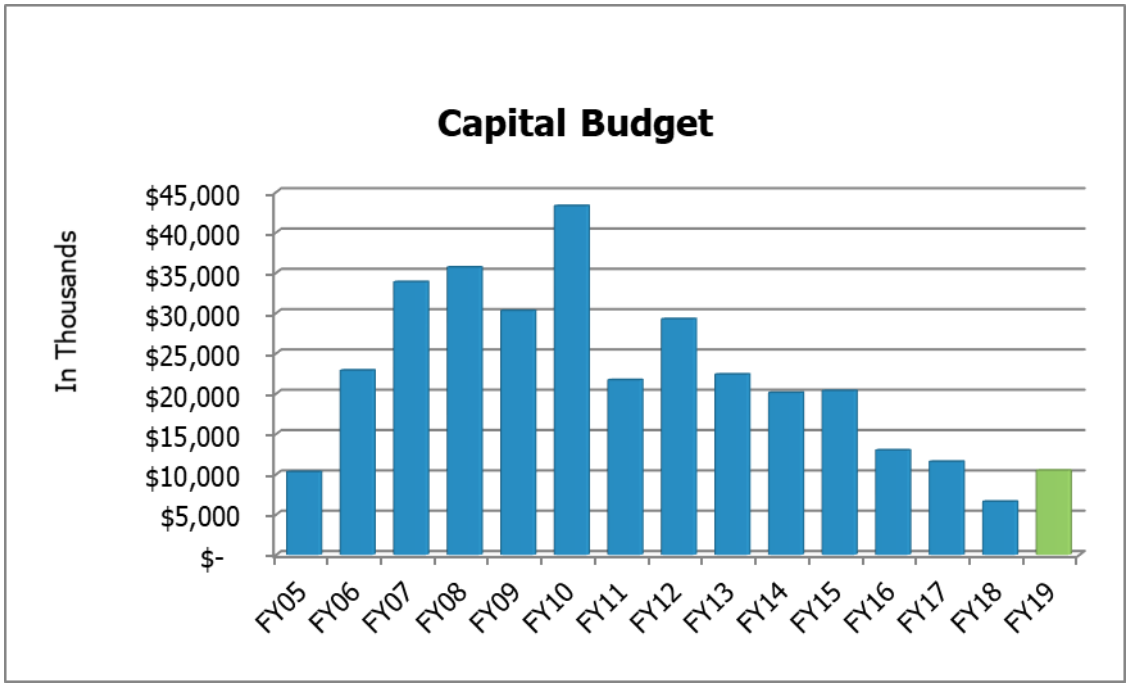




Capital Expenditures

The FY19 recommended capital budget equals $10,437,999; an increase of $3,865,999 (or 59%) from the FY18 total of $6,572,000.

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 $10,437,999 in Capital Improvement Projects in FY19. 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 FY19 are the General, Capital Improvement, Development Fees, Highway User Revenue Fund (HURF), LTAF and Grants.

The FY19 Capital Summary and General Fund/Capital Improvement Funds are listed below by location where funds are allocated in the Budget.

FY 19 Capital Summary				
ITEM/PROJECT	FUND	DEPARTMENT	BUDGETED COST	PAYMENT
International Bus	General	LLS	$ 200,000.00	Finance
Ford Utility Truck	General	Facilities	$ 45,000.00	Finance
Ford Econoline Van	General	PD	$ 45,000.00	Finance
Chevy 1/2 Ton Pickup	General	PD	$ 35,000.00	Finance
2 - Ford 3/4 Ton Pickups	General	LLS	$ 70,000.00	Finance
Ford Vehicle Replacements	General	Police	$ 500,000.00	Cash-CIF
Chevy 1/2 Ton Pickup	General	Facilities	$ 35,000.00	Finance
PD Detective Explorer	General	PD	$ 35,000.00	Cash- CIF
Axcess Energy Management	General	Facilities	$ 95,250.00	Cash- CIF
Card Access	General	Facilities	$ 120,500.00	Cash-CIF
City Hall Remodeling	General	Facilities	$ 150,000.00	Cash-CIF
Fire Radio Replacement	General	Fire	$ 73,800.00	Cash-CIF
Datacenter Infrastructure	General	IT	$ 245,000.00	Cash-CIF
Fire Equipment	General	Fire	$ 300,000.00	Cash-CIF
Heater Replacement	General	Cove	$ 205,000.00	CIF/co
2 - Person Lift	General	Facilities	$ 35,000.00	Cash-CIF
Fire Panel Upgrade	General	Facilities	$ 63,000.00	Cash-CIF
4 HVAC Replacements	General	Facilities	$ 185,000.00	Cash-CIF
Kennel Upgrade	General	ACO	$ 15,000.00	Cash-CIF
Staircase Construction	General	Facilities	$ 12,000.00	Cash-CIF
Security Gate Replacement	General	Facilities	$ 125,000.00	Cash-CIF
Upgrade Electrical Pedestals	General	Parks	$ 140,000.00	Cash-CIF
Domingo Paiz Lighting Project	General	Parks	$ 663,604.00	Finance
Annual Street Maintenance	HURF	Streets	$ 764,213.00	Cash
Chevy 1/2 Ton Pick Up	HURF	Streets	$ 35,000.00	Cash
Fry Town Site Improvements	HURF	Streets	$ 15,000.00	Grant
ADA Sidewalk Ramps	HURF	Streets	$ 23,522.00	Grant
Corral Road Improvements	HURF	Streets	$ 50,000.00	Cash /co
Curb/Gutter and Sidewalks	HURF	Streets	$ 69,288.00	Grant

Expenditures

ITEM/PROJECT	FUND	DEPARTMENT	BUDGETED COST	PAYMENT
Alley Improvements 1st & 2nd	HURF	Streets	$ 75,000.00	Grant
7th Street Striping	HURF	Streets	$ 79,000.00	Cash
Charleston Wall	HURF	Streets	$ 250,000.00	Cash/co
Design & Install Adaptive Signal Controls	HURF	Streets	$ 910,224.00	Grant
Fry/North Garden Design	MPO	Streets	$ 2,573,598.00	Grant
Transit Improvements	LTAF	Transit	$ 340,000.00	Grant
School District Tenant Improvements (Kings Court)	CIF	CIF	$ 500,000.00	Cash-CIF
Police Equipment	PSR	Police	$ 100,000.00	RICO
Police Vehicles	PSR	Police	$ 90,000.00	RICO
Fire Dept Card Readers	Grant	Fire	$ 100,000.00	Grant
Fire Dept Emission Management	Grant	Fire	$ 150,000.00	Grant
Park Improvements	Grant	Park	$ 245,000.00	Grant
Update Airport Master Plan for Taxiway Expansion	Airport	Airport	$ 400,000.00	Grant
Removal of Dirt	Airport	Airport	$ 150,000.00	Cash-CIF
Airport Sign	Airport	Airport	$ 50,000.00	Cash-CIF
Sulger Sewer Trench Repair	Sewer	Public Works	$ 70,000.00	Cash/co
3rd St. Wash Study and Repair	Sewer	Public Works	$ 5,000.00	Cash/co

Capital By Fund	
General	$3,393,154
HURF	$2,271,247
MPO	$2,573,598
LTAF	$340,000
Capital Improvements	$500,000
Police Special Revenue	$190,000
Grant	$495,000
Airport	$600,000
Sewer	$75,000
Total	$10,437,999

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 O&M expense or cost savings to the City's Operating and & Maintenance budget.

1. International Bus

1999 bus that is due for replacement per the five year Capital Maintenance and Replacement Plan. O&M from savings on cost of repairs of old bus. New bus has potential to increase revenue in Leisure once put into operation. Increase in revenue unknown at this time.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$200,000					$200,000
O&M		($1,000)	($1,000)	($1,000)	($1,000)	($4,000)

2. Security Gate Replacement

This project will replace the broken gate and provide additional security and monitoring along with maintaining safety issues at the Public Works yard.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$125,000					$125,000

3. City Hall Remodeling

Improvement to privacy and security for our Human Resource department. Currently this department is wide open in reception area.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$150,000					$150,000

4. Card Access

This project will provide additional security and monitoring along with maintaining safety issues throughout City buildings.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$120,500					$120,500
O&M	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000

5. Staircase Construction

Replacement of stairs at the fleet building to maintain personnel safety.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$12,000					$12,000

6. Ford Vehicles Replacement

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$500,000					$500,000
O&M		($5,000)	($5,000)	($5,000)	($5,000)	($20,000)

7. Ford Utility Truck

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$45,000					$45,000

8. 2 Ford ¾ Ton Pickups

Due for replacement in Leisure/Library services per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$70,000					$70,000

9. Axcess Energy Management

Software used to manage the HVAC systems and monitor usage. There will be substantial utility savings each year but this amount is undetermined at this time till after the first year of implementation. O&M cost will begin in year four to maintain software.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$95,250					$95,250
O&M				$21,000	$21,000	$42,000

10. 2 Chevy ½ Ton Pickups

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$70,000					$70,000

11. Fire Radio Replacement

Current hand held radios are out of date and not compliant with digital mobile radios. This replacement provides for ongoing equipment needs for the Fire Department to continue to run effectively and meet the safety standards.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$73,800					$73,800
O&M	$680	$680	$680	$680	$680	$3,400

12. Datacenter Infrastructure

This system operates the entire City IT functions. It is very outdated and is past its usable life span. The additional O&M comes from annual costs for hardware, software and subscription (licensing) costs.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$245,000					$245,000
O&M		$29,000	$29,000	$29,000	$29,000	$116,000

13. Fire Equipment

This equipment will provide for ongoing 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

	FY19	FY20	FY21	FY22	FY23	Total
General	$300,000					$300,000

14. Heater Replacement

This project will replace the pool heater at the Cove.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$205,000					$205,000

15. 2 Person Lift

The equipment would increase the safety for City building maintenance personnel.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$35,000					$35,000

16. Fire Panel Upgrade

This project will improve safety at several City buildings.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$63,000					$63,000
O&M	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000

17. 4 HVAC Replacements

Replacement of HVAC units to replace old units that are not working properly. The City will save in O&M costs by utility savings. The savings is unknown at this time.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$185,000					$185,000

18. Kennel Upgrade

This project will cover much needed repairs at the Animal Center.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$15,000					$15,000

19. Upgrade Electrical Pedestals

This project will upgrade the power supply to the band shell and surrounding area and provide a safer electrical source. This project will increase revenue by allowing the City to bring in more activities to the band shell. Specific revenue increase is unknown at this time.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$140,000					$140,000

20. Domingo Paiz Lighting Project

This project will refit the lighting to LED for cost efficiency. There will be significant savings but that is yet to be determined once completed and monitored.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$663,604					$663,604

21. Ford Econoline Van

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$45,000					$45,000

22. PD Detective Explorer

New vehicle used for undercover detective work.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$45,000					$45,000

23. Annual Capital Street Maintenance

Street repair and maintenance.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$764,213					$764,213

24. Chevy ½ Ton Pick-up

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$35,000					$35,000

25. Fry Town Site Improvements

Fry Town improvements to upgrade the area and make it more attractive to promote business development.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$15,000					$15,000

26. ADA Sidewalk Ramps

This project will bring compliance to ADA regulations.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$23,522					$23,522

27. Corral Road Improvements

Street repair and maintenance.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$50,000					$50,000

28. Curb/Gutter and Sidewalks

This project will add curb, gutter, and sidewalk to an area at 5th and Denman that does not currently have them.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$69,288					$69,288

29. Alley Improvements

This project will improve and repair the alleyways between 1st and 2nd street and assist in the flow of water during Monsoon season.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$75,000					$75,000

30. 7th Street Striping

This project will put new lane striping on 7th street to make it easier to verify lane markings.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$79,000					$79,000

31. Charleston Wall

The addition of a 6 foot wall between the residences' back yard and street will allow for a sound barrier and a more unified look along the street.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$250,000					$250,000

32. Design & Install Adaptive Signal Controls

The project will reduce frequency and severity of intersection crashes through traffic-control and operational improvements. Adaptive signal control is a traffic management strategy in which traffic signal timing changes based on actual traffic demand.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$910,224					$910,224

33. Fry/North Garden Design

The existing 5-lane roadway is overbuilt for current and future needs, resulting in extra pavement maintenance costs. The project will narrow the roadway and provide additional landscaping to more closely align the character of the roadway with its current context.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total

MPO	$2,573,598					$2,573,598

34. Transit Improvement

This project will purchase two new buses and timekeeping software.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
LTAF	$340,000					$340,000

35. School District Tenant Improvements (Kings Court)

The selling of Kings Court will allow funds to be reallocated to update School District property for City use per a recent IGA agreement between the City of Sierra Vista and the Sierra Vista Unified School District.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
CIF	$500,000					$500,000

36. Police Equipment

This project 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

	FY19	FY20	FY21	FY22	FY23	Total
PSR	$100,000					$100,000

37. Police Vehicles

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
PSR	$90,000					$90,000

38. Fire Department Key Card Readers

This project will provide additional security and monitoring along with maintaining safety issues throughout all three fire stations. Cost to O&M is for maintenance.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total

Grant	$100,000					$100,000
O&M		$1,000	$1,000	$1,000	$1,000	$4,000

39. Fire Emission Management

This grant will provide for ongoing equipment needs at the fire station to continue to run effectively and meet the safety standards.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Grant	$150,000					$150,000

40. Park Improvements

Ongoing maintenance and improvement to the City's parks.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Grant	$245,000					$245,000

41. Update Airport Master Plan

Update of the airport master plan for taxiway expansion and improvements.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Airport	$400,000					$400,000

42. Removal of Dirt at Airport

The removal of a mound of dirt at the airport will open space for business development to move into that space to increase economical development.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Airport	$150,000					$150,000

43. Airport Sign

The purchase of a new, bigger and brighter airport sign at the entrance of the Airport.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Airport	$50,000					$50,000

44. Sulger Sewer Trench Repair

This project repaired over 60 trench failures from an old sewer project in Sulger neighborhood.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Sewer	$70,000					$70,000

45. 3rd St. Wash Study and Repair

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.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Sewer	$5,000					$5,000

CAPITAL AND O&M COSTS

	Capital	O&M
General	$3,393,154	$147,400
HURF	$2,271,247	$0.00
MPO	$2,573,598	$0.00
LTAF	$340,000	$0.00
Capital Improvements	$500,000	$0.00
Police Special Revenue	$190,000	$0.00
Grant	$495,000	$4,000
Airport	$600,000	$0.00
Sewer	$75,000	$0.00
Total	**$10,437,999**	**$151,400**

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.

PROJECT	6-10 YEAR TOTAL
Annual Major Street Reconstruction Project	$8,250,000
Relocation of Fire Station No. 2	$4,000,000
Build Fire Station #4	$8,000,000
Public Safety Training Facility	$2,000,000
Police Substation	$5,000,000
Tribute Water Reclamation Facility	$10,000,000
EOP Process Upgrade	$5,000,000
Runway 12/30 and Taxiway "K" Extension	$6,500,000
BST Extension (SR92 to Avenida Del Sol)	$3,250,000
Garden Canyon Linear Park	$1,100,000
Guilio Cesare (SR90 to Michelangelo) Improvements	$625,000
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
Section 36 Other Improvements	$6,000,000
Total	**$65,575,000**

Expenditure Summary by Fund

	FY19 Total Resources Available	Capital Expenditure	Subtotal Balance After Capital Deducted
General	$ 37,730,553	$ 3,393,154	$ 34,337,399
		$ -	
Special Revenue		$ -	
Highway User Revenue Fund	$ 5,293,034	$ 2,271,247	$ 3,021,787
Local Transportation Fund	$ 1,583,297	$ 340,000	$ 1,243,297
Airport	$ 1,500,799	$ 600,000	$ 900,799
Police Special Revenue	$ 324,500	$ 190,000	$ 134,500
Grants	$ 1,991,774	$ 495,000	$ 1,496,774
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	$ 3,000,524	$ 2,573,598	$ 426,926
		$ -	
Capital		$ -	
Capital Improvement Fund	$ 500,000	$ 500,000	$ -
		$ -	
Debt Service		$ -	
SVMPC I&R	$ 3,299,954	$ -	$ 3,299,954
		$ -	
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	$ 4,212,319	$ 75,000	$ 4,137,319
Refuse	$ 4,988,214	$ -	$ 4,988,214
Total All Funds	**$69,969,346**	**$ 10,437,999**	**$ 59,531,347**

Personnel Expenditures

People represent the heart of any service organization and a significant investment of financial resources. The FY19 expenditures for personnel (including benefits) total $32,698,684 (47%) of the proposed FY19 budget, an increase of $893,774 (3%) above the FY18 personnel budget total of $31,804,910. The increase is primarily due to maintaining the classification and compensation plan adopted in FY17 and PSPRS rate increases..

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 FY18 and FY19 personnel budgets by fund.

	FY18	FY19	Change
General	$ 25,848,187	$ 26,631,390	$ 783,203
HURF	$ 1,423,492	$ 1,480,360	$ 56,868
LTAF	$ 869,239	$ 881,766	$ 12,527
Airport	$ 128,289	$ 122,651	$ (5,638)
Metropolitan Planning Org	$ 113,803	$ 120,000	$ 6,197
Sewer	$ 1,610,890	$ 1,621,717	$ 10,827
Refuse	$ 1,811,010	$ 1,840,800	$ 29,790
Total	**$ 31,804,910**	**$ 32,698,684**	**$ 893,774**

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

Personnel

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.

	FY18	FY19	% of Total	Change
Salaries				
Salaries-Regular	$ 18,904,242	$ 19,289,356	59%	$ 385,114
Salaries-Overtime	$ 674,627	$ 688,231	2%	$ 13,604
Salaries-Part-Time	$ 1,546,960	$ 1,593,762	5%	$ 46,802
Total Salaries	**$ 21,125,829**	**$21,571,349**	66%	**$ 445,520**
Benefits				
FICA/MICA	$ 1,271,228	$ 1,330,621	4%	$ 59,393
State Retirement	$ 1,254,649	$ 1,322,435	4%	$ 67,786
Public Safety Retirement	$ 3,952,619	$ 4,367,361	13%	$ 414,742
Workers Comp	$ 349,063	$ 375,925	1%	$ 26,862
OPEB and Admin	$ 173,016	$ 174,168	1%	$ 1,152
Uniforms	$ 275,311	$ 244,550	1%	$ (30,761)
Health & Accident Ins	$ 2,345,429	$ 2,381,079	7%	$ 35,650
Dental	$ 182,484	$ 188,175	1%	$ 5,691
Retiree Health Insurance	$ 814,832	$ 679,341	2%	$ (135,491)
Education	$ 20,450	$ 20,450	0%	$ -
Employee Recognition	$ 40,000	$ 43,230	0%	$ 3,230
Total Benefits	**$ 10,679,081**	**$11,127,335**	34%	**$ 448,254**
Total Personnel	**$ 31,804,910**	**$32,698,684**	**100%**	**$ 893,774**

The City of Sierra Vista has 350 full-time employee positions. 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.

Personnel

2018/2019			
POSITIONS	**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			
Marketing & Public Affairs Manager	1		1
Administrative Secretary	2		2
Digital Media Technician	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
Management Analyst	1		1

Personnel

2018/2019			
POSITIONS	**Authorized**	**Frozen**	**Funded**
Information Technology			
Chief Information Officer	1		1
Systems Administrator II	2		2
Network Administrator II	1		1
Senior Network Administrator	1		1
Database Administrator	1		1
Sr. Systems Administrator	2		2
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	4		4
Account Clerk	1		1
Administrative Secretary	1		1
Total City Manager's Office	**44**	**0**	**44**

Personnel

2018/2019			
POSITIONS	**Authorized**	**Frozen**	**Funded**
COMMUNITY DEVELOPMENT			
Planning			
Director	1		1
GIS Technician	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
Ft. Huachuca EMT/EMS Transport	2		2
Ft. Huachuca Paramedic Transport	6		6
Total Fire Department	**66**	**1**	**65**

Personnel

2018/2019			
POSITIONS	**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	11		11
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	**94**	**0**	**94**

Personnel

2018/2019			
POSITIONS	**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	2		2
Customer Service Representative	1	0	1
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	0
Street Maintenance			
Streets Supervisor	1		1
Streets Technician	4		4
Streets Worker	13		13
Sewer Maintenance			
Water/Sewer Supervisor	1		1
Water /Sewer Technician I/II	3		3
Water/Sewer Worker	8		8

Personnel

2018/2019			
POSITIONS	**Authorized**	**Frozen**	**Funded**
Facilities Maintenance			
Facilities Supervisor	1		1
Facilities Technician	3		3
Facilities Worker	2		2
Lead Custodian	1		1
Custodian	6		6
Fleet Maintenance			
Fleet Service Coordinator	1		1
Fleet Technician	7		7
Refuse Operations			
Refuse Supervisor	1		1
Refuse Technician	1		1
Refuse Worker	15		15
Transit			
Transit Dispatcher	2		2
Transit Driver	7		7
Transit Department Specialist	1		1
Total Public Works	**97**	**1**	**96**

Personnel

2018/2019			
POSITIONS	**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			
Sports Supervisor	1		1
Recreation Program Supervisor	4		4
Recreation Coordinator	2		2
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
Library Recreation Leader	1		1

Park Maintenance			
Park Maintenance Supervisor	1		1
Park Maintenance Technician	3		3
Park Maintenance Worker	7		7
Total Leisure & Library Services	**38**	**1**	**37**
	Authorized	**Frozen**	**Funded**
TOTAL NUMBER OF POSITIONS	**350**	**4**	**346**

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

Expenditure Summary by Fund

	Subtotal Balance After Capital Deducted	Personnel Expenditure	Subtotal Balance after Capital & Personnel Deducted
General	$ 34,337,399	$ 26,631,390	$ 7,706,009
Special Revenue			
Highway User Revenue Fund	$ 3,021,787	$ 1,480,360	$ 1,541,427
Local Transportation Fund	$ 1,243,297	$ 881,766	$ 361,531
Airport	$ 900,799	$ 122,651	$ 778,148
Police Special Revenue	$ 134,500	$ -	$ 134,500
Grants	$ 1,496,774	$ -	$ 1,496,774
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	$ 426,926	$ 120,000	$ 306,926
Capital			
Capital Improvement Fund	$ -	$ -	$ -
Debt Service			
SVMPC I&R	$ 3,299,954	$ -	$ 3,299,954
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	$ 4,137,319	$ 1,621,717	$ 2,515,602
Refuse	$ 4,988,214	$ 1,840,800	$ 3,147,414
Total All Funds	**$ 59,531,347**	**$ 32,698,684**	**$ 26,832,663**

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 $4,435,082 (6%) of the total budgetary expenditures. This is a decrease of $15,655,736 from FY18.

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 FY18 and the budgeted FY19 principal and interest payments. The payments are broken out by note or bond.

Outstanding Debt:

Estimated Outstanding Debt as of June 30, 2018:	$ 18,703,812
Estimated Debt Principal Payments in FY19 Budget:	$ (4,041,204)
Estimated new Debt FY19:	$ 873,116
Estimated Outstanding Debt as of June 30, 2019:	$ 15,535,724

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 FY19 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	FY18 Total	FY19 Principal	FY19 Interest	FY19 Total
Airport	1. 2.06%- 6/23	$ 75,347	$ 68,644	$ 6,704	$ 75,348
Airport Total		**$ 75,347**	**$ 68,644**	**$ 6,704**	**$ 75,348**
General	1. 1.28%- 6/18	$ 100,214	$ -	$ -	$ -
	2. 1.79%- 6/22		$ 150,484	$ 10,063	$ 160,547
	3. 4.00%- 6/23		$ 110,190	$ 28,465	$ 138,655
General Total		**$ 100,214**	**$ 260,674**	**$ 38,528**	**$ 299,202**
HURF	1. 1.28%- 6/18	$ 23,257	$ -	$ -	$ -
	2. 1.79%- 6/22	$ 56,647	$ 33,576	$ 23,071	$ 56,647
	3, 4.00%- 6/22		$ 52,025	$ 13,435	$ 65,460
HURF Total		**$ 79,904**	**$ 85,601**	**$ 36,506**	**$ 122,107**
Park Dev	1. 2.06%- 6/23	$ 126,691	$ 115,364	$ 11,266	$ 126,630
Park Dev Total		**$ 126,691**	**$ 115,364**	**$ 11,266**	**$ 126,630**
Refuse	1. 1.28%- 6/18	$ 24,913	$ -	$ -	$ -
	2. 2.02%- 6/18	$ 101,245	$ -	$ -	$ -
	3. 1.79%- 6/22	$ 245,274	$ 229,900	$ 15,374	$ 245,274
	4. 4.00%- 6/23		$ 53,650	$ 13,855	$ 67,505
Refuse Total		**$ 371,432**	**$ 283,550**	**$ 29,229**	**$ 312,779**
Sewer	1. 1.79%- 6/22	$ 102,917	$ 96,466	$ 6,451	$ 102,917
	2. 4.00%- 6/23		$ 76,410	$ 19,735	$ 96,145
Sewer Total		**$ 102,917**	**$ 172,876**	**$ 26,186**	**$ 199,062**
Grand Total		**$ 856,505**	**$ 986,709**	**$ 148,419**	**$ 1,135,128**

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 2018 bonds issued to refinance the SVMPC Series 2008 bonds, SVMPC Series 2010 bonds and Series 2012 Sewer lease purchase note. The SCMPC Series 2008 financed the 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 SVMPC Series 2010refinanced the debt service on the aquatic facility and the government maintenance center. Schedule B breaks down the FY19 payments comprising the total debt service of the fund $3,294,954**.**

The City also pays $5,000 in fiscal agent fees to the bond trustee to make the principal and interest payments to the bond holders.

Schedule B
Bonded Indebtedness

Fund	Bond Series	FY18 Total	FY19 Principal Payment	FY19 Interest Payment	FY19 Total
SVMPC I&R	2008 MFRBs	$ 8,867,202	$ -	$ -	$ -
	2010 MFRBs	$ 4,500,900	$ -	$ -	$ -
	2018 MFRBs	$ 3,661,506	$ 3,065,000	$ 229,954	$ 3,294,954
Total		**$17,029,608**	**$ 3,065,000**	**$ 229,954**	**$ 3,294,954**

Schedule C – Lease Purchase Financing

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

Schedule C
FY19- Lease Purchase Financing

1.General Fund		
2 x 1/2 Ton Pick up	$	70,000
2 x 3/4 Ton Pick ups	$	70,000
Van	$	45,000
Bus	$	200,000
Utility truck	$	45,000
Domingo Piaz Lighting Project	$	663,604
Down Payment	$	220,488
Finance Amount-HURF	**$**	**873,116**
Total Lease Purchase Finance Amount	**$**	**873,116**

On the following page is a summary of the debt expenditure by fund and the remaining balance of the FY19 once debt, personnel, and capital expenditures have been subtracted.

Expenditure Summary by Fund

	Subtotal Balance after Capital & Personnel Deducted	Debt Expenditure	Subtotal Balance after Capital, Personnel & Debt Deducted
General	$ 7,706,009	$ 299,202	$ 7,406,807
Special Revenue			
Highway User Revenue Fund	$ 1,541,427	$ 122,107	$ 1,419,320
Local Transportation Fund	$ 361,531		$ 361,531
Airport	$ 778,148	$ 75,348	$ 702,800
Police Special Revenue	$ 134,500	$ -	$ 134,500
Grants	$ 1,496,774	$ -	$ 1,496,774
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	$ 306,926	$ -	$ 306,926
Capital			
Capital Improvement Fund	$ -	$ -	$ -
Debt Service			
SVMPC I&R	$ 3,299,954	$ 3,299,954	$ -
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	$ 2,515,602	$ 199,062	$ 2,316,540
Refuse	$ 3,147,414	$ 312,779	$ 2,834,635
Total All Funds	**$ 26,832,663**	**$ 4,435,082**	**$ 22,397,581**

Operations and Maintenance Expenditures

Operations and Maintenance (O&M) costs account for $22,521,081 (32%) 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 decreased $1,665,672 (7%) from the FY18 budget predominantly as a result of a finalizing an EMS partnership with Fort Huachuca. The actual contract revenues and expenditures are budgeted instead of the placeholder in FY18.

Below is a summary of O&M Expenditures by department and the difference from the FY18 Budget.

Department	FY18 Budget	FY19 Budget	Difference	% Change
Mayor/Council	$ 101,393	$ 92,393	$ (9,000)	-8.9%
City Manager	$ 1,764,588	$ 1,409,802	$ (354,786)	-20.1%
Administrative Services	$ 1,329,087	$ 1,520,849	$ 191,762	14.4%
Court/Legal	$ 100,300	$ 100,300	$ -	0.0%
General Government	$ 5,003,000	$ 4,998,000	$ (5,000)	-0.1%
Police	$ 980,774	$ 1,098,870	$ 118,096	12.0%
Fire	$ 3,045,035	$ 1,126,972	$ (1,918,063)	-63.0%
Public Works	$ 9,909,110	$ 10,066,691	$ 157,581	1.6%
MPO	$ 308,160	$ 306,926	$ (1,234)	-0.4%
Leisure & Library	$ 1,197,305	$ 1,367,507	$ 170,202	14.2%
Community Development	$ 448,001	$ 432,771	$ (15,230)	-3.4%
Totals	**$ 24,186,753**	**$ 22,521,081**	**$(1,665,672)**	-6.9%

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 FY19 budget.

Expenditure Summary by Fund			
	Subtotal Balance after Capital, Personnel & Debt Deducted	O&M Expenditure	Subtotal Balance after Capital, Personnel, Debt & O&M Deducted
General	$ 7,530,307	$ 7,530,307	$ -
		$ -	
Special Revenue		$ -	
Highway User Revenue Fund	$ 1,419,320	$ 1,419,320	$ -
Local Transportation Fund	$ 361,531	$ 361,531	$ -
Airport	$ 702,800	$ 702,800	$ -
Police Special Revenue	$ 134,500	$ 134,500	$ -
Grants	$ 1,496,774	$ 1,496,774	$ -
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	$ 306,926	$ 306,926	$ -
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	$ 2,316,540	$ 2,316,540	$ -
Refuse	$ 2,834,635	$ 2,834,635	$ -
Total All Funds	**$ 22,521,081**	**$ 22,521,081**	**$ -**

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$113,083	$108,494	$99,494
Sewer	14,136	13,561	13,561
Refuse	14,136	13,561	13,561
Donations	32,950	32,950	32,950
Total	**$174,305**	**$168,566**	**$159,566**

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 Statues 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

	FY14/15	FY 15/16	FY17/18	FY 18/19
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. Approved the work plan for the City's annual Community Development Block Grant allocation targeted at improving the safety and livability of the community's lower income areas, including ADA improvements and the demolition of a dilapidated City property.
3. Supported efforts to enhance economic development in the community, including approval of the West End Redevelopment Plan; and monthly recognition of businesses at City Council meetings.

4. Approved multiple building and development code revisions to streamline the approval process and make development more efficient for developers and business owners.
5. Supported City policies and practices that led to the Fitch rating agency reestablishing the City's current strong AA- rating.

City Council

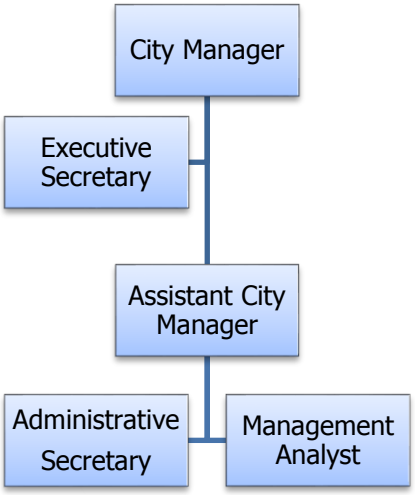
Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Part Time	$ 66,000	$ 66,000	$ 66,000
Benefits	1,155	1,173	1,173
Total Personnel	**$ 67,155**	**$ 67,173**	**$ 67,173**
Community Relations	$ 15,000	$ 9,000	$ 5,000
Professional Associations	37,000	36,943	36,943
Travel & Training	20,200	20,000	15,000
Office Supplies	2,000	2,500	2,500
Specialized Supplies	-	-	-
City Council Donations	32,950	32,950	32,950
Total O&M	**$ 107,150**	**$ 101,393**	**$ 92,393**
Totals	**$ 174,305**	**$ 168,566**	**$ 159,566**

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 VistaAbility Day, Mayor's Arts Awards, historic programs, Cultural Heritage 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 FY18 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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$810,958	$682,277	$696,112
Sewer	104,362	97,007	109,912
Refuse	104,362	97,007	109,912
Total	$1,019,682	$876,291	$915,936

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. In partnership with Cochise County and the Fort Huachuca 50, cooperated in efforts to seek and retain a new consultant, and coordinated work with the new consultant retained to help the community take steps to maintain and expand missions on Fort Huachuca.
2. Provided leadership in the development of an updated financial policy that addressed the unfunded PSPRS liability, which was subsequently adopted by Council.
3. Negotiated and authored an Intergovernmental Service Agreement to provide ambulance services on Fort Huachuca beginning January 1, 2018 and provided leadership on the successful launch of the service.
4. Worked in partnership with the other city/county managers to propose changes to the structure of the Cochise County Tourism Commission where the City now serves as the fiscal agent, and led the implementation of the CCTC's strategic tourism attraction strategy through the Marketing & Public Affairs Office.
5. Jointly established and began operating the Southeastern Arizona Communications Center (SEACOM) board with Cochise County for the operation of regional 911 communications, approved bylaws, a job description for the executive director, developed a tentative budget, and completed interviews.

Goals

Goals	Objectives
Accomplish the goals and objectives set forth by City Council's Strategic Plan Framework.	• 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.	• 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.	• 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.	• 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.	• Provide leadership to Procurement Division in evaluating and pursuing other private and public sector partnerships and contracts.

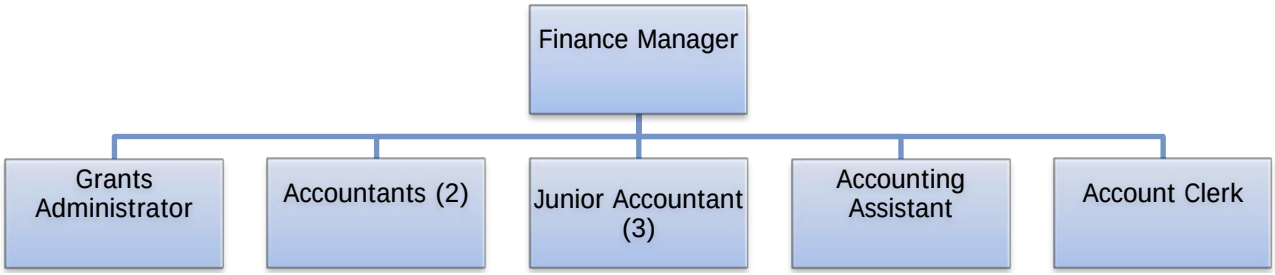
City Manager's Office

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 433,553	$ 401,974	431,888
Salaries - Part Time	-	-	-
Benefits	133,629	123,427	129,678
Total Personnel	**$ 567,182**	**$ 525,401**	**$ 561,566**
Professional Services	412,500	318,000	318,000
Office Equipment Maintenance	-	-	-
Printing & Binding	1,000	1,000	1,000
Professional Associations	6,000	5,500	5,500
Travel & Training	18,500	14,390	17,870
Office Supplies	14,000	8,000	8,000
Specialized Supplies		3,500	3,500
Books & Periodicals	500	500	500
Total O&M	**$ 452,500**	**$ 350,890**	**$ 354,370**
Totals	**$ 1,019,682**	**$ 876,291**	**$ 915,936**
Per Capita	$ 23.23	$ 19.43	$ 20.00

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 Kelley Drye & Warren LLP), with Cochise County reimbursing the City $30,000), 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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$577,504	$674,203	$659,629
Sewer	148,752	$150,477	$192,405
Refuse	148,752	$150,477	$192,405
Total	**$875,008**	**$975,157**	**$1,044,439**

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, fleet, and Fort IGSA 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 18.
2. Won the distinguished Comprehensive Annual Financial Report (CAFR) award for FY 18, for the twenty-ninth consecutive year.

Goals

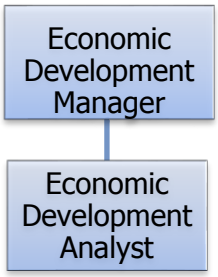
Goals	Objectives
Enhance the usage of the City's new financial ERP system.	• Set up fuel billing interface with new fuel management software. • Implement employee reimbursement module.
Document the ERP's critical operations	• Complete standard operating procedures documentation for the key finance functions in the new ERP system.

Finance

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 532,412	$ 552,072	$ 598,559
Salaries - Part Time	-	-	45,000
Benefits	169,493	169,552	189,070
Total Personnel	**$ 701,905**	**$ 721,624**	**$ 832,629**
Professional Services	$ 148,053	$ 230,483	$ 171,360
Printing & Binding	4,000	3,500	3,500
Professional Associations	2,525	2,525	2,525
Travel & Training	4,675	4,675	9,425
Office Supplies	6,500	6,500	6,500
Specialized Equipment	2,500	1,500	10,500
Software	3,850	3,850	7,500
Books & Periodicals	1,000	500	500
Total O&M	**$ 173,103**	**$ 253,533**	**$ 211,810**
Totals	**$ 875,008**	**$ 975,157**	**$ 1,044,439**

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 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.

Expenditure By Fund

	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$364,111	$394,476	$393,939
Grants	250,000	721,399	$386,596
Total	**$614,111**	**$1,115,875**	**$780,535**

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, and trade with Mexico are still targeted sectors, attraction efforts focus on the cyber security to attract small to mid-size businesses. 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 a key complimentary element to Economic Development. The division is working with the Marketing and Public Affairs Division to maximize the buying power of the City's marketing and sales products.

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. Executed the $720,000 grant from the Department of Defense Office of Economic Adjustment to implement two initiatives to assist Sierra Vista with economic diversification. Competed the Airport Study April 2018 and the division has begun to market the available City property.
2. Strengthened regional partnerships, including connecting with Sun Corridor as the lead for the Sierra Vista Technical Assistance Program (SVTAP). Additionally, the Division will participate in Sun Corridor's June Executive Sales Mission to Los Angeles.
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 Business Facilities Magazine.
4. Reinstated quarterly business walks in partnership with the Sierra Vista Chamber of commerce.

5. Partnered with the Hispanic Chamber of Commerce on numerous trips to Mexico to enhance the visibility of the City and explore additional cross border business opportunities.
6. Enhanced internal procedures to include the majority of the City Staff in the Economic Development process through routine meetings and the update to the Economic Development Framework. Completed the framework with an estimated cost avoidance of over $40,000.
7. Established ongoing meetings with National Site Selectors attending Live Exchange event in Madison, WI for the Division's first time.
8. Participated in Fort Huachuca's strategic airport plan which yielded the initial agreement to jointly plan the future of the Joint-Use airfield.

Goals

Goal	Objectives
Elevate Sierra Vista's economic development competitiveness.	• Continue to enhance marketing program to assist with the state and national exposure of ED opportunities within Sierra Vista. Synchronize economic development and tourism marketing and outreach.
Retain and grow the City's existing economic cluster industries.	• 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.	• 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 2 requirements of OEA grant.	• Partner with Sun Corridor on the SVTAP program in assisting and growing local businesses in their diversification.
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.	• Identify strategies to support and expand growth in the Cyber Industry and UofA South's increasing prominent role within the profession. • Develop and implement strategies that focus on workforce development, research and development, and business development.

Economic Development

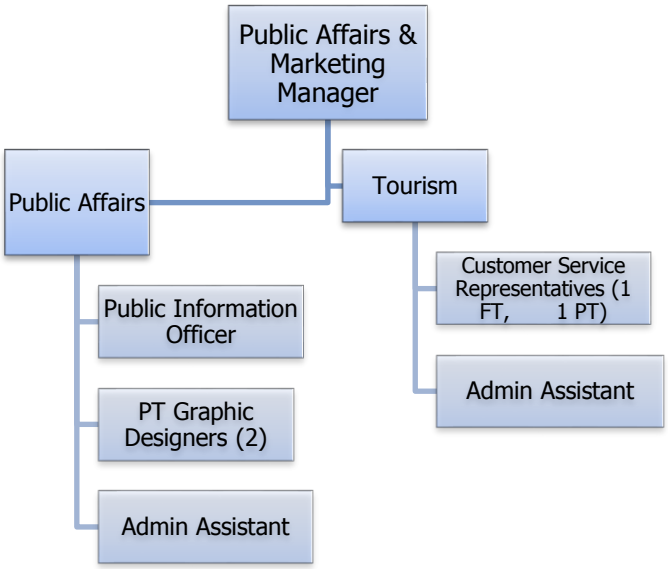
Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 175,456	$ 156,771	$ 180,503
Benefits	48,318	43,131	43,862
Total Personnel	**$ 223,774**	**$ 199,902**	**$ 224,365**
Professional Services	$ 250,000	$ 576,885	$ 254,525
Economic Development	93,850	148,550	123,550
Land & Building Rental	-	85,000	83,700
Advertising	22,258	22,258	22,258
Printing & Binding	2,950	2,900	2,900
Professional Associations	5,184	9,516	6,237
Travel & Training	14,695	28,862	21,600
Office Supplies	1,000	41,602	41,000
Books & Periodicals	400	400	400
Total O&M	**$ 390,337**	**$ 915,973**	**$ 556,170**
Totals	**$ 614,111**	**$ 1,115,875**	**$ 780,535**

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.

Expenditure By Fund			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$621,500	$580,621	$560,528
Grants	0	$85,450	$0
Sewer	33,414	$30,884	$30,136
Refuse	13,366	$6,176	$12,054
Donations	800	$800	$800
Total	**$669,080**	**$703,931**	**$642,028**

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.

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. Won "The Grand Pitch," a tourism marketing competition, resulting in $117, 302 in advertising value provided by sponsors. The winning campaign, entitled "That's How We Roll," promotes Sierra Vista's outdoor activities, especially bicycling, along with the breadth and variety of international cuisine.
2. Worked in tandem with the Economic Development division to support their mission by providing marketing and public relations direction and materials. Expanded the presence of Sierra Vista as a business destination by developing collaterals, assisting with industry events and trade shows, and providing personnel support.
3. Provided leadership for the Cochise County Tourism Council, including serving as fiscal agent and treasurer, and providing marketing services, resulting in significantly increased exposure with journalists, on social media, and contacts database.
4. Created and produced comprehensive promotional and marketing materials for a variety of city programs, such as: Economic Development print collateral, advertising, editorial, and videos; Police Department recruitment videos; Fire & Medical Services recruitment; West Sierra Vista Revitalization Program; Spotlight Breakfast; Arizona League of Cities and Towns showcase; and others.
5. Redesigned the Economic Development web pages and moved them into the municipal website for better SEO and searchability. The redesigned pages are brand compliant, creating cohesion with the City, while the reorganized structure presents a clean, user-friendly interface that portrays Sierra Vista in a professional light.
6. Integrated the City's emphasis on community health into the Vista Transit advertising through a "Healthy Living Tip" ad campaign, which earned an Excellence Award from the Arizona Transit Association/ADOT.
7. Participated in tourism media events, resulting in heightened interested by the nation's top travel writers, resulting in the City hosting writers.
8. Won a national award for the Bike-Friendly Business campaign, which helps promote bicycling amenities to this specific visitor audience.
9. Partnered with Leisure & Library Services Department to develop and coordinate the Sips & Skies weekend and led the marketing effort for the event. Provided marketing direction, collaterals, and staff support for a trade show event held in conjunction with the El Tour de Tucson bicycle race.
10. 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.

11. Partnered with Cochise County Tourism Council, Wings Over Willcox, and Southwest Wings to promote Cochise County as a birding destination. Efforts have included social media and print advertising.
12. Completed the National League of Cities "Hometown Hero" application, nominating refuse driver Jesus "Chuy" Estrada and earning national recognition for his commitment to the community; coordinated media attention.
13. Partnered with the Police Department to create a Public Safety Facebook page, which now has more than 2,700 followers.
14. Maintained a consistent and steady growth in social media following for the municipal Facebook and Instagram accounts. The municipal Facebook page is now followed by more than 10,100 people, and the Instagram account is followed by more than 1,000 people.

Goals

Goals	Objectives
Develop tourism and retail in the Sonora, Mexico market	• Identify and advertise in media outlets that will reach the largest strategic markets, matching media consumers with strategic targets. • Contract with a Public Relations agency in Mexico to represent Sierra Vista to Mexican media • Participate in binational meetings and events to represent Sierra Vista to business and tourism markets
Increase awareness of the City of Sierra Vista as a business and tourism destination in key national markets	• Increase advertising investment in target markets • Utilize media contacts and public relations to earn media coverage • Participate in industry and consumer trade events in target markets
Support and enhance Economic Development efforts put forth by all City departments	• Provide input on marketing strategies to ensure that multiple departments' efforts are complementary • Provide design and collateral development services • Media management and campaign oversight

Performance Measures

Public Affairs	FY14/15	FY 15/16	FY 16/17	FY 17/18
Total page views, SierraVistaAZ.gov	1,196,293	1,177,522	584,600[a]	883,547
Facebook Total Impressions, City of SV (millions)	1.283	1.689	6.065	5.222

Tourism	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Total Page Views, VisitSierraVista.com	672,270	813,100	N/A	69,411[b]
Facebook Total Impressions, Visit SV (millions)	0.942	0.739	0.845	0.619
OVG Distribution	35,382	24,782	25,096	28,391
Total Hospitality Tax Revenue : Tourism Investment	22.7 : 1	16.4 : 1	16.51 : 1	19.75 : 1
Extended Stay Tax Revenue	$857,956	$796,341	$848,399	$912,055
Restaurant & Bar Tax Revenue	$2,997,772	$2,126,418	$2,156,733	$2,237,585

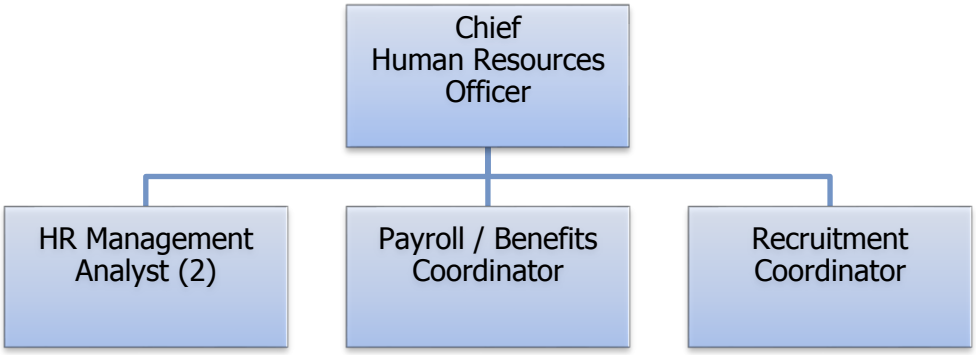
a) This drop in total page views may be attributed to the new municipal website. In an effort to streamline information, the new site has significantly fewer pages.
b) Due to the launch of the new visitor website in FY16/17, the Total Page Views does not reflect a 12-month total.

Public Affairs/Tourism

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 262,365	$ 247,876	$ 258,508
Salaries - Part Time	62,764	62,764	62,764
Benefits	95,806	81,199	76,294
Total Personnel	**$ 420,935**	**$ 391,839**	**$ 397,566**
Professional Services	$ 40,475	$ 20,610	$ 82,900
Office Equipment Maintenance	-	-	-
Advertising	91,250	169,652	104,652
Printing & Binding	56,250	65,220	50,000
Professional Associations	22,420	24,760	21,050
Travel & Training	5,550	12,025	16,200
Office Supplies	3,300	600	1,400
Specialized Supplies	23,050	14,625	6,250
Event Supplies	5,850	4,600	4,600
Books & Periodicals	-	-	400
Total O&M	**$ 248,145**	**$ 312,092**	**$ 287,452**
Totals	**$ 669,080**	**$ 703,931**	**$ 685,018**

Comments

The decrease in the PAO budget is directly attributed to the department working closely with Economic Development and joining forces to cut costs while making the most out of the two budgets.



Expenditure By Fund			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$450,364	$453,881	$474,782
Sewer	56,295	$56,736	$59,348
Refuse	56,295	$56,736	$59,348
Total	**$562,954**	**$567,353**	**$593,478**

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
• Maintenance of the Classification and Compensation Plan for City employees.

Major Accomplishments:

1. During the Annual Service Awards Luncheon, 60 employees were recognized for their 3, 5, 10, 15, 20, 25 and 30 years of service. These employees represent a combined total of 632 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.
3. Human Resources held the following training session:
    - Warning Label: Reading Legal Drugs. This was mandatory for all employees in a safety sensitive position but was highly encouraged for all employees. This training provided employees with valuable information regarding the new Dept. of Transportation 5 panel drug screen, impairment and interaction possibilities with over the counter and prescription drugs, and illegal drugs/medical marijuana.
4. The City promotes employee wellness and offered several screenings and clinics. The following was offered:
    - Healthy Heart Blood Draw Screened for Glucose, Cholesterol, LDL, HDL, and Triglycerides. Other optional testing was offered as well. 80 employees participated.
    - Cardiac and Organ Screenings composed of ten different areas of the body such as the Thyroid, Gall Bladder, Kidneys and Liver. 105 employees participated.
    - Prostate Screenings 16 employees participated.
    - Vaccination Clinic to include influenza and pneumonia. There were a total of 187 vaccinations given.
    - Mammogram Screenings 42 employees participated.
    - Health Risk Assessment This included a full lipid profile along with other optional testing such as A1C, Thyroid, and colon cancer screenings. This along with the Health Heart Blood Draw will be completed twice per year to follow employee progress of problem areas. 40 employees participated with 9 employees also taking advantage of a telephonic nurse consultation to go over the results.
5. Six employees participated in the City's Education Assistance Program.

Goals

Goals	Objectives
Recruit qualified personnel through advertisement, applicant screening, testing, and interviewing.	• 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	• 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.	• Conduct internal citywide training. • Review and revise performance appraisal document.
Provide a structure for employees to plan for benefit, career, and retirement options.	• Communicate education requirements for career advancement; promote the City's Education Assistance Program.

Performance Measures

	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Average days to fill Full-time Position	48	70	77	62
Number of Full Time Positions Filled	42	49	68	67
Number of Part Time Positions Filled	51	106	84	99
Number of Internal FT Job Recruitments	17	16	14	18
Number of External FT Job Recruitments	39	24	26	30
Number of Applications Processed	2550	2936	2502	2463
Percentage of minority applicants	38%	39%	41%	39%
Percentage of minority offered Full Time positions	17%	22%	16%	25%
Employee Full Time Turnover Rate	11.3%	11.62%	9.71%	10.1%
*Without Retirements	10.1%	9.36%	7.77%	7.26%

Employee Part Time Turnover Rate	34.2%	51.89%	55.04%	44.92%
Number of Volunteers	424	405	716	659
Number of Volunteer Hours	26,595	24,898	21,710	19,987
Value of Volunteer Services	$345,735	$574,397*	$500,850*	461,100

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

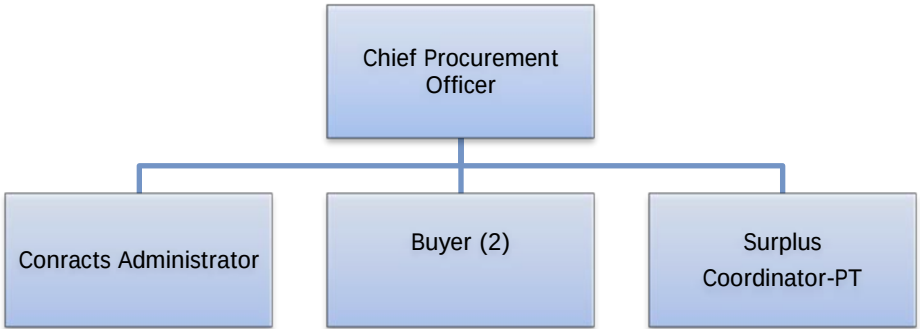
Human Resources

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 325,687	$ 337,960	$ 332,240
Salaries - Part-Time	7,793	7,793	41,554
Benefits	98,154	92,205	89,967
Employee Programs	61,000	60,450	63,680
Total Personnel	**$ 492,634**	**$ 498,408**	**$ 527,441**
Professional Services	$ 41,965	$ 43,450	$ 44,450
Office Equipment Maintenance	1,000	1,000	1,000
Advertising	7,500	3,500	2,000
Printing & Binding	1,000	1,000	1,000
Professional Associations	2,485	2,690	2,782
Travel & Training	13,895	14,530	12,030
Office Supplies	1,200	1,500	1,500
Specialized Supplies	1,025	1,025	1,025
Books & Periodicals	250	250	250
Total O&M	**$ 70,320**	**$ 68,945**	**$ 66,037**
Totals	**$ 562,954**	**$ 567,353**	**$ 593,478**

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$249,356	$245,260	$247,030
Sewer	48,486	$47,415	$48,033
Refuse	48,486	$47,415	$48,033
Total	**$346,328**	**$340,090**	**$343,096**

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. Nearly doubling on-line surplus sales from $96,227 to $170,383 due to various efforts with streamlining online payments, customer service, and ability to analyze sales data.
2. Awarded several contracts for fire department on short notice to remain compliant for the Intergovernmental Service Agreement (IGSA) with Fort Huachuca.
3. Awarded several contracts for the Sierra Vista Library replacing the roof, carpet, and adding an outdoor stage area creating a newer look while increasing customer traffic.
4. Awarded a grant funded Transit Remodel contract improving Transit Operations through the addition of employee space, safety measures (safety glass), and increased storage space.
5. Instituted PCard program consortium with the City of Fort Worth, Texas to increase PCard refunds and spend.

Goals

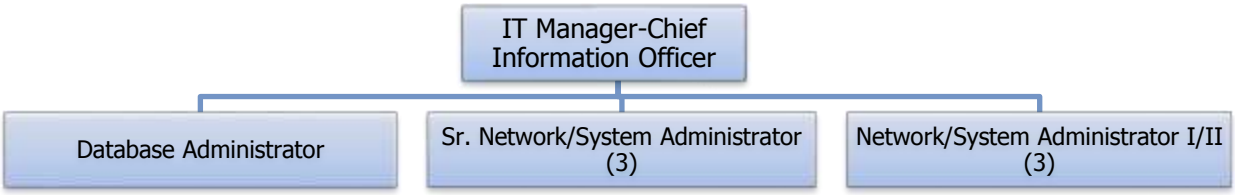
Goals	Objectives
Increase efficiencies in the bidding of projects and services.	• Explore new technology software programs with the capability to create solicitations, contracts, house contract data, and create productivity reports to increase efficiency. • Provide acquisition pre-planning and requirement writing training to all City departments • Provide opportunities for increased competition through training, pre-award activities, and creating relationships with new vendors • Increase participation on Vendor-Self-Serve (VSS) through discussions and training with various vendors. Obtain access to VSS on Community Development Computer to help vendors sign up.

Actively engage local vendors in an effort to increase the procurement of local goods and services.	• 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.
Act as a resource to departments and divisions.	• 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. • Internal procurement education on pre-award activities, market research, creating independent cost estimates, and benefits of procurement strategic planning
Administer the Purchasing Card Program.	• 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.
Streamline and define Procurement Professionals training and certifications	• Create a learning environment through individual training plans • Include time for procurement professionals to work on on-line classes throughout the year • Include training and certification goals for every full-time procurement professional • Create training, procurement, and certification tracking.

Procurement

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 261,407	$ 240,242	$ 238,619
Salaries - Part-Time	$ 13,902	$ 13,902	$ 13,902
Benefits	63,035	76,701	76,565
Total Personnel	**$ 338,344**	**$ 330,845**	**$ 329,086**
Office Equipment Maintenance	$ -	$ -	$ -
Printing & Binding	500	-	500
Professional Associations	500	1,210	1,210
Travel & Training	3,709	5,735	10,000
Office Supplies	2,000	1,250	1,250
Specialized Supplies	1,075	850	850
Books & Periodicals	200	200	200
Total O&M	**$ 7,984**	**$ 9,245**	**$ 14,010**
Totals	**$ 346,328**	**$ 340,090**	**$ 343,096**

Performance Measures	FY 15/16	FY16/17	FY17/18
Percentage of total dollars spent within Cochise County:	21%	19%	23%
Percentage of total dollars spent within Sierra Vista:	11%	9%	10%
Percentage of dollars spent within Arizona:	57%	63%	56%
Surplus auction revenue:	$127,307	$96,227	$170,383
*FY17/18 Surplus Auction Revenue as of May 3, 2018			



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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$1,772,105	$1,570,673	$2,004,144
CIF	0	0	0
Sewer	198,301	$196,334	$210,669
Refuse	198,301	$196,334	$210,669
Total	**$2,168,707**	**$1,963,341**	**$2,425,482**

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 E-Citation and In Car Video Server at PD. Previous servers were no longer supported and subject to continual failures. This was causing unwarranted downtime and major IT man hours. The new server reduced our footprint from two servers to one and more than doubled the storage and processing capabilities. Since implementation our efficiencies have increased and support calls have decreased to virtually none.

2. Worked together with Public works to upgrade both traffic controllers and server software, so that all controllers are now able to communicate to one main server at the datacenter. This upgrade and setup of the system software, now provides the streets techs and IT staff one central location from which to monitor and administer the traffic controllers and signals, to include changing settings and configuration, in addition to being able to remotely deploy software updates versus going out and manually performing this process.

3. Continued with migration of SVPD Mobile Data Computers (MDC's) from air cards to a ruggedized mobile router solution along with a network management suite called AirVantage. This solution better meets the needs of the department to include ruggedness, reliability as well as network stability and flexibility. It also affords IT the ability to better utilize man hours, as now we can perform firmware upgrades, network troubleshooting and location services from one central platform, not needing to touch every device. These devices offer stability to support the department's mission critical services.

4. IT continues its commitment to improving and increasing efficiencies in the Public Safety departments. We collaborated with Fire to move away from a legacy HealthEMS application to a modern Mobile Touch application. Additionally, we worked extensively with the Fire Department to setup and deploy new IT infrastructure on Ft. Huachuca (both mobile and on premise) to support the new IGA with the post. IT is also currently working on upgrading the server infrastructure at PD in order to mitigate failures with aging equipment. Lastly, we are working with PD to enhance physical security throughout the PD.

5. Limited budget required IT to develop a Web Video Streaming solution to broadcast Council sessions and meetings to replace Swagit. IT was able to create a dedicated City YouTube channel to stream live video as well as archive previous work sessions and council meetings for the public to view. All of this was accomplished with minimal hardware costs and no costs to stream the videos.

6. The City's IT department continues to play a major role in the network and IT infrastructure design and implementation for the new regional dispatch center, SEACOM in collaboration with Cochise County. The final design phase of the E911 and phone communications is currently being vetted. In addition, the main server will be moved to SVPD for final testing of microwave links and data integrity, prior to July go live date. IT will be ready to support SEACOM once it is open for business.

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. Additionally, IT partnered with several other departments to provide project management and technical services with several ongoing proposals. To include, HVAC and Card Access systems in Public Works, PD Security Cameras and Library Security Cameras. Furthermore, IT is moving forward with the implementation of SharePoint as a city wide collaboration and business transformation resource.

8. IT is keeping at enhancing the City's Cyber Security portfolio. We carry forward in mitigating 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.	• 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 solutions that encourage citizen engagement and improve municipal services to the community, while maintaining a secure, modernized and sustainable IT infrastructure.	• Partner with City departments to offer more online services and/or Web portals facilitating citizen/employee interaction with City Hall. • 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	• 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.	• Continue promoting the use of collaboration tools to increase employee productivity and efficiency. • Proving new technologies such as Office 365 and SharePoint and developing a plan to transition and implement presently. • 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.	• Partnering with Cochise County to improve communications and collaborating on the move to SEACOM eta July 2018. • Maintain extending Spillman services and support to multiple agencies

Performance Measures

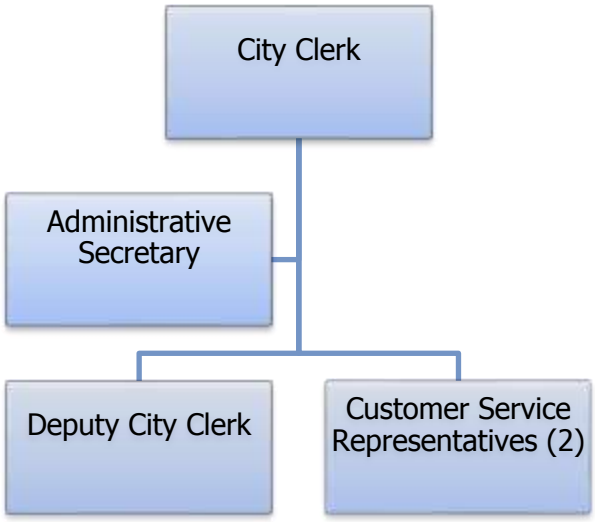
	FY13/14	FY14/15	FY16/17	FY17/18	FY18/19
Work Orders Processed:					
Emergency/High in nature	139	395	297	388	468
Above routine/routine in nature	875	1410	1811	2054	2532
Other requests not high in nature nor routine	93	133	92	158	117

Information Technology

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 556,220	$ 574,458	$ 596,968
Salaries - Overtime	2,000	2,000	2,000
Benefits	178,462	178,762	182,097
Total Personnel	**$ 736,682**	**$ 755,220**	**$ 781,065**
Professional Services	$ 55,000	$ 50,000	$ 93,000
Office Equipment Maintenance	671,638	668,626	664,432
Professional Associations	400	400	400
Travel & Training	18,000	20,000	20,000
Telephone	375,000	405,000	415,000
Office Supplies	5,200	9,200	9,200
Specialized Supplies	67,537	22,300	73,300
Software	53,200	32,245	49,935
Books & Periodicals	350	350	350
Total O&M	**$ 1,246,325**	**$ 1,208,121**	**$ 1,325,617**
Machinery & Equipment	$ 185,700	$ -	$ 318,800
Total Capital	**$ 185,700**	**$ -**	**$ 318,800**
Totals	**$ 2,168,707**	**$ 1,963,341**	**$ 2,425,482**

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$373,401	$347,217	$412,647
Sewer	8,030	$7,467	$8,874
Refuse	20,075	$18,667	$22,185
Total	**$401,506**	**$373,351**	**$443,706**

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. Established Streamlined procedures for Temporary Liquor Licenses
3. Maintained professional, timely and exceptional customer service in FY 17-18.

Goals

Goals	Objectives
Records Management.	• 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.	• Update the Employee Safety Initiative Facility Inventory to reflect measures implemented. • Provide Safety Training Opportunities for City Staff
Continue Development of a City Wide Civil Rights Program for Title VI and ADA	• Obtain approval a Title VI Plan for all City Departments • Prepare a City Infrastructure, Asset and Building Inventory to evaluate ADA accessibility and needs. • 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.	• 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

	FY13/14	FY 14/15	FY15/16	FY16/17	FY17/18
New Business Licenses Issued	332	319	278	282	333
Liquor Licenses Issued	31	32	22	36	54
Number of Requests for Documents	200	210	355	486	431
Claims or Potential Claims	55	59	115	86	83
Vehicle Accident Review Board Cases	46	65	48	41	40

City Clerk

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 237,492	$ 245,443	$ 245,899
Salaries - Part Time	1,932	1,932	1,932
Benefits	80,397	81,791	80,690
Total Personnel	**$ 319,821**	**$ 329,166**	**$ 328,521**
Professional Services	$ 64,000	$ 26,500	$ 97,500
Professional Associations	2,085	2,085	2,085
Travel & Training	4,100	4,100	4,100
Office Supplies	4,000	4,000	4,000
Books & Periodicals	7,500	7,500	7,500
Total O&M	**$ 81,685**	**$ 44,185**	**$ 115,185**
Totals	**$ 401,506**	**$ 373,351**	**$ 443,706**

Comments

Professional Services includes Election Costs on a Bi-Annual Basis

City Attorney

City Attorney

Description

Expenditure by Fund			
	Budget FY 2017	Budget FY 2018	Budget FY 2019
General	$271,828	$274,446	$273,071
Judicial	300	$300	$300
Total	**$272,128**	**$274,746**	**$273,371**

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.

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 trails.

Court & Legal

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 104,000	$ 104,327	$ 104,327
Salaries - Part Time	28,000	32,200	28,751
Benefits	39,828	37,919	39,993
Total Personnel	**$ 171,828**	**$ 174,446**	**$ 173,071**
Professional Services	$ 100,300	$ 100,300	$ 100,300
Professional Associations	-	-	-
Total O&M	**$ 100,300**	**$ 100,300**	**$ 100,300**
Totals	**$ 272,128**	**$ 274,746**	**$ 273,371**

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 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Bond Principal	$ 2,805,000	$ 12,865,000	$ 3,065,000
Bond Interest	623,377	503,102	229,954
Fiscal Agent Fees	5,000	5,000	5,000
Other Debt Principal	1,351,132	6,492,723	976,204
Other Debt Interest	234,100	222,493	158,924
Total Debt	**$ 5,018,609**	**$ 20,088,318**	**$ 4,435,082**

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 2017	Budget FY 2018	Budget FY 2019
General	$1,033,177	$996,363	$908,752
Sewer	137,757	$147,994	$127,303
Refuse	137,757	$147,994	$127,303
HURF	68,879	$73,997	$63,651
H&A	4,322,500	$4,322,500	$4,322,500
Unemployment	35,000	$35,000	$35,000
Self Insurance	100,000	$100,000	$100,000
Total	**$5,829,070**	**$5,823,848**	**$5,684,509**

General Government

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Benefits	$ 711,070	$ 820,848	$ 686,509
Total Personnel	**$ 711,070**	**$ 820,848**	**$ 686,509**
Professional Services	$ 41,500	$ 41,500	$ 41,500
Insurance	570,000	455,000	455,000
Postage	60,000	60,000	55,000
Advertising	12,500	12,500	12,500
Office Supplies	8,000	8,000	8,000
Specialized Supplies	-	-	-
Bank Fees	60,000	60,000	60,000
Health & Accident Insurance	4,281,000	4,281,000	4,281,000
Unemployment Insurance	50,000	50,000	50,000
Self Insured Retention	35,000	35,000	35,000
Total O&M	**$ 5,118,000**	**$ 5,003,000**	**$ 4,998,000**
Totals	**$ 5,829,070**	**$ 5,823,848**	**$ 5,684,509**

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

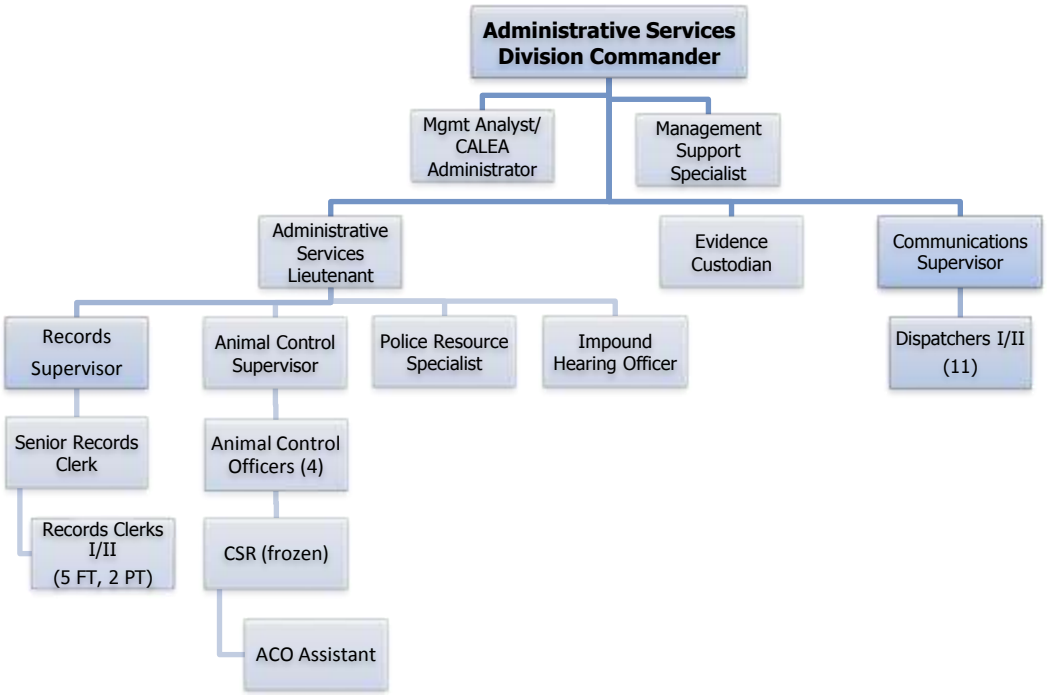
The Sierra Vista Police Department sets the standard for professional law enforcement agencies through exceptional performance and quality community services.

City Council Strategic Plan Initiatives
• 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

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Administration	$ 2,237,249	$ 1,865,155	$ 2,029,523
Police Operations	7,676,223	8,148,671	8,165,968
Animal Control	311,984	306,349	317,070
Total Personnel	**$ 10,225,456**	**$ 10,320,175**	**$ 10,512,561**
Administration	$ 86,250	$ 84,865	$ 83,900
Police Operations	274,792	316,919	365,899
Animal Control	585,065	578,990	649,071
Total O&M	**$ 946,107**	**$ 980,774**	**$ 1,098,870**
Administration	$ -	$ -	$ -
Police Operations	705,000	690,000	690,000
Animal Control	-	-	-
Total Capital	**$ 705,000**	**$ 690,000**	**$ 690,000**
Totals	**$ 11,876,563**	**$ 11,990,949**	**$ 12,301,431**

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$2,311,795	$1,938,316	$2,101,719
Donations	11,704	11,704	$11,704
Dev Fees	0	0	0
Total	**$2,323,499**	**$1,950,020**	**$2,113,423**

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
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.	• 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.
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.	• 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. • Research recruitment and retention programs and complete a proposal for the implementation of a comprehensive recruiting and retention strategy.
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.	• Transition from the Uniform Crime Reporting (UCR) system to the National Incident Based Reporting System (NIBRS) as the means for collecting and reporting data on crimes.
Physical Resources & Technology Increase efficiency by promoting the timely development/ acquisition of police equipment and technology.	• Conduct a feasibility study regarding implementation of a drone program and complete a formal proposal as appropriate.

Major Accomplishments

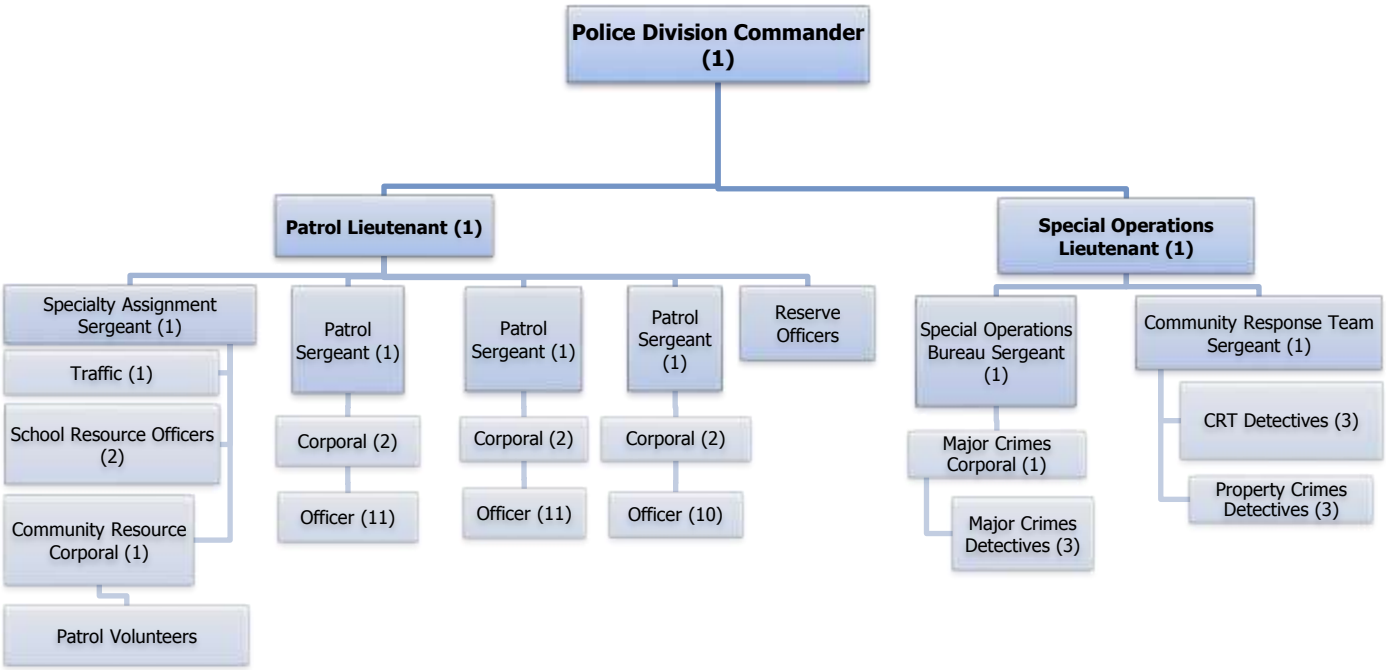
1. Successfully obtained a grant from the Governor's Office of Highway Safety (GOHS) to purchase portable breath test devices.
2. Successfully maintained accreditation through CALEA.
3. The Communications Section entered 60,967 calls for service for both police and fire in 2017.

4. The Communications Section answered 22,729 9-1-1 calls in 2017.
5. The Records Section processed 7,240 requests for records, 1,648 background check requests, and 182 requests for statistical information in 2017.
6. Three new officers were hired in 2017 and five new officers were hired during the first half of 2018.

Administration

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 1,504,166	$ 1,256,610	$ 1,358,629
Salaries - Overtime	16,572	16,572	16,572
Salaries - Part Time	59,453	59,453	59,453
Benefits	657,058	532,520	594,869
Total Personnel	**$ 2,237,249**	**$ 1,865,155**	**$ 2,029,523**
Professional Services	$ 9,740	$ 8,985	$ 10,485
Equipment Maintenance	1,300	550	650
Professional Associations	1,452	1,452	1,762
Travel & Training	12,900	12,900	12,900
Office Supplies	19,450	20,000	20,000
Specialized Supplies	23,400	23,400	20,150
Books & Periodicals	6,304	5,874	6,249
Donations	11,704	11,704	11,704
Total O&M	**$ 86,250**	**$ 84,865**	**$ 83,900**
Machinery & Equipment	$ -	$ -	$ -
Total Capital	**$ -**	**$ -**	**$ -**
Totals	**$ 2,323,499**	**$ 1,950,020**	**$ 2,113,423**

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$8,342,515	$8,817,966	$8,876,793
PD Special	319,500	319,500	319,500
Grants	33,500	18,124	25,574
Capital	0	0	0
Total	**$8,656,015**	**$9,155,590**	**$9,221,867**

Description

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

Goals

Goals	Objectives
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.	• Implement a formal case review process to ensure cases are fully investigated, cleared properly, and recovered property is documented properly.
Productivity Reduce the impact of negative traffic behaviors on the community.	• 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.
Physical Resources & Technology Increase efficiency by promoting the timely development/ acquisition of police equipment and technology.	• Implemented use of body cameras Department-wide for all officers. Continue to evaluate the policy governing body camera usage.
Community Confidence & Partnerships Enter into mutually beneficial partnerships which are designed to increase public safety and enhance the quality of life of the community.	• Partner with the Cochise County Sheriff's Office and area schools to provide active threat training throughout Sierra Vista and Cochise County. • In partnership with the Cochise County Sheriff's Office and other entities, participate in the development of a joint regional communications center (SEACOM).

Major Accomplishments

1. In 2017 the Department had a clearance rate of 35.75% and a recovery rate of 30.95% for UCR Part I offenses.
2. In partnership with the Cochise County Sheriff's Office, for the third consecutive year Sierra Vista Police Department continued to train Cochise County Schools in the new A.L.I.C.E. active killer response methods.

3. The Sierra Vista Police Department Community Response Team was re-instituted and became a proactive, successful unit.
4. Body cameras were issued to all officers, along with a policy governing body camera usage.
5. Two (2) "coffee with a cop" sessions were held in the community to foster positive interaction between citizens and police officers.

Performance Measures*

	CY 2014	CY 2015	CY 2016	CY 2017
UCR Part I Clearance Rate	33.9%	39.69%	37.6%	35.75%
Part I Recovery Rate	38.4%	28.63%	27.1%	30.95%
Public Highway Accidents	570	578	611	643

*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 2014	CY 2015	CY 2016	CY 2017
Homicide	2	2	3	0
Forcible Rape	9	8	15	26
Robbery	19	14	18	24
Aggravated Assault	51	50	50	83
Burglary	246	181	250	212
Larceny-Theft	1034	1034	977	1017
Motor Vehicle Theft	53	49	55	61
Arson	16	15	6	9
Total	**1430**	**1353**	**1374**	**1432**
% Change	-12%	-5%	+2%	+4%

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

Police Operations

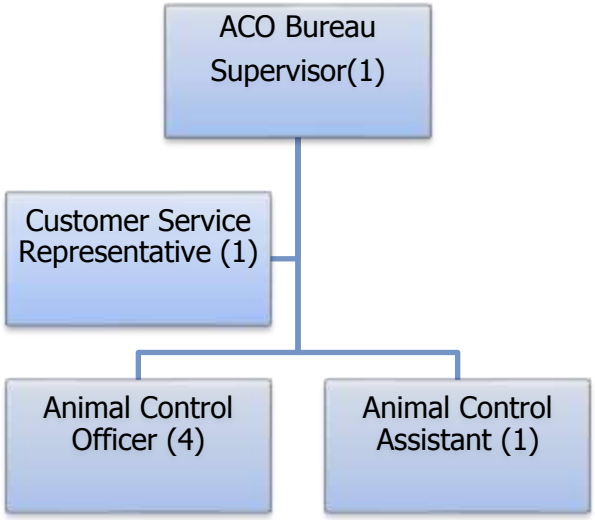
Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 4,214,227	$ 4,342,700	$ 4,182,070
Salaries - Overtime	343,582	394,757	405,721
Salaries - Part Time	-	-	-
Benefits	3,118,414	3,411,214	3,578,177
Total Personnel	**$ 7,676,223**	**$ 8,148,671**	**$ 8,165,968**
Professional Services	$ 10,200	$ 5,200	$ 5,100
Professional Associations	1,686	1,146	1,176
Travel & Training	45,133	99,133	130,933
Specialized Supplies	215,998	211,105	228,355
Books & Periodicals	1,775	335	335
Total O&M	**$ 274,792**	**$ 316,919**	**$ 365,899**
Machinery & Equipment	$ 115,000	$ 100,000	$ 100,000
Vehicles	590,000	590,000	590,000
Total Capital	**$ 705,000**	**$ 690,000**	**$ 690,000**
Totals	**$ 8,656,015**	**$ 9,155,590**	**$ 9,221,867**

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$412,199	$400,489	$515,350
PD Special	5,000	5,000	5,000
Donations	479,850	479,850	479,850
Total	**$897,049**	**$885,339**	**$966,141**

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
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.	• 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 second annual "Celebrating Animals" event at Veteran's Memorial Park.
2. The Nancy J. Brua Animal Care and Control Center held multiple mobile vaccination clinics in conjunction with the Friends of the Animal Shelter. A total of 392 animals were vaccinated during these events in 2017.
3. Redeemed 439 animals back to their owners in 2017.
4. Issued 3,175 dog licenses in 2017.

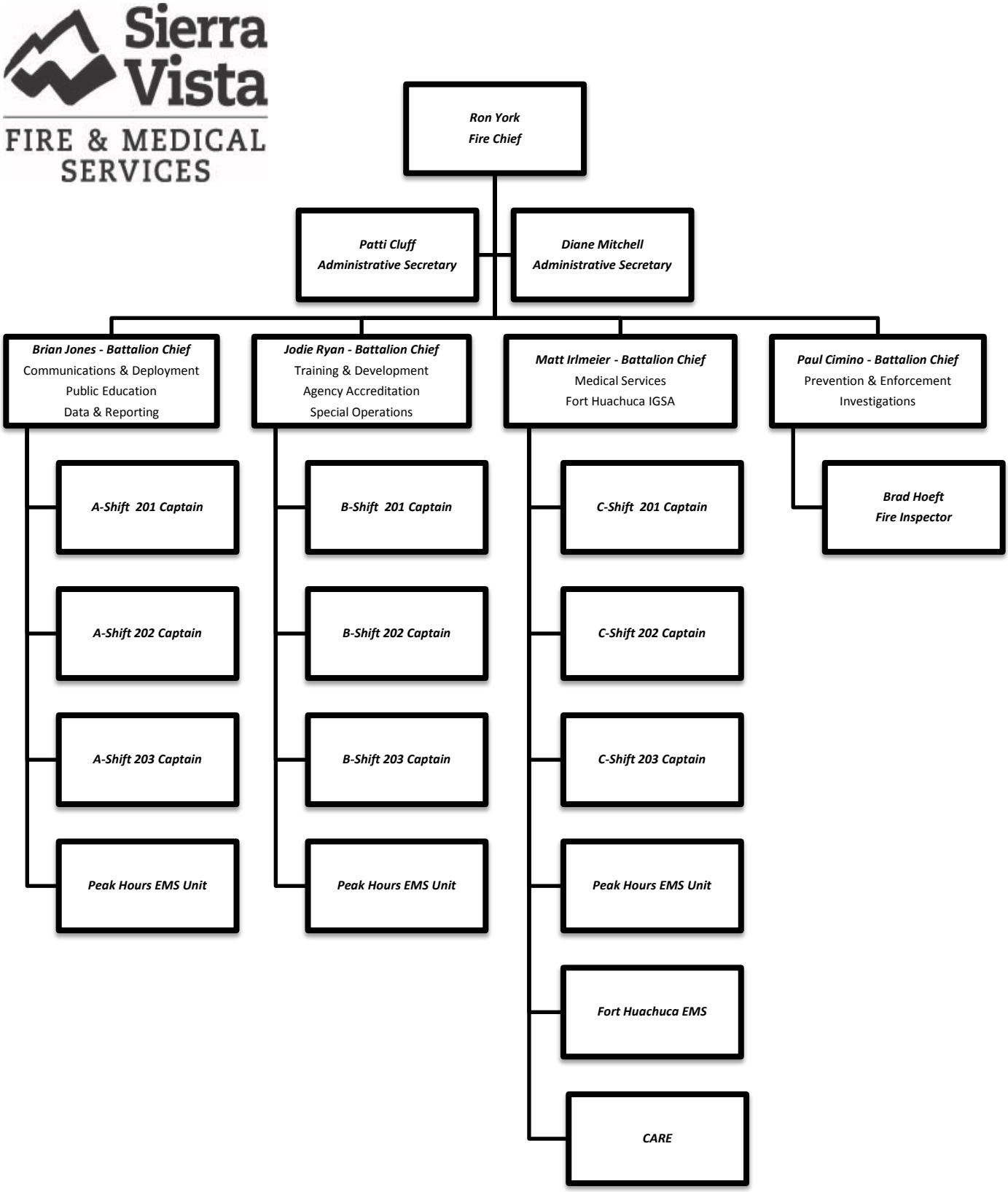
Performance Measures*

	CY 2014	CY 2015	CY 2016	CY 2017
Number of Animals Adopted	731	786	741	793
Calls for Service	4,413	4,451	3,465	4,769
Number of Animals Impounded	1,619	1,458	1,395	1,452

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

Animal Control

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 204,571	$ 202,864	$ 217,118
Salaries - Overtime	8,835	8,835	8,835
Salaries - Part Time	12,675	12,675	12,675
Benefits	85,903	81,975	78,442
Total Personnel	**$ 311,984**	**$ 306,349**	**$ 317,070**
Professional Services	$ 18,725	$ 18,005	$ 56,220
Building Maintenance	5,000	2,680	8,796
Professional Associations	150	150	150
Travel & Training	6,340	3,305	6,500
Specialized Supplies	75,000	75,000	97,555
Donations	479,850	479,850	479,850
Total O&M	**$ 585,065**	**$ 578,990**	**$ 649,071**
Totals	**$ 897,049**	**$ 885,339**	**$ 966,141**


Sierra Vista
FIRE & MEDICAL SERVICES
Ron York
Fire Chief
Patti Cluff
Administrative Secretary
Diane Mitchell
Administrative Secretary
Brian Jones - Battalion Chief
Communications & Deployment
Public Education
Data & Reporting
Jodie Ryan - Battalion Chief
Training & Development
Agency Accreditation
Special Operations
Matt Irlmeier - Battalion Chief
Medical Services
Fort Huachuca IGSA
Paul Cimino - Battalion Chief
Prevention & Enforcement
Investigations
A-Shift 201 Captain
A-Shift 202 Captain
A-Shift 203 Captain
Peak Hours EMS Unit
B-Shift 201 Captain
B-Shift 202 Captain
B-Shift 203 Captain
Peak Hours EMS Unit
C-Shift 201 Captain
C-Shift 202 Captain
C-Shift 203 Captain
Peak Hours EMS Unit
Fort Huachuca EMS
CARE
Brad Hoeft
Fire Inspector

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$6,682,130	$8,633,678	$6,939,673
Grants	1,327,000	1,043,000	1,037,437
Donations	16,488	16,488	16,488
Development Fees	0	0	0
Total	**$8,025,618**	**$9,743,166**	**$7,993,598**

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 second peak–hours paramedic ambulance crew, to further stabilize our ambulance transport revenues. This now provides an additional ambulance 12 hours per day (0800-2000), 7 days per week.
2. Thru an intergovernmental support agreement (IGSA) with Fort Huachuca, established an EMS division that provides ambulance transport on the installation, housing ambulances at FH fire station 2 and at the Black Tower UAS site. A third ambulance is provided as needed, housed out of SVFMS station 201.
3. Received a grant from Arizona Health Education Centers (AHEC) for part-time staffing to re-establish the CARE position.
4. Received a grant from the Legacy Foundation to purchase and implement Pulse Point, an incident-driven, citizen alerting software that allows CPR trained citizens to assist on cardiac arrest situations in public gathering areas.

5. Purchased a new patient transport engine, a vehicle unique to Arizona, that will enhance department abilities to provide firefighting and EMS transport utilizing one crew, as opposed to separate engine and ambulance crews.
6. Developed and implemented a dispatcher training curriculum in anticipation of SEACOM. This curriculum trains dispatchers on verbiage, response, and strategies used on fire and EMS incidents.
7. Implemented a full EMS data reporting program for AZ-PIERS (Arizona Pre-hospital Information & EMS Registry System), which helps the state analyze and establish future direction for pre-hospital healthcare.

Goals

Human Resources

Goals	Objectives
Enhance our abilities to recruit and retain fire service professionals	• 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 or our existing partnership with Cochise College to enable live fire training for FFI/II students locally	• 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.	• 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	• Ensure station alerting software will meet our needs for the coming years. Research other products. • Purchase and install the software and hardware components

processing time and streamline all fire/EMS dispatching procedures	• 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.	• 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

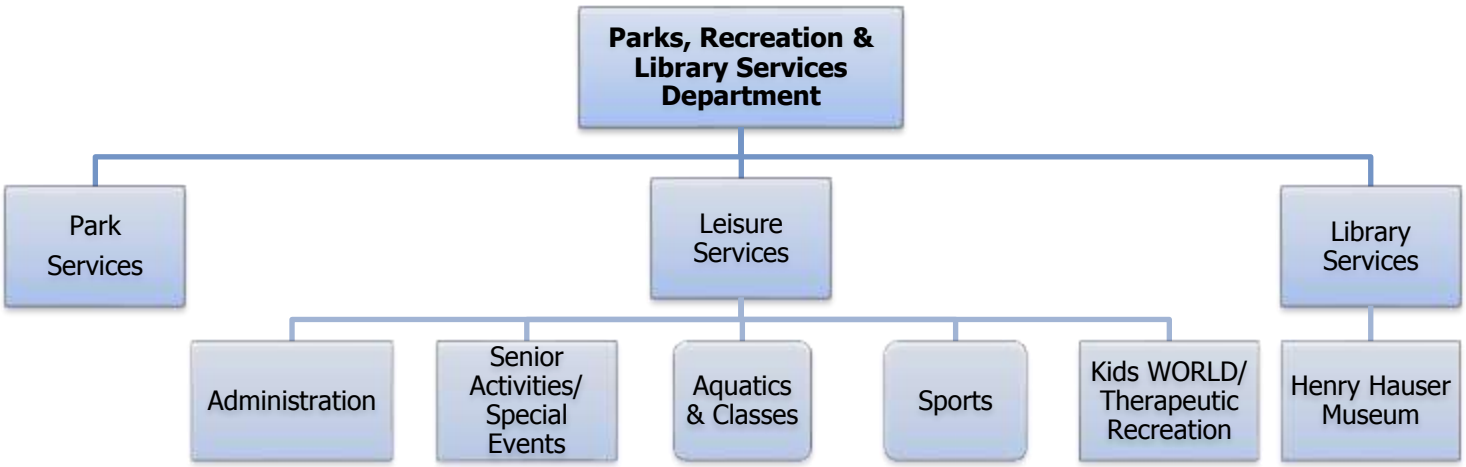
	FY 13/14	FY 14/15	FY 15/16	FY16/17	FY17/18
Total calls for service	7,351[(2)]	8,957[(2)]	6,932[(1)]	7345	7609
Automatic Aid Given	N/A	N/A	N/A	373	425
Automatic Aid Received	N/A	N/A	N/A	907	881
Total fire calls	N/A	N/A	802	870	887
Structure fires	21	34	70	50	75
Vehicle fires	13	11	14	13	18
Brush fires	41	35	10	32	79
Other (alarm, smoke, assist...)	N/A	N/A	708	775	715
Total EMS calls	3,401	7,064	6130	6102	6297
Heart attack	430	705	551	466	505
Stroke	80	183	477	137	131
MVA	119	220	241	260	276
Diabetic	N/A	N/A	63	67	66
EMS other	N/A	N/A	4,767	5172	5319
Commercial inspections	1,064	984	996	987	987
ISO rating	4	4	4	4	4
Grant and federal fund acquisition	43,892	N/A	N/A	5,000	5,000

[1] City-only responses
[2] Includes automatic aid responses with Fry Fire District

Fire

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 3,554,143	$ 3,603,937	$ 3,749,106
Salaries - Overtime	114,629	174,458	177,189
	-	-	15,000
Benefits	1,726,811	2,169,736	2,375,331
Total Personnel	**$ 5,395,583**	**$ 5,948,131**	**$ 6,316,626**
Professional Services	$ -	$ 1,950,000	$ 9,900
Office Equipment Maintenance	3,000	1,500	1,500
Building Maintenance	13,000	13,000	13,000
Vehicle & Equipment Maint	15,500	5,000	6,900
Printing & Binding	2,000	2,000	2,000
Professional Associations	3,271	3,271	3,271
Travel & Training	59,750	55,750	83,750
Office Supplies	7,800	7,800	7,800
Specialized Supplies	821,976	882,976	869,413
EMS Supplies	103,250	103,250	108,950
Books & Periodicals	4,000	4,000	4,000
Donations	16,488	16,488	16,488
Total O&M	**$ 1,050,035**	**$ 3,045,035**	**$ 1,126,972**
Infrastructure	$ -	$ 100,000	$ 100,000
Machinery & Equipment	430,000	-	300,000
Vehicles	1,150,000	650,000	150,000
Total Capital	**$ 1,580,000**	**$ 750,000**	**$ 550,000**
Totals	**$ 8,025,618**	**$ 9,743,166**	**$ 7,993,598**
Per Capita	$ 182.87	$ 216.04	$ 174.56

Comment: Professional Services was reduced this year because Fort Huachuca EMS IGA contract was put in as a placeholder in FY 18.



Description

The Leisure & Library Services Department is responsible for providing a variety of parks, programs and services to the community that enhances overall quality of life. These parks and programs range from community, neighborhood, and linear parks, to recreational, sports, 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: Parks, 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.

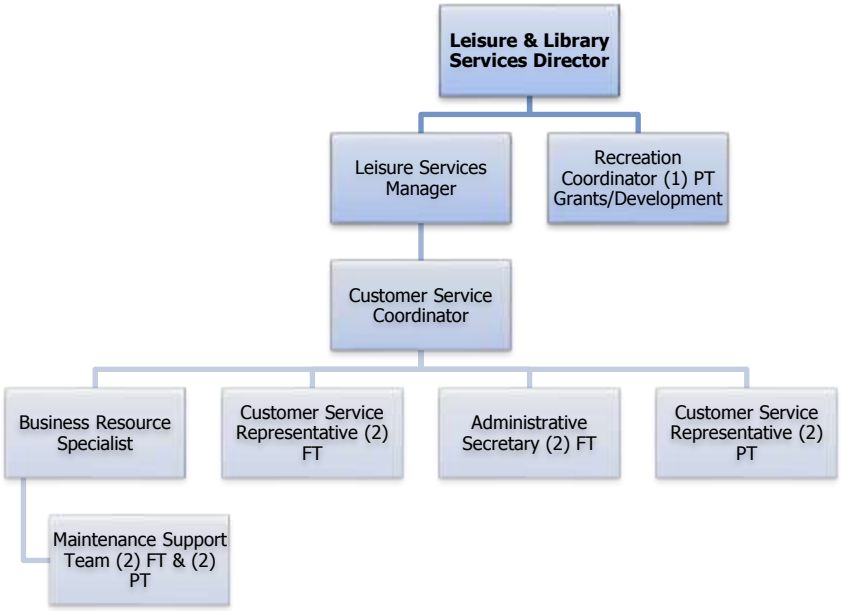
The Leisure & Library Services Department is committed to improving the quality of life in the City of Sierra Vista by providing exceptional customer service, and a wide variety of parks, recreational, cultural, educational, and informational activities.

Leisure & Library Services

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Administration	$ 550,224	$ 494,459	$ 510,266
Leisure	927,256	966,133	960,247
Cultural	129,757	68,838	68,650
Parks	-	-	660,543
Aquatics	465,583	407,336	449,850
Museum	65,491	66,967	68,185
Library	615,951	605,794	644,610
Total Personnel	**$ 2,754,262**	**$ 2,609,527**	**$ 3,362,351**
Administration	$ 283,120	$ 282,620	$ 302,675
Leisure	340,610	429,145	351,962
Cultural	7,000	4,000	5,000
Parks	-	-	271,935
Aquatics	54,450	43,450	37,250
Museum	17,725	17,725	17,725
Library	367,065	363,065	380,960
Total O&M	**$ 1,069,970**	**$ 1,140,005**	**$ 1,367,507**
Lesiure	100,000	-	-
Parks	-	-	1,303,604
Total Capital	**$ 100,000**	**$ -**	**$ 1,303,604**
Totals	**$ 3,924,232**	**$ 3,749,532**	**$ 6,033,462**

Comment: Parks was moved from Public Works and added to Leisure and Library in the FY19 Budget.

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:

Expenditure by Fund

	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$606,974	$550,709	$586,571
Donations	226,370	226,370	226,370
Total	**$833,344**	**$777,079**	**$812,941**

- 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.

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, and trainings. As well, 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
The Leisure & Library Services department will be working on the following two-year initiatives across ALL divisions: • Complete relevant goals of the national Let's Move program for Sierra Vista to improve community health and wellness while maximizing partnerships. • Develop an attainable master plan for the former Kings Court tennis center to incorporate into the small parks plan. • Develop partnerships and strategies with area wellness partners that foster a healthy, active lifestyle.

Major Accomplishments:

1. Consistently offering 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.
3. Successfully provided administrative support to the sports division in community outreach, improved partnerships, and increase in field usage and services through customer engagement, transactions, and inquiries.
4. Provided logistical, administrative, and service support for department special events at the Cove and within the community, and commissions: Arts & Humanities, Sister Cities, Parks & Recreation, and Cultural Diversity, providing over 180 hours of service.

5. Successfully administrated and set up registrations for Sips & Skies festival and wine tour, and Sky Island Summit Challenge, increasing the ease of interface and tracking outcome measurements. Ease of interface helped to increase event awareness.

Goals

Goals	Objectives
Provide current information about programs, events and community resources in a timely manne, focusing on customer engagement and service	• Continue to improve coordination between program team, customer service team and community resources to ensure the public has the best and most accurate information available. • Provide ongoing training to customer service team, develop and use internal communications to distribute current information to front line team. • Maintain an online web-base registration software program, implementing credit and debit processing and user information sharing to customers. • Continually maintaining while improving reservations, rentals, and registrations to community users, customers, and guests through trainings, technology upgrades, and face to face interaction.
Expand public awareness of department programs and activities in order to increase participation.	• 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.
Continue to enhance non-profit/public/private partnerships striving towards increasing community wellness, health, and quality of life, while impacting economic development of the city.	• Continue to work with Sierra Vista School District for access to recreation and classroom facilities. • • Partnering with Fort Huachuca to enhance recreational usage through marketing and sharing of resources. • Successfully conducted community outreach to non-profit youth and adult sports leagues, improving relationships, field services, and implementing tournament play.

Ensure staff members are adequately trained to meet customer and emergency preparedness needs.	• 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. • Conduct quarterly, semi-annual, and annual trainings for EAPs and SOPs. • Research, development, and implement SOPs for programs focusing on safety, effectiveness, participation engagement, and customer enhancements.

Performance Measures

	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Admin Cost percent of Division Budgets	15%	15%	5.6%	15%
Aquatics Participants*				
Open Swim		38,000	34,128	27,672
Lap Swim		10,862	11,321	11,481
Swim lessons		1,600	1,800	637*
Exercise Classes		609	646	629
Splash Time		4,250	4,013	2,072*
Instructional class participants		7,500	7,370	2,447*
Senior Activities participants				
Adult trips		261	213	152
Bazaars		1,387	1,128	1,275
Senior Holiday Dinner		256	203	192
Sports/Special Events participants				
Oktoberfest		10,250	15,000	15,000
Sierra Vista Sips & Skies**			2,800	3,000
Cultural Heritage Festival			1,100	900
Easter Extravaganza			2,500	2,000

Fourth of July			20,000	20,000
Youth basketball		1,250	1,180	320*
Tennis – youth/adult		197	204	74
Summer sports camps		276	189	197
Start Smart Sports		375	162	42
Adult softball		648	800	767
Races/Triathlon		504	470	278***
Therapeutic Recreation participants		393	376	45*
Kids WORLD participants		10,750	8,975	1,338*
Pool rentals		20,500	28,200	21,703
Ramada rentals		32,500	42,100	781* (52,290)
Practice field rentals		52,250	43,250	4,554* (62,286)
Sports League field rentals - games				
Football		5,200	5,200	5,200^
Soccer – 4 leagues		40,203	40,203	40,203^
Sierra Vista Little League		29,320	29,320	29,320^
Ponytail Softball		19,100	19,100	19,100^

*Numbers reflect individual enrollment and/or registration versus number of visits per enrollment. Eliminates duplication of usage by an individual.
**New Event for FY 16/17, changed name to Sips & Skies
***Due to high volume of community races, eliminated 5K run in the Park.
^Numbers originate from actual leagues. In FY2018-19, staff will collect up to date numbers from leagues. This will be possible due to increased partnership and outreach to leagues.

Administration

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 409,448	$ 373,051	$ 383,969
Benefits	140,776	121,408	$ 126,297
Total Personnel	**$ 550,224**	**$ 494,459**	**$ 510,266**
Professional Services	$ 3,600	$ 2,600	$ 2,600
Vehicle Maintenance	-	-	2,500
Equipment Rentals	1,000	1,000	1,800
Advertising	19,950	19,950	37,630
Postage	2,500	1,500	-
Printing & Binding	1,000	1,000	1,000
Professional Associations	3,750	3,750	4,275
Travel & Training	2,750	4,250	6,500
Office Supplies	12,200	12,200	10,000
Recreation Supplies	10,000	10,000	10,000
Specialized Supplies	-	-	-
Donations	226,370	226,370	226,370
Total O&M	**$ 283,120**	**$ 282,620**	**$ 302,675**
Totals	**$ 833,344**	**$ 777,079**	**$ 812,941**

Arts and Humanities Commission Programs

Mayor's	Expenses	Labor*
Arts & Humanities Awards	$650	$375

Commission on Cultural Diversity

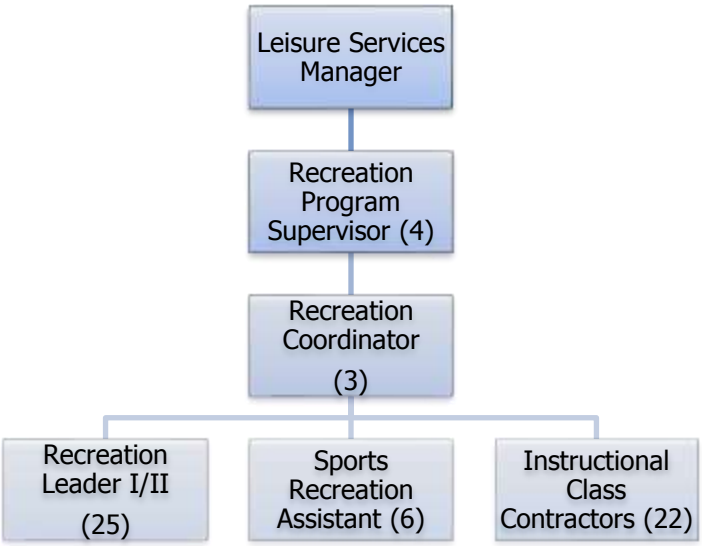
Cultural Heritage Fair	Expenses	Labor*
	$1,750	$1,875

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$1,267,866	$1,370,278	$1,312,209
Grants	160,000	80,000	0
Total	**$1,427,866**	**$1,450,278**	**$1,312,209**

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 youth and adults, to senior citizens - through various sports programming, field rentals, school-based before and after school recreation programs; half-day arts and recreation programs; and fall, winter, and spring break programs, and a myriad of special community and sports events It is the intention, purpose, and hope to provide programs and services which best serve the community needs, while improving the quality of life for all participants and making a positive economic impact to the city and users. It is with this notion that the division has increased its community outreach, innovative program offerings, and increased customer engagement. In 2017-18, the

division provided a vast assortment of special events and activities, along with new programs, services, and enhancements.

Major Community Events

1. Sky Islands Summit Challenge (Sips & Skies)
2. Wine, Beer & Spirits Festival (Sips & Skies)
3. Wine Tour (new 2018) (Sips & Skies)
4. 4th of Celebration & Fireworks
5. Veteran's Day Parade & Ceremony
6. Oktoberfest
7. Eggstravaganza
8. Back to School Fair
9. Children's Holiday Party
10. Tree lighting Ceremony
11. Cove Bash (4)
12. Halloween at the Cove (new 2018)
13. Cultural Heritage Fair
14. Summer Movie Nights
15. Summer Concerts
16. Mayor's Arts Award
17. Bazaars (3)

Major Community Sports Events

1. Hummingbird Triathlon
2. Firebolt Triathlon
3. Thunderbolt Triathlon
4. 5K/2K Veteran's Run/Walk

Major Accomplishments

1. Brought Park Services back under Leisure & Library Services Department.
2. Changed field rental fees to meet demand and capacity needs.
3. Conducted community outreach and partnerships with youth and adult soccer, baseball, and softball leagues.
4. Began providing baseball, softball, and soccer prep services and customer support.
5. Examined, tested, and changed field usage fees providing an annual user fee decrease while increase community usage of potential of fields.
6. Established working partnerships with community leagues, helping to serve and support their mission of providing health, wellness, and fun to participants.
7. Provided opportunity for over 16,000 individual visits for community members to participate in free socialization and quality of life activities including billiards, table tennis, various card games, and craft groups.

8. Held inaugural Wine, Beer and Spirits Festival drawing 2500+ people highlighting 12 Arizona wineries and local amenities and attractions.
9. Partnered with 4 local restaurants on a monthly rotating cycle throughout the year to provide the Dine-A-Night Program 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.
10. Partnered with SEAGO, U of A Cooperative Extension of Cochise County, and Canyon Vista Medical Center to provide 20+ educational classes with a combined attendance of 300+ to the community on health, wellness, Medicare updates, diet, nutrition, Stroke Caregiver Support, and resources for the Sierra Vista Community.
11. 8 summer concerts free of charge utilizing the Centennial Pavilion, providing 1400+ attendees a culturally enriching, outdoor, family friendly experience.
12. Kids W.O.R.L.D. before and after school program provided services for 345 elementary students based at 4 main sites, serving all 6 schools.
13. The Empty Bowls Project, facilitated by the Pottery Studio @ Sierra Vista, raised over $15,600 for area food banks and shelters.
14. Attracted over 2,500+ kids and family members to annual Easter Extravaganza at The Mall at Sierra Vista.
15. Kids W.O.R.L.D. Summer Recreation Served 210 youth at two sites.
16. Kids W.O.R.L.D. partnered with SVUSD, provide recreation youth services to teachers and staff during S.M.I.L.E. Training Service Day.

Goals

Goals	Objectives
Increase revenue and fee based programs and opportunities which enhance the quality of life and community demand.	• Identify and research new and innovative programs. • Create analysis models that determine breakeven points, benefit, and overall impact. • Implement programs that either meet criteria or serve a major purpose in serving underserved community members or provides an opportunity that benefits the needs of the community user.
Create SOPs which improves safety, lowers risk, increases customer engagement and support while decreasing or tracking cost, expenses, and benefit.	• Create committee to provide input on community special events. • Reach out to community event users and vendors. • Research best state and national bests practices. • Create documents and SOP which models best practices but is in alignment with local and state protocols, expectations, and procedures. • Implement and measure outcomes.

	• Adjust as needed, implement. • Ensure teams of all departments are aware and follow SOPs.
Offer tournament play in Sierra Vista driving economic development, and sports opportunities for state, regional, and local participants	• Examine current fields and determine needs and expectations which satisfy or exceed national and state league criteria for tournaments. • Examine current pickleball courts and determine needs and expectations which satisfy or exceed national and state criteria for tournaments. • Make fields tournament ready • Find alternative solutions to increasing pickleball play. • Establish working partnerships with local, regional and state youth and adult leagues in baseball, softball, soccer, pickleball • Identify and research alternative methods of funding sources for improvements to facilities, fields, and courts. • Identify and research grants and partnership opportunities.
Provide programs and opportunities for population between ages 20 – 40	• Identify new and innovative programs which meet expectations and desires of target demographic. • Create and implement programs • Measure success and challenges
Provide highly qualified staff and instructors for classes, programs and community events.	• 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.	• 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.
Enhance recreational opportunities through the use of partnerships and agreements.	• 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.
Continuous Improvement-revise programs to achieve greater program efficiency and satisfaction.	• 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.

Leisure

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 345,227	$ 406,404	$ 396,999
Salaries - Overtime	750	750	750
Salaries - Part Time	400,213	390,213	390,213
Benefits	181,066	168,766	172,285
Total Personnel	**$ 927,256**	**$ 966,133**	**$ 960,247**
Professional Services	$ 1,500	$ 1,500	$ 21,700
Land & Building Rental	117,760	117,760	96,397
Equipment Rental	4,000	4,000	4,000
Advertising	-	-	-
Printing & Binding	500	500	500
Travel & Training	7,100	5,000	5,000
Office Supplies	4,000	4,000	4,000
Recreation Supplies	123,750	123,750	91,715
Specialized Supplies	-	25,000	-
Event Supplies	82,000	147,635	128,650
Bank Charges	-	-	-
Total O&M	**$ 340,610**	**$ 429,145**	**$ 351,962**
Infrastructure	$ 100,000	$ -	$ -
Machinery & Equipment	-	-	-
Furniture and Fixtures	-	-	-
Total Capital	**$ 100,000**	**$ -**	**$ -**
Totals	**$ 1,367,866**	**$ 1,395,278**	**$ 1,312,209**

Comments

Changed the manner in which we measure successes and usage. Moved to identifying non-duplicate users, placing focus on registrations, enrollment, or annual impact of individual.

Identify and research alternative funding opportunities and sources with great emphasis on grants, partnerships, and funding at minimal risk.

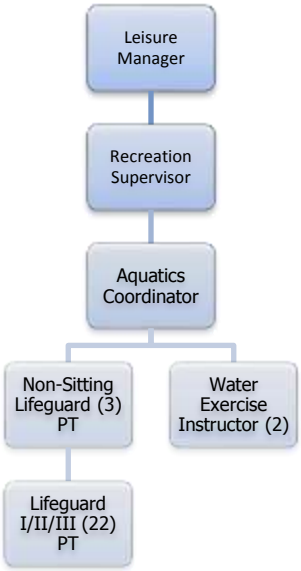
Focus is community and economic development through enhancement of quality of life, wellness and fitness opportunities, tournament play, programs that meet target market demand, and measuring fiscal and user outcomes through testing, implementation, follow up, and creating standards.

Performance Measures

	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Disabled clients served with a positive outcome	100%	100%	100%	100%
Number of public participants in Department sponsored programs	289,814	290,120	303,651	318,820
City's Per Person Operating Cost of Participants in City Programs*	$6.74	$7.86	$6.67	$6.19
Leisure Classes Operated	180	187	187	173
Number of Participants in Leisure Classes	3,174	2,199	1,337	1,823
Annual Revenue	$756,637	$727,415	$1,090,000	$1,157,985

+Leisure, Aquatics, DD/TR personnel, O&M and Capital budget.
*Revised Calculations

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.

Expenditure by Fund			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$520,033	$450,786	$487,100
Capital	0	0	0
Total	**$520,033**	**$450,786**	**$487,100**

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.

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. Restarted the Sierra Vista Summer Swim Team with approximately 70 participants.

2. Introduced Spring Swim Lessons that taught 71 children how to swim.
3. Taught approximately 436 children and 18 adults how to swim.
4. Obtained community support and sponsorship for families that face economic and social challenges.
5. Provided 5 Special Event Nights for the community with an approximate attendance of 2,125 participants generating $21,250 in ticket sales.
6. Hosted 3 Buena High School home swim meets at the Cove with an estimated 900 people attending to spectate.
7. For the first time, held swim lessons Monday thru Thursday during Summer Hours in order to accommodate Lap Swim, Splash Time, and Water Exercise Classes on Friday.
8. Reduced staffing during open swim while maintaining customer service standards saving $10,000 annually.

Goals

Goals	Objectives
Provide a variety of quality water related activities.	• Identify strengths and weakness of current programs. • Research and identify alternative aquatic programs and services that would meet community needs and/or opportunities. • Create program analysis of programs and implement programs that meet outcome standards and/or community need within acceptable fiscal and operational parameters. • Program events for a variety of age groups. • Support High School competitive swimmers and divers. • Ensure repeat recreational customers. • Offer private rental opportunities. • Open opportunities for Lap Swim, Splash Time, and Water Exercise Classes during the summer hours.
Provide a safe environment.	• 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.

Become the Aquatic Center Hub for Cochise County	• Indentify other cities in need of lifeguard or aquatic services. • Reach out to cities establishing needs. • Meet with cities creating outcomes. • Determine if city can accommodate needs. • Create and implement programs for cities.
Increase operational efficiency	• Implement a SWOT analysis • Implement cost recovery testing on all programs and aquatic operations • Determine effectiveness by state and national standards • Identify and research ways to increase efficiency through decrease in costs or increase in revenue opportunities
Provide swimming opportunities and reduced fees for low-income families.	• Offer volume discount passes. • Work with Kiwanis to sponsor swim classes for children. • Keep entry costs as low as possible.

Performance Measures

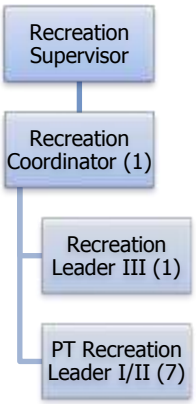
	FY13/14	FY 14/15	FY 15/16	FY 17/18
Number of Cove Customers	60,000	54,000	46,074	51,146
Number of Lap Swim Participants	17,000	18,000	14,139	11,370
Number of Class Participants (Water Classes + Splash Time classes)	4,600	6,100	3,935	2,895
Open days	288	278	235	260

*Indicates new performance measure

Aquatics

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 133,597	$ 105,311	$ 137,016
Salaries - Overtime	500	500	500
Salaries - Part-Time	250,084	240,084	240,084
Benefits	81,402	61,441	72,250
Total Personnel	**$ 465,583**	**$ 407,336**	**$ 449,850**
Professional Services	$ 3,500	$ 3,500	$ 3,500
Office Equipment Maintenance	-	-	-
Equipment Maintenance	2,000	2,000	-
Advertising	3,000	3,000	3,000
Printing & Binding	1,000	500	500
Books & Periodicals	1,000	500	500
Travel & Training	8,950	8,950	6,250
Recreation Supplies	35,000	25,000	23,500
Total O&M	**$ 54,450**	**$ 43,450**	**$ 37,250**
Building Repairs	60,000	-	-
Total Capital	**$ 60,000**	**$ -**	**$ -**
Totals	**$ 520,033**	**$ 450,786**	**$ 487,100**

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$136,757	$72,838	$73,650
Total	**$136,757**	**$72,838**	**$73,650**

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 42 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.	• 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.	• 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.
Increase availability and awareness of program	• Identify local and regional organizations who serve target market. • Reach out to organizations. • Identify their missions and needs • Determine if right fit for partnership. • Identify ways to cross promote and market program opportunities to target market • Begin promotion and marketing through vista, social media, website, print ad.
Ensure that qualified staff members are available and proper client to staff ratios are maintained.	• Recruit staff with good interpersonal skills. • Insure that staff members are American Red Cross CPR and first aid trained.

Performance Measures

	FY 14/15	FY 15/16	FY 16/17	FY 17/18
% Clients with an ISPP positive outcome	100%	100%	100%	100%
Outside Funds Received	$72,000	$61,500*	$69,500	$68,838
Number of Participants	42	40	48	40

*Program so impactful, 3 Clients private pay who do not qualify for state funding.

Therapeutic Recreation

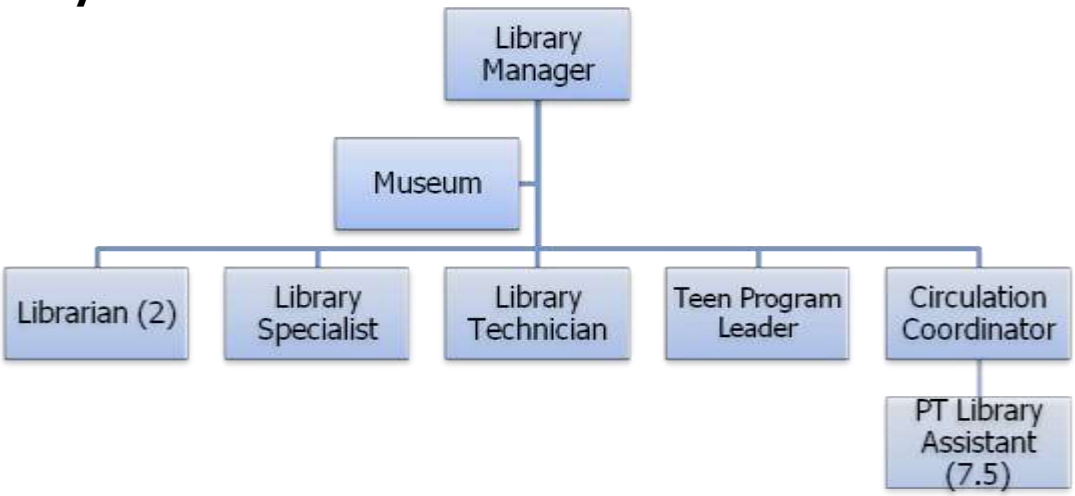
Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 60,195	$ 15,049	$ 15,350
Salaries - Part Time	45,045	45,045	45,045
Benefits	24,517	8,744	8,255
Total Personnel	**$ 129,757**	**$ 68,838**	**$ 68,650**
Recreation Supplies	$ 7,000	$ 4,000	$ 5,000
Total O&M	**$ 7,000**	**$ 4,000**	**$ 5,000**
Totals	**$ 136,757**	**$ 72,838**	**$ 73,650**

Comments

The Department of Economic Security program costs are budgeted under this division.

This program is operated under a contract with the State.

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$802,201	$788,044	$832,455
Donations	183,115	183,115	183,115
Development Fees	0	0	0
Total	**$985,316**	**$971,159**	**$1,015,570**

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 and museum 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. Awarded an LSTA grant worth over $20,000 to bring STEAM related programs to area schools and Fort Huachuca through outreach efforts.
2. Created a "teen space" in the youth section of the library to host a safe space after school for teenaged patrons who previously may have utilized the Teen Center.
3. Reallocated funds to hire a full-time Teen Program Leader who organizes both fun and educational program for ages 12 and up.
4. Participated in "Savor Sierra Vista" by planning and executing the 2nd annual Sky Islands Summit Challenge event portion of the weekend.
5. Awarded a joint library/museum grant worth over $60,000 which will bring a traveling exhibition on the exo-planets to the region in 2020. Only nine libraries in the United States were awarded the same grant.

Goals

Goals	Objectives
The community will have the resources available to fulfill its information needs.	• 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.	• By June 2019 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.	• 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.	• 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

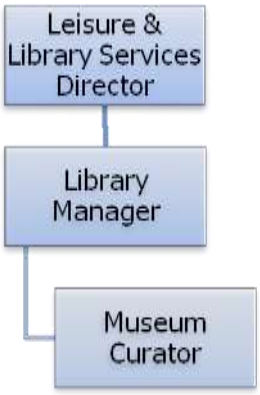
	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Total number of items circulated	348,274	331,113	342,589	383,865
Circulation per capita	7.38	7.53	7.79	8.72
Circulation for all electronic materials	13,652	17,569	22,195	19,623
Circulation for all hard copy materials	334,622	313,544	320,394	364, 242
Number of persons using the Internet through public access terminals (26)	37,916	32,413	31,663	28,987
Number of attendees at library programs	5,829	9,897	12,810	14,914
Adults				4,726
Teens				1,763
Youth				8,425*
Number of library visitors	197,139	167,652	154,771	159,321**
Number of registered borrowers	34,108	32,068	28,217	25,198***

*these numbers include $3154 adults at programs with their kids
**June/July 2017 numbers unavailable due to repairs on door counter
***Numbers reflect county-wide purge of inactive patrons (2 years of more)

Library

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 328,353	$ 328,351	$ 356,410
Salaries - Part Time	161,581	161,581	161,581
Benefits	126,017	115,862	126,619
Total Personnel	**$ 615,951**	**$ 605,794**	**$ 644,610**
Professional Services	$ -	$ -	$ -
Office Equipment Maintenance	7,950	7,950	10,545
Advertising	-	-	1,300
Travel & Training	-	-	1,000
Postage	10,000	6,000	6,000
Office Supplies	26,000	26,000	26,000
Books & Periodicals	140,000	140,000	143,000
Donations	183,115	183,115	183,115
Total O&M	**$ 367,065**	**$ 363,065**	**$ 370,960**
Totals	**$ 983,016**	**$ 968,859**	**$ 1,015,570**

Museum



Vision

The Museum is a sub-division of Library Services. The Museum's vision is to showcase and educate area residents about the rich cultural and natural heritage of the Greater Sierra Vista area.

Expenditure by Fund			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$83,216	$84,692	$85,910
Total	**$83,216**	**$84,692**	**$85,910**

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.

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. Chosen as one of twelve sites in Arizona to host the Smithsonian Museum on Main Street Water Ways Exhibit.
2. Created volunteer opportunities for members of the community interested in preserving the area's natural and cultural heritage, with over 3,200 hours of volunteer work donated annually.
3. Continued to offer educational outreach programs, including genealogy and collection and preservation techniques, particularly involving textiles.
4. Increased opportunities for researchers though ongoing growth of the oral history program and searchable collections database.

Goals

Goals	Objectives
Provide exceptional collection management of museum artifacts.	• 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 ensure that donated items are preserved and protected. • Properly maintain on-loan files to ensure that loaned items are preserved and protected.
Conduct appropriate research to enhance programs and collections.	• 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.	• 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.

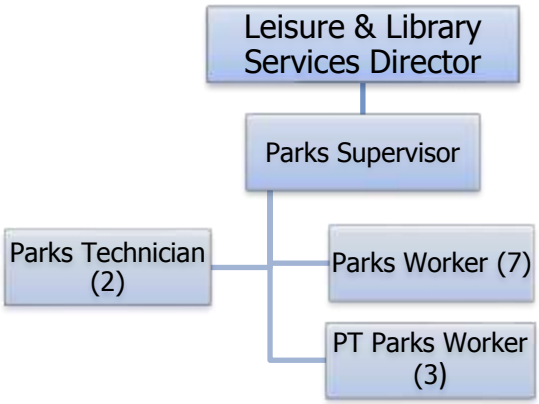
Performance Measures

	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Number of Visitors	4,672	4,961	4,127	4,326
Public Workshops/Classes/Open House attendance	1,209	1,431	1,279	1,547

Museum

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 47,969	$ 48,922	$ 49,920
Benefits	17,522	18,045	18,265
Total Personnel	**$ 65,491**	**$ 66,967**	**$ 68,185**
Professional Services	$ 7,850	$ 7,850	$ 7,850
Professional Associations	375	375	375
Travel & Training	1,000	1,000	1,000
Office Supplies	3,500	3,500	3,500
Specialized Supplies	5,000	5,000	5,000
Total O&M	**$ 17,725**	**$ 17,725**	**$ 17,725**
Totals	**$ 83,216**	**$ 84,692**	**$ 85,910**

Parks Maintenance



Expenditure by Fund			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$1,141,972	$963,292	$1,736,082
Grants	750,000	950,000	245,000
Donations	0	0	0
Park Dev Fees	0	0	0
Infrastructure	0	0	$803,604
Total	**$1,891,972**	**$1,913,292**	**$1,981,082**

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. Parks maintenance staff provides support for numerous events at City park facilities and sports fields as well as park reservations, special events, concerts, movies, Christmas festivities, and parades.

Major Accomplishments:

1. Provides ongoing assistance to 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.
2. Performs yearly in-depth audits of all playground equipment and features to identify necessary repairs or improvements for public safety.
3. Worked with Procurement and outside turf maintenance professionals to implement a turf renovation and maintenance plan in 2016 for the Eddie Cyr

4. Soccer Fields. We developed a turf renovation plan for the Domingo Paiz Soccer Fields in 2017 and have begun the 2017-2018 plans for the Stone Sports Complex.
5. A new piece of multi-purpose turf renovating equipment was identified and purchased this year which eliminates the grass lips on our sports fields to decrease the number of potential injuries from bad ball hops. This equipment also helps dethatch the turf areas and is assisting us alleviate soil compaction issues and greatly improves water, air and soil amendment transfer within the soil and is improving the overall health of our turf areas on the Sports Fields and within the Parks areas. The new equipment provides several functions in one (de-thatches, vertically mows, aerates) which helps to cut field maintenance time significantly and provides a better, more sustainable result. The division is exploring other innovative alternatives to continue to provide better service utilizing existing resources in different ways. This new machine is also proving to be useful for the turf in our parks as well and is being utilized across all the city's natural grass surfaces. Healthy turf helps to reduce the amount of chemicals and water needed for maintenance as the nutrients and water can be absorbed into the ground in a more efficient way, allowing for better overall results.
6. Numerous improvements have taken place on the sports fields since January 2018. Park Maintenance staff has completely rebuilt every pitching mound on all baseball fields as well as every pitching rubber area on all softball fields. Professional grade clay sports block was installed at each mound, pitching rubber and all batter's boxes to minimize the damage done from the high usage the fields experience. All the fields infields have been reworked with the turf renovator equipment to provide the proper amount of loose infield mix the leagues have requested. Eight new quick-connect water supplies were installed on Stone so the fields can be properly watered while being prepped. There were also new heavy rubber lower backstop pads installed on the four Stone fields to help with foul balls deflecting off the chain link fence. These improvements have increased player safety as well as satisfied tournament regulation standards, which the department hopes to attract to the area beginning this calendar year.
7. Park Maintenance worked with the City Compost Facility to utilize over 547 tons of their compost for topdressing and overseeding operations on the Sports Fields and in the Parks. This is a slight decrease from the 629 tons we used in FY 2015/16.
8. 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 in 2017. We installed another new feature in the same area; 2 new Cornhole (beanbag toss) pits. There have been several citizen requests for this feature. A lot of large organization picnic events request the Ramada 1 Volleyball Court area and have frequently used these new Cornhole Game pits. These additional features have been a great improvement to that area of Veterans Memorial Park.

9. The division has completed the joint project to provide a source for electrical power outlets to serve the Farmers Market at Veterans Memorial Park.
10. Park Maintenance was able to locate, order and install new deck panels for the playground unit at Purple Hearts Park which we had originally thought were obsolete. The deck panels cost approx. $4700 to replace, but the price quote to install a new replacement playground unit was close to $65,000 which was a significant savings for the City and allowed the division to complete the necessary repairs and re-open the neighborhood playground without a need to request additional funds.
11. This year the in-ground lighting for the flag pole located at Veterans Memorial Park became inoperative so the division installed a new solar light in that location as well as the flag pole located at Purple Hearts Park.
12. The Rotary Club donated several new trees for Len Roberts Park this year. Park Maintenance employees assisted them with the planting of the trees and our staff extended the existing drip irrigation system to provide them with water.

Goals

Goals	Objectives
Sustain and improve the quality of existing City Parks, Sports Fields and Public Grounds.	• Ensure that Parks, Sports Fields and Public Grounds are clean, litter free, and safe for public use. • Continue to work the Cochise Water Project, and other 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.	• 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

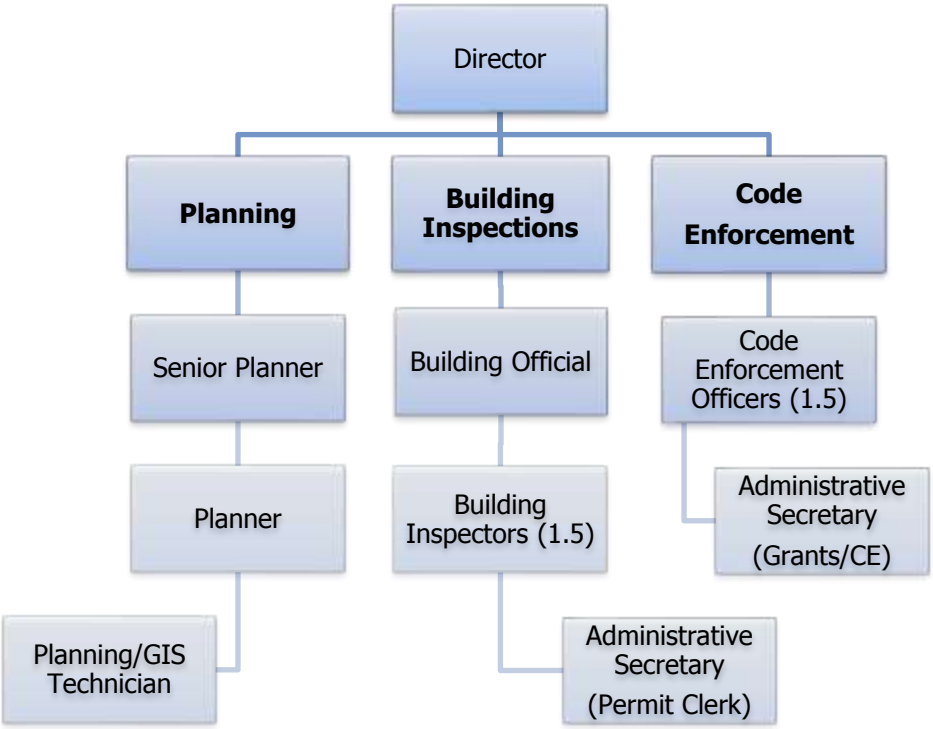
	FY14/15	FY15/16	FY16/17	FY17/18
Number of Sports Field Reservations*	2,997	3,388	3,973	4,249
Sports Field Reservations Revenue*^	$55,987	$62,981	$58,329	$65,676
Number of Park Facilities Reservations*	886	718	757	721
Park Facilities Reservation Revenue*^	$49,852	$46,338	$44,278	$49,475
Community Events: Support Man-Hours	844	1,024	1,264	1,274

*Includes reservations for City special events and programs (non-reservation revenue)
^New performance measure for 2018

Parks Facilities Maintenance Services

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 398,819	$ 413,071	$ 440,542
Salaries - Part Time	34,953	34,953	34,953
Overtime	7,179	7,179	7,179
Benefits	163,806	158,539	177,869
Total Personnel	**$ 604,757**	**$ 613,742**	**$ 660,543**
Professional Services	$ 53,500	$ 61,000	$ 57,500
Building Maintenance	13,500	13,500	11,500
Vehicle & Equipment Maint	-	-	-
Infrastructure Maintenance	109,750	135,600	121,100
Travel and Training	-	-	5,000
Specialized Supplies	81,450	76,950	76,835
Total O&M	**$ 258,200**	**$ 287,050**	**$ 271,935**
Infrastructure	$ -	$ -	$ 803,604
Other Improvements	936,515	950,000	245,000
Machinery & Equipment	25,000	-	-
Total Capital	**$ 961,515**	**$ 950,000**	**$ 1,048,604**
Totals	**$ 1,824,472**	**$ 1,850,792**	**$ 1,981,082**

Comment: Parks was added to Leisure and Library FY19 from Public Works. The added infrastructure includes an upgrade to the electrical pedestals at Veterans Memorial Park and a new LED lighting system at Domingo Paiz Complex.



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 Division
2. Building Inspections Division
3. Code Enhancement Division

City Council Strategic Plan Initiatives
• Identify ambassadors and champions within county enclaves to help measure interest in annexation and use their support to facilitate signing of annexation petitions. • Develop and implement a comprehensive strategy to promote infill and adaptive reuse of vacant commercial properties. • Reduce obsolete or unnecessary code provisions.

Community Development

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Planning	$ 636,403	$ 619,514	$ 680,829
Building Inspections	159,612	160,635	163,839
Total Personnel	**$ 796,015**	**$ 780,149**	**$ 844,668**
Planning	$ 32,521	$ 403,916	$ 369,911
Building Inspections	4,415	4,415	6,860
Neighborhood Enhancement	204,151	39,670	56,000
Total O&M	**$ 241,087**	**$ 448,001**	**$ 432,771**
Neighborhood Enhancement	$ -	$ -	$ -
Total Capital	**$ -**	**$ -**	**$ -**
Totals	**$ 1,037,102**	**$ 1,228,150**	**$ 1,277,439**

Planning

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$667,143	$700,234	$792,292
Grants	0	$321,415	256,667
Donation	1,781	1,781	1,781
Total	**$668,924**	**$1,023,430**	**$1,050,740**

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 to moderate income households.

Major Accomplishments

1. Prepared West Sierra Vista Redevelopment Plan, adopted by City Council on March 22, 2018. Developed and launched West Sierra Vista Partnership Program – implementing the City Council's goal of providing matching grant assistance to small business and property owners for beneficial site and building improvements to help increase occupancy rate.
2. Prepared a series of general development code amendments implementing the Department's FY 17-18 Work Program designed to improve efficiencies, clarify requirements and help residents and business owners navigate the permitting system more easily. In addition, Staff revised the City's sign ordinance to comply with the legal requirements resulting from Reed v Town of Gilbert supreme court case.
3. Prepared special amendments to the City Code to regulate small wireless facilities in the public rights-of-way and easements consistent with the requirements of HB 2365.
4. Prepared special amendments to City Code and Development Code related to domesticated fowl pursuant to citizen led initiative and amateur radio antennas.
5. Site Plans reviewed by the Planning Division include Sierra Cycles, Leman Academy, Christian Fellowship Church, Chiricahua Medical/Dental, Ulta, Cochise Crossroads Lot 3, Immanuel Lutheran Church, Rutherford Toy Shop.
6. Subdivisions reviewed by the Planning Division include revisions to Plaza De Colibre and The Retreat (Phase 2) final plats.
7. Prepared business inventory web map application that documents occupancy of existing buildings in commercial and industrial zoning districts by type. This will assist Economic Development Staff quickly identify available real estate for prospects.
8. Sierra VistaAbility Day was held at the Mall at Sierra Vista which included additional vendors and foot traffic.
9. In October 2017, the City assumed responsibility for carrying out an emergency home repair program upon terminating its subrecipient agreement with Habitiat for Humanity for non-performance last October 2017. Since that time, the City has carried out seven emergency home repair projects. The program will conclude on June 30, 2018.

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:	
	• 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:	
	• 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:	
	• 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:	
	• Partner with Economic Development on strategic plan initiatives.

Goals	Objectives
(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. The goal is 90 percent within the three days.	• 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 2017-18, the Department received 213 public requests, and 100 percent of those requests were completed within the 3-day time frame.

Planning

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 484,984	$ 479,153	$ 518,570
Benefits	151,419	140,361	162,259
Total Personnel	**$ 636,403**	**$ 619,514**	**$ 680,829**
Professional Services	$ 2,650	$ 373,815	$ 349,017
Office Equipment Maintenance	-	-	-
Equipment Rentals	-	-	-
Printing & Binding	800	800	500
Professional Associations	1,255	1,255	1,688
Travel & Training	1,660	7,140	3,500
Postage	-	-	-
Advertising	10,200	6,200	3,500
Office Supplies	6,500	5,500	5,500
Specialized Supplies	7,450	7,200	4,200
Books & Periodicals	225	225	225
Donations	1,781	1,781	1,781
Total O&M	**$ 32,521**	**$ 403,916**	**$ 369,911**
Totals	**$ 668,924**	**$ 1,023,430**	**$ 1,050,740**

*Professional services includes $50K West End Partnership Program and $42K carryover for three West End Redevelopment projects

Performance Measures

PLANNING & ZONING DIVISION	FY 16-17	FY 17-18
Development Cases		
# of Site Plan (including Modified) Applications	6	8
# of Annexation Petitions Processed	1	9
# of Variance Cases (including Modification of Setbacks)	5	6
# Conditional Use Requests	1	1
# of Rezoning Petitions	0	1
# of Subdivision Plats Reviewed	1	3
#Temporary Uses	15	18

# Zoning Compliances	81	92
#Home Based Businesses	70	75
#Permanent Signs	57	15
#Temporary Signs	21	20
# Code Amendments	2	3
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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$164,027	$165,050	$170,699
Total	**$164,027**	**$165,050**	**$170,699**

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.

Goals	Objectives
Provide consistent interpretations of the codes	• 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	• 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.	• 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.	• Provide inspections and reports supporting code enforcement efforts in property maintenance

Building Inspections

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 116,879	$ 116,606	$ 118,951
Salaries - Part Time	2,600	5,000	5,000
Benefits	40,133	39,029	39,888
Total Personnel	**$ 159,612**	**$ 160,635**	**$ 163,839**
Professional Services	$ 400	$ 350	$ -
Printing & Binding	300	200	200
Professional Associations	175	175	210
Travel & Training	3,540	3,490	6,250
Books & Periodicals	-	200	200
Total O&M	**$ 4,415**	**$ 4,415**	**$ 6,860**
Totals	**$ 164,027**	**$ 165,050**	**$ 170,699**

Performance Measures

BUILDING & INSPECTIONS DIVISION	FY 16-17	FY 17-18
Development Cases		
# of Building Permits Issued	986	1,230
# of Inspections Performed	2,378	3,225
Effectiveness		

Average Plan Review Time (within 5 Business Days)	100%	100%
Average Inspection Time (Next Day)	100%	100%

Neighborhood Enhancement

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 2017	Budgeted FY 2018	Budgeted FY 2019
General	$39,650	$39,670	$56,000
Grants	164,501	0	0
Capital	90,000	0	0
Total	**$294,151**	**$39,670**	**$56,000**

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. Increased participation by volunteer groups maintaining City rights-of-way by 10 groups for adopt programs.
2. Participated in Carmichael Neighborhood Association meetings and neighborhood clean-up efforts. Placed ten trash cans along North Ave and Theater drive in support of the Carmichael Neighborhood Association.
3. Continued proactive code enforcement sweeps across the City, resulting in increased compliance with minimum building and property maintenance codes.
4. Continued providing administrative and financial support for the West End Clean Up and the West End Fair.
5. Cleared 36 acres of City land to the north of Walmart of 90 tons of trash and removed several trees, increasing fire prevention, deterring homeless population and illegal dumping.
6. Closely worked with AZ State Land department and posted new signage on their land, assisted with cleaning up 150 acres from illegal dumping and homeless population to the south of City Hall and east of Public Works.
7. Increased partnership with Public Works, SVPD and AZ State Land Department.

8. Removed a total of 582 tons year to date of illegal dumping through volunteer programs and abatements.

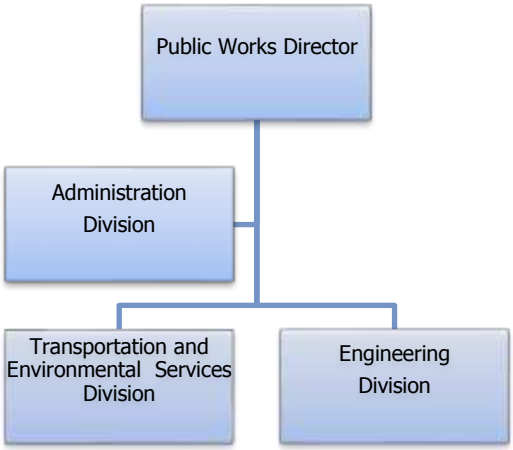
Goals	Objectives
Improve service to our community through an accessible complaint driven program, which emphasizes voluntary compliance. Strive to achieve 80% voluntary compliance rate within 30 days of initial contact.	• Continue to improve communication methods and materials. Promote the use of the 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.	• 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.	• 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 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Professional Services	$ 198,301	$ 33,800	$ 50,000
Advertising	1,500	1,520	-
Printing & Binding	1,100	1,100	1,000
Professional Associations	250	250	-
Travel & Training	1,200	1,200	-
Specialized Supplies	1,800	1,800	5,000
Total O&M	**$ 204,151**	**$ 39,670**	**$ 56,000**
Infastructure	$ -	$ -	$ -
Total Capital	**$ -**	**$ -**	**$ -**
Totals	**$ 204,151**	**$ 39,670**	**$ 56,000**

Performance Measures

CODE ENFORCEMENT	FY 16-17	FY 17-18
Code Enforcement Complaints	1,155	1,167
Civil Citations Issued	1	4
Court Hearings	7	4
Abatements Performed	4	14
Vacant Properties Registered	113	95
Properties Secured	7	3
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 full time 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, and public buildings/facilities. The Engineering Division includes the Engineering, Streets 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

The professional men and women of the Public Works Department provide safe, efficient and reliable programs and services that enrich the quality of life for the residents, businesses and visitors of the Sierra Vista Community.

Vision Statement

The Public Works Department is a professional organization committed to the continuous improvement of vital public programs and services, provided by innovative, resourceful and empowered employees.

Core Values

Professionalism

- We provide the highest possible customer service through our capable and experienced workforce.
- We provide services effectively and efficiently.
- We are respectful to each other and the public.
- We are dependable and responsible.
- We approach challenges with a "can do" and "get it done" attitude.

Resourcefulness

- We are committed to delivering efficient programs and services.
- We are problem-solvers.
- We look for new ways of doing business that maximize outcomes.
- We collaborate with coworkers to improve efficiency.
- We are good stewards of the community's resources.

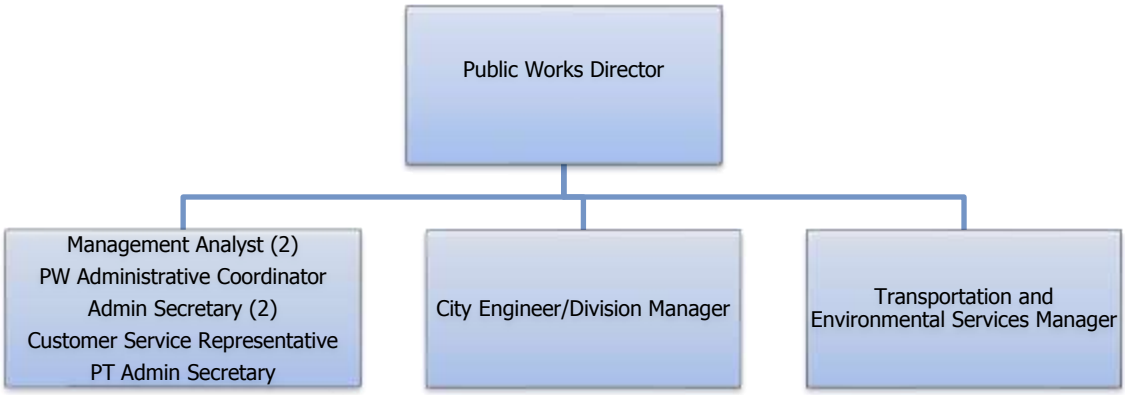
Safety

- We share the responsibility to protect the lives, health and property of our coworkers and the public.
- We incorporate safety in the performance of our jobs.
- We monitor our work environment to identify and mitigate safety concerns.

Public Works

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Administration Division	$ 1,144,129	$ 1,000,877	$ 959,412
Engineering Division	2,502,857	2,416,763	2,460,923
Municipal Services Division	3,652,733	3,800,613	3,213,151
Total Personnel	**$ 7,299,719**	**$ 7,218,253**	**$ 6,633,486**
Administration Division	$ 893,065	$ 777,515	$ 772,240
Engineering Division	3,597,010	3,304,895	3,375,170
Municipal Services Division	5,928,450	5,826,700	5,919,281
Total O&M	**$ 10,418,525**	**$ 9,909,110**	**$ 10,066,691**
Administration Division	$ 2,500,000	$ -	$ 600,000
Engineering Division	3,765,158	2,606,000	2,346,247
Municipal Services Division	1,910,515	1,941,000	2,055,750
Total Capital	**$ 8,175,673**	**$ 4,547,000**	**$ 5,001,997**
Totals	**$ 25,893,917**	**$ 21,674,363**	**$ 21,702,174**

Administration



Expenditure By Type			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$343,815	$548,714	$278,785
HURF	210,726	181,719	170,870
Donations	6,890	6,890	6,890
Sewer	277,271	107,990	224,828
Refuse	277,271	107,990	224,828
Development Fees	0	0	0
Total	**$1,115,973**	**$953,303**	**$906,201**

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, safety, and recognition programs.

Major Accomplishments

1. Completed a 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.
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.
5. Developed a department specific strategic plan.

6. Updated the mission statement, vision statement, and core values of the department.

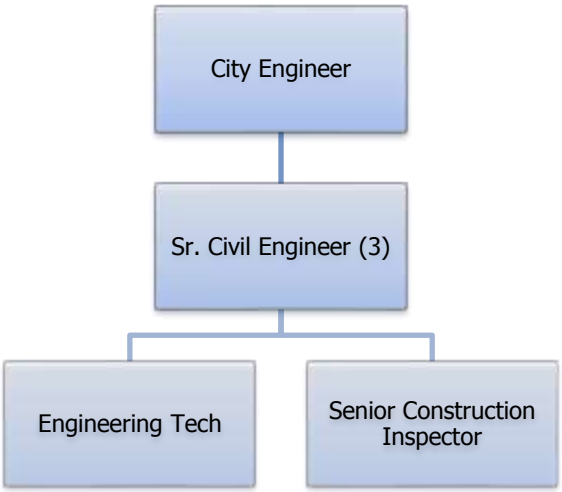
Goals

Goals	Objectives
Provide quality administrative and managerial support services within the Department of Public Works.	• 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.	• 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 employees in developing and reviewing safety related policies and procedures.
Promote quality service through an excellent workforce.	• 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 to ensure program effectiveness.
Generate effective avenues for outreach and education on Public Works programs and services to our internal and external customers.	• 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 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 767,871	$ 658,869	$ 636,572
Salaries - Part Time	14,196	14,196	14,196
Salaries- Over Time	1,702	202	-
Benefits	237,989	199,321	185,993
Total Personnel	**1,021,758**	**872,588**	**836,761**
Professional Services	$ 16,200	$ 16,200	$ 16,200
Office Equipment Maintenance	500	500	-
Printing & Binding	3,500	3,500	3,500
Professional Associations	6,500	5,000	4,000
Travel & Training	34,125	27,125	21,350
Office Supplies	12,000	10,000	8,000
Specialized Supplies	14,000	11,000	9,000
Books & Periodicals	500	500	500
Donation	6,890	6,890	6,890
Total O&M	**94,215**	**80,715**	**69,440**
Totals	**1,115,973**	**953,303**	**906,201**

Engineering Services



Expenditure by Type			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$355,637	$152,852	$291,231
HURF	167,753	149,891	137,374
Sewer	134,202	148,291	109,899
Refuse	13,420	142,531	10,990
Total	**$671,012**	**$593,565**	**$549,494**

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 developments.

City Council Strategic Plan 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.

Major Accomplishments

1. Planning - Initiated and/or continued planning of the following projects/programs: 5-year Capital Improvement Program, Environmental Operations Park energy study , street condition assessment/annual street maintenance planning, Domingo Paiz sports field LED light replacement, and environmental assessment/cultural resources survey for Garden Canyon trail head improvements.
2. Design Projects – Initiated and/or completed the design of the following projects: Annual Street Maintenance – Moson Rd. and Corral Rd. reconstruction, Bella Rosa resurfacing, school crosswalk at Avenida del Sol, City Hall remodeling, Third Street Wash hydrological modeling/erosion repair, Animal Control building expansion, Cove heaters replacement, Cove surge tank recoating, Sulger Neighborhood sinkhole mitigation, Fire Station#2 garage door modification, Charleston wall, and Fry Blvd./North Garden corridor improvements.
3. Construction Projects –Initiated and/or completed construction on the following projects: Coronado Widening, Moson Rd. and Corral Rd. reconstruction, Bella Rosa resurfacing, school crosswalk at Avenida Del Sol, Airport restriping, Third Street Wash erosion repair, Cove heaters replacement, Sulger Neighborhood sinkhole mitigation (phase I), Fire Station #2 garage door modification, Library roof replacement, Discovery Garden canopy installation, and miscellaneous streets maintenance projects.

Goals

Goals	Objectives
In conjunction with Community Development, help ensure high quality public and private improvements are constructed in the City of Sierra Vista.	• 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 ensure 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).	• 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 ensure 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.	• Complete requested computer-aided drafting services in accordance with stakeholder established timelines and expectations. • Verify stakeholder comments have been fully addressed prior to issuing plans. • Investigate and respond to customer requests regarding existing City design files.
Provide professional engineering support services to the City Council, other City departments and the general public.	• 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.

Performance Measures

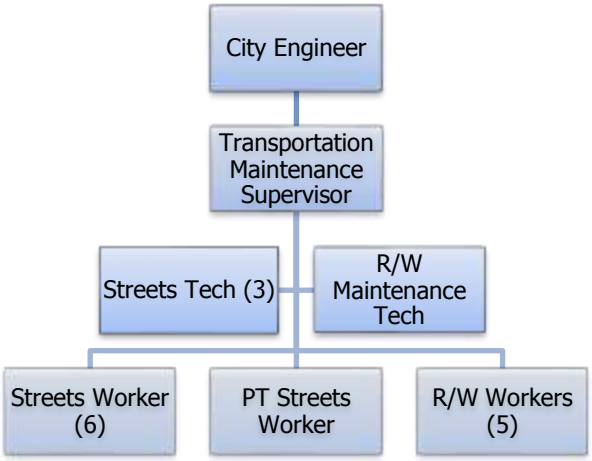
	FY16	FY17	FY18	FY19
Number of Commercial/Industrial Inspections	327	331	251	265
Number of Utility Inspections	N/A	N/A	495	558
Number of site inspection visits	1325	1065	937	1180
Average calendar days to development plan review approval	96	65	50	40
Number of plan reviews conducted	19	17	14	33
Number of right-of-way permit issued*	N/A	N/A	N/A	376
Percent of right-of-way permits approved within 48 hours	N/A	N/A	90%	95%

*Indicates new performance measures.

Engineering Services Section

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 474,941	$ 433,059	$ 397,718
Salaries - Part Time	-	-	-
Benefits	150,071	134,506	120,276
Total Personnel	**$ 625,012**	**$ 567,565**	**$ 517,994**
Professional Services	$ 42,000	$ 22,500	$ 27,500
Specialized Supplies	4,000	3,500	4,000
Total O&M	**$ 46,000**	**$ 26,000**	**$ 31,500**
Totals	**$ 671,012**	**$ 593,565**	**$ 549,494**

Streets/Traffic Services



Expenditure by Type			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
HURF	$3,553,821	$3,151,172	$4,799,032
Cap. Improvement	650,000	600,000	0
Dev Fees	1,700,000	1,550,000	0
Total	**$5,903,821**	**$5,301,172**	**$4,799,032**

Description

This Section is funded primarily by the Highway User Revenue Fund (HURF), and is 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.

City Council Strategic Plan Initiatives
• 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.

Major Accomplishments

1. Repaired 1942 square feet of damaged sidewalks which had become a hazard to pedestrian traffic.

2. Cleaned, trimmed, and mowed over 212 acres of public rights-of-way 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 and Paseo Las Palmas
6. Continued to update the GIS system.
7. Successfully abated approximately 4550 square feet of graffiti.
8. Crack sealed 7th St.
9. Striped 759,110 linear feet of City-owned streets and crosswalks.
10. Repaired erosion damage to the 3rd St. Wash, Phase II, using City crews, saving the City at least $80,000 in contracting costs.
11. Repaired and resurfaced City parking lots at: Pedro Castro Center, City Hall, Police Department, and Airport.
12. Assisted with the Coronado widening project.
13. Assisted with annual street maintenance projects: Moson Rd., Corral Rd., and Camino Bella Rosa, and other roadway CIP projects.
14. Continued the program to standardize signage throughout the city to comply with MUTCD requirements.
15. Supported a variety of events by setting up traffic control devices.

Goals

Goals	Objectives
Provide safe, efficient and cost-effective transportation infrastructure and services.	• 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 ensure safety and serviceability, while optimizing all available resources.	• 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 that optimize pavement life and minimize cost • 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.	• 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. • Use the City's Wash Maintenance Plan to 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

	FY15	FY16	FY17	FY18
Expenditures, Road rehabilitation:	$855,634	$953,935	$2,202,628	$596,117
Paved lane miles:	602	602	602	602
Lane miles of bike paths within road right-of-way.	48	48	48	48
Number of linear miles swept.	2101	1782	2381	1910
Paved lane miles assessed as satisfactory as a percentage of miles assessed.	60%	70%	70%	60%
Street sweeping expenditures per lane mile.	$17.83	$17.55	$15.20	$23.10

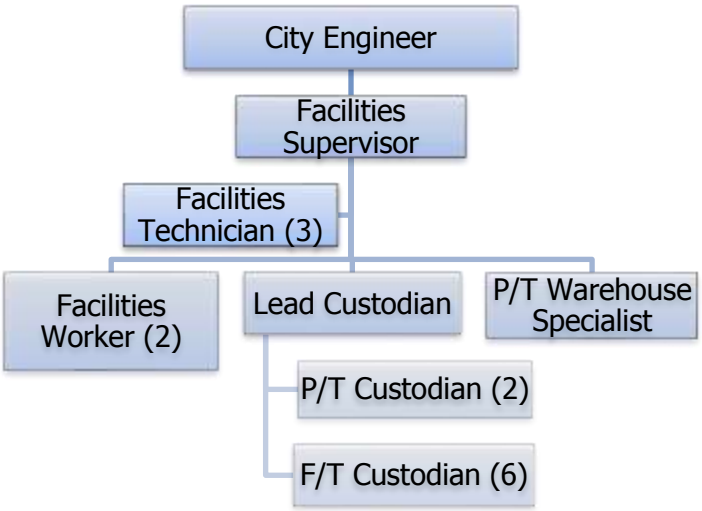
Streets/Traffic Services Section

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 671,249	$ 663,819	$ 722,646
Salaries - Overtime	16,566	16,566	16,566
Salaries - Part Time	93,552	93,552	93,552
Benefits	328,887	300,615	322,736
Total Personnel	**$ 1,110,254**	**$ 1,074,552**	**$ 1,155,500**
Professional Services	$ -	$ 5,000	$ 5,000
Electricity	545,750	545,750	500,000
Telephone	25,000	25,000	18,000
Vehicle Maintenance	81,500	90,000	100,000
Equipment Maintenance	-	-	-
Infrastructure Maintenance	551,150	424,825	564,150
Wash Maintenance	18,000	18,000	18,000
Equipment Rentals	8,000	4,000	4,000
Advertising	1,000	-	-
Professional Associations	1,500	1,500	500
Travel & Training	10,935	10,935	10,935
Office Supplies	1,900	500	500
Specialized Supplies	115,775	100,000	100,000
Fuel	60,250	51,200	51,200
Total O&M	**$ 1,420,760**	**$ 1,276,710**	**$ 1,372,285**
Infastructure	$ 2,460,158	$ 1,553,000	2,236,247
Vehicles	270,000	320,000	35,000
Machinery & Equipment	40,000	-	-
Total Capital	**$ 2,770,158**	**$ 1,873,000**	**$ 2,271,247**
Totals	**$ 5,301,172**	**$ 4,224,262**	**$ 4,799,032**

Comments

The Infrastructure budget includes yearly Capital street maintenance.

Facilities



Expenditure by Type			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$2,165,910	$2,438,800	$3,140,574
Sewer	39,915	162,409	44,475
Refuse	39,915	39,646	44,475
Total	**$2,495,740**	**$2,640,855**	**$3,229,524**

Description

This section is responsible for the maintenance of all City-owned and leased buildings and their associated operating systems.

City Council Strategic Plan Initiatives
• Explore ways in which the City can reduce energy use or use alternative power at City facilities.

Major Accomplishments:

1. Completed a total of 1,212 work orders for the all City buildings and facilities.
2. Successfully transferred Cove operation and maintenance to the Facilities section.
3. Completed a city-wide HVAC control system upgrade.
4. Developed an energy conservation program, on the top of the upgraded HVAC control system.

5. Developed internal expertise on HVAC monitoring, control, and programing.
6. Working on city wide security system upgrade.
7. Completed the Library roof reconstruction.
8. Completed the Library carpet replacement.
9. Continued the City building LED conversion program:
    a. Converted 90% of the lights in the Cove to LED
    b. Converted all the lights in the Parks building to LED.
    c. Converted 40% of the lights at Fire Station #1 to LED.
    d. Converted 30% of the lights at the Police Department to LED.
10. Installed a new compressor at the Library.
11. Tinted windows and doors at the PCC, to reducing energy consumption.
12. Converted evaporative units to full circulation at the Pedro Castro Center shops to conserve water.
13. Hired a Warehouse Specialist to better manage tools and inventory.
14. Addressing fire alarm and fire suppression system issues at Airport.

Goals

Goals	Objectives
Provide quality maintenance and custodial services to all City-owned or leased buildings.	• 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 to prolong their useful life and minimizing failures and emergency repairs. • Ensure all maintenance services are provided in a professional, sustainable, cost effective, and environmentally safe manner.
Complete capital projects on time and within budget.	• 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.	• Complete work orders in a timely manner. • Resolve customer issues within a reasonable time and in a professional and courteous manner. • Reduce call-outs through increased preventive maintenance.

Reduce City utility usage through effective energy management.	• Implement an Energy Management Program. • Educate City employees on the Energy Management Program and energy conservation opportunities.

Performance Measures

	FY15	FY16	FY17	FY18
Total sqft of occupied building cleaned per FTE*	N/A	N/A	32,400	32,400
Average number of days to close a work order*	N/A	N/A	23	14
Number of work orders completed*	N/A	N/A	1,001	1,212

Note: Performance measures were changed in FY 17, so no data is available for previous years.

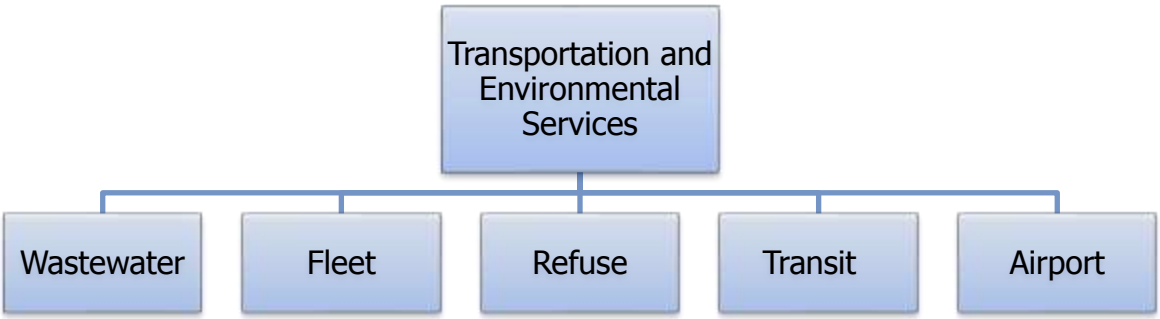
Facilities

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 459,757	$ 452,383	$ 497,228
Salaries - Overtime	8,460	7,000	7,000
Salaries - Part Time	38,025	38,025	38,025
Benefits	189,198	183,147	201,421
Total Personnel	**$ 695,440**	**$ 680,555**	**$ 743,674**
Professional Services	$ 149,000	$ 149,000	$ 162,500
Electricity	550,000	550,000	570,000
Water	180,000	230,000	310,000
Natural Gas	200,000	150,000	120,000
Office Equipment Maintenance	3,500	2,500	1,500
Equipment Maintenance	38,000	38,000	78,500
Building Maintenance	63,200	63,200	108,200
Infrastructure Maintenance	38,600	38,600	34,400
Specialized Supplies	78,000	78,000	95,000
Total O&M	**$ 1,300,300**	**$ 1,299,300**	**$ 1,480,100**
Buildings	$ 500,000	$ 661,000	$ 570,750
Infastructure	-	-	-
Machinery & Equipment	-	-	435,000
Total Capital	**$ 500,000**	**$ 661,000**	**$ 1,005,750**
Totals	**$ 2,495,740**	**$ 2,640,855**	**$ 3,229,524**

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.

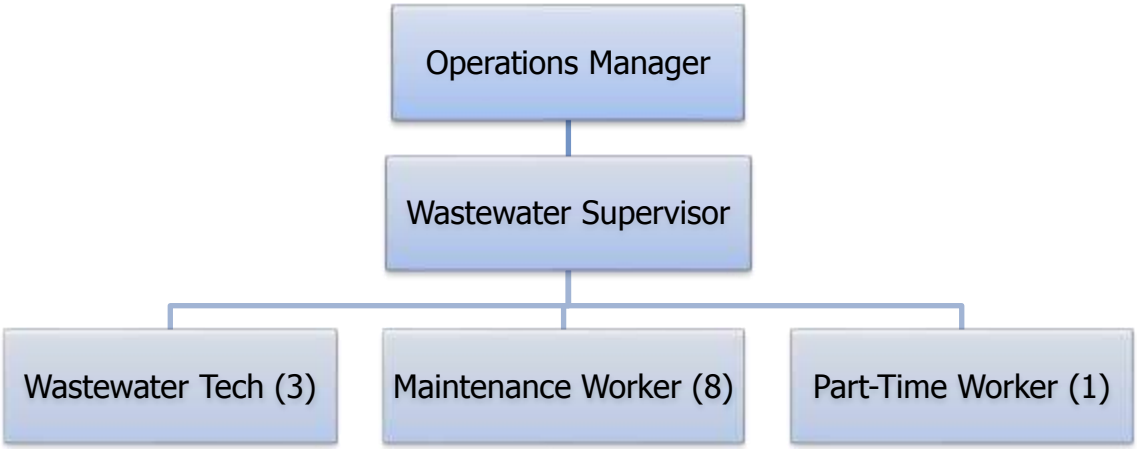
Description:

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

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Facilities Services Section	$ 695,440	$ 680,555	$ 743,674
Fleet Services Section	$ 462,980	$ 533,749	$ 485,889
Refuse Services Section	$ 1,055,680	$ 1,103,328	$ 1,101,822
Transit Services Section	833,876	869,239	881,766
Parks Facility Maintenance	604,757	613,742	-
Total Personnel	**$ 3,652,733**	**$ 3,800,613**	**$ 3,213,151**
Facilities Services Section	$ 1,300,300	$ 1,299,300	$ 1,480,100
Fleet Services Section	1,560,250	1,513,800	1,579,800
Refuse Services Section	2,315,900	2,274,350	2,497,850
Transit Services Section	426,300	389,700	361,531
Parks Facility Maintenance	325,700	349,550	-
Total O&M	**$ 5,928,450**	**$ 5,826,700**	**$ 5,919,281**
Facilities Services Section	$ 500,000	$ 661,000	$ 1,005,750
Fleet Services Section	$ 39,000	$ -	$ 465,000
Refuse Services Section	$ 410,000	$ 330,000	$ -
Transit Services Section	$ -	$ -	$ 340,000
Parks Facility Maintenance	$ 961,515	$ 950,000	$ 245,000
Total Capital	**$ 1,910,515**	**$ 1,941,000**	**$ 2,055,750**
Totals	**$ 11,491,698**	**$ 11,568,313**	**$ 11,188,182**

Wastewater



Expenditure by Type			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
Sewer	$3,892,841	$3,509,831	$2,833,814
Total	**$3,892,841**	**$3,509,831**	**$2,833,814**

Description

This section is funded by the sewer enterprise fund and is responsible for the maintenance of the sewer collection system and operation of the wastewater treatment process 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
• Identify ways in which future city effluent should be used for maximum benefit to the community.

Major Accomplishments

1. Treated and recharged 1,921.7 acre feet of effluent for a yearly total of 626 million gallons.
2. Cleaned 125 miles of sanitary sewer pipe.
3. Inspected and treated 992 manholes for pests.
4. Conducted 8 sewer point repairs of the sanitary sewer collection system.

Goals

Goals	Objectives
Consistently improve quality of services provided for residential and commercial sewer customers.	• 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.	• 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.	• 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.	• Utilize new technologies to more effectively monitor water recharge flows. • Utilize new technologies to better evaluate influent flows and assess final water quality.

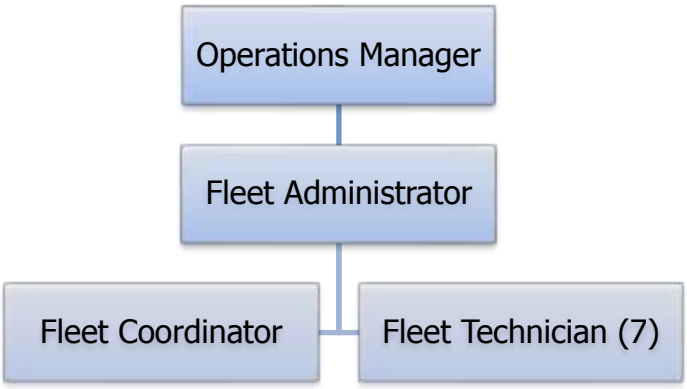
Performance Measures

	FY14	FY15	FY16	FY17
Number of customer complaints per 1,000 people served.	<1	<1	<1	<1
Number of educational presentations to the public.	N/A	8	11	5
Miles of sewer collection lines cleaned as a percentage of total miles.	39%	43%	37%	42%
% of emergency response work.	<1%	<1%	<1%	<1%
Number of sanitary sewer overflows or stoppages per 100 miles of sewer line.	<1	<1	0	0

Wastewater

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 475,461	$ 484,769	$ 494,531
Salaries - Overtime	4,518	4,518	4,518
Salaries - Part Time	17,978	17,978	17,978
Benefits	269,634	267,381	270,402
Total Personnel	**$ 767,591**	**$ 774,646**	**$ 787,429**
Depreciation Expense	$ 1,000,000	$ 925,000	$ 925,000
Professional Services	405,700	301,200	316,200
Electricity	200,000	200,000	200,000
Water	30,000	30,000	30,000
Vehicle Maintenance	45,000	60,000	60,000
Infrastructure Maintenance	165,000	200,000	150,000
Equipment Rentals	20,000	30,000	30,000
Advertising	2,000	2,000	2,000
Professional Associations	1,000	1,000	1,000
Travel & Training	9,000	9,000	9,000
Specialized Supplies	227,550	202,550	202,500
Software	-	16,435	20,685
Fuel	25,000	25,000	25,000
Total O&M	**$ 2,130,250**	**$ 2,002,185**	**$ 1,971,385**
Infastructure	$ 355,000	$ 155,000	$ 75,000
Vehicles	$ 595,000	$ 518,000	$ -
Machinery & Equipment	45,000	60,000	-
Total Capital	**$ 995,000**	**$ 733,000**	**$ 75,000**
Totals	**$ 3,892,841**	**$ 3,509,831**	**$ 2,833,814**

Fleet Services



Expenditure by Type			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
General	$2,062,230	$2,047,549	$2,530,689
Total	**$2,062,230**	**$2,047,549**	**$2,530,689**

Description

The Fleet Section is responsible for providing maintenance and repair services for all City assets, as well as multiple outside agencies', through Intergovernmental Agreements (IGA). The Fleet Section also provides fleet fueling services for City and IGA fleet vehicles and equipment.

Major Accomplishments FY 2018

1. Developed specifications, ordered, and received 87 assets under the new graphic & brand standards (where applicable) including:
    a. 10 Ford Explorer Police Interceptor Vehicles (PPIV)
    b. 1 each - Transport Pumper Fire Truck, Attenuator Trailer, Bucket Truck, Concrete Mixer, Dump Truck, Sewer Vac Truck, Tractor/Backhoe, Deep Tine Aerator, Manure Spreader
    c. 4 Light Trucks
    d. 3 Trailers
    e. 17 Pieces of Equipment
    f. Added 36 IGA Assets to the inventory
2. Continued Integrated Business Solutions with the NAPA store to ensure reduced costs and increased efficiency through routine audits.
3. Upgraded unleaded engine oil to extend service intervals from 4,000 to 8,000 miles.

4. Determined 17 surplus vehicles/equipment and assisted the Procurement Division with online vehicle and equipment auctions.
5. Assisted Procurement with the processing of 3 additional forfeiture vehicles.
6. Continued to resolve issues with new fuel management system (Trak).
   a. Integrated Trak to Tyler/Munis for the preventative maintenance program.
   b. Issued smart keys for every relevant City and IGA asset.
   c. Attended weekly meetings to resolve ongoing issues.
7. Calendar year 2017 volumes of fuel dispensed:
   a. Dispensed 60,054 gallons of fuel to IGA customers.

BIODIESEL	28
DIESEL	7,356
E-85	11
UNLEADED	52,659

   b. Dispensed 227,429 gallons to City assets.

BIODIESEL	49,270
DIESEL	58,629
E-85	16,966
UNLEADED	102,564

Goals

Goals	Objectives
Maintain the City and IGA fleet through appropriate maintenance programs.	• Complete preventive maintenance on all vehicles within 500 miles of service due. • Complete all non-emergency vehicle and equipment repairs within seven days.
Update the Five-Year Capital Maintenance and Replacement Plan and assist in implementing the plan each fiscal year.	• Determine the quantity and types of vehicles and equipment that require replacement. • Provide departments with data that validates replacement requirements. • Prepare city assets for rotation out of service and auction.
Provide quality customer service to all external agencies and internal departments.	• Utilize Munis to provide improved tracking, vehicle amortization. • Utilize Trak to provide improved tracking and preventative maintenance schedule.
Develop improved vehicle maintenance parts program utilizing Integrated Business Solutions (IBS) NAPA.	• Continue to develop the working parts inventory that facilitates timely vehicle and equipment repairs that best assists overall department needs, while maintaining suitable costs.

Performance Measures

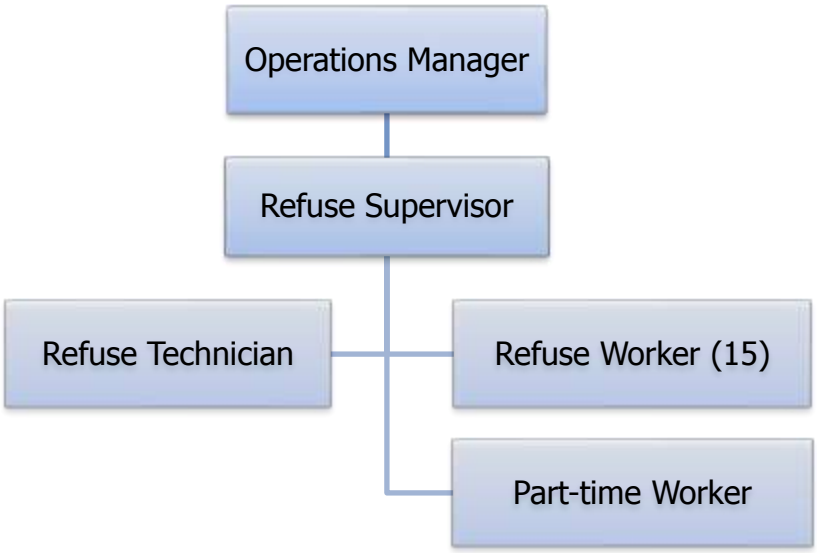
	FY15	FY16	FY17	FY18*
Total Number of vehicles and equipment	500	562	690	684
Total number of service requests	1,282	1,852	1,600	1,686
Service requests for outside agencies	56	53	51	78
Gallons of fuel distributed	355,001	344,082	304,499	302,192
Gallons of fuel distributed outside agencies	101,715	93,506	68,200	75,000

* Estimated

Fleet

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 325,453	$ 376,711	$ 347,772
Salaries - Overtime	8,460	8,460	8,460
Benefits	129,067	148,578	129,657
Total Personnel	**$ 462,980**	**$ 533,749**	**$ 485,889**
Professional Services	$ 35,600	$ 37,600	$ 38,800
Vehicle Maintenance	500,000	610,200	675,000
Specialized Supplies	22,500	14,000	14,000
Fuel	1,002,150	852,000	852,000
Total O&M	**$ 1,560,250**	**$ 1,513,800**	**$ 1,579,800**
Vehicles	-	-	465,000
Machinery & Equipment	$ 39,000	$ -	$ -
Total Capital	**$ 39,000**	**$ -**	**$ 465,000**
Totals	**$ 2,062,230**	**$ 2,047,549**	**$ 2,530,689**

Refuse Services



Expenditure By Type			
	Budgeted FY 2017	Budgeted FY 2018	Budgeted FY 2019
Refuse	$3,781,580	$3,707,678	$3,599,672
Total	**$3,781,580**	**$3,707,678**	**$3,599,672**

Description

The Refuse Section operates as an enterprise fund and provides solid waste and recycling collection services as well as composting operations.

Major Accomplishments:

1. Extended the Fort Huachuca Residential Trash/Recycling Contract.
2. Continued to support special community events such as the West End Fair, Fourth of July Celebration, Festival of the Southwest and OktoberFest as well as multiple state land clean-up and abatement programs.
3. Successfully diverted biosolids into the composting process to increase diversion savings and improve compost quality.
4. Produced and delivered a specially blended compost mix to City sports fields and parks to be used as a soil amendment.
5. Continued operation of glass recycling drop-off site.

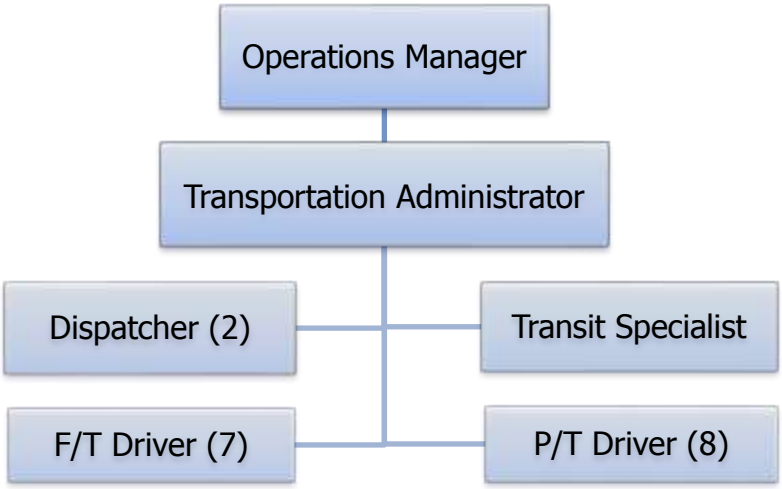
Goals

Goals	Objectives
Provide efficient and reliable refuse and recycling services.	• Respond to new service orders within three working days.
Provide customers with relevant educational materials.	• Distribute annual collection schedule and program related information.
Continue to divert glass from the solid waste stream.	Maintain productive working relationship with haulers and processors.

Refuse

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 531,832	$ 643,371	$ 647,695
Salaries - Overtime	21,049	21,049	21,049
Salaries - Part Time	130,421	52,000	52,000
Benefits	372,378	386,908	381,078
Total Personnel	**$ 1,055,680**	**$ 1,103,328**	**$ 1,101,822**
Depreciation Expense	$ 450,000	$ 500,000	$ 500,000
Professional Services	130,000	53,800	85,800
Intergovernmental Contracts	1,015,000	1,015,000	1,211,500
Electric	1,600	1,600	1,600
Water	10,300	10,300	10,300
Vehicles & Equipment Maint	302,500	302,500	302,500
Infrastructure Maintenance	5,000	1,500	1,500
Professional Associations	1,500	1,200	1,200
Rentals	-	-	-
Travel & Training	5,000	1,200	1,200
Printing & Binding	14,000	2,000	2,000
Postage	-	-	-
Advertising	10,000	4,500	9,000
Supplies	1,000	-	600
Specialized Supplies	185,000	223,750	213,650
Fuel	185,000	157,000	157,000
Total O&M	**$ 2,315,900**	**$ 2,274,350**	**$ 2,497,850**
Machinery & Equipment	$ -	$ -	$ -
Infastructure	-	-	-
Buildings	-	-	-
Vehicles	410,000	330,000	-
Total Capital	**$ 410,000**	**$ 330,000**	**$ -**
Totals	**$ 3,781,580**	**$ 3,707,678**	**$ 3,599,672**

Vista Transit



Description

The Transit Section provides reliable and affordable transportation services via fixed route and paratransit (ADA) operations.

City Council Strategic Plan Initiatives
• Improve the efficiency of Vista Transit and focus service on those who need access to public transportation.

Major Accomplishments:

1. Acquired new 18-passenger bus utilizing FTA grant funds.
2. Completed a Transit System Efficiently Study.
3. Worked with SEAGO to implement the Cochise Connector intercity bus service between Douglas, Bisbee, Sierra Vista and Benson.
4. Upgraded Transit Center dispatch and customer service work stations.
5. Partnered with the Public Affairs Office and the Sierra Vista Herald Review to promote a healthy living ad campaign sponsored by Vista Transit.
6. Installed five new passenger shelters at existing bus stops.
7. Completed first Triennial review as an FTA section 5307 program.

Goals

Goals	Objectives
Effectively market Vista Transit services to citizens of Sierra Vista and Fort Huachuca.	• Educate the public about Vista Transit services. • Review effectiveness of marketing efforts and modify as necessary.
Provide bus operations that efficiently and effectively serve passengers' transit needs.	• Implement 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.	• Identify potential transportation partners/sponsors.
Maintain and expand coordination and collaboration efforts in the region.	• Include regional, nonprofit transportation agencies in Vista Transit's TAC meetings. • Regularly attend regional coordination meetings.

Performance Measures (Fixed-Route)

	2015	2016	2017
Total number of passenger trips	165,725	154,043	133,741
Operational cost per passenger trip	$5.80	$6.39	$6.43
Cost per vehicle revenue mile	$3.96	$4.74	$5.87
Cost per vehicle revenue hour	$52.31	$52.59	$71.92

Vista Transit

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Transit-Adminstration	$ 94,193	$ 101,768	$ 158,533
Transit-Operations	739,683	767,471	723,233
Total Personnel	**$ 833,876**	**$ 869,239**	**$ 881,766**
Transit-Administration	$ 176,100	$ 169,500	$ 168,231
Transit-Operations	250,200	220,200	193,300
Total O&M	**$ 426,300**	**$ 389,700**	**$ 361,531**
Transit-Administration	$ 360,000	$ 410,000	$ 340,000
Transit-Operations	-	-	-
Total Capital	**$ 360,000**	**$ 410,000**	**$ 340,000**
Totals	**$ 1,620,176**	**$ 1,668,939**	**$ 1,583,297**

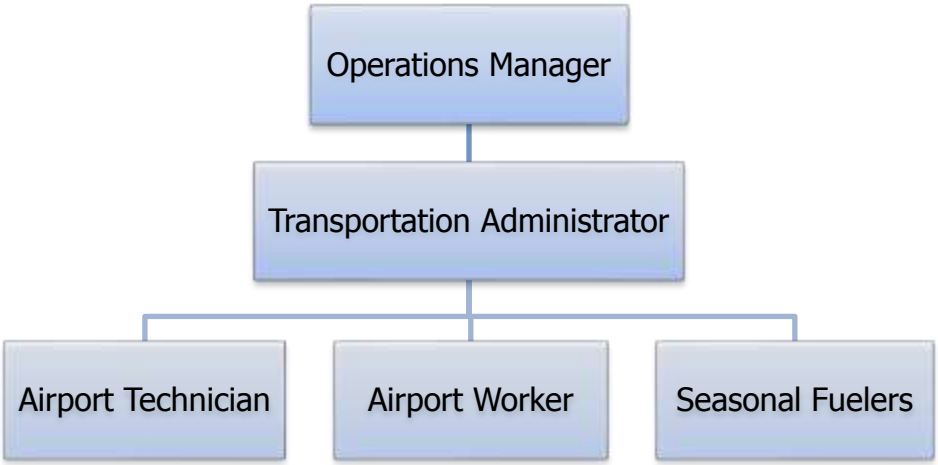
Transit Administration

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 71,677	$ 74,030	$ 116,765
Benefits	22,516	27,738	41,768
Total Personnel	**$ 94,193**	**$ 101,768**	**$ 158,533**
Professional Services	$ 2,000	$ -	$ -
Electricity	-	-	-
Water	-	-	-
Telphone	-	-	-
Natural Gas	-	-	-
Vehicle Maintenance	167,800	164,500	164,500
Equipment Maintenance	-	-	-
Infrastructure Maintenance	-	-	-
Advertising	-	-	-
Printing & Binding	-	-	-
Travel & Training	6,300	5,000	3,731
Office Supplies	-	-	-
Specialized Supplies	-	-	-
Total O&M	**$ 176,100**	**$ 169,500**	**$ 168,231**
Buildings			-
Machinery & Equipment			70,000
Vehicles	360,000	410,000	270,000
Total Capital	**$ 360,000**	**$ 410,000**	**$ 340,000**
Totals	**$ 630,293**	**$ 681,268**	**$ 666,764**

Transit Operations

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 385,161	$ 404,812	$ 360,917
Salaries - Overtime	6,137	6,137	6,248
Salaries - Part Time	174,315	174,315	130,805
Benefits	174,070	182,207	225,263
Total Personnel	**$ 739,683**	**$ 767,471**	**$ 723,233**
Professional Services	$ 6,300	$ 5,000	$ 8,300
Electricity	6,000	6,000.0	9,000.0
Water	1,200	1,200.0	2,000.0
Telephone	7,000	7,000	7,000
Natural Gas	4,000	4,000	4,000
Vehicle Maintenance	-	-	-
Equipment Maintenance	3,500	4,500	4,500
Infrastructure Maintenance	4,000	4,000	4,000
Insurance	65,000	65,000	30,000
Advertising	7,500	5,000	5,000
Printing & Binding	9,000	9,000	9,000
Travel & Training	5,000	4,000	5,000
Office Supplies	3,500	3,000	3,000
Specialized Supplies	10,200	9,000	9,000
Safety Supplies	1,500	1,500	1,500
Fuel	116,500	92,000	92,000
Total O&M	**$ 250,200**	**$ 220,200**	**$ 193,300**
Improvements Other Than Bldgs	$ -	$ -	$ -
Machinery and Equipment	-	-	-
Vehicles	-	-	-
Total Capital	**$ -**	**$ -**	**$ -**
Totals	**$ 989,883**	**$ 987,671**	**$ 916,533**

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 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.

City Council Strategic Plan Initiatives
• Analyze and evaluate ways in which to maximize the use of the City airport consistent with community economic strategies.

Major Accomplishments

1. Successfully supported air operations for the U.S. Forest 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. Hosted the 24th Annual Airport Open House. Coordinated Fly-In event with the Experimental Airport Association and provided first flights to 308 children under the age of 17.
4. Continued to implement hangar lease incentives recommended by the Airport Commission to attract new tenants.
5. Completed a procurement process for a new aviation fuel supply contract.

Goals

Goals	Objectives
Maintain quality airport infrastructure supporting the needs of customers and safe and efficient airfield operations.	• 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.
Maintain a high level of support for airport operators.	• Explore additional opportunities to enhance service operations. • Maintain regular contact with key representatives to respond promptly to any needs.

Performance Measures

	FY15	FY16	FY17	FY18
Number of call-outs for customer support.	77	46	17	N/A
Total number of tie-down and hangar customers.	50	48	56	57
Percent occupancy of the hangars	58%	57%	69%	80%

Fueling Service 2017

Aviation Gasoline:
72,862 Gallons Sold

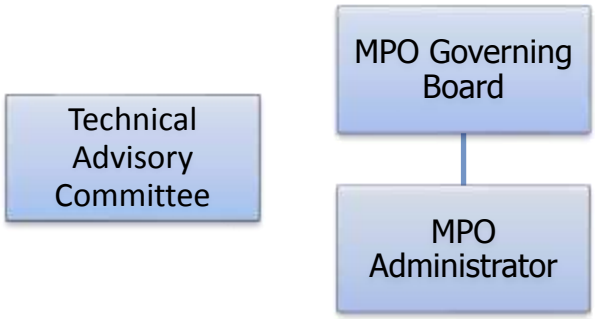
Jet Fuel:
229,285 Gallons Sold

Self-Serve:
10,268 Gallons Sold

Totals:
312,415 Gallons Sold

Airport

Expenditures	FY 2016/2017 Budgeted	FY 2017/2018 Budgeted	FY 2018/2019 Recommended
Salaries - Regular	$ 66,045	$ 77,481	$ 71,990
Salaries - Overtime	5,644	5,644	5,644
Salaries - Part Time	14,707	14,707	14,707
Benefits	35,975	30,457	30,310
Total Personnel	**$ 122,371**	**$ 128,289**	**$ 122,651**
Professional Services	$ 7,200	$ 7,200	$ 6,000
Electricity	33,600	33,600	33,600
Telephone	-	-	-
Natural Gas	3,000	3,000	3,000
Building Maintenance	-	-	-
Infrastructure Maintenance	8,100	10,000	10,000
Equipment Rentals	27,000	27,000	34,200
Advertising	3,000	3,000	3,000
Specialized Supplies	12,000	10,000	10,000
Travel & Training	3,700	3,000	3,000
Fuel	701,250	600,000	600,000
Total O&M	**$ 798,850**	**$ 696,800**	**$ 702,800**
Infastrucure	$ 2,500,000	$ -	$ 600,000
Machinery & Equipment	-	-	-
Total Capital	**$ 2,500,000**	**$ -**	**$ 600,000**
Totals	**$ 3,421,221**	**$ 825,089**	**$ 1,425,451**



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.

The Sierra Vista Municipal Planning Organization is a separate legal entity with a five member board comprised of the Mayor, two Council members, one County member and one ADOT member. Since the City has three members, it legally controls the board and therefore for accounting purposes must be included in the City's budget.

Member jurisdictions of SVMPO are the City of Sierra Vista, Huachuca City, 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.

Metropolitan Planning Organization			
Expenditures	**FY 2016/2017 Budgeted**	**FY 2017/2018 Budgeted**	**FY 2018/2019 Recommended**
Salaries - Regular	$ 90,603	$ 90,378	$ 91,953
Benefits	23,549	23,425	28,047
Total Personnel	**$ 114,152**	**$ 113,803**	**$ 120,000**
Professional Services - Engineering	$ 221,221	$ 218,740	$ 241,902
Professional Services - Other	$ 34,189	$ 33,681	$ 6,021
Telephone	$ 700	$ 700	$ 700
Office Rental	$ 30,000	$ 30,000	$ 30,000
Postage	$ 1,200	$ -	$ 200
Advertising	$ 6,500	$ 1,848	$ 1,800
Printing & Binding	$ 1,000	$ 1,143	$ 3,000
Professional Associations	$ 4,000	$ 5,852	$ 7,000
Travel & Training	$ 5,000	$ 10,000	$ 10,000
Specialized Supplies	$ 3,500	$ 5,893	$ 6,000
Software	$ 303	$ 303	$ 303
Total O&M	**$ 307,613**	**$ 308,160**	**$ 306,926**
Infrastructure	$ -	$ -	$ 2,573,598
Total Capital	**$ -**	**$ -**	**$ 2,573,598**
Totals	**$ 421,765**	**$ 421,963**	**$ 3,000,524**

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 do 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 selects the projects that have a reasonable start date in the next five years, Department Directors submit a capital improvement submittal form for each project. The submittal form includes detailed project information.

Departments prioritize projects as well as provide justification for why each project should be included in the CIP.

After the projects were submitted, Department Directors meet and prioritize the capital improvement projects. The department directors use a 1-5 scale to rank the projects. The scale that was used is presented here.

1	**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.** 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
2	**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.** 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.
3	**This is a project that needs to be completed in the five-year time frame and shouldn't be delayed beyond five years.** This project will address a potential public safety concern –or- This is a project that has outside funding and low commitment from the City.
4	**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.**

	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.
5	**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.** 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.

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.

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.

The City of Sierra Vista is planning to complete $10,437,999 in Capital Improvement Projects in FY19. 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 FY19 are the General, Capital Improvement, Development Fees, Highway User Revenue Fund (HURF), LTAF, Grants, Airport, and Enterprise Funds (Sewer, Refuse).

The FY19 Capital Summary and General Fund/Capital Improvement Funds are listed below by location where funds are allocated in the Budget.

FY 19 Capital Summary				
ITEM/PROJECT	FUND	DEPARTMENT	BUDGETED COST	PAYMENT
International Bus	General	LLS	$ 200,000.00	Finance
Ford Utility Truck	General	Facilities	$ 45,000.00	Finance
Ford Econoline Van	General	PD	$ 45,000.00	Finance
Chevy 1/2 Ton Pickup	General	PD	$ 35,000.00	Finance
2 - Ford 3/4 Ton Pickups	General	LLS	$ 70,000.00	Finance
Ford Vehicle Replacements	General	Police	$ 500,000.00	Cash-CIF
Chevy 1/2 Ton Pickup	General	Facilities	$ 35,000.00	Finance
PD Detective Explorer	General	PD	$ 35,000.00	Cash- CIF
Axcess Energy Management	General	Facilities	$ 95,250.00	Cash- CIF
Card Access	General	Facilities	$ 120,500.00	Cash-CIF
City Hall Remodeling	General	Facilities	$ 150,000.00	Cash-CIF
Fire Radio Replacement	General	Fire	$ 73,800.00	Cash-CIF
Datacenter Infrastructure	General	IT	$ 245,000.00	Cash-CIF
Fire Equipment	General	Fire	$ 300,000.00	Cash-CIF
Heater Replacement	General	Cove	$ 205,000.00	CIF/co
2 - Person Lift	General	Facilities	$ 35,000.00	Cash-CIF
Fire Panel Upgrade	General	Facilities	$ 63,000.00	Cash-CIF
4 HVAC Replacements	General	Facilities	$ 185,000.00	Cash-CIF
Kennel Upgrade	General	ACO	$ 15,000.00	Cash-CIF
Staircase Construction	General	Facilities	$ 12,000.00	Cash-CIF
Security Gate Replacement	General	Facilities	$ 125,000.00	Cash-CIF
Upgrade Electrical Pedestals	General	Parks	$ 140,000.00	Cash-CIF
Domingo Paiz Lighting Project	General	Parks	$ 663,604.00	Finance
Annual Street Maintenance	HURF	Streets	$ 764,213.00	Cash
Chevy 1/2 Ton Pick Up	HURF	Streets	$ 35,000.00	Cash
Fry Town Site Improvements	HURF	Streets	$ 15,000.00	Grant
ADA Sidewalk Ramps	HURF	Streets	$ 23,522.00	Grant
Corral Road Improvements	HURF	Streets	$ 50,000.00	Cash /co
Curb/Gutter and Sidewalks	HURF	Streets	$ 69,288.00	Grant

ITEM/PROJECT	FUND	DEPARTMENT	BUDGETED COST	PAYMENT
Alley Improvements 1st & 2nd	HURF	Streets	$ 75,000.00	Grant
7th Street Striping	HURF	Streets	$ 79,000.00	Cash
Charleston Wall	HURF	Streets	$ 250,000.00	Cash/co
Design & Install Adaptive Signal Controls	HURF	Streets	$ 910,224.00	Grant
Fry/North Garden Design	MPO	Streets	$ 2,573,598.00	Grant
Transit Improvements	LTAF	Transit	$ 340,000.00	Grant
School District Tenant Improvements (Kings Court)	CIF	CIF	$ 500,000.00	Cash-CIF
Police Equipment	PSR	Police	$ 100,000.00	RICO
Police Vehicles	PSR	Police	$ 90,000.00	RICO
Fire Dept Card Readers	Grant	Fire	$ 100,000.00	Grant
Fire Dept Emission Management	Grant	Fire	$ 150,000.00	Grant
Park Improvements	Grant	Park	$ 245,000.00	Grant
Update Airport Master Plan for Taxiway Expansion	Airport	Airport	$ 400,000.00	Grant
Removal of Dirt	Airport	Airport	$ 150,000.00	Cash-CIF
Airport Sign	Airport	Airport	$ 50,000.00	Cash-CIF
Sulger Sewer Trench Repair	Sewer	Public Works	$ 70,000.00	Cash/co
3rd St. Wash Study and Repair	Sewer	Public Works	$ 5,000.00	Cash/co

Capital By Fund	
General	$3,393,154
HURF	$2,271,247
MPO	$2,573,598
LTAF	$340,000
Capital Improvements	$500,000
Police Special Revenue	$190,000
Grant	$495,000
Airport	$600,000
Sewer	$75,000
Total	$10,437,999

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 O&M expense or cost savings to the City's Operating and & Maintenance budget.

1. International Bus

1999 bus that is due for replacement per the five year Capital Maintenance and Replacement Plan. O&M from savings on cost of repairs of old bus. New bus has potential to increase revenue in Leisure once put into operation. Increase in revenue unknown at this time.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$200,000					$200,000
O&M		($1,000)	($1,000)	($1,000)	($1,000)	($4,000)

2. Security Gate Replacement

This project will replace the broken gate and provide additional security and monitoring along with maintaining safety issues at the Public Works yard.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$125,000					$125,000

3. City Hall Remodeling

Improvement to privacy and security for our Human Resource department. Currently this department is wide open in reception area.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$150,000					$150,000

4. Card Access

This project will provide additional security and monitoring along with maintaining safety issues throughout City buildings.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$120,500					$120,500
O&M	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000

5. Staircase Construction

Replacement of stairs at the fleet building to maintain personnel safety.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$12,000					$12,000

6. Ford Vehicles Replacement

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$500,000					$500,000
O&M		($5,000)	($5,000)	($5,000)	($5,000)	($20,000)

7. Ford Utility Truck

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$45,000					$45,000

8. 2 Ford ¾ Ton Pickups

Due for replacement in Leisure/Library services per the five year Capital Maintenance and Replacement Plan.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$70,000					$70,000

9. Axcess Energy Management

Software used to manage the HVAC systems and monitor usage. There will be substantial utility savings each year but this amount is undetermined at this time till after the first year of implementation. O&M cost will begin in year four to maintain software.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$95,250					$95,250
O&M				$21,000	$21,000	$42,000

10. 2 Chevy ½ Ton Pickups

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$70,000					$70,000

11. Fire Radio Replacement

Current hand held radios are out of date and not compliant with digital mobile radios. This replacement provides for ongoing equipment needs for the Fire Department to continue to run effectively and meet the safety standards.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$73,800					$73,800
O&M	$680	$680	$680	$680	$680	$3,400

12. Datacenter Infrastructure

This system operates the entire City IT functions. It is very outdated and is past its usable life span. The additional O&M comes from annual costs for hardware, software and subscription (licensing) costs.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$245,000					$245,000
O&M		$29,000	$29,000	$29,000	$29,000	$116,000

13. Fire Equipment

This equipment will provide for ongoing 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

	FY19	FY20	FY21	FY22	FY23	Total
General	$300,000					$300,000

14. Heater Replacement

This project will replace the pool heater at the Cove.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$205,000					$205,000

15. 2 Person Lift

The equipment would increase the safety for City building maintenance personnel.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$35,000					$35,000

16. Fire Panel Upgrade

This project will improve safety at several City buildings.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$63,000					$63,000
O&M	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000

17. 4 HVAC Replacements

Replacement of HVAC units to replace old units that are not working properly. The City will save in O&M costs by utility savings. The savings is unknown at this time.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$185,000					$185,000

18. Kennel Upgrade

This project will cover much needed repairs at the Animal Center.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$15,000					$15,000

19. Upgrade Electrical Pedestals

This project will upgrade the power supply to the band shell and surrounding area and provide a safer electrical source. This project will increase revenue by allowing the City to bring in more activities to the band shell. Specific revenue increase is unknown at this time.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$140,000					$140,000

20. Domingo Paiz Lighting Project

This project will refit the lighting to LED for cost efficiency. There will be significant savings but that is yet to be determined once completed and monitored.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$663,604					$663,604

21. Ford Econoline Van

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$45,000					$45,000

22. PD Detective Explorer

New vehicle used for undercover detective work.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
General	$45,000					$45,000

23. Annual Capital Street Maintenance

Street repair and maintenance.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$764,213					$764,213

24. Chevy ½ Ton Pick-up

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$35,000					$35,000

25. Fry Town Site Improvements

Fry Town improvements to upgrade the area and make it more attractive to promote business development.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$15,000					$15,000

26. ADA Sidewalk Ramps

This project will bring compliance to ADA regulations.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$23,522					$23,522

27. Corral Road Improvements

Street repair and maintenance.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$50,000					$50,000

28. Curb/Gutter and Sidewalks

This project will add curb, gutter, and sidewalk to an area at 5th and Denman that does not currently have them.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$69,288					$69,288

29. Alley Improvements

This project will improve and repair the alleyways between 1st and 2nd street and assist in the flow of water during Monsoon season.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$75,000					$75,000

30. 7th Street Striping

This project will put new lane striping on 7th street to make it easier to verify lane markings.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$79,000					$79,000

31. Charleston Wall

The addition of a 6 foot wall between the residences' back yard and street will allow for a sound barrier and a more unified look along the street.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$250,000					$250,000

32. Design & Install Adaptive Signal Controls

The project will reduce frequency and severity of intersection crashes through traffic-control and operational improvements. Adaptive signal control is a traffic management strategy in which traffic signal timing changes based on actual traffic demand.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
HURF	$910,224					$910,224

33. Fry/North Garden Design

The existing 5-lane roadway is overbuilt for current and future needs, resulting in extra pavement maintenance costs. The project will narrow the roadway and provide additional landscaping to more closely align the character of the roadway with its current context.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total

MPO	$2,573,598					$2,573,598

34. Transit Improvement

This project will purchase two new buses and timekeeping software.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
LTAF	$340,000					$340,000

35. School District Tenant Improvements (Kings Court)

The selling of Kings Court will allow funds to be reallocated to update School District property for City use per a recent IGA agreement between the City of Sierra Vista and the Sierra Vista Unified School District.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
CIF	$500,000					$500,000

36. Police Equipment

This project 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

	FY19	FY20	FY21	FY22	FY23	Total
PSR	$100,000					$100,000

37. Police Vehicles

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

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
PSR	$90,000					$90,000

38. Fire Department Key Card Readers

This project will provide additional security and monitoring along with maintaining safety issues throughout all three fire stations. Cost to O&M is for maintenance.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total

Grant	$100,000					$100,000
O&M		$1,000	$1,000	$1,000	$1,000	$4,000

39. Fire Emission Management

This grant will provide for ongoing equipment needs at the fire station to continue to run effectively and meet the safety standards.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Grant	$150,000					$150,000

40. Park Improvements

Ongoing maintenance and improvement to the City's parks.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Grant	$245,000					$245,000

41. Update Airport Master Plan

Update of the airport master plan for taxiway expansion and improvements.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Airport	$400,000					$400,000

42. Removal of Dirt at Airport

The removal of a mound of dirt at the airport will open space for business development to move into that space to increase economical development.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Airport	$150,000					$150,000

43. Airport Sign

The purchase of a new, bigger and brighter airport sign at the entrance of the Airport.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Airport	$50,000					$50,000

44. Sulger Sewer Trench Repair

This project repaired over 60 trench failures from an old sewer project in Sulger neighborhood.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Sewer	$70,000					$70,000

45. 3rd St. Wash Study and Repair

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.

Project Costs

	FY19	FY20	FY21	FY22	FY23	Total
Sewer	$5,000					$5,000

CAPITAL AND O&M COSTS

	Capital	O&M
General	$3,393,154	$147,400
HURF	$2,271,247	$0.00
MPO	$2,573,598	$0.00
LTAF	$340,000	$0.00
Capital Improvements	$500,000	$0.00
Police Special Revenue	$190,000	$0.00
Grant	$495,000	$4,000
Airport	$600,000	$0.00
Sewer	$75,000	$0.00
Total	**$10,437,999**	**$151,400**

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.

PROJECT	6-10 YEAR TOTAL
Annual Major Street Reconstruction Project	$8,250,000
Relocation of Fire Station No. 2	$4,000,000
Build Fire Station #4	$8,000,000
Public Safety Training Facility	$2,000,000
Police Substation	$5,000,000
Tribute Water Reclamation Facility	$10,000,000
EOP Process Upgrade	$5,000,000
Runway 12/30 and Taxiway "K" Extension	$6,500,000
BST Extension (SR92 to Avenida Del Sol)	$3,250,000
Garden Canyon Linear Park	$1,100,000
Guilio Cesare (SR90 to Michelangelo) Improvements	$625,000
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
Section 36 Other Improvements	$6,000,000
Total	**$65,575,000**

Sierra Vista

Five Year Capital Maintenance and Replacement Plan

FY 2019-2023

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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 established 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 Replacement; Fleet Vehicle and Equipment Replacement; Streets Maintenance; and Water/Wastewater Infrastructure Maintenance and Replacement.

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.

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 prioritizes the maintenance and/or replacement of assets at a sufficient level to protect the City's capital investments.

Objectives

The objectives of the plan are to:

- Define capital maintenance and replacement assets and distinguish them from routine or preventative operational maintenance (O&M).
- Develop standard methodology to determine when a capital asset should be replaced and if advancements in technology provide opportunities to acquire and incorporate more efficient and effective vehicles or equipment into the City's inventory.
- Estimate the five-year capital maintenance and replacement costs associated with each major asset category for budget purposes.

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.

FY19 Recommendations

FUND	DEPARTMENT	CAPITAL ITEM	ESTIMATED COST
GEN			**$1,316,000**
	FACILITIES	2-PERSON LIFT	$35,000
	FACILITIES	CHEVY 1/2 TON PICKUP	$35,000
	FACILITIES	DODGE 1/2 TON CARGO VAN	$45,000
	FACILITIES	FIRE PANEL UPGRADE	$90,000
	FACILITIES	FIRE SUPPRESSION SYSTEM UPGRADE	$60,000
	FACILITIES	HEATER REPLACEMENT	$150,000
	FACILITIES	HVAC REPLACEMENT	$70,000
	FACILITIES	HVAC REPLACEMENT	$35,000
	FACILITIES	HVAC REPLACEMENT	$35,000
	FACILITIES	KENNEL UPGRADES	$10,000
	FACILITIES	ROOF REPLACEMENT	$70,000
	FACILITIES	SECURITY GATE OPENERS REPLACEMENT	$165,000
	FACILITIES	STAIRCASE CONSTRUCTION	$12,000
	FACILITIES	STRUCTURAL REPAIR	$90,000
	FACILITIES	TRANSFER SWITCH UPGRADE	$9,000
	LLS	FORD 3/4 TON PICKUP	$35,000
	LLS	FORD 3/4 TON PICKUP	$35,000
	LLS	INTERNATIONAL BUS	$220,000
	POLICE	CHEVY 1/2 TON PICKUP	$35,000
	POLICE	CHEVY SUBURBAN	$35,000
	POLICE	FORD ECONOLINE VAN	$45,000
HURF			**$1,169,327**
	STREETS	7TH STREET STRIPING OBLITERATION AND RE-STRIPING	$153,797
	STREETS	CHEVY 1/2 TON PICKUP	$35,000
	STREETS	CHEVY 1/2 TON PICKUP	$35,000
	STREETS	CRACK AND CHIP SEAL	$805,530
	STREETS	POT HOLE REPAIR	$100,000
	STREETS	SIGN REPLACEMENTS	$40,000
REFUSE			**$310,000**
	REFUSE	AUTOCAR HEIL FRONT LOAD REFUSE TRUCK	$310,000
TRANSIT			**$300,000**
	TRANSIT	ELDORADO TRANSIT BUS	$150,000
	TRANSIT	INTERNATIONAL TRANSIT BUS	$150,000
WW			**$530,000**
	SEWER	CHARLESTON SIPHON ASSESSMENT	$140,000
	SEWER	EOP MECHANICAL BAR SCREEN	$180,000
	SEWER	FORD DUMP TRUCK	$180,000
	SEWER	TACOMA/SEVENTH SEWER LINE ACCESS	$30,000
		FY 19 TOTAL	**$3,625,327**

Appendix A - Facilities Equipment Replacement

Facilities Equipment Replacement FY 19-23

FISCAL YEAR	PRIORITY	ASSET DESCRIPTION	LOCATION	RATING	ESTIMATED COST
2019					**$521,000**
	1	FIRE PANEL UPGRADE	AIRPORT, OYCC AND PCC WAREHOUSE	SAFETY	$90,000
	2	TRANSFER SWITCH UPGRADE	FS #3	SAFETY	$9,000
	3	FIRE SUPPRESSION SYSTEM UPGRADE	IT ROOM CITY HALL	SAFETY	$60,000
	4	2-PERSON LIFT	GENERAL	SAFETY	$35,000
	5	STAIRCASE CONSTRUCTION	FLEET BUILDING	SAFETY	$12,000
	6	HVAC REPLACEMENT	PD COMPRESSOR UNITS #1 AND 2	CLIMATE CONTROL	$70,000
	7	HVAC REPLACEMENT	PCC SHOPS (AHU & A/C)	CLIMATE CONTROL	$35,000
	8	HVAC REPLACEMENT	FLEET BUILDING A/C #1	CLIMATE CONTROL	$35,000
	9	SECURITY GATE OPENERS REPLACEMENT	AIRPORT GATES	SECURITY	$165,000
	10	KENNEL UPGRADES	ACO	OPERATION EFFICIENCY	$10,000
2020					**$397,000**
	1	SECURITY GATE REPLACEMENT	PCC MAINTENANCE YARD	SECURITY	$125,000
	2	HVAC REPLACEMENT	CITY HALL #6 AND 7	CLIMATE CONTROL	$70,000
	3	HVAC REPLACEMENT	PD BOILER #2	CLIMATE CONTROL	$45,000
	4	HVAC REPLACEMENT	ACO EVAP COOLER	CLIMATE CONTROL	$55,000
	5	PRESSURE WASHERS REPLACEMENT	ACO	OPERATION EFFICIENCY	$20,000
	6	LARGE KILN REPLACEMENT	EBC	OPERATION EFFICIENCY	$20,000
	7	DIVING BOARD REPLACEMENT	COVE	SAFETY	$17,000
	8	SHIPWRECK WATER FEATURE REPLACEMENT	COVE	SAFETY	$25,000
	9	UMBRELLA WATER FEATURE REPLACEMENT	COVE	SAFETY	$20,000
2021					**$589,000**
	1	HVAC REPLACEMENT	AIRPORT TERMINAL	CLIMATE CONTROL	$24,000
	2	HVAC REPLACEMENT	PCC IT CLOSET HEAT PUMP	CLIMATE CONTROL	$45,000
	3	POWER SUPPLY UPGRADE	CITY HALL	BUILDING IMPROVEMENT	$520,000

FISCAL YEAR	PRIORITY	ASSET DESCRIPTION	LOCATION	RATING	ESTIMATED COST
2022					**$905,000**
	1	GENERATOR REPLACEMENT	AIRPORT, FLEET, CITY HALL	SAFETY	$405,000
	2	POOL FILTER SYSTEM REPLACEMENT	COVE	OPERATION EFFICIENCY	$500,000
2023					**$174,000**
	1	HVAC REPLACEMENT	PCC ADMIN	CLIMATE CONTROL	$38,000
	2	HVAC REPLACEMENT	CITY HALL UNIT #2	CLIMATE CONTROL	$25,000
	3	HVAC REPLACEMENT	AIRPORT AGS BUILDING	CLIMATE CONTROL	$13,000
	4	VARIABLE FREQUENCY DRIVE REPLACEMENT	COVE	OPERATION EFFICIENCY	$30,000
	5	HVAC REPLACEMENT	LIBRARY COMPRESSOR B	CLIMATE CONTROL	$68,000

Appendix B - Facilities Structural Maintenance and Replacement

Facilities Structural Maintenance and Replacement FY 19-23

FISCAL YEAR	PRIORITY	ASSET DESCRIPTION	LOCATION	ESTIMATED COST
2019				**$310,000**
	1	HEATER REPLACEMENT	COVE	$150,000
	2	STRUCTURAL REPAIR	COVE	$90,000
	3	ROOF REPLACEMENT	EBC	$70,000
2020				**$320,000**
	1	ROOF REPLACEMENT	OYCC	$90,000
	2	ROOF RECOATING	PD ANNEX	$25,000
	3	CARPET REPLACEMENT	PD	$90,000
	4	CARPET REPLACEMENT	FIRE STATION #1&2	$115,000
2021				**$425,000**
	1	POOL DECK RESURFACING	COVE	$75,000
	2	INTERIOR PAINTING	EBC	$15,000
	3	INTERIOR PAINTING	OYCC	$15,000
	4	ROOF RECOATING AND REPAIR	COVE	$25,000
	5	INTERIOR AND EXTERIOR PAINTING	FS #1	$25,000
	6	ROOF RECOATING	CITY HALL	$35,000
	7	INTERIOR/EXTERIOR PAINTING	AIRPORT	$45,000
	8	INTERIOR/EXTERIOR PAINTING	COVE	$50,000
	9	PEBBLE TECH REPLACEMENT	COVE	$140,000
2022				**$350,000**
	1	ROOF RECOATING	TRANSIT CENTER	$10,000
	2	ROOF RECOATING	LIBRARY	$40,000
	3	INTERIOR PAINTING	ACO	$15,000
	4	INTERIOR PAINTING	PCC SHOPS	$35,000
	5	CARPET REPLACEMENT	PCC ADMIN, OYCC, EBC, AIRPORT	$120,000
	6	ROOF RECOATING	TR, WW, ACO, PCC	$130,000

FISCAL YEAR	PRIORITY	ASSET DESCRIPTION	LOCATION	ESTIMATED COST
2023				**$423,000**
	1	INTERIOR/EXTERIOR PAINTING	FS #3	$25,000
	2	BLUE WATER SLIDE REPLACEMENT	COVE	$180,000
	3	ROOF RECOATING	AIRPORT	$28,000
	4	ROOM DIVIDER	FS #3	$190,000

Appendix C - Fleet and Equipment Replacement

Fleet Replacement FY 19-23

	FUND	DEPARTMENT	YEAR	ASSET DESCRIPTION	AGE	MILES	ESTIMATED COST
2019							**$1,345,000**
	GEN						**$485,000**
		FACILITIES					
			2000	DODGE 1/2 TON CARGO VAN	18	151,104	$45,000
			2001	CHEVY 1/2 TON PICKUP	17	136,914	$35,000
							$80,000
		LLS					
			1999	INTERNATIONAL BUS	19	166,202	$220,000
			2001	FORD 3/4 TON PICKUP	17	144,157	$35,000
			2001	FORD 3/4 TON PICKUP	17	166,890	$35,000
							$290,000
		POLICE					
			1998	FORD ECONOLINE VAN	20	156,203	$45,000
			2000	CHEVY SUBURBAN	18	165,071	$35,000
			2003	CHEVY 1/2 TON PICKUP	15	173,277	$35,000
							$115,000
	HURF						**$70,000**
		STREETS					
			2000	CHEVY 1/2 TON PICKUP	18	110,662	$35,000
			2000	CHEVY 1/2 TON PICKUP	18	111,325	$35,000
							$70,000
	REFUSE						**$310,000**
		REFUSE					
			2004	AUTOCAR HEIL FRONT LOAD REFUSE TRUCK	14	136,339	$310,000
							$310,000

FUND	DEPARTMENT	YEAR	ASSET DESCRIPTION	AGE	MILES	ESTIMATED COST
TRANSIT						**$300,000**
	TRANSIT					
		2007	INTERNATIONAL TRANSIT BUS	11	204,619	$150,000
		2010	ELDORADO TRANSIT BUS	8	151,595	$150,000
						$300,000
WW						**$180,000**
	SEWER					
		1983	FORD DUMP TRUCK	35	163,680	$180,000
						$180,000

	FUND	DEPARTMENT	YEAR	ASSET DESCRIPTION	AGE	MILES	ESTIMATED COST
2020							**$1,014,000**
	GEN						**$424,000**
		COM DEV					
			1998	CHEVY 1/2 TON PICKUP	20	103,471	$35,000
							$35,000
		FACILITIES					
			2001	FORD ECONOLINE CARGO VAN	17	109,412	$45,000
							$45,000
		LLS					
			1996	CHEVY 1/2 TON PICKUP	22	115,299	$35,000
			1996	CHEVY 1/2 TON PICKUP	22	113,553	$35,000
			1998	FORD CROWN VIC	20	103,400	$30,000
			1999	FORD 15 PASSENGER VAN	19	109,724	$45,000
			1999	FORD 15 PASSENGER VAN	19	105,120	$45,000
			2002	CHEVY 1/2 TON PICKUP	16	113,638	$35,000
							$225,000
		POLICE					
			2006	FORD CROWN VIC	12	126,557	$54,000
							$54,000
		PW ADM					
			2000	CHEVY 1/2 TON PICKUP	18	126,726	$35,000
			2000	FORD CROWN VIC	18	108,597	$30,000
							$65,000
	HURF						**$70,000**
		STREETS					
			2001	CHEVY 1/2 TON PICKUP	17	95,627	$35,000
			2001	CHEVY 1/2 TON PICKUP	17	90,602	$35,000
							$70,000

FUND	DEPARTMENT	YEAR	ASSET DESCRIPTION	AGE	MILES	ESTIMATED COST
REFUSE						**$105,000**
	REFUSE					
		2001	FORD E350 BOXVAN	17	103,264	$70,000
		2002	CHEVY 1/2 TON PICKUP	16	106,112	$35,000
						$105,000
TRANSIT						**$300,000**
	TRANSIT					
		2010	ELDORADO TRANSIT BUS	8	140,319	$150,000
		2010	ELDORADO TRANSIT BUS	8	139,328	$150,000
						$300,000
WW						**$115,000**
	SEWER					
		2003	FORD 1.5 TON CAN CARRIER	15	148,437	$80,000
		2005	FORD 1/2 TON PICKUPW/LIFTGATE	13	163,530	$35,000
						$115,000

	FUND	DEPARTMENT	YEAR	ASSET DESCRIPTION	AGE	MILES	ESTIMATED COST
2021							**$1,800,000**
	GEN						**$1,000,000**
		FIRE					
			2004	PIERCE 75' AERIAL FIRE TRUCK	14	105,072	$1,000,000
							$1,000,000
	HURF						**$70,000**
		STREETS					
			2001	CHEVY 1/2 TON PICKUP	17	99,810	$35,000
			2001	FORD 3/4 TON PICKUP	17	90,683	$35,000
							$70,000
	REFUSE						**$310,000**
		REFUSE					
			2010	AUTOCAR HEIL SIDE LOAD REFUSE TRUCK	8	71,429	$310,000
							$310,000
	TRANSIT						**$300,000**
		TRANSIT					
			2010	CHEVY ARBOC TRANSIT BUS	8	146,713	$150,000
			2010	CHEVY ARBOC TRANSIT BUS	8	148,199	$150,000
							$300,000
	WW						**$120,000**
		SEWER					
			2002	FORD 1.5 TON PICKUP	16	62,489	$40,000
			2003	FORD 1/2 TON PICKUP W/UTILITY BODY	15	107,100	$45,000
			2003	FORD 1/2 TON PICKUP	15	106,823	$35,000
							$120,000

	FUND	DEPARTMENT	YEAR	ASSET DESCRIPTION	AGE	MILES	ESTIMATED COST
2022							**$1,405,000**
	GEN						**$500,000**
		FIRE					
			2005	PIERCE FIRE TRUCK PUMPER	13	108,501	$500,000
							$500,000
	HURF						**$190,000**
		STREETS					
			2001	FORD F450 BUCKET TRUCK	17	92,918	$190,000
							$190,000
	REFUSE						**$310,000**
		REFUSE					
			2010	AUTOCAR HEIL SIDE LOAD REFUSE TRUCK	8	64,042	$310,000
							$310,000
	TRANSIT						**$300,000**
		TRANSIT					
			2013	CHEVY ARBOC TRANSIT BUS	5	105,380	$150,000
			2013	CHEVY ARBOC TRANSIT BUS	5	116,756	$150,000
							$300,000
	WW						**$105,000**
		SEWER					
			2003	FORD 3/4 TON PICKUP	15	98,721	$35,000
			2005	FORD 1 TON PICKUP W/LIFTGATE	13	84,030	$35,000
			2006	FORD 1/2 TON PICKUP	12	69,011	$35,000
							$105,000

	FUND	DEPARTMENT	YEAR	ASSET DESCRIPTION	AGE	MILES	ESTIMATED COST
2023							**$1,512,000**
	GEN						**$637,000**
		CITY HALL					
			1998	FORD UTILITY VAN	20	88,466	$45,000
							$45,000
		FACILITIES					
			2000	CHEVY 1/2 TON PICKUP	18	90,957	$35,000
			2002	FORD 1 TON UTILITY BODY	16	97,398	$45,000
			2003	FORD 3/4 TON UTILITY BODY	15	108,419	$45,000
							$125,000
		LLS					
			1994	CHEVY 1 TON DUMP TRUCK	24	71,232	$60,000
			1998	FORD CROWN VIC	20	90,074	$30,000
			1999	FORD 15 PASSENGER VAN	19	80,539	$45,000
			2001	FORD CROWN VIC	17	92,211	$30,000
							$165,000
		POLICE					
			2006	FORD CROWN VIC	12	107,773	$54,000
			2006	FORD EXPLORER	12	114,897	$32,000
			2006	FORD CROWN VIC	12	117,204	$54,000
			2007	FORD CROWN VIC	11	100,883	$54,000
			2007	FORD CROWN VIC	11	105,668	$54,000
			2007	FORD CROWN VIC	11	119,235	$54,000
							$302,000
	HURF						**$220,000**
		STREETS					
			2005	GMC TENANT STREET SWEEPER	13	58,766	$220,000
							$220,000

FUND	DEPARTMENT	YEAR	ASSET DESCRIPTION	AGE	MILES	ESTIMATED COST
REFUSE						**$225,000**
	REFUSE					
		2002	CHEVY 1/2 TON PICKUP	16	69,676	$35,000
		2011	MACK TRUCK ROLL OFF	7	79,911	$190,000
						$225,000
TRANSIT						**$300,000**
	TRANSIT					
		2014	CHEVY ARBOC TRANSIT BUS	4	98,989	$150,000
		2014	CHEVY ARBOC TRANSIT BUS	4	71,930	$150,000
						$300,000
WW						**$130,000**
	SEWER					
		1982	JOHN DEERE 450C DOZER TRACTOR	36	0	$130,000
						$130,000

Appendix D - Streets Projects

Streets Projects FY 19-23

FISCAL YEAR	CAPITAL ITEM	ESTIMATED COST
2019		**$293,797**
	7TH STREET STRIPING OBLITERATION AND RE-STRIPING	$153,797
	POT HOLE REPAIR	$100,000
	SIGN REPLACEMENTS	$40,000
2020		**$140,000**
	POT HOLE REPAIR	$100,000
	SIGN REPLACEMENTS	$40,000

Appendix E - Street Construction/Maintenance

Crack and Chip Seal FY 19-23

	STREET	TO STREET	FROM STREET	ESTIMATED COST
2019				$805,530
	BOROS LANE	TREVINO DR	SNEAD DR	$4,742
	CASPER DR	PLAYER AVENUE	JACKLIN AVENUE	$30,572
	CASPER DR	ST ANDREWS DR	JACKLIN AVENUE	$20,263
	CATALINA DR	TACOMA ST	OCOTILLO DR	$38,666
	CHARLES DR	PALO VERDE DR	SEVENTH ST	$13,139
	CHOLLA CIRCLE	JOSHUA TREE DR	JOSHUA TREE DR	$18,994
	CLARK DR	SEVENTH ST	SCHOOL DR	$9,030
	DESERT OAK PL	END SOUTH CUL DE SAC	OCOTILLO DR	$7,369
	EARL DR	SEVENTH ST	MARTIN DR	$11,041
	ELDER CT	END WEST CUL DE SAC	NICHOLS DR	$2,882
	HAGEN AVENUE	CASPER DR	SNEAD DR	$10,373
	HEGGE DR	SEVENTH ST	SCHOOL DR	$21,559
	HIGHLAND DR	MEADOWS DR	LEA ST	$16,564
	HILL AVENUE	MILLER ST	CASPER DR	$5,656
	HOWARD DR	SEVENTH ST	MARTIN DR	$12,686
	JACKLIN AVENUE	ROSBURG ST	TREVINO DR	$9,556
	JOSHUA TREE DR	END SOUTH CUL DE SAC	OCOTILLO DR	$24,440
	LITTLER CT	END WEST CUL DE SAC	PLAYER AVENUE	$1,919
	LOPEZ LINK	END WEST C.D.S	SAINT ANDREWS DR	$6,397
	MESQUITE DR	JOSHUA TREE DR	CHOLLA CIRCLE	$6,472
	MESQUITE DR	PALO VERDE DR	CATALINA DR	$22,100
	MILLER ST	PLAYER AVENUE	HILL AVE	$12,720
	MIMOSA CIR	PALO VERDE DR	PALO VERDE DR	$18,086
	N CATALINA DR	OCOTILLO DR	OCOTILLO DR	$24,426

STREET	TO STREET	FROM STREET	ESTIMATED COST
NICHOLS DR	MILLER ST	CASPER DR	$12,742
OCOTILLO DR	END PAVEMENT	SEVENTH ST	$46,587
PALMER DR	CASPER DR	SAINT ANDREWS DR	$34,072
PALO VERDE DR	OCOTILLO DR	TACOMA ST	$42,300
PALO VERDE PL	END WEST CUL DE SAC	PALO VERDE DR	$2,231
PHILLIP DR	SEVENTH ST	SCHOOL DR	$10,720
PLAYER AVENUE	MILLER ST	SAINT ANDREWS DR	$44,136
PRAIRIE ST	MEADOWS DR	GOLF LINKS	$25,443
RAYMOND DR	SEVENTH ST	SCHOOL DR	$13,899
ROSBURG ST	JACKLIN AVENUE	SAINT ANDREWS DR	$14,910
SAHUARO DR	CHOLLA CIR	PALO VERDE	$4,532
SAHUARO DR	PALO VERDE DR	CATALINA DR	$18,106
SNEAD DR	PLAYER DR	SAINT ANDREWS DR	$37,935
ST ANDREWS DR	E BUFFALO SOLDIER TRAIL	HIGHWAY 92	$120,362
TREVINO DR	HAGEN AVENUE	JACKLIN AVENUE	$18,555
TREVINO DR	JACKLIN AVENUE	PALMER DR	$9,348

	STREET	TO STREET	FROM STREET	ESTIMATED COST
2020				**$978,457**
	BRAE BURN ST	OAKMONT DR	INVERRARY DR	$15,785
	BREWER DR	PLAYER AVENUE	SAINT ANDREWS DR	$31,324
	CALLE JASMIN	CAMINO LAS PALMEROS	CAMINO EL JARDIN	$36,053
	CALLE ROCA	END EAST CUL DE SAC	CALLE JASMIN	$3,272
	CAMINO ANGELICO	CAMINO ARROYO	CAMINO DEL VARA	$5,057
	CAMINO ARROYO	END NORTH CUL DE SAC	CAMINO BELLA ROSA	$27,227
	CAMINO BELLA ROSA	CAMINO ARROYO	CANYON DE FLORES	$36,882
	CAMINO DEL VARA	END EAST CUL DE SAC	CAMINO BELLA ROSA	$15,640
	CAMINO DEL VINA	PLAZA DE LA YERBA	CANYON DE FLORES	$3,140
	CAMINO EL JARDIN	CAMINO DEL VARA	CANYON DE FLORES	$2,729
	CAMINO EL JARDIN	END SOUTH CUL DE SAC	CANYON DE FLORES	$9,968
	CAMNO LAS PALMERA	END EAST CUL DE SAC	CALLE JASMIN	$3,571
	CAMNO LAS PALMERA	ST ANDREWS DR	CALLE JASMIN	$35,264
	CANYON DE FLORES	LOMA VENTOSA	STATE HIGHWAY 92FG	$45,821
	CANYON DE FLORES	SAINT ANDREWS DR	LOMA VENTOSA	$27,256
	CHERRY HILLS DR	GREENBRIAR RD	NEWPORT AVE	$12,478
	CHERRY HILLS DR	OAKMONT DR	GREENBRIER RD	$18,088
	CHERRY HILLS DR	PEBBLE BEACH DR	OAKMONT DR	$9,620
	DEL MAR DR	CHERRY HILLS DR	MISSION DR	$21,257
	FISCUS LOOP	GREENBRIAR RD	GREENBRIER RD	$15,534
	GREENBRIER RD	CHERRY HILLS DR	OAKMONT DR	$28,413
	GREENBRIER RD	HIGHWAY 92	OAKMONT DR	$69,882
	HERBA DE MARIA	END CUL DE SAC	CALLE JASMIN	$4,552
	HERBA DE MARIA	VIA PALMA DE CRISTO	CALLE JASMIN	$31,059
	INVERRARY DR	PEBBLE BEACH DR	OAK HILL STREET	$17,752
	LOMA VENTOSA	PASEO SANTA CLARA	CANYON DE FLORES	$19,332

STREET	TO STREET	FROM STREET	ESTIMATED COST
LOPEZ LINK	END WEST CUL DE SAC	SAINT ANDREWS DR	$6,397
MISSION DR	GREENBRIAR RD	NEWPORT AVE	$14,398
NEWPORT AVE	CHERRY HILLS DR	OAKMONT DR	$22,331
OAK HILL STREET	CHERRY HILLS DR	INVERRARY DR	$4,792
OAK HILL STREET	INVERRARY	GREENBRIER RD	$33,884
OAKMONT DR	END WEST CUL DE SAC	INVERRARY DR	$11,808
OAKMONT DR	INVERRARY	GREENBRIER RD	$39,866
OAKMONT DR	RED LEAF LANE	AVENIDA COCHISE	$5,819
PASEO DE CARDO	HERBA DE MARIA	PLAZA CANDIDA	$11,834
PASEO SANTA CLARA	END WEST CUL DE SAC	END EAST C.D.S	$20,467
PEBBLE BEACH DR	OAK HILL STREET	CHERRY HILLS DR	$32,325
PLAYER AVENUE	ST ANDREWS DR	GREENBRIER RD	$37,293
PLAZA CANDIDA	PLAZA MARGARITA	LOMA VENTOSA	$18,859
PLAZA DE LA YERBA	END EAST CUL DE SAC	VIA LAS PAMPAS	$19,740
PLAZA DE LANZA	PLAZA MARGARITA	LOMA VENTOSA	$14,928
PLAZA DE VIOLA	SAINT ANDREWS	PASEO DE CARDO	$14,122
PLAZA ESPUELA	END SOUTH CUL DE SAC	PLAZA CANDIDA	$2,366
PLAZA MARGARITA	PLAZA DE LANZA	PLAZA DE VIOLA	$9,918
SOLARRO DR	CHERRY HILLS DR	MISSION DR	$19,425
VIA CAMELLIA	END SOUTH CUL DE SAC	CAMINO BELLA ROSA	$1,964
VIA CARISMA	END SOUTH CUL DE SAC	CAMINO BELLA ROSA	$2,697
VIA DE LA REINA	END EAST CUL DE SAC	CALLE JASMIN	$3,342
VIA DE LA REINA	LOMA VENTOSA	CALLE JASMIN	$12,977
VIA DEL TRINIDAD	END EAST CUL DE SAC	CALLE JASMIN	$3,426
VIA DEL TRINIDAD	END WEST CUL DE SAC	CALLE JASMIN	$5,436
VIA EL SORENO	VIA LAS PAMPAS	PLAZA DE LA YERBA	$12,023
VIA LA CRESTA	END SOUTH CUL DE SAC	CAMINO BELLA ROSA	$2,293

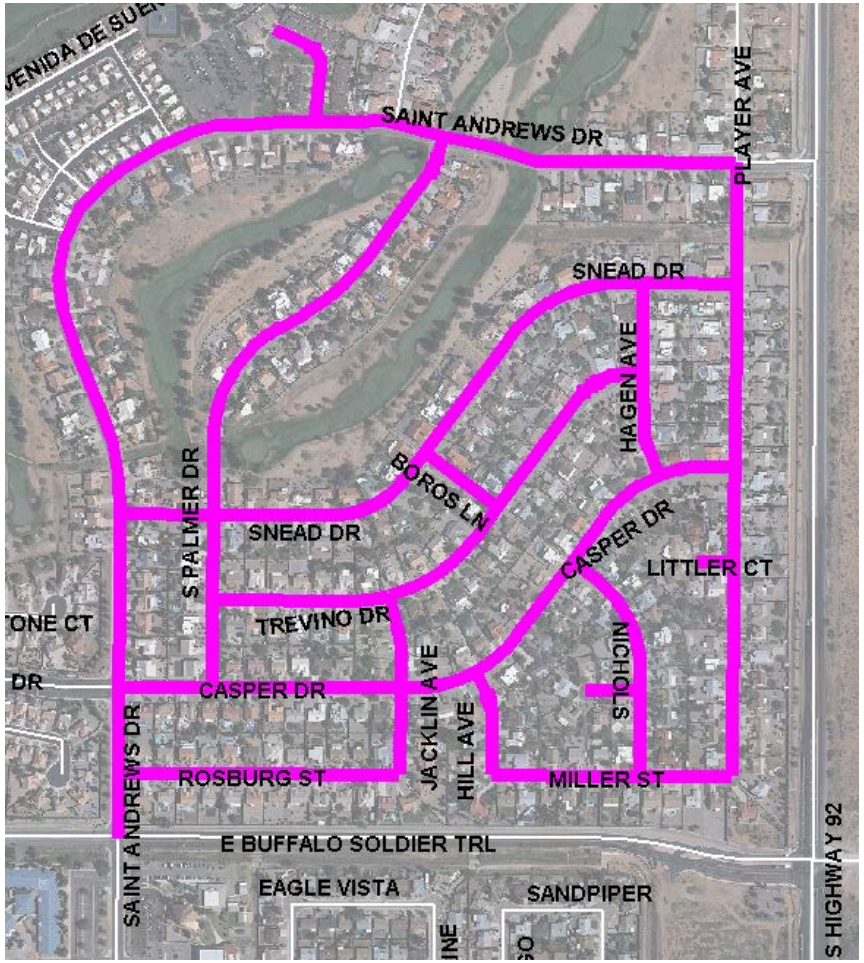
STREET	TO STREET	FROM STREET	ESTIMATED COST
VIA LANTANA	CAMINO LAS PALMERAS	E KACHINA TRL	$4,727
VIA LAS PAMPAS	VIA DE LA REINA	PLAZA DE LA YERBA	$9,554
VIA PALMA DE CRISTO	HERBA DE MARIA	CAMINO LAS PALMERAS	$6,949
VIA TRANQUILO	LOMA VENTOSA	VIA LAS PAMPAS	$4,684
WHEELAN LOOP	GREENBRIAR RD	GREENBRIER RD	$20,857

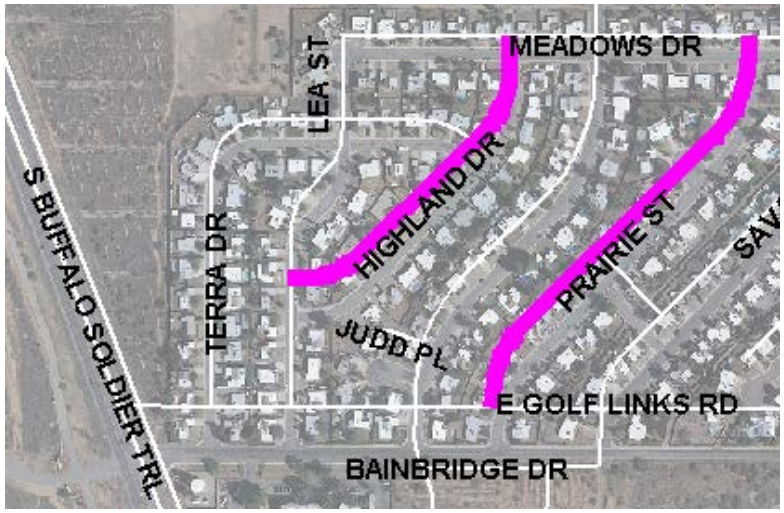
Public Works Department is in the process of hiring a consultant to determine new (updated) PCI ratings for all streets within the City Limits. At the conclusion of the pavement condition survey, the Public Works Department will have a revised 5 year plan.

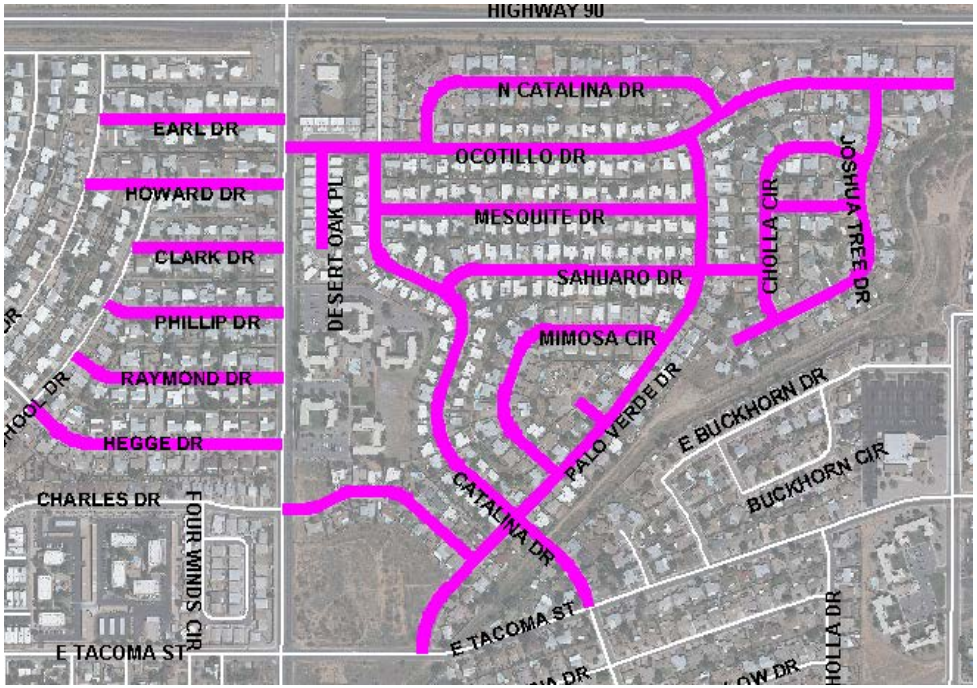
Appendix F - Street Construction/Maintenance Maps

The pink lines represent the tentative year of completion, 2019

2019

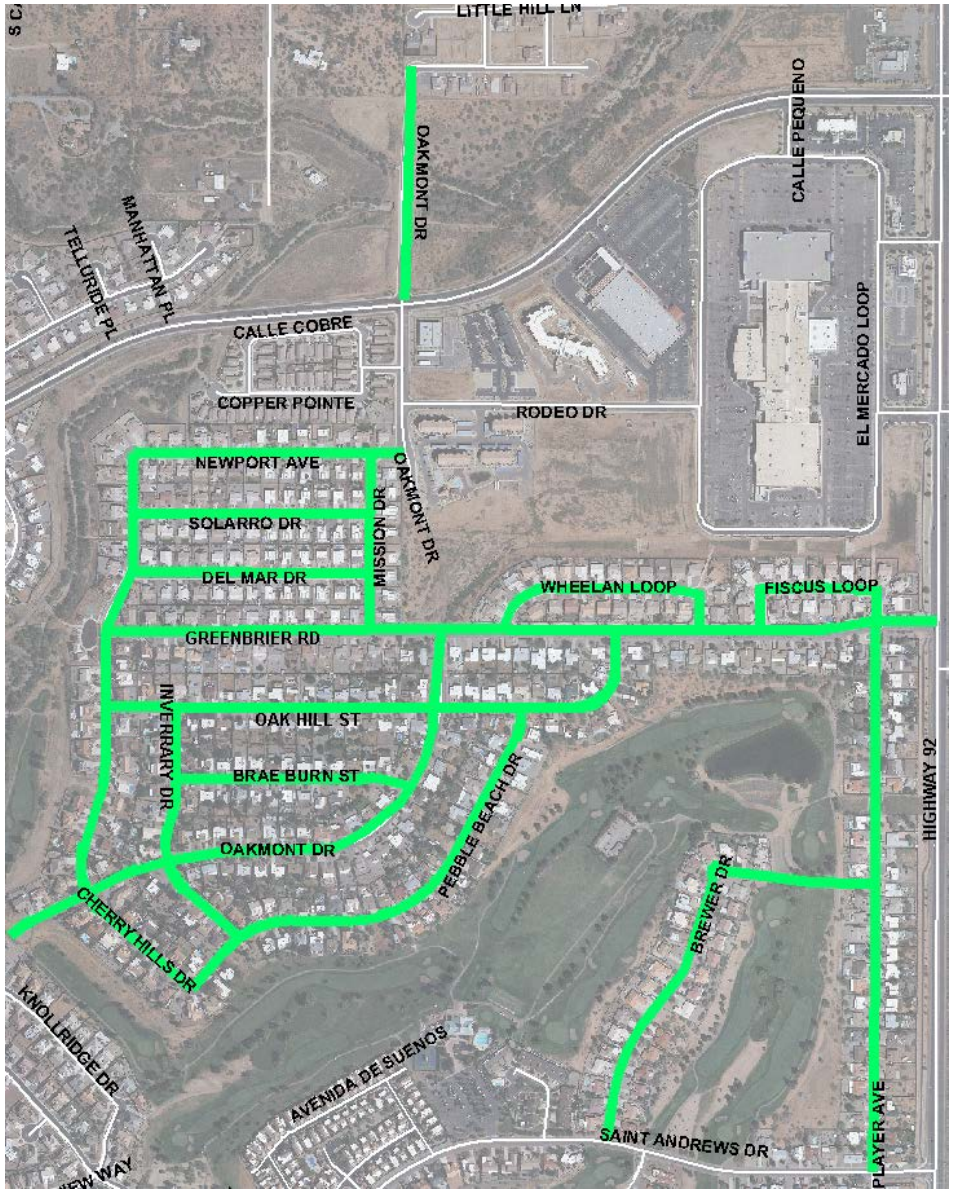


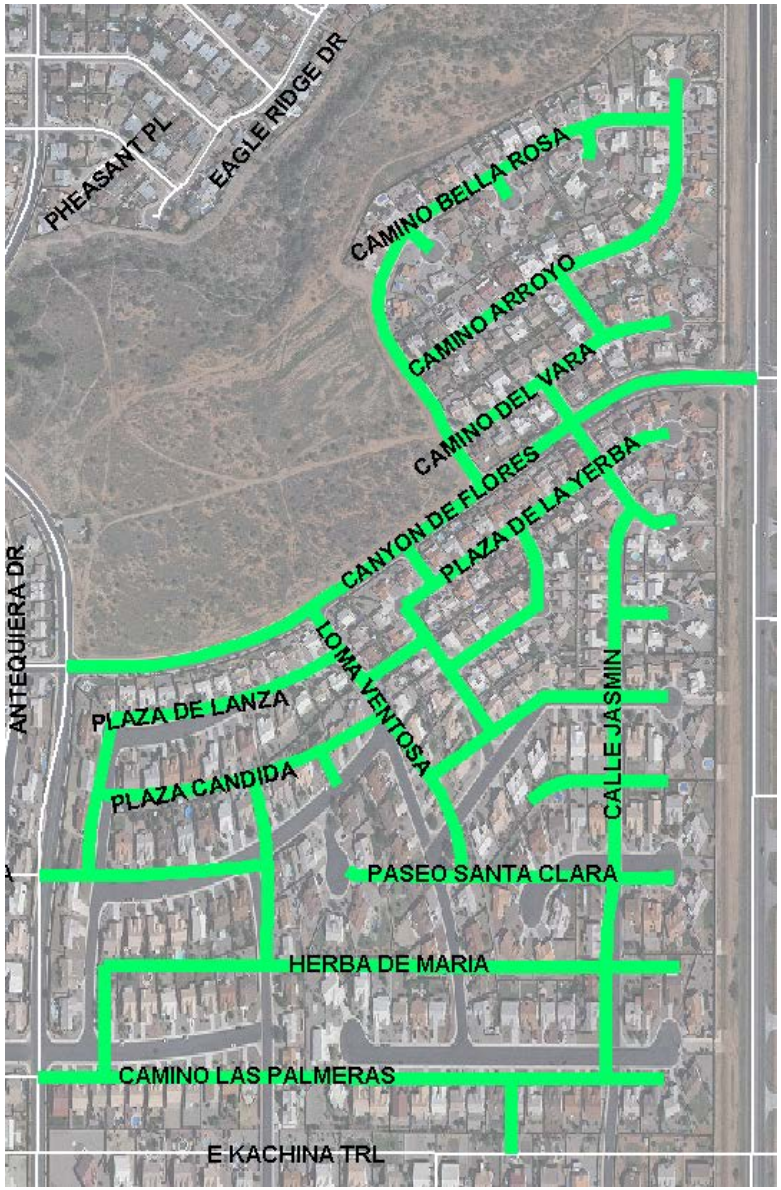




The green lines represent the tentative year of completion, 2020

2020





Appendix G - Wastewater Maintenance and Replacement

Wastewater Maintenance and Replacement FY 19-23

FISCAL YEAR	CAPITAL ITEM	ESTIMATED COST
2019		**$350,000**
	CHARLESTON SIPHON ASSESSMENT	$140,000
	EOP MECHANICAL BAR SCREEN	$180,000
	TACOMA/SEVENTH SEWER LINE ACCESS	$30,000
2020		**$215,000**
	EOP RECHARGE BASIN ACTUATORS	$90,000
	PDS CONNECTOR GRADE RECOMPACTION	$125,000
2021		**$230,000**
	AIRPORT WELL #2 REFURBISH	$80,000
	RELOCATE SEWER LINE FRY/CARL HAYDEN DRIVE	$150,000
2022		**$340,000**
	EOP PARTIAL MIX BASIN A2 RE-LINE	$220,000
	EPOXY COAT MANHOLES – VARIOUS LOCATIONS	$120,000

RESOLUTION 2018-049

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA; ADOPTING THE TENTATIVE BUDGET FOR THE CITY OF SIERRA VISTA FOR FISCAL YEAR 2018/2019; GIVING NOTICE TO TAXPAYERS ON THE ESTIMATED EXPENDITURES AND REVENUES PRIOR TO ADOPTING THE FINAL BUDGET AND FIXING THE TAX LEVIES FOR THE FISCAL YEAR 2018/2019; 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 reviews of the estimated amounts required to meet public expenses for the ensuing FY 2018/2019; and

WHEREAS, the Mayor and Council have likewise completed review of the projected amounts of revenues anticipated from all sources and found projected revenues in balance with estimated expenses as set forth in the statements and schedules hereinafter attached; and

WHEREAS, the said A.R.S. Section 42-17104 requires a public hearing on the budget and tax levies prior to the final adoption for FY 2018/2019.

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 projected revenues, hereinafter set forth in the attached statements and schedules be, and hereby are, adopted as the tentative budget for the City of Sierra Vista, Arizona, for the FY 2018/2019.

SECTION 2

That the estimated expenditures, as hereinafter set forth, together with a notice that the City Council shall meet for the purpose of the public hearing from taxpayers to adopt the final budget for the City of Sierra Vista for the Fiscal Year 2018/2019 on or before the 1st Monday of August 2018, at Sierra Vista City Hall, 1011 N. Coronado Drive, Sierra Vista, Arizona, and will further meet for purpose of setting the property tax levy on or before the 3rd Monday of August, 2018, at Sierra Vista City Hall, 1011 N. Coronado Drive, Sierra Vista, Arizona, be, and hereby are, authorized and directed to be published in the manner prescribed by law.

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 less than $10,000 shall be made upon approval by the City Manager, and $10,000 or more shall be made upon approval by the Mayor and City Council be, and hereby is, 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 28th DAY OF JUNE, 2018.

FREDERICK W. MUELLER, II
Mayor

ATTEST:

JILL ADAMS
City Clerk

APPROVED AS TO FORM:

Nathan Williams
City Attorney

PREPARED BY:
David J Felix, CPA
Chief Financial Officer

CITY/TOWN OF SIERRA VISTA

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Fiscal Year 2019

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Schedule D—Other Financing Sources/<Uses> and Interfund Transfers

Schedule E—Expenditures/Expenses by Fund

Schedule F—Expenditures/Expenses by Department (as applicable)

Schedule G—Full-Time Employees and Personnel Compensation

CITY/TOWN OF SIERRA VISTA
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2019

Fiscal Year		Sch	FUNDS							
			General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2018	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	36,698,521	12,402,824	13,373,102	60,000	0	15,731,843	4,457,500	82,723,790
2018	Actual Expenditures/Expenses**	E	33,296,518	7,165,856	3,533,322	131,240	0	7,870,648	1,714,506	53,712,089
2019	Fund Balance/Net Position at July 1***			1,792,602		999,467		1,604,091	10,000	4,406,160
2019	Primary Property Tax Levy	B	359,833							359,833
2019	Secondary Property Tax Levy	B								0
2019	Estimated Revenues Other than Property Taxes	C	34,637,988	12,527,140	0	4,553,541	0	8,312,568	4,422,500	64,453,737
2019	Other Financing Sources	D	873,116	0	0	0	0	0	0	873,116
2019	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2019	Interfund Transfers In	D	2,342,550	542,564	3,299,954	0	0	0	25,000	6,210,068
2019	Interfund Transfers (Out)	D	440,934	0	0	5,053,008	0	716,126	0	6,210,068
2019	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
										0
2019	Total Financial Resources Available		37,772,553	14,862,306	3,299,954	500,000	0	9,200,533	4,457,500	70,092,846
2019	Budgeted Expenditures/Expenses	E	37,772,553	14,862,306	3,299,954	500,000	0	9,200,533	4,457,500	70,092,846

EXPENDITURE LIMITATION COMPARISON	2018	2019
1. Budgeted expenditures/expenses	$ 82,723,790	$ 70,092,846
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	82,723,790	70,092,846
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	$ 82,723,790	$ 70,092,846
6. EEC expenditure limitation	$	$

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

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

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

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

CITY/TOWN OF SIERRA VISTA
Tax Levy and Tax Rate Information
Fiscal Year 2019

	2018	2019
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	$ 555,224	$ 570,280
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	$ 359,240	$ 359,833
B. Secondary property taxes		
C. Total property tax levy amounts	$ 359,240	$ 359,833
4. Property taxes collected*		
A. Primary property taxes		
(1) **Current** year's levy	$ 327,167	
(2) Prior years' levies	7,363	
(3) Total primary property taxes	$ 334,530	
B. Secondary property taxes		
(1) **Current** year's levy	$	
(2) Prior years' levies		
(3) Total secondary property taxes	$	
C. Total property taxes collected	$ 334,530	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.1136	0.1136
(2) Secondary property tax rate		
(3) Total city/town tax rate	0.1136	0.1136

B. Special assessment district tax rates

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating zero 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/TOWN OF SIERRA VISTA
Revenues Other Than Property Taxes
Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
GENERAL FUND			
Local taxes			
Transaction Privilege Tax	$ 14,199,970	$ 13,363,965	$ 15,063,327
Licenses and permits			
Franchise Fees	1,325,000	1,381,887	1,325,000
Business Licenses	145,500	143,550	145,000
Animal Control Permits	35,000	34,821	35,000
Right of Way Permits	15,000	23,065	20,000
Building Permits	200,000	397,184	250,000
Intergovernmental			
Grants	229,000	75,765	342,488
Local Government Payments	2,461,000	488,086	992,408
State Shared Sales Tax	4,050,442	3,582,871	4,258,911
State Shared Vehicle License Tax	2,100,000	2,035,760	2,150,000
Urban Revenue Sharing	5,351,144	5,351,721	5,215,882
Charges for services			
General Government	100,000	116,048	86,000
Public Safety	2,043,000	1,826,897	1,845,000
Public Works	1,252,880	1,130,525	1,252,880
Leisure & Library	1,196,635	1,022,964	1,230,158
Community Development	23,000	44,059	30,000
Fines and forfeits			
Library	15,000	20,556	18,000
Interest on investments			
Investment Income	10,000	36,207	20,000
In-lieu property taxes			
Contributions			
Voluntary contributions	1,000	1,557	1,000
Miscellaneous			
Misc. Revenue	270,500	204,428	286,934
Sale of Fixed Assets	70,000	80,506	70,000
Total General Fund	$ 35,094,071	$ 31,362,422	$ 34,637,988

* 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/TOWN OF SIERRA VISTA
Revenues Other Than Property Taxes
Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
SPECIAL REVENUE FUNDS			
Highway User Revenue			
State Shared Revenue	$ 3,150,000	$ 3,362,350	$ 3,475,000
Grants	302,720	134,921	1,093,034
Local Government Payments	15,000	4,205	15,000
Investment Income		2,527	
Misc.	10,000	74,404	10,000
	$ 3,477,720	3,578,407	4,593,034
Local Transportation Assistance			
Grants	$ 1,100,241	$ 699,095	$ 962,664
Fares	116,000	99,927	114,000
Lease Revenues	19,200	19,010	19,200
Misc	1,000	918	1,000
	$ 1,236,441	818,950	1,096,864
Police Special Revenue			
Police Special Revenue	$ 125,000	$ 127,912	$ 125,000
	$ 125,000	$ 127,912	$ 125,000
Grants			
Grants	$ 3,201,329	$ 301,907	$ 1,962,574
	$ 3,201,329	$ 301,907	$ 1,962,574
Tourism			
Tourism	$	$	$ 81,500
	$	$	$ 81,500
Airport			
Grants	$	$ 4,780	$ 382,120
Fuel Sales	684,436	933,063	700,000
Lease Revenue	211,000	190,865	211,000
Misc	5,000	2,329	5,000
	$ 900,436	1,131,037	1,298,120
Judicial Enhancement			
Fines	$ 100	$ 24	$ 100
	$ 100	$ 24	$ 100
Donations			
Contributions	$ 381,424	$ 119,348	$ 381,424
	$ 381,424	$ 119,348	$ 381,424
Park Development			
Development Impact Fees	$	$ 624	$
	$	$ 624	$
Library Development			
Development Impact Fees	$	$	$
	$	$	$
Police Development			
Development Impact Fees	$	$ 1,077	$
	$	$ 1,077	$
Infrastructure Development			
Development Impact Fees	$	$ 5,943	$
	$	$ 5,943	$
Fire Development			
Development Impact Fees	$	$ 789	$
	$	$ 789	$
Metropolitan Planning Organization			
Grants	$ 363,476	$ 89,930	$ 2,948,500
Local Government Payments	$ 58,487	$ 6,904	$ 40,024
	$ 421,963	96,834	2,988,524
Total Special Revenue Funds	$ 9,744,413	$ 6,182,853	$ 12,527,140

CITY/TOWN OF SIERRA VISTA
Revenues Other Than Property Taxes
Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019

* 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/TOWN OF SIERRA VISTA
Revenues Other Than Property Taxes
Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
DEBT SERVICE FUNDS			
N/A	$	$	$
	$	$	$
Total Debt Service Funds	$	$	$
CAPITAL PROJECTS FUNDS			
Transaction Priviledge Tax	$ 3,821,212	$ 3,305,230	$ 4,053,541
Misc.			500,000
	$ 3,821,212	$ 3,305,230	$ 4,553,541
Total Capital Projects Funds	$ 3,821,212	$ 3,305,230	$ 4,553,541

* 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/TOWN OF SIERRA VISTA
Revenues Other Than Property Taxes
Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
PERMANENT FUNDS			
None	$	$	$
	$	$	$
Total Permanent Funds	$	$	$
ENTERPRISE FUNDS			
Sewer			
Charges for Service	$ 3,742,676	$ 3,726,322	$ 3,721,854
Grants	35,000	34,400	
Capital Contributions	500,000		500,000
Misc	100,000	101,166	100,000
	$ 4,377,676	3,861,888	4,321,854
Refuse			
Charges for Service	$ 3,912,000	$ 3,625,316	$ 3,985,714
Interest			
Misc	5,000		5,000
	$ 3,917,000	$ 3,625,316	$ 3,990,714
Total Enterprise Funds	$ 8,294,676	$ 7,487,204	$ 8,312,568

* 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/TOWN OF SIERRA VISTA
Revenues Other Than Property Taxes
Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
INTERNAL SERVICE FUNDS			
Health & Accident			
Premiums	$ 4,319,000	$ 313,331	$ 4,319,000
Interest	3,500	40,689	3,500
	$ 4,322,500	354,020	4,322,500
Self Insured Retention			
Misc	$ 100,000	$ 22,006	$ 100,000
	$ 100,000	$ 22,006	$ 100,000
Total Internal Service Funds	$ 4,422,500	$ 376,026	$ 4,422,500
TOTAL ALL FUNDS	$ 61,376,872	$ 48,713,735	$ 64,453,737

* 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/TOWN OF SIERRA VISTA
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2019

FUND	OTHER FINANCING 2019 SOURCES	OTHER FINANCING 2019 <USES>	INTERFUND TRANSFERS 2019 IN	INTERFUND TRANSFERS 2019 <OUT>
GENERAL FUND				
Notes Payable	$ 873,116	$	$	$
Interfund Transfers			2,342,550	440,934
Total General Fund	$ 873,116	$	$ 2,342,550	$ 440,934
SPECIAL REVENUE FUNDS				
HURF	$	$	$	$
LTAF			400,000	
Grants			3,934	
Airport				
Park Development			126,630	
Library Development				
Police Development				
Infrastructure Development				
Fire Development				
Police Special Revenue				
Metropolitan Planning Organization			12,000	
Total Special Revenue Funds	$	$	$ 542,564	$
DEBT SERVICE FUNDS				
SVMPC I&R	$	$	$ 3,299,954	$
Total Debt Service Funds	$	$	$ 3,299,954	$
CAPITAL PROJECTS FUNDS				
Capital Improvements	$	$	$	$ 5,053,008
Total Capital Projects Funds	$	$	$	$ 5,053,008
PERMANENT FUNDS				
N/A	$	$	$	$
Total Permanent Funds	$	$	$	$
ENTERPRISE FUNDS				
Sewer	$	$	$	$ 716,126
Refuse				
Total Enterprise Funds	$	$	$	$ 716,126
INTERNAL SERVICE FUNDS				
Unemployment	$	$	$ 25,000	$
Total Internal Service Funds	$	$	$ 25,000	$
TOTAL ALL FUNDS	$ 873,116	$	$ 6,210,068	$ 6,210,068

CITY/TOWN OF SIERRA VISTA
Expenditures/Expenses by Fund
Fiscal Year 2019

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
GENERAL FUND				
City Council	$ 108,494	$	$ 82,720	$ 99,494
Administrative Services	2,617,031		2,838,589	3,138,603
City Manager	2,331,577		2,273,501	2,310,208
Legal	274,446		248,532	273,071
General Government	996,363		824,375	908,752
Police	11,156,771		9,999,656	11,429,303
Fire	8,683,678		7,081,871	6,939,673
Public Works	6,151,207		5,885,581	6,241,279
Leisure & Library Services	3,317,347		3,079,352	5,113,977
Community Development	904,954		786,772	1,018,991
Debt	156,653		195,569	299,202
Total General Fund	$ 36,698,521	$	$ 33,296,518	$ 37,772,553
SPECIAL REVENUE FUNDS				
HURF	$ 4,465,720		$ 3,807,966	$ 5,293,034
LTAF	1,783,939		1,334,505	1,583,297
Police Special Revenue	324,500		126,771	324,500
Grants	3,219,388		423,128	1,991,774
Tourism				81,500
Judicial Enhancement	300			300
Airport	900,436		748,450	1,500,799
Donations	959,948		202,352	959,948
Park Development	126,630		94,972	126,630
Library Development				
Police Development				
Infrastructure Development	200,000		181,293	
Fire Development				
Metropolitan Planning Org	421,963		246,420	3,000,524
Total Special Revenue Funds	$ 12,402,824		$ 7,165,856	$ 14,862,306
DEBT SERVICE FUNDS				
SVMPC I&R	$ 13,373,102	$	$ 3,533,322	$ 3,299,954
Total Debt Service Funds	$ 13,373,102	$	$ 3,533,322	$ 3,299,954
CAPITAL PROJECTS FUNDS				
Capital Improvements	$ 60,000	$	$ 131,240	$ 500,000
Total Capital Projects Funds	$ 60,000	$	$ 131,240	$ 500,000
PERMANENT FUNDS				
	$	$	$	$
Total Permanent Funds	$	$	$	$
ENTERPRISE FUNDS				
Sewer	$ 10,787,244	$	$ 3,350,532	$ 4,212,319
Refuse	4,944,599		4,520,116	4,988,214
Total Enterprise Funds	$ 15,731,843	$	$ 7,870,648	$ 9,200,533
INTERNAL SERVICE FUNDS				
Health & Accident	$ 4,322,500	$	$ 1,665,330	$ 4,322,500
Unemployment	35,000		4,647	35,000
Self Insured Retention	100,000		44,529	100,000
Total Internal Service Funds	$ 4,457,500	$	$ 1,714,506	$ 4,457,500
TOTAL ALL FUNDS	$ 82,723,790	$	$ 53,712,089	$ 70,092,846

* 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/TOWN OF SIERRA VISTA
Expenditures/Expenses by Department
Fiscal Year 2019

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
City Council				
General Fund	$ 108,494	$	$ 109,842	$ 99,494
Sewer	13,561			13,561
Refuse	13,561			13,561
Donations	32,950		3,636	32,950
Department Total	$ 168,566	$	$ 113,477	$ 159,566
List Department: Administrative Services				
General Fund	$ 2,617,031	$	$ 3,084,410	$ 3,138,603
Capital Improvements				
Sewer	307,952			326,924
Refuse	319,152			340,235
Department Total	$ 3,244,135	$	$ 3,084,410	$ 3,805,762
List Department: City Manager				
General Fund	$ 2,331,577	$	$ 2,493,325	$ 2,310,208
Donations	800			800
Grants	806,849		308,760	386,596
Tourism				81,500
Sewer	278,368		14,716	332,453
Refuse	253,660			314,371
Department Total	$ 3,671,254	$	$ 2,816,801	$ 3,425,928
List Department: Legal				
General Fund	$ 274,446	$	$ 248,532	$ 273,071
Judicial Enhancement	300			300
Department Total	$ 274,746	$	$ 248,532	$ 273,371
General Government				
General Fund	$ 996,363	$	$ 1,142,632	908,752
HURF	73,997			63,651
Sewer	147,994			127,303
Refuse	147,994			127,303
Health & Accident	4,322,500		1,665,330	4,322,500
Unemployment	35,000		4,647	35,000
Self Insured Retention	100,000		44,529	100,000
Department Total	$ 5,823,848		2,857,138	5,684,509
Police				
General Fund	$ 11,156,771	$	$ 9,999,656	11,429,303
Police Special Revenue	324,500		126,771	324,500
Capital Improvements Fund				
Grants	18,124		10,890	56,074
Donations	491,554		64,502	491,554
Police Development Fee				
Department Total	$ 11,990,949		10,201,819	12,301,431
Fire				
General Fund	$ 8,683,678	$	$ 7,081,871	6,939,673
Grants	1,043,000		24,965	1,037,437
Donations	16,488		308	16,488

Fire Development Fee				
Department Total	$ 9,743,166		7,107,144	7,993,598
Public Works				
General Fund	$ 6,151,207	$	$ 5,885,581	6,241,279
HURF	4,355,872		3,391,763	5,107,276
LTAF	1,783,939		1,334,505	1,583,297
Grants	950,000		1,500	245,000
Airport	825,089		691,940	1,425,451
Capital Improvements			78,712	
Sewer	3,928,521		2,081,432	3,213,016
Refuse	3,997,845		3,163,534	3,879,965
Donations	6,890		3,335	6,890
Park Development				
Infastructure Development	200,000		181,293	
Metropolitan Planning Org	421,963		246,420	3,000,524
Department Total	$ 22,621,326		17,060,015	24,702,698
Leisure & Library				
General Fund	$ 3,317,347	$	$ 3,079,352	5,113,977
Grants	80,000		22,581	10,000
Capital Improvements				500,000
SVMPC Construction				
Donations	409,485		126,783	409,485
Library Development				
Department Total	$ 3,806,832		3,228,715	6,033,462
Community Development				
General Fund	$ 904,954	$	$ 786,772	1,018,991
Grants	321,415		54,432	256,667
Capital Improvements Fund	60,000		52,528	
Donations	1,781		3,790	1,781
Department Total	$ 1,288,150		897,521	1,277,439
Debt				
General Fund	$ 156,653	$	$ 195,569	299,202
HURF	35,851		44,308	122,107
Airport	75,347		56,510	75,348
Park Development	126,630		94,972	126,630
SVMPC I&R	13,373,102		3,533,322	3,299,954
Sewer	6,110,848		74,941	199,062
Refuse	212,387		280,819	312,779
Department Total	$ 20,090,818		4,280,440	4,435,082
Total	$ 82,723,790	$	$ 51,896,012	70,092,846

* 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/TOWN OF SIERRA VISTA
Full-Time Employees and Personnel Compensation
Fiscal Year 2019

FUND	Full-Time Equivalent (FTE) 2019	Employee Salaries and Hourly Costs 2019	Retirement Costs 2019	Healthcare Costs 2019	Other Benefit Costs 2019	Total Estimated Personnel Compensation 2019
GENERAL FUND	292	$ 16,803,659	$ 5,394,086	$ 2,750,869	$ 1,682,776	$ 26,631,390
SPECIAL REVENUE FUNDS						
HURF	18	$ 1,157,624	$ 83,123	$ 140,255	$ 99,358	$ 1,480,360
LTAF	10	614,735	63,356	124,287	79,388	881,766
Airport	2	92,341	8,896	14,710	6,704	122,651
Metropolitan Planning Org	1	91,953	9,570	10,483	7,994	120,000
Total Special Revenue Funds	29	$ 1,864,312	$ 156,049	$ 275,025	$ 186,740	$ 2,482,126
DEBT SERVICE FUNDS						
		$	$	$	$	$
Total Debt Service Funds		$	$	$	$	$
CAPITAL PROJECTS FUNDS						
		$	$	$	$	$
Total Capital Projects Funds		$	$	$	$	$
PERMANENT FUNDS						
		$	$	$	$	$
Total Permanent Funds		$	$	$	$	$
ENTERPRISE FUNDS						
Sewer	12	$ 1,351,315	$ 56,882	$ 87,121	$ 126,399	$ 1,621,717
Refuse	17	1,459,722	74,498	120,870	185,710	1,840,800
Total Enterprise Funds	29	$ 2,811,037	$ 131,380	$ 207,991	$ 312,109	$ 3,462,517
INTERNAL SERVICE FUND						
Total Internal Service Fund		$	$	$	$	$
TOTAL ALL FUNDS	350	$ 21,479,008	$ 5,681,515	$ 3,233,885	$ 2,181,625	$ 32,576,033

ORDINANCE 2018-010

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, 2019; 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 2018/2019 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 Eight Hundred and Thirty Three Dollars ($359,833) for the purpose of providing the City of Sierra Vista for the fiscal year ending on the 30th day of June, 2019, 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.

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, 2019.

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 9th DAY OF AUGUST, 2018.

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 2018-010
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 form 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