

ANNUAL BUDGET

Fiscal Year 2017-18
Sedona, AZ



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*The mission of the City of Sedona government is
to provide exemplary municipal services
that are consistent with our values, history,
culture, and unique beauty.*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sedona
Arizona**

For the Fiscal Year Beginning

July 1, 2016

Jeffrey R. Emswiler

Executive Director



Introduction

INTRODUCTION

The City *budget* can be an imposing document of charts and numbers. On closer inspection and beyond the numbers, the budget represents the investment and return for customers. The investment is in the form of *city sales tax*, state shared revenue, and other financial resources. The return is the new traffic signal, park improvement, or new service scheduled for the new *fiscal year*. The purpose of this section of the budget is to move beyond the technical jargon and assist the reader in understanding the most important sections of the document.



What is a Budget?

In the simplest terms, a budget is a plan for the coordination of resources and *expenditures*.

Developing a budget is often a complex process of balancing various interests and demands for services with available resources. The complex process has shaped various types of budgeting, of which four primary budget types have evolved: 1) line-item budgeting, 2) performance (or program) budgeting, 3) zero-based budgeting, and 4) target-based budgeting.

This is the second year of a phased three-year implementation of performance (or program) budgeting for the City. Previously, the City primarily used the line-item budgeting approach. The line-item method of budgeting focuses on how much is spent in each *line item* (e.g., office supplies, utility costs, equipment repairs, etc.). The performance (or program) budgeting method focuses on the City's *goals*, the *performance measurements* in achieving those goals and the values obtained for the resources utilized. We expect this method will provide a better focus for basing Council decisions on the value and effectiveness of programs and services provided.

Budget as a Policy Guide

The budget functions as a policy guide by indicating the City's priorities. The budget is connected to a mission statement and goals, and the amount of resources allocated to a specific *department, program, or service* indicates what is considered important by city officials and in turn the citizens. The budget document includes the City's financial policies to provide citizens with information on the policies that guide our use of public funds.

Budget as a Financial Plan

The most basic element of the budget, displaying the balance between *revenues* and expenditures, acts as a financial plan. It outlines what revenues are expected and how the City intends to use those resources. Examining revenue and expenditure trends from past budgets, helps form a financial plan for future budgets, which ensures the City is accurate in projections to help maintain strong fiscal standing.

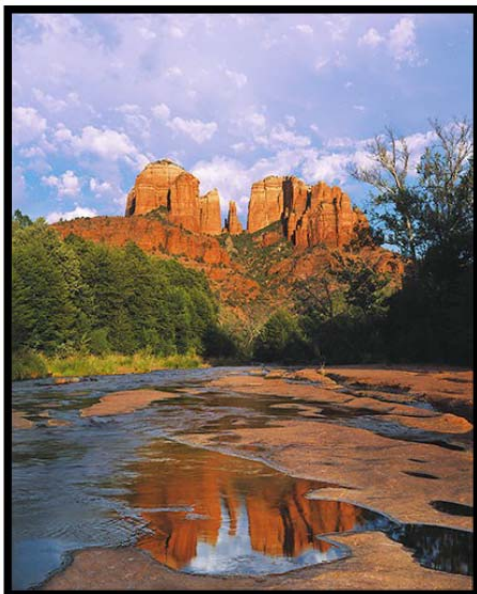
Budget as an Operations Guide

As an operations guide, the budget outlines the estimated amount of work to be done and services to be provided and the cost associated with doing so. The budget identifies which departments are responsible for particular programs and services and the amount of resources they have to perform their responsibilities.

Budget as a Communications Tool

As a communication tool, the budget serves to hold the City accountable. The budget provides the public with information regarding how their *tax* money is to be spent. Citizens can see whether elected officials are setting priorities based on their demands by reviewing the amount of resources being allocated to specific programs and services. Citizens also can see if their tax money is being used efficiently and effectively.

VISION STATEMENT



- To be a city that is constantly vigilant over the preservation of its natural beauty, scenic vistas, pristine environment, and cultural heritage.
- To be a city that retains its small-town character and creates its manmade improvements in strict harmony with nature.
- To be a city that is animated by the arts and lives with a spirit of volunteerism to help achieve our common goals.
- To be a city that offers equal opportunities for all and fosters a sense of community.
- To be a city that welcomes and accommodates all of its visitors and future residents with a spirit of fellowship.
- To be a city that retains and enhances a strong and vital economy that preserves existing lifestyles without exploiting the natural beauty.
- To be a city that lives up to the challenges of proper stewardship of one of the earth's great treasures.

MEET THE CITY COUNCIL



Front row from left to right: Councilor Scott Jablow, Councilor John Currivan, Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor Joe Vernier. Back row from left to right: Councilor Jon Thompson, Councilor Tom Lamkin.

Sandy Moriarty – Mayor



Mayor Moriarty was born and raised in Seattle, Washington, where she graduated from the University of Washington with a B.A. in Economics. She moved to Sedona in January 1972, when Sedona was a town of about 4,000. Sandy worked for the local branch of the Phoenix CPA firm, Walker & Armstrong, LLP, for 31 years and is now a self-employed accountant.

Soon after coming to Sedona, Sandy became involved in getting Sedona incorporated. After serving on three committees over a 15-year period, Sandy celebrated the voters' approval of

the incorporation of Sedona in a December 1987 election, and in January 1988, the City of Sedona became a reality. Sandy is proud to have been a member of the first appointed City Council.

Sandy has always followed City government in Sedona and over the years has volunteered for organizations including AYSO (youth soccer), Good Morning Sedona, Southwest Public Recycling Association, and the Verde Valley Wine Consortium. She is a founder of Sedona Recycles, Inc., and of Sedona Winefest. She served on the City's Wastewater & Effluent Disposal & Land Use (WEDLU) Task Force, on the Housing Commission, and on the City's Service Contract Review Work Group.

She is proud to serve as Mayor of the city she loves.

MEET THE CITY COUNCIL

continued

John Martinez – Vice Mayor

Vice Mayor Martinez is from a large, Southern California family. Three of his siblings were born in Los Angeles, as was John, and four were born in La Puente. All eight children finished La Puente High School, and went on to graduate from various colleges, encouraged by parents who did not have the opportunity to complete high school.

John graduated from California State University of Long Beach with a degree in Finance. He worked during the day and went to school at night. He worked as a janitor for Snappy Taco and a forklift driver at Mattel Toys. Upon graduation from college, he began his career in finance, first as a Financial Analyst with Beckman Instruments, then Plant Controller at Hunt-Wesson Foods, Director of Manufacturing Accounting for ConAgra Foods, and a Sarbanes-Oxley auditor for Boeing.

He moved to the Sedona area in 2005 and was hired as the Director of Finance for Nutri-Health Supplements located in Cottonwood, AZ.



John met Carol, the love of his life for the past 34 years, while employed with Beckman Instruments.

John provides consulting expertise for small companies that require budgeting and forecasting assistance. John was selected to serve on the Budget Oversight Commission and was the Vice-Chairman.

John Currivan – Councilor



Councilor Currivan attended Cornell University on a Navy ROTC scholarship, and received a Bachelor of Science degree in electrical engineering. John also served as a Navy jet pilot and was a flight instructor in the Navy's Advanced Jet Training Command. The Navy sent John to Cornell Law School, where he graduated summa cum laude. He then served in the Navy's Judge Advocate General's Corps (JAG) as a prosecutor, the senior attorney aboard the aircraft USS Nimitz, and a judge.

After completing his military service with the rank of Commander, John spent 28 years as a tax lawyer at Jones Day, a global law firm, with a

focus on tax planning for small business. In his spare time, he was also an Adjunct Professor of Law at Case Western Reserve Law School in Cleveland, Ohio, and served as Treasurer and Finance Chair of a large condominium association.

John and his wife Pat were married in 1996 at Red Rock Crossing, with Cathedral Rock as their backdrop. They fell in love with Sedona and decided to make it their retirement home. When John retired from his law practice in 2012, he and Pat were able to fulfill their dream of living in Sedona full-time.

John soon got involved in community service. He served three years on the Planning & Zoning Commission. He also participated in the City's Programs Working Team, which helped present the Community Plan to the public, and served on the Design Review Work Group.

MEET THE CITY COUNCIL

continued

Scott Jablow – Councilor



Councilor Jablow holds a degree in criminal justice and worked for the Port Authority of New York & New Jersey for over 30 years — first as a police officer and later a Senior Police Accident investigator receiving specialized training through

Northwestern University and the U.S. Department of Transportation.

Throughout his career Scott received specialized training from the Federal Bureau of Investigation. Scott also served in the Police Emergency Aircraft Rescue Fire Fighting Unit. As a community leader on Long Island, Scott received three prestigious awards for his work: a Legislative Resolution by the New York State Assembly, a New York State Proclamation from the New York Senate Majority Leader, and a Town Citation by the Town of Hempstead Supervisor. Prior to his election to the City Council in 2014, Scott served on the board of the Sedona Fire District, the City of Sedona's Planning & Zoning Commission, and the City's Personnel Board.

Tom Lamkin – Councilor

Councilor Lamkin moved to Sedona four years ago with his wife, Polly. He is currently retired and lives in the Chapel area. Prior to retirement, he worked for IBM and Hewlett-Packard holding several positions in sales management. Tom enjoyed working with many customers ranging from small businesses to Fortune 500 corporations. He was successful in bringing people and resources together to provide solutions that helped the businesses grow and developed long term relationships.

Upon settling in Sedona, he embraced the volunteerism that thrives here and became a volunteer City of Sedona Park Ranger. He enjoys walking uptown a few days a week and speaking with tourists who ask for help or need more information about Sedona. He is also the current president for the local Sedona-Bell Rock Kiwanis Club which serves the children of Sedona through activities coordinated with the schools and other volunteer organizations.

When the Councilor position he now occupies opened up due to a vacancy caused by the resignation of a City Councilor, Tom interviewed for the position. He felt it was a good time to serve the City of Sedona more directly.



He was fortunate to be selected and appointed by the City Council to the position and has enjoyed utilizing the skills learned during his career. When the time came to run for election to the position, Tom decided to continue to service and was honored to be elected by the people of Sedona. He is always available to listen to their needs and hopes they will meet with him or communicate with him at their convenience.

MEET THE CITY COUNCIL

continued

Jon Thompson – Councilor

Councilor Thompson and his wife Felicia spent their honeymoon in Sedona 46 years ago, then returned for their 25th wedding anniversary determined to make this their retirement home. They realized that dream when they finally built their house in West Sedona in 2006.

Jon earned a B.A. degree from California Lutheran University, and holds an M.A. in English from Stanford, where he was a Wallace Stegner Fellow in the Creative Writing program. He has been a Managing Editor for a major college textbook publisher, but most of his career was spent in the technical writing field in Silicon Valley. Jon has held positions from Senior Manager through Vice President at high-tech companies, including Apple Computer, Silicon Graphics, Crossworlds, IBM, and two pre-IPO startups.

He has been a volunteer litter lifter with Keep Sedona Beautiful and volunteered at the Verde Valley Medical Center, the Sedona City Clerk's office, and Chamber Music Sedona. He was proud to serve on the Citizens Steering Committee for the Community Plan update, the final 2½ years as Chair.



Felicia and Jon are the proud parents of two sons. Jeff is a graduate of Cal Poly San Luis Obispo and a Vice President at Glass Lewis & Co. in San Francisco. Chris earned a B.A. from UCLA and a Masters from Juilliard. He is a percussionist with Alarm Will Sound.

Joe Vernier – Councilor



Councilor Vernier moved to Sedona in May 1999 from Woodland Park, Colorado, to serve as Sedona's Police Chief. Joe started his public safety career in 1971 with the Colorado Springs Police Department walking a foot beat in the downtown area and served over 27 years with Colorado Springs before retiring as a division commander.

Joe earned a Bachelor of Science degree from Regis University with a business major. He is a graduate of the 209th session of the FBI Nation Academy and a retired Air Force Reserve following a career in public affairs.

During Joe's tenure, the Sedona Police Department was awarded an Excellence in Community Policing Award from the

International Association of Chiefs of Police. The Department was also recognized by the Governor's Office of Highway Safety for a traffic program that led to a sustained period of no fatalities and a 40% reduction in injury and property accidents on the State Route 89A corridor. Joe served as the small town chief's representative on the Arizona Peace Officer Standards and Training Board, he served on the Arizona Senate's Sentencing Commission and Cold Crimes Task Force, and he served on the Arizona Association of Chiefs of Police Board including one term as the Board president.

After retiring from the Sedona Police Department, Joe was appointed as the Deputy Director of the Arizona State Liquor Department. He served as their Chief of Investigations and liaison to the Native American community.

Joe lives in Sedona with his wife, Adele, and their canine companions, Ruby Red and Scout. Joe has three adult children Charles and Kathryn who live in Fountain, Colorado, and Carie who resides in Omaha, Nebraska.

CITY STAFF

CITY APPOINTED OFFICIALS AND DEPARTMENT HEADS

City Manager	Justin Clifton
Assistant City Manager	Karen Daines Osburn
City Attorney	Robert L. Pickels, Jr.
Magistrate Judge	Michael Goimaric
City Clerk	Susan L. Irvine
Chief of Police	David W. McGill
Public Works Director	J. Andy Dickey
Community Development Director	Audree Juhlin
Economic Development Director	Molly Spangler
Financial Services Director	Cherie R. Wright
Human Resources Manager	Brenda Tammarine
Information Technology Manager	Chuck Hardy
Wastewater Manager	Roxanne Holland
Parks & Recreation Manager	Rachel Murdoch

ACKNOWLEDGEMENTS

Brenda Tammarine for Cover Design

COUNCIL PRIORITIES

Annually, the City Council meets to review existing priorities and to update or set new priorities as necessary that will guide their efforts for the following fiscal year and beyond.

In December 2016, the City Council established the current list of priorities as part of the fiscal year 2017-18 budget process. The priorities were categorized as “high,” “medium,” or “low.”

Funding has been included in the fiscal year 2017-18 budget for all priorities with financial implications. Many of the projects are anticipated to involve staff time only, but may include additional costs in future years. The funding sources are identified below.



High Priority Items:

- **Complete Various Traffic Improvements** (*\$1.9 million included in Capital Improvements Program for fiscal year 2017-18*)
A comprehensive traffic study is in process, and several recommended projects have been identified by the consultants. The extent to which these and any additional recommended projects will be approved and the resources needed to fund the improvements have yet to be determined. Depending on the projects approved, this priority could extend over several fiscal years.
- **Land Development Code Update** (*\$269,000 included in Community Development Department budget for fiscal year 2017-18*)
This includes a comprehensive update of the Land Development Code to address antiquated and conflicting standards, address sustainability/green building concepts, and evaluate many of the standards as they relate to the community’s needs and desires. This priority was started in fiscal year 2016-17 and is anticipated to be completed in fiscal year 2017-18.
- **Revise City Sign Code** (*only staff time anticipated for fiscal year 2017-18*)
The current sign regulations are approximately 20 years old, and the update was identified as a Council priority several years ago. The project was put on hold due to a U.S. Supreme Court case on the regulation of signs by cities. When the opinion on this case was issued, the project was restarted. This project is anticipated to be completed in fiscal year 2017-18.
- **Sustainable Tourism** (*only staff time anticipated for fiscal year 2017-18*)
The intent of this project is to coordinate major tourism-related efforts including marketing, traffic, off-highway vehicles (OHVs), helicopter noise, parking, trails and other related topics. This approach to this project is anticipated to be developed in fiscal year 2017-18.
- **Explore Financial Sustainability/Long-Term Revenue Options** (*only staff time anticipated for fiscal year 2017-18*)
The City currently does not have a significant ongoing funding source for non-wastewater capital improvement projects. A citizens work group was created to evaluate the City’s long-term fiscal sustainability. This project was started in fiscal year 2016-17, and the work group’s recommendations are anticipated in fiscal year 2017-18.
- **Building Code Update** (*only staff time anticipated for fiscal year 2017-18*)
The City is operating under an outdated 2006 building code. This project is anticipated to be completed in fiscal year 2018-19.

COUNCIL PRIORITIES

continued

Medium Priority Items:

- **Soldiers Pass, Western Gateway, and Schnebly Hill Community Focus Area (CFA) Plans** *(included in Community Development Department budget)*
The City's Community Plan defines thirteen *Community Focus Areas* (CFAs) that have development or redevelopment potential and opportunities to realize the community's vision. CFA Plans provide more detail than the Community Plan on topics such as land use and circulation. The Soldiers Pass and Schnebly Hill CFA Plans are anticipated to be completed in fiscal year 2018-19. The Western Gateway CFA Plan is anticipated to be completed in fiscal year 2017-18.
- **Environmental Sustainability** *(\$25,000 included in City Manager's Office budget)*
While the City has undertaken numerous specific initiatives that support sustainability, there is no comprehensive focused effort dedicated to continuing progress in promoting and/or achieving broader sustainability within the organization or community. The project will start with development of a strategy for ways to advance sustainability including possible energy efficiency, alternative energy, recycling services, water use, and community education. The intent is to coordinate, where possible, with sustainable tourism, existing sustainability groups, and the Land Development Code and Building Code updates. Depending on the strategies approved, this priority could extend over several fiscal years.
- **Affordable Housing** *(only staff time anticipated for fiscal year 2017-18)*
This priority was established to address concerns about availability of affordable housing in Sedona. The project will start with planning sessions to determine the actions that Council wants to take to address the needs. The development of a plan is anticipated to be completed in fiscal year 2018-19.

Low Priority Items:

- **Manage Impacts of Short-Term Rentals** *(only staff time anticipated for fiscal year 2017-18)*
Effective January 1, 2017, legislation was passed that prohibits Arizona cities from banning short-term residential rentals (i.e., rentals under 30 days). Since the law was passed, requests for inspection of substandard housing are on the rise, and other concerns regarding the impacts of this new law have been raised. No timeline has been identified yet for this project.
- **Parks Land Acquisition** *(\$1.25 million included in Capital Improvements Program for fiscal year 2017-18)*
The City's Parks & Recreation Master Plan has identified a need for additional parks especially within certain regions of the City. A placeholder has been included in the Capital Improvements Program budget in case the Council should decide to make a purchase; however, no timeline has been identified yet for this project.
- **Construct Beautification of SR 89A** *(included in Capital Improvements Program for fiscal years 2023-24 and 2024-25)*
The Council identified this as a priority a number of years ago. A weed barrier was completed in fiscal year 2015-16, and the City is pursuing the required permits through the Arizona Department of Transportation (ADOT) for landscaping. Since potential projects in the comprehensive traffic study may have an impact on the landscaping in these areas, this project has been delayed. Placeholders have been included in the Capital Improvements Program budget for fiscal years 2023-24 and 2024-25.

COUNCIL PRIORITIES

continued

Low Priority Items (cont'd):

- **Alternative Expenditure Limitation** (*\$4,000 included in the Financial Services Department budget*)
The City's voter-approved alternative *expenditure limitation* is valid for four years. The next renewal of the alternative expenditure limitation will go to the voters at the August 2018 election. Most of the preparatory work for this election will occur during fiscal year 2017-18.
- **Complete Dells Land Use Planning** (*only staff time anticipated for fiscal year 2017-18*)
Once the City's effluent disposal optimization plan is implemented, approximately 200 acres of land currently used for spray irrigation disposal of treated effluent will become available. An analysis of the options for the use of this land will be developed. The development of a plan is anticipated to be completed in fiscal year 2018-19.



BUDGET RESOLUTION

RESOLUTION NO. 2017-12

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, ADOPTING THE BUDGET FOR FISCAL YEAR 2017-2018.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the City Council did, on May 16, 2017, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year and also an estimate of revenues from sources other than property taxes; and

WHEREAS, in accordance with said sections of said statute, and following due public notice, the City Council met on May 16, 2017 and June 13, 2017, at which meetings any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses and other revenue sources; and


WHEREAS, publication has been duly made as required by law of said estimates, together with a notice that the City Council met on May 16, 2017 and June 13, 2017, at the City Council Chambers for the purpose of hearing taxpayers.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA, that the said estimates of revenues and expenditures/expense shown on the accompanying Official Budget Forms attached hereto and incorporated herein, as now increased, reduced, or changed by the Council, are hereby adopted as the budget of the City of Sedona, Arizona for the Fiscal Year 2017-2018.


PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona this 13th day of June, 2017.


Sandra J. Moriarty, Mayor

ATTEST:


Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:


Robert Pickels, Jr., City Attorney

CITY MANAGER'S BUDGET MESSAGE



102 Roadrunner Drive
Sedona, AZ 86336
www.sedonaaz.gov

City of Sedona
Mayor, City Councilors, and City Residents

The City of Sedona's fiscal year 2017-18 budget presents a fiscally sound financial plan that maintains the integrity of the of the City's financial condition while still meeting the high service level demands of the community. The fiscal year 2017-18 budget includes the priorities set by the Council and the ongoing priorities to public safety, quality service, investment in the community, and investment in City employees.

The total budget is \$47,752,118. The budget is balanced between expenditures, revenues and one-time available *fund balances* above the policy operating reserve levels.

Capital improvement expenditures represent \$14.1 million or 30 percent of the total proposed budget. The capital improvement expenditures are financed primarily with available fund balances – a one-time resource. A small portion is financed with Yavapai and Coconino County Flood Control monies and other participant support.

The City continues to experience steady economic improvement, and revenues continue to trend upward. The City's largest revenue source, *city sales* and *bed tax* revenues, exceed levels experienced by the City before the recession and economic downturn.

The fiscal year 2017-18 budget represents the second year of our planned three-year phased implementation of program and performance budgeting. The intent is to focus the decision-making process on the services and outcomes for the dollars invested. There are many changes incorporated into this phase, including:

- Implementation of an *indirect cost allocation plan*
- Initiation of equipment replacement reserves
- Created distinction between *ongoing* and *one-time revenues* and *expenditures*
- Longer range forecasting and capital improvements planning
- Creation of a new internal service fund for information technology services
- Movement of costs between programs and/or departments for better accountability

In addition to these changes, there were several significant process and operational areas addressed in this year's budget process as well:

- While the transportation master plan is not yet complete, much information was available to incorporate several of the projects that will be recommended in the plan into the Capital Improvement Program. The master plan's recommended projects are numerous and extensive, and funding for most of these projects has not yet been identified.

CITY MANAGER'S BUDGET MESSAGE

continued

- Council identified long-term fiscal sustainability to be a Council priority. In order to obtain citizen input and develop recommendations from the public, a work group, referred to as the Fiscal Sustainability Work Group (FSWG), was created to develop recommendations for the long-term funding of capital *infrastructure*. When the groups' evaluations are complete and the recommendations developed, they will be presented to Council for consideration. See the Capital Improvement Program section for further details.
- Council has previously requested additional citizen input on the revenue *forecast* assumptions so a work group, referred to as the Revenue Forecast Work Group, was for this purpose. This group has reviewed the assumptions used for the City's significant revenue sources. Projections of the other revenue sources were based on data provided by the departments responsible for those revenues and trend analysis.
- In the fiscal year 2016-17 budget process, an analysis was performed of the General Fund subsidy levels for the Wastewater Enterprise Fund. During that process, Council requested a more in-depth analysis in this year's budget process to reevaluate the wastewater rate increases previously adopted by Council. This analysis and the resulting recommendations were presented in conjunction this budget and the 4 percent rate increase approved by Council in May 2014 were retained.

FY 2016-17 Accomplishments

Some of the Council priorities from fiscal year 2016-17 were anticipated to be multi-year projects and are in progress. Their continuation has been included in the fiscal year 2017-18 budget. A few of the priorities accomplished during fiscal year 2016-17 are below.

- The construction of an outdoor performance venue at the Barbara Antonsen Memorial Park was completed.
- A paid parking program was implemented on Main Street in Uptown. This was a recommendation of the Uptown Parking Management Plan. The program is intended to incentivize the use of free off-street parking to alleviate some of the traffic congestion on Main Street.
- A master plan for the Brewer Road property has been developed. It includes renovation projects for the historic Forest Service Ranger Station house (1917) and barn (1934), which are listed on the National Register of Historic Places, as well as other park amenities.
- In the Sedona Community Plan, *Community Focus Areas* (CFAs) are locations where the City intends to play a proactive planning role to implement the community's vision. Development of the Schnebly Hill CFA was completed.

FY 2017-18 Priorities

The City Council has evaluated the priorities established and has designated them as high, medium, and low. Many of the priorities are anticipated to be started or completed with only staff time. The remaining priorities have been included in the operating or capital budgets as appropriate. See the Council Priorities section for a description of each priority.

Significant Budgetary Changes

The significant changes in the fiscal year 2017-18 budget are as follows:

CITY MANAGER'S BUDGET MESSAGE

continued

Significant Budgetary Changes (cont'd)

- Salary and benefit increases
 - The budget includes a 2.5 percent cost-of-living adjustment (COLA) and an average merit increase of 2.5 percent. The COLA is based on the annual Consumer Price Index (CPI) adjustment for the Western Region as of December 2016.
 - A placeholder of \$250,000 was included for anticipated refunds of employee Public Safety Personnel Retirement System (PSPRS) contribution relating to the results of the Hall and Parker lawsuits, in which the courts found the increase in the employee share of the PSPRS contribution rate to be unconstitutional.
 - The changes in *employee benefit* categories were mostly modest increases, with the exception of the contribution rate to PSPRS. The employer contribution rate increased approximately 30 percent. These changes are discussed in more detail in the Budget Overview section.
- Approved *Decision Packages* represent approximately \$354,000. Other Decision Packages of approximately \$267,000 have been included but are contingent upon additional analysis before the final decisions on how they will be implemented are made. The total increase for these Decision Packages is approximately \$621,000.
 - Included in the approved Decision Packages are a new full-time position, 6 part-time positions, a temporary position, and the reclassification of one position. See the Budget Overview section for additional information on these and other approved Decision Packages.
 - Included in the contingently approved Decision Packages are a new full-time position, an increase of a part-time position to a full-time position, and the reclassification of one position. See the Budget Overview section for additional information on these and other contingently approved Decision Packages.
- The budget includes \$756,000 of fiscal year 2016-17 budgeted items to be carried over to fiscal year 2017-18. These include a comprehensive update of the City's Land Development Code (continued Council priority) and the development of a wireless master plan (continued Council priority). See the Budget Overview section for additional information on the budget carryovers.
- Due to projected increases in bed tax revenues, the 55 percent portion designated by Council for tourism promotion and destination marketing is budgeted to increase by approximately \$440,000.
- The Information Technology Department and related functions are now accounted for in a separate internal service fund for better tracking of this function as a support service to other departments and to track the funding of an information technology equipment replacement reserve. The revenues for this fund are primarily handled with *internal charges* to other departments. In a consolidation of all City funds, these internal charges (approximately \$1.6 million) are essentially a duplication of the costs they cover in the Information Technology Fund.
- The budget for capital improvement projects increased \$5.2 million. While the transportation master plan is not fully completed, several projects that recommended in the plan have been included in the capital improvement program budget.

CITY MANAGER'S BUDGET MESSAGE

continued

Citizens Budget Work Group

I would like to recognize the participation of the Sedona citizens who make up this year's Citizens Budget Work Group: Doris Granatowski, Lou Harper, Charlotte Hosseini, Janice Howes, John Martinez, Hollie Ploog, and Jessica Williamson. This was the fourth year this particular work group was assembled and embedded in the City's budget development process.

The Citizens Budget Work Group members have been involved in each step of the budget preparation process, shadowing staff in their work. The work group members participated in the City Manager's budget review meetings for both the Capital Improvement Program (CIP) and each of the departmental operating budgets, as well as the review of the community service contract proposals. They also gave input on the various policy recommendations incorporated into the fiscal year 2017-18 budget and the priority rankings of the various supplemental budget requests.

I believe the Citizens Budget Work Group creates a greater level of transparency in the City's budget process. Each member brought their unique perspectives and added value to the overall process.

Fiscal Sustainability Work Group

We would like to recognize the ongoing participation of the Sedona citizens and employees who make up the Fiscal Sustainability Work Group: Ronald Budnick; Kurt Gehlbach; Doris Granatowski; Lou Harper; Charlotte Hosseini; Kris Kasian, Fire Chief for the Sedona Fire District; Holli Ploog; and Molly Spangler, Economic Development Director. This group has spent numerous hours in the development of a long-term funding strategy, and many of these members also participated in the Citizens Budget Work Group.

Revenue Forecast Work Group

We would like to recognize the participation of the Sedona citizens and employees who make up this year's Revenue Forecast Work Group: Kimberly Fisher; Emily Griffin; Andrea Houchard; Cari Meyer, Senior Planner; Molly Spangler, Economic Development Director; Mike Webster; and Jennifer Wesselhoff, President of the Chamber of Commerce. This was the first year this particular work group was assembled. They provided great input in the development of the revenue projections with their individual perspectives of the local economy and its impacts on the City's revenue sources.

Distinguished Budget Presentation Award

The *Government Finance Officers Association of the United States and Canada* (GFOA) presented an award of Distinguished Budget Presentation to the City of Sedona for its annual budget for the fiscal year beginning July 1, 2016. This is the fourth year the City has received this award. In order to receive the award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

CITY MANAGER'S BUDGET MESSAGE

continued

Conclusion

Overall, the City's financial condition remains strong and holds the promise of continuing prosperity. I believe the fiscal year 2017-18 budget presents a well-thought-out financial plan that balances the needs and wants of the City with its available resources.

I appreciate the City Council's leadership and support in providing clear direction to staff on our critical priorities. I want to thank all of the department heads for the team effort in achieving the City Council priorities and providing exceptional customer service to our community.

Sincerely,

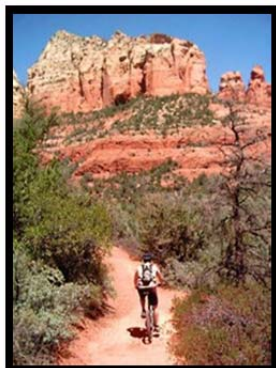


Justin Clifton
City Manager



City & Community Profile

ABOUT SEDONA



The City of Sedona is located approximately one and a half hours north of Phoenix in Yavapai and Coconino Counties. Because of its stunning natural surroundings, this small community of roughly 10,000 residences has become one of Arizona's premier

centers for international tourism, recreation, retirement, luxury resorts, and the arts.

The name Sedona originates from the City's first postmaster, Theodore Carlton Schnebly, whose wife, Sedona Arabelle Miller Schnebly (1877–1950) was celebrated for her hospitality and industriousness. Today, the City of Sedona's main attraction is its array of red sandstone formations, which appear to glow in brilliant shades of orange and red when illuminated by the rising or setting sun. The red rocks form a popular backdrop for many activities, ranging from spiritual pursuits to the hundreds of hiking and mountain biking trails.

Located in the high southwestern desert under the rim of the Colorado Plateau at an elevation of 4,500 feet, Sedona is blessed with four mild seasons, plenty of sunshine and clean air. Because of Sedona's pleasant climate, sightseeing, hiking, golf, tennis, horseback riding, and jeep touring are year-round activities. The City is also known for its festivals, art exhibits, International Film Festival, and parades.

The citizens of Sedona are proud of their beautiful environment and work diligently to preserve its uniqueness and special qualities. Driven by a conviction in the future of their community and a dedication to volunteerism, Sedona's residents are active in the City government.

The community was incorporated as a City under Arizona Revised Statutes (ARS) in 1988. It encompasses an area of 18.5 square miles, approximately half of which is under jurisdiction of the U.S. Forest Service.

The City of Sedona is administered under the Council-Manager form of government. The City Council consists of six councilors and a mayor.

The six council members are elected at large and serve four-year overlapping terms. The Mayor is elected by the citizens and serves a two-year term. Since incorporation, Sedona has had a council-manager form of government as defined by local ordinance. Sedona is recognized by the International City/County Management Association.

The City departments are the City Council, the City Manager's Office, Human Resources, Financial Services, Information Technology, the City Attorney's Office, the City Clerk's Office, Parks & Recreation, Community Development, Public Works, Economic Development, Wastewater, Police, and the Municipal Court. In addition, the City tracks other costs that are of a more city-wide nature in the budgetary department, General Services.

Other typical municipal services not provided by the City are provided as follows: water service is private, the library is a not-for-profit organization with some contract funding from the City, fire service is a special district, and refuse collection is private.

Already a major tourist attraction, Sedona has been ranked the #6 Small City in the 14th annual Top 25 Arts Destinations 2011 readers' poll by "American Style" magazine. Sedona has appeared on American Style magazine's Top 25 Destinations list twelve times since the poll's inception.

Of added municipal interest, the City is a part of two counties and is traversed by two state arteries. There is no property tax levied by the City. Currently, the City operates from state shared revenue and other local sources of revenue, including *city sales* and *bed taxes*.



DEMOGRAPHICS



The following tables provide additional demographic statistics for the City of Sedona and its citizenry:

Gender (2010 census)

Male	46.7%
Female	53.3%

Age Composition (2010 census)

Under 5	3.0%
5-14	6.5%
15-19	3.9%
20-24	2.9%
25-54	31.5%
55-64	23.0%
65+	29.2%

Median Age 56.1

Race/Ethnic Origin (2010 census)

White	81.6%
Hispanic or Latino (any race)	14.3%
American Indian	0.6%
Asian	1.9%
African American	0.5%
Other	5.9%

Population (US Census)

1980	5,481*
1990	7,720
1995	8,990
2000	10,192
2010	10,031
2016	10,397*

* DES/AZ Dept of Commerce estimate

Housing (US census)

Owner-Occupied Housing Unit Rate (2011-2015)	68.1%
Housing Units (2010)	6,367

Labor Force (Arizona Commerce Authority – 2014)

Civilian Labor Force	5,384
Unemployment Rate	4.0%
Education Attainment:	
Less than High School	4.8%
High School or equivalent	16.7%
Some College or Associates	33.0%
Bachelor's or Advanced Degree	45.5%

Income (2015 Census)

Median Household Income \$55,135

Industry Ranked by Employment

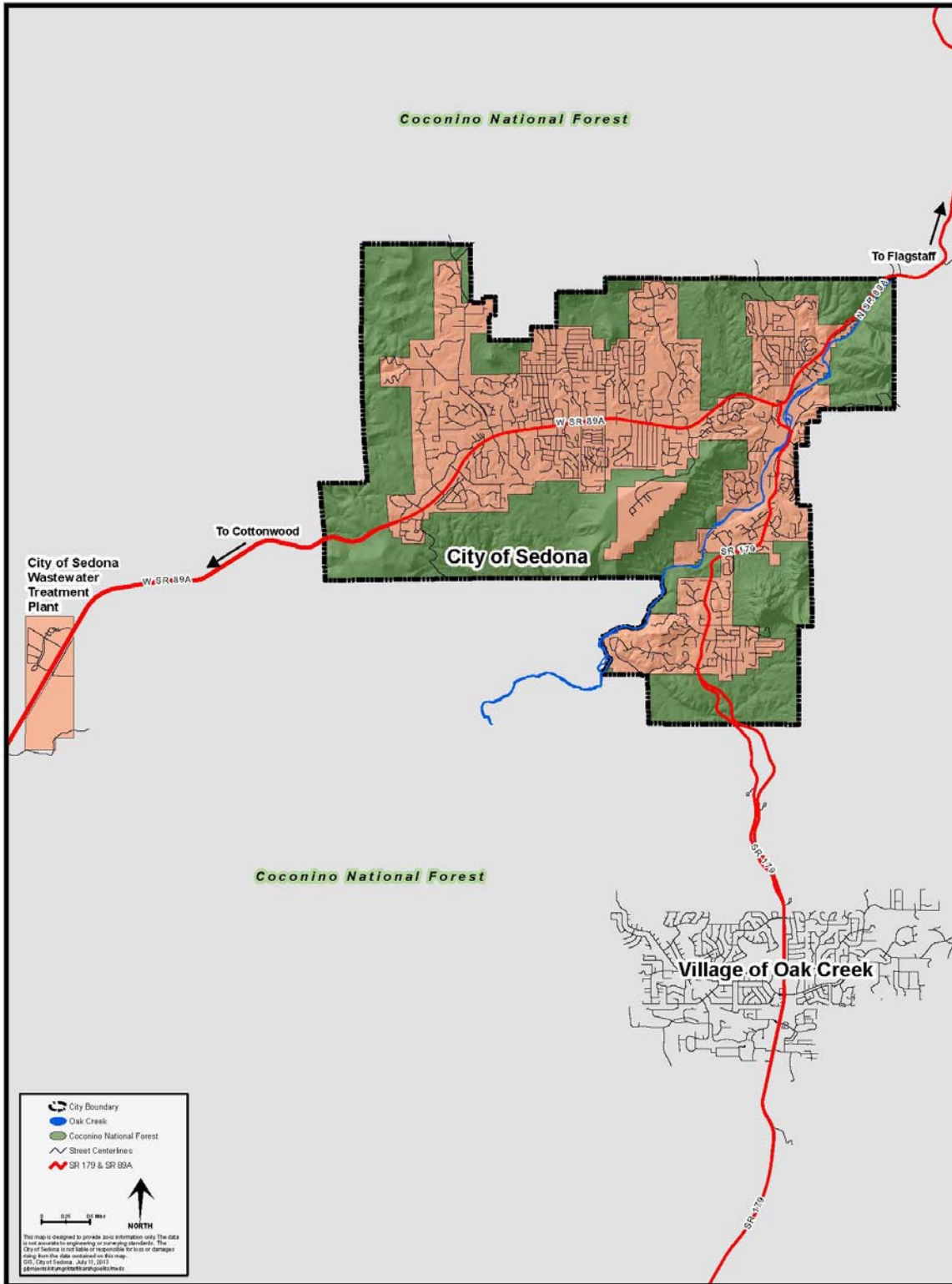
(Arizona Commerce Authority – 2014)

Arts, Entertainment, Food, Recreation	21.2%
Education, Health Care, Social Assistance	18.0%
Professional, Scientific, Administrative	12.5%
Construction	11.3%
Retail	9.8%
Other Services, except Public Administration	6.6%
Finance, Insurance, Real Estate	6.0%
Information	4.3%
Manufacturing	4.0%
Transportation, Warehousing, Utilities	2.5%
Public Administration	2.1%
Wholesale Trade	1.7%
Agriculture, Forestry/Fishing/Hunting, Mining	0.0%

Land Use (2014 – City of Sedona)

Residential	33.1%
Commercial, Lodging	4.0%
Public/Semi-Public	4.1%
Parks/Public Open Space	1.0%
Private Open Space	2.2%
National Forest	48.5%
State Trust Lands	0.1%
Other (e.g., Hwy/Streets, R-O-W)	7.0%
Land Area in Square Miles	19.14

AREA MAP





Budget Policies & Processes

FUND STRUCTURE AND BASIS FOR BUDGETING

The City uses *funds* to report its financial position and the results of its operations. *Fund accounting* is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Each fund is considered to be a separate accounting entity. The operations of each fund are accounted for with their own separate set of self-balancing accounts that comprise the fund's assets, liabilities, fund equity, revenues, and expenditures/expenses.

The fund categories used by the City are as follows: *governmental funds* and *proprietary funds*.

Governmental Funds – The governmental funds account for activities primarily supported by taxes, *grants*, and similar revenues sources.

Proprietary Funds – The proprietary funds account for activities that receive significant support from fees and charges.

The governmental fund types used by the City are as follows: *General Fund*, *special revenue funds*, and *capital projects funds*.

General Fund – The General Fund is the primary operating fund that supports day-to-day City operations, including general City government, police services, public works, parks and recreation, and outside service contracts. Only one General Fund is permitted.

Special Revenue Funds – The special revenue funds account for the proceeds of specific revenue sources that are *restricted* or *committed* to expenditure for specified purposes other than *debt service* or *capital projects*. The City's special revenue funds include:

- The **Streets Fund** is used to account for the City's allocation of state shared gas tax monies, referred to as *Highway User Revenue Fund (HURF)* revenues. The HURF revenues are used to fund a portion of the annual streets rehabilitation and pavement preservation program. Other streets-related costs are reported in the General Fund.
- The **Grants & Donations Funds** account for the various grants, donations, and other miscellaneous restricted or committed revenues received by the City that vary annually based on availability of funding opportunities.

Capital Projects Funds – The capital projects funds account for financial resources that are *restricted*, *committed*, or *assigned* to expenditure for *capital outlays*, including the acquisition or construction of capital facilities and other *capital assets*. The City's capital projects funds include:

- The **Capital Improvements Fund** accounts for acquisition and construction of the City's major capital facilities, other than those financed by enterprise funds or restricted funding sources accounted for in other funds.

FUND STRUCTURE AND BASIS FOR BUDGETING

continued

- The **Development Impact Fees Funds** account for *development impact fees* restricted for certain costs incurred by the City, generally for capital acquisition or related debt service necessitated by new development. Development impact fees must meet the requirements of the Arizona Revised Statutes.
- The **Art in Public Places Fund** accounts for monies transferred from capital projects to be used for art improvements and monies received from developers in lieu of complying with the City's public art requirements. Council policy requires one percent of certain capital projects budgets to be designated for art in public places.

The proprietary fund types used by the City are *enterprise funds* and *internal service funds*.

Enterprise Funds – Enterprise funds account for any activity for which a fee is charged to external users for good or services. The City's has one enterprise fund as follows:

- The **Wastewater Enterprise Fund** accounts for monies collected through monthly wastewater and one-time *capacity fees*, transfers of *city sales tax* revenues to subsidize the fund, and accumulated reserves. The Wastewater Fund supports the operations of the wastewater plant and collections system, new wastewater capital projects, and annual debt service.

Internal Service Funds – Internal service funds account for any activity that provides good or services to other funds, departments, or agencies of the government on a cost reimbursement basis. The City's has one internal service fund as follows:

- The **Information Technology Internal Service Fund** accounts for the City's information technology costs that are allocated to the various departments and programs.

All City funds are subject to *appropriation*.

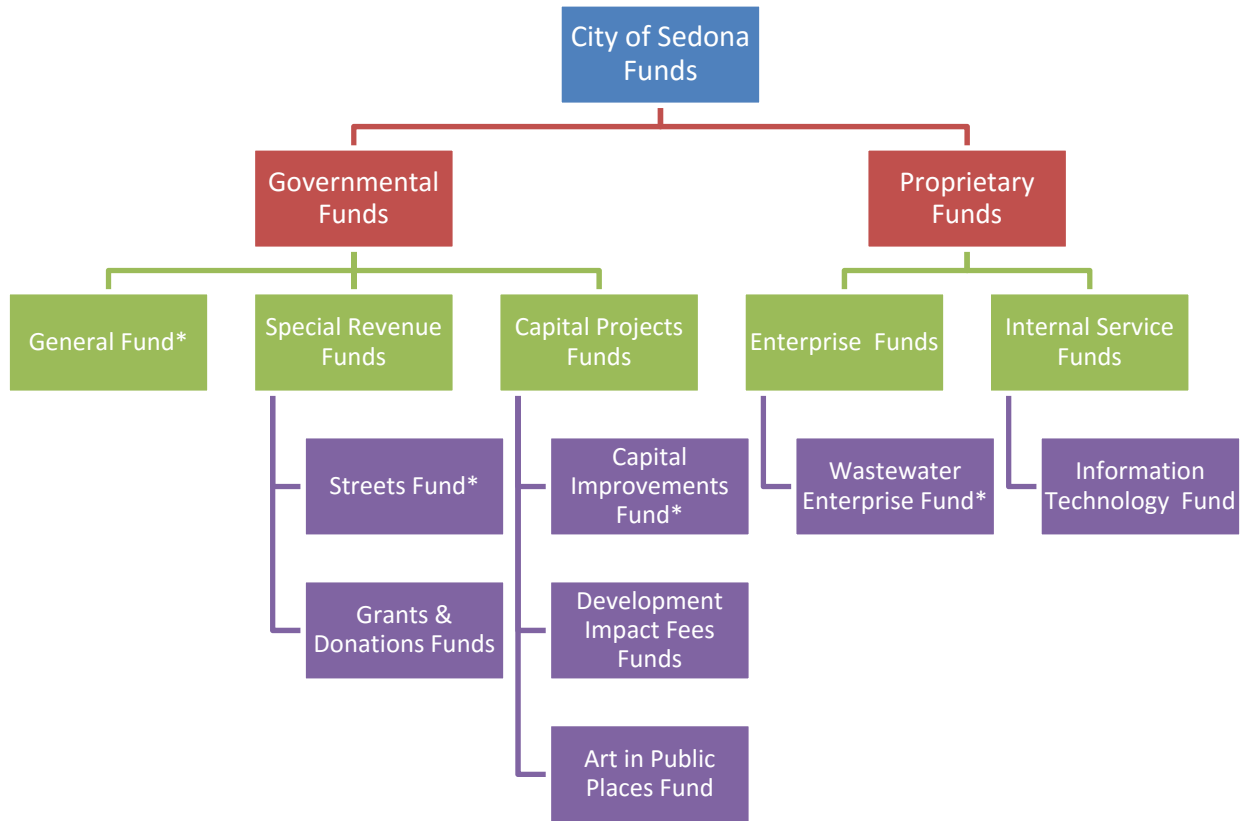


FUND STRUCTURE AND BASIS FOR BUDGETING

continued

Fund Structure

The following chart is an illustration of the fund structure:



* The General Fund, Streets Fund, and Capital Improvements Fund, and Wastewater Enterprise Fund are reported as *major funds* in the City's financial statements. All other funds are consolidated as *nonmajor funds* in the financial statements.



FUND STRUCTURE AND BASIS FOR BUDGETING

continued

Fund Structure (cont'd)

The following table displays the relationships between the funds and departments:

Department	General Fund	Streets Fund	Grants & Donations Funds	Capital Projects Funds	Wastewater Enterprise Fund	Information Technology Fund
City Council	X					
City Manager's Office	X					
Human Resources	X					
Financial Services	X				X	
Information Technology					X	X
City Attorney's Office	X				X	
City Clerk's Office	X					
Parks & Recreation	X		X	X		
General Services*	X		X	X	X	
Community Development	X			X		
Public Works & Engineering	X	X		X	X	
Wastewater					X	
Police	X		X	X		
Municipal Court	X		X	X		

* The City tracks other costs that are of a more city-wide nature or nonoperational nature (e.g., *debt service*) in the budgetary department, *General Services*.



FUND STRUCTURE AND BASIS FOR BUDGETING

continued

Basis of Accounting

The *basis of accounting* refers to the timing of when revenues and expenditures/expenses are recognized and reported. The City utilizes the *modified accrual basis of accounting* and the *full accrual basis of accounting*. The recognition of revenues and expenditures/expenses under each method are described below.

Basis of Accounting	Revenues	Expenditures/Expenses
Modified Accrual	Recognized in the period when they become both “measurable” and “available”** to finance expenditures of the current period	Generally recorded when a liability is incurred; however, <i>debt service</i> expenditures and expenditures related to compensated absences and claims and judgments, are recognized to the extent they are due and payable
Full Accrual	Recorded when they are earned (whether or not cash is received at the time)	Recorded when goods and services are received (whether cash disbursements are made at the time or not)

* Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

The basis of accounting methods used for each of the funds in the City’s budget and the City’s financial statements are as follows:

Funds	Budget Basis	Financial Statement Basis
Wastewater Enterprise Fund*	Modified Accrual	Full Accrual
All Other Funds	Modified Accrual	Modified Accrual

* The budgetary basis of accounting for the City’s Wastewater Enterprise Fund differs from the financial statement basis of accounting primarily due to State laws. The major differences are as follows:

- *Depreciation expense* is not included in the budget.
- *Capital outlays* are budgeted as expenditures. They are reported as assets in the City’s financial statements.
- Principal payments on debt are budgeted as expenditures. They are reported as reductions of the liability in the City’s financial statements.

COMPREHENSIVE FINANCIAL POLICIES

The City of Sedona is committed to managing its finances prudently. The following City financial policies establish the framework for Sedona’s overall fiscal planning and management. They set forth the guidelines against which current budgetary performance can be measured and proposals for future programs can be evaluated.

Sedona’s publicly adopted financial policies show the public, the credit rating industry, and prospective investors (*bond* buyers) the City’s commitment to sound financial management and fiscal integrity. The financial policies also improve the City’s fiscal stability by helping City officials plan fiscal strategy with a consistent approach.

Adherence to adopted financial policies promotes sound financial management, which can increase public confidence in the City’s ability to provide the services desired by the community.

Fiscal Planning, Budgeting, and Operations Management

This policy seeks to govern the preparation, monitoring and analysis of the City’s budget, incorporating a long-term perspective and a system of identifying resources and allocating those resources among competing purposes.

Policy Statement	Status	Comments
The City will present an annual operating budget that is balanced, whereby <i>ongoing revenues</i> will be sufficient to fund <i>ongoing expenditures</i> with no use of General Fund reserves to support ongoing operational costs.	√	
Reserves may be used to fund one-time <i>capital projects</i> or other <i>one-time expenditures</i> .	√	
The budget will not postpone expenditures, use <i>one-time revenue</i> sources to fund ongoing uses, or use external borrowing for operational requirements.	√	
Budgeting will be prepared on a <i>modified accrual basis of accounting</i> .	√	

Legend:
 √ Compliance with policy standard
 -- Noncompliance with policy standard

COMPREHENSIVE FINANCIAL POLICIES

continued

Fiscal Planning, Budgeting, and Operations Management (cont'd)

Policy Statement	Status	Comments
All departments will share in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources, and future service requirements.	√	
The budget process is intended to weigh all competing requests for City resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged.	√	
Addition of personnel will only be requested to meet strategic plan objectives, program initiatives, and policy directives after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, necessary personnel cost reductions will be achieved through attrition.	√	
No revenues will be dedicated for specific purposes, unless required by law or <i>generally accepted accounting practices</i> (GAAP). All non-restricted revenues will be deposited in the General Fund and appropriated by the budget process.	√	
Balanced revenue and expenditure <i>forecasts</i> will be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will encompass five years and will be updated annually.	√	Certain scenarios were provided during the budget process to demonstrate that some of the possible initiatives could not be funded within current revenue sources.
The City will follow an aggressive, but humane, policy of collecting revenues. All adjusted uncollectible accounts will be pursued to the limit of collection ability.	√	

Legend:

√ Compliance with policy standard

-- Noncompliance with policy standard

COMPREHENSIVE FINANCIAL POLICIES

continued

Capital Management

The purpose of the Capital Improvement Program (CIP) is to systematically identify, plan, schedule, finance, track and monitor *capital projects* to ensure cost effectiveness as well as conformance to established policies.

Policy Statement	Status	Comments
The City will prepare and adopt a six-year Capital Improvement Program. The program will be updated annually and include the direct costs of the project as well as any associated ongoing operational costs.	√	During the fiscal year 2017-18 budget process, the CIP Program was expanded to ten years to provide additional analysis of the transportation master plan projects and to provide <i>forecasts</i> through the remaining <i>bond</i> payments.
CIP projects include <i>infrastructure</i> , equipment purchases or construction resulting in or making improvements to a capitalized asset costing more than \$50,000 and having a useful life of five or more years.	√	
The first year of the six-year Capital Improvement Program will become the adopted capital budget for the current fiscal year.	√	
The capital improvement plan will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.	√	
Future operating, maintenance, and replacement costs associated with new capital improvements will be forecast, matched to available revenue sources, and included in the operating budget.	√	
When current revenues are available for CIP projects, consideration will first be given to those <i>capital assets</i> that have the shortest useful life and for assets whose nature makes them comparatively more difficult to finance. Using cash for projects with shorter lives and bonds/financing for projects with longer lives facilitates “intergenerational equity,” wherein projects with long useful lives are paid over several generations using the project through <i>debt service</i> payments.	√	

Legend:

√ Compliance with policy standard

-- Noncompliance with policy standard

COMPREHENSIVE FINANCIAL POLICIES

continued

Debt Management

Policy Statement	Status	Comments
The City may use debt to finance CIP projects according to the priorities established by the City. The projects to be financed should have an economic average life of at least five years. The City will attempt to use a pay-as-you-go method prior to issuing debt for this purpose.	√	No debt financing planned for FY 2017-18.
The City will strive to maintain or improve its credit ratings, although not at the expense of significantly delaying important CIP projects.	√	The City maintains an AA credit rating.
The City will utilize the most cost-effective financing strategies available while still maintaining flexibility for future project financing. This includes investigating other financing alternatives such as State or federal aid or using new financing techniques.	√	
The City will endeavor to maintain an open line of communication between the rating agencies and the marketplace in general, in part by providing full on-going financial disclosure as required by law.	√	
The City will follow prudent borrowing principals and not engage in any transactions involving significant market risk.	√	

Long Range Forecasting

Policy Statement	Status	Comments
The City will annually update a five-year long-range <i>forecast</i> , incorporating both projected revenues and expenditures for the City's <i>major funds</i> .	√	During the fiscal year 2017-18 budget process, the long-range forecast was expanded to ten years to provide additional analysis of the transportation master plan projects and to provide forecasts through the remaining <i>bond</i> payments.
The five-year revenue forecast will only include revenue that is reasonably considered to be sustainable over at least that five-year period.	√	
Expenditure projections will include anticipated operating impacts of whatever capital improvement expenditures are programmed in the six-year Capital Improvement Program.	√	
The process of long-range forecasting will also serve to define the critical issues and priorities and incorporate the City's Community Plan and long-term vision.	√	

Legend:

√ Compliance with policy standard

-- Noncompliance with policy standard

COMPREHENSIVE FINANCIAL POLICIES

continued

Grants

This policy establishes under what conditions *grants* will be pursued and with what administrative or legislative approvals.

Policy Statement	Status	Comments
The City shall apply for only those grants that are consistent with the objectives and high priority needs previously identified by the City Council.	√	
The potential for incurring ongoing costs, to include the assumption of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.	√	
The City shall attempt to recover all allowable costs – direct and indirect – associated with the administration and implementation of programs funded through grants. The City may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.	√	
All grant submittals shall be reviewed for their cash <i>matching requirements</i> , their potential impact on the operation budget, and the extent to which they meet the City’s policy objectives.	√	
If there is a cash matching requirement, the source of funding shall be identified prior to application.	√	
The City shall terminate grant-funded programs and associated positions when grant funds are no longer available, unless alternate funding is identified.	√	

User Fee Cost Recovery and Indirect Cost Allocations

This policy encourages full *cost recovery* of most publicly provided services that benefit specific individuals or organizations and the utilization of *user fees* to augment general tax revenues.

Policy Statement	Status	Comments
The City shall establish user fees and charges for certain services provided to users receiving a specific benefit.	√	
The City will conduct a cost of service study to identify the full cost of providing a service for which fees are charged. The calculation of full cost will include all reasonable and justifiable <i>direct and indirect cost</i> components. Fees and charges will be established to recover the full cost of service, unless the percentage of full cost recovery has been reduced by specific action of the City Council. It is recognized that occasionally competing policy objectives may result in reduced user fees and charges that recover only a portion of service costs.	--	An analysis including both the direct and indirect costs components has not been performed.

Legend:

√ Compliance with policy standard

-- Noncompliance with policy standard

COMPREHENSIVE FINANCIAL POLICIES

continued

User Fee Cost Recovery and Indirect Cost Allocations (cont'd)

Policy Statement	Status	Comments
User fees shall be reviewed on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.	--	The cost recovery levels have not been analyzed.

Accounting, Auditing, and Financial Reporting

This policy dictates the system of internal accounting and internal and external financial reporting that will be adhered to as the City conducts its financial transactions.

Policy Statement	Status	Comments
The City's accounting and financial reporting systems will be maintained in conformance with all State and federal laws, <i>generally accepted accounting principles</i> (GAAP), standards of the <i>Governmental Accounting Standards Board</i> (GASB), and best practices/advisories of the <i>Government Finance Officers Association</i> (GFOA).	√	
An annual audit will be performed by an independent public accounting firm, with an audit opinion to be included with the City's published <i>Comprehensive Annual Financial Report</i> (CAFR).	√	
The City's CAFR will be submitted to the GFOA's Certification of Achievement for Excellence in Financial Reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance-related legal and contractual provisions, disclose thoroughness and detail sufficiency, and minimize ambiguities and potentials for misleading inference.	√	
Financial systems will maintain <i>internal controls</i> to monitor revenues, expenditures, and program performance on an ongoing basis.	√	

Capital Expenditures (Capital Assets)

The City has a policy of capitalizing all assets greater than \$5,000.

Policy Statement	Status	Comments
Termed as <i>capital assets</i> , these capital expenditures are primarily purchased out of the departmental <i>capital outlay</i> accounts.	√	
All assets are depreciated utilizing the straight-line method and based on useful lives the City has established, with a minimum life of one year.	√	

Legend:

√ Compliance with policy standard

-- Noncompliance with policy standard

COMPREHENSIVE FINANCIAL POLICIES

continued

Capital Expenditures (Capital Assets) (cont'd)

Policy Statement	Status	Comments
The Financial Services Department is responsible for verifying the actual physical existence of capital assets annually through asset audits of City departments.	√	

Cash Management

The City Manager and Financial Services Department manage the City's investment portfolio and ensures compliance with the City's Investment Policy.

Policy Statement	Status	Comments
The City's investment policy is to invest public funds with maximum security in a manner that will provide the highest return while meeting the daily cash flow demands of the City and conforming to all applicable State statutes.	√	
The primary objectives, in priority order, are safety of principal, liquidity, and attaining a market rate of return.	√	
The City is permitted to invest in certificates of deposit, direct U.S. Treasury debt, securities guaranteed by the U.S. Government, and the State of Arizona's Local Government Investment Pool.	√	
Temporary idle cash during the year was invested in the State Treasurer's Investment Pool.	√	

Risk Management

The City is exposed to various risks of loss related to public and property liability and worker's compensation. Public liability includes public officials' errors and omissions, automobile and general liability.

Policy Statement	Status	Comments
The City participates in the Arizona Municipal Risk Retention Pool. The policy insures up to \$2,000,000 per incident plus excess liability of up to \$10,000,000. Coverage is provided on a claims-made basis with a \$50,000 deductible.	√	
The City's liability insurance program is administered by the City Attorney's Office. Worker's Compensation claims are reviewed by the Human Resources Department and handled through the Arizona Municipal Workers Compensation Pool.	√	
The City of Sedona has an aggressive safety program, which promotes employee safety on the job and focuses on risk control techniques designed to minimize accident related losses.	√	

Legend:

√ Compliance with policy standard

-- Noncompliance with policy standard

COMPREHENSIVE FINANCIAL POLICIES

continued

Fund Balance

To ensure financial stability, the City of Sedona desires to manage its financial resources by establishing *fund balance* ranges for selected funds. This will ensure the City maintains a prudent level of financial resources to provide sufficient cash flow for daily financial needs, secure and maintain *investment grade bond ratings*, offset significant economic downturns and revenue shortfalls, and provide funds for unforeseen expenditures related to emergencies.

Policy Statement	Status	Comments
The City shall maintain an <i>unassigned fund balance</i> range for the General Fund of not less than 50 percent and not more than 75 percent of the total adopted budgeted <i>operating expenditures</i> of the General Fund budget.	√	
Streets Fund: The restricted fund balance range for the Streets Fund shall be not less than 10 percent and not more than 50 percent of the total budgeted revenues of the Fund.	√	
Enterprise Funds: The fund balance range for the Enterprise Funds, including maintenance, operations and administration shall be not less than 25 percent (90 days) and not more than 33.3 percent (120 days) of the total budgeted operating expenditures of the Fund. This shall be in addition to a separate fund balance with a target equal to the average of one year of enterprise fund <i>debt service</i> repayment requirements. For the purpose of calculation, this reserve shall be in addition to all other required reservation of fund balance including, but not limited to, amounts reserved for replacement of <i>capital assets</i> , amounts set aside for resource development, and/or required <i>bond covenants</i> .	√	
Capital Projects Funds: The <i>capital projects funds</i> were created to account for resources designated to construct or acquire capital assets and major improvements. Occasionally, these projects may extend beyond a single fiscal year. Therefore, although no specific reserve requirement is established for the capital projects funds, at a minimum, the fiscal year-end <i>assigned</i> and unassigned fund balance, coupled with <i>estimated revenues</i> for the ensuing fiscal year, must be sufficient to fund all outstanding capital projects funds' obligations for the next fiscal year. This will follow the City's Capital Plan.	√	
If it is determined there is a <i>surplus</i> (an amount in excess of the upper limit of the fund balance range for any fund), the funds may be designated or appropriated at the next budget cycle to eliminate shortfalls in related funds, reduction or avoidance of debt, applied to a replacement program, to fund one-time capital needs, or for tax, fee, or rate stabilization.	√	

Legend:

√ Compliance with policy standard

-- Noncompliance with policy standard

COMPREHENSIVE FINANCIAL POLICIES

continued

Fund Balance (cont'd)

Policy Statement	Status	Comments
If it is determined there is a shortfall (an amount below the lower limit of the fund balance range for any fund), the fund balance is to be replenished through a distribution of surplus from other related funds, or an <i>appropriation</i> during the next annual budget process of at least 20 percent of the lower limit.	√	No shortfalls.

Legend:

- √ Compliance with policy standard
- Noncompliance with policy standard



BUDGET PROCESS AND CALENDAR

The City of Sedona budget process hinges on a wide range of participants including our citizens; City Council; the City Manager, executive leadership team, management, and staff; partner agencies; other local governmental entities; the Citizens Budget Work Group; and the Revenue Forecast Work Group. All of these stakeholders who participate in the budget process have a role in making recommendations to the City Council regarding the best uses of the City's financial resources

Policy/Strategy Phase

In December 2016, the Council met to review the existing priorities and to update or set new priorities as necessary that will guide their efforts for the following fiscal year and beyond.

During the January 2017 City Council budget retreat, staff provided a ten-year *forecast* of revenues and expenditures for the City's *major funds*, identified required reserve balances, discussed anticipated changes in staffing requirements and expenditures levels, and obtained Council input on upcoming priorities. This was an opportunity for the City Council to provide key policy directives and goals for consideration during the fiscal year 2017-18 budget process. Kickoff meetings with City staff were held in January 2017 for both the Capital Improvement Program (CIP) and Operating Budget to provide overall guidance for the development of the fiscal year 2017-18 budget.

Budget Development Phase

Department heads and program managers used this information to begin work on their base budgets for continuing operations. In March 2017, the City Manager and the Citizens Budget Committee met with each department and conducted a line-item review of all Operating Base Budgets and *Decision Packages*. From there, the City Manager developed his recommended budget.

FY 2017-18 Budget Calendar	
December 1, 2016	Council Priority Setting
January 17, 2017	Staff CIP Committee Kickoff Meeting
January 19, 2017	City Council Budget Retreat
January 25, 2017	Operating Budget Kickoff Meeting with Department and Division Heads
January 26-31, 2017	Individual Department Budget Planning Meetings
February 9, 2017	Deadline to Submit CIP Requests
February 21, 2017	CIP Committee Review of Project Submittals
February 23, 2017	Operating Base Budgets and <i>Decision Packages</i> Due
March 1, 2017	Citizens Budget Work Group Kickoff Meeting
March 1-2, 2017	City Manager and Citizens Budget Work Group Review of CIP Requests
March 9, 2017	CIP Committee Final Review of CIP Budget
March 21-22, 2017	Review of Operating Base Budgets and Decision Package Requests with City Manager, Citizens Budget Work Group, and Departments
March 23, 2017	Review of Final Funded CIP with City Manager and CIP Committee
March 30, 2017	Revenue Forecast Committee Review of Revenue Projections
April 20, 2017	Proposed Budget Distributed to City Council
April 26-27, 2017	City Council Work Sessions
May 16, 2017	City Council Adoption of Tentative Budget
May 24 and 31, 2017	Published Public Notice
June 13, 2017	City Council Final Budget Adoption

BUDGET PROCESS AND CALENDAR

continued

ARS SECTION 42-17103:

State statute dictates that all Arizona counties, cities, and towns are obliged to publish and make a summary of total revenues and expenses readily available within 7 days after presenting before a governing body. Platforms for distribution include a county's, city's, or town's official website, administrative offices, and library.

In addition, estimates are required to be posted in the government's official newspaper, or a local newspaper of general circulation, once a week for two consecutive weeks following adoption of the tentative budget. After a final budget adoption, original revenues and expenses estimates, along with the final budget, are to be archived on the organization's website for no less than sixty months.

Budget Review Phase

The City Council then held a series of public work sessions on the budget on April 26th and 27th. During these sessions, the City Council heard from the City Manager, Assistant City Manager, Director of Financial Services, department heads, and program managers regarding department objectives, accomplishments, and significant expenditure changes. They also offered an opportunity for input from the public. Following these and other listed meetings, Council approved the Tentative Budget, which set a budget cap, on May 16, 2017. Arizona Revised Statutes (ARS) §42-17101 requires tentative budget adoption on or before the third Monday in July.

Budget Adoption Phase

Per ARS §42-17103, subsequent to the approval of the Tentative Budget, the City must publish the expenditure and revenue summaries and make the expenditure and revenue detail available to any citizen for public inspection. The City of Sedona

published its notice of public hearing and budget summaries in the Sedona Red Rock News on May 24th and 31st. The tentative budget was made available at the Sedona Public Library, at Sedona City Hall, and on the City's Website. This process came to a close on June 13th, when the City Council adopted the Final Budget.

State-Imposed Expenditure Limitation

Provisions of the state-imposed *expenditure limitation* appear in both the State Constitution and the Arizona Revised Statutes. The constitution sets forth the framework in some detail for the expenditure limit and the remaining details are provided in State law.

The state-imposed limitation uses actual payment of local revenues for fiscal year 1979-80 as the base limit. The *Economic Estimates Commission* had determined this base limit for every city and town based on information supplied by each community in 1980. This base consists of those expenditures "controlled" by the state limitation and does not include those revenues specifically exempted from the limitation.

Home Rule

Any city or town can adopt its own "alternative" expenditure limitation that is free from any ties to the state-imposed limitation if a majority of the qualified electors voting on the issue at a city/town regular election vote in favor of the alternative limitation.

BUDGET PROCESS AND CALENDAR

continued

State-Imposed Expenditure Limitation (cont'd)

The City of Sedona has operated under Home Rule for over twenty years. Voters last approved the Home Rule Option, August 26, 2014. Normally, Home Rule is considered every four years but a legislative change requiring a consolidated election schedule for cities and towns required this most recent election only two years after the prior vote. The next time the Sedona voters will consider Home Rule, should be August 2018. Home Rule allows the City Council to set its budget locally, rather than basing the City's budget on the state-imposed expenditure limitation.



Budget Implementation/Monitoring/Amendment Phase

In July, the City staff begins the process of implementing the newly adopted budget and is accountable for *budgetary control* throughout the fiscal year as follows:

- Actual revenues and expenditures are compared to the adopted budget and monitored throughout the year.
- City management and City Council are provided monthly financial updates and reports disclosing actual revenues, expenditures, and *fund balances* compared to the adopted budget.

The City's operating budget is adopted at a department level and the capital improvement plan is adopted at a project level. Any amendments to the budget require approval as follows:

Amendment	Required Approval
Use of Contingency Reserve	City Council
Inter-fund Transfers	City Council
Inter-department, Inter-program or Inter-project Transfers	City Manager
Intra-fund/Intra-program Transfers	Department Head



Budget Summary

BUDGET OVERVIEW

This overview discusses the City's costs for providing services and the resources being used to pay for those services. The City of Sedona fiscal year 2017-18 financial plan presents a fiscally sound and *balanced budget* that maintains the integrity of the City's financial condition while still meeting the high service level demands of the community.

The financial plan is balanced not only financially, but also equally as important, balances the allocation of resources among operating requirements, capital needs, debt burden, and strong reserves for future needs and *contingencies*.

The City Council has established priorities for fiscal year 2017-18 that include financial management, *capital projects* and *infrastructure* improvements, code and Community Plan updates, and environmental sustainability. Specific projects within these priority areas have been funded and included in the fiscal year 2017-18 budget.

Economic Overview

The City is located in central Arizona approximately 120 miles north of the City of Phoenix and is surrounded by the Coconino National Forest. The City is situated at the southern entrance to Oak Creek Canyon, a tourist attraction. The City's resident population is approximately 10,388 with only minor increases for the past several years; however, the tourism trade has been growing.

From a small agricultural community, the City has developed into a major tourist and art center. The primary contributors to the City's economy are tourism, services, retirement, and commerce. The largest employment sectors are retail, service, and lodging, accounting for an estimated 90 percent of the City's total employment.

An estimated 3 to 4 million visitors from around the world per year visit the "Red Rock Country" of Sedona and Oak Creek Canyon. The City is home to red sandstone geological formations, which are a popular tourist attraction for the area. Along with the scenic attractions, the area offers 3 eighteen-hole and 2 nine-hole golf courses, over 40 art galleries, over 80 restaurants, and over 80 lodging establishments including resorts, hotels, motels, bed and breakfasts, and timeshares.

The City Council has committed 55 percent of the proceeds of *bed tax* to the promotion of tourism, including a destination marketing program. The marketing program is focused on increasing interest and visitation to Sedona as a destination with local options for many types of activities and attractions. The Sedona Tourism Bureau kicked off the program in mid-July 2014. Since the program began, it has exceeded all expectations. During 2016, key tourism indicators improved including a 3 percent increase in room occupancy rates and an 8 percent increase in average daily room rates. With the continued increase in bed taxes, 2017 is anticipated to continue to show increases in these indicators.

BUDGET OVERVIEW

continued

Long-Range Forecasts

The City prepares long-range *forecasts* for its *major funds* at the initiation of the budget process to aid in decision-making regarding priorities to be incorporated in the budget. The forecasts were extended from six years to ten years to better evaluate the longer-term needs of the City, and multiple scenarios were developed throughout the budget process to consider the impacts of various decision options.

Revenues are largely impacted by the City's primary economic driving force as a tourist destination. Since tourism can be significantly affected by economic cycles, an assumption of another recessionary period and subsequent recovery period was included in the forecast based on a combination of information from various economists. More details on the forecast of revenues are included in the Revenue Trends section.

Annual operational costs are also expected to increase over the course of the ten-year forecast period but will need to be actively managed and increases kept to a minimum in order to not exceed forecasted *ongoing revenue* projections. Increases in expenditure needs are anticipated as a result of:

- Growth in various programs and service areas
- Council and community priorities
- Expectations to pursue various elements of the new Community Plan
- Requests from outside organizations for increases in City funding
- The need to make salary adjustments for staff in order to keep pace with industry comparable wages and to not fall behind the market
- Normal inflationary increases such as utility costs, health insurance, and pension contributions
- Ongoing maintenance requirements for the City's physical infrastructure

As a result, modest annual inflationary increases are forecasted for the General Fund operations as well as the Wastewater operations. Staff believes these to be conservative estimates, but is only forecasting increases to expenditures to the extent revenues also increase. Staff and the City Council will be diligent in assessing, prioritizing, and managing additional expenditure needs. Estimated budget savings based on historical trends have been included as an offset to projected expenditures.

General Fund transfers are based on the current policies for subsidies to the Streets Fund and Wastewater Enterprise Fund, with the remaining General Fund *surplus* transferred to the Capital Improvements Fund. See the Fund balance section for details on the City's reserve requirements and the Inter-Fund Transfers section for details on the projected subsidy requirements based on the Wastewater Rate Study and Financial Plan.

The scenario presented here includes only *capital projects* started in fiscal years 2017-18 and 2018-19 and projects fully funded with *restricted monies*.

BUDGET OVERVIEW

continued

Long-Range Forecasts (cont'd)

TEN-YEAR FORECASTS BY FUND

(In Thousands)

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
General Fund:										
Revenues	\$26,478	\$26,620	\$25,547	\$24,534	\$25,648	\$26,876	\$27,396	\$27,992	\$28,535	\$29,151
Expenditures	19,869	19,524	19,513	19,867	20,673	21,505	22,291	23,133	24,012	24,932
Net transfers	(6,524)	(7,858)	(6,055)	(4,388)	(4,574)	(4,953)	(4,707)	(4,442)	(4,084)	(3,758)
Net surplus/ deficit	85	(762)	(21)	278	401	418	397	417	439	462
Beginning fund balance	10,338	10,424	9,662	9,641	9,919	10,321	10,738	11,135	11,553	11,992
Ending fund balance	\$10,424	\$ 9,662	\$ 9,421	\$ 9,919	\$10,321	\$10,738	\$11,135	\$11,553	\$11,992	\$12,454
<i>Over (under) minimum reserve requirements</i>	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Streets Fund:										
Revenues	\$ 962	\$ 875	\$ 849	\$ 849	\$ 861	\$ 874	\$ 887	\$ 901	\$ 914	\$ 928
Expenditures	1,203	1,204	1,204	1,227	1,252	1,276	1,302	1,327	1,354	1,380
Net transfers	35	330	356	390	402	414	427	440	453	466
Net surplus/ deficit	(206)	-	-	12	12	12	13	13	13	13
Beginning fund balance	808	602	602	602	614	626	638	651	664	677
Ending fund balance	\$ 602	\$ 602	\$ 602	\$ 614	\$ 626	\$ 638	\$ 651	\$ 664	\$ 677	\$ 690
<i>Over (under) minimum reserve requirements</i>	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Capital Improvements Fund:										
Revenues	\$ 1,272	\$ 1,136	\$ 789	\$ 895	\$ 438	\$ 406	\$ 411	\$ 417	\$ 423	\$ 429
Expenditures	7,247	9,033	4,285	450	-	-	-	-	-	-
Net transfers	2,293	3,194	2,346	848	860	1,919	1,600	1,259	825	3,292
Net surplus/ deficit	(3,681)	(4,703)	(1,150)	1,293	1,298	2,324	2,011	1,676	1,248	3,720
Beginning fund balance	11,763	8,081	3,378	2,228	3,521	4,819	7,143	9,154	10,830	12,078
Ending fund balance	\$ 8,081	\$ 3,378	\$ 2,228	\$ 3,521	\$ 4,819	\$ 7,143	\$ 9,154	\$10,830	\$12,078	\$15,798
<i>Portion restricted for flood control</i>	\$-	\$-	\$-	\$365	\$736	\$1,113	\$1,495	\$1,882	\$2,276	\$2,675

BUDGET OVERVIEW

continued

Long-Range Forecasts (cont'd)

TEN-YEAR FORECASTS BY FUND

continued
(In Thousands)

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Wastewater Enterprise Fund:										
Revenues	\$ 6,724	\$ 6,971	\$ 8,012	\$ 7,460	\$ 8,297	\$ 7,952	\$ 7,983	\$ 8,014	\$ 8,044	\$ 8,015
Expenditures	14,214	14,442	11,284	10,477	11,551	11,035	11,189	10,024	10,690	7,031
Net transfers	4,166	4,290	3,317	3,150	3,311	2,620	2,681	2,743	2,807	-
Net surplus/ deficit	(3,325)	(3,182)	44	133	57	(463)	(525)	733	160	1,044
Beginning fund balance	13,883	10,559	7,377	7,421	7,553	7,610	7,148	6,623	7,355	7,515
Ending fund balance	\$10,559	\$ 7,377	\$ 7,421	\$ 7,553	\$ 7,610	\$ 7,148	\$ 6,623	\$ 7,355	\$ 7,515	\$ 8,559
Over (under) minimum reserve requirements	\$4,360	\$1,032	\$966	\$993	\$929	\$458	\$(44)	\$642	\$5,236	\$6,229

Projections for General Fund ongoing revenues to support day-to-day operations appear to primarily be trending modestly upward over the in the forecast, as will the Wastewater Enterprise Fund revenues due to rate adjustments and modest growth.

The *fund balances* of the Wastewater Enterprise Fund will be relatively close the minimum reserve requirements throughout most of the forecast until the final Wastewater Fund *bond* payments are made in fiscal year 2025-26 and the *debt service* reserve is released. The City is considering an update to the Wastewater Rate Study and Financial Plan in fiscal year 2018-19 to address the anticipated excesses in fiscal years 2025-26 and 2026-27. It is hoped that additional information will be available regarding certain unknowns to be evaluated in the context of the update, including the results of the wastewater master plan currently in progress and an analysis of the impacts of the change in legislation allowing short-term vacation rentals.

However, the Capital Improvements Fund will require additional ongoing revenue in order to continue to support the ever-increasing demands for *infrastructure* improvements and other capital projects, particularly the projects proposed in the transportation master plan. The Fiscal Years 2017-18 through 2026-27 Capital Improvement Program includes \$61.4 million of proposed projects not included in this scenario. The \$15.8 million of projected available fund balance could pay for the \$8.6 million of unfunded non-transportation projects but is not nearly adequate to fund the \$52.8 million of unfunded transportation projects.

The City Council has identified the exploration of funding alternatives for capital projects, which may include identification of new dedicated revenue sources and/or debt financing for certain types of projects, as a priority. A work group, referred to as the Fiscal Sustainability Work Group (FSWG), was created to develop recommendations. More details on the FSWG are included in the Capital Improvement Program Overview section.

BUDGET OVERVIEW

continued

FY 2017-18 City-Wide Revenue and Expenditure Budgets

The total *appropriation* for fiscal year 2017-18 has increased by 24 percent (including carryforward budget amounts) from \$38.4 million to \$47.8 million. A significant portion of this increase is associated with a \$5.2 million increase in budgeted capital improvement projects. Excluding one-time capital improvement projects, the total budget increased 14 percent. The following table reflects the overall revenue and expenditure changes by fund.

BUDGETED REVENUES & EXPENDITURES BY FUND

(In Thousands)

Fund	Revenues			Expenditures		
	FY17 Budget	FY18 Budget	% Change	FY17 Budget	FY18 Budget	% Change
General Fund:						
Ongoing Operations	\$23,829	\$25,926	9%	\$16,541	\$17,267	4%
Indirect Cost Allocations*	-	-	-	-	457	∞
One-Time Operations	30	2	-94%	787	1,047	33%
Debt Service	-	-	-	686	1,431	109%
Contingencies	550	550	-	810	900	11%
Total General Fund	\$24,409	\$26,478	8%	\$18,823	\$21,103	12%
Streets Fund:						
Ongoing Operations	\$ 799	\$ 862	8%	\$ 1,150	\$ 1,203	5%
One-Time Operations	-	100	∞	-	-	-
Total Streets Fund	\$ 799	\$ 962	20%	\$ 1,150	\$ 1,203	5%
Grants & Donations Funds:						
Ongoing Operations	\$ 91	\$ 79	-13%	\$ 55	\$ 39	-30%
One-Time Operations	30	100	233%	315	105	-67%
Capital Improvements	-	-	-	50	198	295%
Contingencies	300	300	-	-	300	∞
Total Grants & Donations Funds	\$ 421	\$ 479	14%	\$ 421	\$ 641	53%
Development Impact Fees Funds:						
Capital Improvements	\$ 199	\$ 224	13%	\$ 2,514	\$ 1,430	-43%
Debt Service	3	2	-28%	21	23	7%
Total Development Impact Fees Funds	\$ 201	\$ 225	12%	\$ 2,535	\$ 1,452	-43%
Capital Improvements Fund:						
Capital Improvements	\$ 966	\$ 1,272	32%	\$ 3,313	\$ 7,427	124%
Total Capital Improvements Fund	\$ 966	\$ 1,272	32%	\$ 3,313	\$ 7,427	124%

BUDGET OVERVIEW

continued

FY 2017-18 City-Wide Revenue and Expenditure Budgets (cont'd)

BUDGETED REVENUES & EXPENDITURES BY FUND

continued
(In Thousands)

Fund	Revenues			Expenditures		
	FY17 Budget	FY18 Budget	% Change	FY17 Budget	FY18 Budget	% Change
Art in Public Places Fund:						
Capital Improvements	\$ 12	\$ -	-	\$ -	\$ -	-
Total Art in Public Places Fund	\$ 12	\$ -	-	\$ -	\$ -	-
Wastewater Enterprise Fund:						
Ongoing Operations	\$ 6,129	\$ 6,320	3%	\$ 2,702	\$ 2,924	8%
Indirect Cost Allocations/Department Allocations*	-	-	-	596	1,192	100%
One-Time Operations	-	-	-	484	670	39%
Capital Improvements	275	403	47%	3,086	5,077	65%
Debt Service	-	-	-	5,151	4,410	-14%
Contingencies	-	-	-	100	100	-
Total Wastewater Enterprise Fund	\$ 6,404	\$ 6,724	5%	\$12,119	\$14,373	19%
Information Technology Internal Service Fund:						
Ongoing Operations	\$ -	\$ 1,468	∞	\$ -	\$ 926	∞
Indirect Cost Allocations *	-	-	-	-	348	∞
One-Time Operations	-	154	∞	-	278	∞
Total Information Technology Fund	\$ -	\$ 1,622	∞	\$ -	\$1,553	∞
TOTAL ALL FUNDS	\$33,211	\$37,762	14%	\$38,361	\$47,752	24%
Excluding Capital Improvements	\$31,759	\$35,864	13%	\$29,398	\$33,621	14%

* An *indirect cost allocation plan* was initiated for fiscal year 2017-18. In prior years, an allocation of costs was charged directly to the Wastewater Enterprise Fund. See the Internal Charges section for more details.

The proposed operating budget is presented as a balanced plan between expenditures and revenues. Although the total fiscal year 2017-18 projected new revenues are \$37.8 million and total fiscal year 2017-18 expenditures are \$47.8 million, an additional \$10.0 million of accumulated *surplus* balances will be used for one-time capital *infrastructure* projects. In addition, approximately \$206,000 of surplus balances in the Streets Fund will be used for streets rehabilitation and maintenance projects.

BUDGET OVERVIEW

continued

FY 2017-18 City-Wide Revenue and Expenditure Budgets (cont'd)

TOTAL FUNDING SOURCES AND USES

(In Thousands)

FY 2017-18	Revenues & Others Sources of Funds	Expenditures & Other Uses of Funds
Total Revenues & Expenditures	\$37,762	\$47,752
Use of Accumulated Balances:		
Streets Fund – use of balance in exceeding policy maximum reserves	206	-
Grants & Donations Funds – use of funding received in prior years for funding of capital improvement projects	162	-
Development Impact Fee Funds – use of balances set aside for funding of capital improvement projects	1,227	-
Capital Improvements Fund – use of balances set aside for funding of capital improvement projects	5,092	-
Wastewater Enterprise Fund – use of balance exceeding policy maximum reserves for capital improvement projects	3,484	-
Total Use of Accumulated Balances	10,171	-
Additions to Accumulated Reserves:		
General Fund	85	-
Art in Public Places Fund	27	-
Information Technology Internal Service Fund	70	-
Total Additions to Accumulated Reserves	181	-
Total	\$47,752	\$47,752

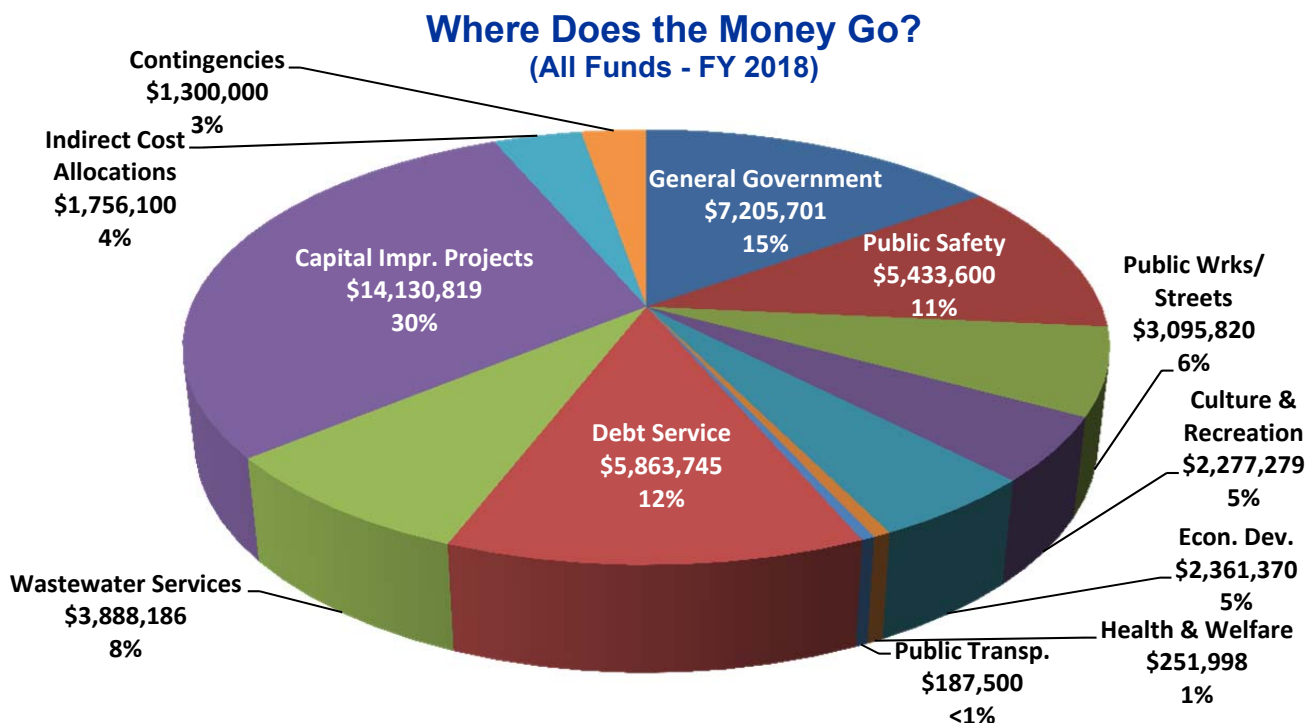
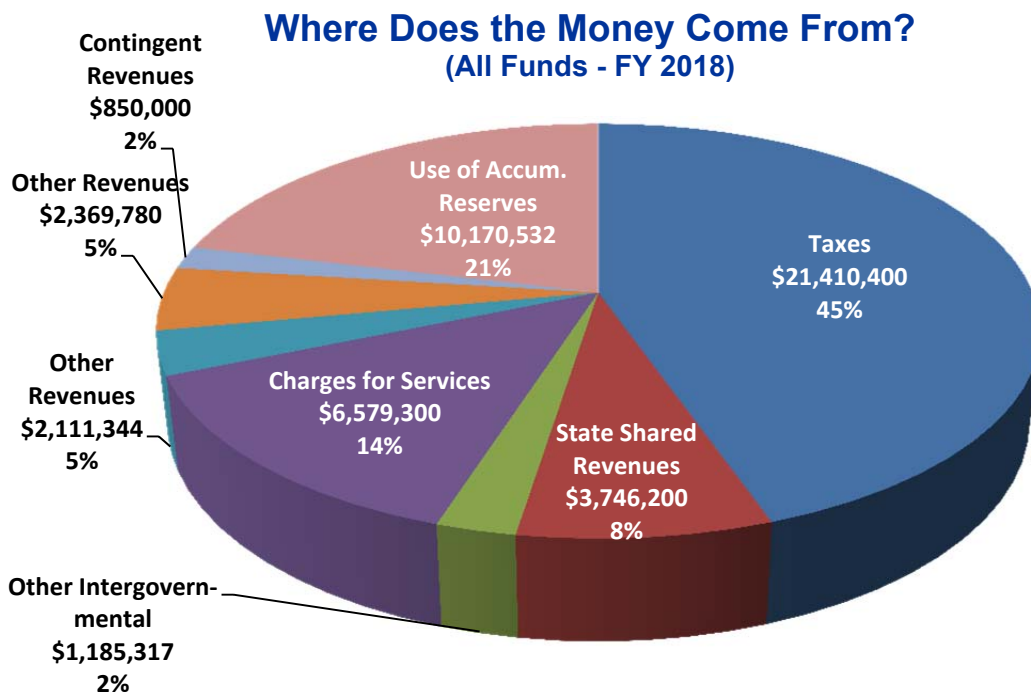


BUDGET OVERVIEW

continued

FY 2017-18 City-Wide Revenue and Expenditure Budgets (cont'd)

The following charts are representations of the City's total revenue and expenditure distributions:



BUDGET OVERVIEW

continued

FY 2017-18 City-Wide Revenue and Expenditure Budgets (cont'd)

Decision Packages

For new budgetary needs with a significant dollar impact, generally more than \$5,000, and requests that result in new programs or services, departments are directed to prepare what the City refers to as a *Decision Package*. These are prioritized and approved only if funding is available.

The following Decision Packages have been included in the fiscal year 2017-18 budget. The contingently approved Decision Packages are contingent upon additional analysis before the final decisions on how they will be implemented are made.

FY 2018 DECISION PACKAGES

Department	Description/Basis of Request	Ongoing Costs	One-Time Costs	Total Request
Approved:				
City Manager's Office	Environmental Sustainability Strategy Development (<i>New – Improve Existing Service</i>)	\$ 25,000	\$ -	\$ 25,000
Financial Services	Collection Agency (<i>New – Improve Efficiency of Existing Service</i>)	11,200	-	11,200
Financial Services	Remittance Processing (<i>New – Improve Efficiency of Existing Service</i>)	9,800	-	9,800
Financial Services	Budget Building & Automation Software (<i>New – Improve Efficiency of Existing Service</i>)	35,000	-	35,000
Parks & Recreation	Administrative Assistant (<i>New Position - Improve Efficiency of Existing Service</i>)	66,980	3,150	70,130
Community Development	Vehicle for Chief Building Official (<i>Reinstated Position – Improve Efficiency of Existing Service</i>)	1,400	3,000	4,400
Public Works	Bike Skills Park Maintenance (<i>New Position – Improve Existing Service</i>)	10,000	-	10,000
Public Works	Traffic Control Operations (<i>New Positions and Equipment – Improve Existing Service</i>)	110,840	16,000	126,840
Public Works	Streets Hot Box (<i>New – Improve Efficiency of Existing Service</i>)	(5,200)	42,000	36,800
Wastewater	Vehicle Replacement (<i>Improve Efficiency of Existing Service</i>)	-	25,000	25,000
Subtotal		\$265,020	\$ 89,150	\$354,170
Contingent Approval:				
Information Technology	Sinagua Building Network Connectivity (<i>New – Improve Existing Service</i>)	-	12,500	12,500
Police	Police Commander (<i>Position Reclassification – Improve Existing Service</i>)	21,510	-	21,510
Police	Patrol Assigned Vehicle Program (<i>New – Improve Efficiency of Existing Service</i>)	72,512	51,188	123,700
Wastewater	Plant Operator (<i>New Position – Improve Existing Service</i>)	69,290	5,150	74,440
Wastewater	Administrative Assistant (<i>Expand Position to Full-Time – Improve Existing Service</i>)	35,060	-	35,060
Subtotal		\$198,372	\$ 68,838	\$267,210
TOTAL		\$463,392	\$157,988	\$621,380

BUDGET OVERVIEW

continued

FY 2017-18 City-Wide Revenue and Expenditure Budgets (cont'd)

Budget Carryovers

During the preparation of the budget, departments are authorized to add to their budgets previously approved items that are incomplete or not started as of the prior fiscal year. The following is a list of those items budgeted in fiscal year 2015-16 and carried forward to fiscal year 2016-17.

FY 2018 BUDGET CARRYOVERS

Department	Description	Carryover Amount
General Fund:		
City Manager's Office	Public Access Channel/Video Communications <i>(Not Started)</i>	\$ 20,000
City Manager's Office	Citizen Survey <i>(Not Started)</i>	10,000
Information Technology	Hardware and Software for Electronic Citations Upgrade <i>(Not Started)</i>	70,000
Information Technology	Microsoft 365 Migration/Training <i>(Not Started)</i>	40,000
General Services	Market Study Adjustments <i>(Partially Used)</i>	429,150
General Services	Springbrook Training for New Staff <i>(Not Started)</i>	15,000
Community Development	Comprehensive Review and Update of the City's Land Development Code <i>(Incomplete)</i>	118,000
Community Development	Wireless Communications Master Plan <i>(Incomplete)</i>	15,000
Municipal Court	Scanner Required by Administrative Offices of the Courts <i>(Not Started)</i>	900
Subtotal		718,050
Wastewater Enterprise Fund:		
Wastewater	Operator Area Remodel and Furniture <i>(Not Started)</i>	12,000
Wastewater	Replace Flow Meter and Flow Control for UV System <i>(Not Started)</i>	8,000
Wastewater	PLC Rack 4 Installation <i>(Not Started)</i>	7,500
Wastewater	Building Construction for In-Town Office <i>(Not Started)</i>	10,000
Wastewater	Replacement Furniture <i>(Not Started)</i>	500
Subtotal		38,000
TOTAL		\$756,050

BUDGET OVERVIEW

continued

General Fund

The General Fund budget increased from \$21.1 million to \$18.8 million this year, an increase of 12 percent. The increase is largely due to anticipated higher *debt service* payments, the implementation of an *indirect cost allocation plan*, and an increase in *one-time expenditures*.

Salaries & Benefits Expenditures

Of the total General Fund expenditures, \$10.8 million, or 51 percent, is attributable to salaries and benefits for the City's employees. This is an increase of \$1.2 million, or 12 percent, over fiscal year 2016-17.

- **Decision Packages** – The increase includes the addition of one full-time position, at a total cost of approximately \$67,000, and six part-time positions, at a total cost of approximately \$59,000. In addition, two positions were reclassified for a net increase in costs of approximately \$32,000, and overtime costs for the new traffic control operations program of approximately \$37,000 was added.
- **Pay Adjustments** – The overall salary budgets were increased for a 2.5 percent cost-of-living adjustment (COLA) and 2.5 percent merit increases prorated based on effective dates by employee for a total increase of approximately \$390,000.
- **Transfer to New Fund** – Starting fiscal year 2017-18, the Information Technology Department will be accounted for in the new Information Technology Internal Service Fund. Salary and benefit costs in the General Fund were reduced approximately \$457,000 as a result of this transfer.
- **Indirect Cost Allocation Plan** – The City implemented an indirect cost allocation plan in fiscal year 2017-18, approximately \$403,000 of salaries and benefits were previously coded directly to the Wastewater Fund that will now be allocated through *internal charges*.
- **One-Time Cost** – A placeholder of \$250,000 was added to the budget relating to the results of a lawsuit, in which the courts found the increase in the employee share of the Public Safety Personnel Retirement System (PSPRS) contribution rate to be unconstitutional. The increase in the employee share was, in effect, a savings to the City since it reduced what the employer share would have been. The amounts to be refunded to the employees will include the contributions deemed unconstitutional plus interest.
- **Vacancy Savings Adjustment** – Total salaries and benefits are offset by an estimate of vacancy savings during the year due to routine employee turnover. Based on a historical review of actual vacancy savings and a noted trend of lower savings, the offset was reduced by \$200,000, which results in a net increase in costs.
- **Benefit Changes** – Increases and decreases to the City's *employee benefits* for fiscal year 2017-18 were as follows.
 - The City's health insurance rates increased 4 percent for a cost of approximately \$42,000.
 - The Arizona State Retirement System (ASRS) rates changed slightly from 11.48 percent to 11.50 percent.
 - The PSPRS rates changed significantly from 25.83 percent to 33.97 percent. This 30 percent increase in the contribution rate results in an increase of costs of approximately \$160,000.

BUDGET OVERVIEW

continued

General Fund (cont'd)

- As a result of the PSPRS lawsuit, changes were made to the structure of the plan based on employee hire dates. These changes resulted in an increase in costs of approximately \$30,000.
- The City's worker's compensation rates experiences a significant decrease as a result of a drop in our *experience modification rating* (EMOD) and our rating factor. This accounts for approximately \$25,000 in savings.

Supplies & Services Expenditures

Of the total General Fund expenditures, \$7.2 million, or 34 percent, is attributable to supplies and services. This is an increase of approximately \$144,000 or 2 percent.

- **Decision Packages** – Supplies and services costs included in the *Decision Packages* represent approximately \$38,000.
- **Ongoing Costs** – The estimated destination marketing program costs for fiscal year 2017-18 are approximately \$441,000 higher than the prior fiscal year. In addition, estimated general liability and property insurance premiums were increased approximately \$35,000.
- **One-Time Costs** – Some of the more significant changes in one-time costs include the following:
 - An update to the City's *development impact fee* study was budgeted at \$48,000.
 - Costs for the completion of the wireless master plan update were decreased approximately \$35,000.
 - Fiscal year 2016-17 was an election year, and the supplies and services budget has been reduced approximately \$65,000.
 - A comprehensive review and update of the City's Land Development Code has been anticipated to take two to three years to complete. The estimated costs for fiscal year 2017-18 were budgeted approximately \$67,000 higher than the prior year.
- **Transfer to New Fund** – Starting fiscal year 2017-18, the Information Technology Department will be accounted for in the new Information Technology Internal Service Fund. Supplies and services costs in the General Fund were reduced approximately \$525,000 as a result of this transfer.
- **Indirect Cost Allocation Plan** – The City implemented an indirect cost allocation plan in fiscal year 2017-18, approximately \$119,000 of supplies and services were previously coded directly to the Wastewater Fund that will now be allocated through internal charges.

Indirect Cost Allocations

Of the total General Fund expenditures, approximately \$457,000, or 2 percent, is attributable to indirect cost allocations. This is first year of the newly implemented indirect cost allocation plan. See the Internal Charges section for more details.

Capital & Debt Service Expenditures

Of the total General Fund expenditures, \$1.8 million, or 8 percent, is attributable to capital and debt service expenditures. This is an increase of approximately \$435,000 or 32 percent.

BUDGET OVERVIEW

continued

General Fund (cont'd)

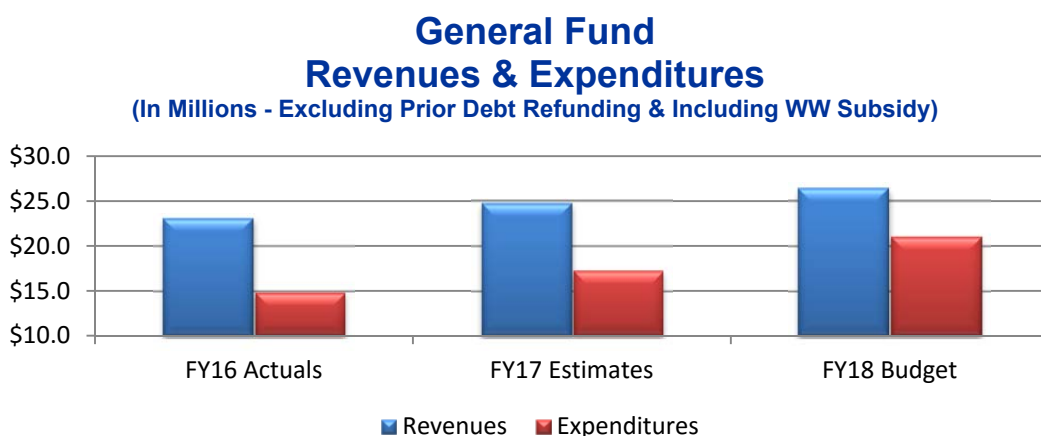
Debt service costs increased approximately \$745,000. The *bond* principal and interest payments are paid based on debt retirement schedules specified in the bond documents. This increase has been anticipated and a reserve was established to cover these increased costs. See the Fund Balance section for more details.

Capital expenditures for fiscal year 2017-18 of approximately \$351,000 include the following:

- A *Decision Package* was submitted for the completion of an assigned vehicle program for patrol officers. The approval for this *Decision Package* was contingent upon additional analysis before the final decisions on how it will be implemented. Analysis of the ongoing costs, procurement method (i.e., buy vs. lease), and quantity of vehicles will be made before this program will be finalized. The cost for this program was originally anticipated as \$120,000. Approximately \$99,000 was added for the completion of this program.
- A *Decision Package* was approved for the purchase of a hot box for the streets program for approximately \$42,000.
- Placeholders for sidewalk improvements and City facility improvements were included for approximately \$71,000.
- Other miscellaneous equipment purchases and replacements were also included.

Revenues

General Fund revenues are projected to increase \$2.1 million, or 8 percent, in fiscal year 2017-18. The increase is primarily driven by the increase in both *city sales* and *bed taxes*, which are estimated to increase \$2.0 million. In addition, revenues were increased approximately \$230,000 for the implementation of a paid parking program in the Uptown area. More details regarding the projection of revenues can be found in the Revenue Trends section.



Streets Fund

The Streets Fund budget increased from \$1.15 million to \$1.2 million this year, an increase of 5 percent. The increase is due to the implementation of the *indirect cost allocation plan*.

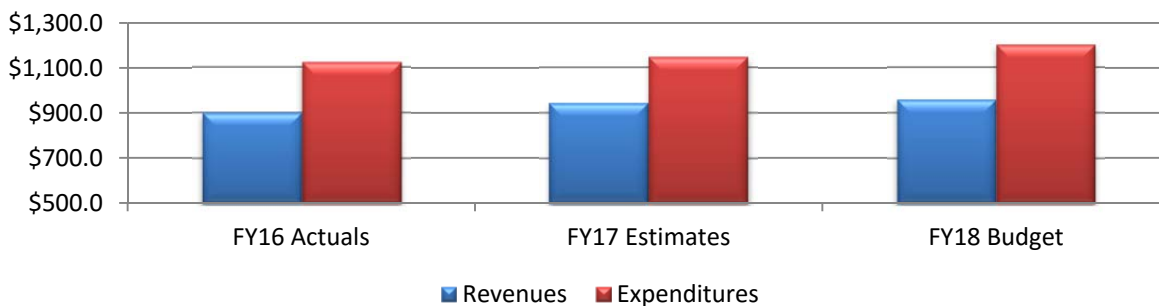
BUDGET OVERVIEW

continued

Streets Fund (cont'd)

Budgeted revenues increased by approximately \$163,000, or 20 percent. A significant portion of the increase is due to anticipated outside participation in streets projects.

Streets Fund Revenues & Expenditures (In Thousands)

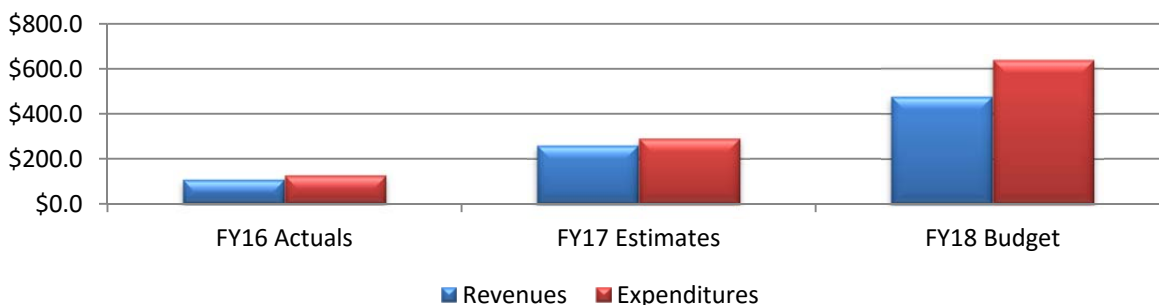


Grants & Donations Funds

The Grants & Donations Funds budget increased from approximately \$421,000 to approximately \$641,000 this year, an increase of 53 percent. The increase is primarily due a capital improvement project budgeted from accumulated court *restricted* monies.

Budgeted revenues increased by approximately \$58,000, or 14 percent. A significant portion of the increase is due to anticipated *grants*, as well as donations for the purchase and training of a new K-9 officer.

Grants & Donations Funds Revenues & Expenditures (In Thousands)



BUDGET OVERVIEW

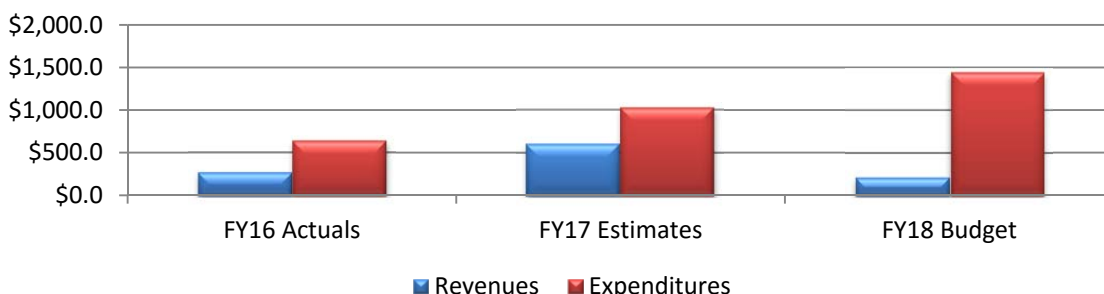
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Development Impact Fees Funds

The Development Impact Fees Funds budget decreased from \$2.5 million to \$1.5 million this year, a decrease of 43 percent. Of the total expenditures, approximately \$130,000 represents continuing projects. The total expenditures also include \$1.25 million as a placeholder for monies dedicated to acquisition of park land should the Council decide to make a purchase.

Budgeted revenues increased by approximately \$24,000, or 12 percent, based on past historical trends of ongoing *development impact fee* revenues.

Development Impact Fees Funds Revenues & Expenditures (In Thousands)

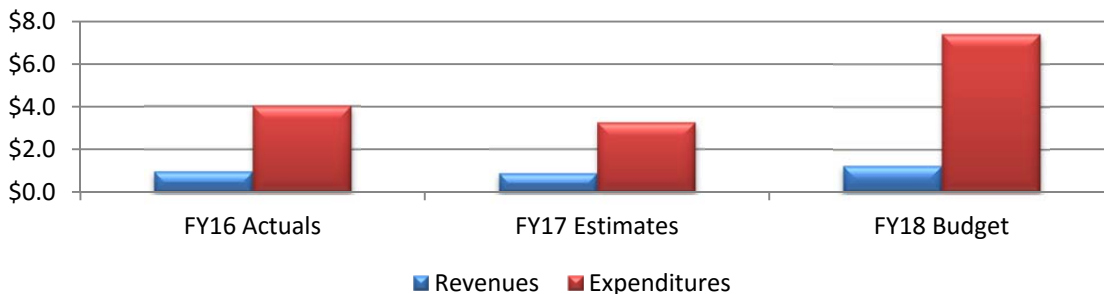


Capital Improvements Fund

The Capital Improvements Fund budget increased from \$3.3 million to \$7.4 million this year, an increase of 124 percent. Of the total expenditures, \$4.6 million represents continuing projects. Other *capital projects* added for fiscal year 2017-18 include approximately \$551,000 for the replacement of the computer aided dispatch/records management system and \$1.9 million for projects recommended in the transportation master plan.

Budgeted revenues increased by approximately \$306,000, or 32 percent. A significant portion of the increase is due to anticipated *grant* funding for projects.

Capital Improvements Fund Revenues & Expenditures (In Millions)



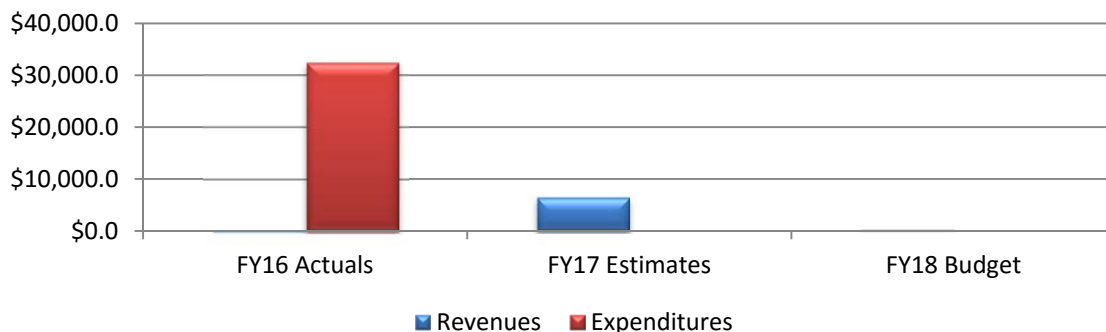
BUDGET OVERVIEW

continued

Art in Public Places Fund

The last project for the Art in Public Places Fund was in fiscal year 2015-16, and the next project is not anticipated until fiscal year 2018-19.

Art in Public Places Fund Revenues & Expenditures



Wastewater Enterprise Fund

The Wastewater Enterprise Fund budget increased from \$12.1 million to \$14.4 million this year, an increase of 19 percent. The increase is largely due to an increase in capital improvement projects.

Wastewater Fund revenues are projected to increase approximately \$320,000, or 5 percent, in fiscal year 2017-18. The increase is primarily a result of a 4 percent increase in *user fees*, as well as an increase in *capacity fees* based on past historical trends of ongoing capacity fee revenues and a projection of the construction cost index inflation factor used to adjust the fees.

Salaries & Benefits Expenditures

Of the total Wastewater Fund expenditures, \$1.3 million, or 9 percent, is attributable to salaries and benefits for the City’s employees. This is a decrease of approximately \$166,000, or 12 percent, over fiscal year 2016-17.

- **Decision Packages** – The increase includes the addition of one full-time position, at a total cost of approximately \$65,000, and the reclassification of a part-time position to a full-time position, at a total cost of approximately \$35,000.
- **Pay Adjustments** – The overall salary budgets were increased for a 2.5 percent cost-of-living adjustment (COLA) and 2.5 percent merit increases prorated based on effective dates by employee for a total increase of approximately \$46,000.

BUDGET OVERVIEW

continued

Wastewater Enterprise Fund (cont'd)

- **Indirect Cost Allocation Plan** – The City implemented an *indirect cost allocation plan* in fiscal year 2017-18, approximately \$403,000 of salaries and benefits were previously coded directly to the Wastewater Fund that will now be allocated through *internal charges*.
- **Vacancy Savings Adjustment** – Total salaries and benefits are offset by an estimate of vacancy savings during the year due to routine employee turnover. Based on a historical review of actual vacancy savings and a noted trend of lower savings, the offset was reduced by \$50,000, which results in a net increase in costs.
- **Benefit Changes** – Increases and decreases to the City's *employee benefits* for fiscal year 2017-18 were as follows.
 - The City's health insurance rates increased 4 percent for a cost of approximately \$7,000.
 - The Arizona State Retirement System (ASRS) rates changed slightly from 11.48 percent to 11.50 percent.
 - The City's worker's compensation rates experiences a significant decrease as a result of a drop in our *experience modification rating* (EMOD) and our rating factor. This accounts for approximately \$5,000 in savings.

Supplies & Services Expenditures

Of the total Wastewater Fund expenditures, \$2.3 million, or 16 percent, is attributable to supplies and services. This is an increase of approximately \$150,000 or 7 percent.

- **Decision Packages** – Supplies and services costs included in the *Decision Packages* represent approximately \$19,000.
- **Ongoing Costs** – Some of the more significant changes in *ongoing expenditures* include the following:
 - With the first and second injection wells coming online, operations costs for the maintenance of these wells have been added at approximately \$78,000.
 - Maintenance of the effluent irrigation system was increased approximately \$40,000 for pumps, berms, etc.
 - Electric utility costs were increased approximately \$20,000.
- **One-Time Costs** – Some of the more significant changes in *one-time expenditures* include the following:
 - Approximately \$30,000 was included for crack sealing/coating of roads at the wastewater treatment plant.
 - An update of the Operations and Maintenance Plan required by Arizona Department of Environmental Quality (ADEQ) was budgeted at \$30,000.
- **Indirect Cost Allocation Plan** – The City implemented an indirect cost allocation plan in fiscal year 2017-18, approximately \$119,000 of supplies and services were previously coded directly to the Wastewater Fund that will now be allocated through internal charges.

Indirect Cost Allocations

Of the total Wastewater Fund expenditures, approximately \$848,000, or 6 percent, is attributable to indirect cost allocations. This is first year of the newly implemented indirect cost allocation plan. See the Internal Charges section for more details.

BUDGET OVERVIEW

continued

Wastewater Enterprise Fund (cont'd)

Capital & Debt Service Expenditures

Of the total Wastewater Fund expenditures, \$4.7 million, or 33 percent, is attributable to capital and *debt service* expenditures. This is a decrease of approximately \$570,000 or 11 percent.

Debt service costs decreased approximately \$742,000. The *bond* principal and interest payments are paid based on debt retirement schedules specified in the bond documents.

Capital expenditures for fiscal year 2017-18 of approximately \$292,000 include the following:

- A Decision Package was approved for the replacement of a vehicle for approximately \$25,000.
- Approximately \$105,000 was budgeted for the rebuild and replacement of pumps in the collections system.
- Approximately \$45,000 was budgeted for the replacement of roofs at three pumps stations.
- Other miscellaneous equipment purchases and replacements were also included.

Capital Improvement Projects

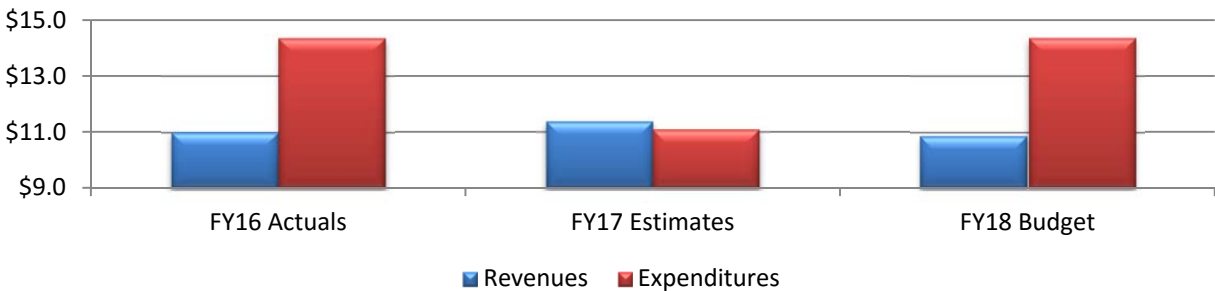
Of the total Wastewater Fund expenditures, \$5.1 million, or 35 percent, is attributable to capital improvement projects. This is an increase of approximately \$2.0 million or 65 percent.

Of the total capital improvement expenditures, \$3.7 million represents continuing projects. Other *capital projects* added for fiscal year 2017-18 include \$1.2 million for improvements to the Mystic Hills and Chapel lift stations and \$160,000 for an upgrade to the Supervisory Control and Data Acquisition (SCADA) system.

Due to the large expenditures planned for wastewater capital improvement projects, \$3.5 million of wastewater accumulated reserves will be used towards these one-time expenditures. The savings has accumulated over many years specifically to fund these types of capital projects when they are needed.

Wastewater Enterprise Fund Revenues & Expenditures

(In Millions - Including General Fund Subsidy)



BUDGET OVERVIEW

continued

Information Technology Internal Service Fund

The City implemented an indirect cost allocation plan in fiscal year 2017-18, and in conjunction created the Information Technology Internal Service Fund to account for the City's information technology costs allocated to the various departments and programs and the accumulation of an information technology equipment replacement reserve.

In comparison to the information technology costs in the prior fiscal year that have been transferred to the new fund, expenditures increased from \$1.2 million to \$1.6 million this year, an increase of 30 percent. The increase is largely due to the implementation of the *indirect cost allocation plan*.

Salaries & Benefits Expenditures

Of the total Information Technology Fund expenditures, approximately \$538,000, or 35 percent, is attributable to salaries and benefits for the City's employees. This is an increase of approximately \$81,000, or 18 percent, over fiscal year 2016-17 that have been transferred to the new fund.

- **Pay Adjustments** – The overall salary budgets were increased for a 2.5 percent cost-of-living adjustment (COLA) and 2.5 percent merit increases prorated based on effective dates by employee for a total increase of approximately \$22,000.
- **Indirect Cost Allocation Plan** – The City implemented an indirect cost allocation plan in fiscal year 2017-18, approximately \$51,000 of salaries and benefits were previously coded directly to the Wastewater Fund that will now be allocated through *internal charges*.
- **Benefit Changes** – Increases and decreases to the City's *employee benefits* for fiscal year 2017-18 were as follows.
 - The City's health insurance rates increased 4 percent for a cost of approximately \$2,000.
 - The Arizona State Retirement System (ASRS) rates changed slightly from 11.48 percent to 11.50 percent.
 - The City's worker's compensation rates experiences a significant decrease as a result of a drop in our *experience modification rating* (EMOD) and our rating factor. This accounts for less than \$1,000 in savings.

Supplies & Services Expenditures

Of the total Information Technology Fund expenditures, approximately \$603,000, or 39 percent, is attributable to supplies and services. This is an increase of approximately \$38,000 or 7 percent. Supplies and services costs included in the *Decision Packages* represent approximately \$38,000.

Indirect Cost Allocations

Of the total Information Technology Fund expenditures, approximately \$266,000, or 17 percent, is attributable to indirect cost allocations. This is first year of the newly implemented indirect cost allocation plan. See the Internal Charges section for more details.

Capital Expenditures

Of the total Information Technology Fund expenditures, approximately \$146,000, or 9 percent, is attributable to capital expenditures. This is a decrease of approximately \$70,000 or 32 percent.

BUDGET OVERVIEW

continued

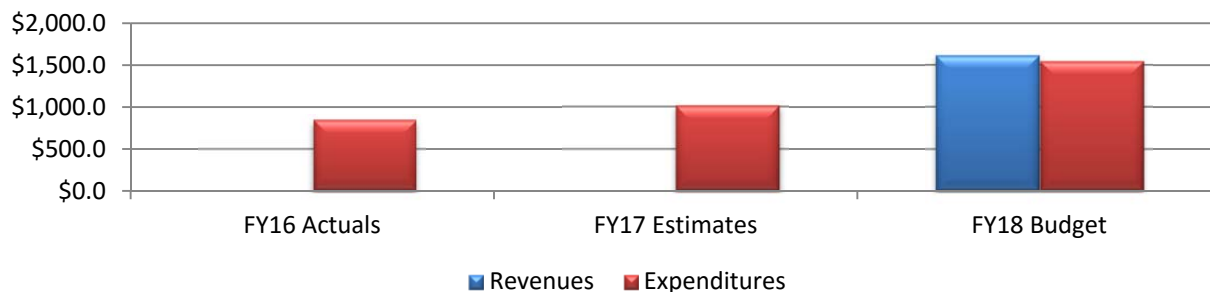
Information Technology Internal Service Fund (cont'd)

Capital expenditures for fiscal year 2017-18 include the following:

- A *Decision Package* was submitted for the completion of an assigned vehicle program for patrol officers. The approval for this Decision Package was contingent upon additional analysis before the final decisions on how it will be implemented. The information technology portion of this decision package was \$25,000.
- A Decision Package was contingently approved for the installation of network connectivity in the Sinagua building for approximately \$13,000.
- Replacement of servers and a storage area network were included for approximately \$108,000.

Information Technology Fund Revenues & Expenditures

(In Thousands- Including General Fund Technology Costs for Prior Years)



CONSOLIDATED FINANCIAL SCHEDULE

Fund/Department	Beginning Fund Balances	Revenues						Other Financing Sources (Uses)			Ending Fund Balances	
		Taxes	Contingent Revenues	In-Lieu Fees	Intergovernmental	Charges for Services	Other Revenues	Total Revenues	Transfers In	Transfer Out		Expenditures
General Fund												
General Revenues		\$21,410,400		\$445,400	\$2,888,000			\$24,743,800		(\$5,290,789)		
General Government						\$328,100	\$679,050	\$1,007,150			\$3,741,663	
Public Safety					\$26,060		\$41,400	\$67,460			\$7,185,170	
Public Works & Streets								\$0			\$2,773,260	
Transportation								\$0			\$363,090	
Culture & Recreation						\$80,850	\$29,000	\$109,850			\$2,310,249	
Economic Development								\$0			\$2,397,970	
Debt Service								\$0			\$1,431,310	
Contingencies			\$550,000					\$550,000			\$900,000	
Total General Fund	\$10,338,362	\$21,410,400	\$550,000	\$445,400	\$2,914,060	\$408,950	\$749,450	\$26,478,260	\$0	(\$5,290,789)	\$21,102,712	\$10,423,121
Special Revenue Funds												
Streets Fund	\$807,946				\$858,200		\$103,700	\$961,900	\$35,389		\$1,203,490	\$601,745
Grants & Donations Funds	\$594,730		\$300,000		\$91,600	\$5,500	\$81,960	\$479,060			\$641,350	\$432,440
Total Special Revenue Funds	\$1,402,676	\$0	\$300,000	\$0	\$949,800	\$5,500	\$185,660	\$1,440,960	\$35,389	\$0	\$1,844,840	\$1,034,185
Capital Projects Funds												
Development Impact Fees Funds	\$2,285,753						\$225,490	\$225,490			\$1,452,300	\$1,058,943
Capital Improvements Fund	\$11,473,400				\$1,067,657		\$204,200	\$1,271,857	\$1,089,500	(\$26,378)	\$7,426,669	\$6,381,710
Art in Public Places Fund	\$80,420						\$230	\$230	\$26,378		\$0	\$107,028
Total Capital Projects Funds	\$13,839,573	\$0	\$0	\$0	\$1,067,657	\$0	\$429,920	\$1,497,577	\$1,115,878	(\$26,378)	\$8,878,969	\$7,547,681
Wastewater Enterprise Fund												
Wastewater Administration						\$6,164,200	\$559,350	\$6,723,550	\$4,165,900		\$270,665	
Wastewater Operations								\$0			\$3,073,111	
Departmental Allocations								\$0			\$1,442,430	
Capital Projects								\$0			\$5,077,050	
Debt Service								\$0			\$4,409,735	
Contingencies								\$0			\$100,000	
Total Wastewater Enterprise Fund	\$14,792,117	\$0	\$0	\$0	\$0	\$6,164,200	\$559,350	\$6,723,550	\$4,165,900	\$0	\$14,372,991	\$11,308,576
Internal Service Fund												
Information Technology	\$0						\$1,622,130	\$1,622,130			\$1,552,606	\$69,524
Total Internal Service Fund	\$0	\$0	\$0	\$0	\$0	\$1,622,130	\$0	\$1,622,130	\$0	\$0	\$1,552,606	\$69,524
Total All Funds	\$40,372,728	\$21,410,400	\$850,000	\$445,400	\$4,931,517	\$8,200,780	\$1,924,380	\$37,762,477	\$5,317,167	(\$5,317,167)	\$47,752,118	\$30,383,087

POSITION LIST/HEAD COUNT

Department/Position	FY 2015-16		FY 2016-17		FY 2017-18		Change from FY 2016-17	
	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time
City Council								
Mayor (GF)		1.00		1.00		1.00	-	-
City Councillors (GF)		6.00		6.00		6.00	-	-
City Council Total	-	7.00	-	7.00	-	7.00	-	-
City Manager's Office								
City Manager (GF)	0.75		0.90		1.00		0.10	-
City Manager (WWF)	0.25		0.10				(0.10)	-
Assistant City Manager (GF)	0.80		0.90		1.00		0.10	-
Assistant City Manager (WWF)	0.20		0.10				(0.10)	-
Economic Development Director (GF)			1.00				(1.00)	-
Communications & Public Affairs Manager (GF)	1.00		1.00		1.00		-	-
Citizen Engagement Coordinator (GF)		0.75		0.88		0.88	-	-
Arts and Culture Coordinator (GF)		0.75		0.75		0.75	-	-
Executive Assistant to the City Manager (GF)			0.90		1.00		0.10	-
Executive Assistant to the City Manager (WWF)			0.10				(0.10)	-
Administrative Assistant (GF)	0.90						-	-
Administrative Assistant (WWF)	0.10						-	-
Intern (GF)		0.33		0.19		0.40	-	0.21
City Manager's Office Total	4.00	1.83	5.00	1.82	4.00	2.03	(1.00)	0.21
Human Resources								
Human Resource Manager (GF)	0.90		0.90		1.00		0.10	-
Human Resources Manager (WWF)	0.10		0.10				(0.10)	-
Human Resource Specialist (GF)	0.90		0.90		1.00		0.10	-
Human Resource Specialist (WWF)	0.10		0.10				(0.10)	-
Human Resources Total	2.00	-	2.00	-	2.00	-	-	-
Financial Services								
Director of Financial Services (GF)	0.70		0.80		1.00		0.20	-
Director of Financial Services (WWF)	0.30		0.20				(0.20)	-
Accounting Supervisor (GF)			0.80		1.00		0.20	-
Accounting Supervisor (WWF)			0.20		-		(0.20)	-
Senior Accountant (GF)	0.80						-	-
Senior Accountant (WWF)	0.20						-	-
Budget Analyst/Purchasing Coordinator (GF)			0.80		1.00		0.20	-
Budget Analyst/Purchasing Coordinator (WWF)			0.20		-		(0.20)	-
Lead Accounting Technician (GF)			1.40		1.00		(0.40)	-
Lead Accounting Technician (WWF)			0.60				(0.60)	-
Accounting Technician II (GF)			1.45		3.00		1.55	-
Accounting Technician II (WWF)			0.55		-		(0.55)	-
Accounting Technician I (GF)			0.50		1.00		0.50	-
Accounting Technician I (WWF)			0.50		-		(0.50)	-
Accounting Technician (GF)	2.85						-	-
Accounting Technician (WWF)	3.15						-	-
Temporary City Employee (GF)				0.17		0.17	-	-
Financial Services Total	8.00	-	8.00	0.17	8.00	0.17	-	-
Information Technology								
Information Technology Manager (GF)	0.90		0.90				(0.90)	-
Information Technology Manager (ITF)					1.00		1.00	-
Information Technology Manager (WWF)	0.10		0.10				(0.10)	-
GIS Analyst (GF)	0.90		0.90				(0.90)	-
GIS Analyst (ITF)					1.00		1.00	-
GIS Analyst (WWF)	0.10		0.10				(0.10)	-
System Administrator (GF)	0.90		0.90				(0.90)	-
System Administrator (ITF)					1.00		1.00	-
System Administrator (WWF)	0.10		0.10				(0.10)	-
Database/WEB Developer (GF)	0.85		0.90				(0.90)	-
Database/WEB Developer (ITF)					1.00		1.00	-
Database/WEB Developer (WWF)	0.15		0.10				(0.10)	-
IT Support/Help Desk Technician (GF)				0.54			-	(0.54)
IT Support/Help Desk Technician (ITF)						0.60	-	0.60
IT Support/Help Desk Technician (WWF)				0.06			-	(0.06)
Information Technology Total	4.00	-	4.00	0.60	4.00	0.60	-	-



POSITION LIST/HEAD COUNT

continued

Department/Position	FY 2015-16		FY 2016-17		FY 2017-18		Change from FY 2016-17	
	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time
City Attorney's Office								
City Attorney (GF)	0.95		0.90		1.00		0.10	-
City Attorney (WWF)	0.05		0.10				(0.10)	-
Assistant City Attorney (GF)	0.90	0.60	1.00	0.60	2.00		1.00	(0.60)
Assistant City Attorney (WWF)	0.10						-	-
Legal Assistant (GF)	1.00		1.00		1.00		-	-
City Attorney's Office Total	3.00	0.60	3.00	0.60	4.00	-	1.00	(0.60)
City Clerk's Office								
City Clerk (GF)	1.00		1.00		1.00		-	-
Deputy Clerk (GF)	1.00		1.00		1.00		-	-
Records Clerk (GF)		0.66		0.66		0.88	-	0.22
Records Clerk (WWF)		0.22		0.22			-	(0.22)
City Clerk's Office Total	2.00	0.88	2.00	0.88	2.00	0.88	-	-
Parks & Recreation								
Parks and Recreation Manager (GF)	1.00		1.00		1.00		-	-
Recreation & Aquatics Supervisor (GF)	1.00		1.00		1.00		-	-
Recreation Coordinator II (GF)			1.00		1.00		-	-
Administrative Assistant (GF)	1.00				1.00		1.00	-
Recreation Assistant (GF)		0.10		0.15		0.15	-	-
Pool Manager (GF)		0.48		0.34			-	(0.34)
Lifeguard Instructor (GF)						0.69	-	0.69
Lifeguard (GF)		1.57		1.58		1.96	-	0.38
Pool Office Assistant (GF)		0.45		0.45		0.70	-	0.25
Water Exercise Instructor (GF)		0.15		0.15		0.16	-	0.01
Scorekeeper/Umpires/Referees (GF)		0.14		0.14		0.23	-	0.09
Parks & Recreation Total	3.00	2.89	3.00	2.81	4.00	3.89	1.00	1.08
Community Development								
Director of Community Development (GF)	1.00		1.00		1.00		-	-
Assistant Community Development Director (GF)					1.00		1.00	-
Development Services Manager (GF)	1.00						-	-
Principal Planner (GF)			1.00				(1.00)	-
Econ Dev & Bus Relations Mgr (GF)	1.00						-	-
Chief Building Official (GF)			1.00		1.00		-	-
Building Inspector (GF)	1.95	0.10	1.00		1.00		-	-
Building Inspector (WWF)	0.05	0.01					-	-
Senior Planner (GF)	3.00		3.00		3.00		-	-
Assistant Planner (GF)	2.00		2.00		2.00		-	-
Plans Examiner (GF)			1.00		1.00		-	-
Senior Code Enforcement Officer (GF)	1.00		1.00		1.00		-	-
Code Enforcement Officer (GF)	1.00		1.00		1.00		-	-
Development Services Rep. (GF)	1.00		1.00		1.00		-	-
Administrative Assistant (GF)	1.00	0.60	1.00		1.00		-	-
Temporary City Employee (GF)						0.08	-	0.08
Community Development Total	14.00	0.71	14.00	-	14.00	0.08	-	0.08

POSITION LIST/HEAD COUNT

continued

Department/Position	FY 2015-16		FY 2016-17		FY 2017-18		Change from FY 2016-17	
	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time
Public Works								
Director of Public Works/City Engineer (GF)			0.81		0.93		0.12	-
Director of Public Works/City Engineer (WWF)			0.19		0.07		(0.12)	-
City Engineer/Asst. Dir. Of Comm Dev (GF)	0.80						-	-
City Engineer/Asst. Dir. Of Comm Dev. (WWF)	0.20						-	-
Engineering Supervisor (GF)	1.00		0.80		0.80		-	-
Engineering Supervisor (WWF)			0.20		0.20		-	-
Associate Engineer (GF)	3.00		3.00		2.01		(0.99)	-
Associate Engineer (WWF)					0.99		0.99	-
Assistant Engineer (GF)	2.00		1.95		1.97		0.02	-
Assistant Engineer (WWF)			0.05		0.03		(0.02)	-
Chief Engineering Inspector (GF)	0.39		0.39		0.50		0.11	-
Chief Engineering Inspector (WWF)	0.61		0.61		0.50		(0.11)	-
Right-of-Way Supervisor (GF)					0.93		0.93	-
Right-of-Way Supervisor (WWF)					0.07		0.07	-
City Maintenance Supervisor (GF)	0.90		0.90		0.89		(0.01)	-
City Maintenance Supervisor (WWF)	0.10		0.10		0.11		0.01	-
Right-of-Way Specialist (GF)					0.93		0.93	-
Right-of-Way Specialist (WWF)					0.07		0.07	-
Engineering Services Inspector (GF)	1.06		0.96		1.20		0.24	-
Engineering Services Inspector (WWF)	0.94		1.04		0.80		(0.24)	-
Maintenance Worker II (GF)	0.90		1.90		1.94		0.04	-
Maintenance Worker II (WWF)	0.10		0.10		0.06		(0.04)	-
Administrative Supervisor (GF)	0.70		0.70		0.80		0.10	-
Administrative Supervisor (WWF)	0.30		0.30		0.20		(0.10)	-
Facilities Maintenance Manager (GF)	1.00		0.90		0.97		0.07	-
Facilities Maintenance Manager (WWF)			0.10		0.03		(0.07)	-
Administrative Assistant (GF)				0.60		0.60	-	-
Field Services Supervisor (GF)	1.00						-	-
City Maintenance Worker I (GF)	5.45		5.50		5.63		0.13	-
City Maintenance Worker I (WWF)	0.55		0.50		0.37		(0.13)	-
Traffic Aide Worker (GF)	1.00		2.00				(2.00)	-
Traffic Aide Worker (WWF)	1.00						-	-
Traffic Control Assistant (GF)						1.72	-	1.72
Temporary City Employee (GF)						0.25	-	0.25
Public Works Total	23.00	-	23.00	0.60	23.00	2.57	-	1.97
Economic Development								
Economic Development Director (GF)					1.00		1.00	-
Economic Development Total	-	-	-	-	1.00	-	1.00	-
Police								
Police Chief (GF)	1.00		1.00		1.00		-	-
Police Commander (GF)	1.00		1.00		2.00		1.00	-
Police Lieutenant (GF)	1.00		1.00				(1.00)	-
Police Sergeant (GF)	4.00		5.00		5.00		-	-
Police Detective (GF)	2.00		2.00		2.00		-	-
Police Officer (GF)	18.00		17.00		17.00		-	-
Communication/Records Supervisor (GF)	1.00		1.00		1.00		-	-
Executive Assistant (GF)					1.00		1.00	-
Communications/Records Specialist (GF)	7.00		7.00		7.00		-	-
Administrative Assistant (GF)	1.00		1.00				(1.00)	-
Community Service Officer (GF)			2.00		1.00		(1.00)	-
Animal Control Officer (GF)		0.73					-	-
Police Records Technician (GF)	1.00		1.00		1.00		-	-
Property & Evidence Technician (GF)		0.73		0.73		0.73	-	-
Support Services Clerk (GF)					1.00		1.00	-
Community Service Aides (GF)		2.90		2.90		2.90	-	-
Police Total	37.00	4.36	39.00	3.63	39.00	3.63	-	-

POSITION LIST/HEAD COUNT

continued

Department/Position	FY 2015-16		FY 2016-17		FY 2017-18		Change from FY 2016-17	
	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time	Full-Time	Temporary/ Part-Time
Municipal Court								
Magistrate Judge (GF)		0.60		0.60		0.60	-	-
Magistrate Judge Pro-Tem (GF)		0.10		0.10		0.05	-	(0.05)
Court Administrator (GF)	1.00		1.00		1.00		-	-
Court Clerk (GF)	2.00		2.00	0.60	2.00	0.60	-	-
Municipal Court Total	3.00	0.70	3.00	1.30	3.00	1.25	-	(0.05)
Wastewater								
Director of Wastewater (WWF)	1.00		1.00		1.00		-	-
Plant Chief Operator (WWF)	1.00		1.00		1.00		-	-
Chief Collections Operator (WWF)	1.00		1.00		1.00		-	-
Plant Chemist (WWF)	1.00		1.00		1.00		-	-
Mechanic/Electrician (WWF)	1.00		1.00		1.00		-	-
Collector Operator III (WWF)	1.00		1.00		1.00		-	-
WW Plant Operator II (WWF)	1.00						-	-
Collector Operator I (WWF)	1.00						-	-
WW Plant Operator I (WWF)	2.00		1.00		2.00		1.00	-
Collector Operator - Entry (WWF)			1.00		1.00		-	-
WW Plant Operator - Entry (WWF)			2.00		2.00		-	-
Administrative Assistant (WWF)		0.60		0.60	1.00		1.00	(0.60)
Wastewater Total	10.00	0.60	10.00	0.60	12.00	-	2.00	(0.60)
City-Wide Totals								
General Fund	94.15	18.74	99.56	19.13	100.50	21.50	0.94	2.37
Information Technology Fund	-	-	-	-	4.00	0.60	4.00	0.60
Wastewater Fund	18.85	0.83	16.44	0.88	15.50	-	(0.94)	(0.88)
Total City Headcount	113.00	19.57	116.00	20.01	120.00	22.10	4.00	2.09

(GF) = General Fund
(ITF) = Information Technology Internal Service Fund
(WWF) = Wastewater Enterprise Fund

Staffing Changes

The city staffing changes were based on analyses of departmental needs and funding allocations. The fiscal year 2017-18 budget includes the following changes:

- The Public Works Department performed an overall analysis of the staffing allocations between the General Fund and the Wastewater Enterprise Fund. Several of the changes incorporated in the fiscal year 2017-18 budget are related to these reallocations.
- For all other departments that previously allocated a portion of salaries to the Wastewater Enterprise Fund, the City has implemented an indirect cost allocation plan for the fiscal year 2017-18 budget. Those salaries are no longer directly allocated to the Wastewater Enterprise Fund, but rather included in the *internal charges* allocations.
- A new internal service fund was created for information technology costs for the fiscal year 2017-18 budget. The positions in the Information Technology Department were reallocated to this new fund.
- The Economic Development Director position was moved from the City Manager's Office to a separate Economic Development Department. As a director level position, the move to a separate department was deemed more appropriate.

POSITION LIST/HEAD COUNT

continued

Staffing Changes (cont'd)

- Two full-time positions were added:
 - A Wastewater Plant Operator position was added to address increases in workload due to several wastewater facilities added since 2012 with no increased in operations staffing. The new facilities include a 27-acre wetland park, a digester, a clarifier, and two injection wells.
 - An Administrative Assistant position was added to the Parks & Recreation Department. The department has experienced increases in service levels, and the new position will take on some of the administrative functions to alleviate the workload for the other staff.
- Six part-time positions were added:
 - Six Traffic Control Assistant positions were added for a total of 1.72 *full-time equivalents* (FTEs). These new positions will help to address traffic issues in Uptown and the SR 179 corridor.
- One temporary position was added:
 - A temporary position was added to the Public Works Department for a total of 0.25 FTEs. The position will be filled with a specialized bike park maintenance person to oversee repairs, weekly maintenance, training, and volunteer organization efforts at the Sedona Bike Skills Park.
- Two positions were reclassified:
 - A Right-of-Way Specialist position (formerly Traffic Aide Worker) was eliminated and a Right-of-Way Supervisor position added to manage the new traffic control operations team, including the Traffic Control Assistant positions previously discussed.
 - The Police Lieutenant position was eliminated and a second Police Commander position added to better address the organizational structure of the Police Department.
- Two positions were increased from part-time to full-time:
 - The Assistant City Attorney position was increased to full-time; however, the funding level has remained the same.
 - An Administrative Assistant position was increased to full-time to better address the workload needs of the Wastewater Department.
- Other adjustments included position title changes and adjustments to the hours of some part-time and temporary positions.

FUND BALANCE

Fund balance is the amount of the City's assets in excess of year-end liabilities. It is the accumulation of revenues and *other financing sources* over expenditures and *other financing uses*. Fund balance is an important indicator of the City's financial position. Adequate fund balances must be maintained to allow the City to continue providing services to the community in the case of economic downturns or unexpected emergencies and to maintain or enhance the City's financial position.

FY 2017-18 CHANGES IN FUND BALANCES (In Thousands)

	General Fund	Streets Fund	Grants & Donations Funds	Dev. Impact Fees Funds	Capital Impr. Fund	Art in Public Places Fund	Wastewater Enterprise Fund	Information Technology Fund
Beginning Fund Balances	\$10,338	\$ 808	\$595	\$2,286	\$11,473	\$ 80	\$14,792	\$ -
Revenues	26,478	962	479	225	1,272	-	6,724	1,622
Expenditures	21,102	1,203	641	1,452	7,427	-	14,393	1,552
Other Financing Sources (Uses)	(5,291)	35	-	-	1,063	26	4,166	-
Ending Fund Balances	\$10,423	\$ 602	\$432	\$1,059	\$6,382	\$107	\$14,792	\$70

General Fund

The City's Financial Policies require the *unassigned* range for the fund balance of the General Fund to be not less than 50 percent and not more than 75 percent of the total adopted budgeted *operating expenditures* of the General Fund budget. *Appropriation* of a minimum *contingency* will also be included in the operating budget to provide for emergencies. The City currently includes a \$250,000 general operating contingency in the General Fund expenditure budget.

The General Fund is estimated to have \$10.4 million in fund balance at the end of fiscal year 2017-18. Of this amount, \$9.4 million is set aside to meet the minimum operating reserve requirement.

The City has also set aside \$800,000 as a *debt service* reserve. The City's budget was previously built on a level of debt service expenditures of approximately \$700,000. The future ongoing debt service levels for the General Fund are approximately \$1.0 million, with the exception that in fiscal years 2017-18 and 2018-19, that amount increases by approximately \$500,000. To ensure the City properly plans for these higher debt service levels, the debt service reserve sets aside the additional \$500,000 for the fiscal year 2018-19, plus \$300,000 for the ongoing increase in debt service levels to ensure City does not commit *ongoing revenues* for future years in excess of future costs. The \$500,000 set aside for the fiscal year 2017-18 in previous budgets is utilized and released from the ending reserve balance in the fiscal year 2017-18 budget.

Starting fiscal year 2017-18, the City initiated an equipment replacement reserve. The estimated fund balance at the end of fiscal year 2017-18 includes approximately \$238,000 for this reserve.

The anticipated *surplus* of \$1.1 million, plus any surpluses experienced in actual results for fiscal year 2017-18 will be transferred to the Capital Improvements Fund to fund future capital improvement projects.

FUND BALANCE continued

Special Revenue Funds

The City's policy requires the fund balance range for the Streets Fund to be not less than 10 percent and not more than 50 percent of the total budgeted revenues of the Fund. The Streets Fund is estimated to have approximately \$602,000 in fund balance at the end of fiscal year 2017-18, and meets the policy requirement.

The Grants & Donations Funds have balances that are available for use as needed and within the legal restrictions of the revenues that make up the funds but do not have minimum balance requirements.

Capital Projects Funds

The requirements for the *capital projects funds* require, at a minimum, the fiscal year-end *assigned and unassigned fund balance*, coupled with *estimated revenues* for the ensuing fiscal year, must be sufficient to fund all outstanding *capital projects'* obligations for the next fiscal year. This requirement has been met. For the past several years, the City has relied on *surplus* General Fund balances as the primary funding source for capital improvement projects.

Wastewater Enterprise Fund

The City's policy requires the fund balance range for the Wastewater Enterprise Fund, including maintenance, operations and administration, to be not less than 25 percent (90 days) and not more than 33.3 percent (120 days) of the total budgeted *operating expenditures* of the Fund. This is in addition to a separate reserve with a target equal to the average of one year of enterprise fund *debt service* repayment requirements.

The Wastewater Enterprise Fund is estimated to have \$11.3 million in fund balance at the end of fiscal year 2017-18. Of this amount, \$1.6 million is set aside to meet the maximum operating reserve requirement, and \$4.6 million is set aside as the debt service reserve.

Starting fiscal year 2017-18, the City initiated an equipment replacement reserve. The estimated fund balance at the end of fiscal year 2017-18 includes approximately \$116,000 for this reserve.

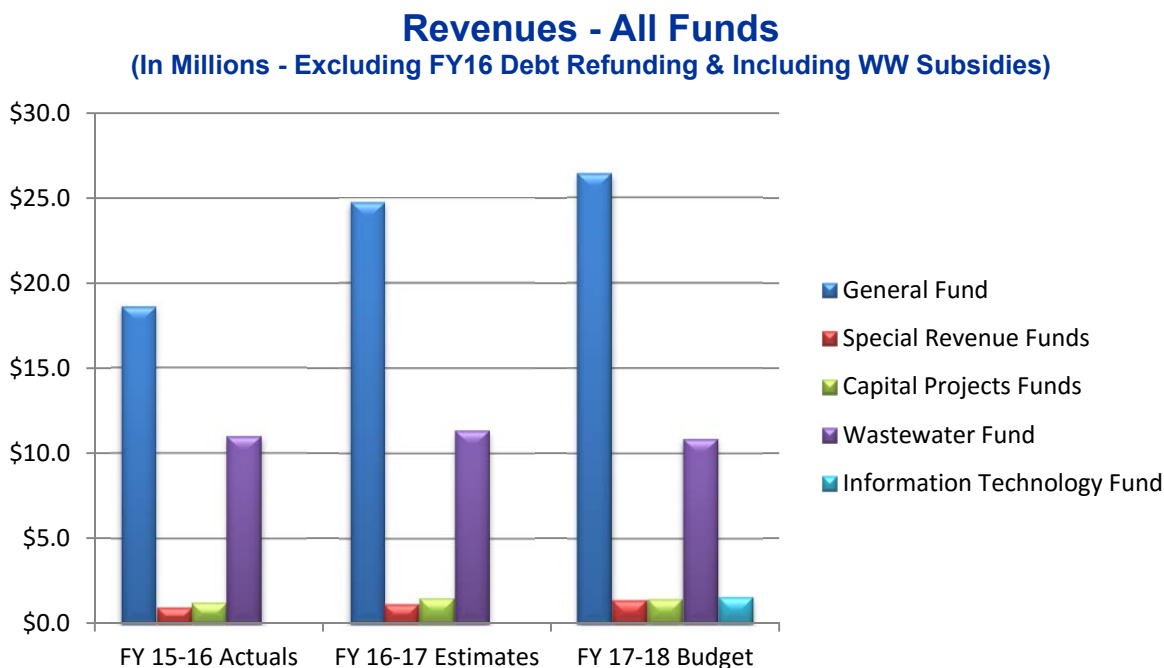
The remaining uncommitted fund balance of approximately \$5.0 million will fund future capital improvement projects. A wastewater master plan is in process, and it will be instrumental in developing a strategy for the level of capital reserves that should be designated in the Wastewater Enterprise Fund and to further evaluate the total fund balance needs.

Information Technology Internal Service Fund

The Information Technology Fund is estimated to have approximately \$70,000 in fund balance at the end of fiscal year 2017-18. This balance represents the anticipated equipment replacement reserve balance initiated in fiscal year 2017-18.

REVENUE TRENDS

Total revenues for fiscal year 2017-18 are estimated at \$37.8 million. In comparison to the fiscal year 2016-17 budget, revenue is projected to increase by 14 percent.



City sales and *bed taxes* are the most significant source of revenue to fund the City's day-to-day operations, and are highly dependent on the City's tourism trade. Sales and bed taxes combined make up over 80 percent of the City's General Fund revenues, and 57 percent of the overall City revenue. Sales taxes are highly susceptible to economic factors and the City saw significant reductions to its sales and bed tax revenues during the great recession. Since fiscal year 2012-13, both sales and bed taxes have been steadily increasing. Estimated fiscal year 2016-17 sales tax revenues increased 7 percent over the prior fiscal year, and estimated bed tax revenues increased 23 percent over prior year. Sales tax collections were approximately \$580,000 over the budgeted revenue projection, and bed tax collections were approximately \$530,000 over the budgeted projection.

Revenues projections are made after identifying and reviewing all major revenue sources and fund types for activity and variances throughout the fiscal year, and after paying particularly close attention to a revenue source's susceptibility to economic factors, its performance during recent economic cycles, and information received from State reports and other sources. City revenue projections are continually updated based on this discussion and analysis. The City forecasted each major category of revenue for a ten-year period and included factors for an assumption of another cyclical recessionary period and subsequent recovery period. The *forecast* includes an assumption of new hotels and construction-related revenues in fiscal year 2019-20, as well as additional sales and bed tax revenue beginning in fiscal year 2020-21.

A brief description of the City's major revenue sources and projected changes are included in this section.

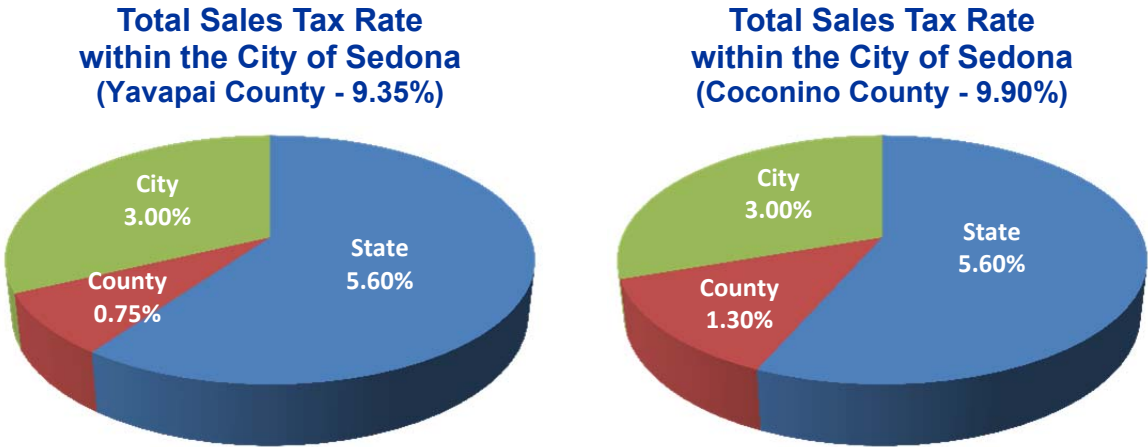
REVENUE TRENDS

continued

Transaction Privilege Taxes (City Sales Taxes)

Description

Arizona cities and towns under State law have the authority to establish certain taxes for revenue purposes. *Transaction privilege taxes*, generally referred to as sales taxes, are the largest revenue source for the City. The local privilege tax (*city sales tax*) is the City's largest single source of revenue and is obtained from the three percent tax on retail and other sales, excluding food. In addition, the City receives a portion of the State sales tax discussed in the State share revenues section.



City sales tax revenues are unrestricted for use. By City Council policy, 25 percent of the sales tax revenue is transferred to the Wastewater Enterprise Fund to assist with *debt service* payments.

Effective January 1, 2016, the City is no longer allowed to self-collect its sales taxes. The City sales tax is now collected by State of Arizona, primarily on a monthly basis. The sales tax revenue, including the City's *bed tax* is due by the 20th of the following month. The State makes deposits to the City's accounts on a weekly basis as the returns are reviewed and allocated to the appropriate taxing agencies. As an example, taxes due for the month of January are reported and paid by the taxpayer in February. The City begins receiving its allocation of those payments made in February during the latter part of the month and generally through the first two to three weeks of March.

Projections

Estimated fiscal year 2017-18 City sales tax revenues increased 7 percent over the prior fiscal year and are up 4 percent above budgeted projections. The trending upwards of sales and bed tax collections over the last few years is encouraging and has contributed to the City forecasting further modest increases. The City's economy is heavily driven by tourism and niche retail including the sale of high-end commodities such as art pieces and jewelry. The City has experience significant increases in tourism as a result of implementation of a destination marketing program started in fiscal year 2013-14. During fiscal year 2016-17, the tax categories with the highest increases are Restaurant & Bar, Hotel/Motel, Leasing, and Amusements & Other, which are all highly impacted by tourism and the related retail businesses.

REVENUE TRENDS

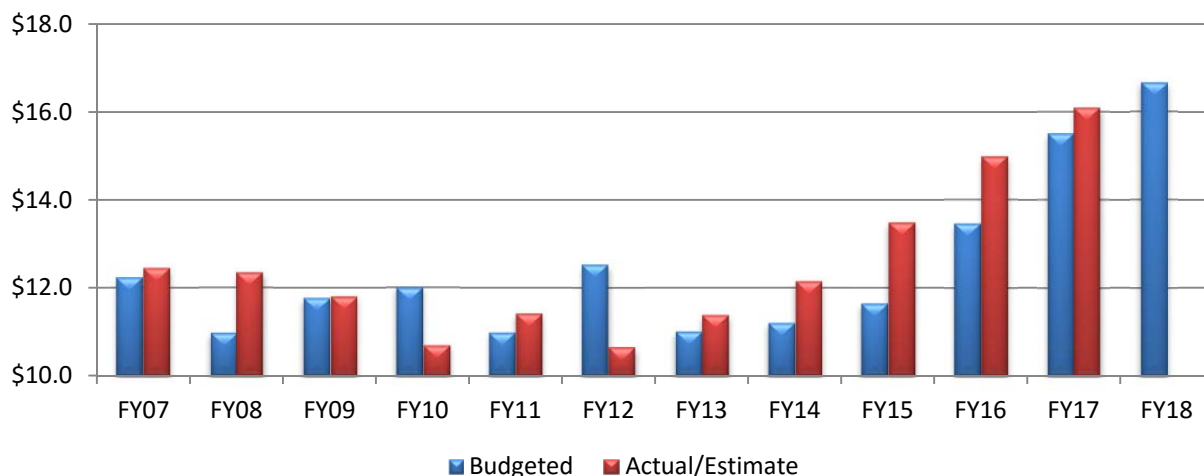
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Transaction Privilege Taxes (City Sales Taxes) (cont'd)

In addition, the City is no longer allowed to prohibit short-term residential rentals effective January 1, 2017. This has had an impact on the increases in the Hotel/Motel category in addition to other factors such as increasing room occupancy rates and increasing average daily room rates.

In the ten-year *forecast*, projected increases were largely based on an analysis of the number of overnight and day-trip visitors and average spending using historical trends. A factor was included for inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period. It is anticipated that the significant increases since the most recent recession will begin to plateau, and projected increases beyond fiscal year 2017-18 are modest.

City Sales Tax Revenues (In Millions)



Transient Occupancy Taxes (Bed Taxes)

Description

The City assesses a *transient occupancy tax*, referred to as *bed tax*, which is allocated to the General Fund. This tax was increased from 3 percent to 3.5 percent effective January 1, 2014. According to ARS §9-500.06, the proceeds of the 0.5 rate increase must be used exclusively for the promotion of tourism.

The Council has dedicated 55 percent of the proceeds from this tax to the promotion of tourism. The City entered into a contractual agreement with the Sedona Chamber of Commerce and Tourism Bureau for the operation of a Visitor's Center and for tourism promotion and destination marketing activities. The remaining 45 percent supports the City's General Fund activities.

REVENUE TRENDS

continued

Transient Occupancy Taxes (Bed Taxes) (cont'd)

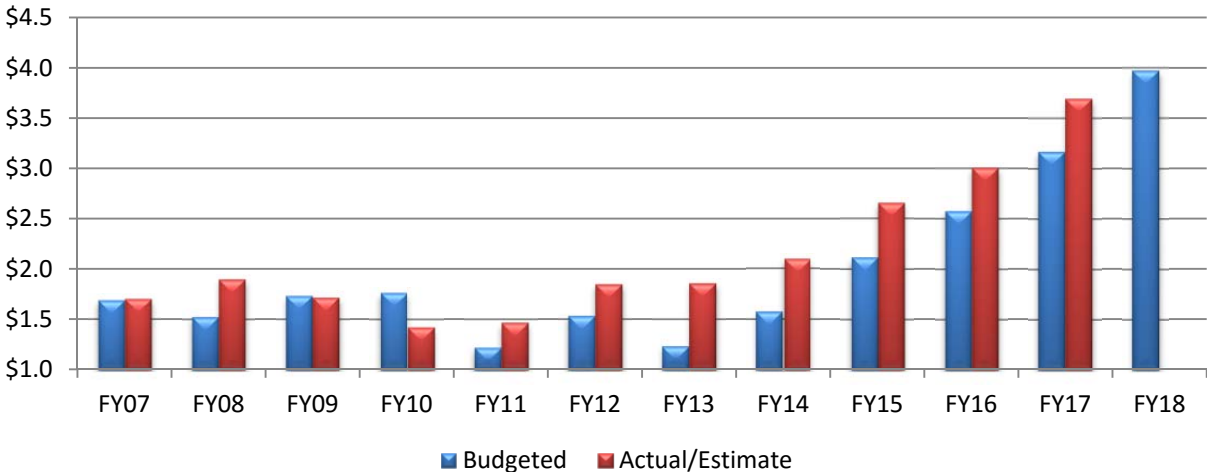
Projections

Bed tax revenues far exceeded projections. Estimated fiscal year 2017-18 bed tax revenues increased 23 percent over the prior fiscal year and are up 17 percent above budgeted projections. As discussed in the *transaction privilege taxes* category, the City is no longer allowed to prohibit short-term residential rentals effective January 1, 2017. This has also had an impact on the increases in the bed tax revenues in addition to other factors such as increasing room occupancy rates and increasing average daily room rates.

In the ten-year *forecast*, projected increases were largely based on an analysis of the number of overnight visitors and average daily room rates using historical trends. A factor was included for inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period. It is anticipated that the significant increases since the most recent recession will begin to plateau, and projected increases beyond fiscal year 2017-18 are modest.

With the significant increases in the bed tax revenues over the past few years, estimates have exceed projections and, therefore, have resulted in higher payments of the 55 percent to the Chamber than budgeted by approximately \$300,000. In case bed taxes again exceed our estimates, a *contingency* placeholder has been included in both revenues and expenditures of \$550,000 (\$300,000 for the 55 percent destination marketing amount and \$250,000 for the 45 percent City share).

Bed Tax Revenues
(In Millions - Excluding Contingent Revenues)



REVENUE TRENDS

continued

In Lieu Fees and Community Facilities Districts

Description

The City created two *Community Facilities Districts* (CFDs), Sedona Summit II in 1999 and Fairfield in 2000. A CFD is a special taxing district formed to pay for major *infrastructure* improvements intended to benefit a certain geographical area. The CFDs are separate legal entities and are governed by a separate Board, and adopts its budgets separately from the City. The City Council members are designated as the CFD Board members. The City Clerk was designated as the Clerk for the Board, and in a similar fashion, the City Manager, Financial Services Director, City Attorney and City Engineer were all designated to perform an analogous role for the CFDs.

The two CFDs created cover two timeshare developments built in the City. Timeshares are exempt from bed and sales tax in Arizona, except on a “day-by-day” rental basis. The development agreements with these two timeshares negotiated fees to be paid by the timeshares in lieu of *bed taxes*. They contribute based on a percentage of the annual homeowners’ association dues and/or a percentage of the transactions for timeshare sales.

The portion of the fees representing CFD taxes are restricted to fund projects directly benefitting the CFDs. While these funds are appropriated outside of the City’s budget, in each of the two CFDs separate legally adopted budgets, these revenues fund infrastructure projects managed by the City. These projects are reflected in the City’s Capital Improvement Plan (CIP) and shown as being funded from these outside sources.

A portion of the fees are designated as contributions to the City’s operation and maintenance expenditures that benefit the community at large. These are recorded as in lieu fees in the General Fund.

In addition, the City may receive in lieu fees from developers who chose to contribute to the City’s Affordable Housing Fund (included in the Grants & Donations Funds) and the Art in Public Places Fund instead of complying with the City’s requirements to include affordable housing or public art in their development projects.

Projections

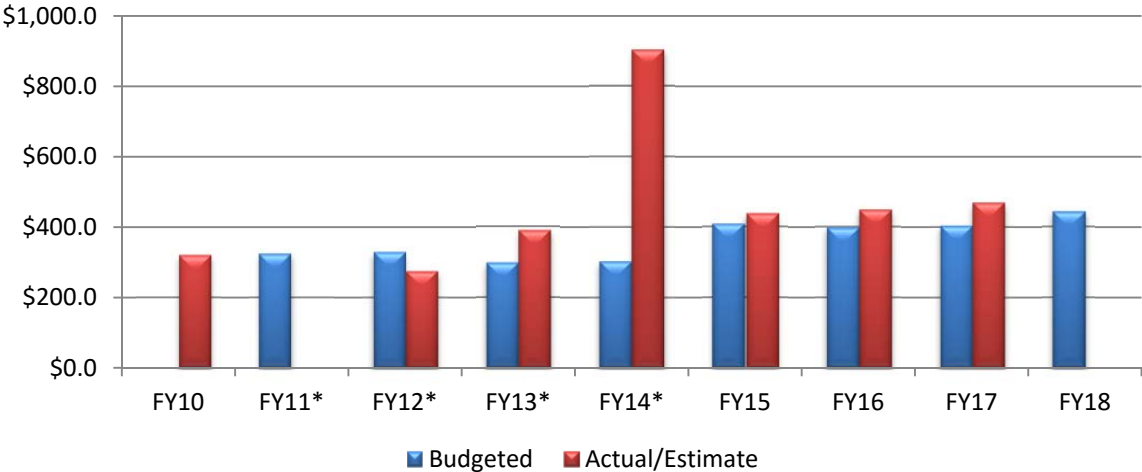
Since the fees in lieu of bed taxes have not grown significantly over the past few years, conservative estimates of inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period were used in the ten-year projection.

REVENUE TRENDS

continued

In Lieu Fees and Community Facilities Districts (cont'd)

In Lieu Fees (In Thousands)



* Under *modified accrual accounting*, the City defers revenue recognition for receivables not collected within 60 days after year end. Fiscal year 2010-11 revenues were received after the 60-day period. Similarly the revenues for subsequent years were recognized in the following year when received until fiscal year 2013-14 when revenues for both fiscal years 2012-13 and 2013-14 were recognized.

Franchise Fees

Description

Arizona cities and towns have exclusive control over all rights-of-way dedicated to the municipality. This exclusive control enables the City to grant franchise agreements to utilities using the City’s streets in the distribution of utility services and charge a *franchise tax*. To grant a franchise to a public utility, State law requires the City to place the question before the voters of the community for approval. A franchise agreement is limited to a maximum term of 25 years.

The City has franchise agreements with Unisource Energy Services (gas), Arizona Public Service (electric), Suddenlink Communications (cable services), Arizona Water Company, and Oak Creek Water Company. Franchise fees are paid quarterly based on a percent of gross revenues. Franchise fees are unrestricted for use.

Projections

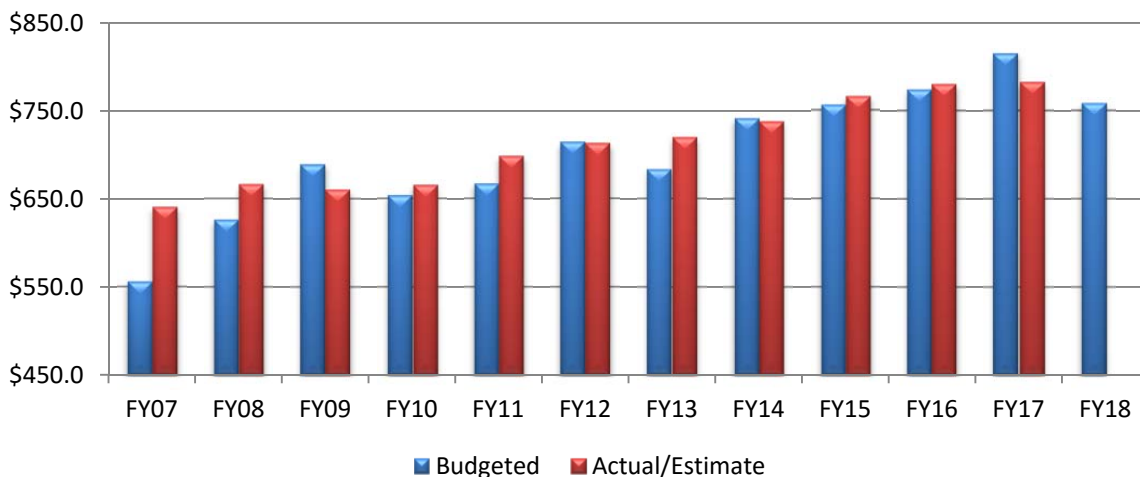
Since franchise fees have not grown significantly over the past few years, conservative estimates of inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period were used in the ten-year projection.

REVENUE TRENDS

continued

Franchise Fees (cont'd)

Franchise Fees (In Thousands)



State Shared Revenues

Description

Cities and towns in Arizona receive a portion of the revenues collected by the State. These shared revenues include the following:

- A portion of State’s sales tax revenues are distributed to the cities and towns and allocated primarily on each city’s or town’s share of the population to the total population of all incorporated cities and towns in the State based on annual census estimates. *State shared sales tax* revenues are unrestricted for use and are received monthly.
- State law provides that 15 percent of the State’s income tax revenues are to be shared with the cities and towns. Referred to as *Urban Revenue Sharing*, these monies are allocated primarily on each city’s or town’s share of the population to the total population of all incorporated cities and towns in the State based on annual census estimates. The annual amount distributed is based on collections from two years prior. Urban Revenue Sharing monies are unrestricted for use and are received monthly.
- *Highway User Revenue Fund* (HURF) monies are primarily generated from the State collected gasoline taxes; however, there are a number of additional transportation related fees including a portion of *vehicle license taxes* (VLT) that are placed in the Highway User Revenue Fund. Cities and towns receive 27.5 percent of highway user revenues on a monthly basis. One-half of the monies that the City receives is based on its population in relation to the population of all cities and towns in the State. The remaining half is allocated on the basis of “county of origin” of gasoline sales and the relation of the City’s population to the population of all cities and towns in Yavapai and Coconino Counties. There is a State constitutional restriction on the use of the highway user revenues which requires that these funds be used solely for street and highway purposes. These revenues are received monthly and recorded in the City’s Streets Fund.

REVENUE TRENDS

continued

State Shared Revenues (cont'd)

- Approximately 20 percent of the revenues collected for the licensing of motor vehicles are distributed to incorporated cities and towns. The vehicle license tax is distributed to the City of Sedona based on the relation of its population to the total population of all incorporated cities and towns within both Yavapai and Coconino Counties. VLT are unrestricted for use and are received semimonthly.

Projections

In the ten-year *forecast*, projected increases were largely based on an analysis of historical trends and projected changes in the City's population compared to the total population of all incorporated cities and towns in the State. A factor was included for inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period.

For fiscal year 2017-18, estimates were used based on the ten-year forecast assumptions. The State also provides estimates of the City's portion of shared revenues, but these estimates are received very late in the City's budget adoption process. The City's estimates are comparable to the State estimates.

- The State has projected state shared sales taxes to increase 3 percent over the prior year estimates. The City's estimate was slightly more conservative at 2 percent, and past State estimates have been higher than actuals.
- The State has projected Urban Revenue Sharing to increase 1 percent. The City's estimate was slightly higher at 2 percent. With the conservatism in the City's estimates for the other shared revenues, any final variance under the City's estimate is not anticipated to have a significant impact on the City's revenues.
- The State has projected HURF revenues to decrease 7 percent over the prior year estimates. The City's estimate was slightly more conservative at a 9 percent decrease. Growth in future years is expected to be very modest as fuel reduction from conservation and vehicle efficiencies affect the amount of gasoline used.
- The State has projected VLT to increase 10 percent over the prior year estimates. The City's estimate was much more conservative at 1.5 percent, and past State estimates for VLT have been higher than actuals.

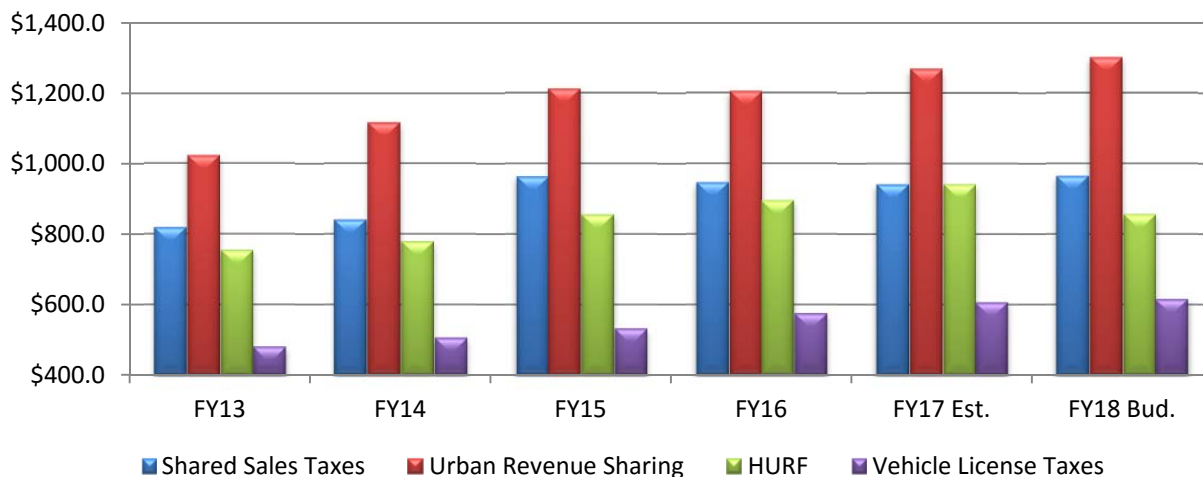
While state shared revenues are expected to continue to increase as the overall State revenue increases, the City's portion may be subject to decreases. While the City has experienced a relatively flat population growth, many other cities in Arizona have experienced significant population growth. This is expected to result in Sedona receiving a smaller piece of the overall pie in the future.

REVENUE TRENDS

continued

State Shared Revenues (cont'd)

State Shared Revenues (In Thousands)



Other Intergovernmental

Description

The other intergovernmental revenue category includes revenues from intergovernmental agreements and *grants*. The revenues from intergovernmental agreements are largely participation of other entities in the City’s capital improvement projects, particularly storm drainage improvements.

Projections

The projections of other intergovernmental revenues are primarily based on anticipated revenues for specific capital improvement projects and anticipated grants. Flood control funding from both Coconino and Yavapai Counties are ongoing. Coconino County monies are based on the City’s share of the flood control district levy, and conservative estimates of inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period were used in the ten-year projection. Yavapai County monies are allocated to the City’s based on proposed projects, and the ten-year projections are based on historical revenue levels.

A *contingency* placeholder has been included in both revenues and expenditures of \$300,000 for other possible grants and other donations that may be awarded during the year.

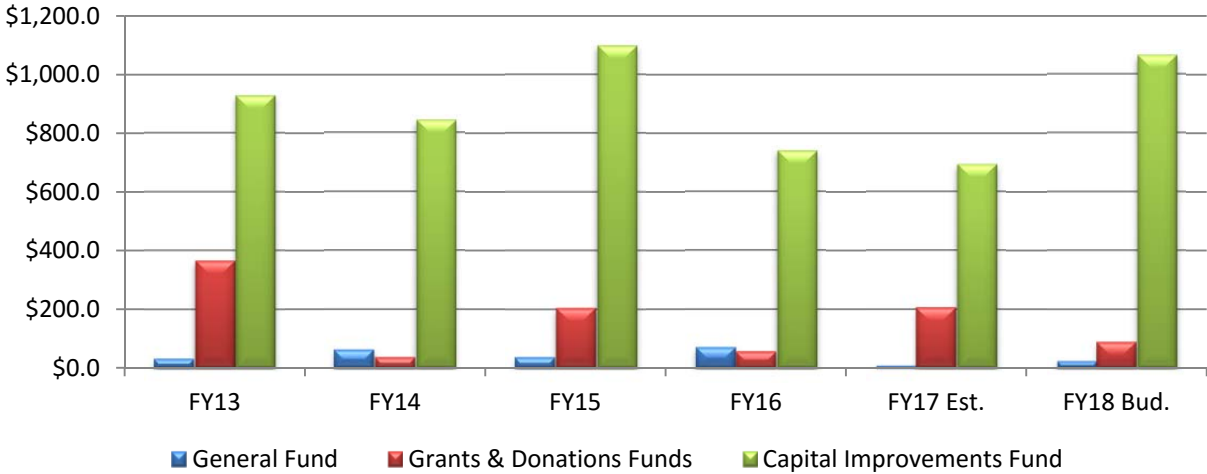
REVENUE TRENDS

continued

Other Intergovernmental (cont'd)

Other Intergovernmental Revenues

(In Thousands - Excluding Contingent Revenues)



Licenses & Permits

Description

The *licenses* and *permits* revenue category includes community development permits (e.g., building permits, conditional use permits, sign permits, etc.), business licenses, and other miscellaneous licenses and permits such as liquor licenses and civil union registrations.

Building permits are based on construction valuations or per unit fees depending on the permit and construction. Other community development permits are generally fixed fee or per unit amounts. Community development permits are unrestricted for use.

The City requires all businesses physically located in the city limits or those businesses incurring a sales tax liability to the City must obtain a business license. The primary purpose is to regulate businesses within the community. Effective January 1, 2016, fees are set at \$50 for a new business license, \$25 for annual renewals, and \$7 for temporary licenses. Previously new business licenses were \$25 with prorated decreases for partial year licenses. Business licenses are unrestricted for use.

The other miscellaneous licenses and permits are also unrestricted for use.

Projections

Revenue from licenses and permits is projected mostly with no increases, with the exception of building permits. Building permits have increased as the economy recovers. The City saw little activity in residential and commercial development during the recession. This source of revenue is expected to decline as the City approaches build-out.

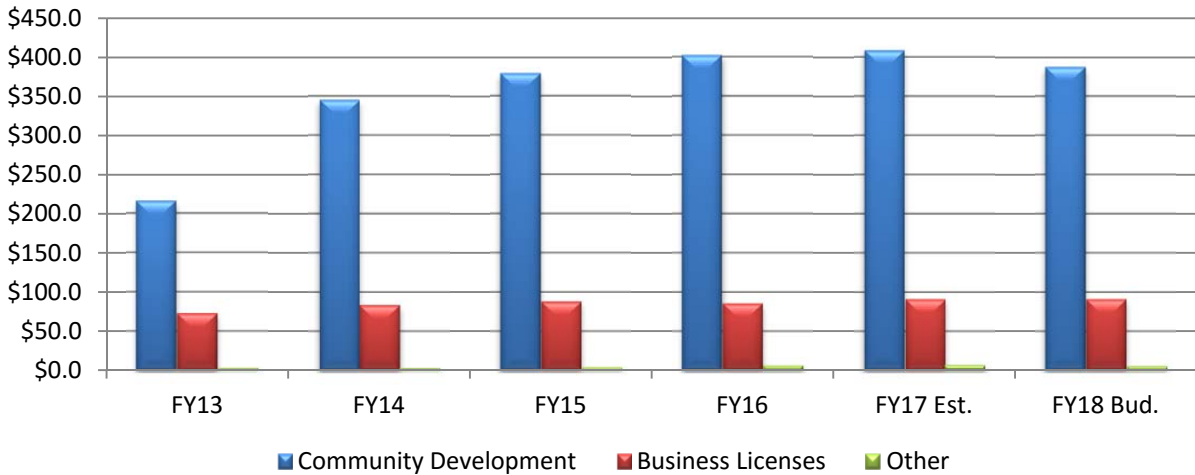
REVENUE TRENDS

continued

Licenses & Permits (cont'd)

In the ten-year *forecast*, projected building permits increases and decreases were largely based on an analysis of historical trends and projected construction indices with estimated increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period. Other licenses and permits were forecasted with minor increases in a few of the later years of the ten-year forecast for estimated changes to *user fee* schedules.

Licenses & Permits (In Thousands)



Charges for Services

Description

Charges for services are fees charged for specific services provided by the City. Analyses of the impact on cost-of-service are periodically undertaken by the City staff to determine if any changes to fees and charges should be recommended to Council.

General Fund – The charges for services in the General Fund include recreation user fees, community development fees, paid parking fees, and other miscellaneous charges for services. These fees are generally unrestricted for use; however, the City Council has promised the merchants in the Uptown area that a portion of the proceeds from the paid parking program, net of program costs, will be reinvested in the Uptown area.

The recreation user fees include pool fees and classes, recreation classes, open gym fees, and special events. The community development fees include development reviews, reinspection fees, and other development fees.

They include recreation user fees, community development fees, wastewater fees, vending machine revenues, and other miscellaneous charges for services.

REVENUE TRENDS

continued

Charges for Services (cont'd)

As part of the City’s overall strategic parking management plan, the next step as directed by Council was the implementation of a paid parking program in the Uptown area. The program began in June 2017.

Wastewater Fund – The wastewater fees are dedicated to the Wastewater Enterprise Fund. These include the monthly service fees, stand-by fees, and account setup fees. The residential monthly service fees are based on fixed fees per billing unit as follows:

FY 2018 RESIDENTIAL WASTEWATER RATES

	Monthly Rate
Standard Residential	\$61.11
Discount Programs:	
Residential Low-Flow	\$47.52
Low-Income Residential	\$32.17

The monthly rates for commercial customers are based on the type of business.

Property owners of vacant land with sewer availability are subject to stand-by fees. This charge is based on the City’s costs for maintenance and *depreciation* of the facilities built and available to serve parcels that have delayed development. Once property owners have connected to the sewer system, the monthly rates apply. The stand-by fees are one-half the standard residential rate.

The account setup fees are a one-time \$25 for all new accounts.

A 4 percent increase in the monthly wastewater rates was adopted for fiscal year 2017-18, and a 4 percent annual increase has been included for the next 2 years of the *forecast*, dropping to a 3 percent annual increase in the next 3 years. These annual increases were part of the findings and recommendations of a wastewater rate study conducted in 2013. These rate adjustments will serve to cover anticipated inflationary increases in expenses, help the fund become more sustainable, and allowed the City to reduce the *city sales tax* subsidy to the Wastewater Enterprise Fund over time until it is eliminated in fiscal year 2026-27. See the Inter-Fund Transfers section for more details on the sales tax subsidy.

REVENUE TRENDS

continued

Charges for Services (cont'd)

APPROVED & PROJECTED WASTEWATER RATE INCREASES

Fiscal Year	Rate Increase	Status
FY 2017-18	4%	Adopted by Council – 5/20/2014
FY 2018-19	4%	Adopted by Council – 5/20/2014
FY 2019-20	4%	Adopted by Council – 5/20/2014
FY 2020-21	3%	Scheduled in the Rate Study Approved by Council
FY 2021-22	3%	Scheduled in the Rate Study Approved by Council
FY 2022-23	3%	Scheduled in the Rate Study Approved by Council
FY 2023-24	0%	Scheduled in the Rate Study Approved by Council
FY 2024-25	0%	Scheduled in the Rate Study Approved by Council
FY 2025-26	0%	Scheduled in the Rate Study Approved by Council
FY 2026-27	0%	Scheduled in the Rate Study Approved by Council

Grants & Donations Funds – The vending machine revenues are dedicated to employee appreciation programs.

Information Technology Fund – The Geographic Information Systems fees are unrestricted for use.

Projections

Most of the General Fund charges for services were forecasted with minor increases in a few of the later years of the ten-year forecast for estimated changes to user fee schedules. Election reimbursements were projected every other year based on the two-year election cycle. Paid parking fees were estimated based on data of other communities provided by consultants.

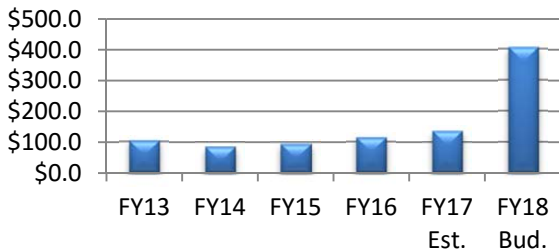
As previously discussed in the Budget Overview, a 4 percent increase in the monthly wastewater rates was adopted for fiscal year 2017-18. This increase, plus factors for new accounts and shifts between standard and discounted rates, have been included in the forecast. Account setup fees were forecasted with minor increases in a few of the later years of the ten-year forecast for estimated changes to user fee schedules.

REVENUE TRENDS

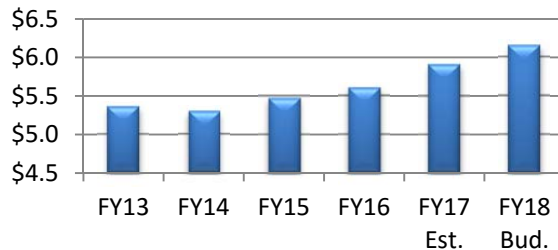
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Charges for Services (cont'd)

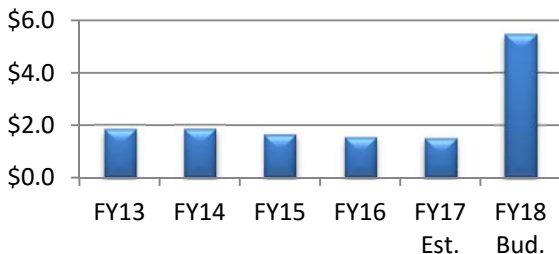
**General Fund
Charges for Services**
(In Thousands)



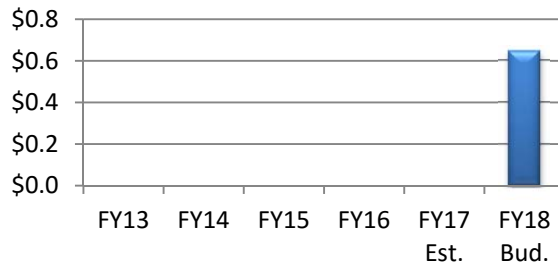
**Wastewater Fund
Charges for Services**
(In Millions)



**Grants & Donations Funds
Charges for Services**
(In Thousands)



**Information Technology Fund
Charges for Services**
(In Thousands)



Fines and Forfeitures

Description

The fines and forfeitures revenue category includes court fines, administrative charges for towed vehicles, wastewater environmental penalties, parking enforcement, and other miscellaneous penalties and late fees.

Revenue from court fines comes from traffic violations and other fines paid for the violation of municipal ordinances. Court fines are largely unrestricted; however, certain fines are restricted to specific court uses. The restricted court fines are recorded in the Grants & Donations Funds starting in fiscal year 2015-16, while the unrestricted court fines are recorded in the General Fund.

As authorized by ARS §28-3513, the Police Department assesses a \$150 administrative charge for vehicles that are mandated to be towed for various reasons established under ARS §28-3511. This administrative charge is restricted for the purpose of the implementation of these towing requirements. These revenues are recorded in the General Fund and offset a portion of the costs associated with this program.

REVENUE TRENDS

continued

Fines and Forfeitures (cont'd)

The wastewater environmental penalties are assessed on developed properties that have not connected to the City’s sewer system when required. These revenues are dedicated to the Wastewater Enterprise Fund and contribute to the maintenance of the required capacity to service these accounts when connected.

As part of the City’s overall strategic parking management plan, the next step as directed by Council was the implementation of a paid parking program in the Uptown area. The program began in June 2017. These revenues are unrestricted for use.

The other miscellaneous penalties and late fees are recorded in the fund in which they are generated, either the General Fund or the Wastewater Enterprise Fund.

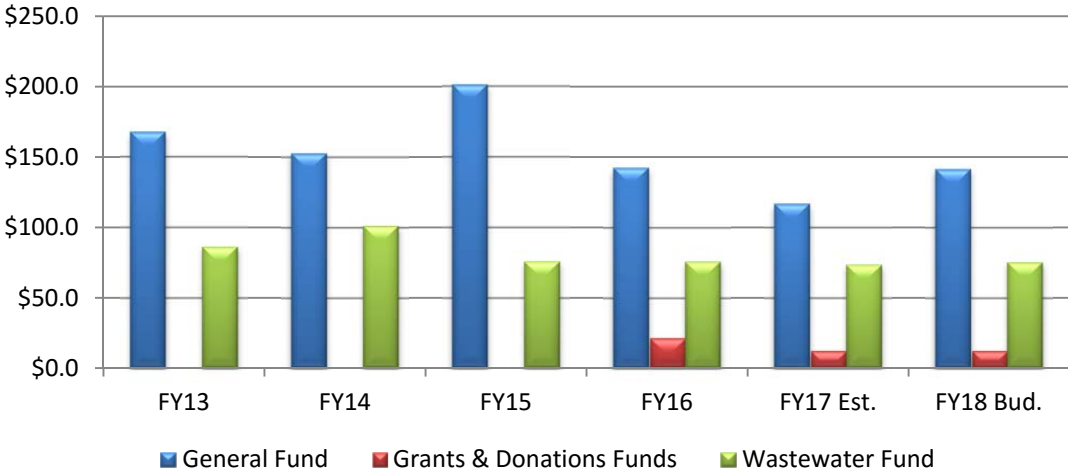
Projections

A significant portion of the court fines are related to the number of traffic citations issued. The number of traffic citations issued is largely related to staffing levels in the Police Department. Fluctuations in staffing in the Police Department due to turnover have had an impact on the number of citations issues and in turn the amount of court fine revenue received. No increases were projected for court fine revenues.

The wastewater environmental penalties are generally charged at twice the monthly service fee. Certain properties were given the opportunity to enter into agreements with the City to defer connection for up to ten years as long as certain criteria are met. The wastewater environmental penalties for those properties are charged at one-half the monthly service fee. Wastewater service rates increased 4 percent, and the same percentage was used to project the increase in environmental penalties.

No increases were projected for the other fines, penalties and late fees.

Fines and Forfeitures (In Thousands)



REVENUE TRENDS

continued

Development Impact Fees

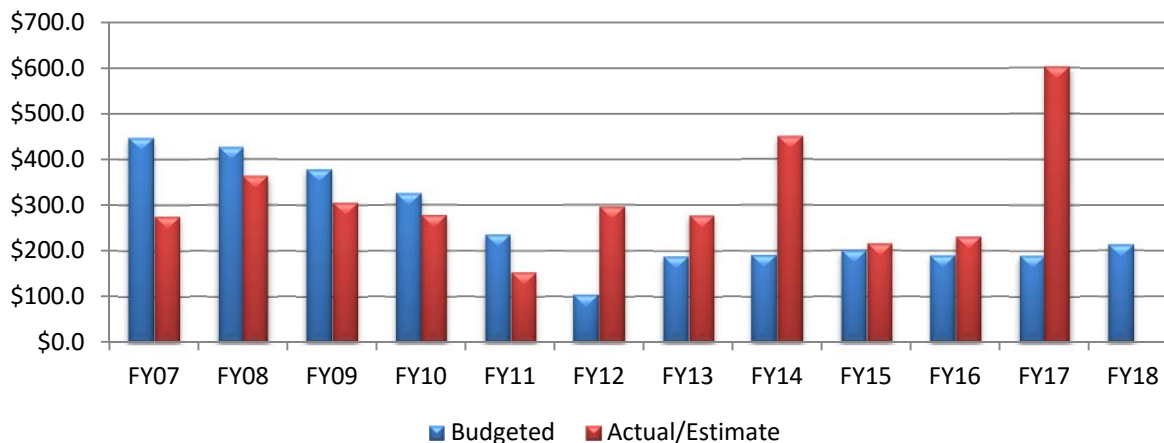
Description

Development impact fees are assessed by the City on new development for the purpose of financing *infrastructure* ultimately needed to support a growing community. As mandated by State law, impact fee revenue can only be used to support new projects and capital infrastructure. Recent legislative changes have further restricted the uses of development impact fees and the methods for calculating impact fees. Fees collected under the new legislation must be refunded to the property owner if the infrastructure for which a fee has been collected is not completed within 10 years. The current rates are based on a fee study adopted in 2014.

Projections

Most categories of the development impact fees were reduced in the 2014 study, with the exception of the parks fees for the lodging category, which were increased. Significant one-time development occurred in fiscal year 2016-17 resulting in significantly higher revenues. Excluding the one-time development, the ten-year *forecast* was based on ongoing levels of development impact fees and largely adjusted based on an analysis of historical trends and projected construction indices with estimated increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period. This source of revenue is expected to decline as the City approaches build-out.

Development Impact Fees (In Thousands)



Capacity Fees

Description

Capacity fee revenues are collected as one-time fees for residents and businesses to connect to the sewer. The current residential connection rate is \$9,914.29. The commercial rates vary based on the type of business. The rates are increased each January 1 based on the Engineering News-Record construction cost index inflation factor. Capacity fees are used to offset the cost of wastewater treatment plant capacity improvements.

REVENUE TRENDS

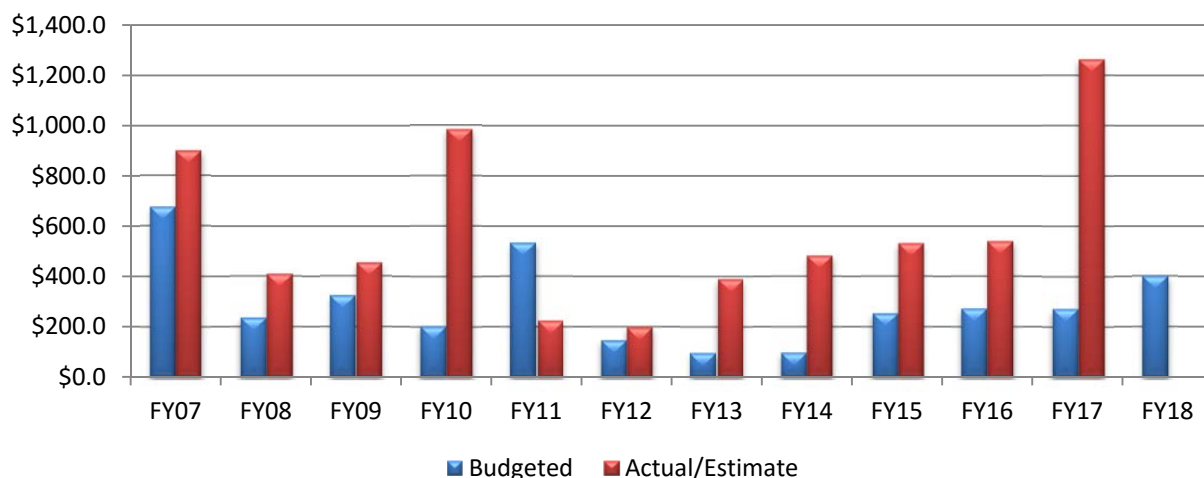
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Capacity Fees (cont'd)

Projections

Significant one-time development occurred in fiscal year 2016-17 resulting in significantly higher revenues. Excluding the one-time development, the ten-year *forecast* was based on ongoing levels of capacity fees and largely adjusted based on an analysis of historical trends and projected construction indices with estimated increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period. The forecast includes an assumption of all remaining residential accounts on deferred connection agreements will connect in fiscal year 2021-22. This source of revenue is expected to decline as the City approaches build-out.

Capacity Fees (In Thousands)



Other Revenues

Description

The other revenues category includes facility rentals, interest earnings, donations, and other miscellaneous revenues.

Projections

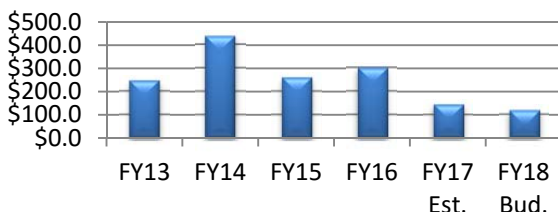
Each of the individual other revenue sources were reviewed and projected based on historical trend information specific to that revenue source or other known information such as anticipated outside participation for specific capital improvement projects.

REVENUE TRENDS

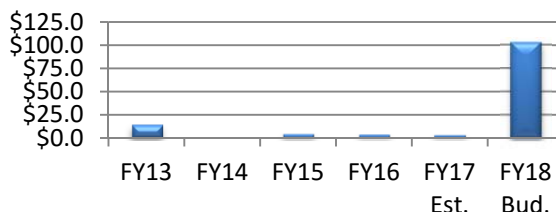
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Other Revenues (cont'd)

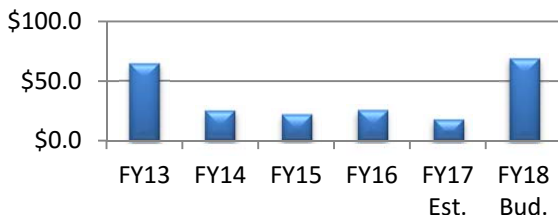
General Fund Other Revenues (In Thousands)



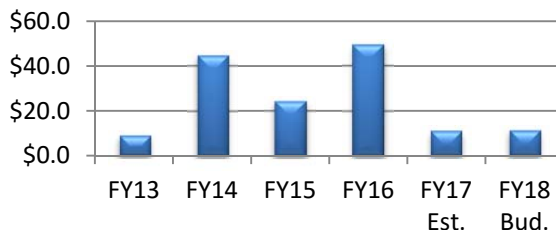
Streets Fund Other Revenues (In Thousands)



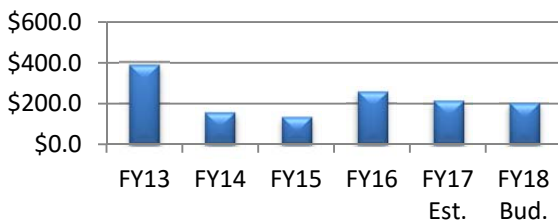
Grants & Donations Funds Other Revenues (In Thousands)



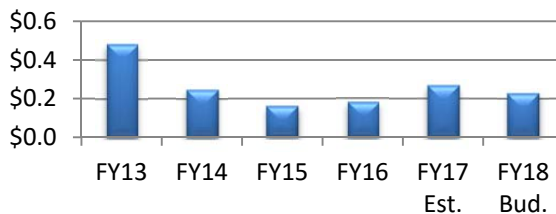
Development Impact Fees Funds Other Revenues (In Thousands)



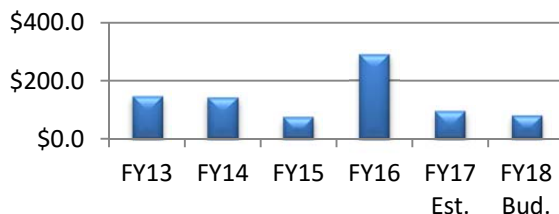
Capital Improvements Fund Other Revenues (In Thousands)



Art in Public Places Fund Other Revenues (In Thousands)



Wastewater Fund Other Revenues (In Thousands)



REVENUES & OTHER FINANCING SOURCES SUMMARIES

All Funds

	General Fund	Streets Fund	Grants & Donations Funds	Development Impact Fees Funds	Capital Improvements Fund	Art in Public Places Fund	Wastewater Enterprise Fund	Information Technology Fund	Totals
Revenues									
City Sales Taxes	\$16,673,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,673,800
Bed Taxes	\$3,977,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,977,200
Contingent Bed Taxes	\$550,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$550,000
In Lieu Fees	\$445,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$445,400
Franchise Fees	\$759,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$759,400
State Shared Revenues	\$2,888,000	\$858,200	\$0	\$0	\$0	\$0	\$0	\$0	\$3,746,200
Other Intergovernmental	\$26,060	\$0	\$91,600	\$0	\$1,067,657	\$0	\$0	\$0	\$1,185,317
Licenses and Permits	\$486,550	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$486,550
Charges for Services	\$408,950	\$0	\$5,500	\$0	\$0	\$0	\$6,164,200	\$650	\$6,579,300
Internal Cost Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,621,480	\$1,621,480
Fines and Forfeitures	\$141,900	\$0	\$12,800	\$0	\$0	\$0	\$75,750	\$0	\$230,450
Development Impact Fees	\$0	\$0	\$0	\$213,880	\$0	\$0	\$0	\$0	\$213,880
Capacity Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$403,100	\$0	\$403,100
Other Revenues	\$121,000	\$103,700	\$69,160	\$11,610	\$204,200	\$230	\$80,500	\$0	\$590,400
Contingent Grants/Donations	\$0	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$300,000
Total Revenues	\$26,478,260	\$961,900	\$479,060	\$225,490	\$1,271,857	\$230	\$6,723,550	\$1,622,130	\$37,762,477
Other Financing Sources									
Transfers from Other Funds	\$0	\$35,389	\$0	\$0	\$1,089,500	\$26,378	\$4,165,900	\$0	\$5,317,167
Total Other Financing Sources	\$0	\$35,389	\$0	\$0	\$1,089,500	\$26,378	\$4,165,900	\$0	\$5,317,167
GRAND TOTAL	\$26,478,260	\$997,289	\$479,060	\$225,490	\$2,361,357	\$26,608	\$10,889,450	\$1,622,130	\$43,079,644

All Funds Comparison

	FY18 Projected	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Revenues				
City Sales Taxes	\$16,673,800	\$15,526,670	\$16,110,700	\$14,999,612
Bed Taxes	\$3,977,200	\$3,172,200	\$3,698,800	\$3,010,334
Contingent Bed Taxes	\$550,000	\$550,000	\$0	\$0
In Lieu Fees	\$445,400	\$406,000	\$471,400	\$450,881
Franchise Fees	\$759,400	\$816,060	\$783,600	\$781,223
State Shared Revenues	\$3,746,200	\$3,671,701	\$3,766,900	\$3,631,514
Other Intergovernmental	\$1,185,317	\$765,976	\$921,570	\$874,082
Licenses and Permits	\$486,550	\$448,425	\$509,070	\$508,362
Charges for Services	\$6,579,300	\$5,995,294	\$6,062,630	\$5,717,701
Internal Cost Charges	\$1,621,480	\$0	\$0	\$0
Fines and Forfeitures	\$230,450	\$350,720	\$203,900	\$241,071
Development Impact Fees	\$213,880	\$191,000	\$603,700	\$231,772
Capacity Fees	\$403,100	\$275,000	\$1,266,100	\$541,045
Other Revenues	\$590,400	\$741,749	\$486,920	\$949,010
Contingent Grants/Donations	\$300,000	\$300,000	\$0	\$0
Total Revenues	\$37,762,477	\$33,210,795	\$34,885,290	\$31,936,608
Other Financing Sources				
Transfers from Other Funds	\$5,317,167	\$12,832,465	\$6,428,893	\$7,431,260
Refunding Bonds Issued	\$0	\$0	\$0	\$8,030,000
Total Other Financing Sources	\$5,317,167	\$12,832,465	\$6,428,893	\$15,461,260
GRAND TOTAL	\$43,079,644	\$46,043,260	\$41,314,183	\$47,397,868

REVENUES & OTHER FINANCING SOURCES SUMMARIES

continued

General Fund

	FY18 Projected	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Revenues				
City Sales Taxes*	\$16,673,800	\$15,526,670	\$16,110,700	\$10,502,062
Bed Taxes	\$3,977,200	\$3,172,200	\$3,698,800	\$3,010,334
Contingent Bed Taxes	\$550,000	\$550,000	\$0	\$0
In Lieu Fees	\$445,400	\$406,000	\$445,400	\$450,881
Franchise Fees	\$759,400	\$816,060	\$783,600	\$781,223
State Shared Sales Taxes	\$966,900	\$979,400	\$943,300	\$948,696
Urban Revenue Sharing	\$1,303,500	\$1,273,001	\$1,271,700	\$1,207,731
Vehicle License Taxes	\$617,600	\$620,300	\$608,500	\$577,681
Other Intergovernmental	\$26,060	\$20,000	\$10,350	\$73,853
Licenses and Permits	\$486,550	\$448,425	\$509,070	\$508,362
Charges for Services	\$408,950	\$108,950	\$138,930	\$105,008
Fines and Forfeitures	\$141,900	\$262,300	\$117,200	\$142,888
Other Revenues	\$121,000	\$225,300	\$146,700	\$304,018
Total Revenues	\$26,478,260	\$24,408,606	\$24,784,250	\$18,612,738
Other Financing Sources				
Refunding Bonds Issued	\$0	\$0	\$0	\$8,030,000
Total Other Financing Sources	\$0	\$0	\$0	\$8,030,000
GRAND TOTAL	\$26,478,260	\$24,408,606	\$24,784,250	\$26,642,738

Wastewater Enterprise Fund

	FY18 Projected	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Revenues				
Monthly Fees	\$5,744,300	\$5,446,480	\$5,512,900	\$5,194,375
Stand-by Fees	\$406,300	\$420,264	\$394,900	\$403,659
Other Charges for Services	\$13,600	\$14,100	\$14,400	\$13,116
Environmental Penalty Fees	\$30,800	\$34,400	\$29,600	\$32,179
Other Fines and Forfeitures	\$44,950	\$54,020	\$44,300	\$44,108
Capacity Fees	\$403,100	\$275,000	\$1,266,100	\$541,045
Other Revenues	\$80,500	\$159,600	\$97,000	\$300,759
Total Revenues	\$6,723,550	\$6,403,864	\$7,359,200	\$6,529,241
Other Financing Sources				
City Sales Taxes*	\$0	\$0	\$0	\$4,497,550
Transfer from General Fund	\$4,165,900	\$3,881,668	\$4,027,700	\$0
Total Other Financing Sources	\$4,165,900	\$3,881,668	\$4,027,700	\$4,497,550
GRAND TOTAL	\$10,889,450	\$10,285,532	\$11,386,900	\$11,026,791

*Full city sales tax amount to be recorded in General Fund and subsidy to Wastewater Enterprise Fund to be recorded as a transfer in FY17.

EXPENDITURES & OTHER FINANCING USES SUMMARIES

All Funds

	General Fund	Streets Fund	Grants & Donations Funds	Development Impact Fees Funds	Capital Improvements Fund	Art in Public Places Fund	Wastewater Fund	Information Technology Fund	Totals
Expenditures									
City Council	\$181,895	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$181,895
City Manager's Office	\$3,328,080	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,328,080
Human Resources	\$435,305	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$435,305
Financial Services	\$1,208,405	\$0	\$0	\$0	\$0	\$0	\$178,720	\$0	\$1,387,125
Information Technology	\$0	\$0	\$0	\$0	\$0	\$0	\$79,150	\$1,766,726	\$1,845,876
City Attorney's Office	\$742,530	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0	\$842,530
City Clerk's Office	\$400,430	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,430
Parks & Recreation	\$838,834	\$0	\$82,500	\$0	\$0	\$0	\$0	\$0	\$921,334
General Services	\$4,297,378	\$0	\$300,000	\$22,700	\$0	\$0	\$4,484,855	\$0	\$9,104,933
Community Development	\$2,314,290	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,314,290
Public Works	\$4,551,375	\$1,203,490	\$0	\$0	\$0	\$0	\$431,320	\$0	\$6,186,185
Economic Development	\$211,480	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$211,480
Police	\$6,282,820	\$0	\$61,350	\$0	\$0	\$0	\$0	\$0	\$6,344,170
Municipal Court	\$454,610	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$454,610
Wastewater	\$0	\$0	\$0	\$0	\$0	\$0	\$4,197,996	\$0	\$4,197,996
Capital Improvement Projects	\$0	\$0	\$197,500	\$1,429,600	\$7,426,669	\$0	\$5,077,050	\$0	\$14,130,819
Charges to Other Departments	(\$3,906,670)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,906,670)
Contributions to Equipment Replacement Reserves	(\$238,050)	\$0	\$0	\$0	\$0	\$0	(\$176,100)	(\$214,120)	(\$628,270)
Total Expenditures	\$21,102,712	\$1,203,490	\$641,350	\$1,452,300	\$7,426,669	\$0	\$14,372,991	\$1,552,606	\$47,752,118
Other Financing Uses									
Transfers to Other Funds	\$5,290,789	\$0	\$0	\$0	\$26,378	\$0	\$0	\$0	\$5,317,167
Total Other Financing Uses	\$5,290,789	\$0	\$0	\$0	\$26,378	\$0	\$0	\$0	\$5,317,167
GRAND TOTAL	\$26,393,501	\$1,203,490	\$641,350	\$1,452,300	\$7,453,047	\$0	\$14,372,991	\$1,552,606	\$53,069,285

EXPENDITURES & OTHER FINANCING USES SUMMARIES

continued

All Funds Comparison

	FY18 Requested	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Expenditures (by Department)				
City Council	\$181,895	\$78,585	\$76,800	\$63,123
City Manager's Office	\$3,328,080	\$1,060,540	\$895,139	\$745,235
Human Resources	\$435,305	\$256,592	\$246,592	\$217,867
Financial Services	\$1,387,125	\$941,285	\$917,105	\$865,433
Information Technology	\$1,845,876	\$1,284,655	\$1,111,835	\$853,746
City Attorney's Office	\$842,530	\$555,545	\$467,480	\$496,564
City Clerk's Office	\$400,430	\$310,369	\$271,243	\$219,942
Parks & Recreation	\$921,334	\$619,257	\$641,791	\$493,304
General Services	\$9,104,933	\$10,003,116	\$9,401,261	\$9,788,976
Community Development	\$2,314,290	\$1,931,608	\$1,543,910	\$1,201,327
Public Works	\$6,186,185	\$4,676,451	\$4,585,731	\$3,230,102
Economic Development	\$211,480	\$0	\$0	\$0
Police	\$6,344,170	\$4,332,329	\$4,298,989	\$3,826,416
Municipal Court	\$454,610	\$342,950	\$333,540	\$307,281
Wastewater	\$4,197,996	\$3,005,388	\$2,625,665	\$2,804,366
Capital Improvement Projects	\$14,130,819	\$8,962,196	\$6,751,537	\$10,140,081
Charges to Other Departments	(\$3,906,670)	\$0	\$0	\$0
Contributions to Equipment Replacement Reserves	(\$628,270)	\$0	\$0	\$0
Total Expenditures	\$47,752,118	\$38,360,866	\$34,168,618	\$35,253,763
Other Financing Uses				
Payment to Refunded Bond Escrow Agent	\$0	\$0	\$0	\$7,934,739
Transfers to Other Funds	\$5,317,167	\$12,832,465	\$6,428,983	\$7,431,260
Total Other Financing Uses	\$5,317,167	\$12,832,465	\$6,428,983	\$15,365,999
GRAND TOTAL	\$53,069,285	\$51,193,331	\$40,597,601	\$50,619,762

Expenditures & Other Financing Uses (by Expenditure Category)

Personnel	\$12,648,970	\$11,128,340	\$10,796,633	\$10,203,738
Supplies & Services	\$11,366,004	\$10,844,575	\$10,063,269	\$8,147,872
Capital & Debt Service	\$6,681,945	\$6,515,755	\$6,557,179	\$6,762,072
Capital Improvement Projects	\$14,130,819	\$8,962,196	\$6,751,537	\$10,140,081
Internal Charges	\$1,624,380	\$0	\$0	\$0
Contingencies	\$1,300,000	\$910,000	\$0	\$0
Other Financing Uses	\$5,317,167	\$12,832,465	\$6,428,983	\$15,365,999
Total Expenditures	\$53,069,285	\$51,193,331	\$40,597,601	\$50,619,762

EXPENDITURES & OTHER FINANCING USES SUMMARIES - continued

General Fund

	FY18 Requested	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Expenditures				
10-5210 - City Council	\$181,895	\$78,585	\$76,800	\$63,123
10-5220 - City Manager's Office	\$3,328,080	\$1,011,859	\$846,458	\$745,235
10-5221 - Human Resources	\$435,305	\$237,045	\$227,045	\$217,867
10-5222 - Financial Services	\$1,208,405	\$534,765	\$540,385	\$450,225
10-5224 - Information Technology	\$0	\$1,197,077	\$1,022,760	\$853,746
10-5230 - City Attorney's Office	\$742,530	\$534,455	\$446,390	\$496,564
10-5240 - City Clerk's Office	\$400,430	\$297,719	\$258,593	\$219,942
10-5242 - Parks & Recreation	\$838,834	\$548,757	\$556,017	\$465,072
10-5245/6 - General Services	\$4,297,378	\$4,830,593	\$4,228,738	\$4,071,785
10-5310 - Community Development	\$2,314,290	\$1,659,158	\$1,420,510	\$1,180,037
10-5320 - Public Works	\$4,551,375	\$3,245,718	\$3,153,798	\$2,087,779
10-5330 - Economic Development	\$211,480	\$0	\$0	\$0
10-5510 - Police	\$6,282,820	\$4,304,779	\$4,217,409	\$3,749,538
10-5520 - Municipal Court	\$454,610	\$342,950	\$331,890	\$306,451
Charges to Other Departments	(\$3,906,670)	\$0	\$0	\$0
Total General Fund Expenditures	\$21,340,762	\$18,823,460	\$17,326,793	\$14,907,363

Other Financing Uses				
Payment to Refunded Bond Escrow Agent	\$0	\$0	\$0	\$7,934,739
Transfer to Streets Fund	\$35,389	\$351,000	\$351,000	\$506,500
Transfer to Wastewater Fund	\$4,165,900	\$3,881,668	\$4,027,700	\$0
Transfer to Grants Fund	\$0	\$0	\$0	\$9,777
Transfer to Capital Projects Fund	\$1,089,500	\$8,569,787	\$2,023,533	\$6,884,446
Total General Fund Other Financing Uses	\$5,290,789	\$12,802,455	\$6,402,233	\$15,335,462

GRAND TOTAL	\$26,631,551	\$31,625,915	\$23,729,026	\$30,242,825
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Wastewater Enterprise Fund

	FY18 Requested	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Expenditures				
59-5220 - City Manager's Office	\$0	\$48,681	\$48,681	\$0
59-5221 - Human Resources	\$0	\$19,547	\$19,547	\$0
59-5222 - Financial Services	\$178,720	\$406,520	\$376,720	\$415,208
59-5224 - Information Technology	\$79,150	\$87,578	\$89,075	\$0
59-5230 - City Attorney's Office	\$100,000	\$21,090	\$21,090	\$0
59-5240 - City Clerk's Office	\$0	\$12,650	\$12,650	\$0
59-5245/6 - General Services	\$75,000	\$0	\$0	\$0
59-5320 - Public Works	\$431,320	\$280,733	\$281,933	\$16,096
59-5250 - Wastewater Administration	\$689,515	\$371,716	\$342,623	\$374,177
59-5250 - Wastewater Departmental Allocations	\$0	\$0	\$0	\$285,768
59-5250/5 - Wastewater Debt Service	\$4,409,855	\$5,151,325	\$5,151,325	\$5,412,246
59-5252 - Wastewater Project Management	\$72,840	\$65,200	\$68,000	\$138,707
59-5252 - Wastewater Capital Improvements Projects	\$5,077,050	\$3,085,550	\$2,474,750	\$5,433,782
59-5253 - Wastewater Operations	\$3,435,641	\$2,568,472	\$2,215,042	\$2,291,482
GRAND TOTAL	\$14,549,091	\$12,119,062	\$11,101,436	\$14,367,465



INTER-FUND TRANSFERS

Transfers Out	Transfers In				
	Streets Fund	Capital Improvements Fund	Art in Public Places Fund	Wastewater Enterprise Fund	Totals
General Fund	\$35,389	\$1,089,500	\$	\$4,165,900	\$5,290,789
Capital Improvements Fund			26,378		26,378
Totals	\$35,389	\$1,089,500	\$26,378	\$4,165,900	\$5,317,167

The purposes for the *inter-fund transfers* are as follows:

- The revenues of the Streets Fund are insufficient to cover the estimated annual costs. Council has approved a transfer of \$35,389 from the General Fund to fund the difference needed to maintain the reserve balance required by policy.
- The City Council has directed that all undesignated General Fund reserves be designated to the Capital Improvements Program. An inter-fund transfer of \$1,089,500 has been budgeted for this purpose.
- Council policy requires one percent of all *capital projects* budgets to be designated for art in public places. A total of \$26,378 was budgeted in the Capital Improvements Program to the Art in Public Places Fund for this purpose.
- Council approved an inter-fund transfer of 25 percent of the *city sales tax* revenues as a subsidy to the Wastewater Enterprise Fund to help pay the *debt service* on debt the City has incurred for the original construction as well as upgrades to the capacity at the plant and extensions of the sewer lines.

City Sales Tax Subsidy

Since the voters approved the construction of a sewer system in 1989, the City has subsidized the Wastewater Enterprise Fund with a portion of its *city sales tax* revenue. The subsidy has helped pay most of the *debt service* on debt the City has incurred for the original construction as well as upgrades to the capacity at the plant and extensions of the sewer lines. Since fiscal year 1988-89, the City has subsidized the Wastewater Enterprise Fund with over \$113 million of city sales taxes.

In 2013, the City hired a consultant to review the existing rate structure and to develop a long-range financial plan for the Wastewater Enterprise Fund. The 2013-14 Wastewater Rate Study and Financial Plan, adopted by City Council in May 2014, planned for a slow reduction in the General Fund subsidy over the next twelve years, along with annual increases in *user fees* gradually declining, in order to achieve the ultimate goal of making the Wastewater Enterprise Fund financially self-supporting.

INTER-FUND TRANSFERS

City Sales Tax Subsidy (cont'd)

The future city sales tax subsidies projected in the rate study were as follows:

PROJECTED CITY SALES TAX SUBSIDIES

Fiscal Year	Percent of City Sales Tax Revenues
FY 2018-19	25%
FY 2019-20	20%
FY 2020-21	20%
FY 2021-22	20%
FY 2022-23	15%
FY 2023-24	15%
FY 2024-25	15%
FY 2025-26	15%
FY 2026-27	0%

INTERNAL CHARGES

The fiscal year 2017-18 budget includes a new cost category labeled *internal charges*. These costs include:

- Implementation of an *indirect cost allocation plan*
- Initiation of equipment replacement reserves

Indirect Cost Allocations

Indirect cost allocations are a commonly used methodology for allocating costs incurred in internal service departments and programs to the programs and services of other departments benefitting from those services. The departments/programs identified in this year's budget process providing those internal services are:

- City Manager's Office (Administration Program)
- Human Resources Department (all programs)
- Financial Services Department (all programs)
- Information Technology Department (all programs)
- City Attorney's Office (Administration, Land Development, and General Civil Programs)
- City Clerk's Office (Customer Relations and Records Management Programs)
- General Services (city-wide sharing of office supplies, postage, pooled vehicles, and property and liability insurance)
- Public Works Department (Facilities Maintenance Program)

The allocation of these costs are based on available information that represents as fair a representation as possible of the level of benefits received by the other departments and programs. The allocation methods (referred to as *cost drivers*) used include:

- Employee/*full-time equivalent* (FTE) counts
- Number of devices (such as computers, phones, etc.)
- Historical insurance claims exposure
- Square footage of facilities
- Number or dollar amount of transactions (such as accounts payable transactions, cash receipting transactions, service requests, post meter activity, etc.)
- Estimated personnel hours
- Budgeted expenditures
- Direct allocations (certain costs such as some software maintenance agreements could be attributed to a specific department or program)

The result of these allocations are the internal charges applied to each program with offsetting negative amounts for the internal service programs being allocated.

This methodology for allocating costs eliminates most of the direct allocations previously being used to attribute costs to the Wastewater Enterprise Fund. The use of the cost drivers to allocate costs is generally considered a better representation of the service levels provided to the Wastewater Enterprise Fund and the City's other programs and services.

INTERNAL CHARGES

continued

Equipment Replacement Reserves

The fiscal year 2017-18 budget includes the initiation of equipment replacement reserves. These types of reserves are intended to aide with better budget planning for replacement of the City's equipment, including vehicles, operational equipment, and information technology items such as computers, monitors, servers, etc.

Equipment replacement reserves are funded with an allocation of the replacement costs of equipment over the expected useful lives. Since this is the initial implementation of these reserves, funding for the year has been calculated based on the annual amount of the allocation. There has been no provision included in the budget for a "make-up" of past annual allocations for equipment.

Since the estimated useful lives may be different from actual experience, additional funding for the reserve can be achieved by delaying replacement of equipment when practical. In future years, when funding is available, the Council may wish to add additional funding to these reserves to work toward a fully-funded status.

The internal charges included in the proposed budget are allocations to the departments and programs that are using the assets covered by the replacement reserves. The reserves initiated for the fiscal year 2017 18 budget are as follows:

- **Information Technology Equipment** – An inventory listing was obtained from the Information Technology Department and includes all equipment items maintained by their department.
- **Wastewater Equipment** – The listing of wastewater equipment capitalized in the City's audited financial statements was used. Capitalized equipment are those equipment items with a cost of \$5,000 or more. Any wastewater equipment under the capitalization threshold has not been included in the initiation of this reserve. The equipment items not capitalized may be considered for inclusion in the replacement reserve allocations in the future.
- **General Equipment** – A listing of all other capitalized in the City's audited financial statements was used. Again, any equipment under the capitalization threshold that has not been included in the initiation of this reserve may be considered for inclusion in the replacement reserve allocations in the future.



Fund Summaries

FUND SUMMARIES

All Funds

	General Fund	Streets Fund	Grants & Donations	Development Impact Fees Funds	Capital Improvements Fund	Art in Public Places Fund	Wastewater Fund	Information Technology Fund	Totals
Revenues									
Ongoing Revenues	\$25,926,460	\$861,900	\$79,060	\$225,490	\$725,200	\$230	\$6,723,550	\$1,468,230	\$36,010,120
One-Time Revenues	\$1,800	\$100,000	\$100,000	\$0	\$546,657	\$0	\$0	\$153,900	\$902,357
Contingent Revenues	\$550,000	\$0	\$300,000	\$0	\$0	\$0	\$0	\$0	\$850,000
Total Revenues	\$26,478,260	\$961,900	\$479,060	\$225,490	\$1,271,857	\$230	\$6,723,550	\$1,622,130	\$37,762,477
Expenditures									
Ongoing Expenditures	\$17,962,352	\$1,203,490	\$43,850	\$0	\$0	\$0	\$4,157,016	\$1,488,126	\$24,854,834
One-Time Expenditures	\$1,047,100	\$0	\$100,000	\$0	\$0	\$0	\$805,290	\$278,600	\$2,230,990
Capital Improvement Projects	\$0	\$0	\$197,500	\$1,429,600	\$7,426,669	\$0	\$5,077,050	\$0	\$14,130,819
Debt Service	\$1,431,310	\$0	\$0	\$22,700	\$0	\$0	\$4,409,735	\$0	\$5,863,745
Equipment Replacement Reserve Contributions	(\$238,050)	\$0	\$0	\$0	\$0	\$0	(\$176,100)	(\$214,120)	(\$628,270)
Contingency	\$900,000	\$0	\$300,000	\$0	\$0	\$0	\$100,000	\$0	\$1,300,000
Total Expenditures	\$21,102,712	\$1,203,490	\$641,350	\$1,452,300	\$7,426,669	\$0	\$14,372,991	\$1,552,606	\$47,752,118
Net Revenues/Expenditures	\$5,375,548	(\$241,590)	(\$162,290)	(\$1,226,810)	(\$6,154,812)	\$230	(\$7,649,441)	\$69,524	(\$9,989,641)
Transfers									
Transfer from Capital Improvements Fund	\$0	\$0	\$0	\$0	\$0	\$26,378	\$0	\$0	\$26,378
Transfer from General Fund	\$0	\$35,389	\$0	\$0	\$1,089,500	\$0	\$4,165,900	\$0	\$5,290,789
Transfer to Wastewater Fund	(\$4,165,900)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,165,900)
Transfer to Streets Fund	(\$35,389)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$35,389)
Transfer to Capital Improvements Fund	(\$1,089,500)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,089,500)
Transfer to Arts Fund	\$0	\$0	\$0	\$0	(\$26,378)	\$0	\$0	\$0	(\$26,378)
Net Transfers	(\$5,290,789)	\$35,389	\$0	\$0	\$1,063,122	\$26,378	\$4,165,900	\$0	\$0
Beginning Fund Balances	\$10,338,362	\$807,946	\$594,730	\$2,285,753	\$11,473,400	\$80,420	\$14,792,117	\$0	\$40,372,728
Ending Fund Balances									
Operating Reserve	\$9,385,701	\$601,745	\$0	\$0	\$0	\$0	\$1,634,102	\$0	\$11,621,548
Debt Service Reserve	\$800,000	\$0	\$0	\$0	\$0	\$0	\$4,581,690	\$0	\$5,381,690
Equipment Replacement Reserve	\$238,050	\$0	\$0	\$0	\$0	\$0	\$116,100	\$69,420	\$423,570
Remaining Available Fund Balance	(\$630)	\$0	\$432,440	\$1,058,943	\$6,381,710	\$107,028	\$4,976,684	\$104	\$12,956,279
Total Ending Fund Balances	\$10,423,121	\$601,745	\$432,440	\$1,058,943	\$6,381,710	\$107,028	\$11,308,576	\$69,524	\$30,383,087

FUND SUMMARIES

continued

All Funds Comparison

	FY18 Projected	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Revenues				
Ongoing Revenues	\$36,010,120	\$31,909,819	\$33,109,260	\$31,226,469
One-Time Revenues	\$902,357	\$450,976	\$1,776,030	\$710,139
Contingent Revenues	\$850,000	\$850,000	\$0	\$0
Total Revenues	\$37,762,477	\$33,210,795	\$34,885,290	\$31,936,608
Expenditures				
Ongoing Expenditures	\$24,854,834	\$21,034,065	\$20,031,806	\$18,631,422
One-Time Expenditures	\$2,230,990	\$1,595,914	\$1,181,073	\$309,345
Capital Improvement Projects	\$14,130,819	\$8,962,196	\$6,751,537	\$10,140,083
Debt Service	\$5,863,745	\$5,858,691	\$5,858,691	\$6,172,913
Equipment Replacement Reserve Contributions	(\$628,270)	\$0	\$0	\$0
Contingency	\$1,300,000	\$910,000	\$345,511	\$0
Total Expenditures	\$47,752,118	\$38,360,866	\$34,168,618	\$35,253,763
Net Revenues/Expenditures	(\$9,989,641)	(\$5,150,071)	\$716,672	(\$3,317,155)
Other Financing Sources (Uses)				
Transfer from Capital Improvements Fund	\$26,378	\$30,010	\$26,750	\$30,537
Transfer from General Fund	\$5,290,789	\$12,802,455	\$6,402,233	\$7,400,723
Transfer to Wastewater Fund	(\$4,165,900)	(\$3,881,668)	(\$4,027,700)	\$0
Transfer to Streets Fund	(\$35,389)	(\$351,000)	(\$351,000)	(\$506,500)
Transfer to Capital Improvements Fund	(\$1,089,500)	(\$8,569,787)	(\$2,023,533)	(\$6,884,446)
Transfer to Arts Fund	(\$26,378)	(\$30,010)	(\$26,750)	(\$30,537)
Transfer to Grants & Donations Funds	\$0	\$0	\$0	(\$9,777)
Refunding Bonds Issued	\$0	\$0	\$8,030,000	\$8,030,000
Payment to Refunded Bond Escrow Agent	\$0	\$0	(\$7,934,739)	(\$7,934,739)
Total Other Financing Sources (Uses)	\$0	\$0	\$95,261	\$95,261
Beginning Fund Balances	\$40,372,728	\$41,828,939	\$38,771,312	\$41,993,205
Ending Fund Balances				
Operating Reserve	\$11,621,548	\$10,283,055	\$10,189,374	\$12,373,400
Debt Service Reserve	\$5,381,690	\$5,937,253	\$5,937,253	\$5,937,253
Equipment Replacement Reserve	\$423,570			
Budget Carryovers			\$756,050	\$317,500
Remaining Available Fund Balance	\$12,956,279	\$20,458,560	\$23,456,618	\$20,460,658
Total Ending Fund Balances	\$30,383,087	\$36,678,868	\$39,583,245	\$38,771,311

FUND SUMMARIES

continued

General Fund

	FY18 Proposed	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Ongoing Revenues				
City Sales Taxes*	\$16,673,800	\$15,526,670	\$16,110,700	\$10,502,062
Bed Taxes	\$3,977,200	\$3,172,200	\$3,698,800	\$3,010,334
Taxes*	\$21,410,400	\$19,514,930	\$20,593,100	\$14,293,619
In Lieu Fees	\$445,400	\$406,000	\$445,400	\$450,881
State Shared Revenues	\$2,888,000	\$2,872,701	\$2,823,500	\$2,734,108
Other Intergovernmental	\$24,260	\$20,000	\$2,550	\$73,853
Licenses and Permits	\$486,550	\$448,425	\$509,070	\$508,362
Charges for Services	\$408,950	\$78,950	\$127,400	\$105,008
Fines and Forfeitures	\$141,900	\$262,300	\$117,200	\$142,888
Other Revenues	\$121,000	\$225,300	\$127,600	\$304,018
Total Ongoing Revenues	\$25,926,460	\$23,828,606	\$24,745,820	\$18,612,738
Ongoing Expenditures				
General Government	\$5,331,575	\$5,683,500	\$4,868,119	\$5,412,347
Public Safety	\$5,284,550	\$4,754,286	\$4,532,293	\$4,121,454
Public Works & Streets	\$1,883,020	\$2,063,998	\$1,983,568	\$809,163
Culture & Recreation	\$2,205,429	\$1,728,278	\$1,693,718	\$1,611,160
Economic Development	\$2,361,370	\$1,913,019	\$2,254,655	\$1,656,234
Health & Welfare	\$251,998	\$236,997	\$236,997	\$215,263
Public Transportation	\$187,500	\$160,450	\$180,050	\$137,673
Indirect Cost Allocations	\$456,910	\$0	\$0	\$0
Contingencies	\$900,000	\$810,000	\$345,511	\$0
Total Ongoing Expenditures	\$18,862,352	\$17,350,528	\$16,094,911	\$13,963,293
Net Ongoing	\$7,064,108	\$6,478,078	\$8,650,909	\$4,649,445
Other				
One-Time Revenues:				
Intergovernmental	\$1,800	\$0	\$7,800	\$0
Charges for Services	\$0	\$30,000	\$11,530	\$0
Other Revenues	\$0	\$0	\$19,100	\$0
Contingent Bed Taxes	\$550,000	\$550,000	\$0	\$0
Refunding Bonds Issued	\$0	\$0	\$0	\$8,030,000
One-Time Expenditures:				
General Government	(\$680,550)	(\$471,932)	(\$180,032)	(\$158,184)
Public Safety	(\$247,550)	(\$236,032)	(\$286,882)	\$0
Public Works & Streets	(\$118,000)	(\$52,800)	(\$52,800)	\$0
Culture & Recreation	(\$1,000)	(\$26,000)	(\$26,000)	(\$44,394)
Debt Service	(\$1,431,310)	(\$686,168)	(\$686,168)	(\$741,490)
Payment to Refunded Bond Escrow Agent	\$0	\$0	\$0	(\$7,934,739)
Net One-Time Revenues/Expenditures	(\$1,926,610)	(\$892,932)	(\$1,193,452)	(\$848,807)
Transfers to Other Funds	(\$5,290,789)	(\$12,802,455)	(\$6,402,233)	(\$7,400,723)
Beginning Fund Balance	\$10,338,362	\$17,650,256	\$9,283,138	\$12,883,223
Equipment Replacement Reserve				
Reserve Contributions	\$238,050	\$0	\$0	\$0
Net Contribution to Equipment Replacement Reserve	\$238,050	\$0	\$0	\$0
Ending Fund Balances				
Operating Reserve**	\$9,385,701	\$8,610,855	\$8,320,312	\$7,698,138
Debt Service Reserve***	\$800,000	\$1,300,000	\$1,300,000	\$1,300,000
Equipment Replacement Reserve	\$238,050	\$0	\$0	\$0
Budget Carryovers	\$0	\$0	\$718,050	\$285,000
Remaining Available Fund Balance	(\$630)	\$522,092	\$0	\$0
Total Ending Fund Balances	\$10,423,121	\$10,432,947	\$10,338,362	\$9,283,138

* Full city sales tax amount to be recorded in General Fund and subsidy to Wastewater Enterprise Fund to be recorded as a transfer in FY17.

** Operating reserve is 50% of operating expenditures.

*** \$500,000 higher debt service in FY18 and FY19, \$300,000 reserved to adjust for ongoing debt service levels of \$1M for FY20 and after.



FUND SUMMARIES

continued

Streets Fund

	FY18 Proposed	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Ongoing Revenues				
Intergovernmental	\$858,200	\$799,000	\$907,800	\$897,406
Other Revenues	\$3,700	\$0	\$3,600	\$5,588
Total Ongoing Revenues	\$861,900	\$799,000	\$911,400	\$902,994
Ongoing Expenditures				
Administration	\$0	\$0	\$0	\$90,225
Road & Drainage Rehab	\$1,150,000	\$1,150,000	\$1,150,000	\$685,080
Right-of-Way Maintenance	\$0	\$0	\$0	\$242,731
Traffic Signals	\$0	\$0	\$0	\$108,191
Internal Charges	\$53,490	\$0	\$0	\$0
Total Ongoing Expenditures	\$1,203,490	\$1,150,000	\$1,150,000	\$1,126,227
Net Ongoing	(\$341,590)	(\$351,000)	(\$238,600)	(\$223,233)
Other				
One-Time Revenues:				
Intergovernmental	\$0	\$0	\$35,600	\$0
Other	\$100,000	\$0	\$0	\$0
Net One-Time Revenues	\$100,000	\$0	\$35,600	\$0
Transfer from General Fund**	\$35,389	\$351,000	\$351,000	\$506,500
Beginning Fund Balance	\$807,946	\$378,138	\$659,946	\$376,678
Ending Fund Balances				
Restricted Reserve*	\$601,745	\$378,138	\$575,000	\$659,946
Remaining Available Fund Balance	\$0	\$0	\$232,946	\$0
Total Ending Fund Balances	\$601,745	\$378,138	\$807,946	\$659,946

* Restricted is minimum of 10% and maximum of 50% of budgeted expenditures.

** Transfer from General Fund is based on maintaining 50% reserve balance.

FUND SUMMARIES

continued

Grants & Donations Funds

	FY18 Projected	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Ongoing Revenues				
Intergovernmental	\$31,600	\$50,000	\$36,820	\$37,946
Charges for Services	\$5,500	\$5,500	\$1,500	\$1,543
Fines & Forfeitures	\$12,800	\$0	\$12,800	\$21,896
Contributions & Donations	\$29,100	\$35,000	\$18,150	\$25,040
Other Revenues	\$60	\$0	\$80	\$934
Total Grants & Donations Funds Revenues	\$79,060	\$90,500	\$69,350	\$87,359
Ongoing Expenditures				
Police	\$16,350	\$14,850	\$9,480	\$7,672
Parks & Recreation	\$22,500	\$40,500	\$37,000	\$28,232
Total Ongoing Expenditures	\$38,850	\$55,350	\$46,480	\$35,904
Net Ongoing	\$40,210	\$35,150	\$22,870	\$51,455
Other				
One-Time Revenues:				
Intergovernmental	\$60,000	\$30,000	\$172,200	\$21,290
In Lieu Fees	\$0	\$0	\$19,800	\$0
Contributions & Donations	\$40,000	\$0	\$0	\$0
Contingency Placeholder	\$300,000	\$300,000	\$0	\$0
One-Time Expenditures:				
Police	(\$45,000)	(\$12,700)	(\$72,100)	(\$69,206)
Parks & Recreation	(\$60,000)	(\$30,000)	(\$48,774)	\$0
Community Development	\$0	(\$272,450)	(\$123,400)	(\$21,290)
Municipal Court	\$0	\$0	(\$1,650)	(\$830)
Capital Improvement Projects	(\$197,500)	(\$50,000)	\$0	\$0
Contingency Placeholder	(\$300,000)	\$0	\$0	\$0
Net One-Time Revenues/Expenditures	(\$202,500)	(\$35,150)	(\$53,924)	(\$70,036)
Transfers:				
Transfer from General Fund	\$0	\$0	\$0	\$9,777
Beginning Fund Balance	\$594,730	\$164,184	\$625,403	\$634,207
Ending Fund Balances				
Restricted Reserve	\$0	\$0	\$0	\$0
Remaining Available Fund Balance	\$432,440	\$164,184	\$594,349	\$625,403
Total Ending Fund Balances	\$432,440	\$164,184	\$594,349	\$625,403

FUND SUMMARIES
continued

Development Impact Fees Funds

	FY18 Projected	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Ongoing Revenues				
Development Impact Fees	\$213,880	\$191,000	\$193,900	\$231,772
Other Revenues	\$11,610	\$10,000	\$11,420	\$49,725
Total Ongoing Revenues	\$225,490	\$201,000	\$205,320	\$281,497

Other

One-Time Revenues:				
Development Impact Fees	\$0	\$0	\$409,800	\$0
One-Time Expenditures:				
Parks Projects	(\$1,379,600)	(\$1,805,860)	(\$256,260)	(\$149,892)
Streets & Transportation Projects	\$0	(\$608,000)	(\$658,000)	(\$431,782)
Storm Drainage Projects	(\$50,000)	(\$100,000)	(\$100,000)	(\$46,157)
Debt Service	(\$22,700)	(\$21,198)	(\$21,198)	(\$19,177)
Net One-Time Revenues/Expenditures	(\$1,452,300)	(\$2,535,058)	(\$625,658)	(\$647,008)

Transfers:				
Transfer to Art in Public Places Fund	\$0	(\$3,260)	\$0	\$0
Beginning Fund Balance	\$2,285,753	\$2,727,228	\$2,724,010	\$3,089,521

Ending Fund Balances

Restricted Reserve	\$0	\$0	\$0	\$0
Remaining Available Fund Balance	\$1,058,943	\$389,910	\$2,303,672	\$2,724,010
Total Ending Fund Balances	\$1,058,943	\$389,910	\$2,303,672	\$2,724,010

FUND SUMMARIES

continued

Capital Improvements Fund

	FY18 Projected	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Ongoing Revenues				
Intergovernmental	\$696,000	\$575,000	\$682,200	\$370,364
Other Revenues	\$29,200	\$0	\$28,600	\$58,186
Total Ongoing Revenues	\$725,200	\$575,000	\$710,800	\$428,550
Other				
One-Time Revenues:				
Intergovernmental	\$371,657	\$90,976	\$20,000	\$370,629
Contributions & Donations	\$175,000	\$300,000	\$187,500	\$204,556
Other Revenues	\$0	\$0	(\$6,400)	\$0
One-Time Expenditures:				
Land Acquisition	\$0	\$0	\$0	(\$856,487)
Court Project	(\$100,000)	\$0	\$0	\$0
Parks Projects	(\$180,000)	(\$90,976)	(\$90,976)	(\$273,286)
Police Projects	(\$1,113,964)	(\$685,000)	(\$658,304)	(\$18,349)
Public Works Projects	\$0	(\$100,000)	(\$100,000)	(\$193,644)
Streets & Transportation Projects	(\$2,362,000)	(\$805,000)	(\$781,437)	(\$1,253,598)
Storm Drainage Projects	(\$3,670,705)	(\$1,631,810)	(\$1,631,810)	(\$1,450,606)
Net One-Time Revenues/Expenditures	(\$6,880,012)	(\$2,921,810)	(\$3,061,427)	(\$3,470,785)
Transfers:				
Transfer from General Fund	\$1,089,500	\$8,569,787	\$2,023,533	\$6,884,446
Transfer to Art in Public Places Fund	(\$26,378)	(\$26,750)	(\$26,750)	(\$30,537)
Net Transfers	\$1,063,122	\$8,543,037	\$1,996,783	\$6,853,909
Beginning Fund Balance	\$11,473,400	\$6,053,968	\$11,827,244	\$8,015,570
Ending Fund Balances				
Restricted Reserve	\$0	\$0	\$0	\$0
Remaining Available Fund Balance	\$6,381,710	\$12,250,195	\$11,473,400	\$11,827,244
Total Ending Fund Balances	\$6,381,710	\$12,250,195	\$11,473,400	\$11,827,244

FUND SUMMARIES

continued

Art in Public Places Fund

	FY18 Projected	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Ongoing Revenues				
Other Revenues	\$230	\$11,849	\$270	\$204
Total Ongoing Revenues	\$230	\$11,849	\$270	\$204
Other				
One-Time Revenues:				
In Lieu Fees	\$0	\$0	\$6,200	\$0
One-Time Expenditures:				
Capital Improvement Projects	\$0	\$0	\$0	(\$32,500)
Net One-Time Revenues/Expenditures	\$0	\$0	\$6,200	(\$32,500)
Transfers:				
Transfers from Capital Projects Funds	\$26,378	\$30,010	\$26,750	\$30,537
Beginning Fund Balance	\$80,420	\$63,048	\$53,667	\$55,427
Ending Fund Balances				
Restricted Reserves	\$0	\$0	\$0	\$0
Remaining Available Fund Balance	\$107,028	\$104,907	\$86,887	\$53,667
Total Ending Fund Balances	\$107,028	\$104,907	\$86,887	\$53,667

FUND SUMMARIES

continued

Wastewater Enterprise Fund

	FY18 Proposed	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
Ongoing Revenues				
Charges for Services	\$6,164,200	\$5,880,844	\$5,916,800	\$5,611,150
Fines and Forfeitures	\$75,750	\$88,420	\$73,900	\$76,287
Capacity Fees	\$403,100	\$275,000	\$396,700	\$541,045
Other Revenues	\$80,500	\$159,600	\$78,900	\$187,095
Total Ongoing Revenues	\$6,723,550	\$6,403,864	\$6,466,300	\$6,415,577
Ongoing Expenditures				
Wastewater Administration	\$223,215	\$246,716	\$242,623	\$367,308
Wastewater Operations	\$2,496,821	\$2,184,472	\$1,925,607	\$2,284,561
Public Works Engineering Services	\$250,580	\$196,523	\$197,723	\$14,445
Capital Projects Management	\$154,450	\$149,410	\$152,210	\$138,707
Vacancy Savings Estimate	(\$25,000)	(\$75,000)	\$0	\$0
Contingencies	\$100,000	\$100,000	\$0	\$0
Indirect Cost Allocations/Departmental Allocations:				
Information Technology	\$180,040	\$77,578	\$89,075	\$0
Human Resources	\$51,140	\$19,547	\$19,547	\$0
Financial Services	\$189,420	\$58,940	\$58,940	\$0
Utility Billing	\$370,640	\$347,580	\$317,780	\$415,208
General Services	\$73,470	\$0	\$0	\$0
City Manager	\$68,080	\$48,681	\$48,681	\$0
City Clerk	\$5,650	\$12,650	\$12,650	\$0
City Attorney	\$55,100	\$21,090	\$21,090	\$0
Facilities Maintenance	\$63,410	\$0	\$0	\$0
Departmental Allocations	\$0	\$0	\$0	\$285,768
Total Ongoing Expenditures	\$4,257,016	\$3,388,187	\$3,085,926	\$3,505,998
Net Ongoing	\$2,466,534	\$3,015,677	\$3,380,374	\$2,909,580
Other				
One-Time Revenues:				
Charges for Services	\$0	\$0	\$5,400	\$0
Capacity Fees	\$0	\$0	\$869,400	\$0
Other	\$0	\$0	\$18,100	\$113,664
One-Time Expenditures:				
Wastewater Administration	(\$72,450)	(\$100,000)	(\$100,000)	(\$6,868)
Wastewater Operations	(\$537,940)	(\$384,000)	(\$289,435)	(\$6,922)
Indirect Cost Allocations/Departmental Allocations	(\$134,900)	(\$10,000)	\$0	(\$1,651)
Capital Improvement Projects	(\$5,077,050)	(\$3,085,550)	(\$2,474,750)	(\$5,433,782)
Debt Service	(\$4,409,735)	(\$5,151,325)	(\$5,151,325)	(\$5,412,246)
Net One-Time Revenues/Expenditures	(\$10,232,075)	(\$8,730,875)	(\$7,122,610)	(\$10,747,805)
Transfers:				
City Sales Taxes*	\$0	\$0	\$0	\$4,497,550
Transfer from General Fund	\$4,165,900	\$3,881,668	\$4,027,700	\$0
Net Transfers	\$4,165,900	\$3,881,668	\$4,027,700	\$4,497,550
Beginning Fund Balance	\$14,792,117	\$14,792,117	\$13,597,904	\$16,938,579
Equipment Replacement Reserve				
Reserve Contributions	\$176,100	\$0	\$0	\$0
Equipment Purchases	(\$60,000)	\$0	\$0	\$0
Net Contribution to Equipment Replacement Reserve	\$116,100	\$0	\$0	\$0
Ending Fund Balances				
Operating Reserve**	\$1,634,102	\$1,294,062	\$1,294,062	\$4,015,316
Debt Service Reserve***	\$4,581,690	\$4,637,253	\$4,637,253	\$4,637,253
Equipment Replacement Reserve	\$116,100	\$0	\$0	\$0
Budget Carryovers	\$0	\$0	\$38,000	\$32,500
Remaining Available Fund Balance	\$4,976,684	\$7,027,271	\$7,914,052	\$4,912,834
Total Ending Fund Balances	\$11,308,576	\$12,958,587	\$13,883,368	\$13,597,904

* Full city sales tax amount to be recorded in General Fund and subsidy to Wastewater Enterprise Fund to be recorded as a transfer in FY17.

** Operating reserve is 33.3% of operating expenditures.

*** Debt service reserve represents average annual debt service.



FUND SUMMARIES

continued

Information Technology Internal Service Fund*

	FY18 Proposed	FY17 Budget	FY17 Est. Actuals	FY16 Actuals
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Ongoing Revenues

Internal Cost Charges	\$1,467,580			
Charges for Services	\$650	\$600	\$650	\$745
Total Ongoing Revenues	\$1,468,230	\$600	\$650	\$745

Ongoing Expenditures

Information Technology Services	\$981,826	\$863,887	\$908,570	\$0
Geographic Information Systems	\$138,620	\$118,190	\$114,190	\$0
I.T. Administration				\$853,746
Indirect Cost Allocations	\$347,680			
Total Ongoing Expenditures	\$1,468,126	\$982,077	\$1,022,760	\$853,746

Net Ongoing	\$104	(\$981,477)	(\$1,022,110)	(\$853,001)
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Other

One-Time Revenues:				
Internal Cost Charges	\$153,900			
One-Time Expenditures:				
Information Technology Services	(\$153,900)	(\$215,000)		
Net One-Time Revenues/Expenditures	\$0	(\$215,000)	\$0	\$0

Beginning Fund Balance	\$0			
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Equipment Replacement Reserve

Reserve Contributions	\$214,120	\$0	\$0	\$0
Equipment Purchases	(\$144,700)	\$0	\$0	\$0
Net Use of Operating Revenues	\$69,420	\$0	\$0	\$0

Ending Fund Balances

Equipment Replacement Reserve	\$69,420			
Remaining Available Fund Balance	\$104			
Total Ending Fund Balances	\$69,524			

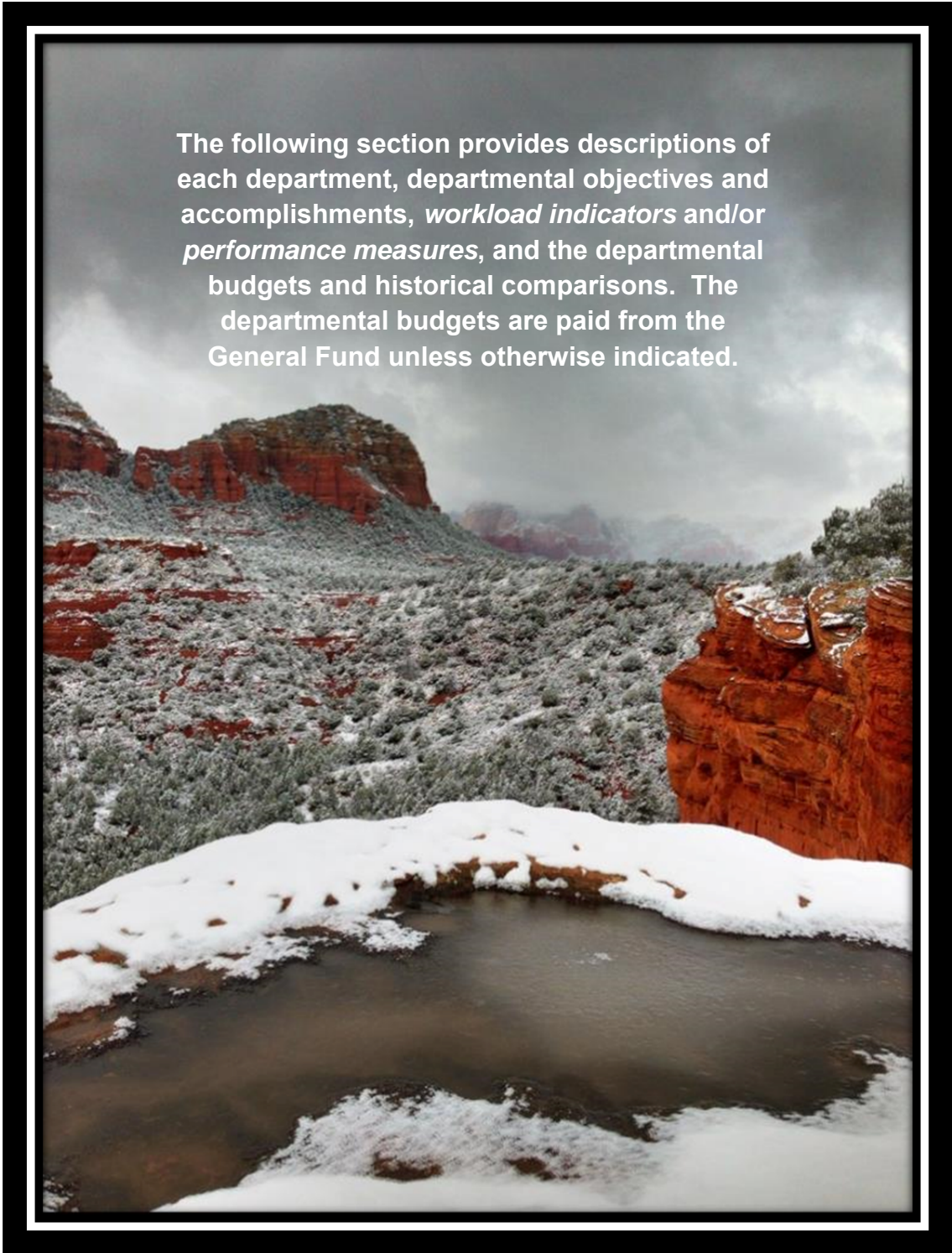
* The Information Technology Internal Service Fund is new for FY2018. The data presented for the prior years is comparative information for the accounts being transferred from the General Fund.



Departmental Budgets

DEPARTMENTAL BUDGETS

The following section provides descriptions of each department, departmental objectives and accomplishments, *workload indicators* and/or *performance measures*, and the departmental budgets and historical comparisons. The departmental budgets are paid from the General Fund unless otherwise indicated.



CITY COUNCIL

Program Expenditures:	\$181,895
Personnel Costs:	\$ 48,100 (26%)
Supplies & Services:	\$ 29,675 (17%)
Internal Charges:	\$104,120 (57%)
Employee Time Allocation:	7.00 FTEs

Mission Statement

To encourage partnering to maximize resources and opportunities in sustaining Sedona’s vibrant economy, which includes an interdependence of residents, visitors, and surrounding communities. The City Council, Boards and Commissions, staff, and volunteers partner in being responsive to the needs of the community to accomplish the City’s mission.

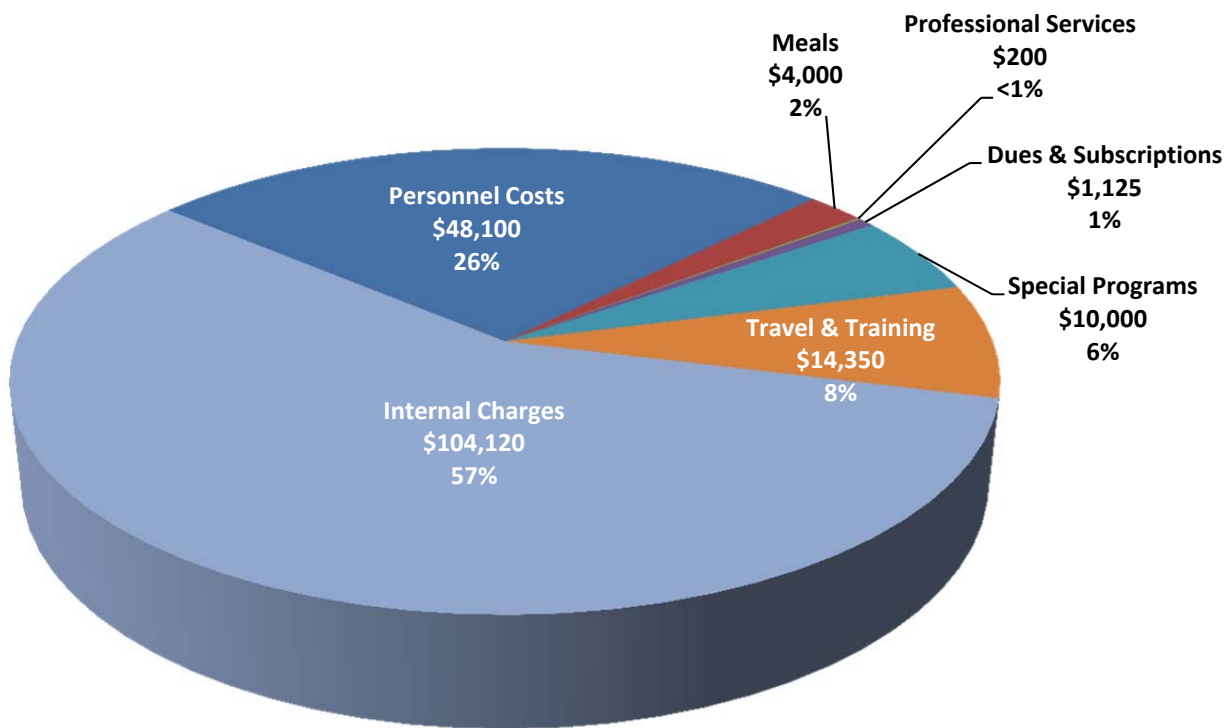
Description

The Mayor and City Councilors are elected at large and consist of seven members. The Mayor presides over the City Council meetings. The City Council is mostly responsible for policies and appoints a City Manager who is responsible for the day-to-day operations of the City.

Significant Changes

- Elected/Reelected 4 Councilors and the Mayor, with 2 new Councilors seated.

FY 2018 EXPENDITURES



CITY COUNCIL

continued

FY 17 Accomplishments

- Approved a *balanced budget*.
- Continued accelerated improvements to storm water drainage system.
- Hosted the 7th Annual Citizens Academy.
- Continued outreach through social media (Facebook and Twitter) and enhancements to the City's website.
- Approved contract for a Comprehensive, Citywide, Multi-modal Transportation Study.
- Completed construction of Barbara Antonsen Memorial Park.
- Approved contract for a Citywide Wireless Master Plan.
- Approved Soldiers Pass, Western Gateway, and Schnebly Hill *Community Focus Areas*.
- Approved Brewer Road Master Plan.
- Assessed the feasibility of franchising trash hauling and recycling services.

FY 18 Objectives

- Continue to work toward achievements within the Council's top priorities.
- Mitigation of traffic and parking issues in Sedona.
- Accelerate storm water management.
- Continue efforts at outreach through social media, website, written reports, and other means.
- Implement Economic Development Plan.
- Uptown Community Focus Area.
- Citywide Wireless Master Plan.
- Comprehensive, Citywide, Multi-modal Transportation Study.
- Land Development Code Update.
- Revise City Sign Code.
- Sustainable Tourism.
- Explore Financial Sustainability/ Long Term Revenue Options.
- Update the Building Code.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
City council communications reviewed	158	160	140	140
Public meetings held	54	70	48	48

CITY COUNCIL
continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5210-01 - Administration	\$181,895	\$78,585	\$76,800	\$63,123
General Fund Total	\$181,895	\$78,585	\$76,800	\$63,123

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5210-01 - Administration					
Personnel	\$48,100	\$48,210	\$46,425	\$46,121	
Supplies & Services (ongoing)	\$29,675	\$30,375	\$30,375	\$17,002	
Administration Direct Costs Subtotal	\$77,775	\$78,585	\$76,800	\$63,123	
Internal Charges	\$104,120	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
General Fund Total	\$181,895	\$78,585	\$76,800	\$63,123	

POSITIONS/ALLOCATIONS SUMMARY

Position	FY18 FTE	FY17 FTE	FY16 FTE
Councillor	6.00	6.00	6.00
Mayor	1.00	1.00	1.00
Total	7.00	7.00	7.00

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5210-01	Administration	7.00	7.00	7.00
General Fund Total		7.00	7.00	7.00

CITY MANAGER'S OFFICE

Mission Statement

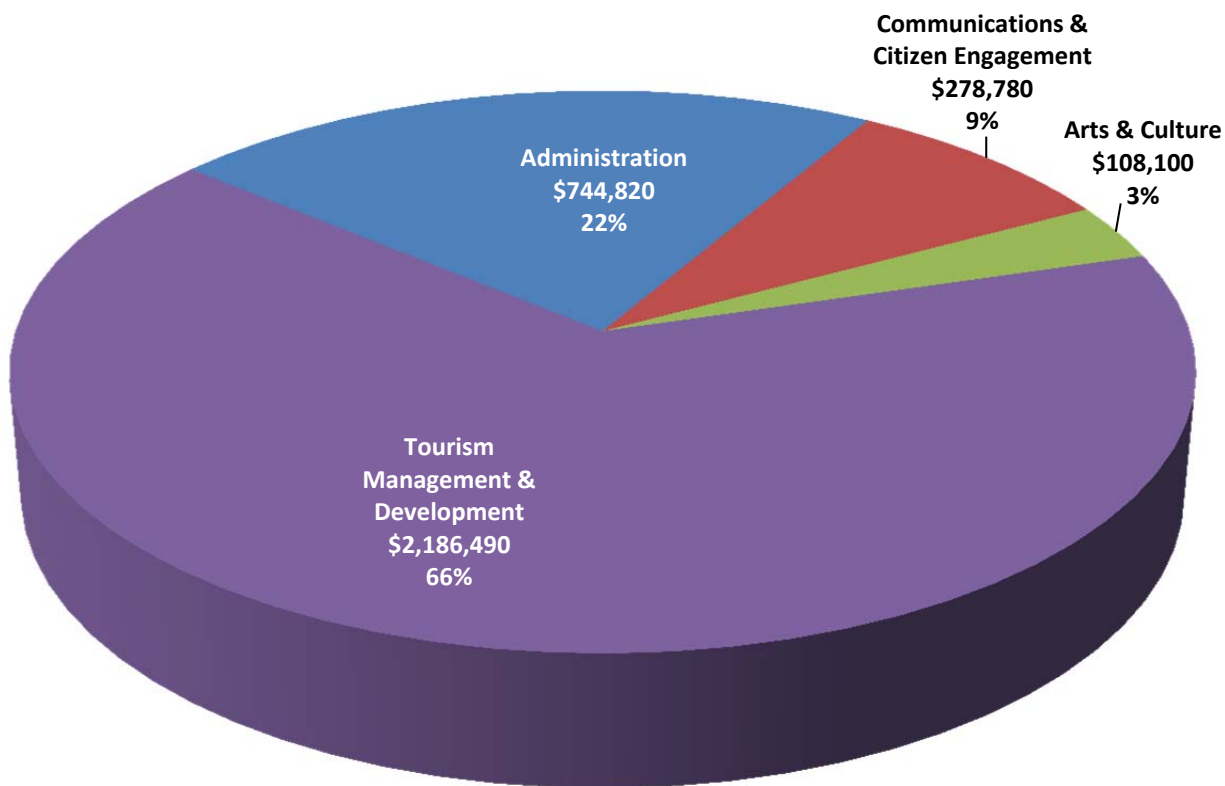
To assist departments and City Council in meeting performance goals by fostering an organizational environment that encourages a commitment to teamwork and delivery of quality municipal services to external customers (residents) and internal customers (employees).

Description

The City Manager's Office is responsible for the following program areas:

- Administration
- Communications & Citizen Engagement
- Arts & Culture
- Tourism Management & Development

FY 2018 PROGRAM EXPENDITURES: \$3,328,080



CITY MANAGER'S OFFICE - Administration

Program Expenditures:	\$744,820
Personnel Costs:	\$523,600 (70%)
Supplies & Services:	\$119,120 (16%)
Internal Charges:	\$102,100 (14%)
Employee Time Allocation:	3.40 FTEs

Charges Allocated to Other Departments:	\$646,800
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The Administration program consists of the City Manager and Assistant City Manager, who are responsible for the implementation of City Council policy and work plans and directing all department head positions.

FY 17 Accomplishments

- Oversaw and/or directly led 24 City Council Priorities.
- Worked with merchants and other stakeholders to implement paid parking on Main Street in Uptown.
- Initiated a Citizen Work Group to look at long-term capital needs and funding options.
- Continued development of a citywide wireless master plan.
- Worked with consultants and community stakeholders to complete a comprehensive traffic and circulation study.

FY 18 Objectives

- Continued development and implementation of strategies to mitigate traffic and parking issues in Uptown. **Council Priority**
- Work with Sedona Chamber of Commerce & Tourism Bureau to develop a Sustainable Tourism Plan/Program to guide future tourism activities. **Council Priority**
- Initiate efforts to pursue public/private partnerships to address the lack of availability of affordable housing. **Council Priority**
- Put the "Home Rule" alternative *expenditure limitation* on the August ballot for a public vote, in accordance with Arizona state law. **Council Priority**

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Projection
City Council agenda bill items reviewed	158	200	140	140
Total number of adopted Council Priorities	29	30	24	24

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Percent of City Council annual priority goals completed by the established deadlines	80%	80%	80%	80%
Citizen favorability rating: quality of all government services	N/A	N/A	N/A	N/A
Percent of citizens satisfied with the value received for tax dollars	N/A	N/A	N/A	N/A
Employee favorability rating: job satisfaction	N/A	N/A	N/A	N/A



CITY MANAGER'S OFFICE - Communications & Citizen Engagement

Program Expenditures:	\$288,670
Personnel Costs:	\$181,500 (63%)
Supplies & Services:	\$ 51,550 (18%)
Internal Charges:	\$ 55,620 (19%)
Employee Time Allocation:	1.88 FTEs

The Communications and Citizen Engagement program is responsible for keeping Sedona citizens informed and involved. Program areas and services include the Citizen Engagement Program, annual reports and newsletters, media relations, and social media activities.

FY 17 Accomplishments

- Produced a 2016 Annual Community Report and a Community Connection newsletter, which were mailed to residents and posted on the City's website.
- Coordinated 24 City Talk articles for publication.
- Held the 2017 Citizens Academy with 22 participants.
- Continued to develop online and real-time polling opportunities to engage residents.
- Hosted a volunteer luncheon and awards program for Citizens Engagement Program (CEP) participants and other volunteers.
- Communicated City Council's priorities to residents.

FY 18 Objectives

- Continue to offer meaningful work group opportunities for citizens.
- Conduct a survey on citizen communication awareness and preferences.
- Create a performance improvement plan for website content management.
- Coordinate and participate in the 2018 Citizens Academy.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Number of citizens participating in City work groups	81	75	75	75
New citizen workgroups created	6	8	8	8
Number of active work groups	11	10	11	10
Total followers on social media (Facebook, Twitter, Instagram)	N/A	600	600	700

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Increase digital reach and open rates of city issued news releases	N/A	N/A	3,000 subscribers/ 34% open rate	3,500 subscribers/ 40% open rate
Participants rating their work group experience as good or excellent	N/A	N/A	N/A	N/A
Participants rating the Citizen's Academy as good or excellent	N/A	90%	90%	90%
Citizen awareness with how the City keeps the public informed	N/A	N/A	N/A	N/A

CITY MANAGER'S OFFICE - Arts & Culture

Program Expenditures:	\$108,100
Personnel Costs:	\$ 68,180 (63%)
Supplies & Services:	\$ 18,350 (17%)
Internal Charges:	\$ 21,570 (20%)
Employee Time Allocation:	0.75 FTEs

Being a city animated by the arts, the Arts & Culture program supports and facilitates numerous quality programs that generate creative growth for our community. This division is responsible for overlooking seven major areas: Art in Public Places, Art in Private Development, the City Hall Art Rotation Program, the Artist in the Classroom Program, the Street Performers Program, the Mayor's Arts Awards, and the monthly Moment of Art presentations to City Council.

FY 17 Accomplishments

- Restructured the City Hall Art Rotation program to function more like a gallery by exhibiting all artists within each location.
- Hosted the Mayor's Arts Award event.
- Continued the "Moment of Art" at the first Council meeting of every month.

FY 18 Objectives

- Coordinate a mural project at the wastewater reclamation plant.
- Increase artist assignments through the Artist in the Classroom program.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Artist in the Classroom # of assignments per year	30	40	20	30
City Hall Art Rotation Program # of artists exhibited per year	12	12	12	12
Moment of Art for City Council # of months artists performed	12	12	12	12
Arts & Culture Press Releases + artist assignments to cover	48	53	50	50
Artist in the Classroom # of students reached	1,906+	2,500	1,000	1,500
City Hall Art Rotation Program # of appointments plus # of attendees for Artist Receptions	50+ showings	60+ showings	150	150
Moment of Art for City Council # of artists receiving positive feedback	6	8	10	10

CITY MANAGER'S OFFICE – Tourism Management & Development

Program Expenditures:	\$2,186,490
Supplies & Services:	\$2,176,400 (100%)
Internal Charges:	\$ 10,090 (<1%)

With tourism being the primary economic engine in Sedona, the City contracts with the Sedona Chamber of Commerce and Tourism Bureau SCC&TB to initiate, implement, and administer a comprehensive sales and marketing program designed to attract visitors and meeting delegates to the City, thereby gaining revenues to the community and contributing to the overall economic growth of the Sedona business community and the City in general. This contract also funds their operation of the visitor center and tourism product development initiatives which can help enhance and expand the destination's appeal to visitors and/or improve the quality of life for residents by mitigating some of the unintended consequences of a robust tourist economy.

FY 17 Accomplishments

- Developed and launched the Walk Sedona Google-based WebMap.
- Completed the Global Sustainable Tourism Assessment.
- Raised \$25,000 from private sponsors for the Sedona Trail Keepers matching funds program to support the maintenance and development of trails in the USFS Red Rock Ranger District.
- Developed Sedona's Secret 7 campaign which was awarded \$100,000 worth of ad value from the Arizona Office of Tourism's Grand Pitch Contest.
- Over 306,000 visitors assisted in-person at the visitor center, via email, via telephone and via text.

FY 18 Objectives

- Focus on quality of visitor, not quantity including targeting visitors with an annual household income of \$150,000+, out of state and international visitors, and longer length of stays.
- Continue to focus on attracting visitors during slow periods including summer & winter, and weekday visitors.
- Accelerate sales efforts in group and international markets.
- Elevate the Arts and Wellness as reasons visitors come to Sedona.
- Develop a Sustainable Tourism Plan to facilitate sustaining a healthy balance between tourism and the quality of life in Sedona.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
<i>City sales tax</i> collections (in millions)	\$15.0	\$15.5	\$16.1	\$16.7
<i>Bed tax</i> collections (in millions)	\$3.0	\$3.2	\$3.7	\$4.0
Annual daily room rate for hotels (ADR)	\$198.45	N/A	\$212.94	\$219.33
Hotel occupancy rate	68.7%	N/A	68.8%	68.8%
Number of visitors assisted at the visitor center, via email, via telephone and via text.	306,000	N/A	306,000	306,000
Visitor service satisfaction measured by survey at the Visitor Center, and/or electronically	N/A	N/A	N/A	95%

CITY MANAGER'S OFFICE
continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5220-01 - Administration	\$744,820	\$491,669	\$463,378	\$745,235
10-5220-03 - Communications/Citizen Engagement	\$288,670	\$249,150	\$130,465	\$0
10-5220-41 - Arts & Culture	\$108,100	\$92,940	\$78,390	\$0
10-5220-72 - Tourism Management & Development	\$2,186,490	\$0	\$0	\$0
10-5220-76 - Economic Development	\$0	\$178,100	\$174,225	\$0
General Fund Total	\$3,328,080	\$1,011,859	\$846,458	\$745,235
Wastewater Fund				
59-5220-01 - Administration	\$0	\$48,681	\$48,681	\$0
Wastewater Fund Total	\$0	\$48,681	\$48,681	\$0
GRAND TOTALS				
Administration	\$744,820	\$540,350	\$512,059	\$745,235
Communications/Citizen Engagement	\$288,670	\$249,150	\$130,465	\$0
Arts & Culture	\$108,100	\$92,940	\$78,390	\$0
Tourism Management & Development	\$2,186,490	\$0	\$0	\$0
Economic Development	\$0	\$178,100	\$174,225	\$0
Grand Totals	\$3,328,080	\$1,060,540	\$895,139	\$745,235
Charges Allocated to Other Departments	(\$646,800)	\$0	\$0	\$0
Net Totals	\$2,681,280	\$1,060,540	\$895,139	\$745,235

CITY MANAGER'S OFFICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5220-01 - Administration					
Personnel	\$523,600	\$444,374	\$440,683	\$601,211	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$46,120	\$17,295	\$20,695	\$144,024	Budget Increase: Environmental sustainability (\$25k) (Decision Package - Partial Recommendation)
Administration Direct Costs Subtotal	\$569,720	\$461,669	\$461,378	\$745,235	
Internal Charges	(\$544,700)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Administration (Ongoing) Total	\$25,020	\$461,669	\$461,378	\$745,235	
Supplies & Services (one-time)	\$73,000	\$30,000	\$2,000	\$0	Budget: Development Impact Fee study update and wireless master plan
Administration Total	\$98,020	\$491,669	\$463,378	\$745,235	
10-5220-03 - Communications/Citizen Engagement					
Personnel	\$181,500	\$192,350	\$105,895	\$0	Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$21,550	\$26,800	\$24,570	\$0	Budget Decrease: Reduced Commissions/Citizen Engagement Support (\$5k)
Communications/Citizen Engagement Direct Costs Subtotal	\$203,050	\$219,150	\$130,465	\$0	
Internal Charges	\$55,620	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Communications/Citizen Engagement (Ongoing) Total	\$258,670	\$219,150	\$130,465	\$0	
Supplies & Services (one-time)	\$30,000	\$30,000	\$0	\$0	Budget: Carryover citizen survey (\$10k) and public access channel/video communications (\$20k)
Communications/Citizen Engagement Total	\$288,670	\$249,150	\$130,465	\$0	
10-5220-41 - Arts & Culture					
Personnel	\$68,180	\$69,940	\$64,990	\$0	
Supplies & Services (ongoing)	\$18,350	\$23,000	\$13,400	\$0	Budget Decrease: Reduced Arts Education Funds (\$3k)
Arts & Culture Direct Costs Subtotal	\$86,530	\$92,940	\$78,390	\$0	
Internal Charges	\$21,570	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Arts & Culture Total	\$108,100	\$92,940	\$78,390	\$0	
10-5220-72 - Tourism Management & Development					
Supplies & Services (ongoing)	\$2,176,400	\$0	\$0	\$0	Budget Increase: Moved from General Services
Internal Charges	\$10,090	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Tourism Management & Development Total	\$2,186,490	\$0	\$0	\$0	
10-5220-76 - Economic Development					
Personnel	\$0	\$150,800	\$146,925	\$0	Budget Decrease: Moved to separate department
Supplies & Services	\$0	\$27,300	\$27,300	\$0	Budget Decrease: Moved to separate department
Economic Development Total	\$0	\$178,100	\$174,225	\$0	

CITY MANAGER'S OFFICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund Totals					
Personnel Subtotal	\$773,280	\$857,464	\$758,493	\$601,211	
Supplies & Services (Ongoing) Subtotal	\$2,262,420	\$94,395	\$85,965	\$144,024	
Direct Costs (Ongoing) Subtotal	\$3,035,700	\$951,859	\$844,458	\$745,235	
Internal Charges Subtotal	(\$457,420)	\$0	\$0	\$0	
Ongoing Subtotal	\$2,578,280	\$951,859	\$844,458	\$745,235	
Supplies & Services (One-Time) Subtotal	\$103,000	\$60,000	\$2,000	\$0	
General Fund Total	\$2,681,280	\$1,011,859	\$846,458	\$745,235	

Wastewater Fund

59-5220-01 - Administration

Personnel	\$0	\$48,681	\$48,681	\$0	Budget Decrease: Change in allocations between programs
Administration Total	\$0	\$48,681	\$48,681	\$0	

GRAND TOTALS

Personnel Total	\$773,280	\$906,145	\$807,174	\$601,211
Supplies & Services (Ongoing) Subtotal	\$2,262,420	\$94,395	\$85,965	\$144,024
Direct Costs (Ongoing) Subtotal	\$3,035,700	\$1,000,540	\$893,139	\$745,235
Internal Charges Subtotal	(\$457,420)	\$0	\$0	\$0
Ongoing Subtotal	\$2,578,280	\$1,000,540	\$893,139	\$745,235
Supplies & Services (One-Time) Subtotal	\$103,000	\$60,000	\$2,000	\$0
Grand Total	\$2,681,280	\$1,060,540	\$895,139	\$745,235

NOTE: Excluding the impact of costs transferred from General Services for Tourism Management & Development and costs transferred to the new Economic Development Department, the increase in ongoing direct costs would be 4%.

CITY MANAGER'S OFFICE
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Administrative Assistant	0.00	0.00	1.00
Arts and Culture Coordinator ⁽¹⁾	0.75	0.75	0.75
Assistant City Manager	1.00	1.00	1.00
Citizens Engagement Coordinator ⁽¹⁾	0.88	0.88	0.75
City Manager	1.00	1.00	1.00
Communications & Public Affairs Manager	1.00	1.00	1.00
Economic Development Director ⁽³⁾	0.00	1.00	0.00
Executive Assistant to the City Manager	1.00	1.00	0.00
Intern ⁽²⁾	0.40	0.19	0.33
Total	6.03	6.82	5.83

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5220-01	Administration	3.40	2.89	5.28
10-5220-03	Communications/Citizen Engagement	1.88	1.88	0.00
10-5220-41	Arts & Culture	0.75	0.75	0.00
10-5220-76	Economic Development ⁽³⁾	0.00	1.00	0.00
General Fund Total		6.03	6.52	5.28
Wastewater Fund ⁽⁴⁾				
59-5220-01	Administration	0.00	0.30	0.00
59-5250-02	Administration	0.00	0.00	0.55
Wastewater Fund Total		0.00	0.30	0.55
Grand Total		6.03	6.82	5.83

⁽¹⁾ Part-time positions

⁽²⁾ Temporary position - The manner in which FTE was calculated was changed in FY2018 with no change to the stipend paid.

⁽³⁾ The Economic Development Program was moved to its own separate department beginning FY2018.

⁽⁴⁾ Beginning FY2018, the allocations to the Wastewater Fund are made via indirect cost allocations instead of a direct allocation of salaries.

HUMAN RESOURCES

Mission Statement

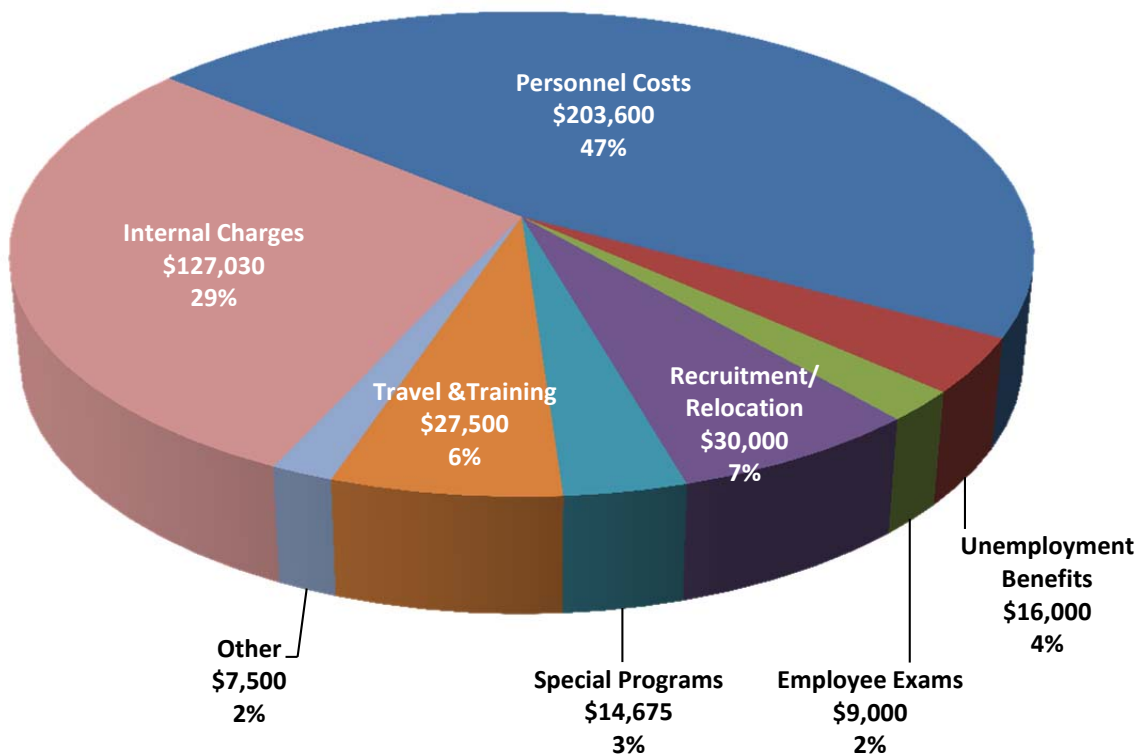
To optimize the City of Sedona's human capital by recruiting, developing, and retaining a workforce that achieves the mission and goals of the organization.

Description

The Human Resources Department provides a full range of services to regular and seasonal employees. The two-person department implements recruitment procedures, interview processes, and hiring and retention development. The department provides information regarding benefits, salary studies, working conditions and relationships, employee development, and safety training and concerns.

Human Resources oversees the Personnel Board which consists of five citizens who serve as an advisory board to the City Manager in determining that proper procedures have been followed in certain disciplinary matters.

FY 2018 EXPENDITURES



HUMAN RESOURCES

continued

Program Expenditures:	\$435,305
Personnel Costs:	\$203,600 (47%)
Supplies & Services:	\$104,675 (24%)
Internal Charges:	\$127,030 (29%)
Employee Time Allocation:	2.00 FTEs

Charges Allocated to Other Departments:	\$435,290
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FY 17 Accomplishments

- Extensive recruitment efforts for a new Communications Manager, Recreation and Aquatics Supervisor, Economic Development Director, Chief of Police, Budget Analyst, Chief Building Official, IT Manager, Wastewater Director, and Police Commander.
- Further reduction in workers compensation claims; *experience modification rating* (EMOD) score of 0.86 to 0.74 for a \$20K savings.
- Implemented new in-house workers compensation forms to assist with reduction in future injuries.
- Increased safety training opportunities between departments.
- Oversaw and assisted with rollout of newly updated HR and Payroll ADP database.
- Partnered with our risk management provider to increase safety awareness.
- Continual implementation of innovative and economical recruitment techniques.
- Increased HR interaction for new employee on-boarding efforts.
- Organized the Employee Wellness Fair at City Hall with new vendors and organizations.
- Worked closely with supervisors to maintain updated job descriptions and restructured department positions.
- Received formal True Colors certification to train, facilitate, and assist new and current staff.

FY 18 Objectives

- Continual improvement of employee performance reviews with updated organizational values and modernized forms.
- Increase implementation of employee recognition programs such as positive citizen acknowledgement, birthday and anniversary recognitions.
- Seek out and provide new quality in-house training opportunities.
- Continue to work with managers to reduce the city's workers compensation experience modifier (e-mod).
- Further outreach to peer organizations in order to maintain a strong network of local knowledge, wisdom, and assistance.
- Commit to excellence in public service and a vision of the Human Resources role in shaping the culture of the organization.
- Updated research efforts in compensation, benefits, and industry best practices.
- Provide an enjoyable workplace of openness, teamwork, equality, fairness, and continual productivity.

HUMAN RESOURCES
continued

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Number of job postings	26	25	20	15
Number of applications received and reviewed	330	500	775	500
Number of individual job interviews conducted	156	100	80	50
Number of regular new hires on-boarded	28	25	23	15

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Approved positions posted within 24 - 48 hours of resignation or termination	100%	100%	100%	100%
Email and phone call responsiveness	1 - 24 hours	1 - 24 hours	1 - 24 hours	1 - 24 hours
Number of workers comp injuries processed	5	2	9	2
Workers comp EMOD ratings	0.84	0.78	0.74	0.70

HUMAN RESOURCES

continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5221-01 - Administration	\$435,305	\$237,045	\$227,045	\$217,867
General Fund Total	\$435,305	\$237,045	\$227,045	\$217,867
Wastewater Fund				
59-5221-01 - Administration	\$0	\$19,547	\$19,547	\$0
Wastewater Fund Total	\$0	\$19,547	\$19,547	\$0
GRAND TOTALS				
Administration	\$435,305	\$256,592	\$246,592	\$217,867
Grand Totals	\$435,305	\$256,592	\$246,592	\$217,867
Charges Allocated to Other Departments	(\$435,290)	\$0	\$0	\$0
Net Totals	\$15	\$256,592	\$246,592	\$217,867

HUMAN RESOURCES

continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5221-01 - Administration					
Personnel	\$203,600	\$175,585	\$175,585	\$171,886	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$88,175	\$61,460	\$51,460	\$45,981	Budget Increase: Increase in recruitment/relocation costs (\$12k); moved city-wide training from General Services (\$10k)
Administration Direct Costs Subtotal	\$291,775	\$237,045	\$227,045	\$217,867	
Internal Charges	(\$308,260)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Administration (Ongoing) Total	(\$16,485)	\$237,045	\$227,045	\$217,867	
Supplies & Services (one-time)	\$16,500	\$0	\$0	\$0	Budget: Standing desk (\$1.5k), Carryover Springbrook training (\$15k)
Administration Total	\$15	\$237,045	\$227,045	\$217,867	

Wastewater Fund

59-5221-01 - Administration

Personnel	\$0	\$19,547	\$19,547	\$0	Budget Decrease: Change in allocations between programs
Wastewater Fund Total	\$0	\$19,547	\$19,547	\$0	

GRAND TOTALS

Personnel Total	\$203,600	\$195,132	\$195,132	\$171,886	
Supplies & Services Ongoing Total	\$88,175	\$61,460	\$51,460	\$45,981	
Direct Costs (Ongoing) Subtotal	\$291,775	\$256,592	\$246,592	\$217,867	
Internal Charges Subtotal	(\$308,260)	\$0	\$0	\$0	
Ongoing Subtotal	(\$16,485)	\$256,592	\$246,592	\$217,867	
Supplies & Services (one-time) Subtotal	\$16,500	\$0	\$0	\$0	
Grand Total	\$15	\$256,592	\$246,592	\$217,867	

NOTE: Excluding the impact of costs transferred from General Services for city-wide training, the increase in ongoing direct costs would be 10%.

HUMAN RESOURCES
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Human Resources Manager	1.00	1.00	1.00
Human Resources Specialist	1.00	1.00	1.00
Total	2.00	2.00	2.00

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5221-01	Administration	2.00	1.80	1.80
General Fund Total		2.00	1.80	1.80

Wastewater Fund ⁽¹⁾				
59-5221-01	Administration	0.00	0.20	0.00
59-5250-02	Administration	0.00	0.00	0.20
Wastewater Fund Total		0.00	0.20	0.20
Grand Total		2.00	2.00	2.00

⁽¹⁾ Beginning FY2018, the allocations to the Wastewater Fund are made via indirect cost allocations instead of a direct allocation of salaries.

FINANCIAL SERVICES

Mission Statement

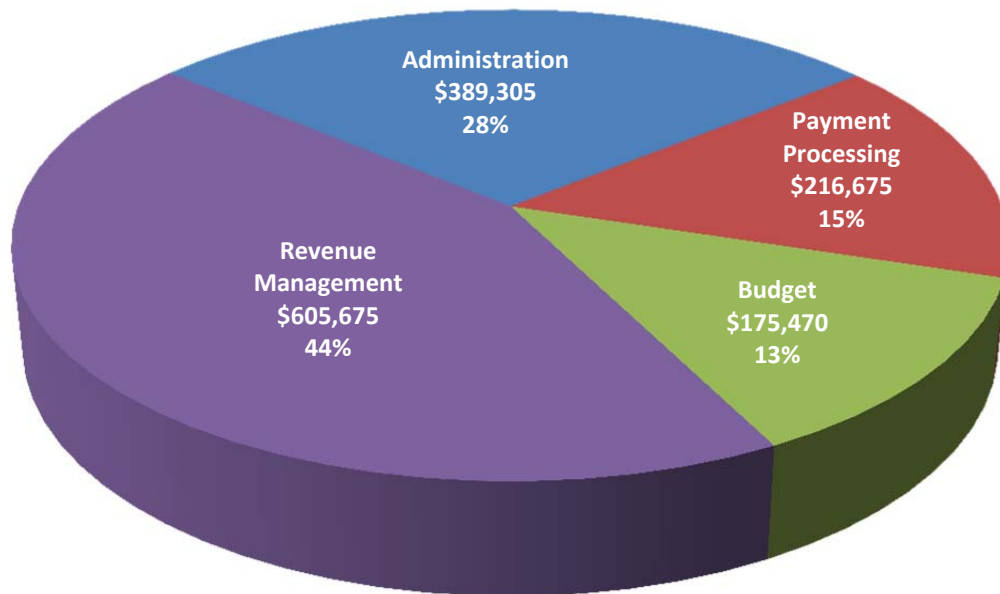
Dedicated to providing thoughtful, accurate, and timely financial services to all.

Description

The Financial Services Department is responsible for the following program areas:

- Administration
- Payment Processing
- Budget
- Revenue Management

FY 2018 PROGRAM EXPENDITURES: \$1,387,125



FINANCIAL SERVICES - Administration

Program Expenditures:	\$389,305
Personnel Costs:	\$193,640 (50%)
Supplies & Services:	\$154,775 (40%)
Internal Charges:	\$ 40,890 (10%)
Employee Time Allocation:	1.65 FTEs

**Charges Allocated to Other
Departments: \$364,300**

The Administration program is responsible for the supervision of the Financial Services Department as well as financial reporting, debt management, and treasury services.

FY 17 Accomplishments

- Received the Certificate of Achievement for Excellence in Financial Reporting for the *Comprehensive Annual Financial Report* for FY 2016 – the 18th year the City has received this award.
- Review and reconciled all significant balance sheet accounts resulting in clean-up of many accounts and numerous prior period adjustments
- Changed accounting of *city sales tax* subsidies to the Wastewater Fund to reflect more accurate picture of the revenues
- Reviewed, reconciled and implemented accounting structure to track all *assigned, committed, and restricted* fund balances.
- Developed and implemented plan for restructuring of the department and better streamlining of processes.
- Started first biennial audit of development impact fees recently required as a result of legislative changes

FY 18 Objectives

- Obtain the *Government Finance Officers Association's* (GFOA's) Certificate of Achievement for Excellence in Financial Reporting for the *Comprehensive Annual Financial Report* for FY 2017.
- Close each month within five business days after all revenue accrual documents are received.
- Prepare monthly financial reports within ten business days after all revenue accrual documents are received.
- Complete all account reconciliations in a timely manner.
- Implement a grants management program.

PERFORMANCE MEASURES	FY 16 Estimate	FY 17 Target	FY 17 Estimate	FY 18 Target
GFOA Certificate of Achievement in Financial Reporting	Yes	Yes	Yes	Yes
Close each month within five business days after all revenue accrual documents are received	N/A	Yes	No	Yes
Prepare monthly financial reports within ten business days after all revenue accrual documents are received	N/A	Yes	No	Yes

FINANCIAL SERVICES - Payment Processing

Program Expenditures:	\$216,675
Personnel Costs:	\$147,110 (68%)
Supplies & Services:	\$ 1,245 (1%)
Internal Charges:	\$ 68,320 (31%)
Employee Time Allocation:	2.15 FTEs

**Charges Allocated to Other
Departments: \$216,670**

The Payment Processing program includes payroll and accounts payable processing as well as oversight of the City's decentralized purchasing process.

The payroll section is responsible for paying all employees and payroll-related vendors and ensuring that these transactions are accurately posted in the general ledger. The section also works closely with the City's Human Resources Department for employee benefit administration.

The accounts payable/purchasing section is responsible for paying all vendors and issuing all payments and ensuring that all payments are properly recorded in the general ledger. The section is also responsible for reviewing purchase orders (POs) and procurements as well as participating in citywide procurement policy development.

FY 17 Accomplishments:

- Performed an *internal control* and workflow efficiencies analysis and identified necessary improvements.

FY 18 Objectives

- Reduce the number of paper checks by expanding ACH and employee direct deposit as well as purchasing card transactions.
- Update the Purchasing Manual to improve internal controls.
- Purge on-site and off-site storage in accordance with retention policies and procedures.
- Implement identified improvements to internal controls and workflow efficiencies.
- Ensure that all purchase orders and bids have followed the purchasing policy.
- Ensure that auto-pay batches are posted to the general ledger within five days of receiving all required supporting documentation.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Average days from invoice date to payment	N/A	<30	17	<30
Number of purchases requiring a PO that did not have one	N/A	-0-	3	-0-
Number of eligible p-card transactions paid with a check	N/A	-0-	116	-0-
Percent of payments processed with p-card or ACH	N/A	50%	65%	50%
Percent of employees signed up for direct deposit	N/A	90%	94%	90%

FINANCIAL SERVICES - Budget

Program Expenditures:	\$175,470
Personnel Costs:	\$136,960 (78%)
Supplies & Services:	\$ 9,760 (6%)
Internal Charges:	\$ 28,750 (16%)
Employee Time Allocation:	1.20 FTEs

**Charges Allocated to Other
Departments: \$175,470**

The Budget program includes responsibilities for the development and monitoring of the City's annual operating budget, capital improvement budget, and the budgets of the City's two *community facilities districts*. This program is also responsible for development of revenue projections and the City's long-term *forecast*, assisting other departments with development and monitoring of performance measures.

FY 17 Accomplishments

- Obtained the GFOA's Distinguished Budget Presentation Award for FY 2017 Budget – the fourth year the City has received the award.
- Developed an *indirect cost allocation plan* for implementation in the FY 2018 budget process.
- Developed an equipment replacement reserve plan for implementation in the FY 2018 budget process.
- Participated in a new committee to analyze and develop long-term funding policies for capital improvements.
- Participated in a new committee for review of revenue projections.
- Revamped budget templates and instructional documents.
- Performed analysis of Wastewater funding status to determine extent of the need for future rate increases.

FY 18 Objectives

- Obtain the GFOA's Distinguished Budget Presentation Award for the FY 2018 Budget.
- Hire a Budget Analyst and developed the expectations for the position.
- Continue with the third phase of the City's program budgeting implementation including additional focus on performance measures.
- Prepare quarterly capital improvement project status reports to be included with the monthly financial reports.
- Monitors the budget status throughout the year.
- Identify and implement software solution for more efficient budget preparation.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
GFOA Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes
Prepare quarterly capital improvement project status reports	N/A	Yes	No	Yes

FINANCIAL SERVICES - Revenue Management

Program Expenditures:	\$605,675
Personnel Costs:	\$211,550 (35%)
Supplies & Services:	\$274,965 (45%)
Internal Charges:	\$119,160 (20%)
Employee Time Allocation:	3.17 FTEs
Charges Allocated to Other	
Departments:	\$426,940
General Fund Portion:	\$426,955 (71%)
Wastewater Fund Portion:	\$178,720 (29%)

The Revenue Management program includes responsibilities for consists of utility billing, miscellaneous accounts receivable, cash receipting, business licenses, delinquent collections, and monitoring of sales tax reporting, collections, and audits.

A portion of the Revenue Management program is allocated to the Wastewater Enterprise Fund and represents the Fund's portion of the cost for utility billing services.

FY 17 Accomplishments

- Collected more than \$59,151 (as of 3/19/17) in delinquent city sales taxes.
- Collected nearly \$137,269 (as of 3/19/17) in delinquent wastewater receivables.
- Performed an *internal control* and workflow efficiencies analysis and identified necessary improvements.
- Implemented new form and process for changes in legislation allowing short-term residential rentals.
- Implemented new process to record all 256 cluster system maintenance agreements and revised all agreements to comply with City Code changes.
- Processed agreements with wastewater customers requesting extension for second five-year term for deferred connection.
- Implemented changes in the accounting system to track revenues generated from wastewater user fees and *capacity fees* for residential and commercial accounts separately.

FY 18 Objectives

- Hire a collection agency for hard to collect accounts.
- Implement identified improvements to internal controls and workflow efficiencies.
- Establish defined collections criteria and procedures to ensure the best use of in-house collections resources.
- Increase the percentage of business license renewals received before the renewal deadline.
- Increase the percentage of customers paying their wastewater bills electronically.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Percent of business licenses processed within 30 days	N/A	100%	100%	100%
Percent of business license applications completed by December 31 st that were processed by December 31 st	N/A	95%	97%	95%
Past due wastewater dollars collected per collection staff hour spent	N/A	\$50	\$159	\$50
Percent of wastewater customers paying electronically	N/A	50%	61%	62%

FINANCIAL SERVICES

continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5222-01 - Administration	\$389,305	\$183,315	\$188,980	\$450,225
10-5222-11/12 - Payment Processing (including Payroll and Payables/Purchasing)	\$216,675	\$86,855	\$76,625	\$0
10-5222-14 - Budget	\$175,470	\$92,300	\$115,720	\$0
10-5222-88 - Revenue Management	\$426,955	\$172,295	\$159,060	\$0
General Fund Total	\$1,208,405	\$534,765	\$540,385	\$450,225
Wastewater Fund				
59-5222-01 - Administration	\$0	\$58,940	\$58,940	\$0
59-5222-04 - Utility Billing	\$0	\$347,580	\$317,780	\$415,208
59-5222-88 - Revenue Management	\$178,720	\$0	\$0	\$0
Wastewater Fund Total	\$178,720	\$406,520	\$376,720	\$415,208
GRAND TOTALS				
Administration	\$389,305	\$242,255	\$247,920	\$450,225
Payment Processing	\$216,675	\$86,855	\$76,625	\$0
Budget	\$175,470	\$92,300	\$115,720	\$0
Revenue Management	\$605,675	\$172,295	\$159,060	\$0
Utility Billing	\$0	\$347,580	\$317,780	\$415,208
Grand Totals	\$1,387,125	\$941,285	\$917,105	\$865,433
Charges Allocated to Other Departments	(\$1,183,380)	\$0	\$0	\$0
Net Totals	\$203,745	\$941,285	\$917,105	\$865,433

FINANCIAL SERVICES

continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5222-01 - Administration					
Personnel	\$193,640	\$123,740	\$114,290	\$315,886	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$154,775	\$59,575	\$74,690	\$134,339	Current Year Under Budget: Estimated vacancy savings
					Budget Increase: Moved service charges from General Services (\$85k); moved audit costs from 59-5222-04 to be allocated via indirect cost allocations instead of direct charges (\$13k); increased service charges for paid parking program (\$25k)
					Current Year Over Budget: New biennial audit required for Development Impact Fees
Administration Direct Costs Subtotal	\$348,415	\$183,315	\$188,980	\$450,225	
Internal Charges	(\$323,410)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Administration Total	\$25,005	\$183,315	\$188,980	\$450,225	
10-5222-11/12 - Payment Processing (including Payroll and Payables/Purchasing)					
Personnel	\$147,110	\$86,020	\$75,520	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$1,095	\$835	\$1,105	\$0	
Payables/Purchasing Direct Costs Subtotal	\$148,205	\$86,855	\$76,625	\$0	
Internal Charges	(\$148,350)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Ongoing Total	(\$145)	\$86,855	\$76,625	\$0	
Supplies & Services (one-time)	\$150	\$0	\$0	\$0	Budget: Dual monitor arm
Payables/Purchasing Total	\$5	\$86,855	\$76,625	\$0	
10-5222-14 - Budget					
Personnel	\$136,960	\$88,030	\$111,450	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$5,760	\$4,270	\$4,270	\$0	
Budget Direct Costs Subtotal	\$142,720	\$92,300	\$115,720	\$0	
Internal Charges	(\$146,720)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Ongoing Total	(\$4,000)	\$92,300	\$115,720	\$0	
Supplies & Services (one-time)	\$4,000	\$0	\$0	\$0	Budget: Home Rule election costs
Budget Total	\$0	\$92,300	\$115,720	\$0	

FINANCIAL SERVICES
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
10-5222-88 - Revenue Management					
Personnel	\$211,550	\$101,640	\$87,535	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$105,465	\$70,655	\$71,525	\$0	Budget Increase: Moved sales tax audit costs from 59-5222-04 to be allocated via indirect cost allocations instead of direct charges (\$23k); added collection agency (\$11k) (Decision Package - CM Recommended)
Revenue Management Direct Costs Subtotal	\$317,015	\$172,295	\$159,060	\$0	
Internal Charges	(\$317,650)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Ongoing Total	(\$635)	\$172,295	\$159,060	\$0	
Supplies & Services (one-time)	\$650	\$0	\$0	\$0	Budget: Phone headset, dual monitor arms
Revenue Management Total	\$15	\$172,295	\$159,060	\$0	
General Fund Totals					
Personnel Subtotal	\$689,260	\$399,430	\$388,795	\$315,886	
Supplies & Services (Ongoing) Subtotal	\$267,095	\$135,335	\$151,590	\$134,339	
Direct Costs (Ongoing) Subtotal	\$956,355	\$534,765	\$540,385	\$450,225	
Internal Charges Subtotal	(\$936,130)	\$0	\$0	\$0	
Ongoing Subtotal	\$20,225	\$534,765	\$540,385	\$450,225	
Supplies & Services (One-Time) Subtotal	\$4,800	\$0	\$0	\$0	
General Fund Total	\$25,025	\$534,765	\$540,385	\$450,225	
Wastewater Fund					
59-5222-01 - Administration					
Personnel	\$0	\$58,940	\$58,940	\$0	Budget Decrease: Change in allocations between programs
Administration Total	\$0	\$58,940	\$58,940	\$0	
59-5222-04 - Utility Billing					
Personnel	\$0	\$191,870	\$162,070	\$239,556	Budget Decrease: Change in allocations between programs Current Year Under Budget: Estimated vacancy savings
Supplies & Services	\$0	\$155,710	\$155,710	\$175,652	Budget Decrease: Change in allocations between programs
Utility Billing Total	\$0	\$347,580	\$317,780	\$415,208	
59-5222-88 - Revenue Management					
Supplies & Services (ongoing)	\$168,850	\$0	\$0	\$0	Budget Increase: Change in allocations between programs; moved septic maintenance from Wastewater Dept (\$24k), added remittance processing service (\$10k) (Decision Package - CM Recommended)
Internal Charges	\$9,870	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Revenue Management Total	\$178,720	\$0	\$0	\$0	

FINANCIAL SERVICES
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
Wastewater Fund Totals					
Personnel Subtotal	\$0	\$250,810	\$221,010	\$239,556	
Supplies & Services (Ongoing) Subtotal	\$168,850	\$155,710	\$155,710	\$175,652	
Direct Costs (Ongoing) Subtotal	\$168,850	\$406,520	\$376,720	\$415,208	
Internal Charges Subtotal	\$9,870	\$0	\$0	\$0	
Wastewater Fund Total	\$178,720	\$406,520	\$376,720	\$415,208	
Grand Totals					
Personnel Subtotal	\$689,260	\$650,240	\$609,805	\$555,442	
Supplies & Services (Ongoing) Subtotal	\$435,945	\$291,045	\$307,300	\$309,991	
Direct Costs (Ongoing) Subtotal	\$1,125,205	\$941,285	\$917,105	\$865,433	
Internal Charges Subtotal	(\$926,260)	\$0	\$0	\$0	
Ongoing Subtotal	\$198,945	\$941,285	\$917,105	\$865,433	
Supplies & Services (One-Time) Subtotal	\$4,800	\$0	\$0	\$0	
Grand Total	\$203,745	\$941,285	\$917,105	\$865,433	

NOTE: Excluding the impact of costs transferred from General Services for service charges and storage rent and costs transferred from the Wastewater Department for septic maintenance, the increase in ongoing direct costs would be 11%.

FINANCIAL SERVICES
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Accounting Supervisor	1.00	1.00	1.00
Accounting Technician	0.00	0.00	6.00
Accounting Technician I	1.00	1.00	0.00
Accounting Technician II	3.00	2.00	0.00
Budget Analyst	1.00	1.00	0.00
Director of Financial Services	1.00	1.00	1.00
Lead Accounting Technician	1.00	2.00	0.00
Temp help ⁽¹⁾	0.17	0.17	0.00
Total	8.17	8.17	8.00

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5222-01	Administration	1.65	1.15	4.35
10-5222-11	Payroll	0.85	0.90	0.00
10-5222-12	Payables/Purchasing	1.30	0.80	0.00
10-5222-14	Budget	1.20	1.20	0.00
10-5222-88	Revenue Management	3.17	1.67	0.00
General Fund Total		8.17	5.72	4.35

Wastewater Fund ⁽²⁾				
59-5222-01	Administration	0.00	0.70	0.00
59-5222-04	Utility Billing	0.00	1.75	3.65
Wastewater Fund Total		0.00	2.45	3.65
Grand Total		8.17	8.17	8.00

⁽¹⁾ Temporary position

⁽²⁾ Beginning FY2018, the allocations to the Wastewater Fund are made via indirect cost allocations instead of a direct allocation of salaries.

INFORMATION TECHNOLOGY

Mission Statement

- Provide reliable state-of-the-art technologies that empower city staff to be successful.
- Be prepared for future organizational needs and changes.
- Use sound judgment in identifying and recommending reasonable solutions.

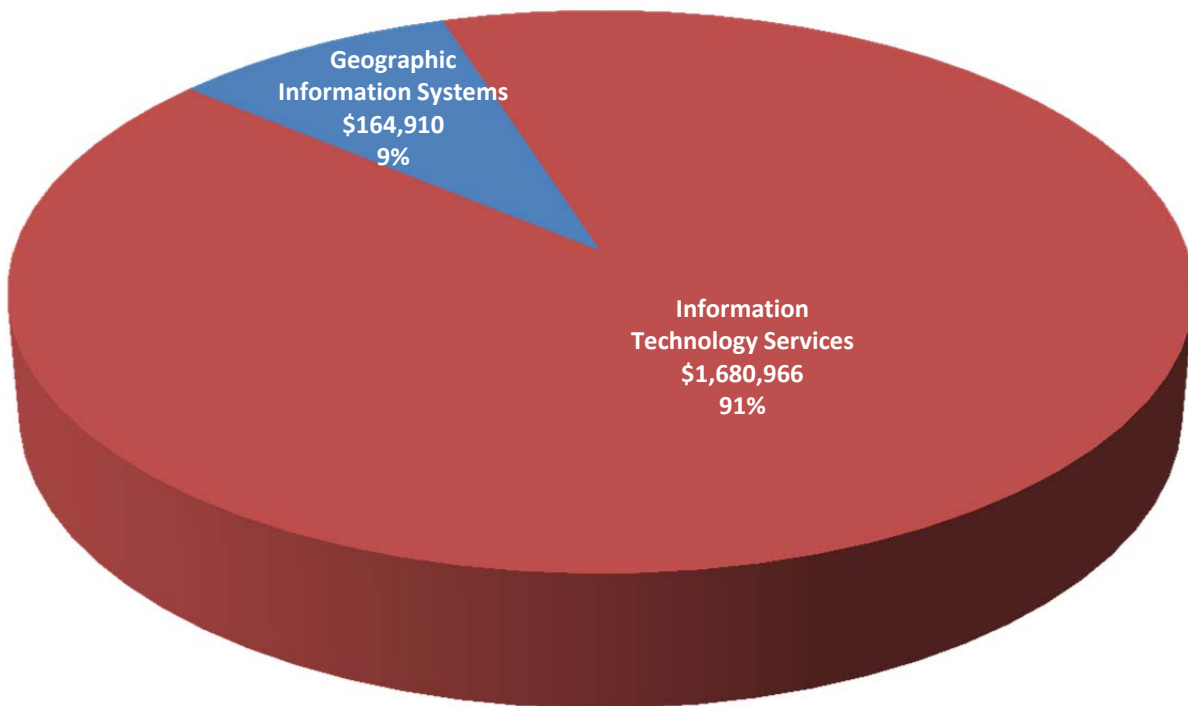
**Vision:
Proactive**

Description

The Information Technology Department is responsible for the following program areas:

- Information Technology Services
- Geographic Information Systems (GIS)

FY 2018 PROGRAM EXPENDITURES \$1,845,876



INFORMATION TECHNOLOGY - Information Technology Services

Program Expenditures:	\$1,680,966
Personnel Costs:	\$ 423,540 (25%)
Supplies & Services:	\$ 654,166 (39%)
Capital & Debt Service:	\$ 145,500 (9%)
Internal Charges:	\$ 457,760 (27%)
Employee Time Allocation:	3.60 FTEs
Wastewater Fund Portion:	\$ 79,150 (5%)
Information Technology Fund Portion:	\$1,601,816 (95%)

The Information Technology Services program manages the acquisition, maintenance, and support of the City's computer, network, and communication systems, including computer hardware and software, servers, network switches, routers and firewalls, telephone systems, voice mail and e-mail, the City's Internet and Intranet sites, and database and application maintenance and development. A portion of the Information Technology Services program is allocated to the Wastewater Enterprise Fund and represents the Fund's share of the cost for direct information technology costs.

FY 17 Accomplishments

- Upgraded city's Storage Area Network (SAN) to state-of-the-art Solid State Drive array, supporting data compression and data de-duplication, with total capacity up to 11TB.
- Upgraded digital audio recording system for Police Department to capture all phone and radio communications.
- Completed in-house development of sales tax database and reporting system.
- Assisted Wastewater with implementation of SCADA data capture and reporting system.
- Hired part time PC Support/Help Desk Technician.

FY 18 Objectives

- Migrate to Microsoft Office 365.
- Improve quality of content on government access cable channel and on-line streaming, as well as City Hall digital information displays.
- Implement fiber-optic network connection between City Hall and Wastewater to replace outdated T-1 data circuits.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
SQL databases/total size	62/333GB	65/355GB	61/355GB	60/360GB
Servers supported (physical and virtual)	75	78	76	78
Networked devices supported	590	600	610	620
Total Help Desk requests received	696	850	765	750

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Ratio of computers to City employees	1.7	1.5	1.4	1.2
IT spending per City employee	\$7.3K	\$9.5K	\$8.6K	\$9.9K
Customer surveys returned with a technical skills, knowledge, and expertise rating of satisfactory or better	91%	93%	93%	95%

INFORMATION TECHNOLOGY - Geographic Information Systems

Program Expenditures: \$164,910
Personnel Costs: \$114,570 (70%)
Supplies & Services: \$ 23,850 (14%)
Internal Charges: \$ 26,490 (16%)
Employee Time Allocation: 1.00 FTEs

The Geographic Information Systems (GIS) program within the Information Technology Department provides maps, data, and spatial analysis to City departments and to the public through the City's comprehensive GIS database and the City's website (www.SedonaAZ.gov).

A portion of the Geographic Information Systems program is allocated to the Wastewater Enterprise Fund and represents the Fund's share of the cost for support services.

FY 17 Accomplishments

- Implemented updated on-line GIS maps for staff and public with improved tools and interface
- Completed updates to metadata for City GIS Layers

FY 18 Objectives

- Update street centerline information to be compliant with state, county, and 911 standards

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Active GIS Layers Supported	180	180	180	185
GIS Requests (Internal and External)	160	150	130	120

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Public Access to GIS Information (web page hits)	5,581	6,500	7,800	8,500
GIS Problem/Issue Reports	4	0	3	0

INFORMATION TECHNOLOGY

continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5224-01 - Administration	\$0	\$0	\$0	\$853,746
10-5224-20 - Geographic Information Systems	\$0	\$118,190	\$114,190	\$0
10-5224-21 - Information Technology Services	\$0	\$1,078,887	\$908,570	\$0
General Fund Total	\$0	\$1,197,077	\$1,022,760	\$853,746
Wastewater Fund				
59-5224-21 - Information Technology Services	\$79,150	\$87,578	\$89,075	\$0
Wastewater Fund Total	\$79,150	\$87,578	\$89,075	\$0
Information Technology Fund				
60-5224-20 - Geographic Information Systems	\$164,910	\$0	\$0	\$0
60-5224-21 - Information Technology Services	\$1,601,816	\$0	\$0	\$0
Information Technology Fund Total	\$1,766,726	\$0	\$0	\$0
GRAND TOTALS				
Administration	\$0	\$0	\$0	\$853,746
Geographic Information Systems	\$164,910	\$118,190	\$114,190	\$0
Information Technology Services	\$1,680,966	\$1,166,465	\$997,645	\$0
Grand Totals	\$1,845,876	\$1,284,655	\$1,111,835	\$853,746

INFORMATION TECHNOLOGY
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5224-01 - Administration					
Personnel	\$0	\$0	\$0	\$409,394	
Supplies & Services	\$0	\$0	\$0	\$301,840	
Capital & Debt Service	\$0	\$0	\$0	\$142,512	
Administration Total	\$0	\$0	\$0	\$853,746	
10-5224-20 - Geographic Information Systems					
Personnel	\$0	\$97,690	\$97,690	\$0	Budget Decrease: Moved to 60-5224-20
Supplies & Services	\$0	\$20,500	\$16,500	\$0	Budget Decrease: Moved to 60-5224-20
Geographic Information Systems Total	\$0	\$118,190	\$114,190	\$0	
10-5224-21 - Information Technology Services					
Personnel	\$0	\$359,620	\$375,270	\$0	Budget Decrease: Moved to 60-5224-21
Supplies & Services	\$0	\$504,267	\$393,300	\$0	Budget Decrease: Moved to 60-5224-21
Capital & Debt Service	\$0	\$215,000	\$140,000	\$0	
Information Technology Services Total	\$0	\$1,078,887	\$908,570	\$0	
General Fund Totals					
Personnel Subtotal	\$0	\$457,310	\$472,960	\$409,394	
Supplies & Services Subtotal	\$0	\$524,767	\$409,800	\$301,840	
Capital & Debt Service Subtotal	\$0	\$215,000	\$140,000	\$142,512	
General Fund Total	\$0	\$1,197,077	\$1,022,760	\$853,746	
Wastewater Fund					
59-5224-21 - Information Technology Services					
Personnel	\$0	\$50,840	\$52,680	\$0	Budget Decrease: Moved to 60-5224-21
Supplies & Services (ongoing)	\$40,230	\$26,738	\$36,395	\$0	Budget Increase: Added fiber connection to City Hall (\$10k); moved phone/alarm service from Wastewater (\$19k)
Information Technology Services Direct Costs Subtotal	\$40,230	\$77,578	\$89,075	\$0	
Internal Charges	\$4,020	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$44,250	\$77,578	\$89,075	\$0	
Supplies & Services (one-time)	\$34,900	\$0	\$0	\$0	Budget: KVM extenders for SCADA computer security, ruggedized laptops, keycard security access, monitor/computer replacements, SCADA reports software, computer and software for new Wastewater Plant Operator (Decision Package - CM Contingent Recommendation)
Capital & Debt Service	\$0	\$10,000	\$0	\$0	
One-Time Total	\$34,900	\$10,000	\$0	\$0	
Wastewater Fund Total	\$79,150	\$87,578	\$89,075	\$0	

INFORMATION TECHNOLOGY
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
Information Technology Fund					
60-5224-20 - Geographic Information Systems					
Personnel	\$114,570	\$0	\$0	\$0	Budget Increase: Moved from 10-5224-20
Supplies & Services (ongoing)	\$23,850	\$0	\$0	\$0	Budget Increase: Moved from 10-5224-20
Geographic Information Systems Direct Costs Subtotal	\$138,420	\$0	\$0	\$0	
Internal Charges	\$26,490	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Geographic Information Systems Total	\$164,910	\$0	\$0	\$0	
60-5224-21 - Information Technology Services					
Personnel	\$423,540	\$0	\$0	\$0	Budget Increase: Moved from 10-5224-21
Supplies & Services (ongoing)	\$445,936	\$0	\$0	\$0	Budget Increase: Moved from 10-5224-21
Information Technology Services Direct Costs Subtotal	\$869,476	\$0	\$0	\$0	
Internal Charges	\$453,740	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$1,323,216	\$0	\$0	\$0	
Supplies & Services (one-time)	\$133,100	\$0	\$0	\$0	Budget: Furniture replacements, tablet/computer replacements, network connection at shooting range, security cameras, software license; carryover of Microsoft Office migration, budget building & automation software (Decision Package - CM Recommended), computer and software for PR Administrative Assistant (Decision Package - CM Partial Recommendation)
Capital & Debt Service	\$145,500	\$0	\$0	\$0	Budget: Server and storage area network replacements, New World message switch, laptops for police vehicles (Decision Package - CM Contingent Recommendation), Sinagua Building network connectivity (Decision Package - CM Contingent Recommendation)
One-Time Total	\$278,600	\$0	\$0	\$0	
Information Technology Services Total	\$1,601,816	\$0	\$0	\$0	
Information Technology Fund Totals					
Personnel Subtotal	\$538,110	\$0	\$0	\$0	
Supplies & Services (Ongoing) Subtotal	\$469,786	\$0	\$0	\$0	
Direct Costs (Ongoing) Subtotal	\$1,007,896	\$0	\$0	\$0	
Internal Charges Subtotal	\$480,230	\$0	\$0	\$0	
Ongoing Subtotal	\$1,488,126	\$0	\$0	\$0	
Supplies & Services (One-Time) Subtotal	\$133,100	\$0	\$0	\$0	
Capital & Debt Service Subtotal	\$145,500	\$0	\$0	\$0	
One-Time Subtotal	\$278,600	\$0	\$0	\$0	
Information Technology Fund Total	\$1,766,726	\$0	\$0	\$0	

INFORMATION TECHNOLOGY
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
GRAND TOTALS					
Personnel Subtotal	\$538,110	\$508,150	\$525,640	\$409,394	
Supplies & Services (Ongoing) Subtotal	<u>\$510,016</u>	<u>\$551,505</u>	<u>\$446,195</u>	<u>\$301,840</u>	
Direct Costs (Ongoing) Subtotal	<u>\$1,048,126</u>	<u>\$1,059,655</u>	<u>\$971,835</u>	<u>\$711,234</u>	
Internal Charges Subtotal	<u>\$484,250</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
Ongoing Subtotal	\$1,532,376	\$1,059,655	\$971,835	\$711,234	
Supplies & Services (One-Time) Subtotal	\$168,000	\$0	\$0	\$0	
Capital & Debt Service Subtotal	<u>\$145,500</u>	<u>\$225,000</u>	<u>\$140,000</u>	<u>\$142,512</u>	
One-Time Subtotal	<u>\$313,500</u>	<u>\$225,000</u>	<u>\$140,000</u>	<u>\$142,512</u>	
Grand Total	\$1,845,876	\$1,284,655	\$1,111,835	\$853,746	

NOTE: Excluding the impact of costs transferred from the Wastewater Department for technology and communications costs and from General Services for copier leases, the decrease in ongoing direct costs would be 6%.

INFORMATION TECHNOLOGY

continued

Positions/Allocations Summaries

Position	FY18 FTE	FY17 FTE	FY16 FTE
Database Web Developer	1.00	1.00	1.00
GIS Analyst	1.00	1.00	1.00
Information Technology Manager	1.00	1.00	1.00
PC Support/Help Desk Technician ⁽¹⁾	0.60	0.60	0.00
System Administrator	1.00	1.00	1.00
Total	4.60	4.60	4.00

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5224-01	Administration	0.00	0.00	3.55
10-5224-20	Geographic Information Systems	0.00	0.90	0.00
10-5224-21	Information Technology Services	0.00	3.24	0.00
General Fund Total		0.00	4.14	3.55
Wastewater Fund ⁽²⁾				
59-5224-21	Information Technology Services	0.00	0.46	0.00
59-5250-02	Administration	0.00	0.00	0.45
Wastewater Fund Total		0.00	0.46	0.45
Information Technology Fund ⁽³⁾				
60-5224-20	Geographic Information Systems	1.00	0.00	0.00
60-5224-21	Information Technology Services	3.60	0.00	0.00
Information Technology Fund Total		4.60	0.00	0.00
Grand Total		4.60	4.60	4.00

⁽¹⁾ Part-time positions

⁽²⁾ Beginning FY2018, the allocations to the Wastewater Fund are made via indirect cost allocations instead of a direct allocation of salaries.

⁽³⁾ Beginning FY2018, the Information Technology Department has been moved to a separate Internal Service Fund and will be funded via indirect cost allocations.

CITY ATTORNEY'S OFFICE

Mission Statement

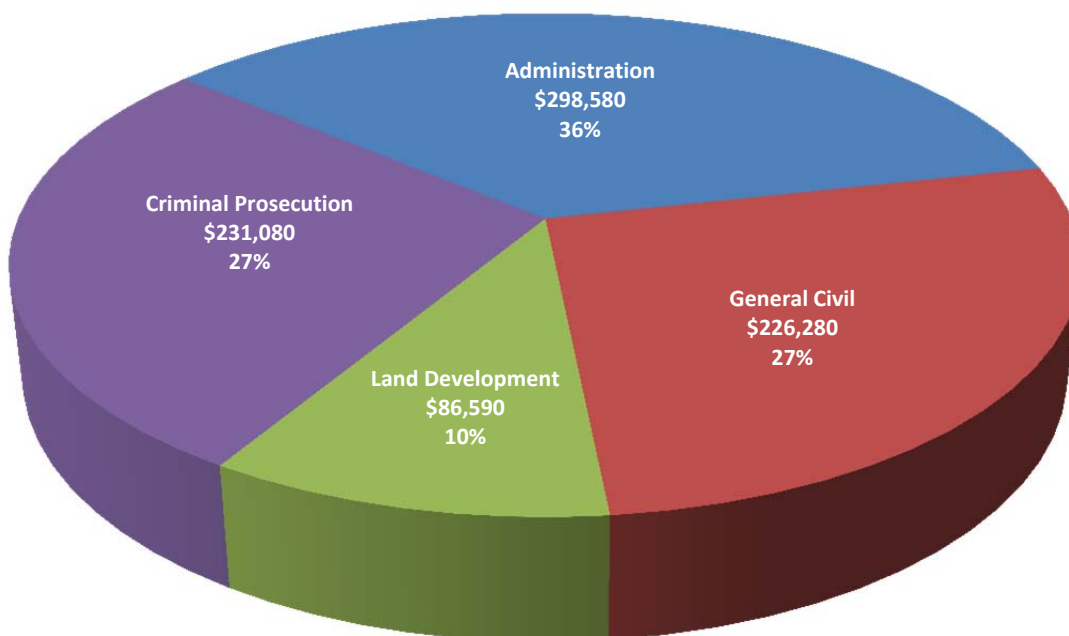
The department strives to provide quality legal advice and services to the City Council, City departments and commissions. To vigorously prosecute criminal cases in a fair manner that leads to just results.

Description

The City Attorney's Office provides internal services to City departments and personnel in several program areas:

- Administration
- General Civil
- Land Development
- Criminal Prosecution

FY 2017 PROGRAM EXPENDITURES: \$842,530



CITY ATTORNEY'S OFFICE - Administration

Program Expenditures:	\$298,580
Personnel Costs:	\$149,420 (50%)
Supplies & Services:	\$115,000 (39%)
Internal Charges:	\$ 34,160 (11%)
Employee Time Allocation:	0.85 FTEs
General Fund Portion:	\$198,580 (67%)
Wastewater Fund Portion:	\$100,000 (33%)
Charges Allocated to Other Departments:	\$198,580

The City Attorney's Office provides legal advice to the Mayor and Council, the City Manager, the City departments and the City's boards and commissions. The office defends claims and suits brought against the City; drafts, reviews, and approves all contracts entered into by the City; assists in drafting all resolutions and ordinances submitted for City Council approval; and manages the activities of retained legal counsel.

A portion of the Administration program is allocated to the Wastewater Enterprise Fund and represents the Fund's share of direct legal costs.

FY 17 Accomplishments

- Assisted with the process for consideration of franchising solid waste disposal and recycling franchising.
- Completed an intergovernmental agreement for reciprocal legal services with neighboring municipalities.
- Worked with City staff on development of City Council priorities, including the Sign Code review and update.
- Implement the City Attorney Annual Action Plan.
- Initiated litigation to recover damages related to construction of the solar generation infrastructure at the City's wastewater treatment facility.

FY 18 Objectives

- Develop an entry level attorney position to provide support in all program areas.
- Assist with the revisions to the Sedona Land Development Code.
- Continue to engage in legislative activity and strengthen the City's position on significant issues.
- Implement the City Attorney Annual Action Plan.
- Work with Community Development to resolve high profile code enforcement issues.
- Review City Code for possible areas of revision.

CITY ATTORNEY'S OFFICE – Administration
continued

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
City Council agenda bill items reviewed	54	N/A	48	51
Ordinances processed	9	N/A	17	13
Resolutions processed	40	N/A	27	33.5
Number of public meetings attended	54	N/A	48	51
Number of contracts reviewed	145	N/A	124	134.5
Number of legal opinions provided	100	N/A	124	112

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Internal Survey Results (Rating Scale 1 to 5):				
Quality of the legal advice and services provided to City staff and officials	4.7	N/A	4.5	4.6
Timeliness of responses to requests for legal services	4.7	N/A	4.5	4.6
Confidence in the legal services provided to City staff and officials	4.9	N/A	4.8	4.9
Accessibility or approachability of legal department staff to City staff and officials	4.9	N/A	4.7	4.8
Communication with City staff and officials	4.5	N/A	4.5	4.5
Effectiveness of legal department to achieve its goals	N/A	N/A	4.6	4.6
Legal departments effectiveness to community with City staff and officials	N/A	N/A	4.6	4.6

CITY ATTORNEY'S OFFICE - Criminal Prosecution

Program Expenditures: \$231,080
Personnel Costs: \$188,980 (82%)
Supplies & Services: \$ 2,700 (1%)
Internal Charges: \$ 39,400 (17%)
Employee Time Allocation: 1.65 FTEs

The Criminal Prosecution program is responsible for administering justice for violations of law.

FY 17 Accomplishments

- Prosecuted a total of 174 cases, consisting of 27 Driving Under the Influence (DUI) cases, 32 crimes involving drugs or controlled substances, 47 criminal traffic matters, 68 criminal misdemeanor matters.
- Initiated a program for real-time training of officers on operational matters.

FY 18 Objectives

- Continue to vigorously and fairly prosecute all criminal misdemeanor cases.
- Explore innovative methods of achieving justice for the community.
- Identify areas for enhanced training of law enforcement personnel.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Criminal charges filed	204	N/A	174	182
Provide an annual case law update to the Police Department	N/A	N/A	6	6
Hours of training provided to the Police Department on operational matters	N/A	N/A	23	23

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Internal Survey Results (Rating Scale 1 to 5):				
Effectiveness of City Prosecutor to review and charge matters	N/A	N/A	4.3	4.3
Quality of prosecutions litigated by City Prosecutor	N/A	N/A	4.3	4.3
Satisfaction of the plea agreements negotiated by City Prosecutor	N/A	N/A	3.7	3.7
Satisfaction with the level of justice achieved on matters resolved by City Prosecutor	N/A	N/A	3.6	3.6
Confidence in representation by City Prosecutor to the organization	N/A	N/A	4.4	4.4

CITY ATTORNEY'S OFFICE - Land Development

Program Expenditures: \$86,590
Personnel Costs: \$72,340 (84%)
Internal Charges: \$14,250 (16%)
Employee Time Allocation: 0.60 FTEs

**Charges Allocated to Other
Departments:** \$86,590

The Land Development program is responsible for reviewing all planning and zoning matters related to the City and recommending changes to the Sedona Land Development Code. In addition, the program provides guidance to staff of the City's Community Development Department on land development matters.

FY 17 Accomplishments

- Assisted in the development and review of the Soldier's Pass *Community Focus Area*.
- Assisted in the development and review of the Western Gateway Community Focus Area.
- Assisted in the development and review of the sign code.
- Assisted in the development and revision of the Historical Preservation Code.
- Assisted in the dissolution and reorganization of the Board of Adjustment.

FY 18 Objectives

- Assist with the development and review of the Schnebly Hill Community Focus Area.
- Assist with the development and implementation of the wireless master plan.
- Assist with the development and implementation of the revised Land Development Code.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Number of planning and zoning matters reviewed	N/A	N/A	15	15

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Internal Survey Results (Rating Scale 1 to 5):				
Confidence in legal department's ability to effectively advice on land use matters	N/A	N/A	4.7	4.7
Satisfaction with the timeliness of the legal department's response to requests for advice on land use matters	N/A	N/A	4.6	4.6
Satisfaction with level of support provided to Planning and Zoning Commission, Board of Adjustment and other organizational partners on land use matters	N/A	N/A	4.4	4.4

CITY ATTORNEY'S OFFICE - General Civil

Program Expenditures:	\$226,280
Personnel Costs:	\$127,920 (57%)
Supplies & Services:	\$ 75,000 (33%)
Internal Charges:	\$ 23,360 (10%)
Employee Time Allocation:	0.90 FTEs

Charges Allocated to Other Departments:	\$226,280
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The General Civil program is responsible for defending claims and suits brought against the City.

FY 17 Accomplishments

- Monitored all bankruptcy petitions involving the City of Sedona and assisted in the collection of outstanding tax and fee obligations.
- Managed claims expenditures and recommended methods for more efficient tracking.
- Worked with outside counsel on the appeal of the City of Sedona adv. Yellow Jacket Drilling matter.
- Worked with outside counsel on the strategy and execution for initiation of a lawsuit to recover losses from Sun Edison in regards to the City's power services agreement.
- Assisted in the Board of Adjustment appeal in the Son Silver West matter and the resulting special action lawsuit.
- Represented the City's interest as an intervenor in the APS rate case.
- Reviewed and assisted human resources in responding to EEOC complaints.

FY 18 Objectives

- Continue to improve efficiencies in managing claims management.
- Work with the Risk Pool on collaborative efforts to raise awareness on risk related issues.
- Manage the work of outside legal counsel on outstanding litigation matters.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Number of claims against the City resolved without litigation	N/A	N/A	10	10
Traffic accidents involving City vehicles	6	N/A	12	11.4
Claims and suits against the City	22	N/A	10	16
Claims regarding property damage to City property	6	N/A	5	5.5

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Internal Survey Results (Rating Scale 1 to 5):				
Satisfaction with the quality of the City's legal representation on claims against the City	N/A	N/A	4.6	4.6
Appropriate results achieved in defending and resolving claims against the City	N/A	N/A	4.1	4.6

CITY ATTORNEY'S OFFICE

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5230-01 - Administration	\$198,580	\$144,565	\$128,280	\$496,564
10-5230-17 - Criminal Prosecution	\$231,080	\$180,180	\$177,480	\$0
10-5230-18 - Land Development	\$86,590	\$65,170	\$26,850	\$0
10-5230-19 - General Civil	\$226,280	\$144,540	\$113,780	\$0
General Fund Total	\$742,530	\$534,455	\$446,390	\$496,564
Wastewater Fund				
59-5230-01 - Administration	\$100,000	\$21,090	\$21,090	\$0
Wastewater Fund Total	\$100,000	\$21,090	\$21,090	\$0
GRAND TOTALS				
Administration	\$298,580	\$165,655	\$149,370	\$496,564
Criminal Prosecution	\$231,080	\$180,180	\$177,480	\$0
Land Development	\$86,590	\$65,170	\$26,850	\$0
General Civil	\$226,280	\$144,540	\$113,780	\$0
Grand Totals	\$842,530	\$555,545	\$467,480	\$496,564
Charges to Other Departments	(\$511,450)	\$0	\$0	\$0
Net Totals	\$331,080	\$555,545	\$467,480	\$496,564

CITY ATTORNEY'S OFFICE

continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5230-01 - Administration					
Personnel	\$149,420	\$133,980	\$118,820	\$468,437	Budget Increase: Change in allocations between programs Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$15,000	\$10,585	\$9,460	\$28,127	Budget Increase: Added professional services (\$2k), increased Travel & Training (\$2k)
Administration Direct Costs Subtotal	\$164,420	\$144,565	\$128,280	\$496,564	
Internal Charges	(\$164,420)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Administration Total	\$0	\$144,565	\$128,280	\$496,564	
10-5230-17 - Criminal Prosecution					
Personnel	\$188,980	\$177,480	\$177,480	\$0	
Supplies & Services (ongoing)	\$2,700	\$2,700	\$0	\$0	
Criminal Prosecution Direct Costs Subtotal	\$191,680	\$180,180	\$177,480	\$0	
Internal Charges	\$39,400	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Criminal Prosecution Total	\$231,080	\$180,180	\$177,480	\$0	
10-5230-18 - Land Development					
Personnel	\$72,340	\$65,170	\$26,850	\$0	Budget Increase: Change in allocations between programs Current Year Under Budget: Estimated vacancy savings
Internal Charges	(\$72,340)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Land Development Total	\$0	\$65,170	\$26,850	\$0	
10-5230-19 - General Civil					
Personnel	\$127,920	\$94,540	\$73,780	\$0	Budget Increase: Change in allocations between programs Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$75,000	\$50,000	\$40,000	\$0	Budget Increase: Moved property damage claims from other departments (\$25k)
Criminal Prosecution Direct Costs Subtotal	\$202,920	\$144,540	\$113,780	\$0	
Internal Charges	(\$202,920)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
General Civil Total	\$0	\$144,540	\$113,780	\$0	
General Fund Totals					
Personnel Subtotal	\$538,660	\$471,170	\$396,930	\$468,437	
Supplies & Services (Ongoing) Subtotal	\$92,700	\$63,285	\$49,460	\$28,127	
Direct Costs (Ongoing) Subtotal	\$631,360	\$534,455	\$446,390	\$496,564	
Internal Charges Subtotal	(\$400,280)	\$0	\$0	\$0	
General Fund Total	\$231,080	\$534,455	\$446,390	\$496,564	



CITY ATTORNEY'S OFFICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
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Wastewater Fund

59-5230-01 - Administration

Personnel	\$0	\$21,090	\$21,090	\$0	Budget Decrease: Change in allocations between programs
Supplies & Services (one-time)	\$100,000	\$0	\$0	\$0	
Administration Total	\$100,000	\$21,090	\$21,090	\$0	Budget: Legal fees for Sun Edison issue

GRAND TOTALS

Personnel Subtotal	\$538,660	\$492,260	\$418,020	\$468,437
Supplies & Services (Ongoing) Subtotal	\$92,700	\$63,285	\$49,460	\$28,127
Direct Costs (Ongoing) Subtotal	\$631,360	\$555,545	\$467,480	\$496,564
Internal Charges Subtotal	(\$400,280)	\$0	\$0	\$0
Ongoing Subtotal	\$231,080	\$555,545	\$467,480	\$496,564
Supplies & Services (One-Time) Subtotal	\$100,000	\$0	\$0	\$0
Grand Total	\$331,080	\$555,545	\$467,480	\$496,564

NOTE: Excluding the impact of costs transferred from the Public Works Department and Police Department for property damage claims, the increase in ongoing direct costs would be 9%.

CITY ATTORNEY'S OFFICE
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Assistant City Attorney ⁽¹⁾	2.00	1.60	1.60
City Attorney	1.00	1.00	1.00
Legal Assistant	1.00	1.00	1.00
Total	4.00	3.60	3.60

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5230-01	Administration	0.85	0.75	3.45
10-5230-17	Criminal Prosecution	1.65	1.65	0.00
10-5230-18	Land Development	0.60	0.40	0.00
10-5230-19	General Civil	0.90	0.70	0.00
General Fund Total		4.00	3.50	3.45

Wastewater Fund ⁽²⁾				
59-5230-01	Administration	0.00	0.10	0.00
59-5250-02	Administration	0.00	0.00	0.15
Wastewater Fund Total		0.00	0.10	0.15
Grand Total		4.00	3.60	3.60

⁽¹⁾ FY2017 includes a 0.60 part-time position. This position has been changed to a full-time position for FY2018 with no change in the salary level.

⁽²⁾ Beginning FY2018, the allocations to the Wastewater Fund are made via indirect cost allocations instead of a direct allocation of salaries.

CITY CLERK'S OFFICE

Mission Statement

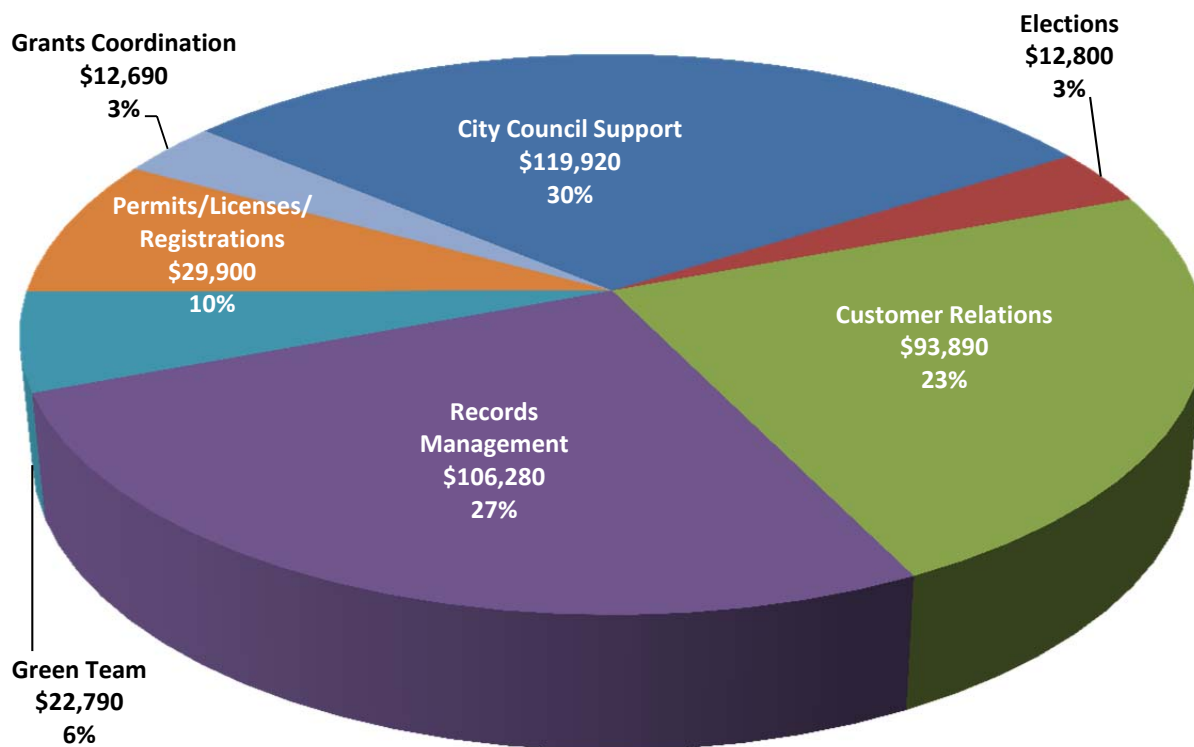
To provide exceptional service to the Mayor and Council, the public and City staff in order that all may be guaranteed fair and impartial elections and open access to information and the legislative process.

Description

The City Clerk's Department is responsible for the following program areas:

- City Council Support
- Elections
- Customer Relations
- Records Management
- Green Team
- Permits, Licenses, & Registrations
- Grants Coordination

FY 2018 PROGRAM EXPENDITURES: \$400,430



CITY CLERK'S OFFICE - City Council Support

Program Expenditures:	\$119,920
Personnel Costs:	\$ 73,100 (61%)
Supplies & Services:	\$ 15,000 (12%)
Internal Charges:	\$ 31,820 (27%)
Employee Time Allocation:	0.80 FTEs

This program area includes agendas, packets, minutes, action item lists, proclamations, Open Meeting Law compliance, processing of ordinances and resolutions, processing of applications for voluntary service on City Boards & Commissions, and general City Council support.

FY 17 Accomplishments

- Completed training and orientation for incoming City Councilors.

FY 18 Objectives

- Provide Council support.
- Complete agendas, packets, minutes, action item lists, and proclamations in an accurate and timely fashion.
- Process ordinances, resolutions, and applications for voluntary service on City boards and commissions

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
City Council agendas posted	54	70	48	48
Ordinances processed	9	15	17	15
Resolutions processed	40	30	27	28
Number of City Council meetings attended with minutes completed	54	70	48	48

CITY CLERK'S OFFICE - Elections

Program Expenditures:	\$12,800
Personnel Costs:	\$ 7,930 (62%)
Supplies & Services:	\$ 1,400 (11%)
Internal Charges:	\$ 3,470 (27%)
Employee Time Allocation:	0.09 FTEs

This program area includes conducting regular and special municipal elections, accepting campaign finance filings, and assisting Yavapai and Coconino Counties with elections.

FY 17 Accomplishments

- Served as an early voting location for Coconino County.
- Provided ballot drop boxes for Coconino and Yavapai Counties.
- Performed identification verification for conditional provisional voters for Coconino and Yavapai Counties.
- Prepared packets for City Council candidates.
- Conducted election for City Council and APS and Unisource Gas franchise extensions.
- Ensured filing of campaign finance filings.

FY 18 Objectives

- Prepare packets for City Council candidates.
- Prepare for alternative *expenditure limitation* election.
- Ensure filing of campaign finance filings.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Number of City elections	0	2	1	0

CITY CLERK'S OFFICE – Customer Relations

Program Expenditures: \$93,890
Personnel Costs: \$59,020 (63%)
Internal Charges: \$34,870 (37%)
Employee Time Allocation: 0.83 FTEs

Charges Allocated to Other Departments: \$93,900

This program area includes acting as receptionist for the City, face-to-face customer service, acting as the gatekeeper for Sedona Citizens Connect, accepting claims against the City and service of other legal documents, administering oaths of office, processing incoming and outgoing mail, notarization, and other duties.

FY 17 Accomplishments

- Acted as a gatekeeper for the Sedona Citizens Connect. Took a more active approach on monitoring of issues and increased response rate, and reduced closure time from an average of 17 days to 12 days.

FY 18 Objectives

- Act as the gatekeeper for the Sedona Citizens Connect, monitor issues for completion, and suggest enhancements.
- Deliver claims to the City Attorney's Office in a timely fashion.
- Assist customers by phone and in person in a timely and courteous fashion.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Sedona Citizens Connect issues processed	208	240	277	280

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Sedona Citizens Connect average days to close an issue	17	10	12	10

CITY CLERK'S OFFICE - Records Management

Program Expenditures: **\$106,280**
Personnel Costs: **\$ 48,090 (45%)**
Supplies & Services: **\$ 8,350 (8%)**
Internal Charges: **\$ 49,840 (47%)**
Employee Time Allocation: **0.66 FTEs**

**Charges Allocated to Other
 Departments:** **\$106,300**

This program area includes preservation, research, and providing access to Sedona's records; recording of legal documents; and maintaining the City Code and Land Development Code.

FY 17 Accomplishments

- Fulfilled 100% of the records requests received.

FY 18 Objectives

- Continue improvements to the records archive and management system.
- Ensure records requests are fulfilled in a timely manner.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Records requests processed	N/A	75	109	80

CITY CLERK'S OFFICE - Green Team

Program Expenditures:	\$22,790
Personnel Costs:	\$11,140 (49%)
Supplies & Services:	\$ 4,000 (17%)
Internal Charges:	\$ 7,650 (34%)
Employee Time Allocation:	0.18 FTEs

This program area includes coordination of Citywide electronics and household hazardous waste recycling events, coordination of City Hall recycling and composting programs, and other City environmental policies and sustainability related initiatives.

FY 17 Accomplishments

- Coordinated an annual electronics recycling event for the public.

FY 18 Objectives

- Coordinate annual electronics recycling event for the public.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Electronics recycling (weight in pounds)	10,843	N/A	8,000	8,000
Household hazardous waste (weight in pounds)	4,948	N/A	0	0

CITY CLERK'S OFFICE - Permits, Licenses, & Registrations

Program Expenditures: \$32,060
Personnel Costs: \$22,510 (70%)
Internal Charges: \$ 9,550 (30%)
Employee Time Allocation: 0.24 FTEs

This program area includes peddler/solicitor permits, liquor license and special event applications, and civil union registrations.

FY 17 Accomplishments

- Processed peddler/solicitor permits within 14 days of application.
- Processed liquor license and special event applications according to required deadlines.

FY 18 Objectives

- Process peddler/solicitor permits within 14 days of application.
- Process liquor license and special event applications according to required deadlines.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Peddler/Solicitor Permits	N/A	10	20	15
Liquor Licenses	N/A	10	16	10
Special Event Liquor Licenses	N/A	19	42	34
Civil Union Registrations	N/A	1	2	1

CITY CLERK'S OFFICE - Grants Coordination

Program Expenditures: \$12,690
Personnel Costs: \$ 8,800 (69%)
Supplies & Services: \$ 750 (6%)
Internal Charges: \$ 3,140 (25%)
Employee Time Allocation: 0.08 FTEs

This new program area includes identifying grant opportunities, coordinating and submitting applications, ensuring adherence to grant terms, and grant follow-up.

FY 17 Objectives

- Identify and pursue grant opportunities.
- Ensure adherence of existing grants to required terms and complete grant follow-up.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Grants processed	N/A	5	3	5

CITY CLERK'S OFFICE
continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5240-01 - Administration	\$0	\$297,719	\$258,593	\$219,942
10-5240-05 - City Council Support	\$119,920	\$0	\$0	\$0
10-5240-06 - Elections	\$12,800	\$0	\$0	\$0
10-5240-07 - Customer Relations	\$93,890	\$0	\$0	\$0
10-5240-08 - Records Management	\$106,280	\$0	\$0	\$0
10-5240-09 - Green Team	\$22,790	\$0	\$0	\$0
10-5240-10 - Permits/Licenses/Registrations	\$32,060	\$0	\$0	\$0
10-5240-16 - Grants Coordination	\$12,690	\$0	\$0	\$0
General Fund Total	\$400,430	\$297,719	\$258,593	\$219,942
Wastewater Fund				
59-5240-01 - Administration	\$0	\$12,650	\$12,650	\$0
Wastewater Fund Total	\$0	\$12,650	\$12,650	\$0
GRAND TOTALS				
Administration	\$0	\$310,369	\$271,243	\$219,942
City Council Support	\$119,920	\$0	\$0	\$0
Elections	\$12,800	\$0	\$0	\$0
Customer Relations	\$93,890	\$0	\$0	\$0
Records Management	\$106,280	\$0	\$0	\$0
Green Team	\$22,790	\$0	\$0	\$0
Permits/Licenses/Registrations	\$32,060	\$0	\$0	\$0
Grants Coordination	\$12,690	\$0	\$0	\$0
Grand Totals	\$400,430	\$310,369	\$271,243	\$219,942
Charges to Other Departments	(\$200,200)	\$0	\$0	\$0
Net Totals	\$200,230	\$310,369	\$271,243	\$219,942

CITY CLERK'S OFFICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5240-01 - Administration					
Personnel	\$0	\$205,880	\$205,880	\$200,942	Budget Decrease: Change in allocations between programs
Supplies & Services (ongoing)	\$0	\$26,739	\$28,373	\$19,000	Budget Decrease: Change in allocations between programs
Ongoing Total	\$0	\$232,619	\$234,253	\$219,942	
Supplies & Services (one-time)	\$0	\$65,100	\$24,340	\$0	
Administration Total	\$0	\$297,719	\$258,593	\$219,942	
10-5240-05 - City Council Support					
Personnel	\$73,100	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$15,000	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
City Council Support Direct Costs Subtotal	\$88,100	\$0	\$0	\$0	
Internal Charges	\$31,820	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
City Council Support Total	\$119,920	\$0	\$0	\$0	
10-5240-06 - Elections					
Personnel	\$7,930	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$1,400	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Elections Direct Costs Subtotal	\$9,330	\$0	\$0	\$0	
Internal Charges	\$3,470	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Elections Total	\$12,800	\$0	\$0	\$0	
10-5240-07 - Customer Relations					
Personnel	\$59,020	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Internal Charges	(\$59,030)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Customer Relations Total	(\$10)	\$0	\$0	\$0	
10-5240-08 - Records Management					
Personnel	\$48,090	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$8,350	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Records Management Direct Costs Subtotal	\$56,440	\$0	\$0	\$0	
Internal Charges	(\$56,460)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Records Management Total	(\$20)	\$0	\$0	\$0	

CITY CLERK'S OFFICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
10-5240-09 - Green Team					
Personnel	\$11,140	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$4,000	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Green Team Direct Costs Subtotal	\$15,140	\$0	\$0	\$0	
Internal Charges	\$7,650	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Green Team Total	\$22,790	\$0	\$0	\$0	
10-5240-10 - Permits/Licenses/Registrations					
Personnel	\$22,510	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Internal Charges	\$9,550	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Permits/Licenses/Registrations Total	\$32,060	\$0	\$0	\$0	
10-5240-16 - Grants Coordination					
Personnel	\$8,800	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$750	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Grants Coordination Direct Costs Subtotal	\$9,550	\$0	\$0	\$0	
Internal Charges	\$3,140	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Grants Coordination Total	\$12,690	\$0	\$0	\$0	
General Fund Totals					
Personnel Subtotal	\$230,590	\$205,880	\$205,880	\$200,942	
Supplies & Services (Ongoing) Subtotal	\$29,500	\$26,739	\$28,373	\$19,000	
Direct Costs (Ongoing) Subtotal	\$260,090	\$232,619	\$234,253	\$219,942	
Internal Charges Total	(\$59,860)	\$0	\$0	\$0	
Ongoing Total	\$200,230	\$232,619	\$234,253	\$219,942	
Supplies & Services (One-Time) Subtotal	\$0	\$65,100	\$24,340	\$0	
General Fund Total	\$200,230	\$297,719	\$258,593	\$219,942	

Wastewater Fund

59-5240-01 - Administration					
Personnel	\$0	\$12,650	\$12,650	\$0	Budget Decrease: Change in allocations between programs
Wastewater Fund Total	\$0	\$12,650	\$12,650	\$0	

CITY CLERK'S OFFICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
GRAND TOTALS					
Personnel Subtotal	\$230,590	\$218,530	\$218,530	\$200,942	
Supplies & Services (Ongoing) Subtotal	\$29,500	\$26,739	\$28,373	\$19,000	
Direct Costs (Ongoing) Subtotal	\$260,090	\$245,269	\$246,903	\$219,942	
Internal Charges Total	(\$59,860)	\$0	\$0	\$0	
Ongoing Total	\$200,230	\$245,269	\$246,903	\$219,942	
Supplies & Services (One-Time) Subtotal	\$0	\$65,100	\$24,340	\$0	
Grand Total	\$200,230	\$310,369	\$271,243	\$219,942	

CITY CLERK'S OFFICE
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
City Clerk	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00
Records Clerk ⁽¹⁾	<u>0.88</u>	<u>0.88</u>	<u>0.88</u>
Total	2.88	2.88	2.88

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund ⁽²⁾				
10-5240-01	Administration	0.00	2.66	2.66
10-5240-05	City Council Support	0.80	0.00	0.00
10-5240-06	Elections	0.09	0.00	0.00
10-5240-07	Customer Relations	0.83	0.00	0.00
10-5240-08	Records Management	0.66	0.00	0.00
10-5240-09	Green Team	0.18	0.00	0.00
10-5240-10	Permits/Licenses/Registrations	0.24	0.00	0.00
10-5240-16	Grants Coordination	<u>0.08</u>	<u>0.00</u>	<u>0.00</u>
General Fund Total		2.88	2.66	2.66

Wastewater Fund ⁽³⁾				
59-5240-01	Administration	0.00	0.22	0.00
59-5250-02	Administration	<u>0.00</u>	<u>0.00</u>	<u>0.22</u>
Wastewater Fund Total		0.00	0.22	0.22
Grand Total		2.88	2.88	2.88

⁽¹⁾ Part-time position

⁽²⁾ Beginning FY2018, the City Clerk's Office positions were allocated to individual programs.

⁽³⁾ Beginning FY2018, the allocations to the Wastewater Fund are made via indirect cost allocations instead of a direct allocation of salaries.

PARKS & RECREATION

Mission Statement

It is the mission of the Sedona Parks and Recreation Department to provide diverse year-round leisure opportunities through the preservation of open space, park settings, recreational facilities, and recreation programs for citizens, visitors, and future generations of Sedona.

Description

The Parks & Recreation Department is responsible for the following program areas:

- Events
- Programs
- Aquatics
- Facilities and Services

FY 17 Accomplishments

- Offered 92 days of events in one year (7 more days than previous year).
- Successfully integrated a new employee into our team.
- Began operations of the Posse Grounds Pavilion.
- Assumed responsibilities for 47th Annual St. Patrick's Parade.

FY 18 Objectives

- Improve tracking for the new budget objectives.
- Continue to improve the quality and appropriateness of our offerings.
- Apply for Trail Maintenance Grant
- Promote the parks and amenities creatively.
- Increase efficiency within all programs of the department.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Community partnerships	28	28	37	32
Volunteer hours	1,961	2,000	5,347	2,000
Free stuff: sponsorships, donations, volunteer hours <i>(Based on the Bureau of Labor Statistics figure of \$23.07 per hour used by state and federal governments to calculate the monetary value of volunteers)</i>	\$68,773	\$48,000	\$132,655	\$124,000

PARKS & RECREATION
continued

GENERAL FUND REVENUES

	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Special Events Revenues				
Special Events	\$7,163	\$7,800	\$6,000	\$6,500
Miscellaneous Revenue	\$0	\$0	\$7,000	\$0
Sub Total	\$7,163	\$7,800	\$13,000	\$6,500
Recreation Programs Revenues				
Open Gym	\$1,651	\$1,400	\$2,400	\$1,650
Special Programs	\$38,831	\$20,000	\$38,500	\$48,000
Sub Total	\$47,645	\$21,400	\$40,900	\$49,650
Aquatics Revenues				
Daily Swimming Fees	\$19,340	\$18,000	\$20,900	\$20,100
Pool Rental	\$10,809	\$11,000	\$11,000	\$11,000
Pool Concessions	\$45	\$0	\$0	\$0
Sub Total	\$30,194	\$29,000	\$31,900	\$31,100
Facilities Revenues				
Utility Reimbursement	\$8,709	\$1,500	\$3,900	\$4,600
Park Facility Rental	\$16,126	\$5,000	\$16,900	\$16,900
Miscellaneous Revenue	\$1,030	\$0	\$1,000	\$0
Sub Total	\$25,865	\$6,500	\$21,800	\$21,500
Total Revenues	\$110,867	\$64,700	\$107,600	\$102,250

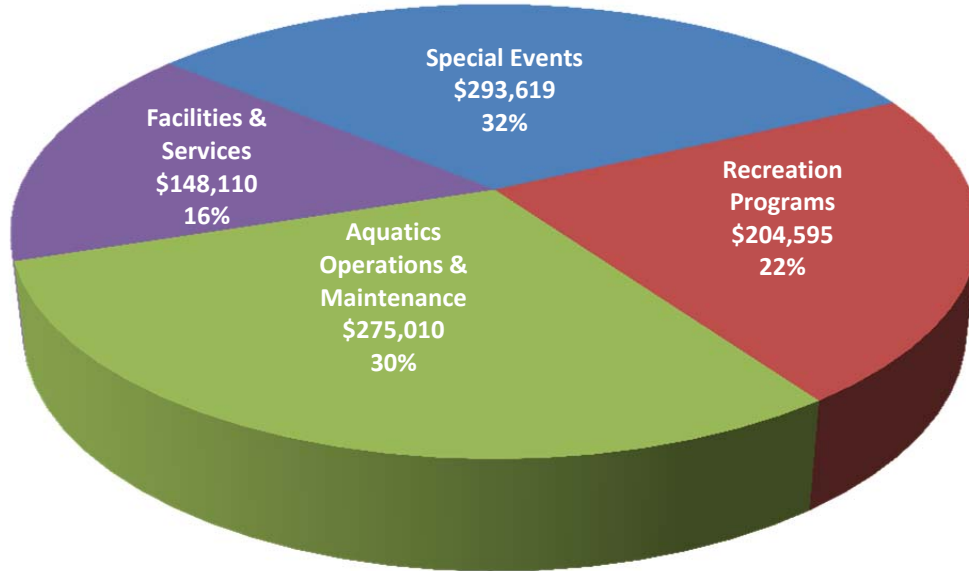
GRANTS & DONATIONS FUNDS REVENUES

	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Special Events Revenues				
Special Events	\$39,143	\$30,000	\$15,000	\$20,400
Anti Work Task Force Revenues				
Vending Machine Revenues	\$1,543	\$5,500	\$1,500	\$5,500
Parks Maintenance Revenues				
Wetlands Park Grants & Donations	\$0	\$30,000	\$30,000	\$30,000
Trails Maintenance Grants & Donations	\$0	\$75,376	\$0	\$30,000
Yavapai-Apache Nation Prop 202	\$20,629	\$15,600	\$18,800	\$0
Park Bench Donations	\$675	\$0	\$0	\$700
Sub Total	\$21,304	\$120,976	\$48,800	\$60,700
Military Park Inscription Revenues				
Military Park Donations	\$1,700	\$5,000	\$500	\$500
Total Revenues	\$63,690	\$226,976	\$65,800	\$87,100

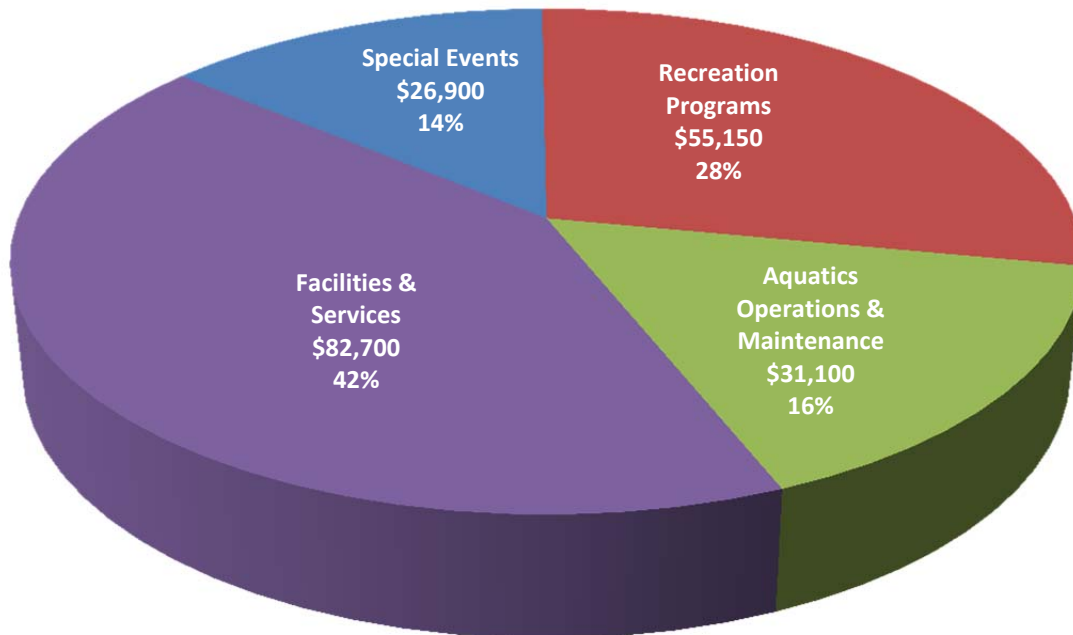
PARKS & RECREATION

continued

FY 2018 PROGRAM EXPENDITURES: \$921,334



FY 2018 PROPOSED REVENUES: \$195,850



PARKS & RECREATION - Events

Program Expenditures: \$293,619
Personnel Costs: \$109,190 (37%)
Supplies & Services: \$147,669 (50%)
Internal Charges: \$ 36,760 (13%)
Employee Time Allocation: 1.30 FTEs

General Fund Portion: \$278,619 (95%)
Grants & Donations Portion: \$ 15,000 (5%)

Sedona Parks and Recreation Department provides a multitude of special events to serve the interests and needs of local residents and visitors. The diversity of events is reflective of community interests and requests, and they are widely acclaimed by the public as being high quality appropriate to the City's character and resident expectations. A portion of this program is paid by the Grants & Donations Funds.

FY 17 Accomplishments

- Five events added to the existing calendar of events.
- Two local organizations partnered to create two of the new events.
- Performed customer surveys at three signature events.
- Expanded marketing avenues to include paid Facebook ads, sewer bill ads and professional rack cards to local hotel concierge.
- Offered 92 days of events in one year (7 more days than FY16).

FY 18 Objectives

- More traffic (likes, shares and comments) for social media marketing.
- Transitioning select Sedona Main Street events to Parks and Recreation.
- Improve and enhance existing events through partnerships, creativity and teamwork.
- Increase frequency of existing events to meet demand.
- Introduce new Posse Grounds historical, western event in the fall.

PERFORMANCE MEASURE	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Revenue from event sponsors	\$38,775	\$15,000	\$15,000	\$15,000
	Customer Satisfaction (Satisfied and Very Satisfied Combined)			
• Celebration of Spring	95%	95%	91%	90%
• 4 th of July	N/A	60%	N/A	90%
• Pumpkin Splash	N/A	95%	91%	90%
• Breakfast with Santa	N/A	91%	98%	90%
Event cost per person = [cost of event – ticket revenue] / attendance number				
• Celebration of Spring	\$9	N/A	\$10	\$10
• 4 th of July	\$20	N/A	\$13	\$10
• Pumpkin Splash	\$8	N/A	\$8	\$8
• Breakfast with Santa	\$5	N/A	\$7	\$7

PARKS & RECREATION - Programs

Program Expenditures: \$204,595
Personnel Costs: \$104,630 (51%)
Supplies & Services: \$ 50,085 (25%)
Internal Charges: \$ 49,880 (24%)
Employee Time Allocation: 1.58 FTE

General Fund Portion: \$199,095 (97%)
Grants & Donations Portion: \$ 5,500 (3%)

Sedona Parks and Recreation Department provides a multitude of recreational programs, classes and special events to serve the interests and needs of local residents and visitors. The diversity of programming and events is reflective of community interests and requests, and they are widely acclaimed by the public as being high quality appropriate to the City's character and resident expectations. A portion of this program is paid by the Grants & Donations Funds.

FY 17 Accomplishments

- Grew Grasshopper Youth Basketball League by 50%.
- Created new class, Parkour in Sedona.
- Introduced new training for coaches and staff with the Positive Coaching Alliance.
- Increased the number and variety of city-hosted programs by contract.

FY 18 Objectives

- Increase the number of summer camps offered by contract.
- Increase city-hosted programs provided for adults.
- Create city-hosted programs utilizing new fitness trail.
- Increase and expand participation in Positive Coaching Alliance training.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
City-hosted programs provided by program/number of registrations (excludes camps)	6/1,289	N/A	8/1,610	9/1,800
Revenue from city-hosted programs (excludes camps)	\$31,208	N/A	\$30,000	\$31,000
City-hosted camps provided by program/number of registrations	4/109	N/A	7/125	9/100
Revenue from city-hosted camps	\$7,623	N/A	\$16,000	\$17,000

PARKS & RECREATION – Aquatics Operations & Maintenance

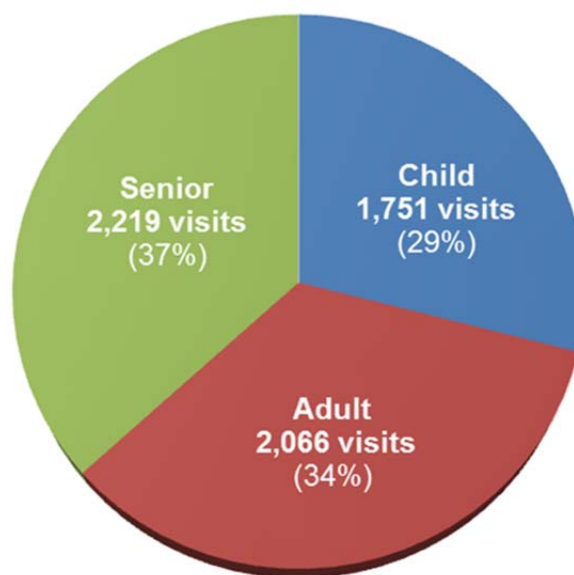
Program Expenditures: \$275,010
Personnel Costs: \$178,000 (65%)
Supplies & Services: \$ 16,500 (6%)
Internal Charges: \$ 80,510 (29%)
Employee Time Allocation: 4.26 FTE

Open from late May through November, the Sedona Community Pool has activities for everyone. Amenities enjoyed at the pool include a shallow end (4' deep) with a water slide and a deep end (7' deep) that allows diving off of the deck, as well as a Liquid Jail sprinkler feature for little ones to enjoy on deck. Activities offered include lap swim, open swim, water aerobics, aqua Zumba and swim lessons.

FY 17 Accomplishments

- Trained a new pool Supervisor.
- Increased the number of swim lesson participants.
- Created new youth and adult programming
- Maintained water aerobics participation

FY17 Pool User Demographics



FY 18 Objectives

- Increase youth attendance at open swim.
- Increase the number WSI certified swim instructors.
- Increase private pool rentals.
- Expand marketing avenues.
- Open pool for spring season in 2018.

PERFORMANCE MEASURES	FY16 Actual	FY17 Target	FY17 Estimate	FY18 Target
Attendance at lap swim and open swim	5,081	N/A	5,800	6,300
Number of swim lessons registrations	246	N/A	360	380
Attendance at water aerobics and aqua zumba	1,591	N/A	1,500	1,600

PARKS & RECREATION - Facilities and Services

Program Expenditures: \$148,110
Personnel Costs: \$ 61,800 (42%)
Supplies & Services: \$ 36,100 (24%)
Capital & Debt Service: \$ 30,000 (20%)
Internal Charges: \$ 20,210 (14%)
Employee Time Allocation: 0.75 FTE

General Fund Portion: \$ 86,110 (58%)
Grants & Donations Portion: \$ 62,000 (42%)

There are nine (9) City parks totaling 123.18 acres owned and/or maintained by the City of Sedona. This system includes a neighborhood and community park as well as unique sites such as a small botanical garden, pocket parks, a historical park, a wetlands preserve and most recently a neighborhood park property with historical significance. Overall, the City of Sedona is an active community with a hearty appetite for high quality park and recreation sites, facilities, and services. The City parks and facilities are maintained by the Public Works Department. A portion of this program is paid by the Grants & Donations Funds.

While most features within a park can be rented/reserved there are six (6) facilities that generate the most attention. These include: ramadas (2) at Sunset Park, ramadas (10) at Posse Grounds Park, recreation room, multi-use field, softball fields and the Posse Grounds Pavilion. The facilities are rented for a variety of reasons which include special events, sports leagues and practices, birthday parties, baby showers, weddings and concerts.

FY 17 Accomplishments

- Brand new Fitness Trail built at Posse Grounds Park.
- Completed Phase II of the Bike Skills Park.
- Completed a comprehensive rental package for the Pavilion.
- Continued success with outside organizations renting our fields for large community events. New this year, a success road closure of Posse Grounds Park during an event.
- Assisted with CIP projects: bike park, dog park, fitness trail.

FY 18 Objectives

- Promote the Pavilion.
- Promote Bike Skills Park.
- Work alongside the Public Works Department to maintain parks and facilities.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Posse Grounds Park				
Ramada rentals – number of individual rentals	27	25	24	25
Recreation room rentals – number of rentals/total hours	150/ 829 hrs	-	99/ 175 hrs	110/ 300 hrs
Field rentals – number of rentals/total hours	546/ 1358 hrs	-	375/ 929 hrs	380/ 1000 hrs
Pavilion rentals – number of rentals/total hours (was only operational 3 months in FY17)	-	-	8 / 90 hrs	20/ 370 hrs
Sunset Park				
Ramada rentals – number of individual rentals	75	70	68	75

PARKS & RECREATION

continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5242-02 - Administration	\$0	\$0	\$0	\$105,951
10-5242-23 - Recreation Programs	\$199,095	\$117,755	\$124,165	\$174,320
10-5242-24 - Special Events	\$278,619	\$233,312	\$224,112	\$0
10-5242-25 - Aquatics Operations & Maintenance	\$275,010	\$197,690	\$207,740	\$184,801
10-5242-26 - Parks Facilities & Maintenance	\$72,850	\$0	\$0	\$0
10-5242-89 - Capital Projects Management	\$13,260	\$0	\$0	\$0
General Fund Total	\$838,834	\$548,757	\$556,017	\$465,072

Grants & Donations Funds				
GD-5242-00 - N/A	\$0	\$0	\$0	\$28,232
GD-5242-24 - Special Events	\$15,000	\$30,000	\$30,000	\$0
GD-5242-26 - Parks Facilities & Maintenance	\$60,000	\$30,000	\$48,774	\$0
GD-5242-27 - Anti Work Task Force	\$5,500	\$5,500	\$5,000	\$0
GD-5242-28 - Military Park Inscriptions	\$2,000	\$5,000	\$2,000	\$0
Grants & Donations Funds Total	\$82,500	\$70,500	\$85,774	\$28,232

GRAND TOTALS				
Administration	\$0	\$0	\$0	\$134,183
Recreation Programs	\$199,095	\$117,755	\$124,165	\$174,320
Special Events	\$293,619	\$263,312	\$254,112	\$0
Aquatics	\$275,010	\$197,690	\$207,740	\$184,801
Parks Maintenance	\$132,850	\$30,000	\$48,774	\$0
Anti Work Task Force	\$5,500	\$5,500	\$5,000	\$0
Military Park Inscriptions	\$2,000	\$5,000	\$2,000	\$0
Capital Projects Management	\$13,260	\$0	\$0	\$0
Grand Totals	\$921,334	\$619,257	\$641,791	\$493,304

PARKS & RECREATION

continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5242-02 - Administration					
Personnel	\$0	\$0	\$0	\$99,176	
Supplies & Services	\$0	\$0	\$0	\$6,775	
Administration Total	\$0	\$0	\$0	\$105,951	
10-5242-23 - Recreation Programs					
Personnel	\$104,630	\$80,070	\$83,480	\$62,498	Budget Increase: Decision Package for Administrative Assistant (CM Recommended) Current Year Over Budget: Estimated temporary wages includes basketball programs not anticipated at the time budgeted
Supplies & Services (ongoing)	\$44,585	\$37,685	\$40,685	\$111,822	Budget Increase: Increased contracted instructors (\$6k) Current Year Over Budget: Additional costs for contracted instructors
Recreation Programs Direct Costs Subtotal	\$149,215	\$117,755	\$124,165	\$174,320	
Internal Charges	\$49,880	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$199,095	\$117,755	\$124,165	\$174,320	
Capital & Debt Service	\$0	\$0	\$0	\$0	
Recreation Programs Total	\$199,095	\$117,755	\$124,165	\$174,320	
10-5242-24 - Special Events					
Personnel	\$109,190	\$102,330	\$102,330	\$0	Budget Decrease: Change in allocations between programs, added Decision Package for Administrative Assistant (CM Recommended)
Supplies & Services (ongoing)	\$132,669	\$130,982	\$121,782	\$0	Budget Increase: Increased advertising for new events (\$3k) Current Year Under Budget: Savings in special supplies, equipment rentals, and advertising
Special Events Direct Costs Subtotal	\$241,859	\$233,312	\$224,112	\$0	
Internal Charges	\$36,760	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Special Events Total	\$278,619	\$233,312	\$224,112	\$0	

PARKS & RECREATION

continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
10-5242-25 - Aquatics Operations & Maintenance					
Personnel	\$178,000	\$145,990	\$162,640	\$148,871	Budget Increase: Increases in temporary staffing due to new legislation on minimum wage and required sick leave Current Year Over Budget: Increases in temporary staffing wages due to new legislation on minimum wage
Supplies & Services (ongoing)	\$16,500	\$51,700	\$45,100	\$35,930	Budget Decrease: Maintenance related costs moved to Public Works (\$29k), reduction in utilities costs (\$6k) Current Year Under Budget: Savings in pool chemicals and utilities, estimated equipment repair over budget
Aquatics Operations & Maintenance Direct Costs Subtotal	\$194,500	\$197,690	\$207,740	\$184,801	
Internal Charges	\$80,510	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Aquatics Operations & Maintenance Total	\$275,010	\$197,690	\$207,740	\$184,801	
10-5242-26 - Parks Facilities & Maintenance					
Personnel	\$50,710	\$0	\$0	\$0	Budget Increase: Change in allocations between programs, added Decision Package for Administrative Assistant (CM Recommended)
Supplies & Services (ongoing)	\$4,100	\$0	\$0	\$0	Budget Increase: Change in allocations between programs, added Decision Package for Administrative Assistant (CM Partial Recommendation)
Parks Facilities & Maintenance Direct Costs Subtotal	\$54,810	\$0	\$0	\$0	
Internal Charges	\$18,040	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Parks Facilities & Maintenance Total	\$72,850	\$0	\$0	\$0	
10-5242-89 - Capital Projects Management					
Personnel	\$11,090	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Internal Charges	\$2,170	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Capital Projects Management Total	\$13,260	\$0	\$0	\$0	
General Fund Totals					
Personnel Subtotal	\$453,620	\$328,390	\$348,450	\$310,545	
Supplies & Services (Ongoing) Subtotal	\$197,854	\$220,367	\$207,567	\$154,527	
Direct Costs (Ongoing) Subtotal	\$651,474	\$548,757	\$556,017	\$465,072	
Internal Charges Subtotal	\$187,360	\$0	\$0	\$0	
Ongoing Subtotal	\$838,834	\$548,757	\$556,017	\$465,072	
Capital & Debt Service Subtotal	\$0	\$0	\$0	\$0	
General Fund Total	\$838,834	\$548,757	\$556,017	\$465,072	

PARKS & RECREATION
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
Grants & Donations Funds					
GD-5242-00 - N/A					
Supplies & Services (ongoing)	\$0	\$0	\$0	\$28,232	
Capital & Debt Service	\$0	\$0	\$0	\$0	
N/A Total	\$0	\$0	\$0	\$28,232	
GD-5242-24 - Special Events					
Supplies & Services (ongoing)	\$15,000	\$30,000	\$30,000	\$0	Budget Decrease: Based on expected decreases in donations
Special Events Total	\$15,000	\$30,000	\$30,000	\$0	
GD-5242-26 - Parks Facilities & Maintenance					
Supplies & Services (one-time)	\$30,000	\$0	\$0	\$0	Budget: Trails maintenance at Posse Grounds Park
Capital & Debt Service	\$30,000	\$30,000	\$48,774	\$0	
Parks Facilities & Maintenance Total	\$60,000	\$30,000	\$48,774	\$0	
GD-5242-27 - Anti Work Task Force					
Supplies & Services (ongoing)	\$5,500	\$5,500	\$5,000	\$0	
Anti Work Task Force Total	\$5,500	\$5,500	\$5,000	\$0	
GD-5242-28 - Military Park Inscriptions					
Supplies & Services (ongoing)	\$2,000	\$5,000	\$2,000	\$0	Budget Decrease: Based on expected decreases in donations
Military Park Inscriptions Total	\$2,000	\$5,000	\$2,000	\$0	
Grants & Donations Funds Totals					
Supplies & Services Ongoing Subtotal	\$22,500	\$40,500	\$37,000	\$28,232	
Supplies & Services One-Time Subtotal	\$30,000	\$0	\$0	\$0	
Capital & Debt Service Subtotal	\$30,000	\$30,000	\$48,774	\$0	
One-Time Subtotal	\$60,000	\$30,000	\$48,774	\$0	
Grants & Donations Funds Total	\$82,500	\$70,500	\$85,774	\$28,232	
GRAND TOTALS					
Personnel Subtotal	\$453,620	\$328,390	\$348,450	\$310,545	
Supplies & Services (Ongoing) Subtotal	\$220,354	\$260,867	\$244,567	\$182,759	
Direct Costs (Ongoing) Subtotal	\$673,974	\$589,257	\$593,017	\$493,304	
Internal Charges Subtotal	\$187,360	\$0	\$0	\$0	
Ongoing Subtotal	\$861,334	\$589,257	\$593,017	\$493,304	
Supplies & Services (One-Time) Subtotal	\$30,000	\$0	\$0	\$0	
Capital & Debt Service Subtotal	\$30,000	\$30,000	\$48,774	\$0	
One-Time Subtotal	\$60,000	\$30,000	\$48,774	\$0	
Grand Total	\$921,334	\$619,257	\$641,791	\$493,304	

NOTE: Excluding the impact of costs transferred to the Public Works Department, the increase in ongoing direct costs would be 20%.

PARKS & RECREATION
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Administrative Assistant ⁽⁴⁾	1.00	0.00	0.00
Parks and Recreation Manager	1.00	1.00	1.00
Recreation & Aquatics Supervisor	1.00	1.00	1.00
Recreation Coordinator II	1.00	1.00	1.00
Lifeguard ⁽¹⁾	1.96	1.58	1.57
Lifeguard Instructor ⁽¹⁾	0.69	0.00	0.00
Pool Manager ⁽¹⁾	0.00	0.34	0.48
Pool Office Assistant ⁽¹⁾	0.70	0.45	0.45
Recreation Assistant ⁽¹⁾	0.15	0.15	0.10
Referee ⁽¹⁾	0.14	0.09	0.09
Scorekeeper ⁽¹⁾	0.09	0.05	0.05
Water Aerobics Instructor ⁽¹⁾	0.16	0.15	0.15

Total 7.89 5.81 5.89

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5242-02	Administration	0.00	0.00	1.52
10-5242-23	Recreation Programs ⁽²⁾	1.58	1.19	0.75
10-5242-24	Special Events	1.30	1.20	0.00
10-5242-25	Aquatics ⁽³⁾	4.26	3.42	3.62
10-5242-26	Parks Facilities & Maintenance	0.65	0.00	0.00
10-5242-89	Capital Projects Management	0.10	0.00	0.00
General Fund Total		7.89	5.81	5.89

⁽¹⁾ Temporary positions - increased for estimated additional hours required to comply with new legislation requiring employers to provide sick leave.

⁽²⁾ Includes 0.38 of temporary positions.

⁽³⁾ Includes 3.51 of temporary positions.

⁽⁴⁾ Position added in Decision Package (CM Recommended).

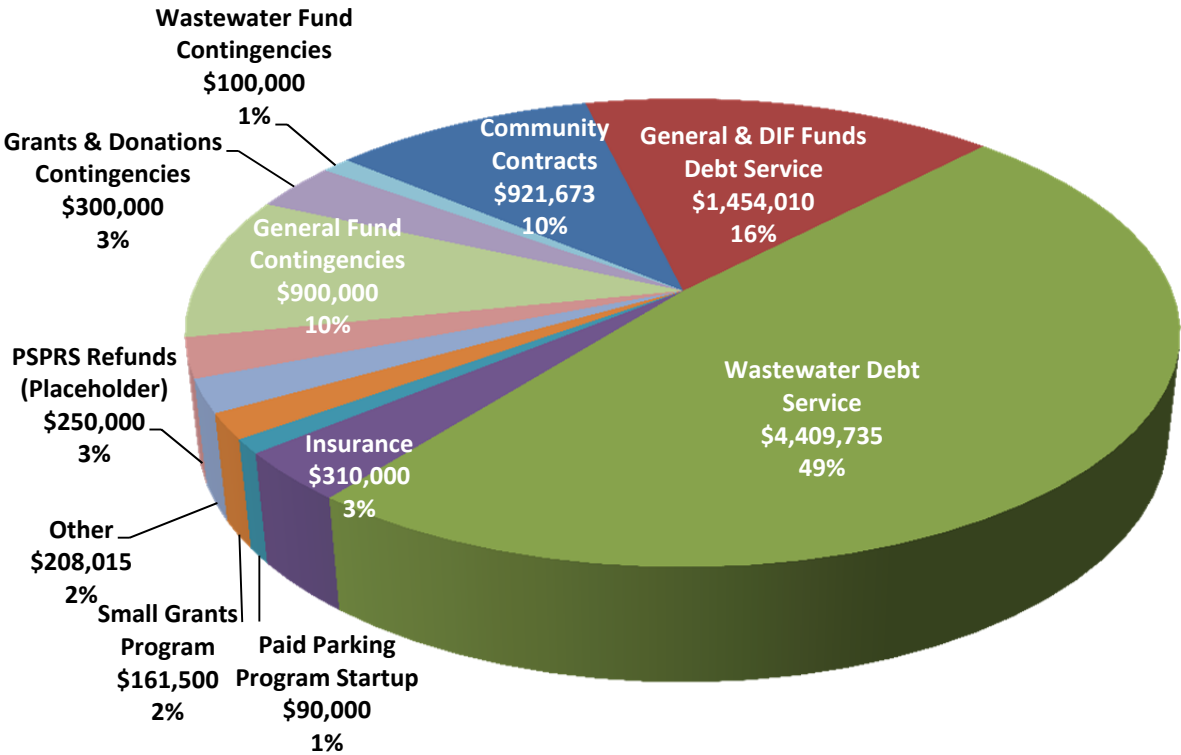
GENERAL SERVICES

The General Services Department is established as an accounting unit in order to capture the various “non-departmental” and other centralized expenses. These include service contracts with non-profits, Citywide liability and other insurances, the City’s destination marketing program, and debt service. The debt service costs include General Fund, Development Impact Fees Funds, and Wastewater Enterprise Fund debt. Additional information on the City’s debt service can be found in the Debt Service section.

The General Services Department also includes the General Fund, Grants & Donation Funds, and Wastewater Enterprise Fund *contingency* budgets, which include the following:

- \$250,000 general operating contingency (General Fund)
- \$100,000 general operating contingency (Wastewater Enterprise Fund)
- \$100,000 contingency for judgments (General Fund)
- \$300,000 contingency for potential *bed tax* revenue increases (55% pledged to the destination marketing program) (General Fund)
- \$250,000 contingency for potential *bed tax* revenue increases (45% available for other City purposes) (General Fund)
- \$300,000 contingency for unknown grants and donations revenues that may be received during the year (Grants & Donations Funds)

FY 2018 EXPENDITURES: \$9,104,933



SMALL GRANTS PROGRAM	FY 15 Actual	FY 16 Actual	FY 17 Estimate	FY 18 Projection
Number of grants awarded	17	18	22	N/A
Average award amount	\$8,588	\$8,506	\$6,818	N/A
Range of awards	\$1,200 - \$30,000	\$100 - \$28,000	\$500 - \$23,300	N/A
Total awarded	\$146,000	\$153,100	\$150,000	\$161,500

GENERAL SERVICES
continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5245/6-01 - Administration	\$1,944,395	\$4,830,593	\$4,228,738	\$4,063,564
10-5255-15 - Debt Service	\$1,431,310	\$0	\$0	\$0
10-5245-41 - Arts & Culture	\$0	\$0	\$0	\$8,221
10-5245-90 - Community Contracts - Public Safety	\$54,395	\$0	\$0	\$0
10-5245-91 - Community Contracts - Culture & Recreation	\$427,780	\$0	\$0	\$0
10-5245-92 - Community Contracts - Health & Welfare	\$251,998	\$0	\$0	\$0
10-5245-93 - Community Contracts - Public Transportation	\$187,500	\$0	\$0	\$0
General Fund Total	\$4,297,378	\$4,830,593	\$4,228,738	\$4,071,785
Grants & Donations Funds				
GD-5246-01 - Administration	\$300,000	\$0	\$0	\$0
Grants & Donations Funds Total	\$300,000	\$0	\$0	\$0
Development Impact Fees Funds				
DIF-5245/5720-15 - Debt Service	\$22,700	\$21,198	\$21,198	\$19,177
Development Impact Fees Funds Total	\$22,700	\$21,198	\$21,198	\$19,177
Wastewater Fund				
59-5245/6-01 - Administration	\$75,000	\$0	\$0	\$0
59-5250-02 - Departmental Allocations	\$0	\$0	\$0	\$285,768
59-5250/5-15 - Debt Service	\$4,409,855	\$5,151,325	\$5,151,325	\$5,412,246
Wastewater Fund Total	\$4,484,855	\$5,151,325	\$5,151,325	\$5,698,014
GRAND TOTALS				
Administration	\$2,319,395	\$4,830,593	\$4,228,738	\$4,063,564
Departmental Allocations	\$0	\$0	\$0	\$285,768
Debt Service	\$5,863,865	\$5,172,523	\$5,172,523	\$5,431,423
Arts & Culture	\$0	\$0	\$0	\$8,221
Community Contracts	\$921,673	\$0	\$0	\$0
Grand Totals	\$9,104,933	\$10,003,116	\$9,401,261	\$9,788,976
Charges to Other Funds	(\$365,010)	\$0	\$0	\$0
Net Totals	\$8,739,923	\$10,003,116	\$9,401,261	\$9,788,976

GENERAL SERVICES
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5245/6-01 - Administration					
Personnel (ongoing)	\$139,150	(\$37,354)	\$6,700	\$9,959	Budget Increase: Reduction of market study adjustments (\$21k), reduction of vacancy offset budgeted as negative (\$175k), added placeholder for short-term disability backfill Current Year Over Budget: Vacancy savings of \$475k is budgeted here (as a negative amount) but realized in each department
Supplies & Services (ongoing)	\$644,435	\$3,306,779	\$3,535,870	\$3,312,013	Budget Decrease: Moved community contracts to separate programs (\$938k); moved Chamber and destination marketing to City Manager (\$1.7M); moved service charges to Finance (\$43k); moved insurance from Wastewater to be allocated via indirect cost allocations (\$83k); moved copier leases to IT (\$35k); moved city-wide training to Human Resources (\$10k); increased insurance (\$35k), small grants (\$11.5k)
Administration Direct Costs Subtotal	\$783,585	\$3,269,425	\$3,542,570	\$3,321,972	
Internal Charges	(\$354,200)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Contingencies	\$900,000	\$810,000	\$0	\$0	Budget Increase: FY17 budget transfer for emergency project (\$90k)
Ongoing Total	\$1,329,385	\$4,079,425	\$3,542,570	\$3,321,972	
Personnel (one-time)	\$250,000	\$0	\$0	\$0	Budget: Placeholder for possible PSPRS refunds
Supplies & Services (one-time)	\$0	\$15,000	\$0	\$0	
Capital & Debt Service	\$0	\$736,168	\$686,168	\$741,592	
One-Time Total	\$250,000	\$751,168	\$686,168	\$741,592	
Administration Total	\$1,579,385	\$4,830,593	\$4,228,738	\$4,063,564	
10-5255-15 - Debt Service					
Capital & Debt Service	\$1,431,310	\$0	\$0	\$0	
Debt Service Total	\$1,431,310	\$0	\$0	\$0	
10-5245-41 - Arts & Culture					
Supplies & Services	\$0	\$0	\$0	\$8,221	
Arts & Culture Total	\$0	\$0	\$0	\$8,221	
10-5245-90 - Community Contracts - Public Safety					
Supplies & Services (Ongoing)	\$54,395	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Community Contracts - Public Safety Total	\$54,395	\$0	\$0	\$0	
10-5245-91 - Community Contracts - Culture & Recreation					
Supplies & Services (Ongoing)	\$427,780	\$0	\$0	\$0	
Community Contracts - Culture & Recreation Total	\$427,780	\$0	\$0	\$0	
10-5245-92 - Community Contracts - Health & Welfare					
Supplies & Services (Ongoing)	\$251,998	\$0	\$0	\$0	
Community Contracts - Health & Welfare Total	\$251,998	\$0	\$0	\$0	
10-5245-93 - Community Contracts - Public Transportation					
Supplies & Services (Ongoing)	\$187,500	\$0	\$0	\$0	
Community Contracts - Public Transportation Total	\$187,500	\$0	\$0	\$0	

GENERAL SERVICES
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund Totals					
Personnel (Ongoing) Subtotal	\$139,150	(\$37,354)	\$6,700	\$9,959	
Supplies & Services (Ongoing) Subtotal	\$1,566,108	\$3,306,779	\$3,535,870	\$3,320,234	
Direct Costs (Ongoing) Subtotal	\$1,705,258	\$3,269,425	\$3,542,570	\$3,330,193	
Internal Charges Subtotal	(\$354,200)	\$0	\$0	\$0	
Contingencies Subtotal	\$900,000	\$810,000	\$0	\$0	
Ongoing Subtotal	\$2,251,058	\$4,079,425	\$3,542,570	\$3,330,193	
Personnel (One-Time) Subtotal	\$250,000	\$0	\$0	\$0	
Supplies & Services (One-Time) Subtotal	\$0	\$15,000	\$0	\$0	
Capital & Debt Service Subtotal	\$1,431,310	\$736,168	\$686,168	\$741,592	
One-Time Subtotal	\$1,681,310	\$751,168	\$686,168	\$741,592	
General Fund Total	\$3,932,368	\$4,830,593	\$4,228,738	\$4,071,785	

Grants & Donations Funds

GD-5246-01 - Administration

Contingencies	\$300,000	\$0	\$0	\$0	Budget Increase: FY17 budget transferred to allocate to CDBG grant and other grants/donations
Grants & Donations Funds Total	\$300,000	\$0	\$0	\$0	

Development Impact Fees Funds

DIF-5245/5720-15 - Debt Service

Capital & Debt Service	\$22,700	\$21,198	\$21,198	\$19,177	Budget Increase: Per debt retirement schedule
Development Impact Fees Funds Total	\$22,700	\$21,198	\$21,198	\$19,177	

Wastewater Fund

59-5245/6-01 - Administration

Personnel	(\$25,000)	\$0	\$0	\$0	Budget Increase: Vacancy savings budgeted as a negative amount but realized in each department, moved from Wastewater Department
Contingencies	\$100,000	\$0	\$0	\$0	Budget Increase: Moved from Wastewater Department
Departmental Allocations Total	\$75,000	\$0	\$0	\$0	

59-5250-02 - Departmental Allocations

Personnel	\$0	\$0	\$0	\$206,558
Supplies & Services	\$0	\$0	\$0	\$79,210
Departmental Allocations Total	\$0	\$0	\$0	\$285,768

59-5250/5-15 - Debt Service

Internal Charges	\$120	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Capital & Debt Service	\$4,409,735	\$5,151,325	\$5,151,325	\$5,412,246	Budget Decrease: Based on debt retirement schedules
Debt Service Total	\$4,409,855	\$5,151,325	\$5,151,325	\$5,412,246	

GENERAL SERVICES
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
Wastewater Fund Totals					
Personnel Subtotal	(\$25,000)	\$0	\$0	\$206,558	
Supplies & Services Subtotal	\$0	\$0	\$0	\$79,210	
Direct Costs (Ongoing) Subtotal	(\$25,000)	\$0	\$0	\$285,768	
Internal Charges Subtotal	\$120	\$0	\$0	\$0	
Contingencies Subtotal	\$100,000	\$0	\$0	\$0	
Ongoing Subtotal	\$75,120	\$0	\$0	\$285,768	
Capital & Debt Service Subtotal	\$4,409,735	\$5,151,325	\$5,151,325	\$5,412,246	
Wastewater Fund Total	\$4,484,855	\$5,151,325	\$5,151,325	\$5,698,014	

GRAND TOTALS

Personnel (Ongoing) Subtotal	\$114,150	(\$37,354)	\$6,700	\$216,517
Supplies & Services (Ongoing) Subtotal	\$1,566,108	\$3,306,779	\$3,535,870	\$3,399,444
Direct Costs (Ongoing) Subtotal	\$1,680,258	\$3,269,425	\$3,542,570	\$3,615,961
Internal Charges Subtotal	(\$354,080)	\$0	\$0	\$0
Contingencies Subtotal	\$1,300,000	\$810,000	\$0	\$0
Ongoing Subtotal	\$2,626,178	\$4,079,425	\$3,542,570	\$3,615,961
Personnel (One-Time) Subtotal	\$250,000	\$0	\$0	\$0
Supplies & Services (One-Time) Subtotal	\$0	\$15,000	\$0	\$0
Capital & Debt Service Subtotal	\$5,863,745	\$5,908,691	\$5,858,691	\$6,173,015
One-Time Subtotal	\$6,113,745	\$5,923,691	\$5,858,691	\$6,173,015
Grand Total	\$8,739,923	\$10,003,116	\$9,401,261	\$9,788,976

NOTE: Excluding the impact of costs transferred from the Wastewater Department for insurance premiums and vacancy savings offset, and various costs transferred to departments, the increase in ongoing direct costs would be 13%.

COMMUNITY DEVELOPMENT

Mission Statement

Managing growth through responsible stewardship and excellent customer service – *we make a difference.*

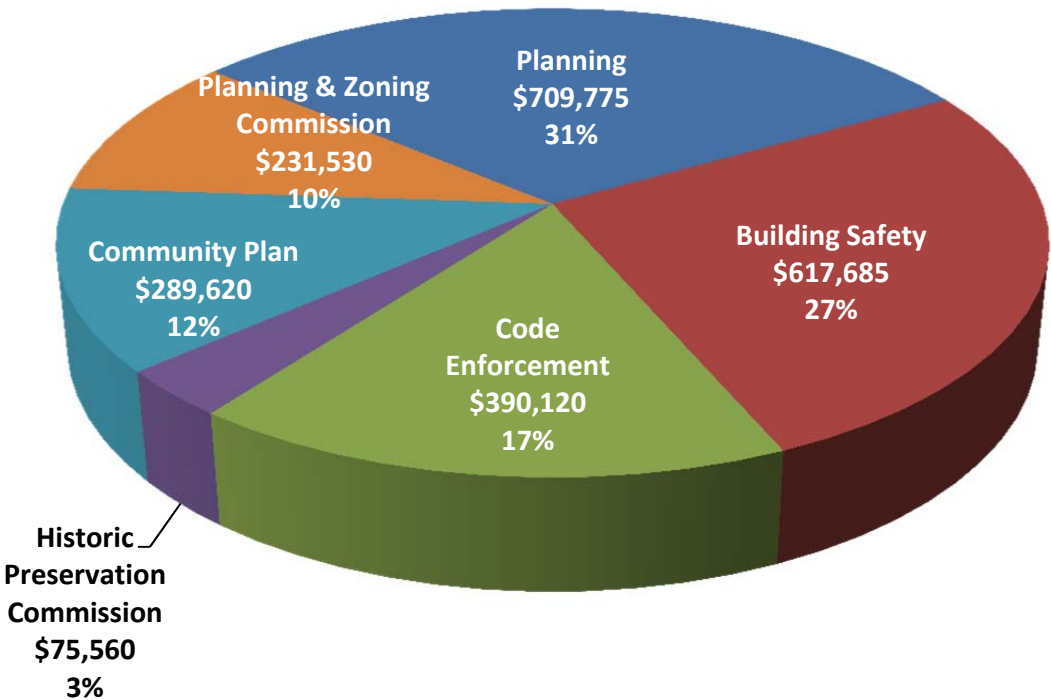
Description

The Community Development Department is comprised of fourteen full-time employees (FTEs) in six divisions and provides support to the City Council and the Historic Preservation and Planning & Zoning Commissions, as well as the Board of Adjustment.

The Community Development Department is responsible for the following program areas:

- Planning
- Building Safety
- Code Enforcement
- Historic Preservation Commission
- Community Plan
- Planning & Zoning Commission

FY 2018 PROGRAM EXPENDITURES: \$2,314,290



COMMUNITY DEVELOPMENT

continued

GENERAL FUND REVENUES

	FY 15 Actual	FY 16 Actual	FY 17 Estimate	FY 18 Projection
Building Safety Revenues				
Building Permits	\$350,118	\$374,984	\$322,700	\$343,500
Time Extensions	\$200	\$650	\$1,350	\$650
Sub Total	\$350,318	\$375,634	\$324,050	\$344,150
Planning Revenues				
Expedited Plan Review	\$0	\$12,150	\$0	\$10,000
Contracted Reviews Reimbursement	\$0	\$2,000	\$4,000	\$10,000
Conditional Use Permits	\$3,900	\$3,000	\$4,700	\$3,600
Temporary Use Permits	\$4,550	\$3,400	\$3,200	\$3,300
Sign Permits	\$19,462	\$16,947	\$17,400	\$17,800
Land Division Permits	\$1,100	\$850	\$1,000	\$1,000
Copies/Records/Maps	\$38	\$234	\$350	\$300
Development Review	\$6,220	\$8,325	\$6,700	\$7,100
Re-inspection Fees	\$350	\$400	\$1,000	\$600
Zoning Amendments	\$4,715	\$2,160	\$5,700	\$2,200
Variances	\$780	\$0	\$1,550	\$800
Subdivisions	\$3,450	\$450	\$150	\$0
Appeals	\$600	\$300	\$150	\$0
Temporary Certificate of Occupancy	N/A	N/A	\$4,100	\$4,100
Film Permits	N/A	N/A	\$500	\$600
Zoning Verification Letters	N/A	N/A	\$1,700	\$700
Administrative Waivers	N/A	N/A	\$600	\$1,050
Miscellaneous Reviews	\$6,625	\$9,047	\$1,050	\$1,050
Sub Total	\$52,165	\$79,288	\$53,850	\$64,200
Total Revenues	\$402,483	\$454,922	\$377,900	\$408,350

GRANTS & DONATIONS FUNDS REVENUES

	FY 15 Actual	FY 16 Actual	FY 17 Estimate	FY18 Projection
Affordable Housing Revenues				
In Lieu Fees	\$0	\$0	\$19,800	\$0
Community Development Block Grant Revenues				
Grant Revenue	\$0	\$21,290	\$123,400	\$0
Total Revenues	\$0	\$21,290	\$143,200	\$0



COMMUNITY DEVELOPMENT - Planning

Program Expenditures:	\$709,775
Personnel Costs:	\$276,670 (39%)
Supplies & Services:	\$317,055 (45%)
Internal Charges:	\$116,050 (16%)
FY 18 Estimated Revenues:	\$ 64,200 (General Fund)
Employee Time Allocation:	2.99 FTEs

The Planning program administers zone change requests, development proposals, subdivisions, appeals and variances, administrative waivers, conditional use permits, temporary use permits, sign permits, as well as front counter assistance. Additionally, because the Board of Adjustment meets on an as-needed basis, the support of this quasi-judicial body is included in the Planning program.

FY 17 Accomplishments

- Land Development Code update; initiated **Council Priority**
- Sign Code Revision; initiated **Council Priority**
- Sustainable Tourism; **Council Priority**

FY 18 Objectives

- Land Development Code update; complete **Council Priority**
- Sign Code Revision; complete **Council Priority**
- Sustainable Tourism; **Council Priority**
- Affordable Housing **Council Priority**
- Brewer Road Park Implementation

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Community Plan amendments	1	2	2	2
Zone changes	2	5	3	2
Development reviews	6	10	6	6
• Average days to residential issue	N/A	7		
• Average days to commercial issue	N/A	21		
Conditional use permits	5	6	5	8
Temporary use permits	69	75	65	70
• Average days to issue	N/A	14		
Sign permits – permanent	88	115	90	90
• Average days to issue	N/A	7		
Sign permits – temporary	105	120	105	105
• Average days to issue	N/A	1		
Film permits	12	20	12	12
• Average days to issue	N/A	5		
Subdivision	3	6	2	2
Administrative waivers	7	10	3	4
Land division permits	17	20	20	20
Variance/Appeals	2	2	2	2
Land Development Code amendments	2	4	2	1
TOTAL	319	395	317	324
Customers rating – quality of permitting services as good or excellent	N/A	N/A	N/A	

COMMUNITY DEVELOPMENT - Building Safety

Program Expenditures:	\$617,685
Personnel Costs:	\$418,810 (68%)
Supplies & Services:	\$ 25,065 (4%)
Capital & Debt Service:	\$ 3,000 (<1%)
Internal Charges:	\$170,810 (28%)
FY 18 Estimated Revenues:	\$344,150 (General Fund)
Employee Time Allocation:	4.74 FTEs

Functions include processing and review of all residential and commercial building permit applications and inspections related to new construction, renovations, photovoltaic systems, *accessory dwelling units* (ADUs), utilities, zoning, grading, drainage, pools, sheds, decks, and other miscellaneous permits.

FY 18 Objectives

- Building Code update; **Council Priority**

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Single-family building permits issued	34	40	27	31
• Total valuation	\$18,609,889	\$20,000,000	\$12,780,000	\$13,000,000
Manufactured homes building permits	6	10	11	12
• Total valuation	\$262,983	\$400,000	\$812,000	\$900,000
Number of commercial building permits issued	97	91	116	120
• Total valuation	\$12,209,508	\$14,000,000	\$2,945,123	\$3,685,123
Photovoltaic building permits	53	55	59	62
• Total valuation	\$1,022,289	\$960,000	\$819,361	\$843,844
Tenant occupancy permits (CofOs)	87	250	126	75
Miscellaneous (sheds, decks, fences, pools, etc.)	181	80	207	210
1.25 FTEs conducting building safety inspections				
• Total Inspection / Average per day	1,845 / 7	2,300 / 9	1,800 / 7	1,940 / 7.5
• Average days from request to inspection	1	N/A	1	1
o Residential	1	N/A	1	1
o Commercial	1	N/A	1	1

Initial Plan Review Timeframe Goals	Number of Days
Residential permits	7
Commercial permits	21
Solar panels	7
Tenant occupancy	5
Tenant improvements	5
Temporary use permits	14
Miscellaneous permits	5

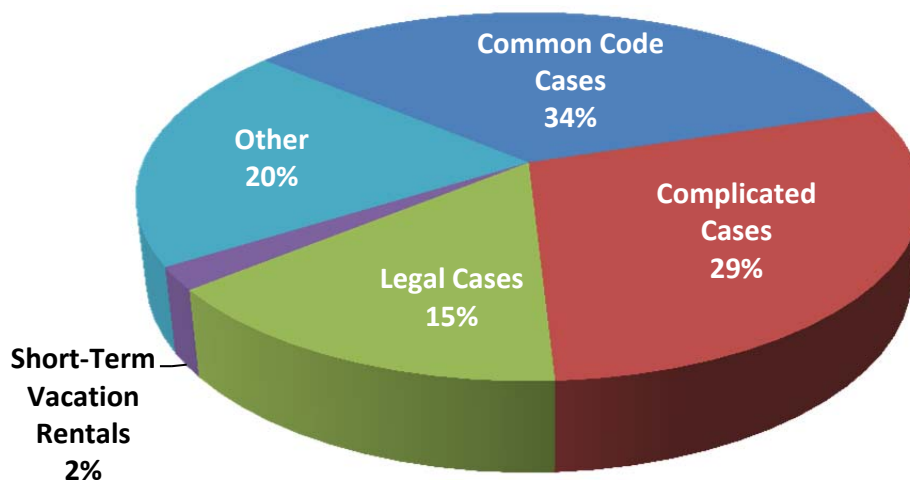
COMMUNITY DEVELOPMENT - Code Enforcement

Program Expenditures: \$390,120
Personnel Costs: \$197,140 (51%)
Supplies & Services: \$ 25,380 (6%)
Internal Charges: \$167,600 (43%)
Employee Time Allocation: 2.41 FTEs

Code Enforcement promotes the health, safety, and welfare of the citizens and the community through enforcement of adopted City Codes. Staff responds to citizen complaints and observed violations of the Land Development Code and the City Code.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Common code cases (up to 60 days)	336	400	415	415
Complicated code cases (between 60 and 180 days)	50	60	50	50
Complicated/legal code cases (180+ days)	5		7	7
Short-term vacation rental cases	22	50	5	20
TOTAL CASES	413	510	477	492
Code enforcement cases per FTE (2.25 FTE FY17, 2.41 FTE FY18)	183.5	N/A	212	204
Cases resolved by voluntary compliance	85%	N/A	93%	93%
Cases resolved by forced compliance	14%	N/A	6%	6%
Cases unresolved requiring legal action	1%	N/A	1%	1%
Average days from complaint to first investigation	1	N/A	1	1
Average days from investigation to voluntary compliance	N/A	N/A	N/A	N/A

Percent of Time Allocation by Case Type



COMMUNITY DEVELOPMENT - Historic Preservation Commission

Program Expenditures:	\$75,560
Personnel Costs:	\$50,970 (68%)
Supplies & Services:	\$ 9,950 (13%)
Internal Charges:	\$14,640 (19%)
Employee Time Allocation:	0.47 FTEs

The Historic Preservation Commission is comprised of seven members appointed by the City Council. The Commission was created in 1998 as a working Commission and was allocated 20% of one full-time employee's time. However, the amount of staff time dedicated is now approximately twice the original 20% allocation.

The purpose of this seven member Commission is to:

- Identify and preserve the City's historic properties.
- Promote the use of historic properties for the education, pleasure, and welfare of the City.
- Foster civic pride in the accomplishments of the past.
- Protect and enhance Sedona's attractiveness to visitors and the resulting support and stimulus to the economy.
- Stabilize and improve property values of rehabilitated and protected sites.
- Provide incentives for restoration by owners of landmarks or historic properties.
- Provide standards for restoration of designated properties and new construction within Historic Districts.

FY 17 Accomplishments

- Article 15 (HP Ordinance): Adopted Jan 2017
- USFS Ranger Station Brewer Road property conceptual master plan: Completed
- Landmark Properties Appreciation Open House and Ranger Station 100 Year Anniversary Party: May 2017

FY 18 Objectives

- Update Historic Landmark Information and Historic Resource Survey
- Create a Historic Resource Recognition Program
- Assist the City and stakeholders in implementing USFS Ranger Station Master Plan
- Prepare an Annual Report for City Council and State Historic Preservation Office
- Schedule a Joint City Council/Commission Work Session
- Establish a new Commissioner Training Program

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Total number of landmarked properties	23	23	23	24
Number of public meetings	11	8	8	8
Number of new properties landmarked	-	-	-	1
Number of civic pride/educational events	1	1	1	1
Number of certificates of appropriateness issued	-	1	1	1
Number of Historic Resource Recognition Awards issued	-	1	1	2
Educational training exercises (Commissioners)	2	3	2	3

COMMUNITY DEVELOPMENT - Community Plan

Program Expenditures:	\$289,620
Personnel Costs:	\$199,000 (69%)
Supplies & Services:	\$ 26,050 (9%)
Internal Charges:	\$ 64,570 (22%)
Employee Time Allocation:	2.02 FTEs

The Sedona Community Plan (Plan) is an expression of Sedona citizens' vision of their community and is the City's "general plan" required by the State of Arizona. The Plan proposes desired conditions for the future of the community. It is intended to guide future growth, not to regulate it. On-going functions related to the Community Plan include implementation of identified goals and strategies, specific planning efforts (*Community Focus Areas (CFAs)*), and minor and major amendments to the Plan.

FY 17 Accomplishments

- Soldier Pass CFA; completed **Council Priority**
- Western Gateway CFA; completed **Council Priority**
- Schnebly CFA; initiated **Council Priority**
- AAA CFA; initiated **Council Priority**

FY 17 Objectives

- Schnebly Hill CFA; complete **Council Priority**
- AAA CFA; complete final draft for recommendation **Council Priority**
- Major amendments to the Community Plan (mandatory); process
- Minor amendments to the Community Plan; process
- CFA planning efforts: initiate other identified areas (e.g. Uptown, Coffeepot, Dells)
Council Priority

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Number of public meetings	1	8	1	2
Number of work group meetings	4	18	1	2
Number of Planning & Zoning Commission meetings	14	6	5	5
Number of City Council meetings	9	6	4	5

COMMUNITY DEVELOPMENT - Planning & Zoning Commission

Program Expenditures: \$231,530
Personnel Costs: \$143,610 (62%)
Supplies & Services: \$ 15,250 (7%)
Internal Charges: \$ 72,670 (31%)
Employee Time Allocation: 1.45 FTEs

The Planning & Zoning Commission is comprised of seven citizens who have been appointed by the City Council to review matters relating to planning and development. The Commission is the decision-making authority for conditional use permits and development review applications. The Commission makes recommendations to the City Council on such things as amendments to the Community Plan and the Land Development Code, specific planning projects, re-zonings, and subdivision requests.

FY18 Additional Objectives

Staff:

- Prepare accurate, well-documented, and well-written reports
- Establish a new Commissioner Training Program
- Respond to requests for information in a timely and professional manner
- Provide exhibits, illustrations, and/or pictures to help commissioners visualize the project/proposal

Commission:

- Hold hearings to review and act upon matters related to planning and development
- Conduct meeting in accordance with Open Meeting Laws, Rules & Operating Procedures
- Decisions are made based on a rational decision-making process, utilizing codes, regulations, reports, testimony, data, and other applicable documentation

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Number of work sessions	5	20	10	10
Number of public meetings	15	20	15	20
Number of site visits	-	4	5	5

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Community Plan amendments	1	2	2	2
Zone changes	2	5	3	4
Development reviews	6	10	6	8
Conditional use permits	5	6	5	8
Subdivision	3	6	2	3
Land Development Code amendments	2	4	2	1
CFA projects	2	3	2	2
Educational training exercises (Commissioners)	-	2	1	1
Total	21	38	23	29

COMMUNITY DEVELOPMENT

continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5310-31 - Planning	\$709,775	\$500,556	\$361,931	\$845,107
10-5310-32 - Building Safety	\$617,685	\$447,741	\$372,968	\$174,240
10-5310-33 - Code Enforcement	\$390,120	\$183,620	\$175,770	\$145,245
10-5310-62 - Historic Preservation Commission	\$75,560	\$66,080	\$65,880	\$0
10-5310-67 - Community Plan	\$289,620	\$320,079	\$306,079	\$15,445
10-5310-71 - Planning & Zoning Commission	\$231,530	\$141,082	\$137,882	\$0
General Fund Total	\$2,314,290	\$1,659,158	\$1,420,510	\$1,180,037

Grants & Donations Funds

GD-5310-00/34 - Community Development Block Grant	\$0	\$272,450	\$123,400	\$21,290
Grants & Donations Funds Total	\$0	\$272,450	\$123,400	\$21,290

GRAND TOTALS

Planning	\$709,775	\$500,556	\$361,931	\$845,107
Building Safety	\$617,685	\$447,741	\$372,968	\$174,240
Code Enforcement	\$390,120	\$183,620	\$175,770	\$145,245
Community Development Block Grant	\$0	\$272,450	\$123,400	\$21,290
Historic Preservation Commission	\$75,560	\$66,080	\$65,880	\$0
Community Plan	\$289,620	\$320,079	\$306,079	\$15,445
Planning & Zoning Commission	\$231,530	\$141,082	\$137,882	\$0
Grand Totals	\$2,314,290	\$1,931,608	\$1,543,910	\$1,201,327

COMMUNITY DEVELOPMENT
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5310-31 - Planning					
Personnel	\$276,670	\$195,230	\$195,230	\$789,208	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$48,555	\$34,294	\$13,669	\$31,917	Budget Increase: Added third party review of wireless applications (\$10k), increased Travel & Training (\$5k)
Planning Direct Costs Subtotal	\$325,225	\$229,524	\$208,899	\$821,125	
Internal Charges	\$116,050	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Planning Ongoing Total	\$441,275	\$229,524	\$208,899	\$821,125	
Supplies & Services (one-time)	\$268,500	\$260,000	\$142,000	\$0	Budget: Land Development Code comprehensive update, replacement of chairs Current Year Under Budget: Partial carryover of Land Development Code comprehensive update
Capital & Debt Service	\$0	\$11,032	\$11,032	\$23,982	
Planning One-Time Total	\$268,500	\$271,032	\$153,032	\$23,982	
Planning Total	\$709,775	\$500,556	\$361,931	\$845,107	
10-5310-32 - Building Safety					
Personnel	\$418,810	\$405,506	\$337,486	\$160,696	Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$23,815	\$26,203	\$24,450	\$13,544	Budget Decrease: Reduced professional services for expedited plan reviews (\$4k)
Building Safety Direct Costs Subtotal	\$442,625	\$431,709	\$361,936	\$174,240	
Internal Charges	\$170,810	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Building Safety Ongoing Total	\$613,435	\$431,709	\$361,936	\$174,240	
Supplies & Services (one-time)	\$1,250	\$5,000	\$0	\$0	Budget: Replacement of chairs
Capital & Debt Service	\$3,000	\$11,032	\$11,032	\$0	Budget: Equipment for Chief Building Official vehicle
Building Safety One-Time Total	\$4,250	\$16,032	\$11,032	\$0	
Building Safety Total	\$617,685	\$447,741	\$372,968	\$174,240	
10-5310-33 - Code Enforcement					
Personnel	\$197,140	\$163,040	\$163,040	\$131,964	Budget Increase: Change in allocations between program
Supplies & Services (ongoing)	\$21,030	\$20,580	\$12,730	\$13,281	Current Year Under Budget: Estimated under budget for abatement of code violations
Code Enforcement Direct Costs Subtotal	\$218,170	\$183,620	\$175,770	\$145,245	
Internal Charges	\$167,600	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Code Enforcement Ongoing Total	\$385,770	\$183,620	\$175,770	\$145,245	
Supplies & Services (one-time)	\$4,350	\$0	\$0	\$0	Budget: Furniture replacement, mandatory biennial recertification training
Code Enforcement Total	\$390,120	\$183,620	\$175,770	\$145,245	



COMMUNITY DEVELOPMENT
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
10-5310-62 - Historic Preservation Commission					
Personnel	\$50,970	\$39,630	\$39,630	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$9,950	\$26,450	\$26,250	\$0	Budget Decrease: Eliminated HPC matching grants (\$20k)
Historic Preservation Commission Direct Costs Subtotal	\$60,920	\$66,080	\$65,880	\$0	
Internal Charges	\$14,640	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Historic Preservation Commission Total	\$75,560	\$66,080	\$65,880	\$0	
10-5310-67 - Community Plan					
Personnel	\$199,000	\$285,879	\$285,879	\$0	Budget Decrease: Change in allocations between programs
Supplies & Services (ongoing)	\$26,050	\$34,200	\$20,200	\$15,445	Budget Decrease: Reduced postage (\$6k) Current Year Under Budget: Estimated savings in postage and mailings for P&Z and public hearings
Community Plan Direct Costs Subtotal	\$225,050	\$320,079	\$306,079	\$15,445	
Internal Charges	\$64,570	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Community Plan Total	\$289,620	\$320,079	\$306,079	\$15,445	
10-5310-71 - Planning & Zoning Commission					
Personnel	\$143,610	\$134,882	\$134,882	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$15,250	\$6,200	\$3,000	\$0	Budget Increase: Change in allocations between programs
Planning & Zoning Commission Direct Costs Subtotal	\$158,860	\$141,082	\$137,882	\$0	
Internal Charges	\$72,670	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Planning & Zoning Commission Total	\$231,530	\$141,082	\$137,882	\$0	
General Fund Totals					
Personnel Subtotal	\$1,286,200	\$1,224,167	\$1,156,147	\$1,081,868	
Supplies & Services (Ongoing) Subtotal	\$144,650	\$147,927	\$100,299	\$74,187	
Direct Costs (Ongoing) Subtotal	\$1,430,850	\$1,372,094	\$1,256,446	\$1,156,055	
Internal Charges Subtotal	\$606,340	\$0	\$0	\$0	
Ongoing Subtotal	\$2,037,190	\$1,372,094	\$1,256,446	\$1,156,055	
Supplies & Services (One-Time) Subtotal	\$274,100	\$265,000	\$142,000	\$0	
Capital & Debt Service Subtotal	\$3,000	\$22,064	\$22,064	\$23,982	
One-Time Subtotal	\$277,100	\$287,064	\$164,064	\$23,982	
General Fund Total	\$2,314,290	\$1,659,158	\$1,420,510	\$1,180,037	

COMMUNITY DEVELOPMENT
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
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Grants & Donations Funds

GD-5310-00/34 - Community Development Block Grant

Supplies & Services (one-time)	\$0	\$272,450	\$123,400	\$21,290	Budget Decrease: No CDBG funding expected for FY18 Current Year Under Budget: Estimated savings in CDBG grant costs
Grants & Donations Funds Total	\$0	\$272,450	\$123,400	\$21,290	

GRAND TOTALS

Personnel Subtotal	\$1,286,200	\$1,224,167	\$1,156,147	\$1,081,868
Supplies & Services (Ongoing) Subtotal	\$144,650	\$147,927	\$100,299	\$74,187
Direct Costs (Ongoing) Subtotal	\$1,430,850	\$1,372,094	\$1,256,446	\$1,156,055
Internal Charges Subtotal	\$606,340	\$0	\$0	\$0
Ongoing Subtotal	\$2,037,190	\$1,372,094	\$1,256,446	\$1,156,055
Supplies & Services (One-Time) Subtotal	\$274,100	\$537,450	\$265,400	\$21,290
Capital & Debt Service Total	\$3,000	\$22,064	\$22,064	\$23,982
One-Time Subtotal	\$277,100	\$559,514	\$287,464	\$45,272
Grand Total	\$2,314,290	\$1,931,608	\$1,543,910	\$1,201,327

COMMUNITY DEVELOPMENT
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Administrative Assistant	1.00	1.00	1.60
Assistant Community Development Director	1.00	0.00	0.00
Assistant Planner	2.00	2.00	2.00
Building Inspector	1.00	1.00	2.11
Chief Building Official	1.00	1.00	0.00
Code Enforcement Officer	1.00	1.00	1.00
Development Services Manager	0.00	0.00	1.00
Development Services Representative	1.00	1.00	1.00
Director of Community Development	1.00	1.00	1.00
Economic Development & Business Relations Manager	0.00	0.00	1.00
Plans Examiner	1.00	1.00	1.00
Principal Planner	0.00	1.00	0.00
Senior Code Enforcement Officer	1.00	1.00	1.00
Senior Planner	3.00	3.00	3.00
Temporary City Employee ⁽¹⁾	0.08	0.00	0.00
Total	14.08	14.00	15.71

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5310-31	Planning	2.99	2.15	10.60
10-5310-32	Building Safety	4.74	4.80	2.05
10-5310-33	Code Enforcement	2.41	2.25	2.00
10-5310-62	Historic Preservation Commission ⁽²⁾	0.47	0.40	0.00
10-5310-67	Community Plan	2.02	2.90	1.00
10-5310-71	Planning & Zoning Commission ⁽²⁾	1.45	1.50	0.00
General Fund Total		14.08	14.00	15.65
Wastewater Fund				
59-5250-02	Administration	0.00	0.00	0.06
Wastewater Fund Total		0.00	0.00	0.06
Grand Total		14.08	14.00	15.71

⁽¹⁾ Temporary position

⁽²⁾ The appointed commissioners are unpaid volunteers and are not included in the employee full-time equivalency (FTE) count.

PUBLIC WORKS

Mission Statement

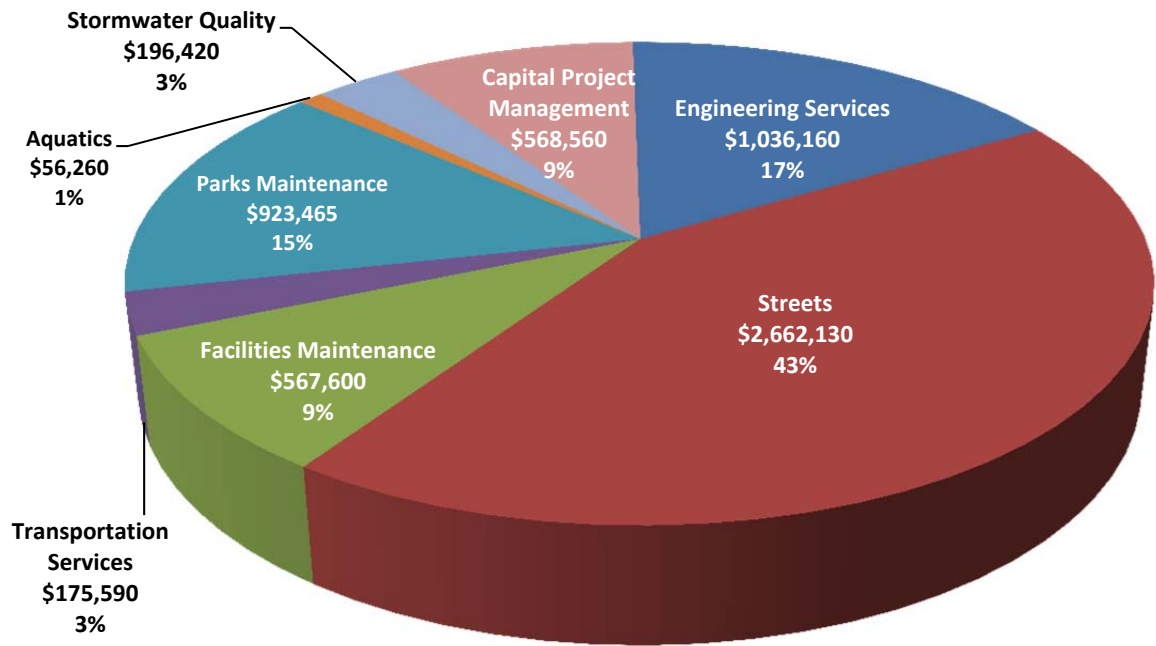
Providing a safe and enjoyable experience, through cost effective, quality infrastructure and services.

Description

The main program areas and the services included in the Public Works Department are:

- Engineering Services – Administrative services, office support and supplies, development review, staff training, and general professional services.
- Streets Maintenance – Streets rehabilitation, pavement preservation, equipment and machinery operation and maintenance, utilities, landscaping, right-of-way maintenance, traffic control, drainage maintenance and multi-modal facility maintenance in the public right-of-way.
- Facilities Maintenance – Maintenance of City buildings, service contracts, facility utilities, and facility improvements.
- Parks Maintenance – Maintenance of parks grounds, equipment and machinery, service contracts, and utilities.
- Aquatics – Maintenance of community pool.
- Stormwater Quality – Stormwater quality permit fees, professional services, and public outreach.
- Capital Projects Management – Personnel management of capital improvement projects.
- Transportation Services – Traffic control aid support for congestion relief traffic control operations.

FY 2018 PROGRAM EXPENDITURES: \$6,186,185

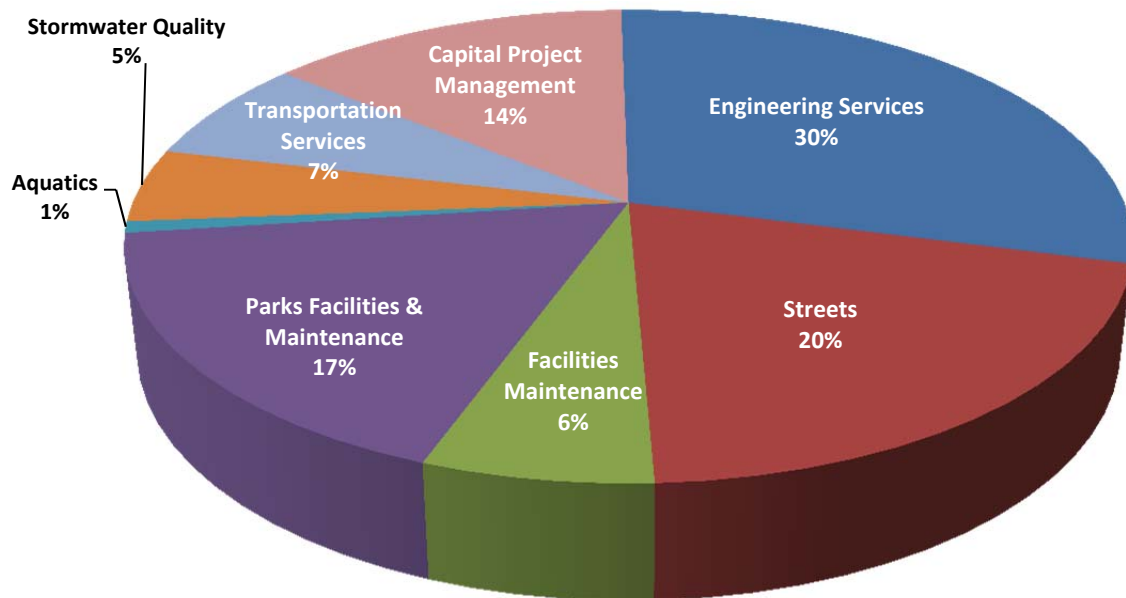


PUBLIC WORKS continued

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY17 Estimate	FY 18 Target
Public Works Customer Satisfaction	N/A	N/A	N/A	N/A

FY 2018 Percentage of Employee Allocations by Program Area

The Public Works Department has 25.6 full-time equivalent employees. Employee time allocations are as shown below.



PUBLIC WORKS - Maintenance Services

Program Expenditures: \$4,209,455

Streets Maintenance - Streets rehabilitation, pavement preservation, equipment and machinery operation and maintenance, utilities, landscaping, right-of-way maintenance, traffic control, drainage maintenance and multi-modal facility maintenance in the public right-of-way.

Program Expenditures:	\$2,662,130
Personnel Costs:	\$ 346,100 (13%)
Supplies & Services:	\$1,877,800 (70%)
Internal Charges:	\$ 366,230 (14%)
Capital & Debt Service:	\$ 72,000 (3%)
Employee Time Allocation:	5.17 FTEs
General Fund Portion:	\$1,458,640 (55%)
Streets Fund Portion:	\$1,203,490 (45%)

The streets rehabilitation and pavement preservation costs are paid from the Streets Fund. The Streets Fund is primarily funded by *Highway User Revenue Funds* (HURF) revenues (the state shared gas revenues), which are restricted for the maintaining, repairing, and upgrading of streets. Major street improvements and construction are included in the Capital Improvement Plan budget and paid from the Capital Improvement Fund. All other streets related costs are paid from the General Fund.

Facilities Maintenance - Maintenance of City buildings, service contracts, facility utilities, and facility improvements.

Program Expenditures:	\$567,600
Personnel Costs:	\$116,510 (21%)
Supplies & Services:	\$353,850 (62%)
Internal Charges:	\$ 57,240 (10%)
Capital & Debt Service:	\$ 40,000 (7%)
Employee Time Allocation:	1.60 FTEs
Charges Allocated to Other Departments:	\$ 564,540

Parks Maintenance - Maintenance of parks grounds, equipment and machinery, service contracts, and utilities.

Program Expenditures:	\$923,465
Personnel Costs:	\$270,460 (29%)
Supplies & Services:	\$354,985 (38%)
Internal Charges:	\$297,020 (32%)
Capital & Debt Service:	\$ 1,000 (<1%)
Employee Time Allocation:	4.44 FTEs

Pool Maintenance - Maintenance of the community pool.

Program Expenditures:	\$56,260
Personnel Costs:	\$12,220 (22%)
Supplies & Services:	\$36,160 (64%)
Internal Charges:	\$ 7,880 (14%)
Employee Time Allocation:	0.20 FTEs

PUBLIC WORKS - Maintenance Services

continued

FY 17 Accomplishments

- Milled and overlaid Sunset Drive, Mountain Shadows Drive and Navahopi Road.
- Fractured Aggregate Surface Treatment (FAST) on Sedona West Subdivision streets, Elberta Drive, Orchard Lane, Tonto Road, Sedona Vista Drive and Mormon Hill Road.
- Completed budgeted streets rehabilitation and preservation projects.
- Completed Pre-Monsoon Program for FY 2016-17.
- Met Arizona Department of Environmental Quality (ADEQ) requirements for Municipal Separate Storm Sewer (MS4) compliance.
- Developed Property Management Maintenance Plan.
- Assisted with Community Clean-Up Event, for fire abatement and pre-monsoon drainage cleanup.

FY 18 Objectives

- Continue to accelerate re-paving program with a target to complete 4 to 5 miles of street rehabilitation per year.
- Complete Pre-Monsoon Program for FY 2017-18.
- Continue to enhance bicycle route signage.
- Continue to enhance Property Management Maintenance Plan.
- Meet ADEQ requirements for Municipal Separate Storm Sewer (MS4) compliance.
- Continue to refine processes for efficiency.

Council Priorities

- **Construct Beautification of SR 89A** – These improvements are on hold pending recommendations from the Western Gateway CFA and reprioritization based on the needs of other projects.
- **CSA Program** – Public Works staff are working with the Police Department, Communications, and City Management staff to address the traffic control needs portion of this program. The current method for addressing the immediate need, for the peak tourism season of 2017, is based on utilizing resources from other programs, and existing staff on overtime pay. This is not expected to be a long-term sustainable method for this program. A decision package has been proposed in the operating budget as a method to address the long term traffic control need.

PUBLIC WORKS - Maintenance Services

continued

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY18 Target
Parks maintained acres	31.7	39.7	39.7	39.7
Parks maintenance program cost	\$699,319	\$586,246	\$586,246	\$604,295
Parks maintenance cost per maintained acre	\$22,000	\$14,800	\$14,800	\$15,222
Parks lawn area acres	6.0	6.2	6.2	6.2
Parks lawn area maintenance cost	\$17,950	\$22,500	\$22,900	\$15,222
Parks lawn area cost per acre	\$2,992	\$3,629	\$22,900	\$3,806
Miles of City maintained streets	110	110	110	110
Miles of streets rehabilitation completed	2.30	4.0	5.6	5.0
Pavement Rehab Cost	\$1,269,000	\$1,150,000	\$1,150,000	\$1,150,000
Pavement Rehab Cost per mile	\$552,000	\$287,500	\$205,000	\$230,000
Number of City maintained facilities	21	22	22	22
Facilities maintenance cost	\$579,298	\$536,964	\$536,964	\$498,190
Facilities cost per facility	\$27,586	\$24,407	\$24,407	\$22,645
In-house projects completed (#)	2	2	7	5
In-house projects contractor bid amount	\$57,900	\$40,000	\$160,000	\$100,000
In-house projects actual cost (\$)	\$21,250	\$15,000	\$55,000	\$35,000
Savings due to in-house projects	\$36,650	\$25,000	\$105,000	\$65,000
Number of culverts cleaned	22	25	26	30

In-house projects completed in FY2017 included the Sinagua Property Connection, Ranger Station Park Demolition, Wetlands Piers, Fitness Trail Demolition, Wetland Roadway Millings, Bike Park Construction, and Wetland Observation Pads.

PUBLIC WORKS - Capital Projects Management

Program Expenditures:	\$568,560
Personnel Costs:	\$368,910 (65%)
Supplies & Services:	\$ 9,120 (2%)
Internal Charges:	\$190,530 (33%)
Employee Time Allocation:	3.54 FTEs
General Fund Portion:	\$453,530 (80%)
Wastewater Fund Portion:	\$115,030 (20%)

The Public Works Department manages projects for multiple budget programs. As shown below, the Capital Improvement Program (CIP) includes:

- **Art in Public Places** – Art in the Roundabouts (nothing budgeted for FY 2017-18).
- **Community Development** – Brewer Road Property.
- **Drainage** – Brewer Road/Tlaquepaque improvements, Juniper Hills Drainage, easement acquisition, Coffee Pot Drainage Basin improvements.
- **Police** – Shooting Range Improvements, Police facility renovations, records management upgrades.
- **Public Works** – General public works projects like the Uptown Restroom Improvements (nothing budgeted for FY 2017-18).
- **Parks and Recreation** – Concession stand improvements, park land acquisition, Dog Park upgrade, Bike Skills Park improvements.
- **Streets** – Transportation master plan implementation projects, road projects, sidewalk extensions.
- **Wastewater** – Collections system master plan implementation projects, effluent management project (recharge wells), SCADA system upgrades, air drying bed drive pad, bar screen and filter system upgrades, headworks replacement.

A portion of the Capital Projects Management program is allocated to the Wastewater Enterprise Fund and represents the Fund's share of the cost for support services.

FY 17 Accomplishments

- Maintained and further developed a comprehensible communication report for capital improvement project updates. See www.sedonaaz.gov/CIP.
- Completed 97% of budgeted capital improvement projects across multiple departments.

FY 18 Objectives

- Incorporate and complete traffic improvement projects recommended in the Transportation Master Plan Update.
- Incorporate and complete wastewater projects recommended in the Wastewater Master Plan Update.
- Complete design and construction of budgeted capital improvement projects on time.
- Complete design and construction of budgeted capital improvement projects within budget.

Council Priorities

- **Complete Various Traffic Improvements** – Phased improvements have been proposed in the capital improvement program.
- **Brewer Road Park** – The master plan design is complete. Phase 1 improvements are under design and phased improvements have been proposed in the capital improvement program.

PUBLIC WORKS - Capital Projects Management

continued

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Projects budgeted (#)	31	26	26	23
Projects budgeted (CIP \$M)	\$14,108,000	\$10,930,000	\$10,930,000	\$14,064,000
Projects completed (CIP \$M)	\$9,700,000	\$9,837,000	\$10,383,500	\$12,658,000
Projects completed (%)	69%	90%	95%	90%
Projects completed (CIP \$M) / FTE	\$3.59M	\$3.93M	\$4.28M	\$4.55M
Projects completed (#) / FTE	4.8	9.2	9.2	5.1
Value of Parks & Recreation projects (not including land acq.)	\$1.42M	\$1.61M	\$1.61M	\$49,500
Value of Streets projects	\$2.17M	\$1.42M	\$1.42M	\$4.49M

PUBLIC WORKS - Engineering Services

Program Expenditures:	\$1,036,160
Personnel Costs:	\$ 654,770 (63%)
Supplies & Services:	\$ 111,580 (11%)
Internal Charges:	\$ 269,810 (26%)
Employee Time Allocation:	7.51 FTEs
General Fund Portion:	\$ 719,870 (70%)
Wastewater Fund Portion:	\$ 316,290 (30%)

The Engineering Services program is responsible for administrative services, office support and supplies, development review, staff training, and general professional services. A portion of the Engineering Services program is allocated to the Wastewater Enterprise Fund and represents the Fund's share of the cost for support services. This program also includes the personnel costs for the Streets Maintenance program.

Council Priorities

- **Land Development Code** – Public Works staff are working in support of the Community Development Department on the land development code update.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Building Permits Reviewed	295	305	305	305
Commercial Permits Reviewed	211	250	250	250
Maintained NACOG Funding Eligibility (provided traffic count data)	Yes	Yes	Yes	Yes

GENERAL FUND REVENUES

	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Projection
Right-of-Way Permits	\$4,745	\$4,060	\$4,900	\$4,000
Miscellaneous Revenues	\$2,500	\$0	\$100	\$0
Total Revenues	\$7,245	\$4,060	\$5,000	\$4,000

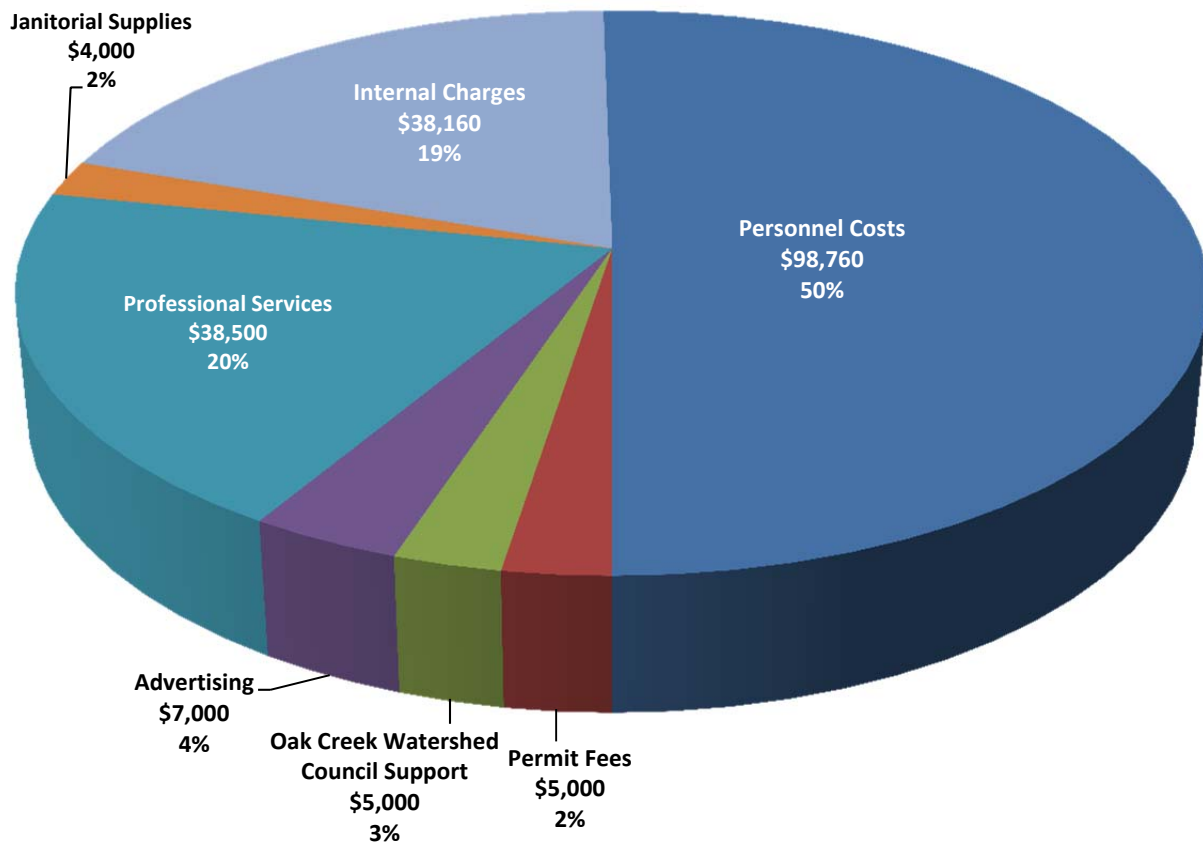
PUBLIC WORKS– Stormwater Quality

Program Expenditures: \$196,420
Personnel Costs: \$ 98,760 (50%)
Supplies & Services: \$ 59,500 (30%)
Internal Charges: \$ 38,160 (20%)
Employee Time Allocation: 1.29 FTEs

The Stormwater Quality program is responsible for stormwater quality permit fees, professional services, and public outreach.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY17 Estimate	FY 18 Target
MS4 Compliant (Municipal Separate Storm Sewer System)	Yes	Yes	Yes	Yes

FY 2018 STORMWATER QUALITY EXPENDITURES: \$192,420



PUBLIC WORKS- Transportation Services

Program Expenditures:	\$175,590
Personnel Costs:	\$111,290 (63%)
Supplies & Services:	\$ 4,680 (3%)
Internal Charges:	\$ 43,620 (25%)
Capital & Debt Service:	\$ 16,000 (9%)
Employee Time Allocation:	1.82 FTEs

The Transportation Services program is responsible for traffic congestion relief. The new traffic control operations includes setting up, operating, and maintaining on-going traffic control operations throughout the year, primarily focused on improving traffic flows through Uptown, and the SR 179 corridor. A reduction in travel times will improve the quality of life for residents and the Sedona experience for visitors.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY17 Estimate	FY 18 Target
Number of days of delays > 42 minutes – SR 89A Uptown	N/A	N/A	10*	10
Number of days of delays > 36 minutes – SR 179	N/A	N/A	6*	6
Number of days with traffic control on SR 89A	N/A	N/A	37	58
Number of days with traffic control on SR 179	N/A	N/A	12	12
Number of holiday weekends with traffic control	N/A	N/A	4 of 11	11 of 11
Number of holiday weekends with delays > 42 minutes – SR 89A Uptown	N/A	N/A	3*	3
Number of holiday weekends with delays > 36 Minutes – SR 179	N/A	N/A	3*	3

* Days of delay were only measured beginning February 2017.

PUBLIC WORKS
continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY16 Actuals
General Fund				
10-5320-01 - Administration	\$0	\$0	\$0	\$492,692
10-5320-25 - Aquatics Operations & Maintenance	\$56,260	\$0	\$0	\$0
10-5320-26 - Parks Facilities & Maintenance	\$923,465	\$560,426	\$562,826	\$699,319
10-5320-38 - Engineering Services	\$719,870	\$604,649	\$611,969	\$0
10-5320-39 - Streets Maintenance	\$1,458,640	\$1,117,849	\$1,030,099	\$0
10-5320-68 - Stormwater Quality	\$196,420	\$146,620	\$146,620	\$95,384
10-5320-77 - Transportation Services	\$175,590	\$0	\$0	\$0
10-5320-79 - Facilities Maintenance	\$567,600	\$568,494	\$554,604	\$579,298
10-5320-89 - Capital Projects Management	\$453,530	\$247,680	\$247,680	\$221,086
General Fund Total	\$4,551,375	\$3,245,718	\$3,153,798	\$2,087,779
Streets Fund				
11-5320-01 - Administration	\$0	\$0	\$0	\$90,225
11-5320-52 - Road & Drainage Rehabilitation	\$1,203,490	\$1,150,000	\$1,150,000	\$685,080
11-5320-54 - Right-of-Way Maintenance	\$0	\$0	\$0	\$242,731
11-5320-73 - Traffic Signals	\$0	\$0	\$0	\$108,191
Streets Fund Total	\$1,203,490	\$1,150,000	\$1,150,000	\$1,126,227
Wastewater Fund				
59-5320-38 - Engineering Services	\$316,290	\$196,523	\$197,723	\$16,096
59-5320-89 - Capital Projects Management	\$115,030	\$84,210	\$84,210	\$0
Wastewater Fund Total	\$431,320	\$280,733	\$281,933	\$16,096
GRAND TOTALS				
Administration	\$0	\$0	\$0	\$582,917
Aquatics	\$56,260	\$0	\$0	\$0
Parks Maintenance	\$923,465	\$560,426	\$562,826	\$699,319
Engineering Services	\$1,036,160	\$801,172	\$809,692	\$16,096
Streets/Road & Drainage Rehab/ROW Maint./Traffic Signals	\$2,662,130	\$2,267,849	\$2,180,099	\$1,036,002
Stormwater Quality	\$196,420	\$146,620	\$146,620	\$95,384
Transportation Services	\$175,590	\$0	\$0	\$0
Facilities Maintenance	\$567,600	\$568,494	\$554,604	\$579,298
Capital Projects Management	\$568,560	\$331,890	\$331,890	\$221,086
Grand Totals	\$6,186,185	\$4,676,451	\$4,585,731	\$3,230,102
Charges to Other Departments	(\$564,540)	\$0	\$0	\$0
Net Totals	\$5,621,645	\$4,676,451	\$4,585,731	\$3,230,102

PUBLIC WORKS
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY16 Actuals	Explanation of Changes
General Fund					
10-5320-01 - Administration					
Personnel	\$0	\$0	\$0	\$468,240	
Supplies & Services	\$0	\$0	\$0	\$24,452	
Administration Total	\$0	\$0	\$0	\$492,692	
10-5320-25 - Aquatics Operations & Maintenance					
Personnel	\$12,220	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$36,160	\$0	\$0	\$0	Budget Increase: Moved from Parks & Recreation
Aquatics Operations & Maintenance Direct Costs Subtotal	\$48,380	\$0	\$0	\$0	
Internal Charges	\$7,880	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Aquatics Operations & Maintenance Total	\$56,260	\$0	\$0	\$0	
10-5320-26 - Parks Facilities & Maintenance					
Personnel	\$270,460	\$269,530	\$278,030	\$466,813	Budget Increase: Added overtime for in-house projects (\$10k); added Bike Skills Park maintenance (Decision Package - CM Partial Recommendation) Current Year Over Budget: Overtime for parks projects
Supplies & Services (ongoing)	\$354,985	\$264,896	\$258,796	\$188,112	Budget Increase: Increased water utility (\$77k), wastewater utility (\$15k), chemicals (\$8k), grounds maintenance (\$16k), USFS trails maintenance (\$10k); moved vehicle fuel and maintenance costs from General Services (\$14k); decreases electric utility (\$54k)
Parks Facilities & Maintenance Direct Costs Subtotal	\$625,445	\$534,426	\$536,826	\$654,925	
Internal Charges	\$297,020	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Parks Facilities & Maintenance Ongoing Total	\$922,465	\$534,426	\$536,826	\$654,925	
Capital & Debt Service	\$1,000	\$26,000	\$26,000	\$44,394	Budget: New landscaping including trees
Parks Facilities & Maintenance Total	\$923,465	\$560,426	\$562,826	\$699,319	

PUBLIC WORKS
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY16 Actuals	Explanation of Changes
10-5320-38 - Engineering Services					
Personnel	\$450,020	\$560,560	\$567,660	\$0	Budget Decrease: Change in allocations between program Current Year Over Budget: Overtime increases
Supplies & Services (ongoing)	\$35,750	\$44,089	\$44,309	\$0	Budget Decrease: Reduction in uniform expenses (\$4k); moved vehicle fuel and maintenance costs from General Services (\$5k); moved Travel & Training costs to other programs (\$11k)
Engineering Services Direct Costs Subtotal	\$485,770	\$604,649	\$611,969	\$0	
Internal Charges	\$204,100	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Engineering Services Ongoing Total	\$689,870	\$604,649	\$611,969	\$0	
Supplies & Services (one-time)	\$30,000	\$0	\$0	\$0	Budget: Aerial photo
Engineering Services Total	\$719,870	\$604,649	\$611,969	\$0	
10-5320-39 - Streets Maintenance					
Personnel	\$346,100	\$209,520	\$209,520	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$727,800	\$855,529	\$767,779	\$0	Budget Decrease: Reduction in drainage maintenance (\$90k), right-of-way maintenance (\$24k), water utility (\$10k), electric utility (\$4k), vehicle fuel costs of (\$7k); increase in vehicle maintenance costs (\$10k), moved Travel & Trainings costs from Engineering Services (\$3k)
Streets Maintenance Direct Costs Subtotal	\$1,073,900	\$1,065,049	\$977,299	\$0	
Internal Charges	\$312,740	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Streets Maintenance Ongoing Total	\$1,386,640	\$1,065,049	\$977,299	\$0	
Capital & Debt Service	\$72,000	\$52,800	\$52,800	\$0	Budget: ADA sidewalk improvements, hot box (Decision Package - CM Recommended)
Streets Maintenance Total	\$1,458,640	\$1,117,849	\$1,030,099	\$0	
10-5320-68 - Stormwater Quality					
Personnel	\$98,760	\$94,120	\$94,120	\$66,782	
Supplies & Services (ongoing)	\$59,500	\$52,500	\$52,500	\$28,602	Budget Increase: Increased street sweeping (\$15,000), decreased Oak Creek Watershed Council (\$10k)
Stormwater Quality Direct Costs Subtotal	\$158,260	\$146,620	\$146,620	\$95,384	
Internal Charges	\$38,160	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Stormwater Quality Total	\$196,420	\$146,620	\$146,620	\$95,384	

PUBLIC WORKS
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY16 Actuals	Explanation of Changes
10-5320-77 - Transportation Services					
Personnel	\$111,290	\$0	\$0	\$0	Budget Increase: Traffic Control Operations (Decision Package - CM Recommended)
Supplies & Services (ongoing)	\$4,680	\$0	\$0	\$0	Budget Increase: Traffic Control Operations (Decision Package - CM Recommended)
Transportation Services Direct Costs Subtotal	\$115,970	\$0	\$0	\$0	
Internal Charges	\$43,620	\$0	\$0	\$0	Budget Increase: Traffic Control Operations (Decision Package - CM Recommended)
Transportation Services Ongoing Total	\$159,590	\$0	\$0	\$0	
Capital & Debt Service	\$16,000	\$0	\$0	\$0	Budget: Variable message sign (Decision Package - CM Recommended)
Transportation Services Total	\$175,590	\$0	\$0	\$0	
10-5320-79 - Facilities Maintenance					
Personnel	\$116,510	\$104,120	\$104,120	\$105,241	Budget Increase: Added overtime for in-house projects (\$10k)
Supplies & Services (ongoing)	\$353,850	\$389,374	\$425,484	\$315,873	Budget Decrease: Reduction in professional services (\$3k), water utility (\$3k), electric utility (\$62k), gas utility (\$12k), propane utility (\$4k); increased wastewater utility (\$14k), maintenance and improvements (\$10k) Current Year Under Budget: Savings in janitorial services and utilities
Facilities Maintenance Direct Costs Subtotal	\$470,360	\$493,494	\$529,604	\$421,114	
Internal Charges	(\$507,300)	\$0	\$0	\$0	Budget Decrease: Indirect cost allocation plan implemented for FY2018
Facilities Maintenance Ongoing Total	(\$36,940)	\$493,494	\$529,604	\$421,114	
Capital & Debt Service	\$40,000	\$75,000	\$25,000	\$158,184	Budget: Maintenance projects
Facilities Maintenance Total	\$3,060	\$568,494	\$554,604	\$579,298	
10-5320-89 - Capital Projects Management					
Personnel	\$276,890	\$247,680	\$247,680	\$221,086	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$7,230	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Capital Projects Management Direct Costs Subtotal	\$284,120	\$247,680	\$247,680	\$221,086	
Internal Charges	\$169,410	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Capital Projects Management Total	\$453,530	\$247,680	\$247,680	\$221,086	

PUBLIC WORKS
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY16 Actuals	Explanation of Changes
General Fund Totals					
Personnel Subtotal	\$1,682,250	\$1,485,530	\$1,501,130	\$1,328,162	
Supplies & Services (Ongoing) Subtotal	\$1,579,955	\$1,606,388	\$1,548,868	\$557,039	
Direct Costs (Ongoing) Subtotal	\$3,262,205	\$3,091,918	\$3,049,998	\$1,885,201	
Internal Charges Subtotal	\$565,630	\$0	\$0	\$0	
Ongoing Subtotal	\$3,827,835	\$3,091,918	\$3,049,998	\$1,885,201	
Supplies & Services (One-Time) Subtotal	\$30,000	\$0	\$0	\$0	
Capital & Debt Service Subtotal	\$129,000	\$153,800	\$103,800	\$202,578	
One-Time Subtotal	\$159,000	\$153,800	\$103,800	\$202,578	
General Fund Total	\$3,986,835	\$3,245,718	\$3,153,798	\$2,087,779	

Streets Fund

11-5320-01 - Administration

Supplies & Services	\$0	\$0	\$0	\$60,262	
Capital & Debt Service	\$0	\$0	\$0	\$29,963	
Administration Total	\$0	\$0	\$0	\$90,225	

11-5320-52 - Road & Drainage Rehabilitation

Supplies & Services (ongoing)	\$1,150,000	\$1,150,000	\$1,150,000	\$685,080	
Internal Charges	\$53,490	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Road & Drainage Rehabilitation Total	\$1,203,490	\$1,150,000	\$1,150,000	\$685,080	

11-5320-54 - Right-of-Way Maintenance

Supplies & Services	\$0	\$0	\$0	\$162,122	
Capital & Debt Service	\$0	\$0	\$0	\$80,609	
Right-of-Way Maintenance Total	\$0	\$0	\$0	\$242,731	

11-5320-73 - Traffic Signals

Supplies & Services	\$0	\$0	\$0	\$108,191	
Traffic Signals Total	\$0	\$0	\$0	\$108,191	

Streets Fund Totals

Supplies & Services (Ongoing) Subtotal	\$1,150,000	\$1,150,000	\$1,150,000	\$1,015,655	
Internal Charges Subtotal	\$53,490	\$0	\$0	\$0	
Ongoing Subtotal	\$1,203,490	\$1,150,000	\$1,150,000	\$1,015,655	
Capital & Debt Service Subtotal	\$0	\$0	\$0	\$110,572	
Streets Fund Total	\$1,203,490	\$1,150,000	\$1,150,000	\$1,126,227	

PUBLIC WORKS
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY16 Actuals	Explanation of Changes
Wastewater Fund					
59-5320-38 - Engineering Services					
Personnel	\$204,750	\$171,210	\$171,210	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$45,830	\$25,313	\$26,513	\$14,445	Budget Increase: Added unanticipated lateral connections (\$20k)
Engineering Services Direct Costs Subtotal	\$250,580	\$196,523	\$197,723	\$14,445	
Internal Charges	\$65,710	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Engineering Services Ongoing Total	\$316,290	\$196,523	\$197,723	\$14,445	
Capital & Debt Service	\$0	\$0	\$0	\$1,651	
Engineering Services Total	\$316,290	\$196,523	\$197,723	\$16,096	
59-5320-89 - Capital Projects Management					
Personnel	\$92,020	\$84,210	\$84,210	\$0	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$1,890	\$0	\$0	\$0	Budget Increase: Change in allocations between programs
Capital Projects Management Direct Costs Subtotal	\$93,910	\$84,210	\$84,210	\$0	
Internal Charges	\$21,120	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Capital Projects Management Total	\$115,030	\$84,210	\$84,210	\$0	
Wastewater Fund Totals					
Personnel Subtotal	\$296,770	\$255,420	\$255,420	\$0	
Supplies & Services (Ongoing) Subtotal	\$47,720	\$25,313	\$26,513	\$14,445	
Direct Costs (Ongoing) Subtotal	\$344,490	\$280,733	\$281,933	\$14,445	
Internal Charges Subtotal	\$86,830	\$0	\$0	\$0	
Ongoing Subtotal	\$775,810	\$561,466	\$563,866	\$28,890	
Capital & Debt Service Subtotal	\$0	\$0	\$0	\$1,651	
Wastewater Fund Total	\$775,810	\$561,466	\$563,866	\$30,541	
GRAND TOTALS					
Personnel Subtotal	\$1,979,020	\$1,740,950	\$1,756,550	\$1,328,162	
Supplies & Services (Ongoing) Subtotal	\$2,777,675	\$2,781,701	\$2,725,381	\$1,587,139	
Direct Costs (Ongoing) Subtotal	\$4,756,695	\$4,522,651	\$4,481,931	\$2,915,301	
Internal Charges Subtotal	\$705,950	\$0	\$0	\$0	
Ongoing Subtotal	\$5,462,645	\$4,522,651	\$4,481,931	\$2,915,301	
Supplies & Services (One-Time) Subtotal	\$30,000	\$0	\$0	\$0	
Capital & Debt Service Total	\$129,000	\$153,800	\$103,800	\$314,801	
One-Time Subtotal	\$159,000	\$153,800	\$103,800	\$314,801	
Grand Total	\$5,621,645	\$4,676,451	\$4,585,731	\$3,230,102	

NOTE: Excluding the impact of costs transferred from the Parks & Recreation Department for pool maintenance and from General Services for fuel and vehicle maintenance, the increase in ongoing direct costs would be 4%.



PUBLIC WORKS

continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Administrative Assistant ⁽¹⁾	0.60	0.60	0.00
Assistant Engineer	2.00	2.00	2.00
Associate Engineer	3.00	3.00	3.00
Chief Engineering Inspector	1.00	1.00	1.00
City Engineer/Assistant Director of Community Dev.	0.00	0.00	1.00
City Maintenance Supervisor	1.00	1.00	1.00
City Maintenance Worker I	6.00	6.00	6.00
City Maintenance Worker II	2.00	2.00	1.00
Director of Public Works/City Engineer	1.00	1.00	0.00
Engineering Services Inspector	2.00	2.00	2.00
Engineering Supervisor	1.00	1.00	1.00
Facilities Maintenance Manager	1.00	1.00	1.00
Field Services Supervisor	0.00	0.00	1.00
Public Works Administrative Supervisor	1.00	1.00	1.00
Right-of-Way Specialist ⁽²⁾	1.00	2.00	2.00
Right-of-Way Supervisor ⁽²⁾	1.00	0.00	0.00
Temporary City Employee ⁽³⁾	0.25	0.00	0.00
Traffic Control Assistant ⁽⁴⁾	1.72	0.00	0.00
Total	25.57	23.60	23.00

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5320-01	Administration	0.00	0.00	4.85
10-5320-25	Aquatics	0.20	0.00	0.00
10-5320-26	Parks Facilities & Maintenance	4.44	5.15	9.30
10-5320-38	Engineering Services	4.93	6.67	0.00
10-5320-39	Streets Maintenance	5.17	3.25	0.00
10-5320-68	Stormwater Quality	1.29	1.29	0.69
10-5320-77	Transportation Services	1.82	0.00	0.00
10-5320-79	Facilities Maintenance	1.60	1.60	2.40
10-5320-89	Capital Projects Management	2.65	2.45	3.00
General Fund Total		22.10	20.41	20.24
Wastewater Fund				
59-5250-01	Administration	0.00	0.00	2.15
59-5252-89	Capital Projects Management	0.00	0.00	0.61
59-5320-38	Engineering Services	2.58	2.30	0.00
59-5320-89	Capital Projects Management	0.89	0.89	0.00
Wastewater Fund Total		3.47	3.19	2.76
Grand Total		25.57	23.60	23.00

⁽¹⁾ Part-time position

⁽²⁾ One Right-of-Way Specialist reclassified as Right-of-Way Supervisor in Decision Package (CM Recommended)

⁽³⁾ Position added in Decision Package for Bike Skills Park maintenance (CM Recommended) - position classified as temporary, no benefits

⁽⁴⁾ Six positions added in Decision Package (CM Recommended) - positions classified as temporary, no benefits

ECONOMIC DEVELOPMENT

Program Expenditures:	\$211,480
Personnel Costs:	\$152,670 (72%)
Supplies & Services:	\$ 32,300 (15%)
Internal Charges:	\$ 26,510 (13%)
Employee Time Allocation:	1.00 FTE

Mission Statement

The intent of the Economic Development program is to diversify Sedona's economy consistent with the Community Plan. The program will focus on services and programs that foster entrepreneurship, leveraging existing public and private resources at the local, regional, and state level whenever possible.

FY 17 Accomplishments

- More than 70% of the Year One Action Plan is complete including interdepartmental integration and partnership development.
- Met with more than 25 local business owners.
- Provided business services such as loan applications, business planning, data, and access to other technical resources.
- Director now chairs the Verde Valley Regional Economic Organization (VVREO) loan committee.
- Will host an Arizona Association of Economic Development (AAED) symposium in June 2017.

FY 18 Objectives

- Complete the 5-10 year economic development strategic plan.
- Routinely meet with economic development advisory group for input and assistance.
- Acquire specific data related to targeted industries, market share, leakage reports, etc.
- Create an online presence for Sedona's economic development.
- Create marketing materials and opportunities.
- Establish an economic gardening program.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Expansion and investment in targeted sector	N/A	N/A	N/A	\$0
Number of inquiries from businesses	N/A	N/A	15+	25
Number of business visits/outreach	N/A	N/A	15+	25
Number of business engaged in services offered	N/A	N/A	20+	25
Number of jobs resulting from businesses served	N/A	N/A	N/A	5
Average wage of jobs created above livable wage	N/A	N/A	N/A	3
Amount of private capital investment invested by businesses served	N/A	N/A	N/A	\$0
Number of businesses assisted with business planning	N/A	N/A	N/A	8
Number of business loans / total value of loans	N/A	N/A	N/A	2/\$50K
Number of unique website visits	N/A	N/A	N/A	100

ECONOMIC DEVELOPMENT
continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5330-01 - Administration	\$211,480	\$0	\$0	\$0
General Fund Total	\$211,480	\$0	\$0	\$0

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5330-01 - Administration					
Personnel	\$152,670	\$0	\$0	\$0	Budget Increase: Moved from City Manager's Office
Supplies & Services (ongoing)	\$32,300	\$0	\$0	\$0	Budget Increase: Moved from City Manager's Office
Administration Direct Costs Subtotal	\$184,970	\$0	\$0	\$0	
Internal Charges	\$26,510	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
General Fund Total	\$211,480	\$0	\$0	\$0	

NOTE: Including the impact of costs transferred from the City Manager's Office, the increase in ongoing direct costs would be 4%.

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Economic Development Director ⁽¹⁾	1.00	0.00	0.00
Total	1.00	0.00	0.00

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5330-01	Administration ⁽¹⁾	1.00	0.00	0.00
General Fund Total		1.00	0.00	0.00

⁽¹⁾ The Economic Development Program was moved to its own separate department beginning FY2018.

POLICE

Mission Statement

The mission of the Sedona Police Department, in partnership with the citizens of Sedona, is to serve our community by protecting life and property, creating a safe environment through professional and purpose-driven policing that demonstrates responsiveness, integrity, and commitment with dignity and respect to everyone.

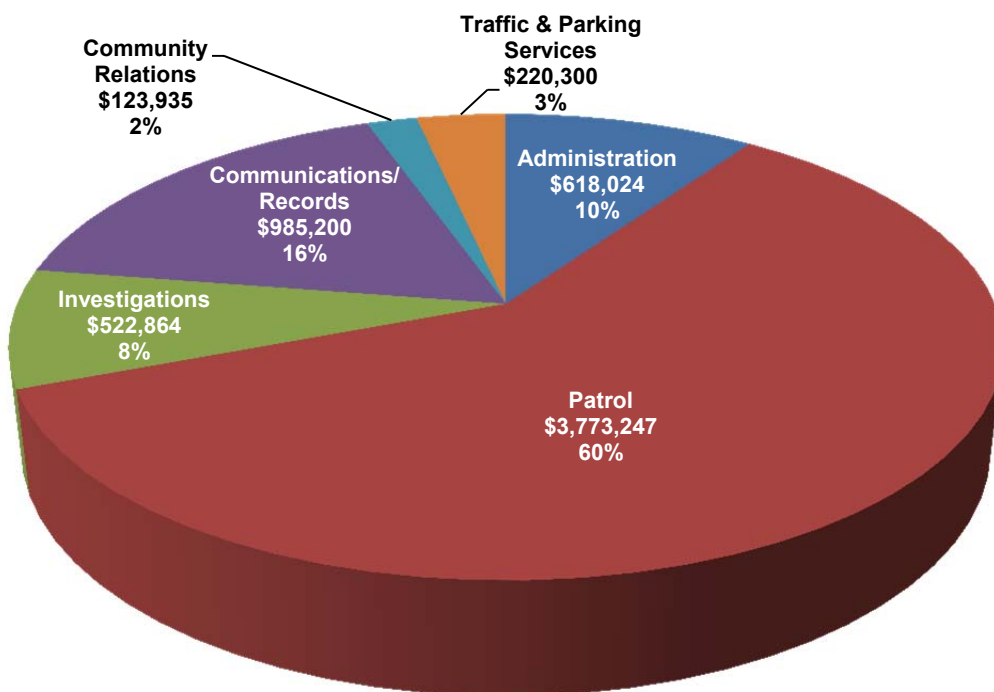
Description

Under the philosophy of community policing and problem solving partnerships, the Department provides professional law enforcement, traffic safety and crime prevention services to the residents, business owners and visitors of Sedona. The Department deploys personnel twenty-four hours a day, seven days a week in our Communications center and in the field responding to emergency incidents and non-emergency calls for service, and conducting proactive patrol operations. Additional administrative and support personnel work various shifts throughout the week to provide field personnel and the public with timely information, documents, and other important material and services. The Police Department is the sole public safety agency within the Sedona city government.

The Police Department is responsible for the following program areas:

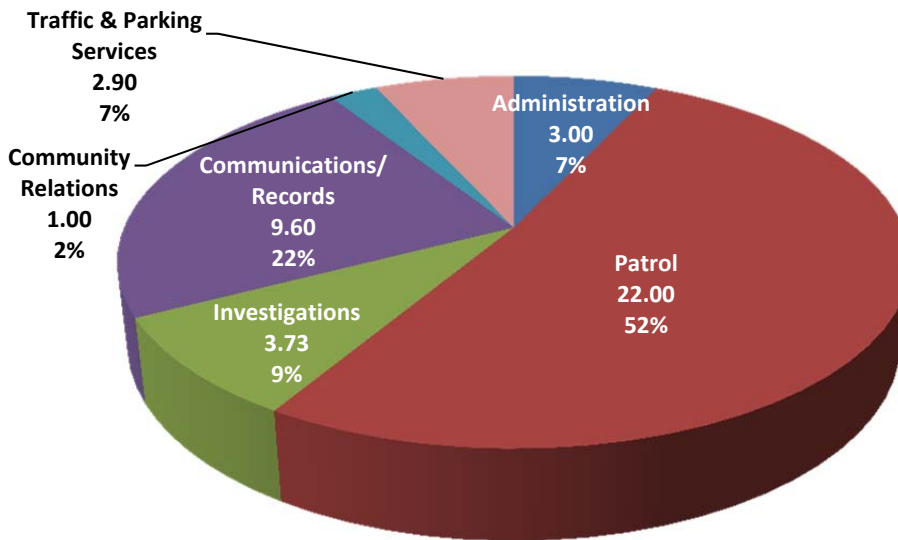
- Administration (includes the Chief's Office and Support Services Division)
- Patrol (includes K-9, SWAT and the School Resource Officer)
- Investigations (includes PANT Investigator and GIITEM Investigator)
- Communications/Records
- Community Relations (includes Community Services Officer/Animal Control, Police Volunteers, Police Explorers and Special Olympics volunteer time)
- Traffic & Parking Services (includes Community Services Aides)

FY 2018 PROGRAM EXPENDITURES: \$6,344,170



POLICE
continued

FY 2018 Percentage of Employee Allocations by Program Area



REVENUES

	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Projection
General Fund Revenues				
Travel & Training Grants & Reimbursements	\$2,269	\$0	\$400	\$2,500
PANT Reimbursement	\$2,271	\$0	\$2,150	\$3,560
School Resource Officer Reimbursements	\$21,064	\$0	\$7,800	\$0
Copies/Records/Fingerprints	\$4,468	\$4,200	\$3,800	\$4,100
Overtime Reimbursements	\$6,279	\$0	\$2,900	\$5,500
Safety Equipment – Motor Vehicle Fines	\$4,023	\$2,000	\$4,100	\$4,100
Miscellaneous Revenues	\$14,588	\$6,400	\$300	\$300
GIITEM Reimbursements	\$22,910	\$20,000	\$0	\$20,000
Sedona Traffic Enforcement Program (STEP) Administration Fees	\$16,800	\$19,300	\$10,000	\$10,000
Sub Total	\$94,672	\$51,900	\$31,450	\$50,060
Grants & Donations Funds Revenues				
GOHS Grant	\$9,000	\$0	\$5,220	\$0
RICO	\$26,800	\$50,000	\$28,600	\$28,600
Explorer Donations	\$440	\$0	\$2,200	\$2,500
K-9 Donations	\$0	\$0	\$1,400	\$40,000
Special Olympics Donations	\$0	\$0	\$450	\$5,000
Sub Total	\$36,240	\$50,000	\$37,870	\$76,100
Total Revenues	\$130,912	\$101,900	\$106,790	\$126,160

POLICE - Administration

Program Expenditures:	\$618,024
Personnel Costs:	\$424,760 (69%)
Supplies & Services:	\$ 62,324 (10%)
Internal Charges:	\$130,940 (21%)
Employee Time Allocation:	3.00 FTEs

The Police Administration program consists of the Chief of Police, one commanding officer (currently a Lieutenant) and the Department's Administrative Assistant. The personnel within the program provide essential administrative services such as the development and implementation of policy and procedure; budget planning and management; long range planning; grant development and management; coordination of all training and travel; facility maintenance coordination; and, conducting the Police Citizens Academy. City Management and City Council liaison are also assigned to this program, as well as media relations, and the investigations and reporting of all Department complaints and commendations.

FY 17 Accomplishments

- Implemented the Lexipol Policy Manual System.
- Conducted a Department-wide survey on the leadership effectiveness of the management and supervisory personnel in July 2016.
- Transitioned to a new Chief of Police in January 2017 (David W. McGill).
- Began the process to hire a Police Commander for Field Operations, and the reorganization of the Department's command structure and field deployments.
- Conducted a Police Citizen Academies to enhance community interaction that started in August and ended in October 2016.
- Transitioned from the .40 caliber service weapon to the 9mm Service weapon in May 2017.
- Evaluated the current Patrol and Communications uniform standards and replaced current uniforms in June 2017.

FY 18 Objectives

- Obtain funding to purchase a new Computer Aided Dispatch/Records Management System (CAD/RMS).
- Evaluate the cost to implement a new in-car camera system or upgrade the current system by March 1, 2018.
- Train all Department employees on Critical Incident Training (CIT) and mental health responses and recognition, by June 30, 2018.
- Develop and conduct at least two community interaction events to enhance the relationship between the Department and members of the public by June 30, 2018.
- Seek and obtain grant funding to enhance department operations and public safety by March 1, 2018.
- Work with the Sedona Fire District and local law enforcement agencies to develop training exercises to increase emergency preparedness and responses to critical incidents within the City of Sedona and the Verde Valley.

POLICE – Administration continued

Council Priorities

- Sustainable Tourism** - Continue working with the City's Off-Highway Vehicle (OHV) Committee to help improve OHV and public safety within the City. Use the mobile digital speed indicators in areas where there are reports of OHVs speeding or driving unsafely. Collect and analyze the data to determine the best utilization of resources to mitigate or solve any problems noted.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Leadership Team development sessions	4 sessions	6 sessions	2 sessions	2 sessions
Employee survey of Department leadership effectiveness	2 surveys	N/A	2 surveys	1 survey
Increase retention of Department employees, maintain staffing levels as close to 100% as possible	98% (41/42)	98% (41/42)	100% (42/42)	100% (42/42)
Train all employees on Critical Incident Training/Mental Health Interactions (CIT)	0 employees	N/A	5 employees	40 employees
Train all supervisory and command staff on Incident Command System/National Incident Management System (ICS/NIMS) protocols	1 employee	N/A	2 employees	7 employees
Conduct community interaction events	1 event	1 event	1 event	2 events
Deploy mobile digital speed indicator sign in areas of reported OHV speeding or unsafe driving (Sustainable Tourism)	0 deploys	1 deploy	1 deploy	4 deploys

POLICE - Patrol

Program Expenditures:	\$3,773,247
Personnel Costs:	\$2,401,410 (64%)
Supplies & Services:	\$ 266,327 (7%)
Capital & Debt Service:	\$ 218,700 (6%)
Internal Services:	\$ 886,810 (23%)
Employee Time Allocation:	22.00 FTEs

General Fund Portion:	\$3,728,247 (99%)
Grants & Donations Portion:	\$ 45,000 (1%)

This program is managed by a Police Commander and consists of all sworn and civilian uniformed personnel who carry out the department's direct field operations to the community, respond to emergency and routine calls for service; deploy K-9 activities; enforce traffic laws and parking ordinances, and effectively deal with various quality of life matters. The personnel within the program are also responsible for jail operations; maintenance of the department's fleet of vehicles; coordination and maintenance of the police range and training facility; maintenance of all equipment utilized within the program; and, ensuring the on-going professional development of personnel within the program.

FY 17 Accomplishments

- One Patrol Sergeant was placed into the acting Patrol Lieutenant position and one Detective was placed into an acting Patrol Sergeant position. On March 1, 2017, that acting Patrol Sergeant was promoted to a full-time Patrol Sergeant.
- All supervisors completed the Arizona POST Leadership Program.
- Evaluated the Department's current Field Mobile Records Management System (RMS) and compared it to alternative systems used by other local law enforcement agencies.
- Placed three permanent speed signs along SR 179 at Chapel Road, SR 89A at Foothills South, and SR 89A at Rolling Hills. One non-permanent speed sign was placed along Dry Creek Road during the month of March. These speed signs visually alert drivers of their vehicle's speed, and they record both the speed and the number of vehicles for later analysis.

FY 18 Objectives

- Conduct at least four speed enforcement and awareness operations through the use of the portable electronic speed radar displays signs by June 30, 2017.
- Obtain grant or overtime funding to conduct at least four traffic-related operations, including impaired drivers, cellular telephone use, and speed violations, by June 30, 2017.
- Reduce injury traffic collisions by at least 8% as compared to FY 2017.
- Increase officer-initiated activity by 10% as compared to FY 2017.
- Raise sufficient funds to purchase and train a new K-9 Team, by September 1, 2017.
- Evaluate the School Resource Officer (SRO) program to increase the number of hours the SRO is on campus to as close to 100% as possible, depending on field deployment concerns, by September 1, 2017.

POLICE – Patrol

continued

Council Priorities

- Complete Various Traffic Improvements - Deploy the mobile digital speed indicator in high traffic areas on at least four occasions before June 30, 2018, to collect data and address concerns of unsafe driving.
- Complete Various Traffic Improvements - Patrol will continue to be an active participant in the Sedona Transportation Master Plan discussions and implementation, to address overall traffic concerns.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Maintain a response time of 5 minutes or less 90% of the time to emergency calls	82%	85%	85%	90%
Reduce injury traffic collisions by 8% from FY 17	25	N/A	24	22
Increase officer-initiated activity by 10% from previous fiscal year	4,693	N/A	4,411	4,852
Deploy a new K-9 Team	1	1	0	1

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Violent crime	141	N/A	114	100
Property crime	215	N/A	202	190
Traffic collisions:				
• Fatal	0	N/A	0	0
• Injury	25	N/A	24	22
• Non-injury	242	N/A	212	200
Officer-initiated activity	4,693	N/A	4,411	4,852
Calls for service	13,444	N/A	15,882	16,000

POLICE – Patrol continued

School Resource Officer (SRO)

Under an intergovernmental agreement (IGA) with the Sedona-Oak Creek Unified School District, this program provides a full-time police officer (dependent upon field deployment needs) to conduct prevention, education, and enforcement activities for the students, staff, and parents at school campuses. The SRO also assists the district in developing, implementing, and evaluating school campus safety programs. The SRO acts as the Department liaison to youth-oriented service providers, such as MATFORCE and the Verde Valley Restorative Justice Program; assists in the counseling of students and parents; and, conducts presentations on crime, safety, and substance abuse matters. In addition, the SRO is the Department’s liaison to the Arizona Special Olympics, and the Law Enforcement Torch Run to support the Special Olympics.

FY 17 Accomplishments

- Assisted the Sedona Fire District with fire drills at both Sedona Red Rock High School and West Sedona School campuses.
- Conducted one campus safety plan evaluation at both Sedona Red Rock High School and West Sedona School.
- Implemented surveillance video access to all department staff, to the Sedona Red Rock High School campus.
- Actively participated in and assisted with the successful transfer of the middle schools of Big Park and West Sedona School to the Sedona Red Rock High School Campus.
- Worked closely with the Sedona Fire Department to bring the “Every 15 Minutes” Program to the Red Rock High School. This program is an educational program about drinking and driving and the effects of a fatal collision involving a drunk driver.
- Tripled the donations to the Special Olympics as compared to last year, and participated in the “Over the Edge” Challenge, which is a fund-raiser for the Arizona Special Olympics consisting of persons repelling from the top of a skyscraper in Phoenix, Arizona.
- Reviewed and updated the Intergovernmental Agreement (IGA) between the school district and the Police Department.

FY 18 Objectives

- Deploy SRO on school campuses at least 90% of the officer’s work time, when school is in session.
- Research and obtain grant funding to off-set cost of deploying a SRO.
- Implement surveillance video access to the West Sedona School campus.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
School staff satisfaction rating of SRO services at Sedona Red Rock High School	N/A	80%	TBD	90%
School staff satisfaction rating of SRO services at West Sedona School	N/A	80%	TBD	90%
Percentage of time SRO deployed at the schools, when in session	90%	50%	50%	90%

POLICE – Investigations

Program Expenditures:	\$522,864
Personnel Costs:	\$373,990 (71%)
Supplies & Services:	\$ 50,594 (10%)
Internal Charges:	\$ 98,280 (19%)
Employee Time Allocation:	3.73 FTEs

The Police Investigations program is managed by the Support Services Commanding Officer (currently a Lieutenant) and consists of sworn personnel who are assigned to conduct follow up criminal investigations; background investigations and reviews of various city permit and license applications; processing of criminal complaints assigned to the municipal and county courts; police employee background investigations; and, sex offender registrant monitoring. Personnel in this program are also assigned to specialized regional investigative task forces which bring resources and expertise to the Department and community that would not otherwise be feasible. Property and evidence processing and storage functions are also carried out within this program by civilian personnel.

FY 17 Accomplishments

- Conducted one Sexual Offender Registrant compliance operation in July 2016.
- Participated in one regional enforcement task force to serve outstanding arrest warrants in August of 2016.
- Assigned a detective as an acting patrol sergeant, and a patrol officer was assigned into the investigation unit as a detective.
- Evaluated the department's current Record's Management System (RMS) for investigation-related purposes and compared it to alternative systems used by other local law enforcement agencies.

FY 18 Objectives

- Conduct at least two Sexual Offender Registrant compliance operations by April 30, 2018.
- Participate in at least one regional enforcement task force to serve outstanding arrest warrants by June 30, 2018.
- Implement enhanced criminal investigations case management processes by December 31, 2017 to ensure that all follow up investigations are readily available and cases are completed in a timely manner.
- Conduct a review of deployment needs and investigator responsibilities by July 5, 2017.
- Increase clearance rates for violent crimes by 8%, and property crime by 5%.
- Focus on identifying human trafficking (HT) cases, and conduct seminars aimed at educating the public on human trafficking indicators; enhance law enforcement partnerships combating HT occurrences in our City and within the Verde Valley.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Exceed annual Arizona state crime clearance rates for property crime (15.8%)	16%	Yes	21%	23%
Exceed annual Arizona state crime clearance rates for violent crime (31.9%)	61.5%	Yes	78.5%	82%
Complete an investigation on all cases (including lengthy fraud cases) within 6 months from being assigned.	55%	80%	70%	80%
Conduct sexual offender registrant compliance operations	1	1	1	2

POLICE - Communications/Records

Program Expenditures:	\$1,085,800
Personnel Costs:	\$ 641,800 (59%)
Supplies & Services:	\$ 50,290 (5%)
Internal Charges:	\$ 393,710 (36%)
Employee Time Allocation:	10.00 FTEs

The Communications/Records program consists of civilian personnel who provide support to all Department personnel through radio communications, Computer-Aided Dispatching (CAD), Mobile Data Computer software applications, and records storage and retrieval. The Communications Section employs specially trained personnel who are responsible for answering 9-1-1 emergency telephone lines including all wireless and Voice Over Internet Protocol (VOIP) calls from all providers in our jurisdiction; interpreting the level of priority of the call; and, dispatching the call for service to field personnel. Additionally, personnel within this program are the answering and relay point for after-hours calls for emergency service or questions for other City departments.

The Records Section provides first-level contact for all Police Department business and is the primary service provider for public inquiries, report releases, and other front-counter customer services. This function is responsible for processing police reports, facilitating tow hearings, collecting *court bonds* and administrative fees, tracking and recording court dispositions and citations, and any other patrol related documentation. In addition, Records responds to all civil and criminal subpoenas and processes requests for the disclosure of public records. The Records Clerk verifies and inputs data into the department's Records Management System (RMS) and various other criminal justice databases for the purpose of collection and analyses of statistical data related to state and federal reporting requirements.

FY 17 Accomplishments

- Promoted a Communication Specialist Supervisor from within the communication staff.
- Hired a new Communication Specialist in January 2017.
- Adopted new protocols that allow Police Volunteers to assist with citizen inquiries and public requests at the front desk.
- Constructed a separate Record's Office to allow the Records Clerk to attend to her primary duties away from the front desk.
- Upgraded the telephone recording system, Eventide Media Works.
- Evaluated the Department's current Computer Aided Dispatch/Records Management System (CAD/RMS) and compared it to alternative systems used by other local law enforcement agencies.
- Hired a Full-Time Support Services Clerk.

FY 18 Objectives

- Upgrade 9-1-1 System from Viper to Vesta/Airbus through the CenturyLink Management Services.
- Review the current tow procedures and company commitments, and provide recommendations to enhance services if any.
- Become the project manager and systems expert for the new CAD/RMS system, when funded.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Exceed the National Emergency Number Association (NENA) standard for answering 9-1-1 calls (10 seconds)	5 seconds	5 seconds	5 seconds	4 seconds
Decrease backlog of records merged into the system	N/A	50	130	0
Decrease wait time for public records requests	N/A	N/A	72 hours	24 hours



POLICE – Community Relations

Program Expenditures:	\$123,935
Personnel Costs:	\$121,800 (51%)
Supplies & Services:	\$ 29,535 (24%)
Internal Charges:	\$ 30,690 (25%)
Employee Time Allocation:	1.00 FTEs
General Fund Portion:	\$107,585 (87%)
Grants & Donations Portion:	\$ 16,350 (13%)

The Community Relations program consists of all policing efforts focused on quality of life issues important to the public we serve. This program includes our Police Volunteers, the Community Services Officer (CSO), and the Police Explorer Post. These programs and the people who staff them work tirelessly to improve our way of life in Sedona by handling lower-level calls for service and other tasks so the sworn officers stay in the field and available for calls for service. The volunteers conduct home vacation checks; transport arrestees to County jails; direct traffic in highly congested areas of the City to relieve congestion; transport and set up roadway signs and speed indicators; transport and retrieve evidence; and, staff the lobby front desk.

The Community Service Officer (CSOs) is a civilian employee who is responsible for the enforcement of City and state regulations pertaining to animal welfare and other quality of life matters. Activities include enforcement of licensing requirements for the control of rabies for the safety of the community; interaction with the public to inform them on the control and over-population of unwanted animals; and advice for the care and treatment of pets. Responsibilities also include impound, care, and disposition of stray domestic animals, and responses to calls for service regarding problems with domestic animals and wildlife. The Community Service Officer also helps monitor traffic problems in the City and work to mitigate backups using available tools and techniques.

The Police Explorer program is open to all young men and women ages 14-21 who desire to learn about a law enforcement career. They meet often and learn about policing, decision-making, and building character, and they travel to various competitions in the Western US and apply their skills and abilities against other Explorer posts from Arizona and beyond. They also volunteer hundreds of hours of their personal time helping various non-profits and events in Sedona and the Verde Valley.

FY 17 Accomplishments

- Volunteers worked 4,230 hours for community services in FY 17, including vacation home checks, fingerprinting, traffic mitigation, and staffing other events.
- Recruited, hired and trained the first Community Service Officer.
- Trained CSO on laws and policies related to domestic and wild animals.
- The Police Explorers participated in two national competitions, one in Chandler, Arizona, and the other in Las Vegas, Nevada.
- The Explorers received new uniforms compliments of the donations from two law enforcement vendors.
- Police Volunteers donated over 4,230 hours to provide prisoner/evidence transportation, house watch, crime/traffic scene assistance and special event services.

POLICE – Community Relations

continued

FY 18 Objectives

- Reinvigorate the Police Explorer Program, and growing the program by five Explorers.
- Participate in at least two Police Explorer competitions by June 30, 2018.
- Conduct at least two community presentations on leash laws and dog licensing requirements by June 30, 2018.
- Attend the National Animal Care & Control Association Module A Course.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Percentage of barking dog complaints that did not result in a repeat complaint within 12 months	45%	75%	58%	65%
Community presentations by CSO on animal-related topics	2	2	1	2
Increase Explorers' participation in community events by 50%	N/A	N/A	2	3
Increase Volunteer hours in the community by 5%	4,250	N/A	4,275	4,489

POLICE - Traffic & Parking Services

Program Expenditures:	\$220,300
Personnel Costs:	\$119,820 (54%)
Supplies & Services:	\$ 13,000 (6%)
Internal Charges:	\$ 87,480 (40%)
Employee Time Allocation:	2.90 FTE

The Traffic & Parking Services Program consists of part-time civilian personnel, known as Community Services Aides (CSAs) who are responsible for parking and traffic control (movement of traffic). The program also provides equipment and resources to the department which per State statute can only be used to fund traffic related activities.

FY 17 Accomplishments

- In partnership with Engineering Services, developed and deployed a traffic management plan for State Route 89A in Uptown during periods of high traffic volumes.
- Recruited, hired and trained two new Community Service Aides.

FY 18 Objectives

- Create and implement a process for collecting money from the new parking meters installed in the Uptown area.
- Deploy personnel efficiently and effectively to provide timely response to parking complaints and ensure effective levels of parking enforcement.
- Identify and develop key metrics to effectively track and measure workload and productivity factors for Community Service Aide activities in Uptown.
- Increase patrols in the parking lots and trailheads by 50%, due to Engineering Services assuming the traffic duties in Uptown.

Council Priorities

- Sustainable Tourism - Community Service Aides will conduct selected parking enforcement operations in and around high volume trailheads to ensure roadways are passable, and to direct visitors to alternate parking or trailhead locations.
- Sustainable Tourism – Since Engineering Services has taken over the traffic movement plan in the uptown area, the CSAs will have more time to focus on their primary duties of enforcing parking regulations. The CSAs will now be able to focus at least 75% of their time enforcing the new three-hour parking limit in the Uptown area, and 25% of their time focused on the traffic issues that develop on State Route 89A and State Route 179.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
Increase enforcement level by 10% on all parking violations.	336 citations	N/A	410 citations	1,500 citations

POLICE
continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5510-01 - Administration	\$618,024	\$496,784	\$415,584	\$542,925
10-5510-43 - Patrol (including School Resource Officer, S.W.A.T., and K-9 Program)	\$3,728,247	\$2,652,737	\$2,785,147	\$2,225,743
10-5510-44 - Investigations (including PANT Officer and GIITEM Assignment)	\$522,864	\$406,261	\$304,861	\$302,765
10-5510-45 - Communications/Records	\$1,085,800	\$602,062	\$607,312	\$525,905
10-5510-64 - Community Relations (including Animal Control and Volunteers)	\$107,585	\$13,695	\$13,695	\$18,614
10-5510-81 - Traffic & Parking Services	\$220,300	\$133,240	\$90,810	\$133,586
General Fund Total	\$6,282,820	\$4,304,779	\$4,217,409	\$3,749,538
Grants & Donations Funds				
GD-5510-43 - Patrol (including K-9 Program)	\$45,000	\$17,550	\$77,320	\$69,206
GD-5510-64 - Community Relations (including Special Olympics and Explorers Program)	\$16,350	\$10,000	\$4,260	\$7,672
Grants & Donations Funds Total	\$61,350	\$27,550	\$81,580	\$76,878
GRAND TOTALS				
Administration	\$618,024	\$496,784	\$415,584	\$542,925
Patrol	\$3,773,247	\$2,670,287	\$2,862,467	\$2,294,949
Investigations	\$522,864	\$406,261	\$304,861	\$302,765
Communications/Records	\$1,085,800	\$602,062	\$607,312	\$525,905
Community Relations	\$123,935	\$23,695	\$17,955	\$26,286
Traffic & Parking Services	\$220,300	\$133,240	\$90,810	\$133,586
Grand Totals	\$6,344,170	\$4,332,329	\$4,298,989	\$3,826,416

POLICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
General Fund					
10-5510-01 - Administration					
Personnel	\$424,760	\$377,130	\$288,000	\$479,996	Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$60,074	\$79,654	\$87,584	\$62,929	Budget Decrease: Training allocated to individual programs (\$35k)
Administration Direct Costs Subtotal	\$484,834	\$456,784	\$375,584	\$542,925	
Internal Charges	\$130,940	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$615,774	\$456,784	\$375,584	\$542,925	
Supplies & Services (one-time)	\$2,250	\$0	\$0	\$0	Budget: Employment exams for vacant position, department photo
Capital & Debt Service	\$0	\$40,000	\$40,000	\$0	
One-Time Total	\$2,250	\$40,000	\$40,000	\$0	
Administration Total	\$618,024	\$496,784	\$415,584	\$542,925	
10-5510-43 - Patrol (including School Resource Officer, S.W.A.T., and K-9 Program)					
Personnel	\$2,401,410	\$2,307,700	\$2,350,320	\$2,093,822	Budget Increase: Added Police Lieutenant reclassification to Police Commander (Decision Package - CM Contingent Recommendation) Current Year Over Budget: Estimated overtime in excess of amount budgeted
Supplies & Services (ongoing)	\$204,037	\$165,037	\$198,977	\$131,921	Budget Increase: Added K-9 vet and training supplies (\$8k); moved training from 10-5510-01 (\$34k); moved property damage claims to City Attorney's Office (\$10k) Current Year Over Budget: Estimated vehicle maintenance costs in excess of budgeted amount
Patrol Direct Costs Subtotal	\$2,605,447	\$2,472,737	\$2,549,297	\$2,225,743	
Internal Charges	\$886,810	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$3,492,257	\$2,472,737	\$2,549,297	\$2,225,743	
Supplies & Services (one-time)	\$17,290	\$0	\$0	\$0	Budget: Ballistic vest replacements, S.W.A.T. equipment
Capital & Debt Service	\$218,700	\$180,000	\$235,850	\$0	Budget: Lease payment for patrol vehicles, additional vehicles for Assigned Vehicle Program (Decision Package - CM Contingent Recommendation)
One-Time Total	\$235,990	\$180,000	\$235,850	\$0	
Patrol Total	\$3,728,247	\$2,652,737	\$2,785,147	\$2,225,743	
10-5510-44 - Investigations (including PANT Officer and GIITEM Assignment)					
Personnel	\$373,990	\$360,920	\$259,520	\$232,416	Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$50,594	\$45,341	\$45,341	\$31,499	
Investigations Direct Costs Subtotal	\$424,584	\$406,261	\$304,861	\$263,915	
Internal Charges	\$98,280	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$522,864	\$406,261	\$304,861	\$263,915	
Capital & Debt Service	\$0	\$0	\$0	\$38,850	
Investigations Total	\$522,864	\$406,261	\$304,861	\$302,765	

POLICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
10-5510-45 - Communications/Records					
Personnel	\$641,800	\$557,840	\$563,090	\$487,358	Budget Increase: Increase in overtime (\$9k), reclassified Community Service Officer to Support Services Clerk
Supplies & Services (ongoing)	\$49,580	\$44,222	\$44,222	\$38,547	
Communications/Records Direct Costs Subtotal	\$691,380	\$602,062	\$607,312	\$525,905	
Internal Charges	\$393,710	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$1,085,090	\$602,062	\$607,312	\$525,905	
Supplies & Services (one-time)	\$710	\$0	\$0	\$0	Budget: Employment exams for new hires
Communications/Records Total	\$1,085,800	\$602,062	\$607,312	\$525,905	
10-5510-64 - Community Relations (including Animal Control and Volunteers)					
Personnel	\$63,710	\$0	\$0	\$16,646	Budget Increase: Change in allocations between programs
Supplies & Services (ongoing)	\$13,185	\$13,695	\$13,695	\$1,968	
Community Relations Direct Costs Subtotal	\$76,895	\$13,695	\$13,695	\$18,614	
Internal Charges	\$30,690	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Community Relations Total	\$107,585	\$13,695	\$13,695	\$18,614	
10-5510-81 - Traffic & Parking Services					
Personnel	\$119,820	\$118,740	\$76,310	\$121,241	Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$13,000	\$14,500	\$14,500	\$12,345	
Traffic & Parking Services Direct Costs Subtotal	\$132,820	\$133,240	\$90,810	\$133,586	
Internal Charges	\$87,480	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Traffic & Parking Services Total	\$220,300	\$133,240	\$90,810	\$133,586	
General Fund Totals					
Personnel Subtotal	\$4,025,490	\$3,722,330	\$3,537,240	\$3,431,479	
Supplies & Services (Ongoing) Subtotal	\$390,470	\$362,449	\$404,319	\$279,209	
Direct Costs (Ongoing) Subtotal	\$4,415,960	\$4,084,779	\$3,941,559	\$3,710,688	
Internal Charges Subtotal	\$1,627,910	\$0	\$0	\$0	
Ongoing Subtotal	\$6,043,870	\$4,084,779	\$3,941,559	\$3,710,688	
Supplies & Services (One-Time) Subtotal	\$20,250	\$0	\$0	\$0	
Capital & Debt Service Subtotal	\$218,700	\$220,000	\$275,850	\$38,850	
One-Time Subtotal	\$238,950	\$220,000	\$275,850	\$38,850	
General Fund Total	\$6,282,820	\$4,304,779	\$4,217,409	\$3,749,538	

Grants & Donations Funds

GD-5510-43 - Patrol (including K-9 Program)					
Personnel	\$0	\$4,850	\$5,220	\$0	
Supplies & Services (ongoing)	\$0	\$0	\$0	\$0	
Ongoing Total	\$0	\$4,850	\$5,220	\$0	
Supplies & Services (one-time)	\$45,000	\$12,700	\$72,100	\$14,084	
Capital & Debt Service	\$0	\$0	\$0	\$55,122	
One-Time Total	\$45,000	\$12,700	\$72,100	\$69,206	
Patrol Total	\$45,000	\$17,550	\$77,320	\$69,206	



POLICE
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
GD-5510-64 - Community Relations (including Special Olympics and Explorers Program)					
Supplies & Services (ongoing)	\$16,350	\$10,000	\$4,260	\$7,672	
Community Relations Total	\$16,350	\$10,000	\$4,260	\$7,672	
Grants & Donations Funds Totals					
Personnel Subtotal	\$0	\$4,850	\$5,220	\$0	
Supplies & Services (Ongoing) Subtotal	\$16,350	\$10,000	\$4,260	\$7,672	
Ongoing Subtotal	\$16,350	\$14,850	\$9,480	\$7,672	
Supplies & Services (One-Time) Subtotal	\$45,000	\$12,700	\$72,100	\$14,084	
Capital & Debt Service Subtotal	\$0	\$0	\$0	\$55,122	
One-Time Subtotal	\$45,000	\$12,700	\$72,100	\$69,206	
Grants & Donations Funds Total	\$61,350	\$27,550	\$81,580	\$76,878	

GRAND TOTALS

Personnel Total	\$4,025,490	\$3,727,180	\$3,542,460	\$3,431,479	
Supplies & Services (Ongoing) Subtotal	\$406,820	\$372,449	\$408,579	\$286,881	
Direct Costs (Ongoing) Subtotal	\$4,432,310	\$4,099,629	\$3,951,039	\$3,718,360	
Internal Charges Subtotal	\$1,627,910	\$0	\$0	\$0	
Ongoing Subtotal	\$6,060,220	\$4,099,629	\$3,951,039	\$3,718,360	
Supplies & Services (One-Time) Subtotal	\$65,250	\$12,700	\$72,100	\$14,084	
Capital & Debt Service Subtotal	\$218,700	\$220,000	\$275,850	\$93,972	
One-Time Subtotal	\$283,950	\$232,700	\$347,950	\$108,056	
Grand Total	\$6,344,170	\$4,332,329	\$4,298,989	\$3,826,416	

POLICE
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Administrative Assistant	0.00	1.00	1.00
Animal Control Officer	0.00	0.00	0.73
Chief of Police	1.00	1.00	1.00
Communication Specialist	7.00	7.00	7.00
Communications/Records Supervisor	1.00	1.00	1.00
Community Services Aide ⁽¹⁾	2.90	2.90	2.90
Community Services Officer	1.00	2.00	0.00
Executive Assistant	1.00	0.00	0.00
Police Commander ⁽²⁾	2.00	1.00	1.00
Police Detective	2.00	2.00	2.00
Police Lieutenant ⁽²⁾	0.00	1.00	1.00
Police Officer	17.00	17.00	18.00
Police Records Technician	1.00	1.00	1.00
Police Sergeant	5.00	5.00	4.00
Property & Evidence Technician ⁽¹⁾	0.73	0.73	0.73
Support Services Clerk	1.00	0.00	0.00
Total	42.63	42.63	41.36

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5510-01	Administration	3.00	3.00	3.73
10-5510-43	Patrol	22.00	24.00	24.90
10-5510-44/63	Investigations	3.73	3.73	2.00
10-5510-45	Communications/Records	10.00	9.00	9.00
10-5510-46	Animal Control	0.00	0.00	0.73
10-5510-64	Community Relations	1.00	0.00	0.00
10-5510-81	Traffic & Parking Services	2.90	2.90	1.00
General Fund Total		42.63	42.63	41.36

⁽¹⁾ Part-time positions

⁽²⁾ Lieutenant reclassified as Commander position in Decision Package (CM Contingent Recommendation)

MUNICIPAL COURT

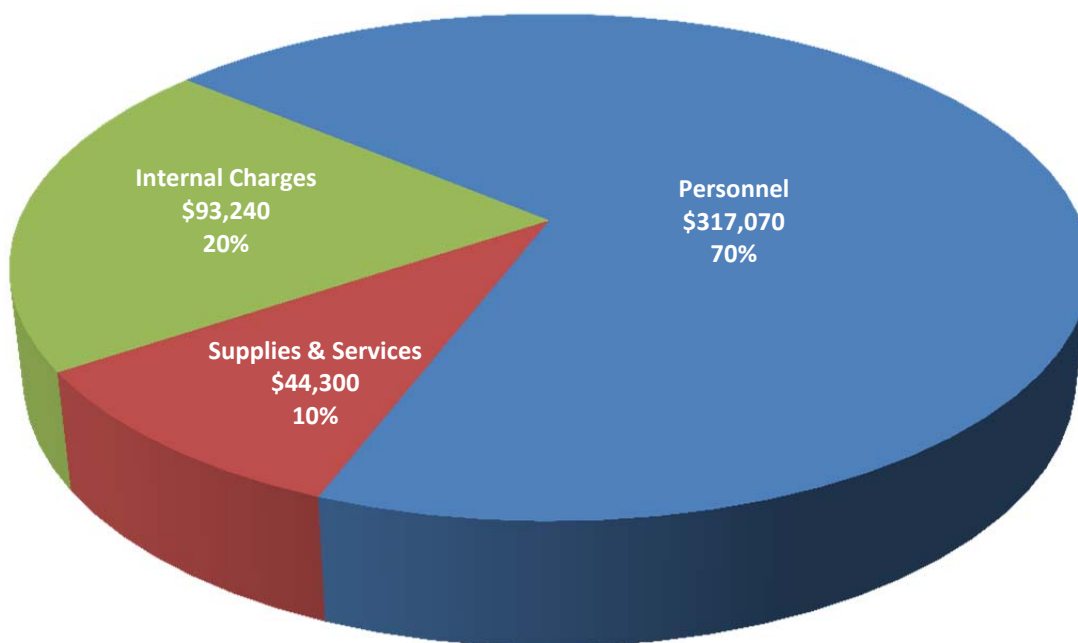
Mission Statement

To serve the community and to protect individual rights through the administration of justice. We pledge to serve each member of our community promptly with integrity, fairness, and respect.

Description

The Municipal Court is the judicial branch of Sedona City government and is also a part of the State of Arizona court system. The Court is responsible for the adjudication of several different types of cases including: civil traffic, parking, City code violations, criminal traffic including Driving Under the Influence cases (DUIs), and criminal misdemeanor violations. The Court handles petitions for orders of protection and injunctions prohibiting harassment. The Judge also performs weddings.

FY 2018 PROGRAM EXPENDITURES: \$454,610



MUNICIPAL COURT

continued

Program Expenditures: \$454,610
Personnel Costs: \$317,070 (70%)
Supplies & Services \$ 44,300 (10%)
Internal Charges \$ 93,240 (20%)
Employee Time Allocation: 4.25 FTEs

FY 17 Accomplishments

- Hired and trained three new court clerks.
- Managed caseload so that defendants are offered a prompt resolution.

FY 18 Objectives

- Hire a new magistrate judge.
- Relocate the Court facilities so Court proceedings do not have to be scheduled around the use of the Council Chambers.
- Improve payment collection on outstanding receivables.
- Maintain professional relationship with City Prosecutor’s Office to continue efficient processing of case flow.

WORKLOAD INDICATORS	FY 16 Actual	FY 17 Projection	FY 17 Estimate	FY 18 Projection
Filings:				
• Criminal traffic	123	N/A	120	120
• Civil traffic	1,145	N/A	1,508	1,325
• Misdemeanor	111	N/A	154	130
• Non-criminal ordinances	4	N/A	29	15

MUNICIPAL COURT

continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
General Fund				
10-5520-01 - Administration	\$454,610	\$342,950	\$331,890	\$306,451
General Fund Total	\$454,610	\$342,950	\$331,890	\$306,451
Grants & Donations Funds				
GD-5520-48 - Court Enhancement Fees	\$0	\$0	\$550	\$0
GD-5520-49 - JCEF Time Payment Fees	\$0	\$0	\$1,100	\$830
Grants & Donations Funds Total	\$0	\$0	\$1,650	\$830
GRAND TOTALS				
Administration	\$454,610	\$342,950	\$331,890	\$306,451
Court Enhancement Fees	\$0	\$0	\$550	\$0
JCEF Time Payment Fees	\$0	\$0	\$1,100	\$830
Grand Totals	\$454,610	\$342,950	\$333,540	\$307,281

MUNICIPAL COURT
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
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General Fund

10-5520-01 - Administration

Personnel	\$317,070	\$298,400	\$287,310	\$270,982	Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$43,400	\$43,650	\$44,580	\$35,469	
Administration Direct Costs Subtotal	\$360,470	\$342,050	\$331,890	\$306,451	
Internal Charges	\$93,240	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$453,710	\$342,050	\$331,890	\$306,451	
Supplies & Services (one-time)	\$900	\$900	\$0	\$0	Budget: Carryover of AOC required scanner
General Fund Total	\$454,610	\$342,950	\$331,890	\$306,451	

Grants & Donations Funds

GD-5520-48 - Court Enhancement Fees

Supplies & Services	\$0	\$0	\$550	\$0.00
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GD-5520-49 - JCEF Time Payment Fees

Supplies & Services	\$0	\$0	\$1,100	\$830
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Grants & Donations Funds Total	\$0	\$0	\$1,650	\$830
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GRAND TOTALS

Personnel Total	\$317,070	\$298,400	\$287,310	\$270,982
Supplies & Services (Ongoing) Total	\$43,400	\$43,650	\$44,580	\$35,469
Direct Costs (Ongoing) Total	\$360,470	\$342,050	\$331,890	\$306,451
Internal Charges Total	\$93,240	\$0	\$0	\$0
Ongoing Total	\$453,710	\$342,050	\$331,890	\$306,451
Supplies & Services (One-Time) Total	\$900	\$900	\$1,650	\$830
Grand Total	\$454,610	\$342,950	\$333,540	\$307,281

MUNICIPAL COURT
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Court Administrator	1.00	1.00	1.00
Court Clerk ⁽¹⁾	2.60	2.60	2.00
Magistrate Judge ⁽¹⁾	0.60	0.60	0.60
Magistrate Judge Pro Tem ⁽²⁾	0.05	0.00	0.10
Total	4.25	4.20	3.70

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
General Fund				
10-5520-01	Administration	4.25	4.20	3.70
General Fund Total		4.25	4.20	3.70

⁽¹⁾ Includes part-time positions.

⁽²⁾ Temporary position

WASTEWATER

Mission Statement

The mission of the Wastewater Department is to protect public health and safety by providing professional and efficient maintenance and operation of the wastewater system in a manner that takes into account the requirements of the Arizona Department of Environmental Quality (ADEQ), the direction of the City Manager and the City Council, and the desires of the citizens of Sedona, as well as the professional standards governing wastewater system operations.

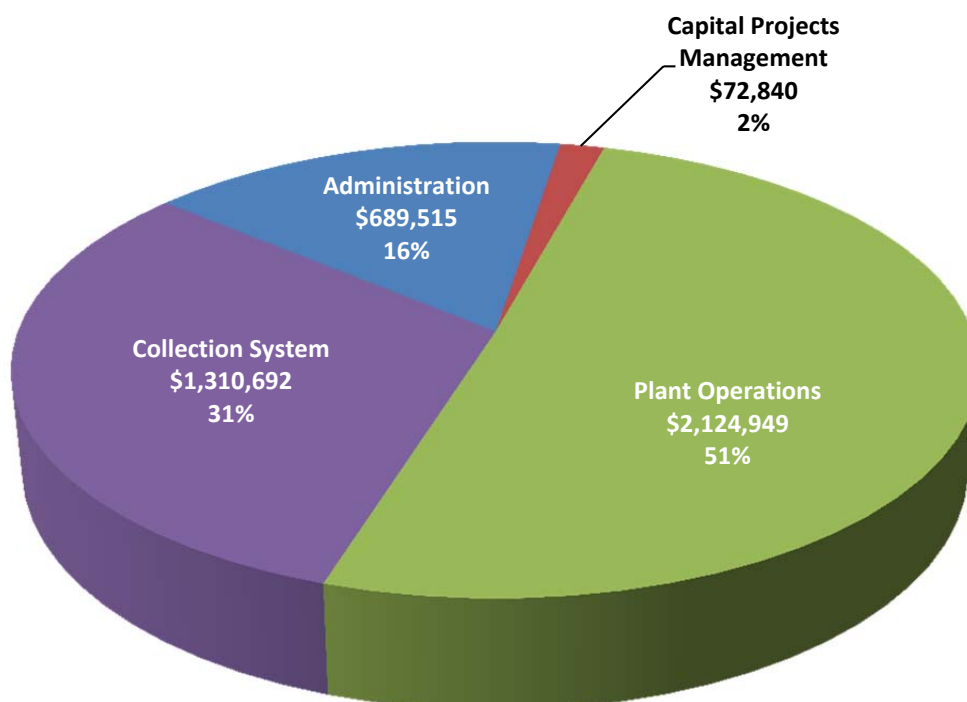
Description

The Wastewater Department is responsible for the day-to-day operations of the wastewater collection, treatment, and disposal elements of the wastewater system. Several City departments assist in the operation and wastewater functions of the City and therefore expend wastewater funds. For instance, the Finance Department performs financial billing and bill collection functions as well as other administrative support functions. See the Finance Department and other support departments for administrative cost allocations. The Public Works Department undertakes capital improvements projects to the system, as well as performing inspections and plan reviews related to connections to the collection system. The Wastewater Department is fully paid by funding sources in the Wastewater Enterprise Fund.

The Wastewater Department consists of the following program areas:

- Administration
- Collection System
- Plant Operations (including the Lab)
- Capital Projects Management

FY 2018 PROGRAM EXPENDITURES: \$4,197,996



WASTEWATER

continued

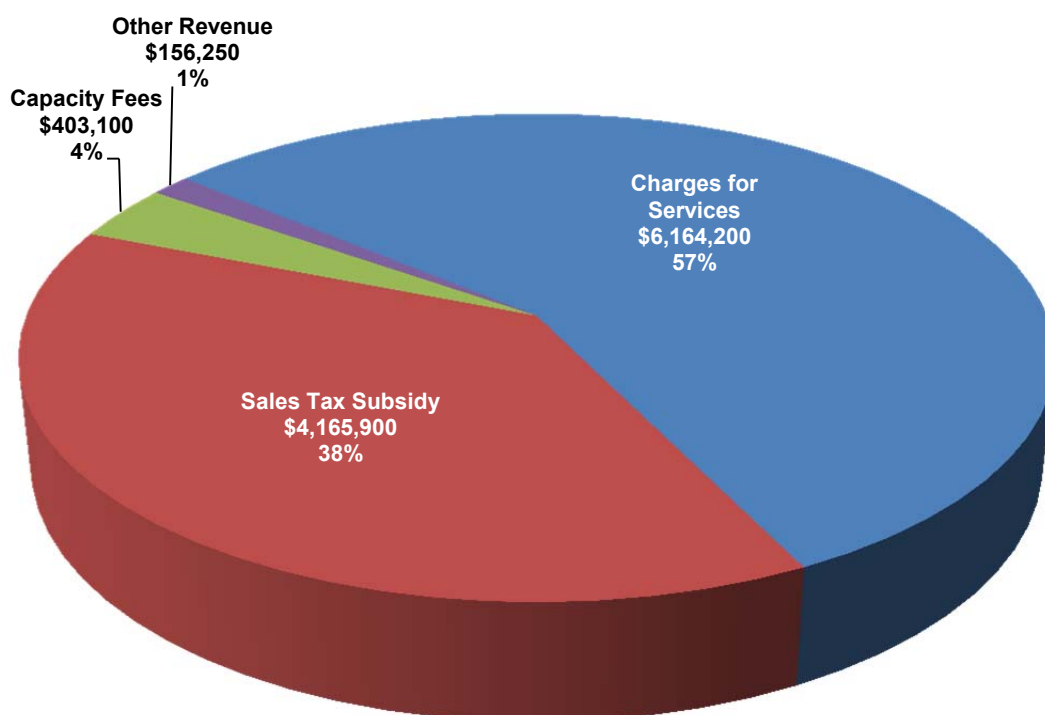
WASTEWATER FUND REVENUES & OTHER FINANCING SOURCES

The wastewater utility is mainly funded by charged fees and is subsidized with *city sales tax*. These revenues cover the operational costs included in this section, as well as support costs provided by other departments and debt service and capital improvement costs. See the complete wastewater enterprise fund in the Fund Summaries section.

The City is moving its wastewater utility toward operating fully as an enterprise fund. This is expected to take several years. During this time the utility will continue to receive a sales tax subsidy. Below is a summary of the wastewater utility funding sources.

FUNDING SOURCES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Projection
Charges for Services	\$5,611,150	\$5,880,844	\$5,922,200	\$6,164,200
Sales Tax Subsidy	\$4,497,550	\$3,881,688	\$4,027,700	\$4,165,900
Capacity Fees	\$541,045	\$275,000	\$1,266,100	\$403,100
Other Revenue	\$377,046	\$248,020	\$170,900	\$156,250
Total	\$11,026,791	\$10,285,532	\$11,386,900	\$10,889,450
Monthly Sewer Fee per Equivalent Residential Units	\$56.50	\$58.76	\$58.76	\$61.11

FY 2018 FUNDING SOURCES: \$10,889,450



WASTEWATER - Administration

Program Expenditures:	\$689,515
Personnel Costs:	\$178,300 (26%)
Supplies & Services:	\$ 62,365 (9%)
Capital & Debt Service:	\$ 80,000 (12%)
Internal Charges:	\$368,850 (53%)
Employee Time Allocation:	1.65 FTEs

The Administration program consists of the Wastewater Director and the Department's Administrative Assistant. The mission of the administrative division is to provide direction and assistance to the Wastewater Collection and Plant divisions, as well as serve as a primary link between the Wastewater Department and other City Departments. The personnel within the program provide essential administrative services such as the development and implementation of policy and procedure; budget planning and management; and long-range planning.

FY 17 Accomplishments

- Completed preparation for receipt of power from Hoover Dam beginning in October 2017.
- Processed over 1,100 purchase transactions.
- Developed solicitations for Collections System Job Order Contract, Closed Circuit TV for collections system pipe along SR89A.
- Updated Multi-sector stormwater program for Wastewater Plant.
- Continued development of a cross-training program between collections and plant divisions.
- Sold over \$12,000 of surplus materials.
- Solicited lease for grazing rights in Area 4.
- Prepared FY 18 Departmental budget having an value of approximately \$2.3 million.
- Replaced two older vehicles (2009 Ford Explorer Sport Trac and 2007 Dodge RAM F2500) with 2016 model trucks.

FY 18 Objectives

- Process purchase transactions with the goal of having 90% of invoices and p-card transactions each month processed with correct coding and within 30 days.
- Replace Ford Ranger with a vehicle useful for transporting four people at a time.
- Improve the Department web page layout to make finding information on good sewer uses practices easier to find by public.
- Implement purchasing and monitoring of Hoover Dam Power.
- Improve the internal filing system by reducing old files backlog and be more in compliance with paper work retention guidelines and create more filing space for old documents.
- Staff training on Incident Command System to be ready to work in emergency situations.
- Have plant office lighting (administration and operations building) replaced with more cost efficient lights to reduce long term lighting cost and replacement frequency.
- Continue programs to recover value from Department assets by sale of surplus material to recover remaining value of discarded materials and lease of land.
- Participate with City Finance Department in developing information needed to implement major maintenance reserve fund.

WASTEWATER - Collection System

Program Expenditures:	\$1,310,692
Personnel Costs:	\$ 290,080 (22%)
Supplies & Services:	\$ 726,212 (56%)
Capital & Debt Service:	\$ 149,500 (11%)
Internal Charges:	\$ 144,900 (11%)
Employee Time Allocation:	3.40 FTEs

This program consists of a Chief Collections Officer and two collections operators who are responsible for managing collection of domestic sewage through a wastewater collection system comprised of sewer pipes and lift stations to the Wastewater Reclamation Plant for treatment. The mission of the Collection System division is to operate and maintain the Wastewater Collection system consistent with ADEQ regulations and direction of the Director of Wastewater. The collections system has 17 lift stations and 106 miles of sewer pipes. The average annual flow to the plant is about 403 million gallons. This is about 1.1 million gallons per day.

FY 17 Accomplishments

- Participated in update of Wastewater Master Plan
- Installed a new odor control facility to reduce odor in Oak Creek Mobilodge
- System regulatory compliance for all but 3 days. Estimated overflow less than one day each incident
- Completed upgrade of in-city pump station communications to a web-based system.
- Complete inspection of sewer pipe along SR 89A

FY 18 Objectives

- Maintain regulatory non-compliance time at less than 5 days in the year.
- Complete an inspection of main outfall sewer pipe between the City limits and Treatment Plant.
- Improve preventative maintenance Program
 - Improve review process for television inspection documents to enhance identification and repair of system deficiencies.
 - Use JobCal program to schedule pump repair work, routine contract inspection work, and system repairs for manholes, pump stations, and lines.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
ADEQ reportable collection system incidents	1	5	2	5
<ul style="list-style-type: none"> • Days of impact 	1	5	2	5

WASTEWATER - Plant Operations

Program Expenditures:	\$2,124,949
Personnel Costs:	\$ 520,230 (24%)
Supplies & Services:	\$1,145,139 (54%)
Capital & Debt Service:	\$ 62,500 (3%)
Internal Charges:	\$ 397,080 (19%)
Employee Time Allocation:	6.40 FTEs

The Plant Operations program consists primarily of a Chief Plant Operator, three plant operators, a plant chemist, and the plant mechanic/electrician, who are responsible for the wastewater reclamation process including a treatment plant, three solids-handling facilities (drying beds, centrifuge, and digester), and effluent management facilities (spray irrigation areas, injection wells, and wetlands). The mission of the Treatment Plant division is to operate and maintain the Wastewater Treatment Plant consistent with ADEQ regulations and direction of the Director of Wastewater. The treatment process removes pollutants from the influent (wastewater flow coming into the treatment plant) and results in about 365 million gallons of A+ quality effluent annually. Besides highly treated water (effluent), a byproduct of the treatment process is a solid called sludge. The amount of sludge managed annual is about 525 dry tons. This material is taken to the Grey Wolf Landfill near Dewey-Humboldt. Laboratory operations are included as part of this division since the bulk of laboratory work is monitoring and reporting on the treatment plant process.

FY 17 Accomplishments

- Worked with Public Works Department on plant upgrades including injection wells and headworks improvements.
- Used electronic report submittal process to ADEQ to more efficiently prepare and submit reports
- Conducted plant and wetland tours for 70 people.
- Maintained effluent on-site except for estimated 200 gallons flowing offsite due to irrigated line break
- Began operation of plant upgrades (digester, new aeration blowers, and clarifier tank)
- Upgraded portions of plant control system to allow parts of plant to operate separately. This reduces the impact of failures in the plant communication system.
- Reviewed new ADEQ permit and was able to improve permit conditions, although due to new processes the permit increased the plant monitoring workload

FY 18 Objectives

- No overflow incidents of the plant effluent system. The aim is ADEQ permit compliance.
- Plant staff will learn to successfully operate the A+ project upgrades (new clarifier, digester, and blowers).
- Plant staff will learn to routinely use the JobCal system for planning and generating work assignments. The goal is to improve preventative maintenance.
- Operate injection wells as they come on line.

The City is not to allow runoff of treated wastewater from its plant site. Non-compliance with these regulatory standards is reportable to ADEQ.

PERFORMANCE MEASURES	FY 16 Actual	FY 17 Target	FY 17 Estimate	FY 18 Target
ADEQ reportable plant incidents	6*	5	9*	5
<ul style="list-style-type: none"> • Days of impact 	30	5	100+	10
Annual average influent flow (millions of gallons)	412.66	417	405	422

*Between June 2016 and January 2017, these incidents were due to the UV lights shutting off in one of two flow channels or showing below-permit-transmittance levels. This resulted in some effluent not receiving full disinfection. Permit required increased fecal coliform testing demonstrated permit compliance levels for most of the time of issues with the UV operation. The UV has been repaired and due to changes in the treatment process (injection) the newly issued permit requires that the City use the increased fecal coliform testing process to verify disinfection, rather than relying on UV transmittance readings in the future to demonstrate permit compliance. During much of this time the tests show the effluent was being treated to acceptable limits.

WASTEWATER - Capital Projects Management

Program Expenditures:	\$72,840
Personnel Costs:	\$60,540 (83%)
Internal Charges:	\$12,300 (17%)
Employee Time Allocation:	0.55 FTEs

The Capital Projects Management program consists of wastewater staff allocations for support of the Public Works Department, which has primary responsibility for the management of *capital projects*. See the Capital Improvement Program (CIP) section of for more details. The goal of Wastewater staff involvement in capital projects is to provide input to Public Works Engineering that will help in understanding the system's current operation and provide input that will help in designing a facility that recognizes the impact of the new/changed facility on operational and maintenance resources.

FY 18 Objectives

- Review concepts, plans, and specifications for operational and maintenance impacts
 - Comment on assumptions regarding current practices and layouts
 - Request analysis of impacts on personnel needs for operation and maintenance of new/changed facility
 - Request and comment on information on changes in process
 - Request and comment on lifecycle assumptions regarding the operation and maintenance of the new/changed facility.

WASTEWATER

continued

PROGRAM SUMMARY

Program	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals
Wastewater Fund				
59-5250-01 - Administration	\$689,515	\$371,716	\$342,623	\$374,177
59-5252-89 - Capital Projects Management	\$72,840	\$65,200	\$68,000	\$138,707
59-5253-55 - Plant Operations	\$1,901,095	\$1,252,866	\$1,138,632	\$1,113,590
59-5253-56 - Collection System	\$1,310,692	\$1,154,660	\$913,733	\$1,000,003
59-5253-66 - Lab	\$223,854	\$160,946	\$162,677	\$177,889
Wastewater Fund Total	\$4,197,996	\$3,005,388	\$2,625,665	\$2,804,366

WASTEWATER
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
Wastewater Fund					
59-5250-01 - Administration					
Personnel	\$178,300	\$55,260	\$130,260	\$285,958	Budget Increase: Moved estimated vacancy savings adjustment to General Services, added increase in Administrative Assistant to full-time (Decision Package - CM Contingent Recommendation)
Supplies & Services (ongoing)	\$44,915	\$116,456	\$112,363	\$81,351	Budget Decrease: Moved property & casualty insurance to General Services to be allocated via indirect cost allocation (\$83k); moved copier lease payments to Information Technology (\$4k); increased phone/data for fiber optic cable (\$5k), window washing (\$6k), memberships (\$3k)
Administration Direct Costs Subtotal	\$223,215	\$171,716	\$242,623	\$367,309	
Internal Charges	\$368,850	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Contingencies	\$0	\$100,000	\$0	\$0	Budget Decrease: Moved to General Services
Ongoing Total	\$592,065	\$271,716	\$242,623	\$367,309	
Supplies & Services (one-time)	\$17,450	\$100,000	\$100,000	\$0	Budget: Seals around building/foundation, water heater and ballasts, filing furniture, guest area chair, administrative office chairs
Capital & Debt Service	\$80,000	\$0	\$0	\$6,868	Budget: Fiber optic cable, light fixtures, vehicle replacement (Decitions Package - CM Recommended)
One-Time Total	\$97,450	\$100,000	\$100,000	\$6,868	
Administration Total	\$689,515	\$371,716	\$342,623	\$374,177	
59-5252-89 - Capital Projects Management					
Personnel	\$60,540	\$65,200	\$68,000	\$138,707	Budget Decrease: Change in allocations between programs
Supplies & Services (ongoing)	\$0	\$0	\$0	\$0	
Capital Projects Management Direct Costs Subtotal	\$60,540	\$65,200	\$68,000	\$138,707	
Internal Charges	\$12,300	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Capital Projects Management Total	\$72,840	\$65,200	\$68,000	\$138,707	

WASTEWATER
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
59-5253-55 - Plant Operations					
Personnel	\$408,340	\$312,580	\$323,900	\$254,022	Budget Increase: Change in allocations between programs and increase to overtime (\$12k), added Wastewater Plant Operator (Decision Package - CM Contingent Recommendation) Current Year Over Budget: Estimated overtime in excess of budget
Supplies & Services (ongoing)	\$889,415	\$761,286	\$680,232	\$857,628	Budget Increase: Increase irrigation maintenance (\$40k), UV maintenance (\$10k), injection well maintenance (\$78k), electrical support (\$5k), electric utility (\$20k); added aeration basin rehab (\$10k), cattail disposal (\$6k), uniforms expenses/special supplies/training for Wastewater Plant Operator (\$4k) (Decision Package - CM Contingent Recommendation); moved phone/internet/software maintenance costs to IT (\$14k); reduction to trail maintenance (\$13k), wetlands maintenance (\$35k), sludge disposal (\$10k) Current Year Under Budget: Savings in sludge disposal
Plant Operations Direct Costs Subtotal	\$1,297,755	\$1,073,866	\$1,004,132	\$1,111,650	
Internal Charges	\$368,440	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$1,666,195	\$1,073,866	\$1,004,132	\$1,111,650	
Supplies & Services (one-time)	\$179,900	\$139,000	\$96,500	\$0	Budget: Washer/dryer, front gate upgrade, golf cart batteries, replacement of tractor forks, tractor/bobcat repairs, brackets/harnesses/unihoist for fall protection, cubicle/desk replacements, replacement of chairs, SCADA reporting program, cell phone replacements, gate opener replacements, replacement of DOB probes, reservoir vegetation removal, educational graphics project, crack seal/coat roads, influent channel cover replacement, rebuild sand filter scum bridge, electrical safety program, electrical main switch gear, increase to operator building remodel, rock for digester and injection wet well, increases to travel/training, O&M update; carryover of replacement of UV flow meter, PLS rack installation, operator building remodel, office furniture for Wastewater Plant Operator (Decision Package - CM Contingent Recommendation)
Capital & Debt Service	\$55,000	\$40,000	\$38,000	\$1,940	Budget: Steel plates for centrifuge roll-offs, replace ML recycle pump VFDs, replacement PLC processor
One-Time Total	\$234,900	\$179,000	\$134,500	\$1,940	
Plant Operations Total	\$1,901,095	\$1,252,866	\$1,138,632	\$1,113,590	

WASTEWATER
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
59-5253-56 - Collection System					
Personnel	\$290,080	\$293,690	\$256,690	\$299,127	Current Year Under Budget: Estimated vacancy savings
Supplies & Services (ongoing)	\$588,612	\$655,970	\$502,108	\$700,337	Budget Decrease: Moved phone/alarm system costs to IT (\$10k); moved septic maintenance to Finance (\$24k); reduction of manhole cover rehab (\$35k); added Foothills odor control (\$10k), electrical underground service (\$10k)
Collection System Direct Costs Subtotal	\$878,692	\$949,660	\$758,798	\$999,464	Current Year Under Budget: Savings in operations maintenance, professional services
Internal Charges	\$144,900	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$1,023,592	\$949,660	\$758,798	\$999,464	
Supplies & Services (one-time)	\$137,600	\$135,000	\$84,935	\$0	Budget: Cell phone upgrades, pump stations driveway maintenance, vac truck repairs, sewer cleaning and video camera, increase in electric utility, fence maintenance/painting, increases to travel/training; carryover of building construction in-town office, office furniture
Capital & Debt Service	\$149,500	\$70,000	\$70,000	\$539	Budget: Pump replacements, roof replacements at 3 pump stations
One-Time Total	\$287,100	\$205,000	\$154,935	\$539	
Collection System Total	\$1,310,692	\$1,154,660	\$913,733	\$1,000,003	
59-5253-66 - Lab					
Personnel	\$111,890	\$101,210	\$99,440	\$132,938	Budget Increase: Increase to overtime (\$8k)
Supplies & Services (ongoing)	\$67,384	\$59,736	\$63,237	\$40,508	Budget Increase: Add testing of injection well and digester (\$5k); increase maintenance contract on instruments (\$3k)
Lab Direct Costs Subtotal	\$179,274	\$160,946	\$162,677	\$173,446	
Internal Charges	\$28,640	\$0	\$0	\$0	Budget Increase: Indirect cost allocation plan implemented for FY2018
Ongoing Total	\$207,914	\$160,946	\$162,677	\$173,446	
Supplies & Services (one-time)	\$8,440	\$0	\$0	\$0	Budget: Ergonomic mats, fall protection harness, portable analyzer, portable trojan transmittance meter, cell phone upgrade, ADEQ studies
Capital & Debt Service	\$7,500	\$0	\$0	\$4,443	Budget: Lab fume hood motor replacement and relocation
One-Time Total	\$15,940	\$0	\$0	\$4,443	
Lab Total	\$223,854	\$160,946	\$162,677	\$177,889	

WASTEWATER
continued

EXPENDITURE SUMMARY

Cost Category	FY2018 Proposed	FY2017 Budget	FY2017 Est. Actuals	FY2016 Actuals	Explanation of Changes
Wastewater Fund Totals					
Personnel Subtotal	\$1,049,150	\$827,940	\$878,290	\$1,110,752	
Supplies & Services (Ongoing) Subtotal	\$1,590,326	\$1,593,448	\$1,357,940	\$1,679,824	
Direct Costs (Ongoing) Subtotal	\$2,639,476	\$2,421,388	\$2,236,230	\$2,790,576	
Internal Charges Subtotal	\$923,130	\$0	\$0	\$0	
Contingencies Subtotal	\$0	\$100,000	\$0	\$0	
Ongoing Subtotal	\$3,562,606	\$2,521,388	\$2,236,230	\$2,790,576	
Supplies & Services (One-Time) Subtotal	\$343,390	\$374,000	\$281,435	\$0	
Capital & Debt Service Subtotal	\$292,000	\$110,000	\$108,000	\$13,790	
One-Time Subtotal	\$635,390	\$484,000	\$389,435	\$13,790	
Wastewater Fund Total	\$4,197,996	\$3,005,388	\$2,625,665	\$2,804,366	

NOTE: Excluding the impact of costs transferred to General Services for vacancy savings offset and insurance premiums and to the Information Technology Department for technology and communications costs and to the Financial Services Department for septic maintenance, the increase in ongoing direct costs would be 11%.

WASTEWATER
continued

POSITIONS/ALLOCATIONS SUMMARIES

Position	FY18 FTE	FY17 FTE	FY16 FTE
Administrative Assistant ⁽¹⁾	1.00	0.60	0.60
Chief Collections Officer	1.00	1.00	1.00
Chief Plant Operator	1.00	1.00	1.00
Director of Wastewater	1.00	1.00	1.00
Plant Chemist	1.00	1.00	1.00
WW Collections Operator - Entry	1.00	1.00	0.00
WW Collections Operator I	0.00	0.00	1.00
WW Collections Operator III	1.00	1.00	1.00
WW Plant Mechanic/Electrician	1.00	1.00	1.00
WW Plant Operator - Entry ⁽²⁾	2.00	2.00	0.00
WW Plant Operator I	2.00	1.00	2.00
WW Plant Operator II	0.00	0.00	1.00

Total 12.00 10.60 10.60

Org Unit	Org Description	FY18 FTE	FY17 FTE	FY16 FTE
Wastewater Fund				
59-5250-01	Administration	1.65	1.20	2.02
59-5252-89	Capital Projects Management	0.55	0.60	0.41
59-5253-55	Plant Operations	5.40	4.30	3.50
59-5253-56	Collection System	3.40	3.50	3.50
59-5253-66	Lab	1.00	1.00	1.17
Wastewater Fund Total		12.00	10.60	10.60

⁽¹⁾ Part-time position changed to full-time in Decision Package (CM Contingent Recommendation)

⁽²⁾ One additional operator position added in Decision Package (CM Contingent Recommendation)



Capital Improvement Program

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

Introduction

The *Capital Improvement Program* (CIP) is a comprehensive multi-year plan of proposed *capital projects*. It represents the City's plan for physical development and is intended to identify and balance capital needs within the fiscal capabilities and limitations of the City. The plan is reviewed each year to reflect changing priorities and provides an ongoing framework for identifying capital requirements, scheduling projects over a period of years, coordinating related projects, and identifying future fiscal impacts.

Generally, the CIP includes improvements that are relatively expensive, have a multi-year useful life, and like *capital outlay* items, result in *capital assets*. These include the construction of new buildings, additions to or renovations of existing buildings, construction of streets, sewer improvements, land purchases, and major software or equipment purchases. Due to the nature and total costs of the identified projects, the City often builds up revenue over a period of time in order to save for major projects; therefore, a major source of revenue is the City's "Capital Reserve." The reserve funds identified represent existing available funds that were accumulated over time when revenues exceeded expenditures, in order to be able to fund major capital expenditures. However, projects could be simultaneously funded from general operating funds, *grants*, intergovernmental funding, and/or *bond* funds or other debt financing.

The first year of the CIP is the basis for actual *appropriations* authorized by the City Council for capital projects when adopting the Annual Budget. The remaining nine years are a guide for the future development of the City's new and replacement *infrastructure* needs.

The overall CIP schedule is formulated to reflect City priorities and needs, by taking into consideration the City's goals and policies, various master and strategic plans, urgency of a project, the City's ability to administer a project, the involvement of outside agencies, and the potential for future project funding and ongoing operational requirements.

Much of the work involved in the development of the CIP consists of balancing the available sources of financing with the various capital needs. The CIP is a dynamic process, with anticipated projects being changed, added, and deleted from the plan as the ten-year timeline moves forward.



The final CIP document was adopted by City Council in June as part of the fiscal year 2017-18 budget.

Capital Projects

The purpose of the Capital Improvement Program (CIP) is to systematically identify, plan, schedule, finance, track, and monitor *capital projects*. Most *capital outlays* in excess of \$50,000 are included in the CIP, rather than the operating budget. Items under \$50,000, or items that involve operation and maintenance, will be included in the operating budget in the appropriate line item category.

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

Capital Projects (cont'd)

The objectives used to develop the CIP are:

- To preserve and improve the basic infrastructure of the City through public facility construction and rehabilitation.
- To maximize the useful life of capital investments by scheduling renovations and modifications at the appropriate time in the life-cycle of the facility.
- To identify and examine current and future infrastructure needs and establish priorities among projects so that available resources are used to the community's best advantage.
- To improve the financial planning by comparing needs with resources, estimating future needs, and identifying fiscal implications.

Capital projects:

- Are defined as activities that lead to the acquisition, construction, or extension of the useful life of *capital assets*.
- Are considered to be one-time outlays, which are non-recurring in nature.
- Must have a total cost greater than \$50,000 and a useful life of more than three years.
- Capital projects must add to, enhance the value of, or extend the life of the City's physical assets.
- Projects can include studies that may lead to activities fitting within this definition of a capital project.

The Fiscal Years 2018-2027 Capital Improvement Program provides an implementation schedule for each of the capital improvements that provides for the coordination and timing of project construction/acquisition amongst other competing needs, an estimate of each project's costs, anticipated sources of revenue for financing the project, and an estimate of the impact of each project on City revenues and ongoing operating budgets.



Operating impact information has been forecasted from the scheduled date of the capital improvement project. No capital project will be funded unless operating impacts have been assessed and the necessary funds can be reasonably anticipated to be available when needed.

This capital plan attempts to meet the highest priority needs of the community. It will have to be continually re-evaluated in the future to ensure that it is consistent with the priorities of the City Council, with sound financial practices, and the available resources of the City.

The major items of the ten-year 2018-2027 Capital Improvement Program are categorized by broad service area, then itemized by project title, year, and cost on the summary sheet of the CIP document. The project detail sheets for each individual project follow the summary sheet. The first year of the CIP is included in the current fiscal year budget.

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

Capital Projects (cont'd)

The broad service areas included in the Capital Improvement Program are:

- Art in Public Places
- Community Development
- Municipal Court
- Parks and Recreation
- Police
- Public Works
- Storm Drainage
- Streets & Transportation
- Wastewater



Capital Outlay in the Operating Budget

In addition to the Capital Improvement Program, the City funds an equipment replacement reserve out of the General Fund, Wastewater Fund, and Information Technology Fund operating budgets. These plans provide replacements for capital equipment such as vehicles, technology-related items, and other equipment as the existing equipment meets its useful life. Fiscal year 2017-18 was the first year to establish these reserves. Previously, the replacement of equipment was simply added to the budgets of the applicable funds. Over time, the City expects to build up the equipment replacement reserves so all equipment replacement needs are fully funded.

Outside of the CIP, the City also funds a streets maintenance plan for pavement preservation and streets rehabilitation within the City. The streets maintenance program is funded from a combination of dedicated *Highway User Revenue Funds* (HURF) and City general funds. The HURF funds are restricted for use in public rights of way and are provided to the City based on a population formula that accounts for the City, County and State ratio, and City General Fund dollars. Only street repaving projects funded fully by outside sources/*grants* will be reflected in the CIP.

Capital Improvement Program Development Process

In developing the CIP, staff looked at a variety of comprehensive assessments of the City's *capital assets* and priorities in order to provide a more complete understanding of the City's future needs. These have included:

- Sedona Community Plan
- Prior year capital budgets and requests
- City Council Priorities
- Development Impact Fee Study
- Storm Drainage Master Plan
- Wastewater Study
- Parks and Recreation Master Plan
- Parking Management Plan
- Transportation Master Plan

These studies and planning documents serve as the foundation for the staff recommendations set forth in the Capital Improvement Program. As the City moves forward and in particular as the priorities and needs of the community change, the ongoing *infrastructure* needs and project priorities must continue to be assessed.

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

CIP Committee

The annual Capital Improvement Plan process begins at the staff level with the CIP Committee.

CITY STAFF COMMITTEE

Karen Osburn, Assistant City Manager	Andy Dickey, Director of Public Works
Cherie Wright, Director of Financial Services	Stephen Craver, Engineering Supervisor
David McGill, Chief of Police	James Crowley, Associate Engineer
Charles Mosley, Director of Wastewater	Roxanne Holland, Associate Engineer
Audree Juhlin, Director of Community Development	David Peck, Associate Engineer
Rachel Murdoch, Parks & Recreation Manager	

To start the process, a CIP kickoff meeting was held with the City staff committee members, at which time each department was asked to anticipate their capital needs over the next ten years and to prepare *capital project* requests in accordance with the established CIP requirements. These project requests provided a basis for review, assessment of appropriateness for capital funding, and prioritization of projects for the ten-year plan.

The Committee then presented the proposed CIP to the City Manager and Citizen Budget Work Group for feedback and input, including available and appropriate funding sources. The public was invited to provide input directly to City staff and through the Citizen Engagement page on the City's website. The public City Council Work Sessions were held on April 26 and 27, 2017.

Information and public comment obtained through these meetings was submitted to the Sedona City Council before budget adoption.

Council Action

Formal City Council adoption of the Capital Improvement Plan indicates the City's commitment to the plan, but does not in itself authorize expenditures. The necessary funding mechanisms must be adopted each year to pay for the improvements – as mentioned previously year one has become the approved Capital Budget for which Council approval authorizes expenditures, with the remaining years reflecting what reflecting the City's conceptual plan for improvements but no relative certainty regarding funding availability.



The City is nearing completion of a Transportation Master Plan. Some of the anticipated transportation projects were identified during the development of the Fiscal Years 2018-2027 Capital Improvement Program. Those projects have been included in the CIP but have not yet been fully vetted or approved by the City Council. The estimated cost of the projects within the Transportation Master Plan is very significant, and current funding levels are inadequate to address these projects. Budget capacity for some of these projects was included in the fiscal year 2017-18 budget; however, the projects are on hold until recommendations from the Fiscal Sustainability Work Group are received, and decisions are made regarding the funding of these projects.

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

Fiscal Sustainability Work Group

The City Council has identified long-term fiscal sustainability to be a priority. In order to obtain citizen input and develop recommendations from the public, a work group, referred to as the Fiscal Sustainability Work Group (FSWG), was created to develop recommendations for the long-term funding of capital *infrastructure*. In developing a long-term capital infrastructure funding strategy, the FSWG, so far, has assessed the following:

- The extent of the City's long-range capital needs – The FSWG has met with the project managers and departments with capital infrastructure requests to gain an understanding of the capital needs. The Capital Improvement Program was been extended from a six-year plan to a ten-year plan to better evaluate the longer-term needs.
- The extent of current resources available to fund capital infrastructure – The FSWG has reviewed long-range *forecasts* and the assumptions used to develop them. In addition, many of the group members are also on the Citizens Budget Work Group, which has reviewed the budget requests for both capital and operating needs. This also helps provide the group with a better understanding of the service levels to which current resources have been committed.
- Options for increasing funding resources – Potential funding sources and the impacts of increases to existing revenues are being reviewed.
- Options for debt financing – The various options for debt financing of capital infrastructure has been reviewed. The group met with the bond advisor that the City has used for past debt issuances to gain a better understanding of the impacts of financing options.
- Current policy requirements – The current policy for *fund balance* reserves has been discussed with the group. The group anticipates providing recommendations for changes to the reserve requirement, as well as recommendations for a debt financing policy with criteria defining under what circumstances debt issuances may be considered.

When the groups' evaluations are complete and the recommendations developed, they will be presented to Council for consideration.

Funding the Capital Improvement Plan

The City has developed a multi-year plan for capital improvement funding that anticipates revenue/funding from a variety of sources. This plan is part of the ongoing effort by the City Council and Management to meet the needs of our community, by most efficiently utilizing existing revenue sources and limiting increases in the tax burden within the City. This strategy includes managing the costs of *capital projects*, utilizing alternative funding sources (*grants*) when possible, and identifying possible funding shortfalls in order to reprioritize projects or recommend new sources of revenue (typically fees or taxes). In order to do so, and in recognizing the need to balance the projects requested with the funds available, as well as the capacity for staff and the physical environment to manage a set of projects at any one time, projects may have a high priority but not begin in the first fiscal year of the plan.

The anticipated funding sources include both restricted and unrestricted sources of funds. Restricted sources are sources that must be used for specific projects. Unrestricted sources are those that can be used for a variety of projects as needed. Restricted sources include: *development impact fees*, *Community Facilities Districts'* monies, grants and other participation, and wastewater revenues.

Unrestricted sources include *city sales taxes* and capital reserves/*surplus* balances (accumulated savings).

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

Funding the Capital Improvement Plan (cont'd)

The anticipated funding sources serve as a plan for staff to use in order to plan and move forward with projects. If a project shows anticipated grant funding, staff will need to aggressively pursue grant funding in order for that project to move forward in a timely manner. If grant funding is not achieved, that project may not move forward, or other projects will have to be delayed in order to fund the entire project from City revenue.



A brief description of each revenue/funding source follows.

Community Facilities Districts' (CFDs) Monies: Within the City's jurisdictional boundaries, there are two separate legal entities set up to collect and spend payments in lieu of city sales and *bed taxes* from two specific timeshare development agreements. The revenues are restricted by State statute and each executed development agreement. Projects funded through the CFDs will be reflected in the overall *infrastructure* plan but are part of a separate legally adopted budget for these two sole and separate entities, and are not part of the City's budget.

Development Impact Fees: Fees are assessed to offset costs incurred by the City in providing additional public services created by new development. This funding is regulated by local ordinance and state statute and is restricted.

Grants and Other Participation: Funds may be contributed by another governmental unit or organization to support a particular function or project.

Wastewater Revenues: *User fees* and *capacity fees* are collected and used to pay the current wastewater debt, operation, and capital improvements for the wastewater treatment system. Wastewater revenues also include 25 percent of the city sales tax collected and existing *fund balance* (accumulated savings) created over time in order to fund future wastewater related projects.

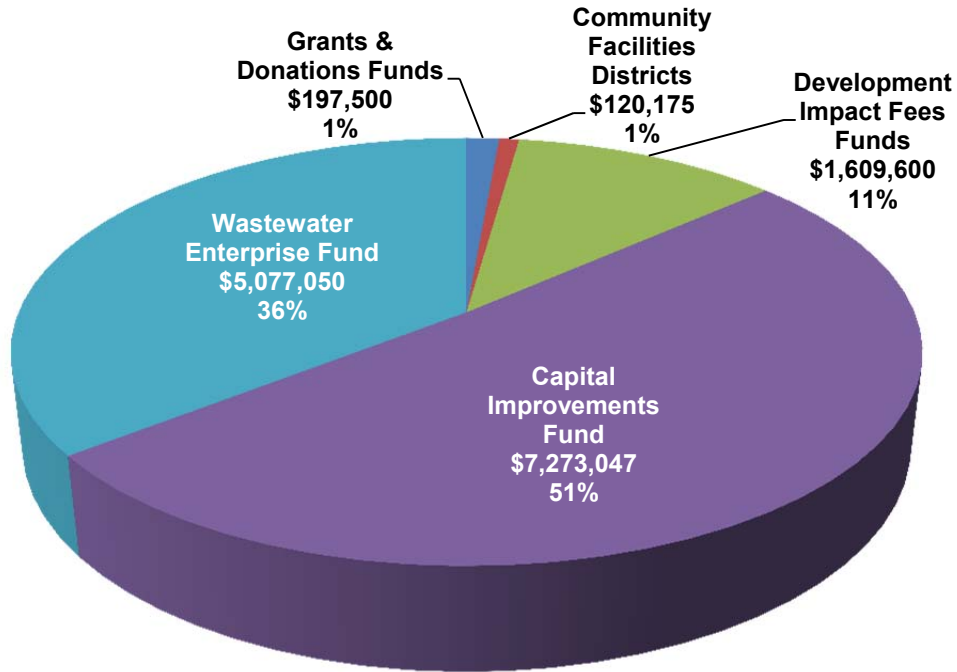
Reserves/Fund Balances: The amount of assets in excess of the liabilities or *appropriations* for expenditures, and required reserve balances is designated as surplus funds. The City's Financial Policies require General Fund reserves of at least 50 percent of General Fund operating expenditures at the end of the fiscal year. The City also has a fund balance policy to target a reserve level of one year of the Wastewater Enterprise Fund *debt service* and at least 25 percent of operating expenditures in the Wastewater Enterprise Fund. Both the General Fund and Wastewater Enterprise Fund are currently in excess of existing requirements. Other funds have fund balances that are available for use as needed and within the legal restrictions of the revenues that make up each fund.

City Sales Taxes: The City assesses a 3 percent *transaction privilege tax* (commonly referred to as a sales tax) on taxable transactions according to Arizona Revised Statutes and the *Model City Tax Code* (MCTC).

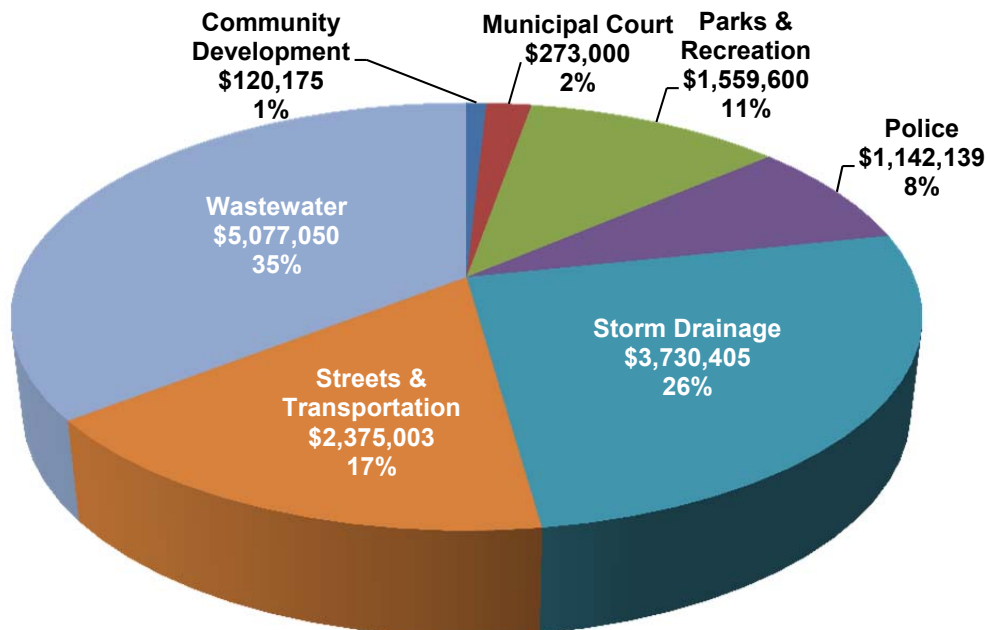
Debt Financing: Current revenues or resources will not always be available for capital improvement projects. When a critical project must be completed, various forms of financing may be appropriate. In the cases where debt is used as a financing strategy, consideration will be given first to those *capital assets* with the longest useful life and/or to those capital assets whose nature makes them comparatively more favorable to finance. Using cash for projects with shorter lives and financing for projects with longer lives facilitates "intergenerational equity," wherein projects with long useful lives are paid over several generations using the project through debt service payments.

SUMMARY OF CAPITAL PROJECTS

FY 2018 CAPITAL IMPROVEMENT PROJECTS BY FUND



FY 2018 CAPITAL IMPROVEMENT PROJECTS BY TYPE



SUMMARY OF CAPITAL PROJECTS
continued

FY 2018 - FY 2027 Master Summary Project List by Major Program

Project dollar amounts in grey and italics are unfunded.

(Click on a Project Page # to navigate to that page)

Project Name	Funding Sources Type	Page #	Project #	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Totals
AC - Arts & Culture														
Rehabilitate Memorial at the Former Schnebly Home Site	Restricted	264	AC-1	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$50,000
Art in the Roundabouts	Restricted	265	AC-2	\$0	\$75,000	\$0	\$0	\$75,000	\$0	\$0	\$75,000	\$0	\$0	\$225,000
AC - Arts & Culture Subtotal				\$0	\$75,000	\$0	\$0	\$125,000	\$0	\$0	\$75,000	\$0	\$0	\$275,000
Projects Not Funded				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CD - Community Development														
Improvements at Ranger Station	Restricted	266	CD-1	\$120,175	\$0	\$0	\$0	\$0	\$0	\$0	\$923,000	\$595,000	\$165,000	\$1,803,175
CD - Community Development Subtotal				\$120,175	\$0	\$0	\$0	\$0	\$0	\$0	\$923,000	\$595,000	\$165,000	\$1,803,175
Projects Not Funded				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MC - Municipal Court														
New Courtroom - Remodel OR New Construction	Restricted & Capital Reserves	267	MC-1	\$273,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$273,000
MC - Municipal Court Subtotal				\$273,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$273,000
Projects Not Funded				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PR - Parks & Recreation														
Park/Open Space Land Acquisition	Restricted	268	PR-1	\$1,250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,250,000
New Concession Stand	Restricted	269	PR-2	\$0	\$270,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$270,000
Playground Surface Replacement	Restricted	270	PR-3	\$0	\$0	\$160,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,000
Shade Structures and Playground Equipment Replacement	Restricted	271	PR-4	\$0	\$0	\$0	\$532,830	\$0	\$0	\$0	\$0	\$0	\$0	\$532,830
Bike Skills Park - Phase II	Restricted & Unidentified	272	PR-5	\$49,600	\$0	\$0	\$0	\$150,000	\$0	\$0	\$140,000	\$0	\$0	\$339,600
New Toddler Pool	Restricted	273	PR-6	\$0	\$0	\$0	\$0	\$0	\$75,000	\$0	\$0	\$0	\$0	\$75,000
Dog Park Improvements	Restricted	274	PR-7	\$260,000	\$0	\$0	\$0	\$0	\$0	\$330,000	\$0	\$0	\$0	\$590,000
New Event Venue	Restricted	275	PR-8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$535,000	\$0	\$535,000
PR - Parks & Recreation Subtotal (excluding projects not funded)				\$1,559,600	\$270,000	\$160,000	\$532,830	\$0	\$75,000	\$330,000	\$0	\$535,000	\$0	\$3,462,430
Projects Not Funded				\$0	\$0	\$0	\$0	\$150,000	\$0	\$0	\$140,000	\$0	\$0	\$290,000

SUMMARY OF CAPITAL PROJECTS
continued

FY 2018 - FY 2027 Master Summary Project List by Major Program

Project dollar amounts in grey and italics are unfunded.

(Click on a Project Page # to navigate to that page)

Project Name	Funding Sources Type	Page #	Project #	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Totals
PD - Police														
Remodel/Expand Police Facility	Restricted & Capital Reserves	276	PD-1	\$20,000	\$832,190	\$757,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,609,690
Replace Computer Aided Dispatch/Records Management System (CAD/RMS)	Capital Reserves	277	PD-2	\$551,464	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$551,464
Strengthen Radio Signal	Capital Reserves	278	PD-3	\$155,000	<i>\$600,000</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$755,000
Renovation of Current Police Facility	Capital Reserves	279	PD-4	\$151,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$151,500
Construct Bathrooms at Shooting Range	Restricted & Capital Reserves	280	PD-5	\$194,175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$194,175
Modular Classroom at Shooting Range	Capital Reserves	281	PD-6	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70,000
PD - Police Subtotal (excluding projects not funded)				\$1,142,139	\$832,190	\$757,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,331,829
Projects Not Funded				\$0	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600,000
PW - Public Works														
Improve Uptown Restrooms	Unidentified	282	PW-1	\$0	\$0	\$0	\$0	<i>\$121,200</i>	<i>\$121,200</i>	\$0	\$0	\$0	\$0	\$242,400
PW - Public Works Subtotal (excluding projects not funded)				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projects Not Funded				\$0	\$0	\$0	\$0	\$121,200	\$121,200	\$0	\$0	\$0	\$0	\$242,400
SD - Storm Drainage														
Coffee Pot Drainage Basin, Grasshopper Lane Area (Yavapai County)	Restricted & Capital Reserves	283	SD-1	\$1,304,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,304,700
Coffee Pot Drainage Basin, Little Elf Drive Area (Yavapai County)	Restricted & Capital Reserves	284	SD-2	\$0	\$2,011,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,011,300
Improvements to Back O' Beyond Road, Low Water Crossing (Yavapai County)	Restricted & Capital Reserves	285	SD-3	\$0	\$0	\$370,000	\$350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$720,000
View Drive Area Drainage Improvements (Yavapai County)	Restricted & Unidentified	286	SD-4	\$0	\$0	\$0	\$0	<i>\$200,000</i>	<i>\$1,460,750</i>	\$0	\$0	\$0	\$0	\$1,660,750
Saddlerock Area Drainage Improvements (Yavapai County)	Restricted & Unidentified	287	SD-5	\$0	\$0	\$0	\$0	<i>\$175,000</i>	\$0	<i>\$1,309,250</i>	\$0	\$0	\$0	\$1,484,250
Brewer Road/Tlaquepaque Drainage Area Improvements (Coconino County)	Restricted	288	SD-6	\$1,418,805	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,418,805
Improvements to Soldier Wash Crossing of Brewer Road (Coconino County)	Restricted	289	SD-7	\$856,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$856,900
Juniper Hills Area Drainage Improvements (Coconino County)	Restricted & Capital Reserves	290	SD-8	\$100,000	\$601,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$701,000
Mystic Hills Lift Station Access Improvements (Coconino County)	Restricted	291	SD-9	\$0	\$0	\$240,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$240,000
Stormwater Drainage Easements Acquisition	Restricted	292	SD-10	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$500,000
Stormwater Master Plan Update & Project Implementations	Restricted & Unidentified	293	SD-11	\$0	\$0	<i>\$250,000</i>	<i>\$475,000</i>	<i>\$475,000</i>	<i>\$400,000</i>	<i>\$400,000</i>	<i>\$775,000</i>	<i>\$775,000</i>	<i>\$775,000</i>	\$4,325,000
SD - Storm Drainage Subtotal (excluding projects not funded)				\$3,730,405	\$2,662,300	\$660,000	\$400,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$7,752,705
Projects Not Funded				\$0	\$0	\$250,000	\$475,000	\$850,000	\$1,860,750	\$1,709,250	\$775,000	\$775,000	\$775,000	\$7,470,000

SUMMARY OF CAPITAL PROJECTS
continued

FY 2018 - FY 2027 Master Summary Project List by Major Program

Project dollar amounts in grey and italics are unfunded.

(Click on a Project Page # to navigate to that page)

Project Name	Funding Sources Type	Page #	Project #	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Totals
Streets & Transportation														
Create Neighborhood Connections	Capital Reserves & Unidentified	294	ST-1	\$763,600	\$521,200	\$808,000	\$392,400	\$431,800	\$296,450	\$412,600	\$246,450	\$563,600	\$1,066,600	\$5,502,700
New Pedestrian Crossings	Capital Reserves & Unidentified	295	ST-2	\$151,500	\$1,201,900	\$883,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,237,150
Uptown/SR 179 Street Improvements	Capital Reserves & Unidentified	296	ST-3	\$636,320	\$3,141,100	\$1,388,790	\$3,275,000	\$4,343,000	\$2,523,000	\$0	\$0	\$0	\$0	\$15,307,210
Enhance Transit Services - Fixed Route	Unidentified	297	ST-4	\$0	\$0	\$0	\$440,000	\$811,060	\$811,060	\$0	\$0	\$0	\$0	\$2,062,120
New Neighborhood Electric Vehicle (NEV) Fleet	Unidentified	298	ST-5	\$0	\$0	\$0	\$0	\$340,000	\$0	\$0	\$0	\$0	\$0	\$340,000
Oak Creek Canyon Management Plan	Unidentified	299	ST-6	\$0	\$0	\$0	\$0	\$0	\$0	\$575,000	\$0	\$0	\$0	\$575,000
New Pedestrian Pathways	Unidentified	300	ST-7	\$0	\$0	\$0	\$121,200	\$838,000	\$1,100,700	\$444,200	\$1,308,000	\$2,393,700	\$823,000	\$7,028,800
New Bicycle Lanes	Unidentified	301	ST-8	\$0	\$0	\$0	\$0	\$504,000	\$2,080,600	\$707,000	\$2,020,000	\$0	\$0	\$5,311,600
Travel Information System	Capital Reserves & Unidentified	302	ST-9	\$151,000	\$0	\$0	\$0	\$0	\$0	\$1,010,000	\$2,525,000	\$2,525,000	\$0	\$6,211,000
SR 89A/West Sedona Access Management	Restricted & Unidentified	303	ST-10	\$0	\$0	\$0	\$808,000	\$4,100,600	\$358,550	\$428,500	\$753,750	\$0	\$0	\$6,449,400
Uptown Parking & Wayfinding	Capital Reserves & Unidentified	304	ST-11	\$111,100	\$111,100	\$0	\$0	\$0	\$1,414,000	\$8,070,000	\$0	\$0	\$0	\$9,706,200
Traffic Signal Operations/Management	Capital Reserves	305	ST-12	\$60,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60,200
SR 89A Weed Barrier and Landscape Improvements	Restricted & Unidentified	306	ST-13	\$0	\$0	\$0	\$0	\$0	\$0	\$292,600	\$303,000	\$0	\$0	\$595,600
Dry Creek Road Overlay	Restricted & Capital Reserves	307	ST-14	\$425,533	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$425,533
Sanborn Dr/Thunder Mountain Rd Overlay	Restricted & Capital Reserves	308	ST-15	\$75,750	\$501,283	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$577,033
Improve Ranger Rd/Brewer Rd Intersection	Capital Reserves	309	ST-16	\$0	\$302,000	\$1,262,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,564,500
Streets & Transportation Subtotal (excluding projects not funded)				\$2,375,003	\$5,778,583	\$2,954,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,107,836
Projects Not Funded				\$0	\$0	\$1,388,790	\$5,036,600	\$11,368,460	\$8,584,360	\$11,939,900	\$7,156,200	\$5,482,300	\$1,889,600	\$52,846,210
Subtotal Non-Wastewater Projects (excluding projects not funded)				\$9,200,322	\$9,618,073	\$4,531,750	\$932,830	\$175,000	\$125,000	\$380,000	\$1,048,000	\$1,180,000	\$215,000	\$28,005,975

SUMMARY OF CAPITAL PROJECTS
continued

FY 2018 - FY 2027 Master Summary Project List by Major Program

Project dollar amounts in grey and italics are unfunded.

(Click on a Project Page # to navigate to that page)

Project Name	Funding Sources Type	Page #	Project #	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Totals
WW - Wastewater														
Rebuild Wastewater Headworks	WW Revenues	310	WW-1	\$456,775	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$456,775
SCADA System & Configuration Upgrade	WW Revenues	311	WW-2	\$160,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$185,000
Skid Steer & Concrete Driveway for Air Drying Beds	WW Revenues	312	WW-3	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Construction of Wastewater Recharge/Injection Wells - Wells 3 & 4	WW Revenues	313	WW-4	\$1,990,275	\$2,155,000	\$1,381,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,526,775
Wastewater Collections System Improvements	WW Revenues	314	WW-5	\$1,170,000	\$2,278,800	\$275,000	\$275,000	\$275,000	\$550,000	\$550,000	\$0	\$0	\$0	\$5,373,800
Replace WWRP Bar Screens and Tertiary Filters	WW Revenues	315	WW-6	\$1,225,000	\$520,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,745,000
WWRP Remodel and/or Expand Operations Building	WW Revenues	316	WW-7	\$25,000	\$0	\$35,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$460,000
Replace Existing WWRP Drying Beds	WW Revenues	317	WW-8	\$0	\$0	\$0	\$150,000	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$1,650,000
Upgrade WWRP Treatment Processes	WW Revenues	318	WW-9	\$0	\$0	\$0	\$0	\$0	\$60,000	\$600,000	\$50,000	\$570,000	\$1,250,000	\$2,530,000
Upgrade Existing WWRP Odor Control Unit	WW Revenues	319	WW-10	\$0	\$185,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$185,000
Update Wastewater Master Plan for Collection Systems	WW Revenues	320	WW-11	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Paving of WWRP Asphalt Roads	WW Revenues	321	WW-12	\$0	\$0	\$0	\$0	\$0	\$420,000	\$0	\$0	\$0	\$0	\$420,000
WW - Wastewater Subtotal				\$5,077,050	\$5,163,800	\$1,691,500	\$825,000	\$1,775,000	\$1,130,000	\$1,150,000	\$50,000	\$570,000	\$1,250,000	\$18,682,350
TOTAL ALL PROJECTS (excluding projects not funded)				\$14,277,372	\$14,781,873	\$6,223,250	\$1,757,830	\$1,950,000	\$1,255,000	\$1,530,000	\$1,098,000	\$1,750,000	\$1,465,000	\$46,688,325
Total Projects Not Funded				\$0	\$600,000	\$1,638,790	\$5,511,600	\$12,489,660	\$10,566,310	\$13,649,150	\$8,071,200	\$6,257,300	\$2,664,600	\$61,448,610
Grand Totals Funded and Unfunded				\$14,277,372	\$15,381,873	\$7,862,040	\$7,269,430	\$14,439,660	\$11,821,310	\$15,179,150	\$9,169,200	\$8,007,300	\$4,129,600	\$107,536,935

CAPITAL PROJECTS DETAILS

Project Summary

Project Title:
Rehabilitate Memorial at the Former Schnebly Home Site

Location:
Uptown Parking Lot

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2022	
Estimated Completion Date	FY2022	

Project Description:
Project funding is included in the same year as the proposed addition of a public restroom at the Uptown Municipal Parking Lot (See Project # PW-1). This would contribute to the design and refurbishment of the remnants of the former Schnebly home foundation at that location. Because the project improvements are undefined, the costs are a placeholder. Previously, school age children made decorated tiles to embed in the area memorialized as a tribute to this historic landmark. Those tiles are now largely broken or missing, and it is time to rejuvenate the area with a new arts-related project. It is anticipated that this would be a partnership with the Historical Society or other group concerned about the historic preservation of this memorial.



Project Justification:
The previous improvements have deteriorated. Prior to starting design work, adequate funding would need to be available, and a process to develop the design established. It would make sense to do this at the same time as the construction of a public restroom, which is proposed at the same site as Project # PW-1. Should that project be accelerated, this piece would also be accelerated.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Project Estimate Detail:															
Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals	
Construction	1% for Arts	Future Estimate						\$50,000							\$50,000
															\$0
															\$0
															\$0
															\$0
															\$0
															\$0
															\$0
Totals				\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:											
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	
Revenues											
New Revenues											\$0
Increase to Existing Revenues											\$0
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures											
Personnel Costs											\$0
Materials & Supplies											\$0
Contractual Services											\$0
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:
No new costs anticipated.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Art in the Roundabouts

Location:

SR 179 Corridor

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2019	
Estimated Completion Date	FY2019	

Project Description:

To continue adding public art for beautification of SR 179. The Schnebly Roundabout public art piece was the last to be installed in FY2016. The next project is scheduled for FY2019, and future projects are scheduled for FY2022 and FY2025, assuming that the 1% for Arts funds can be accumulated to cover the costs.



Project Justification:

This project will enhance the City's image as a city animated by the arts, where public art may be enjoyed by residents and visitors. The roundabouts along SR 179 and SR 89A are highly visible locations in the City. Both of the SR 89A roundabouts have had art installed, and there are three others on SR 179 that could be candidates for installing artwork.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Public Art Purchase	1% for Arts	Future Estimate			\$65,000			\$65,000			\$65,000			\$195,000
Construction	1% for Arts	Future Estimate			\$10,000			\$10,000			\$10,000			\$30,000
Totals				\$0	\$0	\$75,000	\$0	\$0	\$75,000	\$0	\$0	\$75,000	\$0	\$225,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										\$0
Increase to Existing Revenues										\$0
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										\$0
Materials & Supplies										\$0
Contractual Services										\$0
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Maintenance costs for public art has been minimal and absorbed in the City's existing budget. Any significant costs associated with future art projects will be determined once projects are identified.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Improvements at Ranger Station

Location:

250 Brewer Road

Phase: 1A of 4 **Project #:** CD-1
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2017	
Estimated Completion Date	January 2018	

Project Description:

Continued development and construction of improvements approved in the Ranger Station Master Plan:
FY2017: The master plan was completed, hazardous material was removed from the site, one building and three sheds removed, and Phase 1 of the master plan was designed.
FY2018: Phase 1A funding supports the completion of underground utilities and rough grading which also utilizes available resources from the Soldier Wash project. This creates efficiencies and cost saving opportunities.
FY2025: Phase 1B funding supports the construction of the parking lot, restrooms, lawn, playground, and central seating areas.
FY2026 & FY2027: Funding supports Phase 2 (the plaza, landscape barn and house areas), Phase 3 (perimeter trail and landscaping), and Phase 4 (the pickleball court and gardens).



Project Justification:

The City purchased the "Old Ranger Station" at 250 Brewer Road in 2014 and has now developed a master plan for the site. This master plan reflects the future community vision for this property as a community park. Detailed design needs to be developed, for all phases of the Master Plan, to allow construction of the approved master plan concepts.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Site environmental work is complete, site structure removal (as previously specified) will be complete, and Phase 1 design will be complete.

Project Balance	
Original Approved Project Budget	\$261,600
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$261,600
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$261,600
Estimated Expenditures through June 30, 2017	\$141,425
Budget Balance Remaining	\$120,175

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

The Project Estimate Detail reflects the approved Master Plan cost estimates and design data. Phase 1 is divided into Phase 1A for FY2018 and Phase 1B for FY2025. Phase 1B is scheduled for FY2025 to allow for the accumulation of CFD monies. Phases 2, 3, and 4 are planned for FY2026 & FY2027.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Master Plan	Summit CFD	Carryover	\$5,000											\$5,000
Design	Summit CFD	Carryover	\$56,600											\$56,600
Environmental	Fairfield CFD	Carryover	\$49,825											\$49,825
Demolition/Site Prep	Summit CFD	Carryover	\$30,000											\$30,000
Construction	Fairfield CFD	Carryover		\$120,175										\$120,175
Design	Summit CFD	Future Estimate									\$25,000			\$25,000
Design	Fairfield CFD	Future Estimate										\$35,000		\$35,000
Construction	Summit CFD	Future Estimate									\$415,000	\$65,000	\$65,000	\$545,000
Construction	Fairfield CFD	Future Estimate									\$483,000	\$495,000	\$100,000	\$1,078,000
Totals			\$141,425	\$120,175	\$0	\$0	\$0	\$0	\$0	\$0	\$923,000	\$595,000	\$165,000	\$1,944,600

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

May be an opportunity to use Development Impact Fees toward this project.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies								\$300	\$600	\$600
Contractual Services								\$6,480	\$9,120	\$9,120
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,780	\$9,720	\$9,720

Explanation of Operating Impacts:

There will be impacts to the operating budget due to additional demands for event planning, parks maintenance, utilities, commodities, etc.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

New Courtroom - Remodel OR New Construction

Location:

55 Sinagua Drive (if remodel) --OR-- To Be Determined (if new construction)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2018	
Estimated Completion Date	4-6 months	

Project Description:

Establish a separate courtroom, office space for 3 clerks, court administrator office, judge's chambers, jury room, lawyer conference room, file room, bathroom facilities and kitchen area.

FYs 2018-2019 Option (Remodel):

Remodel costs are for design and construction at 55 Sinagua Drive and includes funding for both the Court and City Attorney.

Alternate Option (New Construction):

New build costs are for design and construction at a location to be determined (land acquisition costs are not included in estimate). Total New Build Project Estimate is \$1,035,000.



Project Justification:

The court and City Council compete for use of the council chambers due to respective schedules. The judge conducts in-court business Monday through Wednesday. There are only 10 actual days out of the month during which to schedule in-court business. As work of the court increases, this limitation becomes more acute. There have already been instances where time sensitive matters have been redirected to other courts because the courtroom was not available. The courtroom itself would require 600 to 800 sq. feet. The jury room and judge's chamber would require approx. 216 sq. feet each. The clerks' office and court supervisor would need about 360 sq. feet. The conference room would need 64 to 80 sq. feet. The file room would need about 72 sq. feet. Bathrooms and kitchen space accordingly. In total, the estimated square foot requirements would be between 1,312 and 1,528. A long-term solution for the court's requirements should be discussed, and a plan developed.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$273,000
Requested Total Project Budget	\$273,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$273,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Court Restricted Revenues	New Appropriation		\$22,500										\$22,500
Construction	Court Restricted Revenues	New Appropriation		\$150,000										\$150,000
Technology	Capital Reserves	New Appropriation		\$50,000										\$50,000
Construction	Capital Reserves	New Appropriation		\$50,000										\$50,000
Arts Transfer	Capital Reserves	New Appropriation		\$500										\$500
Totals				\$0	\$273,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$273,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies		\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Contractual Services		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Total Expenditure Impacts	\$0	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500

Explanation of Operating Impacts:

Estimated utilities, janitorial, and maintenance supplies.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Park/Open Space Land Acquisition

Location:

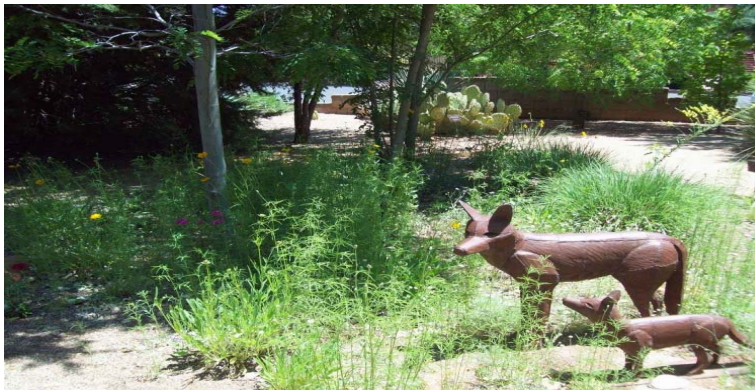
Sedona

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	TBD	
Estimated Completion Date	TBD	

Project Description:

Funding is available through development impact fees for park land acquisition. This funding could be used to purchase various properties for future use as a public park, including possible creek-side land, easements or pathways for a creek walk, a neighborhood park in the Chapel area, etc. This establishes the appropriation authority should Council decide to purchase something. If the funds set aside for park property acquisition are not expended in FY2017, the amounts will likely be re-appropriated in future fiscal years.



A recommendation to use this funding for purchase of land that would serve as a new event venue space has been included as Project # PR-7.

Project Justification:

According to the 2012 Parks and Recreation Master Plan, there is public interest and support among city residents for additional park sites, including neighborhood and community parks. The distributing of city parks equitably and targeting underserved populations was given as a guideline for choosing capital projects in the future. The City has also collected development impact fees which must be spent on the acquisition of park land. This allocation provides a funding appropriation in the event any property acquisition materializes in FY2018 or beyond.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	\$1,250,000
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$1,250,000
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$1,250,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$1,250,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Land Acquisition	Development Impact Fees	Carryover		\$1,250,000										\$1,250,000
Totals				\$0	\$1,250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,250,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

There is no operating impact unless a park is eventually built on the land purchased.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
New Concession Stand

Location:
Posse Grounds Park

Phase: of **Project #:** PR-2
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2019	
Estimated Completion Date	FY2019	

Project Description:
The concession stand and restrooms building (combined) is located between the softball fields at Posse Grounds Park. An approved budget would allow for concept and development of plans and specification for an entirely new building with restrooms, storage, concession capabilities, and improved access. The original building will be torn down.



Project Justification:
This building has been in need of repair and remodel for many years; however, the demand for the building was not large enough to justify the budget. With the increase of special events at this facility as well as the development of the new bike skills park and Pavilion, the demand on this building has begun to increase and will continue to do so. This is the main public restroom facility for the skate park, basketball court, ball fields, special events, rentals, and bike park. This restroom will support any Pavilion rentals as well during the fall/winter seasons since those restrooms are closed. This building also provides storage for Little League.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Development Impact Fees	Future Estimate			\$30,000									\$30,000
Construction	Development Impact Fees	Future Estimate			\$220,000									\$220,000
Contingency	Development Impact Fees	Future Estimate			\$20,000									\$20,000
Totals				\$0	\$0	\$270,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$270,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:
A new building will replace the currently existing building so operating expenses are already accounted for.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Playground Surface Replacement

Location:

Sunset Park

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2020	
Estimated Completion Date	FY2020	

Project Description:

Replace the existing wood chips with a rubberized, cleaner and more accessible surface.



Project Justification:

Wood chips are considered ADA accessible. However, they are dirty, painful, in constant need of refurbishing, and really not friendly for wheelchairs or strollers regardless of their designation. The playgrounds at Sunset Park are highly used. There are summer camps, mommy & tot groups, homeschool groups, and everyday park users that play on these playgrounds. It is the park recommended to tourists because of the shaded playgrounds and splash pad. It would be ideal to resurface the popular playgrounds with a new user-friendly surface.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Construction	Development Impact Fees	Future Estimate				\$160,000								\$160,000
Totals				\$0	\$0	\$160,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs			-\$290	-\$290	-\$290	-\$290	-\$290	-\$290	-\$290	-\$290
Materials & Supplies			-\$4,710	-\$4,710	-\$4,710	-\$4,710	-\$4,710	-\$4,710	-\$4,710	-\$4,710
Contractual Services										
Total Expenditure Impacts	\$0	\$0	-\$5,000	-\$5,000	-\$5,000	-\$5,000	-\$5,000	-\$5,000	-\$5,000	-\$5,000

Explanation of Operating Impacts:

Savings would result from the elimination of the need to replenish the wood chips.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Shade Structures and Playground Equipment Replacement

Location:

Posse Grounds Park Playground Area

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2021	
Estimated Completion Date	FY2021	

Project Description:

Remove all existing outdated playground equipment, and replace with new inclusive and adaptive equipment. Completion of this project will result in two new shade structures and two new playgrounds. Includes installation of a rubberized safety playground surface, new equipment, water feature, and shade structures over both of the new playground areas.



Project Justification:

According to the 2012 Parks and Recreation Master Plan: Capital Maintenance Priorities - Upgrade Existing Playgrounds at Posse Grounds Community Park, shade structures should be installed on all playgrounds within 1-3 years.

A design was completed in 2015 that would replace both playgrounds at Posse Grounds Park. Construction will not take place unless outside funding sources are procured for a significant portion of the project. The new playground design will be "inclusive" by nature so as to invite children of all abilities to play and imagine together. The rubberized playground surface will be ADA accessible so as not to eliminate anyone (adult or child) from being able to use the park. By installing this weather/sun protection structure, it will increase the life of the playground equipment and protect the users of the playground equipment. These are the last two playgrounds that need to be covered in order to accomplish one of the goals in the Master Plan.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Design completed.

Project Balance	
Original Approved Project Budget	\$30,630
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$30,630
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$30,630
Estimated Expenditures through June 30, 2017	\$30,630
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Development Impact Fees	Carryover	\$30,630											\$30,630
Construction	Development Impact Fees	Future Estimate					\$388,937							\$388,937
Construction	Donations	Future Estimate					\$100,000							\$100,000
Contingency	Development Impact Fees	Future Estimate					\$43,893							\$43,893
														\$0
Totals			\$30,630	\$0	\$0	\$0	\$532,830	\$0	\$0	\$0	\$0	\$0	\$0	\$563,460

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Will seek outside funding through community donations and sponsorships.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

There is already a playground here so it would not increase the level of work that Maintenance is already providing. It may decrease costs, however, since wood chips would not have to be replaced annually.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Bike Skills Park - Phase II

Location:

Posse Grounds Park

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	March 2017	
Estimated Completion Date	June 2018	

Project Description:

The bicycle community fundraised \$37,000 for the design of the park in FY2015, and the City subsequently agreed to construct the park. The contributed funds paid for a complete master plan design. It included future phases (not currently budgeted) that could be built, if additional funding becomes available. Phase One (Pump Park, Flow Train, and Tech Flow) is complete. Phase Two was originally set to be built in FY2017, and a portion will be carried over to FY2018. The additional funding will build Phases Two through Four, which include six additional features including dual slalom, dirt jump park, tot loop, skills zone, and bump & jump flow trail. Phases Three and Four are projected as FY2022 and FY2025, but are currently unfunded.



Project Justification:

As \$37,000 was raised by the community to pay for the design of the park, it can be concluded that this amenity is a community need. The City's Strategic Plan states that the community should be served with a variety of recreational opportunities and the parks should be expanded based on identified community needs. Since a master plan design has been approved by the community, the Planning & Zoning Commission, and the City Council, it would be in the best interest for our users if the park was completed in its potential entirety. In FY2016, Phase One of the park was completed. A second phase (Dual Slalom) was programmed for FY2017 and scheduled for start in early March after the Sedona Mountain Bike Festival. The final phases Three and Four are currently unfunded.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Phase Two - the dual slalom will be substantially complete.

Project Balance	
Original Approved Project Budget	\$274,296
Approved Budget Increases/Decreases	\$1,500
Current Approved Total Project Budget	\$275,796
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$275,796
Estimated Expenditures through June 30, 2017	\$226,196
Budget Balance Remaining	\$49,600

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals	
Design	Outside Participation	Carryover	\$37,096											\$37,096	
Construction	Grant	Carryover	\$20,600											\$20,600	
Construction	Capital Reserves	Carryover	\$110,000											\$110,000	
Construction	Development Impact Fees	Carryover	\$54,400	\$49,600										\$104,000	
Construction	Donations	New Appropriation	\$3,000											\$3,000	
Construction	Unidentified	Not Funded						\$150,000			\$140,000			\$290,000	
Arts Transfer	Capital Reserves	Carryover	\$1,100											\$1,100	
Totals				\$226,196	\$49,600	\$0	\$0	\$0	\$150,000	\$0	\$0	\$140,000	\$0	\$0	\$565,796

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Community members and businesses raised the money for the design. There was also a private donation for \$3,000 after the design was complete.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Total Expenditure Impacts	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000

Explanation of Operating Impacts:

The trails must be maintained on a continued basis. We would like to work with an independent contractor to perform maintenance on the trails and organize volunteer efforts. A Decision Package has been submitted as part of the Parks & Recreation operating budget, but was only partially approved by the City Manager for \$10,000.



CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
New Toddler Pool

Location:
Sedona Community Pool

Phase: of **Project #:** PR-6
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2023	
Estimated Completion Date	FY2023	

Project Description:
Build a new pool no deeper than one foot that can be used in conjunction with paid entry into the Community Pool. This could involve building it within the existing fenced-in area, or it would be an expansion of the fenced area behind the diving blocks.

The picture to the right is double the size we would want, but it helps to paint the picture -- parents sitting along the edge and toddlers playing in the shallow water.



Project Justification:
The Splash Pad at Sunset Park is immensely popular because it is an easy, safe way for small children to enjoy the water. The Sedona Community Pool begins at a depth of four feet deep. The pool was designed and built to be used as a competition pool, not a recreation pool. Children roughly 7 years of age and younger must either be good swimmers, hold onto the wall, sit on the stairs or be carried around by an adult. A shallow pool that could be enjoyed by toddlers and younger children would be well used and appreciated at this facility. It does not have to be large to be useful.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Development Impact Fees	Future Estimate							\$3,000					\$3,000
Construction	Development Impact Fees	Future Estimate							\$62,000					\$62,000
Contingency	Development Impact Fees	Future Estimate							\$10,000					\$10,000
Totals				\$0	\$0	\$0	\$0	\$0	\$75,000	\$0	\$0	\$0	\$0	\$75,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs						\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
Materials & Supplies						\$30	\$30	\$30	\$30	\$30
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$16,030	\$16,030	\$16,030	\$16,030	\$16,030

Explanation of Operating Impacts:
A new employee would be required to watch the Toddler Pool, and chemical and utility costs would increase based on size of new pool area.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Dog Park Improvements

Location:

Posse Grounds Park

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	April 2016	
Estimated Completion Date	FY2018	

Project Description:

Upgrade existing dog park:
A master plan was created in FY2017 based on community feedback, best practices, and resources available. The new Master Plan includes increases to parking, improvements to drainage and erosion control, new surfacing options, a new watering station, and many other improvements not presently scheduled to be funded. It is a beautiful "best case" Master Plan. The feedback from the community was positive.

The FY2018 amount represents carryover to complete the improvements currently in process. The FY2024 amount represents the remaining improvements outlined in the Master Plan.



Project Justification:

The current facility is dirty, eroding, and not functioning as well as it could. Phase 1 of this project was to be completed in FY2016. There were delays on the project. Once this phase is completed, there will be 8 additional parking spaces and 4 handicapped ADA parking spaces, a new watering station for pets and people, increased area with easy-to-maintain surfacing, a portion of artificial turf, and an improved seating area. The remaining project phase would encompass additional improvements as outlined in the Master Plan.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Plans for Phase 1 will be complete. Construction will need to be put out for bid again.

Project Balance	
Original Approved Project Budget	\$221,130
Approved Budget Increases/Decreases	\$0
Current Approved Total Project Budget	\$221,130
Requested Budget Increase/Decrease	\$71,853
Requested Total Project Budget	\$292,983
Estimated Expenditures through June 30, 2017	\$32,983
Budget Balance Remaining	\$260,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

Increases in anticipated costs.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Development Impact Fees	Carryover	\$32,983	\$5,000										\$37,983
Construction	Development Impact Fees	Carryover		\$255,000										\$255,000
Design	Development Impact Fees	Future Estimate								\$30,000				\$30,000
Construction	Development Impact Fees	Future Estimate								\$300,000				\$300,000
Totals			\$32,983	\$260,000	\$0	\$0	\$0	\$0	\$0	\$330,000	\$0	\$0	\$0	\$622,983

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Park already exists so operating expenses are already accounted for.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

New Event Venue

Location:

Sedona

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2026	
Estimated Completion Date	FY2026	

Project Description:

Repurpose or purchase approximately 5.5 acres of land that can efficiently, safely, and strategically work as an event venue. An open space area with grass, irrigation, restrooms, parking lots, electricity, and a storage building would be ideal. An additional 5 acres of land will be needed to create 300-400 parking spaces, given our development and local building code requirements. Total land proposed for event venue and parking is 10.5 acres. The land purchase would be made as part of Project # PR-1.



Project Justification:

Sedona is a city with multiple annual special events. Event promoters need an area that can efficiently, safely, and strategically work as an event venue. Posse Grounds Park is gaining popularity as a location to hold events; however, it has limited parking, limited lighting and electrical, multiple competing facilities, and really, the fields are maintained and meant to be used as athletic fields. Each event that takes place causes a different level of damage to the fields. If Council is going to continue to support events and even growth in Sedona, it may be appropriate to provide a venue designed for that purpose. Chapter 6 of the Community Plan says, "1. Provide and support community events, festivals, and programs that offer a variety of opportunities for social interaction and contribute to a sense of community."

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Development Impact Fees	Future Estimate										\$35,000		\$35,000
Construction	Development Impact Fees	Future Estimate										\$500,000		\$500,000
Totals				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$535,000	\$0	\$535,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

The potential for rental income is strong for this new event venue, and estimates can be made once the size of the venue is determined. There are requests for information to rent Posse Grounds Park, that choose not to move forward due to the size. These potential renters would most likely be captured with this larger event venue request.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Remodel/Expand Police Facility

Location:

City Hall

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY 2019	
Estimated Completion Date	FY 2020	

Project Description:

Design, construct, furnish, and equip a 18,721 sq. ft. police station (based on Police Facility Study). Project estimates assume utilizing existing city-owned land, and therefore, does not include costs for land acquisition.

The request for FY2018 is to perform an evaluation of possible options, such as utilization of currently owned city facilities, or construction of new facility. The FY2019 and FY2020 amounts assume a complete remodel of existing space contingent upon approval of Project MC-1.



Project Justification:

The current police station was never designed as a critical, public safety facility and does not allow for effective workflow processes, security of confidential/sensitive work areas, locker room privacy, shared public/other City department use, or accommodation for various support functions. Since the station opened in 1998, it has been operating as a 24/7 police facility, 365 days-a-year, which significantly wears a facility much more rapidly than an office building with limited hours of operation. The current building is lacking an interview room, proper storage areas, sergeants and officers work stations. The communication center and evidence storage rooms flood due to water seeping through the walls, and the garage leaks. Of critical importance, there are many negative safety factors associated with prisoner processing. A 2016 Police Station Study confirmed many shortcomings of the overcrowded facility, particularly that the current 6,021 sq. ft. space (7,530 sq. ft. including the parking garage) was inadequate and lacked many FEMA requirements for critical facilities. The proposed project does not include land acquisition.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$20,000
Requested Total Project Budget	\$20,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$20,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Evaluation	Capital Reserves	New Appropriation		\$20,000										\$20,000
Design	Capital Reserves	Future Estimate			\$75,000									\$75,000
Construction	Capital Reserves	Future Estimate			\$643,950	\$750,000								\$1,393,950
Construction	Development Impact Fees	Future Estimate			\$106,050									\$106,050
Arts Transfer	Capital Reserves	Future Estimate			\$7,190	\$7,500								\$14,690
Totals				\$0	\$20,000	\$832,190	\$757,500	\$0	\$0	\$0	\$0	\$0	\$0	\$1,609,690

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Development impact fees could potentially be used for a portion of the costs.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Operating impacts are unidentified at this time and will be determined during the evaluation requested for FY2018.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Replace Computer Aided Dispatch/Records Management System (CAD/RMS)

Location:

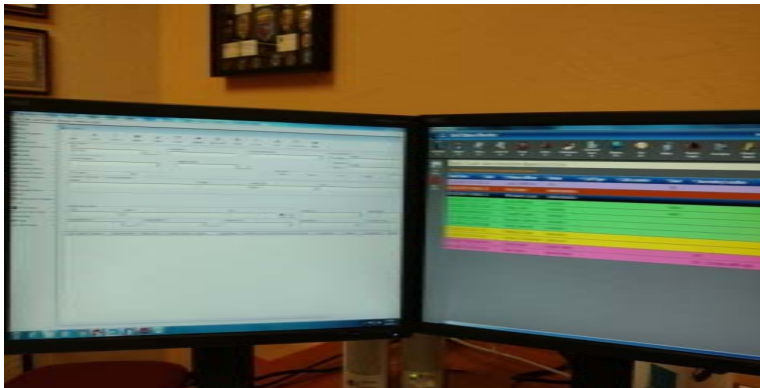
100 Roadrunner Drive

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2018	

Project Description:

Purchase and install a new, updated CAD/RMS system to enhance internal accountability, improve interagency information exchange, and provide better customer service to the community.



Project Justification:

Other CAD/RMS systems have a single-source, complete Dispatch, Mobile and Records system for the contemporary 21st century police organization, rather than the outdated four-component system we employ now. The advantages in switching to a single-source CAD/RMS system will be instant results, instead of the current 2-4 weeks to assign a case for follow-up. Instead of forcing our Records Clerk to spend an inordinate amount of time to merge and reassign a case for follow-up, the system manages records as they are inputted. Record requests that have been taking up to 72 hours to complete will take less than 24 hours.

All surrounding law enforcement agencies use Spillman/Insight systems and share their information, which we cannot do currently. All employees will be able to track crime trends; managers can hold employees accountable for work performed; important and timely data can be retrieved instantly when needed; and the community will be able to obtain a public crime map. The new RMS system will include evidence tracking, robust data analyses, and the ability to implement the E-citation Program.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	\$70,000
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$70,000
Requested Budget Increase/Decrease	\$481,464
Requested Total Project Budget	\$551,464
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$551,464

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

Requesting transfer of carryover for E-citations upgrade to this project, plus additional needed to fully fund the project.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Equipment	Capital Reserves	New Appropriation		\$481,464										\$481,464
Equipment	Capital Reserves	Carryover		\$35,000										\$35,000
Technology	Capital Reserves	Carryover		\$35,000										\$35,000
Totals				\$0	\$551,464	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$551,464

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services		-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937
Total Expenditure Impacts	\$0	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937	-\$48,937

Explanation of Operating Impacts:

In FY2017, we spent \$96,322 in service/maintenance fees, and every year those fees increase 3%-5%. The yearly cost for Insight and CrimeMapping adds an additional \$3,000. There are other CAD/RMS systems that cost approximately half what we are paying now.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Strengthen Radio Signal

Location:

100 Roadrunner Drive and Airport Mesa

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2018	

Project Description:

Enhance radio system to improve radio transmitting and receiving of police radio communications. Identify and recommend various alternatives to ensure that the radio system will meet current and future interoperability requirements.

The airport is changing the antenna locations at the southeast end of the field. We included a cost estimate of \$100,000 in FY2018 in case emergency repeaters or antennas are needed, due to the airports actions.



Project Justification:

A vital and critical resource to any public safety entity is reliable and effective radio communications. For the past several years, police personnel have experienced on-going problems with transmitting and receiving radio communications, including dead spots (inability to communicate based on terrain or infrastructure blockage) and frequent inaudible or garbled transmissions. This is a public safety issue that impacts our ability to keep our employees and the public safe. Slight improvements have been made to the system based on recommendations from the previous system assessment study along with the planned upgrading of other system components. A complete evaluation of improved radio transmitting and receiving communication is scheduled to be completed during FY2018. Should radio communications problems persist, the alternative recommendation of implementing a digital/analog P25 radio system will need to be considered for funding in FY2019.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

The High School antenna addition was placed on hold until the FAA gives approval to move the Airport antenna to a higher level than its current location. A decision on this antenna movement request is pending, and we are hopeful to receive a decision before the end of this fiscal year.

Project Balance	
Original Approved Project Budget	\$40,000
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$40,000
Requested Budget Increase/Decrease	\$115,000
Requested Total Project Budget	\$155,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$155,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

In 2016, the Sedona Fire District was told by the Airport Commission that the airport will be moving all radio antennas on the southeast side of the airport to the southwest end of the airport. This may cause radio communications along SR 179 to be negatively impacted. The Fire District has since transitioned to another radio system; however, the movement of these antennas will affect the Police Department's radio system.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Equipment	Capital Reserves	Carryover		\$40,000										\$40,000
Equipment	Capital Reserves	New Appropriation		\$100,000										\$100,000
Study	Capital Reserves	New Appropriation		\$15,000										\$15,000
Equipment	Unidentified	Not Funded			\$600,000									\$600,000
Totals				\$0	\$155,000	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$755,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Since the need for the digital/analog P25 radio system is unknown at this time, it is not considered funded until further information is available.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Will be better able to determine once analysis is complete.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Renovation of Current Police Facility

Location:

100 Roadrunner Drive

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2018	

Project Description:

1. Expand the Women's restroom/locker area to meet the basic needs of current female employees while planning for the needs of future female employees within the Police Department;
 2. Create a recordable interview room;
 3. Add a secured equipment supply room;
 4. Convert the old armory into a volunteer room.
- The design for these renovations will be completed internally through the Public Works Department.



Project Justification:

1. The police station opened in 1998; it has been operating as a 24/7 facility, 365 days-a-year. This building was originally designed as an office building and not a police department. The Sedona Police Department (SPD) currently has 12 females working within the department, not including the volunteers. Our female employees have to share a small restroom space that has two toilet stalls and only seven lockers; the other lockers are located in the records area. This funding will convert and merge two small rooms into additional space for the female locker room.
2. There is no dedicated area within the SPD to conduct a proper, recorded interview with a suspect. This funding will convert an unused room into an interview room.
3. There is no secure area to store police equipment and supplies. This funding will convert a closet area adjacent to the report writing room into an equipment/supply area.
4. The armory was previously moved to the lower parking garage, so this funding will convert the newly freed space into an office for our volunteers.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$151,500
Requested Total Project Budget	\$151,500
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$151,500

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Construction	Capital Reserves	New Appropriation		\$145,000										\$145,000
Equipment	Capital Reserves	New Appropriation		\$5,000										\$5,000
Arts Transfer	Capital Reserves	New Appropriation		\$1,500										\$1,500
Totals				\$0	\$151,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$151,500

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Existing facility - no additional operating impact anticipated.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Construct Bathrooms at Shooting Range

Location:

Wastewater Treatment Plant/Shooting Range

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2016	
Estimated Completion Date	June 2018	

Project Description:

A few years ago, a study detailing the renovation and enhancement of the police shooting range was completed. Most of the improvements have been completed within the past year, except for the installation of a bathroom and a classroom. The completion of this project will result in a fully functioning bathroom with the ability to flush toilets and wash hands.



Project Justification:

The Police Department shooting range is used throughout the year by the Sedona Police Department and 17 surrounding law enforcement agencies. When the range is in session, there are approximately 15-20 persons participating, and currently only one Porta-Potty, which does not have running water to wash hands. Funding for this project will provide two separate bathrooms with potable water for the toilets, and fresh water to wash hands and faces.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

The restroom design is in process, and the construction should begin in August 2017. From the prior years, we have spent \$453,750 to improve the protection berms for both the handgun and rifle side, chip seal the handgun side, extend the rifle's 100-yard shooting pad, and replace the large rocks in the parking lots with small rocks to avoid injuries.

Project Balance	
Original Approved Project Budget	\$726,250
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$726,250
Requested Budget Increase/Decrease	-\$46,747
Requested Total Project Budget	\$679,503
Estimated Expenditures through June 30, 2017	\$485,328
Budget Balance Remaining	\$194,175

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

Design is mostly complete and better estimate of project cost available.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Study	Capital Reserves	Carryover	\$19,900											\$19,900
Design	Capital Reserves	Carryover	\$38,885	\$5,500										\$44,385
Construction	Capital Reserves	Carryover	\$290,154	\$162,000										\$452,154
Construction	RICO Monies	Carryover	\$2,015	\$25,000										\$27,015
Construction	Development Impact Fees	Carryover	\$95,000											\$95,000
Equipment	RICO Monies	Carryover	\$39,374											\$39,374
Arts Transfer	Capital Reserves	Carryover		\$1,675										\$1,675
														\$0
Totals				\$485,328	\$194,175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$679,503

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services		-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500
Total Expenditure Impacts	\$0	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500	-\$7,500

Explanation of Operating Impacts:

Currently, the Police Department is paying \$625 per month, totaling \$7,500 per year, to clean the Porta-Potty. The waste removal and portable water costs are to be determined.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
Modular Classroom at Shooting Range

Location:
Wastewater Treatment Plant/Shooting Range

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2018	

Project Description:
A few years ago, a study detailing the renovation and enhancement of the police shooting range was completed. Most of the improvements have been completed within the past year, except the installation of a bathroom and a classroom. The completion of this project will result in the purchase and installation of a modular classroom at the shooting range.



Project Justification:
The Police Department shooting range is used by the Sedona Police Department and 17 surrounding law enforcement agencies throughout the year. The current classroom is small, and it has enough room for two instructors and 10 students. Normal class size at the Range/Training Facility is 15-20 students. The new classroom will have enough room for at least 20 people, with additional space for a demonstration area for the students and instructors.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
From the prior years, we have spent \$453,750 to improve the protection berms for both the handgun and rifle side, chip seal the handgun side, extend the rifle's 100-yard shooting pad, and replace the large rocks in the parking lots with small rocks to avoid injuries.

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$70,000
Requested Total Project Budget	\$70,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$70,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Equipment	Capital Reserves	New Appropriation		\$70,000										\$70,000
Totals				\$0	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:
The electrical cost is to be determined.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:

Improve Uptown Restrooms

Location:

Schnebly Road & Cedar Street (260 Schnebly Rd)

Phase: 1 of 2 **Project #:** PW-1
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2022	
Estimated Completion Date	FY2022	

Project Description:

FY2022: This project would add a new public restroom facility to the Uptown Parking Lot property. The facility would include modern fixtures and ADA access. An approved budget would allow for the development of plans and specifications for the new improvements.

FY2023: Improvements are needed at the Hitching Post public restrooms. The existing restrooms are in need of ADA updates, renovations in the existing hardware and mechanical upgrades. An approved budget would allow for the development of plans and specifications for improvements to the existing restrooms.



Project Justification:

FY2022: The Uptown Pedestrian Access Improvements project, which was completed in FY2017, is intended to improve the use of the Uptown Parking Lot. In addition, the implementation of paid parking kiosks on Main Street will promote use of the Uptown Parking lot. With these improvements, more people will pass through the area, and support facilities will be needed.

FY2023: This building has been in need of improvements and repair for a number of years. The demand on the building has increased over the years. The Hitching Post public restrooms are in the heart of the Uptown district and are a needed amenity for the area. The level of maintenance required over the past couple of years has increased significantly.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Unidentified	Not Funded						\$20,000	\$20,000					\$40,000
Construction	Unidentified	Not Funded						\$100,000	\$100,000					\$200,000
Arts Transfer	Unidentified	Not Funded						\$1,200	\$1,200					\$2,400
														\$0
Totals				\$0	\$0	\$0	\$0	\$121,200	\$121,200	\$0	\$0	\$0	\$0	\$242,400

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Could be potentially be funded with parking meter revenue.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies						\$2,700	\$4,800	\$4,800	\$4,800	\$4,800
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$2,700	\$4,800	\$4,800	\$4,800	\$4,800

Explanation of Operating Impacts:

Regular stocking of bathroom supplies and janitorial services.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Coffee Pot Drainage Basin, Grasshopper Lane Area (Yavapai County)

Location:

Grasshopper Lane

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	September 2017	
Estimated Completion Date	April 2018	

Project Description:

Design and installation of storm drainage improvements in the Grasshopper Lane area. The design in FY2018 is for construction phase services. Construction would also be in FY2018. In this phase of construction within the Coffee Pot Drainage Basin, existing drainage capacity will be increased.



Project Justification:

The 2005 Stormwater Master Plan identified this work. Storm drainage improvements will reduce damages from flooding, prevent natural erosion from occurring, and control silt runoff in the Grasshopper Lane area. These improvements are required to provide downstream capacity to allow capacity increasing improvements in the Little Elf area. This project is identified in the Stormwater Master Plan as CP-C6,C7, with portions of private property between the two projects.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Design of all phases is complete. Construction of Phases 1 and 2 are complete.

Project Balance	
Original Approved Project Budget	\$2,646,450
Approved Budget Increases/Decreases	\$41,691
Current Approved Total Project Budget	\$2,688,141
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$2,688,141
Estimated Expenditures through June 30, 2017	\$1,383,441
Budget Balance Remaining	\$1,304,700

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Capital Reserves	Carryover	\$465,465	\$25,000										\$490,465
Construction	Yavapai County Flood Control	Carryover	\$675,000	\$325,000										\$1,000,000
Construction	Grant	New	\$0	\$0										\$0
Construction	Capital Reserves	Carryover	\$235,962	\$945,000										\$1,180,962
Arts Transfer	Capital Reserves	Carryover	\$7,014	\$9,700										\$16,714
Totals			\$1,383,441	\$1,304,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,688,141

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Grant funding may be available for this project; however, since it is unknown if the an award will be made, it is assumed that the portion not covered by flood control monies will be covered with capital reserves.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies		\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600
Contractual Services										
Total Expenditure Impacts	\$0	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600

Explanation of Operating Impacts:

The operating expenditures account for costs related to weed control, debris removal, erosion repair, etc.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Coffee Pot Drainage Basin, Little Elf Drive Area (Yavapai County)

Location:

Little Elf Drive

Phase: 4 of 4 **Project #:** SD-2
(If Applicable)

	Original	Revised (if applicable)
Start Date	September 2018	
Estimated Completion Date	May 2019	

Project Description:

Design and installation of storm drainage improvements in the Little Elf Drive area. The design in FY2019 is for construction phase services. Construction would also be in FY2019. In this phase of construction within the Coffee Pot Drainage Basin, existing drainage capacity will be increased. A sediment basin will also be constructed as part of this project to protect the downstream infrastructure.



Project Justification:

The 2005 Stormwater Master Plan identified this work. Storm drainage improvements will reduce damages from flooding, prevent natural erosion from occurring and control silt runoff in the Little Elf Drive area. These improvements are required to provide downstream capacity to allow capacity increasing improvements in the Little Elf area. These improvements are the final major improvements programed in the Coffee Pot Drainage Basin. This project is identified in the Stormwater Master Plan as CP-C8.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Capital Reserves	Future Estimate			\$30,000									\$30,000
Construction	Yavapai County Flood Control	Future Estimate			\$325,000									\$325,000
Construction	Development Impact Fees	Future Estimate			\$40,000									\$40,000
Construction	Capital Reserves	Future Estimate			\$1,600,000									\$1,600,000
Arts Transfer	Capital Reserves	Future Estimate			\$16,300									\$16,300
Totals				\$0	\$0	\$2,011,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,011,300

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies			\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500

Explanation of Operating Impacts:

The operating expenditures account for costs related to weed control, debris removal, removal of sediment from the sediment basin, maintenance of trash rack at the system inlet, erosion repair, etc.



CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
Improvements to Back O' Beyond Road, Low Water Crossing (Yavapai County)

Location:
Back O' Beyond Road

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2019	
Estimated Completion Date	December 2020	

Project Description:
Development of plans, specifications, and cost estimate to eliminate one low water crossing along Back O' Beyond Road. Corps of Engineers' requirements will be determined, and right-of-way needs will be defined. The Yavapai County Flood Control funds do not become available until FY 2020.



Project Justification:
This project will develop a design and costs to improve public road ingress and egress for the Cathedral Rock Trailhead parking area and some private residential parcels. During large monsoon storms, this area is routinely isolated. From a public safety standpoint, trailhead parking area ingress and egress is important. This project provides drainage improvements not shown in the 2005 Stormwater Master Plan.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Land Acquisition	Capital Reserves	Future Estimate				\$20,000								\$20,000
Design	Yavapai County Flood Control	Future Estimate				\$125,000								\$125,000
Construction	Yavapai County Flood Control	Future Estimate				\$225,000	\$350,000							\$575,000
Totals				\$0	\$0	\$0	\$370,000	\$350,000	\$0	\$0	\$0	\$0	\$0	\$720,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies				\$500	\$500	\$500	\$500	\$500	\$500	\$500
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500

Explanation of Operating Impacts:
The operating expenditures account for costs related to debris removal, erosion repair, etc.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
View Drive Area Drainage Improvements (Yavapai County)

Location:
View Drive Area

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	
Estimated Completion Date	June 2023	

Project Description:
This project funds design and construction of storm drainage improvements for the View Drive area per the 2005 Stormwater Master Plan.



Project Justification:
This project was identified in the 2005 Stormwater Master Plan as a high priority project. This project is identified as VD-CO1 - VD-C17 & VD-D01 - VD-D16 in the Master Plan.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Yavapai County Flood Control	Not Funded						\$200,000						\$200,000
Construction	Yavapai County Flood Control	Not Funded							\$375,000					\$375,000
Construction	Unidentified	Not Funded							\$1,075,000					\$1,075,000
Arts Transfer	Unidentified	Not Funded							\$10,750					\$10,750
Totals				\$0	\$0	\$0	\$0	\$200,000	\$1,460,750	\$0	\$0	\$0	\$0	\$1,660,750

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services							\$3,200	\$3,200	\$3,200	\$3,200
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$3,200	\$3,200	\$3,200	\$3,200

Explanation of Operating Impacts:
The operating expenditures account for costs related to weed control, debris removal, erosion repair, etc.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
Saddlerock Area Drainage Improvements (Yavapai County)

Location:
Saddlerock Area

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	
Estimated Completion Date	June 2024	

Project Description:
This project funds design and construction of storm drainage improvements for the Saddlerock area per the 2005 Stormwater Master Plan.



Project Justification:
This project was identified in the 2005 Stormwater Master Plan as a high priority project. This project is identified as SC-CO1 - SC-C08 & SC-D01 - SC-D05 in the Master Plan.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Yavapai County Flood Control	Not Funded						\$175,000						\$175,000
Construction	Yavapai County Flood Control	Not Funded								\$375,000				\$375,000
Construction	Unidentified	Not Funded								\$925,000				\$925,000
Arts Transfer	Unidentified	Not Funded								\$9,250				\$9,250
Totals				\$0	\$0	\$0	\$0	\$175,000	\$0	\$1,309,250	\$0	\$0	\$0	\$1,484,250

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services								\$1,400	\$1,400	\$1,400
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,400	\$1,400	\$1,400

Explanation of Operating Impacts:
The operating expenditures account for costs related to weed control, debris removal, erosion repair, etc.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Brewer Road/Tlaquepaque Drainage Area Improvements (Coconino County)

Location:

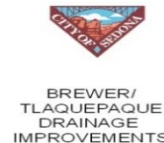
Brewer Road/Tlaquepaque Area

Phase: of Project #:
(If Applicable)

	Original	Revised (if applicable)
Start Date	November 2017	
Estimated Completion Date	April 2018	

Project Description:

This project funds design and construction of storm drainage improvements for the Brewer Road/Tlaquepaque area per the 2005 Stormwater Master Plan. Prior year costs represent the lower reach of the Phase 4 channel improvements (Phase 4A), and FY2018 includes the upper reach of the Phase 4 channel improvements (Phase 4B). \$500,000 of the FY2017 and FY2018 costs are reflected as coming from outside sources, due to cost-sharing with the property owners who will directly benefit from these improvements.



Project Justification:

A portion of this project was identified in the 2005 Stormwater Master Plan as a high priority. This project is identified in the Stormwater Master Plan as SP-C1,C2. Portions of this project also include improvements on private property.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

The lower reach of Phase 4 construction (Phase 4A) complete.

Project Balance	
Original Approved Project Budget	\$3,690,535
Approved Budget Increases/Decreases	-\$66,639
Current Approved Total Project Budget	\$3,623,896
Requested Budget Increase/Decrease	\$0
Requested Total Project Budget	\$3,623,896
Estimated Expenditures through June 30, 2017	\$2,205,091
Budget Balance Remaining	\$1,418,805

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

Cost revised based on Engineer's Opinion of Probable Construction Cost received October 2016.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Source	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Coconino County Flood Control	Carryover	\$339,620	\$13,805										\$353,425
Construction	Coconino County Flood Control	Carryover	\$1,292,021	\$1,155,000										\$2,447,021
Construction	Outside Participation	Carryover	\$573,450	\$250,000										\$823,450
Totals				\$2,205,091	\$1,418,805	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,623,896

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Los Abrigados and Tlaquepaque will each be contributing \$250,000 toward the construction of the Phase 4 improvements. Past outside contributions were from affected property owners for previous project phases.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700
Contractual Services										
Total Expenditure Impacts	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700

Explanation of Operating Impacts:

The operating expenditures account for costs related to debris, large rock, and sediment removal.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
Improvements to Soldier Wash Crossing of Brewer Road (Coconino County)

Location:
Brewer Road at Soldier Wash

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	February 2017	
Estimated Completion Date	June 2018	

Project Description:
This project includes design and installation of storm drainage improvements at the Soldier Wash crossing of Brewer Road. The capacity of the existing drainage culvert would be increased to pass the 25-year design storm. These improvements will be in the Coconino County Flood Control area.



Project Justification:
The 2005 Stormwater Master Plan identified this project as a needed improvement. Storm drainage improvements will increase the crossing capacity from 1,084 CFS to 2,200 CFS (25-year runoff event), thus reducing damages from flooding and preventing natural erosion from occurring. This project will make future flooding of the Hummingbird House less likely. This is the last project planned in the Soldier Wash area.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
It is expected that the design work will be complete.

Project Balance	
Original Approved Project Budget	\$857,000
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$857,000
Requested Budget Increase/Decrease	\$94,850
Requested Total Project Budget	\$951,850
Estimated Expenditures through June 30, 2017	\$94,950
Budget Balance Remaining	\$856,900

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
The original budget of \$700,000 for construction did not account for the multiple utility relocations that are now anticipated. It is also expected that the new bridge will have a curve to aid hydraulics (the curve drives up the cost).

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Coconino County Flood Control	Carryover	\$94,950	\$16,900										\$111,850
Construction	Coconino County Flood Control	Carryover		\$745,150										\$745,150
Construction	Coconino County Flood Control	New Appropriation		\$94,850										\$94,850
Totals				\$94,950	\$856,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$951,850

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies		\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Contractual Services										
Total Expenditure Impacts	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500

Explanation of Operating Impacts:
The operating expenditures account for costs related to debris, large rock, and sediment removal.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
Juniper Hills Area Drainage Improvements (Coconino County)

Location:
Juniper Lane

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2019	

Project Description:
Design and installation of Storm Drainage Improvements in the Juniper Lane Area. Capacity of existing drainage improvements would be increased from a point along Juniper Lane, just north of Cindy Lane, to an outlet just south of New Castle Lane. These improvements have been identified in the budget to occur after the completion of the majority of the improvements in the Brewer/Tlaquepaque area. These improvements will be in the Coconino County Flood Control area. To install this storm drainage improvement, the removal of approximately 600 feet of private street structure will occur. The City will replace the street but will not take ownership of or maintain the replaced street in the future.



Project Justification:
The 2005 Stormwater Master Plan did not identify this work; however, community representatives have communicated their concerns to City staff regarding the lack of storm drainage improvements in this area. In addition, projects in the Yavapai County Flood Control area, identified in the 2005 Stormwater Master Plan, do not compete with this project for Coconino County Flood Control funds. Storm drainage improvements will reduce damages from flooding, prevent natural erosion from occurring, and control silt runoff in the Juniper Lane area.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$701,000
Requested Total Project Budget	\$701,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$701,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Project Estimate Detail:															
Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals	
Design	Coconino County Flood Control	New Appropriation		\$100,000										\$100,000	
Construction	Coconino County Flood Control	New Appropriation			\$500,000									\$500,000	
Construction	Capital Reserves	New Appropriation			\$100,000									\$100,000	
Arts Transfer	Capital Reserves	New Appropriation			\$1,000									\$1,000	
Totals				\$0	\$100,000	\$601,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$701,000	

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies			\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500

Explanation of Operating Impacts:
The operating expenditures account for costs related to debris removal, erosion repair, etc.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Mystic Hills Lift Station Access Improvements (Coconino County)

Location:

West Mallard Drive

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2019	
Estimated Completion Date	June 2020	

Project Description:

Development of plans, specifications, and cost estimate to improve the low water crossing at the west end of West Mallard Drive, for the driveway leading to the Mallard Wastewater Lift Station. Corps of Engineer requirements will be determined, and right-of-way needs will be defined. Coconino County Flood Control District Funds have been designated for this project.



Project Justification:

This project will develop a design and costs to improve public road ingress and egress to the Mallard Wastewater Lift Station during the summer monsoon season. During summer monsoon storms, this area has been isolated at times, and road embankment is undermined and requires repair. This project provides drainage improvements not shown in the Stormwater Master Plan, and mainly benefits access to the wastewater lift station.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Coconino County Flood Control	Future Estimate				\$40,000								\$40,000
Construction	Coconino County Flood Control	Future Estimate				\$200,000								\$200,000
Totals				\$0	\$0	\$240,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$240,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies				\$500	\$500	\$500	\$500	\$500	\$500	\$500
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500

Explanation of Operating Impacts:

The operating expenditures account for costs related to debris removal, erosion repair, etc.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Stormwater Drainage Easements Acquisition

Location:

City-Wide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	On-going	
Estimated Completion Date		

Project Description:

Acquisition of drainage easements throughout City. It is proposed that initially the City begin acquiring drainage easements for the major drainage ways for Coffee Pot and Dry Creek (designated together as the Carroll Canyon subbasin). The project would require identification of drainage ways to be acquired, sizing of easements, appraisal of easements, and offers to purchase easements in the City's name. This assumes work is contracted out.



Project Justification:

There are major drainage ways throughout the City that are identified only as public drainage easements. The primary responsibility for maintenance of these drainage ways lies with the property owner. For public safety and maintenance resources, it may be better for the City of Sedona to own and maintain these drainage ways. City ownership will help to assure more uniform maintenance of major drainage ways, which should reduce the adverse impact of major storms on areas throughout the City. In prior years, these funds were used for a survey related to AAA Industrial Area drainage, and for acquisition of a drainage channel along Coffee Pot Drive adjacent to the Casita Bonita Condos development. Staff expects these funds to be necessary in FY2018 for acquisition of easements within the Grasshopper Lane area of the Coffee Pot Basin, Brewer Road Crossing, and Juniper Lane.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

On-going drainage easement acquisition.

Project Balance	
Original Approved Project Budget	\$22,500
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$22,500
Requested Budget Increase/Decrease	\$50,000
Requested Total Project Budget	\$72,500
Estimated Expenditures through June 30, 2017	\$22,500
Budget Balance Remaining	\$50,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

Estimated annual acquisition costs.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Land Acquisition	Development Impact Fees	New Appropriation	\$22,500	\$50,000										\$72,500
Land Acquisition	Development Impact Fees	Future Estimate			\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$450,000
Totals			\$22,500	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$522,500

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

None anticipated - operating impacts are identified in conjunction with the specific drainage projects.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Stormwater Master Plan Update & Project Implementations

Location:

City-Wide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	July 2019
Estimated Completion Date	June 2022	June 2022

Project Description:

Complete an update of the 2005 Stormwater Master Plan. This will include looking at the hydrology, and facility improvements and priorities. This will also account for the infrastructure completed since the 2005 Plan was complete.

In FY2021, the Master Plan would be continually updated to include remapping the floodplains changed by previous storm drainage improvement projects.

The FY2021-2027 construction funds are allocated to accommodate projects recommended in the study, in the Coconino and Yavapai County areas. This is due to already having projects designated from the current Stormwater Master Plan for this time period. At this time, we expect these projects to be small in scope.



Project Justification:

Master Plans are typically updated every 5 to 10 years. Since the 2005 Plan was complete, major infrastructure has been added to the City's storm drainage system. For program improvement projects, it is necessary to account for the improvements and changes to the storm drainage system that have occurred since the last update. In addition, since the 2005 Plan was complete, priorities for storm drainage construction may have changed, and new priorities will be reflected by updating the Plan.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals	
Study	Unidentified	Not Funded				\$125,000	\$75,000	\$75,000						\$275,000	
Study	Coconino County Flood Control	Not Funded				\$125,000	\$75,000	\$75,000						\$275,000	
Construction	Coconino County Flood Control	Not Funded					\$325,000	\$325,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,650,000	
Construction	Yavapai County Flood Control	Not Funded									\$375,000	\$375,000	\$375,000	\$1,125,000	
														\$0	
Totals				\$0	\$0	\$0	\$250,000	\$475,000	\$475,000	\$400,000	\$400,000	\$775,000	\$775,000	\$775,000	\$4,325,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Operating impacts will be determined when the projects have been identified.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Create Neighborhood Connections

Location:

Citywide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2018	

Project Description:

Construct various improvements related to connectivity throughout the City:
FY2018: Tlaquepaque/Ranger/Brewer **FY2024:** Panorama Blvd/Rockridge Dr
FY2019&2020: Forest Rd/SR 89A (ADOT) **FY2025:** Panorama Blvd/Birch Blvd
FY2021: Northview Rd/Sunset Dr **FY2026:** Contractors Rd/Goodrow Ln*
FY2022: Southwest Dr/Navajo Dr/Cantabile St **FY2027:** Tranquil Ave/Madole Rd/Safeway Shopping Ctr*
FY2023: Willow Wy/Rockridge Dr **FY2028:** White Bear Rd/Calle del Sol/Navoti Dr*

* = Pending development outside City right-of-way.
 Note: Either FY2024 or FY2025 are needed, not both.

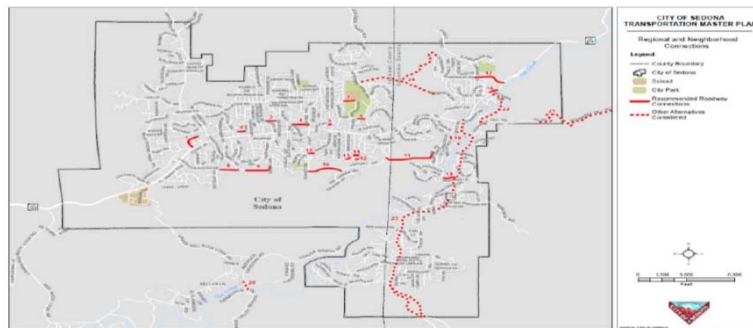


Figure 17: Regional and Neighborhood Roadway Connections

Project Justification:

The Transportation Master Plan, Strategy 1 Neighborhood and Regional Roadway Connections, states communities that are well-connected within their own boundaries make better use of thoroughfares for through-travel by offering parallel, and alternate routes for local trips.

While Thunder Mountain Road provides a limited alternative to SR 89A, north of SR 89A, additional connections will further enhance connectivity. Mobility pattern data shows 1,200 daily internal trips in West Sedona north of SR 89A. Connectivity will enable use of routes other than SR 89A. A parallel route south of SR 89A will establish connectivity between subdivisions south of SR 89A. Connectivity should also be pursued to provide an alternative route connecting West Sedona to SR 179 destinations.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance		
Original Approved Project Budget		
Approved Budget Increases/Decreases		
Current Approved Total Project Budget		\$0
Requested Budget Increase/Decrease		\$763,600
Requested Total Project Budget		\$763,600
Estimated Expenditures through June 30, 2017		\$0
Budget Balance Remaining		\$763,600

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Land Acquisition	Capital Reserves	New Appropriation		\$400,000										\$400,000
Design	Capital Reserves	New Appropriation		\$60,000										\$60,000
Construction	Capital Reserves	New Appropriation		\$300,000										\$300,000
Arts Transfer	Capital Reserves	New Appropriation		\$3,600										\$3,600
Land Acquisition	Capital Reserves	Future Estimate			\$400,000									\$400,000
Design	Capital Reserves	Future Estimate			\$120,000									\$120,000
Construction	Capital Reserves	Future Estimate				\$800,000								\$800,000
Arts Transfer	Capital Reserves	Future Estimate			\$1,200	\$8,000								\$9,200
Land Acquisition	Unidentified	Not Funded					\$150,000	\$250,000	\$150,000	\$150,000	\$100,000	\$200,000	\$400,000	\$1,400,000
Design	Unidentified	Not Funded					\$40,000	\$30,000	\$25,000	\$45,000	\$25,000	\$60,000	\$110,000	\$335,000
Construction	Unidentified	Not Funded					\$200,000	\$150,000	\$120,000	\$215,000	\$120,000	\$300,000	\$550,000	\$1,655,000
Arts Transfer	Unidentified	Not Funded					\$2,400	\$1,800	\$1,450	\$2,600	\$1,450	\$3,600	\$6,600	\$19,900
Totals				\$0	\$763,600	\$521,200	\$808,000	\$392,400	\$431,800	\$296,450	\$412,600	\$246,450	\$563,600	\$5,502,700

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Would look into partnership with surrounding property owners when applicable.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services		\$3,000	\$3,000	\$6,000	\$9,000	\$12,000	\$15,000	\$18,000	\$21,000	\$24,000
Total Expenditure Impacts	\$0	\$3,000	\$3,000	\$6,000	\$9,000	\$12,000	\$15,000	\$18,000	\$21,000	\$24,000

Explanation of Operating Impacts:

Operating costs include crack sealing, fog seal, pavement markings, drainage, and signs. These costs are cumulative for each project beginning the year after construction.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

New Pedestrian Crossings

Location:

Uptown Sedona and SR 179

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2018	
Estimated Completion Date	FY2018	

Project Description:

Construct pedestrian controlled street crossings:
FY2018: Signal Crossing SR 89A at Arroyo Roble Rd
FY2019 & FY2020: Pedestrian over crossing SR 89A - Wayside



Project Justification:

The Transportation Master Plan, Strategy 2 Pedestrian Crossings, states "... (at) uncontrolled (crosswalks) pedestrians cross upon arrival at the crosswalk. This can lead to numerous interruptions to through traffic during peak pedestrian times as pedestrians continually arrive at the crosswalk. The stop-and-go traffic backs up traffic."

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$151,500
Requested Total Project Budget	\$151,500
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$151,500

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Capital Reserves	New Appropriation		\$25,000										\$25,000
Construction	Capital Reserves	New Appropriation		\$125,000										\$125,000
Arts Transfer	Capital Reserves	New Appropriation		\$1,500										\$1,500
Design	Capital Reserves	Future Estimate			\$315,000									\$315,000
Construction	Capital Reserves	Future Estimate			\$875,000	\$875,000								\$1,750,000
Arts Transfer	Capital Reserves	Future Estimate			\$11,900	\$8,750								\$20,650
Totals				\$0	\$151,500	\$1,201,900	\$883,750	\$0	\$0	\$0	\$0	\$0	\$0	\$2,237,150

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services	\$1,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500
Total Expenditure Impacts	\$1,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500

Explanation of Operating Impacts:

Operating costs include signal maintenance, bridge structure maintenance (deck, paint, elevator etc.). These costs are cumulative for each project beginning the year of construction.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Uptown/SR 179 Street Improvements

Location:

Uptown Sedona

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2018	

Project Description:

Construct Uptown/SR 179 Street Improvement Projects:
FY2018 & FY2019: 4-foot median through Uptown with 2nd southbound thru lane (including roundabout at Jordan Road)
FY2019: Minor projects
FY2020: Y bypass lanes (northbound and southbound)
FY2021&2022: Widen Schnebly Roundabout to two lanes and widen SR 179 from Schnebly to the "Y" to two lanes in each direction; include a grade-separated pedestrian crossing at Tlaquepaque (pedestrians going under the roadway)
FY2023: Roundabout at north end of Uptown



Project Justification:

The Transportation Master Plan, Strategy 3 Uptown Sedona Street Improvements, indicates traffic congestion in Uptown Sedona represents a primary source of frustration for residents and visitors. Traffic delays result from pedestrian crossing activity, parking maneuvers, and vehicles turning to and from side streets. A typical traffic lane, under ideal conditions, has a capacity of approximately 1,900 vehicles/hour. Traffic signals, on-street parking, pedestrian crossings, and turning vehicles all reduce the capacity of the roadway, and traffic volumes during peak season – which is primarily comprised of through travelers and visitors – exceed the capacity of the roadway. Southbound SR 89A consists of a single travel lane. A second southbound travel lane would improve traffic flow and reduce conflicts caused by vehicles turning and parking. Median improvements and controlled pedestrian crossings would also improve capacity. Y bypass - separating turning movements from through traffic would improve intersection operations.

 Improvements to SR 179 Schnebly Roundabout and SR 179 from Schnebly to the "Y" to two lanes in each direction, and a grade-separated pedestrian crossing at Tlaquepaque (pedestrians going under the roadway), will improve efficiency and improve travel time along the SR 179 corridor.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$3,545,120
Requested Total Project Budget	\$3,545,120
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$3,545,120

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Land Acquisition	Capital Reserves	New Appropriation		\$200,000										\$200,000
Design	Capital Reserves	New Appropriation		\$432,000										\$432,000
Construction	Capital Reserves	New Appropriation			\$2,880,000									\$2,880,000
Arts Transfer	Capital Reserves	New Appropriation		\$4,320	\$28,800									\$33,120
Design	Capital Reserves	Future Estimate			\$30,000									\$30,000
Construction	Capital Reserves	Future Estimate			\$200,000									\$200,000
Arts Transfer	Capital Reserves	Future Estimate			\$2,300									\$2,300
Land Acquisition	Unidentified	Not Funded				\$400,000	\$750,000		\$200,000					\$1,350,000
Design	Unidentified	Not Funded				\$119,000	\$500,000		\$300,000					\$919,000
Construction	Unidentified	Not Funded				\$860,000	\$2,000,000	\$4,300,000	\$2,000,000					\$9,160,000
Arts Transfer	Unidentified	Not Funded				\$9,790	\$25,000	\$43,000	\$23,000					\$100,790
Totals				\$0	\$636,320	\$3,141,100	\$1,388,790	\$3,275,000	\$4,343,000	\$2,523,000	\$0	\$0	\$0	\$15,307,210

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services			\$11,500	\$14,500	\$14,500	\$19,500	\$24,500	\$24,500	\$24,500	\$24,500
Total Expenditure Impacts	\$0	\$0	\$11,500	\$14,500	\$14,500	\$19,500	\$24,500	\$24,500	\$24,500	\$24,500

Explanation of Operating Impacts:

Operating costs include crack sealing, fog seal, pavement markings, drainage, signs. These costs are cumulative for each project beginning the year after construction.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Enhance Transit Services - Fixed Route

Location:

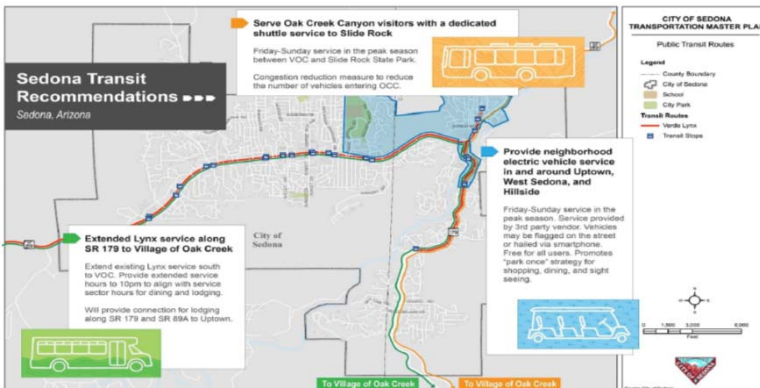
Citywide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2021	
Estimated Completion Date	FY2021	

Project Description:

Enhance Transit Service:
FY2021: Extend Verde Lynx to the Village of Oak Creek (VOC)
FY2022 & FY2023: Provide park-and-ride lots



Project Justification:

The Transportation Master Plan, Strategy 4 Enhanced Transit Service - Fixed Route, states that transit is most efficient when a series of high demand activity centers are linked via linear corridors. This allows for high visibility of available transit routes as well as a clear understanding of where the transit goes and how to access the service. Sedona's two major thoroughfares, SR 89A and SR 179, are ideal opportunities for transit service "trunk" lines. These two main routes throughout the region serve employment centers, schools, visitor attractions, and civic spaces. This allows destinations to be served with a minimum of out-of-direction travel for passengers, creating a more efficient system and a more desirable customer experience. The Verde Lynx service, operated by Cottonwood Area Transit (CAT), does not extend south to the VOC.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Land Acquisition	Unidentified	Not Funded						\$300,000	\$300,000					\$600,000
Design	Unidentified	Not Funded					\$40,000	\$66,000	\$66,000					\$172,000
Construction	Unidentified	Not Funded						\$440,000	\$440,000					\$880,000
Vehicles	Unidentified	Not Funded					\$400,000							\$400,000
Arts Transfer	Unidentified	Not Funded						\$5,060	\$5,060					\$10,120
Totals				\$0	\$0	\$0	\$440,000	\$811,060	\$811,060	\$0	\$0	\$0	\$0	\$2,062,120

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

There is potential to use up to \$120,000 of Federal Transit Authority (FTA) grant monies to pay for the study.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services					\$500,000	\$503,000	\$506,000	\$506,000	\$506,000	\$506,000
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$500,000	\$503,000	\$506,000	\$506,000	\$506,000	\$506,000

Explanation of Operating Impacts:

The operating expense for expanded transit includes extending the hours of operation and providing the new service to the Village of Oak Creek. These costs are cumulative for each project beginning the year after construction.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

New Neighborhood Electric Vehicle (NEV) Fleet

Location:

Citywide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2022	
Estimated Completion Date	FY2022	

Project Description:

Neighborhood Electric Vehicle Fleet - Implement a NEV-based flexible service to supplement the Verde Lynx fixed route service. The flexible service would connect Uptown, West Sedona, Tlaquepaque, and Hillside. Demand-responsive flexible service extends the reach and viability of Verde Lynx transit to more potential customers by removing obstacles between the transit stop and the ultimate destination of the customer. Demand-responsive service should be focused on weekends (Friday-Sunday) and peak-season (March/April/May, September/October). Startup costs include the following: vehicle acquisition, vehicle branding, after-market modifications, startup marketing, branding, app development, and driver smart phones.

Project Justification:

Implementation of this service will contribute to a "park-once" model, where visitors to Sedona can leave their vehicle at the hotel or in a park-and-ride lot. This will result in reduced parking demand in Uptown and at trailheads and reduced congestion on SR 179. The visitor experience will be enhanced. A fleet of 10 vehicles running at 14 hours per day could potentially serve up to 3,000 trips per day. To reach this ridership level, incentives/disincentives would be required to encourage ridership. These could include free service, limited parking in Uptown, and partnership with lodging to provide incentives for visitors to leave their vehicles in hotel parking lots. The City could consider working with ADOT to allow for NEVs to be operated within the bike lane/shoulder of SR 179 and/or SR 89A, providing an additional incentive for drivers to switch to the service.



For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Unidentified	Not Funded						\$140,000						\$140,000
Vehicles	Unidentified	Not Funded						\$200,000						\$200,000
Totals				\$0	\$0	\$0	\$0	\$340,000	\$0	\$0	\$0	\$0	\$0	\$340,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Could be partially funded with advertisements on the vehicles.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs					\$223,920	\$223,920	\$223,920	\$223,920	\$223,920	\$223,920
Materials & Supplies										
Contractual Services					\$142,200	\$142,200	\$142,200	\$142,200	\$142,200	\$142,200
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$366,120	\$366,120	\$366,120	\$366,120	\$366,120	\$366,120

Explanation of Operating Impacts:

Operating costs assume 6-month operation, including 10 vehicles with drivers, a manager, electricity, website, driver cell phones, insurance, storage, and marketing managed by a private contractor.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Oak Creek Canyon Management Plan

Location:

Uptown Sedona - Oak Creek Canyon

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2024	
Estimated Completion Date	FY2024	

Project Description:

Traffic congestion is common in Oak Creek Canyon (OCC) during peak tourism season. While OCC is outside of City of Sedona incorporated boundaries, traffic in Sedona is inextricably connected to traffic in OCC since SR 89A through Uptown is the main route to and from OCC. Traffic congestion in Oak Creek Canyon can be addressed by:

1. Managing demand (reducing the number of people visiting the Canyon),
2. By more efficiently managing supply (trips to and from OCC).

FY2024 includes a budget allocation for a shuttle system. Total startup capital cost is estimated to be \$2 million. Since this would be a multijurisdictional effort, the FY2024 capital costs only account for 25% of the total estimated cost.

Project Justification:

The Transportation Master Plan, Strategy 6 Oak Creek Canyon Management Plan, states nearly 13,000 daily person trips are made to and from OCC on an average weekday in peak season. Approximately 1/2 of these trips originate or terminate outside of the City of Sedona (i.e., individuals do not stop in Sedona going to or from OCC).



For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Unidentified	Not Funded								\$75,000				\$75,000
Vehicles	Unidentified	Not Funded								\$500,000				\$500,000
Totals				\$0	\$0	\$0	\$0	\$0	\$0	\$575,000	\$0	\$0	\$0	\$575,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services							\$125,000	\$125,000	\$125,000	\$125,000
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000	\$125,000	\$125,000	\$125,000

Explanation of Operating Impacts:

Total operating costs are estimated to be \$500,000 per year. Since this would be a multijurisdictional effort, the FY2024 operating costs only account for 25% of the total estimated cost.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

New Pedestrian Pathways

Location:

Citywide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2021	
Estimated Completion Date	FY2022	

Project Description:

Construct various improvements related to improving walkability throughout the City:
FY2021 & FY2022: Posse Grounds Overflow/Trailheads Parking Lot
FY2022 & FY2023: Sanborn/Thunder Mountain Multi-Use Path
FY2023 & FY2024: Northview Road Sidewalk
FY2024 & FY2025: Airport Road Sidewalk
FY2025 & FY2026: Uptown/West Sedona Multi-Use Path
FY2026 & FY2027: Coffee Pot Rd Sidewalk
FY2027 & FY2028: Chapel Rd Sidewalk
FY2028 & FY2029: Rodeo Rd Sidewalk
FY2029 & FY2030: Andante Rd Sidewalk



Project Justification:

The Transportation Master Plan, Strategy 7, Walking and Bicycling Facilities, indicates that these improvements collectively encourage use of alternative modes of travel in Sedona, and support a park-and-ride culture where visitors are encouraged to leave their vehicles at their place of lodging. Some of the projects in FYs 2022-27 may be considered to be more of a multi-use path rather than typical sidewalks.

For the FY2021 & FY2022 project, the lot would serve as an overflow lot with connections to the Sugarloaf and Soldiers Pass trailheads. It would also serve as a much needed overflow lot for Posse Grounds Park. With the park now hosting several large events throughout the year and the addition of the Bike Park and Barbara's Park, overflow parking will be needed on a more regular basis.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals	
Land Acquisition	Unidentified	Not Funded						\$30,000	\$20,000	\$20,000	\$500,000		\$15,000	\$585,000	
Design	Unidentified	Not Funded					\$120,000	\$200,000	\$70,000	\$70,000	\$450,000	\$120,000	\$200,000	\$1,230,000	
Construction	Unidentified	Not Funded						\$600,000	\$1,000,000	\$350,000	\$350,000	\$2,250,000	\$600,000	\$5,150,000	
Arts Transfer	Unidentified	Not Funded					\$1,200	\$8,000	\$10,700	\$4,200	\$8,000	\$23,700	\$8,000	\$63,800	
														\$0	
Totals				\$0	\$0	\$0	\$0	\$121,200	\$838,000	\$1,100,700	\$444,200	\$1,308,000	\$2,393,700	\$823,000	\$7,028,800

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies						\$5,000	\$10,000	\$15,000	\$20,000	\$25,000
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000

Explanation of Operating Impacts:

Materials and supplies would include seal coating of paths/parking lot, patching, replacing of concrete panels, striping, etc.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

New Bicycle Lanes

Location:

Citywide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2022	
Estimated Completion Date	FY2023	

Project Description:

Construct various improvements related to improving bikeability throughout the City:
FY2022 & FY2023: Bicycle Boulevard parallel to SR 89A in West Sedona
FY2023 & FY2024: Bike Lane on Posse Grounds Road
FY2024 & FY2025: Bike Lane on Dry Creek Road between Thunder Mountain Road and Long Canyon Road



Project Justification:

The Transportation Master Plan, Strategy 7, Walking and Bicycling Facilities, indicates that these improvements collectively encourage use of alternative modes of travel in Sedona, and support a park-once culture where visitors are encouraged to leave their vehicles at their place of lodging. To have a measurable impact on traffic congestion, incentives such as limited parking availability in Uptown, would be required.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Land Acquisition	Unidentified	Not Funded						\$100,000						\$100,000
Design	Unidentified	Not Funded						\$400,000	\$60,000	\$400,000				\$860,000
Construction	Unidentified	Not Funded							\$2,000,000	\$300,000	\$2,000,000			\$4,300,000
Arts Transfer	Unidentified	Not Funded						\$4,000	\$20,600	\$7,000	\$20,000			\$51,600
														\$0
Totals				\$0	\$0	\$0	\$0	\$504,000	\$2,080,600	\$707,000	\$2,020,000	\$0	\$0	\$5,311,600

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies							\$5,000	\$10,000	\$15,000	\$15,000
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$10,000	\$15,000	\$15,000

Explanation of Operating Impacts:

Materials and supplies would include seal coating of paths, patching, curb replacement, striping, etc.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Travel Information System

Location:

Various

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2017	
Estimated Completion Date	February 2018	

Project Description:

Construct various improvements related to providing travel time data and multimodal/information centers:

FY2018: Travel information technology on corridors leading to Sedona - Implement advanced Intelligent Transportation System (ITS) technology and infrastructure on the corridors leading to Sedona, at alternate routes' decision points such as SR 260/SR 89A in Camp Verde and at SR 89A/I-17 in Flagstaff. The technology will have the capability of communicating real-time travel times to inbound Sedona travelers, via advanced highway signing and dynamic travel time information, allowing travelers to make a decision based on their preferred travel time. Data will be obtained either by private data providers, or through a system developed collaboratively with ADOT. This would also include development of a smartphone app to provide travel time, transit and parking information.

FY2025: Information Center/Multimodal Transportation Center in Uptown Sedona

FY2026: Travel Information Center on SR 179 near the Red Rock Ranger Station



Project Justification:

The Transportation Master Plan, Strategy 8, Travel Information System, indicates real-time traveler information will maximize the efficiency and capacity of SR 179 and SR 260. Travelers who choose to use SR 260, based on real-time travel information, would arrive in Sedona quicker and under less-congested routes. The mobility pattern data shows that approximately 4,000 weekend trips, and 2,500 weekend trips could potentially be diverted from SR 179 to SR 260/SR 89A to access Sedona.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$151,000
Requested Total Project Budget	\$151,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$151,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Technology	Capital Reserves	New Appropriation		\$50,000										\$50,000
Construction	Capital Reserves	New Appropriation		\$100,000										\$100,000
Arts Transfer	Capital Reserves	New Appropriation		\$1,000										\$1,000
Design	Unidentified	Not Funded								\$1,000,000				\$1,000,000
Construction	Unidentified	Not Funded									\$2,500,000	\$2,500,000		\$5,000,000
Arts Transfer	Unidentified	Not Funded								\$10,000	\$25,000	\$25,000		\$60,000
Totals				\$0	\$151,000	\$0	\$0	\$0	\$0	\$1,010,000	\$2,525,000	\$2,525,000	\$0	\$6,211,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Total Expenditure Impacts	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000

Explanation of Operating Impacts:

Contractual services would include monthly fees to data providers and maintenance of a smartphone app. Operating impacts for Travel Information Centers can not be quantified at this time.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

SR 89A/West Sedona Access Management

Location:

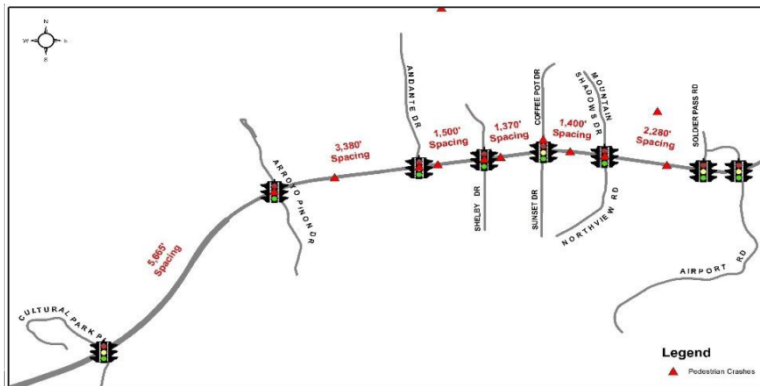
SR 89A in West Sedona

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2021	
Estimated Completion Date	FY2022	

Project Description:

This project would include:
FY2021 & FY2022: Construction of a continuous raised median on SR 89A with median breaks at every 1/4 mile between Arroyo Pinon and Airport Road. Project would also include shared use path (or buffered bike lane) on SR 89A.
FY2022 & FY2023: Identification of redundant driveways that can be consolidated and closed.
FY2023 & FY2024: Installation of signalized Pedestrian Hybrid Beacons (PHB) to improve pedestrian safety. Anticipated that 2 beacons would be needed.
FY2024 & FY2025: Signal at Foothills South and SR 89A once further development in that area occurs.



Project Justification:

The Transportation Master Plan, Strategy 9, SR 89A/West Sedona Access Management, states that the Federal Highway Administration (FHWA) estimates a 39% crash reduction for all crash types and severities with the implementation of a raised median and access management. Other studies have shown that medians improve lane capacity by up to 30%. Poor access spacing and design can reduce speeds by 10 mph. Consolidation of driveways can provide more room for sidewalks and landscaping, improving corridor aesthetics in addition to providing mobility and safety benefits.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Unidentified	Not Funded					\$800,000	\$60,000	\$55,000	\$75,000				\$990,000
Construction	Unidentified	Not Funded						\$4,000,000	\$300,000	\$275,000	\$375,000			\$4,950,000
Arts Transfer	Unidentified	Not Funded					\$8,000	\$40,600	\$3,550	\$3,500	\$3,750			\$59,400
Construction	Outside Participation	Not Funded								\$75,000	\$375,000			\$450,000
Totals				\$0	\$0	\$0	\$808,000	\$4,100,600	\$358,550	\$428,500	\$753,750	\$0	\$0	\$6,449,400

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Outside source is ADOT.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies						\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Contractual Services								\$2,000	\$4,000	\$4,000
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000	\$12,000	\$14,000	\$14,000

Explanation of Operating Impacts:

Materials and supplies would be for curb replacement, striping, etc. Contractual services would be for annual traffic signal maintenance.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Uptown Parking & Wayfinding

Location:

Uptown

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2017	
Estimated Completion Date	December 2017	

Project Description:

FY2018: The first phase of this project would include improving the branding and wayfinding throughout the Uptown area to become more standardized or consistent in terms of placement, visual appearance, and navigational guidance. Parking branding signage should be coordinated with marketing and education materials, which should also be distributed to business owners to communicate with customers. It would include conversion of Wilson Road and Smith Road to one-way streets to maximize parking efficiency and safety.

FY2019: Expand off street parking areas, designate off-street lot locations for tour bus parking and employee parking, and add paid on-street parking on Jordan Road.

FY2023 & FY2024: Multi-level parking structure



Project Justification:

The Transportation Master Plan, Strategy 10 Uptown Parking and Wayfinding, indicates that these improvements will provide better balance within the parking system, with off-street utilization more closely matching on-street utilization, higher customer satisfaction and reduced complaints, and reduced congestion related to searching for parking.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Wayfinding and informational signage will have been provided as part of the implementation of the paid parking kiosks on main street. The next phase of wayfinding and signage will be for the purpose of expanding this to the off-street lots.

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$111,100
Requested Total Project Budget	\$111,100
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$111,100

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals	
Design	Capital Reserves	New Appropriation		\$10,000										\$10,000	
Construction	Capital Reserves	New Appropriation		\$100,000										\$100,000	
Arts Transfer	Capital Reserves	New Appropriation		\$1,100										\$1,100	
Design	Capital Reserves	Future Estimate			\$10,000									\$10,000	
Construction	Capital Reserves	Future Estimate			\$100,000									\$100,000	
Arts Transfer	Capital Reserves	Future Estimate			\$1,100									\$1,100	
Land Acquisition	Unidentified	Not Funded								\$1,000,000				\$1,000,000	
Design	Unidentified	Not Funded							\$1,400,000					\$1,400,000	
Construction	Unidentified	Not Funded								\$7,000,000				\$7,000,000	
Arts Transfer	Unidentified	Not Funded							\$14,000	\$70,000				\$84,000	
Totals				\$0	\$111,100	\$111,100	\$0	\$0	\$0	\$1,414,000	\$8,070,000	\$0	\$0	\$0	\$9,706,200

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs			\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$20,000	\$20,000	\$20,000
Materials & Supplies	\$10,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$20,000	\$20,000	\$20,000
Contractual Services	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$15,000	\$15,000	\$15,000
Total Expenditure Impacts	\$10,000	\$15,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$55,000	\$55,000	\$55,000

Explanation of Operating Impacts:

Materials are for annual cost for outreach, marketing collateral, and social media outreach related to branding/signage, and parking meters on Jordan Road. Personnel costs are for meters on Jordan Road, and parking garage. Contractual services are for meters and for maintenance of parking garage.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Traffic Signal Operations/Management

Location:

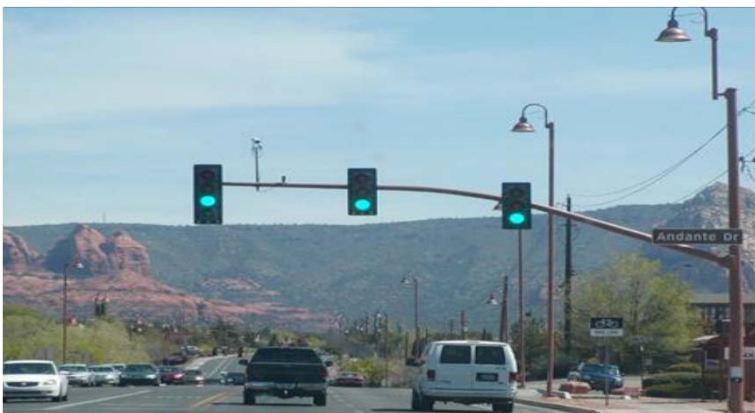
City-wide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	December 2017	
Estimated Completion Date	February 2018	

Project Description:

ADOT is currently planning to install fiber and wireless radios on SR 89A in West Sedona. This project would include partnering with ADOT to provide IT support and devices that would allow for managing, monitoring, and coordinating traffic signals, along with collecting signal performance measures and travel times in real-time. It will also include the signals that are owned and maintained by the City in the Uptown area, to be tied in to the overall network. These metrics would provide important information to be able to develop day-of-week, and seasonal traffic timing and signal coordination plans. This project would also include providing video traffic monitoring, and travel time data for the SR 179 corridor.



Project Justification:

The Transportation Master Plan, Strategy 11 Traffic Signal Operations / Management, indicates that traffic signal timing plans were last updated in 2013, and do not vary by day of the week or by month in order to accommodate peak tourist seasons/weekends. Time-of-day and seasonal signal timing plans are a proactive approach to managing seasonal traffic fluctuation. A communications system with video detection will continuously collect traffic volume data, which can be used to develop seasonal or day-of-week traffic signal timing plans. Enabling local monitoring of the traffic signal system's operations will improve response to over-congested conditions and incidents. Traffic signal timing plans represent a very simple, cost-effective technique to maximize operational efficiency of a corridor. FHWA estimates that regular evaluation of traffic signal timing plans can lead to reductions in traffic delay ranging from 15% to 40%.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Staff has begun the coordination process with ADOT to determine how the City could be coordinated within ADOT's network.

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$60,200
Requested Total Project Budget	\$60,200
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$60,200

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Capital Reserves	New Appropriation		\$10,000										\$10,000
Construction	Capital Reserves	New Appropriation		\$10,000										\$10,000
Arts Transfer	Capital Reserves	New Appropriation		\$200										\$200
Technology	Capital Reserves	New Appropriation		\$40,000										\$40,000
Totals				\$0	\$60,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60,200

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Total Expenditure Impacts	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000

Explanation of Operating Impacts:

Services would be for communication utilities and monthly data fees for video monitoring.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

SR 89A Weed Barrier and Landscape Improvements

Location:

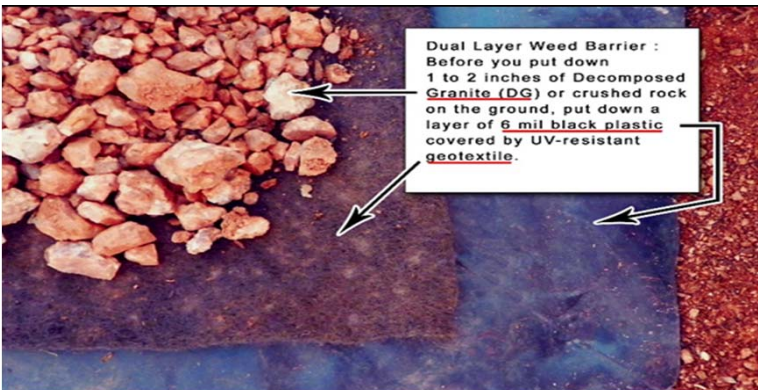
SR 89A from Dry Creek Road to just west of Arts Village Drive

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2024	
Estimated Completion Date	FY2025	

Project Description:

This project involves the installation of a dual-layer weed barrier in the medians and behind the curb of SR 89A from Dry Creek Road to Upper Red Rock Loop Road. The dual-layer weed barrier consists of black plastic sheeting covered by a geotextile and would be installed under the existing rock mulch areas. Most landscape areas will need a replenishing of rock mulch and some landscape plants may be replaced. The FY2024 design and FY2025 construction includes providing landscape improvements at the western end of City limits between Upper Red Rock Loop Road and just west of Arts Village Drive.



Project Justification:

Expected savings from the dual-layer weed barrier installation include reduced water usage for irrigation, due to the barrier limiting evaporation from the soil, and reduced labor and herbicide use. Test results show a 97% reduction in evaporation with the dual-layer weed barrier. This dual-layer weed barrier was installed in some areas during the SR 179 Enhancement Project, and on SR 89A between Airport Road and Dry Creek Road, and has shown a decrease in maintenance required including herbicide use. The overall project will be aimed at the beautification of the western gateway to the City.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

FY2016 construction is complete. Next phase of design is on hold due to low priority.

Project Balance	
Original Approved Project Budget	\$201,857
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$201,857
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$201,857
Estimated Expenditures through June 30, 2017	\$201,857
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Construction	Capital Reserves	Carryover	\$199,858											\$199,858
Arts Transfer	Capital Reserves	Carryover	\$1,999											\$1,999
Design	Development Impact Fees	Not Funded								\$30,000				\$30,000
Construction	Unidentified	Not Funded								\$260,000	\$300,000			\$560,000
Arts Transfer	Unidentified	Not Funded								\$2,600	\$3,000			\$5,600
Totals			\$201,857	\$0	\$0	\$0	\$0	\$0	\$0	\$292,600	\$303,000	\$0	\$0	\$797,457

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies							\$200	\$400	\$400	\$400
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$200	\$400	\$400	\$400

Explanation of Operating Impacts:

Materials and supplies related to maintaining new landscaping and irrigation.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Dry Creek Road Overlay

Location:

Dry Creek Road

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	September 2017	
Estimated Completion Date	December 2017	

Project Description:

The project will include a mill and overlay, with minor shoulder widening. The segments of Dry Creek Road included are between White Bear Road and Color Cove Road and between Forest Service Road 152 and the city-limit boundary. The City partnered with Yavapai County to combine this project with their Boynton Pass Road project.



Project Justification:

The overlay work is needed based on a standard pavement overlay cycle. The pavement will have degraded by FY2018, to the point of overlay being necessary. The majority of the budget will be funded through Surface Transportation Program (STP) funds. These are federal funds administered by the Arizona Department of Transportation (ADOT) through the Northern Arizona Council of Governments (NACOG).

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Design will be near completion and construction is expected to begin in late summer or early fall 2017.

Project Balance	
Original Approved Project Budget	\$605,399
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$605,399
Requested Budget Increase/Decrease	-\$107,570
Requested Total Project Budget	\$497,829
Estimated Expenditures through June 30, 2017	\$72,296
Budget Balance Remaining	\$425,533

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

Based on preliminary estimates during the current design, we are able to reduce the construction budget by approximately \$100,000.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Capital Reserves	Carryover	\$71,580											\$71,580
Construction	Grant	Carryover		\$371,657										\$371,657
Construction	Capital Reserves	Carryover		\$53,343										\$53,343
Arts Transfer	Capital Reserves	Carryover	\$716	\$533										\$1,249
Totals			\$72,296	\$425,533										\$497,829

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Federal grant through NACOG

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies			\$20,000							
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Typical practice is to provide a seal coat approximately two years after placement of new asphalt.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Sanborn Dr/Thunder Mountain Rd Overlay

Location:

Sanborn Drive/Thunder Mountain Road

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2018	
Estimated Completion Date	August 2018	

Project Description:

The project will include a mill and overlay, with minor shoulder widening. The segment of Sanborn Drive/Thunder Mountain Road included is between Rhapsody Road and Coffee Pot Drive.



Project Justification:

The overlay work is needed based on a standard pavement overlay cycle. The pavement will have degraded by FY2019, to the point of overlay being necessary. The majority of the budget will be funded through Surface Transportation Program (STP) funds. These are federal funds administered by the Arizona Department of Transportation (ADOT) through the Northern Arizona Coalition of Governments (NACOG).

For Continuing Projects

Estimated Project Status as of June 30, 2017:

Design will be approximately 50% complete.

Project Balance	
Original Approved Project Budget	\$738,820
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$738,820
Requested Budget Increase/Decrease	-\$56,646
Requested Total Project Budget	\$682,174
Estimated Expenditures through June 30, 2017	\$105,141
Budget Balance Remaining	\$577,033

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

Based on preliminary cost estimate on the Dry Creek Road Project, we are able to reduce the construction budget by approximately \$56,000.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Capital Reserves	Carryover	\$104,100	\$75,000										\$179,100
Construction	Grant	Carryover			\$371,657									\$371,657
Construction	Capital Reserves	Carryover			\$128,343									\$128,343
Arts Transfer	Capital Reserves	Carryover	\$1,041	\$750	\$1,283									\$3,074
Totals				\$105,141	\$75,750	\$501,283	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$682,174

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

Federal grant through NACOG

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies				\$20,000						
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Typical practice is to provide a seal coat approximately two years after placement of new asphalt.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
Improve Ranger Rd/Brewer Rd Intersection

Location:
Ranger Road - Brewer Road - SR 89A Intersection

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2019	
Estimated Completion Date	FY2020	

Project Description:
This project consists of a study, design, and construction to improve existing Ranger Road/Brewer Road between SR 179 and SR 89A.



Project Justification:
The improvement of SR 179 has routed additional traffic onto Ranger and Brewer Roads. Also, traffic volumes are nearing the capacity of the Y-Intersection. The current intersection and roadways are not adequate for present traffic and are in need of upgrading. Future increases in traffic will create safety issues, render the intersection ineffective, and create added congestion at adjacent intersections. The intent of the improvements would be to improve the efficiency of the intersection.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Land Acquisition	Capital Reserves	Future Estimate			\$50,000									\$50,000
Environmental	Capital Reserves	Future Estimate			\$50,000									\$50,000
Design	Capital Reserves	Future Estimate			\$200,000									\$200,000
Construction	Capital Reserves	Future Estimate				\$1,250,000								\$1,250,000
Arts Transfer	Capital Reserves	Future Estimate			\$2,000	\$12,500								\$14,500
Totals				\$0	\$0	\$302,000	\$1,262,500	\$0	\$0	\$0	\$0	\$0	\$0	\$1,564,500

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies					\$3,000					
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$3,000	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:
Typical practice is to provide a seal coat approximately two years after placement of new asphalt.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Rebuild Wastewater Headworks

Location:

Wastewater Reclamation Plant (WWRP)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2016	
Estimated Completion Date	June 2017	August 2017

Project Description:

This project provides design and construction for rebuilding the concrete headworks channels and coating the Parshall Flume metering station at the headworks.



Project Justification:

The headworks Parshall Flume metering station and concrete channels were a part of the original construction of the WWRP. The area receives an average daily flow of raw wastewater influent of 1.2 million gallons per day. Influent is naturally high in hydrogen sulfide gas, which is highly corrosive. The concrete channels have been deteriorating for many years. In 2014, the damaged concrete channels were patched and coated to preserve the life of the channels. The coating is now separating, and further deterioration is occurring. This project will include rebuilding the concrete channels and providing new coating to prevent/slow future deterioration. The coatings on the Parshall Flume appear to be in good condition; however, this project will further evaluate the coatings at the metering station, and any repairs needed will be implemented.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

The design is 100% complete, and the construction is estimated to be 30% complete by June 30, 2017.

Project Balance	
Original Approved Project Budget	\$480,000
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$480,000
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$480,000
Estimated Expenditures through June 30, 2017	\$23,225
Budget Balance Remaining	\$456,775

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

There were no bids received for the project when it was bid out in late 2016. The project was re-bid in February 2017, resulting in a delay in the start of construction and carryover of the project into FY2018.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Wastewater Revenues	Carryover	\$23,225	\$16,775										\$40,000
Construction	Wastewater Revenues	Carryover		\$400,000										\$400,000
Contingency	Wastewater Revenues	Carryover		\$40,000										\$40,000
Totals				\$23,225	\$456,775	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$480,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Operating costs are not anticipated to increase and may decrease after the improvements are made.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

SCADA System & Configuration Upgrade

Location:

Wastewater Reclamation Plant (WWRP)

Phase: 1 of 1 **Project #:** WW-2
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2019	

Project Description:

SCADA (Supervisory Control And Data Acquisition) is our computerized control system for operating and monitoring plant processes. Upgrades to the SCADA system components ensures long-term functionality and security for this critical system. Functionality involves upgrading PLCs (Programmable Logic Controllers) to devices supported by the manufacturer and for which parts are readily available. It also involves making repairs to the existing fiber optic system. The security aspect is concerned with configuring the system to reduce unauthorized system access from outside the City. Only planning to pursue priorities 1 as part of this project budget. FY2018 is for Appendix B work except Area 4 and Blower, Appendix C, and Appendix D. FY2019 is for Area 4 if the pump station will remain part of the system in the long term. This decision is dependent upon the Dells land-use decisions.

Product ID	Product Description	Discontinued Date	Recommended Replacement
17051-002	PLC-3 Controller	June 2017	ControlEdge Processor
17051-008	PLC-3 Processor	June 2017	ControlEdge Processor
17051-003	PLC-3 Controller	June 2017	ControlEdge Processor
17051-004	PLC-3 Processor	June 2017	ControlEdge Processor
17051-005	PLC-3 Controller	June 2017	ControlEdge Processor
17051-006	PLC-3 Processor	June 2017	ControlEdge Processor

Project Justification:

A 2016 study noted that a number of system control devices (Programmable Logic Controllers - PLCs) were no longer supported by the manufacturer and parts would become more difficult to obtain. In order to reduce the SCADA failure without an available repair, recommendations were made to upgrade the PLCs and associated devices. In addition, the fiber optic system has been compromised by rodent damage. The current SCADA system has security issues. FY2018 will focus on Priority #1 repairs. If this project is not pursued, the City can expect failures of the SCADA system. This would mean that staff would monitor and control more of the process manually. The system operates 24 hours per day. The existing staff level would not be able to do this and likely more violations of our permit with ADEQ would occur. Failure to maintain the system can result in fines of up to \$25,000/day for the first violation and \$50,000/day for the second. The current compensation for a wastewater operator level 2 at the City is about \$44,500 per year.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

A study identifying needs has been completed. Captured operating data (a historian) was completed in June 2016. FY2016 expenditures authorized Computer System Upgrades funding. PLCs for blowers were installed in FY 2017 as part of plant upgrade project.

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$185,000
Requested Total Project Budget	\$185,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$185,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Equipment	Wastewater Revenues	New Appropriation		\$160,000										\$160,000
Equipment	Wastewater Revenues	New Appropriation			\$25,000									\$25,000
Totals				\$0	\$160,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$185,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

No additional operating costs are anticipated.



CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:

Skid Steer & Concrete Driveway for Air Drying Beds

Location:

Wastewater Reclamation Plant (WWRP)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2017	
Estimated Completion Date	October 2017	

Project Description:

Purchase of a Skid Steer and construction of a concrete driveway along the southerly edge of air drying beds constructed in 2011.



Project Justification:

In order to improve the efficiency of the air drying beds constructed in 2011 (drying beds 5-10), it is necessary to turn the wet sludge to improve the squeezing of water out of the sludge. The hindrance to doing this has been that sludge would get on the wheels of the tractor turning the sludge. This would constitute a source of stormwater runoff pollution as the tractor travelled along a plant roadway, because the sludge would drop on the road. This is a concern because of the City's Multi-sector stormwater permit identifies the beds as a potential pollutant source for which the identified practice is to contain the sludge in the drying beds until dry. The most recent operating permit issued to the City (January 18, 2017) requires that the sludge drying beds have a one-foot freeboard. The older drying beds (1-4 per permit identification) are about 16 inches deep. They had been operating with a freeboard of about 4 inches. The reduction in sludge drying capacity in beds 1-4 requires that operational and structural changes be implemented. The measures considered are:

- 1) Installation of an auger in beds 5-10 estimated \$200,000+
- 2) Purchase Skid Steer and construct concrete drive along beds 5-10 estimated \$50,000
- 3) Reconstruct bed 1-4 similar to beds 5-10 estimated \$2+ million design/construction based on 2010 costs for beds 5-10
- 4) Do not improve beds but increase use of the centrifuge by 2 days a month during months of May-October (6 months) estimated *annualized cost* of \$4,900

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$50,000
Requested Total Project Budget	\$50,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$50,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Construction	Wastewater Revenues	New Appropriation		\$38,000										\$38,000
Equipment	Wastewater Revenues	New Appropriation		\$12,000										\$12,000
Totals				\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250
Contractual Services	\$250	\$250	\$250	\$250	\$250	\$400	\$400	\$400	\$400	\$400
Total Expenditure Impacts	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,650	\$1,650	\$1,650	\$1,650	\$1,650

Explanation of Operating Impacts:

Estimated 5,000 hour life for Skid Steer equipment. One with about 1,400 hours can be purchased used. Estimated usage is about 160-200 hours per year, so 2,000 hours in 10 years. New Skid Steer estimated to cost more than \$50,000.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Construction of Wastewater Recharge/Injection Wells - Wells 3 & 4

Location:

Wastewater Reclamation Plant (WWRP)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	FY2010	
Estimated Completion Date	FY2020	

Project Description:

The project represents the construction of up to 6 recharge (injection) wells for the disposal of up to 2.0 million gallons per day of treated effluent:
Wetlands: Shown under the demolition/site prep category, included the addition of 27 acres of wetlands and was completed in FY2012.
Recharge Well No. 1 and No. 2: Design, construction (drilling and equipping) completed in FY2017.
Recharge Well No. 3 and No. 4: Includes design beginning in FY2017 and complete in FY2018. The construction (drilling/equipping) portion is shown in FY2018 and FY2019.
Recharge Well No. 5: Includes design, beginning in FY2019 and complete in FY2020, and drilling/equipping in FY2020. The construction (drilling/equipping) portion is shown in FY2020.
NOTE: Six recharge wells were identified in the Effluent Management Optimization Plan; however, water demand from future land uses in the area, and/or efficiency of wells 1-5 may result in Recharge Well No. 6 not being necessary.



Project Justification:

In 2013, based on evaluation of wetlands, spray irrigation, and aquifer recharge, the Effluent Management Optimization Plan was completed. The plan evaluated the optimum combination of effluent management strategies at build-out flows, or 2.0 million gallons per day (MGD). The recommended effluent management strategy includes 27 acres of wetlands, 100 acres of spray irrigation (reduced from 300 acres), and up to 6 recharge wells.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

The construction of Recharge Well No. 3 and No. 4 is expected to be 100% complete by June 30, 2017.

Project Balance		
Original Approved Project Budget		\$7,878,258
Approved Budget Increases/Decreases		
Current Approved Total Project Budget		\$7,878,258
Requested Budget Increase/Decrease		\$3,275,000
Requested Total Project Budget		\$11,153,258
Estimated Expenditures through June 30, 2017		\$7,137,983
Budget Balance Remaining		\$4,015,275

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

Added estimated costs for Well No. 4 and No. 5.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Wastewater Revenues	New Appropriation	\$989,221	\$250,000										\$1,239,221
Construction	Wastewater Revenues	Carryover	\$4,412,268	\$434,215										\$4,846,483
Construction	Wastewater Revenues	New Appropriation		\$1,000,000	\$2,000,000									\$3,000,000
Environmental	Wastewater Revenues	Carryover	\$13,355	\$90,000										\$103,355
Environmental	Wastewater Revenues	New Appropriation			\$25,000									\$25,000
Demolition/Site Prep	Wastewater Revenues	Carryover	\$1,657,999											\$1,657,999
Contingency	Wastewater Revenues	Carryover	\$65,140	\$216,060										\$281,200
Design	Wastewater Revenues	Future Estimate			\$130,000	\$100,000								\$230,000
Construction	Wastewater Revenues	Future Estimate				\$1,256,500								\$1,256,500
Environmental	Wastewater Revenues	Future Estimate				\$25,000								\$25,000
Totals			\$7,137,983	\$1,990,275	\$2,155,000	\$1,381,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,664,758

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Contractual Services		\$22,000	\$22,000	\$22,000	\$22,000	\$82,000	\$82,000	\$82,000	\$22,000	\$22,000
Total Expenditure Impacts	\$0	\$32,000	\$32,000	\$32,000	\$32,000	\$92,000	\$92,000	\$92,000	\$32,000	\$32,000

Explanation of Operating Impacts:

Maintenance and repairs of pumps, filters, and purchase of salt for the chlorine generation system. Also well rehabilitation every 4-5 years.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Wastewater Collections System Improvements

Location:

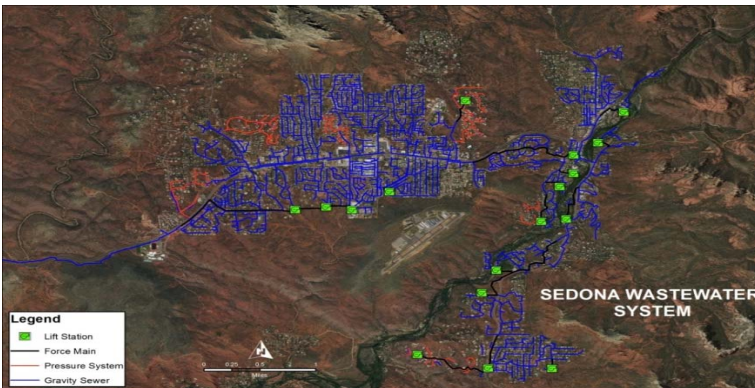
Citywide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2024	

Project Description:

This project is a multi-phase project as a result of the Wastewater Master Plan update completed in FY2017:
 FY2018 includes improvements to the Mystic Hills and Chapel lift stations to increase wet well capacity and upgrade pumps.
 FY2019 includes rehabilitation to the Brewer Road force main to add capacity to reduce surcharging at the Brewer Road lift station. In addition, FY2019 will include repairs to the 8-inch sewer main along the SR 179 bridge.
 Projects in FY2020 and beyond include repairs to fractured or deteriorating pipe citywide and converting cluster system connections into standard sewer connections, and a comprehensive study for condition assessment of the sewer main that runs from the Carroll Canyon lift station to the Wastewater Reclamation Plant (WWRP).



Project Justification:

The Wastewater Master Plan Update, completed in FY2017, included both condition assessments of existing sewer infrastructure and capacity analysis of the sewer collection system. The Master Plan identified several areas of pipe citywide that were in poor condition, having either deterioration from hydrogen sulfide gases or pipe failures/fractures. In addition, the Master Plan evaluated the operation of the City's 17 lift stations and identified improvements that are required for proper function of the lift stations. Finally, the Master Plan evaluated the need to remove cluster systems from the collections system, converting them to a standard sewer connection.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	\$0
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$1,820,000
Requested Total Project Budget	\$1,820,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$1,820,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Wastewater Revenues	New Appropriation		\$250,000										\$250,000
Construction	Wastewater Revenues	New Appropriation		\$650,000	\$650,000									\$1,300,000
Contingency	Wastewater Revenues	New Appropriation		\$270,000										\$270,000
Design	Wastewater Revenues	Future Estimate			\$208,200	\$25,000	\$25,000	\$25,000	\$50,000	\$50,000				\$383,200
Construction	Wastewater Revenues	Future Estimate			\$1,220,600	\$250,000	\$250,000	\$250,000	\$500,000	\$500,000				\$2,970,600
Contingency	Wastewater Revenues	Future Estimate			\$200,000									\$200,000
Totals				\$0	\$1,170,000	\$2,278,800	\$275,000	\$275,000	\$275,000	\$550,000	\$550,000	\$0	\$0	\$5,373,800

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

No additional costs anticipated for the Mystic Hills and Chapel lift stations. Operating impacts of the remaining improvements to be determined.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Replace WWRP Bar Screens and Tertiary Filters

Location:

Wastewater Reclamation Plant (WWRP)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	Fall 2016	March 2017
Estimated Completion Date	June 2017	August 2018

Project Description:

This project provides design and installation of new bar screens and tertiary filters.



Project Justification:

Replacement parts for the existing headworks are becoming more difficult to find because the equipment is obsolete. This results in long down times of approximately 2 months, a couple times a year when equipment fails. In addition, the headworks influent flow channel has experienced deterioration from hydrogen sulfide gases produced by raw wastewater. The project will replace 2 bar screens with more modern equipment and re-coat the portion of the influent flow channel that has deterioration. In addition, design for the tertiary filter upgrades is scheduled for FY2018. The construction of the tertiary filter upgrades has been accelerated to FY2018 and FY2019 in order to improve efficiency of the existing filters and to avoid costly replacement of sand media that is currently being used for filtration. The design will look at different technologies when choosing a replacement for the filters.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

The bar screen replacement project is anticipated to be approximately 50% complete.

Project Balance	
Original Approved Project Budget	\$500,000
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$500,000
Requested Budget Increase/Decrease	\$1,400,000
Requested Total Project Budget	\$1,900,000
Estimated Expenditures through June 30, 2017	\$155,000
Budget Balance Remaining	\$1,745,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

There were no bids received for the project when it was bid out in late 2016. The project was re-bid in February 2017, resulting in a delay in the start of construction and carryover of the project into FY2018.

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Wastewater Revenues	New Appropriation	\$50,000	\$100,000										\$150,000
Construction	Wastewater Revenues	New Appropriation		\$780,000	\$520,000									\$1,300,000
Construction	Wastewater Revenues	Carryover	\$100,000	\$300,000										\$400,000
Contingency	Wastewater Revenues	Carryover	\$5,000	\$45,000										\$50,000
Totals			\$155,000	\$1,225,000	\$520,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,900,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Contractual Services		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Total Expenditure Impacts	\$0	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200

Explanation of Operating Impacts:

Materials & Supplies includes lubrication for gears and replacement parts. Contractual services includes an additional weekly trash pickup, if needed. Any savings to personnel costs will be determined.



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

WWRP Remodel and/or Expand Operations Building

Location:

Wastewater Reclamation Plant

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	
Estimated Completion Date	June 2021	

Project Description:

This project provides a work space evaluation for remodel and/or expansion of the Wastewater Reclamation Plant (WWRP) Operations Building.



Project Justification:

The operations building at the WWRP was the original building for all wastewater personnel. Since its construction in the early 1990s, the number of operations staff has grown. Additional staff are likely to be hired in future years. In FY2018, this project will provide a space evaluation to determine if a remodel is sufficient or if an expansion of office space is required, as well as a conceptual design for the project. The building also has a mechanics shop attached. If an expansion is required, future requested funding for this project includes remodeling the operations office space, converting the shop into additional office space, and construction of a new pre-fabricated metal building to be used as the mechanics shop.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	\$25,000
Requested Total Project Budget	\$25,000
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$25,000

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Evaluation	Wastewater Revenues	New Appropriation		\$25,000										\$25,000
Design	Wastewater Revenues	Future Estimate				\$35,000								\$35,000
Construction	Wastewater Revenues	Future Estimate					\$400,000							\$400,000
Totals				\$0	\$25,000	\$0	\$35,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$460,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Once the evaluation is completed, the operating impacts will be determined.

CAPITAL PROJECTS DETAILS - continued

Project Summary

Project Title:

Replace Existing WWRP Drying Beds

Location:

Wastewater Reclamation Plant (WWRP)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2020	
Estimated Completion Date	June 2022	

Project Description:

This project would replace the original conventional air drying beds with new drying beds.



Project Justification:

The existing drying beds (original drying beds, plus upgraded drying beds from 2012) do not provide the capacity to adequately manage biosolids. Recent changes to the Aquifer Protection Permit by the Arizona Department of Environmental Quality have further reduced the capacity of the drying beds by placing limits on the operational level that the beds can be filled.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Wastewater Revenues	Future Estimate					\$150,000							\$150,000
Construction	Wastewater Revenues	Future Estimate						\$1,500,000						\$1,500,000
Totals				\$0	\$0	\$0	\$150,000	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$1,650,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Operating costs are not anticipated to increase and may decrease after improvements are completed.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Upgrade WWRP Treatment Processes

Location:

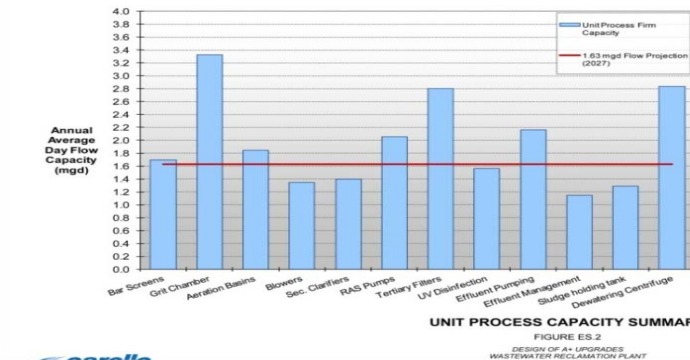
Wastewater Reclamation Plant (WWRP)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	
Estimated Completion Date	June 2027	

Project Description:

This project will be a multi-phased project to upgrade the ultra-violet (UV) disinfection, sludge digester, bar screen, and aeration basin processes in order to provide adequate capacity for projected build-out flows.



Project Justification:

A study of process capacity for the WWRP A+ upgrades in 2012 showed there were several processes at the treatment plant that were limited in capacity. Immediate needs for capacity to the blowers, secondary clarifier, and sludge digester were completed as part of the WWRP A+ upgrades construction project in 2016. However, the study also showed that the UV disinfection and sludge digester would require upgrades to increase capacity to meet project build-out flows of 1.8-2.0 million gallons per day. Additionally, while capacity was added to the sludge digester as part of the WWRP A+ upgrades, a second upgrade will be required for build-out flows. A third bar screen will be needed to achieve 2.0 MGD capacity at the headworks.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Design	Wastewater Revenues	Future Estimate							\$60,000		\$50,000	\$70,000	\$50,000	\$230,000
Construction	Wastewater Revenues	Future Estimate								\$600,000		\$500,000	\$1,200,000	\$2,300,000
Totals				\$0	\$0	\$0	\$0	\$0	\$60,000	\$600,000	\$50,000	\$570,000	\$1,250,000	\$2,530,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

To be determined - the operating impacts would be dependent on the media installed as part of the upgrades (diffusers, UV lights, etc.).



CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Upgrade Existing WWRP Odor Control Unit

Location:

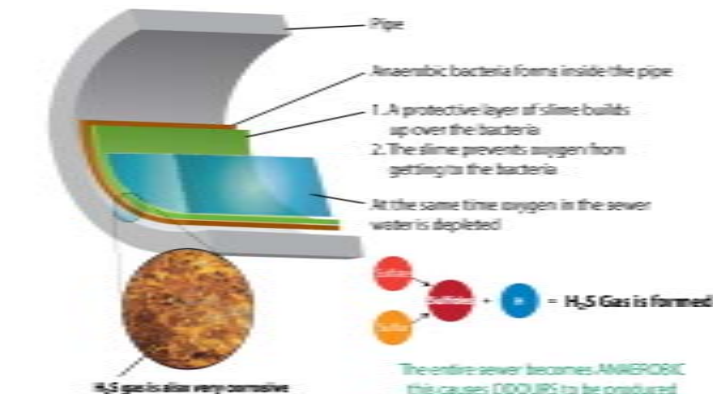
Wastewater Reclamation Plant (WWRP)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	February 2017	
Estimated Completion Date	June 2019	

Project Description:

This project is for improvements to the existing odor control unit.



Project Justification:

The existing odor control unit at the WWRP is rated for a flow of 0.9 million gallons per day. Current average daily flows of 1.2 million gallons per day exceed this rating. The project will implement upgrades to the odor control unit, as identified and recommended in the Odor Control Study, to be completed in FY2017.

For Continuing Projects

Estimated Project Status as of June 30, 2017:

The odor control study is estimated to be 100% complete by June 30, 2017.

Project Balance	
Original Approved Project Budget	\$25,000
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$25,000
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$25,000
Estimated Expenditures through June 30, 2017	\$25,000
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Evaluation	Wastewater Revenues	Carryover	\$25,000											\$25,000
Design	Wastewater Revenues	Future Estimate			\$20,000									\$20,000
Construction	Wastewater Revenues	Future Estimate			\$150,000									\$150,000
Contingency	Wastewater Revenues	Future Estimate			\$15,000									\$15,000
Totals			\$25,000	\$0	\$185,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies			\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500

Explanation of Operating Impacts:

Purchase of filters for the new unit.

CAPITAL PROJECTS DETAILS

continued

Project Summary

Project Title:

Update Wastewater Master Plan for Collection Systems

Location:

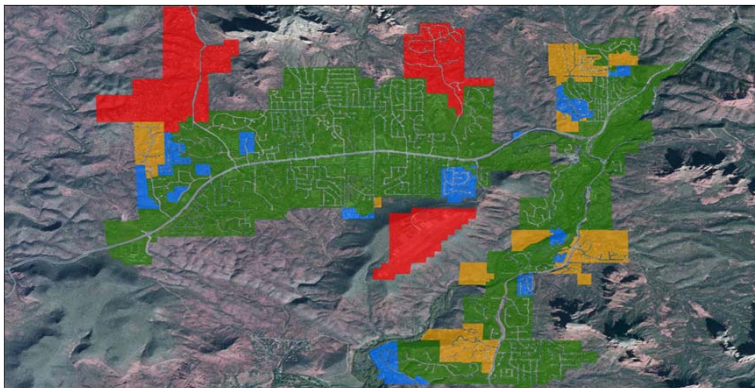
Citywide

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	
Estimated Completion Date	June 2023	

Project Description:

This project would provide an update to the Wastewater Master Plan for the collection system, if necessary.



Project Justification:

Previous updates to the Wastewater Master Plan were completed in 2000 and 2017. Industry standard is to update master plans every 5 years in order to address capacity issues due to growth and to identify infrastructure improvements needed due to an aging system. The funds allocated in FY2023 are to provide an update to the Wastewater Master Plan that is being completed in FY2017. Previous budget years showed funds allocated for design and construction in FY2018-FY2022. These funds have been added to a new, multi-phase project titled "Wastewater Collection System Improvements" (WW-5).

For Continuing Projects

Estimated Project Status as of June 30, 2017:

N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):

N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Master Plan	Wastewater Revenues	Future Estimate							\$100,000					\$100,000
Totals				\$0	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):

None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:

Any operating costs will be determined based on the projects identified in the master plan.

CAPITAL PROJECTS DETAILS
continued

Project Summary

Project Title:
Paving of WWRP Asphalt Roads

Location:
Wastewater Reclamation Plant (WWRP)

Phase: of **Project #:**
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	
Estimated Completion Date	June 2023	

Project Description:
This project provides milling and overlay of the asphalt access roads and parking areas at the Wastewater Reclamation Plant. Design for the project will be completed in-house.



Project Justification:
Several construction projects throughout the plant have required asphalt roadways to be excavated and patched. Deterioration of parking areas and the driveway has been observed and continues to progressively worsen. This project will provide mill and overlay of all asphalt areas. The funding for this projects has been allocated for FY2023, when major projects that may further damage existing asphalt will be complete.

For Continuing Projects

Estimated Project Status as of June 30, 2017:
N/A

Project Balance	
Original Approved Project Budget	
Approved Budget Increases/Decreases	
Current Approved Total Project Budget	\$0
Requested Budget Increase/Decrease	
Requested Total Project Budget	\$0
Estimated Expenditures through June 30, 2017	\$0
Budget Balance Remaining	\$0

Explanation for Revised Project Start Date and/or Project Budget (if applicable):
N/A

Budget Detail

Project Estimate Detail:

Category	Funding Source	Funding Status	Prior Years Estimate	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Project Totals
Construction	Wastewater Revenues	Future Estimate							\$400,000					\$400,000
Contingency	Wastewater Revenues	Future Estimate							\$20,000					\$20,000
Totals				\$0	\$0	\$0	\$0	\$0	\$420,000	\$0	\$0	\$0	\$0	\$420,000

Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):
None anticipated.

Total Operating Impacts:

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues										
New Revenues										
Increase to Existing Revenues										
Total Revenue Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures										
Personnel Costs										
Materials & Supplies										
Contractual Services										
Total Expenditure Impacts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Explanation of Operating Impacts:
Operating costs have not been determined but will likely decrease after the improvements are completed.



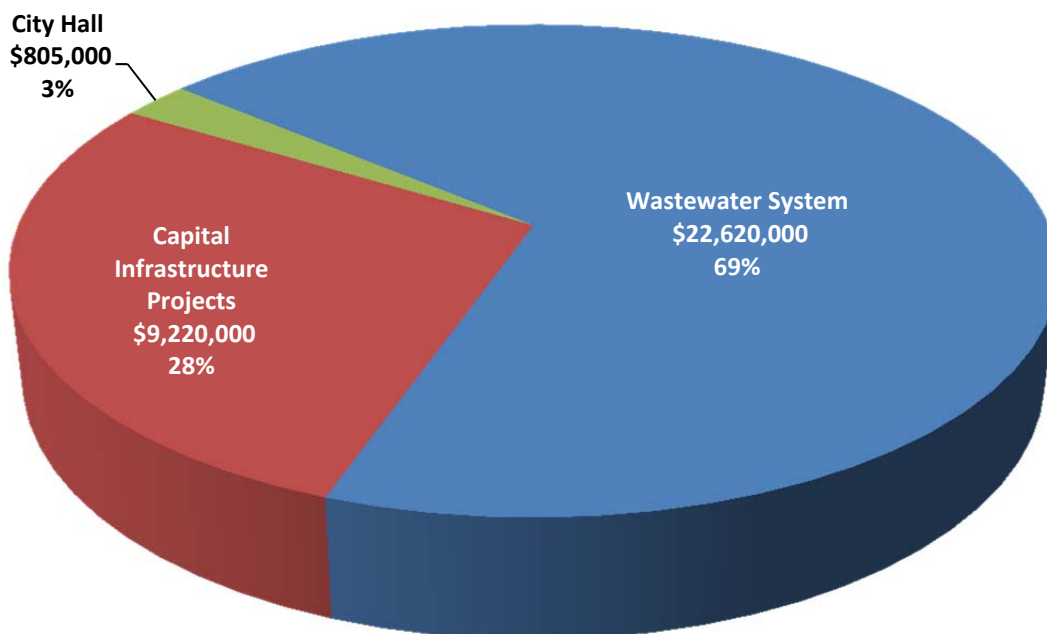
Debt Service

DEBT SERVICE

Overview

While the City of Sedona has been using pay-as-you go funding for *capital projects* in recent years, the City has assumed debt in the past to fund the construction of capital projects. The City has approximately \$33 million in outstanding debt – all of which are *excise tax revenue bonds*. The majority of prior years' debt issuance has been for construction of the wastewater treatment system. A small percentage of the outstanding debt remaining comes from the purchase of the City Hall campus. The chart below represents the percentage of outstanding debt for various categories of projects as of July 1, 2017.

OUTSTANDING DEBT BY PROJECT TOTAL \$32,645,000



Debt Limitations

The Arizona Constitution limits the City's bonded *debt capacity* (outstanding principal) to a certain percentage of the City's secondary assessed valuation for *general obligation (G.O.) bonds*. The Constitution states that for general municipal purposes, the City cannot incur a debt exceeding 6% of the *assessed valuation* of taxable property. Additional bonds amounting to 20% of the assessed valuation of taxable property can be issued for water, lighting and sewer projects, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities.

The City's bond holdings do not include G.O. bonds and, therefore, are not subject to debt limitation. The City has no plans to issue G.O. bonds in the future.

DEBT SERVICE

continued

Debt Repayment Summary

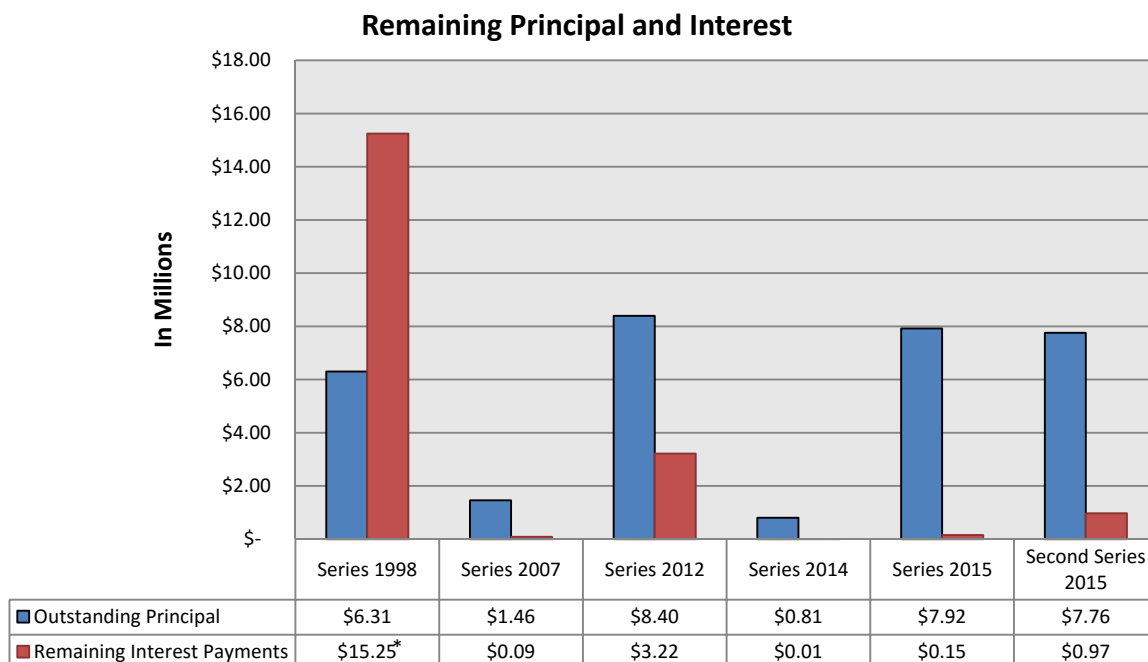
The table below summarizes the principal and interest payments for the 2017-2018 fiscal year by *bond* issuance.

Bond Series	FY18 Principal*	FY18 Interest*	Total FY18 Debt Service Requirement
Series 1998**	\$ -	\$ -	\$ -
Series 2007	715,000	59,331	774,331
Series 2012	-	377,775	377,775
Series 2014	415,000	5,313	420,313
Series 2015	3,920,000	102,960	4,022,960
Second Series 2015	105,000	150,544	255,544
Total Annual Payment	\$ 5,155,000	\$ 695,923	\$ 5,850,923

* The July 1, 2107 principal and interest payments have been accrued in the prior year. These amounts represent the principal and interest payments for January 1, 2018 and July 1, 2018.

** The Series 1998 bonds are comprised of *capital appreciation bonds* (CABs). CABs offer an investment return on an initial principal amount and are reinvested at a stated *compounded rate* until maturity. At maturity, the investor receives a single payment (the "maturity value") representing both the initial principal amount and the total investment return. The next maturity date is not until July 1, 2020.

The following chart summarizes the total outstanding principal and interest on City debt obligations for the next ten years, which is when all current outstanding debt will be retired.



* Represents compounded interest on CABs.



DEBT SERVICE

continued

Pledged Revenues

The City has pledged future *excise taxes* to repay the *excise tax revenue bonds*. The *pledged revenues* include *city sales taxes, transient occupancy taxes (or bed taxes), franchise taxes, license and permit fees, state shared sales taxes, state shared income taxes, vehicle license taxes, and charges for services*. The following schedule summarizes the historical and projected pledged revenue coverage.

Fiscal Year	Excise Tax Revenues	Principal	Interest	Total	Coverage
2013-14	\$ 18,450,768	\$ 4,405,000	\$ 2,077,929	\$ 6,482,929	2.85
2014-15	20,054,429	4,485,000	1,498,946	5,983,946	3.35
2015-16	21,708,599	5,260,000	808,167	6,068,167	3.58
2016-17 (est.)	23,536,200	5,050,000	791,691	5,841,691	4.03
2017-18 (budget)	24,625,700	5,155,000	695,923	5,850,923	4.21
2018-19 (proj.)	25,303,900	5,240,000	611,587	5,851,587	4.32
2019-20 (proj.)	24,265,700	2,285,000	3,434,245	5,719,245	4.24
2020-21 (proj.)	23,279,100	2,230,000	3,487,076	5,717,076	4.07
2021-22 (proj.)	24,351,700	2,175,000	3,544,616	5,719,616	4.26
2022-23 (proj.)	25,540,300	2,125,000	3,591,768	5,716,768	4.47
2023-24 (proj.)	26,040,900	2,075,000	3,633,629	5,708,629	4.56
2024-25 (proj.)	26,617,400	5,075,000	435,296	5,510,296	4.83
2025-26 (proj.)	27,141,000	5,280,000	231,753	5,511,753	4.92
2026-27 (proj.)	27,737,300	1,005,000	19,497	1,024,497	27.07

The *bond covenants* require that excise tax revenues be equal to at least 1.50 times the total payments for all bonds secured by a pledge of excise tax revenues. If at any time it appears that the excise tax revenues will not be sufficient to meet this 1.50 coverage requirement, the City must either impose a new excise tax or increase the rates for taxes currently imposed to reach the 1.50 coverage requirement, to the extent permitted by law.

Debt Service Reserves

In accordance with the *bond covenants*, the City has bond insurance in place to guarantee payments in lieu of *reserve requirements*. However, the City has chosen to maintain reserve balances to ensure adequate funding available.

For the City's Wastewater Enterprise Fund, the City's adopted policy requires a *debt service* reserve with a target equal to the average of one year of enterprise fund debt service repayment requirements. For fiscal year 2017-18, the amount reserved is \$4,581,690, which complies with the policy requirement.

The adopted policy also authorizes the City to establish additional *committed* or *assigned fund balances* in any amount as deemed necessary. The City has set aside \$800,000 in the General Fund to cover the higher debt service payment in fiscal year 2018-19 and to cover fluctuations in ongoing debt service payment levels in fiscal year 2019-20 and after.

DEBT SERVICE

continued

Debt Repayments by Fund

The following table details the remaining principal and interest payments of all outstanding debt by fund.

Fiscal Year	General Fund		Development Impact Fees Fund		Wastewater Fund		Totals
	Principal	Interest	Principal	Interest	Principal	Interest	
2017-18	\$1,212,590	\$ 214,901	\$22,410	\$287	\$ 3,920,000	\$ 480,735	\$ 5,850,923
2018-19	1,218,940	181,673	21,060	139	4,000,000	429,775	5,851,587
2019-20	885,000	146,470			1,400,000	3,287,775	5,719,245
2020-21	900,000	129,301			1,330,000	3,357,775	5,717,076
2021-22	920,000	111,841			1,255,000	3,432,775	5,719,616
2022-23	935,000	93,993			1,190,000	3,497,775	5,716,768
2023-24	945,000	75,854			1,130,000	3,557,775	5,708,629
2024-25	970,000	57,521			4,105,000	377,775	5,510,296
2025-26	990,000	38,703			4,290,000	193,050	5,511,753
2026-27	1,005,000	19,497			-	-	1,024,497
Total	\$9,981,530	\$1,069,755	\$43,470	\$426	\$22,620,000	\$18,615,210	\$52,330,391

The fiscal years 2020-21 through 2024-25 include payment of the CABs, which require payment of the *compounded interest* on the maturity date.

Outstanding Debt Balances

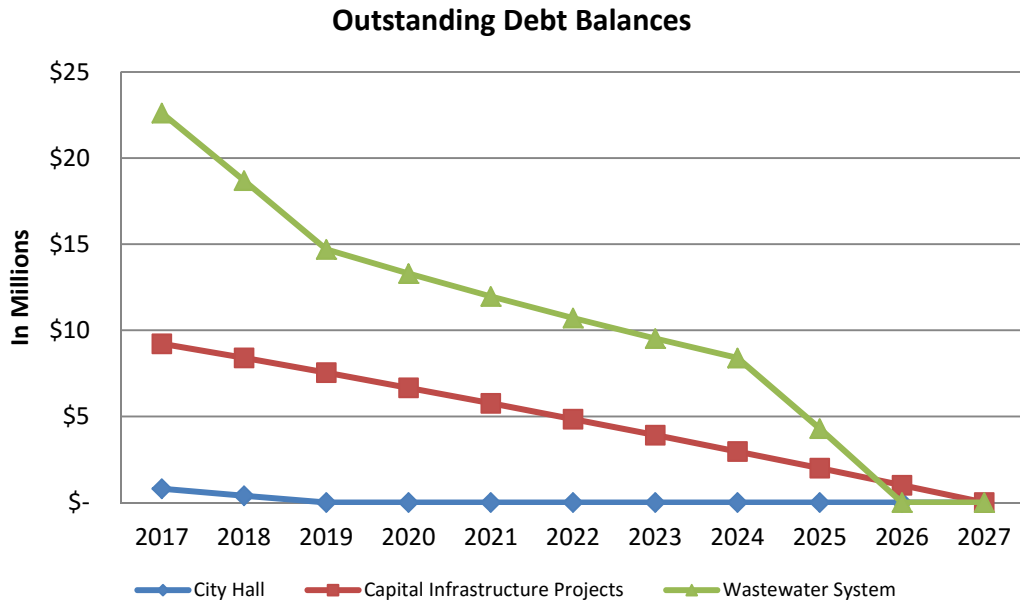
The following information details the outstanding debt balances until all the *bonds* are paid, assuming bonds are not called early or refunded. The final payment is July 1, 2027.

As of July 2	City Hall	Capital Infrastructure Projects	Wastewater System	Totals
2017	\$805,000	\$9,220,000	\$22,620,000	\$32,645,000
2018	390,000	8,400,000	18,700,000	27,490,000
2019	-	7,550,000	14,700,000	22,250,000
2020	-	6,665,000	13,300,000	19,965,000
2021	-	5,765,000	11,970,000	17,735,000
2022	-	4,845,000	10,715,000	15,560,000
2023	-	3,910,000	9,525,000	13,435,000
2024	-	2,965,000	8,395,000	11,360,000
2025	-	1,995,000	4,290,000	6,285,000
2026	-	1,005,000	-	1,005,000
2027	-	-	-	-

DEBT SERVICE

continued

Outstanding Debt Balances (cont'd)



DEBT SERVICE

continued

Individual Debt Issuances

The following tables detail each outstanding debt issue, including the type of debt instrument, dates of issuance and/or refinance, remaining principal and interest payments, and the purpose of the debt.

SEDONA WASTEWATER MUNICIPAL PROPERTY CORPORATION*
EXCISE TAX REVENUE BONDS, SERIES 1998
 Original Principal \$41,035,000
 Issued August 26, 1998
 (Wastewater Fund)

Remaining Payment Dates	Principal	Compounded Interest	Yield	Total
7/1/2020	\$ 1,400,000	\$ 2,910,000	5.20%	\$ 4,310,000
7/1/2021	1,330,000	2,980,000	5.20%	4,310,000
7/1/2022	1,255,000	3,055,000	5.24%	4,310,000
7/1/2023	1,190,000	3,120,000	5.24%	4,310,000
7/1/2024	1,130,000	3,180,000	5.24%	4,310,000
Total	\$ 6,305,000	\$ 15,245,000		\$ 21,550,000

* The Sedona Wastewater *Municipal Property Corporation* (SWMPC) is a nonprofit corporation incorporated under the laws of the State of Arizona. The SWMPC was formed for the purpose of assisting the City in obtaining financing for various projects of the City and exists only to serve the City. The SWMPC board of directors consists of three members which are appointed by the City Council.

This bond series (i) refinanced all of the City's outstanding *Certificate of Participation* Series 1993, (ii) refinanced all of the outstanding Series 1995, (iii) refinanced all of the outstanding Series 1997, and (iv) provided approximately \$29.8 million new money for the wastewater system.

The only remaining portion of the bond series are *capital appreciation bonds* (CABs). CABs offer an investment return on an initial principal amount and are reinvested at a stated *compounded rate* until maturity. At maturity, the investor receives a single payment (the "maturity value") representing both the initial principal amount and the total investment return.

The remaining bonds are not subject to *call for redemption* prior to their stated maturity dates.

DEBT SERVICE
continued

Individual Debt Issuances (cont'd)

CITY OF SEDONA
EXCISE TAX REVENUE BONDS, SERIES 2007
Original Principal \$8,795,000
Issued November 28, 2007
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2018	\$ -		\$ 29,665	\$ 29,665
7/1/2018	715,000	4.000%	29,666	744,666
1/1/2019	-		15,365	15,365
7/1/2019	745,000	4.125%	15,366	760,366
Total	\$ 1,460,000		\$ 90,063	\$ 1,550,063

This bond series funded the following projects: Chapel area drainage, State Route 179 improvements (pedestrian bridge, landscaping, lighting, etc.), and Harmony-Windsong drainage (partial).

The remaining bonds are eligible to be called for redemption prior to their stated maturity dates, without *premium*.

DEBT SERVICE
continued

Individual Debt Issuances (cont'd)

CITY OF SEDONA
EXCISE TAX REVENUE REFUNDING BONDS, SERIES 2012
Original Principal \$8,395,000
Issued February 8, 2012
(Wastewater Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2018	\$ -		\$ 188,887	\$ 188,887
7/1/2018	-		188,888	188,888
1/1/2019	-		188,887	188,887
7/1/2019	-		188,888	188,888
1/1/2020	-		188,887	188,887
7/1/2020	-		188,888	188,888
1/1/2021	-		188,887	188,887
7/1/2021	-		188,888	188,888
1/1/2022	-		188,887	188,887
7/1/2022	-		188,888	188,888
1/1/2023	-		188,887	188,887
7/1/2023	-		188,888	188,888
1/1/2024	-		188,887	188,887
7/1/2024	-		188,888	188,888
1/1/2025	-		188,887	188,887
7/1/2025	4,105,000	4.50%	188,888	4,293,888
1/1/2026	-		96,525	96,525
7/1/2026	4,290,000	4.50%	96,525	4,386,525
Total	\$ 8,395,000		\$ 3,215,250	\$ 11,610,250

This bond series refinanced a portion of the City's Wastewater Municipal Property Corporation outstanding Series 1998.

The remaining bonds are eligible to be called for redemption prior to their stated maturity dates on or after July 1, 2022, without premium.

DEBT SERVICE
continued

Individual Debt Issuances (cont'd)

CITY OF SEDONA
EXCISE TAX REVENUE REFUNDING BONDS, SERIES 2014
Original Principal \$1,879,700
Issued May 22, 2014
(General Fund Portion)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2018	\$ -		\$ 2,513	\$ 2,513
7/1/2018	392,590	0.66%	2,513	395,103
1/1/2019	-		1,217	1,217
7/1/2019	368,940	0.66%	1,218	370,158
Total	\$ 761,530		\$ 7,461	\$ 768,991

(Development Impact Fund Portion)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2018	\$ -		\$ 143	\$ 143
7/1/2018	22,410	0.66%	144	22,554
1/1/2019	-		69	69
7/1/2019	21,060	0.66%	70	21,130
Total	\$ 43,470		\$ 426	\$ 43,896

This portion of the bond series refinanced a portion of the City's outstanding Series 2004, which was used to refinance all of the City's outstanding Series 1999, which was used to purchase the City Hall complex.

These bonds were issued as private placements. The remaining bonds are eligible to be called for redemption prior to their stated maturity dates, without premium.

DEBT SERVICE
continued

Individual Debt Issuances (cont'd)

CITY OF SEDONA
EXCISE TAX REVENUE REFUNDING BONDS, SERIES 2015
Original Principal \$10,390,000
Issued June 16, 2015
(Wastewater Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2018	\$ -		\$ 51,480	\$ 51,480
7/1/2018	3,920,000	1.30%	51,480	3,971,480
1/1/2019	-		26,000	26,000
7/1/2019	4,000,000	1.30%	26,000	4,026,000
Total	\$ 7,920,000		\$ 154,960	\$ 8,074,960

This bond series refinanced all of the City's outstanding Series 2005, which was used to refinance a portion of the City's Wastewater Municipal Property Corporation outstanding Series 1998.

These bonds were issued as private placements. The remaining bonds are eligible to be called for redemption prior to their stated maturity dates, without premium.

DEBT SERVICE
continued

Individual Debt Issuances (cont'd)

CITY OF SEDONA
EXCISE TAX REVENUE REFUNDING BONDS, SECOND SERIES 2015
Original Principal \$8,030,000
Issued December 16, 2015
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2018	\$ -		\$ 75,272	\$ 75,272
7/1/2018	105,000	1.94%	75,272	180,272
1/1/2019	-		74,253	74,253
7/1/2019	105,000	1.94%	74,254	179,254
1/1/2020	-		73,235	73,235
7/1/2020	885,000	1.94%	73,235	958,235
1/1/2021	-		64,650	64,250
7/1/2021	900,000	1.94%	64,651	964,651
1/1/2022	-		55,920	55,920
7/1/2022	920,000	1.94%	55,921	975,921
1/1/2023	-		46,996	46,996
7/1/2023	935,000	1.94%	46,997	981,997
1/1/2024	-		37,927	37,927
7/1/2024	945,000	1.94%	37,927	982,927
1/1/2025	-		28,760	28,760
7/1/2025	970,000	1.94%	28,761	998,761
1/1/2026	-		19,351	19,351
7/1/2026	990,000	1.94%	19,352	1,009,352
1/1/2027	-		9,748	9,748
7/1/2027	1,005,000	1.94%	9,749	1,014,749
Total	\$ 7,760,000		\$ 972,231	\$ 8,732,231

This bond series refinanced a portion of the City's outstanding Series 2007.

These bonds were issued as private placements. The remaining bonds are eligible to be called for redemption prior to their stated maturity dates but are subject to a 2% premium if prepaid December 16, 2016 through December 15, 2017 or a 1% premium if prepaid December 16, 2017 through December 15, 2018. There is no premium for prepayments after December 15, 2018.



Appendices

GLOSSARY

Terms defined in the glossary are indicated in italics upon the first occurrence within each section of this document.

Accessory Dwelling Unit (ADU) – A complete independent residential living space that can be created within, attached to, or detached from a single-family home. An ADU includes provisions for living, sleeping, eating, cooking and sanitation. An ADU can provide supplementary housing that can be integrated into existing single-family neighborhoods to provide a typically lower priced housing alternative.

Accrual Basis of Accounting – A method of accounting in which revenues are recorded when measurable and earned, and expenditures (or expenses) are recognized when a good or service is used, regardless of the timing of related cash flows. It is also referred to as the full accrual basis of accounting.

Adopted Budget – Formal action made by the City Council that sets the spending limits for the fiscal year.

Allocation – Assigning one or more items of cost or revenue to one or more segments of an organization according to benefits received, responsibilities, or other logical measures of use.

Annualized Costs – Operating costs incurred at annual rates for a portion of the prior fiscal year and which must be incurred at similar rates for the entire 12 months of the succeeding fiscal year.

Appropriation – An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

Art in Public Places Fund – A fund used to track the one-percent of certain capital projects budgets designated by the City Council to be used for art in public places.

Assessed Valuation – Valuation that the County sets on real estate or other property as a basis for levying taxes.

Assigned Revenues – Revenues that are intended to be used for specific purposes (“earmarked”). Changes in assignments do not require formal action.

Balanced Budget – A budget in which available resources and projected revenues equal or exceed budgeted expenditures. The State or local government may set the legal requirements for a balanced budget.

Basis of Accounting – Method used to determine when revenues and expenditures/expenses are recorded.

Bed Tax – The City collects a 3.5 percent bed tax, also referred to as transient lodging tax, in addition to the City sales tax. The bed tax supports the General Fund. A portion of the bed tax is used to fund the Chamber Visitor Center and the destination marketing programs.

Bond – A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specific rate.

Bond Covenant – A legally binding promise made by a bond issuer to a bondholder, and spelled out clearly in the bond documents.

GLOSSARY

continued

Bonds Proceeds – Debt issuances derived from the sale of bonds for the purpose of constructing major capital facilities.

Budget – A financial plan consisting of an estimate of proposed expenditures and their purposes for a given period and the proposed means of financing them.

Budgetary Control – The control of 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.

Call for Redemption – When specifically authorized in the bond documents, the ability to redeem a bond at some point before the bond reaches its date of maturity.

Capacity Fees – These fees are a one-time charge when a resident or business connects to the wastewater system.

Capital Appreciation Bond (CAB) – A bond on which the investment return on an initial principal amount is reinvested at a stated compounded rate until maturity. At maturity the investor receives a single payment representing the initial principal amount and the investment return.

Capital Assets – Assets of a long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Capital Improvements Fund – The fund that accounts for the City's major capital and engineering studies. The Capital Improvements Fund revenue is provided by a transfer of surplus fund balances from the General Fund.

Capital Improvements Program – The City's ten-year plan for capital projects and the identification of funding sources to pay for them.

Capital Outlay – Expenditures that result in the acquisition of or addition to capital assets.

Capital Project – Any project having assets of significant value and having a useful life of three years or more. Capital projects include the purchase of land, design, and engineering and construction of buildings and infrastructure items such as streets, bridges, drainage, street lighting, water system, etc. Capital projects are permanent attachments intended to remain with the land.

Capital Projects Fund – Fund type used to account for revenues from restricted, committed, or assigned sources that are designated to finance capital outlays (excluding capital outlays financed by proprietary funds). The City's capital projects funds include the Capital Improvements Fund, Development Impact Fees Funds and Art in Public Places Fund.

Certificate of Participation (COP) – A financial instrument, a form of financing, used by governmental entities that allows an individual to buy a share of the lease revenue of an agreement made by the entity.

Charges for Services – Fees for services provided such as wastewater services, parks and recreation services, plan reviews, etc.

City Sales Tax – Technically, Arizona assesses a transaction privilege tax (TPT) as opposed to a sales tax; however, it is commonly referred to as a sales tax. TPT differs from a "true" sales tax imposed by many other states as it is imposed upon the seller or lessor rather than the purchaser or lessee.

GLOSSARY

continued

Committed Revenues – Revenues that can be used only for the specific purposes determined by a formal action of the City Council. Commitments may be changed or lifted only by the Council taking the same formal action that imposed the constraint originally.

Community Focus Area (CFA) – A location where the City will play a proactive role to implement the community's vision.

Compounded Rate – A type of interest rate that accounts for the reinvestment of interest rather than paying it out. Interest is then earned on the principal balance plus previously accumulated interest.

Comprehensive Annual Financial Report (CAFR) – A set of governmental financial statements that comply with the accounting requirements promulgated by the Governmental Accounting Standards Board.

Community Facilities District (CFD) Fund – The fund accounts for payments in lieu of sales and bed taxes from timeshare development agreements. The City has two Community Facilities Districts that are legally separate entities. The City Council sits as the board for each of these districts, and City management performs parallel duties for the districts.

Contingency – Monies budgeted to be used to finance unforeseen expenditures or potential projects not yet defined adequately to budget specific accounts.

Cost Driver – Available information used as the basis for allocating indirect costs such as number of employees per department or program.

Cost Recovery – The extent to which fees cover the direct and indirect costs of providing a particular service. For instance, full cost recovery would mean that the fees cover all the direct and indirect cost.

Court Bond – A dollar amount set by a judge that must be paid by the defendant charged with a crime to ensure that the defendant returns for trial.

Debt Capacity – Limitations set by Arizona Revised Statutes on the total amount of bonds that can be outstanding at any given time.

Debt Service – Payment of principal, interest, and related service charges on obligations resulting from the issuance of bonds.

Decision Package – A package of justification and documentation for new budgetary needs with a significant dollar impact, generally more than \$5,000, and/or budgetary requests that result in new programs or services.

Department – A major administrative division of the City that indicates overall management responsibility for an operation or group of related operations within a functional area.

Depreciation – The decrease in value of capital assets.

Depreciation Expense – The allocation of the cost of capital assets to periods in which the assets are used. The City uses the straight-line depreciation method, which allocates the same amount each period over the estimated useful life of the asset.

GLOSSARY

continued

Development Impact Fees – Fees assessed to offset costs incurred by the municipality in providing additional public services created by new development as provided for in ARS §9-463.05 .

Development Impact Fees Funds – The fund that accounts for the development impact fees restricted for certain costs, generally for capital acquisition or related debt service necessitated by new development.

Direct Costs – Costs that can be directly linked with a specific cost objective.

Economic Estimates Commission (EEC) – The commission responsible for estimating Arizona's personal income and the percent change in the per capita personal income for each fiscal year and calculating the State-imposed expenditure limitation based on those estimates.

Employee Benefits – The cost for employee benefits including health insurance and disability insurance.

Enterprise Fund – Fund type established to account for an activity for which a fee is charged to external users for goods or services.

Estimated Revenue – The amount of projected revenue to be collected during the fiscal year.

Excise Tax – An excise is considered an indirect tax, meaning that the producer or seller who pays the tax to the government is expected to try to recover or shift the tax by raising the price paid by the buyer. The City's bond documents have defined the pledged excise taxes as city sales taxes, bed taxes, franchise taxes, license and permit fees, state shared sales taxes, state shared income taxes, vehicle license taxes, and charges for services.

Expenditure/Expense – This term refers to the outflow of funds paid for an asset obtained or goods and services obtained.

Expenditure Limitation – The Arizona State Legislature imposed constitutional amendment that limits the annual expenditures of all municipalities. The Economic Estimates Commission, based on population growth and inflation, sets this limit; however, voters of cities and towns may elect an alternative expenditure limit.

Experience Modification Rating (EMOD) – An adjustment of the annual workers compensation premium based on previous loss experience.

Fiscal Year – A 12-month period of time to which the Annual Budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. For the City of Sedona, it is July 1 through June 30.

Forecast – Multi-year projections of City revenues, expenditures, and fund balances based on assumptions and/or scenario options. It is used as a planning and decision-making tool and is not adopted by the City Council.

Franchise Fee (or Franchise Tax) – The franchise fee is based on the gross sales of the utility companies. Those that currently pay the franchise fees are: Arizona Public Service (2%), Unisource Energy Services (2%), Suddenlink Communications (2%) Arizona Water Company (3%), and Oak Creek Water Company (3%).

GLOSSARY

continued

Full Accrual Basis of Accounting – A method of accounting in which revenues are recorded when measurable and earned, and expenditures (or expenses) are recognized when a good or service is used, regardless of the timing of related cash flows. It is also referred to simply as the accrual basis of accounting.

Full-Time Equivalent (FTE) – A unit of comparison of employee positions. An FTE of 1.0 is equivalent to a full-time employee (2,080 hours or more per year) while an FTE of 0.5 represents an employee working at half-time (1,040 hours per year).

Function – Group of related activities aimed at accomplishing a major service or regulatory program for which the City is responsible. The City's functional categories are general government, public safety, public works and streets, culture and recreation, economic development, health and welfare, public transportation, and wastewater services.

Fund – An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations.

Fund Accounting – An accounting system for recording resources whose use has been limited by the granting agency, legislation, the governing agency, contracts and agreements, or other authorities.

Fund Balance – The excess of assets over liabilities in governmental funds. For budgetary purposes, the proprietary funds are converted to the same basis of accounting as the governmental funds and report a budgetary fund balance.

General Fund – A fund used to account for all general-purpose transactions of the City that do not require a special type of fund.

General Obligation (G.O.) Bond – A type of municipal bond that is secured by a state or local government's pledge to use legally available resources, including tax revenues, to repay bond holders.

Generally Accepted Accounting Principles (GAAP) – The standard framework of guidelines for financial accounting.

Goal – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a specific time period.

Government Finance Officers Association of the United States and Canada (GFOA) – A professional association of approximately 19,100 state and local government finance officers in the U.S. and Canada.

Governmental Accounting Standards Board (GASB) – A private organization that is the source of generally accepted accounting principles for state and local governments in the U.S.

Governmental Fund – A fund type generally used to account for tax-supported activities. The City has three different types of governmental funds: the General Fund, special revenues funds, and capital projects funds.

Grant – A contribution by the state or federal government or other agency to support a particular function.

GLOSSARY

continued

Grants & Donations Funds – A group of funds used to track the revenues and expenditures of grants and donations restricted for specific purposes.

Highway User Revenue Fund (HURF) – Arizona cities receive a share of state motor vehicle fuel taxes, and the formula is based on two separate calculations. First, it is based on a City's population in relation to the State's total population. Second, it is based on the county in which the revenues were generated. These funds are restricted to be utilized for the construction and maintenance of streets and highways.

Indirect Cost Allocation Plan – Mechanism for determining the allocation of indirect costs to the benefitting departments or programs.

Indirect Costs – Costs that are not directly accountable, such as administrative costs, to a particular cost objective.

Information Technology Internal Service Fund – A fund used to track the City's information technology costs that are allocated to the various departments and programs.

Inter-fund Transfer – Amount transferred from one fund to another without equivalent flows of assets in return and without a requirement for repayment.

Internal Service Fund – Fund type established to account for any activity that provides good or services to other funds, departments, or agencies of the government on a cost reimbursement basis.

Internal Charges – Costs that were internally allocated between departments or programs and do not represent ongoing payments for goods or services.

Internal Control – A process for assuring achievement of the City's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations, and policies.

Infrastructure – Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples include roads, bridges, tunnels, drainage systems, and sewer systems.

Investment Grade Bond Rating – A bond is considered investment grade if its credit rating is BBB- or higher by Standard & Poor's or Baa3 or higher by Moody's. Generally, they are bonds that are judged by the rating agency as likely enough to meet payment obligations that banks are allowed to invest in them..

License Fees – Revenues from this source would include the fees collected from business licenses, liquor licenses, civil union registrations, etc.

Line Item – Accounts for specific expenditures and revenues in departments.

Major Fund – Governmental or enterprise fund reported as a separate column in the City's financial statements and subject to a separate opinion in the independent auditor's report.

Matching Requirements – Some grants require the City to match a portion of the grant funding. For instance, a \$10,000 grant with a 10% matching requirement would require the City to pay \$1,000 toward the costs of the program/project. In other words, the total cost of the program/project would be \$11,000 (\$10,000 paid by the grant and \$1,000 paid by the City).

GLOSSARY

continued

Model City Tax Code (MCTC) – The document is designed to assist the business community in determining which items are taxed by each individual city and town and which items are exempt from taxation. The MCTC provides a greater degree of uniformity, but also retains the right of individual cities and towns to determine the items taxed as well as the exemptions to be granted.

Modified Accrual Accounting – Basis of accounting required for use by governmental funds in which revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred.

Municipal Property Corporation (MPC) – A separate legal entity created for the purpose of assisting the City in obtaining financing for various construction projects.

Net Position – The excess of assets over liabilities in proprietary funds. For budgetary purposes, the proprietary funds are converted to the same basis of accounting as the governmental funds and report a budgetary fund balance.

Nonmajor Fund – All other funds not reported as a major fund. Nonmajor governmental funds, nonmajor enterprise funds, and all internal service funds are each consolidated in the City's financial statements.

Nonspendable Fund Balance – The portion of fund balance that cannot be spent either because the underlying resources are not in spendable form or because the City is legally or contractually required to maintain the resources intact..

One-Time Expenditures – Nonrecurring expenditures, expenditures not made annually, or significant revenues in excess of routine levels, such as capital asset purchases, one-time studies, payoff of debt, election costs, nonroutine increases to reserves, and nonroutine increases to contingencies.

One-Time Revenues – Revenue sources not received annually, or significant revenues in excess of routine levels, such as significant construction-related revenues (e.g., permit fees, capacity fees, development impact fees), fluctuating grants and/or donations, and "windfall" revenues.

Ongoing Expenditures – Expenditures typically occurring every year.

Ongoing Revenues – Revenue sources available on a constant basis to support operating and capital budgetary needs. These revenues are typically received every year.

Operating Expenditures – Expenditures for the ongoing operations of the City, including personnel, supplies, services and materials, and indirect cost allocations. Excludes capital expenses, debt service, and transfers to other funds.

Operating Revenue – Resources derived from recurring revenue sources used to finance recurring operating expenditures.

Other Financing Sources – Increase in fund balance other than revenues. Only items identified in authoritative accounting standards may be classified as other financing sources.

Other Financing Uses – Decrease in fund balance other than expenditures. Only items identified in authoritative accounting standards may be classified as other financing uses.

Performance Measure – Indicators that measure service efforts and accomplishments.

GLOSSARY

continued

Permit Fees – Revenues from this source would include the fees collected from building permits, zoning permits, and a variety of other programs.

Personnel Services – Expenditures for salaries, wages, and fringe benefits of a government's employees.

Pledged Revenues – A formal commitment of specific revenues to collateralize or secure revenue bonds.

Premium– In the context of early bond redemption calls, an additional amount paid over the par value of the bond.

Program – A group of related activities performed by one or more functions/departments where there is a desire to budget and identify expenditures independently related to specific purposes or objectives.

Project 25 (P25) – A suite of standards for digital radio communications for use by federal, state, and local public safety agencies to enable them to communicate with other agencies and mutual aid response teams in emergencies.

Proprietary Fund – Fund type that focuses on the determination of cost recovery through user fees, financial position, and cash flows. The City has two different types of proprietary funds: enterprise funds and internal service funds.

Refunding – Issuance of new debt whose proceeds are used to repay previously issued debt. The purpose is typically to refinance at a lower interest rate.

Reserve Requirements – In the context of debt service, a requirement in the bond documents to maintain a reserve to cover the repayment of bond principal and interest.

Reserves – Account that records a portion of the fund balance that must be segregated for some future use, and that is, therefore, not available for further appropriation or expenditure.

Restricted Revenues – Are legally restricted for a specific purpose by external resource providers (e.g., grant providers), constitutionally, or through enabling legislation (i.e., legislation that creates a new revenue source and restricts its use). Restrictions can be changed or lifted only with the consent of the resource providers.

Revenues – Amounts estimated to be received from taxes and other sources during the fiscal year.

Revenue Bonds – A special type of municipal bond distinguished by its guarantee of repayment solely from revenues specifically pledged.

Special Revenue Fund – Fund type used to account for revenues from specific taxes or other earmarked revenue sources that by law are designated to finance particular functions or activities of government. The City's special revenue funds include the Streets Fund and Grants & Donations Funds.

State Shared Income Tax Revenue – Arizona cities share a portion of the total amount collected from the state income tax. A City's portion of the state income tax is based on the relationship of its population to the total population of all cities and towns within the state. This is referred to as Urban Revenue Sharing in the budget.

GLOSSARY

continued

State Shared Sales Tax – Arizona cities share a portion of the total amount collected from the state sales tax, which is currently 5.6 percent. A City's portion of the state sales tax is based on the relationship of its population to the total population of all cities and towns within the state.

Streets Fund – A fund that accounts for major street improvements including rehabilitation and pavement preservation. The major source of funding for the Streets Fund is the Highway User Revenue Fund (HURF), which is the City's share of the State gas tax.

Surplus Funds – Available fund balances that exceed the City's reserve policy requirements.

Tax – A compulsory contribution to government revenue, levied by the government on workers' income and business profits or added to the cost of some goods, services, and transactions.

Transaction Privilege Tax (TPT) – The transaction privilege tax is commonly referred to as sales tax. TPT differs from a "true" sales tax imposed by many other states as it is imposed upon the seller or lessor rather than the purchaser or lessee. The City collects a three percent City sales tax.

Transient Occupancy Tax – The City collects a 3.5 percent transient lodging tax, also referred to as bed tax, in addition to the City sales tax. The bed tax supports the General Fund. A portion of the bed tax is used to fund the Chamber Visitor Center and the destination marketing programs.

Unassigned Fund Balance – The remainder of fund balance after the nonspendable, restricted, committed, and assigned components.

Urban Revenue Sharing – State shared income tax revenues.

User Fees – Fees assessed to the users of a particular service. Governments typically augment tax revenues with user fees, since some services are not utilized by all taxpayers and some customers may not be taxpayers.

Vehicle License Taxes (VLT) – Arizona charges a vehicle license tax in lieu of a personal property tax on vehicles. The VLT is based on an assessed value of 60% of the manufacturer's base retail price reduced by 16.25% for each year since the vehicle was first registered in Arizona. Distributions are based on the collections within each county and allocated

Wastewater Enterprise Fund – A fund that accounts for the administrative, plant operations, and capital cost associated with the City's sewer system.

Workload Indicators – Statistical information that measures various aspects of inputs to an activity or program or outputs in units of service delivered or product produced.

ACRONYMS

Acronym	Description	Acronym	Description
AAED	Arizona Association of Economic Development	CM	City Manager
AC	Arts & Culture	COLA	Cost of Living Adjustment
ADA	Americans with Disabilities Act	COP	Certificate of Participation
ADEQ	Arizona Department of Environmental Quality	CPI	Consumer Price Index
ADOT	Arizona Department of Transportation	DIF	Development Impact Fees
ADP	Automatic Data Processing, LLC	DUI	Driving Under the Influence
ADU	Accessory Dwelling Unit	EEC	Economic Estimates Commission
APS	Arizona Public Service	EEOC	Equal Employment Opportunity Commission
ARS	Arizona Revised Statutes	EMOD	Experience Modification Rating
ASRS	Arizona State Retirement System	FAST	Fractured Aggregate Surface Treatment
AZ	Arizona	FEMA	Federal Emergency Management Agency
CAB	Capital Appreciation Bond	FHWA	Federal Highway Administration
CAD	Computer Aided Dispatch	FSWG	Fiscal Sustainability Work Group
CAFR	Comprehensive Annual Financial Report	FTA	Federal Transit Authority
CAT	Cottonwood Area Transit	FTE	Full Time Equivalent
CD	Community Development	FY	Fiscal Year (July 1 - Jun 30)
CDBG	Community Development Block Grant	GAAP	Generally Accepted Accounting Principles
CFA	Community Focus Area	GASB	Governmental Accounting Standards Board
CFD	Community Facilities District	GFOA	Government Finance Officers Association
CFS	Cubic Feet per Second	GIS	Geographic Information Systems
CIP	Capital Improvement Program		

ACRONYMS

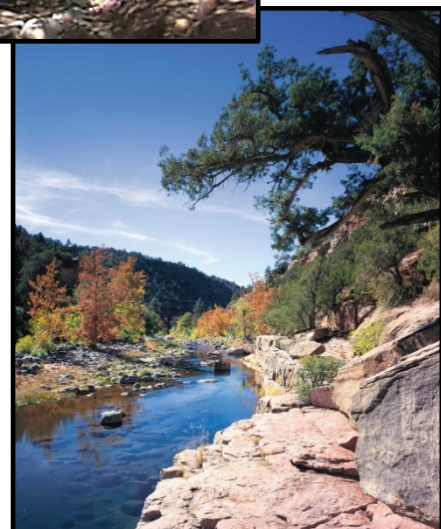
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Acronym	Description	Acronym	Description
G.O.	General Obligation	PD	Police Department
GOHS	Governor's Office of Highway Safety	PHB	Pedestrian Hybrid Beacon
HPC	Historic Preservation Commission	PLC	Programmable Logic Controller
HR	Human Resources	POST	Peace Officer Standards and Training
HURF	Highway User Revenues Fund	PR	Parks & Recreation Department
IGA	Intergovernmental Agreement	PSPRS	Public Safety Personnel Retirement System
IT	Information Technology	PW	Public Works
ITS	Intelligent Transportation System	RICO	Racketeer Influenced and Corrupt Organizations
K-9	Canine	RMS	Records Management System
KVM	Keyboard-Video-Mouse	ROW	Right of Way
MC	Municipal Court	SCADA	Supervisory Control and Data Acquisition
MCTC	Model City Tax Code	SD	Storm Drainage
MGD	Million Gallons per Day	SPD	Sedona Police Department
MPC	Municipal Property Corporation	SR	State Route
N/A	Not Applicable or Not Available	SRO	School Resource Officer
NACOG	Northern Arizona Council of Governments	ST	Streets & Transportation
NEV	Neighborhood Electric Vehicle	STEP	Sedona Traffic Enforcement Program
OCC	Oak Creek Canyon	STP	Surface Transportation Program
P&Z	Planning and Zoning	TPT	Transaction Privilege Tax (Sales Tax)
P25	Project 25	USFS	United States Forest Service
PANT	Partners Against Narcotics Trafficking	UV	Ultraviolet

ACRONYMS

continued

Acronym	Description	Acronym	Description
VVREO	Verde Valley Regional Economic Organization	WW	Wastewater
VLТ	Vehicle License Tax	WWRP	Wastewater Reclamation Plant
VOC	Village of Oak Creek		



OFFICIAL BUDGET FORMS

CITY OF SEDONA

Fiscal Year 2018

City Council adopted the Tentative Budget on May 16, 2017



Final budget adoption will occur on June 13, 2017 at 4:00 p.m. in the City Council Chambers, 102 Roadrunner Drive, Sedona, Arizona 86336

The Budget may be reviewed at the:

City's website www.sedonaaz.gov

City of Sedona in the Clerk's Office, 102 Roadrunner Drive, Sedona, Arizona

City of Sedona Public Library , 3250 White Bear Road, Sedona Arizona

CITY OF SEDONA
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CITY OF SEDONA
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2018

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2017	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	18,823,460	1,570,500	0	5,847,844	0	12,119,062	0	38,360,866
2017	Actual Expenditures/Expenses**	E	17,326,793	1,443,026	0	4,014,258	0	11,183,936	0	33,968,013
2018	Fund Balance/Net Position at July 1***		10,338,362	1,402,676		13,839,573		14,792,117	0	40,372,728
2018	Primary Property Tax Levy	B	0							0
2018	Secondary Property Tax Levy	B								0
2018	Estimated Revenues Other than Property Taxes	C	26,478,260	1,440,960	0	1,497,577	0	6,723,550	1,622,130	37,762,477
2018	Other Financing Sources	D	0	0	0	0	0	0	0	0
2018	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2018	Interfund Transfers In	D	0	35,389	0	1,115,878	0	4,165,900	0	5,317,167
2018	Interfund Transfers (Out)	D	5,290,789	0	0	26,378	0	0	0	5,317,167
2018	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:		800,000					4,581,690		5,381,690
	Amounts for Operating Reserve Policies		9,385,071	601,745				1,634,102		11,620,918
	Equipment Replacement Reserve		238,050					116,100	69,420	423,570
										0
2018	Total Financial Resources Available		21,102,712	2,277,280	0	16,426,650	0	19,349,675	1,552,710	60,709,027
2018	Budgeted Expenditures/Expenses	E	21,102,712	1,844,840	0	8,878,969	0	14,372,991	1,552,606	47,752,118

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

	2017	2018
1. Budgeted expenditures/expenses	\$ 38,360,866	\$ 47,752,118
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	38,360,866	47,752,118
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 38,360,866	\$ 47,752,118
6. EEC expenditure limitation	\$ 38,360,866	\$ 47,752,118

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 OF SEDONA
Revenues Other Than Property Taxes
Fiscal Year 2018

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
GENERAL FUND			
Local taxes			
City Sales Taxes	\$ 15,526,670	\$ 16,110,700	\$ 16,673,800
Bed Taxes	3,172,200	3,698,800	3,977,200
Franchise Fees	816,060	783,600	759,400
Contingent Bed Taxes	550,000		550,000
Licenses and permits			
Building Permit Fees	325,000	377,000	357,100
Business Licenses	95,000	91,900	91,900
Misc Community Development/Public Works	35,775	39,500	35,200
City Clerk	200	670	2,350
Intergovernmental			
State Shared Sales Taxes	979,400	943,300	966,900
State Urban Revenue Sharing	1,273,001	1,271,700	1,303,500
State Grants	20,000	10,350	26,060
County-Vehicle License Taxes	620,300	608,500	617,600
Charges for services			
Election Reimbursements	30,000	11,530	
Recreation Programs	20,000	38,500	48,000
Daily Swim Fees	18,000	20,900	20,100
Expedited Plan Reviews	14,400		10,000
Other Contracted Plan Reviews		4,000	10,000
Misc Community Development Fees		17,700	12,600
Misc. Parks & Recreation Fees	10,700	12,300	12,750
Paid Parking Fees		23,600	282,800
Misc. Police Fees	4,200	6,700	9,600
Other Misc. Charges for Services	4,200	3,700	3,100
Fines and forfeits			
Court Fines	140,000	99,800	99,800
Parking Fees and Fines	100,000	2,300	27,000
STEP Administration Fees	19,300	10,000	10,000
Misc. Fines	3,000	5,100	5,100
Interest on investments			
Interest Earnings	122,500	59,150	60,250
Tax Audits - Interest/Penalty			
Contributions			
Voluntary contributions			
Police Donations	400	1,400	
Miscellaneous			
In-lieu Fees	406,000	445,400	445,400
Parks & Recreation Rentals	16,000	27,900	29,000
Other Rentals	11,400	11,100	11,100
Auction Revenues	15,000	21,400	17,200
Other Misc. Revenues	60,000	25,750	3,450
Total General Fund	\$ 24,408,706	\$ 24,784,250	\$ 26,478,260

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY OF SEDONA
Revenues Other Than Property Taxes
Fiscal Year 2018

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
SPECIAL REVENUE FUNDS			
Streets Fund:	\$	\$	\$
HURF Revenues	799,000	943,400	858,200
Contributions and Donations			100,000
Interest Earnings		3,600	3,700
	\$ 799,000	\$ 947,000	\$ 961,900
Grants and Donation Funds:	\$	\$	\$
Grants and Other Intergovernmental	80,000	209,020	91,600
Donations	40,500	18,150	69,100
Fines & Forfeitures		12,800	12,800
In Lieu Fees		19,800	
Other Misc. Revenues		1,580	5,560
Contingent Grants & Donations	300,000		300,000
	\$ 420,500	\$ 261,350	\$ 479,060
Total Special Revenue Funds	\$ 1,219,500	\$ 1,208,350	\$ 1,440,960
CAPITAL PROJECTS FUNDS			
Capital Improvement Fund:	\$	\$	\$
County Flood Control	665,976	682,200	696,000
Grants			371,657
Contributions and Donations	300,000	200,600	175,000
Interest Earnings		29,100	29,200
	\$ 965,976	\$ 911,900	\$ 1,271,857
Art in Public Places Fund:	\$	\$	\$
Contributions from CFDs	11,849		
In Lieu Fees		6,200	
Interest Earnings		270	230
	\$ 11,849	\$ 6,470	\$ 230
Development Impact Fee Funds:	\$	\$	\$
Developer Impact Fees	191,000	603,700	213,880
Interest Earnings	10,000	11,420	11,610
	\$ 201,000	\$ 615,120	\$ 225,490
Total Capital Projects Funds	\$ 1,178,825	\$ 1,533,490	\$ 1,497,577
ENTERPRISE FUNDS			
Wastewater - Charges for Services	\$ 5,901,144	\$ 5,922,200	\$ 6,164,200
Wastewater - Capacity Fees	275,000	1,266,100	403,100
Wastewater - Misc. Revenues	227,720	170,900	156,250
	\$ 6,403,864	\$ 7,359,200	\$ 6,723,550
Total Enterprise Funds	\$ 6,403,864	\$ 7,359,200	\$ 6,723,550

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY OF SEDONA
Revenues Other Than Property Taxes
Fiscal Year 2018

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
INTERNAL SERVICE FUNDS			
Information Technology Fund:	\$ _____	\$ _____	\$ _____
Internal Cost Charges	_____	_____	1,621,480
Other Charges for Services	_____	_____	650
	\$ _____	\$ _____	\$ 1,622,130
Total Internal Service Funds	\$ _____	\$ _____	\$ 1,622,130
TOTAL ALL FUNDS	\$ <u>33,210,895</u>	\$ <u>34,885,290</u>	\$ <u>37,762,477</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

CITY OF SEDONA
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2018

FUND	OTHER FINANCING 2018		INTERFUND TRANSFERS 2018	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Transfer to Streets Fund	\$	\$	\$	\$ 35,389
Transfer to Wastewater Fund				4,165,900
Transfer to Capital Improvements Fund				1,089,500
Total General Fund	\$	\$	\$	\$ 5,290,789
SPECIAL REVENUE FUNDS				
Streets - From General Fund	\$	\$	\$ 35,389	\$
Total Special Revenue Funds	\$	\$	\$ 35,389	\$
CAPITAL PROJECTS FUNDS				
Cap Improvement - From General Fund	\$	\$	\$ 1,089,500	\$
Cap Impr - To Art in Public Places				26,378
Art in Public Places - From Cap Impr			26,378	
Total Capital Projects Funds	\$	\$	\$ 1,115,878	\$ 26,378
ENTERPRISE FUNDS				
Wastewater - From General Fund	\$	\$	\$ 4,165,900	\$
Total Enterprise Funds	\$	\$	\$ 4,165,900	\$
INTERNAL SERVICE FUNDS				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$	\$	\$ 5,317,167	\$ 5,317,167

**CITY OF SEDONA
Expenditures/Expenses by Fund
Fiscal Year 2018**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
GENERAL FUND				
City Council	\$ 78,585	\$	\$ 76,800	\$ 77,775
City Manager	1,016,875	(5,016)	846,458	3,138,700
Human Resources	226,080	10,965	227,045	308,275
Financial Services	536,465	(1,700)	540,385	961,155
Information Technology	1,193,777	3,300	1,022,760	
City Attorney	534,455		446,390	631,360
City Clerk	297,719		258,593	260,090
Parks & Recreation	539,557	9,200	556,017	651,474
General Services	3,364,479	(30,054)	3,197,059	1,955,258
Community Development	1,646,691	12,467	1,420,510	1,707,950
Public Works & Engineering	3,139,298	106,420	3,153,798	3,421,205
Economic Development				184,970
Police	4,304,779		4,217,409	4,654,910
Municipal Court	342,950		331,890	361,370
Indirect Cost Allocations				456,910
Debt Service	707,366	(21,198)	686,168	1,431,310
Contingency	900,000	(90,000)	345,511	900,000
Total General Fund	\$ 18,829,076	\$ (5,616)	\$ 17,326,793	\$ 21,102,712
SPECIAL REVENUE FUNDS				
Streets Fund	\$ 1,150,000	\$	\$ 1,150,000	\$ 1,203,490
Grants & Donations Funds	420,500		293,026	641,350
Total Special Revenue Funds	\$ 1,570,500	\$	\$ 1,443,026	\$ 1,844,840
CAPITAL PROJECTS FUNDS				
Develop. Impact Fees Funds	\$ 2,543,860	\$ (8,802)	\$ 1,014,260	\$ 1,452,300
Capital Improvements Fund	3,312,786		2,999,998	7,426,669
Art in Public Places Fund				
Total Capital Projects Funds	\$ 5,856,646	\$ (8,802)	\$ 4,014,258	\$ 8,878,969
ENTERPRISE FUNDS				
Wastewater - Administration	\$ 264,764	\$ 6,952	\$ 342,623	\$ 270,665
Wastewater - Operations	2,611,224	(42,752)	2,215,042	3,073,111
Wastewater - Debt Service	5,151,325		5,151,325	4,409,735
Wastewater - Capital	3,193,790	41,170	2,626,960	5,077,050
Wastewater - Dept Allocations	783,541	9,048	847,986	1,442,430
Wastewater - Contingency	100,000			100,000
Total Enterprise Funds	\$ 12,104,644	\$ 14,418	\$ 11,183,936	\$ 14,372,991
INTERNAL SERVICE FUNDS				
Information Technology Fund	\$	\$	\$	\$ 1,552,606
Total Internal Service Funds	\$	\$	\$	\$ 1,552,606
TOTAL ALL FUNDS	\$ 38,360,866	\$	\$ 33,968,013	\$ 47,752,118

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

CITY OF SEDONA
Expenditures/Expenses by Department
Fiscal Year 2018

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
City Council:				
General Fund	\$ 78,585	\$	\$ 76,800	\$ 77,775
Department Total	\$ 78,585	\$	\$ 76,800	\$ 77,775
City Manager:				
General Fund	\$ 1,016,875	\$ (5,016)	\$ 846,458	\$ 3,138,700
Wastewater Fund	47,950	731	48,681	
Department Total	\$ 1,064,825	\$ (4,285)	\$ 895,139	\$ 3,138,700
Human Resources:				
General Fund	\$ 226,080	\$ 10,965	\$ 227,045	\$ 308,275
Wastewater Fund	19,440	107	19,547	
Department Total	\$ 245,520	\$ 11,072	\$ 246,592	\$ 308,275
Financial Services:				
General Fund	\$ 536,465	\$ (1,700)	\$ 540,385	\$ 961,155
Wastewater Fund	406,520		376,720	168,850
Department Total	\$ 942,985	\$ (1,700)	\$ 917,105	\$ 1,130,005
Information Technology:				
General Fund	\$ 1,193,777	\$ 3,300	\$ 1,022,760	\$
Wastewater Fund	87,578		89,075	75,130
Information Technology Fund				1,552,606
Department Total	\$ 1,281,355	\$ 3,300	\$ 1,111,835	\$ 1,627,736
City Attorney:				
General Fund	\$ 534,455	\$	\$ 446,390	\$ 631,360
Wastewater Fund	21,090		21,090	100,000
Department Total	\$ 555,545	\$	\$ 467,480	\$ 731,360
City Clerk:				
General Fund	\$ 297,719	\$	\$ 258,593	\$ 260,090
Wastewater Fund	12,650		12,650	
Department Total	\$ 310,369	\$	\$ 271,243	\$ 260,090
Parks & Recreation:				
General Fund	\$ 539,557	\$ 9,200	\$ 556,017	\$ 651,474
Grants & Donations Funds	70,500		85,774	82,500
Department Total	\$ 610,057	\$ 9,200	\$ 641,791	\$ 733,974
Community Development:				
General Fund	\$ 1,646,691	\$ 12,467	\$ 1,420,510	\$ 1,707,950
Grants & Donations Funds		272,450	71,000	
Department Total	\$ 1,646,691	\$ 284,917	\$ 1,491,510	\$ 1,707,950
Public Works & Engineering:				
General Fund	\$ 3,139,298	\$ 106,420	\$ 3,153,798	\$ 3,421,205
Streets Fund	1,150,000		1,150,000	1,203,490
Develop. Impact Fee Funds	30,000	(30,000)		
Wastewater Fund	267,153	13,580	281,933	344,490
Department Total	\$ 4,586,451	\$ 90,000	\$ 4,585,731	\$ 4,969,185
Economic Development				
General Fund	\$	\$	\$	\$ 184,970
Department Total	\$	\$	\$	\$ 184,970

CITY OF SEDONA
Expenditures/Expenses by Department
Fiscal Year 2018

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
Police:				
General Fund	\$ 4,304,779	\$	\$ 4,217,409	\$ 4,654,910
Grants & Donations Funds	50,000	27,550	134,602	61,350
Department Total	\$ 4,354,779	\$ 27,550	\$ 4,352,011	\$ 4,716,260
Municipal Court:				
General Fund	\$ 342,950	\$	\$ 331,890	\$ 361,370
Grants & Donations Funds	\$	\$	1,650	\$
Department Total	\$ 342,950	\$	\$ 333,540	\$ 361,370
General Services:				
General Fund	\$ 3,364,479	\$ (30,054)	\$ 3,197,059	\$ 1,955,258
Wastewater Fund	\$	\$	\$	(25,000)
Department Total	\$ 3,364,479	\$ (30,054)	\$ 3,197,059	\$ 1,930,258
Indirect Cost Allocations:				
General Fund	\$	\$	\$	\$ 456,910
Wastewater Fund	\$	\$	\$	847,870
Department Total	\$	\$	\$	\$ 1,304,780
Contingency:				
General Fund	\$ 900,000	\$ (90,000)	\$ 345,511	\$ 900,000
Grants & Donations Funds	300,000	(300,000)	\$	300,000
Wastewater Fund	100,000	\$	\$	100,000
Department Total	\$ 1,300,000	\$ (390,000)	\$ 345,511	\$ 1,300,000
Capital Improvement Projects:				
Develop. Impact Fee Funds	\$ 2,513,860	\$	\$ 993,062	\$ 1,429,600
Capital Improvements Fund	3,312,786	\$	2,999,998	7,426,669
Art in Public Places Fund	\$	\$	\$	\$
Grants & Donations Funds	\$	\$	\$	197,500
Wastewater Fund	3,049,750	35,800	2,474,750	5,077,050
Department Total	\$ 8,876,396	\$ 35,800	\$ 6,467,810	\$ 14,130,819
Debt Service:				
General Fund	\$ 707,366	\$ (21,198)	\$ 686,168	\$ 1,431,310
Develop. Impact Fee Funds	\$	21,198	21,198	22,700
Wastewater Fund	5,151,325	\$	5,151,325	4,409,735
Department Total	\$ 5,858,691	\$	\$ 5,858,691	\$ 5,863,745
Wastewater:				
Wastewater Fund	\$ 2,941,188	\$ (35,800)	\$ 2,708,165	\$ 3,274,866
Department Total	\$ 2,941,188	\$ (35,800)	\$ 2,708,165	\$ 3,274,866

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

CITY OF SEDONA
Full-Time Employees and Personnel Compensation
Fiscal Year 2018

FUND	Full-Time Equivalent (FTE) 2018	Employee Salaries and Hourly Costs 2018	Retirement Costs 2018	Healthcare Costs 2018	Other Benefit Costs 2018	Total Estimated Personnel Compensation 2018
GENERAL FUND	122	\$ 7,405,240	\$ 1,524,220	\$ 1,293,640	\$ 566,840	\$ 10,789,940
SPECIAL REVENUE FUNDS						
		\$	\$	\$	\$	\$
Total Special Revenue Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
		\$	\$	\$	\$	\$
Total Capital Projects Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
Wastewater Fund	15	\$ 914,990	\$ 106,620	\$ 203,730	\$ 95,580	\$ 1,320,920
Total Enterprise Funds	15	\$ 914,990	\$ 106,620	\$ 203,730	\$ 95,580	\$ 1,320,920
INTERNAL SERVICE FUND						
Information Technology Fund	5	\$ 398,990	\$ 45,260	\$ 60,120	\$ 33,740	\$ 538,110
Total Internal Service Fund	5	\$ 398,990	\$ 45,260	\$ 60,120	\$ 33,740	\$ 538,110
TOTAL ALL FUNDS	142	\$ 8,719,220	\$ 1,676,100	\$ 1,557,490	\$ 696,160	\$ 12,648,970