

RED ROCK OHV CONSERVATION CREW



A SEDONA CHAMBER PARTNERSHIP

Year-in-Review

January 10, 2023

Who is RROCC?

In 2021, a group of Sedona rental and tour companies collaborated to address Off-Highway Vehicles (“OHV”) trail issues, which led to input from representatives from the U.S. Forest Service, the Sedona Chamber of Commerce, Tread Lightly! and other community leaders. The **Red Rock OHV Conservation Crew (“RROCC”)** was established as a reference name for the group, with the purpose of creating solutions for OHV-related issues in the greater Sedona area, but **RROCC is not a formal, business entity**.

Several independent businesses that participate in the RROCC meetings have made contributions/donations to the nonprofit, 501(c)(3) organization, Tread Lightly! **All contributions are voluntary, and no organization is under any obligation to contribute or donate to Tread Lightly!**

Tread Lightly! has agreed to work with these independent businesses to provide support for stewardship and educational opportunities related to OHV use in the greater Sedona area. **The contributions/donations received by Tread Lightly! from RROCC participants are earmarked for greater Sedona area specific work**, until which time that each of these individual businesses specifies otherwise.

This support from Tread Lightly! will continue as funding allows. It should also be noted that these contributions and donations provide required matching funds for grant funding that allows Tread Lightly! to bring additional public and private funding to the greater Sedona area.



Who is RROCC?

RED ROCK OHV CONSERVATION CREW

A SEDONA CHAMBER PARTNERSHIP



Trail Engagement



Investment - \$7,500 (tents, educational materials)



Speed Signage Project



Investment - \$2,500



Donut Hole Project (152A) - March

Investment - Volunteer Hours



Donut Hole Project (152A) - June

Investment - \$17,000



Radio and Digital Advertising



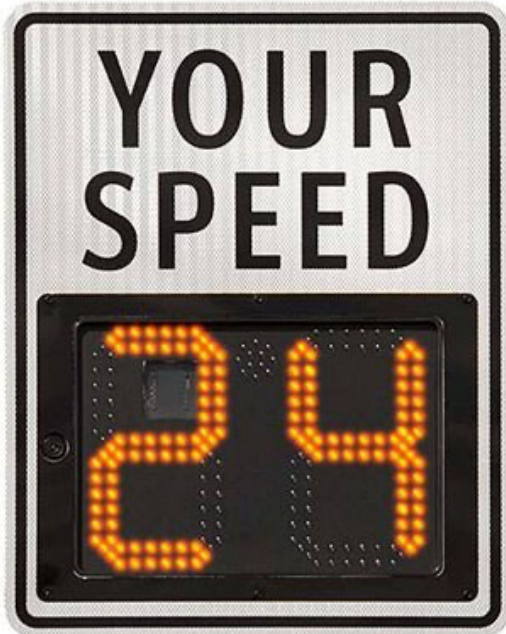
Investment - \$ 10,000 (RROCC and Tread Lightly!)

00:49

01:02



Digital Speed Signage Project



Morgan Road – purchased by Pink Jeep for City of Sedona



Morgan Road – leased by Pink Jeep for City of Sedona

Investment - \$11,400 (two YOUR SPEED signs) and \$5,600 (informational signage)



UTV Rental Flags



treadlightly!
.org



treadlightly!
.org

Investment - \$4,000



Ranch Loop Project

Investment – Volunteer Hours



Kiosk Project - May



Investment - \$6,000 (Ford – Bronco Wild Fund)



Kiosk Frames

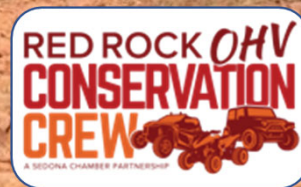
Investment - \$7,000 (Polaris)



Diamondback Gulch (152A) Signage



Investment - \$750



Outlaw Trail – User Created Routes

HEALING IN PROGRESS
-Please stay on trail-

THANK
YOU

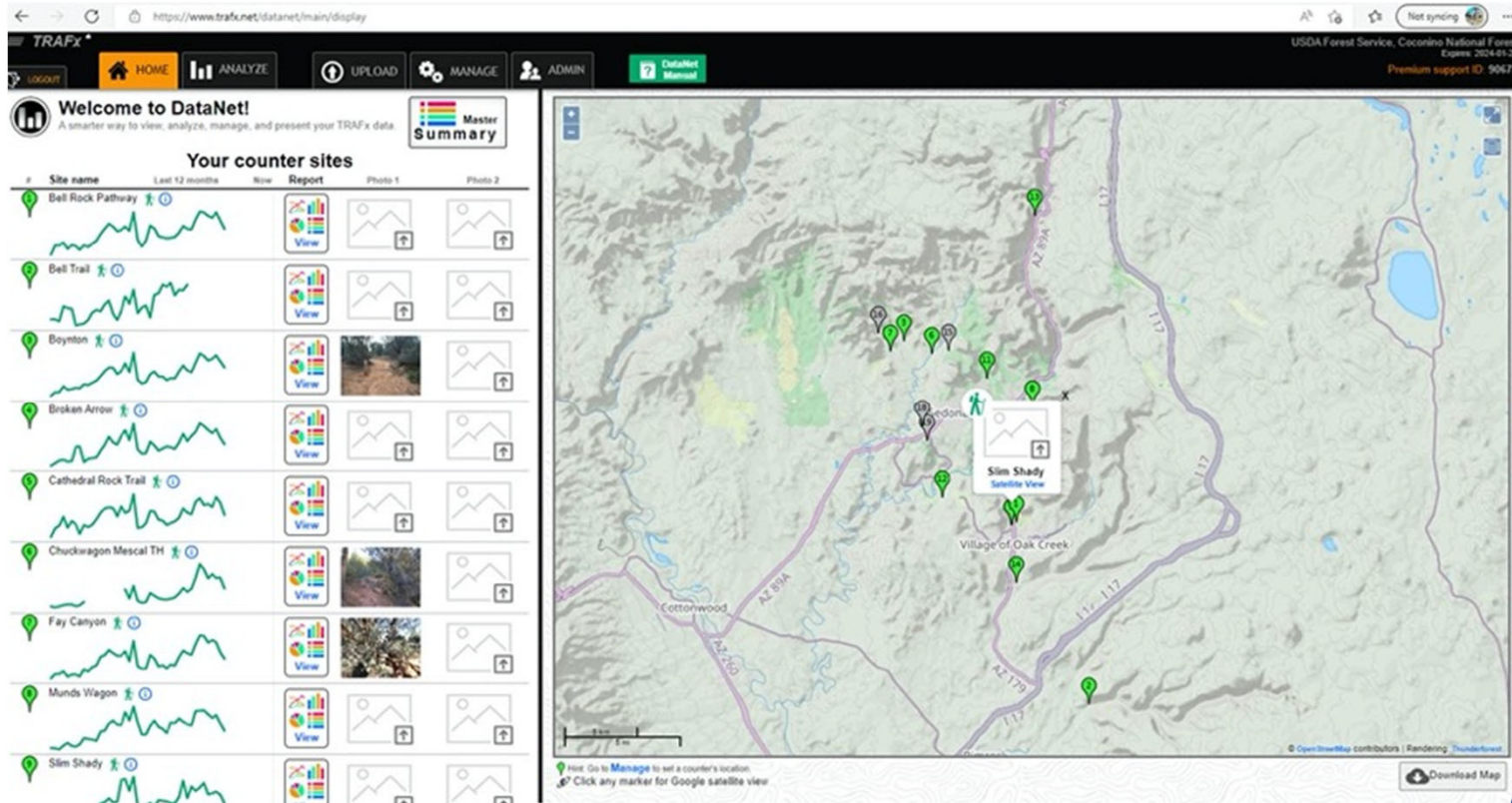


COLE GRAPHIC SOLUTIONS 253-56

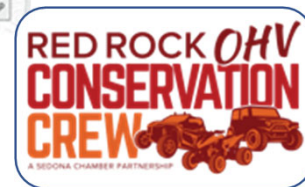
Investment - \$650



Trail Counters



Investment - \$9,000



USFS GS5s

Red Rock
RANGER STATION

COCONINO



National Forest

Investment - \$40,000



Total Investment

Materials and Support

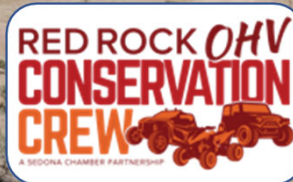
- Signs, fencing, educational materials, outreach assets, videos and advertising
- \$115,000 (RROCC + Partners)

Volunteer Hours

- 400+ Hours
- \$12,000 (\$29.95 per hour)

Tread Lightly! Hours

- 400+ Hours



**POSSE GROUNDS PARK
DISC GOLF
COURSE**



DISC GOLF

- 11,500 disc golf courses around the world
- 60% of courses are in multi-purpose public parks
- 91% of all disc golf courses are free to play
- There are 190 disc golf courses in Arizona
- Disc Golf is affordable and accessible.
- Return on investment – minimal investment to install course with minimal maintenance/oversight
- One of the world's fastest growing sports
- Flagstaff is home to 7 PUBLIC disc golf courses
- Cottonwood - Riverfront 18-hole disc golf course; most used park amenity in Riverfront Park.
- The Disc Golf World Championships are taking place in Flagstaff July 11-15, 2023.





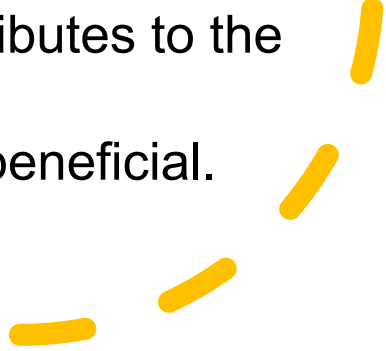
DECEMBER DISC GOLF DAYS 2021

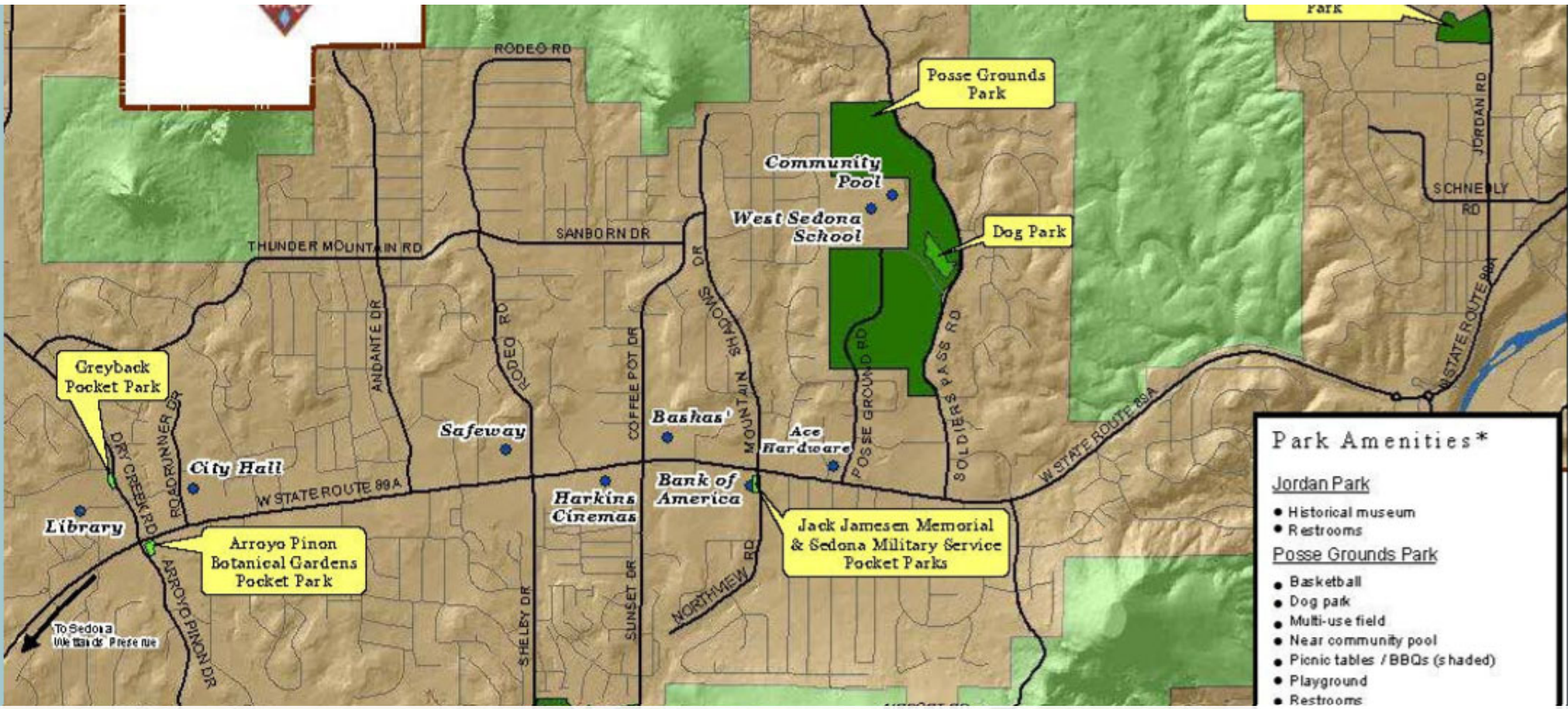
Sportsites had a total of 37 registrants/visits to the course:

- 15 - Sedona Residents
- 1 - Village of Oak Creek
- 14 - Cottonwood
- 1 - Clarkdale
- 3 - Flagstaff
- 1 - Prescott Valley
- 1 - Charlotte, NC
- 1 - Fargo, ND

UDisc recorded 90 rounds of play during December.

DISC GOLF COURSE – Determine Location

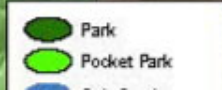
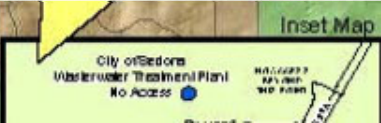
- **Space** – A vast amount of space is needed.
 - **Shared Use** – Determining location must also align with other park users.
 - **Hazards** – Hazards are preferred for a course. This allows users a more challenging and engaging experience rather than in an open field.
 - **Site** - Ideally you want a site that has established use/trails to mitigate impact on natural lands.
 - **View** – A location with views contributes to the overall player's experience.
 - **Access** – Proximity to parking is beneficial.
- 



Park Amenities*	
<u>Jordan Park</u>	<ul style="list-style-type: none"> ● Historical museum ● Restrooms
<u>Posse Grounds Park</u>	<ul style="list-style-type: none"> ● Basketball ● Dog park ● Multi-use field ● Near community pool ● Picnic tables / BBQs (shaded) ● Playground ● Restrooms ● Skate park ● Softball fields ● Teen center ● Tennis courts ● Trails
<u>Sedona Wetlands Preserve (north)</u>	<ul style="list-style-type: none"> ● Picnic tables (shaded) ● Restrooms ● Trails
<u>Sunset Park</u>	

INVENTORY OF PARK ASSETS

Sedona Wetlands Preserve
 - 3 miles from city limits,
 traveling west on W SR 89A



Airport



POSSE GROUNDS PARK

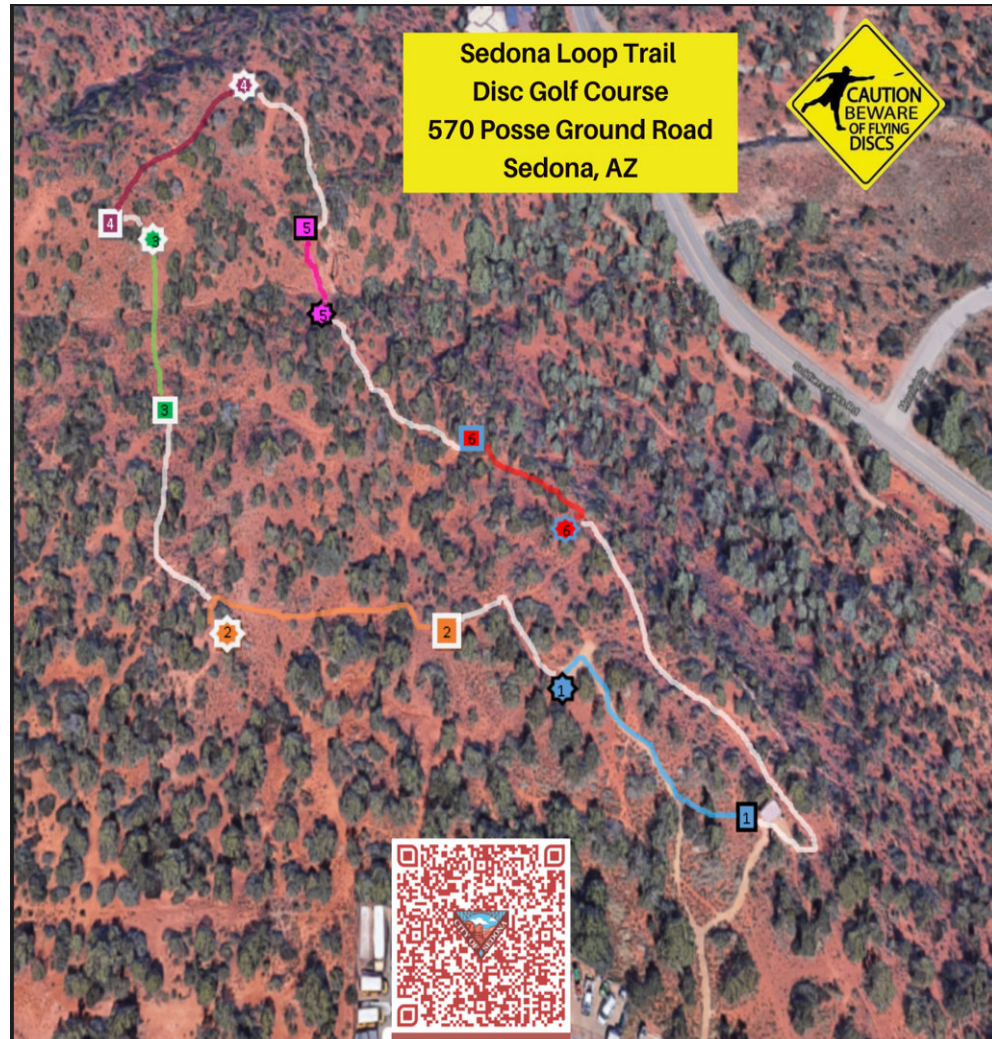
Community Park

Open Sunrise to 10 pm; Some amenities day use only

-
- **78.63 Acres**
 - **Designated as park use**
 - **Approx. 50% is undeveloped and available for future park amenities**
 - **Challenges – terrain, rock; adds limitations to use of undeveloped areas**

TEMPORARY 6 BASKET COURSE

- Installed mid January in 2022
- Department received concerns/complaints from a few residents –
 - Area terrain/cliffs
 - Proximity to homes
 - Conflict with other users/flying discs
 - Impact on wildlife/natural landscape
 - Sound



Hole Distances

Hole 1 -
195 Feet

Hole 2 -
208 Feet

Hole 3 -
168 Feet

Hole 4 -
264 Feet

Hole 5 -
101 Feet

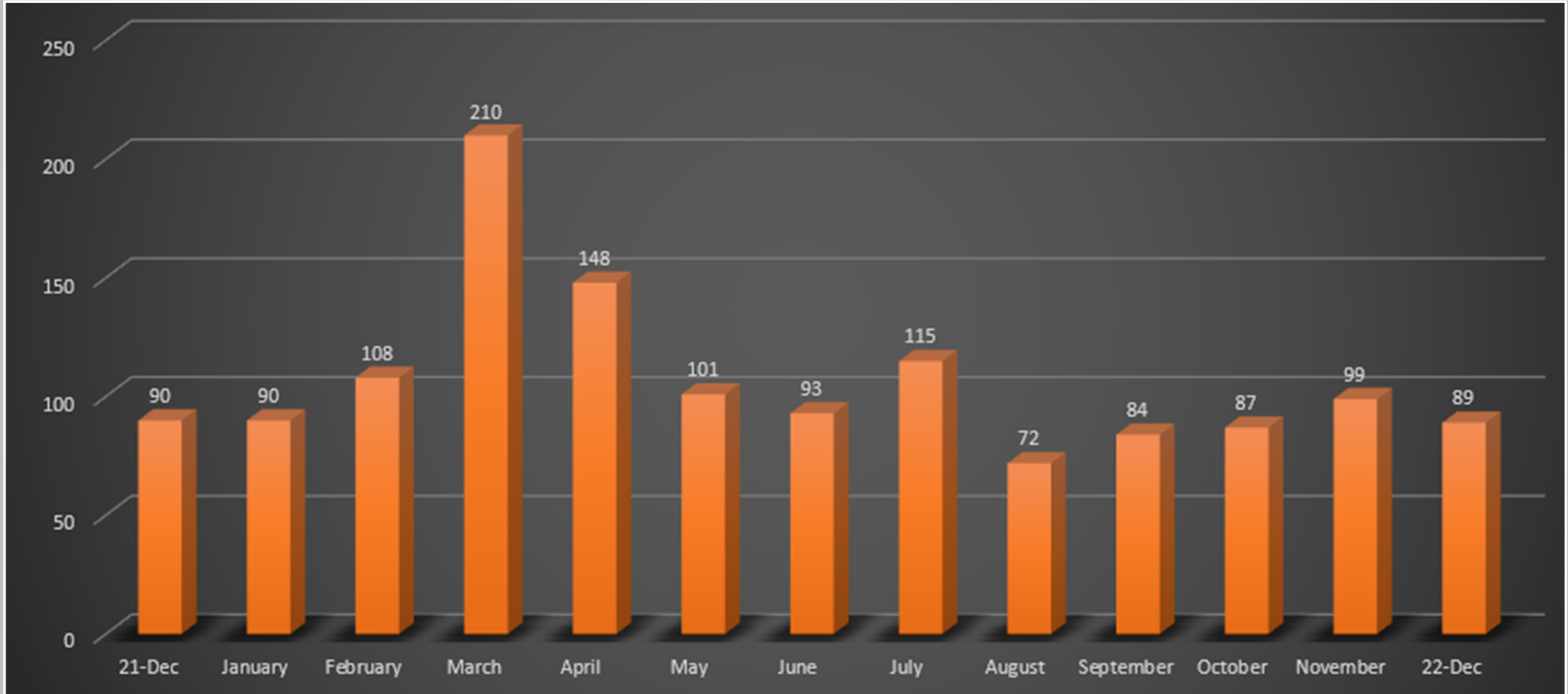
Hole 6 -
116 Feet



STATS/DATA

JANUARY 17 – DECEMBER 26, 2022

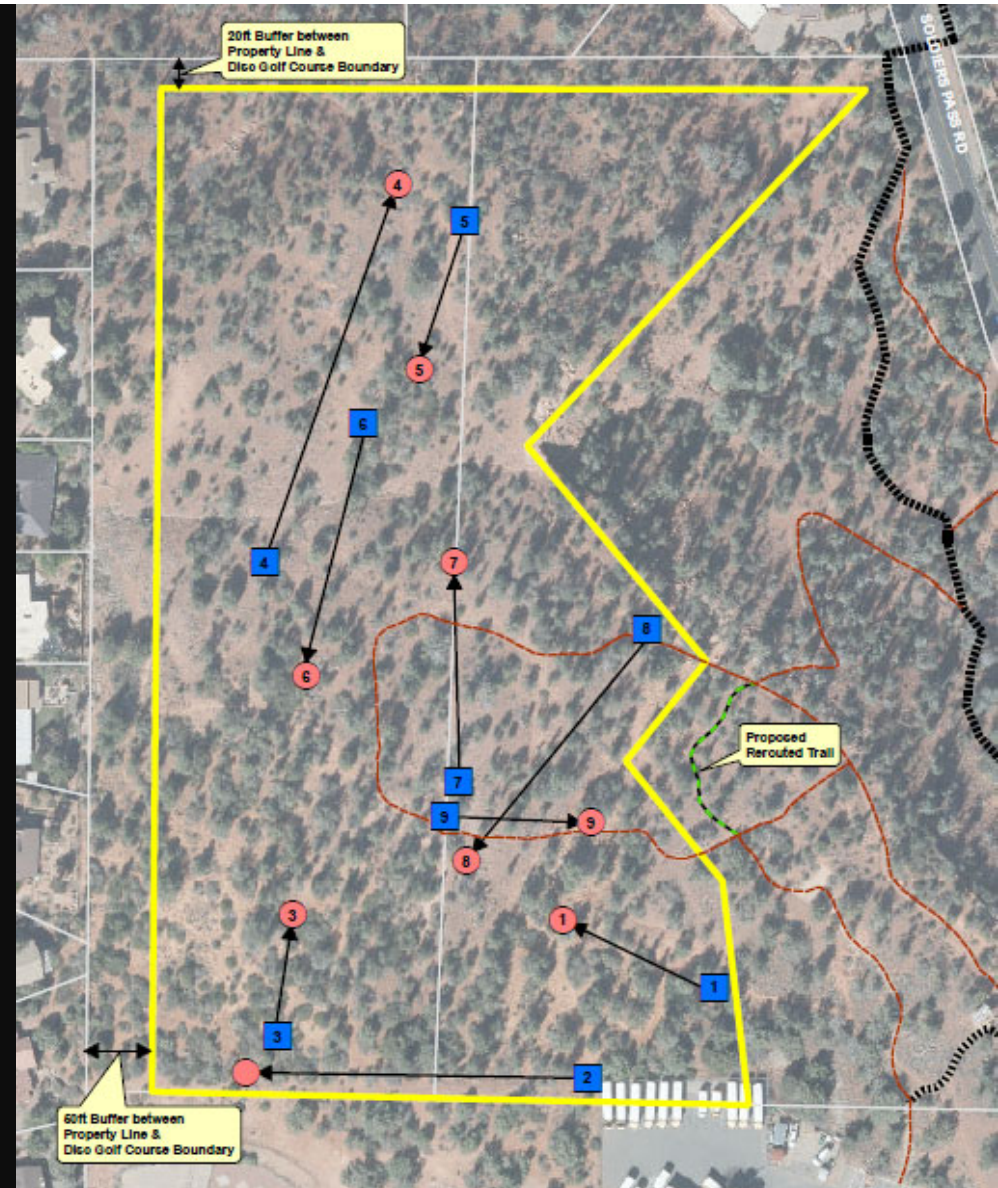
- Approaching one year anniversary
- 1,291 rounds have been recorded - UDisc
- 418 Unique Users have recorded rounds - UDisc
- UDisc Rating – 4.2 out of 5 (Rated by 205 Users)
- No incidents reported to date
- Department continues to receive calls/emails for support to install permanent course.
 - Sedona Disc Golf Facebook Page – 189 members
 - New players to the sport – Residents played for first time after install



TEMPORARY COURSE UDISC "CHECK-IN" STATS

PROPOSED 9 BASKET DISC GOLF COURSE

- Considered all possible city owned and U.S. Forest Service lands for a disc golf course.
- Design work group consisting of avid disc golf players - residents, a municipal planner and U.S. Forest Service coordinator.
- Designated area - approximately 9.5 acres
- Sought to maintain at minimum a 50-foot boundary between residences/cliff edges – after design, at least 100-foot boundary.
- Tee pads/Baskets placed strategically near homes, utilizing trees/brush to obscure view.
- Existing Trail rerouted to create a trail use only area & disc golf area with signage indicating entering a disc-golf zone.
- Day Use Only - Sunrise to Sunset



**WORK
GROUP
11/02/2022**

Comprised of 10 participants

Invited 5 individuals who filed
concerns/complaints;
4 participated

4 participants are
residents/property owners
along park border/disc golf course

USFS Trails/Wilderness/OHV coordinator

WORK GROUP NOTES/ RESULTS

WORK GROUP SUPPORTED/ CONCURRED:

- 50 foot buffer boundary from residents along park property and distance from steep terrain/cliffs
- The course adds an extra level of protection from future development/other use
- Develop and maintain pathways, keeping route away from trails linking up with Soldier's Pass Shared Use Path; separation of the course and trail system.

ADDITIONAL ITEMS GENERATED THAT WILL BE INCLUDED/ IMPLEMENTED:

Great signage is needed with graphics/images

- Map to guide players through course, keeping them on designated paths
 - Warnings – use of images like snakes or bobcats
Signage examples include -
 - entering flying disc zone
 - residential area, be respectful
 - quiet zone
 - Provide rules/educate to protect animals and manage interactions with hikers
 - Rugged, unlevel terrain, wear proper footwear
 - Set protocol for trail etiquette – horses, hikers, bikers, disc golfers at entry
- Noise from basket chains** - to soften disc noise, alterations will be integrated into basket systems.
- Add a practice basket at entry**
- Install baskets/tee boxes temporarily** - to allow for minor adjustments prior to concrete installation.



IMPACT CONCERNS

View - 4 different locations

NO CONCERN FOR:

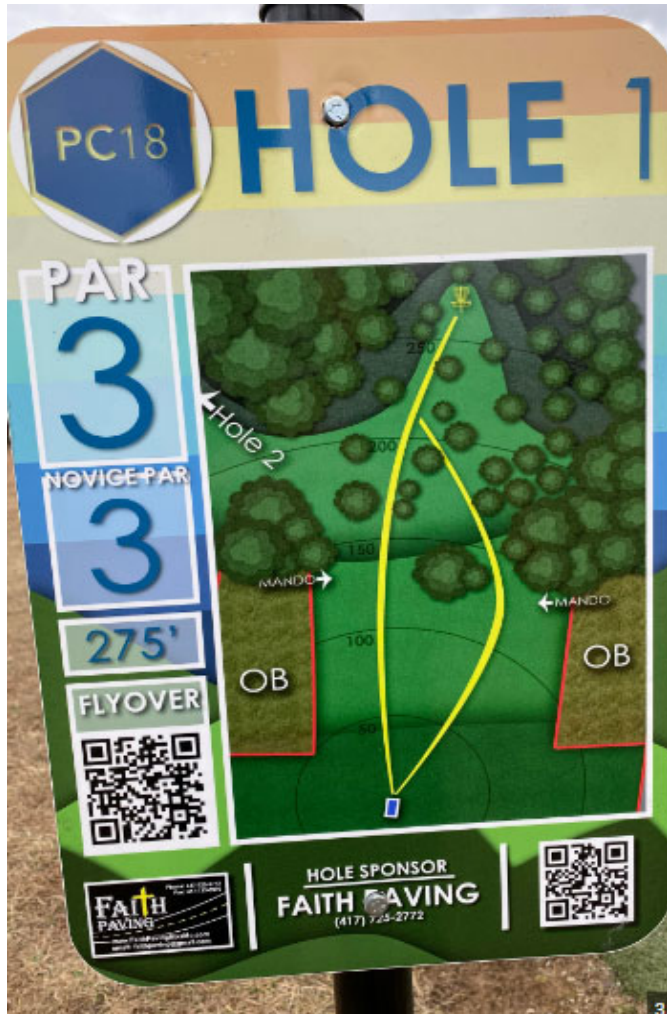
- Soil Erosion
- Drainage Issues
- Off Trail Use
- Vegetation/Trees



CONSTRUCTION

- Plan is for an 18 hole course, utilizing 9 baskets. Additional tee pads may be added in the future to improve experience and will be placed in the same strategic manner to eliminate concerns (buffer from homes, throw direction, etc.).
- The project will be performed in-house by Public Works Maintenance with assistance from Parks and Recreation staff and volunteers.
- FY23 Budget \$8,000
- Some tree branches/brush at eye level may need to be trimmed and dead trees/brush may need to be removed for safety purposes, both for user end and fire management.
- Tee pads and baskets will be placed strategically when near homes bordering park property line, utilizing trees or brush to obscure the view of the tee pads/players.
- Baskets will be permanently affixed using a sleeve set in concrete.
- Tee pads will be approximately 5'x8' concrete pads, using Sedona red color concrete to blend in with the surrounding landscape.
- Existing loop trail will be rerouted/designated outside of the disc golf course area. The area designated as the disc golf course will be clearly defined and separated from the trail to inform trail users of potential conflict and risk.
- Signage will be installed at entry, throughout the course and perimeter of the course meeting the trail side. Signage will include rules, warnings, recommendations for use and educational components, including respecting private homes along park boundary.
- Potential for interpretive signage to further diversify the site and serve a larger variety of recreationalists that may not know how to play disc golf, including flora and fauna.

SIGN EXAMPLES





TEE PAD EXAMPLES



A photograph of a desert landscape with red rock formations in the background and sparse vegetation in the foreground. A large white diamond shape is overlaid in the center, containing the text "QUESTIONS?".

QUESTIONS?



Overview of Financial Status and Presentation of Audit Results

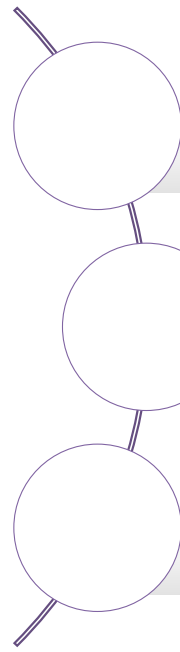
City Council Presentation
January 10, 2023

FY 21-22
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Agenda

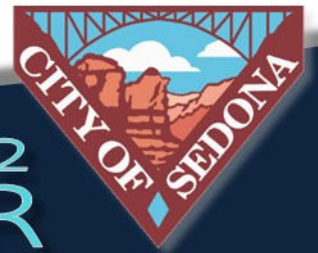


FY 2022 Financial Results

Expenditure Limitation Summary

Audit Results

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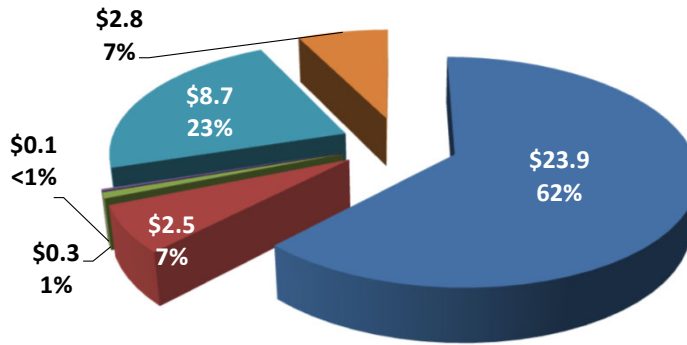




Governmental Expenditures by Fund

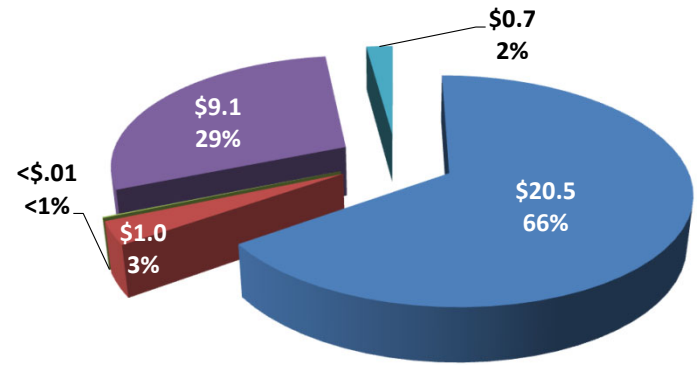
ACFR pg. 37

FY 2022 - \$38.4 million



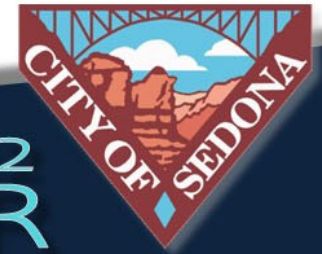
- General Fund
- Streets Fund
- Grants & Donations Fund
- Transp. Sales Tax Fund
- Capital Impr. Fund
- Nonmajor Funds

FY 2021 - \$31.3 million



- General Fund
- Streets Fund
- Transp. Sales Tax Fund
- Capital Impr. Fund
- Nonmajor Funds

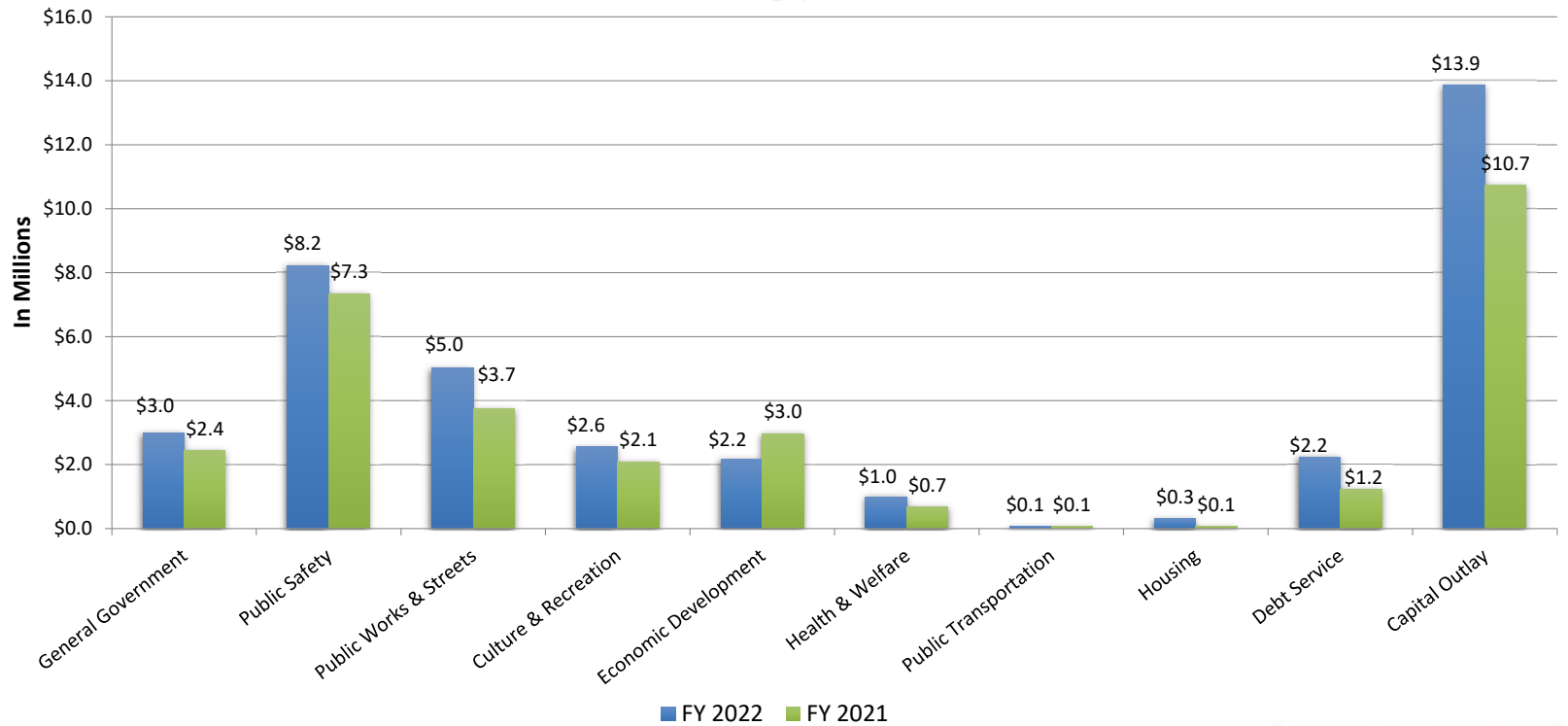
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Governmental Expenditures by Function

ACFR pg. 37



FY 21-22
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Governmental Expenditures by Function

ACFR pg. 37

Governmental Funds expenditures increased \$7.1M or 23%

- General Government increased \$0.5M (23%) primarily to expenditure and vacancy freezes during a portion of the prior fiscal year out of concern for possible negative financial impacts of the COVID-19 pandemic and ongoing turnover.
- Public Works & Streets increased \$1.3M (34%) due to resumption of maintenance projects that were delayed during the prior year, costs due to a significant storm event in July 2021, vacancy savings from the prior year, and added staff capacity.
- Culture & Recreation increased \$0.5M (22%) due to resumption of maintenance projects that were delayed during the prior year, resumption of special events and recreation programs that were canceled during the prior year, and reopening of the public swimming pool that was closed during the prior year.
- Economic Development decreased \$0.8M (-27%) primarily due to one-time funding to the Sedona Chamber of Commerce & Tourism Bureau to pay off the loan balance of the Jordan Road property and to execute a transfer of title to the City in the prior year, as well as a decrease in the tourism management program including elimination of destination marketing.
- Health & Welfare increased \$0.3M (49%) due to expansion of the sustainability program including added staff capacity, addition of an energy retrofit/rebate program, and addition of a curbside yard waste program.
- Housing increased \$0.2M (351%) due to grant-funded expenses related to transitional housing for the homeless and the hiring of a housing manager position.
- Debt Service increased \$1.0M (80%) due to bond issuance costs of \$0.4M and an accrual of interest of \$0.3M for the Series 2022 bonds, new leases entered into during FY 2022 including the former school district administrative site, and first payments on several financed purchases including the Police Department in-car and body-cam video system, police vehicles, and the street sweeper.
- Capital Outlay increased \$3.1M (29%) due to an increase in CIP expenditures. Most significant projects were the police station remodel/ expansion (\$1.8M), Forest Road extension (\$3.7M), Posse Grounds parking improvements and Soldiers Pass shared-use path (\$1.4M), and Shelby Drive/Sunset Drive improvements (\$1.6M).

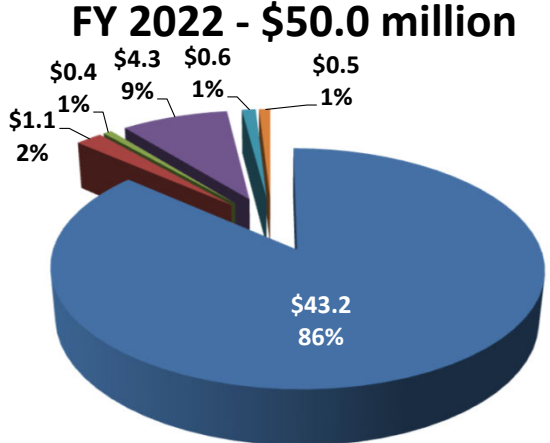
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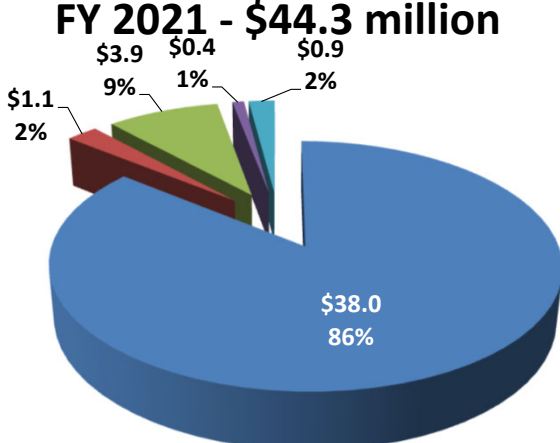


Governmental Revenues by Fund

ACFR pg. 37



- General Fund
- Streets Fund
- Grants & Donations Fund
- Transp. Sales Tax Fund
- Capital Impr. Fund
- Nonmajor Funds



- General Fund
- Streets Fund
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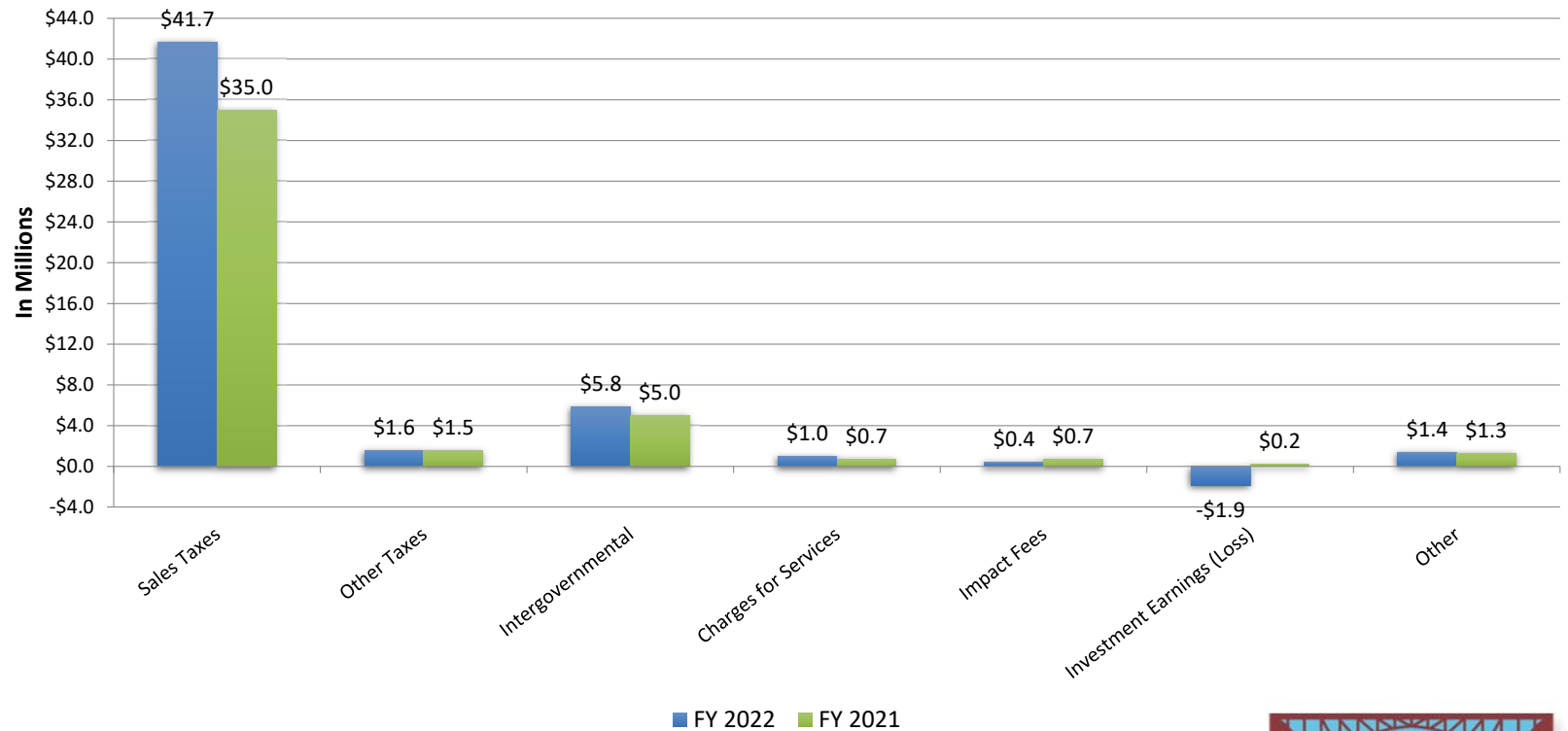


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Governmental Revenues by Source

ACFR pg. 37



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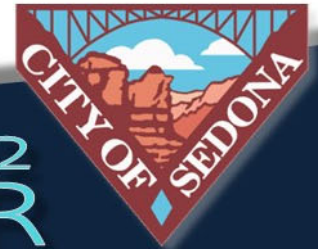
Governmental Revenues by Source

ACFR pg. 37

Governmental Funds revenues increased \$5.7M or 13%

- Sales Taxes increased \$6.7M (19%) as a result of the significant increases in tourism since the COVID-19 pandemic.
- Charges for Services increased \$0.3M (49%) due to an increase in paid parking revenues related to suspended fees in the prior year, increases in plan review revenues, and resumption of recreation programs that were suspended during the prior year.
- Impact Fees decreased \$0.3M (-40%) due to significant one-time fees for large development project received during the prior year.
- Investment earnings (loss) decreased \$2.1M (-1,088%) due to due to unrealized losses in the fair value of investments. The City has no plans to sell these investments at a loss and expects to hold them to maturity.

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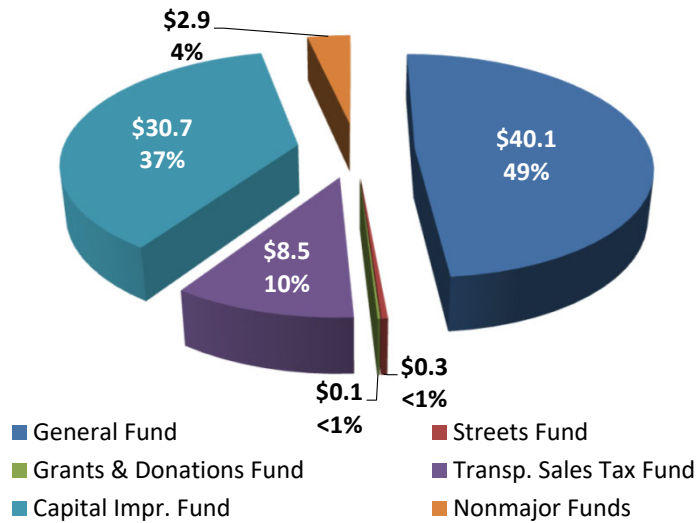




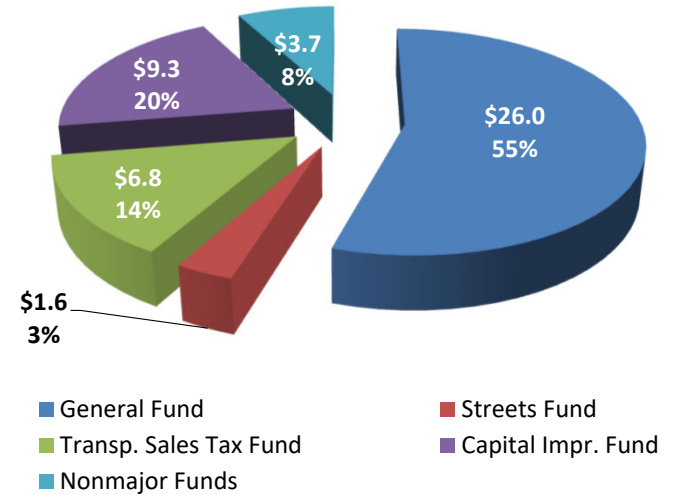
Governmental Fund Balances

ACFR pg. 35 & 37

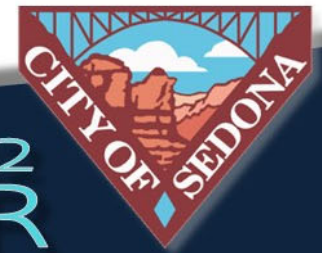
FY 2022 - \$82.6 million



FY 2021 - \$47.4 million



FY 21-22
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Governmental Fund Balances

ACFR pg. 35 & 37

Governmental fund balances increased \$35.2M or 74%

- The General Fund balance increased \$14.1M (54%) largely due to an increase in sales tax revenue of \$6.0M as a result of the significant increases in tourism since the COVID-19 pandemic, as well as the ongoing funding structure to utilize General Fund resources to provide subsidies to other funds and provide resources for significant upcoming initiatives.
- The Streets Fund balance decreased \$1.3M (-81%) due to the consolidation of all streets maintenance costs within the fund.
- The Transportation Sales Tax Fund balance increased \$1.7M (26%) due to an increase in sales tax revenue and reduction of transfers to the Capital Improvements Fund due to the issuance of excise tax revenue bonds for transportation projects to better manage cash flows during a period of significantly increasing construction costs.
- The Capital Improvements Fund balance increased \$21.7M (229%). In March 2022, the City issued \$21.6 million, with \$3.8 million in premium, in excise tax revenue bonds for transportation projects. The City has been experiencing significant increases in construction costs and continues to project further increased cost levels. In order to better manage cash flows and take advantage of lower interest rates prior to predicted multiple rate hikes, the City chose to debt finance several projects.
- The nonmajor funds balance decreased \$0.7M (-20%) as a result of planned capital projects paid by development impact fees.

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Governmental Fund Balance Reserves

ACFR pg. 35, 53-54, 59, & 68

Nonspendable fund balances \$1.9M

- Long-term loans receivable \$1.8M for Sunset Lofts and down-payment assistance program
- Prepaid items \$0.1M

Restricted fund balances \$23.1M

- Balance of bond proceeds \$19.7M
- Parks development impact fees \$2.7M
- Other \$0.7M

Committed fund balances \$9.9M

- Transportation sales tax \$8.5M
- PSPRS unfunded liability \$1.0M
- Other \$0.4M

Assigned fund balances \$32.6M

- Capital reserves and General Fund surplus allocated to capital \$22.1M
- General Fund surplus allocated to transit \$5.0M
- Affordable housing and General Fund surplus allocated to affordable housing \$3.5M
- Equipment replacement reserve \$1.3M
- Other \$0.8M

Unassigned fund balances \$15.2M

- General Fund \$15.7M - \$8.3M represents surplus to be allocated during FY 2024 budget process
- Other funds \$(0.6M)

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General Fund Transfers to Other Funds

ACFR pg. 37 & 62-63

	Subsidies/ Support
Ongoing	
Streets Fund subsidy	\$ 195,564
Wastewater Fund subsidy	3,300,000
Affordable Housing support – Intrafund Transfer	500,000
Capital Improvements Fund support	2,500,000
Verde Shuttle costs in Transit Fund	170,147
Paid parking program costs in IT Fund	26,899
One-Time	
Strategic land acquisition – portion of FY19 surplus	1,854,921
Affordable Housing support – portion of FY20 surplus – Intrafund Transfer	1,796,321
Less Intrafund Transfers	(2,296,321)
Totals	\$8,047,531

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General Fund Budget Summary

ACFR pg. 39

Sales tax revenues over budget by \$4.2M

- Continued increases in tourism since the COVID-19 pandemic

Bed tax revenues over budget by \$1.9M

- Continued increases in tourism since the COVID-19 pandemic

Investment earnings (loss) under budget by \$1.3M

- Unrealized losses in the fair value of investments. The City has no plans to sell these investments at a loss and expects to hold them to maturity.

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General Fund Budget Summary

ACFR pg. 39

Unspent contingencies \$2.6M

City Manager's Office expenditures under budget by \$1.0M

- Delays in implementation of expanded programs for sustainability, delays in implementation of proposed
- Delays in implementation of proposed housing programs and hiring of a housing manager, and savings in the tourism management program
- Savings in the tourism management program

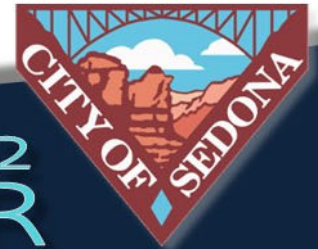
Community Development expenditures under budget by \$0.2M

- Timing of costs related to the required 10-year update to the City's Community Plan

Police expenditures under budget by \$0.2M

- Vacancies and delays in filling added positions

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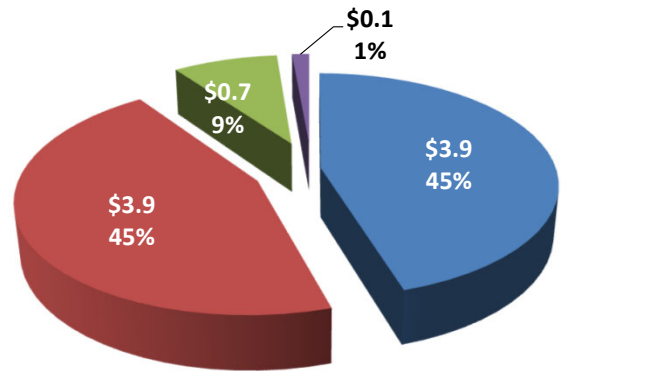




Wastewater Fund Expenses by Type

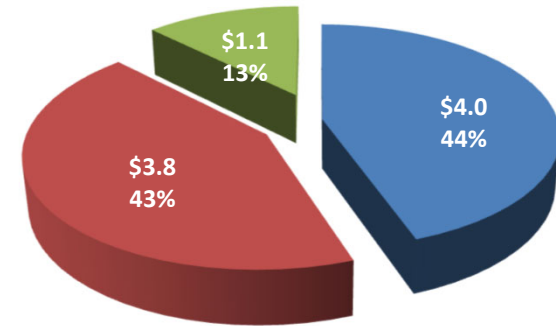
ACFR pg. 44

FY 2022 - \$8.6 million



■ Cost of Services ■ Depreciation ■ Interest ■ Interest

FY 2021 - \$8.9 million

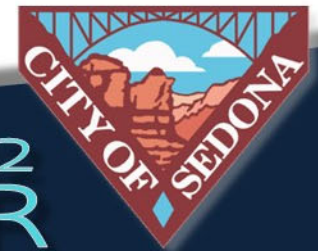


■ Cost of Services ■ Depreciation ■ Interest

Wastewater Fund expenses decreased \$0.3M or 4%.

- Interest expenses decreased \$0.4M (-35%) due to the refunding of the Series 2012 Bonds and a reduction of costs associated with the Series 1998 Bonds as principal is paid off.

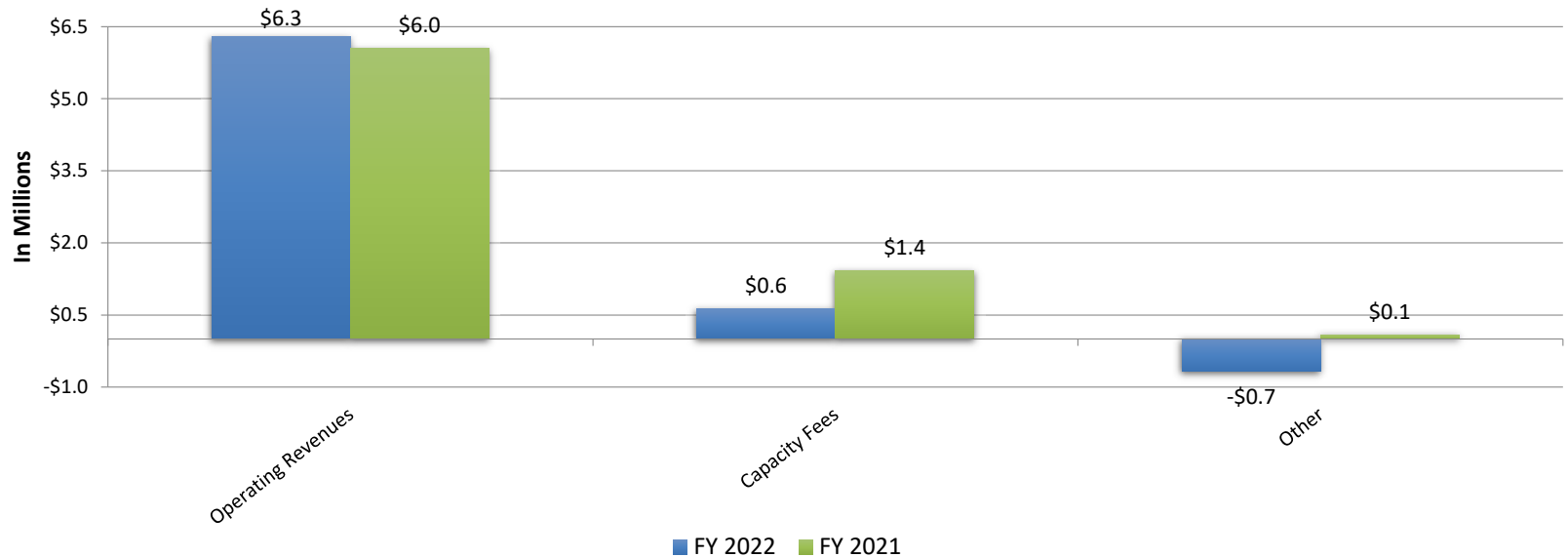
FY 21-22
ACFR





Wastewater Fund Revenues by Source

ACFR pg. 44



Wastewater Fund revenues decreased \$1.3M or -17%.

- Capacity fee revenues decreased \$0.8M (-56%) due to a reduction of significant one-time capacity fees received during the prior year related to a large commercial construction project.
- Other revenues decreased \$0.8M (-928%) due to unrealized losses in the fair value of investments. The City has no plans to sell these investments at a loss and expects to hold them to maturity.

FY 21-22
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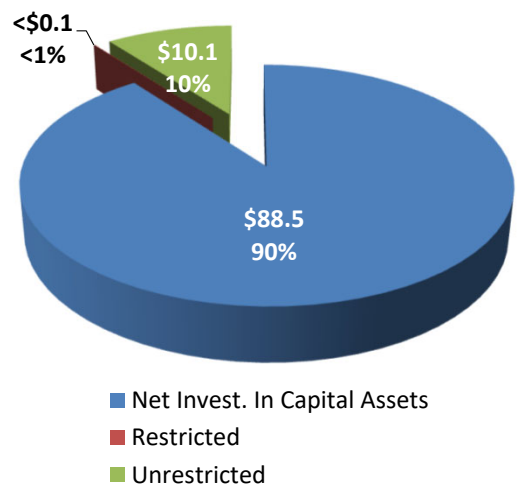




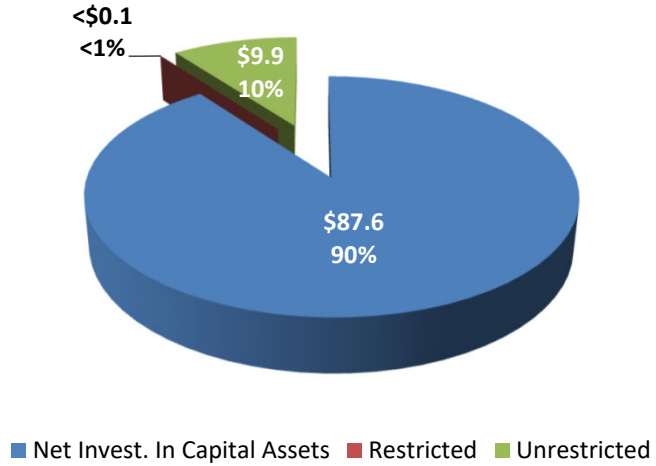
Wastewater Fund Net Position

ACFR pg. 43 & 44

FY 2022 - \$98.9 million



FY 2021 - \$97.5 million



Wastewater Fund net position increased \$1.1M or 1%.

- Net investment in capital assets increased \$0.9M (1%) primarily due to capital assets added during the fiscal year, including construction in progress for the SR179 sewer main replacement.

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ACFR





Wastewater Fund Budget Summary

ACFR pg. 100

Capacity Fees under budget by \$0.3M

- One-time capacity fees were not received during the year as originally anticipated

Investment Earnings (Loss) under budget by \$0.8M

- Unrealized losses in the fair value of investments. The City has no plans to sell these investments at a loss and expects to hold them to maturity.

Supplies & Other expenditures under budget by \$0.3M

- Delays in maintenance and equipment replacement costs as well as unused placeholders for any urgent maintenance needs

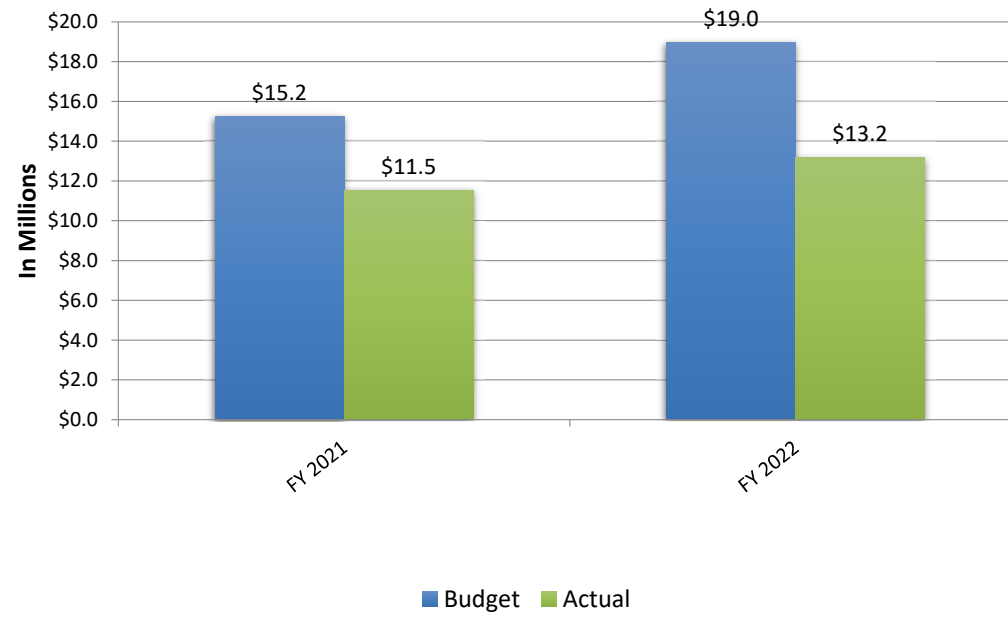
Capital Outlay expenditures under budget by \$1.6M

- Delays in CIP projects such as the major lift station upgrades that were impacted by substantially higher inflationary factors that anticipated.





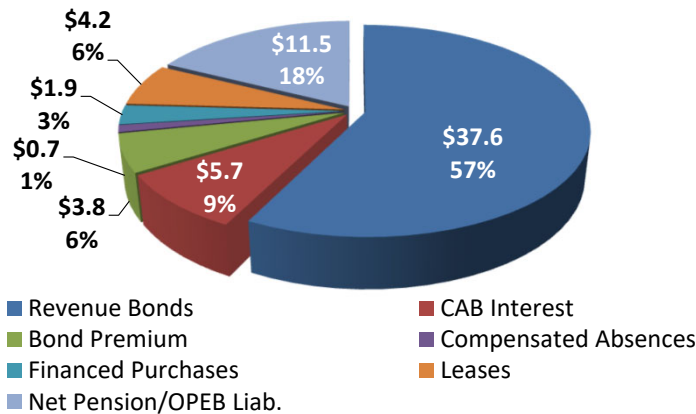
Total CIP Expenditures Budget Comparison



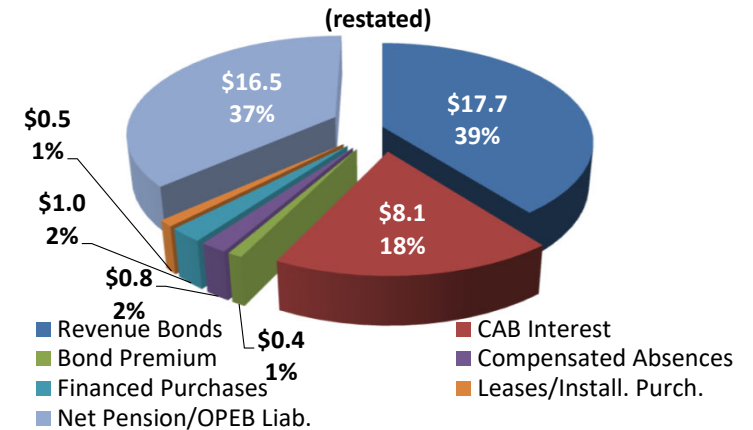
Long-Term Obligations

ACFR pg. 27-28 & 63-67

FY 2022 - \$65.4 million



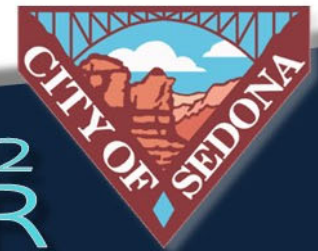
FY 2021 - \$45.1 million (restated)



Long-term obligations increased \$20.3M or 45%.

- Revenue bonds increased \$19.8M (112%) due to the issuance of the Series 2022 Bonds.
- Interest on capital appreciation bonds decreased \$2.4M (-30%) due to scheduled bond interest payments made during the year.
- Bond premium increased \$3.4M (779%) due to the issuance of the Series 2022 Bonds.
- Financed purchases increased \$0.9M (90%) primarily due to the inception of the financed purchase for the trailhead shuttles.
- Leases increased \$3.8M (799%) due to the inception of the lease for the trailhead shuttle parking lot and the lease of the school district admin site.
- Net pension/OPEB liability decreased \$5.0M (-30%) due to a decrease of \$2.8M (-26%) in the ASRS unfunded liability and a decrease of \$2.2M (-37%) in the PSPRS unfunded liability.

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Pledged Revenue Coverage

ACFR pg. 66 & 116

Excise tax revenues pledged to pay revenue bonds

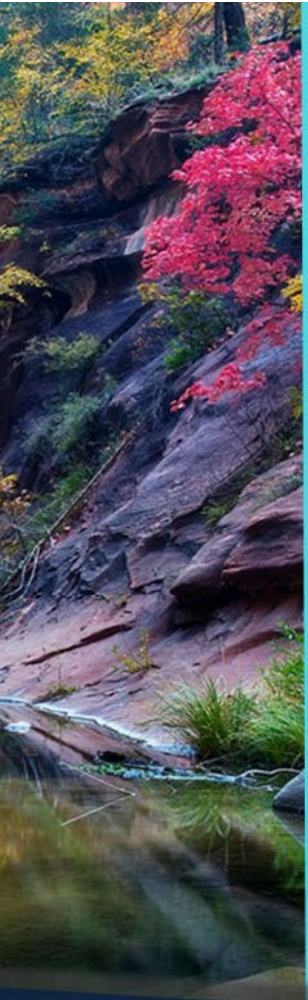
- Sales tax, franchise tax, vehicle license tax, unrestricted fines and forfeitures and permits

Minimum required coverage = 1.5 times

FY 2022 revenue coverage = 7.5 times

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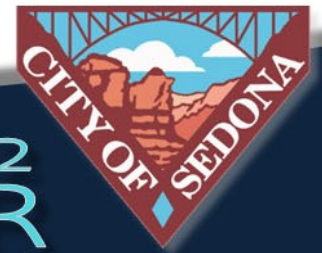


Expenditure Limitation Summary

AELR pg. 2

	FY 2022
Expenditure limit	\$71,692,873
Expenditures subject to limit	54,714,763
Amount under limit	\$16,978,080

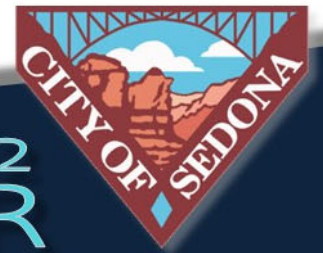
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Audit Results

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Questions?

FY 21-22
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