

# ANNUAL BUDGET



**CITY OF SEDONA, AZ**  
FISCAL YEAR 2024/25

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## WELCOME TO



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Planning process for updating  
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are in the sky.  
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To view the City of Sedona Budget-in-Brief,click [here](#).



*Sedona Shuttle at Soldier's Pass Trailhead*

The Sedona Shuttle won first place in the 2022 National Rural Transportation Assistance Program (RTAP) "The Bus Stops Here" photo contest. Photo taken by Al Comello for Sedona Chamber of Commerce & Tourism Bureau.



*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.*





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For the Fiscal Year Beginning

**July 01, 2023**

*Christopher P. Morill*

Executive Director



# Introduction



## INTRODUCTION

While the City budget could be viewed as 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 road improvement, 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.

The City follows the program and performance budgeting approach. This budgeting method focuses on the City's goals, the performance measurements in achieving those goals, and the values obtained for the resources utilized. This method offers a better focus for basing City 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, as well as the Community Plan, 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 enhances accuracy in projections to help maintain a strong fiscal standing.

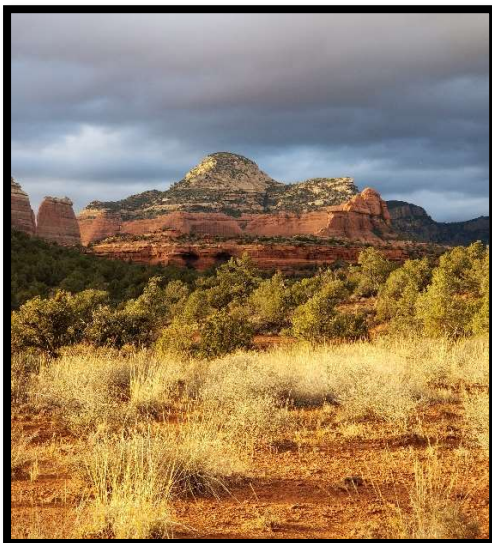
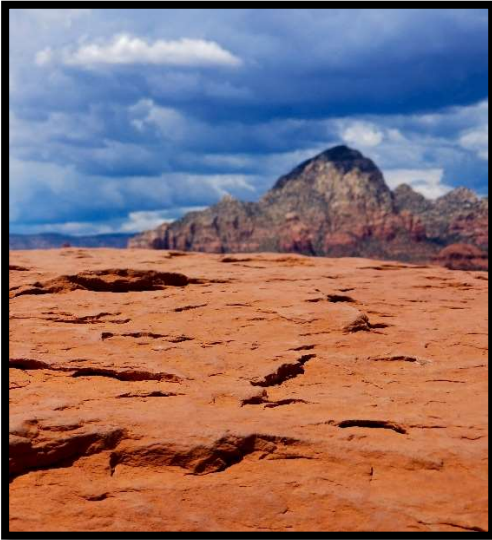
### Budget as an Operations Guide

As an operations guide, the budget outlines the estimated amount of work to be done and services to be provided and the costs associated with doing so. The budget identifies which departments are responsible for the various programs and services and the resources needed 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 man-made 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 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



### Scott Jablow – Mayor



Scott 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 also 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, Scott served on the board of the Sedona Fire District, the City of Sedona’s Planning & Zoning Commission, and the City’s Personnel Board.

# MEET THE CITY COUNCIL

continued

## Holli Ploog – Vice Mayor



Holli and her husband Bert have lived in Sedona since 2013, having first visited as a tourist in the winter of 1993. They fell in love with the natural beauty of Sedona’s landscape and the people of Sedona who were welcom-

ing, inclusive, collaborative, supportive, and demonstrated a strong sense of community.

Holli received a B.A. in International Affairs from the Elliott School at George Washington University and a law degree from Golden Gate University where she received the prestigious book award on constitutional law. Her work has been recognized by Who’s Who of Executives and Professionals, Who’s Who of the West, Who’s Who of the East, Who’s Who of American Politics, and Who’s Who of Communications. She is excited to bring her energy and expertise to local government.

A retired attorney with a 30-year background in information technology, transformation, and government coalition building, she he has worked with local, state, federal, and international agencies. Implementing change in a bureaucracy, whether large or small, requires community engagement and a great deal of collaboration between stakeholders. This is one of the areas of

particular interest to Holli as the City moves forward with large scale, complex, and challenging transportation, transit, and housing proposals.

Holli spent five years serving on the City’s Budget work group and on its Fiscal Sustainability work group, developing financial solutions for large-scale infrastructure projects. She is Past President of the Sedona Arts Center, Past President of the Rotary Club of Sedona, and former board member of The Sedona Women. She has served on a number of local non-profit boards dedicated to public policy issues in the areas of education, justice, and community building. Holli is the recipient of the 2018 Spirit of Sedona Volunteer of the Year Award.

Governor Hobbs recently appointed Holli to serve as a member of the AZ Civil Rights Advisory Board in support of initiatives designed to promote goodwill and foster the elimination of discrimination through community effort.

Holli is passionate about arts and culture and appreciates that creative energy is a hallmark of Sedona. She is an avid reader, traveler, mentor, organizer, community volunteer, and swimmer. She is an advocate of staying healthy and is committed to achieving a sustainable community.

## Melissa Dunn – Councilor



Melissa has owned her home in Sedona since 2009. She loves Sedona and loves living here.

She is well-traveled (20 countries, 50 states) and has lived abroad, broadening both her overall perspective, and understanding of the world.

Melissa holds a Bachelor’s in Political Science and a Master’s in Sociology from the University of Kentucky, as well as holding a Master’s Degree in Human Centered Design and Engineering from the University of Washington. She is also All but Dissertation [ABD] PhD Sociology from the University of Illinois Urbana-Champaign.

Melissa has had an extensive corporate career in Technology (Microsoft, Amazon, Sears Digital, Sainsbury’s Argos UK) leading large teams focused on understanding and solving consumer problems, taking into account the impacts of societal and cultural differences and approaches.

# MEET THE CITY COUNCIL

continued

Melissa has 4 adult children, 3 dogs, and 1 husband. Melissa believes we, as residents of Sedona, need to know what we want Sedona to

be, understand where we are now, and determine what incremental steps we need to take right now to get to our destination.

## Brian Fultz– Councilor



Brian is originally from Crown Point, Indiana and earned a B.S. in Aeronautical & Astronautical Engineering from Purdue University. He also holds an MBA from The University of Chicago Booth School of Business. Brian and his

wife, Amy, have lived in Ohio, Wisconsin, Kentucky, Illinois, Georgia, Florida, and Tokyo, Japan before calling Sedona home. They purchased their home near the Chapel in 2004 and became full-time residents in 2021.

Being involved in the community has been a priority for Brian, and he enjoyed being a member of the Sedona Community Plan Update work group. He is active at Aletheia Church where he serves as a small group leader and volunteers in support of city parks and recreation events. One of his favorite activities has been to serve on a grant reading panel for the Arizona Community Foundation.

Brian is an avid outdoorsman with a passion for mountain biking, hiking, and trail running here in Red Rock Country. He is a member of Keep Sedona Beautiful and the Verde Valley Cyclist Coalition.

Brian has worked for numerous companies like General Electric and Accenture in a variety of functional roles but has found his passion as a small business owner since 2006. He currently is Founder/CEO of Peak Innovation, a marketing & sales strategy consulting firm, and co-owns and is managing partner of Restoration Holdings, a company that owns four Sir Grout franchises.

Addressing the needs of our community, both residents and businesses, drove Brian to run for Sedona City Council, and he is focused on bringing balance and sustainability to housing, traffic, healthcare, and preservation of our red rocks. Brian likes to say that while it may not take a rocket scientist to solve our problems in Sedona, it can't hurt to have one around!

## Pete Furman – Councilor



Pete Furman is a father of two, a grandfather of three, and married to his life-partner Lisa Voss for over 20 years. An engineer by training (bachelor's and master's degrees from the University of Illinois), Pete started his engineering career in Phoenix in the 80s (when he first visited Sedona).

He subsequently worked in marketing, sales, project management, product strategy, and late in his career started a high-tech company in San Jose, CA.

In 2006, Pete helped an acquaintance run for Mayor of San Jose. He won and asked Pete to be his Chief of Staff and to help him run the 10<sup>th</sup> largest city in the U.S., which he did for 8 years. After terming out of office, Pete and the now former Mayor started a non-profit that helped educate local/regional/state officials about pensions and fiscal responsibility issues.

Pete and Lisa moved to Sedona in 2018 and quickly enrolled in the Sedona Citizens Academy and then the Sedona Police Department Citizen Academy. Pete served on the City's Expenditure Limitation Options work group (which considered the pros/cons of Home Rule) and the Citizens

# MEET THE CITY COUNCIL

continued

Budget work group. Pete was a member of the Sedona Police Pension Board (the PSPRS local board) and the Planning and Zoning Commission when elected to Council in August 2022. When

he’s not volunteering time to the City of Sedona, Pete rides road and mountain bikes. At home, Pete enjoys cooking, reading, and listening to podcasts.

## Kathy Kinsella – Councilor



Kathy has owned her home in Sedona since 2010. She joined the Sedona City Council after serving three years on the City’s Planning and Zoning Commission, which oversees land use development review and design throughout the City.

She has more than 25 years’ experience working in state and local government in Arizona and New York and served for ten years as the elected

Superintendent of Highways in Rhinebeck, NY before moving to Sedona as a full-time resident.

An active volunteer in our community, Kathy is a past President of the League of Women Voters Greater Verde Valley, has served on the boards of numerous community organizations, and works with local non-profits focusing on food insecurity, civil rights, and justice. She is a recipient of the League of Women Voters Greater Verde Valley 2017 Citizen Engagement Award. Kathy believes in bringing all sides to the table to reach solutions on civic issues.

## Jessica Williamson – Councilor

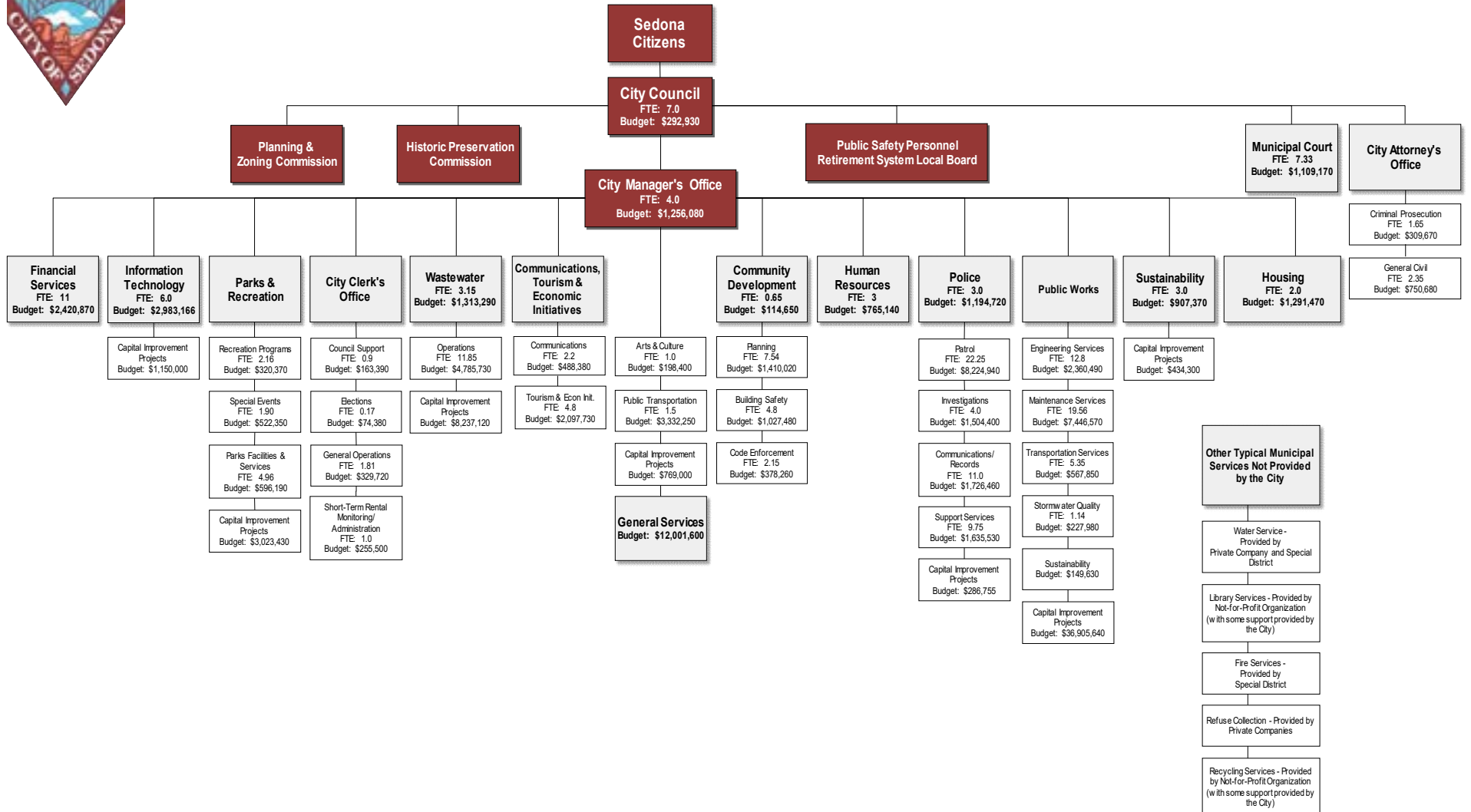


Jessica was born in Los Angeles and raised in Santa Barbara. She graduated from the University of California at Santa Barbara with a B.A. in Sociology. She moved to New York City with her husband so he could attend Columbia

University. They lived in New York City for 30 years, where Jessica worked for the city. Her last position was Director of Departmental Affairs at the Department of Design and Construction, the agency in charge of cleaning up the World Trade Center after the 9/11 attacks. Jessica spent some time stationed at the site as part of the cleanup team.

The Williamsons moved to West Sedona in 2003. Jessica says Sedona's beauty still takes her breath away. You may see her at the Sedona Dog Park where she often thinks that dogs exist to make her laugh. Jessica gardens, with mixed success; she likes to read and belongs to a political book club. She tries to work out at least three times a week, but also likes to cook and makes a very tasty cheesecake.

# ORGANIZATION CHART



**CITY STAFF**

**CITY APPOINTED OFFICIALS AND DEPARTMENT HEADS**

As of July 1, 2024

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City Manager	Anette Spickard
Deputy City Manager	J. Andy Dickey
Deputy City Manager	Vacant
City Attorney	Kurt W. Christianson
Magistrate Judge	Paul Schlegel
Chief of Police	Stephany Foley
Interim-Financial Services Director	Jean McGann
Public Works Director/City Engineer	Kurtis Harris
Community Development Director	Steve Mertes
Wastewater Director	Roxanne Holland
Human Resources Manager	Russ Martin
Information Technology Manager	Charles Hardy
City Clerk	Joanne Cook
Parks & Recreation Manager	Josh Frewin
Housing Manager	Shannon Boone
Comm, Tourism & Econ Init. Manager	Lauren Browne
Sustainability Manager	Bryce Beck

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# COMMUNITY PLAN

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. Arizona State law requires all cities, towns and counties in Arizona to prepare, update or readopt a document known as a General Plan every 10 years to guide and inform critical decisions about a community’s future and quality of life. Required elements include land use, growth, circulation, environmental planning, water resources, open space, and cost of development.

The Community Plan is not regulatory, and does not include the following:

- It is not a City capital improvements plan or maintenance and operations plan.
- It is not a City budget or commitment for expenditures of public funds.
- It is not a city code, land development code, zoning, or ordinance.

The Plan proposes desired conditions for the future of the community. It is intended to guide future growth, not to regulate it. The Plan will guide the Planning and Zoning Commission and City Council in making development decisions. It will also provide guidance and communicate the community’s vision and values to citizens, developers, businesses, property owners, and visitors.

The adoption or readoption of the Plan must be approved by the affirmative vote of at least two-thirds of the members of the City Council and ratified by voters for communities with a population of 10,000 or more. Since the City’s population has fallen below 10,000, the plan was updated and adopted by city council on March 26, 2024. Visit [www.PlanSedona.com](http://www.PlanSedona.com) for more information. The current Plan is summarized below:

## VISION

Sedona is a diverse, livable, and vibrant community that nurtures connections between people and place, celebrates the arts, encourages healthy and active lifestyles, and places priority on the protection of the environment.

## CORE VALUES

Environmental Protection, and Livable & Vibrant Community.

## GUIDING PRINCIPLES

Protect and honor our environment and heritage, Strengthen community livability and connections, and Support regional economic diversity, local businesses, and responsible tourism.

## COMMUNITY PLAN continued

### Value – Environmental Protection

- We are privileged to live in a place of outstanding and unique beauty. We recognize the need to be constantly vigilant over the preservation of the natural landscape and wildlife. This includes caring for the land when it is threatened by overuse, development, or natural hazards.
- Now more than ever we also see the need to educate visitors about best recreation practices and continue to balance recreational tourism with resource protection and management.
- As a community, we have a great responsibility to demonstrate and support the responsible visitation and management of one of the most beautiful places on earth.

### Value – Livable & Vibrant Community

- A strong sense of community is our expectation of living in a small town. We value a sense of belonging and knowing that we matter to each other. Living in and caring for Sedona's peace, beauty, and nature is a bond that residents share.
- It is important to us that Sedona is a welcoming place for families, with sufficient housing, a thriving economy, and access to services necessary for a healthy and sustainable community.
- We utilize forward thinking land use policies and guidance to ensure the long term sustainability and protection of Sedona's resources.
- We appreciate the benefits brought by sustainable tourism and encourage visitors to respect Sedona's natural environment, heritage, and our community.
- Visual and performing arts are essential to our community's character and sense of community, as well as the local economy and tourist appeal.
- We encourage the responsible use and sustainable management of our City Parks and open space.

### Guiding Principle – Honor and protect our environment and heritage

- We respect and protect the natural environment.
- We ensure that the built environment is in harmony with the natural environment.
- We incorporate sustainability and resiliency practices into all of our actions.

#### *What this means in 2033...*

#### **Environment**

- Protection of the environment is a high priority in all decision-making.
- Development is designed to limit impacts on the natural landscape, especially riparian habitat, drainages, steep slopes and viewsheds.
  - Development projects such as new houses, businesses, parks, and streets are landscaped with low water use, native plants that blend into the natural landscape.
  - Buildings are designed to maximize energy efficiency technologies and minimize their impact on the land.
- Water is a precious resource that is conserved to ensure future availability, and managed or reused to sustain habitat and replenish groundwater.
- Oak Creek is a green corridor with clean flowing water supporting an ecosystem of endemic plants, fish, birds, and other wildlife.
- Natural areas are protected from the impacts of vehicles, people, noise, and pollution.

## COMMUNITY PLAN

continued

- There are educational and directional signs and maps, and physical barriers to protect the land, as well as monitoring and restoration of public lands.

### **Sustainability and Resiliency**

- The City of Sedona, partner agencies, and residents are prepared for natural disasters and climate change impacts.
- Communications are in English and Spanish, and readily available to residents, businesses, and visitors.
- There is access to clean energy and Sedona has reduced its dependence on fossil-fuels.
- There is increased awareness of the environmental impacts of consumption.
- Historic and prehistoric sites are recognized, preserved and celebrated.

### **Guiding Principle – Strengthen community livability and connections**

- We come together to share experiences, help others, improve our community, enjoy the arts, and celebrate our heritage.
- We travel safely and efficiently throughout Sedona, with options to drive, walk, bike or ride the bus.
- Our community of residents, employees, and visitors enjoy these convenient alternatives to driving.
- Our community has a variety of housing options for all ages and income levels, and rental housing is stable and secure.

### ***What this means in 2033...***

#### **Sense of Community**

- Sedona is a friendly, welcoming, and neighborly community that will collaborate with and support each other.
- Parks, plazas, cafes, festivals, and markets are dynamic places where people gather and socialize.
- There is a diversity of people interacting with each other - whether by age or background, resident, or visitor.
- Sedona is a community of active and productive volunteers.
- Sedona has a variety of educational opportunities for learning and interaction.
- Local culture is celebrated through the arts and events.
- Sedona has a unique and distinctive image and identity.

#### **Housing Diversity**

- There is an increase in housing options of all types, sizes, and cost.
- More diverse housing options attract more young people, families, and professionals to become a vital part of our community life.
- Diverse housing options exist for all types of residents (e.g., business owners, retirees, families, essential workers).
- New housing development complements existing structures and city character.
- Residents feel secure in the longevity of their living situation and feel confident advocating for themselves and their neighbors.

## COMMUNITY PLAN

continued

### Mobility

- There are a variety of environmentally responsible transportation choices for employees, residents, and tourists.
- There are transit services with convenient and accessible parking areas throughout the City.
- There are more sidewalks, paths and trails that lead to activity centers, parks, trailheads, and popular destinations.
- Walking and biking is safe, convenient, appealing, and comfortable for residents and tourists to make the choice to drive less.
- There are protected bicycle paths and electric charging stations to facilitate safe, secure, and convenient travel by bicycle.
- There are fewer cars on the road; traffic moves well, with the exception of peak visitation.

### Guiding Principle – Support regional economic diversity, local businesses, and responsible tourism

- Our community proactively manages tourism.
- We share with visitors how to respect and care for our red rock landscape and neighborhoods.
- We participate in a regional economy and we support our local businesses that practice respect for the environment, and enhance our community's quality of life.

### *What this means in 2033...*

### Economy

- Collaborative partnerships support a diverse regional economy to ensure the availability of essential resources, including quality healthcare.
- Economic Policy supports emerging business and employment opportunities.
- Businesses are innovative, creative, and conscientious regarding goods and services, marketing, best practices, and teach everyone to respect our community and environment.
- Sedona has a thriving arts community.



### Tourism

- Community members enjoy a high quality of life and the benefits brought by tourism.
- Visitors learn and practice respect for our community and our fragile and beautiful natural environment.
- Tourism fluctuates seasonally, however with the support of the local community as well as visitors, local businesses can prosper year-round.
- Sedona visitors are encouraged to stay for extended visits and support quality business practices.

For action plans and other information on the Community Plan, visit the City's website at [Sedona Community Plan](#).

## 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 2023, the City Council established the following list of priorities as part of the fiscal year 2024-25 budget process. Most are large, continuing, multi-year projects. Funding has been included in the fiscal year 2024-25 budget for all priorities with financial implications. Some of the projects are anticipated to involve staff time only, but some may include additional costs in future years. The fiscal year 2024-25 funding sources identified below only include staff costs when the priority is an established program.



### Continuing Priority Items:

- **Implement traffic improvements – Sedona In Motion** (*\$32.1 million included in SIM Capital Improvements Program for fiscal year 2024-25*)

**Community Plan Connection:** Value – Livable & Vibrant Community, Guiding Principle – Strengthen community livability and connections

A comprehensive transportation master plan was completed, and several recommended projects were identified by the consultants. The City Council approved a 10-year half-cent sales tax increase dedicated to transportation projects and related administrative and operational costs effective March 1, 2018. The transportation projects included in this priority extend over several fiscal years. Included is a potential transit service system that has been identified as a separate priority due to its significance.

- **Public Transit System** (*Total \$5.6 million: \$3.3 million included in Public Transit Fund operating budget and \$2.3 million included in Capital Improvements Program for fiscal year 2024-25*)

**Community Plan Connection:** Value – Livable & Vibrant Community, Guiding Principle – Strengthen community livability and connections

A transit study was completed, and a financial plan was developed by the consultants. The City Council has removed the sunset on the half-cent sales tax to help fund transit operations when the system is fully developed. The build-out of the transit system is expected to extend over several fiscal years. A trailhead shuttle system has been implemented. Another more immediate goal is the implementation of a micro-transit pilot project for an app-enabled, on-demand public transportation service.

## COUNCIL PRIORITIES

continued

### Continuing Priority Items (cont'd):

- **Explore opportunities to reduce carbon emissions by 50% by 2030** (*Total \$1.8 million: approx. \$900,000 included in Sustainability Department budget, approx. \$150,000 included in Public Works Department budget, and \$686,000 in sustainability specific projects included in Capital Improvements Program for fiscal year 2024-25, does not include \$19.2 million of other capital improvement projects that support environmental sustainability goals*)

**Community Plan Connection:** Value – Environmental Protection, Guiding Principle – Honor and protect our environment and heritage

The City Council gave direction that as opportunities arise, the following sustainability areas should be pursued, keeping in mind the value return of each strategy: improve energy use/efficiency at City Hall facilities, improve internal environmental sustainability practices, explore possible increased use of renewable energy, leverage existing projects/City Council priorities to advance sustainability, leverage existing relationships to develop next steps. This priority focuses on achieving the goals of the climate action plan. This priority is anticipated to be ongoing.

- **Affordable/Workforce Housing and Homelessness** (*1.3 million included in Housing Fund budget, plus \$19.3 million budgeted as balance sheet loans*)

**Community Plan Connection:** Value – Livable & Vibrant Community, Guiding Principle – Strengthen community livability and connections

This priority was established to address concerns about the lack of availability of affordable and workforce housing in Sedona and the contribution to homelessness concerns. The City Council approved a portion of discretionary bed tax as an ongoing source of funding in part because the City has seen a significant net increase in bed tax collection since the state legislation allowing short-term rentals. The development of a needs assessment and 5-year action plan for addressing the concerns was completed. City staff to move forward this priority was hired, a down-payment assistance program and a rent local program have been implemented, the City Council approved a public-private partnership with Sunset Lofts, LLC for the development of a 46-unit apartment complex dedicated to local workforce, and property has been purchased for approximately 30 low-income units. The fiscal year 2024-25 budget includes a potential safe-place-to-park program for Sedona workforce living in their vehicles, development of a strategic plan for addressing homelessness issues, and a designation of an additional \$10.1 million for potential affordable/workforce housing development loans. This priority is anticipated to be ongoing.

- **Manage Impacts of Short-Term Rentals** (*\$255,500 included in City Clerk's Office budget*)

**Community Plan Connection:** Value – Environmental Protection & Livable & Vibrant Community, Guiding Principle – Honor and protect our environment and heritage, Strengthen community livability and connections, & Support regional economic diversity, local businesses, and responsible tourism

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, concerns regarding the impacts of this new law have been raised. A lobbyist has been hired to be an additional voice for Sedona in the state legislative sessions regarding the topic of short-term vacation rentals. A Short-Term Rental Specialist position was created as a dedicated position to helping manage data collection, emergency contact information, and the permitting process. A 24-hour, 7-day-a-week complaint hotline has been established. Updates have been made to the trash and noise ordinances in an effort to mitigate the impacts that generated the majority of complaints and allow

## COUNCIL PRIORITIES

continued

for easier/more efficient enforcement. The City will continue to pursue meaningful changes to local control at the state legislative level. This project is anticipated to be ongoing.

### Continuing Priority Items (cont'd):

- **Monitor Tourism Management** (*\$1.6 included in Tourism & Economic Initiatives Department budget*)

**Community Plan Connection:** Value – Livable & Vibrant Community, Guiding Principle – Support regional economic diversity, local businesses, and responsible tourism

Starting July 1, 2023, the city of Sedona became the official Destination Management Organization (DMO) for Sedona. Additionally, in an effort to solicit a range of community perspectives around the topic of tourism in Sedona, the city solicited applicants for a new Tourism Advisory Board. This voluntary body, vetted and chosen by city council, consists of 11-people appointed to advise the city council and staff on decisions related to tourism strategic planning, branding and marketing, visitor management programs, regional tourism efforts and any other tourism related matters assigned to it by the city council. The Tourism and Economic Initiatives program functions as the official destination and management organization for Sedona and supports economic diversification efforts in Sedona and Verde Valley wide.

- **Airport Evaluation** (*\$10,000 included in General Services budget*)

**Community Plan Connection:** Value – Environmental Protection, Guiding Principle – Strengthen community livability and connections

The Sedona Airport is within City limits; however, the land owned by Yavapai County and is managed by Sedona-Oak Creek Airport Authority, a legally separate entity governed by a 13-member Board of Directors approved by the County's Board of Supervisors. The City is considering acquisition of the airport for greater local decision-making. A study to perform due diligence on the implications of this decision is anticipated to be completed during fiscal year 2024-25. Next steps will depend on the results of the study and the consultant's recommendations.

- **Expand Broadband Services** (*approx. \$10,000 included in Communications, Tourism & Economic Initiatives Department budget*)

**Community Plan Connection:** Value – Livable & Vibrant Community, Guiding Principle – Strengthen community livability and connections

Diversifying the Sedona economy has long been a priority. To further this effort, the City Council approved an Economic Diversification Plan. Projects will be evaluated in consideration of the impacts of the case. Currently, staff are pursuing opportunities to bring broadband to Sedona. This priority is anticipated to be ongoing.

## COUNCIL PRIORITIES

continued

### Continuing Priority Items (cont'd):

- **Consider concepts for Cultural Park development** (*approx. \$105,000 included in Community Development Department budget*)

**Community Plan Connection:** Value – Livable & Vibrant Community, Guiding Principle – Strengthen community livability and connections

The City is soliciting proposals from qualified developers for the development of attractive, sustainable energy-efficient rental housing on a City-owned parcel located at 40 Cultural Park Place to be made available via long-term land lease. In April 2024 the City announced a request for proposal from qualified design and development firms to provide professional services for the creation of the Master Plan for the Sedona Cultural Park. The council will review any proposal presented during the fiscal year 2024-2025. This priority is anticipated to be ongoing.

For more details and information on these and previously completed Council Priorities, visit the City's website at [www.sedonaaz.gov](http://www.sedonaaz.gov) or watch the [video](#) below.





# BUDGET RESOLUTION

## RESOLUTION NO. 2024-15

### A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, ADOPTING THE BUDGET FOR FISCAL YEAR 2024-2025.

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 28, 2024, 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 28, 2024, 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 28, 2024, and June 25, 2024, 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 2024-2025.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona this 25<sup>th</sup> day of June, 2024.

  
\_\_\_\_\_  
Scott M. Jablow, Mayor

ATTEST:

  
\_\_\_\_\_  
JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Kurt W. Christianson, City Attorney

# CITY MANAGER’S BUDGET MESSAGE



102 Roadrunner Drive  
 Sedona, AZ 86336  
[www.sedonaaz.gov](http://www.sedonaaz.gov)

City of Sedona  
 Mayor, City Councilors, and City Residents

The City of Sedona’s fiscal year 2024-25 budget presents a fiscally sound financial plan that maintains the integrity of the City’s financial condition while still meeting the high service level demands of the community. The fiscal year 2024-25 budget includes the priorities set by the City Council and the ongoing priorities of public safety, quality service, investment in the community, and investment in City employees.

The total budget is \$106,055,786. The budget is balanced between expenditures, revenues, and one-time available fund balances above the policy operating reserve levels, including an estimated General Fund surplus of \$3.8 million<sup>1</sup> and an estimated Wastewater Fund surplus of \$560,000.<sup>2</sup>

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*Operating budget is \$57.8 million.*

*Capital improvements budget is \$48.2 million.*

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The operating budget represents a \$5.7 million or 11% increase from fiscal year 2023-24. The most significant increases are \$2.2 million for increases in personnel costs for pay adjustments, added and reallocated positions, and changes in insurance and pension rates; \$4.1 million increase in a one-time additional contribution toward the Public Safety Personnel Retirement System (PSPRS) unfunded liability; \$2.4 million decrease in reserve contingencies; \$.5 million increase for public transit including the Verde Shuttle; and approx. \$385,000 increase for streets maintenance including one-time and streets rehab. Seven full-time positions were added to address staffing gaps in expanded City service levels, to improve succession planning, and to form a City-operated tourism bureau. Further discussion of staffing changes can be found in the Position List/Full-Time Equivalents section.

The capital improvements budget represents a \$14.5 million or 43% increase from fiscal year 2023-24. The most significant increases are \$11.9 million for Sedona In Motion projects, including the Uptown Parking Garage and \$3.1 million for wastewater system infrastructure needs. The fiscal year 2024-25 capital improvement expenditures are financed with available fund balances, a one-time resource, as well as bond proceeds restricted for transportation projects, dedicated half-cent sales tax revenues, grants, development impact fees, and other sources.

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<sup>1</sup> During the fiscal year 2024-25 budget process, the City Council allocated \$5.8 million of the estimated \$10.8 million fiscal year 2022-23 General Fund surplus. Allocation of the remaining actual fiscal year 2022-23 General Fund surplus to advance Council priorities was determined during the fiscal year 2023-24 budget process, and allocation of the actual fiscal year 2023-24 General Fund surplus to advance Council priorities will be determined during the fiscal year 2025-26 budget process.

<sup>2</sup> During the FY25 work session discussions council approved a rate increase equal to the 2023 December CPI of 3.6%.

# CITY MANAGER'S BUDGET MESSAGE

continued

The following tables summarize the comparison to the prior year based on budget type and fund type.

## SUMMARY COMPARISON BY BUDGET TYPE

(In Thousands)

	FY25 Budget	FY24 Budget	% Change
Operating Budget			
Ongoing Operational	\$40,675	\$ 35,912	13%
One-Time Operational <sup>3</sup>	8,232	5,522	49%
Debt Service	8,028	7,425	8%
Contingencies	957	3,331	-71%
<b>Subtotal Operating Budget</b>	<b>57,892</b>	<b>52,191</b>	<b>11%</b>
Capital Improvements Budget	48,164	33,629	43%
<b>Total Expenditure Budget</b>	<b>\$106,056</b>	<b>\$85,820</b>	<b>24%</b>

## SUMMARY COMPARISON BY FUND TYPE

(In Thousands)

	FY25 Budget	FY24 Budget	% Change
General Fund	\$35,749	\$ 29,101	23%
Special Revenue Funds	5,326	7,071	-25%
Capital Projects Funds	37,573	27,394	37%
Enterprise Funds	24,733	19,734	25%
Internal Service Fund	2,675	2,520	6%
<b>Total Expenditures Budget</b>	<b>\$106,056</b>	<b>\$85,820</b>	<b>24%</b>

Mandated closures in response to the COVID-19 pandemic occurred during mid-March 2020 to mid-May 2020, which is typically the City’s busiest portion of the year for tourism. Hotel occupancy rates hit bottom in April 2020 with an 83% decrease. After reopening, tourism activity returned and far exceeded prior highs to the point that the City Council placed a hold on destination marketing for fiscal year 2021-22. However, fiscal year 2021-22 sales taxes were up 18% and bed taxes were up 25% resulting in the highest year the City had ever seen. As a result, the City Council continued the hold on destination marketing for fiscal year 2022-23.

For fiscal year 2022-23, sales taxes were down 3% and bed taxes were down 4%. The decrease was likely due to the reopening of Europe, significant inflation possibly impacting the amount of travel, talk of a coming recession possibly impacting the amount of travel, and the City’s hold placed on destination marketing. Actual Sales and bed tax revenues for fiscal year 2023-24 came in higher than conservative estimates that were based on a potential recession occurring during the year. Fiscal year estimates for 2024-2025 are conservative increases based of fiscal year 2023-2024 trends as well as strong national economic data indicating decreasing probability of a recession for the remainder of 2024 and into 2025.

<sup>3</sup> Includes \$4.1 million increase in a one-time additional contribution toward the Public Safety Personnel Retirement System (PSPRS) unfunded liability.

## CITY MANAGER'S BUDGET MESSAGE

continued

In April 2023, the Sedona Chamber of Commerce & Tourism Bureau (SCC&TB) gave notice that they would not pursue renewal of their contract to serve as the City's Tourism Bureau. Shortly after, the City Council designated the City as the official Destination Marketing Organization (DMO) for Sedona and staff created an in-house Tourism Program. In its first year, a Tourism Advisory Board with both resident and business voices was created, two destination marketing campaigns were launched, a Strategic Plan was initiated, a branding and marketing plan effort began, and a Tourism Manager was hired. In FY25, the Strategic Plan will be brought to life through the many action items listed in the plan.

With inflation tapering off and decreased talk of a recession, the first quarter of fiscal year 2023-24 showed sales taxes up 4% and bed taxes up 9%. As of third quarter of fiscal year 2023-2024, the city is up 6% year-over-year. While Sedona has been impacted by prior recessions and seen some decreases in sales and bed taxes, the local economy continues to maintain a high level of resiliency and quickly recovers from any downturns. After several years of reduced and then fully eliminated destination marketing, the City will pursue some strategic, targeted, and measurable marketing efforts focused on bolstering visitation during the slower summer and winter seasons. This will be initiated by the City's new in-house tourism bureau.

The fiscal year 2024-25 budget includes priorities intended to help mitigate the impacts of the tourism such as the implementation of a micro-transit program, design of facilities for the transit system, numerous traffic improvements, and continued deployment of traffic control employees to the busiest trailhead locations.

A summary of the overall budget changes and additional discussion can be found in the Budget Overview section.

### FY 2023-24 Council Priority Accomplishments

Most of the Council Priorities from fiscal year 2023-24 were anticipated to be multi-year projects and are in progress. Their continuation has been included in the fiscal year 2024-25 budget. The projects within these priorities accomplished during fiscal year 2023-24 are below.

- **Overall City Value - Fiscal Sustainability**
  - Approved a balanced budget
- **Council Priority - Implement traffic improvements - Sedona In Motion**
  - Completed Back O" Beyond low water crossing
  - Completed Pinon Drive Shared Use Path
  - Completed Phase I of the Navoti Drive to Dry Creek Shared Use Path
  - Completed SIM 1B - Uptown northbound Amar turn lane
  - Approved award for construction of the Pedestrian Crossing at Oak Creek
  - Completed Final report on Uptown Parking Study and provided direction to move forward with design and obtaining Guaranteed Maximum Price or bids on garage
  - Continued work on Forest Road extension
- **Expand public transit system**
  - Approved acceptance of FTA 5339 grant for two additional Microtransit vehicles
  - Approved acceptance of \$720K grant for the design and engineering of the transit maintenance and operation facility
  - Approved Micro Transit Fare structure

## CITY MANAGER'S BUDGET MESSAGE

continued

### FY 2023-24 Council Priority Accomplishments (cont'd)

- **Construct affordable/workforce housing units**
  - Awarded Community Development Block Grant to Steps to Recovery Homes for a transitional housing project
  - Leased land and loaned \$2.25M for 30-unit, deed restricted affordable housing apartment complex on Shelby Drive
  - Received \$875K grant and approved temporary work-force housing Safe Place to Park Program in partnership with Verde Valley Homeless Coalition
  - Converted four homes from short-term rentals to long-term rentals through the Rent Local Program
  - Revised Down-payment Assistance Program and issued two additional loans for local workers
  - Recorded 12 deed restrictions through the Deed Restriction Program
  - Assessed proposals for an affordable apartment complex at the Cultural Park
- **Explore opportunities for environmental stewardship/sustainability**
  - Completed partnership with Oak Creek Watershed Council on watershed education and outreach
  - Completed Urban Heat Data Collection and Map Creation
  - Expanded Community Food Scraps Composting Program to 100 residences
  - Retrofitted 23 homes through the Home Energy Retrofit Project
  - Implemented Municipal Sustainability Plan
    - Installed Bigbelly smart trash receptacles
    - Collected 12K lbs. of electronics and 18K lbs. of hazardous waste during the 2023 Household Hazardous Waste Event
    - Installed 13 bike racks across municipal facilities
    - Implemented Watchwire Utility Tracking Platform
    - Implemented eBike fleet
- **Pursue innovative strategies for economic diversification**
  - Focused efforts toward bringing broadband to Sedona
  - Solicited Requests for Information from Internet Service Providers
- **Complete Emergency Preparedness Plan**
  - Launched Know Your Zone using “Ready-Set-Go”
  - Completed Evacuation and Re-entry Plan
  - Created the Community Emergency Preparedness Guide
- **Chamber Contract Review**
  - City of Sedona designated official Destination Marketing & Management Organization
  - Approved contract with SCC&TB for continued operations of Visitor Center
  - Launched new tourism bureau website [www.scenicse dona.com](http://www.scenicse dona.com)
  - Created Tourism Advisory Board
  - Approved launch of Winter and Summer Destination Marketing Campaign & new Sedona Brand
  - Approved Tourism Strategic Plan
- **Improve citizen communication/relations**
  - Approved hiring of Web Content Manager position
  - Completed 2024 Council priorities & 2023 City accomplishments video
  - Completed FY24 City Budget Survey
  - Monitor short-term rentals
  - Continued to fight for local control at the state legislative level

## CITY MANAGER'S BUDGET MESSAGE

continued

### FY 2023-24 Council Priority Accomplishments (cont'd)

- Mitigate trailhead congestion/impact to neighborhoods
- Completed Back O' Beyond safety and drainage improvements
- Complete Community Plan update
- Approved Community Plan
- **Accelerate Ranger Station Park buildout**
  - Approved Park design and art features for the park's landscaping, playground, and restrooms
  - Completed the landscaping, playground, and restrooms at the park
  - Approved purchase of the *Stormy Bay* sculpture and completed installation at the park
- **Complete environmental impact study on OHVs/trail access**
  - Completed study
  - Received recommendations from the Greater Sedona Recreational Collaborative
  - Approved voluntary agreement with local OHV rental industry
- **Review assessment for airport acquisition**
  - Approved contract for full evaluation of Airport structure & operations
  - Reviewed assessment for airport acquisition
- **Construct eight pickleball courts at Posse Grounds Park**
  - Approved location of courts & associated amenities
  - Initiated construction and installation of eight pickleball courts
- **Initiate and implement enterprise resource planning (ERP) system**
  - Approved contract with consultant to assist with purchase of ERP system
  - Launched kickoff meeting
  - Completed initial needs assessment
- **Revisit Sedona Land Development Code (LDC) in light of newer policy goals, i.e., housing and sustainability**
  - Approved second round of updates to LDC
- **Other Accomplishments**
  - Approved consultant contract to work with staff to initiate the master planning process for the Cultural Park

### FY 2024-25 Council Priorities

The City Council has evaluated the priorities established and identified those most important for including in the fiscal year 2024-25 budget. Most are large, continuing, multi-year projects. Some 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 improvement budgets as appropriate. See the Council Priorities section for a description of each priority.

### Community Budget Survey

A public online survey was released to gauge support on a variety of budget topics. In addition to questions related to each topic, participants were asked to rank projects against each other. The survey was open to anyone who wished to respond, and participation was solicited through press releases, eNotify, social media, and the City's website. We would like to thank the members of the community who took the time to

## CITY MANAGER'S BUDGET MESSAGE

continued

respond to this survey and provide their thoughts on their needs, wants, and desires for our city. See the Budget Process section for further discussion of the survey and the responses received.

### 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, 2023. This is the eleventh 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.

### Conclusion

Overall, the City's financial condition remains very strong with many options to address the significant Council priorities. I believe the fiscal year 2024-25 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 Council Priorities and providing exceptional customer service to our community.

Sincerely,



Anette Spickard



# **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 9,894 residents is 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.

Sedona is located at the southern entrance of Oak Creek Canyon. The 14-mile scenic drive through the canyon between Sedona and Flagstaff, Arizona has been recognized as one of the Top 5 Most Scenic Drives in America by Rand McNally. The beauty of the canyon is breathtaking along a winding road that climbs from Sedona to the top of the Mogollon Rim.

Situated 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.

Sedona’s spectacular natural landscape is the perfect backdrop, which attracts more than 800 artists, as well as numerous galleries, art organizations, and art enthusiasts that make up this creative community. The City supports a range of creative programming from Art in Public Places, Art in Private Development, Artist in the Classroom, City Hall Art Rotation and Moment of Art performed at monthly City Council meetings, to the Mayor’s Arts Awards. In addition, performance artists are supported at The Hub, Posse Grounds Pavilion, and through the Street Performance program. Other local contributors such as the Sedona Gallery Association, First Friday Art Walks, Sedona Art Center, Sedona Film Festival, and Sedona Art Festival also help make Sedona one of the top arts destinations in the country.

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 19 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.

The City departments are the City Council, the City Manager’s Office, Human Resources, Financial Services, the City Attorney’s Office, the City Clerk’s Office, Parks & Recreation, Community Development, Public Works, Tourism and Economic Initiatives, Housing, Sustainability, Police, the Municipal Court, Public Transit, Wastewater, and Information Technology. In addition, the City tracks other costs that are of a more citywide 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, refuse collection is private, and recycling service is a not-for-profit organization with some contract funding from the City.

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 predominantly 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:

**Population** (U.S. Census)

1980 .....	5,481 <sup>(1)</sup>
1990 .....	7,536
1995 .....	8,990
2000 .....	10,192
2010 .....	10,031
2020 .....	9,684
2023 .....	9,894

<sup>(1)</sup> DES/Yavapai College Regional Economic Development Center (YCREDC)

**Gender** (YCREDC 2023)

Male .....	46.5%
Female .....	53.5%

**Age Composition** (YCREDC 2023)

0-5 .....	1.6%
6-11 .....	3.0%
12-17 .....	4.1%
18-24 .....	3.2%
25-44 .....	14.5%
45-54 .....	11.4%
55-64 .....	20.3%
65+ .....	42.0%

Median Age.....61.1

**Race/Ethnic Origin** (YCREDC 2023)

White .....	80.4%
Hispanic or Latino (Any race) .....	12.6%
Asian .....	2.6%
American Indian .....	1.0%
African American.....	0.6%
Other .....	5.7%
Two or More Races.....	9.6%

**Income** (YCREDC 2023)

Median Household Income..... \$63,811

**Labor Force** (YCREDC 2023 est.)

Civilian Labor Force.....	4,341
Unemployment Rate.....	4.4%
Education Attainment:	
Less than High School.....	4.9%
High School or equivalent.....	19.8%
Some College or Associates.....	25.7%
Bachelor's or Advanced Degree.....	49.6%

**Industry Ranked by Employment** (YCREDC 2023)

Arts, Entertainment, Food, Recreation	
Education, Health Care, Social Assistance .....	23.4%
Retail Trade .....	14.3%
Other Services, except Public Administration .....	14.2%
Professional, Scientific, Administrative... ..	12.3%
Accommodation .....	10.9%
Finance, Insurance, Real Estate .....	6.6%
Construction.....	5.2%
Public Administration .....	4.7%
Transportation, Warehousing, Utilities .....	3.2%
Manufacturing .....	2.1%
Wholesale Trade .....	2.0%
Information.....	0.8%
Agriculture, Forestry/Fishing/Hunting, Mining .....	0.3%

# DEMOGRAPHICS

continued

**Principal Employers** (Number of employees provided by Sedona Chamber of Commerce and City of Sedona) <sup>(2)</sup>

Enchantment Resorts .....	473
L'Auberge de Sedona Resort.....	300
Hilton Sedona Resort at Bell Rock .....	227
Orchards Inn .....	220
City of Sedona .....	178
Red Mountain Sedona .....	147
Arizona Elder Care.....	120
Villas at Poco Diablo .....	108
Sedona/Oak Creek School District .....	97
Verde Valley Medical Center/Sedona Emergency Department.....	92

<sup>(2)</sup> Principal employers include the City of Sedona and surrounding region.

**General Government Principal Sales Tax Remitters** (Arizona Department of Revenue) <sup>(3)</sup>

Hotels & Other Lodging.....	\$17,397,904
Retail .....	\$10,805,316
Restaurants & Bars.....	\$6,017,287
Rental/Leasing/Licensing.....	\$1,986,469
Construction .....	\$1,894,492
All Other .....	\$1,442,855
Transportation/Communication/ Utilities .....	\$815,536

<sup>(3)</sup> Due to confidentiality issues, the names of the tax remitters cannot be presented. The categories presented are intended to provide alternative information regarding the sources of the City's transaction privilege tax revenues.

**Housing** (YCREDC 2023)

Owner-Occupied Housing .....	74.1% <sup>(4)</sup>
Housing Units .....	6,632

<sup>(4)</sup> Includes owner-occupied housing that also rents a portion of the home or property.

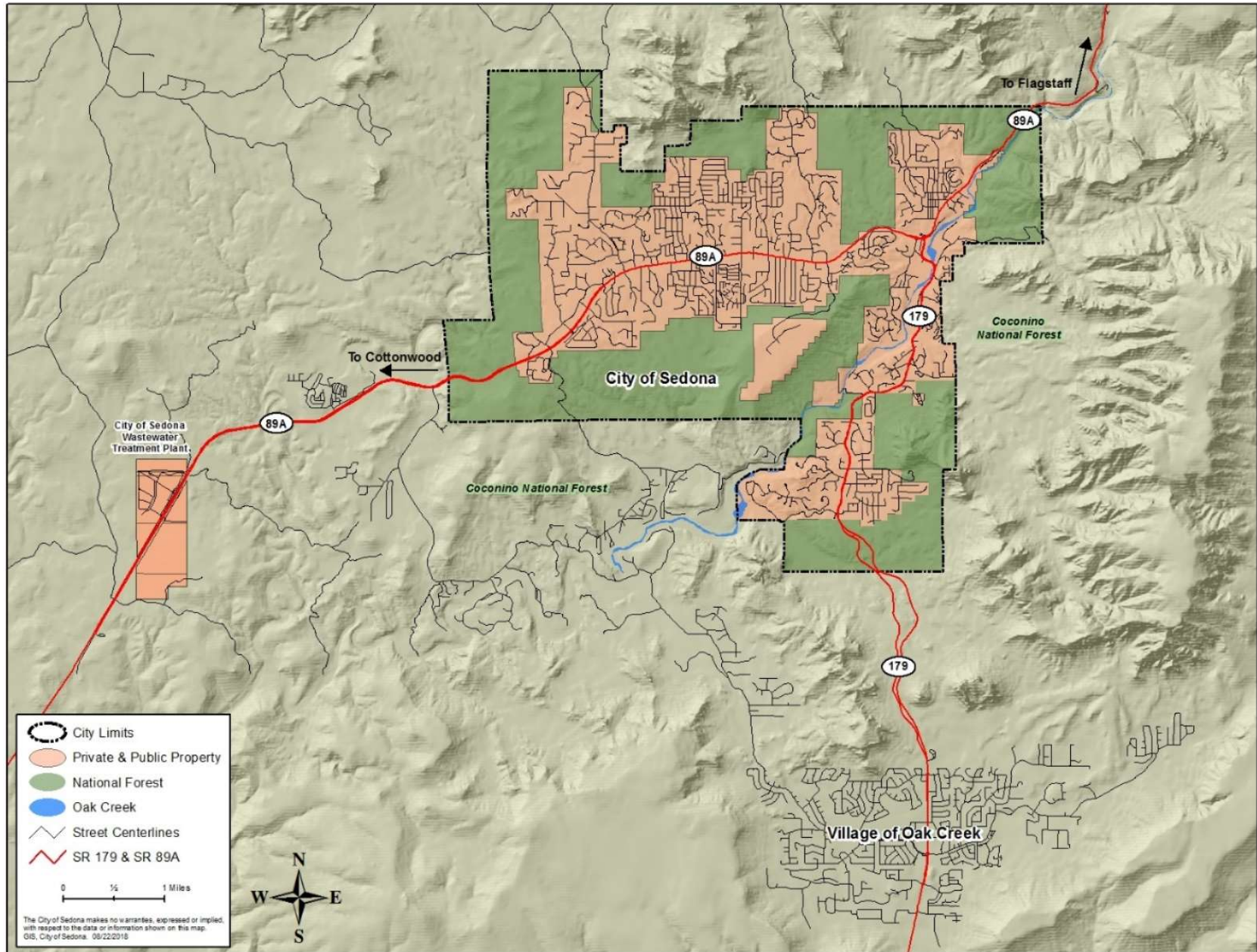
**Land Use** (2014 – City of Sedona)

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 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 revenue sources.

**Proprietary Funds** – The proprietary funds account for activities that receive support from fees and charges and represent the full cost of the service provided.

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 highway user revenue fund (HURF) revenues, along with support from the General Fund, for the maintenance for of the City's public streets including the annual street rehabilitation and pavement preservation program. The state-shared HURF is primarily funded with tax on gasoline and other fuels, but also includes other transportation-related fees.
- The **Housing Fund** accounts for monies received from developers in lieu of complying with the City's affordable housing requirements, along with support from the General Fund, for housing programs designed to improve affordability opportunities within the City and programs designed to address homelessness needs.
- The **Grants, Donations & Restricted 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.
- The **Transportation Sales Tax Fund** accounts for the half-cent sales tax dedicated to transportation projects and related administrative and operational costs. Effective March 1, 2028, the half-cent sales tax will be dedicated to public transit projects and operational costs.

## FUND STRUCTURE AND BASIS FOR BUDGETING

continued

**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.
- 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, as well as monies received from developers in lieu of complying with the City’s public art requirements. Council policy requires 1% 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 goods or services. The City’s enterprise funds include:

- The **Public Transit Enterprise Fund** accounts for monies collected through fares, grants, and transfers of restricted transportation sales tax revenues. The Public Transit Fund supports the operations of the transit system and transit capital projects.
- 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,<sup>(1)</sup> and accumulated reserves. The Wastewater Fund supports the operations of the wastewater plant and collections system, wastewater capital projects, and annual debt service.

**Internal Service Funds** – Internal service funds account for any activity that provides goods 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.

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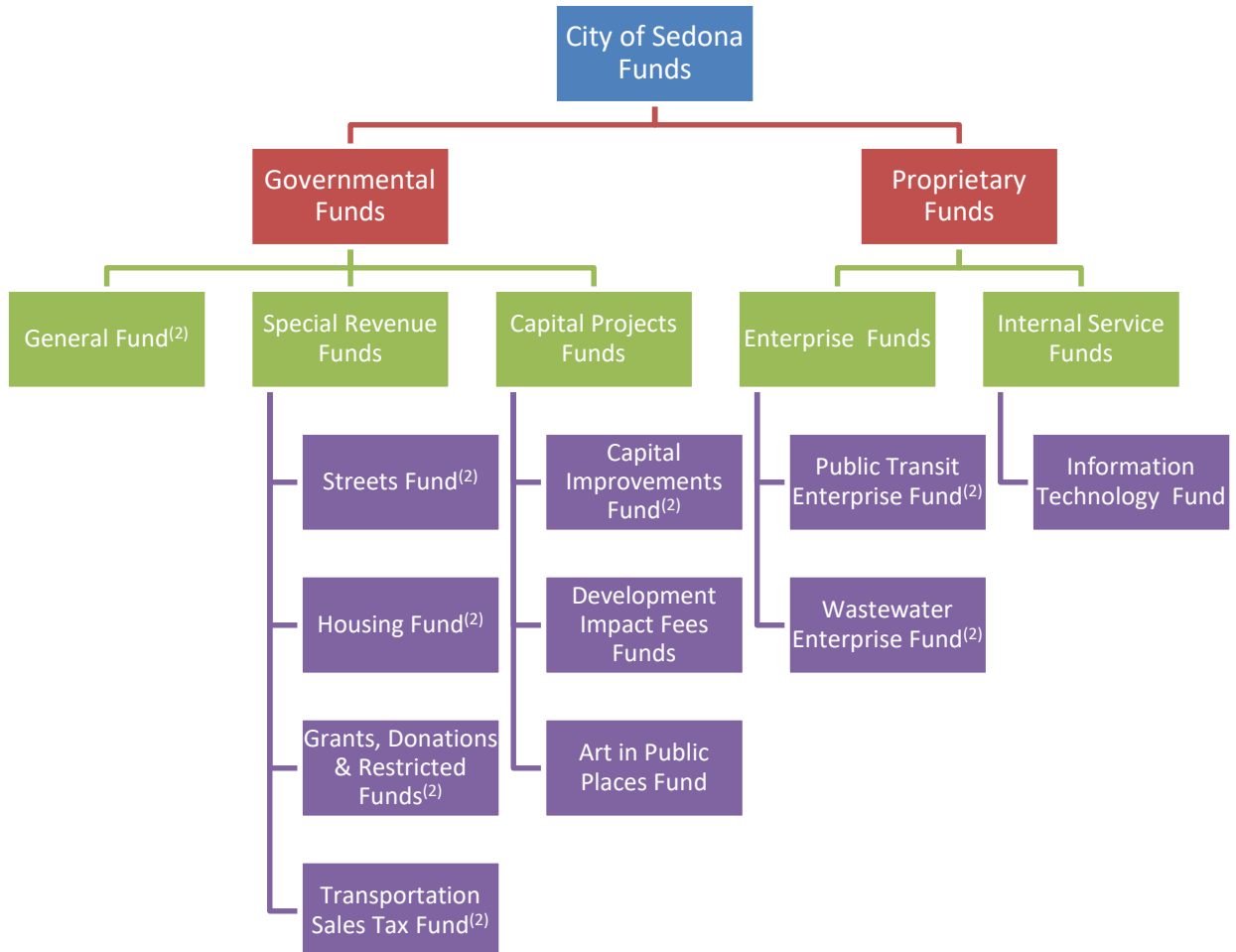
<sup>(1)</sup> The subsidy to the Wastewater Enterprise Fund will be eliminated after fiscal year 2025-26.

# FUND STRUCTURE AND BASIS FOR BUDGETING

continued

## Fund Structure

The following chart is an illustration of the fund structure:



<sup>(2)</sup> The General Fund, Streets Fund, Grants, Donations & Restricted Funds, Transportation Sales Tax Fund, Capital Improvements Fund, Public Transit Enterprise Fund, and Wastewater Enterprise Fund are reported as *major funds* in the City's financial statements. The Housing Fund is rolled into the General Fund for financial statements purposes. 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:

### DEPARTMENTS BY FUND

Department	General Fund	Streets Fund	Housing Fund	Grants, Donations & Restricted Funds	Transportation Sales Tax Fund	Capital Projects Funds	Public Transit Enterprise Fund	Wastewater Enterprise Fund	Information Technology Fund
City Council	X								
City Manager's Office	X					X			X
Human Resources	X								
Financial Services	X						X	X	
City Attorney's Office	X							X	
City Clerk's Office	X								
Parks & Recreation	X			X		X			
General Services <sup>(3)</sup>	X			X	X	X		X	
Community Development	X								X
Public Works	X	X		X	X	X	X	X	X
Comm., Tourism & Econ. Initiatives	X			X					
Housing			X	X					
Sustainability	X					X			
Police	X			X		X			X
Municipal Court	X			X		X			X
Public Transit							X		
Wastewater								X	
Information Technology				X				X	X

<sup>(3)</sup> The City tracks other costs that are of a more citywide nature or nonoperational nature (e.g., debt service, contingencies, etc.) in the budgetary department, General Services. In addition, support for other outside agencies is recorded in General Services and include:

- Sedona Public Library, Inc.
- Sedona Recycles, Inc.
- Humane Society of Sedona, Inc.
- Verde Valley Caregivers Coalition
- Adult Community Center of Sedona, Inc.
- Sedona Historical Society, Inc.

# 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.

### REVENUES AND EXPENDITURES/EXPENSES RECOGNITION

Basis of Accounting	Revenues	Expenditures/Expenses
Modified Accrual	Recognized in the period when they become both “measurable” and “available” <sup>(4)</sup> to finance expenditures of the current period	Generally recorded when a liability is incurred; however, debt service 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)

<sup>(4)</sup> Revenues are considered available when they are collected 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:

### COMPARISON OF BASIS OF ACCOUNTING BY REPORT TYPE

Funds	Budget Basis	Financial Statement Basis
Public Transit Enterprise Fund <sup>(5)</sup>	Modified Accrual	Full Accrual
Wastewater Enterprise Fund <sup>(5)</sup>	Modified Accrual	Full Accrual
Information Technology Internal Service Fund <sup>(5)</sup>	Modified Accrual	Full Accrual
All Other Funds	Modified Accrual	Modified Accrual

<sup>(5)</sup> The budgetary basis of accounting for the Public Transit Enterprise Fund, Wastewater Enterprise Fund and Information Technology Internal Service 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 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 financial policies promotes sound financial management, which can increase public confidence in the City’s ability to provide the services desired by the community.

Compliance with financial policies is incorporated in day-to-day procedures. The status of compliance with each policy statement is reviewed and updated as part of the annual budget process.

## 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.

### STATUS OF FISCAL PLANNING, BUDGETING, AND OPERATIONS MANAGEMENT POLICIES

Policy Statement	Status	Comments
The City will present an annual operating budget that is balanced, whereby ongoing revenues will be sufficient to fund ongoing expenditures with no use of General Fund reserves to support ongoing operational costs, unless criteria for use of the operating reserve is met. <i>(Administrative Policy)</i>	√	See the Budget Overview section.
Reserves and one-time revenues may be used to fund one-time capital projects or other one-time expenditures. <i>(Administrative Policy)</i>	√	See the Budget Overview section.

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

# COMPREHENSIVE FINANCIAL POLICIES

continued

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

### STATUS OF FISCAL PLANNING, BUDGETING, AND OPERATIONS MANAGEMENT POLICIES

Policy Statement	Status	Comments
The budget will not postpone expenditures, use one-time revenue sources to fund ongoing uses, or use external borrowing for operational requirements. <i>(Administrative Policy)</i>	√	See the Budget Overview section.
Budgeting will be prepared on a modified accrual basis of accounting. <i>(Administrative Policy)</i>	√	See the Fund Structure and Basis for Budgeting section.
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. <i>(Administrative Policy)</i>	√	
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. <i>(Administrative Policy)</i>	√	See the Budget Overview section.
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. <i>(Administrative Policy)</i>	√	See the Position List/Full-Time Equivalents section.
No revenues will be dedicated for specific purposes, unless required by law or generally accepted accounting practices (GAAP) or directed by City Council. All non-restricted revenues will be deposited in the General Fund and appropriated by the budget process. <i>(Administrative Policy)</i>	√	See the Revenue Trends section.
Revenue and expenditure forecasts 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 cover at least 5 years and will be updated annually. <i>(Administrative Policy)</i>	√	See the Budget Overview – Long-Range Forecasts section.
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. <i>(Administrative Policy)</i>	√	See the Department Budgets – Financial Services section.

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.

### STATUS OF CAPITAL MANAGEMENT POLICIES

Policy Statement	Status	Comments
The City will prepare and adopt a 10-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. <i>(Administrative Policy)</i>	√	See the Capital Improvement Program section.
CIP projects include infrastructure, equipment purchases, or construction resulting in or making improvements to a capitalized asset costing more than \$100,000 and having a useful life of 3 or more years. <i>(Administrative Policy)</i>	√	See the Capital Improvement Program section.
The first year of the Capital Improvement Program will become the adopted capital budget for the current fiscal year. <i>(Administrative Policy)</i>	√	See the Capital Improvement Program section.
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. <i>(Administrative Policy)</i>	√	See the Capital Improvement Program section.
Future operating, maintenance, and replacement costs associated with new capital improvements will be forecasted, matched to available revenue sources, and included in the operating budget. <i>(Administrative Policy)</i>	√	See the Capital Improvement Program section.
When current revenues are available for CIP projects, consideration will first be given to those capital assets 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 can facilitate “intergenerational equity,” wherein projects with longer useful lives can be paid over several generations using the project through debt service payments. <i>(Administrative Policy)</i>	√	The City Council’s preference is to avoid bonded debt financing whenever possible. The forecasts demonstrate adequate cash funding for most capital projects. Certain projects will necessitate debt financing if they are pursued. See the Capital Improvement Program section for further details.

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

# COMPREHENSIVE FINANCIAL POLICIES

continued

## Debt Management

This policy establishes under what conditions debt financing can be used.

### STATUS OF DEBT MANAGEMENT POLICIES

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 5 years. The City will attempt to use a pay-as-you-go method prior to issuing debt for this purpose. <i>(Council Policy adopted November 14, 2017)</i>	√	Certain projects will necessitate debt financing in future years if they are pursued. See the Capital Improvement Program section for further details.
The City will strive to maintain or improve its credit ratings, although not at the expense of significantly delaying important CIP projects. <i>(Council Policy adopted November 14, 2017)</i>	√	During fiscal year 2019-20, the City's credit rating from Standard & Poor's was raised from A to AA- based on the City's stable outlook. No change in the City's rating has occurred since.
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. <i>(Council Policy adopted November 14, 2017)</i>	√	
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. <i>(Council Policy adopted November 14, 2017)</i>	√	
The City will follow prudent borrowing principles and not engage in any transactions involving significant market risk. <i>(Council Policy adopted November 14, 2017)</i>	√	

Legend:

- √ Compliance with policy standard
- Noncompliance with policy standard

**COMPREHENSIVE FINANCIAL POLICIES**  
continued

**Long-Range Forecasting**

This policy seeks to govern the development of long-range forecasts.

**STATUS OF LONG-RANGE FORECASTING POLICIES**

Policy Statement	Status	Comments
The City will annually update a long-range forecast of at least 5 years, incorporating both projected revenues and expenditures for the City’s major funds. <i>(Administrative Policy)</i>	√	See the Budget Overview – Long-Range Forecasts section.
The revenue forecast will only include revenue that is reasonably considered to be sustainable over at least that forecast period. <i>(Administrative Policy)</i>	√	
Expenditure projections will include anticipated operating impacts of whatever capital improvement expenditures are included in the Capital Improvement Program. <i>(Administrative Policy)</i>	√	
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. <i>(Administrative Policy)</i>	√	

**Grants Management**

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

**STATUS OF GRANTS MANAGEMENT POLICIES**

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. <i>(Administrative Policy)</i>	√	
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. <i>(Administrative Policy)</i>	√	
The City shall attempt to recover all allowable costs – direct and indirect – associated with the administration and implementation of programs funded through grants. If it will significantly increase the effectiveness of the grant, the City may waive or reduce indirect costs. <i>(Administrative Policy)</i>	√	
All grant submittals shall be reviewed for their cash matching requirements, their potential impact on the operating budget, and the extent to which they meet the City’s policy objectives. <i>(Administrative Policy)</i>	√	

Legend:

- √ Compliance with policy standard
- Noncompliance with policy standard

**COMPREHENSIVE FINANCIAL POLICIES**  
continued

**Grants Management (cont'd)**

**STATUS OF GRANTS MANAGEMENT POLICIES**

Policy Statement	Status	Comments
If there is a cash matching requirement, the source of funding shall be identified prior to application. <i>(Administrative Policy)</i>	√	
The City shall terminate grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified. <i>(Administrative Policy)</i>	√	

**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.

**STATUS OF USER FEE COST RECOVERY  
AND INDIRECT COST ALLOCATIONS POLICIES**

Policy Statement	Status	Comments
The City shall establish user fees and charges for certain services provided to users receiving a specific benefit. <i>(Administrative Policy)</i>	√	
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 direct and indirect cost components. Fees and charges will be established to recover the full cost of services, 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. <i>(Administrative Policy)</i>	--	This policy will be implemented over time. An analysis including both the direct and indirect costs components has been implemented as individual fee changes are proposed.
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. <i>(Administrative Policy)</i>	--	This policy will be implemented over time. An analysis including both the direct and indirect costs components has been implemented as individual fee changes are proposed.

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



# COMPREHENSIVE FINANCIAL POLICIES

continued

## 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.

### STATUS OF ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

Policy Statement	Status	Comments
The City’s accounting and financial reporting systems will be maintained in conformance with all State and federal laws, generally accepted accounting principles (GAAP), standards of the Governmental Accounting Standards Board (GASB), and best practices/advisories of the Government Finance Officers Association (GFOA). <i>(Administrative Policy)</i>	√	
An annual audit will be performed by an independent public accounting firm, with an audit opinion to be included with the City’s published Annual Comprehensive Financial Report. <i>(Administrative Policy)</i>	√	See the City’s Annual Comprehensive Financial Report at <a href="http://www.sedonaaz.gov">www.sedonaaz.gov</a> .
The City’s Annual Comprehensive Financial Report 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. <i>(Administrative Policy)</i>	√	A Certificate of Achievement has been awarded each of the past 26 years.
Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis. <i>(Administrative Policy)</i>	√	

## Capital Expenditures (Capital Assets)

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

### STATUS OF CAPITAL EXPENDITURES/CAPITAL ASSETS POLICIES

Policy Statement	Status	Comments
Termed as capital assets, these capital expenditures are primarily purchased out of the departmental capital outlay accounts. <i>(Administrative Policy)</i>	√	
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. <i>(Administrative Policy)</i>	√	
The Financial Services Department is responsible for verifying the actual physical existence of capital assets at least every three years through asset audits of City departments. <i>(Administrative Policy)</i>	--	The physical inventory has been postponed until the adoption of a new citywide ERP system.

Legend:

- √ Compliance with policy standard
- Noncompliance with policy standard

**COMPREHENSIVE FINANCIAL POLICIES**  
continued

**Cash Management**

The Financial Services Department manages the City’s investment portfolio and ensures compliance with the City’s Investment Policy.

**STATUS OF CASH MANAGEMENT POLICIES**

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. <i>(Council Policy revised August 11, 2015)</i>	√	
The primary objectives, in priority order, are safety of principal, liquidity, and attaining a market rate of return. <i>(Council Policy revised August 11, 2015)</i>	√	
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. <i>(Council Policy revised August 11, 2015)</i>	√	
Temporary idle cash during the year was invested in the State Treasurer’s Investment Pool and overnight sweep accounts, when practical. <i>(Administrative Policy)</i>	√	

**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/omissions, automobile, and general liability.

**STATUS OF RISK MANAGEMENT POLICIES**

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. <i>(Administrative Policy)</i>	√	
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. <i>(Administrative Policy)</i>	√	
The City has an aggressive safety program, which promotes employee safety on the job and focuses on risk control techniques designed to minimize accident-related losses. <i>(Administrative Policy)</i>	√	

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 targets or 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.

### STATUS OF FUND BALANCE POLICIES

Policy Statement	Status	Comments
<p><b>General Fund:</b> The City shall maintain an unassigned fund balance for the General Fund of 30% of the total adopted budgeted operating expenditures of the Fund. Any use of the unassigned fund balance below 30% must comply with criteria specified in the policy. <i>(Council Policy revised June 27, 2023)</i></p>	√	<p>Unassigned fund balance projected to be 69%. Excess to be appropriated by the City Council during the next budget cycle.</p>
<p><b>Streets Fund:</b> The fund balance target shall be 30% of the total adopted budgeted operating expenditures of the Fund. This shall be in addition to a separate fund balance with a target equal to the difference between the highest expected annual pavement preservation/street rehabilitation cost and the average annual pavement preservation/street rehabilitation cost. For the purpose of calculation, this reserve shall be in addition to all other required reservations of fund balance including, but not limited to, equipment replacement reserves. <i>(Council Policy revised June 27, 2023)</i></p>	√	<p>Unassigned fund balance projected to be 114% with General Fund subsidy of \$1,938,220 for fiscal year 2024-25. See Inter-Fund Transfers section.</p>
<p><b>Wastewater Enterprise Fund:</b> The fund balance range, including maintenance, operations and administration shall be not less than 25% (90 days) and not more than 33.3% (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 debt service repayment requirements for any debt issuances not covered by bond insurance. For the purpose of calculation, this reserve shall be in addition to all other required reservations of fund balance including, but not limited to, amounts reserved for capital projects, equipment replacement reserves, and/or required bond covenants. <i>(Council Policy revised June 27, 2023)</i></p>	√	<p>Unassigned fund balance projected to be 53%. Excess to be held for elimination of the need for future rate increases.</p>

Legend:

- √ Compliance with policy standard
- Noncompliance with policy standard

# COMPREHENSIVE FINANCIAL POLICIES

continued

**Fund Balance (cont'd)**

### STATUS OF FUND BALANCE POLICIES

Policy Statement	Status	Comments
<p><b>Capital Improvements Fund:</b> The Capital Improvements Fund was 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 Improvements Fund, 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 the “pay-as-you-go” capital projects obligations for the next fiscal year. This will follow the City’s Capital Improvement Plan. <i>(Council Policy revised June 27, 2023)</i></p>	√	
<p>If it is determined there is a surplus (an amount in excess of the fund balance target or 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, reduce or avoid debt, fund one-time capital needs, or stabilize taxes, fees, or rates. <i>(Council Policy revised June 27, 2023)</i></p>	√	<p>General Fund surplus for fiscal year 2022-23 was allocated to Council priorities during the fiscal year 2024-25 budget process. Wastewater Enterprise Fund surplus has been earmarked for postponing the need for future rate increases.</p>
<p>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, an appropriation during the next annual budget process of at least 20% of the lower limit, or a written plan approved by the City Council. <i>(Council Policy revised June 27, 2023)</i></p>	√	<p>General Fund monies have been reserved for projected shortfalls in the Art in Public Places Fund and the Development Impact Fees Funds for fiscal year 2024-25. General Fund transfers are budgeted in fiscal year 2024-25 to eliminate estimated shortfalls in the Streets Fund and Housing Fund.</p>

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; and other local governmental entities. All 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.

## FY 2023-2024 BUDGET CALENDAR

Date	Description	Legal Requirements
<b>Policy/Strategy Phase</b>		
December 12, 2023	Staff CIP Committee Kickoff Meeting	
December 11, 2023	Operating Budget Kickoff Meeting with Department and Division Heads	
December 13-14, 2023	City Council Retreat and Priority Setting	
<b>Budget Development Phase</b>		
January 2, 2024	Online Community Budget Survey Released	
December 28, 2023	Deadline to Submit CIP Requests	
January 4, 2024	CIP Committee Review of Project Submittals	
January 18, 2024	Operating Base Budgets, Updated CIP Budgets and Decision Packages Due	
February 5, 2024	Citizens Budget Work Group Kickoff Meeting	
January 29, 2024	Review of Revenue Projection Assumptions	
February 14, 2024	Citizens Budget Work Group Review of Community Service Contracts	
February 20-28, 2024	City Manager Review with Departments	
February 14, 2024	Citizens Budget Work Group Review of Overall Budget Summary	
February 29, 2024	Citizens Budget Work Group Review of Select Programs, Decision Packages, and CIP Projects	
<b>Budget Review Phase</b>		
March 28, 2024	Proposed Budget Distributed to City Council	
April 17-18, 2024	City Council Work Sessions	
May 28, 2024	Public Hearing and City Council Adoption of Tentative Budget	ARS §42-17101 – On or before the third Monday in July
<b>Budget Adoption Phase</b>		
May 30 and June 6, 2024	Published Public Notice	ARS §42-17103 – Once a week for 2 consecutive weeks
June 25, 2024	Public Hearing and City Council Final Budget Adoption	ARS §42-17105 – Must convene in a special meeting (Since the City has no property tax levy, no timelines are specified.)

### Policy/Strategy Phase

Kickoff meetings with City staff were held in December 2023 for both the Operating Budget and Capital Improvement Program (CIP) to provide overall guidance for the development of the fiscal year 2024-25 budget.

## BUDGET PROCESS AND CALENDAR

continued

### Policy/Strategy Phase (cont'd)

In December 2023, the City 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 retreat, staff presented an interactive eight-year forecast of revenues and expenditures with a variety of scenario options. Staff also presented information regarding required reserve balances and anticipated changes in revenue and expenditures levels. This was an opportunity for the City Council to provide key policy directives and goals for consideration during the fiscal year 2024-25 budget process and to provide input on upcoming priorities.

### Budget Development Phase

Department heads and program managers used the information from the policy/strategy phase meetings to begin work on their base budgets for continuing operations. In February 2024, the City Manager met with each department and conducted a review of all Operating Base Budgets, Decision Packages and CIP requests.

Each year, a Citizens Budget Work Group is formed to participate and provide input in the budget development process. This was the tenth year the City has included a citizen work group in the budget development process. The goals for the work included recommended changes to programs and services and any community issues with budget implications, recommendations on the additional major budget requests for fiscal year 2024-25, hear presentations by the six service providers of their proposals for renewals of their agreements and review and provide recommendations, and summarize and present their recommendations to the City Council. The group members brought insights from their unique perspectives and added value to the overall process.

A public online survey was released to gather broader community interest on a variety of budget topics, including pedestrian improvements, arts and culture expansion, trash hauler services, uptown improvements, Sedona airport acquisition, and a water retrofit or rebate. In addition to questions related to each topic, participants were asked to rank projects against each other. The survey was open to anyone who wished to respond, and participation was solicited through press releases, e-notification signups, social media, and the City's website. Over 680 completed surveys were received and included the following results.

- Among the budget initiatives included in the survey, pedestrian improvements was the highest ranked initiative.
- Developing a water retrofit or rebate program was the second highest ranked initiative.
- Numerous additional comments were included with many related to reduction of spending, no on amenities serving the homeless, improving the community pool, saving the environment, increased focus on resident needs, reduction of tourism, and restoration of local control for short-term rentals.

The full results of the survey are available on the City's website at [www.sedonaaz.gov](http://www.sedonaaz.gov), search "budget survey."

## 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 final budget adoption, original revenues, and expenditures 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 held public work sessions on April 17<sup>th</sup> and 18<sup>th</sup>. During these sessions, the City Council heard from the City Manager, Director of Financial Services, department heads, and program managers regarding department/program objectives, accomplishments, and significant expenditure changes. They also offered an opportunity for input from the public. The City Council approved the Tentative Budget, which set the budget cap, on May 28, 2024. 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 30<sup>th</sup> and June 6<sup>th</sup>. 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 25<sup>th</sup>, 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.

The City of Sedona was not yet incorporated in 1980 and had no expenditure information to provide. The Economic Estimates Commission by law must determine the base limit of a newly incorporated city or town. This is accomplished by calculating the average amount of actual fiscal year 1979-80 per capita payments of local revenues for all cities and towns within the county in which the new city or town is located. This average per capita figure is then multiplied by the population of the new city or town resulting in the base limit.

# BUDGET PROCESS AND CALENDAR

continued

## State-Imposed Expenditure Limitation (cont'd)

### Home Rule

Any city or town can adopt its own alternative expenditure limitation, referred to as Home Rule, 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.

The City of Sedona has operated under Home Rule since fiscal year 1996-97.

A citizen work group has evaluated the various expenditure limitation options available to Arizona cities and towns. The work group presented its recommendation to the City Council in January 2020 to pursue once again the Home Rule option at the next opportunity in the August 2022 election, which the City Council approved placing on the ballot.

On August 2, 2022, voters approved the Home Rule option, which is effective through the 2026-27 budget year. Home Rule allows the City Council to set its budget locally, rather than basing the City's budget on the state-imposed expenditure limitation.

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*Home Rule, an alternative expenditure limitation, was approved by the voters effective through the 2026-27 budget year.*

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## Budget Implementation/Monitoring/Amendment Phase

Following the adoption of the final budget in June 2024, the City staff began 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.

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*No amendments can be made to increase the total budget.*

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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 must either be transfers of budget capacity from one account to another or a reduction in budget capacity. No amendments can be made to increase the total budget once adopted. Amendments require approval as follows:

### REQUIRED APPROVALS FOR BUDGET AMENDMENTS

Amendment	Required Approval
Use of Contingency Reserve	City Council
Inter-Fund, 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 2024-25 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 that include capital projects and infrastructure improvements, Community Plan updates, and social concerns such as environmental sustainability, impacts of short-term rentals, affordable housing, and homelessness issues. Specific projects within these priority areas have been funded and included in the fiscal year 2024-25 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 popular tourist attraction. The City’s resident population is approximately 9,894. The City’s 2020 population decreased as a result of the number of permanent residents displaced by growth in short-term rental properties. The tourism trade has grown significantly over the past several years and is not showing signs of leveling off.

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% of the City’s total employment.

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*Sedona is a major tourist and art center.*

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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 30 art galleries; over 90 restaurants; over 80 lodging establishments including resorts, hotels, motels, bed and breakfasts, and timeshares; and over 1,000 short-term rental properties ranging from a single room to 10+ bedroom homes to unique experiences, such as glamping in a cave.

An estimated 3 to 4 million visitors from around the world visit the “Red Rock Country” of Sedona and Oak Creek Canyon each year, generating an estimated 77% of the City’s total sales and bed tax revenues.

# BUDGET OVERVIEW

continued

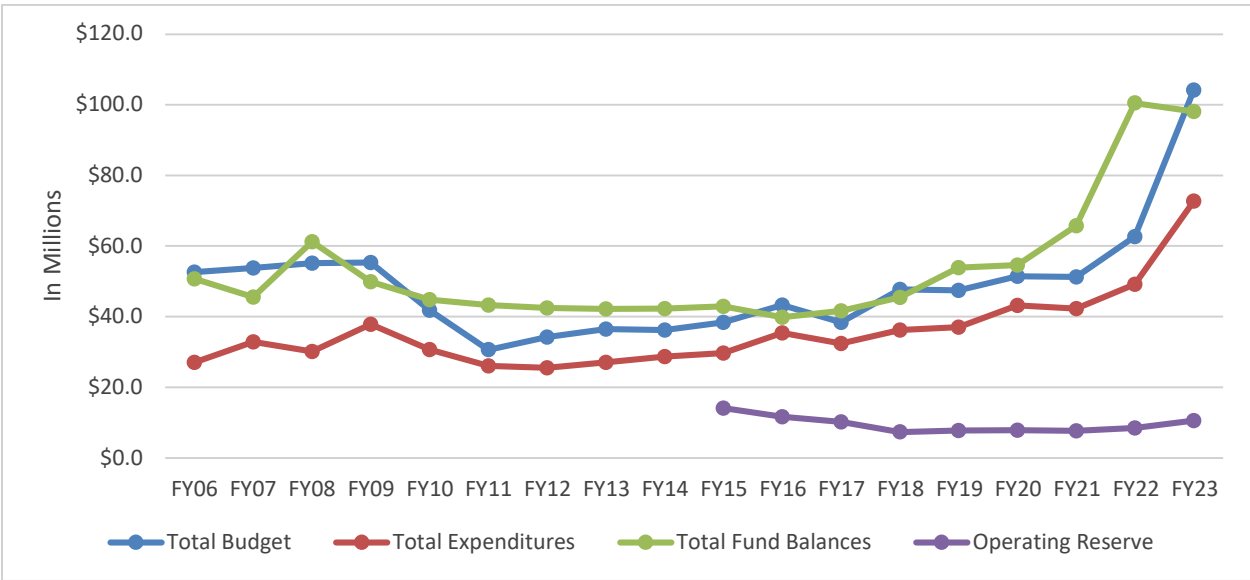
## Economic Overview (cont'd)

Sales and bed taxes and state shared revenues, as well as development and growth-related revenues such as building permits, development impact fees, and wastewater capacity fees, are economically volatile and may experience steep declines during economic downturns, as was the case with the Great Recession. The City does not levy a property tax and is, therefore, more vulnerable to shifts in economic conditions, particularly with the City's reliance on tourism.

*City revenues are economically volatile and will likely decline in economic downturns.*

Past state legislation has impacted local tax collection, collection efforts, and state shared revenues. Future legislative attempts at further impacts are always possible.

The City's finances are managed based on conservative practices and the priorities identified by the City Council. The conservative practices are evidenced by the significant balances accumulated over the years and the significance of the unspent budget amounts. The following chart shows the total budgets, actual expenditures, actual fund balances, and minimum operating reserves for fiscal years 2005-06 to 2022-23.



During the Great Recession, the City's sales tax revenues dropped 14% from the previous high, and bed tax revenues dropped 25%. While the City was able to bridge the gap with reduced services, deferred costs, and expenditures freezes without utilizing reserves, this experience led to a City Council commitment to use a portion of the proceeds of bed tax for the management and development of tourism, including a destination marketing program.

The marketing program was focused on increasing interest and visitation to Sedona as a destination with local options for many types of activities and attractions. The focus was on need during the summer and winter seasons with an aim for overnight and higher-income visitors. The tourism management program has been focused on sustainability practices and finding the balance between continued economic health and the attributes that brought so many citizens to Sedona: its natural beauty and livability.

## BUDGET OVERVIEW

continued

### Economic Overview (cont'd)

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*Since the inception of the destination marketing program, hotel/motel occupancy rates have increased 4% with a 9% increase in rooms, and average daily room rates have increased 86%.*

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The Sedona Chamber of Commerce & Tourism Bureau (SCCTB) kicked off the destination marketing program in mid-July 2014. Since the program began, it has exceeded all expectations. In addition, Senate Bill (SB) 1350 took away the City's authority to prohibit short-term residential rentals effective January 1, 2017. The increases in revenue collections for transient occupancy have also been attributable to this legalization of short-term residential rentals.

Since fiscal year 2018-19, the marketing efforts have been reduced, and more effort has been placed on the management of tourism to achieve a sustainable balance. For fiscal year 2019-20, bed tax revenues were less than the prior year actuals by 13% due to the COVID-19 closures. Since reopening, bed tax revenues drastically exceeded expectations, as well as levels of visitation. In response to the dramatic increases in tourism levels, the City Council directed the SCCTB to fully suspend the destination marketing program during the fiscal year 2021-22 budget process. Even with the suspension of destination marketing, tourism remained strong through most of fiscal year 2021-22. As a result, the City Council continued the hold on destination marketing for fiscal year 2022-23.

For fiscal year 2022-23, sales taxes were down 3% and bed taxes were down 4%. The decrease was likely due to the reopening of Europe, significant inflation possibly impacting the amount of travel, talk of a coming recession possibly impacting the amount of travel, and the City's hold placed on destination marketing. Sales and bed tax projections for fiscal year 2023-24 were based on conservative estimates in case of a recession occurring during the year.

In April 2023, the Sedona Chamber of Commerce & Tourism Bureau (SCC&TB) gave notice that they would not pursue renewal of their contract to serve as the City's Tourism Bureau. Shortly after, the City Council designated the City as the official Destination Marketing Organization (DMO) for Sedona. Bringing the tourism bureau in-house provides an opportunity to address tourism and its impacts on the community in a more holistic manner. In October 2023, the City Council appointed an 11-member tourism advisory board to advise the Council and staff on decisions related to tourism strategic planning, branding and marketing, visitor management programs, regional tourism efforts, and any other tourism-related matters. One of the primary goals of establishing this advisory body was to ensure sufficiently broad diversity in representation, perspectives, and opinions.

With inflation tapering off and decreased talk of a recession, increases in sales and bed tax revenues have resumed through every quarter for FY 2023-24. While Sedona has been impacted by prior recessions and seen some decreases in sales and bed taxes, the local economy continues to maintain a high level of resiliency and quickly recovers from any downturns. After several years of reduced and then fully eliminated destination marketing, the City will pursue some strategic, targeted, and measurable marketing efforts focused on bolstering visitation during the slower summer and winter seasons. This will be initiated by the City's new in-house tourism bureau.

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*Increases in sales and bed tax revenues have resumed through every quarter for FY 2023-24.*

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## BUDGET OVERVIEW

continued

### Economic Overview (cont'd)

During fiscal year 2022-23, key tourism indicators were strong including an average hotel occupancy rate of 65% compared to the 2022 national average of 63% and an average hotel daily room rate of \$310 compared to the 2022 national average of \$149. In comparison, during fiscal year 2021-22, the average hotel occupancy rate was 68% compared to the 2021 national average of 58% and the average hotel daily room rate was \$344 compared to the 2021 national average of \$143.

The average hotel occupancy rate for fiscal year 2022-23 represents a decrease of 4% from the prior year and a 1% decrease since the original inception of the destination marketing program. The average hotel daily room rate for fiscal year 2022-23 represents a decrease of 10% from the prior year and a 68% increase since the original inception of the destination marketing program. While rates are down compared to the incredibly high peak in fiscal year 2021-22, the comparison to the pre-destination marketing program numbers seems to reflect a level stability in tourism levels considering the significance of added rooms during that timeframe. Several hotels within city limits have been added, as well as added hotels in the nearby communities, and the opening up of the short-term rental market has also added a significant number of rooms. The City is working with consultants to analyze various data sources to obtain a better estimation of the number of visitors and the changes in visitation over time.

See the Revenue Trends section for additional information on the long-term trends in city sales and bed tax revenues.

### Long-Range Forecasts

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*Multiple scenario options were considered in the forecasts.*

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The City prepared interactive long-range forecasts for all funds at the initiation of the budget process to aid in decision-making regarding priorities to be incorporated in the budget. The 8-year forecasts served to evaluate the longer-term needs of the City, and multiple scenario options 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.

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*An assumed future recessionary period was included in the forecast.*

---

Annual operational costs were also expected to increase over the course of the forecast period but will need to be actively managed and increases kept to a minimum 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 Community Plan
- Requests from outside organizations for increases in City funding
- The need to make salary adjustments for staff to keep pace with industry comparable wages and to not fall behind the market

## BUDGET OVERVIEW

continued

### Long-Range Forecasts (cont'd)

- Normal inflationary increases such as utility costs, health insurance, and pension contributions
- Ongoing maintenance requirements for the City's physical infrastructure

### Capital Improvements

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*Capital Improvement Plan includes new debt for certain significant priority projects.*

---

The most significant estimated costs for Council Priorities are primarily capital improvement projects. In prior years, the City Council has directed that capital projects are to be undertaken only as funding is available. The City Council's preference is to avoid debt financing whenever possible. The forecasts demonstrate adequate cash funding for most of the capital improvements; however, certain significant priority projects would require debt financing due to projected increases in construction costs and matching of funding sources that will be received in future years.

Other than debt service payments, the capital projects have minimal impact on the operating budget with the exception of the potential transit system project. A financial plan was developed as part of the transit study. Anticipated funding sources included cooperative multijurisdictional intergovernmental agreements and federal grants. Long-range forecasts demonstrate adequate funding exists for the City's estimated portion of costs. Expected funding sources for the City's portion of costs include the half-cent transportation sales tax, surplus from the payoff of existing bonds in fiscal year 2026-27, and potential debt financing.

### Other Council Priorities

Of the remaining Council Priorities, affordable housing and environmental stewardship/sustainability have the most significant estimated costs, while other priorities have lower costs associated and/or primarily involve staff time.

The estimated costs for Council Priorities have been included in the fiscal year 2024-25 budget and the long-range forecasts; however, if the approach to the priority has not yet been developed and reasonable estimates of costs have not yet been determined, these have been discussed with the City Council as items not yet incorporated.

### Operational Costs

Modest annual inflationary increases were forecasted for operational costs. Staff believes these to be conservative estimates but is only forecasting increases in expenditures to the extent revenues also increase. Staff and the City Council historically have been diligent in assessing, prioritizing, and managing additional expenditure needs and will continue to do so. Estimated budget savings based on historical trends have been included as an offset to projected expenditures.

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*Modest inflationary increases are included in the forecast.*

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## BUDGET OVERVIEW

continued

### Long-Range Forecasts (cont'd)

#### ***Unfunded Liabilities***

Since fiscal year 2017-18, the City has adopted a level-funding approach to address its Public Safety Personnel Retirement System (PSPRS) unfunded liability. City police employees who were members of PSPRS before July 1, 2017 (Tiers 1 and 2) participate in the agent multiple-employer plan which tracks assets and liabilities for each individual participating employer. City police employees who were members of PSPRS on or after July 1, 2017 (Tier 3) participate in the cost-sharing multiple-employer plan which does not track assets and liabilities for each individual participating employer. As of the latest actuarial valuation date, June 30, 2023, the unfunded liability for Tiers 1 and 2 employees was \$4.1 million with a funding ratio of 77%. The long-range forecast includes annual payments of \$1.2 million calculated as the level payment amount to pay off the unfunded liability for Tiers 1 and 2 employees by the end of the 16-year closed amortization period.

All other eligible City employees participate in the Arizona State Retirement System (ASRS), a cost-sharing multiple-employer plan. While the ASRS plan assets and liabilities are not tracked separately for each individual participating employer, ASRS estimates a proportionate share of the unfunded liability for each participating employer. The City's estimated portion of the unfunded liability as of June 30, 2023, was \$10.8 million with a funding ratio of 73%. ASRS's projections of future contribution rates indicate slight increases can be expected over the next five years. These modest increases have been incorporated in the City's long-range forecasts.

#### ***Inter-Fund Transfers***

Inter-fund transfers are based on the current policies and City Council direction for subsidies and support of the Streets Fund, Housing Fund, Capital Improvements Fund, Public Transit Enterprise Fund, and Wastewater Enterprise 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 and support requirements.

#### ***Baseline Forecasts***

The following is a summary of the first five years of the baseline forecast presented to the City Council at the start of the budget process.



# BUDGET OVERVIEW

continued

## Long-Range Forecasts (cont'd)

### SUMMARY BASELINE FORECASTS BY FUND

NEXT 5 YEARS  
(In Thousands)

	FY25	FY26	FY27	FY28	FY29
<b>General Fund:</b>					
Revenues	\$ 45,880	\$ 44,426	\$ 46,720	\$47,955	\$ 49,191
Expenditures	32,235	32,402	33,633	33,514	34,461
Net transfers	(8,339)	(17,939)	(8,489)	(3,976)	(14,855)
<b>Net surplus/deficit</b>	<b>5,306</b>	<b>(5,915)</b>	<b>4,599</b>	<b>10,465</b>	<b>(125)</b>
Beginning fund balance	26,631	31,936	26,021	30,621	41,085
Ending fund balance	\$ 31,936	\$ 26,021	\$ 30,621	\$ 41,085	\$ 40,961
<i>Over (under) minimum reserve requirements</i>	<i>\$ 21,027</i>	<i>\$ 14,029</i>	<i>\$ 18,054</i>	<i>\$ 28,350</i>	<i>\$ 27,736</i>
<b>Capital Improvements Fund:</b>					
Revenues and other sources	\$ 1,696	\$ 1,020	\$ 6,751	\$ 929	\$ 649
Expenditures	29,916	22,981	17,394	4,025	12,025
Net transfers	9,174	5,220	10,643	3,095	11,375
<b>Net surplus/deficit</b>	<b>(19,045)</b>	<b>(16,741)</b>	<b>0</b>	<b>0</b>	<b>1</b>
Beginning fund balance	35,787	16,741	1	1	0
Ending fund balance	\$ 16,741	\$ 1	\$ 1	\$ 0	\$ 1
<b>Wastewater Enterprise Fund:</b>					
Revenues	\$ 8,475	\$ 13,860	\$ 7,225	\$ 7,234	\$ 7,245
Expenditures	19,058	12,457	13,969	7,751	7,925
Net transfers	4,912	2,900	-	-	-
<b>Net surplus/deficit</b>	<b>(5,671)</b>	<b>4,303</b>	<b>(6,745)</b>	<b>(517)</b>	<b>(681)</b>
Beginning fund balance	15,623	9,952	14,255	7,511	6,993
Ending fund balance	\$ 9,952	\$ 14,255	\$ 7,511	\$ 6,993	\$ 6,312
<i>Over (under) minimum reserve requirements</i>	<i>\$ 5,381</i>	<i>\$ 7,828</i>	<i>\$ 2,593</i>	<i>\$ 1,819</i>	<i>\$ 881</i>

Projections for ongoing revenues to support day-to-day operations are primarily trending modestly upward over the term of the forecast. The fund balances of the General Fund and Wastewater Enterprise Fund are projected to far exceed the minimum reserve requirements. Projections for the Capital Improvements Fund demonstrate adequate funding for capital projects included in the baseline scenario.

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Fund balances far exceed the minimum reserve requirements.

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# BUDGET OVERVIEW

continued

## Long-Range Forecasts (cont'd)

### **Options Beyond Baseline Forecasts**

In addition to the baseline scenarios, an interactive forecast model was used to demonstrate the impacts on fund balances based on broad assumptions about the scope of implementation for certain Council priorities and desirable projects. While the baseline scenario projects significant surplus balances, the interactive presentation was intended to bring awareness to the limitations of implementing all desirable projects in the near future.

The Council priorities and desirable projects discussed, as well as economic factors, included the following.

- Projected impacts of a more severe recessionary scenario
- Scenarios based on economic predictions of construction costs increasing 1½- and two-times current levels
- Projected impacts of estimated wastewater rate increases to address potential construction cost increases
- Debt financing option for future potential purchase of the former school district administrative site currently leased by the City as opposed to a cash-funded purchase
- CIP projects in later years with funding not yet identified
- Any other Council priorities not already included in the base budget

## FY 2024-25 Citywide Revenue and Expenditure Budgets

The total appropriation for fiscal year 2024-25 has increased by 24% (including carryforward budget amounts) from \$85.8 million to \$106.1 million, which is comprised of an operating budget of \$57.9 million and a capital improvements budget of \$48.2 million.

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**Total appropriation increased by \$20.3 million or 19%.**

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**Operating budget increased by \$5.7 million or 11%.**

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The operating budget represents a \$5.7 million or 11% increase from fiscal year 2023-24. The most significant increases are \$4.1 million for a one-time PSPRS contribution towards the unfunded liability. \$2.2 million in increases in personnel costs for pay adjustments, added and reallocated positions, and changes in insurance and pension rates; \$0.5 million increase for public transit including the Verde Shuttle; \$0.4 million increase for streets maintenance including one-time and streets rehab; and \$0.4 million for

FY24 budget carryover items into the fiscal year 2024-25.

The capital improvements budget represents a \$14.5 million or 43% increase from fiscal year 2023-24. The most significant increases are \$11.9 million for Sedona In Motion projects including the Uptown Parking garage and \$3.1 million for wastewater system infrastructure needs.

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**Capital improvements budget increased by \$14.5 million or 43%.**

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The following table reflects the overall revenue and expenditure changes by fund.

# BUDGET OVERVIEW

continued

## FY 2024-25 Citywide Revenue and Expenditure Budgets (cont'd)

### BUDGETED REVENUES & EXPENDITURES BY FUND

(In Thousands)

Fund	Revenues			Expenditures		
	FY25 Budget	FY24 Budget	% Change	FY25 Budget	FY24 Budget	% Change
<b>General Fund:</b>						
Ongoing Operations	\$45,814	\$42,905	7%	\$26,637	\$23,107	15%
One-Time Operations	69	50	38%	5,039	2,944	71%
Debt Service	-	-	-	3,773	2,293	65%
Contingencies	-	-	-	300	937	-68%
<b>Total General Fund</b>	<b>\$45,883</b>	<b>\$42,954</b>	<b>7%</b>	<b>\$35,749</b>	<b>\$29,280</b>	<b>22%</b>
<b>Streets Fund:</b>						
Ongoing Operations	\$ 1,108	\$ 1,024	8%	\$ 2,606	\$ 2,379	10%
One-Time Operations	-	-	-	276	140	97%
<b>Total Streets Fund</b>	<b>\$ 1,108</b>	<b>\$ 1,024</b>	<b>8%</b>	<b>\$ 2,882</b>	<b>\$ 2,519</b>	<b>14%</b>
<b>Housing Fund:</b>						
Ongoing Operations	\$ 76,200	\$ 122	62,359%	\$ 519	\$ 503	3%
One-Time Operations	-	-	-	57	454	-87%
Capital Improvements	-	-	-	-	-	-
<b>Total Housing Fund</b>	<b>\$ 76,200</b>	<b>\$ 122</b>	<b>62,359%</b>	<b>\$ 576</b>	<b>\$ 957</b>	<b>-40%</b>
<b>Grants, Donations &amp; Restricted Funds:</b>						
Ongoing Operations	\$ 665	\$ 197	238%	\$ 97	\$ 154	-37%
One-Time Operations	2,217	2,479	-11%	772	488	58%
Capital Improvements	-	-	-	10	79	-87%
Contingencies	500	500	-	500	2,375	-79%
<b>Total Grants, Donations &amp; Restricted Funds</b>	<b>\$ 3,382</b>	<b>\$ 3,176</b>	<b>6%</b>	<b>\$ 1,379</b>	<b>\$ 3,096</b>	<b>-55%</b>
<b>Transportation Sales Tax Fund:</b>						
Ongoing Operations	\$ 169	\$ 572	-70%	\$ 148	\$ 159	-7%
Debt Service	-	-	-	341	341	-
Capital Improvements	4,737	3,929	21%	-	-	-
<b>Total Transportation Sales Tax Fund</b>	<b>\$ 4,906</b>	<b>\$ 4,501</b>	<b>9%</b>	<b>\$ 489</b>	<b>\$ 499</b>	<b>-2%</b>
<b>Capital Improvements Fund:</b>						
Capital Improvements	\$ 1,696	\$ 1,246	36%	\$31,231	\$17,586	78%
<b>Total Capital Improvements Fund</b>	<b>\$ 1,696</b>	<b>\$ 1,246</b>	<b>36%</b>	<b>\$31,231</b>	<b>\$17,586</b>	<b>78%</b>

# BUDGET OVERVIEW

continued

## FY 2024-25 Citywide Revenue and Expenditure Budgets (cont'd)

### BUDGETED REVENUES & EXPENDITURES BY FUND

continued  
(In Thousands)

Fund	Revenues			Expenditures		
	FY25 Budget	FY24 Budget	% Change	FY25 Budget	FY24 Budget	% Change
<b>Development Impact Fees Funds:</b>						
One-Time Operations	\$ -	\$ -	-	\$ 48	\$ 78	-38%
Capital Improvements	537	1,065	-50%	5,926	8,749	-32%
Debt Service	-	-	-	249	249	-
<b>Total Development Impact Fees Funds</b>	<b>\$ 537</b>	<b>\$ 1,065</b>	<b>-50%</b>	<b>\$ 6,223</b>	<b>\$ 9,075</b>	<b>-31%</b>
<b>Art in Public Places Fund:</b>						
Capital Improvements	\$ 4	\$ 4	0%	\$ 119	\$ 232	-49%
<b>Total Art in Public Places Fund</b>	<b>\$ 4</b>	<b>\$ 4</b>	<b>0%</b>	<b>\$ 119</b>	<b>\$ 232</b>	<b>-49%</b>
<b>Public Transit Enterprise Fund:</b>						
Ongoing Operations	\$ 334	\$ 438	-24%	\$ 2,863	\$ 2,457	17%
One-Time Operations			-	306	435	-30%
Capital Improvements	617	1,065	-42%	2,311	1,781	30%
<b>Total Public Transit Enterprise Fund</b>	<b>\$ 951</b>	<b>\$ 1,503</b>	<b>-37%</b>	<b>\$ 4,480</b>	<b>\$ 4,673</b>	<b>-4%</b>
<b>Wastewater Enterprise Fund:</b>						
Ongoing Operations	\$ 6,697	\$ 6,723	<-1%	\$ 5,529	\$ 5,243	5%
One-Time Operations	61	50	22%	160	508	-69%
Capital Improvements	1,717	1,676	2%	8,922	5,157	73%
Debt Service	-	-	-	4,541	4,541	-
Contingencies	-	-	-	100	100	-
<b>Total Wastewater Enterprise Fund</b>	<b>\$ 8,475</b>	<b>\$ 8,449</b>	<b>&lt;1%</b>	<b>\$19,252</b>	<b>\$ 15,548</b>	<b>24%</b>
<b>Information Technology Internal Service Fund:</b>						
Ongoing Operations	\$ 2,879	\$ 2,441	18%	\$ 2,275	\$ 2,047	11%
One-Time Operations	-	141	-100%	401	306	31%
<b>Total Information Technology Fund</b>	<b>\$ 2,879</b>	<b>\$ 2,582</b>	<b>12%</b>	<b>\$ 2,676</b>	<b>\$ 2,352</b>	<b>14%</b>
<b>TOTAL ALL FUNDS</b>	<b>\$69,895</b>	<b>\$66,624</b>	<b>5%</b>	<b>\$106,056</b>	<b>\$85,820</b>	<b>24%</b>
Operating Budget	\$60,587	\$57,640	5%	\$56,889	\$52,236	9%
Capital Improvements Budget	\$ 9,308	\$ 8,984	4%	\$49,167	\$33,584	46%

# BUDGET OVERVIEW

continued

## FY 2024-25 Citywide Revenue and Expenditure Budgets (cont'd)

Although the total fiscal year 2024-25 projected new revenues are \$69.9 million and total fiscal year 2024-25 budgeted expenditures are \$106.1 million, an additional \$33.6 million of accumulated balances will be used for one-time capital infrastructure projects, dedicated reserve purposes, and reduction of surplus balances. This does not include an additional \$17.5 million that will be added to reserve balances.

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*Budget is balanced between revenues, expenditures, use of accumulated balances designated for capital and debt service, and reduction of surplus balances.*

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### TOTAL FUNDING SOURCES AND USES (In Thousands)

FY 2024-25	Revenues & Other Sources of Funds	Expenditures & Other Uses of Funds
<b>Total Revenues &amp; Expenditures</b>	<b>\$69,895</b>	<b>\$106,056</b>
Plus: Use of Accumulated Balances:		
General Fund – Net use of surplus balance toward funding other funds	18,539	-
Grants, Donations & Restricted Funds – Use of funding received in prior years for their dedicated purposes	1,912	-
Transportation Sales Tax Fund – Net of use of accumulated balances set aside for capital projects	11,841	-
Capital Improvements Fund – Use of accumulated balances set aside for funding of capital projects	1,354	-
Development Impact Fee Funds – Use of accumulated balances set aside for funding of capital projects	3,504	-
Art in Public Places Fund – Use of accumulated balances set aside for funding of capital projects and loan from General Fund	209	-
Wastewater Enterprise Fund – Use of accumulated balances set aside for funding of capital projects and equipment replacement and use of surplus balances	3,815	-
<b>Total Use of Accumulated Balances</b>	<b>33,647</b>	<b>-</b>
Less: Additions to Accumulated Reserves:		
Streets Fund – Addition of an operating reserve and increase in equipment replacement reserve	160	-
Housing Fund – Increase in balances reserved for potential affordable/workforce housing development loans	400	-
Public Transit Enterprise Fund – Increase in equipment replacement reserve	237	-
Information Technology Internal Service Fund – Net addition to underfunded reserves	470	-
<b>Total Additions to Accumulated Reserves</b>	<b>1,267</b>	<b>-</b>
<b>Totals</b>	<b>\$102,275</b>	<b>\$106,056</b>

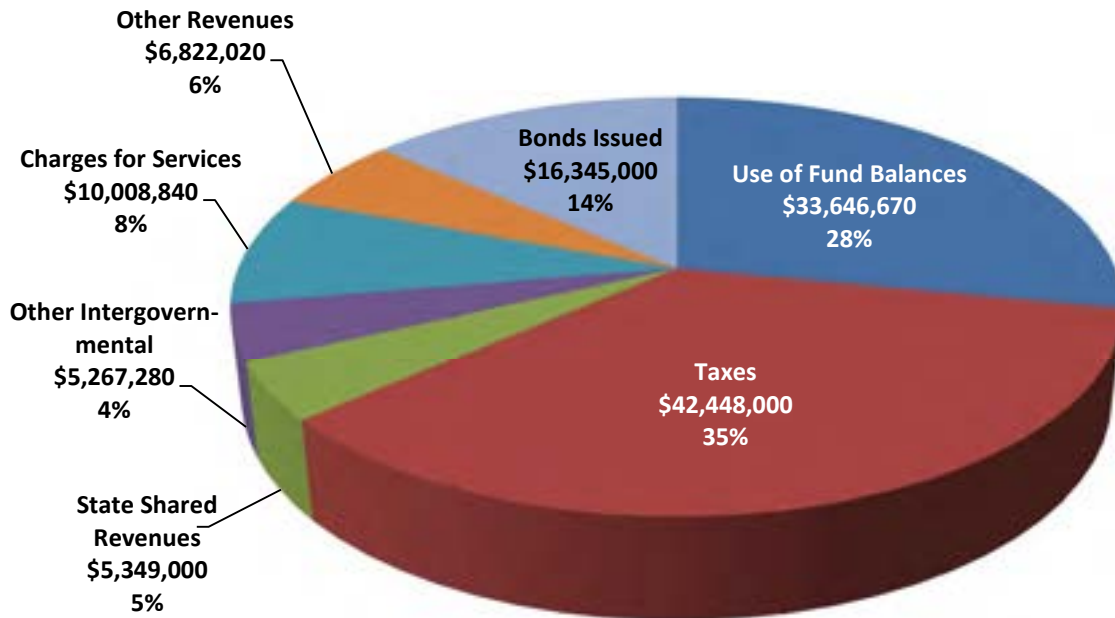
# BUDGET OVERVIEW

continued

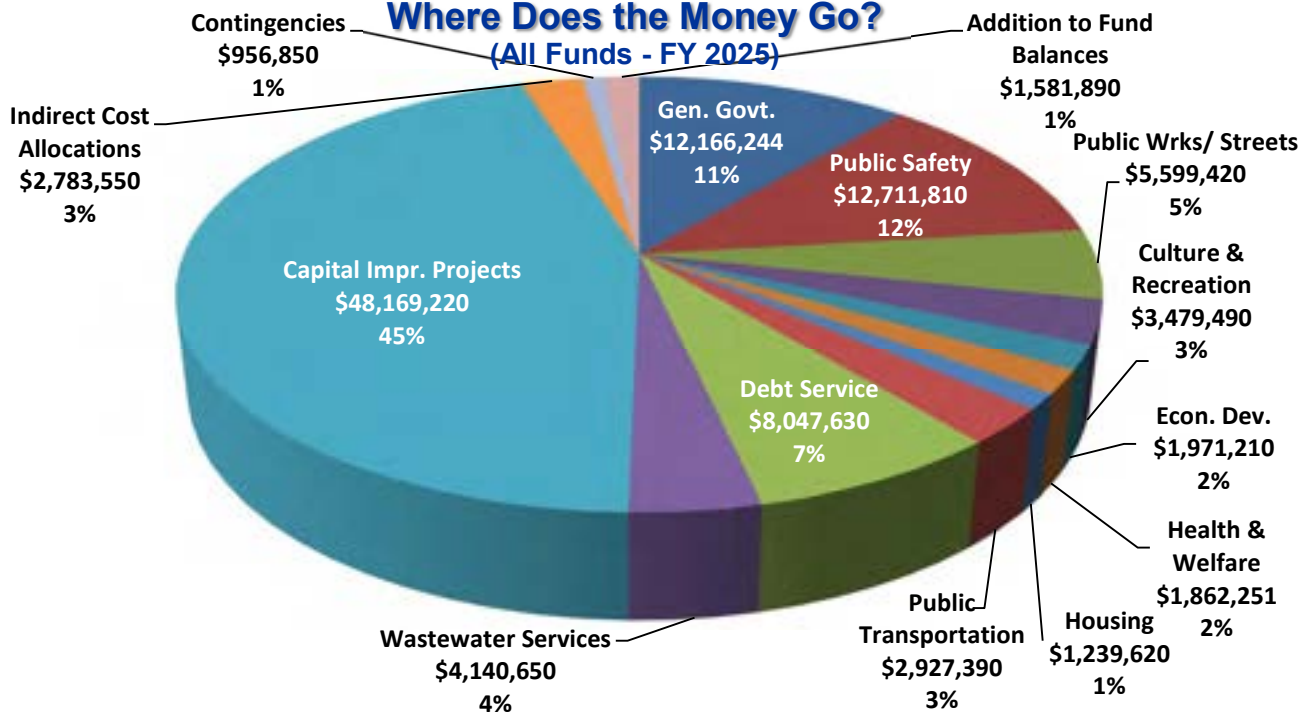
## FY 2024-25 Citywide Revenue and Expenditure Budgets (cont'd)

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

### Where Does the Money Come From? (All Funds - FY 2025)



### Where Does the Money Go? (All Funds - FY 2025)



# BUDGET OVERVIEW

continued

## FY 2024-25 Citywide Revenue and Expenditure Budgets (cont'd)

### Decision Packages

For new budgetary needs with a significant dollar impact, generally more than \$25,000, and requests that result in new or enhanced 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 2024-25 budget.

*Decision Packages are requests resulting in new or enhanced programs or services.*

### FY 2025 DECISION PACKAGES

Department	Description/Basis of Request	Ongoing Costs	One-Time Costs	Total Request
Human Resources	HR Specialist ( <i>Improve Existing Service Level</i> )	\$ 85,700	\$ 5,800	\$ 91,500
CTEI	Destination Marketing ( <i>New – Added Service</i> )	200,000	-	200,000
CTEI	Tourism Coordinator ( <i>New – Added Service</i> )	6,550	125,170	131,720
Parks & Recreation	Autism & Sensory Awareness Guides and Training ( <i>Improve Existing Service Level</i> )	3,200	7,600	10,800
Parks & Recreation	Skate Park Lighting in Posse Grounds ( <i>New – Added Service</i> )	-	68,500	68,500
Public Works	Program Manager (Park/Trails) ( <i>New – Added Service</i> )	141,790	5,870	147,660
Public Works	Custodial Maintenance Worker/EV Work Truck ( <i>Improve Existing Service Level</i> )	88,140	-	88,140
Public Works	Facilities Maintenance Worker/EV Van ( <i>Improve Existing Service Level</i> )	102,220	5,870	108,090
Police	Evidence Technician PT to FT ( <i>Improve Existing Service Level</i> )	43,810	-	43,810
Police	Victim Services Specialist / Background Investigator ( <i>New – Added Service</i> )	79,970	2,900	82,870
Police	Reallocation of 4 Part-Time CSA's to 2 FT CSO's ( <i>Improve Existing Service Level</i> )	95,370	10,680	106,050
Police	PSPRS One-Time Contribution ( <i>Improve Existing Service Level</i> )	-	1,500,000	1,500,000
Municipal Court	Ongoing Temporary Court Clerk ( <i>Improve Existing Service Level</i> )	58,250	-	58,250
Municipal Court	Court Clerk – Post-Adjudicated Cases ( <i>New – Added Service</i> )	77,300	-	77,300
Public Works	Snowplow / Supervisor Truck	22,800	22,000	44,800
IT	WW Wi-Fi	-	35,000	35,000
<b>TOTAL</b>		<b>\$1,123,720</b>	<b>\$1,670,770</b>	<b>\$2,794,490</b>

**BUDGET OVERVIEW**  
continued

**FY 2024-25 Citywide 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 2023-24 and carried forward to fiscal year 2024-25.

**FY 2025 BUDGET CARRYOVERS**

Department	Description	Carryover Amount
<b>General Fund:</b>		
Parks & Recreation	Pool ID Card Printer	\$ 1,250
Financial Services	Banking Services RFP	40,000
Community Development	Cultural Park Area Master Plan	105,000
CTEI	Visitor Study & Tourism Strategic Plan	20,000
<b>Subtotal</b>		<b>166,250</b>
<b>Grants, Donations &amp; Restricted Funds:</b>		
IT	Springbrook Upgrade	10,000
<b>Development Impact Fees Funds:</b>		
General Services	5-Year Fee Study Update	48,000
<b>Wastewater Enterprise Fund:</b>		
Financial Services	Wastewater Rate Study <i>(On Hold)</i>	30,100
Wastewater	Water Level Indicator	700
Wastewater	EV UTV	35,000
Wastewater	Chlorine skid replacements	30,000
Wastewater	Polymer skid replacements	30,000
Wastewater	Injection Well 1 Backflush	30,000
IT	Cellular Signal Boost	10,000
<b>Subtotal</b>		<b>75,000</b>
<b>TOTAL</b>		<b>\$390,050</b>

**BUDGET OVERVIEW**  
continued

**FY 2024-25 Citywide Revenue and Expenditure Budgets (cont'd)**

***Changes from Proposed to Adopted***

During the budget process, changes may be made prior to final adoption as new or better information is obtained. In addition, allocation of surpluses to Council Priorities is not included in the proposed budget and reserved for discussion during the City Council budget work sessions. The changes to the proposed budget identified in the City Council budget work sessions include:

- Certain capital improvement projects were delayed to later years or fiscal year 2024-25 cost estimates were reduced.
- Updates were made for new information for estimated capital improvement costs for fiscal year 2023-24.
- Additional Carryover items were added to the fiscal year 2024-25 budget. \$20,000 for IT was a carryover for the WW cell boost and Springbrook upgrade. Wastewater carried over \$30,000 for the injection Well 1 Backflush. CTEI carried over \$20,000 of the tourism contract.
- Public Works curbside waste program had cost estimate increases for fiscal year 2024-25 of \$13,200.
- For retirement planning, IT added personnel funds as a position overlap for the GIS analyst role of approximately \$70,000.
- Preliminary estimates of pay adjustments, turnover, and related costs were used for the proposed budget. Further refinement of those numbers was available for the tentative budget adoption.
- The surplus balance for fiscal year 2022-23 was allocated to a one-time \$4.1 million contribution toward the Public Safety Personnel Retirement System (PSPRS) unfunded liability.
- The surplus balance for fiscal year 2022-23 in the amount of \$1,000,000 was allocated to the council direct Parking Management System project in uptown.
- Impacts to indirect cost allocations based on the above adjustments were included.

No additional changes were made after the tentative budget adoption or prior to the final budget adoption.

**SUMMARY OF BUDGET CHANGES FROM PROPOSED TO ADOPTED**

	<b>FY2025 Proposed</b>	<b>Adjustments</b>	<b>FY2025 Tentative</b>	<b>Adjustments</b>	<b>FY2025 Adopted</b>
Estimated Fund Balances as of July 1, 2024	\$ 115,880,550	\$476,010	\$ 116,356,560	\$ -	\$ 116,356,560
Estimated Revenues	69,892,340	2,900	69,895,240	-	69,895,240
Budgeted Expenditures	(100,337,530)	(5,818,256)	(106,155,786)	100,000	(106,055,786)
<b>Estimated Fund Balances as of June 30, 2025</b>	<b>\$ 85,435,360</b>	<b>\$(5,339,346)</b>	<b>\$ 80,096,014</b>	<b>\$ 100,000</b>	<b>\$ 80,196,014</b>



# BUDGET OVERVIEW

continued

## FY 2024-25 Citywide Revenue and Expenditure Budgets (cont'd)

### Summary of Changes from FY 2024 to FY 2025

The following table summarizes the changes from the fiscal year 2023-24 adopted budget to the fiscal year 2024-25 adopted budget.

### SUMMARY OF BUDGET CHANGES FROM FY 2024 TO FY 2025

	Operating Budget	Capital Improvements Budget	Totals
<b>FY 2024 Adopted Budget</b>	<b>\$52,235,530</b>	<b>\$33,584,090</b>	<b>\$85,819,620</b>
Increases for <b>traffic</b> improvements including construction of the Uptown parking garage	\$0	\$10,200,830	\$10,200,830
Increases for <b>wastewater operating and capital infrastructure needs</b>	\$234,060	\$2,925,235	\$3,159,295
Decrease for <b>grant contingencies</b>	(\$1,875,320)		(\$1,875,320)
Net increases for <b>Police Department</b> operations and capital infrastructure needs (including addition of 1.4 FTEs)	\$607,408	\$384,200	\$991,608
Decreases for <b>Parks &amp; Recreation</b> capital infrastructure needs		(\$875,000)	(\$875,000)
Decreases for <b>Storm Drainage</b> capital infrastructure needs		(\$780,000)	(\$780,000)
Increases for <b>citywide business software</b>		\$550,000	\$550,000
Increases in <b>streets maintenance</b> costs	\$395,900		\$395,900
Increases in <b>facilities maintenance</b> costs (including addition of 2.0 FTEs)	\$393,155		\$393,155
Increase in one-time additional contribution toward <b>PSPRS unfunded liability</b>	\$2,900,000		\$2,900,000
Increases in <b>information technology</b> costs	\$208,970		\$208,970
Increases for <b>tourism and economic initiatives</b> costs (including addition of 1.0 FTEs)	\$276,580		\$276,580
Decreases for <b>debt service</b> payments on bonds compared to placeholder in prior year	(\$97,230)		(\$97,230)
Increase in <b>small grants program</b> costs	\$150,000		\$150,000
Increases in other existing <b>personnel costs</b> for pay adjustments, other added positions, and change in insurance and pension rates	\$1,155,540		\$1,155,540
Increases in indirect cost allocations (allocations result in double counting of expenditures, not an increase in payments to employees or vendors)	\$297,350		\$297,350
Net increases in other CIP projects		\$2,174,805	\$2,174,805
Other miscellaneous changes	\$1,009,683		\$1,009,683
<b>FY 2025 Proposed Budget</b>	<b>\$57,891,626</b>	<b>\$48,164,160</b>	<b>\$106,055,786</b>

## BUDGET OVERVIEW

continued

### General Fund

The General Fund budget increased from \$29.3 million to \$35.7 million this year, an increase of 22%, primarily due to the one-time payment towards the PSPRS unfunded liability

*General Fund budgeted expenditures increased 22%.*

### Salaries & Benefits Expenditures

*General Fund budgeted salaries and benefits increased 29%.*

Of the total General Fund expenditures, \$21.3 million, or 60%, is attributable to salaries and benefits for the City's employees. This is an increase of approximately \$4.8 million, or 29%, from fiscal year 2023-24. The adjustments to salaries and benefits included in the fiscal year 2024-25 budget included the following:

- **Pay Adjustments** – The overall salary budgets were increased for pay adjustments of approximately 6%. Each year, the December West Region Consumer Price Index (CPI) is used to adjust the pay scale. For December 2023, the CPI was 3.6%.
- **Decision Packages** – Salaries and benefits related Decision Packages of approximately \$890,000 include:
  - HR Specialist included for a cost of \$84,900.
  - Program Manager for Parking/Trails included for a cost of \$124,370.
  - Facilities Maintenance Worker included for a cost of \$103,950.
  - Custodial Maintenance Worker included for a cost of \$86,800.
  - Reallocation of 4 Part-Time CSAs to 2 FT CSOs included for a cost of \$94,550.
  - Evidence Technician PT to FT included for a cost of \$43,810.
  - Victim Services Specialist/Background Investigator included for a cost of \$78,940.
  - Ongoing Temporary Court Clerk included for a cost of \$56,270.
  - New Court Clerk for Post-Adjudicated Cases included for a cost of \$75,320.
- **Additional Positions** – The Economic Development Department was restructured as the Communications, Tourism & Economic Initiatives Department to include a newly formed City-operating Tourism Bureau. A portion of the cost for the former Sedona Chamber of Commerce & Tourism Bureau (SCC&TB) contract has been reallocated to cover the cost of a Tourism & Economic Initiatives Manager and one Tourism & Economic Initiatives Coordinator. <sup>(1)</sup>
- **Benefit Changes** – Increases and decreases to the City's employee benefits for fiscal year 2024-25 were as follows.
  - The City's medical insurance rates increased approximately 7%.
  - The Arizona State Retirement System (ASRS) rates decreased from 12.29% to 12.27%.
  - The PSPRS actuarially determined contribution rate For FY25 is 35.34% for Tier 1 and Tier 2. For Tier 3 that rate is 28.89%. The level-funding approach of \$1.2 million is continued in the budget. In addition, the budget includes an additional one-time contribution of \$4.1 million toward the PSPRS unfunded liability.
- **Other Pay Adjustments** – The remaining adjustments to salaries and benefits accounts are related to various pay changes due to turnover of staff and positions to fill temporary needs.

<sup>(1)</sup> Costs associated with the advancement of Council priorities.

## BUDGET OVERVIEW

continued

### General Fund (cont'd)

#### Supplies & Services Expenditures

Of the total General Fund expenditures, \$9.3 million, or 26%, is attributable to supplies and services. This is an increase of approximately \$1.3 million or 16%, from fiscal year 2023-24. The adjustments to supplies and services included in the fiscal year 2024-25 budget included the following:

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*General Fund budgeted  
supplies and services  
increased 16%.*

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- **Ongoing Decision Packages** – Supplies and services costs included in the Decision Packages represent approximately \$289,050 of ongoing costs.
  - Destination marketing is included for a cost of \$200,000.
  - Autism and sensory awareness guides and training are included for a cost of \$3,200.
- **One-Time Decision Packages** – Supplies and services costs included in the Decision Packages represent approximately \$170,000 of one-time costs.
  - Skate Park lighting in Posse Grounds included for a cost of \$68,500.
  - Autism and sensory awareness guides and training is included for a cost of \$7,600.
  - Other costs related to the facilities furniture budget of \$9,750.
- **Ongoing Costs** – Some of the more significant changes in ongoing costs include the following:
  - The former Economic Development Department was renamed as the Communications, Tourism & Economic Initiatives Department. Most of the costs related to economic diversification were carried over to the new department with some reductions. The former Sedona Chamber of Commerce & Tourism Bureau (SCCTB) contract was reallocated to a tourism initiatives contingency with portions allocated during the budget process to various costs of the Communications, Tourism & Economic Initiatives Department, including staffing, a destination marketing packet, and support for the Visitor Center. The net impact to supplies and services accounts was an increase of approximately \$402,530.<sup>(1)</sup>
  - Increases to the community service contracts totaled approximately \$48,230, with the largest increase being the Sedona Public Library, Inc. at approximately \$31,150. Typically, these contracts include a provision for increases based on the December West Region Consumer Price Index (CPI). For December 2023 that increase was 3.6%.
- **One-Time Costs** – The most significant change in one-time costs includes the following:
  - Consultant costs with DVA for marketing services related to the development of the Communications, Tourism, & Economic Initiatives Department of \$100,000.<sup>(1)</sup>

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<sup>(1)</sup> Costs associated with the advancement of Council priorities.

# BUDGET OVERVIEW

continued

## General Fund (cont'd)

### **Indirect Cost Allocations**

*General Fund budgeted indirect cost allocations increased 17%.*

Of the total General Fund expenditures, approximately \$597,000, or 2%, is attributable to indirect cost allocations. This is an increase of approximately \$88,000, or 17%, from fiscal year 2023-24 due to increases in and a reallocation of indirect costs. See the Internal Charges section for more details.

### **Capital & Debt Service Expenditures**

Of the total General Fund expenditures, \$4.2 million, or 12%, is attributable to capital and debt service expenditures. This is an increase of approximately \$893,000 or 27%.

*General Fund budgeted capital and debt service increased 27%.*

Debt service costs increased by approximately \$2.8 million to \$3.8 million largely due to reallocation of debt service costs for the Series 2022 Bonds as well as the issuance of the Series 2024 Bonds.<sup>(1)</sup> The bond principal and interest payments are paid based on debt retirement schedules specified in the bond documents. Financed purchases and lease payments are paid based on debt service schedules specified in the agreements.

Capital expenditures for fiscal year 2024-25 of approximately \$460,000 included the following:

- Placeholders for various City facility and parks improvements for \$399,600.
- Upfit for replacement police vehicles for \$9,000.
- Balloon payments for city vehicles for \$20,100.

### **Contingencies**

*General Fund contingency budget increased 70%.*

Of the total General Fund expenditures, approximately \$300,000, or <1%, is attributable to contingency budgets. This is a decrease of approximately \$637,000 or 68% due to the reduction of contingencies for tourism and economic initiatives. The dollar amount for the former contract with the SCCTB was used to establish the budget amounts for the new City-operated tourism bureau. With the establishment of the new department, the contingency has been reduced.

### **Revenues**

General Fund revenues were projected to increase \$6.8 million, or 7%, in fiscal year 2024-25 from the prior year budget amounts. Compared to fiscal year 2023-24 estimates, revenue is projected to decrease 2%. After ongoing significant increases in city sales and bed tax revenues, fiscal year 2023-24 amounts were \$3.2 million more than fiscal year 2022-23 and significantly higher than original projections. More details regarding the projection of revenues can be found in the Revenue Trends section.

*General Fund budgeted revenues increased 7%.*

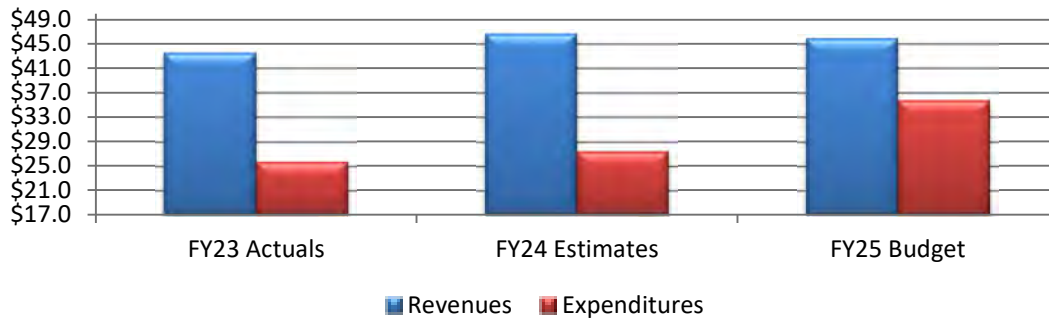
<sup>(1)</sup> Costs associated with the advancement of Council priorities.

# BUDGET OVERVIEW

continued

## General Fund (cont'd)

### General Fund Revenues & Expenditures (In Millions)



## Streets Fund

The Streets Fund expenditure budget increased from \$2.5 million to \$2.9 million this year, an increase of 14%. The increase is largely due an increase in one-time capital related costs of approximately \$275,000 and an increases in costs for supplies and services of approximately \$196,00.

*Streets Fund budgeted expenditures increased 14%.*

*Streets Fund budgeted salaries and benefits increased 5%.*

### **Salaries & Benefits Expenditures**

Of the total Streets Fund expenditures, approximately \$435,000, or 15%, is attributable to salaries and benefits for the City’s employees. This is an increase of approximately \$22,000, or 5%, over fiscal year 2023-24 due to pay adjustments and changes in benefit rates, offset by a reduction of position allocations to the Streets Fund.

### **Supplies & Services Expenditures**

Of the total Streets Fund expenditures, \$1.9 million, or 67%, is attributable to supplies and services. This is an increase of approximately \$196,000, or 11%, largely due to increases in costs for the streets rehabilitation and pavement preservation program.

*Streets Fund budgeted supplies and services increased 11%.*

*Streets Fund budgeted indirect cost allocations increased 8%.*

### **Indirect Cost Allocations**

Of the total Streets Fund expenditures, approximately \$248,000, or 9%, is attributable to indirect cost allocations. This is an increase of approximately \$19,000, or 8%, from fiscal year 2023-24 due to a reallocation of indirect. See the Internal Charges section for more details.

# BUDGET OVERVIEW

continued

## Streets Fund (cont'd)

### Capital & Debt Service Expenditures

Of the total Streets Fund expenditures, approximately \$276,000, or 10%, is attributable to capital and debt service expenditures. This is an increase of approximately \$125,000 or 83%.

*Streets Fund budgeted capital and debt service increased 83%.*

Debt service costs increased by approximately \$64,000 to approximately \$159,000 and represent payments for financed purchases and leases. Financed purchases and lease payments are paid based on debt service schedules specified in the agreements.

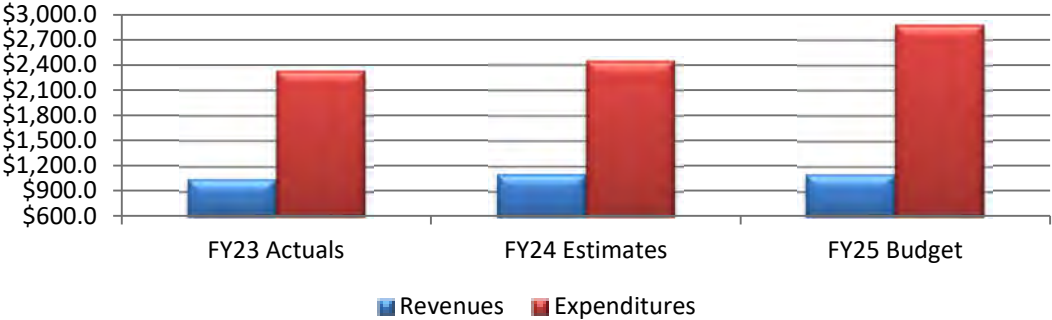
Capital expenditures for fiscal year 2024-25 increased by approximately \$61,000 to approximately \$116,000 and include sidewalk improvements.

### Revenues

*Streets Fund budgeted revenues increased 8%.*

Streets Fund revenues were projected to increase approximately \$84,000, or 8%, to \$1.1 million in fiscal year 2024-25. The increase is largely a result of a projected increase of state shared gas taxes. See the Revenue Trends section for further discussion.

**Streets Fund  
Revenues & Expenditures**  
(In Thousands)



## Housing Fund<sup>(1)</sup>

The Housing Fund expenditure budget decreased from \$957,000 to \$576,000 this year, a decrease of 40%. The decrease is primarily due to a decrease for the placeholder for a potential safe-place-to-park program for Sedona workforce.

*Housing Fund budgeted expenditures decreased 40%, while revenues decreased 37%.*

<sup>(1)</sup> Costs associated with the advancement of Council priorities.

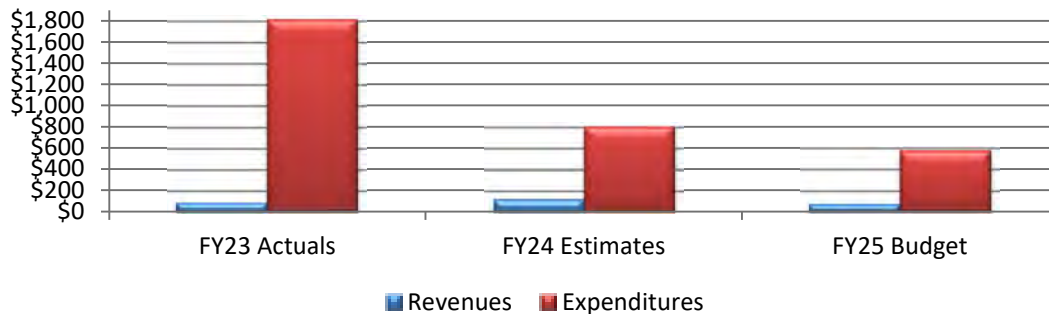
# BUDGET OVERVIEW

continued

## Housing Fund (cont'd)

Budgeted revenues decreased by approximately \$46,000, or 37%, to approximately \$76,000 in fiscal year 2024-25. The decrease is primarily due to an anticipated decrease in intergovernmental reimbursements. See the Revenue Trends section for further discussion.

### Housing Fund Revenues & Expenditures (In Thousands)



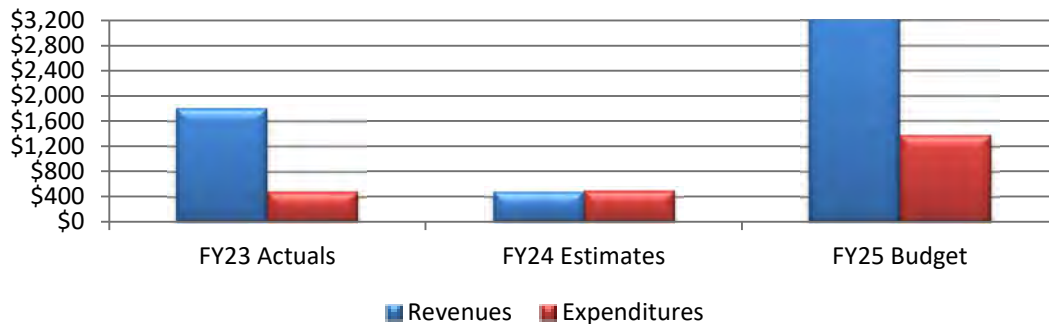
## Grants, Donations & Restricted Funds

The Grants, Donations & Restricted Funds expenditure budget decreased from \$3.1 million to \$1.4 million, a decrease of 55%. The decrease is largely due to a reduction in grant contingency funds from the American Rescue Plan Act (ARPA) monies.

*Grants, Donations, Restricted Funds budgeted expenditures decreased 55%, while revenues increased 6%.*

Budgeted revenues increased by approximately \$206,000, or 6%, to \$3.4 million in fiscal year 2024-25. The increase is primarily due to the corresponding increases in grant expenditures. See the Revenue Trends section for further discussion.

### Grants, Donations & Restricted Funds Revenues & Expenditures (In Thousands)



<sup>(1)</sup> Costs associated with the advancement of Council priorities.

# BUDGET OVERVIEW

continued

## Transportation Sales Tax Fund

The Transportation Sales Tax Fund expenditure budget decreased from approximately \$499,000 to approximately \$489,000 this year, a decrease of 2%, largely due to a reduction in personnel costs.<sup>(1)</sup>

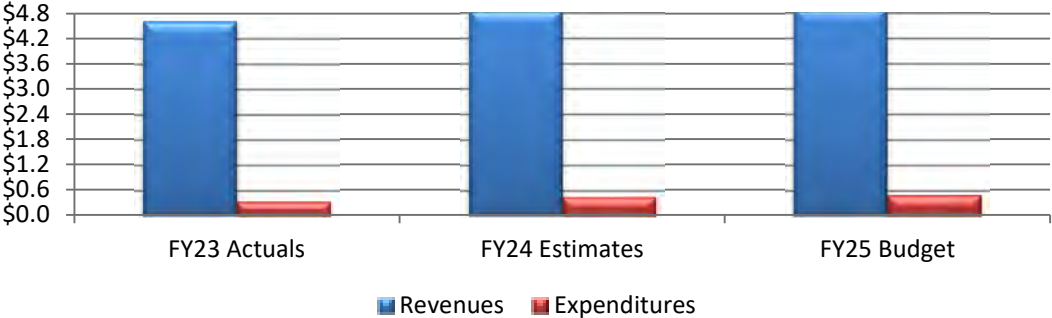
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*Transportation Sales Tax Fund budgeted expenditures decreased 2%, while revenues increased 9%.*

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Budgeted revenues increased by approximately \$405,000 million, or 9%, to \$4.9 million in fiscal year 2024-25. The revenues are primarily comprised of the half-cent sales tax dedicated to transportation projects and related administrative and operational costs that was effective March 1, 2018. See the Revenue Trends section for further discussion.

**Transportation Sales Tax Fund  
Revenues & Expenditures**  
(In Millions)



## Capital Improvements Fund

The Capital Improvements Fund expenditure budget increased from \$17.6 million to \$31.2 million this year, an increase of 78%. Some of the other capital projects added for fiscal year 2024-25 include \$13.9 for the construction of the Uptown parking garage, \$705,000 for additional shared-use path projects, \$1 million for the development of an Uptown parking system, \$500,000 for replacement of in-car video systems for the police department, and \$250,000 for sustainability projects <sup>(1)</sup>.

---

*Capital Improvements Fund budgeted expenditures increased 78%, while revenues increased 36%.*

---

Budgeted revenues increased by approximately \$450,000, or 36%, to \$1.7 million in fiscal year 2024-25. The increase is due to one-time grant funding and an anticipated increase in investment earnings due to increases in interest rates. See the Revenue Trends section for further discussion.

<sup>(1)</sup> Costs associated with the advancement of Council priorities.

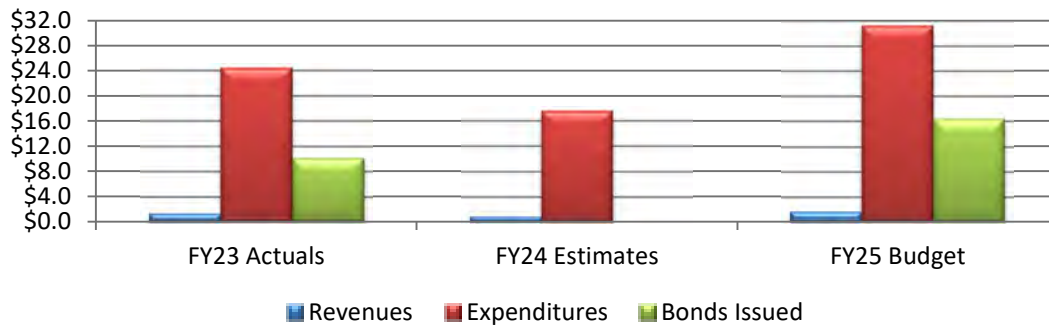


# BUDGET OVERVIEW

continued

## Capital Improvements Fund (cont'd)

### Capital Improvements Fund Revenues & Expenditures (In Millions)



## Development Impact Fees Funds

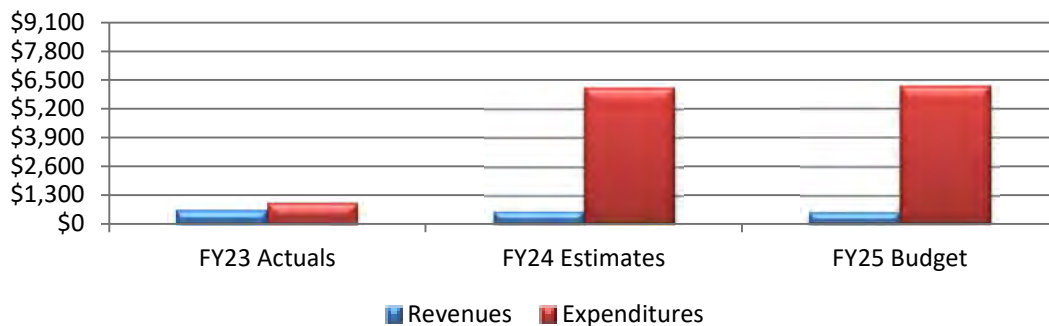
The Development Impact Fees Funds expenditure budget decreased from approximately \$9.1 million to \$6.2 million this year, a decrease of 32%. The budgeted expenditures are primarily related to capital improvements for streets and transportation projects and parks projects.<sup>(1)</sup>

*Development Impact Fees Funds budgeted expenditures decreased 32%.*

Budgeted revenues decreased from approximately \$1.1 million to \$537,000, a decrease of 51%. See the Revenue Trends section for further discussion.

*Development Impact Fees Funds budgeted revenues decreased 51%.*

### Development Impact Fees Funds Revenues & Expenditures (In Thousands)



<sup>(1)</sup> Costs associated with the advancement of Council priorities.

# BUDGET OVERVIEW

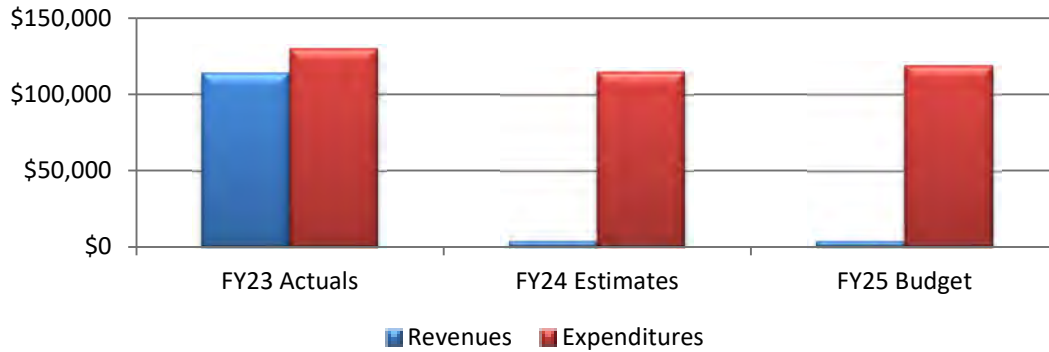
continued

## Art in Public Places Fund

Until fiscal year 2021-22, there have been no projects for the Art in Public Places Fund since fiscal year 2015-16. Revenues have been minor other than a \$65,000 donation received in fiscal year 2022-23. For fiscal year 2024-25, the completion of the placement of art in several roundabouts is budgeted for approximately \$119,000.

*Art in Public Places Fund budgeted expenditures are approximately \$119,000.*

### Art in Public Places Fund Revenues & Expenditures



## Public Transit Enterprise Fund<sup>(1)</sup>

The Public Transit Enterprise Fund expenditure budget increased from \$4.7 million to \$5.5 million, an increase of 17%. The increase is largely due to an increase in capital improvement projects.

*Public Transit Fund budgeted expenditures increased 17%.*

### Salaries & Benefits Expenditures

*Public Transit Fund budgeted salaries and benefits increased 1%.*

Of the total Public Transit Fund expenditures, approximately \$213,000, or 4%, is attributable to salaries and benefits for the City’s employees. This is an increase of approximately \$3,000, or 1%, over fiscal year 2023-24 due to pay adjustments and changes in benefit rates.

### Supplies & Services Expenditures

Of the total Public Transit Fund expenditures, \$2.4 million, or 44%, is attributable to supplies and services. This is an increase of approximately \$355,000, or 17%, primarily due to increased expenses for the Microtransit services as well as the Verde Shuttle.

*Public Transit Fund budgeted supplies and services increased 17%.*

<sup>(1)</sup> Costs associated with the advancement of Council priorities.

# BUDGET OVERVIEW

continued

## Public Transit Enterprise Fund (cont'd)

### Indirect Cost Allocations

*Public Transit Fund budgeted indirect cost allocations increased 60%.*

Of the total Public Transit Fund expenditures, approximately \$256,000, or 5%, is attributable to indirect cost allocations. This is an increase of approximately \$96,000, or 60%, over fiscal year 2023-24. The increases were primarily due to planned implementation of the and micro-transit systems. See the Internal Charges section for more details.

### Capital & Debt Service Expenditures

Of the total Public Transit Fund expenditures, approximately \$311,000, or 6%, is attributable to capital and debt service expenditures. This is a decrease of approximately \$133,000 or 30%.

*Public Transit Fund budgeted capital and debt decreased 30%.*

Debt service costs decreased by approximately \$3,000 to approximately \$301,000. Payments for financed purchases are paid based on debt service schedules specified in the agreements.

Capital expenditures for fiscal year 2024-25 of approximately \$10,000 include improvements to asphalt repairs and benches at bus stops.

### Capital Improvement Projects

*Public Transit Fund budgeted capital improvement projects increased 29%.*

Of the total Public Transit Fund expenditures, \$2.3 million, or 42%, is attributable to capital improvement projects. This is an increase of approximately \$519,000 or 29%.

Of the total capital improvement expenditures, \$2.1 million represents continuing projects. Other capital projects added for fiscal year 2024-25 are an increase of \$175,000.

### Revenues

Public Transit Fund revenues were projected to decrease approximately \$552,000, or 37%, to \$951,000 in fiscal year 2024-25. The decrease is largely the result of estimated decreases in grant funding for operations and capital improvements. See the Revenue Trends section for further discussion.

*Public Transit Fund budgeted revenues increased 37%.*

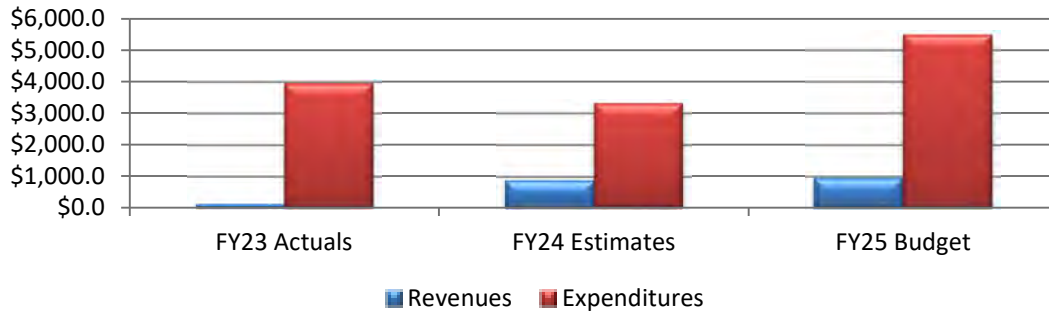
<sup>(1)</sup> Costs associated with the advancement of Council priorities.

# BUDGET OVERVIEW

continued

## Public Transit Enterprise Fund (cont'd)

### Public Transit Enterprise Fund Revenues & Expenditures (In Thousands)



### Wastewater Enterprise Fund

The Wastewater Enterprise Fund expenditure budget increased from \$15.5 million to \$19.3 million this year, an increase of 25%. The increase is largely due to an increase in capital improvement projects.

*Wastewater Fund budgeted expenditures increased 25%.*

#### Salaries & Benefits Expenditures

*Wastewater Fund budgeted salaries and benefits increased 6%.*

Of the total Wastewater Fund expenditures, \$1.97 million, or 10%, is attributable to salaries and benefits for the City's employees. This is an increase of approximately \$105,000, or 6%, over fiscal year 2023-24 due to pay adjustments and changes in benefit rates.

#### Supplies & Services Expenditures

Of the total Wastewater Fund expenditures, \$2.2 million, or 11%, is attributable to supplies and services. This is an increase of approximately \$142,000 or 7%. The increase was largely due to an increase in utility costs.

*Wastewater Fund budgeted supplies and services increased 7%.*

#### Indirect Cost Allocations

*Wastewater Fund budgeted indirect cost allocations decreased 9%.*

Of the total Wastewater Fund expenditures, \$1.5 million, or 8%, is attributable to indirect cost allocations. This is an increase of approximately \$125,000, or 9%, from fiscal year 2023-24. 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, \$4.9 million, or 25%, is attributable to capital and debt service expenditures. This is a decrease of approximately \$98,000 or 2%.

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Wastewater Fund budgeted capital and debt service decreased 2%.

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Debt service costs decreased by approximately \$203,000 to \$4.5 million. Bond principal and interest payments are paid based on debt retirement schedules specified in the bond documents. Financed purchases and lease payments are paid based on debt service schedules specified in the agreements.

Capital expenditures for fiscal year 2024-25 of approximately \$335,000 included the following:

- Replacement of plant equipment (chlorine pumps, polymer skids) for \$174,000.
- Vehicle balloon payment lease payoff for \$6,000.
- Replacement of Tertiary Filter Media Replacement and other equipment \$80,000.
- Other miscellaneous technology items and equipment were also included.

**Capital Improvement Projects**

Of the total Wastewater Fund expenditures, \$8.6 million, or 45%, is attributable to capital improvement projects. This is an increase of approximately \$3.4 million or 67%.

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Wastewater Fund budgeted capital improvement projects increased 67%.

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Of the total capital improvement expenditures, \$8.4 million represents continuing projects. Other capital projects added for fiscal year 2024-25 are minimal.

**Contingencies**

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No change in Wastewater Fund contingency budget.

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Of the total Wastewater Fund expenditures, \$100,000, or less than 1%, is attributable to contingency budgets. This is the same level budgeted for fiscal year 2023-24.

**Revenues**

Wastewater Fund revenues were projected to increase approximately \$26,000, or <1%, to \$8.5 million in fiscal year 2024-25. The increase is largely a result of an anticipated increase in investment earnings due to increases in interest rates. The city anticipates seeing greater revenue in fiscal year 2024-25 after the council approved rate increase goes into effect. See the Revenue Trends section for further discussion.

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Wastewater Fund budgeted revenues increased <1%.

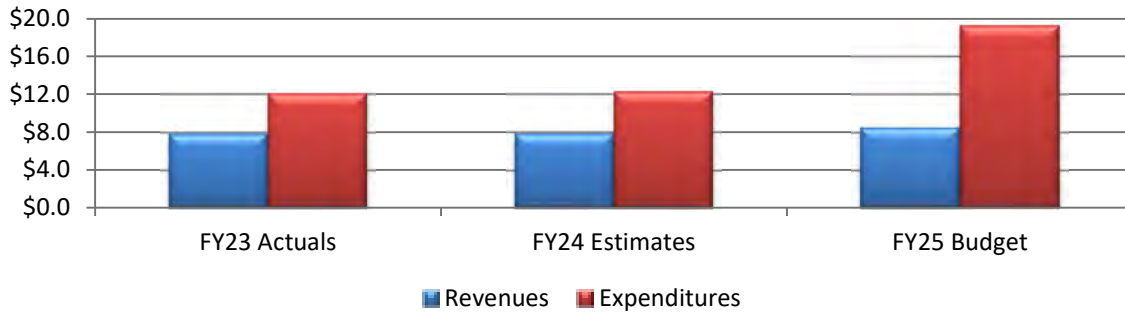
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# BUDGET OVERVIEW

continued

## Wastewater Enterprise Fund (cont'd)

### Wastewater Enterprise Fund Revenues, Expenditures, & Debt Refinancing (In Millions)



### Information Technology Internal Service Fund

The Information Technology Fund expenditure budget increased from \$2.4 million to \$2.7 million this year, an increase of 14%. The increase was primarily the result of increases in hardware/software replacement, maintenance, and support costs.

*Information Technology Fund budgeted expenditures increased 14%.*

#### Salaries & Benefits Expenditures

*Information Technology Fund budgeted salaries and benefits increased 8%.*

Of the total Information Technology Fund expenditures, approximately \$917,000, or 34%, is attributable to salaries and benefits for the City's employees. This is an increase of approximately \$66,000, or 8%, over fiscal year 2023-24 due to pay adjustments and changes in benefit rates as well as a position overlap for the retirement of a current GIS employee.

#### Supplies & Services Expenditures

Of the total Information Technology Fund expenditures, approximately \$1.5 million, or 56%, is attributable to supplies and services. This is an increase of approximately \$202,000, or 15%. The increase was primarily due to increases in hardware/software maintenance and support costs.

*Information Technology Fund budgeted supplies and services increased 15%.*

#### Indirect Cost Allocations

*Information Technology Fund budgeted indirect cost allocations decreased 21%.*

Of the total Information Technology Fund expenditures, approximately \$127,000, or 5%, is attributable to indirect cost allocations. This is a decrease of approximately \$34,000, or 21%, from fiscal year 2023-24. See the Internal Charges section for more details.

# BUDGET OVERVIEW

continued

## Information Technology Internal Service Fund (cont'd)

### Capital & Debt Service Expenditures

Of the total Information Technology Fund expenditures, approximately \$122,000, or 5%, is attributable to capital and debt service expenditures. This is a decrease of approximately \$77,000, or 39%.

*Information Technology Fund budgeted capital decreased 39%.*

Debt service costs increased by approximately \$10,000, due to implementation of GASB 87 and the reclassification of leases previously recording as operating leases. Lease payments are paid based on debt service schedules specified in the lease agreements.

Capital expenditures for fiscal year 2024-25 of approximately \$72,000 included the following:

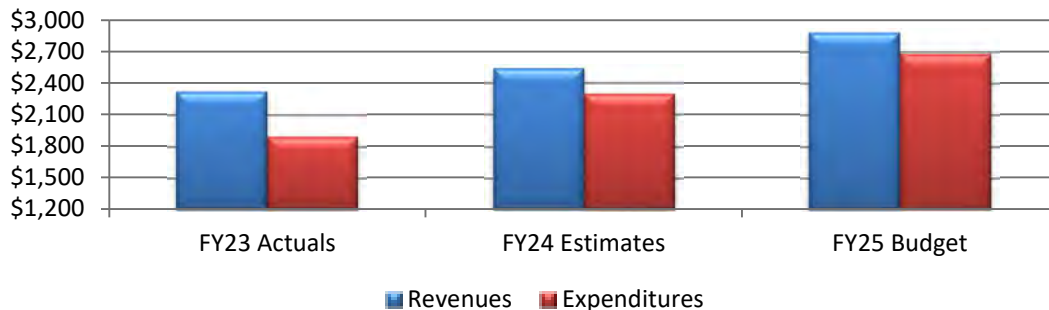
- Replacement of virtual server hardware and software was included for approximately \$37,000.
- A decision package to enhance Wi-Fi at the Wastewater facility for approximately \$35,000.

### Revenues

Information Technology Fund revenues were projected to increase approximately \$297,000, or 12%, to \$2.9 million in fiscal year 2024-25. The increase is based on the indirect cost allocations used to cover the costs of the Fund and to provide for contributions to the equipment replacement reserve.

*Information Technology Fund budgeted revenues increased 12%.*

## Information Technology Fund Revenues & Expenditures (In Thousands)



# CONSOLIDATED FINANCIAL SCHEDULE

**Exhibit A**  
**City of Sedona**  
**FY 2024-25 Final Budget - 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
<b>General Fund</b>												
General Revenues		\$37,711,000		\$570,000	\$4,207,500		\$1,492,800	\$43,981,300		(\$18,539,060)		
General Government					\$14,500	\$281,330	\$825,440	\$1,121,270			\$7,125,680	
Public Safety					\$1,100	\$484,200	\$131,300	\$616,600			\$15,018,010	
Public Works & Streets						\$15,700	\$6,200	\$21,900			\$2,442,490	
Health & Welfare								\$0			\$1,688,960	
Public Transportation								\$0			\$82,880	
Culture & Recreation						\$80,400	\$61,150	\$141,550			\$3,792,850	
Tourism Management & Economic Development								\$0			\$2,197,400	
Debt Service								\$0			\$3,100,600	
Contingencies								\$0			\$300,000	
<b>Total General Fund</b>	<b>\$26,734,418</b>	<b>\$37,711,000</b>	<b>\$0</b>	<b>\$570,000</b>	<b>\$4,223,100</b>	<b>\$861,630</b>	<b>\$2,516,890</b>	<b>\$45,882,620</b>	<b>\$0</b>	<b>(\$18,539,060)</b>	<b>\$35,748,870</b>	<b>\$18,329,108</b>
<b>Special Revenue Funds</b>												
Streets Fund	\$1,159,950				\$1,078,000		\$29,600	\$1,107,600	\$1,938,220		\$2,881,930	\$1,323,840
Affordable Housing Fund	\$18,900,000						\$76,200	\$76,200	\$900,000		\$576,200	\$19,300,000
Grants, Donations & Restricted Funds	\$257,102		\$10,400		\$3,289,980		\$81,220	\$3,381,600		(\$1,911,860)	\$1,378,810	\$348,032
Transportation Sales Tax Fund	\$7,659,808	\$4,737,000					\$168,500	\$4,905,500		(\$11,841,330)	\$489,310	\$234,668
<b>Total Special Revenue Funds</b>	<b>\$27,976,860</b>	<b>\$4,737,000</b>	<b>\$10,400</b>	<b>\$0</b>	<b>\$4,367,980</b>	<b>\$0</b>	<b>\$355,520</b>	<b>\$9,470,900</b>	<b>\$2,838,220</b>	<b>(\$13,753,190)</b>	<b>\$5,326,250</b>	<b>\$21,206,540</b>
<b>Capital Projects Funds</b>												
Capital Improvements Fund	\$35,929,599				\$1,225,000		\$470,900	\$1,695,900	\$20,327,180	(\$1,354,420)	\$31,230,930	\$25,367,329
Development Impact Fees Funds <sup>(1)</sup>	\$1,507,160						\$536,920	\$536,920	\$1,311,520		\$6,222,680	(\$2,867,080)
Art in Public Places Fund <sup>(2)</sup>	\$89,803						\$4,090	\$4,090	\$42,900		\$119,000	\$17,793
<b>Total Capital Projects Funds</b>	<b>\$37,526,562</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,225,000</b>	<b>\$0</b>	<b>\$1,011,910</b>	<b>\$2,236,910</b>	<b>\$21,681,600</b>	<b>(\$1,354,420)</b>	<b>\$37,572,610</b>	<b>\$22,518,042</b>
<b>Enterprise Funds</b>												
<b>Public Transit Fund</b>												
Administration					\$183,600			\$183,600	\$4,179,990		\$307,070	
Operations & Capital Projects Management						\$35,700		\$35,700			\$2,721,400	
Departmental Allocations						\$800	\$114,000	\$114,800			\$80,440	
Capital Projects					\$616,600			\$616,600			\$2,371,070	
<b>Total Public Transit Fund</b>	<b>\$6,603,886</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$800,200</b>	<b>\$36,500</b>	<b>\$114,000</b>	<b>\$950,700</b>	<b>\$4,179,990</b>	<b>\$0</b>	<b>\$5,479,980</b>	<b>\$6,254,596</b>
<b>Wastewater Fund</b>												
Administration						\$6,251,100	\$2,223,701	\$8,474,801	\$4,911,860		\$964,300	
Operations & Capital Projects Management								\$0			\$4,183,030	
Departmental Allocations								\$0			\$1,090,380	
Capital Projects								\$0			\$8,580,420	
Debt Service								\$0			\$4,334,500	
Contingencies								\$0			\$100,000	
<b>Total Wastewater Fund</b>	<b>\$15,818,335</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,251,100</b>	<b>\$2,223,701</b>	<b>\$8,474,801</b>	<b>\$4,911,860</b>	<b>\$0</b>	<b>\$19,252,630</b>	<b>\$9,952,366</b>
<b>Total Enterprise Funds</b>	<b>\$22,422,221</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$800,200</b>	<b>\$6,287,600</b>	<b>\$2,337,701</b>	<b>\$9,425,501</b>	<b>\$9,091,850</b>	<b>\$0</b>	<b>\$24,732,610</b>	<b>\$16,206,962</b>
<b>Internal Service Fund</b>												
Information Technology Fund	\$1,696,498						\$2,859,710	\$19,600	\$2,879,310	\$35,000	\$2,675,446	\$1,935,362
<b>Total Internal Service Fund</b>	<b>\$1,696,498</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,859,710</b>	<b>\$19,600</b>	<b>\$2,879,310</b>	<b>\$35,000</b>	<b>\$0</b>	<b>\$2,675,446</b>	<b>\$1,935,362</b>
<b>Total All Funds</b>	<b>\$116,356,559</b>	<b>\$42,448,000</b>	<b>\$10,400</b>	<b>\$570,000</b>	<b>\$10,616,280</b>	<b>\$10,008,940</b>	<b>\$6,241,621</b>	<b>\$69,895,241</b>	<b>\$33,646,670</b>	<b>(\$33,646,670)</b>	<b>\$106,055,786</b>	<b>\$80,196,014</b>

<sup>(1)</sup> A balance sheet loan has been budgeted in the General Fund to cover the estimated deficit in the Development Impact Fees Funds and is projected to be repaid in FY 2027-28.



## POSITION LIST/FULL-TIME EQUIVALENTS

### SUMMARY OF FULL-TIME EQUIVALENTS BY FUND

Fiscal Year	General Fund	Streets Fund	Affordable Housing Fund	Transp. Sales Tax Fund	Public Transit Fund	Waste-water Fund	Info. Tech. Fund	Totals
FY2023	145.57	4.35	2.00	1.00	1.50	17.08	6.00	177.50
FY2024	150.08	4.11	2.00	1.00	1.50	17.10	6.00	181.89
FY2025	157.01	4.11	2.00	1.00	1.50	17.10	6.17	188.89

### SUMMARY OF FULL-TIME EQUIVALENTS BY DEPARTMENT

Department	FY2023	FY2024	FY2025
City Council	7.00	7.00	7.00
City Manager’s Office <sup>(1)</sup>	14.20	7.90	5.00
Human Resources	2.00	2.17	3.00
Financial Services	11.24	11.56	11.00
Communications, Tourism & Economic Initiatives <sup>(2)</sup>	-	-	7.00
City Attorney’s Office <sup>(3)</sup>	3.54	3.54	4.00
City Clerk’s Office	2.92	3.88	3.88
Parks & Recreation	9.05	9.02	9.02
Community Development	14.97	15.41	15.14
Public Works <sup>(4)</sup>	35.65	35.85	38.85
Tourism & Economic Initiatives <sup>(2)</sup>	1.00	3.10	-
Sustainability	-	3.00	3.00
Police <sup>(5)</sup>	47.63	48.63	50.00
Municipal Court	5.80	6.33	7.33
Housing	-	2.00	2.00
Public Transit	1.50	1.50	1.50
Wastewater	15.00	15.00	15.00
Information Technology	6.00	6.00	6.17
Total	177.50	181.89	188.89

- <sup>(1)</sup>Decrease in City Manager’s Office due to establishment of a stand-alone department for Communications, Tourism & Economic Initiatives including transfer of Communications positions to the new department.
- <sup>(2)</sup>Increase in Communications, Tourism & Economic Initiatives due to establishment and restructure of a stand-alone department instead of a program under the City Manager’s Office with consolidation of the former Tourism & Economic Initiatives Department.
- <sup>(3)</sup>Increase in City Attorney’s Office due to reestablishment of the part-time Assistant City Attorney position to full-time with the reduction of contracted legal services, offset by a reduction of a temporary city employee position.
- <sup>(4)</sup>Increase in Public Works due to addition of a Program Manager, Facilities Maintenance Worker, and Custodial Maintenance Worker positions.
- <sup>(5)</sup>Increase in Police due to addition of a Victim Services Specialist/Background Investigator position, an increase in the Property & Evidence Technician position from part-time to full-time, and restructure of a portion of the part-time Community Service Aide positions to two full-time Community Service Officer positions.

# POSITION LIST/FULL-TIME EQUIVALENTS

continued

## POSITION LIST

Department/Authorized Position	FY2023	FY2024	FY2025	Change from FY2024
<b>City Council</b>				
Mayor (GF)	1.00	1.00	1.00	-
Vice-Mayor (GF)	1.00	1.00	1.00	-
City Councillors (GF)	5.00	5.00	5.00	-
<b>City Council Total</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>
<b>City Manager's Office</b>				
City Manager (GF)	1.00	1.00	1.00	-
Deputy City Manager (GF)	1.00	2.00	2.00	-
Assistant City Manager/Director of Public Works (GF)	0.20	-	-	-
Housing Manager (AHF)	1.00	-	-	-
Communications & Public Affairs Manager (GF)	1.00	1.00	-	(1.00)
Sustainability Manager (GF)	1.00	-	-	-
Assistant to the City Manager (GF)	1.00	-	-	-
Web Content Manager (GF)	1.00	1.00	-	(1.00)
Arts & Culture Coordinator (GF)	1.00	1.00	1.00	-
Special Initiatives Coordinator (GF)	-	0.90	-	(0.90)
Public Relations Coordinator (GF)	1.00	-	-	-
Sustainability Coordinator (GF)	2.00	-	-	-
Short-Term Rental Specialist (GF)	1.00	-	-	-
Housing Coordinator (AHF)	1.00	-	-	-
Executive Assistant (GF)	1.00	1.00	1.00	-
<b>City Manager's Office Total</b>	<b>14.20</b>	<b>7.90</b>	<b>5.00</b>	<b>(2.90)</b>
<b>Human Resources</b>				
Human Resource Manager (GF)	1.00	1.17	1.00	(0.17)
Human Resource Specialist (GF)	1.00	1.00	2.00	1.00
<b>Human Resources Total</b>	<b>2.00</b>	<b>2.17</b>	<b>3.00</b>	<b>0.83</b>
<b>Financial Services</b>				
Director of Financial Services (GF)	1.00	1.00	1.00	-
Assistant Financial Services Director (GF)	1.00	1.00	1.00	-
Procurement Officer (GF)	1.00	1.00	1.00	-
Accounting Supervisor (GF)	1.00	1.00	1.00	-
Budget & Financial Analyst (GF)	1.00	1.00	1.00	-
Revenue Supervisor (GF)	1.00	1.00	1.00	-
Accountant I (GF)	1.00	1.00	1.00	-
Accounting Technician II (GF)	3.00	3.00	3.00	-
Administrative Assistant (GF)	1.00	1.00	1.00	-
Temporary City Employee (GF)	0.24	0.56	-	(0.56)
<b>Financial Services Total</b>	<b>11.24</b>	<b>11.56</b>	<b>11.00</b>	<b>(0.56)</b>
<b>Communications, Tourism &amp; Economic Initiatives</b>				
Communications & Tourism Director (GF)	-	-	1.00	1.00
Tourism Manager (GF)	-	-	1.00	1.00
Marketing Manager (GF)	-	-	1.00	1.00
Special Initiatives Coordinator (GF)	-	-	1.00	1.00
Tourism & Economic Initiatives Coordinator (GF)	-	-	3.00	3.00
<b>Communications, Tourism &amp; Economic Initiatives Total</b>	<b>-</b>	<b>-</b>	<b>7.00</b>	<b>7.00</b>

# POSITION LIST/FULL-TIME EQUIVALENTS

continued

## POSITION LIST

continued

Department/Authorized Position	FY2023	FY2024	FY2025	Change from FY2024
<b>City Attorney's Office</b>				
City Attorney (GF)	1.00	1.00	1.00	-
Assistant City Attorney (GF)	1.50	1.50	2.00	0.50
Legal Assistant (GF)	1.00	1.00	1.00	-
Temporary City Employee (GF)	0.04	0.04	-	(0.04)
<b>City Attorney's Office Total</b>	<b>3.54</b>	<b>3.54</b>	<b>4.00</b>	<b>0.46</b>
<b>City Clerk's Office</b>				
City Clerk (GF)	1.00	1.00	1.00	-
Deputy City Clerk (GF)	1.00	1.00	1.00	-
Short-Term Rental Specialist (GF)	-	1.00	1.00	-
Records Clerk (GF)	0.88	0.88	0.88	-
Temporary City Employee (GF)	0.04	-	-	-
<b>City Clerk's Office Total</b>	<b>2.92</b>	<b>3.88</b>	<b>3.88</b>	<b>-</b>
<b>Parks &amp; Recreation</b>				
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	1.00	-
Administrative & Recreation Assistant (GF)	2.00	1.00	1.00	-
Events & Rentals Coordinator (GF)	-	1.00	1.00	-
Recreation Assistant (GF)	0.20	0.26	0.26	-
Pool Manager (GF)	0.31	0.27	0.27	-
Pool Assistant Manager (GF)	0.51	0.46	0.46	-
Lifeguard (GF)	1.37	1.15	1.15	-
Swim Instructor (GF)	1.30	1.50	1.50	-
Aqua Fitness Instructor (GF)	0.04	0.03	0.03	-
Scorekeeper/Umpire/Referee (GF)	0.32	0.35	0.35	-
<b>Parks &amp; Recreation Total</b>	<b>9.05</b>	<b>9.02</b>	<b>9.02</b>	<b>-</b>
<b>Community Development</b>				
Director of Community Development (GF)	1.00	1.00	1.00	-
Chief Building Official (GF)	1.00	1.00	1.00	-
Planning Manager (GF)	1.00	1.00	1.00	-
Principal Planner (GF)	1.00	1.00	1.00	-
Senior Planner (GF)	-	-	1.00	1.00
Associate Planner (GF)	2.00	3.00	3.00	-
Building Inspector II (GF)	1.50	1.00	1.00	-
Plans Examiner II (GF)	1.00	1.00	1.00	-
Senior Code Enforcement Officer (GF)	1.00	1.00	1.00	-
Building Permits Technician II (GF)	-	1.00	2.00	1.00
Code Enforcement Officer (GF)	1.00	1.00	1.00	-
Building Permits Technician I (GF)	2.00	2.00	-	(2.00)
Administrative Assistant (GF)	1.00	1.00	1.00	-
Temporary City Employee (GF)	1.47	0.41	0.14	(0.27)
<b>Community Development Total</b>	<b>14.97</b>	<b>15.41</b>	<b>15.14</b>	<b>(0.27)</b>

# POSITION LIST/FULL-TIME EQUIVALENTS

continued

## POSITION LIST

continued

Department/Authorized Position	FY2023	FY2024	FY2025	Change from FY2024
<b>Public Works</b>				
Assistant City Manager/Director of Public Works (GF)	0.71	-	-	-
Assistant City Manager/Director of Public Works (SF)	0.05	-	-	-
Assistant City Manager/Director of Public Works (WWF)	0.04	-	-	-
Director of Public Works/City Engineer (GF)	-	0.84	0.84	-
Director of Public Works/City Engineer (SF)	-	0.10	0.10	-
Director of Public Works/City Engineer (WWF)	-	0.06	0.06	-
Assistant Director of Public Works (GF)	0.75	0.75	0.75	-
Assistant Director of Public Works (SF)	0.25	0.25	0.25	-
Engineering Supervisor (GF)	0.75	0.75	0.75	-
Engineering Supervisor (SF)	0.25	0.25	0.25	-
Associate Engineer (GF)	1.85	1.85	1.85	-
Associate Engineer (TSTF)	1.00	1.00	1.00	-
Associate Engineer (WWF)	0.15	0.15	0.15	-
City Maintenance Manager (GF)	0.76	0.76	0.76	-
City Maintenance Manager (SF)	0.15	0.15	0.15	-
City Maintenance Manager (WWF)	0.09	0.09	0.09	-
Assistant Engineer (GF)	1.95	1.95	1.95	-
Assistant Engineer (WWF)	0.05	0.05	0.05	-
Grants Analyst (GF)	0.50	0.50	0.50	-
Chief Engineering Inspector (GF)	0.50	0.50	0.50	-
Chief Engineering Inspector (WWF)	0.50	0.50	0.50	-
Program Manager - Trails/Parking (GF)	-	-	1.00	1.00
Right-of-Way Supervisor (GF)	0.36	0.36	0.36	-
Right-of-Way Supervisor (SF)	0.58	0.58	0.58	-
Right-of-Way Supervisor (WWF)	0.06	0.06	0.06	-
Facilities Maintenance Supervisor (GF)	0.95	0.95	0.95	-
Facilities Maintenance Supervisor (SF)	0.05	0.05	0.05	-
Assistant Project Manager (GF)	1.00	1.00	1.00	-
Right-of-Way Specialist (GF)	0.24	0.24	0.24	-
Right-of-Way Specialist (SF)	0.70	0.70	0.70	-
Right-of-Way Specialist (WWF)	0.06	0.06	0.06	-
Bike Park Maintenance Worker (GF)	0.25	0.25	0.25	-
Public Works Administrative Supervisor (GF)	0.97	0.97	0.97	-
Public Works Administrative Supervisor (SF)	0.03	0.03	0.03	-
Engineering Services Inspector (GF)	1.20	1.20	1.20	-
Engineering Services Inspector (WWF)	0.80	0.80	0.80	-
City Maintenance Worker II (GF)	6.47	6.76	6.76	-
City Maintenance Worker II (SF)	2.20	1.91	1.91	-
City Maintenance Worker II (WWF)	0.33	0.33	0.33	-
Facilities Maintenance Worker (GF)	1.00	1.00	2.00	1.00
Administrative Assistant (GF)	0.91	0.91	0.91	-
Administrative Assistant (SF)	0.09	0.09	0.09	-
Custodial Maintenance Worker (GF)	3.00	3.00	4.00	1.00
Traffic Control Assistant II (GF)	1.00	1.00	1.00	-
Traffic Control Assistant (GF)	3.10	3.10	3.10	-
<b>Public Works Total</b>	<b>35.65</b>	<b>35.85</b>	<b>38.85</b>	<b>3.00</b>

# POSITION LIST/FULL-TIME EQUIVALENTS

continued

## POSITION LIST

continued

Department/Authorized Position	FY2023	FY2024	FY2025	Change from FY2024
<b>Tourism &amp; Economic Initiatives (previously Economic Development)</b>				
Economic Development Director (GF)	1.00	-	-	-
Tourism & Economic Initiatives Manager (GF)	-	1.00	-	(1.00)
Special Initiatives Coordinator (GF)	-	0.10	-	(0.10)
Tourism & Economic Initiatives Coordinator (GF)	-	2.00	-	(2.00)
<b>Tourism &amp; Economic Initiatives Total</b>	<b>1.00</b>	<b>3.10</b>	<b>-</b>	<b>(3.10)</b>
<b>Sustainability</b>				
Sustainability Manager (GF)	-	1.00	1.00	-
Sustainability Coordinator (GF)	-	2.00	2.00	-
<b>Sustainability Total</b>	<b>-</b>	<b>3.00</b>	<b>3.00</b>	<b>-</b>
<b>Police</b>				
Chief of Police (GF)	1.00	1.00	1.00	-
Deputy Police Chief (GF)	1.00	1.00	1.00	-
Police Lieutenant and Manager (GF)	1.00	2.00	2.00	-
Police Sergeant (GF)	6.00	5.00	5.00	-
Police Detective (GF)	2.00	2.00	2.00	-
Police Officer (GF)	18.00	19.00	19.00	-
Communication/Records Supervisor (GF)	1.00	1.00	1.00	-
Communications Specialist (GF)	8.00	8.00	8.00	-
Community Service Officer (GF)	2.00	2.00	4.00	2.00
Executive Assistant (GF)	1.00	1.00	1.00	-
Police Records Clerk II (GF)	1.00	1.00	1.00	-
Property & Evidence Technician (GF)	0.73	0.73	1.00	0.27
Victim Services Specialist/Background Investigator (GF)	-	-	1.00	1.00
Support Services Technician (GF)	1.00	1.00	1.00	-
Police Records Technician (GF)	1.00	1.00	1.00	-
Community Service Aide (GF)	2.90	2.90	1.00	(1.90)
<b>Police Total</b>	<b>47.63</b>	<b>48.63</b>	<b>50.00</b>	<b>1.37</b>
<b>Municipal Court</b>				
Magistrate Judge (GF)	1.00	1.00	1.00	-
Magistrate Judge Pro-Tem (GF)	0.05	0.05	0.05	-
Court Administrator (GF)	1.00	1.00	1.00	-
Court Clerk (GF)	3.00	3.00	4.00	1.00
Court Security Officer (GF)	0.50	0.50	0.50	-
Temporary City Employee (GF)	0.25	0.78	0.78	-
<b>Municipal Court Total</b>	<b>5.80</b>	<b>6.33</b>	<b>7.33</b>	<b>1.00</b>
<b>Housing</b>				
Housing Manager (AHF)	-	1.00	1.00	-
Housing Coordinator (AHF)	-	1.00	1.00	-
<b>Housing Total</b>	<b>-</b>	<b>2.00</b>	<b>2.00</b>	<b>-</b>

# POSITION LIST/FULL-TIME EQUIVALENTS

continued

## POSITION LIST

continued

Department/Authorized Position	FY2023	FY2024	FY2025	Change from FY2024
<b>Public Transit</b>				
Transit Administrator (PTF)	1.00	1.00	1.00	-
Grants Analyst (PTF)	0.50	0.50	0.50	-
<b>Public Transit Total</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>-</b>
<b>Wastewater</b>				
Director of Wastewater (WWF)	1.00	1.00	1.00	-
WW Regulatory Compliance Specialist (WWF)	1.00	1.00	1.00	-
Chief Collections Operator (WWF)	1.00	1.00	1.00	-
Chief Plant Operator (WWF)	1.00	1.00	1.00	-
Mechanic/Electrician (WWF)	1.00	1.00	-	(1.00)
Project Manager (WWF)	-	-	1.00	1.00
Wastewater Inspector (WWF)	1.00	1.00	1.00	-
Collections Operator III (WWF)	1.00	1.00	2.00	1.00
Lab Technician (WWF)	1.00	1.00	1.00	-
Collections Operator II (WWF)	1.00	1.00	-	(1.00)
Plant Operator II (WWF)	3.00	3.00	3.00	-
Collections/Camera Operator I (WWF)	1.00	1.00	1.00	-
Preventative Maintenance Technician (WWF)	1.00	1.00	1.00	-
Administrative Assistant (WWF)	1.00	1.00	1.00	-
<b>Wastewater Total</b>	<b>15.00</b>	<b>15.00</b>	<b>15.00</b>	<b>-</b>
<b>Information Technology</b>				
Information Technology Manager (ITF)	1.00	1.00	1.00	-
GIS Analyst (ITF)	1.00	1.00	1.00	-
Network Engineer (ITF)	2.00	2.00	2.00	-
System Administrator (ITF)	1.00	1.00	1.00	-
IT Support/Help Desk Technician (ITF)	1.00	1.00	1.17	0.17
<b>Information Technology Total</b>	<b>6.00</b>	<b>6.00</b>	<b>6.17</b>	<b>0.17</b>
<b>City-Wide Totals</b>				
General Fund	145.57	150.18	157.01	6.83
Streets Fund	4.35	4.11	4.11	-
Affordable Housing Fund	2.00	2.00	2.00	-
Transportation Sales Tax Fund	1.00	1.00	1.00	-
Public Transit Fund	1.50	1.50	1.50	-
Wastewater Fund	17.08	17.10	17.10	-
Information Technology Fund	6.00	6.00	6.17	0.17
<b>Total City Full-Time Equivalents</b>	<b>177.50</b>	<b>181.89</b>	<b>188.89</b>	<b>7.00</b>

(AHF) = Affordable Housing Fund  
 (GF) = General Fund  
 (ITF) = Information Technology Internal Service Fund  
 (PT) = Public Transit Fund  
 (SF) = Streets Fund  
 (TSTF) = Transportation Sales Tax Fund  
 (WWF) = Wastewater Enterprise Fund

## POSITION LIST/FULL-TIME EQUIVALENTS

continued

### FY 2025 Staffing Changes

The City staffing changes were based on analyses of departmental needs and funding allocations. The fiscal year 2024-25 budget includes the following changes:

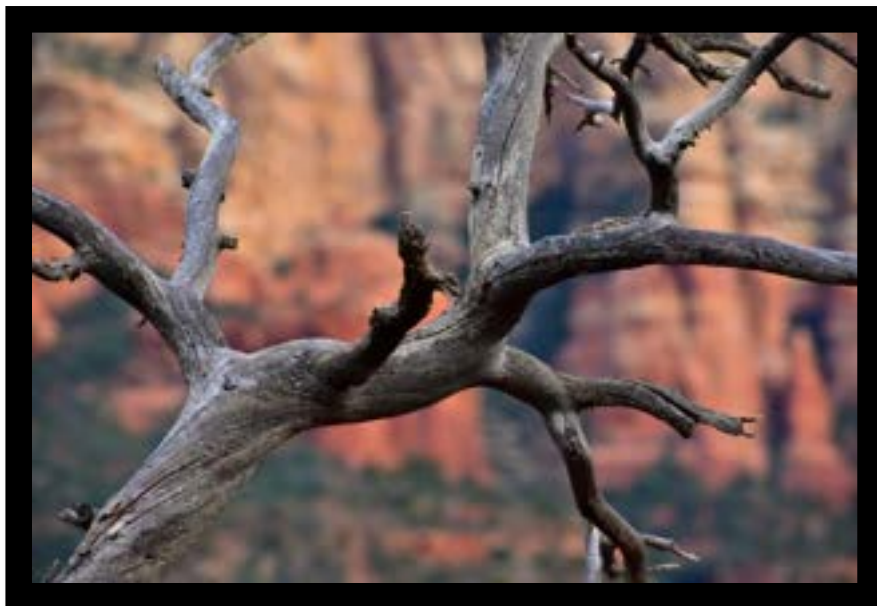
- Seven full-time positions were added:
  - A Human Resources Specialist position was added to the Human Resources Department to address capacity needs and improve service levels for recruitment, retention, and workplace safety.
  - As the in-house Tourism Bureau is developed, staffing needs are being identified. Staffing levels are well below the levels previously included in the budget for the former Sedona Chamber of Commerce & Tourism Bureau (SCC&TB) contract. One additional Tourism & Economic Initiatives Coordinator position has been added for fiscal year 2024-25.
  - A Program Manager position was added to the Public Works Department for a growing need for parking and trails management.
  - A Facilities Maintenance Worker position was added to the Public Works Department for a growing need due to the City's aging facilities and the addition of the Sycamore facility (the former School District admin site). The Ranger Station Park will be completed soon, so the house and barn will also be added to the list of facilities maintained.
  - A Custodial Maintenance Worker position was added to the Public Works Department. An analysis of contracting out a portion of the custodial needs vs. adding another position will be performed, in addition to better definition about service level expectations. Hiring would not be authorized until the analysis is complete.
  - A Victim Services Specialist/Background Investigator position was added to the Police Department to enhance services for victims and address the growing need for background investigations.
  - A Court Clerk - Post Adjudicated Cases position was added to the Municipal Court to catch up on post adjudicated cases.
- The following positions were added or eliminated for facilitation of retirement transitions:
  - A temporary 2-month overlap of the retiring Human Resources Manager with the incoming Human Resources Manager to assist with training and transition of the position was eliminated in the Human Resources Department.
  - TO BE ADDED: A temporary 2-month overlap of the retiring GIS Analyst with the incoming GIS Analyst will be included in the Information Technology Department to assist with training and transition of the position.
- The following positions were transferred to the new Communications, Tourism & Economic Initiatives Department:
  - The Communications & Public Affairs Manager position was transferred from the City Manager's Office and restructured as a Communications & Tourism Director position.
  - The Web Content Manager position was transferred from the City Manager's Office and restructured as a Marketing Manager position.
  - The Special Initiatives Coordinator position was transferred from the City Manager's Office.
  - The Tourism Manager and two Tourism & Economic Initiatives Coordinator positions were transferred from the former Tourism & Economic Initiatives Department.

## POSITION LIST/FULL-TIME EQUIVALENTS

continued

### FY 2025 Staffing Changes

- Six positions were increased from part-time to full-time:
  - In fiscal year 2021-22, an Assistant City Attorney position was reduced to part-time and contracted legal services were increased to fill the gap. For fiscal year 2024-25, the Assistant City Attorney position has been returned to full-time continued
  - The Property & Evidence Technician position was increased from part-time to full-time to address the growing demands for the position.
  - The equivalent of four 19-hour-per-week part-time Community Service Aide positions have been restructured to two full-time Community Service Officer positions due to the difficulties filling the part-time Community Service Aide positions and the need for consistent staffing.
- During fiscal year 2023-24, the City Council authorized staffing changes to address the workload pressures due to significant turnover and difficulties with recruiting, lack of adequate local workforce, and affordability of housing. The following positions were restructured:
  - In fiscal year 2023-24, a Building Permits Technician I position was added through the temporary transfer of the authorized FTE for the Assistant to the City Manager position. Instead of returning the authorized FTE to the City Manager’s Office, the authorized FTE has been permanently transferred to the Community Development Department for a Senior Planner position.
  - A Building Permits Technician I position was restructured as a Building Permits Technician II position in the Community Development Department.
  - The Mechanic/Electrician position was restructured as a Project Manager position in the Wastewater Department.
  - The Collections Operator II position was restructured as a Collections Operator III position in the Wastewater Department.
- Other adjustments included adjustments to the hours of some temporary positions.





## FUND BALANCE

Fund balance is the amount of the City’s assets/deferred outflows of resources in excess of year-end liabilities/deferred inflows of resources. 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.

*Fund balance is an important indicator of the City’s financial position.*

### FY 2025 CHANGES IN FUND BALANCES (In Thousands)

	General Fund	Special Revenue Funds				Capital Projects Funds			Enterprise Funds		Information Technology Internal Service Fund
		Streets Fund	Housing Fund	Grants, Donations & Restricted Funds	Transportation Sales Tax Fund	Capital Improvements Fund	Development Impact Fees Funds	Art in Public Places Fund	Public Transit Fund	Waste-water Fund	
Beginning Fund Balances	\$26,734	\$ 1,160	\$18,900	\$ 257	\$ 7,660	\$35,929	\$ 1,507	\$90	\$6,604	\$15,818	\$1,696
Revenues	45,883	1,108	76	3,382	4,905	1,696	537	4	951	8,475	2,879
Expenditures	35,749	2,882	576	1,379	489	31,231	6,223	119	5,480	19,253	2,675
Other Financing Sources (Uses)	(18,539)	1,938	900	(1,912)	(11,841)	18,973	1,312	43	4,180	4,912	35
<b>Ending Fund Balances</b>	<b>\$18,329</b>	<b>\$1,324</b>	<b>\$19,300</b>	<b>\$ 348</b>	<b>\$ 235</b>	<b>\$25,367</b>	<b>\$(2,867)</b>	<b>\$ 18</b>	<b>\$6,255</b>	<b>\$9,952</b>	<b>\$1,935</b>

### General Fund

The City’s Financial Policies require the unassigned fund balance of the General Fund to be not less than 30% of the total adopted budgeted operating expenditures of the General Fund budget. Any use of the unassigned fund balance below 30% must comply with criteria specified in the policy. Appropriation of a minimum contingency has also been included in the operating budget to provide for emergencies. The City currently includes a \$200,000 general operating contingency in the General Fund expenditure budget.

**Operating Reserve** – The General Fund is estimated to have \$18.3 million in fund balance at the end of fiscal year 2024-25. Of this amount, \$8.8 million is set aside to meet the minimum operating reserve requirement.

**Equipment Replacement Reserve** – Starting fiscal year 2017-18, the City initiated an equipment replacement reserve. The estimated balance at the end of fiscal year 2024-25 is \$2 million for this reserve.

# FUND BALANCE

continued

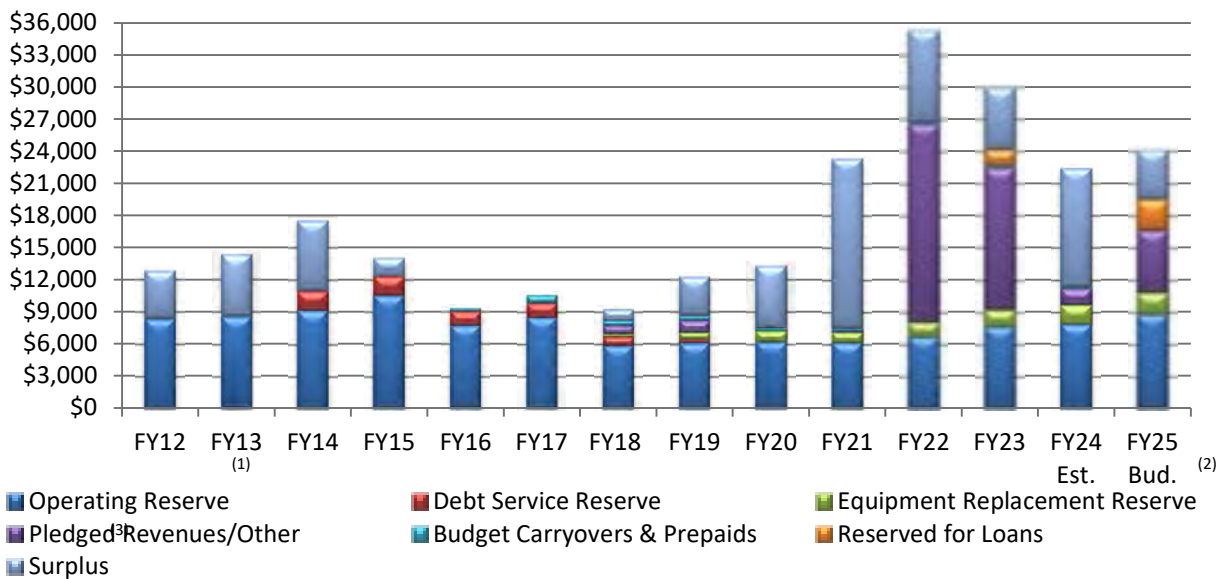
## General Fund (cont'd)

**Reserved for Loans** – The City Council set aside \$2.9 million to cover the projected deficit in the Development Impact Fees Funds. The development impact fees are calculated based on assumptions of fee collections over a 10-year period. Since many of the projects are front-loaded in the early portion of the 10-year period, the fees covering these costs will not be available until after costs are incurred. A loan from the General Fund will likely be necessary to cover deficit balances. Since capital improvement projects frequently do not move forward as quickly as budgeted, the actual extent of the deficits may not be as significant as projected.

**Surplus** – The anticipated surplus of \$4.7 million includes an estimate of \$1.6 million from fiscal year 2023-24 to be allocated in the fiscal year 2025-26 budget process once the actual results are known. The anticipated surplus generated during fiscal year 2024-25 of \$3 million, plus any additional surpluses experienced in actual results for fiscal year 2024-25 will be also available for appropriation by the City Council in accordance with the fund balance policy.

The General Fund is projected to meet reserve requirements and have a surplus of \$4.7 million.

## Historical General Fund Balance (In Thousands)



(1) The operating reserve policy was changed in fiscal year 2017-18 from a target range of 50%-75% of operating budgeted expenditures to 30% of operating budgeted expenditures.

(2) The equipment replacement reserve was started in fiscal year 2017-18.

(3) In fiscal years 2015-16 and 2016-17, the surpluses generated in those years were transferred to the Capital Improvements Fund within that fiscal year instead of waiting until the following fiscal year.

# FUND BALANCE

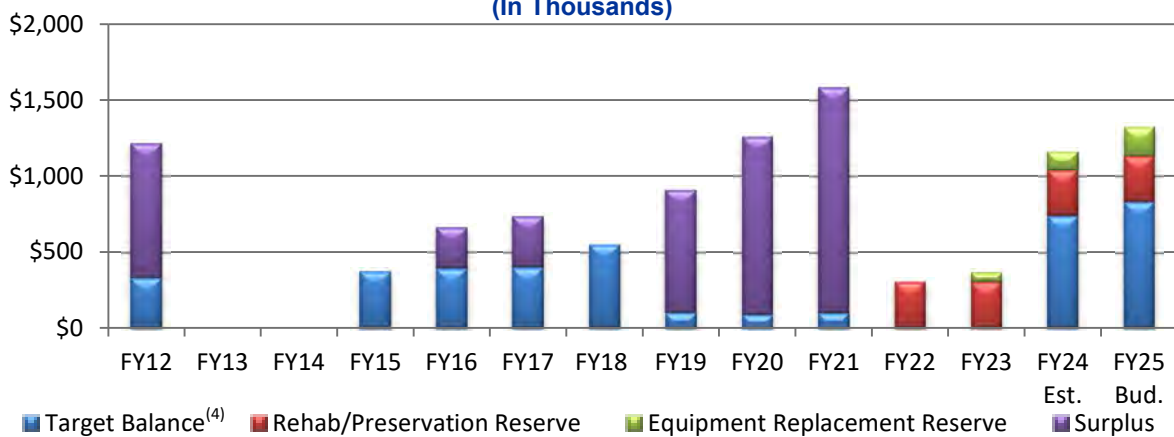
continued

## Special Revenue Funds

*The Streets Fund is projected to meet reserve requirements after General Fund subsidy.*

**Streets Fund** – The City’s policy requires the fund balance target to be not less than 30% of the total adopted budgeted operating expenditures of the Fund. This shall be in addition to a separate fund balance with a target equal to the difference between the highest expected annual pavement preservation/street rehabilitation cost and the average annual pavement preservation/street rehabilitation cost. Calculation of annual General Fund subsidy was based on maintaining the required reserves.

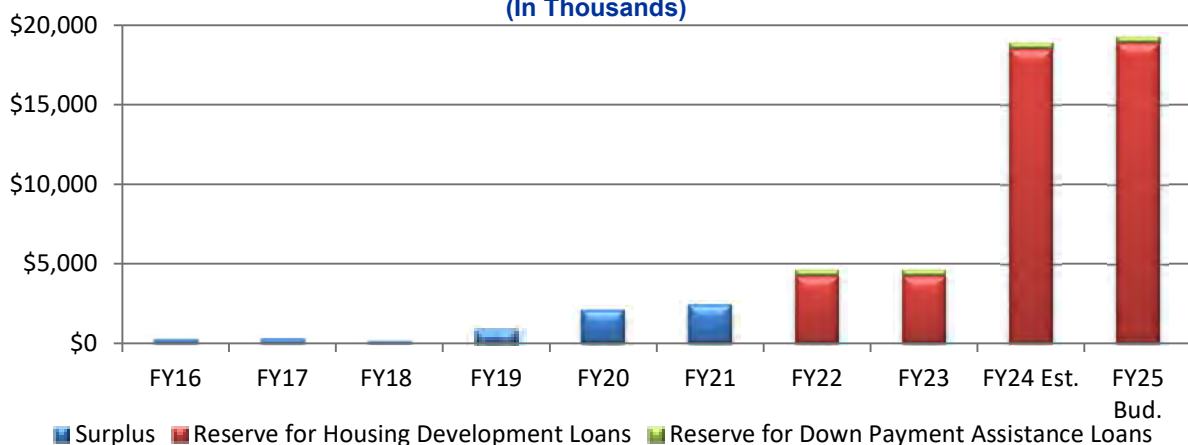
### Historical Streets Fund Balance (In Thousands)



<sup>(4)</sup> The target balance policy was changed in fiscal year 2017-18 from a target range of 10%-50% of budgeted revenues to 0%-10% of budgeted expenditures. The target balance policy was changed again in fiscal year 2021-22 to be the difference between the highest expected annual pavement preservation/street rehabilitation cost and the average annual pavement preservation/street rehabilitation cost. In fiscal year 2023-24, the target was changed to 30% of budgeted operating expenditures in addition to the pavement preservation/street rehabilitation reserve.

**Housing Fund** – The Housing Fund has 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.

### Historical Housing Fund Balance (In Thousands)



# FUND BALANCE

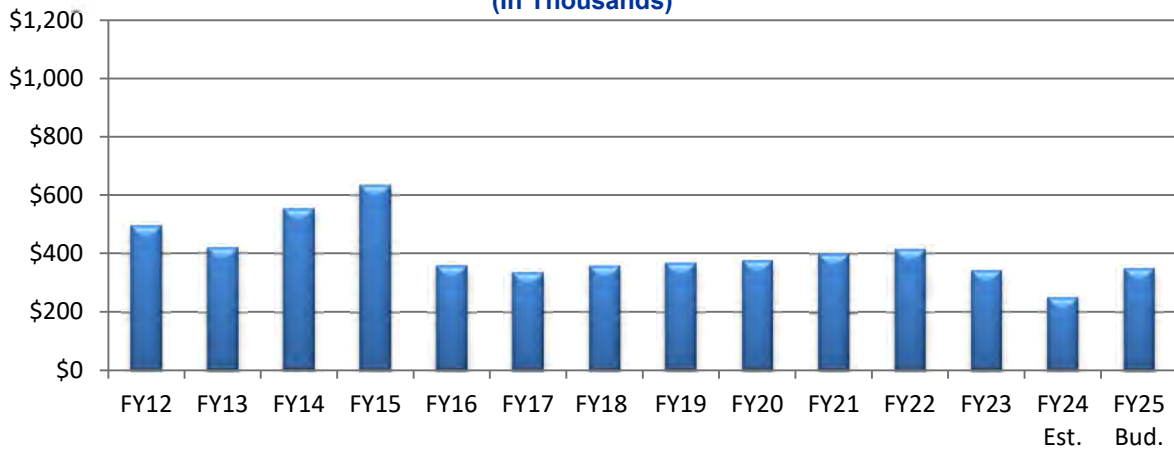
continued

## Special Revenue Funds (cont'd)

**Grants, Donations & Restricted Funds** – The Grants, Donations & Restricted 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.

### Historical Grants, Donations & Restricted Funds Balance

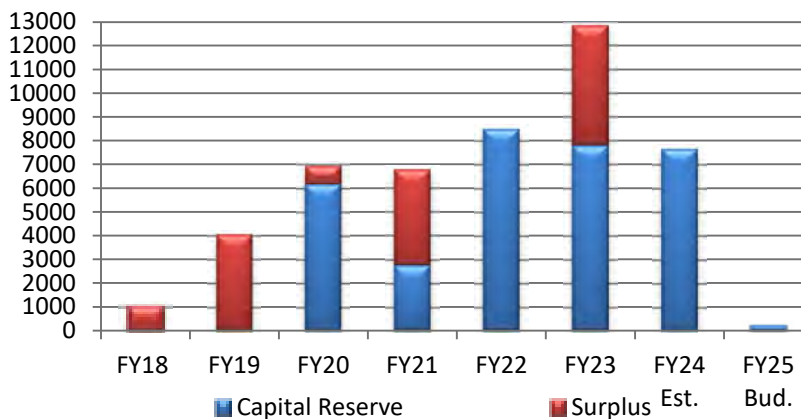
(In Thousands)



**Transportation Sales Tax Fund** – The Transportation Sales Tax Fund is estimated to have a balance of \$235,000 at the end of fiscal year 2024-25. Anticipated capital project costs in the next fiscal year are \$2.2 million and are expected to be covered by revenues received in fiscal year 2025-26.

### Historical Transportation Sales Tax Fund Balance

(In Thousands)



## Capital Projects Funds

**Capital Improvements Fund** – The fund balance policy for the Capital Improvements Fund requires, at a minimum, the fiscal year-end fund balance, coupled with estimated revenues for the ensuing fiscal year, must be sufficient to fund the pay-as-you-go capital projects’ obligations for the next fiscal year. The City has relied on surplus General Fund balances as one of the primary funding sources for capital improvement projects.

# FUND BALANCE

continued

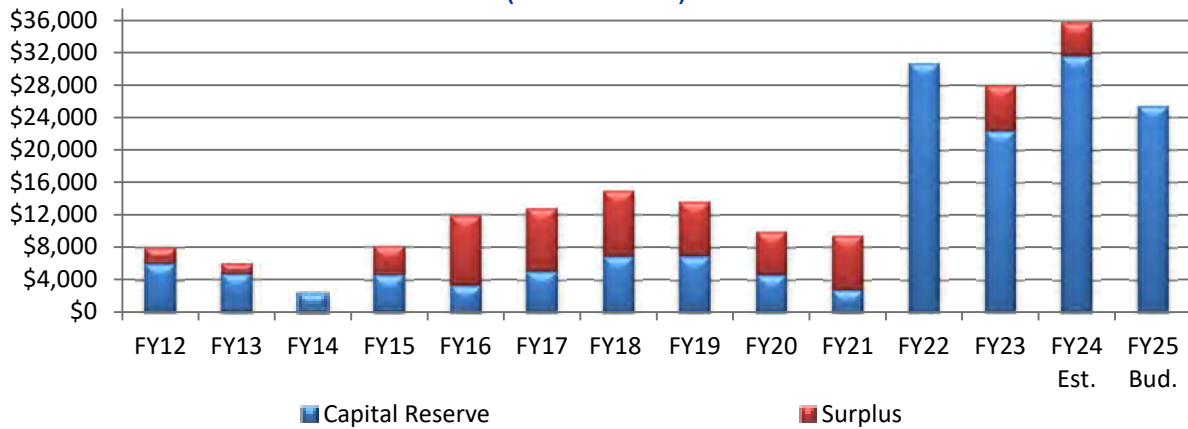
## Capital Projects Funds (cont'd)

The Capital Improvements Fund is estimated to have a balance of \$25.4 million at the end of fiscal year 2024-25. Anticipated capital project costs in the next fiscal year are \$11.5 million. Any surpluses experienced in actual results for fiscal year 2024-25 will be available for appropriation by the City Council in accordance with the fund balance policy. The intention is to maintain the surplus balance in the Fund for future capital needs.

The Capital Projects Fund is projected to meet reserve requirements.

### Historical Capital Improvements Fund Balance

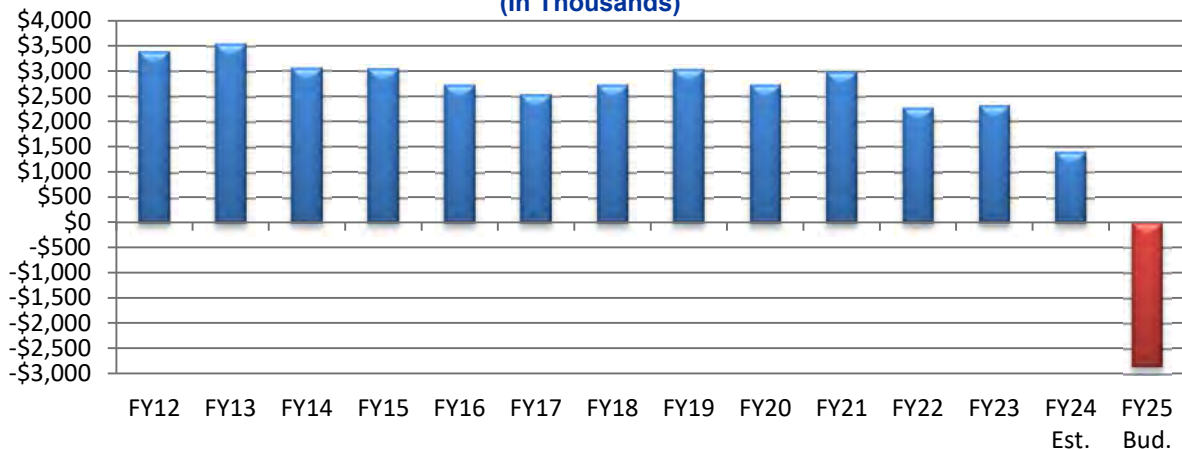
(In Thousands)



**Development Impact Fees Funds** – The Development Impact Fees 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. The estimated ending fund balance for fiscal year 2023-24 will not be sufficient to cover the budgeted expenditures. A portion of the General Fund balance has been reserved to cover this loan.

### Historical Development Impact Fees Funds Balance

(In Thousands)



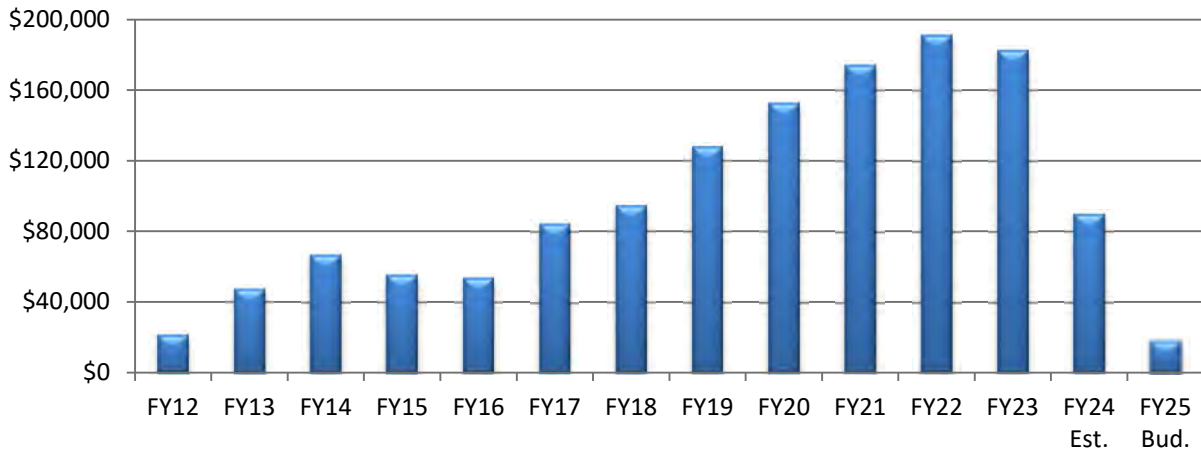
# FUND BALANCE

continued

## Capital Projects Funds (cont'd)

**Art in Public Places Fund** – The Art in Public Places Fund has a balance that is available for use as needed and within the legal restrictions of the revenues that make up the fund but does not have a minimum balance requirement. In the fiscal year 2020-21 budget process, the City Council directed to move forward with all of the remaining roundabouts and rely on loans to the Art in Public Places Fund to cover any deficits. A portion of the General Fund balance has been reserved to cover this loan.

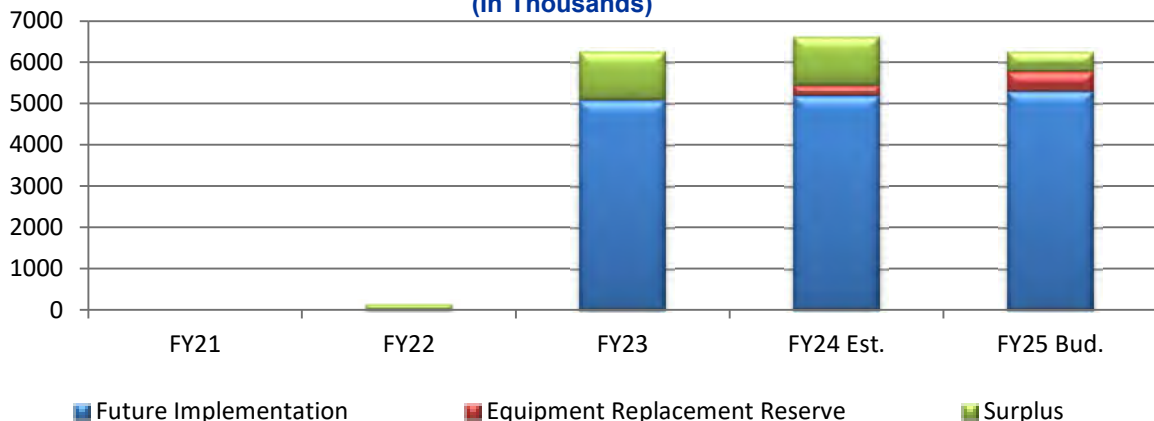
### Historical Art in Public Places Fund Balance



## Enterprise Funds

**Public Transit Fund** – The Public Transit Enterprise Fund is balanced with federal grant funds and transfers from the Transportation Sales Tax Fund to cover local matching requirements and other costs not grant funded. A portion of the General Fund surplus was allocated in the fiscal year 2023-24 to set up a reserve of \$5.0 million in the Public Transit Enterprise Fund for future implementation costs of the transit system.

### Historical Public Transit Enterprise Fund Balance (In Thousands)



## FUND BALANCE

continued

### Enterprise Funds (cont'd)

**Wastewater 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% (90 days) and not more than 33.3% (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 for any debt issuances not covered by bond insurance.

- **Operating Reserve** – The Wastewater Enterprise Fund is estimated to have \$10 million in fund balance at the end of fiscal year 2024-25. Of this amount, \$1.9 million is set aside to meet the maximum operating reserve requirement.
- **Capital Reserve** – The policy requirements for the capital reserve are an amount equal to the higher of the next year’s pay-as-you-go capital projects’ obligations or the average of the pay-as-you-go capital projects’ obligations over the next 5 years. For fiscal year 2024-25, the higher amount is the next year’s pay-as-you-go capital projects’ obligations and is \$5.7 million set aside for this reserve.
- **Equipment Replacement Reserve** – Starting fiscal year 2017-18, the City initiated an equipment replacement reserve. The estimated balance at the end of fiscal year 2024-25 is \$1.4 million for this reserve.
- **Major Maintenance Reserve** – Starting fiscal year 2018-19, the City initiated a major maintenance reserve. The estimated balance at the end of fiscal year 2024-25 is approximately \$269,000 for this reserve.
- **Surplus** – The anticipated surplus of \$565,000, plus any surpluses experienced in actual results for fiscal year 2024-25 will be available for appropriation by the City Council in accordance with the fund balance policy. A rate study is in process, and one of the goals of the study will be to determine the best approach for use of the surplus balance – whether to designate for future capital obligations, reduce the need for subsidies, reduce the need for future rate increases, or a combination of these.

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*The Wastewater  
Enterprise Fund is  
projected to meet reserve  
requirements and have a  
surplus of \$565,000.*

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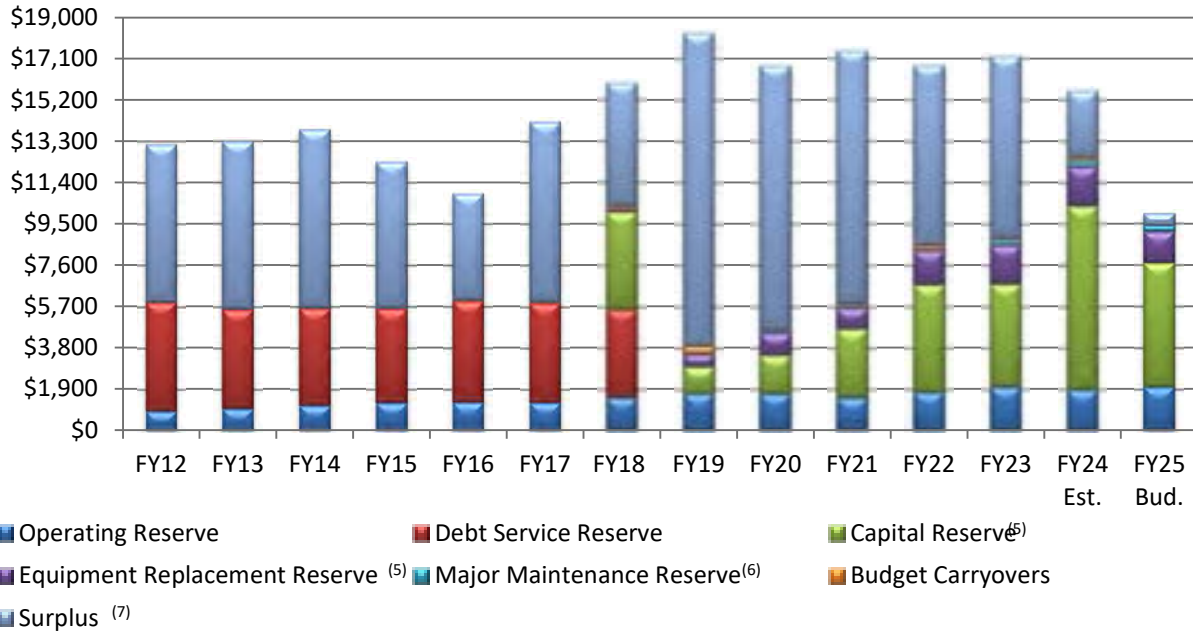


# FUND BALANCE

continued

## Enterprise Funds (cont'd)

### Historical Wastewater Enterprise Fund Balance (In Thousands)



<sup>(5)</sup> The capital and equipment replacement reserves were started in fiscal year 2017-18.  
<sup>(6)</sup> The major maintenance reserve was started in fiscal year 2018-19.  
<sup>(7)</sup> When the debt service reserve was released in fiscal year 2018-19, the balance became part of the surplus in the fund.

### Information Technology Internal Service Fund

**Equipment Replacement Reserve** – Starting fiscal year 2017-18, the City initiated an equipment replacement reserve. The estimated balance at the end of fiscal year 2024-25 is \$1.5 million for this reserve.

**Surplus** – The anticipated surplus of approximately \$426,000, plus any surpluses experienced in actual results for fiscal year 2024-25 will be available for appropriation by the City Council in accordance with the fund balance policy. The intention is to maintain the surplus balance in the Fund to add to the equipment replacement reserve.

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*The Information Technology Internal Service Fund is projected to meet reserve requirements and have a surplus of approximately \$426,000.*

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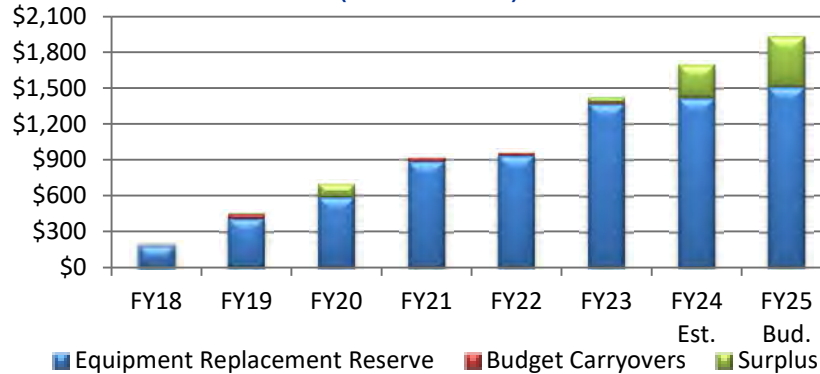
# FUND BALANCE

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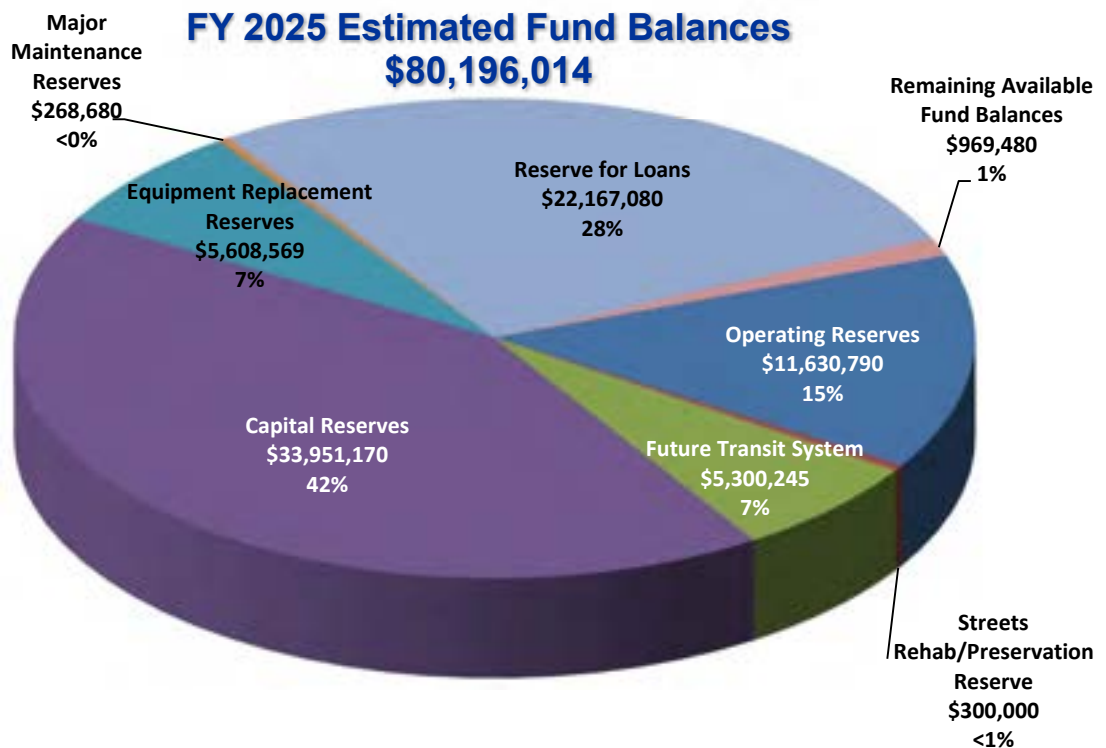
## Information Technology Internal Service Fund (cont'd)

### Historical Information Technology Internal Service Fund Balance

(In Thousands)



## Summary Total Fund Balances



# FUND BALANCE

continued

## Summary Total Fund Balances (cont'd)

### SUMMARY OF FY 2025 RESERVES

(In Thousands)

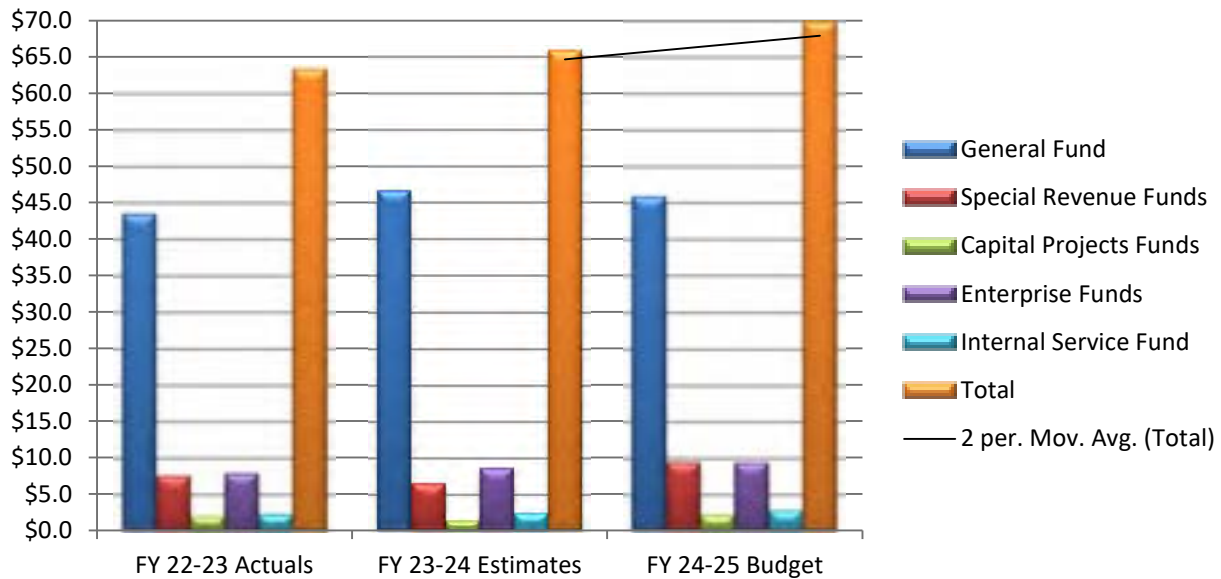
	General Fund	Special Revenue Funds				Capital Projects Funds			Enterprise Funds		Information Technology Internal Service Fund
		Streets Fund	Housing Fund	Grants, Donations & Restricted Funds	Transportation Sales Tax Fund	Capital Improvements Fund	Development Impact Fees Funds	Art in Public Places Fund	Public Transit Fund	Waste-water Fund	
Operating Reserves	\$8,812	\$ 830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,989	\$ -
Streets Rehab/ Preservation Reserve	-	300	-	-	-	-	-	-	-	-	-
Future Transit System	-	-	-	-	-	-	-	-	5,300	-	-
Capital Reserves	-	-	-	1,888	25,374	(3,856)	-	-	-	5,700	-
Equipment Replace. Reserves	2,001	194	-	-	-	-	-	-	473	1,430	1,509
Major Maint. Reserve	-	-	-	-	-	-	-	-	-	269	-
Reserved for Loans	2,867	-	19,300	-	-	-	-	-	-	-	-
Designated for Fund Purpose	-	-	-	348	-	-	-	18	481	565	426
General Fund Surplus	4,648	-	-	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>\$18,329</b>	<b>\$1,324</b>	<b>\$19,300</b>	<b>\$348</b>	<b>\$(234)</b>	<b>\$25,374</b>	<b>\$(3,856)</b>	<b>\$18</b>	<b>\$6,254</b>	<b>\$13,566</b>	<b>\$1,935</b>



## REVENUE TRENDS

Total revenues for fiscal year 2024-25 are estimated at \$69.9 million. In comparison to the fiscal year 2023-24 budget, revenue is projected to increase by 5%. Compared to fiscal year 2023-24 estimates, revenue is projected to increase by 6%.

**Revenues - All Funds**  
(In Millions)



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 82% of the City’s General Fund revenues, and 61% 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 were steadily increasing until the COVID-19 financial crisis. Fiscal year 2019-20 sales tax revenues decreased 6% from the prior fiscal year, and bed tax revenues decreased 13% from the prior year. However, with tourism at an all-time high, fiscal year 2021-22 sales tax collections were \$4.8 million over the budgeted revenue projection, and bed tax collections were \$1.9 million over the budgeted projection. Fiscal year 2022-23 sales and bed taxes were slightly lower than fiscal year 2021-22, while fiscal year 2023-24 is trending to be over \$1 million over budgeted revenue projections.

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*City sales and bed tax revenues represent 61% of all City revenues.*

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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 an 8-year period and included factors for an assumption of a cyclical recessionary period and subsequent recovery period. The forecast included assumptions of revenue impacts for new hotels and other significant construction projects in fiscal years 2023-24 through 2026-2027.

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

# REVENUE TRENDS

continued

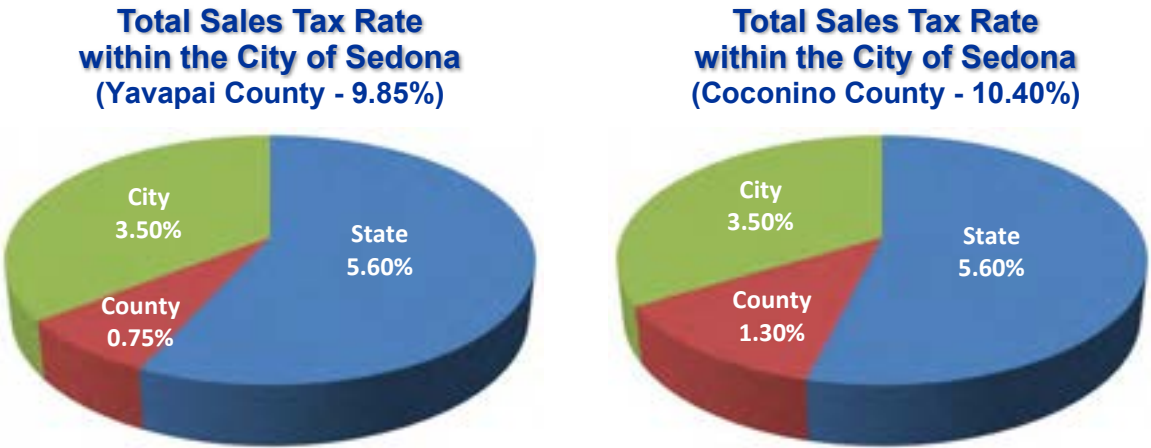
## Transaction Privilege Taxes (City Sales Taxes)

**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 transaction privilege tax (city sales tax) is the City’s largest single source of revenue and is obtained from the 3.5% tax on retail and other taxable sales, excluding food and long-term residential rentals.

This tax was increased from 3% to 3.5% effective March 1, 2018. The half-cent increase is dedicated to transportation projects and related administrative and operational costs and was originally approved to sunset in 10 years. In November 2021, the City Council made the increase permanent with the intent to use the half-cent toward the implementation of the public transit system after the original 10-year period.

In addition, the City receives a portion of the State sales tax, which is discussed in the State shared revenues portion of this Revenue Trends section.



Other than the half-cent dedicated to transportation, city sales tax revenues are unrestricted for use. By City Council policy, a portion of the sales tax revenue is transferred to the Wastewater Enterprise Fund to assist with debt service payments. See the Inter-Fund Transfers section for additional information.

Effective January 1, 2016, the City is no longer allowed to self-collect its sales taxes. The city sales tax is now collected by the 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.

# REVENUE TRENDS

continued

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

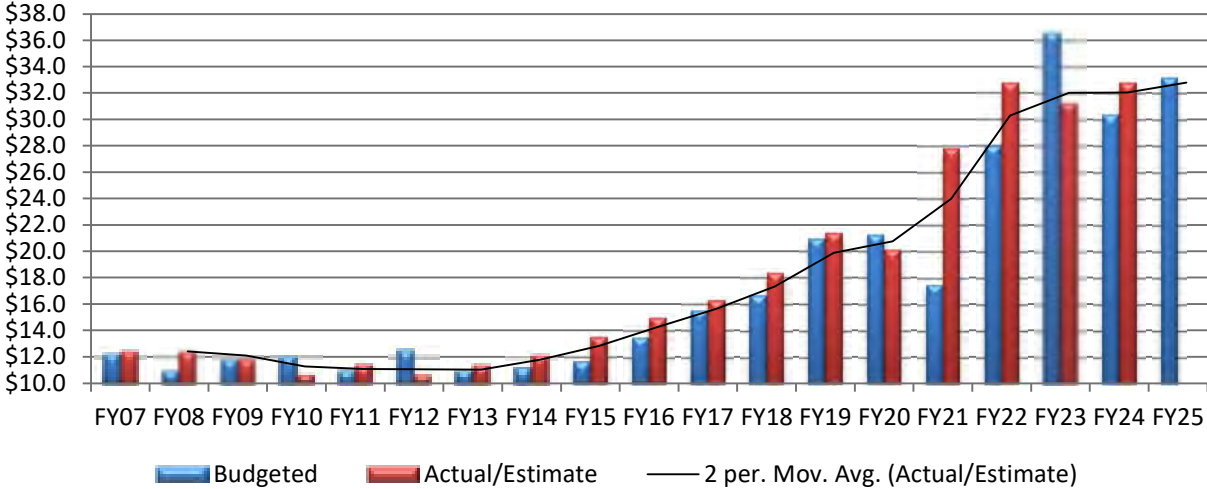
### **Projections**

Estimated fiscal year 2023-24 city sales tax revenues increased 4% from the prior fiscal year and are 9% over budgeted projections. At the time of budget preparation, sales and bed tax revenues were still increasing at significant levels – 7-10% higher than the prior year. The fiscal year 2024-25 budget projections were based on somewhat conservative but aggressive estimates. The fiscal year 2023-24 estimates during the budget process were based on an estimated 6% increase for sales tax and bed tax for the last quarter of the fiscal year – lower than what had been experienced for the year to date. The fiscal year 2024-25 estimates were based on 1% increase for sales tax and 2% increase for bed tax over the fiscal year 2023-24 estimates – even lower than what had been experienced to date. The slight decreases during fiscal year 2022-23 may have been impacted by 1) the reopening of Europe possibly drawing away some tourism, 2) significant inflation possibly having some impact on how much people travel, 3) talk of a possible coming recession also possibly having some impact on how much people travel, and 4) the hold on destination marketing. See the Budget Overview – Economic Overview section for discussion regarding the hold placed on destination marketing.

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, with an estimated 77% of total sales and bed tax revenues generated by the City’s tourism industry. With the City’s heavy reliance on sales and bed tax revenues, susceptibility to economic factors is a significant consideration in projections.

In the 8-year forecast, projected increases were based on historical trends and the assumption of long-term attractiveness as a premier tourist destination. A factor was included for inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period.

### City Sales Tax Revenues (In Millions)



# REVENUE TRENDS

continued

## 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% to 3.5% effective January 1, 2014.

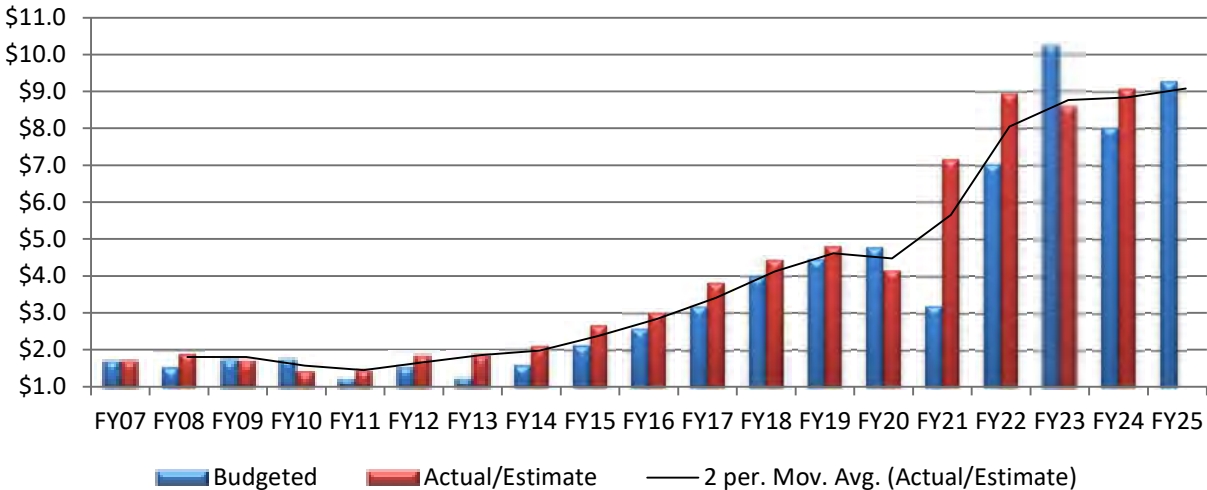
The City Council dedicates a significant portion of the proceeds from this tax to the management and promotion of tourism, including a contract with the Sedona Chamber of Commerce & Tourism Bureau for partial support of the operation of the Visitor’s Center. The remaining portion of the proceeds from this tax supports the City’s General Fund activities and affordable housing initiatives.

**Projections**

Estimated fiscal year 2023-24 bed tax revenues increased 6% from the prior fiscal year and are 13% over 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. Prior to the pandemic, this had an impact on the increases in the bed tax revenues, in addition to other factors such as increasing hotel room occupancy rates and average daily room rates.

In the 8-year forecast, projected increases were based on historical trends and the assumption of long-term attractiveness as a premier tourist destination. A factor was included for inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period.

**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, are governed by a separate Board, and adopt their 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 benefiting 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 Housing Fund 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. An in-lieu fee has also been established for commercial parking requirements in the Uptown area to be used for the construction and maintenance of a parking garage.

#### **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 8-year projection.

The fiscal year 2018-19 actual in lieu fees for the Housing Fund included a one-time \$625,000 of a total \$824,000 contribution agreed upon by a lodging establishment; however, the revenue was originally anticipated and budgeted in fiscal year 2019-20. The fiscal year 2020-21 in lieu fees for the Housing Fund included the remaining \$199,000 contribution agreed upon by the lodging establishment. No other significant in lieu fees for the Housing Fund have been identified at this time.

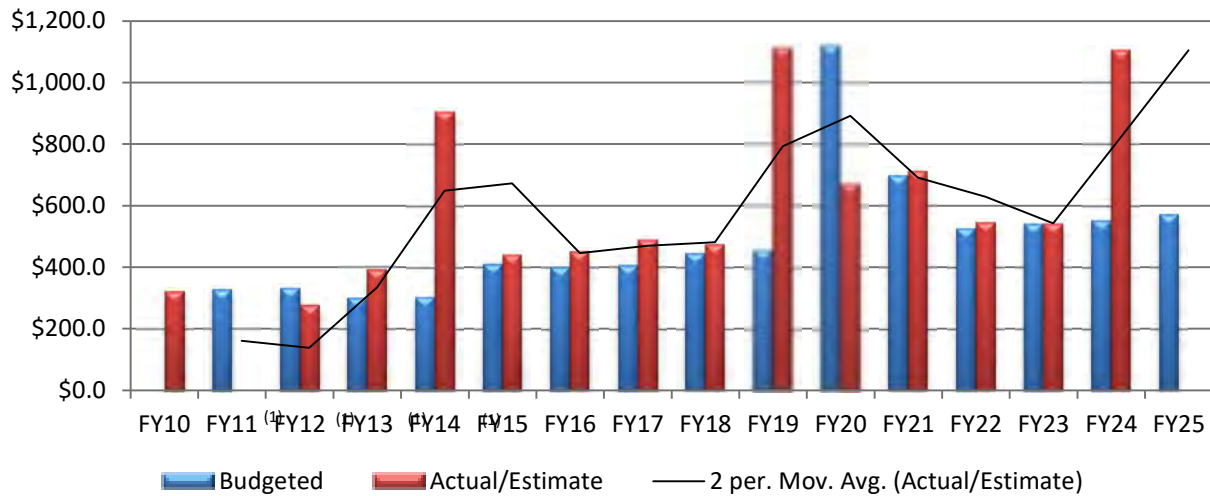
Due to the infrequent occurrence of in lieu fees for public art and parking, no amounts have been included in the projections for these revenue sources.

# REVENUE TRENDS

continued

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

### In Lieu Fees (In Thousands)



<sup>(1)</sup> 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), Altice USA (cable services), Arizona Water Company, and Oak Creek Water Company. Franchise fees are paid quarterly based on a percentage of gross revenues. Franchise fees are unrestricted for use.

### Projections

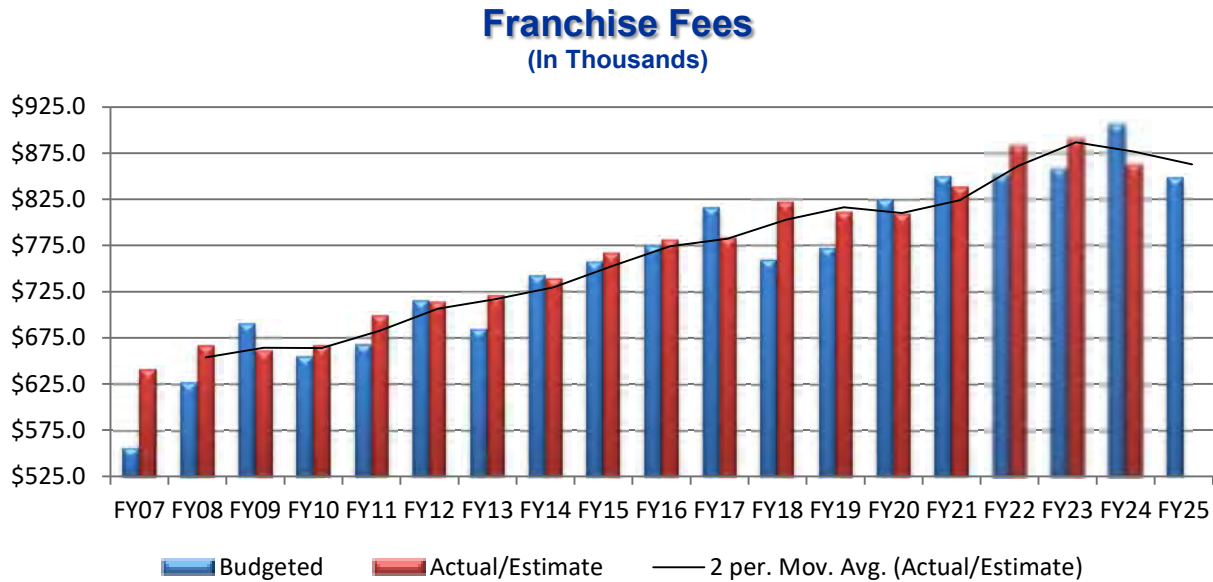
Since franchise fees have not grown significantly over the past few years, conservative estimates of inflationary increases and decreases based on the assumption of another cyclical recessionary period and subsequent recovery period were used in the 8-year projection.



# REVENUE TRENDS

continued

## Franchise Fees (cont'd)



## 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:

- Shared Sales Taxes** – 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 semimonthly.
- Shared Income Taxes** – State law provides that 15% of the State’s income tax revenues are to be shared with the cities and towns in lieu of local income tax levies. Referred to as Urban Revenue Sharing, these monies are allocated primarily based 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 2 years prior. Urban Revenue Sharing monies are unrestricted for use and are received monthly.
- Shared Gas Taxes** – Highway User Revenue Fund (HURF) monies are primarily generated from the State collected gasoline taxes; however, there are 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% of highway user revenues on a monthly basis. One-half of the amount 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 based on “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 requiring 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)

- **Shared Vehicle License Taxes** – Approximately 20% of the revenues collected for the licensing of motor vehicles are distributed to incorporated cities and towns. This 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 is unrestricted for use and is received semimonthly.

### Projections

In the 8-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 2024-25, estimates were used based on the 8-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.

- **Shared Sales Taxes** – The State projected state shared sales taxes to increase 1% over the prior year estimates. The City's estimate was an increase of 3.5% over the prior year budget.
- **Shared Income Taxes** – The State projected Urban Revenue Sharing to decrease 25%. The City's estimate was a decrease of 26% over the prior year budget.
- **Shared Gas Taxes** – The State projected HURF revenues to increase 6% from the prior year estimates. The City's estimate was a 8.5% increase from the prior year budget. Growth in future years is expected to be very modest as fuel reduction from conservation, vehicle efficiencies, and transition to more hybrid and electric vehicles affect the amount of gasoline used.
- **Shared Vehicle License Taxes** – The State projected VLT to increase 9% from the prior year estimates. The City's estimate was an increase of 10.5% from the prior year budget.

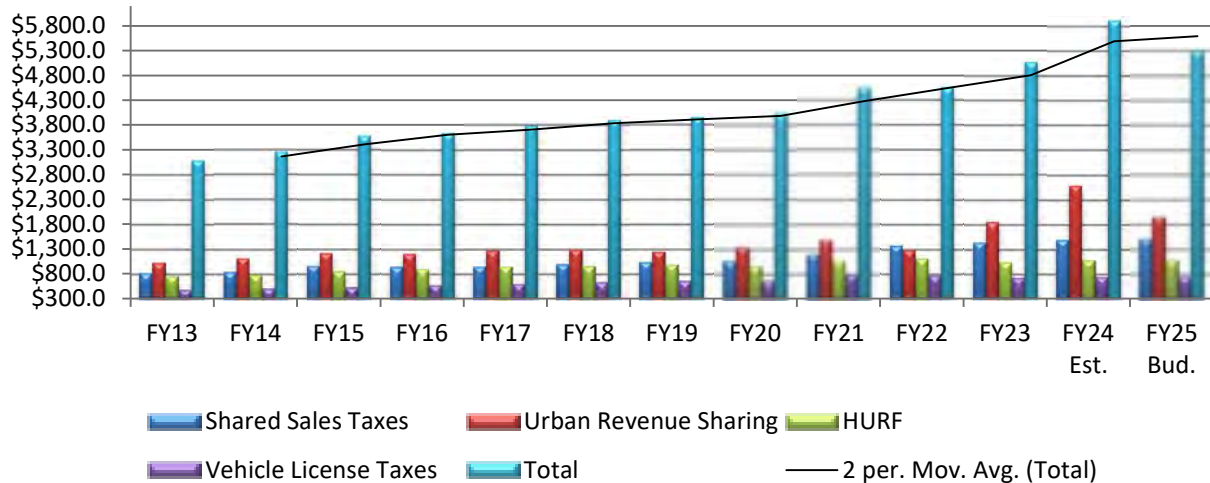
While state shared revenues are expected to continue to increase when the overall State revenue increases, the City's portion may be subject to decreases. The City's 2020 Census population decreased as a result of the number of permanent residents displaced by short-term rental properties while many other cities in Arizona have experienced significant population growth. The estimates of the City's population are relatively flat. This is expected to result in Sedona receiving a smaller share of the overall allocations 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 Yavapai County is ongoing, while Coconino County has changed its funding model with no funding expected for the City in the near future. Flood control monies are allocated to the City’s based on proposed projects, and the 8-year projections are based on historical revenue levels and proposed projects in the Capital Improvement Plan.

Fiscal year 2019-20 included a one-time \$1.2 million allocation of Cares Act funding and a one-time distribution of state funding of \$197,800 for streets maintenance projects.

Fiscal year 2021-22 included the first half of the American Rescue Plan Act (ARPA) funding of \$1.7 million. The second half has been included in the fiscal year 2022-23 estimate.

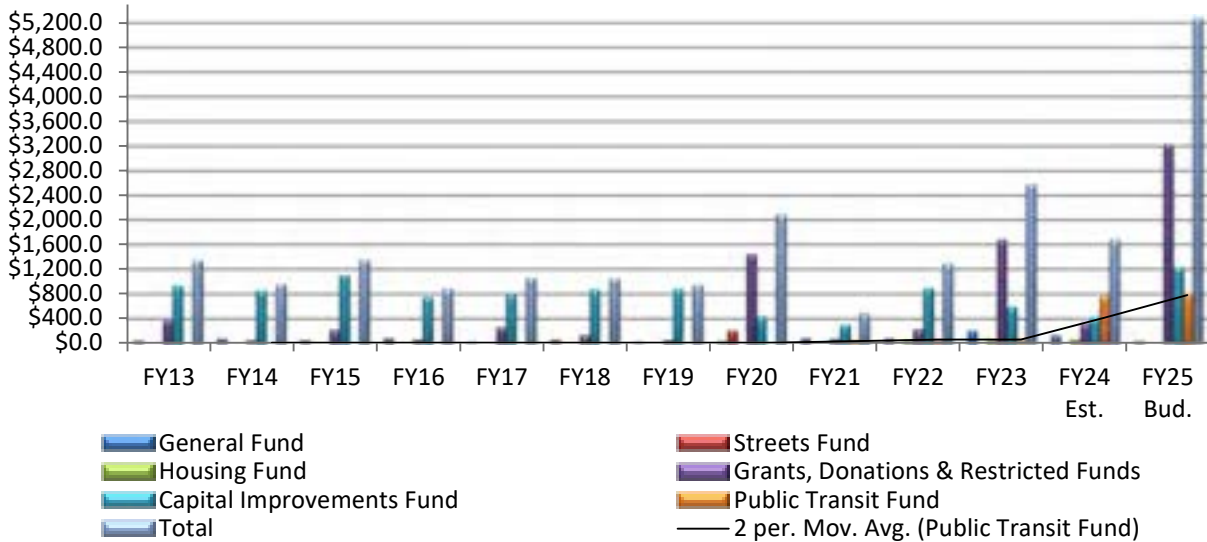
In addition, a contingency placeholder in both revenues and expenditures of \$500,000 for other possible grants and other donations that may be awarded during the year has been included.

# REVENUE TRENDS

continued

## Other Intergovernmental (cont'd)

### Other Intergovernmental Revenues (In Thousands - Excluding Contingent Revenues)



## Licenses & Permits

### Description

The licenses and permits category includes community development permits (e.g., building permits, conditional use permits, sign permits, etc.), business licenses, short-term rental permits, 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 licenses for all businesses physically located within the city limits. In fiscal year 2018-19, the City eliminated the business license requirement for businesses outside city limits that incurred a sales tax liability to the City. The primary purpose of the licensing requirement is to regulate businesses within the community. Effective January 1, 2020, fees are set at \$70 for a new business license, \$35 for annual renewals, and \$10 for temporary licenses. Business licenses are unrestricted for use.

Effective January 1, 2023, the City requires permits for all short-term rental properties physically located within the city limits. Permit fees are set at \$200 per unit. Short-term rental permit fees are unrestricted for use.

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

# REVENUE TRENDS

continued

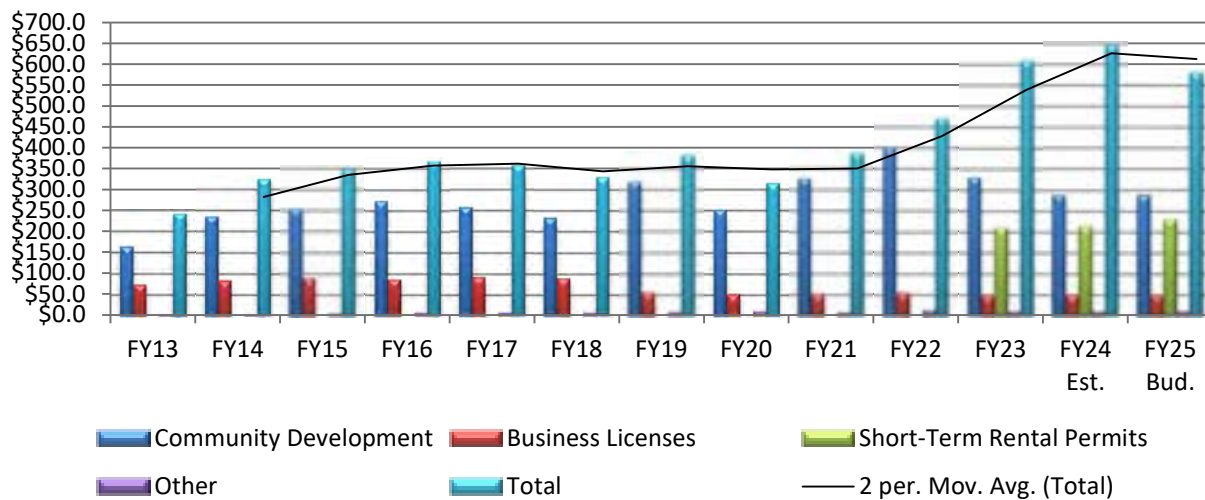
## Licenses & Permits (cont'd)

### Projections

Revenues from community development permits and business licenses are projected to increase slightly. Revenues from short-term rental permits are projected to increase as compliance with the new requirement increases.

In the 8-year forecast, projected building permit 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 8-year forecast for estimated changes to user fee schedules.

### Licenses & Permits (In Thousands)



## Charges for Services (excluding internal cost charges)

### 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 the City 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 the proceeds from the paid parking program, net of program costs, will be reinvested in enhancements to the Uptown area including the uptown parking garage. Currently, they are being used to cover a portion of the debt service payments for the Series 2022 Bonds, which are used to finance transportation improvements that also benefit the Uptown area.

# REVENUE TRENDS

continued

**Charges for Services (excluding internal cost charges) (cont'd)**

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.

As part of the City’s overall strategic parking management plan, the next step as directed by the City 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 2025 RESIDENTIAL WASTEWATER RATES**

	Monthly Rate
Standard Residential	\$63.31
Discount Programs:	
Residential Low-Flow	\$49.23
Low-Income Residential	\$33.33

The monthly rates for nonresidential customers are based on the type of business/organization.

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 \$30 for all new accounts.

The City of Sedona wastewater department has experienced an increase in operating costs in wastewater collections and treatment. Price increases in materials, operating supplies, labor, contracted work, and lab testing have resulted in a 22% increase over the last 6 years. In addition to inflationary cost increases, repairs and/or upgrades to aging infrastructure and additional regulatory requirements have resulted in higher operating costs. The last rate increase was in 2014 at 4% annually for a period of 6 years. A rate study in 2019 resulted in a restructuring of capacity fees, but monthly rates have not been evaluated. The completion of a comprehensive rate study is planned for fiscal year 2025. In an effort to reduce significant future one-time increases to wastewater rate payers, a proposed 3.6% CPI increase is necessary.

The rate adjustments were designed to cover anticipated inflationary increases in expenses, help the fund become more sustainable, and allow 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.

**Public Transit Fund** – The Public Transit Enterprise Fund was initiated in fiscal year 2020-21, and the transit fares are dedicated to this fund.

# REVENUE TRENDS

continued

## Charges for Services (excluding internal cost charges) (cont'd)

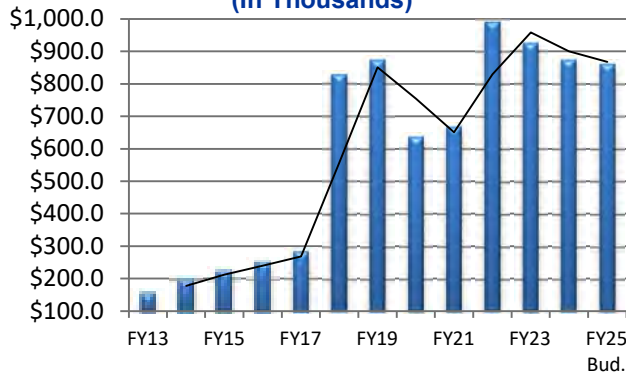
**Information Technology Fund** – The Information Technology Fund was initiated in fiscal year 2017-18. The Geographic Information Systems fees are unrestricted for use. For more information on internal cost charges, see the Internal Charges section.

### Projections

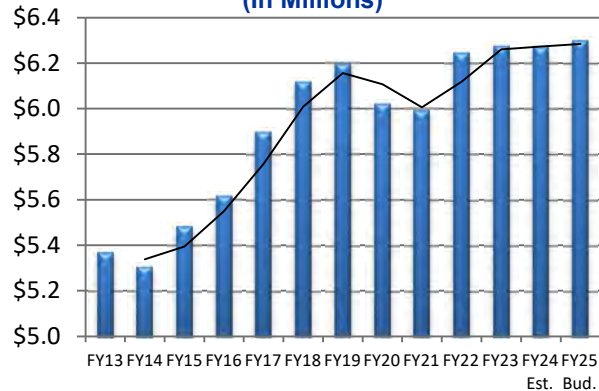
Most of the General Fund charges for services were forecasted with minor increases in a few of the later years of the 8-year forecast for estimated changes to user fee schedules. Paid parking fees were estimated based on experience in the years of the program when in operation for the full year.

For fiscal years 2019-20 and 2020-21, accommodations were made to help customers during the COVID-19 financial crisis. The flat rates, 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 8-year forecast for estimated changes to user fee schedules.

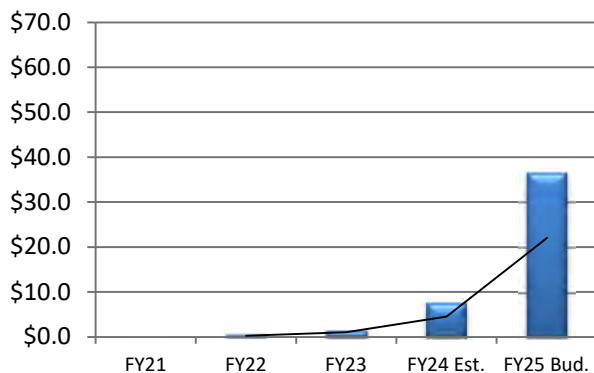
**General Fund  
Charges for Services**  
(In Thousands)



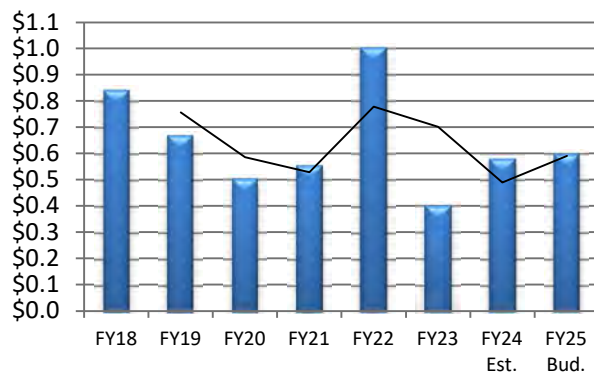
**Wastewater Fund  
Charges for Services**  
(In Millions)



**Public Transit Fund  
Charges for Services**  
(In Thousands)



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



## REVENUE TRENDS

continued

### 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 & Restricted 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.

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 the City 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 issued and in turn the amount of court fine revenue received. Minor increases were projected for court fine revenues for fiscal year 2024-25.

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 if certain criteria was met. The wastewater environmental penalties for those properties are charged at one-half the monthly service fee. Wastewater service rates were not increased for fiscal year 2024-25; however, an assumption for properties not complying with the requirements of the deferred connection agreements has been accounted for in the number of accounts paying the environmental penalty rate.

During fiscal year 2020-21, the collection of paid parking citations was transferred from the Municipal Court to the Financial Services Department, which eliminated the requirement to split parking citation fine revenues with other agencies. Parking citation fine revenues for fiscal year 2024-25 have been projected as flat.



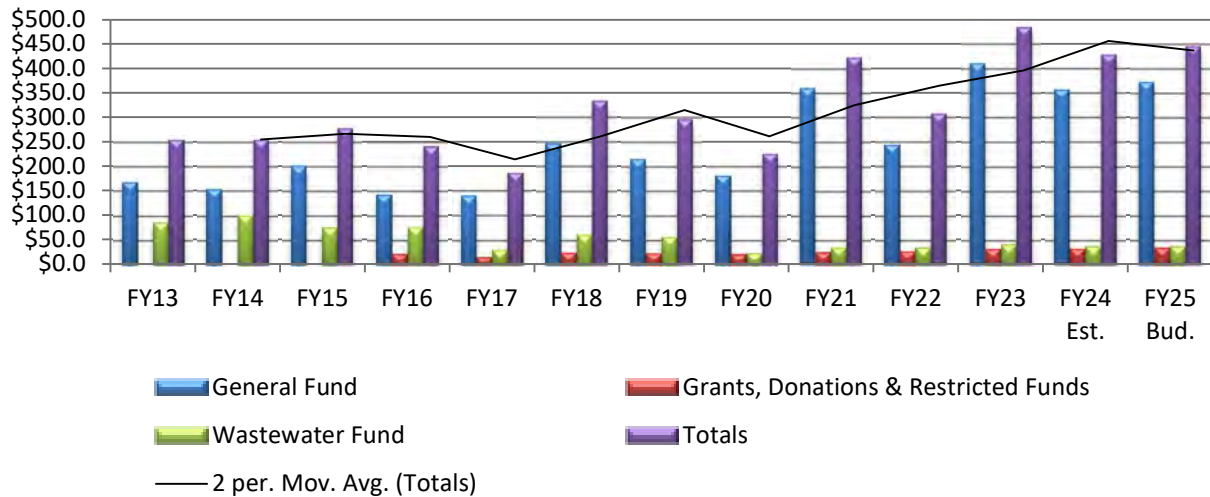
# REVENUE TRENDS

continued

## Fines and Forfeitures (cont'd)

Minor increases and decreases were projected for the other fines, penalties and late fees based on historical averages.

### Fines and Forfeitures (In Thousands)



## 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. Legislative changes effective in fiscal year 2014-15 further restricted the uses of development impact fees and the methods for calculating impact fees. Fees collected after the legislative changes must be refunded to the property owner if the infrastructure for which a fee has been collected is not completed within 10 years. A fee study update was completed in 2019, and increases were effective in September 2019. The next fee study update has been budgeted for fiscal year 2024-25.

### Projections

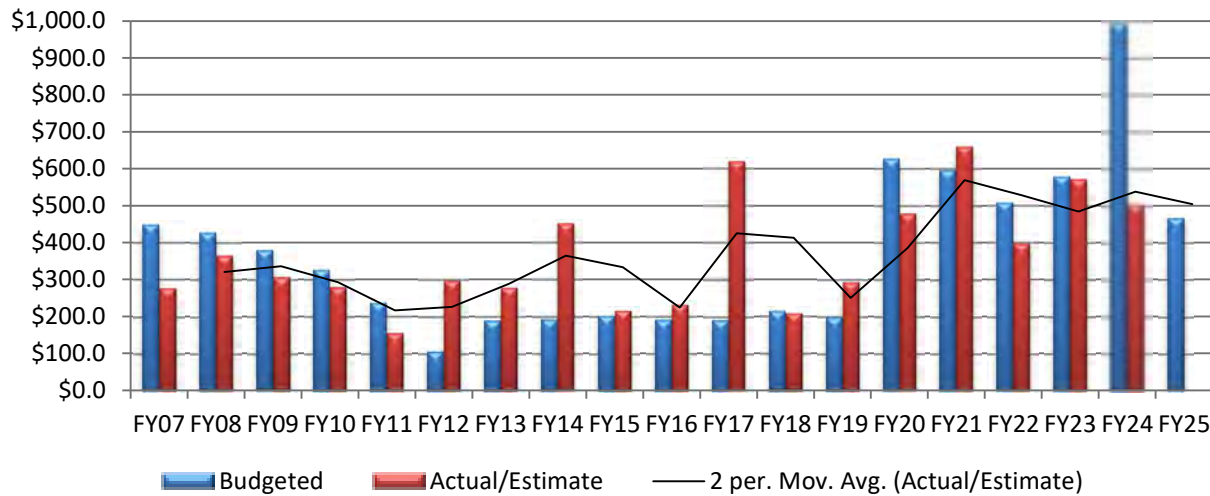
Significant one-time development can result in significantly higher revenues, and expected large development projects have been included in the projections. In addition to anticipated one-time development, the 8-year forecast was based on ongoing levels of development impact fees and largely adjusted 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.

# REVENUE TRENDS

continued

## Development Impact Fees (cont'd)

### 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. Effective November 1, 2021, the rate structure was changed from a fixed rate for residential and nonresidential rates based on the type of business/organization to a water supply fixture (WSFU) unit basis. Fees are calculated as a fixed rate for WSFUs that fall within defined ranges, and a per unit fee for WSFUs that exceed 55. 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 the wastewater reclamation plant capacity improvements.

### Projections

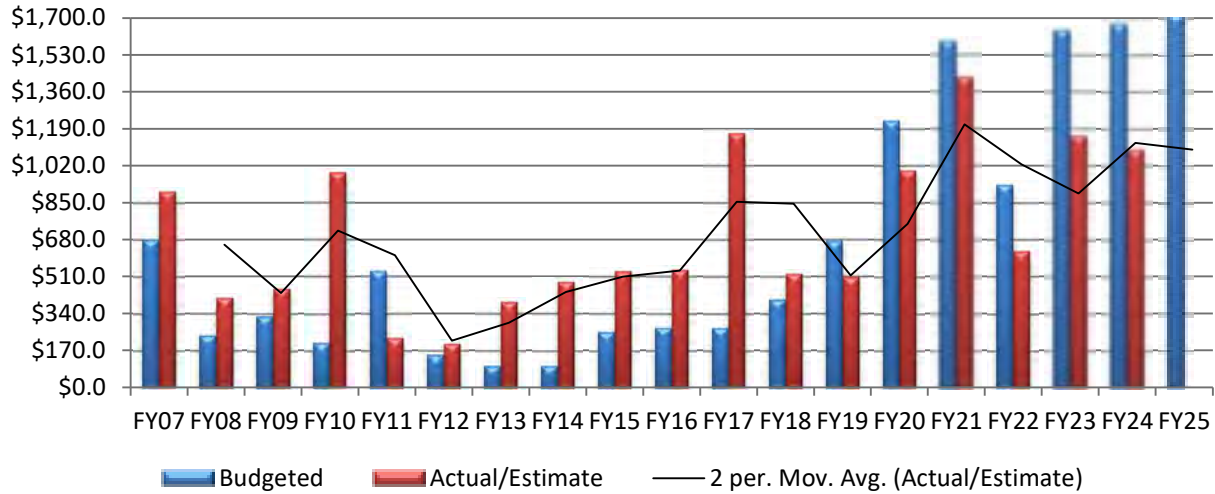
Significant one-time development can result in significantly higher revenues, and expected large development projects have been included in the projections. In addition to anticipated one-time development, the 8-year forecast was based on ongoing levels of capacity fees and largely adjusted based on 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. This source of revenue is expected to decline as the City approaches build-out.

# REVENUE TRENDS

continued

## Capacity Fees (cont'd)

### Capacity Fees (In Thousands)



## Other Revenues

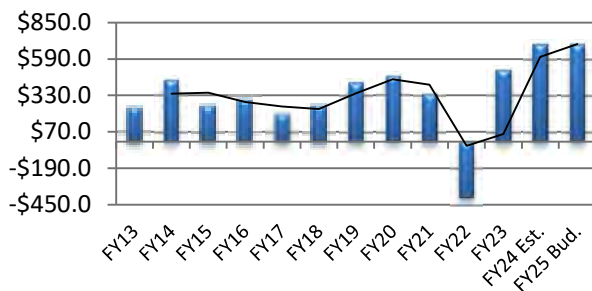
### Description

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

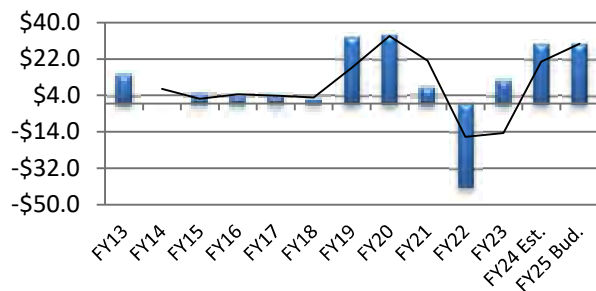
### Projections

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. The Art in Public Places Fund includes a one-time donation of \$65,000 in fiscal year 2022-23. Unrealized losses on investments are included in fiscal year 2021-22 for all funds participating in the City's pooled investments.

### General Fund Other Revenues (In Thousands)



### Streets Fund Other Revenues (In Thousands)

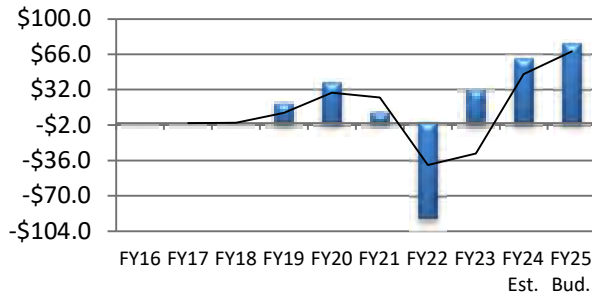


# REVENUE TRENDS

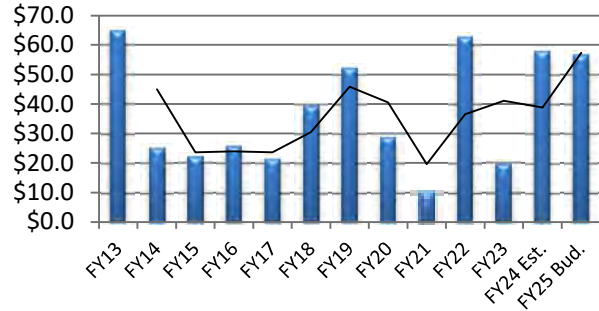
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## Other Revenues (cont'd)

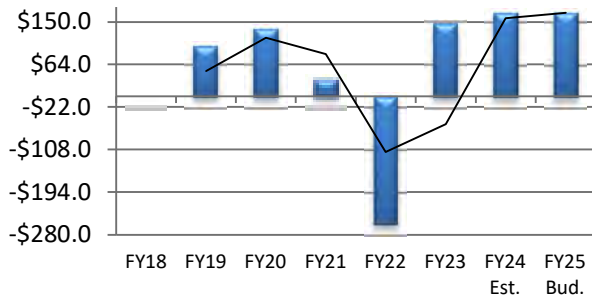
### Housing Fund Other Revenues (In Thousands)



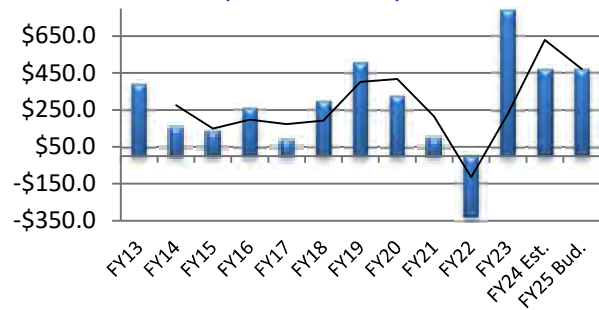
### Grants, Donations & Restricted Funds Other Revenues (In Thousands)



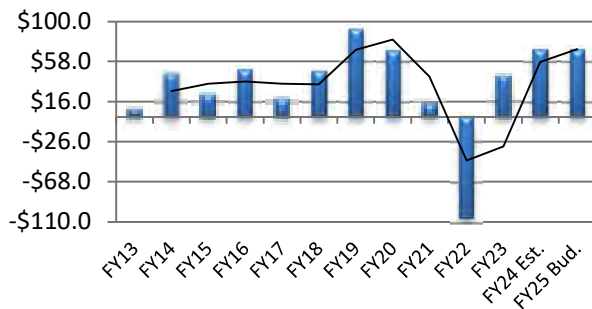
### Transportation Sales Tax Fund Other Revenues (In Thousands)



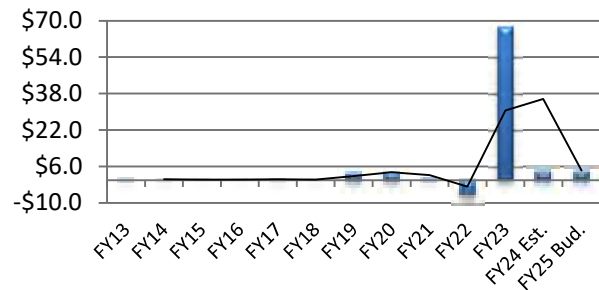
### Capital Improvements Fund Other Revenues (In Thousands)



### Development Impact Fees Funds Other Revenues (In Thousands)



### Art in Public Places Fund Other Revenues (In Thousands)

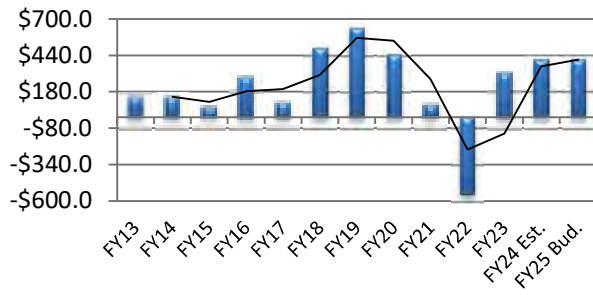


# REVENUE TRENDS

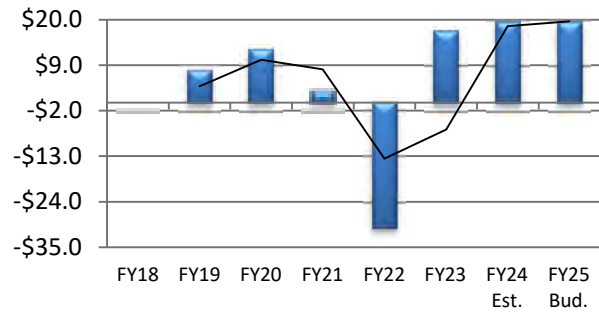
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## Other Revenues (cont'd)

### Wastewater Fund Other Revenues (In Thousands)



### Information Technology Fund Other Revenues (In Thousands)



**REVENUES & OTHER FINANCING SOURCES SUMMARIES**

**All Funds**

	General Fund	Streets Fund	Housing Fund	Grants, Donations, & Restricted Funds	Transportation Sales Tax Fund	Capital Improvements Fund	Development Impact Fees Funds	Art in Public Places Fund	Public Transit Fund	Wastewater Enterprise Fund	Information Technology Fund	Totals
<b>Revenues</b>												
City Sales Taxes	\$ 28,450,000	\$ -	\$ -	\$ -	\$ 4,737,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,187,000
Bed Taxes	9,261,000	-	-	-	-	-	-	-	-	-	-	9,261,000
In Lieu Fees	570,000	-	-	-	-	-	-	-	-	-	-	570,000
Franchise Fees	848,000	-	-	-	-	-	-	-	-	-	-	848,000
State Shared Revenues	4,199,000	1,078,000	-	72,000	-	-	-	-	-	-	-	5,349,000
Other Intergovernmental	24,100	-	-	1,000	-	150,000	-	-	-	-	-	175,100
Licenses and Permits	579,420	-	-	-	-	-	-	-	-	-	-	579,420
Charges for Services	861,630	-	-	-	-	-	-	-	36,500	6,251,100	600	7,149,830
Internal Cost Charges	-	-	-	-	-	-	-	-	-	-	2,859,110	2,859,110
Fines and Forfeitures	372,550	-	-	34,900	-	-	-	-	-	37,900	-	445,350
Development Impact Fees	-	-	-	-	-	-	465,900	-	-	-	-	465,900
Capacity Fees	-	-	-	-	-	-	-	-	-	1,717,000	-	1,717,000
Other Revenues	716,920	29,600	76,200	46,320	168,500	470,900	71,020	4,090	114,000	468,800	19,600	2,185,950
Contingent Grants and Donations	-	-	-	3,227,380	-	1,075,000	-	-	800,200	-	-	5,102,580
<b>Total Revenues</b>	<b>\$ 45,882,620</b>	<b>\$ 1,107,600</b>	<b>\$ 76,200</b>	<b>\$ 3,381,600</b>	<b>\$ 4,905,500</b>	<b>\$ 1,695,900</b>	<b>\$ 536,920</b>	<b>\$ 4,090</b>	<b>\$ 950,700</b>	<b>\$ 8,474,800</b>	<b>\$ 2,879,310</b>	<b>\$ 69,895,240</b>
<b>Other Financing Sources</b>												
Transfers from Other Funds	\$ -	\$ 1,938,220	\$ 900,000	\$ -	\$ -	\$ 20,327,180	\$ 1,311,520	\$ 42,900	\$ 4,179,990	\$ 4,911,860	\$ 35,000	\$ 33,646,670
<b>GRAND TOTAL</b>	<b>\$ 45,882,620</b>	<b>\$ 3,045,820</b>	<b>\$ 976,200</b>	<b>\$ 3,381,600</b>	<b>\$ 4,905,500</b>	<b>\$ 22,023,080</b>	<b>\$ 1,848,440</b>	<b>\$ 46,990</b>	<b>\$ 5,130,690</b>	<b>\$ 13,386,660</b>	<b>\$ 2,914,310</b>	<b>\$ 103,541,910</b>

# REVENUES & OTHER FINANCING SOURCES SUMMARIES

## All Funds Comparison

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Revenues</b>				
City Sales Taxes	\$ 33,187,000	\$ 30,384,000	\$ 32,809,000	\$ 31,771,871
Bed Taxes	9,261,000	8,025,000	9,079,000	8,587,989
In Lieu Taxes and Fees	570,000	552,340	1,100,000	46,507
Franchise Fees	848,000	906,500	862,800	913,691
State Shared Revenues	5,349,000	5,829,700	5,982,000	5,136,459
Other Intergovernmental	175,100	433,230	410,100	543,555
Licenses and Permits	579,420	644,580	563,420	598,810
Charges for Services	7,149,830	7,312,360	7,141,860	7,210,892
Internal Cost Charges	2,859,110	2,561,760	2,515,550	2,301,960
Fines and Forfeitures	445,350	404,150	427,700	485,025
Development Impact Fees	465,900	993,500	503,600	571,198
Capacity Fees	1,717,000	1,675,570	1,094,300	1,156,632
Other Revenues	2,185,950	2,002,960	2,156,440	1,893,331
Contingent Grants and Donations	5,102,580	4,898,680	1,279,010	2,199,650
<b>Total Revenues</b>	<b>\$ 69,895,240</b>	<b>\$ 66,624,330</b>	<b>\$ 65,924,780</b>	<b>\$ 63,417,569</b>
<b>Other Financing Sources</b>				
Transfers from Other Funds	\$ 33,646,670	\$ 35,164,469	\$ 31,909,830	\$ 30,719,761
Bond Proceeds	17,755,000	-	-	\$ 10,148,000
<b>Total Other Financing Sources</b>	<b>\$ 51,401,670</b>	<b>\$ 35,164,469</b>	<b>\$ 31,909,830</b>	<b>\$ 40,867,761</b>
<b>GRAND TOTAL</b>	<b>\$ 121,296,910</b>	<b>\$ 101,788,799</b>	<b>\$ 97,834,610</b>	<b>\$ 104,285,330</b>

## REVENUES & OTHER FINANCING SOURCES SUMMARIES

### General Fund

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Revenues</b>				
City Sales Taxes	\$28,450,000	\$26,052,000	\$28,123,000	\$27,307,205
Bed Taxes	9,261,000	8,025,000	9,079,000	8,587,989
In Lieu Taxes and Fees	570,000	552,340	1,100,000	-
Franchise Fees	848,000	906,500	862,800	913,691
State Shared Sales Taxes	4,199,000	4,749,000	4,832,000	4,026,231
Other Intergovernmental	24,100	19,800	49,100	19,831
Licenses and Permits	579,420	644,580	563,420	598,810
Charges for Services	861,630	926,190	874,580	924,986
Fines and Forfeitures	372,550	332,850	356,300	410,632
Contingent Grants and Donations	-	37,000	83,200	183,480
Other Revenues	716,920	709,140	761,920	528,538
<b>Total Revenues</b>	<b>\$45,882,620</b>	<b>\$42,954,400</b>	<b>\$46,685,320</b>	<b>\$43,501,393</b>

### Other Financing Sources

Transfers from Development Impact Fees Funds	\$ -	\$ -	\$ -	\$ -
<b>GRAND TOTAL</b>	<b>\$45,882,620</b>	<b>\$42,954,400</b>	<b>\$46,685,320</b>	<b>\$43,501,393</b>

### Wastewater Enterprise Fund

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Revenues</b>				
Monthly Fees	\$ 5,914,000	\$ 5,932,470	\$ 5,917,000	\$ 5,931,972
Stand-by Fees	321,000	321,400	326,000	337,138
Other Charges for Services	16,100	16,500	16,100	14,961
Environmental Penalty Fees	24,900	24,900	24,900	23,613
Other Fines and Forfeitures	13,000	18,700	13,000	18,035
Capacity Fees	1,717,000	1,675,570	1,094,300	1,156,632
Other Revenues	468,800	459,060	408,800	323,099
<b>Total Revenues</b>	<b>\$ 8,474,800</b>	<b>\$ 8,448,600</b>	<b>\$ 7,800,100</b>	<b>\$ 7,805,450</b>

### Other Financing Sources

Transfer from General Fund	\$ 3,000,000	\$ 3,100,000	\$ 3,100,000	\$ 3,200,000
Transfer from Grants & Donations Funds	1,911,860	184,400	-	1,464,372
Bonds Proceeds	-	-	-	-
<b>Total Other Financing Sources</b>	<b>\$ 4,911,860</b>	<b>\$ 3,284,400</b>	<b>\$ 3,100,000</b>	<b>\$ 4,664,372</b>
<b>GRAND TOTAL</b>	<b>\$13,386,660</b>	<b>\$11,733,000</b>	<b>\$10,900,100</b>	<b>\$12,469,822</b>



**EXPENDITURES & OTHER FINANCING USES SUMMARIES**

**All Funds**

	General Fund	Streets Fund	Housing Fund	Grants, Donations & Restricted Funds	Transportation Sales Tax Fund	Capital Improvements Fund	Development Impact Fees Funds	Art in Public Places Fund	Public Transit Fund	Wastewater Fund	Information Technology Fund	Totals
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**Expenditures**

City Council	\$ 292,930	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 292,930
City Manager's Office	198,390	-	-	-	-	-	-	-	-	-	1,300	199,690
Human Resources	59,870	-	-	-	-	-	-	-	-	-	-	59,870
Financial Services	62,060	-	-	-	-	-	-	-	4,380	146,340	-	212,780
City Attorney's Office	309,660	-	-	-	-	-	-	-	-	100,000	-	409,660
City Clerk's Office	583,450	-	-	-	-	-	-	-	-	-	-	583,450
Parks & Recreation	1,423,610	-	-	13,200	-	-	-	-	-	-	-	1,436,810
General Services	2,655,660	-	56,850	500,000	-	-	48,000	-	-	100,000	-	3,360,510
Debt Service	3,100,600	-	-	-	341,580	-	248,570	-	3,000	4,334,500	-	8,028,250
Community Development	2,921,010	-	-	-	-	-	-	-	-	-	2,700	2,923,710
Public Works	5,183,090	2,838,810	-	1,500	147,730	-	-	-	66,060	357,180	22,090	8,616,460
Tourism & Economic Initiatives	2,585,460	-	-	-	-	-	-	-	-	-	650	2,586,110
Housing	-	-	519,350	772,120	-	-	-	-	-	-	-	1,291,470
Sustainability	907,370	-	-	-	-	-	-	-	-	-	-	907,370
Police	14,172,340	-	-	81,990	-	-	-	-	-	-	52,720	14,307,050
Municipal Court	1,109,050	-	-	-	-	-	-	-	-	-	120	1,109,170
Public Transit	-	-	-	-	-	-	-	-	3,332,250	-	-	3,332,250
Wastewater	-	-	-	-	-	-	-	-	-	5,799,160	-	5,799,160
Information Technology	-	-	-	-	-	-	-	-	-	101,860	2,764,696	2,866,556
Capital Improvement Projects	459,700	116,480	-	10,000	-	31,230,930	5,926,110	119,000	2,311,000	8,921,980	71,610	49,166,810
Contributions to Equipment Replacement Reserves	(275,380)	(73,360)	-	-	-	-	-	-	(236,710)	(219,590)	(240,440)	(1,045,480)
Contributions to Major Maintenance Reserves	-	-	-	-	-	-	-	-	-	(388,800)	-	(388,800)
<b>Total Expenditures</b>	<b>\$35,748,870</b>	<b>\$2,881,930</b>	<b>\$576,200</b>	<b>\$1,378,810</b>	<b>\$489,310</b>	<b>\$31,230,930</b>	<b>\$6,222,680</b>	<b>\$119,000</b>	<b>\$5,479,980</b>	<b>\$19,252,630</b>	<b>\$2,675,446</b>	<b>\$106,055,786</b>

**Other Financing Uses**

Transfers to Other Funds	\$18,539,060	\$ -	\$ -	\$1,911,860	\$11,841,330	\$1,354,420	\$ -	\$ -	\$ -	\$ -	\$ -	\$33,646,670
<b>GRAND TOTAL</b>	<b>\$54,287,930</b>	<b>\$2,881,930</b>	<b>\$576,200</b>	<b>\$3,290,670</b>	<b>\$12,330,640</b>	<b>\$32,585,350</b>	<b>\$6,222,680</b>	<b>\$119,000</b>	<b>\$5,479,980</b>	<b>\$19,252,630</b>	<b>\$2,675,446</b>	<b>\$139,702,456</b>

## EXPENDITURES & OTHER FINANCING USES SUMMARIES

continued

### All Funds Comparison

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Expenditures (by Department)</b>				
City Council	\$ 292,930	\$ 318,560	\$ 307,760	\$ 233,225
City Manager's Office	1,256,080	1,755,240	1,513,930	2,507,013
Human Resources	745,140	537,660	561,670	437,417
Financial Services	2,325,770	2,130,890	2,053,730	1,762,620
City Attorney's Office	1,060,350	953,840	844,950	732,485
City Clerk's Office	786,490	715,570	714,380	437,575
Parks & Recreation	1,388,620	1,340,770	1,209,800	1,043,602
General Services	2,885,620	2,658,420	2,529,040	3,461,870
Contingencies	956,850	3,331,050	-	-
Community Development	2,794,950	2,471,790	2,367,240	2,186,096
Public Works	9,794,360	8,433,220	8,432,080	7,485,375
Comm, Tourism & Econ Init.	2,436,110	1,026,170	786,870	228,797
Housing	519,350	503,350	398,990	-
Sustainability	897,710	853,670	761,910	-
Police	9,826,300	8,879,670	8,632,510	7,906,627
Municipal Court	1,058,110	866,330	833,020	709,393
Public Transit	3,034,680	2,500,310	2,209,270	1,747,750
Wastewater	5,504,560	5,139,820	4,840,050	4,472,709
Information Technology	2,512,380	2,317,630	2,131,720	2,044,889
Charges to Other Departments	(7,010,500)	(6,129,200)	(5,866,920)	(5,002,650)
Contributions to Equipment Replacement Reserves	(1,045,480)	(999,130)	(999,130)	(955,233)
Contributions to Major Maintenance Reserves	(388,800)	(362,970)	(362,970)	(181,942)
<b>Total Ongoing Expenditures</b>	<b>\$ 41,631,580</b>	<b>\$ 39,242,660</b>	<b>\$ 33,899,900</b>	<b>\$ 31,257,617</b>
<b>One-Time Expenditures (by Department)</b>				
City Council	\$ -	\$ -	\$ -	\$ 2,069
City Manager's Office	-	-	-	282,231
Human Resources	20,000	25,900	32,330	-
Financial Services	95,100	99,710	1,100	49,608
City Attorney's Office	-	-	-	-
City Clerk's Office	36,500	300	300	27,902
Parks & Recreation	50,290	60,570	55,820	31,886
General Services	100,880	223,980	161,960	334,094
Debt Service	8,028,250	7,425,480	7,423,450	7,575,700
Community Development	135,460	238,280	128,050	113,117
Public Works	958,160	605,120	628,100	600,009
Comm, Tourism & Econ Init.	150,000	120,000	339,000	13,471
Housing	772,120	860,100	316,350	-
Sustainability	9,660	129,710	171,660	-
Police	4,489,750	1,659,110	1,555,240	1,419,161
Municipal Court	51,060	100,100	98,050	89,261
Public Transit	297,570	435,510	435,510	173,147
Wastewater	594,460	468,900	277,730	255,239
Information Technology	470,786	495,100	440,530	140,188
Capital Improvement Projects	48,164,160	33,629,090	25,723,900	31,896,292
<b>Total One-Time Expenditures</b>	<b>\$ 64,424,206</b>	<b>\$ 46,576,960</b>	<b>\$ 37,789,080</b>	<b>\$ 43,003,376</b>

## EXPENDITURES & OTHER FINANCING USES SUMMARIES

continued

### All Funds Comparison

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Total Expenditures (by Department)</b>				
City Council	\$ 292,930	\$ 318,560	\$ 307,760	\$ 235,294
City Manager's Office	1,256,080	1,755,240	1,513,930	2,789,244
Human Resources	765,140	563,560	594,000	437,417
Financial Services	2,420,870	2,230,600	2,054,830	1,812,228
City Attorney's Office	1,060,350	953,840	844,950	732,485
City Clerk's Office	822,990	715,870	714,680	465,477
Parks & Recreation	1,438,910	1,401,340	1,265,620	1,075,488
General Services	2,986,500	2,882,400	2,691,000	3,795,964
Debt Service	8,028,250	7,425,480	7,423,450	7,575,700
Contingencies	956,850	3,331,050	-	-
Community Development	2,930,410	2,710,070	2,495,290	2,299,212
Public Works	10,752,520	9,038,340	9,060,180	8,085,384
Tourism & Economic Initiatives	2,586,110	1,146,170	1,125,870	242,269
Housing	1,291,470	1,363,450	715,340	-
Sustainability	907,370	983,380	933,570	-
Police	14,316,050	10,538,780	10,187,750	9,325,788
Municipal Court	1,109,170	966,430	931,070	798,654
Public Transit	3,332,250	2,935,820	2,644,780	1,920,897
Wastewater	6,099,020	5,608,720	5,117,780	4,727,948
Information Technology	2,983,166	2,812,730	2,572,250	2,185,077
Capital Improvement Projects	48,164,160	33,629,090	25,723,900	31,896,292
Charges to Other Departments	(7,010,500)	(6,129,200)	(5,866,920)	(5,002,650)
Contributions to Equipment Replacement Reserves	(1,045,480)	(999,130)	(999,130)	(955,233)
Contributions to Major Maintenance Reserves	(388,800)	(362,970)	(362,970)	(181,942)
<b>Total Expenditures</b>	<b>\$ 106,055,786</b>	<b>\$ 85,819,620</b>	<b>\$ 71,688,980</b>	<b>\$ 74,260,994</b>
<b>Other Financing Uses</b>				
Transfers to Other Funds	\$ 33,646,670	\$ 35,164,469	\$ 31,909,830	\$ 30,719,761
Payment to Refunded Bond Escrow Agent	-	-	-	-
<b>Total Other Financing Uses</b>	<b>\$ 33,646,670</b>	<b>\$ 35,164,469</b>	<b>\$ 31,909,830</b>	<b>\$ 30,719,761</b>
<b>GRAND TOTAL</b>	<b>\$ 139,702,456</b>	<b>\$ 120,984,089</b>	<b>\$ 103,598,810</b>	<b>\$ 104,980,755</b>
<b>Total Expenditures (by Expenditure Category)</b>				
Personnel	\$ 25,291,126	\$ 20,292,980	\$ 19,373,670	\$ 17,647,722
Supplies & Services	19,369,780	17,409,290	15,589,720	14,102,037
Capital & Debt Service	9,414,760	8,595,450	8,486,140	8,312,983
Capital Improvement Projects	48,164,160	33,629,090	25,723,900	31,896,292
Internal Charges	2,859,110	2,561,760	2,515,550	2,301,960
Contingencies	956,850	3,331,050	-	-
Other Financing Uses	33,646,670	35,164,469	31,909,830	30,719,761
<b>GRAND TOTAL</b>	<b>\$ 139,702,456</b>	<b>\$ 120,984,089</b>	<b>\$ 103,598,810</b>	<b>\$ 104,980,755</b>

## EXPENDITURES & OTHER FINANCING USES SUMMARIES

### General Fund

	FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actuals
<b>Expenditures</b>				
City Council	\$ 292,930	\$ 318,560	\$ 307,760	\$ 235,294
City Manager's Office	1,254,780	1,753,920	1,512,610	2,389,765
Human Resources	765,140	563,560	594,000	431,174
Financial Services	2,270,150	2,079,300	1,939,540	1,735,432
City Attorney's Office	960,350	853,840	844,950	731,312
City Clerk's Office	822,990	715,870	714,680	465,477
Parks & Recreation	1,425,710	1,387,590	1,248,640	1,048,016
General Services	3,238,500	3,618,640	2,659,520	3,794,442
Debt Service	3,100,600	2,292,620	2,290,590	2,545,823
Community Development	2,927,710	2,707,270	2,492,490	2,297,125
Public Works	7,192,670	5,865,730	5,998,190	5,245,959
Comm, Tourism & Econ Init.	2,585,460	1,041,170	1,125,870	236,394
Sustainability	907,370	983,380	933,570	-
Police	14,181,340	10,363,140	9,994,860	9,021,779
Municipal Court	1,109,050	951,310	915,950	786,990
Charges to Other Departments	(7,010,500)	(6,129,200)	(5,866,920)	(5,002,650)
Contributions to Equipment Replacement Reserves	(275,380)	(265,420)	(265,420)	(241,390)
<b>Total General Fund Expenditures</b>	<b>\$35,748,870</b>	<b>\$29,101,280</b>	<b>\$27,440,880</b>	<b>\$25,720,943</b>
<b>Other Financing Uses</b>				
Transfer to Streets Fund	\$ 1,938,220	\$ 2,298,349	\$ 1,473,870	\$ 2,037,201
Transfer to Affordable Housing Fund	900,000	14,835,500	14,980,210	1,804,627
Transfer to Capital Improvements Fund	12,300,000	2,500,000	2,500,000	10,897,170
Transfer to Grants, Donations & Restricted Funds	-	-	-	7,643
Transfer to Public Transit Fund	365,840	358,520	481,640	5,247,756
Transfer to Wastewater Fund	3,000,000	3,100,000	3,100,000	3,200,000
Transfer to Information Technology Fund	35,000	44,450	34,000	34,210
<b>Total General Fund Other Financing Uses</b>	<b>\$18,539,060</b>	<b>\$23,136,819</b>	<b>\$22,569,720</b>	<b>\$23,228,607</b>
<b>GRAND TOTAL</b>	<b>\$54,287,930</b>	<b>\$52,238,099</b>	<b>\$50,010,600</b>	<b>\$48,949,550</b>

## EXPENDITURES & OTHER FINANCING USES SUMMARIES

### Wastewater Enterprise Fund

	FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actuals
<b>Expenditures</b>				
Financial Services	\$ 146,340	\$ 147,140	\$ 111,150	\$ 74,326
Information Technology	136,860	130,190	113,500	50,244
City Attorney's Office	100,000	100,000	-	1,173
General Services	100,000	100,000	-	-
Public Works	357,180	354,450	333,250	285,821
Wastewater Administration	969,990	968,050	927,010	919,876
Wastewater Debt Service	4,334,500	4,540,700	4,540,700	4,541,291
Wastewater Capital Improvements Projects	8,930,420	5,365,940	2,878,730	3,022,877
Wastewater Operations	4,785,730	4,431,620	3,960,940	3,570,376
Contributions to Equipment Replacement Reserves	(219,590)	(226,780)	(226,780)	(219,590)
Contributions to Major Maintenance Reserves	(388,800)	(362,970)	(362,970)	(181,942)
<b>Total Wastewater Enterprise Fund Expenditures</b>	<b>\$19,252,630</b>	<b>\$15,548,340</b>	<b>\$12,275,530</b>	<b>\$12,064,452</b>
<b>Other Financing Uses</b>				
Payment to Refunded Bond Escrow Agent	\$ -	\$ -	\$ -	\$ -
<b>GRAND TOTAL</b>	<b>\$19,252,630</b>	<b>\$15,548,340</b>	<b>\$12,275,530</b>	<b>\$12,064,452</b>

# INTER-FUND TRANSFERS

## FY 2025 INTER-FUND TRANSFERS

Transfers Out	Transfers In								Totals
	Streets Fund	Housing Fund	Capital Improvements Fund	Development Impact Fees Funds	Art in Public Places Fund	Public Transit Enterprise Fund	Waste-water Enterprise Fund	Information Technology Internal Service Fund	
General Fund	\$1,938,220	\$900,000	\$12,300,000	\$ -	\$ -	\$ 365,840	\$3,000,000	\$35,000	<b>\$18,539,060</b>
Grants, Donations & Restricted Funds	-	-	-	-	-	-	1,911,860	-	<b>1,911,860</b>
Transportation Sales Tax Fund	-	-	8,027,180	-	-	3,814,150	-	-	<b>11,841,330</b>
Capital Improvements Fund	-	-	-	1,311,520	42,900	-	-	-	<b>1,354,420</b>
Totals	\$1,938,220	\$900,000	\$20,327,180	\$1,311,520	\$42,900	\$4,179,990	\$4,911,860	\$35,000	<b>\$33,646,670</b>

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

- **Ongoing Transfers**

- **Streets Fund Shortfall** – The revenues of the Streets Fund are insufficient to cover the estimated annual costs. The annual transfer is projected at \$1,938,220 for fiscal year 2024-25.
- **Funding for Housing** – The annual transfer to provide funding for the Housing Fund for fiscal year 2024-25 is \$500,000. The intent was to create a linkage between increases in bed tax revenues partially attributable to short-term rental activity which is believed to have had an impact on the availability of affordable housing within the city. In the council work sessions, council allocated an additional \$400,000 of the FY23 surplus.
- **Funding for Capital Projects** – The annual transfer to provide funding for the Capital Improvements Fund for fiscal year 2024-25 is \$2,500,000. The City relies on General Fund monies as a significant source for capital improvement project needs.
- **Funding for Sedona in Motion (SIM) projects** – A portion of the SIM capital improvement projects are funded with transportation sales tax monies. The fiscal year 2024-25 budget projects a transfer of \$8,027,180 from the Transportation Sales Tax Fund to the Capital Improvements Fund to cover those costs.
- **1% for Arts** – Council policy requires 1% of all capital projects budgets to be designated for art in public places. A total of \$42,900 was budgeted in the Capital Improvements Program for transfer to the Art in Public Places Fund for this purpose.
- **Funding for Verde Shuttle** – In accordance with an intergovernmental agreement (IGA) between the City of Cottonwood and City of Sedona, the City of Cottonwood bills the City of Sedona for the grant matching costs for the Verde Shuttle, a public transit line managed and operated by the City of Cottonwood that connects Sedona and Cottonwood. All public transit costs have been consolidated in the Public Transit Enterprise Fund; however, the funding comes from unrestricted revenues in the General Fund. The fiscal year 2024-25 budget includes a transfer of \$365,840 from the General Fund to the Public Transit Enterprise Fund to cover the grant matching requirement.

## INTER-FUND TRANSFERS

continued

- **Funding for Sedona-Owned Public Transit System** – A portion of the public transit operating costs and capital improvement projects are funded with transportation sales tax monies. The fiscal year 2024-25 budget projects a transfer of \$3,814,150 from the Transportation Sales Tax Fund to the Public Transit Enterprise Fund.
- **Wastewater Subsidy** – The City Council approved an inter-fund transfer of \$3,000,000 for fiscal year 2024-25 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.
- **Paid Parking Program** – The City Council has committed to the merchants in the Uptown area that the proceeds from the paid parking program, net of program costs, will be reinvested in the Uptown area. A portion of the program costs are reported in the Information Technology Internal Service Fund, and a transfer of \$35,000 from the General Fund has been included to cover those costs with the paid parking revenues.
- **One-Time Transfers**
  - **Streets Fund Shortfall** – An operating reserve of \$829,640 for the Streets Fund is recommended. The transfer from the General Fund for fiscal year 2024-25 would need to be increased to cover this additional cost.
  - **Funding for Housing** – An estimated \$1,000,000 of additional funding in fiscal year 2024-25 is needed if the City Council chooses to increase the total amount to be loaned for the Sunset Lofts project from \$6.2 million to an estimated \$7.2 million. An estimated \$400,000 of additional funding in fiscal year 2024-25 is allocated from the FY23 surplus.
  - **Bond Proceeds for Capital Projects** – The Series 2022 bonds were issued to cover costs of transportation master plan projects. The bond proceeds were recorded in the Capital Improvements Fund; however, the costs are incurred in other funds as well, and transfers are necessary to pay for the transportation master plan project costs in those funds. An estimated \$2,867,080 is budgeted for transfers to the Development Impact Fees Funds.

### City Sales Tax Subsidy to Wastewater Enterprise Fund

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 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 \$136 million of city sales taxes.

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*Since FY 1989, the Wastewater Enterprise Fund has been subsidized with over \$136 million of city sales taxes.*

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**INTER-FUND TRANSFERS**  
continued

**City Sales Tax Subsidy to Wastewater Enterprise Fund (cont'd)**

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 from 4% to 2% each year, in order to achieve the ultimate goal of making the Wastewater Enterprise Fund financially self-supporting. The City Council approved the rate increases for the first four years of the plan. Due to current surpluses as a result of the subsidies, additional increases have not yet been approved.

A new rate study is in process that plans to continue the gradual reduction of the subsidy until fully eliminated once the Wastewater Fund debt is paid off and to reevaluate the increases needed. The future subsidies proposed in the rate study were approved and adopted in City Council Resolution No. 2020-03. The approved future subsidies are as follows:

**FUTURE CITY SALES TAX SUBSIDIES**

Fiscal Year	Subsidy
FY 2024-25	\$3,000,000
FY 2025-26	\$2,900,000
FY 2026-27	\$0





## INTERNAL CHARGES

The fiscal year 2024-25 budget includes a cost category labeled internal charges. These costs may include:

- Allocation of indirect costs
- Set-asides for equipment replacement reserves
- Set-asides for wastewater major maintenance reserve

### 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 benefiting from those services. The allocation of these costs is based on available information that represents as fair an accounting as possible of the level of benefits received by the other departments and programs. The following is a summary of the department and programs providing the internal services and the methods used for allocation:

### SUMMARY OF INTERNAL SERVICE ALLOCATION METHODS

Department	Program	Allocation Method
City Manager’s Office	Administration	Counts of employees/FTEs benefitted
Human Resources	Administration	Counts of employees/FTEs benefitted
Financial Services	Administration	Budgeted expenditures of areas benefitted, counts of employees/FTEs benefitted, number of accounts payable transactions, and number of cash receiving transactions
Information Technology	Information Technology Services	Number of computers and phones and allocations of software systems used and counts of employees/FTEs benefitted
City Attorney’s Office	General Civil	Estimated personnel hours and allocations of property damage claims benefitted and counts of employees/FTEs benefitted
City Clerk’s Office	Clerk General Operations	Number of service requests and estimated personnel hours
General Services	General Services Administration	Budgeted expenditures of areas benefitted, historical insurance claims exposure, counts of employees/FTEs benefitted, and postage meter activity
Public Works	Facilities Maintenance	Square footage of facilities

The result of these allocations are the internal charges applied to each program with offsetting negative amounts for the internal service programs being allocated, except for the Information Technology Internal Service Fund which records the allocations as revenue.

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

## Indirect Cost Allocations (cont'd)

The following is a summary of the allocations to the benefitting departments:

### SUMMARY OF INDIRECT COST ALLOCATIONS BY BENEFITING DEPARTMENT

Benefiting Department	Allocating Department								Totals
	City Manager's Office	Human Resources	Financial Services	Information Technology	City Attorney's Office	City Clerk's Office	General Services	Public Works	
City Council	\$ -	\$ -	\$ 11,800	\$ 120,200	\$ 72,900	\$ -	\$ 1,860	\$ 9,140	\$ 215,900
City Manager's Office	(1,050,430)	18,930	41,580	68,350	32,130	6,480	8,280	27,650	(847,030)
Human Resources	17,170	(705,267)	25,770	85,980	32,130	4,190	2,910	43,290	(493,827)
Financial Services	62,970	41,160	(2,199,164)	223,480	39,300	9,150	18,030	63,880	(1,741,194)
Comm, Tourism & Econ Init.	41,690	27,780	82,740	37,700	-	-	12,640	24,140	226,690
City Attorney's Office	23,290	15,340	32,470	39,690	(650,694)	760	10,760	33,400	(494,984)
City Clerk's Office	22,800	15,090	23,390	195,360	36,720	(239,546)	5,890	54,990	114,694
Parks & Recreation	53,700	35,780	51,950	107,820	-	1,410	7,780	57,210	315,650
General Services	-	-	-	-	-	-	(576,140)	-	(576,140)
Community Development	96,120	64,040	85,660	263,850	168,220	78,320	19,850	77,460	853,520
Public Works	229,660	152,440	409,950	317,430	137,120	73,630	207,850	(1,091,158)	436,922
Sustainability	17,870	11,910	35,940	32,730	-	-	6,060	46,720	151,230
Police	300,100	199,967	354,155	1,000,220	83,574	53,236	101,800	397,118	2,490,170
Municipal Court	37,660	25,090	34,620	68,030	-	-	7,040	98,070	270,510
Housing	11,910	7,940	37,830	16,850	-	-	3,370	7,500	85,400
Public Transit	8,940	5,950	90,750	19,200	-	2,120	30,210	94,880	252,050
Wastewater	89,340	59,540	859,270	262,220	48,600	8,720	116,870	23,310	1,467,870
Information Technology	37,210	24,310	21,289	-	-	1,530	14,940	32,400	131,679
<b>Grand Total</b>	-	-	-	<b>2,859,110</b>	-	-	-	-	<b>2,859,110</b>

# INTERNAL CHARGES

continued

## Equipment Replacement Reserves and Major Maintenance Reserve

The fiscal year 2024-25 budget includes set-asides for equipment replacement reserves and a wastewater major maintenance reserve. These reserves are intended to aid with better budget and cash flow planning for replacement of the City’s equipment, including vehicles, operational equipment, and information technology items such as computers, monitors, servers, etc., as well as significant maintenance of wastewater utility equipment and systems.

The equipment replacement reserves are funded with an allocation of the replacement costs of equipment over the expected useful lives, and the wastewater major maintenance reserve is funded with an annualized allocation of the estimated significant maintenance costs.

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

The internal charges included in the budget for the equipment replacement reserves are allocations to the departments and programs that are using the assets covered. The reserves 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 equipment capitalized in the City’s audited financial statements was used. Again, any equipment under the capitalization threshold has not been included in the initiation of this reserve and may be considered for inclusion in the replacement reserve allocations in the future.

The following is a summary of the reserve allocations:

### SUMMARY OF RESERVE ALLOCATIONS

Department	Equipment Replacement Reserves	Wastewater Major Maintenance Reserve
City Council	\$2,510	\$ -
Parks & Recreation	7,480	-
General Services	5,960	-
Community Development	4,400	-
Public Works	101,450	-
Police	226,210	-
Municipal Court	730	-
Public Transit	236,710	-
Wastewater	219,590	268,680
Information Technology	240,443	-
Totals	\$1,045,483	\$268,680





## **Fund Summaries**

**FUND SUMMARIES**

**All Funds**

	General Fund	Streets Fund	Housing Fund	Grants, Donations & Restricted Funds	Transportation Sales Tax Fund	Capital Improvements Fund	Development Impact Fees Funds	Art in Public Places Fund	Public Transit Fund	Wastewater Fund	Information Technology Fund	Totals
<b>Revenues</b>												
Ongoing Revenues	\$ 45,813,820	\$ 1,107,600	\$ 76,200	\$ 164,620	\$ 4,905,500	\$ 620,900	\$ 224,420	\$ 4,090	\$ 334,100	\$ 7,340,700	\$ 2,696,390	\$ 63,288,340
One-Time Revenues	68,800	-	-	2,716,980	-	1,075,000	312,500	-	616,600	1,134,100	182,920	6,106,900
Contingent Revenues	-	-	-	500,000	-	-	-	-	-	-	-	500,000
<b>Total Revenues</b>	<b>45,882,620</b>	<b>1,107,600</b>	<b>76,200</b>	<b>3,381,600</b>	<b>4,905,500</b>	<b>1,695,900</b>	<b>536,920</b>	<b>4,090</b>	<b>950,700</b>	<b>8,474,800</b>	<b>2,879,310</b>	<b>69,895,240</b>
<b>Expenditures</b>												
Ongoing Expenditures	29,535,350	2,679,530	519,350	96,690	147,730	-	-	-	3,100,120	6,137,520	2,586,466	44,802,756
One-Time Expenditures	3,088,300	275,760	-	782,120	-	-	48,000	-	315,570	701,880	329,420	5,541,050
Capital Improvement Projects	-	-	-	-	-	31,230,930	5,926,110	119,000	2,301,000	8,587,120	-	48,164,160
Debt Service	3,100,600	-	-	-	341,580	-	248,570	-	-	4,334,500	-	8,025,250
Equipment Replacement Reserve Contributions	(275,380)	(73,360)	-	-	-	-	-	-	(236,710)	(219,590)	(240,440)	(1,045,480)
Major Maintenance Reserve Contributions	-	-	-	-	-	-	-	-	-	(388,800)	-	(388,800)
Contingency	300,000	-	56,850	500,000	-	-	-	-	-	100,000	-	956,850
<b>Total Expenditures</b>	<b>35,748,870</b>	<b>2,881,930</b>	<b>576,200</b>	<b>1,378,810</b>	<b>489,310</b>	<b>31,230,930</b>	<b>6,222,680</b>	<b>119,000</b>	<b>5,479,980</b>	<b>19,252,630</b>	<b>2,675,446</b>	<b>106,055,786</b>
<b>Net Revenues/Expenditures</b>	<b>10,133,750</b>	<b>(1,774,330)</b>	<b>(500,000)</b>	<b>2,002,790</b>	<b>4,416,190</b>	<b>(29,535,030)</b>	<b>(5,685,760)</b>	<b>(114,910)</b>	<b>(4,529,280)</b>	<b>(10,777,830)</b>	<b>203,864</b>	<b>(36,160,546)</b>
<b>Transfers and Other Financing Sources (Uses)</b>												
Transfer from other funds	-	1,938,220	900,000	-	-	20,327,180	1,311,520	42,900	4,179,990	4,911,860	35,000	33,646,670
Transfer to other funds	(18,539,060)	-	-	(1,911,860)	(11,841,330)	(1,354,420)	-	-	-	-	-	(33,646,670)
<b>Net Transfers and Other Financing Sources (Uses)</b>	<b>(18,539,060)</b>	<b>1,938,220</b>	<b>900,000</b>	<b>(1,911,860)</b>	<b>(11,841,330)</b>	<b>18,972,760</b>	<b>1,311,520</b>	<b>42,900</b>	<b>4,179,990</b>	<b>4,911,860</b>	<b>35,000</b>	<b>-</b>
<b>Beginning Fund Balances</b>	<b>26,734,418</b>	<b>1,159,950</b>	<b>18,900,000</b>	<b>257,102</b>	<b>7,659,808</b>	<b>35,929,599</b>	<b>1,507,160</b>	<b>89,803</b>	<b>6,603,886</b>	<b>15,818,335</b>	<b>1,696,498</b>	<b>116,356,560</b>
<b>Ending Fund Balances</b>												
Operating Reserve	8,812,430	829,640	-	-	-	-	-	-	-	1,988,720	-	11,630,790
Street Rehab/Preservation Reserve	-	300,000	-	-	-	-	-	-	-	-	-	300,000
Future Transit System Implementation	-	-	-	-	-	-	-	-	5,300,245	-	-	5,300,245
Restricted Capital Reserve	-	-	-	-	1,887,650	25,374,450	989,070	-	-	5,700,000	-	33,951,170
Equipment Replacement Reserve	2,001,478	194,200	-	-	-	-	-	-	473,420	1,430,143	1,509,328	5,608,569
Major Maintenance Reserve	-	-	-	-	-	-	-	-	-	268,680	-	268,680
Reserves for Loans	2,867,080	-	19,300,000	-	-	-	-	-	-	-	-	22,167,080
FY23 Surplus to be Allocated	-	-	-	-	-	-	-	-	-	-	-	-
Estimated FY24 Surplus to be Allocated	1,273,157	-	-	-	-	-	-	-	-	-	-	1,273,157
Remaining Available Fund Balance	3,374,963	-	-	348,032	(1,652,982)	(7,121)	(3,856,150)	17,793	480,931	564,822	426,034	(303,677)
<b>Total Ending Fund Balances</b>	<b>\$ 18,329,108</b>	<b>\$ 1,323,840</b>	<b>\$ 19,300,000</b>	<b>\$ 348,032</b>	<b>\$ 234,668</b>	<b>\$ 25,367,329</b>	<b>\$ (2,867,080)</b>	<b>\$ 17,793</b>	<b>\$ 6,254,596</b>	<b>\$ 9,952,365</b>	<b>\$ 1,935,362</b>	<b>\$ 80,196,014</b>

## FUND SUMMARIES

continued

### General Fund

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
City Sales Taxes	\$ 28,450,000	\$26,052,000	\$28,123,000	\$27,307,205
Bed Taxes	9,261,000	8,025,000	9,079,000	8,587,989
In Lieu Fees	570,000	552,340	1,100,000	-
Franchise Fees	848,000	906,500	862,800	913,691
State Shared Sales Taxes	1,505,000	1,454,000	1,490,000	1,443,176
Urban Revenue Sharing	1,946,000	2,618,000	2,594,000	1,852,056
Vehicle License Taxes	748,000	677,000	748,000	730,999
Other Intergovernmental	24,100	56,800	24,100	19,831
Licenses and Permits	579,420	644,580	563,420	598,810
Charges for Services	861,630	926,180	874,580	924,956
Fines and Forfeitures	372,050	332,350	355,800	410,428
Other Revenues	648,620	660,140	648,620	360,537
<b>Total Ongoing Revenues</b>	<b>45,813,820</b>	<b>42,904,890</b>	<b>46,463,320</b>	<b>43,149,678</b>
<b>Ongoing Expenditures</b>				
General Government	8,783,670	7,512,630	7,147,170	6,334,415
Public Safety	10,854,950	7,554,540	7,343,360	6,751,479
Public Works & Streets	2,438,880	2,152,340	2,180,600	1,999,602
Culture & Recreation	3,270,890	3,018,600	2,985,940	2,299,201
Tourism & Economic Initiatives	1,840,710	849,650	711,410	-
Economic Development	-	-	-	1,657,385
Health & Welfare	1,666,100	1,593,910	1,507,990	1,318,307
Public Transportation	82,880	80,000	80,000	65,224
Indirect Cost Allocations	597,270	509,270	565,520	412,790
Contingencies	300,000	867,720	-	-
<b>Total Ongoing Expenditures</b>	<b>29,835,350</b>	<b>24,138,660</b>	<b>22,521,990</b>	<b>20,838,403</b>
<b>Net Ongoing</b>	<b>15,978,470</b>	<b>18,766,230</b>	<b>23,941,330</b>	<b>22,311,275</b>
<b>Other</b>				
One-Time Revenues:				
In Lieu Fees	-	-	-	-
Intergovernmental	-	-	108,200	183,480
Charges for Services	-	10	-	30
Fines and Forfeitures	500	500	500	204
Other Revenues	68,300	49,000	113,300	168,000
One-Time Expenditures:				
General Government	(638,830)	(796,710)	(620,490)	(807,943)
Public Safety	(1,903,510)	(1,619,570)	(1,493,030)	(1,571,534)
Public Works & Streets	(70,360)	(53,790)	(61,490)	(168,164)
Culture & Recreation	(285,940)	(177,980)	(162,550)	(151,215)
Tourism & Economic Initiatives	(110,000)	(110,000)	(339,000)	-
Economic Development	-	-	-	(7,824)
Health & Welfare	(9,660)	(129,710)	(171,660)	(160,734)
Debt Service	(3,100,600)	(2,292,620)	(2,290,590)	(2,545,823)
<b>Net One-Time Revenues/Expenditures</b>	<b>(6,050,100)</b>	<b>(5,130,870)</b>	<b>(4,916,810)</b>	<b>(5,061,523)</b>

## FUND SUMMARIES

continued

### General Fund

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
Transfers:				
Transfer from Capital Improvements Fund	-	-	-	484,963
Transfer from Development Impact Fee Funds	-	-	-	-
Transfer to Streets Fund	(1,938,220)	(2,298,349)	(1,473,870)	(2,037,201)
Transfer to Housing Fund	(900,000)	(14,835,500)	(14,980,210)	(1,804,627)
Transfer to Grants, Donations & Restricted Funds	-	-	-	(7,643)
Transfer to Capital Improvements Fund	(12,300,000)	(2,500,000)	(2,500,000)	(10,897,170)
Transfer to Public Transit Fund	(365,840)	(358,520)	(481,640)	(5,247,756)
Transfer to Wastewater Fund	(3,000,000)	(3,100,000)	(3,100,000)	(3,200,000)
Transfer to Information Technology Fund	(35,000)	(44,450)	(34,000)	(34,210)
<b>Net Transfers</b>	<b>(18,539,060)</b>	<b>(23,136,819)</b>	<b>(22,569,720)</b>	<b>(22,743,644)</b>
<b>Beginning Fund Balance</b>	<b>26,734,418</b>	<b>29,419,918</b>	<b>30,059,698</b>	<b>\$35,312,200</b>

### Equipment Replacement Reserve

Reserve Contributions	275,380	265,420	265,420	241,390
Equipment Purchases	(70,000)	(47,660)	(45,500)	-
<b>Net Contribution to Equipment Replacement Reserve</b>	<b>205,380</b>	<b>217,760</b>	<b>219,920</b>	<b>241,390</b>

### Ending Fund Balances

Operating Reserve <sup>(1)</sup>	8,812,430	7,961,169	7,887,280	7,659,183
Equipment Replacement Reserve	2,001,478	1,818,729	1,796,098	1,576,178
Pledged to Capital Projects	-	-	-	-
Pledged to Affordable Housing	-	-	-	12,000,000
Pledged to PSPRS Unfunded Liability	-	-	1,500,000	1,200,000
Pledged to Public Transit	-	-	-	-
FY19 Surplus to be Allocated	-	-	-	-
FY20 Surplus to be Allocated	-	-	-	-
FY23 Surplus to be Allocated	-	6,905,779	4,331,633	-
Reserve for Loans <sup>(2)</sup>	2,867,080	1,439,682	-	1,439,682
FY24 Estimated Surplus to be Allocated	1,273,157	-	-	-
Prepaid Balance	-	-	-	22,515
STEP Program Balance	-	-	-	38
Financed Purchases Escrow Accounts	-	-	-	88,469
Parking Revenues Pledged to Uptown Improvements	-	-	-	-
Budget Carryovers	-	-	146,250	242,000
Remaining Available Fund Balance	3,374,963	2,010,860	11,073,157	5,831,633
<b>Total Ending Fund Balances</b>	<b>\$ 18,329,108</b>	<b>\$ 20,136,219</b>	<b>\$ 26,734,418</b>	<b>\$ 30,059,698</b>

<sup>(1)</sup>Operating reserve is 30% of operating expenditures.

<sup>(2)</sup>The reserve for loans represents the amount expected to be needed to cover the projected deficit for the Development Impact Fees Funds for fiscal year 2024-25.



**FUND SUMMARIES**  
continued

**Streets Fund**

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
Intergovernmental	\$ 1,078,000	\$ 994,000	\$ 1,078,000	\$ 1,037,382
Other Revenues	29,600	29,560	29,600	11,955
<b>Total Ongoing Revenues</b>	<b>1,107,600</b>	<b>1,023,560</b>	<b>1,107,600</b>	<b>1,049,337</b>
<b>Ongoing Expenditures</b>				
Streets Rehabilitation/Pavement Preservation	1,430,000	1,300,000	1,300,000	1,258,965
Other Streets Maintenance	578,890	514,370	508,630	382,431
Storm Clean-Up	124,310	117,810	104,640	94,960
Traffic Control	298,400	268,430	249,720	220,230
Internal Charges	247,930	228,780	220,360	239,080
<b>Total Ongoing Expenditures</b>	<b>2,679,530</b>	<b>2,429,390</b>	<b>2,383,350</b>	<b>2,195,666</b>
<b>Net Ongoing</b>	<b>(1,571,930)</b>	<b>(1,405,830)</b>	<b>(1,275,750)</b>	<b>(1,146,329)</b>
<b>Other</b>				
One-Time Revenues:				
Intergovernmental	-	-	-	-
Other	-	-	-	3
One-Time Expenditures:				
Other Streets Maintenance	(253,380)	(150,370)	(154,370)	(179,313)
Storm Clean-Up	(22,380)	-	-	(16,202)
<b>Net One-Time Revenues/Expenditures</b>	<b>(275,760)</b>	<b>(150,370)</b>	<b>(154,370)</b>	<b>(195,512)</b>
Transfer from General Fund	1,938,220	2,298,349	1,473,870	2,037,201
<b>Beginning Fund Balance</b>	<b>1,159,950</b>	<b>360,920</b>	<b>1,056,280</b>	<b>300,000</b>
<b>Equipment Replacement Reserve</b>				
Reserve Contributions	73,360	60,920	60,920	60,920
Equipment Purchases	-	-	(1,000)	-
<b>Net Contribution to Equipment Replacement Reserve</b>	<b>73,360</b>	<b>60,920</b>	<b>\$59,920</b>	<b>60,920</b>
<b>Ending Fund Balances</b>				
Prior Reserve Policy - 10% of expenditures	-	-	-	-
Operating Reserve <sup>(1)</sup>	829,640	742,149	739,110	694,360
Street Rehab/Preservation Reserve Policy <sup>(2)</sup>	300,000	300,000	300,000	300,000
Equipment Replacement Reserve	194,200	121,840	120,840	60,920
Prepaid Items	-	-	-	1,000
Remaining Available Fund Balance	-	-	-	-
<b>Total Ending Fund Balances</b>	<b>\$ 1,323,840</b>	<b>\$ 1,163,989</b>	<b>\$ 1,159,950</b>	<b>\$ 1,056,280</b>

<sup>(1)</sup>Operating reserve is 30% of operating expenditures.

<sup>(2)</sup>The average streets rehabilitation/pavement preservation costs are based on a target of an average of 4.5-5.0 miles per year. Each year, the number of miles maintained may vary based on economies of scale by performing streets maintenance in sections that make the most sense. The difference in estimated highest cost and estimated average annual costs is approximately \$300,000. Calculation of annual

**FUND SUMMARIES**  
continued

**Housing Fund**

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
Intergovernmental	\$ -	\$ 60,330	\$ 60,000	\$ 58,694
Other Revenues	76,200	61,520	61,600	32,326
<b>Total Ongoing Revenues</b>	<b>76,200</b>	<b>121,850</b>	<b>121,600</b>	<b>91,020</b>
<b>Ongoing Expenditures</b>				
City Manager's Office	-	-	-	292,316
Housing	519,350	503,350	398,990	-
<b>Total Ongoing Expenditures</b>	<b>519,350</b>	<b>503,350</b>	<b>398,990</b>	<b>292,316</b>
<b>Net Ongoing</b>	<b>(443,150)</b>	<b>(381,500)</b>	<b>(277,390)</b>	<b>(201,296)</b>
<b>Other</b>				
One-Time Revenues:				
In Lieu Fees	-	-	-	-
One-Time Expenditures:				
City Manager's Office	-	-	-	(11,526)
Community Development	-	-	-	-
Contingency	(56,850)	-	-	-
Housing	-	(454,000)	(254,000)	-
Capital Improvement Projects	-	-	(148,820)	(1,511,640)
<b>Net One-Time Revenues/Expenditures</b>	<b>(56,850)</b>	<b>(454,000)</b>	<b>(402,820)</b>	<b>(1,523,166)</b>
Transfer from General Fund	900,000	14,835,500	14,980,210	1,804,627
<b>Beginning Fund Balance</b>	<b>18,900,000</b>	<b>4,900,000</b>	<b>4,600,000</b>	<b>4,519,835</b>
<b>Ending Fund Balances</b>				
Nonspendable portion for Sunset Lofts Loan <sup>(1)</sup>	1,982,123	1,929,330	1,982,123	1,979,954
Reserve for Sunset Lofts Loan <sup>(2)</sup>	4,217,877	4,270,670	4,217,877	2,220,046
Reserve for 2250 Shelby Drive Development Loan <sup>(3)</sup>	2,250,000	300,000	2,250,000	-
Nonspendable portion for Down Payment Assistance Loans <sup>(4)</sup>	116,864	25,000	116,864	36,684
Reserve for Down Payment Assistance Loans <sup>(5)</sup>	283,136	375,000	283,136	363,316
Reserve for Future Affordable Housing Project Loans	10,050,000	12,000,000	10,050,000	-
Remaining Available Fund Balance	400,000	-	-	-
<b>Total Ending Fund Balances</b>	<b>\$ 19,300,000</b>	<b>\$18,900,000</b>	<b>\$18,900,000</b>	<b>\$4,600,000</b>

<sup>(1)</sup>The nonspendable portion for the Sunset Lofts loan represents the amount already loaned as of 3/28/24.

<sup>(2)</sup>The reserve for the Sunset Lofts loan represents the remaining balance of the \$4.2 million to be loaned, plus the additional \$2 million added in the FY24 budget process for the increased costs related to the project in case Council approves the increase.

<sup>(3)</sup>The reserve for the 2250 Shelby Drive development loan represents the \$2.25 million approved by Council in December 2023.

<sup>(4)</sup>The nonspendable portion for the down payment assistance loans represents the amount already loaned as of 3/28/24.

<sup>(5)</sup>The reserve for down payment assistance loans represents the remaining balance of the \$400,000 approved by Council to be loaned.

**FUND SUMMARIES**  
continued

**Grants, Donations & Restricted Funds**

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
Intergovernmental	\$ 73,000	\$ 89,800	\$ 73,000	\$ 75,844
Charges for Services	-	-	-	-
Fines & Forfeitures	34,900	27,700	33,500	32,745
Contributions & Donations	10,400	70,150	11,800	20,039
Other Revenues	46,320	9,020	46,320	(8,034)
<b>Total Grants &amp; Donations Funds Revenues</b>	<b>164,620</b>	<b>196,670</b>	<b>164,620</b>	<b>120,594</b>
<b>Ongoing Expenditures</b>				
Parks & Recreation	13,200	13,750	16,980	18,994
General Services	-	53,480	1,480	1,522
Public Works	1,500	1,500	1,300	2,257
Police	81,990	85,200	75,570	70,235
Municipal Court	-	-	-	624
<b>Total Ongoing Expenditures</b>	<b>96,690</b>	<b>153,930</b>	<b>95,330</b>	<b>93,632</b>
<b>Net Ongoing</b>	<b>67,930</b>	<b>42,740</b>	<b>69,290</b>	<b>26,962</b>
<b>Other</b>				
One-Time Revenues:				
Intergovernmental <sup>(1)</sup>	2,716,980	2,479,240	309,430	1,674,676
Contributions & Donations	-	-	-	7,500
Other Revenues	-	-	-	-
Contingency Placeholder	500,000	500,000	-	-
One-Time Expenditures:				
Community Development	-	-	-	-
Tourism & Economic Initiatives	-	(10,000)	-	(5,647)
Housing	(772,120)	(406,100)	(62,350)	-
Police	-	(35,390)	(72,720)	(161,925)
Information Technology	(10,000)	(48,300)	(38,300)	-
Capital Improvement Projects	-	(78,700)	(223,230)	(224,494)
Contingency Placeholder	(500,000)	(2,363,330)	-	-
<b>Net One-Time Revenues/Expenditures</b>	<b>1,934,860</b>	<b>37,420</b>	<b>(87,170)</b>	<b>1,290,110</b>
Transfers:				
Transfer from General Fund	-	-	-	7,643
Transfer to Wastewater Fund	(1,911,860)	(184,400)	-	(1,464,372)
<b>Net Transfers</b>	<b>(1,911,860)</b>	<b>(184,400)</b>	<b>-</b>	<b>(1,456,729)</b>
<b>Beginning Fund Balance</b>	<b>257,102</b>	<b>339,108</b>	<b>274,982</b>	<b>414,639</b>
<b>Ending Fund Balances</b>				
Budget Carryovers	-	-	-	70,800
Remaining Available Fund Balance	348,032	234,868	257,102	204,182
<b>Total Ending Fund Balances</b>	<b>\$ 348,032</b>	<b>\$ 234,868</b>	<b>\$ 257,102</b>	<b>\$ 274,982</b>

<sup>(1)</sup>Fiscal year 2024-25 amount includes \$1.9 million of previously unspent American Rescue Plan Act (ARPA) funding

## FUND SUMMARIES

continued

### Transportation Sales Tax Fund

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
City Sales Taxes	\$ 4,737,000	\$ 4,332,000	\$ 4,686,000	\$ 4,464,666
Other Revenues	168,500	168,540	168,500	145,755
<b>Total Ongoing Revenues</b>	<b>4,905,500</b>	<b>4,500,540</b>	<b>4,854,500</b>	<b>4,610,421</b>
<b>Ongoing Expenditures</b>				
Public Works & Streets	147,730	158,760	109,640	107,787
<b>Total Ongoing Expenditures</b>	<b>147,730</b>	<b>158,760</b>	<b>109,640</b>	<b>107,787</b>
<b>Net Ongoing</b>	<b>4,757,770</b>	<b>4,341,780</b>	<b>4,744,860</b>	<b>4,502,634</b>
<b>Other</b>				
One-Time Expenditures:				
Public Works & Streets	-	-	-	-
Debt Service	(341,580)	(340,590)	(340,590)	(223,478)
<b>Net One-Time Revenues/Expenditures</b>	<b>(341,580)</b>	<b>(340,590)</b>	<b>(340,590)</b>	<b>(223,478)</b>
Transfers:				
Transfer to Capital Improvements Fund	(8,027,180)	(4,267,760)	(2,233,950)	(492,378)
Transfer to Public Transit Fund	(3,814,150)	(3,049,080)	(2,305,440)	(4,489,995)
<b>Net Transfers</b>	<b>(11,841,330)</b>	<b>(7,316,840)</b>	<b>(4,539,390)</b>	<b>(4,982,373)</b>
<b>Beginning Fund Balance</b>	<b>7,659,808</b>	<b>9,510,690</b>	<b>7,794,928</b>	<b>8,498,145</b>
<b>Ending Fund Balances</b>				
Capital Reserves	1,887,650	7,390,580	9,207,580	2,757,810
Remaining Available Fund Balance <sup>(1)</sup>	(1,652,982)	(1,195,540)	(1,547,772)	5,037,118
<b>Total Ending Fund Balances</b>	<b>\$ 234,668</b>	<b>\$ 6,195,040</b>	<b>\$ 7,659,808</b>	<b>\$ 7,794,928</b>

<sup>(1)</sup>Fiscal year 2024-25 shows insufficient monies to cover the capital reserve requirements. If necessary, there is more than sufficient capital reserves to cover costs; however, since CIP projects frequently do not move forward as quickly as budgeted, the extent of the deficit may not occur and the use of capital reserves funding for Sedona

## FUND SUMMARIES

continued

### Capital Improvements Fund

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
Intergovernmental	\$ 150,000	\$ 350,000	\$ 300,000	\$ 387,000
Other Revenues	470,900	471,330	470,900	714,805
<b>Total Ongoing Revenues</b>	<b>620,900</b>	<b>821,330</b>	<b>770,900</b>	<b>1,101,805</b>
<b>Other</b>				
One-Time Revenues:				
Intergovernmental	1,075,000	425,000	122,000	197,113
Contributions & Donations	-	-	-	75,000
Other Revenues	-	-	-	6
One-Time Expenditures:				
Court Project	-	-	-	(101,432)
Information Technology Project	(1,150,000)	(600,000)	(50,000)	-
Parks Projects	(972,060)	(1,177,550)	(769,300)	(254,869)
Police Projects	(600,000)	(215,800)	(3,380)	(180,144)
Public Works Projects	(250,000)	-	-	(20,168,198)
Sedona in Motion Projects	(27,678,870)	(14,301,600)	(13,602,700)	(3,188,560)
Streets & Transportation Projects	-	(450,000)	(280,000)	(100,748)
Storm Drainage Projects	(150,000)	(788,160)	(910,430)	(458,656)
Sustainability Projects	(430,000)	(330,000)	(255,000)	-
Bond Issuance Costs	-	-	-	(147,855)
<b>Net One-Time Revenues/Expenditures</b>	<b>(30,155,930)</b>	<b>(17,438,110)</b>	<b>(15,748,810)</b>	<b>(24,328,343)</b>
Transfers and Other Financing Sources (Uses):				
Transfer from General Fund	12,300,000	2,500,000	2,500,000	10,897,170
Transfer from Transportation Sales Tax Fund	8,027,180	4,267,760	2,233,950	492,378
Transfer from Development Impact Fee Funds	-	-	-	-
Transfer to General Fund	-	-	-	(484,963)
Transfer to Development Impact Fee Funds	(1,311,520)	(4,507,280)	(4,782,700)	(372,959)
Transfer to Art in Public Places Fund	(42,900)	(19,130)	(18,020)	(7,308)
Transfer to Public Transit Fund	-	-	-	(179,178)
Bonds Issued	-	-	23,000,000	10,148,000
<b>Net Transfers and Other Financing Sources (Uses)</b>	<b>18,972,760</b>	<b>2,241,350</b>	<b>22,933,230</b>	<b>20,493,140</b>
<b>Beginning Fund Balance</b>	<b>35,929,599</b>	<b>27,444,277</b>	<b>27,974,279</b>	<b>30,707,677</b>
<b>Ending Fund Balances</b>				
Capital Reserve	25,374,450	17,310,550	31,616,330	22,355,491
Remaining Available Fund Balance	(7,121)	(4,241,703)	4,313,269	5,618,788
<b>Total Ending Fund Balances</b>	<b>\$ 25,367,329</b>	<b>\$ 13,068,847</b>	<b>\$ 35,929,599</b>	<b>\$ 27,974,279</b>

## FUND SUMMARIES

continued

### Development Impact Fees Funds

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
Development Impact Fees	\$ 153,400	\$ 385,800	\$ 153,400	\$ 393,472
Other Revenues	71,020	71,100	71,020	43,975
<b>Total Ongoing Revenues</b>	<b>224,420</b>	<b>456,900</b>	<b>224,420</b>	<b>437,447</b>
<b>Other</b>				
One-Time Revenues:				
Development Impact Fees	312,500	607,700	350,200	177,726
Other Revenues	-	-	-	2
One-Time Expenditures:				
Professional Services	(48,000)	(78,000)	(30,000)	-
Parks Projects	(1,919,830)	(2,257,460)	(865,730)	(95,028)
Police Projects	-	-	-	(253,454)
Sedona in Motion Projects	(4,006,280)	(6,714,560)	(5,016,210)	(482,041)
Storm Drainage Projects	-	-	-	-
Debt Service	(248,570)	(248,570)	(248,570)	(115,754)
<b>Net One-Time Revenues/Expenditures</b>	<b>(5,910,180)</b>	<b>(8,690,890)</b>	<b>(5,810,310)</b>	<b>(768,549)</b>
Transfers and Other Financing Sources (Uses):				
Transfer from Capital Improvements Fund	1,311,520	4,507,280	4,782,700	372,959
Transfer to General Fund	-	-	-	-
Transfer to Capital Improvements Fund	-	-	-	-
<b>Net Transfers and Other Financing Sources (Uses)</b>	<b>1,311,520</b>	<b>4,507,280</b>	<b>4,782,700</b>	<b>372,959</b>
<b>Beginning Fund Balance</b>	<b>1,507,160</b>	<b>2,133,493</b>	<b>2,310,350</b>	<b>2,268,493</b>
<b>Ending Fund Balances</b>				
Capital Reserve	989,070	2,757,770	6,222,680	9,298,590
Budget Carryovers	-	-	48,000	45,000
Remaining Available Fund Balance <sup>(1)</sup>	(3,856,150)	(4,350,987)	(4,763,520)	(7,033,240)
<b>Total Ending Fund Balances</b>	<b>\$ (2,867,080)</b>	<b>\$ (1,593,217)</b>	<b>\$ 1,507,160</b>	<b>\$ 2,310,350</b>

<sup>(1)</sup>The development impact fee study is based on assumptions of fee collections over a 10-year period. Since many of the projects are front-loaded in the early portion of the 10-year period, the fees covering these costs will not be available until after costs are incurred. Loans may be necessary to cover deficit balances. Since CIP projects frequently do not move forward as quickly as budgeted, the extent of the deficits may not be as significant as they appear. For example, the FY 2024 budget projected a negative ending balance of \$1.6M; however, the FY 2024 estimates show a positive ending balance of \$1.4M.

## FUND SUMMARIES

continued

### Art in Public Places Fund

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
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#### Ongoing Revenues

Other Revenues	\$ 4,090	\$ 4,090	\$ 4,090	\$ 2,433
<b>Total Ongoing Revenues</b>	<b>4,090</b>	<b>4,090</b>	<b>4,090</b>	<b>2,433</b>

#### Other

One-Time Revenues:				
In Lieu Fees	-	-	-	46,507
Other Revenues	-	-	-	65,000
One-Time Expenditures:				
Capital Improvement Projects	(119,000)	(232,000)	(115,000)	(130,000)
<b>Net One-Time Revenues/Expenditures</b>	<b>(119,000)</b>	<b>(232,000)</b>	<b>(115,000)</b>	<b>(18,493)</b>

Transfers:				
Transfers from Capital Projects Funds	42,900	19,130	18,020	7,308

<b>Beginning Fund Balance</b>	<b>89,803</b>	<b>139,315</b>	<b>182,693</b>	<b>191,445</b>
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#### Ending Fund Balances

Capital Reserves	-	-	119,000	232,000
Remaining Available Fund Balance	17,793	(69,465)	(29,197)	(49,307)
<b>Total Ending Fund Balances</b>	<b>\$ 17,793</b>	<b>\$ (69,465)</b>	<b>\$ 89,803</b>	<b>\$ 182,693</b>

**FUND SUMMARIES**  
continued

**Public Transit Enterprise Fund**

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
Intergovernmental	\$ 183,600	\$ 322,600	\$ 237,700	\$ 51,874
Charges for Services	36,500	115,300	7,600	1,433
Other Revenues	114,000	-	114,000	81,212
<b>Total Ongoing Revenues</b>	<b>334,100</b>	<b>437,900</b>	<b>359,300</b>	<b>134,519</b>
<b>Ongoing Expenditures</b>				
Administration	231,520	175,330	162,660	155,064
Operations	2,509,210	2,129,210	1,854,660	1,463,634
Capital Projects Management	41,900	38,710	38,690	36,931
Indirect Cost Allocations/Departmental Allocations	317,490	309,560	216,240	152,975
<b>Total Ongoing Expenditures</b>	<b>3,100,120</b>	<b>2,652,810</b>	<b>2,272,250</b>	<b>1,808,604</b>
<b>Net Ongoing</b>	<b>(2,766,020)</b>	<b>(2,214,910)</b>	<b>(1,912,950)</b>	<b>(1,674,085)</b>
<b>Other</b>				
One-Time Revenues:				
Intergovernmental	616,600	1,064,690	514,880	-
One-Time Expenditures:				
Administration	(3,000)	(3,000)	(3,000)	(1,500)
Operations	(297,570)	(435,510)	(435,510)	(173,147)
Departmental Allocations	(15,000)	(5,000)	(9,000)	-
Capital Improvement Projects	(2,301,000)	(1,326,370)	(827,500)	(1,961,846)
<b>Net One-Time Revenues/Expenditures</b>	<b>(1,999,970)</b>	<b>(705,190)</b>	<b>(760,130)</b>	<b>(2,136,493)</b>
Transfers:				
Transfer from General Fund	365,840	358,520	481,640	5,247,756
Transfer from Capital Improvements Fund	-	-	-	179,178
Transfer from Transportation Sales Tax Fund	3,814,150	3,049,080	2,305,440	4,489,995
<b>Net Transfers</b>	<b>4,179,990</b>	<b>3,407,600</b>	<b>2,787,080</b>	<b>9,916,929</b>
<b>Beginning Fund Balance</b>	<b>6,603,886</b>	<b>5,000,000</b>	<b>6,253,176</b>	<b>146,825</b>
<b>Equipment Replacement Reserve</b>				
Reserve Contributions	236,710	236,710	236,710	-
Equipment Purchases	-	-	-	-
<b>Net Contribution to Equipment Replacement Reserve</b>	<b>236,710</b>	<b>236,710</b>	<b>236,710</b>	<b>-</b>
<b>Ending Fund Balances</b>				
Future System Implementation Reserve	5,300,245	5,000,000	5,186,245	5,072,245
Equipment Replacement Reserve	473,420	236,710	236,710	-
Remaining Available Fund Balance	480,931	487,500	1,180,931	1,180,931
<b>Total Ending Fund Balances</b>	<b>\$ 6,254,596</b>	<b>\$ 5,724,210</b>	<b>\$ 6,603,886</b>	<b>\$ 6,253,176</b>



**FUND SUMMARIES**  
continued

**Wastewater Enterprise Fund**

	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
Charges for Services	\$ 6,250,000	\$ 6,270,370	\$ 6,258,000	\$ 6,284,071
Fines and Forfeitures	37,900	43,600	37,900	41,648
Capacity Fees	644,000	725,100	416,300	850,775
Other Revenues	408,800	409,060	408,800	316,462
<b>Total Ongoing Revenues</b>	<b>7,340,700</b>	<b>7,448,130</b>	<b>7,121,000</b>	<b>7,492,956</b>
<b>Ongoing Expenditures</b>				
Wastewater Administration	260,200	240,240	226,630	220,322
Wastewater Operations	3,285,880	3,289,040	2,956,690	2,851,869
Public Works Engineering Services	258,360	246,810	230,320	210,968
Capital Projects Management	190,850	94,560	124,800	80,112
Contingencies	100,000	100,000	-	-
Indirect Cost Allocations/Departmental Allocations:				
Information Technology	353,560	296,220	286,040	273,836
Human Resources	67,880	56,620	59,620	44,140
Financial Services	292,170	286,770	215,340	250,950
Utility Billing	692,940	690,540	704,040	677,556
General Services	120,580	106,430	106,080	111,310
City Manager	101,850	92,110	72,310	68,070
City Clerk	8,720	7,100	7,120	11,650
City Attorney	159,750	156,690	55,680	50,413
Facilities Maintenance	29,780	23,320	25,930	21,480
<b>Total Ongoing Expenditures</b>	<b>5,922,520</b>	<b>5,686,450</b>	<b>5,070,600</b>	<b>4,872,676</b>
<b>Net Ongoing</b>	<b>1,418,180</b>	<b>1,761,680</b>	<b>2,050,400</b>	<b>2,620,280</b>
<b>Other</b>				
One-Time Revenues:				
Charges for Services	1,100	-	1,100	-
Capacity Fees	1,073,000	950,470	678,000	305,857
Other	60,000	50,000	-	6,637
One-Time Expenditures:				
Wastewater Administration	-	-	-	(9,425)
Wastewater Operations	(360,600)	(366,730)	(237,730)	(245,815)
Public Works Engineering Services	(17,200)	(18,500)	(18,500)	(10,087)
Utility Billing	(30,100)	(30,100)	-	-
Information Technology	(60,120)	(39,350)	(27,930)	(1,508)
Capital Improvement Projects	(8,166,100)	(4,525,890)	(2,438,900)	(2,785,181)
Debt Service	(4,334,500)	(4,540,700)	(4,540,700)	(4,541,291)
<b>Net One-Time Revenues/Expenditures</b>	<b>(11,834,520)</b>	<b>(8,520,800)</b>	<b>(6,584,660)</b>	<b>(7,280,813)</b>
Transfers and Other Financing Sources (Uses):				
Transfer from General Fund	3,000,000	3,100,000	3,100,000	3,200,000
Transfer from Grants & Donations Funds	1,911,860	184,400	-	1,464,372
Refunding Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
<b>Net Transfers and Other Financing Sources (Uses)</b>	<b>4,911,860</b>	<b>3,284,400</b>	<b>3,100,000</b>	<b>4,664,372</b>
<b>Beginning Fund Balance</b>	<b>15,818,335</b>	<b>17,380,955</b>	<b>17,193,765</b>	<b>16,788,394</b>
<b>Equipment Replacement Reserve</b>				
Reserve Contributions	219,590	226,780	226,780	219,590
Equipment Purchases	(173,860)	(102,170)	(10,000)	-
Capital Improvement Projects	(421,020)	(631,000)	(210,000)	-
<b>Net Contribution to Equipment Replacement Reserve</b>	<b>(375,290)</b>	<b>(506,390)</b>	<b>6,780</b>	<b>219,590</b>
<b>Major Maintenance Reserve</b>				
Reserve Contributions	388,800	362,970	362,970	181,942
Major Maintenance Costs	(375,000)	(197,200)	(310,920)	-
<b>Net Contribution to Major Maintenance Reserve</b>	<b>13,800</b>	<b>165,770</b>	<b>52,050</b>	<b>181,942</b>
<b>Ending Fund Balances</b>				
Operating Reserve <sup>(1)</sup>	1,988,720	1,890,840	1,873,870	1,992,230
Capital Improvements Reserve	5,700,000	4,044,635	8,587,120	4,735,890
Equipment Replacement Reserve	1,430,143	1,194,613	1,805,433	1,798,653
Major Maintenance Reserve	268,680	385,697	254,880	202,830
Budget Carryovers	-	-	125,800	75,000
Remaining Available Fund Balance	564,822	6,049,830	3,171,232	8,389,162
<b>Total Ending Fund Balances</b>	<b>\$ 9,952,365</b>	<b>\$13,565,615</b>	<b>\$15,818,335</b>	<b>\$17,193,765</b>

<sup>(1)</sup>Operating reserve is 33.3% of operating expenditures.

**FUND SUMMARIES**  
continued

**Information Technology Internal Service Fund**

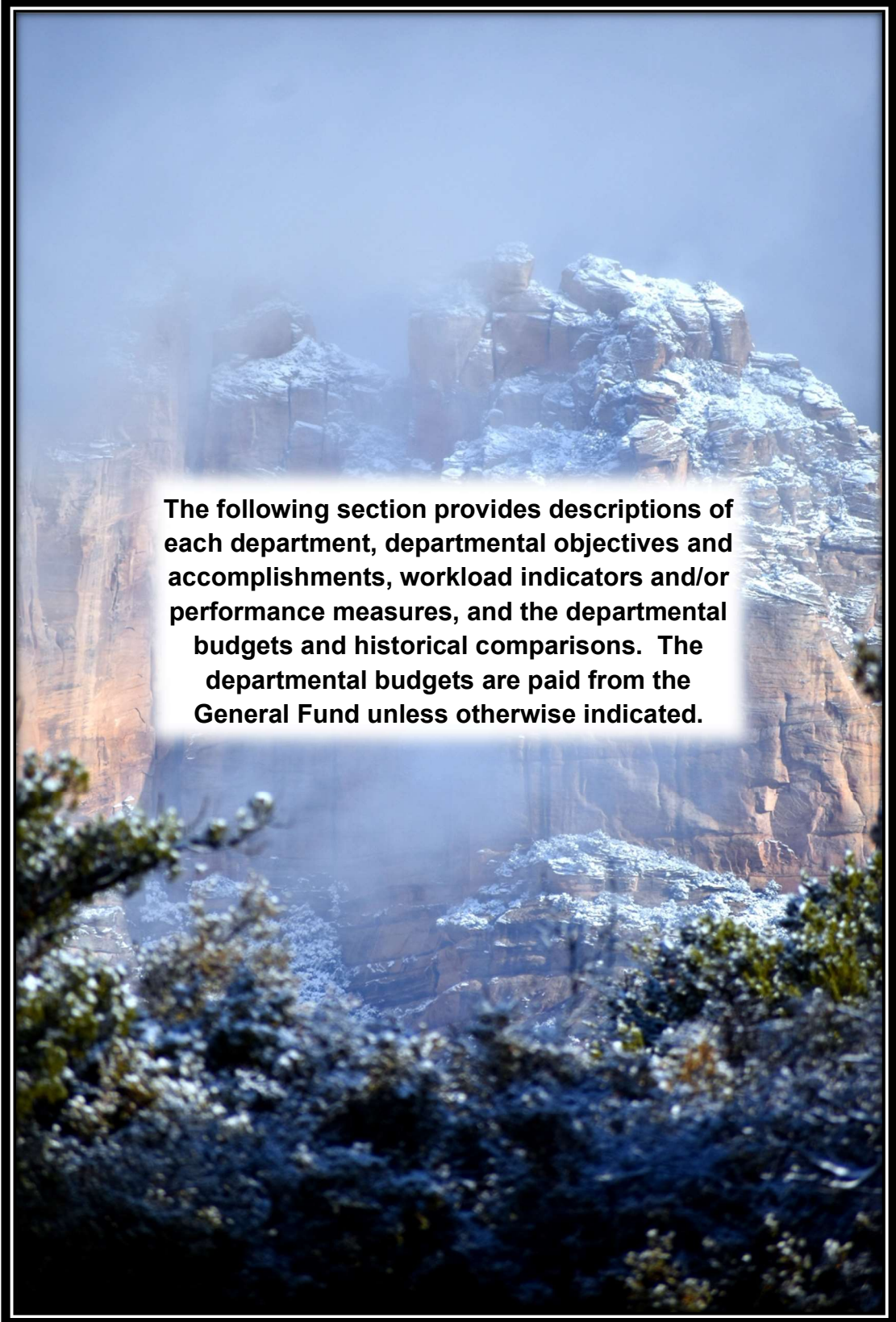
	FY2025 Budget	FY2024 Budget	FY2024 Est. Actuals	FY2023 Actuals
<b>Ongoing Revenues</b>				
Internal Cost Charges	\$2,676,190	\$2,329,890	\$2,301,650	\$2,163,280
Charges for Services	600	500	580	401
Other Revenue	19,600	19,600	19,690	17,255
<b>Total Ongoing Revenues</b>	<b>2,696,390</b>	<b>2,349,990</b>	<b>2,321,920</b>	<b>2,180,936</b>
<b>Ongoing Expenditures</b>				
Information Technology Services	2,380,186	2,066,140	1,896,350	1,830,351
Departmental Direct Allocations	79,580	94,090	82,780	214,266
Indirect Cost Allocations	126,700	160,650	149,800	116,410
<b>Total Ongoing Expenditures</b>	<b>2,586,466</b>	<b>2,320,880</b>	<b>2,128,930</b>	<b>2,161,027</b>
<b>Net Ongoing</b>	<b>109,924</b>	<b>29,110</b>	<b>192,990</b>	<b>19,909</b>
<b>Other</b>				
One-Time Revenues:				
Internal Cost Charges	182,920	231,870	213,900	138,680
One-Time Expenditures:				
Information Technology Services	(182,920)	(231,870)	(213,900)	(138,680)
Departmental Direct Allocations	-	-	-	-
<b>Net One-Time Revenues/Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Transfer from General Fund	35,000	44,450	34,000	34,210
<b>Beginning Fund Balance</b>	<b>1,696,498</b>	<b>1,435,548</b>	<b>1,420,608</b>	<b>933,156</b>
<b>Equipment Replacement Reserve</b>				
Reserve Contributions	240,440	209,300	209,300	433,333
Equipment Purchases	(146,500)	(175,580)	(160,400)	-
<b>Net Use of Operating Revenues</b>	<b>93,940</b>	<b>33,720</b>	<b>48,900</b>	<b>433,333</b>
<b>Ending Fund Balances</b>				
Equipment Replacement Reserve	1,509,328	1,039,055	1,415,388	1,366,488
Budget Carryovers	-	-	-	9,600
Remaining Available Fund Balance <sup>(1)</sup>	426,034	503,773	281,110	44,520
<b>Total Ending Fund Balances</b>	<b>\$1,935,362</b>	<b>\$1,542,828</b>	<b>\$1,696,498</b>	<b>\$1,420,608</b>

<sup>(1)</sup>The remaining available fund balance will be added to the equipment replacement reserve.



## **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

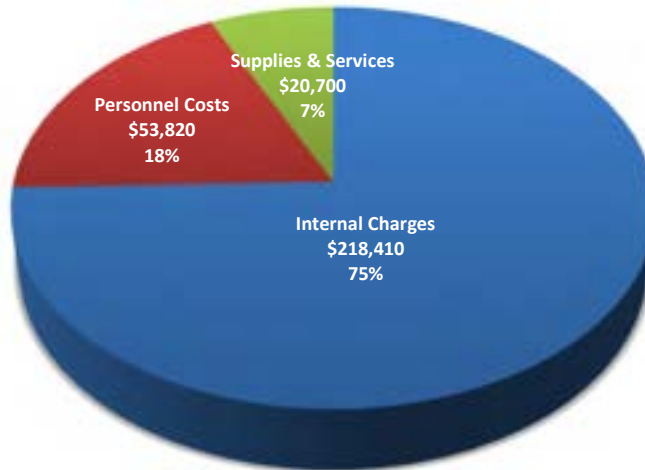
## Mission Statement

To encourage partnering to maximize resources and opportunities in sustaining Sedona's vibrant community, which includes an interdependence of residents, visitors, and stakeholders. 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.

### FY 2025 PROGRAM EXPENDITURES: \$292,930



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



**CITY COUNCIL – Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 53,820	18%	\$ 53,820	\$ 53,700	\$ 51,493
Supplies & Services	20,700	7%	24,400	15,050	20,682
<b>Subtotal Direct Costs</b>	<b>\$ 74,520</b>	<b>25%</b>	<b>\$ 78,220</b>	<b>\$ 68,750</b>	<b>\$ 72,174</b>
Internal Charges	218,410	75%	240,340	239,010	163,120
<b>Total Expenditures</b>	<b>\$ 292,930</b>	<b>100%</b>	<b>\$ 318,560</b>	<b>\$ 307,760</b>	<b>\$ 235,294</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 292,930	100%	\$ 318,560	\$ 307,760	\$ 235,294
<b>Funding Sources</b>					
Funding from General Revenues:					
Estimated Resident Generated	\$ 102,530	35%	\$ 111,500	\$ 107,720	\$ 82,353
Estimated Visitor Generated	\$ 190,400	65%	\$ 207,060	\$ 200,040	\$ 152,941
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>7.00</b>		<b>7.00</b>		<b>7.00</b>

**FY 2024 Accomplishments**

Overall City Value - Fiscal Sustainability:

- \* Approved a balanced budget

Council Priority - Implement traffic improvements - Sedona In Motion:

- \* Completed Back O' Beyond low water crossing
- \* Completed Pinon Drive shared-use path
- \* Completed Phase I of the Navoti Drive to Dry Creek shared-use path
- \* Completed SIM 1B - Uptown northbound Amara turn lane
- \* Approved bids for construction of the Pedestrian Crossing at Oak Creek
- \* Completed final report on Uptown Parking Study and provided direction to move forward with design and obtaining Guaranteed Maximum Price (GMP) or bids on garage
- \* Completed extension of Forest Road

Council Priority - Expand public transit system:

- \* Approved acceptance of FTA 5339 grant for two additional micro-transit vehicles
- \* Approved acceptance of \$720K grant for the design and engineering of the transit maintenance and operation facility
- \* Approved Micro Transit Fare structure

Council Priority - Construct affordable/workforce housing units:

- \* Awarded Community Development Block Grant to Steps to Recovery
- \* Leased land and loaded \$2.25M for 30-unit, deed restricted apartment complex on Shelby Drive
- \* Received \$825K grant and approved temporary work-force housing Safe Place to Park Program in partnership with Verde Valley

Homeless Coalition

- \* Converted four homes from short-term rentals to long-term rentals through the Rent Local Program
- \* Revised Down-payment Assistance Program and issued two additional loans for the local workers
- \* Recorded 12 deed restrictions through the Deed Restriction Program
- \* Assessed two proposals for an affordable apartment complex at the Cultural Park

Council Priority - Explore opportunities for environmental stewardship/sustainability:

- \* Completed partnership with Oak Creek Watershed Council on watershed education and outreach
- \* Completed Urban Heat Data Collection and Map Creation
- \* Expanded Community Food Scraps Composting Program to 100 residences
- \* Retrofitted 23 homes through the Home Energy Retrofit Project
- \* Implemented Municipal Sustainability Plan
  - Installed Big Belly smart trash receptacles
  - Collected 12K lbs. of electronics and 18K lbs. of hazardous waste during the 2023 Household Hazardous Waste Event
  - Installed 13 bike racks across municipal facilities
  - Implemented Watchwire Utility Tracking Platform
  - Implemented eBike fleet

Council Priority - Pursue innovative strategies for economic diversification:

- \* Focused efforts toward bringing broadband to Sedona
- \* Solicited Requests for Information from Internet Service Providers

Council Priority - Complete Emergency Preparedness Plan:

- \* Launched Know Your Zone using "Ready-Set-Go"
- \* Completed the first-ever in the state Evacuation and Re-entry Plan
- \* Created the Community Emergency Preparedness Guide

## CITY COUNCIL – Administration

continued

### FY 2024 Accomplishments (cont'd)

#### Council Priority - Chamber Contract Review:

- \* City of Sedona designated official Destination Marketing and Management Organization
- \* Approved contract with SCCTB for continued operations of Visitor Center
- \* Launched Tourism Business Database for businesses
- \* Created Tourism Advisory Board
- \* Approved launch of Winter and Summer Destination Marketing Campaign
- \* Approved Tourism Strategic Plan

#### Council Priority - Improve citizen communication/relations:

- \* Approved hiring of Web Content Manager position
- \* Completed FY 2024 Council priorities video
- \* Completed FY 2024 City Budget Survey

#### Council Priority - Monitor short-term rentals:

- \* Continued to fight for local control at the state legislative level

#### Council Priority - Mitigate trailhead congestion/impact to neighborhoods:

- \* Completed Back O' Beyond safety and drainage improvements

#### Council Priority - Complete Community Plan update:

- \* Approved Community Plan

#### Council Priority - Accelerate Ranger Station Park buildout

- \* Approved park design and art features for the park's landscaping, playground, and restrooms
- \* Completed the landscaping, playground, and restrooms at the park
- \* Approved purchase of the Stormy Bay sculpture and completed installation at the park

#### Council Priority - Complete environmental impact study on OHVs/trail access

- \* Completed study
- \* Received recommendations from the Greater Sedona Recreational Collaborative
- \* Approved voluntary agreement with local OHV rental industry

#### Council Priority - Review assessment for airport acquisition

- \* Approved contract for full evaluation of Airport structure & operations
- \* Reviewed assessment for airport acquisition

#### Council Priority - Construct eight pickleball courts at Posse Grounds Park

- \* Approved location of courts and associated amenities
- \* Completed construction and installation of eight pickleball courts

#### Council Priority - Initiate and implement enterprise resource planning (ERP) system

- \* Approved contract with consultant to assist with purchase of ERP system
- \* Launched kickoff meeting
- \* Completed initial needs assessment

#### Council Priority - Revisit Sedona Land Development Code (LDC) in light of newer policy goals (i.e., housing and sustainability)

- \* Approved second round of updates to LDC

#### Other Accomplishments

- \* Approved consultant contract to work with staff to initiate the master planning process for the Cultural Park

### FY 2025 Objectives

#### Overall City Value - Good Governance:

- \* Continue to work toward achievements within the Council's top priorities.

#### Council Priorities:

- \* Implement traffic improvements – Sedona In Motion
- \* Expand public transit system
- \* Construct affordable/workforce housing units and reduce homelessness
- \* Explore opportunities to reduce carbon emissions by 50% by 2030
- \* Expand broadband services
- \* Consider concepts for Cultural Park development
- \* Pursue short term rental legislation to regain local control
- \* Monitor Tourism Management
- \* Evaluate airport acquisition by City

**CITY COUNCIL – Administration**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
City Council communications reviewed	185	185	185	182	182
Public meetings held	62	56	62	59	54
Hours spent in City Council meetings	176	180	176	174	169

**Overall City Value - Fiscal Sustainability:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Expenditures per capita: All General Fund services (ICMA Benchmark 2017-2022)	\$943 (all) / \$1,243 (cities under 30,000 pop.)	\$2,847	\$2,527	\$2,446	\$2,292	\$2,024
Expenditures per capita + annualized visitor population: All General Fund services		\$1,454	\$1,259	\$1,242	\$1,158	\$1,013



# CITY MANAGER'S OFFICE

## Mission Statement

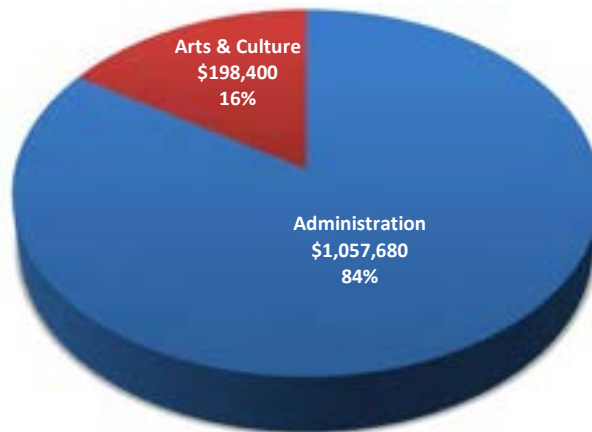
To assist departments and City Council in meeting performance goals by fostering an organizational environment that encourages a commitment to teamwork and delivery of quality municipal services to external customers (residents) and internal customers (employees).

## Description

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

- \* Administration
- \* Communications and Citizen Engagement (moved to stand-alone department effective fiscal year 2024-25)
- \* Sustainability (moved to stand-alone department effective fiscal year 2023-24)
- \* Arts and Culture
- \* Short-Term Rental Monitoring and Administration (moved to City Clerk's Office effective fiscal year 2023-24)
- \* Housing (moved to stand-alone department effective fiscal year 2023-24)

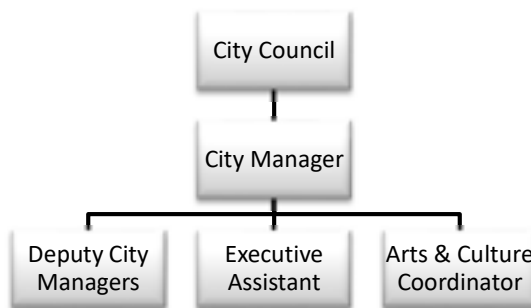
### FY 2025 PROGRAM EXPENDITURES: \$1,256,080



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



**CITY MANAGER'S OFFICE – Administration**

<b>BUDGET SUMMARY</b>	<b>FY2025 Budget</b>	<b>% of FY2025 Budget</b>	<b>FY2024 Budget</b>	<b>FY2024 Estimate</b>	<b>FY2023 Actual</b>
<b>Program Expenditures</b>					
Personnel Services	\$ 796,870	75%	\$ 765,530	\$ 617,860	\$ 644,227
Supplies & Services	102,870	10%	127,100	105,270	125,548
<b>Subtotal Direct Costs</b>	<b>\$ 899,740</b>	<b>85%</b>	<b>\$ 892,630</b>	<b>\$ 723,130</b>	<b>\$ 769,775</b>
Internal Charges	157,940	15%	146,470	144,000	104,790
<b>Total Expenditures</b>	<b>\$ 1,057,680</b>	<b>100%</b>	<b>\$ 1,039,100</b>	<b>\$ 867,130</b>	<b>\$ 874,565</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 1,056,380	100%	\$ 1,039,100	\$ 867,130	\$ 874,524
<b>Funding Sources</b>					
Allocations to Other Departments	\$ 1,056,380	100%	\$ 1,039,100	\$ 867,130	\$ 784,524
Funding from General Revenues:					
Estimated Resident Generated	\$ 450	<1%	\$ -	\$ -	\$ 31,514
Estimated Visitor Generated	\$ 850	<1%	\$ -	\$ -	\$ 58,527
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>4.00</b>		<b>4.00</b>		<b>4.20</b>

The Administration program consists of the City Manager, two Deputy City Managers, and Executive Assistant who are responsible for all day-to-day operations, the implementation of City Council policy and work plans, and directing all department head positions.

A portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Overall City Value - Fiscal Sustainability:

- \* Approved a balanced budget

Council Priority - Implement traffic improvements - Sedona In Motion:

- \* Completed Back O" Beyond low water crossing
- \* Completed Pinon Drive shared-use Path
- \* Completed Phase I of the Navoti Drive to Dry Creek Shared Use Path
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- \* Completed Final report on Uptown Parking Study and provided direction to move forward with design and obtaining GMP or bids on garage
- \* Completed extension of Forest Road

Council Priority - Expand public transit system:

- \* Approved acceptance of FTA 5339 grant for two additional micro-transit vehicles
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- \* Approved micro-transit fare structure

Council Priority - Construct affordable/workforce housing units:

- \* Awarded Community Development Block Grant to Steps to Recovery
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- \* Implemented Municipal Sustainability Plan
- \* Installed Bigbelly smart trash receptacles
- \* Collected 12K lbs. of electronics and 18K lbs. of hazardous waste during the 2023 Household Hazardous Waste Event
- \* Installed 13 bike racks across municipal facilities
- \* Implemented Watchwire Utility Tracking Platform
- \* Implemented eBike fleet

**CITY MANAGER'S OFFICE – Administration**  
continued

**FY 2024 Accomplishments (cont'd)**

- Council Priority - Pursue innovative strategies for economic diversification:
  - \* Focused efforts toward bringing broadband to Sedona
  - \* Solicited Requests for Information (RFIs) from internet service providers
- Council Priority - Complete Emergency Preparedness Plan:
  - \* Launched Know Your Zone using "Ready-Set-Go"
  - \* Completed Evacuation and Re-entry Plan
  - \* Created the Community Emergency Preparedness Guide
- Council Priority - Chamber Contract Review:
  - \* City of Sedona designated official Destination Marketing & Management Organization
  - \* Approved contract with SCC&TB for continued operations of Visitor Center
  - \* Launched new tourism bureau website www.scenicseadona.com
  - \* Created Tourism Advisory Board
  - \* Approved launch of Winter and Summer Destination Marketing Campaign & new Sedona Brand
  - \* Approved Tourism Strategic Plan
- Council Priority - Improve citizen communication/relations:
  - \* Approved hiring of Web Content Manager position
  - \* Completed 2024 Council priorities & 2023 City accomplishments video
  - \* Completed FY 2024 City Budget Survey
- Council Priority - Monitor short-term rentals:
  - \* Continued to fight for local control at the state legislative level
- Council Priority - Mitigate trailhead congestion/impact to neighborhoods:
  - \* Completed Back O' Beyond safety and drainage improvements
- Council Priority - Complete Community Plan update:
  - \* Approved Community Plan
- Council Priority - Accelerate Ranger Station Park buildout:
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- Council Priority - Complete environmental impact study on OHVs/trail access:
  - \* Completed study
  - \* Received recommendations from the Greater Sedona Recreational Collaborative
  - \* Approved voluntary agreement with local OHV rental industry
- Council Priority - Review assessment for airport acquisition:
  - \* Approved contract for full evaluation of Airport structure & operations
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- Council Priority - Construct eight pickleball courts at Posse Grounds Park:
  - \* Approved location of courts & associated amenities
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- Council Priority - Initiate and implement enterprise resource planning (ERP) system:
  - \* Approved contract with consultant to assist with purchase of ERP system
  - \* Launched kickoff meeting
  - \* Completed initial needs assessment
- Council Priority - Revisit Sedona Land Development Code (LDC) in light of newer policy goals (i.e., housing and sustainability):
  - \* Approved second round of updates to LDC
- Other Accomplishments:
  - \* Approved consultant contract to work with staff to initiate the master planning process for the Cultural Park

**FY 2025 Objectives**

- Overall City Value - Fiscal Sustainability:
  - \* Continue to work toward achievements within the Council's top priorities.

- Council Priorities:
  - \* Implement traffic improvements - Sedona In Motion
  - \* Expand public transit system
  - \* Construct affordable/workforce housing units and reduce homelessness
  - \* Explore opportunities to reduce carbon emissions by 50% by 2030
  - \* Expand broadband services
  - \* Consider concepts for Cultural Park development
  - \* Pursue short term rental legislation to regain local control
  - \* Monitor Tourism Management
  - \* Evaluate airport acquisition by City

**CITY MANAGER'S OFFICE – Administration**

continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
City Council agenda bill items reviewed	185	185	185	182	182
Established Council Priorities	9	19	19	14	14

**Overall City Value - Good Governance:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
% of City Council annual priority goals completed by established deadlines		80%	80%	80%	80%	80%
National Citizen Survey: Quality of all local government services (% responses favorable) (ICMA Benchmark 2017-2022)	80%	79%	N/A	N/A	55% (Lower than NCS benchmark)	N/A
National Citizen Survey: Overall customer service by Sedona employees (police, receptionists, planners, etc.) (% responses favorable)		85%	N/A	N/A	82% (Similar to NCS benchmark)	N/A
Employee Survey: The City is a good place to work (% responses favorable)		92%	92%	90%	N/A	N/A

**CITY MANAGER'S OFFICE – Communications & Citizen Engagement**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ -	0%	\$ 348,770	\$ 292,320	\$ 284,671
Supplies & Services	-	0%	100,470	100,470	55,768
<b>Subtotal Direct Costs</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 449,240</b>	<b>\$ 392,790</b>	<b>\$ 340,439</b>
Internal Charges	-	0%	87,670	83,320	70,670
<b>Total Expenditures</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 536,910</b>	<b>\$ 476,110</b>	<b>\$ 411,109</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ -	0%	\$ 535,590	\$ 474,790	\$ 408,641
Other Funds Portion	\$ -	0%	\$ 1,320	\$ 1,320	\$ 2,468
<b>Funding Sources</b>					
Funding from General Revenues:					
Estimated Resident Generated	\$ -	0%	\$ 187,920	\$ 166,640	\$ 143,889
Estimated Visitor Generated	\$ -	0%	\$ 348,990	\$ 309,470	\$ 267,221
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.00</b>		<b>2.90</b>		<b>3.00</b>

The Communications and Citizen Engagement program is responsible for keeping Sedona citizens informed and involved. Services include the Citizen Engagement Program and public information activities such as website management, digital and printed information materials, citizen services, and media relations.

A portion of the Communications and Citizen Engagement program is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department. Starting FY 2025, the Communications and Citizen Engagement program has been moved to a new department - Communications, Tourism & Economic Initiatives.

**FY 2024 Accomplishments**

Community Plan Community Goal – Cultivate an appreciation and respect for Sedona’s distinctive community character:

- \* Coordinated City Talk articles for publication; placed news releases in local media publications.
- \* Increased engagement and followers on social media platforms with targeted content and increase in videos.
- \* Created specialized website content for top initiatives including Sedona in Motion (SIM), emergency management and transit.
- \* Collaborated on communications plans on high profile projects including the Community Plan and SIM projects like the Forest Road connection project and the pedestrian crossing at Oak Creek project.
- \* Executed the FY 2024 budget survey.
- \* Executed the Volunteer Luncheon and Citizens Academy.
- \* Communicated and produced the City’s accomplishments and City Council’s priorities to residents in one video.
- \* Executed Straight Talk with Karen.
- \* Published monthly eNews Round Up and annual Community Report.
- \* Substantially completed the website optimization project for the City’s website.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Citizens participating in City work groups	N/A	75	77	81	42
Citizens participating in Citizens Academy	N/A	20	20	22	21
New citizen work groups created	N/A	8	7	11	4
Active work groups	N/A	11	12	13	6
Nixle community alert subscribers	N/A	4,300	4,700	4,100	3,652
Total Facebook followers	N/A	10,800	11,200	10,366	9,288
Sedona resident Facebook followers	N/A	1,500	1,140	1,129	1,191
Press releases issued	N/A	95	100	126	101
Total Instagram followers	N/A	4,100	4,200	3,267	2,990
City Talk columns published	N/A	24	24	24	21

**CITY MANAGER'S OFFICE – Communications & Citizen Engagement**  
continued

**Community Plan Community Goal -  
Cultivate an appreciation and respect for Sedona’s distinctive community character:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
National Citizen Survey: Quality of public information services (% responses favorable)		N/A	N/A	N/A	69% (Similar to NCS benchmark)	N/A
Digital reach and open rates of City issued e-notifications		N/A	5,250 subscribers / 40% open rate	5,800 subscribers / 44% open rate	5,015 subscribers / 46% open rate	4,705 subscribers / 40% open rate
Citizens Academy Participants Survey: Experience was valuable (% responses favorable)		N/A	75%	100%	100%	100%
Work Group Participants Survey: Experience was valuable (% responses favorable)		N/A	100%	100%	100%	100%

**Overall City Value - Good Governance:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Employee Survey: Overall, I am satisfied with internal City communication (% responses favorable)		N/A	75%	N/A	66.28%	N/A

**CITY MANAGER'S OFFICE – Sustainability**

<b>BUDGET SUMMARY</b>	<b>FY2025 Budget</b>	<b>% of FY2025 Budget</b>	<b>FY2024 Budget</b>	<b>FY2024 Estimate</b>	<b>FY2023 Actual</b>
<b>Program Expenditures</b>					
Personnel Services	\$ -	0%	\$ -	\$ -	\$ 262,370
Supplies & Services	-	0%	-	-	460,844
Capital & Debt Service	-	0%	-	-	8,855
<b>Subtotal Direct Costs</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 732,068</b>
Internal Charges	-	0%	-	-	91,520
<b>Total Expenditures</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 823,588</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ -	0%	\$ -	\$ -	\$ 795,101
Other Funds Portion	\$ -	0%	\$ -	\$ -	\$ 28,487
<b>Funding Sources</b>					
Program Revenues	\$ -	0%	\$ -	\$ -	\$ 9,561
Funding from General Revenues:					
Estimated Resident Generated	\$ -	0%	\$ -	\$ -	\$ 284,909
Estimated Visitor Generated	\$ -	0%	\$ -	\$ -	\$ 529,118
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.00</b>		<b>0.00</b>		<b>3.00</b>

Sustainability is a significant component of the Community Plan and a Council Priority. The Sustainability program develops and implements policies, projects, and programming to enhance municipal operations and community-wide sustainability.

The Sustainability program offers:

- \* Strategic planning for Sedona's sustainability and resiliency in accordance with the Community Plan.
- \* Educational classes, workshops, and opportunities for staff and community members to learn more about sustainability.
- \* Planning and implementation of sustainability infrastructure such as electric vehicle charging stations and water filling stations.
- \* Annual household hazardous waste and electronics collection in a cost-sharing partnership with Yavapai County.
- \* Analysis of state and federal policy for implications for Sedona's climate action efforts.
- \* Research and best practices to increase the sustainability of City initiatives while working internally with the City team.
- \* Data collection for renewable energy generation and consumption of natural resources including paper, water, fuel, electricity, and natural gas.
- \* Development of municipal and community-wide greenhouse gas inventories.
- \* Coordination of regional cooperative buying opportunities for solar and other sustainable technology.
- \* Regional sustainability information through the City's partnership with the Verde Valley Sustainability Alliance and Sustaining Flows Council.
- \* Annual financial assistance to Oak Creek Watershed Council for stormwater outreach.

The program finalized the Sedona Climate Action Plan (CAP) which was adopted by Council in July 2021. Staff are currently working on implementing the CAP through programs such as a Green Fleet Policy, community composting, and residential energy efficiency support. The program is working with a new energy data management system and finalizing data collection for all municipal water accounts. Water, energy, fuel, and paper consumption were down in FY 2021 due to pandemic-related remote work and will most likely rise to near pre-pandemic levels during FY 2022. Council approved funding in the FY 2021 budget for the purchase of renewable energy for municipal operations through an Arizona Public Service (APS) subscription service, which has not yet been implemented by APS. Staff are optimistic that the subscription service will be available in the first quarter of FY 2023, which will allow the City to source a larger portion of its energy portfolio from renewable sources.

A portion of the Sustainability program is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department. Starting FY 2024, the Sustainability program has been moved to a separate department.

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Greenhouse gas emissions produced by municipal operations (metric tons of CO2 equivalent)	N/A	N/A	N/A	2,050 in CY2022	2,500
Energy consumed in City operations (MWh) through APS	N/A	N/A	N/A	N/A	3,947,886
Renewable energy generated at City facilities (kilowatt hours)	N/A	N/A	N/A	N/A	1,400,000
Water consumed in City operations (gallons)	N/A	N/A	N/A	N/A	17,000,000
Fuel used by City fleet (gallons)	N/A	N/A	N/A	N/A	45,012
Paper purchased for City operations (sheets)	N/A	N/A	N/A	N/A	435,000
Electronics recycling collected (weight in pounds)	N/A	N/A	N/A	3,900	11,438
Household hazardous waste collected (weight in pounds)	N/A	N/A	N/A	8,100	12,900

**CITY MANAGER'S OFFICE – Sustainability**

continued

**Council Priority - Climate Action Plan Goal 50-50 by 2030:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Sustainability Alliance rating		N/A	N/A	N/A	N/A	Silver
Department of Energy SolSmart rating		N/A	N/A	N/A	Bronze	Bronze
% of energy purchased from renewable sources (goal of 100% renewable energy by 2025)		N/A	N/A	N/A	45%	31%
% reduction in water use at City facilities from 2018 baseline year (goal of 30% reduction by 2025)		N/A	N/A	N/A	N/A	N/A
% of electric vehicles in City fleet (goal of 100% electric fleet by 2030)		N/A	N/A	N/A	3%	3%
% of 100% recycled-content paper purchased (goal of 100% recycled-content paper by 2022)		N/A	N/A	N/A	N/A	100%



**CITY MANAGER'S OFFICE – Arts & Culture**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 114,130	58%	\$ 106,470	\$ 104,780	\$ 103,086
Supplies & Services	32,850	17%	28,600	23,400	10,255
<b>Subtotal Direct Costs</b>	<b>\$ 146,980</b>	<b>74%</b>	<b>\$ 135,070</b>	<b>\$ 128,180</b>	<b>\$ 113,341</b>
Internal Charges	51,420	26%	44,160	42,510	38,540
<b>Total Expenditures</b>	<b>\$ 198,400</b>	<b>100%</b>	<b>\$ 179,230</b>	<b>\$ 170,690</b>	<b>\$ 151,881</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 198,400	100%	\$ 179,230	\$ 170,690	\$ 151,881
<b>Funding Sources</b>					
Funding from General Revenues:					
Estimated Resident Generated	\$ 69,440	35%	\$ 62,730	\$ 59,740	\$ 53,158
Estimated Visitor Generated	\$ 128,960	65%	\$ 116,500	\$ 110,950	\$ 98,723
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>1.00</b>		<b>1.00</b>		<b>1.00</b>

Being a city animated by the arts, the Arts and Culture division supports and facilitates numerous quality programs that generate creative growth for our community. This program is responsible for overseeing the following major areas: Art in Public Places, the City Hall Art Rotation Program, the Artist in the Classroom Program, the Mayor’s Arts Awards, the monthly Moment of Art presentations to City Council, as well as working with Community Development regarding Art in Private Development.

**FY 2024 Accomplishments**

Community Plan Community Goal - Enhance opportunities for artistic display, engagement, and learning:

- \* Procured the first public art sculpture for the Ranger Station Park, as well as being a member in the work group proposing themed concepts, hardscapes, and other urban design ideas.
- \* Collaborated with Public Works and engineering to install art into two of the four roundabouts along State Route 179, as well as presented the unveiling to the public with the artists and the Mayor.
- \* Created and supervised the Mayors Arts Awards Work Group to review submissions for a new award designed and commissioned an artist to create 4 new awards, as well as submitted a public Call for nominations.
- \* Relaunched the Artists in the Classroom program procuring 32 artists, the largest number in 10 years, as well as signed up a combination of 16 new and returning high level artists.
- \* Initiated a partnership between the Sustainability Department and local school principals and additionally contributed ideas on how to increase environmental awareness with students through the arts.
- \* Exhibited and celebrated the work of Max Ernsts granddaughter, Amy Ernst, for her first show in Sedona, showing after her exhibits in Cologne, Germany; Sarasota, Florida; and New York City.

**FY 2025 Objectives**

Community Plan Community Goal - Enhance opportunities for artistic display, engagement, and learning:

- \* Continue to work with Community Development and the Sedona Heritage Museum, developing plans to incorporate themed signage and interpretive zones sharing Sedona’s history and art throughout the park.
- \* Collaborate with Public Works engineering to plan the installation of two of the four remaining roundabouts along SR 179 and present the unveiling to the public with the artists and the Mayor.
- \* Plan and supervise the Mayors Arts Awards event: oversee the work group choosing four recipients, procure a photographer, musician, caterer and videographer, to film recipients and emcee the event.
- \* Continue to partner with Sustainability to plan future environmental awareness projects for local schools through the arts.
- \* Partner with the Director of Sedona Library to develop youth art exhibits, as well as collaborate on other creative programming through Artists in the Classroom and City Hall Art Rotation programs.
- \* Coordinate cultural programming with the Executive Director of Sedona Heritage Museum to create community events through the arts.

**CITY MANAGER'S OFFICE – Arts & Culture**

continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Artist in the Classroom assignments per year	35	50	28	25	10
Artist in the Classroom students reached	600	750	500	450	250
City Hall Art Rotation Program artists exhibited per year	15	25	24	26	11
City Hall Art Rotation Program viewings plus attendees for Artist Receptions	300	200	250	230	40
Moment of Art for City Council artists performed	28	24	33	16	13

**Community Plan Community Goal -  
Enhance opportunities for artistic display, engagement, and learning:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
City Hall Artist Reception Survey: Experience was valuable (% responses favorable)		100%	100%	100%	100%	100%
National Citizen Survey: Opportunities to attend cultural/arts/music activities (% responses favorable)		68%	N/A	N/A	64% (Similar to NCS benchmark)	N/A
Artist Survey: Artist in the Classroom experience was valuable (% responses favorable)		100%	100%	96%	95%	90%
Teacher Survey: Artist in the Classroom experience was valuable (% responses favorable)		100%	100%	90%	90%	90%

**CITY MANAGER'S OFFICE – Short-Term Rental Monitoring & Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ -	0%	\$ -	\$ -	\$ 89,659
Supplies & Services	-	0%	-	-	64,640
<b>Subtotal Direct Costs</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 154,299</b>
Internal Charges	-	0%	-	-	69,960
<b>Total Expenditures</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 224,259</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ -	0%	\$ -	\$ -	\$ 159,619
Other Funds Portion	\$ -	0%	\$ -	\$ -	\$ 64,640
<b>Funding Sources</b>					
Program Revenues	\$ -	0%	\$ -	\$ -	\$ 224,259
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.00</b>		<b>0.00</b>		<b>1.00</b>

The Short-Term Rental Monitoring and Administration program was initiated in FY 2023 with the creation of a Short-Term Rental Specialist position. Costs previously incurred for short-term rental monitoring were recorded in the Administration program of the Community Development Department.

A portion of the Short-Term Rental Monitoring and Administration program is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department. The Short-Term Rental Monitoring and Administration program has been transferred to the City Clerk’s Office starting FY 2024.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Total number of short-term rentals within city limits**. **2022 numbers reflect the number of active properties within city limits. Prior total STR counts were based on the number of emergency contact registrations.	N/A	N/A	N/A	1,148	1,215
Number of permitted short-term rentals within city limits**. **2022 numbers reflect the number of emergency contact registrations; the annual permitting program launched January 2023.	N/A	N/A	N/A	1,105	1,105

**CITY MANAGER'S OFFICE – Short-Term Rental Monitoring & Administration**  
continued

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Percentage of short-term rentals in compliance with permit requirements* *FY22 numbers reflect the number of emergency contact registrations; the annual permitting program launched January 2023.		N/A	N/A	N/A	93%	90%

**CITY MANAGER'S OFFICE – Housing**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ -	0%	\$ -	\$ -	\$ 177,331
Supplies & Services	-	0%	-	-	81,142
<b>Subtotal Direct Costs</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 258,472</b>
Internal Charges	-	0%	-	-	45,370
<b>Total Expenditures</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 303,842</b>
<b>Expenditures by Fund</b>					
Other Funds Portion	\$ -	0%	\$ -	\$ -	\$ 303,842
<b>Funding Sources</b>					
Program Revenues	\$ -	0%	\$ -	\$ -	\$ 303,842
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.00</b>		<b>0.00</b>		<b>2.00</b>

The Housing program was created in FY 2021 to implement the recently created housing action plan for affordable and workforce housing, addressing the City Council's priority. The Housing program expands and preserves affordable homeownership and rental opportunities in Sedona by developing and implementing policies, projects, and programming which support housing availability, while fostering public-private partnerships in the development and creation of affordable/workforce housing.

Program costs are primarily allocated to the Housing Fund.

Starting FY 2024, the Housing program has been moved to a separate department.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Council meetings and work sessions	N/A	N/A	N/A	1	1
Down-payment assistance applications	N/A	N/A	N/A	15	15

**Council Priority - Affordable/Workforce Housing & Homelessness:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Housing Production: New affordable housing units created		N/A	N/A	N/A	3	3
Housing Investment: Affordable housing projects assisted with housing funds		N/A	N/A	N/A	1	1
Down-payment assistance applications approved and funded		N/A	N/A	N/A	1	1

# HUMAN RESOURCES

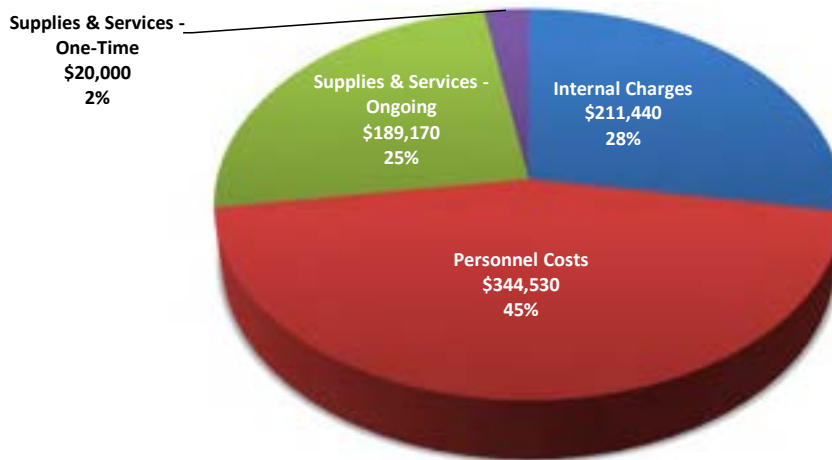
## Mission Statement

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.

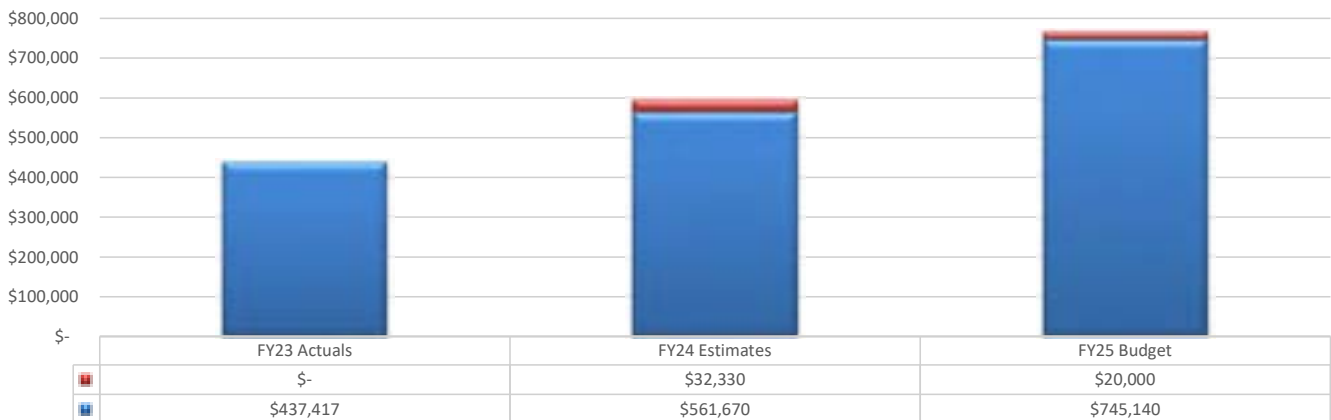
## Description

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

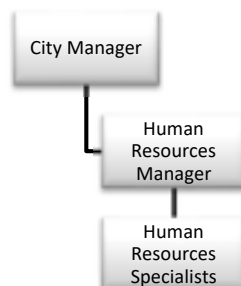
### FY 2025 PROGRAM EXPENDITURES: \$765,140



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



## HUMAN RESOURCES – Administration

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 344,530	45%	\$ 255,700	\$ 268,960	\$ 218,725
Supplies & Services	209,170	27%	147,600	167,600	90,642
<b>Subtotal Direct Costs</b>	<b>\$ 553,700</b>	<b>72%</b>	<b>\$ 403,300</b>	<b>\$ 436,560</b>	<b>\$ 309,367</b>
Internal Charges	211,440	28%	160,260	157,440	128,050
<b>Total Expenditures</b>	<b>\$ 765,140</b>	<b>100%</b>	<b>\$ 563,560</b>	<b>\$ 594,000</b>	<b>\$ 437,417</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 765,140	100%	\$ 563,560	\$ 594,000	\$ 431,174
Other Funds Portion	\$ -	0%	\$ -	\$ -	\$ 6,243
<b>Funding Sources</b>					
Allocations to Other Departments	\$ 760,270	99%	\$ 560,260	\$ 590,700	\$ 431,174
Program Revenues	\$ 4,870	1%	\$ 3,300	\$ 3,300	\$ -
Funding from General Revenues:					
Estimated Resident Generated	\$ -	0%	\$ -	\$ -	\$ 2,185
Estimated Visitor Generated	\$ -	0%	\$ -	\$ -	\$ 4,058
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>3.00</b>		<b>2.17</b>		<b>2.00</b>

The Human Resources Department provides a full range of services to regular and seasonal employees. The Department implements recruitment procedures, interview processes, 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 local PSPRS Board and safety.

A portion of the Human Resource Department is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department. In addition, a portion of the department costs is covered by a portion of purchasing card cashback monies for certain employee appreciation costs.

### FY 2024 Accomplishments

Overall City Value - Good Governance:

- \* Recruitment and hiring including the key positions of Deputy Chief of Police, Police Lieutenants, Human Resources Manager, and Grants Analyst.
- \* Continued successful Triage Now workers compensation program.
- \* Maintained new in-house workers compensation forms to assist with reduction in future injuries.
- \* Pivoted and provided safety training as on-demand learning opportunities in lieu of in-person trainings.
- \* Partnered with our risk management provider to increase safety awareness.
- \* Continual implementation of innovative and economical recruitment techniques.
- \* Increased interaction for new employee on-boarding efforts.
- \* Worked closely with supervisors to maintain updated job descriptions and restructured department positions.
- \* Maintained employee appreciation programs including pool and park passes and other employee discounts.
- \* Focused reduction in workers compensation claims by chairing the Collision Review Board.

### FY 2025 Objectives

Overall City Value - Good Governance:

- \* Continual improvement of employee performance reviews with updated organizational values and modernized forms.
- \* Increase implementation of employee recognition programs and opportunities.
- \* Provide innovative and engaging trainings and on-demand learning seminars.
- \* Continue to work with managers to reduce the City's workers compensation claims.
- \* 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.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Job postings	40	70	50	67	67
Applications received and reviewed	1,000	700	1,000	1,400	1,400
Individual job interviews conducted	120	200	130	150	150
Regular new hires on-boarded	35	35	45	56	45
Workers compensation claims with medical treatment(s)	10	10	10	11	10

**HUMAN RESOURCES – Administration**  
continued

**Overall City Value - Good Governance:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Workers comp claims per 100 FTEs (ICMA Benchmark 2017-2022)	12.1 (all) / 9.6 (cities under 30,000 pop.)	7.1	6.5	7	6.9	6.9
Workers comp EMOD ratings		0.80	0.80	0.80	0.80	0.80
Worker days lost to injury per 100 FTEs (ICMA Benchmark 2017-2022)	95.9 (all) / 60.3 (cities under 30,000 pop.)	15	0	24	23.8	0
Total FTEs per 1,000 population (ICMA Benchmark 2017-2022)	10.3 (all) / 11.7 (cities under 30,000 pop.)	16.9	15.7	16.5	16.3	15.2
Total FTEs per 1,000 population + annualized visitor population		8.6	7.8	8.4	8.2	7.6
Employee Survey: I plan to be working here in five years (% responses favorable)		80%	85%	68%	N/A	N/A
Employee Survey: I am satisfied with our healthcare-related benefits (% responses favorable)		90%	90%	85%	N/A	N/A
Employee Survey: Employees have good working relationships with coworkers (% responses favorable)		97%	94%	97%	N/A	N/A
Employee Survey: Employees feel the City is a good place to work (% responses favorable)		95%	92%	92%	N/A	N/A
Employee Survey: Employees feel their work is meaningful and understand how their job supports the City's mission (% responses favorable)		95%	94%	91%	N/A	N/A
Turnover percentages (ICMA Benchmark 2017-2022)* *ICMA benchmarks do not include retirements, deaths, or part-time positions	7.5% (all) / 8.4% (cities under 30,000 pop.)	15%	8%	18%	21%	22%
Email and phone call responsiveness		1-24 hours	1-24 hours	1-24 hours	1-24 hours	1-24 hours

# FINANCIAL SERVICES

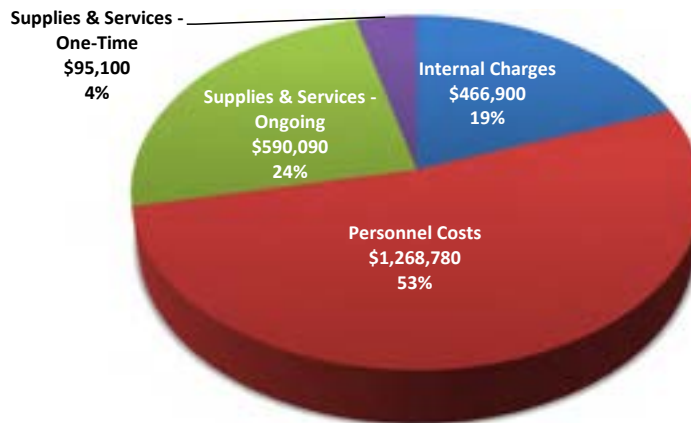
## Mission Statement

Achieving high customer satisfaction by being a key financial resource, treating every customer with consideration and respect, and operating as a unified team with integrity, clarity, and transparency. We strive to exceed expectations and inspire joy in others by providing friendly, accurate, and timely financial services.

## Description

The Financial Services Department is responsible for all financial-related areas such as financial reporting, debt management, treasury services, budget development and monitoring, wastewater billing, cash receipting, payroll, accounts payable, and procurement-related functions.

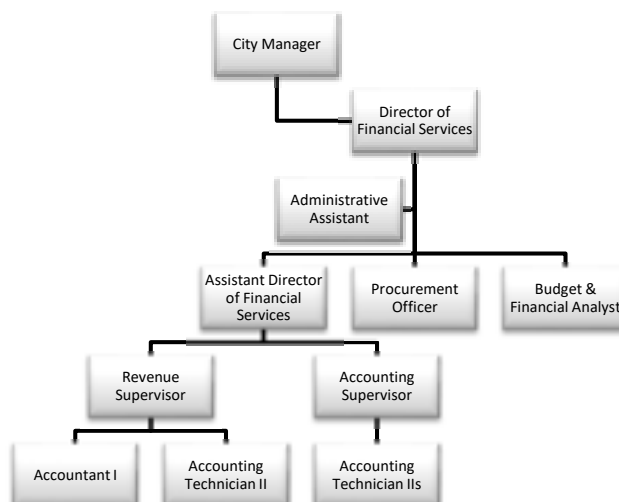
### FY 2025 PROGRAM EXPENDITURES: \$2,420,870



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART





**FINANCIAL SERVICES – Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 1,268,780	52%	\$ 1,156,210	\$ 1,129,730	\$ 1,065,395
Supplies & Services	685,190	28%	628,490	494,920	385,591
<b>Subtotal Direct Costs</b>	<b>\$ 1,953,970</b>	<b>81%</b>	<b>\$ 1,784,700</b>	<b>\$ 1,624,650</b>	<b>\$ 1,458,088</b>
Internal Charges	466,900	19%	445,900	430,180	354,140
<b>Total Expenditures</b>	<b>\$ 2,420,870</b>	<b>100%</b>	<b>\$ 2,230,600</b>	<b>\$ 2,054,830</b>	<b>\$ 1,812,228</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 2,270,150	94%	\$ 2,079,300	\$ 1,939,540	\$ 1,735,432
Wastewater Fund Portion	\$ 146,340	6%	\$ 147,140	\$ 111,150	\$ 74,326
Other Funds Portion	\$ 4,380	<1%	\$ 4,160	\$ 4,140	\$ 2,470
<b>Funding Sources</b>					
Allocations to Other Departments	\$ 2,213,090	91%	\$ 2,031,110	\$ 1,891,550	\$ 1,691,155
Program Revenues	\$ 207,780	9%	\$ 199,490	\$ 163,280	\$ 121,073
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>11.00</b>		<b>11.56</b>		<b>11.24</b>

A portion of the Financial Services Department is allocated to the Wastewater Enterprise Fund and represents the Fund's portion of the cost for utility billing services. In addition, a portion of the department costs is covered by revenues from the paid parking program. A portion is also covered by the Public Transit Enterprise Fund for the cost of Verde Shuttle passes.

**FY 2024 Accomplishments**

Overall City Value - Fiscal Sustainability:

- \* Received the Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report for FY 2022 – the 24th year the City has received this award.
- \* Obtained the GFOA Distinguished Budget Presentation Award for FY 2023 Budget – the tenth year the City has received the award.
- \* Develop, coordinate, and facilitate solicitations required to secure consulting services for a new Enterprise Resource Planning (ERP) software.
- \* Completed updates to the Procurement Manual for current practices, sustainability and economic development considerations, and Federal requirements.
- \* Procured and implemented a new fleet card program (fuel cards) that provides the City with volume purchase discounts and enhanced software that streamlined the Accounts Payable process.
- \* Procured and began implementation of a contract management software.
- \* Developed various procurement templates for citywide use.
- \* Procured and initiated contract with investment advisor and consultant PFM.
- \* Re-positioned FY 2025 budget calendar timelines to be more in line with pre-COVID budget timelines.
- \* Established an accounts receivable hotline for Spanish residents.
- \* Prepared and published financial reports in a timely manner.
- \* Developed written policy for cash handling.
- \* Implemented AZ Tax Central for tracking sales tax payments.

**FY 2025 Objectives**

Overall City Value - Fiscal Sustainability:

- \* Obtain the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report for FY 2025.
- \* Obtain the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the FY 2026 Budget.
- \* Prepare financial reports timely.
- \* Implement an analysis of user fees to identify full cost recovery levels and facilitate policy decisions regarding subsidization of services.
- \* Complete the wastewater rate study.
- \* Develop, coordinate, and facilitate solicitations required to secure a new Enterprise Resource Planning (ERP) software.
- \* Participate in selection and implementation of new ERP software.
- \* Complete the implementation of the contract management software.
- \* Roll out the new centralized procurement program.
- \* Develop a procurement webpage.
- \* Implement standardized electronic contract routing procedure.
- \* Implement the investment management contract with PFM to invest City cash reserves.
- \* Adhere to GFOA's best budget practices and enforce timeline for FY 2026 budget process.
- \* Keep the wastewater delinquency rate below 15%.

**FINANCIAL SERVICES – Administration**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Manual journal entries	850	850	800	788	1,160
Employee payments (total direct deposits and checks issued)	4,550	4,570	4,500	4,493	4,282
W-2s issued	250	280	245	259	257
Accounts payable payments processed	3,500	3,700	3,400	3,267	3,577
Purchase orders issued	250	250	225	195	211
Operating budget organization units	266	260	259	280	268
Projects in capital improvement plan	84	79	80	69	72
Average wastewater accounts billed per month	6,890	6,880	6,890	6,880	6,854
Wastewater account transfers	470	550	470	478	729
Wastewater accounts with deferred connection agreements	0	0	0	2	3
Wastewater accounts on environmental penalty	15	15	17	15	18
Delinquent wastewater accounts and total delinquent balance	38/\$55K	40/\$70K	39/\$56K	40/\$68K	58/\$71K

**Overall City Value - Fiscal Sustainability:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
GFOA Certificate of Achievement in Financial Reporting		Yes	Yes	Yes	Yes	Yes
Issue monthly financial reports within 60 days of the end of the month (All necessary sales tax information is not available from Arizona Department of Revenue until approximately 45 days after the end of the month.)		Yes	Yes	No	No	No
Average investment yield compared to policy benchmark as of 6/30 (Policy benchmark is the Local Government Investment Pool (LGIP) Pool 5 yield.)		N/A	N/A	3.77% yield / 5.50% benchmark	3.093% yield / 5.100% benchmark	1.090% yield / 1.180% benchmark
Bond rating (Standard and Poors)		AA-	AA-	AA-	AA-	AA-
Audit findings		0	0	0	1	0
Department ongoing expenditures as percentage of total City operating expenditures		4.25%	4.48%	4.33%	4.05%	3.98%
Internal Survey: Overall satisfaction with service and support (% of responses favorable)		100%	100%	100%	N/A	97%
Cost per employee pay		\$37.22	\$32.25	\$31.39	\$27.51	\$27.35
Accounts payable transactions processed within 30 calendar days: Date received by various City departments to date processed by Financial Services (ICMA Benchmark 2017-2022)	86% (all) / 81% (cities under 30,000 pop.)	90%	92%	86%	82%	92%
Purchases made via purchasing card/credit card as a percentage of all purchases (ICMA Benchmark 2017-2022)	5% (all) / 4% (cities under 30,000 pop.)	10%	10%	10%	10%	9%
Purchasing card cash back awards		\$36,000	\$35,000	\$35,115	\$32,997	\$21,202
Cost per accounts payable transaction (procurement function separated starting FY24)		\$44.75	\$37.23	\$35.08	\$52.42	\$43.55
GFOA Distinguished Budget Presentation Award		Yes	Yes	Yes	Yes	Yes
Percentage difference in budgeted revenues to actuals		+/-10%	+/-10%	-1%	-10%	<1%
Percentage difference in budgeted expenditures to actuals		15%	15%	16%	30%	16%
Wastewater delinquency rate		11%	15%	11%	13%	13%
Wastewater customers paying electronically		80%	82%	78%	73%	76%
Cost per cash receipt		\$8.51	\$6.95	\$8.28	\$7.68	\$5.68

## COMMUNICATIONS, TOURISM & ECONOMIC INITIATIVES

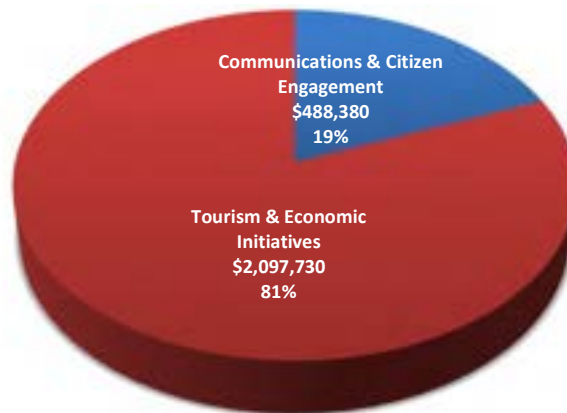
### Mission Statement

To manage and market tourism with consideration of the perspectives of residents, businesses, and City partners. To further efforts for diversification of City's local economy and provide assistance for improving the success of local businesses with training and other programs related to business planning, financing, etc.

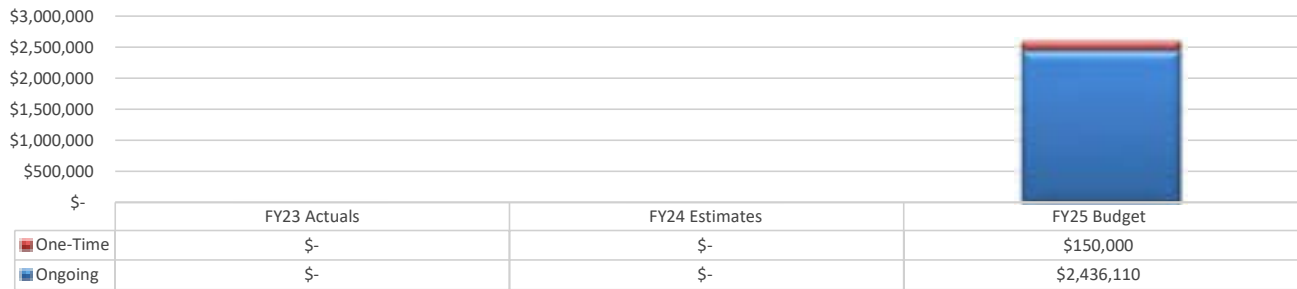
### Description

This Department consists of management and execution of strategies for: the Communications and Citizen Engagement program and the Tourism and Economic Initiatives program. The Communications and Citizen Engagement program keeps residents informed and engaged about all things City-related. The Tourism and Economic Initiatives program functions as the official destination and management organization for Sedona and supports economic diversification efforts in Sedona and Verde Valley wide.

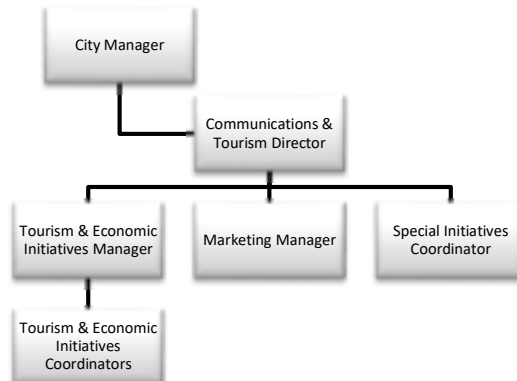
### FY 2025 PROGRAM EXPENDITURES: \$2,586,110



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



**COMMUNICATIONS, TOURISM & ECONOMIC INITIATIVES – Communications & Citizen Engagement**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 281,160	58%	\$ -	\$ -	\$ -
Supplies & Services	127,550	26%	-	-	-
<b>Subtotal Direct Costs</b>	<b>\$ 408,710</b>	<b>84%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Internal Charges	79,670	16%	-	-	-
<b>Total Expenditures</b>	<b>\$ 488,380</b>	<b>100%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 487,730	100%	\$ -	\$ -	\$ -
Other Funds Portion	\$ 650	<1%	\$ -	\$ -	\$ -
<b>Funding Sources</b>					
Funding from General Revenues:					
Estimated Resident Generated	\$ 170,930	35%	\$ -	\$ -	\$ -
Estimated Visitor Generated	\$ 317,450	65%	\$ -	\$ -	\$ -
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>2.20</b>		<b>0.00</b>		<b>0.00</b>

The Communications and Citizen Engagement program is responsible for keeping Sedona citizens informed and involved. Services include the Citizen Engagement Program and public information activities such as website management, digital and printed information materials, citizen services, and media relations.

A portion of the Communications and Citizen Engagement program is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

- Community Plan Community Goal – Cultivate an appreciation and respect for Sedona’s distinctive community character:
- \* Coordinated City Talk articles for publication; placed news releases in local media publications.
  - \* Increased engagement and followers on social media platforms with targeted content and increase in videos.
  - \* Created specialized website content for top initiatives including Sedona in Motion (SIM), emergency management and transit.
  - \* Collaborated on Communications Plans on high profile projects including the Community Plan and SIM projects like the Forest Road Connection Project and the Pedestrian Crossing at Oak Creek.
  - \* Executed the FY 2024 budget survey.
  - \* Executed the Volunteer Luncheon and Citizens Academy.
  - \* Communicated and produced the City’s accomplishments and City Council’s priorities to residents in one video.
  - \* Executed Straight Talk with Karen.
  - \* Published monthly eNews Round Up and annual Community Report.
  - \* Substantially completed the website optimization project for the City’s website.

**FY 2025 Objectives**

- Community Plan Community Goal – Cultivate an appreciation and respect for Sedona’s distinctive community character:
- \* Continue to inform and engage residents in high profile initiatives like SIM with quality public information materials and meaningful public involvement opportunities like work groups, surveys, public meetings, etc.
  - \* Continue Straight Talk programming, the monthly eNews Round Up, video creation, and seek out other communications initiatives.
  - \* Continuously improve functionality and usability of existing website and related platforms, with a focus on search engine optimization, navigation, and content.
  - \* Coordinate the 2024 Citizens Academy and Volunteer Luncheon.
  - \* Perform the Community Survey.

**COMMUNICATIONS, TOURISM & ECONOMIC INITIATIVES – Communications & Citizen Engagement**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Citizens participating in City work groups	70	75	77	81	42
Citizens participating in Citizens Academy	20	20	20	22	21
New citizen work groups created	7	8	7	11	4
Active work groups	9	11	12	13	6
Nixle community alert subscribers	5,300	4,300	4,700	4,100	3,652
Total Facebook followers	11,700	10,800	11,200	10,366	9,288
Sedona resident Facebook followers	1,600	1,500	1,140	1,129	1,191
Press releases issued	105	95	100	126	101
Total Instagram followers	4,350	4,100	4,200	3,267	2,990
City Talk columns published	24	24	24	24	21

**Community Plan Community Goal -  
Cultivate an appreciation and respect for Sedona’s distinctive community character:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
National Citizen Survey: Quality of public information services (% responses favorable)		70%	N/A	N/A	69% (Similar to NCS benchmark)	N/A
Digital reach and open rates of City issued e-notifications		6,000 subscribers / 44% open rate	5,250 subscribers / 40% open rate	5,800 subscribers / 44% open rate	5,015 subscribers / 46% open rate	4,750 subscribers / 40% open rate
Citizens Academy Participants Survey: Experience was valuable (% responses favorable)		75%	75%	100%	100%	100%
Work Group Participants Survey: Experience was valuable (% responses favorable)		75%	100%	100%	100%	100%
Employee Survey: Overall, I am satisfied with internal City communication (% responses favorable)		75%	75%	N/A	66.28%	N/A

**COMMUNICATIONS, TOURISM & ECONOMIC INITIATIVES – Tourism & Economic Initiatives**

<b>BUDGET SUMMARY</b>	<b>FY2025 Budget</b>	<b>% of FY2025 Budget</b>	<b>FY2024 Budget</b>	<b>FY2024 Estimate</b>	<b>FY2023 Actual</b>
<b>Program Expenditures</b>					
Personnel Services	\$ 588,860	28%	\$ -	\$ -	\$ -
Supplies & Services	1,361,850	65%	-	-	-
<b>Subtotal Direct Costs</b>	<b>\$1,950,710</b>	<b>93%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Internal Charges	147,020	7%	-	-	-
<b>Total Expenditures</b>	<b>\$2,097,730</b>	<b>100%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$2,097,730	100%	\$ -	\$ -	\$ -
<b>Funding Sources</b>					
Program Revenues	\$1,851,000	88%	\$ -	\$ -	\$ -
Funding from General Revenues:					
Estimated Resident Generated	\$ 86,360	4%	\$ -	\$ -	\$ -
Estimated Visitor Generated	\$ 160,370	8%	\$ -	\$ -	\$ -
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>4.80</b>		<b>0.00</b>		<b>0.00</b>

The Tourism and Economic Initiatives program includes the following:

- \* Strategic planning and implementation of the City’s economic diversification vision.
- \* Business assistance to local businesses inclusive of assistance with financing, business planning, and community assistance.
- \* Additional resources to partner organizations to help establish or grow business.
- \* Data and demographic information both locally and regionally.
- \* Advocating as the voice of the businesses while working internally with the City team.

**FY 2024 Accomplishments**

Council Priority – Tourism Impacts:

- \* Launched a Tourism Program and became the official Destination Marketing and Management Organization.
- \* Hired 2 Coordinators and 1 Tourism Manager.
- \* Launched tourism database and entered all 500+ Sedona tourism businesses.
- \* Launched Scenic Sedona and accompanying social media platforms.
- \* Launched Symphony to make data driven decisions.
- \* Kicked off the Tourism Advisory Board.
- \* Agreed on roles moving forward with the Sedona Chamber of Commerce.
- \* Launched the winter marketing campaign.
- \* Executed Arizona Office of Tourism (AOT) marketing opportunities.
- \* Completed the strategic plan, destination marketing plan, and branding effort.
- \* Launched summer destination marketing campaign.

**FY 2025 Objectives**

Council Priority – Tourism Impacts:

- \* Execute strategic plan and marketing plan.
- \* Assess next steps on Sustainable Tourism Plan.
- \* Develop a Visitors Guide.
- \* Create destination marketing campaigns in times of need (off-peak seasons).
- \* Establish plan for visitor services.
- \* Hire 2 additional coordinators.
- \* Continue holding Tourism Advisory Board meetings and making data-driven decisions.

**COMMUNICATIONS, TOURISM & ECONOMIC INITIATIVES - Tourism & Economic Initiatives**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Media professionals assisted	100	N/A	80	N/A	N/A
Travel Trade professionals assisted	40	N/A	25	N/A	N/A
Meeting planners assisted	40	N/A	30	N/A	N/A
Destination Marketing Campaigns launched	2	N/A	2	N/A	N/A
Travel Trade and Media Missions attended	6	N/A	6	N/A	N/A
Social media posts created	260	N/A	120	N/A	N/A
Newsletter subscribers	500	N/A	150	N/A	N/A
Digital newsletters sent	12	N/A	3	N/A	N/A
Businesses assisted for listing/database needs	200	N/A	150	N/A	N/A
Tourism Advisory Board Meetings	4	N/A	12	N/A	N/A
Visitors assisted at Visitor Center via in person, email and telephone	150,000	N/A	140,000	144,074	N/A
Fuerza Local Sedona graduates	4-6	N/A	4-6	N/A	N/A
Developers assisted via Econa to promote building workforce housing in Northern Arizona	5	N/A	5	N/A	N/A
Econa recruitment guides produced and distributed to Sedona area	100	N/A	100	N/A	N/A
VVREO revolving loans given to Sedona business applicants	2	N/A	2	N/A	N/A

**Council Priority - City Tourism Bureau Management:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Unique website visits		75,000	N/A	35,000	N/A	N/A
Visitor Guide views		7,500	N/A	N/A	N/A	N/A
Return on ad spend from trackable destination marketing campaigns		5:1	N/A	5:1	N/A	N/A
Email newsletter open rate		25%	N/A	20%	N/A	N/A
New social media followers		1,000	N/A	500	N/A	N/A
Social media engagements		1,500	N/A	1,000	N/A	N/A
Annual daily room rate for hotels (ADR)		\$340	N/A	\$335	\$333	\$343.70
Bed tax collections (in millions)		\$9.3	\$8.0	\$9.1	\$8.6	\$8.9
City sales tax (in millions)		\$33.2	\$30.4	\$32.8	\$31.7	\$32.8
Hotel occupancy rate		67%	N/A	66%	65.4%	68.1%
Visitor Service Survey: % satisfied measured at Visitor Center and/or electronically		100%	N/A	100%	100%	99%

# TOURISM & ECONOMIC INITIATIVES

## Mission Statement

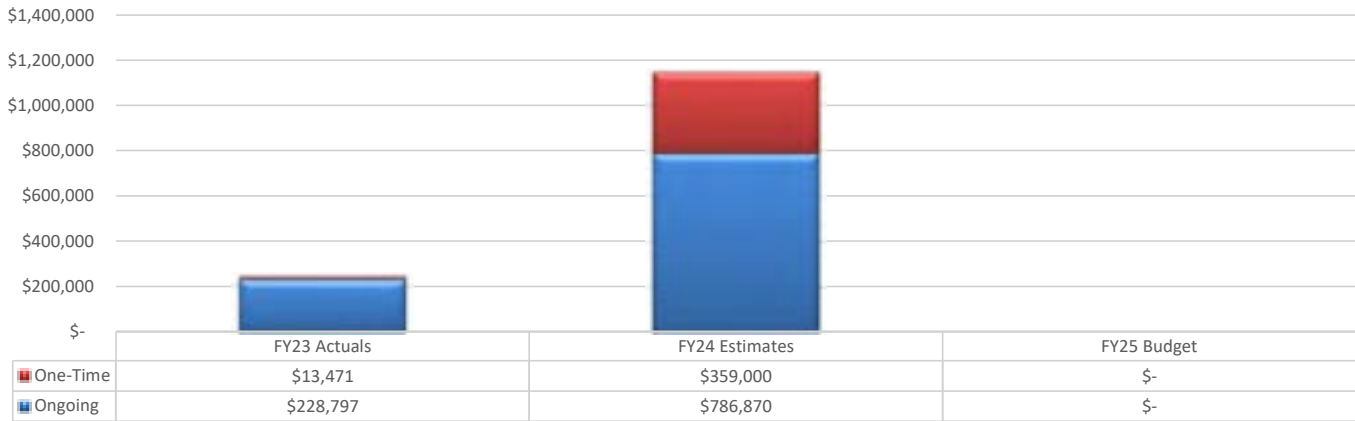
To manage and market tourism with consideration of the perspectives of residents, businesses, and City partners. To further efforts for diversification of City's local economy and provide assistance for improving the success of local businesses with training and other programs related to business planning, financing, etc.

## Description

On April 12, 2023, the City Council approved Resolution 2023-12, designating the City of Sedona as the official Destination Marketing Organization (DMO) for the City of Sedona. A plan for the development of an in-house DMO program will be developed, as well as a reevaluation of the economic diversification/business education program.

Starting FY 2025, the Tourism and Economic Initiatives Department has been restructured and moved to the Communications, Tourism, and Economic Initiatives Department.

### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES





**TOURISM & ECONOMIC INITIATIVES – Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ -	0%	\$ 354,250	\$ 216,010	\$ 107,569
Supplies & Services	-	0%	710,400	854,400	91,347
Capital & Debt Service	-	0%	-	-	3,673
<b>Subtotal Direct Costs</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 1,064,650</b>	<b>\$ 1,070,410</b>	<b>\$ 202,589</b>
Internal Charges	-	0%	81,520	75,460	39,680
<b>Total Expenditures</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 1,146,170</b>	<b>\$ 1,145,870</b>	<b>\$ 242,269</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ -	0%	\$ 1,041,170	\$ 1,145,870	\$ 236,394
Other Funds Portion	\$ -	0%	\$ 105,000	\$ -	\$ 5,875
<b>Funding Sources</b>					
Program Revenues	\$ -	0%	\$ 928,930	\$ 1,001,510	\$ 5,648
Funding from General Revenues:					
Estimated Resident Generated	\$ -	0%	\$ 76,030	\$ 50,530	\$ 82,817
Estimated Visitor Generated	\$ -	0%	\$ 141,210	\$ 93,830	\$ 153,804
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.00</b>		<b>3.10</b>		<b>1.00</b>

A portion of the program costs are allocated to the Public Transit Enterprise Fund and represents that fund's share of the cost of traffic control. In addition, a portion of the program costs are allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department. A portion of this program is also paid by the Grants, Donations and Restricted Funds.

Starting FY 2025, the Tourism and Economic Initiatives Department has been restructured and moved to the Communications, Tourism, and Economic Initiatives Department.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Unique website visits	N/A	800	N/A	N/A	804
Inquiries from businesses	N/A	50	N/A	N/A	50
Business visits/outreach	N/A	30	0	0	40
Businesses assisted with business planning	N/A	25	25	0	25
Business workshops/trainings hosted or partnered	N/A	10	12	0	12

**Community Plan Economic Development Goal -  
Recruit new businesses and organizations representing different business  
and institutional sectors that diversify Sedona's economic base:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Expansion and investment in targeted sector		N/A	\$500,000	N/A	\$0	\$4,000,000
Private capital investment invested by businesses served		N/A	\$500,000	N/A	\$0	\$3,000,000
Number of business loans / total value of loans		N/A	5 / \$500,000	N/A	0 / \$0	7 / \$6,500,000
Jobs resulting from businesses served		N/A	15	N/A	0	30
Jobs created above median earnings*		N/A	10	N/A	0	20
Percentage of businesses surveyed that find value in workshops		N/A	100%	100%	N/A	100%

## CITY ATTORNEY'S OFFICE

### Mission Statement

The City Attorney's Office provides quality legal advice and services to the City Council, City departments, and City boards/commissions and strives 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, personnel, and elected and appointed officials in several key areas:

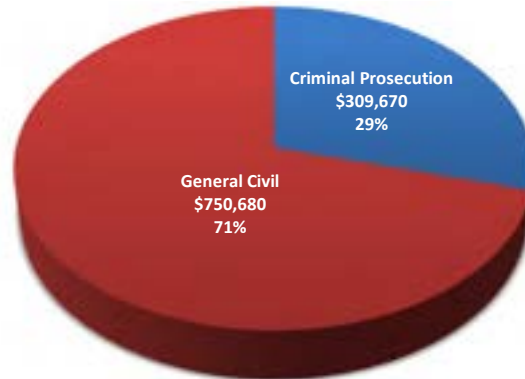
\* Administration - The City Attorney's Office provides legal advice to the Mayor and Council, the City Manager, City departments and the City's boards and commissions; drafts, reviews, and approves all contracts entered into by the City; assists in drafting all resolutions and ordinances submitted for 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 the cost for legal support services.

\* General Civil - The City Attorney's Office is responsible for initiating or defending claims and suits brought against the City.

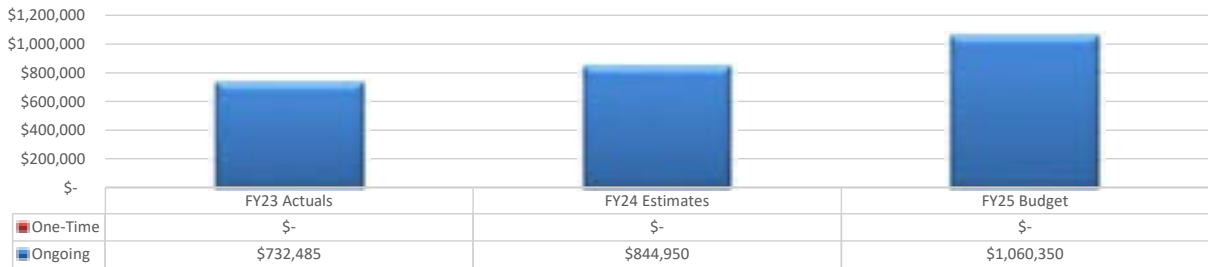
\* Land Development – The City Attorney's Office reviews all planning and zoning matters related to the City; reviews changes to the Sedona Land Development Code; and provides guidance to staff of the City's Community Development Department and Planning and Zoning Commission on land development matters.

\* Criminal Prosecution – The City Attorney's Office charges and prosecutes all misdemeanors and criminal traffic offenses that occur within the City limits in the Sedona Magistrate Court.

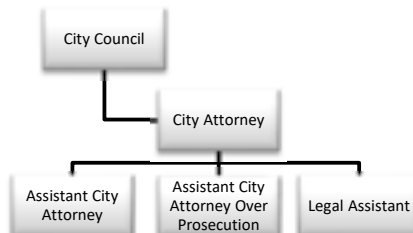
### FY 2025 PROGRAM EXPENDITURES: \$1,060,350



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



**CITY ATTORNEY'S OFFICE – Criminal Prosecution**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 251,840	81%	\$ 233,250	\$ 235,190	\$ 224,708
Supplies & Services	2,700	1%	2,700	2,700	-
<b>Subtotal Direct Costs</b>	<b>\$ 254,540</b>	<b>82%</b>	<b>\$ 235,950</b>	<b>\$ 237,890</b>	<b>\$ 224,708</b>
Internal Charges	55,130	18%	32,110	30,570	34,640
<b>Total Expenditures</b>	<b>\$ 309,670</b>	<b>100%</b>	<b>\$ 268,060</b>	<b>\$ 268,460</b>	<b>\$ 259,348</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 309,670	100%	\$ 268,060	\$ 268,460	\$ 259,348
<b>Funding Sources</b>					
Program Revenues	\$ 11,200	4%	\$ 3,000	\$ 4,200	\$ 3,300
Funding from General Revenues:					
Estimated Resident Generated	\$ 104,460	34%	\$ 92,770	\$ 92,490	\$ 89,617
Estimated Visitor Generated	\$ 194,010	63%	\$ 172,290	\$ 171,770	\$ 166,431
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>1.65</b>		<b>1.65</b>		<b>1.65</b>

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

**FY 2024 Accomplishments**

Overall City Value - Public Safety:

- \* Successfully prosecuted cases through negotiated plea agreements or trial in the Sedona Magistrate Court.
- \* Continued to successfully prosecute cases despite significant delays in disclosure of media files due to operational issues with the digital evidence management system.
- \* Coordinated with Sedona Magistrate Court personnel to improve efficiency in the processing of cases.
- \* Provided exceptional service to victims in compliance with Victim Rights.

**FY 2025 Objectives**

Overall City Value - Public Safety:

- \* Ensure public safety through the promotion of the fair and impartial pursuit of justice.
- \* Continue to coordinate efforts in support of public safety with the Sedona Police Department.
- \* Identify areas for additional training with the Sedona Police Department.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Cases filed	248	338	285	231	363
Provide an annual case law update to Police Department	4	4	4	2	2
Hours of training provided to Police Department on operational matters	17	15	32	16	20
Cases managed	262	N/A	293	284	265

**CITY ATTORNEY'S OFFICE – General Civil**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 443,350	59%	\$ 324,370	\$ 320,600	\$ 287,047
Supplies & Services	206,750	28%	258,250	158,250	114,139
<b>Subtotal Direct Costs</b>	<b>\$ 650,100</b>	<b>87%</b>	<b>\$ 582,620</b>	<b>\$ 478,850</b>	<b>\$ 401,187</b>
Internal Charges	100,580	13%	103,160	97,640	71,950
<b>Total Expenditures</b>	<b>\$ 750,680</b>	<b>100%</b>	<b>\$ 685,780</b>	<b>\$ 576,490</b>	<b>\$ 473,137</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 650,680	87%	\$ 585,780	\$ 576,490	\$ 471,964
Wastewater Fund Portion	\$ 100,000	13%	\$ 100,000	\$ -	\$ 1,173
<b>Funding Sources</b>					
Allocations to Other Departments	\$ 650,690	87%	\$ 575,540	\$ 576,490	\$ 471,959
Program Revenues	\$ 100,000	13%	\$ 100,000	\$ -	\$ 1,173
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>2.35</b>		<b>1.89</b>		<b>1.89</b>

The City Attorney's Office provides internal services to City departments, personnel, and elected and appointed officials in several key areas:

- \* Administration - The City Attorney's Office provides legal advice to the Mayor and Council, the City Manager, City departments and the City's boards and commissions; 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 the cost for legal support services.

- \* General Civil - The City Attorney's Office is responsible for initiating or defending claims and suits brought against the City.

- \* Land Development – The City Attorney's Office reviews all planning and zoning matters related to the City; reviews changes to the Sedona Land Development Code; and provides guidance to staff of the City's Community Development Department and Planning and Zoning Commission on land development matters.

**FY 2024 Accomplishments**

Overall City Value - Good Governance:

- \* Attended all City Council and Planning and Zoning Commission meetings and other meetings as requested to provide legal advice.
- \* Assisted in reviewing, drafting, and implementing new and amended ordinances, including right-of-way encroachment, lot drainage, watercourse management, parking prohibitions, and Land Development Code updates.
- \* Represented City in Sabrina Beram v. City of Sedona in the 9th Circuit Court of Appeals.
- \* Managed the work of outside counsel on outstanding litigation matters, including Forest Road Connection Project eminent domain cases and matters handled by the Arizona Municipal Risk Retention Pool.
- \* Provided written legal opinions to City officials and staff on nearly 100 different legal topics.
- \* Provided legal advice to the City Clerk's office on open meeting law and election issues and the fulfillment of public record requests.
- \* Managed, tracked, and assisted City departments in resolving various claims against the City.
- \* Hired and trained a new Assistant City Attorney.
- \* Monitored bankruptcy petitions involving the City of Sedona.
- \* Acted as City's Designated Public Lobbyist.

**CITY ATTORNEY'S OFFICE – General Civil**

continued

**FY 2025 Objectives**

Overall City Value - Good Governance:

- \* Continue to staff all City Council and Planning and Zoning Commission meetings and other public meetings as requested.
- \* Review all contracts, policies, resolutions, and ordinances; provide legal advice to City departments.
- \* Continue work with the Community Development Department and Code Enforcement staff on resolving code enforcement issues on properties that are in violation of the Land Development Code or City Code.
- \* Develop a Risk Management program to oversee and mitigate organizational risk and continue to improve efficiencies in claims management.
- \* Manage the work of outside legal counsel on outstanding litigation matters.
- \* Monitor legislation and adopted land use laws and provide advice on impacts to the City.
- \* Review and assist with 2024 revisions to the Sedona Land Development Code.
- \* Provide legal advice and support for the 2024 election for a City Mayor and three City Councilor positions.

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Admin - City Council agenda bill items reviewed	185	185	185	182	182
Admin - Ordinances processed	14	10	14	15	9
Admin - Resolutions processed	30	35	30	45	40
Admin - Public meetings attended	69	65	71	68	67
Admin - Contracts reviewed	135	126	136	105	165
Admin - Legal opinions provided	350	267	380	357	331
Land Development - Planning and zoning matters reviewed	10	15	10	7	13
General Civil - Claims and suits against City	9	9	0	10	10
General Civil - Claims against City resolved without litigation	9	6	8	8	10
General Civil - Traffic accidents involving City vehicles	18	17	18	19	16
General Civil - Claims regarding property damage to City property	17	21	10	13	28

## CITY CLERK'S OFFICE

### Mission Statement

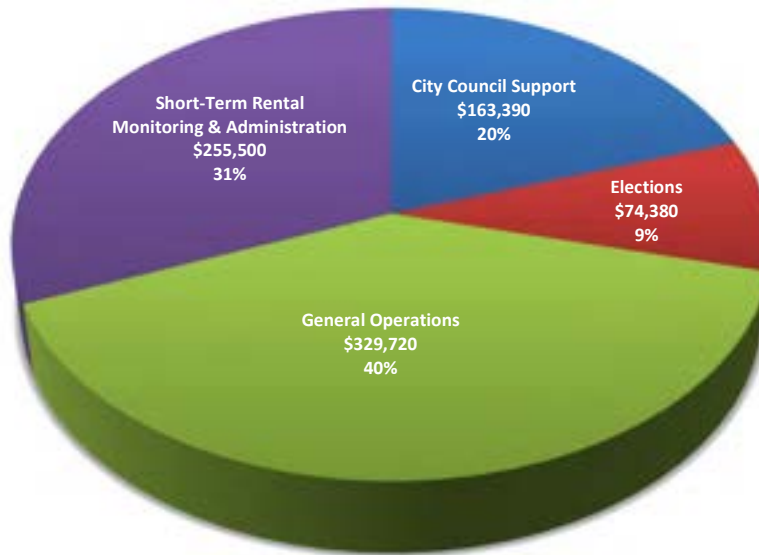
To provide exceptional service to the Mayor and City Council, the public, and City staff so that all may be guaranteed fair and impartial elections and open access to information and the legislative process.

### Description

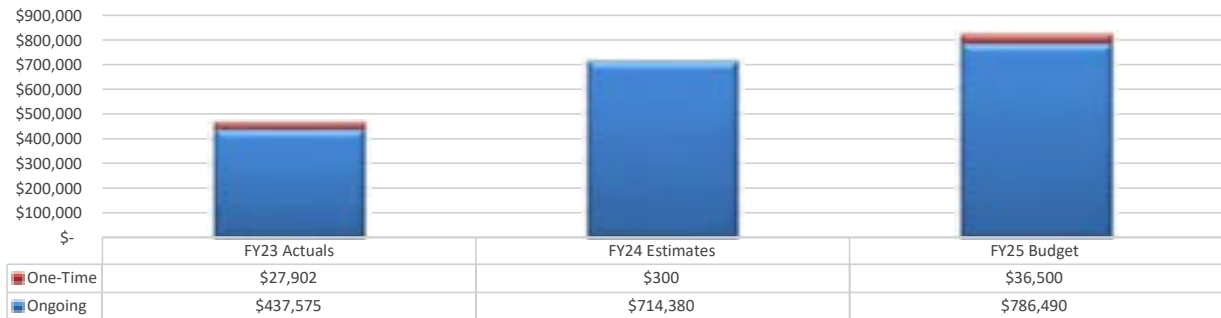
The City Clerk's Department is responsible for the following program areas:

- \* City Council Support
- \* Elections
- \* General Operations, including customer relations, records management, permits, licenses, and registrations.
- \* Short-Term Rental Monitoring and Administration

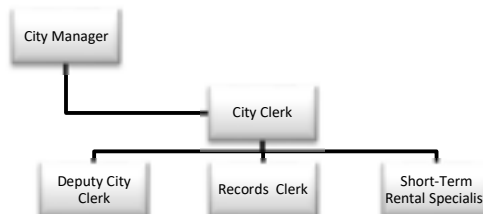
### FY 2025 PROGRAM EXPENDITURES: \$822,990



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



**CITY CLERK'S OFFICE – City Council Support**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 107,290	66%	\$ 79,780	\$ 80,720	\$ 79,332
Supplies & Services	15,000	9%	15,000	15,000	18,430
<b>Subtotal Direct Costs</b>	<b>\$ 122,290</b>	<b>75%</b>	<b>\$ 94,780</b>	<b>\$ 95,720</b>	<b>\$ 97,763</b>
Internal Charges	41,100	25%	17,610	17,140	37,150
<b>Total Expenditures</b>	<b>\$ 163,390</b>	<b>100%</b>	<b>\$ 112,390</b>	<b>\$ 112,860</b>	<b>\$ 134,913</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 163,390	100%	\$ 112,390	\$ 112,860	\$ 134,913
<b>Funding Sources</b>					
Funding from General Revenues:					
Estimated Resident Generated	\$ 57,190	35%	\$ 39,340	\$ 39,500	\$ 47,220
Estimated Visitor Generated	\$ 106,200	65%	\$ 73,050	\$ 73,360	\$ 87,693
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.90</b>		<b>0.73</b>		<b>0.75</b>

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 and commissions, and general City Council support.

**FY 2024 Accomplishments**

Overall City Value - Good Governance:

- \* Provided Council support.
- \* Completed agendas, packets, minutes, action item lists, and proclamations in an accurate and timely fashion.
- \* Processed ordinances, resolutions, and applications for voluntary service on City boards and commissions.

**FY 2025 Objectives**

Overall City Value - Good Governance:

- \* 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	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
City Council agendas posted	62	56	62	59	54
City Council agenda bills processed	185	185	185	182	182
City Council meetings attended with minutes completed	62	56	62	59	54
Hours spent in City Council meetings	176	180	176	174	169
Ordinances processed	14	16	14	15	9
Resolutions processed	30	35	30	45	40

**CITY CLERK'S OFFICE – Elections**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 19,350	26%	\$ 18,690	\$ 18,940	\$ 8,863
Supplies & Services	37,950	51%	1,850	1,750	28,567
<b>Subtotal Direct Costs</b>	<b>\$ 57,300</b>	<b>77%</b>	<b>\$ 20,540</b>	<b>\$ 20,690</b>	<b>\$ 37,431</b>
Internal Charges	17,080	23%	4,780	4,600	17,480
<b>Total Expenditures</b>	<b>\$ 74,380</b>	<b>100%</b>	<b>\$ 25,320</b>	<b>\$ 25,290</b>	<b>\$ 54,911</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 74,380	100%	\$ 25,320	\$ 25,290	\$ 54,911
<b>Funding Sources</b>					
Program Revenues	\$ -	0%	\$ 10	\$ -	\$ 30
Funding from General Revenues:					
Estimated Resident Generated	\$ 26,030	35%	\$ 8,860	\$ 8,850	\$ 19,208
Estimated Visitor Generated	\$ 48,350	65%	\$ 16,450	\$ 16,440	\$ 35,673
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.17</b>		<b>0.18</b>		<b>0.11</b>

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

**FY 2024 Accomplishments**

Overall City Value - Good Governance:

- \* Served as an early voting location for Coconino County.
- \* Provided ballot drop boxes for Coconino and Yavapai Counties.
- \* Ensured filing and posting of campaign finance filings were done in a timely manner.

**FY 2025 Objectives**

Overall City Value - Good Governance:

- \* Ensure filing and posting of campaign finance filings.
- \* Serve as an early voting location for Coconino County.
- \* Provide ballot drop boxes for Coconino and Yavapai Counties.
- \* Perform identification verification for conditional provisional voters for Coconino and Yavapai Counties.
- \* Prepare packets for City Council candidates.
- \* Coordinate Primary Election and General Election for City Council.
- \* Provide Council Candidate Packets to potential candidates.
- \* Serve as filing officer for City Council candidates.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
City elections	2	0	0	2	0

**Overall City Value - Fiscal Sustainability:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Cost of primary election for City Council		\$18,700	\$0	\$0	\$18,700	\$0
Cost of general election for City Council		\$8,500	\$0	\$0	\$8,500	\$0
Cost of alternative expenditure limitation election		\$0	\$0	\$0	\$7,500	\$0



## CITY CLERK'S OFFICE – General Operations

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 169,750	51%	\$ 178,380	\$ 181,400	\$ 180,663
Supplies & Services	17,410	5%	18,220	17,410	7,141
<b>Subtotal Direct Costs</b>	<b>\$ 187,160</b>	<b>57%</b>	<b>\$ 196,600</b>	<b>\$ 198,810</b>	<b>\$ 187,804</b>
Internal Charges	142,560	43%	124,590	120,880	87,850
<b>Total Expenditures</b>	<b>\$ 329,720</b>	<b>100%</b>	<b>\$ 321,190</b>	<b>\$ 319,690</b>	<b>\$ 275,654</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 329,720	100%	\$ 321,190	\$ 319,690	\$ 275,654
<b>Funding Sources</b>					
Allocations to Other Departments	\$ 239,560	73%	\$ 255,180	\$ 255,190	\$ 211,120
Program Revenues	\$ 57,060	17%	\$ 58,580	\$ 57,060	\$ 53,577
Funding from General Revenues:					
Estimated Resident Generated	\$ 11,590	4%	\$ 2,600	\$ 2,600	\$ 3,835
Estimated Visitor Generated	\$ 21,510	7%	\$ 4,830	\$ 4,840	\$ 7,122
<b>Employee Time Allocation (FTEs) (Budgeted)</b>					
	<b>1.81</b>		<b>1.97</b>		<b>2.06</b>

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 2024 Accomplishments

Overall City Value - Good Governance:

- \* Acted as a gatekeeper for the Sedona Citizens Connect and enhanced messaging to reporting parties.
- \* Provided new online portal for all business license applications and renewal processing.

Overall City Value - Fiscal Sustainability:

- \* Delivered claims to the City Attorney's Office in a timely fashion.

### FY 2025 Objectives

Overall City Value - Good Governance:

- \* Act as the gatekeeper for the Sedona Citizens Connect, monitor issues for completion, suggest enhancements, and look for ways to increase usage by citizens.
- \* Assist customers by phone and in person in a timely and courteous fashion.

Overall City Value - Fiscal Sustainability:

- \* Deliver claims to the City Attorney's Office in a timely fashion.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Sedona Citizens Connect issues processed	300	360	300	316	385
Business license renewals issued	1,200	1,275	1,200	1,102	1,255
New business licenses issued	135	150	135	126	100
Temporary business licenses issued	140	225	140	133	200
Home-based business licenses	250	205	250	253	200
Closed business licenses	110	110	110	157	112
Special event liquor licenses	45	45	45	45	39
Liquor licenses	8	18	8	7	21
Records request received/processed	320	260	320	311	225
Civil Union registrations	50	50	50	53	20
Peddler/solicitor permits	2	2	2	2	2

### Overall City Value - Good Governance:

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Sedona Citizens Connect average days to close an issue		14	17	17	25	22
New business licenses processed within 30 days		100%	100%	100%	100%	100%

**CITY CLERK'S OFFICE – Short-Term Rental Monitoring & Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 94,850	37%	\$ 87,590	\$ 88,380	\$ -
Supplies & Services	7,150	3%	7,150	7,150	-
<b>Subtotal Direct Costs</b>	<b>\$ 102,000</b>	<b>40%</b>	<b>\$ 94,740</b>	<b>\$ 95,530</b>	<b>\$ -</b>
Internal Charges	153,500	60%	162,230	161,310	-
<b>Total Expenditures</b>	<b>\$ 255,500</b>	<b>100%</b>	<b>\$ 256,970</b>	<b>\$ 256,840</b>	<b>\$ -</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 255,500	100%	\$ 256,970	\$ 256,840	\$ -
<b>Funding Sources</b>					
Program Revenues	\$ 193,570	76%	\$ 236,400	\$ 214,000	\$ -
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>1.00</b>		<b>1.00</b>		<b>0.00</b>

The Short-Term Rental Monitoring and Administration program was initiated in FY 2023 with the creation of a Short-Term Rental Specialist position. Costs previously incurred for short-term rental monitoring were recorded in the Administration program of the Community Development Department.

The Short-Term Rental Monitoring and Administration program was transferred from the City Manager's Office effective FY 2024.

**FY 2024 Accomplishments**

Council Priority - Monitor Short-Term Rentals:

- \* Published permitted properties emergency contact information on the City's website.
- \* Brought permitting compliance of Sedona short-term rentals to 98%.
- \* Represented short-term rental program to community, targeting property managers and realtors for education opportunities.
- \* Developed training materials for property owners on permit compliance and ensuring data base accuracy.
- \* Launched aggressive transaction privilege tax (TPT) licenses compliance for all permitted properties, including notices of violations/citations if necessary.
- \* Resolved significant reporting errors to resume most of former reporting metrics (to be completed Q3 2025).

**FY 2025 Objectives**

Council Priority - Pursue short term rental legislation to regain local control:

- \* Utilize GovOS tools to enhance monitoring efforts.
- \* Continue to refine and distribute monthly reports of the short-term rental impacts, including reporting a breakout of short-term rentals by neighborhood.
- \* Oversee the short-term rental hotline.
- \* Respond to public records requests regarding short-term rentals.
- \* Create presentations and communicate with stakeholders.
- \* Continue collaboration with Code Enforcement, Police, City Clerk, Information Technology/Geographic Information Systems and other departments' staff to improve reporting capabilities.
- \* Coordinate with Code Enforcement and Police to enforce violations on a complaint basis.
- \* Continue enhancement of short-term rental information on City website.
- \* Develop semi-annual, regional meetings with AZ towns and cities regulating short-term rentals in their communities.
- \* Coordinate with Code Enforcement to enforce permit non-compliance and non-compliant Land Development Code violations.
- \* Develop monthly complaint reports.

**CITY CLERK'S OFFICE – STR Monitoring/Administration**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Total number of short-term rentals within city limits* *FY24 numbers reflect the total number of permitted and unpermitted properties within city limits as of December 2023. Overall growth of active properties FY25 is expected to be minimal.	1,165	1,122	1,160	1,215	1,215
Number of permitted short-term rentals within city limits* *FY24 numbers reflect the actual number of permitted properties as of December 31, 2023 and the number of active, unpermitted properties expected to obtain a permit this fiscal year.	1,165	1,100	1,155	1,105	1,105
Total number of complaints from the short-term rental issues hotline	800	N/A	750	830	N/A

**Council Priority - Short-Term Rental Legislation:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Percentage of short-term rentals in compliance with permit requirements**. **2023 numbers reflect the number of permitted properties within the first six months of the permitting program that launched in January 2023.		98%	98%	98%	93%	90%
Percentage of short-term rental complaints resolved within 7 business days* *FY24 numbers represent July - December 2023 trash and lighting complaints resolved by Code Enforcement.		100%	N/A	100%	N/A	N/A

## PARKS & RECREATION

### Mission Statement

It is the mission of the Sedona Parks and Recreation Department to provide a diverse range of opportunities for community enjoyment and enrichment for citizens, visitors, and future generations of Sedona.

The City of Sedona Parks and Recreation is your community connection for outdoor recreation, swimming lessons, youth and adult sports, programs, concerts, special events, city parks, dog park, and much more. Spend your free time with us at one of our many amenities!

We have something for everyone with our Parks and Recreation facilities, events, and activities that are offered throughout the year. We also have a variety of facilities available for rentals for your event or gathering. Between our city parks we have tennis courts, city pool, basketball courts, sports fields, concert venues, indoor meeting spaces, a world class bike park, skate park, disc-golf course, fitness trail, playgrounds, splash pad, and much more!

### Description

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

- \* Recreation Programs
- \* Special Events
- \* Parks Facilities and Maintenance

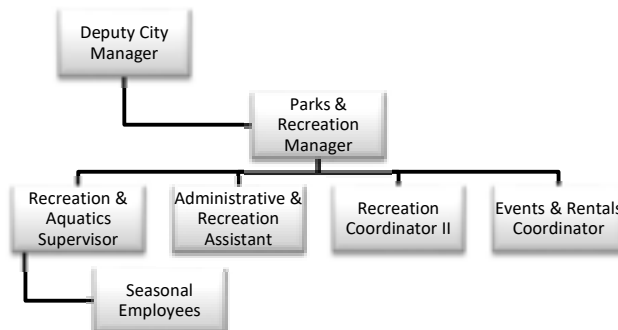
### FY 2025 PROGRAM EXPENDITURES: \$1,438,910



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



**PARKS & RECREATION – Recreation Programs**

<b>BUDGET SUMMARY</b>	<b>FY2025 Budget</b>	<b>% of FY2025 Budget</b>	<b>FY2024 Budget</b>	<b>FY2024 Estimate</b>	<b>FY2023 Actual</b>
<b>Program Expenditures</b>					
Personnel Services	\$ 161,210	50%	\$ 139,270	\$ 141,130	\$ 106,608
Supplies & Services	75,810	24%	65,160	65,440	53,474
Capital & Debt Service	2,100	1%	25,500	22,000	8,862
<b>Subtotal Direct Costs</b>	<b>\$ 239,120</b>	<b>75%</b>	<b>\$ 229,930</b>	<b>\$ 228,570</b>	<b>\$ 168,944</b>
Internal Charges	81,250	25%	89,510	81,740	102,100
<b>Total Expenditures</b>	<b>\$ 320,370</b>	<b>100%</b>	<b>\$ 319,440</b>	<b>\$ 310,310</b>	<b>\$ 271,044</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 318,370	99%	\$ 318,440	\$ 308,810	\$ 262,442
Other Funds Portion	\$ 2,000	1%	\$ 1,000	\$ 1,500	\$ 8,602
<b>Funding Sources</b>					
Program Revenues	\$ 39,900	12%	\$ 48,820	\$ 38,900	\$ 36,109
Funding from General Revenues:					
Estimated Resident Generated	\$ 98,160	31%	\$ 94,720	\$ 94,990	\$ 82,227
Estimated Visitor Generated	\$ 182,310	57%	\$ 175,900	\$ 176,420	\$ 152,708
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>2.16</b>		<b>1.86</b>		<b>1.72</b>

Throughout the year, Parks and Recreation is pleased to offer a variety of sports leagues, specialty classes, camps, workshops, and volunteer opportunities. We strive to offer programming for different age groups and athletic abilities. By working with volunteers and specialized professionals as independent contractors, we can increase our variety of offerings.

A portion of this program is paid by the Grants, Donations and Restricted Funds. In addition, a portion of the program costs are allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Community Plan Parks, Recreation, and Open Space Goal - Provide activities and amenities that allow for community interactions and encourage active and healthy lifestyles:

- \* Added expanded youth sports offerings: 7th/8th grade basketball division, flag football camp, youth basketball camp.
- \* Full offering of 12 different summer camp opportunities.
- \* Expanded park offerings and added a disc golf program and permanent course.
- \* Added 2 bocce courts to Posse Grounds Park.
- \* Resurfaced basketball court in Posse Grounds Park.

**FY 2025 Objectives**

Community Plan Parks, Recreation, and Open Space Goal - Provide activities and amenities that allow for community interactions and encourage active and healthy lifestyles:

- \* Continue to explore alternative classes and sports offerings.
- \* Increase quality and variety of summer camp offerings.
- \* Explore ways to offer scholarship programs and camps to participants who may not be able to afford to participate, to ensure cost is not a barrier to entry.

**PARKS & RECREATION – Parks & Recreation**

continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Recreation programs	28	22	22	13	13
Youth basketball registrants	125	N/A	118	99	N/A
Parks and recreation class/program/facility registrants (only programs that take registrations)	18,850	14,124	18,500	17,658	13,762
Organized sports programs offered	23	N/A	17	15	N/A

**Community Plan Parks, Recreation, and Open Space Goal -  
Provide activities and amenities that allow for community interactions  
and encourage active and healthy lifestyles:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Parks and recreation class/program/facility registrants per 1,000 population (ICMA Benchmark 2017-2022)	1,946 (all) / 4,079 (cities under 30,000 pop.)	1,884	1,443	1,869	1,804	1,431

## PARKS & RECREATION – Special Events

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 181,880	35%	\$ 157,780	\$ 174,480	\$ 139,042
Supplies & Services	258,750	50%	259,180	238,630	196,095
<b>Subtotal Direct Costs</b>	<b>\$ 440,630</b>	<b>84%</b>	<b>\$ 416,960</b>	<b>\$ 413,110</b>	<b>\$ 335,138</b>
Internal Charges	81,720	16%	55,500	53,470	44,480
<b>Total Expenditures</b>	<b>\$ 522,350</b>	<b>100%</b>	<b>\$ 472,460</b>	<b>\$ 466,580</b>	<b>\$ 379,618</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 515,350	99%	\$ 462,460	\$ 454,380	\$ 364,781
Other Funds Portion	\$ 7,000	1%	\$ 10,000	\$ 12,200	\$ 14,837
<b>Funding Sources</b>					
Program Revenues	\$ 13,600	3%	\$ 17,300	\$ 18,800	\$ 30,313
Funding from General Revenues:					
Estimated Resident Generated	\$ 178,060	34%	\$ 159,310	\$ 156,720	\$ 122,257
Estimated Visitor Generated	\$ 330,690	63%	\$ 295,850	\$ 291,060	\$ 227,048
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>1.90</b>		<b>1.55</b>		<b>1.60</b>

Sedona Parks and Recreation Department provides a wide range of special events to serve the interests and provide outlets for community gatherings and celebrations. The diversity of events is reflective of community interests and requests, and they are widely acclaimed by the public as being high quality, and appropriate to the City's character and resident expectations. Our established calendar of events is:

- \* St. Patrick's Parade
- \* Sedona Food Truck Festival
- \* Sedona Stumble 5K and 10K Trail Run
- \* Celebration of Spring
- \* Red Dirt Concert Series (9 total events annually)
- \* Movies in the Park (4 total events)
- \* 4th of July Celebration
- \* Wagfest and Fair
- \* Pumpkin Splash
- \* Trick or Treat Uptown
- \* Turkey Trot
- \* Breakfast with Santa
- \* Winter Formal
- \* Holiday Central
- \* Annual Tree Lighting
- \* Winter Play Day

Our event costs range from \$2,000 to \$35,000.

A portion of this program is paid by the Grants, Donations and Restricted Funds.

### **FY 2024 Accomplishments**

Community Plan Parks, Recreation, and Open Space Goal - Provide activities and amenities that allow for community interactions and encourage active and healthy lifestyles:

- \* Implemented Event Survey solicitation at events with signage, announcements and accessibility improvements to increase the quantity and quality of community feedback.
- \* Refinement and additions to numerous signature events to improve the efficiency and experience for both staff and community attendees, including more cohesive event layouts and setups.
- \* Overall event refinements and improvements including additional attractions and experiences (Celebration of Spring, Movies in the Park) and extended times (Red Dirt Concerts).

### **FY 2025 Objectives**

Community Plan Parks, Recreation, and Open Space Goal - Provide activities and amenities that allow for community interactions and encourage active and healthy lifestyles:

- \* Adding a new Winter Formal Event and additional Red Dirt Concert Series hours in May and September.

**PARKS & RECREATION – Special Events**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Days of City-run special events	27	26	26	26	13
Event attendance	15,355	15,355	15,455	12,400	12,400
Major facility rentals - days rented between Hub, Rec Room, and Pavilion combined	370	N/A	350	326	N/A

**Community Plan Parks, Recreation, and Open Space Goal -  
Provide activities and amenities that allow for community interactions  
and encourage active and healthy lifestyles:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Revenue from event sponsors		\$6,650	\$5,000	\$6,250	\$5,400	\$5,800
Customer Satisfaction Survey: Celebration of Spring (% responses favorable)		100%	100%	100%	100%	100%
Customer Satisfaction Survey: Breakfast with Santa (% responses favorable)		100%	100%	N/A	N/A	N/A



**PARKS & RECREATION – Parks Facilities & Maintenance**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 344,460	58%	\$ 390,230	\$ 278,480	\$ 266,644
Supplies & Services	68,110	11%	42,630	43,310	32,327
Capital & Debt Service	23,460	4%	23,460	23,460	21,505
<b>Subtotal Direct Costs</b>	<b>\$ 436,030</b>	<b>73%</b>	<b>\$ 456,320</b>	<b>\$ 345,250</b>	<b>\$ 320,476</b>
Internal Charges	160,160	27%	153,120	143,480	104,350
<b>Total Expenditures</b>	<b>\$ 596,190</b>	<b>100%</b>	<b>\$ 609,440</b>	<b>\$ 488,730</b>	<b>\$ 424,826</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 591,990	99%	\$ 606,690	\$ 485,450	\$ 420,793
Other Funds Portion	\$ 4,200	1%	\$ 2,750	\$ 3,280	\$ 4,033
<b>Funding Sources</b>					
Program Revenues	\$ 98,350	16%	\$ 101,980	\$ 95,880	\$ 96,086
Funding from General Revenues:					
Estimated Resident Generated	\$ 174,240	29%	\$ 177,610	\$ 137,500	\$ 115,059
Estimated Visitor Generated	\$ 323,600	54%	\$ 329,850	\$ 255,350	\$ 213,681
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>4.96</b>		<b>5.61</b>		<b>5.73</b>

There are nine 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 military/memorial park, 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 and costs for day-to-day maintenance of parks are reflected in the Public Works Department budget. While most features within a park can be rented/reserved, there are seven facilities that generate the most attention. These include: two ramadas at Sunset Park, ten ramadas at Posse Grounds Park, recreation room, multi-use field, softball fields, Posse Grounds Pavilion, and the Hub. The facilities are rented for a variety of reasons which include special events, sports leagues and practices, birthday parties, baby showers, weddings, and concerts.

AQUATICS: Open from Memorial Day weekend through Labor Day, the Sedona Community Pool offers activities and quality programming for everyone. Amenities enjoyed at the facility include an 8-lane pool with a 4 to 7 foot depth, a water slide, and an in-deck water feature. Activities offered include: lap swim, recreational swim, various aqua fitness classes, private and group swim lessons, water safety trainings and certifications, private rentals, and special events. Throughout the year, three swim teams train at the facility during non-operating hours. It takes a collaborative effort between the Parks and Recreation and Public Works Departments to keep the aquatic facility running smoothly. The Parks and Recreation Department oversees the management and operations while the Public Works Department oversees the maintenance of the facility.

A portion of this program is paid by the Grants, Donations and Restricted Funds.

**FY 2024 Accomplishments**

Community Plan Parks, Recreation, and Open Space Goal - Provide activities and amenities that allow for community interactions and encourage active and healthy lifestyles:

- \* Streamlined rentals fee structure and refined protocols and procedures for ease of use by community.
- \* Equipment upgrade at Pavilion.
- \* Improved park facilities including disc golf course, bocce courts, Ranger Station Park, Posse Grounds Park basketball court resurfacing.

**PARKS & RECREATION – Parks Facilities & Maintenance**  
continued

**FY 2025 Objectives**

Community Plan Parks, Recreation, and Open Space Goal - Provide activities and amenities that allow for community interactions and encourage active and healthy lifestyles:

Facilities:

- \* Promote and improve existing facilities.
- \* Work collaboratively with the Public Works Department to maintain parks and facilities.
- \* Improve the rentals process to continue streamlining and ease of community use and increased accessibility for various user groups to our facilities.

Aquatics:

- \* To meet the demand for outdoor water recreation, including leisure, fitness, competition, and educational needs.
- \* To provide equal opportunities for aquatic experiences to all demographics, income levels and ages.
- \* To provide educational aquatic opportunities for the community linked to safety, health, and wellness: The World's Largest Swimming Lesson (event designed to build awareness and generate local and national press attention about the vital importance of teaching kids to swim to help prevent drowning), Drowning Impact Awareness Month (August), water safety and trainings for the general public (water awareness, CPR, etc.).
- \* To provide a clean and safe environment that fosters a sense of community for all guests and welcomes new users.
- \* To provide quality programming that creates and sustains a base of users that drive program attendance and improves staffing.
- \* To hire and train team members to deliver quality aquatic programs.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Facility rentals processed (Hub + Pavilion + Rec Room + Athletic Fields) Does not include year-round pool rentals	475	210	440	360	360
Aquatics: Staff hired and trained for the season	25	25	25	22	22
Aquatics: Hours spent on staff development	90	70	85	81	81
Aquatics: Days pool in use	351	339	351	339	365
Aquatics: Days pool open under City operations (non-rental)	100	81	89	72	72
Aquatics: Swim lessons taught	240	240	226	188	188
Aquatics: Attendance at lap swim and recreational swim	8,500	7,200	7,900	6,898	6,900

**Community Plan Parks, Recreation, and Open Space Goal -  
Provide activities and amenities that allow for community interactions  
and encourage active and healthy lifestyles:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Customer Satisfaction Survey: Overall facilities (% responses favorable)		95%	95%	90%	93%	93%
Aquatics: Satisfactory Health Inspections		100%	100%	100%	100%	100%
Aquatics: Customer Satisfaction Survey: Swim lessons (% responses favorable)		100%	100%	100%	100%	100%

## GENERAL SERVICES

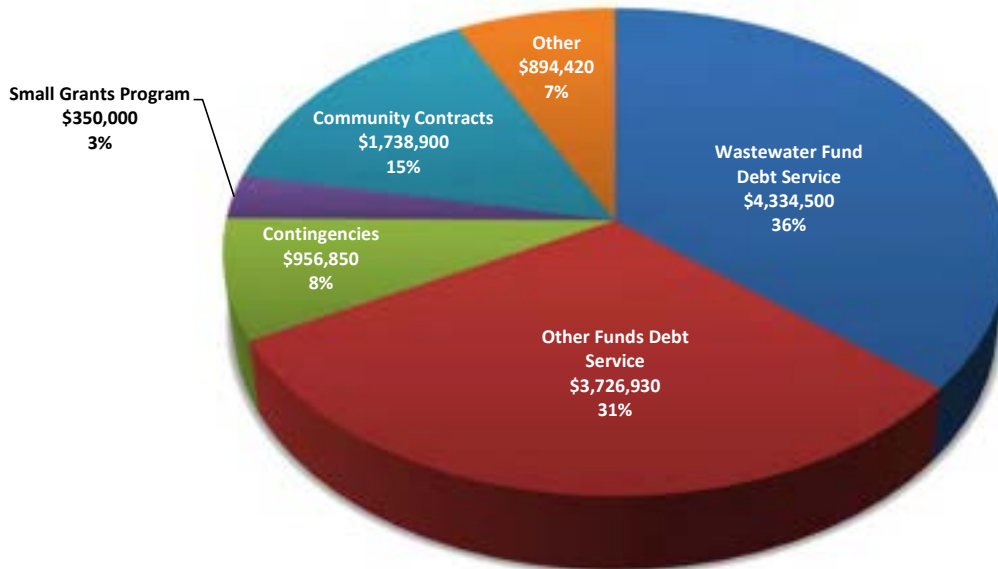
### Description

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, and debt service. The debt service costs include General Fund, Transportation Sales Tax 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; Affordable Housing Fund; Grants, Donations and Restricted Funds; and Wastewater Enterprise Fund contingency budgets, which include the following:

- \* \$200,000 general operating contingency (General Fund)
- \* \$100,000 general operating contingency (Wastewater Enterprise Fund)
- \* \$100,000 contingency for judgments (General Fund)
- \* \$56,850 contingency for Housing (Housing Fund)
- \* \$500,000 contingency for unknown grants and donations revenues that may be received during the year (Grants, Donations and Restricted Funds)

### FY 2025 PROGRAM EXPENDITURES: \$12,001,600



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



## GENERAL SERVICES – Administration

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 40,000	0%	\$ 40,000	\$ 24,900	\$ 25,124
Supplies & Services	2,927,660	24%	2,814,350	2,646,970	2,280,042
Capital & Debt Service	8,071,130	67%	7,479,460	7,463,410	7,619,058
Contingencies	956,850	8%	3,331,050	-	-
<b>Subtotal Direct Costs</b>	<b>\$11,995,640</b>	<b>100%</b>	<b>\$13,664,860</b>	<b>\$10,135,280</b>	<b>\$9,924,224</b>
Internal Charges	5,960	<1%	4,070	4,070	4,070
<b>Total Expenditures</b>	<b>\$12,001,600</b>	<b>100%</b>	<b>\$13,668,930</b>	<b>\$10,139,350</b>	<b>\$9,928,294</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 6,369,100	53%	\$ 5,941,260	\$ 4,975,010	\$4,896,894
Wastewater Fund Portion	\$ 4,434,500	37%	\$ 4,640,700	\$ 4,540,700	\$4,541,291
Other Funds Portion	\$ 1,198,000	10%	\$ 3,086,970	\$ 623,640	\$ 490,109
<b>Funding Sources</b>					
Allocations to Other Departments	\$ 576,140	5%	\$ 524,940	\$ 516,080	\$ 472,250
Program Revenues	\$ 5,641,000	47%	\$ 7,736,220	\$ 5,172,840	\$5,039,956
Funding from General Revenues:					
Estimated Resident Generated	\$ 2,024,560	17%	\$ 1,892,720	\$ 1,557,650	\$1,545,631
Estimated Visitor Generated	\$ 3,759,900	31%	\$ 3,515,050	\$ 2,892,780	\$2,870,457
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>

The Administration program includes the various and non-departmental; and other centralized expenses, with the exception of the Sustainable Tourism Contract in order to highlight aspects of that agreement. Costs include service contracts with non-profits, Citywide liability and other insurances, debt service, and contingencies.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Small grants awarded	30	20	27	28	26
Average small grant award amount	\$6,830	\$9,000	\$6,212	\$10,100	\$10,394
Total small grants awarded	\$350,000	\$200,000	\$181,200	\$190,275	\$270,256
Range of small grant awards	\$3,500 - \$25,000	\$3,500 - \$25,000	\$1,650 - \$20,000	\$1,800 - \$15,000	\$3,500 - \$25,000

**GENERAL SERVICES – Sustainable Tourism Contract**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Supplies & Services	\$ -	0%	\$ -	\$ -	\$ 1,468,494
<b>Expenditures by Fund</b>					
General Fund Portion	\$ -	0%	\$ -	\$ -	\$ 1,468,494
<b>Funding Sources</b>					
Program Revenues	\$ -	0%	\$ -	\$ -	\$ 1,468,494
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>

The Sustainable Tourism Contract program was moved from the City Manager’s Office in FY 2023.

With tourism being the primary economic engine in Sedona, the City has contracted with the Sedona Chamber of Commerce and Tourism Bureau (SCCTB) to initiate, implement, and administer a comprehensive destination services program. The destination services plan is designed to outline the programs and services with a focus on implementing the Sustainable Tourism Plan (the Plan) which was unanimously approved by City Council in March 2019.

The Plan is the strategic plan to balance Sedona’s fragile environment and small-town quality of life with a healthy economy and a world-class visitor experience. It is a way to engage visitors more deeply while raising awareness of environmentally and culturally sensitive behavior. It is a plan to improve Sedona’s transportation infrastructure while at the same time dispersing visitors and finding ways to get people out of their cars.

The Plan focuses on tactics that mitigate negative impacts of tourism such as: encouraging multi-modal solutions, additional parking facilities, public transit, wayfinding signage, support of SIM projects, visitor education, and new technologies., including the following pillars:

ENVIRONMENT: To lead the tourism industry in implementing sustainability principles, positioning Sedona as a national and international leader in destination stewardship.

QUALITY OF LIFE: To protect and enhance the quality of life by mitigating impacts of tourism.

QUALITY OF ECONOMY: To shape the Sedona economy in ways that balance its long-term sustainability and vibrancy.

VISITOR EXPERIENCE: To provide an excellent visitor experience that highlights Sedona’s sustainability values and keeps visitors coming back.

The Sustainable Tourism Contract with the SCCTB will conclude on June 30, 2023. Starting FY 2025, the Sustainable Tourism Contract program has been restructured and moved to the Communications, Tourism, and Economic Initiatives Department.

**Council Priority - Sustainable Tourism:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Annual average daily room rate for hotels (ADR)		N/A	N/A	N/A	\$309.99	\$343.70
Bed tax collections (in millions)		N/A	N/A	N/A	\$8.6	\$8.9
City sales tax collections (in millions)		N/A	N/A	N/A	\$31.7	\$32.8
Hotel occupancy rate		N/A	N/A	N/A	65.2%	68.1%
Visitors assisted at visitor center, via email, and via telephone		N/A	N/A	N/A	144,074	124,393
Visitor Service Survey: % satisfied measured at visitor center and/or electronically		N/A	N/A	N/A	100%	99%

# COMMUNITY DEVELOPMENT

## Mission Statement

Serving Sedona by managing quality and sustainable development and working with the community to plan a built environment that is influenced by and preserves the natural environment.

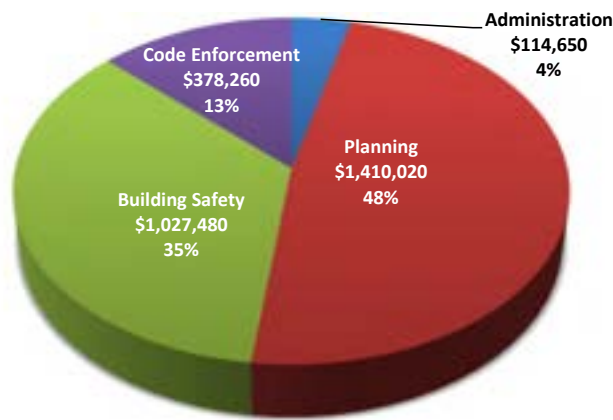
## Description

The Community Development Department is comprised of four program areas. The Department provides support to the City Council, the Planning and Zoning Commission, the Historic Preservation Commission and the Board of Adjustment.

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

- \* Administration
- \* Planning (including Long-Range Planning and the Planning and Zoning and Historic Preservation Commissions)
- \* Building Safety
- \* Code Enforcement

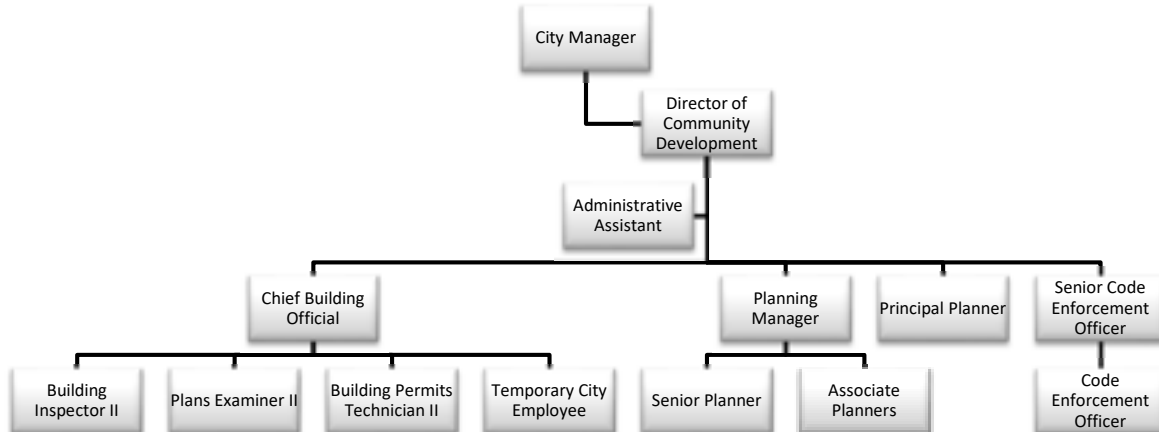
**FY 2025 PROGRAM EXPENDITURES: \$2,930,410**



**FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES**



**DEPARTMENT ORGANIZATION CHART**



## COMMUNITY DEVELOPMENT – Administration

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 71,080	62%	\$ 65,950	\$ 66,090	\$ 51,914
Supplies & Services	6,250	5%	6,570	5,350	5,962
<b>Subtotal Direct Costs</b>	<b>\$ 77,330</b>	<b>67%</b>	<b>\$ 72,520</b>	<b>\$ 71,440</b>	<b>\$ 57,876</b>
Internal Charges	37,320	33%	104,340	102,240	28,860
<b>Total Expenditures</b>	<b>\$ 114,650</b>	<b>100%</b>	<b>\$ 176,860</b>	<b>\$ 173,680</b>	<b>\$ 86,736</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 114,650	100%	\$ 176,860	\$ 173,680	\$ 86,736
<b>Funding Sources</b>					
Funding from General Revenues:					
Estimated Resident Generated	\$ 40,130	35%	\$ 61,900	\$ 60,790	\$ 30,358
Estimated Visitor Generated	\$ 74,520	65%	\$ 114,960	\$ 112,890	\$ 56,378
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.65</b>		<b>0.65</b>		<b>0.55</b>

The Administration program provides support to the other program areas of Community Development: Building Safety, Code Enforcement, Planning (including the Planning and Zoning and Historic Preservation Commissions) and Long-Range Planning efforts.

### FY 2024 Accomplishments

Overall City Value - Good Governance:

- \* Implementation of process improvement.
- \* Staff training ongoing for each program area.
- \* All scheduled Commission training completed.
- \* Continued video recording and broadcasting of Planning and Zoning Commission meetings, and cross-trained additional Planners in the process.
- \* Continues to coordinate the requirements and values of the Community Plan throughout other departments and projects.
- \* Maintained service levels while experiencing multiple open positions, new hires and multiple long-term medical leaves.
- \* Coordinated new interdepartmental connections and programs to better meet the needs and requirements of the City, Community Plan and City Council priorities.

Council Priority – Community Plan Update:

- \* Completed the Community Plan Update. (Scheduled for Council March 12, 2023)
- \* Initiated minor Land Development Code (LDC) updates. (Full update commencement anticipated in FY 2026.)

Council Priority - Cultural Park:

- \* Issued Request for Proposals (RFP) for Cultural Park master plan consultant.

Council Priority - Accelerate Ranger Station Park Buildout:

- \* Convened a work group to develop the park theme/story and identified areas for, and designs of, hardscape items such as benches, tables, games, shade structures, art, interpretive panels, etc.

Council Priority - Building Code Updates

- \* Commencement of the building code updates with anticipated completion in FY 2025.

## COMMUNITY DEVELOPMENT – Administration

continued

### FY 2025 Objectives

Overall City Value - Good Governance:

- \* Identify and promote professional development opportunities to develop and maintain a highly qualified, professional and responsive work team that supports the City's core values and Department's mission.
- \* Enhance quality and realize efficiencies in department processes through application and implementation of process improvements.
- \* Identify ways to improve communication with our customers specifically, and the community in general, including better utilization of the Department's webpages.
- \* Improve methods of distribution, collection, and tracking of customer service surveys and results to better identify opportunities for improvement.
- \* Improve City project development methods to ensure multi-disciplinary analysis, input, and alternatives to optimally align projects with City adopted plans and priorities.
- \* Complete building code updates.

Council Priority - Cultural Park:

- \* Complete the Cultural Park master plan process.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Public Meetings and Work Sessions - City Council	15	15	10	13	15
Public Meetings and Work Sessions - Planning and Zoning Commission	15	15	15	12	15
Public Meetings - Historic Preservation Commission	6	5	9	5	7
Public Meetings - Variance/Appeals	4	4	4	3	4



**COMMUNITY DEVELOPMENT – Planning**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 841,490	60%	\$ 687,520	\$ 649,850	\$ 670,641
Supplies & Services	189,560	13%	255,770	145,200	75,249
<b>Subtotal Direct Costs</b>	<b>\$ 1,031,050</b>	<b>73%</b>	<b>\$ 943,290</b>	<b>\$ 795,050</b>	<b>\$ 745,889</b>
Internal Charges	378,970	27%	328,670	318,890	270,110
<b>Total Expenditures</b>	<b>\$ 1,410,020</b>	<b>100%</b>	<b>\$ 1,271,960</b>	<b>\$ 1,113,940</b>	<b>\$ 1,015,999</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 1,409,320	100%	\$ 1,271,960	\$ 1,113,940	\$ 1,015,999
Other Funds Portion	\$ 700	<1%	\$ -	\$ -	\$ -
<b>Funding Sources</b>					
Program Revenues	\$ 308,290	22%	\$ 345,480	\$ 308,290	\$ 335,057
Funding from General Revenues:					
Estimated Resident Generated	\$ 385,610	27%	\$ 324,270	\$ 281,980	\$ 238,330
Estimated Visitor Generated	\$ 716,120	51%	\$ 602,210	\$ 523,670	\$ 442,612
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>7.54</b>		<b>7.21</b>		<b>7.20</b>

The Planning program plans and regulates all land uses and development within City limits, informing and educating property owners, residents, and business owners of the City's vision, and land use and development policies and procedures. Planning staff reviews and processes applications such as zone changes, development reviews, subdivisions, appeals and variances, minor modifications, conditional use permits, temporary use permits, and sign permits and provides support to the Planning and Zoning Commission, Historic Preservation Commission, and the Board of Adjustment. Staff provides research and technical assistance related to zoning codes, land use, housing, historic preservation, and demographics. Additionally, they are responsible for maintaining and implementing the Community Plan.

The Planning team's activity workload reflects applications and permits that are directly related to current and long-range planning. Not reflected in the workload is the team's review of all residential and commercial building permits for zoning compliance, which are included in the Building Division's workload. After a couple years of significant increases in the both the number and complexity of projects being reviewed, workload began to stabilize last year, and decreased this year, though still at higher levels than were seen a couple years ago (pre-COVID pandemic).

As Sedona approaches build-out, the properties available for development are producing more challenging development projects, such as building on steeper slopes, floodplains, and oddly shaped parcels. The rising complexity and challenging nature of recent projects has resulted in more staff time being devoted to each application. The challenging properties have also led to an increase in interest in variance and/or minor modification applications as well as director's interpretations, as potential developers seek to determine how to best utilize the limited vacant land remaining in the City.

After having a relatively stable team until 2019, the past 4+ years have seen significant changeover in team members, with team members leaving and retiring, existing team members having the opportunity to receive promotions and take on different tasks, and new team members coming on board. In February 2023 (for last year's budget narrative), the team had 3 Associate Planners who had all been with the City for less than 1 year (8 months, 6 months, and 2 weeks). As of January 2024, all 3 of those planners have left the City for different opportunities and we are once again starting over. The 3 Associate Planners (mid-level) have been replaced by 2 Assistant Planners (entry-level), with one position still vacant. This has led to a significant amount of training as new team members settle into/learn their new roles and responsibilities and learn the established processes. This turnover in staff and the need for training has led to longer review times for certain applications than has been experienced in the past. As team members settle into their roles (and if they stay with the City), it is expected that these timeframes will decline.

The Planning and Zoning Commission (PandZ) is the decision-making authority for conditional use permits and development review applications. PandZ makes recommendations to the City Council on amendments to the Community Plan and the Land Development Code, specific planning projects, re-zonings, and subdivision requests. The planning team devotes a large proportion of its time to the preparation of materials for PandZ and public review and the holding public hearings.

The Historic Preservation Commission (HPC) is comprised of five members appointed by the City Council. The HPC was created in 1998 to conduct hearings relative to the identification and preservation of landmarks representing distinctive elements of Sedona's historic, archeological, and cultural heritage. The planning team provides support to the HPC.

A portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

## COMMUNITY DEVELOPMENT – Planning

continued

### FY 2024 Accomplishments

Council Priority - Update Land Development Code:

- \* Completed a minor LDC update related to grading/drainage and guest houses.
- \* Began to work with Sustainability Staff to identify potential code updates.
- \* Continued to monitor development and identify potential revisions to the LDC.

Council Priority - Affordable/Workforce Housing and Homelessness:

- \* Continued discussions with the Housing Manager to find ways to update the Developer Incentives Guidelines for Affordable Housing (DIGAH) and LDC to encourage/incentivize both affordable and market rate long-term housing.
- \* Began processing a zone change and development review application for a 54-unit affordable housing development on Goodrow Lane.
- \* Processed an amendment to the development review approval for Sunset Lofts which will reduce the cost of construction.
- \* In conjunction with the Housing Manager, met with landowners and developers for potential affordable housing developments throughout the City to discuss City requirements.

Community Plan Community Goal - Preserve and celebrate the community's history:

- \* Began processing two new historic landmark applications for the Chapel at Tlaquepaque and the Kiva House (56 Lynx Drive).

Community Plan Land Use, Housing, and Growth Goal - Ensure harmony between the built and natural environments:

- \* Continue to use adopted Community Focus Area (CFA) plans in review of development projects.

Council Priority - Community Plan Update:

- \* Approval of updated Community Plan (March 2024). The update process included multiple public outreach meetings, meetings with stakeholders and a citizen work group, a public review draft of the plan (published December 2023), public forums, and work sessions and public hearings with the Planning and Zoning Commission and City Council.

## COMMUNITY DEVELOPMENT – Planning

continued

### FY 2025 Objectives

Overall City Value - Good Governance:

- \* Identify areas where updates to the LDC are needed and bring revisions back to the Planning and Zoning Commission and the City Council for approval.
- \* Continue to improve records filing through conversion to a parcel-based system.
- \* Conduct reviews of all residential and commercial building permit applications within mandated timeframes.
- \* Continue to train new staff members in the review of permits and projects.
- \* Continue to refine project review process to ensure all relevant staff members provide input on development projects (economic development, housing, sustainability, transit); incorporate evaluations of projects in the materials provided to PandZ and Council to provide greater consideration of Council priorities in decision-making.
- \* Expand use of exhibits, illustrations, and/or pictures to help commissioners visualize the project/proposal.

Community Plan Parks, Recreation, and Open Space Goal - Provide activities and amenities that allow for community interactions and encourage active healthy lifestyles:

- \* Continue to advise/participate on the build out of the Ranger Station Park Master Plan including exterior rehabilitation of the historic buildings and the location and design of hardscapes (park furniture, art installations, playground equipment).

Council Priority - Affordable/Workforce Housing and Homelessness:

- \* Participate in affordable housing activities.
- \* Work with the Housing Manager to update the DIGAH policy document.
- \* Work with the Housing Manager to explore code changes that could incentivize affordable housing and/or long-term rental housing.
- \* Participate in, and oversee the creation of, a master plan for the Cultural Park.

Planning and Zoning Commission:

Overall City Value - Good Governance:

- \* Conduct meetings in accordance with open meeting laws, rules and operating procedures.
- \* Make decisions based on facts, utilizing codes, regulations, reports, testimony, data, and other applicable documentation.
- \* Explore modifying the required findings in the LDC to simplify and clearly state the review criteria for projects.

Community Plan Land Use, Housing, and Growth Goal - Grow only within currently established residential and commercial limits:

- \* Hold hearings to review and act upon matters related to planning and development.

Council Priority - Community Plan Update:

- \* Continue to participate in project evaluation of major development and Capital Improvement Program (CIP) projects for compliance with the Community Plan.
- \* Participate in, and oversee the creation of, a master plan for the Cultural Park.
- \* Restart the Uptown CFA Planning process (CFA plan was placed on hold to allow for completion of the 10-year Community Plan Update).
- \* Evaluate existing CFA plans and the LDC in light of the newly adopted Community Plan and propose changes, if needed.

Historic Preservation Commission:

Community Plan Community Goal - Preserve and celebrate the community's history:

- \* Participate in implementing the Ranger Station Park master plan (250 Brewer Rd), including efforts to restore the interior and exterior of both structures as well as the location and design of hardscapes (park furniture, art installations, playground equipment).
- \* Designate and recognize historic resources through the Historic Resource Recognition Program.
- \* Prepare an Annual Report for State Historic Preservation Office, as required.

**COMMUNITY DEVELOPMENT - Planning**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Community Plan Amendments/CFAs	1	3	1	4	6
Zone changes	5	6	5	5	9
Development reviews - major	10	15	11	15	18
Development reviews - minor	2	2	1	1	1
Conditional Use permits	5	7	3	7	7
Temporary Use permits	45	40	45	48	41
Sign permits, permanent	40	60	40	49	60
Film permits	8	10	8	8	8
Subdivisions	5	5	5	5	5
Minor Modifications (formerly Admin. Waiver)	2	2	2	2	0
Land Division permits	20	25	15	17	30
Variance/appeals	2	4	1	3	4
Land Development Code amendments	2	1	2	1	1
Zoning verification letters	30	25	35	18	28
Public meetings and work sessions - City Council	15	15	12	13	15
Public meetings and work sessions - Planning and Zoning Commission	15	15	13	12	15
Public meetings - Historic Preservation Commission	6	5	9	5	7
New landmarked properties - Historic Preservation Commission	2	2	0	0	0
Civic pride/education events - Historic Preservation Commission	1	1	1	0	0
Certificates of Appropriateness issued - Historic Preservation Commission	0	0	0	0	0
Certificates of No Effect issued - Historic Preservation Commission	2	2	1	1	1
Historic Recognition Awards issued - Historic Preservation Commission	2	2	1	1	1
Education training exercises - Historic Preservation Commission	3	3	3	1	1

**Overall City Value - Good Governance:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Customer Survey: Overall customer service (% responses favorable)		100%	100%	100%	100%	100%
Temporary use permits: Average days to issue		10	11	10	11	12
Sign permits, permanent: Average days to issue		8	8	8	10	12

## COMMUNITY DEVELOPMENT – Building Safety

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 517,090	50%	\$ 525,790	\$ 494,910	\$ 424,812
Supplies & Services	183,260	18%	165,740	165,080	165,895
Capital & Debt Service	13,760	1%	10,510	10,510	10,281
<b>Subtotal Direct Costs</b>	<b>\$ 714,110</b>	<b>70%</b>	<b>\$ 702,040</b>	<b>\$ 670,500</b>	<b>\$ 600,988</b>
Internal Charges	313,370	30%	235,900	227,250	229,410
<b>Total Expenditures</b>	<b>\$ 1,027,480</b>	<b>100%</b>	<b>\$ 937,940</b>	<b>\$ 897,750</b>	<b>\$ 830,398</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 1,026,780	100%	\$ 936,540	\$ 896,350	\$ 829,194
Other Funds Portion	\$ 700	<1%	\$ 1,400	\$ 1,400	\$ 1,204
<b>Funding Sources</b>					
Program Revenues	\$ 260,720	25%	\$ 312,300	\$ 260,720	\$ 302,988
Funding from General Revenues:					
Estimated Resident Generated	\$ 268,370	26%	\$ 218,970	\$ 222,960	\$ 184,594
Estimated Visitor Generated	\$ 498,390	49%	\$ 406,670	\$ 414,070	\$ 342,816
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>4.80</b>		<b>5.30</b>		<b>4.84</b>

The City of Sedona is internationally known for its environment - red rocks, cool geological formations, miles of trails and incredible views. Not so widely recognized is Sedona's built environment - the homes, businesses, restaurants, resorts and many other structures occupied by our residents, visitors, and workers. It is the responsibility of the Building Safety program to safeguard the public health, safety, and general welfare of the occupants of new and existing buildings and structures.

To fulfill this responsibility the Building Safety program does the following:

- \* Adopts building construction and safety codes/requirements that are the minimum standard for health and safety.
- \* Educates the public, contractors, engineers, and architects on these adopted minimum standards, and the permitting process.
- \* Reviews proposed construction plans to ensure that the finished project will provide the minimum safe and healthy environment.
- \* Issues permits in order to document expected compliance with the adopted codes and state and federal requirements.
- \* Inspects construction work and occupiable spaces to ensure compliance with the approved plans and safety requirements.
- \* Manages the records related to permitting, occupancy, and inspections for future consultation by owners, contractors, and safety officials.
- \* Supports the work of related programs/departments/agencies, such as Code Enforcement, Planning, GIS, Public Works, Housing, Sedona Fire District, Yavapai County, and Coconino County.

Protecting people and property, by ensuring compliance with minimum standards for safety and health, is a significant and critical task involving many technical aspects. It is work that demands conscientiousness, broad knowledge of construction and safety, focus on details, highly developed communication skills, and an ability to deal with high stress situations.

The services we provide for the public, owners, contractors, architects, and engineers must be delivered efficiently, effectively, timely, and accurately. To this end, we are constantly evaluating our processes, our customer information/outreach/education, our timeliness, and our effectiveness.

Currently, there are five members of the Building Safety program. First and foremost are our two Permit Technicians, who assist customers with information, permit applications, plan submittals, fees, and permit issuance. Our Permit Technicians must be well-versed in the permitting process and multiple codes such as the Land Development code and the many building codes. Two other staff, our Plans Examiner and our Building Inspector, are essential to ensuring that final construction complies with the plans and code requirements. All permitted work gets plan-reviewed. If it is not done in the beginning, it occurs in the field when cost to make corrections are many times higher than what changing a plan sheet will cost. Currently, our Plans Examiner focuses on residential projects and our Building Inspector inspects residential and commercial projects and reviews and inspects photovoltaic projects. Supporting these positions is the position of Chief Building Official. The Chief Building Official guides, coaches, trains, advises, and supports team; performs commercial plan reviews; administers the budget; and provides technical expertise in the codes and standards.

With a small team, the constantly shifting levels of work could trigger significant overtime and burnout. To handle the variations in plan review volume or complexity, the City utilizes the services of a third-party plan reviewer. This helps us maintain acceptable service levels without adding or over taxing staff.

FY 2025 will see the completion of several multi-family projects that have received approval in FY 2024. High interest rates will continue to slowdown activity across the spectrum.

A portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

## COMMUNITY DEVELOPMENT – Building Safety

continued

### FY 2024 Accomplishments

Community Plan Land Use, Housing, and Growth Goal – Grow only within currently established residential and commercial limits:

- \* Expanded the role of our Plans Examiner I to cover more reviews and improve customer service.
- \* Completed onboarding of new Building Inspector I and new Chief Building Official.
- \* Maintained customer service levels with reduction of Permit Technicians from 3 to 2.
- \* Allowed all staff additional days of training at Arizona Building Official Education Institutes.

Community Plan Land Use, Housing, and Growth Goal – Ensure harmony between the built and natural environments:

- \* Continued a cooperative partnership with the Sedona Fire District including the establishment of monthly coordination meetings and implementing a process to address voids in the communication and permit processes when fire sprinklers and Wildland Urban Interface District requirements are identified by the Fire District.
- \* Continued to foster relationships and connections with agencies, community groups, the business community, including ongoing talks and meetings with large realtor professional groups.
- \* Continued the process of working and coordinating with educational, community, industry, and code organizations to foster awareness, desire, and growth in employment in the construction and municipal inspector/plans examiner positions. (The average age of the workforce in these positions is well over 40 years, and new recruits have been on a steady decline.)

Overall City Value – Good Governance:

- \* Consistently met the mandated plan review time frames set within Senate Bill (SB) 1598.
- \* Obtained a yearly average of only 1.1 days from residential inspection request to actual inspection and 1.1 days for commercial inspection requests thus meeting our goal of providing inspections within 1.3 days of request. (See ICMA report.)
- \* Maintained a program to address the overwhelming amount of work being done without a permit by making contractors liable through the reporting of such actions to the Registrar of Contractors.
- \* Have attempted to further address our work without a permit issue by speaking to community groups and residents and by submitting an article to the Red Rock News addressing the issue. We have seen an increase in contacts from realtors regarding work that might not have had a permit.

### FY 2025 Objectives

Overall City Value – Good Governance:

- \* While maintaining our mandated review times, improve the clarity of requested correction comments to increase the approval rate for second submittals and reduce the number of third reviews.
- \* Staff are very mindful of our goal to perform inspections on the day that they are requested to be done regardless of the number of request. Several alternatives are used when the number of inspections requested exceed the capacity of our one inspector - offering approval by photo if appropriate, having other staff perform inspections, and confirming that the project is ready for the inspection (some inspection requests are based on anticipation, and some are not ready and can be moved). Our inspector does have the discretion to respond to same day request based on number of request and complexity of inspections. This is not tracked but occurs at a similar rate to delayed inspections, thus benefitting our regular contractors.
- \* A knowledgeable reviewer, inspector, or permit technician can offer much better service and act in a more flexible manner to resolve issues and reduce hurdles to project completion. Increasing that knowledge occurs via formal and informal training. The process of preparing for and obtaining national industry certification raises the capability of our staff and provides increased opportunities for staff promotions or expansion of work roles improving staff morale.
- \* Through the end of FY 2024 and FY 2025, we look to add 8-10 new certifications among current staff.

Community Plan Land Use, Housing, and Growth Goal – Ensure harmony between the built and natural environments:

- \* Continue to coordinate plan reviews and inspections with the Sedona Fire District to provide a more efficient and seamless process for the customer in obtaining their final inspection approval and/or Certificates of Occupancy.
- \* Continue to identify and pursue opportunities for engagement with and education of the contractor and development community regarding the adopted building codes and amendments.
- \* Continue to conduct a review of all permit packets and information and revise as necessary in an attempt to make them easier to understand and complete for the customer.
- \* Continue to create avenues for growth and promotion from within the Building Safety division through training and reorganization.
- \* Continue to explore the expansion and use of our remote inspections process. This allows more inspections per day and less use of City resources.
- \* Set the groundwork through training and outreach for the proposed adoption process of the 2024 International Codes and the 2023 National Electric Code (NEC) in late FY 2024 or early FY 2025.
- \* Continue to explore the process and benefits of electronic permitting and plan reviews, and the allowances for integration into current and future citywide software. Electronic permit and review processes would greatly reduce the amount of paper and other resources, create easier avenues for storage and sharing of documents, and may possibly speed up the permitting process.

**COMMUNITY DEVELOPMENT – Building Safety**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Single-family building permits - new construction	40	60	30	59	71
Single-family permits - new construction - Total valuation	\$35,000,000	\$40,000,000	\$28,000,000	\$36,160,000	\$51,000,000
Single-family building permits - remodel/rehab	130	130	130	140	177
Single-family permits - remodel/rehab - Total valuation	\$12,000,000	\$8,000,000	\$15,000,000	\$10,700,000	\$10,500,000
Commercial building permits - new construction	2	4	1	7	4
Commercial building permits, new construction - Total valuation	\$1,000,000	\$14,000,000	\$0	\$26,125,000	\$3,800,000
Commercial building permits - remodel/rehab	45	55	44	40	96
Commercial building permits - remodel/rehab - Total valuation	\$13,500,000	\$13,500,000	\$22,500,000	\$13,750,000	\$32,500,000
Manufactured Homes building permits	2	6	1	6	3
Manufactured Homes building permits - Total valuation	\$200,000	\$300,000	\$100,000	\$341,500	\$80,000
Photovoltaic building permits	100	115	96	119	106
Photovoltaic building permits - Total valuation	\$2,500,000	\$3,500,000	\$2,000,000	\$3,660,000	\$3,500,000
Photovoltaic building permits - Total KW	750	1,000	700	1,130	740
Tenant Occupancy permits (CofOs)	75	70	70	60	114
Miscellaneous permits (sheds, decks, fences, pools, etc.)	230	230	210	236	233
Miscellaneous permits - Total valuation	\$5,500,000	\$5,500,000	\$4,500,000	\$3,700,000	\$7,300,000
Off-premise Sign permits	22	22	22	26	22
Temporary Sign permits	45	45	60	45	30
Right-of-Way permits	180	180	200	230	162
Wastewater permits	20	15	20	18	28
Inspections	2,000	4,200	2,000	2,100	4,623

**Overall City Value - Good Governance:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Initial plan review: Timeframe in days - Residential permits		7.0	7.0	6.3	5.7	5.4
Initial plan review: Timeframe in days - Residential Alterations		10.0	10.0	9.3	8.5	8.3
Initial plan review: Timeframe in days - Commercial permits		12	12	10.7	9.9	9.7
Initial plan review: Timeframe in days - Photovoltaic		7.0	7.0	8.4	6.6	6.1
Initial plan review: Timeframe in days - Tenant Occupancy		4	4	3.4	3.3	3.1
Initial plan review: Timeframe in days - Tenant Improvements (Includes Commercial Alterations)		11.0	11.0	10.8	10.2	10.0
Initial plan review: Timeframe in days - Miscellaneous permits		5.0	5.0	3.5	3.9	4.1
Internal Survey: Overall customer service (% responses favorable)		90%	90%	100%	100%	100%

**COMMUNITY DEVELOPMENT – Code Enforcement**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 230,780	61%	\$ 218,960	\$ 210,680	\$ 165,161
Supplies & Services	19,220	5%	22,130	20,630	7,728
<b>Subtotal Direct Costs</b>	<b>\$ 250,000</b>	<b>66%</b>	<b>\$ 241,090</b>	<b>\$ 231,310</b>	<b>\$ 172,889</b>
Internal Charges	128,260	34%	82,220	78,610	193,190
<b>Total Expenditures</b>	<b>\$ 378,260</b>	<b>100%</b>	<b>\$ 323,310</b>	<b>\$ 309,920</b>	<b>\$ 366,079</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 376,960	100%	\$ 321,910	\$ 308,520	\$ 365,196
Other Funds Portion	\$ 1,300	<1%	\$ 1,400	\$ 1,400	\$ 883
<b>Funding Sources</b>					
Program Revenues	\$ 10,000	3%	\$ 57,000	\$ 750	\$ -
Funding from General Revenues:					
Estimated Resident Generated	\$ 128,890	34%	\$ 93,210	\$ 108,210	\$ 128,128
Estimated Visitor Generated	\$ 239,370	63%	\$ 173,100	\$ 200,960	\$ 237,951
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>2.15</b>		<b>2.25</b>		<b>2.38</b>

The Code Enforcement program is responsible for the enforcement of City codes regulating land use matters; public nuisances; public health, safety, and welfare issues; building standards; and other City ordinances and ensuring compliance in a timely manner within the limits of the law. Code enforcement activities are important for accomplishing community goals such as protecting property values, the natural environment, and providing a good quality of life for residents.

The number of cases investigated remained steady during the FY 2023 and FY 2024 fiscal years, and the complexity of certain types has grown as well. Short-term vacation rentals have remained steady with the number and complexity of complaints with property owners who continue to renovate and modify their homes without proper approvals, permits, and/or licensed contractors. Some of the other most common types of code cases include outside storage, unsightly properties, overgrown weeds, exterior lighting, illegal signs, and an increase in trash violations, mostly due to wildlife.

A portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Overall City Value - Public Safety:

- \* Researched, drafted, and presented parking restrictions, specifically for RV parking, in uptown Sedona.
- \* Collaborated with the municipal court to ensure proper codes are accepted by the Arizona Office of Courts.
- \* Enhanced the working relationship with the City of Sedona Chief Building Official related to the International Residential and Commercial Building Codes (IRC and IBC) and illegal building issues through collaboration in investigations.
- \* Took enforcement action against property owners and contractors performing construction work without obtaining required building permits by issuing four civil citations.
- \* Successfully adjudicated two civil citations in municipal court on cases involving construction without permits, Land Development Code violations, and City ordinance violations.
- \* Attended the annual Code Enforcement League of Arizona (CELA) conference and completed training in conducting Code Enforcement investigations.
- \* Currently collaborating with Arizona Game and Fish to reduce javelina incidents related to trash and feeding of wildlife.
- \* Worked with Sedona Fire Marshall on zoning and potential hazardous material investigations.



**COMMUNITY DEVELOPMENT – Code Enforcement**  
continued

**FY 2025 Objectives**

Overall City Value - Good Governance:

- \* Continue strong enforcement action against repeat offenders of building code safety violations by issuance of civil or criminal citations.
- \* Work with the City Manager's Office to identify short-term rental (STR) properties that have not obtained a City permit to operate as a STR, obtained a Transaction Privilege Tax (TPT) license, or complied with other permit requirements, and take enforcement action.

Overall City Value - Public Safety:

- \* Provide proactive weed enforcement to ensure properties are maintained free of nuisances and fire hazards. Take abatement action, when appropriate.
- \* Respond to reports of trash spills and littering complaints within the same day received to ensure public health concerns are addressed and properties are maintained free of unsightly conditions. Take enforcement action, when appropriate.

Community Plan Land Use, Housing, and Growth Goal - Ensure harmony between the built and natural environments:

- \* Provide code enforcement that promotes voluntary compliance in a timely manner through prompt site inspections and/or notice of violation letters.
- \* Work with the Communications Office to provide education for residents, businesses and property owners and managers on key code enforcement issues (proactive messaging regarding our most common violations).
- \* Complete continuing education for Code Enforcement staff on building code, zoning code, and City ordinances to continually improve code enforcement investigations.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Total code cases/investigations	780	700	700	595	662
Cases resolved through voluntary compliance	295	250	235	232	220
Cases resolved through forced compliance	45	40	40	13	39
Cases unsubstantiated	60	50	50	24	62
Cases closed/miscellaneous	360	360	300	301	327

**Overall City Value - Good Governance:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Average days from complaint to first investigation		1	1	1	1	1
Average days from investigation to voluntary compliance		45	45	45	47	44
Average days from investigation to transfer to court		N/A	N/A	87	N/A	N/A
Average days from investigation to forced compliance		90	60	90	130	46

# PUBLIC WORKS

## Mission Statement

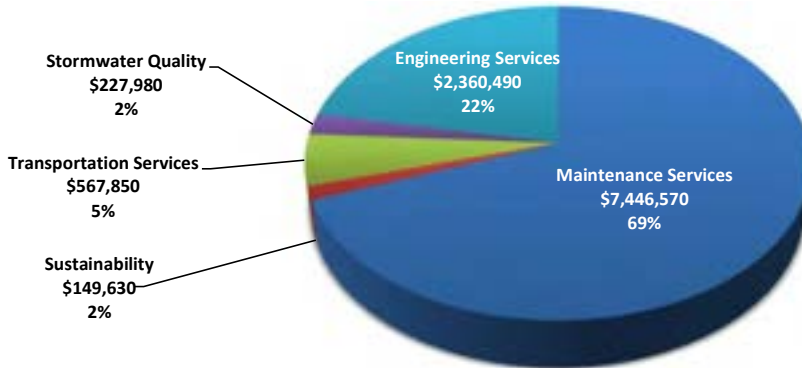
Providing a safe and enjoyable experience through cost effective, quality infrastructure and services.

## 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, general professional services, and personnel management of capital improvement projects.
- \* Sustainability - Curbside Yard Waste Program.
- \* Maintenance -
  - Streets Maintenance - Streets rehabilitation, pavement preservation, equipment and machinery operation and maintenance, utilities, landscaping, right-of-way maintenance, traffic control, drainage maintenance, snow removal 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 - Maintenance of community pool.
- \* Stormwater Quality - Stormwater quality permit fees, ADEQ MS4 reporting liaison, professional services, and public outreach.
- \* Transportation Services - Traffic control aid support for congestion relief traffic control operations and Sedona Trails and Pathways (STPS) Program.

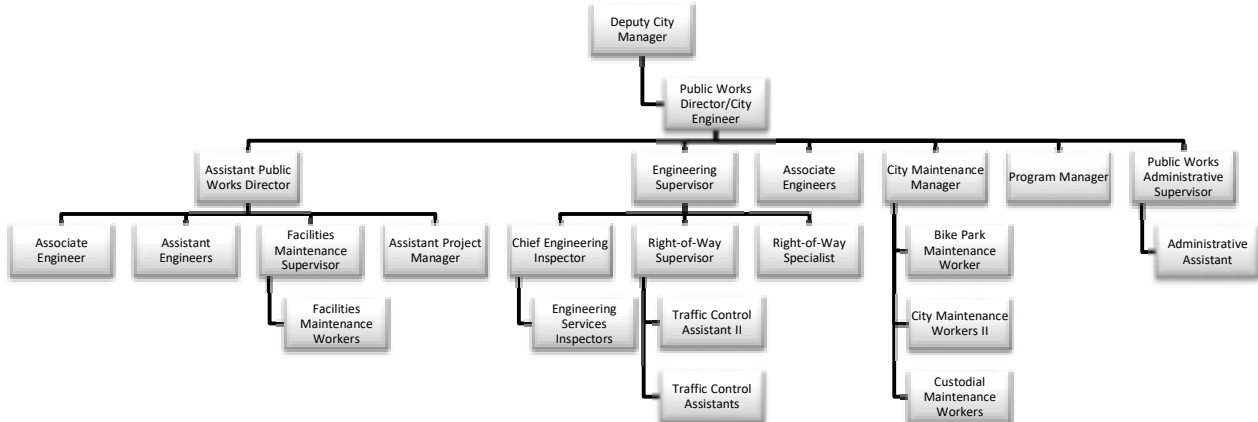
### FY 2025 PROGRAM EXPENDITURES: \$10,752,520



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



**PUBLIC WORKS – Sustainability**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Supplies & Services	\$ 144,850	97%	\$ 117,810	\$ 120,110	\$ 121,381
Internal Charges	4,780	3%	3,860	3,550	2,610
<b>Total Expenditures</b>	<b>\$ 149,630</b>	<b>100%</b>	<b>\$ 121,670</b>	<b>\$ 123,660</b>	<b>\$ 123,991</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 149,630	100%	\$ 121,670	\$ 123,660	\$ 123,991
<b>Funding Sources</b>					
Funding from General Revenues:					
Estimated Resident Generated	\$ 52,370	35%	\$ 42,580	\$ 43,280	\$ 43,397
Estimated Visitor Generated	\$ 97,260	65%	\$ 79,090	\$ 80,380	\$ 80,594
<b>Employee Time Allocation (FTEs) (Budgeted)</b>					
	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>

The Sustainability program was initiated in FY 2022 for a new curbside yard waste collection program. During the development of the City's Climate Action Plan, the City Council identified a target of reducing community greenhouse gas emissions by 50% by 2030. In the Plan, implementing annual yard waste collection is identified as one of the high-impact practices to reduce emissions. Approximately 24% of municipal waste streams are made up of compostable materials like yard waste and food waste. When organic materials, such as food and yard waste rot in the landfill, they break down anaerobically (without oxygen) and create large amounts of methane. This flammable greenhouse gas is the same as emitted through the production of coal, oil, and natural gas. In contrast, composted yard waste can be used as a natural soil fertilizer in municipal operations. For more information see the webpage [www.sedonaaz.gov/curbside](http://www.sedonaaz.gov/curbside).

**FY 2024 Accomplishments**

- Council Priority - Climate Action Plan Goal 50-50 by 2030:
- \* Completed the third annual curbside yard waste collection program.
  - \* Provided mulch to the public for re-use.
  - \* Diverted yard waste from the landfill for re-use.

**FY 2025 Objectives**

- Council Priority - Climate Action Plan Goal 50-50 by 2030:
- \* Implement the FY 2025 annual curbside yard waste collection program.
  - \* In FY 2025, bi-annual curbside yard waste collection program is being scoped for feasibility and effectiveness.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Cubic yards of yard waste collected (chipped)	3,000	500	4,000	400	400
Cubic yards of mulch taken	100	120	100	100	100

**PUBLIC WORKS – Engineering Services**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 1,521,540	64%	\$ 1,491,640	\$ 1,428,370	\$ 1,380,054
Supplies & Services	141,380	6%	125,070	87,050	120,967
Capital & Debt Service	82,560	3%	72,290	73,810	61,571
<b>Subtotal Direct Costs</b>	<b>\$ 1,745,480</b>	<b>74%</b>	<b>\$ 1,689,000</b>	<b>\$ 1,589,230</b>	<b>\$ 1,562,592</b>
Internal Charges	615,010	26%	646,500	622,630	436,530
<b>Total Expenditures</b>	<b>\$ 2,360,490</b>	<b>100%</b>	<b>\$ 2,335,500</b>	<b>\$ 2,211,860</b>	<b>\$ 1,999,122</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 1,853,030	79%	\$ 1,820,010	\$ 1,765,690	\$ 1,601,443
Wastewater Fund Portion	\$ 357,180	15%	\$ 354,450	\$ 333,250	\$ 285,821
Other Funds Portion	\$ 150,280	6%	\$ 161,040	\$ 112,920	\$ 111,858
<b>Funding Sources</b>					
Program Revenues	\$ 509,610	22%	\$ 516,710	\$ 448,590	\$ 408,900
Funding from General Revenues:					
Estimated Resident Generated	\$ 647,810	27%	\$ 636,580	\$ 617,140	\$ 556,578
Estimated Visitor Generated	\$ 1,203,070	51%	\$ 1,182,210	\$ 1,146,130	\$ 1,033,644
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>12.80</b>		<b>12.80</b>		<b>12.73</b>

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 the Transportation Sales Tax Fund and represents those funds' share of the cost for support services. In addition, a portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Overall City Value - Good Governance:

- \* Maintained service in this program area, with the increase in projects and overall development.

Community Plan Land Use, Housing, and Growth Goal - Ensure harmony between the built and natural environments:

- \* Supported the review and development of Community Focus Areas with the Community Development Department.

**FY 2025 Objectives**

Overall City Value - Good Governance:

- \* Continue to build team effectiveness with the Community Development Department to provide a high level of service for development services support.

Community Plan Land Use, Housing, and Growth Goal - Ensure harmony between the built and natural environments:

- \* Continue to support development of Community Focus Areas with the Community Development Department.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Building permits reviewed	360	503	370	454	450
Commercial permits reviewed	150	256	160	167	225
Blue stakes completed	3,000	3,464	3,120	2,738	3,310

## PUBLIC WORKS – Maintenance Services

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$1,661,000	22%	\$1,428,900	\$1,532,180	\$1,322,738
Supplies & Services	3,644,140	49%	3,126,340	3,138,960	2,669,040
Capital & Debt Service	827,650	11%	448,400	501,860	499,104
<b>Subtotal Direct Costs</b>	<b>\$6,132,790</b>	<b>82%</b>	<b>\$5,003,640</b>	<b>\$5,173,000</b>	<b>\$4,490,881</b>
Internal Charges	1,313,780	18%	977,560	953,750	880,870
<b>Total Expenditures</b>	<b>\$7,446,570</b>	<b>100%</b>	<b>\$5,981,200</b>	<b>\$6,126,750</b>	<b>\$5,371,751</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$4,402,620	59%	\$3,331,680	\$3,509,760	\$2,936,854
Other Funds Portion	\$3,043,950	41%	\$2,649,520	\$2,616,990	\$2,434,897
<b>Funding Sources</b>					
Allocations to Other Departments	\$1,574,560	21%	\$1,176,540	\$1,215,630	\$ 940,398
Program Revenues	\$1,169,760	16%	\$1,069,240	\$1,176,540	\$1,088,673
Funding from General Revenues:					
Estimated Resident Generated	\$1,645,790	22%	\$1,307,400	\$1,307,100	\$1,169,938
Estimated Visitor Generated	\$3,056,460	41%	\$2,428,020	\$2,427,480	\$2,172,742
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>19.56</b>		<b>17.56</b>		<b>17.47</b>

The Maintenance program includes streets, facilities, parks, and aquatics.

Streets operation and maintenance including equipment and machinery, utilities, landscaping, right-of-way maintenance, pavement rehabilitation and preservation, drainage maintenance, and multi-modal facility maintenance in the public right-of-way. Costs are primarily paid from the Streets Fund. The Streets Fund is primarily funded by Highway User Revenue Funds (HURF) revenues (the state-shared gas tax 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. Streets-related costs not eligible under HURF are paid from the General Fund. This program also includes storm clean-up and equipment, supplies, machinery, materials, utilities, and personnel costs for maintenance of traffic control devices. A portion of the program costs are allocated to the Public Transit Enterprise Fund and represents that fund's share of the cost of traffic control. In addition, a portion of the program costs are allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

Facilities maintenance accounts for maintenance of City buildings, service contracts, facility utilities, and facility improvements. A portion of the program costs are allocated to the Public Transit Enterprise Fund and represents that fund's share of the cost. In addition, a portion of the program costs are allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

Parks maintenance accounts for maintenance of parks grounds, equipment and machinery, service contracts, and utilities. A portion of the program costs are allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

Aquatics maintenance accounts for the maintenance of the community pool. The Parks and Recreation Department oversees the management and operations while the Public Works Department oversees the maintenance of the facility.

### FY 2024 Accomplishments

Community Plan Circulation Goal - Provide for safe and smooth flow of traffic:

- \* Provided required traffic count data and maintained NACOG funding eligibility.
- \* Completed Fractured Aggregate Surface Treatment (FAST) on the following subdivisions: Thunderbird Hills and Sedona Meadows including the following streets: Blue Jay, Wren, Donaldson, Essex, Fritz, Golden Eagle, Hummingbird, Maxwell, Meadow Lark, Michell, Page Parkway, Pierce, Prairie Flacon, Reo, Roadrunner, Rolls, Stanley Steamer, and Stutz Bearcat.
- \* Completed rehabilitation and preservation projects for 4.07 miles of streets.
- \* Increased the paved lane miles assessed as satisfactory to good.
- \* Mill and replace distressed pavement with hot asphalt concrete material at Oak Creek Cliffs Drive.
- \* Responded to 100% of storm emergencies requiring response.

Community Plan Environment Goal - Preserve and protect the natural environment:

- \* Increased the number of culverts cleaned compared to the prior fiscal year.

**PUBLIC WORKS – Maintenance Services**  
continued

**FY 2025 Objectives**

Community Plan Circulation Goal - Provide for safe and smooth flow of traffic:

- \* Continue to accelerate the re-paving program with a target to complete 4 to 5 miles of street rehabilitation per year.
- \* Continue to increase the paved lane miles assessed as satisfactory to good.
- \* Respond to 100% of storm emergencies requiring response.
- \* Complete a minimum of 90% of variable message sign deployment requests.

Community Plan Circulation Goal - Create a more walkable and bike-able community:

- \* Continue to enhance bicycle route signage.

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
ST: Pavement rehabilitation cost	\$1,430,000	\$1,150,000	\$1,300,000	\$1,258,965	\$1,145,000
ST: Paved lane miles of City maintained streets (lane miles = miles per 12 feet of width)	176.5	177.6	176.4	176.4	175
ST: Culverts cleaned	300	150	300	40	40
ST: Storms responded to after normal business hours	7	5	7	6	6
ST: Traffic control signs damaged and replaced	18	10	22	16	16
ST: Christmas Trees Recycled	125	180	130	178	178
PARK: In-house projects completed	12	10	10	8	8

**Community Plan Circulation Goal -  
Provide for safe and smooth flow of traffic:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
ST: Centerline miles of streets rehabilitation completed (average annual goal 5.0 miles) (* = FY22 work delayed due to weather, will catch up in FY23)		5.0	5.0	5.0	7.53	1.25 *
ST: Pavement rehabilitation cost per mile (* = cost includes CIP overlay)		\$400,000 *	\$319,410 *	\$260,000 *	\$167,193*	\$248,276 *
ST: Paved lane miles assessed as satisfactory as a percentage of miles assessed (ICMA Benchmark 2017-2022)	71% (all) / 72% (cities under 30,000 pop.)	81%	75%	85%	78%	69%
ST: Paved road rehabilitation expenditures, per paved lane mile (ICMA Benchmark 2017-2022)	\$8,713 (all) / \$9,345 (cities under 30,000 pop.)	\$8,107	\$7,320	\$7,370	\$7,137	\$7,143
ST: Maintained NACOG Funding Eligibility (provided traffic count data)		Yes	Yes	Yes	Yes	Yes
ST: National Citizen Survey: Quality of street repair (% responses favorable)		Similar to NCS benchmark	N/A	N/A	58% (Similar to NCS benchmark)	N/A
ST: Storm emergencies requiring response and responded to		100%	100%	100%	100%	100%

**Overall City Value - Fiscal Sustainability:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
FAC: Administrative/office facilities, custodial expenditure per square foot (ICMA Benchmark 2017-2022)	\$1.52 (all) / \$1.69 (cities under 30,000 pop.)	\$2.64	\$2.61	\$2.62	\$2.59	\$2.46

**Community Plan Parks, Recreation, and Open Space Goal -  
Provide activities and amenities that allow for community interactions**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
PARK: Savings due to in-house projects		\$200,000	\$200,000	\$600,000	\$75,000	\$75,000
PARK: Park maintenance expenditure per developed park acre (ICMA Benchmark 2017-2022)	\$5,664 (all) / \$9,926 (cities under 30,000 pop.)	\$10,296	\$7,713	\$9,288	\$8,111	\$7,921

**PUBLIC WORKS – Stormwater Quality**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 125,920	55%	\$ 116,330	\$ 116,890	\$ 104,365
Supplies & Services	51,450	23%	44,500	44,530	38,351
<b>Subtotal Direct Costs</b>	<b>\$ 177,370</b>	<b>78%</b>	<b>\$ 160,830</b>	<b>\$ 161,420</b>	<b>\$ 142,716</b>
Internal Charges	50,610	22%	44,340	43,700	37,950
<b>Total Expenditures</b>	<b>\$ 227,980</b>	<b>100%</b>	<b>\$ 205,170</b>	<b>\$ 205,120</b>	<b>\$ 180,666</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 223,080	98%	\$ 200,570	\$ 200,390	\$ 176,074
Other Funds Portion	\$ 4,900	2%	\$ 4,600	\$ 4,730	\$ 4,592
<b>Funding Sources</b>					
Funding from General Revenues:					
Estimated Resident Generated	\$ 79,790	35%	\$ 71,810	\$ 71,790	\$ 63,233
Estimated Visitor Generated	\$ 148,190	65%	\$ 133,360	\$ 133,330	\$ 117,433
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>1.14</b>		<b>1.14</b>		<b>1.12</b>

The Stormwater Quality program is responsible for Arizona Department of Environmental Quality (ADEQ) permit fees, supplies, street sweeping of City parking lots, analytical monitoring of stormwater outfalls, professional services, and public outreach.

A portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Community Plan Environment Goal - Preserve and protect the natural environment:

- \* Completed Pre-Monsoon Program.
- \* Met the ADEQ requirements for Municipal Separate Storm Sewer System (MS4) compliance per ADEQ Permit No. AZG2021-002, and our Notice of Intent with ADEQ.
- \* Presentation to residents with ADEQ, USFS, Army Corps of Engineers, Coconino County, Yavapai County and USDA regarding Oak Creek.
- \* Hold 1 tabling/outreach event, interacting with 20 people for a total of 20 educational hours.
- \* Presented stormwater pollution's effect in Oak Creek to one organization.
- \* Held one trash pickup event within Sedona with a total of 4 employees took part.
- \* Installed NO DUMPING – Drains to Oak Creek curb markers.
- \* Resolve citizen concerns and scope catch basin pollution treatment best management practices or controls.
- \* Maintained 20 pet waste stations throughout Sedona, collecting 5,300 pounds.
- \* Power-swept (vacuum) streets and City parking lots regularly with the City's own sweeper truck or pickup broom.

**FY 2025 Objectives**

Community Plan Environment Goal - Preserve and protect the natural environment:

- \* Complete Pre-Monsoon Program.
- \* Meet the ADEQ requirements for MS4 compliance per ADEQ Permit No. AZG2021-002, and our Notice of Intent (NOI) with ADEQ.
- \* Present stormwater pollution's effect in Oak Creek to one organization.
- \* Hold trash pickup event within Sedona.
- \* Install additional NO DUMPING - Drains to Oak Creek curb markers.
- \* Expand and maintain all pet waste stations throughout Sedona.
- \* Power sweep (vacuum) streets and city Parking lots regularly.

**PUBLIC WORKS – Stormwater Quality**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Letters written to property owners regarding Pre-Monsoon Program inspection outcomes	5	5	5	22	3
Stormwater compliance inspections (active CIP projects - every two weeks)	30	25	30	40	40
CIP project post-construction Best Management Practices (BMP) inspections	5	5	5	5	5
Stormwater compliance inspections (active private development projects - every month)	60	50	60	104	114
Letters sent regarding illicit discharges to the MS4	5	5	5	5	2
Public outreach tabling events	8	8	8	9	8
Educational brochures sent to local contractors	50	50	50	43	0
Presentations to local organizations	2	3	2	1	3
Trash pickup events	3	2	3	4	3
Pounds of dog feces collected through semimonthly pet waste station maintenance	5,600	5,300	5,300	5,130	4,956
Stormwater based articles in news outlets	2	2	2	8	4
Dry weather outfall monitoring inspections	3	3	3	3	3
Visual and analytical wet weather monitoring inspections	6	12	6	6	2
Internal inspections of City maintenance yards	12	12	12	12	12

**Community Plan Environment Goal -  
Preserve and protect the natural environment:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
MS4 Compliant		Yes	Yes	Yes	Yes	Yes
Single family home active construction site inspections		60	75	60	104	49
Private development post-construction BMP inspections		5	5	5	5	4



## PUBLIC WORKS – Transportation Services

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 405,120	71%	\$ 273,110	\$ 294,380	\$ 276,814
Supplies & Services	34,160	6%	17,500	15,750	14,040
<b>Subtotal Direct Costs</b>	<b>\$ 439,280</b>	<b>77%</b>	<b>\$ 290,610</b>	<b>\$ 310,130</b>	<b>\$ 290,853</b>
Internal Charges	128,570	23%	104,190	90,360	119,000
<b>Total Expenditures</b>	<b>\$ 567,850</b>	<b>100%</b>	<b>\$ 394,800</b>	<b>\$ 400,490</b>	<b>\$ 409,853</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 564,310	99%	\$ 391,800	\$ 398,690	\$ 407,596
Other Funds Portion	\$ 3,540	1%	\$ 3,000	\$ 1,800	\$ 2,257
<b>Funding Sources</b>					
Program Revenues	\$ 3,000	1%	\$ 3,000	\$ 1,800	\$ 2,257
Funding from General Revenues:					
Estimated Resident Generated	\$ 197,700	35%	\$ 137,130	\$ 139,540	\$ 142,659
Estimated Visitor Generated	\$ 367,150	65%	\$ 254,670	\$ 259,150	\$ 264,937
<b>Employee Time Allocation (FTEs) (Budgeted)</b>					
	<b>5.35</b>		<b>4.35</b>		<b>4.33</b>

The Transportation Services program is responsible for traffic congestion relief. The new traffic control operations include setting up, operating, and maintaining on-going traffic control operations throughout the year, primarily focused on improving traffic flows through Uptown and the State Route (SR) 179 corridor, and a new focus on managing traffic and parking issues at trailheads. A reduction in travel times and trailhead traffic and parking issues will improve the quality of life for residents and the Sedona experience for visitors. Traffic control staff utilize traffic data to inform needed adjustments to resource needs. The program also includes the Sedona Trails and Pathways System (STPS) program.

A portion of the program is also funded with Sedona Trails and Pathways System (STPS) donations and Transportation Sales Tax Fund monies for the STPS program. In addition, a portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

### FY 2024 Accomplishments

Community Plan Circulation Goal - Provide for safe and smooth flow of traffic:

- \* Continued and expanded traffic control operations management.
- \* Continued measuring travel time delay.
- \* Increased the number of days traffic control operations were deployed.
- \* Maintained traffic control operations for 12 of 13 holidays expected to have high congestion.
- \* Continued assisting with trailhead traffic and parking control.

### FY 2025 Objectives

Community Plan Circulation Goal - Provide for safe and smooth flow of traffic:

- \* Reduce the number of days of travel time, exceeding the high congestion threshold on SR 89A and SR 179, below the number of days experienced in the previous fiscal year. The thresholds considered high congestion on SR 89A in Uptown from Rainbow Trout Farm to the Y to be 15 minutes, SR 179 from Bell Rock Road to the Y to be 30 minutes, and 10 minutes for SR 89A on Cook's Hill from Airport Road to the Y.
- \* Maintain traffic control operations for a minimum of 90% of those days experiencing high congestion on SR 89A and SR 179.
- \* Maintain traffic control operations for all holidays expected to have high congestion.
- \* Continue developing methods and level of assistance with trailhead traffic and parking control.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Days with traffic control on SR 89A	120	120	120	110	110
Days with traffic control on SR 179	235	235	235	135	135
Holiday weekends with traffic control	12	12	12	12	12
Total miles of ST&PS complete	9	9	4.99	3.2	3.2

**PUBLIC WORKS – Transportation Services**  
continued

**Community Plan Circulation Goal -  
Provide for safe and smooth flow of traffic:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Holiday weekends with delays > 15 min. – SR 89A Uptown		0	0	0	1	1
Holiday weekends with delays > 30 min. – SR 179		8	8	9	9	9
Holiday weekends with delays > 10 min. – SR 89A Cooks Hill		10	10	11	9	9
Days of delays > 15 min. – SR 89A Uptown		2	0	2	24	0
Days of delays > 30 min. – SR 179		15	80	17	30	30
Days of delays > 10 min. – SR 89A Cooks Hill		28	80	31	85	85
Days of delays > 15 min. – SR 89A NB - Y to Rainbow Trout Farm		9	15	11	35	35
Percentage of congested weekends providing assistance with management of trailhead parking		100%	100%	100%	100%	100%
Traffic control operations maintained for days experiencing high congestion (> 30 min.) on SR 179		95%	95%	95%	90%	90%

# SUSTAINABILITY

## Mission Statement

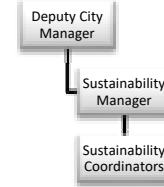
The Sustainability Program's mission is to advance policy and programs that improve environmental stewardship, improve community connections, and are fiscally sound by facilitating opportunities to:

- \* reduce consumption
- \* enhance resiliency
- \* promote a culture of inclusivity, equity and collaboration
- \* adapt to and mitigate the effects of climate change in the region

## Description

Sustainability is a significant component of the Community Plan and a Council Priority. The Sustainability program develops and implements policies, projects, and programming to enhance municipal operations, advance community-wide sustainability, and achieve progress towards the goals found in the Climate Action Plan and Municipal Sustainability Plan.

## DEPARTMENT ORGANIZATION CHART



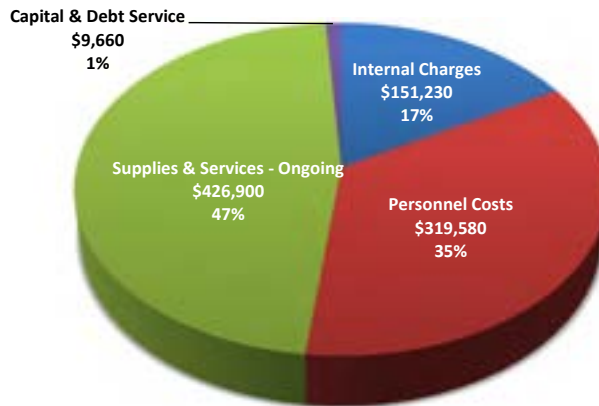
The Sustainability program offers:

- \* Strategic planning for Sedona's sustainability and resiliency in accordance with the Community Plan.
- \* Educational classes, workshops, and opportunities for staff and community members to learn more about sustainability.
- \* Planning and implementation of sustainability infrastructure such as electric vehicle charging stations and water bottle filling stations.
- \* Annual household hazardous waste and electronics collection in a cost-sharing partnership with Yavapai County.
- \* Analysis of state and federal policy for implications for Sedona's climate action efforts.
- \* Research and best practices to increase the sustainability of City initiatives while working internally with the City team.
- \* Data collection for renewable energy generation and consumption of natural resources including paper, water, fuel, electricity, and natural gas.
- \* Development of municipal and community-wide greenhouse gas inventories.
- \* Coordination of regional cooperative buying opportunities for solar and other sustainable technologies.
- \* Regional sustainability information through the City's partnership with the Verde Valley Sustainability Alliance and Sustaining Flows Council.
- \* Annual partnership with Oak Creek Watershed Council for stormwater outreach.
- \* Provides programs to benefit the community such as the Home Energy Retrofit Project and the Community Composting Pilot Project.
- \* Increase presence of renewable energy generation (i.e. wind, solar) for use within the City of Sedona operations.

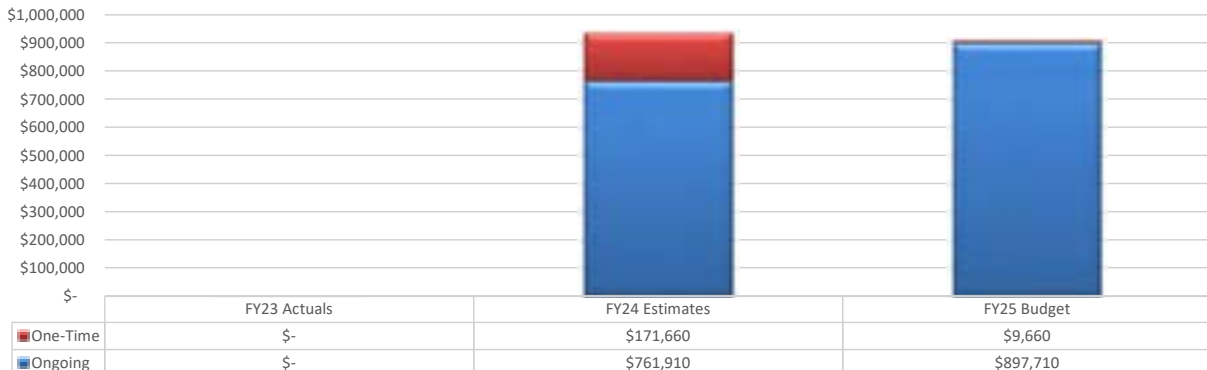
The program finalized the Sedona Climate Action Plan (CAP) which was adopted by Council in July 2021. Staff is working on implementing the CAP through initiatives such as a Green Fleet Policy, community composting, and residential energy efficiency support, greenhouse gas accounting, policy and developmental review, and community outreach. The department evaluates projects, trends, and opportunities and assesses feasibility for incorporation across municipal efforts to improve efficiencies, reduce costs, generate positive environmental benefits, and improve community.

Effective FY 2024, Sustainability was moved from a program under the City Manager's Office to a stand-alone department.

## FY 2025 PROGRAM EXPENDITURES: \$907,370



## FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



**SUSTAINABILITY – Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 319,580	35%	\$ 325,330	\$ 295,410	\$ -
Supplies & Services	426,900	47%	396,540	380,780	-
Capital & Debt Service	9,660	1%	129,710	128,660	-
<b>Subtotal Direct Costs</b>	<b>\$ 756,140</b>	<b>83%</b>	<b>\$ 851,580</b>	<b>\$ 804,850</b>	<b>\$ -</b>
Internal Charges	151,230	17%	131,800	128,720	-
<b>Total Expenditures</b>	<b>\$ 907,370</b>	<b>100%</b>	<b>\$ 983,380</b>	<b>\$ 933,570</b>	<b>\$ -</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 907,370	100%	\$ 983,380	\$ 933,570	\$ -
<b>Funding Sources</b>					
Program Revenues	\$ 14,000	2%	\$ 9,600	\$ 14,000	\$ -
Funding from General Revenues:					
Estimated Resident Generated	\$ 312,680	34%	\$ 340,820	\$ 321,850	\$ -
Estimated Visitor Generated	\$ 580,690	64%	\$ 632,960	\$ 597,720	\$ -
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>3.00</b>		<b>3.00</b>		<b>0.00</b>

A portion of the program costs are allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Council Priority - Climate Action Plan Goal 50-50 by 2030:

Community Programs and Projects:

- \* Completed the 3rd round of the Home Energy Retrofit Project. 62 homes have gone through the project since its creation.
- \* Completed the 3rd year of the Community Foods Scraps Composting Program and expanded to 100 residences, which have diverted over 5 tons of food waste from landfills since the start of the program.
- \* Hosted the 5th Annual Household Hazardous Waste and Electronics Collection Event with a record 375 participants and over 30,000 lbs. of waste collected.
- \* Participated in outreach for the 3rd round of a solar co-op with City of Flagstaff, Coconino County, and Solar United Neighbors.
- \* Launched the Sustainable Neighborhoods Program
- \* Collaborated with Oak Creek Watershed Council on watershed education, outreach and cleanup events. Cleanup events removed over 200 pounds of waste and debris from the watershed.
- \* Developed an urban heat island report and mitigation recommendation strategies through the Urban Heat Island Initiative.
- \* Implemented zero waste efforts at the Sedona Food Truck Festival and diverted over 400 lbs. of waste from the landfill.
- \* Collaborated with Arizona Water Company to launch the Ripple Effect conservation program.
- \* Contributed and collaborated with the Arizona Office of Resiliency, Coconino County, the City of Flagstaff, ASU, and NAU to facilitate the state's creation of the Priority Climate Action Plan.

Municipal Projects:

- \* Installed solar bollards and parking lot lights at Posse Grounds Park.
- \* Implemented 10 smart waste receptacles at municipal locations.
- \* Created a Decarbonization Roadmap for municipal operations.
- \* Installed bike racks at parks, trailheads, and municipal buildings.
- \* Upgraded HVAC control systems at Brewer Road offices.
- \* Replaced HVACs at Wastewater Treatment Plant.
- \* Collaborated with Public Works to add reflective coating to roofing upgrades at maintenance facilities.
- \* Revamped recycling efforts across departments.
- \* Began LED retrofitting of City streetlights.

**SUSTAINABILITY – Administration**  
continued

**FY 2025 Objectives**

Council Priority - Climate Action Plan Goal 50-50 by 2030:

- \* Advance strategies and initiatives from the Municipal Sustainability Plan and Climate Action Plan.
- \* Collaborate across departments and with regional partners to advance sustainability efforts.
- \* Expand public and City fleet electric vehicle charging infrastructure.
- \* Increase number of hybrid and electric vehicles in City fleet.
- \* Provide community-oriented projects for home energy retrofits and rebates.
- \* Provide community composting and opportunities.
- \* Develop on-site renewable energy and efficiency projects for City operations.
- \* Continue participation in Oak Creek Watershed Council, Verde River Sustaining Flows Council, and Sustainability Alliance.
- \* Expand Spanish-language community engagement.
- \* Collaborate with Public Works and Transit to increase multi-modal transportation options.
- \* Identify regional collaborations and funding opportunities.
- \* Provide workshops, presentations, and programs to business community, schools and residents on water conservation, stormwater management, and watershed protection.
- \* Establish new connections and opportunities for residents, businesses, and visitors on sustainability initiatives.

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Annual community and municipal greenhouse gas inventories	2	N/A	2	2	2
Residences through the Home Energy Retrofit Project annually	20	N/A	20	23	20
Active residences managed in Community Foods Scraps Program	100	N/A	90	50	50
Host annual household hazardous waste and electronics	4	N/A	2	1	1
Host community watershed cleanup events	8	N/A	6	4	N/A
Sustainability outreach and education events hosted (tabling, special events, workshops, presentations)	18	N/A	14	10	N/A

**Council Priority - Climate Action Plan Goal 50-50 by 2030:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Greenhouse gas emissions from municipal operations (metric tons of CO2 equivalent) (Benchmark = baseline before program start)	2,957 in CY18	1,900 CY24	1,400	1,950 CY23	2,050 CY22	2,700
Percentage of electricity procured from renewable sources (goal of 100% renewable energy by 2025) (Benchmark = baseline before program start)	37% in 2020	100%	75%	100%	45%	31%
Estimated annual utility savings from Home Energy Retrofit Project Households (mBTU & cost Savings) (Benchmark = baseline before program start)	25,593/\$8,400 in FY22	27,000/\$7,500	N/A	25,000/\$7,000	26,557/\$7,014	N/A
Estimated annual emissions reduced by Home Energy Retrofit Project households (metric tons CO2 equivalent) (Benchmark = baseline before program start)	37 MT in FY22	40	N/A	32	30	N/A
Food and associated waste diverted from landfills (Benchmark = baseline before program start)	8,000 lbs in FY23	10,000	N/A	9,500	8,820	N/A
Electronics recycling collected from community events (weight in pounds)		10,000	12,000	12,100	3,900	25,874
Household hazardous waste collected (weight in pounds)		12,000	10,000	18,600	8,100	12,900
Percentage of zero emissions vehicles in City fleet (goal of 100% by 2030) (Benchmark = baseline before program start)	0% in 2020	8%	5%	3%	3%	3%
Percentage reduction in water use in City operations (Benchmark = baseline before program start)	14,779,640 gallons CY22	7% / 13,750,000	5%	5.7% / 13,930,867 CY23	N/A	N/A
Energy Star Score of 75 or better in municipal facilities by 2026		50	50	N/A	N/A	N/A
Department of Energy SolSmart rating		Silver	Silver	Bronze	Bronze	Bronze

# POLICE

## Mission Statement

Our mission is to preserve the public peace through the enforcement of the law, protection of life and property, providing exceptional service, and collaborative community partnerships.

## Description

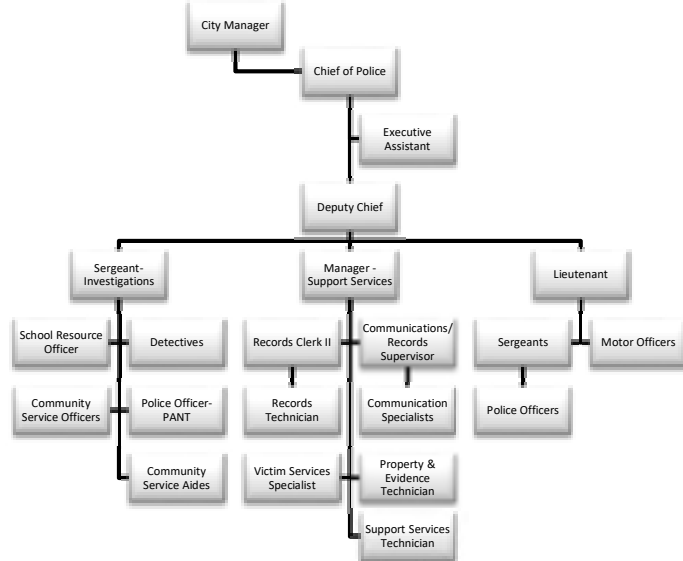
With a steadfast focus on "Selfless Service For All," we will continue to foster public trust and strengthen community relationships while striving for excellence through employee development, self-discipline, and strong leadership. Our foundational core values include: Community, Compassion, and Honor.

Guided by a philosophy of community policing, collaborative problem-solving, and a focus on fostering strong community partnerships, the police department provides professional law enforcement, traffic safety, and crime prevention services to the residents, business owners, and visitors of Sedona. The department deploys personnel 24 hours a day, 7 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 are assigned 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.

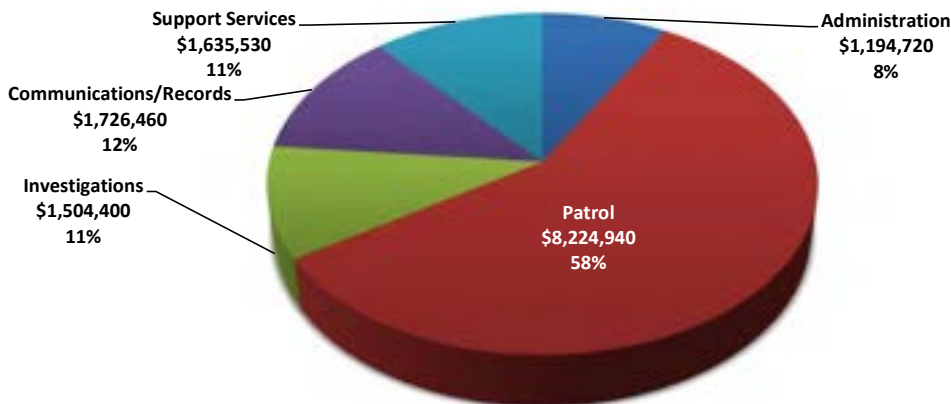
The police department is responsible for the following primary program areas:

- \* Administration - includes the Office of the Chief of Police, Deputy Chief, Police Volunteers, and the Executive Assistant, and administration of the Uptown Paid Parking Program
- \* Patrol Division - includes all patrol functions, Special Weapons and Tactics (SWAT), Motor Program, K-9 Unit, and Police Cadet Program.
- \* Support Services Division - includes all support functions of the department and assists the patrol division operations, including School Resource Officer, Community Services Officers and Community Service Aides
- \* Investigations Program – conducts follow up criminal investigations, background investigations, processing criminal complaints assigned to the municipal and county courts, and sex offender registrant monitoring.
- \* Communications/Records Program – provides support to all department personnel through radio communications, Computer Aided Dispatch, Mobile Data Computer software applications, records storage, retrieval, public access, redaction, and production.

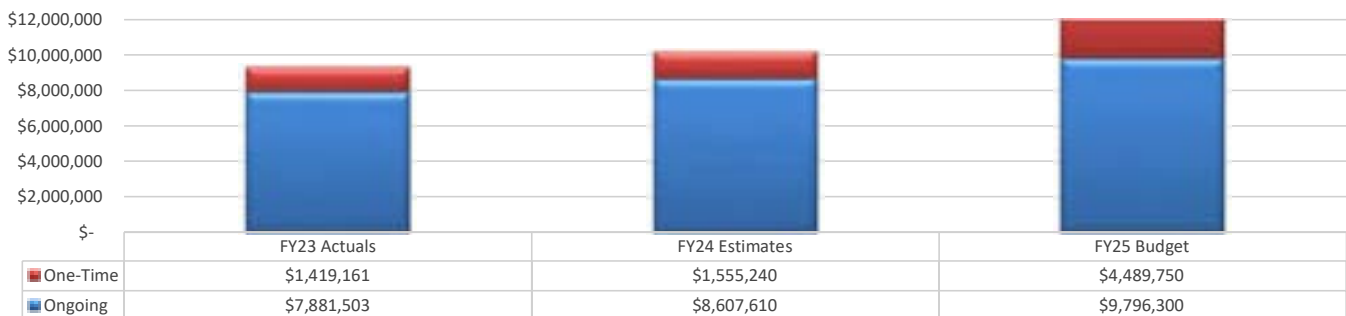
## DEPARTMENT ORGANIZATION CHART



### FY 2025 PROGRAM EXPENDITURES: \$14,286,050



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



**POLICE – Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 941,960	79%	\$ 676,150	\$ 680,850	\$ 500,886
Supplies & Services	64,690	5%	61,720	57,560	45,774
Capital & Debt Service	16,240	1%	15,460	16,240	18,657
<b>Subtotal Direct Costs</b>	<b>\$1,022,890</b>	<b>86%</b>	<b>\$ 753,330</b>	<b>\$ 754,650</b>	<b>\$ 565,318</b>
Internal Charges	171,830	14%	167,120	160,900	124,410
<b>Total Expenditures</b>	<b>\$1,194,720</b>	<b>100%</b>	<b>\$ 920,450</b>	<b>\$ 915,550</b>	<b>\$ 689,728</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$1,189,340	100%	\$ 913,590	\$ 910,810	\$ 684,131
Other Funds Portion	\$ 5,380	<1%	\$ 6,860	\$ 4,740	\$ 5,597
<b>Funding Sources</b>					
Program Revenues	\$ 4,000	<1%	\$ 5,700	\$ 3,580	\$ 4,972
Funding from General Revenues:					
Estimated Resident Generated	\$ 416,750	35%	\$ 320,160	\$ 319,190	\$ 239,665
Estimated Visitor Generated	\$ 773,970	65%	\$ 594,590	\$ 592,780	\$ 445,091
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>3.00</b>		<b>3.00</b>		<b>3.00</b>

The Police Administration program (Office of the Chief of Police) consists of the Police Chief, the Deputy Chief, the Chief's Executive Assistant, and the Police Volunteer program. The Chief's Office is responsible for essential administrative services such as the development and implementation of policy and procedure, budget planning and management, long-range planning, grant development and management, emergency management planning, coordination of all training and travel, fleet and body worn camera management and facility maintenance coordination. Liaisons to the City Manager and the City Council are also assigned to this program, as well as media relations and the investigations and reporting of all department complaints and commendations.

The Administration program also focuses on quality-of-life issues important to the public we serve through our police volunteers. 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 Sedona Police Volunteer program is comprised of community members dedicated to assisting the Sedona Police Department in serving fellow members of our community and providing professional public safety services. Some of the assistance the volunteers provide are fingerprinting, vacation house watch, prisoner transport, traffic/crowd control, special events, and speed monitoring. Sedona Police Volunteers serve our community and the Sedona Police Department (SPD) with honesty, fairness, and integrity at all times.

A portion of this program is funded by the Grants, Donations, and Restricted funds. In addition, a portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Overall City Value – Public Safety:

- \* Submitted applications and was awarded grant funding from the Governor's Office of Highway Safety (GOHS) to assist with departmental operations.
- \* Continued to utilize social media by creating a monthly online video, titled Chit Chat with the Chief, to enhance communication and engagement with Sedona residents.
- \* Maintained a collaborative relationship and localized team with the Sedona Fire District regarding enhanced emergency management practice and homeland security preparations.
- \* Received federal funding to create a pilot program to implement emergency sirens in Sedona to enhance the Emergency Management Program.
- \* Created and launched the Know Your Zone effort in conjunction with Sedona's Evacuation and Re-entry plan.
- \* Updated the Community Emergency Preparedness Guide and the Emergency Operations Plan.
- \* Continued updating the SPD Policy Manual, ensuring alignment with contemporary police standards, and disseminated to employees.
- \* Maintained an awards and recognition program for employees.
- \* Successfully recruited and hired new administrative lieutenant and patrol lieutenant.
- \* Increased use of message and speed trailers to 26 deployments, but most were for long term deployment for traffic and parking issues and shuttle service information.
- \* Continued providing services to the community with volunteers providing fingerprinting services twice a month.
- \* Staff attended two First Responders Wellness retreats.
- \* Revamped the Department's peer support program and trained key, staff-selected personnel to maintain and enhance employee mental health and wellness.
- \* Furnished and decorated the quiet/lactation room utilized by staff for mental health and wellness.

**POLICE – Administration**  
continued

**FY 2025 Objectives**

Overall City Value - Public Safety:

- \* Continue to update training materials for Critical Incident/Emergency Management deployment, and conduct tabletop training exercises for SPD supervisors, City Council, and staff members.
- \* Continue to train department employees on mental health issues by creating a wellness program.
- \* Secure grants and community donations to purchase additional equipment to enhance department operations.
- \* Achieve consistent full staffing levels to optimize operations and service levels.
- \* Provide leadership and employee development trainings for staff.
- \* Conduct annual leadership retreat with supervisory team.
- \* Organize and participate in Community Outreach Event (formerly known as National Night Out).
- \* Deploy volunteers at special events.
- \* Deploy message and speed trailers.
- \* Conduct fingerprinting twice a month with our volunteers.
- \* Conduct speed watch once a month.
- \* Continue to assist the records division with quality assurance calls and increase the volume of customers polled.

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Sworn staff attending training on Critical Incident Training (CIT)/Mental Health Interactions	4	5	2	0	10
Sworn staff attending training on Incident Command System/National Incident Management System (ICS/NIMS) protocols	3	5	5	5	7
Community interaction events	10	12	10	6	11
Hours of volunteer time donated (Due to COVID, the volunteer hours have decreased from prior years)	4,000	4,100	3,486	3,945	3,730

**Overall City Value - Public Safety:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Retention of sworn employees (excluding retirement)		100% (29/29)	100% (29/29)	89.3% (25/28)	88.9% (24/27)	100% (27/27)
Retention of civilian employees (excluding retirement)		100% (19/19)	100% (19/19)	94.1% (16/17)	93.8% (15/16)	85.3% (12.8/15)
Sworn personnel turnover (ICMA Benchmark 2017-2022)	4.5% (all) / 5.4% (cities under 30,000 pop.)	0%	0%	11%	11%	11.5%
Sworn police overtime as % of total sworn police compensation (ICMA Benchmark 2017-2022)	5.5% (all) / 4.5% (cities under 30,000 pop.)	3.9%	4.6%	3.9%	3.3%	4.2%
FTEs: Sworn positions per 1,000 population (ICMA Benchmark 2017-2022)	4.0 (all) / 3.1 (cities under 30,000 pop.)	2.9	3.0	2.9	2.7	2.9



**POLICE – Patrol**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 6,227,370	76%	\$ 3,782,650	\$ 3,860,870	\$ 3,762,247
Supplies & Services	370,150	5%	393,330	392,450	363,252
Capital & Debt Service	321,140	4%	333,300	225,140	313,330
<b>Subtotal Direct Costs</b>	<b>\$ 6,918,660</b>	<b>84%</b>	<b>\$ 4,509,280</b>	<b>\$ 4,478,460</b>	<b>\$ 4,438,829</b>
Internal Charges	1,306,280	16%	1,254,030	1,226,250	1,006,930
<b>Total Expenditures</b>	<b>\$ 8,224,940</b>	<b>100%</b>	<b>\$ 5,763,310</b>	<b>\$ 5,704,710</b>	<b>\$ 5,445,759</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 8,141,790	99%	\$ 5,676,910	\$ 5,593,990	\$ 5,220,715
Other Funds Portion	\$ 83,150	1%	\$ 86,400	\$ 110,720	\$ 225,044
<b>Funding Sources</b>					
Program Revenues	\$ 82,790	1%	\$ 96,500	\$ 142,020	\$ 236,822
Funding from General Revenues:					
Estimated Resident Generated	\$ 2,849,750	35%	\$ 1,983,380	\$ 1,946,940	\$ 1,823,128
Estimated Visitor Generated	\$ 5,292,400	64%	\$ 3,683,430	\$ 3,615,750	\$ 3,385,809
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>22.25</b>		<b>22.25</b>		<b>22.25</b>

The Patrol program is currently managed by a police lieutenant and consists of sworn field personnel, Special Weapons and Tactics (SWAT), Motor program, K-9 unit, and Police Cadet program.

The sworn field personnel carry out the department’s direct field operations to the community, which includes responding to emergency and routine calls for service, enforcing traffic laws, enforcing parking violations, and effectively dealing with various quality of life matters. The personnel within the program are also responsible for temporary holding facility and 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 ongoing mandated professional development of personnel within the program.

The Special Weapons and Tactics (SWAT) program operates under the patrol lieutenant, as most of the members are assigned to the patrol division. The Verde Valley Regional SWAT Team consists of officers and supervisors from all police agencies in the Verde Valley. In the past several years, Sedona Police Department has dedicated three officers to the 27-person SWAT team. The SWAT team is an ancillary assignment where officers are called in to deploy to a field incident as needed.

The Motor program consists of two specialized, trained officers whose primary function is to enforce traffic laws through education and enforcement, identification of problem traffic areas and creating solutions to deal with those problems, conducting crash investigations, clearing traffic congestion during heavy travel times, and participating in special details to include driving under the influence (DUI) enforcement.

The K-9 unit consists of a sworn police officer and canine (K-9) partner. The K-9 unit is trained to detect illegal narcotic substances and to track, search, and help locate lost or missing persons. The K-9 team is on-call 24 hours a day, 7 days a week. The team must stay current on laws, complete required minimum monthly training hours, and maintain their certification.

A portion of this program is funded by the Grants, Donations, and Restricted Funds. In addition, a portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Overall City Value - Public Safety:

- \* Deployed officers at several special events such as Sedona Mountain Bike Fest, Run Sedona, Day of the Dead, Halloween, Shop with a Cop, Pancakes with Santa, Veterans' Day Memorial Service, 9/11 Memorial, Toys for Tots, Special Olympic events, and Festival of Lights.
- \* Maintained budget funding to accommodate the SWAT team members.
- \* Awarded grants for targeted DUI enforcement for impaired drivers and S.T.E.P. (Selective Traffic Enforcement Program) funded through the Governor’s Office of Highway Safety (GOHS).
- \* Hired two recruits that will be attending the Northern Arizona Regional Training Academy (NARTA) police academy, who are expected to graduate in May 2024.
- \* Hired a lateral officer who successfully completed field training.
- \* Successfully recruited and hired a new patrol lieutenant.
- \* Trained all sworn staff on Verbal De-escalation - Surviving Verbal Conflict and maintained three instructors.
- \* Continued to provide instructors to NARTA for the academy to assist with the education of new recruits.
- \* Completed the annual biohazard/decontamination of SPD field vehicles and holding cells.
- \* Actively engaged our schools and community groups through educational, security, and crime prevention presentations.
- \* Selected new K-9 team, who successfully completed required certification.
- \* Selected, trained, and deployed second motor officer.

**POLICE – Patrol**  
continued

**FY 2025 Objectives**

Overall City Value - Public Safety:

- \* Increase deployment of officers in Uptown on foot patrols in accordance with peak seasonality.
- \* Increase officer visibility in assigned patrol areas and neighborhoods.
- \* Recruit and hire officers to achieve and maintain full staffing levels.
- \* Deploy the mobile digital speed indicator and message boards in high traffic areas on at least 20 occasions before June 30, 2025, to collect data and address concerns of unsafe driving and notification purposes.
- \* Continue to train officers on mental health and wellness challenges by completing Crisis Intervention Training (CIT).
- \* Actively engage our schools and community groups through educational, security, and crime prevention presentations.
- \* Utilize Command Solutions from Motorola CAD/RMS System to improve deployment of resources throughout the city.
- \* Continue commercial biohazard/decontamination of SPD field vehicles and holding cells.
- \* Provide instructors to NARTA to assist with the education of new recruits during police basic training academies.
- \* Conduct one K-9 program introduction and narcotics detection demonstration at Sedona Red Rock Junior/Senior High School.
- \* Conduct one K-9 program introduction and narcotics detection demonstration at West Sedona School.
- \* Successfully complete certification for search and rescue.

<b>WORKLOAD INDICATORS</b>	<b>Benchmark</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
UCR Part I violent crimes *Criminal homicide, sexual assault, rape, robbery and aggravated assault		30	40	27	30	35
UCR Part I property crimes *Burglary, theft and arson		130	180	127	137	180
UCR Part 2 crimes *Criminal damage, disorderly conduct, drug offense, fraud, assault, domestic violence, juvenile offenses and prostitution.		450	500	452	440	511
Traffic collisions - Fatal (ICMA Benchmark 2017-2022)	29.8 (all) / 0.7 (cities under 30,000 pop.)	0	0	0	1	1
Traffic collisions - Injury		30	35	29	30	43
Traffic collisions - Non-injury		200	200	207	217	220
Officer-initiated activity		9,000	7,500	8,962	8,550	6,482
Warnings (Written warnings/repair orders)		3,000	1,500	2,741	2,319	1,521
Calls for service from the community		11,000	13,500	9,108	12,069	13,006
Citations		2,400	2,000	2,412	1,952	1,449
Arrests - Misdemeanor		300	400	315	376	258
Arrests - Felony		80	120	77	92	71
Arrests - DUI		40	75	34	53	44
Deploy mobile digital speed indicator sign in areas of reported OHV/city streets speeding or unsafe driving issues within city limits		40 deploys	20 deploys	40 deploys	28 deploys	14 deploys
K-9 successfully recertified in patrol apprehension (Max retired May 2023; new K-9 will not be apprehension trained) (kept for historic purposes)		0	N/A	0	0	1
K-9 successfully certified in narcotics detection (K-9 Max retired one month before recertification; K-9 Sam certified in Oct 2023).		1	N/A	1	0	1
Complete required K-9 trainings (Max had limited capacity to work from December - June 2023/Max retired May 11, 2023) (Sam started October 2023)	NPCA 192 hours annually when single purpose, 384 hours when dual purpose	384 hours	N/A	257 hours	90 hours	239 hours
Total K-9 narcotic deployments		24	N/A	12	15	35
Total K-9 patrol deployments/search & rescue deployments		10	N/A	0	0	1
K-9 successfully certified in Search & Rescue		1	N/A	0	0	0

**POLICE – Patrol**  
continued

**Overall City Value - Public Safety:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Maintain a response time of seven minutes or less 90% of the time to emergency calls		100%	90%	100%	100%	80%
Average response time (minutes) - Priority 1 (ICMA Benchmark 2017-2022) *Collisions with injuries or death and attempted suicides	4.7 (all) / 4.3 (cities under 30,000 pop.)	4:00	4	4:30	4:13	5:39
Average response time (minutes) - Priority 2 *Domestic Violence, just occurred sex offenses, bomb threats, deaths and medical assists		5:00	5	5:05	5:17	5:12
Average response time (minutes) - Priority 3 *Collisions with no injuries, assaults, suspicious activity and abuse cases		7:00	6:30	7:15	7:29	7:32
Calls for service from the community per sworn FTE (ICMA Benchmark 2017-2022)	395 (all) / 465 (cities under 30,000 pop.)	355	345	294	416	336
Calls for service from the community and officer initiated activity per sworn FTE		645	790	583	711	777
Calls for service from the community and officer initiated activity per 1,000 population		2,043	2,184	1,846	2,145	2,027
Calls for service from the community per 1,000 population (ICMA Benchmark 2017-2022)	857 (all) / 1,354 (cities under 30,000 pop.)	1,124	1,404	930	1,255	1,353
DUI arrests per 1,000 population (ICMA Benchmark 2017-2022)	3.6 (All) / 4.2 (cities under 30,000 pop.)	4.09	7.8	3.47	5.51	4.58
UCR Part I property crimes reported per 1,000 population (ICMA Benchmark 2017-2022)	29.5 (all) / 29.5 (cities under 30,000 pop.)	13.28	18.72	12.97	14.25	18.72
UCR Part I violent crimes reported per 1,000 population (ICMA Benchmark 2017-2022)	4.7 (all) / 3.5 (cities under 30,000 pop.)	3.06	4.16	2.78	3.12	3.64
UCR Part 2 crime reported per 1,000 population		45.97	52.01	46.17	45.77	53.15

**POLICE – Investigations**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$1,228,200	82%	\$ 720,810	\$ 634,760	\$ 455,051
Supplies & Services	70,080	5%	55,400	76,990	42,704
Capital & Debt Service	27,320	2%	8,500	6,320	-
<b>Subtotal Direct Costs</b>	<b>\$1,325,600</b>	<b>88%</b>	<b>\$ 784,710</b>	<b>\$ 718,070</b>	<b>\$ 497,755</b>
Internal Charges	178,800	12%	172,230	167,170	107,840
<b>Total Expenditures</b>	<b>\$1,504,400</b>	<b>100%</b>	<b>\$ 956,940</b>	<b>\$ 885,240</b>	<b>\$ 605,595</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$1,502,500	100%	\$ 955,320	\$ 883,620	\$ 604,186
Other Funds Portion	\$ 1,900	<1%	\$ 1,620	\$ 1,620	\$ 1,409
<b>Funding Sources</b>					
Program Revenues	\$ -	0%	\$ 37,000	\$ -	\$ -
Funding from General Revenues:					
Estimated Resident Generated	\$ 526,540	35%	\$ 321,980	\$ 309,830	\$ 211,958
Estimated Visitor Generated	\$ 977,860	65%	\$ 597,960	\$ 575,410	\$ 393,637
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>4.00</b>		<b>4.00</b>		<b>3.00</b>

The Investigations program consists of sworn personnel who are assigned to conduct follow up criminal investigations, background investigations, process criminal complaints assigned to the magistrate 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 and retention functions are also carried out within this program by civilian personnel.

The Investigations program includes the Partners Against Narcotics Trafficking (PANT) program. The department provides a sworn police officer to work on the PANT task force to combat illegal narcotics possession, use, sales, and transportation. With this commitment of resources, the department is able to fill a seat on the PANT Board of Directors.

A portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Overall City Value - Public Safety:

- \* Completed backgrounds using the Lean process in compliance with AZ Police Officer Standards and Training (POST) rules.
- \* Updated background forms and created a completion timeline.
- \* Worked with several different Verde Valley law enforcement agencies in a multi-jurisdictional operation that was related to human trafficking and the luring/enticement of children.
- \* Conducted two sex offender registrant compliance operations.
- \* Delivered a presentation to the Sedona Lodging Council on Human Trafficking Awareness in conjunction with Arizona Anti-Trafficking Network.
- \* Successfully deployed the drone multiple times to assist with various calls for service.
- \* Attended Kiwanis, Crimson View Neighborhood HOA, and Community Outreach events.
- \* Completed Threat Vulnerability Assessment with members of the Sedona Red Rock Junior/Senior High School.
- \* Reestablished law enforcement networking with Ring Public Safety Portal to assist with crime prevention in neighborhoods.
- \* Maintained case clearance to a maximum of four months, excluding complicated paper crime cases. Paper crime cases require subpoenaed bank records, and it can take more than six months to receive all required documents.
- \* Conducted two proactive crime prevention initiatives, including trailhead operations, in reference to increased crime trends and followed up with additional surveillance at various trailheads.
- \* Completed two in-house staff trainings related to various investigative techniques.
- \* Utilized heat mapping and Command Solutions to assist with predictive policing to identify crime trends.

**POLICE – Investigations**  
continued

**FY 2025 Objectives**

Overall City Value - Public Safety:

- \* Conduct two sex offender registrant compliance operations.
- \* Maintain case clearance to a maximum of six months, excluding complicated paper crime cases. Paper crime cases require subpoenaed bank records, and it can take more than six months to receive all required documents.
- \* Train new detective in advance forensic interviewing.
- \* Initiate proactive field operations in conjunction with criminal investigations and crime prevention.
- \* Update interview/interrogation room with enhanced technology to improve functionality.
- \* Complete backgrounds using the Lean process and in compliance with AZPOST rules.
- \* Complete three staff trainings per year related to various investigative techniques.
- \* Update current drone hardware with thermal and additional mapping software.
- \* Implement victim advocacy program.
- \* Continue to utilize heat mapping, Command Solutions, and leveraging technology to assist with preventative, proactive policing.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Total cases assigned (felony and misdemeanor) (Decreased due to one detective in FY23 in Aug-Dec 2022) (Did not have a permanent Sergeant assigned beginning July 2022-March 2023)	100	100	70	80	188
Detective initiated arrests (Due to COVID-19, there were restrictions in custody arrests)	15	15	10	12	12
Felony cases sent to Yavapai County Prosecuting Attorney office for filing charges (updated FY24 to measure each county and city prosecuting attorney offices separately)	45	N/A	42	53	41
Felony cases sent to Coconino Prosecuting Attorney office for filing charges (updated FY24 to measure each county and city prosecuting attorney offices separately)	10	N/A	8	13	8
Misdemeanor cases sent to Sedona City Attorney office for filing charges (updated FY24 to measure each county and city prosecuting attorney offices separately)	130	N/A	136	100	78
Conduct sexual offender registrant compliance operations	2	2	2	2	2

**Overall City Value - Public Safety:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Exceed annual state crime clearance rate (16.73%*) for property crime (ICMA Benchmark 2017-2022) *Arizona Department of Public Safety Crime Report 2019	28.4% (all) / 30.5% (cities under 30,000 pop.)	45% (exceeds state by 28%)	43.2% (exceeds state by 26.5%)	31.9% (exceeds state by 15.2%)	21.1% (exceeds state by 4.4%)	43% (exceeds state by 26.2%)
Exceed annual state crime clearance rate (38.17%*) for violent crime (ICMA Benchmark 2017-2022) *Arizona Department of Public Safety Crime Report 2019	55.2% (all) / 61.5% (cities under 30,000 pop.)	65% (exceeds state by 27%)	61.3% (exceeds state by 23.13%)	60% (exceeds state by 22%)	73.1% (exceeds state by 34.9%)	65.7% (exceeds state by 27.5%)
Complete investigation on all cases (including lengthy fraud cases) within six months from being assigned		90%	90%	85%	70%	85%

NOTE: Clearance rate means when a case is closed due to an arrest, declined prosecution, or the victim no longer wants to proceed with prosecution after the suspect has been identified.

**POLICE – Communications/Records**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 1,073,850	62%	\$ 997,240	\$ 961,060	\$ 828,126
Supplies & Services	71,630	4%	64,440	67,690	68,547
<b>Subtotal Direct Costs</b>	<b>\$ 1,145,480</b>	<b>66%</b>	<b>\$ 1,061,680</b>	<b>\$ 1,028,750</b>	<b>\$ 896,673</b>
Internal Charges	580,980	34%	429,180	420,230	459,010
<b>Total Expenditures</b>	<b>\$ 1,726,460</b>	<b>100%</b>	<b>\$ 1,490,860</b>	<b>\$ 1,448,980</b>	<b>\$ 1,355,683</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$ 1,725,380	100%	\$ 1,489,780	\$ 1,447,900	\$ 1,354,786
Other Funds Portion	\$ 1,080	<1%	\$ 1,080	\$ 1,080	\$ 897
<b>Funding Sources</b>					
Program Revenues	\$ 5,000	<1%	\$ 4,500	\$ 5,000	\$ 5,580
Funding from General Revenues:					
Estimated Resident Generated	\$ 602,510	35%	\$ 520,230	\$ 505,390	\$ 472,536
Estimated Visitor Generated	\$ 1,118,950	65%	\$ 966,130	\$ 938,590	\$ 877,567
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>11.00</b>		<b>11.00</b>		<b>11.00</b>

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, records storage and retrieval, and public record access and production. 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, and tracking and recording court dispositions, citations, and any other patrol-related documentation. In addition, the records department 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.

A portion of the program costs is allocated to the information technology internal service fund for technology costs not managed by the Information Technology Department.

**FY 2024 Accomplishments**

Overall City Value - Public Safety:

- \* Maintained average of 5 days wait time for records requests.
- \* Dispatched calls to officers within 90 seconds of receiving the call.
- \* Recruited, hired, and trained new communication specialists.
- \* Conducted numerous ARS 28-3511 (impound) hearings.
- \* Successfully recruited, hired, and trained new records clerk.
- \* Coordinated with multiple federal, state, and city agencies during project NG9-1-1 (Next Generation 9-1-1) to transition and implement a new telephone answering communication system, which enabled enhanced and modernized 9-1-1 services.
- \* Cross-trained a communications specialist as a qualified phlebotomist to assist with the department DUI investigations.
- \* Two communications specialists successfully completed Crisis Communication/Negotiation for Emergency Dispatchers training.

**FY 2025 Objectives**

Overall City Value - Public Safety:

- \* Achieve and maintain as close to 100% dispatcher employment as possible.
- \* Dispatch calls to officers within 90 seconds from receiving the call.
- \* Maintain participation with Yavapai College and other regional law enforcement agencies in the "Dispatcher Training Academy" as part of their criminal justice curriculum.
- \* Continue the process of switching data reporting for the FBI from Unified Crime Reporting (UCR) to National Incident Based Reporting System (NIBRS).
- \* Maintain report request time of 5 days.
- \* Maintain report merging backlog of 200 reports.
- \* Recruit and hire a Communications Supervisor.

**POLICE - Communications/Records**  
continued

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Telephone calls received - Emergency	8,500	7,000	7,942	8,159	7,721
Telephone calls received - Non-Emergency	30,500	28,500	28,174	30,778	28,103

**Overall City Value - Public Safety:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Average time to answer 9-1-1 calls (seconds) (National Emergency Number Association (NENA) benchmark standard)	90% of 9-1-1 calls answered within 15 seconds	4.5	4.5	5.1	4.2	4.5
Average time to dispatch call to field unit (seconds)		90	100	90	92	100
Average backlog of records merged into system (FY23 and FY24 increase due to temporary vacancy of records clerk position, training of new records clerk, and due to increased officer activity, calls for service, citations)		200 cases	150 cases	350 cases	350 cases	150 cases
Average wait time for public records requests once the reports are approved by a supervisor (days)		5	3	7	5	5

## POLICE – Support Services

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$1,039,630	64%	\$ 782,070	\$ 626,170	\$ 719,035
Supplies & Services	100,250	6%	122,450	117,530	90,180
Capital & Debt Service	17,170	1%	60,800	62,160	41,964
<b>Subtotal Direct Costs</b>	<b>\$1,157,050</b>	<b>71%</b>	<b>\$ 965,320</b>	<b>\$ 805,860</b>	<b>\$ 851,179</b>
Internal Charges	478,480	29%	411,900	402,510	352,720
<b>Total Expenditures</b>	<b>\$1,635,530</b>	<b>100%</b>	<b>\$1,377,220</b>	<b>\$1,208,370</b>	<b>\$1,203,899</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$1,592,330	97%	\$1,297,540	\$1,133,640	\$1,132,837
Other Funds Portion	\$ 43,200	3%	\$ 79,680	\$ 74,730	\$ 71,062
<b>Funding Sources</b>					
Program Revenues	\$ 183,050	11%	\$ 179,670	\$ 216,080	\$ 260,736
Funding from General Revenues:					
Estimated Resident Generated	\$ 508,370	31%	\$ 419,140	\$ 347,300	\$ 330,107
Estimated Visitor Generated	\$ 944,110	58%	\$ 778,410	\$ 644,990	\$ 613,056
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>9.75</b>		<b>8.38</b>		<b>8.38</b>

The Support Services program is managed by a Police Manager and handles all support functions of the department and assists the patrol division operations. Within Support Services are the Community Service Officers, Community Service Aides, Uptown Paid Parking program, Evidence Technician, Police Support Services Technician, and the School Resource Officer (SRO).

The two Community Service Officers (CSOs) are non-sworn and are responsible for supporting patrol services and community engagement in the field, along with 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 Officers also helps monitor traffic problems in the city and work to mitigate backups using available tools and techniques. They also assist with parking violations in accordance with City ordinances through the OpsMan program.

The Traffic and Parking Services program consists of part-time civilian personnel, known as Community Services Aides (CSAs), who are responsible for parking enforcement in the Uptown area and trailhead parking lots. They also assist patrol officers in some traffic control (movement of traffic) during special events and spontaneous, urgent field incidents. With the pay stations in the Uptown area, CSAs patrol and enforce parking regulations, and they ensure the operation of the parking kiosks.

The School Resource Officer (SRO) program is managed by the Investigations Sergeant. The SRO is an assigned full-time police officer to conduct prevention, education, and enforcement activities for the students, staff, and parents at school campuses. The SRO also assists the school 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 Northern Arizona Restorative Justice Program, assists in the counseling of students and parents, advisor to the Youth Cadet Police program (formerly known as Explorers), and conducts presentations on crime, safety, and substance abuse matters.

A portion of this program is paid by the Grants, Donations and Restricted Funds. In addition, a portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department. A portion of this program is also covered by revenues from the paid parking program.



## POLICE – Support Services

continued

### FY 2024 Accomplishments

#### Overall City Value - Public Safety:

- \* Effectively and efficiently utilize five out of seven modules in LEFTA.
- \* CSOs remained backup for records clerk to conduct ARS 28-3511 impound hearings when needed.
- \* Participated in the City's community academy.
- \* Partnered with the Parks and Recreation Department to assist with the enforcement of animal violations at the City parks to maintain a safe, clean, and sanitary environment for community members.
- \* Conducted three community presentations regarding animal safety and City codes relating to animals.
- \* Utilized OpsMan for City violations for parking issues.
- \* All staff within Community Service Officers and Aides completed traffic flagger training.
- \* Trained all CSAs to handle lost and found property calls for service.
- \* Successfully hired and trained second CSA.
- \* Worked with the IT Department to identify and secure a third-party vendor to assist with redaction.
- \* Successfully promoted an internal civilian to the Support Services Lieutenant/Manager position.
- \* Purged over four hundred items of property and evidence following retention periods per statute, policies, and procedures.
- \* For the benefit of the Department, the Police Support Services Technician successfully applied for and was awarded two grants from GOHS.
- \* SRO completed several lockdown, evacuation, and fire drills with the Sedona Red Rock Junior/Senior High School.
- \* SRO conducted numerous awareness trainings at the Sedona Red Rock Junior/Senior High School and West Sedona School that focused on trending issues, such as kind hands/kind words, bullying, social media trends, general student safety practices, and MatForce drug-free initiatives.

### FY 2025 Objectives

#### Overall City Value - Public Safety:

- \* Implement Phase 2 of 4 of the radio infrastructure project that will increase radio communication in the Uptown area and along SR 179.
- \* Conduct at least two Community Police Academies.
- \* Create data-driven policing strategies.
- \* Train and implement TrACs e-Citation System.
- \* Complete spot audit of property and evidence to coincide with industry standards and policy.
- \* Plan and host a Hispanic Outreach event in the schools.
- \* Increase support to patrol by training CSAs on additional civil and public assist calls for service.
- \* Conduct at least three community presentations regarding animal safety and City Codes relating to animals.
- \* Remain backup for records clerk to conduct ARS 28-3511 impound hearings when needed.
- \* Utilize OpsMan for City ordinance violations for parking.
- \* All staff within Community Service Officers and Aides to be traffic flagger trained.
- \* Actively recruit, hire, and train quality candidates to achieve 100% staffing for Community Service Aides (CSAs).
- \* Begin implementation and transition from UCR to NIBRS.

**POLICE – Support Services**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Conduct animal control presentations	2	3	2	1	0
Calls for service (animal related)	450	500	454	440	462
Fire drills conducted at Sedona Red Rock Jr. Sr. High School	5	10	5	5	5
Fire drills conducted at West Sedona School	5	10	5	5	5
Lock-down/evacuation drills conducted at Sedona Red Rock Jr. Sr. High School	2	2	2	1	1
Lock-down/evacuation drills conducted at West Sedona School	2	2	2	1	1
Awareness training sessions conducted geared toward student issues/trends at Sedona Red Rock Jr. Sr. High School	20	15	20	10	12
Awareness training sessions conducted geared toward student issues/trends at West Sedona School	25	32	25	18	27
Crime prevention presentations conducted by SRO	2	2	2	2	3
Hispanic Outreach event	1	1	1	0	0
Parking citations written in the Uptown three-hour parking lots	500	N/A	500	425	567
Parking citations written at trailhead locations	500	N/A	450	365	2,584
Community Service Aides (CSAs) total hours worked	1,500	N/A	1,364.4	976.5	3,963
Total time conducting Uptown activities (CSAs) (patrol the Uptown area and interacting with the public)	150 hours	N/A	140 hours	129 hours	447.5 hours
Total time checking trailhead parking areas	700 hours	N/A	684 hours	600.5 hours	896.5 hours
Uptown parking meter maintenance (total time assisting with routine maintenance, credit card and paper issues)	500 hours	N/A	472 hours	88 hours	25 hours
Total CSAs administrative time (report writing, lost and found property calls for service, drive time between locations, etc.)	300 hours	N/A	307.8 hours	169.5 hours	102 hours

**Overall City Value - Public Safety:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Percentage of time SRO is deployed at a school, when in session		99%	90%	99%	99%	75%
SRO - The school is in session for 10 months of the year; the SRO was assigned to the schools for the following number of months. (FY22 - SRO assignment was vacant until the last 2 months of school and fiscal year)		10 months	10 months	10 months	10 months	0

# MUNICIPAL COURT

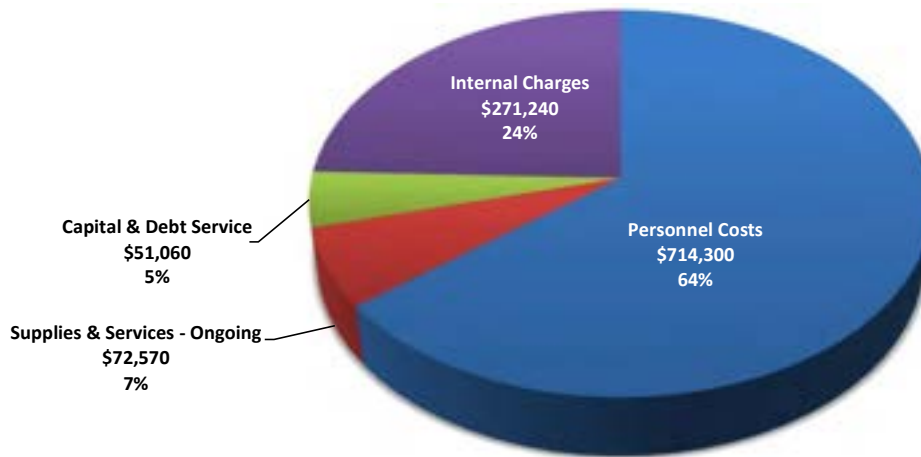
## Mission Statement

To serve the community and to protect individual rights through the administration of justice in a fair, efficient, and respectful manner in order to enhance public trust and community confidence in the court system.

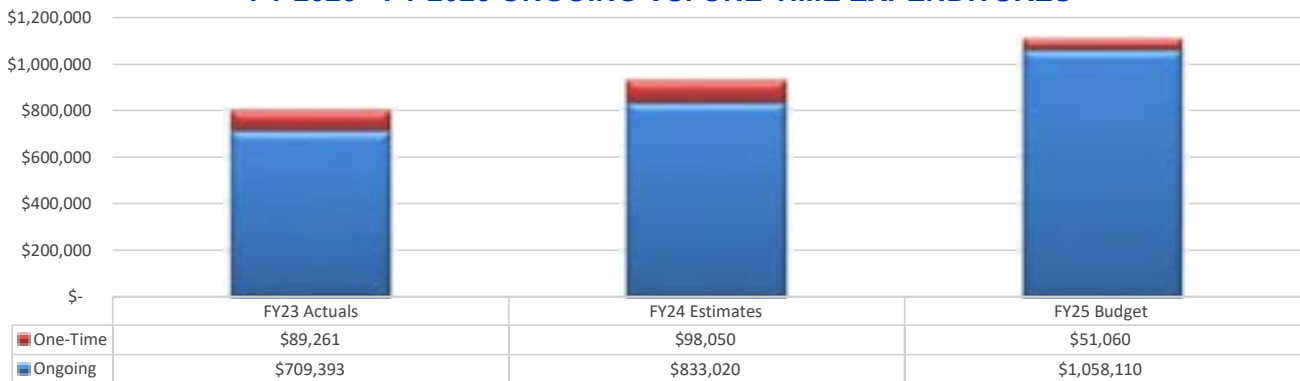
## Description

The Sedona Magistrate Court is part of the Arizona State Court System subject to the authority and administrative supervision of the Arizona Supreme Court. The Sedona Magistrate Court has legal obligations and reporting responsibilities to the State, as well as the City of Sedona. As the judicial branch of the City of Sedona, the Court has jurisdiction over civil traffic, criminal traffic and criminal misdemeanor offenses, as well as violations of the City Code and Ordinances. The Sedona Magistrate Court also has the authority to issue arrest and search warrants, orders of protection and injunctions against harassment. The Judge also performs weddings.

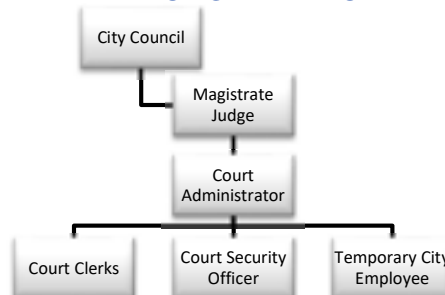
### FY 2025 PROGRAM EXPENDITURES: \$1,109,170



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



## MUNICIPAL COURT – Administration

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 714,300	64%	\$ 576,220	\$ 568,650	\$ 499,329
Supplies & Services	72,570	7%	106,870	85,170	51,530
Capital & Debt Service	51,060	5%	51,060	51,060	46,805
<b>Subtotal Direct Costs</b>	<b>\$ 837,930</b>	<b>76%</b>	<b>\$ 734,150</b>	<b>\$ 704,880</b>	<b>\$ 597,664</b>
Internal Charges	271,240	24%	232,280	226,190	200,990
<b>Total Expenditures</b>	<b>\$1,109,170</b>	<b>100%</b>	<b>\$ 966,430</b>	<b>\$ 931,070</b>	<b>\$ 798,654</b>
<b>Expenditures by Fund</b>					
General Fund Portion	\$1,109,050	100%	\$ 951,310	\$ 915,950	\$ 786,990
Other Funds Portion	\$ 120	<1%	\$ 15,120	\$ 15,120	\$ 11,664
<b>Funding Sources</b>					
Program Revenues	\$ 230,000	21%	\$ 183,550	\$ 230,000	\$ 234,338
Funding from General Revenues:					
Estimated Resident Generated	\$ 307,710	28%	\$ 274,010	\$ 245,370	\$ 197,511
Estimated Visitor Generated	\$ 571,460	52%	\$ 508,870	\$ 455,700	\$ 366,805
<b>Employee Time Allocation (FTEs) (Budgeted)</b>					
	<b>7.33</b>		<b>6.33</b>		<b>5.80</b>

A portion of the program is paid by the Grants, Donations and Restricted Funds. In addition, a portion of the program costs is allocated to the Information Technology Internal Service Fund for technology costs not managed by the Information Technology Department.

### FY 2024 Accomplishments

Overall City Value - Good Governance:

- \* Reconciled court finances with the assistance of Administrative Office of the Courts.
- \* Provided more access to the public seeking protective orders.
- \* Analyzed casework and internal processes to maximize efficiency.
- \* Scheduled more Hearings due to having a non-shared facility.
- \* Staff fulfilled annual Committee on Judicial Education and Training (COJET) training requirements.

### FY 2025 Objectives

Overall City Value - Good Governance:

- \* Complete remodel of court facilities, which will allow the public greater access to justice.
- \* Ensure compliance with Arizona Supreme Court security mandates to ensure staff and public safety.
- \* Provide court staff with the skills to serve and perform at a greater professional level.
- \* Continue working with Administrative Office of the Courts to ensure reconciliation of court finances.
- \* Continual training and better utilization of the court case management system.
- \* Improve payment collection on outstanding receivables by monitoring post-adjudicated cases.
- \* Maintain professional relationship with City Prosecutor’s Office to continue efficient processing of case flow.

Overall City Value - Fiscal Sustainability:

- \* Improve payment collection on outstanding receivables with particular emphasis on post-adjudicated cases which have been lingering for years.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Civil Traffic citations filed	2,470	2,704	2,021	1,787	1,236
Criminal citations filed	328	328	318	300	236
Local - Non-Criminal Ordinance citations filed	92	92	75	41	72
Orders of Protection and Injunctions Against Harassments filed	40	40	31	31	31

# HOUSING

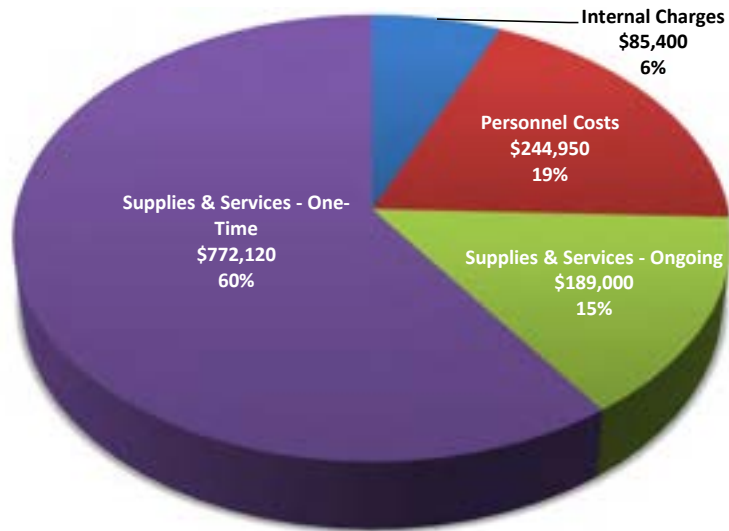
## Mission Statement

To support a sustainable and inclusive community by expanding and preserving housing opportunities affordable to the local workforce and existing residents

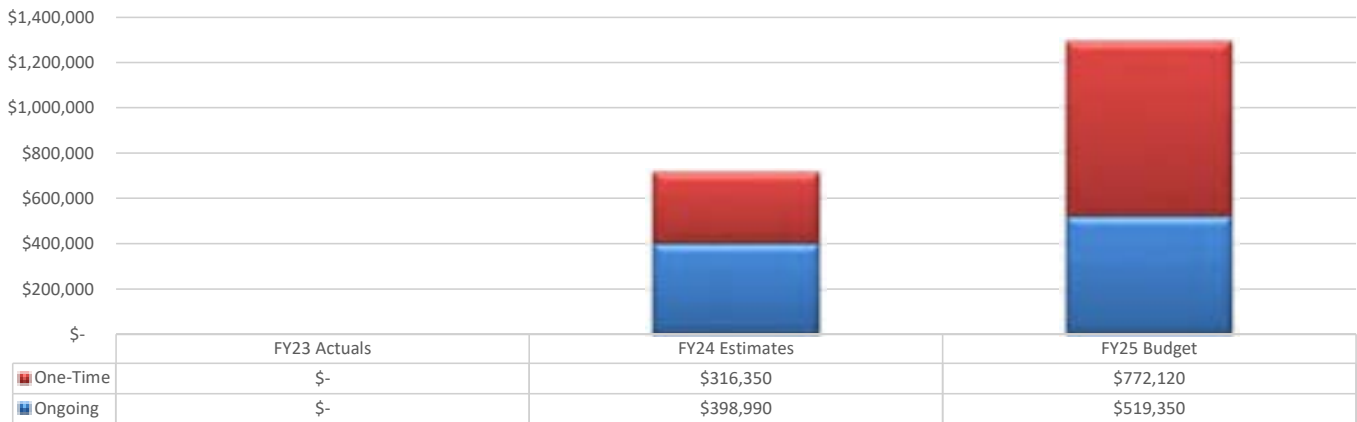
## Description

The Housing program was created in FY 2021 to implement the recently created housing action plan for affordable and workforce housing, addressing the City Council's priority. The Housing program expands and preserves affordable homeownership and rental opportunities in Sedona by developing and implementing policies, projects, and programming which support housing availability, while fostering public-private partnerships in the development and creation of affordable/workforce housing.

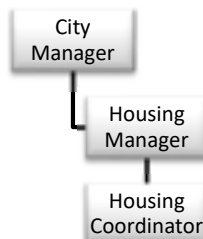
### FY 2025 PROGRAM EXPENDITURES: \$1,291,470



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART



**HOUSING – Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 244,950	19%	\$ 231,660	\$ 228,410	\$ -
Supplies & Services	961,120	74%	1,049,600	409,900	-
<b>Subtotal Direct Costs</b>	<b>\$ 1,206,070</b>	<b>93%</b>	<b>\$ 1,281,260</b>	<b>\$ 638,310</b>	<b>\$ -</b>
Internal Charges	85,400	7%	82,190	77,030	-
<b>Total Expenditures</b>	<b>\$ 1,291,470</b>	<b>100%</b>	<b>\$ 1,363,450</b>	<b>\$ 715,340</b>	<b>\$ -</b>
<b>Expenditures by Fund</b>					
Other Funds Portion	\$ 1,291,470	100%	\$ 1,363,450	\$ 715,340	\$ -
<b>Funding Sources</b>					
Program Revenues	\$ 1,611,760	125%	\$ 1,423,780	\$ 979,220	\$ -
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>2.00</b>		<b>2.00</b>		<b>0.00</b>

Program costs are primarily allocated to the Housing Fund. A portion of this program is funded by the Grants, Donations, and Restricted Funds for the Steps to Recovery Housing project and the Safe Place to Park program.

**FY 2024 Accomplishments**

Council Priority - Affordable/Workforce Housing and Homelessness:

- \* Maintained inventories of vacant land suited for workforce housing, and land with redevelopment potential for workforce housing.
- \* Updated Development Incentives and Guidelines for Affordable Housing (DIGAH) document. Codified DIGAH and Land Development Code (LDC) updates, identifying any code impediments to affordable housing development. Ongoing as time permits and will carry over to FY 2025.
- \* Considered allowing full kitchens in guest houses – delayed for further analysis and for other communities’ banning of short-term rentals (STRs) in guest homes/accessory dwelling units (ADUs) to withstand legal challenges.
- \* Continued to explore additional public-private partnerships ongoing. Total of 587 affordable units currently in predevelopment (+107 market-rate apartments)
- \* Dreamcatcher Inn - Explored possible acquisition/long-term lease of 24 transitional housing studios (10 ready-to-rent extended stay hotel rooms and 14 with kitchens to be added). - Update: Housing Solutions of Norther Arizona (HSNAZ) was not able to secure grant funding to advance this project.
- \* Goodrow property/private nonprofit developer approximately 54 units - In public outreach phase, plans submitted to Community Development for three-story townhomes and apartments.
- \* Soldiers Pass Apartments/private property owner - 38 units in architectural design.
- \* 401 Jordan Road (City-owned) - local developer proposed 5,000 square foot retail plus 46 units affordable housing. Working on refining numbers – 4% tax credit/bond deal.
- \* 2250 Shelby Drive - With 4% tax credits and other funding from Arizona Department of Housing (ADOH), developer’s gap is at \$2.25 million. Council has approved proposed City funding to fill the gap, and development review will go to PandZ in 2024.
- \* 2035 Shelby Drive (the corner hillside lot at the south end of Sunset Drive) - Proposed 99 units, half affordable. Developer is finalizing budget and identifying bank financing and private equity.
- \* Sunset Lofts - Applying for grant funding and reworking affordability levels to close current \$4 million development gap.
- \* Preliminary discussions with St. John Vianney Catholic Church to add housing (possibly senior housing) to their redevelopment plans, which include a retreat center and will require rezoning.
- \* Request for Proposals (RFP) for Cultural Park Phase 1 Housing resulted in two viable proposals. Proposals have been scored and Housing Manager is currently negotiating with the top-ranked developer in hopes of bringing something forward for Council’s consideration.
- \* Continuing community outreach and public engagement strategy/communications in support of affordable housing, including ongoing regular social media regarding programs offered and housing information sessions at the Library to reach the Spanish-speaking community on issues raised regarding landlord tenant law and Fair Housing in April 2024.
- \* Fair Housing Proclamation to highlight Fair Housing issues in April 2024.
- \* Explored temporary use of the Cultural Park for a Safe Place to Park program for Sedona workforce. On January 9, Council discussed and directed staff to move forward with the program, pending final Council action for contracts and zoning change. On February 6, PandZ recommended of approval for zoning change. Zoning and ADOH and VVHC contracts approved by City Council on March 12.
- \* \$875,000 grant awarded by ADOH for the proposed Safe Place to Park program.
- \* Developed partnership with Verde Valley Homeless Coalition (VVHC) to enhance capacity and services into Sedona, including operating the Safe Place to Park program.

## HOUSING – Administration

continued

**FY 2025 Objectives**

Council Priority - Affordable/Workforce Housing and Homelessness:

- \* Continue to maintain inventories of vacant land suited for workforce housing.
- \* Re-propose ADU allowances/guest houses with kitchens.
- \* Continuing to explore additional development partnerships and create development agreements for affordable housing development: Dreamcatcher Inn acquisition by HSNMZ with possible nonprofit partnership, negotiate affordability at Soldiers Pass Apartments with private property owner (38 units in architectural design), solicit bids for the redevelopment of 401 Jordan Road (City-owned) with affordable housing, 2035 Shelby Drive proposed 99 units with half affordable, support St. John Vianney Catholic Church in adding housing (possibly senior housing) to their redevelopment plans, re-issue RFP for Cultural Park Phase 1 Housing.
- \* Support Steps to Recovery in their application for additional Community Development Block Grant (CDBG) funds for their transitional housing project.
- \* Continuing community outreach and public engagement strategy/communications in support of affordable housing, including ongoing regular social media regarding programs offered and promoting Fair Housing and understanding of the state's landlord/tenant laws.
- \* Continue to provide technical services/support to local nonprofits for grant-seeking and program development.
- \* Convene local employers in a strategy to financially support housing development for the local workforce.
- \* Complete (with consultant) and respond to the recommendations of the Homelessness Needs Assessment.
- \* Continue to work with VVHC to build their capacity to expand services into Sedona, including operating the Safe Place to Park program.
- \* Revise the Rent Local program to expand its appeal to STR owners.
- \* Stand up the Emergency Voucher program for cold/wet weather sheltering.

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Council meetings and work sessions	4	4	7	1	1
Down-payment assistance applications	20	20	25	14	14
Rent Local applications	10	20	7	N/A	N/A
Housing inquiries	50	N/A	54	N/A	N/A
Outreach and engagement events attended/hosted	10	N/A	10	4	N/A
Safe Place to Park participants	80	N/A	40	N/A	N/A

**Council Priority - Affordable/Workforce Housing & Homelessness:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Housing Production: New deed-restricted affordable housing units approved		100	N/A	60	30	3
Housing Investment: Affordable housing projects assisted with housing funds		3	3	1	1	1
Down-payment assistance applications approved and funded		10	10	3	1	1
People housed through Rent Local Program		10	10	6	N/A	N/A
New affordable housing units available (CofO)		30	N/A	0	0	N/A
Safe Place to Park participants housed		40	N/A	4	N/A	N/A
Voluntary deed restrictions placed		20	N/A	12	N/A	N/A

# PUBLIC TRANSIT

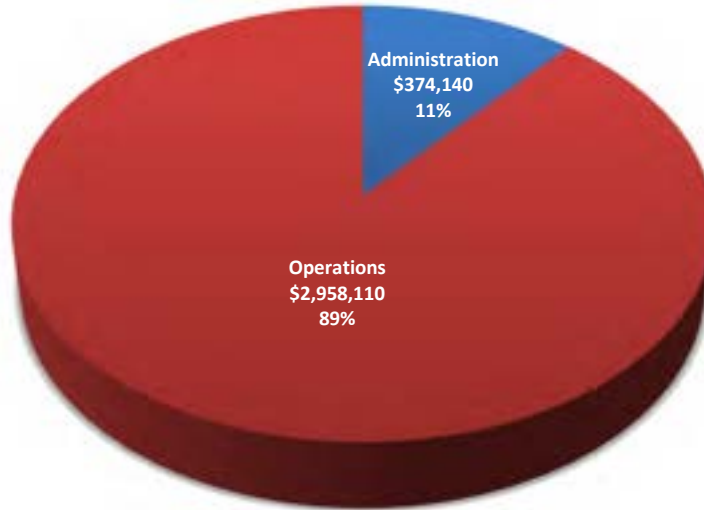
**Mission Statement**

To provide a quality public transportation system to the residents and visitors of Sedona.

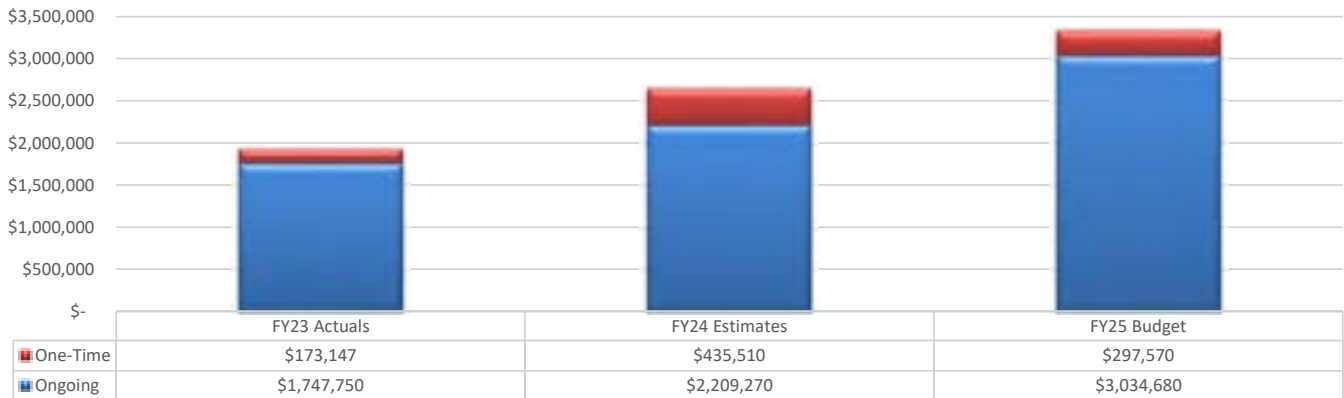
**Description**

The Administration program provides direction and oversight of all city public transit programs.

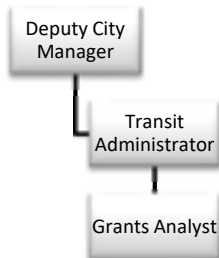
**FY 2025 PROGRAM EXPENDITURES: \$3,332,250**



**FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES**



**DEPARTMENT ORGANIZATION CHART**





**PUBLIC TRANSIT – Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 212,920	57%	\$ 209,890	\$ 197,200	\$ 191,361
Supplies & Services	60,500	16%	4,150	4,150	634
<b>Subtotal Direct Costs</b>	<b>\$ 273,420</b>	<b>73%</b>	<b>\$ 214,040</b>	<b>\$ 201,350</b>	<b>\$ 191,995</b>
Internal Charges	100,720	27%	34,370	32,290	36,070
<b>Total Expenditures</b>	<b>\$ 374,140</b>	<b>100%</b>	<b>\$ 248,410</b>	<b>\$ 233,640</b>	<b>\$ 228,065</b>
<b>Expenditures by Fund</b>					
Other Funds Portion	\$ 374,140	100%	\$ 248,410	\$ 233,640	\$ 228,065
<b>Funding Sources</b>					
Program Revenues	\$ 374,140	100%	\$ 248,410	\$ 233,640	\$ 228,065
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>1.50</b>		<b>1.50</b>		<b>1.50</b>

The overall administrative objective is to develop and maintain the infrastructure required to grow and sustain a fully functional public transit system for the city.

This includes but is not limited to:

- \* Design and construct a maintenance and operations facility that is capable of supporting the City's future transit plans for the next fifty years.
- \* Incorporate multi-model planning into the City's future transit system to connect multi-model transportation elements to include transit, micro-transit (demand response) transportation network company (TNC), micro-mobility (walking, e-bikes, e-scooter, etc.).
- \* Procure a zero-emission public transit fleet and related infrastructure capable of meeting the City's current and future public transportation needs.

**FY 2024 Accomplishments**

Council Priority - Public Transit System:

- \* Sept 2023: Participated in the US DOT Volpe Transportation Assessment Group's review of the greater Sedona area.
- \* Dec 2023: Co-presented a session with the USFS on the City's trailhead shuttle program at the Regional Transit Assistance Program (RTAP) National conference.
- \* Nov 2023: Secured \$235,124 in funding through a FFY21 Federal Transit Authority (FTA) 5339 Grant for one additional micro-transit vehicle.
- \* Feb 2024: Submitted FFY24 FTA 5311 Grant Application for approximately \$400,000 in administrative and operating funding for the City's planned micro-transit service.
- \* Mar 2024: Submitted AZ Strengthening Mobility and Revolutionizing Transportation (SMART) Fund grant application for engineering/design of the Brewer Ranger intersection (roundabout) for \$300,000.

**FY 2025 Objectives**

Council Priority - Public Transit System:

- \* Oversee the implementation of the Sedona Area Transit Implementation Plan (STIP)
- \* Obtain and administer grant funding for the implementation of both the short-range and long-range transit plans as specified within the STIP.
- \* Ensure that the City's transit system remains compliant with all Federal, State, and local regulations.
- \* Coordinate and collaborate with liaisons in other City departments.
- \* Maintain public engagement during the development and administration of the City's transit programs.

**Overall City Value - Good Governance:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Cost per vehicle revenue hour (Benchmark = 2021 national average for urban transit bus)	\$160	\$85.00	N/A	\$121.00	\$131.86	N/A
Farebox recovery ratio (Benchmark = 2021 national average for urban transit bus)	9.1%	5%	N/A	5%	N/A	N/A

**PUBLIC TRANSIT - Operations**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Supplies & Services	\$ 2,272,500	77%	\$ 1,892,500	\$ 1,617,950	\$ 1,463,635
Capital & Debt Service	297,570	10%	435,510	435,510	173,147
<b>Subtotal Direct Costs</b>	<b>\$ 2,570,070</b>	<b>87%</b>	<b>\$ 2,328,010</b>	<b>\$ 2,053,460</b>	<b>\$ 1,636,782</b>
Internal Charges	388,040	13%	359,400	357,680	56,050
<b>Total Expenditures</b>	<b>\$ 2,958,110</b>	<b>100%</b>	<b>\$ 2,687,410</b>	<b>\$ 2,411,140</b>	<b>\$ 1,692,832</b>
<b>Expenditures by Fund</b>					
Other Funds Portion	\$ 2,958,110	100%	\$ 2,687,410	\$ 2,411,140	\$ 1,692,832
<b>Funding Sources</b>					
Program Revenues	\$ 2,958,110	100%	\$ 2,687,410	\$ 2,411,140	\$ 1,692,832
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>

The Operations program includes the operation of trailhead shuttles, micro-transit demand response (planned), future fixed route bus, and ADA paratransit services.

**FY 2024 Accomplishments**

Community Plan Circulation Goal - Reduce dependency on single-occupancy vehicles:

- \* Delivered over 97% of all scheduled service since program launch.
- \* Maintained a safety record exceeding the minimum industry standard by over 50%.
- \* Maintained average on-time performance of over 80% - despite periods of severe traffic congestion.

**FY 2025 Objectives**

Community Plan Circulation Goal - Reduce dependency on single-occupancy vehicles:

- \* Deploy four trailhead shuttle routes and a micro-transit on-demand service providing connections to West Sedona, Uptown, the Tlaquepaque shopping village, the Hillside Shopping Center, and the trailhead shuttle park-and-ride locations at Posse Grounds Park, SR 179, and SR 89A.
- \* Continue to monitor emerging community needs, funding, public input, and service data to improve and expand Sedona's future transit services.

WORKLOAD INDICATORS	Benchmark	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Passengers per vehicle revenue hour		21.3	35	35	33.3	37
Annual ridership (Benchmark = Average pre-pandemic for 21 rural Arizona agencies)	32,650	412,772	290,000	375,247	309,559	95,978

**Community Plan Circulation Goal -  
Reduce dependency on single-occupancy vehicles:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Percentage of service delivered		98.50%	100%	97.86%	99.59%	99.99%

**Overall City Value - Good Governance:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
On-time performance		87%	87%	80.37%	81.75%	72.10%
Miles traveled between road calls		80,000	30,000	85,000	148,563	43,648

**Overall City Value - Public Safety:**

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Miles traveled between preventable collisions (Benchmark = industry minimum standard of 100,000)	100,000	100,000	100,000	155,000	148,563	43,648

# 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 professional standards governing wastewater system operations.

## Description

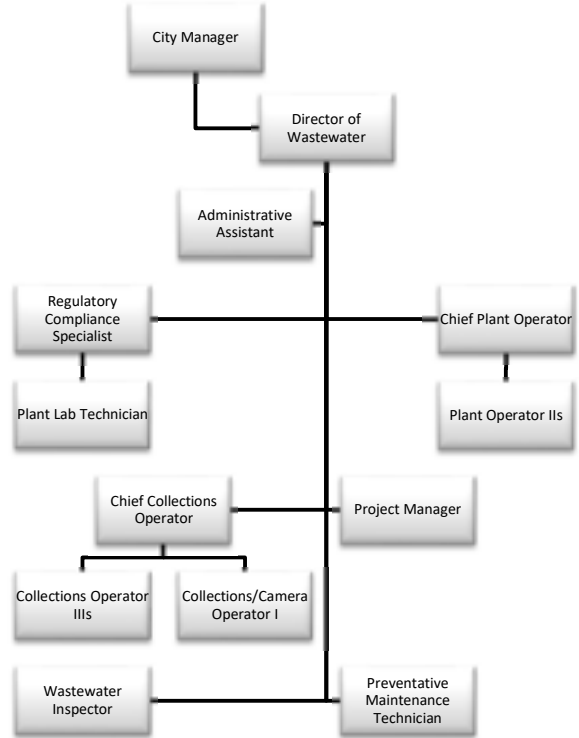
The Wastewater Department is responsible for the day-to-day operations of the wastewater collection system and treatment facility and the disposal of A+ quality treated effluent. The Wastewater Department works collaboratively with several City departments who assist in the administration, operation, and expansion of wastewater facilities; the Finance Department performs administrative duties related to wastewater billing and bill collection functions, in addition to management of other administrative support functions; and the Public Works Department provides blue-staking, plan reviews, and capacity fee determinations related to connections to the collection system.

The Wastewater Department consists of the following program areas:

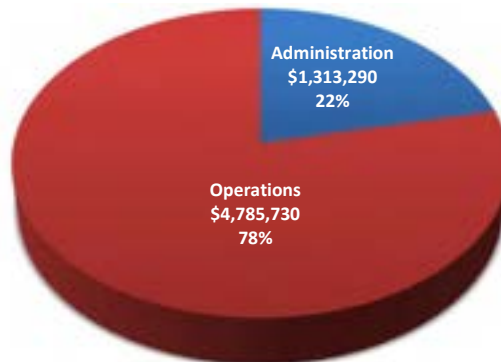
- \* Administration, including capital projects management and inspection
- \* Operations, including collection system, wastewater treatment, and laboratory service

The wastewater utility is funded by a combination of user fees (monthly sewer fees and new connection fees) and a city sales tax subsidy. These revenues are expended in the operational costs of the collection system, debt service, and capital improvement costs.

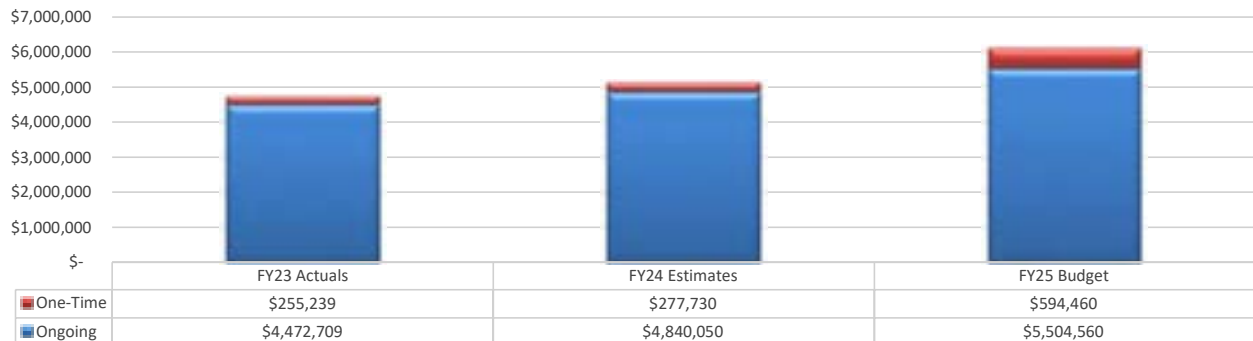
## DEPARTMENT ORGANIZATION CHART



## FY 2025 PROGRAM EXPENDITURES: \$6,099,020



## FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



**WASTEWATER – Administration**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 372,270	28%	\$ 261,690	\$ 293,570	\$ 240,421
Supplies & Services	57,850	4%	53,020	38,800	41,387
Capital & Debt Service	-	0%	-	-	9,425
<b>Subtotal Direct Costs</b>	<b>\$ 430,120</b>	<b>33%</b>	<b>\$ 314,710</b>	<b>\$ 332,370</b>	<b>\$ 291,232</b>
Internal Charges	883,170	67%	862,390	824,470	866,340
<b>Total Expenditures</b>	<b>\$ 1,313,290</b>	<b>100%</b>	<b>\$ 1,177,100</b>	<b>\$ 1,156,840</b>	<b>\$ 1,157,572</b>
<b>Expenditures by Fund</b>					
Wastewater Fund Portion	\$ 1,313,290	100%	\$ 1,177,100	\$ 1,156,840	\$ 1,157,572
<b>Funding Sources</b>					
Program Revenues	\$ 1,313,290	100%	\$ 1,177,100	\$ 1,156,840	\$ 1,157,572
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>3.15</b>		<b>2.35</b>		<b>2.10</b>

The Administration program consists of the Director of Wastewater, the Regulatory Compliance Specialist, 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; monitoring and reporting to state regulatory agencies; long-range planning; and project management for infrastructure improvements.

The Director of Wastewater oversees the Wastewater Capital Projects Management and provides project management for capital projects throughout the collection system and at the Wastewater Reclamation Plant (WWRP). Project management consists of overseeing contracts with design professionals to provide upgrades to the existing infrastructure in response to increase capacity, improve operations, or repair/upgrade antiquated or deteriorating infrastructure; bidding phased project management to secure qualified contractors to complete the improvements; and overseeing all construction activities to ensure quality construction with minimal change orders.

**FY 2024 Accomplishments**

Community Plan Environment Goal – Preserve and protect the natural environment:

- \* Maintained active membership in the Arizona Water Association and participated in organizing educational opportunities for wastewater operators throughout the state.
- \* Completed all required regulatory quarterly, semi-annual, and annual reports on time.
- \* Completed design for 3 sewer main rehabilitation projects in Northview Road, Foothills South, and Lazy Bear Estates.
- \* Completed design and permitting for the WWRP UV upgrades project.

Overall City Value – Fiscal Sustainability

- \* Processed over 1,200 purchase transactions with 90% correct coding and on-time payments.
- \* Auctioned surplus equipment and material through public auction.

Overall City Value – Good Governance:

- \* Actively managed 20+ service contracts with vendors for work varying from waste disposal to technical support.
- \* Conducted a monthly Lunch and Learn program to offer training on wastewater treatment, laboratory processes, collection system work, and computer skills.

**FY 2025 Objectives**

Overall City Value – Fiscal Sustainability:

- \* 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.
- \* Continue programs to recover value from Department assets by sale of surplus material.
- \* Provide sound judgment in making decisions during design and construction of capital projects to ensure fiscal responsibility.
- \* Provide analysis of operational and/or personnel needs required by capital improvements.

Overall City Value – Good Governance:

- \* Improve the Department web page layout to focus on public education of the wastewater collection and treatment process.
- \* Continue to implement means to collect and track data for a more transparent presentation of performance measures.
- \* Continue to develop a cross-training program between collections and treatment operations.
- \* Continue to participate in STEM events at local school districts.
- \* Develop an Education and Outreach Program.

**WASTEWATER – Administration**  
continued

<b>WORKLOAD INDICATORS</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Total amount of construction contract change orders	< \$380,000	< \$160,000	\$0	\$0	\$410,400
Regulatory compliance reports submitted	13	12	13	13	11
Tours given	15	15	10	11	11
Total CIP Projects	7	9	8	6	3
Total Amount of CIP Projects	\$8,082,120	\$5,663,500	\$1,753,900	\$2,785,811	\$1,258,100

**Overall City Value - Fiscal Sustainability:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Average percentage of change orders to original contract amount for construction phase		< 5%	< 5%	0%	0%	47%
Single family residential monthly sewer rate for high flows (Benchmark = average monthly sewer bill of 13 participating municipalities in the Valley Cities Consortium for FY21/average monthly water and sewer bill for FY22)	\$50.61 / \$124.00	\$61.11	\$61.11	\$61.11	\$61.11	\$61.11
Single family residential monthly sewer rate for low flows (Benchmark = average monthly low flow sewer bill low flow of 13 participating municipalities in the Valley Cities Consortium for FY21/average monthly water and sewer bill for FY22)	\$37.38 / \$69.87	\$47.52	\$47.52	\$47.52	\$47.52	\$47.52

## WASTEWATER – Operations

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$1,362,650	28%	\$1,379,390	\$1,201,940	\$1,063,022
Supplies & Services	1,743,330	36%	1,616,000	1,490,880	1,451,376
Capital & Debt Service	486,660	10%	375,690	238,460	187,445
<b>Subtotal Direct Costs</b>	<b>\$3,592,640</b>	<b>75%</b>	<b>\$3,371,080</b>	<b>\$2,931,280</b>	<b>\$2,701,844</b>
Internal Charges	1,193,090	25%	1,060,540	1,029,660	868,532
<b>Total Expenditures</b>	<b>\$4,785,730</b>	<b>100%</b>	<b>\$4,431,620</b>	<b>\$3,960,940</b>	<b>\$3,570,376</b>
<b>Expenditures by Fund</b>					
Wastewater Fund Portion	\$4,785,730	100%	\$4,431,620	\$3,960,940	\$3,570,376
<b>Funding Sources</b>					
Program Revenues	\$4,785,730	100%	\$4,431,620	\$3,960,940	\$3,570,376
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>11.85</b>		<b>12.65</b>		<b>12.90</b>

Wastewater Reclamation Plant (WWRP) Operations consist of a Chief Plant Operator, three plant operators, and a preventative maintenance technician, who are responsible for the treatment, disinfection, and disposal of wastewater. The treatment process consists of pre-treatment (screening/headworks, grit removal), secondary treatment (activated sludge, secondary clarification), tertiary treatment (rotating disk filters), disinfection (UV), and disposal (irrigation, wetlands, aquifer recharge) resulting in over 400 million gallons of A+ quality effluent annually. The WWRP also includes three solids-handling facilities (aerobic digester, centrifuge, and drying beds) which process over 200 dry tons of sludge annually.

The Collections System operations consist of a Chief Collections Operator, three collections operators, and a wastewater inspector who are responsible for managing the collection and transportation of domestic sewage through a wastewater collection system, which is comprised of sewer pipes and lift stations, to the WWRP for treatment. In addition, operators are responsible for conducting CCTV assessments of the entire collection system at least once every 5 years, including videoing, reviewing, analyzing defects, and scheduling repairs. The collections system consists of approximately 6,900 connections, 110 miles of sewer pipes, 1,999 manholes, and 17 lift stations.

The wastewater laboratory is responsible for sampling, testing, and reporting of water quality data required by the Arizona Department of Environmental Quality (ADEQ). The Regulatory Compliance Specialist oversees lab operations, while the lab tests are conducted primarily by the Lab Technician, with assistance from the Regulatory Compliance Specialist and qualified Plant Operators. Water quality testing methods and certifications are regulated by the Arizona Department of Health Services (AZDHS). Lab results are reported to ADEQ on a quarterly, semi-annual, and annual basis. The laboratory also performs numerous tests on samples from all stages of the treatment process; those test results are used to make operational decisions on process control to ensure a high-quality effluent is maintained, which also helps the Department maintain permit compliance with ADEQ.

### FY 2024 Accomplishments

Community Plan Environment Goal - Preserve and protect the natural environment:

- \* Rehabilitated Aeration Basin #1, including the replacement of diffusers.
- \* Performed all scheduled preventative maintenance at each of the 17 lift stations and on WWRP equipment.
- \* Achieved 100% passing rate for all laboratory performance evaluation studies. In these studies, samples are provided from an outside source, all analysts test the samples, and the results are sent to the company that provided the samples. The company determines whether or not the analysts pass the performance evaluation.
- \* Completed 100% of required daily, monthly, quarterly, and semi-annual samples and tests.
- \* Accurately reported results of all lab tests required by ADEQ.

### FY 2025 Objectives

Community Plan Environment Goal - Preserve and protect the natural environment:

- \* Maintain regulatory compliance.
- \* Maintain safety of plant personnel by participating in required safety training and practicing safe operations of equipment.
- \* Perform regular maintenance of plant equipment at scheduled intervals to maintain efficient operation.
- \* Respond to non-emergency service calls within 24 hours.
- \* Complete at least two inspections per year for every grease trap on record.
- \* Conduct CCTV operations to assess at least 20% of the gravity sewer mains.
- \* Maintain the highest of safety standards in sampling and testing wastewater.
- \* Complete annual AZDHS inspections with zero deficiencies.
- \* Complete all required Proficiency Testing with a 100% pass rate.
- \* Complete 100% of all compliance sample testing required by the APP permit.
- \* Accurately and honestly report all data collected.

## WASTEWATER – Wastewater Plant Operations

continued

WORKLOAD INDICATORS	FY25 Projection	FY24 Projection	FY24 Estimate	FY23 Actual	FY22 Actual
Average daily influent flow (million gallons per day)	1.20	1.20	1.16	1.16	1.20
Volume of treated effluent sent to wetlands (million gallons)	80	80	74	56	62
Volume of treated effluent sent to aquifer recharge (million gallons)	120	120	72	105	115
Volume of treated effluent sent to irrigation (million gallons)	220	200	220	221	226
Amount of biosolids disposed (dry tons)	300	300	300	272	329
Grease trap inspections	355	365	320	279	45
Collections service calls (odor complaints, broken manhole covers, etc.)	30	30	30	28	35
Sewer hotline calls (out of collections services calls and collections emergency callouts, this is the number that were reported through the sewer hotline)	15	18	5	7	24
Number of samples collected & tested in wastewater laboratory for required compliance testing	1,007	0	943	933	943
Number of samples collected & tested in wastewater laboratory for process control (to help make operational decisions for best quality effluent)	5,894	0	5,612	5,596	6,008
Amount spent for wetlands maintenance	\$31,000	\$31,000	\$23,000	\$31,000	\$3,080
Amount spent for recharge well maintenance	\$87,300	\$69,700	\$68,000	\$67,700	\$69,950
Amount spent for irrigation maintenance	\$68,000	\$61,000	\$35,000	\$76,000	\$22,400
Collections emergency callouts (sewer is actively spilling into the environment)	<5	<5	7	3	8

### Overall City Value - Good Governance:

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Percentage of collections service calls that are the City of Sedona responsibility (problem exists in the City sewer lines or is a result of operator error)		<40%	<40%	45%	11%	14%
Percent of lab analysts passing Proficiency Testing (Samples of unknown concentrations are purchased from a company, samples are analyzed by each analyst, and results are sent to the company. They report results to AZ Dept. of Health.)		100%	100%	100%	89%	100%

### Overall City Value - Fiscal Sustainability:

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Cost per million gallons for wetlands		\$388	\$388	\$311	\$554	49
Cost per million gallons for aquifer recharge		\$728	\$581	\$944	\$645	\$609
Cost per million gallons for irrigation		\$309	\$305	\$159	\$344	\$99
Cost per laboratory test (compliance & process control)		\$45.18	\$40.87	\$45.03	\$37.96	\$31.30

### Overall City Value - Public Safety:

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
Percentage of collections emergency callouts that are the City of Sedona responsibility (spill is a result of a problem in the City sewer system or operator error)		<40%	<40%	42%	50%	0%

### Community Plan Environment Goal - Preserve and protect the natural environment:

PERFORMANCE MEASURES	Benchmark	FY25 Target	FY24 Target	FY24 Estimate	FY23 Actual	FY22 Actual
ADEQ reportable Aquifer Protection Permit Violations (violations that occur at the WWRP)		<5	<5	14	13	4
ADEQ reportable collection system incidents (sewer spills over 50 gallons)		<5	<5	5	2	4
AZDHS annual laboratory inspection deficiencies		<2	<5	0	1	2

# INFORMATION TECHNOLOGY

## Mission Statement

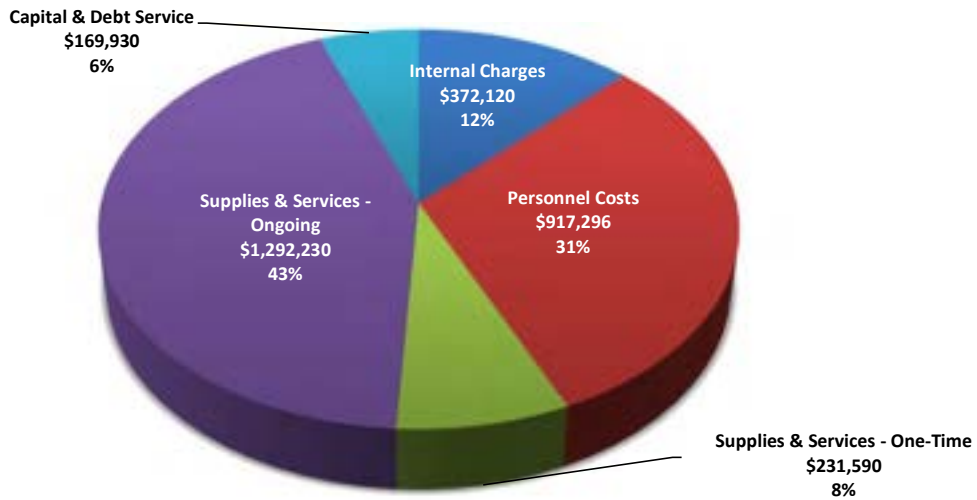
- \* Provide reliable state-of-the-art technologies that empower City staff to be successful.
- \* Be prepared for future organizational needs and changes.
- \* Use sound judgment in identifying and recommending reasonable solutions.

**Vision:  
Proactive**

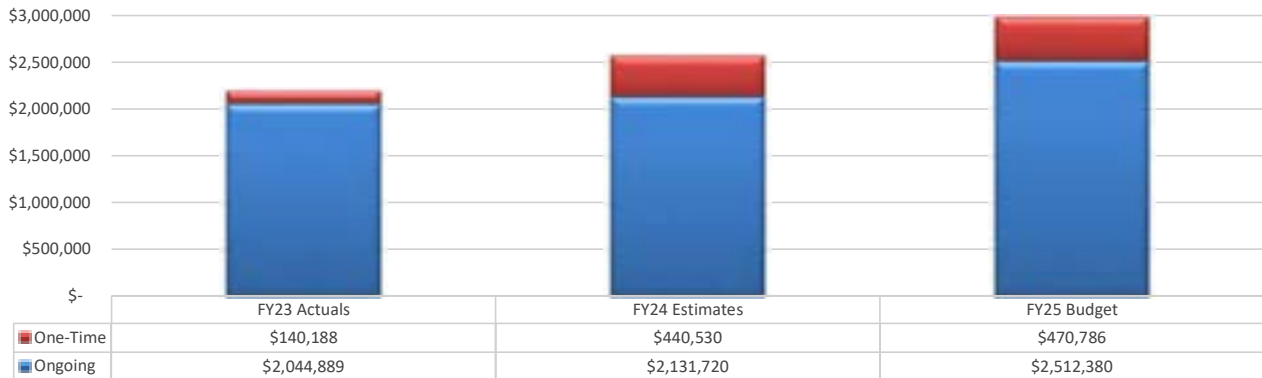
## Description

The Information Technology Department 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.

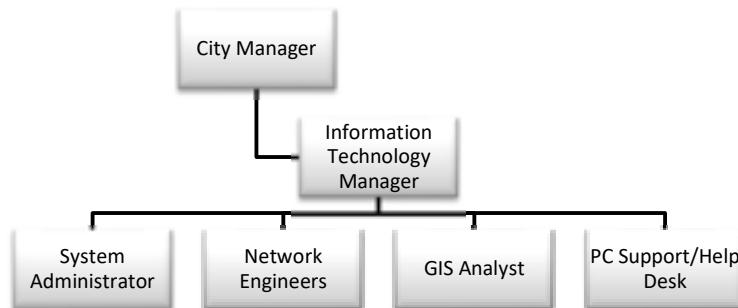
### FY 2025 PROGRAM EXPENDITURES: \$2,983,166



### FY 2023 - FY 2025 ONGOING VS. ONE-TIME EXPENDITURES



### DEPARTMENT ORGANIZATION CHART





**INFORMATION TECHNOLOGY – Information Technology Services**

BUDGET SUMMARY	FY2025 Budget	% of FY2025 Budget	FY2024 Budget	FY2024 Estimate	FY2023 Actual
<b>Program Expenditures</b>					
Personnel Services	\$ 917,296	31%	\$ 851,590	\$ 803,850	\$ 669,187
Supplies & Services	1,523,820	51%	1,299,520	1,156,800	849,093
Capital & Debt Service	169,930	6%	286,570	247,930	112,345
<b>Subtotal Direct Costs</b>	<b>\$2,611,046</b>	<b>88%</b>	<b>\$2,437,680</b>	<b>\$2,208,580</b>	<b>\$1,630,624</b>
Internal Charges	372,120	12%	375,050	363,670	554,453
<b>Total Expenditures</b>	<b>\$2,983,166</b>	<b>100%</b>	<b>\$2,812,730</b>	<b>\$2,572,250</b>	<b>\$2,185,077</b>
<b>Expenditures by Fund</b>					
Wastewater Fund Portion	\$ 136,860	5%	\$ 130,190	\$ 113,500	\$ 50,244
Other Funds Portion	\$2,846,306	95%	\$2,682,540	\$2,458,750	\$2,134,833
<b>Funding Sources</b>					
Allocations to Other Departments	\$2,845,706	95%	\$2,633,740	\$2,409,780	\$2,109,722
Program Revenues	\$ 137,460	5%	\$ 178,990	\$ 162,470	\$ 75,355
<b>Employee Time Allocation (FTEs) (Budgeted)</b>	<b>6.00</b>		<b>6.00</b>		<b>6.00</b>

A portion of the Information Technology (IT) Services program is allocated to the Wastewater Enterprise Fund and represents the Fund's share of the cost for direct information technology costs. The remainder is allocated to the Information Technology Internal Service Fund.

The Information Technology Services program has been aggressively increasing security to ensure our systems have the best protection in regard to cybersecurity. Our strategy uses multi-layered approach. This includes software, multi-factor authentication, hardware, and network segregation.

The number of City facilities, programs, and employees has increased considerably over the last couple of years. As a result, IT costs (both monetary and human hours) have also increased. Facilities have increased, increasing the amount of network hardware to maintain, broadband required, and support. The City has implemented new programs. This also increases hardware, but also increases system applications that need to be maintained. Turnover has also had the effect of adding new application systems as replacement employees add functionality to existing programs.

## INFORMATION TECHNOLOGY – Information Technology Services

continued

### FY 2024 Accomplishments

Overall City Value - Good Governance:

- \* Implemented Secure Email for Finance.
- \* Implemented Cisco Emergency Responder - citywide.
- \* Completed implementation of Informacast -citywide.
- \* Completed Windows 11 Migration.
- \* Migrated to StateLink 2.0 system for PD communications/data exchange with AZ Department of Public Safety (DPS) and federal agencies.
- \* Continued system consolidation saving the City money.
- \* Continued to work with Public Works and Community Development on technology needs for the transit center.
- \* Worked toward city broadband.
- \* Started an Enterprise Resource Planning (ERP) system selection and migration.
- \* Tied assets to the room numbers for easier tracking and employee accountability.
- \* Rolled out Employee Status Change intranet application to all departments.
- \* Refreshed VMware host at Wastewater.
- \* Implemented cell phone signal improvement project for facilities grounds and shooting range at Wastewater.
- \* Designed and implemented uptown wireless bridge and traffic cams.
- \* Added (Iframed) SimpleView on our Internet site for tourism.
- \* Updated the Police Department call-out procedure and policy to reflect current systems and personnel.
- \* Created a SharePoint site for Wastewater.
- \* Migrated Google Analytics to newest platform.
- \* Updated and migrated the City's Certificate Server.
- \* Added room number tracking within the IT Inventory application to track equipment relocation.
- \* Refreshed the firewall within Wastewater.
- \* Updated the Police Department's Network Area Storage (NAS) software.
- \* Transition the Police Department's 9-1-1 system from Lumen to Comtech.
- \* Implemented security awareness training for City staff.
- \* Implemented simulated phishing attacks for City staff.
- \* Upgraded the City's current ERP system to protect against security threats and attacks.
- \* Implemented and additional Network Area Storage (NAS) and MinIO backup solution for the Police Department.
- \* Implemented a web-based Proxy system to provide support on City computers located offsite enhancing City support.
- \* Upgraded the SQL server.
- \* Implemented a microphone cutoff switch system in Council Chambers.
- \* Worked with AZ Department of Homeland Security to implement enhanced security tools and applications.
- \* Migrated ACJIS (Arizona Criminal Justice Information System) TCP/IP (Transmission Control Protocol/Internet Protocol) suite of communication protocols to latest standard.
- \* Implemented cell phone signal boost system out at Wastewater.
- \* Worked with the Finance, the City, and consultants toward a new ERP system.
- \* Redesigned Call Handler for Finance to include option for Spanish speakers.
- \* Complete AZDPS technology audit for the Police Department.
- \* Negotiated a new lower cost 3-year communications contract with Optimum.

### FY 2025 Objectives

Overall City Value - Good Governance:

- \* Implement a call handler for Community Development.
- \* Migrate from dialing 9 to 7 to dial out preventing accidental 911 calls.
- \* Implement TraCS for the Police Department.
- \* Continue to work toward consolidating the Uptown parking garage, transit center, Uptown cameras, and possibly the Police Department's substation into one localized wide area network (WAN) to be connected back to the City Complex, potentially saving tens of thousands of dollars over the next few years alone.
- \* Implement warm failover site at Brewer Road location for Disaster Recover/Business Continuity Plans.
- \* Continue working with citywide broadband options.
- \* Continue to work with the Finance, the City, and consultants toward a new ERP system.
- \* Research and implement a new body worn camera system for the Police Department.

**INFORMATION TECHNOLOGY – Information Technology Services**  
continued

<b>WORKLOAD INDICATORS</b>	<b>Benchmark</b>	<b>FY25 Projection</b>	<b>FY24 Projection</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
Inventory total count (devices needing yearly verification, used to track and for indirect cost allocations)		1,300	1,242	1,242	N/A	N/A
Unique systems (unique technologies)		600	600	600	597	543
Supported network devices (total major devices IE switches/firewalls)		125	120	120	120	103
End points served (ICMA Benchmark 2017-2022)	19,007 (all) / 2,160 (cities under 30,000 pop.)	400	400	375	389	383
Number of facilities with full networking systems		11	13	9	9	10
SQL databases/total size		80/460GB	80/600GB	53/455GB	80/582GB	80/582GB
Help Desk requests per end point (ICMA Benchmark 2017-2022)	6.7 (all) / 9.8 (cities under 30,000 pop.)	12	12	11	10	10
Help Desk requests received		4,000	4,700	3,900	3,716	3,910
Help Desk requests percentage fielded by Engineers		25%	34%	25%	26%	31%

**Overall City Value - Good Governance:**

<b>PERFORMANCE MEASURES</b>	<b>Benchmark</b>	<b>FY25 Target</b>	<b>FY24 Target</b>	<b>FY24 Estimate</b>	<b>FY23 Actual</b>	<b>FY22 Actual</b>
% of Help Desk requests resolved within 4 Hours (ICMA Benchmark 2017-2022)	64% (all) / 72% (cities under 30,000 pop.)	80%	80%	83%	81.1%	81.4%
IT expenditures per end point served (ICMA Benchmark 2017-2022)	\$3,347 (all) / \$2,705 (cities under 30,000 pop.)	\$6,058	\$4,914	\$5,295	\$3,955	\$3,794
IT expenditures per FTE		\$12,897	\$10,999	\$10,917	\$8,668	\$9,961



# **Capital Improvement Program**

## CAPITAL IMPROVEMENT PROGRAM OVERVIEW

### Introduction

Providing infrastructure is a primary function of a local government. Maintaining public safety, city services, parks and recreation facilities, adequate transportation systems, and the community's quality of life are all heavily dependent on how the City plans for future infrastructure needs.

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*Providing infrastructure is a primary function of a local government.*

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*CIP identifies and balances capital needs within fiscal capabilities and limitations.*

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The Capital Improvement Program (CIP) is a comprehensive multi-year plan of proposed capital projects that will support the continued growth and development of the City. 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, like capital outlay items, and 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 funding source is the City's "capital reserves." The reserve funds identified represent existing available funds that were accumulated over time when revenues exceeded expenditures, in order to fund major capital expenditures. However, projects could be simultaneously funded from general operating funds, impact fees, grants, intergovernmental funding, and/or bond funds or other debt financing.

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*"Capital reserves," accumulated over time, are a major funding source for projects.*

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*First year of CIP is appropriated. First 3 years of CIP are funded.*

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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 projects reflected in the second and third years of the Plan reflect projects the City believes it has the financial ability to fund within that time frame. The remaining seven years of the Plan reflect projects that are important to the community, but their inclusion in the Plan does not necessarily mean that the City has or will have the requisite funding to complete them.

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
- The potential for future project funding
- Ongoing operational requirements

The CIP is a dynamic process, with anticipated projects being changed, added, and deleted from the plan as the ten-year timeline moves forward.

## CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

### Capital Projects

The purpose of the Capital Improvement Program (CIP) is to systematically identify, plan, schedule, finance, track, and monitor capital projects. Capital outlays of more than \$100,000 are included in the CIP, rather than the operating budget. Items under \$100,000, or items that involve operation and maintenance, will be included in the operating budget in the appropriate line-item category.

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 one-time outlays, which are non-recurring in nature.
- Must have a total cost greater than \$100,000 and a useful life of more than three years.
- Must add to, enhance the value of, or extend the life of the City's physical assets.
- Can include studies that may lead to activities fitting within this definition of a capital project.

The Fiscal Years 2025-2034 Capital Improvement Program provides an implementation schedule for each of the capital improvements that provides for:

- Coordination and timing of project construction/acquisition amongst other competing needs
- Estimate of each project's costs
- Anticipated sources of revenue for financing the project
- Estimate of the impact of each project on City revenues and ongoing operating budgets

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*No project will be funded unless operating impacts are assessed, and funding is available.*

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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.

## CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

### Capital Projects (cont'd)

This capital plan attempts to meet the highest priority needs of the community. It will 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 Fiscal Years 2025-2034 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 individual projects anticipated within the first three years of the program follow the summary sheet.

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*Project detail sheets are included for those projects anticipated within the first 3 years of the program.*

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The broad service area categories included in the Capital Improvement Program are:

- Arts & Culture
- Information Technology
- Municipal Court
- Parks & Recreation
- Police
- Public Transit
- Public Works
- Sedona in Motion
- Storm Drainage
- Streets & Transportation
- Sustainability
- Wastewater

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*FY 2025 CIP budget is \$48,332,060.*

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The first year of the CIP is included in the current fiscal year budget. The total fiscal year 2024-25 CIP budget amount is \$48,332,060 and includes funding for the Art in Public Places Fund of \$42,900. The 10-year CIP total is \$220,533,880, with \$47,414,410 of projects with no funding identified. See the Funding the Capital Improvement Plan section of this overview for further discussion of funding.

### 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, Streets Fund, Public Transit 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 2024-25 is the eighth year since these reserves were established. 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. See the Budget Summary – Internal Charges section for further discussion.

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*Capital equipment under \$100,000 and streets maintenance costs funded by HURF are not included in the CIP.*

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## CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

### Capital Outlay in the Operating Budget (cont'd)

Outside of the CIP, the City also funds a streets maintenance plan for pavement preservation and streets rehabilitation within the City, accounted for in the Streets Fund. 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. 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 the following:

- Sedona Community Plan
- City Council Priorities
- Prior year capital budgets and requests
- Development Impact Fee Study
- Parking Management Plan
- Parks and Recreation Master Plan
- Storm Drainage Master Plan
- Transportation Master Plan
- Transit System Study
- Wastewater 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 as the priorities and needs of the community change, the ongoing infrastructure needs and project priorities must continue to be assessed.



Project managers were instructed to rank projects using the following definitions:

- Priority I: IMPERATIVE (Must-Do) – Projects that cannot reasonably be postponed in order to avoid harmful or otherwise undesirable consequences.
  - Corrects a condition dangerous to public health or safety
  - Satisfies a legal obligation
  - Alleviates an emergency service disruption or deficiency
  - Prevents irreparable damage to a valuable public facility
  - If the project can be delayed, it is most likely not Priority I.
- Priority II: ESSENTIAL (Should-Do) – Projects that address clearly demonstrated needs or objectives.
  - Rehabilitates or replaces an obsolete public facility or attachment thereto
  - Reduces energy consumption or supports the goals of the Climate Action Plan
  - Maintains existing natural resources, mitigates impacts of high tourism, or supports the goals of the Sustainable Tourism Plan
  - Reduces future operating and maintenance costs
  - Leverages available state or federal funding or other restricted funding with near-term expirations



# CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

## Capital Improvement Program Development Process (cont'd)

- Priority III: IMPORTANT (Could-Do) – Projects that benefit the community but may be delayed without detrimental effects to basic services.
  - Provides a new or expanded level of service
  - Stimulates economic growth and private capital investment
  - Promotes intergovernmental cooperation
  - Enhances cultural or natural resources
  
- Priority IV: DESIRABLE (Other Year) – Desirable projects that are not included within 3-year funded time frame because of funding and/or staffing limitations

## CIP Committee

The annual Capital Improvement Plan process begins at the staff level with the CIP Committee.

### CIP STAFF COMMITTEE

Karen Osburn, City Manager (retired) Kurtis Harris, Public Works Director/City Engineer Sandra Phillips, Assistant Director of Public Works Renee Stanely, Accounting Manager Charles Hardy, Information Technology Manager Robert Weber, Transit Administrator Josh Frewin, Parks & Recreation Manager Shannon Boone, Housing Manager James Crowley, Associate Engineer Johnathan Hoffman, Assistant Engineer	Anette Spickard, City Manager J. Andy Dickey, Deputy City Manager Roxanne Holland, Wastewater Director Steve Mertes, Community Development Director Stephanie Foley, Chief of Police Sterling West, Budget & Finance Analyst Bryce Beck, Sustainability Manager Robert Welch, Associate Engineer Hanako Ueda, Assistant Engineer Larry Farhat, Facilities Maintenance Supervisor
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To start the process, a CIP kickoff meeting was held with the City staff committee members in December 2023, 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 for feedback and input, including available and appropriate funding sources, in January 2024. The public City Council Work Sessions were held on April 17 and April 18, 2024.

## Council Action

The final CIP document was adopted by City Council in June 2024 as part of the fiscal year 2024-25 budget.

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 CIP budget for which Council approval authorizes expenditures, with years two and three reflecting what the City believes it has funding to complete and the remaining years reflecting the City's conceptual plan for improvements but no relative certainty regarding funding availability.

## CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

### Sedona in Motion

The largest CIP category, Sedona in Motion (SIM), reflects the projects from the Transportation Master Plan and are intended to help alleviate traffic congestion largely related to tourism. The half-cent sales tax dedicated to transportation projects and related administrative and operational costs is the primary funding source for these projects. While the tax was set to sunset after 10 years, in November 2021, the City Council removed the sunset in anticipation of the need to cover the portion of operational costs of the public transit system not paid by expected federal grant funding.

### 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
- Identifying possible funding shortfalls in order to reprioritize projects or recommend new sources of revenue (typically fees or taxes)

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. Unrestricted sources are those that can be used for a variety of projects as needed and include the capital reserves/surplus balances (accumulated savings). Restricted sources are sources that must be used for specific projects and include:

- 1% for Arts monies
- City sales taxes dedicated to transportation
- Community Facilities Districts' monies
- Debt financing
- Development impact fees
- Grants and other outside participation
- Paid parking revenue
- Wastewater Fund revenues

The anticipated funding sources serve as a plan for staff to use in order to schedule and move forward with projects. If a project shows anticipated grant funding, staff will need to aggressively pursue that funding to move that project forward in a timely manner. If grant funding is not achieved, the project may not move forward, or other projects will have to be delayed in order to fund the entire project from City revenue.

## CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

### Funding the Capital Improvement Plan (cont'd)

The 10-year CIP includes \$22 million of unfunded projects after Year 3. Projects are planned based on funding availability, with a focus on the first 3 years of the plan. If funding is not available at the time originally programmed, projects are typically delayed until reserves/fund balances have been accumulated to cover the costs. While the City Council's preference has been pay-as-you-go funding, debt financing will be considered for certain priority projects.

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*Unfunded projects after Year 3 may be delayed until adequate funding is available.*

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A brief description of each revenue/funding source follows.

- 1% for Arts Monies:** In 1992, the City Council adopted a resolution requiring 1% of all capital projects budgets to be designated for art in public places. To comply with this requirement for City projects, the City transfers capital reserve funding to the Art in Public Places Fund in the amount required. In addition, developers can choose to include public art in their development projects or contribute to the City's Art in Public Places Fund based on a per square foot investment calculation.<sup>1</sup>
- City Sales Taxes Dedicated to Transportation:** Effective March 1, 2018, the City Council approved a half-cent sales tax increase dedicated to transportation projects and related administrative and operational costs.
- Community Facilities Districts' (CFDs) Monies:** Within the City's jurisdictional boundaries, there are two separate legal entities set up to collect and spend payments received 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 entities and are not part of the City's budget.
- Debt Financing:** The proceeds of bond issuances would be used to cover the costs of certain capital improvement projects. The bonds would be repaid over a period of several years in accordance with a debt retirement schedule identified in the bond covenants.

As of June 30, 2024, there is approximately \$17.9 million of the Series 2022 Bond proceeds remaining. The Series 2022 Bonds were issued to pay for a portion of project costs within the Transportation Master Plan. The 10-year CIP also assumes additional bonds would be issued for the Uptown parking garage and the future implementation of a full transit system.

- 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, Donations, and Other Participation:** Funds may be contributed by another governmental unit, organization, or other interested party to support a particular function or project.

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<sup>1</sup> For fiscal year 2024-25, the required investment for developers is \$0.6470 per square foot.

## CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

### Funding the Capital Improvement Plan (cont'd)

- **Wastewater Revenues:** User fees and capacity fees are collected and used to pay the current wastewater debt, operation, and capital improvements for the wastewater system. Wastewater revenues also include a portion 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/Surplus Funds:** The amount of assets in excess of liabilities, appropriations for expenditures, and required reserve balances is designated as surplus funds. Both the General Fund and Wastewater Enterprise Fund balances are in excess of existing reserve 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.

### Significant FY 2025 Capital Projects

The fiscal year 2024-25 CIP includes 42 separate capital projects. Some of the more significant projects include the following:

#### *Parks & Recreation*

- **PR-03C/B Build-Out of Ranger Station Park (\$1.8 million in FY 2025, \$3.4 million total):** The City Council identified the acceleration of the Ranger Station Park completion as a priority. In 2014, the City acquired approximately 3.5 acres of former Forest Service property with a historic ranger station and barn. Restoration of these structures is expected to create event rental space, in addition to other park amenities. This project includes design and construction of the park amenities, including a playground, landscaping and lawn areas, restrooms, and a parking lot. This multi-year project that began in fiscal year 2021-22, and estimated completion is September 2024.
- **PR-09 Pickleball Courts at Posse Grounds Park (\$1.2 million in FY 2025, \$1.6 million total):** Due to community interest, the City Council identified the construction of pickleball courts as a priority. Eight pickleball courts with lighting are planned, including installation of benches, drinking/refilling water station, chain-link fencing and gates, sport court lighting system with timer, waste receptacles, and parking. This is a multi-year project that began in fiscal year 2022-23, and estimated completion is June 2025.

#### *Sedona in Motion*

- **SIM-01b Uptown Northbound Improvements (\$250,000 in FY 2025, \$4.8 million total):** One of the significant areas identified in the Transportation Master Plan roadway improvements in through Uptown. This project is necessary to alleviate northbound congestion that often spills back to the "Y" roundabout and creates further congestion for northbound State Route (SR) 179, and northbound SR 89A coming down Cook's Hill. The project includes design and construction for continuation of two northbound lanes beyond Forest Road and merging at the Jordan Road roundabout, while converting an existing loading zone north of the Jordan Road roundabout into a dedicated right-turn lane at Amara Lane. Pedestrian movement will be enhanced by the addition of a shared-use path and History Walk to be diverted from the highway with an adjacent sitting wall. This is a multi-year project that began in fiscal year 2020-21, and estimated completion is June 2025.

## CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

### Significant FY 2025 Capital Projects (cont'd)

- SIM-03a Uptown Parking Garage (\$13.9 million in FY 2025, \$24.6 million total):** The Transportation Master Plan recommended increasing the supply of parking facilities centered within the Uptown area. The project includes design and construction of a parking structure on property purchased by the City on Forest Road. This is a multi-year project that began in fiscal year 2019-20 and was placed on hold in October 2022 for a new parking study/analysis to address concerns raised by some members of the community. The project received council approval, and is estimated to be completed by October 2025.
- SIM-04c Pedestrian Crossing at Oak Creek (\$300,000 in FY 2025, \$5.9 million total):** The City Council identified this project as a high priority in the Transportation Master Plan. The project includes continued construction of a north-south pedestrian crossing of SR 179 at Oak Creek near the Tlaquepaque Arts & Crafts Village corridor. The pedestrian crossing will be a multi-use pathway proposed along the west embankment of Oak Creek and passing beneath the SR 179 bridge over Oak Creek to connect with existing sidewalks along SR 179 on each side. This is a multi-year project that began in fiscal year 2018-19, and estimated completion is October 2025.
- SIM-05b Forest Road Connection (\$8.2 million in FY 2025, \$16.9 million total):** The City Council identified this project as a high priority in the Transportation Master Plan. The project includes continued construction of a new roadway to extend Forest Road from its current terminus to intersect with SR 89A to allow for an alternate route out of the Uptown area. This is a multi-year project that began in fiscal year 2017-18, and estimated completion is May 2025.
- SIM-05d Ranger Road/Brewer Road Intersection Improvements & Ranger Road Extension (\$2.6 million in FY 2025, \$6.2 million total):** The project includes construction to improve the existing Ranger Road/Brewer Road intersection and an extension of Ranger Road to the proposed Transit Hub location. This is a multi-year project that began in fiscal year 2021-22, and estimated completion is June 2025.

### Wastewater

- WW-01F Major Lift Station Upgrades (\$3.5 million in FY 2025, \$6.9 million total):** The last upgrade to the three major lift stations included in this project was completed in 2008. This project will upgrade the obsolete controls allowing for efficient and reliable automation, and wet well coatings will be refreshed. In addition, pumps, variable frequency drives, flow meters, and transfer switches will be replaced. This is a multi-year project that began in fiscal year 2020-21, and estimated completion is August 2025.

### Flexibility of Project Programming & Assumed Project Carryovers

While CIP projects programmed for fiscal year 2024-25 were considered the priority projects, some of these projects are still somewhat speculative and require additional vetting and/or outreach. Since some projects may stall, the City Council granted authority for projects programmed in later fiscal years to be moved forward as a replacement of a stalled fiscal year 2024-25 project. Projects would move forward based on priority and feasibility of forward progress.

# CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

## Flexibility of Project Programming & Assumed Project Carryovers (cont'd)

With the uncertainties of which projects will move forward in fiscal year 2024-25 and in order to present a more reasonable estimate of CIP expenditures, generalized adjustments to the CIP have been included as an estimate of project carryovers to the following year. The adjustments were based on an estimation of the maximum workload capacity of project managers each year. The following table summarizes the carryovers included in the plan.

### 10-YEAR CAPITAL IMPROVEMENT PLAN

(In Thousands)

	Projects Proposed	Estimated Net Carryover to Following Year <sup>2</sup>	Proposed Budget
FY 2025	\$ 69,256	\$(20,924)	\$ 48,332
FY 2026	91,509	(65,338)	26,171
FY 2027	12,629	28,164	40,793
Future Years	21,057	84,181	105,238
<b>Grand Totals</b>	<b>\$194,451</b>	<b>\$26,083</b>	<b>\$220,534</b>

## Impact on the Operating Budget

The City’s operating budget is directly affected by the CIP. When certain types of capital projects are developed and completed, they also have ongoing financial impacts. For example, if the City were to construct a new park or ballfield, the operating budget would increase to include capacity for any new staff, equipment, utilities, supplies, etc. that would be necessary to maintain and operate the new facility.

In the Fiscal Years 2025-2034 Capital Improvement Program, the individual projects include an estimated future operating budget impact if it is possible to identify the cost at this time in the project’s lifecycle. The City carefully considers these operating costs when deciding which projects move forward in the CIP.

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Added operating costs are considered when deciding which CIP project will move forward.

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<sup>2</sup> Estimations of project balances not completed as of year-end and carried over to the following fiscal year were entered as offsets to the budget totals. Each year during the budget process, projects are reevaluated so the projects proposed, and carryovers estimated may shift between years beyond the proposed budget year.

# CAPITAL IMPROVEMENT PROGRAM OVERVIEW

continued

## Impact on the Operating Budget (cont'd)

The following table summarizes the projected annual impact of the fiscal year 2024-25 CIP on the City's operating budget:

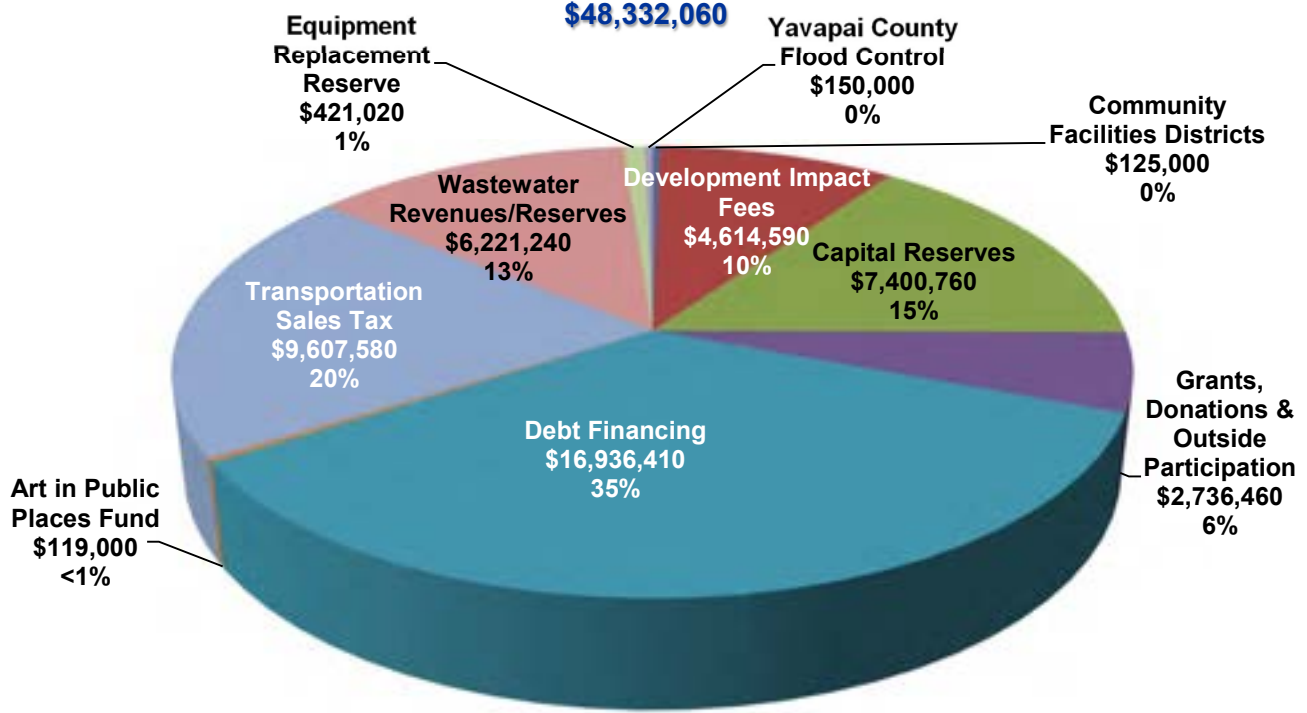
### FY 2025 CIP IMPACTS ON OPERATING BUDGET

FY 2025 Projects	Operating Impact	Projected Annual Amount
AH-02 - Safe Place to Park	Utilities, janitorial, and maintenance.	\$ 366,020
PR-03B - Improvements at Ranger Station / Interior Restoration of House and Barn	Event planning, parks maintenance, utilities, and commodities.	15,000
PR-03C - Build-Out of Ranger Station Park	Event planning, parks maintenance, utilities, and commodities.	38,000
PW-01 - Uptown Enhancements	Maintenance of new bathrooms, sidewalks/paths, and new lighting.	5,000
SIM-02 - Uptown Pedestrian Improvements (ESP)	Bridge structure maintenance (deck, paint, elevator etc.).	5,000
SIM-03a - Uptown Parking Garage	Debt service payment.	760,000
SIM-04a - Schnebly Hill Roundabout Expansion	Crack sealing, fog seal, pavement markings, drainage, signs.	5,000
SIM-04b - SR 179 Lane Expansion from Schnebly Hill Roundabout to Y	Crack sealing, fog seal, pavement markings, drainage, signs.	5,000
SIM-05b - Forest Road Connection	Debt service payment.	799,450
SUS-05 - Streetlights LED Retrofit (ESP)	Reduction in maintenance and operations costs.	(7,000)
<b>Total</b>		<b>1,991,470</b>

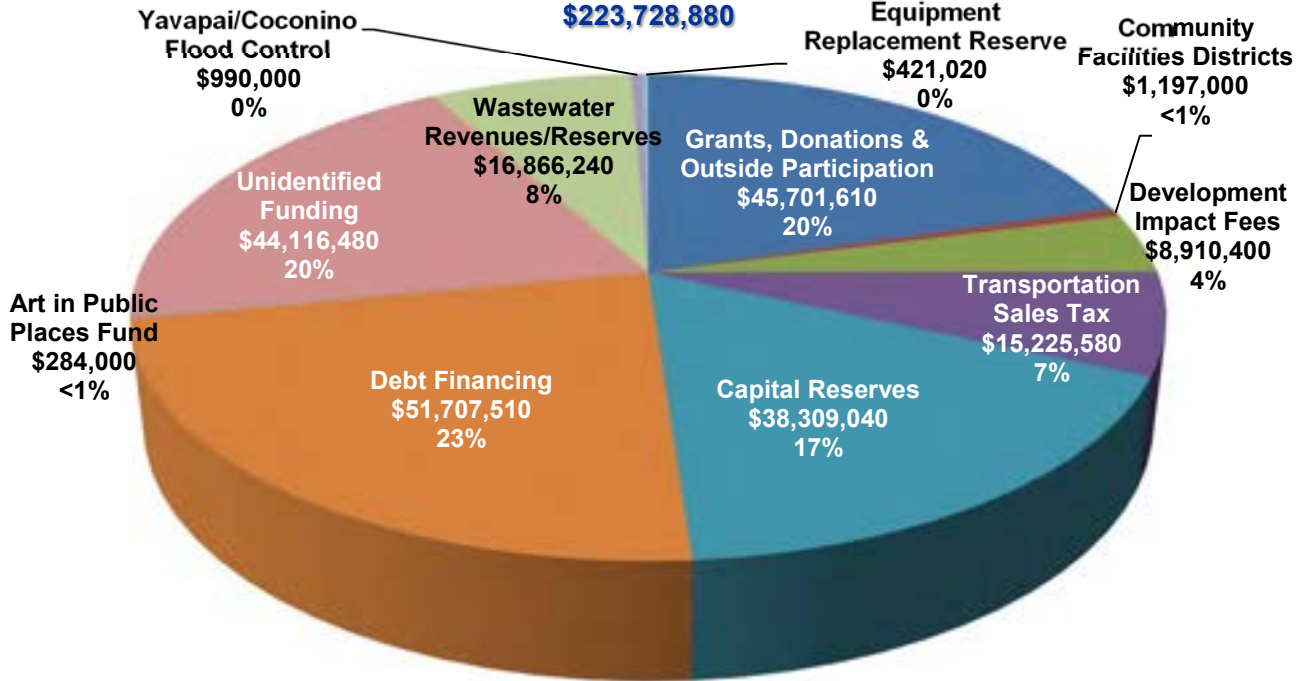
*Note: This list represents projects that were approved for funding in fiscal year 2024-25 that have a quantifiable impact on the City's operating budget. For a complete list of funded projects, see the Summary of Capital Projects section.*

# SUMMARY OF CAPITAL PROJECTS

## FY 2025 CAPITAL IMPROVEMENT PROJECTS BY FUNDING SOURCE



## FYs 2025-2034 CAPITAL IMPROVEMENT PROJECTS BY FUNDING SOURCE

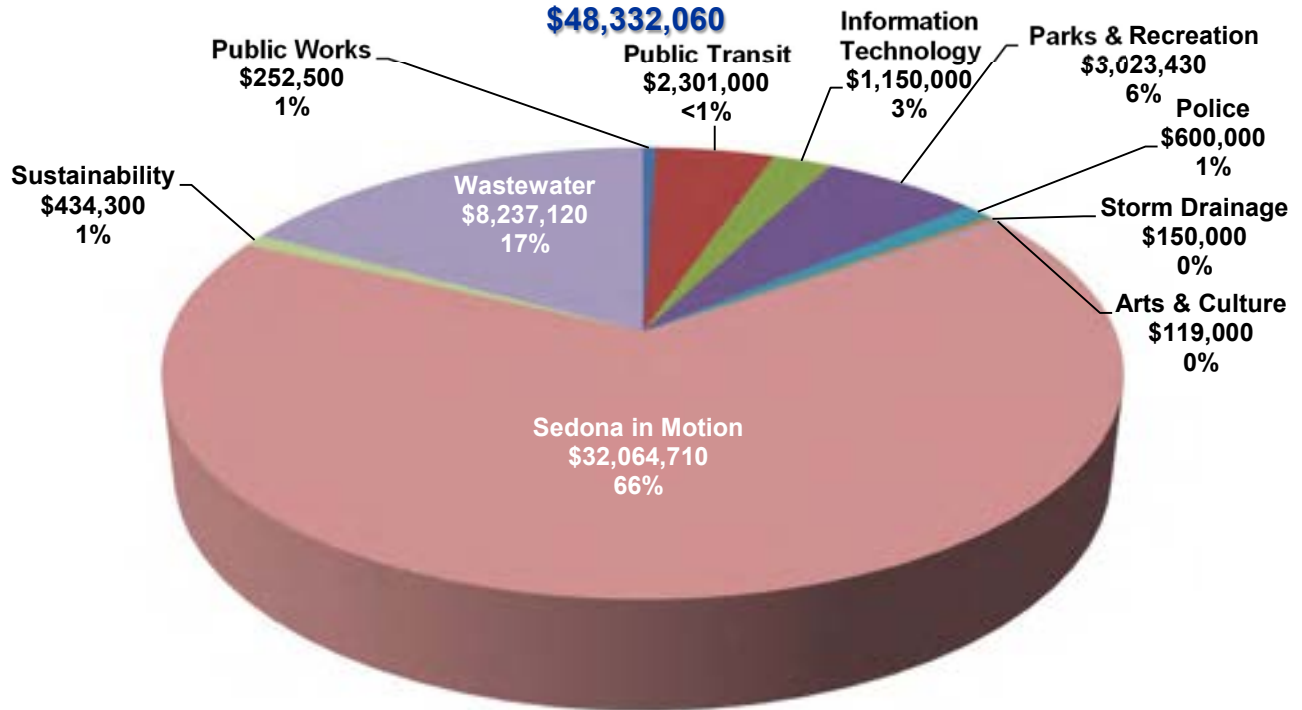




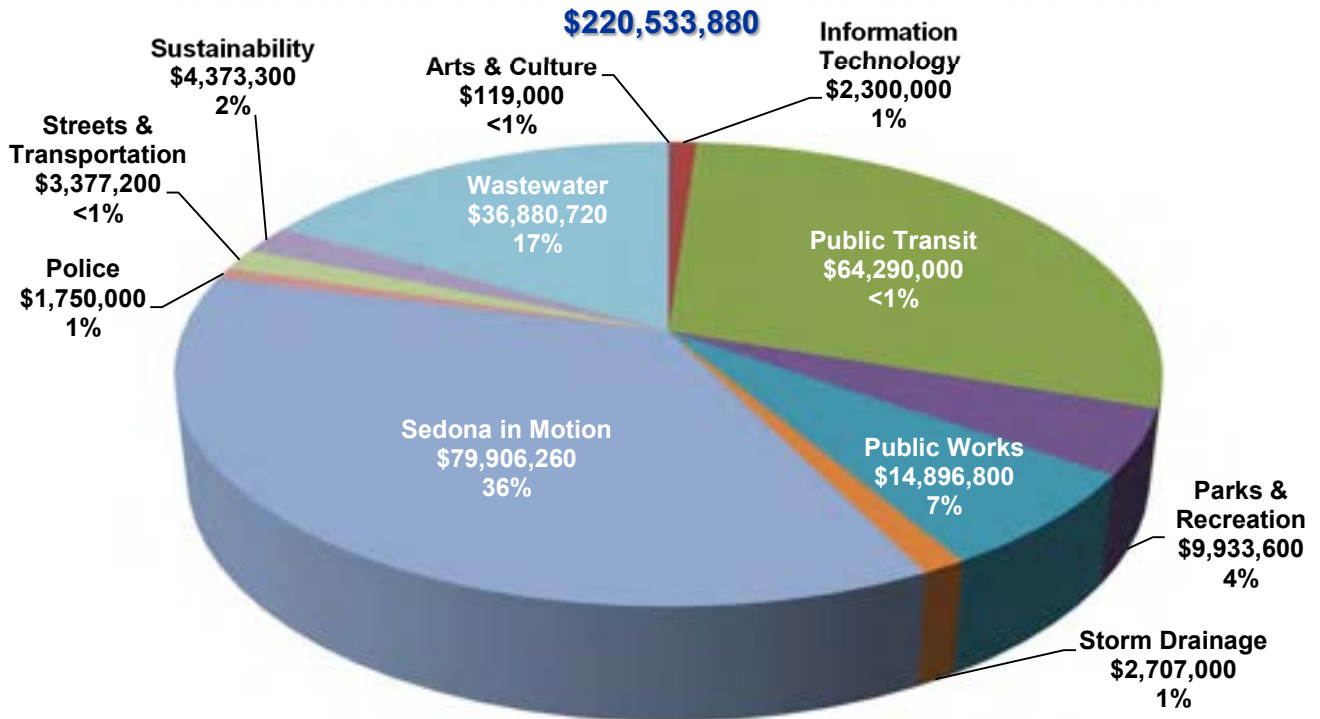
# SUMMARY OF CAPITAL PROJECTS

continued

## FY 2025 CAPITAL IMPROVEMENT PROJECTS BY CATEGORY



## FYs 2025-2034 CAPITAL IMPROVEMENT PROJECTS BY CATEGORY



**SUMMARY OF CAPITAL PROJECTS**

continued

**FY 2025 - FY 2034 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	Priority	Project #	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Totals (excluding Prior Years Estimate)
<b>AC - Arts &amp; Culture</b>									
Art in the Roundabouts	Restricted	Important (Could-Do)	AC-02	\$248,675	\$119,000	\$0	\$0	\$0	\$119,000
<b>IT - Information Technology</b>									
Citywide Business Software	Capital Reserves	Imperative (Must-Do)	IT-01	\$50,000	\$1,150,000	\$1,150,000	\$0	\$0	\$2,300,000
<b>PR - Parks &amp; Recreation</b>									
Concession Stand/Restrooms Building - Renovation and Redesign	Restricted	Important (Could-Do)	PR-01	\$0	\$0	\$0	\$90,000	\$982,000	\$1,072,000
Improvements at Ranger Station / Interior Restoration of House and Barn	Restricted & Capital Reserves	Important (Could-Do)	PR-03B	\$94,166	\$1,063,660	\$0	\$0	\$0	\$1,063,660
Build-Out of Ranger Station Park	Restricted & Capital Reserves	Essential (Should-Do)	PR-03C	\$1,542,652	\$754,770	\$0	\$0	\$0	\$754,770
Posse Grounds Park Pickleball Courts	Restricted	Essential (Should-Do)	PR-09	\$394,085	\$1,205,000	\$0	\$0	\$0	\$1,205,000
Creekside Preservation/Walking Path (ESP)	Restricted & Capital Reserves	Important (Could-Do)	PR-10	\$0	\$0	\$0	\$0	\$5,553,170	\$5,553,170
Sunset Park Playground Structure	Capital Reserves	Important (Could-Do)	PR-11	\$0	\$0	\$285,000	\$0	\$0	\$285,000
<b>PR - Parks &amp; Recreation Subtotal</b>				<b>\$2,030,903</b>	<b>\$3,023,430</b>	<b>\$285,000</b>	<b>\$90,000</b>	<b>\$6,535,170</b>	<b>\$9,933,600</b>
<b>PD - Police</b>									
Radio Infrastructure	Capital Reserves	Imperative (Must-Do)	PD-02	\$286,755	\$100,000	\$150,000	\$500,000	\$0	\$750,000
Body-Worn Camera Upgrade	Capital Reserves	Imperative (Must-Do)	PD-07	\$0	\$500,000	\$125,000	\$125,000	\$250,000	\$1,000,000
<b>PD - Police Subtotal</b>				<b>\$286,755</b>	<b>\$600,000</b>	<b>\$275,000</b>	<b>\$625,000</b>	<b>\$250,000</b>	<b>\$1,750,000</b>
<b>PT - Public Transit (SIM subcategory)</b>									
Transit Maintenance/Operations Center (ESP)	Restricted	Essential (Should-Do)	PT-01	\$286,576	\$520,000	\$600,000	\$10,090,000	\$13,860,000	\$25,070,000
Transit RIDE Exchange (ESP)	Restricted	Essential (Should-Do)	PT-02	\$1,057,881	\$0	\$0	\$0	\$3,430,000	\$3,430,000
Transit Bus Acquisition - Grant-Funded (ESP)	Restricted	Essential (Should-Do)	PT-03	\$417,500	\$236,000	\$0	\$829,000	\$5,700,000	\$6,765,000
Bus Stop Improvements (ESP)	Restricted	Essential (Should-Do)	PT-04	\$14,927	\$75,000	\$225,000	\$175,000	\$400,000	\$875,000
The Y Property Development (ESP)	Restricted	Essential (Should-Do)	PT-04a	\$194,500	\$20,000	\$0	\$0	\$330,000	\$350,000
North SR 179 Park and Ride (ESP)	Restricted	Essential (Should-Do)	PT-04b	\$1,918,524	\$1,350,000	\$0	\$0	\$0	\$1,350,000
West Sedona Intercept Lot (ESP)	Unidentified	Essential (Should-Do)	PT-05	\$2,338,822	\$0	\$0	\$0	<i>\$2,700,000</i>	\$20,700,000
South SR 179 Park and Ride (ESP)	Restricted	Essential (Should-Do)	PT-06	\$0	\$0	\$0	\$0	\$300,000	\$300,000
Intersection Improvements - 7500 West SR 89A	Restricted & Capital Reserves	Essential (Should-Do)	PT-08	\$0	\$100,000	\$300,000	\$5,050,000	\$0	\$5,450,000
<b>PT - Public Transit (SIM subcategory) Subtotal</b>				<b>\$6,228,730</b>	<b>\$2,301,000</b>	<b>\$1,125,000</b>	<b>\$16,144,000</b>	<b>\$24,020,000</b>	<b>\$43,590,000</b>
<b>Projects Not Funded</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,700,000</b>	<b>\$20,700,000</b>
<b>PW - Public Works</b>									
Uptown Enhancements	Restricted & Unidentified	Important (Could-Do)	PW-01	\$195,856	\$0	\$0	\$0	<i>\$645,000</i>	\$645,000
Facilities Study	Capital Reserves	Desirable (Other Year)	PW-04	\$0	\$0	\$0	\$0	\$50,000	\$50,000
Real Estate/Land Acquisition	Unidentified	Essential (Should-Do)	PW-05	\$20,017,663	\$0	\$0	\$0	<i>\$8,000,000</i>	\$8,000,000
City Hall Window and Door Replacement (ESP)	Capital Reserves	Important (Could-Do)	PW-06	\$0	\$252,500	\$252,500	\$454,500	\$454,500	\$1,414,000
Cultural Park Improvements	Capital Reserves	Important (Could-Do)	PW-08	\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$4,000,000
Solar PV and Battery Storage at City Hall and Contractors Road (Decarbonization) (ESP)	Capital Reserves	Essential (Should-Do)	PW-09	\$0	\$0	\$181,800	\$303,000	\$303,000	\$787,800
<b>PW - Public Works Subtotal</b>				<b>\$20,213,519</b>	<b>\$252,500</b>	<b>\$434,300</b>	<b>\$2,757,500</b>	<b>\$2,807,500</b>	<b>\$6,251,800</b>
<b>Projects Not Funded</b>								<b>\$8,645,000</b>	<b>\$8,645,000</b>

ESP = Environmental Sustainability Project

**SUMMARY OF CAPITAL PROJECTS**

continued

**FY 2025 - FY 2034 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	Priority	Project #	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Totals (excluding Prior Years Estimate)
<b>SIM - Sedona in Motion</b>									
Uptown Northbound Improvements (ESP)	Restricted	Essential (Should-Do)	SIM-01b	\$4,814,667	\$250,000	\$0	\$0	\$0	\$250,000
Uptown Pedestrian Improvements (ESP)	Restricted & Unidentified	Desirable (Other Year)	SIM-02	\$0	\$0	\$0	\$0	<i>\$6,250,000</i>	\$6,250,000
Uptown Parking Garage	Restricted	Imperative (Must-Do)	SIM-03a	\$3,406,058	\$13,893,610	\$8,700,000	\$0	\$0	\$22,593,610
Uptown Residential Parking Improvements	Restricted	Essential (Should-Do)	SIM-03b	\$0	\$15,000	\$130,000	\$0	\$0	\$145,000
Forest Rd Improvements associated with new Parking Garage	Restricted & Capital Reserves	Essential (Should-Do)	SIM-03d	\$0	\$80,000	\$1,010,000	\$0	\$0	\$1,090,000
Parking Management System (ESP)	Restricted & Capital Reserves	Essential (Should-Do)	SIM-03e	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000
Schnebly Hill Roundabout Expansion	Unidentified	Desirable (Other Year)	SIM-04a	\$0	\$0	\$0	\$0	<i>\$5,447,990</i>	\$5,447,990
SR 179 Lane Expansion from Schnebly Hill Roundabout to Y	Unidentified	Desirable (Other Year)	SIM-04b	\$0	\$0	\$0	\$0	<i>\$111,000</i>	\$111,000
Pedestrian Crossing at Oak Creek (ESP)	Restricted & Capital Reserves	Imperative (Must-Do)	SIM-04c	\$4,844,937	\$300,000	\$1,313,000	\$0	\$0	\$1,613,000
Ranger/SR 179 Intersection Improvements (ESP)	Restricted & Capital Reserves	Essential (Should-Do)	SIM-04e	\$0	\$0	\$97,500	\$984,170	\$0	\$1,081,670
Y Roundabout Adaptive Signals	Restricted	Important (Could-Do)	SIM-04f	\$0	\$0	\$30,000	\$50,000	\$350,000	\$430,000
Portal Lane to Brewer Road Connection	Restricted & Capital Reserves	Essential (Should-Do)	SIM-05a	\$75,977	\$516,200	\$1,508,310	\$0	\$0	\$2,024,510
Forest Road Connection	Restricted	Imperative (Must-Do)	SIM-05b	\$12,787,561	\$8,215,340	\$0	\$0	\$0	\$8,215,340
Ranger Road / Brewer Road RAB Intersection & Ranger Ext Improvements (ESP)	Restricted & Capital Reserves	Imperative (Must-Do)	SIM-05d	\$974,993	\$2,594,160	\$2,755,660	\$0	\$0	\$5,349,820
Forest/Ranger/SR 89A Intersection Improvements	Restricted & Capital Reserves	Essential (Should-Do)	SIM-05e	\$325,258	\$105,000	\$0	\$4,915,000	\$0	\$5,020,000
Neighborhood Street Connections	Restricted & Unidentified	Desirable (Other Year)	SIM-06	\$0	\$0	\$0	\$0	<i>\$1,166,420</i>	\$1,166,420
West SR 89A Access Improvements and Adaptive Signal Control	Unidentified	Desirable (Other Year)	SIM-10	\$0	\$0	\$0	\$0	<i>\$3,320,000</i>	\$3,320,000
Traffic Calming and SUP - White Bear Rd to Pinon Dr (ESP)	Restricted	Essential (Should-Do)	SIM-10a	\$0	\$370,000	\$0	\$0	\$0	\$370,000
Rodeo Road to Dry Creek Road - Shared-Use Path (ESP)	Restricted	Essential (Should-Do)	SIM-11a	\$0	\$0	\$200,000	\$400,000	\$600,000	\$1,200,000
Dry Creek Road Pathway, White Bear to Two Fences (ESP)	Restricted	Essential (Should-Do)	SIM-11m	\$1,009,410	\$1,370,000	\$0	\$0	\$0	\$1,370,000
Andante Shared-Use Path and Drainage Improvements (ESP)	Restricted & Capital Reserves	Essential (Should-Do)	SIM-11n	\$185,547	\$1,545,400	\$1,515,000	\$0	\$0	\$3,060,400
Brewer Road Shared-Use Path (ESP)	Restricted	Important (Could-Do)	SIM-11p	\$167,190	\$750,000	\$200,000	\$0	\$0	\$950,000
Shelby II Shared-Use Path (ESP)	Restricted	Essential (Should-Do)	SIM-11q	\$100,000	\$675,000	\$725,000	\$0	\$0	\$1,400,000
Rodeo Shared-Use Path (ESP)	Restricted	Essential (Should-Do)	SIM-11r	\$0	\$0	\$70,000	\$300,000	\$0	\$370,000
Little Horse Shared-Use Path (ESP)	Restricted	Important (Could-Do)	SIM-11s	\$0	\$115,000	\$0	\$0	\$0	\$115,000
Coffee Pot Shared-Use Path (ESP)	Restricted	Essential (Should-Do)	SIM-11t	\$0	\$100,000	\$600,000	\$0	\$0	\$700,000
Navoti Dr to Upper Red Rock Loop Rd Shared-Use Path (ESP)	Restricted & Capital Reserves	Essential (Should-Do)	SIM-11v	\$0	\$120,000	\$808,000	\$707,000	\$0	\$1,635,000
Tranquil-Madole Shared-Use Path (ESP)	Restricted & Capital Reserves	Important (Could-Do)	SIM-11w	\$0	\$0	\$120,000	\$707,000	\$0	\$827,000
Zane Grey Shared-Use Path (ESP)	Restricted & Capital Reserves	Important (Could-Do)	SIM-11x	\$0	\$0	\$75,000	\$606,000	\$0	\$681,000
Thunder Mountain II Shared-Use Path (ESP)	Restricted	Important (Could-Do)	SIM-11y	\$0	\$0	\$0	\$150,000	\$800,000	\$950,000
Gun Fury Shared-Use Path (ESP)	Restricted & Capital Reserves	Essential (Should-Do)	SIM-11z	\$0	\$0	\$100,000	\$707,000	\$0	\$807,000
Travel Information System	Restricted & Unidentified	Important (Could-Do)	SIM-12a	\$99,301	\$0	\$0	\$0	<i>\$312,500</i>	\$312,500
Traffic Video Cameras	Restricted	Important (Could-Do)	SIM-12b	\$71,492	\$50,000	\$0	\$0	\$0	\$50,000
<b>SIM - Sedona in Motion Subtotal (excluding projects not funded)</b>				<b>\$28,862,391</b>	<b>\$32,064,710</b>	<b>\$19,957,470</b>	<b>\$9,526,170</b>	<b>\$1,750,000</b>	<b>\$63,298,350</b>
<b>Projects Not Funded</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,607,910</b>	<b>\$16,607,910</b>

ESP = Environmental Sustainability Project

**SUMMARY OF CAPITAL PROJECTS**

continued

**FY 2025 - FY 2034 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	Priority	Project #	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Totals (excluding Prior Years Estimate)
<b>SD - Storm Drainage</b>									
View Drive Area Drainage Improvements (Yavapai County) (ESP)	Restricted & Capital Reserves	Important (Could-Do)	SD-04	\$0	\$0	\$0	\$150,000	\$1,461,500	\$1,611,500
Saddlerock Area Drainage Improvements (Yavapai County) (ESP)	Restricted & Capital Reserves	Important (Could-Do)	SD-05	\$0	\$150,000	\$503,500	\$0	\$0	\$653,500
Mystic Hills Lift Station Access Improvements (Coconino County) (ESP)	Restricted & Capital Reserves	Important (Could-Do)	SD-08	\$0	\$0	\$40,000	\$402,000	\$0	\$442,000
<b>SD - Storm Drainage Subtotal (excluding projects not funded)</b>				<b>\$0</b>	<b>\$150,000</b>	<b>\$543,500</b>	<b>\$552,000</b>	<b>\$0</b>	<b>\$1,245,500</b>
<b>Projects Not Funded</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,461,500</b>	<b>\$1,461,500</b>
<b>ST - Streets &amp; Transportation</b>									
Back O' Beyond Road & Trailhead Safety Improvements	Restricted & Capital Reserves	Essential (Should-Do)	ST-07	\$0	\$0	\$121,200	\$3,006,000	\$0	\$3,127,200
Citywide Safety Analysis Corridor Studies	Restricted & Capital Reserves	Essential (Should-Do)	ST-11	\$0	\$0	\$250,000	\$0	\$0	\$250,000
<b>ST - Streets &amp; Transportation Subtotal</b>				<b>\$0</b>	<b>\$0</b>	<b>\$371,200</b>	<b>\$3,006,000</b>	<b>\$0</b>	<b>\$3,377,200</b>
<b>SUS - Sustainability</b>									
Streetlights LED Retrofit (ESP)	Capital Reserves	Essential (Should-Do)	SUS-05	\$120,000	\$80,800	\$0	\$0	\$0	\$80,800
DC Fast EV Chargers (Decarbonization) (ESP)	Capital Reserves	Essential (Should-Do)	SUS-06	\$0	\$0	\$0	\$404,000	\$0	\$404,000
Building Retrofit of Natural Gas Systems (Decarbonization) (ESP)	Capital Reserves	Essential (Should-Do)	SUS-07	\$0	\$0	\$0	\$0	\$505,000	\$505,000
Decarbonization Roadmap Projects	Capital Reserves	Essential (Should-Do)	SUS-09	\$0	\$353,500	\$757,500	\$707,000	\$1,565,500	\$3,383,500
<b>SUS - Sustainability Subtotal</b>				<b>\$120,000</b>	<b>\$434,300</b>	<b>\$757,500</b>	<b>\$1,111,000</b>	<b>\$2,070,500</b>	<b>\$4,373,300</b>
<b>Subtotal Non-Wastewater Projects (excluding projects not funded)</b>				<b>\$58,331,323</b>	<b>\$40,094,940</b>	<b>\$24,898,970</b>	<b>\$33,811,670</b>	<b>\$37,433,170</b>	<b>\$136,238,750</b>

**SUMMARY OF CAPITAL PROJECTS**

continued

**FY 2025 - FY 2034 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	Priority	Project #	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Totals (excluding Prior Years Estimate)
<b>WW - Wastewater</b>									
WW Collection System Improvements - Misc. Rehabs/Replacements (ESP)	WW Revenues	Essential (Should-Do)	WW-01D	\$240,000	\$401,000	\$0	\$0	\$0	\$401,000
WW Collection System Improvements - Future Collections Projects (ESP)	WW Revenues	Important (Could-Do)	WW-01E	\$0	\$0	\$50,000	\$500,000	\$1,360,000	\$1,910,000
WW Collection System Improvements - Major Lift Station Upgrades (ESP)	Restricted & WW Revenues	Imperative (Must-Do)	WW-01F	\$3,736,240	\$3,460,620	\$0	\$0	\$0	\$3,460,620
SCADA System Master Plan	WW Revenues	Important (Could-Do)	WW-04	\$0	\$0	\$0	\$310,000	\$0	\$310,000
WWRP Odor Control Upgrades	WW Revenues	Important (Could-Do)	WW-05	\$24,660	\$0	\$0	\$0	\$335,000	\$335,000
WWRP Recharge Wells (ESP)	WW Revenues	Essential (Should-Do)	WW-06	\$5,477,699	\$0	\$971,820	\$4,621,780	\$15,600,000	\$21,193,600
WWRP Area 4 Irrigation Improvements	WW Revenues	Important (Could-Do)	WW-06A	\$0	\$0	\$0	\$0	\$0	\$0
WWRP Reservoir Liner Replacement	WW Revenues	Important (Could-Do)	WW-07	\$0	\$0	\$0	\$0	\$0	\$0
WWRP Drying Beds Replacement (ESP)	WW Revenues	Important (Could-Do)	WW-08	\$0	\$0	\$150,000	\$1,500,000	\$0	\$1,650,000
WWRP Treatment Process Upgrades (ESP)	WW Revenues	Essential (Should-Do)	WW-09	\$219,500	\$3,515,500	\$0	\$50,000	\$1,820,000	\$5,385,500
Wastewater Master Plan Update	WW Revenues	Important (Could-Do)	WW-10	\$0	\$0	\$100,000	\$0	\$100,000	\$200,000
WWRP Paving	WW Revenues	Desirable (Other Year)	WW-11	\$0	\$0	\$0	\$0	\$420,000	\$420,000
WWRP Area 4 Pump Station Valve Upgrade	WW Revenues	Essential (Should-Do)	WW-14	\$0	\$0	\$0	\$0	\$0	\$0
WWRP Secondary Clarifier Rehabilitation (ESP)	WW Revenues	Imperative (Must-Do)	WW-16	\$0	\$310,000	\$0	\$0	\$255,000	\$565,000
WWRP Laboratory Remodel	WW Revenues	Desirable (Other Year)	WW-17	\$0	\$0	\$0	\$0	\$500,000	\$500,000
WWRP Recharge Well Filter Backwash System (ESP)	WW Revenues	Essential (Should-Do)	WW-18	\$83,000	\$300,000	\$0	\$0	\$0	\$300,000
WWRP Facility Plan	WW Revenues	Essential (Should-Do)	WW-19	\$0	\$250,000	\$0	\$0	\$0	\$250,000
<b>WW - Wastewater Subtotal</b>				<b>\$9,781,099</b>	<b>\$8,237,120</b>	<b>\$1,271,820</b>	<b>\$6,981,780</b>	<b>\$20,390,000</b>	<b>\$36,880,720</b>
<b>TOTAL ALL PROJECTS (excluding projects not funded)</b>				<b>\$68,112,422</b>	<b>\$48,332,060</b>	<b>\$26,170,790</b>	<b>\$40,793,450</b>	<b>\$57,823,170</b>	<b>\$173,119,470</b>
<b>Total Projects Not Funded</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$47,414,410</b>	<b>\$47,414,410</b>
<b>Grand Totals Funded and Unfunded</b>				<b>\$68,112,422</b>	<b>\$48,332,060</b>	<b>\$26,170,790</b>	<b>\$40,793,450</b>	<b>\$105,237,580</b>	<b>\$220,533,880</b>
<b>Funding Sources Summary</b>									
1% for Arts					\$119,000	\$0	\$115,000	\$50,000	\$284,000
Capital Reserves					\$7,400,760	\$11,503,250	\$9,914,170	\$9,490,860	\$38,309,040
Coconino County Flood Control					\$0	\$40,000	\$200,000	\$0	\$240,000
Debt Financing					\$16,936,410	\$10,127,820	\$6,135,280	\$18,508,000	\$51,707,510
Development Impact Fees - Post 7/2014					\$3,409,590	\$839,070	\$58,500	\$2,888,240	\$7,195,400
Development Impact Fees - Pre 8/2014					\$1,205,000	\$150,000	\$240,000	\$120,000	\$1,715,000
Equipment Replacement Reserve					\$421,020	\$0	\$0	\$0	\$421,020
Fairfield CFD					\$65,000	\$0	\$90,000	\$522,000	\$677,000
Grant					\$2,736,460	\$873,000	\$20,751,150	\$20,091,000	\$44,451,610
Outside Participation					\$0	\$0	\$0	\$1,250,000	\$1,250,000
Summit CFD					\$60,000	\$0	\$0	\$460,000	\$520,000
Transportation Sales Tax					\$9,607,580	\$2,187,650	\$779,350	\$2,651,000	\$15,225,580
Unidentified					\$0	\$0	\$0	\$44,116,480	\$44,116,480
Wastewater Revenues					\$6,221,240	\$3,495,000	\$2,360,000	\$4,790,000	\$16,866,240
Yavapai County Flood Control					\$150,000	\$150,000	\$150,000	\$300,000	\$750,000
<b>TOTAL FUNDING SOURCES</b>					<b>\$48,332,060</b>	<b>\$29,365,790</b>	<b>\$40,793,450</b>	<b>\$105,237,580</b>	<b>\$223,728,880</b>

ESP = Environmental Sustainability Project

**SUMMARY OF CAPITAL PROJECTS**  
continued

**FY 2025 - FY 2034 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	Priority	Project #	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Totals (excluding Prior Years Estimate)
<b>Project Funding Status Summary</b>									
Carry Over					\$36,938,266	\$12,687,477	\$22,586,852	\$14,456,918	\$86,669,513
New Appropriation					\$11,393,794	\$10,212,113	\$7,105,688	\$5,233,082	\$33,944,677
Future Estimate					\$0	\$3,271,200	\$11,100,910	\$64,087,840	\$78,459,950
Unfunded					\$0	\$0	\$0	\$21,459,740	\$21,459,740
<b>TOTALS BY FUNDING STATUS</b>					<b>\$48,332,060</b>	<b>\$26,170,790</b>	<b>\$40,793,450</b>	<b>\$105,237,580</b>	<b>\$220,533,880</b>
<b>Category Summary</b>									
Arts Transfer					\$42,900	\$96,470	\$112,670	\$99,080	\$351,120
Construction - Contracted					\$40,816,550	\$21,175,000	\$35,095,720	\$53,517,100	\$150,604,370
Construction - In-House					\$75,000	\$0	\$0	\$500,000	\$575,000
Contingency					\$680,000	\$0	\$1,116,060	\$600,000	\$2,396,060
Design - Contracted					\$2,905,590	\$2,936,320	\$590,000	\$3,741,400	\$10,173,310
Environmental					\$40,000	\$138,000	\$0	\$250,000	\$428,000
Equipment Purchase					\$1,321,020	\$0	\$0	\$3,320,000	\$4,641,020
Future Estimate Placeholder					\$0	\$275,000	\$2,625,000	\$31,350,000	\$34,250,000
Land Acquisition					\$650,000	\$50,000	\$0	\$6,060,000	\$6,760,000
Master Plan					\$0	\$100,000	\$310,000	\$0	\$410,000
Project Management - Contracted					\$150,000	\$150,000	\$0	\$0	\$300,000
Public Art Purchase					\$65,000	\$0	\$115,000	\$50,000	\$230,000
Study					\$350,000	\$250,000	\$0	\$50,000	\$650,000
Technology					\$1,000,000	\$1,000,000	\$0	\$0	\$2,000,000
Vehicle Purchase					\$236,000	\$0	\$829,000	\$5,700,000	\$6,765,000
<b>TOTALS BY CATEGORY</b>					<b>\$48,332,060</b>	<b>\$26,170,790</b>	<b>\$40,793,450</b>	<b>\$105,237,580</b>	<b>\$220,533,880</b>
<b>Summary of Project Costs Managed by Public Works PMs</b>									
Total Project Costs					\$48,332,060	\$26,170,790	\$40,793,450		
Projects not managed by Public Works project managers:									
AC-02 Art in Roundabouts					(\$119,000)	\$0	\$0		
IT-01 ERP System					(\$1,150,000)	(\$1,150,000)	\$0		
PD-02 Radio Infrastructure					(\$100,000)	(\$150,000)	(\$500,000)		
PD-07 Body Worn Camera System					(\$500,000)	(\$125,000)	(\$125,000)		
PT-03 Transit Bus Acquisition					(\$236,000)	\$0	(\$829,000)		
All Land Acquisitions					(\$650,000)	(\$50,000)	\$0		
All Sustainability Projects (managed by Bryce)					(\$434,300)	(\$757,500)	(\$1,111,000)		
All Wastewater Projects (managed by Roxanne)					(\$8,237,120)	(\$1,271,820)	(\$6,981,780)		
<b>Net Project Costs Manager by Public Works PMs</b>					<b>\$36,905,640</b>	<b>\$22,666,470</b>	<b>\$31,246,670</b>		

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Art in the Roundabouts

**Location:** SR 179 Roundabouts

**Phase:**  of  **Project #:** AC-02  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2019	May 2021
Estimated Completion Date	June 2020	October 2024

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**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 FY 2016. This project adds art pieces to the four remaining roundabouts on SR 179. Two of the roundabouts will be completed in FY 2024. Included in the project for FY 2025 are the expenditures for the final payments to two of the four artists, the installation costs for those two roundabouts, and costs for unveiling events.



**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. There are four roundabouts on SR 179 identified for this project that will have new sculpture installations.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
We anticipate at least 2 of the 4 sculptures to be installed (Canyon Drive and Morgan Road).

Project Balance	
Original Approved Project Budget	\$300,000
Approved Budget Increases/Decreases	\$67,675
<b>Current Approved Total Project Budget</b>	<b>\$367,675</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$367,675</b>
Estimated Expenditures through June 30, 2024	\$248,675
<b>Budget Balance Remaining</b>	<b>\$119,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
The budget was increased for the exclusion of a donated sculpture that was originally anticipated to be used. Instead, all four sculptures will be installed from the selected finalists in the RFP process. Design and ADOT approvals are nearing completion with the exception of 1 roundabout. There is a chance the installation/construction will carry over to the next fiscal year.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Construction - Contracted	\$50,000	\$54,000				\$104,000
Carry Over	Public Art Purchase	\$198,675	\$65,000				\$263,675
Totals		\$248,675	\$119,000	\$0	\$0	\$0	\$367,675

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
1% for Arts	\$183,675	\$119,000				\$302,675
Donations	\$65,000					\$65,000
Totals	\$248,675	\$119,000	\$0	\$0	\$0	\$367,675

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

Donation received to cover cost of certain sculptures.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
Total Expenditure Impacts	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Ongoing operating impacts will include minimal maintenance costs anticipated to begin after FY 2025 and are expected to be absorbed in the City's existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Citywide Business Software

**Location:**  
Citywide System

**Phase:**  of  **Project #:**   
(If Applicable)

	Original	Revised (if applicable)
Start Date	April 2019	July 2023
Estimated Completion Date	June 2021	June 2026

**Ranking:**

**Environmental Sustainability Project?**

**Project Description:**  
Replace existing ERP (Enterprise Resource Planning) Springbrook software.

**Project Justification:**  
The City purchased Springbrook in 2012 which is primarily financial based; however, it also includes other modules such as permits and code enforcement. While considered an integrated system, the City has struggled with many of its components. The report generation is limited and often takes several steps to print a simple report. The data gathering function necessary for performance measures is also weak and in some cases, not able to provide desired data. Additionally, this program does not consistently and accurately communicate with other users and modules creating confusion and duplication of efforts.

In addition, customer service has been poor. Many requests for service have taken weeks and sometimes months to resolve. With all the turnover that has been experienced since Springbrook was implemented, requests were made for additional training which was originally approved by Council in the FY 2017 budget process and did not occur until Nov/Dec 2018 due to lack of returned communications from Springbrook personnel. While there were a few useful items learned in the trainings, staff agreed that the software is deficient for the City's needs.

Springbrook notified staff that it would no longer support the current version. A small upgrade is in process that will bridge the gap until a new system is in place.

It would be beneficial for the City to have an ERP system that would consolidate existing systems for ease of management and shared resources. Systems like Sedona Citizens Connect (a.k.a. Report It), if tied into an ERP system, could potentially be transferred to the right department for processing. The sharing of resources could reduce staff time by keeping employees from entering data multiple times. The overhead of keeping multiple systems increases staff time and resources. Costs could be reduced with consolidation.

This request is to budget for funds to replace this outdated system with a more comprehensive program that utilizes current technologies, better addresses the varied organizational needs, enhances the City's overall efficiencies and provides for better customer service. General components of a replacement system would include: operates in real time, common data base that supports all applications, parcel based, online capabilities, permit and licenses, code enforcement, financial management, utility billing and collections, plan review, etc. Departments that would benefit from an integrated system include Financial Services, Public Works, Community Development, City Clerk, Parks and Recreation, and others.

A software selection committee consisting of employees across multiple departments would be responsible for viewing product demos and selection of a vendor for recommendation to Council. The budget request is a placeholder based on rough estimates which will be refined once the demos and RFP process begins.

Enterprise Resource Planning (ERP) System



**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Close to selection of an ERP system.

Project Balance	
Original Approved Project Budget	\$1,000,000
Approved Budget Increases/Decreases	\$1,300,000
<b>Current Approved Total Project Budget</b>	<b>\$2,300,000</b>
Requested Budget Increase/Decrease	\$50,000
<b>Requested Total Project Budget</b>	<b>\$2,350,000</b>
Estimated Expenditures through June 30, 2024	\$50,000
<b>Budget Balance Remaining</b>	<b>\$2,300,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
The placeholder amounts had not been updated since FY 2019. More current estimates have been provided. Due to workloads with other significant projects in process, the timeline for this project was delayed.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Project Management - Contracted	\$50,000	\$150,000	\$100,000			\$300,000
New Appropriation	Project Management - Contracted			\$50,000			\$50,000
Carry Over	Technology		\$1,000,000	\$1,000,000			\$2,000,000
	<b>Totals</b>	<b>\$50,000</b>	<b>\$1,150,000</b>	<b>\$1,150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,350,000</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves	\$50,000	\$1,150,000	\$1,150,000			\$2,350,000
<b>Totals</b>	<b>\$50,000</b>	<b>\$1,150,000</b>	<b>\$1,150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,350,000</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

Operational impacts would typically include an ongoing software maintenance agreement which would be offset by the elimination of the Springbrook maintenance agreement and the ADP contract. Until a replacement system is identified, the net impact of those costs is currently unknown.



**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Concession Stand/Restrooms Building - Renovation and Redesign

**Location:**  
Posse Grounds Park

**Phase:**  of  **Project #:**   
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2020	July 2026
Estimated Completion Date	June 2021	June 2028

**Ranking:**

**Environmental Sustainability Project?**

**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 a renovated building with restrooms, concessions, storage and improved access. The existing building will be renovated.



**Project Justification:**  
This building has been in need of repair and remodel for many years; however, the demand for the building was not high enough to justify the budget. With the increase of special events, bike skills park, and Pavilion, the demand has increased and will continue to do so. This is the main public restroom facility for the skate park, basketball court, ball fields, special events, rentals, dog park, and bike park. The restroom also supports the Pavilion rentals during the fall/winter seasons when the Pavilion restrooms are closed and as a backup for the Hub when plumbing fails. This building also serves as storage space for Parks and Recreation. When the pickleball court project is completed in FY 2025, this project will quickly become a priority.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
This project has been delayed due to the economic impacts of the COVID-19 pandemic and the relative lower priority of this project compared to other more critical City infrastructure needs.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted				\$90,000		\$90,000
Future Estimate	Construction - Contracted					\$782,000	\$782,000
Future Estimate	Contingency					\$200,000	\$200,000
<b>Totals</b>		\$0	\$0	\$0	\$90,000	\$982,000	\$1,072,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Summit CFD					\$460,000	\$460,000
Fairfield CFD				\$90,000	\$522,000	\$612,000
<b>Totals</b>	\$0	\$0	\$0	\$90,000	\$982,000	\$1,072,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
The existing building will be renovated therefore, operating expenses are already accounted for.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Improvements at Ranger Station / Interior Restoration of House and Barn

**Location:** Brewer Road Property

**Phase:** 2 of 2 **Project #:** PR-03B  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	June 2023
Estimated Completion Date	June 2023	June 2025

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?** No

**Project Description:**  
This project will address the historical restoration of the interior of the house and barn.



**Project Justification:**  
The City purchased the "Old Ranger Station" at 250 Brewer Road in 2014 and has 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. The exterior building repairs and improvements began in FY 2021 and interior restoration will be completed in FY 2025.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Exterior restoration complete. Architectural design completed and construction begun on interior.

Project Balance		
Original Approved Project Budget		\$325,000
Approved Budget Increases/Decreases		\$311,556
<b>Current Approved Total Project Budget</b>		<b>\$636,556</b>
Requested Budget Increase/Decrease		\$521,270
<b>Requested Total Project Budget</b>		<b>\$1,157,826</b>
Estimated Expenditures through June 30, 2024		\$94,166
<b>Budget Balance Remaining</b>		<b>\$1,063,660</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Increased budget to reflect current environment of increased cost of construction. Equipment (i.e., chairs, tables, lighting, etc.) is needed in the newly completed structures to make them useable. Project delayed due to difficulty getting an architect on board that has historic preservation experience and availability.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$55,000					\$55,000
Carry Over	Construction - Contracted	\$39,056	\$540,000				\$579,056
New Appropriation	Construction - Contracted		\$220,000				\$220,000
New Appropriation	Equipment Purchase		\$300,000				\$300,000
Carry Over	Arts Transfer	\$110	\$2,390				\$2,500
New Appropriation	Arts Transfer		\$1,270				\$1,270
<b>Totals</b>		<b>\$94,166</b>	<b>\$1,063,660</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,157,826</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Post 7/2014	\$8,074	\$396,210				\$404,284
Summit CFD		\$60,000				\$60,000
Fairfield CFD	\$75,000	\$65,000				\$140,000
Capital Reserves	\$11,092	\$542,450				\$553,542
<b>Totals</b>	<b>\$94,166</b>	<b>\$1,063,660</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,157,826</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services	\$15,000	\$15,000	\$15,000	\$15,000
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$15,000</b>	<b>\$15,000</b>	<b>\$15,000</b>	<b>\$15,000</b>

**Explanation of Operating Impacts:**  
Once the park is built out, there will be impacts to the operating budget due to additional demands for event planning, parks maintenance, utilities, commodities, etc. The full operational impacts will be determined once a plan for the use of the park is created. Building maintenance is included now.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Build-Out of Ranger Station Park

**Location:**  
250 Brewer Road

**Phase:** 3 of 3 **Project #:** PR-03C  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2023	April 2022
Estimated Completion Date	June 2025	June 2025

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?** No

**Project Description:**

Design and construction of the Ranger Station Park including parking lot, restrooms, lawn, plaza, landscaping, gardens, playground, and central seating areas.



**Project Justification:**

The City purchased the "Old Ranger Station" at 250 Brewer Road in 2014 and has 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. Completion of this resident amenity has been requested by many members of the community and approved for acceleration by the City Council.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Design and construction of the grounds at Ranger Station Park including parking lot, lawn, plaza, landscaping, gardens, playground, and central seating areas. Construction of the restroom to be completed in FY 2025.

Project Balance	
Original Approved Project Budget	\$1,746,350
Approved Budget Increases/Decreases	\$75,105
<b>Current Approved Total Project Budget</b>	<b>\$1,821,455</b>
Requested Budget Increase/Decrease	\$475,967
<b>Requested Total Project Budget</b>	<b>\$2,297,422</b>
Estimated Expenditures through June 30, 2024	\$1,542,652
<b>Budget Balance Remaining</b>	<b>\$754,770</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Cost increases for playground equipment and other amenities. Council accelerated the priority for this project.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Master Plan	\$82,247					\$82,247
Carry Over	Design - Contracted	\$26,178					\$26,178
New Appropriation	Design - Contracted	\$13,822					\$13,822
Carry Over	Construction - Contracted	\$851,890	\$576,890				\$1,428,780
New Appropriation	Construction - Contracted		\$175,000				\$175,000
Carry Over	Construction - In-House	\$75,000					\$75,000
New Appropriation	Construction - In-House	\$284,387					\$284,387
Carry Over	Contingency	\$200,000					\$200,000
Carry Over	Arts Transfer	\$9,128	\$122				\$9,250
New Appropriation	Arts Transfer		\$2,758				\$2,758
<b>Totals</b>		<b>\$1,542,652</b>	<b>\$754,770</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,297,422</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Post 7/2014	\$599,478	\$318,620				\$918,098
Summit CFD	\$95,000					\$95,000
Fairfield CFD	\$20,000					\$20,000
Capital Reserves	\$828,174	\$436,150				\$1,264,324
<b>Totals</b>	<b>\$1,542,652</b>	<b>\$754,770</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,297,422</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services	\$38,000	\$38,000	\$38,000	\$38,000
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$38,000</b>	<b>\$38,000</b>	<b>\$38,000</b>	<b>\$38,000</b>

**Explanation of Operating Impacts:**

Once the park is built out, there will be impacts to the operating budget due to additional demands for event planning, parks maintenance, utilities, commodities, etc. The facility operational impacts are currently included in PR-03B.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
 Posse Grounds Park Pickleball Courts

**Location:**  
 Posse Grounds Park

**Phase:**  of  **Project #:**   
 (If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	July 2022
Estimated Completion Date	June 2024	June 2025

**Ranking:**

**Environmental Sustainability Project?**

**Project Description:**  
 This project will be constructed on the northern ballfield. Completion of this project will result in eight pickleball courts with lighting. It will include installation of benches, drinking/refilling water station, chain-link fencing and gates, sport court lighting system with timer, waste receptacles, and parking.



**Project Justification:**  
 The sport of pickleball is growing continuously, and there are no signs of the trend changing direction. The 4 shared-use tennis/pickleball courts are used daily, sometimes offering two sessions, by local players who have over 300 members in their group. The daily scheduled play is well attended during spring/summer/fall seasons, averaging 30 players each session, if not more. On days where both a morning and afternoon/evening session are offered, there can be over 60 players on a single day. Dedicated courts with lights are needed; the current shared-use causes conflict due to pickleball being a fast-paced sport. In addition, due to the limited number of courts, it discourages use due to the wait time.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
 Outreach to adjacent homeowners' associations (HOAs) on preference of court location and substantially completed construction. Landscaping and parking lot to be completed in FY 2025.

Project Balance	
Original Approved Project Budget	\$1,540,000
Approved Budget Increases/Decreases	\$59,085
<b>Current Approved Total Project Budget</b>	<b>\$1,599,085</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$1,599,085</b>
Estimated Expenditures through June 30, 2024	\$394,085
<b>Budget Balance Remaining</b>	<b>\$1,205,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
 Reduction in design costs compared to initial estimate. Extensive community outreach and presentation to HOA and Council.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$94,085					\$94,085
Carry Over	Construction - Contracted	\$300,000	\$1,205,000				\$1,505,000
<b>Totals</b>		<b>\$394,085</b>	<b>\$1,205,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,599,085</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Pre 8/2014	\$304,085	\$1,205,000				\$1,509,085
Fairfield CFD	\$90,000					\$90,000
<b>Totals</b>	<b>\$394,085</b>	<b>\$1,205,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,599,085</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
 None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**  
 Costs for utilities, maintenance and upkeep, commodities, etc. are expected to be minimal and will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Sunset Park Playground Structure

**Location:**  
Sunset Park

**Phase:**  of  **Project #:** PR-11  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2025	
Estimated Completion Date	August 2025	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**Project Description:**  
Current 5-and-older playground at Sunset Park is in need of several repairs and is getting older. The surface, canopy, and footings are good, but the structure is receiving several fixes each year and is in need of replacement within a couple of years.



**Project Justification:**  
In place of continuing to spend money on repairs that are frequently occurring on an aging play structure, planning to replace one existing structure in FY 2026.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Construction - Contracted			\$285,000			\$285,000
Totals		\$0	\$0	\$285,000	\$0	\$0	\$285,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves			\$285,000			\$285,000
Totals	\$0	\$0	\$285,000	\$0	\$0	\$285,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
No additional operating costs anticipated.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**

Radio Infrastructure

Phase:  of  Project #:

(If Applicable)

Ranking:

Environmental Sustainability Project?

**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. Recent analysis of the system, shows there needs to be four phases to the project. Each phase will be evaluated before the next phase is required in the following fiscal year.

Phase 2 is to create one simulcast site on the west side of the City. This will increase the radio coverage in the West Sedona area.

**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 ongoing 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. There are five major antenna sites, which are designed to either listen or talk to the other antenna sites, but not both. The project is to get all the antenna sites to listen and talk, which will improve the radio coverage within the City.

In FY 2019, radio equipment was purchased to improve the radio infrastructure at the Forest Road location, the Airport location and the Chapel location, which will improve the Uptown area and along most of SR 179 to the Doodle Bug area. This phase has been delayed due to numerous issues outside of our control and should be completed towards the end of FY 2023. Before each new phase is started, the improvements from the prior phase will be evaluated before moving forward onto the next phase. The Phase 2 request is \$100,000 delayed to FY 2024 for enhancement of the current radio infrastructure (transmitting/receiving towers, equipment) for the antenna at the Southwest Drive location, which will improve the areas between Southwest Drive and Soldier Pass Road. In FY 2025, \$150,000 is requested to enhance the current radio infrastructure located at the Police Department, which will improve the area between the department and Bristlecone Drive. If the work during the different phases does not fix the communications problem, in FY 2026, \$500,000 is requested to build radio infrastructure near the high school to improve this area. These different phases will eliminate dead spots and increase reliability and coverage.

This project qualifies as Priority I because clear radio communications between/among officers and dispatch is critical and necessary in the performance of the mission to protect the public and the officers.

**Location:**

Southwest Drive Antenna

	Original	Revised (if applicable)
Start Date	July 2017	January 2019
Estimated Completion Date	June 2019	June 2025



**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Phase 1 continues to be delayed due to Sedona Fire District's staffing and equipment procurement issues. Sedona Police Department's radio connection is completely reliant upon the Sedona Fire District, who manages the radio infrastructure relating to the Airport antenna. Over the past year, Phase 1 has increased from 60% completion to 90% completion. All of the equipment needed for Phase 1 has been purchased and is in the possession of the Sedona Fire District. In order for Phase 1 to be completed, this equipment needs to be installed at Fire Station 4, the Airport, and Sedona PD dispatch center. It is projected that Phase 1 will be completed by June 30, 2024. All of the equipment for Phase 1 needs to be installed and fully tested before Phase 2 can begin.

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

In 2018, a meeting was held with Motorola and Sedona Fire Communications to discuss updating the antennas at the simulcast sites to improve transmission. The updates discussed will be done in different phases so not to interrupt the current communication systems. Phase 1 consisted of purchasing the equipment. The equipment is made to order and is a very long process. Phase 2 consists of updating the Southwest Drive site which has been delayed to FY 2023. In Phase 3 which will take place in FY 2024, the Police Department site will be updated. If the work during the different phases does not fix the communications problem, Phase 4 will be building a brand new site at Sedona High School. During the build in Phase 2, the radio equipment and the communication consoles in our dispatch center will be updated and some items replaced. This upgrade would improve the communication with the new equipment being installed in this project. The installation of the equipment for Phase 1 has been delayed due to issues with the Airport antenna. There were concrete base issues, issues with height requirements by the FAA, COVID-19 delays, and contract issues between the Airport and the Sedona Fire Department.

Project Balance		
Original Approved Project Budget		\$155,000
Approved Budget Increases/Decreases		\$131,755
<b>Current Approved Total Project Budget</b>		<b>\$286,755</b>
Requested Budget Increase/Decrease		\$100,000
<b>Requested Total Project Budget</b>		<b>\$386,755</b>
Estimated Expenditures through June 30, 2024		\$286,755
<b>Budget Balance Remaining</b>		<b>\$100,000</b>

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Study	\$49,990					\$49,990
Carry Over	Equipment Purchase	\$236,765					\$236,765
New							
Appropriation	Equipment Purchase		\$100,000				\$100,000
Future Estimate	Placeholder			\$150,000	\$500,000		\$650,000
	Totals	\$286,755	\$100,000	\$150,000	\$500,000	\$0	\$1,036,755

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves	\$286,755	\$100,000	\$150,000	\$500,000		\$1,036,755
Totals	\$286,755	\$100,000	\$150,000	\$500,000	\$0	\$1,036,755

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Original cost estimates were created prior to COVID-19, at the beginning of the CIP project. At this time, we do not have increased budget estimates; however, we anticipate that costs for equipment and labor will be increased and will impact the operating budget.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Body-Worn Camera Upgrade

**Location:**  
N/A

**Phase:**  of  **Project #:**   
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2024	
Estimated Completion Date	June 2029	

**Ranking:**

**Environmental Sustainability Project?**

**Project Description:**

This is a placeholder to replace the body-worn camera system and equipment. We are applying for a 1-to-1 grant to help offset the cost of this project. If the grant is awarded, the estimated City portion of the cost would be half.



**Project Justification:**

Current system has reached the end of its lifecycle. Better technology and equipment is needed.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$500,000
<b>Requested Total Project Budget</b>	<b>\$500,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$500,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Equipment Purchase		\$500,000				\$500,000
Future Estimate	Placeholder			\$125,000	\$125,000	\$250,000	\$500,000
Totals		\$0	\$500,000	\$125,000	\$125,000	\$250,000	\$1,000,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves		\$500,000	\$125,000	\$125,000	\$250,000	\$1,000,000
Totals	\$0	\$500,000	\$125,000	\$125,000	\$250,000	\$1,000,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

Possible grant opportunity is being pursued.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Will be determined when a replacement system has been identified and offset by the existing software maintenance costs.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Transit Maintenance/Operations Center

**Location:** 7500 West SR 89A

**Phase:**  of  **Project #:** PT-01  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	March 2022
Estimated Completion Date	June 2025	June 2028

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

The Sedona Area Transit Implementation Plan (January 2020) was completed with recommendations on phased fixed route bus services, demand response and shuttle services to various trailheads throughout the City and surrounding national forest. The City and its Verde Valley stakeholders are actively working to develop appropriate bus transit services as per the adopted Plan. The maintenance and operations facility development is part of the City's plan to support and enhance the transit services in the region. The completion of this project will provide the required transit staff with all the space and equipment necessary to properly administer, operate and maintain the City's buses, as well as providing maintenance services to other transit systems in the Verde Valley.

The concept design and NEPA environmental studies have been completed for this project. The final design RFQ is currently under review by the Arizona Department of Transportation, as partial funding will be provided by grants from the Federal Transit Administration.

Equipment purchases including hoists, bus wash, and other equipment for transit maintenance operations. Electrical charging components are segregated to allow different funding opportunities.

Costs prior to FY 2024 were for a site location study and environmental reporting split evenly (50%/50%) with the Mobility Hub Project PT-02. Funding for final design funded through FY 2025 and FY 2026, and construction is anticipated to be funded in FY 2026 and FY 2027. Future years' funding has been allocated to work toward the Transit System's goal of "Zero Emissions."



**Project Justification:**

For the City's growing fleet of buses, a maintenance and operations facility becomes increasingly necessary. The facility will provide a location for maintaining and storing buses and other fleet vehicles, and for housing an operations center for the transit departmental staff. The facility may also provide a revenue stream if services are provided for Cottonwood Transit, Verde Valley Care Givers and others.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

A preliminary notice of award letter has been received for Federal Transit Authority (FTA) grant money to cover a portion of the design phase costs. A NEPA study for Categorical Exclusion was completed and submitted to ADOT. Currently waiting for ADOT to complete their review of an RFQ for final design proceedings.

Project Balance	
Original Approved Project Budget	\$16,870,000
Approved Budget Increases/Decreases	\$5,293,745
<b>Current Approved Total Project Budget</b>	<b>\$22,163,745</b>
Requested Budget Increase/Decrease	\$3,192,831
<b>Requested Total Project Budget</b>	<b>\$25,356,576</b>
Estimated Expenditures through June 30, 2024	\$286,576
<b>Budget Balance Remaining</b>	<b>\$25,070,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Increased estimated costs due to project delays and inflationary factors. Future "Zero Emissions" goals and funding requirements moved to FY 2027. Study delayed and funding delayed due to ADOT funding process.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Study	\$86,576					\$86,576
Carry Over	Design - Contracted	\$200,000	\$520,000	\$597,169			\$1,317,169
New							
Appropriation	Design - Contracted			\$2,831			\$2,831
Carry Over	Construction - Contracted				\$9,190,000	\$8,810,000	\$18,000,000
New	Construction - Contracted						
Appropriation	Construction - Contracted					\$2,190,000	\$2,190,000
Carry Over	Equipment Purchase					\$1,860,000	\$1,860,000
New							
Appropriation	Equipment Purchase					\$1,000,000	\$1,000,000
Carry Over	Contingency				\$900,000		\$900,000
<b>Totals</b>		<b>\$286,576</b>	<b>\$520,000</b>	<b>\$600,000</b>	<b>\$10,090,000</b>	<b>\$13,860,000</b>	<b>\$25,356,576</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant	\$160,000	\$416,000	\$144,000	\$8,576,500	\$11,638,000	\$20,934,500
Transportation Sales Tax	\$126,576					\$126,576
Debt Financing		\$104,000	\$456,000	\$1,513,500	\$2,222,000	\$4,295,500
<b>Totals</b>	<b>\$286,576</b>	<b>\$520,000</b>	<b>\$600,000</b>	<b>\$10,090,000</b>	<b>\$13,860,000</b>	<b>\$25,356,576</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

Preliminary award notice was received for FTA 5339 funding toward 80% of design and engineering expenses, up to a total of \$720,000. Grant funding from FTA will also be sought for construction costs. Construction: Federal share 85%, USDOT Nationally Significant Federal Lands and Tribal Projects (NSFLP) Grant 20% local share.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				\$50,000
Debt Service				\$584,130
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$634,130</b>

**Explanation of Operating Impacts:**

Once in operation, the facility will require ongoing preventative maintenance to be placed in our Facility Maintenance Plan. This will include paint, flooring, and HVAC needs, on a scheduled basis. In addition, annual costs will include items such as utilities and landscaping. Estimated operating costs for the full transit system, including the operations of this facility, have been included in the operating impacts in PT-03.



**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Transit Bus Acquisition - Grant-Funded

**Location:**  
N/A

**Phase:**  of  **Project #:**   
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	July 2021
Estimated Completion Date	June 2025	June 2028

**Ranking:**

**Environmental Sustainability Project?**

**Project Description:**

This project reports expenditures for grant-funded transit vehicles only. Buses that are fully funded by the City are directly procured through lease-purchase agreements. Lease payments for those vehicles are reflected in the operating budget.

The procurement schedule for grant-funded transit vehicles is as follows:

- FY 2024 - Two micro-transit vehicles for service start-up.
- FY 2025 - One micro-transit vehicle to increase the spare ratio and/or facilitate future service expansion.
- FY 2027 - Two additional medium-duty transit coaches and one additional light-duty bus for expansion of the trailhead shuttle/micro-transit programs and implementation of a transit circulator in support of the Uptown parking consolidation effort.
- FYs 2028 - 2034 - Assumes future replacement costs of the existing fleet with zero emission (e.g., battery electric/hydrogen fuel cell) technologies.



**Project Justification:**

Buses will be needed for the development of the City's new public transit system. The justification for this project is documented within the Sedona Area Transit Implementation Plan (STIP). The STIP was, in part, funded as a passthrough by the Arizona Department of Transportation using Federal Transit Administration 5303 planning funds. The STIP is a supplemental planning effort of the Sedona Master Transportation Plan published in January 2018. The STIP was a 2.5-year study that included broad and rigorous public involvement documenting that over 65% of Sedona residents support public transit. The STIP is a ten-year, four-phase, transit implementation plan that contemplates the development of a robust public transit system serving the City of Sedona, Oak Creek Canyon, and the Village of Oak Creek. Additionally, the STIP proposed implementing a shuttle network serving seven of the most heavily visited USFS trailheads that border the city limits. The STIP was ultimately adopted by the City Council and published in January 2020.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Two light duty micro-transit (Sedona Shuttle Connect) vehicles shall have been procured using 80% funding provided by FFY 2021 5307/5339 Federal Transit Administration grant funding.

Project Balance		
Original Approved Project Budget		\$1,350,000
Approved Budget Increases/Decreases		-\$813,700
<b>Current Approved Total Project Budget</b>		<b>\$536,300</b>
Requested Budget Increase/Decrease		\$117,200
<b>Requested Total Project Budget</b>		<b>\$653,500</b>
Estimated Expenditures through June 30, 2024		\$417,500
<b>Budget Balance Remaining</b>		<b>\$236,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Budget adjusted for trailhead and micro-transit vehicles acquired through lease-purchase agreements, as well as increases in costs for micro-transit vehicles. Delayed due to delays in construction of necessary facilities.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Vehicle Purchase	\$417,500	\$118,800				\$536,300
New Appropriation	Vehicle Purchase		\$117,200				\$117,200
Future Estimate	Vehicle Purchase				\$829,000	\$5,700,000	\$6,529,000
<b>Totals</b>		<b>\$417,500</b>	<b>\$236,000</b>	<b>\$0</b>	<b>\$829,000</b>	<b>\$5,700,000</b>	<b>\$7,182,500</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant	\$354,880	\$200,600		\$704,650	\$4,845,000	\$6,105,130
Transportation Sales Tax	\$62,620	\$35,400		\$124,350	\$855,000	\$1,077,370
<b>Totals</b>	<b>\$417,500</b>	<b>\$236,000</b>	<b>\$0</b>	<b>\$829,000</b>	<b>\$5,700,000</b>	<b>\$7,182,500</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

FY 2024: Awarded: FTA FFY21 5307/5339 Grant: Federal Share 85% - Local Share 15%  
 FY 2025: Awarded: FTA FFY23 5307/5339 Grant: Federal Share 85% - Local Share 15%  
 FY 2027: Future Grant Application: FTA 5307/5339 Grant: Federal Share 85% - Local Share 15%  
 FYs 2028 - FY 2034: Future Grant Applications: FTA 5307/5339 Grant: Federal Share 85% - Local Share 15%. Also, NO LOW FTA Grant applications for zero-emission technologies shall also be pursued.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies			\$20,000	\$50,000
Contractual Services				\$6,200,000
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$6,250,000</b>

**Explanation of Operating Impacts:**

Once in operation, each bus that is added to expand the City's transit services shall require ongoing labor (to operate the vehicle), vehicle maintenance, fuel/energy, and insurance expenses. Note: As the City has a multiple-year contract with a qualified public transit provider in place, all aforementioned expenses are the responsibility of the contractor by previously negotiated fixed/variable rates that are paid by the City with the following exception: Given the unpredictable nature of the fuel market, fuel expenses are paid separately to the contractor as a direct monthly reimbursement. Fuel is the only direct cost incurred by the City to support the transit fleet. As the City's transit system evolves and additional vehicles are added to support future expansion, these added operational expenses shall be included in the public transit operating budget.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
 Bus Stop Improvements

**Location:**  
 Various locations

**Phase:**  of  **Project #:**   
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2021	August 2021
Estimated Completion Date	June 2026	June 2028

**Ranking:**

**Environmental Sustainability Project?**  Yes

**Project Description:**  
 Future bus stop improvements will include adding new stops, bus pullouts, improved safety and access for existing bus stops, (e.g., passenger amenities, improved ADA access, lighting, and other safety related improvements).



**Project Justification:**

1) General transit stop improvements may include adding new bus stops, improving safety, and access for existing bus stops, (e.g., passenger amenities, improved ADA access, lighting, and other safety-related improvements).

2) Increased funding in FY 2026 and 2027, while mostly grant-funded, is intended to add bus pullouts on SR 89A at some of the existing Verde Shuttle service stops. Current conditions at these stops force transit to conduct a street stop, which in turn causes motorists to queue behind the bus while it dwells at the stop to board and alight passengers. This contributes to avoidable traffic congestion within that corridor, which is counterproductive to the objective to improve circulation within the City. Recognizing that these problematic transit stops are located within an ADOT right-of-way, If the City can bring in additional Federal funding to resolve this issue, that may help to advance the project with our partners at ADOT.

3) The amount indicated in the out-years, is an estimate of future stop improvements and additions, which also is intended to be heavily grant funded.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
 Miscellaneous bus stop improvements with two bus stop additions.

Project Balance	
Original Approved Project Budget	\$20,000
Approved Budget Increases/Decreases	-\$5,073
<b>Current Approved Total Project Budget</b>	<b>\$14,927</b>
Requested Budget Increase/Decrease	\$75,000
<b>Requested Total Project Budget</b>	<b>\$89,927</b>
Estimated Expenditures through June 30, 2024	\$14,927
<b>Budget Balance Remaining</b>	<b>\$75,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
 Adding design costs for future bus stop improvements. Time line is contingent on emerging needs as the transit system develops and available Federal Funding.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New							
Appropriation	Design - Contracted		\$75,000				\$75,000
Future Estimate	Construction - Contracted			\$225,000	\$175,000	\$400,000	\$800,000
Carry Over	Construction - In-House	\$14,927					\$14,927
<b>Totals</b>		<b>\$14,927</b>	<b>\$75,000</b>	<b>\$225,000</b>	<b>\$175,000</b>	<b>\$400,000</b>	<b>\$889,927</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant			\$180,000	\$140,000	\$320,000	\$640,000
Transportation Sales Tax	\$14,927	\$75,000	\$45,000	\$35,000	\$80,000	\$249,927
<b>Totals</b>	<b>\$14,927</b>	<b>\$75,000</b>	<b>\$225,000</b>	<b>\$175,000</b>	<b>\$400,000</b>	<b>\$889,927</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
 FTA 5339 Bus & Bus Facility Grant. Federal Share 80% Local Share 20%

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services			\$6,620	\$7,000
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,620</b>	<b>\$7,000</b>

**Explanation of Operating Impacts:**  
 Future maintenance expenses for added bus stops and general infrastructure improvements.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** The Y Property Development

**Location:** 125 West SR 89A

**Phase:**  of  **Project #:** PT-04a  
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2021	June 2022
Estimated Completion Date	June 2025	June 2028

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
The prior Chevron gas station property (125 W SR 89A) was acquired from ADOT in FY 2022 with the intention of constructing a multi-modal transit stop for buses, and perhaps an information and kiosk center for pedestrians and cyclists. FY 2024 funding and FY 2025 funding are allocated for beautification works including pavement removal and landscaping. The future years allocation is for possible building renovation or demolition and new construction.



**Project Justification:**  
The project is in line with the Sedona Area Transit Implementation Plan (January 2020).

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
The building and land has been purchased and the Building Conditions Assessment has been completed.

Project Balance	
Original Approved Project Budget	\$584,500
Approved Budget Increases/Decreases	-\$40,000
<b>Current Approved Total Project Budget</b>	<b>\$544,500</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$544,500</b>
Estimated Expenditures through June 30, 2024	\$194,500
<b>Budget Balance Remaining</b>	<b>\$350,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
The budget was decreased based on changes to the vision of how the property would be used. Delayed due to other priorities.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Land Acquisition	\$164,500					\$164,500
Carry Over	Design - Contracted					\$30,000	\$30,000
Carry Over	Construction - Contracted	\$30,000	\$20,000			\$300,000	\$350,000
Totals		\$194,500	\$20,000	\$0	\$0	\$330,000	\$544,500

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant					\$264,000	\$264,000
Transportation Sales Tax	\$194,500	\$20,000			\$66,000	\$280,500
Totals	\$194,500	\$20,000	\$0	\$0	\$330,000	\$544,500

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
FTA 5339 Grant - 20% local match.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Maintenance costs for the 125 SR 89A property are expected to be minimal and will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** North SR 179 Park and Ride

**Location:** 1294 & 1406 SR 179

**Phase:**  of  **Project #:** PT-04b  
(If Applicable)

	Original	Revised (if applicable)
Start Date	January 2022	January 2022
Estimated Completion Date	July 2023	June 2025

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

Traffic congestion during the peak visitor season continues to be the number one complaint from residents. Add to that the overflow of trailhead parking into some of the City's neighborhoods and surface streets, and it becomes clear that this issue is adversely affecting public safety as well as the quality of life of many of Sedona's residents. To alleviate traffic congestion, the trailhead shuttle system became operational in March 2022. At the subject park and ride facility on Bowstring Drive, the previously leased parking lot was purchased from the Church of the Red Rocks. This accounts for land acquisition costs in the prior years column.



A conceptual design was completed last year by Kimley-Horn design consultants. This described the proposed provision of permanent public restrooms, shade structures, and other amenities to enhance the Sedona Shuttle experience. The costs for this and additional rezoning and permitting is also shown in the prior years column. FY 2024 costs are for final design consultants to study concepts and prepare construction plans to make improvements that will enhance the shuttle operations efficacy and amenities for shuttle users. FY 2025 funding will enable construction of these improvements, including a bus ramp connecting to SR 179, parking lot improvements, and shade structure and restroom amenities.

**Project Justification:**

The land acquisition was necessary to allow a firm commitment to the operations of this important park and ride facility. The proposed improvements are required to make the shuttle operation operate much more efficiently, and with more attractive amenities to increase ridership.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Land acquisition agreement has been executed with closing and recordation of the purchase completed on June 27, 2023. Final design has progressed nearly to completion. Currently negotiating permitting issues with ADOT for the proposed connection to SR 179, the construction of parking lot improvements, shade structure, and restrooms.

Project Balance		
Original Approved Project Budget		\$2,073,342
Approved Budget Increases/Decreases		\$0
<b>Current Approved Total Project Budget</b>		<b>\$2,073,342</b>
Requested Budget Increase/Decrease		\$1,195,182
<b>Requested Total Project Budget</b>		<b>\$3,268,524</b>
Estimated Expenditures through June 30, 2024		\$1,918,524
<b>Budget Balance Remaining</b>		<b>\$1,350,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Costs for land purchase was somewhat underestimated; and final design is going to require more extensive effort as a bus egress ramp is being designed with a connection directly to SR 179. Time line extended due to the additional improvements.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Land Acquisition	\$1,717,047					\$1,717,047
Carry Over	Design - Contracted	\$30,000					\$30,000
New							
Appropriation	Design - Contracted	\$35,435					\$35,435
Carry Over	Construction - Contracted	\$136,042	\$190,253				\$326,295
New							
Appropriation	Construction - Contracted		\$1,159,747				\$1,159,747
<b>Totals</b>		<b>\$1,918,524</b>	<b>\$1,350,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,268,524</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax	\$1,867,047	\$1,350,000				\$3,217,047
Debt Financing	\$51,477					\$51,477
<b>Totals</b>	<b>\$1,918,524</b>	<b>\$1,350,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,268,524</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

Minor operating costs will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Intersection Improvements - 7500 West SR 89A

**Location:** Highway access intersection at WWRP, 7500 West SR 89A

**Phase:**  of  **Project #:** PT-08  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2024	
Estimated Completion Date	June 2026	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  No

**Project Description:**  
This project will initially require the completion of a Traffic Impact Assessment and permitting through the owner of the highway, ADOT. The existing access point will need to be designed and constructed to provide for a higher capacity to safely channel buses and other vehicles into the Wastewater Reclamation Plant (WWRP) and the planned Transit Maintenance/Operations Facility.



**Project Justification:**  
This Project is in support of the proposed Maintenance/Operations Facility (PT-01) to be located at 7500 West SR 89A near the City's WWRP. Buses and other vehicles to be maintained at the Facility will increase the demand at the subject intersection. The larger vehicles will also need improved channelization and turning lane configuration.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Discussions and in-house conceptualization are underway. Also, approaching the Forest Service about their access road in proximity to the subject access point along SR 89A.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$5,450,000
<b>Requested Total Project Budget</b>	<b>\$5,450,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$5,450,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Design - Contracted		\$100,000	\$300,000			\$400,000
New Appropriation	Construction - Contracted				\$5,000,000		\$5,000,000
New Appropriation	Arts Transfer				\$50,000		\$50,000
Totals		\$0	\$100,000	\$300,000	\$5,050,000	\$0	\$5,450,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant				\$5,050,000		\$5,050,000
Transportation Sales Tax		\$100,000	\$300,000			\$400,000
Totals	\$0	\$100,000	\$300,000	\$5,050,000	\$0	\$5,450,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
Grant funding will be sought.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
This intersection facility will be maintained by ADOT.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
City Hall Window and Door Replacement

**Location:**  
City Hall

**Phase:**  of  **Project #:** PW-06  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2024	
Estimated Completion Date	July 2027	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
Replacement of all windows and doors at City Hall.



**Project Justification:**  
The Arizona State University's Industrial Assessment Center conducted site visits at the City Hall Complex and Wastewater Treatment Plant in the summer of 2022. Upon completion of their report, one of the recommendations was to install and upgrade all window attachments (i.e., weather stripping, blinds) on glass windows at City Hall. Doing so was estimated to lead to modest annual utility savings. However, after consultation with Public Works and Facilities staff, it was determined that most of the windows at the complex are decades old with inadequate efficiency and security.  
  
While window attachments would improve utility consumption and reduce emissions, a full-scale replacement of all windows and doors would be worthwhile. Replacement of all applicable windows and doors at City Hall would lead to improved security, comfort, building longevity and capital, and reduce energy consumption.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$1,414,000
<b>Requested Total Project Budget</b>	<b>\$1,414,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$1,414,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Construction - Contracted		\$250,000	\$250,000	\$450,000	\$450,000	\$1,400,000
New Appropriation	Arts Transfer		\$2,500	\$2,500	\$4,500	\$4,500	\$14,000
<b>Totals</b>		\$0	\$252,500	\$252,500	\$454,500	\$454,500	\$1,414,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves		\$252,500	\$252,500	\$454,500	\$454,500	\$1,414,000
<b>Totals</b>	\$0	\$252,500	\$252,500	\$454,500	\$454,500	\$1,414,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Long-term operating impacts are yet to be determined, however, should improve building security, reduce maintenance costs, improve employee comfort, and improve building efficiencies.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Cultural Park Improvements

**Location:** 45 Cultural Park Place

**Phase:**  of  **Project #:** PW-08  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2026	
Estimated Completion Date	June 2028	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

In FY 2024, the temporary Safe Place to Park site to be installed by June to be funded by the Housing Department.

In FY 2025, the Community Focus Area (CFA) to be completed by Community Development. Public Works is anticipated to incur in-house costs to make improvements to infrastructure to support affordable housing improvements.

The FY 2026 costs are unknown at this time to account for the housing portion of development expected at this time and will likely be in the form of a loan.

Other development components will be determined through the CFA process and added to this budget once determined. For now, placeholders have been entered in FY 2027 and FY 2028.



**Project Justification:**

The Cultural Park Property will need to have improvements designed and built to account for the recommendations determined in the CFA.

The associated infrastructure improvements for affordable housing improvements to the development will be assessed during the third-party design. Alternative funding sources such as grants or Development Impact Fees (DIF) will be evaluated once more is known at that time.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Safe Place to Park to be installed by June to be funded by the Housing Department using in-house forces.

The CFA process is projected to be completed in FY 2024 by Community Development.

Project Balance		
Original Approved Project Budget		\$0
Approved Budget Increases/Decreases		\$0
<b>Current Approved Total Project Budget</b>		<b>\$0</b>
Requested Budget Increase/Decrease		\$0
<b>Requested Total Project Budget</b>		<b>\$0</b>
Estimated Expenditures through June 30, 2024		\$0
<b>Budget Balance Remaining</b>		<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Placeholder				\$2,000,000	\$2,000,000	\$4,000,000
Totals		\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$4,000,000

**Project Funding Estimates:**

Funding Source	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves			\$2,000,000	\$2,000,000	\$4,000,000
Totals	\$0	\$0	\$2,000,000	\$2,000,000	\$4,000,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Safe Place to Park to be paid for and operated through the Affordable Housing Department.

Other operating costs will be determined as the development improvements are identified.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Solar PV and Battery Storage at City Hall and Contractors Road (Decarbonization)

**Location:**  
City Hall and Contractors Road Facility

**Phase:** 1 of 3 **Project #:** PW-09  
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2024	
Estimated Completion Date	June 2027	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?** Yes

**Project Description:**  
Installation of solar photovoltaic (PV) systems with battery storage at the City Hall and Maintenance Facility at Contractors Road buildings. The project is anticipated to take place in three phases. The first phase is the installation of a solar photovoltaics system and battery storage at the Contractors Road facility. The second phase is a similar system installed at the City Hall Complex. Further refinement is to come from the decarbonization roadmap such as a Cost Benefit Analysis (CBA) detailing the value of this project.



**Project Justification:**  
The 2020 Municipal Sustainability Plan and 2021 Climate Action Plan call for reducing greenhouse gas emissions to help mitigate the negative impacts of climate change, improve climate resilience, and increase renewable energy.  
  
In 2022, buildings and facilities were estimated to emit 125 metric tons worth of emissions. The City Hall Complex and Maintenance Facility at Contractors Road were identified as locations to increase renewable energy usage through the Municipal Greenhouse Gas Inventory.  
  
Additionally, the city embarked on creating a decarbonization roadmap for municipal operations in January of 2024, and increased on-site renewables was an objective to reduce emissions and associated long-term utility costs while improving resilience. A Cost Benefit Analysis (CBA) detailing the value of this project will be completed in advance of committed revenues.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Researched in Decarbonization Roadmap

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$181,800
<b>Requested Total Project Budget</b>	<b>\$181,800</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$181,800</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Construction - Contracted			\$180,000			\$180,000
Future Estimate	Construction - Contracted				\$300,000	\$300,000	\$600,000
New Appropriation	Arts Transfer			\$1,800			\$1,800
Future Estimate	Arts Transfer				\$3,000	\$3,000	\$6,000
<b>Totals</b>		\$0	\$0	\$181,800	\$303,000	\$303,000	\$787,800

**Project Funding Estimates:**

Funding Source	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves		\$181,800	\$303,000	\$303,000	\$787,800
<b>Totals</b>	\$0	\$0	\$181,800	\$303,000	\$787,800

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services		-\$6,500	-\$56,500	-\$56,500
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	-\$6,500	-\$56,500	-\$56,500

**Explanation of Operating Impacts:**  
Long-term operating impacts would include potential reductions of annual electricity costs of approximately \$6,500 at the Maintenance Facility on Contractors Road and approximately \$50,000 annually at the City Hall Complex. Anticipated lifespan of the photovoltaic systems is around 25 years, requiring minimal maintenance changes.



**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Uptown Northbound Improvements

**Location:**  
Uptown (SR 89A)

**Phase:**  of  **Project #:** SIM-01b  
(If Applicable)

	Original	Revised (if applicable)
Start Date	March 2021	March 2021
Estimated Completion Date	June 2022	June 2025

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project included data collection, modeling, and final design documentation of identified improvements that will help alleviate northbound congestion. The project outputs are a constructed right-turn lane at Amara Lane and channelization and median improvements between L'Auberge to the Jordan Road roundabout. A separate shared-use path (SUP) is also being constructed just west of and parallel to the highway.  
  
The photo shows substantial completion by mid-March 2024 with all traffic lanes open and SUP. The contractor is to return in June 2024 to complete the seat wall cap and replace the pavement in the northbound lanes to the Owenby Way roundabout. All work is to be completed in FY 2024.



**Project Justification:**  
While the southbound delay has been drastically reduced with the completion of SIM-01a, northbound congestion appears to have worsened. This project will implement strategies to help alleviate northbound congestion through Uptown that often spills back to the "Y" roundabout and creates congestion for northbound SR 179, and northbound SR 89A coming down Cook's Hill.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Design Phase is completed. Construction has commenced and is expected to be completed by the end of FY 2024.

Project Balance		
Original Approved Project Budget		\$535,000
Approved Budget Increases/Decreases		\$1,941,373
<b>Current Approved Total Project Budget</b>		<b>\$2,476,373</b>
Requested Budget Increase/Decrease		\$2,588,294
<b>Requested Total Project Budget</b>		<b>\$5,064,667</b>
Estimated Expenditures through June 30, 2024		\$4,814,667
<b>Budget Balance Remaining</b>		<b>\$250,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Budget revised to include construction costs of recommended alternatives that resulted from the bidding process, as well as the design revision to include shared-use path grade separation and southbound left-hand turn into L'Auberge Lane. Schedule revised to accommodate proposed improvements to be included within the design completion, expected bidding process, and construction timeline.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Project Evaluation	\$71,250					\$71,250
Carry Over	Design - Contracted	\$137,027					\$137,027
Carry Over	Construction - Contracted	\$2,267,752					\$2,267,752
New Appropriation	Construction - Contracted	\$2,338,294	\$250,000				\$2,588,294
Carry Over	Construction - In-House	\$344					\$344
<b>Totals</b>		<b>\$4,814,667</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,064,667</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Post 7/2014	\$55,063	\$111,570				\$166,633
Transportation Sales Tax	\$16,188	\$138,430				\$154,618
Debt Financing	\$4,743,416					\$4,743,416
<b>Totals</b>	<b>\$4,814,667</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,064,667</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services			\$10,000	\$5,000
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$5,000</b>

**Explanation of Operating Impacts:**  
Seal coat will be provided for new asphalt after two years. Other operational impacts are due to new signage, striping, and shared-use path.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Uptown Parking Garage

**Location:**  
Uptown - 430 & 460 Forest Road

**Phase:**  of  **Project #:** SIM-03a  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	April 2020
Estimated Completion Date	June 2024	June 2026

**Ranking:** Imperative (Must-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

This project is associated with Strategy 3 of the City's 2017 TMP. The project involves the Design and Development (FYs 2021, 2022, 2023, and 2024) of a new parking garage on Forest Road consistent with the Uptown Sedona Parking Facility, Needs, Siting and Design Concept Assessment report by Walter P Moore. Construction of the project is anticipated for FY 2025 and 2026.



**Project Justification:**

The City's 2017 TMP indicates a lack of awareness for existing parking as well as a need for additional parking in the Uptown area. In 2019, the City commissioned a study to assess existing and future parking conditions in Uptown. The study examined demand, adequacy of current parking, locations for additional parking, and parking layout concepts. The study concluded that additional parking inventory along with parking management changes will be needed to accommodate future parking demand. Of the locations evaluated for additional parking, the study's authors recommended the North Forest Road site, finding the site to be the most advantageous.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

If the council approves, the design will be 100% complete. Construction will be scheduled and begin mobilization. Council has directed that it will be fee funded project.

Project Balance	
Original Approved Project Budget	\$14,356,700
Approved Budget Increases/Decreases	\$10,207,756
<b>Current Approved Total Project Budget</b>	<b>\$24,564,456</b>
Requested Budget Increase/Decrease	\$1,435,212
<b>Requested Total Project Budget</b>	<b>\$25,999,668</b>
Estimated Expenditures through June 30, 2024	\$3,406,058
<b>Budget Balance Remaining</b>	<b>\$22,593,610</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

The construction budget reflects latest opinion of cost from the CMAR, recent bid results from other projects, and inflationary trends. Additional design and construction costs are related to the site excavation (rock) requirements, addition of a solar array system, and police substation. Schedule revised for following:  
 - Additional concept design  
 - Additional construction for electric vehicle supply equipment, photovoltaic array system, and police substation facilities.  
 - Additional time required for development permitting.  
 - Additional study for the parking garage site.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Study	\$242,025					\$242,025
Carry Over	Land Acquisition	\$898,880					\$898,880
Carry Over	Design - Contracted	\$1,260,016	\$650,840				\$1,910,856
Carry Over	Construction - Contracted	\$1,005,137	\$13,242,770	\$7,264,788			\$21,512,695
New	Construction - Contracted			\$1,435,212			\$1,435,212
Appropriation	Contracted			\$1,435,212			\$1,435,212
<b>Totals</b>		<b>\$3,406,058</b>	<b>\$13,893,610</b>	<b>\$8,700,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,999,668</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Paid Parking Revenue	\$898,880					\$898,880
Transportation Sales Tax	\$1,086,547					\$1,086,547
Debt Financing	\$1,420,631	\$13,893,610	\$8,700,000			\$24,014,241
<b>Totals</b>	<b>\$3,406,058</b>	<b>\$13,893,610</b>	<b>\$8,700,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,999,668</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services		\$68,000	\$68,000	\$68,000
Debt Service		\$947,730	\$947,730	\$947,730
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$1,015,730</b>	<b>\$1,015,730</b>	<b>\$1,015,730</b>

**Explanation of Operating Impacts:**

Operating costs for a parking garage vary depending on the final approved type of structure and the amount of parking fees that will be charged. Annual costs could be anywhere from \$68,000 to \$136,000. A parking in-lieu fee for the Uptown District may be implemented. This fee, in addition to the net revenues already generated by the Main Street paid parking program, could cover most if not all of the debt service and operating costs. Once the garage is operational, a parking fee study will be completed. A new Parking Coordinator project coordinator position will be responsible for these implementations.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Uptown Residential Parking Improvements

**Location:**  
N/A

**Phase:**  of  **Project #:** SIM-03b  
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2017	July 2024
Estimated Completion Date	December 2017	June 2026

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  No

**Project Description:**  
This project is associated with Strategy 3 of the City's 2017 TMP. The project involves the design and possible construction of converting Smith Road, Wilson Road, and Van Deren Road to one-way streets between Forest Road and Schnebly Road in order to improve parking supply and safety.



**Project Justification:**  
The City's 2017 TMP indicates a lack of awareness for existing parking as well as a need for additional parking. The study indicated that demand for on-street parking is very high compared to off-street parking and that 28% of traffic congestion in Uptown can be attributed to arriving visitors searching for parking along SR 89A. The TMP recommends focusing on improving awareness of existing parking through marketing, outreach and added tools by which patrons can locate parking. Additionally, the TMP recommends increasing the supply of parking facilities centered somewhere within the Uptown area. The possible conversion of Van Deren, Wilson, and Smith Road between Forest Road and Schnebly Road to one-way street couplets would allow one lane to be inexpensively converted to additional on-street parking.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Upon Parking Garage's decision further scoping from the council will detail job descriptions to advertise for the Parking Coordinator Project Supervisor position. This project will be one of this position's responsibilities.

Project Balance	
Original Approved Project Budget	\$111,100
Approved Budget Increases/Decreases	\$33,900
<b>Current Approved Total Project Budget</b>	<b>\$145,000</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$145,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$145,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Estimated increase in costs due to delayed implementation of this project to allow SIM-03a to be completed prior to pursuing this project. The schedule was revised to allow SIM-03a to be completed prior to moving forward with this project.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted		\$15,000				\$15,000
Carry Over	Construction - Contracted			\$130,000			\$130,000
Totals		\$0	\$15,000	\$130,000	\$0	\$0	\$145,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax		\$15,000	\$130,000			\$145,000
Totals	\$0	\$15,000	\$130,000	\$0	\$0	\$145,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
Pedestrian safety aspects of the project are eligible for Safe Streets 4 All or Congressional Appropriation grants are possible.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
Total Expenditure Impacts	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Average annual costs for maintaining signage and striping would be minimal and will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Forest Rd Improvements associated with new Parking Garage

**Location:** 430-460 Forest Road

**Phase:**  of  **Project #:** SIM-03d  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2024	
Estimated Completion Date	June 2026	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

This project is in support of the new parking garage currently being designed for a location on Forest Road in Uptown. Road improvements will be necessary to assist with the access points along Forest Road. These improvements to the egress and ingress movements will involve road widening and channelization for a length of approximately 600 feet. Additionally, a shared-use pathway (10' width) and a sidewalk (5' width) are proposed along the south side and north side of Forest Road (respectively) to connect to pedestrian pathways along SR 89A.



**Project Justification:**

The new parking garage on Forest Road will be a major trip generator. The proposed road improvements and pedestrian facilities are necessary for transportation safety reasons.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

The design is not anticipated to commence until FY 2025.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$1,090,000
<b>Requested Total Project Budget</b>	<b>\$1,090,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$1,090,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Design - Contracted		\$80,000				\$80,000
New Appropriation	Construction - Contracted			\$1,000,000			\$1,000,000
New Appropriation	Arts Transfer			\$10,000			\$10,000
Totals		\$0	\$80,000	\$1,010,000	\$0	\$0	\$1,090,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax		\$80,000				\$80,000
Capital Reserves			\$1,010,000			\$1,010,000
Totals	\$0	\$80,000	\$1,010,000	\$0	\$0	\$1,090,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Operating costs will be estimated and reported on once design is completed in FY 2025.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Parking Management System

**Location:** Citywide

**Phase:**  of  **Project #:** SIM-03e  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2025	
Estimated Completion Date	June 2026	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project will identify, evaluate, recommend and implement a parking management, guidance, and access/revenue control systems for city-wide parking in Sedona.



**Project Justification:**  
The City of Sedona may benefit from a modern, intelligent city-wide parking system that makes it easier for visitors to find and pay for available parking near their destination. Such a system would promote a better visitor experience, reduce traffic circulation, maximize parking area occupancy, and improve access to other mobility opportunities and destinations. Such a system would provide real-time data to better understand parking utilization and more easily manage assets, revenue, and access control functions.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Active

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$1,000,000
<b>Requested Total Project Budget</b>	<b>\$1,000,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$1,000,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New	Study		\$100,000				\$100,000
New	Construction -		\$900,000				\$900,000
Totals		\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves		\$1,000,000				\$1,000,000
Totals	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None were identified at this time.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services		\$90,000	\$90,000	\$90,000
Debt Service				
Revenue Offset				
Total Expenditure Impacts	\$0	\$90,000	\$90,000	\$90,000

**Explanation of Operating Impacts:**

An approximation and explanation of annual operating costs was based on the following:  
 1. DSL Line Connection (between master base unit and central computer console) - \$6,000/yr.  
 2. Website and Secure Data Link (On-line reservations/other) - \$19,200/yr.  
 3. WIFI O&M (for mobile access) - \$9,600/yr.  
 4. Data and Software/Hardware Management/Maintenance - \$7,200/yr.  
 5. Sensor and Misc Equipment Replacement - \$10,000/yr.  
 6. Equipment Service Visit Fees - \$18,000/yr.  
 7. Revenue Collection Service Fees - \$20,000/yr.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Pedestrian Crossing at Oak Creek

**Location:** SR 179, west bridge abutment for Oak Creek bridge adjoining Tlaquepaque

**Phase:** 2 of 2 **Project #:** SIM-04c  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2024	
Estimated Completion Date	June 2026	

**Ranking:** Imperative (Must-Do)

**Environmental Sustainability Project?** Yes

**Project Description:**  
Phase 1 was design and construction of a north-south pedestrian crossing at SR 179 and Oak Creek near the Tlaquepaque corridor. The pedestrian crossing is a multi-use pathway proposed along the west embankment of Oak Creek and passing beneath the SR 179 bridge over Oak Creek to connect with existing sidewalks along SR 179 on each side.



Phase 2 includes a design budget for FY 2025 for an at-grade warrant analysis for a pedestrian crossing, as required by an agreement with ADOT, and possible design of a signalized at-grade crossing depending on the outcome of the warrant analysis. The placeholder in FY 2026 represents possible construction improvements and post-design services for a signalized at-grade pedestrian crossing should the warrant analysis show a need.

**Project Justification:**  
The pedestrian crossing will serve to reduce conflicts between pedestrian and vehicle traffic on SR 179 near the Tlaquepaque corridor. Additionally, the pathway will enhance opportunities to expand the multi-use pathway network and improve connectivity of multi-use pathways across Sedona. The Phase 2 at-grade crossing warrant analysis is based on an agreement with ADOT.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Phase 1 design 100% complete and construction of pedestrian crossing at/along Oak Creek 100% complete.

Project Balance		
Original Approved Project Budget		\$2,261,135
Approved Budget Increases/Decreases		\$2,290,401
<b>Current Approved Total Project Budget</b>		<b>\$4,551,536</b>
Requested Budget Increase/Decrease		\$606,401
<b>Requested Total Project Budget</b>		<b>\$5,157,937</b>
Estimated Expenditures through June 30, 2024		\$4,844,937
<b>Budget Balance Remaining</b>		<b>\$313,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
The Phase 1 project budget for design was increased to accommodate changes needed in the design for unforeseen existing conditions and to accommodate post construction services. Additional cost for easement/right-of-way to account for increase in valuation, and increased construction cost to reflect current bidding environment. Phase 2 costs for an at-grade warrant analysis have been added.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Land Acquisition	\$107,580					\$107,580
Carry Over	Design - Contracted	\$599,979	\$214,427				\$814,406
New Appropriation	Design - Contracted		\$85,573				\$85,573
Future Estimate	Design - Contracted			\$100,000			\$100,000
Carry Over	Construction - Contracted	\$3,627,020					\$3,627,020
New Appropriation	Construction - Contracted	\$507,828					\$507,828
Future Estimate	Construction - Contracted			\$1,200,000			\$1,200,000
Carry Over	Arts Transfer	\$2,530					\$2,530
New Appropriation	Arts Transfer			\$13,000			\$13,000
<b>Totals</b>		<b>\$4,844,937</b>	<b>\$300,000</b>	<b>\$1,313,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,457,937</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Outside Participation	\$16,227					\$16,227
Transportation Sales Tax	\$449,657	\$300,000				\$749,657
Capital Reserves	\$255,595		\$1,313,000			\$1,568,595
Debt Financing	\$4,123,458					\$4,123,458
<b>Totals</b>	<b>\$4,844,937</b>	<b>\$300,000</b>	<b>\$1,313,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,457,937</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
Outside participation in Phase 1 included cost sharing with Tlaquepaque.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**  
Phase 1 operating impacts have been added to the operating budget. Any impacts for Phase 2 will be determined based on the results of the at-grade warrant analysis.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Ranger/SR 179 Intersection Improvements

**Location:** Ranger Road/SR 179

**Phase:**  of  **Project #:** SIM-04e  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	July 2025
Estimated Completion Date	June 2024	June 2027

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

The project would include signal preemption to allow buses turning northbound SR 179 to Ranger Road. In addition, a southbound Ranger Road to SR 179 slip/auxiliary lane will need to be considered.



**Project Justification:**

This project is identified in the Transit Plan to improve access for buses to the proposed Transit RIDE Exchange location.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Not yet started.

Project Balance	
Original Approved Project Budget	\$854,760
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$854,760</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$854,760</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$854,760</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Project delayed until Transit RIDE Exchange is designed and bid for construction. Moved construction to FY 2027 to follow the same timeline of the Exchange.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted			\$97,500			\$97,500
Carry Over	Construction - Contracted				\$750,000		\$750,000
Future Estimate	Construction - Contracted				\$225,000		\$225,000
Carry Over	Arts Transfer				\$7,260		\$7,260
Future Estimate	Arts Transfer				\$1,910		\$1,910
<b>Totals</b>		<b>\$0</b>	<b>\$0</b>	<b>\$97,500</b>	<b>\$984,170</b>	<b>\$0</b>	<b>\$1,081,670</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Post 7/2014			\$5,850	\$58,500		\$64,350
Transportation Sales Tax			\$91,650			\$91,650
Capital Reserves				\$925,670		\$925,670
<b>Totals</b>	<b>\$0</b>	<b>\$0</b>	<b>\$97,500</b>	<b>\$984,170</b>	<b>\$0</b>	<b>\$1,081,670</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

Impacts to operational costs are expected to be minimal and to be absorbed in existing budget authority.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Y Roundabout Adaptive Signals

**Location:** SR 89A and SR 179, Y Roundabout

**Phase:**  of  **Project #:** SIM-04f  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2025	
Estimated Completion Date	June 2028	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

Roundabout metering signals are installed on selected roundabout approaches and used on a part-time basis since they are required only when heavy demand conditions occur during peak periods. This is a relatively new approach to solving roundabout capacity deficiencies. Currently, there are only about half a dozen metered roundabouts operating in the United States. The Y roundabout low level of service or capacity demand problems are at specific hours of the day.

Metering also allows for safety benefits to pedestrians in crossings while controlling traffic at those peak hours of the day. The metered signals can be used to improve the flow of traffic on legs of the roundabout where long vehicle queues tend to form.



**Project Justification:**

Other state DOTs have adaptive signal metering as a low-cost highly-effective alternative in advance of roundabouts during low levels of service to mitigate traffic congestion and/or improve pedestrian crossing safety. This would be partnering with Northcentral District and Traffic Signals and Maintenance Operations of ADOT to install Arizona's first, if warranted.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Conducted concept evaluation of signal metering at the Y roundabout.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted			\$30,000	\$50,000		\$80,000
Future Estimate	Construction - Contracted					\$350,000	\$350,000
Totals		\$0	\$0	\$30,000	\$50,000	\$350,000	\$430,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant			\$24,000	\$40,000	\$280,000	\$344,000
Transportation Sales Tax			\$6,000	\$10,000	\$70,000	\$86,000
Totals	\$0	\$0	\$30,000	\$50,000	\$350,000	\$430,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

Planning to apply for both Strengthening Mobility & Revolutionizing Transportation (SMART) and Safe Streets for All (SS4A) grant funding for 80% match. This may be eligible for ADOT SMART Innovative Technology grant with the possibility that ADOT would create a demonstration projection that pays for all phases from design, installation, operation, and maintenance.

Smart transportation refers to the integrated application of modern technologies such as cloud computing, wireless communication, location-based services, and computer vision into the transportation system. Some examples of this include the following: Advanced (adaptive) Traffic Management Systems.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
Total Expenditure Impacts	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

ADOT would operate and maintain.



**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Portal Lane to Brewer Road Connection

**Location:** Portal Lane

**Phase:**  of  **Project #:** SIM-05a  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2018	September 2018
Estimated Completion Date	June 2020	June 2026

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

Construction of new roadway improvements to connect/extend Portal Lane from its current terminus through Tlaquepaque to an intersection with Brewer Road. Portal Lane exiting traffic would be directed to exit out to Brewer Road unless they are traveling south on SR 179. City and Tlaquepaque to partner in reconfiguring their parking lot which will improve circulation and encourage vehicles to exit onto Brewer Road improving traffic congestion and special event parking capacity.



**Project Justification:**

Transportation Master Plan, Strategy 5, Major Roadway Connections. Consistent with the Neighborhood and Regional Roadway Connections strategy, this strategy similarly intends to promote a better-connected community by improving thoroughfares for through travel between adjoining neighborhoods. By improving local street connectivity between subdivisions/neighborhoods and offering parallel and alternate routes for local trips, traffic volumes can be reduced on the arterial roadways of SR 89A and SR 179.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Parking lot design is complete. Design of the connection to Brewer Road is complete and incorporated with the design of the Brewer/Ranger intersection (SIM-05d) roundabout. This needs to be approved with Tlaquepaque as it will replace their current driveway with temporary construction easements.

Project Balance	
Original Approved Project Budget	\$763,600
Approved Budget Increases/Decreases	\$312,377
<b>Current Approved Total Project Budget</b>	<b>\$1,075,977</b>
Requested Budget Increase/Decrease	\$1,024,510
<b>Requested Total Project Budget</b>	<b>\$2,100,487</b>
Estimated Expenditures through June 30, 2024	\$75,977
<b>Budget Balance Remaining</b>	<b>\$2,024,510</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

The construction budget updated to reflect an extension to Brewer Road, rather than Ranger Road, which will require a bridge over Soldier Wash. Land acquisition costs are omitted as the value of the acquisition will be recognized by improvements on the private portion of the Portal Lane parking lot. FEMA Floodplain CLOMR with LOMR to be developed by another consultant. Completion extended due to additional stakeholder coordination in order to procure necessary access easement, as well as coordinate with Brewer/Ranger Road Intersection Improvements (SIM-05d).

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$75,646					\$75,646
New Appropriation	Design - Contracted		\$16,200				\$16,200
Carry Over	Construction - Contracted		\$500,000	\$500,000			\$1,000,000
New Appropriation	Construction - Contracted			\$1,000,000			\$1,000,000
Carry Over	Arts Transfer	\$331					\$331
New Appropriation	Arts Transfer			\$8,310			\$8,310
<b>Totals</b>		<b>\$75,977</b>	<b>\$516,200</b>	<b>\$1,508,310</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,100,487</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Post 7/2014	\$17,832	\$230,370	\$669,420			\$917,622
Transportation Sales Tax	\$8,219	\$285,830				\$294,049
Capital Reserves	\$33,470		\$838,890			\$872,360
Debt Financing	\$16,456					\$16,456
<b>Totals</b>	<b>\$75,977</b>	<b>\$516,200</b>	<b>\$1,508,310</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,100,487</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

Operating and maintenance costs related to additional infrastructure, including pavement management (i.e. crack sealing, surface treatments), pavement striping, and signage maintenance will be minimal and will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Forest Road Connection

**Location:**  
Forest Road

**Phase:**  of  **Project #:** SIM-05b  
(If Applicable)

	Original	Revised (if applicable)
Start Date	December 2017	December 2017
Estimated Completion Date	June 2020	March 2025

**Ranking:** Imperative (Must-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

Construction of new roadway improvements to connect/extend Forest Road from its current terminus to intersect with SR 89A. Residents and visitors would use the Forest Road connection to bypass SR 89A in Uptown and the "Y" to get from Uptown to West Sedona. At its intersection with SR 89A, vehicles would be able to turn right onto southbound SR 89A but precluded from making a left turn from Forest Road to northbound SR 89A. Vehicles on northbound SR 89A would be able to make a left turn onto Forest Road at a directional median opening at the intersection of SR 89A and Forest Road. A cost contingency has been added to the project recognizing the difficulty of the terrain and right-of-way constraints.



**Project Justification:**

Transportation Master Plan, Strategy 5, Major Roadway Connections. Consistent with the Neighborhood and Regional Roadway Connections strategy, this strategy similarly intends to promote a better-connected community by improving thoroughfares for through-travel between adjoining neighborhoods. Improving local street connectivity between subdivisions/neighborhoods and offering parallel and alternate routes for local trips, traffic volumes can be reduced on the arterial roadways of SR 89A and SR 179. The new connection between Uptown and West Sedona will provide the only secondary access, beyond the Y Roundabout. This provides a safety improvement as a secondary emergency access that will be valuable when access through the Y Roundabout is restricted.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Roadway blasting is complete ending SR 89A temporary closures. Construction is

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

The construction budget was increased consistent with the most recent cost data from the consultant and to reflect inflationary trends. Land acquisition costs further increased due to increased property values and to reflect the consideration of one full parcel acquisition by the City. Additional costs for utility relocations and costs incurred for delays associated with utility relocations. Project delayed due to design modifications, stakeholder design coordination and public outreach, additional time for acquisition of right-of-ways and easements, re-bid of construction contract, and delays associated with utility relocations.

Project Balance	
Original Approved Project Budget	\$1,321,200
Approved Budget Increases/Decreases	\$19,079,376
<b>Current Approved Total Project Budget</b>	<b>\$20,400,576</b>
Requested Budget Increase/Decrease	\$602,325
<b>Requested Total Project Budget</b>	<b>\$21,002,901</b>
Estimated Expenditures through June 30, 2024	\$12,787,561
<b>Budget Balance Remaining</b>	<b>\$8,215,340</b>

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Study	\$36,894					\$36,894
Carry Over	Land Acquisition	\$3,153,278	\$350,000				\$3,503,278
Carry Over	Design - Contracted	\$531,030	\$187,950				\$718,980
Carry Over	Construction - Contracted	\$9,065,247	\$6,395,065				\$15,460,312
New Appropriation	Construction - Contracted		\$602,325				\$602,325
Carry Over	Contingency		\$680,000				\$680,000
Carry Over	Arts Transfer	\$1,112					\$1,112
<b>Totals</b>		<b>\$12,787,561</b>	<b>\$8,215,340</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,002,901</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Post 7/2014	\$632,079	\$2,198,620				\$2,830,699
Transportation Sales Tax	\$683,178	\$2,727,920				\$3,411,098
Capital Reserves	\$149,203					\$149,203
Wastewater Revenues	\$1,050,000	\$350,000				\$1,400,000
Debt Financing	\$10,273,101	\$2,938,800				\$13,211,901
<b>Totals</b>	<b>\$12,787,561</b>	<b>\$8,215,340</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,002,901</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services		\$5,000	\$5,000	\$5,000
Debt Service	\$799,450	\$799,450	\$799,450	\$799,450
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$799,450</b>	<b>\$804,450</b>	<b>\$804,450</b>	<b>\$804,450</b>

**Explanation of Operating Impacts:**

Increased operating and maintenance costs related to additional infrastructure, including pavement management (i.e. crack sealing, surface treatments), stormwater drainage facilities, pavement striping, signage maintenance, and sewer collection systems.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Ranger Road / Brewer Road RAB Intersection & Ranger Ext Improvements

**Location:**  
Ranger Road / Brewer Road

**Phase:**  of  **Project #:** SIM-05d  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	July 2021
Estimated Completion Date	June 2023	June 2026

**Ranking:** Imperative (Must-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project consists of a study, design, and construction to improve the existing Ranger Road/Brewer Road intersection and extension of Ranger Road to the proposed Transit RIDE Exchange location. The study has determined a roundabout (RAB) is the intersection of choice. Portal Lane extension to Brewer Road is included in replacing the Tlaquepaque current employee driveway.



**Project Justification:**  
This project meets all of the SIM goals for congestion mitigation, connectivity, and mobility. 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 need upgrading. Future traffic increases will create safety issues, render the intersection ineffective, and create added congestion at adjacent intersections. The improvements will improve the efficiency of the intersection and accommodate potential transit improvements via a Ranger Road extension.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
The design is complete. Adjacent land purchases to offset construction costs will be complete or in process. The FEMA Floodplain Conditional Letter of Map Revision (CLOMR) is submitted to both the Yavapai and Coconino Counties Floodplain administrations with comments received. Bid packages are to be prepared or advertised.

Project Balance	
Original Approved Project Budget	\$2,949,300
Approved Budget Increases/Decreases	\$1,478,670
<b>Current Approved Total Project Budget</b>	<b>\$4,427,970</b>
Requested Budget Increase/Decrease	\$1,896,843
<b>Requested Total Project Budget</b>	<b>\$6,324,813</b>
Estimated Expenditures through June 30, 2024	\$974,993
<b>Budget Balance Remaining</b>	<b>\$5,349,820</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Cost increases due to inflationary increases in construction costs and possible land acquisition. Extended construction due to length of retaining walls with working within Soldiers Wash.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Land Acquisition	\$500,000	\$300,000				\$800,000
Carry Over	Design - Contracted	\$291,770					\$291,770
New Appropriation	Design - Contracted	\$183,223	\$40,000				\$223,223
Carry Over	Construction - Contracted		\$2,230,000	\$1,906,200			\$4,136,200
New Appropriation	Construction - Contracted			\$823,800			\$823,800
New Appropriation	Arts Transfer		\$24,160	\$25,660			\$49,820
<b>Totals</b>		<b>\$974,993</b>	<b>\$2,594,160</b>	<b>\$2,755,660</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,324,813</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Post 7/2014	\$31,021	\$154,200	\$163,800			\$349,021
Transportation Sales Tax	\$486,007					\$486,007
Capital Reserves		\$2,439,960	\$2,591,860			\$5,031,820
Debt Financing	\$457,965					\$457,965
<b>Totals</b>	<b>\$974,993</b>	<b>\$2,594,160</b>	<b>\$2,755,660</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,324,813</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**  
Crack sealing, pavement markings, drainage, signs, and sewer maintenance are expected to be minimal and will be absorbed in existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Forest/Ranger/SR 89A Intersection Improvements

**Location:**  
SR 89A/Forest Road/Ranger Road Intersection

**Phase:**  of  **Project #:** SIM-05e  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	July 2021
Estimated Completion Date	June 2024	June 2027

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  No

**Project Description:**  
This project will include a new roundabout at a new Forest Road/Ranger Road/SR 89A intersection and a new bus lane on SR 89A for a future transit exchange.



**Project Justification:**  
The improvements are identified in the Transit Plan and are necessary to provide adequate access to the Transit RIDE Exchange. The study demonstrates that the roundabout will meter traffic flow eastbound, improving efficiency in the Brewer Road and "Y" roundabouts to reduce congestion while increasing connectivity and mobility.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Study is complete with 60% complete on design drawings. Responded to the required Conditional Letter of Map Revision (CLOMR) from the Coconino County FEMA Floodplain Administrator could take up to nine months to complete.

Project Balance	
Original Approved Project Budget	\$5,066,500
Approved Budget Increases/Decreases	\$89,718
<b>Current Approved Total Project Budget</b>	<b>\$5,156,218</b>
Requested Budget Increase/Decrease	\$189,040
<b>Requested Total Project Budget</b>	<b>\$5,345,258</b>
Estimated Expenditures through June 30, 2024	\$325,258
<b>Budget Balance Remaining</b>	<b>\$5,020,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
The requested budget amount increased due to higher estimated costs for the study and design. Projecting out for design and construction completion. The CLOMR will be completed by SIM-05d with a Letter of Map Revision (LOMR) for this project.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Study	\$5,908					\$5,908
Carry Over	Design - Contracted	\$316,188	\$105,000				\$421,188
Carry Over	Construction - Contracted				\$4,727,812		\$4,727,812
New Appropriation	Construction - Contracted				\$72,188		\$72,188
New Appropriation	Public Art Purchase				\$115,000		\$115,000
Carry Over	Arts Transfer	\$1,310					\$1,310
New Appropriation	Arts Transfer	\$1,852					\$1,852
<b>Totals</b>		<b>\$325,258</b>	<b>\$105,000</b>	<b>\$0</b>	<b>\$4,915,000</b>	<b>\$0</b>	<b>\$5,345,258</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
1% for Arts				\$115,000		\$115,000
Grant				\$3,840,000		\$3,840,000
Transportation Sales Tax		\$105,000				\$105,000
Capital Reserves	\$325,258			\$960,000		\$1,285,258
<b>Totals</b>	<b>\$325,258</b>	<b>\$105,000</b>	<b>\$0</b>	<b>\$4,915,000</b>	<b>\$0</b>	<b>\$5,345,258</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

The NACOG - Regional Priority Projects List (RPPL) Special Line-Item State Appropriations Grant award was not approved for FY 2024. Planning to apply for both SMART and SS4A grant funding for 80% match.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

Once the improvements are implemented, ongoing maintenance will be required for pavement, striping, signing, and sidewalk improvements. Impact of operational costs will be identified after the scope of the project has been determined.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Traffic Calming and SUP - White Bear Rd to Pinon Dr

**Location:** Vicinity of SR 89A and Dry Creek Road Intersection

**Phase:**  of  **Project #:** SIM-10a  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2024	
Estimated Completion Date	June 2025	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project includes construction of a shared-use path connection from the library, down the western side of Dry Creek Road to SR 89A, and along the south side of the highway to Pinon Drive. Crosswalk improvements may be included with a traffic calming speed table near the White Bear Road intersection.



**Project Justification:**  
In response to numerous complaints about pedestrian and cyclist difficulties in and around Dry Creek Road near SR 89A, the Public Works Department is suggesting a traffic calming project to improve the positioning of crosswalks in the area and adding a speed table just south of White Bear Road. Pedestrian and cyclists safety and convenience will be enhanced by connecting the existing 10-foot wide shared-use pathway from White Bear Road to Pinion Drive. These new pathways will traverse along the south edge of SR 89A and the west side of Dry Creek Road.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Ready to commence design concept reporting.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$370,000
<b>Requested Total Project Budget</b>	<b>\$370,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$370,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Design - Contracted		\$40,000				\$40,000
New Appropriation	Construction - Contracted		\$330,000				\$330,000
Totals		\$0	\$370,000	\$0	\$0	\$0	\$370,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax		\$370,000				\$370,000
Totals	\$0	\$370,000	\$0	\$0	\$0	\$370,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
Total Expenditure Impacts	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Routine maintenance of concrete pathways, signage, driveway patching, and crack sealing are expected to be minimal and will be absorbed in existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Rodeo Road to Dry Creek Road - Shared-Use Path

**Location:** West Sedona, Rodeo Road to Dry Creek Road

**Phase:**  of  **Project #:** SIM-11a  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2018	July 2018
Estimated Completion Date	June 2020	June 2028

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
Construction of roadway improvements, restripe existing lanes for walking and bicycling facilities.



**Project Justification:**  
The Transportation Master Plan, Strategy 11, 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, a shared-use trail system will be constructed.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Design is on hold. A portion of this path is expected to be completed by future developments and other projects as indicated on the exhibit. Residents are beginning to see the need for this route, paralleling SR 89A, for bicycles and pedestrians.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Delayed due to other higher priority needs.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Land Acquisition			\$50,000			\$50,000
Future Estimate	Design - Contracted			\$150,000	\$100,000		\$250,000
Future Estimate	Construction - Contracted				\$300,000	\$600,000	\$900,000
<b>Totals</b>		\$0	\$0	\$200,000	\$400,000	\$600,000	\$1,200,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Development Impact Fees - Pre 8/2014		\$150,000	\$240,000	\$120,000		\$510,000
Transportation Sales Tax		\$50,000	\$160,000	\$480,000		\$690,000
<b>Totals</b>	\$0	\$0	\$200,000	\$400,000	\$600,000	\$1,200,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Dry Creek Road Pathway, White Bear to Two Fences

**Location:**  
Dry Creek Road

**Phase:** 2 of 3 **Project #:** SIM-11m  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	May 2022
Estimated Completion Date	June 2023	June 2025

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project would include installing a shared-use path along Dry Creek Road to extend the portion of the path that connects Two Fences Trail Head to Forest Service (FS)-152 Road (Vultee Arch) completed in FY 2022. This will extend the alignment to White Bear Road. Phase 3 to be incorporated into FY 2025.



**Project Justification:**  
This is a part of the ST&PS system and recommended in the updated Trails and Pathways Master Plan. Completing this segment would provide a safe multimodal facility for the full length of Dry Creek Road. This is an area that experiences high volumes of bicycle use.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Design and construction completed on northern portion of alignment. Construction 75% complete from Two Fences to Thunder Mountain Road, Phase 2. Design of Phase 3, Thunder Mountain Road to White Bear Road started.

Project Balance	
Original Approved Project Budget	\$1,400,000
Approved Budget Increases/Decreases	\$509,770
<b>Current Approved Total Project Budget</b>	<b>\$1,909,770</b>
Requested Budget Increase/Decrease	\$469,640
<b>Requested Total Project Budget</b>	<b>\$2,379,410</b>
Estimated Expenditures through June 30, 2024	\$1,009,410
<b>Budget Balance Remaining</b>	<b>\$1,370,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Budget increased to reflect current higher bidding environment. Completion date delayed due to extending the project to SR 89A.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$60,612	\$100,000				\$160,612
Carry Over	Construction - Contracted	\$871,480	\$800,360				\$1,671,840
New Appropriation	Construction - Contracted		\$469,640				\$469,640
Carry Over	Construction - In-House	\$77,318					\$77,318
<b>Totals</b>		<b>\$1,009,410</b>	<b>\$1,370,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,379,410</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax	\$870,000	\$1,370,000				\$2,240,000
Debt Financing	\$139,410					\$139,410
<b>Totals</b>	<b>\$1,009,410</b>	<b>\$1,370,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,379,410</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Andante Shared-Use Path and Drainage Improvements

**Location:**  
Harmony/Andante Neighborhood

**Phase:**  of  **Project #:** SIM-11n  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	July 2022
Estimated Completion Date	December 2024	June 2026

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project would provide a shared-use pathway connection from Thunder Mountain Road to SR 89A. This will also provide a multimodal connection to businesses for the residents of this neighborhood.



**Project Justification:**  
The residents of this neighborhood have requested sidewalks and paths for safe pedestrian travel. The Council discussed this project at the retreat as an important project to continue to move ahead as a priority.  
  
The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Design is complete. Project out to bid and construct in FY 2025.

Project Balance		
Original Approved Project Budget		\$1,369,000
Approved Budget Increases/Decreases		-\$34,000
<b>Current Approved Total Project Budget</b>		<b>\$1,335,000</b>
Requested Budget Increase/Decrease		\$1,910,947
<b>Requested Total Project Budget</b>		<b>\$3,245,947</b>
Estimated Expenditures through June 30, 2024		\$185,547
<b>Budget Balance Remaining</b>		<b>\$3,060,400</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Cost increases due to inflationary increases in construction costs. Extensive bilingual public outreach has slowed progress.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Study	\$20,440					\$20,440
Carry Over	Land Acquisition	\$3,000					\$3,000
Carry Over	Design - Contracted	\$111,560					\$111,560
New							
Appropriation	Design - Contracted	\$50,547	\$40,000				\$90,547
Carry Over	Construction - Contracted		\$1,200,000				\$1,200,000
New							
Appropriation	Construction - Contracted		\$300,000	\$1,500,000			\$1,800,000
New							
Appropriation	Arts Transfer		\$5,400	\$15,000			\$20,400
<b>Totals</b>		<b>\$185,547</b>	<b>\$1,545,400</b>	<b>\$1,515,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,245,947</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax	\$177,440	\$1,000,000				\$1,177,440
Capital Reserves		\$545,400	\$1,515,000			\$2,060,400
Debt Financing	\$8,107					\$8,107
<b>Totals</b>	<b>\$185,547</b>	<b>\$1,545,400</b>	<b>\$1,515,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,245,947</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**  
Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.



**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Brewer Road Shared-Use Path

**Location:**  
Brewer Road - from Ranger Station to USFS

**Phase:**  of  **Project #:** SIM-11p  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2023	July 2023
Estimated Completion Date	June 2025	June 2026

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project will provide a shared-use pathway along Brewer Road from Ranger Station Park to the US Forest Service (USFS) Brewer Trailhead just south of Juniper Lane. Approximately 1,700 linear feet.



**Project Justification:**  
The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required. Additionally, this will be a safer option for neighbors and visitors to access the Ranger Station Park and Brewer Trailhead.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Feasibility assessment and surveying completed. Begin preliminary (30%) design and National Environmental Policy Act (NEPA) analysis by June 2024 through Northern Arizona Council of Governments (NACOG) and ADOT Transportation Alternatives grant process.

Project Balance		
Original Approved Project Budget		\$870,000
Approved Budget Increases/Decreases		\$0
<b>Current Approved Total Project Budget</b>		<b>\$870,000</b>
Requested Budget Increase/Decrease		\$247,190
<b>Requested Total Project Budget</b>		<b>\$1,117,190</b>
Estimated Expenditures through June 30, 2024		\$167,190
<b>Budget Balance Remaining</b>		<b>\$950,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Cost increases due to inflationary increases in construction costs. Recently informed that we were awarded grant funding, which will delay the project a bit.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$167,190					\$167,190
Carry Over	Construction - Contracted		\$702,810				\$702,810
New Appropriation	Construction - Contracted		\$47,190	\$200,000			\$247,190
<b>Totals</b>		<b>\$167,190</b>	<b>\$750,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,117,190</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant	\$122,192					\$122,192
Transportation Sales Tax		\$750,000	\$200,000			\$950,000
Debt Financing	\$44,998					\$44,998
<b>Totals</b>	<b>\$167,190</b>	<b>\$750,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,117,190</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

We have received a Federal Transportation Alternative Grant in the amount of \$122,192 (94.3%) with a match of \$7,386 (5.7%) for design and/or construction funds and expires June 30, 2024.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Shelby II Shared-Use Path

**Location:**  
Shelby Drive from Stanley Steamer Drive to SR 89A

**Phase:**  of  **Project #:** SIM-11q  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2023	July 2023
Estimated Completion Date	June 2025	September 2025

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
The name Shelby II was generated as part of the Congressional Grant requirements in eligible funding. This project would provide a shared-use pathway connection from the termination of the path on Shelby Drive near Finley Drive to SR 89A. This project has some funding set aside by Northern Arizona Council of Governments (NACOG). Approximately length is 3,300 linear feet.



**Project Justification:**  
The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Expected to have 30% design and begin NEPA process through NACOG/ADOT Transportation Alternatives grant.

Project Balance	
Original Approved Project Budget	\$1,125,000
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$1,125,000</b>
Requested Budget Increase/Decrease	\$375,000
<b>Requested Total Project Budget</b>	<b>\$1,500,000</b>
Estimated Expenditures through June 30, 2024	\$100,000
<b>Budget Balance Remaining</b>	<b>\$1,400,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Cost increases due to inflationary increases in construction costs. Delayed due to grant funding process.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$75,000					\$75,000
New Appropriation	Design - Contracted	\$25,000	\$75,000				\$100,000
Carry Over	Construction - Contracted		\$600,000	\$450,000			\$1,050,000
New Appropriation	Construction - Contracted			\$275,000			\$275,000
<b>Totals</b>		<b>\$100,000</b>	<b>\$675,000</b>	<b>\$725,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500,000</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant		\$175,000	\$325,000			\$500,000
Transportation Sales Tax	\$100,000	\$500,000	\$400,000			\$1,000,000
<b>Totals</b>	<b>\$100,000</b>	<b>\$675,000</b>	<b>\$725,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500,000</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

Congressionally Directed Funding passed through as NACOG Grant. Received grant in FY 2023 for \$500,000 with \$1M local match for construction and must use by September 30, 2025.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Rodeo Shared-Use Path

**Location:** Rodeo Road

**Phase:**  of  **Project #:** SIM-11r  
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2025	
Estimated Completion Date	June 2027	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

The shared-use pathway would provide an additional connection between SR 89A and Thunder Mountain Road/Sanborn Drive and allow for residents in the area to walk or bike a loop. Length is approximately 3,100 linear feet. This project would possibly widen the existing sidewalk.



**Project Justification:**

The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted			\$70,000			\$70,000
Future Estimate	Construction - Contracted				\$300,000		\$300,000
<b>Totals</b>		\$0	\$0	\$70,000	\$300,000	\$0	\$370,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax			\$70,000	\$300,000		\$370,000
<b>Totals</b>	\$0	\$0	\$70,000	\$300,000	\$0	\$370,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Little Horse Shared-Use Path

**Location:** Along SR 179 from Little Horse Trailhead Parking Lot

**Phase:**  of  **Project #:** SIM-11s  
(If Applicable)

	Original	Revised (if applicable)
Start Date	February 2023	
Estimated Completion Date	June 2025	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
There is a social trail along SR 179 that connects pedestrians and cyclists to the shared-use path that terminates at the City limits, within existing ADOT right-of-way. Staff is coordinating with the USFS to improve this trail to a shared-use pathway. Length is approximately 800 linear feet. USFS is potentially wanting a NEPA study.



**Project Justification:**  
The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Coordination with ADOT and USFS.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$115,000
<b>Requested Total Project Budget</b>	<b>\$115,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$115,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Construction - In-House		\$75,000				\$75,000
New Appropriation	Environmental		\$40,000				\$40,000
Totals		\$0	\$115,000	\$0	\$0	\$0	\$115,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax		\$115,000				\$115,000
Totals	\$0	\$115,000	\$0	\$0	\$0	\$115,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Coffee Pot Shared-Use Path

**Location:** Coffee Pot Road

**Phase:**  of  **Project #:** SIM-11t  
(If Applicable)

	Original	Revised (if applicable)
Start Date	March 2025	
Estimated Completion Date	June 2026	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

This shared-use pathway will provide safer route for residents in this area to access grocery stores and public transit along the SR 89A corridor. This route will also provide an additional route and or loop for resident walkers and cyclists. Approximately 3,100 linear feet in length.



**Project Justification:**

The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$700,000
<b>Requested Total Project Budget</b>	<b>\$700,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$700,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Design - Contracted		\$100,000				\$100,000
New Appropriation	Construction - Contracted			\$600,000			\$600,000
Totals		\$0	\$100,000	\$600,000	\$0	\$0	\$700,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax		\$100,000	\$600,000			\$700,000
Totals	\$0	\$100,000	\$600,000	\$0	\$0	\$700,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Navoti Dr to Upper Red Rock Loop Rd Shared-Use Path

**Location:** Navoti Drive between Upper Red Rock Loop Road and Calle del Sol

**Phase:**  of  **Project #:** SIM-11v  
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2024	
Estimated Completion Date	June 2027	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
The shared-use pathway project would connect the West SR 89A Park & Ride to the Dry Creek Road pathway. This is just short of a mile of new pathway. This parallel route will give users a great experience off of SR 89A.



**Project Justification:**  
The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$1,635,000
<b>Requested Total Project Budget</b>	<b>\$1,635,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$1,635,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Design - Contracted		\$120,000	\$100,000			\$220,000
New Appropriation	Construction - Contracted			\$700,000	\$700,000		\$1,400,000
New Appropriation	Arts Transfer			\$8,000	\$7,000		\$15,000
<b>Totals</b>		\$0	\$120,000	\$808,000	\$707,000	\$0	\$1,635,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax		\$120,000				\$120,000
Capital Reserves			\$808,000	\$707,000		\$1,515,000
<b>Totals</b>	\$0	\$120,000	\$808,000	\$707,000	\$0	\$1,635,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Tranquil-Madole Shared-Use Path

**Location:** Tranquil Ave to Madole Road

**Phase:**  of  **Project #:** SIM-11w  
(If Applicable)

	Original	Revised (if applicable)
Start Date	January 2026	
Estimated Completion Date	June 2028	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project will help fill in a parallel route, east-west across town off of SR 89A alignment. Length is approximately 2,200 linear feet.



**Project Justification:**  
The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted			\$120,000			\$120,000
	Construction - Contracted				\$700,000		\$700,000
Future Estimate	Arts Transfer				\$7,000		\$7,000
	<b>Totals</b>	\$0	\$0	\$120,000	\$707,000	\$0	\$827,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax			\$120,000			\$120,000
Capital Reserves				\$707,000		\$707,000
<b>Totals</b>	\$0	\$0	\$120,000	\$707,000	\$0	\$827,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Zane Grey Shared-Use Path

**Location:**  
Zane Grey Drive

**Phase:**  of  **Project #:** SIM-11x  
(If Applicable)

	Original	Revised (if applicable)
Start Date	December 2025	
Estimated Completion Date	December 2026	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project would connect a parallel pedestrian and cyclist east-west route to Posse Grounds Park. This route is currently a significant social trail per data from Strava and discussions with residents. The shared-use pathway would be approximately 1,750 linear feet.



**Project Justification:**  
The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted			\$75,000			\$75,000
Future Estimate	Construction - Contracted				\$600,000		\$600,000
Future Estimate	Arts Transfer				\$6,000		\$6,000
Totals		\$0	\$0	\$75,000	\$606,000	\$0	\$681,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax			\$75,000			\$75,000
Capital Reserves				\$606,000		\$606,000
Totals	\$0	\$0	\$75,000	\$606,000	\$0	\$681,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.



**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Thunder Mountain II Shared-Use Path

**Location:** Thunder Mountain Road to Dry Creek Road

**Phase:**  of  **Project #:** SIM-11y  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2026	
Estimated Completion Date	June 2028	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

This project would connect a parallel pedestrian and cyclist east-west route to Dry Creek Road. This route is currently a significant social trail per data from Strava and discussions with residents. The shared-use pathway would be approximately 3,490 linear feet.



**Project Justification:**

The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted				\$150,000		\$150,000
Future Estimate	Construction - Contracted					\$800,000	\$800,000
<b>Totals</b>		\$0	\$0	\$0	\$150,000	\$800,000	\$950,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax				\$150,000	\$800,000	\$950,000
<b>Totals</b>	\$0	\$0	\$0	\$150,000	\$800,000	\$950,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

Total Operating Impacts:				
	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Gun Fury Shared-Use Path

**Location:**  
Gun Fury Road

**Phase:**  of  **Project #:** SIM-11z  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2025	
Estimated Completion Date	June 2027	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project would connect a parallel pedestrian and cyclist east-west route to Posse Grounds Park. This route is currently a significant social trail per data from Strava and discussions with residents. The shared-use pathway would be approximately 1,900 linear feet.



**Project Justification:**  
The Transportation Master Plan, Strategy 11, 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 and residents are encouraged to leave their vehicles at their place of lodging/residence. To have a measurable impact on traffic congestion, shared-use path connections will be required.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted			\$100,000			\$100,000
	Construction - Contracted				\$700,000		\$700,000
Future Estimate	Arts Transfer				\$7,000		\$7,000
	<b>Totals</b>	\$0	\$0	\$100,000	\$707,000	\$0	\$807,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax			\$100,000			\$100,000
Capital Reserves				\$707,000		\$707,000
<b>Totals</b>	\$0	\$0	\$100,000	\$707,000	\$0	\$807,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Since several of the shared-use paths have been completed, a position has been requested in the FY 2025 operating budget for the management of these facilities/infrastructure. Additional recurring maintenance costs are related to materials and supplies for pavement maintenance (seal coating, etc.) of paths, pavement patching, curb replacement, signage and striping, etc. and expected to be minimal so will be covered by the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Traffic Video Cameras

**Location:**  
Citywide

**Phase:**  of  **Project #:** SIM-12b  
(If Applicable)

	Original	Revised (if applicable)
Start Date	October 2018	October 2018
Estimated Completion Date	June 2021	June 2025

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

Current Proposed Location by priority:  
 1) 80 Tip Top Lane (Sky Line)  
 2) SR 179 and Schnebly Hill Road to Tlaquepaque  
 3) SR 89A and Forest Road intersection  
 4) SR 89A and Red Rock Loop Road at new West Intercept Park and Ride Lot  
 5) SR 89A Cook's Hill or east of Mariposa Latin Inspired Grill

These cameras will provide real-time still pictures for the general public through the City's website. Remote control of imaging and video monitoring will be available to City staff only. This will allow residents to evaluate current road and traffic conditions to plan their trips around congestion, while allowing staff to monitor and analyze traffic at locations of concern.



**Project Justification:**

The cameras will provide the user with real-time road and traffic conditions at key locations, similar to ADOT AZ511 cameras where the user can get a "live" still shot every 5-10 minutes.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

One video camera at 80 Tip Top Lane (Sky Line) will be under construction with permission and assistance from Arizona Water Company.

Project Balance	
Original Approved Project Budget	\$47,470
Approved Budget Increases/Decreases	\$74,022
<b>Current Approved Total Project Budget</b>	<b>\$121,492</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$121,492</b>
Estimated Expenditures through June 30, 2024	\$71,492
<b>Budget Balance Remaining</b>	<b>\$50,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

The budget was increased to allow for additional cameras. Project completion extended to account for added cameras.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$6,518					\$6,518
Carry Over	Construction - Contracted	\$64,761	\$50,000				\$114,761
Carry Over	Arts Transfer	\$213					\$213
Totals		\$71,492	\$50,000	\$0	\$0	\$0	\$121,492

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Transportation Sales Tax	\$50,000	\$50,000				\$100,000
Capital Reserves	\$21,492					\$21,492
Totals	\$71,492	\$50,000	\$0	\$0	\$0	\$121,492

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

None expected. Camera movement restrictions with blurring of private property images is to be included to respect citizens' right to privacy. The City will use existing SIM cards and renew the license every five years from existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** View Drive Area Drainage Improvements (Yavapai County)

**Location:** View Drive Area

**Phase:**  of  **Project #:** SD-04  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2026	
Estimated Completion Date	June 2028	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**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 to VD-C17 and VD-D01 to VD-D16 in the Master Plan.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted				\$150,000		\$150,000
Future Estimate	Construction - Contracted					\$1,450,000	\$1,450,000
Future Estimate	Arts Transfer					\$11,500	\$11,500
Totals		\$0	\$0	\$0	\$150,000	\$1,461,500	\$1,611,500

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Yavapai County Flood Control				\$150,000	\$300,000	\$450,000
Capital Reserves					\$1,161,500	\$1,161,500
Totals	\$0	\$0	\$0	\$150,000	\$1,461,500	\$1,611,500

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

The operating expenditures related to weed control, debris removal, erosion repair, etc. will be minimal and will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**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 2023	August 2024
Estimated Completion Date	June 2024	June 2026

**Ranking:**

**Environmental Sustainability Project?**  Yes

**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 to SC-C08 and SC-D01 to SC-D05 in the Master Plan.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$653,500
<b>Requested Total Project Budget</b>	<b>\$653,500</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$653,500</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Delayed due to staff capacity.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Design - Contracted		\$150,000				\$150,000
New Appropriation	Construction - Contracted			\$500,000			\$500,000
New Appropriation	Arts Transfer			\$3,500			\$3,500
<b>Totals</b>		\$0	\$150,000	\$503,500	\$0	\$0	\$653,500

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Yavapai County Flood Control		\$150,000	\$150,000			\$300,000
Capital Reserves			\$353,500			\$353,500
<b>Totals</b>	\$0	\$150,000	\$503,500	\$0	\$0	\$653,500

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
The operating expenditures related to weed control, debris removal, erosion repair, etc. will be minimal and will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Mystic Hills Lift Station Access Improvements (Coconino County)

**Location:** West Mallard Drive

**Phase:**  of  **Project #:** SD-08  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2023	July 2025
Estimated Completion Date	June 2025	June 2027

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**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 Mystic Hills wastewater lift station. Corps of Engineers' requirements will be determined, and right-of-way needs will be defined.



**Project Justification:**  
This project will develop a design and costs to improve public road ingress and egress to the Mystic Hills 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, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Project is delayed due to staff capacity issues and pursuing participation from Coconino County Flood Control District

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted			\$40,000			\$40,000
Future Estimate	Construction - Contracted				\$400,000		\$400,000
Future Estimate	Arts Transfer				\$2,000		\$2,000
Totals		\$0	\$0	\$40,000	\$402,000	\$0	\$442,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Coconino County Flood Control			\$40,000	\$200,000		\$240,000
Capital Reserves				\$202,000		\$202,000
Totals	\$0	\$0	\$40,000	\$402,000	\$0	\$442,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
The operating expenditures related to debris removal, erosion repair, etc. will be minimal and will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Back O' Beyond Road & Trailhead Safety Improvements

**Location:** Back O' Beyond Road

**Phase:**  of  **Project #:** ST-07  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2023	July 2025
Estimated Completion Date	June 2025	June 2027

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  No

**Project Description:**  
Safety improvements along Back O' Beyond Road and at the City's Cathedral Trailhead parking lot. Improve road geometry at blind corners with shoulder buildup with guardrail. A shared-use path may be included behind the guardrail or grade separated. Improve parking lot circulation using a one-way aisle connection between the two parking lots to provide a safe turnaround.



**Project Justification:**  
These improvements are needed to improve safety.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Reapply for the SS4A grant after completing a safety corridor study through ST-11.

Project Balance	
Original Approved Project Budget	\$2,200,000
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$2,200,000</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$2,200,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$2,200,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Cost increases due to inflationary increases in construction costs. Delayed due to efforts to obtain grant funding.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted			\$120,000			\$120,000
Carry Over	Construction - Contracted				\$2,080,000		\$2,080,000
Future Estimate	Construction - Contracted				\$920,000		\$920,000
Future Estimate	Arts Transfer			\$1,200	\$6,000		\$7,200
Totals		\$0	\$0	\$121,200	\$3,006,000	\$0	\$3,127,200

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant				\$2,400,000		\$2,400,000
Capital Reserves			\$121,200	\$606,000		\$727,200
Totals	\$0	\$0	\$121,200	\$3,006,000	\$0	\$3,127,200

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
An application was submitted for the Safe Streets for All (SS4A) funding. A Safety Corridor Study is needed to match the regional safety plan. This will be completed in a separate SMART grant for a citywide study for multiple corridor qualifications. The City's match for this funding is expected to be 20%.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
Total Expenditure Impacts	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Ongoing maintenance for pavement, signs, striping, and guardrail will be minimal and will be absorbed in the existing budget capacity.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
Citywide Safety Analysis Corridor Studies

**Location:**  
Citywide

**Phase:**  of  **Project #:**   
(If Applicable)

	Original	Revised (if applicable)
Start Date		
Estimated Completion Date		

**Ranking:**

**Environmental Sustainability Project?**

**Project Description:**  
This project is intended to be a safety analysis for vehicles, pedestrians, and public transportation using the various highway and arterial corridors throughout the City. The scope of the study will include the identification of operational deficiencies, conceptualization of traffic-calming opportunities, and the determination of transportation system needs to support adjacent land uses and promote redevelopment of underperforming infrastructure. This includes accident and near-miss record research and interviews with emergency services to identify the location and frequency of notable incidents.



**Project Justification:**  
Federal grant funding opportunities require corridor safety studies to link and coordinate to regional studies completed by NACOG. These studies fulfill this initial federal requirement; and will assist in maximizing improvements to the following features: existing infrastructure, access, mobility, technology, overall safety conditions, and air quality by congestion reduction.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Study			\$250,000			\$250,000
Totals		\$0	\$0	\$250,000	\$0	\$0	\$250,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant			\$200,000			\$200,000
Capital Reserves			\$50,000			\$50,000
Totals	\$0	\$0	\$250,000	\$0	\$0	\$250,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**



**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Streetlights LED Retrofit

**Location:** Citywide

**Phase:**  of  **Project #:** SUS-05  
(If Applicable)

	Original	Revised (if applicable)
Start Date	August 2023	August 2023
Estimated Completion Date	June 2024	December 2024

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
Project would look to retrofit 149 high-pressure sodium (HPS) streetlight luminaires with dark-sky compliant LED fixtures. Luminaires would be retrofitted at all City of Sedona controlled streetlight locations.



**Project Justification:**  
The Municipal Sustainability Plan and Climate Action Plan strive to reduce emissions and energy consumption. An optimal area to reduce these factors, while improving lighting control and dark sky compliance, are found in the City's streetlights. There are 149 streetlights remaining with high-pressure sodium (HPS) luminaires, which are less energy efficient and have greater maintenance costs.  
  
In 2021, streetlight and traffic signals were estimated to have contributed 76 metric tons of carbon dioxide emissions and consumed 173 Megawatt-hours (MWh) of electricity. There is opportunity to reduce energy consumption and greenhouse gas emissions, while also decreasing maintenance costs through extended luminaire lifespans through replacement of these lighting fixtures.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Procurement of fixtures completed. Installation anticipated in early FY 2025.

Project Balance	
Original Approved Project Budget	\$181,800
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$181,800</b>
Requested Budget Increase/Decrease	\$19,000
<b>Requested Total Project Budget</b>	<b>\$200,800</b>
Estimated Expenditures through June 30, 2024	\$120,000
<b>Budget Balance Remaining</b>	<b>\$80,800</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Timelines and estimated costs shifted slightly upward and installation was moved into FY 2025. Procurement timelines shifted, which is moving anticipated installation into early FY 2025.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Construction - Contracted		\$61,000				\$61,000
New Appropriation	Construction - Contracted		\$19,000				\$19,000
Carry Over	Equipment Purchase	\$120,000					\$120,000
Carry Over	Arts Transfer		\$800				\$800
<b>Totals</b>		<b>\$120,000</b>	<b>\$80,800</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,800</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves	\$120,000	\$80,800				\$200,800
<b>Totals</b>		<b>\$120,000</b>	<b>\$80,800</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,800</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services	-\$7,000	-\$7,000	-\$7,000	-\$7,000
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>-\$7,000</b>	<b>-\$7,000</b>	<b>-\$7,000</b>	<b>-\$7,000</b>

**Explanation of Operating Impacts:**  
No extra personnel is anticipated to be needed. Ongoing supplies would be needed in the event of vandalism or breakage, but no increase in utility costs is anticipated for this project. Additionally, current and long-term maintenance and operations costs are estimated to decrease through completion of this project. The estimated financial impacts will be determined during the planning of this project.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** DC Fast EV Chargers (Decarbonization)

**Location:** Municipal Facilities

**Phase:**  of  **Project #:** SUS-06  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2026	
Estimated Completion Date	June 2027	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
Project would look to install at least 6 additional direct-current (DC) fast chargers in municipal operations for use by public transit vehicles and other City fleet. Project to be updated and refined from decarbonization roadmap completed in the second half FY 2024.



**Project Justification:**  
As the City incorporates the Green Fleet Policy and expands its public transit options, additional level-3 DC fast electric vehicle (EV) chargers would be needed to facilitate this expansion.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Researching applicable products and funding options for future installation.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Construction - Contracted				\$400,000		\$400,000
Future Estimate	Arts Transfer				\$4,000		\$4,000
Totals		\$0	\$0	\$0	\$404,000	\$0	\$404,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves				\$404,000		\$404,000
Totals	\$0	\$0	\$0	\$404,000	\$0	\$404,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
Possible grant opportunities will be explored.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Operating impacts would include a reduction in fuel costs associated with operations of internal combustion engines and anticipated reduction in maintenance and repair costs. The estimated financial impact to be determined in the municipal decarbonization roadmapping efforts.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Building Retrofit of Natural Gas Systems (Decarbonization)

**Location:** Municipal Buildings

**Phase:**  of  **Project #:** SUS-07  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2027	
Estimated Completion Date	June 2030	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
Project would transition all municipally owned properties away from natural gas usage to electric equivalent for HVAC and water heating systems. Project to be updated and refined from decarbonization roadmap completed in the second half of FY 2024.



**Project Justification:**  
The Climate Action Plan and Municipal Sustainability Plan set carbon emissions reduction goals. Natural gas usage for heating and cooling of facilities is a contributor to greenhouse gases that is found in municipal buildings. Retrofitting these buildings to electric components would reduce greenhouse gas emissions and be emissions free when coupled with the ongoing participation in the Green Power Partners Program with Arizona Public Service.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Research and Project Development.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Construction - Contracted					\$500,000	\$500,000
Future Estimate	Arts Transfer					\$5,000	\$5,000
Totals		\$0	\$0	\$0	\$0	\$505,000	\$505,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves					\$505,000	\$505,000
Totals	\$0	\$0	\$0	\$0	\$505,000	\$505,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
Total Expenditure Impacts	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Would reduce utility invoicing from natural gas and is anticipated to reduce utility costs through more electrically efficient systems. Estimated financial impacts will be determined in the decarbonization roadmapping efforts.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Decarbonization Roadmap Projects

**Location:** Municipal Facilities

**Phase:**  of  **Project #:** SUS-09  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2025	
Estimated Completion Date	June 2030	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  N/A

**Project Description:**  
Implementation of projects derived from the decarbonization roadmap. Roadmapping began in January 2024. Projects may range from options such as electrifying natural gas systems, fleet electrification infrastructure, heat pump installations, building retrofits, renewable energy installations, etc. Further defined projects and details would be built upon during the FY 2026 budgeting process.



**Project Justification:**  
To meet the City's goal to "Be Carbon Neutral" from the Municipal Sustainability Plan and to reduce community greenhouse gas emissions by 50% by 2030 from the Climate Action Plan, the City embarked on developing a decarbonization roadmap in January 2024. The roadmap aims to layout timelines, financial needs, and applicable decarbonization projects for municipal operations.  
  
Proposed funding amounts would be for implementation of projects to meet the City's sustainability goals. Monetary amounts are estimates and serve as a placeholder for the projects that are derived from the roadmapping effort currently underway.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Decarbonization Roadmap Plan developed.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$3,383,500
<b>Requested Total Project Budget</b>	<b>\$3,383,500</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$3,383,500</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New	Construction -		\$350,000	\$750,000	\$700,000	\$1,550,000	\$3,350,000
New	Arts Transfer		\$3,500	\$7,500	\$7,000	\$15,500	\$33,500
Totals		\$0	\$353,500	\$757,500	\$707,000	\$1,565,500	\$3,383,500

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Capital Reserves		\$353,500	\$757,500	\$707,000	\$1,565,500	\$3,383,500
Totals	\$0	\$353,500	\$757,500	\$707,000	\$1,565,500	\$3,383,500

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
Will be identified in the decarbonization roadmapping plan process.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
 WW Collection System Improvements - Misc. Rehabs/Replacements

**Location:**  
 Foothills Drive, El Camino Road, Northview Road, Lazy Bear Estates

**Phase:**  of  **Project #:**   
 (If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	December 2023
Estimated Completion Date	June 2022	June 2025

**Ranking:**

**Environmental Sustainability Project?**

**Project Description:**  
 This project will install pipe lining in Foothills Drive and El Camino Road, replace a portion of the 6-inch main line in Northview Road upstream of Carroll Canyon lift station, and repair offset joints and re-line the 8-inch mains in Lazy Bear Estates.



**Project Justification:**  
 The 2017 Wastewater Master Plan Update (WWMP) included both condition assessments of existing sewer infrastructure and capacity analysis of the sewer collection system. During the desktop condition assessment, several pipes were identified as having issues such as deteriorated pipe lining, offset joints, cracks in the pipe, and general deterioration from hydrogen sulfide gases.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
 Design of all 3 areas will be complete. Construction on Northview Road will be approximately 30% complete.

Project Balance	
Original Approved Project Budget	\$390,000
Approved Budget Increases/Decreases	\$70,000
<b>Current Approved Total Project Budget</b>	<b>\$460,000</b>
Requested Budget Increase/Decrease	\$181,000
<b>Requested Total Project Budget</b>	<b>\$641,000</b>
Estimated Expenditures through June 30, 2024	\$240,000
<b>Budget Balance Remaining</b>	<b>\$401,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
 Additional budget added in FY 2025, based off of Engineering Cost Estimates for construction. Construction delayed due to need for additional funding.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$52,000					\$52,000
New	Design - Contracted		\$19,000				\$19,000
Carry Over	Construction - Contracted	\$188,000	\$220,000				\$408,000
New	Construction - Contracted		\$162,000				\$162,000
<b>Totals</b>		<b>\$240,000</b>	<b>\$401,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$641,000</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues	\$240,000	\$401,000				\$641,000
<b>Totals</b>	<b>\$240,000</b>	<b>\$401,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$641,000</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Operating Impacts:**

There are no additional operating impacts resulting from this project.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:**  
 WW Collection System Improvements - Future Collections Projects

**Location:**  
 TBD

**Phase:**  of  **Project #:**   
 (If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	July 2025
Estimated Completion Date	June 2023	June 2028

**Ranking:**

**Environmental Sustainability Project?**  Yes

**Project Description:**  
 This project will include future repairs, rehabilitation, and/or replacements of collection system piping or lift stations.



**Project Justification:**  
 Majority of the sewer collection system is nearing 30 years old. As the Wastewater Department continues its annual sewer video (CCTV) evaluations and completes more in-depth condition assessments of the sewer interceptor, it is likely that rehabilitation or replacement of sewer pipes will be necessary. Additionally, many of the lift stations are also nearing 20-30 years old and may need repairs and/or replacement within the next 10 years.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
 Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
 Project delayed due to staff capacity to complete CCTV.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted			\$50,000		\$160,000	\$210,000
Future Estimate	Construction - Contracted				\$500,000	\$1,200,000	\$1,700,000
<b>Totals</b>		\$0	\$0	\$50,000	\$500,000	\$1,360,000	\$1,910,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues			\$50,000	\$500,000	\$1,360,000	\$1,910,000
<b>Totals</b>	\$0	\$0	\$50,000	\$500,000	\$1,360,000	\$1,910,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
 None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
 No additional operational impacts are anticipated due to this project.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** WW Collection System Improvements - Major Lift Station Upgrades

**Location:** Major Lift Stations

**Phase:**  of  **Project #:** WW-01F  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2020	July 2020
Estimated Completion Date	June 2022	December 2024

**Ranking:** Imperative (Must-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

This project will upgrade the obsolete controls at each of the three major lift stations, allowing for efficient and reliable automation. Additionally, pumps, variable frequency drives, flow meters, and transfer switches will be replaced, and the wet well coatings will be refreshed.



**Project Justification:**

The last upgrade to the three major lift stations was completed in 2008, which consisted mainly of electrical upgrades and wet well improvements. Controls used to automate the lift stations have become obsolete, thus finding repair parts is increasingly difficult. Components such as the variable frequency drives, flow meters, and transfer switches have all operated less efficiently and/or experienced failures over the past few years. The pumps at each lift station are 30 years old, have been rebuilt several times, and are nearing the end of their effective life. Replacing this equipment is imperative to maintain reliable operations and avoid catastrophic failures that could result in major overflows reaching Oak Creek and costly emergency bypass pumping of these lift stations. Refreshing the wet well coatings will prolong the structural integrity of the wet wells.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Construction is underway and approximately 30% complete.

Project Balance	
Original Approved Project Budget	\$960,000
Approved Budget Increases/Decreases	\$5,923,529
<b>Current Approved Total Project Budget</b>	<b>\$6,883,529</b>
Requested Budget Increase/Decrease	\$313,331
<b>Requested Total Project Budget</b>	<b>\$7,196,860</b>
Estimated Expenditures through June 30, 2024	\$3,736,240
<b>Budget Balance Remaining</b>	<b>\$3,460,620</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Cost increases for increases in material pricing and for additional scope of work. Supply chain issues have resulted in a delay to the start of construction.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$375,173	\$76,600				\$451,773
Carry Over	Construction - Contracted	\$1,686,695	\$2,649,669				\$4,336,364
New Appropriation	Construction - Contracted		\$313,331				\$313,331
Carry Over	Equipment Purchase	\$1,674,372	\$421,020				\$2,095,392
<b>Totals</b>		<b>\$3,736,240</b>	<b>\$3,460,620</b>	\$0	\$0	\$0	<b>\$7,196,860</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Grant	\$1,464,372	\$1,944,860				\$3,409,232
Equipment Replacement Reserve	\$210,000	\$421,020				\$631,020
Wastewater Revenues	\$2,061,868	\$1,094,740				\$3,156,608
<b>Totals</b>		<b>\$3,736,240</b>	<b>\$3,460,620</b>	\$0	\$0	<b>\$7,196,860</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

American Rescue Plan Act (ARPA) funding will be used toward this project.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Operating expenses are not expected to significantly change. Preventative maintenance on the pumps will be reduced from twice to once annually.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** SCADA System Master Plan

**Location:** N/A

**Phase:**  of  **Project #:** WW-04  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2017	July 2026
Estimated Completion Date	June 2019	June 2027

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

This project will re-evaluate the recommendations of the 2016 study and update it to include current needs of the WWRP, technological advances in the field of Supervisory Control and Data Acquisition (SCADA), and future additions needed as the WWRP continues to grow.



**Project Justification:**

A study of the system in 2016 noted that a number of control devices for the system were no longer supported by the manufacturer and parts would become more difficult to obtain. In order to reduce the SCADA failure, recommendations were made to upgrade the PLCs and associated devices. In the time since the study was completed, many changes have occurred to the SCADA system, including some upgrades and improvements that were identified in the study. Rather than implementing additional recommendations from this outdated study, a new study should be completed with updated technological advances and current needs of the WWRP.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Not yet started.

Project Balance	
Original Approved Project Budget	\$185,000
Approved Budget Increases/Decreases	\$125,000
<b>Current Approved Total Project Budget</b>	<b>\$310,000</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$310,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$310,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Project delayed to allow for higher priority projects to be completed first.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Master Plan				\$310,000		\$310,000
Totals		\$0	\$0	\$0	\$310,000	\$0	\$310,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues				\$310,000		\$310,000
Totals		\$0	\$0	\$0	\$0	\$310,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

No additional operating costs are anticipated.



## CAPITAL PROJECTS DETAILS

### Project Summary

**Project Title:** WWRP Recharge Wells

**Location:** Wastewater Reclamation Plant

**Phase:** 3 of 4 **Project #:** WW-06  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2009	July 2025
Estimated Completion Date	June 2020	June 2028

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**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. A total of 6 recharge wells were identified as needed in the Effluent Management Optimization Plan. However, water demand from future land uses in the area, revised built-out flow projections from the 2017 Wastewater Master Plan Update, and/or efficiency of Wells No. 1-5 may result in Recharge Well No. 6 not being necessary.



Note: The amount shown for prior years under the category "demolition/site prep" represent the costs associated with the design and construction of 27 acres of wetlands.

**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).

### For Continuing Projects

**Estimated Project Status as of June 30, 2024:**

Phase 3 not yet started.

Project Balance	
Original Approved Project Budget	\$7,878,258
Approved Budget Increases/Decreases	\$2,743,041
<b>Current Approved Total Project Budget</b>	<b>\$10,621,299</b>
Requested Budget Increase/Decrease	\$450,000
<b>Requested Total Project Budget</b>	<b>\$11,071,299</b>
Estimated Expenditures through June 30, 2024	\$5,477,699
<b>Budget Balance Remaining</b>	<b>\$5,593,600</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Recharge Wells No. 1 and 2 were brought on-line in the fall of 2017. Current rates of recharge, combined with lower than anticipated growth of wastewater flows show that the operation of 2 wells at this time, in addition to the wetlands and spray irrigation, are sufficient for adequate effluent management. However, significant investments are needed for improvements to the irrigation system (See project WW-06A). Given the possibility for the land to be used for other purposes, the construction of Recharge Wells No. 3 and 4 have been scheduled for FY 2027 and FY 2028. This will allow for 200 acres of irrigation to be abandoned.

The budget for each well has doubled given the rate of cost increases since the cost estimates were completed in 2013. Funds have been added in future years to account for 2 additional wells which will be needed as influent flows to the WWRP increase up to 2.0 million gallons per day. Design and construction for the next phase have been moved up to FYs 2026-2028.

### Budget Detail

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Demolition/Site Prep - Contracted	\$1,980					\$1,980
Carry Over	Design - Contracted	\$1,013,481		\$383,820			\$1,397,301
New Appropriation	Design - Contracted			\$450,000			\$450,000
Future Estimate	Design - Contracted					\$750,000	\$750,000
Carry Over	Construction - Contracted	\$4,093,708			\$4,405,720		\$8,499,428
Future Estimate	Construction - Contracted					\$14,400,000	\$14,400,000
Carry Over	Environmental	\$109,779		\$138,000			\$247,779
Future Estimate	Environmental					\$250,000	\$250,000
Carry Over	Equipment Purchase	\$162,202					\$162,202
Carry Over	Legal Services	\$96,549					\$96,549
Carry Over	Contingency				\$216,060		\$216,060
Future Estimate	Contingency					\$200,000	\$200,000
<b>Totals</b>		<b>\$5,477,699</b>	<b>\$0</b>	<b>\$971,820</b>	<b>\$4,621,780</b>	<b>\$15,600,000</b>	<b>\$26,671,299</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues	\$5,477,699					\$5,477,699
Debt Financing			\$971,820	\$4,621,780	\$15,600,000	\$21,193,600
<b>Totals</b>	<b>\$5,477,699</b>	<b>\$0</b>	<b>\$971,820</b>	<b>\$4,621,780</b>	<b>\$15,600,000</b>	<b>\$26,671,299</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

Possible grant opportunities will be sought.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				\$120,000
Contractual Services				
Debt Service			\$1,080,000	\$1,080,000
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,080,000</b>	<b>\$1,200,000</b>

**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**

**Project Summary**

**Project Title:** WWRP Area 4 Irrigation Improvements

**Location:** Wastewater Reclamation Plant

**Phase:**  of  **Project #:** WW-06A  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2025	
Estimated Completion Date	June 2026	

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**Project Description:**  
This project will replace the irrigation system on 200 acres of land.  
  
Note: This project will not be required if additional recharge wells are constructed.



**Project Justification:**  
The WWRP disposes of its treated effluent through spray irrigation, wetlands, and two recharge wells. In 2013, the City completed an Effluent Management Optimization Plan, which identified 6 total recharge wells, 27 acres of wetlands and a reduction of irrigation from 300 acres to 100 acres as the optimum combination of effluent disposal methods. Influent flows at the WWRP have not increased at the rate anticipated and alternative use of the Dells land (200 acres of irrigation to be abandoned) has been on hold, thus it has delayed the construction of additional recharge wells. The irrigation system of the 200 acres at the Dells land was originally installed in 1993. Failures and repairs to the irrigation system have increasingly been needed in recent years. If additional recharge wells are not constructed, major improvements will be needed on the irrigation system to provide reliable infrastructure for effluent disposal.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not started

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Alternate Option	Design - Contracted			\$100,000			\$100,000
Alternate Option	Construction - Contracted			\$1,500,000			\$1,500,000
Alternate Option	Contingency			\$200,000			\$200,000
<b>Totals</b>		\$0	\$0	\$1,800,000	\$0	\$0	\$1,800,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues			\$1,800,000			\$1,800,000
<b>Totals</b>		\$0	\$0	\$1,800,000	\$0	\$1,800,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**  
No significant changes to operational impacts will result from this project.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** WWRP Reservoir Liner Replacement

**Location:** Wastewater Reclamation Plant

**Phase:**  of  **Project #:** WW-07  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2020	July 2026
Estimated Completion Date	June 2021	June 2026

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**Project Description:**  
This project will replace the liner in the 70-million gallon water reservoir used for irrigation of effluent.  
  
Note: This project will not be required if additional recharge wells are constructed.



**Project Justification:**  
The reservoir liner in reservoir 1 is used to prevent seepage in a 70 million gallon earthen reservoir. The reservoir holds treated effluent prior to it being irrigated for disposal. Each year, the liner is inspected for holes, tears, or other damage and repair. The liner is original to the construction of the reservoir and is necessary to maintain compliance with the Arizona Department of Environmental Quality.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Project has moved to future years as additional recharge wells are constructed this project may not be needed.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Alternate Option	Design - Contracted			\$50,000			\$50,000
Alternate Option	Construction - Contracted			\$1,000,000			\$1,000,000
Totals		\$0	\$0	\$1,050,000	\$0	\$0	\$1,050,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues			\$1,050,000			\$1,050,000
Totals	\$0	\$0	\$1,050,000	\$0	\$0	\$1,050,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$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**

**Project Summary**

**Project Title:** WWRP Drying Beds Replacement

**Location:** Wastewater Reclamation Plant

**Phase:**  of  **Project #:** WW-08  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	July 2025
Estimated Completion Date	June 2022	June 2027

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project would replace the original conventional 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, 2024:**  
Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Design remained the same; moved construction to FY 2027.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Design - Contracted			\$150,000			\$150,000
Future Estimate	Construction - Contracted				\$1,500,000		\$1,500,000
<b>Totals</b>		\$0	\$0	\$150,000	\$1,500,000	\$0	\$1,650,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues			\$150,000	\$1,500,000		\$1,650,000
<b>Totals</b>		\$0	\$0	\$150,000	\$1,500,000	\$1,650,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$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**

**Project Summary**

**Project Title:** WWRP Treatment Process Upgrades

**Location:** Wastewater Reclamation Plant

**Phase:** 1 of 3 **Project #:** WW-09  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	July 2022
Estimated Completion Date	June 2027	June 2028

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

This project will be a multi-phased project to upgrade the ultra-violet (UV) disinfection, sludge digester, 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 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. The UV disinfection system has experienced failing parts and increasingly higher operating costs. An upgrade to the UV disinfection system is therefore underway. The sizing of the UV disinfection system will meet future needs for capacity.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Design will be complete in May 2024. Permitting is estimated to be complete in June 2024 and construction ready to begin in July 2024.

Project Balance		
Original Approved Project Budget		\$1,060,000
Approved Budget Increases/Decreases		\$0
<b>Current Approved Total Project Budget</b>		<b>\$1,060,000</b>
Requested Budget Increase/Decrease		\$2,675,000
<b>Requested Total Project Budget</b>		<b>\$3,735,000</b>
Estimated Expenditures through June 30, 2024		\$219,500
<b>Budget Balance Remaining</b>		<b>\$3,515,500</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Increased budget to account for higher than anticipated design costs, revised construction cost estimates, and for costs associated with permit amendments. Upgrades to sludge digester and aeration basin moved out further because there has not been an increase in average daily flows.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$214,500					\$214,500
New							
Appropriation	Design - Contracted		\$85,000				\$85,000
Future Estimate	Design - Contracted				\$50,000	\$120,000	\$170,000
Carry Over	Construction - Contracted		\$840,500				\$840,500
New							
Appropriation	Construction - Contracted		\$2,590,000				\$2,590,000
Future Estimate	Construction - Contracted					\$1,700,000	\$1,700,000
Carry Over	Environmental	\$5,000					\$5,000
<b>Totals</b>		\$219,500	\$3,515,500	\$0	\$50,000	\$1,820,000	\$5,605,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues	\$219,500	\$3,515,500		\$50,000	\$1,820,000	\$5,605,000
<b>Totals</b>		\$219,500	\$3,515,500	\$0	\$50,000	\$5,605,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies		-\$100,000		
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	-\$100,000	\$0	\$0

**Explanation of Operating Impacts:**

UV operating impacts are anticipated to decrease. Future operating impacts after upgrades to the sludge digester and aeration basins are yet to be determined.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** Wastewater Master Plan Update

**Location:** Citywide

**Phase:**  of  **Project #:** WW-10  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2022	July 2025
Estimated Completion Date	June 2023	June 2026

**Ranking:** Important (Could-Do)

**Environmental Sustainability Project?**  No

**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 FY 2026 are to provide an update to the 2017 Wastewater Master Plan.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Project not yet scheduled to begin.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Moved to FY 2026 to meet operating and maintenance reserve requirements.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Future Estimate	Master Plan			\$100,000			\$100,000
Future Estimate	Future Estimate Placeholder					\$100,000	\$100,000
<b>Totals</b>		\$0	\$0	\$100,000	\$0	\$100,000	\$200,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues			\$100,000		\$100,000	\$200,000
<b>Totals</b>		\$0	\$0	\$100,000	\$0	\$200,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$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**

**Project Summary**

**Project Title:** WWRP Area 4 Pump Station Valve Upgrade

**Location:** Area 4

**Phase:**  of  **Project #:** WW-14  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2021	July 2025
Estimated Completion Date	June 2022	June 2026

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

This project will replace the existing slide gate that provides level control to the Area 4 pump station with a motor-operated valve and tie its operation into SCADA so that it can be automated.

Note: This project will not be required if additional recharge wells are installed.



**Project Justification:**

Water level in the Area 4 pump station is controlled by a custom fabricated motor-operated slide gate that was originally installed in the 1990s. The slide gate has worn to a point that it does not modulate correctly and will not close completely, resulting in water continually flowing into the overflow when pumps are not operating. If the slide gate is stuck in the open position, an offsite discharge would result in a permit violation and potential for flooding of downstream properties along Forest Service Road 525 exist.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Not started

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$0
<b>Requested Total Project Budget</b>	<b>\$0</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$0</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Costs for design came in significantly higher than expected. Construction costs are also anticipated to be significantly higher than originally budgeted. The project has been moved to FY 2026 to allow for higher priority projects to be complete and to evaluate the need for this project if irrigation is to be reduced. Project delayed and dependent upon continued irrigation of area 4.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Alternate Option	Design - Contracted			\$95,000			\$95,000
Alternate Option	Construction - Contracted			\$250,000			\$250,000
	<b>Totals</b>	\$0	\$0	\$345,000	\$0	\$0	\$345,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues			\$345,000			\$345,000
<b>Totals</b>	\$0	\$0	\$345,000	\$0	\$0	\$345,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

No increase to existing operational costs anticipated.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** WWRP Secondary Clarifier Rehabilitation

**Location:** Wastewater Reclamation Plant

**Phase:** 2 of 3 **Project #:** WW-16  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2023	
Estimated Completion Date	June 2025	

**Ranking:** Imperative (Must-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**

This project will replace the existing original clarifier mechanisms with new mechanism consisting of a new drive system, skimmer arm, counterbalancing arm, suction header, and weir washer. It will also repair any damage to the clarifier coating that has occurred from off-balance mechanisms.



**Project Justification:**

The WWRP has 3 secondary clarifiers, installed in 1993, 2001, and 2017. The original clarifier mechanisms are in Clarifiers #1 and #2 are currently inoperable and must be replaced.  
  
Funds in future years are for anticipated replacement of Clarifier #3 mechanisms.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Clarifier #2 (Phase 1) is anticipated to be complete.

Project Balance	
Original Approved Project Budget	\$155,000
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$155,000</b>
Requested Budget Increase/Decrease	\$155,000
<b>Requested Total Project Budget</b>	<b>\$310,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$310,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

Cost increases are for the addition of Phase 2.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted		\$5,000				\$5,000
New Appropriation	Design - Contracted		\$5,000				\$5,000
Future Estimate	Design - Contracted					\$5,000	\$5,000
Carry Over	Construction - Contracted		\$150,000				\$150,000
New Appropriation	Construction - Contracted		\$150,000				\$150,000
Future Estimate	Construction - Contracted					\$250,000	\$250,000
<b>Totals</b>		\$0	\$310,000	\$0	\$0	\$255,000	\$565,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals	
Wastewater Revenues		\$310,000			\$255,000	\$565,000	
<b>Totals</b>		\$0	\$310,000	\$0	\$0	\$255,000	\$565,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

No change in operating impacts is expected.



**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** WWRP Recharge Well Filter Backwash System

**Location:** Wastewater Reclamation Plant

**Phase:**  of  **Project #:** WW-18  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2023	January 2024
Estimated Completion Date	June 2024	June 2025

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  Yes

**Project Description:**  
This project will replace the existing filtration system for the recharge well pump station with a new backwash filtration system.



**Project Justification:**  
In 2022, the ASU Industrial Assessment Center conducted a study to evaluate areas of potential energy conservation, waste reduction, and productivity enhancements at the WWRP. The #1 Assessment Recommendation resulting from the study is to install a backwash filtration system at the recharge well pump station. The existing filtration system utilizes disposable filters, which are replaced every 7-21 days depending on the flow rate of recharge. A backwash filtration system will allow the filters to be self cleaning, significantly reducing the amount of waste and required maintenance.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**  
Design should be complete and the project ready for bid for construction.

Project Balance	
Original Approved Project Budget	\$130,000
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$130,000</b>
Requested Budget Increase/Decrease	\$253,000
<b>Requested Total Project Budget</b>	<b>\$383,000</b>
Estimated Expenditures through June 30, 2024	\$83,000
<b>Budget Balance Remaining</b>	<b>\$300,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**  
Design costs came in significantly higher than expected. Additional funds have been added to account for that, as well as anticipated higher construction costs, than was estimated by the ASU study. Design started 6 months into FY 2024 and therefore construction has been moved to FY 2025.

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Carry Over	Design - Contracted	\$83,000					\$83,000
Carry Over	Construction - Contracted		\$47,000				\$47,000
New Appropriation	Construction - Contracted		\$253,000				\$253,000
<b>Totals</b>		<b>\$83,000</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$383,000</b>

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues	\$83,000	\$300,000				\$383,000
<b>Totals</b>		<b>\$83,000</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$383,000</b>

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**  
The possibility for grant funding will be explored.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services		-\$40,000	-\$40,000	-\$40,000
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	<b>\$0</b>	<b>-\$40,000</b>	<b>-\$40,000</b>	<b>-\$40,000</b>

**Explanation of Operating Impacts:**  
The ASU report estimates annual savings of over \$40,000 for material and operation costs.

**CAPITAL PROJECTS DETAILS**

**Project Summary**

**Project Title:** WWRP Facility Plan

**Location:** Wastewater Reclamation Plant

**Phase:**  of  **Project #:** WW-19  
(If Applicable)

	Original	Revised (if applicable)
Start Date	July 2024	
Estimated Completion Date	June 2025	

**Ranking:** Essential (Should-Do)

**Environmental Sustainability Project?**  No

**Project Description:**

This study will evaluate potential treatment options and associated planning level cost estimates for per- and polyfluoroalkyl substances (PFAS) removal to meet proposed Maximum Contaminate Levels (MCLs). In addition, the study will re-evaluate capacity of the reclamation plant and identify any additional capacity increases needed for the treatment process. Lastly, the study will evaluate the feasibility of Advanced Water Purification (AWP) - previously known as Direct Potable Reuse (DPR) - as a method of effluent disposal compared to additional recharge wells and/or irrigation.



**Project Justification:**

The Arizona Department of Environmental Quality (ADEQ) is proposing new regulations for six PFASs in both drinking water and wastewater effluent and biosolids. It is expected the final rule for MCLs will be finalized by Winter 2024. The rulemaking is likely to result in additional wastewater and biosolids treatment for the Sedona WWRP, as recent testing of treated effluent indicated exceedances in 2 of the 6 proposed MCLs for PFAS substances.

**For Continuing Projects**

**Estimated Project Status as of June 30, 2024:**

Not yet started.

Project Balance	
Original Approved Project Budget	\$0
Approved Budget Increases/Decreases	\$0
<b>Current Approved Total Project Budget</b>	<b>\$0</b>
Requested Budget Increase/Decrease	\$250,000
<b>Requested Total Project Budget</b>	<b>\$250,000</b>
Estimated Expenditures through June 30, 2024	\$0
<b>Budget Balance Remaining</b>	<b>\$250,000</b>

**Explanation for Revised Project Dates and/or Project Budget (if applicable):**

**Budget Detail**

**Project Cost Estimates:**

Funding Status	Cost Category	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
New Appropriation	Study		\$250,000				\$250,000
Totals		\$0	\$250,000	\$0	\$0	\$0	\$250,000

**Project Funding Estimates:**

Funding Source	Prior Years Estimate	FY2025	FY2026	FY2027	Future Years	Project Totals
Wastewater Revenues		\$250,000				\$250,000
Totals	\$0	\$250,000	\$0	\$0	\$0	\$250,000

**Explanation of Outside Funding Sources (Donations, Outside Participation, Grants):**

None anticipated.

**Total Operating Impacts:**

	FY2025	FY2026	FY2027	Future Annual Cost
Personnel Costs				
Materials & Supplies				
Contractual Services				
Debt Service				
Revenue Offset				
<b>Total Expenditure Impacts</b>	\$0	\$0	\$0	\$0

**Explanation of Operating Impacts:**

Operating impacts will be identified based on the results of the plan.



## **Debt Service**

# DEBT SERVICE

## Bonds Overview

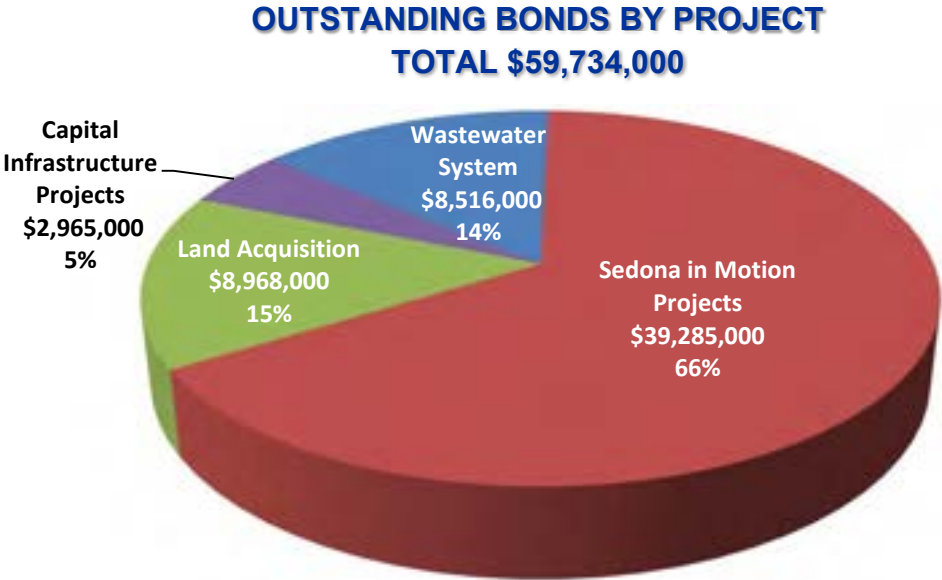
While pay-as-you go funding has been used for capital projects in recent years, the City assumed debt in the past to fund the construction of capital projects. During fiscal year 2021-22, the City issued the first “new money” bonds since 2007 for Sedona in Motion (SIM) projects based on an anticipation of significant increases in construction costs and expected increases in interest rates. Bonds were also issued in fiscal year 2022-23 for the acquisition of 41 acres of land. For this fiscal year, the city issued bonds for the Uptown parking garage and completion of the Forest Road connection project. Other than these recent bond issuances, the primary approach for capital projects is pay-as-you-go funding.

---

*Current approach is primarily pay-as-you-go funding of capital projects.*

---

The City has approximately \$60 million in outstanding bonds – all of which are excise tax revenue bonds. The bond issuances have been for construction of the wastewater treatment system, SIM projects, land acquisition, and other capital infrastructure projects. The chart below represents the percentage of outstanding bonds for the various categories of projects as of July 1, 2025.



## Bond Rating

In September 2019, Standard & Poor’s (S&P) performed a rating review of the City’s financial condition and raised the City’s bond rating from A to AA- based on the City’s stable outlook.<sup>(1)</sup> The rating affirms confidence in the City’s financial management and its economic outlook. A high bond rating means the City is able to sell bonds to finance capital projects at lower interest rates. The rating also increases the value of existing bonds for investors.

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*S&P Bond Rating:*  
**AA-**

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<sup>(1)</sup>While S&P did not raise the City’s bond rating for the Series 2022 bond issuance, the insurer used for a credit enhancement to AA offered an incredibly low rate, indicating that the insurer views the City’s financial position as even stronger than S&P does.

# DEBT SERVICE

continued

## Bonded Debt Repayment Summary

The table below summarizes the principal and interest payments for fiscal year 2024-25 by bond issuance.

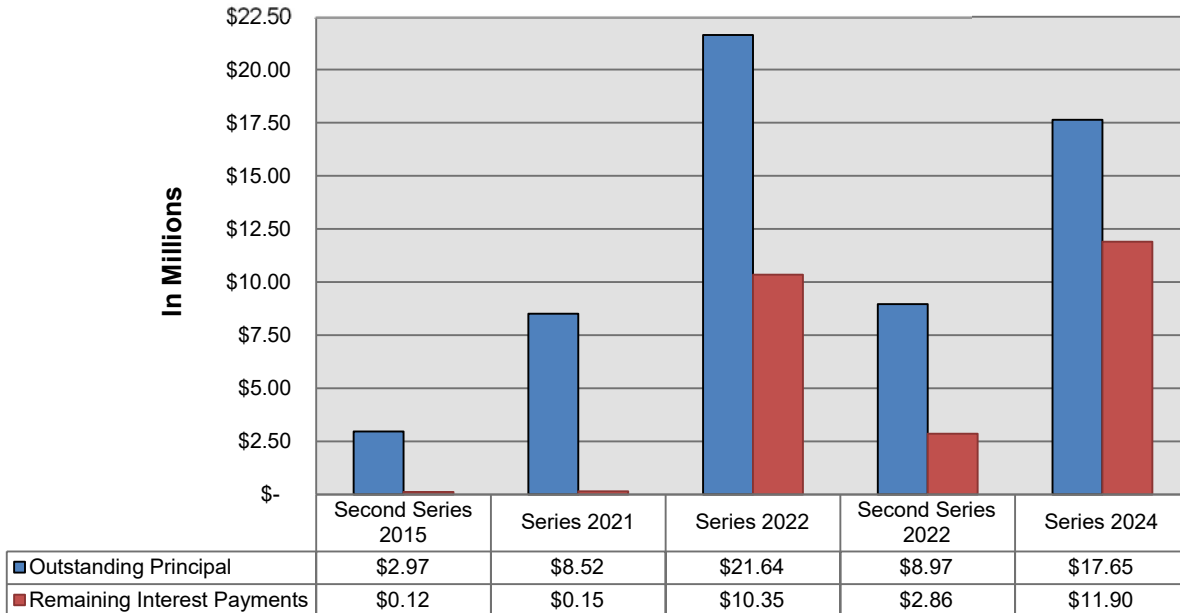
### FY 2025 BOND PAYMENTS

Bond Series	FY25 Principal <sup>(3)</sup>	FY25 Interest <sup>(3)</sup>	Total FY25 Payment
Second Series 2015	\$ 970,000	\$ 57,521	\$ 1,027,521
Series 2021	4,233,000	98,786	4,331,786
Series 2022	-	942,000	942,000
Second Series 2022	532,000	377,553	909,553
Series 2024	-	810,628	810,628
<b>Total Annual Payment</b>	<b>\$ 5,735,000</b>	<b>\$ 2,286,487</b>	<b>\$ 8,021,487</b>

<sup>(3)</sup>The July 1, 2024 principal and interest payments have been accrued in the prior year. These amounts represent the principal and interest payments for January 1, 2025 and July 1, 2025.

The following chart summarizes the total outstanding principal and interest on City bonds outstanding for the next 18 years, when all current outstanding bonds will be retired.

### REMAINING BOND PRINCIPAL AND INTEREST



**DEBT SERVICE**  
continued

**Bonded Debt Repayments by Fund**

The following table details the remaining principal and interest payments of all outstanding bonds by fund.

**FUTURE BOND PAYMENTS BY FUND**

Fiscal Year	General Fund <sup>(6)</sup>		Transportation Sales Tax Fund <sup>(6)</sup>		Development Impact Fees Fund <sup>(4)</sup>		Wastewater Fund		Totals
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2024-25	\$ 1,502,000	\$ 1,578,864	\$ -	\$ 341,580	\$ -	\$ 248,570	\$4,233,000	\$ 98,786	\$ 8,002,800
2025-26	1,545,000	1,607,034	-	341,580	-	248,570	4,283,000	49,683	8,074,866
2026-27	2,479,103	1,564,462	340,855	341,580	248,042	248,570	-	-	5,222,612
2027-28	1,541,176	1,475,826	353,546	324,537	257,278	236,168	-	-	4,188,531
2028-29	1,610,852	1,412,148	371,677	306,860	270,472	223,304	-	-	4,195,312
2029-30 through 2033-34	9,283,421	5,850,107	2,184,734	1,232,879	1,589,845	897,174	-	-	20,364,744
2034-35 through 2038-39	9,717,678	3,578,002	2,701,455	711,444	1,965,867	517,722	-	-	19,192,168
2039-40 through 2043-44	7,576,610	1,567,996	1,894,645	153,385	1,378,745	111,619	-	-	12,683,000
2044-45 through 2048-49	1,055,000	501,250	-	-	-	-	-	-	1,556,250
2049-50 through 2053-54	1,350,000	209,000	-	-	-	-	-	-	1,559,000
<b>Total</b>	<b>\$37,660,839</b>	<b>\$19,344,690</b>	<b>\$7,846,912</b>	<b>\$3,753,845</b>	<b>\$5,710,249</b>	<b>\$2,731,697</b>	<b>\$8,516,000</b>	<b>\$ 148,468</b>	<b>\$85,712,700</b>

<sup>(4)</sup>The payments for Series 2022 are preliminarily allocated between the General Fund, Transportation Sales Tax Fund, and the Development Impact Fees Fund. Depending on the progress of the various SIM projects, the use of the bond proceeds may be allocated to general capital reserves, transportation sales tax, and/or development impact fees.

**DEBT SERVICE**  
continued

**Financed Purchases**

The City has entered into financed purchase agreements for police vehicles, public transit vehicles, a street sweeper, a dump truck/snowplow vehicle, a police video system, a vactor truck, and energy saving equipment. The following table details the remaining principal and interest payments for all financed purchase agreements.

**FUTURE PAYMENTS FOR FINANCED PURCHASES<sup>(5)</sup>**

Fiscal Year	General Fund		Streets Fund		Public Transit Fund		Wastewater Fund		Totals
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2024-25	\$272,295	\$32,991	\$ 69,111	\$ 6,789	\$261,861	\$35,709	\$114,656	\$22,073	\$ 815,484
2025-26	215,191	25,327	71,008	4,891	268,343	26,490	119,815	16,914	747,979
2026-27	183,591	18,594	19,807	2,933	275,539	16,994	125,207	11,522	654,185
2027-28	111,244	12,320	20,740	2,000	134,088	7,201	130,841	5,888	424,320
2028-29	116,711	7,684	21,716	1,023	-	-	-	-	147,135
2029-30 through 2030-31	78,449	4,250	-	-	-	-	-	-	82,700
<b>Total</b>	<b>\$797,382</b>	<b>\$76,484</b>	<b>\$202,382</b>	<b>\$17,635</b>	<b>\$939,830</b>	<b>\$86,392</b>	<b>\$490,519</b>	<b>\$56,397</b>	<b>\$2,871,805</b>

<sup>(5)</sup>Does not include decision package vehicles yet to be financed in fiscal year 2024-25.

# DEBT SERVICE

continued

## Leases

The City has entered into lease agreements for parking lots, the former school district administrative site, copiers, a postage meter, fleet vehicles, and a snow plow/dump truck. The following table details the remaining principal and interest payments for all leases.

### FUTURE LEASE PAYMENTS<sup>(6)</sup>

Fiscal Year	General Fund		Streets Fund		Wastewater Fund		Information Technology Fund		Totals
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2024-25	\$ 210,825	\$ 56,775	\$34,245	\$ 6,324	\$29,121	\$ 6,755	\$18,394	\$1,955	\$ 364,394
2025-26	211,333	47,634	21,946	4,484	28,745	4,573	18,824	1,526	339,064
2026-27	195,988	38,283	16,645	2,945	22,967	2,404	19,263	1,086	299,580
2027-28	188,958	29,459	18,159	1,431	14,753	610	19,713	636	273,719
2028-29	143,352	22,691	6,413	117	1,413	15	16,779	178	190,944
2029-30 through 2033-34	647,696	83,274	-	-	-	-	-	-	730,970
2034-35 through 2038-39	519,940	32,060	-	-	-	-	-	-	552,000
2039-40 through 2040-41	271,776	4,224	-	-	-	-	-	-	276,000
Total	\$2,669,203	\$314,400	\$97,409	\$15,302	\$96,983	\$14,356	\$92,973	\$5,381	\$3,026,671

<sup>(6)</sup> Does not include decision package vehicles yet to be financed in fiscal year 2024-25.

## 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 as follows:

### BONDED DEBT LIMITATIONS

Bond Purpose	Debt Limit as Percentage of Assessed Valuation of Taxable Property
General Municipal Purposes	6%
Water, Lighting, and Sewer Projects	20%
Acquisition and Development of Land for Open Space Preserves, Parks, Playgrounds, and Recreational Facilities	20%

The City’s bond issuances 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.

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*No plans to issue G.O. bonds in the future.*

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# DEBT SERVICE

continued

## Pledged Revenues

The City has pledged future excise taxes to repay the excise tax revenue bonds, including the following:

### EXCISE TAXES PLEDGED TO REPAY REVENUE BONDS

City Sales Taxes Franchise Taxes State Shared Sales Taxes Vehicle License Taxes	Transient Occupancy Taxes (or Bed Taxes) License and Permit Fees State Shared Income Taxes Charges for Services
------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------

The following table summarizes projected pledged revenue coverage for next five years.

### PLEDGED REVENUE COVERAGES<sup>(9)</sup>

Fiscal Year	Pledged Excise Tax Revenues	Principal	Interest	Total	Coverage
2024-25 (budget)	\$42,873,150	\$5,735,000	\$2,267,800	\$8,002,800	5.36
2025-26 (proj.)	42,802,640	5,828,000	2,246,866	8,074,866	5.30
2026-27 (proj.)	45,127,180	3,068,000	2,154,612	5,222,612	8.64
2027-28 (proj.)	46,343,730	2,152,000	2,036,531	4,188,531	11.06
2028-29 (proj.)	47,607,470	2,253,000	1,942,312	4,195,312	11.35

<sup>(9)</sup> Includes bond issuance for Uptown parking garage.

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.

*Projected pledged revenues far exceed coverage requirements.*

## Debt Service Reserves

*No debt service reserves are required since covered by bond insurance.*

In accordance with the bond covenants, the City has bond insurance in place to guarantee payments in lieu of reserve requirements.

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 uninsured bonds. There are no uninsured bonds remaining.

# DEBT SERVICE

continued

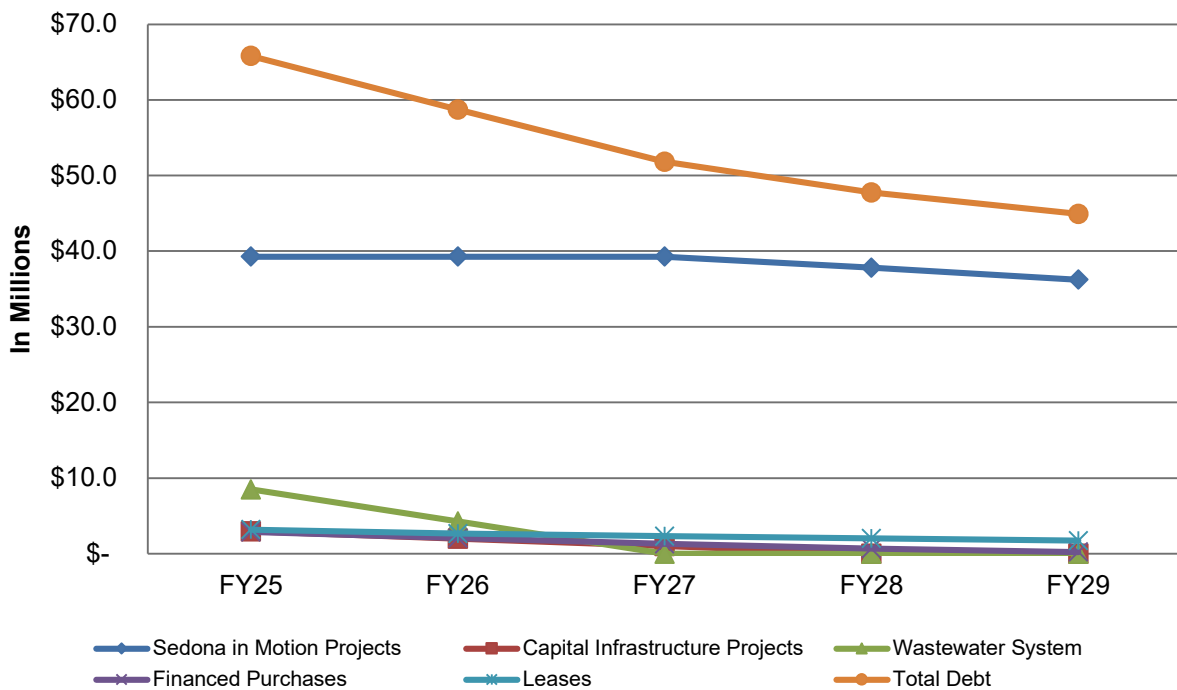
## Outstanding Debt Balances

The following information details the outstanding debt balances for the next five years, assuming no early redemptions or refinancing. The final debt payment is July 1, 2054.

### OUTSTANDING DEBT BALANCES BY FISCAL YEAR<sup>(7)</sup>

As of July 1	Sedona in Motion Projects	Land Acquisition	Capital Infrastructure Projects	Wastewater System	Financed Purchases	Leases	Totals
2024	\$39,285,000	\$8,968,000	\$2,965,000	\$8,516,000	\$2,871,803	\$3,206,671	\$65,632,474
2025	39,285,000	8,436,000	1,995,000	4,283,000	2,056,319	2,662,277	58,717,596
2026	39,285,000	7,881,000	1,005,000	-	1,308,340	2,323,213	51,802,553
2027	37,800,000	7,303,000	-	-	654,155	2,023,633	47,780,788
2028	36,250,000	6,701,000	-	-	229,835	1,749,914	44,930,749

### OUTSTANDING DEBT BALANCES<sup>(10)</sup>



Periodic reviews are undertaken to determine advantageous refunding opportunities. Refunding will be considered (within federal tax law constraints) if and when there is a net economic benefit of the refunding or the refunding is essential in order to modernize covenants essential to operations and management.

<sup>(7)</sup>Includes bond issuance for Uptown parking garage and fiscal year 2024-25 financed purchases for 4 police vehicles.

**DEBT SERVICE**  
continued

**Outstanding Debt Balances (cont'd)**

The following table summarizes the status of the outstanding debt by issuance.

**STATUS OF OUTSTANDING DEBT**

Debt Issue	Remaining Payment Dates	Interest Rate	Remaining Principal	Remaining Interest	Status
Second Series 2015 Bonds	7/1/2025-27	1.94%	\$ 2,965,000	115,721	Eligible to be called without premium
Series 2021 Bonds	7/1/2025-26	1.16%	8,516,000	148,468	Prepayment penalty
Series 2022 Bonds	7/1/2027-42	4.0%-5.0%	21,640,000	10,352,250	Callable 7/1/2032 without premium
Second Series 2022 Bonds	7/1/2025-37	4.21%	8,968,000	2,859,895	Callable anytime with 30-day notice without premium
Series 2024 Bonds	1/1/2025-54	4.23%	17,645,000	12,502,365	Callable 7/1/2033 without premium
Energy Efficiency Equipment	12/20/2024-30	3.60%	249,404	37,555	No prepayment penalty
FY 2021 Police Vehicles	FY 2025	1.82%-1.85%	64,365	1,186	Early termination penalty
Police Camera System	8/30/2024-25	1.85%	76,148	2,120	Early termination penalty
Street Sweeper	4/26/2025-26	2.05%	103,138	3,182	Early termination penalty
FY 2022 Police Vehicles	FY 2025-FY 2027	1.74%-2.72%	227,366	10,940	No prepayment penalty
Trailhead Shuttles	12/15/2024-26	1.95%	431,588	16,923	No prepayment penalty
Micro-Transit Vehicles	2/1/2025-28	5.37%	508,242	69,469	No prepayment penalty
Vactor Truck	6/15/2025-28	4.50%	490,519	56,397	No prepayment penalty
Dump Truck/Snowplow	7/13/2024-28	4.71%	99,244	14,453	No prepayment penalty
FY 2024 Police Vehicles	3/7/2025-29	4.44%	180,099	24,683	No prepayment penalty
Fleet Vehicles	FY 2025-FY 2029	4.70%-11.86%	381,910	62,065	No prepayment penalty
Parking Lots	FY 2025-FY 2033	0.19%-1.25% (imputed)	82,764	5,305	No termination penalty
Postage Meter	FY 2025-FY 2026	0.58% (imputed)	9,165	60	No termination penalty
School District Administrative Site	FY 2025-FY 2041	1.49% (imputed)	1,973,269	246,231	No termination penalty if execute purchase
Copiers	7/2024-4/2029	2.31% (imputed)	100,719	5,829	Early termination penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances**

The following tables detail each outstanding debt issue, including the type of debt instrument, dates of issuance, remaining principal and interest payments, and the purpose of the debt.

**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
1/1/2025	\$ -		\$ 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
<b>Total</b>	<b>\$ 2,985,000</b>		<b>\$ 115,721</b>	<b>\$ 3,080,721</b>

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	Refinanced a portion of the outstanding Series 2007, which was used for:
<b>Bond Purpose</b>	<ol style="list-style-type: none"> <li>1. Chapel area drainage</li> <li>2. State Route 179 improvements including pedestrian bridge, landscaping, lighting, etc.</li> <li>3. Harmony-Windsong drainage (partial)</li> </ol>
<b>Subject to Call for Redemption Prior to Stated Maturity Dates?</b>	Yes, subject to 1% premium if prepaid Dec. 16, 2017 through Dec. 15, 2018, no premium after Dec. 15, 2018
<b>Private Placement?</b>	Yes

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**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**EXCISE TAX REVENUE REFUNDING BONDS, SERIES 2021**  
Original Principal \$8,890,000  
Issued August 13, 2021  
(Wastewater Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2025	\$ -		\$ 49,393	\$ 49,393
7/1/2025	4,243,000	1.16%	49,393	4,282,393
1/1/2026	-		24,841	24,841
7/1/2026	4,283,000	1.16%	24,841	4,307,841
<b>Total</b>	<b>\$ 8,516,000</b>		<b>\$ 148,468</b>	<b>\$ 8,664,468</b>

<b>Bond Purpose</b>	Convertible or “cinderella” refunding of the outstanding Series 2012
<b>Subject to Call for Redemption Prior to Stated Maturity Dates?</b>	Yes, subject to “make whole” price
<b>Private Placement?</b>	Yes

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**EXCISE TAX REVENUE BONDS, SERIES 2022**

Original Principal \$21,640,000  
Issued March 10, 2022

(General Fund, Transportation Sales Tax Fund, Development Impact Fees Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2025	\$ -		\$ 471,000	\$ 471,000
7/1/2025	-		471,000	471,000
1/1/2026	-		471,000	471,000
7/1/2026	-		471,000	471,000
1/1/2027	-		471,000	471,000
7/1/2027	940,000	5.00%	471,000	1,411,000
1/1/2028	-		447,500	447,500
7/1/2028	975,000	5.00%	447,500	1,423,500
1/1/2029	-		424,125	424,125
7/1/2029	1,025,000	5.00%	424,125	1,448,125
1/1/2030	-		397,500	397,500
7/1/2030	1,100,000	5.00%	397,500	1,497,500
1/1/2031	-		370,000	370,000
7/1/2031	1,150,000	5.00%	370,000	1,520,000
1/1/2032	-		341,250	341,250
7/1/2032	1,200,000	5.00%	341,250	1,541,250
1/1/2033	-		311,250	311,250
7/1/2033	1,250,000	5.00%	311,250	1,561,250
1/1/2034	-		280,000	280,000
7/1/2034	1,325,000	4.00%	280,000	1,605,000
1/1/2035	-		253,500	253,500
7/1/2035	1,375,000	4.00%	253,500	1,628,500
1/1/2036	-		236,600	236,600
7/1/2036	1,425,000	4.00%	236,600	1,651,000
1/1/2037	-		197,500	197,500
7/1/2037	1,500,000	4.00%	197,500	1,697,500
1/1/2038	-		167,500	167,500
7/1/2038	1,550,000	4.00%	167,500	1,717,500
1/1/2039	-		136,500	136,500
7/1/2039	1,600,000	4.00%	136,500	1,736,500
1/1/2040	-		104,500	104,500
7/1/2040	1,675,000	4.00%	104,500	1,779,500
1/1/2041	-		71,000	71,000
7/1/2041	1,750,000	4.00%	71,000	1,822,000
1/1/2042	-		36,000	36,000
7/1/2042	1,800,000	4.00%	36,000	1,836,000
<b>Total</b>	<b>\$ 21,640,000</b>		<b>\$ 10,352,250</b>	<b>\$ 31,992,250</b>

**Bond Purpose**

1. Uptown parking garage – Due to delays in the garage construction, option 4 was utilized.
2. Forest Road extension
3. Pedestrian crossing at Oak Creek
4. Or any projects within the Transportation Master Plan

**Subject to Call for Redemption Prior to Stated Maturity Dates?**

Yes, on or after July 1, 2032, without premium

**Private Placement?**

No

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**EXCISE TAX REVENUE BONDS, SECOND SERIES 2022**

Original Principal \$10,148,000  
Issued December 8, 2022  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2025	\$ -		\$ 188,776	\$ 188,776
7/1/2025	532,000	4.21%	188,776	720,776
1/1/2026	-		177,578	177,578
7/1/2026	555,000	4.21%	177,578	732,578
1/1/2027	-		165,895	165,895
7/1/2027	578,000	4.21%	165,895	743,895
1/1/2028	-		153,728	153,728
7/1/2028	602,000	4.21%	153,728	755,728
1/1/2029	-		141,056	141,056
7/1/2029	628,000	4.21%	141,056	769,056
1/1/2030	-		127,837	127,837
7/1/2030	654,000	4.21%	127,837	781,837
1/1/2031	-		114,070	114,070
7/1/2031	682,000	4.21%	114,070	796,070
1/1/2032	-		99,714	99,714
7/1/2032	710,000	4.21%	99,714	809,714
1/1/2033	-		84,768	84,768
7/1/2033	740,000	4.21%	84,768	824,768
1/1/2034	-		69,191	69,191
7/1/2034	772,000	4.21%	69,191	841,191
1/1/2035	-		52,941	52,941
7/1/2035	804,000	4.21%	52,941	856,941
1/1/2036	-		36,017	36,017
7/1/2036	838,000	4.21%	36,017	874,017
1/1/2037	-		18,377	18,377
7/1/2037	873,000	4.21%	18,377	891,377
<b>Total</b>	<b>\$ 8,968,000</b>		<b>\$ 2,859,895</b>	<b>\$ 11,827,895</b>

<b>Bond Purpose</b>	Land acquisition – former Cultural Park
<b>Subject to Call for Redemption Prior to Stated Maturity Dates?</b>	Yes, anytime with 30-day notice, without premium
<b>Private Placement?</b>	Yes

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**EXCISE TAX REVENUE BONDS, SERIES 2024**  
Original Principal \$17,645,000  
Issued July 31, 2024  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/1/2025	\$ -		361,278	\$361,278
7/1/2025		4.23%	430,663	430,663
1/1/2026			430,663	430,663
7/1/2026		4.23%	430,663	430,663
1/1/2027			430,663	430,663
7/1/2027	545,000	4.23%	430,663	975,663
1/1/2028			417,038	417,038
7/1/2028	575,000	4.23%	417,038	992,038
1/1/2029			406,975	406,975
7/1/2029	600,000	4.23%	406,975	1,006,975
1/1/2030			391,975	391,975
7/1/2030	630,000	4.23%	391,975	1,021,975
1/1/2031			376,225	376,225
7/1/2031	660,000	4.23%	376,225	1,036,225
1/1/2032			359,725	359,725
7/1/2032	695,000	4.23%	359,725	1,054,725
1/1/2033			342,350	342,350
7/1/2033	725,000	4.23%	342,350	1,067,350
1/1/2034			324,225	324,225
7/1/2034	765,000	4.23%	324,225	1,089,225
1/1/2035			305,100	305,100
7/1/2035	800,000	4.23%	305,100	1,105,100
1/1/2036			285,100	285,100
7/1/2036	840,000	4.23%	285,100	1,125,100
1/1/2037			264,100	264,100
7/1/2037	880,000	4.23%	264,100	1,144,100
1/1/2038			242,100	242,100
7/1/2038	930,000	4.23%	242,100	1,172,100
1/1/2039			218,850	218,850
7/1/2039	970,000	4.23%	218,850	1,188,850
1/1/2040			194,600	194,600
7/1/2040	1,020,000	4.23%	194,600	1,214,600
1/1/2041			169,100	169,100
7/1/2041	1,070,000	4.23%	169,100	1,239,100
1/1/2042			142,350	142,350



**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**EXCISE TAX REVENUE BONDS, SERIES 2024 (continued)**  
Original Principal \$17,645,000  
Issued July 31, 2024  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
7/1/2042	1,125,000	4.23%	142,350	1,267,350
1/1/2043			114,225	114,225
7/1/2043	1,180,000	4.23%	114,225	1,294,225
1/1/2044			84,725	84,725
7/1/2044	1,230,000	4.23%	84,725	1,314,725
1/1/2045			60,125	60,125
7/1/2045	190,000	4.23%	60,125	250,125
1/1/2046			55,375	55,375
7/1/2046	200,000	4.23%	55,375	255,375
1/1/2047			50,375	50,375
7/1/2047	210,000	4.23%	50,375	260,375
1/1/2048			45,125	45,125
7/1/2048	220,000	4.23%	45,125	265,125
1/1/2049			39,625	39,625
7/1/2049	235,000	4.23%	39,625	274,625
1/1/2050			33,750	33,750
7/1/2050	245,000	4.23%	33,750	278,750
1/1/2051			27,625	27,625
7/1/2051	255,000	4.23%	27,625	282,625
1/1/2052			21,250	21,250
7/1/2052	270,000	4.23%	21,250	291,250
1/1/2053			14,500	14,500
7/1/2053	285,000	4.23%	14,500	299,500
1/1/2054			7,375	7,375
7/1/2054	295,000	4.23%	7,375	302,375
<b>Total</b>	<b>\$17,645,000</b>		<b>\$12,502,365</b>	<b>\$30,147,365</b>

<b>Bond Purpose</b>	Uptown Parking Garage & Forest Road Project - SIM
<b>Subject to Call for Redemption Prior to Stated Maturity Dates?</b>	Callable 7/1/2033 without premium
<b>Private Placement?</b>	Yes

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**MIDSTATE ENERGY FINANCED PURCHASE**  
Original Principal \$373,498  
Issued December 11, 2018  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
12/20/2024	\$ 30,275	3.60%	\$ 8,979	\$ 39,253
12/20/2025	32,147	3.60%	7,889	40,036
12/20/2026	34,105	3.60%	6,731	40,836
12/20/2027	36,147	3.60%	5,504	41,651
12/20/2028	38,281	3.60%	4,202	42,483
12/20/2029	38,831	3.60%	2,824	41,655
12/20/2030	39,618	3.60%	1,426	41,045
<b>Total</b>	<b>\$ 249,404</b>		<b>\$ 37,555</b>	<b>\$ 286,959</b>

<b>Debt Purpose</b>	Energy efficient equipment
<b>Subject to Early Payoff?</b>	Yes, no penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2021 POLICE VEHICLES FINANCED PURCHASES**

Original Principal \$67,442  
Issued July 30, 2020  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
7/30/2024	\$ 17,319	1.82%	\$ 315	\$ 17,634

Original Principal \$183,119  
Issued November 20, 2020  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
11/20/2024	\$ 47,046	1.85%	\$ 870	\$ 47,916

<b>Debt Purpose</b>	4 police vehicles
<b>Subject to Early Payoff?</b>	Yes, with termination penalty

**CITY OF SEDONA**  
**POLICE VIDEO SYSTEM FINANCED PURCHASE**

Original Principal \$185,261  
Issued August 30, 2020  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
8/30/2024	\$ 37,725	1.85%	\$ 1,409	\$ 39,134
8/30/2025	38,424	1.85%	711	39,134
<b>Total</b>	<b>\$ 76,148</b>		<b>\$ 2,120</b>	<b>\$ 78,267</b>

<b>Debt Purpose</b>	Police video system
<b>Subject to Early Payoff?</b>	Yes, with termination penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**STREET SWEEPER FINANCED PURCHASE**  
Original Principal \$250,206  
Issued April 26, 2021  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
4/26/2025	\$ 51,046	2.05%	\$ 2,114	\$ 53,160
4/26/2026	52,092	2.05%	1,068	53,160
<b>Total</b>	<b>\$ 103,138</b>		<b>\$ 3,182</b>	<b>\$ 106,321</b>

<b>Debt Purpose</b>	Street Sweeper
<b>Subject to Early Payoff?</b>	Yes, with termination penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2022 POLICE VEHICLES FINANCED PURCHASES**

Original Principal \$126,794  
Issued November 18, 2021  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
11/18/2024	\$ 25,351	1.74%	\$ 1,347	\$ 26,698
11/18/2025	25,792	1.74%	905	26,698
11/18/2026	26,241	1.74%	457	26,698
<b>Total</b>	<b>\$ 77,385</b>		<b>\$ 2,708</b>	<b>\$ 80,094</b>

Original Principal \$243,466  
Issued April 28, 2022  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
4/28/2025	\$ 48,658	2.72%	\$ 4,079	\$ 52,738
4/28/2026	49,982	2.72%	2,756	52,738
4/28/2027	51,341	2.72%	1,396	52,738
<b>Total</b>	<b>\$ 149,981</b>		<b>\$ 8,232</b>	<b>\$ 158,213</b>

<b>Debt Purpose</b>	5 police vehicles
<b>Subject to Early Payoff?</b>	No prepayment penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**TRAILHEAD SHUTTLES TAXABLE FINANCED PURCHASE**

Original Principal \$710,125  
Issued January 12, 2022  
(Public Transit Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
12/15/2024	\$ 141,612	1.95%	\$ 8,416	\$ 150,028
12/15/2025	143,681	1.95%	5,655	149,335
12/15/2026	146,295	1.95%	2,853	149,148
<b>Total</b>	<b>\$ 431,588</b>		<b>\$ 16,923</b>	<b>\$ 448,512</b>

<b>Debt Purpose</b>	5 shuttle vehicles
<b>Subject to Early Payoff?</b>	Yes, no prepayment penalty

**CITY OF SEDONA**  
**MICRO-TRANSIT VEHICLES TAXABLE FINANCED PURCHASE**

Original Principal \$624,546  
Issued February 2, 2023  
(Public Transit Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
2/1/2025	\$ 120,249	5.37%	\$ 27,293	\$ 147,542
2/1/2026	124,662	5.37%	20,835	145,497
2/1/2027	129,243	5.37%	14,141	143,384
2/1/2028	134,088	5.37%	7,200	141,288
<b>Total</b>	<b>\$ 508,242</b>		<b>\$ 69,469</b>	<b>\$ 577,711</b>

<b>Debt Purpose</b>	3 micro-transit vehicles
<b>Subject to Early Payoff?</b>	Yes, no prepayment penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**VACTOR TRUCK FINANCED PURCHASE**  
Original Principal \$600,812  
Issued June 23, 2023  
(Wastewater Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
6/15/2025	\$ 114,656	4.50%	\$ 22,073	\$ 136,729
6/15/2026	119,815	4.50%	16,914	136,729
6/15/2027	125,207	4.50%	11,522	136,729
6/15/2028	130,841	4.50%	5,888	136,729
<b>Total</b>	<b>\$ 490,519</b>		<b>\$ 56,397</b>	<b>\$ 546,916</b>

<b>Debt Purpose</b>	Vactor truck
<b>Subject to Early Payoff?</b>	Yes, no prepayment penalty

**CITY OF SEDONA**  
**DUMP TRUCK/SNOWPLOW FINANCED PURCHASE**  
Original Principal \$99,244  
Issued July 13, 2023  
(Streets Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
7/13/2024	\$ 18,065	4.71%	\$ 4,674	\$ 22,739
7/13/2025	18,916	4.71%	3,824	22,739
7/13/2026	19,807	4.71%	2,933	22,739
7/13/2027	20,740	4.71%	2,000	22,739
7/13/2028	21,716	4.71%	1,023	22,739
<b>Total</b>	<b>\$ 99,244</b>		<b>\$ 14,453</b>	<b>\$ 113,697</b>

<b>Debt Purpose</b>	Dump truck/snowplow
<b>Subject to Early Payoff?</b>	Yes, no prepayment penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2024 POLICE VEHICLES FINANCED PURCHASE**  
Original Principal \$180,099  
Issued March 7, 2024  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
3/7/2025	\$ 32,960	4.44%	\$ 7,996	\$ 40,956
3/7/2026	34,423	4.44%	6,533	40,956
3/7/2027	35,952	4.44%	5,005	40,956
3/7/2028	37,548	4.44%	3,408	40,956
3/7/2029	39,215	4.44%	1,741	40,956
<b>Total</b>	<b>\$ 180,099</b>		<b>\$ 24,683</b>	<b>\$ 204,782</b>

<b>Debt Purpose</b>	3 police vehicles
<b>Subject to Early Payoff?</b>	Yes, no prepayment penalty



**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**PRE-GASB 87 PARKING LOT LEASE**  
Original Principal \$6,741 (as of GASB 87 implementation)  
Additional Principal for FY 2023 Extension \$8,981  
Issued November 4, 2013  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
7/31/2024	\$ 1,124	0.19%	\$ 1	\$ 1,125
10/31/2024	1,124	0.19%	1	1,125
<b>Total</b>	<b>\$ 2,248</b>		<b>\$ 2</b>	<b>\$ 2,250</b>

<b>Lease Purpose</b>	Sacajawea Plaza – 46 parking spaces
<b>Subject to Early Termination?</b>	Yes, no termination penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2020 ENTERPRISE FLEET LEASES**

Original Principal \$104,911  
Issued from October 3, 2019 to October 16, 2019  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 8,132	6.78%-7.64%	\$ 125	\$ 8,258

Original Principal \$148,515  
Issued from October 10, 2019 to February 12, 2020  
(Streets Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 15,329	4.74%-7.55%	\$ 261	\$ 15,589

Original Principal \$33,178  
Issued November 18, 2019  
(Wastewater Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 3,149	6.29%	\$ 50	\$ 3,198

<b>Lease Purpose</b>	7 fleet vehicles and snow plow/dump truck
<b>Subject to Early Payoff?</b>	Yes, no penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2021 PARKING LOT LEASE<sup>(8)</sup>**  
Original Principal \$98,146  
Additional Principal for FY 2023 CPI Adjustment \$4,278  
Issued January 19, 2021  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
1/10/2025	\$ 7,445	1.25%	\$ 1,002	\$ 8,448
1/10/2026	7,791	1.25%	910	8,701
1/10/2027	8,149	1.25%	813	8,962
1/10/2028	8,520	1.25%	711	9,231
1/10/2029	8,903	1.25%	605	9,508
1/10/2030	9,299	1.25%	494	9,793
1/10/2031	9,708	1.25%	379	10,087
1/10/2032	10,132	1.25%	258	10,389
1/10/2033	10,569	1.25%	132	10,701
<b>Total</b>	<b>\$ 80,516</b>		<b>\$ 5,304</b>	<b>\$ 85,819</b>

<b>Lease Purpose</b>	Sinagua Plaza – 17 parking spaces
<b>Subject to Early Termination?</b>	Yes, no termination penalty

<sup>(8)</sup>Each year, the annual lease payment will be adjusted based on the greater of 3% or the Consumer Price Index (CPI) escalation. The liability reflects an assumed 3% annual increase.

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2021 ENTERPRISE FLEET LEASES**

Original Principal \$23,873  
Issued June 14, 2021  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 4,941	4.80%	\$ 380	\$ 5,322
FY 2026	5,185	4.80%	136	5,322
<b>Total</b>	<b>\$ 10,126</b>		<b>\$ 516</b>	<b>\$ 10,642</b>

Original Principal \$36,524  
Issued May 27, 2021  
(Streets Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 7,645	4.90%	\$ 563	\$ 8,208
FY 2026	7,343	4.90%	181	7,524
<b>Total</b>	<b>\$ 14,987</b>		<b>\$ 744</b>	<b>\$ 15,731</b>

<b>Lease Purpose</b>	2 fleet vehicles
<b>Subject to Early Payoff?</b>	Yes, no penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**POSTAGE METER LEASE**  
Original Principal \$22,717  
Issued July 1, 2021  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
9/30/2024	\$ 1,140	0.58%	\$ 13	\$ 1,153
12/31/2024	1,142	0.58%	12	1,153
3/31/2025	1,143	0.58%	10	1,153
6/30/2025	1,145	0.58%	8	1,153
9/30/2025	1,146	0.58%	7	1,153
12/31/2025	1,148	0.58%	5	1,153
3/31/2026	1,150	0.58%	3	1,153
6/30/2026	1,151	0.58%	2	1,153
<b>Total</b>	<b>\$ 9,165</b>		<b>\$ 60</b>	<b>\$ 9,225</b>

<b>Lease Purpose</b>	Postage meter
<b>Subject to Early Termination?</b>	Yes, no termination penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2022 ENTERPRISE FLEET LEASES**

Original Principal \$87,985  
Issued from September 16, 2021 to November 23, 2021  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 18,075	4.90%-6.40%	\$ 2,006	\$ 20,081
FY 2026	19,127	4.90%-6.40%	954	20,081
FY 2027	6,210	4.90%-6.40%	77	6,287
<b>Total</b>	<b>\$ 43,412</b>		<b>\$ 3,034</b>	<b>\$ 46,446</b>

Original Principal \$62,186  
Issued July 6, 2021 to June 24, 2022  
(Wastewater Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 12,519	5.00%-8.80%	\$ 1,994	\$ 14,513
FY 2026	13,388	5.00%-8.80%	1,125	14,513
FY 2027	7,443	5.00%-8.80%	332	7,775
<b>Total</b>	<b>\$ 33,349</b>		<b>\$ 3,452</b>	<b>\$ 36,801</b>

<b>Lease Purpose</b>	5 fleet vehicles
<b>Subject to Early Payoff?</b>	Yes, no penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**SCHOOL DISTRICT ADMINISTRATIVE SITE LEASE<sup>(9)</sup>**  
Original Principal \$2,277,233  
Issued August 1, 2021  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
7/1/2024-6/1/2025	\$ 109,440	1.49%	\$ 28,560	\$ 138,000
7/1/2025-6/1/2026	111,076	1.49%	26,924	138,000
7/1/2026-6/1/2027	112,737	1.49%	25,263	138,000
7/1/2027-6/1/2028	114,422	1.49%	23,578	138,000
7/1/2028-6/1/2029	116,133	1.49%	21,867	138,000
7/1/2029-6/1/2030	117,870	1.49%	20,130	138,000
7/1/2030-6/1/2031	119,632	1.49%	18,368	138,000
7/1/2031-6/1/2032	122,421	1.49%	16,579	138,000
7/1/2032-6/1/2033	123,236	1.49%	14,763	138,000
7/1/2033-6/1/2034	125,079	1.49%	12,921	138,000
7/1/2034-6/1/2035	126,949	1.49%	11,051	138,000
7/1/2035-6/1/2036	128,847	1.49%	9,153	138,000
7/1/2036-6/1/2037	130,773	1.49%	7,227	138,000
7/1/2037-6/1/2038	132,728	1.49%	5,272	138,000
7/1/2038-6/1/2039	134,713	1.49%	3,287	138,000
7/1/2039-6/1/2040	136,727	1.49%	1,273	138,000
7/1/2040	11,486	1.49%	14	11,500
<b>Total</b>	<b>\$ 1,973,269</b>		<b>\$ 246,231</b>	<b>\$ 2,219,500</b>

<b>Lease Purpose</b>	School District Administrative site
<b>Subject to Early Termination?</b>	Yes, no termination penalty if execute purchase

<sup>(9)</sup>In the fourth lease year (8/1/2024-7/31/2025) and subsequent lease years, the monthly lease payment will be adjusted based on the Consumer Price Index escalation. The liability does not reflect these escalations since their amount is unknown. The agreement allows the City to have the first option to purchase the property after July 26, 2029, and the City will receive \$2,000 a month in credit from the lease towards purchase of the property.

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2023 ENTERPRISE FLEET LEASES**  
Original Principal \$65,709  
Issued from July 7, 2022 to January 9, 2023  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 12,346	8.23%-9.75%	\$ 3,734	\$ 16,079
FY 2026	13,513	8.23%-9.75%	2,566	16,079
FY 2027	14,791	8.23%-9.75%	1,288	16,079
FY 2028	5,737	8.23%-9.75%	173	5,910
<b>Total</b>	<b>\$ 46,387</b>		<b>\$ 7,761</b>	<b>\$ 54,148</b>

Original Principal \$67,040  
Issued April 18, 2023 to May 15, 2023  
(Wastewater Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 12,376	9.44%-9.60%	\$ 4,733	\$ 17,109
FY 2026	13,606	9.44%-9.60%	3,503	17,109
FY 2027	14,957	9.44%-9.60%	2,152	17,109
FY 2028	14,422	9.44%-9.60%	671	15,093
<b>Total</b>	<b>\$ 55,362</b>		<b>\$ 11,059</b>	<b>\$ 66,421</b>

<b>Lease Purpose</b>	4 fleet vehicles
<b>Subject to Early Payoff?</b>	Yes, no penalty



**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA**  
**FY 2024 ENTERPRISE FLEET LEASES**

Original Principal \$91,499  
Issued from August 23, 2023 to November 22, 2023  
(General Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 15,642	9.18%-11.86%	\$ 7,870	\$ 23,512
FY 2026	17,417	9.18%-11.86%	6,096	23,512
FY 2027	19,396	9.18%-11.86%	4,116	23,512
FY 2028	21,604	9.18%-11.86%	1,908	23,512
FY 2029	6,046	9.18%-11.86%	120	6,166
<b>Total</b>	<b>\$ 80,105</b>		<b>\$ 20,111</b>	<b>\$ 100,216</b>

Original Principal \$80,468  
Issued November 9, 2023  
(Streets Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 13,884	8.74%	\$ 5,706	\$ 19,591
FY 2026	15,147	8.74%	4,443	19,591
FY 2027	16,525	8.74%	3,066	19,591
FY 2028	18,028	8.74%	1,562	19,591
FY 2029	7,987	8.74%	175	8,163
<b>Total</b>	<b>\$ 71,572</b>		<b>\$ 14,953</b>	<b>\$ 86,525</b>

<b>Lease Purpose</b>	3 fleet vehicles
<b>Subject to Early Payoff?</b>	Yes, no penalty

**DEBT SERVICE**  
continued

**Individual Debt Issuances (cont'd)**

**CITY OF SEDONA  
COPIERS LEASE<sup>(10)</sup>  
Original Principal \$3,305  
Issued April 16, 2024**

(Wastewater Fund and Information Technology Fund)

Remaining Payment Dates	Principal	Interest Rate	Interest	Total
FY 2025	\$ 19,926	2.31%	\$ 2,118	\$ 22,044
FY 2026	20,392	2.31%	1,653	22,044
FY 2027	20,868	2.31%	1,176	22,044
FY 2028	21,356	2.31%	689	22,044
FY 2029	18,177	2.31%	193	18,370
<b>Total</b>	<b>\$ 100,719</b>		<b>\$ 5,829</b>	<b>\$ 106,548</b>

<b>Lease Purpose</b>	13 copiers
<b>Subject to Early Termination?</b>	Yes, with termination penalty

<sup>(10)</sup>The lease includes variable payments, a per copy charge, that are not included in the liability because they are not fixed in substance.





# **Appendices**

## GLOSSARY

**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.

**Administrative Office of the Courts (AOC)** – The Arizona Constitution authorizes an administrative director and staff to assist the Chief Justice with administrative duties. Under the direction of the Chief Justice, the administrative director and the staff of the AOC provide the necessary support for the supervision and administration of all state courts.

**Adopted Budget** – Formal action made by the City Council that sets the spending limits for the fiscal year.

**Advance Sedona Quality (ASQ)** – The City's Lean Six Sigma program.

**Affordable Housing** – As defined in the City's Developer Incentives Guidelines for Affordable Housing (DIGAH), a housing unit that is affordable to the target population specified in the development agreement when the monthly cost of homeownership or rent, including mortgage, property taxes, utilities, and HOA fees, or rent and utilities, does not exceed 35% of household gross monthly income.

**Agent Multiple-Employer Pension Plan** – A pension plan in which the assets of the participating employers are pooled for investment purposes, but separate accounts are maintained for each individual employer. Each participating employer's share of the pooled assets is legally available to pay the defined benefit pensions of only its retirees.

**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.

**American Rescue Plan Act of 2021 (ARPA)** – An economic stimulus bill passed by the U.S. Congress and signed into law by President Joe Biden on March 11, 2021, to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession.

**AmeriCorps VISTA Program** – An anti-poverty program designed to provide needed resources to nonprofit organizations and public agencies to increase their capacity to lift communities out of poverty. The program provides opportunities for Americans 18 years or older from a diverse range of backgrounds to dedicate a year of full-time service with an organization to create or expand programs designed to empower individuals and communities in overcoming poverty.

**Amortization** – A process of allocating the cost of an intangible asset over a period of time or the repayment of a liability over time.

**Annual Comprehensive Financial Report (ACFR)** – A set of governmental financial statements that comply with the accounting requirements promulgated by the Governmental Accounting Standards Board.

**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.

## GLOSSARY

continued

**AppreciateAZ** – A program developed by the Arizona Office of Tourism that promotes sustainable tourism tactics and responsible recreation throughout Arizona, advocating for visitation in a manner that will not deplete the state's environmental, economic, or cultural resources.

**Appropriation** – An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

**Arizona Judicial Automated Court System (AJACS)** – The court's case management system provided by the Administrative Office of the Courts (AOC).

**Arizona Public Service (APS)** – The largest electric utility in Arizona and the principal subsidiary of Pinnacle West Capital Corporation.

**Arizona State Retirement System (ASRS)** – Pension plan for state and local government not covered by other pension plans. The plan is a component unit of the State of Arizona.

**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.

**Audit** – An examination to provide independent assurance that the City's financial statements are fairly presented.

**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% 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.

**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.

## GLOSSARY

continued

**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.

**Carbon Dioxide (CO<sub>2</sub>) Equivalent** – A metric measure that includes all the molecules that absorb heat and warm the atmosphere and used to compare the emissions of greenhouse gases based on consistent unit of measure.

**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 Code or Sedona City Code (SCC)** – Codification of the City’s ordinances approved by the City Council.

**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 Development Block Grant (CDBG)** – A grant program managed by the U.S. Department of Housing and Urban Development provided on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The City’s CDBG award is a pass-through grant from the Arizona Department of Housing and administered by Northern Arizona Council of Governments.

**Community Focus Area (CFA)** – A location where the City will play a proactive role in implementing the community’s vision.

**Community Plan** – An expression of the Sedona citizens’ vision of their community and is the City’s “general plan” required by the State of Arizona.

**Component Unit** – Legally separate entity for which the government is financially accountable.

**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.

**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.

**Constituents of Emerging Concern (CEC) Suite** – Unregulated chemicals that the environmental fate and potential effects on aquatic life and/or human health are unknown.

**Contingency** – Monies budgeted to be used to finance unforeseen expenditures or potential projects not yet defined adequately to budget specific accounts.

**Coronavirus Aid, Relief, and Economic Security (CARES) Act** – An economic stimulus bill passed by the U.S. Congress and signed into law by President Donald Trump on March 27, 2020, in response to the economic fallout of the COVID-19 pandemic in the United States.

**Coronavirus Disease 2019 (COVID-19)** – A disease caused by a virus called severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), the respiratory illness responsible for an ongoing global pandemic of the novel virus first identified in Wuhan, China in December 2019.

**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.

**Cost-Sharing Multiple-Employer Pension Plan** – A pension plan in which the participating employers pool their assets and their obligations to provide defined benefit pensions. Plan assets can be used to pay the pensions of the retirees of any participating employer.

## GLOSSARY

continued

**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.

**COVID-19** – Coronavirus disease 2019: a potentially severe, primarily respiratory illness caused by a coronavirus and characterized by fever, coughing, and shortness of breath. In some patients, the disease can also damage major organs, such as the heart or kidneys.

**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.

**Debt Setoff Program (DSO)** – Also referred to as the Tax Intercept Program (TIP), established to hold offenders accountable for financial obligations owed to Arizona courts and other state agencies. The Arizona Department of Revenue intercepts Arizona state tax refunds and the Arizona Lottery intercepts lottery winnings on behalf of Arizona courts and other state agencies.

**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.

**Deferred Inflows of Resources** – An acquisition of net position by the City that is applicable to a future reporting period.

**Deferred Outflows of Resources** – A consumption of net position by the City that is applicable to a future reporting period.

**Defined Benefit Pension Plan** – A pension plan that provides a fixed, pre-established benefit for employees at retirement.

**Defined Contribution Pension Plan** – A pension plan in which employees contribute a fixed amount or a percentage of their paychecks.

**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.

**Destination Management Organization (DMO)** – An incorporated not-for-profit organization or governmental unit that is responsible for the tourism promotion and marketing of a destination on a year-round basis.

**Developer Incentives Guidelines for Affordable Housing (DIGAH)** – The City's policy document that provides guidelines and offer incentives that encourage the construction and retention of affordable housing in Sedona.



## GLOSSARY

continued

**Development Impact Fees (DIF)** – 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 percentage change in the per capita personal income for each fiscal year and calculating the State-imposed expenditure limitation based on those estimates.

**Economic Injury Disaster Loan (EIDL)** – A federal small business loan program that supports small businesses' recovery from the COVID-19 disaster's economic impacts by providing accessible and borrower-friendly capital.

**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.

**Environmental Sustainability Project (ESP)** – Capital improvement projects aligned with the Community Plan value of environmental stewardship and the Council Priority for environmental sustainability.

**Estimated Revenue** – The amount of projected revenue to be collected during the fiscal year.

**Excise Tax** – 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.

**Financed Purchase** – A contract that transfers ownership of the financed asset to the lessee at the end of the contract and does not contain termination options other than a fiscal funding or cancellation clause that is not reasonably certain of being exercised.

**Fines/Fees and Restitution Enforcement (FARE) Program** – A statewide initiative of the Arizona Judicial branch developed in 2003 to assist Arizona courts with the compliance of monetary court orders. Courts are given the ability to assign outstanding debt associated to civil traffic, criminal traffic, and criminal violations. The program is a public/private partnership between the Administrative Office of the Courts (AOC), the Motor Vehicle Division, Arizona Department of Revenue, and a private vendor.

## GLOSSARY continued

**Fiscal Year** – A 12-month period 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 as follows: Arizona Public Service (2%), Unisource Energy Services (2%), Suddenlink Communications (2%) Arizona Water Company (3%), and Oak Creek Water Company (3%).

**Full-Time Equivalent (FTE)** – A measurement of the ratio an employee works based on regularly scheduled hours worked and the assumption of 2,080 hours for a 1.0 or full-time employee.

**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/deferred outflows of resources over liabilities/deferred inflows of resources 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 & Restricted Funds** – A group of funds used to track the revenues and expenditures of grants, donations, and other revenues restricted for specific purposes.

**Great Recession** – A period of marked general decline (recession) observed in national economies globally that occurred between 2007 and 2009. At the time, the International Monetary Fund (IMF) concluded that it was the most severe economic and financial meltdown since the Great Depression.

**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.

**HOME Investment Partnerships Program** – A program offered by the U.S. Department of Housing and Urban Development (HUD) to provide formula grants to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people.

**Indirect Cost Allocation Plan** – Mechanism for determining the allocation of indirect costs to the benefiting 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.

**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.

**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 goods 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.

**International City/County Management Association (ICMA)** – A professional association of approximately 11,000 city, town, and county managers, their staffs, and others throughout the world.

**International Monetary Fund (IMF)** – An international financial institution, headquartered in Washington, D.C., consisting of 190 countries "working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world."

## GLOSSARY

continued

**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.

**Lean** – A way of thinking about creating needed value with fewer resources and less waste; a practice consisting of continuous experimentation to achieve perfect value with zero waste.

**Lean Six Sigma** – A process improvement methodology designed to eliminate problems, remove waste and inefficiency, and improve working conditions to provide a better response to customers' needs. It combines the tools, methods, and principles of Lean and Six Sigma into one popular and powerful methodology for improving operations.

**Lease** – A contractual arrangement calling for the lessee (user) to pay the lessor (owner) for use of an asset. Property, buildings, vehicles, and equipment are common assets that are leased.

**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).

**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.

**Municipal Separate Storm Sewer System (MS4) Permit** – Authorizes the discharge of stormwater to protected surface waters.

**National Citizen Survey (NCS)** – A collaborative effort between National Research Center, Inc. and the International City/County Management Association to conduct standardized surveys to assure high quality research methods and directly comparable results across communities. NCS considers the benchmarks identified in their surveys to be proprietary and only provides information regarding whether survey results were higher, similar to, or lower than the benchmark average of the participating communities.

## GLOSSARY

continued

**National Environmental Policy Act (NEPA) Study** – A comprehensive study that identifies environmental impacts of a land development action and analyzes a broad set of parameters. The overall process is to identify the issue that needs to be addressed, determine alternatives that would correct the problems identified, study any potential environmental issues, comply with any environmental regulations, involve the public in the process, and document the decisions made.

**Net Position** – The excess of assets/deferred outflows of resources over liabilities/deferred inflows of resources 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.

**Northern Arizona Council of Governments (NACOG)** – A nonprofit corporation representing local governments to provide a wide variety of services within Apache, Coconino, Navajo, and Yavapai Counties.

**Off-Highway Vehicle (OHV)** – A motorized vehicle that is operated primarily off of highways and is designed, modified, or purpose-built primarily for recreational nonhighway all-terrain travel. This includes a tracked or wheeled vehicle, utility vehicle, all-terrain vehicle, motorcycle, four-wheel drive vehicle, dune buggy, sand rail, amphibious vehicle, ground effects or air-cushion vehicle and any other means of land transportation deriving motive power from a source other than muscle or wind.

**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.

## GLOSSARY

continued

**Partners Against Narcotics Trafficking (PANT)** – A multi-agency task force charged with drug enforcement within Yavapai County.

**Pay-As-You-Go** – A funding method using existing cash reserves or revenues that will be recognized the same year that the expenditure is undertaken.

**Paycheck Protection Program Loan** – A Small Business Administration (SBA) backed loan that helps businesses keep their workforce employed during the COVID-19 crisis.

**Per- and Polyfluoroalkyl Substances (PFAS)** – Chemical compounds used in a variety of industrial, agricultural, military, and commercial product applications that are a persistent pollutant in the environment known as “forever chemicals.”

**Performance Measure** – Indicators that measure service efforts and accomplishments.

**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.

**Public Safety Personnel Retirement System (PSPRS)** – Pension plan for police and fire employees who are regularly assigned hazardous duty. The plan is a component unit of the State of Arizona.

**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.

**Request for Information (RFI)** – A document used to gather information to help make a decision on what next steps to take in an upcoming solicitation for goods or services.

**Request for Proposals (RFP)** – A document that announces a project, describes it, and solicits bids from qualified contractors to complete it.

**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.

## GLOSSARY

continued

**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.

**Secret 7** – A guide to hidden trails and locations in Sedona. The goal is to give visitors more reasons to return and extend their stay, as well as disperse crowds from the areas that are getting worn out to aid in sustainability efforts. It offers a chance to build a unique Sedona experience and personalized itinerary from the seven different categories of activities, and within each category, there are seven different places that offer a doorway to lesser-known parts of Sedona.

**Sedona Chamber of Commerce & Tourism Bureau (SCCTB)** – A non-profit organization made up of businesses and organizations who wish to directly benefit from the products and services available to partners, as well as the destination management organization (DMO) for Sedona.

**Sedona City Code (SCC)** – Codification of the City's ordinances approved by the City Council.

**Sedona in Motion (SIM)** – A branding name for the projects identified in the City's Transportation Master Plan.

**Sedona Trails & Pathways System (ST&PS)** – A branding name for the citywide network of nonmotorized, shared-use pathways used by bicyclists, walkers, hikers, runners, and other uses for both recreation and transportation. It does not include the forest trails.

**Six Sigma** – A set of management techniques intended to improve business processes by greatly reducing the probability that an error or defect will occur.

**Small Business Administration (SBA)** – Federal agency created in 1953 to help small business owners and entrepreneurs pursue the American dream. SBA is the only cabinet-level federal agency fully dedicated to small business and provides counseling, capital, and contracting expertise as the nation's only go-to resource and voice for small businesses.

**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.

**Smith Travel Research (STAR) Report** – A report obtained by the Sedona Chamber of Commerce & Tourism Bureau that provides statistical data on traditional hotel occupancy and average daily room rates.

**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%. 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.

**Sustainability Alliance** – A project operating under Cornucopia Community Advocates, a 501(c)3 non-profit organization, a collaborative coalition of local non-profits guiding the Sedona/Verde Valley region of Arizona toward a sustainable future addressing a wide range of issues like water, waste, climate change, food, and hunger.

**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.

**Tax Intercept Program (TIP)** – Also referred to as the Debt Setoff Program (DSO), established to hold offenders accountable for financial obligations owed to Arizona courts and other state agencies. The Arizona Department of Revenue intercepts Arizona state tax refunds and the Arizona Lottery intercepts lottery winnings on behalf of Arizona courts and other state agencies.

**Tier 1 Employee** – Employees participating in PSPRS with a membership date before January 1, 2012. These employees are only eligible for a defined benefit plan.

**Tier 2 Employee** – Employees participating in PSPRS with a membership date on or after January 1, 2012 and before July 1, 2017. These employees are eligible for a defined benefit plan with a hybrid plan option of an additional defined contribution 401(a) account.

**Tier 3 Employee** – Employees participating in PSPRS with a membership date on or after July 1, 2017. These employees are eligible for a defined contribution plan only or a defined benefit plan with a hybrid plan option of an additional defined contribution 401(a) account.

**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 levies a 3% unrestricted City sales tax and a 0.5% City sales tax dedicated to transportation projects and related administrative and operational costs and was originally approved to sunset in 10 years. In November 2021, the City Council made the increase permanent with the intent to use the half-cent toward the implementation of the public transit system after the original 10-year period.

**Transient Occupancy Tax** – The City levies a 3.5% 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.

**Unfunded Liability** – Debt obligations that do not have enough funds set aside to pay them.

**Urban Revenue Sharing** – State shared income tax revenues.



## GLOSSARY

continued

**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.

**Verde Shuttle** – Formerly branded as Verde Lynx, a public transit line managed and operated by the City of Cottonwood that connects Sedona and Cottonwood. The City of Cottonwood bills the City of Sedona for the grant matching costs under the terms of an intergovernmental agreement (IGA).

**Wastewater Enterprise Fund** – A fund that accounts for the administrative, plant operations, and capital cost associated with the City's sewer system.

**Water Supply Fixture Unit (WSFU)** – A factor chosen to identify the load-producing effects of different water fixtures (e.g., sink, shower, dishwasher, etc.) expressed as multiples of that factor. WSFUs for two or more fixtures can be added to determine their combined effect on a water piping 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.

**Y Intersection** – The roundabout intersection that permits travel in three directions: northeast bound on State Road (SR) 89A to enter the Uptown area, south bound on SR 179 toward the Chapel area, and west bound on SR 89A toward West Sedona.



# ACRONYMS

<b>Acronym</b>	<b>Description</b>	<b>Acronym</b>	<b>Description</b>
AAED	Arizona Association of Economic Development	ASRS	Arizona State Retirement System
AC	Arts & Culture	ASU	Arizona State University
ACFR	Annual Comprehensive Financial Report	AVA	American Viticultural Area
ACJIS	Arizona Criminal Justice Information System	AZ	Arizona
ADA	Americans with Disabilities Act	AZDHS	Arizona Department of Health Services
ADEQ	Arizona Department of Environmental Quality	AZWARN	Arizona Water/Wastewater Agency Response Network
ADOH	Arizona Department of Housing	BMP	Best Management Practices
ADOT	Arizona Department of Transportation	CAB	Capital Appreciation Bond
ADP	Automatic Data Processing, LLC	CAD	Computer Aided Dispatch
ADR	Average Daily Room Rate	CARES	Coronavirus Aid, Relief, and Economic Security
ADU	Accessory Dwelling Unit	CAT	Cottonwood Area Transit
AED	Automated External Defibrillator	CBWG	Citizens Budget Work Group
AJACS	Arizona Judicial Automated Court System	CCTV	Closed-Circuit Television
AOC	Administrative Office of the Courts	CD	Community Development
AOT	Arizona Office of Tourism	CDBG	Community Development Block Grant
APP	Aquifer Protection Permit	CDC	Centers for Disease Control and Prevention
APS	Arizona Public Service	CEC	Constituents of Emerging Concern
ARPA	American Rescue Plan Act of 2021	CFA	Community Focus Area
ARS	Arizona Revised Statutes	CFD	Community Facilities District
ASQ	Advance Sedona Quality	CFS	Cubic Feet per Second
		CIP	Capital Improvement Program

## ACRONYMS

continued

Acronym	Description	Acronym	Description
CIT	Critical Incident Training	DPS	Arizona Department of Public Safety
CLOMR	Conditional Letter of Map Revision	DSO	Debt Setoff Program
CM	City Manager	DUI	Driving Under the Influence
CMOM	Capacity, Management, Operation, and Maintenance Manual	EEC	Economic Estimates Commission
CO2	Carbon Dioxide	EEOC	Equal Employment Opportunity Commission
COD	Chemical Oxygen Demand	EIDL	Economic Injury Disaster Loan
CofO	Certificate of Occupancy	EMOD	Experience Modification Rating
COJET	Committee on Judicial Education and Training	EMS	Emergency Medical Service
COLA	Cost of Living Adjustment	ERP	Enterprise Resource Planning
COP	Certificate of Participation	ESP	Environmental Sustainability Project
COVID-19	Coronavirus Disease 2019	EV	Electric Vehicle
CPI	Consumer Price Index	FAA	Federal Aviation Administration
CPR	Cardiopulmonary Resuscitation	FARE	Fines/Fees and Restitution Enforcement Program
CSA	Community Services Aide	FAST	Fractured Aggregate Surface Treatment
CSO	Community Services Officer	FBI	Federal Bureau of Investigation
CY	Calendar Year	FEMA	Federal Emergency Management Agency
DC	Direct Current	FFY	Federal Fiscal Year
DIF	Development Impact Fees	FHWA	Federal Highway Administration
DIGAH	Developer Incentives Guidelines for Affordable Housing	FSWG	Fiscal Sustainability Work Group
DMO	Destination Management Organization	FTA	Federal Transit Authority
DMS	Dynamic Message Sign		

# ACRONYMS

continued

Acronym	Description	Acronym	Description
FTE	Full Time Equivalent	HVAC	Heating, Ventilation, and Air Conditioning
FY	Fiscal Year (July 1 - Jun 30)	I-Codes	International Codes
GAAP	Generally Accepted Accounting Principles	IACP	International Association of Chiefs of Police
GASB	Governmental Accounting Standards Board	ICMA	International City/County Management Association
GFOA	Government Finance Officers Association	ICC	International Code Council
GIS	Geographic Information Systems	ICS	Incident Command System
GIITEM	Gang and Immigration Intelligence Team Enforcement Mission	IGA	Intergovernmental Agreement
GMP	Guaranteed Maximum Price	IMF	International Monetary Fund
G.O.	General Obligation	IP	Internet Protocol
GOHS	Governor's Office of Highway Safety	IPMC	International Property Maintenance Code
HOME-ARP	American Rescue Plan Act funding for HUD's HOME Investment Partnerships Program	ISO	International Organization for Standardization
HPC	Historic Preservation Commission	ISP	Internet Service Provider
HPS	High-Pressure Sodium	IT	Information Technology
HR	Human Resources	ITS	Intelligent Transportation System
HSNAZ	Housing Solutions of Northern Arizona	K-9	Canine
HT	Human Trafficking	KPI	Key Performance Indicator
HUD	U.S. Department of Housing and Urban Development	KVM	Keyboard-Video-Mouse
HURF	Highway User Revenues Fund	KW	Kilowatt
		LDC	Land Development Code
		LED	Light-Emitting Diode
		LIHTC	Low-Income Housing Tax Credit

**ACRONYMS**  
continued

<b>Acronym</b>	<b>Description</b>	<b>Acronym</b>	<b>Description</b>
LNT	Leave No Trace	NENA	National Emergency Number Association
LOMR	Letter of Map Revision	NEPA	National Environmental Policy Act
mBTU	One Thousand British Thermal Unit	NEV	Neighborhood Electric Vehicle
MC	Municipal Court	NIBRS	National Incident Based Reporting System
MCL	Maximum Contaminate Level	NIMS	National Incident Management System
MCTC	Model City Tax Code	NOAA	National Oceanic and Atmospheric Administration
MGD	Million Gallons per Day	NOI	Notice of Intent
MPC	Municipal Property Corporation	NPCA	National Police Canine Association
MS4	Municipal Separate Storm Sewer System	NSFLP	Nationally Significant Federal Lands and Tribal Projects
MT	Metric Ton	O&M	Operation and Maintenance
MWh	Megawatt-hour	OC	Oleoresin Capsicum
N/A	Not Applicable or Not Available	OCC	Oak Creek Canyon
NACA	National Animal Care and Control Association	OHV	Off-Highway Vehicle
NACET	Northern Arizona Center for Entrepreneurship and Technology	OSC	Order to Show Cause
NACOG	Northern Arizona Council of Governments	P&Z	Planning and Zoning
NARTA	Northern Arizona Regional Training Academy	P25	Project 25
NAS	Network Area Storage	PANT	Partners Against Narcotics Trafficking
NAU	Northern Arizona University	PD	Police Department
NCS	National Citizen Survey	PFAS	Per- and Polyfluoroalkyl Substances
NEC	National Electric Code	PHB	Pedestrian Hybrid Beacon

# ACRONYMS

continued

<b>Acronym</b>	<b>Description</b>	<b>Acronym</b>	<b>Description</b>
PLC	Programmable Logic Controller	SCCTB	Sedona Chamber of Commerce and Tourism Bureau
POST	Peace Officer Standards and Training	SFD	Sedona Fire District
PR	Parks & Recreation Department	SD	Storm Drainage
PSPRS	Public Safety Personnel Retirement System	SIM	Sedona in Motion
PV	Photovoltaic	SMART	Strengthening Mobility & Revolutionizing Transportation
PW	Public Works	SPD	Sedona Police Department
RAB	Roundabout	SR	State Route
RFI	Request for Information	SRO	School Resource Officer
RFP	Request for Proposals	SS4A	Safe Streets & Roads for All
RICO	Racketeer Influenced and Corrupt Organizations	ST	Streets & Transportation
RMS	Records Management System	ST&PS	Sedona Trails & Pathways System
ROW	Right of Way	STAR	Smith Travel Research
RTAP	Regional Transit Assistance Program	STEAM	Science, Technology, Engineering, Arts, and Mathematics
S&P	Standard & Poor's	STEM	Science, Technology, Engineering, and Mathematics
SATIP	Sedona Area Transit Implementation Plan	STEP	Sedona Traffic Enforcement Program
SB	Senate Bill	STIP	Sedona Area Transit Implementation Plan
SB	South Bound	STK	Sedona Trail Keeper
SBA	Small Business Administration	STP	Surface Transportation Program or Sustainable Tourism Plan
SBDC	Small Business Development Center	STR	Short-Term Rental
SCADA	Supervisory Control and Data Acquisition	SUP	Shared-Use Path
SCC	Sedona City Code		

SWAT	Special Weapons and Tactics	VOC	Village of Oak Creek
TBD	To Be Determined	VOIP	Voice over Internet Protocol
TCP/IP	Transmission Control Protocol/Internet Protocol	VVHC	Verde Valley Homeless Coalition
TIP	Tax Intercept Program	VVREO	Verde Valley Regional Economic Organization
TNC	Transportation Network Company	VSS	Volatile Suspended Solids
TPT	Transaction Privilege Tax (Sales Tax)	WAN	Wide Area Network
TSS	Total Suspended Solids	WIMS	Water Information Management Solution
UCR	Uniform Crime Reporting	WSFU	Water Supply Fixture Unit
USFS	United States Forest Service	WW	Wastewater
UV	Ultraviolet	WWRP	Wastewater Reclamation Plant
VISTA	Volunteers in Service to America	YCERA	Yavapai County Economic Resource Alliance
VLT	Vehicle License Tax	YCREDC	Yavapai County Regional Economic Development Center





## **Official Budget Forms**

**City of Sedona**

**Fiscal year 2025**

**City Council adopted the Tentative Budget on May 28, 2024**



Final budget adoption occurred on June 25, 2024 at 4:00 p.m.  
in the City Council Chambers, 102 Roadrunner Drive, Sedona, Arizona 86336

The Budget may be reviewed at:  
City's website [www.sedonaaz.gov](http://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 2025**

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	
2024	Adopted/adjusted budgeted expenditures/expenses*	E 1	29,101,280	7,071,290	0	27,393,700	0	19,734,320	2,519,030	85,819,620
2024	Actual expenditures/expenses**	E 2	27,440,880	4,221,770	0	22,146,320	0	15,586,080	2,293,930	71,688,980
2025	Beginning fund balance/(deficit) or net position/(deficit) at July 1***	3	26,734,418	27,976,860	0	37,526,562	0	22,422,221	1,696,498	116,356,560
2025	Primary property tax levy	B 4	0							0
2025	Secondary property tax levy	B 5								0
2025	Estimated revenues other than property taxes	C 6	45,882,620	9,470,900	0	2,236,910	0	9,425,500	2,879,310	69,895,240
2025	Other financing sources	D 7	0	0	0	0	0	0	0	0
2025	Other financing (uses)	D 8	0	0	0	0	0	0	0	0
2025	Interfund transfers in	D 9	0	2,838,220	0	21,681,600	0	9,091,850	35,000	33,646,670
2025	Interfund Transfers (out)	D 10	18,539,060	13,753,190	0	1,354,420	0	0	0	33,646,670
2025	Line 11: Reduction for fund balance reserved for future budget year expenditures									
	Maintained for future debt retirement									0
	Maintained for future capital projects			234,668		22,518,042		5,700,000		28,452,710
	Maintained for future financial stability		9,656,576	1,129,640				1,988,720		12,774,936
	Maintained for future retirement contributions	11								0
	Reserve for loans		2,867,080	19,300,000						22,167,080
	Reserve for future transit system							5,300,245		5,300,245
	Equipment replacement reserve		2,001,478	194,200				1,903,563	1,509,328	5,608,569
	Major maintenance reserve							268,680		268,680
2025	Total financial resources available	12	39,552,844	5,674,282	0	37,572,610	0	25,778,363	3,101,480	111,679,580
2025	Budgeted expenditures/expenses	E 13	35,748,870	5,326,250	0	37,572,610	0	24,732,610	2,675,446	106,055,786

Expenditure limitation comparison		2024	2025
1	Budgeted expenditures/expenses	\$ 85,819,620	\$ 106,055,786
2	Add/subtract: estimated net reconciling items		
3	Budgeted expenditures/expenses adjusted for reconciling items	85,819,620	106,055,786
4	Less: estimated exclusions		
5	Amount subject to the expenditure limitation	\$ 85,819,620	\$ 106,155,786
6	EEC expenditure limitation or voter-approved alternative expenditure limitation	\$ 85,819,620	\$ 106,155,786

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 beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund). See the Instructions tab, cell C17 for more information about the amounts that should and should not be included on this line.

**City of Sedona**  
**Revenues other than property taxes**  
**Fiscal Year 2025**

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
<b>General Fund</b>			
<b>Local taxes</b>			
City Sales Taxes	\$ 26,052,000	\$ 28,123,000	\$ 28,450,000
Bed Taxes	8,025,000	9,079,000	9,261,000
Franchise Fees	906,500	862,800	848,000
<b>Licenses and permits</b>			
Building Permit Fees	310,000	256,000	256,000
Business Licenses	54,000	50,000	50,000
Short-Term Rental Permit Fees	236,400	214,000	230,000
Misc Community Development/Public Works	41,100	38,160	38,160
City Clerk	3,080	5,260	5,260
<b>Intergovernmental</b>			
State Shared Sales Taxes	1,454,000	1,490,000	1,505,000
State Urban Revenue Sharing	2,618,000	2,594,000	1,946,000
State Grants, Aid, & Reimbursements	37,550	83,700	500
County-Vehicle License Taxes	677,000	748,000	748,000
County-IGA/Other	10,700	15,100	15,100
Other Govt	8,550	8,500	8,500
<b>Charges for services</b>			
Recreation Programs	43,920	34,000	34,000
Daily Swim Fees/Swimming Lessons/Water Aerobics/Aquatics Special Programs	24,180	29,050	30,300
Plan Review Fees	250,000	233,000	233,000
Misc. Community Development Fees	61,680	48,030	48,030
Misc. Parks and Recreation Fees	16,000	15,350	16,150
Paid Parking Fees	500,000	475,000	475,000
Misc. Police Fees	13,500	9,200	9,200
Other Misc. Charges for Services	16,910	30,700	15,700
<b>Fines and forfeits</b>			
Court Fines	180,000	228,000	228,000
Short-Term Rental Fines/Late Fees	57,000		10,000
STEP Administration Fees	4,800	5,800	5,800
Parking Fines	80,000	110,000	110,000
Misc. Fines	11,050	12,430	18,680
<b>Interest on investments</b>			
Interest Earnings	586,440	586,500	586,500
Tax Audits - Interest/Penalty	2,000		
<b>Miscellaneous</b>			
In-lieu Fees	552,340	1,100,000	570,000
Parks & Recreation Rentals	70,200	61,100	61,100
AMRRP Dividends			
Auction Revenues	16,000	63,000	18,000
Other Misc. Revenues	34,500	51,320	51,640
<b>Total General Fund</b>	\$ 42,954,400	\$ 46,660,000	\$ 45,882,620

\* 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 2025**

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
<b>Special revenue funds</b>			
Streets Fund:			
HURF Revenues	\$ 994,000	\$ 1,078,000	\$ 1,078,000
Interest Earnings	29,560	29,600	29,600
	<u>\$ 1,023,560</u>	<u>\$ 1,107,600</u>	<u>\$ 1,107,600</u>
Housing Fund:			
Intergovernmental - Other IGA	\$ 60,330	\$ 60,000	\$ 61,600
Interest Earnings	61,520	61,600	61,600
Rental Revenue			14,600
	<u>\$ 121,850</u>	<u>\$ 121,600</u>	<u>\$ 76,200</u>
Grants, Donations, & Restricted Funds:			
Federal Grants & Aid	\$ 2,465,820	\$ 297,170	\$ 2,716,980
State Grants & Aid	103,220	110,260	73,000
Fines & Forfeitures	27,700	33,500	34,900
Donations	70,150	11,800	10,400
Interest Earnings	9,020	46,320	46,320
Contingent Grants & Donations	500,000		500,000
	<u>\$ 3,175,910</u>	<u>\$ 499,050</u>	<u>\$ 3,381,600</u>
Transportation Sales Tax Fund:			
Transportation Sales Tax	\$ 4,332,000	\$ 4,686,000	\$ 4,737,000
Interest Earnings	168,540	168,500	168,500
	<u>\$ 4,500,540</u>	<u>\$ 4,854,500</u>	<u>\$ 4,905,500</u>
<b>Total special revenue funds</b>	<b>\$ 8,821,860</b>	<b>\$ 6,582,750</b>	<b>\$ 9,470,900</b>
<b>Capital projects funds</b>			
Capital Improvements Fund:			
Federal Grants & Aid	\$ 425,000	\$ 122,000	\$ 1,075,000
County Flood Control	350,000	300,000	150,000
Interest Earnings	471,330	470,900	470,900
	<u>\$ 1,246,330</u>	<u>\$ 892,900</u>	<u>\$ 1,695,900</u>
Art in Public Places Fund:			
Interest Earnings	4,090	4,090	4,090
	<u>\$ 4,090</u>	<u>\$ 4,090</u>	<u>\$ 4,090</u>
Development Impact Fees Funds:			
Development Impact Fees	\$ 993,500	\$ 503,600	\$ 465,900
Interest Earnings	71,100	71,020	71,020
	<u>\$ 1,064,600</u>	<u>\$ 574,620</u>	<u>\$ 536,920</u>
<b>Total capital projects funds</b>	<b>\$ 2,315,020</b>	<b>\$ 1,471,610</b>	<b>\$ 2,236,910</b>

\* 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 2025**

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
<b>Enterprise funds</b>			
Public Transit Fund:			
Federal Grants	\$ 1,387,290	\$ 752,580	\$ 800,200
Charges for Services	115,300	7,600	36,500
Interest Earnings	1,502,590	874,180	950,700
Wastewater Fund:			
Charges for Services	\$ 6,270,370	\$ 6,258,000	\$ 6,250,000
Capacity Fees	1,675,570	1,094,300	1,717,000
Interest Earnings	403,860	403,800	403,800
Misc. Revenues	98,800	44,000	104,000
	\$ 8,448,600	\$ 7,800,100	\$ 8,474,800
<b>Total enterprise funds</b>	<b>\$ 9,951,190</b>	<b>\$ 8,674,280</b>	<b>\$ 9,425,500</b>
<b>Internal service funds</b>			
Information Technology Fund:			
Internal Cost Charges	\$ 2,561,760	\$ 2,515,640	\$ 2,859,110
Other Charges for Services	500	670	600
Interest Earnings	19,600	19,600	19,600
	\$ 2,581,860	\$ 2,535,910	\$ 2,879,310
<b>Total internal service funds</b>	<b>\$ 2,581,860</b>	<b>\$ 2,535,910</b>	<b>\$ 2,879,310</b>
<b>Total all funds</b>	<b>\$ 66,624,330</b>	<b>\$ 65,924,550</b>	<b>\$ 69,895,240</b>

\* 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 2025**

Fund	Other financing 2025		Interfund transfers 2025	
	Sources	(Uses)	In	(Out)
<b>General Fund</b>				
Transfer to Streets Fund	\$	\$	\$	\$ 1,938,220
Transfer to Housing Fund				900,000
Transfer to Cap. Impr. Fund				12,300,000
Transfer to Public Transit Fund				365,840
Transfer to Wastewater Fund				3,000,000
Transfer to Info. Tech. Fund				35,000
<b>Total General Fund</b>	\$	\$	\$	\$ 18,539,060
<b>Special revenue funds</b>				
Streets - from General Fund	\$	\$	\$ 1,938,220	\$
Housing - from General Fund			900,000	
Grants, Don. & Restr. - to Wastewater				1,911,860
Transp. Sales Tax - to Cap. Impr. Fund				8,027,180
Transp. Sales Tax - to Public Transit				3,814,150
<b>Total special revenue funds</b>	\$	\$	\$ 2,838,220	\$ 13,753,190
<b>Capital projects funds</b>				
Cap. Impr. - from General Fund	\$	\$	\$ 12,300,000	\$
Cap. Impr. - from Transp. Sales Tax			8,027,180	
Cap. Impr. - to Dev. Impact Fees Funds				1,311,520
Cap. Impr. - to Art in Public Places				42,900
Art in Public Places - from Cap. Impr.			42,900	
Dev. Impact Fees Funds - from Cap. Impr.			1,311,520	
<b>Total capital projects funds</b>	\$	\$	\$ 21,681,600	\$ 1,354,420
<b>Enterprise funds</b>				
Public Transit - from General Fund	\$	\$	\$ 365,840	\$
Public Transit - from Transp. Sales Tax			3,814,150	
Wastewater - From General Fund			3,000,000	
Wastewater - From Grants, Don. & Restr.			1,911,860	
<b>Total enterprise funds</b>	\$	\$	\$ 9,091,850	\$
<b>Internal service funds</b>				
Info. Tech - from General Fund	\$	\$	\$ 35,000	\$
<b>Total Internal Service Funds</b>	\$	\$	\$ 35,000	\$
<b>Total all funds</b>	\$	\$	\$ 33,646,670	\$ 33,646,670

**City of Sedona  
Expenditures/expenses by fund  
Fiscal year 2025**

Fund/Department	Adopted budgeted expenditures/ expenses 2024	Expenditure/ expense adjustments approved 2024	Actual expenditures/ expenses* 2024	Budgeted expenditures/ expenses 2025
<b>General Fund</b>				
City Council	\$ 78,225	\$ (5)	\$ 68,750	\$ 74,520
City Manager	1,027,701	(1)	851,310	1,045,420
Human Resources	403,298	2	436,560	553,700
Financial Services	1,641,334	16	1,516,400	1,810,620
City Attorney	718,573	(3)	716,740	804,640
City Clerk	394,167	12,493	410,750	468,750
Parks & Recreation	1,065,985	15	946,490	1,079,120
General Services	2,692,870		2,615,490	2,896,360
Community Development	1,951,987	(6,357)	1,754,990	2,062,730
Public Works	4,358,615	(345)	4,546,960	5,298,700
Comm, Tourism & Econ Init.	1,497,565	(89,995)	1,441,880	2,358,770
Sustainability	867,129	(25,209)	795,190	746,480
Police	7,616,217	53	7,369,030	11,062,100
Municipal Court	667,961	9	638,700	786,750
Other Public Safety	30,000		24,900	30,000
Indirect Cost Allocations	509,270		565,520	597,270
Debt Service	2,821,985	5	2,741,220	3,772,940
Contingency	937,400	(69,680)		300,000
<b>Total General Fund</b>	<b>\$ 29,280,282</b>	<b>\$ (179,002)</b>	<b>\$ 27,440,880</b>	<b>\$ 35,748,870</b>
<b>Special revenue funds</b>				
Streets Fund	\$ 2,518,842	\$ (2)	\$ 2,477,800	\$ 2,881,930
Housing Fund	1,257,347	(299,997)	801,810	576,200
Grants, Don. & Restr. Funds	3,095,750		491,930	1,378,810
Transportation Sales Tax Fund	499,349	1	450,230	489,310
<b>Total special revenue funds</b>	<b>\$ 7,371,288</b>	<b>\$ (299,998)</b>	<b>\$ 4,221,770</b>	<b>\$ 5,326,250</b>
<b>Capital projects funds</b>				
Capital Improvements Fund	\$ 17,586,200	\$ 276,910	\$ 15,870,810	\$ 31,230,930
Art in Public Places Fund	232,000		115,000	119,000
Develop. Impact Fees Funds	9,075,490	223,100	6,160,510	6,222,680
<b>Total capital projects funds</b>	<b>\$ 26,893,690</b>	<b>\$ 500,010</b>	<b>\$ 22,146,320</b>	<b>\$ 37,572,610</b>
<b>Enterprise funds</b>				
Public Transit Fund	\$ 4,673,490	\$ (487,510)	\$ 3,310,550	\$ 5,479,980
Wastewater Fund	15,548,324	16	12,275,530	19,252,630
<b>Total enterprise funds</b>	<b>\$ 20,221,814</b>	<b>\$ (487,494)</b>	<b>\$ 15,586,080</b>	<b>\$ 24,732,610</b>
<b>Internal service funds</b>				
Information Technology Fund	\$ 2,352,460	\$ 166,570	\$ 2,293,930	\$ 2,675,446
<b>Total internal service funds</b>	<b>\$ 2,352,460</b>	<b>\$ 166,570</b>	<b>\$ 2,293,930</b>	<b>\$ 2,675,446</b>
<b>Total all funds</b>	<b>\$ 86,119,534</b>	<b>\$ (299,914)</b>	<b>\$ 71,688,980</b>	<b>\$ 106,055,786</b>

\* 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 2025**

Department/Fund	Adopted budgeted expenditures/expenses 2024	Expenditure/expense adjustments approved 2024	Actual expenditures/expenses* 2024	Budgeted expenditures/expenses 2025
<b>City Council:</b>				
General Fund	\$ 78,220	\$ (5)	\$ 68,750	\$ 74,520
<b>Department total</b>	<b>\$ 78,220</b>	<b>\$ (5)</b>	<b>\$ 68,750</b>	<b>\$ 74,520</b>
<b>City Manager:</b>				
General Fund	\$ 1,475,620	\$ 3	\$ 1,242,780	\$ 1,045,420
Information Technology Fund	1,320		1,320	1,300
<b>Department total</b>	<b>\$ 1,476,940</b>	<b>\$ 3</b>	<b>\$ 1,244,100</b>	<b>\$ 1,046,720</b>
<b>Human Resources:</b>				
General Fund	\$ 403,300	\$ 2	\$ 436,560	\$ 553,700
<b>Department total</b>	<b>\$ 403,300</b>	<b>\$ 2</b>	<b>\$ 436,560</b>	<b>\$ 553,700</b>
<b>Financial Services:</b>				
General Fund	\$ 1,641,350	\$ 16	\$ 1,516,400	\$ 1,810,620
Public Transit Fund	4,000		4,000	4,000
Wastewater Fund	139,350		104,250	139,350
<b>Department total</b>	<b>\$ 1,784,700</b>	<b>\$ 16</b>	<b>\$ 1,624,650</b>	<b>\$ 1,953,970</b>
<b>City Attorney:</b>				
General Fund	\$ 718,570	\$ (3)	\$ 716,740	\$ 804,640
Wastewater Fund	100,000			100,000
<b>Department total</b>	<b>\$ 818,570</b>	<b>\$ (3)</b>	<b>\$ 716,740</b>	<b>\$ 904,640</b>
<b>City Clerk:</b>				
General Fund	\$ 406,660	\$ 12,493	\$ 410,750	\$ 468,750
<b>Department total</b>	<b>\$ 406,660</b>	<b>\$ 12,493</b>	<b>\$ 410,750</b>	<b>\$ 468,750</b>
<b>Parks &amp; Recreation:</b>				
General Fund	\$ 1,066,000	\$ 15	\$ 946,490	\$ 1,079,120
Grants, Don. & Restr. Funds	13,750		16,980	13,200
<b>Department total</b>	<b>\$ 1,079,750</b>	<b>\$ 15</b>	<b>\$ 963,470</b>	<b>\$ 1,092,320</b>
<b>General Services:</b>				
General Fund	\$ 2,692,870	\$	\$ 2,615,490	\$ 2,896,390
Grants, Don. & Restr. Funds	53,480		1,480	
Develop. Impact Fee Funds	78,000		30,000	48,000
<b>Department total</b>	<b>\$ 2,824,350</b>	<b>\$</b>	<b>\$ 2,646,970</b>	<b>\$ 2,944,390</b>
<b>Community Development:</b>				
General Fund	\$ 1,945,630	\$ (6,357)	\$ 1,754,990	\$ 2,062,730
Information Technology Fund	2,800		2,800	2,700
<b>Department total</b>	<b>\$ 1,948,430</b>	<b>\$ (6,357)</b>	<b>\$ 1,757,790</b>	<b>\$ 2,065,430</b>

**City of Sedona  
Expenditures/expenses by department  
Fiscal Year 2025**

Department/Fund	Adopted budgeted expenditures/expenses 2024	Expenditure/expense adjustments approved 2024	Actual expenditures/expenses* 2024	Budgeted expenditures/expenses 2025
<b>Public Works:</b>				
General Fund	\$ 4,358,270	\$ (345)	\$ 4,546,960	\$ 5,400,750
Streets Fund	2,194,820	(2)	2,162,200	2,474,720
Grants, Don. & Restr. Funds	1,500		1,300	1,500
Transportation Sales Tax Fund	158,760	1	109,640	147,730
Public Transit Fund	55,500		65,310	72,900
Wastewater Fund	261,210	(4)	243,690	273,600
Information Technology Fund	19,800		18,940	22,090
<b>Department total</b>	<b>\$ 7,049,860</b>	<b>\$ (350)</b>	<b>\$ 7,148,040</b>	<b>\$ 8,393,290</b>
<b>Tourism &amp; Economic Initiatives:</b>				
General Fund	\$ 959,650	\$ (89,998)	\$ 1,050,410	\$ 2,358,770
Grants, Don. & Restr. Funds	10,000			
Public Transit Fund	95,000	95,000		
Information Technology Fund				650
<b>Department total</b>	<b>\$ 1,064,650</b>	<b>\$ 5,002</b>	<b>\$ 1,050,410</b>	<b>\$ 2,359,420</b>
<b>Sustainability:</b>				
General Fund	\$ 841,920	\$ (25,209)	\$ 795,190	\$ 746,480
<b>Department total</b>	<b>\$ 841,920</b>	<b>\$ (25,209)</b>	<b>\$ 795,190</b>	<b>\$ 746,480</b>
<b>Police:</b>				
General Fund	\$ 7,616,270	\$ 53	\$ 7,369,030	\$ 11,062,100
Grants, Don. & Restr. Funds	120,590	11,990	148,290	81,990
Information Technology Fund	55,050		44,600	52,720
<b>Department total</b>	<b>\$ 7,791,910</b>	<b>\$ 12,043</b>	<b>\$ 7,561,920</b>	<b>\$ 11,196,810</b>
<b>Municipal Court:</b>				
General Fund	\$ 667,970	\$ 9	\$ 638,700	\$ 786,750
Information Technology Fund	15,120		15,120	120
<b>Department total</b>	<b>\$ 683,090</b>	<b>\$ 9</b>	<b>\$ 653,820</b>	<b>\$ 786,870</b>
<b>Other Public Safety:</b>				
General Fund	\$ 30,000	\$	\$ 24,900	\$ 30,000
<b>Department total</b>	<b>\$ 30,000</b>	<b>\$</b>	<b>\$ 24,900</b>	<b>\$ 30,000</b>
<b>Indirect Cost Allocations:</b>				
General Fund	\$ 509,270	\$	\$ 565,520	\$ 597,270
Streets Fund	228,780		220,360	247,930
Housing Fund	82,190		77,030	85,400
Public Transit Fund	160,060		155,930	255,590
Wastewater Fund	1,420,810		1,346,910	1,546,220
Information Technology Fund	160,650		149,800	126,700
<b>Department total</b>	<b>\$ 2,561,760</b>	<b>\$</b>	<b>\$ 2,515,550</b>	<b>\$ 2,859,110</b>
<b>Debt Service:</b>				
General Fund	\$ 2,821,990	\$ 5	\$ 2,741,220	\$ 3,872,940
Streets Fund	95,240		95,240	159,280
Transportation Sales Tax Fund	340,590		340,590	341,580
Develop. Impact Fee Funds	248,570		248,570	248,570
Public Transit Fund	303,830		303,830	300,570
Wastewater Fund	4,745,090		4,733,390	4,541,620
Information Technology Fund	40,140		23,300	50,200
<b>Department total</b>	<b>\$ 8,595,450</b>	<b>\$ 5</b>	<b>\$ 8,486,140</b>	<b>\$ 9,514,760</b>

**City of Sedona**  
**Expenditures/expenses by department**  
**Fiscal Year 2025**

Department/Fund	Adopted budgeted expenditures/expenses	Expenditure/expenditure adjustments approved	Actual expenditures/expenses*	Budgeted expenditures/expenses
	2024	2024	2024	2025
<b>Contingency:</b>				
General Fund	\$ 867,720	\$ (69,680)	\$	\$ 300,000
Housing Fund				56,850
Grants, Don. & Restr. Funds	2,363,330	(11,990)		500,000
Wastewater Fund	100,000			100,000
<b>Department total</b>	<b>\$ 3,331,050</b>	<b>\$ (81,670)</b>	<b>\$</b>	<b>\$ 956,850</b>
<b>Capital Improvement Projects:</b>				
Housing Fund			\$ 148,820	
Grants, Don. & Restr. Funds	78,700		223,230	
Capital Improvements Fund	17,863,110	276,910	15,870,810	31,230,930
Art in Public Places Fund	232,000		115,000	119,000
Develop. Impact Fee Funds	8,972,020	223,100	5,881,940	5,926,110
Public Transit Fund	1,326,370	(455,000)	827,500	2,301,000
Wastewater Fund	5,156,890	5	2,648,900	8,587,120
<b>Department total</b>	<b>\$ 33,629,090</b>	<b>\$ 45,015</b>	<b>\$ 25,716,200</b>	<b>\$ 48,164,160</b>
<b>Housing:</b>				
Housing Fund	\$ 957,350	\$ 3	\$ 801,810	\$ 519,350
Grants, Don. & Restr. Funds	406,100		203,880	772,120
<b>Department total</b>	<b>\$ 1,363,450</b>	<b>\$ 3</b>	<b>\$ 1,005,690</b>	<b>\$ 1,291,470</b>
<b>Public Transit:</b>				
Public Transit Fund	\$ 2,241,220	\$ (127,510)	\$ 1,953,980	\$ 2,545,920
<b>Department total</b>	<b>\$ 2,241,220</b>	<b>\$ (127,510)</b>	<b>\$ 1,953,980</b>	<b>\$ 2,545,920</b>
<b>Wastewater:</b>				
Wastewater Fund	\$ 3,503,020	\$ (13,680)	\$ 3,091,160	\$ 3,835,960
<b>Department total</b>	<b>\$ 3,503,020</b>	<b>\$ (13,680)</b>	<b>\$ 3,091,160</b>	<b>\$ 3,835,960</b>
<b>Information Technology:</b>				
Grants, Don. & Restr. Funds	\$ 48,300	\$	\$ 38,300	\$ 10,000
Wastewater Fund	121,970	13,695	107,230	128,760
Information Technology Fund	2,224,150	166,565	2,038,050	2,418,966
<b>Department total</b>	<b>\$ 2,394,420</b>	<b>\$ 180,260</b>	<b>\$ 2,183,580</b>	<b>\$ 2,557,726</b>

\* 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 2025**

<b>Fund</b>	<b>Full-time equivalent (FTE)</b>	<b>Employee salaries and hourly costs</b>	<b>Retirement costs</b>	<b>Healthcare costs</b>	<b>Other benefit costs</b>	<b>Total estimated personnel compensation</b>
	<b>2025</b>	<b>2025</b>	<b>2025</b>	<b>2025</b>	<b>2025</b>	<b>2025</b>
<b>General Fund</b>	157	\$ 11,299,120	\$ 6,443,400	\$ 3,419,450	\$ 190,800	\$ 21,352,770
<b>Special revenue funds</b>						
Streets Fund	4	\$ 294,010	\$ 36,550	\$ 96,520	\$ 7,560	\$ 434,640
Housing Fund	2	176,320	21,660	44,570	2,400	244,950
Grants, Don. & Restr. Funds			71,990			71,990
Transportation Sales Tax Fund	1	80,560	9,760	25,910		116,230
<b>Total special revenue funds</b>	<b>7</b>	<b>\$ 550,890</b>	<b>\$ 139,960</b>	<b>\$ 167,000</b>	<b>\$ 9,960</b>	<b>\$ 867,810</b>
<b>Enterprise funds</b>						
Public Transit Fund	2	\$ 159,810	\$ 19,730	\$ 30,380	\$ 3,000	\$ 212,920
Wastewater Fund	17	1,391,707	184,509	459,937	15,007	2,051,160
<b>Total enterprise funds</b>	<b>19</b>	<b>\$ 1,551,517</b>	<b>\$ 204,239</b>	<b>\$ 490,317</b>	<b>\$ 18,007</b>	<b>\$ 2,264,080</b>
<b>Internal service funds</b>						
Information Technology Fund	6	\$ 625,785	\$ 75,918	\$ 145,731	\$ 600	\$ 848,034
<b>Total internal service fund</b>	<b>6</b>	<b>\$ 625,785</b>	<b>\$ 75,918</b>	<b>\$ 145,731</b>	<b>\$ 600</b>	<b>\$ 848,034</b>
<b>Total all funds</b>	<b>189</b>	<b>\$ 14,027,312</b>	<b>\$ 6,863,517</b>	<b>\$ 4,222,498</b>	<b>\$ 219,367</b>	<b>\$ 25,332,694</b>