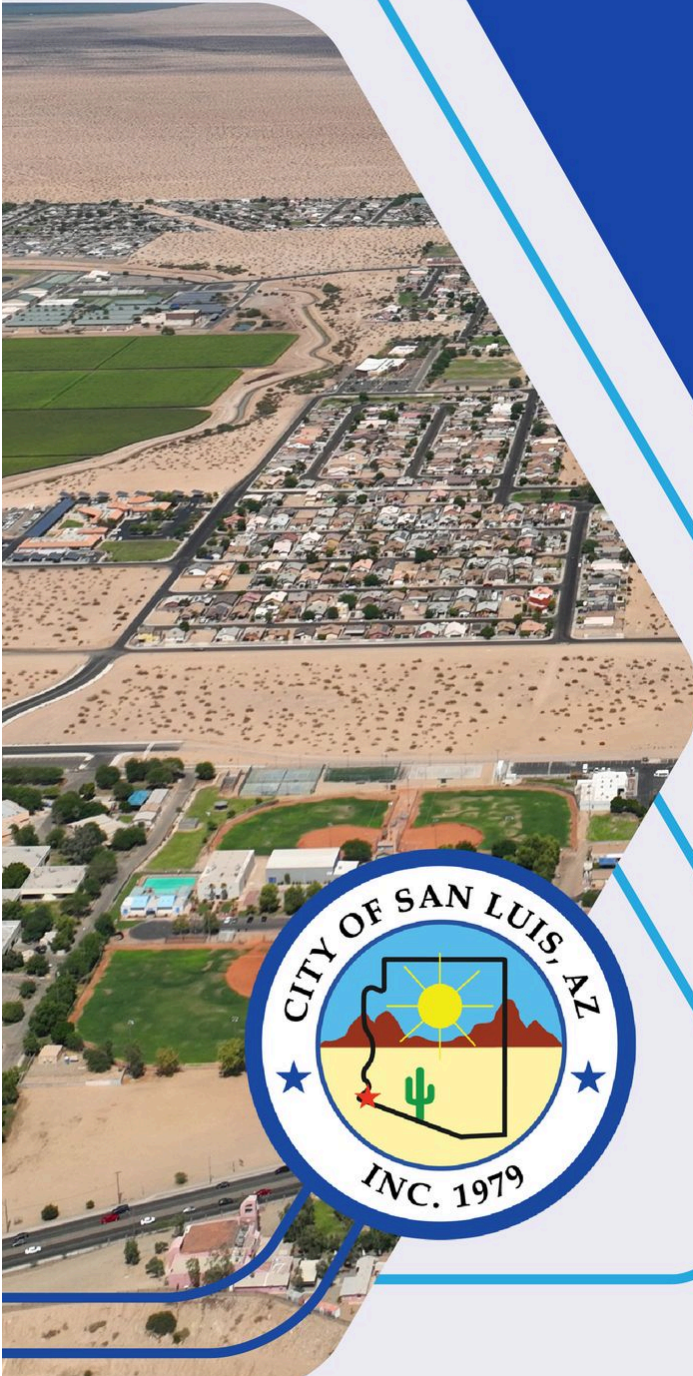


CITY OF SAN LUIS
BUDGET

FISCAL YEAR

2026-2027



FINAL



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Introduction

Budget Message

September 22, 2026

Honorable Mayor and City Council,

I am pleased to present the Adopted Operating and Capital Budget for the City of San Luis for the fiscal year beginning July 1, 2026, and ending June 30, 2027. The FY2027 Adopted Budget totals approximately \$152.4 million and reflects the City's continued commitment to transparency, accountability, responsible financial management, and the delivery of high-quality public services to our community.

The FY2027 budget was developed with careful consideration of the City Council's strategic priorities, the needs of our growing community, available financial resources, and long-term infrastructure requirements. With limited resources and continued economic uncertainty, the City prepared a conservative budget that prioritizes essential services while continuing to invest in infrastructure, public safety, technology, economic development, and other community needs.

Our prudent financial management has enabled the City to enter FY2027 from a strong financial position. The City continues to maintain healthy reserves while strategically utilizing available fund balances to support planned expenditures and capital investments. In accordance with Arizona budget requirements, beginning fund balances and other available resources are included as sources to balance the annual budget. The FY2027 budget reports an estimated \$70.4 million in beginning fund balance and net position across all funds. Of these resources, approximately \$7.3 million is maintained for future debt retirement, \$33.6 million for future capital projects, and \$21.2 million for future financial stability.

The City's financial strategy continues to emphasize the use of recurring revenues to support ongoing operations while utilizing available one-time resources, when appropriate, for capital and other nonrecurring expenditures. This approach allows the City to address immediate community and infrastructure needs while maintaining adequate reserves and protecting its long-term financial stability.

General Fund revenues continue to show positive growth. FY2027 General Fund revenues are budgeted at approximately \$38.5 million, an increase of approximately \$3.5 million, or 9.9 percent, compared with the FY2026 Adopted Budget. This growth is primarily driven by increases in City sales tax and State-shared revenues. City sales tax revenue is budgeted at approximately \$18.6 million, an increase of 9.7 percent from FY2026, while Urban Revenue Sharing is projected at approximately \$8.8 million. State sales tax and Vehicle License Tax revenues are also projected to increase.

Although the FY2027 revenue outlook remains positive, the City continues to take a cautious approach to revenue forecasting. City sales tax represents approximately 48 percent of budgeted General Fund revenues and remains the City's largest General Fund revenue source. Because sales tax collections are influenced by consumer spending and broader economic conditions, the City must continue to monitor revenue performance closely, maintain appropriate reserves, and carefully evaluate new recurring financial commitments.

Operating Budget

The City of San Luis continues its practice of long-term financial planning to evaluate the sustainability of current services and future financial commitments. This process helps ensure that recurring revenues are sufficient to support ongoing operations while identifying future funding needs and potential financial challenges.

Personnel represents a significant component of the FY2027 budget, with approximately \$40.4 million allocated for personnel costs. The budget includes approximately \$1.6 million for the approved Cost of Living Adjustment (COLA) and Service Salary Increase (SSI), reflecting the City's continued effort to provide competitive compensation, recognize employee service, and retain qualified employees.

The FY2027 budget also includes four new positions at a total cost of approximately \$387,500: an Assistant City Attorney, GIS Technician, IT Network Administrator, and Building Maintenance position. In addition, approximately \$9,200 is included for the reclassification of an Administrative Coordinator position to Business License Coordinator. These staffing investments are intended to strengthen organizational capacity and provide departments with the resources necessary to support City operations and respond to the needs of a growing community.

The City remains committed to maintaining adequate reserves as an important component of its financial strategy. Reserves provide financial flexibility during periods of economic uncertainty, protect essential services from unexpected revenue fluctuations, and provide resources for significant one-time and capital needs without creating unsustainable recurring obligations.

Budget Priorities

City Council's budget priorities reflect a continued commitment to infrastructure, public safety, economic development, organizational capacity, and the overall quality of life of the San Luis community. The FY2027 budget includes approximately \$43.5 million in capital investments across the City, supported by a combination of General Fund resources, grants, Highway User Revenue Fund resources, impact fees, and Water and Wastewater funds. Approximately \$11.6 million, or 27 percent, of the capital program is supported by grant funding, demonstrating the City's continued effort to leverage external resources to advance community priorities.

Road Infrastructure: The FY2027 capital budget includes approximately \$3.3 million for Highway User Fund projects designed to improve roadway safety, mobility, drainage, and connectivity. Major investments include the 10th Avenue Widening project, the Union Street and 4th Avenue Intersection and Traffic Signal Improvements project, Cesar Chavez Boulevard widening, continued improvements associated with the Lakin subdivision subsidence issue, Urtuzuastegui Street drainage improvements and beautification, and other roadway and pedestrian improvements.

Water Infrastructure: The FY2027 capital budget continues significant investment in the City's water system, including approximately \$4.2 million in Water Operations capital projects. Major projects include rehabilitation of the Water Storage Tank and pressure tanks at Well Site #4, electrical and booster station improvements at Well Site #6, electrical and civil improvements at Well Site #3,

continued expansion of the Well Site #7 operations building, and equipment necessary to support water operations.

Wastewater Infrastructure: Wastewater continues to represent one of the City's most significant capital investment areas. A major priority is the expansion of the West Wastewater Treatment Plant, which will increase the plant's treatment capacity from 1.5 million gallons per day (MGD) to 3.0 MGD to accommodate projected wastewater flow growth over the next 20 years. Major improvements include conversion to a Membrane Bioreactor (MBR) treatment process and other system upgrades designed to increase capacity, improve treatment capabilities, maintain regulatory compliance, and support the City's continued growth.

During FY2026, the City secured \$26.24 million in financing through the Water Infrastructure Finance Authority of Arizona (WIFA) Clean Water State Revolving Fund Program for the project, including \$1.5 million in forgivable principal. Following the competitive procurement process, construction costs exceeded the estimates used in developing the original financing plan. As a result, the City pursued additional WIFA financing to address the funding gap and ensure sufficient resources are available to complete this critical infrastructure project. In August 2026, the WIFA Board approved an additional \$12.5 million in financial assistance for the project, including \$4.0 million in forgivable principal.

Combined, these financing efforts provide approximately \$38.4 million in WIFA financial assistance, including \$5.5 million in forgivable principal, significantly reducing the long-term financial burden of this major infrastructure investment. The City's ability to secure favorable financing and forgivable principal demonstrates its continued commitment to leveraging external resources while responsibly addressing critical infrastructure needs.

Economic Development: The FY2027 capital budget includes approximately \$10.8 million in projects administered through Economic Development. Major investments include the Downtown Park and Parking Lot, the continuation of the U.S. Highway 95 Water and Sewer Line Expansion project, Merrill Avenue Street Improvements Phase II, the Onvida Health Commercial Development Road, public art initiatives, and continued planning for Cesar Chavez Boulevard commercial land development. Many of these projects leverage grants and other external resources, allowing the City to advance significant community investments while reducing reliance on local funding.

Parks and Recreation: Parks and recreational facilities continue to play an important role in the quality of life of our residents. FY2027 investments include renovation of the Joe Orduño Park artificial turf field, continued investment in East Community Park, maintenance related to assessment areas, and renovation of the Recreation Department's indoor restrooms. These investments support safe, accessible, and enjoyable recreational opportunities for residents and families.

Public Safety: Maintaining effective Police and Fire services remains a priority for the City. The FY2027 capital budget includes approximately \$1.1 million for Police Department equipment and technology, including radios, AXON upgrades and renewals, and equipment supported by State and border security funding. Fire Department investments include approximately \$1.0 million for equipment and facilities, including SCBA equipment, a rescue truck, a Fire Dispatch Alerting System upgrade, and funding for Fire Station #3.

Technology and Organizational Infrastructure: The FY2027 budget also includes significant investment in technology and systems necessary to modernize City operations. Approximately \$1.1 million in Information Technology capital projects includes the City's Financial ERP, Human Resources, Payroll, Licensing, and Permitting Modernization and Cloud Transformation Initiative, along with phone system migration, fiber connectivity, and data center improvements. These investments will modernize internal processes, improve operational efficiency, strengthen the City's technology infrastructure, and enhance its ability to provide services to residents and businesses.

Capital Planning

FY2027 represents an important milestone in the City's long-term capital planning efforts with the adoption of the City's first comprehensive Five-Year Capital Improvement Plan (CIP) for Fiscal Years 2027–2031. The CIP provides a long-term framework for identifying, prioritizing, and planning major infrastructure investments based on community needs, City Council priorities, projected growth, available resources, and the long-term financial and operating impact of each project.

The Five-Year CIP identifies approximately \$152 million in anticipated capital investments across streets and roadways, water, wastewater, drainage, parks, public facilities, public safety, economic development, and other municipal infrastructure. While the CIP provides a five-year planning framework, only funding included in the FY2027 Adopted Budget is appropriated for the current fiscal year. Projects and funding identified for subsequent years are included for planning purposes and remain subject to annual review, funding availability, future budget appropriations, and City Council approval.

For FY2027, approximately \$43.5 million has been allocated to capital projects. The largest funding source is the Wastewater Fund, providing approximately \$20.3 million, or 46 percent of the FY2027 capital program. Grants provide approximately \$11.6 million, or 27 percent; the Highway User Revenue Fund provides approximately \$3.3 million, or 7 percent; the General Fund provides approximately \$3.7 million, or 8 percent; the Water Fund provides approximately \$4.2 million, or 10 percent.

The FY2027 capital program reflects a balance between completing major ongoing projects and addressing new infrastructure priorities. Significant investments are planned for water and wastewater infrastructure, roadway improvements, economic development, public safety, parks and recreation, City facilities, and technology modernization. As projects advance from planning and design into construction, the City continues to monitor project costs, available funding, and potential impacts on future operating budgets.

The City continues to actively pursue grants, forgivable principal, low-cost financing, and other external funding opportunities to maximize available resources and reduce the long-term financial impact of major capital investments. The West Wastewater Treatment Plant Expansion is a significant example of this strategy. Through WIFA financing approved during FY2026 and additional financial assistance approved in FY2027, the City secured approximately \$5.5 million in forgivable principal to support this critical infrastructure project. The use of favorable financing and external funding allows the City to advance major infrastructure improvements while preserving local resources for other community priorities.

The City will continue to evaluate capital needs within the context of its long-term financial capacity. This includes considering not only the initial cost of each project, but also future operating, maintenance, staffing, and debt service requirements. This approach helps ensure that capital investments remain financially sustainable while providing the infrastructure necessary to support existing services, economic development, and the continued growth of the San Luis community.

ACKNOWLEDGEMENTS

The FY2027 Adopted Budget reflects the City's continued commitment to advancing City Council priorities while maintaining responsible financial stewardship. The development of this budget was made possible through the collaboration and collective efforts of the City Council, City leadership, and staff throughout the organization.

I extend my sincere appreciation to the Mayor and City Council for their leadership, guidance, and support throughout the budget process. I would also like to recognize the City Manager's Office, department heads, and City employees for their collaboration in identifying priorities, evaluating operational and capital needs, and developing a budget that supports the continued growth of our community.

Finally, I would like to acknowledge the Finance Department staff for their dedication and significant effort throughout the preparation of the FY2027 Adopted Budget and Budget Book. Their commitment, attention to detail, and collaboration were essential to the successful completion of this process.

The FY2027 Adopted Budget represents a collective commitment to providing quality services, investing in our community, and maintaining the City's long-term financial stability. I look forward to the progress these investments will bring to the City of San Luis during the coming fiscal year and beyond.

Respectfully,

Roula J. de Encinas

Director of Finance

GFOA Budget Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of San Luis
Arizona**

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) has honored the City of San Luis, Arizona, with a Distinguished Budget Presentation Award for its Annual Budget for the fiscal year commencing on July 1, 2025. This prestigious award signifies that our budget document has met GFOA's rigorous criteria, serving as a policy statement, a financial plan, an operations guide, and an effective communication tool.

Key Officials and Staff

MAYOR AND COUNCIL

The City of San Luis was incorporated in 1979, and operates under the Council-Manager form of government. The Council consists of the Mayor and six Council members, all elected on a non-partisan basis, and serve overlapping four-year terms. The City Council is responsible for passing ordinances, adopting the budget, appointing committees, board members, and appointing the positions of City Manager, City Attorney, Magistrate, and Chief of Police.



Mayor Nieves Riedel

Key Officials and Staff



Vice Mayor Javier Vargas



Council Member Luis E. Cabrera



Council Member Tadeo Azael De La Hoya



Council Member Maria Cecilia Cruz

Key Officials and Staff



Council Member Lizeth Servin



Council Member Esteban Rosales

Key Officials and Staff

Executive Team

City Manager	Jenny Torres
Acting Assistant City Manager	Olivia Jenkins
Attorney	Vacant
City Clerk	Sonia Cornelio
City Prosecutor	Amanda Mahon
Director of Economic Development & Government Affairs	Jesus A. Esparza
Director of Parks & Recreation	Angelica Roldan
Director of Finance	Roula Jouanne de Encinas
Fire Chief	Angel Ramirez
Chief of Police	Nigel Reynoso
Director of Human Resources	Adela Cortez
Information Technology Manager	Fernando Corona
City Magistrate	Vacant
Director of Development Services	Jose A. Guzman
Director of Public Works	Eulogio Vera
City Engineer	Tomas A. Sanchez

Acknowledgments

Director of Finance	Roula Jouanne de Encinas
Finance Accounting Manager	Miguel Ramirez
Finance Operations Manager	Lucia Zavala
Accountant II	Carolina Corral
Acting Accountant I	Karla Y. Plascencia

Special thanks to City Administration for the cover design and pictures.

History of the City



The vibrant city of San Luis boasts a rich history, with its founding dating back to 1930 and its official incorporation achieved in 1979. Nestled in the scenic southwestern corner of Arizona, this charming city shares immediate borders with both Mexico and California, encompassing a total area of 30 square miles. The geographical proximity to Mexico is highlighted by the presence of two bustling ports of entry, fostering a dynamic interchange between these neighboring urban centers on a daily basis. This fluid interaction has given rise to a truly binational atmosphere that profoundly influences every facet of the community, from its cultural tapestry and linguistic diversity to its shared heritage, environmental awareness, and economic interconnectedness. For residents and visitors alike, San Luis offers an unparalleled sense of place that reflects the unique fusion of these cross-border influences.

Despite its relatively youthful status as a city, San Luis boasts a compelling appeal that resonates with various demographics. One of its standout features is the abundance of affordable housing options, a vital factor that contributes to its capacity to attract and retain new residents. The city takes pride in its robust educational framework, with a strong emphasis on higher learning opportunities, thereby nurturing a knowledgeable and skilled populace. In terms of safety and security, San Luis stands out with low crime rates, further enhancing its desirability as a place to establish roots.

Venturing into the heart of the city, downtown San Luis unveils an array of diverse retail establishments, catering to a wide spectrum of shopping preferences. This commercial hub, conveniently situated adjacent to the border, serves as a gateway to an even more eclectic shopping experience in the Mexican border town. Here, open-air markets present an irresistible charm, offering not only Mexican souvenirs but also access to essential services such as dental, medical, and pharmaceutical care, all within walking distance from the border crossing.

San Luis prides itself on the preservation of its rich heritage and the nurturing of a vibrant cultural scene. This commitment to cultural authenticity sets the city apart, fostering a deep sense of community identity that resonates with residents and captivates visitors.

Remarkably, San Luis has undergone remarkable population growth over the years. The population, as recorded in the 2000 census, stood at 15,400, which surged to 25,500 in 2010. The most recent 2020 census data indicates an even more significant increase, with a population of 35,257, marking a remarkable 38.26% rise from 2010. This impressive growth has positioned the City of San Luis among the top 10 fastest-growing cities in Arizona. Projections for the future suggest that this upward trend in the population will continue at a consistent pace. However, while this growth heralds positive developments, it also presents challenges for the city in sustaining its current level of service as demands escalate.

In essence, the City of San Luis stands as a testament to the harmonious coexistence of cultures, the allure of affordable living, and the promise of an enriching quality of life. Its progressive growth trajectory mirrors the optimism and dynamism that define this community, while also underscoring the need for astute planning to address the evolving needs of its burgeoning population.

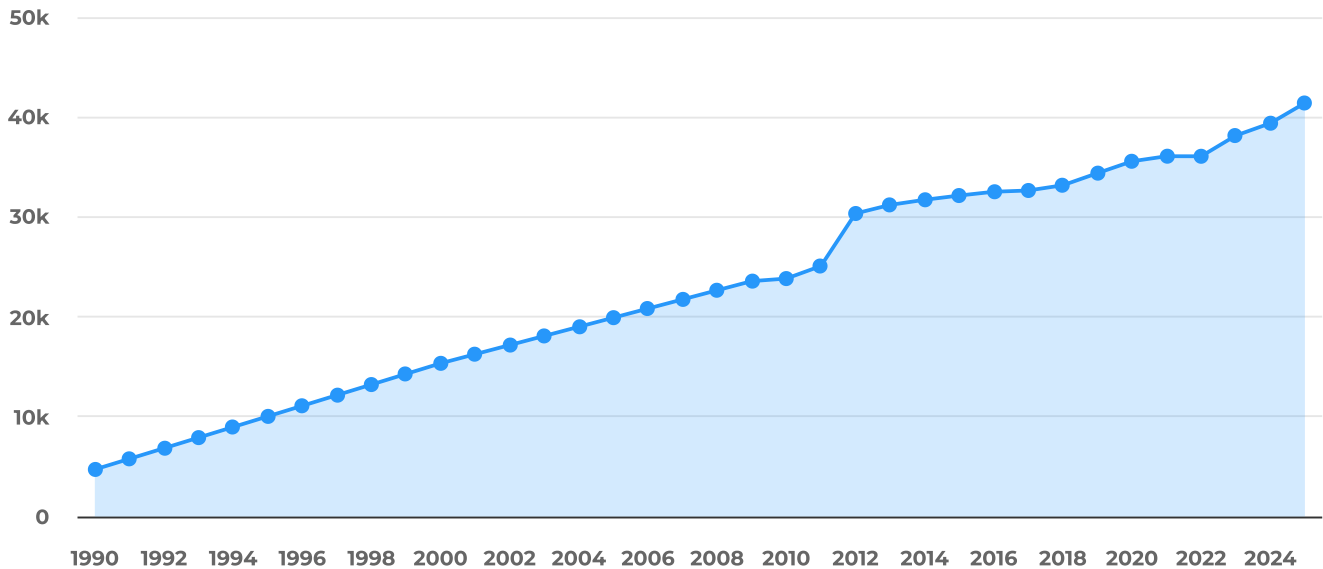
Population Overview



TOTAL POPULATION

41,409
5.14%
vs. 2024

GROWTH RANK

3 out of **92** Municipalities in Arizona


* Data Source: Client entered data for year 2025



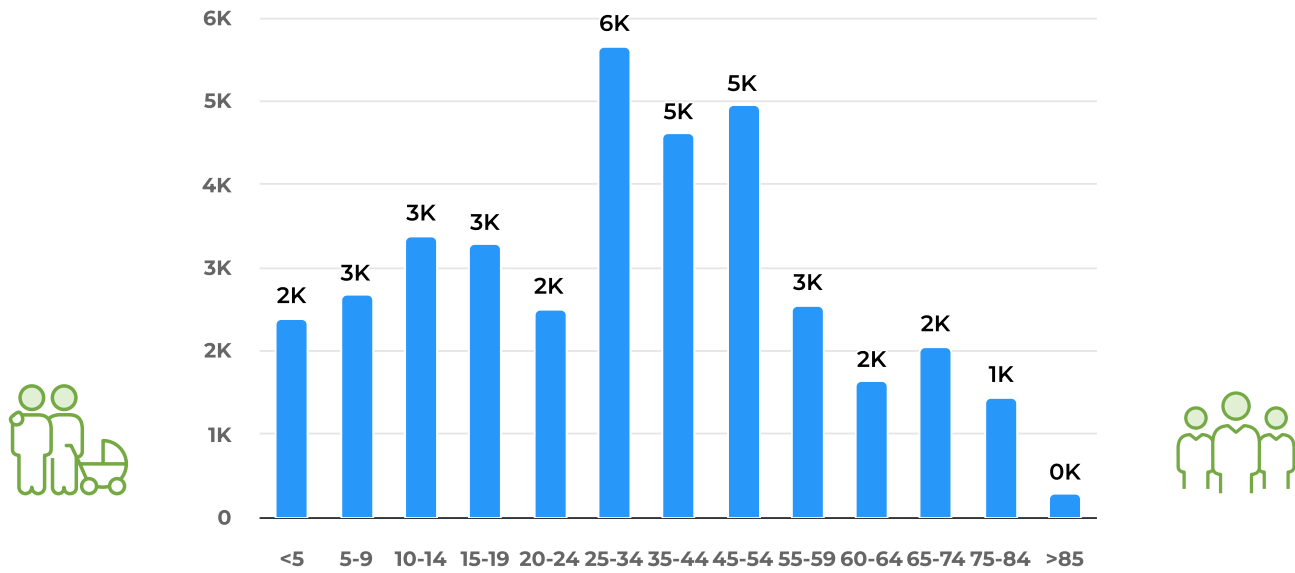
DAYTIME POPULATION

31,233

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

* Data Source: American Community Survey 5-year estimates

POPULATION BY AGE GROUP



Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.

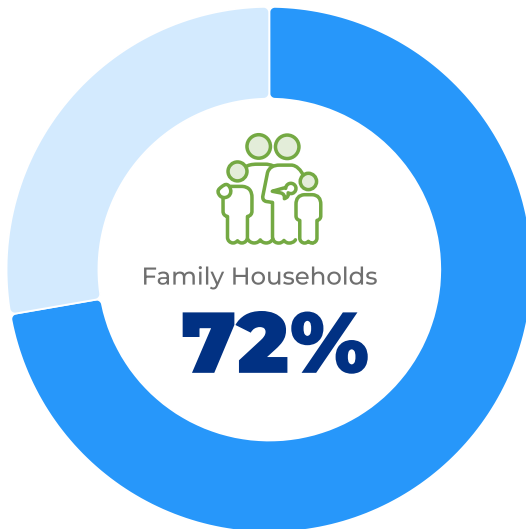
** Data Source: American Community Survey 5-year estimates*

Household

TOTAL HOUSEHOLDS

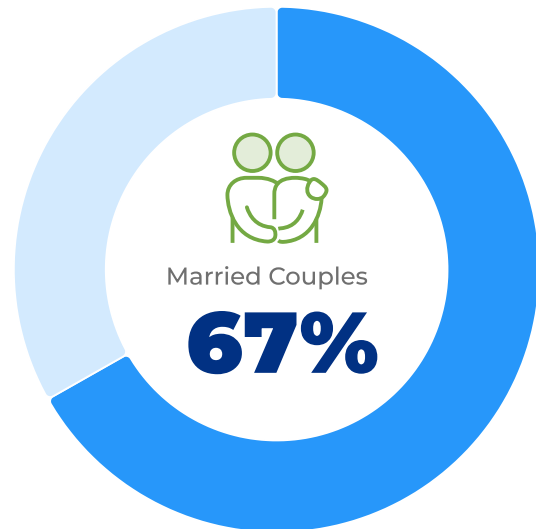
9,562

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



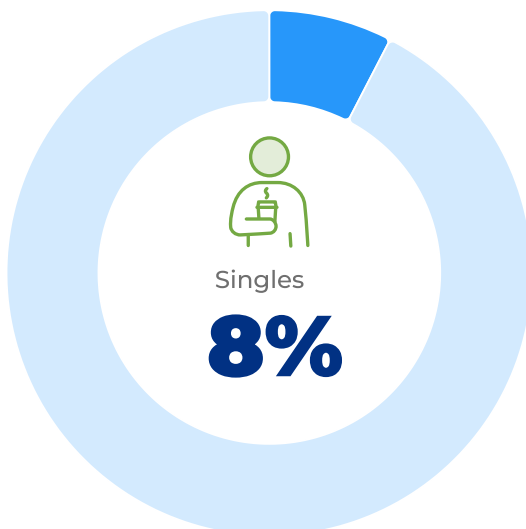
38%

higher than state average



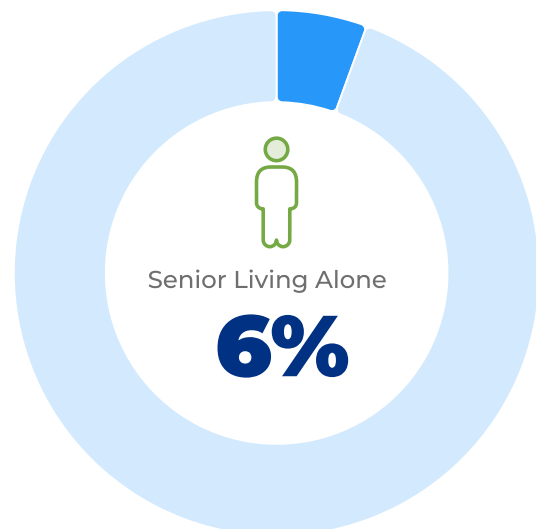
41%

higher than state average



-72%

lower than state average



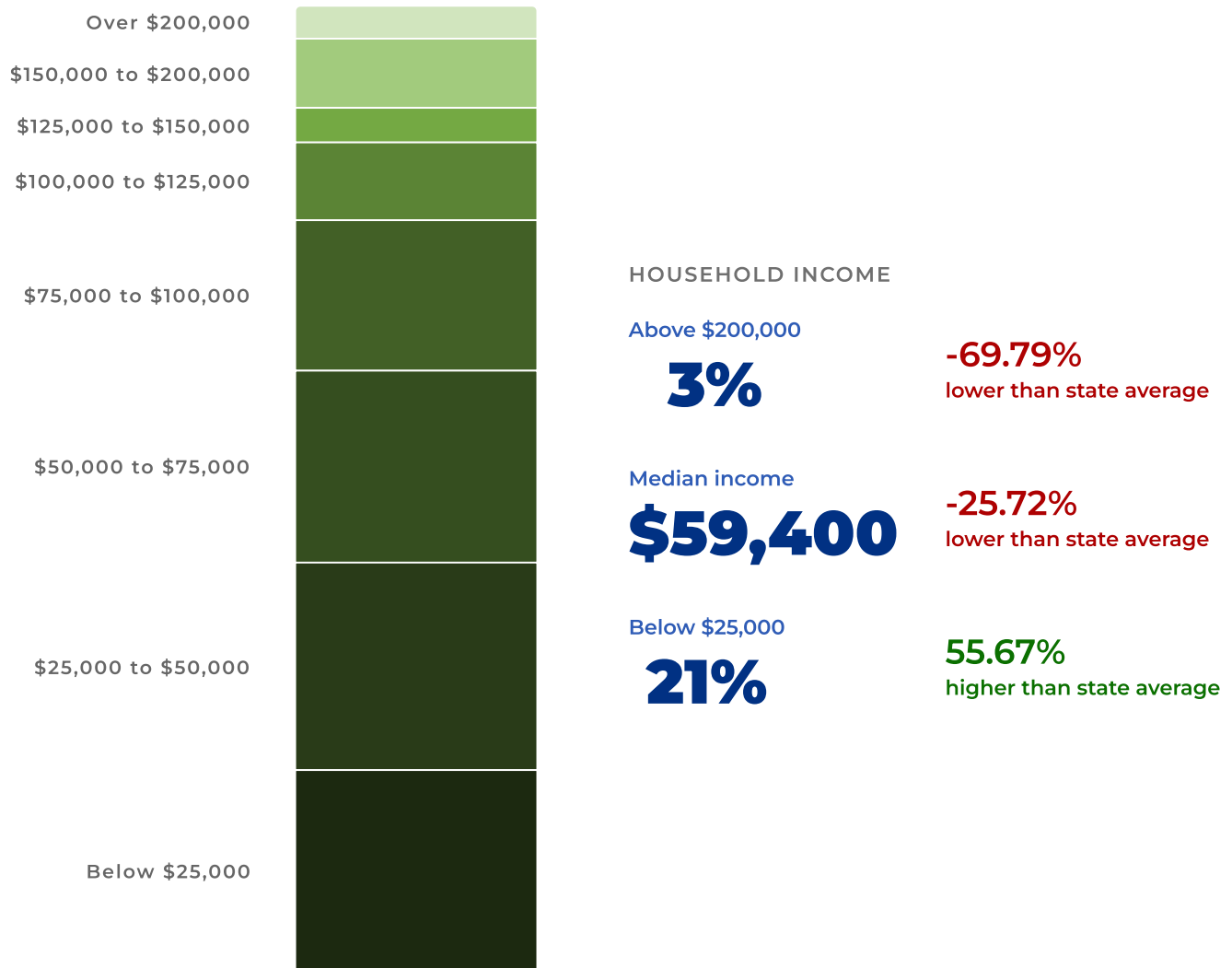
-54%

lower than state average

** Data Source: American Community Survey 5-year estimates*

Economic Analysis

Household income is a key data point in evaluating a community's wealth and spending power. Pay levels and earnings typically vary by geographic regions and should be looked at in context of the overall cost of living.



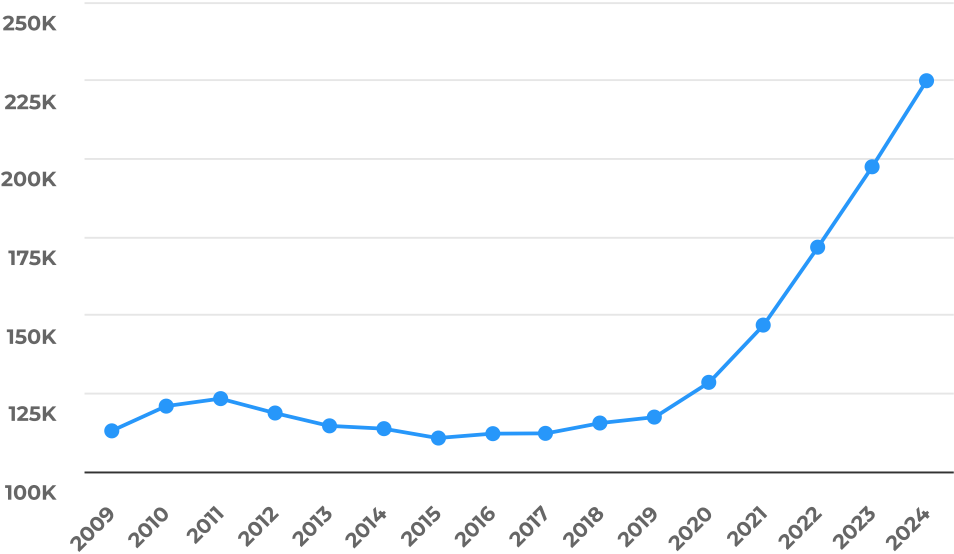
* Data Source: American Community Survey 5-year estimates

Housing Overview



2024 MEDIAN HOME VALUE

\$224,900



* Data Source: 2024 [US Census Bureau](#), American Community Survey. Home value data includes all types of owner-occupied housing.

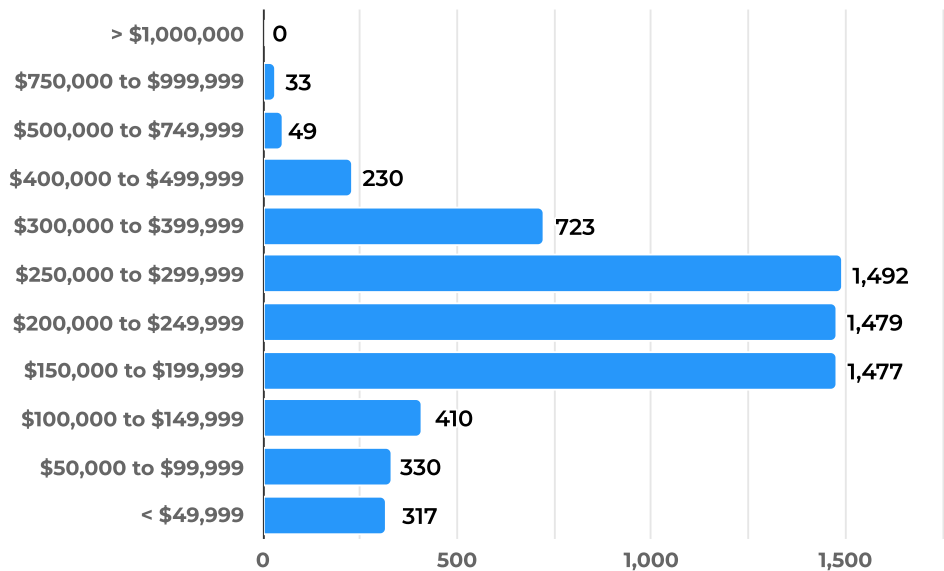
HOME OWNERS VS RENTERS

San Luis State Avg.



* Data Source: 2024 [US Census Bureau](#), American Community Survey. Home value data includes all types of owner-occupied housing.

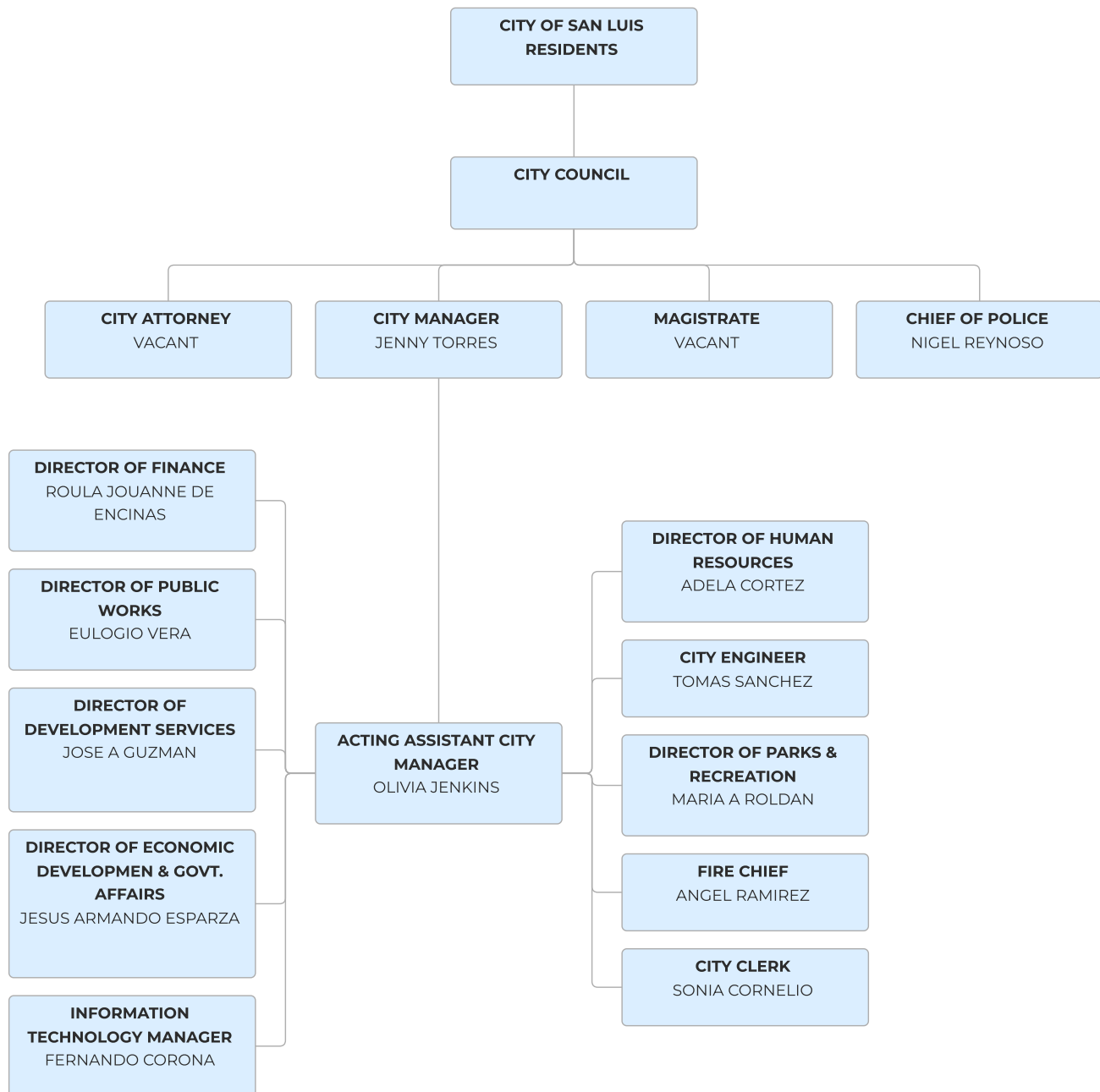
HOME VALUE DISTRIBUTION



* Data Source: 2024 [US Census Bureau](#), American Community Survey. Home value data includes all types of owner-occupied housing.

Organizational Structure

City of San Luis Residents



Strategic Plan

Strategic Plan

VISION

San Luis is a welcoming bipartisan city that is built on agriculture, a distinct history, and collaboration. We pride ourselves on having quality neighborhoods, significant cultural resources, and outstanding schools while offering an innovative and forward-thinking community to live, work, and play, which will develop in a manner that ensures that new growth improves our community and retains our shared values.

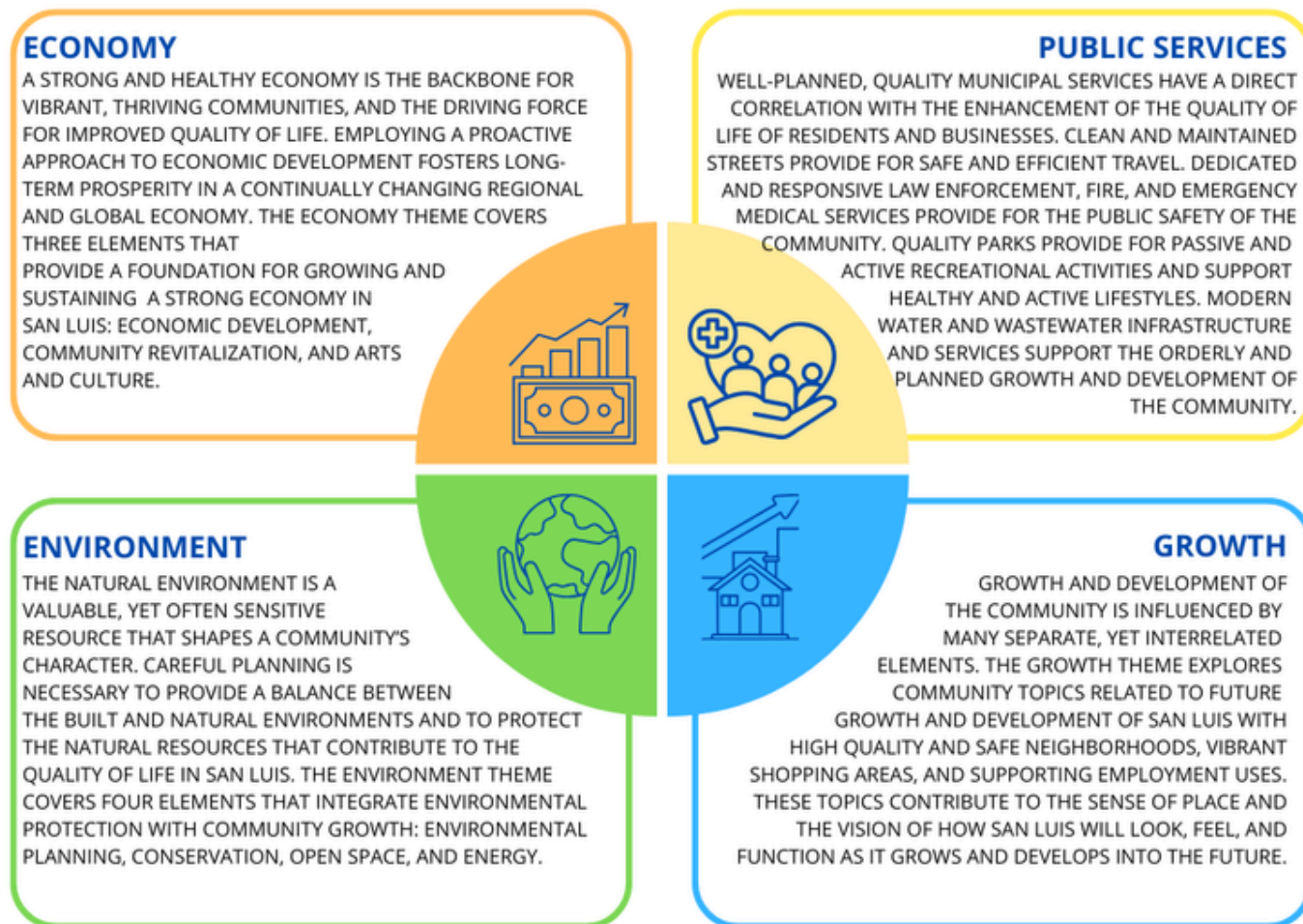
MISSION STATEMENT

To enhance the quality of life for the residents and businesses of San Luis by delivering services effectively and efficiently, providing a safe and healthy environment, and developing economic opportunities.

As San Luis continues to grow, the City is faced with new opportunities and challenges, creating a need for a shared vision for the future. By 2040, the population of San Luis is projected to be 72,566, which is more than double its current population. Although population growth may vary from these projections due to various factors, the City relies on these projections to plan for future needs.

We rely on the City's General Plan adopted in November 2020 to set the goals and priorities that will allow us to become the City we need to be in the future. There are four themes that are the focus of the plan (Growth, Economy, Environment, and Public Services).

The FY 2027 budget was developed with the Council organization focusing on the four themes as a key factor in the decision-making process. The goals and objectives included in the department information tie directly to the organization's focus areas, and represent intermediate steps to achieving those Council-identified priorities. The Council reviews and updates the organization's focus areas during their annual retreat. Management staff and departmental personnel utilize the focus areas to guide daily operations.



Principles of Sound Financial Management – Infrastructure and Public Services

The goal of financial sustainable infrastructure planning is ingrained within the Growth Theme. This section summarizes broad best practice fiscal principles relative to the planning and management of public funds for the expansion of infrastructure and public services to serve future growth. It is intended that the below Principles of Sound Financial Management will provide broad guidance to decision making in the City's Capital Improvement Plan (CIP) and Annual Operating Budget processes.

- Expand municipal infrastructure in a manner that is efficient, cost-effective, and affordable for current and future residents of the city.
- Obtain full value for every dollar of public funds to deliver high-quality infrastructure and public services to the community.
- Maintain an adequate financial base to support appropriate public service levels and maintain the quality of life in San Luis.
- Develop and maintain the ability to respond efficiently and effectively to changes in the local, regional and international economic climate, including changes in federal and state priorities and funding.



Economy

- Strategic Goal: To accommodate the city's economic expansion, we recognize the importance of infrastructure development. We will allocate funds for street and road improvements, utilities, and public services. This includes expansion of roads, enhancing utility services, and promoting public service and inspiring individuals to contribute to the betterment of society. These investments will attract businesses, support growth, and ensure the city maintains a presence in the global economy.



Financial Sustainability

- Strategic Goal: Our foremost commitment is to maintain budgetary prudence and fiscal responsibility. This involves careful planning, monitoring, and management of the city's finances to ensure that revenues align with expenditures. We will continue to prioritize transparency in financial reporting, adhering to best practices and upholding the highest standards of accountability in all financial matters.

- Strategic Goal: Relying on a diverse range of revenue streams is essential for long-term financial sustainability. The City will continue to identify opportunities to diversify and strengthen its revenue base through appropriate service fees, utility revenues, economic development, grants, and other available funding sources. Diversification will help reduce reliance on individual revenue sources and strengthen the City's ability to respond to changing economic conditions.



Growth and Public Service

- Strategic Goal: Foster balanced and responsible growth through coordinated land use, infrastructure, and public service planning. As the community continues to grow, the City will evaluate service levels, development needs, and available resources to ensure that growth is supported by appropriate infrastructure and quality municipal services.
- Strategic Goal: Encourage meaningful community engagement in decisions affecting the future of San Luis. The City will continue to provide opportunities for residents and businesses to participate in planning and development processes and provide input regarding community needs, public services, infrastructure, and quality-of-life priorities.
- Strategic Goal: Plan and invest strategically in the infrastructure necessary to support existing residents and future growth. The City's Five-Year Capital Improvement Plan for Fiscal Years 2027–2031 provides a long-term framework for identifying and prioritizing investments in streets and roadways, water and wastewater systems, drainage, parks, public facilities, public safety, economic development, and other critical infrastructure. Capital priorities will be evaluated annually based on community needs, available resources, project readiness, and long-term financial capacity.
- Strategic Goal: Support sustainable economic and community growth by coordinating infrastructure investment with economic development opportunities. The City will continue to advance strategic initiatives that strengthen the local economy, support job creation, enhance public infrastructure, and improve the quality of life for residents while maintaining the long-term financial sustainability of City services.

Objectives and Priorities

Throughout the budget development process, the Mayor and City Council work with City leadership and staff to identify priorities, evaluate available financial resources, and establish objectives that support the City's strategic direction. Council work sessions, budget discussions, and the annual Budget Retreat provide opportunities to evaluate the City's financial condition, review operational and capital needs, and consider both current priorities and the long-term needs of the community.

The FY2027 Adopted Budget reflects these priorities and provides resources to maintain essential services, strengthen organizational capacity, invest in critical infrastructure, support economic development, and enhance the quality of life for the residents of San Luis. The following objectives and priorities guide the allocation of resources within the FY2027 budget:

Preservation and Enhancement of Essential Services:

Maintaining high-quality public services remains a fundamental priority. The City is committed to providing reliable and responsive services across public safety, utilities, public works, community development, parks and recreation, and administrative functions. As the community continues to grow, the City will focus on maintaining appropriate service levels while using available resources responsibly and efficiently.

Employee Retention and Organizational Capacity:

Attracting and retaining a qualified workforce is essential to maintaining effective City operations. The FY2027 budget supports competitive employee compensation and provides additional staffing resources in areas where operational needs have increased. These investments are intended to strengthen organizational capacity, support employee retention, and ensure departments have the personnel necessary to respond to the needs of a growing community.

Infrastructure and Long-Term Capital Planning:

Maintaining and expanding the City's infrastructure is essential to supporting existing services, future growth, and economic development. FY2027 priorities include continued investment in streets, transportation, drainage, water, wastewater, public facilities, parks, and other critical infrastructure. The City's first comprehensive Five-Year Capital Improvement Plan for Fiscal Years 2027–2031 establishes a framework for identifying, prioritizing, and planning capital investments based on community needs, City Council priorities, available resources, and long-term financial capacity.

Water and Wastewater System Reliability:

Providing reliable and sustainable utility services remains a critical priority. The City continues to invest in water system improvements and the expansion of the West Wastewater Treatment Plant to address existing infrastructure needs and prepare for continued residential and economic growth. The City will continue to pursue grants, favorable financing, forgivable principal, and other external resources when available to reduce the financial impact of major utility investments on local resources.

Economic Development and Community Investment:

Supporting economic development remains an important component of the City's strategy for expanding opportunities, attracting investment, and strengthening the local economy. Investments in transportation, utility infrastructure, downtown improvements, commercial development, and public spaces are intended to create an environment that supports business development and enhances the community.

Parks, Recreation, and Quality of Life:

The City remains committed to providing recreational opportunities and maintaining public spaces that contribute to the quality of life of San Luis residents. Continued investment in parks, recreational facilities, and community amenities supports accessible opportunities for residents and families while enhancing the overall appearance and livability of the community.

Public Safety and Community Protection:

Maintaining a safe community remains a core responsibility of the City. FY2027 priorities include providing Police and Fire personnel with the equipment, technology, facilities, and resources necessary to respond effectively to community needs and support the continued growth of San Luis.

Technology Modernization and Operational Efficiency:

The City continues its transition toward modern, integrated technology systems to improve internal operations and service delivery. Investments in financial, human resources, payroll, licensing, permitting, communications, and technology infrastructure are intended to modernize business processes, strengthen organizational efficiency, improve access to information, and support more effective service delivery.

Long-Term Financial Sustainability:

The City remains committed to responsible financial management while addressing current service and infrastructure needs. Budget decisions are evaluated within the context of available resources, future operating impacts, debt obligations, reserve levels, and long-term financial capacity. The City will continue to use recurring revenues to support ongoing operations while strategically utilizing one-time resources and external funding for capital and other nonrecurring needs.

Collectively, these objectives and priorities reflect the City of San Luis' commitment to maintaining quality public services, investing in critical infrastructure, supporting economic opportunity, strengthening organizational capacity, and responsibly planning for the community's continued growth.

Budget Process

Fund Structure

The financial accounts for the City of San Luis are organized based on funds or account groups. Fund accounting segregates funds according to their intended purpose and is designed to demonstrate legal compliance and aid fiscal management by segregating transactions related to certain governmental functions or activities. In governmental accounting, a fund is a separate self-balancing set of accounts used to show operating results for a particular activity. Funds are categorized into three classes: governmental, proprietary, or fiduciary. Different fund types are found within each of these three classes. Major funds are identified and described below.

GOVERNMENTAL FUNDS

Governmental funds are used for all financial resources except those required to be accounted for in another fund.

General Fund (Major Fund)

This fund is the City's general operating fund. It is the largest fund and accounts for the primary services the City offers. The main source of revenue for this fund is sales taxes. Departments included through the General Fund:



City Council	Cultural Center	Information Technology
City Administration	Parks	Facilities
City Clerk	Recreation	Fleet Services
City Attorney	Youth Center	Risk & Property Management
City Prosecutor	Municipal Pool	Billing & Collection
Finance	Parks & Rec Administration	PW Administration
Human Resources	Senior Services	Engineering
Development Services	Police Department	Non-Departmental
Building Safety	Fire Department	
Economic Development	Fire Department East	

Special Revenue Funds

These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. Categories within this fund include the following:

- Police Grants and Special Revenue
- Judicial Collection Enhancement Grant
- San Luis Community Facilities District
- Assessments
- Community Development Grants
- Other Grants

Debt Service Fund

This fund is used to account for the short and long-term payment of principal and interest on borrowed funds.

Capital Outlay Reserves (Impact Fees)

This fund segregates the revenue to pay for growth-related capital projects. The revenue is used to pay for eligible projects or repay debt issued for growth-related construction.

Highway Users

The Highway User Revenue Fund (HURF) is mainly supported by transportation-related taxes distributed to the cities and counties by the State. This fund accounts for the maintenance and construction of the city's streets.



Fund Structure

PROPRIETARY FUNDS

Enterprise funds are used by governments to account for business-like operations in which user charges are the main source of revenue. The City reports the following proprietary funds:

Water – This fund accounts for the City’s water operations.

Wastewater – This fund accounts for the city’s wastewater operations.

Sanitation – This fund accounts for the city’s sanitation operations activities.



Business Center – This fund accounts for revenues and expenditures related to properties acquired by the City from the Industrial Development Authority to develop trade, encourage production, and assure job opportunities in the City.

Business Incubator – This fund accounts for the City’s business incubator operations, which offer assistance to small businesses, encourage light manufacturing, and help create job opportunities within the City.



Ambulance Services – This fund accounts for the City’s Ambulance resources to provide emergency 9-1-1 response and emergency medical transportation for the residents and guests of the City of San Luis.

Internal Service Fund - City of San Luis has an Internal Service Fund. It’s main purpose is to provide services exclusively to City employees through a self-health insurance plan.

Fund Structure

	Governmental Funds					Proprietary Fund		Component Unit
Departments	General Fund	Highway Users	Community Development	Debt Service	Non-Major Funds	Enterprise Funds	Internal Service Fund	Detention Facility
City Council	x							
City Administration	x							
City Clerk	x							
City Attorney	x							
City Prosecutor	x							
Finance	x							
Human Resources	x							
Development Services	x							
Building Safety	x							
Economic Development	x							
Cultural Center	x							
Parks	x							
Recreation	x							
Youth Center	x							
Municipal Pool	x							
Parks & Rec. Administration	x							

Senior Services	x							
Municipal Court	x							
Police Department	x							
Fire Department	x							
Fire Department East	x							
Information Technology	x							
Facilities	x							
Fleet Services	x							
Risk & Property Management	x							
PW Administration	x							
Engineering	x							
Billing & Collections	X							
Non-Departmental	x							
Street Repairs & Maintenance		x						
Public Safety					x			

Community Development			x					
Judicial Collection Enhancement					x			
Employee Benefit Trust							x	
SL Community Facilities District					x			
Water, Water Operation						x		
Wastewater, Operations						x		
Solid Waste, Operations						x		
Business Incubator						x		
Ambulance Service						x		
Business Center						x		
SLDF-Detention Facility Corp								x
Debt Service Fund				x				
Impact Fees, City Administration					x			

Assessment Districts					x			
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Budget Process

The budget and financial plan for the City of San Luis serves as a policy and financial planning document that reflects the goals, priorities, and objectives established by the Mayor and City Council. The City Council provides policy direction and identifies community priorities, while City staff develops a budget that addresses those priorities within the financial resources available to the City.

The City Manager is responsible for implementing the policies and priorities established by the City Council and for overseeing the allocation of available financial resources. The Finance Department coordinates the annual budget process in collaboration with the City Manager's Office and all City departments.

The FY2027 budget process began in October 2025 with the distribution of budget guidelines to departments. This was followed by a Capital Improvement Program (CIP) session with department managers to begin identifying and evaluating capital needs. In November 2025, the City Council held a work session focused on the City's financial stability over the next five years, providing an opportunity to consider the long-term financial impact of current and future budget decisions.

Departments were responsible for evaluating their existing operations and identifying their personnel, operating, and capital needs for FY2027. Requests for operating expenditures, capital improvements, and personnel were due in January 2026. The City Manager's Office and Finance Department subsequently conducted budget reviews with department managers to evaluate requests, available resources, service priorities, and the financial impact of proposed changes.

The annual budget review process provides the City with an opportunity to evaluate the services provided to the community and determine the resources necessary to maintain appropriate service levels. During this process, departmental programs and services are reviewed, staffing requirements are evaluated, and operating and capital funding needs are considered. Particular attention is given to the sustainability of recurring expenditures, availability of funding, long-term financial impacts, and alignment with City Council priorities.

The budget development process culminated in the City Council Budget Retreat in April 2026. The Budget Retreat provided the City Council with an opportunity to review and discuss the City's financial outlook, departmental requests, personnel recommendations, operating expenditures, and proposed capital investments. Council direction provided during the budget process was incorporated into the development of the FY2027 budget.

The FY2027 Tentative Budget was presented to the City Council on June 10, 2026. Following the required public process, a public hearing was held and the FY2027 budget was adopted by the City Council on June 24, 2026. The adopted budget became effective July 1, 2026, for the fiscal year ending June 30, 2027.

In accordance with Arizona budget requirements, the City's annual budget is prepared on an all-inclusive basis and includes the resources and expenditure authority necessary to conduct City operations during the fiscal year. Because certain revenues and expenditures, such as grants and other contingent resources, may not be known with certainty at the time of adoption, the budget

provides appropriate authority to address these items in accordance with applicable State law and City policies.

The City is also subject to the expenditure limitation requirements established by the Arizona Constitution and applicable State law. Throughout the fiscal year, actual revenues and expenditures are monitored against the adopted budget. Budget transfers and amendments are processed as necessary and in accordance with applicable legal requirements and City policies to ensure that expenditures remain within authorized budgetary limits.

Budget Timeline

- **October 20, 2025**
Delivery of Budget Guidelines
- **October 27, 2025**
CIP Session - Department Managers
- **November 5, 2025**
City Council Work Session - Five-year Financial Stability
- **January 27, 2026**
Deadline for Operating, CIP, and Personnel Requests
- **February 10, 2026**
Budget Reviews - Department Managers
- **April 17, 2026**
City Council Budget Retreat
- **June 10, 2026**
Presentation of Tentative Budget to City Council
- **June 24, 2026**
Public Hearing and Final Budget Adoption
- **July 1, 2026**
FY2027 Adopted Budget Becomes Effective

Basis of Budgeting

The City prepares its budget annually following Generally Accepted Accounting Principles (GAAP) and employs the modified accrual basis of accounting for both governmental and proprietary funds. This basis of accounting aligns the City's budget with its audited financial statements. Revenues are recognized when they are measurable and available, while expenditures are generally recorded when the liability is incurred.

- Depreciation expense is not budgeted but is an expense in the ACFR.
- Capital purchases of proprietary funds are budgeted as expenditures but presented as assets in the ACFR.
- Debt service payments of proprietary funds are budgeted as expenditures but reported as a reduction of long-term debt liability in the ACFR.
- Long-term debt proceeds are budgeted as revenue in the Other Financing Sources account.



Financial Guidelines

Financial Guidelines

Budget Administration

The City must follow general budget legal requirements established by Arizona law and the City charter when preparing the annual budget. Per the Arizona Revised Statute, the City of San Luis must adopt a balanced budget each fiscal year. The City balances current revenues against current expenditures. Both operational and capital efforts must be sustainable to ensure continuity of services to citizens, and under the Arizona Revised Statutes, the budget cannot be increased once the Council adopts the preliminary budget.

Legal Level of Budgetary Control

The City Council sets policy and adopts the annual budget at the fund level as a total amount of expenditures. Financial control is set by the City Council at the fund level, with budgetary control for operating performance administered at the Departmental level by the City Manager and the Director of Finance.

Statutory Limitations

The Arizona Constitution mandates an expenditure limitation on the amount the City can appropriate each fiscal year unless otherwise approved by the voters. Some specific items excluded from the expenditure limit are bond sale revenue, interest revenue, trust and agency accounts, and federal and state grants.

In November 2024, voters approved the City's use of the Home Rule Option, allowing the City of San Luis to set its own annual expenditure limit based on local needs rather than the formula imposed by the State. FY2027 marks the second year this option is in effect. However, due to continued economic uncertainty and limited available resources, City management has elected to operate within the State-imposed expenditure limitation for this fiscal year as a conservative financial strategy.

Balanced Budget

The budget must be balanced for all budgeted funds. Total estimated expenditures for each of the governmental fund types must equal total anticipated revenues plus the portion of the beginning of the year unreserved fund balance in excess of the required fund balance reserve. Estimated expenses for proprietary fund types must equal total anticipated revenues and unreserved retained earnings.

Budget adjustments

The Arizona Revised Statutes do not allow for increases in the budget once the Council adopts the preliminary budget. However, budget transfers between funds, departments, and line items are permitted as outlined below.

- Budget adjustments up to \$50,000 between departments, non-personnel items and capital projects transactions shall be tracked cumulatively within the fiscal year. Such adjustments within the same fund may be authorized with the approval of the City Manager and Director of

Finance in consultation with department heads involved in the transfer. If the total cumulative amount of such adjustments for any department within the same fiscal year exceeds \$50,000, the excess amount must be ratified by City Council before the transfer is finalized, even if individual transfers are under \$50,000.

- Budget transfers between non-personnel items to capital projects, or vice versa, within the same department up to \$50,000 may be authorized with the approval of both the City Manager and the Director of Finance. These transfers will count toward the cumulative \$50,000 threshold described above.
- Budget adjustments of personnel items to non-personnel items and capital projects will only be approved by the City Manager and Director of Finance. Such adjustments are subject to the cumulative \$50,000 threshold described above. As a matter of policy, each department head should conserve all possible salary savings to ensure that starting fund balances are maximized for the following fiscal year. The City Manager and Director of Finance will approve adjustments of personnel items funds only if the operating expense is an emergency and there are no other funds or departments from which monies can be transferred.
- Department Directors may authorize transfers between non-personnel items within the same fund and department. Such transfers will not count toward the cumulative amount of budget transfers.
- City Council must approve budget adjustments between funds and the use of funds in the contingency account.
- Budget adjustments of over \$50,000 between departments, capital projects, contingency transactions, and personnel line items to non-personnel items required City Council approval.
- Budget transfers for special revenue funds will be administered by the Finance Department and will not exceed the available revenues.
- Budget transfers are initiated internally by the Department, with final review and processing performed by the Finance Department.

Capital Projects

The City of San Luis reviews its Capital Improvement Plan annually to ensure it includes the necessary projects to maintain or improve the level of services in the City. The Capital Improvement Plan review has a five-year outlook. The projects within the Capital Improvement plan must be accompanied by an estimate, location, and an identified funding source. It will also include a description of the project's benefits and confirmation that it can be operationally staffed and maintained within the budget resources. No capital project shall be funded unless operating impacts have been assessed and the necessary funds can be reasonably anticipated to be available when needed.

Procurement

The City of San Luis requires that all purchasing transactions comply with the City's Procurement Code. Additional financial controls are in place to mitigate risk and ensure contract compliance. Among these controls are the right to audit contracts' provisions, the right to require appropriate levels of insurance, and to request appropriate financial reports with the purchase request.

Revenues Projection and Use

The City reviews and adjusts revenues each year. Forecasting revenues involves combining a five-year analysis of past revenue history, a review of economic trends, and an analysis of information obtained from State agencies from which the City receives funds.

The policy of the City is to fund recurring revenues with ongoing expenditures. It is essential to ensure adequate funding to support continued operations. One-time revenues should be used only for one-time expenditures.

One-time revenues cannot be relied upon to fund new positions or fund the cost increase of operations. Examples of one-time revenues are sales of assets or positive fund balance carryover from prior years.

Appropriate uses for one-time revenues can be:

- Funding of capital expenditures that will reduce operating costs
- Information technology projects that will improve efficiency
- Special projects that will not incur ongoing operational expenses.
- Payment of early debt retirement.

Expenditure Projection and Use

State statute allows for encumbrances to be recognized for 60 days following the end of the prior fiscal year as uses of prior year appropriations. All annual appropriations lapse at year-end and are considered for inclusion in the subsequent year's budget on a case-by-case basis. Departments are directed to rebudget for all items expected to be delivered after June 30 to ensure that appropriations do not lapse.

Long-Range Planning

The City of San Luis needs to have the ability to anticipate future challenges in revenue and expense imbalances and identify the City's capacity to fund projected expenditures. To provide City officials with pertinent data to make decisions, the Finance Department should annually develop, in coordination with departments, five-year revenue and expenditure forecasts for the General Fund, Enterprise Funds, and Streets Funds. These forecasts will identify changes in revenue and expenditures due to projected new development in the City, economic and demographic trend information, legislative or program changes, and capital projects in the pipeline.

Operating Budget Preparation

Current operating costs must be less than or equal to current revenues.

All operating funds will be budgeted to retain sufficient fund balance for cash flow needs at the beginning of the following year.

The General fund may subsidize funds in the governmental funds to assure at least a zero fund balance.

Inter fund Loans

The city of San Luis may loan resources from one fund to another, experiencing a temporary cash shortage. Interfund loans differ from a transfer of funds in that the amounts are provided with a requirement for repayment.

Debt Management

Long-term debt is not to be issued to finance current operations.

Fund Balance Reserves

Maintaining reserves is considered a prudent management practice. Adequate fund balances are kept to allow the City of San Luis to continue providing services to the community in case of unexpected emergencies or requirements, or economic downturns.

The City of San Luis shall establish and maintain a minimum unrestricted fund balance for the Governmental Funds and Proprietary Funds. This fund balance shall be adjusted for non-spendable funds to retain an adequate balance based on actual cash available. The City of San Luis shall retain a minimum of 6 months of operational expenditures.

Any use of the minimum unrestricted fund balance must include a repayment plan based on a multi-year financial projection that plans to restore the fund balance to the minimum adopted level within the three fiscal years following the fiscal year in which the event occurred. The general fund must maintain adequate reserves to ensure continuity of operations for the funds that are unable to meet the minimum level of reserves.

Cost Allocation

The City hired an external consultant firm to prepare a cost allocation plan (CAP) for the City. The primary objective of the CAP is to allocate costs from departments that provide services internally to operating departments that conduct the day to day operations necessary to serve the community. To ensure central service department costs are allocated to the operating departments, the City's cost structure was analyzed to determine which type of costs are allowable versus unallowable in accordance with generally accepted accounting principles (GAAP) . The City also utilizes the cost allocation plan to calculate an indirect cost rate that is allowable in accordance with OMB A-87. The City will annually update the indirect cost rate based on actual expenditures, as required by OMB A-87. The cost allocation plan was implemented in FY 2021.

Budget and Fund Overview

Budget Summary

The City Council adopted the FY2026-27 budget on June 24, 2026. The FY2027 Adopted Budget totals approximately \$159.8 million and provides the resources necessary to support City operations, programs, capital investments, and other community priorities.

The City enters FY2027 from a strong financial position. As illustrated in the chart below, actual revenues and other financing sources exceeded actual expenditures during FY2023, FY2024, and FY2025. In FY2025, actual revenues and other financing sources totaled approximately \$110.3 million, compared with approximately \$91.0 million in expenditures.

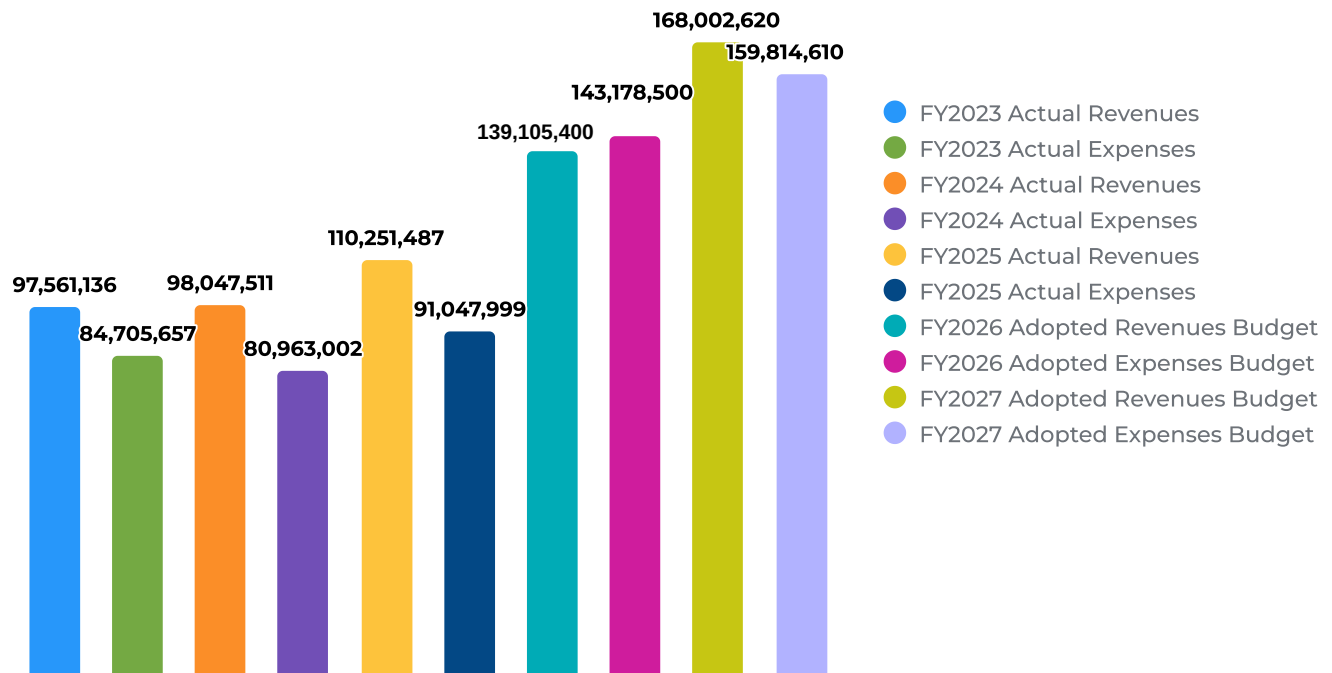
For FY2027, the City has budgeted approximately \$168.0 million in revenues and other financing sources. Other financing sources include transfers between funds and financing associated with major capital investments. These resources support an Adopted Budget of approximately \$159.8 million in expenditures.

The FY2027 budget reflects a continued emphasis on infrastructure and long-term community investment, with approximately \$43.5 million allocated to capital projects. Major investments include wastewater and water infrastructure, roadway improvements, economic development, public safety, parks and recreation, City facilities, and technology modernization. The City continues to pursue grants, favorable financing, and other external funding opportunities to maximize available resources and advance priority projects.

The City remains committed to prudent financial management by closely monitoring revenues and expenditures, evaluating the long-term financial impact of current decisions, and maintaining the financial flexibility necessary to provide quality services and respond to the needs of a growing community.

The graph below shows the revenue and expenditure trends in the past five years, including the FY2027 budget.

Summary



Fund Balance

The FY2027 budget reflects approximately \$70.4 million in beginning fund balance and net position across all funds. These resources represent accumulated balances carried forward from prior fiscal years and include amounts that are restricted, committed, or otherwise designated for specific purposes.

Fund balance and net position are evaluated by the fund based on the purpose and restrictions of the underlying resources. Certain balances are available to support future capital projects, debt obligations, operational reserves, and other identified financial commitments, while other resources are legally restricted or dedicated to specific purposes and are not available to support general City operations.

The FY2027 budget also includes significant capital activity, interfund transfers, and other financing sources, including WIFA financing associated with wastewater infrastructure improvements. These transactions can significantly affect the reported resources and financial position of individual funds and should not be interpreted as recurring operating revenues available to support ongoing City services.

The City will continue to monitor the financial position of each fund, reserve levels, capital requirements, and long-term financial obligations to ensure that sufficient resources are available to meet future obligations and maintain long-term financial stability.

Note: Fund balance applies to governmental funds, while net position applies to enterprise funds. Amounts presented represent combined budgetary resources across City funds and should be evaluated together with the individual fund schedules and applicable restrictions.

Name	FY2024 Actuals	FY2025 Actuals	FY2026 Adopted Budget	FY2026 Projected	FY2027 Adopted Budget
Beginning Fund Balance:	\$40,408,623	\$54,607,589	\$70,015,062	\$70,015,062	\$70,381,403
Revenues					
Taxes	16,675,276	18,805,192	17,643,480	18,846,290	19,255,610
Intergovernmental	17,215,687	17,386,457	16,136,490	15,345,946	17,841,350
Licenses & Permits	1,239,704	1,135,421	981,760	1,046,330	1,050,300
Other Revenue	30,875,126	38,512,775	52,052,170	36,201,905	55,409,080
Charges For Services	19,547,100	20,586,769	21,502,800	21,813,542	22,942,110
Rent	711,892	679,795	874,800	717,020	729,500
Fines & Forfeits	403,851	390,407	362,000	386,829	334,000
Special Assessments	796,439	990,305	1,121,070	1,121,070	1,271,660
Interest Revenue	3,858,546	4,067,486	602,500	2,434,857	658,300
HURF - Special Revenues	3,667,609	3,780,259	3,993,520	3,993,520	4,181,650
Other Financing Sources	3,056,282	3,916,619	23,834,810	3,496,544	44,329,060
Total Revenues:	\$98,047,512	\$10,251,485	\$139,105,400	\$ 105,403,853	\$ 168,002,620
Expenditures					
Salaries & Related Expenses	26,688,270	29,337,130	37,260,730	32,546,432	40,414,030
Supplies	1,984,872	2,111,116	2,748,980	2,158,662	2,677,160
Maintenance	7,383,049	8,521,317	5,714,790	5,503,512	6,317,090
Special Services	31,702,875	36,461,261	38,633,650	40,556,333	44,201,780
Contingencies	7,665	9,780	381,000	108,955	300,000
Other Financing Sources - Uses	3,320,254	3,796,014	4,134,810	3,754,000	7,589,060
Long Term Debt Service	5,508,344	4,791,814	9,023,300	6,413,300	14,819,500
Non-Departmental	-	-	-	-	-
Capital Items	7,253,217	9,815,580	49,416,050	13,995,938	43,495,990
Total Expenditures:	83,848,546	94,844,012	147,313,310	105,037,132	159,814,610
Total Revenues Less Expenditures:	14,198,966	15,407,473	(8,207,910)	366,721	8,188,010
Ending Fund Balance:	\$54,607,589	\$70,015,062	\$ 61,807,152	\$ 70,381,783	\$ 55,696,232

Summary of Changes Revenue - Proposed FY2027 vs Adopted FY2027

The table below provides a summary of changes from the proposed FY2027 budget and the adopted FY2027 budget.

Revenues by Fund Summary 1

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
General Fund	\$20,492,148	\$36,460,673	\$37,957,960	\$35,087,870	\$36,297,160	\$38,554,260	6.22%
Taxes	\$8,782,773	\$16,675,276	\$18,805,192	\$17,643,480	\$18,824,370	\$19,255,610	2.29%
Intergovernmental	\$10,262,290	\$16,908,872	\$16,127,942	\$15,623,490	\$15,623,490	\$17,576,350	12.50%
Licenses & Permits	\$526,097	\$1,239,704	\$1,135,421	\$981,760	\$1,122,300	\$1,050,300	-6.42%
Other Revenue	\$41,413	\$120,986	\$264,109	\$115,000	\$119,000	\$119,000	-
Charges For Services	\$37,572	\$67,601	\$70,082	\$46,840	\$70,000	\$70,000	-
Rent	\$293,892	\$21,321	\$250	\$150,300	-	-	-
Fines & Forfeits	\$164,925	\$310,586	\$285,428	\$277,000	\$288,000	\$233,000	-19.10%
Interest Revenue	\$383,186	\$1,116,328	\$1,148,932	\$250,000	\$250,000	\$250,000	-
Other Financing Sources	-	-	\$120,604	-	-	-	-
Highway User Fund	\$2,721,659	\$6,410,429	\$5,625,985	\$6,426,840	\$9,076,250	\$9,213,410	1.51%
Impact Fees	\$269,245	\$909,502	\$506,777	\$690,000	\$690,000	\$690,000	-
Other Revenue	\$300	\$10,251	-	-	-	-	-
HURF - Special Revenues	\$2,331,202	\$3,667,609	\$3,780,259	\$3,993,520	\$3,993,520	\$4,181,650	4.71%
Interest Revenue	\$120,911	\$543,447	\$268,155	\$75,000	\$75,000	\$75,000	-
Other Financing Sources	-	\$1,279,621	\$1,070,795	\$1,668,320	\$4,317,730	\$4,266,760	-1.18%
Grants	\$1,457,761	\$3,759,777	\$9,547,514	\$21,972,210	\$17,112,670	\$14,940,460	-12.69%
Intergovernmental	\$108,334	\$306,815	\$310,609	\$330,000	\$260,000	\$260,000	-
Other Revenue	\$1,256,771	\$3,138,241	\$6,959,743	\$20,502,010	\$13,829,470	\$12,827,160	-7.25%
Charges For Services	\$36,494	\$93,813	\$163,880	\$369,710	\$286,000	\$286,000	-
Fines & Forfeits	\$56,163	\$93,266	\$102,079	\$85,000	\$95,000	\$95,000	-
Interest Revenue	-	\$24,282	\$918,596	-	-	-	-
Other Financing Sources	-	\$103,361	\$1,092,607	\$685,490	\$2,642,200	\$1,472,300	-44.28%
Employee Benefit Trust	\$2,023,165	\$3,181,038	\$3,508,866	\$4,754,040	\$5,114,300	\$6,014,300	17.60%
Other Revenue	\$2,021,042	\$3,170,355	\$3,493,980	\$4,749,740	\$5,110,000	\$6,010,000	17.61%
Interest Revenue	\$2,123	\$10,683	\$14,885	\$4,300	\$4,300	\$4,300	-
Water	\$3,810,813	\$8,302,395	\$10,806,609	\$7,967,030	\$8,148,520	\$8,148,520	-
Impact Fees	\$93,221	\$277,670	\$166,562	\$210,000	\$210,000	\$210,000	-
Other Revenue	\$94,469	\$1,748,290	\$3,748,909	\$1,446,870	\$1,402,920	\$1,402,920	-
Charges For Services	\$3,372,247	\$5,617,614	\$6,248,573	\$6,145,160	\$6,370,600	\$6,370,600	-
Interest Revenue	\$250,875	\$658,821	\$642,564	\$165,000	\$165,000	\$165,000	-
Wastewater	\$3,863,527	\$7,997,146	\$8,944,349	\$27,085,230	\$22,523,680	\$45,013,680	99.85%
Impact Fees	\$143,183	\$447,177	\$265,991	\$300,000	\$300,000	\$300,000	-
Other Revenue	-	\$1,673,813	\$2,054,010	\$1,000	\$1,000	\$1,000	-
Charges For Services	\$3,575,409	\$5,496,644	\$6,253,617	\$6,989,230	\$7,727,680	\$7,727,680	-
Interest Revenue	\$144,935	\$379,513	\$370,730	\$95,000	\$95,000	\$95,000	-
Other Financing Sources	-	-	-	\$19,700,000	\$14,400,000	\$36,890,000	156.18%
Solid Waste	\$1,378,717	\$2,203,374	\$2,547,399	\$2,809,110	\$3,098,830	\$3,098,830	-
Other Revenue	\$19,050	\$59,127	\$67,635	\$47,250	\$50,000	\$50,000	-
Charges For Services	\$1,359,667	\$2,144,247	\$2,479,764	\$2,761,860	\$3,048,830	\$3,048,830	-
Component Units	\$573,255	\$735,948	\$765,873	\$740,000	\$743,500	\$743,500	-
Other Revenue	\$1,900	\$44,481	\$60,457	\$2,300	\$4,000	\$4,000	-
Rent	\$571,126	\$690,571	\$679,546	\$724,500	\$729,500	\$729,500	-
Interest Revenue	\$229	\$896	\$25,870	\$13,200	\$10,000	\$10,000	-
Ambulance Service	\$1,432,856	\$3,657,906	\$3,805,962	\$3,781,000	\$3,575,000	\$3,575,000	-
Other Revenue	\$1,972	\$256,749	\$900	\$371,000	-	-	-
Charges For Services	\$1,430,884	\$3,400,907	\$3,802,816	\$3,410,000	\$3,575,000	\$3,575,000	-
Interest Revenue	-	\$250	\$2,246	-	-	-	-

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
SLDF-Detention Facility Corp	\$13,639,614	\$21,124,264	\$23,227,533	\$25,000,000	\$35,000,000	\$35,000,000	-
Other Revenue	\$13,578,746	\$20,632,799	\$22,810,902	\$25,000,000	\$35,000,000	\$35,000,000	-
Interest Revenue	\$60,868	\$491,465	\$416,631	-	-	-	-
Debt Service Fund	\$88,106	\$2,164,346	\$1,788,168	\$1,781,000	\$1,759,000	\$1,759,000	-
Other Revenue	\$6,329	\$20,028	\$32	-	-	-	-
Interest Revenue	\$81,777	\$471,017	\$155,522	-	\$59,000	\$59,000	-
Other Financing Sources	-	\$1,673,300	\$1,632,614	\$1,781,000	\$1,700,000	\$1,700,000	-
Impact Fees	\$397,291	\$1,253,776	\$734,965	\$580,000	\$670,000	\$670,000	-
Impact Fees	\$334,529	\$1,091,926	\$631,607	\$580,000	\$670,000	\$670,000	-
Other Revenue	-	\$6	\$4	-	-	-	-
Interest Revenue	\$62,762	\$161,844	\$103,354	-	-	-	-
Assessment Districts	\$339,744	\$796,439	\$990,305	\$1,121,070	\$1,121,070	\$1,271,660	13.43%
Special Assessments	\$339,744	\$796,439	\$990,305	\$1,121,070	\$1,121,070	\$1,271,660	13.43%
Total Revenues	\$52,218,657	\$98,047,511	\$110,251,487	\$139,105,400	\$144,239,980	\$168,002,620	16.47%

Summary of Changes Expenditures - Proposed FY2027 vs Adopted FY2027

Expenditures by Fund Summary 1

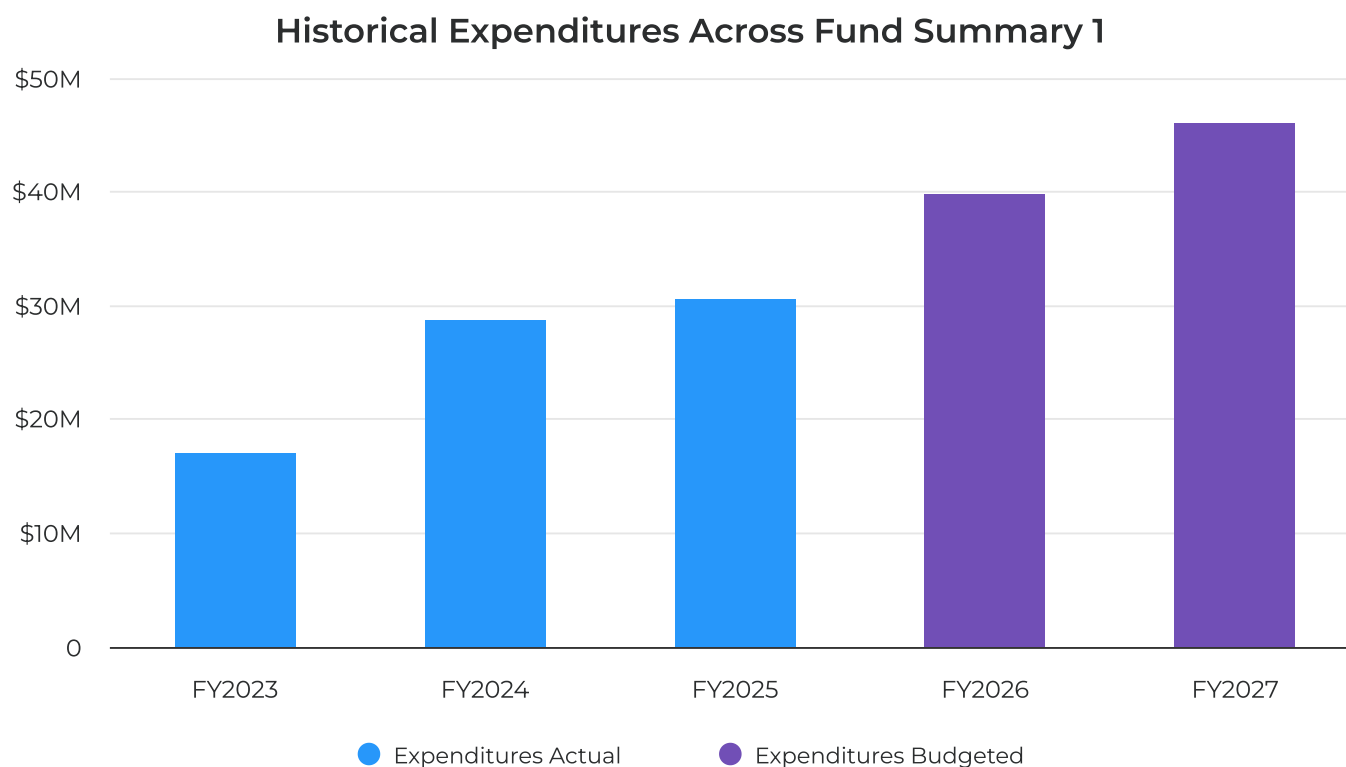
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
General Fund	\$17,051,349	\$29,171,973	\$30,446,988	\$39,754,250	\$46,417,005	\$46,006,560	-0.88%
Salaries & Related Expenses	\$12,753,435	\$19,410,772	\$21,364,013	\$26,794,610	\$28,497,710	\$29,064,260	1.99%
Supplies	\$633,576	\$1,179,669	\$1,345,702	\$1,754,810	\$1,571,872	\$1,537,480	-2.19%
Maintenance	\$1,580,875	\$1,874,764	\$2,650,265	\$3,080,310	\$3,278,470	\$3,350,700	2.20%
Special Services	\$2,801,518	\$4,671,369	\$4,794,057	\$7,402,570	\$8,054,723	\$7,439,350	-7.64%
Contingencies	-	-	-	\$300,000	\$300,000	\$300,000	-
Other Financing Sources - Uses	-	\$2,792,312	\$2,475,220	\$3,180,230	\$6,122,330	\$6,077,060	-0.74%
Long Term Debt Service	\$59,182	\$116,010	\$134,749	-	-	-	-
Non-Departmental	-\$2,369,886	-\$3,643,565	-\$4,082,633	-\$4,848,780	-\$5,213,730	-\$5,397,920	3.53%
Capital Items	\$1,592,650	\$2,770,642	\$1,765,615	\$2,090,500	\$3,805,630	\$3,635,630	-4.47%
Highway User Fund	\$2,360,599	\$5,256,010	\$5,743,785	\$7,664,320	\$8,386,250	\$8,523,410	1.64%
Salaries & Related Expenses	\$864,291	\$1,167,709	\$1,217,830	\$1,561,890	\$1,567,420	\$1,648,170	5.15%
Supplies	\$30,039	\$71,518	\$65,410	\$49,000	\$65,100	\$65,100	-
Maintenance	\$204,616	\$277,049	\$351,871	\$310,080	\$316,570	\$333,070	5.21%
Special Services	\$514,098	\$769,732	\$844,643	\$894,480	\$1,064,330	\$1,064,330	-
Other Financing Sources - Uses	-	\$93,232	\$1,070,795	\$655,070	\$2,537,600	\$1,362,000	-46.33%
Non-Departmental	\$277,733	\$467,745	\$530,850	\$644,260	\$699,420	\$690,280	-1.31%
Capital Items	\$469,821	\$2,409,025	\$1,662,386	\$3,549,540	\$2,135,810	\$3,360,460	57.34%
Grants	\$4,601,974	\$2,989,736	\$7,880,048	\$21,968,330	\$17,112,670	\$14,980,460	-12.46%
Salaries & Related Expenses	\$363,976	\$1,249,318	\$1,579,894	\$2,712,070	\$2,657,590	\$2,663,260	0.21%
Supplies	\$71,019	\$34,918	\$96,187	\$186,870	\$307,160	\$307,160	-
Maintenance	\$12,503	\$44,647	\$49,028	\$38,900	\$55,000	\$55,000	-
Special Services	\$80,972	\$68,757	\$124,141	\$1,602,510	\$210,490	\$250,490	19.00%
Contingencies	-	-	-	\$81,000	-	-	-
Non-Departmental	\$13,503	\$24,892	\$21,398	\$15,740	\$24,020	\$24,050	0.12%
Capital Items	\$4,060,000	\$1,567,203	\$6,009,399	\$17,331,240	\$13,858,410	\$11,680,500	-15.72%
Employee Benefit Trust	\$1,953,394	\$2,642,890	\$3,604,234	\$4,754,040	\$5,114,300	\$6,014,300	17.60%
Supplies	-	\$2,584	\$945	-	-	-	-
Special Services	\$1,953,394	\$2,640,306	\$3,603,289	\$4,754,040	\$5,114,300	\$6,014,300	17.60%
Water	\$2,972,013	\$4,640,103	\$4,355,293	\$9,815,490	\$10,366,820	\$9,786,570	-5.60%
Salaries & Related Expenses	\$459,210	\$829,566	\$898,093	\$1,184,610	\$1,183,820	\$1,261,580	6.57%
Supplies	\$180,971	\$325,624	\$267,275	\$328,400	\$352,060	\$352,060	-
Maintenance	\$334,687	\$1,217,291	\$1,190,530	\$577,780	\$542,870	\$551,470	1.58%
Special Services	\$369,457	\$767,526	\$704,137	\$829,140	\$1,231,120	\$1,231,120	-
Contingencies	-	\$3,532	\$4,821	-	-	-	-
Other Financing Sources - Uses	-	\$129,584	-	-	-	-	-
Long Term Debt Service	\$610,884	\$415,329	\$251,321	\$769,300	\$770,000	\$770,000	-
Non-Departmental	\$597,781	\$951,652	\$1,039,116	\$1,230,260	\$1,318,550	\$1,371,940	4.05%
Capital Items	\$419,023	-	-	\$4,896,000	\$4,968,400	\$4,248,400	-14.49%
Wastewater	\$3,396,602	\$5,757,188	\$5,598,184	\$25,798,780	\$22,304,250	\$27,612,330	23.80%
Salaries & Related Expenses	\$668,891	\$1,149,757	\$1,314,553	\$1,756,840	\$1,757,950	\$1,913,430	8.84%
Supplies	\$43,645	\$89,281	\$99,313	\$98,700	\$84,440	\$84,440	-
Maintenance	\$470,792	\$1,836,219	\$1,907,819	\$725,280	\$795,070	\$808,070	1.64%
Special Services	\$454,460	\$1,039,676	\$850,353	\$1,137,630	\$1,359,420	\$1,045,170	-23.12%
Contingencies	-	\$2,679	\$2,904	-	-	-	-

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Other Financing Sources - Uses	-	\$137,834	-	-	-	\$150,000	-
Long Term Debt Service	\$742,730	\$477,509	\$300,050	\$932,200	\$1,797,300	\$1,797,300	-
Non-Departmental	\$643,824	\$1,024,233	\$1,123,192	\$1,330,130	\$1,430,070	\$1,483,920	3.77%
Capital Items	\$372,260	-	-	\$19,818,000	\$15,080,000	\$20,330,000	34.81%
Solid Waste	\$1,821,801	\$2,302,490	\$2,252,265	\$2,223,560	\$2,485,350	\$2,598,450	4.55%
Salaries & Related Expenses	\$182,331	\$512,999	\$312,171	\$467,000	\$490,440	\$522,500	6.54%
Supplies	\$54,207	\$74,951	\$56,140	\$87,500	\$78,350	\$78,350	-
Maintenance	\$244,483	\$520,859	\$650,591	\$294,480	\$383,520	\$416,520	8.60%
Special Services	\$358,127	\$615,549	\$542,703	\$562,730	\$687,220	\$697,270	1.46%
Contingencies	-	\$1,454	\$2,055	-	-	-	-
Long Term Debt Service	\$41,477	\$712	-	-	-	-	-
Non-Departmental	\$402,613	\$575,965	\$688,605	\$811,850	\$845,820	\$883,810	4.49%
Capital Items	\$538,563	-	-	-	-	-	-
Component Units	\$1,060,181	\$759,273	\$774,033	\$1,355,560	\$1,350,370	\$1,355,120	0.35%
Salaries & Related Expenses	\$9,035	\$12,630	\$13,607	\$12,980	\$12,970	\$14,060	8.40%
Supplies	\$50	\$1,205	\$756	\$1,100	\$1,440	\$1,440	-
Maintenance	\$47,197	\$286,362	\$286,846	\$60,200	\$69,910	\$71,030	1.60%
Special Services	\$29,871	\$42,831	\$61,755	\$106,540	\$59,210	\$59,210	-
Long Term Debt Service	\$916,319	\$321,576	\$298,751	\$1,046,600	\$1,060,500	\$1,060,500	-
Non-Departmental	\$57,708	\$94,669	\$112,319	\$128,140	\$146,340	\$148,880	1.74%
Ambulance Service	\$2,070,803	\$3,426,162	\$3,751,860	\$4,430,490	\$4,484,393	\$4,665,750	4.04%
Salaries & Related Expenses	\$1,219,455	\$2,352,405	\$2,620,030	\$2,770,730	\$3,182,180	\$3,326,770	4.54%
Supplies	\$95,323	\$205,121	\$179,388	\$242,600	\$249,263	\$251,100	0.74%
Maintenance	\$85,676	\$369,639	\$344,587	\$176,730	\$175,750	\$208,250	18.49%
Special Services	\$79,894	\$125,094	\$171,685	\$208,700	\$225,720	\$229,720	1.77%
Long Term Debt Service	\$47,300	\$20,864	\$20,386	\$78,000	\$76,700	\$76,700	-
Non-Departmental	\$242,461	\$353,039	\$415,783	\$513,670	\$574,780	\$573,210	-0.27%
Capital Items	\$300,695	-	-	\$440,060	-	-	-
SLDF-Detention Facility Corp	\$9,897,217	\$23,327,459	\$26,919,295	\$25,000,000	\$35,000,000	\$35,000,000	-
Maintenance	-	\$762,809	\$762,809	-	-	-	-
Special Services	\$9,184,016	\$20,510,971	\$24,267,626	\$20,632,000	\$25,640,000	\$25,640,000	-
Long Term Debt Service	\$713,201	\$2,053,679	\$1,888,860	\$4,368,000	\$9,360,000	\$9,360,000	-
Debt Service Fund	\$358,073	\$2,160,900	\$1,788,168	\$1,781,000	\$1,759,000	\$1,759,000	-
Special Services	\$3,508	\$3,024	\$2,551	\$8,000	\$4,000	\$4,000	-
Other Financing Sources - Uses	-	\$167,292	-	-	-	-	-
Long Term Debt Service	\$354,564	\$1,990,584	\$1,785,617	\$1,773,000	\$1,755,000	\$1,755,000	-
Impact Fees	\$434,828	\$637,196	\$758,851	\$1,646,420	\$271,000	\$241,000	-11.07%
Special Services	-	\$18,769	\$18,591	-	-	-	-
Other Financing Sources - Uses	-	-	\$250,000	\$299,510	-	-	-
Long Term Debt Service	\$84,060	\$112,080	\$112,080	\$56,200	-	-	-
Capital Items	\$350,768	\$506,347	\$378,179	\$1,290,710	\$271,000	\$241,000	-11.07%
Assessment Districts	\$368,801	\$777,166	\$971,010	\$1,121,070	\$1,121,070	\$1,271,660	13.43%
Salaries & Related Expenses	-	\$3,114	\$16,939	-	-	-	-
Supplies	\$1,065	-	-	-	-	-	-
Maintenance	\$22,428	\$193,411	\$326,972	\$451,030	\$451,030	\$522,980	15.95%
Special Services	\$211,045	\$429,271	\$475,729	\$495,310	\$495,310	\$526,820	6.36%
Non-Departmental	\$134,263	\$151,370	\$151,370	\$174,730	\$174,730	\$221,860	26.97%
Total Expenditures	\$48,347,634	\$83,848,546	\$94,844,014	\$147,313,310	\$156,172,478	\$159,814,610	2.33%

General Fund

The General Fund is the City's main operating fund and accounts for all the activities that do not have a specific revenue source. The fund is supported by various revenue sources, including service charges, franchise fees, business licenses, and building permits. However, its main sources of revenue are sales taxes and intergovernmental taxes. The General Fund is an unrestricted source of revenue and finances the government activities associated with providing services such as police, fire, parks, development services, and internal support functions.

Expenditure Summary

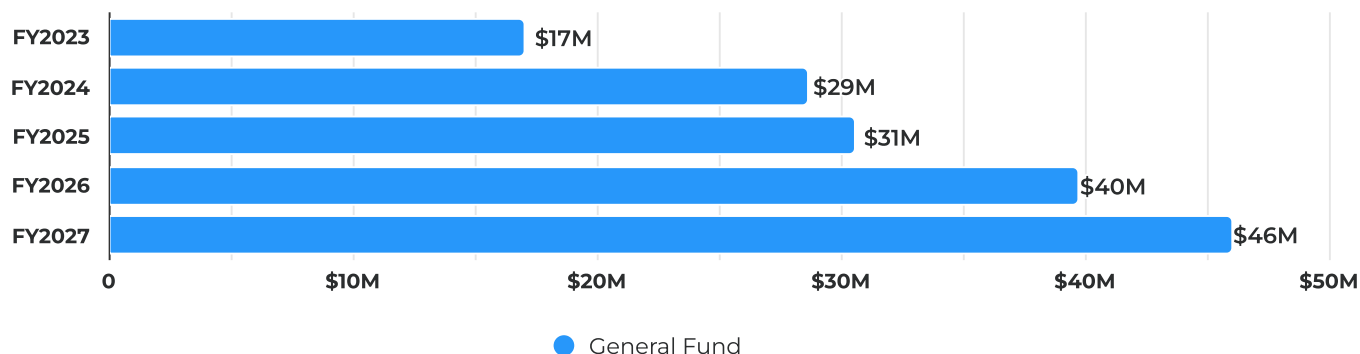


For FY2026, the General Fund's expenditures are budgeted at \$39.8 million. This represents the planned spending for the year, with no actuals reported yet for comparison.

In FY2027, the budgeted expenditures increase to \$46 million, marking a 15.73% rise from the FY2026 budget. The biggest impacts are in the salary accounts for Police, Fire and Information Technology departments, Capital Projects accounts and transfers out to the Highway Users Fund projects.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



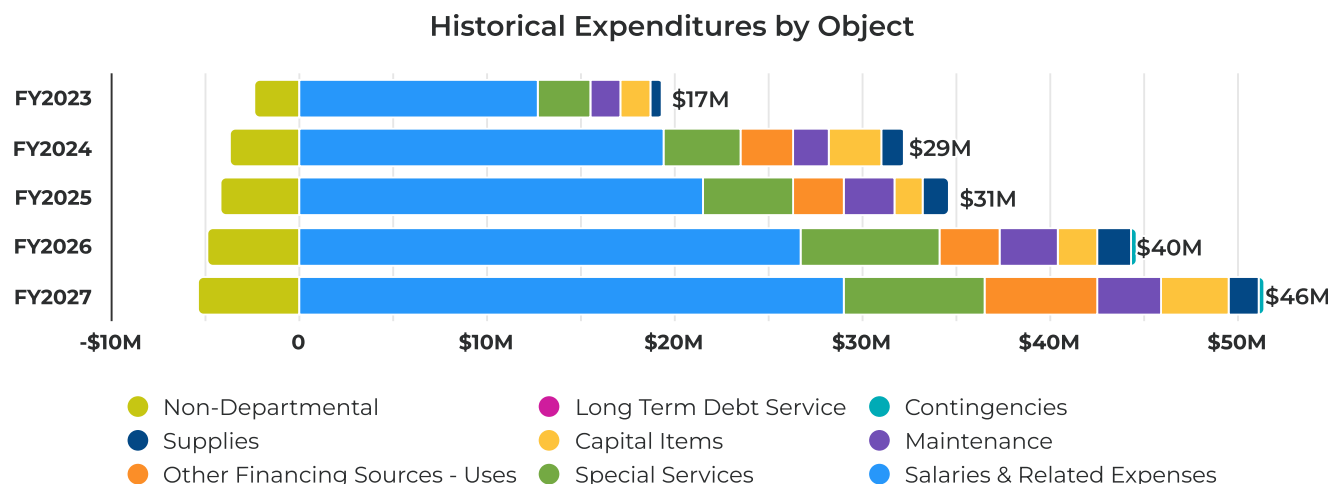
In FY2027, the General Fund budget is \$46 million, representing a 15.73% increase from the FY2026 budget of \$39.8 million. The General Fund continues to account for 100% of the total budget in both years.

This increase of \$6.3 million in FY2027. The General Fund remains the largest and sole category in the budget, showing consistent growth across these years.

Expenditures by Fund Summary 1

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
General Fund	\$17,051,349	\$29,171,973	\$30,446,988	\$39,754,250	\$46,417,005	\$46,006,560	-0.88%
Salaries & Related Expenses	\$12,753,435	\$19,410,772	\$21,364,013	\$26,794,610	\$28,497,710	\$29,064,260	1.99%
Supplies	\$633,576	\$1,179,669	\$1,345,702	\$1,754,810	\$1,571,872	\$1,537,480	-2.19%
Maintenance	\$1,580,875	\$1,874,764	\$2,650,265	\$3,080,310	\$3,278,470	\$3,350,700	2.20%
Special Services	\$2,801,518	\$4,671,369	\$4,794,057	\$7,402,570	\$8,054,723	\$7,439,350	-7.64%
Contingencies	-	-	-	\$300,000	\$300,000	\$300,000	-
Other Financing Sources - Uses	-	\$2,792,312	\$2,475,220	\$3,180,230	\$6,122,330	\$6,077,060	-0.74%
Long Term Debt Service	\$59,182	\$116,010	\$134,749	-	-	-	-
Non-Departmental	-\$2,369,886	-\$3,643,565	-\$4,082,633	-\$4,848,780	-\$5,213,730	-\$5,397,920	3.53%
Capital Items	\$1,592,650	\$2,770,642	\$1,765,615	\$2,090,500	\$3,805,630	\$3,635,630	-4.47%
Total Expenditures	\$17,051,349	\$29,171,973	\$30,446,988	\$39,754,250	\$46,417,005	\$46,006,560	-0.88%

Expenditures by Object



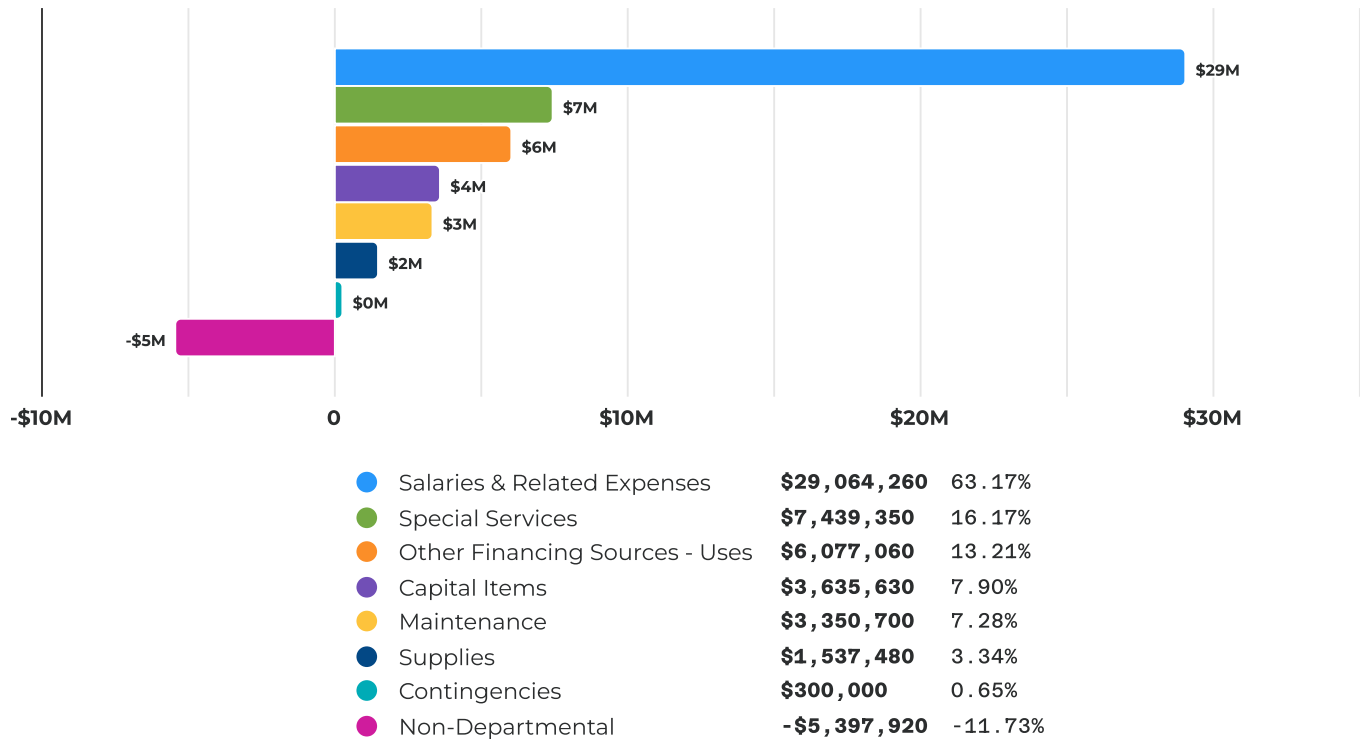
The General Fund's total expenditures for FY2027 increased to \$46 million, marking a 15.73% rise from FY2026's \$39.8 million. Salaries & Related Expenses remained the largest category at \$29.1 million. This category grew by \$2.3 million, an 8.47% increase compared to the previous year.

Other Financing Sources - Uses saw the most significant growth, rising by \$2.9 million or 91.09% to \$6.1 million, increasing its portion of the total budget to 13.21% from 8%. Capital Items also experienced a substantial increase of \$1.5 million, or 73.91%, reaching \$3.6 million and representing 7.9% of the total expenditures.

Maintenance expenses increased by \$270,390, an 8.78% rise, totaling \$3.4 million, though its share of the budget slightly decreased to 7.28%. Special Services remained steady at \$7.4 million with a marginal increase of \$36,780 or 0.5%, reducing its budget share to 16.17%. Supplies decreased by \$217,330, a 12.38% drop to \$1.5 million, lowering its share to 3.34%.

Contingencies held steady at \$300,000, maintaining a 0.65% share of the total budget. Long Term Debt Service remained at zero. The Non-Departmental category increased by \$549,140, totaling negative \$5.4 million and accounting for -11.73% of the total expenditures.

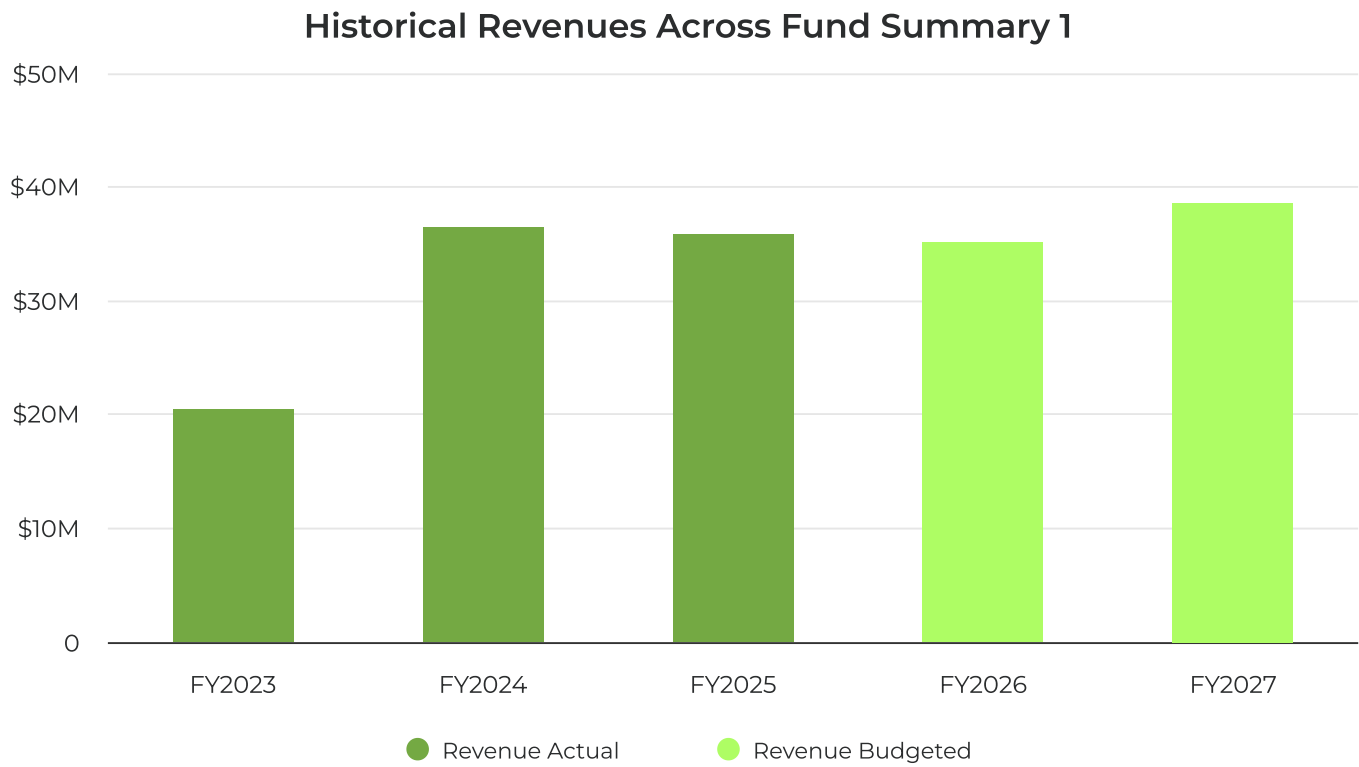
FY27 Expenditures by Object



Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$12,753,435	\$19,410,772	\$21,364,013	\$26,794,610	\$28,497,710	\$29,064,260	1.99%
Supplies	\$633,576	\$1,179,669	\$1,345,702	\$1,754,810	\$1,571,872	\$1,537,480	-2.19%
Maintenance	\$1,580,875	\$1,874,764	\$2,650,265	\$3,080,310	\$3,278,470	\$3,350,700	2.20%
Special Services	\$2,801,518	\$4,671,369	\$4,794,057	\$7,402,570	\$8,054,723	\$7,439,350	-7.64%
Contingencies	-	-	-	\$300,000	\$300,000	\$300,000	-
Other Financing Sources - Uses	-	\$2,792,312	\$2,475,220	\$3,180,230	\$6,122,330	\$6,077,060	-0.74%
Long Term Debt Service	\$59,182	\$116,010	\$134,749	-	-	-	-
Non-Departmental	-\$2,369,886	-\$3,643,565	-\$4,082,633	-\$4,848,780	-\$5,213,730	-\$5,397,920	3.53%
Capital Items	\$1,592,650	\$2,770,642	\$1,765,615	\$2,090,500	\$3,805,630	\$3,635,630	-4.47%
Total Expenditures	\$17,051,349	\$29,171,973	\$30,446,988	\$39,754,250	\$46,417,005	\$46,006,560	-0.88%

Revenue Summary

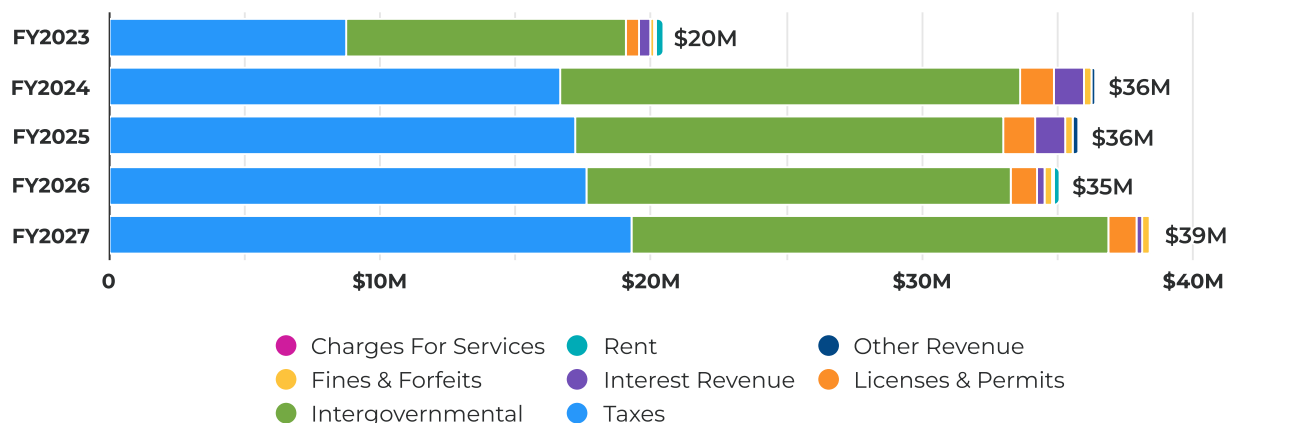


For FY2026, the General Fund revenue is budgeted at \$35.1 million. This sets the baseline for the following year’s budget comparison.

In FY2027, the General Fund revenue budget increases to \$38.6 million, representing a 9.88% increase from FY2026. This marks a notable growth in the total revenue budget compared to the previous year especially in the city sales tax and intergovernmental revenues. All other sources are with minimal changes.

Budgeted and Historical 2027 Revenues

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



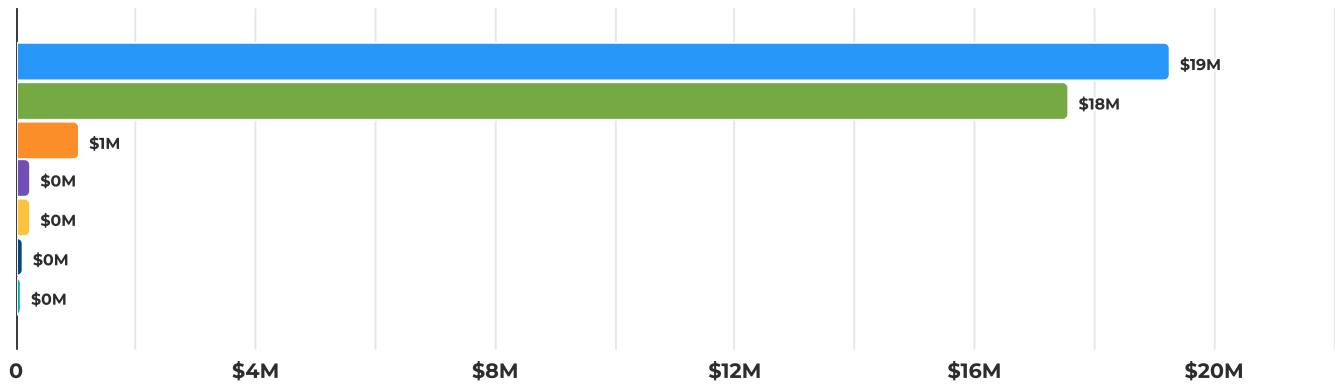
The General Fund budget for FY2027 totals \$38.6 million, marking a 9.88% increase from the FY2026 budget of \$35.1 million. Taxes remain the largest revenue source at \$19.3 million, representing 49.94% of the total budget. This is a \$1.6 million increase, or 9.14%, from the previous year.

Intergovernmental revenue also shows a significant rise, increasing by \$2 million or 12.5% to \$17.6 million, now accounting for 45.59% of the total budget. Licenses and Permits grow by \$68,540, a 6.98% increase, reaching \$1.1 million and making up 2.72% of the budget.

Charges for Services increase notably by \$23,160, or 49.44%, to \$70,000, while Other Revenue rises slightly by \$4,000, a 3.48% increase, totaling \$119,000. Interest Revenue remains steady at \$250,000, maintaining 0.65% of the budget with no change from FY2026.

Among decreases, Rent revenue drops completely from \$150,300 to \$0, a 100% decrease. Fines and Forfeits decline by \$44,000, or 15.88%, to \$233,000, now representing 0.6% of the total budget.

FY27 Revenues by Objects



Taxes	\$19,255,610	49.94%
Intergovernmental	\$17,576,350	45.59%
Licenses & Permits	\$1,050,300	2.72%
Interest Revenue	\$250,000	0.65%
Fines & Forfeits	\$233,000	0.60%
Other Revenue	\$119,000	0.31%
Charges For Services	\$70,000	0.18%

Revenues by Objects

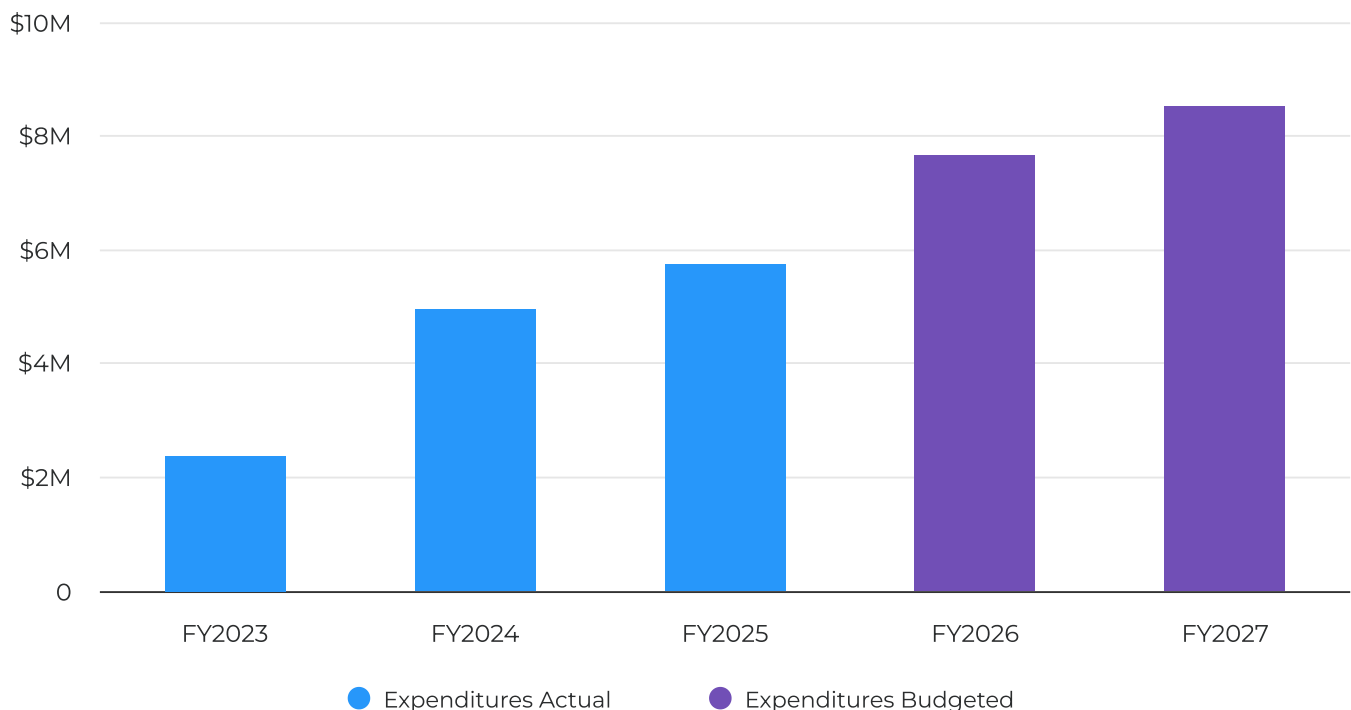
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Taxes	\$8,782,773	\$16,675,276	\$18,805,192	\$17,643,480	\$18,824,370	\$19,255,610	2.29%
Intergovernmental	\$10,262,290	\$16,908,872	\$16,127,942	\$15,623,490	\$15,623,490	\$17,576,350	12.50%
Licenses & Permits	\$526,097	\$1,239,704	\$1,135,421	\$981,760	\$1,122,300	\$1,050,300	-6.42%
Other Revenue	\$41,413	\$120,986	\$264,109	\$115,000	\$119,000	\$119,000	-
Charges For Services	\$37,572	\$67,601	\$70,082	\$46,840	\$70,000	\$70,000	-
Rent	\$293,892	\$21,321	\$250	\$150,300	-	-	-
Fines & Forfeits	\$164,925	\$310,586	\$285,428	\$277,000	\$288,000	\$233,000	-19.10%
Interest Revenue	\$383,186	\$1,116,328	\$1,148,932	\$250,000	\$250,000	\$250,000	-
Other Financing Sources	-	-	\$120,604	-	-	-	-
Total Revenues	\$20,492,148	\$36,460,673	\$37,957,960	\$35,087,870	\$36,297,160	\$38,554,260	6.22%

Highway User Fund

The Highway User Fund accounts for taxes collected by the state and shared with the cities. The Highway User revenue source is restricted to highway and street purposes, whether it be maintenance or construction. It also includes development fees for street infrastructure. Development fees are a one-time payment made to the City at the time of building permit issuance. A portion of these development fees helps to fund street infrastructure necessitated by growth. Development fees are also restricted to the use intended in the development fees documents adopted by the City. The Highway User Revenues are sometimes referred to as the gas tax, but there are a number of additional transportation related fees included in the formula. Cities and towns receive 27.5% of the total collection. A portion is distributed based on population and the other portion is allocated on the basis of "county of origin" of gasoline sales and the relation of a municipality's population to the population of all incorporated cities and towns in their county.

Expenditure Summary

Historical Expenditures Across Fund Summary

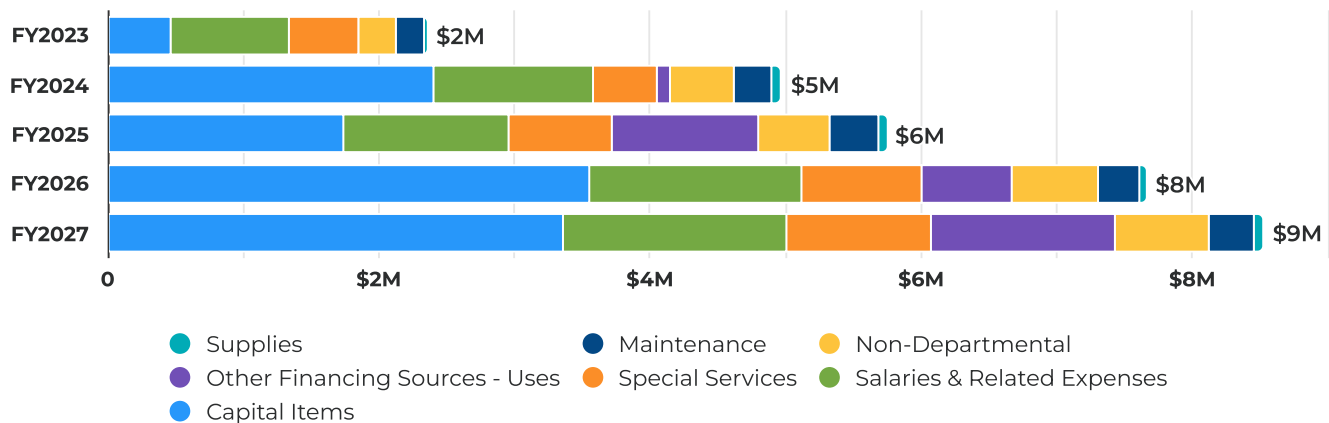


For FY2026, the Highway User Fund has budgeted expenditures totaling \$7.7 million. This amount sets the baseline for the subsequent budget year.

In FY2027, the budgeted expenditures increase to \$8.5 million, representing an 11.21% rise from FY2026. This marks a significant upward adjustment in the fund's planned spending compared to the previous year. This year the fund has a street project that requires a matching for \$1.2 million, causing a major increase when it is compared to the previous budget year.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



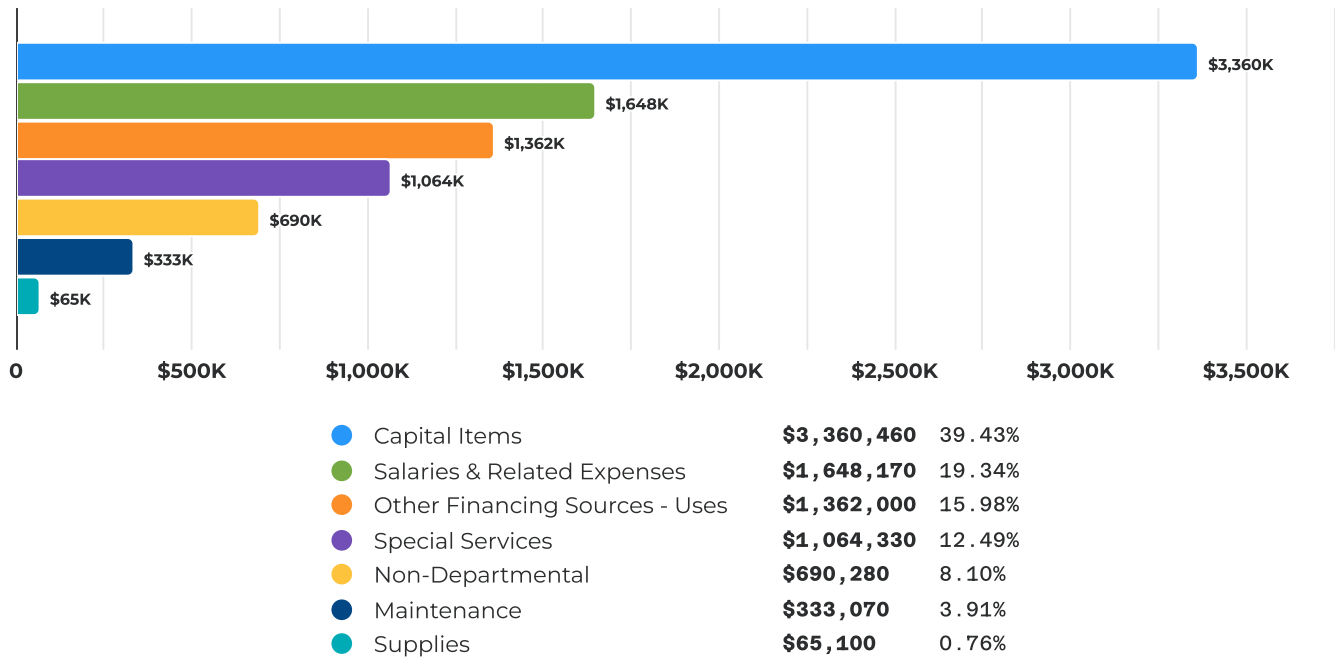
The total expenditures for the Highway User Fund in FY2027 increased by 11.21% to \$8.5 million compared to FY2026's \$7.7 million. Capital Items, while remaining the largest category totaling \$3.36 million.

Salaries & Related Expenses saw a moderate increase of 5.52%, rising to \$1.6 million and accounting for 19.34% of the total budget. Other Financing Sources - Uses experienced the most significant growth, more than doubling by 107.92% to \$1.4 million, increasing its share from 8.55% to 15.98% of the total budget.

Special Services expenditures increased by 18.99% to \$1.1 million, making up 12.49% of the total, up from 11.67%. Non-Departmental expenses rose by 7.14% to \$690,280, representing 8.1% of the budget, a slight decrease in share from 8.41%. Maintenance costs increased by 7.41% to \$333,070, accounting for 3.91% of the total, while supplies grew by 32.86% to \$65,100, now 0.76% of the budget.

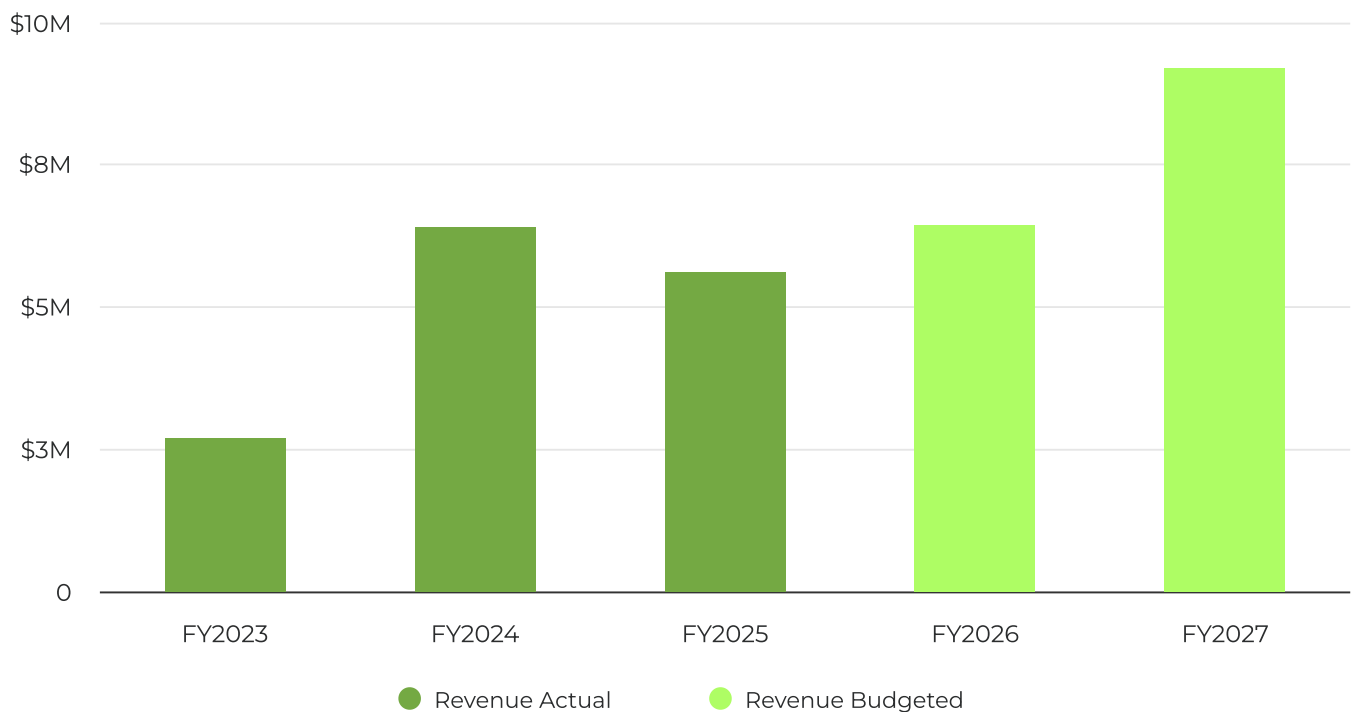
Overall, the FY2027 budget reflects an increase in total expenditures with notable growth in Other Financing Sources - Uses and Special Services, alongside a slight reduction in Capital Items spending and grants matching portions.

FY27 Expenditures by Object



Revenue Summary

Historical Revenues Across Fund Summary 1

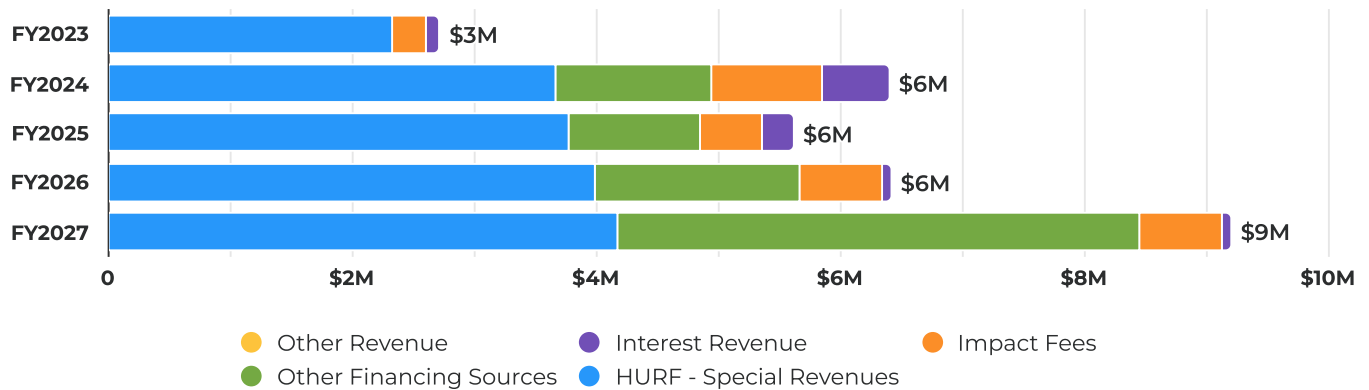


For FY2026, the Highway User Fund's revenue budget is set at \$6.4 million. This amount serves as the baseline for comparison with the following year.

In FY2027, the revenue budget increased significantly to \$9.2 million, representing a 43.36% increase from FY2026. This substantial growth highlights a major upward trend in the fund's revenue expectations for that year. It is mainly a transfer from the General Fund to cover the projected investment in the street infrastructure for FY 2027 totaling \$4.26 million.

Budgeted and Historical 2027 Revenues

FY2023-FY2025 Actual and FY2026 & FY2027 Adopted Budget

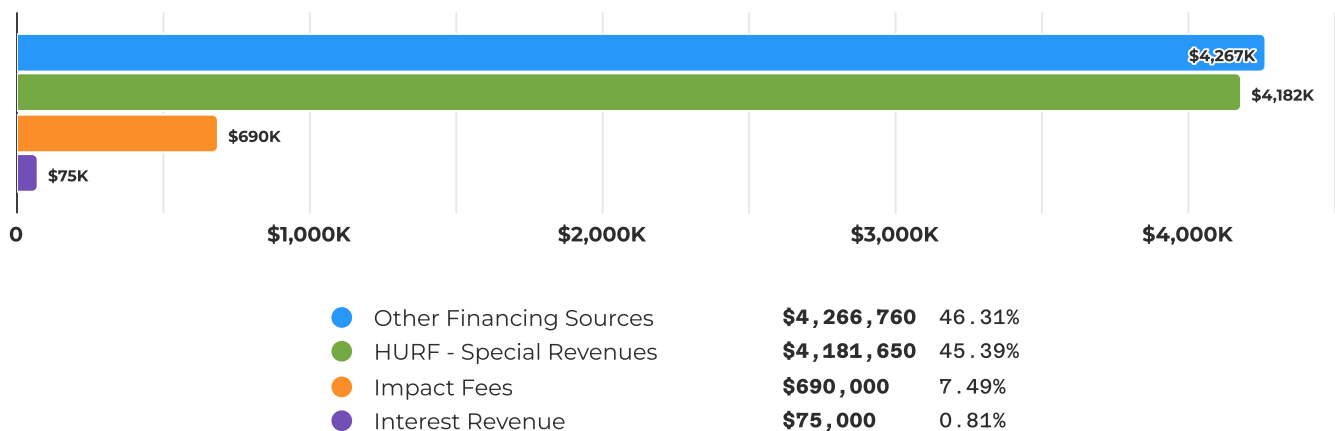


The FY2027 Highway User Fund budget totals \$9.2 million, marking a 43.36% increase from the FY2026 budget of \$6.4 million. The largest category in FY2027 is Other Financing Sources, which accounts for 46.31% of the total at \$4.3 million. This category experienced a significant increase of \$2.6 million, or 155.75%, compared to FY2026.

HURF — Special Revenues remains a major component, representing 45.39% of the FY2027 total with \$4.2 million. This category increased by \$188,130, or 4.71%, from the previous year. Impact Fees hold steady at \$690,000, comprising 7.49% of the total budget, with no change from FY2026.

Interest Revenue remains at \$75,000, making up 0.81% of the FY2027 budget, unchanged from the prior year. Other Revenue continues to be \$0, representing 0% of the total budget.

FY27 Revenues by Objects



The Fiscal Year Revenue by Objects for the Highway User Fund includes Other Financing Sources at \$4.3 million, representing 46.31% of the total. HURF - Special Revenues contribute \$4.2 million, which is 45.39%. Impact Fees account for \$690,000, or 7.49%, and Interest Revenue is \$75,000, making up 0.81% of the revenue.

Revenues by Objects

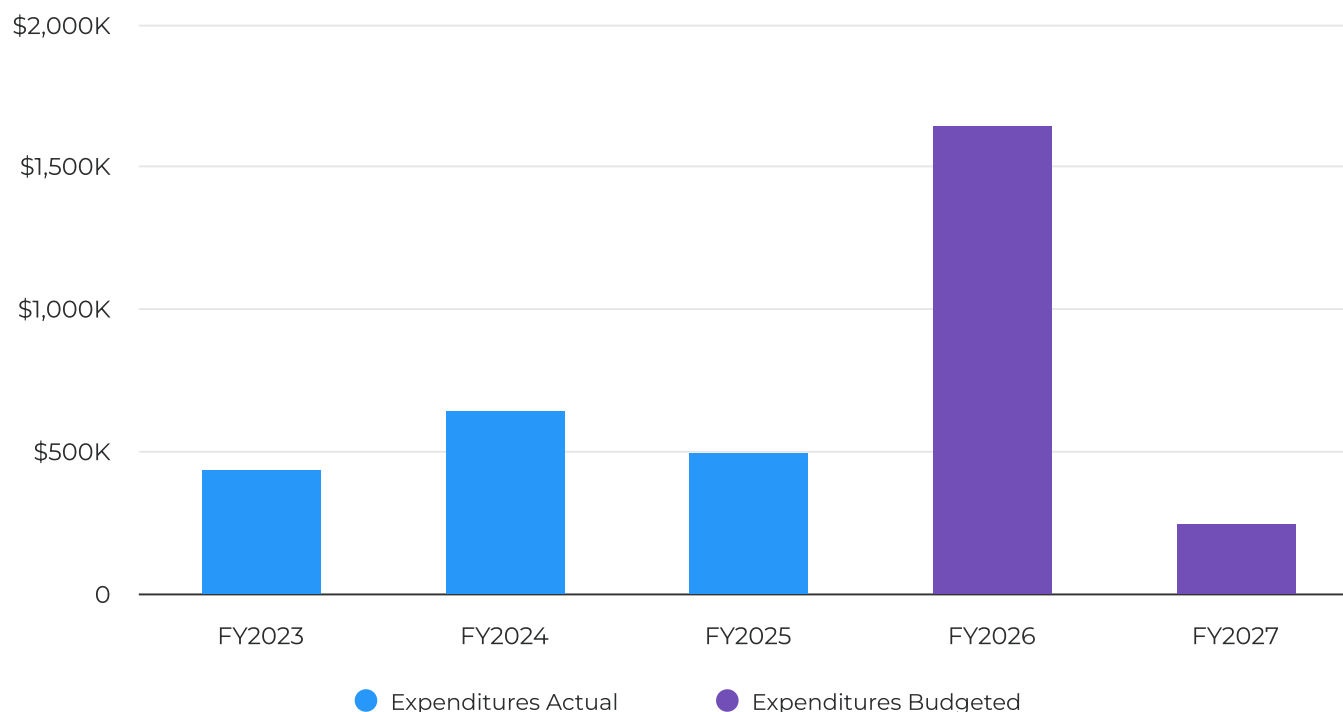
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Impact Fees	\$269,245	\$909,502	\$506,777	\$690,000	\$690,000	\$690,000	-
Other Revenue	\$300	\$10,251	-	-	-	-	-
HURF - Special Revenues	\$2,331,202	\$3,667,609	\$3,780,259	\$3,993,520	\$3,993,520	\$4,181,650	4.71%
Interest Revenue	\$120,911	\$543,447	\$268,155	\$75,000	\$75,000	\$75,000	-
Other Financing Sources	-	\$1,279,621	\$1,070,795	\$1,668,320	\$4,317,730	\$4,266,760	-1.18%
Total Revenues	\$2,721,659	\$6,410,429	\$5,625,985	\$6,426,840	\$9,076,250	\$9,213,410	1.51%

Impact Fees

The Impact Fees Fund accounts for the revenues generated by fees charged for new development. The fees are collected to pay for the costs of providing public infrastructure for new development to ensure continuance of the same level of service to the existing community. The Impact Fees Fund accounts for the collection of fees for streets, parks, police, fire. The water and wastewater impact fees are accounted for within their own funds. Development fees are restricted to qualifying expenditures as specified in the development fee documents adopted by the City. State statute requires the City to submit an annual report documenting development fees, as well as a biennial certified audit of land use assumptions, infrastructure improvement plans, and development impact fees.

Expenditure Summary

Historical Expenditures Across Fund Summary 1

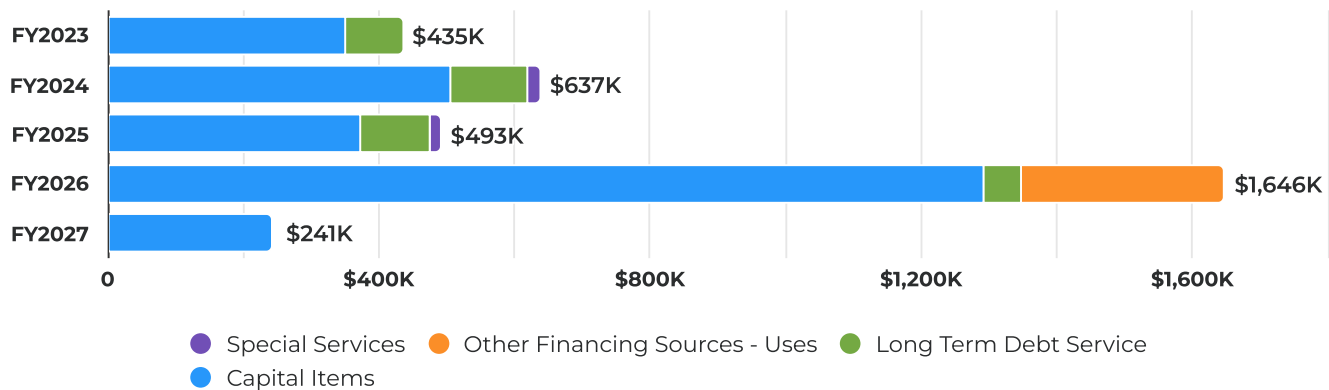


In FY2026, the Impact Fees expenditures are budgeted at \$1.6 million, representing a significant allocation for that year.

For FY2027, the Impact Fees expenditures budget decreases sharply to \$241,000, which is an 85.36% reduction compared to the FY2026 budgeted amount.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget

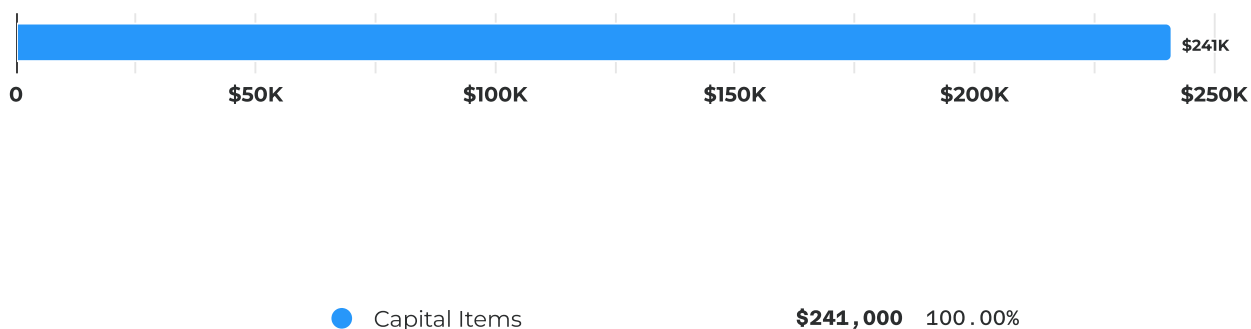


In FY2027, the total Impact Fees budget decreased significantly to \$241,000, representing an 85.36% decline from the FY2026 total of \$1.6 million. The Capital Items category, which was the largest in FY2026 at \$1.3 million and accounted for 78.39% of the total, dropped by 81.33% to \$241,000, now comprising 100% of the FY2027 budget.

Other Financing Sources — Uses, which made up 18.19% of the FY2026 budget at \$299,510, was completely eliminated in FY2027, showing a 100% decrease. Similarly, Long Term Debt Service, previously 3.41% of the budget at \$56,200, was reduced to zero, a 100% decrease. The Special Services category remained at \$0 in both years.

Overall, FY2027 reflects a substantial reduction in Impact Fees funding, with Capital Items remaining the sole budgeted category after significant cuts. This is mainly because the use of the funds is programed to use in the near future years in projects for parks, police and fire departments.

FY27 Expenditures by Object

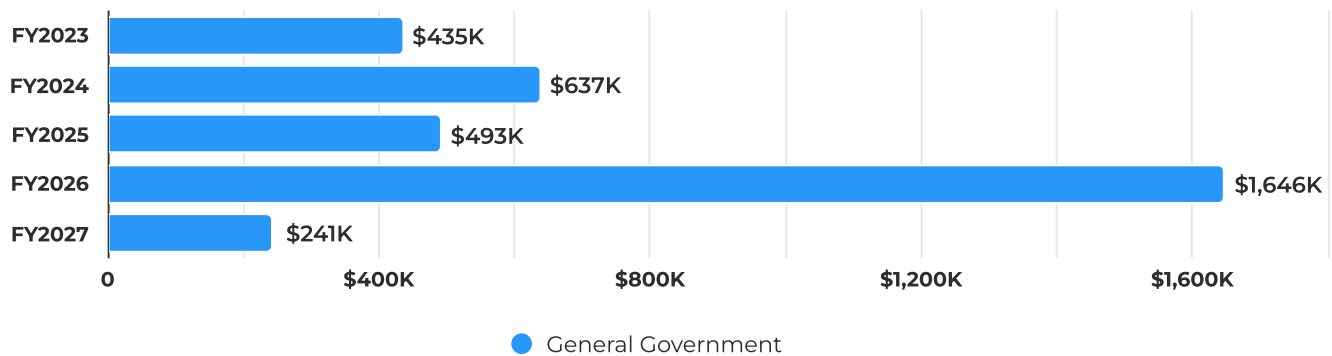


Expenditures by Object

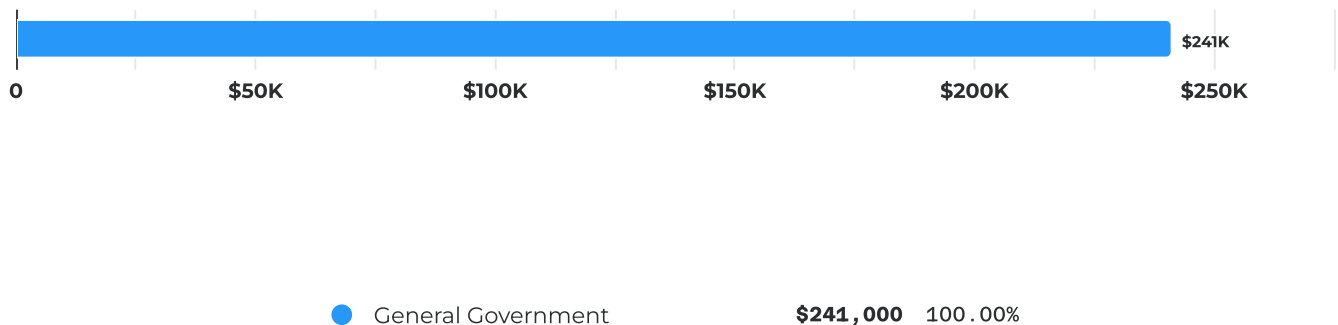
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Special Services	-	\$18,769	\$18,591	-	-	-	-

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Other Financing Sources - Uses	-	-	\$250,000	\$299,510	-	-	-
Long Term Debt Service	\$84,060	\$112,080	\$112,080	\$56,200	-	-	-
Capital Items	\$350,768	\$506,347	\$378,179	\$1,290,710	\$271,000	\$241,000	-11.07%
Total Expenditures	\$434,828	\$637,196	\$758,851	\$1,646,420	\$271,000	\$241,000	-11.07%

Historical Expenditures by Function



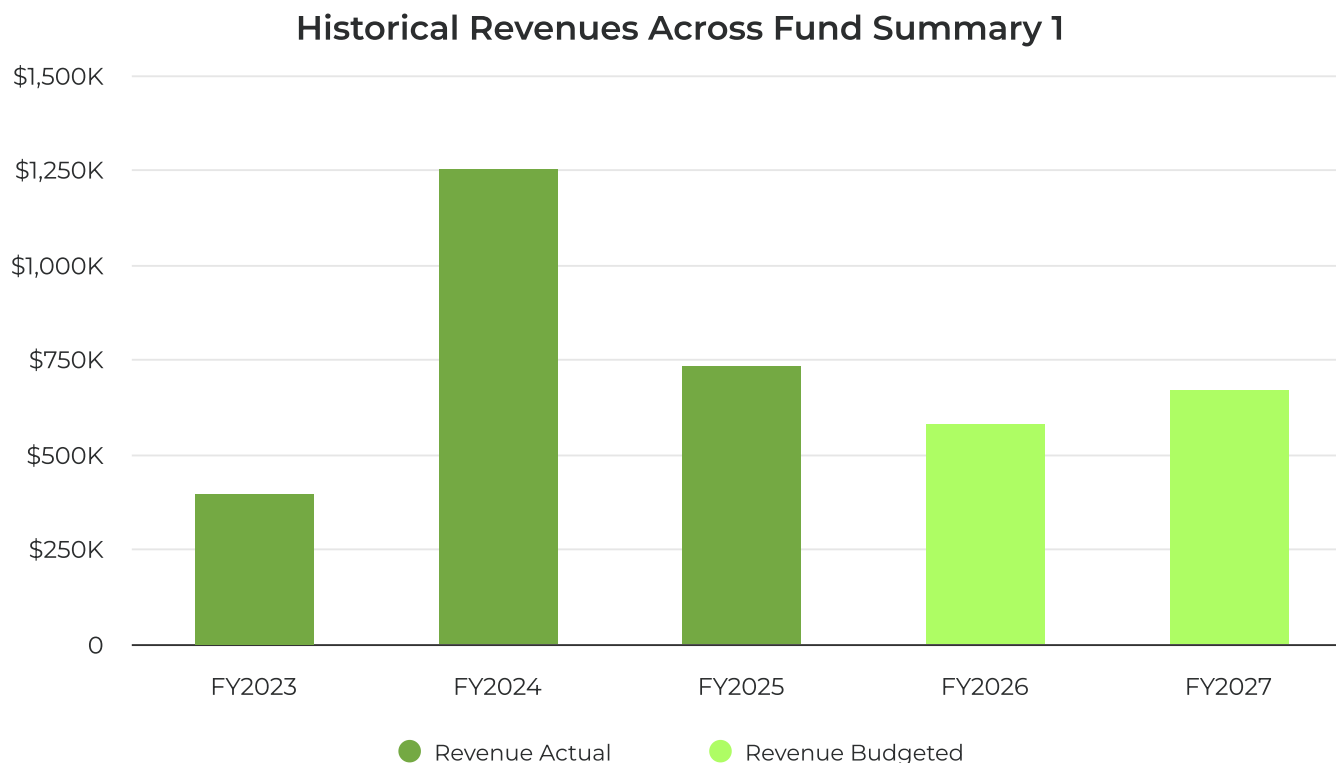
FY27 Expenditures by Function



Expenditures by Function

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
General Government	\$434,827.84	\$637,196.00	\$758,850.95	\$1,646,420.00	\$271,000.00	\$241,000.00	-11.07%
Total Expenditures	\$434,827.84	\$637,196.00	\$758,850.95	\$1,646,420.00	\$271,000.00	\$241,000.00	-11.07%

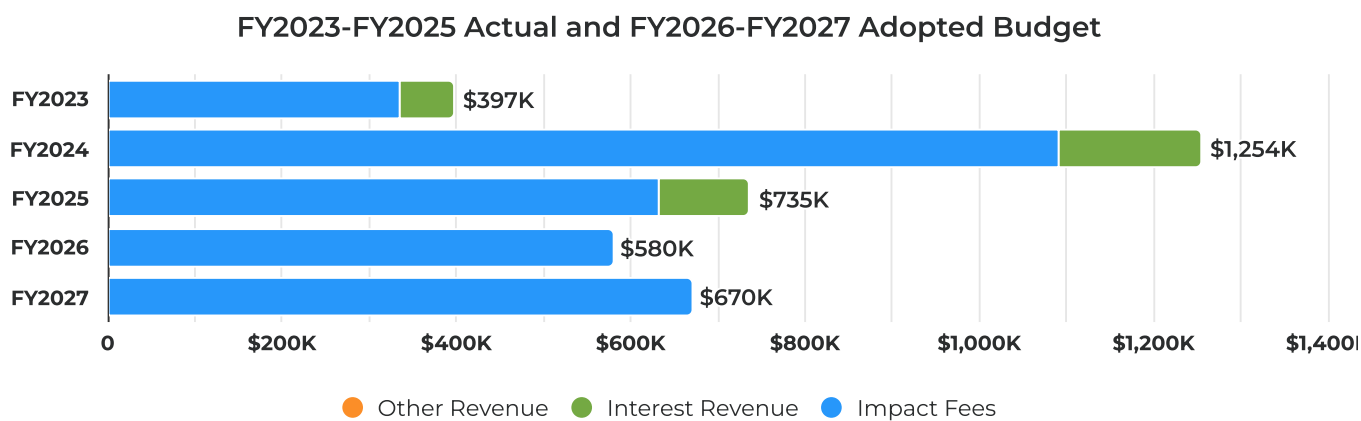
Revenue Summary



For FY2026, the Impact Fees revenue is budgeted at \$580,000. This amount serves as the baseline for comparison with the following year.

In FY2027, the Impact Fees revenue budget increases to \$670,000, representing a 15.52% increase from the FY2026 budgeted amount of \$580,000. This marks a significant upward adjustment in the revenue projection for Impact Fees between these two budget years.

Budgeted and Historical 2027 Revenues



In FY2027, the total Impact Fees budget is \$670,000, representing a 15.52% increase from the FY2026 total of \$580,000. Impact Fees remain the sole contributor to the total budget, accounting for 100% of

the amount in both years.

This increase in Impact Fees is the largest change in the FY2027 budget, driving the overall 15.52% growth in total Impact Fees revenue from the previous year.

Revenues by Objects

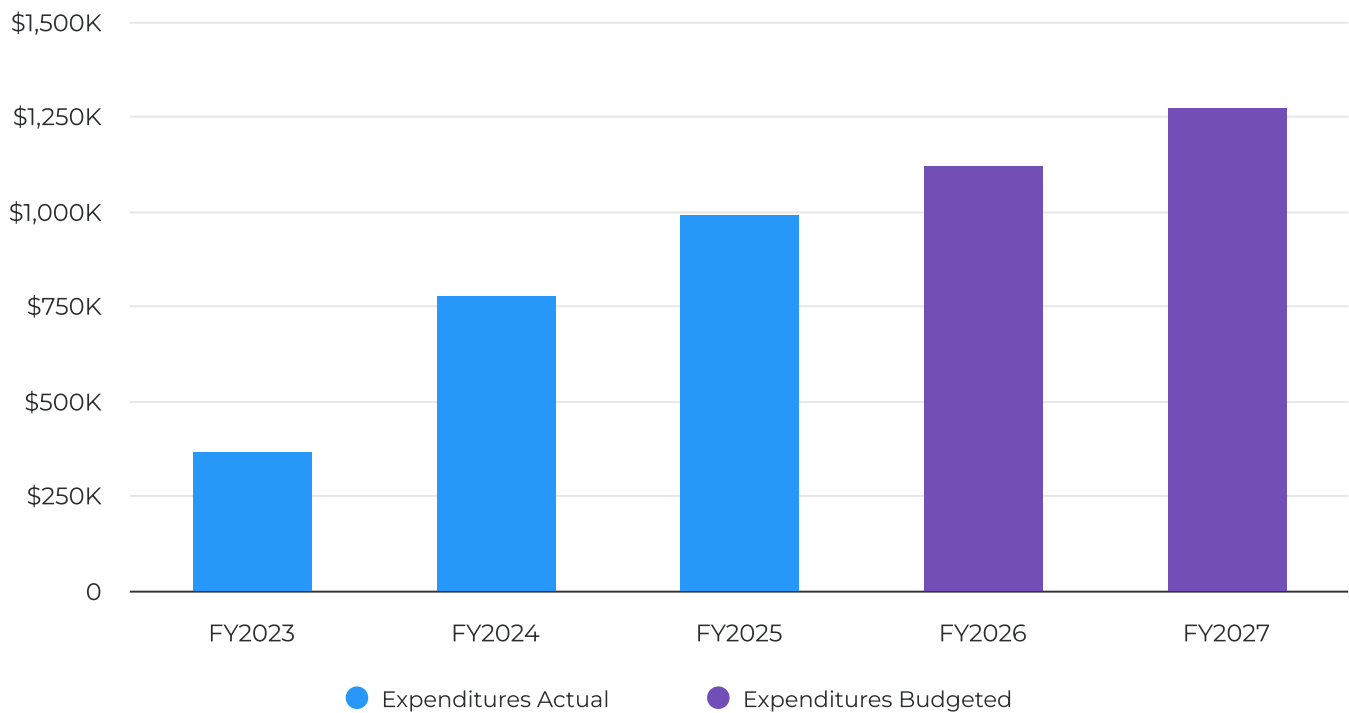
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Impact Fees	\$334,529.16	\$1,091,925.93	\$631,606.56	\$580,000.00	\$670,000.00	\$670,000.00	-
Other Revenue	-	\$5.83	\$4.26	-	-	-	-
Interest Revenue	\$62,762.14	\$161,843.95	\$103,354.27	-	-	-	-
Total Revenues	\$397,291.30	\$1,253,775.71	\$734,965.09	\$580,000.00	\$670,000.00	\$670,000.00	-

Assessment Districts

The Assessment Districts Fund is classified as a non-major fund with restricted sources of revenue. This fund accounts for proceeds collected from property owners who benefit from improvements, enhancements, landscaping, and street lighting. Under Arizona State Statute, Assessment Districts may be established by resolution. The primary purpose of the fund is to maintain designated areas within the subdivisions where the assessments were created.

Expenditure Summary

Historical Expenditures Across Fund Summary 1

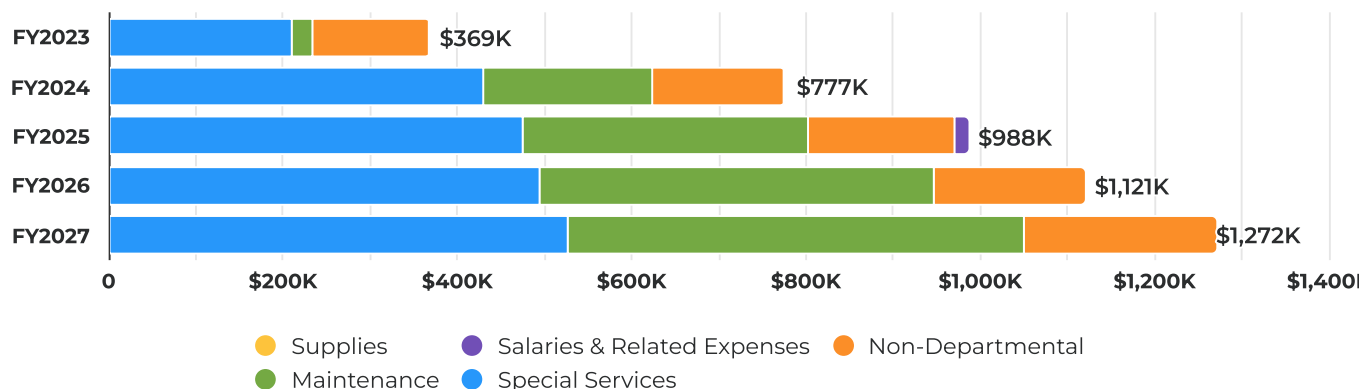


For FY2026, the Assessment Districts have budgeted expenditures totaling \$1.1 million. This represents the planned spending for that year without actual expenditure data available yet.

In FY2027, the budgeted expenditures for Assessment Districts increase to \$1.3 million, marking a 13.43% rise compared to FY2026. This increase highlights a significant upward adjustment in planned spending from the previous budget year related to new subdivisions created and added to the districts.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget

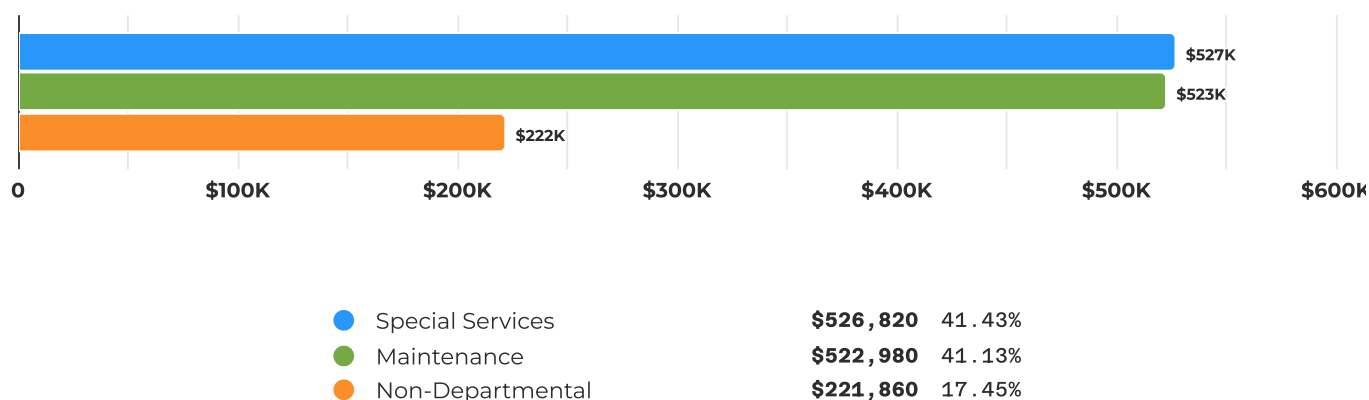


The total budget for Assessment Districts in FY2027 is \$1.3 million, representing a 13.43% increase from the FY2026 total of \$1.1 million. The largest category remains Special Services, which accounts for 41.43% of the total budget at \$526,820. This category increased by \$31,510, or 6.36%, compared to FY2026.

Maintenance is the second largest category, comprising 41.13% of the FY2027 budget with an allocation of \$522,980. This reflects a \$71,950 increase, or 15.95%, from the previous year. Non-Departmental expenses also grew significantly, rising by \$47,130 or 26.97% to \$221,860, making up 17.45% of the total budget.

Salaries & Related Expenses and Supplies remain at \$0, consistent with the prior year. Overall, the FY2027 budget shows notable increases in Maintenance and Non-Departmental categories, with Special Services also experiencing moderate growth.

FY27 Expenditures by Object



Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	-	\$3,114	\$16,939	-	-	-	-
Supplies	\$1,065	-	-	-	-	-	-
Maintenance	\$22,428	\$193,411	\$326,972	\$451,030	\$451,030	\$522,980	15.95%
Special Services	\$211,045	\$429,271	\$475,729	\$495,310	\$495,310	\$526,820	6.36%
Non-Departmental	\$134,263	\$151,370	\$151,370	\$174,730	\$174,730	\$221,860	26.97%
Total Expenditures	\$368,801	\$777,166	\$971,010	\$1,121,070	\$1,121,070	\$1,271,660	13.43%

Revenue Summary

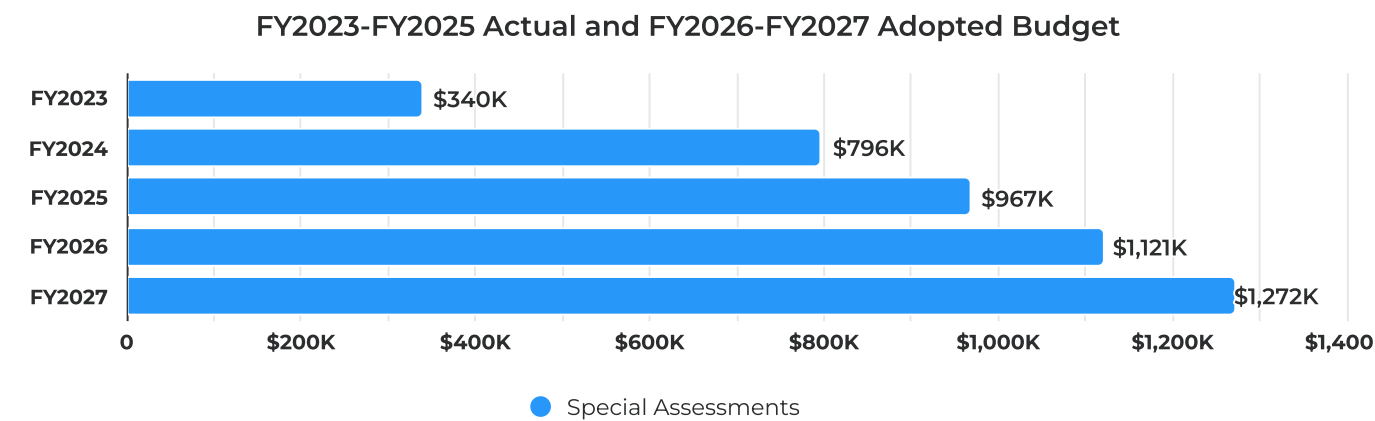
Historical Revenues Across Fund Summary 1



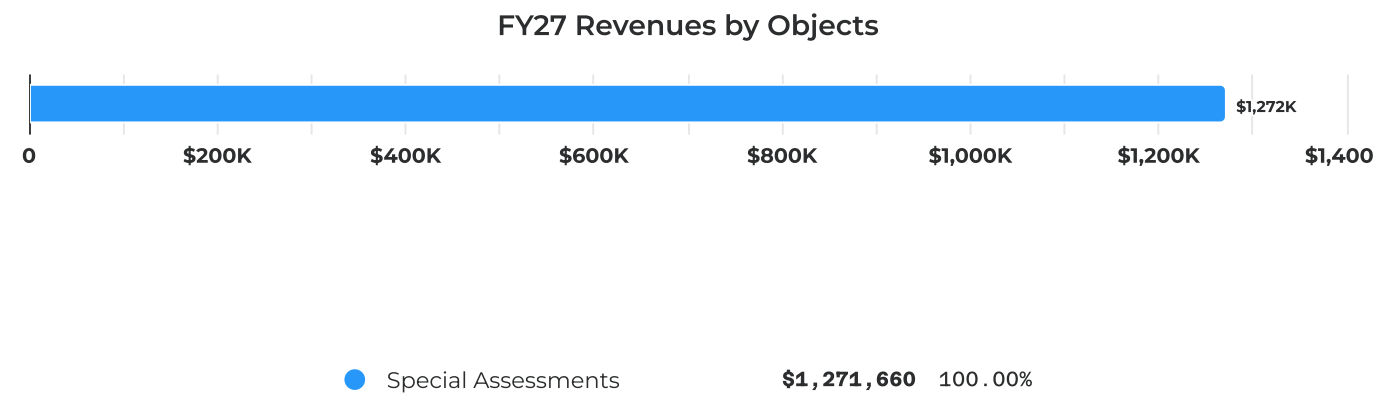
For FY2026, the Assessment Districts have a budgeted revenue of \$1.1 million. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted revenue for Assessment Districts increases to \$1.3 million, representing a 13.43% increase from FY2026. This marks a significant upward trend in the revenue budget for this category between the two years related to the new subdivisions created and added to the districts.

Budgeted and Historical 2027 Revenues



In FY2027, the total budget for Assessment Districts is \$1.3 million, representing a 13.43% increase from the FY2026 total of \$1.1 million. The entire budget continues to be allocated to Special Assessments, which also increased by 13.43%, rising from \$1.1 million in FY2026 to \$1.3 million in FY2027. This increase of \$150,590 in Special Assessments is the largest change within the budget categories for this period.



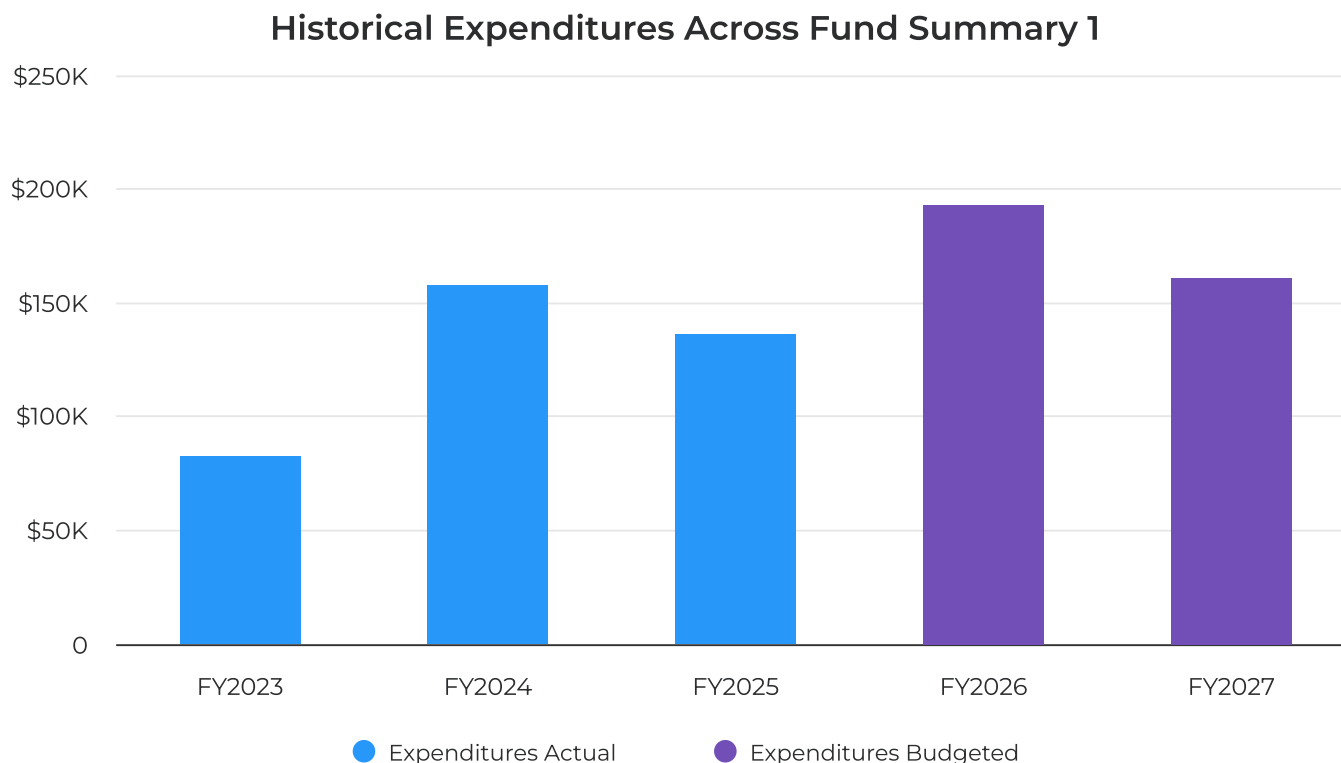
Revenues by Objects

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Special Assessments	\$339,744.33	\$796,438.61	\$990,304.97	\$1,121,070.00	\$1,121,070.00	\$1,271,660.00	13.43%
Total Revenues	\$339,744.33	\$796,438.61	\$990,304.97	\$1,121,070.00	\$1,121,070.00	\$1,271,660.00	13.43%

Business Incubator Fund

The Business Incubator Fund is a Proprietary Fund. It accounts for the City's business incubator operations, which offer assistance to small businesses, encourage light manufacturing and help create job opportunities within the City. The incubator has seven suites for rent.

Expenditure Summary

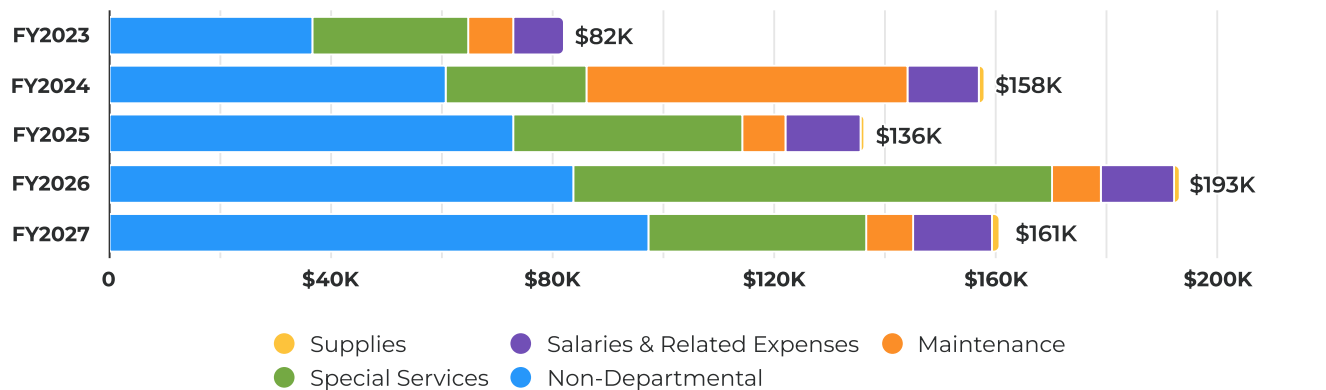


For FY2026, the Business Incubator Fund has budgeted expenditures totaling \$193,090. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures decrease to \$160,610, representing a 16.82% reduction from FY2026. This reduction is for the completion of a program evaluation in FY 2026.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget

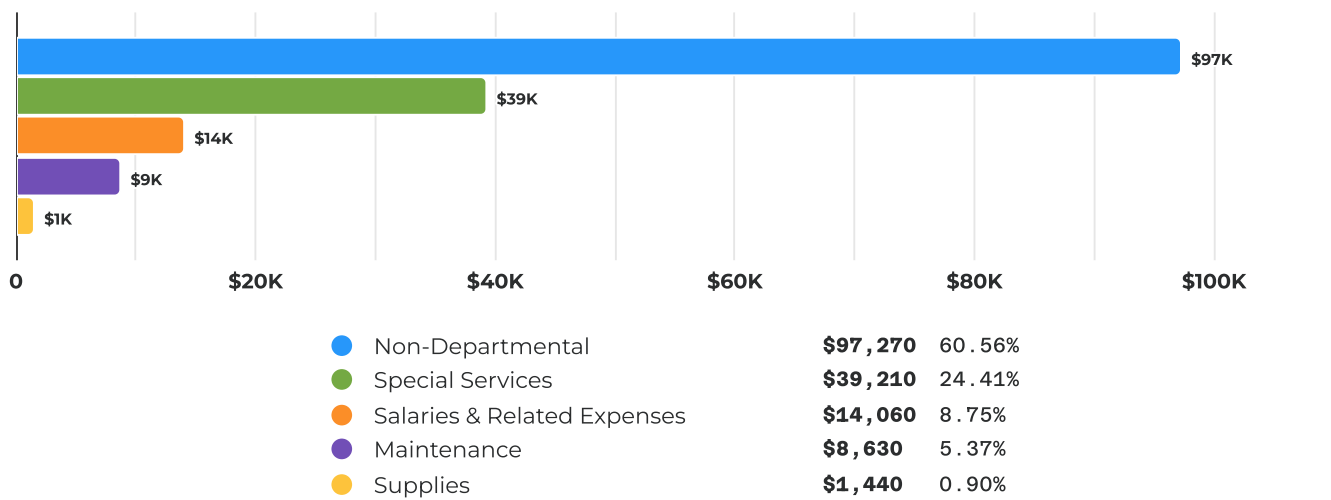


The Business Incubator Fund's total budget for FY2027 is \$160,610, representing a decrease of 16.82% from the FY2026 total of \$193,090. In FY2027, Non-Departmental expenses are the largest category, totaling \$97,270 and accounting for 60.56% of the budget. This category increased by \$13,600, or 16.25%, compared to FY2026.

Special Services, which was the largest category in FY2026 at \$86,540 (44.82% of the total), decreased significantly by \$47,330, or 54.69%, to \$39,210 in FY2027, now representing 24.41% of the total budget. Salaries & Related Expenses rose to \$14,060, making up 8.75% of the budget, with an increase of \$1,080 or 8.32% from the previous year.

Maintenance expenses slightly declined by \$170, or 1.93%, to \$8,630, accounting for 5.37% of the FY2027 budget. Supplies increased by \$340, or 30.91%, reaching \$1,440 and representing 0.9% of the total budget. Overall, the FY2027 budget shows a notable shift with Non-Departmental expenses growing as a share of the total, while Special Services expenses decreased substantially.

FY27 Expenditures by Object



Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$9,035	\$12,630	\$13,607	\$12,980	\$12,970	\$14,060	8.40%
Supplies	\$50	\$1,205	\$756	\$1,100	\$1,440	\$1,440	-
Maintenance	\$8,079	\$58,037	\$55,206	\$8,800	\$7,510	\$8,630	14.91%
Special Services	\$28,292	\$25,251	\$27,875	\$86,540	\$39,210	\$39,210	-
Non-Departmental	\$36,652	\$60,835	\$72,695	\$83,670	\$96,410	\$97,270	0.89%
Total Expenditures	\$82,108	\$157,959	\$170,140	\$193,090	\$157,540	\$160,610	1.95%

Revenue Summary

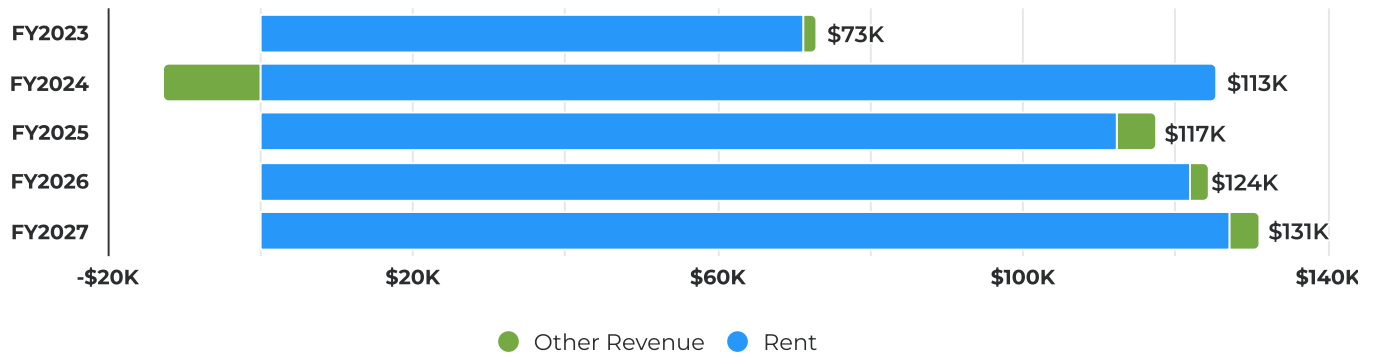
Historical Revenues Across Fund Summary 1



For the Business Incubator Fund, the revenue budget for FY2026 is set at \$124,300. Moving to FY2027, the revenue budget increases to \$131,000, representing a 5.39% rise from the previous year.

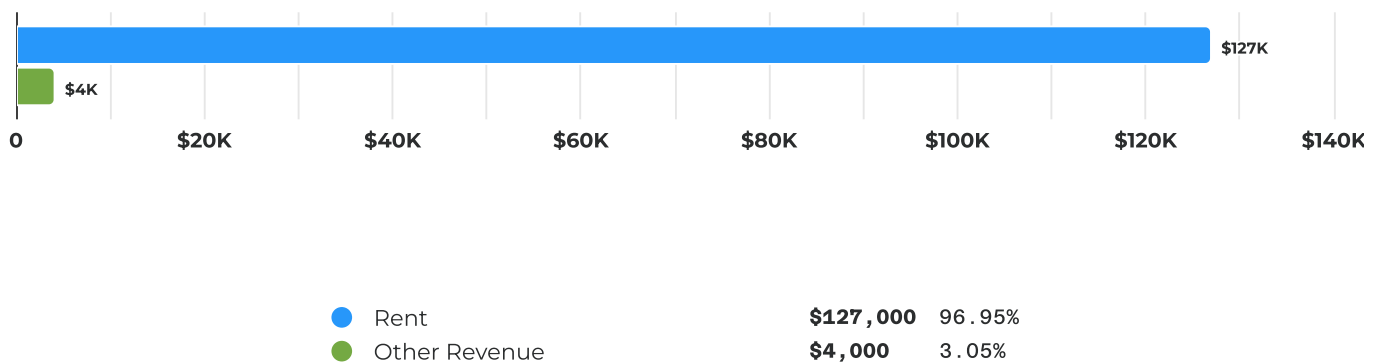
Budgeted and Historical 2027 Revenues

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



The Business Incubator Fund's total budget for FY2027 is \$131,000, representing a 5.39% increase from the FY2026 total of \$124,300. Rent remains the largest category, accounting for 96.95% of the FY2027 total at \$127,000, which is a \$5,000 increase or 4.1% growth compared to FY2026's \$122,000. Other Revenue, while a smaller portion of the budget, shows a notable increase to \$4,000 in FY2027, up \$1,700 or 73.91% from \$2,300 in FY2026. Overall, both Rent and Other Revenue categories contribute to the total budget growth in FY2027, with Rent continuing to dominate the fund's revenue composition.

FY27 Revenues by Objects



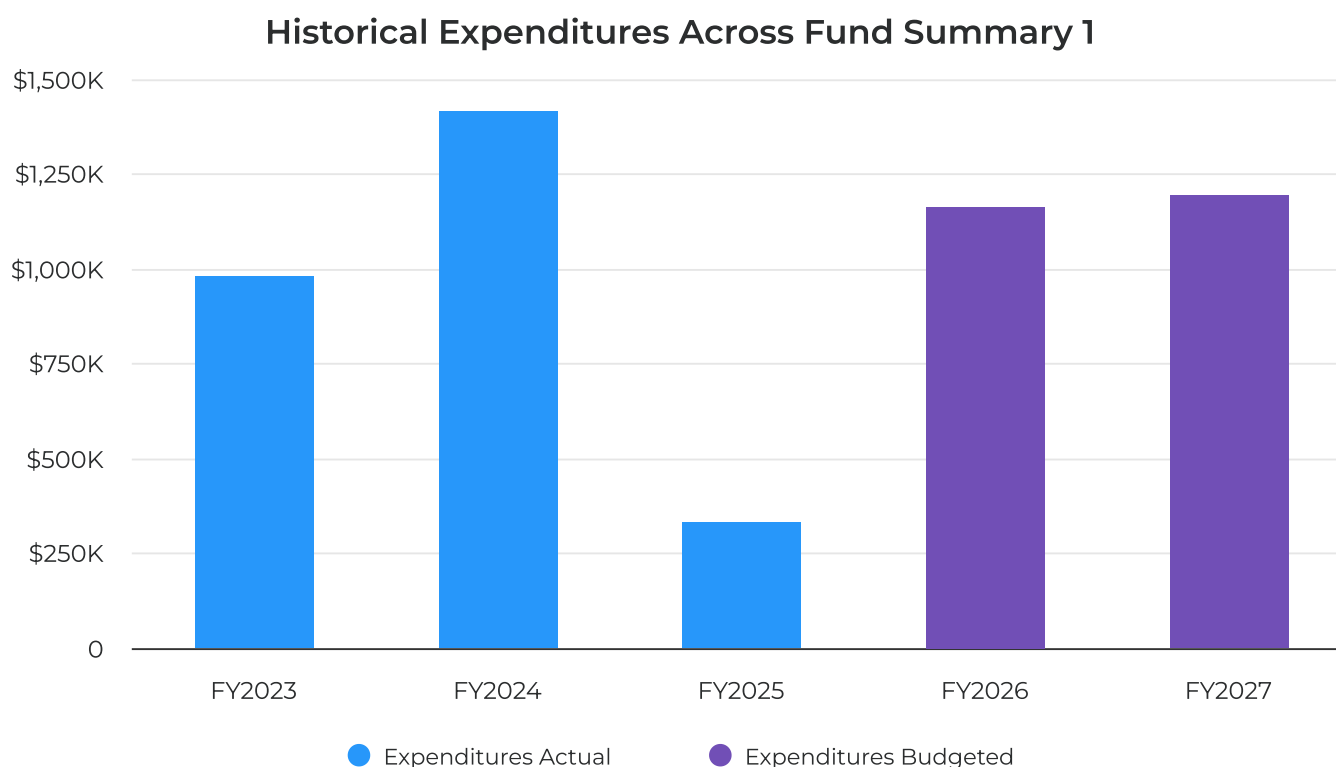
Revenues by Objects

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Other Revenue	\$1,900	-\$12,768	\$7,293	\$2,300	\$4,000	\$4,000	-
Rent	\$71,126	\$125,454	\$114,429	\$122,000	\$127,000	\$127,000	-
Total Revenues	\$73,026	\$112,686	\$121,722	\$124,300	\$131,000	\$131,000	-

Business Center Fund

The Business Center Fund accounts for revenues and expenditures related to the operations of the Call Center. The Entity was acquired by the City through the Industrial Development Authority to develop trade, encourage production, and assure job opportunities in the City residents. Currently, the space is leased to a call center, one of the top three major employers within the city. The Business Center Fund is a Proprietary Fund, and its goal is to be self-sustainable. Unfortunately, due to challenges in leasing the building in its totality, the budget reflects the deficit of revenue over the expenses.

Expenditure Summary

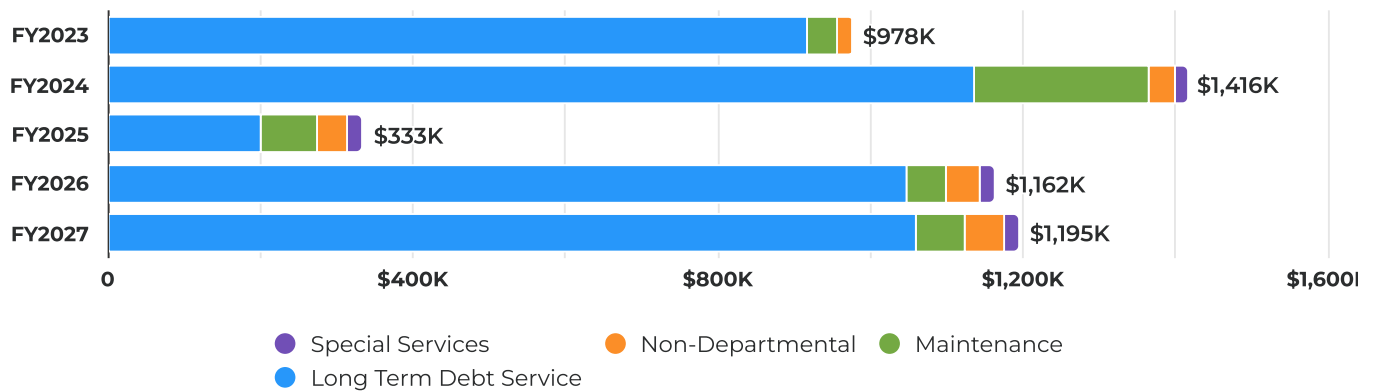


For the Business Center Fund, the expenditures budgeted for FY2026 are \$1.2 million. This amount serves as the baseline for the subsequent year.

In FY2027, the expenditures budgeted increase to \$1.2 million, representing a 2.76% rise from the prior period. This indicates a modest growth in the budgeted expenditures compared to FY2026.

Budgeted and Historical 2027 Expenditures

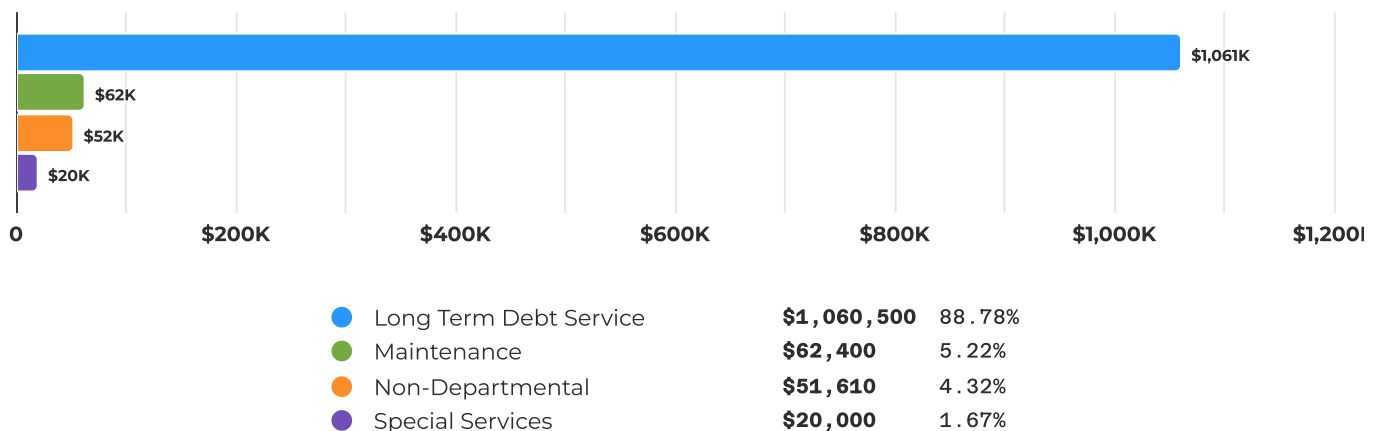
FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



The Business Center Fund's total budget for FY2027 is \$1.2 million, reflecting a 2.76% increase from FY2026. The largest category remains Long Term Debt Service, accounting for 88.78% of the total at \$1.1 million, which is a 1.33% increase of \$13,900 compared to the previous year.

Maintenance expenses rose by 21.4%, increasing by \$11,000 to \$62,400, now representing 5.22% of the total budget. Non-Departmental costs also increased by 16.06%, up \$7,140 to \$51,610, making up 4.32% of the total. Special Services remained steady at \$20,000, comprising 1.67% of the budget with no change from FY2026.

FY27 Expenditures by Object



Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Maintenance	\$39,118	\$228,324	\$231,640	\$51,400	\$62,400	\$62,400	-
Special Services	\$1,579	\$17,579	\$33,879	\$20,000	\$20,000	\$20,000	-
Long Term Debt Service	\$916,319	\$321,576	\$298,751	\$1,046,600	\$1,060,500	\$1,060,500	-

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Non-Departmental	\$21,056	\$33,834	\$39,623	\$44,470	\$49,930	\$51,610	3.36%
Total Expenditures	\$978,072	\$601,314	\$603,894	\$1,162,470	\$1,192,830	\$1,194,510	0.14%

Revenue Summary

Historical Revenues Across Fund Summary 1

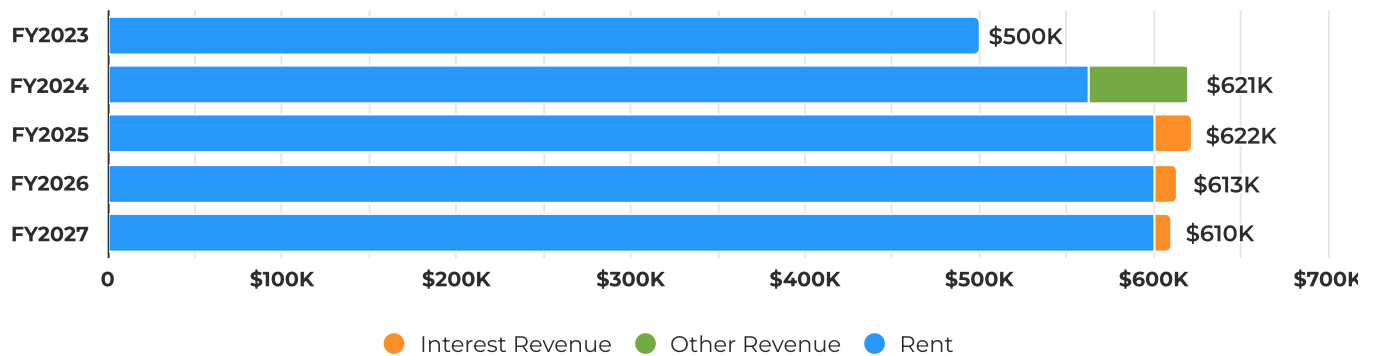


For the Business Center Fund, the revenue budget for FY2026 is set at \$613,200. This amount serves as a baseline for the following year.

In FY2027, the revenue budget slightly decreases to \$610,000, representing a 0.52% decline from the FY2026 budget. This indicates a minor reduction in expected revenue compared to the previous budget year.

Budgeted and Historical 2027 Revenues

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget

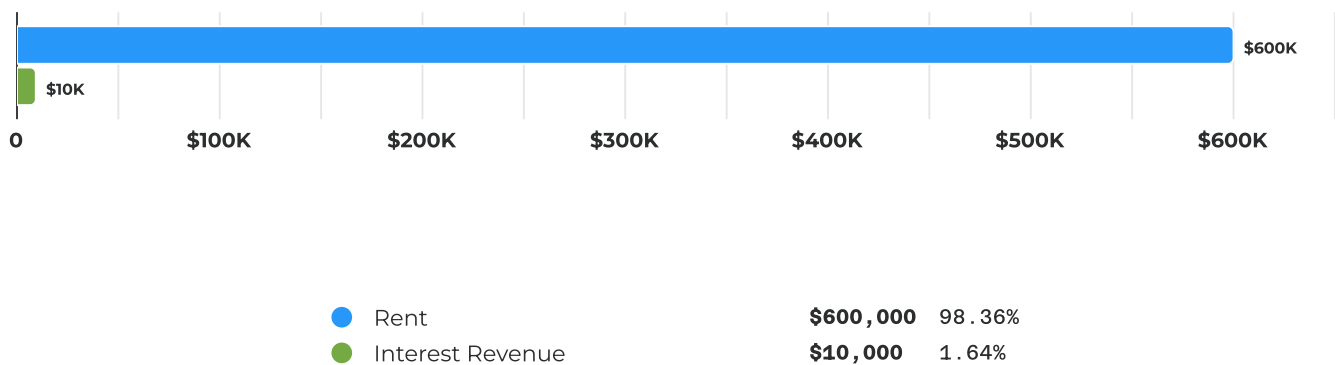


In FY2027, the Business Center Fund has a total budget of \$610,000, representing a slight decrease of 0.52% from the FY2026 total of \$613,200. Rent remains the largest category, holding steady at \$600,000, which accounts for 98.36% of the total budget and shows no change in amount or percentage from the previous year.

Interest Revenue decreased to \$10,000 in FY2027, a decline of \$3,200 or 24.24% compared to FY2026. This category now represents 1.64% of the total budget, down from 2.15% the prior year. Other Revenue remains at \$0 for both years.

The most significant change in FY2027 is the continued decrease in Interest Revenue, which has dropped by nearly a quarter from the previous year, while Rent remains stable and dominant in the budget composition.

FY27 Revenues by Objects



Revenues by Objects

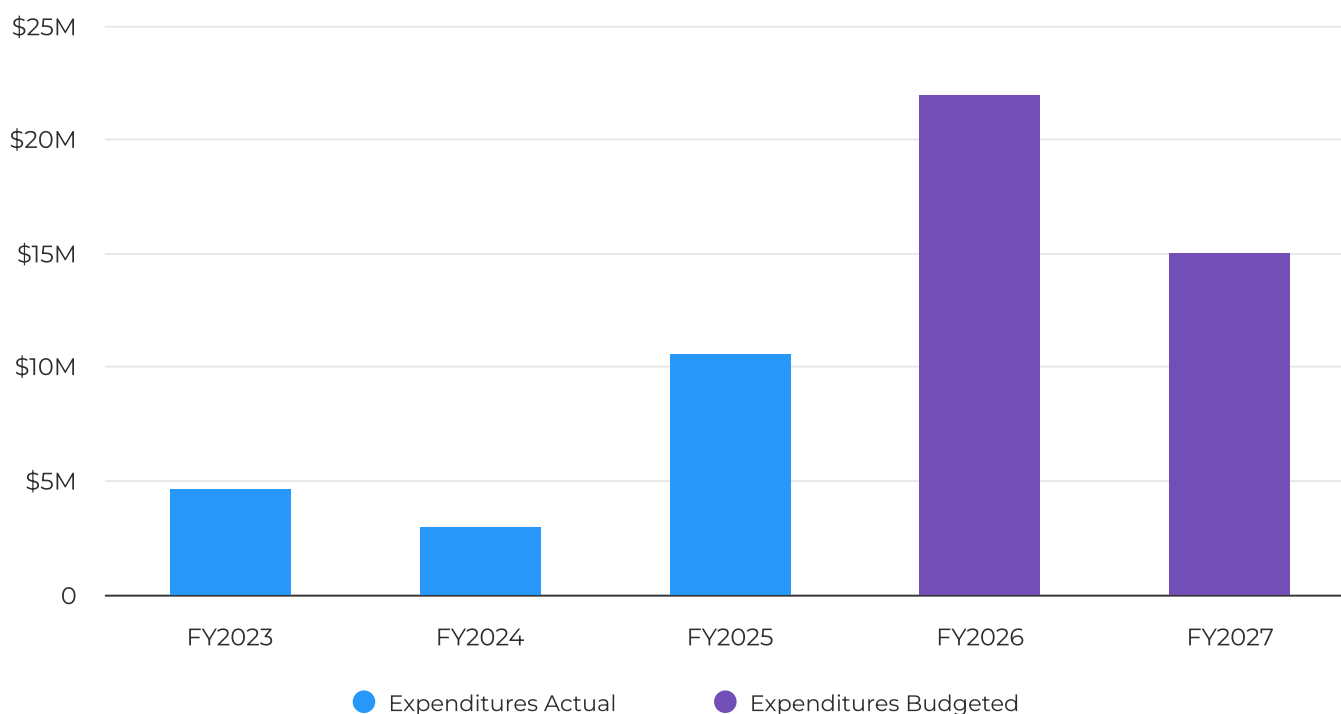
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Other Revenue	-	\$57,249	\$53,164	-	-	-	-
Rent	\$500,000	\$562,617	\$562,617	\$600,000	\$600,000	\$600,000	-
Interest Revenue	\$229	\$896	\$25,870	\$13,200	\$10,000	\$10,000	-
Total Revenues	\$500,229	\$620,762	\$641,651	\$613,200	\$610,000	\$610,000	-

Special Revenue Funds

The City applies for various federal, state, and local grants to supplement funding for a range of programs. These grants are managed through the Special Revenue Funds, which are legally restricted and account for proceeds from grants and other restricted revenue sources. The Special Revenue Funds include the Judicial Collection Enhancement, Public Safety, and Community Development funds.

Expenditure Summary

Historical Expenditures Across Fund Summary 1

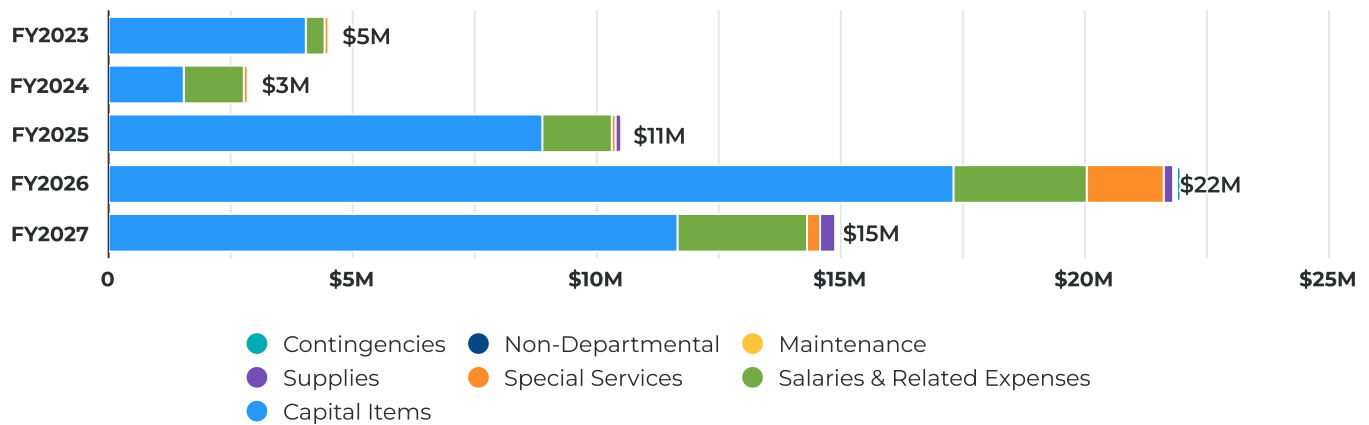


In FY2026, the Special Revenue Funds had budgeted expenditures totaling \$22 million. This amount serves as a baseline for comparison with the following year.

For FY2027, the budgeted expenditures decreased to \$15 million, representing a significant reduction of 31.81% from the FY2026 budget. This marks a notable decline in the total expenditures planned for the Special Revenue Funds compared to the previous year.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



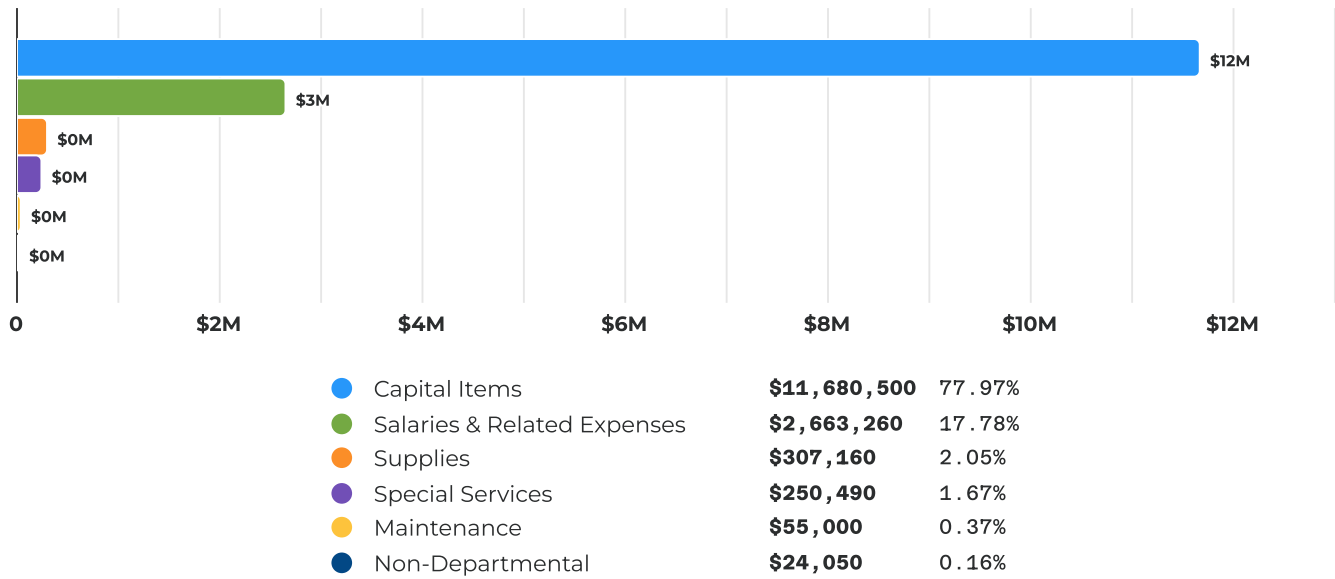
In FY2027, the total budget for Special Revenue Funds is \$15 million, representing a 31.81% decrease from the previous year's \$22 million. Capital Items remain the largest category at \$11.7 million, accounting for 77.97% of the total budget, but this is a significant decrease of \$5.7 million or 32.6% compared to FY2026.

Salaries & Related Expenses hold the second-largest share at \$2.7 million, which is 17.78% of the total budget. This category shows a slight decrease of \$48,810 or 1.8% from the prior year. Supplies increase notably to \$307,160, making up 2.05% of the total and rising by \$120,290 or 64.37%.

Special Services experience a substantial reduction to \$250,490, which is 1.67% of the total budget, down by \$1.4 million or 84.37%. Maintenance increases to \$55,000, representing 0.37% of the budget and growing by \$16,100 or 41.39%. Non-Departmental expenses also rise to \$24,050, 0.16% of the total, with an increase of \$8,310 or 52.8%.

Contingencies are eliminated in FY2027, dropping from \$81,000 in the previous year to \$0, a 100% decrease. Overall, the budget shows a shift with decreases in the largest categories of Capital Items and Special Services, while Supplies, Maintenance, and Non-Departmental categories see notable increases.

FY27 Expenditures by Object

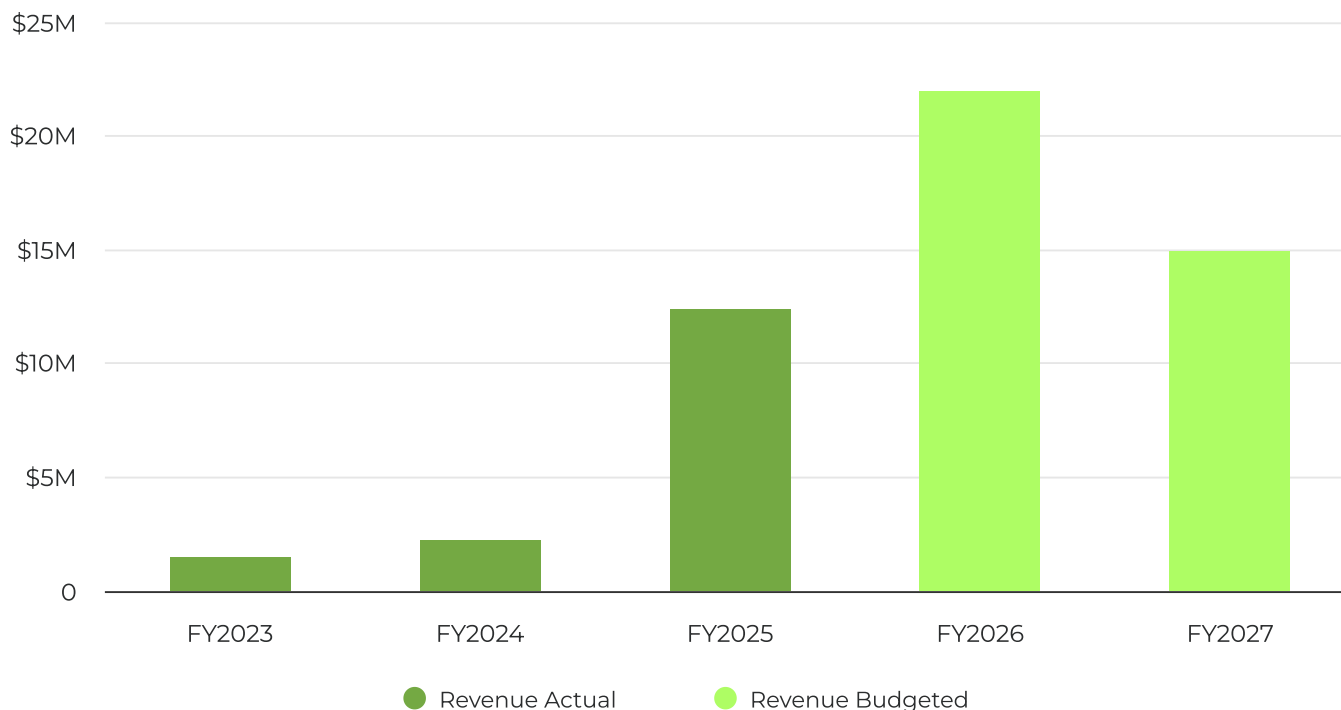


Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$363,976	\$1,249,318	\$1,579,894	\$2,712,070	\$2,657,590	\$2,663,260	0.21%
Supplies	\$71,019	\$34,918	\$96,187	\$186,870	\$307,160	\$307,160	-
Maintenance	\$12,503	\$44,647	\$49,028	\$38,900	\$55,000	\$55,000	-
Special Services	\$80,972	\$68,757	\$124,141	\$1,602,510	\$210,490	\$250,490	19.00%
Contingencies	-	-	-	\$81,000	-	-	-
Non-Departmental	\$13,503	\$24,892	\$21,398	\$15,740	\$24,020	\$24,050	0.12%
Capital Items	\$4,060,000	\$1,567,203	\$6,009,399	\$17,331,240	\$13,858,410	\$11,680,500	-15.72%
Total Expenditures	\$4,601,974	\$2,989,736	\$7,880,048	\$21,968,330	\$17,112,670	\$14,980,460	-12.46%

Revenue Summary

Historical Revenues Across Fund Summary 1

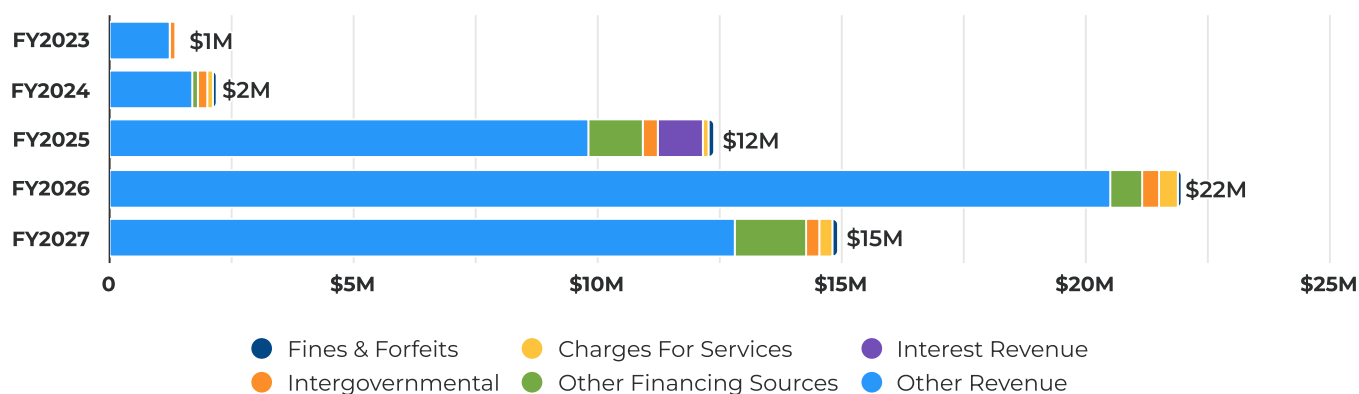


For FY2026, the Special Revenue Funds have a budgeted revenue of \$22 million. This represents the planned revenue for the year, with no actual figures available yet for comparison.

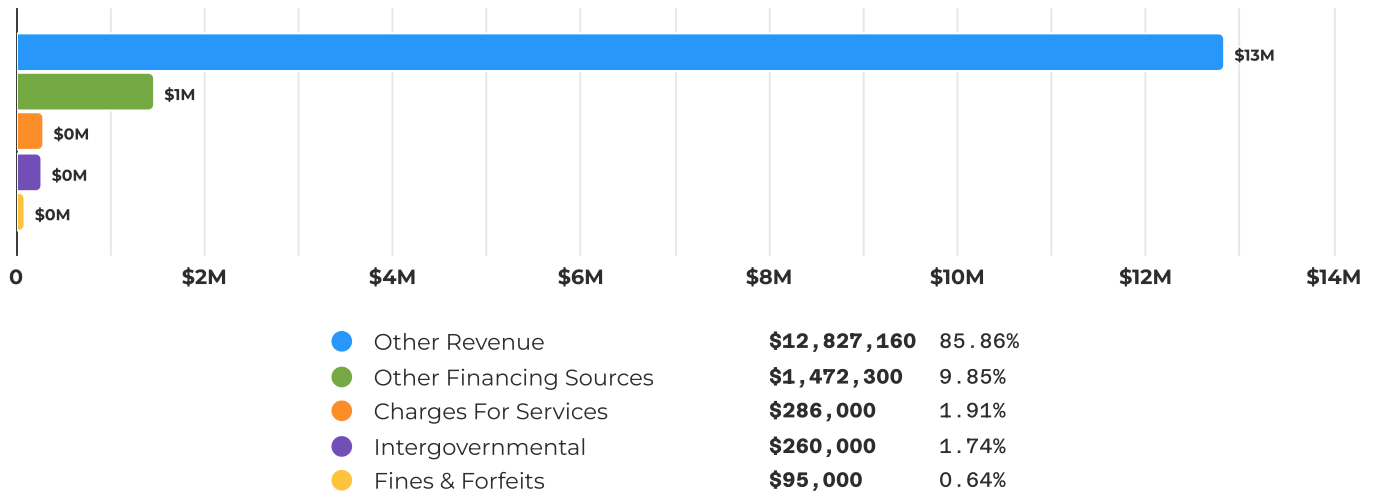
In FY2027, the budgeted revenue for Special Revenue Funds decreases to \$14.9 million, which is a 32% reduction from the FY2026 budgeted amount. This marks a significant decline in grants revenue expectations compared to the previous budget year.

Budgeted and Historical 2027 Revenues

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



FY27 Revenues by Objects



Revenues by Objects

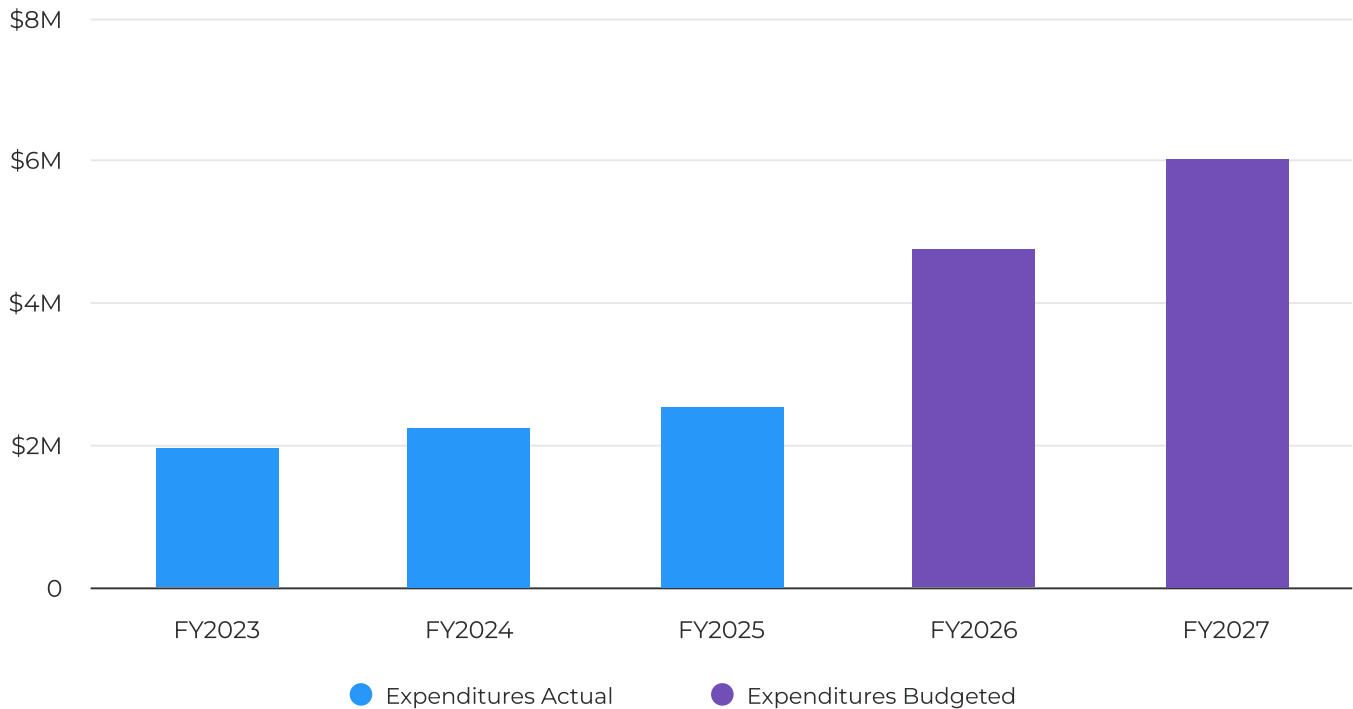
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Intergovernmental	\$108,334	\$306,815	\$310,609	\$330,000	\$260,000	\$260,000	-
Other Revenue	\$1,256,771	\$3,138,241	\$6,959,743	\$20,502,010	\$13,829,470	\$12,827,160	-7.25%
Charges For Services	\$36,494	\$93,813	\$163,880	\$369,710	\$286,000	\$286,000	-
Fines & Forfeits	\$56,163	\$93,266	\$102,079	\$85,000	\$95,000	\$95,000	-
Interest Revenue	-	\$24,282	\$918,596	-	-	-	-
Other Financing Sources	-	\$103,361	\$1,092,607	\$685,490	\$2,642,200	\$1,472,300	-44.28%
Total Revenues	\$1,457,761	\$3,759,777	\$9,547,514	\$21,972,210	\$17,112,670	\$14,940,460	-12.69%

Employee Benefit Trust

The Employee Benefit Trust Fund is an Internal Service Fund. It's main purpose is to account for the self-insured medical benefits the City offers to its employees under the direction of a trust board. Revenue for this fund is derived from premiums charged to both the City and employees. The claims paid are processed by a third party administrator.

Expenditure Summary

Historical Expenditures Across Fund Summary 1

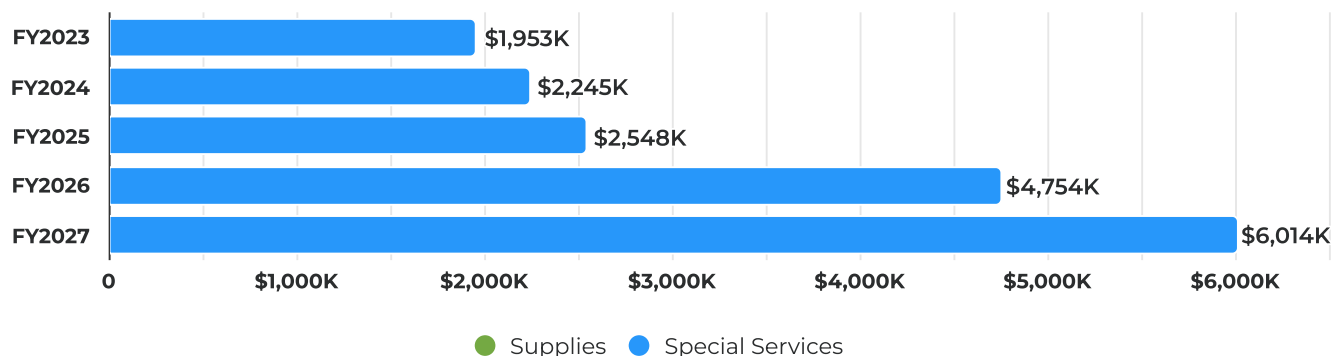


For FY2026, the Employee Benefit Trust has budgeted expenditures of \$4.8 million. This represents the planned spending for that year, with no actual expenditure data available yet for comparison.

In FY2027, the budgeted expenditures increase to \$6 million, marking a 26.51% rise from the FY2026 budget. This significant increase highlights a notable upward trend in the planned spending for the Employee Benefit Trust between these two budget years.

Budgeted and Historical 2027 Expenditures

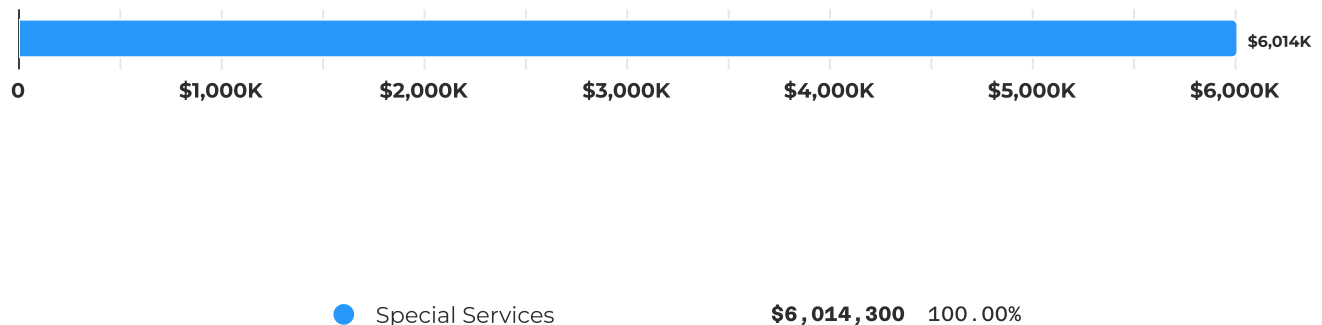
FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



In FY2027, the Employee Benefit Trust budget totals \$6 million, representing a 26.51% increase from the FY2026 budget of \$4.8 million. The entire budget continues to be allocated to Special Services, which increased by \$1.3 million or 26.51% from the previous year, reaching \$6 million and maintaining 100% of the total budget.

Supplies remain at \$0 in FY2027, consistent with FY2026, reflecting a 100% decrease of \$945 from prior periods. The significant growth in Special Services continues to be the primary driver of the overall budget increase in FY2027.

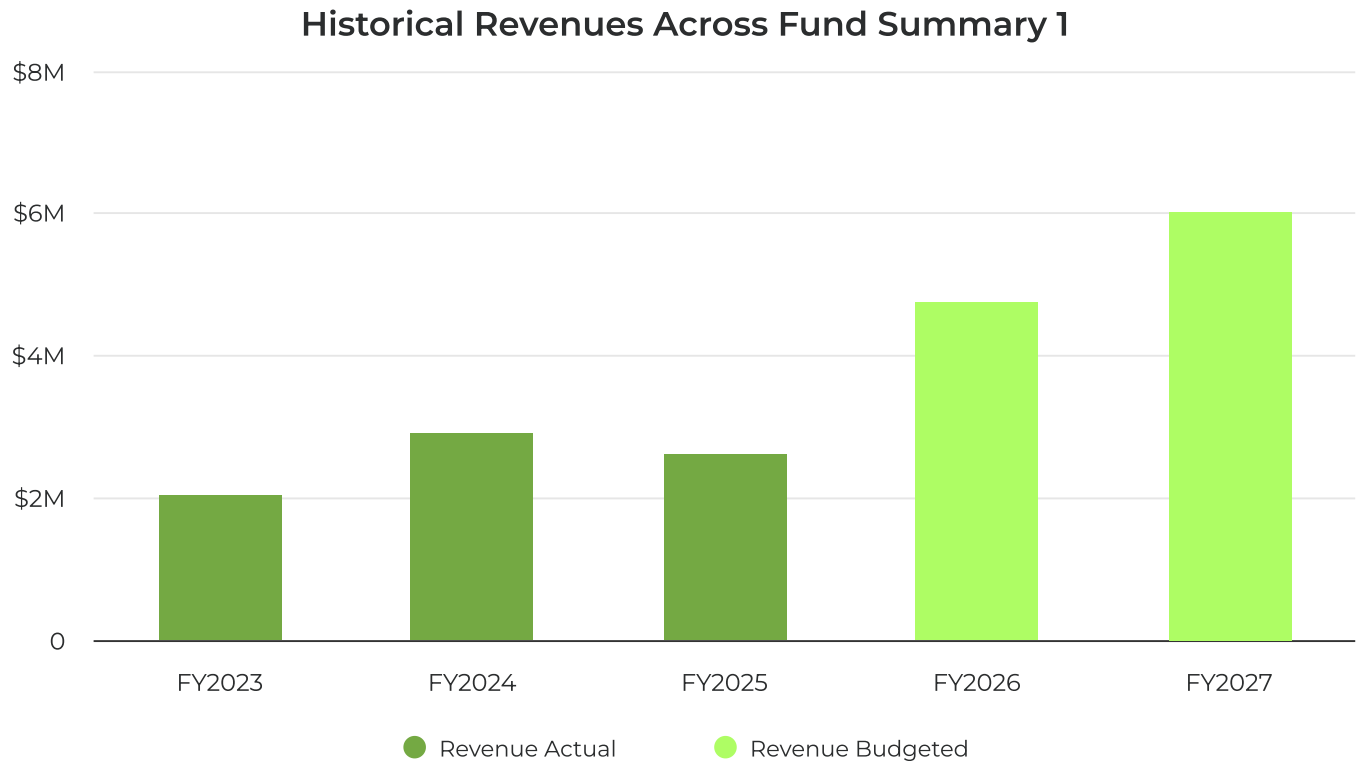
FY27 Expenditures by Object



Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Supplies	-	\$2,584	\$945	-	-	-	-
Special Services	\$1,953,394	\$2,640,306	\$3,603,289	\$4,754,040	\$5,114,300	\$6,014,300	17.60%
Total Expenditures	\$1,953,394	\$2,642,890	\$3,604,234	\$4,754,040	\$5,114,300	\$6,014,300	17.60%

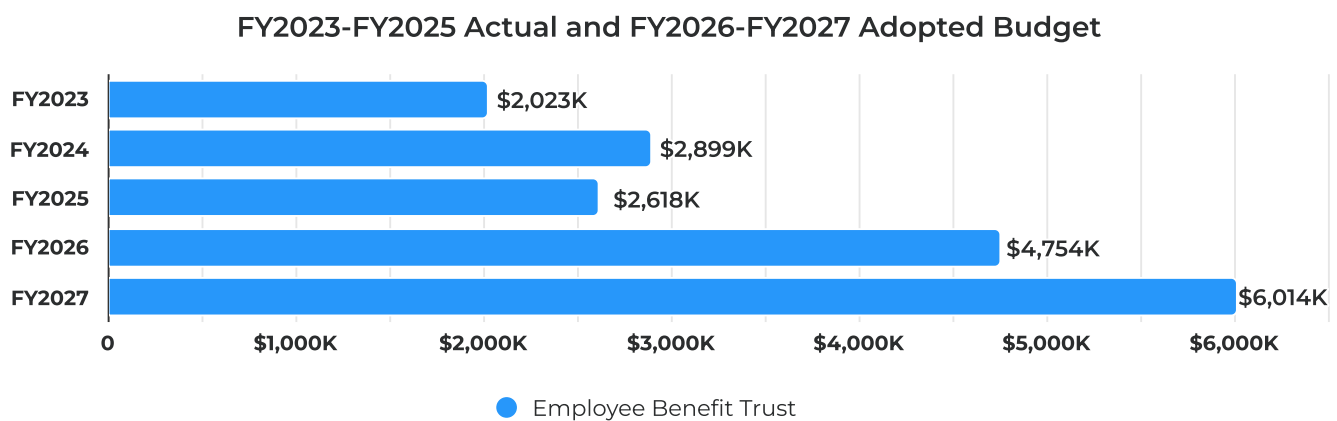
Revenue Summary



For FY2026, the Employee Benefit Trust's revenue budget is set at \$4.8 million. This amount serves as the baseline for the subsequent year's comparison.

In FY2027, the revenue budget increases to \$6 million, representing a 26.51% rise from the FY2026 budget. This significant increase highlights a notable upward trend in the revenue projections for the Employee Benefit Trust between these two budget years.

Budgeted and Historical 2027 Revenues

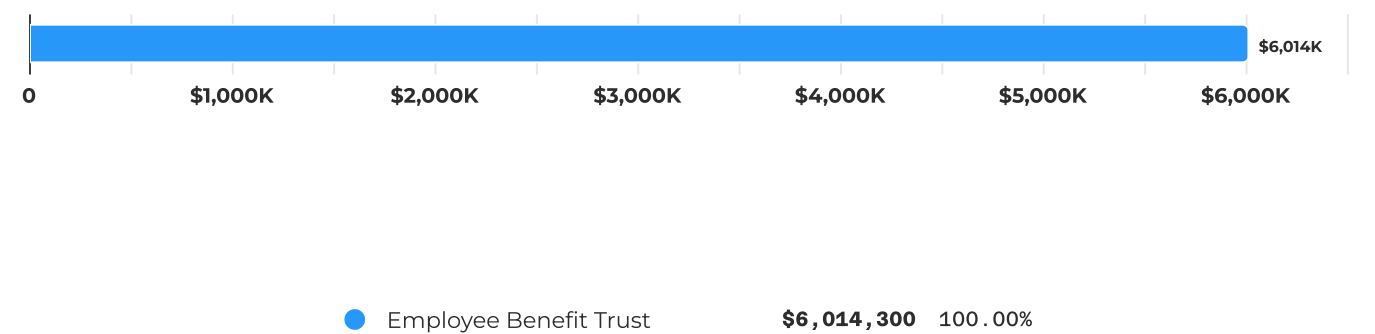


In FY2027, the Employee Benefit Trust budget is \$6 million, representing 100% of the total budget for that year. This amount reflects a 26.51% increase, or \$1.3 million, compared to the FY2026 budget of

\$4.8 million.

Comparing FY2027 to FY2026, the total budget increased from \$4.8 million to \$6 million, a rise of 26.51%. The Employee Benefit Trust remains the largest and sole category, maintaining its full share of the total budget. The increase of \$1.3 million in FY2027 follows a significant prior increase of \$2.1 million, or 81.59%, from the previous period to FY2026.

FY27 Revenues by Fund Summary 1

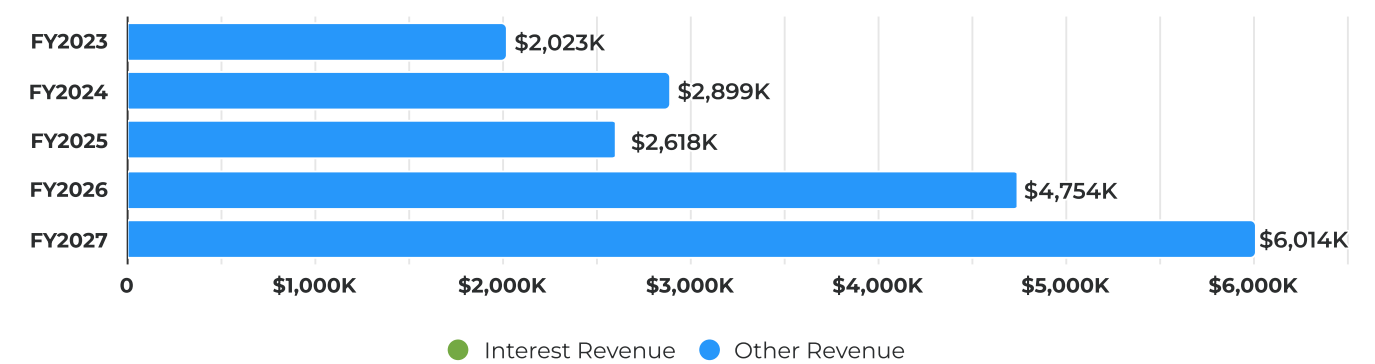


Revenues by Fund Summary 1

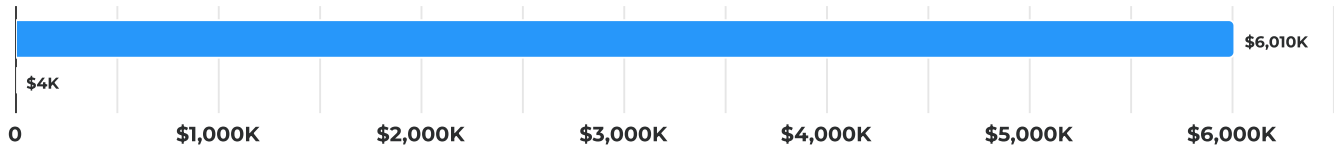
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Employee Benefit Trust	\$2,023,165	\$3,181,038	\$3,508,866	\$4,754,040	\$5,114,300	\$6,014,300	17.60%
Other Revenue	\$2,021,042	\$3,170,355	\$3,493,980	\$4,749,740	\$5,110,000	\$6,010,000	17.61%
Interest Revenue	\$2,123	\$10,683	\$14,885	\$4,300	\$4,300	\$4,300	-
Total Revenues	\$2,023,165	\$3,181,038	\$3,508,866	\$4,754,040	\$5,114,300	\$6,014,300	17.60%

Revenues by Objects

Historical Revenues by Objects



FY27 Revenues by Objects



● Other Revenue	\$6,010,000	99.93%
● Interest Revenue	\$4,300	0.07%

Revenues by Objects

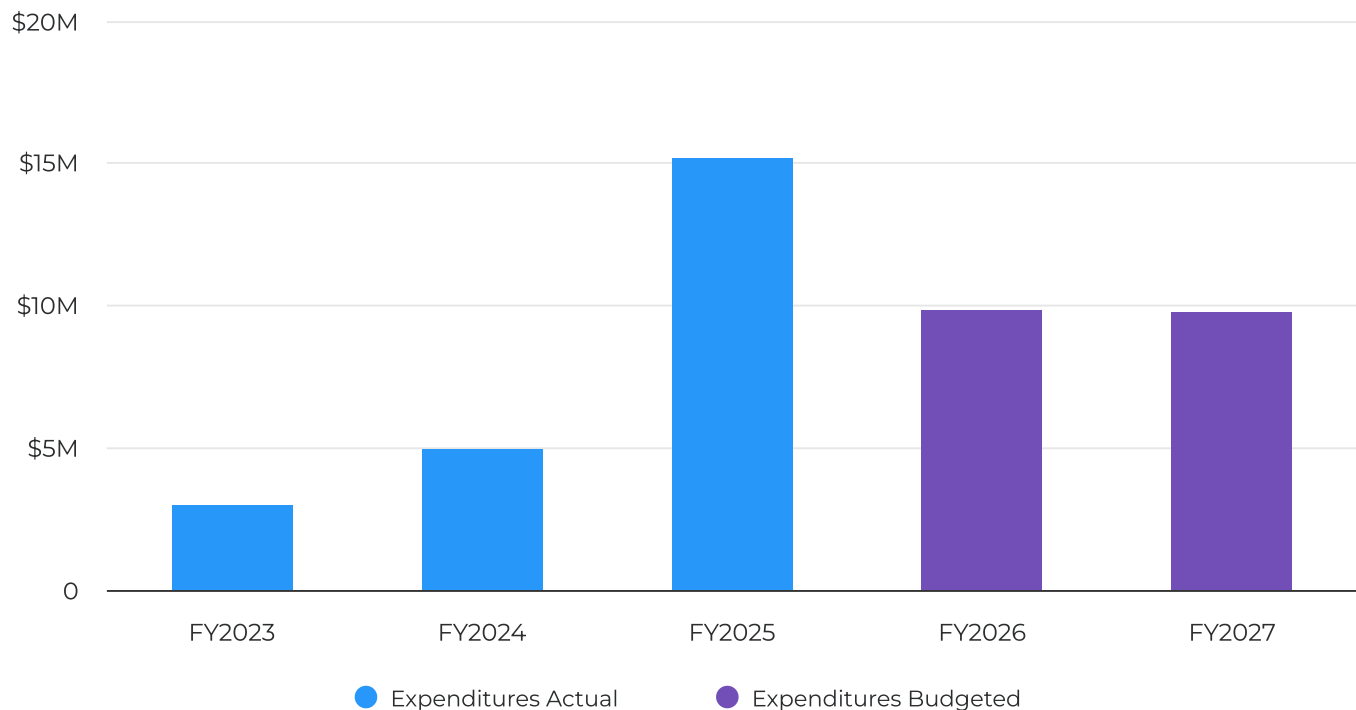
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Other Revenue	\$2,021,042	\$3,170,355	\$3,493,980	\$4,749,740	\$5,110,000	\$6,010,000	17.61%
Interest Revenue	\$2,123	\$10,683	\$14,885	\$4,300	\$4,300	\$4,300	-
Total Revenues	\$2,023,165	\$3,181,038	\$3,508,866	\$4,754,040	\$5,114,300	\$6,014,300	17.60%

Water

The Water Fund is a Proprietary Fund, and its main purpose is to account for the City's water treatment and distribution system business activities. Its main sources of revenue are charges for services based on a "cost of service" methodology. Water infrastructure is essential to sustaining operations and maintaining a high level of service for residents. It is primarily funded through user fees, development fees, and, in some cases, grants and revenue bonds. Capital projects for the Water Fund are recorded within the fund itself, including those financed by special water grants.

Expenditure Summary

Historical Expenditures Across Fund Summary 1

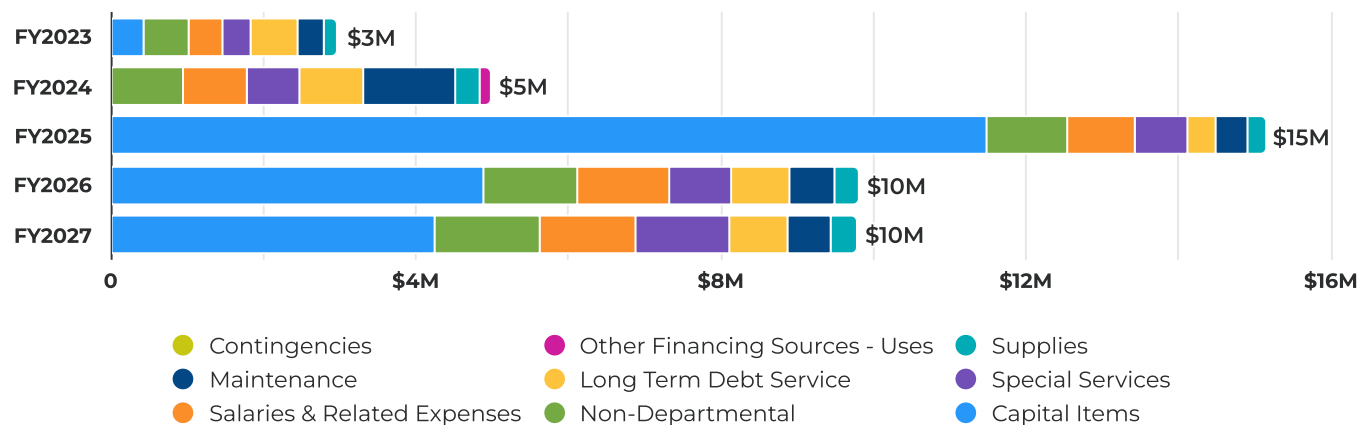


In FY2026, the Water department's expenditures were budgeted at \$9.8 million. This amount serves as the baseline for comparison with the following year.

For FY2027, the budgeted expenditures remained at \$9.8 million, representing a slight decrease of 0.29% from FY2026. This indicates a nearly stable budget with a minimal reduction in total expenditures compared to the previous year.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



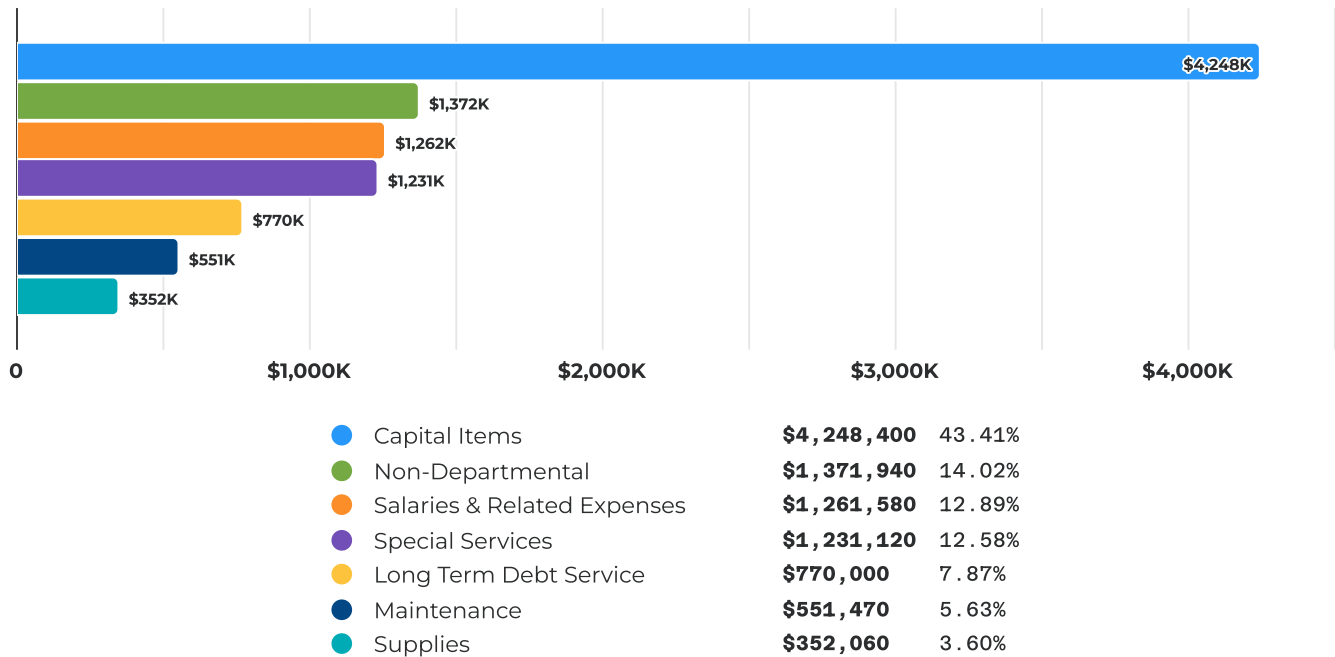
The FY2027 Water budget totals \$9.8 million, representing a slight decrease of 0.29% from FY2026. Capital Items remain the largest category at \$4.2 million, accounting for 43.41% of the total budget, but this is a decrease of \$647,600 or 13.23% compared to the previous year.

Non-Departmental expenses increase to \$1.4 million, making up 14.02% of the budget, which is an \$141,680 or 11.52% rise from FY2026. Salaries & Related Expenses also grow to \$1.3 million, 12.89% of the total, up by \$76,970 or 6.5%.

Special Services see a significant increase to \$1.2 million, representing 12.58% of the budget and rising by \$401,980 or 48.48%. Supplies increase modestly to \$352,060, 3.6% of the total, up \$23,660 or 7.2%. Long Term Debt Service remains relatively stable at \$770,000, 7.87% of the budget, with a minimal increase of \$700 or 0.09%.

Maintenance expenses decrease slightly to \$551,470, 5.63% of the total, down by \$26,310 or 4.55%. Contingencies and Other Financing Sources - Uses remain at zero percent of the budget.

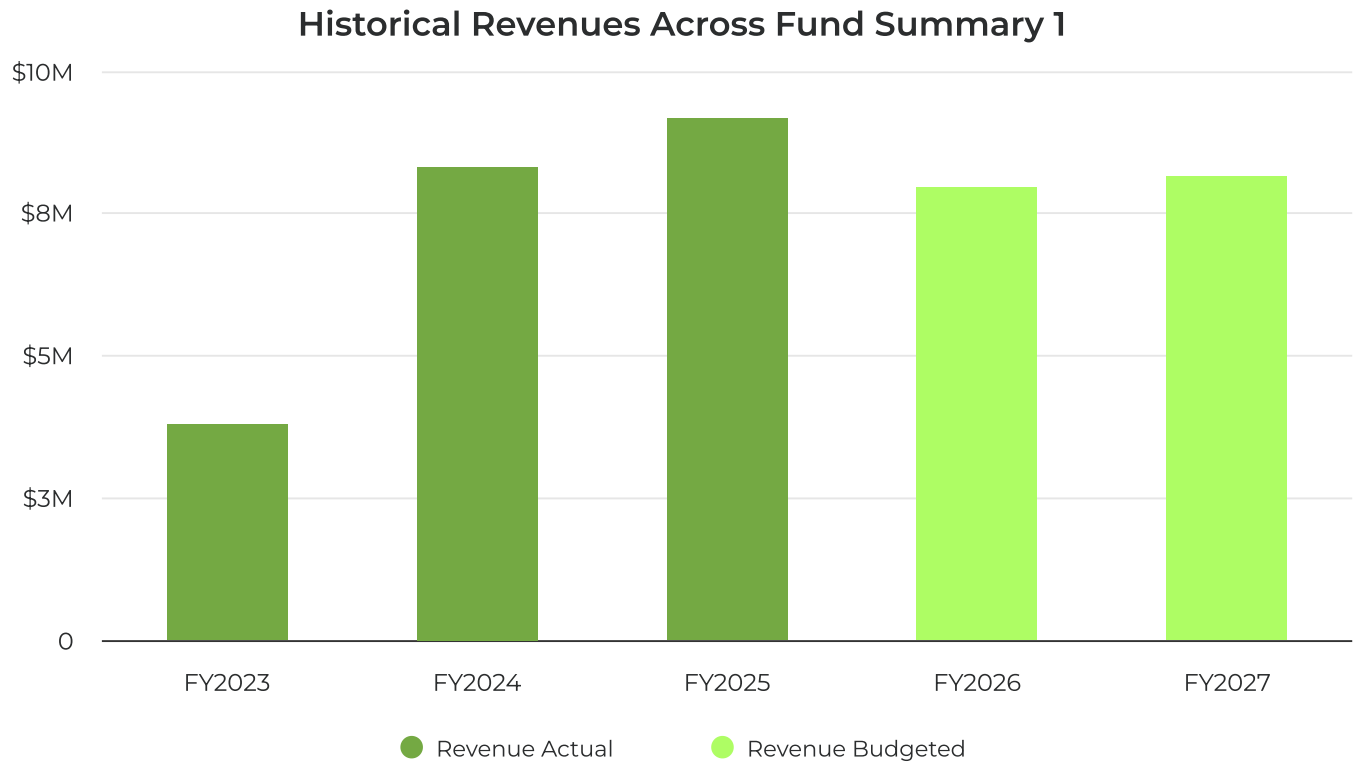
FY27 Expenditures by Object



Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$459,210	\$829,566	\$898,093	\$1,184,610	\$1,183,820	\$1,261,580	6.57%
Supplies	\$180,971	\$325,624	\$267,275	\$328,400	\$352,060	\$352,060	-
Maintenance	\$334,687	\$1,217,291	\$1,190,530	\$577,780	\$542,870	\$551,470	1.58%
Special Services	\$369,457	\$767,526	\$704,137	\$829,140	\$1,231,120	\$1,231,120	-
Contingencies	-	\$3,532	\$4,821	-	-	-	-
Other Financing Sources - Uses	-	\$129,584	-	-	-	-	-
Long Term Debt Service	\$610,884	\$415,329	\$251,321	\$769,300	\$770,000	\$770,000	-
Non-Departmental	\$597,781	\$951,652	\$1,039,116	\$1,230,260	\$1,318,550	\$1,371,940	4.05%
Capital Items	\$419,023	-	-	\$4,896,000	\$4,968,400	\$4,248,400	-14.49%
Total Expenditures	\$2,972,013	\$4,640,103	\$4,355,293	\$9,815,490	\$10,366,820	\$9,786,570	-5.60%

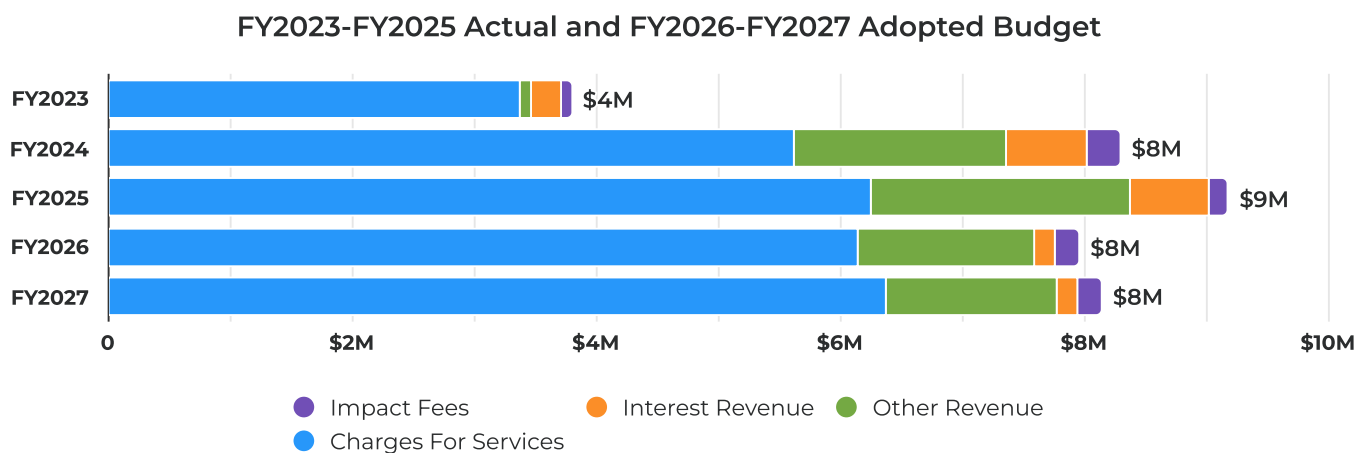
Revenue Summary



In FY2026, the Water Revenue Budget is set at \$8 million. This represents the baseline for the upcoming budget years.

For FY2027, the Water Revenue Budget increases to \$8.1 million, reflecting a 2.28% rise from the FY2026 budget. This indicates a modest growth in revenue expectations compared to the previous year.

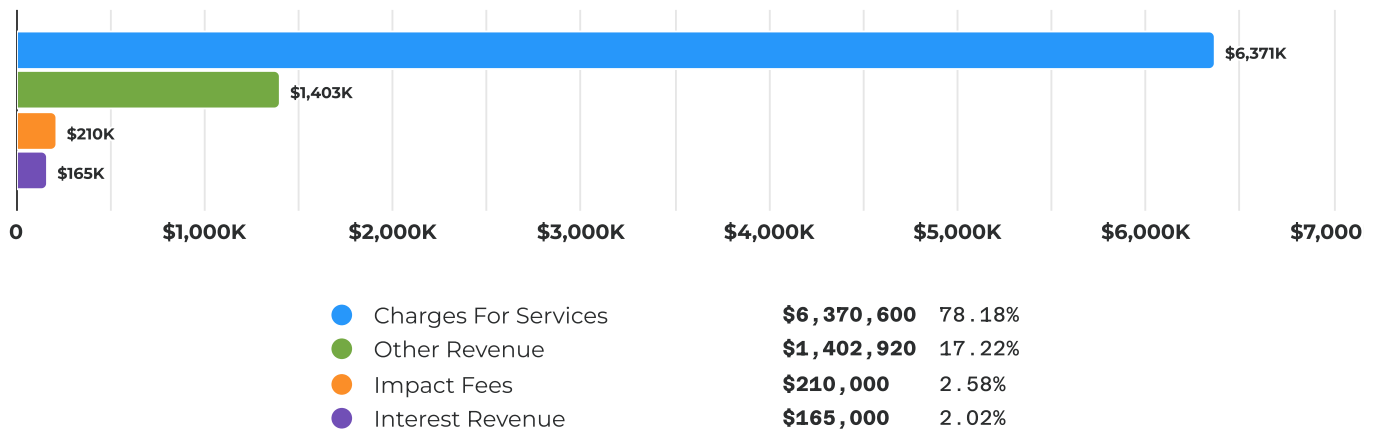
Budgeted and Historical 2027 Revenues



The FY2027 Water budget totals \$8.1 million, reflecting a 2.28% increase from the FY2026 total of \$8 million. Charges For Services remain the largest category, increasing by \$225,440 or 3.67% to \$6.4 million, now representing 78.18% of the total budget, up from 77.13% in FY2026.

Other Revenue decreased slightly by \$43,950 or 3.04%, totaling \$1.4 million and accounting for 17.22% of the FY2027 budget, down from 18.16% in the previous year. Impact Fees and Interest Revenue both remain unchanged at \$210,000 and \$165,000 respectively, with Impact Fees comprising 2.58% and Interest Revenue 2.02% of the total budget in FY2027.

FY27 Revenues by Objects



Revenues by Objects

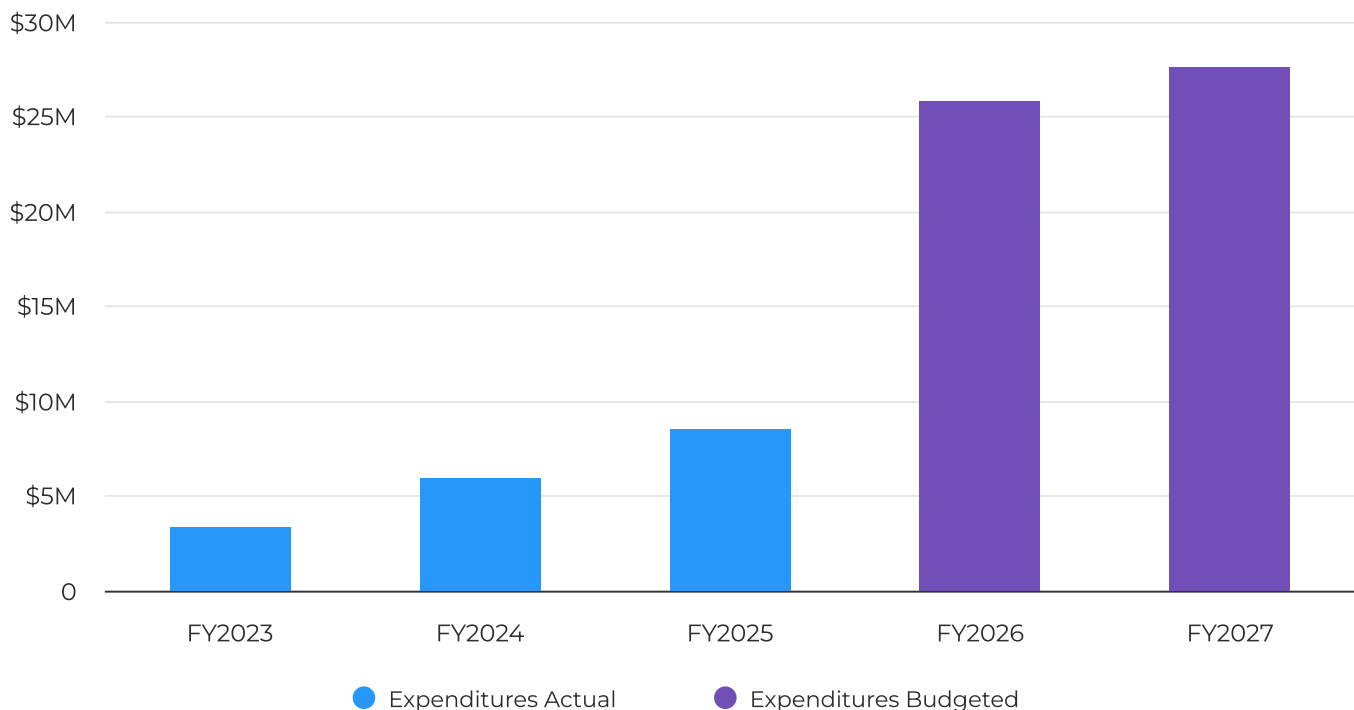
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Impact Fees	\$93,221	\$277,670	\$166,562	\$210,000	\$210,000	\$210,000	-
Other Revenue	\$94,469	\$1,748,290	\$3,748,909	\$1,446,870	\$1,402,920	\$1,402,920	-
Charges For Services	\$3,372,247	\$5,617,614	\$6,248,573	\$6,145,160	\$6,370,600	\$6,370,600	-
Interest Revenue	\$250,875	\$658,821	\$642,564	\$165,000	\$165,000	\$165,000	-
Total Revenues	\$3,810,813	\$8,302,395	\$10,806,609	\$7,967,030	\$8,148,520	\$8,148,520	-

Wastewater

The Wastewater Fund accounts for the city's wastewater collection, transportation, treatment and disposal of wastewater. Wastewater fees are the major source of revenue supporting wastewater operations. Development fees are also a restricted source of revenue for the Wastewater Fund to build qualifying infrastructure for new development to ensure continuance of the same level of service to the community.

Expenditure Summary

Historical Expenditures Across Fund Summary 1

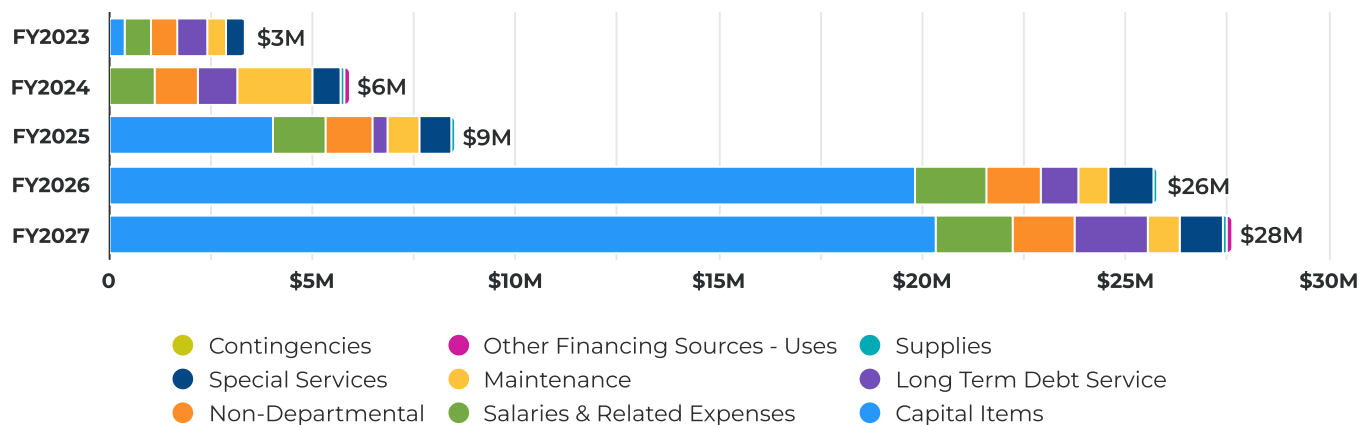


In FY2026, the wastewater budgeted expenditures totaled \$25.8 million. This amount sets the baseline for the subsequent year's budget comparison.

For FY2027, the budgeted expenditures increased to \$27.6 million, representing a 7.03% rise from FY2026. It is related to the delay in construction of the expansion of the West Wastewater Plan, which was expected to be in construction for most part of the fiscal year 2026. The expansion began at the end of previous fiscal year, and is expected to continue in fiscal year 2027 and 2028.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



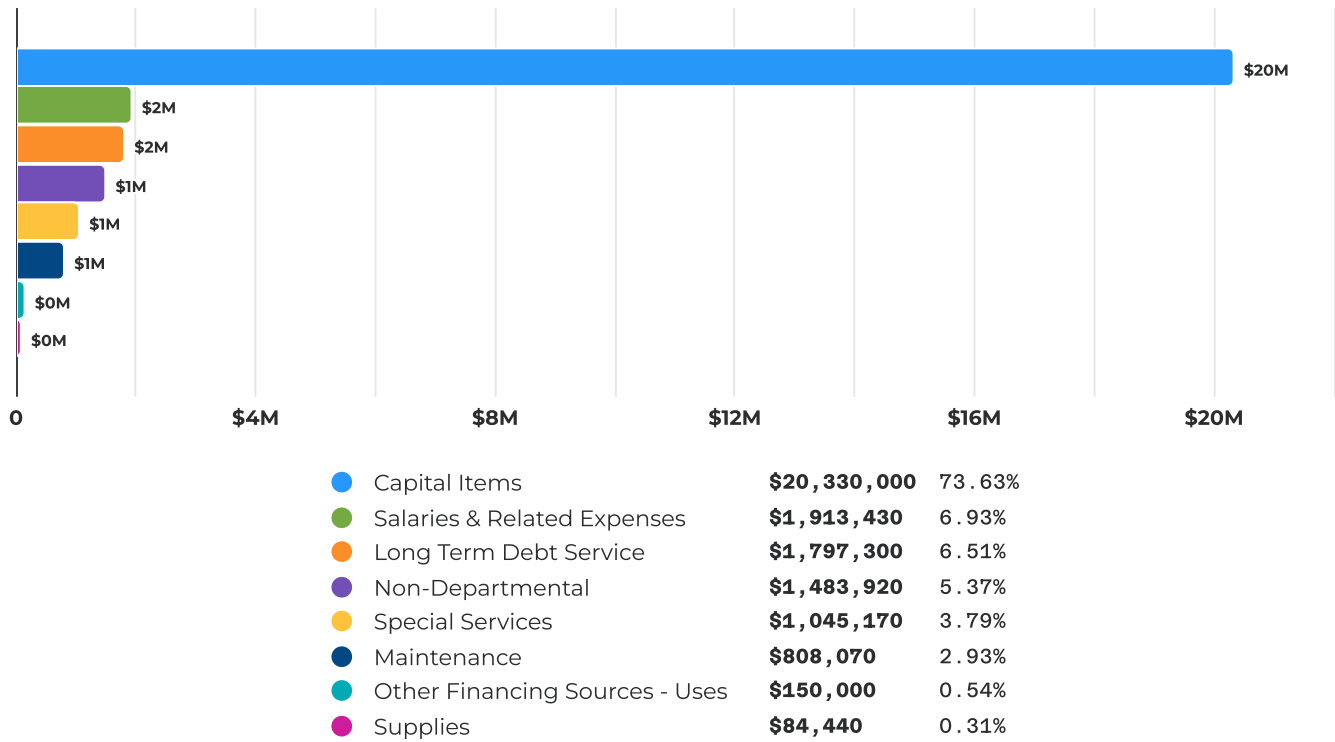
The FY2027 Wastewater budget totals \$27.6 million, reflecting a 7.03% increase from the FY2026 budget of \$25.8 million. Capital Items remain the largest category at \$20.3 million, comprising 73.63% of the total budget. This category increased by \$512,000, or 2.58%, compared to FY2026.

Salaries & Related Expenses rose to \$1.9 million, representing 6.93% of the total and an 8.91% increase of \$156,590 from the previous year. Long Term Debt Service saw a significant increase to \$1.8 million, or 6.51% of the budget, up by \$865,100 or 92.8% from FY2026.

Non-Departmental expenses increased by \$153,790, or 11.56%, reaching \$1.5 million and accounting for 5.37% of the total. Maintenance expenses also grew by \$82,790, an 11.41% increase to \$808,070, making up 2.93% of the budget. Other Financing Sources - Uses appeared in the budget at \$150,000, representing 0.54% of the total.

Special Services decreased by \$92,460, or 8.13%, to \$1 million, which is 3.79% of the total budget. Supplies declined by \$14,260, or 14.45%, to \$84,440, accounting for 0.31% of the budget. Contingencies remained at zero.

FY27 Expenditures by Object

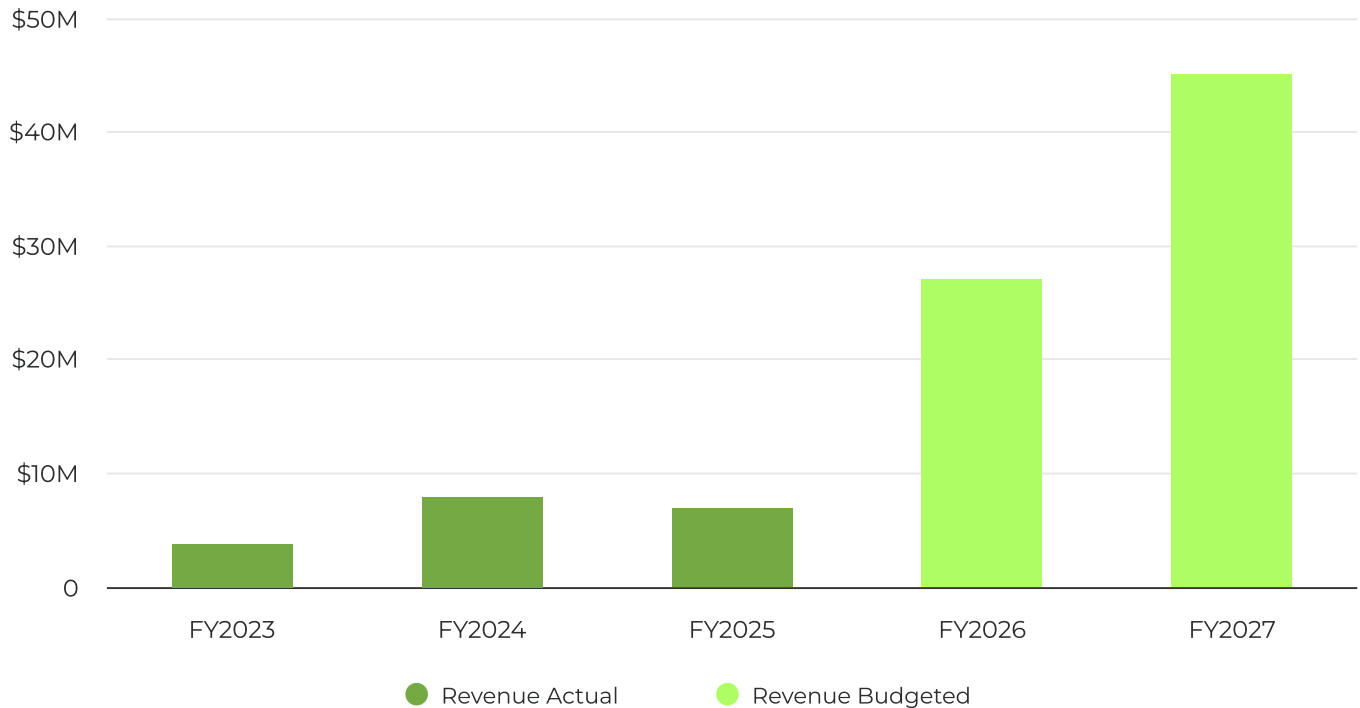


Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$668,891	\$1,149,757	\$1,314,553	\$1,756,840	\$1,757,950	\$1,913,430	8.84%
Supplies	\$43,645	\$89,281	\$99,313	\$98,700	\$84,440	\$84,440	-
Maintenance	\$470,792	\$1,836,219	\$1,907,819	\$725,280	\$795,070	\$808,070	1.64%
Special Services	\$454,460	\$1,039,676	\$850,353	\$1,137,630	\$1,359,420	\$1,045,170	-23.12%
Contingencies	-	\$2,679	\$2,904	-	-	-	-
Other Financing Sources - Uses	-	\$137,834	-	-	-	\$150,000	-
Long Term Debt Service	\$742,730	\$477,509	\$300,050	\$932,200	\$1,797,300	\$1,797,300	-
Non-Departmental	\$643,824	\$1,024,233	\$1,123,192	\$1,330,130	\$1,430,070	\$1,483,920	3.77%
Capital Items	\$372,260	-	-	\$19,818,000	\$15,080,000	\$20,330,000	34.81%
Total Expenditures	\$3,396,602	\$5,757,188	\$5,598,184	\$25,798,780	\$22,304,250	\$27,612,330	23.80%

Revenue Summary

Historical Revenues Across Fund Summary 1

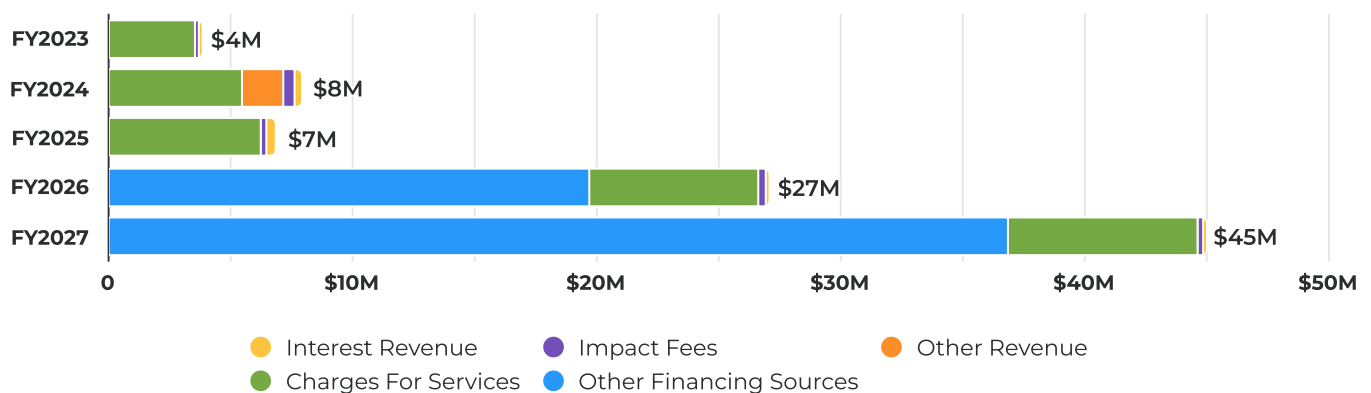


In FY2026, the Wastewater revenue budget is set at \$27.1 million. This represents the baseline for comparison with the following year.

For FY2027, the revenue budget increases significantly to \$45 million, marking a 66.19% increase from FY2026. This substantial growth represents the loans to finance the capital improvement project to double the capacity of the west wastewater treatment plan.

Budgeted and Historical 2027 Revenues

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget

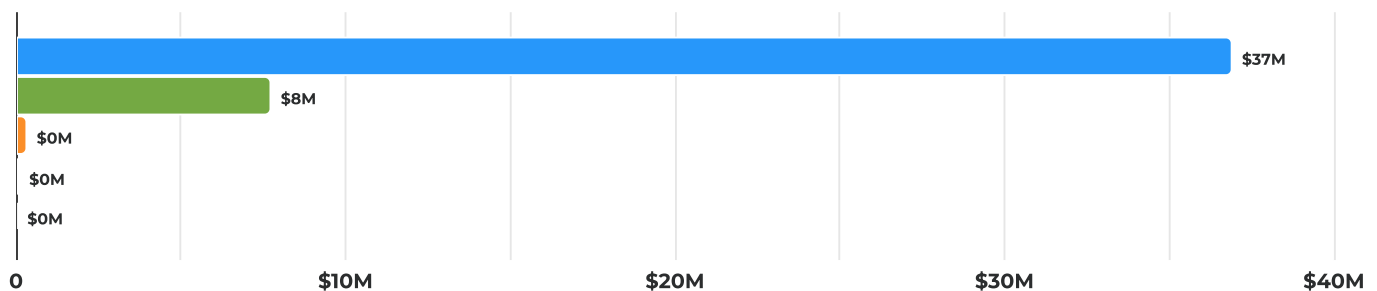


The FY2027 Wastewater budget totals \$45 million, marking a significant increase of 66.19% compared to the FY2026 total of \$27.1 million. The largest category, Other Financing Sources, rises substantially to \$36.9 million, which is 81.95% of the total budget and represents an increase of \$17.2 million or 87.26% from FY2026. Charges For Services also increase to \$7.7 million, accounting for 17.17% of the total and growing by \$738,450 or 10.57% from the previous year.

Impact Fees remain steady at \$300,000, making up 0.67% of the total budget with no change from FY2026. Interest Revenue holds at \$95,000, representing 0.21% of the total, also unchanged from the prior year. Other Revenue stays constant at \$1,000, contributing a negligible portion of the budget with no change.

Overall, the FY2027 budget shows notable growth driven primarily by the sharp increase in Other Financing Sources and a moderate rise in Charges For Services, while other categories remain stable in value and proportion.

FY27 Revenues by Objects



Other Financing Sources	\$36,890,000	81.95%
Charges For Services	\$7,727,680	17.17%
Impact Fees	\$300,000	0.67%
Interest Revenue	\$95,000	0.21%
Other Revenue	\$1,000	0.00%

Revenues by Objects

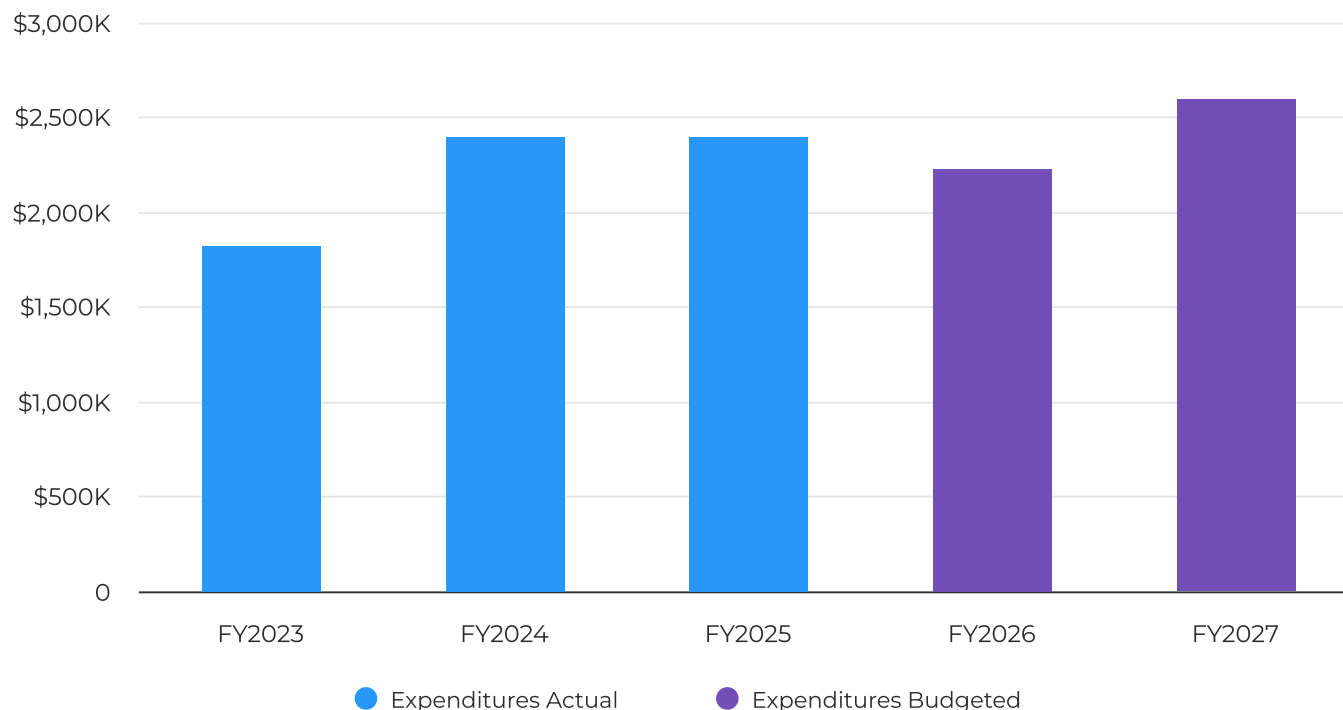
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Impact Fees	\$143,183	\$447,177	\$265,991	\$300,000	\$300,000	\$300,000	-
Other Revenue	-	\$1,673,813	\$2,054,010	\$1,000	\$1,000	\$1,000	-
Charges For Services	\$3,575,409	\$5,496,644	\$6,253,617	\$6,989,230	\$7,727,680	\$7,727,680	-
Interest Revenue	\$144,935	\$379,513	\$370,730	\$95,000	\$95,000	\$95,000	-
Other Financing Sources	-	-	-	\$19,700,000	\$14,400,000	\$36,890,000	156.18%
Total Revenues	\$3,863,527	\$7,997,146	\$8,944,349	\$27,085,230	\$22,523,680	\$45,013,680	99.85%

Solid Waste

The Solid Waste Fund is a Proprietary Fund and accounts for the collection and disposal of residential and city solid waste. User fees are the major revenue source of solid waste operations. The revenue proceeds are utilized to support the solid waste operations and to maintain and acquire the capital infrastructure necessary to provide the service to its customers.

Expenditure Summary

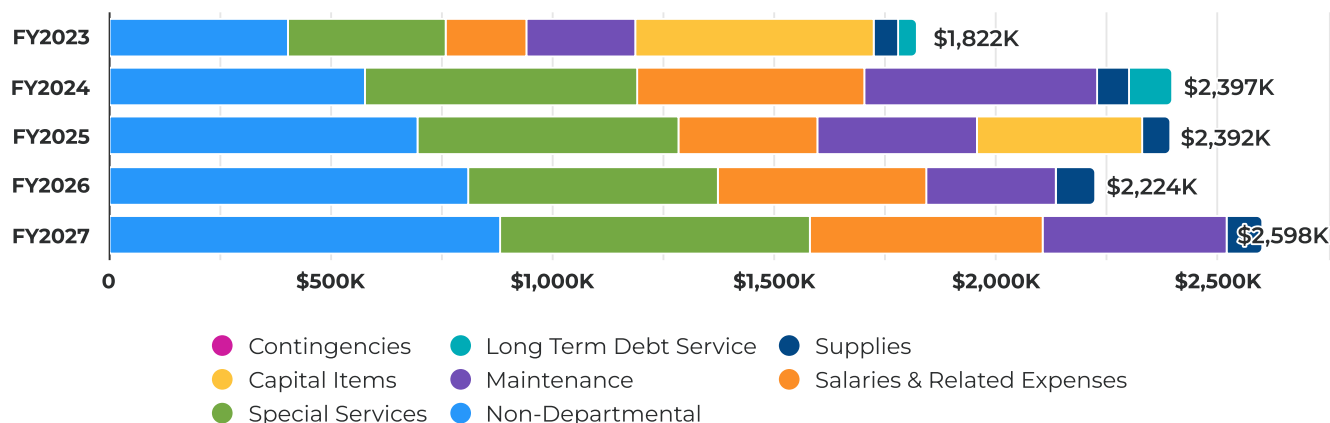
Historical Expenditures Across Fund Summary



For the Solid Waste fund, the budgeted expenditures for FY2026 are \$2.2 million. Moving to FY2027, the budgeted expenditures increase to \$2.6 million, representing a 16.86% rise from the previous year. This year the fund budget increments are in the maintenance category related to the gas and oil price increment and the aged garbage truck's maintenance, and the lease of two trucks is reflected in the Special Services Category.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget

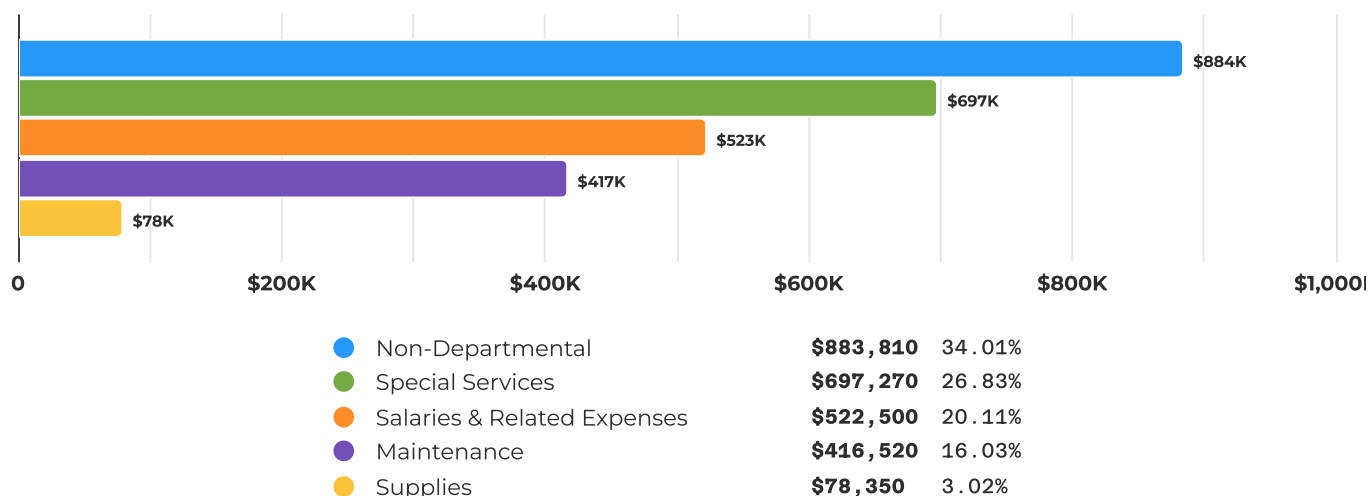


The FY2027 Solid Waste budget totals \$2.6 million, reflecting a 16.86% increase from the FY2026 budget of \$2.2 million. Non-Departmental remains the largest category at \$883,810, accounting for 34.01% of the total budget, and it increased by \$71,960 or 8.86% compared to FY2026.

Special Services experienced the largest increase, rising by \$134,540 or 23.91% to \$697,270, now representing 26.83% of the total budget. Maintenance also saw a significant increase of \$122,040 or 41.44%, reaching \$416,520 and making up 16.03% of the budget.

Salaries & Related Expenses increased by \$55,500 or 11.88% to \$522,500, comprising 20.11% of the total budget. In contrast, Supplies decreased by \$9,150 or 10.46% to \$78,350, representing 3.02% of the budget. Contingencies, Long Term Debt Service, and Capital Items remain at \$0.

FY27 Expenditures by Object

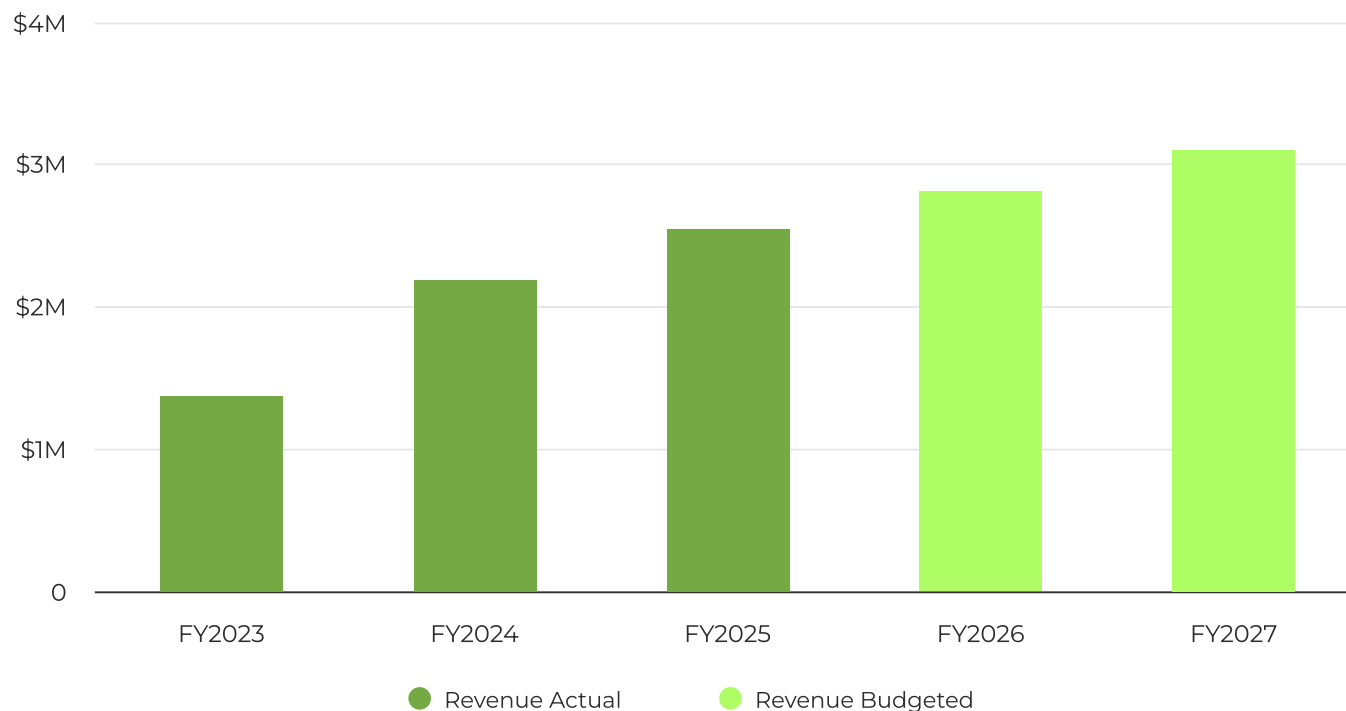


Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$182,331	\$512,999	\$312,171	\$467,000	\$490,440	\$522,500	6.54%
Supplies	\$54,207	\$74,951	\$56,140	\$87,500	\$78,350	\$78,350	-
Maintenance	\$244,483	\$520,859	\$650,591	\$294,480	\$383,520	\$416,520	8.60%
Special Services	\$358,127	\$615,549	\$542,703	\$562,730	\$687,220	\$697,270	1.46%
Contingencies	-	\$1,454	\$2,055	-	-	-	-
Long Term Debt Service	\$41,477	\$712	-	-	-	-	-
Non-Departmental	\$402,613	\$575,965	\$688,605	\$811,850	\$845,820	\$883,810	4.49%
Capital Items	\$538,563	-	-	-	-	-	-
Total Expenditures	\$1,821,801	\$2,302,490	\$2,252,265	\$2,223,560	\$2,485,350	\$2,598,450	4.55%

Revenue Summary

Historical Revenues Across Fund Summary 1

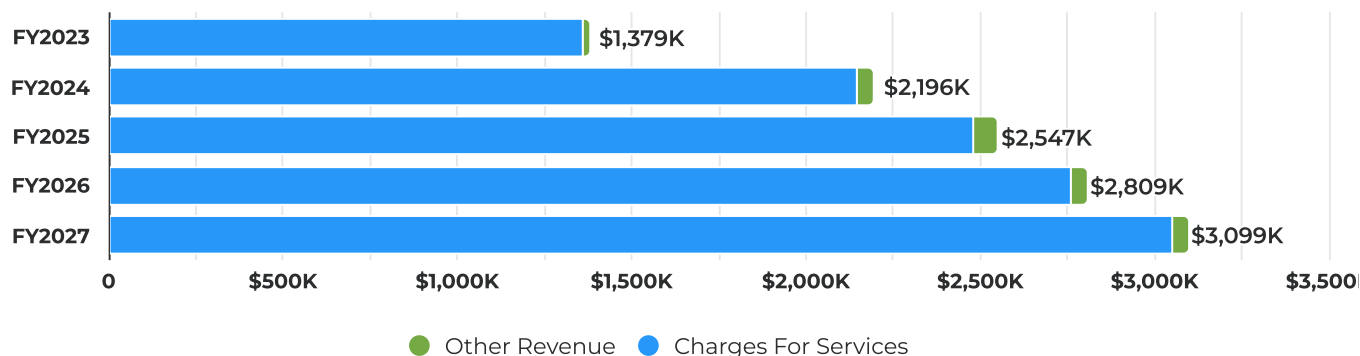


For FY2026, the Solid Waste revenue is budgeted at \$2.8 million. This amount serves as the baseline for the subsequent year.

In FY2027, the Solid Waste revenue budget increases to \$3.1 million, representing a 10.31% increase from FY2026. This marks a significant upward trend in the revenue budget for the Solid Waste category between these two years.

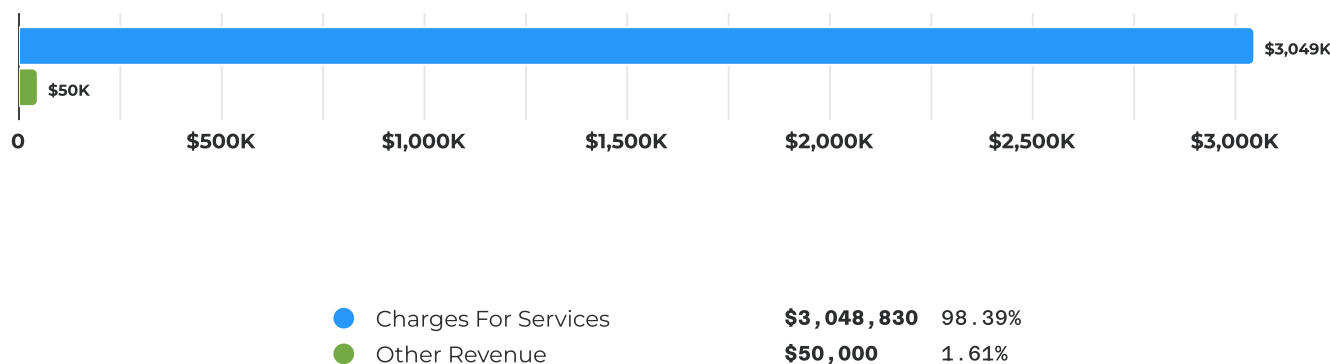
Budgeted and Historical 2027 Revenues

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



The FY2027 adopted budget for Solid Waste totals \$3.1 million, representing a 10.31% increase from the FY2026 budget of \$2.8 million. The largest category, Charges For Services, accounts for \$3 million or 98.39% of the total budget, increasing by \$286,970 or 10.39% compared to FY2026. Other Revenue comprises \$50,000 or 1.61% of the total, showing a modest increase of \$2,750 or 5.82% from the previous year. Overall, both major revenue categories experienced growth, with Charges For Services continuing to dominate the budget composition.

FY27 Revenues by Objects



Revenues by Objects

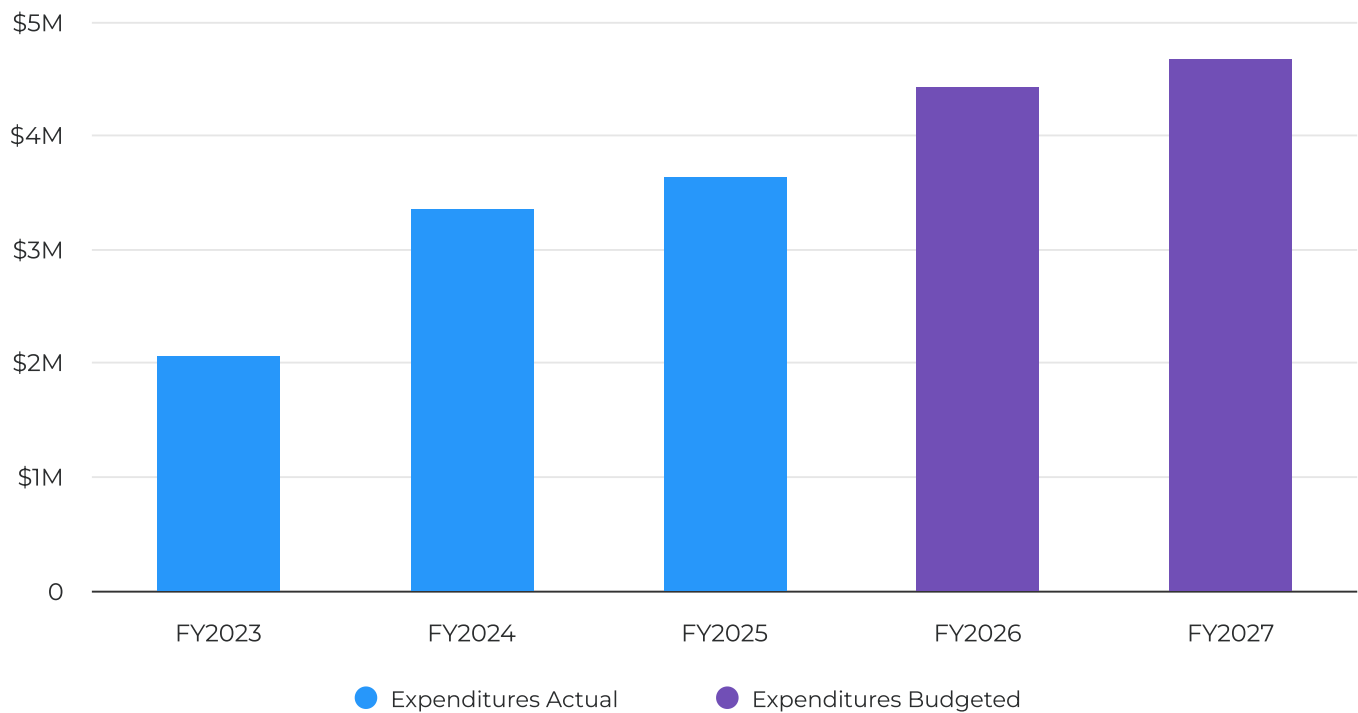
Category	FY 2026 Adopted Budget	FY 2027 Budgeted	FY 2026 Adopted Budget vs. FY 2027 Budgeted (% Change)
Other Revenue	\$47,250	\$50,000	5.82%
Charges For Services	\$2,761,860	\$3,048,830	10.39%
Total Revenues	\$2,809,110	\$3,098,830	10.31%

Ambulance Service

The Ambulance Service Fund is a Proprietary Fund and accounts for the revenues and expenditures associated with the provision of emergency medical transportation services for the residents and visitors of the City of San Luis. The ambulance division's operations are administered by the City of San Luis Fire Department, and is responsible for the operations of emergency response ambulances within the city's limits.

Expenditure Summary

Historical Expenditures Across Fund Summary 1

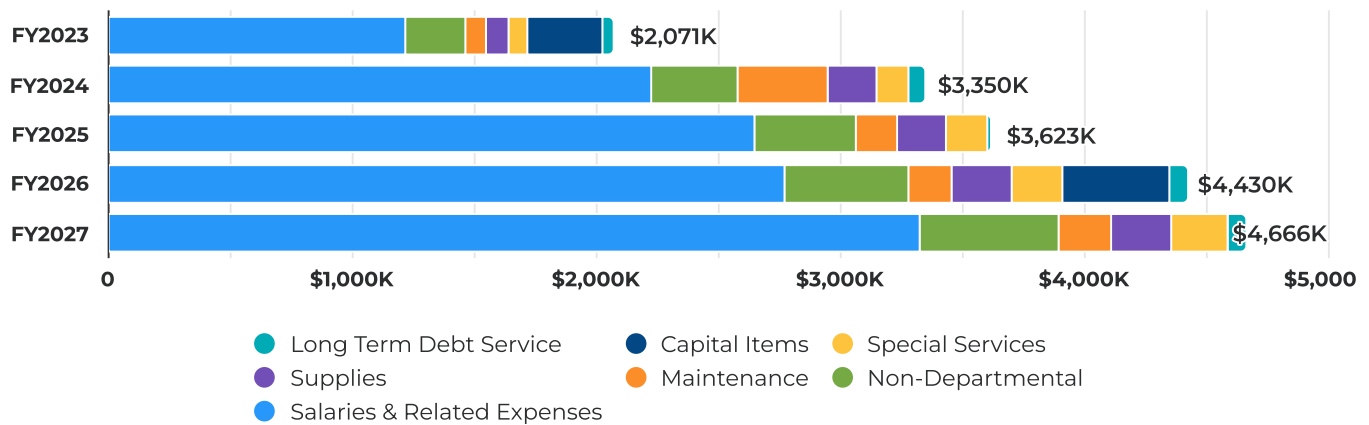


For FY2026, the Ambulance Service has budgeted expenditures of \$4.4 million. This represents the planned spending for the year without actual expenditure data available yet.

In FY2027, the budgeted expenditures for the Ambulance Service increased to \$4.7 million, marking a 5.31% rise from the FY2026 budget. This increase highlights a growth in planned spending compared to the previous budget year, mainly in salaries and related expenses to retain employees and be competitive in the market.

Budgeted and Historical 2027 Expenditures

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget

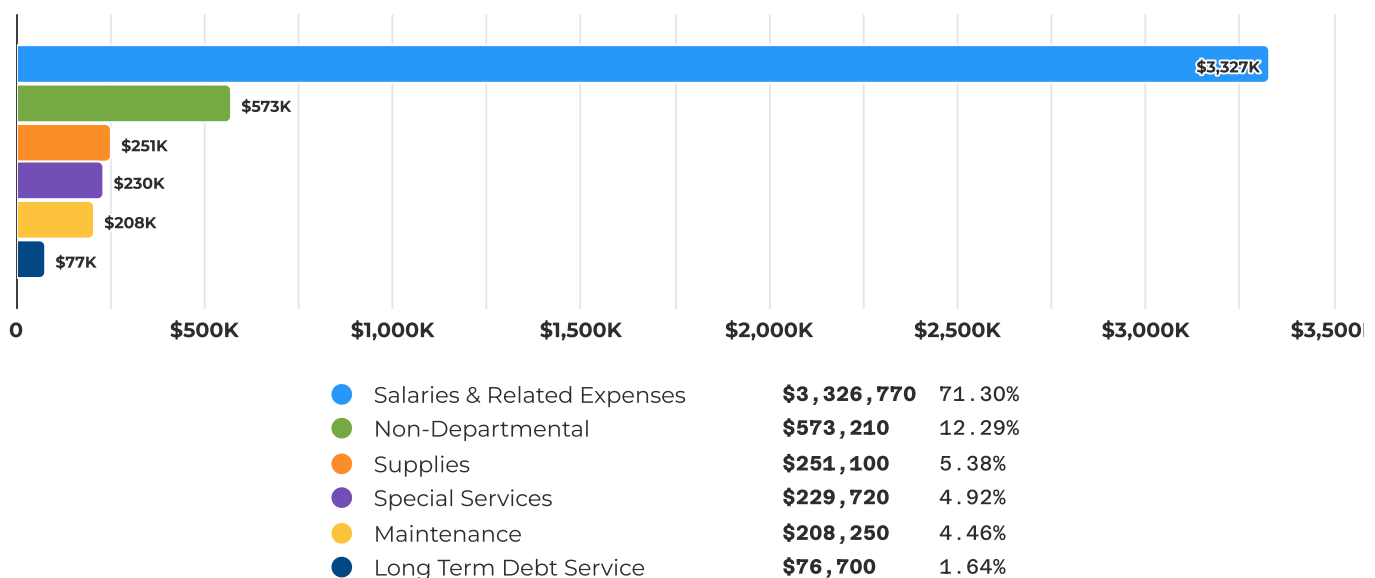


The FY2027 Ambulance Service budget totals \$4.7 million, reflecting a 5.31% increase from the FY2026 budget of \$4.4 million. The largest category, Salaries & Related Expenses, rises significantly to \$3.3 million, representing 71.3% of the total budget and increasing by \$556,040 or 20.07% compared to the previous year.

Non-Departmental expenses also grow to \$573,210, accounting for 12.29% of the total and increasing by \$59,540 or 11.59%. Supplies see a modest increase to \$251,100, which is 5.38% of the budget and up by \$8,500 or 3.5%. Special Services rise to \$229,720, making up 4.92% of the total and increasing by \$21,020 or 10.07%. Maintenance expenses increase to \$208,250, representing 4.46% of the budget and growing by \$31,520 or 17.84%.

In contrast, Capital Items are eliminated in FY2027, dropping from \$440,060 in FY2026 to \$0, a 100% decrease. Long Term Debt Service slightly decreases to \$76,700, which is 1.64% of the total budget, down by \$1,300 or 1.67% from the prior year.

FY27 Expenditures by Object



Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$1,219,455	\$2,352,405	\$2,620,030	\$2,770,730	\$3,182,180	\$3,326,770	4.54%
Supplies	\$95,323	\$205,121	\$179,388	\$242,600	\$249,263	\$251,100	0.74%
Maintenance	\$85,676	\$369,639	\$344,587	\$176,730	\$175,750	\$208,250	18.49%
Special Services	\$79,894	\$125,094	\$171,685	\$208,700	\$225,720	\$229,720	1.77%
Long Term Debt Service	\$47,300	\$20,864	\$20,386	\$78,000	\$76,700	\$76,700	-
Non-Departmental	\$242,461	\$353,039	\$415,783	\$513,670	\$574,780	\$573,210	-0.27%
Capital Items	\$300,695	-	-	\$440,060	-	-	-
Total Expenditures	\$2,070,803	\$3,426,162	\$3,751,860	\$4,430,490	\$4,484,393	\$4,665,750	4.04%

Revenue Summary

Historical Revenues Across Fund Summary 1

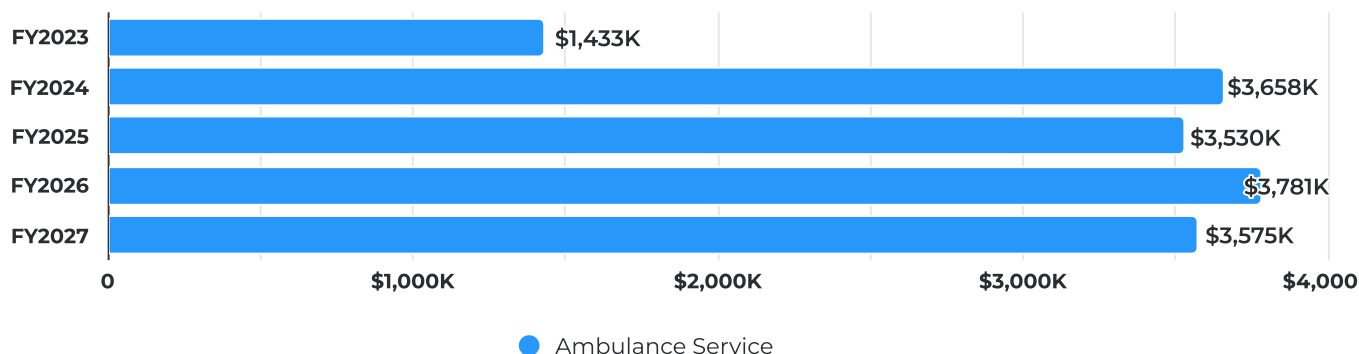


For FY2026, the Ambulance Service has a budgeted revenue of \$3.8 million. This represents the planned revenue for the year, with no actual figures available yet for comparison.

In FY2027, the budgeted revenue for the Ambulance Service decreases to \$3.6 million, reflecting a 5.45% decline from the FY2026 budgeted amount. This marks a reduction in expected revenue compared to the previous budget year.

Budgeted and Historical 2027 Revenues

FY2023-FY2025 Actual and FY2026-FY2027 Adopted Budget



In FY2027, the Ambulance Service budget is \$3.6 million, representing 100% of the total budget for this category. This amount reflects a decrease of \$206,000, or 5.45%, compared to the FY2026 budget of \$3.8 million.

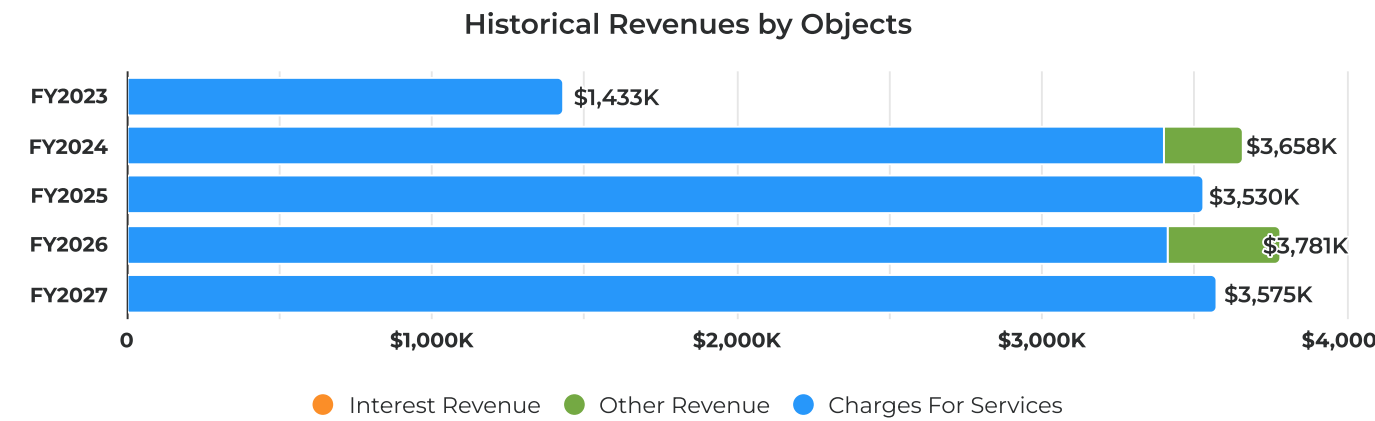
The Ambulance Service remains the largest and sole category within the total budget, maintaining its full share of 100%. The reduction in FY2027 follows a previous increase of \$250,812, or 7.1%, from the prior period to FY2026.

Overall, the total budget for the Ambulance Service in FY2027 shows a decline of 5.45% from FY2026, highlighting a notable decrease after the earlier increase in the previous year.

Revenues by Fund Summary 1

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Ambulance Service	\$1,432,856	\$3,657,906	\$3,805,962	\$3,781,000	\$3,575,000	\$3,575,000	-
Other Revenue	\$1,972	\$256,749	\$900	\$371,000	-	-	-
Charges For Services	\$1,430,884	\$3,400,907	\$3,802,816	\$3,410,000	\$3,575,000	\$3,575,000	-
Interest Revenue	-	\$250	\$2,246	-	-	-	-
Total Revenues	\$1,432,856	\$3,657,906	\$3,805,962	\$3,781,000	\$3,575,000	\$3,575,000	-

Revenues by Objects



Revenues by Objects

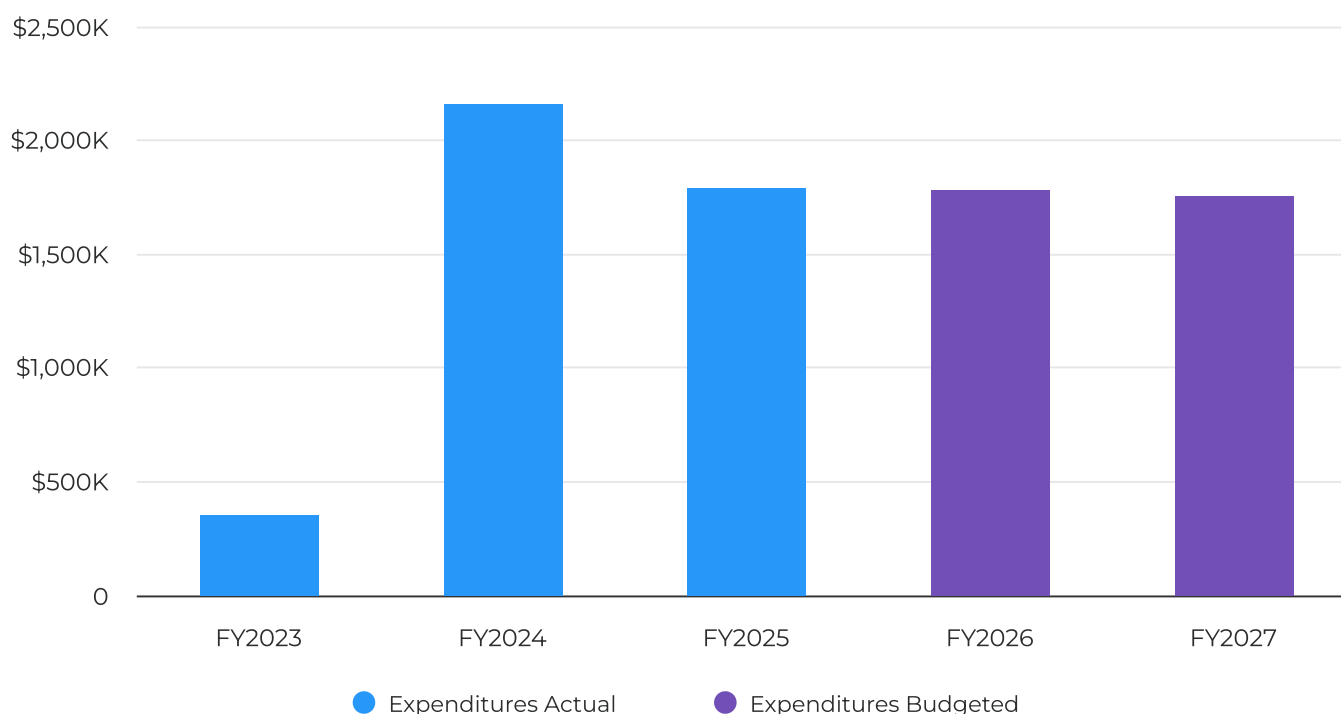
Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Other Revenue	\$1,972	\$256,749	\$900	\$371,000	-	-	-
Charges For Services	\$1,430,884	\$3,400,907	\$3,802,816	\$3,410,000	\$3,575,000	\$3,575,000	-
Interest Revenue	-	\$250	\$2,246	-	-	-	-
Total Revenues	\$1,432,856	\$3,657,906	\$3,805,962	\$3,781,000	\$3,575,000	\$3,575,000	-

Debt Service Fund

The Debt Service fund accounts for the short and long-term payments of principal and interest on the borrowed funds, to the extent permitted by applicable law, revenues from excise taxes and state shared revenues will be retained and maintained so that the amounts received from revenues from excise taxes and state shared revenues will be equal to at least two times the total interest and principal requirements. The debt service required to fulfill obligations and fund capital projects for the Proprietary Funds is effectively accounted for within the Enterprise funds. This comprehensive approach enables us to responsibly manage our financial commitments and ensure the continued stability and growth of our city's infrastructure and services.

Expenditure Summary

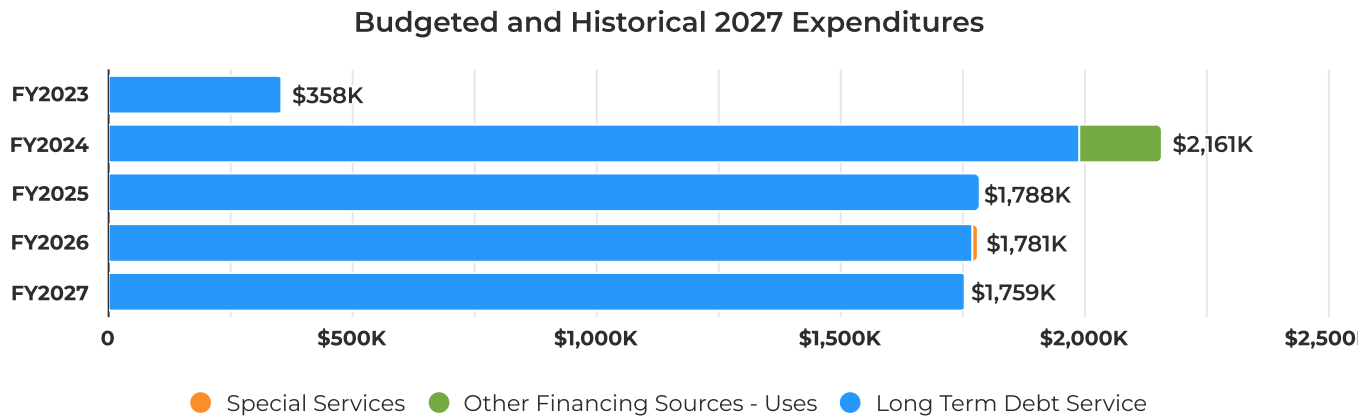
Historical Expenditures Across Fund Summary 1



For the Debt Service Fund, the expenditures budgeted for FY2026 are \$1.8 million. This represents the planned spending for that year.

In FY2027, the expenditures budgeted remain at \$1.8 million, showing a slight decrease of 1.24% compared to the prior period. This indicates a minor reduction in the budgeted expenditures from FY2026 to FY2027.

Budgeted and Historical 2027 Expenditures



In FY2027, the total expenditures for the Debt Service Fund are budgeted at \$1.8 million, representing a 1.24% decrease from FY2026. The largest category, Long Term Debt Service, accounts for 99.77% of the total at \$1.8 million, which is a decrease of \$18,000 or 1.02% compared to the previous year.

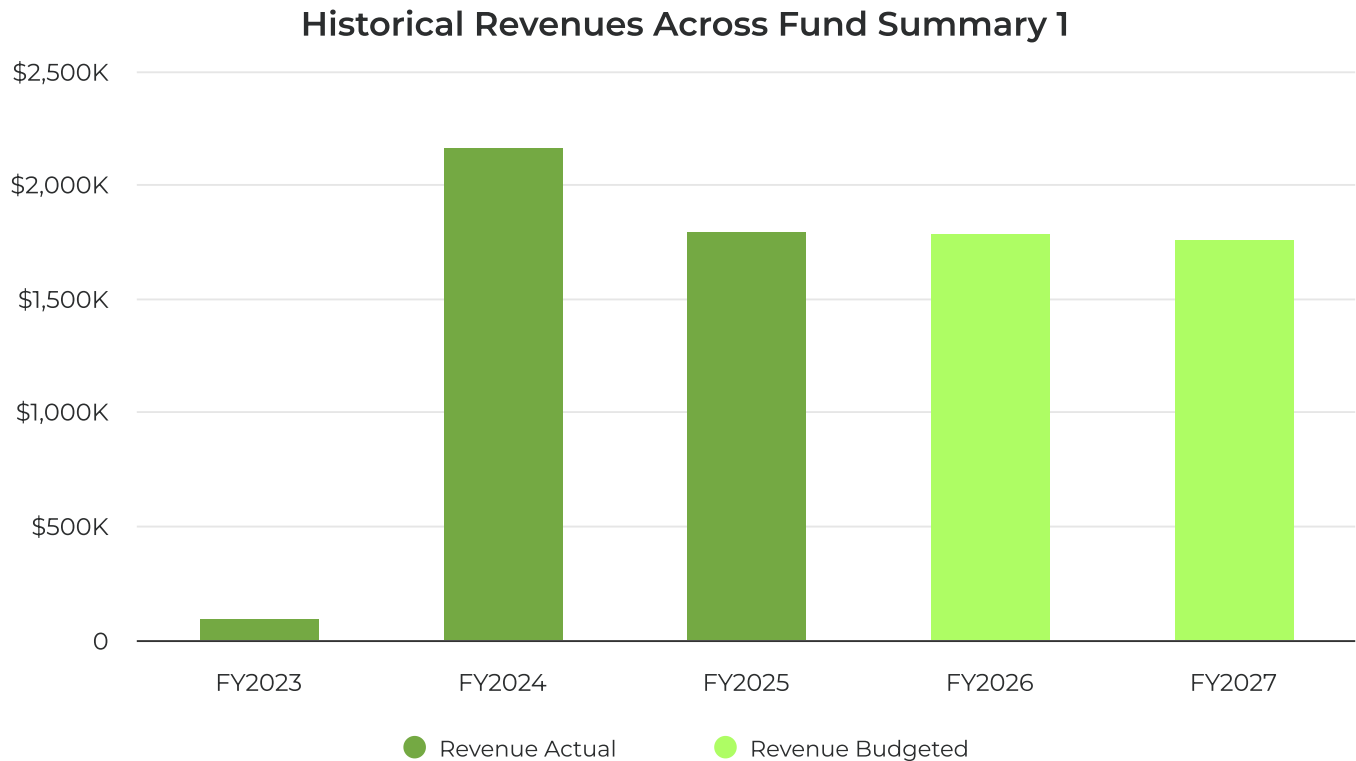
Special Services expenditures are budgeted at \$4,000, making up 0.23% of the total. This category decreased by \$4,000 or 50% from FY2026. Other Financing Sources - Uses remain at \$0, consistent with the prior year.

Overall, the budget shows a slight reduction in total expenditures, primarily driven by decreases in both Long Term Debt Service and Special Services categories.

Expenditures by Object

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Special Services	\$3,508	\$3,024	\$2,551	\$8,000	\$4,000	\$4,000	-
Other Financing Sources - Uses	-	\$167,292	-	-	-	-	-
Long Term Debt Service	\$354,564	\$1,990,584	\$1,785,617	\$1,773,000	\$1,755,000	\$1,755,000	-
Total Expenditures	\$358,073	\$2,160,900	\$1,788,168	\$1,781,000	\$1,759,000	\$1,759,000	-

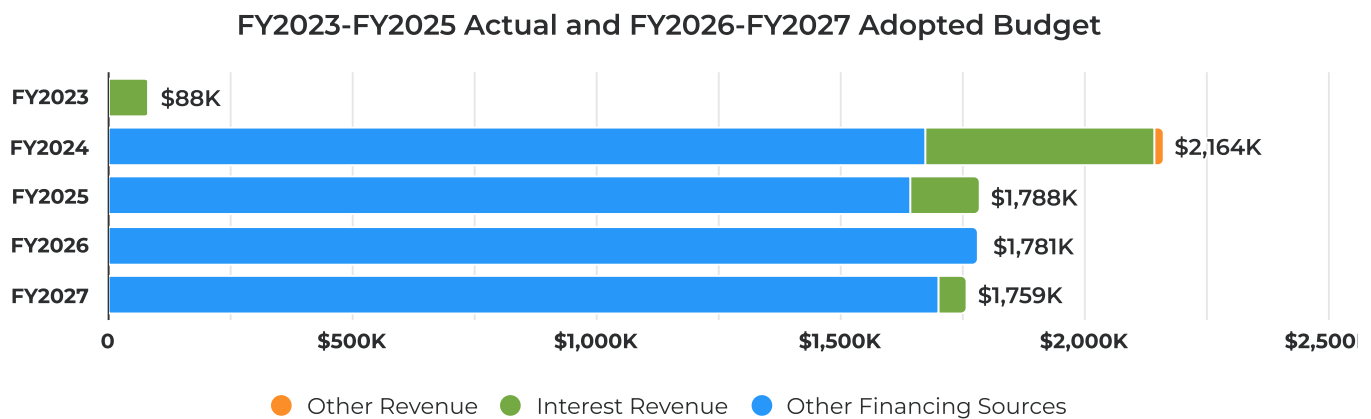
Revenue Summary



For the Debt Service Fund in FY2026, the revenue budget is set at \$1.8 million. This represents the planned revenue for that year without actual figures available yet.

In FY2027, the revenue budget remains at \$1.8 million but reflects a slight decrease of 1.24% compared to the previous budget year, FY2026. This indicates a minor reduction in expected revenue while maintaining the same overall budgeted amount.

Budgeted and Historical 2027 Revenues

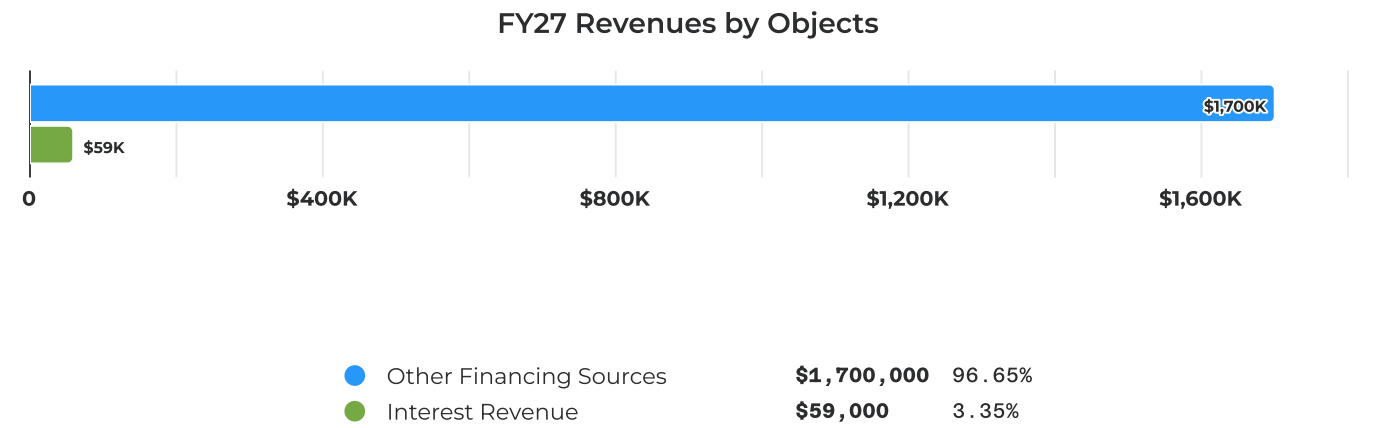


In FY2027, the Debt Service Fund total budget is \$1.8 million, representing a 1.24% decrease from the FY2026 total of \$1.8 million. The largest category, Other Financing Sources, accounts for 96.65% of the

FY2027 total at \$1.7 million, which is a decrease of \$81,000 or 4.55% compared to FY2026.

Interest Revenue shows a notable increase in FY2027, rising from \$0 in FY2026 to \$59,000, making up 3.35% of the total budget. Other Revenue remains at \$0, consistent with the previous year.

Overall, the FY2027 budget reflects a slight reduction in total funding, driven primarily by a decrease in Other Financing Sources, partially offset by the introduction of Interest Revenue.



Revenues by Objects

Category	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Proposed Continuation Budget	FY 2027 Adopted Budget	FY 2027 Proposed Continuation Budget vs. FY 2027 Adopted Budget (% Change)
Other Revenue	\$6,329	\$20,028	\$32	-	-	-	-
Interest Revenue	\$81,777	\$471,017	\$155,522	-	\$59,000	\$59,000	-
Other Financing Sources	-	\$1,673,300	\$1,632,614	\$1,781,000	\$1,700,000	\$1,700,000	-
Total Revenues	\$88,106	\$2,164,346	\$1,788,168	\$1,781,000	\$1,759,000	\$1,759,000	-

DEBT

Debt Overview Summary

The City of San Luis utilizes long-term financing as one of several funding mechanisms available to support major capital investments and other long-term obligations. Debt is carefully evaluated within the context of the City's financial capacity, available revenues, repayment requirements, and the useful life of the assets being financed.

As of July 1, 2026, the City's total outstanding debt is estimated at approximately \$60.6 million, including approximately \$511,000 expected to be drawn under the Water Infrastructure Finance Authority of Arizona (WIFA) Clean Water State Revolving Fund financing for the West Wastewater Treatment Plant Expansion. The final outstanding WIFA balance will be adjusted based on actual amounts drawn and recognized as of June 30, 2026.

The City's outstanding obligations include Municipal Property Corporation Bonds, Revenue Bonds, Utility Revenue Bonds, and WIFA financing. Debt service requirements are incorporated into the annual budget to ensure sufficient resources are available for scheduled principal and interest payments.

Certain City debt is secured by pledged revenues, including excise taxes, State-shared revenues, and Water and Wastewater utility revenues, depending on the financing arrangement. The City continues to monitor debt service coverage, repayment requirements, and future borrowing needs as part of its long-term financial planning process.

In April 2024, the City successfully refinanced its Series 2014A Bonds to take advantage of favorable market conditions and reduce future interest costs. The refinancing generated savings over the remaining life of the bonds, improving the City's long-term debt position and preserving resources for other community priorities.

Municipal Property Corporation Bonds (MPC Bonds)

Municipal Property Corporation Bonds provide a financing mechanism for the construction or acquisition of capital improvements. A Municipal Property Corporation is a nonprofit corporation governed by a Board of Directors appointed in accordance with the applicable organizational documents and City requirements.

The City previously issued Municipal Property Corporation Bonds to finance the construction and subsequent expansion of the regional detention facility. The related bond issues were subsequently refunded to obtain more favorable interest rates and reduce future debt service costs.

As of July 1, 2026, the outstanding principal balance associated with the City's Municipal Property Corporation Bonds is approximately \$24.7 million.

Revenue Bonds

Revenue Bonds are secured by specifically identified revenue sources rather than property taxes. The City has utilized revenue bond financing for major public facilities and other long-term obligations, including City Hall, the Police Station, Fire Stations, the Business Center, and the financing of the City's unfunded public safety pension liability.

As of July 1, 2026, the City's outstanding Revenue Bond principal is approximately \$32.0 million. This amount includes approximately \$5.95 million associated with the Series 2017 A & B Bonds, \$7.40 million associated with the PSPRS financing, and \$18.63 million associated with the Series 2024 Bonds.

The City continues to monitor pledged revenues and annual debt service requirements to maintain adequate coverage and ensure the long-term sustainability of these obligations.

Senior Lien Water and Wastewater Revenue Bonds

The City issued \$6.58 million in Utility Revenue Bonds in 2013 to finance improvements to the Water and Wastewater systems. The bonds are payable through 2034 and are secured by pledged net revenues of the Water and Wastewater Enterprise Funds.

As of July 1, 2026, the outstanding principal balance of the Utility Revenue Bonds is approximately \$3.5 million.

The City continues to monitor Water and Wastewater revenues to ensure sufficient resources are available to meet operating requirements and annual debt service obligations.

WIFA Clean Water State Revolving Fund Financing

During FY2026, the City secured financial assistance through the Water Infrastructure Finance Authority of Arizona (WIFA) Clean Water State Revolving Fund Program to finance the West Wastewater Treatment Plant Expansion. The original financing agreement authorized up to \$26.24 million in financial assistance, including \$1.5 million in forgivable principal. The repayable portion of the financing is structured over a 25-year repayment period at a federally subsidized interest rate.

As of June 30, 2026, the City expects to have drawn approximately \$511,000 under the original financing agreement. The final outstanding balance will be updated based on actual amounts drawn and recognized as repayable principal at fiscal year-end. The remaining authorized financing will be drawn as eligible project costs are incurred and reimbursed throughout the construction period.

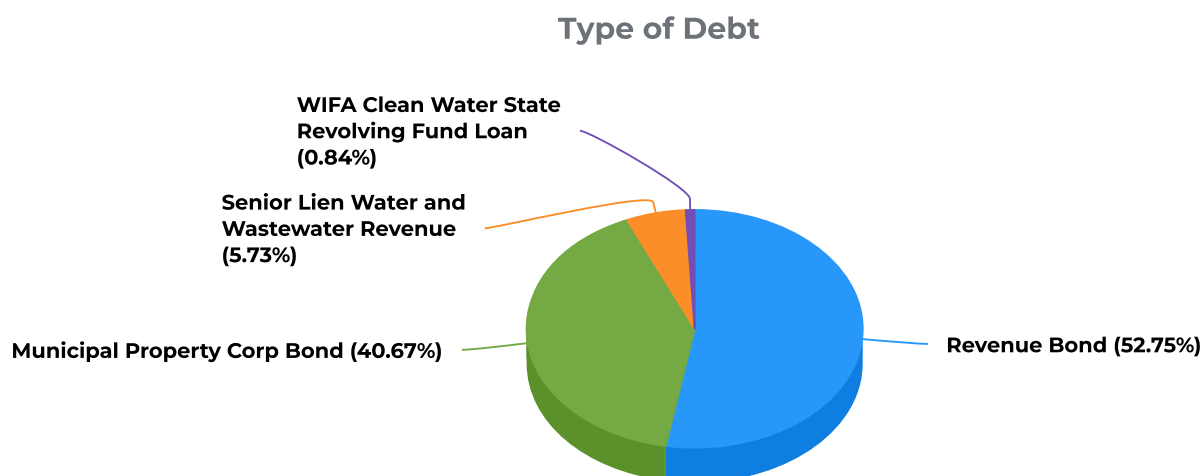
Following the competitive procurement process, construction costs exceeded the estimates used in developing the original financing plan. As a result, the City pursued additional WIFA financial assistance. In August 2026, WIFA approved an additional \$12.15 million in financial assistance for the project, including \$4.0 million in forgivable principal.

Combined, the two financing approvals provide approximately \$38.4 million in WIFA financial assistance, including approximately \$5.5 million in forgivable principal. Only amounts drawn and recognized as repayable principal are reported as outstanding debt. The City will continue to monitor WIFA draws, forgivable principal, repayment requirements, and the financial condition of the Water and Wastewater Enterprise Funds as the project progresses.

The following table summarizes the City of San Luis' outstanding long-term debt by major debt category as of July 1, 2026:

TYPE OF DEBT	PRINCIPAL AMOUNT OUTSTANDING
Municipal Property Corporation Bonds	24,655,000
Revenue Bonds	31,975,000
Senior Lien Water and Wastewater Revenue Bonds	3,475,000
WIFA Clean Water State Revolving Fund Loan	511,000
Total Outstanding Debt	\$60,616,000

WIFA financing reflects the estimated amount expected to be drawn and recognized as outstanding as of June 30, 2026. The final amount will be updated based on actual fiscal year-end activity. Authorized but undrawn WIFA financing is not included in the outstanding debt balance.



Bond Ratings

Credit ratings provide an independent assessment of the City's creditworthiness and its ability to meet its financial obligations. Strong credit ratings can enhance the City's access to capital markets and may help reduce borrowing costs when financing long-term capital needs.

In February 2025, Fitch Ratings affirmed the City of San Luis' Issuer Default Rating (IDR) at 'AA' and affirmed the rating on approximately \$37.5 million of outstanding excise tax revenue bonds at 'AA.' The Rating Outlook is Stable. Fitch's assessment reflects the City's financial resilience and budgetary flexibility, while also considering its revenue structure, long-term liabilities, and economic characteristics.

The Fitch rating incorporates the City's financial position and its capacity to respond to changing economic conditions. Fitch also recognizes the City's location along the U.S.-Mexico border as an important component of the local economy, while noting the potential exposure to cross-border economic and trade disruptions.

Separately, in March 2024, S&P Global Ratings assigned an 'A+' long-term rating with a Stable outlook to the City's Series 2024 Pledged Excise Tax Revenue Refunding Obligations and affirmed its 'A+' underlying rating (SPUR) on the City's previously issued pledged excise tax revenue obligations.

S&P's assessment reflects very strong debt service coverage, continued pledged revenue growth, robust available fund balances and liquidity, and a manageable debt burden. S&P also recognized the stabilizing role of international trade, agriculture, tourism, and other economic activity associated with the U.S.-Mexico border.

S&P reported maximum annual debt service coverage of 7.3 times and annual debt service coverage of 7.1 times, compared with an additional bonds test requirement of 2.0 times maximum annual debt service. The Stable outlook reflects S&P's expectation that coverage on the City's pledged excise tax debt will remain very strong based on historical pledged revenue growth.

The following table summarizes available credit rating information associated with the City and its outstanding debt obligations.

Issue Name	Rating Agency	Rating/Outlook
City of San Luis - Issuer Default Rating (IDR)	Fitch Ratings	AA / Stable
Outstanding Excise Tax Revenue Bonds	Fitch Ratings	AA / Stable
Series 2024 Pledged Excise Tax Revenue Refunding Obligations	S&P Global Ratings	A+ / Stable
Previously Issued Pledged Excise Tax Revenue Obligations	S&P Global Ratings	A+ (SPUR) / Stable
Utility Revenue Bonds, Series 2013	Not Rated	N/A
Detention Facility Obligations	Not Rated	N/A

Credit Outlook

The City's financial management practices continue to emphasize maintaining adequate reserves, monitoring pledged revenues and debt service requirements, and evaluating future debt within the context of long-term financial capacity. These practices support the City's ability to meet existing obligations while preserving flexibility to address future capital and infrastructure needs.

Fitch Ratings maintains a Stable outlook on the City's 'AA' Issuer Default Rating (IDR) and its outstanding excise tax revenue bonds. Fitch's assessment reflects the City's financial resilience and budgetary flexibility, while recognizing the importance of maintaining adequate reserves and managing long-term liabilities.

S&P Global Ratings also maintains a Stable outlook on the City's 'A+' rated pledged excise tax revenue obligations. S&P's Stable outlook reflects its expectation that debt service coverage will remain very strong, supported by historical pledged revenue growth. S&P also identifies the City's robust available fund balances and liquidity and manageable debt burden as factors supporting its overall creditworthiness.

Description of Debt Types

MUNICIPAL PROPERTY CORPORATION BONDS

They are issued by non-profit corporations created by the City of San Luis as a financing mechanism for the purpose of funding the construction or acquisition of capital improvement projects. The Municipal Property Corporation is governed by a board of directors consisting of citizens from the community appointed by the Council. These bonds may be issued without voter approval.

In October 2005, the San Luis Facility Development Corporation (SLFDC) issued Senior Lien Project Revenue Bonds Series 2005 totaling \$27,795,000 to finance the construction of a regional detention facility. The principal and interest on the bonds are not a general obligation of the Corporation and City, but the issuer entered into agreements to house prisoners and the revenues from there are to be pledged to secure payment of the bonds. Again, in February 2011, the SLFDC issued Senior Lien Project Revenue Bonds Series 2011 totaling \$20,165,000 to finance the construction of an expansion of the existing regional detention facility. The bonds were issued with the same terms and conditions as the previous issues. Subsequently, during April 2014 and July 2014, the Corporation refunded both issues following an IRS audit in which the issues were found to be taxable as opposed to the non-taxable status at the time of issuance. The refunding amounts were \$26,090,000 and \$20,835,000 respectively.

Purpose	Original Amount Issued	Interest Rate	Remaining Maturities	Outstanding Principal June 30, 2026
Detention Facility	\$26,090,000	7.00 - 7.25%	5/1/26 - 30	\$16,870,000
Detention Facility	20,835,000	6.95%	5/1/2027	7,785,000
				<u>\$24,655,000</u>

Debt service requirements for the SLFDC revenue bonds are as follows:

	Principal		Interest	
	2014 Series	2014 Series A	2014 Series	2014 Series A
Year Ending June 30:				
2026	2,610,000		1,216,550	541,058
2027		7,785,000	7,785,000	541,058
2028			1,033,850	
2029			1,033,850	
2030	14,260,000		1,033,850	
Total	<u>\$16,870,000</u>	<u>\$7,785,000</u>	<u>\$12,103,100</u>	<u>\$1,082,116</u>

Revenue Bond

Revenue (RV) bonds are secured by a specific, identified revenue source, typically non-property tax revenue. These sources include excise taxes, rents or fees (including tuition) or other revenues, in some instances paid by the users of the project being funded by the bonds. These bonds may not require voter approval and are not subject to constitutional debt limits.

The City has pledged to repay \$43,490,000 in Excise Tax Revenue Refunding Bonds issued in 2018, 2021, and 2024 and payable through 2039. Pledged revenues on the bonds include excise taxes, state shared revenues, permit fees, and franchise taxes. Excise taxes are defined to include the transaction privilege tax and business taxes, which the City imposes. A portion of the debt service is funded by the revenues directly or indirectly derived from the operation and use of the water system.

The City has a history of refinancing its long-term obligations to achieve savings. In 2014, the City issued Excise Tax Revenue Refunding Obligations to refinance the 2005 San Luis Civic Improvement Corporation (SLCIC) bonds. Continuing this practice, in 2024 the City undertook another refinancing initiative through the issuance of Pledged Excise Tax Revenue Refunding Obligations, Series 2024, in the amount of \$19,735,000. This action was undertaken to refinance the City's outstanding Pledged Excise Tax Revenue Refunding Obligations, Series 2014A. The refunding bonds were issued with an effective interest rate of 5.00 percent to retire \$21,535,000 of the 2014A obligations, which carried an average interest rate of 4.99 percent.

This refinancing is projected to reduce total debt service payments over the next 15 years by \$2,867,019 and result in an economic gain of \$2,316,994. The new Series 2024 obligations are scheduled to mature no later than July 1, 2038, with provisions for prepayment and refinancing flexibility.

This refinancing reflects the City's continued commitment to fiscal responsibility, aiming to reduce interest expenses and improve the City's overall financial health, leading to reduced debt service costs and enhanced budgetary flexibility in future fiscal years.

Purpose	Original Amount Issued	Interest Rate	Maturity	Outstanding Principal June 30, 2026
Governmental activities	7,690,191	4.00 - 5.00 %	7/1/26-38	7,259,603
Business-type activities	12,044,809	4.00 - 5.00 %	7/1/26-38	11,370,397
				\$18,630,000

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Year ending June 30:				
2027	411,105	352,703	643,895	552,422
2028	430,588	331,660	674,412	519,465
2029	452,020	309,595	707,980	484,905
2030	475,401	286,409	744,599	448,591
2031-35	2,754,986	1,041,887	4,315,014	1,631,863
2036-39	2,735,502	281,831	4,284,498	441,419
	\$ 7,259,603	\$ 2,604,085	\$ 11,370,397	\$ 4,078,665

In October 2017, the City issued \$14,540,000 in Excise Tax Revenue Refunding Obligations. This consisted of Tax Exempt Series 2017A \$2,825,000, and \$11,715,000 Series 2017B Taxable Obligations, collectively with an average true-interest rate of 3% to refund the Greater Arizona Development Authority (GADA) obligations in the amount of \$12,845,000.

Purpose	Original Amount Issued	Interest Rate	Maturity	Outstanding Principal June 30, 2026
Governmental activities	\$ 2,825,000	5.00%	7/1/26-27	\$ 665,000
Business-type activities	11,715,000	2.75-3.50%	7/1/26-31	5,285,000
				\$ 5,950,000

Debt Service requirements for GADA bonds are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Year ending June 30:				
2027	325,000	25,125	880,000	160,438
2028	340,000	8,500	905,000	133,097
2029	-	-	935,000	103,763
2030-32	-	-	2,565,000	121,284
	\$ 665,000	\$ 33,625	\$ 5,285,000	\$ 518,581

In May 2021, the City issued \$9,215,000 in Excise Tax Revenue Obligations Taxable Series 2021 to pay down the net pension liabilities for the City's police and fire pension plans with the Public Safety Personnel Retirement System.

	Original Amount Issued	Interest Rate	Maturity	Outstanding Principal June 30, 2026
Purpose				
Governmental activities	\$ 8,230,172	0.49 - 2.92%	7/1/26-38	\$ 6,604,659
Business-type activities	984,828	0.49 - 2.92%	7/1/26-38	790,341
				\$ 7,395,000

Debt service requirements for PSPRS bonds are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Year ending June 30:				
2027	486,761	161,597	58,239	19,335
2028	495,692	153,662	59,308	18,385
2029	504,624	144,050	60,376	17,235
2030	513,555	133,114	61,445	15,927
2031-35	2,755,334	462,378	329,666	55,322
2036-38	1,848,694	82,105	221,306	9,824
	\$ 6,604,659	\$ 1,136,906	\$ 790,341	\$ 136,027

In November 2013, the City issued direct placement Utility Revenue Bonds Series 2013 totaling \$6,580,000 to finance the construction of new water and sewer lines. Payments will be affected when due from pledged revenues.

	Original Amount Issued	Interest Rate	Maturity	Outstanding Principal June 30, 2026
Purpose				
Business-type activities	\$ 6,580,000	3.80%	7/1/26-33	\$ 3,475,000

Debt service requirements for the Utility Revenue Bond payable are as follows:

		Business-Type Activities	
		Principal	Interest
Year ending June 30:			
2027		380,000	124,830
2028		395,000	110,105
2029		410,000	94,810
2030		425,000	78,945
2031-34		1,865,000	145,255
		\$ 3,475,000	\$ 553,945

The City has pledged to repay \$6,580,000 in Utility Revenue Bonds issued in 2013, and payable through 2034. The bonds are collateralized by net operating revenues and investment income of the Water and Wastewater Enterprise Funds.

REVENUE SUMMARY

Revenues Summary

In Fiscal Year 2027, the City of San Luis is projecting a total revenue of \$168 million, marking a 20.77% rise from the FY2026 budget. This significant increase highlights a notable growth in the city's projected revenues for FY2027 compared to the previous fiscal year. The City's revenue structure reflects a diverse combination of enterprise revenues, general governmental resources, intergovernmental funding, and dedicated revenues that support the delivery of essential services and the City's long-term financial commitments.

Looking ahead, the City of San Luis' revenue outlook remains positive, supported by continued economic activity, population growth, development, and the strength of several key revenue sources. The City's FY2027 revenue projections are based on historical performance, current-year trends, demographic and economic indicators, and anticipated changes in development and service-related revenues. Staff continue to evaluate major revenue sources to ensure projections are reasonable, sustainable, and responsive to changing economic conditions.

Wastewater represents the largest source of projected FY2027 revenue, generating approximately \$45 million in total revenues, including funding from Other Financing Sources. These revenues provide essential funding for the operation, maintenance, and continued improvement of the City's wastewater infrastructure and services.

Development activity is also expected to continue contributing to the City's FY2027 revenue base. Updated Development (Impact) Fees adopted through Resolution No. 2366 became effective September 22, 2025, supporting the City's ability to fund infrastructure and public facilities needed to accommodate future growth. These fees are structured to ensure that new development contributes appropriately toward the costs associated with roads, parks, and other necessary improvements. In addition, the City's comprehensive review of development-related permit fees—including building, land use, and related services—supports improved cost recovery by more closely aligning fees with the staff time and resources required to provide these services.

Business license revenue is another source expected to support FY2027 revenues. The City continues to monitor business activity and license trends as part of its overall revenue forecasting process. Growth in the number of businesses operating within San Luis can contribute to increased business license revenue while also supporting broader economic activity and sales tax collections.

Housing and construction activity continue to be important indicators of the City's economic growth. Residential development has remained active, with 279 residential units issued in FY2025 and 284 units in FY2026. The median home value in San Luis is approximately \$224,900, reflecting continued demand for housing. Ongoing residential and commercial development supports population growth and contributes to sales tax, development-related fees, utility revenues, and other sources of municipal revenue.

Grant funding is also an important source of revenue for FY2027. The City is projecting approximately \$14.9 million in grant revenues, representing 8.89% of total projected revenues. Grants provide valuable resources for specific programs, projects, infrastructure improvements, and other community

priorities while helping the City leverage external funding opportunities. Intergovernmental revenues and other external funding sources will also continue to contribute to the City's financial resources. The City remains attentive to available state and federal funding opportunities, grants, and other revenue sources that can support essential services, infrastructure investments, and community priorities while reducing reliance on locally generated revenues.

Sales tax revenue remains a significant component of the City's overall revenue outlook. FY2026 collections increased by 9.88%, reflecting strong local economic activity. More recent trends indicate that the City continues to outperform broader state-level growth, with local sales tax revenues growing faster than the 7.0% increase reported at the state level. While sales tax performance can fluctuate with economic conditions, the continued strength of local collections provides a positive foundation for FY2027 revenue projections.

Overall, FY2027 revenue projections reflect the City's continued economic and community growth, strong sales tax performance, sustained demand for utility and other essential services, and ongoing development activity. The City's approach to revenue projections incorporates historical trends, current economic conditions, demographic changes, development activity, and anticipated policy and fee changes. Through continued monitoring, prudent financial planning, and the pursuit of additional funding opportunities, the City remains committed to maintaining a stable and resilient financial position while supporting the infrastructure, services, and quality of life expected by the San Luis community.

\$168,002,620 28,896,860

(20.77% vs. prior year)

Revenues Proposed and Historical Budget vs. Actual



Revenues by Fund

In FY2027, the Wastewater Fund is projected to generate the largest share of total revenues, accounting for approximately 26.8% of projected revenues. This increase is primarily attributable to the expansion of the West Wastewater Treatment Plant, which will double its treatment capacity to accommodate continued community growth and increasing demand for utility services. The investment underscores the City's commitment to prioritizing critical infrastructure and maintaining reliable, sustainable utility services.

The General Fund continues to represent a significant portion of the City's projected revenues, accounting for approximately 22.9% of total revenue in FY2027. This reflects a stabilization of the City's revenue streams while underscoring the General Fund's critical role in supporting essential municipal services, including public safety, administration, and community services.

The San Luis Detention Facility (SLDF) continues to represent a significant source of revenue, accounting for approximately 20.8% of total projected revenues in FY2027. This reflects continued financial activity associated with the facility, which remains an important component of the City's overall financial operations and reporting.

Grant revenues are projected to account for approximately 8.8% of total revenues. These funds continue to support a range of economic and community development initiatives, with a particular emphasis on creating opportunities and providing resources for low- and moderate-income residents. While grant funding remains a significant component of the City's revenue structure, current grant activity is increasingly focused on critical infrastructure improvements and community development projects.

Other notable funds include:

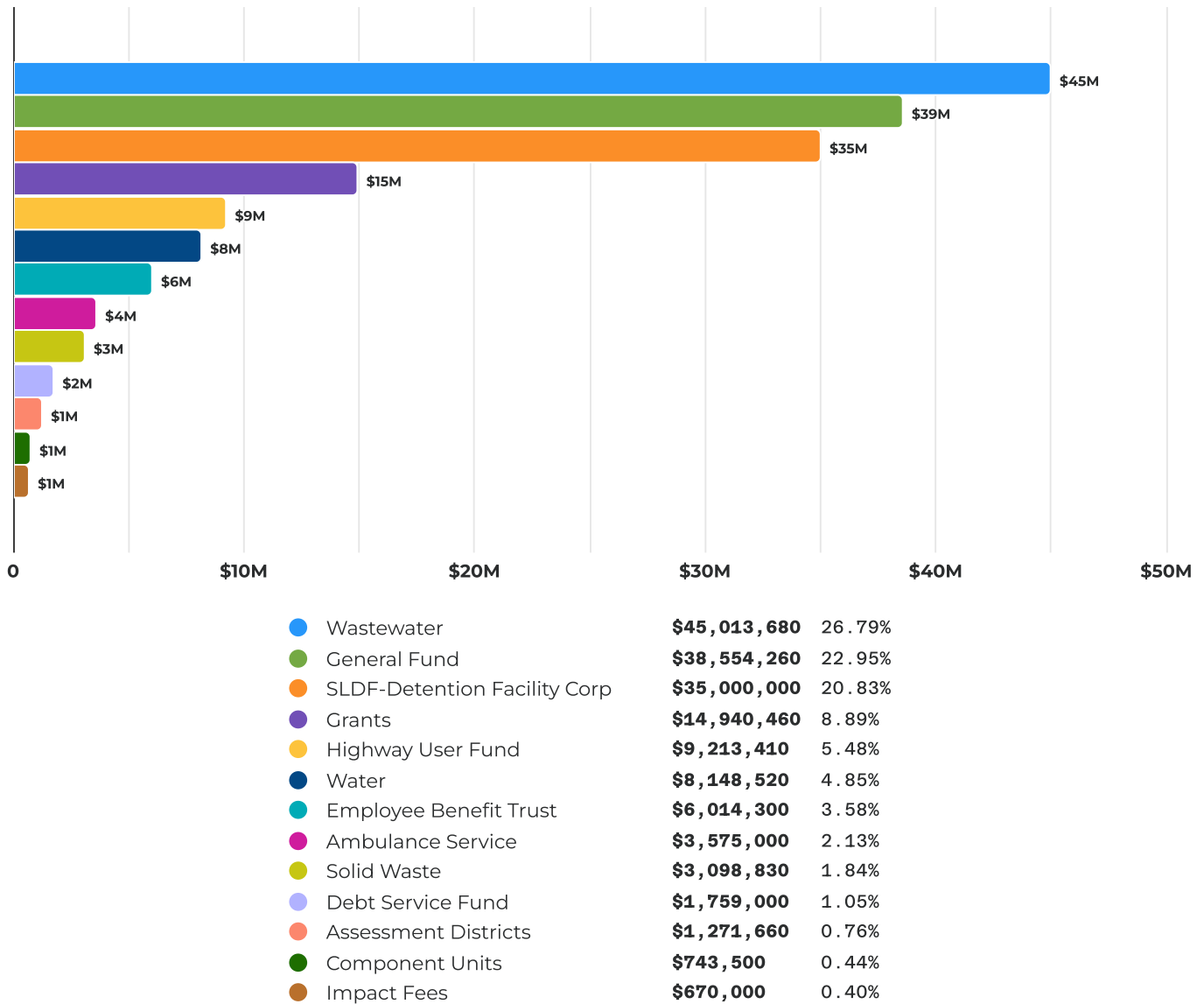
- Highway User Revenue Fund (HURF) represents approximately 5.5% of total revenues and provides funding for transportation infrastructure, roadway improvements, and ongoing street maintenance.
- Water Fund accounts for approximately 4.9% of total revenues and supports the provision, operation, and maintenance of essential water services for the community.
- Employee Benefit Trust represents approximately 3.6% of total revenues and supports employee health benefits and other related benefit programs.

Additional revenue contributions are generated by the Ambulance Service Fund (2.1%), Solid Waste Fund (1.8%), and Debt Service Fund (1.0%), among other sources. Collectively, these revenues contribute to a diversified revenue portfolio that supports the City's overall fiscal stability and financial sustainability.

This balanced revenue structure enables the City to meet ongoing operational needs while maintaining its commitment to long-term infrastructure investments and service improvements.

See the chart below for additional details on the City's projected revenue distribution.

2027 Revenues by Fund



Revenues by Fund

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
General Fund	\$36,460,673.30	\$37,957,960.08	\$35,087,870.00	\$36,266,400.00	\$38,554,260.00	9.88%
Taxes	\$16,675,275.68	\$18,805,192.24	\$17,643,480.00	\$18,846,290.00	\$19,255,610.00	9.14%
Intergovernmental	\$16,908,871.70	\$16,127,941.85	\$15,623,490.00	\$14,904,900.00	\$17,576,350.00	12.50%
Licenses & Permits	\$1,239,704.11	\$1,135,421.06	\$981,760.00	\$1,046,330.00	\$1,050,300.00	6.98%
Other Revenue	\$120,986.17	\$264,109.23	\$115,000.00	\$140,810.00	\$119,000.00	3.48%
Charges For Services	\$67,600.50	\$70,082.49	\$46,840.00	\$63,760.00	\$70,000.00	49.44%
Rent	\$21,321.00	\$250.00	\$150,300.00	-	-	-100.00%
Fines & Forfeits	\$310,585.78	\$285,427.66	\$277,000.00	\$232,610.00	\$233,000.00	-15.88%
Interest Revenue	\$1,116,328.36	\$1,148,931.55	\$250,000.00	\$1,031,700.00	\$250,000.00	-
Other Financing Sources	-	\$120,604.00	-	-	-	-
Highway User Fund	\$6,410,429.34	\$5,625,985.10	\$6,426,840.00	\$6,429,880.70	\$9,213,410.00	43.36%
Impact Fees	\$909,501.83	\$506,776.89	\$690,000.00	\$541,889.37	\$690,000.00	-
Other Revenue	\$10,250.74	-	-	-	-	-

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
HURF - Special Revenues	\$3,667,609.36	\$3,780,258.66	\$3,993,520.00	\$3,993,520.00	\$4,181,650.00	4.71%
Interest Revenue	\$543,446.78	\$268,154.79	\$75,000.00	\$206,471.33	\$75,000.00	-
Other Financing Sources	\$1,279,620.63	\$1,070,794.76	\$1,668,320.00	\$1,688,000.00	\$4,266,760.00	155.75%
Grants	\$3,759,777.30	\$9,547,513.64	\$21,972,210.00	\$2,451,546.97	\$14,940,460.00	-32.00%
Intergovernmental	\$306,815.04	\$310,609.40	\$330,000.00	\$266,332.59	\$260,000.00	-21.21%
Other Revenue	\$3,138,241.16	\$6,959,742.54	\$20,502,010.00	\$1,751,075.07	\$12,827,160.00	-37.43%
Charges For Services	\$93,812.71	\$163,880.07	\$369,710.00	\$231,215.73	\$286,000.00	-22.64%
Fines & Forfeits	\$93,265.61	\$102,079.30	\$85,000.00	\$143,823.65	\$95,000.00	11.76%
Interest Revenue	\$24,282.03	\$918,595.57	-	\$31,555.93	-	-
Other Financing Sources	\$103,360.75	\$1,092,606.76	\$685,490.00	\$27,544.00	\$1,472,300.00	114.78%
Employee Benefit Trust	\$3,181,038.24	\$3,508,865.75	\$4,754,040.00	\$4,044,355.19	\$6,014,300.00	26.51%
Other Revenue	\$3,170,354.76	\$3,493,980.32	\$4,749,740.00	\$4,033,040.10	\$6,010,000.00	26.53%
Interest Revenue	\$10,683.48	\$14,885.43	\$4,300.00	\$11,315.09	\$4,300.00	-
Water	\$8,302,395.14	\$10,806,608.82	\$7,967,030.00	\$7,026,730.66	\$8,148,520.00	2.28%
Impact Fees	\$277,670.00	\$166,562.00	\$210,000.00	\$310,324.36	\$210,000.00	-
Other Revenue	\$1,748,290.29	\$3,748,909.32	\$1,446,870.00	\$143,226.46	\$1,402,920.00	-3.04%
Charges For Services	\$5,617,614.25	\$6,248,573.34	\$6,145,160.00	\$6,267,350.48	\$6,370,600.00	3.67%
Interest Revenue	\$658,820.60	\$642,564.16	\$165,000.00	\$305,829.36	\$165,000.00	-
Wastewater	\$7,997,146.30	\$8,944,348.87	\$27,085,230.00	\$7,623,000.00	\$45,013,680.00	66.19%
Impact Fees	\$447,177.00	\$265,991.00	\$300,000.00	\$223,000.00	\$300,000.00	-
Other Revenue	\$1,673,813.07	\$2,054,010.14	\$1,000.00	\$1,000.00	\$1,000.00	-
Charges For Services	\$5,496,643.68	\$6,253,617.35	\$6,989,230.00	\$7,101,000.00	\$7,727,680.00	10.57%
Interest Revenue	\$379,512.55	\$370,730.38	\$95,000.00	\$298,000.00	\$95,000.00	-
Other Financing Sources	-	-	\$19,700,000.00	-	\$36,890,000.00	87.26%
Solid Waste	\$2,203,374.18	\$2,547,399.47	\$2,809,110.00	\$3,115,077.69	\$3,098,830.00	10.31%
Other Revenue	\$59,126.95	\$67,635.00	\$47,250.00	\$267,025.00	\$50,000.00	5.82%
Charges For Services	\$2,144,247.23	\$2,479,764.47	\$2,761,860.00	\$2,848,052.69	\$3,048,830.00	10.39%
Component Units	\$735,947.84	\$765,872.71	\$740,000.00	\$737,795.42	\$743,500.00	0.47%
Other Revenue	\$44,481.00	\$60,457.00	\$2,300.00	\$4,200.00	\$4,000.00	73.91%
Rent	\$690,571.06	\$679,545.77	\$724,500.00	\$717,020.00	\$729,500.00	0.69%
Interest Revenue	\$895.78	\$25,869.94	\$13,200.00	\$16,575.42	\$10,000.00	-24.24%
Other Financing Sources	-	-	-	-	-	-
Ambulance Service	\$3,657,906.01	\$3,805,961.99	\$3,781,000.00	\$3,105,398.09	\$3,575,000.00	-5.45%
Other Revenue	\$256,749.14	\$900.00	\$371,000.00	\$3,846.00	-	-100.00%
Charges For Services	\$3,400,906.91	\$3,802,815.57	\$3,410,000.00	\$3,100,000.00	\$3,575,000.00	4.84%
Interest Revenue	\$249.96	\$2,246.42	-	\$1,552.09	-	-
SLDF-Detention Facility Corp	\$21,124,263.76	\$23,227,533.10	\$25,000,000.00	\$30,349,039.52	\$35,000,000.00	40.00%
Other Revenue	\$20,632,798.73	\$22,810,901.93	\$25,000,000.00	\$30,032,396.02	\$35,000,000.00	40.00%
Interest Revenue	\$491,465.03	\$416,631.17	-	\$316,643.50	-	-
Debt Service Fund	\$2,164,345.73	\$1,788,167.55	\$1,781,000.00	\$1,880,765.25	\$1,759,000.00	-1.24%
Other Revenue	\$20,028.37	\$31.76	-	-	-	-
Interest Revenue	\$471,017.10	\$155,522.29	-	\$99,765.25	\$59,000.00	-
Other Financing Sources	\$1,673,300.26	\$1,632,613.50	\$1,781,000.00	\$1,781,000.00	\$1,700,000.00	-4.55%
Impact Fees	\$1,253,775.71	\$734,965.09	\$580,000.00	\$1,252,793.46	\$670,000.00	15.52%
Impact Fees	\$1,091,925.93	\$631,606.56	\$580,000.00	\$1,137,344.33	\$670,000.00	15.52%
Other Revenue	\$5.83	\$4.26	-	-	-	-
Interest Revenue	\$161,843.95	\$103,354.27	-	\$115,449.13	-	-
Assessment Districts	\$796,438.61	\$990,304.97	\$1,121,070.00	\$1,121,070.00	\$1,271,660.00	13.43%
Special Assessments	\$796,438.61	\$990,304.97	\$1,121,070.00	\$1,121,070.00	\$1,271,660.00	13.43%
Total Revenues	\$98,047,511.46	\$110,251,487.14	\$139,105,400.00	\$105,403,852.96	\$168,002,620.00	20.77%

Revenues by Source

City revenues for FY2027 are derived from several key revenue sources, as illustrated in the updated graph. The largest share of total revenues, representing 32.9%, is classified as **Other Revenue**. This category primarily includes grants, Employee Benefit Trust revenues, and revenues associated with the San Luis Detention Facility (SLDF). As a separate component of the City's financial reporting, the SLDF continues to make a significant contribution to the City's overall revenue position.

Other Financing Sources account for 26.4% of total revenues. These sources primarily consist of external funding and financing activities, including bond proceeds and interfund transfers, which support major projects, capital improvements, and other strategic investments.

Charges for Services represent 12.6% of total revenues and include fees generated from essential municipal services, such as utility services, ambulance services, and other City-provided services.

Taxes comprise 11.5% of total revenues and include the City's sales tax and other local tax revenues. These recurring revenue sources play an important role in supporting general government operations and maintaining the delivery of essential services.

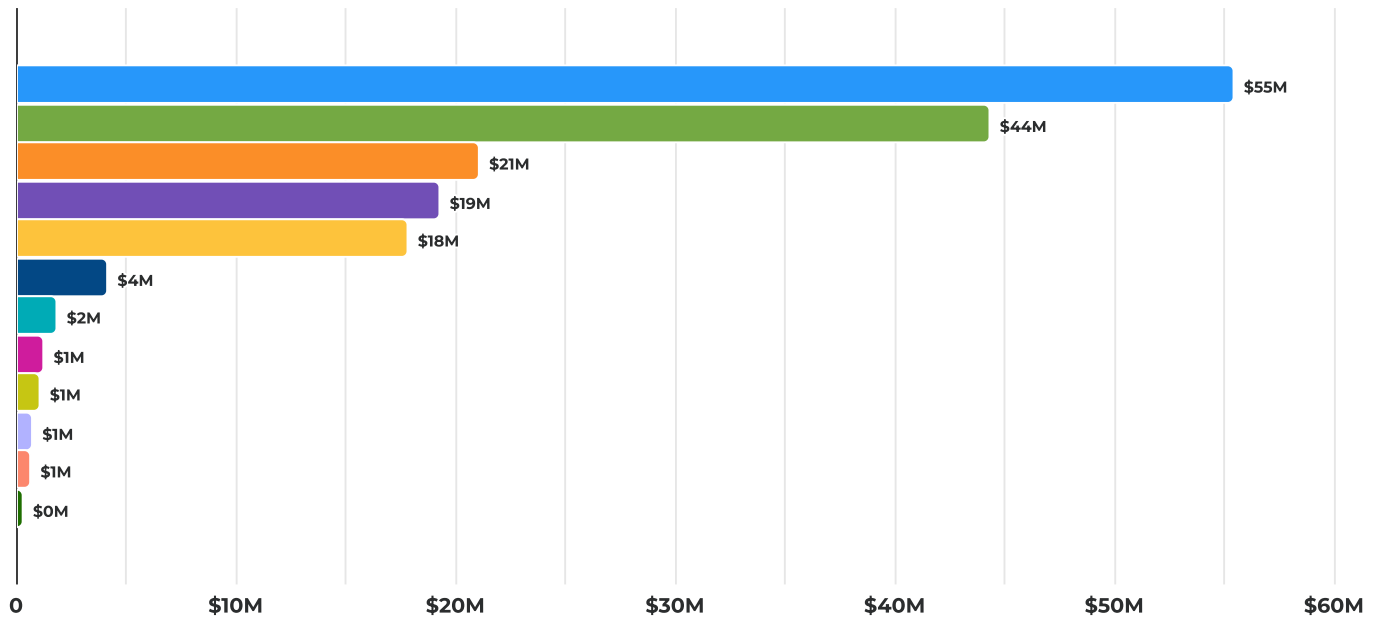
Intergovernmental Revenue accounts for 10.6% of total revenues. These revenues are primarily derived from state-shared revenues, as well as funding and other contributions received from federal and state governments.

Additional revenue sources include:

- **HURF – Special Revenues** 2.5%, which are primarily dedicated to transportation, roadway maintenance, and related infrastructure projects.
- **Impact Fees** 1.1%, collected from developers to help offset the cost of infrastructure improvements associated with growth and development.
- **Special Assessments, Rent, Licenses & Permits, Interest Revenue, and Fines & Forfeits** represent smaller portions of total revenues but collectively contribute to the City's diversified revenue base and overall financial stability.

Overall, the City's FY2027 revenue structure reflects a diverse portfolio of funding sources, providing the financial resources necessary to support ongoing operations, maintain essential services, and invest in infrastructure and long-term community priorities.

Projected 2027 Revenues by Source



Other Revenue	\$55,414,080	32.98%
Other Financing Sources	\$44,329,060	26.39%
Charges For Services	\$21,078,110	12.55%
Taxes	\$19,255,610	11.46%
Intergovernmental	\$17,836,350	10.62%
HURF - Special Revenues	\$4,181,650	2.49%
Impact Fees	\$1,870,000	1.11%
Special Assessments	\$1,271,660	0.76%
Licenses & Permits	\$1,050,300	0.63%
Rent	\$729,500	0.43%
Interest Revenue	\$658,300	0.39%
Fines & Forfeits	\$328,000	0.20%

Intergovernmental- State Shared Revenue

State Shared Revenues represent a significant component of the City's intergovernmental revenues. For FY 2027, the City of San Luis anticipates receiving approximately \$21.7 million in State Shared Revenues, based on the League of Arizona Cities and Towns' final estimates. These revenues are derived from a portion of state-collected taxes distributed primarily on a population basis. According to the U.S. Census Bureau's July 1, 2025 estimate, the City's population stands at 42,030, reflecting San Luis' position as one of the fastest-growing communities in Arizona.

State Shared revenues comprise four distinct categories: Urban Revenue Sharing, State Sales Tax, Vehicle License Tax, and Highway Users Revenue. The Highway Users Revenue Fund (HURF) revenue stream is primarily fueled by the State-collected gasoline tax, currently levied at a rate of \$0.18 per gallon. HURF revenue distribution operates under two formulas: the first formula allocates \$0.13 of the \$0.18 into a fund, with 30.0% allocated to cities and towns. Half of these funds are distributed based on population, while the remaining half is based on the "county of origin" of gasoline sales. The latter portion is further distributed among incorporated cities and towns within the county.

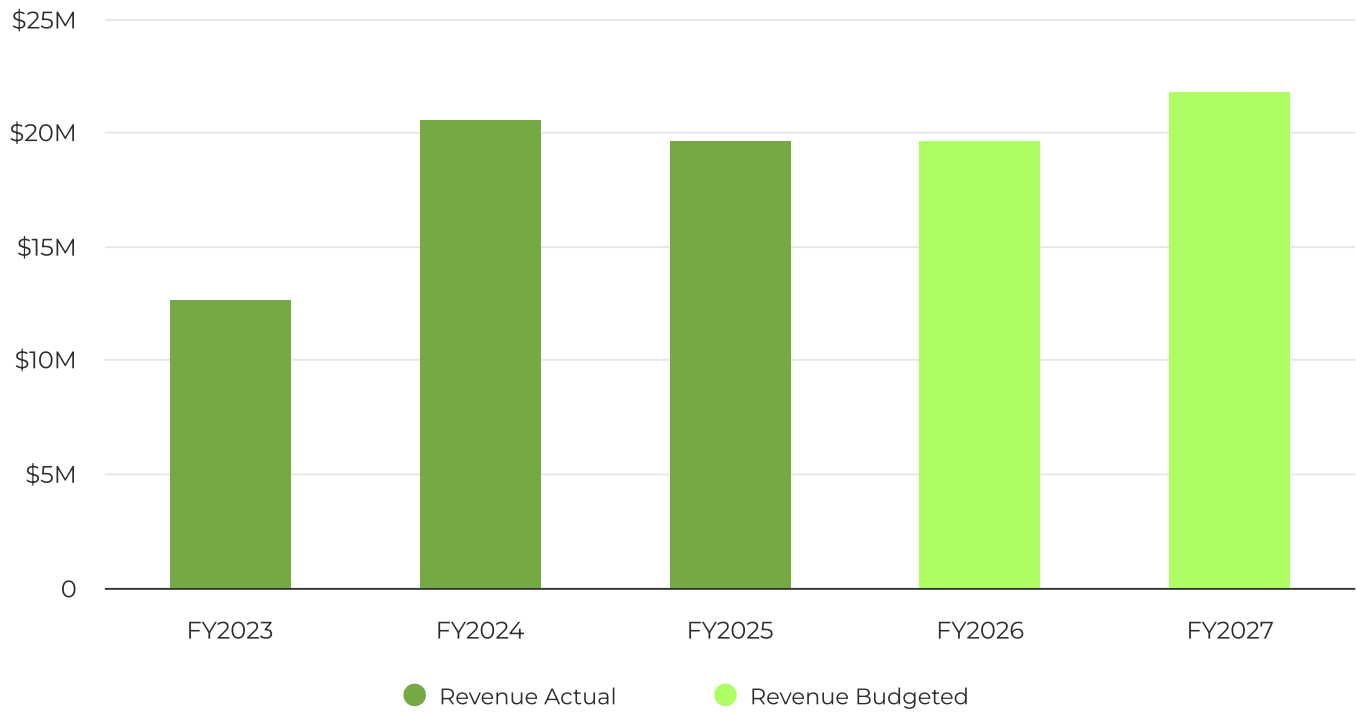
Among these components, Urban Revenue Sharing stands as the most substantial, based on state individual and corporate income tax collections from two years prior to distribution. State Shared Sales Tax revenues represent monthly distributions of the state's current year sales tax collections. The Vehicle License Tax (Auto Lieu Tax) relies on current-year distributions of vehicle license collections within Yuma County.

Collectively, these first three State Shared sources constitute over 46% of the General Fund operating budget, making them versatile resources that can support various general government activities. In contrast, HURF revenues are exclusively earmarked for street and highway-related purposes, including right-of-way acquisition, street construction, maintenance and improvements, and servicing highway and street bonds. These funds are collected and managed in the City's Streets Fund.

For Fiscal Year 2027, we have budgeted \$17.5 million in State Shared revenues for the General Fund, reflecting a 12.5% increase compared to the FY2026 adopted budget of \$15.6 million. It's important to note that the estimate for Urban Revenue Sharing is influenced by state income tax collections from two years prior. The City of San Luis expects this revenue source to increase slightly in FY2027. State shared sales tax and auto lieu tax are expected to grow, though at a slower rate than the last three years.

Looking ahead, the Fiscal Year 2026 projection for HURF revenues stands at \$4.1 million, marking a 4.7% increase compared to the previous year's budget estimate of \$3.9 million. These revenues are critical for sustaining and enhancing our city's transportation infrastructure.

Revenues all funds Proposed and Historical Budget vs. Actual



\$21,758,000 \$2,140,990

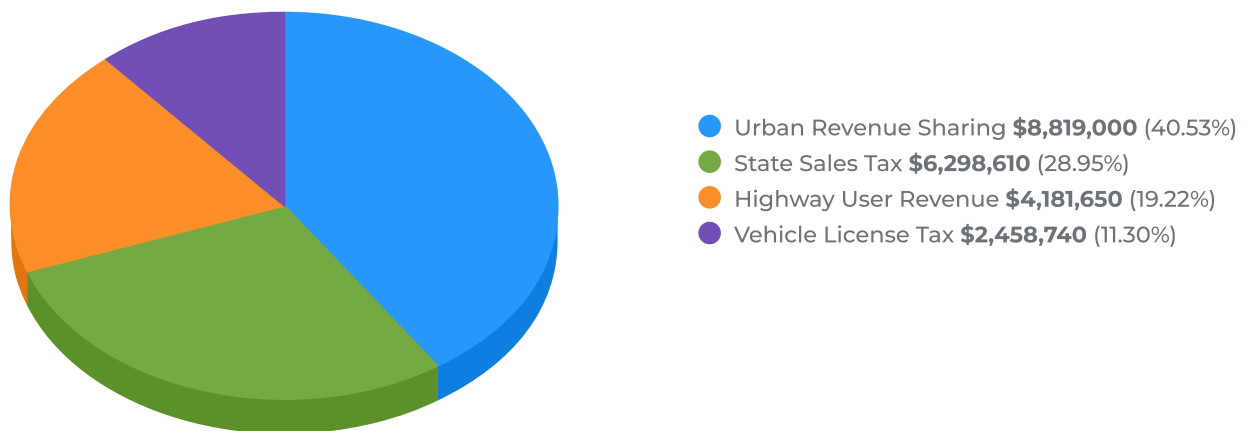
(10.91% vs. prior year)

State Shared Revenue by Category

Intergovernmental revenues represent a significant source of funding for the City, accounting for approximately 13% of total revenues and estimated at \$21.7 million for Fiscal Year 2027. These revenues primarily consist of funding received from federal, state, and other governmental entities, including state-shared revenues and other intergovernmental distributions.

The following table and graphs provide a detailed overview of the various categories comprising the City's FY 2027 intergovernmental revenues.

State Shared Revenue



Sales Tax Summary

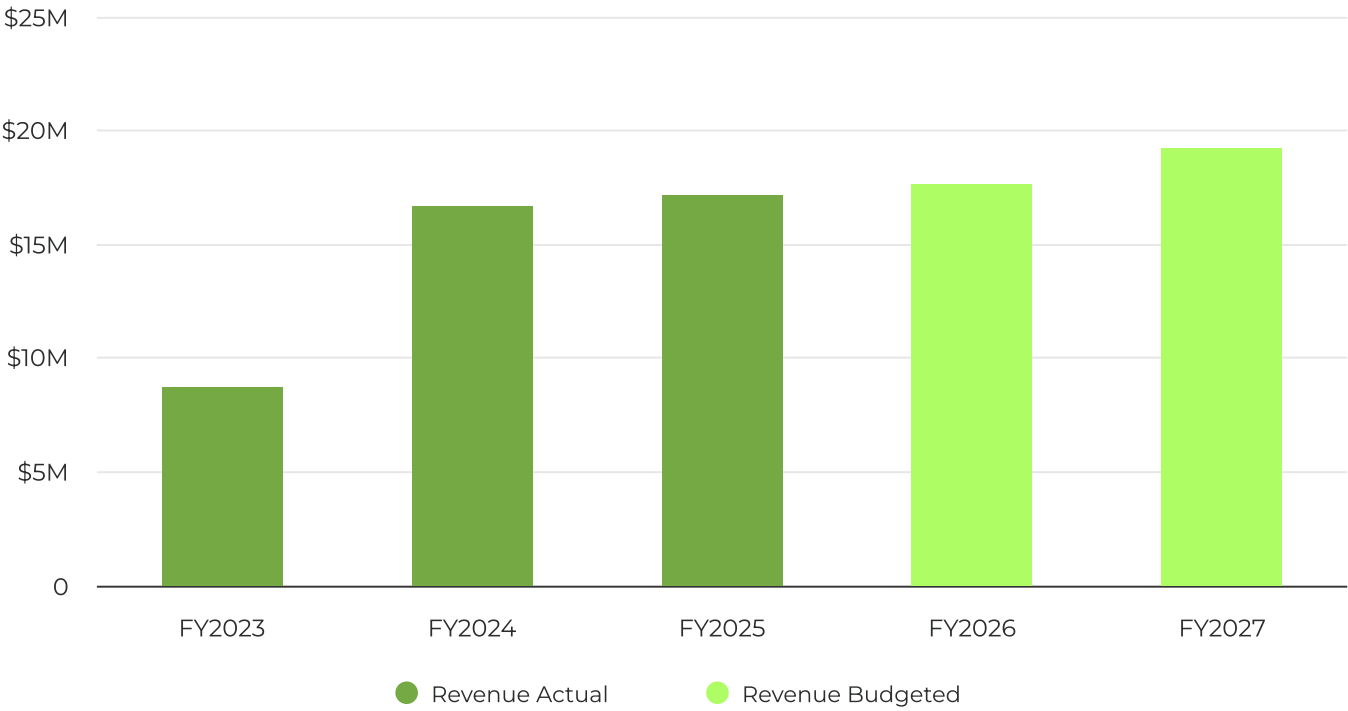
The City of San Luis levies taxes on specific business activities conducted within its municipal boundaries. In this tax structure, the City has established an agreement with the Arizona Department of Revenue to serve as the collecting agent for Transaction Privilege Tax (TPT), subsequently reimbursing the City for its share. Presently, a tax rate of 10.712% applies to all taxable categories within the City.

This 10.712% sales tax rate in San Luis is composed of several components: 5.6% constitutes the Arizona state sales tax, 1.112% is allocated to Yuma County's sales tax, and the remaining 4% contributes to the San Luis tax portion. It's essential to note that there are no additional special taxes in effect. Notably, approximately 60% of the total TPT revenue is generated from retail sales, with the remaining portion primarily originating from construction, rentals, communications/utilities, and restaurants & bars.

TPT revenues, a significant revenue stream, constitute one of the City's three largest sources of income, accounting for approximately 11.46% of the total revenue city wide, and 49.94% of the total General Fund revenues. The City sales tax revenue plays a vital role in funding general government operations and servicing debt obligations.

In shaping its financial planning, the City relies on historical collection trends while incorporating forecasting methods based on recent business trends and global events. The community has experienced robust growth, partially attributed to population increases, leading to growth in other tax revenue categories, such as retail and restaurant & bar revenue. Given the favorable economic conditions, the City has allocated a budget of \$19.2 million, signifying a 9.14% increase over the projected revenues for fiscal year 2026.

Sales Tax Proposed and Historical Budget vs. Actual



\$19,255,610 \$1,612,130

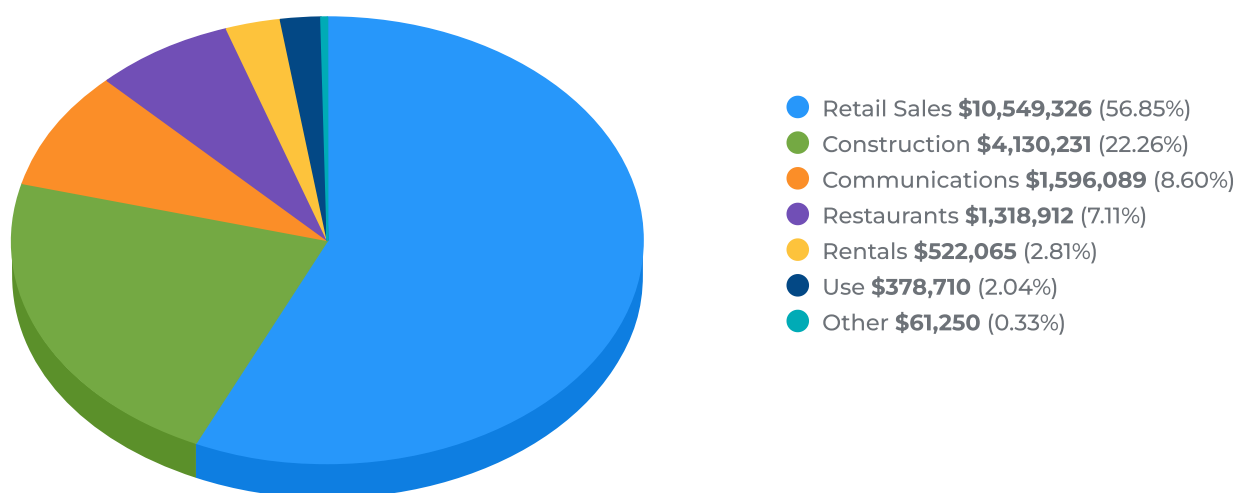
(9.14% vs. prior year)

City Sales Tax by Category

Retail sales represent the largest component of the City's Transaction Privilege Tax (TPT) revenue, accounting for approximately 56.8% of total TPT collections. The remaining TPT revenue is generated primarily from construction, rentals, communications and utilities, and restaurants and bars, among other taxable activities.

The chart below provides a detailed breakdown of the City's TPT revenue by category, illustrating the relative contribution of each revenue source to the City's overall TPT collections.

City Sales Tax Distribution



Revenues- Special Revenue Summary

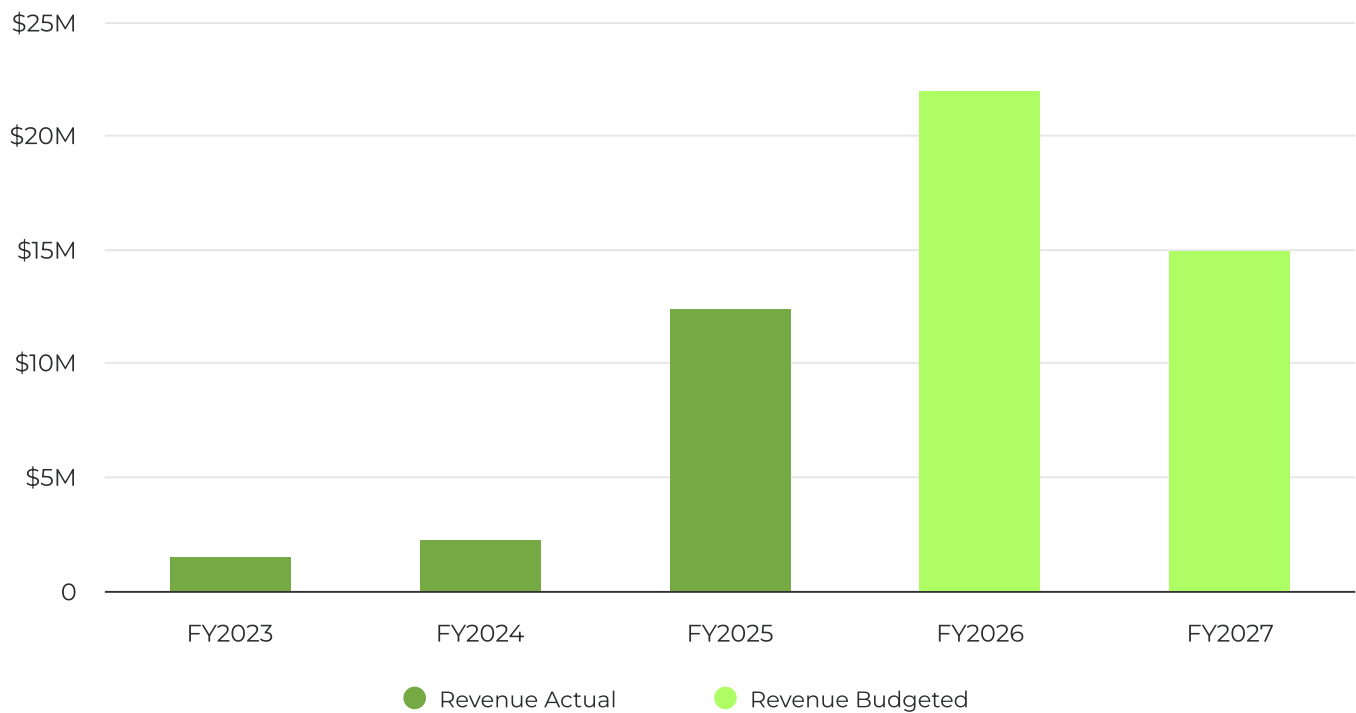
These revenues encompass various grants from state and federal agencies, playing a pivotal role in supporting the City's governmental operations and facilitating essential capital improvement projects, as well as special revenues restricted for specific projects. These projects often exceed the city's financial capacity, making grants a vital source of funding. The City has consistently received grants such as the Community Development Block Grant (CDBG), Governor's Office of Highway Safety (GOHS) grants, and ADOT grants.

It's essential to recognize that grant revenue is characterized by its non-recurring nature and susceptibility to annual fluctuations. These revenues are designated exclusively for the purposes stipulated in the approved grant agreements and must adhere to the expenditure guidelines set by the grantors. To facilitate meticulous tracking and reporting, grant revenues are segregated into separate grant funds.

The City's ability to secure grant funding is contingent upon the submission of competitive applications and the availability of funding from federal, state, and county agencies. The FY2027 budget includes \$14,940,460 in grant revenues, representing a 32% decrease from the prior fiscal year. This decline is primarily attributable to the completion or advancement of several major grant-funded initiatives that received substantial funding in previous fiscal years. These initiatives represent significant investments in downtown revitalization, workforce development, community resilience, and economic opportunity. Among these initiatives is the Downtown Park and Mobility project, which supports the City's vision for a more vibrant and connected downtown by enhancing mobility, pedestrian access, parking, recreational opportunities, and public spaces. The Campesinos Sin Fronteras (CSF) Community Resilience Hub grant and the San Luis TECHpreneurial Center grant.

Within this category, we also recognize intergovernmental revenue generated through the Smart and Safe Arizona Act, established by Proposition 207. The Act legalized the sale and use of recreational marijuana for individuals aged 21 and older and established a 16.0% state excise tax on the sale of adult-use marijuana and marijuana products. Marijuana establishments are also subject to applicable licensing requirements and transaction privilege taxes. A portion of the resulting state excise tax revenue is distributed to local public safety agencies, including municipal police and fire departments, fire districts, and county sheriff's departments, to support personnel costs. This revenue source has remained relatively consistent in recent years. Accordingly, for Fiscal Year 2027, the City projects approximately \$260,000 in revenue from this source.

Revenues- Special Revenue Proposed and Historical Budget vs. Actual



\$14,940,460 **-\$7,031,750**

(-32% vs. prior year)

Revenue by Category

Grant Revenues are divided into three categories: Judicial Collection Enhancement, Public Safety Revenue and Special Revenue Community Fund.

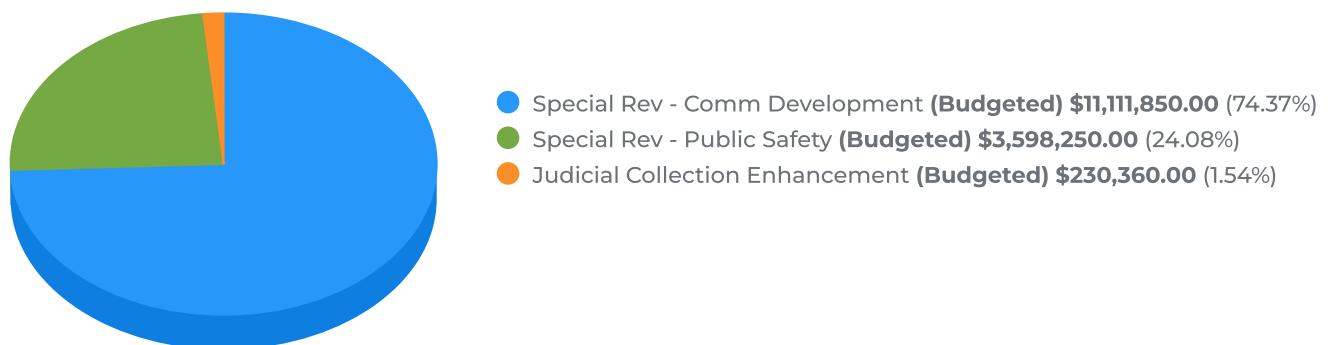
Judicial Collection Enhancement: These funds are dedicated to specific revenue sources legally earmarked for Municipal Court Revenues and Expenditures. This fund comprises various components, including JCEF Collections, San Luis Court Enhancement, Fill The Gap, Default Fees, Warrant Fees, and the San Luis Municipal Court Fare, each functioning as separate departments.

Public Safety Special Revenue: This category is designated for funds that must be utilized exclusively for Public Safety programs. It encompasses critical initiatives like the Operation Stonegarden program (OPSG), resources allocated from the Smart and Safe Arizona Act, grants supporting School Resource Officers (SROs), as well as other miscellaneous grants specifically geared towards enhancing Public Safety efforts. Additionally, it takes into account monies and assets obtained through the legal process of criminal prosecution.

Special Revenue Community Development Fund: This fund is reserved for revenue sources that are legally constrained for use in Community Development endeavors. It encompasses a variety of sources, from the federal government, Community Development Block Grants (CDBG), and other grants unrelated to Public Safety. These funds play a crucial role in fostering community development initiatives and enhancing our local quality of life.

The chart below illustrates the categories encompassed within our grant revenues:

2027 Revenue by Category



Revenue by Category

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (%) Change)
Grants	\$3,759,777.30	\$9,547,513.64	\$21,972,210.00	\$2,451,546.97	\$14,940,460.00	-32.00%
Intergovernmental	\$306,815.04	\$310,609.40	\$330,000.00	\$266,332.59	\$260,000.00	-21.21%
Judicial Collection Enhancement	-	-	-	\$39.63	-	-
Smart and Safe Arizona Act	-	-	-	\$39.63	-	-
Special Rev - Public Safety	\$306,815.04	\$310,609.40	\$330,000.00	\$266,292.96	\$260,000.00	-21.21%
Smart and Safe Arizona Act	\$96,891.48	\$109,795.87	\$110,000.00	\$101,858.54	\$110,000.00	-
Smart and Safe Arizona Act	\$119,038.11	\$149,209.78	\$120,000.00	\$145,148.42	\$150,000.00	25.00%
Opioids Settlement	\$90,885.45	\$51,603.75	\$100,000.00	\$19,286.00	-	-100.00%
Other Revenue	\$3,138,241.16	\$6,959,742.54	\$20,502,010.00	\$1,751,075.07	\$12,827,160.00	-37.43%
Judicial Collection Enhancement	-	-	-	\$44,129.33	\$129,360.00	-
Grants	-	-	-	\$44,129.33	\$129,360.00	-
Special Rev - Public Safety	\$1,076,221.73	\$2,951,468.72	\$3,393,810.00	\$1,445,510.35	\$3,058,250.00	-9.89%
2024 HB2897- Sec 127 Pepperball and Pepperall Weapons	-	\$38,600.00	-	-	-	-
Auction Revenues	\$14,765.50	\$1,170.00	-	\$2,150.00	-	-
Impound	\$54,886.71	\$65,389.50	\$60,000.00	\$54,337.50	\$60,000.00	-
Grants	\$3,000.00	\$1,866,221.55	\$2,125,160.00	\$318,581.00	\$2,942,390.00	38.45%
Yuma County Anti-Racketeering Fund	\$2,096.25	\$8,400.00	-	\$29,500.00	\$32,660.00	-
Grant - Yuma County 9-1-1 Administrator (PSAPs)	-	-	-	-	-	-
Grant - ICAC Task Force	\$1,606.36	-	\$5,000.00	\$4,608.00	\$5,000.00	-
Grant - U.S Department Health & Human Services MOU -CSF	-	-	-	-	-	-
Grant - USMS Service Violent Offender Task Force	\$8,738.71	\$8,752.88	\$8,000.00	\$8,895.00	\$18,200.00	127.50%
Grant GOHS - DUI - 2022-AL-030	-	-	-	-	-	-
Grant GOHS - STEP - 2022-PTS-058	-	-	-	-	-	-
Grants - DOHS- OPSG 210412-01	-	-	-	-	-	-
Grant GOHS - DUI - 2023-AL-028	\$4,741.68	-	-	-	-	-
Grant GOHS - STEP - 2023-PTS-055	\$4,621.21	-	-	-	-	-
Grant OPSG 220415-01	\$808,812.75	-	-	-	-	-
Grant OPSG 220415-02	\$34,962.16	-	-	-	-	-
Grants - GOHS - DUI # 2024-AL-029	\$10,279.35	\$9,335.81	\$3,750.00	-	-	-100.00%
Grants - GOHS - 2024-OP-018	\$2,660.32	\$2,292.52	-	-	-	-

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Grants - GOHS - STEP-2024-PTS-057	\$18,972.93	\$6,027.07	\$5,000.00	-	-	-100.00%
Grants - DOHS- OPSG 230432-01	\$81,366.96	\$909,306.50	\$178,000.00	\$170,105.54	-	-100.00%
Grants - GOHS - 2025-OP-021	-	\$9,710.22	\$15,000.00	\$4,968.26	-	-100.00%
Grants - GOHS - DUI # 2025-AL-027	-	\$6,325.52	\$15,000.00	\$8,306.80	-	-100.00%
Grants - GOHS - STEP-2025-PTS-055	-	\$7,855.19	\$20,000.00	\$11,668.54	-	-100.00%
DOHS- OPSG 24031-01	-	-	\$743,000.00	\$832,389.71	-	-100.00%
Miscellaneous Revenue	\$5,850.04	\$12,081.96	-	-	-	-
Grants	\$18,860.80	-	\$215,900.00	-	-	-100.00%
Special Rev - Comm Development	\$2,062,019.43	\$4,008,273.82	\$17,108,200.00	\$261,435.39	\$9,639,550.00	-43.66%
Grants	-	\$156,724.97	-	\$7,042.00	-	-
Grants	\$1,443,251.81	\$3,200,000.00	-	-	-	-
Grants	-	\$30,000.00	\$16,455,860.00	\$40,000.00	\$7,569,580.00	-54.00%
Donation	\$1,594.62	-	\$22,130.00	\$22,130.00	-	-100.00%
Grants	-	-	-	-	\$100,000.00	-
Donation	\$20,100.00	\$36,750.00	-	\$53,853.00	-	-
Grants	-	\$1,000.00	\$1,400.00	\$500.00	\$1,000.00	-28.57%
Grant - U.S Department Health & Human Services MOU -CSF	-	-	\$34,370.00	\$39,508.47	-	-100.00%
Donation	\$18,400.00	\$21,772.85	\$18,000.00	\$18,256.00	\$20,000.00	11.11%
Donations - Non Fed In Kind	-	-	-	-	-	-
Donation - Non Fed Cash	\$6,000.00	\$4,500.00	\$28,000.00	-	-	-100.00%
Grants	\$104,567.00	\$90,888.00	\$81,800.00	\$66,351.00	\$81,800.00	-
Grants	\$346,987.60	-	-	-	\$1,400,000.00	-
Grant ADOT - Juan Sanchez Blvd Overly	-	-	-	-	-	-
Grant ADOH - CDBG 103-17 Merrill Street Improvements	-	\$466,638.00	-	-	-	-
Grant ADOH - CDBG 114-18 Merrill Street Improvements Phase II	-	-	\$466,640.00	\$13,794.92	\$467,170.00	0.11%
Grant ADOH - CDBG 113-20 Ranch Los Oros Improvements	-	-	-	-	-	-
Grant ADOT - MPD - ESP -Magrino Parks Subdivision 3	-	-	-	-	-	-
Grant CDBG Mesa Street	-	-	-	-	-	-
Grant State of Az - DTA HURF Exchange	\$121,118.40	-	-	-	-	-
Grants	-	-	-	-	-	-
Charges For Services	\$93,812.71	\$163,880.07	\$369,710.00	\$231,215.73	\$286,000.00	-22.64%
Judicial Collection Enhancement	-	\$2,900.00	-	\$10,394.95	\$6,000.00	-

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Deferred Prosecution Fees	-	\$2,900.00	-	\$10,394.95	\$6,000.00	-
Special Rev - Public Safety	\$93,812.71	\$160,980.07	\$369,710.00	\$220,820.79	\$280,000.00	-24.26%
Police Revenue - SRO YUHSD # 70	\$93,812.71	\$93,504.68	\$100,000.00	\$90,819.33	\$100,000.00	-
Police Revenue - SRO Gadsden School District # 32	-	\$67,475.39	\$269,710.00	\$130,001.45	\$180,000.00	-33.26%
Fines & Forfeits	\$93,265.61	\$102,079.30	\$85,000.00	\$143,823.65	\$95,000.00	11.76%
Judicial Collection Enhancement	\$85,934.62	\$94,512.02	\$85,000.00	\$136,806.44	\$95,000.00	11.76%
J C E F Collections Revenue	\$8,285.80	\$7,992.22	\$8,000.00	\$8,501.72	\$20,000.00	150.00%
San Luis Court Enhancement	\$52,245.74	\$53,591.57	\$52,000.00	\$64,192.81	\$30,000.00	-42.31%
Fill The Gap Funds	\$2,153.49	\$3,965.83	\$2,000.00	\$3,487.89	\$10,000.00	400.00%
Default Fees	\$19,024.74	\$24,509.83	\$19,000.00	\$27,960.27	\$30,000.00	57.89%
Warrant Fees	\$4,224.85	\$4,452.57	\$4,000.00	\$8,526.21	\$5,000.00	25.00%
San Luis Municipal Court Fare	-	-	-	-	-	-
Defense Appointment Fees	-	-	-	\$10,978.16	-	-
Technology Fee	-	-	-	\$13,159.37	-	-
Dishonored Check Fee	-	-	-	-	-	-
Special Rev - Public Safety	\$7,330.99	\$7,567.28	-	\$7,017.21	-	-
Fines, Criminal & Civil Traffic	\$7,330.99	\$7,567.28	-	\$7,017.21	-	-
Interest Revenue	\$24,282.03	\$918,595.57	-	\$31,555.93	-	-
Special Rev - Comm Development	\$24,282.03	\$918,595.57	-	\$31,555.93	-	-
Interest Earned	\$24,282.03	\$918,595.57	-	\$31,555.93	-	-
Other Financing Sources	\$103,360.75	\$1,092,606.76	\$685,490.00	\$27,544.00	\$1,472,300.00	114.78%
Special Rev - Comm Development	\$103,360.75	\$1,092,606.76	\$685,490.00	\$27,544.00	\$1,472,300.00	114.78%
Transfer In	-	-	\$20,000.00	-	\$66,000.00	230.00%
Transfer In	-	\$21,812.00	-	\$27,544.00	\$44,300.00	-
Transfer In	\$103,360.75	\$1,070,794.76	\$665,490.00	-	\$1,362,000.00	104.66%
Total Revenues	\$3,759,777.30	\$9,547,513.64	\$21,972,210.00	\$2,451,546.97	\$14,940,460.00	-32.00%

Utilities and Ambulance Services

Revenues within this category are generated from a variety of sources, including user fees, capacity connection charges, medical transportation services, and other miscellaneous charges. These revenues are recorded within the City's Enterprise Funds and support the delivery and continued operation of essential services. For FY2027, revenues from utilities and ambulance services are projected at \$59.8 million, representing a 43.69% increase, or \$18.2 million, over the prior fiscal year. This total includes \$36.8 million in other financing sources and \$1.2 million in grant revenue. The primary revenue sources within this category are outlined below.

Water Utility Revenue: Water Utility revenue is primarily generated from user fees for water services, supplemented by revenues from new service and meter installations, disconnect and reconnect fees, delinquent charges, and meter inspection fees. These revenues are deposited into the City's Water Operating Fund and support ongoing operations, debt service, and annual capital improvement projects. To ensure that water rates remain sufficient to support the cost of providing reliable water services, the City regularly evaluates rates and updates its economic forecasting model. The City Council adopted a 9.0% water rate increase in FY2023, effective April 27, 2023, followed by average annual rate increases of approximately 2.0% over the subsequent five years. Accordingly, Water Utility revenue is projected to reach \$8.1 million in FY2027, representing a 2.28% increase over FY2026. The projected growth is primarily attributable to continued increases in water service user fee revenue.

Wastewater Utility Revenue: Wastewater Utility revenue is primarily generated from user fees associated with wastewater collection and treatment services. Residential customers are charged a base fee, while commercial and school customers pay a base fee supplemented by charges based on water consumption. Revenues generated from wastewater services are deposited into the City's Wastewater Operating Fund and support essential wastewater operations within the Utilities Department. Similar to the City's water rates, the City Council adopted a 13.0% wastewater rate increase in FY2023, effective April 27, 2023, followed by an average annual rate increase of approximately 10.0% over the subsequent five years. The rate adjustments, combined with modest growth in residential accounts, are projected to increase wastewater revenue to \$45.0 million in FY2027. A significant portion of the projected increase is attributable to the inclusion of \$36.8 million in other financing sources to support the planned expansion of the West Wastewater Treatment Plant. Excluding this one-time financing source, revenue from wastewater charges for services is projected to increase by approximately 10.0% compared with FY2026, reflecting the impact of the approved rate adjustments and continued account growth.

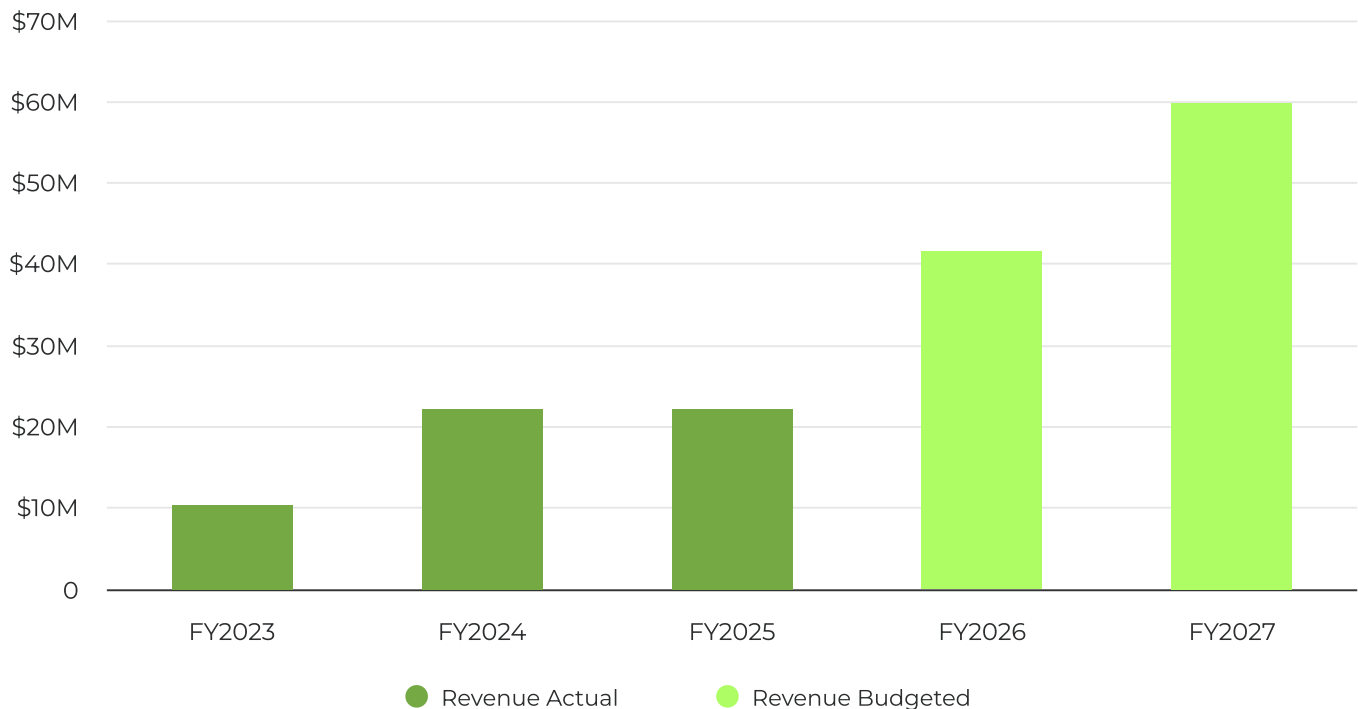
Solid Waste Utility Revenue: The City charges user fees and charges for Residential Solid Waste services. The revenue generated from Residential Solid Waste activities is instrumental in covering the operational costs of the service. In alignment with our utility rate adjustments, a 13.0% solid waste rate increase was adopted for FY 2023, effective from April 27th, 2023, with an average annual increase of 8% planned for the next five years. These rate modifications, along with a moderate growth in residential accounts, are anticipated to increase solid waste revenues to \$3.0 million in FY 2027, representing a substantial 10.3% increase compared to the prior year.

Ambulance Services Revenue: The City provides emergency medical transportation services throughout the San Luis area through the San Luis Fire Department. The department currently operates four full-time emergency response ambulances, including an additional ambulance assigned to serve the eastern region of San Luis following the completion of the second fire station. This expanded capacity has improved emergency response coverage and service availability throughout the community. Revenue generated from ambulance services is deposited into the City's Ambulance Fund and supports ongoing operational needs and capital investments associated with these essential services. For FY2027, the City has budgeted \$3.5 million in Ambulance Services revenue. This funding will support the continued delivery of reliable emergency medical transportation services while contributing to the long-term financial sustainability of the Ambulance Fund.

\$59,836,030 \$18,193,660

(43.69% vs. prior year)

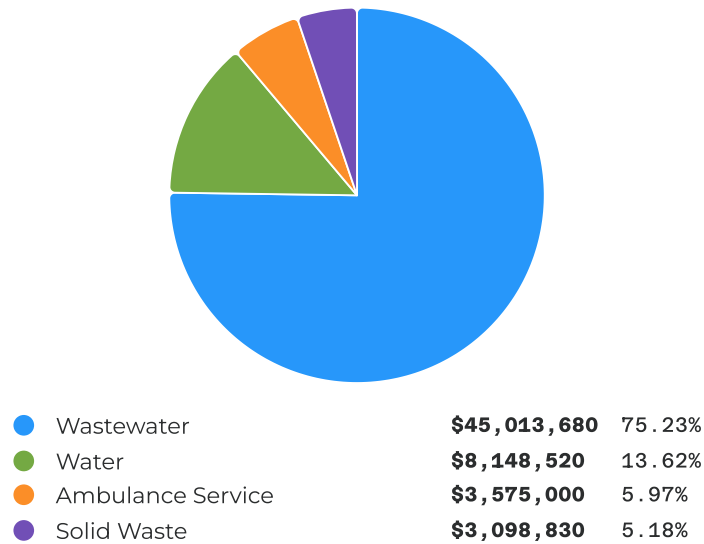
Charges for Services Proposed and Historical Budget vs. Actual



Charges for Services by Category

For FY2027, Charges for Services revenue is projected to total approximately \$59.8 million. Wastewater services comprise the largest share at 75.23%, followed by Water Utility at 13.62%, Ambulance Services at 5.97%, and Solid Waste at 5.18%. Collectively, wastewater and water utility services account for approximately 88.85% of total Charges for Services revenue, underscoring the significant contribution of utility operations to the City's enterprise revenues. The chart below illustrates the distribution of projected FY2027 Charges for Services revenue by category.

2027 Charges for Services by Fund



Revenues by Category

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Water	\$8,302,395	\$10,806,609	\$7,967,030	\$7,026,731	\$8,148,520	2.3%
Impact Fees	\$277,670	\$166,562	\$210,000	\$310,324	\$210,000	-
Water Impact Fees R2103 - 12162019	-	-	-	-	-	-
Water Impact Fees R2103 - 12162019	\$277,670	\$166,562	\$210,000	\$310,324	\$210,000	-
Other Revenue	\$1,748,290	\$3,748,909	\$1,446,870	\$143,226	\$1,402,920	-3.0%
Auction Revenues	\$2,200	-	-	-	-	-
Grants	-	\$3,200,058	\$1,321,870	-	\$1,277,920	-3.3%
Miscellaneous Revenue	\$186,793	\$161,493	\$125,000	\$143,226	\$125,000	-
Over/Short	-\$108	-\$33	-	-	-	-
Offset - Capitalization	-\$38,395	-	-	-	-	-
Contributed Capital	\$1,597,800	\$387,390	-	-	-	-
Charges For Services	\$5,617,614	\$6,248,573	\$6,145,160	\$6,267,350	\$6,370,600	3.7%
Water Sales	\$4,312,676	\$4,876,722	\$4,830,160	\$5,057,636	\$5,125,470	6.1%
Water Sales City Accounts	\$903,257	\$1,041,331	\$1,010,000	\$907,827	\$935,130	-7.4%
Conversion Fees	-	-	-	-	-	-
Water Connection Fees	\$401,681	\$330,520	\$305,000	\$301,887	\$310,000	1.6%

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Interest Revenue	\$658,821	\$642,564	\$165,000	\$305,829	\$165,000	-
Interest Earned	\$658,821	\$642,564	\$165,000	\$305,829	\$165,000	-
Interest Earned	-	-	-	-	-	-
Wastewater	\$7,997,146	\$8,944,349	\$27,085,230	\$7,623,000	\$45,013,680	66.2%
Impact Fees	\$447,177	\$265,991	\$300,000	\$223,000	\$300,000	-
Wastewater Impact Fees R2103 - 12162019	\$447,177	\$265,991	\$300,000	\$223,000	\$300,000	-
Other Revenue	\$1,673,813	\$2,054,010	\$1,000	\$1,000	\$1,000	-
Auction Revenues	\$4,700	-	-	-	-	-
Grants	\$748,269	\$1,650,915	-	-	-	-
Miscellaneous Revenue	\$6,930	\$2,185	\$1,000	\$1,000	\$1,000	-
Contributed Capital	\$913,914	\$400,910	-	-	-	-
Charges For Services	\$5,496,644	\$6,253,617	\$6,989,230	\$7,101,000	\$7,727,680	10.6%
Sewer Sales	\$5,101,872	\$5,921,080	\$6,602,230	\$6,803,000	\$7,388,600	11.9%
Sewer Sales City Accounts	\$27,048	\$34,982	\$35,000	\$35,000	\$39,080	11.7%
Sewer - Gadsden	\$116,352	\$128,858	\$144,000	\$143,000	\$130,000	-9.7%
Surcharge - Gadsden	\$34,916	\$38,710	\$43,000	\$43,000	\$40,000	-7.0%
Sewer Connection - Fees	\$211,950	\$125,550	\$160,000	\$73,000	\$125,000	-21.9%
Sewer Connections Fees - Gadsden	-	-	-	-	-	-
Bad Debt Fees - Gadsden	\$4,505	\$4,437	\$5,000	\$4,000	\$5,000	-
Interest Revenue	\$379,513	\$370,730	\$95,000	\$298,000	\$95,000	-
Interest Earned	\$379,513	\$370,730	\$95,000	\$298,000	\$95,000	-
Other Financing Sources	-	-	\$19,700,000	-	\$36,890,000	87.3%
Other Financing Uses	-	-	\$19,700,000	-	\$36,890,000	87.3%
Solid Waste	\$2,203,374	\$2,547,399	\$2,809,110	\$3,115,078	\$3,098,830	10.3%
Other Revenue	\$59,127	\$67,635	\$47,250	\$267,025	\$50,000	5.8%
Auction Revenues	\$7,225	-	-	-	-	-
Miscellaneous Revenue	\$51,902	\$67,635	\$47,250	\$267,025	\$50,000	5.8%
Charges For Services	\$2,144,247	\$2,479,764	\$2,761,860	\$2,848,053	\$3,048,830	10.4%
Sanitation Revenues	\$2,085,088	\$2,434,212	\$2,712,180	\$2,790,069	\$2,989,060	10.2%
Sanitation Revenues City Account	\$59,159	\$45,552	\$49,680	\$57,984	\$59,770	20.3%
Ambulance Service	\$3,657,906	\$3,805,962	\$3,781,000	\$3,105,398	\$3,575,000	-5.4%
Other Revenue	\$256,749	\$900	\$371,000	\$3,846	-	-100.0%
Grants	\$254,252	-	\$371,000	-	-	-100.0%
Miscellaneous Revenue	\$2,497	\$900	-	\$3,846	-	-
Charges For Services	\$3,400,907	\$3,802,816	\$3,410,000	\$3,100,000	\$3,575,000	4.8%
Ambulance Revenues	\$6,187,459	\$6,447,369	\$6,200,000	\$6,200,000	\$6,500,000	4.8%
Contra Ambulance Revenues	-\$2,786,552	-\$2,644,554	-\$2,790,000	-\$3,100,000	-\$2,925,000	4.8%
Interest Revenue	\$250	\$2,246	-	\$1,552	-	-
Interest Earned	\$250	\$2,246	-	\$1,552	-	-
Total Revenues	\$22,160,822	\$26,104,319	\$41,642,370	\$20,870,206	\$59,836,030	43.7%

Long-Range Operating Plan

Summary

Long-term financial planning is an integral component of the City of San Luis' annual budget process. The City prepares five-year financial projections to provide a forward-looking perspective on revenues, expenditures, available resources, and future financial commitments. These projections assist City leadership in evaluating the sustainability of current services, identifying potential financial challenges, and developing strategies to address the long-term needs of the community.

The projections are developed using current and historical financial information, known financial commitments, and assumptions regarding future economic and operating conditions. The City also considers information from external sources, including the State of Arizona and the League of Arizona Cities and Towns, particularly when evaluating State-shared revenues and other significant revenue sources. Revenue and expenditure assumptions are reviewed to identify unusual or one-time activity that could otherwise distort future projections.

The five-year financial projections presented in this section include the General Fund, Highway User Revenue Fund (HURF), Water, Wastewater, Solid Waste, and Ambulance operations. The FY2027 Adopted Budget serves as the base year, with projections extending through FY2031. Each projection presents anticipated revenues, expenditures or expenses, capital requirements, other financing sources and uses, and projected fund balance or net position, as applicable.

The City's long-term financial strategy emphasizes the use of recurring revenues to support ongoing operations while strategically utilizing available one-time resources for capital projects and other nonrecurring expenditures. The projections also consider the City's operational reserve target of six months of operating expenditures. Maintaining adequate reserves provides financial flexibility to respond to revenue fluctuations, unexpected expenditures, economic uncertainty, and other unforeseen circumstances.

Fund balances and net position must be evaluated within the context of the restrictions and commitments applicable to each individual fund. Certain resources are legally restricted or dedicated for specific purposes and therefore are not available to support general City operations. In addition, interfund transfers are incorporated into the projections where necessary to support identified obligations and services. Accordingly, projected balances should be evaluated together with the underlying revenue sources, restrictions, transfers, capital requirements, and future financial commitments of each fund.

Future-year expenditure projections consider personnel costs, contractual services, supplies, maintenance, debt service, capital requirements, and other known or anticipated financial commitments. Personnel and operating expenditures are projected using reasonable assumptions based on current costs and anticipated future needs. Significant capital expenditures are incorporated based on currently identified projects and anticipated timing. However, future capital priorities and costs will continue to be evaluated through the annual budget process and the City's Five-Year Capital Improvement Plan.

Capital amounts presented in the Five-Year Financial Projections may differ from amounts presented in the Capital Projects section. The Five-Year Financial Projections reflect capital expenditures

budgeted within each respective fund, while the Capital Projects section may reflect total project costs and funding from multiple sources, including grants and required local matching contributions.

Revenue projections are based on historical trends, current collections, known changes in revenue sources, and anticipated economic conditions. Extraordinary and one-time resources are evaluated separately and are not assumed to support recurring operations. This approach is intended to provide a more sustainable assessment of the resources available to support ongoing City services.

The five-year projections are financial planning tools and do not constitute future budget appropriations. Actual results may differ from projections due to changes in economic conditions, revenue performance, service demand, development activity, capital priorities, financing arrangements, regulatory requirements, and other factors. The City will review and update these projections annually as part of the budget process to identify emerging financial challenges and opportunities and to support responsible long-term financial decision-making.

General Fund

The five-year General Fund projection reflects the City's continued commitment to maintaining essential services while addressing capital needs, debt obligations, and financial support provided to other City operations. General Fund revenues are projected to increase from approximately \$38.6 million in FY2027 to \$42.5 million by FY2031, based on an annual growth assumption of approximately 2.5 percent. The City will continue to monitor actual revenue performance, particularly sales tax and State-shared revenues, which represent significant sources of General Fund revenue.

Operating expenditures are projected at approximately \$42.4 million in FY2027 and decline to approximately \$37.0 million in FY2028 before gradually increasing to approximately \$39.4 million by FY2031. The FY2027 projection includes approximately \$6.1 million in Other Financing Uses associated with transfers supporting HURF operations and capital requirements, General Fund debt service obligations, and Business Center debt service obligations. These transfers decline significantly in subsequent years based on the assumptions incorporated into the current forecast.

Based on current assumptions, the General Fund is projected to experience an operating shortfall of approximately \$3.8 million in FY2027. Beginning in FY2028, recurring revenues are projected to exceed operating expenditures, resulting in annual operating surpluses ranging from approximately \$2.5 million to \$3.1 million through FY2031. This improvement reflects projected revenue growth as well as changes in anticipated interfund support and other financing uses over the forecast period.

In addition to operating requirements, the five-year forecast includes significant capital investments. Approximately \$24.5 million in General Fund capital expenditures are currently projected between FY2027 and FY2031, including approximately \$3.6 million in FY2027, \$8.7 million in FY2028, \$4.2 million in FY2029, \$2.9 million in FY2030, and \$5.1 million in FY2031. These investments reflect the planned use of accumulated fund balance for capital and other nonrecurring expenditures rather than creating additional recurring operating commitments.

The General Fund is projected to begin FY2027 with approximately \$45.0 million in fund balance. After accounting for projected revenues, operating expenditures, transfers, and capital investments, ending fund balance is projected at approximately \$37.6 million in FY2027 and approximately \$27.9 million by FY2031. The decline in fund balance over the five-year period is primarily associated with planned capital investments and other financing uses rather than recurring operating deficits throughout the forecast period.

The City's five-year projection incorporates an operational reserve target equivalent to approximately six months of operating expenditures. After considering this reserve, resources available above the reserve target are projected at approximately \$16.4 million in FY2027 and remain positive throughout the five-year forecast period, with approximately \$8.2 million projected to remain above the reserve target in FY2031.

This long-term outlook demonstrates the importance of continued financial planning and monitoring. While the General Fund is projected to maintain resources above the City's operational reserve target throughout the forecast period, accumulated fund balance is expected to decline as resources are

used for planned capital investments and other financial commitments. The City will therefore continue to evaluate revenue performance, operating expenditures, interfund support, capital priorities, and future financial commitments to preserve the long-term financial stability of the General Fund.

The City remains particularly attentive to its reliance on sales tax and State-shared revenues and will continue to pursue opportunities to diversify revenues through grants, appropriate service fees, economic development, and other available resources. Future capital investments will also be evaluated within the context of the City's Five-Year Capital Improvement Plan, available external funding, and the long-term operating and debt service impact of each project.

The five-year projection is intended to serve as a financial planning tool and will be reviewed and updated annually as actual financial results, economic conditions, capital priorities, and City Council direction evolve.

	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
General Fund					
Revenues					
Charges For Services	\$ 70,000	\$ 71,400	\$ 72,828	\$ 74,285	\$ 75,770
Fines & Forfeits	233,000	237,660	242,413	247,261	252,207
Interest Revenue	250,000	250,000	250,000	250,000	250,000
Intergovernmental	17,576,350	17,927,877	18,286,435	18,652,163	19,025,206
Licenses & Permits	1,050,300	1,071,306	1,092,732	1,114,587	1,136,878
Other Revenue	119,000	120,000	120,000	120,000	120,000
Taxes	19,255,610	19,833,278	20,428,277	21,041,125	21,672,359
Total Revenues	\$ 38,554,260	\$ 39,511,521	\$ 40,492,685	\$ 41,499,421	\$ 42,532,421
		2.5%	2.5%	2.5%	2.5%
Expenditures					
Contingencies	300,000	300,000	300,000	300,000	300,000
Maintenance	3,350,700	3,451,221	3,554,758	3,661,400	3,771,242
Non-Departmental	(5,397,920)	(5,505,878)	(5,615,996)	(5,728,316)	(5,842,882)
Other Financing Sources - Uses	6,077,060	0	0	0	0
Salaries & Related Expenses	29,064,260	29,645,545	30,238,456	30,843,225	31,460,090
Special Services	7,439,350	7,588,137	7,739,900	7,894,698	8,052,592
Supplies	1,537,480	1,568,230	1,599,594	1,631,586	1,664,218
Total Expenditures	\$ 42,370,930	\$ 37,047,254	\$ 37,816,712	\$ 38,602,594	\$ 39,405,259
		-13%	2%	2%	2%
Operation Result	\$ (3,816,670)	\$ 2,464,267	\$ 2,675,973	\$ 2,896,827	\$ 3,127,161
Capital Items	\$ 3,635,630	\$ 8,725,770	\$ 4,167,790	\$ 2,887,300	\$ 5,123,900
Net Result	\$ (7,452,300)	\$ (6,261,503)	\$ (1,491,817)	\$ 9,527	\$ (1,996,739)
Beginning Fund Balance	\$ 45,047,031	\$ 37,594,731	\$ 31,333,228	\$ 29,841,411	\$ 29,850,938
Ending Fund Balance	\$ 37,594,731	\$ 31,333,228	\$ 29,841,411	\$ 29,850,938	\$ 27,854,199
Operational Reserves	\$ 21,185,465	\$ 18,523,627	\$ 18,908,356	\$ 19,301,297	\$ 19,702,630
Ending Fund balance net of reserves	16,409,266	12,809,601	10,933,055	10,549,641	8,151,570
		-22%	-15%	-4%	-23%

Highway Users Revenue Fund

The Highway User Revenue Fund (HURF) continues to require financial support from the General Fund because State-shared HURF revenues and other recurring resources are not sufficient to fully support the City's street maintenance, roadway operating requirements, capital investments, and operational reserve target. As San Luis continues to grow, the demand for street maintenance, roadway improvements, and related infrastructure continues to place pressure on the resources available within the fund.

For FY2027, total HURF revenues and other financing sources are projected at approximately \$9.2 million. HURF Special Revenues, which represent the primary recurring revenue source of the fund, are projected at approximately \$4.2 million in FY2027 and are expected to increase gradually to approximately \$4.5 million by FY2031.

Charges for Services, which primarily represent impact fee revenues, are projected at approximately \$690,000 in FY2027 and increase over the five-year forecast period. These revenues are restricted for eligible street and roadway capital improvements and are not available to support ongoing HURF operating expenditures. Accordingly, these restricted resources are retained within the projected fund balance until they are used for eligible capital purposes.

Because recurring HURF revenues are not sufficient to support the full operating, capital, and reserve requirements reflected in the projection, the five-year forecast includes continued financial support from the General Fund. Transfers from the General Fund are reported within HURF as Other Financing Sources and are projected based on the anticipated funding needed to support HURF operations, capital requirements, and the City's operational reserve target. General Fund transfers are projected at approximately \$4.3 million in FY2027, \$3.1 million in FY2028, \$5.2 million in FY2029, and \$2.7 million in FY2030. No General Fund transfer is currently projected for FY2031 based on the assumptions incorporated into the five-year forecast.

HURF expenditures are projected at approximately \$5.2 million in FY2027 and fluctuate over the five-year period based on street maintenance requirements, personnel and operating costs, planned project activity, and local matching requirements for grant-funded projects. Other Financing Uses reflected in the projection represent transfers associated with the City's local matching requirements for street and roadway projects funded through State, federal, or other grant sources. These local contributions allow the City to leverage external funding to advance significant roadway improvements while reducing the amount that must be funded entirely from local resources.

The five-year forecast also incorporates significant roadway capital investments based on projects identified in the City's current Five-Year Capital Improvement Plan. Approximately \$3.4 million in capital expenditures are projected for FY2027, followed by \$4.0 million in FY2028, \$7.1 million in FY2029, \$2.6 million in FY2030, and approximately \$200,000 in FY2031. Future capital requirements will continue to be reviewed annually as project priorities, costs, grant opportunities, and available resources change.

The projected HURF fund balance requires careful interpretation. A significant component of the projected balance represents accumulated impact fee revenues that are restricted for eligible street and roadway capital improvements. These resources cannot be used to fund ongoing HURF operating expenditures. Therefore, a positive ending fund balance should not be interpreted as unrestricted resources available for operations or as an indication that HURF is financially self-sufficient. The projected balance must be evaluated based on the purpose and legal availability of the underlying resources.

The City's five-year projection incorporates an operational reserve equivalent to approximately six months of operating expenditures. Because impact fee revenues are restricted and cannot be used to support ongoing operations, General Fund support remains an important component of meeting HURF operating requirements and maintaining the City's operational reserve target. The financial position of HURF should therefore be evaluated based on the availability and permitted use of its resources rather than solely on the amount of the reported ending fund balance.

The long-term outlook for HURF highlights the continued need to evaluate the relationship between recurring HURF revenues, restricted impact fee resources, General Fund support, street maintenance requirements, grant-funded projects, and future roadway capital needs. Reliance on the General Fund places additional pressure on resources that must also support public safety, parks and recreation, administrative services, debt obligations, and other City priorities. The City will continue to pursue available State and federal roadway funding, grants, development-related revenues, and other eligible funding opportunities to leverage local resources and reduce reliance on the General Fund where possible.

The five-year projection will continue to be reviewed annually as actual HURF revenues, General Fund capacity, roadway conditions, development activity, grant opportunities, and capital priorities change. This ongoing evaluation will help the City balance immediate street and roadway needs with the long-term financial sustainability of both HURF and the General Fund.

Note: Charges for Services primarily represent impact fee revenues restricted for eligible street and roadway capital improvements and are not available to support HURF operating expenditures. Other Financing Sources represent transfers from the General Fund to support HURF operating, capital, and reserve requirements. Other Financing Uses represent transfers associated with the City's local matching requirements for grant-funded street and roadway projects. Accordingly, projected ending fund balance includes restricted impact fee resources and should not be interpreted as unrestricted resources available to support ongoing operations.

	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
HURF					
Revenues					
Charges For Services	\$ 690,000	\$ 724,500	\$ 760,725	\$ 798,761	\$ 838,699
Debt Proceeds	0	0	0	0	0
HURF - Special Revenues	4,181,650	4,265,283	4,350,589	4,437,600	4,526,352
Interest Revenue	75,000	75,000	75,000	75,000	75,000
Other Financing Sources	4,266,760	3,088,559	5,228,712	2,663,817	0
Other Revenue	0				
Total Revenues	\$ 9,213,410	\$ 8,153,342	\$ 10,415,026	\$ 7,975,179	\$ 5,440,052
		-12%	28%	-23%	-32%
Expenditures					
Maintenance	333,070	343,062	445,981	459,360	473,141
Non-Departmental	690,280	704,086	718,167	732,531	747,181
Other Financing Sources - Uses	1,362,000	948,060	0	1,985,490	0
Salaries & Related Expenses	1,648,170	1,697,615	1,748,544	1,801,000	1,855,030
Special Services	1,064,330	1,085,617	1,107,329	1,129,476	1,152,065
Supplies	65,100	66,402	67,730	69,085	70,466
Total Expenditures	\$ 5,162,950	\$ 4,844,841	\$ 4,087,751	\$ 6,176,941	\$ 4,297,883
		-6%	-16%	51%	-30%
Operation Result	\$ 4,050,460	\$ 4,033,000	\$ 7,088,000	\$ 2,597,000	\$ 1,980,868
Capital Items	\$ 3,360,460	\$ 4,033,000	\$ 7,088,000	\$ 2,597,000	\$ 200,000
Net Result	\$ 690,000	\$ 0	\$ 0	\$ (0)	\$ 1,780,868
Beginning Fund Balance	\$ 3,500,135	\$ 4,190,135	\$ 4,914,635	\$ 5,675,360	\$ 6,474,121
Ending Fund Balance	\$ 4,190,135	\$ 4,914,635	\$ 5,675,360	\$ 6,474,121	\$ 7,312,821
Operational Reserves	\$ 2,581,475	\$ 2,422,421	\$ 2,043,875	\$ 3,088,470	\$ 2,148,942
Ending Fund Balance (Less operational reserves)	\$ 1,608,660	\$ 2,492,214	\$ 3,631,485	\$ 3,385,651	\$ 5,163,879
		55%	46%	-7%	53%

Water Fund

The Water Fund is projected to generate positive operating results throughout the five-year forecast period, with annual operating results ranging from approximately \$1.2 million to \$2.6 million. Charges for Services, the primary recurring revenue source of the fund, are projected to increase from approximately \$6.6 million in FY2027 to approximately \$6.9 million by FY2031.

Despite positive operating results, the Water Fund faces significant capital requirements over the five-year period. Approximately \$16.7 million in capital investments are currently projected from FY2027 through FY2031, including approximately \$3.0 million in FY2027, \$4.1 million in FY2028, \$4.6 million in FY2029, \$2.1 million in FY2030, and \$3.0 million in FY2031. These planned investments are expected to gradually reduce available resources, with the projected ending balance declining from approximately \$6.2 million in FY2027 to a deficit of approximately \$1.1 million by FY2031.

The City's five-year projection incorporates an operational reserve equivalent to approximately six months of operating expenditures. After considering this reserve, resources available above the reserve target decline from approximately \$3.4 million in FY2027 to approximately \$474,000 in FY2028 and become insufficient beginning in FY2029. This outlook does not reflect an operating deficit; rather, it demonstrates the financial impact of significant planned capital investments on the Water Fund.

The long-term outlook highlights the need to evaluate the timing and affordability of future water capital investments in relation to available resources. The City will continue to evaluate water rates, operating costs, capital priorities, project timing, and available external funding opportunities to support the long-term financial sustainability of the water system.

Wastewater Fund

The Wastewater Fund's five-year financial outlook is significantly influenced by the expansion of the West Wastewater Treatment Plant and the financing required to complete this major infrastructure investment. The project will expand treatment capacity to support existing needs and the continued growth of the San Luis community.

The City has secured approximately \$38.4 million in financial assistance through the Water Infrastructure Finance Authority of Arizona (WIFA), including approximately \$5.5 million in forgivable principal. The FY2027 Adopted Budget reflects approximately \$36.9 million in budgeted debt proceeds associated with wastewater capital improvements. Because construction of the West Wastewater Treatment Plant Expansion is expected to extend across FY2027 and FY2028, actual financing draws and project expenditures will occur as eligible project costs are incurred. Accordingly, the timing of actual financing draws and expenditures may differ from the amounts reflected in the FY2027 Adopted Budget.

The five-year projection carries forward available project resources into subsequent years as construction progresses rather than recognizing the same financing as new debt proceeds in FY2028. This treatment avoids duplicating financing already reflected in the FY2027 Adopted Budget and provides a clearer representation of the anticipated multi-year construction period.

Wastewater Charges for Services are projected to increase from approximately \$8.0 million in FY2027 to approximately \$9.8 million by FY2031. Excluding the significant financing proceeds reflected in FY2027, the fund is projected to generate positive annual operating results throughout the five-year forecast period. These operating results range from approximately \$901,000 in FY2028 to approximately \$1.9 million by FY2031.

Significant capital investments associated with the treatment plant expansion and other wastewater infrastructure needs create substantial fluctuations in the projected financial position. Capital expenditures are currently projected at approximately \$20.3 million in FY2027 and \$22.1 million in FY2028, reflecting the significant construction activity anticipated during these years. Additional capital investments of approximately \$1.4 million are projected in FY2029, followed by approximately \$19.5 million in FY2030 and \$10.3 million in FY2031 based on projects currently identified in the five-year planning period.

The Wastewater Fund is projected to end FY2027 with approximately \$22.0 million in fund balance, reflecting in part the timing of budgeted financing proceeds and capital expenditures. As these resources are used for planned capital projects, the projected ending balance declines to approximately \$802,000 in FY2028 and approximately \$525,000 in FY2029. Under current assumptions, significant later-year capital requirements result in projected deficits of approximately \$17.7 million in FY2030 and \$26.1 million in FY2031.

The City's five-year projection incorporates an operational reserve equivalent to approximately six months of operating expenditures. After considering this reserve, projected resources become insufficient beginning in FY2028. This condition is primarily driven by the timing and magnitude of planned capital investments rather than recurring operating deficits.

The later-year projected deficits identify a future funding need under the assumptions currently incorporated into the Five-Year Capital Improvement Plan. Projects and funding identified for future fiscal years are planning estimates and do not constitute future appropriations. The City will continue to evaluate project timing, available financing, grants, rates, project costs, and other funding opportunities before future capital projects are incorporated into subsequent annual budgets.

The City will also continue to monitor WIFA financing and actual draws, debt service requirements, wastewater revenues, construction progress, and capital priorities. The five-year projection will be updated annually as actual project expenditures, financing activity, construction schedules, and other financial conditions become known.

Note: FY2027 reflects the Adopted Budget, including approximately \$36.9 million in budgeted debt proceeds for wastewater capital improvements. Construction of the West Wastewater Treatment Plant Expansion is expected to extend across FY2027 and FY2028. Actual financing draws and capital expenditures will occur as eligible project costs are incurred, and available project resources may be

carried forward into subsequent fiscal years. Future-year projections will be updated based on actual construction progress, financing draws, and project schedules.

Solid Waste Fund

The Solid Waste Fund continues to face financial challenges resulting from an accumulated negative beginning balance and the need to establish adequate operational reserves. Unlike the Water and Wastewater Funds, the primary financial concern for Solid Waste is not a lack of positive annual operating results under the current projection, but the time required to recover from the existing negative financial position while also addressing future capital needs.

Solid Waste revenues are projected to increase from approximately \$3.1 million in FY2027 to approximately \$3.5 million by FY2031, while operating expenditures are projected to increase from approximately \$2.6 million to approximately \$2.8 million. Based on these assumptions, the fund is projected to generate positive annual operating results throughout the five-year period, increasing from approximately \$500,000 in FY2027 to approximately \$669,000 by FY2031.

Planned capital expenditures of approximately \$430,000 in FY2028, \$510,000 in FY2029, and \$340,000 in FY2030 moderate the pace of financial recovery. Nevertheless, the projected ending balance improves from a deficit of approximately \$900,000 in FY2027 to a positive balance of approximately \$233,000 by FY2031.

Although the fund is projected to achieve a positive ending balance by FY2031, it remains below the City's operational reserve target throughout the five-year forecast period. After considering the operational reserve target of approximately six months of operating expenditures, the projected shortfall improves from approximately \$2.2 million in FY2027 to approximately \$1.2 million in FY2031. Therefore, reaching a positive ending balance does not indicate that the fund has fully achieved long-term financial stability.

The City will continue to evaluate Solid Waste rates, service costs, capital requirements, and operational needs to improve the fund's financial position and move toward meeting the City's reserve target. The five-year projection will be updated annually to reflect actual financial performance, future capital needs, and any rate or operational changes.

	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
Water					
Revenues					
Charges For Services	\$ 6,580,600	\$ 6,545,815	\$ 6,676,731	\$ 6,810,266	\$ 6,946,471
Interest Revenue	165,000	165,000	165,000	165,000	165,000
Other Financing Sources	0	0	0	0	0
Other Revenue	1,402,920	125,000	125,000	125,000	125,000
Total Revenues	\$ 8,148,520	\$ 6,835,815	\$ 6,966,731	\$ 7,100,266	\$ 7,236,471
		-16%	2%	2%	2%
Expenditures					
Contingencies	0	0	0	0	0
Long Term Debt Service	770,000	769,020	767,000	767,000	766,000
Maintenance	551,470	562,499	573,749	585,224	596,929
Non-Departmental	1,371,940	1,399,379	1,427,366	1,455,914	1,485,032
Other Financing Sources - Uses	0	0	0	0	0
Salaries & Related Expenses	1,261,580	1,286,812	1,312,548	1,338,799	1,365,575
Special Services	1,231,120	1,255,742	831,685	848,319	865,285
Supplies	352,060	359,101	344,476	351,366	358,393
Total Expenditures	\$ 5,538,170	\$ 5,632,553	\$ 5,256,825	\$ 5,346,621	\$ 5,437,214
		2%	-7%	2%	2%
Operation Result	\$ 2,610,350	\$ 1,203,262	\$ 1,709,906	\$ 1,753,645	\$ 1,799,257
Capital Items	\$ 2,970,480	\$ 4,072,000	\$ 4,610,000	\$ 2,060,000	\$ 3,000,000
Net Result	\$ (360,130)	\$ (2,868,738)	\$ (2,900,094)	\$ (306,355)	\$ (1,200,743)
Beginning Fund Balance	6,519,241	6,159,111	3,290,373	390,279	83,924
Ending Balance	6,159,111	3,290,373	390,279	83,924	-1,116,819
Operational Reserves	2,769,085	2,816,277	2,628,412	2,673,311	2,718,607
Ending Fund Balance net of reserves	\$ 3,390,026	\$ 474,096	\$ (2,238,133)	\$ (2,589,387)	\$ (3,835,425)
		-86%	-572%	16%	48%

	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY30-31
Wastewater					
Revenues					
Charges For Services	\$ 8,027,680	\$ 8,103,790	\$ 8,499,000	\$ 8,912,000	\$ 9,804,000
Debt Proceeds	36,890,000	-	-	-	-
Interest Revenue	95,000	95,000	95,000	95,000	95,000
Other Revenue	1,000	1,000	1,000	1,000	1,000
Total Revenues	\$ 45,013,680	\$ 8,199,790	\$ 8,595,000	\$ 9,008,000	\$ 9,900,000
		-82%	5%	5%	10%
Expenditures					
Long Term Debt Service	1,797,300	1,796,000	1,738,000	1,713,000	1,685,000
Maintenance	808,070	873,834	926,264	981,840	1,040,751
Non-Departmental	1,483,920	1,515,874	1,606,827	1,703,236	1,805,430
Other Financing Sources - Us	150,000	0	0	0	0
Salaries & Related Expenses	1,913,430	1,970,833	2,029,958	2,090,857	2,153,582
Special Services	1,045,170	1,053,044	1,116,227	1,183,200	1,254,192
Supplies	84,440	89,506	94,877	100,569	106,604
Total Expenditures	\$ 7,282,330	\$ 7,299,092	\$ 7,512,152	\$ 7,772,703	\$ 8,045,559
		0%	3%	3%	4%
Operating Result	\$ 37,731,350	\$ 900,698	\$ 1,082,848	\$ 1,235,297	\$ 1,854,441
Capital Items	\$ 20,330,000	\$ 22,110,000	\$ 1,360,000	\$ 19,450,000	\$ 10,250,000
Net Result	\$ 17,401,350	\$(21,209,302)	\$ (277,152)	\$ (18,214,703)	\$ (8,395,559)
Beginning Fund Balance	4,609,936	22,011,286	801,984	524,832	-17,689,871
Ending Balance	22,011,286	801,984	524,832	-17,689,871	-26,085,430
Operational Reserves	3,641,165	3,649,546	3,756,076	3,886,351	4,022,780
Ending Fund Balance net of	\$ 18,370,121	\$ (2,847,562)	\$ (3,231,245)	\$ (21,576,223)	\$ (30,108,210)
		-116%	13%	568%	40%

	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
Solid Waste					
Revenues					
Charges For Services	\$ 3,048,830	\$ 3,140,295	\$ 3,234,504	\$ 3,331,539	\$ 3,431,485
Other Financing Sources	0	0	0	0	0
Other Revenue	50,000	50,000	50,000	50,000	50,000
Total Revenues	\$ 3,098,830	\$ 3,190,295	\$ 3,284,504	\$ 3,381,539	\$ 3,481,485
		3%	3%	3%	3%
Expenditures					
Contingencies	0	0	0	0	0
Long Term Debt Service	0	0	0	0	0
Maintenance	416,520	424,850	433,347	442,014	450,855
Non-Departmental	883,810	901,486	919,516	937,906	956,664
Other Financing Sources - Uses	0				
Salaries & Related Expenses	522,500	532,950	543,609	554,481	565,571
Special Services	697,270	711,215	725,440	739,949	754,747
Supplies	78,350	79,917	81,515	83,146	84,809
Total Expenditures	\$ 2,598,450	\$ 2,650,419	\$ 2,703,427	\$ 2,757,496	\$ 2,812,646
		2%	2%	2%	2%
Operating Result	\$ 500,380	\$ 539,876	\$ 581,076	\$ 624,043	\$ 668,839
Capital Items	\$ -	430,000	\$ 510,000	\$ 340,000	\$ -
Net Result	\$ 500,380	\$ 109,876	\$ 71,076	\$ 284,043	\$ 668,839
Beginning Fund Balance	\$ (1,400,881)	\$ (900,501)	\$ (790,625)	\$ (719,549)	\$ (435,506)
Ending Balance	\$ (900,501)	\$ (790,625)	\$ (719,549)	\$ (435,506)	\$ 233,333
Operational Reserves	\$ 1,299,225	\$ 1,325,210	\$ 1,351,714	\$ 1,378,748	\$ 1,406,323
Ending Fund Balance net of reserves	\$ (2,199,726)	\$ (2,115,835)	\$ (2,071,262)	\$ (1,814,254)	\$ (1,172,990)
		-4%	-2%	-12%	-35%

Ambulance Fund

The Ambulance Fund continues to face significant financial challenges because revenues generated from ambulance services are not sufficient to fully support the ongoing cost of operations. Although service revenues are projected to grow throughout the five-year forecast period, operating expenditures are expected to remain above recurring revenues, resulting in annual operating deficits.

Ambulance service revenues are projected at approximately \$3.6 million in FY2027 and are expected to increase gradually to approximately \$4.0 million by FY2031. Operating expenditures are projected at approximately \$4.7 million in FY2027 and increase to approximately \$5.0 million by FY2031. Salaries and related expenses represent the largest component of operating costs, reflecting the personnel-intensive nature of providing emergency medical services.

Based on current assumptions, the Ambulance Fund is projected to experience an operating deficit of approximately \$1.1 million in FY2027. Although the annual operating deficit gradually improves over the five-year period, recurring expenditures continue to exceed recurring service revenues in every year of the forecast, with the operating deficit remaining above \$1.0 million through FY2031. This indicates that projected revenue growth, under current assumptions, is not sufficient to eliminate the recurring operating imbalance.

Unlike funds where declining balances are primarily associated with significant planned capital investments, the financial pressure within the Ambulance Fund is largely the result of recurring operating expenditures exceeding recurring revenues. The projection includes a capital expenditure of approximately \$350,000 in FY2028, which further affects the fund balance in that year; however, the underlying long-term financial challenge remains the recurring operating deficit.

The financial impact of these recurring deficits is reflected in the projected fund balance. The Ambulance Fund begins FY2027 with an estimated balance of approximately \$878,000 and is projected to end FY2027 with a deficit of approximately \$213,000. Under current assumptions, the deficit increases throughout the forecast period, reaching approximately \$4.8 million by FY2031.

The City's five-year projection incorporates an operational reserve target equivalent to approximately six months of operating expenditures. Because the Ambulance Fund is projected to experience recurring operating deficits, available resources are not sufficient to meet this reserve target during the forecast period. After considering the operational reserve target, the projected shortfall increases from approximately \$2.5 million in FY2027 to approximately \$7.3 million by FY2031. This condition highlights the importance of addressing the underlying difference between the cost of providing ambulance services and the revenues generated by the operation.

The City continues to evaluate opportunities to improve the long-term financial sustainability of ambulance services. This includes monitoring service demand, collection performance, reimbursement levels, operating costs, and opportunities for additional or alternative funding. The City will also continue to evaluate operational efficiencies and other strategies that may help reduce the gap between recurring revenues and expenditures while maintaining the level and quality of emergency medical services provided to the community.

The five-year projection will be reviewed and updated annually as actual service revenues, reimbursement levels, operating costs, service demand, and other financial conditions change. Addressing the recurring operating imbalance will remain an important component of the City's long-term financial planning to ensure the continued delivery and sustainability of ambulance services.

	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
Ambulance Fund					
Revenues					
Charges For Services	\$ 3,575,000	\$ 3,682,250	\$ 3,792,718	\$ 3,906,499	\$ 4,023,694
Other Financing Sources	0	0	0	0	0
Other Revenue	0	0	0	0	0
Total Revenues	\$ 3,575,000	\$ 3,682,250	\$ 3,792,718	\$ 3,906,499	\$ 4,023,694
Expenditures					
Contingencies	0	0	0	0	0
Long Term Debt Service	76,700	77,826	77,603	77,722	77,640
Maintenance	208,250	212,415	216,663	220,997	225,416
Non-Departmental	573,210	584,674	596,368	608,295	620,461
Salaries & Related Expenses	3,326,770	3,393,305	3,461,172	3,530,395	3,601,003
Special Services	229,720	234,314	239,001	243,781	248,656
Supplies	251,100	256,122	261,244	266,469	271,799
Total Expenditures	\$ 4,665,750	\$ 4,758,657	\$ 4,852,051	\$ 4,947,659	\$ 5,044,975
Operating Result	\$ (1,090,750)	\$ (1,076,407)	\$ (1,059,333)	\$ (1,041,160)	\$ (1,021,281)
Capital Items	0	350,000	0	0	0
Net Result	\$ (1,090,750)	\$ (1,426,407)	\$ (1,059,333)	\$ (1,041,160)	\$ (1,021,281)
Beginning Fund Balance	877,738	(213,012)	(1,639,419)	(2,698,752)	(3,739,912)
Ending Fund Balance	(213,012)	(1,639,419)	(2,698,752)	(3,739,912)	(4,761,193)
Operational Reserves	2,332,875	2,379,329	2,426,025	2,473,829	2,522,488
Ending Fund Balance	\$ (2,545,887)	\$ (4,018,748)	\$ (5,124,777)	\$ (6,213,741)	\$ (7,283,681)
		58%	28%	21%	17%

Personnel

Personnel Changes

The FY2027 Adopted Budget reflects targeted staffing changes designed to strengthen organizational capacity and support the City's growing operational and service needs. The budget includes four new full-time positions: an Assistant City Attorney, GIS Technician, IT Network Administrator, and Building Maintenance position, with a combined budgeted cost of approximately \$387,500.

In addition, the FY2027 budget includes the reclassification of an Administrative Coordinator position to Business License Coordinator, with an estimated budget impact of approximately \$9,200. These staffing changes reflect the City's continued evaluation of departmental responsibilities, service demands, and organizational needs as the community continues to grow.

Staffing changes and departmental personnel requirements are further described within each department's staff summary and budget information.



City of San Luis Summary						
Staff Summary	Actual 2023-24	Adopted 2024/25	Adopted 2025-26	Request 2026-27	Change 2025/26 to 2026/27	
Full-time Equivalents (FTE)	343	368	388	392	4	
% of city's FTEs				100.00%		
			Current	Request	Changes	
Department	2023-2024	2024-2025	2025-2026	2026-2027	FY2026 to FY2027	
City Administration	6.5	9	9	9	0	
City Clerk	4	3	3	3	0	
City Attorney	3.5	3.5	3	4	1	
City Prosecutor	3	3	3	3	0	
Finance	10.5	11.5	11.5	11.5	0	
Human Resources	8	8	8	8	0	
Development Services	6.0	7.0	7.0	8.0	1	
Building Safety	5.0	5.0	5.0	5.0	0	
Economic Development	3.8	3.8	3.8	4	0	
Cultural Center	2.3	3.0	3.0	3	0	
Parks	18	18	18	18	0	
Recreation	3.3	5.0	5.0	5	0	
Youth Center	3.3	3.0	3.5	4	0	
Municipal Pool	2.3	0.0	0.0	0	0	
Parks & Rec. Administration	4	4	4	4	0	
Senior Services	5	5	5.5	5.5	0	
Municipal Court	11	11	9	9	0	
Police Department	67	75	86	86	0	
Fire Department	24.3	27.3	33.3	33.3	0	
Fire Department East	12	12	12	12	0	
Information Technology	8.0	8.0	8	9	1	
Facilities	13	15	15	16	1	
Fleet Services	7	7	7	7	0	
Risk & Property Management	2.5	3	3	3	0	
Billings & Collections	11	11	11	11	0	
Engineering	2	4	4	4	0	
Improvement Districts	0	0	0	0	0	
Public Works Administration	6	7	7	7	0	
Highway User	22.8	22.5	22.5	23	0	
Senior Services Special Revenue Fund	2	2	2	2	0	
Water	12.3	13.0	15.0	15	0	
Wastewater	20.3	21.0	23.0	23	0	
Solidwaste	6.5	7.5	7.5	8	0	
Business Incubator	0.2	0.2	0.2	0.2	0	
Ambulance Services	26.7	29.7	29.7	29.7	0	
Total City Wide	343	368	388	392	4	

New Positions Request



NEW PERSONNEL REQUESTS AND SALARY RECLASSIFICATIONS FY2027

1. Four New Positions \$387,500
 - Assistant City Attorney
 - GIS Technician
 - IT Network Administrator
 - Building Maintenance
2. Salary Reclassification \$9,200
 - Admin Coordinator to
Business License
Coordinator

Department Summary

CITY COUNCIL



The City Council serves as a legislative and policy making body of the municipal government and has responsibility for enacting city ordinances, appropriating funds to conduct city business, and providing policy direction to the city manager responsible for carrying out established policies and administering operations.

Accomplishments FY 2026

- Continued supporting the city's long-term financial stability by proposing the creation of a primary property tax and other tax initiatives to increase city revenue sources.
- Implemented the salary compensation study to adjust city employees to 100% of the starting labor market wage to increase the recruitment and retention of employees.
- Approved major residential and commercial developments, investing in the underground infrastructure work for widening Cesar Chavez Boulevard, invested in the renovation and construction of various city facilities, including the East Wing of City Hall, the Municipal Pool, the B Street Building remodel, and East Community Park.
- Continued supporting all San Luis Port of Entry I stakeholders in the construction of the expansion and modernization of the San Luis Port of Entry I in both the U.S. and Mexico during fiscal years 2025-2029.
- Invested over 1 million in upgrading police radios, police and fire vehicles, and equipment.
- Completed the acquisition of 26 acres of state and private land to expand water and wastewater infrastructure, and the future development of an expansion of all city facilities.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Promote smart growth and public service through strategic city planning, community engagement, and infrastructure improvements."

- Support smart growth development by reviewing and approving minor and major General Plan amendments by June 30, 2027.
- Assist staff with city expansion efforts through annexations, land swaps, and land acquisition, including state land, throughout FY 2027.
- Advocate for federal staffing support by collaborating with stakeholders to secure a full-time entomologist at San Luis Port of Entry II and increase CBP officers at Port of Entry I by June 30, 2027.
- Continue supporting efforts with all Port of Entry I stakeholders to advance construction of San Luis Port of Entry I during FY 2026–2027.
- Collaborate with stakeholders to advance the feasibility study for allowing private vehicles at the San Luis II Port of Entry, with the goal of completing the study by FY 2028.



Economy

Goal: "Foster economic growth by enhancing business opportunities, infrastructure, and key stakeholder partnerships."

- Collaborate with staff to recruit and successfully hire key top-level positions, including the Deputy City Manager, City Attorney, Assistant City Attorney, Municipal Judge, Assistant Park and Recreation Director, and Assistant Director of Development Services.
- Continue to support Human Resources in filling vacancies citywide and maintaining staffing levels at or above 85% by the end of FY 2027.
- Support Human Resources in maintaining long-term salary equity and sustainability by monitoring internal salary structures, assisting with position reviews, and supporting step increases or adjustments as needed, following the labor market city-wide salary study.

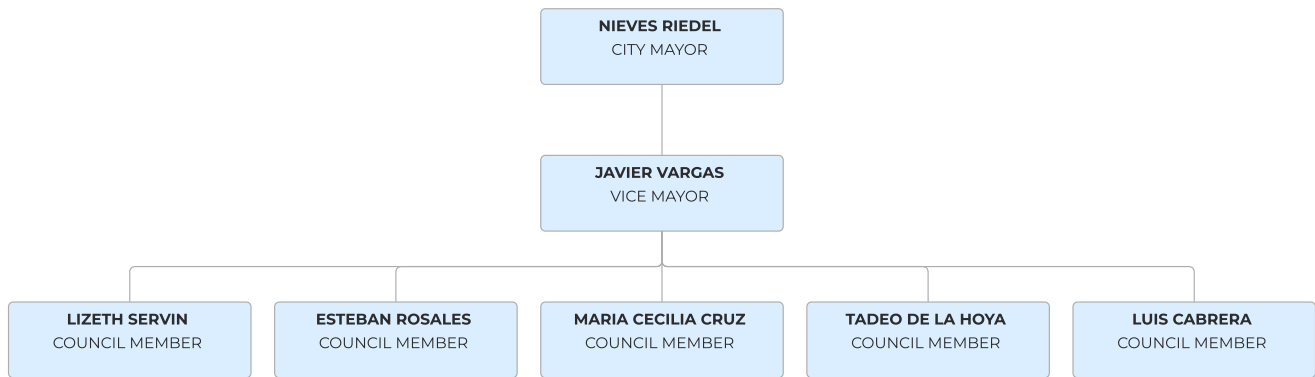


Financial Sustainability

Goal: "Ensure long-term financial stability through efficient resource management, strategic investments, and fiscal responsibility."

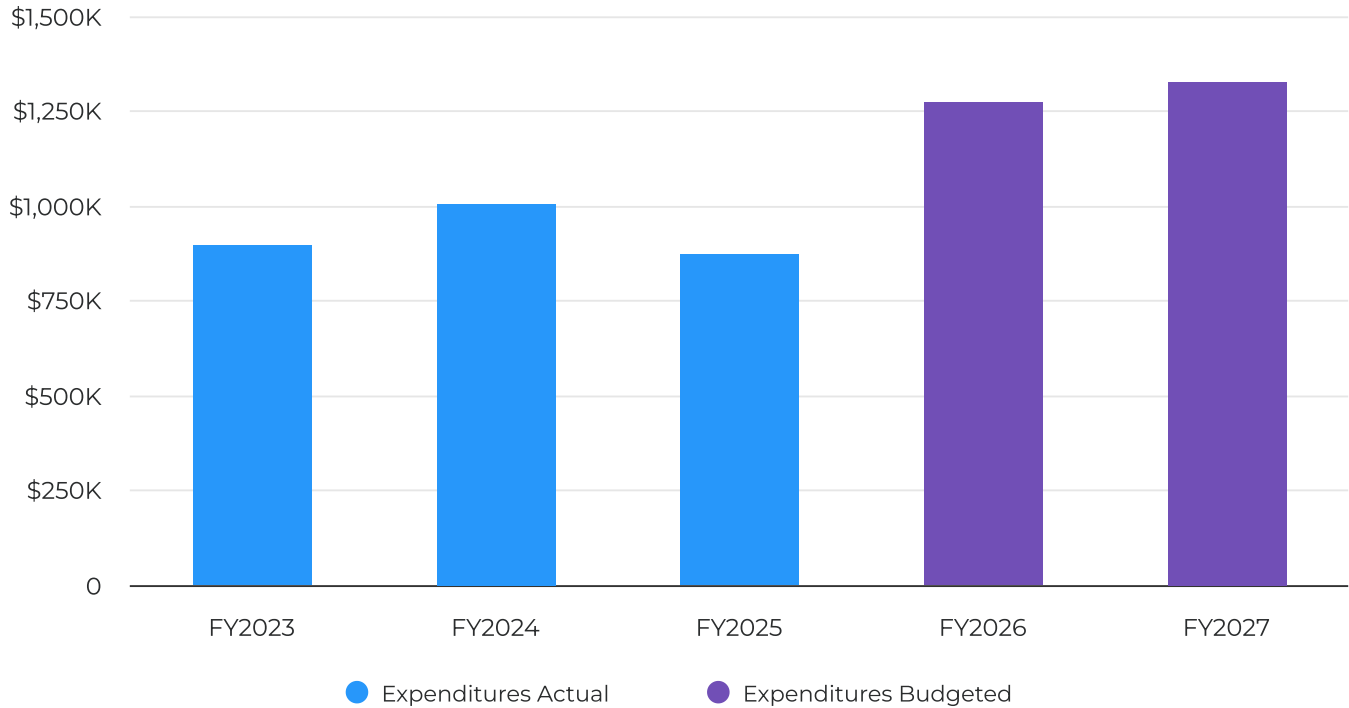
- Support staff in creating a lean FY 2026–2027 budget by May 2026, ensuring financial preparedness for possible revenue reductions and applying new financial methods to control expenses.
- Advocate for the creation of a City Primary Tax Levy for all properties within city limits by FY 2027 to strengthen financial sustainability.
- Work with staff and Council in implementing the City's 5-Year capital improvement plan (CIP), beginning in Q1 FY 2027 and continuing through June 2027.

Organizational Chart



Expenditure Summary

Historical Expenditures Across Department

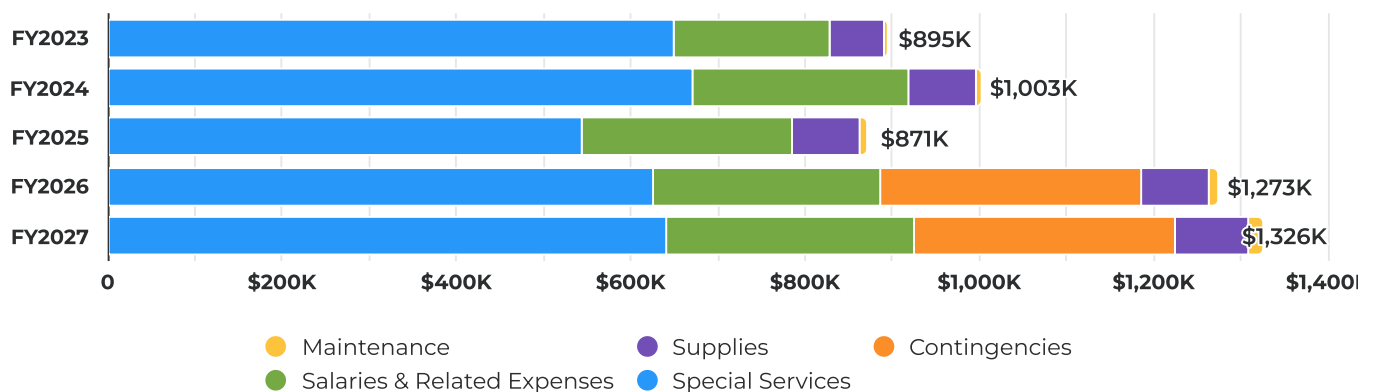


In FY2026, the City Council's budgeted expenditures are \$1.3 million, reflecting a decrease of 2.06% compared to the previous period. This indicates a slight reduction in planned spending for that year.

For FY2027, the budgeted expenditures remain at \$1.3 million but show an increase of 4.17% from FY2026. This marks a reversal from the prior year's decrease, with expenditures rising back to the \$1.3 million level and representing growth relative to the immediate prior budget.

Expenditures by Expense Type

Historical Expenditures by Expense Type



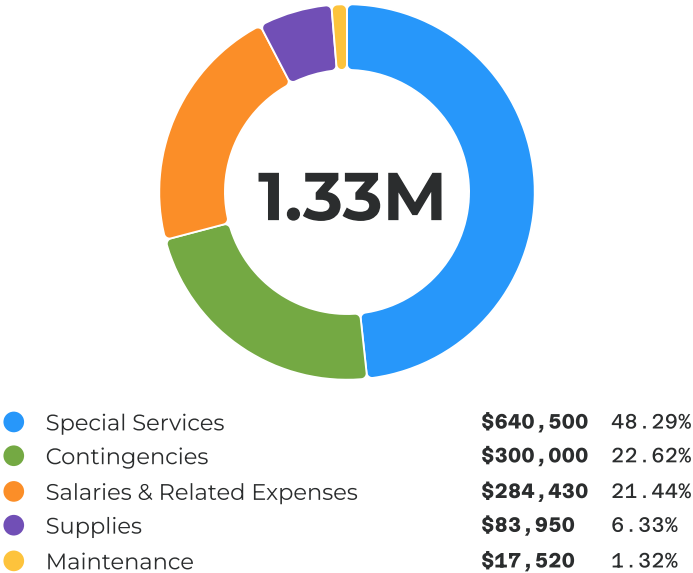
In FY2027, the City Council's total budget increased by 4.17% to \$1.3 million compared to FY2026. Special Services remained the largest expense category, accounting for 48.29% of the total at \$640,500, which is a 2.42% increase of \$15,120 from the previous year.

Contingencies held steady at \$300,000, representing 22.62% of the total budget with no change from FY2026. Salaries & Related Expenses rose by 9.26% to \$284,430, making up 21.44% of the total budget and marking the largest dollar increase of \$24,100 among the categories.

Supplies increased by 9.72% to \$83,950, now constituting 6.33% of the budget. Maintenance saw the most significant percentage growth, rising 58.12% to \$17,520 and representing 1.32% of the total budget.

Overall, the budget shows moderate growth across most categories, with Maintenance and Salaries & Related Expenses experiencing the most notable increases in percentage and dollar terms, respectively.

FY27 Expenditures by Object



For the City Council's Fiscal Year Expenditures by Object, Special Services account for \$640,500, representing 48.29% of the total expenditures. Contingencies follow with \$300,000, making up 22.62%. Salaries & Related Expenses are \$284,430, which is 21.44% of the expenditures. Supplies total \$83,950, comprising 6.33%, and Maintenance expenses are \$17,520, accounting for 1.32% of the fiscal year expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$247,855.49	\$240,825.18	\$260,330.00	\$260,926.01	\$284,430.00	9.26%
Supplies	\$77,559.14	\$77,516.04	\$76,510.00	\$69,610.92	\$83,950.00	9.72%
Maintenance	\$6,271.64	\$8,833.93	\$11,080.00	\$8,447.31	\$17,520.00	58.12%

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Special Services	\$671,307.43	\$558,191.37	\$625,380.00	\$558,594.65	\$640,500.00	2.42%
Contingencies	-	-	\$300,000.00	\$108,955.22	\$300,000.00	-
Total Expenditures	\$1,002,993.70	\$885,366.52	\$1,273,300.00	\$1,006,534.11	\$1,326,400.00	4.17%

CITY ADMINISTRATION



Implements the policies, priorities, goals, and visions developed by the City Council and provides direction and leadership to the City of San Luis departments. Along with department heads and staff, the City Administration Department is committed to advocating for a responsible and transparent city government, citizen engagement, and working in ensuring that the City of San Luis remains a community in which residents take great pride in.

ABOUT THE CITY ADMINISTRATION

The City Administration consists of a Manager, Assistant City Manager, and support staff who oversee various departments to ensure the community is well-served, safe, financially stable, and culturally vibrant. It maintains intergovernmental relationships and continues to build and sustain professional partnerships with external entities and businesses to support the city's growth and development. The Administration manages daily operations and activities while upholding the highest standards of conduct to foster public confidence and trust in the City of San Luis.

Accomplishments FY 2026

- Ensured renewals for medical and dental care benefits by working with a new broker through the Employee Benefit Trust Board.
- Supported major investment in road infrastructure projects at key intersections, including County 22nd and 4th Avenue, and Sidewinder Road and County 22nd. Completed the design of the B Street and Main Street intersection, 4th Avenue and Union Street, F Avenue widening, and 10th Avenue widening.
- The financial estimate investment by the end of FY 2026 is approximately \$1.3 million in Water Operations and \$2.5 million in Wastewater, improving the reliability and quality of services to residents.
- The city received over \$2.1 million in grants for various community projects.
- Collaborated with the Human Resources Department to fill key top-level positions, successfully securing a City Manager, Human Resources Manager, four Fire Captains, 2 Police Sergeants, and a Parks Ground Manager.

- Repaired and remodeled the East Wing of City Hall, housing Public Works, Development Services, and Building Safety.
- Invested \$1.4 million in public park development and beautified city rights-of-way throughout the city.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Support smart city growth, enhanced public services, and effective communication to serve the community better."

- Continue supporting General Plan amendments for smart growth development, ensuring all proposals are reviewed and processed by the end of FY 2027.
- Support all POE 1 stakeholders' efforts to build the SL POE 1 during FYs 2024–2029 by actively participating in planning and coordination meetings.
- Develop a strategy to increase City limits through annexation, land swaps, or land acquisition, including state land and land swap options, by conducting feasibility reviews throughout FY 2027.
- Assist in securing the remaining \$200,000 in funding by the end of FY 2027 for the San Luis II Port Entry feasibility study, building on the \$300,000 already secured through GYPA.
- Work with departments and Council to adopt and implement the City's 5-Year Capital Improvement Plan (CIP), starting Q1 FY 2026 and completing adoption by June 30, 2027.
- Explore options to secure approval for San Luis U.S. Postal Service cluster mailbox service and delivery, with formal proposals submitted by the end of FY 2027.



Economy

Goal: "Foster economic development through strategic infrastructure improvements and financial planning for city expansion."

- Continue to evaluate and improve policies and procedures for more efficient and cost-effective city operations, with updated recommendations provided to staff throughout the fiscal year
- Review and reorganize the City's organizational structure to enhance efficiency and customer service, with a plan to fill vacant top-level positions by the end of FY 2026 for implementation in FY 2027.
- Secure the Deputy City Manager and funding for an Assistant City Attorney position during FY 2027, completing leadership staffing and strengthening administrative capacity.



Financial Sustainability

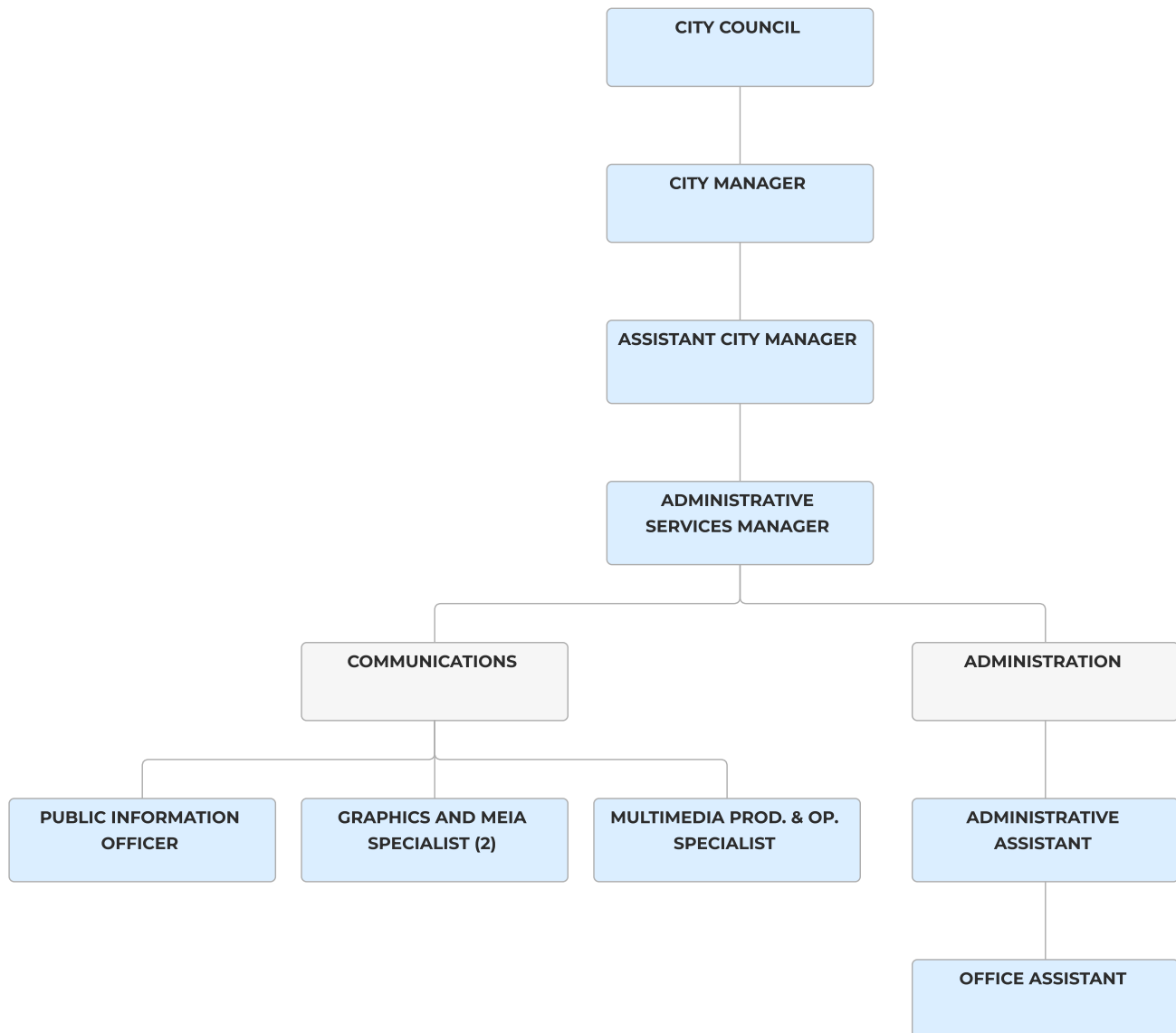
- Goal: "Foster economic development through strategic infrastructure improvements and financial planning for city expansion."

- Continue to evaluate and improve policies and procedures for more efficient and cost-effective city operations, with updated recommendations provided to staff throughout the fiscal year
- Review and reorganize the City's organizational structure to enhance efficiency and customer service, with a plan to fill vacant top-level positions by the end of FY 2026 for implementation in FY 2027.
- Secure the Deputy City Manager and funding for an Assistant City Attorney position during FY 2027, completing leadership staffing and strengthening administrative capacity.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Public Engagement Social media Engagement (measured by reach on social media platforms)	6.4M	11.9 M	15 M
Transparency Public Records Requests Fulfilled (City Clerk)	214	415	450
Senior Support Meals delivered to seniors through senior center programs	17,824	12,451	15,900
City Leadership & Coordination Strategic & Leadership meetings held (Regular, Special & Work Session meetings)	62	54	56
Public Safety Support PD & Fire Total calls Responded	31,575	36,000	40,000
Utility account management & Customer Service Total Service Disconnections processed	960	984	1033
Utility account management & Customer Service Total new utility accounts	959	863	906
Infrastructure Total Annual investment in Infrastructure projects	\$22.2M	9.5M	30.9M
Community Development & Permitting Total Inspections processed by Development Services	860	862	900
Community Development & Permitting Total Building & Residential Permits Processed	8863	6956	7000
Economic Development New Business Support (ED & Business Incubator)	11	26	30
Digital Services Number of IT support Tickets Resolved	2379	3017	2496
HR & Risk Management Positions filled rate (%)	81%	91%	95%
HR & Risk Management Reported Workplace Safety incidents	44	38	43

Organizational Chart



Personnel Summary

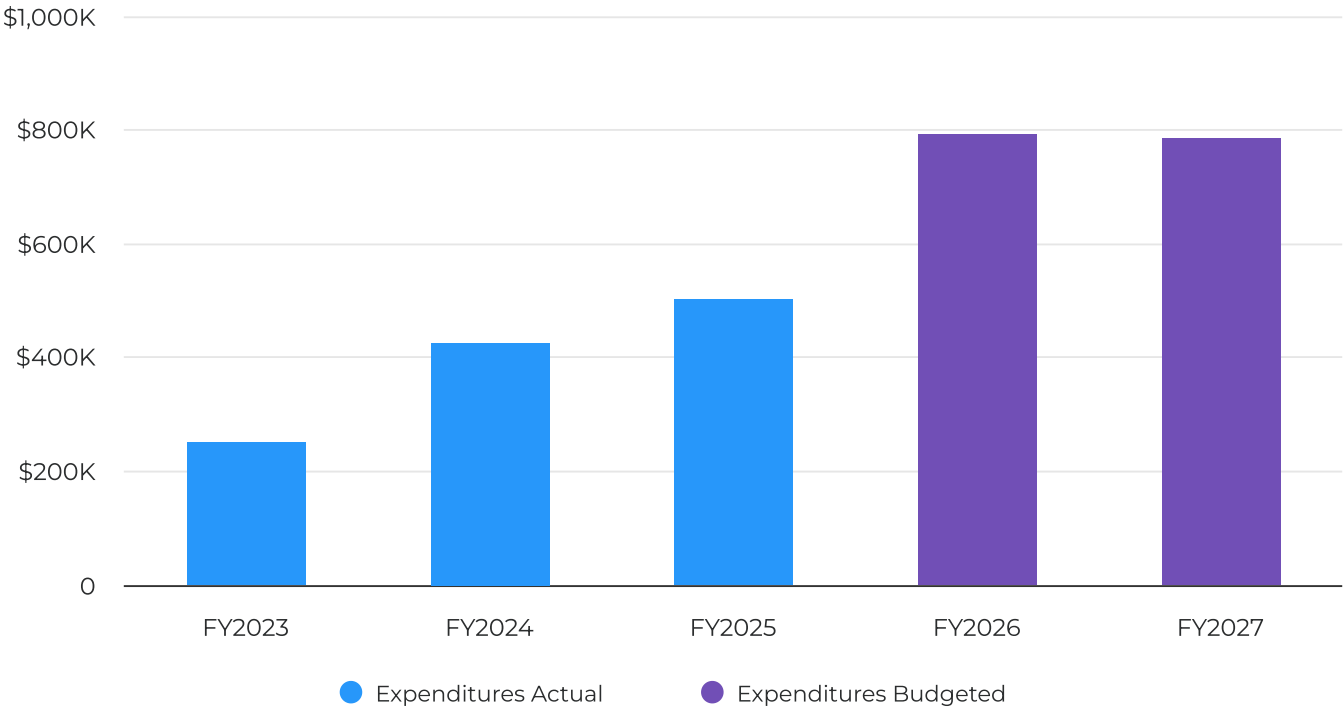
The following graph presents a summary schedule of the City Administrator's staff over the past three fiscal years. For FY 2027, no personnel changes are anticipated within the City Administrator's Office. The existing staffing structure will remain in place to support the continued delivery of effective administrative, organizational, and operational services to the City. Maintaining the current staffing level will allow the office to continue supporting the City's departments and advancing organizational priorities and strategic initiatives.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	6.5	9	9	9	0
% of City's FTE's				2.30%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Public Information Officer	1	1	1	1	0
Operations Coordinator	1	0	0	0	0
Administration Services Manager	0	1	1	1	0
Public & Foreign Affairs	0	0	0	0	0
Assistant City Manager	1	1	1	1	0
City Manager	1	1	1	1	0
Graphic & Media Specialist	1.5	2	2	2	0
Administrative Assistant	0	1	1	1	0
Video Production & Operation Specialist	1	0	0	0	0
Multimedia Production & Operations Specialist	0	1	1	1	0
Office Assistant	0	1	1	1	0
Total	6.5	9	9	9	0

Expenditure Summary

Historical Expenditures Across Department

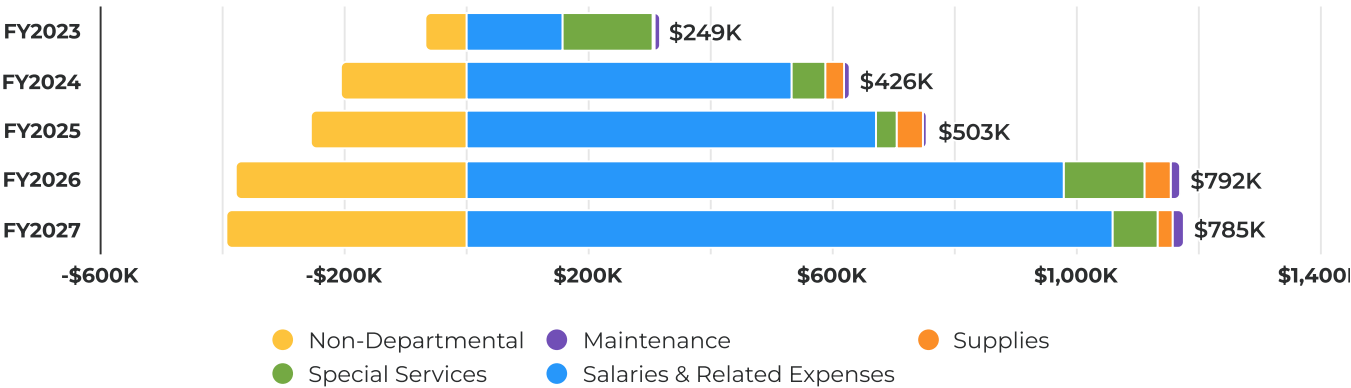


In FY2026, the City Administration's total budgeted expenditures are \$791,860, representing a significant decrease of 49.56% compared to the prior period. This marks a substantial reduction in overall spending for that year.

For FY2027, the budgeted expenditures decreased slightly again to \$784,920, which is a 0.88% reduction from FY2026. This indicates a relatively stable expenditure level following the large cut in the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type

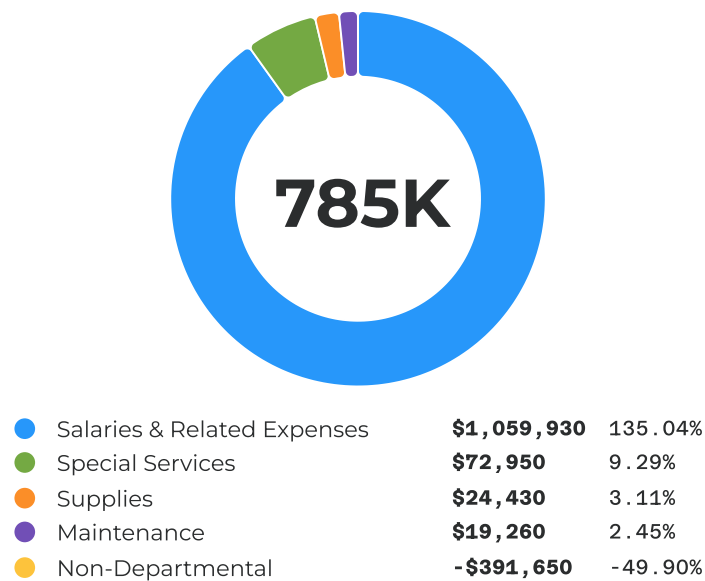


In FY2027, the total expenditures for City Administration are budgeted at \$784,920, representing a slight decrease of 0.88% compared to FY2026's total of \$791,860. The largest expense category remains Salaries & Related Expenses, increasing by \$80,620 or 8.23% to \$1.1 million, now accounting for 135.04% of the total budget.

Special Services show a significant decrease of \$60,600 or 45.38%, dropping to \$72,950 and comprising 9.29% of the total. Supplies also decline notably by \$18,420 or 42.99%, totaling \$24,430 and making up 3.11% of expenditures. Maintenance expenses increase by \$4,980 or 34.87%, reaching \$19,260 and representing 2.45% of the budget.

The Non-Departmental category remains negative at -\$391,650, a decrease of \$13,520 or 3.58%, and accounts for -49.9% of the total expenditures. Overall, while the total budget slightly decreases, Salaries & Related Expenses continue to grow, and Maintenance costs rise, contrasting with reductions in Special Services and Supplies.

FY27 Expenditures by Object



For the City Administration's Fiscal Year Expenditures by Object, Salaries & Related Expenses amount to \$1.1 million, representing 135.04% of the total. Special Services account for \$72,950, which is 9.29%. Supplies total \$24,430, making up 3.11%, while maintenance expenses are \$19,260, or 2.45%. Non-Departmental expenditures are negative, at -\$391,650, corresponding to -49.9%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$536,809.28	\$671,385.30	\$979,310.00	\$787,007.30	\$1,059,930.00	8.23%
Supplies	\$30,044.42	\$45,369.11	\$42,850.00	\$27,488.69	\$24,430.00	-42.99%
Maintenance	\$10,364.66	\$5,442.16	\$14,280.00	\$7,852.36	\$19,260.00	34.87%
Special Services	\$55,524.85	\$35,619.21	\$133,550.00	\$47,762.65	\$72,950.00	-45.38%
Non-Departmental	-\$204,516.38	-\$253,467.35	-\$378,130.00	-\$378,130.00	-\$391,650.00	3.58%
Total Expenditures	\$428,226.83	\$504,348.43	\$791,860.00	\$491,981.01	\$784,920.00	-0.88%

CITY CLERK



The City Clerk's Office is the primary link between Council, City staff and the public, where the City Clerk serves as the Chief Elections Official and Records Manager. The City Clerk's Office upholds public trust and protects local democracy by providing access to services and information on matters of public interest to all customers, including residents, elected officials and City departments.

The City Clerk's Office consists of three (3) full-time employees: Sonia Cornelio, City Clerk; Melissa Lopez, Deputy City Clerk and Jose I. Gomez, Records Management Specialist.

CITY COUNCIL MEETINGS

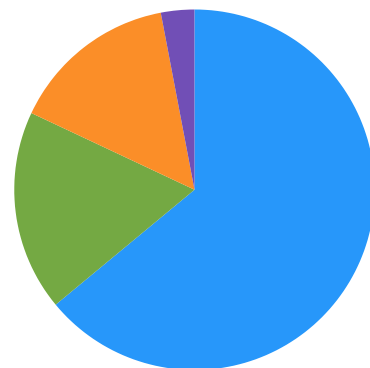
The City Clerk's Office is responsible for preparing notices, agendas and minutes for regular, special and work session meetings. In FY 2026, the City Council held 21 regular Council Meetings (64%); 6 Special Council meetings (18%), 5 Work Session Meetings (15%) and 1 Budget Retreat Meeting was held(3%).

FY 2025



- REGULAR COUNCIL MEETINGS **56%**
- SPECIAL COUNCIL MEETINGS **33%**
- WORK SESSIONS **11%**
- BUDGET RETREAT **0%**

FY 2026



- REGULAR COUNCIL MEETINGS **64%**
- SPECIAL COUNCIL MEETINGS **18%**
- WORK SESSIONS **15%**
- BUDGET RETREAT **3%**

LEGISLATION AND POLICY/PROCEDURE UPDATES

City Code

The City Clerk is responsible for updating the City of San Luis, Arizona, Code of Ordinances. The City Clerk is continuously working with Code Publishing to codify the City Code, which contains ordinances through Ordinance No. 485, passed on June 10th, 2026.

Records Management & Retention Policy

The City Clerk's Office remains in contract with Iron Mountain Incorporated to store long-term and permanent records offsite. This allows the city to cost-effectively manage, safeguard and retrieve vital records and documents on time.

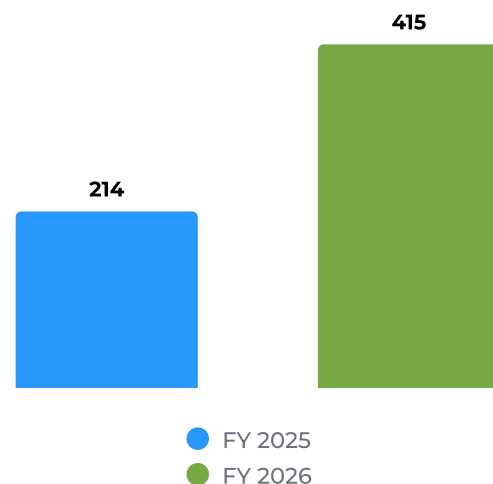
The Records Management Specialist (RMS) is working on updating and incorporating checklists, manuals and tools to assist the records' liaison for each department. The RMS continues to provide training to staff.

In FY 2026, 52 boxes were sent to Iron Mountain from the various city departments and 90 boxes were properly destroyed by the various departments.

Public Records Requests

The City Clerk's Office is the information hub for the city as the custodian of city records and responds promptly to requests for records from the public. The following chart outlines the comparison of public records requests received during the years 2025 and 2026.

PUBLIC RECORDS REQUEST



Accomplishments FY 2026

- Awareness and Enforcement of Records Management
- 52 boxes of records sent to Iron Mountain (various departments)
- 90 boxes of records properly destroyed (various departments)
- Received and processed 415 Public Record Requests
- Prepared Notices, Agenda and Minutes for:

- 21 Regular Council Meetings
- 6 Special Council Meetings
- 5 Work Sessions
- 1 Budget Retreat Meeting
- Use of E-Qual System for the July 21, 2026, Primary Election
- Conducted the city's Special Election held on November 4, 2025, for the sale of property and the initiative for Proposition #434.
- Offered a records' management training on January 14, 2026, to educate City staff on proper document disposal procedures.
- Efficiently processed, maintained, and indexed minutes, ordinances, resolutions, city code, and contracts through Laserfiche, achieving 80% digital indexing accuracy as of February 2026, with a goal of reaching 95% by June 2026.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Enhance operational efficiency and public services through effective succession planning and compliance with state regulations."

- Ensure compliance with legal mandates by reviewing and updating resource management practices quarterly, while strictly following the Arizona Revised Statutes, the Arizona Constitution, and the City Code, with transparent reporting available to the public by June 30, 2027.
- Promote positive employee morale by organizing at least two cross-departmental teamwork activities each fiscal year and tracking participation rates.
- Provide municipal employees and the public with accurate and timely information by publishing 100% of ordinances, resolutions, and meeting minutes online within 3 business days of approval through the city's website, posting at our four posting locations, and public notices as outlined in Resolution No. 2289.
- Ensure all City Clerk's Office staff maintain the highest standards of impartiality and integrity by completing annual ethics training and documenting 100% compliance.
- Deliver excellent customer service by establishing a feedback tool and achieving at least 90% satisfaction scores by the end of FY2027.
- Support professional development by ensuring Clerk's Office staff attends at least one Arizona Municipal Clerks Association or League of Cities training session annually.
- Implement succession planning by cross-training all Clerk's Office staff in every functional area by the end of FY2027.



Economy

Goal: "Improve public access to city services and streamline operations through modern technological solutions."

- Fully implement the Laserfiche Records Management Module by the end of Q3 FY2026 to ensure compliance with Arizona State Library, Archives, and Public Records requirements.
- Prepare all necessary documentation and processes in advance in case of potential recall elections, ensuring readiness within 30 days' notice.



Financial Sustainability

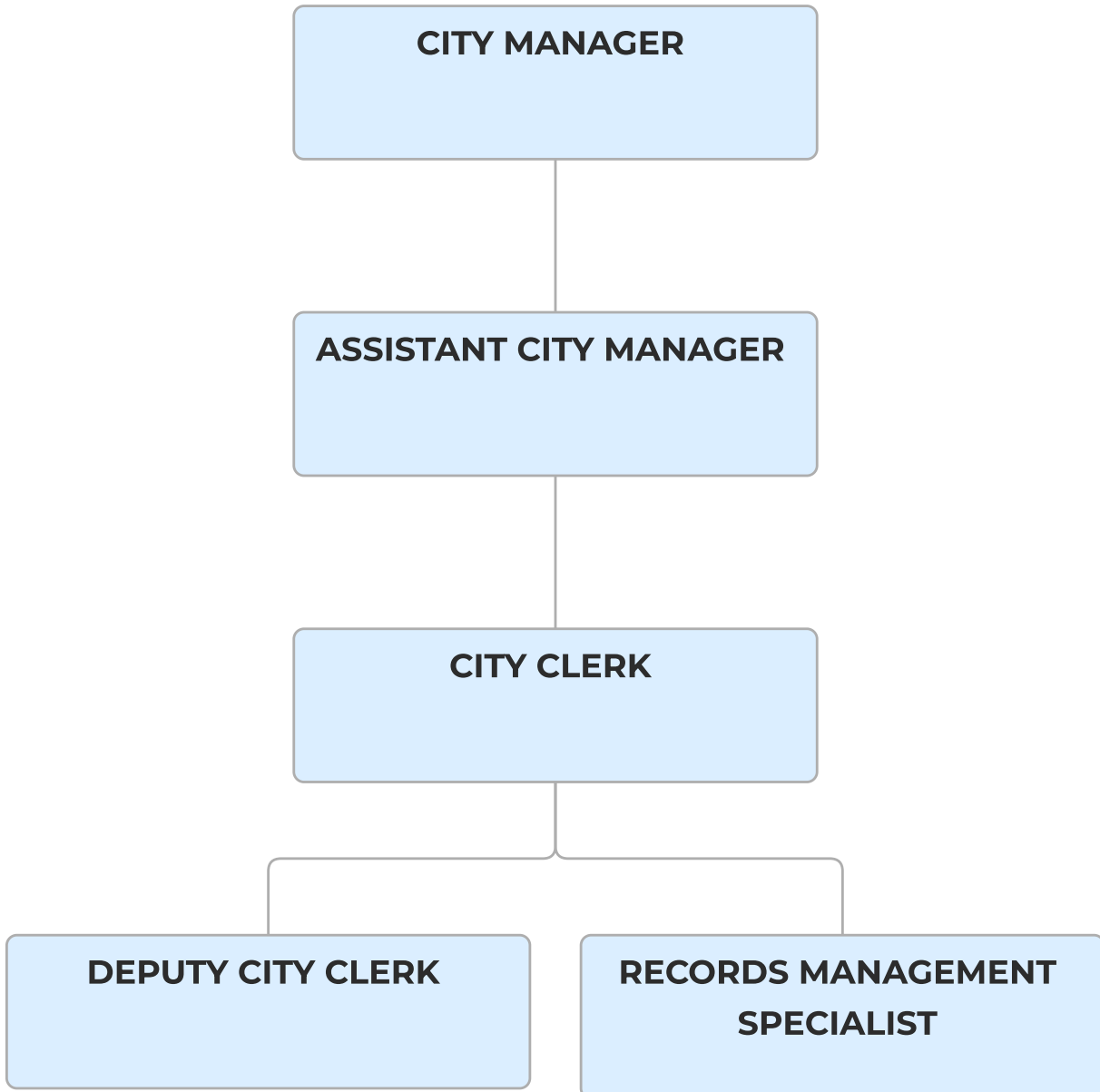
Goal: Enhance the city's financial operations by leveraging technology to improve payment processing and compliance with retention policies.

- Maintain continuous internal audits of Clerk’s Office financial processes twice per fiscal year to ensure 100% compliance with budgetary and legal standards.
- Utilize technology and best business practices to improve access to records, achieving a 30% reduction in paper-based processes by June 2027.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Records Management boxes sent to Iron Mountain	43	52	65
Regular, Special & Work Session Meetings	36	33	30
Public Records Processed	214	415	450

Organizational Chart



Personnel Summary

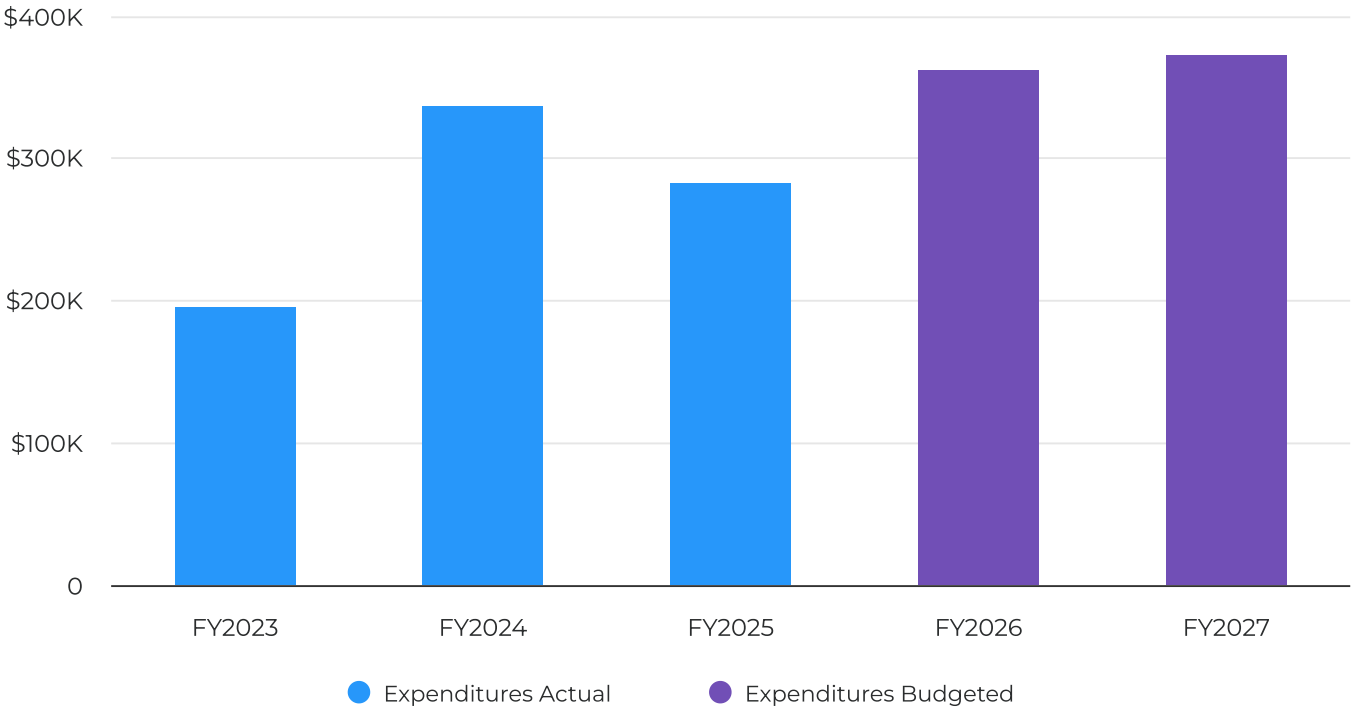
The chart below presents the City Clerk's Department summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Municipal Clerk's Office. The current staffing structure will remain intact, allowing the department to continue operating effectively and efficiently while meeting the needs of the organization and providing quality service to the public.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	4	3	3	3	0
% of City's FTE's				0.77%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
City Clerk	1	1	1	1	0
Deputy City Clerk	1	1	1	1	0
Administrative Assistant	1	0	0	0	0
Records Management Specialist	1	1	1	1	0
Total	4	3	3	3	0

Expenditure Summary

Historical Expenditures Across Department

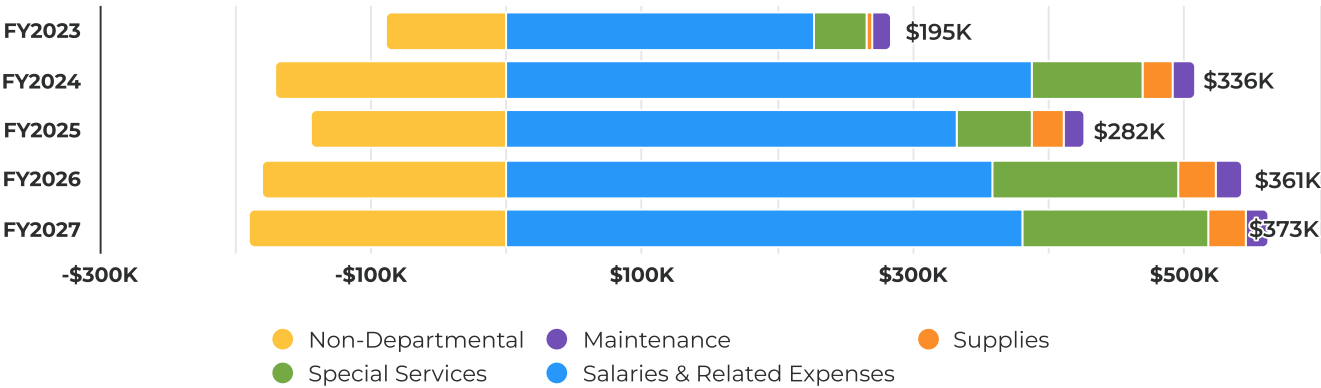


For FY2026, the City Clerk's budgeted expenditures total \$361,460. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures increase to \$372,540, representing a 3.07% rise from FY2026. This indicates a moderate growth in the City Clerk's budgeted expenditures over the one-year period.

Expenditures by Expense Type

Historical Expenditures by Expense Type



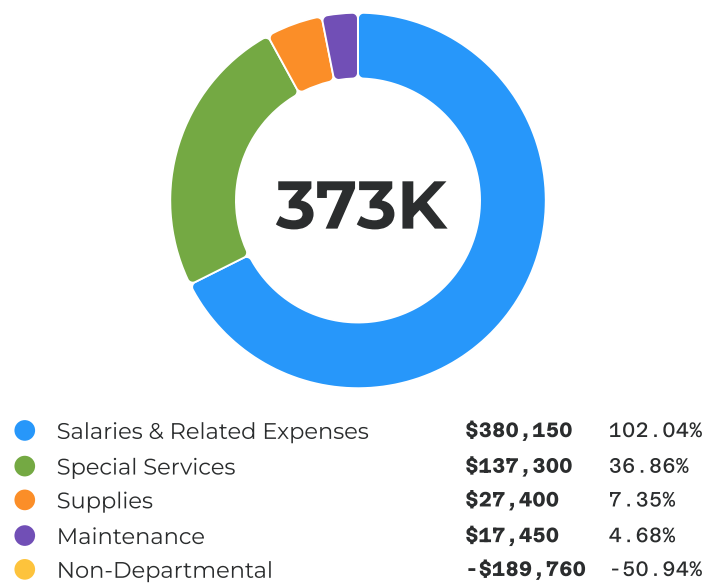
In FY2027, the City Clerk's total expenditures increased by 3.07% to \$372,540 compared to FY2026. The largest expense category, Salaries & Related Expenses, rose by 6.19% to \$380,150, representing 102.04%

of the total budget. This category continued to dominate the budget, increasing by \$22,160 from the previous year.

Special Services slightly decreased by 0.52% to \$137,300, accounting for 36.86% of the total, down \$720 from FY2026. Supplies saw a modest increase of 2.62% to \$27,400, making up 7.35% of the budget, with a \$700 rise. Maintenance expenses declined by 11.11% to \$17,450, representing 4.68% of the total and decreasing by \$2,180.

The Non-Departmental category further decreased by 4.91% to -\$189,760, which is -50.94% of the total budget, marking an \$8,880 reduction from the prior year. Overall, the FY2027 budget reflects continued growth in Salaries & Related Expenses and Supplies, with slight reductions in Special Services, Maintenance, and Non-Departmental expenditures.

FY27 Expenditures by Object

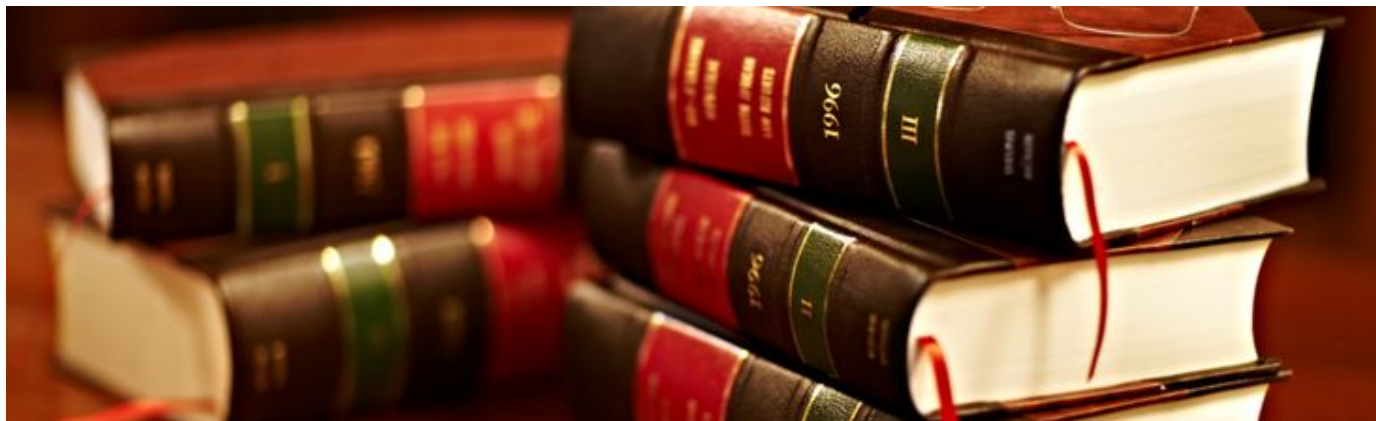


For the City Clerk's Fiscal Year Expenditures by Object, Salaries & Related Expenses amount to \$380,150, representing 102.04% of the total. Special Services account for \$137,300, which is 36.86%. Supplies total \$27,400, or 7.35%, while Maintenance expenses are \$17,450, making up 4.68%. Non-Departmental expenditures are negative, at -\$189,760, corresponding to -50.94%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$387,656.55	\$330,790.73	\$357,990.00	\$351,859.13	\$380,150.00	6.19%
Supplies	\$22,327.00	\$22,413.06	\$26,700.00	\$23,732.47	\$27,400.00	2.62%
Maintenance	\$15,677.52	\$15,923.94	\$19,630.00	\$18,602.23	\$17,450.00	-11.11%
Special Services	\$82,217.69	\$57,467.26	\$138,020.00	\$84,779.13	\$137,300.00	-0.52%
Non-Departmental	-\$171,210.22	-\$143,997.44	-\$180,880.00	-\$180,880.00	-\$189,760.00	4.91%
Total Expenditures	\$336,668.54	\$282,597.55	\$361,460.00	\$298,092.96	\$372,540.00	3.07%

CITY ATTORNEY



The City Attorney's Office provides quality legal services that are key to supporting the work of the City Council, staff, commissions, and boards in their endeavors to enhance the well-being, safety, and economic opportunity of San Luis residents and businesses.

Accomplishments FY 2026

- Successfully acquired and contracted with an indigent defense attorney for the City.
- Multiple long-term suits against the city of San Luis have been resolved.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "To bolster the City Attorney's Office's capacity to provide legal services with efficiency and excellence, thus advancing the city's growth and elevating the quality of public services for the well-being of residents."

- New City Attorney Onboarding
Throughout FY 2027, recruit and onboard a new City Attorney following the January 2026 retirement of Kay Macuil and provide an orientation covering City operations, policies, priorities, and key legal matters to support a successful transition.
- Maintain Legal Department Operations
Throughout FY 2027, maintain continuity of municipal legal services through the support of legal staff and the Interim City Attorney, ensuring ongoing legal matters and departmental requests are addressed without interruption during the leadership transition.
- Strategic Advisory
Throughout FY 2027, provide proactive legal advice to City departments to support policy and operational objectives while ensuring compliance with applicable municipal, state, and federal laws.

- Professional Development

By June 30, 2027, ensure legal staff complete at least one professional development or continuing legal education activity related to municipal, state, or federal law to maintain current legal knowledge and strengthen the quality of services provided to the City.



Economy

Goal: "Promote Safe, Well-Maintained, and Equitably Enforced Communities."

- Blight & Nuisance Abatement

Throughout FY 2027, provide legal support for the City's efforts to address priority blight, nuisance properties, illegal dumping, and zoning violations in order to improve neighborhood conditions and public safety.

- Equity in Enforcement

Throughout FY 2027, provide legal guidance to support the fair and consistent enforcement of City laws across neighborhoods and property types, with enforcement actions applied in accordance with established City codes and applicable laws.



Financial Sustainability

Goal: "Strengthen Legal Efficiency, Compliance, and Protection of City Resources."

- Quality Legislative Drafting

Throughout FY 2027, draft and review ordinances and resolutions to ensure they are clear, legally sound, and consistent with applicable laws prior to City Council consideration, reducing potential legal risks to the City.

- Responsiveness

Throughout FY 2027, establish service-level targets for responding to internal requests for legal opinions, with routine requests receiving an initial response within 5 business days and more complex requests receiving a communicated timeframe for completion.

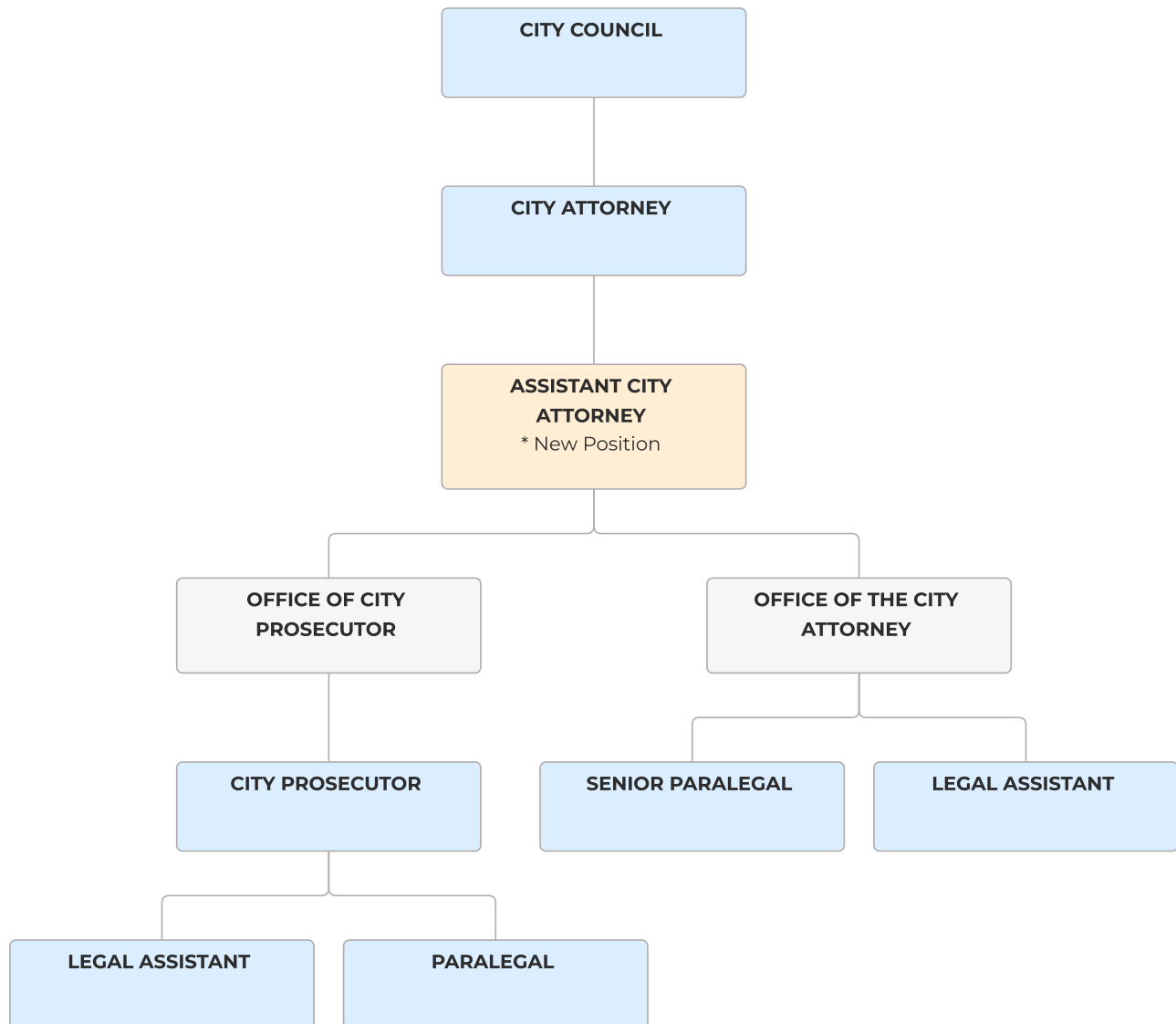
- Open Government & Transparency

Throughout FY 2027, provide legal oversight and guidance for Public Records Requests and Open Meetings compliance to ensure the City meets applicable legal requirements and maintains transparency and accountability in its operations.

Key Performance Measures

Performance Measures	Actual s FY 2025	Project ed FY 2026	Expecte d FY 2027
Timely turnaround for city council, municipal corporations, and the benefits trust board agenda item review.	100%	100%	100%
Timely turnaround to draft or review for legal compliance and appropriateness city council ordinances, resolutions and orders, as well as resolutions by municipal corporations.	100%	100%	100%

Organizational Chart



Personnel Summary

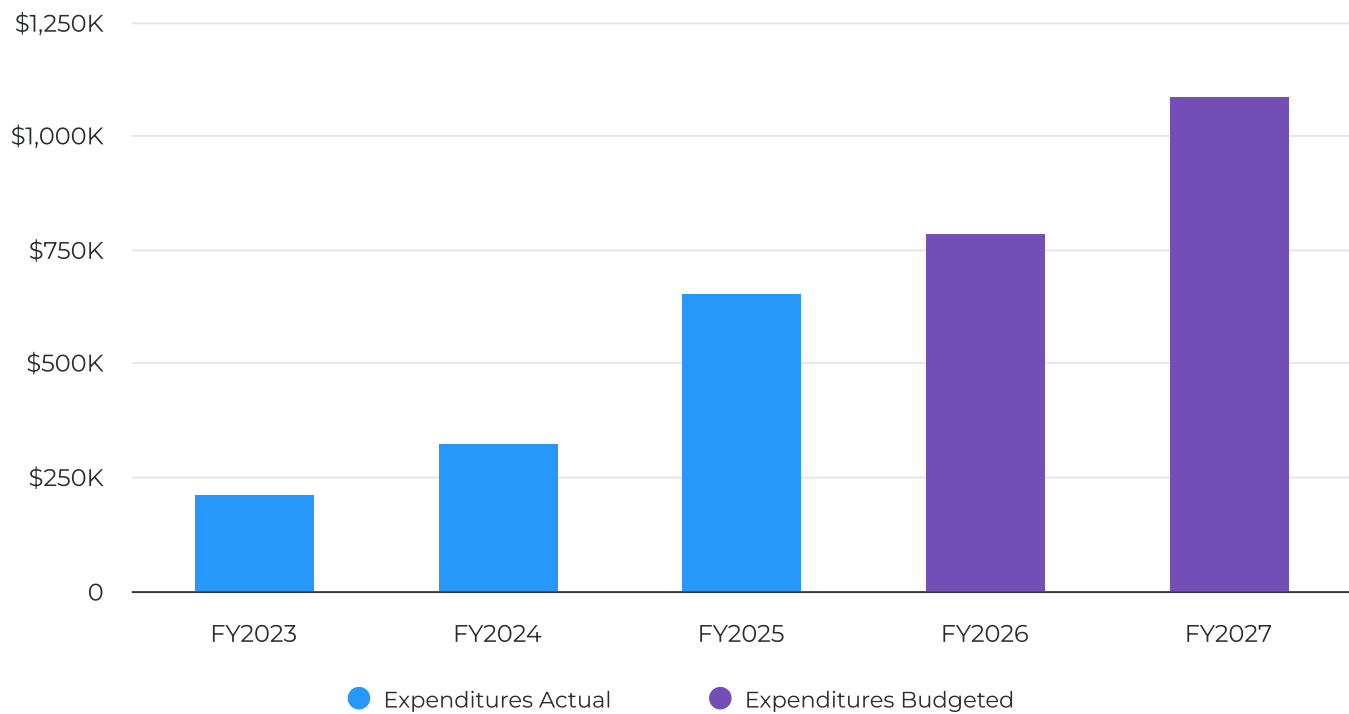
The chart below displays the City Attorney's staff summary schedule for the past three fiscal years. In FY 2027, the City Attorney's Office will add an Assistant City Attorney position to support the department's growing legal workload and increasing demands. The updated staffing structure will include one City Attorney, one Assistant City Attorney, one Paralegal, and one Legal Assistant. The addition of the Assistant City Attorney will strengthen the office's capacity to provide timely and effective legal guidance and support to the City, while continuing to meet the organization's evolving legal needs efficiently and effectively.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	3.5	3.5	3	4	1
% of City's FTE's				1.02%	
Authorized Personnel / Positions					
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	Changes 2026-2027
City Attorney	1	1	1	1	0
Assistant City Attorney	1.5	0.5	0	1	1
Paralegal	0	1	1	-1	-1
Senior Paralegal	0	0	0	1	1
Legal Secretary	1	0	0	0	0
Legal Assistant	0	1	1	1	0
Total	3.5	3.5	3	4	1

Expenditure Summary

Historical Expenditures Across Department

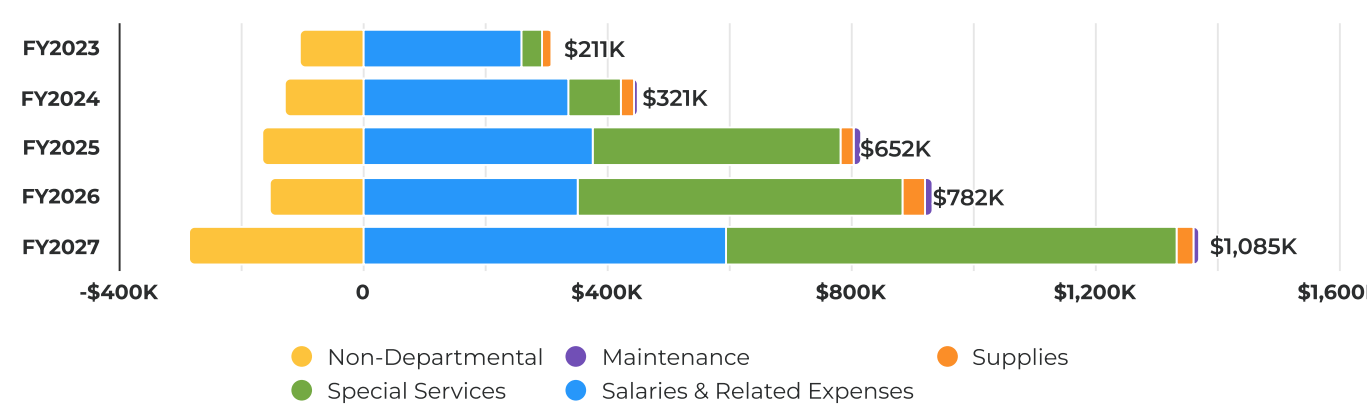


For FY2026, the City Attorney's budgeted expenditures amount to \$782,230. This figure serves as a baseline for the subsequent year, with no actual expenditures reported yet for comparison.

In FY2027, the budgeted expenditures increase significantly to \$1.1 million, representing a 38.73% rise from the FY2026 budget. This notable increase highlights a substantial growth in the City Attorney's allocated budget for that year.

Expenditures by Expense Type

Historical Expenditures by Expense Type



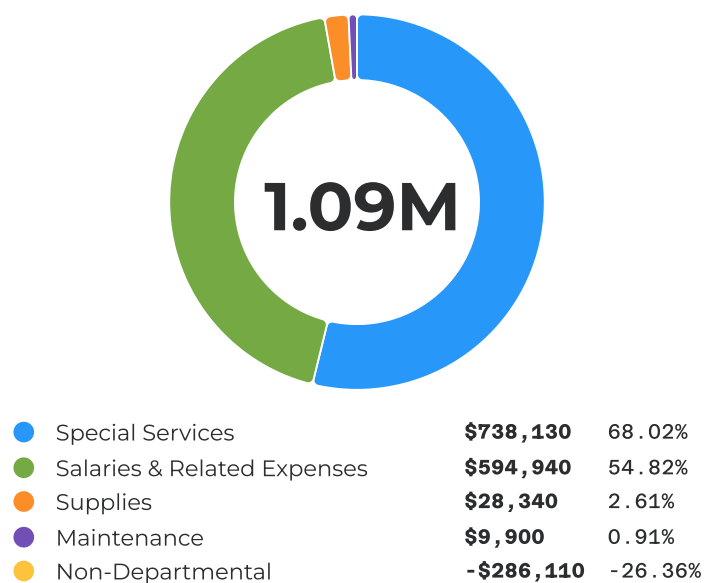
In FY2027, the City Attorney's total expenditures increased to \$1.1 million, marking a 40.49% rise from FY2026's total of \$782,230. Special Services remained the largest expense category, accounting for 67.17% of the total at \$738,130, which is a \$205,150 increase or 38.49% growth compared to the previous year.

Salaries & Related Expenses saw a significant increase to \$577,770, representing 52.57% of the total budget and a \$224,730 rise or 63.66% increase from FY2026. This category moved from a decrease in the prior year to a substantial increase in FY2027.

Supplies decreased to \$28,340, making up 2.58% of the total and falling by \$8,250 or 22.55% from the previous year. Maintenance expenses also declined to \$9,870, which is 0.9% of the total and a reduction of \$2,100 or 17.54% compared to FY2026.

The Non-Departmental category further decreased to -\$255,160, representing -23.22% of the total budget. This is a \$102,810 decrease or 67.48% larger negative amount than in FY2026.

FY27 Expenditures by Object



The Fiscal Year Expenditures by Object for the City Attorney include Special Services at \$738,130, representing 67.17% of the total. Salaries & Related Expenses amount to \$577,770, which is 52.57%. Supplies account for \$28,340 or 2.58%, while Maintenance is \$9,870, making up 0.9%. There is also a Non-Departmental category with a negative expenditure of -\$255,160, equating to -23.22%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$335,819.12	\$377,094.73	\$353,040.00	\$298,602.88	\$594,940.00	68.52%
Supplies	\$22,804.54	\$23,079.48	\$36,590.00	\$21,718.68	\$28,340.00	-22.55%
Maintenance	\$5,011.38	\$11,236.40	\$11,970.00	\$6,743.19	\$9,900.00	-17.29%
Special Services	\$86,691.16	\$406,243.00	\$532,980.00	\$354,313.85	\$738,130.00	38.49%
Non-Departmental	-\$128,667.42	-\$164,480.96	-\$152,350.00	-\$152,350.00	-\$286,110.00	87.80%
Total Expenditures	\$321,658.78	\$653,172.65	\$782,230.00	\$529,028.60	\$1,085,200.00	38.73%

CITY PROSECUTOR



The City Prosecutor's Office is a division of the City Attorney's Office. The City Prosecutor provides the fair administration of justice to promote a safe and secure environment in San Luis.

Accomplishments FY 2026

- Entered 84% of paper warrant files into case management system as part of transition to paperless files
- Created written instructions for staff to process major milestones in our criminal cases
- Completed testing to get access to secure ADRS website to provide case information to DPS
- Implemented system to track deferred prosecution files to check on compliance and file timely motions to dismiss when appropriate
- Gained access to secure DPS lab website
- Case load was 30 additional cases in calendar year 2025 compared to calendar year 2024

Goals & Objectives FY 2027

- Get remaining staff tested to get access to ADRS.
- Get access to secure AZ MVD website to confirm reinstatement of AZ driver licenses in driving on suspended license cases.
- Send letters to victims within five days of receiving case (being able to track this is contingent upon our case management system provider creating a custom report for our use).

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Monitor deferred prosecution cases for compliance and process eligible motions to dismiss in a timely manner.	100%	100%	100%
Maintain standardized procedures and electronic tracking tools to support timely and consistent case management.	100%	100%	100%

Personnel Summary

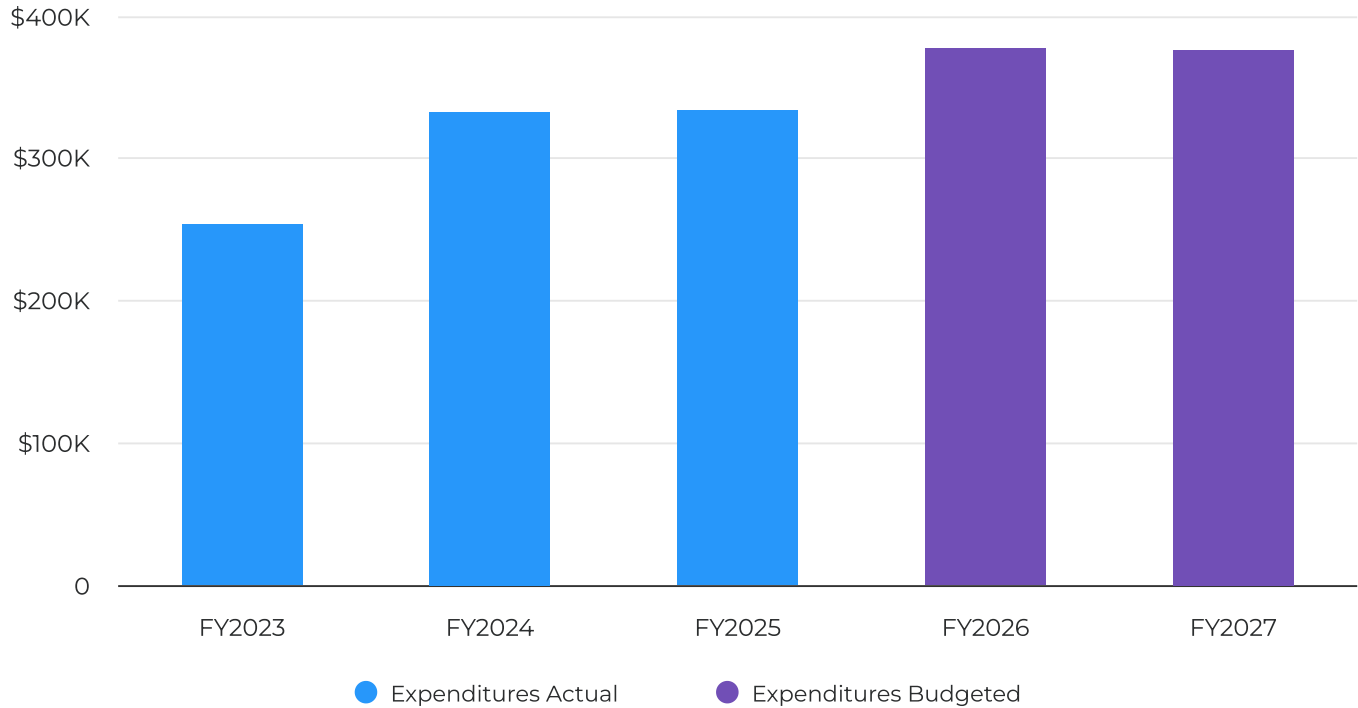
The chart below displays the City Prosecutor's Office summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the City Prosecutor's Office. The current staffing structure will remain in place to ensure the office continues to effectively and efficiently address the City's legal matters and uphold justice in the community. During the prior fiscal year, the Legal Secretary position was reclassified to a Legal Assistant. The office will continue to operate under the existing staffing structure to meet the City's ongoing legal needs and provide quality service to the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	3	3	3	3	0
% of City's FTE's				0.77%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
City Prosecutor	1	1	1	1	0
Paralegal	1	1	1	1	0
Legal Secretary	1	0	0	0	0
Legal Assistant	0	1	1	1	0
Total	3	3	3	3	0

Expenditure Summary

Historical Expenditures Across Department

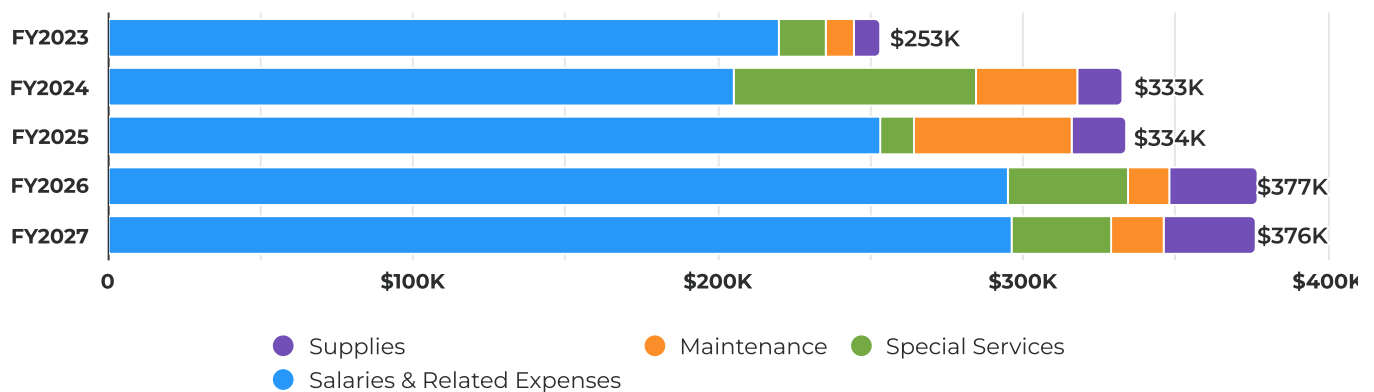


For FY2026, the City Prosecutor's budgeted expenditures total \$376,970. This amount sets the baseline for the subsequent year, with no percentage change indicated as it is the first target budget year provided.

In FY2027, the budgeted expenditures slightly decrease to \$376,340, representing a 0.17% reduction from FY2026. This minor decrease indicates a relatively stable expenditure level between the two target years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

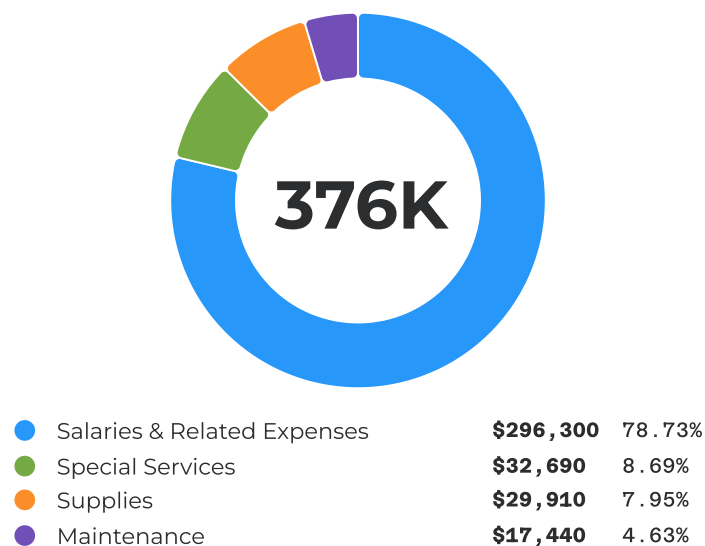


The total budget for the City Prosecutor in FY2027 is \$376,340, representing a slight decrease of 0.17% from the FY2026 total of \$376,970. Salaries & Related Expenses remain the largest category, accounting for 78.73% of the total budget at \$296,300, which is a modest increase of \$960 or 0.33% compared to the previous year.

Special Services, the second largest category in FY2026 at \$39,210 (10.4% of total), decreased by \$6,520 or 16.63% to \$32,690 in FY2027, now representing 8.69% of the total budget. Supplies increased slightly by \$870 or 3% to \$29,910, making up 7.95% of the budget, up from 7.7% in FY2026.

Maintenance expenses rose by \$4,060 or 30.34% to \$17,440 in FY2027, increasing its share from 3.55% to 4.63% of the total budget. This marks a reversal from the previous year's significant decrease in this category.

FY27 Expenditures by Object



For the fiscal year, the City Prosecutor's expenditures by object include Salaries & Related Expenses at \$296,300, which accounts for 78.73% of the total. Special Services amount to \$32,690, representing 8.69%. Supplies are \$29,910, making up 7.95%, and Maintenance costs are \$17,440, comprising 4.63% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$205,423.17	\$252,976.70	\$295,340.00	\$290,087.92	\$296,300.00	0.33%
Supplies	\$15,269.12	\$18,562.54	\$29,040.00	\$19,295.36	\$29,910.00	3.00%
Maintenance	\$32,746.15	\$56,920.79	\$13,380.00	\$15,019.08	\$17,440.00	30.34%
Special Services	\$79,620.74	\$10,720.85	\$39,210.00	\$7,911.33	\$32,690.00	-16.63%
Total Expenditures	\$333,059.18	\$339,180.88	\$376,970.00	\$332,313.70	\$376,340.00	-0.17%

FINANCE



The Finance Department's primary purpose is to provide the highest quality financial services with integrity and excellence to the City of San Luis residents, City Council, and departments. We are committed to building public trust through delivering timely, accurate, and transparent financial information, sound financial management, and innovative and effective decision-making while safeguarding the City's assets and ensuring compliance with laws and regulations. The Finance Department is responsible for overseeing the Billing and Collections division.

The Finance Department provides various financial services to the Council and City staff. Services include fiscal planning, developing and monitoring the annual operating and capital budgets, establishing and monitoring internal controls, preparing the Annual Comprehensive Financial Report, facilitating external audits and independent reviews, and federal grant financial reporting. Other responsibilities include payroll, accounts payable, cash receipts, financial analysis, financial record keeping, and purchasing.

Accomplishments FY 2026

- The City of San Luis Finance Department received the certificate of achievement for excellence in reporting. It has been eleven consecutive years that the Finance Department has achieved this distinction.
- Led the successful passage of the City's annual budget in alignment with the City Council's strategic goals and objectives. Maintaining a Financially Sound City Government.
- Spearheaded research of investment agencies and investment policy development, submitting a recommendation to the administration.
- Completing the annual audit for Fiscal Year 2025 with no findings was another major milestone. This accomplishment underscores our department's dedication to maintaining rigorous

standards of financial accuracy and compliance. An audit without findings indicates that our financial statements are free of misstatements.

- Achieved procurement compliance by reducing after-the-fact purchase instances in the year. Auditors commended the team for the hard work of the Finance Department to reach this goal.
- Completed a long-term financial strategic plan to fund the growth of the City for the next five years.
- Received the GFOA Distinguished Budget Presentation Award by the end of FY 2025 for preparing a comprehensive budget that serves as a policy document, financial plan, operations guide, and communication tool.
- Successfully transitioned P-Card administration to a fully paperless process, enabling end-users to approve transactions directly within the Bank of America Works application, ensuring all transactions are posted within five business days in the New World System (NWS) and improving real-time financial reporting and accountability.
- Implemented a comprehensive Procurement and Contract Management software system, modernizing and streamlining procurement operations across the City, while enhancing vendor management, contract oversight, and overall process transparency.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Enhance operational efficiency and ensure transparent, effective public service delivery through modernized financial management."

- Initiate the transition to a new Enterprise Resource Planning (ERP) system by completing system selection, contract approval, and project planning phases by June 2026, with full implementation targeted for FY 2027, to enhance operational efficiency, data accuracy, and service delivery across departments.
- Achieve 90% paperless processing of finance-related transactions through ERP system capabilities and digital workflows by December 2026, improving efficiency, reducing costs, and increasing accessibility of financial records.
- Complete the reclassification of the Administrative Coordinator position to Business License Coordinator by August 2026 to better align job responsibilities with operational needs and improve service delivery related to business licensing.



Economy

Goal: "Strengthen the City's economic foundation by enhancing financial transparency, compliance, and reporting accuracy."

- Achieve the GFOA Certification for Excellence in Financial Reporting by Q3 FY 2026, with success tracked through the accurate and transparent production of financial reports.
- Obtain the GFOA Distinguished Budget Presentation Award by the end of FY 2026, by preparing a comprehensive budget that serves as a policy document, financial plan, operations guide, and communication tool.



Financial Sustainability

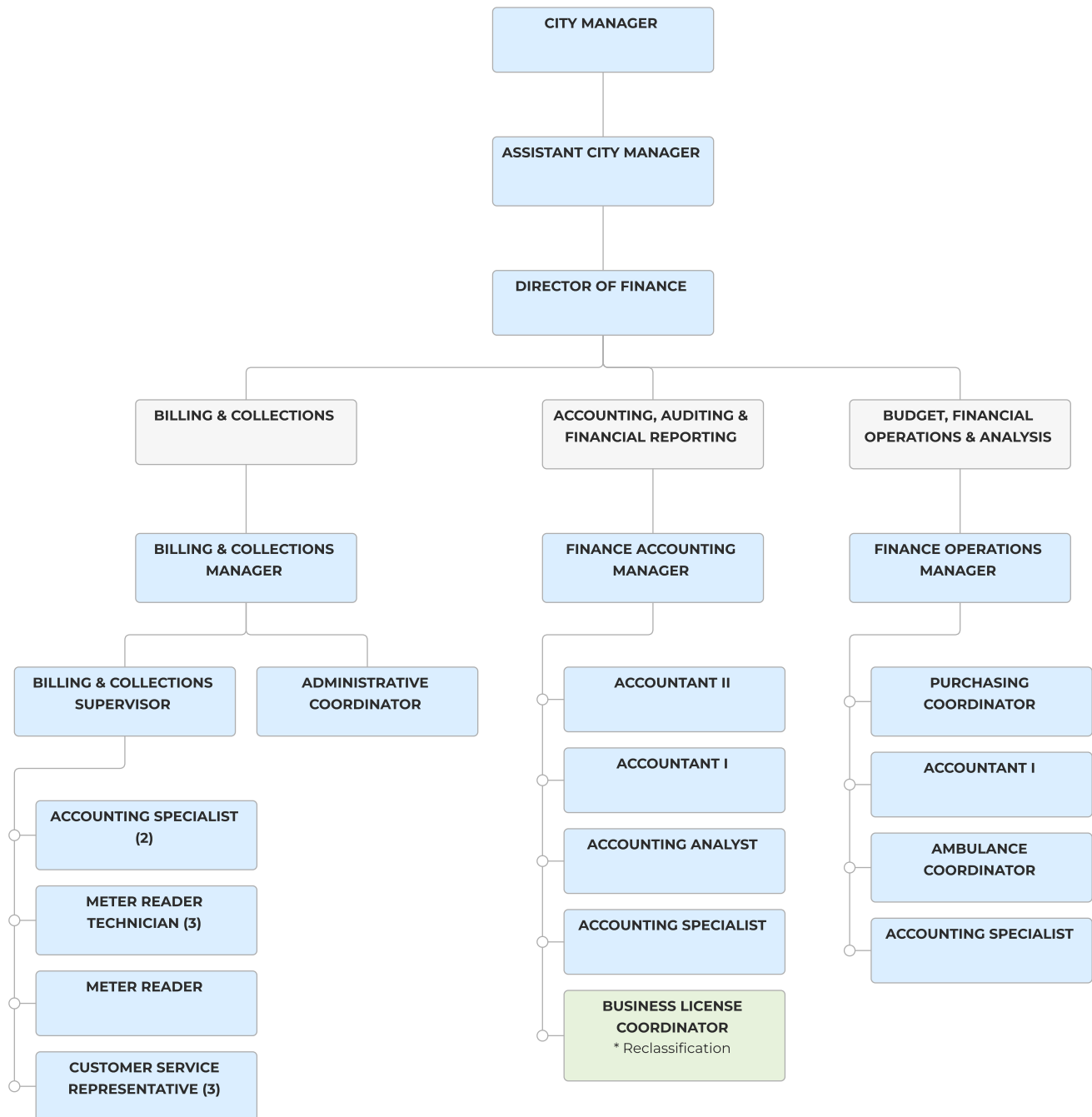
Goal: "Promote long-term financial sustainability by implementing strategic financial policies and transitioning to modernized, paperless processes."

- Update the long-term financial strategic plan by Q4 FY 2026, aligning with growth priorities and securing funding for City expansion over the next 10 years.
- Review, update, and implement a revised Travel Policy and evaluate the adoption of a new travel management program by September 2026, ensuring compliance, cost control, and streamlined travel processes.
- Collaborate with Human Resources to develop and adopt a comprehensive Finance Policy by October 2026, establishing clear guidelines, improving compliance, and standardizing financial practices citywide.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Compliance with Procurement Code	Compliant	Compliant	Compliant
Compliance with State Budget Laws	Compliant	Compliant	Compliant
Received Clean Audit Opinion from an independent CPA firm	Yes	Yes	Yes

Organizational Chart



Personnel Summary

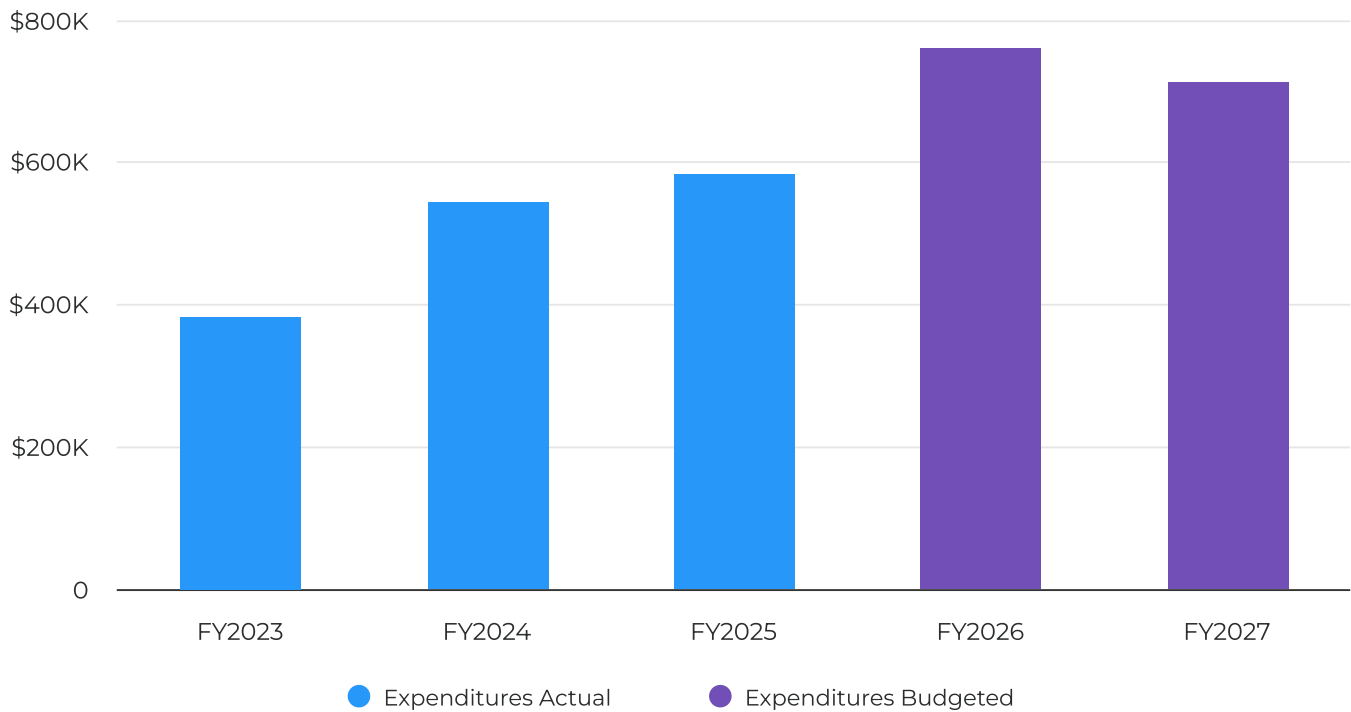
The chart below displays the Finance Department's summary schedule for the past three fiscal years. In FY 2027, the department implemented a reclassification of the Administrative Coordinator position to Business License Coordinator. This adjustment aligns the position's responsibilities with the department's current operational needs and supports the City's ongoing business licensing activities. The updated staffing structure will allow the Finance Department to continue providing effective and efficient financial services while meeting the evolving needs of the organization and the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	10.5	11.5	11.5	11.5	0
% of City's FTE's				2.94%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Purchasing Coordinator	1	1	1	1	0
Accountant II	1	1	2	2	0
Finance Accounting Manager	1	1	1	1	0
Finance Operations Manager	1	1	1	1	0
Director of Finance	1	1	1	1	0
Accounting Specialist	2	3	2	2	0
Accounting Analyst	0	0	1	1	0
Ambulance Billing Coordinator	0.5	0.5	0.5	0.5	0
Administrative Coordinator	1	1	1	-1	-1
Accountant I	2	2	1	1	0
Business License Coordinator	0	0	0	1	1
Total	10.5	11.5	11.5	11.5	0

Expenditure Summary

Historical Expenditures Across Department

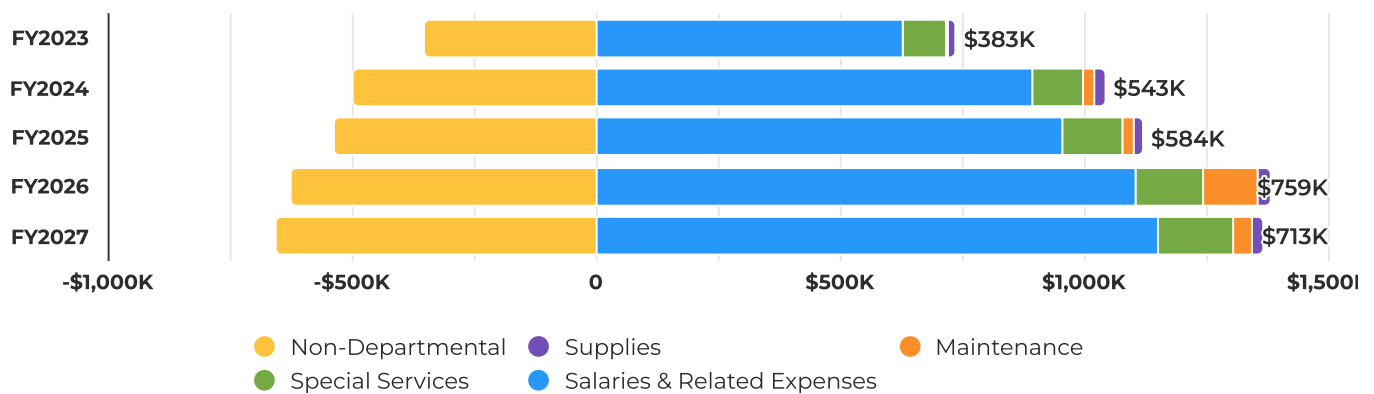


For FY2026, the Finance Department's budgeted expenditures total \$759,280. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures decrease to \$712,660, representing a 6.14% reduction from FY2026. This decline marks a notable change in the department's expenditure planning between the two years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

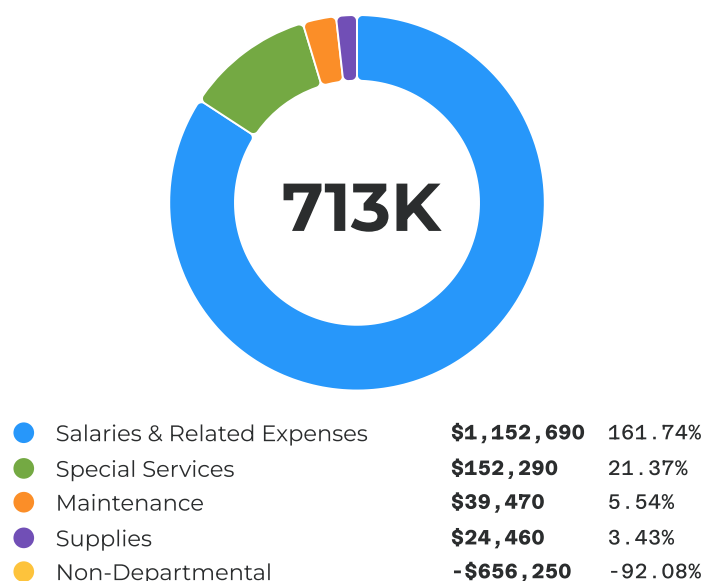


In FY2027, the Finance Department's total expenditures decreased by 6.14% to \$712,660 compared to FY2026. Salaries & Related Expenses remained the largest category, increasing by \$48,520 or 4.39% to \$1.2 million, representing 161.74% of the total budget. Special Services also grew by \$12,220 or 8.72%, reaching \$152,290 and accounting for 21.37% of total expenditures.

Maintenance expenses saw a significant decline of \$73,780 or 65.15%, dropping to \$39,470 and making up 5.54% of the budget. Supplies decreased slightly by \$1,560 or 6%, totaling \$24,460 and maintaining a 3.43% share. The Non-Departmental category further decreased by \$32,020 or 5.13%, amounting to -\$656,250 and representing -92.08% of total expenditures.

Overall, while the total budget contracted, Salaries & Related Expenses and Special Services experienced moderate increases, contrasting with notable reductions in Maintenance, Supplies, and Non-Departmental expenses.

FY27 Expenditures by Object



The Finance Department's Fiscal Year Expenditures by Object include Salaries & Related Expenses at \$1.2 million, representing 161.74% of the total. Special Services account for \$152,290, or 21.37%. Maintenance expenses are \$39,470, making up 5.54%, while Supplies total \$24,460, which is 3.43%. Non-Departmental expenditures are negative, amounting to -\$656,250, or -92.08%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$894,271.55	\$954,763.26	\$1,104,170.00	\$1,028,597.85	\$1,152,690.00	4.39%
Supplies	\$23,113.40	\$21,720.40	\$26,020.00	\$16,300.59	\$24,460.00	-6.00%
Maintenance	\$22,794.75	\$24,700.73	\$113,250.00	\$91,557.55	\$39,470.00	-65.15%
Special Services	\$103,655.57	\$121,490.56	\$140,070.00	\$112,299.68	\$152,290.00	8.72%
Non-Departmental	-\$499,943.76	-\$538,353.31	-\$624,230.00	-\$624,230.00	-\$656,250.00	5.13%
Total Expenditures	\$543,891.51	\$584,321.64	\$759,280.00	\$624,525.66	\$712,660.00	-6.14%

BILLING & COLLECTIONS



The Billing & Collections Department's staff provides exceptional and professional quality customer service to all San Luis residents and visitors. The department makes every effort to provide and maintain professional practices, accounting standards, and accurate data entry for all city customers. The department endeavors to provide efficient office support to city departments and divisions, acting as a centralized customer service center for most inquiries regarding the city services such as water, wastewater, and solid waste.

Accomplishments FY 2026

- Successfully completed the implementation of the Advanced Metering Infrastructure project, which included the replacement of 4,500 water meters and 4,200 water meter antennas.
- With the use of the AMI system, we implemented a water leak notification program. This program allows us to notify our customers via text and email about a possible water leak, reducing water leak adjustments and preventing customers from receiving high water consumption bills.
- Successfully implemented Tyler Payments, which allows us to have a payment terminal in our City Hall, allowing our customers to pay using their credit card and/or phone.
- Successfully updated our Business License Fee Schedule.
- Successfully implemented and created a new license type to address all the Cottage Food Operations. We are one of the first, if not the first, city to implement a Cottage Food Operations license.
- Implemented a yard sale map locator. With this interactive map, residents can easily find all yard sales with a city-approved permit.
- Successfully contracted and transferred all our bad debt accounts to Brown's Collection Agency.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Enhance the quality of life for residents by improving customer service, utility access, and business licensing processes."

- Continue providing timely and accurate customer service throughout FY 2027, ensuring that 99% of resident inquiries are addressed within 24 hours.
- By Q1 FY 2027, we should finalize the implementation of our second payment kiosk, to be located at the San Luis Fire Department Station No. 2.
- During Q1 FY 2027, VXconnect would be accessible to residents for managing their water consumption.



Economy

Goal: "Support economic development by streamlining business licensing processes and infrastructure improvements."

- Reduce manual reads to 1% by Q2 FY 2027, allowing for accurate, real-time billing and lower operational costs.
- By Q3 FY 2027, they will replace all commercial meters that are 20 years old.



Financial Sustainability

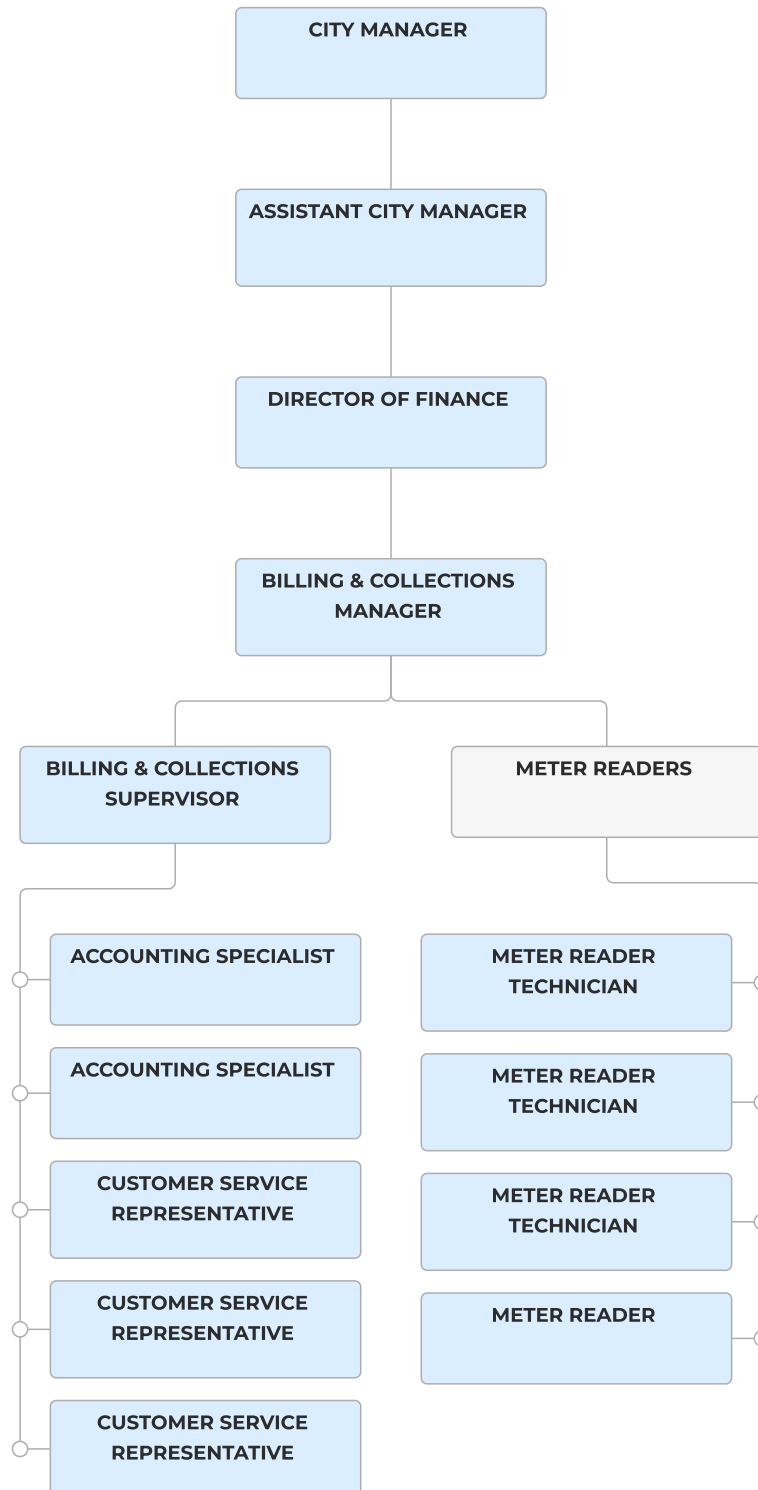
Goal: "Ensure the financial health of the City by implementing cost-effective solutions in utilities and business licensing."

- Conduct a utility rate study by the end of Q3 FY 2027 to ensure our rates provide long-term financial viability and funding necessary for infrastructure improvements.
- Review the current cost the city absorbs from all the credit card transactions it processes and assess the feasibility of passing the cost to the customer.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projecte d FY 2026	Expecte d FY 2027
Billing Accuracy and Efficiency: Percentage of Accurate Water Bills Generated, with errors minimized	100%	100%	100%
Percentage of delinquent accounts resolved	81%	83%	86%
Compliance with regulatory requirements ensuring the department complies with local, state and federal regulations concerning Utility Billing & Collections	100%	100%	100%
Department's Progress in reducing manual meter readings by shifting to AMI systems	95%	98%	99%
Payment Proficiency: percentage of payments made through online or automated payment systems	73%	73%	78%

Organizational Chart



Personnel Summary

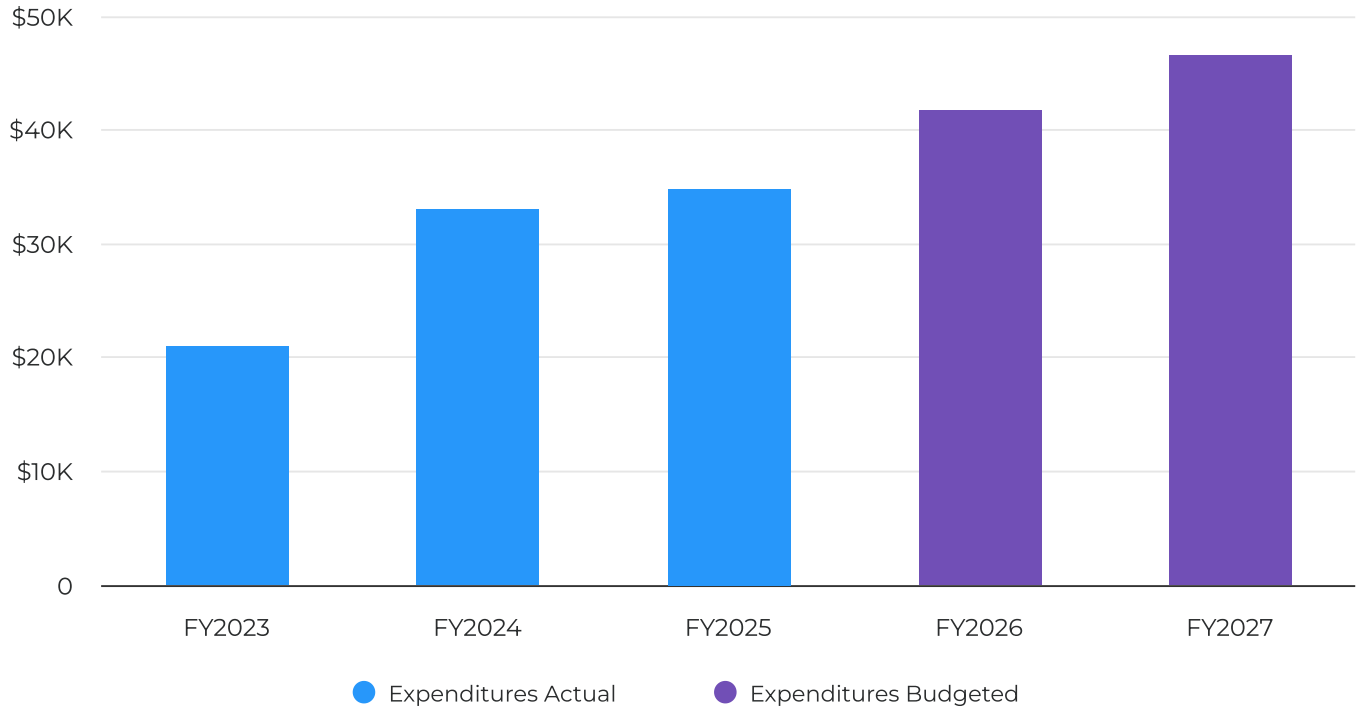
The chart below displays the Billing and Collections Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Billing and Collections Department. The current staffing structure will remain in place to ensure the department continues to effectively and efficiently manage the growing workload associated with the City's expanding utility accounts. The existing staffing structure will continue to provide the necessary oversight and support to meet the needs of the organization and the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	11	11	11	11	0
% of City's FTE's				2.81%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Accounting Specialist	2	2	2	2	0
Meter Reader Technician	3	3	3	3	0
Meter Reader	1	1	1	1	0
Billing & Collections Manager	1	1	1	1	0
Customer Service Representative	3	3	3	3	0
Billing & Collections Supervisor	0	0	1	1	0
Administrative Coordinator	1	1	0	0	0
Total	11	11	11	11	0

Expenditure Summary

Historical Expenditures Across Department

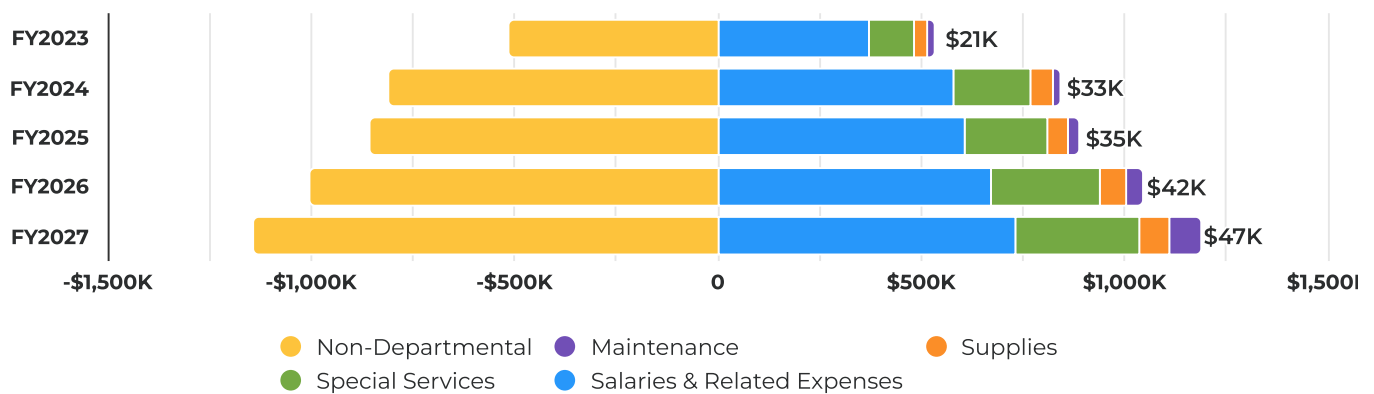


For FY2026, the budgeted expenditures for Billings & Collections are \$41,820. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures increase to \$46,530, representing an 11.26% rise from FY2026. This marks a notable upward trend in the expenditure budget for Billings & Collections between these two years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

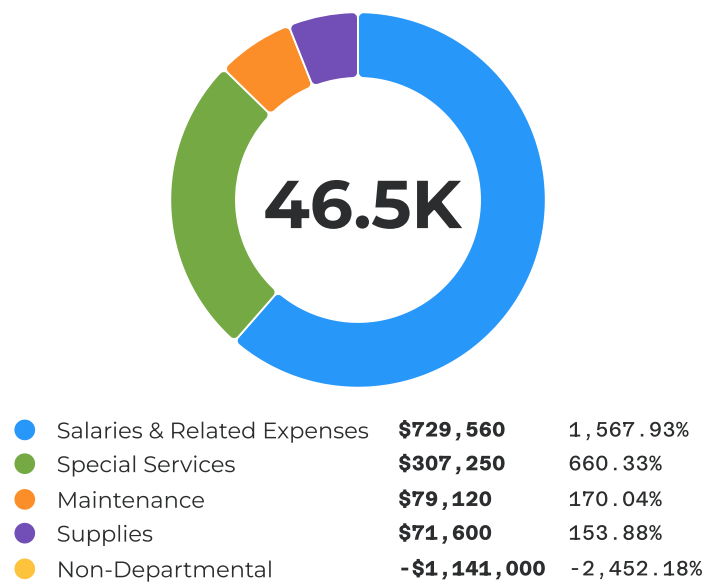


In FY2027, the total expenditures for Billings & Collections increased by 11.26% to \$46,530 compared to FY2026. The largest expense category remained Salaries & Related Expenses, which rose by 8.52% to \$729,560, representing 1,567.93% of the total budget. Special Services also saw a significant increase of 15.02%, reaching \$307,250 and accounting for 660.33% of the total.

Maintenance expenses nearly doubled with a 98.15% increase to \$79,120, now making up 170.04% of the total budget. Supplies increased by 7.75% to \$71,600, representing 153.88% of the total. The Non-Departmental category showed a decrease in absolute value to -\$1.1 million, which is a 13.65% increase in the negative amount, equating to -2,452.18% of the total budget.

Overall, the FY2027 budget reflects continued growth in Salaries & Related Expenses and Special Services, with Maintenance showing the most substantial percentage increase among the major expense types. Supplies increased moderately, while the Non-Departmental category's negative balance expanded further compared to the previous year.

FY27 Expenditures by Object



The fiscal year expenditures by object for Billings & Collections include Salaries & Related Expenses at \$729,560, representing 1,567.93% of the total. Special Services amount to \$307,250, which is 660.33%. Maintenance expenses are \$79,120, accounting for 170.04%, while Supplies total \$71,600, or 153.88%. Non-Departmental expenditures are negative, at -\$1.1 million, corresponding to -2,452.18%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$579,377.12	\$605,642.73	\$672,290.00	\$650,564.87	\$729,560.00	8.52%
Supplies	\$53,707.73	\$55,748.49	\$66,450.00	\$69,794.07	\$71,600.00	7.75%
Maintenance	\$21,193.58	\$26,026.72	\$39,930.00	\$23,655.76	\$79,120.00	98.15%
Special Services	\$190,233.89	\$217,951.02	\$267,130.00	\$217,509.87	\$307,250.00	15.02%

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Non-Departmental	-\$810,828.94	-\$870,113.42	-\$1,003,980.00	-\$929,025.46	-\$1,141,000.00	13.65%
Total Expenditures	\$33,683.38	\$35,255.54	\$41,820.00	\$32,499.11	\$46,530.00	11.26%

HUMAN RESOURCES



The Human Resources department supports the City's goals by recruiting, developing and sustaining a diverse, talented and engaged workforce. The City of San Luis Human Resources staff uses the best available values, theories, strategies, and techniques of behavioral and information science and organizational theory to provide integrated human services to the San Luis community. The department strives to assist the City employees with the management of its work settings and organizational visions to improve its ability current and future work environments. The department assists the City staff with implementing the cognitive, emotional, and behavioral changes necessary to remain on the cutting edge of innovation. The department also provides human services through education and training, counseling, career management, and consulting; utilizes cost effective strategies, works to enable the City to best utilize the knowledge, skills, and abilities of its diverse staff.

Accomplishments FY 2026

- The Public Works Department succession plan has supported employee professional development, resulting in the promotion of a total of 4 employees: 1 in Water and 3 in Wastewater.
 - Additionally 4 employees in the Operator Apprentice Program have been converted to Operator I. 25% Completed as of February 2026
- Completed a citywide comprehensive Training Needs Assessment to identify skill gaps, ensuring training investments are targeted, effective, and aligned with organizational goals.
- Citywide NEOGOV Perform Module training A total of 343 employees have successfully completed the training.
- Research was conducted and a Benefits Enrollment Platform was identified and implemented to be used centrally by HR by June 30th. These benefits include medical, dental, vision, life insurance, and voluntary coverage for cancer and critical illness.
- RFP and Implementation of a new Third-Party Administrator (TPA), overseeing vendor selection, transition, and operational integration to improve efficiency and ensure service continuity.

- Implemented partnership with Career Technical Education, AZ@Work, and ASU Local to support workforce development and expand employment opportunities.
- Implemented Salary Competitiveness policy in July 2025, adjusting employees' salaries to reach 100% of the Market.
 - Conducted compensation and classification studies supporting pay equity, market competitiveness, and employee retention, including Public Safety Salary, Public Safety Civilian Probationary Period review, Police Dispatch position title review.
 - Reviewed 35 classifications in preparation of annual budget process.
- Proposal of enhancements to medical and dental coverage, to improve benefits reduce costs, and increase participant value. Enhancements include Nutritional Counseling, and Dental Benefit Max Allowed Increase.
- Rewrite of the HR Policy Manual
- Records Retention Audit - Reviewed years 2024 to 2025, processed 13 boxes of documents. Implemented a new process for Records Management to ensure timely handling of records.
 - Employee Personnel Files Audit, maintenance and cleanup. Implemented a new process to ensure files contain all required documents, are organized, and stored for easy access.
 - I-9 Files Audit. Ensured proper destruction of ineligible records (281 files) — resulting in up-to-date and compliant documentation.
 - Leading a citywide external employment and activity audit to identify conflicts of interest and develop risk mitigation strategies, currently in progress.
- Established new processes to improve organizational efficiency while maintaining strict adherence to compliance requirements.
- Comprehensive Review of TPA resulted in Request for Proposals to evaluate the market for technical capabilities, cost-effectiveness, compliance, and alignment with organizational goals.
- HR website updates completed.

Goals & Objectives FY 2027



Growth & Public Service

Goal: Enhance workforce efficiency and employee engagement through training, development, and effective benefits administration.

- Continue development of citywide Succession Plan to ensure long-term operational continuity, mitigate leadership transition risks, and maintain operational stability during unexpected departures.
 - Identify critical roles as well as potential internal talent for such roles.
 - Create Development Plans for internal talent to preserve institutional knowledge, improve retention and align talent management with long-term strategic goals.

- Develop Annual Training Plan to provide structured, strategic roadmap that aligns skill development with organizational goals, improve employee performance and ensure compliance.
 - Implement Annual Training Plan
- Develop separate Evaluation Tools for Management & Leadership
 - Leadership.Continue training of NEOGOV Perform Module.
 - Conduct training for Mgmt/Supvs on Performance Improvement Plans (Development, Administration, Monitoring & Feedback).
- Deploy functionality of Benefit Enrollment Platform to all employees to streamline enrollment process, and enhance the overall employee benefits experience.
- Continue ongoing partnerships with educational institutions within the region.



Economy

Goal: Improve employee retention and productivity through strategic recruitment, competitive compensation and benefits, and ongoing compliance.

- Conduct a Market Salary Study of all positions to ensure competitiveness and retain top talent while maintaining internal pay equity.
 - Conduct Class & Comp Studies as requested for Annual Budget Process.
- Conduct research and benchmarking on emerging benefit offerings and industry best practices to strengthen medical plans, maintain competitiveness, and overall benefits strategy.
- Finalize and distribute updated HR Policy Manual Manual and secure acknowledgments from all employees.
 - Implement Policy Management System.
 - Conduct a Rewrite of Policies for IT, Finance and Fire Depts.
- Maintain an ongoing audit of employee personnel files to ensure compliance.
 - Initiate the Records Management review each December for timely processing, and destruction of records.
 - Complete External Employment and Activity Audit; and develop and implement Risk Mitigation Strategies.



Financial Sustainability

Goal: Ensure financial stability by optimizing employee compensation and continuously improving HR Processes.

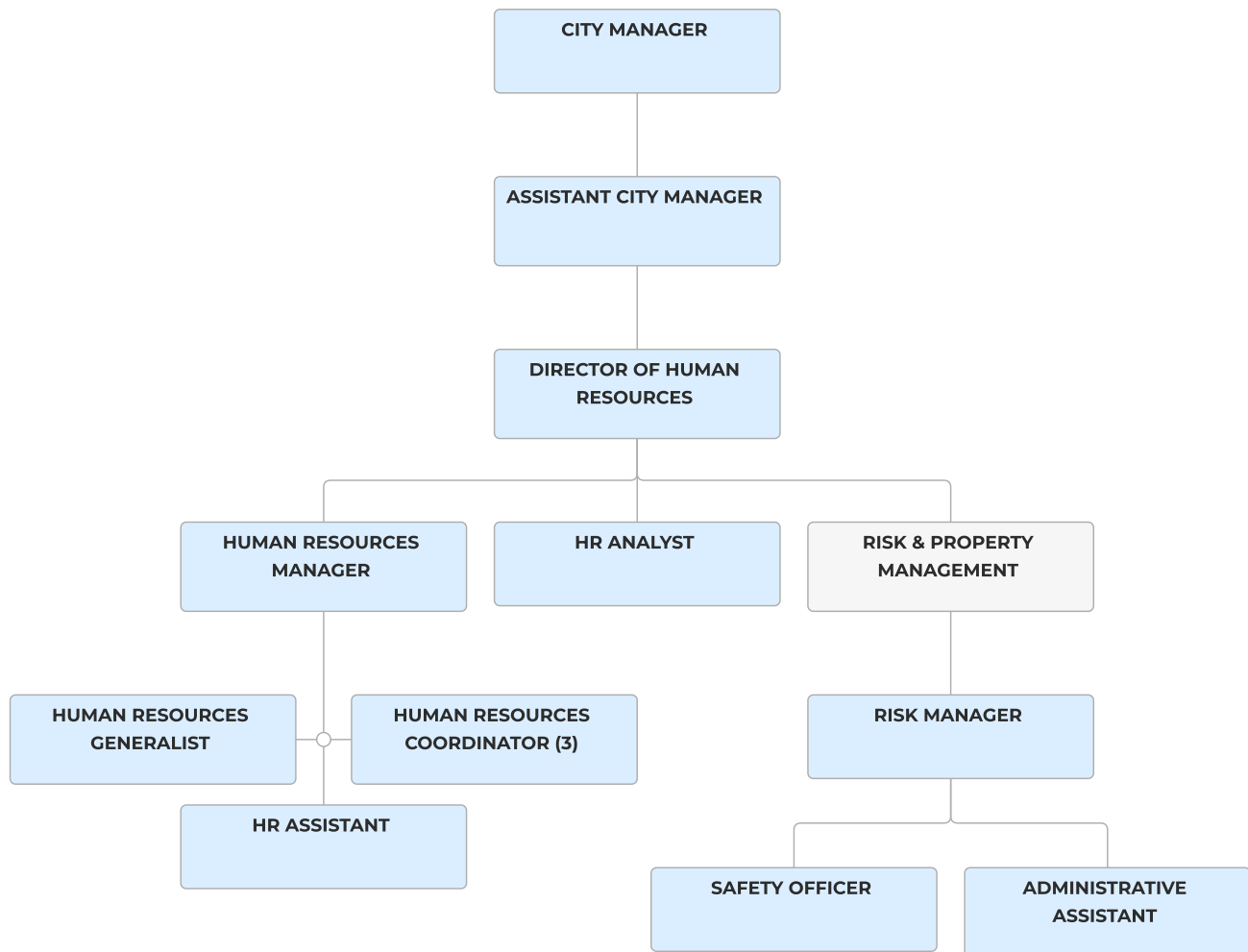
- Continue strengthening HR processes to improve operational efficiency, establish clear and consistent procedures, and develop performance management tools.
- Strategic selection of a Human Resources Information System (HRIS) to improve operational efficiency, data accuracy, and integration across HR functions.

- Continue ongoing HR Website updates to improve efficiency and ensure a modern, professional user experience.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Turnover Rate	14.60%	9.48%	9%
Positions Filled Rate	94%	91%	95%
Training Hours	1178.93	427.28	600

Organizational Chart



Personnel Summary

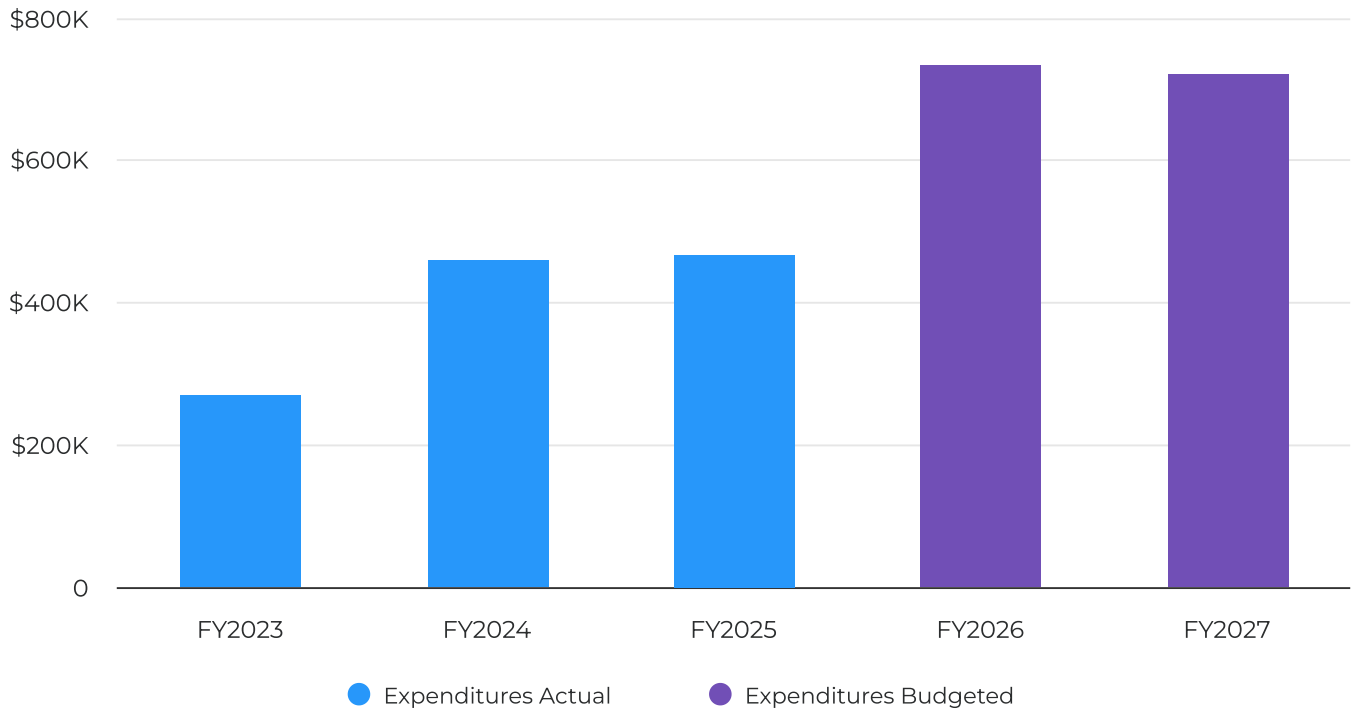
The following graph illustrates the summary schedule of the Human Resources staff over the past three fiscal years. In FY 2027, there will be no personnel changes within the Human Resources Department. The current staffing structure will remain in place to continue supporting HR programs, employee services, and departmental operations effectively and efficiently. The existing staffing structure will provide continued support for the organization's workforce needs and ensure the department can effectively meet the needs of employees and the organization.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	8	8	8	8	0
% of City's FTE's				2.04%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Human Resources Technician	1	0	0	0	0
Human Resources Assistant	0	1	1	1	0
Director of Human Resources	1	1	1	1	0
Human Resources Analyst	1	1	1	1	0
Human Resources Manager	1	1	1	1	0
Human Resources Generalist	0	1	1	1	0
Human Resources Coordinator	4	3	3	3	0
Total	8	8	8	8	0

Expenditure Summary

Historical Expenditures Across Department

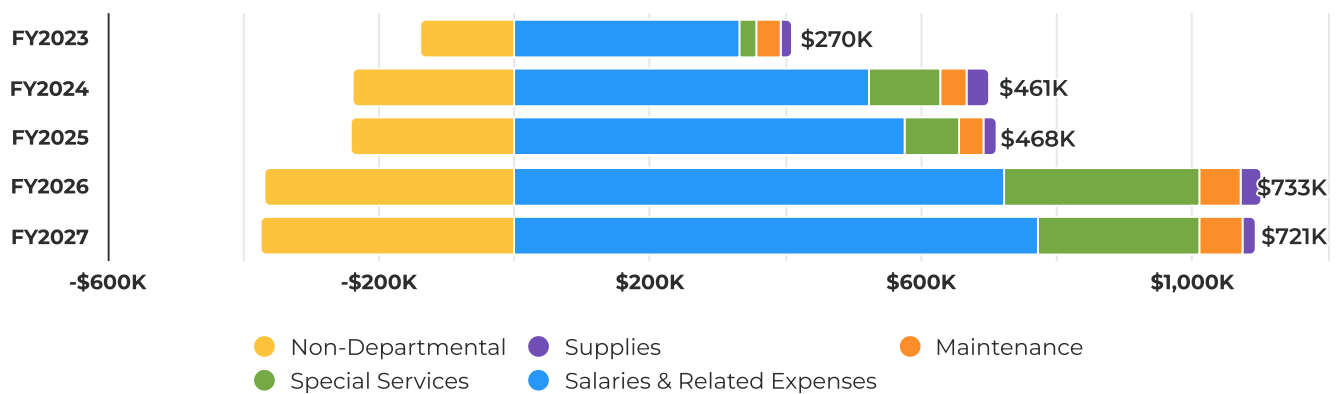


For FY2026, the Human Resources department has budgeted expenditures totaling \$733,140. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures for Human Resources decrease slightly to \$721,050, representing a 1.65% reduction from the FY2026 budget. This marks a modest decline in the overall expenditure allocation for the department compared to the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type



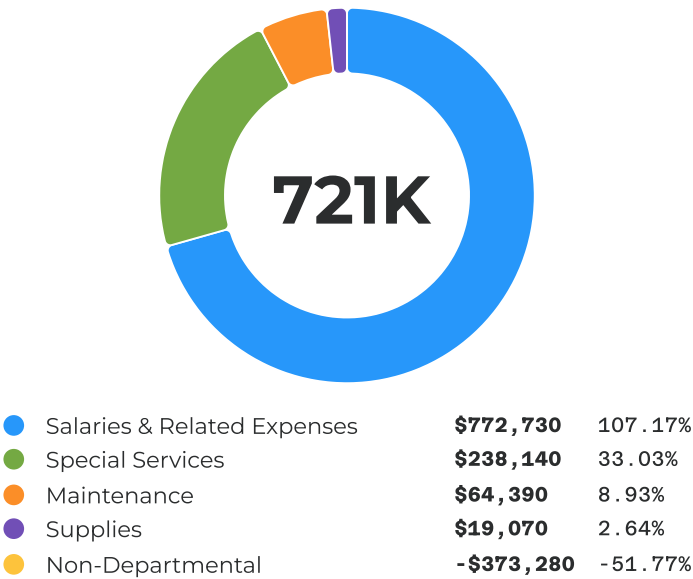
In FY2027, the total expenditures for Human Resources decreased slightly by 1.65% to \$721,050 compared to FY2026. The largest expense category remained Salaries & Related Expenses, which increased by 7.06% to \$772,730, representing 107.17% of the total budget. This category saw a moderate rise of \$50,950 from the previous year.

Special Services experienced a notable decrease of 17.12%, falling to \$238,140 and accounting for 33.03% of the total expenditures. This reduction of \$49,180 contrasts with its significant increase in the prior year. Maintenance expenses showed a small increase of 1.59%, reaching \$64,390 and making up 8.93% of the budget.

Supplies expenditures declined substantially by 36.88% to \$19,070, which is 2.64% of the total budget, marking a decrease of \$11,140. The Non-Departmental category remained negative at -\$373,280, slightly more negative by \$3,730, representing -51.77% of the total expenditures.

Overall, while the total budget slightly decreased, Salaries & Related Expenses continued to grow, and Maintenance costs edged up, whereas Special Services and Supplies saw significant reductions in FY2027 compared to FY2026.

FY27 Expenditures by Object



The fiscal year expenditures for Human Resources by object include Salaries & Related Expenses at \$772,730, representing 107.17% of the total. Special Services account for \$238,140, or 33.03%. Maintenance expenses are \$64,390, which is 8.93%, while Supplies total \$19,070, making up 2.64%. Non-Departmental expenditures are negative, at -\$373,280, corresponding to -51.77%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$522,550.89	\$574,031.26	\$721,780.00	\$599,607.19	\$772,730.00	7.06%

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Supplies	\$30,888.40	\$18,645.42	\$30,210.00	\$16,572.33	\$19,070.00	-36.88%
Maintenance	\$39,071.14	\$35,977.82	\$63,380.00	\$57,772.24	\$64,390.00	1.59%
Special Services	\$106,962.58	\$83,293.48	\$287,320.00	\$116,333.33	\$238,140.00	-17.12%
Non-Departmental	-\$238,412.95	-\$242,865.94	-\$369,550.00	-\$369,550.00	-\$373,280.00	1.01%
Total Expenditures	\$461,060.06	\$469,082.04	\$733,140.00	\$420,735.10	\$721,050.00	-1.65%

RISK & PROPERTY MANAGEMENT



The Risk Management Department recognizes its role of stewardship over the resources of the City, both human and property. The department works to ensure the safety of its employees, staff, and the public while providing maximum protection to prevent financial loss of city property. Each department director of the City has a responsibility of reviewing his/her own activity with these risk management goals in mind.

Whenever a department may appear to be in jeopardy, the department director must report the concern to either management or the Risk Management Department. Specific focus areas include:

- Environmental health
- Occupational safety
- Property loss including personal and real property
- Safety policies and procedures

Risk Management supervises programs in the areas of employee safety, loss prevention, property and casualty. The department minimizes dollar losses through planning, organizing, directing, and controlling resources and activities in the city. Risk Management also provides investigative services on claims arising out of automobile liability and general liability and monitors Workers' Compensation and related legal expenditures being handled by a third-party administrator.

The City of San Luis team has made it a goal to set up new working processes to be able to continue to provide high quality services to City of San Luis residents and organizations.

Accomplishments FY 2026

- Expanded internal Risk Management inspections to strengthen safety and compliance by conducting 55 Safety Walkthroughs and 68 Specialized Inspections, proactively identifying hazards, ensuring compliance, and reinforcing a safe work environment, achieving 100% completion.
- Expanded OSHA partnership to strengthen compliance and awareness by partnering with OSHA PEPP to complete 7 facility inspections, enhancing regulatory compliance and organization-wide

safety awareness, achieving 100% completion.

- Enhanced and expanded Safety Toolbox Talks and New Hire Safety Orientation by launching and delivering a comprehensive safety program, including monthly safety talks and new hire orientation, conducting 12 safety topics and training 56 new hires to strengthen awareness, compliance, and employee engagement, achieving 100% completion.
- Expanded hazard assessments to strengthen risk prevention and compliance by completing 67 hazard assessments, proactively identifying risks, prioritizing corrective actions, and improving overall safety performance, achieving 100% completion.
- Maintained annual pre-auction safety walkthroughs through a three-year collaboration with Facilities and City Administration, proactively identifying hazards, strengthening compliance, and promoting a culture of safety (ongoing).
- Maintained and enhanced the Heat Awareness Program with annual OSHA-reviewed updates, strengthening prevention of heat-related illness and supporting employee safety and productivity, achieving 90% completion.
- Ensured timely annual insurance renewals by managing multiple policies, including specialized coverages such as fireworks, K9 PD, and transportation, maintaining comprehensive coverage and risk protection (ongoing).
- Continued advancing SafePersonnel training by sustaining and enhancing the online training program to promote compliance, workforce development, and improved organizational performance; progress is currently being tracked for completion percentage.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Promote a safe and compliant work environment within the City of San Luis by improving risk management strategies and safety programs to protect employees and reduce workplace hazards."

- Increase number of safety walkthroughs and specialized inspections to expand hazard identification. Our goal is to increase proactive safety oversight by conducting 60+ Safety Walkthroughs and 75+ Specialized inspections to enhance hazard identification, ensure compliance, and further strengthen a safe work environment.
- Continue to meet quarterly inspection targets to ensure safety compliance across all City buildings and departments.
- Maintain monthly Safety Toolbox Talks and update topics to address emerging risks. Enhance new hire orientation to strengthen early hazard recognition and compliance.
- Continue conducting Hazard Assessments to identify and address potential hazards.
 - Initiate development of an agencywide Hazard Mitigation Plan involving a structured, multi-step process to identify risks, analyze vulnerabilities, and develop strategies to reduce the impact of disasters on life and property. Complete 50% by end of FY.



Economy

Goal: "Improve operational efficiency by strengthening compliance with federal and state safety regulations while streamlining the City's insurance and risk management process."

- Continue the Heat Awareness Program with annual OSHA-reviewed updates to strengthen prevention of heat-related illness and supporting employee safety and productivity.
- Continue collaboration with Facilities and City Administration to conduct Annual Pre-auction Safety Walkthroughs to proactively identifying hazards, strengthening compliance, and promoting a culture of safety.
- Maintain full compliance with all OSHA PEPP Program quarterly inspection findings through the fiscal year, ensuring a safer work environment and minimizing potential liabilities.
- Increase process automation and tracking. Implement systems to track compliance, claims, and insurance data, improving accuracy and reducing manual workload.
- Continue implementation of written safety programs to ensure compliance with safety regulations and help reduce workers' compensation costs. Currently at 70% completion and aiming to complete 100%.
 - Continue developing safety program as need comes up due to emerging risks and varying workplace exposures.



Financial Sustainability

Goal: Continue strengthening organizational safety and risk management by maintaining comprehensive safety protocols and regular training for all employees, while ensuring ongoing oversight of city insurance policies and property inventories. This sustained, integrated approach helps reduce workplace incidents, minimize potential claims costs, and ensure assets are accurately documented and protected, supporting employee well-being and the City's financial stability.

- Continue to strengthen the insurance renewal process by ensuring timely renewal of all policies and maintaining close work collaboration with the AMRRP Risk Pool.
- Strengthen Safety Training and compliance by maintaining and enhancing the citywide Safety Training Program, ensuring 100% of employees complete required risk and safety training and achieving at least a 70% overall training completion rate.
- Continue collaboration with Finance to ensure accurate management of the City's auto and asset inventory by maintaining a continuous annual audit process to verify completeness, accuracy, and proper documentation, helping safeguard city assets, support financial accountability, and enhance operational efficiency.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Total number of cases	23	20	22
Lost Time Injuries	13	8	11
Number of cases with job transfer	6	6	9
Number of other recordable cases	2	4	1
Total number of days away from work	260	287	275
Total number of days of job transfer or restriction	378	289	204

Personnel Summary

The chart below shows the Risk and Property Management Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Risk and Property Management Department. The current staffing structure will remain in place, allowing the department to continue operating effectively and efficiently while supporting compliance, implementing safety policies, managing insurance coverage, and coordinating training programs to meet the City's ongoing risk and property management needs.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	2.5	3	3	3	0
% of City's FTE's				0.77%	
Authorized Personnel / Positions					
			Current	Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Office Assistant	0.5	0	0	0	0
Administrative Assistant	0	1	1	1	0
Safety Officer	1	1	1	1	0
Risk Manager	1	1	1	1	0
Total	2.5	3	3	3	0

Expenditure Summary

Historical Expenditures Across Department

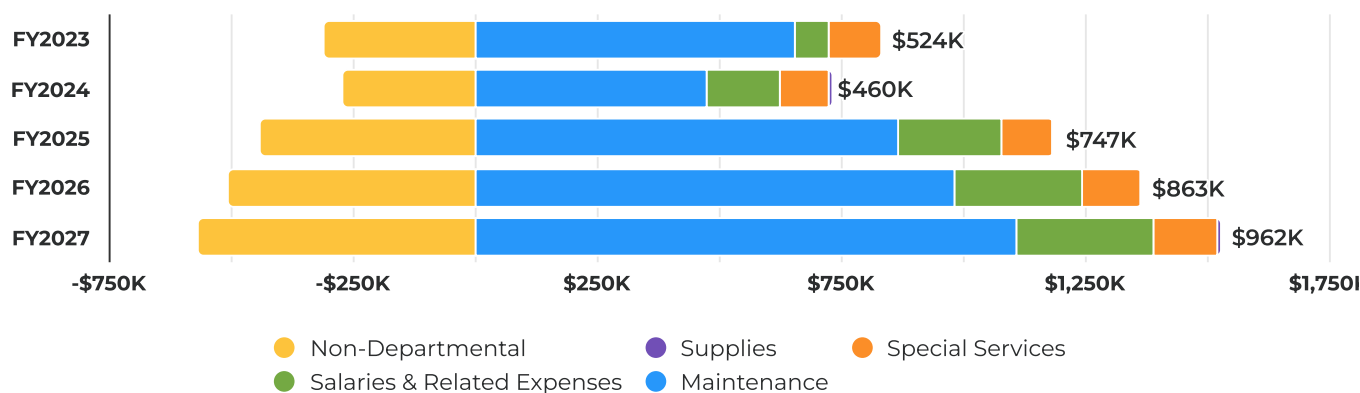


For FY2026, the Risk Management expenditure budget is set at \$862,670. This amount serves as the baseline for comparison with the following year.

In FY2027, the expenditure budget increases to \$961,950, representing an 11.51% rise from FY2026. This marks a significant upward trend in the Risk Management budget between these two years.

Expenditures by Expense Type

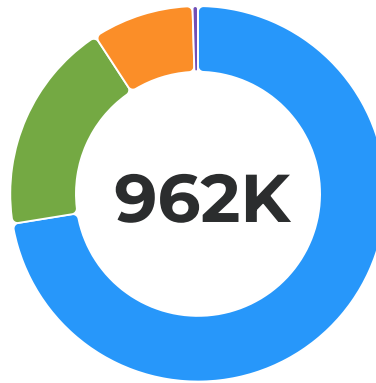
Historical Expenditures by Expense Type



In FY2027, the total budget for Risk Management increased by 11.51% to \$961,950 compared to FY2026's \$862,670. Maintenance remained the largest expense category, rising by 12.66% to \$1.1 million, which represents 115.18% of the total budget, slightly up from 114% the previous year. Salaries & Related Expenses also grew by 7.6% to \$280,550, accounting for 29.16% of the total, a slight decrease in share from 30.22% in FY2026.

Special Services increased by 12.37% to \$133,780, making up 13.91% of the budget, a small rise from 13.8% previously. Supplies saw the largest percentage increase at 42.69%, reaching \$7,120 and representing 0.74% of the total budget, up from 0.58% in FY2026. The Non-Departmental category continued to show a negative value, decreasing by 12.24% to -\$567,470, which is -58.99% of the total budget, a slight increase in its negative share compared to -58.61% the prior year.

FY27 Expenditures by Object



● Maintenance	\$1,107,970	115.18%
● Salaries & Related Expenses	\$280,550	29.16%
● Special Services	\$133,780	13.91%
● Supplies	\$7,120	0.74%
● Non-Departmental	-\$567,470	-58.99%

For the fiscal year expenditures by object in Risk Management, Maintenance accounts for \$1.1 million, representing 115.18% of the total. Salaries & Related Expenses total \$280,550, which is 29.16%. Special Services amount to \$133,780, or 13.91%. Supplies are \$7,120, making up 0.74%. Non-Departmental expenditures are negative, at -\$567,470, corresponding to -58.99%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$150,515.31	\$212,172.03	\$260,730.00	\$244,025.13	\$280,550.00	7.60%
Supplies	\$6,523.05	\$3,777.88	\$4,990.00	\$3,199.45	\$7,120.00	42.69%
Maintenance	\$474,277.72	\$868,595.33	\$983,480.00	\$958,267.92	\$1,107,970.00	12.66%
Special Services	\$100,271.56	\$104,632.24	\$119,050.00	\$104,853.40	\$133,780.00	12.37%
Non-Departmental	-\$271,382.61	-\$441,245.79	-\$505,580.00	-\$505,580.00	-\$567,470.00	12.24%
Total Expenditures	\$460,205.03	\$747,931.69	\$862,670.00	\$804,765.90	\$961,950.00	11.51%

DEVELOPMENT SERVICES



As part of the Development Services Department, the Planning and Zoning Division oversees the implementation of the San Luis General Plan 2040, administration of both the subdivision and zoning regulations, including the processing of a variety of development requests. Additionally, the Division manages all geospatial data and geographic information system (GIS) duties for the city. The division also manages Code Enforcement activities within the city, ensuring compliance with various city codes to preserve and promote the health, safety, and welfare of San Luis residents and visitors alike, as well as enhance the quality of life.

Accomplishments FY 2026

- Updated zoning regulations to incorporate modern development practices and new state legislative changes.
- Reviewing application timeframes to streamline development review processes, reducing application processing times, and improving efficiency.
- Adoption of the City of San Luis Subdivision Regulations update, to bring them to the standards that our residents and current infrastructure development demand.
- Facilitate public hearings and community workshops to gather input on future growth and development priorities.
- Provided staff support to the Planning and Zoning Commission, Board of Adjustment, Board of Appeals, and City Council.
- Provided addressing services:
 - Created New Addresses
 - Requested New parcel IDs with Yuma County
 - Added New addresses to our 911 database
 - Added New Addresses to New Word System
 - Added New address points to our GIS Database.
- Actively updated the addresses for the 911 Emergency System.

- Created a new address distribution email list that includes 911, Schools, Businesses, Post office, and other municipalities. Actively working with the Licensing Division from the Billing and Collections Department on reviewing applications for the issuance of business licenses to ensure compatibility with city goals.
- Participated and corrected data in various mapping programs such as Esri Community Maps, Google Maps, and Here Maps.
- Code Enforcement Officer Jesus Garcia obtained the following certifications: ICC Zoning Inspector, ICC Housing and Property Maintenance Inspector, and ICC/ACCE Certified Code Enforcement Officer.
- Proactively and reactively enforced violations of the International Property Maintenance Code, the International Residential Code, and the City Zoning Regulations
- Worked collaboratively with Legal, Public Works, and the Police Department to reach compliance on specific violations.
- 241 Code Enforcement cases were opened, and 220 were successfully closed.
- A total of 228 violation notices and 13 stop work orders have been issued.
- A total of 1 subdivisions (residential and industrial) have been recorded, two approved and waiting for recordation.
- Finalized the Annexation of County Islands Project by submitting the blank petition to annex 1,285 acres of federal land into the City.
- Provided support to administration and legal team on different legal cases and proceedings.
- Provided support and research to other departments for specific cases and public records requests.
- Provided support to the Engineering Department on Engineering Plan Review.
- A total of 23 lot split-lot tie applications were reviewed, approved, and recorded in accordance with City Code.
- A total of 1 rezoning and 1 minor amendment applications were reviewed and approved in accordance with City Code.
- Working on an outreach and educational event focused on preventing violations related to building safety, zoning, and property maintenance. Event Name: "Let's Get Up to Code".
- Permit Plan Review for commercial and residential projects has been completed on schedule.

- Created and implemented the “Report A Code Violation” form on the City website to make it easier for residents to submit complaints.
- Gave presentations to new homeowners covering basic Code Enforcement topics, including the enforcement process, the most common violations, and how to prevent them, in partnership with Building Safety.
- Participated in and assisted in organizing informational booths at City events to educate the public about Code Enforcement (such as Safety Event, Community Planning & Code Compliance Month Event).



Goals & Objectives FY 2027



Growth & Public Service

Goal: "Enhance urban planning and community engagement through the adoption and implementation of strategic plans and policies and improve responsiveness to code enforcement."

- Adopt the Historic Downtown Mixed-Use Overlay District Project by Q1 FY 2027, supporting mixed-use development and revitalization efforts.
- Adopt the Main Street Revitalization Overlay District Project by Q2 FY 2027, supporting infill development and revitalization efforts.
- Finalize the Annexation process for County islands by Q2 FY 2027 to expand city boundaries and services.
- Continue updating city-addressing data and integrating new developments with the 911 Emergency system by Q4 FY 2027 to ensure accurate emergency response.
- Grow mapping capabilities by implementing Online Maps by Q4 FY 2027 to improve accessibility and usability.
- Improve timely response to code enforcement complaints by reducing resolution time by Q4 FY 2027.
- Provide proactive outreach and public education by hosting educational events and distributing a flyer on common code violations to 100% of households by the end of Q4 FY 2027.
- Strengthen enforcement of construction, zoning, and property maintenance codes through both proactive and reactive efforts by increasing the number of compliance inspections conducted by the end of Q4 of FY 2027.
- Continue expanding Code Enforcement Officers' professional knowledge by obtaining additional certifications that will allow staff to better assist and educate residents by the end of Q4 of FY 2027.



Economy

Goal: "Support sustainable economic growth through strategic urban planning, efficient development processes, and effective code enforcement."

- Continue administering the San Luis 2040 General Plan by ensuring 100% of its milestones are met on schedule throughout FY 2027.
- Finalize the development of a detailed workflow for the development process by Q1 FY 2027 to improve project efficiency and transparency.
- Improve the complaint system to simplify code issue reporting and increase resident engagement by Q3 FY 2027.
- Enforce construction and zoning codes proactively and reactively by increasing compliance inspections throughout the fiscal year.



Financial Sustainability

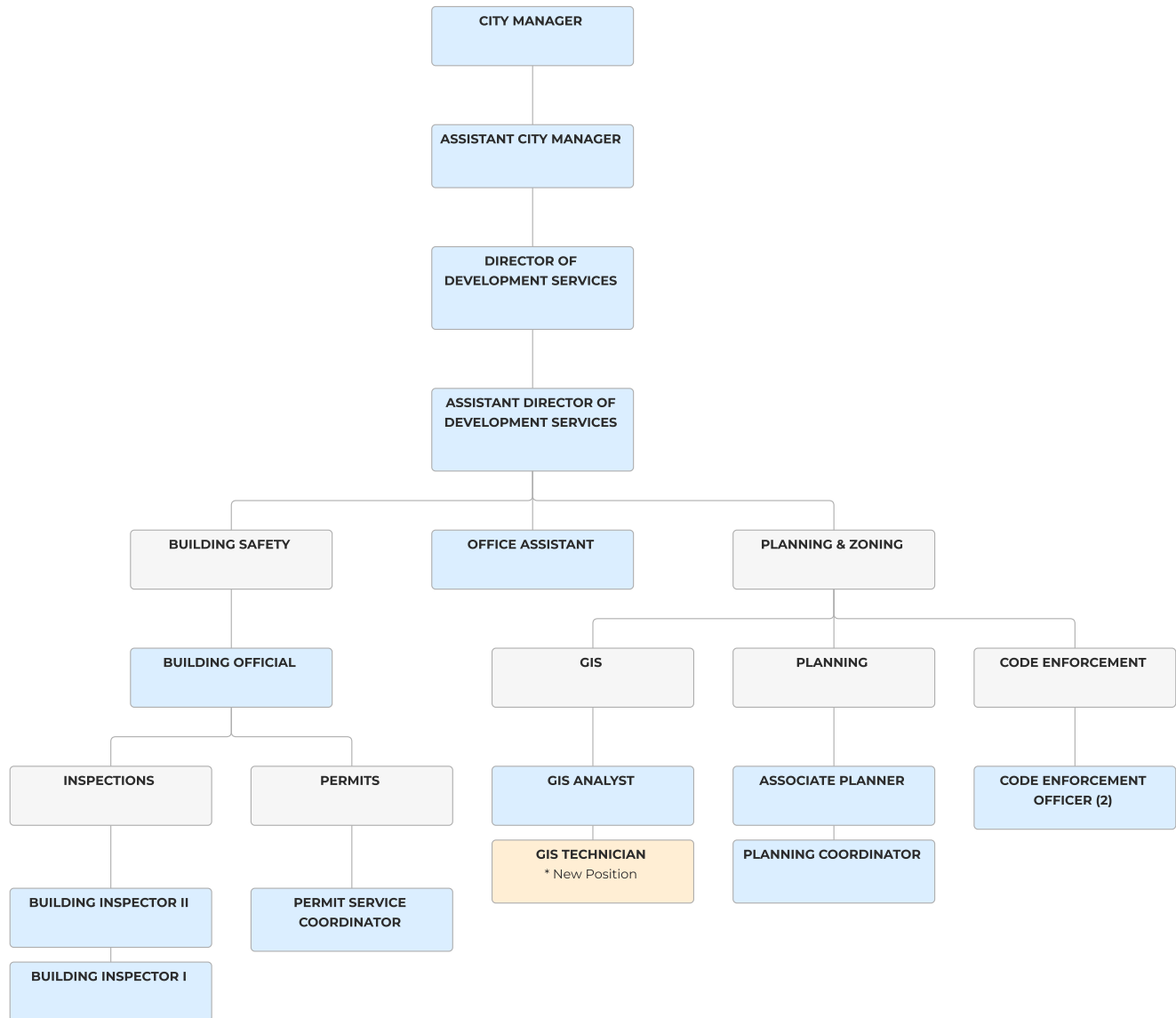
Goal: "Ensure efficient use of resources and optimize financial performance through streamlined processes and effective policy implementation."

- Finalize the updated review process based on the newly adopted Subdivision Regulations by Q1 FY 2027 to reduce development costs and streamline approvals.
- Finalize the paperless plan review system by Q2 FY 2027 to reduce administrative costs and enhance efficiency in development processes.
- Continue the Bicycle Lanes Retrofit Program by incorporating bicycle facilities into new projects within FY 2027 to enhance long-term infrastructure investments.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Code Enforcement cases closed by voluntary compliance or court order.	100%	100%	100%
Code Enforcement cases opened	352	360	370
Land use applications processed within the established timeframe.	100%	100%	100%
Public Outreach Events	4	4	4
Average days from subdivision plat application to play recordation	180	180	180

Organizational Chart



Personnel Summary

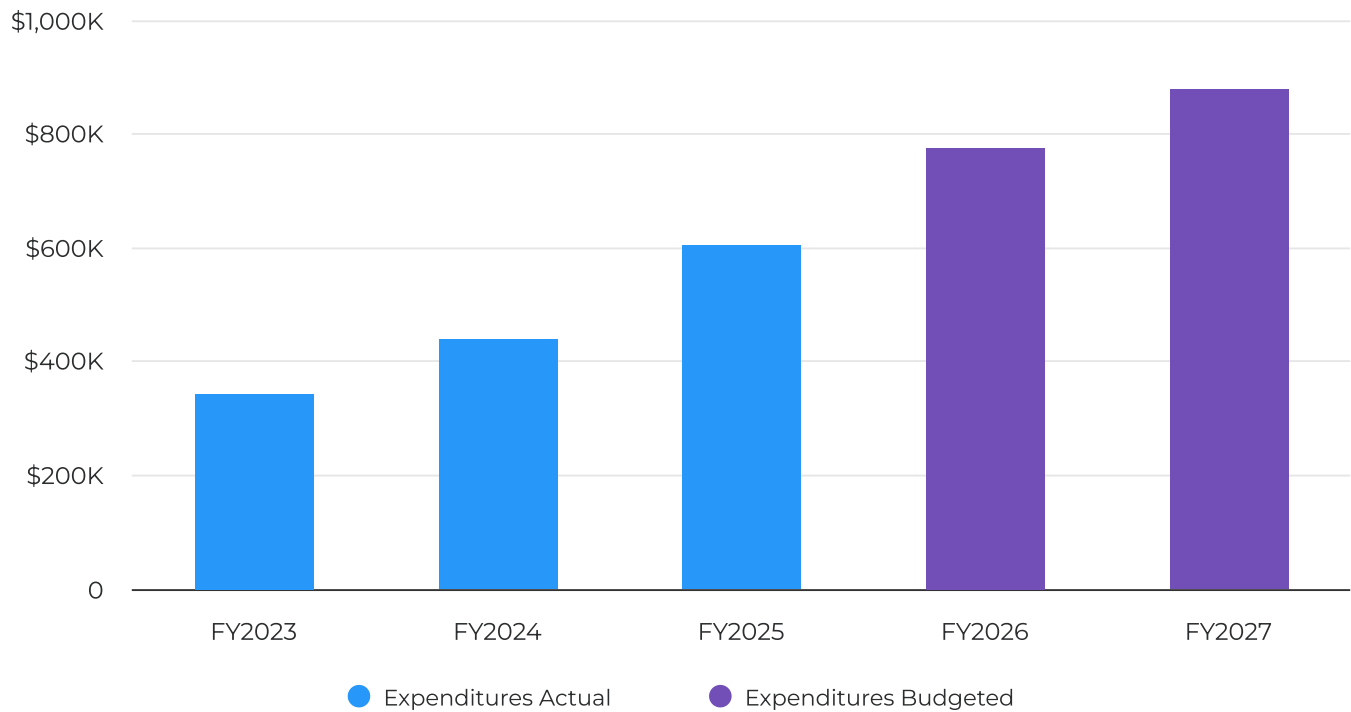
The chart below displays the Development Services Department's staff summary schedule for the past three fiscal years. In FY 2027, the department added a new GIS Technician position to support the City's growing geographic information system and development-related data needs. The addition of this position will strengthen the department's capacity to provide timely and effective support for development activities, while enhancing the management and availability of geographic data. The updated staffing structure will allow the department to continue meeting administrative demands while effectively processing applications, managing permits, and coordinating inspection schedules.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	6	7	7	8	1
% of City's FTE's				2.04%	
Authorized Personnel / Positions					
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	Changes 2026-2027
Director of Development Services	0.5	0.5	0.5	0.5	0
Assistant Director of Development Services	0.5	0.5	0.5	0.5	0
GIS Analyst	1	1	1	1	0
Code Enforcement Officer	2	2	2	2	0
Office Assistant	0	1	1	1	0
Planning Coordinator	1	1	1	1	0
Associate Planner	1	1	1	1	0
GIS Technician	0	0	0	1	1
Total	6	7	7	8	1

Expenditure Summary

Historical Expenditures Across Department

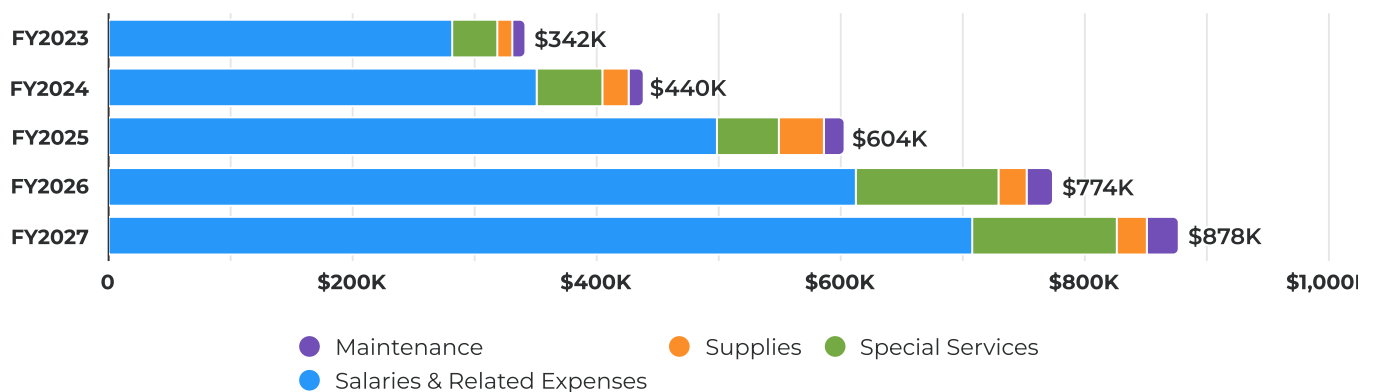


For FY2026, the Development Services department has budgeted expenditures totaling \$774,030. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures for Development Services increase to \$877,700, representing a 13.39% rise from the FY2026 budget. This marks a significant upward trend in the department's planned spending between these two years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

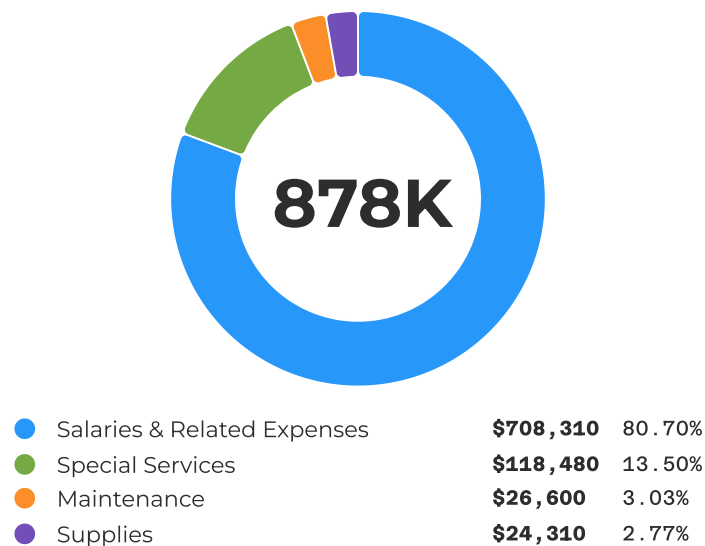


In FY2027, the total expenditures for Development Services increased by 13.39% to \$877,700 compared to FY2026. The largest expense category remained Salaries & Related Expenses, which rose by 15.47% to \$708,310, representing 80.7% of the total budget, up from 79.25% in the previous year.

Special Services saw a modest increase of 2.13% to \$118,480, accounting for 13.5% of the total expenditures, a slight decrease in share compared to 14.99% in FY2026. Maintenance expenses grew by 22.52% to \$26,600, making up 3.03% of the budget, slightly higher than the prior year's 2.8%. Supplies increased by 6.06% to \$24,310, representing 2.77% of the total, reversing the previous year's significant decline.

Overall, the FY2027 budget reflects continued growth in Salaries & Related Expenses and Maintenance, with smaller increases in Special Services and Supplies, contributing to the total expenditure rise from the prior year.

FY27 Expenditures by Object



For the fiscal year, Development Services' expenditures by object include Salaries & Related Expenses at \$708,310, representing 80.7% of the total. Special Services account for \$118,480, or 13.5%. Maintenance expenses are \$26,600, making up 3.03%, and Supplies total \$24,310, which is 2.77% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$351,964.29	\$498,710.96	\$613,390.00	\$529,713.25	\$708,310.00	15.47%
Supplies	\$21,500.40	\$38,162.16	\$22,920.00	\$20,544.72	\$24,310.00	6.06%
Maintenance	\$12,801.81	\$17,377.01	\$21,710.00	\$22,442.57	\$26,600.00	22.52%
Special Services	\$53,694.92	\$57,006.85	\$116,010.00	\$70,256.47	\$118,480.00	2.13%
Total Expenditures	\$439,961.42	\$611,256.98	\$774,030.00	\$642,957.01	\$877,700.00	13.39%

BUILDING SAFETY



The purpose of the Building Safety Division is to ensure the built environment protects the public's health, safety, and general welfare. Building Safety does this by issuing proper permits for approved construction, ensuring construction plans comply with codes, and by inspecting construction for compliance with the applicable State and local construction codes.

Additionally, the Division works to ensure compliance with various city codes to preserve and promote the health, safety, and welfare of San Luis residents and visitors alike, as well as enhance the quality of life in the community.

Accomplishments FY 2026

- Actively administered the International Building Codes as adopted. Processed permits for a substantial increase in commercial buildings
- Participated in public meetings with the City of Yuma and other municipalities for the adoption of the 2024 International Building Codes.
- Consistent review of files for compliance with records retention requirements.
- For the last five years, new residential permits have been issued for an average of 300 per year.
- Issued 376 Building permits, including 185 for new residential homes.
- Issued 192 Certificates of Occupancy and 79 Certificates of Completion.
- Collected over \$4.1 million in fees, including permit fees and impact fees.
- 100% of Building Permit Applications were processed within the established timeframes.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Enhance community safety and development through consistent code adoption, efficient inspections, and effective communication."

- Continue participating in the review and adoption of updated International Commercial and Residential Codes with Yuma County communities to ensure consistency by Q1 FY 2027.
- Update and adopt the 2024 International Building Code, 2024 International Residential Code, 2018 International Plumbing Code, 2018 International Mechanical Code, 2018 International Fuel Gas Code, and 2020 NFPA 70 National Electrical Code by Q1 FY 2027 to maintain consistency with other jurisdictions.
- Continue enforcing adopted construction codes by increasing proactive and reactive inspections by 10% by the end of FY 2027.
- Improve communication and engagement with the community by holding informational sessions on building regulations to increase compliance by Q4 FY 2027.



Economy

Goal: "Support economic growth by ensuring efficient and consistent code enforcement and collaboration with city departments."

- Continue collaborating with other city departments to ensure Building Code compliance on City projects by conducting quarterly inter-departmental meetings throughout FY 2027.
- Update and adopt key International Building Codes to ensure consistency and support economic development by Q4 FY 2027.
- Improve community engagement with building regulations by increasing outreach activities and materials by the end of FY 2027.



Financial Sustainability

Goal: "Optimize resource use and ensure regulatory compliance through streamlined code updates and efficient process management."

- Complete plan reviews and inspections as per Arizona Revised Statutes to ensure timely processing and resource efficiency throughout FY 2027.
- Implement and administer the adopted Land Use Assumptions, Infrastructure Improvement Plan, and Development Fee Report in FY 2027, ensuring development fees are applied consistently in accordance with state statute to support financial planning and resource allocation.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Building permits Issued	579	577	600
New residential permits	281	285	300
Inspections	8863	6956	7000
Public outreach events	3	3	3
Building permit applications processed within the established timeframes.	100%	100%	100%

Personnel Summary

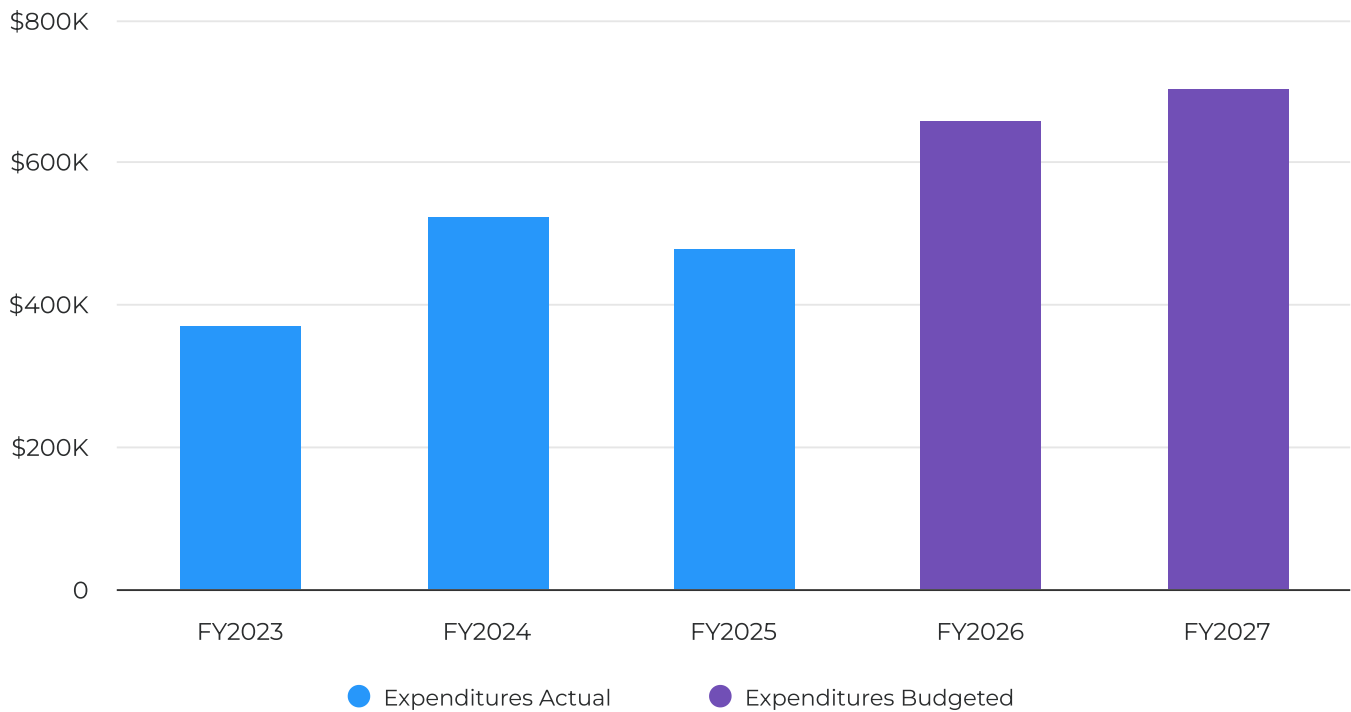
The chart below displays the Building Safety Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Building Safety Department. The current staffing structure will remain in place to continue ensuring building code compliance, conducting inspections, and reviewing construction plans. The existing staffing structure will allow the department to continue providing effective and efficient building safety services to the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	5	5	5	5	0
% of City's FTE's				1.28%	
Authorized Personnel / Positions		Current		Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Director of Development Services	0.5	0.5	0.5	0.5	0
Assistant Director of Development Services	0.5	0.5	0.5	0.5	0
Building Official	1	1	1	1	0
Permit Services Coordinator	1	1	1	1	0
Building Inspector I	1	1	1	1	0
Building Inspector II	1	1	1	1	0
Total	5	5	5	5	0

Expenditure Summary

Historical Expenditures Across Department

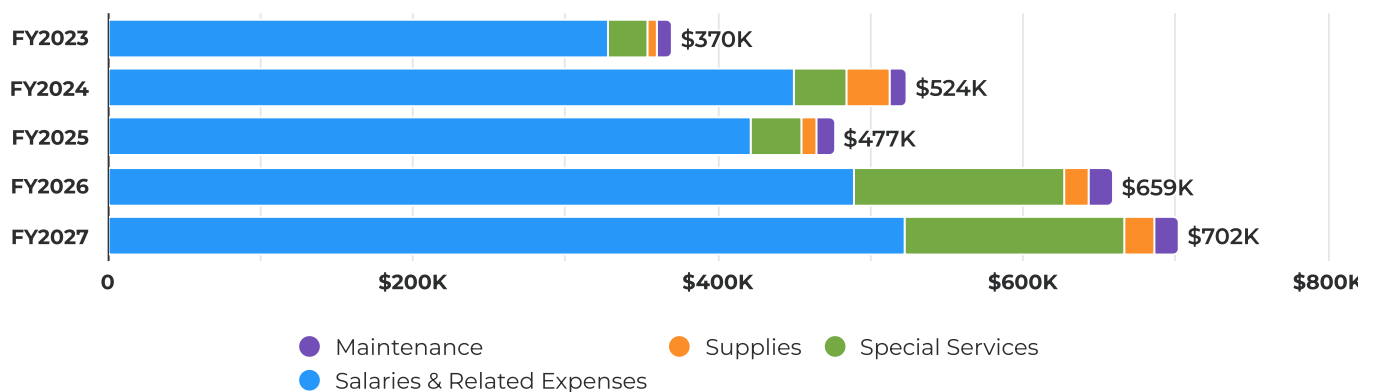


For FY2026, the Building Safety department has budgeted expenditures totaling \$658,530. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures for Building Safety increase to \$701,760, representing a 6.56% rise from the FY2026 budget. This indicates a planned growth in spending for the department compared to the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type

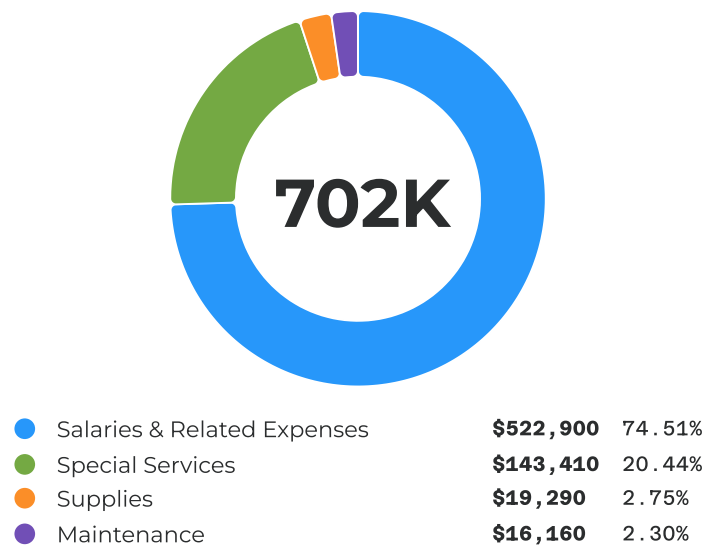


The total budget for Building Safety in FY2027 is \$701,760, reflecting a 6.56% increase from the FY2026 total of \$658,530. Salaries & Related Expenses remain the largest category, accounting for 74.51% of the total budget in FY2027 with an amount of \$522,900. This represents a \$33,890 increase or 6.93% growth compared to FY2026.

Special Services is the second largest category at 20.44% of the FY2027 budget, totaling \$143,410. This is a \$4,900 increase or 3.54% rise from the previous year. Supplies increased to \$19,290 in FY2027, making up 2.75% of the total budget, which is a \$3,220 or 20.04% increase from FY2026. Maintenance expenses also grew to \$16,160, representing 2.3% of the budget and an \$1,220 or 8.17% increase from the prior year.

Overall, all major expense categories in Building Safety showed increases in FY2027 compared to FY2026, with Salaries & Related Expenses continuing to dominate the budget composition.

FY27 Expenditures by Object



For the fiscal year, the Building Safety expenditures by object include Salaries & Related Expenses at \$522,900, which accounts for 74.51% of the total. Special Services follow with \$143,410, representing 20.44%. Supplies amount to \$19,290, making up 2.75%, and Maintenance expenses are \$16,160, comprising 2.3% of the total expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$449,408.28	\$420,428.47	\$489,010.00	\$470,077.98	\$522,900.00	6.93%
Supplies	\$27,882.52	\$11,045.73	\$16,070.00	\$11,390.08	\$19,290.00	20.04%
Maintenance	\$11,494.42	\$11,791.18	\$14,940.00	\$14,285.07	\$16,160.00	8.17%
Special Services	\$34,989.03	\$34,512.92	\$138,510.00	\$21,881.36	\$143,410.00	3.54%
Total Expenditures	\$523,774.25	\$477,778.30	\$658,530.00	\$517,634.49	\$701,760.00	6.56%

ECONOMIC DEVELOPMENT



The Economic Development Department nurtures and enhances the economic vibrancy of the community with a competitive economy that increases prosperity for residents and businesses by promoting sustainable and economic growth through its economic development programs, partnerships and innovative opportunities to create quality jobs and enhance city revenues.

Accomplishments FY 2026

- Business Attraction & Investment Pipeline

In FY26, the department established and managed a targeted business attraction pipeline, advancing measurable activity across project development, recruitment, and investment.

- Attended three industry trade shows, ICSC Las Vegas, Select USA, and SEMICON West, to develop a targeted business attraction pipeline.
- Maintained an active pipeline of 2 business attraction projects focused on industrial, logistics, and commercial opportunities.
- Completed 6 Project Information Forms (PIFs) to support site selectors and prospective developments.
- Hosted 2 site visits with developers and industry representatives including Willmeng and Grupo Clisa.
- Secured Goodwill business commitment, contributing to local economic expansion
- Facilitated approximately \$2.5 million in private capital investment (projected)
- Supported 70 jobs created through recruitment and expansion activity, including Goodwill and Myers M&I Electric.

- Business Retention & Expansion (BRE)

The department implemented a structured Business Retention & Expansion program, increasing direct engagement with local businesses and improving responsiveness to business needs.

- Conducted 75 business visits to strengthen relationships and identify business challenges
- Identified 10 business needs/issues through outreach and engagement efforts, leading to marketing campaigns like 928 Day and Last Minute Holiday Gift.

- Supported 3 local business expansions, contributing to job retention and economic stability, including Panchita's Restaurant, Myers M&I Electric, and The Best Taquito.
- Facilitated 5 ribbon cuttings and groundbreaking to promote business growth and visibility including Tropic Carwash, Maximus Gym, Pacific Style LLC, A2 Barbershop, and Goodwill.
- Helped retain approximately 50 jobs within the local economy
- **Small Business Development & Entrepreneurship**
Expanded small business support services through structured programs, partnerships, and incubator operations.
 - Supported 24 entrepreneurs through the Fuerza Local and partner-led initiatives
 - Assisted with 30 new business licenses, including 6 businesses with a new Cottage Food business license.
 - Maintained 100% occupancy rate at the Business Incubator
 - Hosted 4 workshops and training sessions for entrepreneurs and small businesses
- **Downtown Revitalization & Economic Activation**
Focused on foundational planning and stakeholder coordination to position downtown for long-term revitalization and investment.
 - City Council approved and adopted the City of San Luis Cultural Revitalization Plan.
- **Grant Funding & Infrastructure Development**
Expanded the City's grant portfolio and advanced key infrastructure and redevelopment projects toward implementation.
 - Submitted 5 grant applications supporting infrastructure, economic development, and community projects
 - Managing Economic Development Administration (EDA) Grant for \$1.7M US HWY 95 Water and Sewer line Expansion.
- **Government Affairs & Legislative Advocacy**
Executed a coordinated government affairs strategy to strengthen legislative relationships and position the City for funding opportunities.
 - Conducted 9 state-level legislative meetings to advocate for City priorities
 - Organized and participated in 1 Legislative Day at the Arizona State Capitol
 - Submitted 4 Congressional Directed Spending (CDS) / earmark requests
 - Hosted one Sister City Event with Magdalena de Kino.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Expand Economic Opportunities and Support Business Growth"

- **Business Attraction & Investment Pipeline:** By FY2027, establish and manage a targeted business attraction pipeline focused on industrial, logistics, and commercial development opportunities, resulting in at least 2 new business commitments and \$5 million in private capital investment.
- **Business Retention & Expansion:** By FY2027, implement a high-touch Business Retention & Expansion program that conducts 150 annual business visits and resolves at least 80% of

identified issues within 30 days.



Economy

Goal: "Expand Economic Opportunities and Support Business Growth."

- Downtown Revitalization & Economic Activation: By FY2027, advance downtown revitalization through a structured activation strategy that supports new business development, reduces vacancies, leverages redevelopment funding, and strengthens collaboration with downtown stakeholders.
- Government Affairs & Legislative Advocacy: By FY2027, strengthen the City's legislative position through coordinated state and federal engagement, legislative advocacy, and pursuit of external funding opportunities that support San Luis economic and community priorities.



Financial Sustainability

Goal: "Leverage External Resources to Advance City Infrastructure and Development."

- Grant Funding & Infrastructure Development: By FY2027, secure at least \$5 million in external grant funding and advance priority infrastructure and redevelopment projects toward implementation readiness while leveraging available matching resources.

Key Performance Measures

Business Attraction & Investment Pipeline

PERFORMANCE MEASURES	FY2025 ACTUAL	FY2026 PROJECTED	FY2027 EXPECTED
ACTIVE PROJECTS IN PIPELINE	X	2	5
PROJECT INFORMATION FORMS (PIFs) SUBMITTED	X	6	10
SITE VISITS HOSTED	X	2	3
NEW BUSINESS COMMITMENTS	1	1	2
CAPITAL INVESTMENT	X	\$2.5 M	\$5M
JOBS CREATED (ANNOUNCED)	X	70	150

Business Retention & Expansion (BRE)

PERFORMANCE MEASURES	FY2025 ACTUAL	FY2026 PROJECTED	FY2027 EXPECTED
BUSINESS VISITS CONDUCTED	X	75	150
ISSUES IDENTIFIED	X	10	30
ISSUES RESOLVED (%)	X	60%	80%
LOCAL BUSINESS EXPANSIONS SUPPORTED	X	3	5
JOBS RETAINED	X	20	50

Downtown Revitalization & Economic Activation

PERFORMANCE MEASURE	FY2025 ACTUAL	FY2026 PROJECTED	FY2027 EXPECTED
NEW BUSINESS ESTABLISHED IN DOWNTOWN	X	0	3
DOWNTOWN VACANCY RATE REDUCTION	X	0%	-10%
HISTORIC PRESERVATION/REDEVELOPMENT FUNDING LEVERAGED (HERITAGE FUNDS, FEDERAL TAX CREDITS)	X	\$0	\$ 100,000
DOWNTOWN STAKEHOLDER MEETINGS (BID/IMPROVEMENT DISTRICT FORMATION)	X	1	15

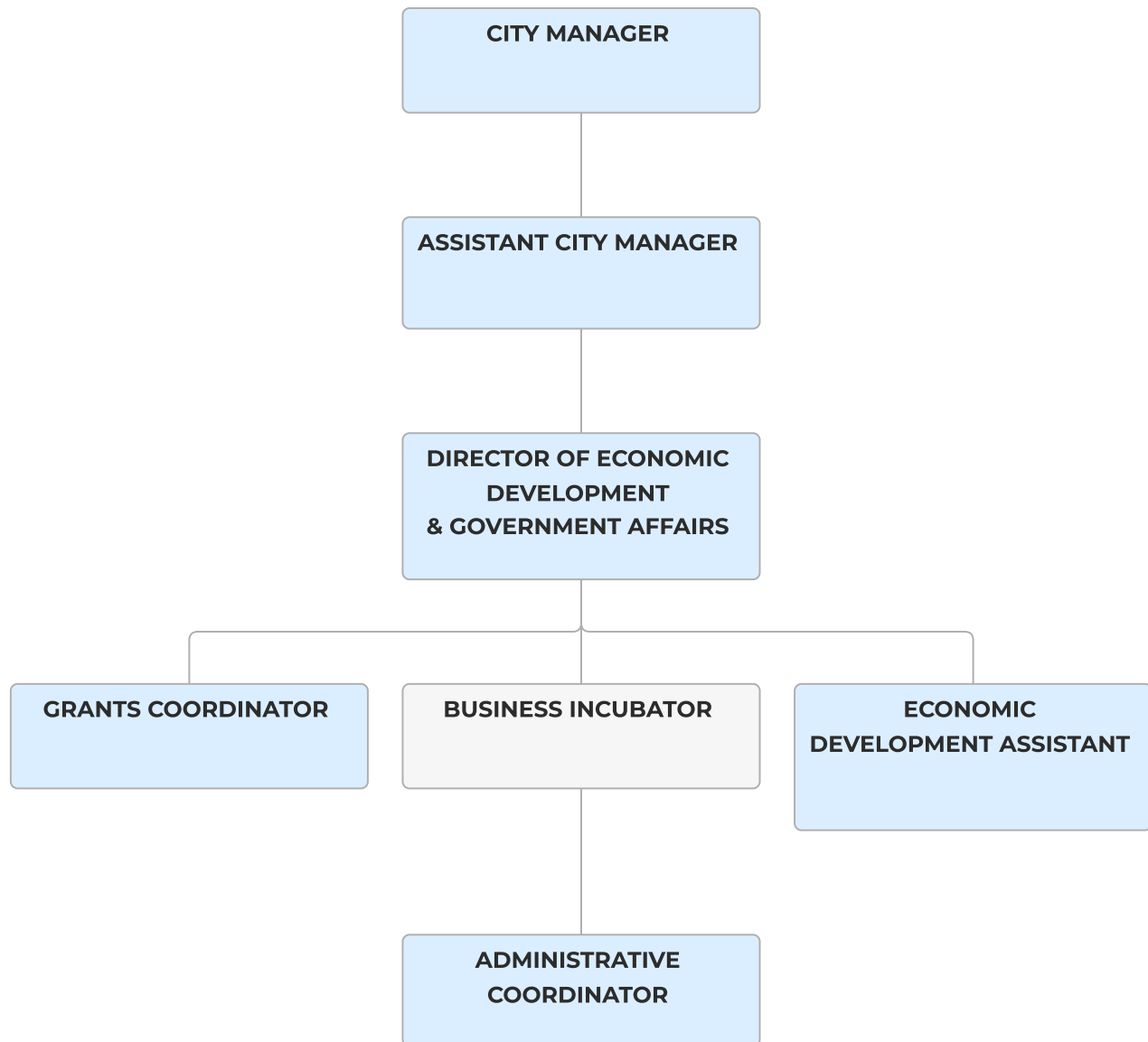
Grant Funding & Infrastructure Development

PERFORMANCE MEASURE	FY2025 ACTUAL	FY2026 PROJECTED	FY2027 EXPECTED
GRANT APPLICATIONS SUBMITTED	X	5	7
GRANT APPLICATIONS AWARDED	X	2	5
GRANT FUNDING SECURED	X	X	\$5M+
MATCHING FUNDS LEVERAGED	X	\$800,000	\$1M+
PROJECTS ADVANCED TO SHOVEL-READY	X	1	3

Government Affairs & Legislative Advocacy

PERFORMANCE MEASURE	FY2025 ACTUAL	FY2026 PROJECTED	FY2027 EXPECTED
STATE LEGISLATIVE MEETINGS CONDUCTED	X	9	15
LEGISLATIVE DAT AT CAPITOL HOSTED	X	1	1
FEDERAL MEETINGS (DC OR DISTRICT)	X	1	5
CDS / EARMARK PROJECTS SUBMITTED	X	4	5
CDS / EARMARK PROJECTS FUNDED	X	0	1
LETTERS OF SUPPORT / ADVOCACY ACTIONS	X	5	10

Organizational Chart



Personnel Summary

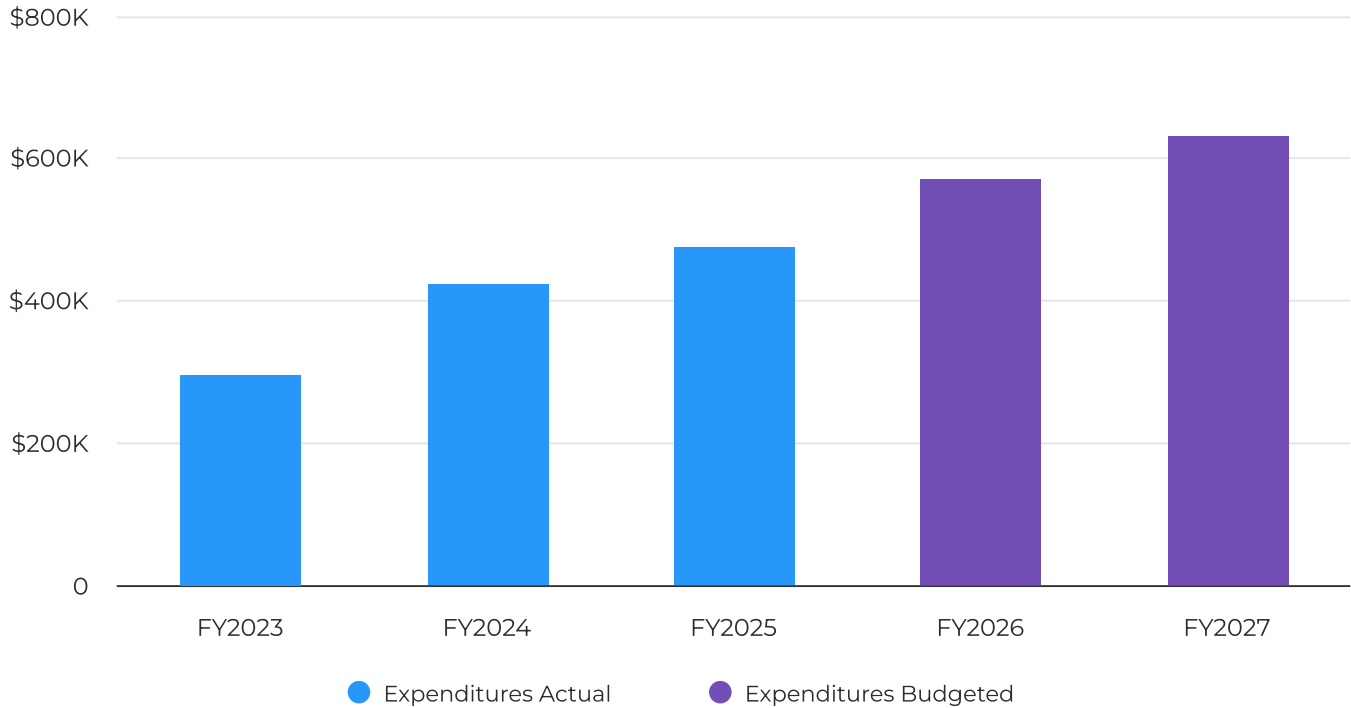
The chart below displays the Economic Development Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Economic Development Department. The current staffing structure will remain in place to continue supporting business growth, attracting investment, and advancing economic and community development initiatives. The existing team will continue to provide effective and efficient support to the City's economic development priorities and the needs of the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	3.8	3.8	3.8	3.8	0
% of City's FTE's				0.97%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Economic Development Assistant	1	1	1	1	0
Director of Economic Development & Government Affairs	1	1	1	1	0
Grants Coordinator	1	1	1	1	0
Administrative Coordinator	0.8	0.8	0.8	0.8	0
Total	3.8	3.8	3.8	3.8	0

Expenditure Summary

Historical Expenditures Across Department

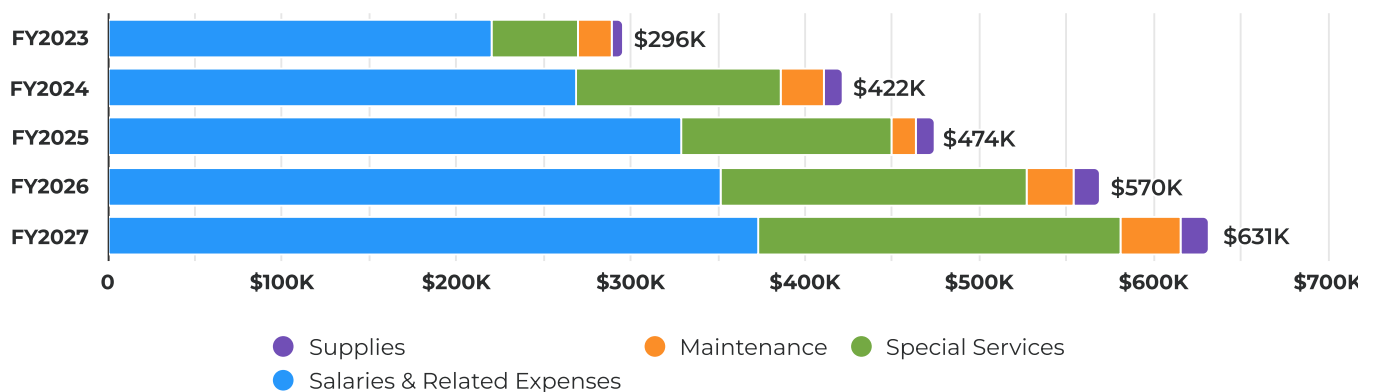


For FY2026, the Economic Development expenditures are budgeted at \$569,580. This represents the planned spending for the year without actuals available for comparison.

In FY2027, the budgeted expenditures increase to \$631,210, marking a 10.82% rise from the FY2026 budget. This indicates a significant planned increase in spending for Economic Development compared to the previous budget year.

Expenditures by Expense Type

Historical Expenditures by Expense Type

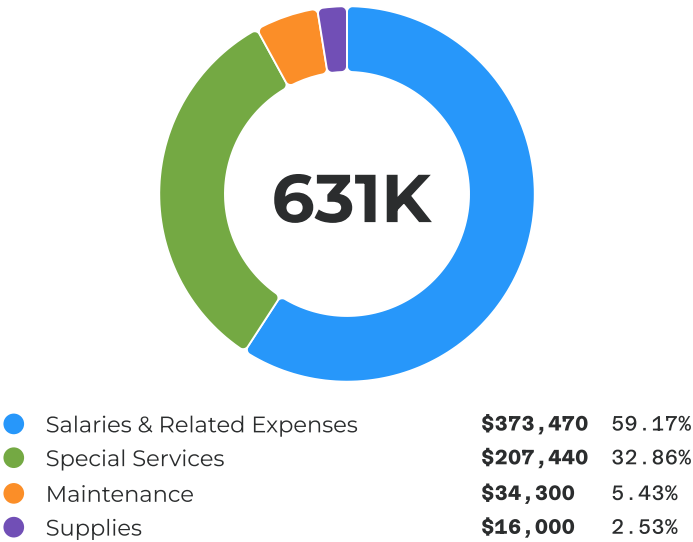


The total budget for Economic Development in FY2027 is \$631,210, representing a 10.82% increase from the FY2026 total of \$569,580. The largest expense category remains Salaries & Related Expenses, which accounts for 59.17% of the FY2027 total at \$373,470. This category increased by \$21,870, or 6.22%, compared to FY2026.

Special Services is the second-largest category, making up 32.86% of the FY2027 budget with an amount of \$207,440. This category grew by \$31,980, or 18.23%, from the previous year. Maintenance expenses rose to \$34,300 in FY2027, representing 5.43% of the total budget and an increase of \$7,770, or 29.29%, compared to FY2026.

Supplies expenses remained relatively stable, with a slight increase of \$10, or 0.06%, reaching \$16,000 and accounting for 2.53% of the FY2027 budget. Overall, the FY2027 budget shows continued growth across all major expense categories, with the most significant increases in Special Services and Maintenance compared to the prior year.

FY27 Expenditures by Expense Type

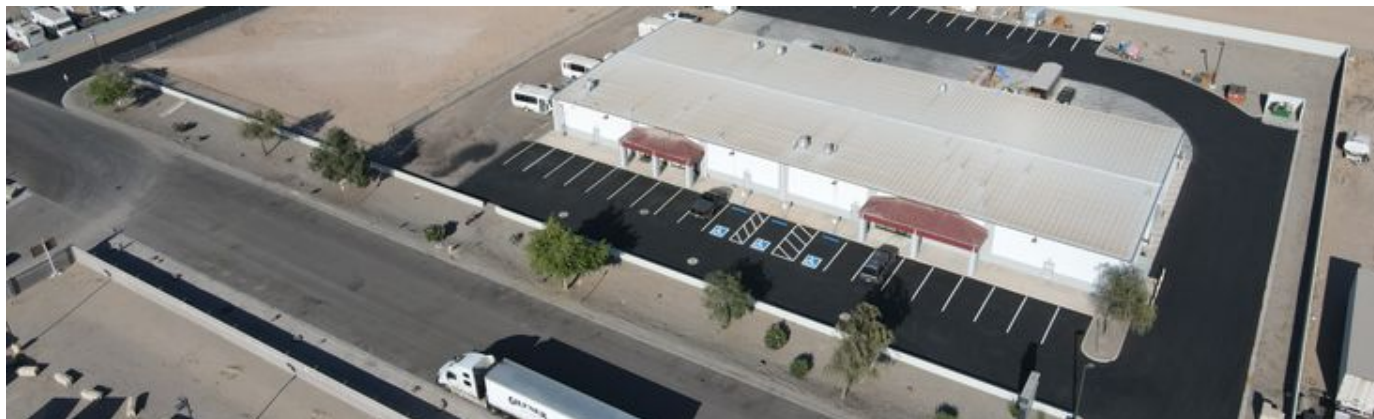


For Economic Development in FY27, Salaries & Related Expenses account for \$373,470, representing 59.17% of the expenditures. Special Services follow with \$207,440, making up 32.86%. Maintenance expenses total \$34,300, which is 5.43%, and Supplies are \$16,000, comprising 2.53% of the total expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$268,947.75	\$328,257.16	\$351,600.00	\$353,802.71	\$373,470.00	6.22%
Supplies	\$11,508.21	\$11,727.20	\$15,990.00	\$8,794.92	\$16,000.00	0.06%
Maintenance	\$23,772.17	\$14,271.92	\$26,530.00	\$20,760.95	\$34,300.00	29.29%
Special Services	\$117,871.03	\$124,553.70	\$175,460.00	\$110,558.47	\$207,440.00	18.23%
Total Expenditures	\$422,099.16	\$478,809.98	\$569,580.00	\$493,917.04	\$631,210.00	10.82%

BUSINESS INCUBATOR



Administered by the Economic Development Department, the Business Incubator program is a five-year business support program that nurtures and enhances both start-up and expanding businesses through collaboration with a broad network of agencies and resources that offer both assistance and mentorship on matters related to business development. The Business Incubator facility is currently able to lease seven suites that range from 1,400 square feet to 4,200 square feet to both start-up and expanding businesses focused in light industrial activities.

Accomplishments FY 2026

The City's Business Incubator maintained full operational capacity while expanding technical assistance, strengthening program structure, and positioning the incubator as a centralized hub for small business development citywide.

- Maintained a 100% occupancy rate across all 7 incubator tenant spaces, ensuring full utilization of City-owned economic development assets.
- Conducted 1 comprehensive Business Retention & Expansion (BRE) visit cycle with all 7 incubator tenants, identifying operational needs and providing direct support
- Facilitated 30+ hours of on-site Small Business Development Center (SBDC) counseling, delivering technical assistance in business planning, finance, and operations
- Completed a market rate study for incubator lease and program pricing, establishing the foundation for updated rates and long-term financial sustainability
- Established a formal Small Business Development Program at the incubator, expanding services beyond tenants to support entrepreneurs and small businesses citywide

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Promote community-based business growth and development through outreach, education, and collaboration."

- Strengthen the local small business ecosystem by supporting 25 entrepreneurs through City-led or partner programs, maintaining an 100% incubator occupancy rate, and increasing new business starts by FY2027.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Business completing support programs	X	24	30
New business licenses supported (tracked)	X	30	35
Business Incubator occupancy rate (%)	X	100%	100%
Workshops / Trainings hosted	X	20	20
Participants served (total)	X	45	60

Personnel Summary

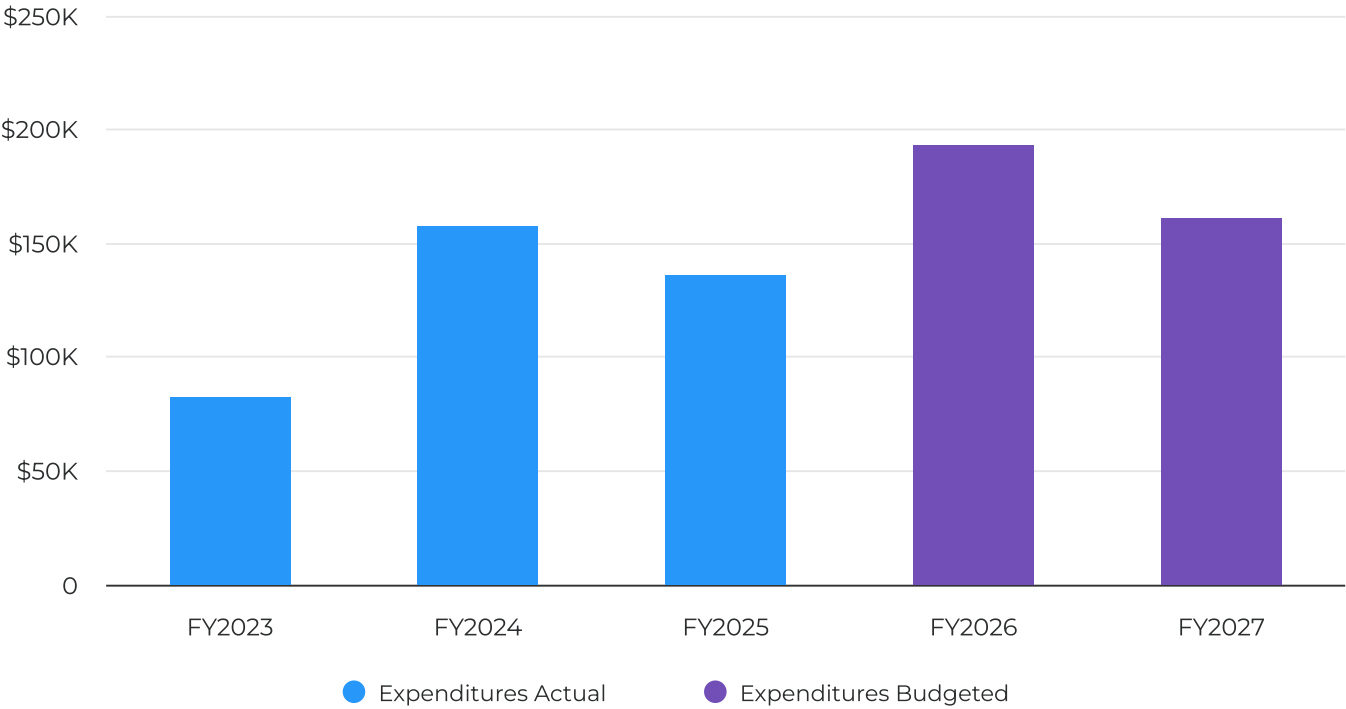
The chart below displays the Business Incubator's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Business Incubator. The current staffing structure will remain in place, with the Administrative Coordinator continuing to support program administration, coordinate resources for startups, and facilitate mentorship opportunities. The existing staffing structure will allow the Business Incubator to continue effectively supporting entrepreneurs and fostering business development within the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	0.2	0.2	0.2	0.2	0
% of City's FTE's				0.05%	
Authorized Personnel / Positions					
			Current	Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Administrative Coordinator	0.2	0.2	0.2	0.2	0
Total	0.2	0.2	0.2	0.2	0

Expenditure Summary

Historical Expenditures Across Department

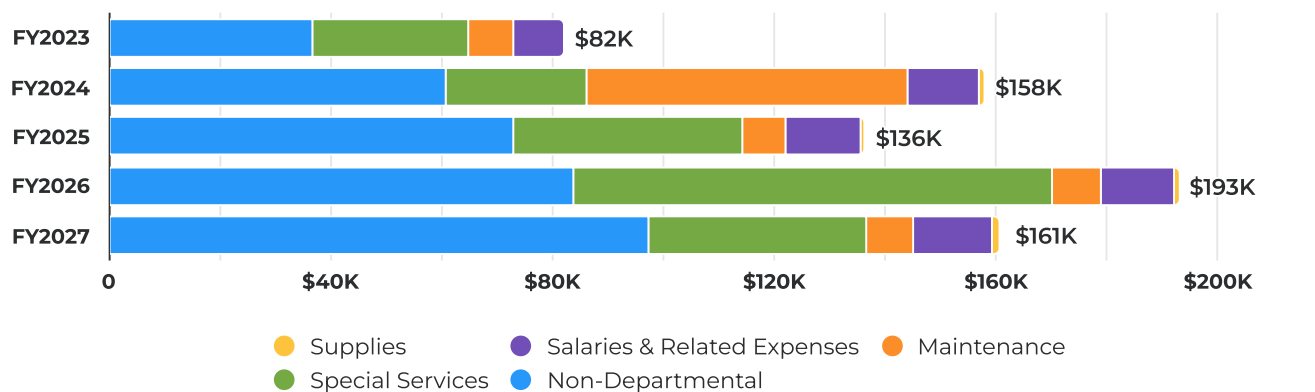


For FY2026, the Business Incubator's expenditures are budgeted at \$193,090. This amount serves as the baseline for comparison with the following year.

In FY2027, the expenditures budgeted decrease to \$160,610, representing a 16.82% reduction from the FY2026 budget. This marks a significant decline in the total expenditures planned for the Business Incubator compared to the previous budget year.

Expenditures by Expense Type

Historical Expenditures by Expense Type



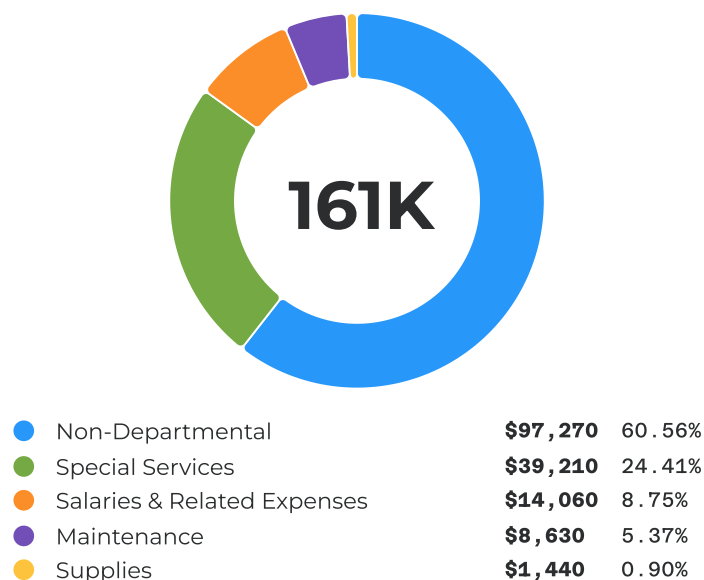
In FY2027, the total expenditures for the Business Incubator decreased by 16.82% to \$160,610 compared to FY2026. The largest expenditure category shifted to Non-Departmental expenses, which increased by 16.25% to \$97,270, representing 60.56% of the total budget. This category saw a notable rise of \$13,600 from the previous year.

Special Services, previously the largest category in FY2026, experienced a significant decrease of 54.69%, dropping to \$39,210 and accounting for 24.41% of the total expenditures. This reduction amounted to \$47,330 less than the prior year.

Salaries & Related Expenses increased by 8.32% to \$14,060, making up 8.75% of the total budget, while Maintenance expenses slightly declined by 1.93% to \$8,630, representing 5.37% of the total. Supplies also saw an increase of 30.91%, rising to \$1,440 and constituting 0.9% of the budget.

Overall, the FY2027 budget reflects a decrease in total expenditures with a marked shift in spending emphasis from Special Services to Non-Departmental expenses, alongside moderate increases in Salaries & Related Expenses and Supplies.

FY27 Expenditures by Object



For the Business Incubator's Fiscal Year Expenditures by Object, Non-Departmental expenses account for \$97,270, representing 60.56% of the total. Special Services follow with \$39,210, or 24.41%. Salaries & Related Expenses are \$14,060, making up 8.75%. Maintenance costs total \$8,630, which is 5.37%, and Supplies amount to \$1,440, comprising 0.9% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$12,629.78	\$13,607.36	\$12,980.00	\$12,925.23	\$14,060.00	8.32%
Supplies	\$1,205.35	\$755.82	\$1,100.00	\$47.95	\$1,440.00	30.91%
Maintenance	\$58,037.43	\$55,205.77	\$8,800.00	\$10,746.43	\$8,630.00	-1.93%
Special Services	\$25,251.20	\$27,875.32	\$86,540.00	\$54,183.77	\$39,210.00	-54.69%
Non-Departmental	\$60,834.78	\$72,695.23	\$83,670.00	\$83,670.00	\$97,270.00	16.25%
Total Expenditures	\$157,958.54	\$170,139.50	\$193,090.00	\$161,573.39	\$160,610.00	-16.82%

PARKS & RECREATION



The City of San Luis Parks and Recreation Department's purpose is to provide recreational opportunities to members of our community so they can engage in leisure activities, improve physical and mental health, and build social connections through fun and engaging programs, activities, and services. Parks and Recreation is composed of seven (7) divisions which include: the Cesar Chavez Cultural Center, Parks Grounds, Recreation, Youth Center, Municipal Pool, Senior Center, and Parks Administration, all of which take pride in serving our residents and visitors.

The department oversees the planning and organizing of recreational programs and activities such as sports leagues, fitness classes, arts and crafts activities, and plans and carries out cultural and community events. We also offer programs, activities, and spaces designed specifically to support the development of our youth and provide a safe space where our senior residents can socialize. The department is also responsible for the maintenance and upkeep of parks, playgrounds, athletic fields, and other recreational facilities in the community. At Parks and Recreation, we are proud of the important role we play in our community by enhancing the quality of life of our residents.

Accomplishments FY 2026

- Increased program offerings and community participation.
- Improved park maintenance and identified key upgrades.
- Strengthened outreach and partnerships in priority areas.
- Implemented routine maintenance plans and addressed park improvement needs.
- Better attendance on staff.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Strengthen community engagement and expand accessible, high-quality programs and services that meet the needs of residents."

- Continue providing the County's largest and most successful community events while maintaining strong participation and community engagement throughout FY 2027.
- Establish a community advisory group by June 30, 2027 to provide feedback and recommendations that help guide programs and services.
- Expand services and partnerships to underserved areas with new or enhanced outreach opportunities implemented throughout FY 2027.



Economy

Goal: "Build organizational partnerships and develop a skilled workforce to expand service opportunities and support community development."

- Strengthen partnerships with community organizations and service providers to expand programs and resources available to residents throughout FY 2027.
- Provide ongoing staff training and professional development opportunities, with each employee participating in at least one relevant training opportunity during FY 2027.



Financial Sustainability

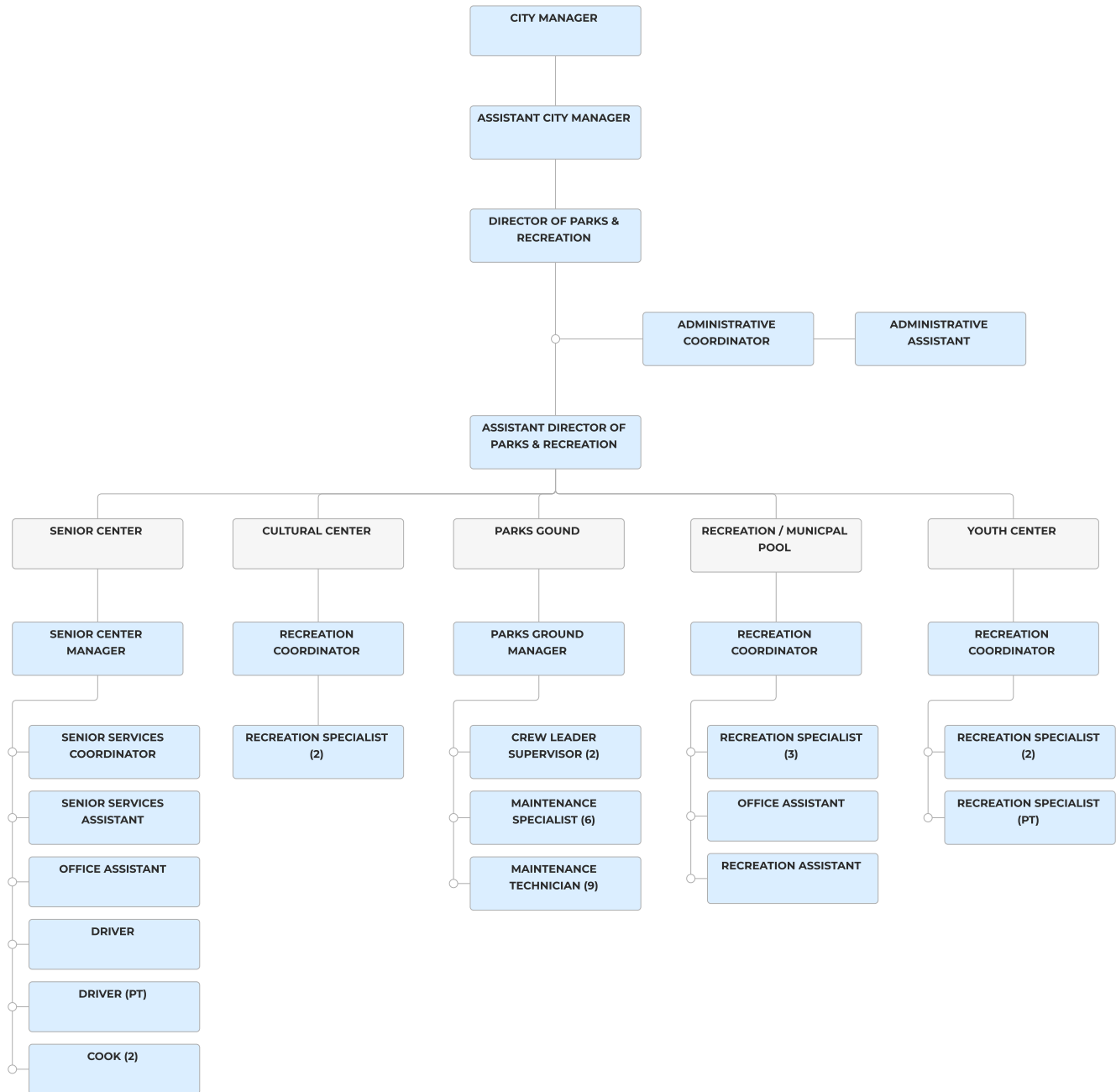
Goal: "Support organizational stability and efficient service delivery by maintaining a reliable and engaged workforce."

- Maintain strong employee attendance and staff retention throughout FY 2027 by monitoring attendance and turnover and addressing workforce needs in a timely manner.

Key Performance Measures

Performance Measures	Actuals FY 2025	Project ed FY 2026	Expect ed FY 2027
Program Satisfaction: Promote community engagement by offering a wide range of programs and events that encourage participation from all members of the community. Monitor the program/event satisfaction rates via surveys after events and programs.	95%	96%	97%
Maintenance and Upkeep: Improve the overall condition and maintenance of parks and facilities by implementing regular maintenance and identifying areas needing repairs to enhance the user experience over the next few years.	90%	91%	94%
Facility Usage: Increase facility and park usage by developing new recreational opportunities by adding new playgrounds, sports fields, and other amenities, particularly in the East San Luis Community Park within the next few years.	85%	90%	93%
Employee Development: Improve the quality of programs and services by providing staff with more training and educational opportunities within the next year.	85%	88%	90%
Financial Performance: Monitor the approved budget given to each Division to ensure City funds are being used properly and to their maximum potential to provide the community with services. Look into grants and sponsorships to help alleviate facility and event cost.	95%	96%	97%
Event Satisfaction: Continue to plan, organize and coordinate special events, such as the 4th Of July Celebration and Founders Day Celebration, that attract the community as well as neighboring cities to attend. Continue seeking great entertainment and sponsorships to help alleviate the cost and allow us to use available budget to the best of our ability.	0%	95%	97%

Organizational Chart



Personnel Summary

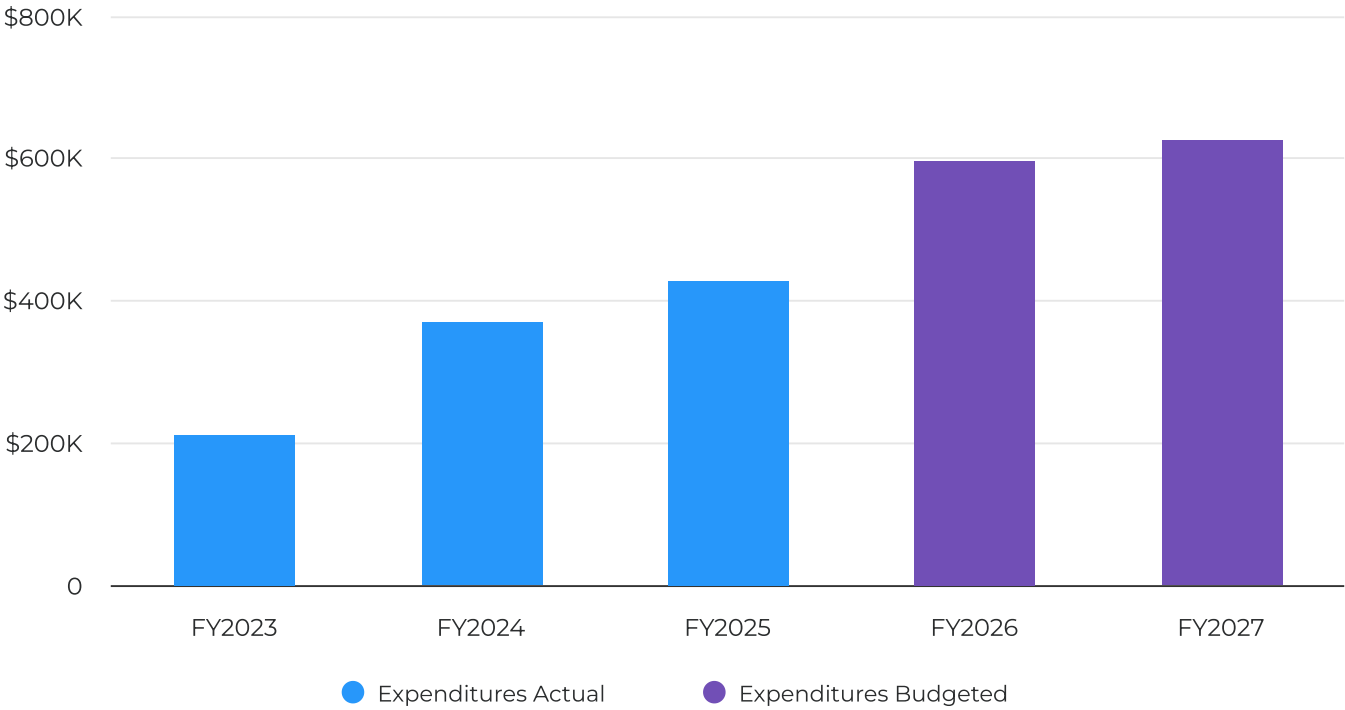
The chart below displays the Parks and Recreation Administration's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within Parks and Recreation Administration. The current staffing structure will remain in place to support Parks, Recreation, the Cultural Center, the Youth Center, the Municipal Pool, and Senior Services. The existing team will continue providing quality programs, services, and facilities that enhance the community's quality of life and promote active and healthy lifestyles.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	4	4	4	4	0
% of City's FTE's				1.2%	
Authorized Personnel / Positions			Current	Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Administrative Coordinator	1	1	1	1	0
Administrative Assistant	1	1	1	1	0
Assistant Director of Parks & Rec Director	1	1	1	1	0
Director of Parks & Recreation	1	1	1	1	0
Total	4	4	4	4	0

Expenditure Summary

Historical Expenditures Across Department

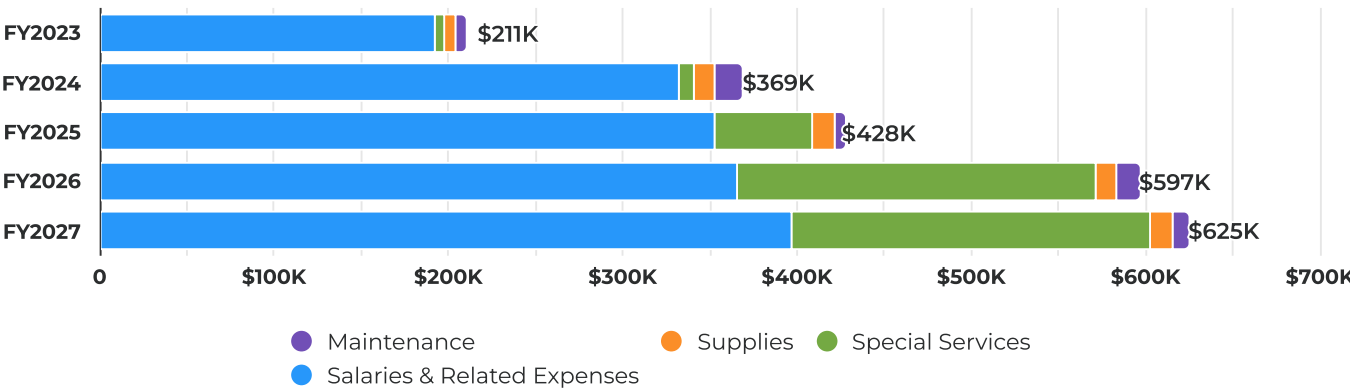


For FY2026, the Parks & Recreation department has budgeted expenditures totaling \$596,810. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures increase to \$624,940, representing a 4.71% rise from FY2026. This marks a notable upward trend in the department's budget allocation over the two-year period.

Expenditures by Expense Type

Historical Expenditures by Expense Type



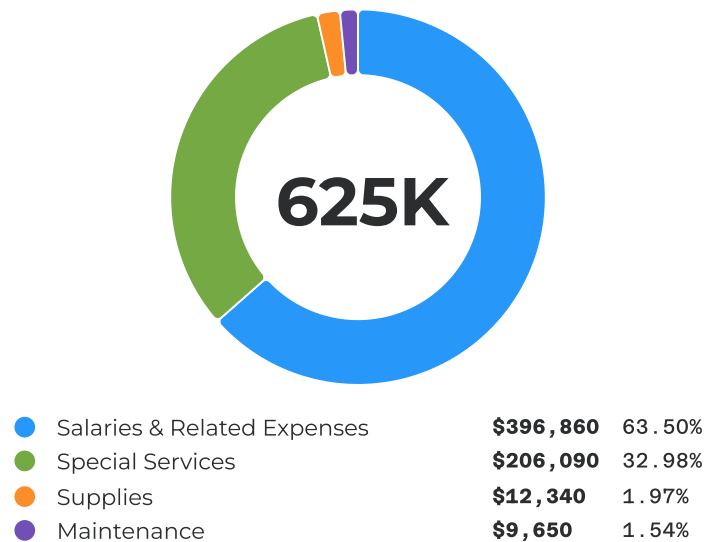
The total budget for Parks & Recreation in FY2027 is \$624,940, reflecting a 4.71% increase from the FY2026 total of \$596,810. The largest expense category remains Salaries & Related Expenses, which

increased by \$31,050 or 8.49%, reaching \$396,860 and representing 63.5% of the total budget, up from 61.29% in FY2026.

Special Services is the second largest category, with a slight increase of \$890 or 0.43%, totaling \$206,090 and accounting for 32.98% of the budget, a small decrease in its share compared to 34.38% in FY2026. Supplies saw a marginal increase of \$20 or 0.16%, totaling \$12,340 and making up 1.97% of the budget, slightly down from 2.06% previously.

Maintenance expenses decreased by \$3,830 or 28.41%, falling to \$9,650 and representing 1.54% of the total budget, down from 2.26% in FY2026. This marks the most significant reduction among the major expense categories in FY2027.

FY27 Expenditures by Object



For the fiscal year, the Parks & Recreation expenditures by object include Salaries & Related Expenses at \$396,860, which accounts for 63.5% of the total. Special Services follow with \$206,090, representing 32.98%. Supplies amount to \$12,340, making up 1.97%, and Maintenance expenses are \$9,650, comprising 1.54% of the total expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$331,965.61	\$352,673.12	\$365,810.00	\$378,753.55	\$396,860.00	8.49%
Supplies	\$12,149.72	\$15,063.25	\$12,320.00	\$8,354.40	\$12,340.00	0.16%
Maintenance	\$16,635.90	\$6,777.57	\$13,480.00	\$6,693.76	\$9,650.00	-28.41%
Special Services	\$8,655.94	\$56,019.04	\$205,200.00	\$214,166.77	\$206,090.00	0.43%
Total Expenditures	\$369,407.17	\$430,532.98	\$596,810.00	\$607,968.48	\$624,940.00	4.71%

CULTURAL CENTER



The Cultural Center provides a space for members of our community to engage and experience a wide range of activities and events that seek to promote a preserve the culture, heritage, and traditions of our community. Our facility offers a variety of classes in Art, Music and Dance, which are available to all ages and are designed to encourage and motivate our members to learn new talents, explore interests, and discover differing cultural perspectives.

We believe artistic and cultural activities are essential to healthy and active communities. By providing classes, activities, exhibitions, music and dance performances, theatre productions, workshops, and celebrations of cultural holidays and traditions, we allow our community to learn about and participate in diverse cultural experiences and help foster greater understanding, appreciation, and respect for different cultures and ways of life.

Our goal is to be the steppingstone for the future generation of artists, dancers, musicians, leaders, and art consumers.

Accomplishments FY 2026

- Expanded class offerings through new partnerships and introduced a wider variety of cultural programs for children and families.
- Increased the number and diversity of cultural activities, resulting in higher community participation.
- Strengthened regional partnerships to support collaborative programming and create opportunities for local artists.
- Maintained a balanced budget while expanding program availability through cost-effective strategies.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Expand accessible recreational and cultural opportunities that promote community participation, youth and family engagement, and local cultural enrichment."

- Increase cultural class offerings by at least 15% annually through new and existing partnerships during FY 2027.
- Develop and implement diverse programs that reflect the cultural interests and needs of the community, with an emphasis on youth and family engagement throughout FY 2027.
- Host cultural activities and events that increase community participation and showcase local artists, with participation tracked throughout FY 2027.



Economy

Goal: "Build partnerships that expand cultural programming while creating opportunities for local artists, organizations, and workforce development."

- Establish at least three new or enhanced partnerships with local and regional organizations by June 30, 2027, to expand programming and workforce opportunities.
- Increase opportunities for local artists and cultural organizations to participate in City programs and events throughout FY 2027.



Financial Sustainability

Goal: "Expand Parks & Recreation programming while maintaining responsible use of City resources and maximizing available partnerships and funding opportunities."

- Evaluate the cost, participation, and available resources for major program expansions to ensure programs are delivered in a cost-effective manner throughout FY 2027.
- Leverage partnerships and available funding opportunities to support program expansion while maintaining programs within approved budgets during FY 2027.

Key Performance Measures

Performance Measures	Actuals FY 2025	Project ed FY 2026	Expect ed FY 2027
Community Engagement: Continue supporting local and county partnerships to utilize the facilities for exhibits and performances for the community throughout the fiscal year.	90%	92%	94%
Event Participation: Provide the community with a wide range of activities and events to promote and preserve the culture, heritage and traditions of our community.	95%	96%	97%
Social Media Engagement & Visitor Attendance: Promote the Cesar Chavez Cultural Center via social media to attract the community and visitors from around the State and Border to visit the facility and participate in the events.	85%	90%	92%
Facility Utilization: Begin the process of planning for the future expansion of the Cesar Chavez Cultural Center to offer more classes and programs to our community within the next few years. (Ex. Relocating Activity Center classes to a safer and bigger location)	80%	82%	85%
Financial Sustainability: Continue using the approved budget to continue with daily facility operations as well as maintenance of the facility to welcome new reservations. Continue looking into sponsorships and possible grants to assist with the funding of activities and events.	95%	96%	97%

Personnel Summary

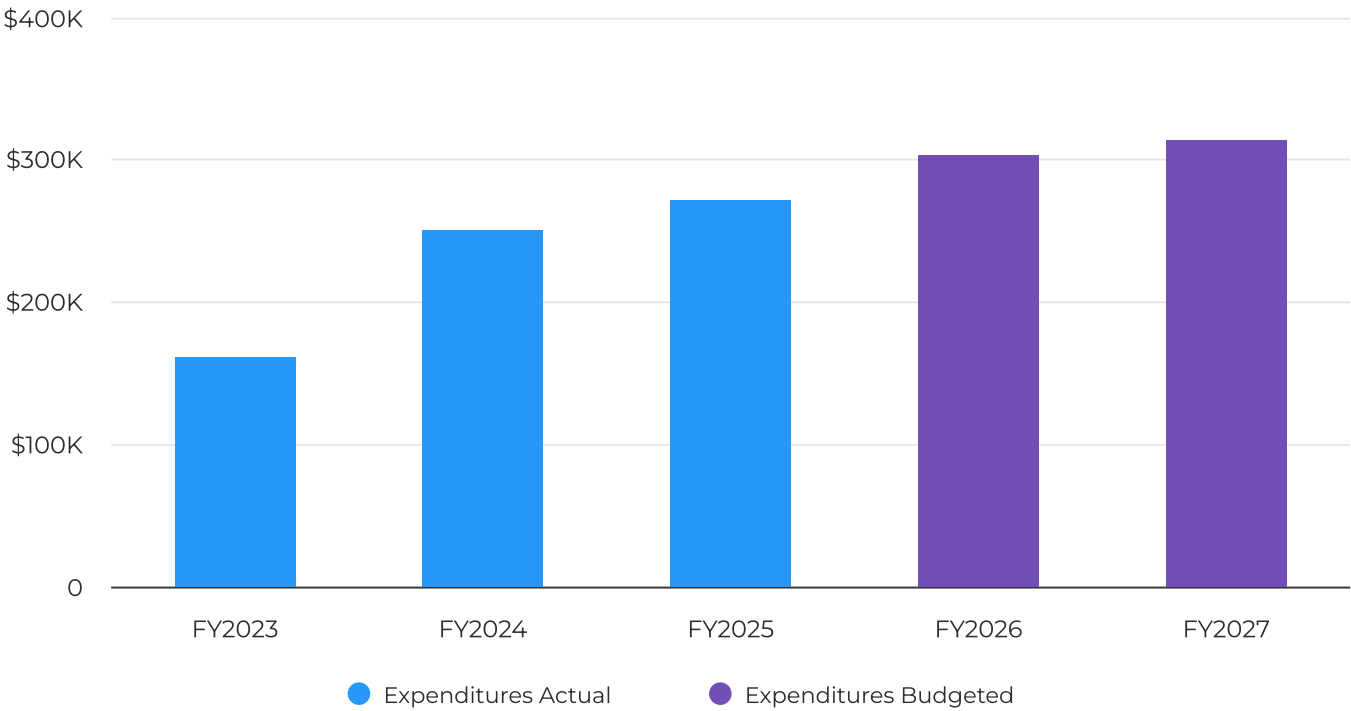
The chart below displays the Cultural Center's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Cultural Center. The current staffing structure will remain in place, consisting of two Recreation Specialists and one Recreation Coordinator. The existing team will continue supporting the Center's programs and services and providing quality recreational and cultural opportunities to the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	2.3	3	3	3	0
% of City's FTE's				0.77%	
Authorized Personnel / Positions					
		Current		Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Recreation Specialist	1.25	2	2	2	0
Recreation Coordinator	0.8	1	1	1	0
Office Assistant	0.25	0	0	0	0
Total	2.3	3	3	3	0

Expenditure Summary

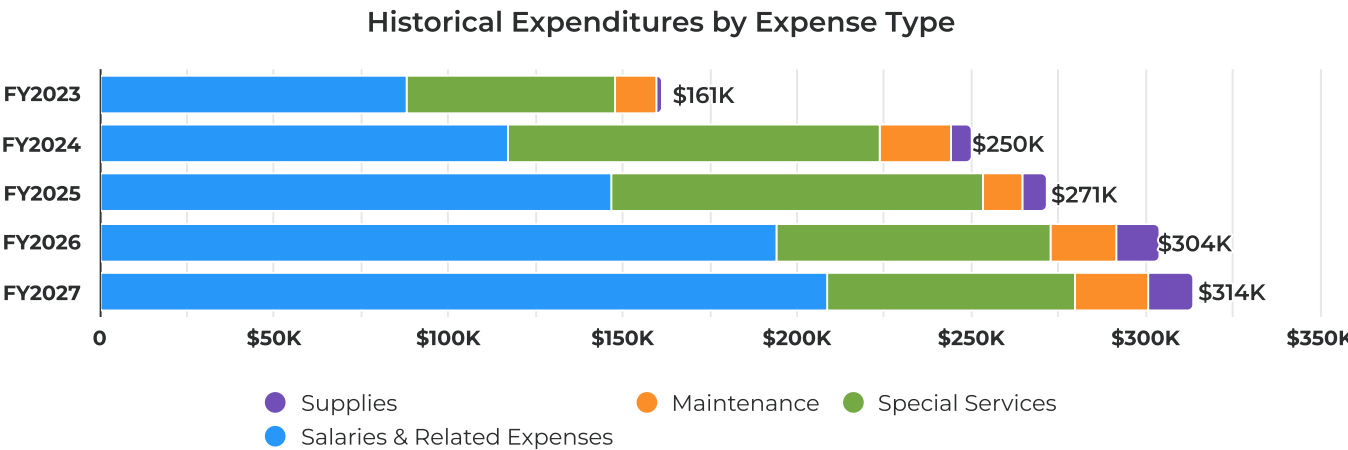
Historical Expenditures Across Department



For FY2026, the Cultural Center's expenditures are budgeted at \$304,150. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures increase to \$313,680, representing a 3.13% rise from FY2026. This indicates a moderate growth in the overall expenditure allocation for the Cultural Center between these two budget years.

Expenditures by Expense Type

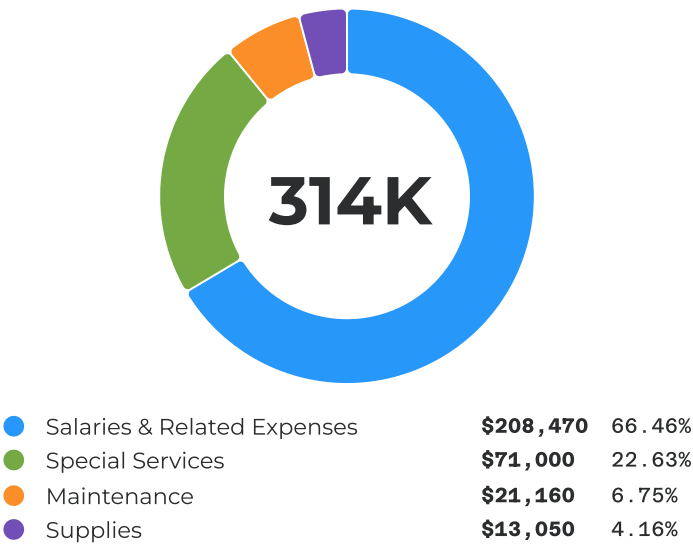


In FY2027, the Cultural Center's total expenditures increased by 3.13% to \$313,680 compared to FY2026. Salaries & Related Expenses remained the largest category, rising by 7.29% to \$208,470 and accounting for 66.46% of the total budget, up from 63.89% the previous year.

Special Services continued to decrease, falling by 9.6% to \$71,000 and representing 22.63% of the total, down from 25.82% in FY2026. Maintenance expenses grew by 13.89% to \$21,160, increasing their share to 6.75% of the budget. Supplies saw a modest increase of 2.59% to \$13,050, maintaining a similar proportion of 4.16% of total expenditures.

Overall, the budget shows continued growth in Salaries & Related Expenses, Maintenance, and Supplies, while Special Services experienced a further decline in FY2027.

FY27 Expenditures by Object



For the Cultural Center's Fiscal Year Expenditures by Object, Salaries & Related Expenses account for \$208,470, representing 66.46% of the total expenditures. Special Services follow with \$71,000, making up 22.63%. Maintenance expenses are \$21,160, which is 6.75%, and Supplies total \$13,050, comprising 4.16% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$117,130.40	\$146,466.91	\$194,310.00	\$130,309.68	\$208,470.00	7.29%
Supplies	\$6,146.45	\$8,302.28	\$12,720.00	\$7,488.31	\$13,050.00	2.59%
Maintenance	\$20,353.82	\$11,065.87	\$18,580.00	\$13,053.03	\$21,160.00	13.89%
Special Services	\$106,786.40	\$105,927.52	\$78,540.00	\$51,259.59	\$71,000.00	-9.60%
Total Expenditures	\$250,417.07	\$271,762.58	\$304,150.00	\$202,110.60	\$313,680.00	3.13%

PARKS GROUNDS



The Parks Division is responsible for maintaining and ensuring that our green areas are safe and inviting for our community and visitors to use. The Parks Division maintains and upkeeps the parks and green areas, which include landscaping, irrigation, playgrounds, trash and litter removal, facilities areas which consist of restrooms, ramadas and athletic fields. Parks is also responsible for conducting inspections to identify any hazardous issues that need to be addressed to keep our community safe. Parks also assists in the planning, orchestration and department logistics of City events. The Park division plays an essential role in executing, assembling, and establishing the structures necessary to have a successful event. Our mission is to ensure that parks, green areas, and recreational areas are well maintained, safe and inviting for our community.

Accomplishments FY 2026

- Parks development projects.
- Completion of Phase II of East Community Park.
- Completed lighting improvements in key areas.
- Relighting at Joe Orduno Field 1
- Inclusive playground addition at Joe Orduno Park

Goals & Objectives FY 2027



Growth & Public Service

Goal:" Improve and expand parks and recreational facilities to provide safe, accessible, and high-quality spaces that meet community needs and support continued growth."

- Continue development of the East Community Park phases in accordance with established project plans and priorities throughout FY 2027.
- Upgrade lighting in parks, athletic fields, and public areas to improve safety, accessibility, and usability throughout FY 2027.

- Improve high-traffic park areas to accommodate increased community use and enhance the overall quality of recreational spaces during FY 2027.



Economy

Goal: "Enhance recreational amenities to support community events, sports activities, and opportunities that contribute to local economic and community activity."

- Expand park amenities and recreational facilities to increase the City's capacity to host community events and sports activities throughout FY 2027.



Financial Sustainability

Goal: "Develop long-term strategies for maintaining and improving recreational facilities while prioritizing responsible and sustainable use of City resources."

- Develop long-term improvement plans for City parks that identify priority projects, infrastructure needs, and future investment opportunities by June 30, 2027.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projecte d FY 2026	Expect ed FY 2027
Area of Park Maintenance: Continue developing a strategic plan to maintain existing recreational areas and prepare for future development over the next few years.	85%	86%	87%
Parks, Green Areas Condition: Complete an assessment of the Joe Orduño Park and the green areas in West San Luis to identify areas where repairs and improvements are needed within the next few years.	60%	61%	65%
Budget Adherence for CIP Projects (East Community park): Continue the development of the East Community Park phase, including redesigning to include necessary amenities and installing sports fields.	80%	85%	87%
Customer Satisfaction: Improve illumination and equipment maintenance in green areas, sport fields, and other facilities within the next few years to ensure community or visitor satisfaction and attendance.	75%	80%	85%
Staff Productivity: Encourage professional development for staff, including certifications, courses, and workshops, to enhance their expertise and efficiency within the next year.	75%	78%	80%

Personnel Summary

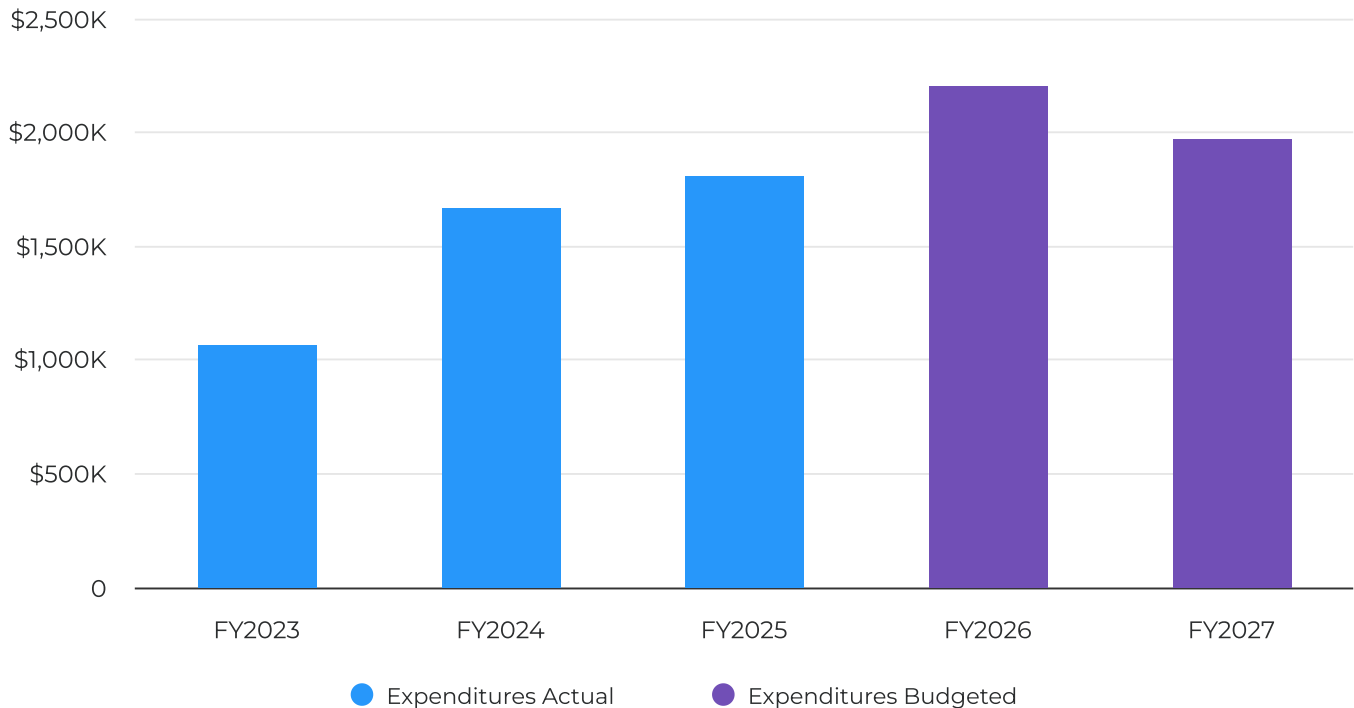
The chart below displays the Parks Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Parks Department. The current staffing structure will remain in place to ensure the continued upkeep and maintenance of park facilities and landscapes, while supporting the delivery of quality recreational services to the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	18	18	18	18	0
% of City's FTE's				4.60%	
Authorized Personnel / Positions					
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Maintenance Technician	9	9	9	9	0
Maintenance Specialist	6	6	6	6	0
Parks Ground Manager	0	0	1	1	0
Parks Ground Supervisor	1	1	0	0	0
Crew Leader Supervisor	2	2	2	2	0
Total	18	18	18	18	0

Expenditure Summary

Historical Expenditures Across Department

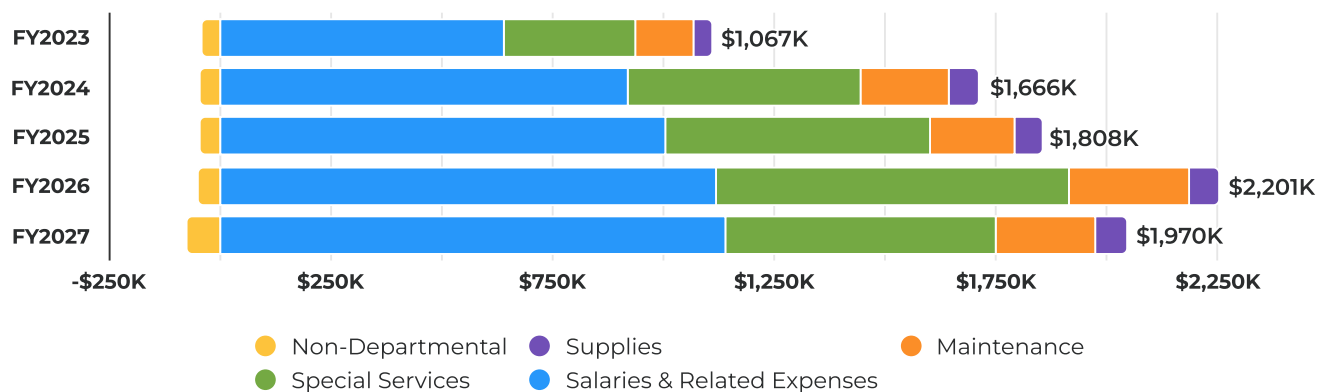


For FY2026, the Parks Grounds expenditure budget is set at \$2.2 million. This represents the planned spending for that year, with no actuals available yet for comparison.

In FY2027, the expenditure budget decreases to \$2 million, marking a 10.48% reduction from the FY2026 budget. This decline highlights a significant budget adjustment in the Parks Grounds expenditures between these two years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

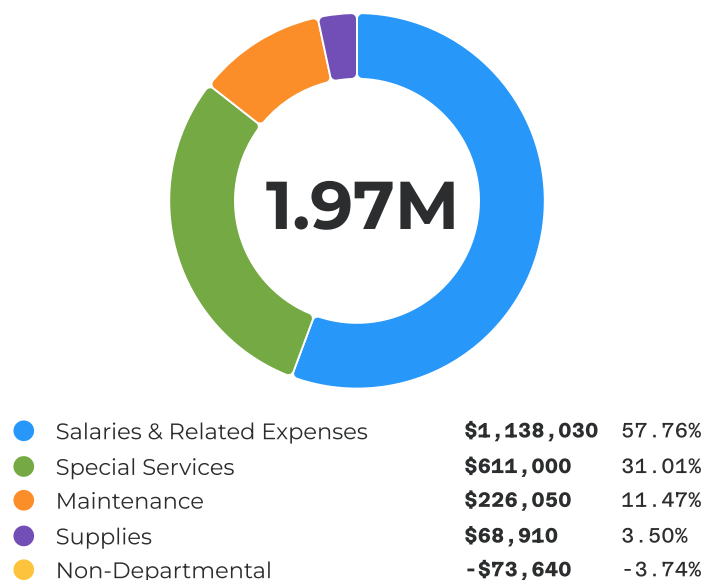


In FY2027, the total budget for Parks Grounds decreased by 10.48% to \$2 million compared to FY2026's \$2.2 million. Salaries & Related Expenses remained the largest category, increasing slightly by 1.6% to \$1.1 million, now representing 57.76% of the total budget, up from 50.89% the previous year.

Special Services saw a significant decrease of 23.01%, dropping to \$611,000 and accounting for 31.01% of the total, down from 36.06% in FY2026. Maintenance expenses also declined by 16.65% to \$226,050, making up 11.47% of the budget compared to 12.32% previously.

Supplies experienced a modest increase of 3.17%, rising to \$68,910 and representing 3.5% of the total budget, slightly higher than the prior 3.03%. The Non-Departmental category decreased further to -\$73,640, a 44.93% change, and its share of the budget moved to -3.74% from -2.31% in FY2026.

FY27 Expenditures by Object



For the fiscal year expenditures by object in Parks Grounds, Salaries & Related Expenses account for \$1.1 million, representing 57.76% of the total. Special Services follow with \$611,000, or 31.01%. Maintenance expenses are \$226,050, making up 11.47%. Supplies cost \$68,910, which is 3.5% of the expenditures. Non-Departmental shows a negative amount of -\$73,640, equating to -3.74%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$920,206.68	\$1,001,341.23	\$1,120,080.00	\$1,068,191.05	\$1,138,030.00	1.60%
Supplies	\$70,659.40	\$64,388.09	\$66,790.00	\$46,371.23	\$68,910.00	3.17%
Maintenance	\$196,361.97	\$183,319.90	\$271,210.00	\$204,975.72	\$226,050.00	-16.65%
Special Services	\$524,998.44	\$601,749.75	\$793,640.00	\$504,242.61	\$611,000.00	-23.01%
Non-Departmental	-\$45,620.00	-\$45,620.00	-\$50,810.00	-\$50,810.00	-\$73,640.00	44.93%
Total Expenditures	\$1,666,606.49	\$1,805,178.97	\$2,200,910.00	\$1,772,970.61	\$1,970,350.00	-10.48%

RECREATION



The Recreation Division provides our community with fun activities and events. We are responsible for planning, organizing, and coordinating recreational activities, programs, events, and sports leagues for individuals of all ages and abilities. San Luis residents may choose from a wide variety of sports, leagues, tournaments, and clinics offered throughout the year for children and adults alike.

The Recreation Division offers a multitude of activities, including adult baseball, adult flag football, co-ed kickball, co-ed volleyball, girls' softball, men's basketball, men's softball, men's volleyball, women's softball, women's volleyball, youth baseball, youth basketball, youth kickball, pickleball and youth flag football.

We are proud of the important role our division plays in our community by providing our residents with recreational activities that promote physical and mental health, socialization, and the development of new skills, teamwork, and leadership, all while providing a fun and enjoyable way to spend free time.

This year, the Recreation Department was also given a new direct line and an on-call cell phone. The direct line was given to separate the main line currently used by the Parks and Recreation Administration. Having a new direct line provides the community with a new number to contact to ask about any leagues, activities, or reservation requests they may have. The on-call cell phone is a new addition to the Department to ensure that staff supervising leagues after 6:00 pm can answer any questions or concerns the community may have. This service also helps staff stay in direct contact with all league coaches, volunteers, and participants who may need immediate assistance before and during league tournaments, end-of-season games, and weekend tournaments.

Accomplishments FY 2026

- Increased program offerings and participation across multiple age groups.
- Expanded programs & tournaments
- Improved Park amenities and recreational opportunities.
- Increased usage of Joe Orduño Park

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Expand accessible, high-quality recreational programs and opportunities that promote health, wellness, and community engagement for residents of all ages."

- Increase program participation by 15% during FY 2027 by introducing new recreational offerings for youth, adults, and seniors.
- Expand walking, biking, and running opportunities by developing or enhancing trails and paths throughout FY 2027.
- Increase facility usage during FY 2027 through expanded programming, community events, and targeted outreach.



Economy

Goal: "Enhance sports programming and events to attract participants, visitors, and community activities that contribute to local economic activity."

- Launch recreational tournaments for multiple skill levels during FY 2027 to expand sports opportunities and increase participation in City facilities.



Financial Sustainability

Goal: "Maintain qualified staff and efficient program operations to support sustainable delivery of recreational services."

- Ensure 100% of staff responsible for youth sports programming complete required training and certification by June 30, 2027 to maintain program quality, safety, and compliance.

Key Performance Measures

Performance Measures	Actuals FY 2025	Project ed FY 2026	Expect ed FY 2027
Participation Rates:Increase participation in programs and recreational activities and develop a system to measure participation and satisfaction within the next few years.	75%	77%	79%
Program Implementation:Develop programs, tournaments, and leagues catering to various demographics, including families, children, ladies, men, and seniors, such as youth, women's & senior indoor soccer, Rec Mobile, amongst other programs.	75%	78%	80%
Facility Usage:Continue with the Recreation Gym Expansion Project while maintaining fiscal responsibility and sustainability throughout the fiscal year. The expansion will allow staff to incorporate more indoor activities as well as have an updated space to rent out to schools and agencies, bringing more revenue to the City.	55%	57%	60%
Event Satisfaction:Continue to plan, organize and coordinate special events, such as the 4th of July & Founders Day Celebration, Baseball Exhibition Games, that attract the community as well as neighboring cities to attend. Continue seeking great entertainment and sponsorships to help alleviate the cost and allow us to use the available budget to the best of our ability.	95%	95%	96%
Staff Productivity:Provide staff with training, certifications, and educational opportunities to enhance their expertise and ensure the delivery of high -quality programs and services within the next few years.	95%	96%	97%

Personnel Summary

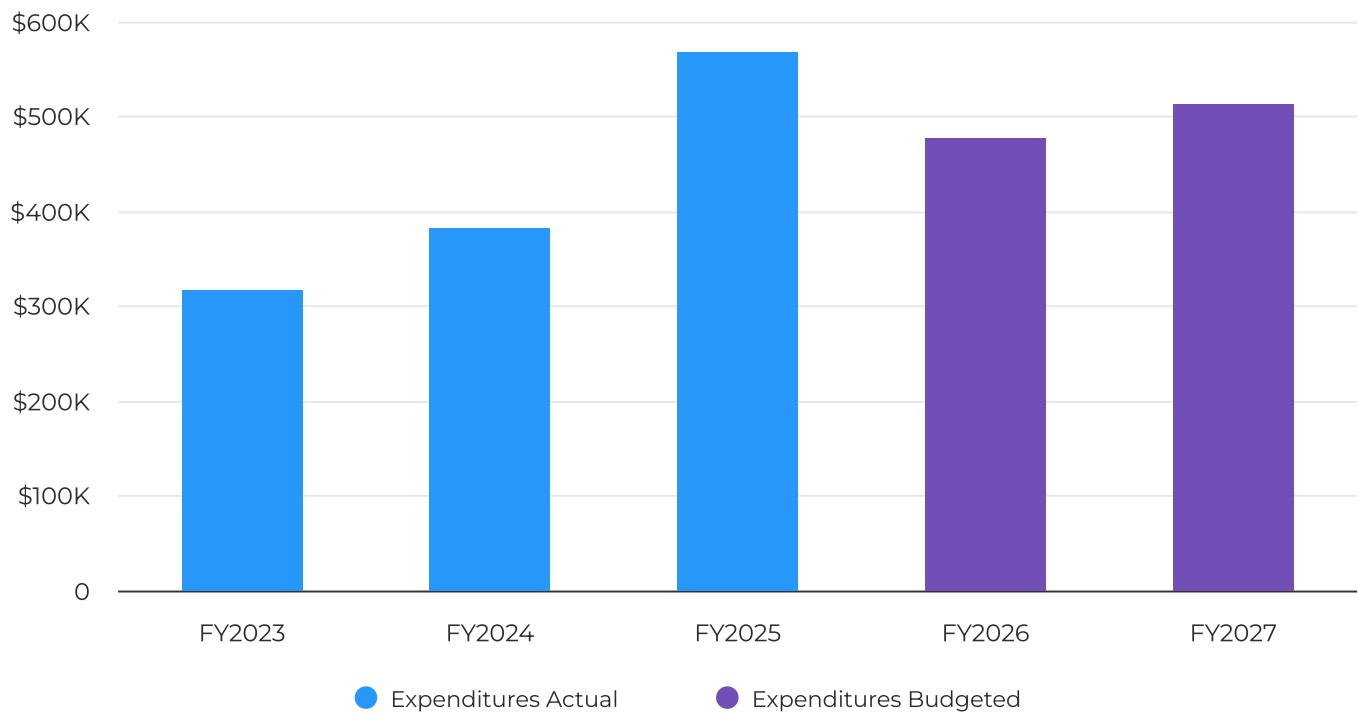
The chart below displays the Recreation Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Recreation Department. The current staffing structure will remain in place, consisting of one Recreation Coordinator, one Office Assistant, and one Recreation Specialist. The salaries of the Recreation Coordinator and Office Assistant will remain partially allocated to the Municipal Pool, as the Recreation Department continues to oversee its operations. Additionally, one intern position will be maintained to support various recreational programs and initiatives. The existing staffing structure will allow the department to continue providing quality recreational programs and services to the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	3.3	5	6	6	0
% of City's FTE's				1.28%	
Authorized Personnel / Positions					
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Recreation Specialist	1.25	2	3	3	0
Recreation Coordinator	0.75	1	1	1	0
Office Assistant	0.25	1	1	1	0
Recreation Assistant	1	1	1	1	0
Total	3.3	5	6	6	0

Expenditure Summary

Historical Expenditures Across Department

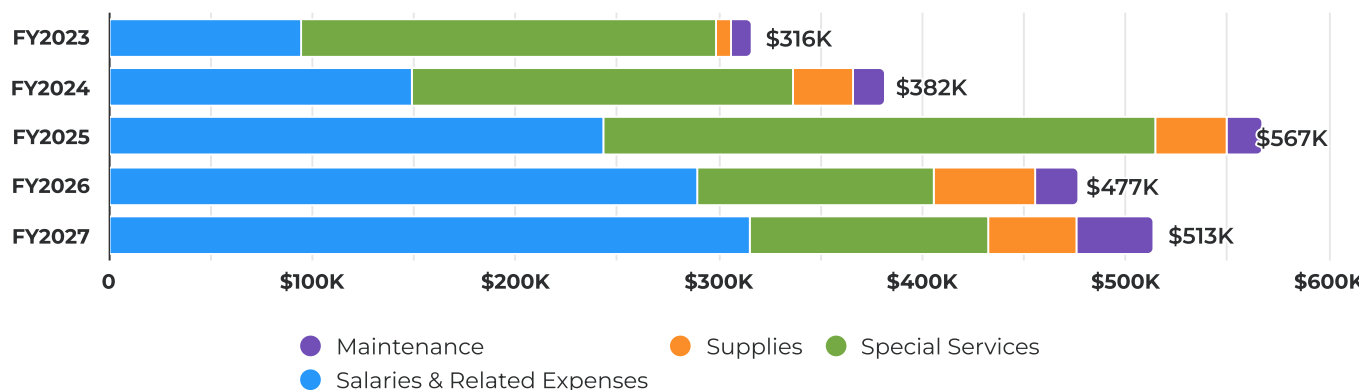


For FY2026, the Recreation budgeted expenditures amount to \$476,730. This figure serves as the baseline for comparison with the subsequent year.

In FY2027, the budgeted expenditures for Recreation increase to \$513,470, representing a 7.71% rise from FY2026. This indicates a notable growth in the budget allocation for Recreation between these two years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

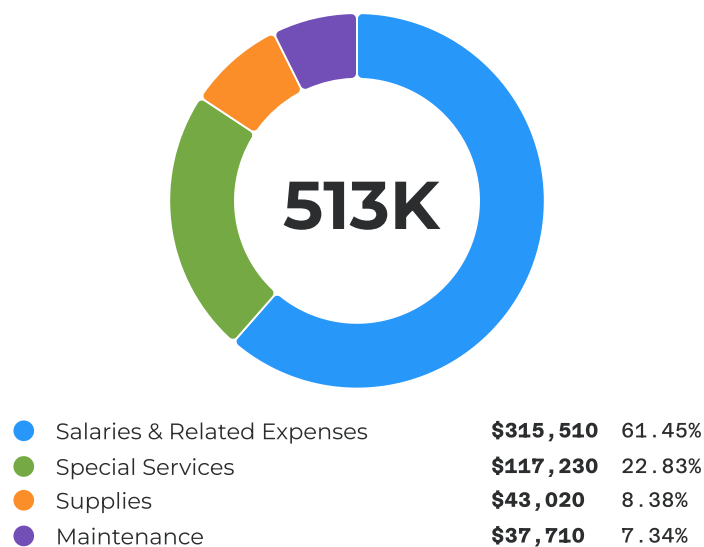


The total budget for Recreation in FY2027 is \$513,470, reflecting a 7.71% increase from the FY2026 total of \$476,730. The largest expense category remains Salaries & Related Expenses, which increased by \$26,500 or 9.17%, reaching \$315,510 and accounting for 61.45% of the total budget, slightly up from 60.62% in FY2026.

Special Services saw a modest increase of \$960 or 0.83%, totaling \$117,230 and representing 22.83% of the budget, a slight decrease in share compared to 24.39% in the previous year. Supplies decreased by \$7,150 or 14.25%, falling to \$43,020 and making up 8.38% of the budget, down from 10.52% in FY2026.

Maintenance experienced a significant increase of \$16,430 or 77.21%, rising to \$37,710 and comprising 7.34% of the total budget, up from 4.46% the prior year. This marks the largest percentage increase among the major expense categories in FY2027.

FY27 Expenditures by Object



For the Recreation fiscal year expenditures by object, Salaries & Related Expenses account for \$315,510, representing 61.45% of the total. Special Services follow with \$117,230, making up 22.83%. Supplies contribute \$43,020, which is 8.38%, and Maintenance expenses total \$37,710, comprising 7.34% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Adopted Budget	FY 2026 Projected	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$148,823.22	\$243,179.68	\$289,010.00	\$315,510.00	\$278,335.99	9.17%
Supplies	\$30,374.21	\$35,365.71	\$50,170.00	\$43,020.00	\$25,168.80	-14.25%
Maintenance	\$15,468.91	\$17,442.37	\$21,280.00	\$37,710.00	\$21,942.79	77.21%
Special Services	\$187,303.86	\$251,563.34	\$116,270.00	\$117,230.00	\$91,376.19	0.83%
Total Expenditures	\$381,970.20	\$547,551.10	\$476,730.00	\$513,470.00	\$416,823.76	7.71%

YOUTH CENTER



The San Luis Youth Center (SLYC) is a state-of-the-art sports, recreational, and educational center where youth ages 7 to 21 can thrive in a dynamic and positive environment. The SLYC staff and volunteers work hard every day to support our young students and athletes.

Our goal is to provide every child with the essential tools needed for a successful and bright future. We provide confidence for the young by developing a sense of usefulness and belonging to one child at a time. Every day, the SLYC strives to improve each child's life by implementing self-esteem, courage, and positive values through athletics, cultural and educational programs.

We are proud to manage several sports and an academic excellence center, including boxing, a youth fitness program, arts and crafts, mommy and me program, summer camp, open gym, homework lab, and game center.

Accomplishments FY 2026

- Increased youth participation and membership.
- Improved facility conditions with equipment upgrades.
- Expanded programming to support youth development.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Provide a safe, engaging, and supportive environment that promotes the well-being, personal development, and long-term success of local youth."

- Increase Youth Center membership during FY 2027 through targeted outreach, marketing, and facility enhancements that encourage greater youth participation.
- Introduce new programs focused on education, health, and social development throughout FY 2027 to provide youth with additional opportunities for personal growth.

- Expand youth leadership opportunities through the Box Club by providing additional leadership, mentoring, and skill-building activities throughout FY 2027.
- Enhance Summer Camp services during FY 2027 by improving programming, activities, and participant experiences to better meet the needs of local youth.



Economy

Goal: "Develop partnerships and programs that provide youth with career awareness, skills, and pathways toward future educational and employment opportunities."

- Establish or strengthen partnerships with schools and community organizations by June 30, 2027 to provide career-focused workshops and workforce development opportunities for local youth.



Financial Sustainability

Goal: "Invest in facility improvements and equipment that enhance program quality, extend the usefulness of City resources, and support sustainable youth services."

- Upgrade Youth Center fitness equipment during FY 2027 based on facility needs and available resources to improve the quality, safety, and functionality of the facility.

Key Performance Measures

Performance Measures	Actuals FY 2025	Project ed FY 2026	Expect ed FY 2027
Youth Participation Rates: Improve the quality of the Youth Center programs and activities to attract more attendance and long-term membership. This will help in meeting the needs and interests of our youth.	85%	88%	89%
Behavioral Outcome & Skills Development: Develop programs and initiatives that empower our youth to take on leadership roles in the community in the future.	80%	85%	88%
Special Events Attendance: Continue developing our special events such as The Spooktacular Festival, Easter Egg Hunt, Dia del Nino, Safety Event, and Summer Camps to strengthen the community engagement and attendance. Outside agencies participate in these events, so we'd like to continue strengthening our community partnerships to provide our youth and community with more resources to better their health and education in the future.	95%	95%	96%
Program Satisfaction: Improve the quality of programs such as the Boxing Class to prepare youth athletes who would like to enter the professional world of boxing. Prepare them with the skills necessary to compete at a state level through USA Boxing.	85%	90%	93%

Personnel Summary

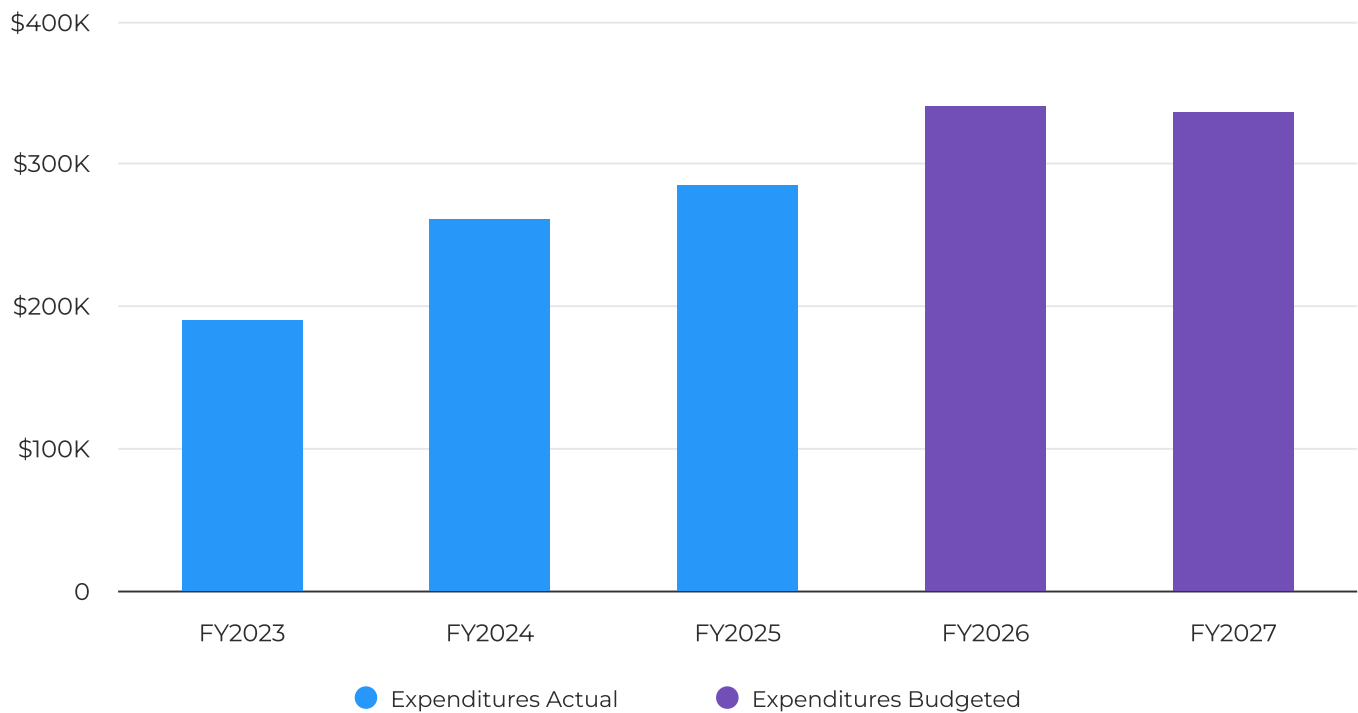
The chart below displays the Youth Center's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Youth Center. The current staffing structure will remain in place, consisting of one full-time Recreation Specialist, one Recreation Coordinator, and one part-time Recreation Assistant. The existing team will continue supporting program development and service delivery while providing quality, engaging programs and services for the youth in the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	3.3	3	3.5	3.5	0
% of City's FTE's				0.89%	
Authorized Personnel / Positions					
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	Changes 2026-2027
Recreation Specialist	1.25	1	2	2	0
Recreation Coordinator	0.75	1	1	1	0
Recreation Intern	1	0	0	0	0
Recreation Assistant	0.25	1	.5	.5	0
Total	3.3	3	3.5	3.5	0

Expenditure Summary

Historical Expenditures Across Department

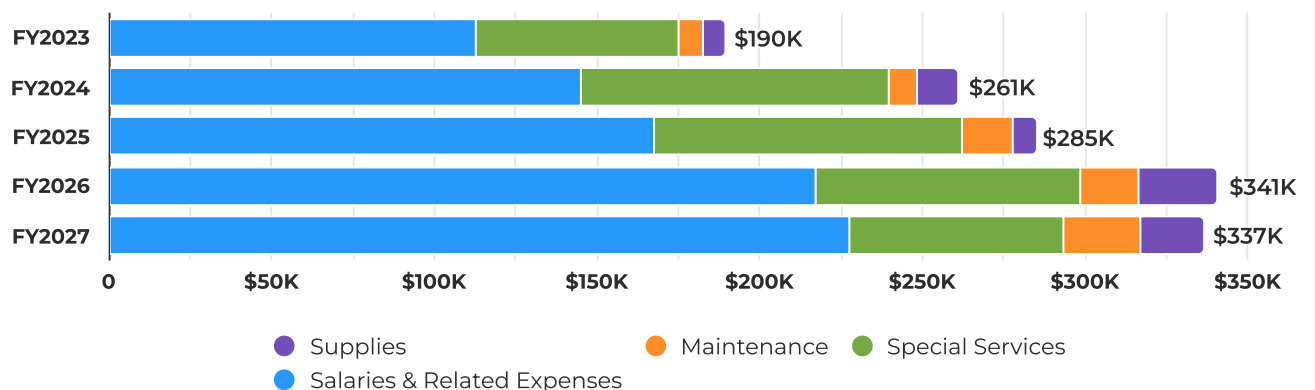


For FY2026, the Youth Center's budgeted expenditures total \$340,880. This amount sets the baseline for the subsequent year, with no actual expenditure data available for comparison.

In FY2027, the budgeted expenditures for the Youth Center decrease slightly to \$336,830, representing a 1.19% reduction from the FY2026 budget. This marks a modest decline in the overall budgeted expenditures compared to the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type

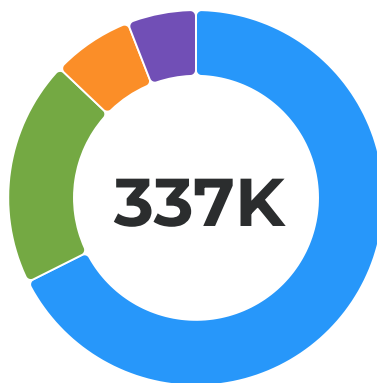


In FY2027, the Youth Center's total expenditures slightly decreased by 1.19% to \$336,830 compared to FY2026. Salaries & Related Expenses remained the largest category, increasing by 4.96% to \$227,730 and representing 67.61% of the total budget, up from 63.65% the previous year.

Special Services saw a significant decrease of 19.46%, dropping to \$65,610 and accounting for 19.48% of the total, down from 23.9% in FY2026. Maintenance expenses increased notably by 30.03% to \$23,510, making up 6.98% of the budget, compared to 5.3% previously.

Supplies expenditures decreased by 18.01% to \$19,980, representing 5.93% of the total budget, down from 7.15% in FY2026. These changes highlight a shift in spending priorities within the Youth Center's budget for FY2027.

FY27 Expenditures by Object



Salaries & Related Expenses	\$227,730	67.61%
Special Services	\$65,610	19.48%
Maintenance	\$23,510	6.98%
Supplies	\$19,980	5.93%

For the Youth Center's Fiscal Year Expenditures by Object, Salaries & Related Expenses account for \$227,730, representing 67.61% of the total expenditures. Special Services follow with \$65,610, making up 19.48%. Maintenance expenses are \$23,510, which is 6.98% of the total. Supplies amount to \$19,980, comprising 5.93% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2027 Adopted Budget	FY 2026 Projected	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$144,980.58	\$167,615.48	\$216,970.00	\$227,730.00	\$167,616.62	4.96%
Supplies	\$12,644.60	\$7,684.29	\$24,370.00	\$19,980.00	\$9,175.11	-18.01%
Maintenance	\$8,355.68	\$15,611.26	\$18,080.00	\$23,510.00	\$18,048.41	30.03%
Special Services	\$94,844.34	\$94,071.17	\$81,460.00	\$65,610.00	\$52,338.33	-19.46%
Total Expenditures	\$260,825.20	\$284,982.20	\$340,880.00	\$336,830.00	\$247,178.47	-1.19%

MUNICIPAL POOL



The San Luis Municipal Pool offers our residents a safe and accessible space for the community to engage in recreational swimming activities. Our pool provides a fun way to cool off during the summer months, practice physical activity, and a way to socialize and spend time with friends and family. A very important aspect of our pool is that it serves as a space where visitors can receive water safety education, promoting important lifesaving skills that may reduce the risk of drowning.

The Municipal Pool offers open swim opportunities, swimming lessons, and party reservations. Open swim season runs from late June through August. The San Luis Municipal Pool is open Monday through Friday from 3:00 p.m. to 8:00 p.m., and Saturday from 11:00 a.m. to 3:00 p.m., and remains closed on Sundays.

After being closed throughout FY 2024 for necessary repairs and renovations, the pool successfully reopened in FY 2025, offering the community a safer and updated facility. These improvements were made to enhance the overall experience for residents and address long-standing maintenance issues.

Accomplishments FY 2026

- Completed major repairs, upgrades and Standard Operational Procedures.
- Strengthened safety practices and ongoing staff training.
- Maintained consistent operations and community access.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Maintain a safe, welcoming, and accessible aquatic facility that provides quality recreational opportunities for residents of all ages."

- Complete priority facility improvements and maintain full operational readiness throughout FY 2027 to ensure the Municipal Pool remains safe, functional, and accessible.

- Ensure 100% of aquatic staff complete required safety training and routine facility inspections are conducted throughout FY 2027 to maintain a safe environment for all users.
- Maintain a clean, safe, and welcoming pool environment throughout FY 2027 through routine cleaning, maintenance, and facility monitoring.
- Increase pool participation during FY 2027 by expanding aquatic programs, community outreach, and recreational opportunities.
- Increase participation in swimming lessons during FY 2027 by expanding lesson offerings and outreach to encourage greater community participation.



Economy

Goal: "Expand aquatic activities and events that attract visitors, encourage community participation, and create opportunities for collaboration with local partners."

- Host community and aquatic events throughout FY 2027 that increase facility attendance, attract visitors, and engage local organizations and partners.
- Increase community use of the Municipal Pool during FY 2027 through targeted programs, events, and partnerships that support local economic and community activity.



Financial Sustainability

Goal: "Maintain the Municipal Pool as a reliable community asset through proactive maintenance, strategic improvements, and responsible use of City resources."

- Prioritize and complete planned pool facility improvements during FY 2027 based on operational needs, safety requirements, and available funding to support the long-term sustainability of the facility.

Key Performance Measures

Performance Measures	Actuals FY 2025	Project ed FY 2026	Expect ed FY 2027
Attendance Numbers: Continue providing a safe and fully functional public pool facility that San Luis residents can enjoy and be proud of. A fully functional pool will allow us to increase pool attendance through targeted community outreach, special events, and seasonal programs to promote the pools as a community attraction. As well as daily open swim hours, swimming lessons and weekend pool party reservations.	75%	80%	82%
Facility Maintenance: Complete the pool renovations and necessary improvements throughout the fiscal years to ensure that the facility is in good standing to welcome the community.	98%	98%	98%
Staff Training and Certifications: Continue providing returning and new lifeguards with Lifeguard Certifications and WSI Certifications for swimming lesson instructors. Prepare staff in charge of the Municipal Pool with CPSI Certifications to ensure they have the necessary tools to supervise and manage the Municipal Pool operations.	80%	85%	88%

Personnel Summary

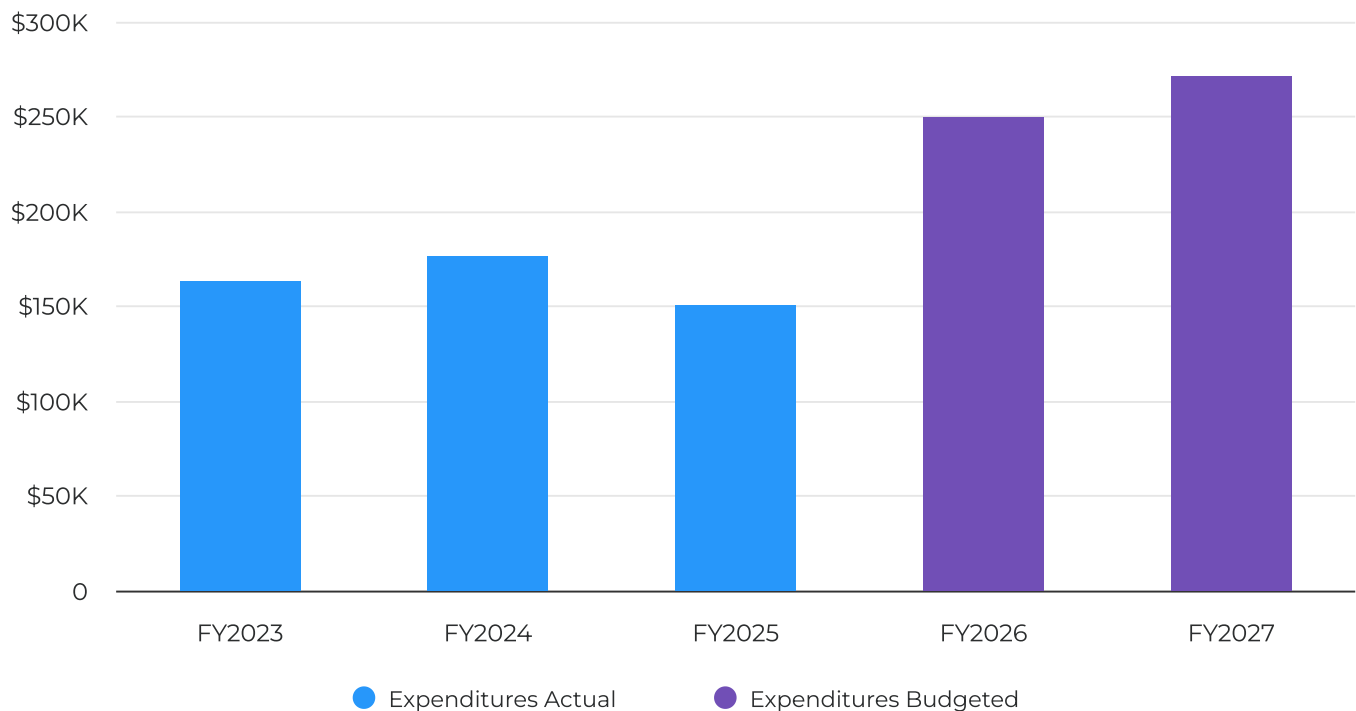
The chart below displays the Municipal Pool's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Municipal Pool. The pool will continue to operate without formally allocated full-time or part-time positions and will rely on seasonal staffing to support operations during the summer months. Because these positions are temporary and typically work only during the summer season, they are not reflected on the staff summary schedule as part-time positions. The Municipal Pool will also continue to receive administrative and operational support from a Recreation Coordinator and an Office Assistant within the Recreation Department, whose time is not formally budgeted under the pool but remains essential to overseeing facility operations during the swim season.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	2.3	0	0	0	0
% of City's FTE's				0.00%	
Authorized Personnel / Positions					
			Current	Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Recreation Specialist	1.25	0	0	0	0
Recreation Coordinator	0.75	0	0	0	0
Office Assistant	0.25	0	0	0	0
Total	2.3	0	0	0	0

Expenditure Summary

Historical Expenditures Across Department

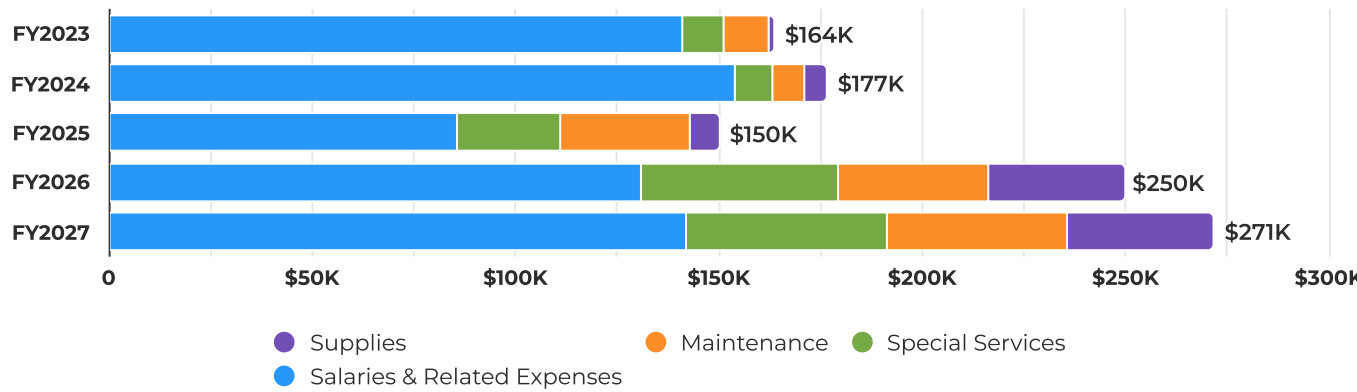


For FY2026, the Municipal Pool's expenditures are budgeted at \$249,930, with no percentage change provided from the previous year. Moving to FY2027, the budgeted expenditures increase to \$271,440,

representing an 8.61% rise from FY2026. This indicates a notable upward trend in the expenditure budget for the Municipal Pool between these two years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

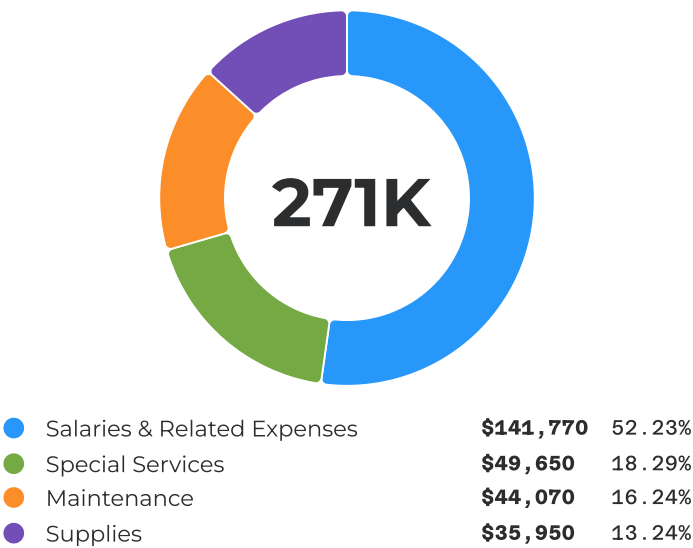


In FY2027, the Municipal Pool's total expenditures increased by 8.61% to \$271,440 compared to FY2026. Salaries & Related Expenses remained the largest category, accounting for 52.23% of the total budget at \$141,770, which is an 8.2% increase of \$10,740 from the previous year.

Maintenance expenses saw a notable rise of 19.82%, increasing by \$7,290 to \$44,070, representing 16.24% of the total budget. Supplies also grew by 6.05%, adding \$2,050 to reach \$35,950, making up 13.24% of the expenditures.

Special Services experienced a smaller increase of 2.97%, rising by \$1,430 to \$49,650, which is 18.29% of the total budget. Overall, all major expense categories increased in FY2027, with Maintenance showing the highest percentage growth among them.

FY27 Expenditures by Object



The Fiscal Year Expenditures by Object for the Municipal Pool include Salaries & Related Expenses at \$141,770, which accounts for 52.23% of the total. Special Services follow with \$49,650, representing 18.29%. Maintenance expenses are \$44,070, making up 16.24%, and Supplies total \$35,950, comprising 13.24% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$153,847.07	\$85,759.97	\$131,030.00	\$80,744.22	\$141,770.00	8.20%
Supplies	\$5,469.09	\$7,527.79	\$33,900.00	\$4,335.80	\$35,950.00	6.05%
Maintenance	\$7,731.97	\$31,649.16	\$36,780.00	\$29,929.16	\$44,070.00	19.82%
Special Services	\$9,307.29	\$25,390.87	\$48,220.00	\$29,392.96	\$49,650.00	2.97%
Total Expenditures	\$176,355.42	\$150,327.79	\$249,930.00	\$144,402.14	\$271,440.00	8.61%

SENIOR SERVICES



The San Luis Senior Center provides a welcoming and supportive environment for our senior residents where they can socialize, learn new skills, stay active and access resources and services. We offer daily transportation, programs and activities, educational seminars, health screenings, and social events.

The Senior Center's activities include daily games of bingo, domino and pool, arts and crafts, sewing classes, fitness classes, and more. The center oversees the San Luis Senior Nutrition Program, where seniors are offered a healthy meal daily.

The Senior Center will continue to provide activities, nutritional meals, and programs for our residents in their golden years.

We continue working with the Yuma County Food Bank, distributing food twice a month to San Luis residents. We successfully relocated the food distribution to a larger area at the Cultural Center, which has greatly improved the process. The new space provides more room and ensures a safer environment for the community, making it a positive and successful change.

Accomplishments FY 2026

- Improved programs based on participant input.
- Expanded activities that encourage social interaction and engagement.
- Developed new partnerships to support senior programming.
- Increased outreach efforts and hosted consistent community events.
- New membership forms
- New Bylaws to the Committee
- Improved cost efficiency through collaboration and resource management.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Provide a welcoming and secure environment that promotes social connection, active participation, and meaningful engagement among seniors and across generations."

- Gather regular participant feedback and use it to enhance programs and services, with feedback collected and program improvements reviewed throughout FY 2027 while maintaining or increasing participation.
- Introduce and expand intergenerational activities during FY 2027 that bring seniors and younger generations together through shared recreational, educational, and social experiences.

Key Performance Measures

Performance Measures	Actuals FY 2025	Project ed FY 2026	Expect ed FY 2027
Program Variety and Satisfaction: Continue to improve the quality of programs and activities to meet the evolving needs and interests of our senior members. Measuring success by assessing and enhancing the quality of senior programs, tracking increased senior participation, and monitoring program satisfaction.	85%	87%	88%
Community Outreach: Continue promoting the Senior Center to increase membership and awareness of our services by utilizing social media a bit more.	85%	88%	90%
Outreach Program Participation: Continue strengthening community partnerships with local agencies to keep our seniors informed through seminars and workshops.	95%	96%	97%
Financial Sustainability: Increase external funding and sponsorships to support expanded programming, such as the grant-funded WACOG Nutrition Program, and maintain financial sustainability.	95%	96%	97%

Personnel Summary

The chart below displays the Senior Center's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Senior Center. The current staffing structure will remain in place, consisting of one Manager, one Driver, one Service Coordinator, one Office Assistant, and one Senior Services Assistant. Additionally, two Cooks will continue to be funded

through the Special Revenue Fund as part of the Western Arizona Council of Governments (WACOG) program. The existing staffing structure will continue to support the delivery of senior services, transportation, and programs that promote the well-being and self-sufficiency of older adults in the community.

Staff Summary Schedule

Senior Services Special Revenue Fund

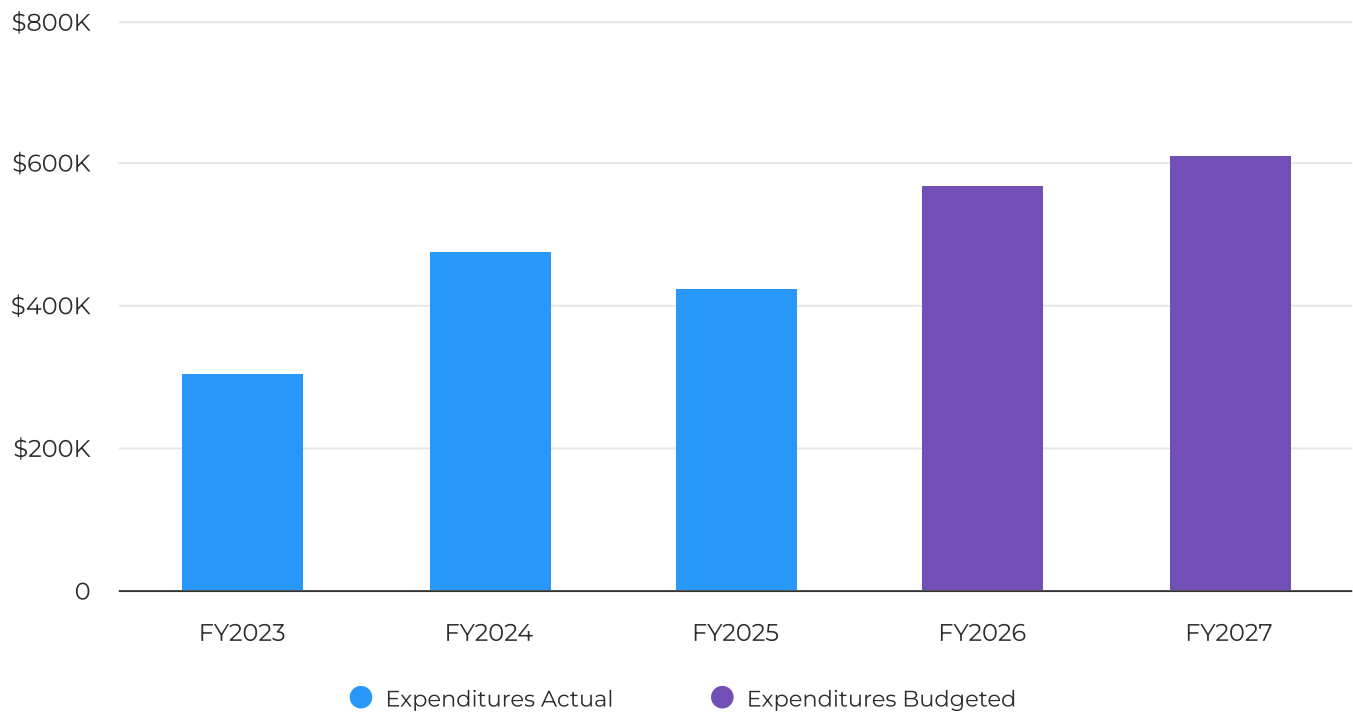
Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024-2025	Adopted FY 2025-2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	2	2	2	2	0
% of City's FTE's				0.51%	
Authorized Personnel / Positions			Current	Request	Changes
Title:	2023-2024	2024-2025	2025-2026	2026-2027	2026-2027
Cook	2	2	2	2	0
Total	2	2	2	2	0

Senior Services General Fund

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024-2025	Adopted FY 2025-2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	5	5	5.5	5.5	0
% of City's FTE's				1.40%	
Authorized Personnel / Positions			Current	Request	Changes
Title:	2023-2024	2024-2025	2025-2026	2026-2027	2026-2027
Senior Services Manager	1	1	1	1	0
Driver	1	1	1.5	1.5	0
Senior Services Coordinator	1	1	1	1	0
Office Assistant	1	1	1	1	0
Senior Services Assistant	1	1	1	1	0
Total	5	5	5.5	5.5	0

Expenditure Summary

Historical Expenditures Across Department

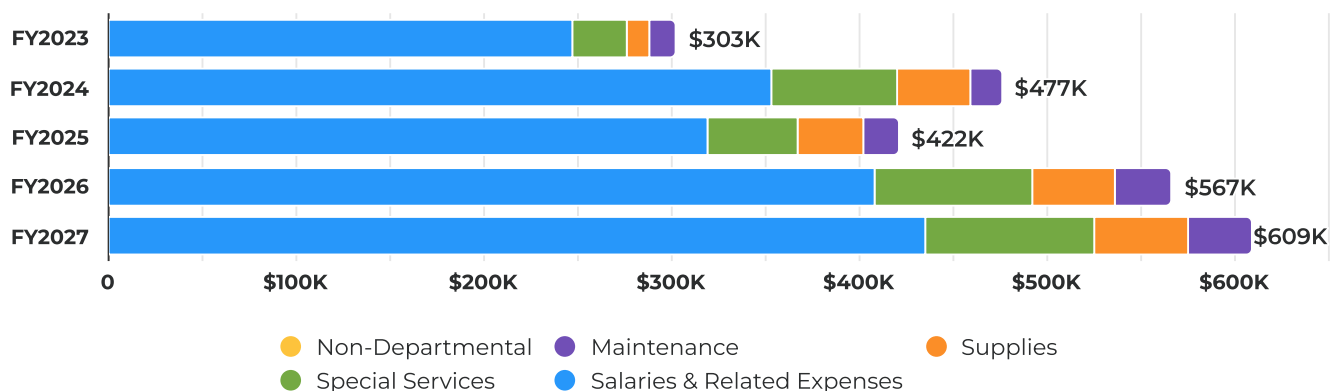


For FY2026, the Senior Services budgeted expenditures amount to \$566,600. This figure sets the baseline for the subsequent budget year.

In FY2027, the budgeted expenditures for Senior Services increased to \$609,080, representing a 7.5% rise from FY2026. This increase highlights a notable upward trend in the allocation for Senior Services expenditures between these two budget years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

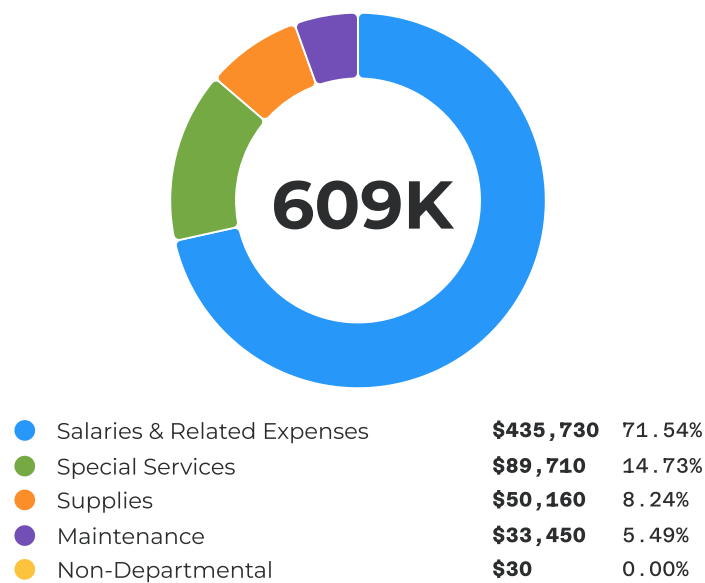


The total budget for Senior Services in FY2027 is \$609,080, representing a 7.5% increase from the FY2026 total of \$566,600. Salaries & Related Expenses remain the largest category, accounting for 71.54% of the total budget at \$435,730. This is an increase of \$27,550 or 6.75% compared to FY2026.

Special Services is the second largest category, comprising 14.73% of the FY2027 budget with \$89,710. This reflects a \$5,080 or 6% increase from the previous year. Supplies increased by \$6,350 or 14.49% to \$50,160, making up 8.24% of the total budget. Maintenance expenses rose by \$3,470 or 11.57% to \$33,450, representing 5.49% of the budget.

Non-Departmental expenses appear in FY2027 at \$30, a new allocation from zero in FY2026, though it remains a negligible portion of the total budget. Overall, all major expense categories saw increases in FY2027, with Supplies showing the highest percentage growth among them.

FY27 Expenditures by Object



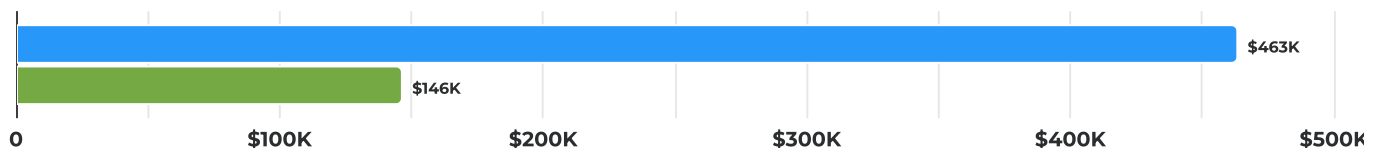
For the Senior Services fiscal year expenditures by object, Salaries & Related Expenses account for \$435,730, representing 71.54% of the total. Special Services follow with \$89,710, or 14.73%. Supplies amount to \$50,160, which is 8.24%, and maintenance expenses are \$33,450, making up 5.49%. Non-Departmental costs are \$30, constituting 0% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$353,899.20	\$318,536.00	\$408,180.00	\$388,760.07	\$435,730.00	6.75%
Supplies	\$39,196.18	\$40,235.11	\$43,810.00	\$47,452.72	\$50,160.00	14.49%
Maintenance	\$17,099.83	\$19,010.65	\$29,980.00	\$44,472.73	\$33,450.00	11.57%
Special Services	\$66,693.48	\$49,902.25	\$84,630.00	\$68,885.09	\$89,710.00	6.00%
Non-Departmental	-	-	-	-\$1,878.09	\$30.00	-
Total Expenditures	\$476,888.69	\$427,684.01	\$566,600.00	\$547,692.53	\$609,080.00	7.50%

Expenditures by Fund

FY27 Expenditures by Fund



● General Fund	\$462,980	76.01%
● Special Rev - Comm Development	\$146,100	23.99%

For the fiscal year expenditures by fund in Senior Services, the General Fund accounts for \$462,980, representing 76.01% of the total. The Special Revenue - Community Development fund contributes \$146,100, making up 23.99% of the expenditures.

Expenditures by Fund

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
General Fund	\$337,847.36	\$289,168.91	\$432,260.00	\$403,812.48	\$462,980.00	7.11%
Special Rev - Comm Development	\$139,041.33	\$138,515.10	\$134,340.00	\$143,880.05	\$146,100.00	8.75%
Total Expenditures	\$476,888.69	\$427,684.01	\$566,600.00	\$547,692.53	\$609,080.00	7.50%

MUNICIPAL COURT



The San Luis Municipal Court's mission is to ensure that individuals appearing before the court or are seeking services from the court are treated equally, impartially, fairly, with compassion and integrity; to timely and efficiently resolve all matters, protect individuals' rights and liberties, uphold and interpret the law.

Accomplishments FY 2026

Operational Excellence & Compliance

- **Case Management:** Implemented a new courtroom calendar to optimize scheduling and enhance compliance with judicial time standards.
- **Data Analytics:** Established a monthly reporting procedure featuring a custom-built calculator to track case-specific timeframes and filing benchmarks.
- **Oversight & Compliance:** Launched a dedicated Compliance Department to oversee court order enforcement, initiating a comprehensive review of 25 years of post-adjudication records.
- **Inter-Agency Collaboration:** Partnered with the Police Department for "Fingerprint Disposition Days" to ensure defendant compliance with statutory requirements.
- **Judicial Reciprocity:** Formalized agreements with neighboring municipal courts to provide reciprocal "under oath" coverage.
- **Process Improvement:** Standardized and implemented updated criminal forms to modernize record-keeping and procedural accuracy.

Grants, Facilities & Technology

- **Grant Funding:** Secured two "Access to Justice" grants totaling \$33,097.00 to modernize the detention center video conferencing and increase state network bandwidth.
- **Facility Optimization:** Procured funding to repurpose the former Probation Department into a dedicated Attorney/Client room, providing office space for contracted indigent defense counsel.

- Language Access: Integrated simultaneous translation devices to ensure equitable access for non-English speaking defendants during hearings.
- Workstation Efficiency: Deployed dual-monitor workstations to enhance clerk productivity and accuracy.
- Public Communication & Infrastructure: Installed an exterior notification board for public outreach.
- Facility Maintenance: Collaborated with the Facilities Department to upgrade courthouse restroom utilities.
- Safety & Infrastructure: Collaborated with the Facilities Department to secure funding for the installation of a new courthouse fire alarm system.

Personnel & Professional Development

- Staffing & Retention: Hired a Clerk II/Bailiff, reaching full staffing levels for the first time in three years.
- Market Analysis: Completed an internal salary study against peer municipal courts to maintain competitive compensation and talent retention.
- Leadership Development: Launched a clerk-led initiative to cultivate leadership skills and foster proactive engagement regarding the court's professional vision.
- Employee Wellness: Created a "Stress-Free Room" to support staff mental health and stress management.
- Star Employee Recognition: Implemented an internal recognition program designed to boost morale and promote long-term employee longevity.
- Professional Representation: The Chief Court Clerk served as a featured presenter on DUI Time Standards at the Governor's Office of Highway Safety Conference.
- Workforce Pipeline: Successfully integrated a CTE program intern and secured a contract extension to maintain departmental support.

Strategic Planning & Future Growth

- Capital Planning: Utilized reallocated special revenue funds to develop and present a budgetary proposal for a new courthouse design.
- Strategic Expansion: Submitted a request an additional Chief Court Clerk position, supported by a formal letter of recommendation from the Chief of Police.

Training/Procedures:

- Internal Procedure: Criminal with Civil Traffic Charge
- Daily Morning Task Assignments: Delinquency Notice/Certified Mail
- DV Charge Paperwork's/ AJACS: AJACS to reflect Criminal E-citation
- DPS Procedures: Open Disposition list
- DPS/Arrest Record Procedures:10-Print Fingerprint/ADRS Queues
- Post-ADJ Training: How to prep paperwork for a post-adjudicated case

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Establishment of a Local Community Restitution Program (FY 2027–2028):Pursuant to A.R.S. § 13-824, the San Luis Municipal Court (SLMC) intends to formalize a local Community Restitution Program as an alternative to monetary obligations for eligible defendants. This initiative will be developed in direct coordination with the City Attorney, Risk Management, and Adult Probation Department to ensure legal and safety protocols are met. By offering service sites specifically within the City of San Luis, the Court will provide a viable option for defendants to fulfill their obligations without the compliance barriers created by traveling to other cities. This ensures that the restorative work directly benefits our local community."

- Court Facility Safety & Fire ComplianceDuring FY 2027, the San Luis Municipal Court (SLMC) will collaborate with the Facilities Department to complete the installation of a certified fire alarm system within the court building. This project ensures 100% compliance with state and local fire safety codes, protecting the public, staff, and the integrity of the court's physical records.
- Courtroom Technological Modernization (Evidence Portal)By the end of FY 2027, the San Luis Municipal Court (SLMC) will implement a fully functional digital evidence portal to streamline courtroom operations. In collaboration with the local IT Department, this initiative will provide a secure platform for the electronic submission and display of exhibits. This goal aims to modernize the judicial process and ensure that all parties have reliable, real-time access to evidence during proceedings.



Economy

Goal: "Develop partnerships and community-based initiatives that provide meaningful opportunities for restorative service while benefiting the local community."

- Establish partnerships with City departments and approved community service sites throughout FY 2027, to provide eligible defendants with local Community Restitution opportunities that directly support community needs.



Financial Sustainability

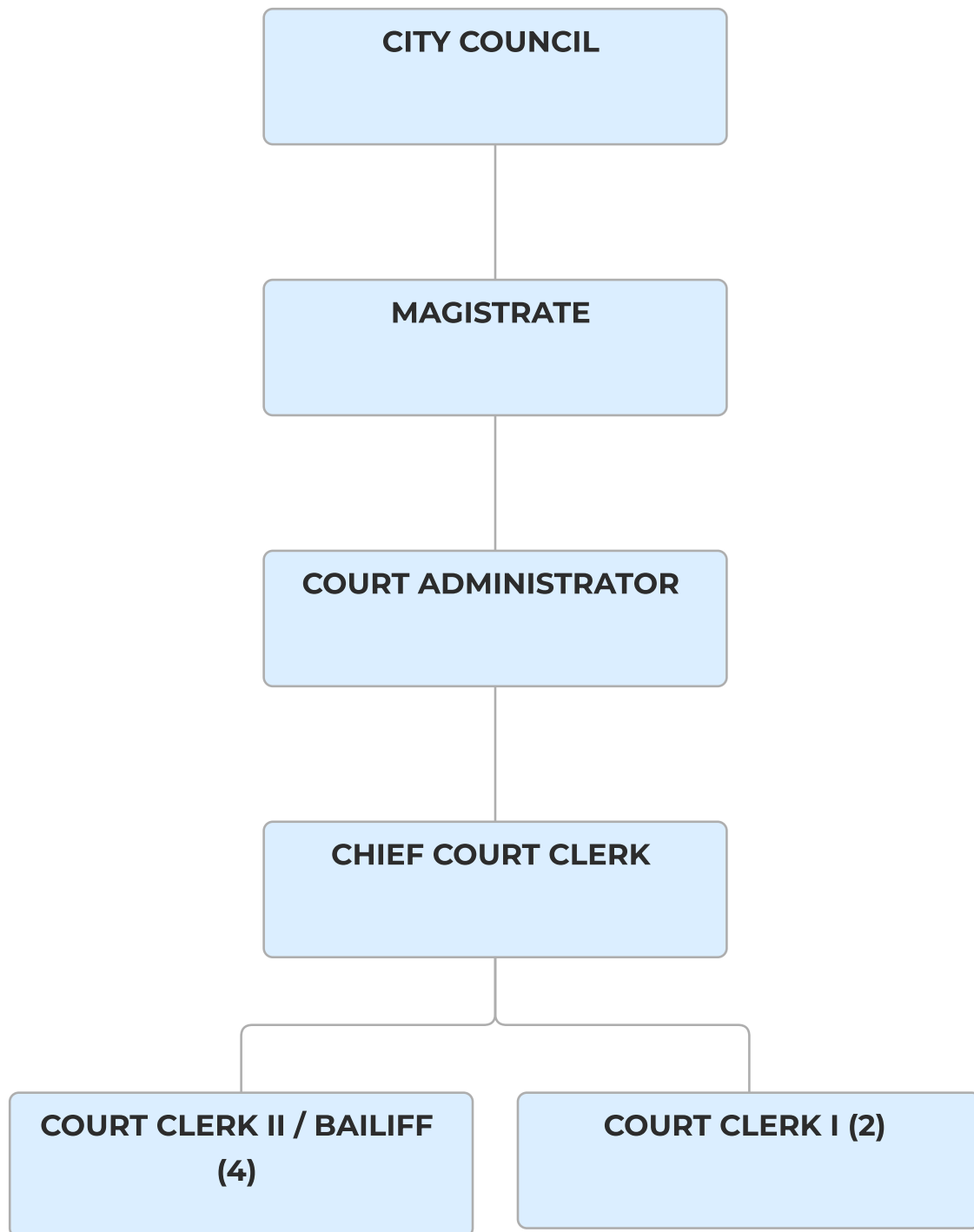
Goal: "Modernize court operations to improve efficiency, reduce reliance on paper-based processes, and support the sustainable delivery of court services."

- Transition courtroom evidence processes to a digital platform by June 30, 2027, with the evidence portal fully operational and available for applicable court proceedings to improve document management and operational efficiency.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Qualified cases receiving interpreter services	100%	100%	100%
Percentage of essential staff	95%	100%	100%
Qualified cases receiving court-appointed counsel	100%	100%	100%

Organizational Chart



Personnel Summary

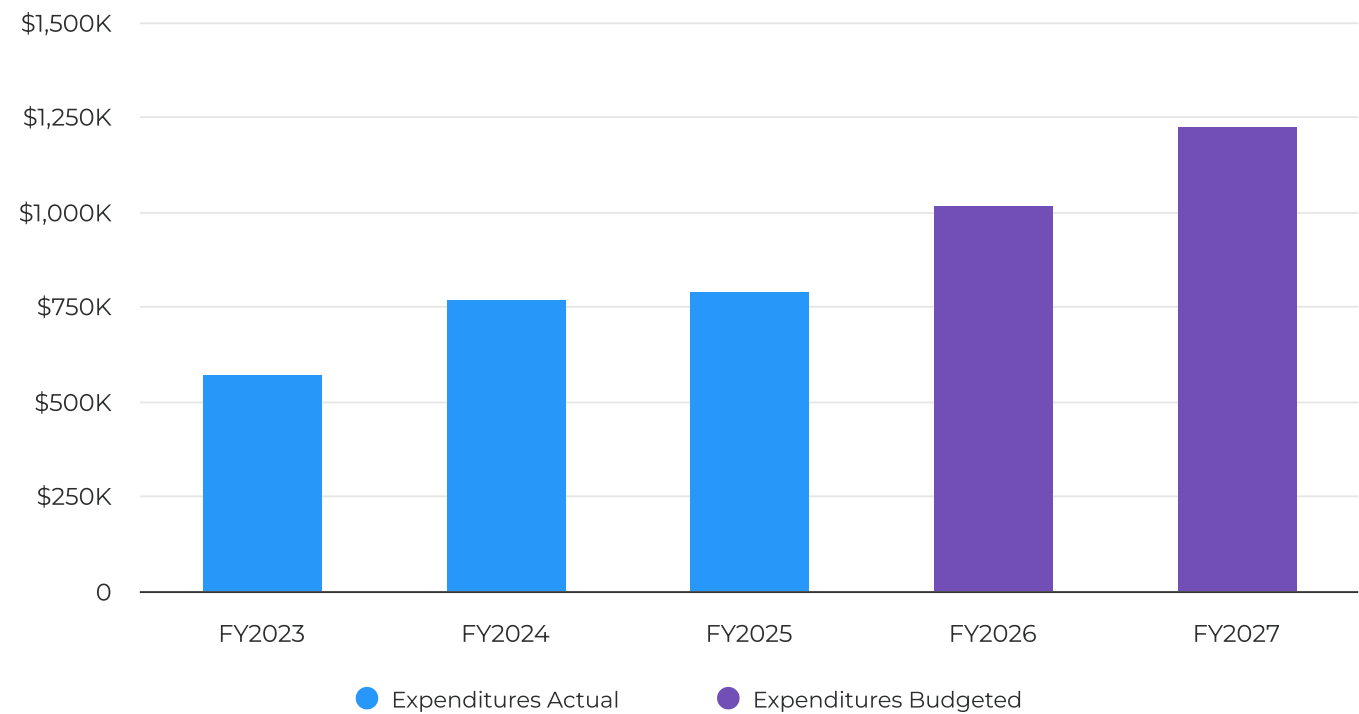
The chart below displays the Municipal Court's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Municipal Court. The current staffing structure will remain in place to support the efficient administration of court operations and provide continued support for the City's judicial services. The existing staffing structure will allow the Municipal Court to continue meeting its operational needs effectively and efficiently.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	11	9	9	9	0
% of City's FTE's				2.30%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Bailif	1	1	0	0	0
Court Clerk II / Bailif	0	0	1	4	0
Court Clerk I	2	2	2	2	0
Court Clerk II	3	3	3	0	0
Court Security Officer	1	1	0	0	0
Court Interpreter	1	1	0	0	0
Court Administrator	1	1	1	1	0
Chief Court Clerk	1	1	1	1	0
Magistrate	1	1	1	1	0
Total	11	11	9	9	0

Expenditure Summary

Historical Expenditures Across Department

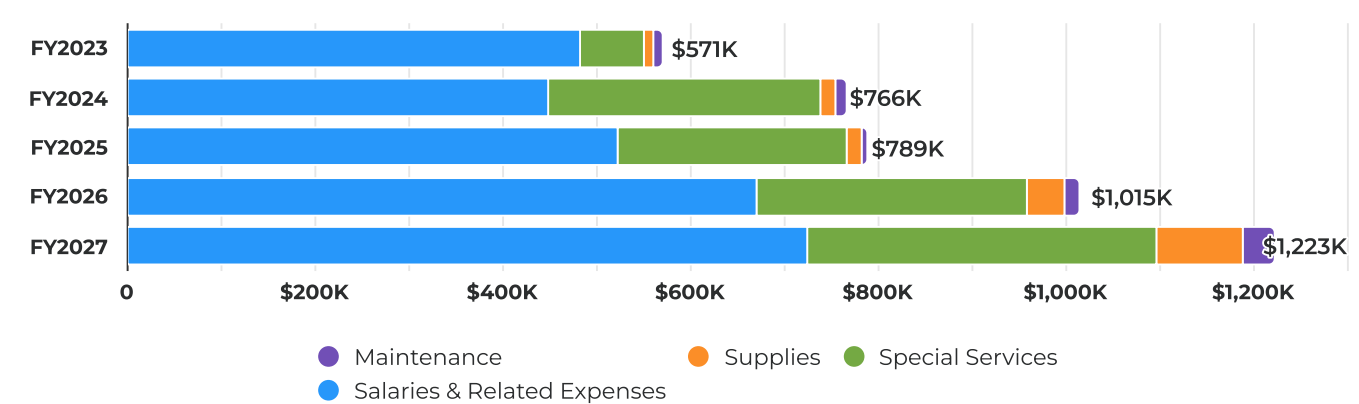


For FY2026, the Municipal Court's expenditures are budgeted at \$1 million, with no percentage change provided from the previous year.

In FY2027, the expenditures budgeted for the Municipal Court increase to \$1.2 million, representing a 20.52% increase from FY2026. This marks a significant rise in the budgeted expenditures compared to the prior period.

Expenditures by Expense Type

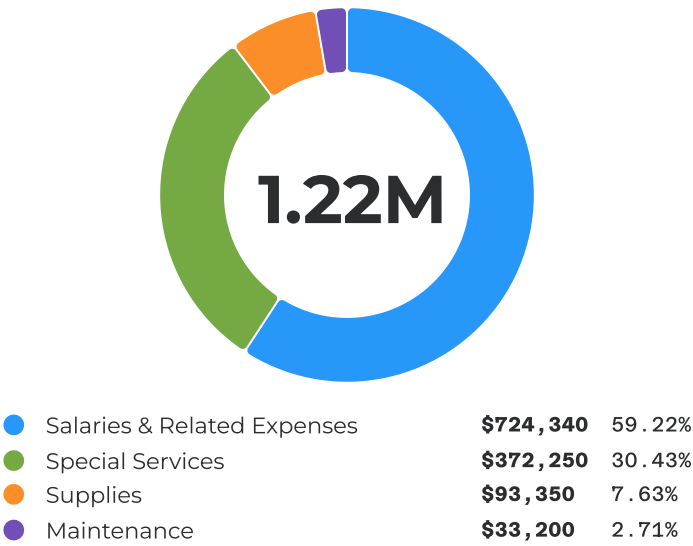
Historical Expenditures by Expense Type



In FY2027, the Municipal Court's total expenditures increased by 20.52% to \$1.2 million compared to FY2026. Salaries & Related Expenses remained the largest category, accounting for 59.22% of the total at \$724,340, which is an 8.08% increase of \$54,140 from the previous year. Special Services grew significantly by 28.89%, rising to \$372,250 and representing 30.43% of total expenditures.

Supplies saw a substantial increase of 137.23%, reaching \$93,350 and making up 7.63% of the budget, while Maintenance expenses doubled with a 100.85% increase to \$33,200, accounting for 2.71% of the total. These changes highlight notable growth in Special Services, Supplies, and Maintenance, alongside a moderate rise in Salaries & Related Expenses within the overall budget increase.

FY27 Expenditures by Object



For the Municipal Court fiscal year expenditures by object, Salaries & Related Expenses account for \$724,340, representing 59.22% of the total. Special Services follow with \$372,250, making up 30.43%. Supplies amount to \$93,350, which is 7.63%, and Maintenance expenses are \$33,200, comprising 2.71% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$449,768.11	\$522,296.91	\$670,200.00	\$648,763.40	\$724,340.00	8.08%
Supplies	\$17,331.45	\$17,514.50	\$39,350.00	\$21,474.75	\$93,350.00	137.23%
Maintenance	\$10,339.55	\$6,847.33	\$16,530.00	\$10,366.88	\$33,200.00	100.85%
Special Services	\$289,437.04	\$257,808.70	\$288,810.00	\$244,861.24	\$372,250.00	28.89%
Total Expenditures	\$766,876.15	\$804,467.44	\$1,014,890.00	\$925,466.27	\$1,223,140.00	20.52%

POLICE DEPARTMENT



It is the mission of the San Luis Police Department to work in partnership with our community to enforce the law, enhance the quality of life, provide a safe environment and reduce the fear of crime while affording dignity and respect to every individual in the City of San Luis. We will accomplish this mission by practicing community-oriented policing and problem-solving philosophy.

Accomplishments FY 2026

- Goal FY 2026: Request and secure approval for additional personnel, including two (2) Police Sergeants, six (6) Police Officers, two (2) Communications Officers, and one (1) Property and Evidence Technician by the beginning of FY 2026 to address community growth and service demands.
 - UNDERGOING. The two (2) Police Sergeants and one (1) Property and Evidence Technician positions have been filled through promotion. We continue to screen police officer and communications officer applicants and complete backgrounds for the police academy scheduled for February 2026. As of 12/17/2025, a total of nine (9) police officer and five (5) communications officer positions remain vacant.
- Goal FY 2026: Increase the Department's community outreach program and events by 10% by the end of FY 2026, including launching additional Neighborhood Watch Programs, to enhance community engagement and trust.
 - ACCOMPLISHED. Although city events decreased, the Department continued and expanded its outreach programs and events through the implementation of a Neighborhood Watch Program, Coffee with a Cop, Shop with a Cop, car seat giveaways and inspections, and expo and career fairs, as well as other events in various venues hosted by a variety of organizations and schools.
- Goal FY 2026: Work with the Human Resources Department (HRD) to maintain competitive market salaries and a step salary program for police and communications officers throughout the

fiscal year to improve retention and appeal for key positions.

- UNDERGOING. The Department continues to find ways to maintain a competitive market and retention program by working with HRD.
- Goal FY 2026: Utilize funding allocated from the Arizona Border Security Fund for the purchase of one (1) communication tower, fifteen (15) surveillance cameras, and seven (7) surveillance drones by June 30, 2027.
 - UNDERGOING. The Department has purchased all seven (7) surveillance drones. The IT department has been assigned and continues to complete the purchase and installation of one (1) communication tower, and we continue to work with the vendor for the installation of fifteen (15) surveillance cameras. As part of the grant, all projects must be completed by June 30, 2027. We have a remaining balance of \$328,238.96.
- Goal FY 2026: Utilize funding allocated from the Arizona Department of Public Safety Local Border Support for the purchase of six (6) police explorer vehicles and fifty-two (52) mobile data computers and accessories by June 30, 2026.
 - UNDERGOING. We are pending delivery of the last five (5) vehicles out of the seven, which are being upfit with emergency equipment and will be delivered before June 30, 2026. All data, computers, and accessories have been purchased, delivered, and deployed.
- Goal FY 2026: Pursue Homeland Security and Arizona Department of Public Safety grants to secure seven (7) fully marked vehicles to support seven new positions by the first quarter of FY 2025, ensuring the Department can meet growing service demands.
 - ACCOMPLISHED. The Arizona Department of Public Safety Local Border Support Fund conditionally awarded \$511,383.80 in November 2025. The agreement and approval are pending, and we will begin the procurement process during FY27.
- Goal FY 2026: Pursued grants to secure additional funding from the Edward Byrne Memorial Justice Assistance Grant (JAG) Program for additional surveillance cameras.
 - NO MET. The Department was not awarded the Edward Byrne Memorial Justice Assistance Grant (JAG) Program.
- Goal FY 2026: Implement and maintain certification through the Arizona Law Enforcement Accreditation Program (ALEAP) by providing proof of compliance with standards by March 2025, ensuring adherence to best practices and efficient use of resources. Following this, police officers will be required to obtain a 4-year certification, reinforcing long-term adherence to ALEAP Standards and enhancing office accountability and performance.
 - ACCOMPLISHED. The Department was awarded accreditation for a period of four years. For the next four years, the Department must continue to provide proof of compliance and is scheduled for reaccreditation in April 2029.
- Goal FY 2026: Utilize the requested \$2,014,300 from the Arizona Border Security Fund responsibly for purchasing new equipment and technology, ensuring cost-effectiveness and adherence to financial guidelines before the end of FY 2027.
 - NO MET. The Arizona Border Security Fund application has not been made available.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Enhance public safety and police department efficiency through strategic staffing, community engagement, and infrastructure development."

- Request and secure approval for one (1) additional Administrative Coordinator by the end of FY2027 to address community growth and service demands.
- Request and secure approval for a pay adjustment for personnel: four (4) Transit Enforcement Officers, two (2) Animal Control Officers, and one (1) Accreditation and Compliance Coordinator to address service demands and additional duties and responsibilities.
- Increase the Department's community outreach program and events by 10% by the end of FY 2027, including launching additional Neighborhood Watch Programs, to enhance community engagement and trust.
- Reduce police response times through strategic staffing and technology.
- Increase enforcement presence in high-growth and high-incident areas.
- Improve animal control service levels through stray-animal mitigation, improve response times, and expand outreach programs.
- Reduce staff turnover by enhancing internal support systems, programs, and employee wellness initiatives.
- Launch a Citizens' Police Academy by FY2027 to deepen community understanding of police operations.
- Implement a formal community feedback system (surveys, focus groups, public safety forums) and achieve a measurable improvement.
- Expand partnerships with schools and nonprofits, increasing the number of joint programs.



Economy

Goal: "Support the police department's efficiency and competitiveness through effective staffing, resource allocation, and accreditation."

- Work with the Human Resources Department to maintain competitive market salaries and a step salary program for police and communications officers throughout the fiscal year to improve retention and appeal for key positions.
- Utilize funding allocated from the Arizona Border Security Fund for the purchase of one (1) communication tower and fifteen (15) surveillance cameras by June 30, 2027.
- Utilize funding allocated from the Arizona Department of Public Safety Local Border Support for the purchase of four (4) fully equipped emergency vehicles, two (2) E-bikes, one (1) Mobile Surveillance Unit with live video streaming, one (1) Base Drone as First Responder Package, one (1) Drone analytics package, and forty-eight (48) Plate Carriers with ballistic plates by June 30, 2027.



Financial Sustainability

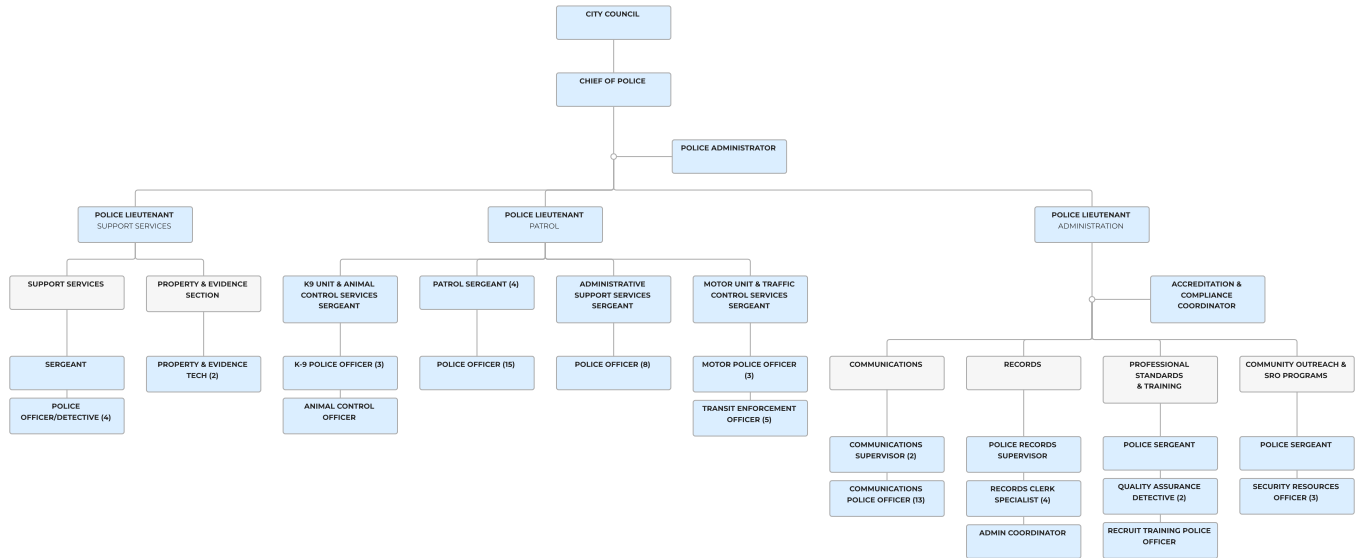
Goal: "Ensure responsible financial management while expanding department capabilities and resources."

- Maintain and comply with the certification from the Arizona Law Enforcement Accreditation Program (ALEAP) by providing proof of compliance with standards by the end of the 1st year period, 4/25/26, and 2nd year period, 4/25/27, adhering to the best practices and efficiency on the use of resources.
- Utilize the remaining balance of \$328,238.96 from the Arizona Border Security Fund responsibly for purchasing new equipment and technology, ensuring cost-effectiveness and adherence to financial guidelines before the end of FY 2027.
- Utilize the requested \$511,383.80 from the Arizona Department of Public Safety Local Border Support Fund responsibly for purchasing new equipment and technology, ensuring cost-effectiveness and adherence to financial guidelines by FY 2027.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Growth & Public Safety (Staff, Engagement & Equipment)	60%	90%	109%
Economy (Competitive salaries, grant funding use & application)	45%	80%	90%
Financial Sustainability (Upgrade & Maintain equipment)	65%	100%	100%
Opioid Settlement Funds for education, training & assistance	50%	75%	100%
ALEAP Reaccreditation	100%	35%	55%

Organizational Chart



Personnel Summary

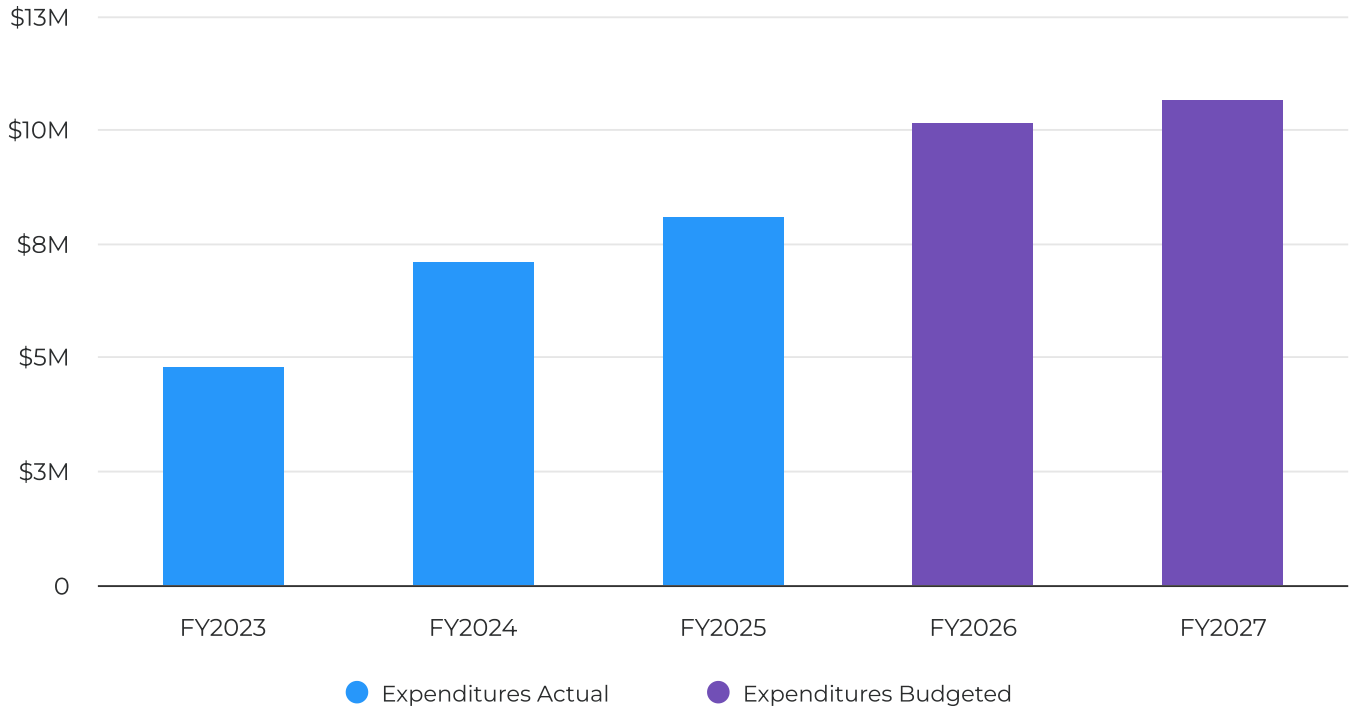
The chart below displays the Police Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Police Department. The current staffing structure will remain in place to support effective law enforcement operations, public safety, and quality service to the community. The existing staffing levels will continue to provide the department with the necessary personnel to meet operational needs and maintain effective public safety services.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	67	75	86	86	0
% of City's FTE's				21.97%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Transit Enforcement Officer	3	5	5	5	0
Police Record Clerk	-4	0	0	0	0
Police Records Specialist	4	4	4	4	0
Administrative Coordinator	2	1	1	1	0
Accreditation Specialist	1	0	0	0	0
Accreditation & Compliance Coordinator	0	1	1	1	0
Police Administrator	1	1	1	1	0
Police Record Supervisor	1	1	1	1	0
Animal Control Officer	2	2	2	2	0
Property & Evidence Technician	1	1	2	2	0
Communication Officer	10	10	12	12	0
Communication Supervisor	2	2	2	2	0
Police Officer	32	35	41	41	0
Police Sergeant	8	8	10	10	0
Police Lieutenant	3	3	3	3	0
Police Chief	1	1	1	1	0
Total	67	75	86	86	0

Expenditure Summary

Historical Expenditures Across Department

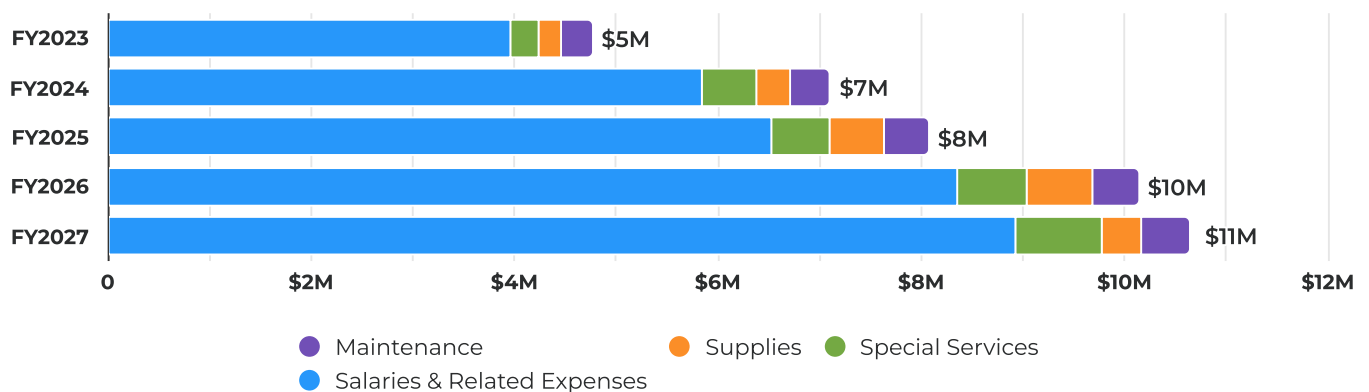


For FY2026, the Police Department's budgeted expenditures are \$10.1 million. This amount sets the baseline for the subsequent year.

In FY2027, the budgeted expenditures for the Police Department increased to \$10.6 million, representing a 4.96% rise from FY2026. This marks a notable growth in the department's budget compared to the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type

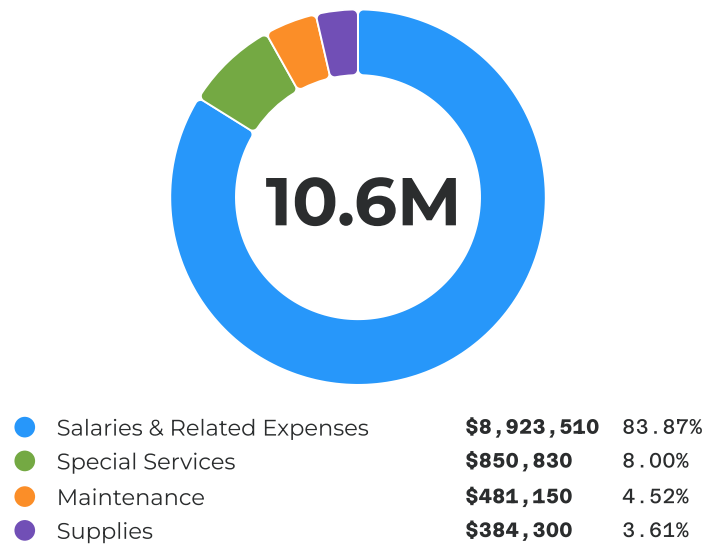


In FY2027, the Police Department's total expenditures increased by 4.96% to \$10.6 million compared to FY2026. The largest expense category remained Salaries & Related Expenses, which rose by 6.93% to \$8.9 million, representing 83.87% of the total budget, up from 82.32% in the previous year.

Special Services saw a significant increase of 23.21%, reaching \$850,830 and accounting for 8% of the total expenditures, up from 6.81% in FY2026. Maintenance expenses also grew by 6.64% to \$481,150, making up 4.52% of the budget, a slight increase from 4.45% the year before.

Conversely, Supplies experienced a notable decrease of 40.9%, dropping to \$384,300 and comprising 3.61% of the total budget, down from 6.41% in FY2026. This reduction in supplies contrasts with the overall upward trend in other major expense categories.

FY27 Expenditures by Object



The Police Department's Fiscal Year Expenditures by Object include Salaries & Related Expenses at \$8.9 million, accounting for 83.87% of the total. Special Services expenses are \$850,830, representing 8%. Maintenance costs amount to \$481,150, which is 4.52%. Supplies expenditures total \$384,300, making up 3.61% of the budget.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$5,840,273.70	\$6,354,877.94	\$8,345,230.00	\$7,508,346.25	\$8,923,510.00	6.93%
Supplies	\$337,504.52	\$476,487.52	\$650,250.00	\$430,131.20	\$384,300.00	-40.90%
Maintenance	\$388,623.37	\$445,390.75	\$451,210.00	\$391,798.95	\$481,150.00	6.64%
Special Services	\$535,527.85	\$592,757.24	\$690,580.00	\$691,194.59	\$850,830.00	23.21%
Total Expenditures	\$7,101,929.44	\$7,869,513.45	\$10,137,270.00	\$9,021,470.98	\$10,639,790.00	4.96%

FIRE DEPARTMENT

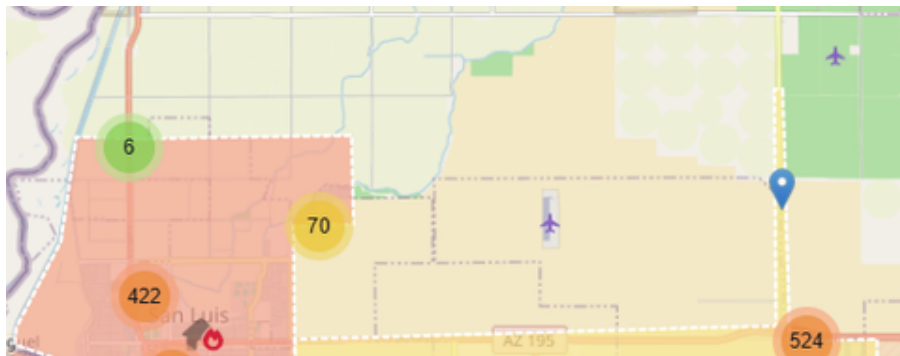


The San Luis Fire Department's (SLFD) mission is to provide safety and security for the lives and property in the San Luis community. The goal of the San Luis Fire Department is to provide high quality, timely, and compassionate services to the residents it serves; fire protection services, emergency medical services, and hazardous materials protection. The values that guide Fire staff interaction among themselves and those they serve are honesty, integrity, respect, compassion, trust, and pride.

Accomplishments FY 2026

- Response Times & Service Delivery
 - During FY 2026, the department maintained strong emergency response performance, achieving an average response time of 5.0 minutes, with the 90th percentile also at 5.0 minutes. Turnout time averaged 1.6 minutes, while travel time averaged 6.5 minutes. Notably, 90% of all calls were responded to in under 6 minutes, with a total of 5,325 calls for service handled throughout the year.
- Training & Certifications
 - The department continued to prioritize professional development in FY 2026, with firefighters completing an average of 96 training hours annually and maintaining a 96% quarterly training attendance rate. Additionally, 38% of firefighters are certified as HazMat Technicians, five Emergency Paramedics successfully completed NREMT certification, and half of all staff recertified their CEP and/or EMT credentials.
- Community Fire Prevention & Education
 - In FY 2026, the department strengthened community outreach efforts by conducting five fire safety workshops, reaching a total of 265 community members. Staff also completed 560 fire inspections and installed 25 smoke alarms to enhance public safety and fire prevention efforts.

- Continued Emergency Services for San Luis Residents: The department successfully maintained EMS, fire suppression, and emergency response capabilities, ensuring public safety and well-being.
- Strategic Growth Planning: A comprehensive growth plan for San Luis was developed and implemented, ensuring preparedness for increased service demands as the city expands.
- Equipment & Facilities
 - The department demonstrated continued investment in equipment and infrastructure during FY 2026 by replacing 15% of equipment and maintaining an apparatus average age of 6 years. Equipment downtime was kept at 9%, and preventive maintenance compliance reached 82%, ensuring operational readiness.
- Retention & Recruitment
 - The department achieved strong workforce stability in FY 2026, maintaining a 0% turnover and vacancy rate. A total of 12 new firefighters were hired with an average hiring time of 30 days, while only one retirement was recorded during the fiscal year.
- Maintained Regional Collaboration
 - Mutual aid agreements and collaborations with Yuma County fire departments, especially the City of Somerton, were successfully upheld, enhancing regional emergency response efforts.
- Cross-Border Emergency Support
 - Fire departments along the Mexican border received continued support, strengthening international cooperation in emergency response efforts.
- Professional Development and Industry Engagement
 - Active participation in professional organizations, including the Yuma County Fire Officers Association and Arizona Fire Chiefs Association, ensured that the department stayed informed about industry best practices.
- Successful Fire Prevention Week Initiative
 - The department continued its annual Fire Prevention Week efforts, educating approximately 1,800 students across seven schools, reinforcing fire safety awareness in the community.



During FY2026, Station 1 accounted for 2,457 ambulance transports, representing the majority of the department's transport activity. This total also includes mutual-aid transports provided outside the station's designated response area.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Enhance fire response capabilities and community safety through improved response times, training, and public education."

- Fire Prevention & Community Risk Reduction
 - In FY 2027, the Fire Division will conduct at least 500 fire safety inspections and implement strategies to reduce structure fires by 10% over the next three years by targeting high-risk occupancies, expanding public education efforts, and analyzing fire incident trends.
- Emergency Preparedness & Disaster Readiness
 - In FY 2027, the Fire Division will conduct a minimum of two multi-agency emergency response drills annually and improve interagency evaluation scores by 20% within 18 months by coordinating with regional partners on fire, hazardous materials, and mass casualty scenarios.
- Response Time Improvement
 - In FY 2027, the department will reduce average response times for fire and EMS priority incidents to under 6 minutes within 12 months by optimizing staffing, station deployment, and dispatch coordination.
- Training & Certification Compliance
 - During FY 2027, the department will ensure 100% of personnel meet all required fire and EMS certifications and complete a minimum of 120 training hours annually within 12 months through a structured training program.
- Community Engagement
 - In FY 2027, the department will increase community outreach participation by 25% within one year by hosting CPR classes, safety campaigns, and public events while tracking engagement metrics.



Economy

Goal: “Support operational efficiency and effectiveness through upgraded equipment, enhanced interagency collaboration, and proficient incident command.”

- Staffing & Retention
 - Beginning in FY 2027, the department will reduce annual staff turnover to below 8% within two years by enhancing employee wellness programs, strengthening benefits, and expanding career development opportunities.
- Data & Technology Integration
 - In FY 2027, the department will implement a modern records management system (RMS) and achieve 100% digital reporting compliance within 12 months to improve efficiency, accuracy, and data-driven decision-making.



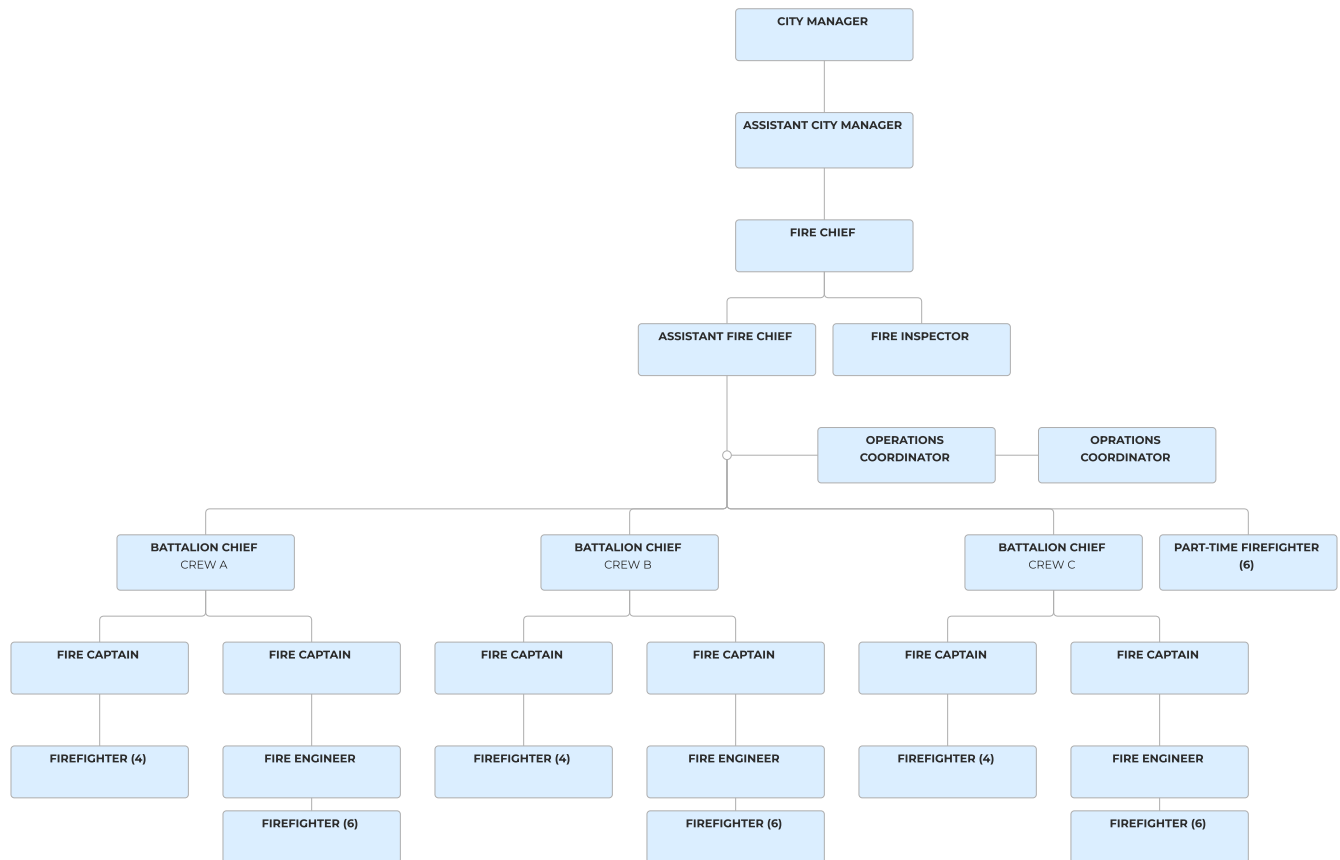
Financial Sustainability

Goal: “Ensure long-term financial sustainability while maintaining compliance with safety standards and promoting firefighter health and wellness.”

- Equipment Readiness & Reliability – Fire Apparatus
 - In FY 2027, the Fire Division will maintain at least 95% operational readiness of all fire apparatus by adhering to preventive maintenance schedules, minimizing downtime, and planning for the strategic replacement of aging equipment.

Organizational Chart

FIRE DEPARTMENT



Key Performance Measures

Performance Measures	Actuals FY 2025	Projecte d FY 2026	Expecte d FY 2027
Percentage of fire and EMS priority incidents responded to within the established 10-minute response-time standard.	99%	99.05%	100%
Percentage of scheduled fire prevention inspections, emergency preparedness drills, and community safety activities completed as planned.	100%	100%	100%
Percentage of personnel maintaining required fire/EMS certifications and completing required annual training.	100%	100%	100%
Percentage of fire apparatus maintained in operational readiness and available for emergency response.	100%	100%	100%

Personnel Summary

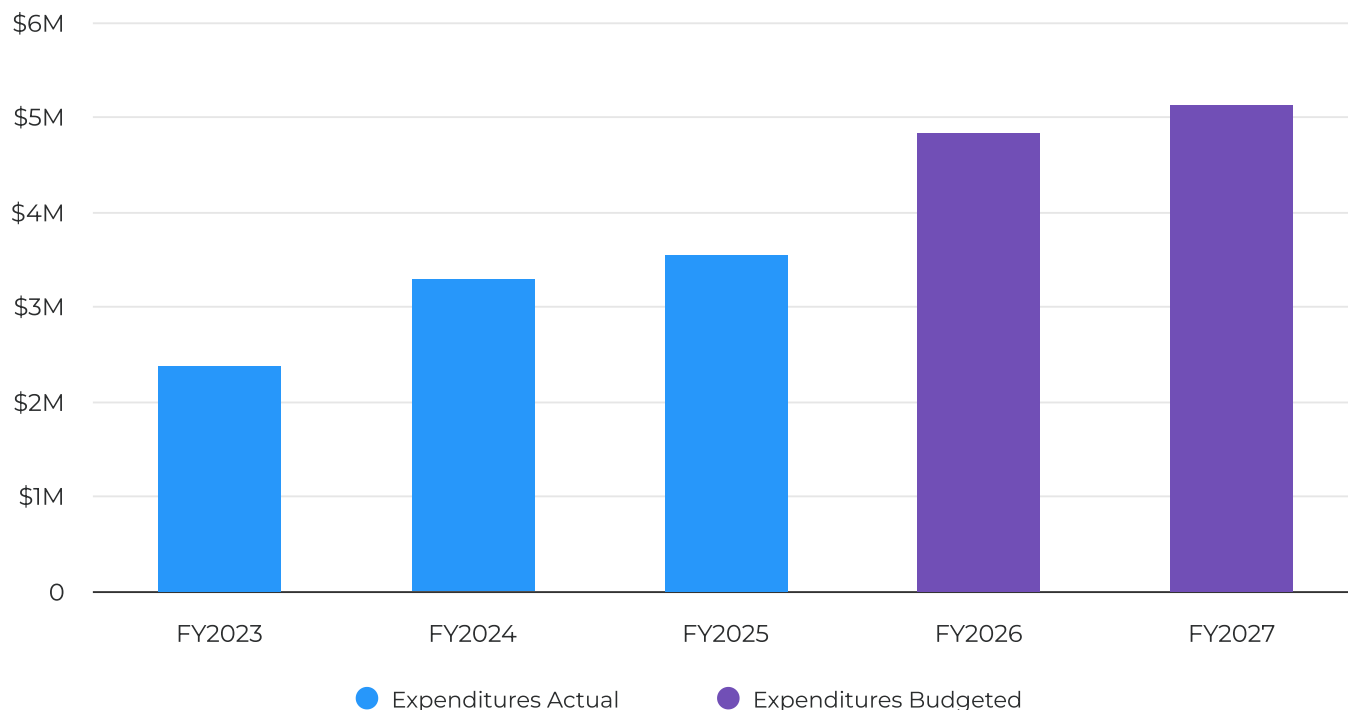
The chart below displays the Fire Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Fire Department. The current staffing structure will remain in place to support effective emergency response, fire protection, and public safety services. The existing staffing levels will continue to provide the department with the necessary personnel to meet operational needs and effectively serve the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	24.3	27.3	33.3	33.3	0
% of City's FTE's				8.51%	
Authorized Personnel / Positions			Current	Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Administrative Coordinator	2	2	2	2	0
Operations Coordinator	0.5	0.5	0.5	0.5	0
Fire Inspector	1	1	1	1	0
Assistant Fire Chief	0.8	0.8	0.8	0.8	0
Fire Chief	0.8	0.8	0.8	0.8	0
Fire Captain	4.8	4.8	7.8	7.8	0
Firefighter	9	12	15	15	0
Fire Engineer	3	3	3	3	0
Fire Battalion Chief	2.4	2.4	2.4	2.4	0
Total	24.3	27.3	33.3	33.3	0

Expenditure Summary

Historical Expenditures Across Department

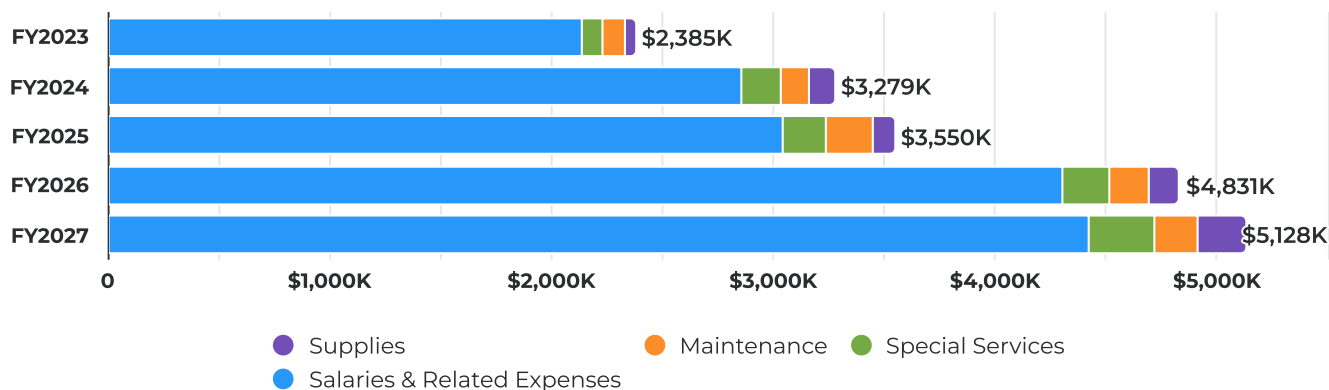


For FY2026, the Fire Department's budgeted expenditures are \$4.8 million. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures increase to \$5.1 million, representing a 6.15% rise from FY2026. This marks a notable growth in the Fire Department's budget over the one-year period.

Expenditures by Expense Type

Historical Expenditures by Expense Type



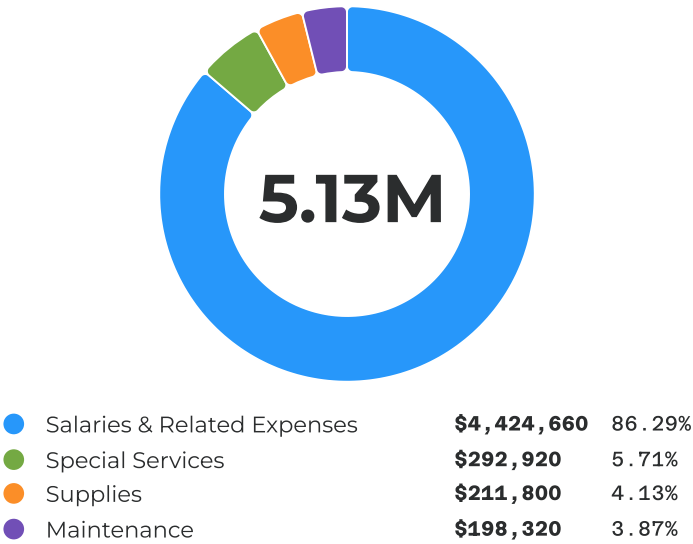
The Fire Department's total expenditures for FY2027 are budgeted at \$5.1 million, reflecting a 6.15% increase from the FY2026 total of \$4.8 million. Salaries & Related Expenses remain the largest

category, accounting for \$4.4 million or 86.29% of the total budget. This category increased by \$125,210, a 2.91% rise compared to FY2026.

Special Services show a significant increase to \$292,920, representing 5.71% of the total budget. This is a \$77,850 increase or 36.2% growth from the previous year. Supplies also experienced a notable rise, reaching \$211,800 or 4.13% of the total, which is \$74,550 more than FY2026, marking a 54.32% increase.

Maintenance expenditures increased to \$198,320, making up 3.87% of the total budget. This category grew by \$19,570, a 10.95% increase from FY2026. Overall, all major expense categories saw increases in FY2027, with Supplies and Special Services showing the largest percentage growths.

FY27 Expenditures by Object



For the Fire Department's Fiscal Year Expenditures by Object, Salaries & Related Expenses account for \$4.4 million, representing 86.29% of the total expenditures. Special Services amount to \$292,920, which is 5.71%. Supplies total \$211,800, making up 4.13%, and Maintenance expenses are \$198,320, comprising 3.87% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$2,818,607.97	\$3,031,995.17	\$4,299,450.00	\$3,590,231.82	\$4,424,660.00	2.91%
Supplies	\$117,013.96	\$105,467.70	\$137,250.00	\$103,074.59	\$211,800.00	54.32%
Maintenance	\$126,343.87	\$215,456.83	\$178,750.00	\$186,881.23	\$198,320.00	10.95%
Special Services	\$180,797.60	\$194,752.01	\$215,070.00	\$200,759.80	\$292,920.00	36.20%
Total Expenditures	\$3,242,763.40	\$3,547,671.71	\$4,830,520.00	\$4,080,947.43	\$5,127,700.00	6.15%

FIRE DEPARTMENT EAST

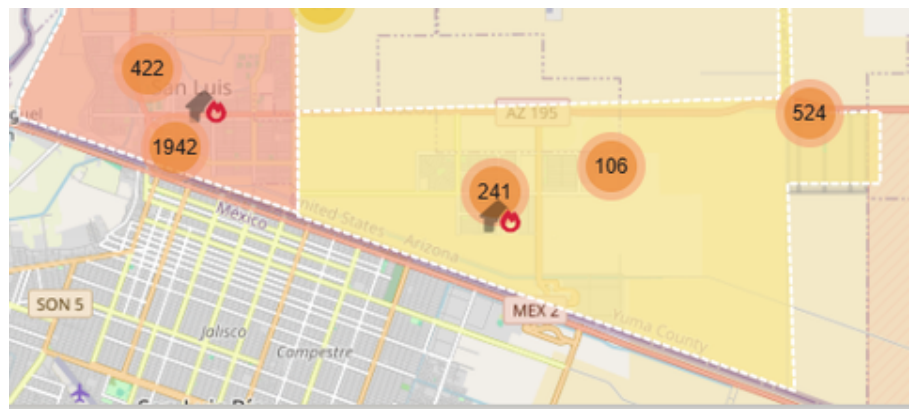


The East Side Fire Station will provide faster response times to the east side of town. With the way San Luis is growing, we need a presence out east. We will have an ambulance, a response vehicle and a Fire Truck to meet the demands of calls for service.

Accomplishments FY 2026

- Successfully improved emergency response coverage in the east side service area, contributing to a measurable reduction in average response times through strategic unit placement and deployment adjustments.
- Maintained high operational readiness by keeping apparatus and equipment in serviceable condition, minimizing downtime and ensuring reliable emergency response capabilities.
- Expanded service capacity to support growing residential and commercial development in the east side area by optimizing staffing assignments and daily station operations.
- Strengthened community presence by increasing engagement in the east side area through fire prevention activities, safety education, and response to community needs, improving overall public safety awareness.

During FY2026, Station 2 accounted for 872 ambulance transports, reflecting the demand for emergency medical services within the East Side response area and supporting the need for continued response capacity as the community grows.



Goals & Objectives FY 2027



Growth & Public Service

- Response Coverage Improvement
 - In FY 2027, the Fire Department will improve emergency response coverage for the east side service area by reducing average response times by 10% within 12 months through optimized unit deployment, targeted staffing adjustments, and increased apparatus availability, ensuring faster and more reliable service to a growing population.



Financial Sustainability

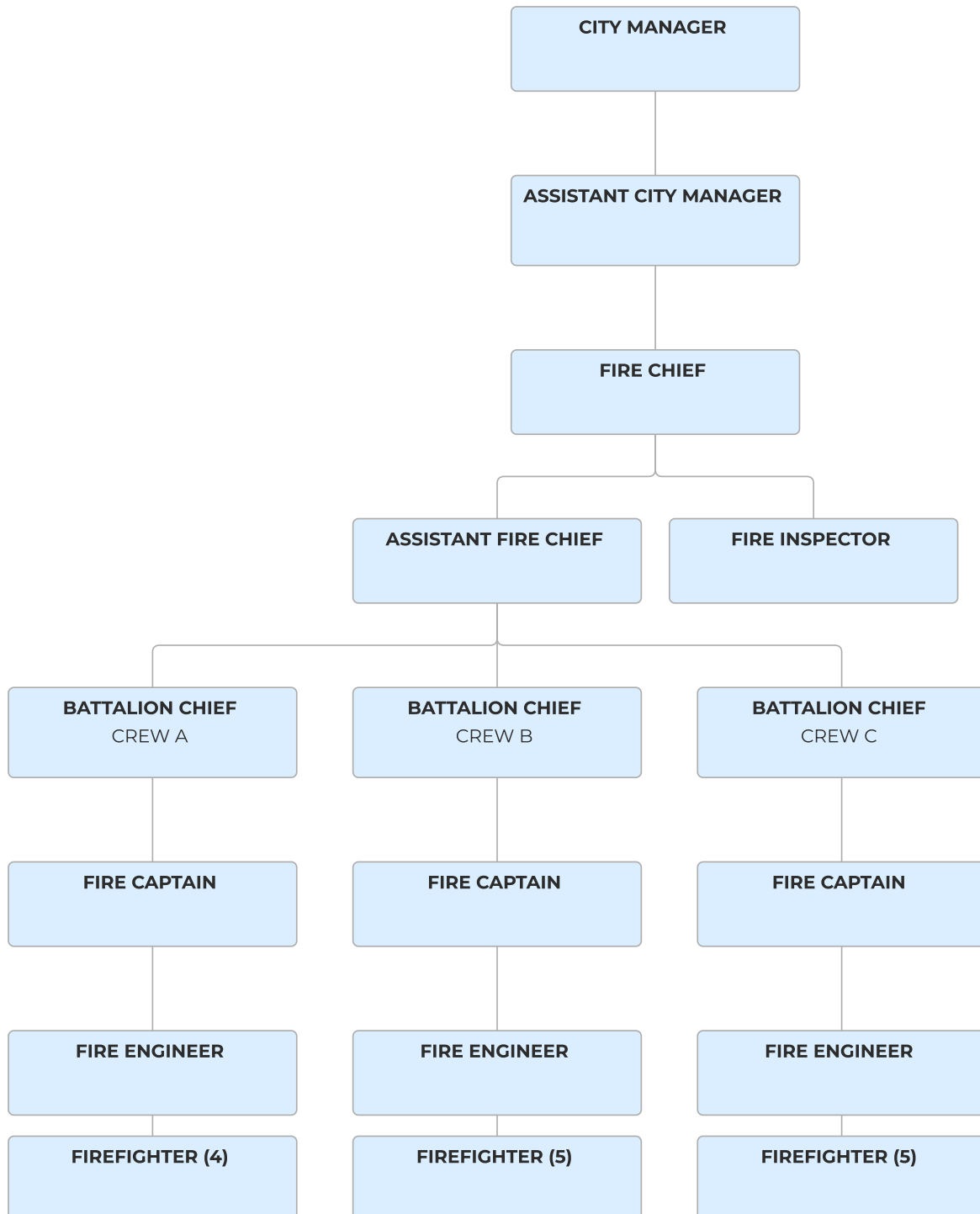
- Operational Capacity & Readiness
 - In FY 2027, the Fire Department will enhance the operational capacity of the East Side Fire Station by maintaining at least 95% apparatus readiness and completing a formal assessment of staffing, facility, and equipment needs within 12 months, resulting in a strategic plan to support future growth while ensuring efficient and sustainable resource allocation.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Percentage of East Side emergency responses completed within the established 10-minute response-time standard.	99%	99.05%	100%
Percentage of Fire Station 2 apparatus maintained in operational readiness and available for emergency response.	100%	100%	100%
Percentage of identified staffing, facility, and equipment needs assessed and incorporated into the station's operational planning.	100%	100%	100%

Organizational Chart

Fire Department East



Personnel Summary

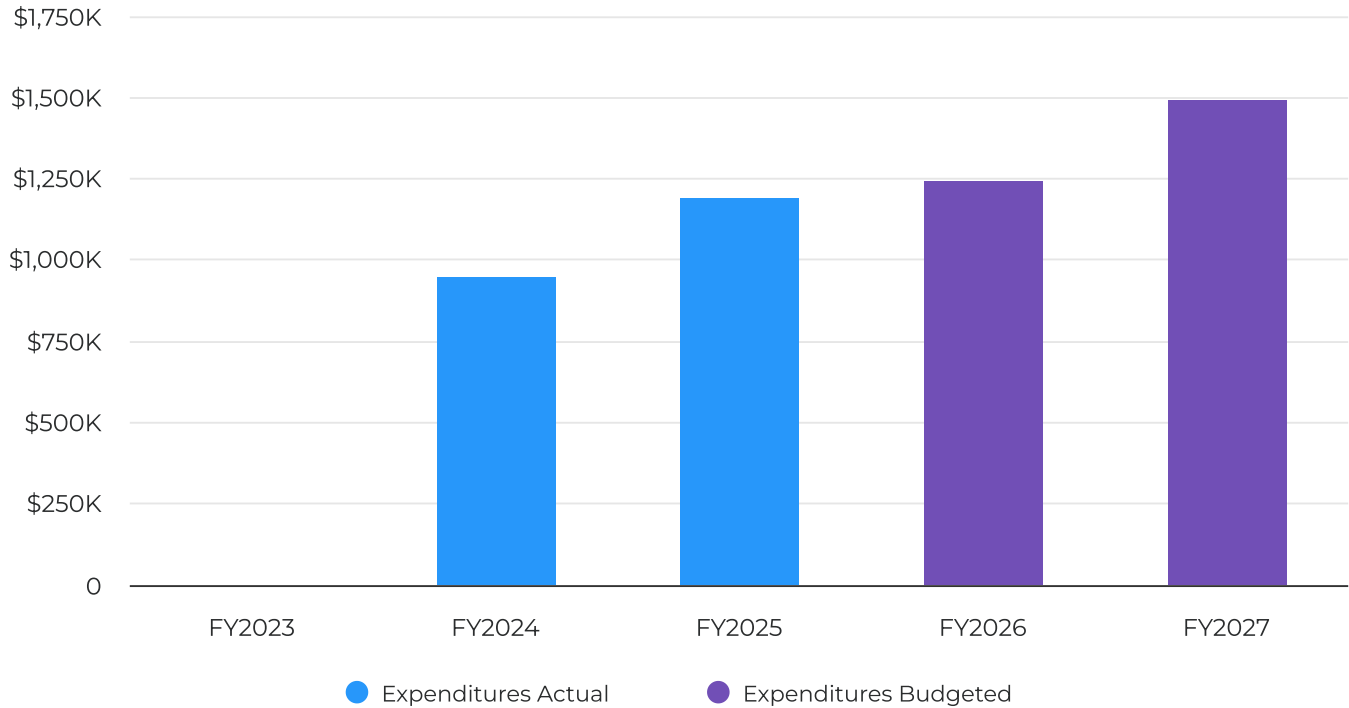
The chart below displays the Fire Department East's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within Fire Department East. The current staffing structure will remain in place to support reliable fire protection, emergency response, and public safety services. The existing staffing levels will continue to provide the necessary support to effectively serve the community and meet operational needs.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	12	12	12	12	0
% of City's FTE's				3.07%	
Authorized Personnel / Positions			Current	Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Firefighter	9	9	9	9	0
Fire Engineer	3	3	3	3	0
Total	12	12	12	12	0

Expenditure Summary

Historical Expenditures Across Department

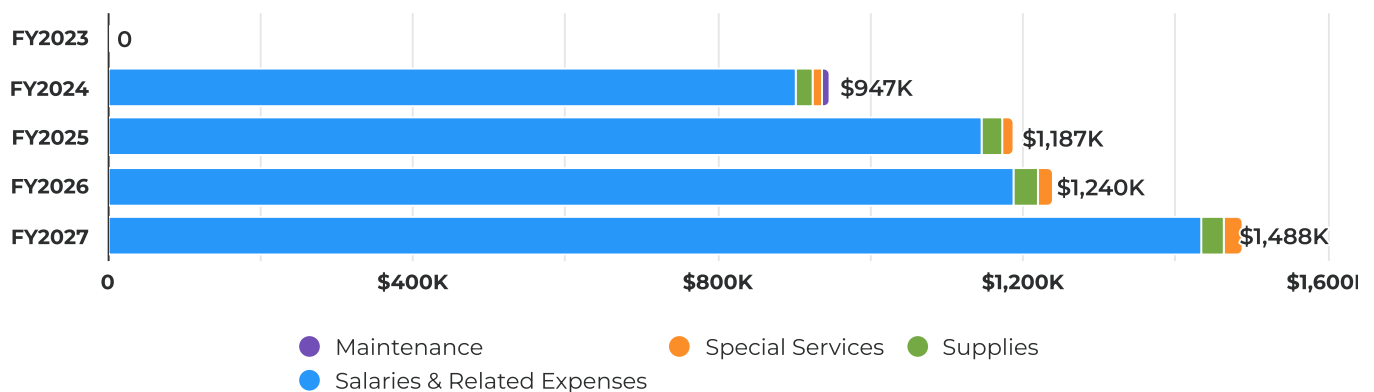


For FY2026, the Fire Department East has budgeted expenditures totaling \$1.2 million. This represents the planned spending for the year, with no actuals reported yet for comparison.

In FY2027, the budgeted expenditures increase to \$1.5 million, marking a 19.96% rise from the FY2026 budget. This significant increase highlights a notable upward trend in the department's planned spending between these two budget years.

Expenditures by Expense Type

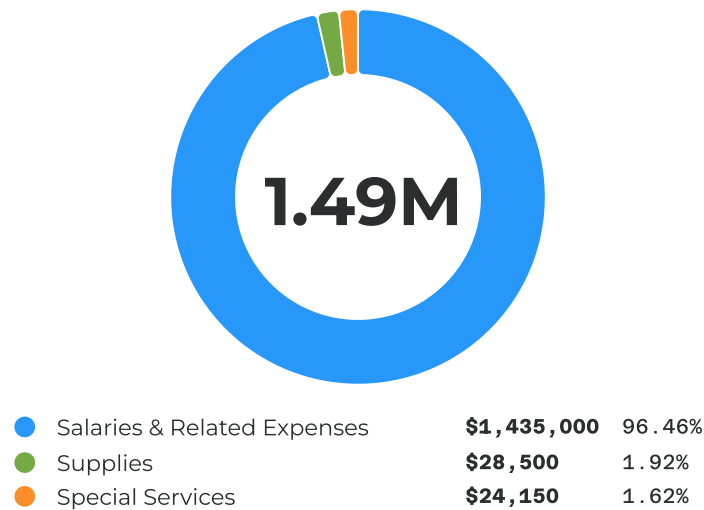
Historical Expenditures by Expense Type



In FY2027, the Fire Department East's total expenditures increased to \$1.5 million, marking a 19.96% rise from FY2026's \$1.2 million. The largest expense category remained Salaries & Related Expenses, which grew by \$247,470 or 20.84%, reaching \$1.4 million and representing 96.46% of the total budget, up from 95.76% in the previous year.

Special Services also saw an increase, rising by \$3,530 or 17.12% to \$24,150, although its share of the total budget slightly decreased to 1.62% from 1.66%. Conversely, supplies decreased by \$3,500 or 10.94% to \$28,500, reducing its portion of the budget to 1.92% from 2.58% in FY2026. Maintenance expenses remained at zero percent of the total budget in both years.

FY27 Expenditures by Object

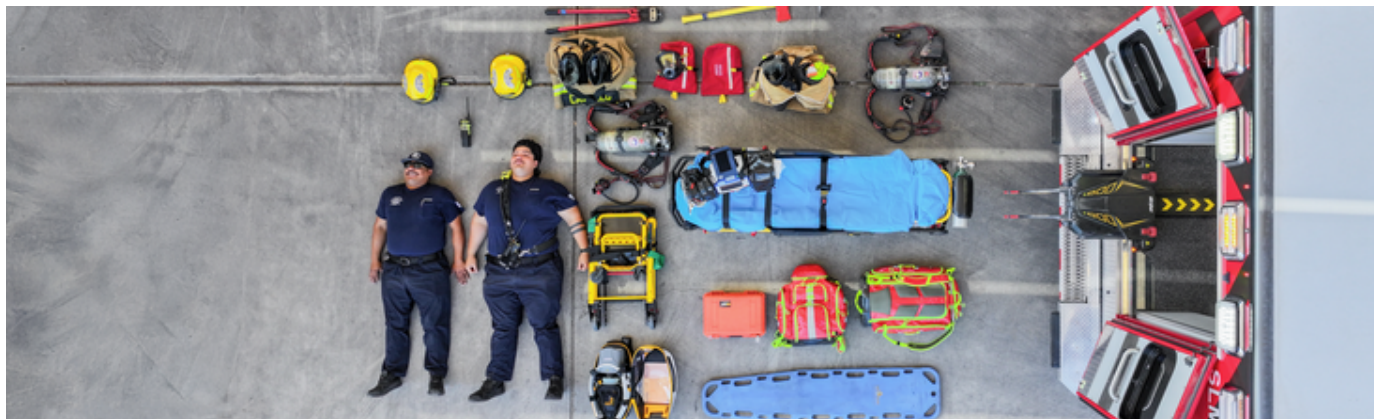


For the Fire Department East, the Fiscal Year Expenditures by Object are primarily composed of Salaries & Related Expenses, which account for \$1.4 million or 96.46% of the total expenditures. Supplies represent \$28,500 or 1.92%, while Special Services make up \$24,150 or 1.62% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$901,559.88	\$1,137,335.14	\$1,187,530.00	\$1,134,552.40	\$1,435,000.00	20.84%
Supplies	\$22,695.36	\$25,160.24	\$32,000.00	\$2,141.64	\$28,500.00	-10.94%
Maintenance	\$10,334.05	-	-	-	-	-
Special Services	\$12,500.38	\$15,110.02	\$20,620.00	\$17,361.29	\$24,150.00	17.12%
Total Expenditures	\$947,089.67	\$1,177,605.40	\$1,240,150.00	\$1,154,055.32	\$1,487,650.00	19.96%

AMBULANCE SERVICES



The Ambulance Services Division is administered by the San Luis Fire Department, whose mission is to provide safety and security for the lives in the San Luis community. The goal of the Ambulance Services Division is to provide high quality, timely, and compassionate emergency medical services to the residents it serves. The values that guide ambulance staff interaction among themselves and those they serve are honesty, integrity, respect, compassion, trust, and pride.

Accomplishments FY 2026

- Delivered timely and effective emergency medical services by maintaining strong response performance and consistently meeting target response times for priority EMS calls.
- Enhanced patient care quality by improving compliance with clinical protocols and documentation standards through ongoing training, monitoring, and quality assurance reviews.
- Increased staff certification and readiness by supporting personnel in obtaining and maintaining EMT, Paramedic, and specialized medical certifications, strengthening overall service delivery.
- Maintained high operational readiness of ambulances and medical equipment by adhering to preventive maintenance schedules and minimizing service downtime to ensure continuous availability for emergency response.
- Maintained High EMS Retention Rates: Achieved a 99% retention rate for emergency transportation services within the San Luis area, ensuring continued local access to critical medical care.
- Continued Community Safety Education: Provided ongoing CPR and First Aid classes to the community, enhancing public safety awareness and improving emergency response capabilities.
- Strengthened EMS Personnel Training: Ensured continuous growth and knowledge development for all ambulance personnel, maintaining a high level of readiness for various emergency situations.
- Improved Regional Emergency Communications: Became an active stakeholder in the Yuma Regional Communications System, enhancing communication, data sharing, and resource coordination among emergency service providers in Yuma County.

- Supported Cross-Border and Statewide Emergency Response: Continued assisting fire departments along the Mexican border and serving as a resource for the Arizona State Mutual Aid System, promoting collaboration in emergency response efforts.

Goals & Objectives FY 2027



Growth & Public Service

Goal: “Enhance emergency response capabilities and patient care quality through improved response times, communication systems, and community education.”

- Cardiac Arrest Survival Rate
- Beginning in FY 2027, the EMS Division will increase out-of-hospital cardiac arrest survival rates by 15% over a three-year period by implementing high-performance CPR training, expanding AED availability, and tracking Return of Spontaneous Circulation (ROSC) outcomes.
- EMS Patient Care Quality
 - Starting in FY 2027, the EMS Division will achieve 95% compliance with clinical protocols and documentation accuracy within 24 months by conducting monthly quality assurance and quality improvement reviews and providing ongoing staff training.
- The department aims to reduce ambulance response times from 8 minutes to 5 minutes by optimizing dispatch procedures, conducting regular route training, and improving GPS tracking. This will enhance public safety and patient outcomes, throughout the fiscal year.
- The department will train at least 100 community members in CPR and first aid through monthly training sessions and partnerships with schools and businesses. This initiative will increase community preparedness and is expected to be completed within 12 months



Economy

Goal: “Increase operational efficiency and effectiveness through improved fleet management and data security.”

- The department plans to have 90% of EMT staff complete at least one advanced life support (ALS) course by partnering with local training institutions and holding quarterly sessions. Improving skills and readiness will ensure higher quality care, with a target completion of 18 months.



Financial Sustainability

Goal: “Ensure long-term financial sustainability while enhancing employee satisfaction and regulatory compliance.”

- To reduce downtime by 30%, the department will implement a proactive maintenance schedule and acquire one additional ambulance. This ensures continuous EMS service and will be

completed within 24 months.

- Equipment Readiness & Reliability
 - The EMS Division will maintain at least 95% operational readiness of all ambulances and medical equipment by adhering to preventive maintenance schedules and minimizing service downtime.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Percentage of emergency medical responses meeting the department's established response-time standard.	100%	100%	100%
Percentage of EMS patient care records meeting established clinical protocol and documentation standards.	100%	100%	100%
Percentage of ambulances and essential medical equipment maintained in operational readiness.	100%	100%	100%

Personnel Summary

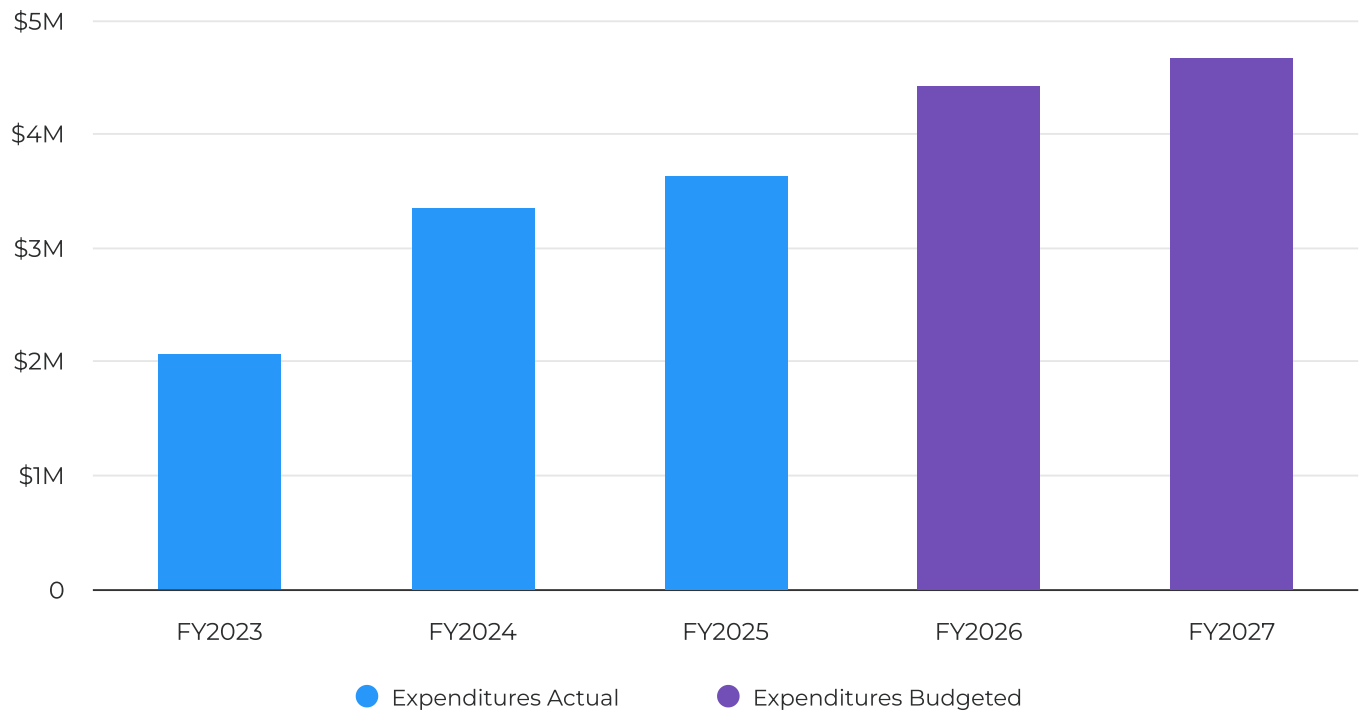
The chart below displays the Ambulance Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Ambulance Department. The current staffing structure will remain in place to maintain reliable emergency medical services and continue meeting the community's emergency medical needs effectively and efficiently.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	26.7	29.7	29.7	29.7	0
% of City's FTE's				7.59%	
Authorized Personnel / Positions					
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Operations Coordinator	0.5	0.5	0.5	0.5	0
Ambulance Coordinator	1.5	1.5	1.5	1.5	0
Assistant Fire Chief	0.2	0.2	0.2	0.2	0
Fire Chief	0.2	0.2	0.2	0.2	0
Fire Captain	1.2	1.2	1.2	1.2	0
Communication Officer	1	1	1	1	0
Battalion Chief	0.6	0.6	0.6	0.6	0
Firefighter	21.5	24.5	24.5	24.5	0
Total	26.7	29.7	29.7	29.7	0

Expenditure Summary

Historical Expenditures Across Department

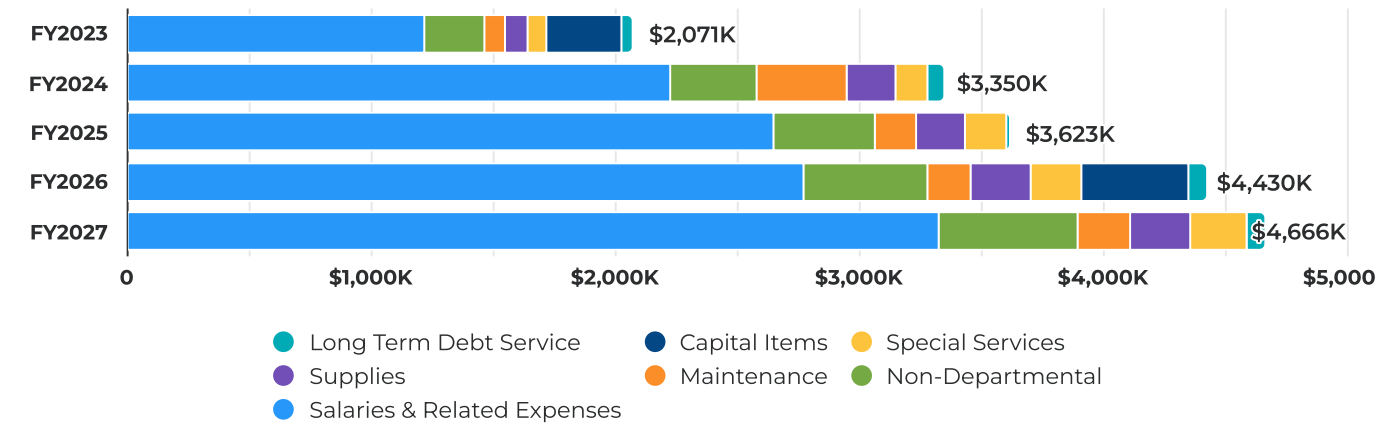


For FY2026, the Ambulance Services budgeted expenditures amount to \$4.4 million. This represents the planned spending for the year without actual expenditure data available yet.

In FY2027, the budgeted expenditures for Ambulance Services increased to \$4.7 million, reflecting a 5.31% rise from the FY2026 budget. This marks a notable increase in planned spending compared to the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type



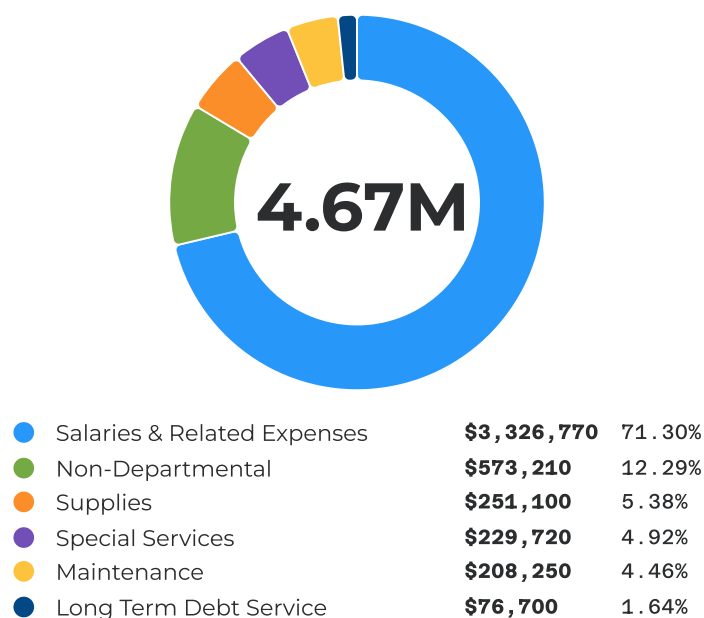
The FY2027 budget for Ambulance Services totals \$4.7 million, marking a 5.31% increase from the FY2026 total of \$4.4 million. The largest expense category remains Salaries & Related Expenses, which

increased by \$556,040 or 20.07%, reaching \$3.3 million and representing 71.3% of the total budget, up from 62.54% in the previous year.

Non-Departmental expenses also rose by \$59,540 or 11.59%, totaling \$573,210 and accounting for 12.29% of the FY2027 budget. Supplies increased modestly by \$8,500 or 3.5% to \$251,100, making up 5.38% of the total. Special Services grew by \$21,020 or 10.07%, reaching \$229,720 and 4.92% of the budget. Maintenance expenses saw a notable increase of \$31,520 or 17.84%, totaling \$208,250 and comprising 4.46% of the budget.

In contrast, Capital Items experienced a complete elimination from the budget, decreasing by \$440,060 or 100% to \$0, down from 9.93% of the total in FY2026. Long Term Debt Service slightly decreased by \$1,300 or 1.67%, totaling \$76,700 and representing 1.64% of the FY2027 budget.

FY27 Expenditures by Object



For Ambulance Services fiscal year expenditures by object, Salaries & Related Expenses account for \$3.3 million, representing 71.3% of the total. Non-Departmental expenses are \$573,210, or 12.29%. Supplies cost \$251,100, making up 5.38%. Special Services amount to \$229,720, which is 4.92%. Maintenance expenses total \$208,250, or 4.46%. Long Term Debt Service is \$76,700, comprising 1.64% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$2,352,405.07	\$2,620,029.93	\$2,770,730.00	\$2,516,799.07	\$3,326,770.00	20.07%
Supplies	\$205,121.25	\$179,388.36	\$242,600.00	\$181,093.60	\$251,100.00	3.50%
Maintenance	\$369,639.43	\$344,587.43	\$176,730.00	\$175,856.84	\$208,250.00	17.84%
Special Services	\$125,093.69	\$171,685.18	\$208,700.00	\$154,214.39	\$229,720.00	10.07%
Long Term Debt Service	\$20,864.12	\$20,386.02	\$78,000.00	\$78,000.00	\$76,700.00	-1.67%

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Non-Departmental	\$353,038.76	\$415,782.65	\$513,670.00	\$513,670.00	\$573,210.00	11.59%
Capital Items	-	-	\$440,060.00	\$53,191.70	-	-100.00%
Total Expenditures	\$3,426,162.32	\$3,751,859.57	\$4,430,490.00	\$3,672,825.60	\$4,665,750.00	5.31%

INFORMATION TECHNOLOGY



IT support staff members provide City of San Luis employees who encounter technical issues with hardware, software, or network systems. Ensuring issues are resolved promptly to minimize disruption of City of San Luis operations. In addition, the IT infrastructure staff are responsible for provisioning, configuring, and managing servers, switches, firewalls, databases, and applications hosted by the City of San Luis and act as the liaison to services offered by the Arizona State Cyber Readiness Grant program and the Yuma Regional Communications Systems Consortium. Together, IT support and infrastructure operations play a crucial role in ensuring that technology systems are reliable, secure, and optimized to meet the organization's needs.

Accomplishments FY 2026

- Upgraded the City of San Luis' network and security systems to provide more reliable, secure, and efficient city services for residents.
This modernization helps protect personal data, ensures city systems run smoothly, supports faster digital services, and keeps long-term costs manageable for the community.
 - Reduces long-term operational costs and risk, creating a scalable, maintainable infrastructure.
- Transitioned all city departments from analog fax lines to the online faxing platform to improve reliability, security, and cost efficiency. Analog fax lines are vulnerable to weather interference, security risks from printed documents, and cost approximately \$6,300 annually for 15 lines. In contrast, West Fax will cost an estimated \$2,000 per year, include 4,000 monthly pages, and provide secure access through single sign-on with multifactor authentication. The transition also supports the organization's move toward paperless operations, reduces toner usage, and allows fax access through an online portal with controlled user permissions.
 - Reduces annual costs from \$6,300 to \$2,000, lowers toner and paper use, and supports the city's move toward paperless operations.

- Completed construction of the City's radio communications shelter and tower, preparing it for next year's equipment installation. This project strengthens public safety communications on the east side of San Luis, ensures reliable emergency response, and creates a failover system for critical radio communication services.
 - Directly improves emergency response and public safety coverage for residents.
- Implemented a modern Zero Trust Network Access system to secure remote work for city employees, replacing outdated VPNs. This ensures city staff can safely and reliably provide services to San Luis residents, even while working remotely, protecting sensitive data and maintaining uninterrupted public services.
 - Keeps city services running reliably during remote operations.

Goals & Objectives FY 2027



Growth & Public Service

- Within 12 months, the City of San Luis Fire Information Technology Department will help the Fire Department replace its unsupported CAD station alerting and toning system with the Phoenix G2 alerting system, investing approximately \$400,000 to ensure firefighters receive reliable emergency notifications and maintain fast, dependable emergency response services for all San Luis residents.
 - Ensures firefighters receive fast, accurate emergency notifications, improving response times and safety for San Luis residents.
- Within 12 months, the City of San Luis will install approximately 600 feet of underground conduit and single-mode fiber to connect the Water Treatment Plant, Public Works offices, and City Hall network, enabling secure high-speed connectivity that supports modern monitoring technologies, improves operational efficiency, and helps ensure reliable water services for San Luis residents.
 - Provides secure, high-speed connectivity to support SCADA monitoring, real-time oversight, and reliable water services for residents.



Economy

- Within 12 months, the City of San Luis will migrate from its aging Avaya on-premises phone system to the RingCentral cloud communications platform, reducing annual operating costs from over \$70,000 to approximately \$45,000 while improving reliability, scalability, and communication services that support City operations and San Luis residents.
 - Reduces annual operating costs from over \$70,000 to approximately \$45,000 while providing a scalable, modern communication platform for City operations.



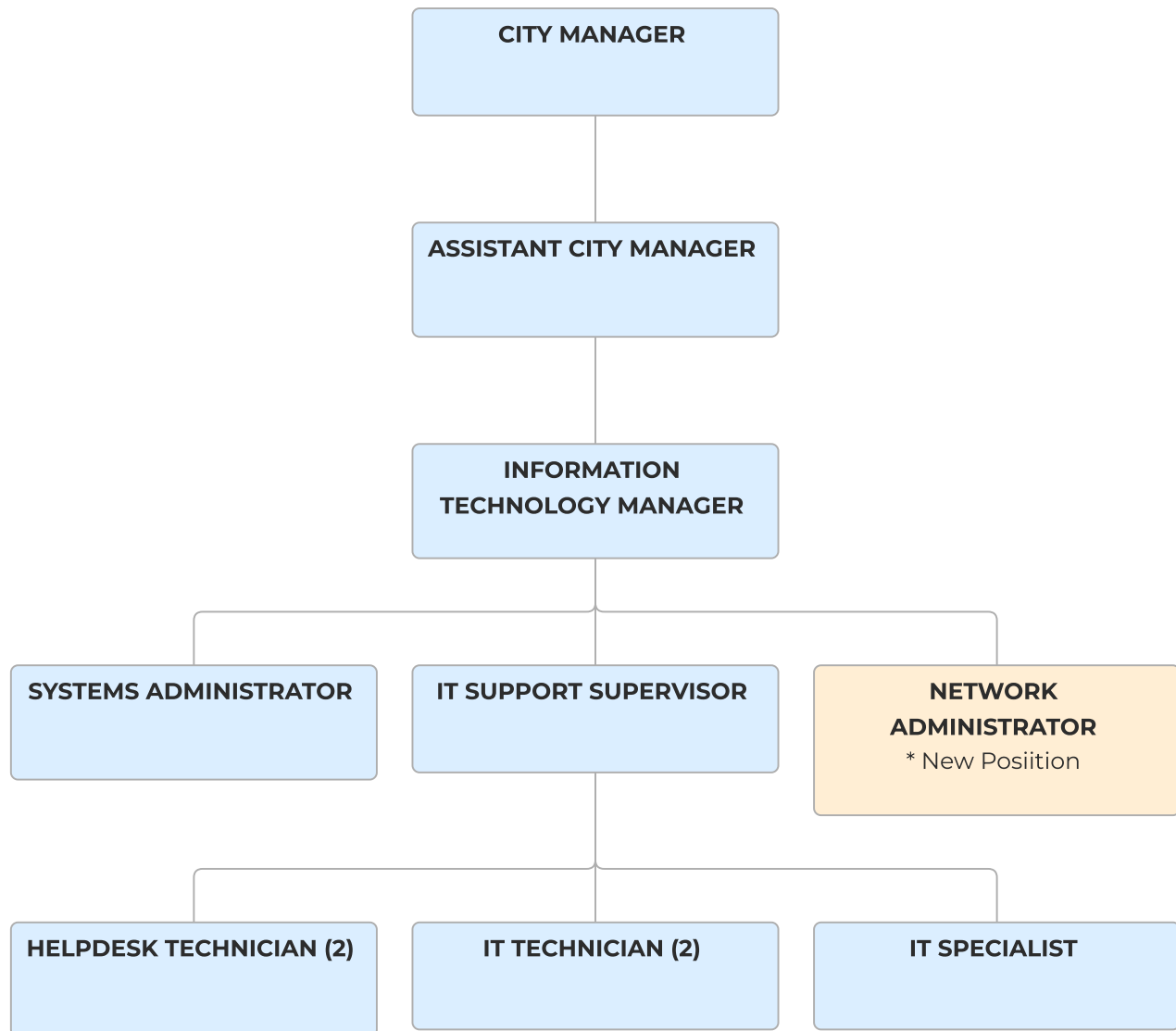
Financial Sustainability

- Within 24–36 months, the City of San Luis will modernize its aging ERP environment by migrating Business Licensing, Permits, Human Resources, Payroll, Finance, Budgeting, Asset Management, and Utility Billing systems to a secure cloud-based ERP platform, creating a unified and reliable system that improves efficiency, transparency, and service delivery for San Luis residents.
 - Consolidates fragmented systems into a unified, cloud-based ERP, improving efficiency, transparency, and long-term adaptability while reducing maintenance costs.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Total Work IT Support Tickets Created	2587	4005	4,830
Number of resolved IT Support Tickets created	2379	3017	2496
Cybersecurity Incidents	0	0	0
Total Number of Employees trained on Cybersecurity best practices with ITS Access	66%	60%	100%

Organizational Chart



Personnel Summary

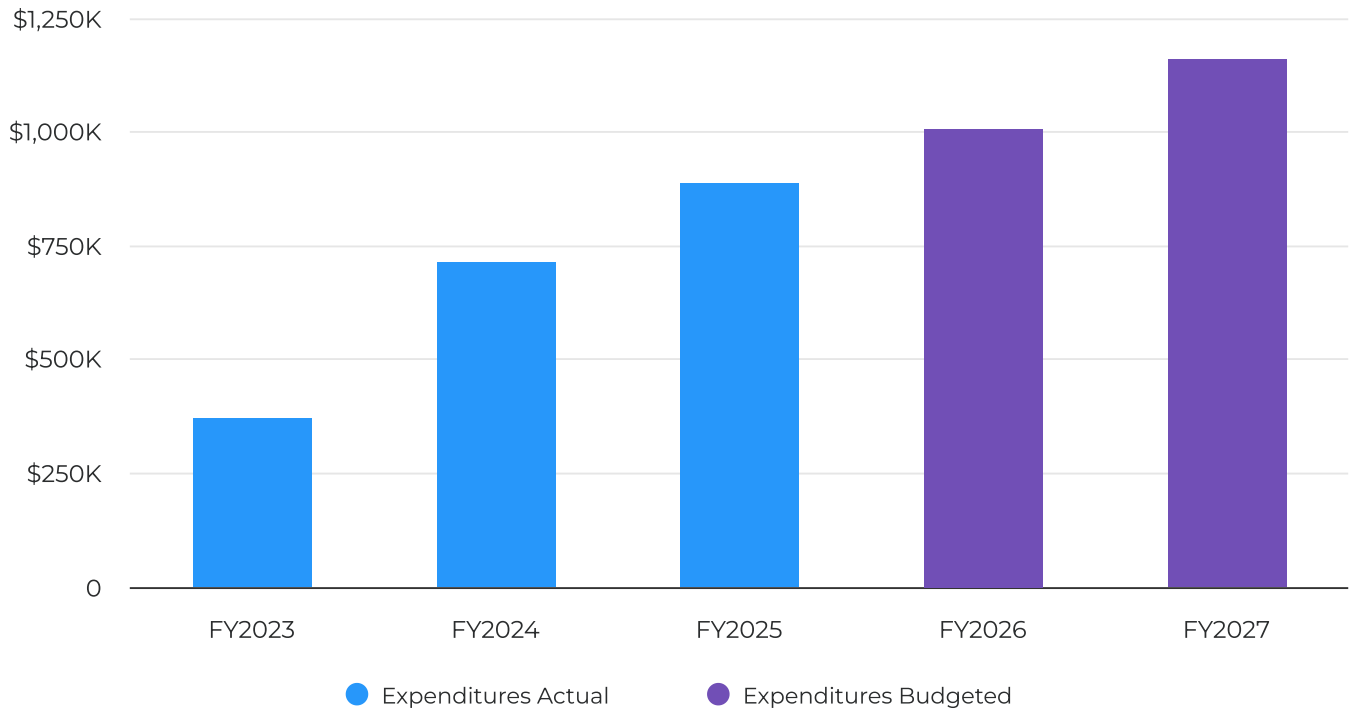
The chart below displays the IT Department's staff summary schedule for the past three fiscal years. In FY 2027, the department added one new Network Administrator position to strengthen the City's network infrastructure and support growing technology needs. The addition will enhance the department's capacity to maintain reliable network operations, address technical needs, and provide effective IT support to the organization.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	8	8	8	9	1
% of City's FTE's				2.30%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
IT Manager	1	1	1	1	0
Systems Administrator	1	1	1	1	0
IT Technician	2	2	2	2	0
IT Support Supervisor	0	1	1	1	0
Administrative Assistant	1	0	0	0	0
IT Help Desk Technician	1	2	2	2	0
IT Specialist	1	1	1	1	0
Network & IT Security Admin	1	0	0	0	0
Network Administrator	0	0	0	1	1
Total	8	8	8	9	1

Expenditure Summary

Historical Expenditures Across Department

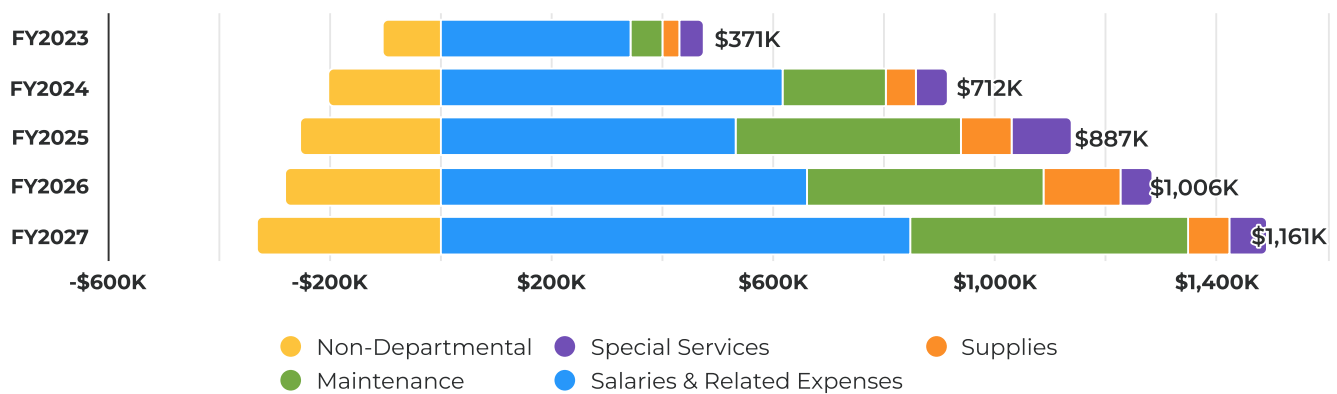


For FY2026, the Information Technology department has budgeted expenditures of \$1 million. This represents the planned spending for the year without actual expenditure data available yet.

In FY2027, the budgeted expenditures for Information Technology increase to \$1.2 million, marking a 15.43% rise from the previous year's budget. This increase highlights a significant growth in planned spending compared to FY2026.

Expenditures by Expense Type

Historical Expenditures by Expense Type

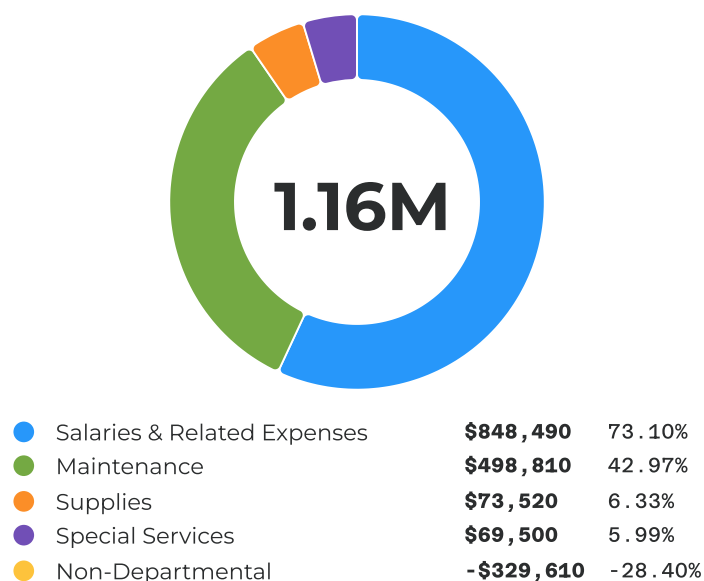


The Information Technology budget for FY2027 totals \$1.2 million, marking a 15.43% increase from the FY2026 total of \$1 million. The largest expense category remains Salaries & Related Expenses, which increased by \$187,600 or 28.39%, reaching \$848,490 and representing 73.1% of the total budget, up from 65.72% in the previous year.

Maintenance expenses also rose significantly by \$72,730 or 17.07%, totaling \$498,810 and accounting for 42.97% of the budget, a slight increase in proportion compared to 42.37% in FY2026. In contrast, Supplies saw a notable decrease of \$64,980 or 46.92%, dropping to \$73,520 and comprising 6.33% of the total, down from 13.77% the prior year.

Special Services increased by \$10,550 or 17.9%, reaching \$69,500 and making up 5.99% of the budget, reversing the previous year's decline. The Non-Departmental category decreased by \$50,730 or 18.19%, totaling -\$329,610 and representing -28.4% of the budget, a larger negative proportion compared to -27.73% in FY2026.

FY27 Expenditures by Object



The Information Technology fiscal year expenditures by object include Salaries & Related Expenses at \$848,490, representing 73.1% of the total. Maintenance costs amount to \$498,810, which is 42.97%. Supplies account for \$73,520, or 6.33%, while Special Services are \$69,500, making up 5.99%. There is also a Non-Departmental adjustment of -\$329,610, reflecting -28.4%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$618,470.58	\$533,044.31	\$660,890.00	\$629,870.37	\$848,490.00	28.39%
Supplies	\$52,668.86	\$88,899.44	\$138,500.00	\$100,708.05	\$73,520.00	-46.92%
Maintenance	\$184,605.33	\$337,468.25	\$426,080.00	\$380,786.33	\$498,810.00	17.07%
Special Services	\$58,352.57	\$138,401.96	\$58,950.00	\$62,039.19	\$69,500.00	17.90%

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Non-Departmental	-\$202,119.79	-\$247,968.69	-\$278,880.00	-\$278,880.00	-\$329,610.00	18.19%
Total Expenditures	\$711,977.55	\$849,845.27	\$1,005,540.00	\$894,523.95	\$1,160,710.00	15.43%

PUBLIC WORKS



The mission of the Public Works Department is to effectively maintain and develop public infrastructure to enhance the quality of life of our residents and businesses by using our available resources in a prudent and cost-effective manner consistent with the vision and goals of the community.

The Public Works department oversees the Solid Waste, Wastewater, Water, Fleet Services, Highway Users, Facilities as well as Public Works Administration divisions, and provides administrative support to the Engineering Department.

Accomplishments FY 2026

- Successfully processed and managed all purchasing and contract paperwork for Highway Users, Solid Waste, Fleet Services, Water, Wastewater, and Facilities divisions, ensuring compliance with procurement policies.
- Provided administrative and purchasing support to the Engineering Department during peak project workload, helping maintain project timelines.
- Implemented standardized tracking procedures for purchase orders and invoices, improving accuracy and reducing processing time by 15%.
- Filled vacant Code Compliance position.
- Filled vacant Administrative Assistant position.
- Completed various projects for all Public Works Divisions.
- Began more community outreach.

Goals & Objectives FY 2027



Growth & Public Service

Goal: Enhance cross-departmental support and operational efficiency.

- Reduce purchase order processing time by 10% by Q4 FY 2027 through improved workflows and staff training.

- Provide ongoing administrative and purchasing support to the Engineering Department, completing 90% of routine paperwork requests within 3 business days.
- *Continue community outreach.*
- *Continue supporting various projects for all Public Works Divisions.*



Economy

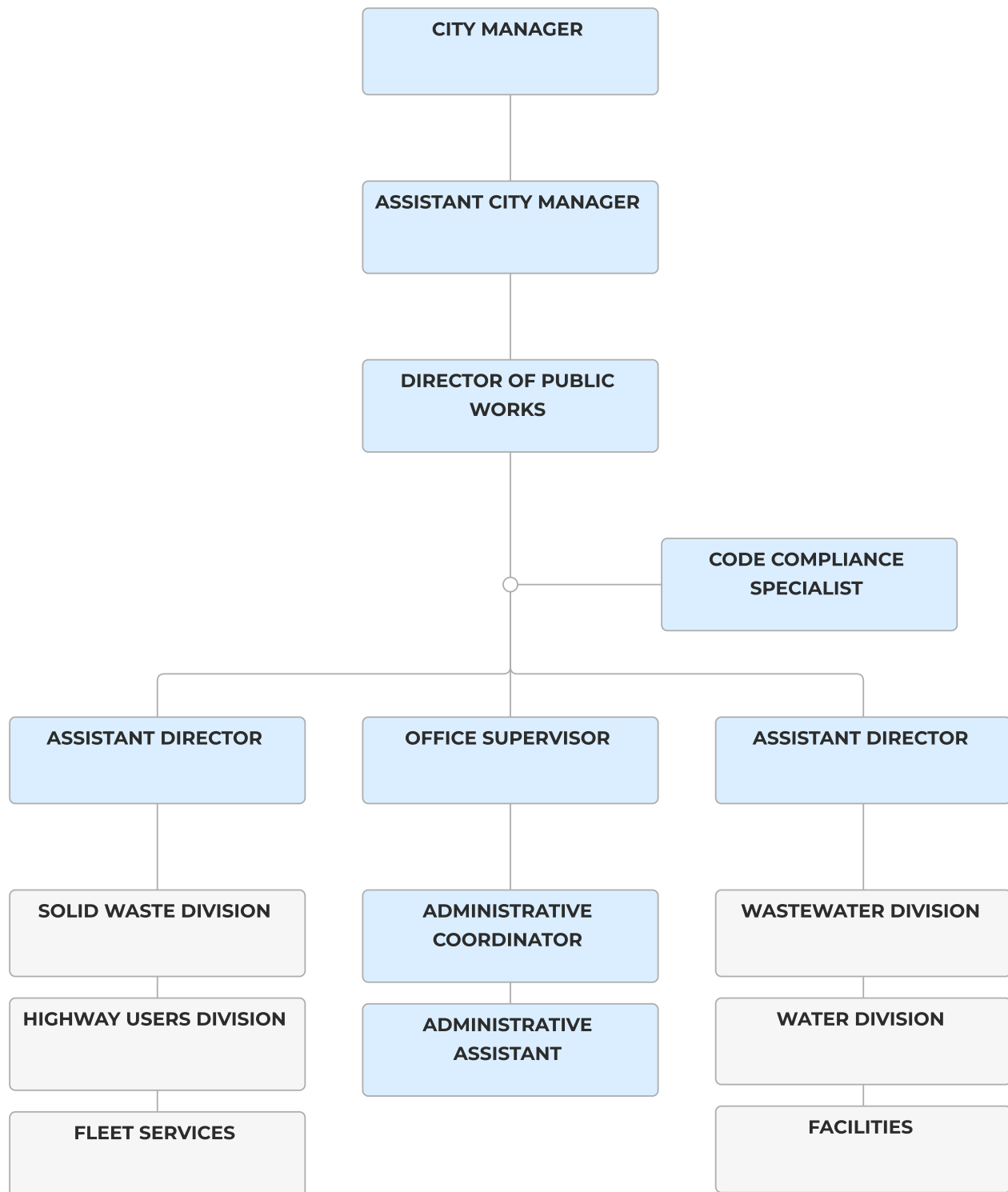
Goal: Strengthen financial accountability and efficient resource use across all Public Works divisions.

- Maintain 100% compliance with city procurement policies and audit requirements through quarterly internal reviews by Q4 FY 2027.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projecte d FY 2026	Expected FY 2027
Percentage of routine administrative and purchasing requests completed within established timelines.	100%	100%	100%
Percentage of administrative support requests from Public Works divisions and Engineering completed within established timelines.	100%	100%	100%
Percentage of Public Works procurement transactions completed in compliance with City procurement policies and audit requirements.	100%	100%	100%
Percentage of planned community outreach and Public Works support activities completed as scheduled.	100%	100%	100%

Organizational Chart



Personnel Summary

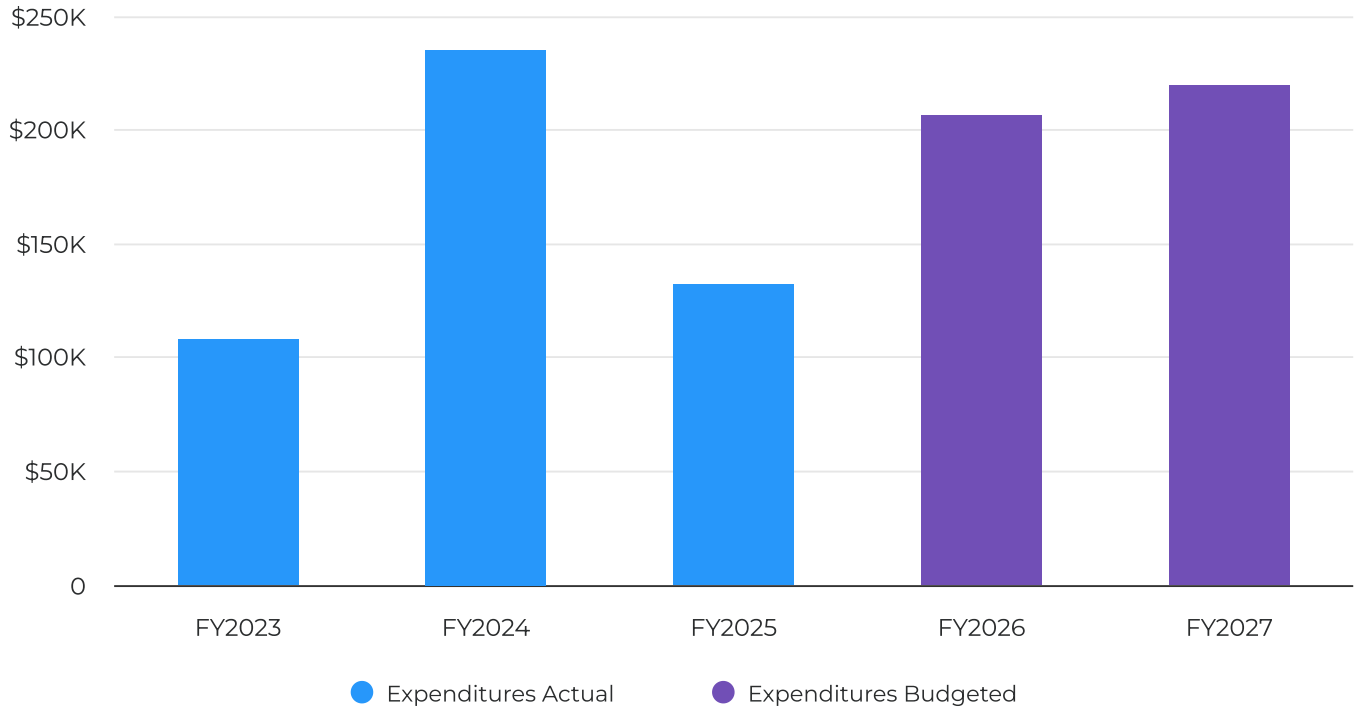
The chart below displays the Public Works Administration's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within Public Works Administration. The current staffing structure will remain in place to provide administrative support and oversight for the department's divisions, including Highway Users, Fleet Services, Water, Wastewater, Solid Waste, and Facilities. The existing staffing structure will continue to support effective and efficient operations and meet the department's ongoing administrative needs.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	6	7	7	7	0
% of City's FTE's				1.79%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Assistant Director of Public Works	2	2	2	2	0
Director of Public Works	1	1	1	1	0
Administrative Assistant	0	2	2	2	0
Office Supervisor	0	0	1	1	0
Administrative Coordinator	2	1	0	0	0
Code Compliance Specilist	1	1	1	1	0
Total	6	7	7	7	0

Expenditure Summary

Historical Expenditures Across Department

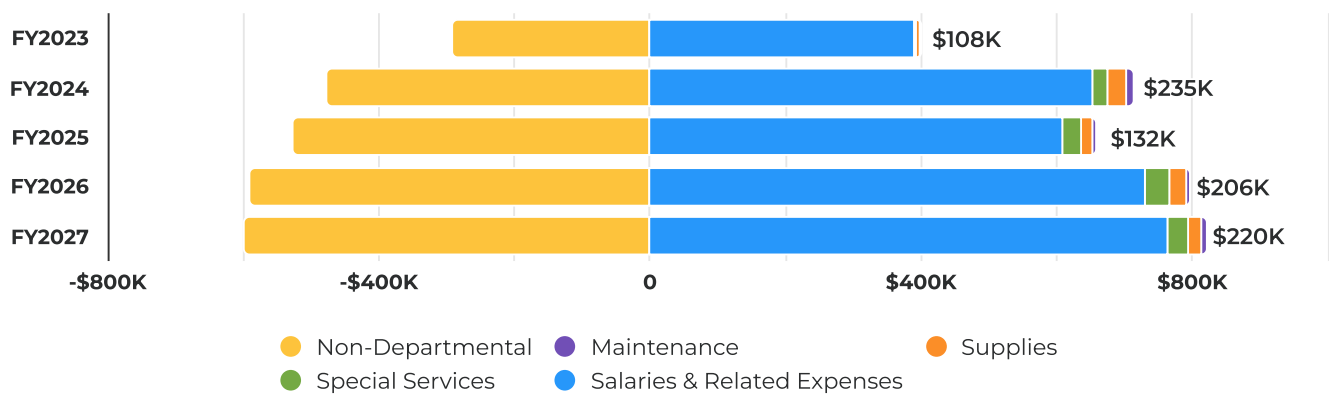


For FY2026, the Public Works Administration has budgeted expenditures of \$206,440. This amount serves as the baseline for the following year's budget comparison.

In FY2027, the budgeted expenditures increased to \$219,630, representing a 6.39% rise from FY2026. This indicates a moderate growth in the overall expenditure allocation for Public Works Administration between these two budget years.

Expenditures by Expense Type

Historical Expenditures by Expense Type

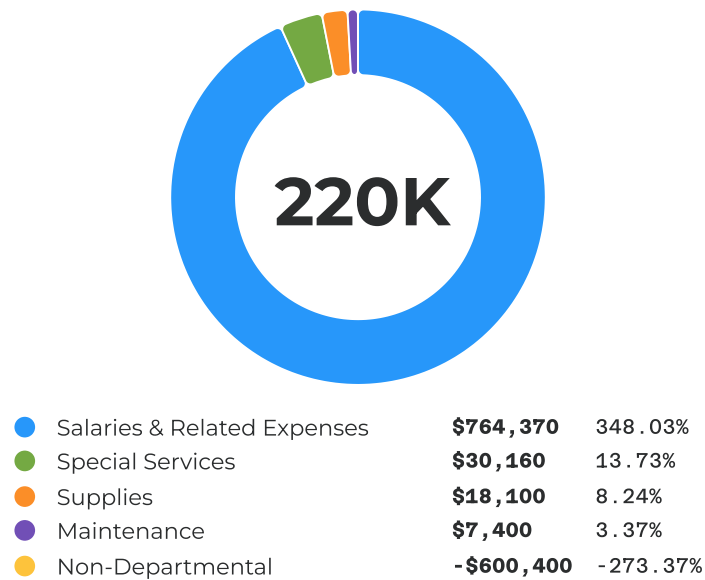


In FY2027, the total expenditures for Public Works Administration increased by 6.39% to \$219,630 compared to FY2026. The largest expense category remained Salaries & Related Expenses, which rose by 4.79% to \$764,370, representing 348.03% of the total budget.

Special Services saw a notable decrease of 19.85%, falling to \$30,160 and accounting for 13.73% of the total. Supplies also declined by 20.96% to \$18,100, making up 8.24% of the budget. Maintenance expenses slightly decreased by 1.33% to \$7,400, representing 3.37% of total expenditures.

The Non-Departmental category continued to show a negative value, increasing in magnitude by 1.58% to -\$600,400, which is -273.37% of the total budget. This category experienced the largest decrease in dollar terms among the listed expenses.

FY27 Expenditures by Object



The Fiscal Year Expenditures by Object for Public Works Administration include Salaries & Related Expenses at \$764,370, representing 348.03% of the total. Special Services account for \$30,160, which is 13.73%. Supplies are \$18,100, making up 8.24%, while maintenance expenses are \$7,400, or 3.37%. There is also a Non-Departmental category with a negative expenditure of -\$600,400, equating to -273.37%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$652,264.93	\$608,190.73	\$729,450.00	\$645,280.30	\$764,370.00	4.79%
Supplies	\$25,462.81	\$18,940.55	\$22,900.00	\$21,984.47	\$18,100.00	-20.96%
Maintenance	\$12,160.37	\$5,266.81	\$7,500.00	\$3,032.67	\$7,400.00	-1.33%
Special Services	\$23,817.75	\$26,121.26	\$37,630.00	\$13,988.19	\$30,160.00	-19.85%
Non-Departmental	-\$478,318.38	-\$493,264.12	-\$591,040.00	-\$591,040.00	-\$600,400.00	1.58%
Total Expenditures	\$235,387.48	\$165,255.23	\$206,440.00	\$93,245.62	\$219,630.00	6.39%

FACILITIES



The Facilities Division is responsible for maintaining, managing and securing the City's buildings while allowing City employees to serve the public effectively. The division ensures a safe, functional, and pleasant environment for the City employees.

The Facilities Division is responsible for maintaining and repairing all city buildings. The division consists of one lead custodian, one building maintenance lead, three building maintenance technicians, seven custodians, one facilities supervisor, one facilities project coordinator and one administrative assistant. Among the various services offered to the city's buildings are custodial services, basic plumbing, replacement of A/C filters, set-ups for events and meetings, and sweeping of parking lots.

Accomplishments FY 2026

- Completed Fire Department's full roof replacement.
- Completed flooring replacement at the Park's Administration Building.
- Completed Flooring for Fire Station 1 Dorm area.
- Replaced Garage Bay Doors for Fire Station 1.
- Completed Asphalt Rehab for Business Incubator.
- Completed Asphalt Rehab for Various City Parking Areas (Facilities, Arnold Cordova Blvd., Municipal Court, Cultural Center, Joe Orduno Park and Wacog headstart).
- Completed exterior painting for the San Luis Fire Department.
- Completed exterior painting for the San Luis Police Department.
- Completed the Youth Center's Floor Replacement.
- Purchased a 20" Auto Scrubber.
- Installed Fire Alarm System with Smoke Detectors at the Fernando Padilla Building.
- Installed Fire Alarm System with Smoke Detectors at the San Luis Municipal Court.
- Replaced Refrigeration Units for Various Buildings.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Improve and maintain City facilities to provide safe, functional, accessible, and welcoming spaces that support effective delivery of public services."

- Complete flooring replacement at the Fire Department Administration Office during FY 2027 to improve the safety and functionality of the facility.
- Install new interior signage in the City Hall lobby by June 30, 2027 to improve wayfinding and the visitor experience.
- Complete planned roof repairs at the Cultural Center and San Luis Police Department during FY 2027 to maintain safe and functional facilities.
- Complete the restroom remodeling projects at the Parks & Recreation Administration Building and Senior Center during FY 2027 to improve accessibility and user experience.
- Complete the flooring replacement project at the Senior Center during FY 2027 to improve the safety, appearance, and functionality of the facility.
- Complete the Facilities and Communications Building remodel project during FY 2027 to improve workspace functionality and support efficient City operations.



Financial Sustainability

Goal: "Proactively maintain and improve City assets to extend their useful life, reduce long-term maintenance costs, and support responsible investment of public resources."

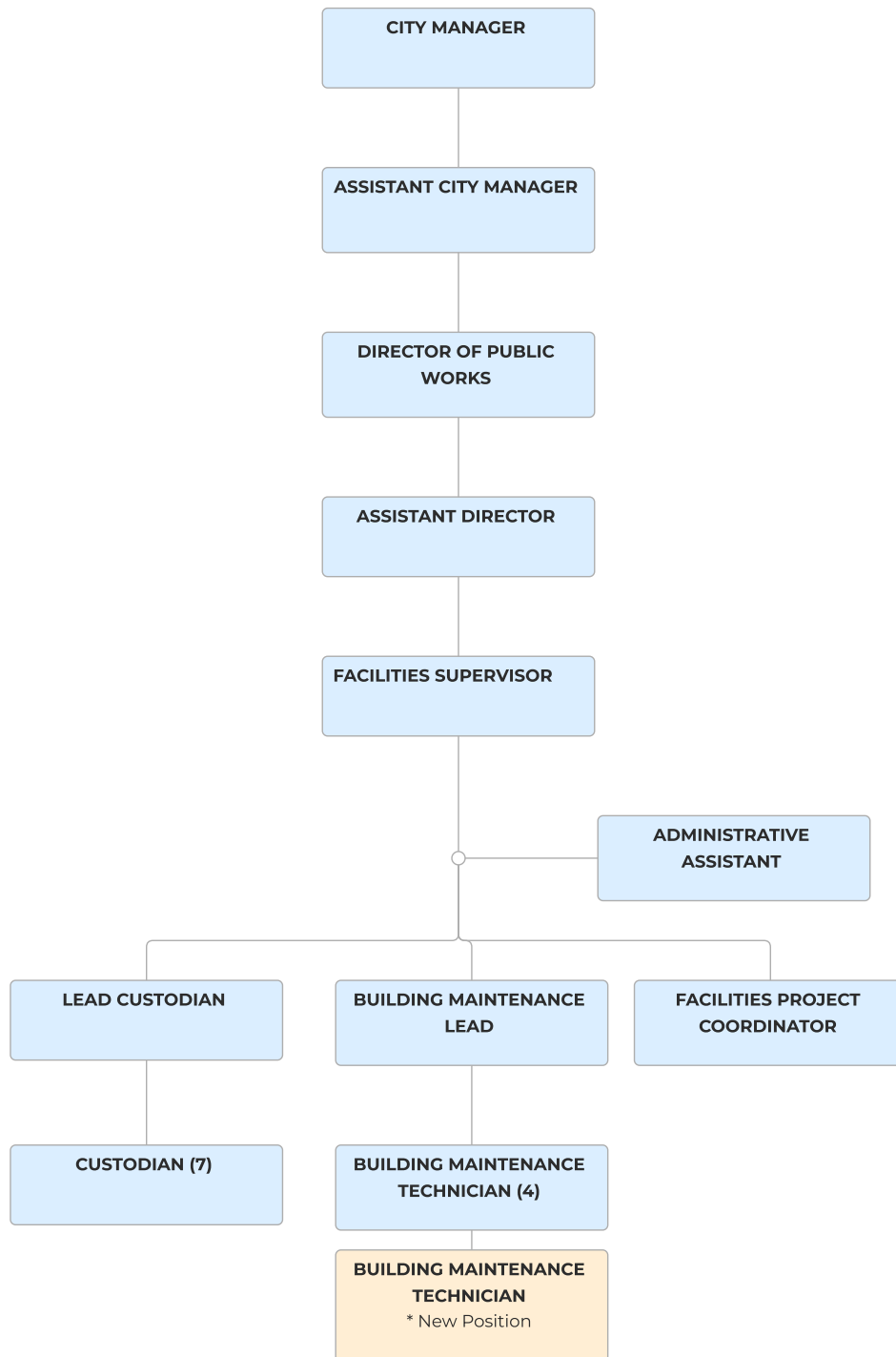
- Continue the pavement preservation project for various City parking lots during FY 2027 to extend pavement life and reduce the need for more costly future repairs.
- Complete roof restoration at the San Luis Municipal Court by June 30, 2027 to preserve the facility and protect City assets and records.
- Replace refrigeration units at identified City buildings during FY 2027 to maintain reliable building operations and improve the long-term efficiency of City facilities.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Scheduled monthly pest control services at City facilities.	100%	100%	100%
Identified light bulb and ballast replacements to maintain adequate lighting in City facilities.	100%	100%	100%
Complete daily cleaning and disinfecting of City offices and buildings.	100%	100%	100%

Organizational Chart

Facilities



Personnel Summary

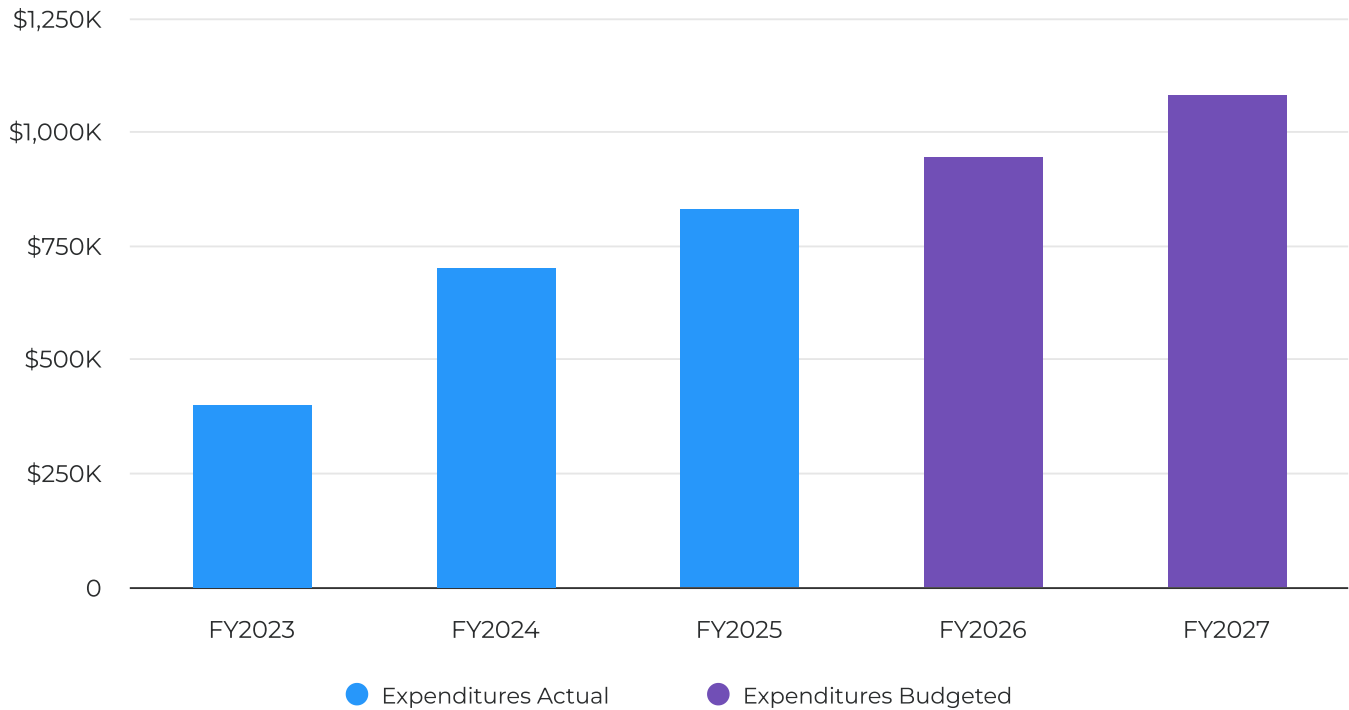
The chart below displays the Facilities Department's staff summary schedule for the past three fiscal years. In FY 2027, the department added one new Building Maintenance Technician, bringing the total number of Building Maintenance Technicians to four. This addition will strengthen the department's capacity to maintain safe, clean, and well-functioning municipal facilities and respond effectively to the ongoing maintenance needs of the City and the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	13	15	15	16	1
% of City's FTE's				4.09%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Custodian	6	7	7	7	0
Building Maintenance Technician	3	3	3	4	1
Facilities Supervisor	1	1	1	1	0
Facilities Project Coordinator	1	1	1	1	0
Administrative Assistant	1	1	1	1	0
Lead Building Maintenance Technician	0	1	0	0	0
Building Maintenance Lead	0	0	1	1	0
Lead Custodian	1	1	1	1	0
Total	13	15	15	16	1

Expenditure Summary

Historical Expenditures Across Department

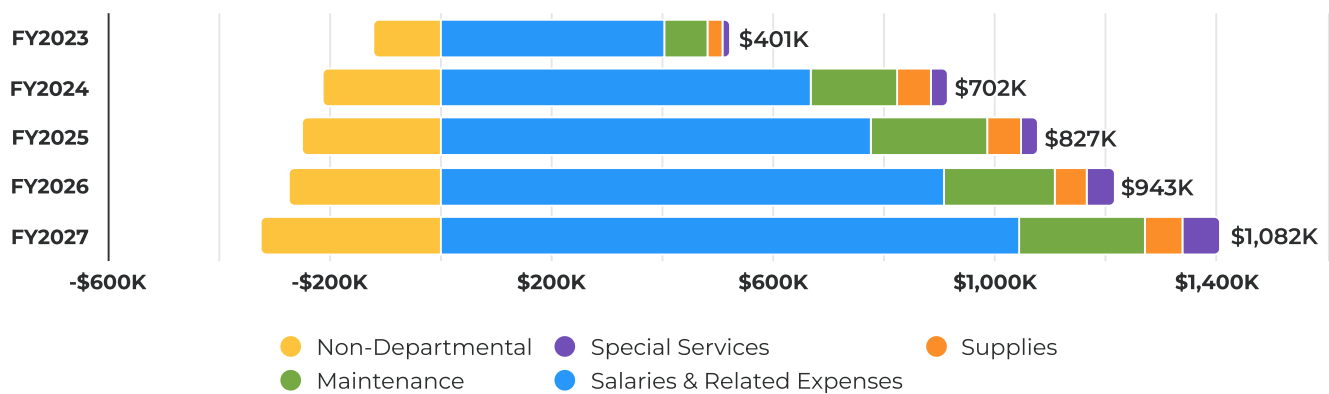


For FY2026, the Facilities department has budgeted expenditures totaling \$943,130. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures for Facilities increased to \$1.1 million, representing a 14.68% rise from the FY2026 budget. This marks a significant increase in the allocation for Facilities expenditures compared to the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type

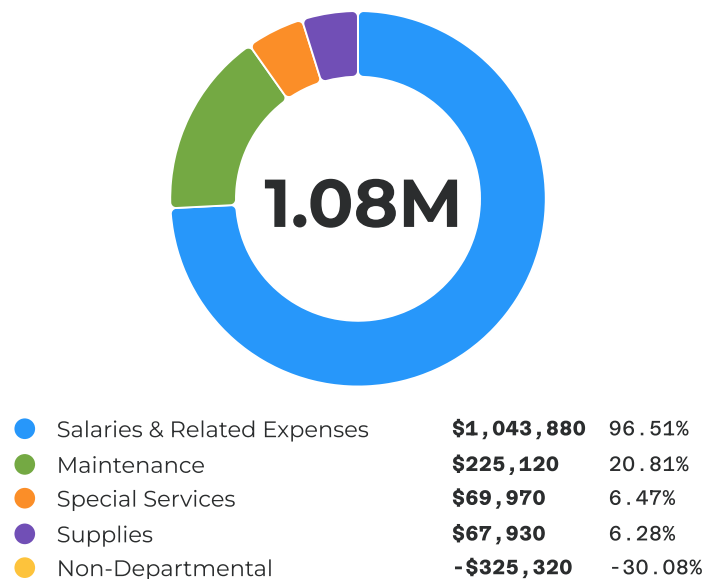


In FY2027, the total Facilities budget increased to \$1.1 million, representing a 14.68% rise from the FY2026 total of \$943,130. The largest expense category remained Salaries & Related Expenses, which grew by \$137,540 or 15.18%, reaching \$1 million and accounting for 96.51% of the total budget.

Maintenance expenses increased by \$24,740 or 12.35% to \$225,120, making up 20.81% of the total budget. Special Services also saw a significant rise of \$19,300 or 38.09%, totaling \$69,970 and representing 6.47% of the budget. Supplies increased by \$9,980 or 17.22%, reaching \$67,930 and comprising 6.28% of the total.

The Non-Departmental category decreased further by \$53,110 or 19.51%, totaling -\$325,320 and accounting for -30.08% of the budget. Overall, the FY2027 budget reflects notable increases in Salaries & Related Expenses, Maintenance, Special Services, and Supplies, while Non-Departmental expenses continued to decline.

FY27 Expenditures by Object



For the Facilities fiscal year expenditures by object, Salaries & Related Expenses account for \$1 million, representing 96.51% of the total. Maintenance expenses total \$225,120, which is 20.81%. Special Services amount to \$69,970, or 6.47%, while Supplies are \$67,930, making up 6.28%. Non-Departmental expenses are negative, at -\$325,320, corresponding to -30.08%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$669,575.08	\$773,314.35	\$906,340.00	\$884,843.82	\$1,043,880.00	15.18%
Supplies	\$59,328.06	\$61,280.31	\$57,950.00	\$56,615.57	\$67,930.00	17.22%
Maintenance	\$154,747.93	\$212,837.03	\$200,380.00	\$203,109.16	\$225,120.00	12.35%
Special Services	\$29,788.46	\$31,399.81	\$50,670.00	\$54,361.88	\$69,970.00	38.09%
Non-Departmental	-\$211,111.06	-\$249,506.09	-\$272,210.00	-\$272,210.00	-\$325,320.00	19.51%
Total Expenditures	\$702,328.47	\$829,325.41	\$943,130.00	\$926,720.43	\$1,081,580.00	14.68%

FLEET SERVICES



The Fleet Services Division is responsible for maintaining and repairing City vehicles and equipment, including inspections, general maintenance, heavy equipment fabrication, and repairs. The division also assists with preparing surplus City vehicles for auction.

The division's goal is to provide responsive vehicle maintenance support services to all City departments, encompassing all facets of vehicle diagnostics and repairs and a preventative maintenance program to assure dependability, availability, and safety of the fleet; effectively schedule and coordinate "off-site" repair of vehicles that require specialized dealer/manufacture services; provide, or coordinate, responsive roadside assistance to City vehicles that have broken down during operation.

Accomplishments FY 2026

- Implemented new RTA service request process.
- Staff attended NAFA training.
- Service truck improvements completed.
 - Fabrication and equipment to better respond to service calls.
- Improved customer service.
- Bend-Pac Two-Post Shop Lifts Replacements.

Goals & Objectives FY 2027



Goal: Maintain Reliable Fleet Services to Support City Operations

Maintain safe, reliable, and efficient fleet operations that support the City's ability to deliver essential services to the community.

- Complete a climate-control assessment of the Fleet Services shop and implement priority improvements during FY 2027 to provide a safe and functional work environment for fleet operations.

Expand vehicle maintenance capabilities during FY 2027 by acquiring and implementing an A/C service machine compatible with new refrigerants to support the City's evolving fleet.



Financial Sustainability

Goal: Improve Fleet Efficiency and Asset Management

Strengthen fleet management and maintenance capabilities to extend vehicle life, improve operational efficiency, and maximize the City's investment in fleet assets.

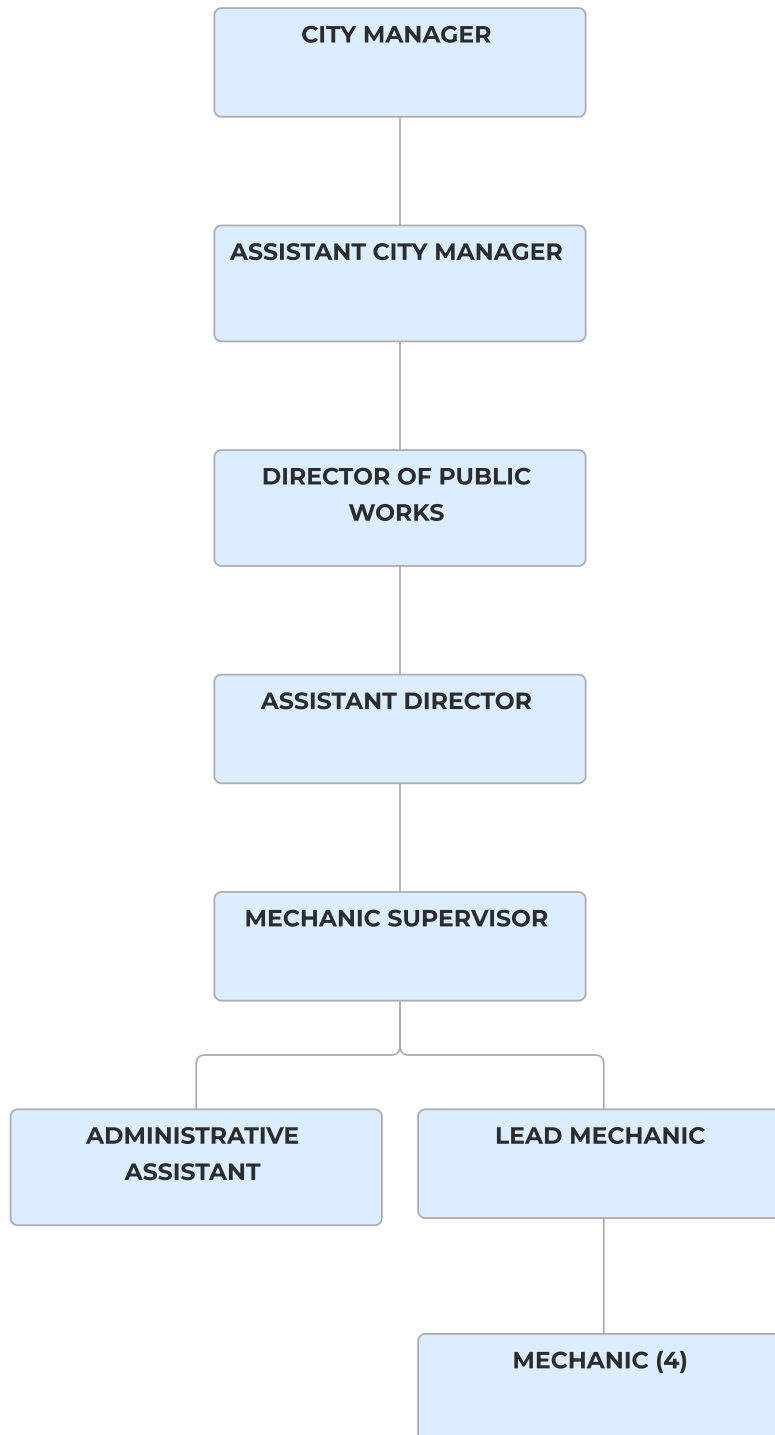
- Implement additional services available through the RTA system by June 30, 2027, to improve fleet tracking, maintenance management, and utilization of available fleet-management resources.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Maintain City vehicles through timely and preventative servicing.	100%	100%	100%
Minimize vehicle downtime by promptly addressing vehicles awaiting parts.	100%	100%	100%
Respond to and complete Fleet Services service calls in a timely manner.	100%	100%	100%

Organizational Chart

Fleet Services



Personnel Summary

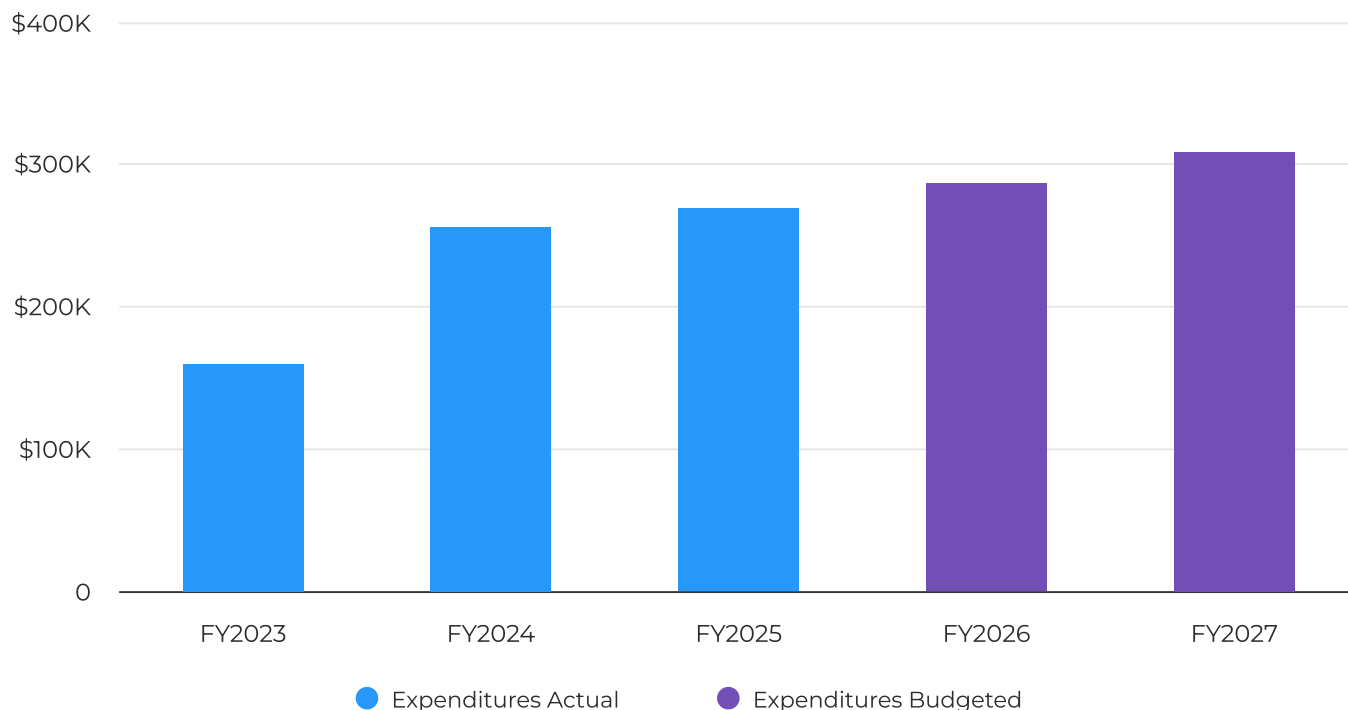
The chart below displays the Fleet Services Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within Fleet Services. The current staffing structure will remain in place to support the department's operational needs and provide effective vehicle and equipment maintenance services. The existing staffing levels will continue to support reliable fleet operations and meet the City's ongoing maintenance needs.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	7	7	7	7	0
% of City's FTE's				1.79%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Mechanic	4	4	4	4	0
Lead Mechanic	1	1	1	1	0
Mechanic Supervisor	1	1	1	1	0
Office Assistant	1	0	0	0	0
Administrative Assistant	0	1	1	1	0
Total	7	7	7	7	0

Expenditure Summary

Historical Expenditures Across Department

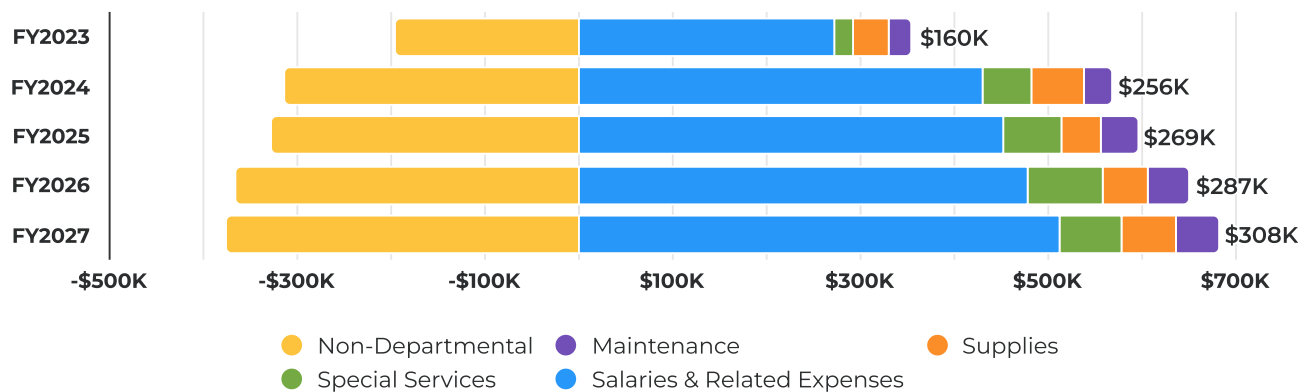


For FY2026, the Fleet Services expenditure budget is set at \$286,820. This amount serves as the baseline for comparison with the following year.

In FY2027, the expenditure budget increases to \$308,350, representing a 7.51% rise from FY2026. This increase highlights a notable upward trend in the Fleet Services budget between these two years.

Expenditures by Expense Type

Historical Expenditures by Expense Type



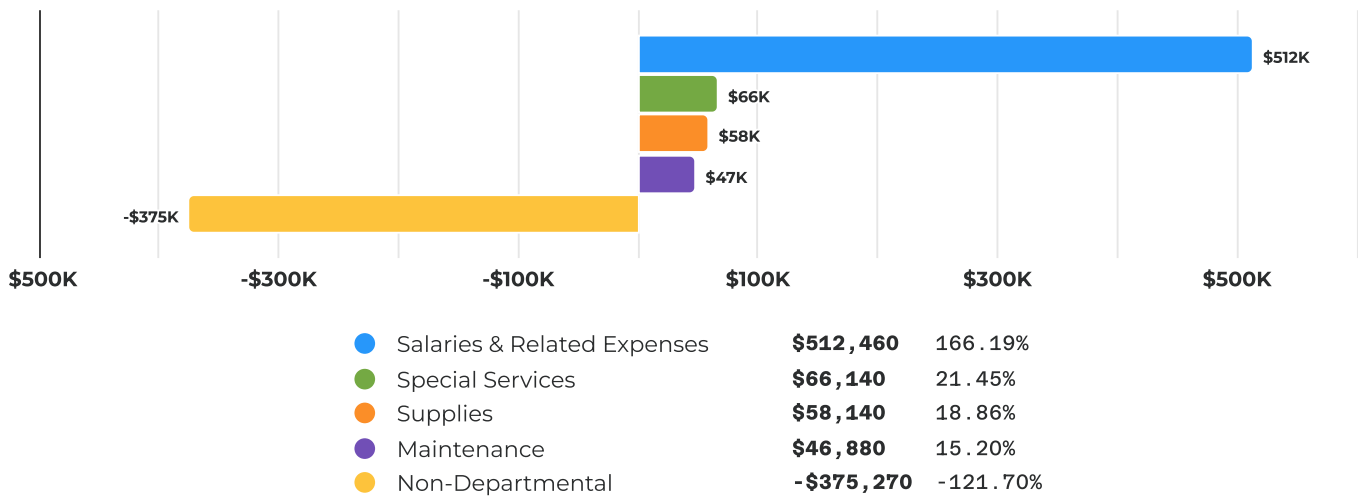
The total expenditures for Fleet Services in FY2027 increased by 7.51% to \$308,350 compared to FY2026. Salaries & Related Expenses remained the largest category, rising by 6.78% to \$512,460, which

represents 166.19% of the total budget, slightly lower in proportion than the previous year.

Supplies saw a significant increase of 20.65%, reaching \$58,140 and accounting for 18.86% of total expenditures, up from 16.8% in FY2026. Maintenance expenses also grew by 6.23% to \$46,880, maintaining a similar share of 15.2% of the total budget.

Special Services experienced a notable decrease of 16.99%, dropping to \$66,140 and representing 21.45% of the total, down from 27.78% in the prior year. Non-Departmental expenses became more negative by \$10,160, totaling — \$375,270 and comprising -121.7% of the total budget, a slight increase in magnitude compared to FY2026.

FY27 Expenditures by Object



For Fleet Services' Fiscal Year Expenditures by Object, Salaries & Related Expenses amount to \$512,460, representing 166.19% of the total. Special Services account for \$66,140, or 21.45%. Supplies total \$58,140, which is 18.86%, and maintenance expenses are \$46,880, making up 15.2%. Non-Departmental expenditures are negative, at -\$375,270, corresponding to -121.7%.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$430,735.56	\$453,112.07	\$479,930.00	\$454,088.35	\$512,460.00	6.78%
Supplies	\$55,563.12	\$44,078.79	\$48,190.00	\$55,164.37	\$58,140.00	20.65%
Maintenance	\$30,064.22	\$38,480.38	\$44,130.00	\$41,533.67	\$46,880.00	6.23%
Special Services	\$52,372.29	\$62,983.24	\$79,680.00	\$62,262.81	\$66,140.00	-16.99%
Non-Departmental	-\$312,092.15	-\$319,995.52	-\$365,110.00	-\$365,110.00	-\$375,270.00	2.78%
Total Expenditures	\$256,643.04	\$278,658.96	\$286,820.00	\$247,939.20	\$308,350.00	7.51%

HIGHWAY USERS DIVISION



The Highway Users Division facilitates the general public's pedestrian and vehicular movement in a safe and orderly manner by providing general maintenance and repair of all City streets, signs, and traffic control signals and devices. The Highway Users Division is also responsible for after-hours support to emergency responders, as well as for installation of new roadway signs and markings, replacement of damaged signs and markings, requests for removal of graffiti, general right-of-way maintenance, and storm water collection infrastructure maintenance.

Accomplishments FY 2026

- Completed Reoccurring Pavement Preservation Program.
- Began Main St. & 'B' St. intersection improvements.
- Began design for 6th Ave. extension from Union St. & Co. 22nd St.
- Completed traffic signal installations and roadway improvements at Co. 22nd and Sidewinder Road.
- Began design for Union Street and 4th Ave intersection improvements.
- Began 10th Ave. & Los Alamos curve project match – HSIP Project.
- Completed improvements on Urtuzuastegui St. – GSA Project
- Began Lakin Subsidence issue – Road Improvement Construction.
- Completed design for Ave. F Widening – between Cesar Chavez Blvd. & San Luis Ln.
- Began Ave. B Shoulder Improvements Match – HSIP Project.
- Continued Cesar Chavez Blvd. Widening Project.
- Completed Co. 22nd St. & 4th Ave. Intersection Improvements.
- Completed 10th Ave. Widening, Full Buildout Design.
- Completed installation of sidewalks at the East Community Park.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Enhance the City's transportation network through roadway improvements, safer pedestrian access, improved traffic operations, and infrastructure investments that support continued

community growth."

- Complete the relocation of the pedestrian Hawk Crossing to the Cesar Chavez Boulevard and 9th Avenue intersection during FY 2027 to improve pedestrian safety and accessibility.
- Advance construction of the Cesar Chavez Boulevard widening project during FY 2027 to increase roadway capacity and improve transportation connectivity.
- Continue construction of road improvements associated with the Lakin Subsidence project during FY 2027 to improve roadway safety and reliability.
- Continue construction of the 10th Avenue widening project during FY 2027 to improve traffic flow and accommodate future growth.
- Complete drainage improvements and beautification along Urtuzuastegui Street from 6th Avenue to 10th Avenue during FY 2027 to improve stormwater management and the appearance of the corridor.
- Continue construction of the 10th Avenue and Los Alamos Curve Project (Match-T0442) during FY 2027 to improve roadway safety and connectivity.
- Advance the design of the 6th Avenue extension north from Union Street to County 22nd Street during FY 2027 to improve north-south connectivity and support future development.
- Continue the design and construction phases of the Union Street and 4th Avenue intersection and traffic signal improvements during FY 2027 to improve traffic operations and intersection safety.
- Advance ROW beautification and streetlight projects during FY 2027 to improve roadway visibility, pedestrian safety, and the appearance of major corridors.
- Continue construction of the Avenue F Street widening project during FY 2027 to improve roadway capacity and connectivity.
- Complete construction of Avenue B shoulder improvements during FY 2027 to improve roadway safety and accessibility.



Economy

Goal: Strengthen Transportation Infrastructure to Support Economic Growth

Improve roadway connectivity and transportation capacity to support business development, regional access, and continued economic growth.

- Advance priority roadway widening and connectivity projects during FY 2027 to improve access to commercial and industrial areas and support future development.
- Continue transportation infrastructure projects that improve regional and local connectivity to support the movement of residents, businesses, and goods throughout FY 2027.



Financial Sustainability

Goal: "Maintain transportation assets through proactive preservation and strategic infrastructure investments that extend useful life and reduce long-term repair costs."

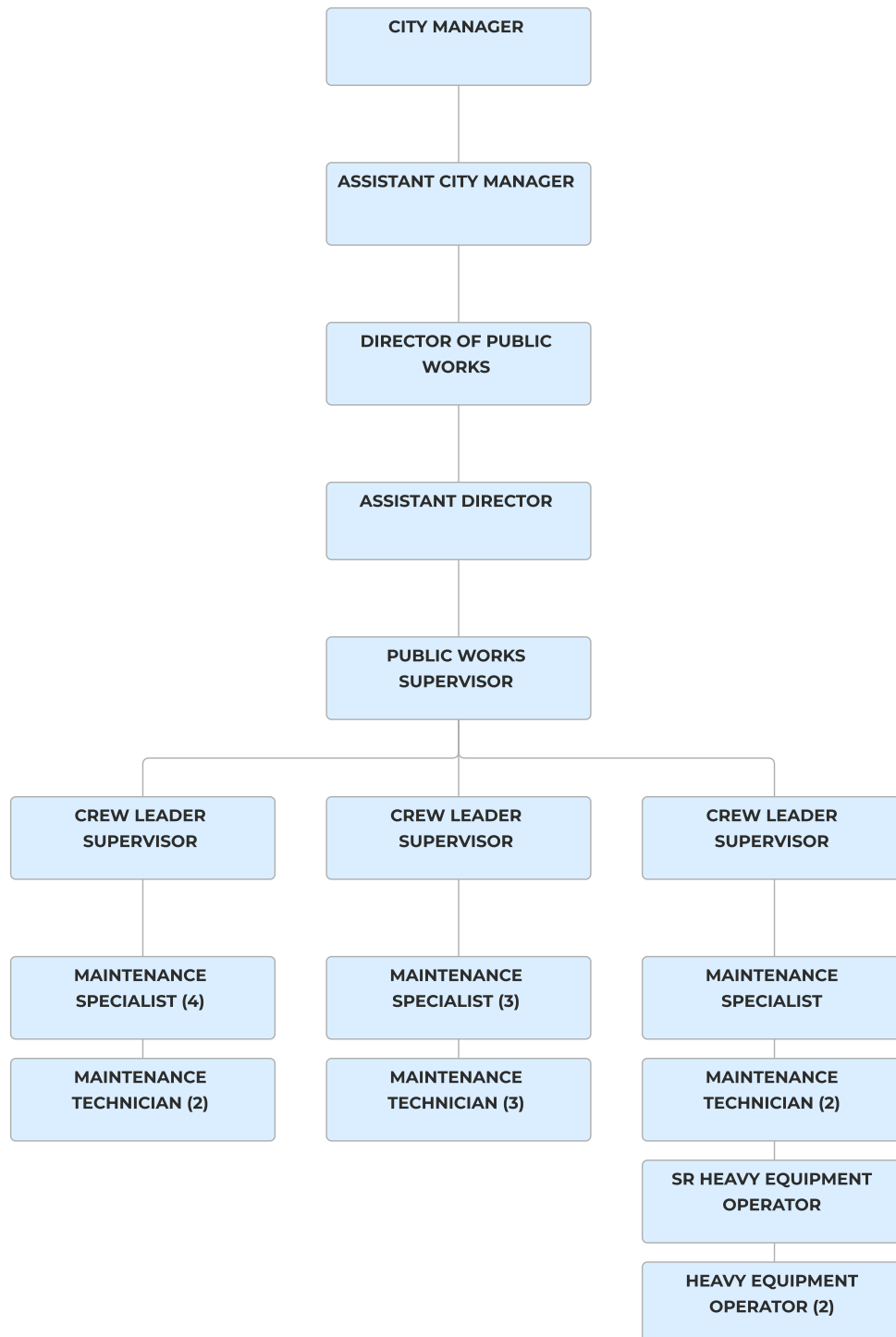
- Continue the City's recurring pavement preservation program throughout FY 2027 to maintain roadway conditions, extend pavement life, and reduce the need for costly reconstruction.
- Prioritize transportation infrastructure investments based on roadway condition, safety needs, available funding, and long-term maintenance requirements throughout FY 2027.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Sand removal Remove excessive sand/debris from areas throughout the City	100% of identified areas	100% of identified areas	100% of identified areas
Pothole repairs Repair potholes identified or reported throughout the City	100% of reported/identified potholes	100% of reported/identified potholes	100% of reported/identified potholes
Tree trimming Trim trees obstructing or affecting City rights-of-way (ROW)	100% of identified locations	100% of identified locations	100% of identified locations
Litter removal Conduct litter removal along City rights-of-way	100% of scheduled/identified areas	100% of scheduled/identified areas	100% of scheduled/identified areas
Street & sidewalk repair/replacement Complete street and sidewalk repairs/replacements at identified locations citywide	100% of approved work orders	100% of approved work orders	100% of approved work orders

Organizational Chart

Highway Users Division



Personnel Summary

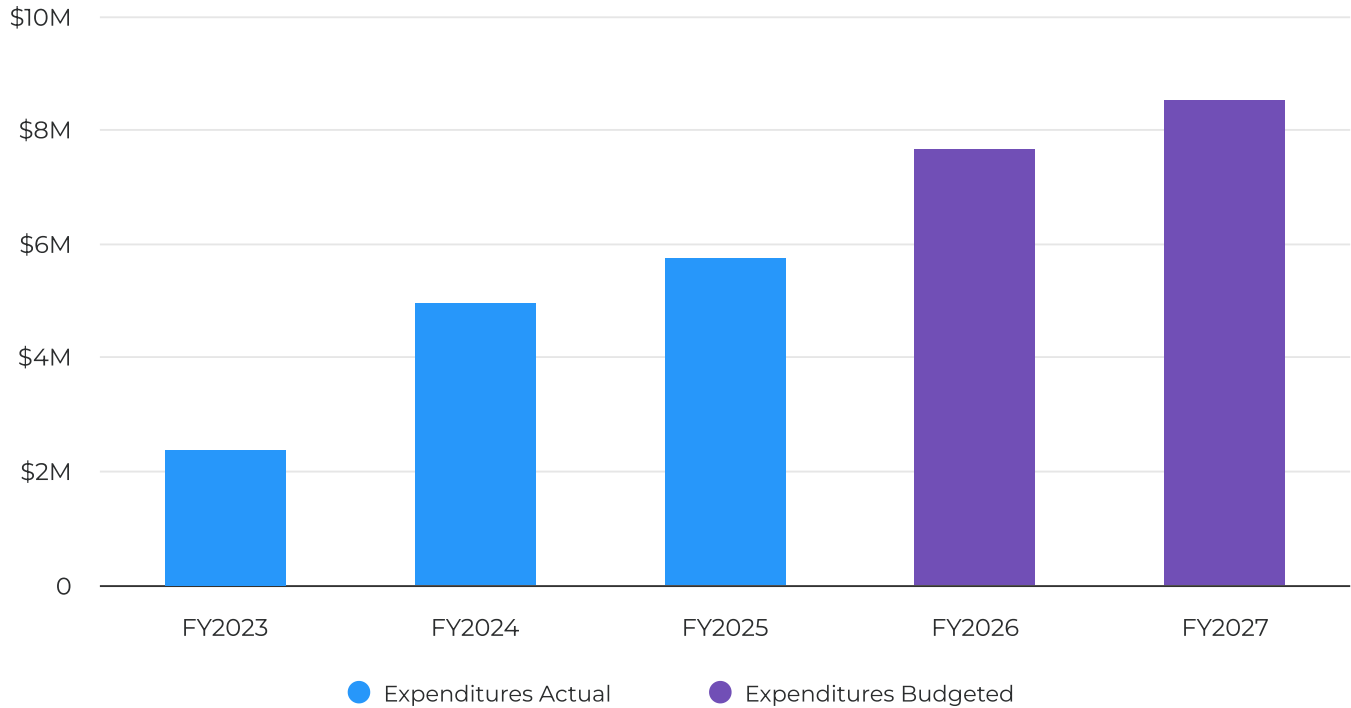
The chart below displays the Highway Users Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Highway Users Department. The current staffing structure will remain in place to support the department's operations and effectively manage highway and road maintenance projects. The existing staffing levels will continue to meet the department's ongoing operational needs and support reliable services to the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	22.8	23	23	23	0
% of City's FTE's				5.75%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Equipment Operator	2	2	2	2	0
Maintenance Specialist	7	7	7	7	0
Maintenance Technician	7	7	7	7	0
Maintenance Supervisor	1	1	1	1	0
Public Works Manager	1	1	1	1	0
Crew Leader Supervisor	3	3	3	3	0
Heavy Equipment Operator	1.5	0.5	0.5	0.5	0
Senior Heavy Equipment Operator	0	1	1	1	0
Public Works Project Manager	.03	0	0	0	0
Total	22.8	23	23	23	0

Expenditure Summary

Historical Expenditures Across Department

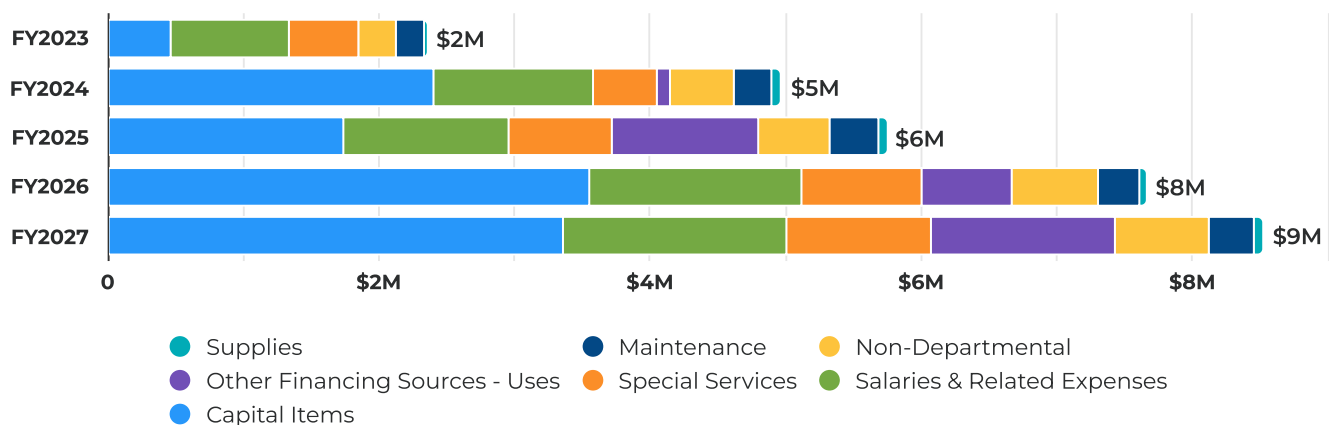


For FY2026, the Highway User Division has budgeted expenditures totaling \$7.7 million. This amount serves as the baseline for comparison with the subsequent budget year.

In FY2027, the budgeted expenditures increase to \$8.5 million, representing an 11.21% rise from FY2026. This marks a significant upward adjustment in the division's planned spending compared to the previous budget year.

Expenditures by Expense Type

Historical Expenditures by Expense Type



The total budget for the Highway User Division in FY2027 is \$8.5 million, reflecting an 11.21% increase from the previous year's \$7.7 million. Capital Items remain the largest expense category at \$3.4 million, though this represents a 5.33% decrease of \$189,080 compared to FY2026, and its share of the total budget declines from 46.31% to 39.43%.

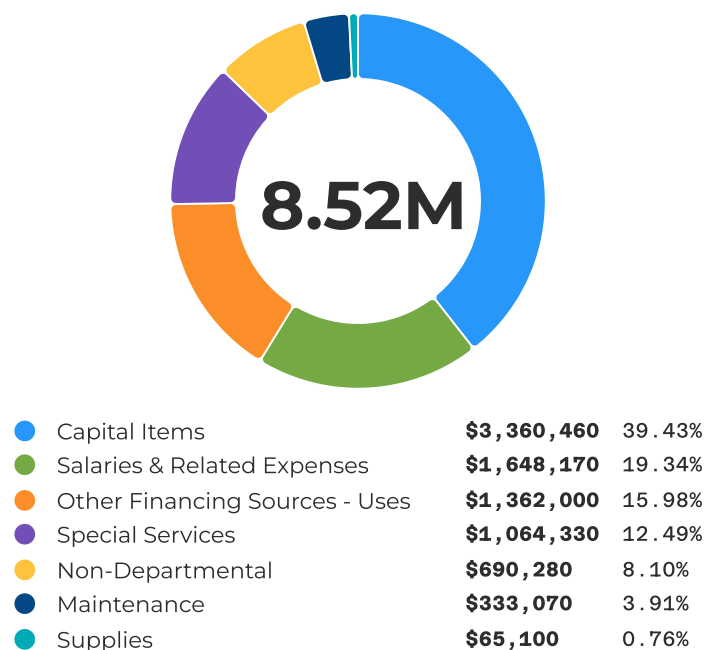
Salaries & Related Expenses hold the second-largest share at \$1.6 million, increasing by \$86,280 or 5.52%, but slightly decreasing in proportion from 20.38% to 19.34% of the total budget. Other Financing Sources - Uses show the most significant growth, rising by \$706,930 or 107.92% to \$1.4 million, increasing their budget share from 8.55% to 15.98%.

Special Services also increase notably by \$169,850 or 18.99%, reaching \$1.1 million and representing 12.49% of the total budget, up from 11.67%. Non-Departmental expenses grow by \$46,020 or 7.14% to \$690,280, slightly decreasing their budget share from 8.41% to 8.1%.

Maintenance expenses increase by \$22,990 or 7.41% to \$333,070, though their share of the total budget decreases marginally from 4.05% to 3.91%. Supplies rise by \$16,100 or 32.86% to \$65,100, increasing their budget share from 0.64% to 0.76%.

Overall, the FY2027 budget shows growth in most categories except for Capital Items, which experience a modest decline in both dollar amount and budget share compared to FY2026.

FY27 Expenditures by Object



For the Highway User Division's Fiscal Year Expenditures by Object, Capital Items account for \$3.4 million, representing 39.43% of the total expenditures. Salaries & Related Expenses follow with \$1.6 million, or 19.34%. Other Financing Sources - Uses comprise \$1.4 million, which is 15.98% of the expenditures. Special Services amount to \$1.1 million, making up 12.49%. Non-Departmental expenses total \$690,280, accounting for 8.1%. Maintenance costs are \$333,070, representing 3.91%, and Supplies are \$65,100, or 0.76% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$1,167,709.09	\$1,217,830.17	\$1,561,890.00	\$1,425,059.50	\$1,648,170.00	5.52%
Supplies	\$71,518.06	\$65,409.76	\$49,000.00	\$39,552.49	\$65,100.00	32.86%
Maintenance	\$277,049.26	\$351,870.88	\$310,080.00	\$383,339.38	\$333,070.00	7.41%
Special Services	\$769,732.34	\$844,643.26	\$894,480.00	\$618,114.77	\$1,064,330.00	18.99%
Other Financing Sources - Uses	\$93,231.58	\$1,070,794.76	\$655,070.00	-	\$1,362,000.00	107.92%
Non-Departmental	\$467,745.09	\$530,850.47	\$644,260.00	\$644,260.00	\$690,280.00	7.14%
Capital Items	\$2,409,024.89	\$1,662,386.19	\$3,549,540.00	\$4,909,622.88	\$3,360,460.00	-5.33%
Total Expenditures	\$5,256,010.31	\$5,743,785.49	\$7,664,320.00	\$8,019,949.02	\$8,523,410.00	11.21%

WATER DIVISION



The Water Division provides safe and reliable water service to residents, complying with state and federal environmental and health standards. The division maintains water production and distribution systems and responds to customer complaints involving water distribution and treatment problems, offering 24-hour emergency on-call service to meet the community's needs. The division's goals are to provide safe, potable water for consumption by residents and visitors; provide sufficient pumping and storage for fire protection of all structures within the City; and periodically review and adhere to the Water System Comprehensive Plan.

Accomplishments FY 2026

- Began Water operations building expansion.
- Completed Water Storage tank rehabilitation #3.
- Completed the design of Well Site #3 – Entire electrical upgrade & civil/repiping improvements and initiated long-lead items early procurement.
- Began ADWR Assured Water Supply Update.
- Completed the design of Well Site 6 Electrical & Booster Station Upgrades and initiated long-lead items early procurement.
- Completed Cesar Chavez Blvd. Water main improvements.
- Completed maintenance and rehabilitation of pressure reducing valves throughout the water system.
- Abandon/demolish well sites No. 1 & 2.
- Completed the Motor Control Center replacement at Well Site 7.
- Completed the New Well and Filtration System project at Well Site 7.
- Completed installation of water line and Fire Hydrants at the East Community Park.
- Completed filter vessel replacements at Well Site 5.
- Completed the transition to the sodium hypochlorite systems at Well Sites 3, 4, 5 & 6.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Maintain and improve the City's water system to provide reliable, safe, and sustainable water services that support community needs and future growth."

- Complete the ADWR Assured Water Supply Designation Update during FY 2027 to maintain compliance and support the City's long-term water supply needs.
- Continue the Well Site 7 Operations Building expansion during FY 2027 to improve operational capacity and support reliable water system operations.
- Complete the new water main loop at San Luis Lane and Avenue D during FY 2027 to improve system connectivity, reliability, and service capacity.
- Continue electrical, civil, and repiping improvements at Well Site 3 during FY 2027 to improve system reliability and operational efficiency.
- Complete rehabilitation of the Water Storage Tank and pressure tanks at Well Site 4 during FY 2027 to maintain reliable water storage and distribution capacity.
- Continue electrical and booster station improvements at Well Site 6 during FY 2027 to improve water system reliability and operational performance.



Economy

Goal: "Expand and improve water infrastructure to support future development, increased demand, and the continued growth of residential, commercial, and industrial areas."

- Advance priority water infrastructure projects during FY 2027 to improve system capacity and connectivity in areas identified for current or future community and economic development.



Financial Sustainability

Goal: "Proactively rehabilitate, replace, and maintain water system assets to extend their useful life, reduce long-term costs, and protect the City's investment in critical infrastructure."

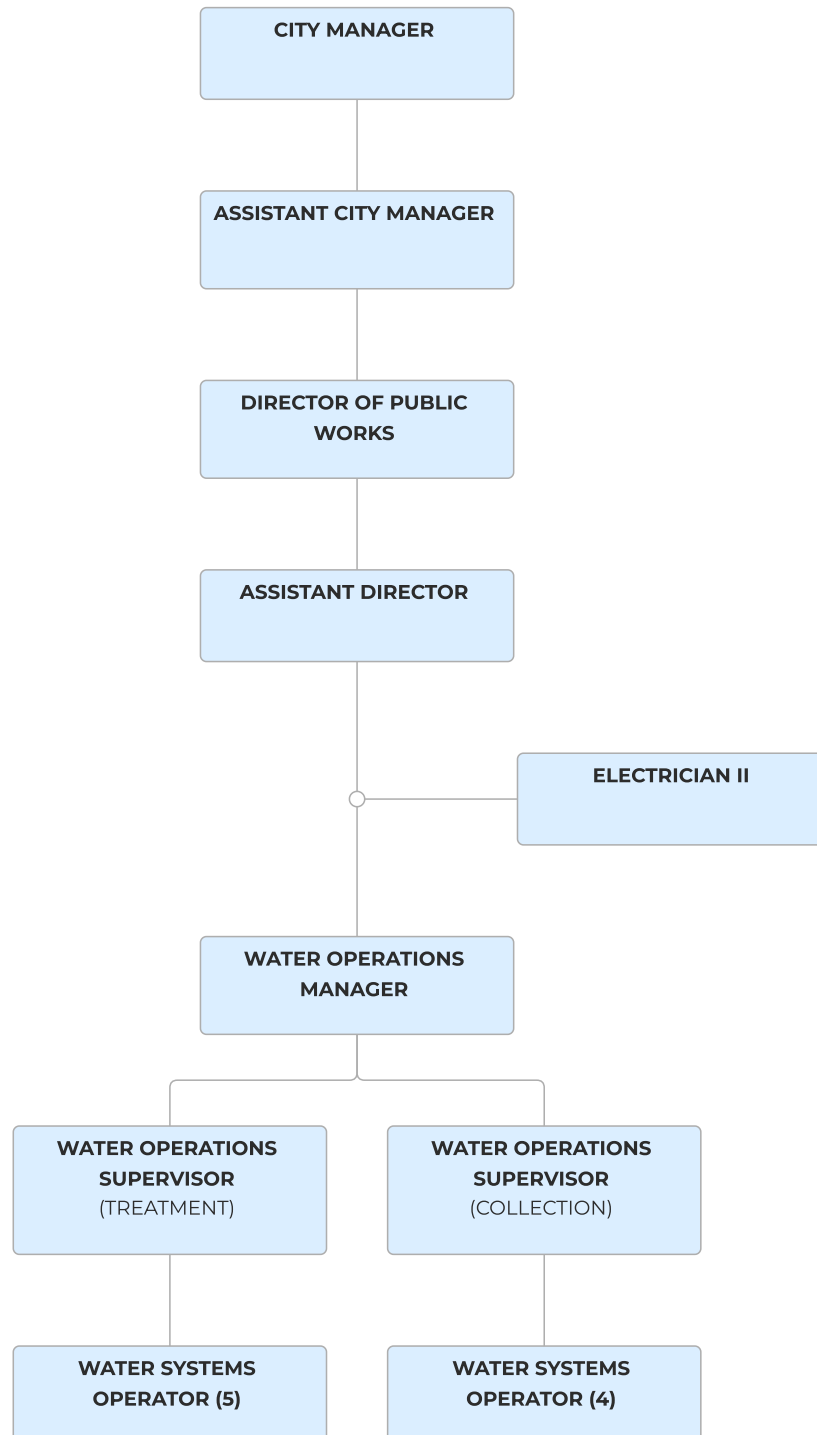
- Continue the Water Valve Replacement Program throughout FY 2027 to improve system reliability and reduce the risk of service disruptions.
- Complete demolition of Water Storage Tank 6 (IMG Steel) during FY 2027 as part of the City's long-term water infrastructure management strategy.
- Complete rehabilitation of Well 9 at Well Site 5 during FY 2027 to restore and maintain well capacity and extend the useful life of the City's water assets.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Meeting ADEQ requirements, water samples of free chlorine were collected to ensure compliance with regulations.	100%	100%	100%
Water Treatment Maintained daily distribution samples and monitoring to ensure the quality of our water.	100%	100%	100%

Organizational Chart

Water Division



Personnel Summary

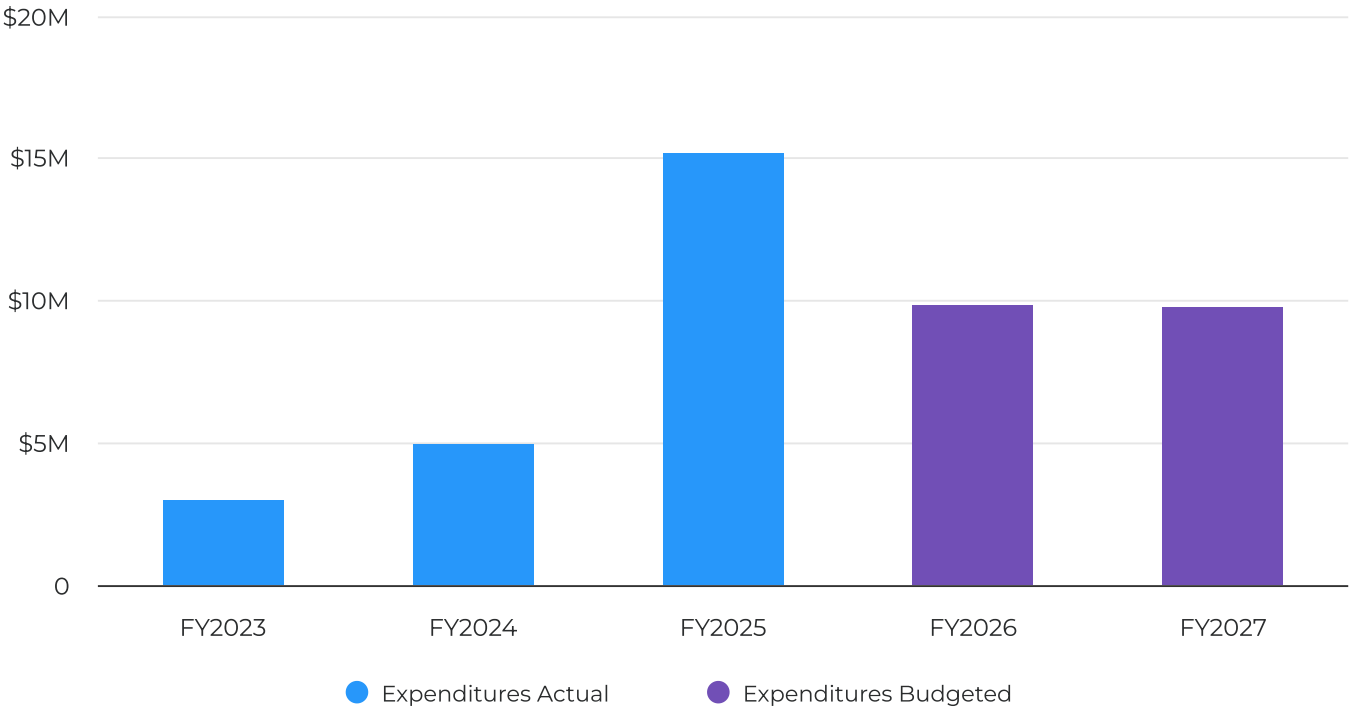
The chart below displays the Water Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Water Department. The current staffing structure will remain in place to support reliable water system operations and effective management of the City's water services. The existing staffing levels will continue to meet the department's operational needs and maintain high service standards for the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	12.3	13	15	15	0
% of City's FTE's				3.83%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Heavy Equipment Operator	0.5	0.5	0.5	0.5	0
Apprentice	2	3	0	0	0
Water System Apprentice	0	0	5	5	0
Operator I	5	5	0	0	0
Water System Operator I	0	0	5	5	0
Operator II	1	1	0	0	0
Water system Operator II	0	0	1	1	0
Electrician I	0.5	0.5	0	0	0
Electrician II	0	0	0.5	0.5	0
Water Operations Supervisor	2	2	2	2	0
Water Operations Manager	1	1	1	1	0
Public Works Project Manager	.3	0	0	0	0
Total	12.3	13	15	15	0

Expenditure Summary

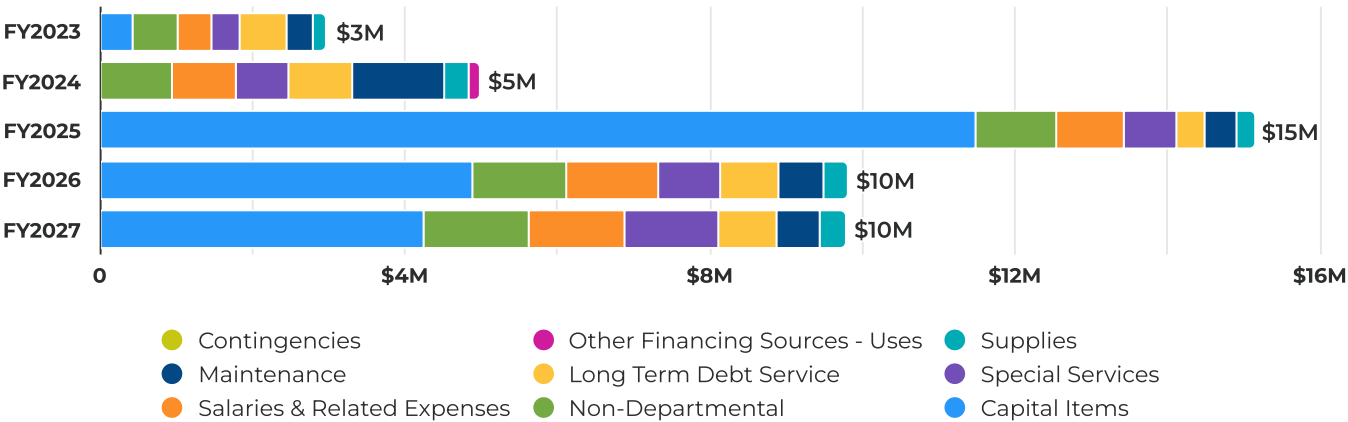
Historical Expenditures Across Department



For the Water Division, the budgeted expenditures for FY2026 are \$9.8 million. Moving into FY2027, the budgeted expenditures remain at \$9.8 million, representing a slight decrease of 0.29% from the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type



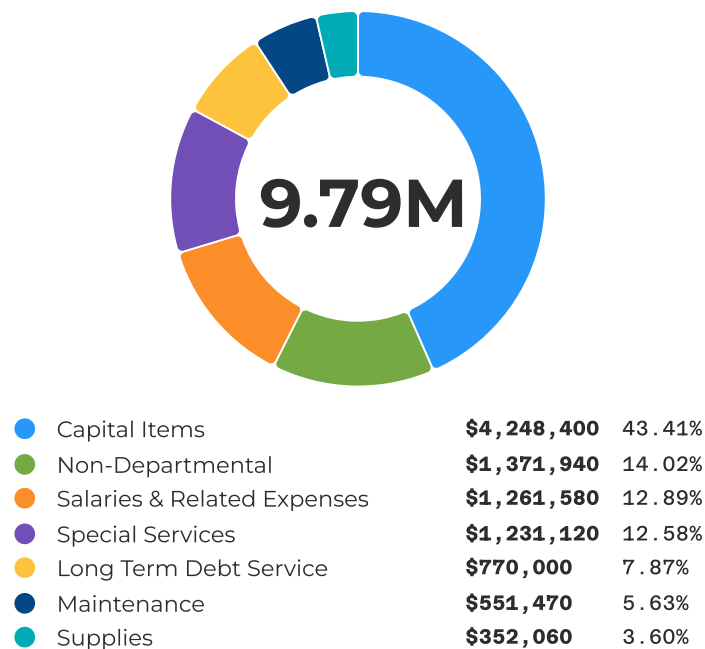
In FY2027, the Water Division's total expenditures remained nearly steady at \$9.8 million, reflecting a slight decrease of 0.29% from FY2026. Capital Items continued as the largest expense category,

accounting for \$4.2 million or 43.41% of the total budget, but this represents a notable decrease of \$647,600 or 13.23% compared to the previous year.

Non-Departmental expenses increased to \$1.4 million, making up 14.02% of the total and rising by \$141,680 or 11.52%. Salaries & Related Expenses also grew to \$1.3 million, 12.89% of the budget, with an increase of \$76,970 or 6.5%. Special Services saw a significant rise to \$1.2 million, representing 12.58% of total expenditures and increasing by \$401,980 or 48.48%, marking the largest dollar increase among categories.

Long Term Debt Service remained relatively stable at \$770,000, 7.87% of the total, with a minimal increase of \$700 or 0.09%. Maintenance expenses decreased slightly to \$551,470, 5.63% of the budget, down by \$26,310 or 4.55%. Supplies increased modestly to \$352,060, 3.6% of total expenditures, up by \$23,660 or 7.2%. Contingencies and Other Financing Sources - Uses remained at zero.

FY27 Expenditures by Object



The Water Division's Fiscal Year Expenditures by Object include Capital Items at \$4.2 million, representing 43.41% of the total. Non-Departmental expenses account for \$1.4 million or 14.02%. Salaries & Related Expenses are \$1.3 million, making up 12.89%. Special Services total \$1.2 million, which is 12.58% of the expenditures. Long Term Debt Service amounts to \$770,000, comprising 7.87%. Maintenance costs are \$551,470, representing 5.63%, and Supplies are \$352,060, accounting for 3.6% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$829,565.94	\$898,093.32	\$1,184,610.00	\$1,040,440.53	\$1,261,580.00	6.50%

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Supplies	\$325,623.50	\$267,275.46	\$328,400.00	\$370,770.85	\$352,060.00	7.20%
Maintenance	\$1,217,290.76	\$1,190,529.54	\$577,780.00	\$376,945.34	\$551,470.00	-4.55%
Special Services	\$767,525.94	\$704,136.93	\$829,140.00	\$708,352.25	\$1,231,120.00	48.48%
Contingencies	\$3,531.52	\$4,820.78	-	-	-	-
Other Financing Sources - Uses	\$129,584.00	-	-	-	-	-
Long Term Debt Service	\$415,329.44	\$251,320.74	\$769,300.00	\$769,300.00	\$770,000.00	0.09%
Non-Departmental	\$951,652.14	\$1,039,116.32	\$1,230,260.00	\$1,230,260.00	\$1,371,940.00	11.52%
Capital Items	-	-	\$4,896,000.00	\$1,439,058.25	\$4,248,400.00	-13.23%
Total Expenditures	\$4,640,103.24	\$4,355,293.09	\$9,815,490.00	\$5,935,127.22	\$9,786,570.00	-0.29%

WASTEWATER DIVISION



The Wastewater Division is responsible for operation and maintenance of sanitary sewer collection and treatment systems throughout the City. The division maintains wastewater collection and treatment systems and responds to customer complaints involving wastewater problems (including odor control), offering 24-hour emergency on-call service to meet the community's needs.

Accomplishments FY 2026

- Continued Sewer Manhole Repairs & Replacements Annual Program.
- Lift Station 3A Perimeter Fencing – Block Wall.
- West Wastewater Treatment Plant Expansion Design.
- Completed early procurement for long-lead delivery items for the West Wastewater Treatment Plant Expansion project (Headworks, Dewatering Press & Membrane Bioreactor Equipment).
- Completed the force main up size project pertaining to the West Wastewater Treatment Plant Expansion project.
- Completed Cesar Chavez Blvd. Wastewater system improvements ahead of roadway project.
- Completed the East Wastewater Treatment Plant north side CMU wall
- Completed installation of a new odor control system for Mezquites lift station and East Wastewater Treatment Plant head works.
- Completed maintenance and rehabilitation of the two process basins at the East Wastewater Treatment Plant.
- Completed maintenance and rehabilitation of process basin No. 4 at the West Wastewater Treatment Plant.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Maintain and expand the City's wastewater system to provide reliable service, protect public health, and support current and future community growth."

- Continue construction of the West Wastewater Treatment Plant expansion throughout FY 2027 as part of the two-year project to increase treatment capacity and support future growth.
- Complete installation of the High School Lift Station generator during FY 2027 to improve system reliability and maintain wastewater service during power interruptions.
- Complete a Collection System Odor Control Assessment during FY 2027 to identify priority areas and recommend improvements that enhance system performance and community quality of life.



Economy

Goal: "Invest in wastewater infrastructure that provides the capacity and reliability needed to support residential, commercial, and industrial development."

- Advance the West Wastewater Treatment Plant expansion during FY 2027 to increase treatment capacity and support future residential, commercial, and industrial development.



Financial Sustainability

Goal: "Proactively maintain and rehabilitate wastewater assets to extend their useful life, reduce long-term repair costs, and ensure reliable service delivery."

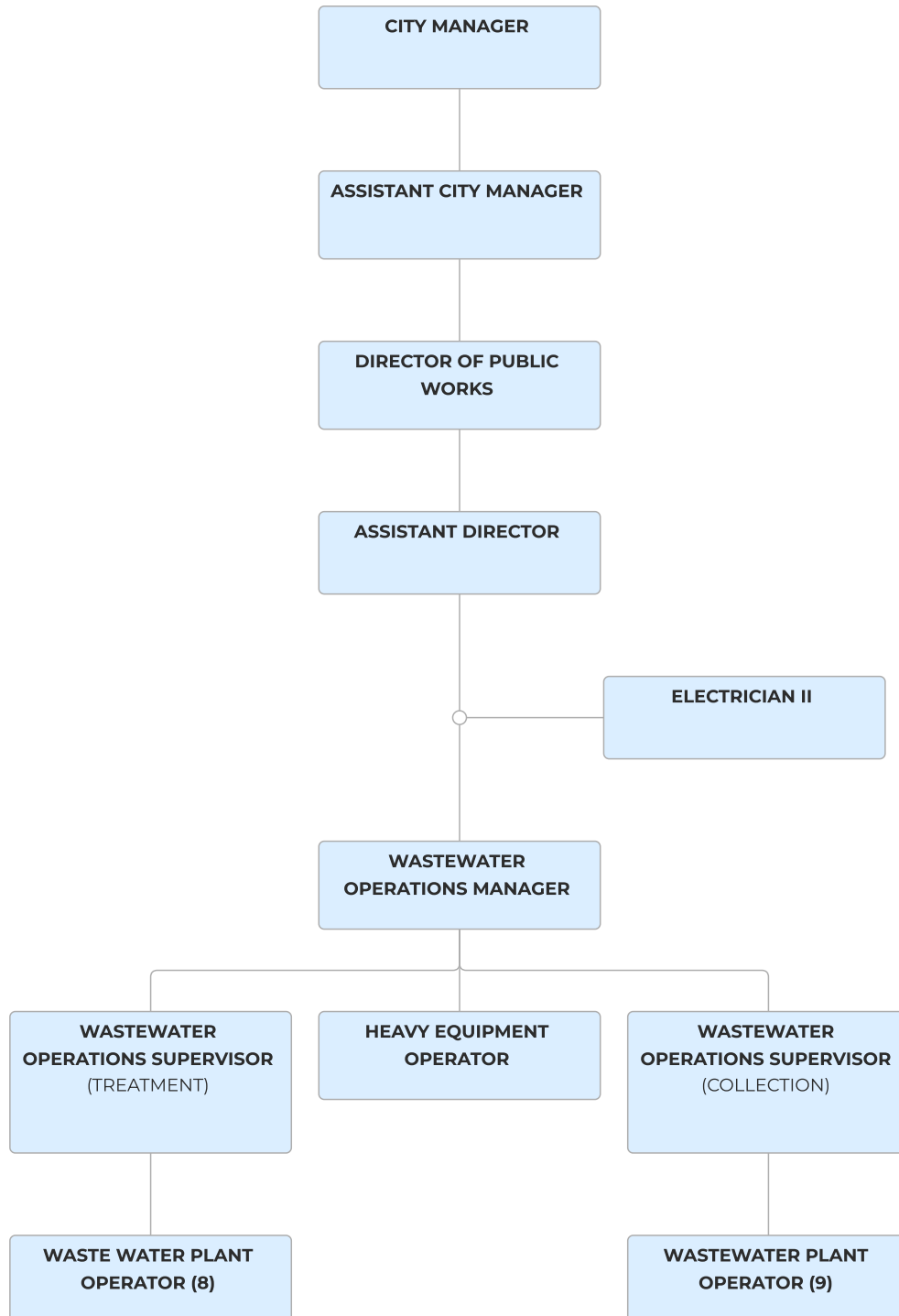
- Continue the annual Sewer Manhole Repair and Replacement Program throughout FY 2027 to address deteriorated infrastructure, reduce system deficiencies, and extend the useful life of the City's wastewater collection system.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Meeting ADEQ requirements, water samples from both treatment plants	100%	100%	100%
Water Treatment Conduct routine maintenance and inspections at all 14 wastewater facilities, including 2 treatment plants and 12 lift stations.	100%	100%	100%

Organizational Chart

Wastewater Division



Personnel Summary

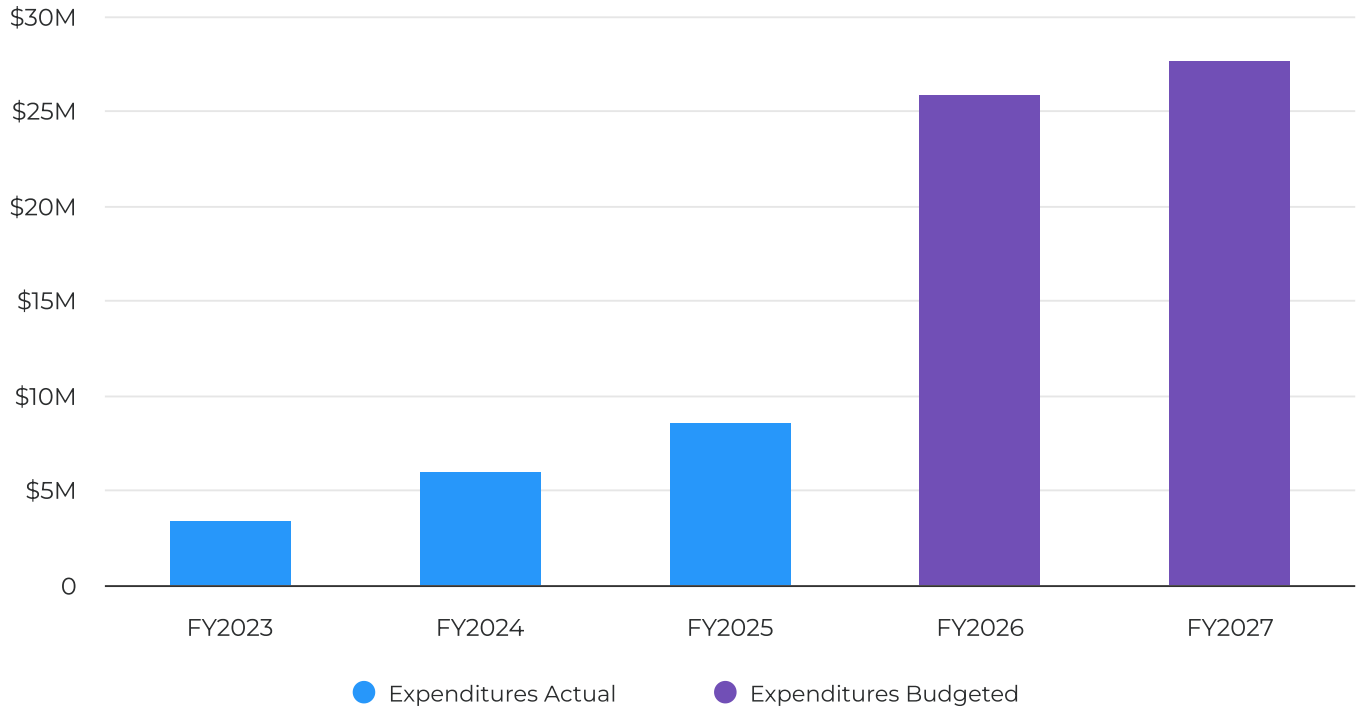
The chart below displays the Wastewater Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Wastewater Department. The current staffing structure will remain in place to support reliable wastewater system operations and effective management of the City's wastewater services. The existing staffing levels will continue to meet the department's operational needs and maintain high service standards for the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	20.3	21	23	23	0
% of City's FTE's				5.87%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Heavy Equipment Operator	0.5	0.5	0.5	0.5	0
Apprentice	3	4	0	0	0
Wastewater Operator Apprentice	0	0	6	6	0
Operator I	9	9	0	0	0
Wastewater Plant Operator I	0	0	7	7	0
Operator II	2	2	0	0	0
Wastewater Plant Operator II	0	0	1	1	0
Operator III	2	2	0	0	0
Wastewater Plant Operator III	0	0	5	5	0
Electrician I	0.5	0.5	0	0	0
Electrician II	0	0	0.5	0.5	0
Wastewater Operations Supervisor	2	2	2	2	0
Wastewater Operations Manager	1	1	1	1	0
Public Works Project Manager	.3	0	0	0	0
Total	20.3	21	23	23	0

Expenditure Summary

Historical Expenditures Across Department

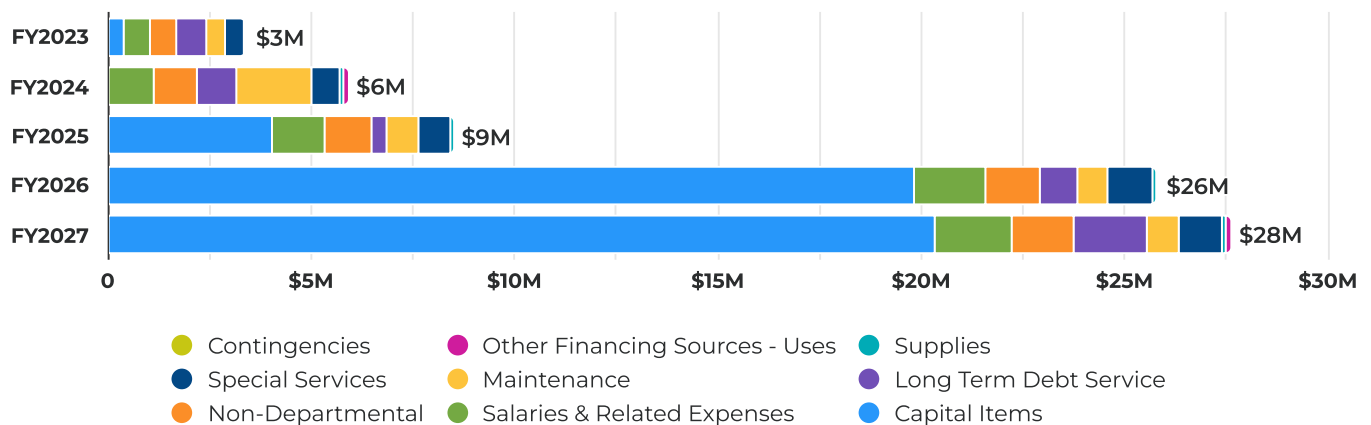


For FY2026, the Wastewater Division's expenditures are budgeted at \$25.8 million. This figure sets the baseline for the subsequent year, with no actuals available for comparison.

In FY2027, the budgeted expenditures increase to \$27.6 million, representing a 7.03% rise from FY2026. This marks a notable upward trend in the division's budget allocation compared to the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type



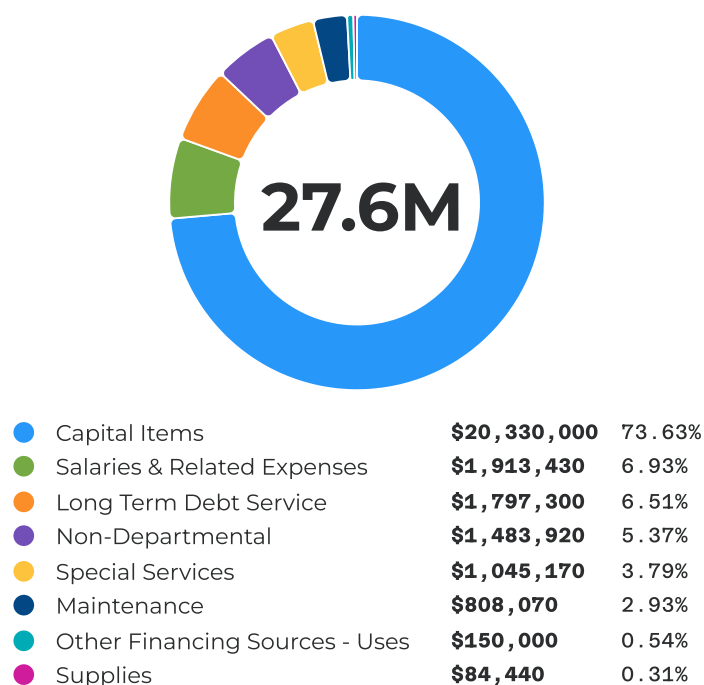
The Wastewater Division's total expenditures for FY2027 are budgeted at \$27.6 million, reflecting a 7.03% increase from the FY2026 total of \$25.8 million. Capital Items remain the largest expense category, accounting for \$20.3 million or 73.63% of the total budget. This represents a \$512,000 increase, or 2.58%, compared to the previous year.

Salaries & Related Expenses are budgeted at \$1.9 million, making up 6.93% of the total and increasing by \$156,590 or 8.91% from FY2026. Long Term Debt Service shows a significant rise to \$1.8 million, which is 6.51% of the total budget and an increase of \$865,100 or 92.8% over the prior year.

Non-Departmental expenses are set at \$1.5 million, representing 5.37% of the total and growing by \$153,790 or 11.56%. Maintenance costs increase to \$808,070, 2.93% of the budget, up \$82,790 or 11.41%. Other Financing Sources - Uses appear in the budget at \$150,000, accounting for 0.54% of total expenditures.

Special Services decrease to \$1 million, which is 3.79% of the total budget, down by \$92,460 or 8.13%. Supplies also decline to \$84,440, 0.31% of the total, a reduction of \$14,260 or 14.45%. Contingencies remain at zero.

FY27 Expenditures by Object



For the Wastewater Division's Fiscal Year Expenditures by Object, Capital Items account for \$20.3 million, representing 73.63% of the total expenditures. Salaries & Related Expenses total \$1.9 million, which is 6.93%. Long Term Debt Service amounts to \$1.8 million, or 6.51%. Non-Departmental expenses are \$1.5 million, making up 5.37%. Special Services cost \$1 million, equating to 3.79%. Maintenance expenses are \$808,070, representing 2.93%. Other Financing Sources - Uses are \$150,000, or 0.54%, and Supplies total \$84,440, which is 0.31% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$1,149,757.33	\$1,314,552.91	\$1,756,840.00	\$1,517,438.61	\$1,913,430.00	8.91%
Supplies	\$89,280.86	\$99,312.70	\$98,700.00	\$80,828.08	\$84,440.00	-14.45%
Maintenance	\$1,836,219.12	\$1,907,818.69	\$725,280.00	\$731,906.77	\$808,070.00	11.41%
Special Services	\$1,039,676.04	\$850,353.28	\$1,137,630.00	\$731,436.65	\$1,045,170.00	-8.13%
Contingencies	\$2,679.35	\$2,904.48	-	-	-	-
Other Financing Sources - Uses	\$137,834.00	-	-	\$285,000.00	\$150,000.00	-
Long Term Debt Service	\$477,508.90	\$300,049.85	\$932,200.00	\$932,200.00	\$1,797,300.00	92.80%
Non-Departmental	\$1,024,232.68	\$1,123,191.62	\$1,330,130.00	\$1,330,130.00	\$1,483,920.00	11.56%
Capital Items	-	-	\$19,818,000.00	\$2,858,519.22	\$20,330,000.00	2.58%
Total Expenditures	\$5,757,188.28	\$5,598,183.53	\$25,798,780.00	\$8,467,459.33	\$27,612,330.00	7.03%

SOLID WASTE DIVISION



The Solid Waste Division provides a convenient, affordable, and efficient scheduled residential trash collection service to the residents of the San Luis community. The division also oversees special pickup services, as well as the annual community cleanup campaign.

The division's main goal is to ensure the health, safety, and general welfare of our residents by providing a reliable solid waste collection service.

Accomplishments FY 2026

- Enforced San Luis Solid Waste codes.
- Improved Customer Service.
- Completed 2025 Community Clean Up.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Provide reliable, accessible, and responsive solid waste services while promoting a clean and healthy community."

- Add another solid waste collection route during FY 2027 to improve service capacity and accommodate community growth.
- Expand community outreach throughout FY 2027 to increase public awareness of solid waste services, collection schedules, proper disposal practices, and community cleanliness initiatives.
- Conduct the 2026 Annual Community Clean Up to provide residents with an opportunity to properly dispose of unwanted materials and improve neighborhood cleanliness



Economy

Goal: "Maintain clean and well-serviced neighborhoods that contribute to a positive community environment for residents, businesses, and visitors."

- Strengthen community cleanup and outreach efforts during FY 2027 to promote neighborhood cleanliness and support an attractive environment for businesses and community activity.



Financial Sustainability

Goal: "Improve the efficiency and sustainability of solid waste operations through effective route management, resource allocation, and service planning."

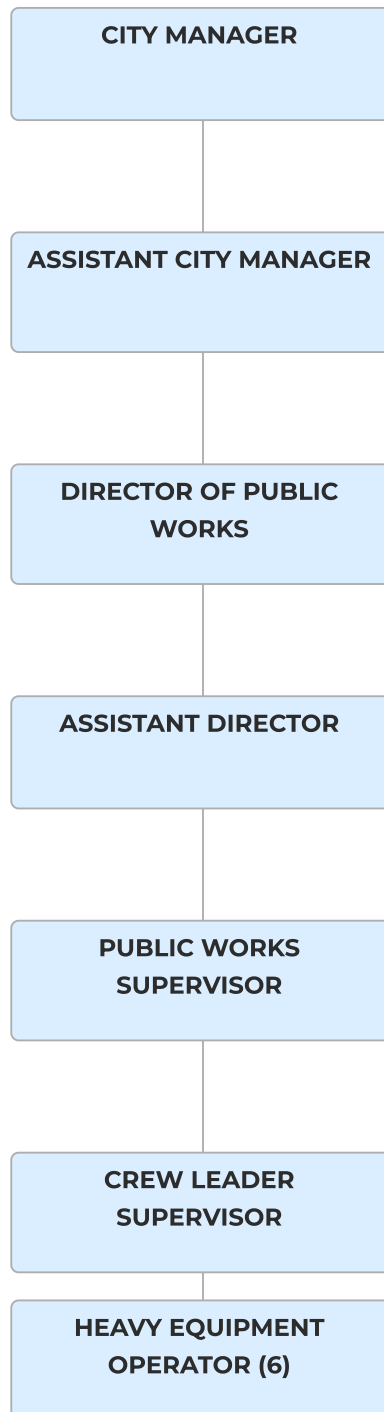
- Evaluate and implement operational efficiency improvements during FY 2027 to optimize collection routes, staffing, equipment use, and available resources while maintaining service quality.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Complete scheduled residential solid waste collection routes	100%	100%	100%
Complete all scheduled collection routes (Monday/Thursday and Tuesday/Friday)	100%	100%	100%

Organizational Chart

Solid Waste Division



Personnel Summary

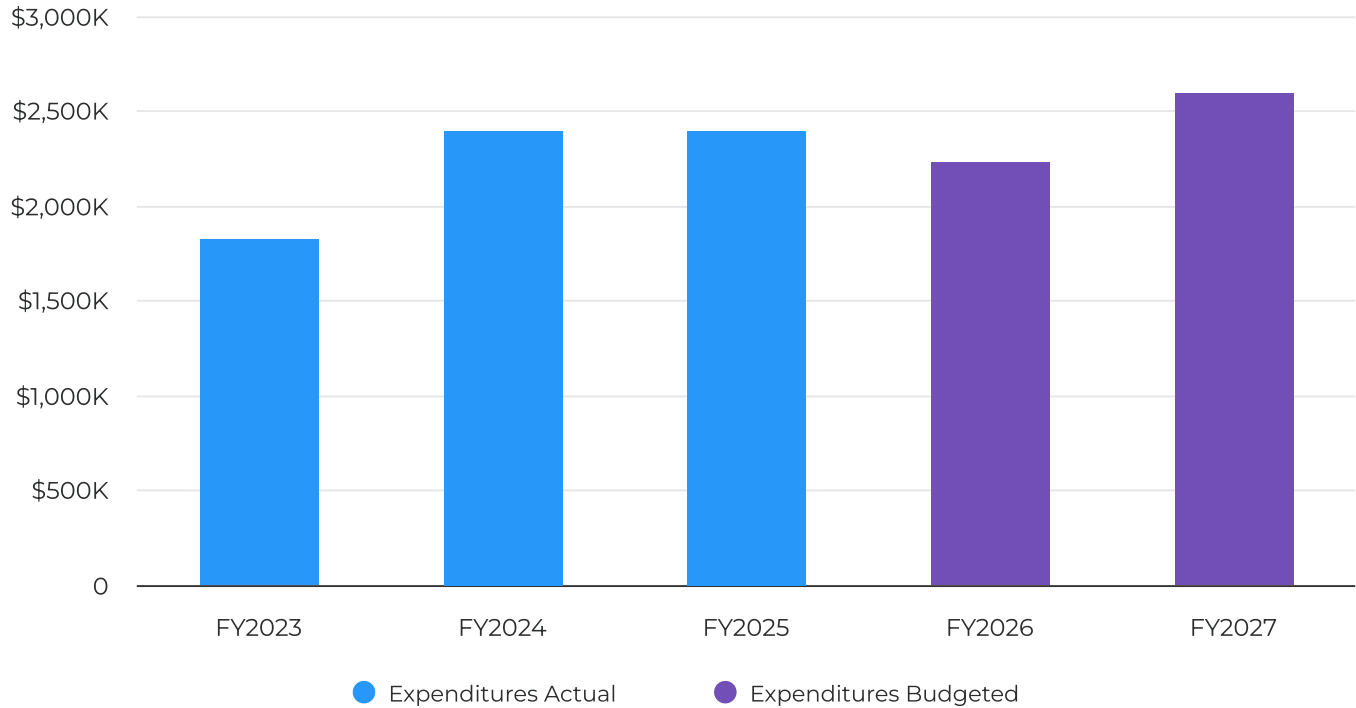
The chart below displays the Solid Waste Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Solid Waste Department. The current staffing structure will remain in place to support effective waste collection and disposal services. The existing staffing levels will continue to meet the department's operational needs and provide reliable services to the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	6.5	7.5	7.5	7.5	0
% of City's FTE's				1.92%	
Authorized Personnel / Positions			Current	Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Heavy Equipment Operator	5.5	6.5	6.5	6.5	0
Crew Leader Supervisor	1	1	1	1	0
Total	6.5	7.5	7.5	7.5	0

Expenditure Summary

Historical Expenditures Across Department

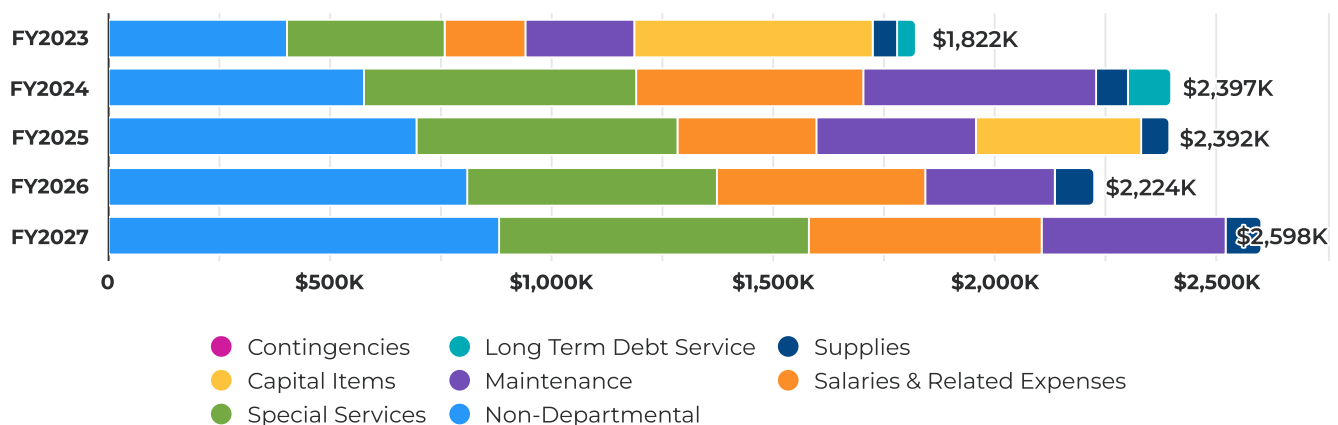


For FY2026, the Solid Waste Division has budgeted expenditures of \$2.2 million. This amount serves as the baseline for comparison with the following year.

In FY2027, the budgeted expenditures increased to \$2.6 million, representing a 16.86% rise from FY2026. This marks a significant growth in the total budgeted expenditures for the division between these two years.

Expenditures by Expense Type

Historical Expenditures by Expense Type



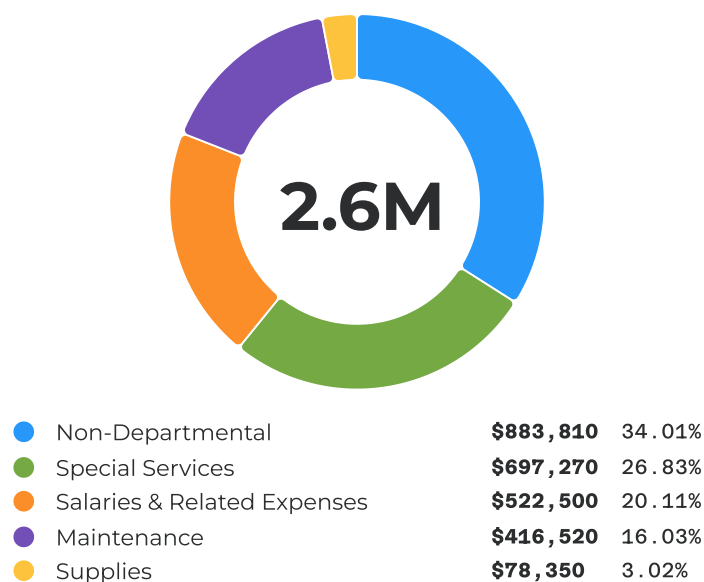
In FY2027, the Solid Waste Division's total expenditures increased by 16.86% to \$2.6 million compared to FY2026's \$2.2 million. The largest expense category remained Non-Departmental, accounting for 34.01% of the total at \$883,810, which is an 8.86% increase of \$71,960 from the previous year.

Special Services saw a significant rise, increasing by 23.91% to \$697,270 and representing 26.83% of total expenditures, up from 25.31% in FY2026. Maintenance expenses also grew notably by 41.44% to \$416,520, increasing its share from 13.24% to 16.03% of the total budget.

Salaries & Related Expenses increased by 11.88% to \$522,500, making up 20.11% of the total, a slight decrease in percentage share despite the dollar increase. Supplies was the only category to decrease, dropping by 10.46% to \$78,350 and reducing its portion of the budget from 3.94% to 3.02%.

There were no expenditures recorded for Contingencies, Long Term Debt Service, or Capital Items in FY2027, consistent with the previous year.

FY27 Expenditures by Object



For the Solid Waste Division's Fiscal Year Expenditures by Object, Non-Departmental expenses account for \$883,810, representing 34.01% of the total. Special Services follow with \$697,270, which is 26.83%. Salaries & Related Expenses amount to \$522,500, making up 20.11%. Maintenance costs are \$416,520, or 16.03%, and supplies total \$78,350, comprising 3.02% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	\$512,999.21	\$312,171.13	\$467,000.00	\$480,937.02	\$522,500.00	11.88%
Supplies	\$74,951.32	\$56,140.41	\$87,500.00	\$83,781.61	\$78,350.00	-10.46%
Maintenance	\$520,859.20	\$650,590.83	\$294,480.00	\$457,889.15	\$416,520.00	41.44%
Special Services	\$615,549.36	\$542,703.47	\$562,730.00	\$536,046.47	\$697,270.00	23.91%
Contingencies	\$1,454.30	\$2,054.58	-	-	-	-

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Adopted Budget	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Long Term Debt Service	\$711 . 89	-	-	-	-	-
Non-Departmental	\$575 , 965 . 15	\$688 , 604 . 92	\$811 , 850 . 00	\$811 , 850 . 00	\$883 , 810 . 00	8 . 86%
Total Expenditures	\$2 , 302 , 490 . 43	\$2 , 252 , 265 . 34	\$2 , 223 , 560 . 00	\$2 , 370 , 504 . 25	\$2 , 598 , 450 . 00	16 . 86%

ENGINEERING DEPARTMENT



The City Engineering Department is staffed by a City Engineer, Project Manager, Project Coordinator, and Senior Engineering Technician/Inspector. The department reflects the City's commitment to strategic growth and operational efficiency through careful planning, execution, and oversight. It works to enhance the City's physical infrastructure while ensuring compliance with regulatory standards and meeting community needs.

The Engineering Department is responsible for subdivision and commission reviews and supports other City departments—including Public Works, Economic Development, and Parks & Recreation—in the delivery of various FY 2026 Capital Improvement Program (CIP)

Accomplishments FY 2026

- Assisted the Public Works Department in the completion of various FY 2026 Capital Improvement Program (CIP) infrastructure projects.
- Managed the completion of the County 22nd Street & 4th Avenue project.
- Managed the completion of the County 22nd Street & Sidewinder Road project.
- Initiated construction of the Cesar Chavez Blvd Widening project.
- Initiated construction of the Main St and B St Intersection Improvements project.
- Initiated construction of the Lakin Dr Subsidence issue-Road Improvement project.
- Advanced the Well Site 6 Booster Station project toward completion.
- Managed the completion of the rehabilitation of the water storage tank at Well Site No. 3.
- Completed the design of the Well Site 6 Electrical and Booster Station Upgrades.
- Completed improvements on Urtuzuastegui St and William Brooks Ave (GSA Project).
- Completed the design of Ave F Widening, between Cesar Chavez Blvd and San Luis Ln.
- Completed design of 10th Ave Widening, between Cesar Chavez Blvd and Co 22nd St.
- Initiated the design of 6th Ave extension from Union St to Co 22nd St.
- Initiated the design of Union St and 4th Ave Intersection Improvements.
- Completed paving of the south parking lot and roundabout of the East Community Park.

- Completed construction of the CMU Wall on the north side of the East Wastewater Treatment Plant.
- Performed construction inspections and accepted project for new subdivisions, including Bienestar Estates 12 phase 2 and Los Mezquites phases 4 and 5.
- Processed encroachment permits, ensuring uninterrupted public access and safety.

Goals & Objectives FY 2027



Growth & Public Service

Goal: "Plan, design, and construct critical transportation and utility infrastructure projects that improve safety, connectivity, reliability, and the City's capacity to support community growth."

- Continue construction of the Cesar Chavez Boulevard widening project throughout FY 2027 to improve roadway capacity and connectivity.
- Complete the design and continue construction of the 10th Avenue widening project from Cesar Chavez Boulevard to County 22nd Street during FY 2027 to improve traffic flow and accommodate future growth.
- Continue design and construction of the Union Street and 4th Avenue intersection improvements project during FY 2027 to improve traffic operations and intersection safety.
- Complete the design of the 6th Avenue extension from Union Street to County 22nd Street during FY 2027 to improve transportation connectivity and support future development.
- Complete construction of Merrill Avenue Improvements, Phase 2 during FY 2027 to improve roadway conditions, capacity, and connectivity.
- Complete construction of the B Street and Main Street Intersection Improvements project during FY 2027 to improve traffic flow and roadway safety.
- Complete the Lakin Drive Subsidence Issue – Road Improvements project during FY 2027 to restore roadway conditions and improve transportation safety and reliability.
- Continue construction of the Avenue F widening project during FY 2027 to increase roadway capacity and improve connectivity.
- Continue Well Site 3 electrical upgrades and civil/re-piping improvements during FY 2027 to improve water system reliability and operational capacity.
- Continue Well Site 4 water storage tank rehabilitation during FY 2027 to maintain reliable water storage and distribution capacity.
- Complete the Well Site 6 electrical and booster station improvements project during FY 2027 to improve water system reliability and operational efficiency.
- Complete installation of the High School Lift Station generator during FY 2027 to maintain reliable wastewater services during power interruptions.



Economy

Goal: "Advance transportation infrastructure that improves connectivity, accessibility, and capacity to support residential, commercial, and industrial development."

- Advance priority roadway widening, extension, and intersection improvement projects during FY 2027 to improve access to developing areas and support continued economic growth.



Financial Sustainability

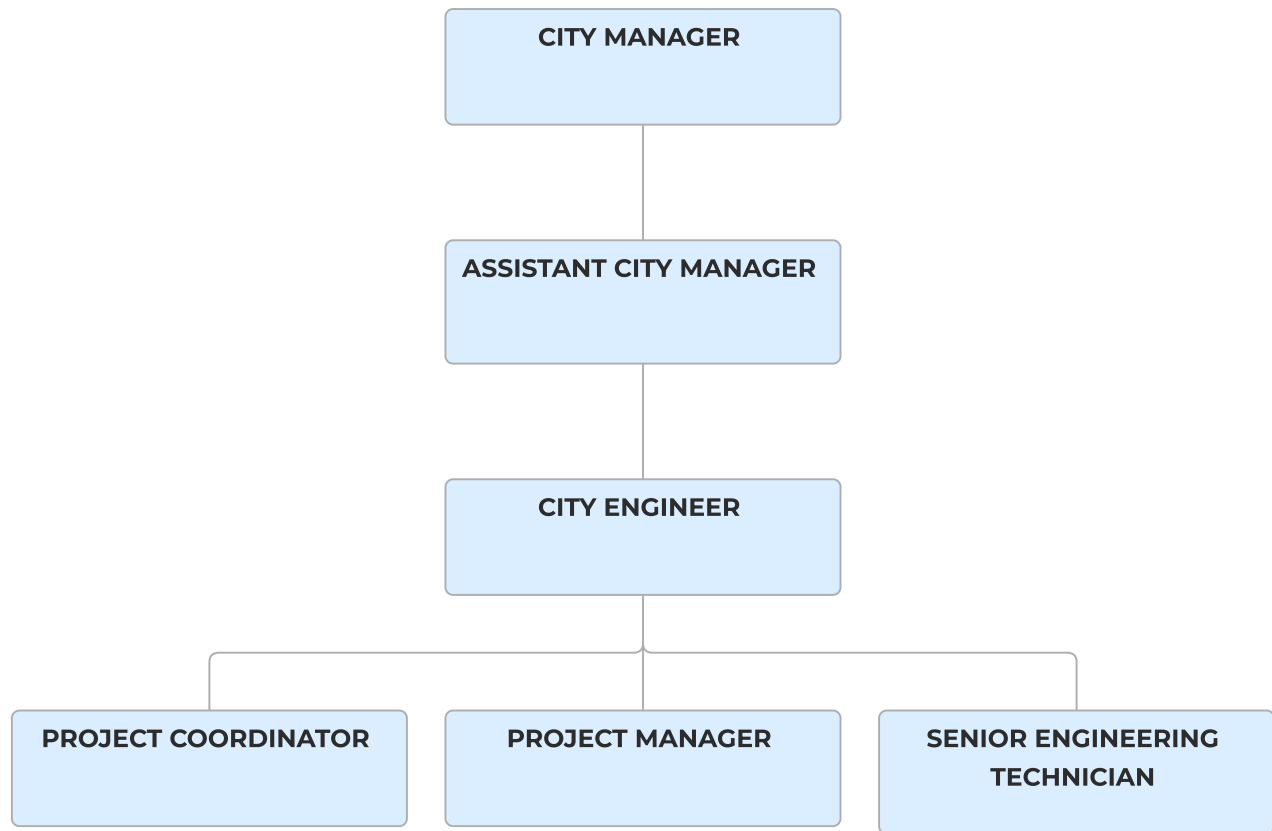
Goal: "Implement strategic infrastructure improvements that extend the useful life of City assets, improve system reliability, and maximize the City's investment in public infrastructure."

- Prioritize the rehabilitation and modernization of water and wastewater infrastructure during FY 2027 based on asset condition, operational needs, safety requirements, and available funding.
- Complete planned utility infrastructure improvements within approved project schedules and budgets during FY 2027 to minimize long-term maintenance costs and protect the City's infrastructure investments.

Key Performance Measures

Performance Measures	Actuals FY 2025	Projected FY 2026	Expected FY 2027
Percentage of planned engineering projects and activities completed within the established project schedule.	100%	100%	100%
Percentage of engineering reviews, inspections, and technical requests completed within established timelines.	100%	100%	100%
Percentage of required engineering plans, reports, and project documentation completed accurately and within established deadlines.	100%	100%	100%

Organizational Chart



Personnel Summary

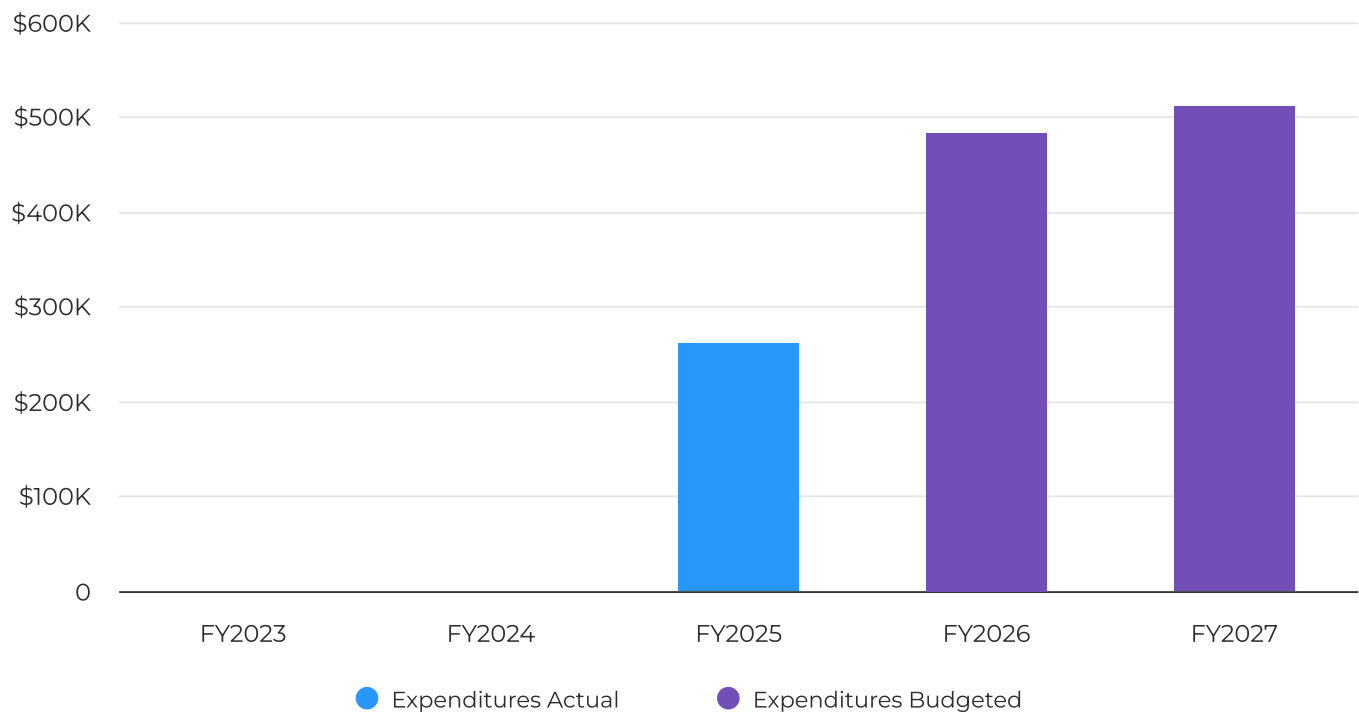
The chart below displays the Engineering Department's staff summary schedule for the past three fiscal years. In FY 2027, there will be no personnel changes within the Engineering Department. The department will continue to operate with four employees, maintaining a stable staffing structure to support the effective management of capital improvement projects and the delivery of high-quality engineering services to the community.

Staff Summary Schedule

Staff Summary	Adopted FY 2023- 2024	Adopted FY 2024- 2025	Adopted FY 2025- 2026	Request FY2027	Changes 2025/26 to 2026/27
Full-time Equivalents (FTE)	2	4	4	4	0
% of City's FTE's				1.02%	
Authorized Personnel / Positions	Current			Request	Changes
Title:	2023- 2024	2024-2025	2025-2026	2026-2027	2026-2027
Project Manager	0	1	1	1	0
Project Coordinator	0	1	1	1	0
Engineering Technician	1	0	0	0	0
Senior Engineering Technician	0	1	1	1	0
City Engineer	1	1	1	1	0
Total	2	4	4	4	0

Expenditure Summary

Historical Expenditures Across Department

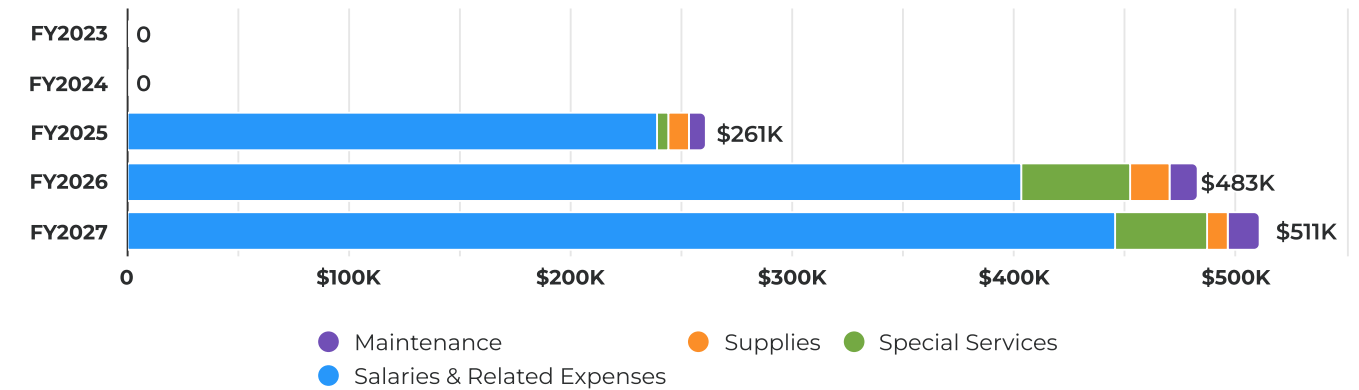


For FY2026, the Engineering department's expenditures are budgeted at \$482,760. This figure serves as the baseline for the subsequent year's comparison.

In FY2027, the budgeted expenditures for Engineering increase to \$510,840, representing a 5.82% rise from FY2026. This marks a notable upward trend in the department's budget allocation compared to the previous year.

Expenditures by Expense Type

Historical Expenditures by Expense Type

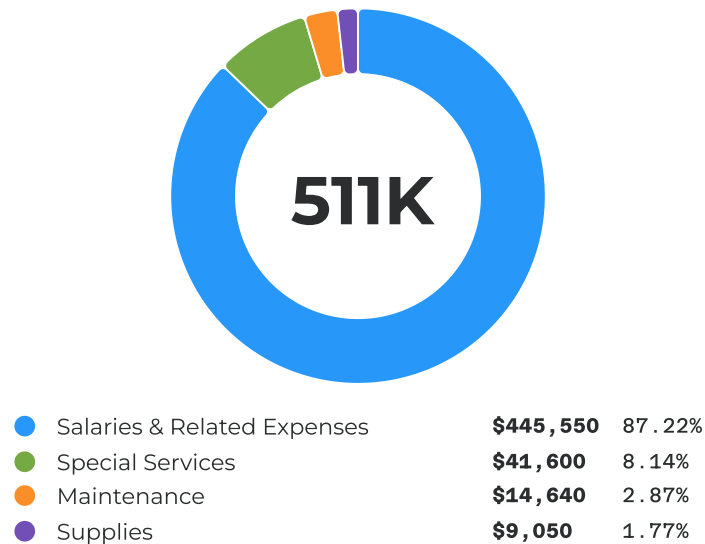


In FY2027, the total expenditures for Engineering increased by 5.82% to \$510,840 compared to FY2026. The largest expense category remained Salaries & Related Expenses, which rose by 10.4% to \$445,550, now representing 87.22% of the total budget, up from 83.59% the previous year.

Special Services decreased by 14.96% to \$41,600, reducing its share of the total from 10.13% to 8.14%. Supplies also saw a significant decline of 48.29%, falling to \$9,050 and comprising 1.77% of the total, down from 3.62% in FY2026.

Maintenance expenses increased by 14.55% to \$14,640, accounting for 2.87% of the total budget, up from 2.65% the prior year. Overall, the budget shows a continued emphasis on Salaries & Related Expenses with moderate growth, while Supplies and Special Services experienced notable decreases in FY2027.

FY27 Expenditures by Object



For the Engineering fiscal year expenditures by object, Salaries & Related Expenses account for \$445,550, representing 87.22% of the total. Special Services amount to \$41,600, which is 8.14%. Maintenance expenses are \$14,640, making up 2.87%, and supplies total \$9,050, comprising 1.77% of the expenditures.

Expenditures by Expense Type

Category	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Adopted Budget	FY 2026 Projected	FY 2027 Budgeted	FY 2026 Adopted Budget vs. FY 2027 Adopted Budget (% Change)
Salaries & Related Expenses	-	\$238,902.11	\$403,560.00	\$348,198.75	\$445,550.00	10.40%
Supplies	-	\$10,981.17	\$17,500.00	\$4,724.13	\$9,050.00	-48.29%
Maintenance	-	\$7,485.54	\$12,780.00	\$8,264.65	\$14,640.00	14.55%
Special Services	-	\$5,387.03	\$48,920.00	\$22,767.61	\$41,600.00	-14.96%
Total Expenditures	-	\$262,755.85	\$482,760.00	\$383,955.15	\$510,840.00	5.82%

Capital Improvement plan

Capital Improvement Plan

Capital Improvement Plan Definition

The City has adopted its first comprehensive Five-Year Capital Improvement Plan (CIP) for fiscal years 2027-2031. The Capital Improvement Plan (CIP) outlines our local government's strategic investments for the next five years. These investments involve infrastructure projects, buildings, equipment, or major assets with a useful life of at least one year, designed to enhance public services and efficiency. Projects exceeding \$10,000 are considered capital assets for the CIP. Capital asset thresholds are established at \$10,000 for vehicles and equipment projects, and \$15,000 for CIP projects. The first-year expenditures are integrated into the annual budget, making the CIP an ongoing and essential part of the City's management process, ensuring we meet community needs and promote growth.

CIP Development Process

Capital improvement planning is an ongoing process, but it's most active from September to May. During this period, City staff assesses, prioritizes, and plans capital projects, considering costs and available resources before presenting recommendations to the City Council.

As part of the annual budget process, the Management and Finance Division updates the 5-year CIP, forecasts revenue sources for project financing, and sets financial guidelines. Capital projects begin with input from operating departments, where experts identify needs based on planning documents and technical criteria.

After project requests and financial parameters are established, a preliminary plan is reviewed by the CIP Management Committee, comprising the acting city manager and department directors, including Finance. This committee ensures projects align with available resources, creating a balanced plan that reflects City Council goals and priorities. It also oversees project scope and timing. Once completed, the CIP is presented to the Council for approval as part of the budget process.

CIP Timeline

September – October: Operating departments identify projects, define scopes, estimate costs, and prioritize based on guidance from the city manager and City Council. Project requests undergo directorial review before submission.

November – December: Capital project requests are submitted to the Finance Department. Finance staff utilize revenue forecasts and financial models to create a preliminary CIP.

January – March: The CIP Management Committee convenes to review the proposed plan, making adjustments as needed. The Management and Finance Division finalizes the recommended CIP for City Council consideration during public study sessions. The proposed budget, including the CIP, is accessible to the public on the Finance website.

April – May: The Management and Finance Division implements CIP modifications as requested by City Council. The revised CIP is presented for City Council review and published on the City's website. Subsequent public meetings follow until the CIP and final budget are adopted by the City Council.

Impact on Operating Budget

Capital projects are funded through a variety of sources, including grants, development fees, loans and reserves from the government and enterprise funds. The FY 2027 Capital Improvement Plan (CIP) includes projects for new assets, improvement and enhancement of services and infrastructure, replacement of assets to maintain, and expand the level of service to the community.

Some of the CIP projects will affect departmental operations once they become active. In certain cases, this may result in additional operational expenses, while in others, it may reduce cost. For example, a road intersection improvement with a traffic signal will impact the electricity expenses in the department's operation, and new equipment for parks will reduce man time to do the job, and the personnel can perform other duties without the need of additional staff. Additionally, investment in CIP projects limits the resources available for departmental operations in other areas.

Capital Improvement - One Year Plan

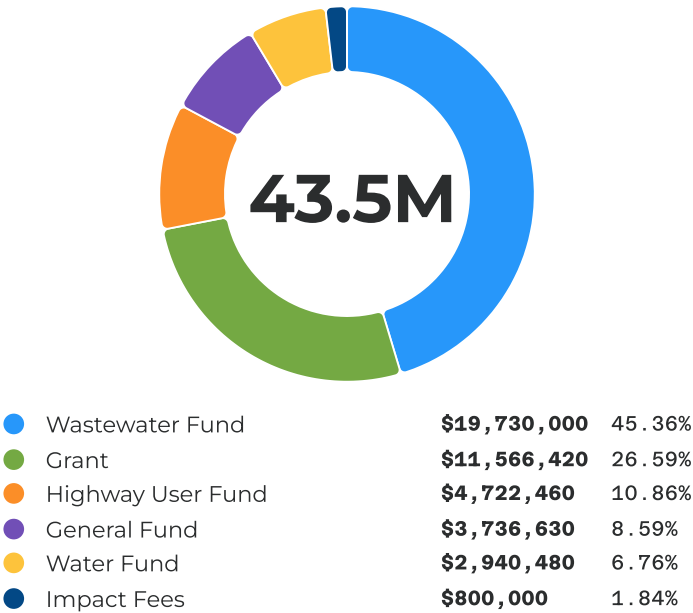
FY27 Total Capital Requested

\$43,495,990

FY27 Total Funding Requested

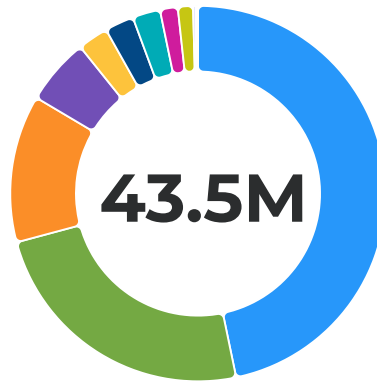
\$43,495,990

FY27 Total Funding Requested by Source



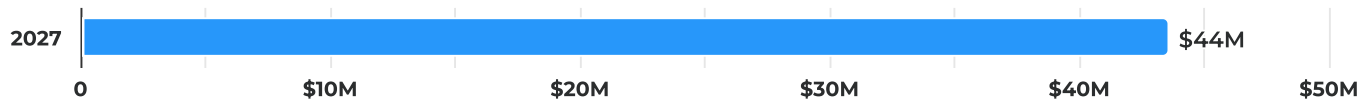
Please note that you can move to the full project details page by clicking on the project title.

FY27 Total Funding Requested by Department



Wastewater Operations	\$20,330,000	46.74%
Economic Development	\$10,474,150	24.08%
Streets	\$5,522,460	12.70%
Water Operation	\$2,485,000	5.71%
Information Technology	\$1,141,000	2.62%
Police Department	\$1,090,690	2.51%
Fire Department	\$1,035,000	2.38%
Facilities	\$665,000	1.53%
Parks	\$571,000	1.31%
Recreation	\$91,700	0.21%
Development Services	\$45,630	0.10%
Municipal Court	\$29,360	0.07%
FD Station 2	\$15,000	0.03%

FY27 Capital Cost Breakdown



Capital Costs	\$43,495,990	99.78%
Operational Costs	\$95,360	0.22%

Wastewater Operations

Category	FY2027
West Wastewater Treatment Plant Expansion Construction (Inc. Building & FM) - Construction and Design	\$20,000,000
Sewer Manhole Repairs and Replacements Annual Program	\$250,000
High School Lift Station Generator	\$80,000
Total Wastewater Operations	\$20,330,000

Economic Development

Category	FY2027
Downtown Park and Parking Lot	\$7,405,580
EDA Grant: USHWY 95 Water and Sewer Line Expansion (FY 2026 Carryover)	\$1,733,400

Category	FY2027
CDBG RA - Merrill Avenue Street Improvements Phase II (Carryover)	\$567,170
ESP Grant: Onvida Health Commercial Development Road	\$500,000
Land and Water Conservation Fund (LWCF) Grant - East Community Park	\$100,000
T Mobile Hometown Grant - Public Art Program	\$80,000
GM On Main Street Grant Program - Public Art on Main Street	\$60,000
Cesar Chavez Blvd Commercial Land Development - State Land Auction Preparation Study (Carryover)	\$28,000
Total Economic Development	\$10,474,150

Streets

Category	FY2027
10th Ave Widening	\$2,200,000
Union Street and 4th Avenue intersection and Traffic Signal Improvements Design & Construction Phase I Design	\$2,162,000
Cesar Chavez Boulevard Widening Project	\$337,000
Ave F Street Widening Design (between Cesar Chavez Blvd and San Luis Lane) Construction	\$200,000
Lakin Subsidence issue, Road Improvement Construction Continued	\$175,000
Urtuzuastegui Street drainage Improvements and Beautification from 10th Ave to 6th Ave	\$148,500
6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Design (Phase I Design completion from 60% to 100%)	\$145,730
10th Ave/Los Alamos Curve Project Construction Match-T0442	\$79,230
Pedestrian Hawk Crossing Relocation	\$75,000
Total Streets	\$5,522,460

Water Operation

Category	FY2027
Well Site #4 - Water Storage Tank and Pressure Tanks Rehabilitation	\$1,000,000
WS6 Electrical and Booster Station Improvements - Continuation	\$900,000
Well Site #3 - Entire Electrical Upgrade and Civil/Repiping Improvements	\$300,000
WS7 Operations Building Expansion - Continuation	\$100,000
New 2026 Chevrolet Service Truck w/ Crane	\$90,000
Case Construction 588H Forklift 4Wd	\$85,000
ADWR Assured Water Supply Update - Continuation	\$10,000
Total Water Operation	\$2,485,000

Information Technology

Category	FY2027
Financial ERP, HR, Payroll, Licensing, Permits Modernization & Cloud Transformation Initiative	\$1,000,000
Phone System Cloud Migration	\$70,000
Datacenter Perimeter Wall and Electrical Installation	\$41,000
Water Plant to Fleet Building Fiber Optic Link	\$30,000
Total Information Technology	\$1,141,000

Police Department

Category	FY2027
Police Equipment AZDPS Local Border Support Fund	\$511,390
Police Equipment Border Security DEMA Grant	\$265,000
AXON Upgrades/Renewals	\$164,300
Police Department Radios	\$150,000
Total Police Department	\$1,090,690

Fire Department

Category	FY2027
Fire Dispatch Alerting System Upgrade	\$680,000



Category	FY2027
Fire Station #3	\$150,000
Fire Rescue Truck	\$100,000
SCBA Airpacks	\$55,000
SCBA Regulators	\$50,000
Total Fire Department	\$1,035,000

Facilities

Category	FY2027
Facilities and Communications Building Remodel Project	\$500,000
Senior Center Building Improvements	\$125,000
Facilities Vehicle 2026 Chevrolet Silverado 1500 Work Truck (4X2)	\$40,000
Total Facilities	\$665,000

Parks

Category	FY2027
East Community Park - Continuation Budget	\$325,000
Renovation of the Joe Orduño Park Artificial Turf Field	\$146,000
Maintenance for Assessment District Audits	\$100,000
Total Parks	\$571,000

Recreation

Category	FY2027
Renovation of Recreation Department Indoor Restrooms	\$91,700
Total Recreation	\$91,700

Development Services

Category	FY2027
Development Services (GIS) Vehicle	\$45,630
Total Development Services	\$45,630

Municipal Court

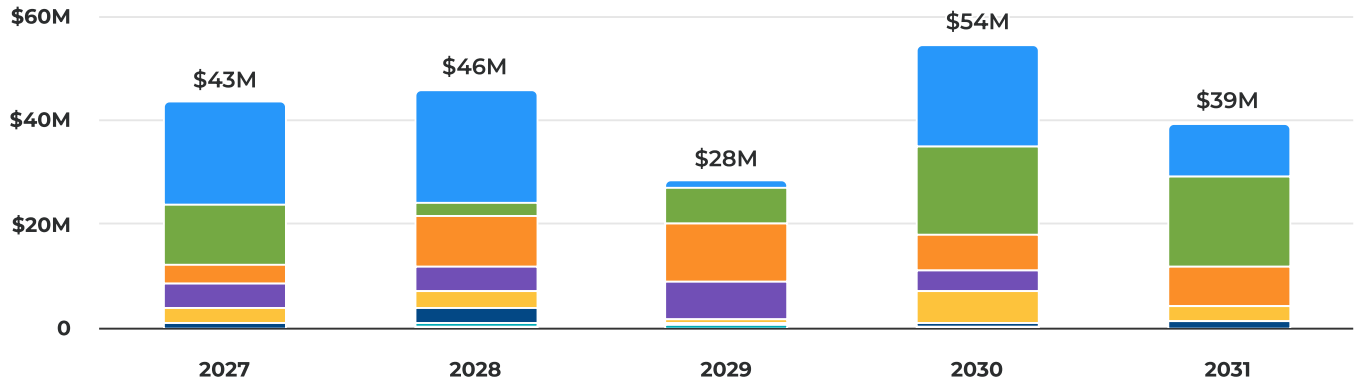
Category	FY2027
Network Circuit Upgrade	\$29,360
Total Municipal Court	\$29,360

FD Station 2

Category	FY2027
Fire Station #2 6ft Extension Barn	\$15,000
Total FD Station 2	\$15,000

Capital Improvement - Multi-Year Plan

FY27 - FY31 Total Funding Requested by Source

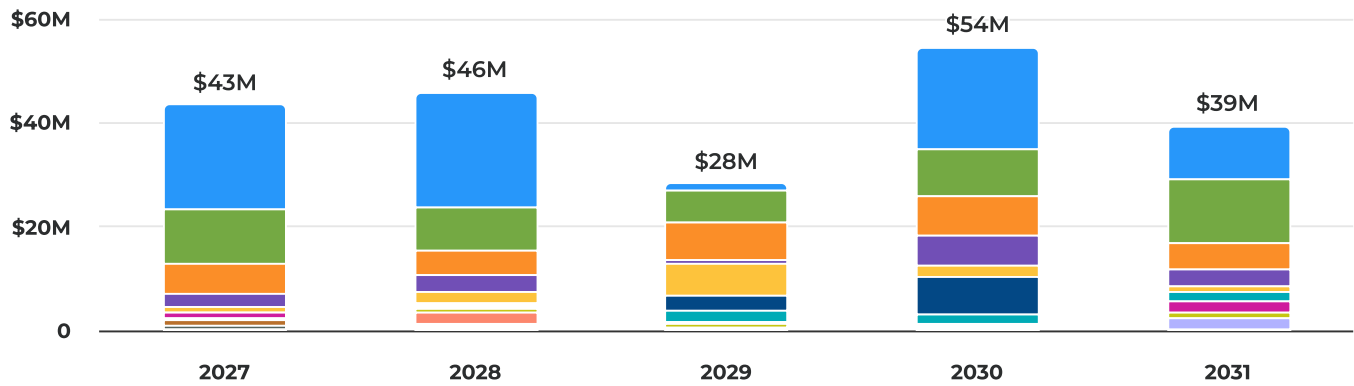


Funding by Source Totals (all years)

Wastewater Fund	\$72,520,000	34.32%
Grant	\$55,245,060	26.15%
General Fund	\$39,280,750	18.59%
Highway User Fund	\$20,817,460	9.85%
Water Fund	\$16,005,480	7.57%
Impact Fees	\$5,803,530	2.75%
Solid Waste Fund	\$1,280,000	0.61%
Ambulance Services Fund	\$350,000	0.17%
Assessment District Fund	\$0	0.00%

Please note that you can move to the full project details page by clicking on the project title.

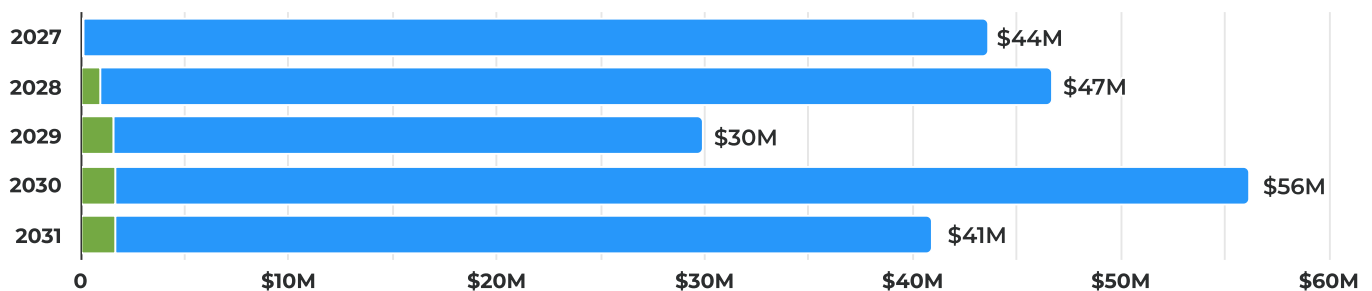
FY27 - FY31 Total Funding Requested by Department



Funding by Department Totals (all years)

Wastewater Operations	\$73,500,000	34.78%
Economic Development	\$46,186,340	21.86%
Streets	\$30,117,460	14.25%
Water Operation	\$15,470,000	7.32%
Police Department	\$12,782,710	6.05%
City Administration	\$10,441,100	4.94%
Municipal Court	\$6,267,360	2.97%
Fire Department	\$4,091,000	1.94%
Parks	\$3,503,380	1.66%
PW Administration	\$2,482,600	1.17%
FD Station 2	\$2,015,000	0.95%
Solid Waste	\$1,220,000	0.58%
Information Technology	\$1,141,000	0.54%
Facilities	\$847,000	0.40%
Ambulance Service	\$350,000	0.17%
Billings & Collections	\$300,000	0.14%
Recreation	\$291,700	0.14%
Engineering	\$250,000	0.12%
Development Services	\$45,630	0.02%

FY27 - FY31 Capital Cost Breakdown



Capital Cost Totals (all years)

Capital Costs	\$211,302,280	97.28%
Operational Costs	\$5,914,736	2.72%

Wastewater Operations

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
West Wastewater Treatment Plant Expansion Construction (Inc. Building & FM) - Construction and Design	\$20,000,000	\$20,380,000	\$0	\$0	\$0	\$40,380,000
East WWTP Expansion Design & Construction	\$0	\$1,000,000	\$0	\$19,200,000	\$10,000,000	\$30,200,000
SCADA - Supervisory Control and Data Acquisition - Wastewater	\$0	\$300,000	\$1,000,000	\$0	\$0	\$1,300,000
Sewer Manhole Repairs and Replacements Annual Program	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
New CAT Backhoe	\$0	\$180,000	\$0	\$0	\$0	\$180,000
2026 Ford F-550 Regular Cab DRW 4WD Dump Truck	\$0	\$0	\$110,000	\$0	\$0	\$110,000
High School Lift Station Generator	\$80,000	\$0	\$0	\$0	\$0	\$80,000
Total Wastewater Operations	\$20,330,000	\$22,110,000	\$1,360,000	\$19,450,000	\$10,250,000	\$73,500,000

Economic Development

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Downtown Redevelopment Improvements	\$0	\$1,300,000	\$5,663,000	\$5,597,000	\$5,597,000	\$18,157,000
Downtown Park and Parking Lot	\$7,405,580	\$0	\$0	\$0	\$0	\$7,405,580
Downtown Business and Community Center - Fleet Shop Site Redevelopment	\$0	\$0	\$150,000	\$450,000	\$6,000,000	\$6,600,000
Cesar Chavez Boulevard Commercial Development – State Land Acquisition	\$0	\$4,500,000	\$0	\$0	\$0	\$4,500,000
EDA Grant: USHWY 95 Water and Sewer Line Expansion (FY 2026 Carryover)	\$1,733,400	\$0	\$0	\$0	\$0	\$1,733,400
Avenue E/D Corridor Improvements	\$0	\$0	\$0	\$1,500,000	\$0	\$1,500,000
NAD Bank CAP Program - Downtown San Luis Master Drainage Infrastructure	\$0	\$1,427,000	\$0	\$0	\$0	\$1,427,000
Downtown Visitor and Welcome Center	\$0	\$50,000	\$250,000	\$500,000	\$500,000	\$1,300,000
CDBG: Los Oros Street Improvements Phase III	\$0	\$0	\$0	\$985,490	\$0	\$985,490
CDBG SSP: Los Oros Street Improvements Phase III (Los Valles St, Los Portales St, El Chamizal St)	\$0	\$737,700	\$0	\$0	\$0	\$737,700
CDBG RA - Merrill Avenue Street Improvements Phase II (Carryover)	\$567,170	\$0	\$0	\$0	\$0	\$567,170
ESP Grant: Onvida Health Commercial Development Road	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Historic District Monuments – Cesar Chavez and Main Street Districts	\$0	\$75,000	\$230,000	\$0	\$0	\$305,000
Downtown Wayfinding, Cultural Identity & Placemaking Signage Program	\$0	\$0	\$30,000	\$120,000	\$0	\$150,000
Land and Water Conservation Fund (LWCF) Grant - East Community Park	\$100,000	\$0	\$0	\$0	\$0	\$100,000
T Mobile Hometown Grant - Public Art Program	\$80,000	\$0	\$0	\$0	\$0	\$80,000
GM On Main Street Grant Program - Public Art on Main Street	\$60,000	\$0	\$0	\$0	\$0	\$60,000
Downtown Alley Activation and Improvement Plan	\$0	\$0	\$0	\$0	\$50,000	\$50,000
Cesar Chavez Blvd Commercial Land Development - State Land Auction Preparation Study (Carryover)	\$28,000	\$0	\$0	\$0	\$0	\$28,000
Total Economic Development	\$10,474,150	\$8,089,700	\$6,323,000	\$9,152,490	\$12,147,000	\$46,186,340

Streets

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Co. 25th Street extension to Ave B	\$0	\$1,550,000	\$200,000	\$5,000,000	\$5,000,000	\$11,750,000
6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Design (Phase I Design completion from 60% to 100%)	\$145,730	\$0	\$1,897,000	\$1,897,000	\$0	\$3,939,730
Ave F Street Widening Design (between Cesar Chavez Blvd and San Luis Lane) Construction	\$200,000	\$1,200,000	\$1,200,000	\$0	\$0	\$2,600,000



Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Co. 22nd St. between Sidewinder Rd. & Main St. Roadway Widening Design and Construction	\$0	\$1,000,000	\$1,500,000	\$0	\$0	\$2,500,000
10th Ave Widening	\$2,200,000	\$0	\$0	\$0	\$0	\$2,200,000
Union Street and 4th Avenue intersection and Traffic Signal Improvements Design & Construction Phase I Design	\$2,162,000	\$0	\$0	\$0	\$0	\$2,162,000
6th Avenue Repaving - U Street to Cesar Chavez Blvd Roadway Project	\$0	\$40,000	\$2,000,000	\$0	\$0	\$2,040,000
Cesar Chavez Boulevard Widening Project	\$337,000	\$500,000	\$0	\$0	\$0	\$837,000
ROW Beautification / Street Lights Projects	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000
New Traffic Signal, Ave F and Co 24th St	\$0	\$0	\$91,000	\$500,000	\$0	\$591,000
Highway Users Storage Warehouse	\$0	\$220,000	\$0	\$0	\$0	\$220,000
Lakin Subsidence issue, Road Improvement Construction Continued	\$175,000	\$0	\$0	\$0	\$0	\$175,000
Urtuzuastegui Street drainage Improvements and Beautification from 10th Ave to 6th Ave	\$148,500	\$0	\$0	\$0	\$0	\$148,500
10th Ave/Los Alamos Curve Project Construction Match-T0442	\$79,230	\$0	\$0	\$0	\$0	\$79,230
Pedestrian Hawk Crossing Relocation	\$75,000	\$0	\$0	\$0	\$0	\$75,000
Total Streets	\$5,522,460	\$4,710,000	\$7,088,000	\$7,597,000	\$5,200,000	\$30,117,460

Water Operation

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Well Site 6 - New Groundwater Well and MTU (Potentially create a new well site #8)	\$0	\$200,000	\$0	\$2,000,000	\$3,000,000	\$5,200,000
Well Site 7 - New Water Storage Tank	\$0	\$0	\$150,000	\$4,000,000	\$0	\$4,150,000
WS6 Electrical and Booster Station Improvements - Continuation	\$900,000	\$1,150,000	\$0	\$0	\$0	\$2,050,000
SCADA - Supervisory Control and Data Acquisition - Water	\$0	\$610,000	\$610,000	\$0	\$0	\$1,220,000
Well Site #4 - Water Storage Tank and Pressure Tanks Rehabilitation	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Well Site #3 - Entire Electrical Upgrade and Civil/Repiping Improvements	\$300,000	\$700,000	\$0	\$0	\$0	\$1,000,000
Hydro excavating Truck	\$0	\$500,000	\$0	\$0	\$0	\$500,000
WS7 Operations Building Expansion - Continuation	\$100,000	\$0	\$0	\$0	\$0	\$100,000
New 2026 Chevrolet Service Truck w/ Crane	\$90,000	\$0	\$0	\$0	\$0	\$90,000
Case Construction 588H Forklift 4Wd	\$85,000	\$0	\$0	\$0	\$0	\$85,000
New 2026 Chevrolet Service Truck	\$0	\$65,000	\$0	\$0	\$0	\$65,000
ADWR Assured Water Supply Update - Continuation	\$10,000	\$0	\$0	\$0	\$0	\$10,000
Total Water Operation	\$2,485,000	\$3,225,000	\$760,000	\$6,000,000	\$3,000,000	\$15,470,000

Police Department

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Police Department #2 - East Station - Carry over funds from FY 2023 CIP plus additional funds to complete the project	\$0	\$1,434,830	\$5,249,870	\$1,505,940	\$500,000	\$8,690,640
Replace Police Vehicles	\$0	\$415,000	\$465,000	\$500,000	\$550,000	\$1,930,000
AXON Upgrades/Renewals	\$164,300	\$164,300	\$164,300	\$164,300	\$164,300	\$821,500
Police Equipment AZDPS Local Border Support Fund	\$511,390	\$0	\$0	\$0	\$0	\$511,390
Police Department Radios	\$150,000	\$150,000	\$150,000	\$0	\$0	\$450,000
Police Equipment Border Security DEMA Grant	\$265,000	\$0	\$0	\$0	\$0	\$265,000
Police Motorcycle	\$0	\$46,070	\$0	\$0	\$0	\$46,070
Police Department Shipping/storage Containers & Canopy Shade	\$0	\$26,620	\$11,490	\$0	\$0	\$38,110



Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Off-site Dispatch Console	\$0	\$30,000	\$0	\$0	\$0	\$30,000
Total Police Department	\$1,090,690	\$2,266,820	\$6,040,660	\$2,170,240	\$1,214,300	\$12,782,710

City Administration

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction of Southbound Lane (Levee Rd) - County 22nd to SIB Pumping Plant	\$0	\$200,000	\$400,000	\$5,000,000	\$0	\$5,600,000
Federal Land Exchange Feasibility Study	\$0	\$0	\$2,500,000	\$0	\$0	\$2,500,000
Postal Services Cluster Boxes	\$0	\$0	\$0	\$2,000,000	\$0	\$2,000,000
ADA Compliance - EE Parking Lots Design and Construction	\$0	\$25,000	\$75,000	\$0	\$0	\$100,000
Remodel Building on 767 N William Brooks Avenue	\$0	\$90,000	\$0	\$0	\$0	\$90,000
City Council Vehicle	\$0	\$65,000	\$0	\$0	\$0	\$65,000
Administration Vehicle	\$0	\$46,100	\$0	\$0	\$0	\$46,100
City Hall Landscape front and back	\$0	\$40,000	\$0	\$0	\$0	\$40,000
Total City Administration	\$0	\$466,100	\$2,975,000	\$7,000,000	\$0	\$10,441,100

Municipal Court

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
New Courthouse	\$0	\$238,000	\$2,000,000	\$2,000,000	\$2,000,000	\$6,238,000
Network Circuit Upgrade	\$29,360	\$0	\$0	\$0	\$0	\$29,360
Total Municipal Court	\$29,360	\$238,000	\$2,000,000	\$2,000,000	\$2,000,000	\$6,267,360

Fire Department

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Fire Station #4	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
Fire Dispatch Alerting System Upgrade	\$680,000	\$0	\$0	\$0	\$0	\$680,000
Engine Pumper	\$0	\$400,000	\$0	\$0	\$0	\$400,000
Fire Protective Gear	\$0	\$0	\$300,000	\$0	\$0	\$300,000
Fire Department Radios	\$0	\$0	\$240,000	\$0	\$0	\$240,000
Fire Station #3	\$150,000	\$0	\$0	\$0	\$0	\$150,000
Rescue Tools	\$0	\$116,000	\$0	\$0	\$0	\$116,000
Fire Rescue Truck	\$100,000	\$0	\$0	\$0	\$0	\$100,000
SCBA Airpacks	\$55,000	\$0	\$0	\$0	\$0	\$55,000
SCBA Regulators	\$50,000	\$0	\$0	\$0	\$0	\$50,000
Total Fire Department	\$1,035,000	\$516,000	\$540,000	\$0	\$2,000,000	\$4,091,000

Parks

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
San Luis Veterans Memorial Park	\$0	\$0	\$0	\$0	\$1,244,630	\$1,244,630
East Community Park - Continuation Budget	\$325,000	\$300,000	\$300,000	\$300,000	\$0	\$1,225,000
Joe Orduño Park Relight Structure System	\$0	\$260,750	\$227,000	\$0	\$0	\$487,750
Maintenance for Assessment District Audits	\$100,000	\$100,000	\$100,000	\$100,000	\$0	\$400,000
Renovation of the Joe Orduño Park Artificial Turf Field	\$146,000	\$0	\$0	\$0	\$0	\$146,000
Total Parks	\$571,000	\$660,750	\$627,000	\$400,000	\$1,244,630	\$3,503,380

PW Administration

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
New Public Works Building - Design FY 2028 and Construction Future Years	\$0	\$0	\$0	\$323,000	\$2,159,600	\$2,482,600
Total PW Administration	\$0	\$0	\$0	\$323,000	\$2,159,600	\$2,482,600



FD Station 2

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Fire Station #2 Phase 2	\$0	\$2,000,000	\$0	\$0	\$0	\$2,000,000
Fire Station #2 6ft Extension Barn	\$15,000	\$0	\$0	\$0	\$0	\$15,000
Total FD Station 2	\$15,000	\$2,000,000	\$0	\$0	\$0	\$2,015,000

Solid Waste

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Solid Waste Truck Lease/Purchases Replacing Vehicle #3270 in FY27, Replacing Vehicle #487 in FY28, Replacing Vehicle 3796 in FY29	\$0	\$430,000	\$450,000	\$340,000	\$0	\$1,220,000
Total Solid Waste	\$0	\$430,000	\$450,000	\$340,000	\$0	\$1,220,000

Information Technology

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Financial ERP, HR, Payroll, Licensing, Permits Modernization & Cloud Transformation Initiative	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Phone System Cloud Migration	\$70,000	\$0	\$0	\$0	\$0	\$70,000
Datacenter Perimeter Wall and Electrical Installation	\$41,000	\$0	\$0	\$0	\$0	\$41,000
Water Plant to Fleet Building Fiber Optic Link	\$30,000	\$0	\$0	\$0	\$0	\$30,000
Total Information Technology	\$1,141,000	\$0	\$0	\$0	\$0	\$1,141,000

Facilities

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Facilities and Communications Building Remodel Project	\$500,000	\$0	\$0	\$0	\$0	\$500,000
City Hall Admin Wing Reconfiguration	\$0	\$182,000	\$0	\$0	\$0	\$182,000
Senior Center Building Improvements	\$125,000	\$0	\$0	\$0	\$0	\$125,000
Facilities Vehicle 2026 Chevrolet Silverado 1500 Work Truck (4X2)	\$40,000	\$0	\$0	\$0	\$0	\$40,000
Total Facilities	\$665,000	\$182,000	\$0	\$0	\$0	\$847,000

Ambulance Service

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Ambulance	\$0	\$350,000	\$0	\$0	\$0	\$350,000
Total Ambulance Service	\$0	\$350,000	\$0	\$0	\$0	\$350,000

Billings & Collections

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Billing and Collections Storage Facility	\$0	\$160,000	\$0	\$0	\$0	\$160,000
Water Meter Testing Shop	\$0	\$0	\$0	\$60,000	\$0	\$60,000
Garbage Container Station Including A Washing Station	\$0	\$0	\$60,000	\$0	\$0	\$60,000
Water Pressure Profile Implementation	\$0	\$20,000	\$0	\$0	\$0	\$20,000
Total Billings & Collections	\$0	\$180,000	\$60,000	\$60,000	\$0	\$300,000

Recreation

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Recreation Department Expansion Project - Continuation	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Renovation of Recreation Department Indoor Restrooms	\$91,700	\$0	\$0	\$0	\$0	\$91,700
Total Recreation	\$91,700	\$200,000	\$0	\$0	\$0	\$291,700



Engineering

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Transportation Master Plan	\$0	\$100,000	\$100,000	\$0	\$0	\$200,000
GPS Survey Equipment	\$0	\$0	\$0	\$0	\$50,000	\$50,000
Total Engineering	\$0	\$100,000	\$100,000	\$0	\$50,000	\$250,000

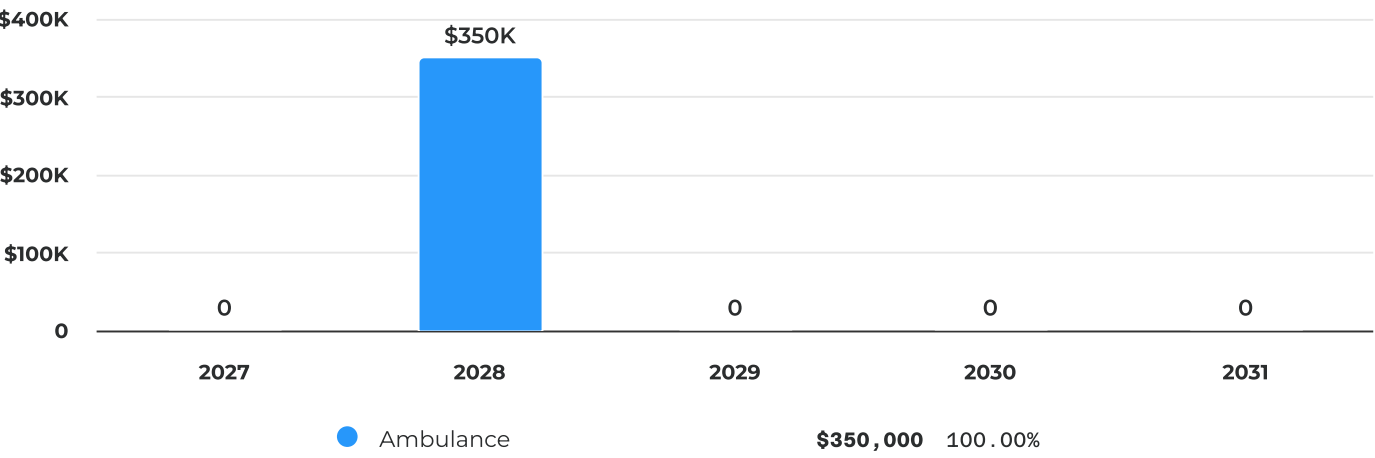
Development Services

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Development Services (GIS) Vehicle	\$45,630	\$0	\$0	\$0	\$0	\$45,630
Total Development Services	\$45,630	\$0	\$0	\$0	\$0	\$45,630

Capital Projects

Ambulance Service

FY27 - FY31 Ambulance Service Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Ambulance	\$0	\$350,000	\$0	\$0	\$0	\$350,000
Total Summary of Requests	\$0	\$350,000	\$0	\$0	\$0	\$350,000

Ambulance

Overview

Request Owner	Angel Ramirez
Department	Ambulance Service
Type	Capital Equipment

Description

The department is requesting a new ambulance to ensure reliable, safe, and efficient emergency medical services for our community. Our current ambulance has experienced significant wear due to high call volume and extended service life, resulting in increased maintenance costs and downtime. A new ambulance will improve response reliability, enhance patient and crew safety with updated equipment and safety features, and ensure compliance with current medical and regulatory standards. Investing in a new ambulance is essential to maintaining the high level of care and emergency response our community depends on.

Details

New Purchase or Replacement:	New	Useful Life:	9
New or Used Vehicle:	New Vehicle		

Benefit to Community

A new ambulance directly benefits the community by improving emergency response times and ensuring reliable medical care when it is needed most. With increased dependability and fewer mechanical breakdowns, residents can trust that help will arrive quickly during medical emergencies. Updated equipment and modern safety features allow paramedics to provide higher-quality treatment on scene and during transport, improving patient outcomes. Additionally, a new ambulance reduces service disruptions, ensuring continuous coverage for the entire community and enhancing overall public safety.

Description of New Operating Costs

Since this is a new ambulance vehicle, there will be additional operating costs such as gas and oil, maintenance costs, insurance and medical supplies needed to operate the ambulance.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$350K	\$350K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Vehicle Cost	\$350,000
Total	\$350,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$350K	\$350K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Ambulance Services Fund	\$350,000
Total	\$350,000

Operational Costs

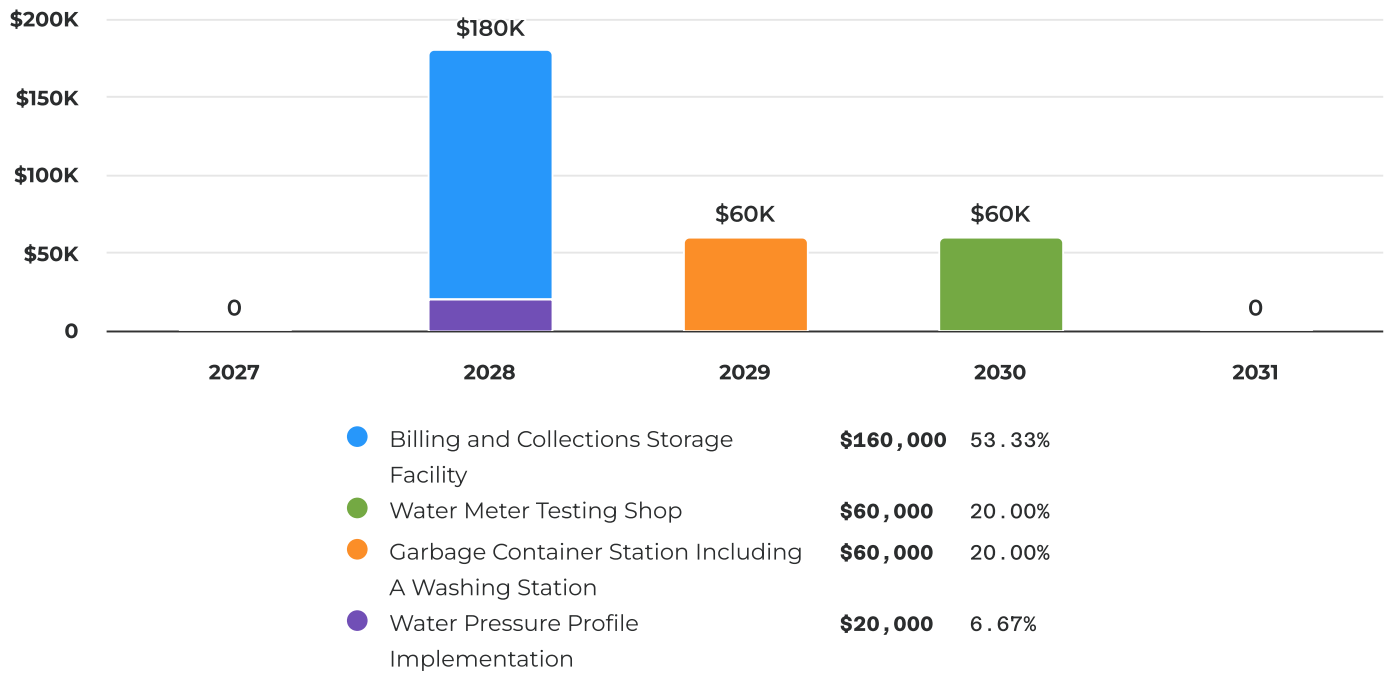
FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$90K	\$90K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Supplies	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
Gas/Oil	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000
Maintenance	\$2,500	\$2,500	\$2,500	\$2,500	\$10,000
Total	\$22,500	\$22,500	\$22,500	\$22,500	\$90,000

Billings & Collections

FY27 - FY31 Billings & Collections Projects



Summary of Requests

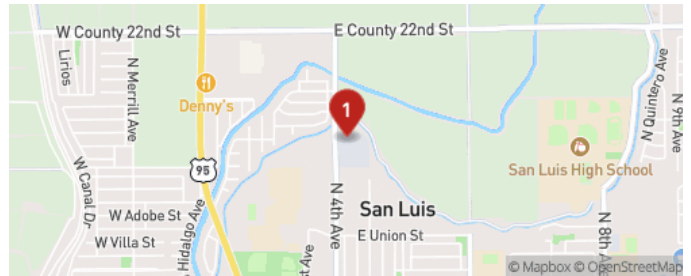
Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Billing and Collections Storage Facility	\$0	\$160,000	\$0	\$0	\$0	\$160,000
Water Meter Testing Shop	\$0	\$0	\$0	\$60,000	\$0	\$60,000
Garbage Container Station Including A Washing Station	\$0	\$0	\$60,000	\$0	\$0	\$60,000
Water Pressure Profile Implementation	\$0	\$20,000	\$0	\$0	\$0	\$20,000
Total Summary of Requests	\$0	\$180,000	\$60,000	\$60,000	\$0	\$300,000

Billing and Collections Storage Facility

Overview

Request Owner	Edgar Esparza
Department	Billings & Collections
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2028

Project Location



Description

The Billing and Collections Department does not have dedicated storage for our water meters, meter antennas, meter box lids, and other departmental equipment. We are currently sharing a storage area with the Water Department.

Details

Type of Project: New Construction

Benefit to Community

This project will allow us to operate our own storage facility without sharing space with the Water Department. This will allow us to access it when needed and improve inventory control.

Description of New Operating Costs

There is no additional need for departmental staff in the warehouse. However, I do foresee operating costs for utilities (electricity and water) and facilities maintenance.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$160K	\$160K

Detailed Breakdown

Category	FY2028 Adopted
Construction/Maintenance	\$140,000
Design	\$20,000
Total	\$160,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$160K

Project Total

\$160K

Detailed Breakdown

Category

FY2028*Adopted*

General Fund

\$160,000**Total****\$160,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$30K

Project Total

\$30K

Detailed Breakdown

Category

FY2028*Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Utilities

\$5,000

\$5,000

\$5,000

\$5,000

\$20,000

Maintenance

\$2,500

\$2,500

\$2,500

\$2,500

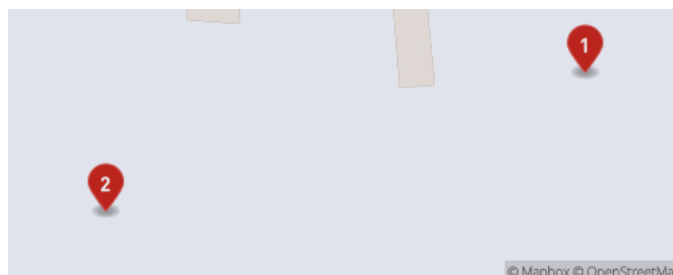
\$10,000**Total****\$7,500****\$7,500****\$7,500****\$7,500****\$30,000**

Garbage Container Station Including A Washing Station

Overview

Request Owner	Edgar Esparza
Department	Billings & Collections
Type	Capital Improvement
Estimated Start Date	07/1/2028
Estimated Completion Date	06/30/2029

Project Location



Description

The Billing and Collections Department is currently using the shaded structure from Public Works to safeguard our garbage containers, gbg lids, wheels, and axles. However, we have been notified that we need to relocate the containers because the space is needed back. Additionally, we currently do not have a washing station for the containers.

Details

Type of Project: New Construction

Benefit to Community

This project will enable us to establish a garbage station. This will not include constructing an additional warehouse; instead, it will provide a shaded area similar to the current area we use. This will help keep our assets in good condition and ensure they are delivered to customers. Additionally, with the washing station, we will be able to wash all used containers before returning them to residents.

Description of New Operating Costs

There are no additional operating costs for this project. This is a structural project that will not require electricity; only water and sewer service will be required.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$60K	\$60K

Detailed Breakdown

Category	FY2029 Adopted
Construction/Maintenance	\$60,000
Total	\$60,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$60K

Project Total

\$60K

Detailed Breakdown

Category

FY2029

Adopted

Solid Waste Fund

\$60,000**Total****\$60,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$14.4K

Project Total

\$14.4K

Detailed Breakdown

Category

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Utilities

\$4,800

\$4,800

\$4,800

\$14,400**Total****\$4,800****\$4,800****\$4,800****\$14,400**

Water Meter Testing Shop

Overview

Request Owner	Edgar Esparza
Department	Billings & Collections
Type	Capital Equipment

Description

The Billing and Collections department currently lacks a water meter testing facility. As a result, if we need to test a meter, we send it to a company in Phoenix to test all residential meters. Additionally, we do not test commercial meters because we lack the appropriate equipment, and sending them to Phoenix for testing would require additional work.

Details

New Purchase or Replacement: New **Useful Life:** 10 or more years

Benefit to Community

This project will enable us to test all meters in-house and establish a commercial meter testing program to test all commercial meters annually, ensuring accurate readings and billing. This project will require only the purchase of the testing equipment, as we will place it in the requested storage facility.

Description of New Operating Costs

The operating cost will include an additional meter reader technician and the purchase of a work truck.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$60K	\$60K

Detailed Breakdown

Category	FY2030 <i>Adopted</i>
Equipment	\$60,000
Total	\$60,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$60K

Project Total

\$60K

Detailed Breakdown

Category

FY2030*Adopted*

Water Fund

\$60,000**Total****\$60,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$80K

Project Total

\$80K

Detailed Breakdown

Category

FY2030*Adopted*

Supplies

\$40,000

Personnel

\$40,000**Total****\$80,000**

Water Pressure Profile Implementation

Overview

Request Owner	Edgar Esparza
Department	Billings & Collections
Type	Capital Equipment

Description

Implementing a pressure profile application will enable the city to proactively manage our water distribution system. With an ESRI map-based interface, we will be able to monitor the health of our water network and respond quickly when adverse conditions arise. This will allow us to quickly investigate and limit wear and tear on infrastructure before it becomes a costly problem.

Details

New Purchase or Replacement: New **Useful Life:** 10 or more years

Benefit to Community

The City of San Luis currently does not have a water pressure profile that assists with proactively managing our water distribution system. As a result, the city can reduce leaks and bursts by stabilizing and lowering system pressures. It will also extend the life of system assets by reducing wear and tear on infrastructure.

Description of New Operating Costs

There will not be any additional operating costs associated with adding staff. Current staff will still be able to operate the software. The operational cost is the annual fee for the pressure profile software.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$20K	\$20K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Equipment	\$20,000
Total	\$20,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$20K

Project Total

\$20K

Detailed Breakdown

Category

FY2028*Adopted*

Water Fund

\$20,000**Total****\$20,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$45K

Project Total

\$45K

Detailed Breakdown

Category

FY2028*Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Maintenance

\$0

\$15,000

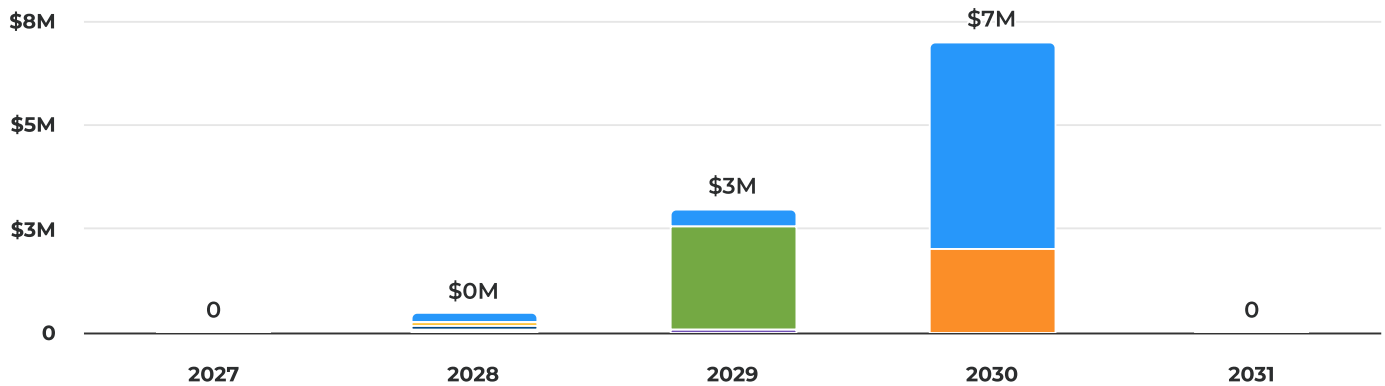
\$15,000

\$15,000

\$45,000**Total****\$0****\$15,000****\$15,000****\$15,000****\$45,000**

City Administration

FY27 - FY31 City Administration Projects



Construction of Southbound Lane (Levee Rd) - County 22nd to SIB Pumping Plant	\$5,600,000	53.63%
Federal Land Exchange Feasibility Study	\$2,500,000	23.94%
Postal Services Cluster Boxes	\$2,000,000	19.16%
ADA Compliance - EE Parking Lots Design and Construction	\$100,000	0.96%
Remodel Building on 767 N William Brooks Avenue	\$90,000	0.86%
City Council Vehicle	\$65,000	0.62%
Administration Vehicle	\$46,100	0.44%
City Hall Landscape front and back	\$40,000	0.38%

Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction of Southbound Lane (Levee Rd) - County 22nd to SIB Pumping Plant	\$0	\$200,000	\$400,000	\$5,000,000	\$0	\$5,600,000
Federal Land Exchange Feasibility Study	\$0	\$0	\$2,500,000	\$0	\$0	\$2,500,000
Postal Services Cluster Boxes	\$0	\$0	\$0	\$2,000,000	\$0	\$2,000,000
ADA Compliance - EE Parking Lots Design and Construction	\$0	\$25,000	\$75,000	\$0	\$0	\$100,000
Remodel Building on 767 N William Brooks Avenue	\$0	\$90,000	\$0	\$0	\$0	\$90,000
City Council Vehicle	\$0	\$65,000	\$0	\$0	\$0	\$65,000
Administration Vehicle	\$0	\$46,100	\$0	\$0	\$0	\$46,100
City Hall Landscape front and back	\$0	\$40,000	\$0	\$0	\$0	\$40,000
Total Summary of Requests	\$0	\$466,100	\$2,975,000	\$7,000,000	\$0	\$10,441,100

ADA Compliance - EE Parking Lots Design and Construction

Overview

Request Owner	Olivia Jenkins, Administrative Services Manager
Department	City Administration
Type	Other
Estimated Start Date	07/1/2027
Estimated Completion Date	12/31/2028

Description

The project will review, design and construct a City Wide employee parking lot for ADA compliance.

Details

New Purchase or Replacement: Replacement

Type of Project: Other improvement

Benefit to Community

The city parking lot for employees will meet the ADA requirements by providing the right number of accessible spaces, proper signs, and clear paths to buildings.

Description of New Operating Costs

The parking lot will have regular maintenance to keep up with daily wear and environmental damage.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$100K

Project Total

\$100K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Other	\$25,000	\$75,000	\$100,000
Total	\$25,000	\$75,000	\$100,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$100K

Project Total

\$100K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
General Fund	\$25,000	\$75,000	\$100,000
Total	\$25,000	\$75,000	\$100,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$4K

Project Total

\$4K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000
Total	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000

Administration Vehicle

Overview

Request Owner	Olivia Jenkins, Administrative Services Manager
Department	City Administration
Type	Capital Equipment

Description

The Administration department is in need of a replacement vehicle for the 2009 Toyota Prius.

Details

New Purchase or Replacement:	Replacement	Useful Life:	7
New or Used Vehicle:	New Vehicle		

Benefit to Community

The purchase of the vehicle will provide reliable transportation for city administration to use as there are no other vehicles available for administrative office members for city business.

Description of New Operating Costs

The estimated operational costs will be gasoline expenses, vehicle maintenance and car insurance.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$46.1K	\$46.1K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Vehicle Cost	\$46,100
Total	\$46,100

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$46.1K

Project Total

\$46.1K

Detailed Breakdown

Category

FY2028

Adopted

General Fund

\$46,100**Total****\$46,100**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$17.6K

Project Total

\$17.6K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Gas/Oil	\$1,950	\$1,950	\$1,950	\$1,950	\$7,800
Support Services	\$1,800	\$1,750	\$1,700	\$1,650	\$6,900
Maintenance	\$550	\$550	\$550	\$1,250	\$2,900
Total	\$4,300	\$4,250	\$4,200	\$4,850	\$17,600

City Council Vehicle

Overview

Request Owner	Olivia Jenkins, Administrative Services Manager
Department	City Administration
Type	Capital Equipment

Description

City Council is in need of a new vehicle to replace the 2015 vehicle used.

Details

New Purchase or Replacement:	Replacement	Useful Life:	7
New or Used Vehicle:	New Vehicle		

Benefit to Community

The purchase of the vehicle will be reliable transportation for the City Council department, especially since they travel outside the city for meetings, conferences etc.

Description of New Operating Costs

The new vehicle will have additional gasoline expenses, vehicle maintenance and car insurance.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$65K	\$65K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Vehicle Cost	\$65,000
Total	\$65,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$65K	\$65K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
General Fund	\$65,000
Total	\$65,000

Operational Costs

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$17.5K	\$17.5K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Gas/Oil	\$1,900	\$1,900	\$1,900	\$1,900	\$7,600
Support Services	\$1,800	\$1,750	\$1,700	\$1,650	\$6,900
Maintenance	\$600	\$600	\$600	\$1,200	\$3,000
Total	\$4,300	\$4,250	\$4,200	\$4,750	\$17,500

City Hall Landscape front and back

Overview

Request Owner	Olivia Jenkins, Administrative Services Manager
Department	City Administration
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2028

Description

A new design and construction of city hall's landscape will improve the image of city hall.

Details

Type of Project: Other improvement

Benefit to Community

The city hall building needs landscaping in front and back. The public does business there, so the building needs to look professional and appealing. The project will beautify the image of the city hall.

Description of New Operating Costs

Depending on the design of the new landscape, there will be a variance in how much water will be used. There is already maintenance that is keeping up the current landscape. Therefore, no additional cost for that will be needed.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$40K	\$40K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Construction/Maintenance	\$40,000
Total	\$40,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$40K	\$40K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
General Fund	\$40,000
Total	\$40,000

Operational Costs

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$4K	\$4K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Utilities	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000
Total	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000

Construction of Southbound Lane (Levee Rd) - County 22nd to SIB Pumping Plant

Overview

Request Owner	Olivia Jenkins, Administrative Services Manager
Department	City Administration
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2030

Description

Construct a new road along the west side of the levee from County 22nd Street to the SIB Pumping Plant, then transition onto the levee road from the SIB Pumping Plant south to San Luis Plaza Drive. A three-lane southbound-only roadway is proposed along the west side of the existing levee.

Details

Type of Project: New Road

Benefit to Community

The San Luis Port of Entry southbound traffic heading into Mexico divides the city in half, causing significant congestion along Main Street/US 95 and creating a 3-mile corridor with wait times up to 2 hours. The southbound lanes prevent the community residents from getting to major key facilities, including the US Postal Service and the upcoming community hospital.

Description of New Operating Costs

While this is a new road, maintenance will be required in the future years, such as routine maintenance and pavement preservation and striping every 5–6 years.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$5.6M	\$5.6M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$400,000	\$5,000,000	\$5,400,000
Design	\$200,000	\$0	\$0	\$200,000
Total	\$200,000	\$400,000	\$5,000,000	\$5,600,000



Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$5.6M

Project Total

\$5.6M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Grant	\$0	\$400,000	\$5,000,000	\$5,400,000
General Fund	\$200,000	\$0	\$0	\$200,000
Total	\$200,000	\$400,000	\$5,000,000	\$5,600,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$1.8K

Project Total

\$1.8K

Detailed Breakdown

Category	FY2031 <i>Adopted</i>
Maintenance	\$1,800
Total	\$1,800

Federal Land Exchange Feasibility Study

Overview

Request Owner	Olivia Jenkins, Administrative Services Manager
Department	City Administration
Type	Capital Improvement
Estimated Start Date	07/1/2028
Estimated Completion Date	06/30/2029

Description

The city is proposing to the federal government an exchange of federal land for state land to allow the ASLD to auction the land for future developments. The proposal might require an environmental review, a sweep of the land for the flat tail horn lizard and a cost of habitat loss.

Details

Type of Project: Other improvement

Benefit to Community

The city is limited to growth by the federal land located from 10th Avenue to Avenue F. This leapfrog development separates the community from the East and West, placing a burden on public safety, delivery of services and infrastructure development.

Description of New Operating Costs

This project does not require operating costs since it is a study.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$2.5M	\$2.5M

Detailed Breakdown

Category	FY2029 Adopted
Other	\$2,500,000
Total	\$2,500,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$2.5M

Project Total

\$2.5M

Detailed Breakdown

Category

FY2029*Adopted*

General Fund

\$2,500,000**Total****\$2,500,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2029*Adopted*

Support Services

\$0**Total****\$0**

Postal Services Cluster Boxes

Overview

Request Owner	Olivia Jenkins, Administrative Services Manager
Department	City Administration
Type	Capital Improvement
Estimated Start Date	07/1/2029
Estimated Completion Date	06/30/2030

Description

The city proposes to identify key areas within the existing subdivisions and install cluster boxes for residents to be able to pick up their mail within their subdivision. The project will install postal service cluster boxes for residents on the east side of the city.

Details

Type of Project: New Construction

Benefit to Community

The City of San Luis does not have home mail delivery. The US Postal Service is the 2nd-largest civilian employer in the nation, and San Luis residents are required to pick up postal mail at the post office. The US Postal Service building is up to capacity and cannot accommodate future growth. The US Postal Facility is located along Highway 95/Main Street in a very congested area that is difficult for residents to pick up mail. Residents will have the postal service boxes closer to their residences.

Description of New Operating Costs

Operational costs for this project consist of a security monitor system and maintenance that will probably be completed by USPS.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$2M	\$2M

Detailed Breakdown

Category	FY2030 <i>Adopted</i>
Construction/Maintenance	\$2,000,000
Total	\$2,000,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$2M

Project Total

\$2M

Detailed Breakdown

Category

FY2030*Adopted*

General Fund

\$2,000,000**Total****\$2,000,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$10K

Project Total

\$10K

Detailed Breakdown

Category

FY2030*Adopted*

Support Services

\$10,000**Total****\$10,000**

Remodel Building on 767 N William Brooks Avenue

Overview

Request Owner	Olivia Jenkins, Administrative Services Manager
Department	City Administration
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	12/31/2027

Description

The project will remodel the old building next to the Municipal Court for additional office space for personnel.

Details

Type of Project: Other improvement

Benefit to Community

The building next to the city court building is in disrepair and needs to be upgraded. The city needs to use the unused building to accommodate personnel.

Description of New Operating Costs

Operational costs for this building would include maintenance and utilities.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$90K	\$90K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Construction/Maintenance	\$90,000
Total	\$90,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$90K

Project Total

\$90K

Detailed Breakdown

Category

FY2028*Adopted*

General Fund

\$90,000**Total****\$90,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$22.5K

Project Total

\$22.5K

Detailed Breakdown

Category

FY2028*Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Utilities

\$2,500

\$5,000

\$5,000

\$5,000

\$17,500

Maintenance

\$500

\$1,500

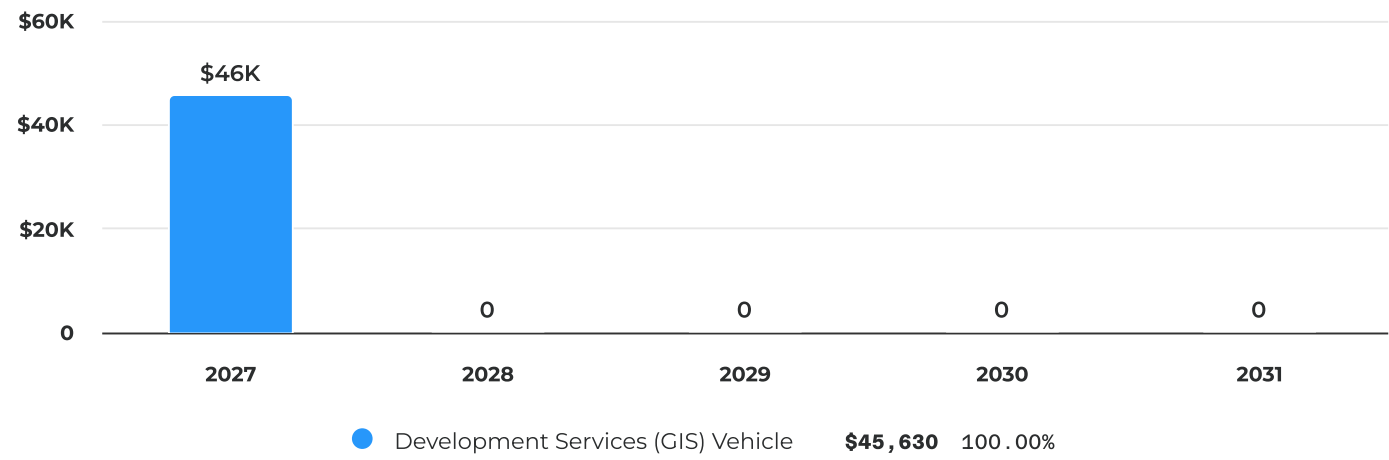
\$1,500

\$1,500

\$5,000**Total****\$3,000****\$6,500****\$6,500****\$6,500****\$22,500**

Development Services

FY27 - FY31 Development Services Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Development Services (GIS) Vehicle	\$45,630	\$0	\$0	\$0	\$0	\$45,630
Total Summary of Requests	\$45,630	\$0	\$0	\$0	\$0	\$45,630

Development Services (GIS) Vehicle

Overview

Request Owner	Jose Guzman
Department	Development Services
Type	Capital Equipment

Description

This request is for the purchase of a dedicated GIS vehicle to support field data collection, asset verification, mapping updates, and interdepartmental GIS support throughout the city. The vehicle will be used by GIS staff to conduct site visits, collect GPS data, verify infrastructure and development information, and respond to requests from Planning, Engineering, Public Works, Code Enforcement, Police, Fire, and other departments. Having a dedicated GIS vehicle will improve efficiency, reduce reliance on shared vehicles, and allow GIS work to be completed in a timely and coordinated manner.

Details

New Purchase or Replacement: New **Useful Life:** 10 or more years

New or Used Vehicle: New Vehicle

Benefit to Community

Accurate and up-to-date GIS data directly supports public services, infrastructure planning, development review, emergency response, and long-term growth management. A dedicated GIS vehicle allows staff to maintain reliable mapping and asset data, which improves coordination between departments and results in better decision-making, faster service delivery, and improved responsiveness to residents and businesses. This investment supports citywide operations and helps ensure the community benefits from accurate data, efficient planning, and safer infrastructure.

Description of New Operating Costs

Ongoing operating costs will include routine fuel, maintenance, insurance, and minor repairs consistent with other City fleet vehicles. These costs are expected to be minimal and absorbed within the existing departmental operating budget.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$45.6K	\$45.6K	\$45.6K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Vehicle Cost	\$45,630
Total	\$45,630

Funding Sources

FY2027 Budget

\$45.6K

Total Budget (all years)

\$45.6K

Project Total

\$45.6K

Detailed Breakdown

Category

FY2027

Adopted

General Fund

\$45,630**Total****\$45,630**

Operational Costs

FY2027 Budget

\$3K

Total Budget (all years)

\$15K

Project Total

\$15K

Detailed Breakdown

Category

FY2027

Adopted

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Gas/Oil

\$1,400

\$1,400

\$1,400

\$1,400

\$1,400

\$7,000

Maintenance

\$1,000

\$1,000

\$1,000

\$1,000

\$1,000

\$5,000

Support Services

\$600

\$600

\$600

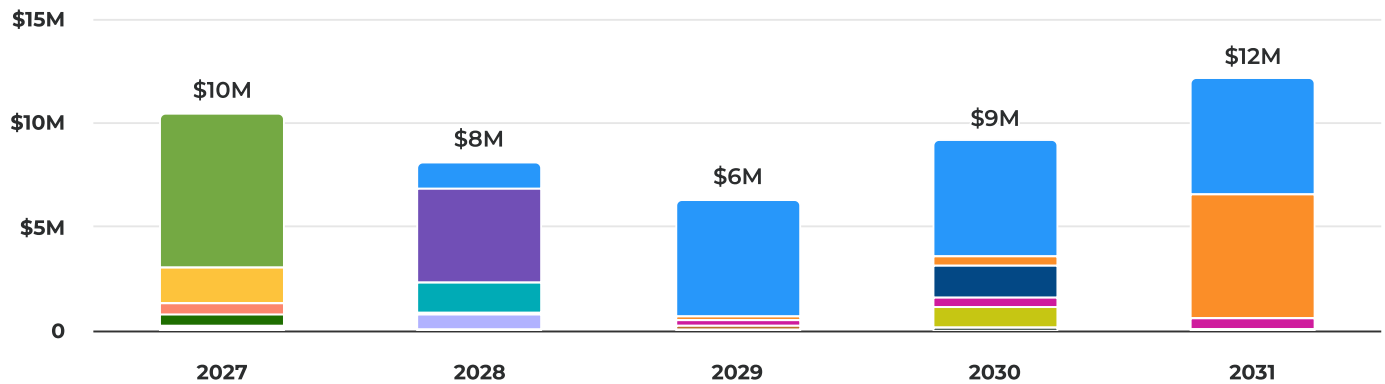
\$600

\$600

\$3,000**Total****\$3,000****\$3,000****\$3,000****\$3,000****\$3,000****\$15,000**

Economic Development

FY27 - FY31 Economic Development Projects



Downtown Redevelopment Improvements	\$18,157,000	39.31%
Downtown Park and Parking Lot	\$7,405,580	16.03%
Downtown Business and Community Center - Fleet Shop Site Redevelopment	\$6,600,000	14.29%
Cesar Chavez Boulevard Commercial Development – State Land Acquisition	\$4,500,000	9.74%
EDA Grant: USHWY 95 Water and Sewer Line Expansion (FY 2026 Carryover)	\$1,733,400	3.75%
Avenue E/D Corridor Improvements	\$1,500,000	3.25%
NAD Bank CAP Program - Downtown San Luis Master Drainage Infrastructure	\$1,427,000	3.09%
Downtown Visitor and Welcome Center	\$1,300,000	2.81%
CDBG: Los Oros Street Improvements Phase III	\$985,490	2.13%
CDBG SSP: Los Oros Street Improvements Phase III (Los Valles St, Los Portales St, El Chamizal St)	\$737,700	1.60%
CDBG RA - Merrill Avenue Street Improvements Phase II (Carryover)	\$567,170	1.23%
ESP Grant: Onvida Health Commercial Development Road	\$500,000	1.08%
Historic District Monuments – Cesar Chavez and Main Street Districts	\$305,000	0.66%

● Downtown Wayfinding, Cultural Identity & Placemaking Signage Program	\$150,000	0.32%
● Land and Water Conservation Fund (LWCF) Grant - East Community Park	\$100,000	0.22%
● T Mobile Hometown Grant - Public Art Program	\$80,000	0.17%
● GM On Main Street Grant Program - Public Art on Main Street	\$60,000	0.13%
● Downtown Alley Activation and Improvement Plan	\$50,000	0.11%
● Cesar Chavez Blvd Commercial Land Development - State Land Auction Preparation Study (Carryover)	\$28,000	0.06%

Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Downtown Redevelopment Improvements	\$0	\$1,300,000	\$5,663,000	\$5,597,000	\$5,597,000	\$18,157,000
Downtown Park and Parking Lot	\$7,405,580	\$0	\$0	\$0	\$0	\$7,405,580
Downtown Business and Community Center - Fleet Shop Site Redevelopment	\$0	\$0	\$150,000	\$450,000	\$6,000,000	\$6,600,000
Cesar Chavez Boulevard Commercial Development – State Land Acquisition	\$0	\$4,500,000	\$0	\$0	\$0	\$4,500,000
EDA Grant: USHWY 95 Water and Sewer Line Expansion (FY 2026 Carryover)	\$1,733,400	\$0	\$0	\$0	\$0	\$1,733,400
Avenue E/D Corridor Improvements	\$0	\$0	\$0	\$1,500,000	\$0	\$1,500,000
NAD Bank CAP Program - Downtown San Luis Master Drainage Infrastructure	\$0	\$1,427,000	\$0	\$0	\$0	\$1,427,000
Downtown Visitor and Welcome Center	\$0	\$50,000	\$250,000	\$500,000	\$500,000	\$1,300,000
CDBG: Los Oros Street Improvements Phase III	\$0	\$0	\$0	\$985,490	\$0	\$985,490
CDBG SSP: Los Oros Street Improvements Phase III (Los Valles St, Los Portales St, El Chamizal St)	\$0	\$737,700	\$0	\$0	\$0	\$737,700
CDBG RA - Merrill Avenue Street Improvements Phase II (Carryover)	\$567,170	\$0	\$0	\$0	\$0	\$567,170
ESP Grant: Onvida Health Commercial Development Road	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Historic District Monuments – Cesar Chavez and Main Street Districts	\$0	\$75,000	\$230,000	\$0	\$0	\$305,000
Downtown Wayfinding, Cultural Identity & Placemaking Signage Program	\$0	\$0	\$30,000	\$120,000	\$0	\$150,000
Land and Water Conservation Fund (LWCF) Grant - East Community Park	\$100,000	\$0	\$0	\$0	\$0	\$100,000
T Mobile Hometown Grant - Public Art Program	\$80,000	\$0	\$0	\$0	\$0	\$80,000
GM On Main Street Grant Program - Public Art on Main Street	\$60,000	\$0	\$0	\$0	\$0	\$60,000
Downtown Alley Activation and Improvement Plan	\$0	\$0	\$0	\$0	\$50,000	\$50,000
Cesar Chavez Blvd Commercial Land Development - State Land Auction Preparation Study (Carryover)	\$28,000	\$0	\$0	\$0	\$0	\$28,000
Total Summary of Requests	\$10,474,150	\$8,089,700	\$6,323,000	\$9,152,490	\$12,147,000	\$46,186,340

Avenue E/D Corridor Improvements

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	01/1/2030
Estimated Completion Date	12/31/2031

Description

Regional north–south connectivity between State Route 195 and the City of Yuma is limited, placing increased pressure on existing arterial routes and constraining efficient movement of commuter, commercial, and freight traffic. The absence of a completed Avenue E/D corridor reduces regional mobility, limits redundancy in the roadway network, and impacts economic activity tied to cross-border trade and regional logistics.

Details

Type of Project: New Road

Benefit to Community

This is an IGA between Yuma County and the City of San Luis. Support Yuma County's Avenue E/D Corridor project, which will provide a continuous north–south connection between State Route 195 and the City of Yuma. The project will improve regional traffic, enhance freight mobility, and reduce congestion on parallel routes. Yuma County is the project lead and is actively pursuing construction funding; upon award, the City of San Luis would contribute a proportional local share for improvements that directly serve city traffic and economic development objectives.

Description of New Operating Costs

The Avenue E/D Corridor Improvements are a Yuma County–led project and will remain under County ownership, operation, and maintenance upon completion. As such, no ongoing operating, maintenance, or personnel costs will be incurred by the City of San Luis.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$1.5M	\$1.5M

Detailed Breakdown

Category	FY2030 <i>Adopted</i>
Construction/Maintenance	\$1,500,000
Total	\$1,500,000



Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$1.5M

Project Total

\$1.5M

Detailed Breakdown

Category

FY2030*Adopted*

Highway User Fund

\$1,500,000**Total****\$1,500,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2030*Adopted*

Gas/Oil

\$0

Support Services

\$0

Supplies

\$0

Personnel

\$0

Maintenance

\$0

Utilities

\$0**Total****\$0**

CDBG RA - Merrill Avenue Street Improvements Phase II (Carryover)

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	08/1/2025
Estimated Completion Date	08/28/2026

Description

This project involves repaving Merrill Avenue, a 48-foot-wide road, including a center turn lane, two 20-foot lanes, and 6-foot bike lanes. The scope includes replacing miscellaneous curbs, sidewalks, sidewalk ramps, and cross gutters on the west side, as well as installing new vertical curb and gutter (VC&G) and a 5-foot sidewalk on the east side, spanning from Nancy Street to County 22nd Street. Additional components include the replacement of the Michael Lateral pipeline, repairs to existing sewer manholes, installation of storm drain pipes connecting the retention basin to Nancy Street, and the construction of a left-turn lane and Barkley Lateral pipeline extension at County 22nd Street.

Details

Type of Project: Resurface Current Road

Benefit to Community

The Merrill Avenue - Los Oros Street to County 22nd Street Improvements — Phase 2 will enhance safety, mobility, and connectivity in San Luis. The project includes repaving Merrill Avenue with wider lanes, bike lanes, and improved sidewalks, along with pipeline replacements, sewer manhole repairs, and storm drainage upgrades. Connecting directly to the finalized Phase 1, this phase ensures seamless integration, better traffic flow, and supports future development for the community.

Description of New Operating Costs

This project consists of improvements replacing aging pavement, curb, gutter, and sidewalks and does not add new roadway capacity. Additional operational resources are not needed and will be maintained under the existing Public Works roadway maintenance program.

Capital Cost

FY2027 Budget

\$567K

Total Budget (all years)

\$567K

Project Total

\$567K

Detailed Breakdown

Category

FY2027

Adopted

Planning

\$567,170**Total****\$567,170**

Funding Sources

FY2027 Budget

\$567K

Total Budget (all years)

\$567K

Project Total

\$567K

Detailed Breakdown

Category

FY2027

Adopted

Grant

\$467,170

Highway User Fund

\$100,000**Total****\$567,170**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2027

Adopted

Personnel

\$0**Total****\$0**

CDBG SSP: Los Oros Street Improvements Phase III (Los Valles St, Los Portales St, El Chamizal St)

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	01/1/2028
Estimated Completion Date	06/30/2028

Description

This project consists of the removal and replacement of deteriorated pavement, curb and gutter, sidewalks, ADA ramps, and related roadway improvements along Los Oros Street, including subgrade overexcavation and reconstruction. The total estimated construction cost is approximately \$737,697.95, including contingencies. Improvements will be funded through the CDBG Program to address aging infrastructure and bring the corridor up to current standards. The existing roadway and pedestrian infrastructure are in poor condition, creating safety concerns for residents, pedestrians, and vehicles. This project will improve mobility, drainage, ADA accessibility, and overall neighborhood safety while enhancing quality of life and supporting long-term community reinvestment.

Details

Type of Project: Resurface Current Road

Benefit to Community

Street improvements on Los Valles Street, La Chamizal Street, and Los Portales are in deteriorated condition, with failing pavement, curb, gutter, and sidewalk infrastructure. The existing roadway and pedestrian infrastructure are in poor condition, creating safety concerns for residents, pedestrians, and vehicles. This project will improve mobility, drainage, ADA accessibility, and overall neighborhood safety while enhancing quality of life and supporting long-term community reinvestment.

Description of New Operating Costs

This project consists of improvements to existing roadways and associated infrastructure. Upon completion of the improvements, the streets will continue to be maintained under existing Public Works roadway maintenance programs.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$738K

Project Total

\$738K

Detailed Breakdown

Category

FY2028*Adopted*

Construction/Maintenance

\$737,700**Total****\$737,700**

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$738K

Project Total

\$738K

Detailed Breakdown

Category

FY2028*Adopted*

Grant

\$466,640

General Fund

\$271,060**Total****\$737,700**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2028*Adopted*

Maintenance

\$0**Total****\$0**

CDBG: Los Oros Street Improvements Phase III

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2029
Estimated Completion Date	06/30/2030

Description

This project includes reconstruction of Los Oros Street by removing and replacing existing asphalt pavement, curb and gutter, sidewalks, driveways and related roadway infrastructure. Improvements include subgrade over-excavation, new concrete improvements, ADA-compliant sidewalk ramps, drainage features, and pavement markings. The project will improve roadway safety, accessibility and long-term durability. Funding will be pursued through CDBG grants, regional transportation funds or state special project programs, with grant funding capped at \$750,000 and the remaining balance provided as a local match. The total estimated project cost is approximately \$985,488, including contingency and construction administration. The award is typically \$500,000.

Details

Type of Project: Resurface Current Road

Benefit to Community

Los Oros Street between Merrill Avenue and the West Main Canal is in deteriorated condition, with failing pavement, curb, gutter, and sidewalk infrastructure. The existing roadway section contributes to safety concerns, inadequate pedestrian accessibility and increased maintenance costs. Without improvements, continued degradation will negatively impact adjacent properties, local, circulation, and neighborhood access.

Description of New Operating Costs

This project consists of reconstruction and resurfacing of an existing roadway and associated infrastructure. The improvements replace aging pavement, curb, gutter, sidewalks, and drainage features but do not add new roadway capacity or create new assets requiring additional operational resources. Upon completion, Los Oros Street will continue to be maintained under existing Public Works roadway maintenance programs.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$985K

Project Total

\$985K

Detailed Breakdown

Category

FY2030

Adopted

Construction/Maintenance

\$985,490**Total****\$985,490**

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$985K

Project Total

\$985K

Detailed Breakdown

Category

FY2030

Adopted

Grant

\$500,000

General Fund

\$485,490**Total****\$985,490**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2030

Adopted

Personnel

\$0**Total****\$0**

Cesar Chavez Blvd Commercial Land Development - State Land Auction Preparation Study (Carryover)

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Other
Estimated Start Date	07/1/2026
Estimated Completion Date	07/31/2027

Description

This project will complete the analysis and study to possibly acquire approximately 8–10 acres of State Trust Land along Cesar Chavez Boulevard, focusing on the centrally located south-side parcel, to enable targeted commercial development. This request is a carry-over from Fiscal Year 2026. The Department was only able to pay the application fee during the fiscal year. The \$2,000 fee starts the process of the auction. The following reports and studies need to be completed: Phase I Study, ALTA Survey, Appraisal, and Advertisement.

Details

Type of Project: Other

Benefit to Community

The City of San Luis has limited control over strategically located commercial land along Cesar Chavez Boulevard, despite significant public investment in roadway expansion, utility infrastructure and nearby development. The Cesar Chavez Boulevard State Land project will expand and modernize a key commercial corridor, creating new opportunities for retail, services, and job creation. By preparing the land for auction and development, the City will attract private investment, increase sales tax revenues, and enhance the overall appearance and functionality of the area. This project supports long-term economic growth while improving connectivity and access for residents and businesses.

Description of New Operating Costs

This project is not expected to generate ongoing operating costs since it is a study. Following acquisition, the property will be marketed and disposed of through a competitive RFP process. Ongoing maintenance costs, if any, will be minimal and temporary and absorbed within existing departmental resources until resale. The long-term operational costs will be the responsibility of the private end user.

Capital Cost

FY2027 Budget

\$28K

Total Budget (all years)

\$28K

Project Total

\$28K

Detailed Breakdown

Category

FY2027

Adopted

Other

\$28,000**Total****\$28,000**

Funding Sources

FY2027 Budget

\$28K

Total Budget (all years)

\$28K

Project Total

\$28K

Detailed Breakdown

Category

FY2027

Adopted

General Fund

\$28,000**Total****\$28,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2027

Adopted

Gas/Oil

\$0

Utilities

\$0

Maintenance

\$0

Personnel

\$0

Support Services

\$0

Supplies

\$0**Total****\$0**

Cesar Chavez Boulevard Commercial Development – State Land Acquisition

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Project Type	Land

Description

The Economic Development Department proposes to acquire approximately 8–10 acres of State Trust Land along Cesar Chavez Boulevard to support targeted commercial development. Following the acquisition, the city would issue a competitive Request for Proposals (RFP) to attract auto dealerships to the parcels. The City's objective is to strategically control land along a major transportation corridor, facilitate private investment, recover acquisition costs through resale, and generate long-term sales tax and property tax revenues. This approach aligns with best practices used by peer cities to leverage public land acquisition for economic development outcomes.

Details

Benefit to Community

According to Placer.ai, there is a \$91,000,000 unmet demand for auto dealerships in San Luis. A sales tax analysis prepared by Applied Economics indicates that full-service auto dealerships in comparable Arizona markets can generate approximately \$1.0 million to \$1.5 million in annual City sales tax revenue per dealership, depending on sales volume and dealership type. Development of one or more auto dealerships on the Cesar Chavez Boulevard site represents a significant opportunity to expand recurring local revenues, strengthen the city's fiscal base, and capture a return on public infrastructure investments along the corridor.

Description of New Operating Costs

This project is not anticipated to generate ongoing operating costs. The land will be marketed and sold to a private end user following acquisition. Any short-term holding or administrative costs will be minimal and managed within existing Economic Development Department resources. Long-term operations and maintenance will be the responsibility of the private owner.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$4.5M

Project Total

\$4.5M**Detailed Breakdown****Category****FY2028***Adopted*

Land Cost

\$4,500,000**Total****\$4,500,000****Funding Sources**

FY2027 Budget

\$0

Total Budget (all years)

\$4.5M

Project Total

\$4.5M**Detailed Breakdown****Category****FY2028***Adopted*

General Fund

\$4,500,000**Total****\$4,500,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0**Detailed Breakdown****Category****FY2028***Adopted*

Maintenance

\$0**Total****\$0**

Downtown Alley Activation and Improvement Plan

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	08/14/2030
Estimated Completion Date	05/30/2031

Description

Downtown San Luis alleys serve as critical service corridors for businesses and informal pedestrian connections but currently suffer from aging pavement, drainage deficiencies, limited lighting, and inconsistent design. These conditions create safety concerns, maintenance challenges, and missed opportunities for economic activation, place making, and event support. As downtown redevelopment accelerates, the lack of upgraded alley infrastructure limits reinvestment potential and places additional strain on adjacent streets and businesses.

Details

Type of Project: Other improvement

Benefit to Community

Implement a phased Downtown Alley Activation & Infrastructure Improvement Program that upgrades priority alleys with improved pavement, drainage, pedestrian-scale lighting, utility coordination, and place making elements consistent with the Downtown Redevelopment Plan and Cultural & Public Art Program. The program will transform select alleys into safe, functional, and visually cohesive spaces that support business operations, pedestrian circulation, public art, and small-scale events, while reducing long-term maintenance and public safety issues.

Description of New Operating Costs

This program does not create new city-owned capital assets or facilities. All alley maintenance and activation activities are intended to be funded and administered through the Business Improvement District (BID) or external grant sources. As such, there is no impact on the City's General Fund operating budget. Routine coordination will be absorbed within existing departmental responsibilities, and no additional personnel, IT, or maintenance costs are anticipated for the City.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$50K

Project Total

\$50K**Detailed Breakdown****Category****FY2031***Adopted*

Planning

\$50,000**Total****\$50,000****Funding Sources**

FY2027 Budget

\$0

Total Budget (all years)

\$50K

Project Total

\$50K**Detailed Breakdown****Category****FY2031***Adopted*

Grant

\$50,000**Total****\$50,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0**Detailed Breakdown****Category****FY2031***Adopted*

Support Services

\$0

Supplies

\$0

Maintenance

\$0

Gas/Oil

\$0

Utilities

\$0

Personnel

\$0**Total****\$0**

Downtown Business and Community Center - Fleet Shop Site Redevelopment

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2028
Estimated Completion Date	06/1/2031

Description

Downtown San Luis lacks a centralized facility to support business development services, community meetings, workforce and innovation programming, and coordinated economic development operations. Existing facilities are insufficient to meet current and projected demand. In addition, the former Fleet Shop site is underutilized and presents redevelopment challenges due to potential brownfield conditions, limiting private reinvestment and activation of a key downtown location.

Details

Type of Project: New Construction

Benefit to Community

Redevelop the former Fleet Shop site into a Downtown Business and Community Center through adaptive reuse and new construction. The facility is envisioned as a multi-story, approximately 12,000–14,000 square foot building providing meeting and conference rooms, flexible community space, classrooms, office space for the Economic Development Department, and support spaces. Due to the site's potential brownfield status, the City will pursue U.S. EPA Brownfields funding for assessment and cleanup. Design and construction funding will be pursued through USDA Rural Business Development Grants and U.S. Economic Development Administration (EDA) programs. Ongoing operations will be funded through an enhanced municipal service district supported by downtown property owners.

Description of New Operating Costs

Upon completion, the Downtown Business and Community Center will require ongoing operating support for facility coordination, routine maintenance, utilities, and technology systems. These costs are anticipated to be approximately \$150,000 annually once the facility is operational. Ongoing operating costs are intended to be funded through an enhanced municipal service district supported by downtown property owners, as well as facility use and program revenues, and are not anticipated to require General Fund support.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$6.6M

Project Total

\$6.6M

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$0	\$6,000,000	\$6,000,000
Design	\$0	\$450,000	\$0	\$450,000
Planning	\$150,000	\$0	\$0	\$150,000
Total	\$150,000	\$450,000	\$6,000,000	\$6,600,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$6.6M

Project Total

\$6.6M

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Grant	\$150,000	\$450,000	\$6,000,000	\$6,600,000
Total	\$150,000	\$450,000	\$6,000,000	\$6,600,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Personnel

Utilities

Supplies

Maintenance

Total

Downtown Park and Parking Lot

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	01/1/2027
Estimated Completion Date	01/31/2029

Description

The project is to construct a centrally located downtown park and supporting parking lots that provide public open space, pedestrian amenities, lighting, landscaping, and organized parking. The project will enhance downtown functionally, support small businesses, accommodate events, improve walkability and implement adopted downtown and parks planning initiatives. The project includes developing two major park areas, "Main Street Park" and "West Park," featuring amenities such as walking paths, splash parks, a concert pavilion, and recreational fields, all connected by a pedestrian bridge. Additionally, approximately 475 parking spaces will be constructed across central, east, and west areas, with provisions for accessibility, lighting, and stormwater management. Funds will be sought full or partial funding through congressionally directed spending requests or state funding appropriations.

Details

Type of Project: New Construction

Benefit to Community

The Downtown Plaza and Parking Lots project will create a centralized public gathering space that supports community events, recreation, and small business activity while addressing the current lack of quality public space, organized parking in the downtown area and pedestrian activity associated with the port of entry. The project includes new parking facilities, lighting, water and sewer infrastructure, landscaping, park amenities, and public safety elements, with a total estimated cost of approximately \$7.4 million.

Description of New Operating Costs

This project will result in new ongoing operating and maintenance costs associated with park landscaping, irrigation, lighting, parking lot upkeep, cleaning, and routine asset maintenance. Limited personnel costs are anticipated for parking management and enforcement, coordination of events, and general oversight. Minor technology-related costs may be incurred for parking controls, lighting systems and monitoring equipment. The city anticipates that ongoing operating costs will be substantially offset through project-generated parking revenues, including parking fees, event-related revenues, and other downtown revenue mechanisms. As a result, the project is intended to be largely self-supporting and is not expected to create a significant ongoing burden on the general fund.

Capital Cost

FY2027 Budget

\$7.41M

Total Budget (all years)

\$7.41M

Project Total

\$7.41M

Detailed Breakdown

Category**FY2027***Adopted*

Construction/Maintenance

\$7,405,580**Total****\$7,405,580**

Funding Sources

FY2027 Budget

\$7.41M

Total Budget (all years)

\$7.41M

Project Total

\$7.41M

Detailed Breakdown

Category**FY2027***Adopted*

Grant

\$7,405,580**Total****\$7,405,580**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$300K

Project Total

\$300K

Detailed Breakdown

Category**FY2027***Adopted***FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Personnel

\$0

\$40,000

\$40,000

\$40,000

\$40,000

\$160,000

Maintenance

\$0

\$20,000

\$20,000

\$20,000

\$20,000

\$80,000

Support Services

\$0

\$10,000

\$10,000

\$10,000

\$10,000

\$40,000

Supplies

\$0

\$5,000

\$5,000

\$5,000

\$5,000

\$20,000

Gas./Oil

\$0

\$0

\$0

\$0

\$0

\$0

Utilities

\$0

\$0

\$0

\$0

\$0

\$0**Total****\$0****\$75,000****\$75,000****\$75,000****\$75,000****\$300,000**

Downtown Redevelopment Improvements

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	06/30/2028
Estimated Completion Date	06/30/2029

Description

The Downtown Redevelopment Plan was a conceptual design, planning, and place-making effort that focused on developing a revitalized downtown core in the City of San Luis, Arizona. The area of focus was between Urtuzuastegui Street ("U" Street). Phases 1 and 2 are focused on streetscape urban design improvements along the Main Street core. Phase 3 focuses on side-street connectivity improvements, while phase 4 shows open space/urban park enhancements with parking improvements.

Details

Type of Project: Resurface Current Road

Benefit to Community

The Downtown Redevelopment Plan in San Luis aims to improve the city's core, enhancing the quality of life for residents and visitors by revitalizing the area, raising property values, and attracting new development. This comprehensive effort includes improvements in streetscapes, pedestrian and cycling amenities, parking, and aesthetic enhancements, ultimately fostering a more vibrant and attractive community.

Description of New Operating Costs

The improvements implemented under the Downtown Redevelopment Plan will be maintained through the City's existing downtown and transportation maintenance programs. Routine activities such as street maintenance, lighting, landscaping, and right-of-way upkeep are already provided and will continue at current service levels following project completion. Any enhanced maintenance, cleaning, landscaping, activation, or aesthetic improvements beyond baseline service levels may be implemented in the future through the establishment of a Business Improvement District (BID) or similar dedicated funding mechanism. As such, this project does not create new ongoing operating costs for the General Fund.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$18.2M

Project Total

\$18.2M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$5,663,000	\$5,597,000	\$5,597,000	\$16,857,000
Design	\$1,300,000	\$0	\$0	\$0	\$1,300,000
Total	\$1,300,000	\$5,663,000	\$5,597,000	\$5,597,000	\$18,157,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$18.2M

Project Total

\$18.2M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Grant	\$1,300,000	\$5,663,000	\$5,597,000	\$5,597,000	\$18,157,000
Total	\$1,300,000	\$5,663,000	\$5,597,000	\$5,597,000	\$18,157,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category	FY2029 <i>Adopted</i>
Gas/Oil	\$0
Support Services	\$0
Supplies	\$0
Personnel	\$0
Maintenance	\$0
Utilities	\$0
Total	\$0

Downtown Visitor and Welcome Center

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	08/1/2027
Estimated Completion Date	06/30/2031

Description

Downtown San Luis currently lacks a centralized Welcome and Visitor Center to provide visitor information, promote local businesses and attractions, support tourism, and serve as a point of orientation for residents and visitors. The absence of such a facility limits the City's ability to leverage tourism, support downtown businesses, and coordinate visitor services, especially as downtown redevelopment and cross-border activity continue to increase.

Details

Type of Project: New Construction

Benefit to Community

Establish a Downtown Welcome and Visitor Center through the purchase and adaptive reuse of an existing historic building or through co-location within the planned Downtown Business and Community Center. The facility would provide visitor information, promotional materials, exhibits, and coordination space to support tourism, downtown businesses, and community events. Capital development will focus on acquisition and build-out, while ongoing operations will be supported through Business Improvement District revenues and potential hospitality tax revenues if approved.

Description of New Operating Costs

Upon completion, the Downtown Welcome / Visitor Center will require ongoing operating support for visitor services staffing, routine maintenance, utilities, technology systems, and promotional materials. Annual operating costs are estimated at approximately \$160,000 once fully operational. These costs are anticipated to be funded through a combination of Business Improvement District revenues, potential hospitality tax revenues if approved, sponsorships, and programmatic partnerships, and are not anticipated to rely on the City's General Fund.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$1.3M

Project Total

\$1.3M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$0	\$500,000	\$500,000	\$1,000,000
Design	\$0	\$250,000	\$0	\$0	\$250,000
Planning	\$50,000	\$0	\$0	\$0	\$50,000
Total	\$50,000	\$250,000	\$500,000	\$500,000	\$1,300,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$1.3M

Project Total

\$1.3M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Grant	\$50,000	\$250,000	\$500,000	\$500,000	\$1,300,000
Total	\$50,000	\$250,000	\$500,000	\$500,000	\$1,300,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$80K

Project Total

\$80K

Detailed Breakdown

Category	FY2031 <i>Adopted</i>
Personnel	\$50,000
Maintenance	\$15,000
Supplies	\$10,000
Utilities	\$5,000
Total	\$80,000

Downtown Wayfinding, Cultural Identity & Placemaking Signage Program

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2028
Estimated Completion Date	06/30/2030

Description

Downtown San Luis is undergoing revitalization and reinvestment. However, the area lacks a coordinated wayfinding and identity system to guide residents and visitors to parking, businesses, civic destinations, cultural assets, and event spaces. Existing signage is limited, inconsistent, and does not reflect the City's cultural identity or support pedestrian-oriented movement. This creates confusion, reduces foot traffic, and limits the economic and place-making impact of recent and planned downtown investments.

Details

Type of Project: Other improvement

Benefit to Community

Implement a comprehensive Downtown Wayfinding, Cultural Identity, and Placemaking Signage Program that aligns with the Downtown Redevelopment Plan and the City's Cultural and Public Art Program. The project will design and install a coordinated family of wayfinding elements, including vehicular, pedestrian, and bicycle signage, parking direction signage, district identifiers, and culturally integrated place-making features. The program will improve navigation, strengthen downtown's identity, support local businesses and events, and reinforce San Luis's unique cultural heritage through art-forward design elements.

Description of New Operating Costs

This project involves one-time capital costs associated with the design, fabrication, and installation of downtown wayfinding and place-making signage. No additional staffing, IT systems, or recurring operational expenses are anticipated as a direct result of this project. Routine inspection and minor upkeep of signage will be absorbed within existing departmental operations. Any enhanced maintenance services, if desired, may be supported through future BID or tourism-related funding sources.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$150K

Project Total

\$150K

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$120,000	\$120,000
Design	\$30,000	\$0	\$30,000
Total	\$30,000	\$120,000	\$150,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$150K

Project Total

\$150K

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Grant	\$30,000	\$120,000	\$150,000
Total	\$30,000	\$120,000	\$150,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category	FY2030 <i>Adopted</i>
Support Services	\$0
Supplies	\$0
Maintenance	\$0
Gas/Oil	\$0
Utilities	\$0
Personnel	\$0
Total	\$0

EDA Grant: USHWY 95 Water and Sewer Line Expansion (FY 2026 Carryover)

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	04/24/2027

Description

Implementing the EDA-funded water and sewer infrastructure expansion project by constructing and upgrading the water and sewer lines along the US Highway 95 corridor. The project will provide water and sewer services to an existing industrial facility located in the north portion of the City of San Luis in Yuma County, Arizona. Construction includes approximately 8,100 linear feet of 12-inch diameter C900 PVC water main, along with related fittings and appurtenances and surface restoration. Sewer construction includes a new pump station, boring the sewer line under the road, and connection to an existing sewer force main. By providing reliable water and sewer service, the project supports business retention, protects public health and environmental quality, and strengthens the City's ability to attract and retain industrial businesses and jobs.

Details

Type of Project: New Construction

New Purchase or Replacement: New

Benefit to Community

The US Highway 95 corridor lacks sufficient water and sewer infrastructure capacity to support existing demand and planned commercial and industrial development. This deficiency limits the city's ability to attract and retain businesses, constrains development of shovel-ready sites, and reduces the economic return on strategic investments near the port of entry and regional transportation corridors.

Description of New Operating Costs

No new operating costs are anticipated as a result of this project. The proposed water and sewer improvements will connect to and integrate with the city's existing water and wastewater systems.

Capital Cost

FY2027 Budget

\$1.73M

Total Budget (all years)

\$1.73M

Project Total

\$1.73M

Detailed Breakdown

Category**FY2027***Adopted*

Construction/Maintenance

\$1,733,400**Total****\$1,733,400**

Funding Sources

FY2027 Budget

\$1.73M

Total Budget (all years)

\$1.73M

Project Total

\$1.73M

Detailed Breakdown

Category**FY2027***Adopted*

Grant

\$1,277,920

Water Fund

\$455,480**Total****\$1,733,400**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category**FY2027***Adopted*

Support Services

\$0

Supplies

\$0

Gas/Oil

\$0

Utilities

\$0

Personnel

\$0

Maintenance

\$0**Total****\$0**

ESP Grant: Onvida Health Commercial Development Road

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2028

Project Location



Description

This project will construct a new public roadway connection through the Onvida Health 80-acre development, providing access to the planned hospital campus and adjacent 40-acre commercial and retail area. The roadway will serve big-box retail pads and support commercial uses and will be dedicated to and maintained by the City of San Luis. The City will partner with Onvida Health to leverage an Economic Strengths Program (ESP) grant to partially fund construction of this critical public infrastructure.

Details

Type of Project: New Road

Benefit to Community

The roadway will enable significant private investment by improving access to a new regional hospital and associated commercial development, supporting job creation, increased sales tax revenue, and long-term economic growth. It will enhance connectivity, traffic, and emergency access while advancing the City's economic development and land use objectives. The project directly supports San Luis's strategy to attract anchor institutions and high-quality commercial development.

Description of New Operating Costs

Upon completion, the Onvida Road will be dedicated to the City of San Luis and incorporated into the city's roadway system. Ongoing operating costs will include routine roadway inspections, pavement and drainage maintenance, signage and striping upkeep, and lighting operations.

Capital Cost

FY2027 Budget

\$500K

Total Budget (all years)

\$500K

Project Total

\$500K**Detailed Breakdown****Category****FY2027***Adopted*

Construction/Maintenance

\$500,000**Total****\$500,000****Funding Sources**

FY2027 Budget

\$500K

Total Budget (all years)

\$500K

Project Total

\$500K**Detailed Breakdown****Category****FY2027***Adopted*

Grant

\$500,000**Total****\$500,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$7.2K

Project Total

\$7.2K**Detailed Breakdown****Category****FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Maintenance

\$1,800**\$1,800****\$1,800****\$1,800****\$7,200****Total****\$1,800****\$1,800****\$1,800****\$1,800****\$7,200**

GM On Main Street Grant Program - Public Art on Main Street

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	12/31/2026

Description

The project supports targeted improvements along Main Street & B Street. This includes enhancing safety, accessibility, and the overall visual character of the corridor. The funding will be used for infrastructure upgrades, pedestrian-friendly features, and public space improvements that enhance the commercial district. The project builds on ongoing revitalization efforts.

Details

Type of Project: Other

Benefit to Community

The project improvements will create a more welcoming and walkable environment that encourages residents and visitors to spend time in the downtown area of San Luis, AZ. Local businesses will benefit from increased foot traffic, improved visuals, and a stronger sense of place that supports economic growth.

Description of New Operating Costs

There will be no operating costs for the development of the Public Art Program since it will only install the art throughout Main Street.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$60K	\$60K	\$60K

Detailed Breakdown

Category	FY2027 Adopted
Construction/Maintenance	\$60,000
Total	\$60,000



Funding Sources

FY2027 Budget

\$60K

Total Budget (all years)

\$60K

Project Total

\$60K

Detailed Breakdown

Category

FY2027*Adopted*

Grant

\$60,000**Total****\$60,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2027*Adopted*

Gas/Oil

\$0

Support Services

\$0

Supplies

\$0

Personnel

\$0

Maintenance

\$0

Utilities

\$0**Total****\$0**

Historic District Monuments – Cesar Chavez and Main Street Districts

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	08/1/2027
Estimated Completion Date	05/31/2030

Description

The historic district area contains historically and culturally significant buildings and corridors but lacks formal monumentation, gateway features, and interpretive elements that clearly identify it as a historic district. The absence of visible historic markers limits community awareness, heritage tourism, and place-making efforts, and reduces the ability of Main Street businesses to benefit from cultural and visitor-driven activity.

Details

Type of Project: New Construction

Benefit to Community

Design and install permanent historic district monument features within the District, including gateway markers, monument signage, and interpretive elements that reflect the history, culture, and architectural character of the corridor. Improvements may include signage, small-scale monuments, and integrated public art elements. The project will strengthen the district's identity, support downtown revitalization, and enhance heritage tourism. Funding will be pursued through historic preservation grants, cultural and arts grants, and private donations or sponsorships.

Description of New Operating Costs

This project is not anticipated to result in significant ongoing operating costs. Monument and signage features will require minimal long-term maintenance, which can be absorbed into existing downtown maintenance programs or addressed through partnerships and sponsorships.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$305K

Project Total

\$305K**Detailed Breakdown**

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$230,000	\$230,000
Design	\$75,000	\$0	\$75,000
Total	\$75,000	\$230,000	\$305,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$305K

Project Total

\$305K**Detailed Breakdown**

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Grant	\$75,000	\$230,000	\$305,000
Total	\$75,000	\$230,000	\$305,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0**Detailed Breakdown**

Category	FY2030 <i>Adopted</i>
Support Services	\$0
Supplies	\$0
Maintenance	\$0
Gas/Oil	\$0
Utilities	\$0
Personnel	\$0
Total	\$0

Land and Water Conservation Fund (LWCF) Grant - East Community Park

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

The Land and Water Conservation Fund was established by Congress in 1964 to fulfill a bipartisan commitment to safeguard our natural areas, water resources and cultural heritage, and to provide recreation opportunities to all Americans. Using zero taxpayer dollars, the fund invests earnings from offshore oil and gas leasing to help strengthen communities, preserve our history and protect our national endowment of land and waters. The LWCF program can be divided into the "State Side", which provides grants to State and local governments, and the "Federal Side", which is used to acquire lands, waters, and interests therein necessary to achieve the natural, cultural, wildlife, and recreation management objectives of federal land management agencies.

Details

Type of Project: New Construction

Benefit to Community

The East Community Park project will expand access to safe, high-quality outdoor recreation by developing new facilities and upgrading existing amenities, including sports fields, playgrounds, bike parks, a pool, and ADA-accessible infrastructure. This investment addresses the current lack of recreational options in the area and ensures residents of all ages and abilities have equitable access to parks and open space. The project will promote public health, youth engagement, and community connection while enhancing overall quality of life in the East Community.

Description of New Operating Costs

No new operating costs associated with this project since the operational costs are under the East Community Park project.

Capital Cost

FY2027 Budget

\$100K

Total Budget (all years)

\$100K

Project Total

\$100K**Detailed Breakdown****Category****FY2027***Adopted*

Construction/Maintenance

\$100,000**Total****\$100,000****Funding Sources**

FY2027 Budget

\$100K

Total Budget (all years)

\$100K

Project Total

\$100K**Detailed Breakdown****Category****FY2027***Adopted*

Grant

\$100,000**Total****\$100,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0**Detailed Breakdown****Category****FY2027***Adopted*

Support Services

\$0

Supplies

\$0

Maintenance

\$0

Gas/Oil

\$0

Utilities

\$0

Personnel

\$0**Total****\$0**

NAD Bank CAP Program - Downtown San Luis Master Drainage Infrastructure

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2028

Description

The project will increase the efficiency of the existing stormwater drainage infrastructure in the Downtown San Luis area, including Archibald Street and C Street. The Economic Development Department will seek North American Development Bank (NADBank) grant funds to support critical environmental infrastructure projects for economically distressed communities in the U.S.-Mexico border region. Funding for the CAP and other NAD Bank grant programs is administered through the Environment Investment & Capacity Facility (EICF). The CAP grant will be awarded for a maximum amount in U.S. dollars. Projects may receive a CAP grant for no more than 90% of the project costs with a maximum of US\$750,000.

Details

Type of Project: New Construction

Benefit to Community

The development of a drainage master plan for downtown offers significant public benefits, including enhanced flood management and infrastructure resilience in the face of increasing urban density. This plan not only ensures public safety and environmental protection but also supports sustainable urban development and economic stability in the region.

Description of New Operating Costs

The water and wastewater departments will do maintenance as needed throughout the years.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$1.43M

Project Total

\$1.43M

Detailed Breakdown

Category

FY2028

Adopted

Construction/Maintenance

\$1,427,000**Total****\$1,427,000**

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$1.43M

Project Total

\$1.43M

Detailed Breakdown

Category

FY2028

Adopted

Grant

\$750,000

General Fund

\$677,000**Total****\$1,427,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$15K

Project Total

\$15K

Detailed Breakdown

Category

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Maintenance

\$5,000**\$5,000****\$5,000****\$15,000****Total****\$5,000****\$5,000****\$5,000****\$15,000**

T Mobile Hometown Grant - Public Art Program

Overview

Request Owner	Armando Esparza, Director of Economic Development
Department	Economic Development
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	04/30/2027

Description

The T-Mobile Hometown Grant will support the creation of murals throughout the City of San Luis that highlight the community’s history, culture, and identity. This capital request will allow the City of San Luis to plan and implement public art installations in key locations, working with local artists and community members. The project is designed to remain flexible as mural sites and themes are finalized.

Details

Type of Project: Refurbishment

Benefit to Community

These murals will enhance the visual character of the City of San Luis, promote local pride, and celebrate the unique heritage of San Luis. Public art encourages community engagement, supports local artists, and creates welcoming spaces for residents and visitors. Over time, the murals will serve as cultural landmarks that strengthen connections and identity across the community.

Description of New Operating Costs

Since this project is at the development stage of the Public Art Plan, new operating costs are not foreseen until it is complete.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$80K	\$80K	\$80K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Construction/Maintenance	\$80,000
Total	\$80,000

Funding Sources

FY2027 Budget

\$80K

Total Budget (all years)

\$80K

Project Total

\$80K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Grant	\$50,000
General Fund	\$30,000
Total	\$80,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

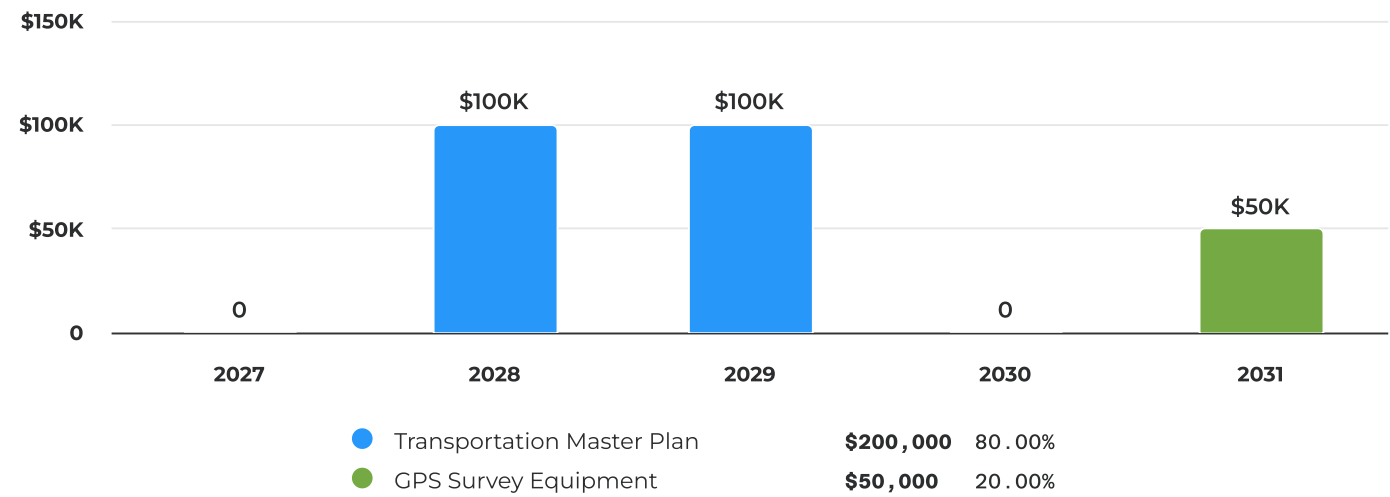
\$0

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Support Services	\$0
Supplies	\$0
Gas./Oil	\$0
Utilities	\$0
Personnel	\$0
Maintenance	\$0
Total	\$0

Engineering

FY27 - FY31 Engineering Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Transportation Master Plan	\$0	\$100,000	\$100,000	\$0	\$0	\$200,000
GPS Survey Equipment	\$0	\$0	\$0	\$0	\$50,000	\$50,000
Total Summary of Requests	\$0	\$100,000	\$100,000	\$0	\$50,000	\$250,000

GPS Survey Equipment

Overview

Request Owner	Tomas Sanchez, City Engineer
Department	Engineering
Type	Capital Equipment

Description

The City of San Luis Engineering Department does not currently have GPS survey equipment to perform in-house surveying, mapping, and field data collection. As a result, basic survey tasks and data verification require reliance on external consultants or outdated methods, increasing project costs and extending project timelines. The lack of GPS survey equipment limits the City's ability to efficiently collect accurate spatial data for infrastructure assets, right-of-way verification, utility mapping, and construction support. This gap can lead to delays in project development, reduced responsiveness to field conditions, and challenges in maintaining accurate records for Capital Improvement Program (CIP) planning and asset management. Acquiring GPS survey equipment is necessary to improve operational efficiency, reduce dependency on consultants for routine tasks, enhance data accuracy, and support timely decision-making for engineering, public works, and planning activities.

Details

New Purchase or Replacement: New

Useful Life: 10 or more years

Benefit to Community

The City will purchase professional-grade GPS survey equipment, including base and rover receivers, a data collector/controller, antennas, and associated software and accessories, to enable in-house surveying and field data collection. Currently, the City relies on consultants for much of its surveying work, which can result in higher costs, delays in project delivery, and limited control over data quality. By acquiring its own GPS survey equipment, the City will be able to collect accurate, high-quality survey data in-house, improving the precision and reliability of engineering designs, as-built documentation, and infrastructure assessments. The equipment will support a wide range of City projects, including roadway improvements, utility mapping, grading and drainage studies, and CIP planning. In addition to improving data accuracy, in-house surveying capabilities will reduce reliance on external consultants, generate cost savings over time, and provide more timely access to survey information for decision-making and project scheduling. The City will also be able to respond more efficiently to field issues, emergencies, and rapid development needs. Overall, the purchase of GPS survey equipment will enhance the City's technical capacity, support data-driven infrastructure planning, and contribute to more efficient and cost-effective delivery of capital improvement projects.

Description of New Operating Costs

There are minimal ongoing operational expenditures associated with the purchase of GPS survey equipment. The City will incur routine costs for battery replacements, minor software updates, and maintenance of hardware accessories (tripods, antennas, controllers). No additional full-time staffing is required, as existing City staff will operate the equipment as part of their normal duties. Any major upgrades or software license renewals will be evaluated and budgeted separately in future fiscal years.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$50K

Project Total

\$50K**Detailed Breakdown****Category****FY2031***Adopted*

Equipment

\$50,000**Total****\$50,000****Funding Sources**

FY2027 Budget

\$0

Total Budget (all years)

\$50K

Project Total

\$50K**Detailed Breakdown****Category****FY2031***Adopted*

General Fund

\$50,000**Total****\$50,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$1.1K

Project Total

\$1.1K**Detailed Breakdown****Category****FY2031***Adopted*

Maintenance

\$1,000

Supplies

\$100**Total****\$1,100**

Transportation Master Plan

Overview

Request Owner	Tomas Sanchez, City Engineer
Department	Engineering
Type	Other
Estimated Start Date	07/1/2028
Estimated Completion Date	06/30/2029

Description

Transportation Master Plan:

The City of San Luis does not currently have an adopted, comprehensive Transportation Master Plan. As a result, the City's ability to evaluate transportation needs on a citywide and system-wide basis is limited. Transportation improvements are often identified on a project-by-project basis, rather than through a coordinated, long-term planning framework that considers existing conditions, safety, multimodal connectivity, and future growth.

Without a Transportation Master Plan, the City lacks a consistent and defensible process for prioritizing roadway, pedestrian, bicycle, transit, and safety improvements within the Capital Improvement Program (CIP). This limits the City's ability to strategically allocate limited financial resources, coordinate improvements across corridors, and align transportation investments with land use planning and anticipated development.

The absence of a master plan also constrains the City's ability to proactively plan for population growth, increased traffic volumes, and regional transportation demands associated with economic development and border activity. In addition, it reduces the City's competitiveness for state and federal transportation funding, as many grant programs require or strongly favor projects that are supported by an adopted transportation planning document.

A comprehensive Transportation Master Plan is needed to establish a coordinated, data-driven framework for transportation decision-making, identify system-wide deficiencies, forecast future needs, and guide CIP development. Adoption of the plan will allow the City to make informed infrastructure investments that improve mobility, safety, and long-term sustainability for the San Luis community.

Details

New Purchase or Replacement: New

Type of Project: Other

Benefit to Community

The City will prepare and adopt a comprehensive, citywide Transportation Master Plan to establish a coordinated, long-term framework for transportation planning and investment. The master plan will evaluate existing transportation infrastructure, identify system-wide deficiencies, and forecast future transportation needs based on projected growth and land use.

The Transportation Master Plan will develop and prioritize roadway, pedestrian, bicycle, transit, and safety improvements, and provide a defensible basis for Capital Improvement Program (CIP) project selection and scheduling. The plan will also ensure consistency with regional transportation plans and facilitate coordination with agencies such as the Yuma Metropolitan Planning Organization (YMPO).

Adoption of a Transportation Master Plan will enable the City to make informed, data-driven transportation decisions, improve mobility and safety, support future development, and strengthen the City's ability to pursue state and federal transportation funding.

Description of New Operating Costs

There are no new ongoing operating costs associated with this project. The Transportation Master Plan will be prepared by a consultant as a one-time planning effort and will not require additional City staffing or operational resources.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$200K

Project Total

\$200K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Other	\$100,000	\$100,000	\$200,000
Total	\$100,000	\$100,000	\$200,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$200K

Project Total

\$200K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
General Fund	\$100,000	\$100,000	\$200,000
Total	\$100,000	\$100,000	\$200,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

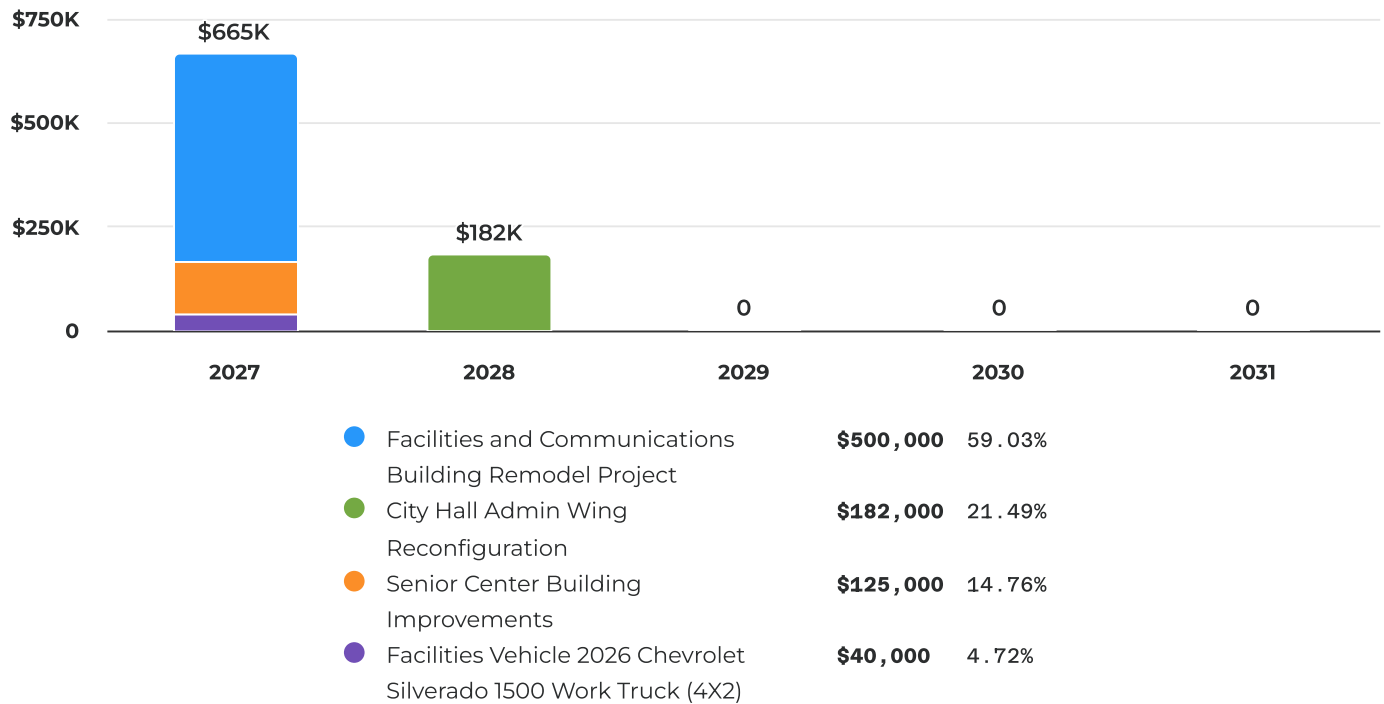
\$0

Detailed Breakdown

Category	FY2029 <i>Adopted</i>
Maintenance	\$0
Total	\$0

Facilities

FY27 - FY31 Facilities Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Facilities and Communications Building Remodel Project	\$500,000	\$0	\$0	\$0	\$0	\$500,000
City Hall Admin Wing Reconfiguration	\$0	\$182,000	\$0	\$0	\$0	\$182,000
Senior Center Building Improvements	\$125,000	\$0	\$0	\$0	\$0	\$125,000
Facilities Vehicle 2026 Chevrolet Silverado 1500 Work Truck (4X2)	\$40,000	\$0	\$0	\$0	\$0	\$40,000
Total Summary of Requests	\$665,000	\$182,000	\$0	\$0	\$0	\$847,000

City Hall Admin Wing Reconfiguration

Overview

Request Owner	Duenas Yolanda
Department	Facilities
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

The Administration wing reconfiguration project will create more work areas to meet the needs of the personnel. This project will consist of reconfiguring the existing administration, clerks, and legal department offices to reduce office size and accommodate more offices for city personnel.

Details

Type of Project: Other improvement

Benefit to Community

The project will accommodate personnel to provide better service to the community and enhance communication. City Hall was built in 2007 with a ten-year growth projection. The finance and development services wings have been reconfigured to accommodate personnel needs. The administration wing will require reconfiguration of existing office spaces to accommodate key positions within the administration and legal departments to better serve our community.

Description of New Operating Costs

This project will not have additional operating costs since it only involves the reconfiguration of the wing.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$182K	\$182K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Construction/Maintenance	\$182,000
Total	\$182,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$182K

Project Total

\$182K

Detailed Breakdown

Category

FY2028*Adopted*

General Fund

\$182,000**Total****\$182,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2028*Adopted*

Utilities

\$0**Total****\$0**

Facilities and Communications Building Remodel Project

Overview

Request Owner	Duenas Yolanda
Department	Facilities
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

We conducted a walkthrough of the Arnold Cordova Building with Christopher Thompson to discuss the needs of the Facilities Division and the Highway Users Storage area. The purpose of the walkthrough was to support the development of an updated plan and a conceptual project cost estimate. The preliminary estimate includes architectural and engineering fees, which have been broken out and incorporated into the overall project costs. The scope of work anticipates new flooring throughout the building, along with updates to existing restrooms, offices, and related areas. Please note that this estimate is intentionally conservative to account for potential unknown conditions. An 8% contingency has been included to help cover any unforeseen issues that may be discovered during further evaluation of the building.

Details

Type of Project: Other

Benefit to Community

This project will enhance the functionality, safety, and longevity of the Arnold Cordova Building, ensuring it continues to effectively support the Facilities Division and Highway Users operations. Modernizing interior spaces, restrooms, and work areas will improve working conditions for staff, promote operational efficiency, and better support services provided to the public. Investing in these updates also helps preserve a community asset, reduces long-term maintenance costs, and positions the facility to meet future needs.

Description of New Operating Costs

The proposed improvements are not expected to significantly increase ongoing operating costs. Routine maintenance and utility expenses will remain consistent with current operations. Updated building systems, finishes, and fixtures may result in improved efficiency and reduced maintenance needs over time. Any minor increases in operating costs associated with expanded use or upgraded spaces are anticipated to be offset by reduced repair needs and improved functionality.

Capital Cost

FY2027 Budget

\$500K

Total Budget (all years)

\$500K

Project Total

\$500K**Detailed Breakdown****Category****FY2027***Adopted*

Repairs/Improvements

\$500,000**Total****\$500,000****Funding Sources**

FY2027 Budget

\$500K

Total Budget (all years)

\$500K

Project Total

\$500K**Detailed Breakdown****Category****FY2027***Adopted*

General Fund

\$500,000**Total****\$500,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$13.6K

Project Total

\$13.6K**Detailed Breakdown****Category****FY2027***Adopted***FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Support Services

\$0

\$1,200

\$1,200

\$1,200

\$1,200

\$4,800

Utilities

\$0

\$1,200

\$1,200

\$1,200

\$1,200

\$4,800

Maintenance

\$0

\$1,000

\$1,000

\$1,000

\$1,000

\$4,000**Total****\$0****\$3,400****\$3,400****\$3,400****\$3,400****\$13,600**

Facilities Vehicle 2026 Chevrolet Silverado 1500 Work Truck (4X2)

Overview

Request Owner	Duenas Yolanda
Department	Facilities
Type	Capital Equipment

Description

Purchase of a 2026 Chevrolet Silverado 1500 Work Truck 4x2, equipped for reliable performance and efficiency in work-related tasks. The vehicle features a durable chassis, standard work truck amenities, and a fuel-efficient 4x2 drive suitable for daily operations and light-to-moderate hauling needs. This acquisition supports operational requirements and enhances fleet capabilities.

Details

New Purchase or Replacement: New

Useful Life: 10 or more years

New or Used Vehicle: New Vehicle

Benefit to Community

The addition of this work truck enhances the efficiency and responsiveness of our operations, allowing staff to complete maintenance and emergency support tasks more quickly and effectively. By improving fleet capabilities, the community will benefit from safer, more reliable services and timely support for buildings and public needs.

Description of New Operating Costs

The operating costs for this vehicle include routine fuel consumption, regular maintenance, oil changes, and any required repairs after warranty expires to ensure safe and reliable operation. Additional costs may include registration, insurance, and licensing fees. Overall, these expenses support the continued functionality and readiness of the work truck to serve community needs efficiently.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$40K	\$40K	\$40K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Vehicle Cost	\$40,000
Total	\$40,000

Funding Sources

FY2027 Budget

\$40K

Total Budget (all years)

\$40K

Project Total

\$40K

Detailed Breakdown

Category

FY2027

Adopted

General Fund

\$40,000**Total****\$40,000**

Operational Costs

FY2027 Budget

\$1.3K

Total Budget (all years)

\$6.5K

Project Total

\$6.5K

Detailed Breakdown

Category

FY2027

Adopted

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Gas/Oil

\$600

\$600

\$600

\$600

\$600

\$3,000

Support Services

\$500

\$500

\$500

\$500

\$500

\$2,500

Maintenance

\$200

\$200

\$200

\$200

\$200

\$1,000**Total****\$1,300****\$1,300****\$1,300****\$1,300****\$1,300****\$6,500**

Senior Center Building Improvements

Overview

Request Owner	Duenas Yolanda
Department	Facilities
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

The Senior Center Renovation focuses on improving spatial continuity, accessibility, and flexibility within the senior center. The existing structural layout currently separates the main area, billiard room, and activity room with interior pillars and partial barriers, which limits visibility and restricts movement.

This project involves the removal of the non-essential interior pillars located between the main gathering area and the billiard room, with the goal of creating a more open and unified space. Additionally, the partition between the billiard room and the adjacent activity room will be reduced or eliminated to further enhance connectivity between these spaces. By opening these areas, the design will promote better circulation, increased natural light distribution, and improved supervision for staff. The expanded, unobstructed layout will also allow for more flexible use of space, accommodating a wider range of programs and group activities suited to the needs of senior users.

Structural evaluation and reinforcement will be incorporated as necessary to ensure that load-bearing requirements are maintained following the removal of any existing elements. Overall, the intervention aims to create a safer, more inclusive, and adaptable environment while maintaining cost efficiency within the project budget.

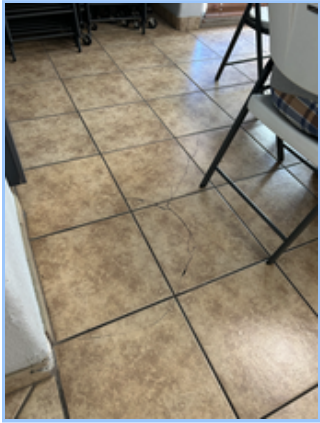
Additionally, floor replacement at the Senior Center has been requested due to multiple areas exhibiting cracked and lifted flooring, particularly within the pool and bingo areas. The existing floor tiles are no longer available. The proposed replacement tiles will closely match the flooring installed in the most recent expansion of the Senior Center, ensuring consistency in appearance and durability throughout the facility. The Senior Center is also seeking a quote to remodel both the Women's and Men's restrooms. The existing restrooms are aging and in need of updates.

The scope of work includes:

- Removal of non-essential interior pillars
- Flooring replacement
- Installation of new bathroom partitions
- Painting walls and ceilings

The goal is to improve safety, accessibility, and overall appearance while maintaining a welcoming environment for all visitors.

Images



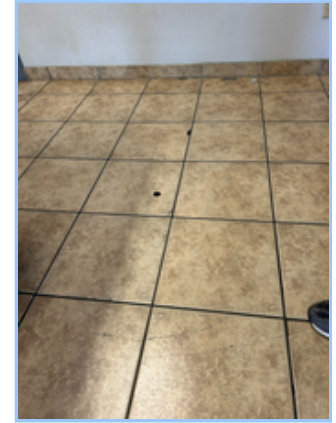
Senior Center



IMG_1685.jpeg



IMG_1687.jpeg



IMG_1686.jpeg

flooring cracks



IMG_1690.jpeg



IMG_1688.jpeg

Details

Type of Project: Other

Benefit to Community

This expansion will provide meaningful benefits to both the senior center users and staff by creating a more open, welcoming, and adaptable environment. By removing physical barriers and visually connecting the main area, billiard room, and activity room, the facility becomes easier to navigate and more inclusive for individuals with varying mobility levels. For seniors, the open layout encourages greater social interaction and reduces feelings of isolation. Activities that were once confined to separate rooms can now overlap or expand, allowing for larger group events, shared programming, and more dynamic use of the space. This flexibility supports a wider variety of services, such as wellness classes, recreational games and educational workshops. From a safety and operational standpoint, improved visibility across the space allows staff and volunteers to better monitor activities and respond quickly if assistance is needed. Increased natural light and clearer sight lines also contribute to a more comfortable and uplifting environment, which can positively impact mental well-being.

It will also enhance the safety, accessibility, and overall functionality of the Senior Center by addressing damaged and uneven flooring that poses potential tripping hazards. Replacing the flooring will improve the appearance and usability of high-traffic areas, creating a more welcoming and comfortable environment for seniors and community members. The project supports continued programming and activities by maintaining a safe, durable, and well-maintained public facility. Updating the

restrooms at the Senior Center will enhance safety, accessibility, and comfort for all visitors, particularly seniors and individuals with mobility challenges. A modern, clean, and functional restroom environment supports the well-being and dignity of community members, encouraging continued engagement in the Center's programs and activities.

Description of New Operating Costs

This renovation will open the existing floor plan, allowing there to be more space for the seniors to gather. There should not be significant new operating costs expected. The replacement flooring will require routine maintenance consistent with current cleaning and upkeep practices. In addition, the use of durable, modern materials is anticipated to reduce long-term maintenance and repair needs compared to the existing flooring. The restroom refurbishment is not expected to result in any new operating costs. Routine maintenance, cleaning, and utilities will remain consistent with current levels. For Fiscal Year 2027, the Senior Center may need to purchase more tables and chairs to accommodate more seniors, so the Minor Tools / Equipment Supplies account will need additional budget.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$125K	\$125K	\$125K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Other	\$125,000
Construction/Maintenance	\$0
Repairs/Improvements	\$0
Total	\$125,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$125K	\$125K	\$125K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
General Fund	\$125,000
Total	\$125,000

Operational Costs

FY2027 Budget

\$5K

Total Budget (all years)

\$5K

Project Total

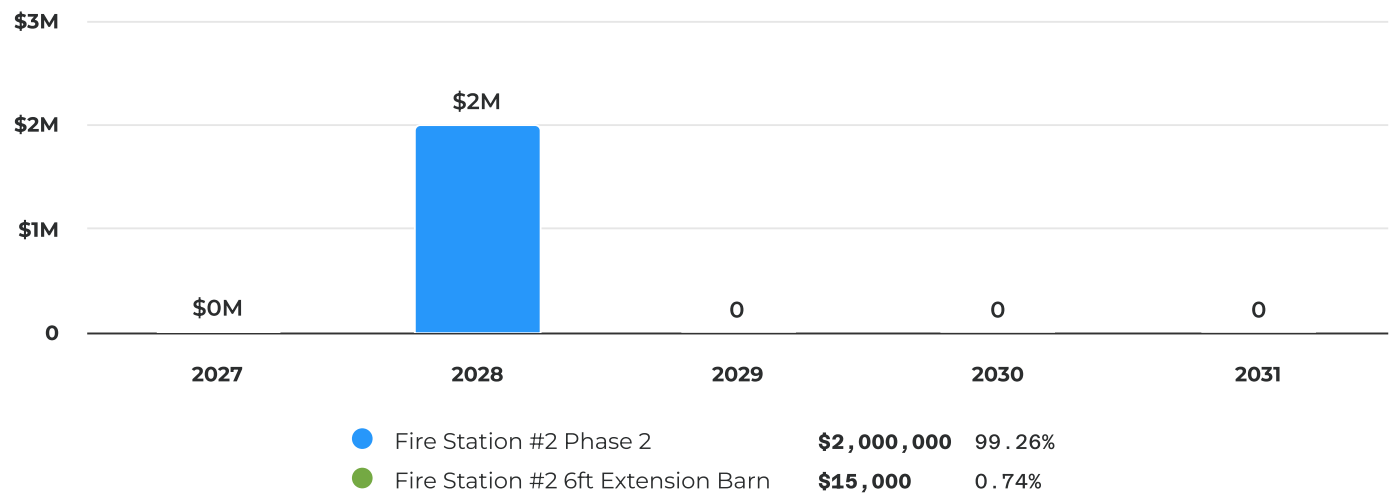
\$5K

Detailed Breakdown

Category	FY2027
	<i>Adopted</i>
Supplies	\$5,000
Gas/Oil	\$0
Support Services	\$0
Personnel	\$0
Utilities	\$0
Maintenance	\$0
Total	\$5,000

FD Station 2

FY27 - FY31 FD Station 2 Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Fire Station #2 Phase 2	\$0	\$2,000,000	\$0	\$0	\$0	\$2,000,000
Fire Station #2 6ft Extension Barn	\$15,000	\$0	\$0	\$0	\$0	\$15,000
Total Summary of Requests	\$15,000	\$2,000,000	\$0	\$0	\$0	\$2,015,000

Fire Station #2 6ft Extension Barn

Overview

Request Owner	Angel Ramirez
Department	FD Station 2
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

Fire Station #2 is in need of a 6ft extension barn to store the fire trucks.

Details

Type of Project: New Construction

Benefit to Community

Fire Station #2 is limited in space for storing fire trucks and is in need of an extension. Currently, one of the new fire trucks, when parked, extends to the street blocking the sidewalk. By adding the extension barn, it will allow for better storage of the truck and clear the sidewalk for pedestrians to cross.

Description of New Operating Costs

The extension will not incur any operational costs.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$15K	\$15K	\$15K

Detailed Breakdown

Category	FY2027 Adopted
Construction/Maintenance	\$15,000
Total	\$15,000

Funding Sources

FY2027 Budget

\$15K

Total Budget (all years)

\$15K

Project Total

\$15K

Detailed Breakdown

Category

FY2027*Adopted*

General Fund

\$15,000**Total****\$15,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2027*Adopted*

Maintenance

\$0**Total****\$0**

Fire Station #2 Phase 2

Overview

Request Owner	Angel Ramirez
Department	FD Station 2
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/10/2028

Description

Expand the current Fire Station #2 — Phase 2 to complete essential facilities, expand operational space, and fully support emergency response needs. This includes living quarters, training room, equipment bays, turnout gear areas, unisex bathrooms. Completing this phase will improve response times, firefighter's safety, equipment readiness, and the department's ability to serve the community now and in the future. The Bay will be built attached to the Fire Station.

Details

Type of Project: New Construction

Benefit to Community

Existing Fire Station #2 creates serious operational and safety challenges. Limited space and incomplete facilities restrict emergency response capabilities, hinder proper staffing and equipment storage, and increase response times. The fire station cannot adequately meet current or future community needs, placing both firefighters and the public at greater risk. By expanding the station, it will help with a reduction in response times for the east side of the community.

Description of New Operating Costs

The proposed expansion of Fire Station #2 will result in additional ongoing operating costs such as maintenance and utilities.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$2M	\$2M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Construction/Maintenance	\$2,000,000
Total	\$2,000,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$2M

Project Total

\$2M

Detailed Breakdown

Category

FY2028

Adopted

General Fund

\$2,000,000**Total****\$2,000,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$4.8K

Project Total

\$4.8K

Detailed Breakdown

Category

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Maintenance

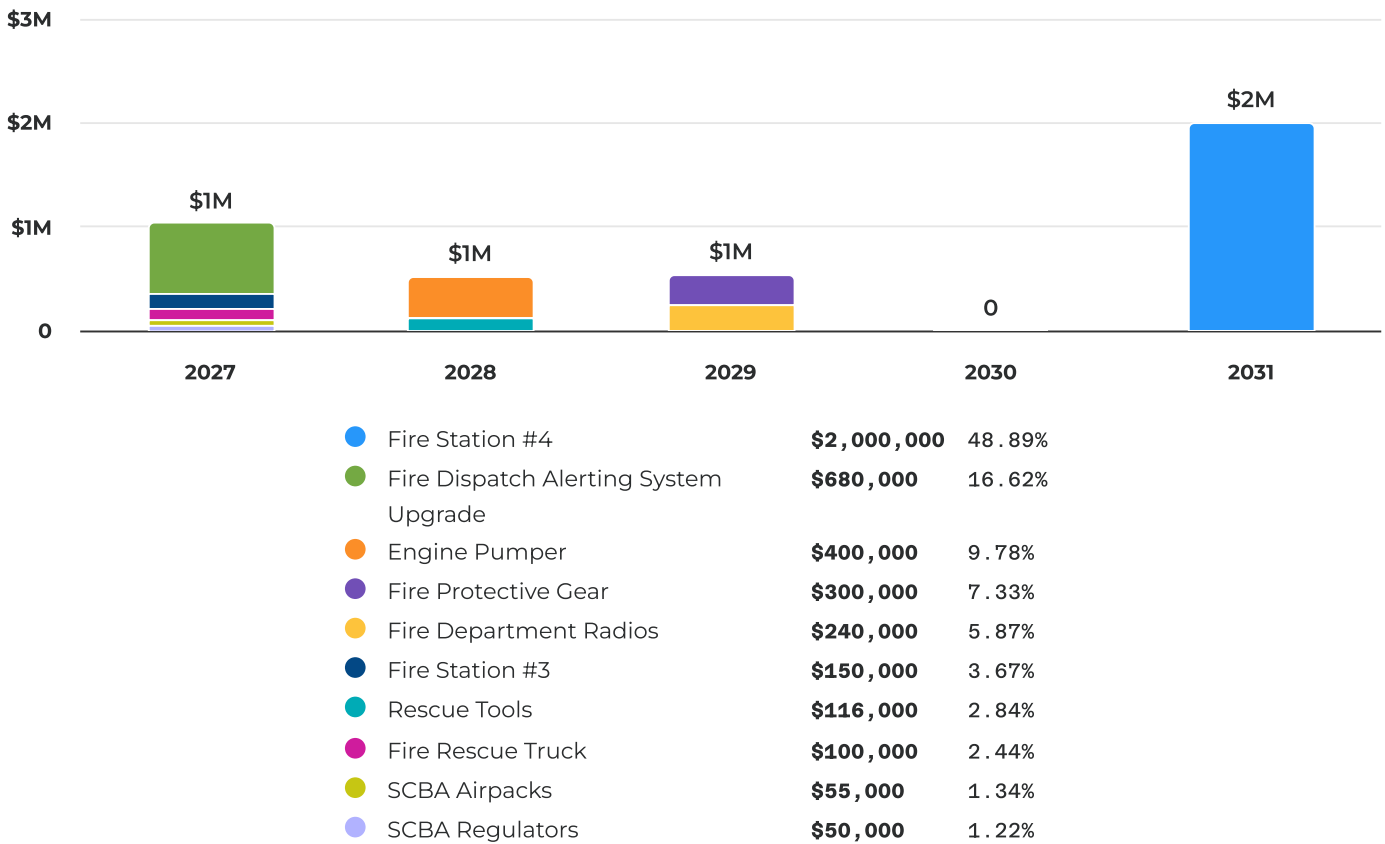
\$1,000**\$1,000****\$1,000****\$1,000****\$4,000**

Utilities

\$200**\$200****\$200****\$200****\$800****Total****\$1,200****\$1,200****\$1,200****\$1,200****\$4,800**

Fire Department

FY27 - FY31 Fire Department Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Fire Station #4	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
Fire Dispatch Alerting System Upgrade	\$680,000	\$0	\$0	\$0	\$0	\$680,000
Engine Pumper	\$0	\$400,000	\$0	\$0	\$0	\$400,000
Fire Protective Gear	\$0	\$0	\$300,000	\$0	\$0	\$300,000
Fire Department Radios	\$0	\$0	\$240,000	\$0	\$0	\$240,000
Fire Station #3	\$150,000	\$0	\$0	\$0	\$0	\$150,000
Rescue Tools	\$0	\$116,000	\$0	\$0	\$0	\$116,000
Fire Rescue Truck	\$100,000	\$0	\$0	\$0	\$0	\$100,000
SCBA Airpacks	\$55,000	\$0	\$0	\$0	\$0	\$55,000
SCBA Regulators	\$50,000	\$0	\$0	\$0	\$0	\$50,000
Total Summary of Requests	\$1,035,000	\$516,000	\$540,000	\$0	\$2,000,000	\$4,091,000

Engine Pumper

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Equipment

Description

Today we have a 7-year-old Engine Pumper that is in the front line. Due to the wait time for an engine of 42–48 months from purchase to delivery, we need to start purchasing a new pumper. By the time we receive the new pumper, our front line unit will be almost 10 years old. As the needs of the city grows, we need to start planning on buying new equipment to provide the best service for our residents.

Details

New Purchase or Replacement: New **Useful Life:** 10 or more years

New or Used Vehicle: New Vehicle

Benefit to Community

An engine pumper is a vital asset to our community because it serves as the first and most versatile line of defense in firefighting emergencies. Equipped to carry firefighters, water, hoses, and essential tools, an engine pumper allows crews to respond quickly and begin fire suppression immediately, even before additional resources arrive. Its ability to pump large volumes of water and connect to hydrants or other water sources is critical for controlling fires, protecting lives, and preventing property damage. Beyond fires, engine pumps are also used in medical responses, vehicle accidents, and rescue situations, making them a dependable, all-purpose resource that strengthens overall public safety and emergency preparedness in our community.

Description of New Operating Costs

Since this will be an additional fire truck, it will have operational costs that consist of gas and oil and maintenance as needed.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$400K	\$400K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Vehicle Cost	\$320,000
Other	\$80,000
Total	\$400,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$400K

Project Total

\$400K

Detailed Breakdown

Category

FY2028

Adopted

Impact Fees

\$400,000**Total****\$400,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$85K

Project Total

\$85K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Gas/Oil	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
Maintenance	\$5,000	\$5,000	\$5,000	\$10,000	\$25,000
Support Services	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0
Utilities	\$0	\$0	\$0	\$0	\$0
Personnel	\$0	\$0	\$0	\$0	\$0
Total	\$20,000	\$20,000	\$20,000	\$25,000	\$85,000

Fire Department Radios

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Equipment

Description

The Fire department needs to purchase new radios to ensure reliable, clear, and immediate communication during emergencies, which is critical for firefighter safety and effective incident response. Modern radios provide stronger signal coverage, reduced interference, and advanced features like GPS tracking and emergency alerts, all of which improve coordination on the scene. They also allow seamless communication with other agencies, ensuring better teamwork during large-scale incidents. In contrast, outdated radios are more prone to failure, costly to maintain, and may no longer meet current standards, making an upgrade essential for safety, efficiency, and preparedness.

Details

New Purchase or Replacement: Replacement **Useful Life:** 7

Benefit to Community

The Fire department needs to purchase new radios since the current ones are outdated and may experience poor signal, limited range or frequent technical issues. Upgrading fire department radios benefits the community by ensuring faster, clearer communication during emergencies, which leads to quicker response times and more effective coordination when lives and property are at risk. With reliable radios, firefighters can operate more safely and efficiently, reducing the chances of mistakes or delays during critical incidents like fires, medical emergencies, or natural disasters. Improved communication with police and EMS also means better overall emergency response, helping protect residents, minimize damage, and enhance public safety across the entire community.

Description of New Operating Costs

Operating new fire department radios will require ongoing costs to ensure they remain reliable and effective. These costs include routine maintenance and repairs, battery replacements, and software updates to keep the system secure and up to date. The department may also need to pay for licensing fees, system access, or service subscriptions, especially if the radios operate on a digital or regional communication network. Training personnel to properly use the new equipment is another important expense, along with occasional upgrades or replacement parts over time. Together, these operational costs ensure the radio system continues to function properly and supports safe, efficient emergency response.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$240K

Project Total

\$240K**Detailed Breakdown****Category****FY2029***Adopted*

Equipment

\$240,000**Total****\$240,000****Funding Sources**

FY2027 Budget

\$0

Total Budget (all years)

\$240K

Project Total

\$240K**Detailed Breakdown****Category****FY2029***Adopted*

General Fund

\$240,000**Total****\$240,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$30K

Project Total

\$30K**Detailed Breakdown****Category****FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Maintenance

\$10,000**\$10,000****\$10,000****\$30,000****Total****\$10,000****\$10,000****\$10,000****\$30,000**

Fire Dispatch Alerting System Upgrade

Overview

Request Owner	Fernando Corona, rencinas@sanluisaz.gov
Department	Fire Department
Type	Capital Equipment

Description

The Fire Department's current CAD station alerting and toning system has reached the end of support and is no longer sustainable. Replacement hardware is no longer available, creating a high risk of system failure and prolonged downtime. A reliable alerting system is essential to ensure firefighters receive fast, clear, and accurate emergency notifications. Failure of the existing system could result in delayed or missed alerts, directly impacting emergency response capabilities. Replacing the legacy system with the Phoenix G2 alerting system will mitigate this risk by providing a modern, fully supported, and dependable solution that ensures continuous and reliable emergency operations.

Details

New Purchase or Replacement: Replacement **Useful Life:** 10 or more years

Benefit to Community

Replacing the legacy system with the Phoenix G2 alerting system will mitigate this risk by providing a modern, fully supported, and dependable solution that ensures continuous and reliable emergency operations.

Description of New Operating Costs

The system will incur a total annual support cost of approximately \$10,000.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$680K	\$680K	\$680K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Equipment	\$530,000
Installation	\$150,000
Total	\$680,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$680K	\$680K	\$680K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
General Fund	\$680,000
Total	\$680,000

Operational Costs

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$40K	\$40K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Support Services	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000
Total	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000

Fire Protective Gear

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Equipment

Description

Fire gear is essential because it protects firefighters from extreme heat, flames, toxic smoke, and hazardous materials encountered during emergencies. This specialized equipment—such as helmets, turnout coats, gloves, boots, and breathing apparatus—acts as a critical barrier against burns, injuries, and long-term health risks. Without proper gear, firefighters would be unable to safely enter dangerous environments to rescue victims or control fires. High-quality, up-to-date gear also improves mobility, visibility, and overall effectiveness on the scene, ensuring firefighters can perform their duties while minimizing risk to themselves and the people they are trying to protect.

Details

New Purchase or Replacement:	Replacement	Useful Life:	10 or more years
------------------------------	-------------	--------------	------------------

Benefit to Community

Providing firefighters with proper fire gear benefits the community by ensuring emergency responders can safely and effectively handle fires and other dangerous situations. Well-equipped firefighters are able to respond more quickly, rescue victims, and control fires before they spread, which helps protect lives, homes, and local businesses. When firefighters are properly protected, they can work more efficiently and with less risk of injury, reducing delays in emergency response. Overall, investing in fire gear strengthens public safety, minimizes property damage, and ensures the community receives reliable and professional emergency services when they are needed most.

Description of New Operating Costs

Some common operational costs for fire gear include regular inspection and maintenance to ensure all equipment is safe and functional, cleaning and decontamination after incidents to remove smoke and hazardous substances, and repair or replacement of damaged items like gloves, helmets, or protective clothing. Departments also need to budget for replacing worn-out gear over time, as it has a limited lifespan due to heat and exposure. Additional costs can include training firefighters for proper use and care of the gear, as well as storage solutions to keep equipment in good condition.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$300K	\$300K

Detailed Breakdown

Category	FY2029 <i>Adopted</i>
Equipment	\$300,000
Total	\$300,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$300K

Project Total

\$300K

Detailed Breakdown

Category

FY2029

Adopted

General Fund

\$300,000**Total****\$300,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$18K

Project Total

\$18K

Detailed Breakdown

Category

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Maintenance

\$6,000

\$6,000

\$6,000

\$18,000**Total****\$6,000****\$6,000****\$6,000****\$18,000**

Fire Rescue Truck

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Equipment

Description

A Fire Rescue truck is necessary for fire department operations because it improves both efficiency and equipment longevity. Using a pickup truck allows personnel to transport tools, gear, and smaller equipment without relying on larger fire apparatus for routine tasks. This reduces unnecessary mileage and wear and tear on primary fire engines and specialty vehicles, helping extend their service life and lower maintenance costs.

Additionally, a Fire Rescue truck can respond more quickly to certain calls, inspections, and support operations due to its smaller size and greater maneuverability. Faster response for these types of tasks allows fire personnel to assess situations sooner and allocate larger apparatus only when they are truly needed. Overall, having a pickup truck supports quicker response times, preserves critical firefighting equipment, and improves the department's operational efficiency.

Details

New Purchase or Replacement: New

Useful Life: 9

New or Used Vehicle: New Vehicle

Benefit to Community

A fire rescue truck benefits the community by allowing the fire department to respond more efficiently and effectively to a wide range of situations. Because a fire rescue truck is smaller and more maneuverable than a full-size fire engine, it can often arrive on scene faster for inspections, medical assistance, small incidents, and support operations. This quicker response helps ensure that community members receive assistance as soon as possible.

Using a fire rescue truck for routine calls and support operations also reduces unnecessary wear and tear on primary fire apparatus. By limiting the use of larger engines and specialized equipment to major emergencies, the department can extend the service life of these critical resources and reduce maintenance costs. This ensures that frontline firefighting apparatus remain reliable and ready when they are needed most for structure fires, vehicle accidents, and other serious incidents.

Additionally, a fire rescue truck allows firefighters to transport equipment, medical gear, and personnel efficiently during emergency responses, training, and community events. This versatility improves operational readiness and strengthens the department's ability to serve the public. Overall, the use of a fire rescue truck improves response times, preserves essential firefighting equipment, and enhances the fire department's ability to provide dependable service to the community.

Description of New Operating Costs

Since this is a new vehicle, it will require additional operating costs such as gas, oil, routine maintenance, medical supplies and rescue equipment.

Capital Cost

FY2027 Budget

\$100K

Total Budget (all years)

\$100K

Project Total

\$100K

Detailed Breakdown

Category

FY2027*Adopted*

Vehicle Cost

\$100,000**Total****\$100,000**

Funding Sources

FY2027 Budget

\$100K

Total Budget (all years)

\$100K

Project Total

\$100K

Detailed Breakdown

Category

FY2027*Adopted*

General Fund

\$100,000**Total****\$100,000**

Operational Costs

FY2027 Budget

\$20K

Total Budget (all years)

\$68K

Project Total

\$68K

Detailed Breakdown

Category

FY2027*Adopted***FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Maintenance

\$5,000

\$5,000

\$5,000

\$5,000

\$5,000

\$25,000

Gas/Oil

\$5,000

\$5,000

\$5,000

\$5,000

\$5,000

\$25,000

Supplies

\$10,000

\$2,000

\$2,000

\$2,000

\$2,000

\$18,000**Total****\$20,000****\$12,000****\$12,000****\$12,000****\$12,000****\$68,000**

Fire Station #3

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Improvement
Estimated Start Date	01/1/2027
Estimated Completion Date	06/30/2027

Description

The San Luis Fire Department needs another fire station to better protect the growing community and improve emergency response times. As the population increases and development expands, firefighters must cover larger areas, which can delay help during fires, medical emergencies, and natural disasters. A new fire station would allow crews to reach residents faster, reducing property damage and saving lives. It would also improve firefighter safety by preventing overworked staff and ensuring adequate resources are available at all times. Having another fire station is an important investment in public safety and the well-being of the San Luis community. The existing Facilities building will be remodeled for Fire Station #3 since it was the old fire station, and it is already designed for a fire station.

Details

Type of Project: New Construction

Benefit to Community

The San Luis Fire Department needs another fire station to better protect the growing community and improve emergency response times. As the population increases and development expands, firefighters must cover larger areas, which can delay help during fires, medical emergencies, and natural disasters. A new fire station would allow crews to reach residents faster, reducing property damage and saving lives. It would also improve firefighter safety by preventing overworked staff and ensuring adequate resources are available at all times. Building another fire station is an important investment in public safety and the well-being of the San Luis community.

Description of New Operating Costs

Operating an additional fire station involves several ongoing costs needed to keep it fully functional and ready to respond at all times. These include utilities like electricity, water, and heating or cooling for the facility. There are also maintenance costs for the building, fire engines, and equipment, along with fuel for vehicles and replacement of worn or damaged gear. Additional expenses may include insurance, communication systems, cleaning services, and supplies for daily living, all of which ensure the station can operate efficiently and provide reliable emergency services to the community. There won't be personnel costs since current staff will be stationed there.

Capital Cost

FY2027 Budget

\$150K

Total Budget (all years)

\$150K

Project Total

\$150K**Detailed Breakdown****Category****FY2027***Adopted*

Design

\$150,000**Total****\$150,000****Funding Sources**

FY2027 Budget

\$150K

Total Budget (all years)

\$150K

Project Total

\$150K**Detailed Breakdown****Category****FY2027***Adopted*

General Fund

\$150,000**Total****\$150,000****Operational Costs**

FY2027 Budget

\$20K

Total Budget (all years)

\$180K

Project Total

\$180K**Detailed Breakdown****Category****FY2027***Adopted***FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Utilities

\$10,000

\$20,000

\$20,000

\$20,000

\$20,000

\$90,000

Supplies

\$5,000

\$10,000

\$10,000

\$10,000

\$10,000

\$45,000

Maintenance

\$5,000

\$10,000

\$10,000

\$10,000

\$10,000

\$45,000**Total****\$20,000****\$40,000****\$40,000****\$40,000****\$40,000****\$180,000**

Fire Station #4

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Improvement
Estimated Start Date	07/1/2030
Estimated Completion Date	07/1/2032

Description

A new fire station is a modern, purpose-built facility designed to support rapid emergency response while providing a safe, efficient, and comfortable environment for firefighters. It typically includes apparatus bays to house fire engines and equipment, living quarters such as dorms, a kitchen, and common areas for on-duty personnel, and administrative offices for daily operations. The station may also feature training spaces, fitness areas, and specialized rooms for equipment storage, maintenance, and decontamination to keep gear clean and ready for use. Built with updated safety standards and technology, a new fire station improves response times, enhances coordination, and ensures firefighters are well-prepared to serve and protect the community.

Details

Type of Project: New Construction

Benefit to Community

A new fire station benefits the community by improving emergency response times, allowing firefighters to reach incidents more quickly and provide faster assistance when every second counts. It enhances public safety by ensuring crews are better equipped, organized, and ready to handle fires, medical emergencies, and disasters. Modern facilities also support better training and coordination, leading to more effective emergency services overall. In addition, a new station can help reduce property damage, protect lives, and even improve insurance ratings for the area, making the community safer and more resilient.

Description of New Operating Costs

Operating a new fire station involves several ongoing costs needed to keep it fully functional and ready to respond at all times. These include personnel expenses such as salaries, benefits, and training for firefighters and staff, as well as utilities like electricity, water, and heating or cooling for the facility. There are also maintenance costs for the building, fire engines, and equipment, along with fuel for vehicles and replacement of worn or damaged gear. Additional expenses may include insurance, communication systems, cleaning services, and supplies for daily living, all of which ensure the station can operate efficiently and provide reliable emergency services to the community.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$2M

Project Total

\$2M

Detailed Breakdown

Category

FY2031

Adopted

Construction/Maintenance

\$2,000,000

Total

\$2,000,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$2M

Project Total

\$2M

Detailed Breakdown

Category

FY2031

Adopted

General Fund

\$2,000,000

Total

\$2,000,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Personnel

Utilities

Supplies

Maintenance

Total

Rescue Tools

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Equipment

Description

The San Luis Fire Department needs rescue tools like the Jaws of Life (hydraulic cutters, spreaders, rams) and stabilization systems to safely and quickly rescue people trapped in vehicles and collapsed structures. Serious car accidents and emergencies can leave victims pinned and unable to escape on their own, and without proper tools, rescue efforts can be delayed, increasing the risk of severe injury or death. Having modern rescue equipment allows firefighters to act immediately, reduce rescue time, and provide life-saving care as quickly as possible. Investing in these tools ensures the safety of both the community and the first responders who serve it.

Details

New Purchase or Replacement: New

Useful Life: 8

Benefit to Community

Outdated or insufficient equipment slows down rescue operations, putting victims at greater risk. Rescue tools like the Jaws of Life would benefit the community by saving lives and reducing injuries during serious emergencies. These tools allow firefighters to quickly free people trapped in car accidents, farming incidents, or building collapses, when every second matters. Faster rescues mean victims can receive medical care sooner, which greatly improves survival and recovery. Having this equipment also increases community confidence in emergency services and helps ensure that San Luis residents receive the same level of protection as larger, better-equipped communities. Overall, these tools strengthen public safety and help protect families, property, and lives.

Description of New Operating Costs

The rescue tools will not incur operational costs since they will be replaced once they stop working.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$116K	\$116K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Equipment	\$116,000
Total	\$116,000



Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$116K

Project Total

\$116K

Detailed Breakdown

Category

FY2028*Adopted*

General Fund

\$116,000**Total****\$116,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2028*Adopted*

Maintenance

\$0**Total****\$0**

SCBA Airpacks

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Equipment

Description

The San Luis Fire Department needs new SCBA air packs to protect firefighters and ensure they can safely perform their duties during emergencies. Older or outdated air packs can be unreliable, harder to maintain, and may not meet current safety standards, putting firefighters at risk when operating in smoke-filled or toxic environments. New SCBA air packs provide cleaner air, improved comfort, longer air supply, and better communication features, allowing firefighters to work more effectively and for longer periods of time. Upgrading this equipment helps prevent injuries, improves emergency response, and ensures the fire department can continue to protect the community safely and efficiently.

Details

New Purchase or Replacement: New

Benefit to Community

New SCBA air packs benefit the community by helping firefighters work safely and effectively during fires and hazardous emergencies. When firefighters have reliable, modern breathing equipment, they can enter dangerous situations faster, stay longer, and rescue people more efficiently. This leads to quicker fire control, reduced property damage, and a greater chance of saving lives. Properly functioning SCBA air packs also reduce firefighter injuries and illnesses, ensuring that trained responders remain available to serve the community. Overall, upgrading this equipment strengthens public safety and ensures residents receive dependable emergency protection when it matters most.

Description of New Operating Costs

The SCBA airpacks will not incur any operational costs since they will be replaced once they stop working.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$55K	\$55K	\$55K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Equipment	\$55,000
Total	\$55,000

Funding Sources

FY2027 Budget

\$55K

Total Budget (all years)

\$55K

Project Total

\$55K

Detailed Breakdown

Category

FY2027*Adopted*

General Fund

\$55,000**Total****\$55,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2027*Adopted*

Support Services

\$0

Supplies

\$0

Maintenance

\$0

Gas/Oil

\$0

Utilities

\$0

Personnel

\$0**Total****\$0**

SCBA Regulators

Overview

Request Owner	Angel Ramirez
Department	Fire Department
Type	Capital Equipment

Description

The fire department needs reliable SCBA regulators that comply with National Fire Protection Association (NFPA) standards to ensure firefighters receive a steady and safe supply of air while operating in dangerous environments. SCBA regulators control airflow and pressure, allowing firefighters to breathe normally in smoke, heat, and toxic conditions. Worn or outdated regulators can fail or restrict airflow, putting firefighters at serious risk and limiting their ability to perform rescues or suppress fires. New, properly functioning regulators improve safety, efficiency, and confidence during emergencies, allowing firefighters to focus on saving lives and protecting property while reducing the risk of injury or equipment failure.

Details

New Purchase or Replacement: New

Benefit to Community

The Fire department's current SCBA units are outdated and nearing the end of their service life, creating significant safety and operational concerns. Aging equipment is more prone to failure, increases maintenance costs, and may no longer meet current National Fire Protection Association (NFPA) standards for firefighter respiratory protection. In addition, older SCBAs lack modern safety features such as improved PASS alarms, integrated communications, and enhanced thermal protection, which are critical for today's foreground environments.

SCBA regulators benefit the community by keeping firefighters safe and effective during emergencies involving fire, smoke, or hazardous materials. When firefighters have dependable regulators, they can respond faster, stay in dangerous environments longer, and rescue people more efficiently. This leads to quicker fire suppression, reduced spread of fires, and less damage to homes and businesses. Reliable equipment also helps prevent firefighter injuries, ensuring that experienced responders remain available to serve the community. Overall, properly functioning SCBA regulators strengthen emergency response and improve public safety for everyone.

Description of New Operating Costs

The SCBA regulators will not incur operating costs since they will be replaced once they stop working.

Capital Cost

FY2027 Budget

\$50K

Total Budget (all years)

\$50K

Project Total

\$50K**Detailed Breakdown****Category****FY2027***Adopted*

Equipment

\$50,000**Total****\$50,000****Funding Sources**

FY2027 Budget

\$50K

Total Budget (all years)

\$50K

Project Total

\$50K**Detailed Breakdown****Category****FY2027***Adopted*

General Fund

\$50,000**Total****\$50,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0**Detailed Breakdown****Category****FY2027***Adopted*

Support Services

\$0

Supplies

\$0

Maintenance

\$0

Gas/Oil

\$0

Utilities

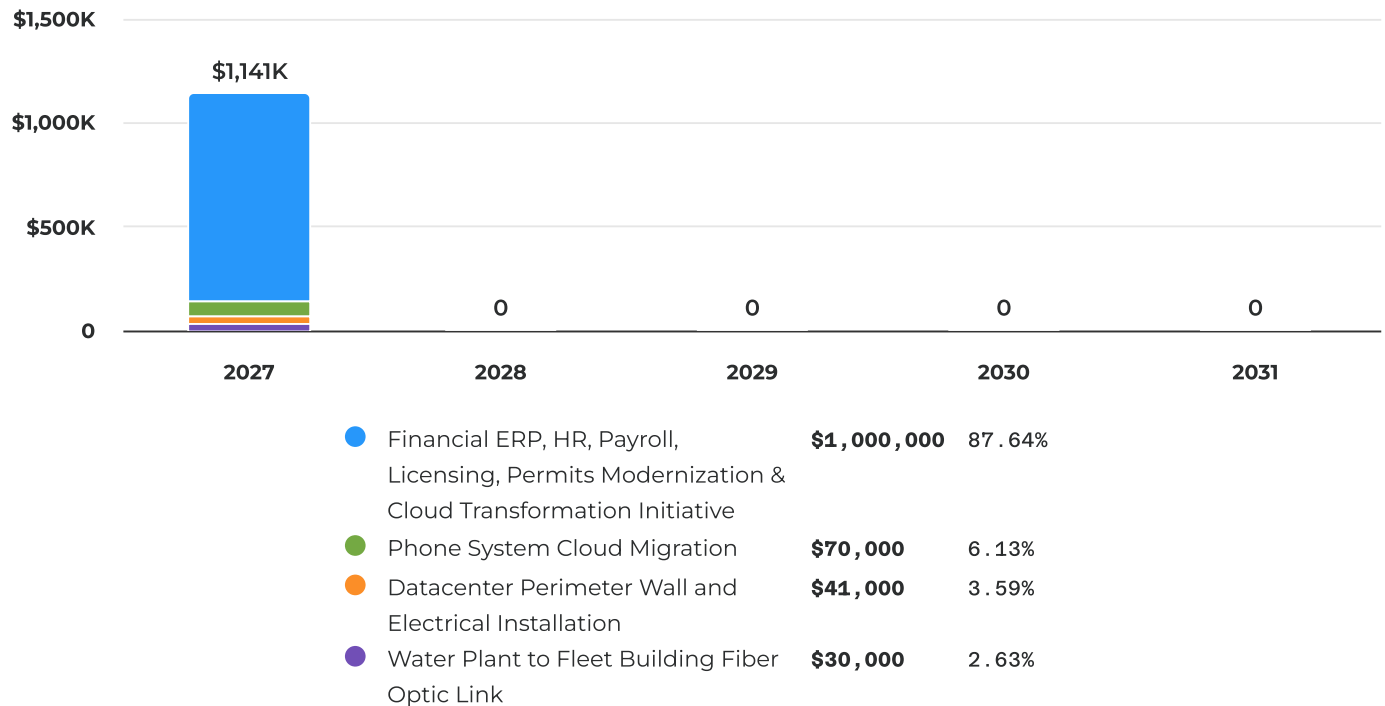
\$0

Personnel

\$0**Total****\$0**

Information Technology

FY27 - FY31 Information Technology Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Financial ERP, HR, Payroll, Licensing, Permits Modernization & Cloud Transformation Initiative	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Phone System Cloud Migration	\$70,000	\$0	\$0	\$0	\$0	\$70,000
Datacenter Perimeter Wall and Electrical Installation	\$41,000	\$0	\$0	\$0	\$0	\$41,000
Water Plant to Fleet Building Fiber Optic Link	\$30,000	\$0	\$0	\$0	\$0	\$30,000
Total Summary of Requests	\$1,141,000	\$0	\$0	\$0	\$0	\$1,141,000

Datacenter Perimeter Wall and Electrical Installation

Overview

Request Owner	Fernando Corona, rencinas@sanluisaz.gov
Department	Information Technology
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

This project will enhance the security and utility infrastructure of a communication tower and shelter. It includes the construction of a reinforced cinder block perimeter wall with a vehicle gate and pedestrian gate, along with electronic access control to restrict entry to authorized personnel. Additionally, electrical service will be extended from the existing transformer to the APS meter approximately 300 feet away, ensuring reliable power to the site. These improvements will provide secure access, protect critical equipment, and support the continuous operation of the communication facility.

1. Perimeter Wall (Cinder Block, 40×60?ft, 6?ft high)

Perimeter: $2 \times (40 + 60) = 200\text{ft}$

Wall area: $200\text{ft} \times 6\text{ft height} = 1,200\text{sqft}$

Installed cost: \$15–\$30 per sqft

Estimated cost: \$20,000

2. Gates

Vehicle gate (welded steel, ~12–14ft wide): \$2,000 – \$5,000

Pedestrian gate (metal, welded): \$800 – \$1,500

Subtotal for gates: \$6000

3. Access Control Systems

Door access control, gate entry systems, wiring: \$500 – \$2,000

4. Electrical Service Installation (300?ft from transformer to APS meter)

Trenching & conduit: \$4,000

Electrician labor & wiring: \$3,000

Permits/inspection: \$100 – \$500

Subtotal for electrical: \$13000

5. Miscellaneous / Contingency

Footings for gates/walls, backfill, unforeseen costs: \$1,000 – \$3,000

Details

Type of Project: New Construction

Benefit to Community

By July 30, construction of the radio tower and concrete modular data center will be complete. As part of Phase 2 of the project, the new data center will require a new APS electrical installation. For APS to provide electrical service to the new data center, the city must provide a service path from the nearest electrical transformer to the facility. Adding a cinder wall around a public safety antenna protects critical communication equipment from vandalism, theft, and weather, reducing damage and wear. By preventing damage and extending equipment's lifespan, it also lowers maintenance costs and enhances safety and appearance for the community.

Description of New Operating Costs

Establishing a new APS account will increase the Utility Budget due to power needs for the modular data center, while the generator will require annual maintenance and diesel refills.

Capital Cost

FY2027 Budget

\$41K

Total Budget (all years)

\$41K

Project Total

\$41K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Construction/Maintenance	\$41,000
Total	\$41,000

Funding Sources

FY2027 Budget

\$41K

Total Budget (all years)

\$41K

Project Total

\$41K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
General Fund	\$41,000
Total	\$41,000

Operational Costs

FY2027 Budget

\$4K

Total Budget (all years)

\$20K

Project Total

\$20K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Utilities	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000
Maintenance	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Total	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000

Financial ERP, HR, Payroll, Licensing, Permits Modernization & Cloud Transformation Initiative

Overview

Request Owner	Fernando Corona, rencinas@sanluisaz.gov
Department	Information Technology
Type	Capital Equipment

Description

This project will modernize the City's legacy New World ERP by migrating to a secure, cloud-based enterprise platform that integrates core functions including ERP, HR, Payroll, Time & Attendance, Asset Management, Permitting/Licensing, Budgeting, and Utility Billing. The new system will provide a single source of truth, improve data governance, streamline operations, enhance revenue collection, and strengthen utility maintenance and resource planning. By replacing on-premise systems with a scalable, always-up-to-date cloud solution, the City will reduce maintenance burdens, improve security and reliability, increase transparency, and support long-term operational sustainability.

Details

New Purchase or Replacement: Upgrade

Useful Life: 10 or more years

Benefit to Community

This project modernizes the City's legacy New World ERP by transitioning to a secure, cloud-based enterprise platform such as OpenGov that integrates critical functions including finance, human resources, payroll, time and attendance, asset management, permitting and licensing, budgeting, and utility billing. By unifying these systems into a single, reliable source of truth, the City will improve data accuracy, governance, and transparency, enabling better decision-making and more responsive public service.

For the community, this modernization translates into faster and more efficient services, improved billing accuracy, strengthened revenue collection, and enhanced maintenance of public utilities and assets. The cloud-based platform reduces system downtime, enhances cybersecurity, and ensures the City is always operating on current, compliant technology. By lowering long-term maintenance costs and improving operational efficiency, the City can better steward public resources, reinvest savings into community priorities, and support sustainable, accountable government operations that residents can trust.

Description of New Operating Costs

The annual operational cost includes a \$150,000 software and support fee for the cloud-based ERP platform. This fee covers system hosting, software licensing, continuous updates and enhancements, cybersecurity protection, data backup and disaster recovery, and vendor-provided technical support. By consolidating these services into a predictable annual cost, the City eliminates the need for on-premise infrastructure, costly hardware refreshes, and manual system upgrades, while ensuring reliable system performance, regulatory compliance, and long-term operational stability.

Capital Cost

FY2027 Budget

\$1M

Total Budget (all years)

\$1M

Project Total

\$1M

Detailed Breakdown

Category**FY2027***Adopted*

Installation

\$700,000

Software

\$300,000**Total****\$1,000,000**

Funding Sources

FY2027 Budget

\$1M

Total Budget (all years)

\$1M

Project Total

\$1M

Detailed Breakdown

Category**FY2027***Adopted*

General Fund

\$1,000,000**Total****\$1,000,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$1.2M

Project Total

\$1.2M

Detailed Breakdown

Category**FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Support Services

\$300,000**\$300,000****\$300,000****\$300,000****\$1,200,000****Total****\$300,000****\$300,000****\$300,000****\$300,000****\$1,200,000**

Phone System Cloud Migration

Overview

Request Owner	Fernando Corona, rencinas@sanluisaz.gov
Department	Information Technology
Type	Capital Equipment

Description

This project will migrate our existing on-premise phone system from copper-based PRI circuits to the RingCentral cloud telephony platform. CenturyLink continues to increase pricing on copper PRI services annually, resulting in escalating long-term costs and increasing reliance on aging infrastructure. Transitioning to RingCentral eliminates these risks while modernizing our voice communications environment.

The current on-premise telephony model requires approximately \$60,000 in PBX hardware upgrades, approximately \$60,000 per year in recurring costs for PRI circuits and traditional phone lines, and an additional \$10,000 annually for third-party contractor support to maintain and modify the system. These expenses do not account for future expansion, AVAYA support, which entitles the city of San Luis to security firmware upgrades or additional maintenance requirements.

By moving to RingCentral, we will eliminate on-premise PBX hardware, dedicated PRI circuits, SIP trunking services, and third-party support contracts. The RingCentral solution provides an all-inclusive recurring cost of approximately \$50,000 per year, which includes unlimited domestic calling, software licensing, system maintenance, upgrades, and full vendor-supported technical support at no additional cost. This results in a combined annual savings of approximately \$20,000 compared to our current recurring telecommunications and support expenses. The migration requires a one-time implementation cost of approximately \$20,000.

In addition to significant cost reductions, RingCentral simplifies system administration, improves reliability through built-in redundancy, and enables rapid scalability without additional infrastructure investment. The cloud-based platform also supports remote work, business continuity, and future feature expansion, aligning our communications infrastructure with modern business needs while reducing overall operational risk.

Details

New Purchase or Replacement: Upgrade

Benefit to Community

This project will transition the City of San Luis' on-premise phone system from aging, copper-based PRI circuits to the RingCentral cloud telephony platform. By modernizing our communications infrastructure, the city will reduce long-term costs, improve reliability, and enhance service delivery to the community.

Currently, maintaining the on-premise system costs approximately \$130,000 annually, including hardware upgrades, PRI circuits, and third-party support, with additional expenses for future expansion and AVAYA security updates. Rising costs and reliance on aging infrastructure present both financial and operational risks.

Migrating to RingCentral eliminates these risks while delivering all-inclusive, vendor-supported cloud telephony for approximately \$50,000 per year. This represents an annual savings of roughly \$20,000, allowing taxpayer funds to be redirected to other community priorities. The one-time implementation cost of \$20,000 provides long-term cost efficiency and operational resilience.

Beyond financial savings, the cloud platform simplifies system management, ensures built-in redundancy for improved reliability, supports remote work and emergency operations, and enables scalable growth without additional infrastructure. This transition ensures that the city's communications infrastructure is modern, efficient, and capable of meeting the evolving needs of the community.

Description of New Operating Costs

With the migration to the RingCentral cloud telephony platform, the City of San Luis will incur an all-inclusive annual operating cost of approximately **\$50,000 per year**. This replaces the current **\$60,000 annual expense for traditional plain old telephone lines (POTS)** while providing a modern, feature-rich telephony solution.

The recurring cost covers:

- Unlimited domestic calling
- Software licensing and system updates
- Ongoing maintenance and technical support fully provided by RingCentral
- Cloud infrastructure with built-in redundancy for improved reliability
- Enhanced features not available on the current system, including support for remote work, rapid scalability, and future feature expansion

Unlike the current on-premise system, there are no separate charges for PBX hardware, PRI circuits, SIP trunking, or third-party contractor support. The one-time **implementation cost of approximately \$20,000** covers system setup, configuration, and migration, after which the city benefits from predictable, streamlined annual telephony costs.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$70K	\$70K	\$70K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Software	\$50,000
Installation	\$20,000
Total	\$70,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$70K	\$70K	\$70K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
General Fund	\$70,000
Total	\$70,000

Operational Costs

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$200K	\$200K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Support Services	\$50,000	\$50,000	\$50,000	\$50,000	\$200,000
Total	\$50,000	\$50,000	\$50,000	\$50,000	\$200,000

Water Plant to Fleet Building Fiber Optic Link

Overview

Request Owner	Fernando Corona, rencinas@sanluisaz.gov
Department	Information Technology
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	10/31/2026

Description

This project will establish a reliable fiber connection between the Water Treatment Plant, associated offices, and the City Hall Main Campus. Approximately 600 feet of underground conduit will be installed to interconnect these facilities, tying into the City's existing fiber infrastructure at the nearest feasible connection point at the Fleet Shop. In addition, approximately 600 feet of single-mode fiber will be installed within the new conduit. The fiber installation and pulling will be performed by a qualified third-party contractor to ensure compliance with industry standards and system performance requirements.

Typical cost breakdown:

- Underground conduit installation (600 feet, trenching, backfill, restoration): \$20,000
- Single-mode fiber materials (600 feet): City of San Luis IT has Materials in stock
- Third-party fiber pulling, termination, and testing: \$10,000

Details

Type of Project: New Construction

Benefit to Community

This project provides a critical technological foundation to support future improvements to the City's water infrastructure. By establishing a reliable, high-speed fiber connection between the Water Treatment Plant, Public Works facilities, and City Hall, the City will be positioned to implement an SCADA (Supervisory Control and Data Acquisition) system for water operations. Once implemented, this connectivity will allow Public Works staff to remotely monitor water filtration and treatment systems in real time, improving operational efficiency, system reliability, and response time to potential issues. For the community, this translates into enhanced water quality oversight, reduced service disruptions, and a more resilient and modern water utility that supports public health and safety.

Description of New Operating Costs

Ongoing operating costs for this project are expected to be minimal. Once the underground conduit and single-mode fiber are installed, the infrastructure will require little routine maintenance. The City will primarily incur internal IT staff time for periodic monitoring, basic troubleshooting, and coordination with vendors as needed.

There are no recurring service subscription fees associated with using City-owned fiber. Occasional costs may include fiber testing, repairs due to accidental damage, or equipment replacement at network termination points, which are typically infrequent and low-cost. Overall, the project represents a low-operating-cost investment that leverages existing City infrastructure while providing long-term connectivity to support future systems such as SCADA.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$30K	\$30K	\$30K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Construction/Maintenance	\$30,000
Total	\$30,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$30K	\$30K	\$30K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
General Fund	\$30,000
Total	\$30,000

Operational Costs

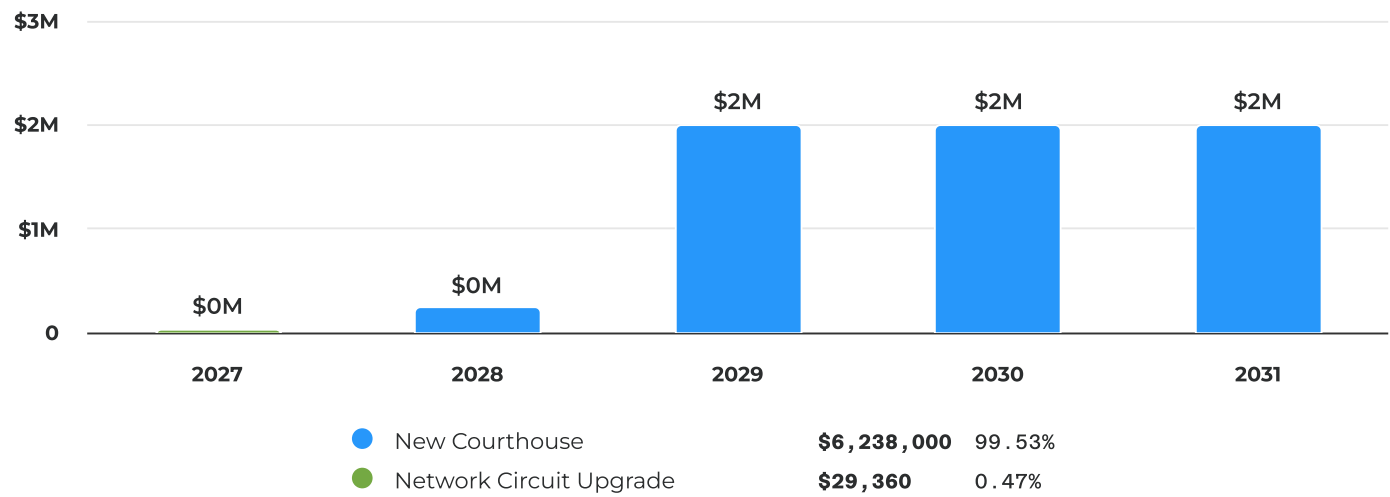
FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$0	\$0

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Personnel	\$0
Total	\$0

Municipal Court

FY27 - FY31 Municipal Court Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
New Courthouse	\$0	\$238,000	\$2,000,000	\$2,000,000	\$2,000,000	\$6,238,000
Network Circuit Upgrade	\$29,360	\$0	\$0	\$0	\$0	\$29,360
Total Summary of Requests	\$29,360	\$238,000	\$2,000,000	\$2,000,000	\$2,000,000	\$6,267,360

Network Circuit Upgrade

Overview

Request Owner	Julissa Peru, Court Administrator
Department	Municipal Court
Type	Capital Equipment

Description

The San Luis Municipal Court has secured grant funding for a network circuit upgrade, as authorized by City Council Order No. 2025-09. This project will transform our state network by increasing bandwidth from 5MB to 50MB, ensuring faster connectivity and preventing threshold overages. Although originally slated for the 2025-2026 fiscal year, the project requires extensive coordination between the Administrative Office of the Courts (AOC) and the vendor. Consequently, the funds will be carried over to ensure project completion by June 2027.

These funds are held within the Special Revenue Court Fund following the initial grant deposit. Although this is classified as a CIP per Finance Department requirements, the project does not require new authorization to carry over the balance. The City Council previously approved the funding contract via Order No. 2025-09, granting the necessary authority to utilize these monies through the June 2027 completion date.

Details

New Purchase or Replacement: Replacement **Useful Life:** 5

Benefit to Community

Adequate bandwidth is essential to expedite processing times, minimize administrative impediments, and ensure the timely submission of crucial legal documents, all of which are integral to the fair and efficient administration of justice.

Description of New Operating Costs

By upgrading the Court's network circuit to 50MB, the connectivity will be much faster. The operating cost this project will incur will be a higher internet service cost of \$3,360 annually.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$29.4K	\$29.4K	\$29.4K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Equipment	\$29,360
Total	\$29,360

Funding Sources

FY2027 Budget

\$29.4K

Total Budget (all years)

\$29.4K

Project Total

\$29.4K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Grant	\$29,360
Total	\$29,360

Operational Costs

FY2027 Budget

\$3.36K

Total Budget (all years)

\$16.8K

Project Total

\$16.8K

Detailed Breakdown

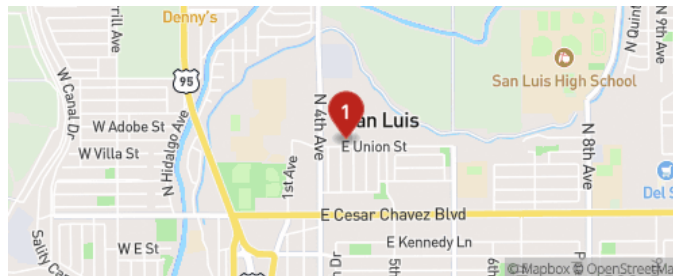
Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Utilities	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$16,800
Total	\$3,360	\$3,360	\$3,360	\$3,360	\$3,360	\$16,800

New Courthouse

Overview

Request Owner	Julissa Peru, Court Administrator
Department	Municipal Court
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2032

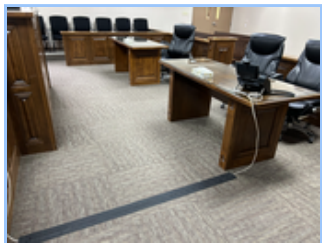
Project Location



Description

The building's history of repurposed uses has resulted in a layout that is unfit for a courthouse. Operational efficiency is hindered by a lack of space for clerks, private attorney-client conference rooms, and a jury assembly area. The court has attempted to make corrections, as dictated by the OSHA report, which thus far has cost the city an estimated amount of \$73,902.82. Additional repairs are estimated to be in the amount of \$136,412.43. Beyond space constraints, the facility fails to meet safety and accessibility mandates: it is not ADA-compliant, lacks fire suppression and public address (PA) systems, and the courtroom frequently reaches maximum capacity. The current layout creates a security vulnerability at the building's center; as the north and south wings are joined by a shared lobby, there is no segregation of circulation paths. This forces inmates, judicial staff, and the public into a common transit area. Because asbestos prevents any structural demolition or expansion, these layout deficiencies cannot be corrected through renovation.

Images



Courtroom

Due to physical space constraints, the courtroom often reaches maximum capacity during regular hearings. This limitation hinders the courts attempt to host the required number of jurors during jury trials.



Encapsulation of Asbestos

In coordination with the City Risk Department, the court has retested for asbestos and successfully encapsulated the affected materials. However, an exposure risk remains if the area is subjected to further disturbances.



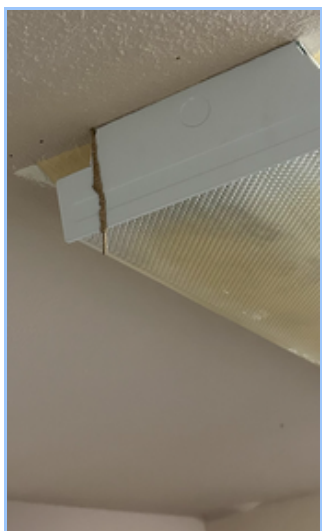
Previous Probation Department

The courthouse's multifaceted layout includes numerous offices, but this configuration limits the building's overall capacity and flexibility for courtroom use.



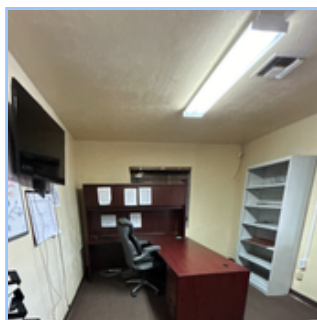
Ceiling Leaks

Multiple structural leaks in the roof pose a significant risk to the courthouse's technological infrastructure; immediate sealing is required to prevent further damage.



Termites

The unresolved roof leaks have created a persistent moisture problem, leading to termite activity that now requires continuous and costly chemical treatments.



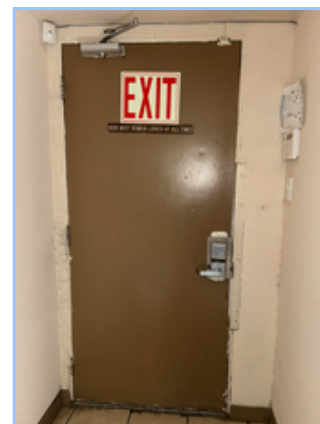
Office

The current office layout, originally designed for individual occupancy, severely restricts our operational capacity. We are now forced to house multiple clerks in spaces intended for a single person, resulting in limited workspace.



Exterior Doors

The exterior doors do not automatically close as they should, resulting in a security risk. This issue persists despite multiple attempts by Facilities to adjust the frames and doors.



Exterior Doors

Exterior door damage creates a security risk and allows cooled air to escape the building, increasing the costs required to keep the facility cool.



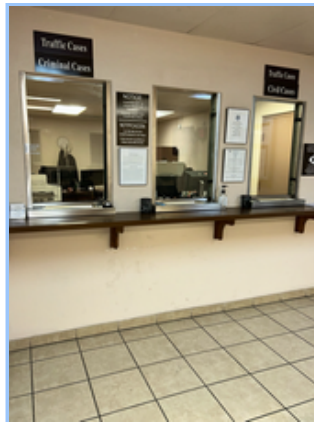
Holding Cell

The holding cell is located on the south side of the building; however, there is no sally port. As a result, officers must bring detainees through the secured employee parking lot or the front entrance, creating a significant security risk.



Lobby

The lobby serves as the main connection between the south and north sides of the building, lacking a secured pathway to separate public, detainees, and judicial employees.



Customer Service Windows

The court currently lacks a dedicated ADA-compliant window to properly assist all individuals.



Southside of Building

The building lacks a PA system or any internal communication system between the north and south sides. This creates a significant safety risk during evacuations, specifically because the court does not have a fire suppression system or a fire alarm.

Details

Type of Project: New Construction

Benefit to Community

The project will construct a new, 100% ADA-compliant judicial center to bypass existing structural and asbestos barriers. Operational efficiency and safety will be prioritized through dedicated legal workspaces and segregated transit paths for inmates, staff, and the public. The facility will be modernized with integrated fire suppression, PA systems, and digital courtroom technology to provide a high-capacity, secure environment for the community.

Description of New Operating Costs

The 9% increase in our operational budget is categorized into three critical areas: Mandatory Services, Legal Defense, and Personnel. We are prioritizing Inter-Governmental Agreements for security and training, alongside necessary interpretation services. Additionally, we have accounted for the rising costs of Indigent Defense Counsel. To maintain our current workforce, the budget includes a 3% annual COLA (totaling 9% over the cycle) for existing salaries and fringe benefits, without accounting for new positions.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$6.24M

Project Total

\$6.24M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$1,500,000	\$2,000,000	\$2,000,000	\$5,500,000
Repairs/Improvements	\$0	\$500,000	\$0	\$0	\$500,000
Design	\$238,000	\$0	\$0	\$0	\$238,000
Other	\$0	\$0	\$0	\$0	\$0
Furniture and Fixtures	\$0	\$0	\$0	\$0	\$0
Total	\$238,000	\$2,000,000	\$2,000,000	\$2,000,000	\$6,238,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$6.24M

Project Total

\$6.24M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
General Fund	\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$6,000,000
Impact Fees	\$238,000	\$0	\$0	\$0	\$238,000
Total	\$238,000	\$2,000,000	\$2,000,000	\$2,000,000	\$6,238,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Support Services

Personnel

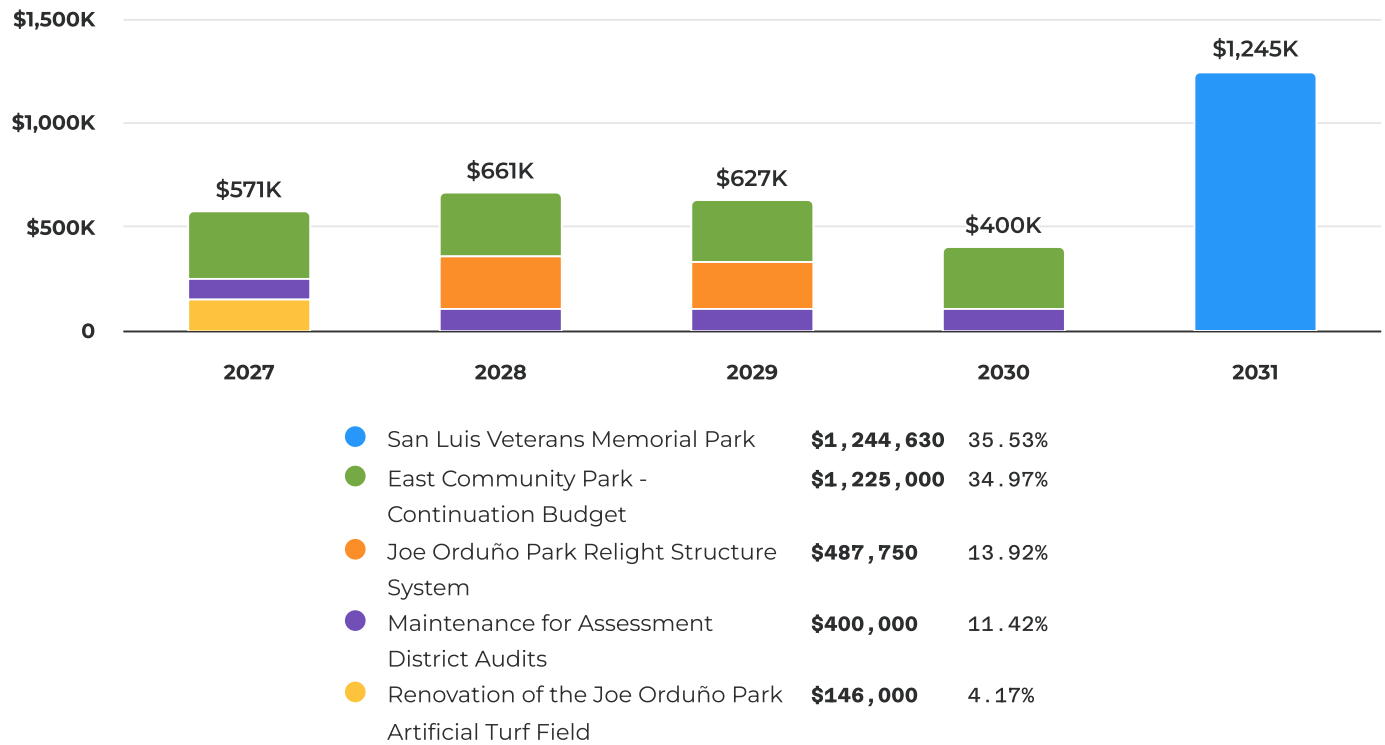
Utilities

Maintenance

Total

Parks

FY27 - FY31 Parks Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
San Luis Veterans Memorial Park	\$0	\$0	\$0	\$0	\$1,244,630	\$1,244,630
East Community Park - Continuation Budget	\$325,000	\$300,000	\$300,000	\$300,000	\$0	\$1,225,000
Joe Orduño Park Relight Structure System	\$0	\$260,750	\$227,000	\$0	\$0	\$487,750
Maintenance for Assessment District Audits	\$100,000	\$100,000	\$100,000	\$100,000	\$0	\$400,000
Renovation of the Joe Orduño Park Artificial Turf Field	\$146,000	\$0	\$0	\$0	\$0	\$146,000
Total Summary of Requests	\$571,000	\$660,750	\$627,000	\$400,000	\$1,244,630	\$3,503,380

East Community Park - Continuation Budget

Overview

Request Owner	Ochoa Crystal
Department	Parks
Type	Capital Improvement
Request Groups	Choice 1
Estimated Start Date	07/1/2024
Estimated Completion Date	06/30/2027

Description

The East San Luis Community Park has been in development for the past couple of years. For Fiscal Year 2027, the Parks Grounds Department plans to accomplish the following:

- Addition of softball field, fencing and lighting
- Irrigation system to be able to plant nursery items around the East Community Park

The Parks Grounds Department has been working in phases to ensure that the Community Plan is completed in a timely manner and fulfills the master plan layout. In order to complete this phase, staff is asking for \$325,000. At the moment, staff has received a quote from Musco Lighting, and they estimate the installation of the lights to be \$284,000. Staff is still working on the breakdown for the seed, irrigation and fencing.

After completion, the park will consist of multiple parking lot areas, the park's maintenance area/well site, armadas, basketball courts, multi-use fields (soccer), baseball/softball field, enclosed event venue, and restroom building, amongst other amenities.

Details

Type of Project: New Construction

Benefit to Community

The City of San Luis has been expanding greatly in the past couple of years, and with new housing and business developments occurring on the East side of the city, a community park is needed. At the moment, there are some retention basin areas that serve as parks. This will be the first community park in the new residential area located in Ave. F. This park will provide the community with a new park where they will have soccer fields, playgrounds, softball fields, etc. With our city growing so fast, this new park with amenities will be of great benefit to our community.

Description of New Operating Costs

In Fiscal Year 2026, the Parks Ground Department plans on completing the soccer field and adding fencing so that a section of the park can be operational. This will cause the Parks Grounds Department to schedule staff to go out to the Community Park to give maintenance to the soccer field area, add an irrigation system and plant grass seasonally to ensure the grass is fresh and healthy and clean, and open the restrooms every day for the community to use.

In fiscal year 2027, the Parks Grounds Department plans on completing the softball field along with its fencing & lighting as well as the irrigation system to allow staff to plant trees and plants around the park. This will increase our operating budget due to staff having more areas to maintain and care for to ensure the soccer & softball fields are in great standing for the community to enjoy.

Capital Cost

FY2027 Budget

\$325K

Total Budget (all years)

\$1.23M

Project Total

\$1.23M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Other	\$125,000	\$300,000	\$300,000	\$300,000	\$1,025,000
Construction/Maintenance	\$200,000	\$0	\$0	\$0	\$200,000
Total	\$325,000	\$300,000	\$300,000	\$300,000	\$1,225,000

Funding Sources

FY2027 Budget

\$325K

Total Budget (all years)

\$1.23M

Project Total

\$1.23M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
General Fund	\$125,000	\$300,000	\$300,000	\$300,000	\$1,025,000
Impact Fees	\$200,000	\$0	\$0	\$0	\$200,000
Total	\$325,000	\$300,000	\$300,000	\$300,000	\$1,225,000

Operational Costs

FY2027 Budget

\$24K

Total Budget (all years)

\$191K

Project Total

\$191K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$20,000	\$30,000	\$40,000	\$40,000	\$40,000	\$170,000
Supplies	\$3,000	\$4,000	\$3,000	\$3,000	\$3,000	\$16,000
Gas/Oil	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Total	\$24,000	\$35,000	\$44,000	\$44,000	\$44,000	\$191,000

Joe Orduño Park Relight Structure System

Overview

Request Owner	Ochoa Crystal
Department	Parks
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2029

Description

The Joe Orduño Park is the most visited park in our city. The sports fields are constantly used year round for special events such as the Fourth of July, Asado & Brew and Baseball Exhibition, as well as quarterly sports leagues and activities and reservations from local schools, non-profit organizations and residents. In Fiscal Year 2026, Musco Lighting began the first phase of the Light-Structure Retrofit project at Joe Orduño Park, F1 Baseball Field. In Fiscal Year 2028, the second phase of this project will focus on Joe Orduño Park, F2 Softball Field. Per the attached quote, this will have a cost of \$254,500.00 and will include the Light-Structure System retrofit with Total Light Control - TLC for LED technology, similar to what was installed at the F1 Baseball Field. The last phase will take place in Fiscal Year 2029 at the Joe Orduño Park, F3 Softball Field. Per the attached quote, this will have a cost of \$221,000.00. This will include the Light-Structure System retrofit with Total Light Control - TLC for LED technology, giving all the baseball/softball fields at the Joe Orduño Park the same lighting. Both quotes do not include bonding, labor, installation or unloading of the equipment, so we are budgeting a bit more to ensure the completion of this project.

Details

Type of Project: Other improvement

Benefit to Community

Due to Joe Orduño Park being in high demand, good lighting is needed to ensure that game activity is visible to everyone playing. This will benefit the community, since people spend a lot of time in Joe Orduño Park for recreational purposes. This will provide better lighting on the field and a better experience for the community using the field to play their favorite sports.

Description of New Operating Costs

By completing this project, there will be an incremental cost for electricity for Joe Orduño Park since additional lighting will be installed.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$488K

Project Total

\$488K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Equipment/Vehicle/Furnishings	\$260,750	\$227,000	\$487,750
Total	\$260,750	\$227,000	\$487,750

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$488K

Project Total

\$488K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
General Fund	\$260,750	\$227,000	\$487,750
Total	\$260,750	\$227,000	\$487,750

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$4K

Project Total

\$4K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Utilities	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000
Total	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000

Maintenance for Assessment District Audits

Overview

Request Owner	Ochoa Crystal
Department	Parks
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

An audit was done on several assessments, and it was advised that many repairs are needed to make areas up to code. The Parks Grounds Department is working in phases to comply with the audit recommendations and would like to work on two new assessment areas in FY27 and possibly fix the curbing issues in these assessment areas as well. In the past years, Tornado Fencing has assisted our Department and has removed existing block walls, disposed of debris and built new commercial block walls. Staff will begin asking for quotes early next fiscal year, to determine who will be the vendor who will assist them with this project.

Details

Type of Project: Refurbishment

Benefit to Community

It will make the assessment district areas more safe for the community.

Description of New Operating Costs

This project is not set to have much operating cost to the Parks Grounds Department since the fencing is outsourced. Depending on the available budget after the new retention walls have been placed, staff may have to do the curving of the streets. This expense is added above in the Maintenance GL Account.

Capital Cost

FY2027 Budget

\$100K

Total Budget (all years)

\$400K

Project Total

\$400K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Construction/Maintenance	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Total	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000

Funding Sources

FY2027 Budget

\$100K

Total Budget (all years)

\$400K

Project Total

\$400K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
General Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Total	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000

Operational Costs

FY2027 Budget

\$5K

Total Budget (all years)

\$20K

Project Total

\$20K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Maintenance	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000
Total	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000

Renovation of the Joe Orduño Park Artificial Turf Field

Overview

Request Owner	Ochoa Crystal
Department	Parks
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

The Parks and Recreation Department added an Artificial Turf Field area to Joe Orduño Park in June 2016. This area has been very popular in our community and has been used to host soccer games, practices and activities. Due to its popularity, it's gone through significant wear and tear, and the department has done maintenance & repair on it in the past couple of years. However, it is now in need of extreme maintenance and staff has decided to reach out to a vendor for assistance in renovating the Artificial Turf Field. Dave Bang has been a vendor who we have worked with a lot in the past, and they hold a state contract. Per the dimensions of the field and the renovations that are needed, they are estimating this project to be \$175,000. Andrew Ross, the Dave Bang Territory Manager, advised that he would be providing us with an estimate on Monday the latest, so we can see the job scope and the reason for this cost.

Details

Type of Project: Refurbishment

Benefit to Community

This would greatly benefit our community since the Artificial Turf Field is very popular with the soccer community. Whenever we need to maintain the turf or do any repairs and have to close the field, many residents complain because they want to use the enclosed area for kid's games, practice and activities. Having a renovated turf field would prevent our department from closing it for maintenance and would allow us to rent it out more and provide the community with a newer and updated field.

Description of New Operating Costs

The renovation of the Artificial Turf Field will add operating costs to the Parks Grounds Department. This will be because staff would have to budget for maintenance of the turf. The Recreation Department's operating costs would also increase due to additional equipment that will be needed to host more activities in that field, as well as ensuring that the goal posts and benches are in good condition.

Capital Cost

FY2027 Budget

\$146K

Total Budget (all years)

\$146K

Project Total

\$146K

Detailed Breakdown

Category

FY2027

Adopted

Construction/Maintenance

\$146,000**Total****\$146,000**

Funding Sources

FY2027 Budget

\$146K

Total Budget (all years)

\$146K

Project Total

\$146K

Detailed Breakdown

Category

FY2027

Adopted

General Fund

\$146,000**Total****\$146,000**

Operational Costs

FY2027 Budget

\$1K

Total Budget (all years)

\$5K

Project Total

\$5K

Detailed Breakdown

Category

FY2027

Adopted

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Maintenance

\$1,000**\$1,000****\$1,000****\$1,000****\$1,000****\$5,000****Total****\$1,000****\$1,000****\$1,000****\$1,000****\$1,000****\$5,000**

San Luis Veterans Memorial Park

Overview

Request Owner	Ochoa Crystal
Department	Parks
Type	Capital Improvement
Estimated Start Date	07/1/2029
Estimated Completion Date	06/30/2030

Description

There is currently no veteran's memorial park to honor our war veterans. The city budget request for the construction of San Luis Veteran Memorial Park.

Details

Type of Project: New Construction

Benefit to Community

A veteran's park will be a great benefit to our community because it would give families a place to come and honor their veterans.

Description of New Operating Costs

The addition of a veteran's park would increase operating costs for the maintenance that will be needed to care for and maintain the area.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$1.24M	\$1.24M

Detailed Breakdown

Category	FY2031 <i>Adopted</i>
Other	\$700,000
Construction/Maintenance	\$544,630
Total	\$1,244,630

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$1.24M

Project Total

\$1.24M

Detailed Breakdown

Category

FY2031

Adopted

General Fund

\$700,000

Impact Fees

\$544,630**Total****\$1,244,630**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

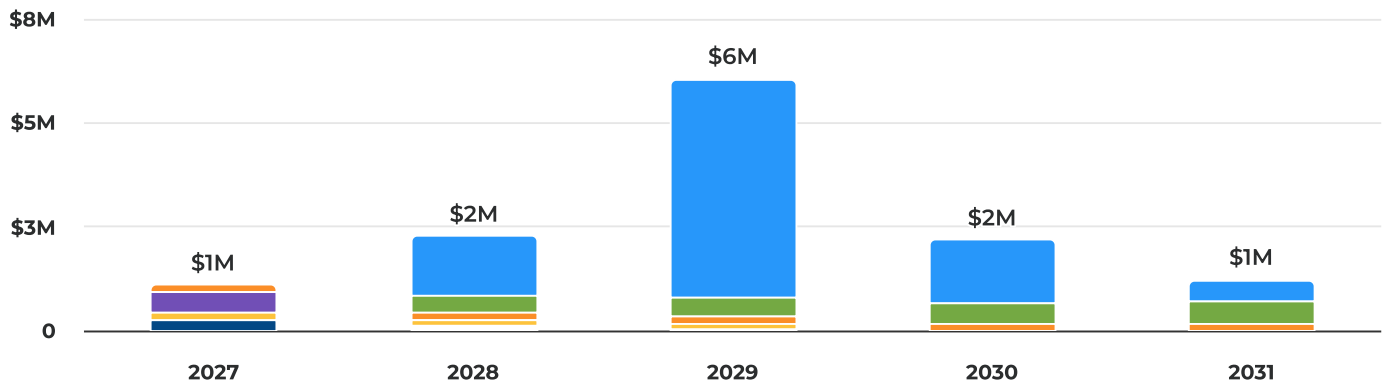
Gas./Oil

Maintenance

Total

Police Department

FY27 - FY31 Police Department Projects



Police Department #2 - East Station - Carry over funds from FY 2023 CIP plus additional funds to complete the project	\$8,690,640	67.99%
Replace Police Vehicles	\$1,930,000	15.10%
AXON Upgrades/Renewals	\$821,500	6.43%
Police Equipment AZDPS Local Border Support Fund	\$511,390	4.00%
Police Department Radios	\$450,000	3.52%
Police Equipment Border Security DEMA Grant	\$265,000	2.07%
Police Motorcycle	\$46,070	0.36%
Police Department Shipping/storage Containers & Canopy Shade	\$38,110	0.30%
Off-site Dispatch Console	\$30,000	0.23%

Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Police Department #2 - East Station - Carry over funds from FY 2023 CIP plus additional funds to complete the project	\$0	\$1,434,830	\$5,249,870	\$1,505,940	\$500,000	\$8,690,640
Replace Police Vehicles	\$0	\$415,000	\$465,000	\$500,000	\$550,000	\$1,930,000
AXON Upgrades/Renewals	\$164,300	\$164,300	\$164,300	\$164,300	\$164,300	\$821,500
Police Equipment AZDPS Local Border Support Fund	\$511,390	\$0	\$0	\$0	\$0	\$511,390
Police Department Radios	\$150,000	\$150,000	\$150,000	\$0	\$0	\$450,000
Police Equipment Border Security DEMA Grant	\$265,000	\$0	\$0	\$0	\$0	\$265,000
Police Motorcycle	\$0	\$46,070	\$0	\$0	\$0	\$46,070
Police Department Shipping/storage Containers & Canopy Shade	\$0	\$26,620	\$11,490	\$0	\$0	\$38,110
Off-site Dispatch Console	\$0	\$30,000	\$0	\$0	\$0	\$30,000
Total Summary of Requests	\$1,090,690	\$2,266,820	\$6,040,660	\$2,170,240	\$1,214,300	\$12,782,710

AXON Upgrades/Renewals

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Equipment

Description

AXON Software and Equipment for five (5) years, including warranties.

A five-year contract at a total of \$822,488.73, which includes

- Unlimited Storage in Evidence.com
 - (30) Fleet 3, including storage and equipment; cameras & cradle points.
 - (70) Axon 4 Body Worn Cameras, including storage and equipment.
 - (70) Taser 10s, including storage and equipment; cartridges for 5 years (Training/Duty).
 - (72) Pro-licenses, which includes the Records Section for redactions.
 - (5) Taser 10 Instructor Course Vouchers, onsite training & unlimited instructor vouchers for the rest of the 5 years
- **Payments:**
 - February 2026 – \$1,007.26
 - August 2026 - \$164,296.29
 - August 2027 - \$164,296.29
 - August 2028 - \$164,296.29
 - August 2029 - \$164,296.29
 - August 2030 - \$164,296.29

Details

New Purchase or Replacement: Upgrade

Useful Life: 5

Benefit to Community

An AXON solution, which currently is not afforded by any other company, provides a single-source connected ecosystem that includes the Axon Body Cams (BWC), Fleet 3, and TASER10, to boost officer safety, accountability, and efficiency by automatically recording incidents through the BWC & in-car system, providing non-lethal force options for better de-escalation, and streamlining evidence management with AI, reducing complaints and speeding up investigations with real-time, verifiable data for stronger community trust.

The solution enhances transparency, improves integrated evidence and management, automates recording and license plate reader capabilities, provides a superior force option, and enhances effectiveness across all public safety applications.

Description of New Operating Costs

As part of the 5-year contract, all maintenance, supplies, and support services are included, so no operating costs have been added for future years.

Capital Cost

FY2027 Budget

\$164K

Total Budget (all years)

\$822K

Project Total

\$822K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Other	\$164,300	\$164,300	\$164,300	\$164,300	\$164,300	\$821,500
Total	\$164,300	\$164,300	\$164,300	\$164,300	\$164,300	\$821,500

Funding Sources

FY2027 Budget

\$164K

Total Budget (all years)

\$822K

Project Total

\$822K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
General Fund	\$164,300	\$164,300	\$164,300	\$164,300	\$164,300	\$821,500
Total	\$164,300	\$164,300	\$164,300	\$164,300	\$164,300	\$821,500

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0

Off-site Dispatch Console

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Equipment

Description

The department would like to request the purchase of a dispatch console, which will be installed off-site in a second location as a contingency in the event of a mass evacuation from our main dispatch center. The total amount is \$30,000.00, including delivery and installation (total includes a 10% increase).

Details

New Purchase or Replacement: New

Useful Life: 5

Benefit to Community

As the City of San Luis has grown in population, increasing the volume of calls for service and demand for a greater presence on the east side, the police department requires an off-site dispatch console, which will serve as a contingency in the event of a mass evacuation from our main dispatch center and part of the main console for future growth. The off-site console will allow for personnel assigned to the communications and 9-1-1 center to continue and operate, as we continue to service the community. The console also provides the city with additional geographical coverage, increasing response time, community presence, and engagement; improving citizen access to services for reporting and assistance; and providing specialized support and coordination across different areas. It would also allow the department to lead more efficient policing, stronger community relations, and potentially lower crime rates in underserved neighborhoods, which, in turn, attract new residents and business owners.

Description of New Operating Costs

All operational costs are based on staffing, equipment life, supply needs, preventive maintenance and repairs, and usage, whether internal or external.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$30K	\$30K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Equipment	\$30,000
Total	\$30,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$30K	\$30K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Impact Fees	\$30,000
Total	\$30,000

Operational Costs

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$8K	\$8K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000
Total	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000

Police Department #2 - East Station - Carry over funds from FY 2023 CIP plus additional funds to complete the project

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Improvement
Estimated Start Date	07/3/2028
Estimated Completion Date	06/27/2031

Project Location



Description

Police Station #2 — Eastside (10-15% increase from previous year)

- Phase I, Police Substation per 2021 plans and attached proposed revisions — projected cost \$5,249,868.00
- Phase II, Sally Port/Holding Rooms/Interview Rooms/Phase III 2-Story Shell — projected cost \$1,505,939.00
- Phase III, Fit-up second story/Administration & Staff Offices/Meeting Room — projected cost \$500,000.00

Total: \$7,255,807.00

Site Development Contingency (5%): \$286,965.00

Total estimated Construction Costs — All Phases: \$5,478,421.50

Planning and Project Development Fee Estimates

- Design/Permitting /Engineering Costs (12% estimated per phase) — \$688,716.00
- Fixtures/Furnishings/Equipment (8% per phase) — \$459,144.00

Total project Estimate — All Phases: \$8,690,632.00

Details

Type of Project: New Construction

Benefit to Community

As the City of San Luis continues to grow in population, this increases the volume of calls for service and demand for a greater presence on the east side. Thus, the police department needs a new police station. Adding a second station would provide the city with better geographical coverage, increase response time, community presence, and engagement; improve citizen access to services for reporting and assistance; and provide specialized support and coordination across different areas. It would allow the department to lead more efficient policing, stronger community relations, and potentially lower crime rates in underserved neighborhoods, which, in turn, attract new residents and business owners.

Description of New Operating Costs

All operational costs are based on staffing, equipment life, supply needs, preventive maintenance and repairs, and usage, whether internal or external. Once the station is fully operational, 10 officers' salaries, including benefits, are added for FY32, then 5 more for FY 33 (based on the current hourly salary of a regular patrol officer). The utilities are based on the cost of our utilities budget at our current station.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$8.69M

Project Total

\$8.69M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$1,434,830	\$5,249,870	\$1,505,940	\$500,000	\$8,690,640
Total	\$1,434,830	\$5,249,870	\$1,505,940	\$500,000	\$8,690,640

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$8.69M

Project Total

\$8.69M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
General Fund	\$0	\$5,249,870	\$1,505,940	\$500,000	\$7,255,810
Impact Fees	\$1,434,830	\$0	\$0	\$0	\$1,434,830
Total	\$1,434,830	\$5,249,870	\$1,505,940	\$500,000	\$8,690,640

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Personnel

Utilities

Maintenance

Total

Police Department Radios

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Equipment

Description

The department intends to replace the current handheld portable radios, which will no longer be serviced or repaired as they will reach the end of manufacturing support. The department projects a total of twelve (12) radios for FY27 at the current quoted price, with a 10% increase every year, decreasing the quantity for FY28 and FY29.

QUANTITY - ITEM	FY27	FY28	FY29	Total
12 - Handheld Portable Radio	\$150,000.00	\$150,000.00	\$150,000.00	\$450,000.00

Details

New Purchase or Replacement: Replacement

Useful Life: 10 or more years

Benefit to Community

San Luis Police Department employees follow Federal Communications Commission (FCC) regulations regarding the use of police radios. Law enforcement radio use is limited to official business, and it is employed as if the radio system is the officer's and the public's *lifeline*. All sworn members and those designated by the Chief of Police are issued a two-way hand-carried portable radio, which provides a method of radio communication between personnel-to-personnel and personnel-to-communications-center communications, both internally and externally, to support specific circumstances requiring communication by patrol officers or other employees with an assigned radio. The communication may be related to an emergency or to general assistance from members of the community or other agencies.

Description of New Operating Costs

Maintenance and Support Service cost is based on age of equipment and the type of maintenance and support service required. Both the maintenance and support service are provided by the Yuma Regional Communications System (YRCS). Due to this, future operational costs will be zero after the initial purchase of equipment. These will be replacement radios for our current radios.

Capital Cost

FY2027 Budget

\$150K

Total Budget (all years)

\$450K

Project Total

\$450K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Equipment	\$150,000	\$150,000	\$150,000	\$450,000
Total	\$150,000	\$150,000	\$150,000	\$450,000

Funding Sources

FY2027 Budget

\$150K

Total Budget (all years)

\$450K

Project Total

\$450K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
General Fund	\$150,000	\$150,000	\$150,000	\$450,000
Total	\$150,000	\$150,000	\$150,000	\$450,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0

Police Department Shipping/storage Containers & Canopy Shade

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Improvement
Estimated Start Date	08/7/2027
Estimated Completion Date	12/31/2027

Project Location



Description

The department seeks to acquire three shipping containers with roll-up doors and one canopy, for the purpose of storing training equipment, ammunition, and other miscellaneous items and for the use of onsite repairs and installation of equipment on fleet vehicles.

QUANTITY - ITEM	FY28	FY29	TOTAL
1-10 ft Shipping Container w/ roll up door	\$5,246.00		
1-40 ft Shipping Container w/ roll-up door & high security lock box	\$8,449.00		
Delivery	\$3,742.00		
1 - 40x40x15 Canopy Shelter	\$9,176.00		
1-40 ft Shipping Container w/ roll-up door & high security lock box		\$9,294.00	
Delivery		\$2,194.00	
TOTAL	\$26,613.00	\$11,488.00	\$38,101.00

Details

Type of Project: New Construction

Benefit to Community

The department has outgrown its current storage capabilities. The police station and current property location have very limited growth space to expand and build new structures. The containers are cost-effective, highly durable and secure, portable, and provide onsite convenience and control. The containers provide excellent temperature control and are

customizable to afford humidity management and insulation to protect sensitive equipment. The add-on canopy would provide flexibility for onsite repairs and installation of equipment in our fleet, to avoid direct exposure from the sun. By doing so, it would decrease downtime of equipment and logistical support requirements for daily operations, which in turn would improve efficiency of service to the community.

Description of New Operating Costs

Support services for delivery and installation are included in the total. Future growth and needs may accrue additional costs on or after FY29. Future operational costs for this item will be zero after installation.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$38.1K

Project Total

\$38.1K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Other	\$26,620	\$11,490	\$38,110
Total	\$26,620	\$11,490	\$38,110

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$38.1K

Project Total

\$38.1K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
General Fund	\$26,620	\$11,490	\$38,110
Total	\$26,620	\$11,490	\$38,110

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0

Police Equipment AZDPS Local Border Support Fund

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Equipment

Description

The AZDPS has awarded funding through the Local Border Support Fund for the amount of \$511,383.80 for FY27. The award includes the following;

CATEGORY	DESCRIPTION	AMOUNT
VEHICLES	4 - Fully Marked Patrol Vehicles with upfitting and MDCs	\$367,424.80
VEHICLES	2 - E-bikes	\$7,803.00
EQUIPMENT	First Responder Package for Drone	\$59,400.00
SOFTWARE	Drone Analytic Software Package	\$24,356.00
EQUIPMENT	(48) Plate Carriers with Ballistic Plates	\$52,400.00
		\$511,383.80

Details

New Purchase or Replacement: New

Useful Life: 5

Benefit to Community

The equipment will be assigned to personnel in the patrol and investigative divisions for our continuous efforts to enforce border security and drug interdiction to deter and apprehend any individuals who are investigated and charged with drug trafficking, human smuggling, illegal immigration, and other border-related crimes. The department collaborates and assists other local, tribal, territorial, state, and Federal law enforcement agencies in controlling and restraining potentially violent persons within or adjacent to our jurisdiction. The department operates within the City of San Luis, which borders directly with Mexico.

The equipment being sought will enhance our surveillance capabilities to plan, deter, and apprehend illicit activities in our area of responsibility and along the border. It would supplement our current deployment capabilities, enhancing response time and minimizing exhaustion when patrolling or responding to calls for service, which may not be accessible to vehicles due to limited space. It will provide a higher level of protection for our sworn personnel during patrol operations along the border.

Description of New Operating Costs



All operational costs are based on the equipment's life, preventive maintenance, and usage. The maintenance and support services for the fleet are generally performed by city staff (mechanics) or by an outside vendor at the city's request. The IT Department will provide support services during the life of the equipment and vendors during the contract service agreement. There will be gas/oil, and vehicle maintenance for new vehicles and E-bikes for the police fleet. Equipment maintenance will be for potential drone maintenance.

Capital Cost

FY2027 Budget

\$511K

Total Budget (all years)

\$511K

Project Total

\$511K

Detailed Breakdown

Category

FY2027

Adopted

Equipment

\$511,390**Total****\$511,390**

Funding Sources

FY2027 Budget

\$511K

Total Budget (all years)

\$511K

Project Total

\$511K

Detailed Breakdown

Category

FY2027

Adopted

Grant

\$511,390**Total****\$511,390**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$48K

Project Total

\$48K

Detailed Breakdown

Category

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Maintenance

\$8,000

\$8,000

\$8,000

\$8,000

\$32,000

Gas/Oil

\$4,000

\$4,000

\$4,000

\$4,000

\$16,000**Total****\$12,000****\$12,000****\$12,000****\$12,000****\$48,000**

Police Equipment Border Security DEMA Grant

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Equipment

Description

Border Security DEMA Grant: Remaining balance to be spent prior to the end of FY27, June 30, 2027.

FUNDS REMAINING

ACCOUNT	TOTAL SPENT	REMAINING
Police Vehicles	\$399,802.11	197.89
Mono Pole Tower	\$165,000.00	\$0.00
Surveillance System	\$99,130.00	\$165,870.00
All-Terrain Vehicle	\$54,234.04	\$1,765.96
Audio/Video Recording	\$412,538.56	\$0.00
Drones	\$35,000.00	\$0.00
Vehicle Antennas	\$54,523.62	\$0.00
		\$167,833.85

Details

New Purchase or Replacement: New

Useful Life: 5

Benefit to Community

POLICE VEHICLES – The vehicles will be used by assigned staff to enforce laws and ordinances, maintain order, protect life and property, investigate crimes, and assist in crime prevention activities. The department collaborates with federal, state, tribal, and other local agencies to conduct criminal investigations and information collection to develop intelligence and enhance public safety and border security.

TOWER – A tower will allow the installation of equipment that enhances data transfer, such as the Law Enforcement Data Management System. Our data management system will enable us to maintain our daily workload, including all calls for service in our border city. The department collaborates with federal, state, tribal, and other local agencies within our jurisdiction. However, over the years, we have experienced ongoing connectivity issues, including radio and 5G/LTE.

SURVEILLANCE SYSTEM — The surveillance system will be essential for criminal investigations and information collection to develop intelligence and border security. Several surveillance cameras will be placed around the city to monitor high-crime and transit areas adjacent to the border. The department works in collaboration with federal, state, tribal, and other local

agencies with border security protection, providing aid with the investigation and apprehension of illegal entry of drugs and undocumented persons.

ALL-TERRAIN VEHICLE (ATV) – All-terrain capabilities are needed due to the city's urban and remote areas. The city has a significant number of all-terrain vehicles, including dirt bikes, four-wheelers, three-wheelers, and side-by-side vehicles, owned by community members. Our current fleet, although it includes four-by-four capabilities, has restrictions due to the size and equipment attached to police vehicles. The department constantly responds to calls for service in desert areas to attend to various calls for service, from minor to major investigations, which range from homicide cases to death-involved collisions.

AUDIO/VIDEO RECORDING – The audio/video recordings will provide situational awareness, including alerts, live maps, and live-streaming, which aid officers and public safety and enhance investigative capabilities. The recording system would include dual-view cameras that capture a clear panoramic view and license plate reader cameras covering up to three traffic lanes.

DRONES – Drones will be used for search and rescue, critical tactical operations, and crime scene reconstruction and investigation. Drones are equipped with thermal imaging and night vision capabilities.

VEHICLE ANTENNAS – The antenna boosters will enhance cellular and data connectivity, allowing personnel to maintain vital communication with other officers, dispatch, and community members who may need aid or general assistance.

Description of New Operating Costs

All operational costs are based on the equipment's life, preventive maintenance, and usage. The maintenance and support services for the fleet are generally performed by city staff (mechanics) or by an outside vendor at the city's request. The IT Department, YRCS, or Gila Electronics will service the Tower and vehicle antennas. The surveillance system will fall under the Flock contract service agreement. The utilities, gas/oil, and supplies are unknown at this time. After the initial 2 years are expended with the grant funds, the annual fees will be \$99,130.00 for the cameras.

Capital Cost

FY2027 Budget

\$265K

Total Budget (all years)

\$265K

Project Total

\$265K

Detailed Breakdown

Category	FY2027 Adopted
Equipment	\$265,000
Total	\$265,000

Funding Sources

FY2027 Budget

\$265K

Total Budget (all years)

\$265K

Project Total

\$265K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Grant	\$265,000
Total	\$265,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$397K

Project Total

\$397K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$99,130	\$99,130	\$99,130	\$99,130	\$396,520
Total	\$99,130	\$99,130	\$99,130	\$99,130	\$396,520

Police Motorcycle

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Equipment

Description

The department would like to request the purchase of an additional Police Motorcycle to supplement and allow all certified motor officers to have a motorcycle unit. Currently, we have three motorcycles and four are certified. The cost includes the motorcycle and all emergency equipment.

Total: \$46,069.00 (includes a 10%)

Details

New Purchase or Replacement: New

Useful Life: 5

New or Used Vehicle: New Vehicle

Benefit to Community

A police motorcycle unit offers significant benefits over traditional patrol cars, primarily through enhanced maneuverability in traffic and access to varied terrain, improved responsiveness during special events, and the ability to foster better community relations. Our motor unit focuses on traffic-related calls for service, which include traffic collisions, selective traffic enforcement, and funeral and dignitary escorts. An additional motorcycle will allow flexibility in all four patrol shifts, providing more coverage.

Description of New Operating Costs

All operational cost is based on the equipment's life, preventive maintenance, and usage. The maintenance and support services for the fleet are generally performed by city staff (mechanics) or by an outside vendor at the city's request. The IT Department will provide support services during the life of the equipment and vendors during the contract service agreement.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$46.1K

Project Total

\$46.1K**Detailed Breakdown****Category****FY2028***Adopted*

Vehicle Cost

\$46,070**Total****\$46,070****Funding Sources**

FY2027 Budget

\$0

Total Budget (all years)

\$46.1K

Project Total

\$46.1K**Detailed Breakdown****Category****FY2028***Adopted*

Impact Fees

\$46,070**Total****\$46,070****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$10K

Project Total

\$10K**Detailed Breakdown****Category****FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Maintenance

\$2,000**\$2,000****\$2,000****\$2,000****\$8,000**

Gas/Oil

\$500**\$500****\$500****\$500****\$2,000****Total****\$2,500****\$2,500****\$2,500****\$2,500****\$10,000**

Replace Police Vehicles

Overview

Request Owner	Nigel Reynoso, Police Chief
Department	Police Department
Type	Capital Equipment

Description

The department intends to replace vehicles that have exceeded their age or mileage limits or have become more costly to repair. The department projects four (4) vehicles per FY with a 10% increase every year.

QUANTITY - ITEM	FY28	FY29	FY30	FY31	FY32	Total
4 - Police Vehicles	\$415,000.00	\$465,000.00	\$500,000.00	\$550,000.00	605,000.00	\$2,535,000.00

Details

New Purchase or Replacement: New

Useful Life: 5

New or Used Vehicle: New Vehicle

Benefit to Community

As vehicles age and mileage increases, the fleet becomes less efficient, with more downtime and costly repairs. The vehicles are an essential component of our daily operations, providing adequate service and response to public safety needs. The equipment will be assigned to personnel in the patrol and investigative divisions to support our continuous efforts to enforce border security and drug interdiction, deter, and apprehend individuals investigated and charged with various crimes, and respond to general assistance requests from community members and incidents along the border.

Description of New Operating Costs

All operational costs are based on the equipment's life, preventive maintenance, and usage. The maintenance and support services for the fleet are generally performed by city staff (mechanics) or by an outside vendor at the city's request. The IT Department will provide support services during the life of the equipment and vendors during the contract service agreement. These vehicles are a replacement for the current fleet, so the additional operational costs will be zero.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$1.93M

Project Total

\$1.93M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Vehicle Cost	\$415,000	\$465,000	\$500,000	\$550,000	\$1,930,000
Total	\$415,000	\$465,000	\$500,000	\$550,000	\$1,930,000



Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$1.93M

Project Total

\$1.93M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Impact Fees	\$415,000	\$465,000	\$500,000	\$550,000	\$1,930,000
Total	\$415,000	\$465,000	\$500,000	\$550,000	\$1,930,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

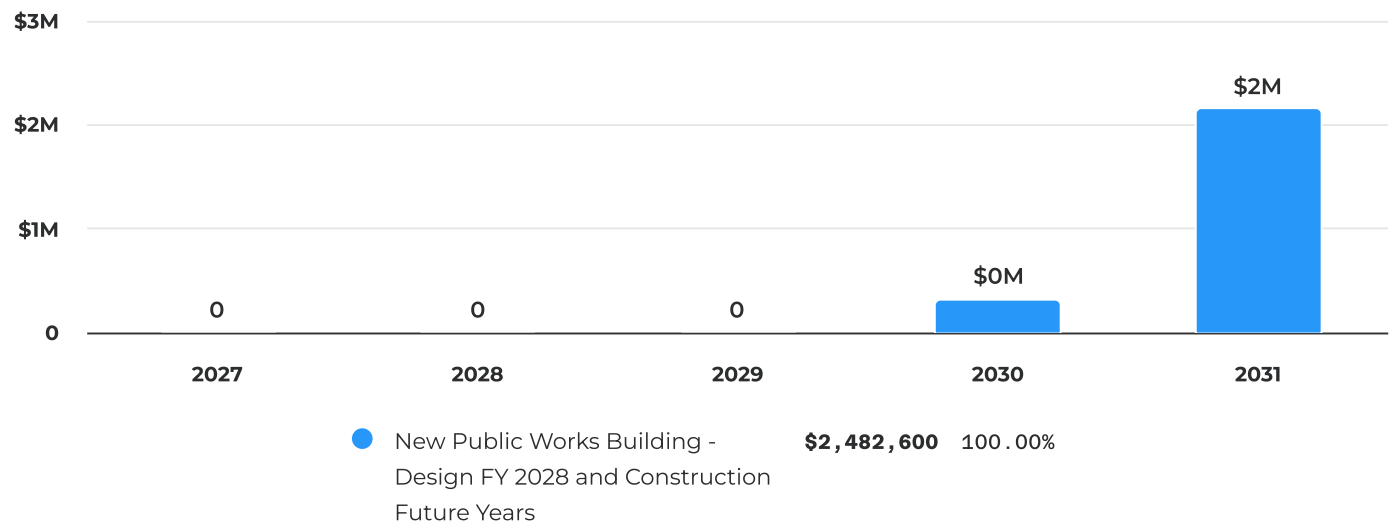
\$0

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Maintenance	\$0
Total	\$0

PW Administration

FY27 - FY31 PW Administration Projects



Summary of Requests

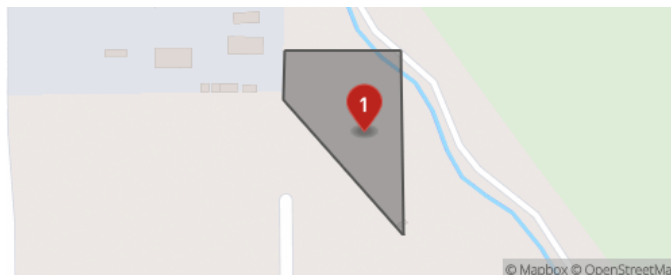
Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
New Public Works Building - Design FY 2028 and Construction Future Years	\$0	\$0	\$0	\$323,000	\$2,159,600	\$2,482,600
Total Summary of Requests	\$0	\$0	\$0	\$323,000	\$2,159,600	\$2,482,600

New Public Works Building - Design FY 2028 and Construction Future Years

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	PW Administration
Type	Capital Improvement
Estimated Start Date	07/1/2024
Estimated Completion Date	06/30/2032

Project Location



Description

This project provides a new 20,000 ft² office/shop/storage building for the Public Works Administration, Highway Users (HU) Division and Facilities Division. The new building will provide a centralized location for Public Works operations and consist of storage, traffic sign/stripping management, and a full shop, warehouse and office/break room. Highway Users' current office trailer, a retrofitted residential trailer, is not sufficient for current and future operations. The current office trailer requires yearly patching and repairs.

Spec:

1. 20,000 + square foot building
2. two story
3. warehouse
4. 60 employee capacity
5. 8 offices
6. Cubicles for 8 employees
7. conference rooms
8. large training room

Details

Type of Project: New Construction

Benefit to Community

With a more centralized location for public works, a more enhanced experience is expected with added reliability and performance.

Description of New Operating Costs

Operating cost is based on four maintenance staff servicing the building, utility services and general maintenance costs. The operational cost may vary from year to year as the building ages, utility rates change and staffing needs change. Operating

costs will include building maintenance of all nature to include HVAC, rollup doors, pest control, electrical and plumbing as well as janitorial services.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$2.48M

Project Total

\$2.48M

Detailed Breakdown

Category	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$2,159,600	\$2,159,600
Design	\$323,000	\$0	\$323,000
Total	\$323,000	\$2,159,600	\$2,482,600

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$2.48M

Project Total

\$2.48M

Detailed Breakdown

Category	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
General Fund	\$323,000	\$2,159,600	\$2,482,600
Total	\$323,000	\$2,159,600	\$2,482,600

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Support Services

Personnel

Utilities

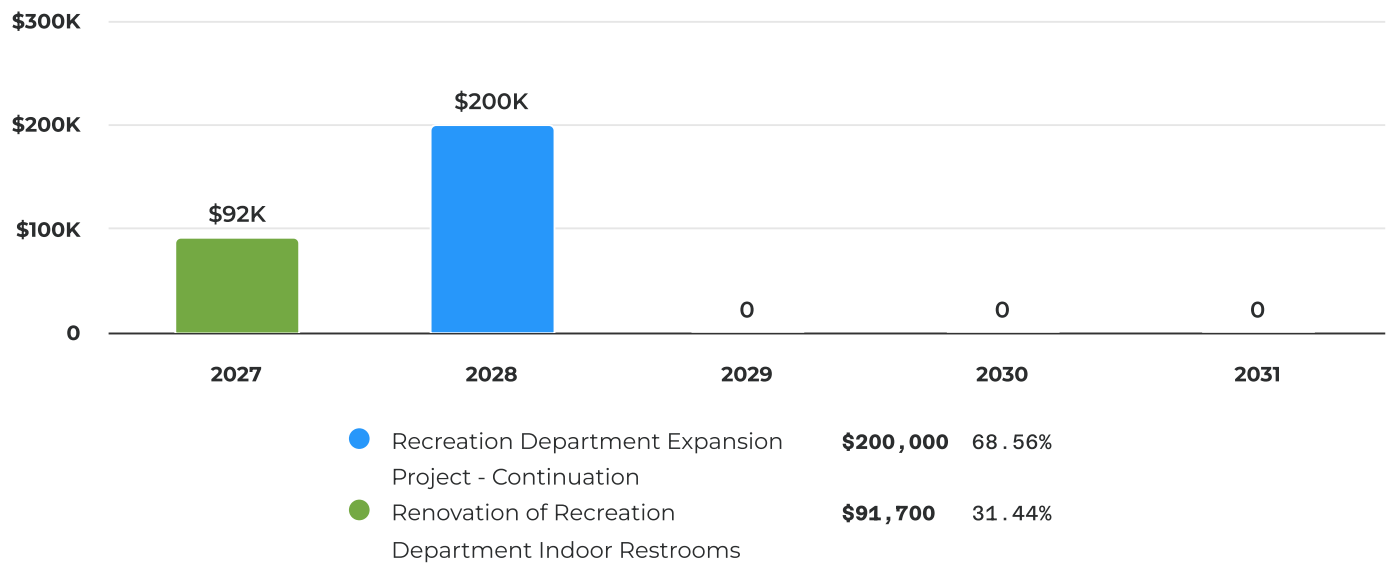
Supplies

Maintenance

Total

Recreation

FY27 - FY31 Recreation Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Recreation Department Expansion Project - Continuation	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Renovation of Recreation Department Indoor Restrooms	\$91,700	\$0	\$0	\$0	\$0	\$91,700
Total Summary of Requests	\$91,700	\$200,000	\$0	\$0	\$0	\$291,700

Recreation Department Expansion Project - Continuation

Overview

Request Owner	Ochoa Crystal
Department	Recreation
Type	Capital Improvement
Estimated Start Date	06/1/2027
Estimated Completion Date	06/30/2028

Description

The Recreation Department would like to continue to work on the expansion of their facility to hold 2 offices and a conference room. Staff believe that in order to offer better services to the community, it is necessary to expand their current office to have space for meetings. Also, staff needs to have their own area to be able to work and fulfill their duties. Currently, office spaces are a bit crowded, and they don't have enough space, especially when the community need help with registrations or to meet with contractual staff (referees, umpires, scorekeepers, etc.). Currently, all meetings are held in other facilities, such as the Youth Center, Cultural Center and Parks and Rec Admin building, which sometimes causes inconveniences because they have to modify schedules if activities are being held.

Thompson Design Architects has been assisting the Facilities Department with this expansion project. They have provided staff with an estimate on what the next phase of this project will cost. Per the quote, the expansion will be completed this upcoming fiscal year and the estimated cost is \$193,083. Christopher Thompson, from Thompson Design Architects, is recommending that we budget an additional 20% in case other issues may arise in the early stages of the construction. This additional 20% would be \$37,000.

Details

Type of Project: Refurbishment

Benefit to Community

This will benefit the community in the manner that staff will have more space to conduct city business. The Recreation Department currently has no dedicated space to hold meetings with their contractual workers (league / activity umpires, scorekeepers, referees, etc.), league meetings with coaches or with the community either wanting to reserve a field, gym or place a complaint. Also, one of the existing offices is considered the coffee/lunch area, since the coffee machine, microwave and mini fridge are located there, as well as the office space for three staff members. Meetings have to be relocated to either the Recreation Gym or the P&R Admin Conference Room or Youth Center. Although this will not be a direct benefit to the community, this will allow staff to have a more operational space where they can work better to provide the community with a great recreational experience.

Description of New Operating Costs

Given that the expansion would create a conference room and additional offices, staff would increase their operating budget to purchase office furniture and equipment. This would include a conference table & chairs, a TV to use for presentations, a

bulletin board, and office desks and chairs. Additionally, the Facilities department would have to increase the maintenance for the extra spaces created.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$200K	\$200K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Construction/Maintenance	\$200,000
Total	\$200,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$200K	\$200K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
General Fund	\$0	\$200,000	\$200,000
Total	\$0	\$200,000	\$200,000

Operational Costs

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$12K	\$12K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Supplies	\$10,000	\$0	\$0	\$0	\$10,000
Maintenance	\$500	\$500	\$500	\$500	\$2,000
Total	\$10,500	\$500	\$500	\$500	\$12,000

Renovation of Recreation Department Indoor Restrooms

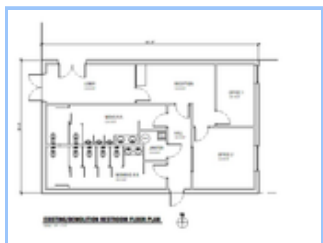
Overview

Request Owner	Ochoa Crystal
Department	Recreation
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

The Recreation Department would like to upgrade their indoor restrooms. The indoor restrooms currently have male and female restroom stalls. However, when the facility is reserved, guests have to enter through the Recreation offices to reach the bathroom stalls. Staff would like to renovate the restrooms in such a way that one stall is for staff, separate male & female restrooms, and another designated for guests reserving or using the gym amenities. With this upgrade, guests participating in activities or reserving the facility will have a way to access their portion of the restrooms through the outside, instead of having to enter through the offices. Staff reached out to a different vendor this year and requested a quote. DWD Construction came onsite to see the bathrooms, and reviewed a report that was given last year by Thompson Design Architects. This information was used by the vendor to provide us with a quote that includes new flooring for the bathroom hallway, new flooring starting from the entrance of the gym to the enclosed lobby, remodeling of the existing restroom design, creating an entrance for the public to access the restrooms without having to enter from the enclosed lobby area, while providing two designated restrooms solely for Recreation staff to have access from inside the lobby area.

Images



Recreation Dept. Renovated Restrooms Layout

Details

Type of Project: Refurbishment

Benefit to Community

This will benefit the community by providing them with designated restrooms, instead of having to enter through the office hallway. Whenever there are reservations at the Gym, the patrons either have to exit the building to enter the restrooms through the side of the building (by the playground), or they have to go into the Gym's enclosed lobby, and then enter through the hallway to use the restroom stalls. This upgrade would create a more open floor plan, making it easier for patrons to enter the restrooms.

Description of New Operating Costs

The renovation of the Recreation Department's indoor restrooms would slightly increase the operating cost. The existing restrooms are maintained by the Facilities Department and there is a budget allocated for these services. This upgrade would require extra budget to ensure that the restrooms used by the community and staff are properly maintained.

Capital Cost

FY2027 Budget

\$91.7K

Total Budget (all years)

\$91.7K

Project Total

\$91.7K

Detailed Breakdown

Category

FY2027

Adopted

Construction/Maintenance

\$91,700

Total

\$91,700

Funding Sources

FY2027 Budget

\$91.7K

Total Budget (all years)

\$91.7K

Project Total

\$91.7K

Detailed Breakdown

Category

FY2027

Adopted

General Fund

\$91,700

Total

\$91,700

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$4K

Project Total

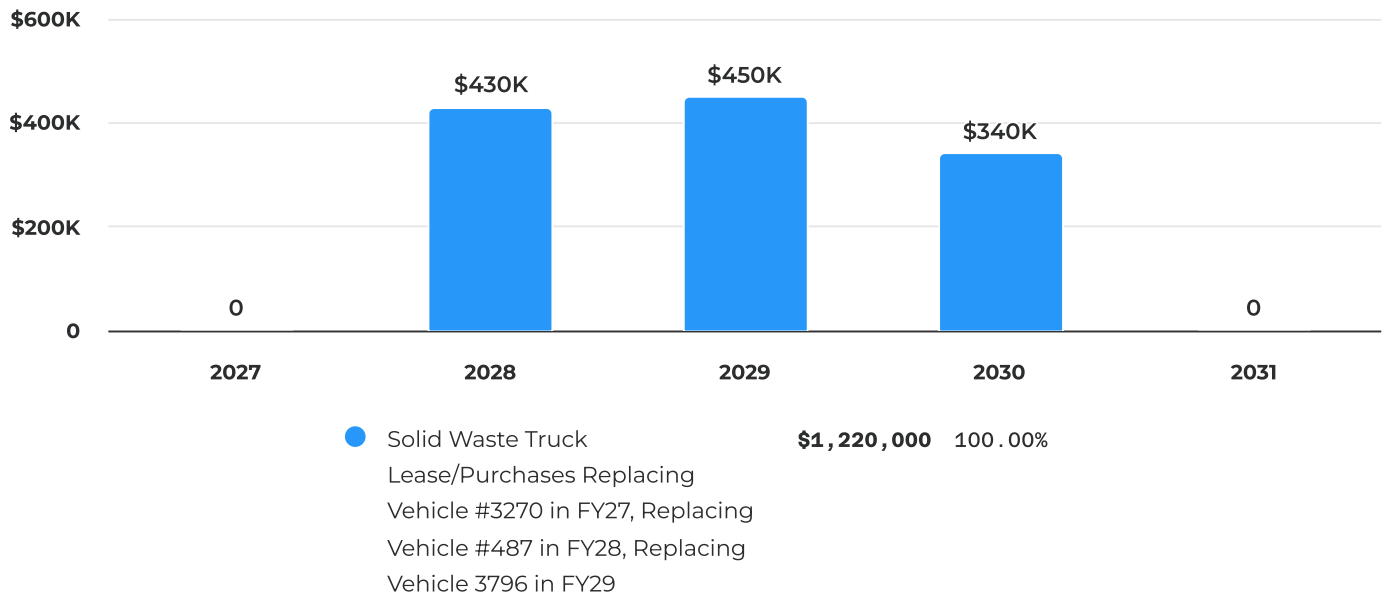
\$4K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000
Total	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000

Solid Waste

FY27 - FY31 Solid Waste Projects



Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Solid Waste Truck Lease/Purchases Replacing Vehicle #3270 in FY27, Replacing Vehicle #487 in FY28, Replacing Vehicle 3796 in FY29	\$0	\$430,000	\$450,000	\$340,000	\$0	\$1,220,000
Total Summary of Requests	\$0	\$430,000	\$450,000	\$340,000	\$0	\$1,220,000

Solid Waste Truck Lease/Purchases Replacing Vehicle #3270 in FY27, Replacing Vehicle #487 in FY28, Replacing Vehicle 3796 in FY29

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Solid Waste
Type	Capital Equipment

Description

Summary:

This project replaces three aging refuse collection trucks: two 22-year-old 2004 Autocars (Units 3270 and 487) and one 12-year-old 2014 Peterbilt (Unit 3796) using a staggered lease purchase plan. The plan spreads costs over four fiscal years (FY27 through FY30) with one truck leased annually for 12 months at approximately \$9,300 per month, then purchased with a 50% lease credit applied (\$55,800 discount per truck). Total project cost is approximately \$1.3 million (\$348K in lease payments, \$968K in purchases).

Rationale:

The Solid Waste Association of North America (SWANA) recommends replacing refuse collection vehicles every 7 to 10 years or at 100,000 to 150,000 miles to maintain operational efficiency. Refuse trucks operate in harsh conditions with constant stop-and-go cycles, heavy loads, and corrosive materials that accelerate wear on critical components. The Government Finance Officers Association (GFOA) indicates that maintenance costs typically double or triple after year 8, while downtime increases significantly. The American Public Works Association (APWA) emphasizes that proactive replacement cycles reduce total cost of ownership by 25% to 35% compared to run-to-failure strategies. For San Luis, replacing trucks on an 8 to 10-year cycle ensures reliable waste collection, minimizes emergency repairs and overtime, and provides operators with safe, modern equipment.

Sources:

1. Solid Waste Association of North America (SWANA) - Fleet Management Best Practices
2. Government Finance Officers Association (GFOA) - Vehicle Replacement Guidelines
3. American Public Works Association (APWA) - Fleet Management Manual

Plan:

Fiscal Year	Action	Cost Breakdown	Total FY Cost
FY27	Lease new truck replacing #3270	\$9,300/month x 12 = \$111,600	\$111,600
FY28	Buy leased truck (#3270 replacement)/ Begin lease for #487 replacement	Purchase: \$298,400 x 1.04 = \$310,336 Lease: \$9,672/month x 12 = \$116,064	\$426,400
FY29	Buy leased truck (#487 replacement)/ Begin lease for #3796 replacement	Purchase: \$310,336 x 1.04 = \$322,749 Lease: \$10,059/month x 12 = \$120,708	\$443,457
FY30	Buy leased truck (#3796 replacement)	Purchase: \$322,749 x 1.04 = \$335,659	\$335,659
Grand Total	3 leases + 3 purchases	Leases: ~\$348K Purchases: ~\$968K	~\$1.3M

Solid Waste Automatic Sideloader Fleet

Vehicle ID	Year	Make/Model	VIN	License Plate	Age	FY26 Expense
5823	2024	Peterbilt/McNeilus	38PDLK0X3RF115823	K186160	2 years	\$6,405.00
5798	2023	Peterbilt/McNeilus	38PDLK0X1PF115798	K169842	3 years	\$1,697.00
4265	2023	Peterbilt/Scorpion	38PDLIOX2PF114265	SXA7WP	3 years	\$16,981.00
5666	2019	Peterbilt/Scorpion	38PDU0X7KF105666	GO51JH	7 years	\$29,322.00
3796	2014	Peterbilt/Scorpion	38PZLJ0XXF273796	G619HA	12 years	\$30,023.00
487	2004	AUTOCAR/Scorpion	5VCE68BE74H2V0487	GO34EA	22 years	\$22,270.00
3270	2004	AUTOCAR/Scorpion	5VDCB6EX6H203270	G783ES	22 years	\$18,396.00
6560	2008	AUTOCAR SL	5VCD36HE98H206560	4MA5PM	18 years	

Details

New Purchase or Replacement: Replacement

Useful Life: 10 or more years

New or Used Vehicle: New Vehicle

Benefit to Community

This strategic replacement plan ensures reliable, uninterrupted solid waste collection service for San Luis residents. The three aging trucks have accumulated over \$700,000 in repair and maintenance costs over their lifetimes and are experiencing frequent breakdowns that cause service delays. Obsolete parts for these older solid waste trucks are increasingly difficult to source, resulting in extended repair times that require excessive mechanic labor hours and create a maintenance backlog affecting the entire City fleet of over 400 vehicles and equipment. These breakdowns also drive up overtime expenses for both mechanics working to restore service and operators covering routes with reduced equipment.

New trucks will reduce maintenance costs as well as downtime through improved parts availability and free up mechanic capacity for other fleet needs. The staggered approach avoids financial strain while maintaining high service levels to support the city's growing population.

Description of New Operating Costs

Annual operating costs are estimated at \$20,000 for maintenance and repairs based on actual expenditures for comparable City solid-waste collection vehicles. The estimate accounts for routine maintenance, repairs, tires, hydraulic and mechanical components, and other vehicle-related expenses. A 2% annual inflation factor and 3% annual age-related maintenance factor are applied to account for increasing maintenance needs as the vehicle ages. Historical fleet data demonstrates significantly higher expenses as solid-waste vehicles reach mid and late-life service. The table below was used to calculate maintenance costs.

Unit ID	Year	Make/Model	VIN	License Plate	Age	Total Expensed	Proposed Replacement Year	Replacement Rationale
5823	2024	Peterbilt/McNeilus	3BPDLK0X3RF115823	K186160	2 years	\$16,297.87	Lease FY36/Purchase FY37	Very young with moderate expenses (likely initial setups or minor fixes); aim for a 10-15 year service life.
5798	2023	Peterbilt/McNeilus	3BPDLK0X1PF115798	K169842	3 years	\$12,682.11	Lease FY34/Purchase FY35	Low age and expenses; the standard life cycle for heavy-duty trucks is 10-15 years with moderate use.
4265	2023	Peterbilt/Scorpion	3BPDLIOX2PF114265	SXA7WP	3 years	\$13,135.14	Lease FY33/Purchase FY34	Low age but higher expenses (possibly due to intensive use in clean-ups); replace in 10-15 years if costs stabilize.
5666	2019	Peterbilt/Scorpion	3BPDU0X7KF105666	GO51JH	7 years	\$83,938.00	Lease FY31/Purchase FY32	Mid-age with very high expenses (valves, tires, parts); garbage trucks often need replacement around 10-15 years.
3796	2014	Peterbilt/Scorpion	3BPZLJ0XXF273796	G619HA	12 years	\$253,476.09	Lease FY30/Purchase FY31	Aging vehicle with the highest expenses (tires, valves, transmissions); over 10 years old, prime for replacement soon. However, we will keep it as a spare.
487	2004	AUTOCAR/Scorpion	5VCE68BE74H2V0487	GO34EA	22 years	\$199,550.97	Lease in FY28/Purchase FY29	Extremely old with high expenses (hydraulics, tires); way past the typical 10-15 year lifespan for refuse trucks.
3270	2004	AUTOCAR/Scorpion	5VCDCB6EX6H203270	G783ES	22 years	\$257,562.54	Lease in FY27/Purchase FY28	Extremely old with substantial expenses (transmission, parts); far beyond optimal service life.

6560 2008 AUTOCAR SL	5VCD36HE98H206560 4MA5PM	18 years	\$8,669.65	Spare with low use (older but in solid condition with low use), low annual maintenance cost.	Spare vehicle, purchased in 2023 for \$12k, we've invested about \$10k so far.
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Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$1.22M

Project Total

\$1.22M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Vehicle Cost	\$430,000	\$450,000	\$340,000	\$1,220,000
Total	\$430,000	\$450,000	\$340,000	\$1,220,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$1.22M

Project Total

\$1.22M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Solid Waste Fund	\$430,000	\$450,000	\$340,000	\$1,220,000
Total	\$430,000	\$450,000	\$340,000	\$1,220,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$86K

Project Total

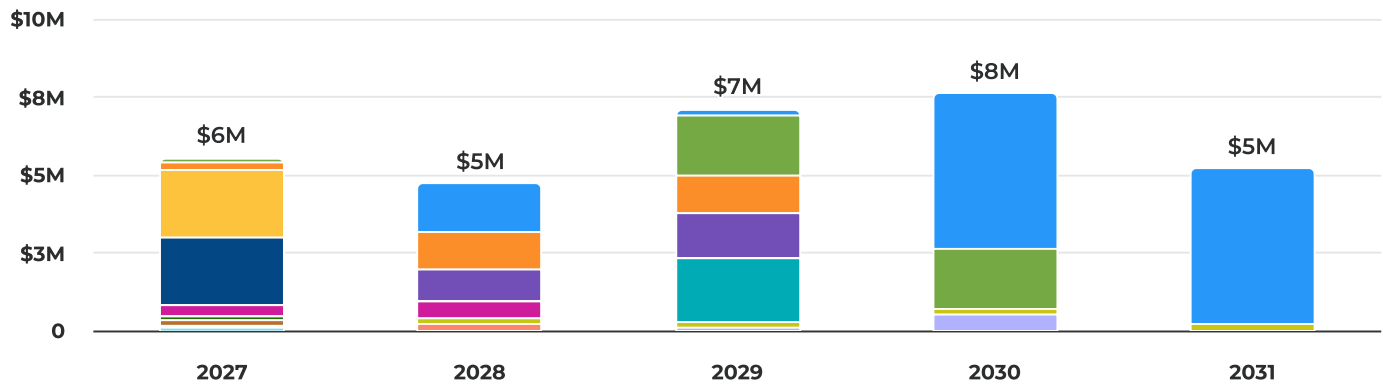
\$86K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$20,000	\$21,000	\$22,000	\$23,000	\$86,000
Total	\$20,000	\$21,000	\$22,000	\$23,000	\$86,000

Streets

FY27 - FY31 Streets Projects



Co. 25th Street extension to Ave B	\$11,750,000	39.01%
6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Design (Phase I Design completion from 60% to 100%)	\$3,939,730	13.08%
Ave F Street Widening Design (between Cesar Chavez Blvd and San Luis Lane) Construction	\$2,600,000	8.63%
Co. 22nd St. between Sidewinder Rd. & Main St. Roadway Widening Design and Construction	\$2,500,000	8.30%
10th Ave Widening	\$2,200,000	7.30%
Union Street and 4th Avenue intersection and Traffic Signal Improvements Design & Construction Phase I Design	\$2,162,000	7.18%
6th Avenue Repaving - U Street to Cesar Chavez Blvd Roadway Project	\$2,040,000	6.77%
Cesar Chavez Boulevard Widening Project	\$837,000	2.78%
ROW Beautification / Street Lights Projects	\$800,000	2.66%
New Traffic Signal, Ave F and Co 24th St	\$591,000	1.96%
Highway Users Storage Warehouse	\$220,000	0.73%
Lakin Subsidence issue, Road Improvement Construction Continued	\$175,000	0.58%
Urtuzuastegui Street drainage Improvements and Beautification from 10th Ave to 6th Ave	\$148,500	0.49%

● 10th Ave/Los Alamos Curve Project Construction Match- T0442	\$79,230	0.26%
● Pedestrian Hawk Crossing Relocation	\$75,000	0.25%

Summary of Requests

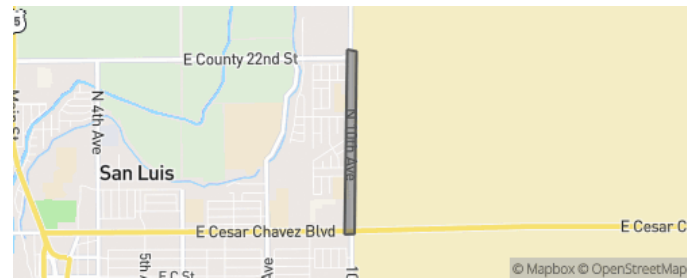
Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Co. 25th Street extension to Ave B	\$0	\$1,550,000	\$200,000	\$5,000,000	\$5,000,000	\$11,750,000
6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Design (Phase I Design completion from 60% to 100%)	\$145,730	\$0	\$1,897,000	\$1,897,000	\$0	\$3,939,730
Ave F Street Widening Design (between Cesar Chavez Blvd and San Luis Lane) Construction	\$200,000	\$1,200,000	\$1,200,000	\$0	\$0	\$2,600,000
Co. 22nd St. between Sidewinder Rd. & Main St. Roadway Widening Design and Construction	\$0	\$1,000,000	\$1,500,000	\$0	\$0	\$2,500,000
10th Ave Widening	\$2,200,000	\$0	\$0	\$0	\$0	\$2,200,000
Union Street and 4th Avenue intersection and Traffic Signal Improvements Design & Construction Phase I Design	\$2,162,000	\$0	\$0	\$0	\$0	\$2,162,000
6th Avenue Repaving - U Street to Cesar Chavez Blvd Roadway Project	\$0	\$40,000	\$2,000,000	\$0	\$0	\$2,040,000
Cesar Chavez Boulevard Widening Project	\$337,000	\$500,000	\$0	\$0	\$0	\$837,000
ROW Beautification / Street Lights Projects	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000
New Traffic Signal, Ave F and Co 24th St	\$0	\$0	\$91,000	\$500,000	\$0	\$591,000
Highway Users Storage Warehouse	\$0	\$220,000	\$0	\$0	\$0	\$220,000
Lakin Subsidence issue, Road Improvement Construction Continued	\$175,000	\$0	\$0	\$0	\$0	\$175,000
Urtuzuastegui Street drainage Improvements and Beautification from 10th Ave to 6th Ave	\$148,500	\$0	\$0	\$0	\$0	\$148,500
10th Ave/Los Alamos Curve Project Construction Match-T0442	\$79,230	\$0	\$0	\$0	\$0	\$79,230
Pedestrian Hawk Crossing Relocation	\$75,000	\$0	\$0	\$0	\$0	\$75,000
Total Summary of Requests	\$5,522,460	\$4,710,000	\$7,088,000	\$7,597,000	\$5,200,000	\$30,117,460

10th Ave Widening

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Project Location



Description

This project involves the design of 10th Avenue widening from Cesar Chavez Boulevard to County 22nd Street. The design will expand the roadway to dual lanes in each direction with a center turn lane, and include curbing, sidewalks, street lighting, and retention basins on the east side of the road. An alternative design option includes a multi-use path separated from the roadway in lieu of the traditional sidewalk. The professional services scope also encompasses preparation of legal descriptions and exhibits for new right-of-way acquisition, as well as construction cost estimates. Dahl, Robins, & Associates, Incorporated, an on-call engineering firm per Resolution No. 2162, will provide design services for \$100,000.00 in accordance with the city's procurement code. The engineering estimate for construction was approximately \$2.2M at 60% design.

Details

Type of Project: Other

Benefit to Community

This roadway widening project will significantly alleviate traffic congestion during peak hours for residents who travel this heavily used corridor daily, particularly nearby schools. The expanded roadway capacity and dedicated turn lanes will improve traffic flow and reduce delays, while enhanced sidewalks or a multi-use path will provide safer access for pedestrians and cyclists. The improvements will reduce vehicle and pedestrian accidents through better traffic management, increased visibility from street lighting, and separated pedestrian facilities.

Description of New Operating Costs

The 10th Avenue Road Widening Project will improve approximately 5,500 LF of roadway from Cesar Chavez Blvd. to County 22nd Street. Based on the project typical section, approximately 37,889 SY of pavement is estimated for future preservation. Costs are based on recent City of San Luis pricing of \$2.10/SY for slurry seal and \$10.50/LF for pavement striping. This estimate also includes preservation of the associated walking path.

Pavement preservation and striping are assumed to occur together and follow the City's approximately six-year pavement preservation schedule. Future costs are escalated at 2% annually from the 2026 pricing basis. The future maintenance intervals have been added to the CIP to identify the long-term operating impact of the new roadway. Actual maintenance timing and costs will be based on pavement, walking path, and marking condition and the City's maintenance program.

FY2033	\$157,734 — Pavement Preservation + Striping
FY2034–FY2038 \$0	
FY2039	\$177,634 — Pavement Preservation + Striping
FY2040–FY2044 \$0	
FY2045	\$200,045 — Pavement Preservation + Striping

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$2.2M	\$2.2M	\$2.2M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Construction/Maintenance	\$2,200,000
Total	\$2,200,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$2.2M	\$2.2M	\$2.2M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Highway User Fund	\$2,200,000
Total	\$2,200,000

Operational Costs

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$0	\$0

Detailed Breakdown

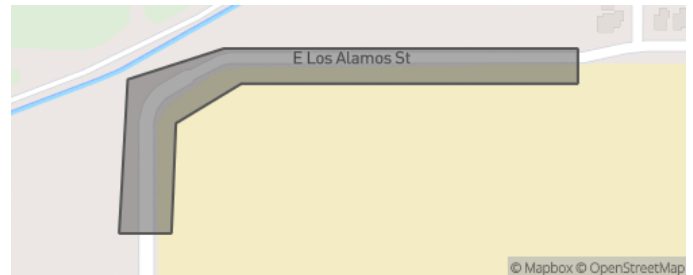
Category
Maintenance
Total

10th Ave/Los Alamos Curve Project Construction Match-T0442

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Project Location



Description

This project involves the realignment of the curve at 10th Avenue and Los Alamos Street to improve safety and traffic flow. The project is funded through the Highway Safety Improvement Program (HSIP) with federal funding approved by the Yuma Metropolitan Planning Organization (YMPO) through its Transportation Improvement Program (TIP), with a required local match. The total estimated project cost is \$1,717,986.00. The Arizona Department of Transportation (ADOT) will administer the bidding and construction process. An Intergovernmental Agreement (IGA) with ADOT is required to move forward with this federally funded safety improvement project. So far, the \$1,710 Admin match, the \$16,844 design match and a \$63,494 design/Contract Mod expense has been paid. The only pending commitment/match that is pending is the \$79,223 for the construction match.

This project was scheduled to begin construction in FY25. However, due to unforeseen environmental and right-of-way clearance constraints, the project was pushed to FY27. Funding will be needed to make the final IGA commitment/match of \$79,223. (roundup up) \$79,230.

Details

Type of Project: Other

Benefit to Community

This curve realignment project will significantly enhance safety for motorists, pedestrians, and cyclists traveling through this intersection. By improving the curved geometry at 10th Avenue and Los Alamos Street, the project will reduce the risk of accidents, improve sight distances, and create safer driving conditions. The improvements will also enhance traffic flow and reduce congestion at this location. Leveraging federal Highway Safety Improvement Program funding maximizes the city's investment while addressing a critical safety concern that benefits all community members who use this corridor.

Description of New Operating Costs

The project will create approximately 1,093 LF of new roadway and approximately 4,858 SY of pavement. Future maintenance costs have been estimated using recent City of San Luis contractor pricing. Pavement preservation is estimated at \$2.10/SY based on recent City slurry-seal pricing and a six-year preservation cycle. Pavement marking maintenance is estimated at \$10.50 per roadway LF per complete striping cycle based on recent City striping costs and a three-year planning cycle. Future costs have been escalated at 2% annually from the 2026 pricing basis. Actual maintenance timing will be determined by pavement and pavement-marking condition and the City's maintenance program.

Capital Cost

FY2027 Budget

\$79.2K

Total Budget (all years)

\$79.2K

Project Total

\$79.2K**Detailed Breakdown****Category****FY2027***Adopted*

Construction/Maintenance

\$79,230**Total****\$79,230****Funding Sources**

FY2027 Budget

\$79.2K

Total Budget (all years)

\$79.2K

Project Total

\$79.2K**Detailed Breakdown****Category****FY2027***Adopted*

Highway User Fund

\$79,230**Total****\$79,230****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$12.7K

Project Total

\$12.7K**Detailed Breakdown****Category****FY2031***Adopted*

Maintenance

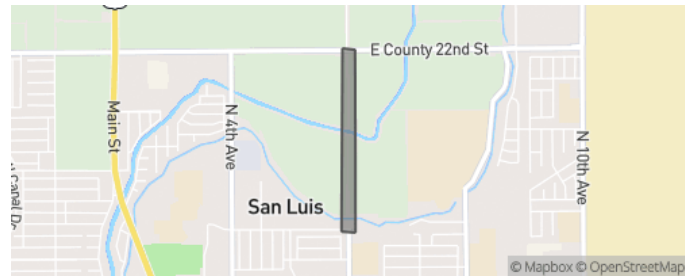
\$12,671**Total****\$12,671**

6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Design (Phase I Design completion from 60% to 100%)

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	06/3/2024
Estimated Completion Date	06/30/2027

Project Location



Description

Timeline:

FY26 Budget Allocation: \$180,650.00 (Developer Contribution)

Proposal from Core Engineering (see attachment): \$291,455.00

The scope of work includes a near-term design with accommodations for a long-term design of 6th Avenue. The near-term design will include a 2-lane roadway (one lane in each direction), street lighting, and the East Main Canal culvert and the Main Drain bridge crossings. The scope also includes widening improvements and traffic signal design at the intersection of 6th Avenue and County 22nd Street.

The design portion of the scope of work will be 60% completed in Fiscal Year 2025-2026 and finalized in Fiscal Year 2026-2027: \$174,873.00 to be paid during the fiscal year ending June 30, 2026, and \$116,582.00 to be paid during the fiscal year ending June 30, 2027, for a total of \$291,455.00.

Details

Type of Project: New Road

Benefit to Community

This project will improve safety and connectivity along 6th Avenue between Union Street and County 22nd Street by designing a modern two-lane roadway with enhanced street lighting, upgraded drainage crossings at the East Main Canal and Main Drain, and improved traffic flow at the intersection of 6th Avenue and County 22nd Street. The design accommodates both near-term improvements and future long-term expansion, ensuring the roadway meets current community needs while planning for future growth.

Description of New Operating Costs

This project is currently in the preliminary design phase, and the final project scope, design, quantities, and construction schedule have not yet been established. Therefore, no projected operational or maintenance costs are being included at this time. Future operational and maintenance requirements will be evaluated and incorporated into the CIP once the design is finalized and the specific improvements and associated maintenance responsibilities are established.

Capital Cost

FY2027 Budget

\$146K

Total Budget (all years)

\$3.94M

Project Total

\$3.94M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$1,897,000	\$1,897,000	\$3,794,000
Design	\$145,730	\$0	\$0	\$145,730
Total	\$145,730	\$1,897,000	\$1,897,000	\$3,939,730

Funding Sources

FY2027 Budget

\$146K

Total Budget (all years)

\$3.94M

Project Total

\$3.94M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Highway User Fund	\$145,730	\$1,897,000	\$1,897,000	\$3,939,730
Total	\$145,730	\$1,897,000	\$1,897,000	\$3,939,730

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Personnel	\$0	\$0	\$0
Maintenance	\$0	\$0	\$0
Total	\$0	\$0	\$0

6th Avenue Repaving - U Street to Cesar Chavez Blvd Roadway Project

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	06/30/2028
Estimated Completion Date	07/31/2029

Description

Repaving of failed pavement:

This project involves the repaving of 6th Avenue from San Francisco Street to Cesar Chavez Boulevard. The existing pavement has experienced significant deterioration with severe cracking and courseware failure, requiring complete surface replacement. As one of the city's busiest collector roads, this roadway serves a critical function in the transportation network and requires immediate attention to restore structural integrity and ensure safe travel conditions. The project will include removal of the failed pavement surface and installation of a new asphalt surface to provide a durable, long-lasting roadway.

Tentative Schedule:

1. FY28 In house design, topo, geotechnical services, and surveying \$40k
2. FY29 Construction \$2M

Details

Type of Project: Resurface Current Road

Benefit to Community

This project will restore safe and reliable travel conditions along one of San Luis's most heavily used collector roads. By replacing the severely deteriorated pavement, the community will benefit from improved vehicle safety, reduced maintenance costs for motorists, smoother traffic flow, and enhanced connectivity between key areas of the city. The new pavement surface will eliminate hazardous driving conditions caused by severe cracking, extend the roadway's service life, and support continued economic activity along this vital corridor serving residents and businesses daily.

Description of New Operating Costs

Since this is an existing road, there are no new additional operating costs involved. The current operating costs such as asphalt restoration and preservation are already included in the city's current operational costs.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$2.04M

Project Total

\$2.04M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$2,000,000	\$2,000,000
Design	\$40,000	\$0	\$40,000
Total	\$40,000	\$2,000,000	\$2,040,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$2.04M

Project Total

\$2.04M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Highway User Fund	\$40,000	\$2,000,000	\$2,040,000
Total	\$40,000	\$2,000,000	\$2,040,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

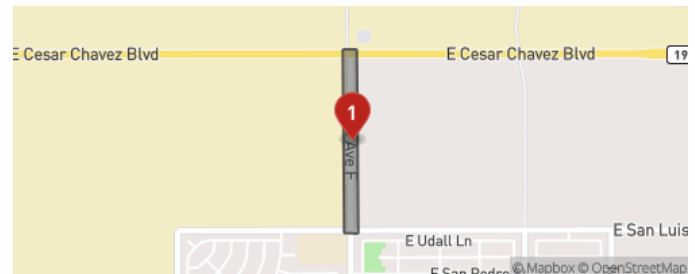
Category	FY2029 <i>Adopted</i>
Maintenance	\$0
Total	\$0

Ave F Street Widening Design (between Cesar Chavez Blvd and San Luis Lane) Construction

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	05/3/2027
Estimated Completion Date	12/31/2027

Project Location



Description

This project involves the construction of Avenue F roadway widening to expand traffic capacity and improve safety. The roadway will be widened from the current configuration to two travel lanes in each direction. Construction will include roadway expansion, traffic flow improvements, circulation enhancements, and safety features to reduce vehicle accidents. Right of way acquisition and environmental clearances are still pending and must be completed before construction can begin (up to a year). The project is scheduled to commence in May 2028, following the completion of the Cesar Chavez Boulevard Widening project. Construction timing is strategically planned to begin during summer break to minimize disruption to nearby schools and residents.

Details

Type of Project: Other

Benefit to Community

This roadway widening project will help alleviate traffic congestion during peak hours for our residents who travel on Avenue F daily. By expanding the roadway to two travel lanes in each direction, the community will benefit from dramatically improved traffic flow and circulation, reducing commute times. The widened roadway will enhance safety and help decrease vehicle accidents. Strategic scheduling during summer break demonstrates the City's commitment to minimizing construction impacts on our residents. Improved traffic management on this heavily traveled corridor supports economic activity, reduces driver frustration, and provides safer, more efficient transportation infrastructure that accommodates the city's growing population and traffic demands.

Description of New Operating Costs

Future Maintenance Costs: The Avenue F Widening Project will add approximately 2,503 LF of roadway and approximately 18,356 SY of paved surface based on the project's typical roadway section. Future pavement preservation is estimated using a recent City of San Luis slurry-seal quote of \$2.10/SY. Pavement striping is estimated at \$10.50 per roadway LF based on recent

City striping costs. For life cycle planning, pavement preservation and pavement striping are assumed to occur during the same maintenance event on a six-year cycle. Costs are escalated at 2% annually from the 2026 pricing basis. Actual maintenance timing and costs will be adjusted based on pavement and marking condition and the City's maintenance program. The future maintenance intervals have been added to the CIP to identify the long-term operating impact of the new roadway.

FY2034	\$75,958 — Pavement Preservation + Striping
FY2035– FY2039	\$0
FY2040	\$85,541 — Pavement Preservation + Striping
FY2041– FY2045	\$0
FY2046	\$96,333 — Pavement Preservation + Striping

Capital Cost

FY2027 Budget

\$200K

Total Budget (all years)

\$2.6M

Project Total

\$2.6M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$1,200,000	\$1,200,000	\$2,400,000
Land/Right-of-way	\$200,000	\$0	\$0	\$200,000
Total	\$200,000	\$1,200,000	\$1,200,000	\$2,600,000

Funding Sources

FY2027 Budget

\$200K

Total Budget (all years)

\$2.6M

Project Total

\$2.6M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Highway User Fund	\$200,000	\$1,200,000	\$1,200,000	\$2,600,000
Total	\$200,000	\$1,200,000	\$1,200,000	\$2,600,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Maintenance

Total

Cesar Chavez Boulevard Widening Project

Overview

Request Owner	Tomas Sanchez, City Engineer
Department	Streets
Type	Capital Improvement
Estimated Start Date	02/27/2026
Estimated Completion Date	06/30/2028

Project Location



Description

The proposed Cesar Chavez Boulevard Improvements project will upgrade the corridor to meet current and future transportation demands by reconstructing and widening the roadway, improving traffic operations, enhancing pedestrian and bicycle facilities, upgrading drainage infrastructure, and installing roadway lighting and other safety improvements. The project will improve connectivity between residential, commercial, and educational destinations, reduce traffic congestion, enhance public safety, and support planned development within the city. These improvements will provide a complete transportation corridor that accommodates all users while promoting economic growth and improving the overall quality of life for residents and visitors. This project is being constructed by ADOT.

Details

Type of Project: New Road

Benefit to Community

Cesar Chavez Boulevard serves as a major east-west arterial corridor within the City of San Luis and provides critical access to residential neighborhoods, schools, commercial developments, and the international border area. Existing roadway conditions and transportation infrastructure along portions of the corridor are inadequate to accommodate current and projected traffic volumes, resulting in congestion, safety concerns, and reduced mobility for motorists, pedestrians, and bicyclists. Additionally, portions of the corridor lack complete pedestrian facilities, drainage improvements, roadway lighting, and multimodal accommodations necessary to support continued growth and economic development within the area. The widening of the project from two lanes to four lanes with a center median will decrease regional travel times, reduce environmental emissions, increase safety and decrease crashes, reduce future maintenance, and reduce the use of the police force for traffic management.

Description of New Operating Costs

Operational and maintenance costs such as asphalt preservation, pavement striping and right-of-way will be approximately \$1800 annually upon future completion of the project in 2028. The electricity costs of the streetlights would be around \$1,000 annually.

Capital Cost

FY2027 Budget

\$337K

Total Budget (all years)

\$837K

Project Total

\$837K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
Construction/Maintenance	\$337,000	\$500,000	\$837,000
Total	\$337,000	\$500,000	\$837,000

Funding Sources

FY2027 Budget

\$337K

Total Budget (all years)

\$837K

Project Total

\$837K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
Highway User Fund	\$337,000	\$500,000	\$837,000
Total	\$337,000	\$500,000	\$837,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$8.4K

Project Total

\$8.4K

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$1,800	\$1,800	\$1,800	\$5,400
Utilities	\$1,000	\$1,000	\$1,000	\$3,000
Total	\$2,800	\$2,800	\$2,800	\$8,400

Co. 22nd St. between Sidewinder Rd. & Main St. Roadway Widening Design and Construction

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2029

Description

Widen to add more roadway capacity to County 22nd Street between Sidewinder Road and Main Street.

Details

Type of Project: Resurface Current Road

Benefit to Community

Since the community is rapidly growing, roads need to be improved. This road has become highly trafficked and would have better flow.

Description of New Operating Costs

Since this is an existing road, no additional operating costs will be incurred other than the already established costs such as asphalt preservation and pavement striping.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$2.5M	\$2.5M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Construction/Maintenance	\$850,000	\$1,500,000	\$2,350,000
Engineering	\$150,000	\$0	\$150,000
Total	\$1,000,000	\$1,500,000	\$2,500,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$2.5M

Project Total

\$2.5M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Highway User Fund	\$1,000,000	\$1,500,000	\$2,500,000
Total	\$1,000,000	\$1,500,000	\$2,500,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

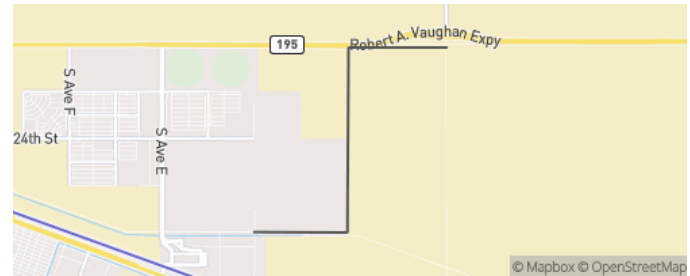
Category	FY2028 <i>Adopted</i>
Maintenance	\$0
Total	\$0

Co. 25th Street extension to Ave B

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2029

Project Location



Description

The County 25th Street Extension to Avenue B project will extend County 25th Street eastward to connect with Avenue B in the City of San Luis, Arizona. This roadway improvement project is being designed in coordination with the City of San Luis, Yuma County, and the Bureau of Reclamation (BOR).

The project scope includes:

- Design and construction of a new roadway extension running parallel to the BOR 242 Lateral irrigation canal
- Coordination with multiple utility providers (Allo, APS, CenturyLink, Southwest Gas, City water and sewer systems)
- Environmental considerations for Flat-tailed Horned Lizard (FTHL) habitat management areas
- Drainage infrastructure to maintain existing drainage patterns
- Future turnaround/hammerhead design at Avenue B terminus

The project is currently in preliminary design phase (15% completion) with alternative alignments evaluated to minimize impacts to protected FTHL zones while maintaining parallel alignment with the BOR 242 Lateral. Design criteria, preliminary cost estimates, and project assessment documentation are in development.

The estimate for FY2027 is around \$1,045,000 and \$600,000 for FY2028. The construction cost for future years is an estimated \$10,600,000.

- Topographic Survey – \$35,000
- Environmental Assessment – \$55,000
- Cultural Resources – \$25,000
- Traffic Analysis – \$25,000
- Traffic Design – \$80,000
- Geotechnical and Pavement Design – \$95,000
- Roadway Design – \$800,000
- Drainage Patterns Development – \$30,000
- Right-of-Way Acquisitions – \$500,000

Images



Co 25th St - Final Design
Cost Estimates.png

Details

Type of Project: New Road

Benefit to Community

This project provides a critical east to west truck route, improving connectivity between the east port of entry (#2) and Avenue B.

Description of New Operating Costs

Upon completion, the County 25th Street and Avenue B Extension Route will be incorporated into the City's roadway network and maintained by the Public Works Department. Ongoing operating costs will include routine roadway inspections, pavement and shoulder maintenance, signage and striping upkeep, drainage maintenance, and lighting operations.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$11.8M

Project Total

\$11.8M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$0	\$5,000,000	\$5,000,000	\$10,000,000
Design	\$1,200,000	\$0	\$0	\$0	\$1,200,000
Land/Right-of-way	\$300,000	\$200,000	\$0	\$0	\$500,000
Planning	\$50,000	\$0	\$0	\$0	\$50,000
Total	\$1,550,000	\$200,000	\$5,000,000	\$5,000,000	\$11,750,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$11.8M

Project Total

\$11.8M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Grant	\$0	\$0	\$5,000,000	\$5,000,000	\$10,000,000
Highway User Fund	\$1,550,000	\$200,000	\$0	\$0	\$1,750,000
Total	\$1,550,000	\$200,000	\$5,000,000	\$5,000,000	\$11,750,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category**Maintenance****Utilities****Total**

Highway Users Storage Warehouse

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

The Highway Users department is in need of a new warehouse to store its equipment since the current place will be occupied by the Fire department.

Details

Type of Project: New Construction

Benefit to Community

The Highway Users department is in need of a new warehouse to store its equipment since the current place will be occupied by the Fire department.

Description of New Operating Costs

Once the project is completed, minimal maintenance costs are anticipated. Any ongoing maintenance should be incorporated into the annual maintenance of the Solid Waste facility.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$220K	\$220K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Construction/Maintenance	\$220,000
Total	\$220,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$220K

Project Total

\$220K

Detailed Breakdown

Category

FY2028

Adopted

Highway User Fund

\$220,000**Total****\$220,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$2K

Project Total

\$2K

Detailed Breakdown

Category

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Maintenance

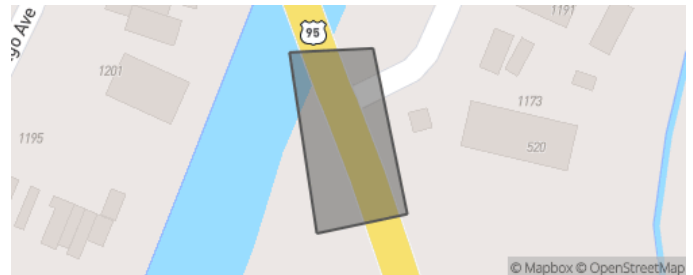
\$500**\$500****\$500****\$500****\$2,000****Total****\$500****\$500****\$500****\$500****\$2,000**

Lakin Subsidence issue, Road Improvement Construction Continued

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	05/4/2026
Estimated Completion Date	09/1/2027

Project Location



Description

This project addresses pavement distress and failure on US Highway 95 (Main Street) immediately south of Lakin Drive. A geotechnical investigation conducted by Nicklaus Engineering identified that an approximately 60 foot by 30 foot area of pavement, curb, gutter, and sidewalk has experienced up to 4 inches of differential settlement due to loose surficial soils and inadequately compacted utility trench backfill. The project requires removal of the failed pavement section (6 inches asphalt and 8 inches aggregate base), removal and recompaction of a minimum 5 feet of underlying loose soil, and reconstruction of the pavement section, curbs, gutters, and sidewalks in accordance with the 2015 MAG Uniform Standard Specifications and 2016 City of San Luis Supplement. The project also includes proper utility trench backfill compaction to prevent future settlement. This budget request is a continuance of last fiscal year's project. Additional funding will be needed to complete the project.

Details

Type of Project: Other

Benefit to Community

By properly addressing the underlying soil failure and reconstructing the roadway to current engineering standards, the community benefits from restored safe travel conditions, elimination of vehicle damage from pavement defects, improved drainage, and extended pavement service life. The project prevents further deterioration that would result in significantly higher repair costs and more extensive road closures. Residents and commuters traveling this heavily used section of US 95 will experience safer, smoother traffic flow without the current hazards caused by settlement and structural failure.

Description of New Operating Costs

Annual operating and maintenance costs are estimated based on the City's historical roadway maintenance and pavement preservation practices. Costs include routine asphalt pavement maintenance, pavement preservation, crack sealing, localized repairs, and related roadway infrastructure maintenance. A conservative annual allowance is established beginning the first full fiscal year following project completion, with a 2% annual escalation factor applied to account for future increases in materials, labor, and maintenance costs. The estimate is intended to provide a conservative projection of the project's long-term operating impact.

Cost Calculation / Methodology:

- The affected roadway area is approximately 60 feet × 30 feet = 1,800 square feet.
- 1,800 square feet converts to approximately 200 square yards.
- Recent City of San Luis slurry-seal projects have averaged approximately \$2.58 per square yard based on documented City project costs and quantities.
- Estimated cost to slurry seal the 200-square-yard area: 200 SY × \$2.58 = \$516.
- The City maintains approximately 122 centerline miles of roadway and follows an approximately six-year pavement-preservation cycle.
- To account for the future preservation of this specific roadway area, the \$516 treatment cost is spread over six years: \$516 ÷ 6 = approximately \$86 per year.
- To keep the estimate simple and conservative, the annual operating cost is rounded to \$100 per year.
- The annual amount is projected to increase by 2% per year to account for future increases in materials, labor, and maintenance costs.
- Recommended FY2028 operating cost: \$100.

Capital Cost

FY2027 Budget

\$175K

Total Budget (all years)

\$175K

Project Total

\$175K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Construction/Maintenance	\$175,000
Total	\$175,000

Funding Sources

FY2027 Budget

\$175K

Total Budget (all years)

\$175K

Project Total

\$175K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Highway User Fund	\$175,000
Total	\$175,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$412

Project Total

\$412

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$100	\$102	\$104	\$106	\$412
Total	\$100	\$102	\$104	\$106	\$412

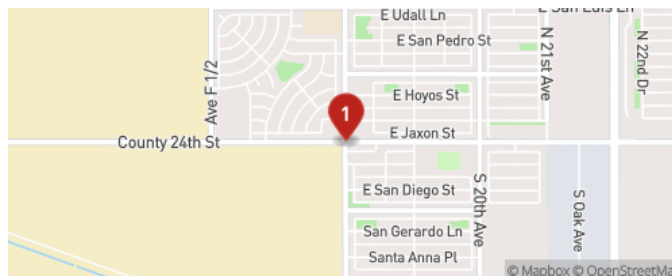


New Traffic Signal, Ave F and Co 24th St

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/1/2022
Estimated Completion Date	06/30/2030

Project Location



Description

This project is required to improve traffic safety and vehicular flow at this targeted intersection. If warranted by ongoing traffic studies. 2023 Proposal from NEI for a similar project, \$83,500 (Co. 22nd and 4th Ave). We added 8% for inflation = \$7,000., \$83,500 + \$7,000 = \$91,000.00 approx.

Details

Type of Project: Other

Benefit to Community

This project will provide improved traffic safety and vehicular flow at this targeted intersection.

Description of New Operating Costs

Having the new traffic signals will incur operational costs such as electricity and traffic signal maintenance as needed.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$591K

Project Total

\$591K

Detailed Breakdown

Category	FY2029 Adopted	FY2030 Adopted	Total
Construction/Maintenance	\$91,000	\$500,000	\$591,000
Total	\$91,000	\$500,000	\$591,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$591K

Project Total

\$591K

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Highway User Fund	\$91,000	\$500,000	\$591,000
Total	\$91,000	\$500,000	\$591,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$4K

Project Total

\$4K

Detailed Breakdown

Category	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Utilities	\$1,800	\$1,800	\$3,600
Maintenance	\$200	\$200	\$400
Total	\$2,000	\$2,000	\$4,000

Pedestrian Hawk Crossing Relocation

Overview

Request Owner Manuel Hernandez, Assistant
Director of Public Works

Department Streets

Type Capital Improvement

Estimated Start Date 07/1/2026

Estimated Completion Date 06/30/2027

Description

As part of the Port of Entry (POE) expansion project, the existing HAWK pedestrian signal at Urtuzuastegui Street and Main Street was removed. Public Works will repurpose the existing HAWK equipment and have an engineer design its relocation to Main Street and Lakin Avenue. The project will provide a safer pedestrian crossing for the high volume of students and residents traveling through the corridor before and after school, helping improve pedestrian safety and protect children and residents along this busy roadway. The HAWK beacon will provide pedestrians with a protected crossing opportunity by activating highly visible traffic control signals that alert motorists to stop when pedestrians are present.

Details

Type of Project: Other

Benefit to Community

Due to the combination of high traffic volumes, vehicle speeds, and frequent pedestrian activity, crossing Main Street at this location can be challenging and presents safety concerns for students and pedestrians. The existing crossing relies primarily on driver compliance and pedestrian judgment, which may be insufficient given the significant volume of border-related traffic using the corridor. These conditions increase the potential for pedestrian-vehicle conflicts and highlight the need for enhanced crossing protection. Having the HAWK beacon will make pedestrians feel safe when crossing the street and vehicles will be able to stop ahead. This will improve accessibility, strengthen connections between surrounding neighborhoods and schools, and support the city's commitment to providing a safe, multimodal transportation system while accommodating the substantial traffic generated by the San Luis Port of Entry.

Description of New Operating Costs

Annual operating and maintenance costs are estimated at \$2,700 beginning in FY2028. The estimate is based on historical New World expenditures for traffic signal maintenance and repairs, including Westmoor Electric vendor purchases and Yuma County maintenance services. Based on approximately \$65,499 in identified historical expenditures over six fiscal years, the average annual cost is approximately \$10,916, or approximately \$992 per signal based on 11 City traffic signals. A conservative 1.8 allowance was applied for the specialized HAWK equipment and related maintenance needs, resulting in an estimated annual cost of \$1,800. The estimated annual electricity cost is \$900. This estimate is intended to provide a conservative budgetary projection without overstating future operating costs.

Capital Cost

FY2027 Budget

\$75K

Total Budget (all years)

\$75K

Project Total

\$75K**Detailed Breakdown****Category****FY2027***Adopted*

Construction/Maintenance

\$75,000**Total****\$75,000****Funding Sources**

FY2027 Budget

\$75K

Total Budget (all years)

\$75K

Project Total

\$75K**Detailed Breakdown****Category****FY2027***Adopted*

Highway User Fund

\$75,000**Total****\$75,000****Operational Costs**

FY2027 Budget

\$0

Total Budget (all years)

\$10.8K

Project Total

\$10.8K**Detailed Breakdown****Category****FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Maintenance

\$1,800**\$1,800****\$1,800****\$1,800****\$7,200**

Utilities

\$900**\$900****\$900****\$900****\$3,600****Total****\$2,700****\$2,700****\$2,700****\$2,700****\$10,800**

ROW Beautification / Street Lights Projects

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/1/2025
Estimated Completion Date	06/30/2034

Description

Reoccurring funding request for right-of-way beautification or streetlights projects city-wide.

Details

Type of Project: New Construction

Benefit to Community

Installation of new streetlights, paint walls and lay gravel on ROW.

Description of New Operating Costs

This CIP request is intended to establish future funding for street lighting and beautification projects throughout the City. Specific project locations and quantities have not yet been identified, and no funding is currently allocated for FY2027. Funding is proposed to begin in FY2028 as projects are identified and prioritized. Associated operational and maintenance costs will be evaluated and incorporated into the CIP once project locations and quantities are established.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$800K	\$800K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000
Total	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$800K

Project Total

\$800K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Highway User Fund	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000
Total	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Maintenance	\$0
Total	\$0

Union Street and 4th Avenue intersection and Traffic Signal Improvements Design & Construction Phase I Design

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/3/2023
Estimated Completion Date	06/30/2026

Project Location



Description

The City of San Luis is expecting to receive \$900,000 from YMPO funding July 2026.

Timeline:

Budget Allocation: FY26 \$120k

Proposal: \$150,382

Mayor/Council Approval: 12/10/25

PO:

Notice to Proceed:

This project is budgeted for FY26 with an approved budget of \$120,000. The total cost of the professional services proposal from Kimley-Horn and Associates, Inc. is \$150,382.00. Approximately 60% of the design work, totaling \$90,230, is anticipated to be completed during FY26 and will be funded with the current fiscal year budget.

The remaining 40% of the design cost, or \$60,152.80, will be completed in FY27. This portion will be included in the FY27 budget to support the completion of the design phase for the Union Street and 4th Avenue Intersection Improvements project.

Currently, Union Street and 4th Avenue intersection experiences terrible traffic during peak hours. The improvements to this road segment will greatly increase and enhance resident experience, increase safety, and reduce vehicle accidents.

Begin Design in FY25

Continue Design in FY26

Construct in FY26

Old Estimate as reference - based on the conceptual exhibit.

Description Measure	Unit of	Quantity	Unit Price	Total
AC Removal	SY	4660	\$ 10.00	\$ 46,600.00
New 3" Asphalt	SY	9800	\$ 32.00	\$ 313,600.00
New 10" AB	SY	4200	\$ 12.00	\$ 50,400.00
New 6" AB	SY	1200	\$ 10.00	\$ 12,000.00
New curb and gutter	LF	4650	\$ 15.00	\$ 69,750.00
New Sidewalk	SF	13810	\$ 6.00	\$ 82,860.00
New ADA Ramp	EA	5	\$ 3,500.00	\$ 17,500.00
Signing and Markings	LS	1	\$ 50,000.00	\$ 50,000.00
Traffic Signal	EA	1	\$ 350,000.00	\$ 350,000.00
Street lights	EA	9	\$ 2,800.00	\$ 25,200.00
Traffic Control	LS	1	\$ 50,000.00	\$ 50,000.00
SWPPP	LS	1	\$ 15,000.00	\$ 15,000.00

\$

1,082,910.00

Subtotal

\$ 108,291.00

Engineering 10%

\$ 270,727.50

Contingency 25%

\$

Construction 1,461,928.50

Total

Details

Type of Project: Other

Benefit to Community

This project will significantly improve traffic safety and mobility at the Union Street and 4th Avenue intersection through the installation of traffic signals, enhanced street lighting, and comprehensive roadway improvements. The design will widen 4th Avenue from one to two lanes in each direction with a center turn lane and dedicated bike lanes, while upgrading Union Avenue with a center turn lane. These improvements will reduce congestion, enhance pedestrian and cyclist safety, and improve overall traffic flow along this critical half-mile corridor serving the community.

Description of New Operating Costs

Following completion of the project, the City will assume ongoing operational and maintenance responsibilities associated with the new roadway improvements and traffic signals. The traffic signal is estimated to require approximately \$1,800 annually for routine operation and maintenance (based on NewWorld data). Pavement preservation and pavement striping/restriping are anticipated to occur during the same preservation cycle, with the first cycle projected approximately six years after project completion. Based on the current project quantities, pavement preservation and restriping are estimated at approximately \$26,448 per cycle in current dollars. Future costs will be escalated at 2% annually for CIP planning purposes. The estimated electricity cost for the traffic signals is about \$900 annually.

FY	Maintenance
FY2027	\$1,836
FY2028	\$1,873
FY2029	\$1,910
FY2030	\$1,948
FY2031	\$1,987
FY2032	\$2,027
FY2033	\$2,068
FY2034	\$33,097
FY2035	\$2,151
FY2036	\$2,194
FY2037	\$2,238
FY2038	\$2,283
FY2039	\$2,328
FY2040	\$2,375
FY2041	\$38,018
FY2042	\$2,471
FY2043	\$2,520
FY2044	\$2,571
FY2045	\$2,622

Capital Cost

FY2027 Budget

\$2.16M

Total Budget (all years)

\$2.16M

Project Total

\$2.16M

Detailed Breakdown

Category**FY2027***Adopted*

Construction/Maintenance

\$1,200,000

Other

\$900,000

Design

\$62,000**Total****\$2,162,000**

Funding Sources

FY2027 Budget

\$2.16M

Total Budget (all years)

\$2.16M

Project Total

\$2.16M

Detailed Breakdown

Category**FY2027***Adopted*

Highway User Fund

\$1,262,000

Grant

\$900,000**Total****\$2,162,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$11.2K

Project Total

\$11.2K

Detailed Breakdown

Category**FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Maintenance

\$1,836**\$1,873****\$1,910****\$1,948****\$7,567**

Utilities

\$900**\$900****\$900****\$900****\$3,600****Total****\$2,736****\$2,773****\$2,810****\$2,848****\$11,167**

Urtuzuastegui Street drainage Improvements and Beautification from 10th Ave to 6th Ave

Overview

Request Owner	Manuel Hernandez, Assistant Director of Public Works
Department	Streets
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

This project addresses drainage deficiencies and infrastructure deterioration along Urtuzuastegui Street (U Street) from 10th Avenue to 6th Avenue. The scope of work includes drainage system improvements to resolve persistent flooding issues, foundation repairs and mitigation controls to multiple segments of neighborhood CMU perimeter walls damaged by erosion along the Urtuzuastegui corridor, repainting of graffiti abated block wall system, and beautification of dirt areas to enhance the visual appeal of this important corridor. This multi-faceted approach resolves long-standing maintenance and infrastructure problems that have impacted the neighborhood for years.

Cost Breakdown:

1. CMU Wall erosion mitigation, \$50,000
2. Concrete work/spill ways, \$30,000
3. Gravel material, \$40,000
4. Paint for graffiti abated walls, \$15,000
5. Subtotal \$135,000
6. Contingency 10%, = \$13,500

Total: \$148,500

Images



U Street 2.png



U Street 1.png

Details

Type of Project: Other

Benefit to Community

This project addresses drainage deficiencies and infrastructure deterioration along Urtuzuastegui Street (U Street) from 10th Avenue to 6th Avenue. The scope of work includes drainage system improvements to resolve persistent flooding issues, foundation repairs and mitigation controls for multiple segments of neighborhood CMU perimeter walls damaged by erosion along the Urtuzuastegui corridor, repainting of the graffiti-abated block wall system, and beautification of dirt areas to enhance the visual appeal of this important corridor. This multifaceted approach resolves long-standing maintenance and infrastructure problems that have impacted the neighborhood for years.

Description of New Operating Costs

The project will create ongoing right-of-way and landscape maintenance requirements associated with the improved corridor and beautification improvements. For CIP planning purposes, maintenance is estimated at three employees for approximately 40 hours per month at a labor cost of \$30 per hour (with benefits). Assuming maintenance is required approximately once per month for 11 months per year (conservative number), the estimated recurring labor cost is \$39,600 annually. Future costs are escalated at 2% annually for CIP planning purposes.

Fiscal Year	ROW/Landscape Maintenance
FY2027	\$0 — Construction
FY2028	\$39,600
FY2029	\$40,392
FY2030	\$41,200
FY2031	\$42,024
FY2032	\$42,865
FY2033	\$43,722
FY2034	\$44,597
FY2035	\$45,489

Capital Cost

FY2027 Budget

\$149K

Total Budget (all years)

\$149K

Project Total

\$149K

Detailed Breakdown

Category	FY2027 Adopted
Construction/Maintenance	\$148,500
Total	\$148,500

Funding Sources

FY2027 Budget

\$149K

Total Budget (all years)

\$149K

Project Total

\$149K

Detailed Breakdown

Category

FY2027

Adopted

Highway User Fund

\$148,500**Total****\$148,500**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$163K

Project Total

\$163K

Detailed Breakdown

Category

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

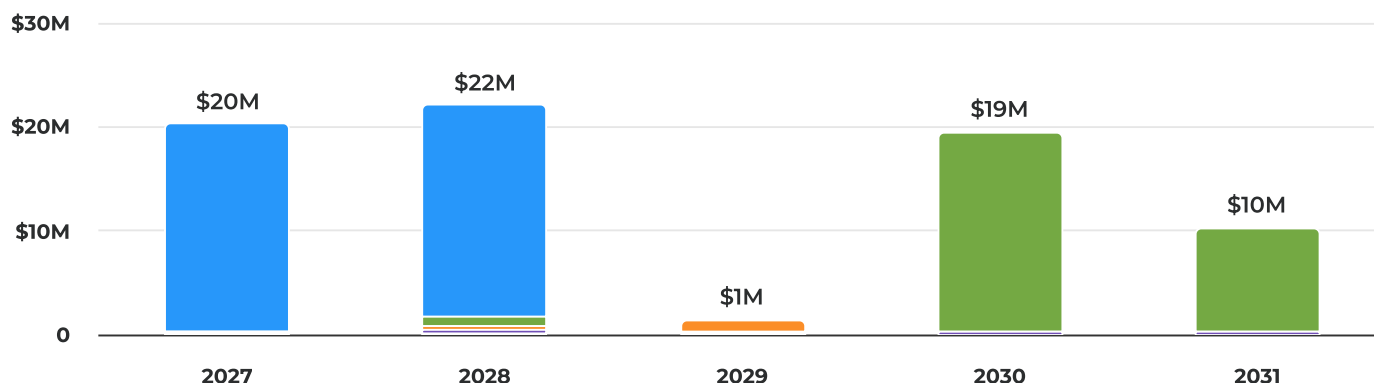
*Adopted***Total**

Maintenance

\$39,600**\$40,392****\$41,200****\$42,024****\$163,216****Total****\$39,600****\$40,392****\$41,200****\$42,024****\$163,216**

Wastewater Operations

FY27 - FY31 Wastewater Operations Projects



● West Wastewater Treatment Plant Expansion Construction (Inc. Building & FM) - Construction and Design	\$40,380,000	54.94%
● East WWTP Expansion Design & Construction	\$30,200,000	41.09%
● SCADA - Supervisory Control and Data Acquisition - Wastewater	\$1,300,000	1.77%
● Sewer Manhole Repairs and Replacements Annual Program	\$1,250,000	1.70%
● New CAT Backhoe	\$180,000	0.24%
● 2026 Ford F-550 Regular Cab DRW 4WD Dump Truck	\$110,000	0.15%
● High School Lift Station Generator	\$80,000	0.11%

Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
West Wastewater Treatment Plant Expansion Construction (Inc. Building & FM) - Construction and Design	\$20,000,000	\$20,380,000	\$0	\$0	\$0	\$40,380,000
East WWTP Expansion Design & Construction	\$0	\$1,000,000	\$0	\$19,200,000	\$10,000,000	\$30,200,000
SCADA - Supervisory Control and Data Acquisition - Wastewater	\$0	\$300,000	\$1,000,000	\$0	\$0	\$1,300,000
Sewer Manhole Repairs and Replacements Annual Program	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
New CAT Backhoe	\$0	\$180,000	\$0	\$0	\$0	\$180,000
2026 Ford F-550 Regular Cab DRW 4WD Dump Truck	\$0	\$0	\$110,000	\$0	\$0	\$110,000
High School Lift Station Generator	\$80,000	\$0	\$0	\$0	\$0	\$80,000
Total Summary of Requests	\$20,330,000	\$22,110,000	\$1,360,000	\$19,450,000	\$10,250,000	\$73,500,000

2026 Ford F-550 Regular Cab DRW 4WD Dump Truck

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Wastewater Operations
Type	Capital Equipment

Description

The wastewater department is in need of a 2026 Ford F-550 Regular Cab DRW 4WD Dump Truck.

Details

New Purchase or Replacement: New

New or Used Vehicle: New Vehicle

Benefit to Community

This will give the wastewater department the tools they need to be more efficient. This equipment will be a major enhancement to the wastewater department that will increase the department's reliability and performance.

Description of New Operating Costs

The vehicle operating cost is based on the use of gas and oil and regular vehicle maintenance, which may include brakes, tires, fluids and filters and other consumables.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$110K	\$110K

Detailed Breakdown

Category	FY2029 <i>Adopted</i>
Vehicle Cost	\$110,000
Total	\$110,000

Funding Sources

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$110K	\$110K

Detailed Breakdown

Category	FY2029 <i>Adopted</i>
Wastewater Fund	\$110,000
Total	\$110,000

Operational Costs

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$15K	\$15K

Detailed Breakdown

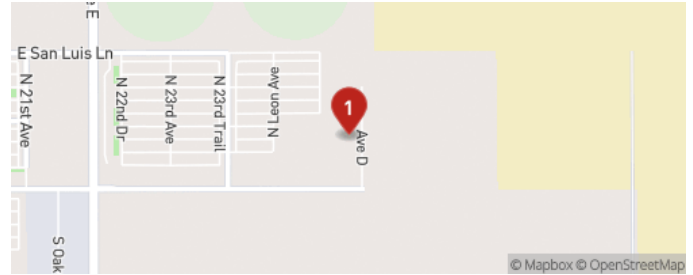
Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$3,000	\$3,000	\$3,000	\$9,000
Gas/Oil	\$2,000	\$2,000	\$2,000	\$6,000
Total	\$5,000	\$5,000	\$5,000	\$15,000

East WWTP Expansion Design & Construction

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Wastewater Operations
Type	Capital Improvement
Estimated Start Date	07/3/2028
Estimated Completion Date	06/30/2031

Project Location



Description

The east side of San Luis has experienced incredible growth in recent years. This growth has caused an increase in flow to the East Wastewater Treatment Plant. The East Wastewater Treatment Plant needs to increase its current treatment capacity from 1 million gallons per day (MGD) to 2 or potentially 4 MGD. This capacity increase will allow for an increase in home and commercial development.

Details

Type of Project: New Construction

Benefit to Community

This project will benefit the community by adding capacity for sewer treatment and allowing growth.

Description of New Operating Costs

Operating costs are based on four operators at the plant, utility services and general maintenance costs once the expansion is complete. The operational cost may vary from year to year as the plant ages, utility rates change and staffing needs change.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$30.2M

Project Total

\$30.2M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$19,200,000	\$10,000,000	\$29,200,000
Design	\$1,000,000	\$0	\$0	\$1,000,000
Total	\$1,000,000	\$19,200,000	\$10,000,000	\$30,200,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$30.2M

Project Total

\$30.2M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Wastewater Fund	\$1,000,000	\$19,200,000	\$10,000,000	\$30,200,000
Total	\$1,000,000	\$19,200,000	\$10,000,000	\$30,200,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Personnel

Utilities

Maintenance

Total

High School Lift Station Generator

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Wastewater Operations
Type	Capital Improvement
Estimated Start Date	07/1/2025
Estimated Completion Date	06/30/2027

Project Location



Description

High School LS is in need of backup power for compliance and operational needs. The project includes furnishing and installing a new standby diesel generator and is intended to improve the reliability and resilience of the City's wastewater collection system by providing a permanent emergency backup power source for the existing lift station.

Details

Type of Project: Improvement

New Purchase or Replacement: New

Benefit to Community

High School LS is in need of backup power for compliance and operational needs. The installation of a backup power generator will ensure service continuity in the event of power loss from the grid provider.

Description of New Operating Costs

The new operating cost will entail fuel purchase and annual maintenance by a third party provider.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$80K	\$80K	\$80K

Detailed Breakdown

Category	FY2027 Adopted
Equipment/Vehicle/Furnishings	\$80,000
Total	\$80,000

Funding Sources

FY2027 Budget

\$80K

Total Budget (all years)

\$80K

Project Total

\$80K

Detailed Breakdown

Category

FY2027

Adopted

Wastewater Fund

\$80,000**Total****\$80,000**

Operational Costs

FY2027 Budget

\$250

Total Budget (all years)

\$8.25K

Project Total

\$8.25K

Detailed Breakdown

Category

FY2027

Adopted

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Maintenance

\$0

\$1,600

\$1,700

\$1,800

\$1,900

\$7,000

Gas/Oil

\$250

\$250

\$250

\$250

\$250

\$1,250**Total****\$250****\$1,850****\$1,950****\$2,050****\$2,150****\$8,250**

New CAT Backhoe

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Wastewater Operations
Type	Capital Equipment

Description

The wastewater department is in need of a new CAT Backhoe.

Details

New Purchase or Replacement: Replacement

New or Used Vehicle: New Vehicle

Benefit to Community

This will give the wastewater department the tools they need to be more efficient. This equipment will be a major enhancement to the wastewater department that will increase the department's reliability and performance.

Description of New Operating Costs

The vehicle operating cost is based on the use of gas and oil and regular vehicle maintenance, which may include brakes, tires, fluids and filters and other consumables. This piece of equipment is used less than a regular truck but also has some other features that require maintenance, like a hydraulic system.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$180K

Project Total

\$180K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Vehicle Cost	\$180,000
Total	\$180,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$180K

Project Total

\$180K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
Wastewater Fund	\$0	\$180,000	\$180,000
Total	\$0	\$180,000	\$180,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$14K

Project Total

\$14K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Gas/Oil	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000
Maintenance	\$0	\$2,000	\$2,000	\$2,000	\$6,000
Total	\$2,000	\$4,000	\$4,000	\$4,000	\$14,000

SCADA - Supervisory Control and Data Acquisition - Wastewater

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Wastewater Operations
Type	Capital Improvement
Estimated Start Date	07/1/2023
Estimated Completion Date	06/30/2030

Description

Supervisory Control and Data Acquisition (SCADA) — Water & Wastewater automated control for treatment, distribution and collection facilities.

Details

Type of Project: Improvement

Benefit to Community

SCADA will provide a more reliable, resilient and better performing wastewater system.

Description of New Operating Costs

SCADA operating cost can vary depending on the size of the deployment. Cost is estimated based on a system assessment from PACE from April 2024. The system includes 14 lift stations and 2 treatment plants.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$1.3M	\$1.3M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Construction/Maintenance	\$300,000	\$1,000,000	\$1,300,000
Total	\$300,000	\$1,000,000	\$1,300,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$1.3M

Project Total

\$1.3M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Wastewater Fund	\$300,000	\$1,000,000	\$1,300,000
Total	\$300,000	\$1,000,000	\$1,300,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$105K

Project Total

\$105K

Detailed Breakdown

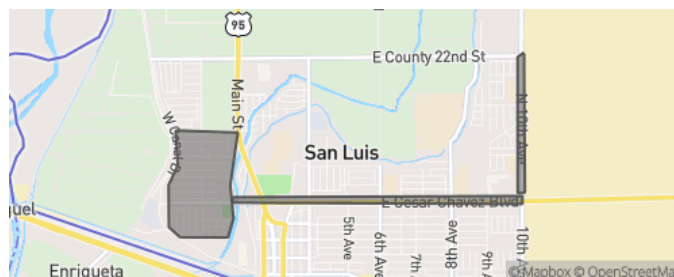
Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$35,000	\$35,000	\$35,000	\$105,000
Total	\$35,000	\$35,000	\$35,000	\$105,000

Sewer Manhole Repairs and Replacements Annual Program

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Wastewater Operations
Type	Capital Improvement
Estimated Start Date	06/1/2023
Estimated Completion Date	06/30/2033

Project Location



Description

Wastewater Operations Division is requesting funding to repair or replace 10 manholes within the sanitary sewer system per year. The earliest part of our city had an aging sanitary sewer system. Our Wastewater Operations Division has identified that many manholes need critical repairs and replacements.

Details

Type of Project: Improvement

Benefit to Community

This project will benefit the community by having a more reliable, resilient and better performing wastewater system.

Description of New Operating Costs

Operating costs will only entail cleaning the sewer force main as regularly done by the collections division. Therefore, no additional operating costs will be incurred in the next 5 years. Polymer Manholes have a 50-year life warranty. At the 10-year mark we may need to replace the frame and cover.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$250K	\$1.25M	\$1.25M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Total	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Funding Sources

FY2027 Budget

\$250K

Total Budget (all years)

\$1.25M

Project Total

\$1.25M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Wastewater Fund	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Total	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0

West Wastewater Treatment Plant Expansion Construction (Inc. Building & FM) - Construction and Design

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Wastewater Operations
Type	Capital Improvement
Estimated Start Date	01/1/2025
Estimated Completion Date	12/30/2028

Project Location



Description

The West Wastewater Treatment Plant is an aging plant that is in need of rehabilitation, process and system upgrades, and additional capacity. This capacity increase will allow for an increase in home and commercial development. The recommendation is to add more capacity, install new screening units, modify pipping to allow better flow, repair structural basins, repair pumps, and relocate the chlorine disinfecting system. The project also includes a new building for the wastewater department to include offices, lab area, storage, etc. During the FY25 budget request, PW added an 8% inflation factor to the prior cost estimate of \$24M, bringing the request to \$26M.

MBR Purchase — FY25 \$1M–FY26 \$2M

Headworks Purchase — FY25 \$800K - FY26 \$1.5M

Dewatering Purchase — FY25 \$300K - FY26 \$600K

PACE Design & Construction Services and CEI Consulting

Details

Type of Project: New Construction

Benefit to Community

The City of San Luis continues to be one of the fastest-growing cities in the State of Arizona. The West Wastewater treatment plant is already at 80% capacity. It is critical that we continue to ensure that the city's wastewater treatment capability and capacity are adequate for both near and long-term residential, industrial and commercial growth. Added capacity for sewer treatment will benefit the community by having better service and the ability to keep growing.

Description of New Operating Costs

Operating cost is based on four operators at the plant for the additional added capacity, utility services and general maintenance costs. The operational cost may vary from year to year as the plant ages, utility rates change and staffing needs change.

Capital Cost

FY2027 Budget

\$20M

Total Budget (all years)

\$40.4M

Project Total

\$40.4M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
Construction/Maintenance	\$19,400,000	\$20,000,000	\$39,400,000
Engineering	\$600,000	\$380,000	\$980,000
Total	\$20,000,000	\$20,380,000	\$40,380,000

Funding Sources

FY2027 Budget

\$20M

Total Budget (all years)

\$40.4M

Project Total

\$40.4M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
Wastewater Fund	\$19,400,000	\$20,000,000	\$39,400,000
Impact Fees	\$600,000	\$380,000	\$980,000
Total	\$20,000,000	\$20,380,000	\$40,380,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$1.34M

Project Total

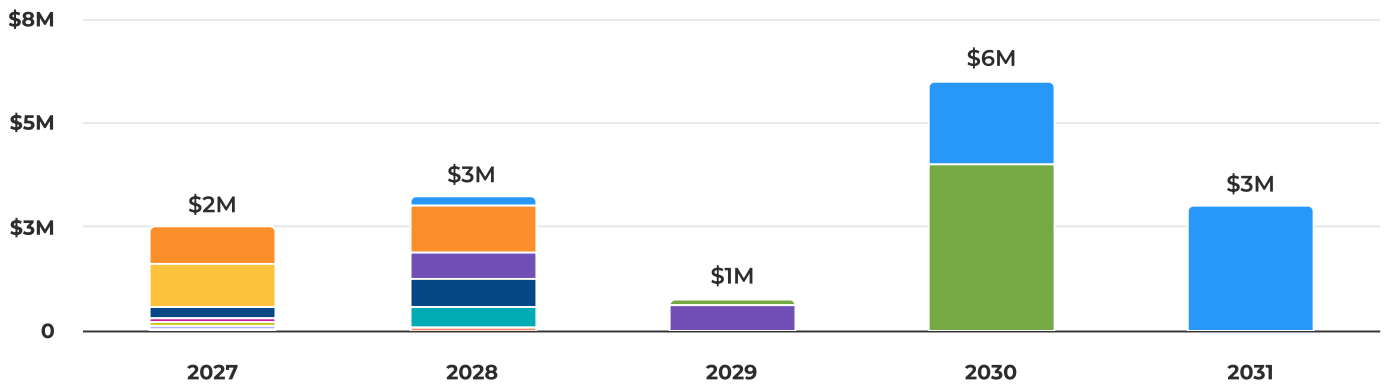
\$1.34M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$0	\$0	\$230,000	\$230,000	\$230,000	\$690,000
Personnel	\$0	\$0	\$200,000	\$200,000	\$200,000	\$600,000
Utilities	\$0	\$0	\$15,000	\$15,000	\$15,000	\$45,000
Total	\$0	\$0	\$445,000	\$445,000	\$445,000	\$1,335,000

Water Operation

FY27 - FY31 Water Operation Projects



Well Site 6 - New Groundwater Well and MTU (Potentially create a new well site #8)	\$5,200,000	33.61%
Well Site 7 - New Water Storage Tank	\$4,150,000	26.83%
WS6 Electrical and Booster Station Improvements - Continuation	\$2,050,000	13.25%
SCADA - Supervisory Control and Data Acquisition - Water	\$1,220,000	7.89%
Well Site #4 - Water Storage Tank and Pressure Tanks Rehabilitation	\$1,000,000	6.46%
Well Site #3 - Entire Electrical Upgrade and Civil/Repiping Improvements	\$1,000,000	6.46%
Hydro excavating Truck	\$500,000	3.23%
WS7 Operations Building Expansion - Continuation	\$100,000	0.65%
New 2026 Chevrolet Service Truck w/ Crane	\$90,000	0.58%
Case Construction 588H Forklift 4Wd	\$85,000	0.55%
New 2026 Chevrolet Service Truck	\$65,000	0.42%
ADWR Assured Water Supply Update - Continuation	\$10,000	0.06%

Summary of Requests

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Well Site 6 - New Groundwater Well and MTU (Potentially create a new well site #8)	\$0	\$200,000	\$0	\$2,000,000	\$3,000,000	\$5,200,000
Well Site 7 - New Water Storage Tank	\$0	\$0	\$150,000	\$4,000,000	\$0	\$4,150,000
WS6 Electrical and Booster Station Improvements - Continuation	\$900,000	\$1,150,000	\$0	\$0	\$0	\$2,050,000
SCADA - Supervisory Control and Data Acquisition - Water	\$0	\$610,000	\$610,000	\$0	\$0	\$1,220,000

Category	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Well Site #4 - Water Storage Tank and Pressure Tanks Rehabilitation	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000
Well Site #3 - Entire Electrical Upgrade and Civil/Repiping Improvements	\$300,000	\$700,000	\$0	\$0	\$0	\$1,000,000
Hydro excavating Truck	\$0	\$500,000	\$0	\$0	\$0	\$500,000
WS7 Operations Building Expansion - Continuation	\$100,000	\$0	\$0	\$0	\$0	\$100,000
New 2026 Chevrolet Service Truck w/ Crane	\$90,000	\$0	\$0	\$0	\$0	\$90,000
Case Construction 588H Forklift 4Wd	\$85,000	\$0	\$0	\$0	\$0	\$85,000
New 2026 Chevrolet Service Truck	\$0	\$65,000	\$0	\$0	\$0	\$65,000
ADWR Assured Water Supply Update - Continuation	\$10,000	\$0	\$0	\$0	\$0	\$10,000
Total Summary of Requests	\$2,485,000	\$3,225,000	\$760,000	\$6,000,000	\$3,000,000	\$15,470,000

ADWR Assured Water Supply Update - Continuation

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	12/30/2026

Description

Professional services to update the 100-year assured water supply designation with ADWR.

Details

Type of Project: Improvement

Benefit to Community

100-year assured water supply designation with ADWR.

Description of New Operating Costs

This project does not have any operating costs since it is a design of the designation.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$10K	\$10K	\$10K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Engineering	\$10,000
Total	\$10,000

Funding Sources

FY2027 Budget

\$10K

Total Budget (all years)

\$10K

Project Total

\$10K

Detailed Breakdown

Category

FY2027*Adopted*

Water Fund

\$10,000**Total****\$10,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

FY2027*Adopted*

Maintenance

\$0**Total****\$0**

Case Construction 588H Forklift 4Wd

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Equipment

Description

The water department is in need of a Case Construction 588H Forklift 4Wd.

Details

New Purchase or Replacement: New

New or Used Vehicle: New Vehicle

Benefit to Community

This will give the water department the tools they need to be more efficient. This equipment will be a major enhancement to the water department that will increase the department's reliability and performance.

Description of New Operating Costs

The vehicle operating cost is based on the use of gas and oil and regular vehicle maintenance, which may include brakes, tires, fluids and filters and other consumables. This piece of equipment is used less than a regular truck but also has some other features that require maintenance, like a hydraulic system.

Capital Cost

FY2027 Budget

\$85K

Total Budget (all years)

\$85K

Project Total

\$85K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Vehicle Cost	\$85,000
Total	\$85,000

Funding Sources

FY2027 Budget

\$85K

Total Budget (all years)

\$85K

Project Total

\$85K

Detailed Breakdown

Category

FY2027

Adopted

Water Fund

\$85,000**Total****\$85,000**

Operational Costs

FY2027 Budget

\$500

Total Budget (all years)

\$10.5K

Project Total

\$10.5K

Detailed Breakdown

Category

FY2027

Adopted

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Maintenance

\$0

\$2,000

\$2,000

\$2,000

\$2,000

\$8,000

Gas/Oil

\$500

\$500

\$500

\$500

\$500

\$2,500**Total****\$500****\$2,500****\$2,500****\$2,500****\$2,500****\$10,500**

Hydro excavating Truck

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Equipment

Description

Hydro excavation, often referred to as hydrovac, is a modern, non-destructive digging technique that uses pressurized water and a powerful vacuum to remove soil and debris. This method provides an alternative to traditional excavation, delivering high precision that minimizes damage to underground utilities, tree roots, and surrounding structures. Hydrovac trucks come in various sizes and capacities, from compact trailers and non-CDL trucks to larger industrial-grade models, catering to diverse projects from utility potholing to trenching and daylighting.

Compared to traditional mechanical excavation, hydro excavation is faster, requires fewer workers, and eliminates the need for extensive backfilling. This not only saves on labor and material costs but also reduces the environmental impact, preserving natural landscapes and minimizing disruption. While hydro excavation may require a larger initial investment in equipment, its efficiency, reduced need for backfill, and lower accident risk contribute to its long-term cost-effectiveness.

Details

New Purchase or Replacement: New

New or Used Vehicle: New Vehicle

Benefit to Community

This will give the water department the tools they need to be more efficient. This equipment will be a major enhancement to the water department and will increase the department's reliability and performance.

Description of New Operating Costs

A vehicle this size will have a larger diesel tank of about 88 gallons and may be filled every other week. Plus oil, grease, DEF and other maintenance expenses.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$500K

Project Total

\$500K

Detailed Breakdown

Category	FY2028 Adopted
Vehicle Cost	\$500,000
Total	\$500,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$500K

Project Total

\$500K

Detailed Breakdown

Category

FY2028*Adopted*

Water Fund

\$500,000**Total****\$500,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$68K

Project Total

\$68K

Detailed Breakdown

Category

FY2028*Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Gas/Oil

\$12,000

\$12,000

\$12,000

\$12,000

\$48,000

Maintenance

\$5,000

\$5,000

\$5,000

\$5,000

\$20,000**Total****\$17,000****\$17,000****\$17,000****\$17,000****\$68,000**

New 2026 Chevrolet Service Truck

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Equipment

Description

The water department is in need of a 2026 Chevrolet Silverado 2500HD.

Details

New Purchase or Replacement: New **Useful Life:** 7

New or Used Vehicle: New Vehicle

Benefit to Community

This will give the water department the tools they need to be more efficient. This equipment will be a major enhancement to the water department and will increase the department's reliability and performance.

Description of New Operating Costs

Operating costs are calculated on regular oil changes and fueling as well as new tires every three years. Some other unexpected costs may arise.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$65K	\$65K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>
Vehicle Cost	\$65,000
Total	\$65,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$65K

Project Total

\$65K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
Water Fund	\$0	\$65,000	\$65,000
Total	\$0	\$65,000	\$65,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$12.6K

Project Total

\$12.6K

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Gas/Oil	\$3,000	\$3,000	\$3,000	\$3,000	\$12,000
Maintenance	\$150	\$150	\$150	\$150	\$600
Total	\$3,150	\$3,150	\$3,150	\$3,150	\$12,600

New 2026 Chevrolet Service Truck w/ Crane

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Equipment

Description

The water department is in need of a 2026 Chevrolet Silverado 2500HD with Crane.

Details

New Purchase or Replacement: Replacement **Useful Life:** 7

New or Used Vehicle: New Vehicle

Benefit to Community

This will give the water department the tools they need to be more efficient. This equipment will be a major enhancement to the water department and will increase the department's reliability and performance.

Description of New Operating Costs

Operating costs are calculated on regular oil changes and fueling as well as new tires every three years. Some other unexpected costs may arise.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$90K	\$90K	\$90K

Detailed Breakdown

Category	FY2027 <i>Adopted</i>
Vehicle Cost	\$90,000
Total	\$90,000

Funding Sources

FY2027 Budget

\$90K

Total Budget (all years)

\$90K

Project Total

\$90K

Detailed Breakdown

Category

FY2027*Adopted*

Water Fund

\$90,000**Total****\$90,000**

Operational Costs

FY2027 Budget

\$7.95K

Total Budget (all years)

\$40.4K

Project Total

\$40.4K

Detailed Breakdown

Category

FY2027*Adopted***FY2028***Adopted***FY2029***Adopted***FY2030***Adopted***FY2031***Adopted***Total**

Gas/Oil

\$7,800

\$7,800

\$7,800

\$7,800

\$7,800

\$39,000

Maintenance

\$150

\$150

\$800

\$150

\$150

\$1,400**Total****\$7,950****\$7,950****\$8,600****\$7,950****\$7,950****\$40,400**

SCADA - Supervisory Control and Data Acquisition - Water

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Description

Supervisory Control and Data Acquisition (SCADA)— Water & Wastewater automated control for treatment, distribution and collection facilities.

Details

Type of Project: Improvement

Benefit to Community

This project will benefit the water department by having a more reliable, resilient and better performing water system.

Description of New Operating Costs

SCADA operating cost can vary depending on the size of the deployment. Cost is estimated based on a system assessment from PACE from April 2024.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$1.22M	\$1.22M

Detailed Breakdown

Category	FY2028 Adopted	FY2029 Adopted	Total
Construction/Maintenance	\$610,000	\$0	\$610,000
Design	\$0	\$610,000	\$610,000
Total	\$610,000	\$610,000	\$1,220,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$1.22M

Project Total

\$1.22M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2029 <i>Adopted</i>	Total
Water Fund	\$610,000	\$610,000	\$1,220,000
Total	\$610,000	\$610,000	\$1,220,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$105K

Project Total

\$105K

Detailed Breakdown

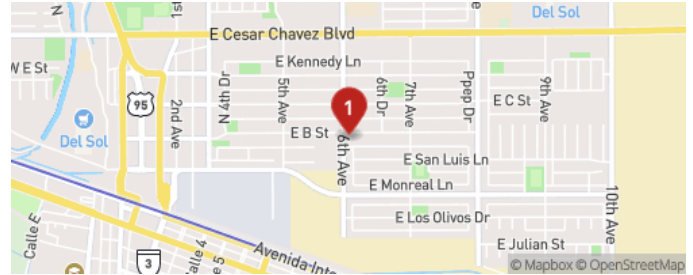
Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$35,000	\$35,000	\$35,000	\$105,000
Total	\$35,000	\$35,000	\$35,000	\$105,000

Well Site #3 - Entire Electrical Upgrade and Civil/Repiping Improvements

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Improvement
Estimated Start Date	07/1/2025
Estimated Completion Date	06/30/2027

Project Location



Description

Well Site #3 needs an entire electrical upgrade and civil/repiping improvement.

Details

Type of Project: Improvement

Benefit to Community

This project will provide a more reliable, resilient and better performing water system.

Description of New Operating Costs

Operating costs will remain as current. System upgrades entail replacing outdated equipment, but capacity will remain the same. Adding maintenance annually and contemplating the replacing of a major component in year 5.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$300K	\$1M	\$1M

Detailed Breakdown

Category	FY2027 Adopted	FY2028 Adopted	Total
Construction/Maintenance	\$300,000	\$700,000	\$1,000,000
Total	\$300,000	\$700,000	\$1,000,000

Funding Sources

FY2027 Budget

\$300K

Total Budget (all years)

\$1M

Project Total

\$1M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
Water Fund	\$300,000	\$700,000	\$1,000,000
Total	\$300,000	\$700,000	\$1,000,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$15K

Project Total

\$15K

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Maintenance	\$5,000	\$5,000	\$5,000	\$15,000
Total	\$5,000	\$5,000	\$5,000	\$15,000

Well Site #4 - Water Storage Tank and Pressure Tanks Rehabilitation

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2027

Project Location



Description

Rehabilitation project for the water storage tanks at well site 4, which has a 500,000 gallon capacity. The project will entail a full roof replacement and other appurtenances.

Details

Type of Project: Improvement

Benefit to Community

This project will provide a more reliable, resilient and better performing water system.

Description of New Operating Costs

The storage tank will periodically require draining, cleaning and touch-ups. Every 2 to 5 years. The storage tank may require a full rehab after 10 years of service, based on recent COSL tank history.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$1M	\$1M	\$1M

Detailed Breakdown

Category	FY2027 Adopted
Construction/Maintenance	\$950,000
Engineering	\$25,000
Design	\$25,000
Total	\$1,000,000

Funding Sources

FY2027 Budget

\$1M

Total Budget (all years)

\$1M

Project Total

\$1M

Detailed Breakdown

Category

FY2027*Adopted*

Water Fund

\$1,000,000**Total****\$1,000,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$40K

Project Total

\$40K

Detailed Breakdown

Category

FY2030*Adopted*

Maintenance

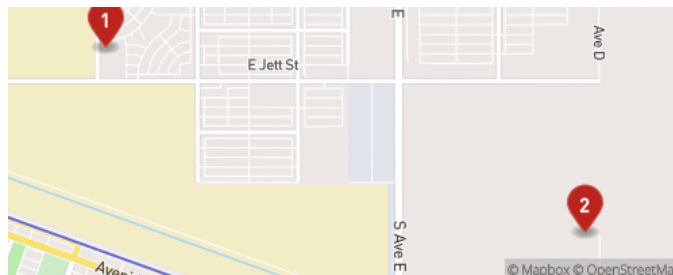
\$40,000**Total****\$40,000**

Well Site 6 - New Groundwater Well and MTU (Potentially create a new well site #8)

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Improvement
Estimated Start Date	07/1/2027
Estimated Completion Date	06/30/2030

Project Location



Description

In July 2022, James Davey And Associates Inc was hired to provide a Water Systems Improvement Report. The report identified four phases of improvement to the current water storage, treatment, and distribution system. This is part of the improvements.

Details

Type of Project: New Construction

Benefit to Community

This project will provide a more reliable, resilient and better performing water system.

Description of New Operating Costs

Operating costs will be added for future years once site location is determined and the capacity of the system complete. Such costs involve additional personnel, maintenance, electricity, and supplies as needed.

Capital Cost

FY2027 Budget

\$0

Total Budget (all years)

\$5.2M

Project Total

\$5.2M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$2,000,000	\$3,000,000	\$5,000,000
Design	\$200,000	\$0	\$0	\$200,000
Total	\$200,000	\$2,000,000	\$3,000,000	\$5,200,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$5.2M

Project Total

\$5.2M

Detailed Breakdown

Category	FY2028 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Water Fund	\$200,000	\$2,000,000	\$3,000,000	\$5,200,000
Total	\$200,000	\$2,000,000	\$3,000,000	\$5,200,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Personnel

Utilities

Supplies

Maintenance

Total

Well Site 7 - New Water Storage Tank

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Improvement
Estimated Start Date	07/1/2026
Estimated Completion Date	06/30/2029

Project Location



Description

Water system improvement for the storage tank for Well Site 7.

Details

Type of Project: New Construction

Benefit to Community

This project will provide a more reliable, resilient and better performing water system.

Description of New Operating Costs

The estimated maintenance cost is added to the concept of having a concrete tank that will only require pressure washing services about every three years. If the tank is constructed out of metal, the cost of maintenance will be completely different and may entail about \$1,000,000 in cost every 5–10 years.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$0	\$4.15M	\$4.15M

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Construction/Maintenance	\$0	\$4,000,000	\$4,000,000
Design	\$150,000	\$0	\$150,000
Total	\$150,000	\$4,000,000	\$4,150,000

Funding Sources

FY2027 Budget

\$0

Total Budget (all years)

\$4.15M

Project Total

\$4.15M

Detailed Breakdown

Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	Total
Water Fund	\$150,000	\$4,000,000	\$4,150,000
Total	\$150,000	\$4,000,000	\$4,150,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$0

Project Total

\$0

Detailed Breakdown

Category

Maintenance

Total

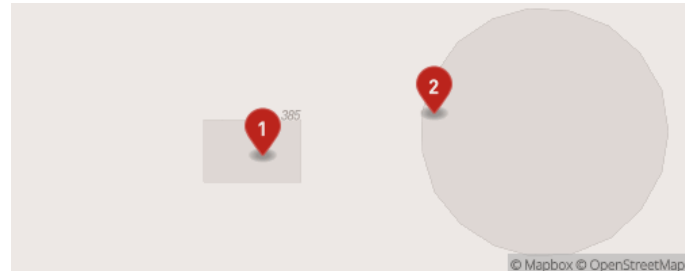
WS6 Electrical and Booster Station Improvements - Continuation

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Improvement
Estimated Start Date	07/1/2025
Estimated Completion Date	06/30/2027

Project Location

385 Avenue F 1/2



Description

Based on the analysis conducted in this report, an additional booster pump station is proposed for Well Site 6 to address increasing water demands in the East Zone of the City of San Luis.

The recommended improvements include:

- Addition of three new pumps: 1,100 gpm (75 HP) pump, with new concrete pad and shade canopy.
- Upgrading electrical service, including a new 1,600-A MCC, 71,000-kVA utility transformer, and an 800-kW / 1,000-kVA standby generator.

Details

Type of Project: Improvement

Benefit to Community

This project will provide a more reliable, resilient and better performing system.

Description of New Operating Costs

Maintenance is estimated on the new pumps only, as well as for added power needs. It may be required to replace a pump at a certain point, which is being estimated in year 5.

Capital Cost

FY2027 Budget

\$900K

Total Budget (all years)

\$2.05M

Project Total

\$2.05M

Detailed Breakdown

Category	FY2027 Adopted	FY2028 Adopted	Total
Construction/Maintenance	\$900,000	\$1,150,000	\$2,050,000
Total	\$900,000	\$1,150,000	\$2,050,000



Funding Sources

FY2027 Budget

\$900K

Total Budget (all years)

\$2.05M

Project Total

\$2.05M

Detailed Breakdown

Category	FY2027 <i>Adopted</i>	FY2028 <i>Adopted</i>	Total
Water Fund	\$900,000	\$1,150,000	\$2,050,000
Total	\$900,000	\$1,150,000	\$2,050,000

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$90K

Project Total

\$90K

Detailed Breakdown

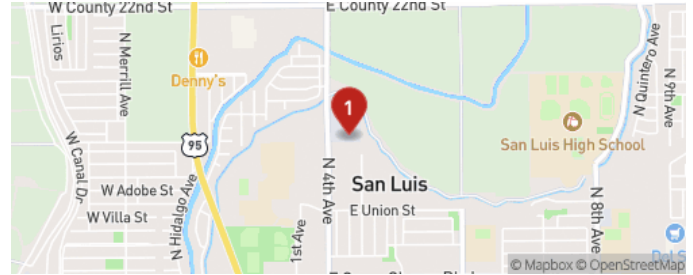
Category	FY2029 <i>Adopted</i>	FY2030 <i>Adopted</i>	FY2031 <i>Adopted</i>	Total
Utilities	\$25,000	\$25,000	\$25,000	\$75,000
Maintenance	\$5,000	\$5,000	\$5,000	\$15,000
Total	\$30,000	\$30,000	\$30,000	\$90,000

WS7 Operations Building Expansion - Continuation

Overview

Request Owner	Jorge Perez, Assistant Director of Public Works
Department	Water Operation
Type	Capital Improvement
Estimated Start Date	01/1/2026
Estimated Completion Date	09/30/2026

Project Location



Description

Construction of a new building expansion of the existing Water Development Building at 1311 4th Avenue, San Luis AZ. The new building expansion is approx. 2,000 sq ft with accompanying site development. The building is a Pre-Engineered Metal Building (PEMB) provided by the Owner.

Details

Type of Project: New Construction

Benefit to Community

Enables a more reliable, resilient and better performing water system operation.

Description of New Operating Costs

Operating costs will include building maintenance of all nature to include HVAC, rollup doors, pest control, electrical and plumbing as well as janitorial services.

Capital Cost

FY2027 Budget	Total Budget (all years)	Project Total
\$100K	\$100K	\$100K

Detailed Breakdown

Category	FY2027 Adopted
Construction/Maintenance	\$100,000
Total	\$100,000

Funding Sources

FY2027 Budget

\$100K

Total Budget (all years)

\$100K

Project Total

\$100K

Detailed Breakdown

Category

FY2027

Adopted

Water Fund

\$100,000**Total****\$100,000**

Operational Costs

FY2027 Budget

\$0

Total Budget (all years)

\$416K

Project Total

\$416K

Detailed Breakdown

Category

FY2028

Adopted

FY2029

Adopted

FY2030

Adopted

FY2031

*Adopted***Total**

Personnel

\$100,000

\$100,000

\$100,000

\$100,000

\$400,000

Maintenance

\$2,000

\$2,000

\$2,000

\$2,000

\$8,000

Utilities

\$1,000

\$1,000

\$1,000

\$1,000

\$4,000

Supplies

\$1,000

\$1,000

\$1,000

\$1,000

\$4,000**Total****\$104,000****\$104,000****\$104,000****\$104,000****\$416,000**

Appendix

Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest).

ACFR: Annual Comprehensive Financial Report — A detailed report of an organization's financial activities and performance over the fiscal year.

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Assets: Items owned by an organization that have economic value, such as cash, investments, property, and equipment.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent nonrecurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from the community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Capital Expenditure: is the money spent by the government on the development of machinery, equipment, building, health facilities, education, etc.

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Flow: The movement of money into or out of an organization, showing its liquidity and ability to meet financial obligations.

Cash Management: The process of monitoring the ebb and flow of money in and out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

Compliance: Adherence to relevant laws, regulations, and internal policies governing financial reporting and operations.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery — direct, indirect, and capital costs — are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Equity: The residual interest in the assets of an organization after deducting liabilities, representing the owners' stake in the business.

Estimated Receipts: A term that typically refers to anticipated local revenues, often based on the previous year's receipts and represents funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Financial Statements: Reports summarizing an organization's financial activities and position, including the balance sheet, income statement, and cash flow statement.

Fiscal Year: The 12-month period for which an organization plans the use of its funds, typically not the same as the calendar year.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated, such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

Fund Balance: Fund Balance is the total accumulation of operating surpluses and deficits since the beginning of a local government's existence. The Fund Balance Formula: $\text{Fund Balance} = \text{Assets} - \text{Liabilities}$.

GAAP: Generally Accepted Accounting Principles — Standard accounting principles, standards, and procedures that companies use to compile their financial statements.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, roads, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other post employment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Internal Controls: Policies and procedures implemented by an organization to ensure the reliability of financial reporting and compliance with laws and regulations, aiming to prevent fraud and errors.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Liabilities: Debts or obligations owed by an organization, including loans, accounts payable, and accrued expenses.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Net Income: The difference between an organization's revenues and expenses, representing its profit or loss for a specific period.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Proprietary Funds: Funds used to record the financial transactions of governmental entities when they engage in activities that are intended to recover the cost of providing goods or services to the general public on a user-fee basis.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenues: Inflows of resources or other enhancements of assets of an organization, usually from sales of goods or services.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves, and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.