



CITY OF SAN LUIS

BUDGET



FISCAL YEAR 2024-2025



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INTRODUCTION



Budget Message

July 31, 2024

Honorable Mayor and City Council,

I am pleased to present the proposed operating and capital budget for the City of San Luis for the fiscal year starting July 1st, 2024, and ending June 30th, 2025, which also includes the City's capital improvement plan for FY 2025 through FY 2030. This budget, totaling \$129.5 million, reflects our commitment to maintaining the City's financial strength while delivering the high-quality public services our community expects.

The budget increase of \$21 million for FY 2025 is primarily driven by capital projects and personnel costs. Although the overall budget amount appears lower than last year, this is due to the exclusion of the Cesar Chavez Blvd project, which was included in the FY 2024 budget with \$33 million in federal and state grant funding. Since this project will now be managed by the state, it has not been included in the FY 2025 budget.

Our prudent financial management has enabled the City to maintain a robust financial position. This budget is structurally balanced, aligning reoccurring revenues with ongoing expenses and investing one-time revenues on immediate needs. Thanks to our responsible fiscal practices, we have built substantial reserve funds, with FY 2025 marking the highest reserve account balance in the City's history, surpassing \$33 million—four times more than required by City policy and sound budgeting practices. This allows us to undertake significant community infrastructure improvements while maintaining solid reserves.

Revenue growth has slowed overall, with sales tax revenue being the only increase, up 12 percent over the previous year. State shared urban income tax has temporarily decreased due to a flat tax rate, standing at 23 percent below the prior year. Additionally, collections from state shared road funds and vehicle license tax have fallen by 5 percent and 4 percent, respectively.

However, we remain cautious about the future. Sales tax revenues are volatile, tied to economic cycles. As almost half of our General Fund revenue comes from sales tax, we must be mindful of potential economic downturns.

Inflation, once considered transitory, remains high, with a Consumer Price Index increase of 3.1 percent in January 2024 compared to the previous year. The Federal Reserve's ongoing rate hikes, which have raised the benchmark rate from near zero to 5.25 percent as of June 2024, continue to introduce uncertainty into financial and housing markets. While inflationary pressures have started to ease, elevated rates remain necessary to ensure inflation trends towards the target levels.



Inflation, combined with labor shortages, compels us to maintain competitive compensation for employees. The FY 2025 budget includes funding for time-in-position and increases to ensure our employees' compensation remains competitive with other cities and private businesses in the county.

Operating Budget

The City of San Luis adheres to a prudent financial practice by preparing a comprehensive five-year financial forecast for major funds. This ensures that ongoing revenues align with ongoing expenditures throughout the forecast period.

The FY 2025 operating budget stands at \$91.3 million, reflecting a 4.2 percent increase from the previous year. The General Fund, which comprises 38 percent of the total operating budget, amounts to \$34.6 million. Below are the key highlights from the proposed operating budget:

Revenue Enhancement: The budget incorporates utility rate increases for water, wastewater, and solid waste rates. These adjustments follow the rate study adopted in the previous fiscal year, ensuring adequate funding for operational and capital improvements. Despite these changes, the City of San Luis maintains competitive rates compared to other cities.

Service Provision: Adequate funding is allocated to departments to enable them to deliver essential services to City of San Luis residents and businesses.

Workforce Enhancement: The budget includes the addition of 21 positions, with a particular focus on the Public Services and Growth areas.

Employee Compensation: An allocation of eight hundred fifty thousand dollars has been designated for salary adjustments and promotions, aimed at aligning employee compensation with market rates. This reflects our ongoing commitment to investing in our workforce.

Reserve Maintenance: The budget ensures that reserves remain at a level equivalent to at least 3 months of operational expenditures, securing the City's fiscal stability.

This comprehensive approach safeguards the City's financial health while enabling strategic investments in vital areas, ultimately benefiting City of San Luis residents and businesses.

Budget Priorities

City Council's budget priorities, as discussed during study sessions and council meetings, reflect a strong commitment to enhancing our community's well-being and economic prosperity. These priorities include:

Road Infrastructure Expansion: Our city's streets are a vital component of our infrastructure. Regular maintenance and investment are essential to ensure their safety and functionality. Neglecting our streets can result in potholes, cracks, and safety hazards. The Highway User Revenue Fund (HURF)



supports 16 street projects, including street lighting, road widening, and street roadway construction.

Water Infrastructure: The FY25 water budget includes several important capital projects aimed at improving the city's water infrastructure, enhancing operational efficiency, and ensuring long-term reliability. Key initiatives include the rehabilitation of storage tanks #6 and #7 to extend their service life and maintain the city's infrastructure. Additionally, the construction of a new 2-million-gallon storage tank and distribution lines at well site 7 will significantly improve the city's water storage capacity. A new groundwater well, treatment unit, and filtration system at well site 5 are also planned, replacing the aging well sites 1 and 2 to ensure continued reliability and compliance. Improvements to the Cesar Chavez Blvd water line further demonstrate the city's commitment to modernizing and expanding its water system.

Wastewater Infrastructure: The FY25 wastewater budget includes a series of critical capital projects aimed at improving wastewater operations, ensuring regulatory compliance, and supporting the city's long-term growth. Major projects include upgrades to the Cesar Chavez Blvd wastewater main, relocation of the Escondido lift station, and rehabilitation of the Lakin Lift Station wet well. In addition, significant improvements are planned for the East Wastewater Treatment Plant, and design work for the expansion of the West Wastewater Treatment Plant is underway. The expansion of the West Wastewater Treatment Plant, a key project in the Capital Improvement Plan (CIP), will be funded through a new bond or WIFA loan. This investment will enhance capacity and ensure the city's infrastructure meets future demands, supporting both environmental sustainability and public health.

Parks and Recreation: Parks and recreational spaces significantly contribute to residents' quality of life, offering opportunities for relaxation, physical activity, social interaction, and appreciation of nature. Our Council prioritizes the construction of East Parks.

Economic Development: In FY25, our focus remains on driving economic growth through key infrastructure and development projects, continuing our commitment to expanding revenue sources and enhancing the city's prosperity. Building on the completion of the Downtown Redevelopment Master Plan, this year includes several critical initiatives, such as the development of downtown parking facilities, ongoing drainage improvements, and electric vehicle charging stations.

Moreover, the San Luis Land Port of Entry I Modernization Project continues, with the estimated completion of Phase I by Fall 2025, which will double vehicle processing lanes. The entire project, including pedestrian lane expansions and building upgrades in Phase II, is projected for completion by Fall of 2028. These investments are expected to stimulate economic growth by attracting businesses, fostering job creation, and enhancing the overall infrastructure of San Luis.



These projects, along with the revitalization efforts on Merrill Avenue, downtown drainage, and highway infrastructure, reflect our dedication to maintaining the economic vitality of our community and ensuring sustainable growth for years to come.

Capital Planning

Looking ahead to the future of the City of San Luis, our commitment to improving residents' quality of life remains paramount. To achieve this, we meticulously review and update our Capital Improvement Program (CIP) annually. The CIP outlines a five-year plan for improvements and identifies funding sources for these projects. In our latest CIP update, we've carefully assessed community needs, reprioritized projects, and synchronized their timing and funding. This approach ensures a balanced set of amenities that align with City Council goals and community requirements. Our five-year CIP reinforces Mayor and Council primary issues:

1. Maintaining and Enhancing Infrastructure: We are dedicated to preserving and improving existing infrastructure, including streets, parks, and utility systems.

2. Completing Planned Projects: Our focus is on finishing ongoing construction initiatives before embarking on new capital projects.

3. Master Plans as Guidance: We rely on master plans to guide our long-term capital investments, ensuring a strategic approach to development.

4. Balancing Priorities: We strive to manage inflation, workload, and timely project completion while emphasizing high-visibility and grant-funded initiatives.

For the fiscal year 2024-25, our appropriated capital budget is \$38.5 million, with a proposed 2025-2030 CIP budget of \$112.3 million.

These investments predominantly target water and sewer infrastructure:

Significant water projects include \$3.8 million for construction of a new well site 7, \$4.3 for a new groundwater well, treatment unit, and filtration system at well site 5, and water tank storage rehabilitation for tanks 6 and 7.

On the wastewater side, we allocate \$28 million for the West plant expansion and \$11.5 million for the East plant expansion.

In addition to the downtown redevelopment and the modernization of the port of entry, our 10-year CIP encompasses various facility and roadway enhancements. Notable projects involve the expansion of Cesar Chavez Boulevard and parking improvements, as well as continued support for the operations of the new East fire and police stations.



Equally vital is the maintenance of our existing assets. Therefore, the CIP encompasses various projects related to the replacement and refurbishment of buildings and equipment. For example, the City Hall Complex, constructed in 2007, is slated for roof repair and paint maintenance in the FY 2026 CIP.

Our CIP reflects our dedication to enhancing the city's infrastructure, expanding crucial facilities, and maintaining what we already own. This strategic approach ensures the sustained growth and well-being of our community for years to come.

ACKNOWLEDGEMENTS

The proposed budget reflects the city's commitment to investing in City Council priorities. This wouldn't have been possible without the strong partnership between the City Council and our staff. I extend my sincere thanks to the Mayor and City Council for their guidance and support in developing this budget. I would also like to acknowledge the hard work of the Finance Department staff, the City Manager's office, department heads, and all city employees who contributed to making the FY 2025 budget a reality. Your dedication and collaboration have set the stage for progress in our community. Thank you for your efforts, and I look forward to the positive impact of this budget on the City of San Luis.

Respectfully,

Roula J. de Encinas

Director of Finance



Budget Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of San Luis
Arizona**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morrill

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, 2023. 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, Chief of Police, and Chief of Fire.



MAYOR
NIEVES RIEDEL



VICEMAYOR
GLORIA TORRES



COUNCIL MEMBER
MARIA CECILIA CRUZ

Key Officials and Staff

MAYOR AND COUNCIL CONTINUED



COUNCIL MEMBER
TADEO AZAEL DE LA HOYA



COUNCIL MEMBER
MATIAS ROSALES



COUNCIL MEMBER
LUIS E. CABRERA



COUNCIL MEMBER
JAVIER VARGAS

Key Officials and Staff

EXECUTIVE TEAM

Acting City Manager	Jenny Torres
Assistant City Manager	Jenny Torres
Attorney	Kay Macuil
City Clerk	Sonia Cornelio
City Prosecutor	Amanda Mahon
Director of Economic Development	Jesus A. Esparza
Director of Parks and Recreation	Angelica Roldan
Acting Director of Finance	Roula Encinas
Fire Chief	Angel Ramirez
Police Chief	Nigel Reynoso
Director of Human Resources	Adela Cortez
Acting Information Technology Manager	Fernando Corona
City Magistrate	Danae Figueroa
Director of Development Services	Jose A. Guzman
Director of Public Works	Eulogio Vera

ACKNOWLEDGEMENTS

Acting Director of Finance	Roula Encinas
Finance Accounting Manager	Miguel Ramirez
Accountant I	Carolina Corral
Accounting Specialist	Karla 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



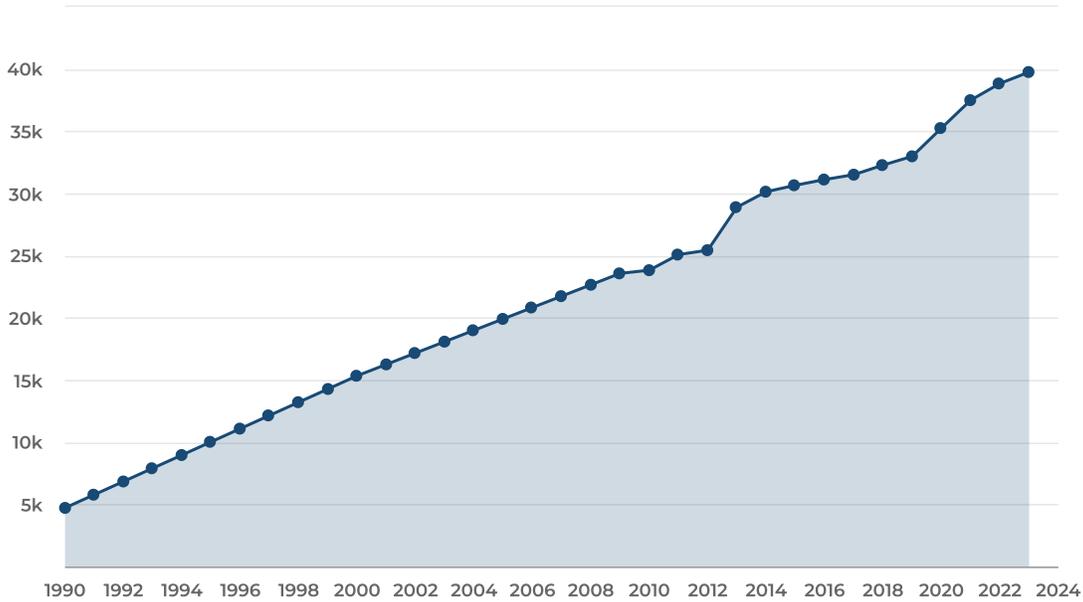
TOTAL POPULATION

39,761

▲ **2.4%**
vs. 2022

GROWTH RANK

5 out of **92**
Municipalities in Arizona



* Data Source: Client entered data for year 2023



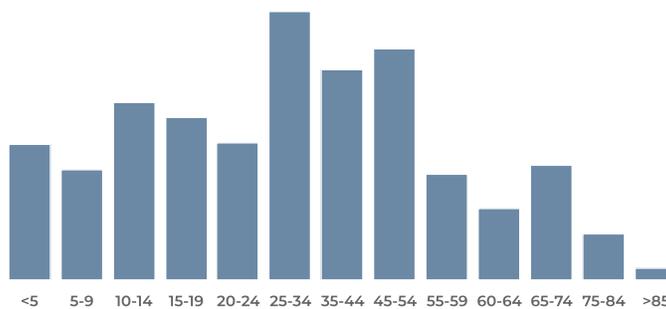
DAYTIME POPULATION

29,052

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.

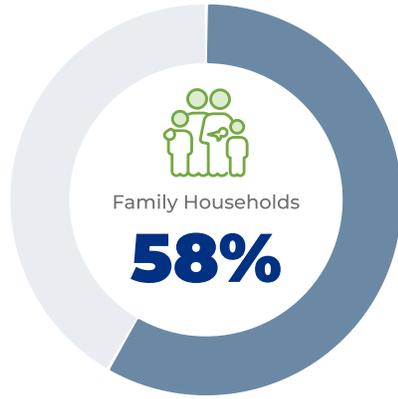
* Data Source: American Community Survey 5-year estimates

Household Analysis

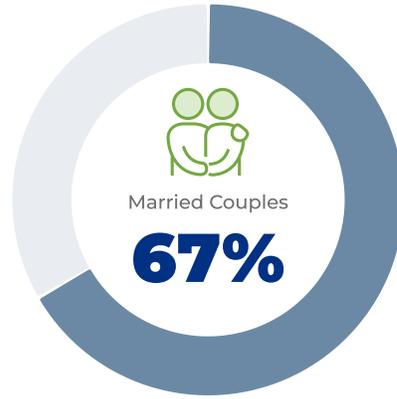
TOTAL HOUSEHOLDS

8,846

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.



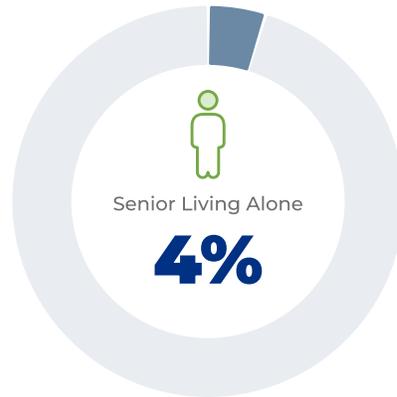
▲ **24%**
higher than state average



▲ **41%**
higher than state average



▼ **72%**
lower than state average

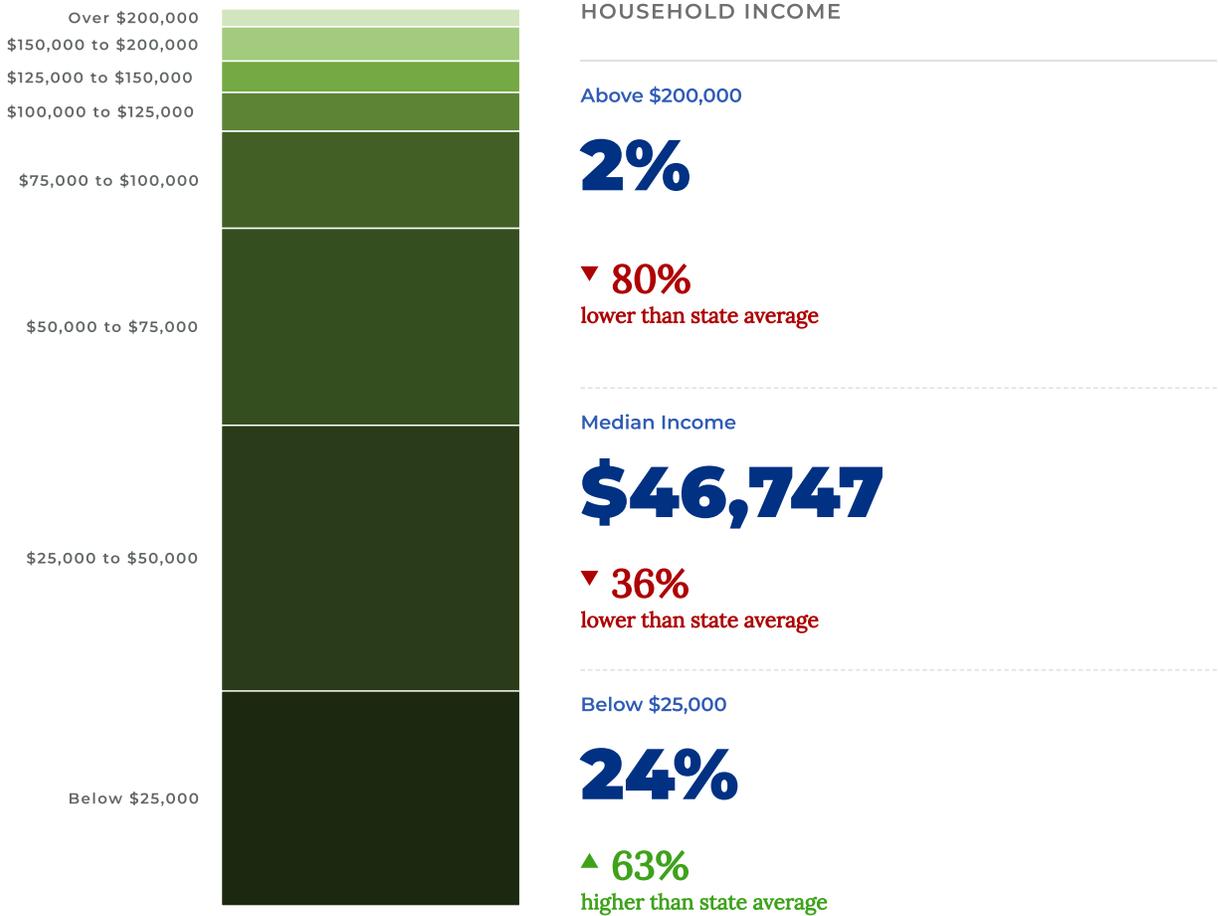


▼ **70%**
lower than state average

* 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.



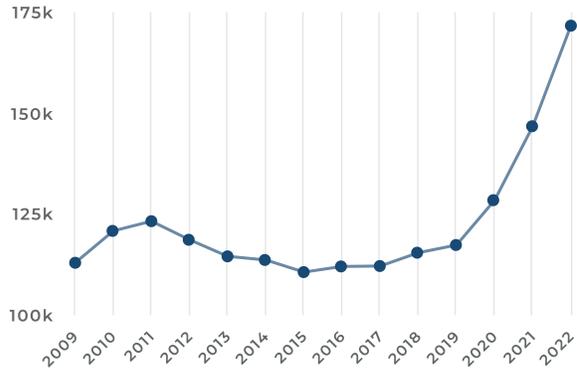
* Data Source: American Community Survey 5-year estimates

Housing Overview



2022 MEDIAN HOME VALUE

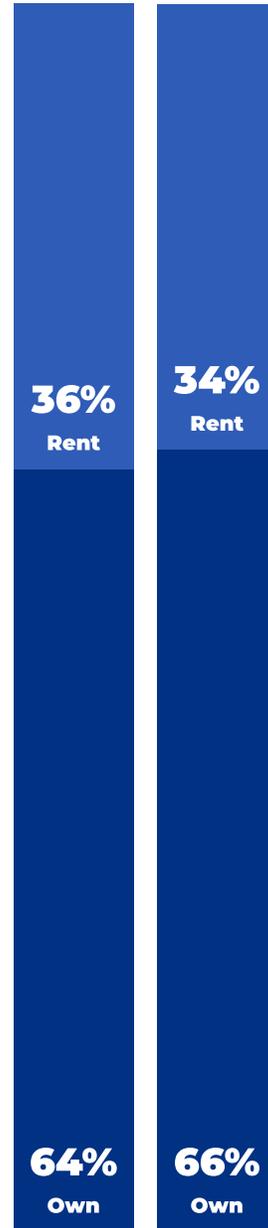
\$171,700



* Data Source: 2022 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

HOME OWNERS VS RENTERS

San Luis State Avg.



* Data Source: 2022 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

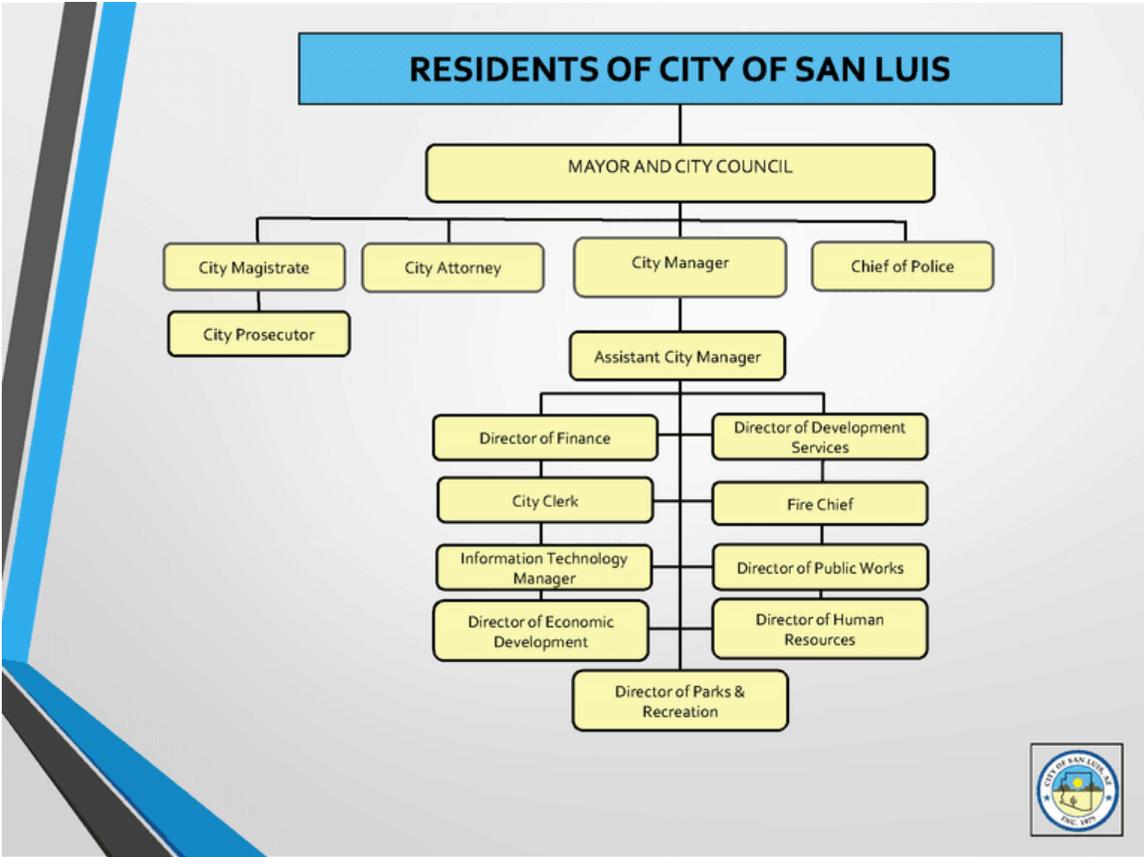
HOME VALUE DISTRIBUTION



* Data Source: 2022 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.



Organization Chart



STRATEGIC PLAN



Strategic Plan

VISION

San Luis is a welcoming binational city that is built on agriculture, 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 2025 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.



Economy



Public Services

A strong and healthy economy is the backbone for vibrant, thriving communities, and the driving force for improved quality of life. Employing a proactive approach to economic development fosters long-term prosperity in a continually changing regional and global economy. The Economy Theme covers three elements that provide a foundation for growing and sustaining a strong economy in San Luis: Economic Development, Community Revitalization, and Arts and Culture.

Well-planned, quality municipal services have a direct correlation with the enhancement of the quality of life of residents and businesses. Clean and maintained streets provide for safe and efficient travel. Dedicated and responsive law enforcement, fire, and emergency medical services provide for the public safety of the community. Quality parks provide for passive and active recreational activities and support healthy and active lifestyles. Modern water and wastewater infrastructure and services support the orderly and planned growth and development of the community.



Environment



Growth

The natural environment is a valuable, yet often sensitive resource that shapes a community's character. Careful planning is necessary to provide a balance between the built and natural environments and to protect the natural resources that contribute to the quality of life in San Luis. The Environment Theme covers four elements that integrate environmental protection with community growth: Environmental Planning, Conservation, Open Space, and Energy.

Growth and development of the community is influenced by many separate, yet interrelated elements. The Growth Theme explores community topics related to future growth and development of San Luis with high quality and safe neighborhoods, vibrant shopping areas, and supporting employment uses. These topics contribute to the sense of place and the vision of how San Luis will look, feel, and function as it grows and develops into the future.

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 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.

Strategic Goals



Economy

- Strategic Goal: To accommodate the city's economic expansion, we recognize the importance of infrastructure development. We will allocate funds for 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 financial sustainability. We will actively seek opportunities to diversify our revenue sources, such as exploring new tax revenue options, Utility income, promoting economic development, and leveraging grants. Diversification will reduce dependency on a single revenue stream, enhancing our resilience to economic fluctuations.

Growth and public service

- Strategic Goal: Our primary commitment is to foster balanced growth and enhance public services through integrated urban development. We will focus on strategic planning and zoning to accommodate growth while maintaining the quality of public services and finalize the adoption of the parks, paths and trails Master Plan, the Downtown Mixed-Use Rezoning project, and the comprehensive subdivision regulations.

- Strategic Goal: To ensure growth is aligned with the needs of our residents, we will prioritize community engagement. We will establish channels for residents to provide input on public service improvements and development projects. This includes regular town hall meetings, surveys, and online platforms to gather feedback and make data-driven decisions to enhance public services effectively.
- Strategic Goal: Accommodating the city's growth requires a proactive approach to infrastructure expansion. We will allocate resources to expand roads, utilities, and public facilities in growing neighborhoods. Throughout this fiscal year, we will continuously work in several street improvements including county 22nd Street and 4th Ave, Union Street and 4th Ave intersection and 10th Ave and Los alamos curve. These investments will enhance public services and support community development in areas experiencing population growth.
- Strategic Goal: Our overarching vision encompasses fostering sustainable growth, generating job opportunities, and enhancing the quality of life for all our residents. We will prioritize initiatives that promote sustainability such as the San Luis Port of Entry, and work towards successful completion by fall 2028

Objectives and Priorities

Throughout the year, the City Council and our dedicated staff engage in ongoing discussions to identify priorities and delve into financial matters during council work sessions. These deliberations serve as the crucible for shaping strategic objectives that harmonize with the City's overarching strategic plan. Additionally, our annual financial retreat provides a valuable opportunity to assess our progress, meticulously scrutinize financial data, establish and evaluate financial targets, and engage in candid dialogues regarding concerns and potential opportunities.

As an integral part of our meticulous budget preparation process, we have outlined key priorities within the budget itself, strategically aligned with the City's overarching strategic plan:

Preservation of Resident Services: Our utmost commitment revolves around maintaining and enhancing the quality and breadth of services we provide to our valued residents.

Employee Retention and Attraction: Addressing the pressing challenge of employee retention and recruitment is of paramount concern to us. To address this, we have earmarked \$850,000 thousand within the budget to align salaries with competitive industry standards, following a structured salary progression plan. Furthermore, we are instituting an Incentive Program aimed at retaining our public safety personnel. This program is thoughtfully designed to foster commitment to employment in the City of San Luis, thereby mitigating shortages in labor markets and strengthening recruitment efforts, especially for positions that pose recruitment challenges.

Expansion of Road Infrastructure: The FY25 budget emphasizes the continued expansion and enhancement of road infrastructure to support the growing needs of the City of San Luis. Key projects include improvements to critical intersections such as Co. 22nd Street and Sidewinder Road, as well as the Co. 22nd and 4th Avenue Intersection, which will both see the installation of traffic signals to improve traffic flow and safety. Additional projects include 10th Avenue and Los Alamos curve and addressing the Avenue B shoulder improvements, both of which will help improve road capacity and accessibility. Moreover, drainage improvements are planned at various locations, such as Liberty Street and 7th Place, ensuring better management of water runoff and increasing roadway durability. The budget also allocates resources for the Cesar Chavez Boulevard Streetlight project, which will enhance safety along this key corridor. A significant portion of the budget is also dedicated to the Cesar Chavez Blvd project, which includes the city's matching contribution with ADOT, ensuring that this major infrastructure upgrade proceeds as planned. Other essential initiatives include road improvements at 5th Avenue and Kennedy Lane, resurfacing efforts, and ongoing beautification projects. These investments are crucial for maintaining the city's infrastructure, enhancing safety, and improving the overall efficiency of transportation networks as San Luis continues to grow.

Enhancement of Utility Services:



Our mission remains focused on delivering reliable and sustainable utility services to the residents of San Luis. In FY25, we will continue to make significant investments in both water and wastewater infrastructure to meet growing demand and modernize aging systems. This year's water budget includes major projects such as the installation of a new 2-million-gallon storage tank and distribution lines at Well Site 7, the rehabilitation of Water Storage Tank #6, and the implementation of MTU and filtration systems at Well Site 5, all critical to ensuring water quality and service reliability.

In wastewater, key projects include improvements to the Cesar Chavez Blvd wastewater main, the relocation of the Escondido Lift Station, and enhancements to the East Wastewater Treatment Plant. A major focus is also on the expansion of the West Wastewater Treatment Plant, which will be supported by a \$6 million investment to address capacity needs. These enhancements are vital to maintaining the city's infrastructure and ensuring we can continue to provide essential utility services in a sustainable and efficient manner. Additionally, a substantial investment in the AMI Automated Metering Infrastructure will further modernize our utility services, improving efficiency and customer service.

Investment in Parks and Recreation: Our unwavering commitment to enriching the community experience is reflected in our dedication of \$400,000 thousand to enhance the East Community Park.

Driving Economic Development and Elevating Quality of Life: Our overarching vision encompasses fostering economic growth, creating job opportunities, and enhancing the overall quality of life for all our residents. To tangibly realize this vision, we have allocated a substantial \$7.5 million within the City Economic Development budget, expressly dedicated to advancing this pivotal priority.

Collectively, these strategic initiatives form the bedrock of our fiscal year 2025 budget, embodying our steadfast commitment to the well-being and advancement of the City of San Luis and its diverse population.

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

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.



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.

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
	General Fund	Highway Users	Community Development	Debt Service	Non Mayor Funds	Enterprise Funds	Internal Service Fund	Detention Facility
Departments								
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							
Billings & Collections	x							
PW Administration	x							
Engineering	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, Assessment Districts					x			



Budget Process

The budget and financial plan for the City of San Luis is the policy document that reflects the goals and objectives of the City Council. The Council determines the priorities for the year, and staff develops a budget that best incorporates Council priorities and fits within the resources available.

The City Manager is responsible for implementing these policies and priorities, utilizing the allocation of available financial resources.

The annual review process provides the City with an opportunity to evaluate the services provided to the community's citizens. Programs are identified and evaluated, and the scope of service to be provided is defined. The staffing level needed to provide the service level deemed appropriate by the Council is then determined. Additionally, funding requirements and the level of effort to be provided are established.

Issues presented during the review and approval period include discussion topics about the Council retreats. Several work sessions took place in March and April to allow City staff to present major discussion points to the Council and the public. The goal is for the Council to make policy decisions and direct staff to budget priorities. This provides adequate time for the Council to gather input on major budget issues before preparing the budget. The Council reviews and discusses all personnel recommendations, operational expense recommendations, and the capital improvement plan. The Council arrives at a consensus for all decisions needed. The study sessions allow City management, departments, and the public to offer information and recommendations to the City Council.

The proposed budget is presented to the Council for tentative adoption before July. One public hearing is held on the content of the budget. Final adoption will occur before the end of the fiscal year. State law requires the operating budget to be all-inclusive. Therefore, the budget includes provisions for contingent revenues and expenditures that cannot be accurately determined when the budget is adopted (e.g., grants). The Resolution adopting the annual budget requires Council authorization for any expenditure on contingencies and the transfer of budget authority between funds.

The Arizona Constitution mandates an expenditure limitation on the amount the City can appropriate each fiscal year. Budget authority can be transferred between line items within a section. At year-end, division budgets are reviewed, and budget authority is transferred from contingencies by resolution as necessary. The Council can also amend total appropriations for a fund during the year by resolution if there is a corresponding increase/decrease in another fund so that the total appropriation is not exceeded.

Budget Timeline



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 Policies

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 service 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 sales revenue, interest revenue, trust and agency accounts, and federal and state grants.

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 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, capital projects, personnel line items to non-personnel items 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.
- City Council must approve budget adjustments between funds and the use of funds in the contingency account.

- Budget adjustments over \$50,000 between departments, capital projects, contingency transactions, and personnel line items to non-personnel items required City Council approval.
- Budget transfers between personnel line items to non-personnel line items within a department up to \$50,000 may be authorized with the approval of both the City Manager and Director of Finance.
- Department directors may authorize transfers within non-personnel budget lines at the same fund and Department.
- 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 re-budget 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.

Interfund 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 4 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.

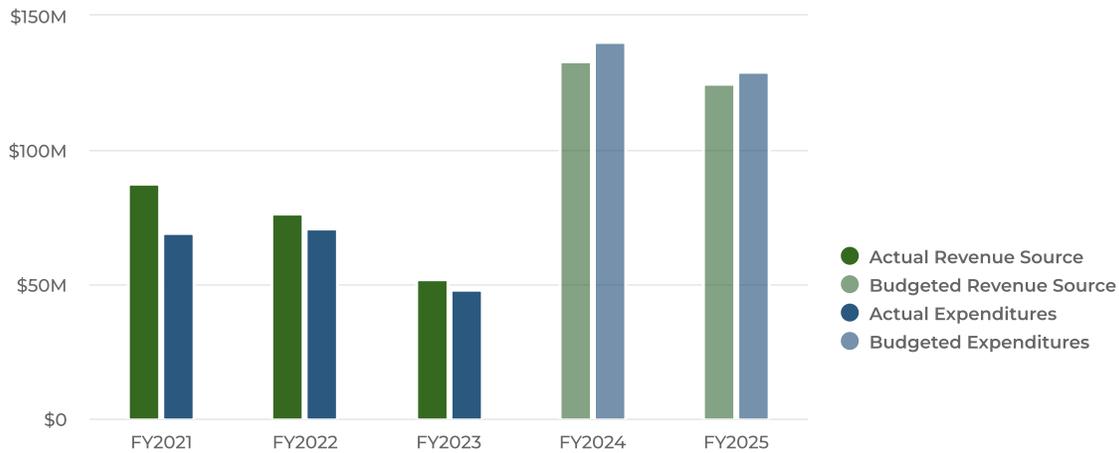
BUDGET AND FUND OVERVIEW





Summary

The council adopted the FY 2024-25 budget on June 26, 2024. City of San Luis budget is balanced with total resources equal to total expenditure appropriation within each fund, as well as in the aggregate. The City of San Luis is projecting \$125.2 M of revenue in FY2025, which represents a 6.2% decrease over the prior year. Budgeted expenditures are projected to decrease by 7.9% or \$11.0M to \$129.5 M in FY2025. Although the overall budget amount appears lower than last year, this is due to the exclusion of the Cesar Chavez Blvd project, which was included in the FY 2024 budget with \$32 million in federal and state grant funding. Since this project will now be managed by the state, it has not been included in the FY 2025 budget.



The proposed budget is a comprehensive financial plan that draws from multiple funding sources, such as fund balances, grants, and revenues. In order to ensure a balanced budget, we will also tap into reserves totaling \$4,283,300. It's important to note that we're carefully aligning these reserve funds with one-time expenditures while safeguarding the maintenance of minimum reserve levels. Our city's unwavering commitment remains focused on establishing and preserving a strong financial reserve position.

To provide a clear overview of the financial situation, the table below visually presents the estimated starting and ending fund balances for the upcoming budget year, as well as sources by major type and uses by spending component. It's worth noting that the fund balance has experienced an annual increase of 20.0%, mainly due to the carryover of capital projects into subsequent years.

However, looking ahead to FY 2025, we anticipate a 7% decrease in the fund balance. This projection aligns with the completion of many of the projects that were delayed in prior years.

Fund Balance Analysis

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget
Beginning Fund Balance:	\$38,163,563	\$43,977,673	\$47,848,697	\$47,848,697	\$57,242,358
Revenues					
Taxes	\$12,431,186	\$8,782,773	\$13,929,380	\$16,675,409	\$15,650,450
Intergovernmental	\$11,631,835	\$10,370,624	\$18,009,274	\$17,124,801	\$15,436,490
Licenses & Permits	\$739,853	\$526,097	\$726,830	\$1,239,704	\$893,160
Other Revenue	\$30,447,632	\$17,021,992	\$69,821,217	\$29,160,168	\$45,355,480
Charges For Services	\$13,031,672	\$9,812,273	\$15,881,708	\$16,820,825	\$17,551,650
Impact Fees	\$1,412,570	\$840,178	\$1,342,600	\$2,726,275	\$1,720,000
Rent	\$794,212	\$865,018	\$897,669	\$711,892	\$897,800
Fines & Forfeits	\$342,227	\$221,088	\$317,800	\$403,851	\$354,900
Special Assessments	\$584,632	\$339,744	\$826,270	\$796,439	\$973,200
Interest Revenue	\$77,227	\$1,107,667	\$789,600	\$3,830,489	\$589,300
HURF - Special Revenues	\$3,376,414	\$2,331,202	\$3,804,400	\$3,667,609	\$3,628,630
Other Financing Sources	\$1,933,065	\$0	\$7,105,602	\$3,056,282	\$22,156,400
Total Revenues:	\$76,802,525	\$52,218,657	\$133,452,350	\$96,213,744	\$125,207,460
Expenditures					
Salaries & Related Expenses	\$21,422,890	\$16,520,624	\$30,386,195	\$26,575,339	\$31,775,275
Supplies	\$1,534,454	\$1,109,895	\$2,054,137	\$1,984,872	\$2,355,496
Maintenance	\$5,983,138	\$3,003,258	\$4,445,595	\$7,383,049	\$5,341,005
Special Services	\$29,561,662	\$16,040,360	\$33,409,854	\$30,039,313	\$33,843,524
Contingencies	\$5,047	\$0	\$506,450	\$7,665	\$374,000
Other Financing Sources - Uses	\$1,933,065	\$0	\$7,105,602	\$3,320,254	\$7,156,400
Long Term Debt Service	\$5,457,891	\$3,569,716	\$9,769,220	\$10,256,373	\$10,491,460
Capital Items	\$5,090,268	\$8,103,781	\$52,871,893	\$7,253,217	\$38,153,600
Total Expenditures:	\$70,988,415	\$48,347,634	\$140,548,946	\$86,820,082	\$129,490,760
Total Revenues Less Expenditures:	\$5,814,110	\$3,871,024	-\$7,096,596	\$9,393,661	-\$4,283,300
Ending Fund Balance:	\$43,977,673	\$47,848,697	\$40,752,101	\$57,242,358	\$52,959,058

Summary of Changes Revenue - Proposed FY 2025 vs Adopted FY 2025

The table below provides a summary of changes from the proposed FY 2025 budget and the adopted FY 2025 budget.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
All Funds							
General Fund							
Taxes	\$12,431,186	\$8,782,773	\$13,929,380	\$16,675,409	\$15,650,450	0%	12.4%
Intergovernmental	\$11,432,034	\$10,262,290	\$17,789,274	\$16,908,872	\$15,216,490	0%	-14.5%
Licenses & Permits	\$739,853	\$526,097	\$726,830	\$1,239,704	\$893,160	0%	22.9%
Other Revenue	\$119,304	\$41,413	\$62,000	\$120,986	\$106,000	0%	71%
Charges For Services	\$70,020	\$37,572	\$55,740	\$67,601	\$44,650	0%	-19.9%
Rent	\$170,233	\$293,892	\$173,300	\$21,321	\$173,300	0%	0%
Fines & Forfeits	\$259,621	\$164,925	\$244,600	\$310,586	\$277,400	0%	13.4%
Interest Revenue	\$44,538	\$383,186	\$250,000	\$1,116,328	\$250,000	0%	0%
Total General Fund:	\$25,266,789	\$20,492,148	\$33,231,124	\$36,460,806	\$32,611,450	0%	-1.9%
Highway User Fund							
Other Revenue	\$37,442	\$300		\$10,251		N/A	N/A
Impact Fees	\$473,868	\$269,245	\$406,800	\$909,502	\$562,000	0%	38.2%
Interest Revenue	\$6,325	\$120,911	\$75,000	\$543,447	\$75,000	0%	0%
HURF - Special Revenues	\$3,376,414	\$2,331,202	\$3,804,400	\$3,667,609	\$3,628,630	0%	-4.6%
Other Financing Sources	\$149,178	\$0	\$3,477,320	\$1,279,621	\$3,214,430	-11.7%	-7.6%
Total Highway User Fund:	\$4,043,227	\$2,721,659	\$7,763,520	\$6,410,429	\$7,480,060	-5.4%	-3.7%
Grants							
Special Rev - Public Safety							
Intergovernmental	\$199,801	\$108,334	\$220,000	\$215,930	\$220,000	0%	0%
Other Revenue	\$616,213	\$340,069	\$1,790,000	\$1,076,222	\$2,661,080	-19.5%	48.7%
Charges For Services	\$46,752	\$36,494	\$100,000	\$93,813	\$100,000	0%	0%
Fines & Forfeits	\$5,676	\$4,145		\$7,331		N/A	N/A
Total Special Rev - Public Safety:	\$868,442	\$489,041	\$2,110,000	\$1,393,295	\$2,981,080	-17.8%	41.3%
Special Rev - Comm Development							
Other Revenue	\$1,184,180	\$916,702	\$39,474,017	\$632,491	\$10,028,180	0%	-74.6%
Other Financing Sources	\$143,556	\$0	\$1,368,506	\$103,361	\$1,407,090	3.8%	2.8%
Total Special Rev - Comm Development:	\$1,327,736	\$916,702	\$40,842,523	\$735,852	\$11,435,270	0.5%	-72%
Judicial Collection Enhancement							
Fines & Forfeits	\$76,930	\$52,018	\$73,200	\$85,935	\$77,500	0%	5.9%
Total Judicial Collection Enhancement:	\$76,930	\$52,018	\$73,200	\$85,935	\$77,500	0%	5.9%
Total Grants:	\$2,273,108	\$1,457,761	\$43,025,723	\$2,215,081	\$14,493,850	-3.9%	-66.3%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Employee Benefit Trust							
Other Revenue	\$2,962,414	\$2,021,042	\$3,339,900	\$2,892,150	\$4,094,000	N/A	22.6%
Interest Revenue	\$4,205	\$2,123	\$4,300	\$6,989	\$4,300	N/A	0%
Total Employee Benefit Trust:	\$2,966,618	\$2,023,165	\$3,344,200	\$2,899,138	\$4,098,300	N/A	22.5%
Water							
Other Revenue	\$118,794	\$94,469	\$115,000	\$1,748,290	\$3,419,920	0%	2,873.8%
Charges For Services	\$4,628,184	\$3,372,247	\$5,265,381	\$5,617,614	\$5,790,000	0%	10%
Impact Fees	\$129,881	\$93,221	\$131,700	\$277,670	\$178,000	0%	35.2%
Interest Revenue	-\$11,073	\$250,875	\$165,000	\$658,741	\$165,000	0%	0%
Total Water:	\$4,865,786	\$3,810,813	\$5,677,081	\$8,302,315	\$9,552,920	0%	68.3%
Wastewater							
Other Revenue	\$7,064	\$0		\$1,673,813	\$1,000	0%	N/A
Charges For Services	\$4,252,663	\$3,575,409	\$5,143,978	\$5,496,644	\$5,904,000	0%	14.8%
Impact Fees	\$207,308	\$143,183	\$201,100	\$447,177	\$300,000	0%	49.2%
Interest Revenue	\$17,010	\$144,935	\$95,000	\$379,513	\$95,000	0%	0%
Other Financing Sources	\$0	\$0			\$15,000,000	N/A	N/A
Total Wastewater:	\$4,484,045	\$3,863,527	\$5,440,078	\$7,997,146	\$21,300,000	238.1%	291.5%
Solid Waste							
Other Revenue	\$35,530	\$19,050	\$38,000	\$51,902	\$43,000	0%	13.2%
Charges For Services	\$1,605,233	\$1,359,667	\$1,966,609	\$2,144,247	\$2,363,000	0%	20.2%
Total Solid Waste:	\$1,640,763	\$1,378,717	\$2,004,609	\$2,196,149	\$2,406,000	0%	20%
Ambulance Service							
Other Revenue	\$1,003	\$1,972		\$256,749		N/A	N/A
Charges For Services	\$2,428,820	\$1,430,884	\$3,350,000	\$3,400,907	\$3,350,000	0%	0%
Interest Revenue				\$250		N/A	N/A
Total Ambulance Service:	\$2,429,824	\$1,432,856	\$3,350,000	\$3,657,906	\$3,350,000	0%	0%
SLDF-Detention Facility Corp							
Other Revenue	\$25,263,660	\$13,578,746	\$25,000,000	\$20,632,799	\$25,000,000	0%	0%
Interest Revenue	\$2,476	\$60,868	\$100,000	\$491,465		N/A	N/A
Total SLDF-Detention Facility Corp:	\$25,266,135	\$13,639,614	\$25,100,000	\$21,124,264	\$25,000,000	0%	-0.4%
Debt Service Fund							
Other Revenue	\$28	\$6,329		\$20,028		N/A	N/A



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Interest Revenue	\$5,849	\$81,777	\$100,000	\$471,017		N/A	N/A
Other Financing Sources	\$1,640,331	\$0	\$1,647,100	\$1,673,300	\$1,978,880	7%	20.1%
Total Debt Service Fund:	\$1,646,208	\$88,106	\$1,747,100	\$2,164,346	\$1,978,880	7%	13.3%
Impact Fees							
Other Revenue	\$7	\$0		\$6		N/A	N/A
Impact Fees	\$601,513	\$334,529	\$603,000	\$1,091,926	\$680,000	0%	12.8%
Interest Revenue	\$7,580	\$62,762		\$161,844		N/A	N/A
Total Impact Fees:	\$609,100	\$397,291	\$603,000	\$1,253,776	\$680,000	0%	12.8%
Assessment Districts							
Special Assessments	\$584,632	\$339,744	\$826,270	\$796,439	\$973,200	-2.7%	17.8%
Total Assessment Districts:	\$584,632	\$339,744	\$826,270	\$796,439	\$973,200	-2.7%	17.8%
Component Units							
SL Community Facilities District							
Rent	\$2,500	\$0	\$2,500	\$2,500	\$2,500	0%	0%
Total SL Community Facilities District:	\$2,500	\$0	\$2,500	\$2,500	\$2,500	0%	0%
Business Incubator							
Other Revenue	\$3,271	\$1,900	\$2,300	-\$12,768	\$2,300	0%	0%
Rent	\$86,805	\$71,126	\$121,869	\$125,454	\$122,000	0%	0.1%
Total Business Incubator:	\$90,076	\$73,026	\$124,169	\$112,686	\$124,300	0%	0.1%
Business Center							
Other Revenue	\$98,723	\$0		\$57,249		N/A	N/A
Rent	\$534,673	\$500,000	\$600,000	\$562,617	\$600,000	0%	0%
Interest Revenue	\$318	\$229	\$300	\$896		N/A	N/A
Other Financing Sources	\$0	\$0	\$612,676		\$556,000	0%	-9.3%
Total Business Center:	\$633,713	\$500,229	\$1,212,976	\$620,762	\$1,156,000	0%	-4.7%
Total Component Units:	\$726,289	\$573,255	\$1,339,645	\$735,948	\$1,282,800	0%	-4.2%
Total All Funds:	\$76,802,525	\$52,218,657	\$133,452,350	\$96,213,744	\$125,207,460	17%	-6.2%

Summary of Changes Expenditures - Proposed FY 2025 vs Adopted FY 2025

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
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Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
All Funds							
General Fund							
Salaries & Related Expenses	\$15,815,164	\$12,753,435	\$21,706,600	\$19,441,274	\$23,279,130	3.7%	7.2%
Supplies	\$954,365	\$633,576	\$1,174,007	\$1,179,669	\$1,516,796	-1.5%	29.2%
Maintenance	\$1,444,694	\$1,580,875	\$2,260,894	\$1,874,764	\$2,814,740	-0.1%	24.5%
Special Services	\$3,543,874	\$2,801,518	\$5,771,884	\$4,146,121	\$5,554,474	0.8%	-3.8%
Contingencies	\$0	\$0	\$506,450		\$300,000	0%	-40.8%
Other Financing Sources - Uses	\$1,671,724	\$0	\$5,866,382	\$2,792,312	\$5,499,310	-9%	-6.3%
Long Term Debt Service	\$85,552	\$59,182	\$82,460	\$116,010	\$36,100	0%	-56.2%
Non-Departmental	-\$2,513,439	-\$2,369,886	-\$4,044,193	-\$3,643,565	-\$4,409,480	0.1%	9%
Capital Items	\$3,190,914	\$1,592,650	\$1,372,392	\$2,770,642	\$697,370	-36.2%	-49.2%
Total General Fund:	\$24,192,849	\$17,051,349	\$34,696,876	\$28,677,227	\$35,288,440	-0.3%	1.7%
Highway User Fund							
Salaries & Related Expenses	\$989,743	\$864,291	\$1,411,430	\$1,169,456	\$1,371,790	0.7%	-2.8%
Supplies	\$21,829	\$30,039	\$50,950	\$71,518	\$55,450	0%	8.8%
Maintenance	\$259,097	\$204,616	\$326,500	\$277,049	\$326,980	0%	0.1%
Special Services	\$1,038,468	\$514,098	\$647,110	\$476,150	\$696,580	0%	7.6%
Other Financing Sources - Uses	\$81,341	\$0	\$1,239,220	\$93,232	\$1,407,090	3.8%	13.5%
Non-Departmental	\$252,601	\$277,733	\$558,037	\$467,745	\$582,380	0.3%	4.4%
Capital Items	\$932,892	\$469,821	\$3,196,008	\$2,409,025	\$4,002,790	34.6%	25.2%
Total Highway User Fund:	\$3,575,971	\$2,360,599	\$7,429,255	\$4,964,174	\$8,443,060	14.9%	13.6%
Grants							
Special Rev - Public Safety							
Salaries & Related Expenses	\$484,170	\$307,509	\$2,000,525	\$1,158,350	\$1,486,905	0%	-25.7%
Supplies	\$27,331	\$61,408	\$14,000	\$5,657	\$19,000	0%	35.7%
Maintenance	\$21,407	\$11,930	\$24,475	\$44,157	\$34,375	0%	40.4%
Special Services	\$24,990	\$26,287	\$71,000	\$17,493	\$71,000	0%	0%
Capital Items	\$0	\$24,630		\$34,962	\$1,369,800	-31.5%	N/A
Total Special Rev - Public Safety:	\$557,898	\$431,764	\$2,110,000	\$1,260,619	\$2,981,080	-17.5%	41.3%
Special Rev - Comm Development							
Salaries & Related Expenses	\$547,803	\$56,468	\$66,640	\$72,744	\$69,270	0.1%	3.9%
Supplies	\$34,923	\$9,610	\$24,600	\$28,217	\$14,000	0%	-43.1%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Maintenance	\$100	\$573	\$800	\$490		N/A	N/A
Special Services	\$32,457	\$13,905	\$13,500	\$45,064	\$40,360	0%	199%
Non-Departmental	\$21,679	\$13,503	\$23,600	\$24,892	\$10,000	0%	-57.6%
Capital Items	\$196,904	\$4,035,370	\$40,713,383	\$1,532,241	\$11,301,640	0.5%	-72.2%
Total Special Rev - Comm Development:	\$833,867	\$4,129,430	\$40,842,523	\$1,703,649	\$11,435,270	0.5%	-72%
Judicial Collection Enhancement							
Supplies	\$4,175	\$0		\$1,044		N/A	N/A
Special Services	\$67,691	\$40,780	\$80,000	\$6,200	\$3,500	0%	-95.6%
Contingencies					\$74,000	0%	N/A
Total Judicial Collection Enhancement:	\$71,866	\$40,780	\$80,000	\$7,244	\$77,500	0%	-3.1%
Total Grants:	\$1,463,631	\$4,601,974	\$43,032,523	\$2,971,512	\$14,493,850	-3.8%	-66.3%
Employee Benefit Trust							
Supplies				\$2,584		N/A	N/A
Special Services	\$3,474,599	\$1,953,394	\$3,344,200	\$2,241,966	\$4,098,300	N/A	22.5%
Total Employee Benefit Trust:	\$3,474,599	\$1,953,394	\$3,344,200	\$2,244,550	\$4,098,300	N/A	22.5%
Water							
Salaries & Related Expenses	\$669,512	\$459,210	\$924,340	\$829,366	\$965,250	0%	4.4%
Supplies	\$186,181	\$180,971	\$374,500	\$325,624	\$331,100	0%	-11.6%
Maintenance	\$1,047,741	\$334,687	\$567,690	\$1,217,291	\$558,880	0%	-1.6%
Special Services	\$543,475	\$369,457	\$637,050	\$682,376	\$776,550	2.2%	21.9%
Contingencies	\$1,290	\$0		\$3,532		N/A	N/A
Other Financing Sources - Uses	\$0	\$0		\$129,584		N/A	N/A
Long Term Debt Service	\$382,540	\$610,884	\$825,060	\$839,980	\$1,523,790	85%	84.7%
Non-Departmental	\$648,191	\$597,781	\$1,047,072	\$951,652	\$1,117,160	1%	6.7%
Capital Items	\$0	\$419,023	\$6,428,620		\$12,866,400	-5.8%	100.1%
Total Water:	\$3,478,929	\$2,972,013	\$10,804,332	\$4,979,404	\$18,139,130	-0.3%	67.9%
Wastewater							
Salaries & Related Expenses	\$1,068,956	\$668,891	\$1,441,490	\$1,149,498	\$1,516,070	1%	5.2%
Supplies	\$70,070	\$43,645	\$148,650	\$89,281	\$98,700	0%	-33.6%
Maintenance	\$1,481,791	\$470,792	\$529,990	\$1,836,219	\$700,280	0%	32.1%
Special Services	\$693,955	\$454,460	\$1,056,650	\$678,435	\$997,560	0%	-5.6%
Contingencies	\$2,568	\$0		\$2,679		N/A	N/A



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Other Financing Sources - Uses	\$0	\$0		\$137,834		N/A	N/A
Long Term Debt Service	\$448,346	\$742,730	\$991,940	\$1,006,169	\$1,021,090	3.2%	2.9%
Non-Departmental	\$702,481	\$643,824	\$1,126,620	\$1,024,233	\$1,208,010	0.8%	7.2%
Capital Items	\$68,808	\$372,260	\$496,620		\$7,064,000	138.3%	1,322.4%
Total Wastewater:	\$4,536,976	\$3,396,602	\$5,791,960	\$5,924,348	\$12,605,710	49.2%	117.6%
Solid Waste							
Salaries & Related Expenses	\$211,529	\$182,331	\$412,940	\$513,481	\$478,030	0%	15.8%
Supplies	\$48,476	\$54,207	\$73,330	\$74,951	\$111,350	0%	51.8%
Maintenance	\$355,027	\$244,483	\$292,500	\$520,859	\$300,480	0%	2.7%
Special Services	\$442,049	\$358,127	\$767,450	\$615,549	\$613,370	1.8%	-20.1%
Contingencies	\$1,189	\$0		\$1,454		N/A	N/A
Long Term Debt Service	\$5,256	\$41,477	\$105,710	\$94,762		N/A	N/A
Non-Departmental	\$419,356	\$402,613	\$617,761	\$575,965	\$732,325	-2.2%	18.5%
Capital Items	\$0	\$538,563	\$51,500		\$378,600	0%	635.1%
Total Solid Waste:	\$1,482,881	\$1,821,801	\$2,321,191	\$2,397,022	\$2,614,155	-0.2%	12.6%
Ambulance Service							
Salaries & Related Expenses	\$1,599,493	\$1,219,455	\$2,393,630	\$2,225,402	\$2,579,490	0%	7.8%
Supplies	\$179,511	\$95,323	\$183,500	\$205,121	\$206,600	0%	12.6%
Maintenance	\$278,851	\$85,676	\$152,500	\$369,639	\$177,300	0%	16.3%
Special Services	\$105,784	\$79,894	\$161,540	\$125,094	\$188,440	0%	16.7%
Long Term Debt Service	\$21,193	\$47,300	\$71,660	\$71,534	\$77,900	0%	8.7%
Non-Departmental	\$263,454	\$242,461	\$418,637	\$353,039	\$470,825	1.8%	12.5%
Capital Items	\$0	\$300,695	\$29,000			N/A	N/A
Total Ambulance Service:	\$2,448,285	\$2,070,803	\$3,410,467	\$3,349,829	\$3,700,555	0.2%	8.5%
SLDF-Detention Facility Corp							
Maintenance	\$762,809	\$0		\$762,809		N/A	N/A
Special Services	\$19,206,185	\$9,184,016	\$20,309,770	\$20,510,971	\$20,291,300	0%	-0.1%
Long Term Debt Service	\$2,398,547	\$713,201	\$4,790,230	\$4,888,679	\$4,708,700	0%	-1.7%
Total SLDF-Detention Facility Corp:	\$22,367,541	\$9,897,217	\$25,100,000	\$26,162,459	\$25,000,000	0%	-0.4%
Debt Service Fund							
Special Services	\$1,671	\$3,508	\$4,490	\$3,024	\$8,000	0%	78.2%
Other Financing Sources - Uses	\$0	\$0		\$167,292		N/A	N/A
Long Term Debt Service	\$1,644,538	\$354,564	\$1,742,610	\$1,990,584	\$1,970,880	7.1%	13.1%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Proposed Continuation Budget vs. FY2025 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Total Debt Service Fund:	\$1,646,208	\$358,073	\$1,747,100	\$2,160,900	\$1,978,880	7%	13.3%
Impact Fees							
Special Services	\$0	\$0		\$18,769	\$15,000	0%	N/A
Other Financing Sources - Uses	\$180,000	\$0			\$250,000	N/A	N/A
Long Term Debt Service	\$112,080	\$84,060	\$112,100	\$112,080	\$112,100	0%	0%
Capital Items	\$700,750	\$350,768	\$584,370	\$506,347	\$473,000	373%	-19.1%
Total Impact Fees:	\$992,830	\$434,828	\$696,470	\$637,196	\$850,100	274.3%	22.1%
Assessment Districts							
Salaries & Related Expenses	\$1,356	\$0	\$16,390	\$3,137	\$16,640	0%	1.5%
Supplies	\$3,821	\$1,065	\$8,400			N/A	N/A
Maintenance	\$19,827	\$22,428	\$229,180	\$193,411	\$366,770	-6%	60%
Special Services	\$331,712	\$211,045	\$420,930	\$429,271	\$421,700	2.1%	0.2%
Non-Departmental	\$134,263	\$134,263	\$151,370	\$151,370	\$168,090	-6.6%	11%
Total Assessment Districts:	\$490,979	\$368,801	\$826,270	\$777,189	\$973,200	-2.7%	17.8%
Component Units							
Business Incubator							
Salaries & Related Expenses	\$35,165	\$9,035	\$12,210	\$12,631	\$12,700	0%	4%
Supplies	\$3,773	\$50	\$2,200	\$1,205	\$2,500	0%	13.6%
Maintenance	\$62,792	\$8,079	\$9,700	\$58,037	\$9,800	0%	1%
Special Services	\$36,362	\$28,292	\$43,580	\$25,251	\$45,850	0%	5.2%
Non-Departmental	\$46,072	\$36,652	\$65,885	\$60,835	\$78,530	2.6%	19.2%
Total Business Incubator:	\$184,164	\$82,108	\$133,575	\$157,960	\$149,380	1.3%	11.8%
Business Center							
Maintenance	\$249,002	\$39,118	\$51,366	\$228,324	\$51,400	-49.3%	0.1%
Special Services	\$18,391	\$1,579	\$80,700	\$17,579	\$21,540	3.3%	-73.3%
Long Term Debt Service	\$359,839	\$916,319	\$1,047,450	\$1,136,576	\$1,040,900	0%	-0.6%
Non-Departmental	\$25,342	\$21,056	\$35,211	\$33,834	\$42,160	-1.6%	19.7%
Total Business Center:	\$652,573	\$978,072	\$1,214,727	\$1,416,314	\$1,156,000	-4.1%	-4.8%
Total Component Units:	\$836,737	\$1,060,181	\$1,348,302	\$1,574,274	\$1,305,380	-3.5%	-3.2%
Total All Funds:	\$70,988,415	\$48,347,634	\$140,548,946	\$86,820,082	\$129,490,760	7.7%	-7.9%



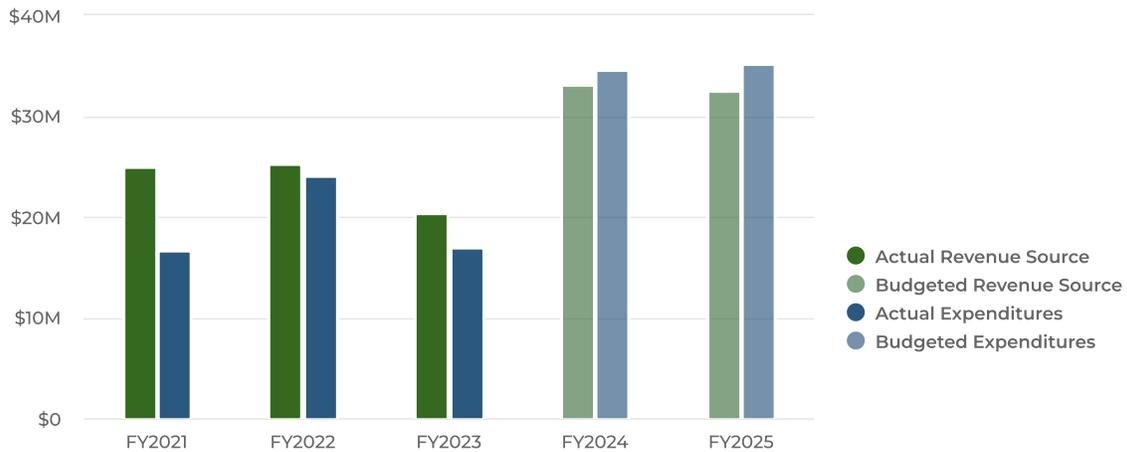


Summary

The General Fund is the City's main operating fund and accounts for all the activities that do not have a specific revenue source. It is reported in the Governmental Funds, and it is a major fund as its revenues and expenditures constitute more than 10% of the total City's budget. 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.

The graph below shows the revenue and expenditure trends in the past five years, including the FY 2025 budget.



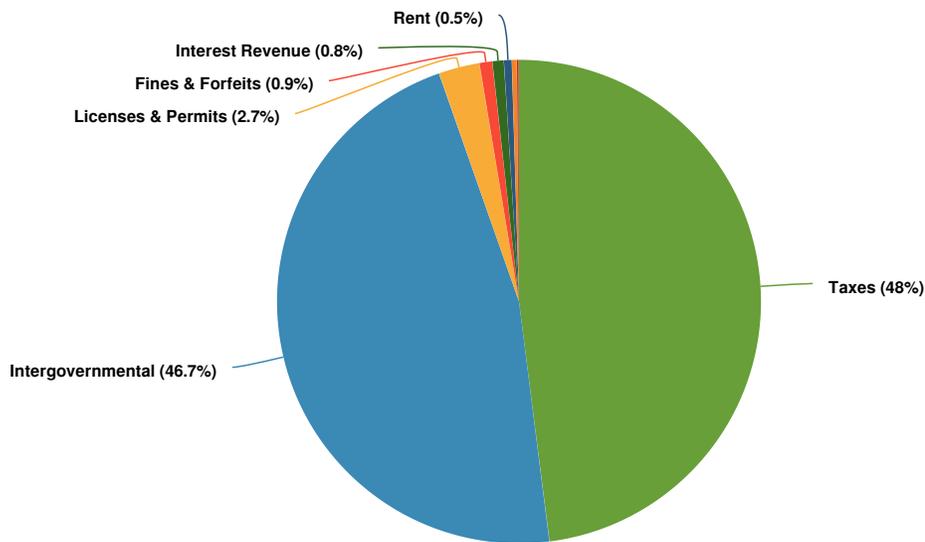
In FY2025, the City of San Luis envisions a revenue projection of \$32.6 million, representing a decrease of 2% when compared to the previous year's budget. This decrease is due to the recent introduction of a flat tax rate at the state level, resulting in lower state-shared income tax rates.

The main source of revenue for the General Fund is intergovernmental revenue, comprising 43.0% of the total revenues. The intergovernmental revenue represents the shared revenue the city receives from the state. It includes state sales tax, urban revenue, and vehicle license taxes. The second most significant source of revenue for the City in FY 2025 is the local sales tax.

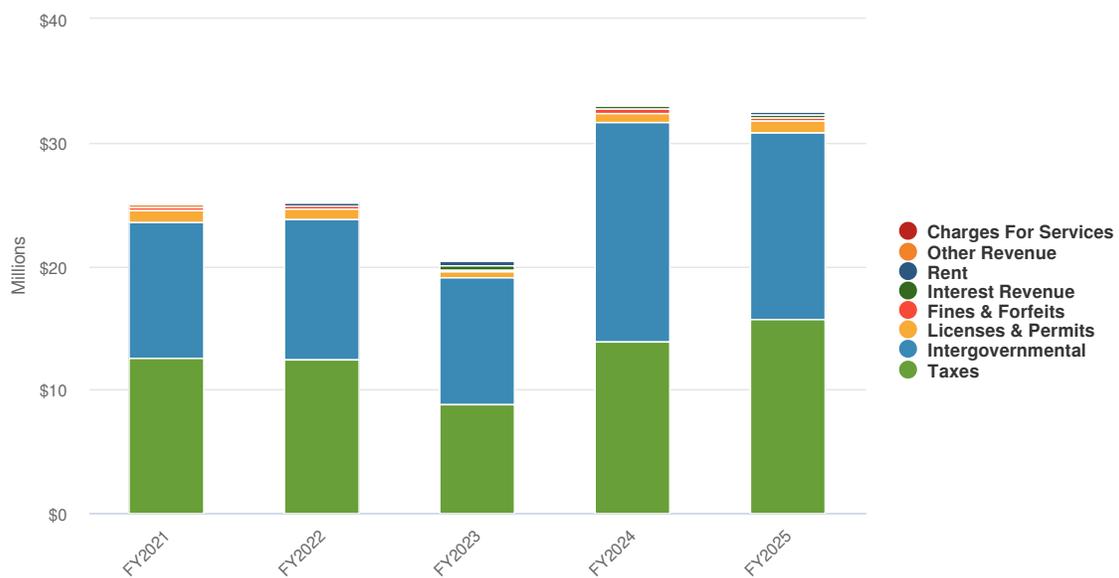
The remaining sources include fees the city charges for permits, fines, rents, and miscellaneous revenues. The FY 2025 expenditure budget is \$35.2 million, representing a 2% increase from the prior year's budget. The main factor driving the increase is the salaries and other financing uses to help subsidize street improvement projects.

Revenues

FY 2025 Budget Revenues \$32.6 M



Budgeted and Historical 2025 Revenues



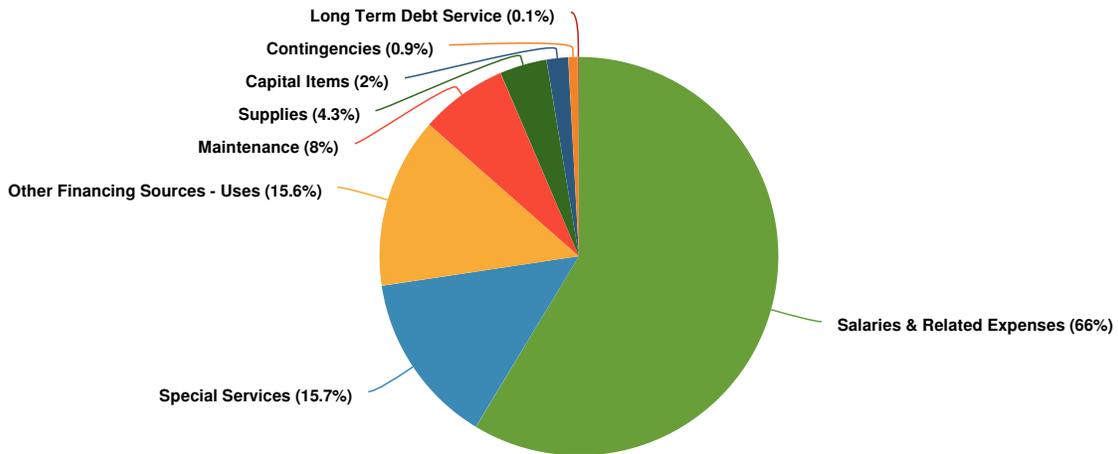
Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Taxes	\$12,431,186	\$8,782,773	\$13,929,380	\$16,675,409	\$15,650,450	12.4%
Intergovernmental	\$11,432,034	\$10,262,290	\$17,789,274	\$16,908,872	\$15,216,490	-14.5%
Licenses & Permits	\$739,853	\$526,097	\$726,830	\$1,239,704	\$893,160	22.9%
Other Revenue	\$119,304	\$41,413	\$62,000	\$120,986	\$106,000	71%
Charges For Services	\$70,020	\$37,572	\$55,740	\$67,601	\$44,650	-19.9%
Rent	\$170,233	\$293,892	\$173,300	\$21,321	\$173,300	0%
Fines & Forfeits	\$259,621	\$164,925	\$244,600	\$310,586	\$277,400	13.4%
Interest Revenue	\$44,538	\$383,186	\$250,000	\$1,116,328	\$250,000	0%
Total Revenue Source:	\$25,266,789	\$20,492,148	\$33,231,124	\$36,460,806	\$32,611,450	-1.9%



Expenditures

The chart below shows projections for each category as a percentage of the total General Fund expenditures for the FY 2025 budget. The largest expenditure in the General Fund is salaries, which comprise 51.6% of the total expenses. The City of San Luis has been growing, generating the need for additional personnel to maintain the level of service for the residents.

FY 2025 Budget Expenditures \$35.2



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$15,815,164	\$12,753,435	\$21,706,600	\$19,441,274	\$23,279,130	7.2%
Supplies	\$954,365	\$633,576	\$1,174,007	\$1,179,669	\$1,516,796	29.2%
Maintenance	\$1,444,694	\$1,580,875	\$2,260,894	\$1,874,764	\$2,814,740	24.5%
Special Services	\$3,543,874	\$2,801,518	\$5,771,884	\$4,146,121	\$5,554,474	-3.8%
Contingencies	\$0	\$0	\$506,450		\$300,000	-40.8%
Other Financing Sources - Uses	\$1,671,724	\$0	\$5,866,382	\$2,792,312	\$5,499,310	-6.3%
Long Term Debt Service	\$85,552	\$59,182	\$82,460	\$116,010	\$36,100	-56.2%
Non-Departmental	-\$2,513,439	-\$2,369,886	-\$4,044,193	-\$3,643,565	-\$4,409,480	9%
Capital Items	\$3,190,914	\$1,592,650	\$1,372,392	\$2,770,642	\$697,370	-49.2%
Total Expense Objects:	\$24,192,849	\$17,051,349	\$34,696,876	\$28,677,227	\$35,288,440	1.7%





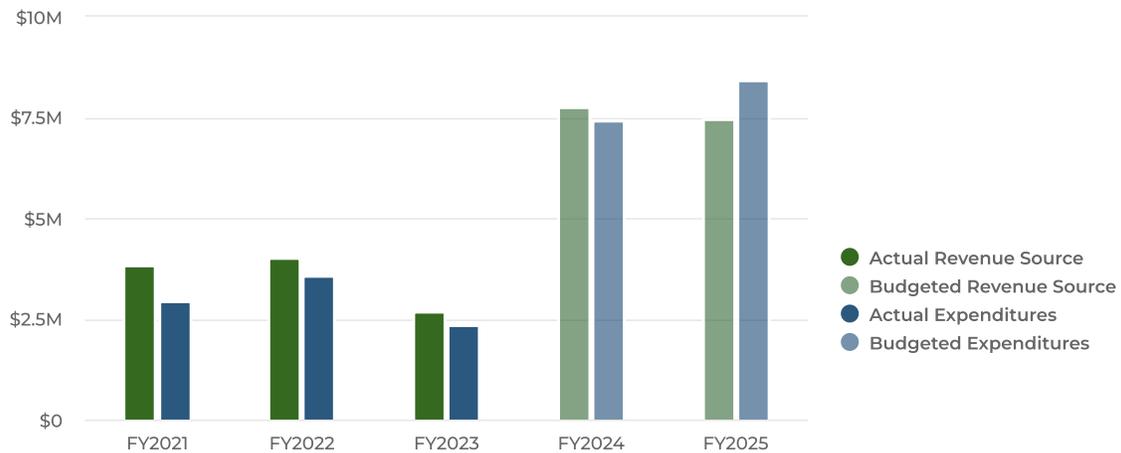
Highway User Fund

Summary

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.

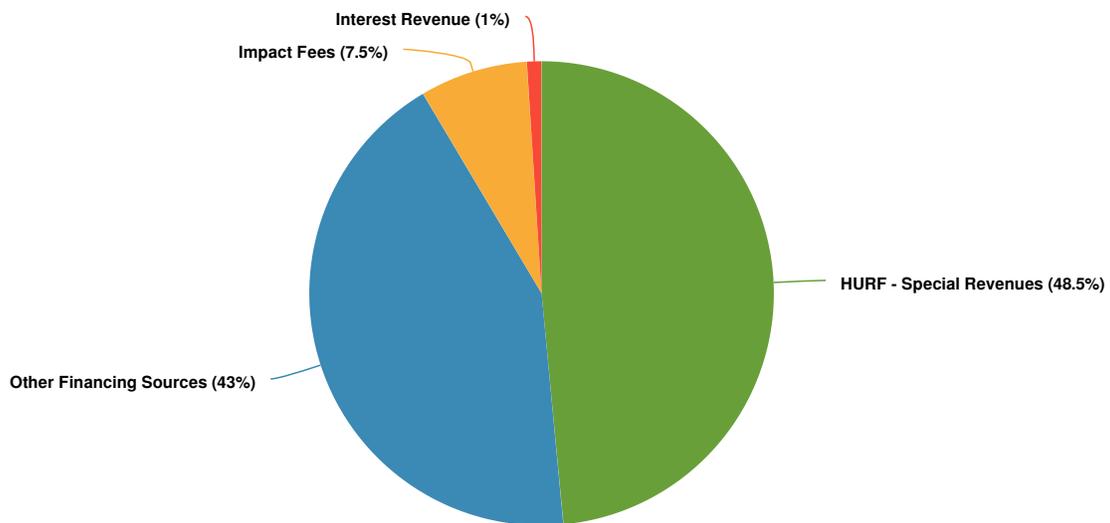
The graph below shows the revenue and expenditure trends over five years, and includes the FY 2025 budget.



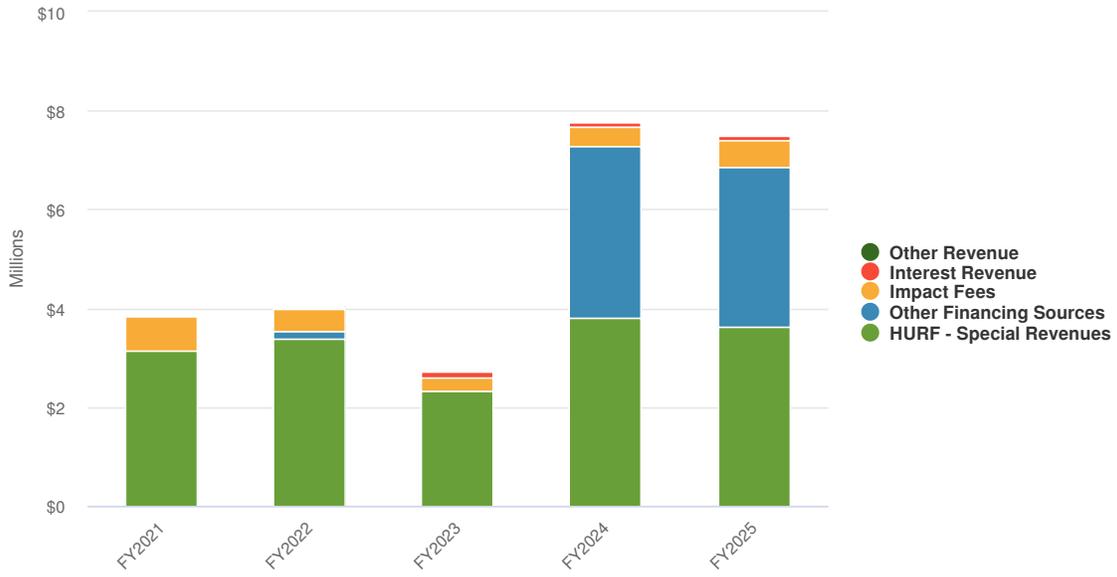
Revenues

The City of San Luis is projecting \$7.4 million of revenue in FY2025, which represents a 4% decrease over the prior year's budget. There is a projected decrease from the State Distribution of \$175,770. The General Fund is also making a contribution to the HURF fund totaling 3.6 million. This subsidy will allow the HURF fund to build critical street infrastructure that is needed for better traffic flow, as well as street lighting of pedestrian sidewalks around the city to enhance the safety of the residents.

FY 2025 Budget Revenue \$7.4 million



Budgeted and Historical 2025 Revenues



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$37,442	\$300		\$10,251		N/A
Impact Fees	\$473,868	\$269,245	\$406,800	\$909,502	\$562,000	38.2%
Interest Revenue	\$6,325	\$120,911	\$75,000	\$543,447	\$75,000	0%
HURF - Special Revenues	\$3,376,414	\$2,331,202	\$3,804,400	\$3,667,609	\$3,628,630	-4.6%
Other Financing Sources	\$149,178	\$0	\$3,477,320	\$1,279,621	\$3,214,430	-7.6%
Total Revenue Source:	\$4,043,227	\$2,721,659	\$7,763,520	\$6,410,429	\$7,480,060	-3.7%

Expenditures

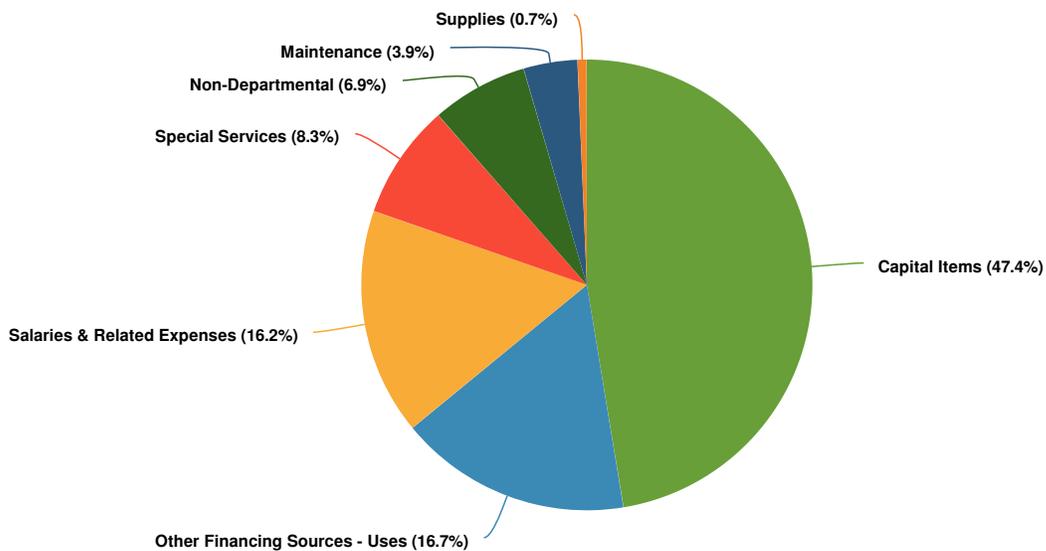
The Highway User Fund is actively engaged in projects aimed at improving vehicular flow, reducing traffic congestion, and enhancing street lighting across various parts of the city. For FY 2025, a budget of \$8.4 million has been allocated for street-related expenditures. It's worth noting that these budgeted expenditures are expected to remain stable throughout FY 2025.

While there is a noteworthy increase of \$806,782 on in the Capital Improvement Program (CIP), it's important to mention that this increase is offset by a reduction of \$1.4 million in the street budget for matching grants in the same fiscal year.

The chart below provides a breakdown of expenditures by expense category. Notably, other financing sources constitute 17% of the total expenses, encompassing fund transfers to special revenue accounts funded by grants to facilitate the completion of street projects. In FY 2025, the City has successfully secured several grants, some of which necessitate a substantial matching funds contribution.

The largest portion of the expense is dedicated to Capital items, accounting for 47%, followed by salaries and related expenses at 16%.

FY 2025 Budget Expenditures \$8.4 million



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$989,743	\$864,291	\$1,411,430	\$1,169,456	\$1,371,790	-2.8%
Supplies	\$21,829	\$30,039	\$50,950	\$71,518	\$55,450	8.8%
Maintenance	\$259,097	\$204,616	\$326,500	\$277,049	\$326,980	0.1%
Special Services	\$1,038,468	\$514,098	\$647,110	\$476,150	\$696,580	7.6%
Other Financing Sources - Uses	\$81,341	\$0	\$1,239,220	\$93,232	\$1,407,090	13.5%
Non-Departmental	\$252,601	\$277,733	\$558,037	\$467,745	\$582,380	4.4%
Capital Items	\$932,892	\$469,821	\$3,196,008	\$2,409,025	\$4,002,790	25.2%
Total Expense Objects:	\$3,575,971	\$2,360,599	\$7,429,255	\$4,964,174	\$8,443,060	13.6%



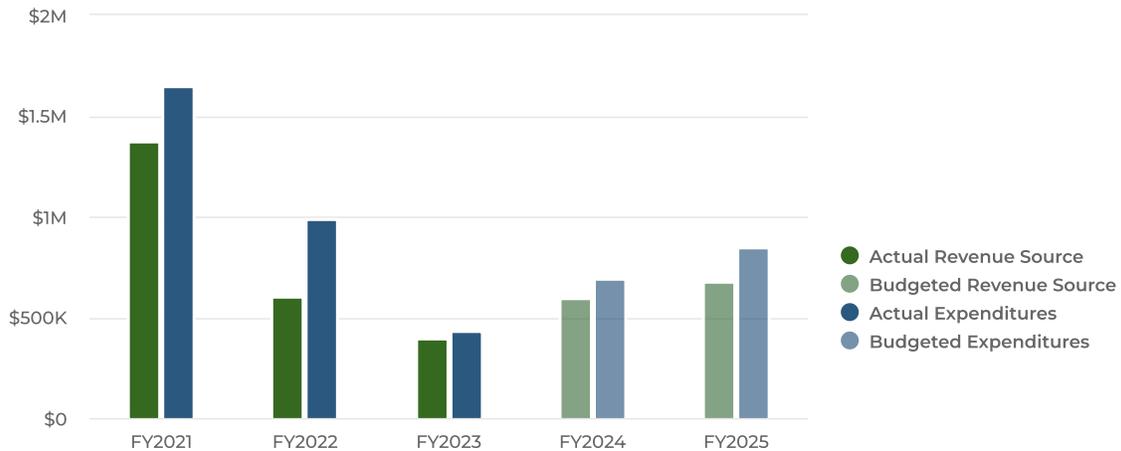


Summary

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 and general government (debt service only). The water and wastewater impact fees are accounted for within their own funds.

Development fees are restricted to the use of qualifying expenditure as intended in the development fees documents adopted by the City. The City is required by State Statute to submit a report each year that documents the annual development fees, and a biennial certified audit of land use assumptions, infrastructure improvement plans and development impact fees.

The graph below shows the revenue and expenditure trends over five years, to include FY 2025 projections.



The City of San Luis anticipates generating \$680,000 in revenue for FY2025. Recent years have seen significant residential growth, resulting in a consistent uptick in revenue. However, as we cast our gaze towards FY2025, we are adopting a more cautious approach due to anticipated challenges, including shortages in construction materials and available land. Consequently, we are projecting a 13% increase in impact fees revenue compared to the previous year.

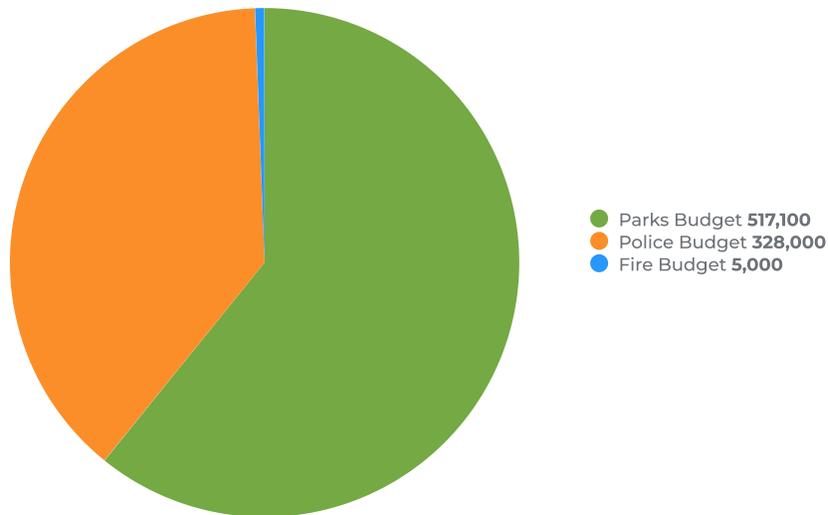
Furthermore, budgeted expenditures are projected to increase by 22% in FY 2025. In FY 2024, the City successfully completed the construction of the East Fire Substation, which was partially funded by impact fees. However, other eligible projects, such as the construction of the East Police Station (currently in the design phase) and the East Community Park in the eastern area, are advancing through various phases at a more measured pace. It is important to emphasize that, upon completion, these projects will deliver significant and invaluable benefits to the community.

Revenues by Source

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$7	\$0		\$6		N/A
Impact Fees	\$601,513	\$334,529	\$603,000	\$1,091,926	\$680,000	12.8%
Interest Revenue	\$7,580	\$62,762		\$161,844		N/A
Total Revenue Source:	\$609,100	\$397,291	\$603,000	\$1,253,776	\$680,000	12.8%

Impact Fees Expenses by Department

FY 2025 Impact Fees Expenses by Department

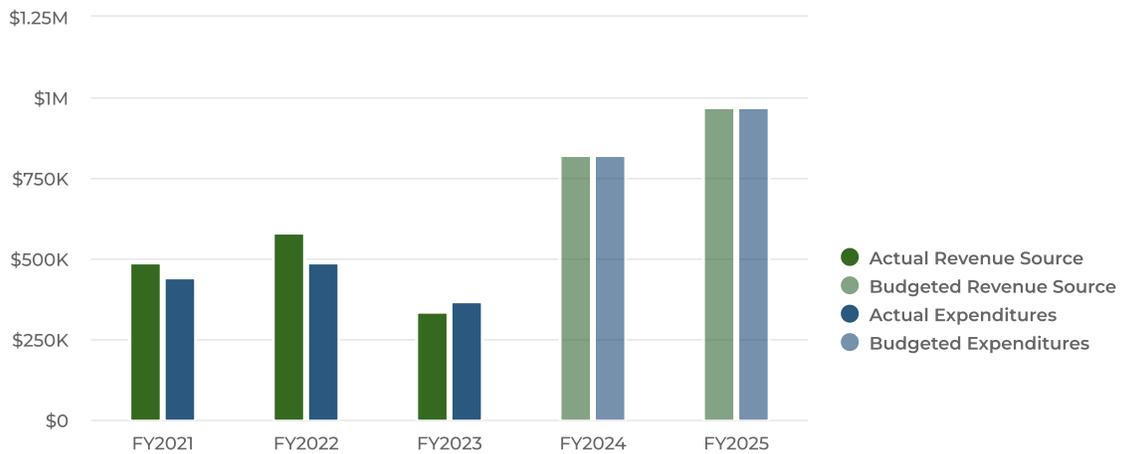




Summary

The Assessment Districts Fund is a non-major fund. The sources of revenue for this fund are restricted. The Assessment Districts Fund accounts for the proceeds from property owners that get benefits from improvement, enhancement, landscape and street lighting. The Arizona State Statute allows the establishment of Assessment Districts, which are adopted by resolution. Its main purpose is to maintain specified areas of the subdivisions where the assessment was created.

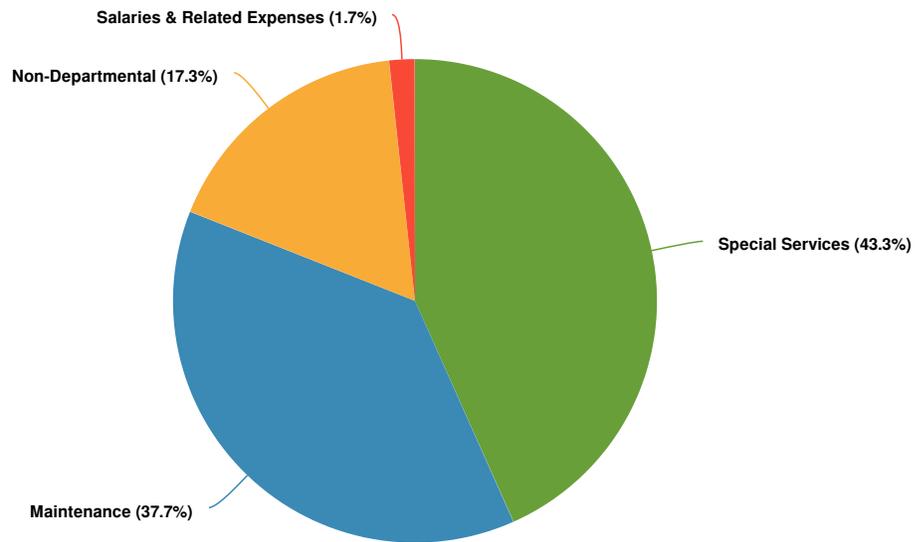
The graph below shows the revenue and expenditure trends over five years, and includes FY 2025 projections as well.



The City of San Luis forecasts revenue of \$973,200 for FY 2025, reflecting a remarkable 18% increase compared to the previous year, primarily driven by the development of new subdivisions. Similarly, budgeted expenditures are expected to experience a corresponding increase. This expansion is partly attributed to the outsourcing of landscaping services due to shortages in personnel, mirroring the revenue trends for the budget FY 2025.

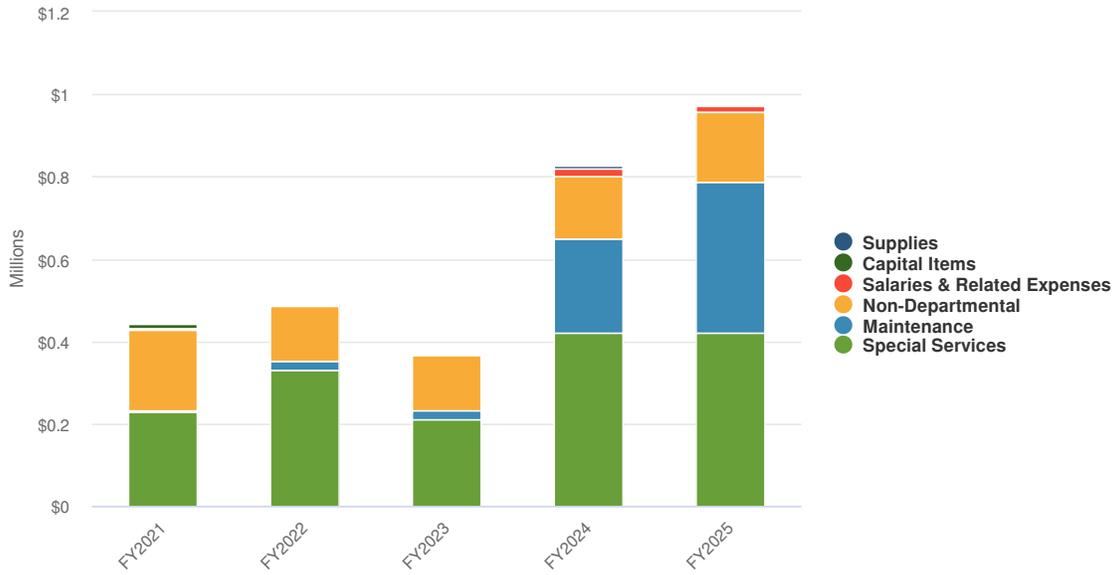
Expenditures by Expense Type

FY 2025 Budget Expenditures \$973,200



This special services category accounts for the majority of expenses, constituting 43% of the budget. It primarily covers costs related to water usage. Maintenance expenses make up 38% of the budget. These funds are primarily directed towards the purchase of seeds, fertilizer, and repairs to irrigation lines for various areas. Salaries and Personnel Expenses represents a smaller portion, comprising 2% of the district's total budgeted expenses.

Budgeted and Historical Expenditures by Expense Type



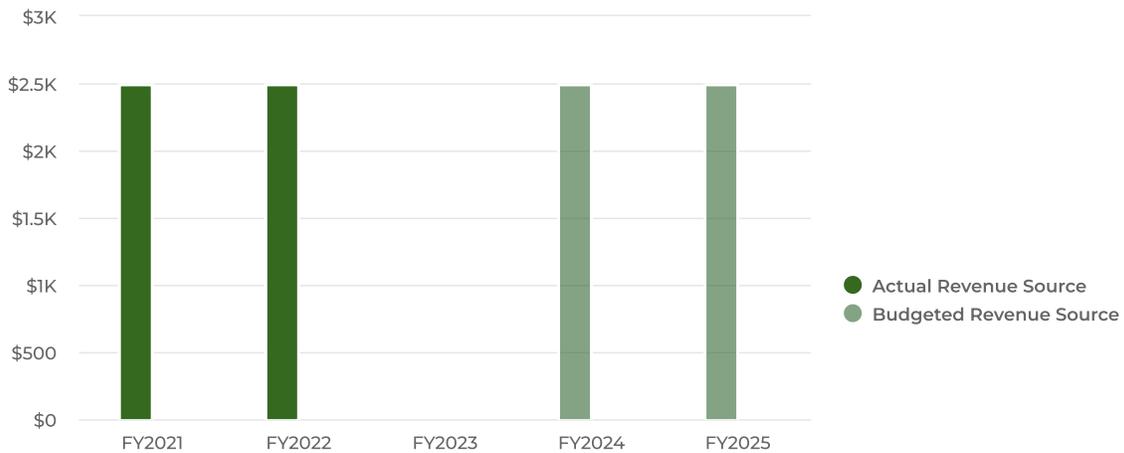
Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,356	\$0	\$16,390	\$3,137	\$16,640	1.5%
Supplies	\$3,821	\$1,065	\$8,400			N/A
Maintenance	\$19,827	\$22,428	\$229,180	\$193,411	\$366,770	60%
Special Services	\$331,712	\$211,045	\$420,930	\$429,271	\$421,700	0.2%
Non-Departmental	\$134,263	\$134,263	\$151,370	\$151,370	\$168,090	11%
Total Expense Objects:	\$490,979	\$368,801	\$826,270	\$777,189	\$973,200	17.8%



Summary

The San Luis Community Facilities District was created in 1999 to provide land for the development of the Regional Center for Border Health, which will revert along with the development of the City at the end of the term. The District leases the land under a 30-year agreement to Western Arizona Area Health Education Center, Inc. (WAAHEC), an unrelated not-for-profit corporation.

The graph below shows the revenue trends over five years, and includes the FY 2025 projections.



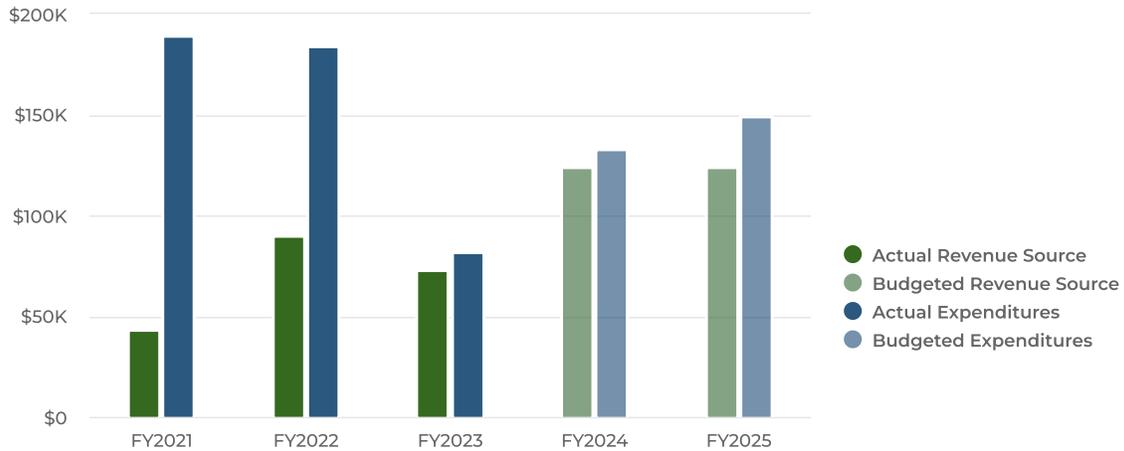
The City of San Luis is projecting \$2,500 of revenue in FY 2025, which represents a 0% increase over the prior year. The land lease is \$2,500 for the 30-year term.



Summary

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. Currently, only one is vacant.

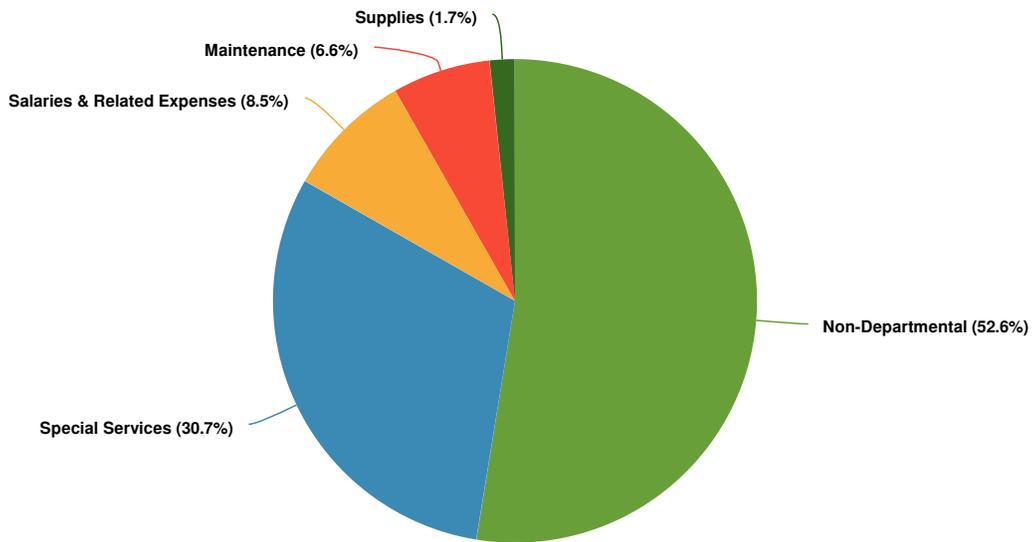
The graph below shows the revenue and expenditure trends over five years, and includes FY 2025 budget.



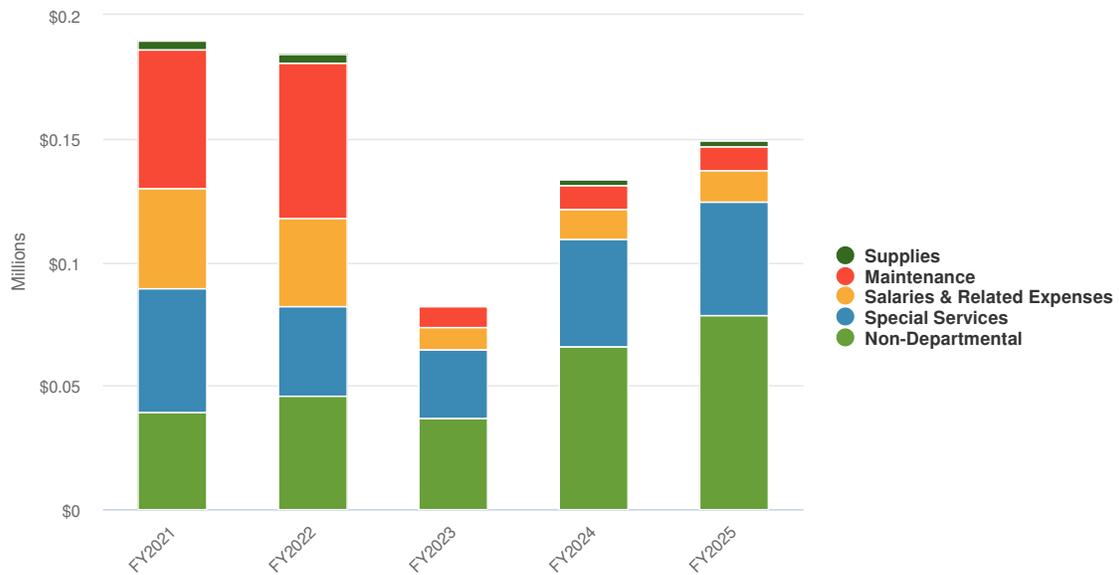
The Business Incubator anticipates generating \$124,300 in revenue for the fiscal year 2025. This year, our primary objective is to achieve full occupancy across all seven suites, maximizing our operational capacity. However, it's important to note that projected expenses for the year are expected to total \$149,380, reflecting a 12% increase compared to the previous fiscal year. The key contributing factor behind this variance is the rising costs associated with utility services and departmental cost allocations.

Expenditures

FY 2025 Budget Expenditures \$149,380.



Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$35,165	\$9,035	\$12,210	\$12,631	\$12,700	4%
Supplies	\$3,773	\$50	\$2,200	\$1,205	\$2,500	13.6%
Maintenance	\$62,792	\$8,079	\$9,700	\$58,037	\$9,800	1%
Special Services	\$36,362	\$28,292	\$43,580	\$25,251	\$45,850	5.2%
Non-Departmental	\$46,072	\$36,652	\$65,885	\$60,835	\$78,530	19.2%
Total Expense Objects:	\$184,164	\$82,108	\$133,575	\$157,960	\$149,380	11.8%

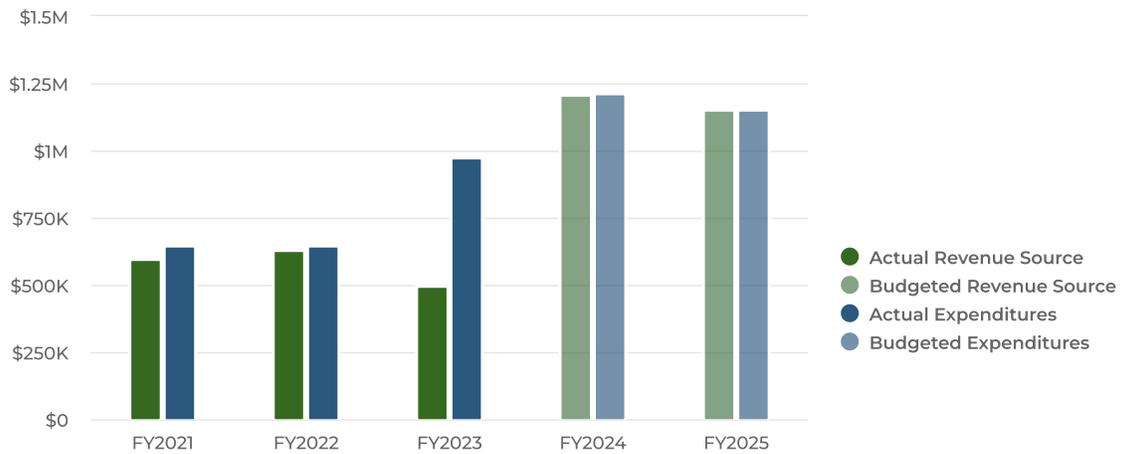




Summary

The Business Center Fund accounts for revenues and expenditures related to the operations of the Business Center. The Business Center was acquired by the City through the Industrial Development Authority to develop trade, encourage production, and assure job opportunities in the City. 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 General Fund has been subsidizing the operations of this enterprise to assure at least a zero fund balance.

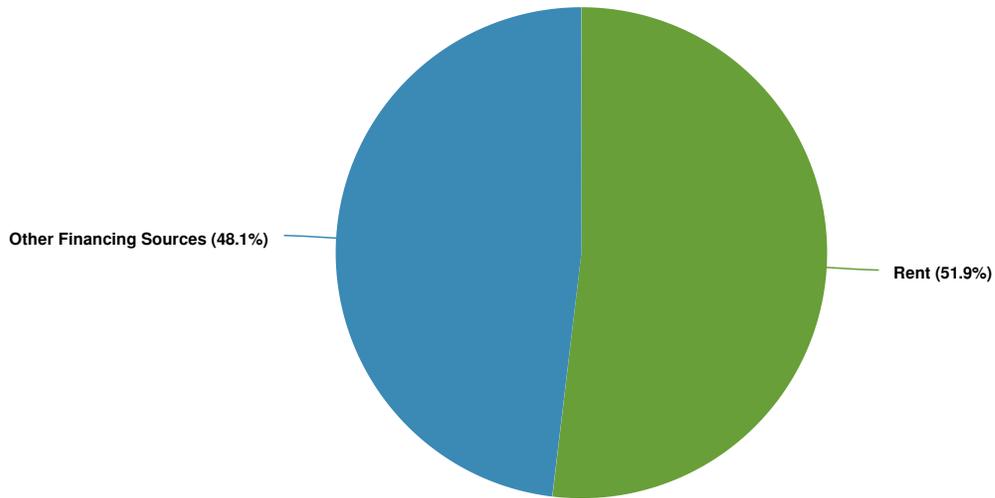
The graph below shows the revenue and expenditure trends over five years, and includes the FY 2025 budget.



The City of San Luis anticipates \$1.1 million in revenue for the fiscal year 2025, representing a 5% decrease compared to the previous year. To align with this revenue reduction, budgeted expenditures are also projected to decrease by 5% in FY 2025. This balanced approach ensures that the budget remains in sync with expected revenue, promoting responsible fiscal management.

Revenues

FY 2025 Revenues by Source \$1.1 million

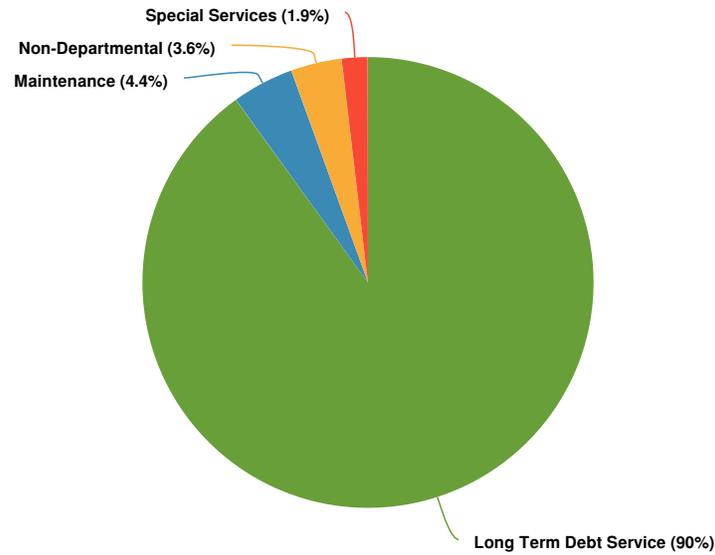


The table below shows the main variances for the FY 2025 Adopted Budget revenue vs the FY 2024 Adopted Budget.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$98,723	\$0		\$57,249		N/A
Rent	\$534,673	\$500,000	\$600,000	\$562,617	\$600,000	0%
Interest Revenue	\$318	\$229	\$300	\$896		N/A
Other Financing Sources	\$0	\$0	\$612,676		\$556,000	-9.3%
Total Revenue Source:	\$633,713	\$500,229	\$1,212,976	\$620,762	\$1,156,000	-4.7%

Expenditures

FY 2025 Budget Expenditures \$1.1 million



The table below shows the main variances for the FY 2025 Adopted Budget expenditures vs the FY 2024 Adopted budget

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Maintenance	\$249,002	\$39,118	\$51,366	\$228,324	\$51,400	0.1%
Special Services	\$18,391	\$1,579	\$80,700	\$17,579	\$21,540	-73.3%
Long Term Debt Service	\$359,839	\$916,319	\$1,047,450	\$1,136,576	\$1,040,900	-0.6%
Non-Departmental	\$25,342	\$21,056	\$35,211	\$33,834	\$42,160	19.7%
Total Expense Objects:	\$652,573	\$978,072	\$1,214,727	\$1,416,314	\$1,156,000	-4.8%



Special Revenue Funds

Summary

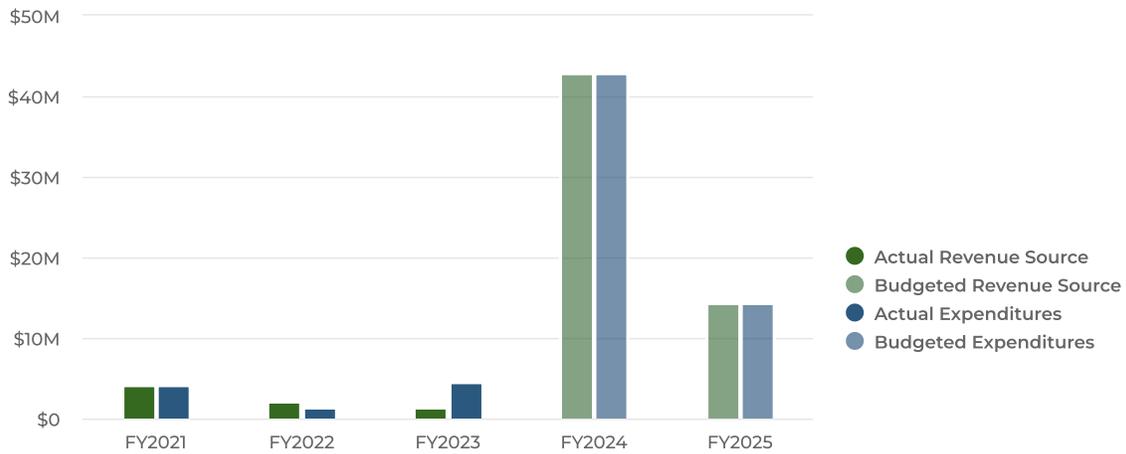
The City applies for various federal, state and local grants to supplement other funding sources for a variety of programs. These grants are accounted for by the Special Revenue Funds. The Special Revenue Funds are legally restricted and account for the proceeds of grants and restricted revenue sources.

The Special Revenue Fund includes the Judicial Collection Enhancement, Public Safety and Community Development Special Revenue Funds.

FY 2025 presents a significant decrease in comparison with the prior year. The use of the funds received from the American Rescue Plan Act to provide relief and assist with the recovery from the negative effects of the pandemic, and these proceeds are accounted for within the Community Development Special Revenue Fund.

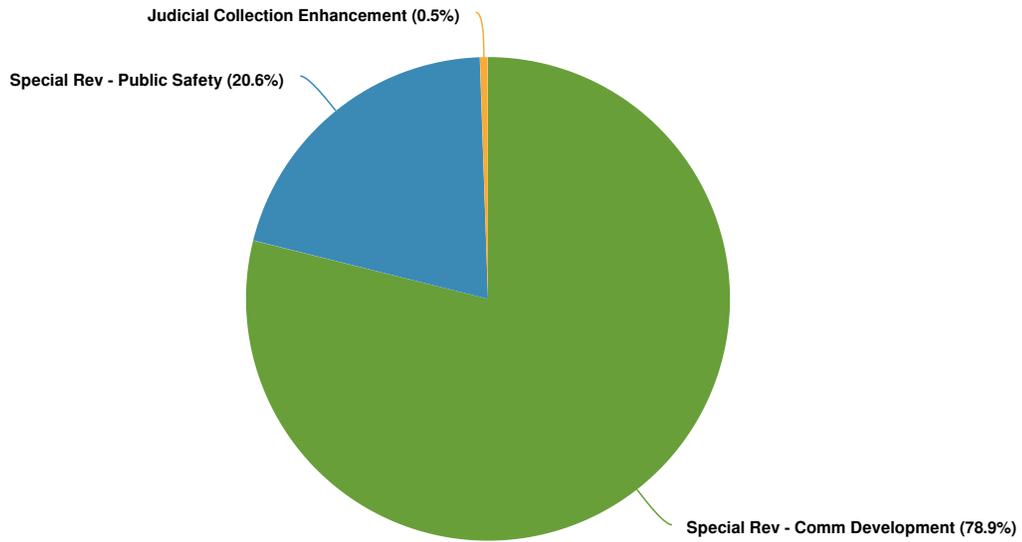
The main factor driving this variance is the grant funding for the expansion of Cesar Chavez Blvd, which is being managed by the State of Arizona.

The graph below shows the revenue and expenditure trends over five years, to include FY 2025 budget.



Revenue

2025 Revenue by Fund \$14.49 millions

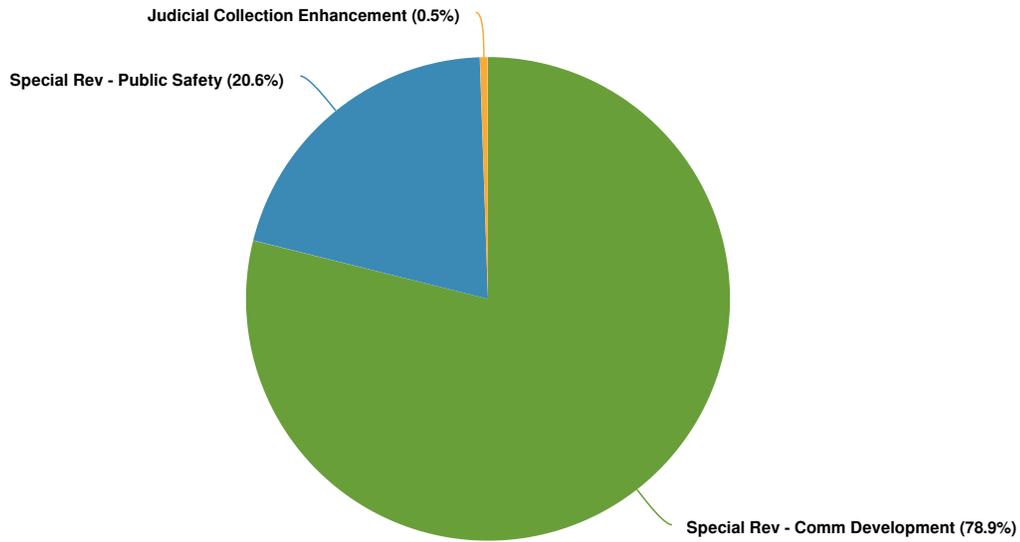


The table below shows the variance in the FY 2025 budget revenue vs the FY 2024 budget, which is primarily for the Community Development projects.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Special Rev - Public Safety	\$868,442	\$489,041	\$2,110,000	\$1,393,295	\$2,981,080	41.3%
Special Rev - Comm Development	\$1,327,736	\$916,702	\$40,842,523	\$735,852	\$11,435,270	-72%
Judicial Collection Enhancement	\$76,930	\$52,018	\$73,200	\$85,935	\$77,500	5.9%
Total:	\$2,273,108	\$1,457,761	\$43,025,723	\$2,215,081	\$14,493,850	-66.3%

Expenditures

2025 Expenditures by Fund \$14.49 millions

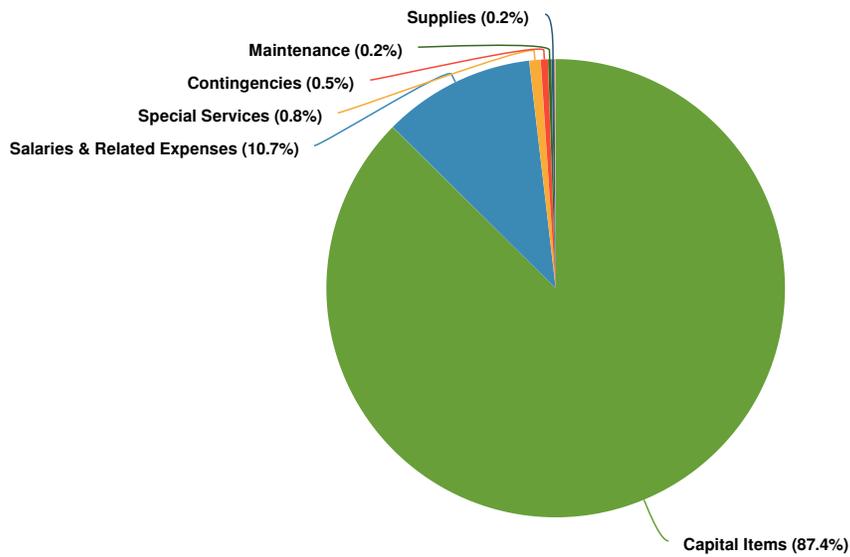


The table below highlights the key variances between the FY 2025 Adopted Budget revenue and the FY 2024 Adopted Budget. The primary driver for the decrease is the expansion of Cesar Chavez Blvd, which is being managed by the State of Arizona. The American Rescue Plan Act (ARPA) funding continues from the previous year, while Community Development Grant funds remain consistent.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Special Rev - Public Safety	\$557,898	\$431,764	\$2,110,000	\$1,260,619	\$2,981,080	41.3%
Special Rev - Comm Development	\$833,867	\$4,129,430	\$40,842,523	\$1,703,649	\$11,435,270	-72%
Judicial Collection Enhancement	\$71,866	\$40,780	\$80,000	\$7,244	\$77,500	-3.1%
Total:	\$1,463,631	\$4,601,974	\$43,032,523	\$2,971,512	\$14,493,850	-66.3%

Expenditures By Expense Type

FY 2025 Budget Expenditures \$14.49 million



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,031,973	\$363,976	\$2,067,165	\$1,231,094	\$1,556,175	-24.7%
Supplies	\$66,429	\$71,019	\$38,600	\$34,918	\$33,000	-14.5%
Maintenance	\$21,507	\$12,503	\$25,275	\$44,647	\$34,375	36%
Special Services	\$125,138	\$80,972	\$164,500	\$68,757	\$114,860	-30.2%
Contingencies					\$74,000	N/A
Non-Departmental	\$21,679	\$13,503	\$23,600	\$24,892	\$10,000	-57.6%
Capital Items	\$196,904	\$4,060,000	\$40,713,383	\$1,567,203	\$12,671,440	-68.9%
Total Expense Objects:	\$1,463,631	\$4,601,974	\$43,032,523	\$2,971,512	\$14,493,850	-66.3%

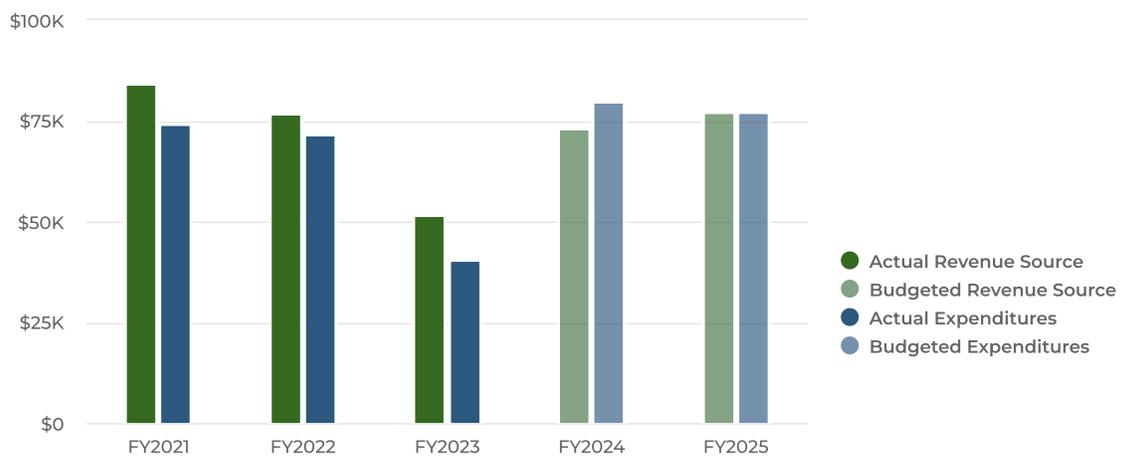


Judicial Collection Enhancement

Summary

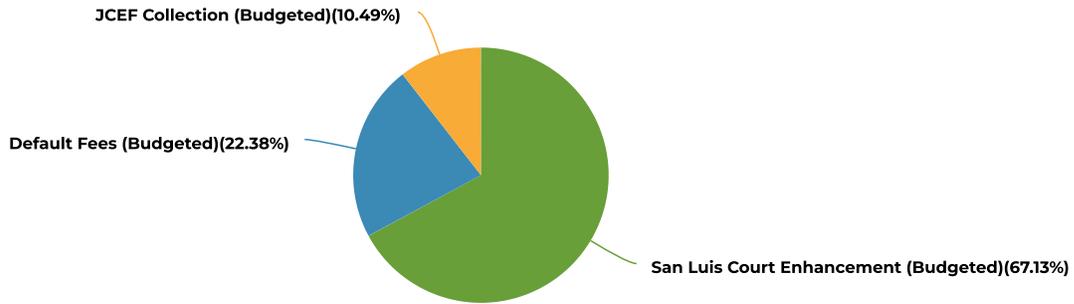
These funds account for the proceeds of specific revenue sources that are legally restricted to Municipal Court Revenues and Expenditures. The fund includes the JCEF Collections, San Luis Court Enhancement, Fill The Gap, Default Fees, Warrant Fees and the San Luis Municipal Court Fare as departments.

The graph below shows the revenue and expenditure trends over five years, to include FY 2025 budget.



The City of San Luis is projecting \$77,500 of revenue in FY2025, a small increase from last year. Budgeted expenditures are projected to remain flat as well in FY2025.

FY 2025 Court SFR Expenses by Department



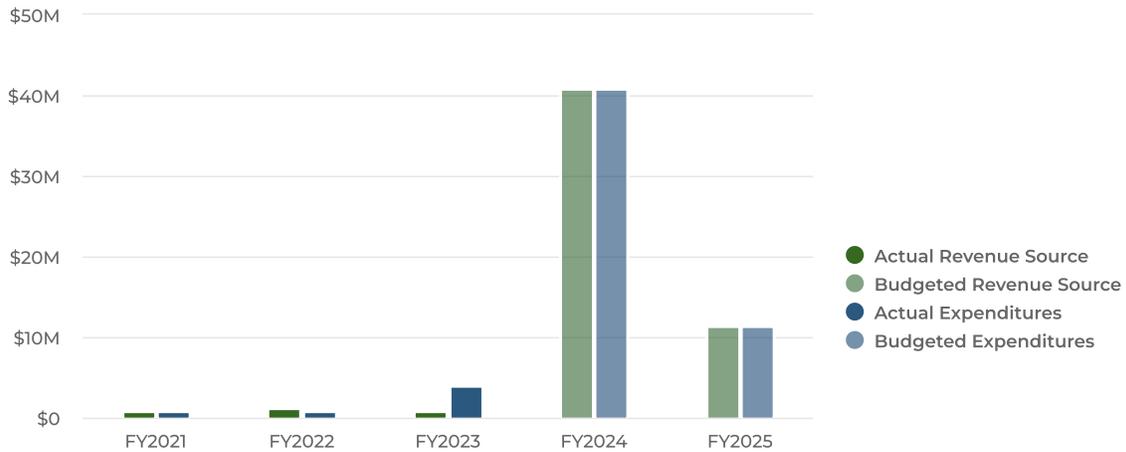


Special Rev - Comm Development

Summary

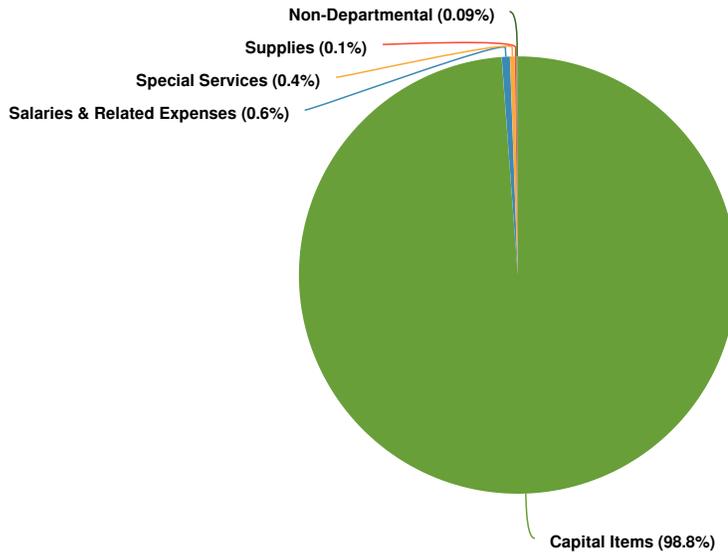
The Special Revenue Community Development Fund accounts for the proceeds of specific revenue sources that are legally restricted for Community Development. The ARPA funds received from the federal government, CDBG, and non-public safety related grants are included in this fund.

The graph below shows the revenue and expenditure trends over five years, including FY 2025 budget.



The City of San Luis is forecasting \$11.4 million in both revenue and expenditures for FY 2025. The primary impact included the use of ARPA funds, following the Community EPA Grant for Downtown Parking Lot Construction and CDBG State Special Projects and Regional Account grants.

FY 2025 BUDGET EXPENDITURES \$11.4 MILLION



The table below shows the main variance between the FY 2025 Adopted Budget expenditures vs the FY 2024 Adopted Budget. The Capital Projects are the items that capture the change due to the State of Arizona being the administrator of the Cesar Chavez Boulevard Widening Project.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$547,803	\$56,468	\$66,640	\$72,744	\$69,270	3.9%
Supplies	\$34,923	\$9,610	\$24,600	\$28,217	\$14,000	-43.1%
Maintenance	\$100	\$573	\$800	\$490		N/A
Special Services	\$32,457	\$13,905	\$13,500	\$45,064	\$40,360	199%
Non-Departmental	\$21,679	\$13,503	\$23,600	\$24,892	\$10,000	-57.6%
Capital Items	\$196,904	\$4,035,370	\$40,713,383	\$1,532,241	\$11,301,640	-72.2%
Total Expense Objects:	\$833,867	\$4,129,430	\$40,842,523	\$1,703,649	\$11,435,270	-72%

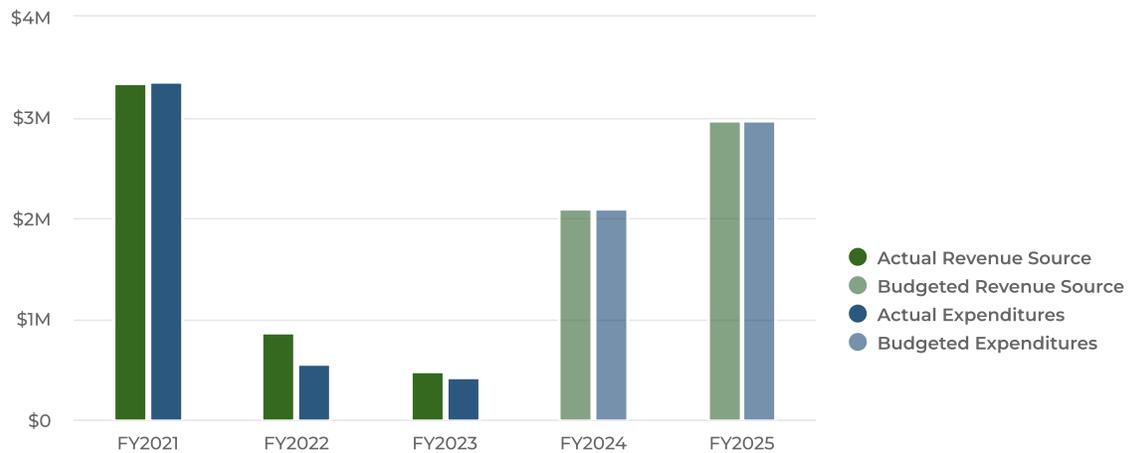


Special Revenue - Public Safety

Summary

The Public Safety Special Revenue Fund accounts for proceeds restricted to the use of Public Safety programs. Such as the Operation Stonegarden program (OPSG), Smart and Safe Arizona Act funds, Arizona Department of Emergency and Military Affairs Border Fencing and Technology (DEMA), School Resource Officers (SROs) grants, and other miscellaneous grants specific to Public Safety. It also accounts for monies and assets confiscated through criminal prosecution.

The graph below shows the revenue and expenditure trends over five years, and includes FY 2025 budget.

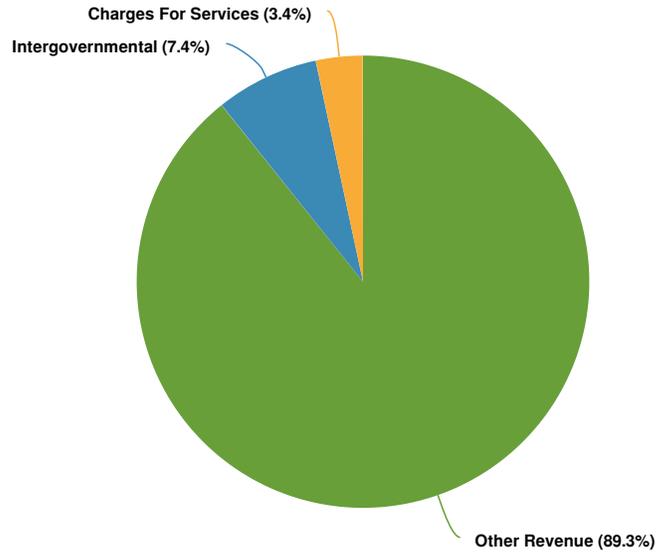


The City of San Luis is projecting \$2.98 million of revenue and expenditures in FY2025, which represents a 41.28% increase in comparison with the prior year.

Revenues

The chart below shows the projections of the FY 2025 revenue budget by category.

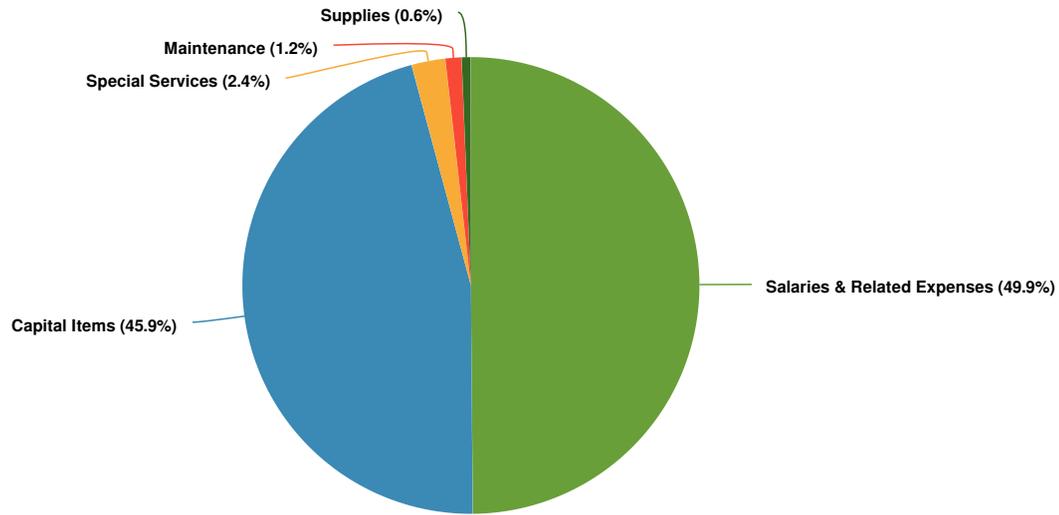
FY 2025 Budget Revenues \$2.9 millions



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Intergovernmental	\$199,801	\$108,334	\$220,000	\$215,930	\$220,000	0%
Other Revenue	\$616,213	\$340,069	\$1,790,000	\$1,076,222	\$2,661,080	48.7%
Charges For Services	\$46,752	\$36,494	\$100,000	\$93,813	\$100,000	0%
Fines & Forfeits	\$5,676	\$4,145		\$7,331		N/A
Total Revenue Source:	\$868,442	\$489,041	\$2,110,000	\$1,393,295	\$2,981,080	41.3%

Expenditures

FY 2025 Budget Expenditures \$2.98 millions



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$484,170	\$307,509	\$2,000,525	\$1,158,350	\$1,486,905	-25.7%
Supplies	\$27,331	\$61,408	\$14,000	\$5,657	\$19,000	35.7%
Maintenance	\$21,407	\$11,930	\$24,475	\$44,157	\$34,375	40.4%
Special Services	\$24,990	\$26,287	\$71,000	\$17,493	\$71,000	0%
Capital Items	\$0	\$24,630		\$34,962	\$1,369,800	N/A
Total Expense Objects:	\$557,898	\$431,764	\$2,110,000	\$1,260,619	\$2,981,080	41.3%

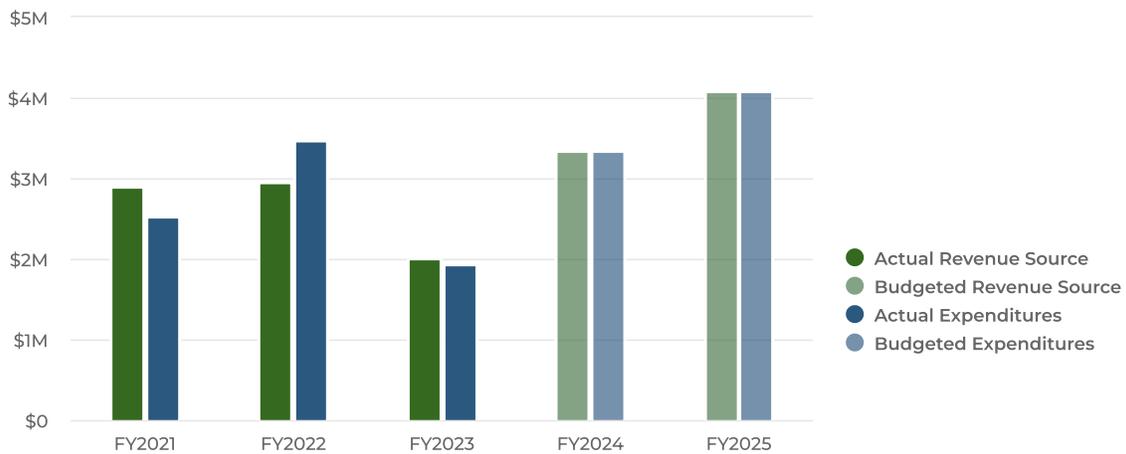


Employee Benefit Trust

Summary

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.

The graph below shows the revenue and expenditure trends over five years, and includes the FY 2025 budget.



The City of San Luis is projecting \$4.09 million of revenue and expenditures in FY 2025, which represents a 22.5% increase over the prior year due to rising costs in health costs.

Revenues by Source

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Budgeted	FY2024 Adopted Budget vs. FY2025 Budgeted (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source								
Other Revenue								
Employee Health Plan	\$2,951,333	\$2,011,136	\$3,323,000	\$2,877,858	\$4,084,000	\$4,084,000	22.9%	22.9%
Miscellaneous Revenue	\$11,080	\$9,906	\$16,900	\$14,292	\$10,000	\$10,000	-40.8%	-40.8%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Budgeted	FY2024 Adopted Budget vs. FY2025 Budgeted (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Total Other Revenue:	\$2,962,414	\$2,021,042	\$3,339,900	\$2,892,150	\$4,094,000	\$4,094,000	22.6%	22.6%
Interest Revenue								
Interest Earned	\$4,205	\$2,123	\$4,300	\$6,989	\$4,300	\$4,300	0%	0%
Total Interest Revenue:	\$4,205	\$2,123	\$4,300	\$6,989	\$4,300	\$4,300	0%	0%
Total Revenue Source:	\$2,966,618	\$2,023,165	\$3,344,200	\$2,899,138	\$4,098,300	\$4,098,300	22.5%	22.5%

Expenditures by Expense Type

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Budgeted	FY2024 Adopted Budget vs. FY2025 Budgeted (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects								
Supplies								
Miscellaneous				\$2,584			N/A	N/A
Total Supplies:				\$2,584			N/A	N/A
Special Services								
Contractual Services	\$988,398	\$767,731	\$1,125,500	\$1,033,445	\$1,498,300	\$1,498,300	33.1%	33.1%
Claims	\$2,486,194	\$1,185,664	\$2,218,700	\$1,208,521	\$2,600,000	\$2,600,000	17.2%	17.2%
Bank Services	\$7	\$0					N/A	N/A
Total Special Services:	\$3,474,599	\$1,953,394	\$3,344,200	\$2,241,966	\$4,098,300	\$4,098,300	22.5%	22.5%
Total Expense Objects:	\$3,474,599	\$1,953,394	\$3,344,200	\$2,244,550	\$4,098,300	\$4,098,300	22.5%	22.5%



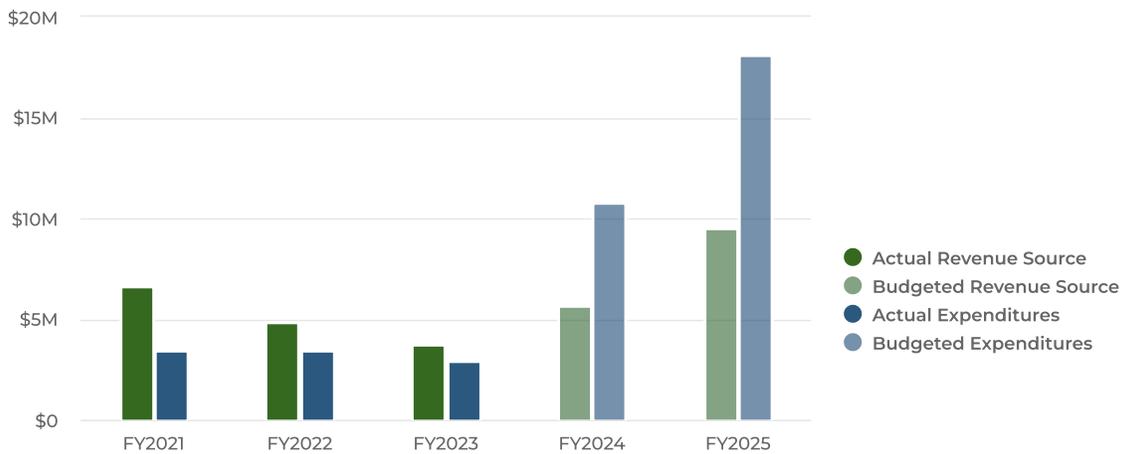


Summary

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 critical to ensure the success of its operations, and to maintain the level of service to our residents. Water capital infrastructure is funded through user fees, development fees, and in some instances grants and revenue bonds. In the FY 2025 budget, the City is planning for capacity improvements for the well sites and rehabilitation projects to the existing storage tanks. Capital projects for the Water Fund are accounted for within the same fund, with the exception of water grant funded capital projects that are funded by special grants, which are accounted for in the Special Revenue Funds.

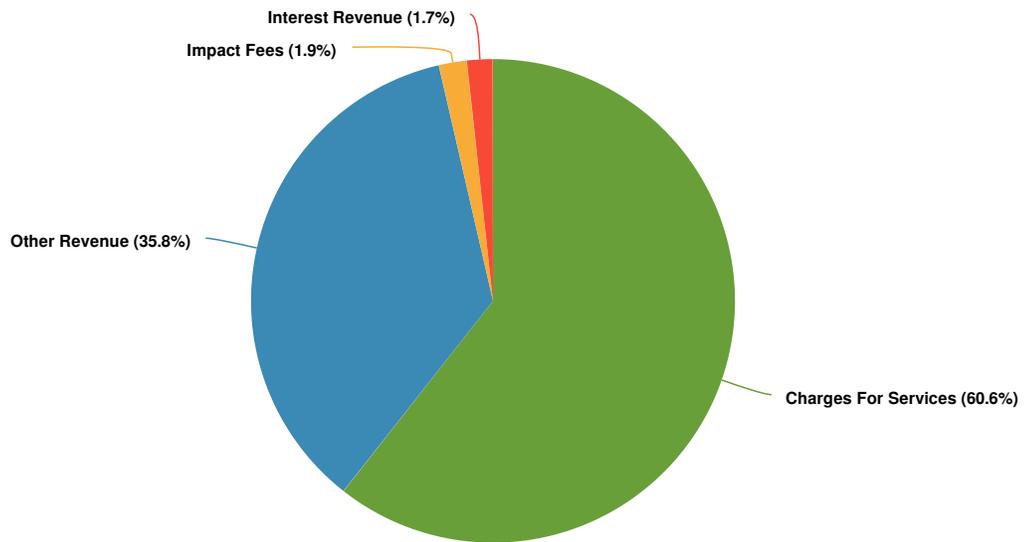
The graph below shows the revenue and expenditure trends over five years, to include FY 2025 budget.



The City of San Luis is forecasting a revenue of \$9.55 million for FY2025, signifying notable growth compared to the preceding year. This increase can be attributed to grants funds for the construction of capital projects and the recent adoption of new utility rate increases. On the expenditure side, we anticipate a substantial 67.9% increase, primarily propelled by significant investments in water infrastructure that the City will be undertaking. This strategic allocation of resources is aimed at enhancing our community's vital infrastructure for the betterment of all residents.

Revenues

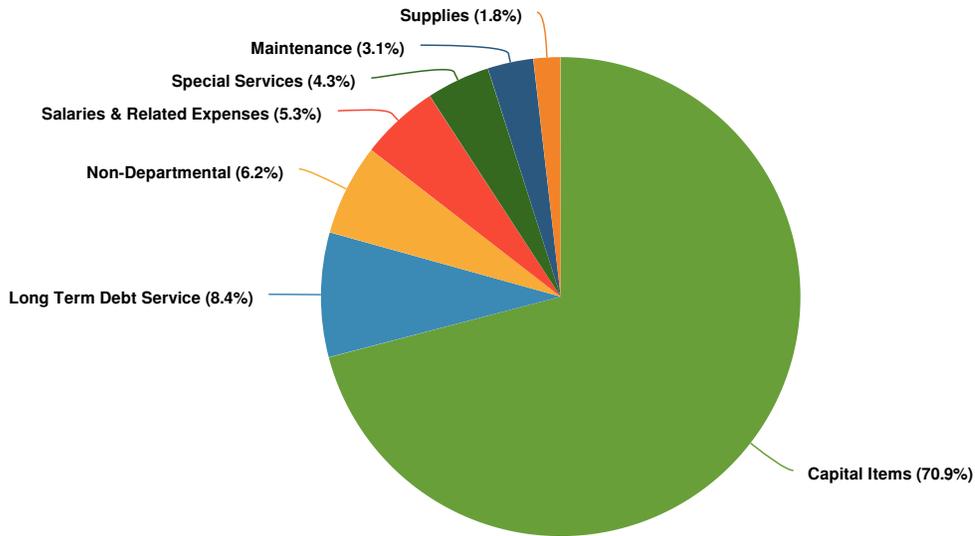
FY 2025 Budget Revenues \$9.5 million



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$118,794	\$94,469	\$115,000	\$1,748,290	\$3,419,920	2,873.8%
Charges For Services	\$4,628,184	\$3,372,247	\$5,265,381	\$5,617,614	\$5,790,000	10%
Impact Fees	\$129,881	\$93,221	\$131,700	\$277,670	\$178,000	35.2%
Interest Revenue	-\$11,073	\$250,875	\$165,000	\$658,741	\$165,000	0%
Total Revenue Source:	\$4,865,786	\$3,810,813	\$5,677,081	\$8,302,315	\$9,552,920	68.3%

Expenditures

FY 2025 Budget Expenditures \$18.1 million



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$669,512	\$459,210	\$924,340	\$829,366	\$965,250	4.4%
Supplies	\$186,181	\$180,971	\$374,500	\$325,624	\$331,100	-11.6%
Maintenance	\$1,047,741	\$334,687	\$567,690	\$1,217,291	\$558,880	-1.6%
Special Services	\$543,475	\$369,457	\$637,050	\$682,376	\$776,550	21.9%
Contingencies	\$1,290	\$0		\$3,532		N/A
Other Financing Sources - Uses	\$0	\$0		\$129,584		N/A
Long Term Debt Service	\$382,540	\$610,884	\$825,060	\$839,980	\$1,523,790	84.7%
Non-Departmental	\$648,191	\$597,781	\$1,047,072	\$951,652	\$1,117,160	6.7%
Capital Items	\$0	\$419,023	\$6,428,620		\$12,866,400	100.1%
Total Expense Objects:	\$3,478,929	\$2,972,013	\$10,804,332	\$4,979,404	\$18,139,130	67.9%



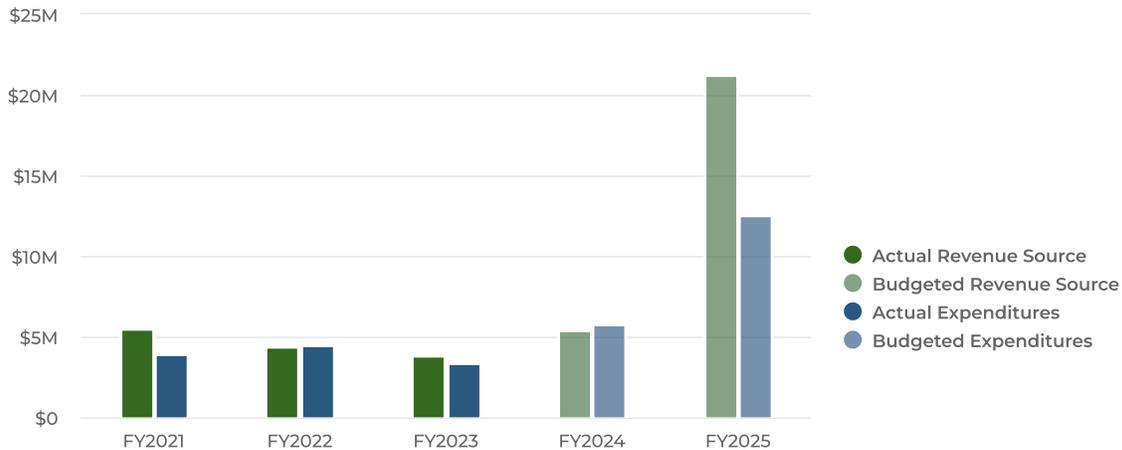


Summary

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 waste water operations. Utility bonds have been issued in the past to finance construction of water and wastewater infrastructure. 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.

Capital infrastructure is accounted for within the Wastewater Fund, with the exception of capital infrastructure funded by grants, which are accounted for in the Special Revenue Funds. For the FY 2025 budget, we are planning for the expansion of the west wastewater plant with a completion timeline of three years. There are other projects in the CIP wastewater plan including safety and capacity improvements for the east wastewater plant.

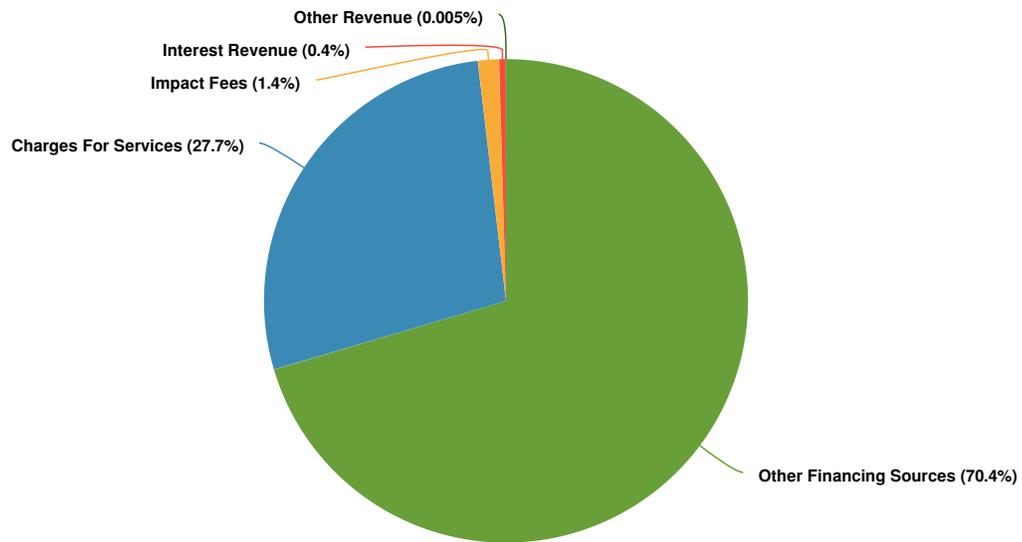
The graph below shows the revenue and expenditure trends over five years, to include FY 2025 budget.



The City of San Luis anticipates \$15.8 million in revenue for FY 2025, due to a loan or bond issuance for the expansion project of the west wastewater treatment plan, and the remaining of the increment is tied to the new utility rate increases. On the expenditure front, the continuation of the treatment plant's improvement and expansion reflects heightened investments in capital infrastructure. These strategic expenditures are geared towards advancing our community's critical infrastructure and ensuring a sustainable future for our residents.

Revenues

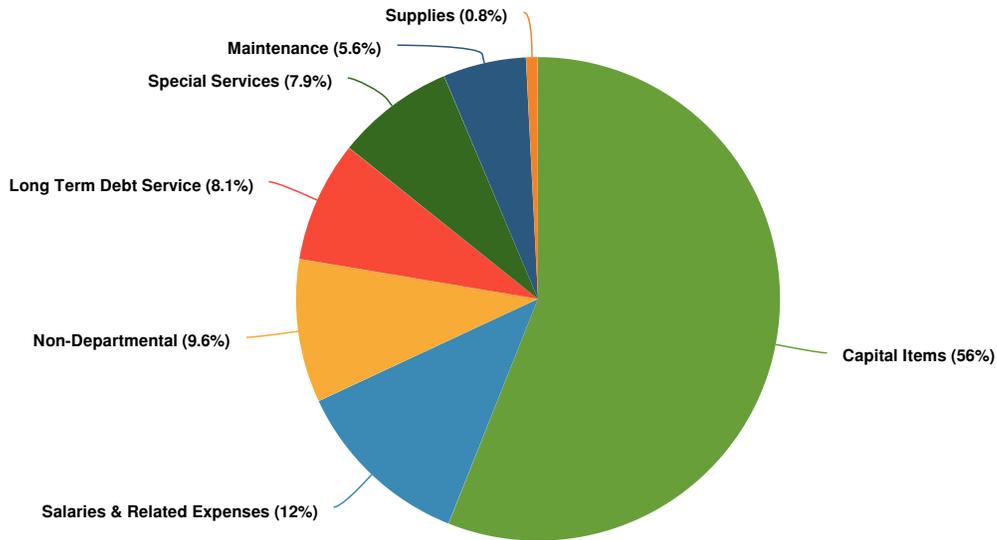
FY 2025 Budget Revenue \$21.3 million



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$7,064	\$0		\$1,673,813	\$1,000	N/A
Charges For Services	\$4,252,663	\$3,575,409	\$5,143,978	\$5,496,644	\$5,904,000	14.8%
Impact Fees	\$207,308	\$143,183	\$201,100	\$447,177	\$300,000	49.2%
Interest Revenue	\$17,010	\$144,935	\$95,000	\$379,513	\$95,000	0%
Other Financing Sources	\$0	\$0			\$15,000,000	N/A
Total Revenue Source:	\$4,484,045	\$3,863,527	\$5,440,078	\$7,997,146	\$21,300,000	291.5%

Expenditures

FY 2025 Budget Expenditures \$12.6 million



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,068,956	\$668,891	\$1,441,490	\$1,149,498	\$1,516,070	5.2%
Supplies	\$70,070	\$43,645	\$148,650	\$89,281	\$98,700	-33.6%
Maintenance	\$1,481,791	\$470,792	\$529,990	\$1,836,219	\$700,280	32.1%
Special Services	\$693,955	\$454,460	\$1,056,650	\$678,435	\$997,560	-5.6%
Contingencies	\$2,568	\$0		\$2,679		N/A
Other Financing Sources - Uses	\$0	\$0		\$137,834		N/A
Long Term Debt Service	\$448,346	\$742,730	\$991,940	\$1,006,169	\$1,021,090	2.9%
Non-Departmental	\$702,481	\$643,824	\$1,126,620	\$1,024,233	\$1,208,010	7.2%
Capital Items	\$68,808	\$372,260	\$496,620		\$7,064,000	1,322.4%
Total Expense Objects:	\$4,536,976	\$3,396,602	\$5,791,960	\$5,924,348	\$12,605,710	117.6%

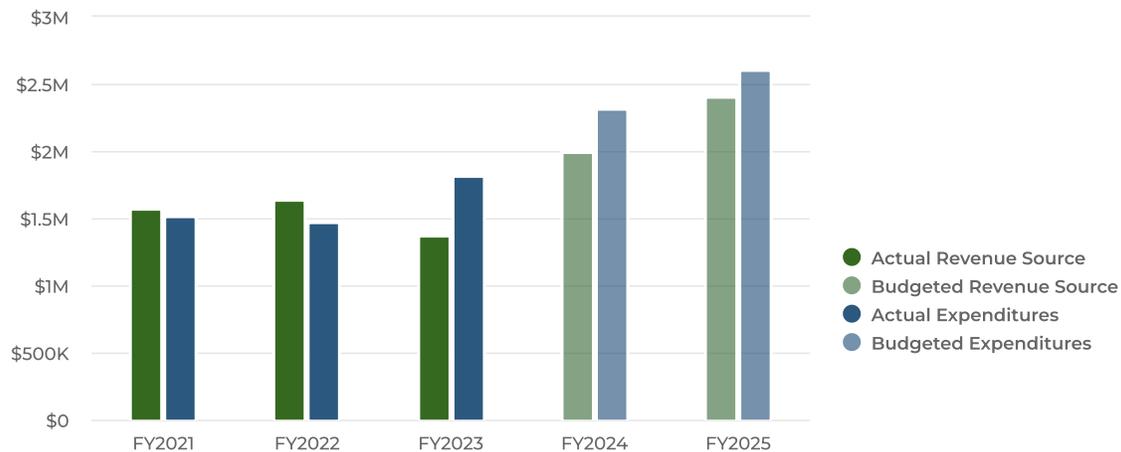




Summary

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 the its customers. Capital infrastructure is budgeted in the Solid Waste Fund. In FY 2025, we included the purchase of a solid waste truck and radio communication system upgrade.

The graph below shows the revenue and expenditure trends over five years, to include FY 2025 budget.



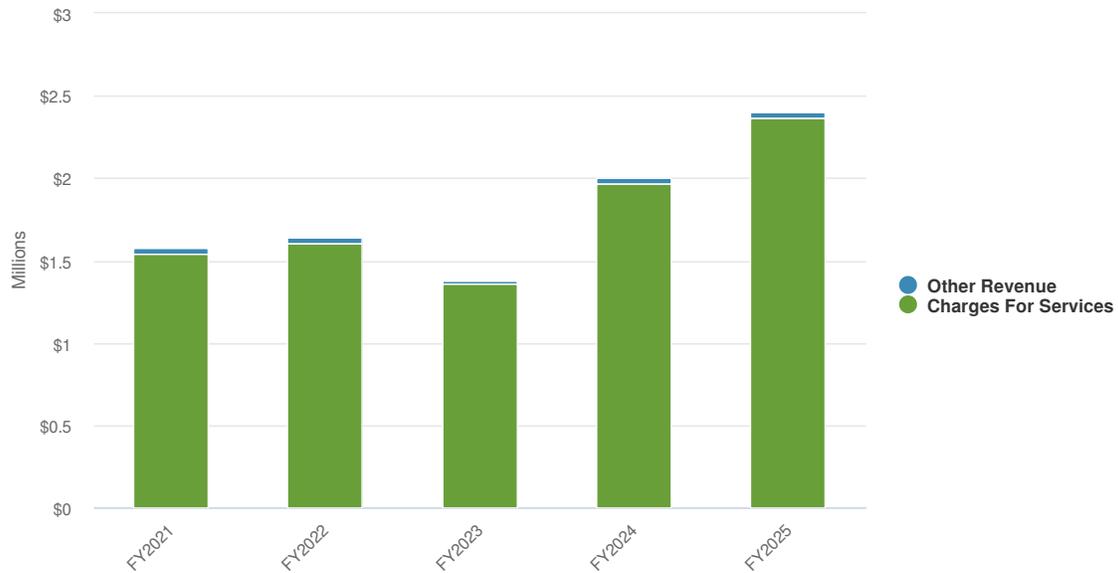
The City of San Luis is projecting \$2.4 million in revenue for FY 2025, representing a substantial 20% increase over the previous year. This boost in revenue is primarily driven by the utility rate increase that was recently adopted. Budgeted expenditures are also expected to rise by 12%, largely due to the acquisition of a new solid waste truck, an upgrade to the communication radio system, and the approval of a new equipment operator position. These budgetary adjustments are designed to maintain the current level of service for residents.

However, it is important to note the need for close attention to this fund due to emerging cost pressures. Rising expenses in areas such as landfill fees, contractual services, and utility costs are putting a strain on the fund and may lead to a shortfall. In response, a strategic plan is being developed to explore cost-reduction opportunities that will maintain operational efficiency and effectiveness without compromising service delivery.

Revenues

The main source of the revenue for the Solid Waste Fund is the residential collection service fees. The table below gives you the historical revenues for the past 5 years.

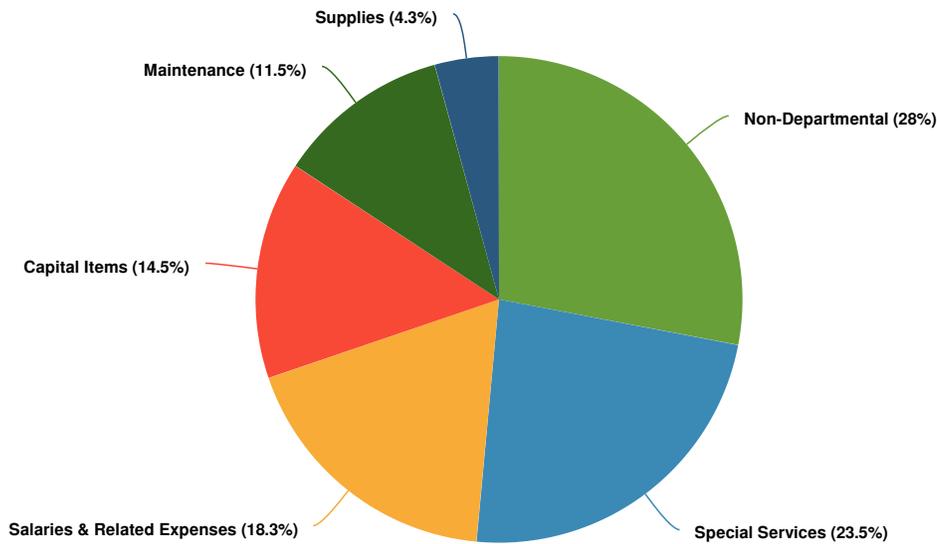
Solid Waste Historical Revenues



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$35,530	\$19,050	\$38,000	\$51,902	\$43,000	13.2%
Charges For Services	\$1,605,233	\$1,359,667	\$1,966,609	\$2,144,247	\$2,363,000	20.2%
Total Revenue Source:	\$1,640,763	\$1,378,717	\$2,004,609	\$2,196,149	\$2,406,000	20%

Expenditures

FY 2025 Budget Expenditures \$2.6 millions



The chart below illustrates the variances between the FY 2025 Adopted Budget and the FY 2024 Adopted Budget. The most significant increase can be observed is the investment in Capital Items with the proposed acquisition of a new truck and Supplies relating to additional residential containers, contractual services for 3rd party services needed for the community cleanup campaign scheduled twice a year.

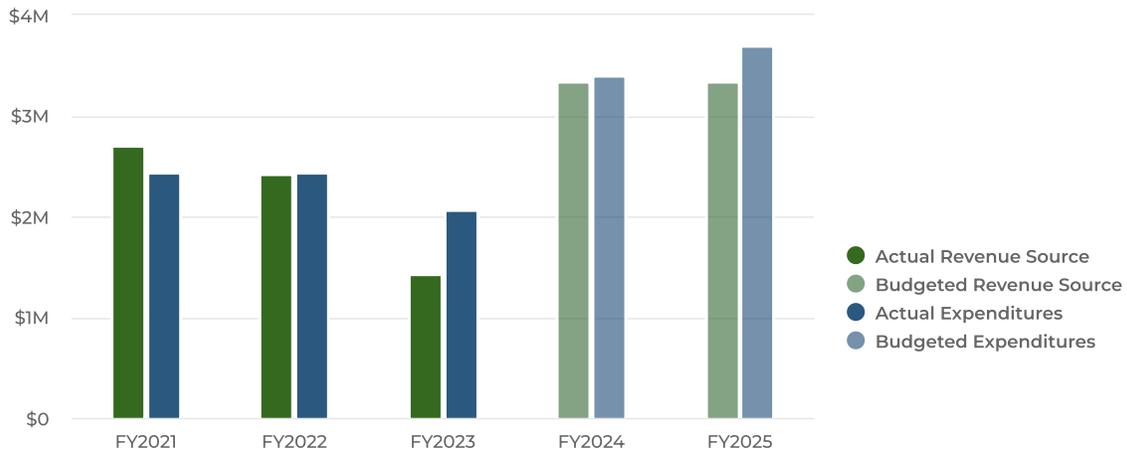
Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$211,529	\$182,331	\$412,940	\$513,481	\$478,030	15.8%
Supplies	\$48,476	\$54,207	\$73,330	\$74,951	\$111,350	51.8%
Maintenance	\$355,027	\$244,483	\$292,500	\$520,859	\$300,480	2.7%
Special Services	\$442,049	\$358,127	\$767,450	\$615,549	\$613,370	-20.1%
Contingencies	\$1,189	\$0		\$1,454		N/A
Long Term Debt Service	\$5,256	\$41,477	\$105,710	\$94,762		N/A
Non-Departmental	\$419,356	\$402,613	\$617,761	\$575,965	\$732,325	18.5%
Capital Items	\$0	\$538,563	\$51,500		\$378,600	635.1%
Total Expense Objects:	\$1,482,881	\$1,821,801	\$2,321,191	\$2,397,022	\$2,614,155	12.6%



Summary

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 operations are administered by the City of San Luis Fire Department, and is responsible for the operations of three full-time emergency response ambulances. The City is completing construction of a second station which will allow the operation of an additional ambulance to serve the east area of the City. Capital infrastructure is budgeted within the fund.

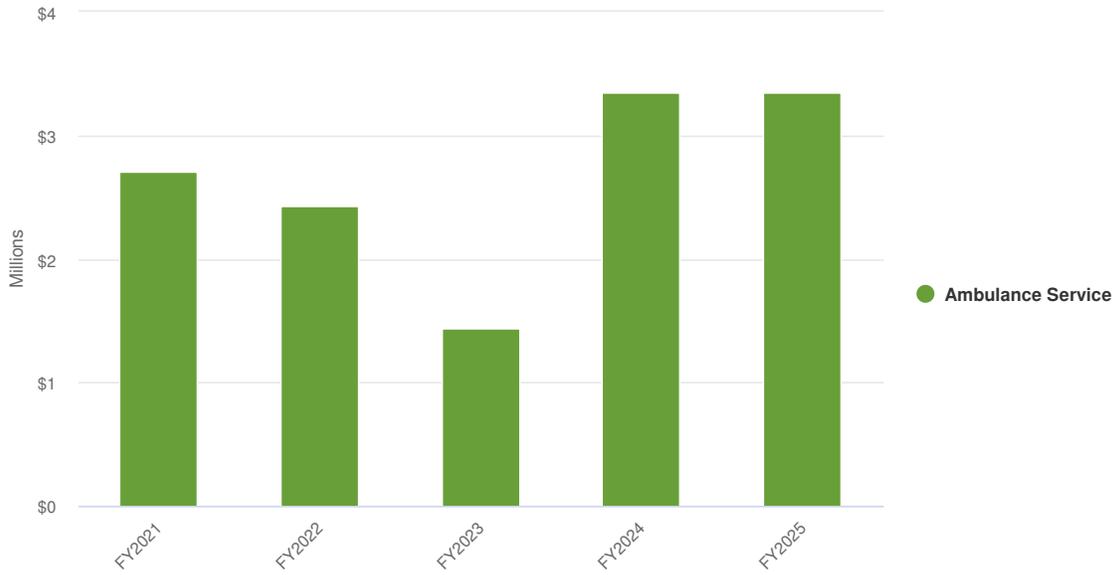
The graph below shows the revenue and expenditure trends over five years, to include FY 2025 budget.



The City of San Luis is projecting \$3.35 million in revenue for FY 2024, similar to the previous year. In contrast, budgeted expenditures are expected to increase by 8.5% among all categories, showing the highest cost for the three new positions approved in the current budget. For the rest of the expenditure categories, the increase is between 12% and 16%. It is important to keep the operation costs in close control to adjust if necessary due to expected operation cost increase.

Revenues

Ambulance Historical Revenue

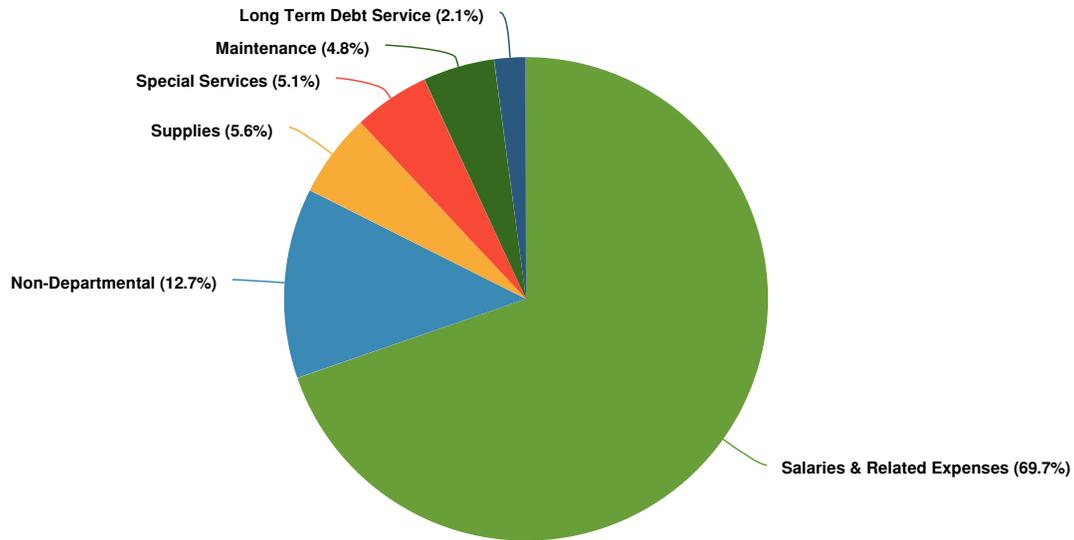


The chart below provides a visual representation of the variances between the FY 2025 Adopted Budget and the FY 2024 Adopted Budget. Notably, the "Contra Ambulance Revenues" category adjusts our revenues by factoring in the average amount of bad debt. An encouraging trend emerges from historical data, indicating an improvement in the uncollectable ratio, which has decreased from 50% to 38%.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Ambulance Service						
Ambulance Revenues	\$5,241,367	\$1,430,884	\$5,450,000	\$6,187,459	\$5,550,000	1.8%
Contra Ambulance Revenues	-\$2,812,547	\$0	-\$2,100,000	-\$2,786,552	-\$2,200,000	4.8%
Grants	\$0	\$0	\$0	\$254,252	\$0	0%
Miscellaneous Revenue	\$1,003	\$1,972	\$0	\$2,497	\$0	0%
Interest Earned	\$0	\$0	\$0	\$250	\$0	0%
Total Ambulance Service:	\$2,429,824	\$1,432,856	\$3,350,000	\$3,657,906	\$3,350,000	0%

Expenditures

FY 2025 Budget Expenditures \$3.7 million



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,599,493	\$1,219,455	\$2,393,630	\$2,225,402	\$2,579,490	7.8%
Supplies	\$179,511	\$95,323	\$183,500	\$205,121	\$206,600	12.6%
Maintenance	\$278,851	\$85,676	\$152,500	\$369,639	\$177,300	16.3%
Special Services	\$105,784	\$79,894	\$161,540	\$125,094	\$188,440	16.7%
Long Term Debt Service	\$21,193	\$47,300	\$71,660	\$71,534	\$77,900	8.7%
Non-Departmental	\$263,454	\$242,461	\$418,637	\$353,039	\$470,825	12.5%
Capital Items	\$0	\$300,695	\$29,000			N/A
Total Expense Objects:	\$2,448,285	\$2,070,803	\$3,410,467	\$3,349,829	\$3,700,555	8.5%



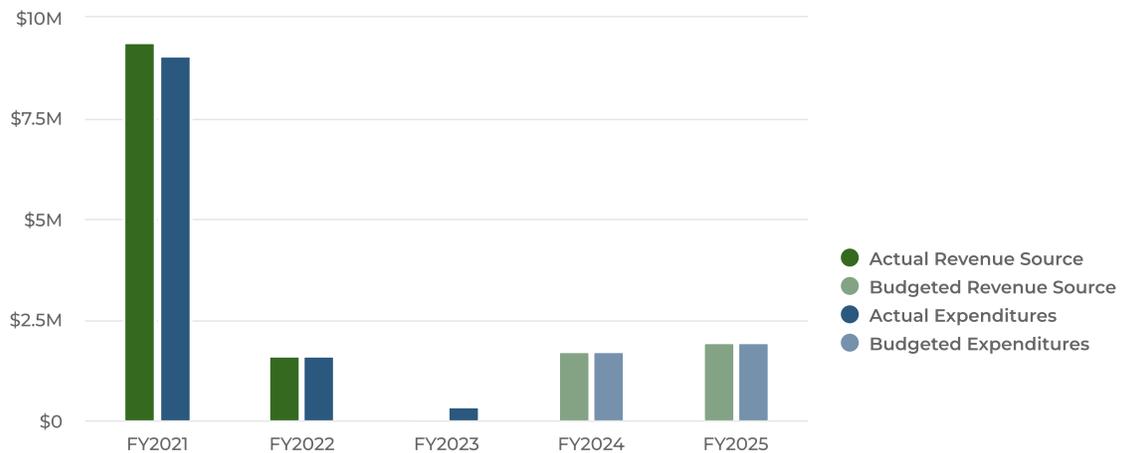


Debt Service Fund

Summary

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.

The graph below shows the debt service expenditure trend over five years, and includes the FY 2025 budget.

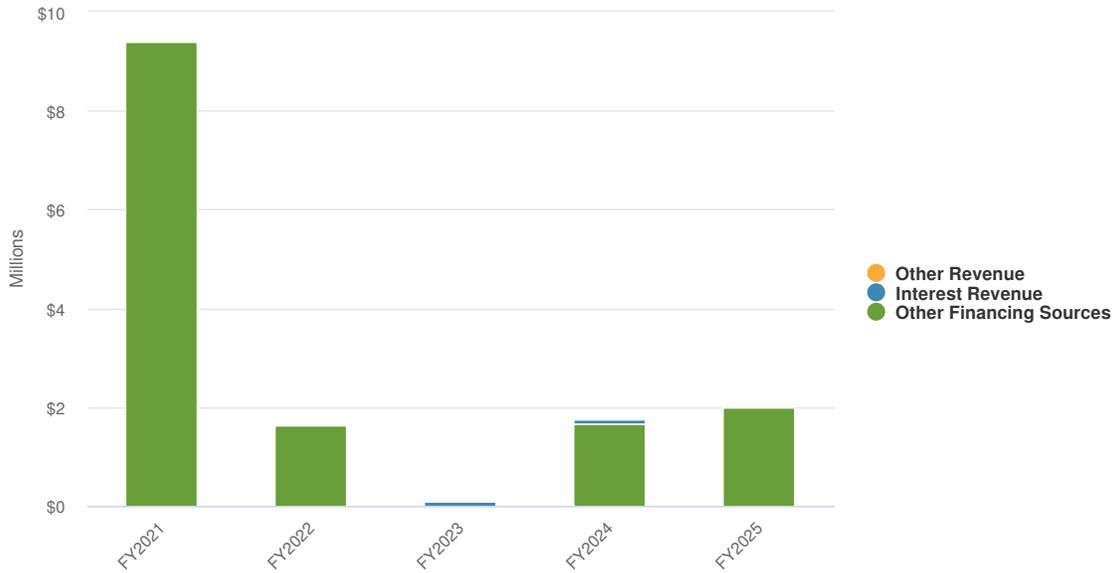


The City of San Luis is projecting \$1.97 million for debt service payments in FY2025, which represents a 13% increase over the prior year. The table below provides expenditure details of the past three years. The increase in FY 2021 is due to the payment of the unfunded liability for the public safety pension. The City refinanced this debt, locking at a low interest rate of 2.99%. The refinancing of this debt is expected to produce savings for the City of \$6,724,754 over the next 16 years.

Revenue by Source



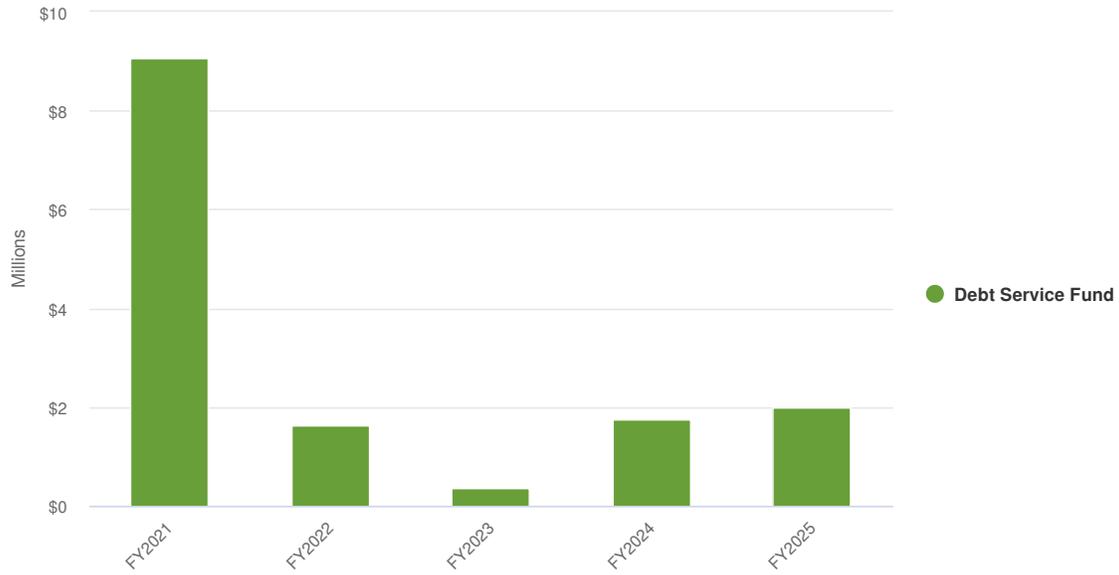
Budgeted and Historical 2025 Revenues by Source



This Fund is funded by the General Fund to cover the short and long term debt payments of previously developed infrastructure and the recent bond issue to fund the PSPRS liability. The chart below shows the variance between the FY 2025 Adopted budget and the FY 2024 Adopted revenue budget by category.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$28	\$6,329		\$20,028		N/A
Interest Revenue	\$5,849	\$81,777	\$100,000	\$471,017		N/A
Other Financing Sources	\$1,640,331	\$0	\$1,647,100	\$1,673,300	\$1,978,880	20.1%
Total Revenue Source:	\$1,646,208	\$88,106	\$1,747,100	\$2,164,346	\$1,978,880	13.3%

Historical Debt Service Expenditures by Fund



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Debt Service Fund						
Contractual Services	\$1,671	\$3,508	\$4,490	\$3,024	\$8,000	78.2%
Bond Cost of Issuance	\$0	\$0		\$167,292		N/A
Interest	\$741,976	\$354,564	\$691,410	\$767,682	\$748,000	8.2%
Principal	\$902,562	\$0	\$1,051,200	\$1,222,901	\$1,222,880	16.3%
Total Debt Service Fund:	\$1,646,208	\$358,073	\$1,747,100	\$2,160,900	\$1,978,880	13.3%

DEBT



Summary

Bond financing is the primary source to finance long-term capital projects. On July 1st, 2024, the City's total outstanding debt is \$66,251,754. 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 excise taxes and state shared payments will equal at least two times the total interest and principal requirements. Our debt coverage from our last audit reports an estimated coverage of 6 times or higher. In April 2024, the City successfully refinanced its Bond Series 2014A, taking advantage of favorable market conditions to reduce interest rates and achieve substantial savings. The 2014A Bond Series, secured by Pledged Revenue derived from Excise Taxes, was identified as a prime candidate for refunding due to its callable feature. The refinancing has resulted in significant savings over the life of the bonds, which will enhance the City's fiscal flexibility and allow for the allocation of resources to other critical projects. This strategic action has improved the City's debt management and reduced future interest payments, contributing to long-term financial stability.

MUNICIPAL PROPERTY CORPORATION BONDS (MPC BONDS)

MPC Bonds are a financing mechanism to fund the construction or acquisition of capital improvement projects. The City may issue MPC Bonds without voter approval by creating a non-profit corporation. A board of directors consisting of citizens from the community appointed by the Council governs the Municipal Property Corporation. The City issued Municipal property corporation bonds totaling \$27,795,000 to finance the construction of a regional detention facility. Subsequently, the City issued \$20,165,000 in 2011 to finance the expansion of the existing regional detention facility. In 2014, the City refunded both bond issues to secure better interest rates.

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 payments, in some instances paid by the project's users 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 \$54,770,000 in revenue bonds. The City utilized proceeds from the bond issuances for constructing the City Hall, Police

Station, and Fire Stations and constructing a Business Center to develop trade, encourage production, and assure job opportunities. The most recent issuance to pay off the unfunded pension liability for the public safety pension is also included in this total.

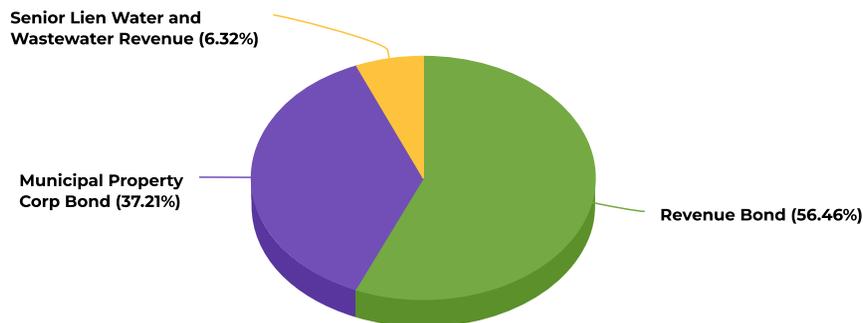
SENIOR LIEN WATER AND WASTEWATER REVENUE BOND

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. In 2023, the net revenue pledged amounted to \$4.0 million.

The following table indicates the total outstanding bond debt of the three main categories for the City of San Luis as of July 1, 2024:

<u>TYPE OF BOND</u>	<u>PRINCIPAL AMOUNT OUTSTANDING</u>
Municipal Property Corp Bond	\$ 24,655,000
Revenue Bond	37,406,754
Senior Lien Water and Wastewater Revenue	4,190,000
Total Bonds Outstanding	\$ 66,251,754

Type of Debt



LEASE PURCHASES AND THIRD PARTY FINANCING CONTRACTS

Lease Purchases (LP) and Third Party (3P) financing contracts represent debt of the political subdivision if issued with a term in excess of one year. They are used to acquire equipment, construct a building or purchase land. The land, building or equipment serve as collateral for the lender. A lease purchase would include a transfer of ownership at the end of the lease. The City has financed the purchase of two wheeled ambulances, land for the East Community Park and entered into lease agreements to finance copiers and radio equipment.

The table below shows the outstanding balance for this category.

<u>OTHER TYPE OF DEBT</u>	<u>PRINCIPAL AMOUNT OUTSTANDING</u>
Lease Purchase	\$ 60,860
3rd Party Financing Contract	163,094
Total Debt Outstanding	\$ 223,954

Bond Ratings

Fitch has assigned the city a 'AA' Issuer Default Rating (IDR) for the most recent bond issuance. San Luis's 'AA' IDR reflects superior financial resilience and budget management practices, as well as strong revenue growth prospects. The rating also considers solid expenditure flexibility and a moderate long-term liability burden. While recent population and revenue gains point to continued positive post-pandemic performance, the city's location along the U.S.-Mexico border presents an inherent susceptibility to cross-border security and trade disruptions that may periodically emerge.

See below a table displaying the bond ratings for the city's other bond issues:

Issue Name	Fund	Agency	Rating
CIC Series 2014 A	General Fund Non Taxable	S&P	AA
2024 Pledge Excise Tax Revenue	General Fund Non Taxable	S&P	A+
GADA Series 2017 AB-SMD	General Fund Non Taxable	S&P	AA
	BC Fund - Taxable	S&P	AA
Utility Series 2013	Water and WW Fund-Taxable	NA	NA
SLDF Series 2014 A	Taxable	NA	NA
	Taxable	NA	NA
PSPRS Series 2021	General Fund-Taxable	Fitch/S&P	AA

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 2024, the City of San Luis undertook a refinancing initiative through the issuance of Pledged Excise Tax Revenue Refunding Obligations, Series 2024, in the amount of \$19,735,000. This action was prompted by the City's desire to refinance a portion of its remaining debt from the First Purchase Agreement, dated November 1, 2014, with U.S. Bank National Association. The refinancing efforts were primarily focused on achieving cost savings associated with previous improvements to the City's water and wastewater systems, as well as refunding general obligations of the San Luis Civic Improvement Corporation (SLCIC).

The obligations being prepaid include a \$21,535,000 outstanding principal amount of the City's Pledged Excise Tax Revenue Refunding Obligations, Tax-Exempt Series 2014A, which are payable between July 1, 2025, and July 1, 2038. This refinancing covers a portion of the costs for the previously refinanced projects.

The issuance of the Series 2024 obligations is expected to result in present value savings of at least 2.5% of the principal amount of the obligations being prepaid. The new obligations are set to mature no later than July 1, 2038, with provisions for prepayment and refinancing flexibility. The City has also authorized the purchase of an insurance policy to secure repayment and has engaged financial institutions for underwriting purposes.

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	Interest Rate	Maturity	Outstanding Principal
	Issued			June 30, 2024
Governmental activities	\$ 7,690,191	4.00-5.00%	7/1/24-38	\$ 7,690,191
Business-type activities	12,044,809	4.00-5.00%	7/1/24-38	12,044,809
Total				\$ 19,735,000



Debt service requirements for SLCIC revenue bonds are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Year Ending June 30:				
2025	38,967	285,272	61,033	446,809
2026	391,621	372,771	613,379	583,854
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
2030-34	2,622,497	1,176,325	4,107,503	1,842,425
2035-38	3,343,392	433,803	5,236,608	679,447
Total	\$ 7,690,191	\$ 3,262,128	\$ 12,044,809	\$ 5,109,328

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	Amount	Interest Rate	Maturity	Oustanding Principal June 30, 2023
Detention facility	\$ 26,090,000	6.20-7.25%	5/1/23-30	\$ 18,045,000
Detention facility	20,835,000	6.10-6.95%	5/1/23-27	9,445,000
Total				\$ 27,490,000

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

	Principal		Interest	
	2014 Series Principal	2014 Series A Principal	2014 Series Interest	2014 Series A Interest
Year Ending June 30:				
2024	\$ 1,175,000	\$ 1,660,000	\$ 1,298,800	\$ 656,428
2025	1,260,000	1,775,000	1,216,550	541,058
2026	1,350,000	1,895,000	1,128,350	417,696
2027	1,440,000	4,115,000	1,033,850	285,992
2028	3,170,000		929,450	
2029-30	9,650,000		1,152,752	
Total	\$ 18,045,000	\$ 9,445,000	\$ 6,759,752	\$ 1,901,174



he SLFDC has pledged to repay \$46,925,000 in Refunding Revenue Bonds issued in 2014, and payable through 2030. The bonds are collateralized by Detention Center operating revenue. In 2023, the revenue pledged amounted to \$27.1 million.

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 \$54,770,000 in Excise Tax Revenue Refunding Bonds issued in 2014, 2018, and 2021 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.

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	Issued	Interest Rate	Maturity	Outstanding
	Amount				Principal
					June 30, 2023
Governmental activities	\$ 2,825,000		4.00-5.00%	7/1/21-27	\$ 1,550,000
Business-type activities	11,715,000		2.00-3.50%	7/1/21-31	7,790,000
Total					<u>\$ 9,340,000</u>

Debt service requirements for GADA bonds are as follows:

Year Ending June 30:	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 280,000	\$ 70,500	\$ 815,000	\$ 232,450
2025	295,000	56,125	830,000	210,850
2026	310,000	41,000	860,000	186,538
2027	325,000	25,125	880,000	160,438
2028	340,000	8,500	905,000	133,097
2029-32			3,500,000	225,046
Total	<u>\$ 1,550,000</u>	<u>\$ 201,250</u>	<u>\$ 7,790,000</u>	<u>\$ 1,148,419</u>

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.



Purpose	Original	Interest Rate	Maturity	Outstanding
	Amount			Principal
	Issued			June 30, 2023
Governmental activities	\$ 8,230,172	0.29-2.92%	7/1/21-38	\$ 7,944,368
Business-type activities	984,828	0.29-2.92%	7/1/21-38	950,633
Total				<u>\$ 8,895,001</u>

Debt service requirements for PSPRS bonds are as follows:

Year Ending June 30:	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 379,584	\$ 175,309	\$ 45,416	\$ 20,976
2025	477,829	172,609	57,171	20,652
2026	482,295	167,928	57,705	20,092
2027	486,761	161,597	58,239	19,335
2028	495,692	153,662	59,308	18,385
2029-33	2,625,829	599,450	314,171	71,722
2034-38	2,996,378	222,197	358,623	26,585
Total	<u>\$ 7,944,368</u>	<u>\$ 1,652,752</u>	<u>\$ 950,633</u>	<u>\$ 197,747</u>

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 effected when due from pledged revenues.

Purpose	Original Amount	Interest Rate	Maturity	Outstanding Principal
	Issued			30-Jun-23
Business-type activities	\$ 6,580,000.00	3.80%	7/1/21-2033	\$ 4,530,000.00

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

Year Ending June 30:	Business-Type Activities		
	Principal	Interest	Total
2024	\$ 340,000	\$ 165,680	\$ 505,680
2025	350,000	152,570	502,570
2026	365,000	138,985	503,985
2027	380,000	124,830	504,830
2028	395,000	110,105	505,105
2029-33	2,205,000	309,605	2,514,605
2034	495,000	9,405	504,405
Total	<u>\$ 4,530,000</u>	<u>\$ 1,011,180</u>	<u>\$ 5,541,180</u>

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. In 2021, the net revenue pledged amounted to \$4.0 million.

LEASE PURCHASES AND THIRD PARTY FINANCING CONTRACTS

Lease Purchases (LP) and Third Party (3P) financing contracts represent debt of the political subdivision if issued with a term in excess of one year. They are used to acquire equipment, construct a building or purchase land. The land, building or equipment serve as collateral for the lender. A lease purchase would include a transfer of ownership at the end of the lease.

PERSONNEL



Personnel Changes

In the fiscal year 2025 budget, we accounted for significant personnel changes within various city departments. This includes the addition of 22 full-time employee positions spanning from City Administration to Public Works. These personnel changes have been carefully considered in budget allocations, encompassing salaries, benefits, and related expenses, ensuring a seamless integration of new team members into our city workforce. Staffing level changes will be further explained in each department's staff summary description.

Staff Summary

Department	2021-2022	2022-2023	2023-2024	2024-2025	2024-2025
City Administration	6	6	6.5	9	2.5
City Clerk	3	3	4	3	-1
City Attorney	2.5	2.5	3.5	3.5	0
City Prosecutor	2	3	3	3	0
Finance	9.5	10	10.5	11.5	1
Human Resources	5	7	8	8	0
Development Services	5.1	5.5	6.0	7.0	1
Building Safety	5.1	7.5	5.0	5.0	0
Economic Development	4	3.4	3.8	4	0
Cultural Center	2.6	1.8	2.3	3	1
Parks	13.6	16	18	18	0
Recreation	3.7	2.8	3.3	3	0
Youth Center	3.6	2.8	3.3	3	0
Municipal Pool	2.5	1.8	2.3	2	0
Parks & Rec. Administration	0	4	4	4	0
Senior Services	3	4	5	5	0
Municipal Court	10	11	11	11	0
Police Department	63	67.4	72	77	5
Fire Department	30.5	30.7	24.3	27.3	3
Fire Department East	0	0	12	12	0
Information Technology	6.3	7.2	8	8	0
Facilities	9.2	10	13	15	2
Fleet Services	5.6	6.6	7	7	0
Risk & Property Management	1	1	2.5	3	0.5
Billings & Collections	10	10	11	11	0
Engineering	0	0	2	4	2
Public Works Administration	0	0	6	7	1
Highway User	20.7	21.0	22.8	23	-0.3
Senior Services Special Revenue Fund	1	1	2	2	0
Water	12.9	13.0	12.3	13	0.7
Wastewater	17.9	20.0	20.3	21	0.7
Solidwaste	5.4	5.4	6.5	8	1
Business Incubator	1	0.6	0.2	0.2	0
Ambulance Services	18	18.7	22.7	25.7	3
Total City Wide	283	305	344	366	22



New Personnel Request

New Personnel Requests				
Department	Job Position	Hourly Rate	Class	Tentative Budget Amount
City Administration	Office Assistant	14.35	103	44,290
Development Services	Office Assistant	14.35	103	44,290
Finance	Accounting Specialist	18.71	108	55,320
Fire	(3) Firefighters	22.02	200	197,300
Police	(3) Police Officers	24.22	201	172,950
Police	(2) Transift Enforcement Officer	16.34	106	98,650
Facilities	Building Maintenance Lead	20.02	109	60,040
Facilities	Custodian	14.80	103	46,470
PW Administration	Administrative Assistant	17.48	107	52,210
Engineering	Project Coordinator	20.02	109	58,640
Ambulance	(3) Firefighters	22.02	200	197,300
Water	Water Operator	19.00	107	57,330
Wastewater	WW Operator	19.00	107	57,320
Solidwaste	Heavy Equipment Operator	18.71	108	57,660
				\$ 1,199,770

Salary Reclassification/Adjustment

Salary Reclassifications / Adjustments				
Department	Job Position	Hourly Rate	Class	Tentative Budget Amount
CityWide	Salary Implementation Maket Based			850,000
CityAdministration	Reclassification of PT Graphics & Media Specialist to FT	22.02	200	40,800
CityAdministration	Reclassification of Operations Coordinator to Administration Services Manager	32.85	204	-
CityAdministration	Reclassification of Video Production Spec to Multimedia Production & Operations Specialist	26.64	202	14,280
HR	Reclassification of the HR Coordinator to HR Generalist	24.22	201	9,750
HR	Reclassification of the HR Coordinator to HR Generalist	24.22	201	10,630
HR/Risk	Reclassification of the pay grade of the Risk Manager position from 203 to 204	32.23	204	1,510
HR/Risk	Reclassification of PT Office Assistant to FT Administrative Assistant	17.48	107	37,280
Police	Reclassification of the Administrator Coordinator to Accreditation Specialist	22.87	200	2,860
Engineering	Reclassification of the Engineering Tech to CIP Inspector or Senior Engineering Tech	26.64	202	8,450
Fleet	Reclassification of Office Assistant to Administrative Assistant	17.48	107	7,910
HURF	Reclassification of Heavy Equipment Operator to Senior Heavy	21.71	109	2,670
Fire	Paramedic Stipend Increase	0.50		28,740
Ambulance	Paramedic Stipend Increase	0.50		28,740
				\$ 1,043,620



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



The San Luis City Council comprises one (1) Mayor and six (6) Council members elected by residents in a nonpartisan election. Each member serves for a term of four (4) years.

Accomplishments FY 2024

- Continued to support the long-term financial stability of the city by proposing the establishment of a primary property tax.
- Continued evaluating the wage and salary compensation by directing the development of a salary study.
- Investment of \$5.5 million in road projects such as County 24th and County 24th Street Intersection, \$4.2 million in city buildings including Fire and Police Stations and East San Luis Park improvements, as well as \$3.6 million in water infrastructure projects.
- Continue supporting efforts by all POE 1 stakeholders in the construction of SL POE 1 in both the US and Mexico during fiscal year 2023-2024.
- Secured an additional \$25 million for a total of \$62 million in grants for the widening of Cesar Chavez Boulevard.
- Implemented a Utility Rate increase.
- Secured the Chief of Police, Parks and Recreation Director and Magistrate positions.

Goals & Objectives FY 2025



Growth & Public Service:

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

- Support General Plan amendments for smart growth development, approving amendments throughout the fiscal year.
- Assist in the feasibility study for San Luis II Port of Entry to accommodate private vehicles, completing the study by Q4 2025.
- Support the development and approval of the City of San Luis Strategic Plan for FY 2024-2029, finalizing by Q2 2025.
- Assist in securing USPS cluster mailbox service, achieving approval and implementation by mid-2025.
- Support annexations, land swaps, and acquisitions to facilitate city growth throughout FY 2025.



Economy:

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

- Continue supporting efforts at San Luis POE 1 by maintaining progress and collaborating with stakeholders throughout FY 2028.
- Secure additional funding for the Cesar Chavez widening project, aiming for an additional \$10 million by Q4 2025.
- Work with staff to recruit and hire key top-level positions, filling roles such as City Manager, Finance Director, IT Manager by the 1st Quarter of FY 2025.



Financial Sustainability:

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

- Provide a market trend analysis for city employee salaries and benefits, completing the study by Q4 2025.
- Support the implementation of the city's 5-year Capital Improvement Plan (CIP), tracking at least 50% of project milestones by the end of FY 2025.

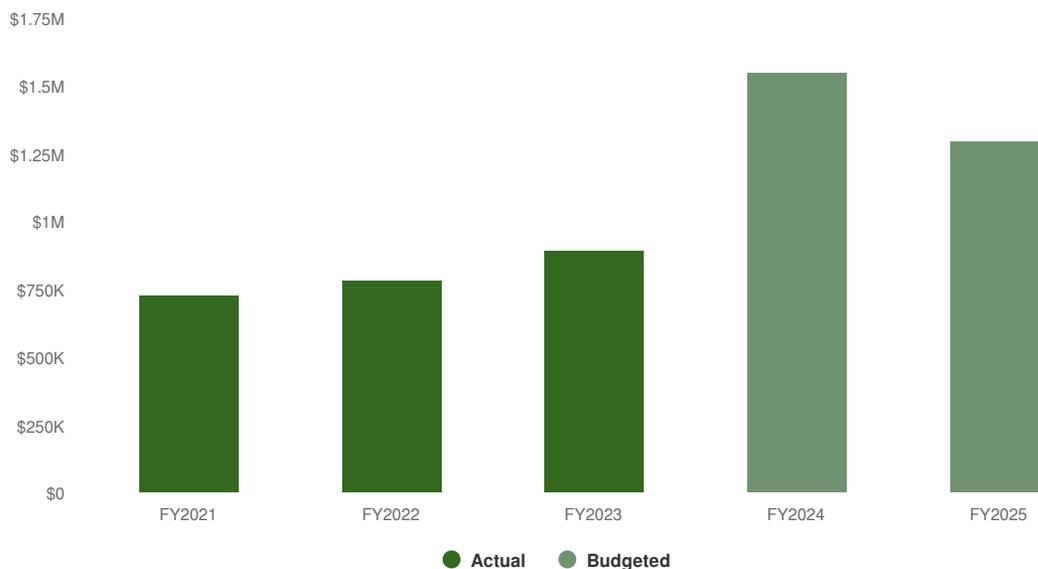
- Advocate for the creation of a city Primary Tax levy, completing the proposal and adoption process by Q4 2025.

Expenditure Summary

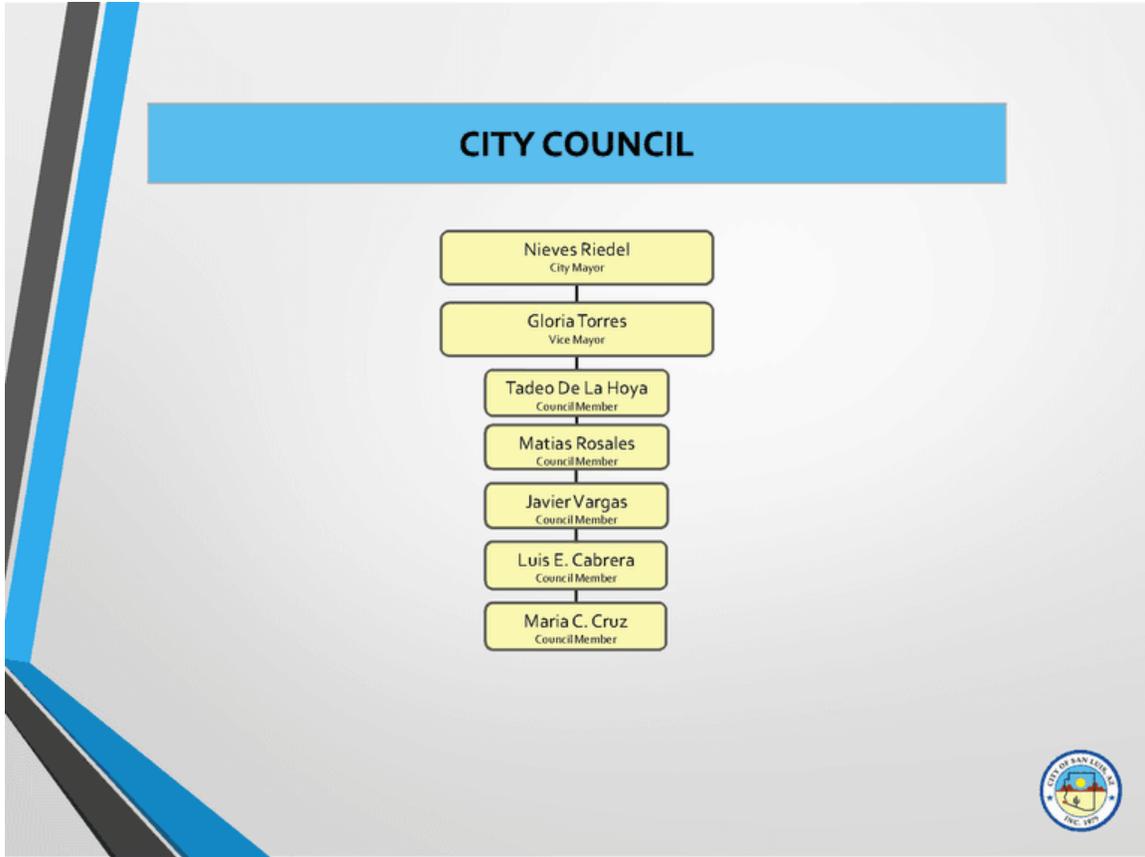
The chart below provides a breakdown of the City Council's expenditures over the past four years. For FY 2025, the City Council has budgeted \$1,300,110, reflecting a reduction of \$250,390 (16.15%) from the previous year. This decrease is primarily attributed to a lower allocation for contingencies, which saw a reduction of 40.76% from \$506,450 last year to \$300,000 this year. Contingencies are funds reserved for unforeseen expenses across city departments.

\$1,300,110
-\$250,390
(-16.15% vs. prior year)

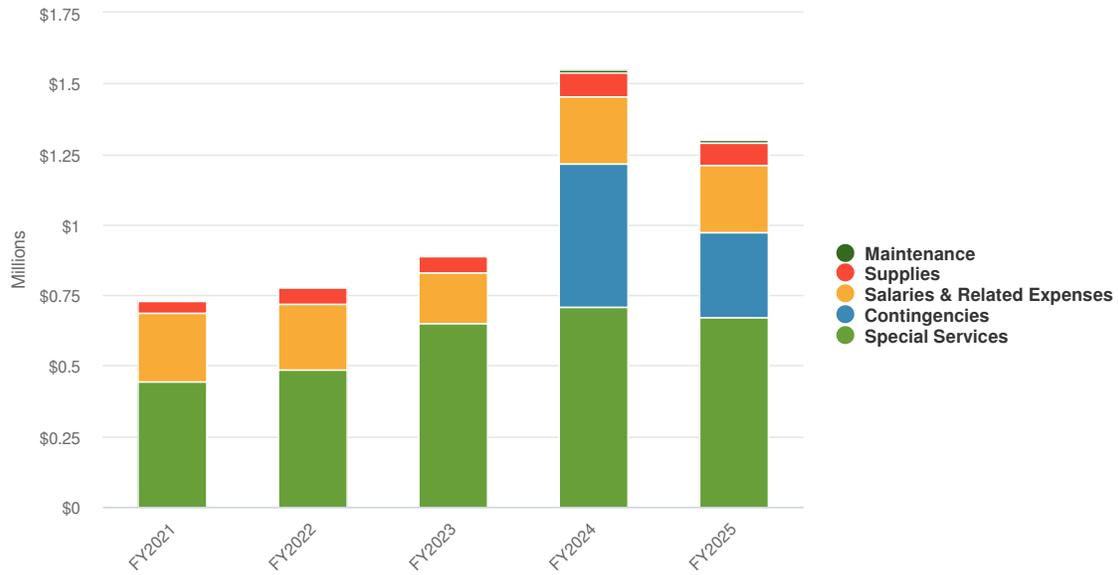
City Council Proposed and Historical Budget vs. Actual



Organizational Chart



Budgeted and Historical Expenditures by Expense Type



The following table represents the City Council's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$230,456	\$180,008	\$239,080	\$247,855	\$237,910	-0.5%
Supplies	\$58,948	\$60,863	\$87,720	\$77,559	\$78,300	-10.7%
Maintenance	\$6,606	\$5,445	\$9,500	\$6,272	\$10,130	6.6%
Special Services	\$488,198	\$648,850	\$707,750	\$671,307	\$673,770	-4.8%
Contingencies	\$0	\$0	\$506,450		\$300,000	-40.8%
Total Expense Objects:	\$784,208	\$895,166	\$1,550,500	\$1,002,994	\$1,300,110	-16.1%

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 is a Manager, Assistant City Manager and support staff body that oversee various departments within the organization to ensure that the community is served, provides a safe environment, financial stability, beautiful and culturally enriched. It maintains intergovernmental relationships, continue to build and maintain a professional relationship with external partners and businesses to ensure that our City continues to grow and evolve; manage day to day operations and activities while adhering to the highest standards of conduct to inspire public confidence and trust in the City of San Luis.

Accomplishments FY 2024

- Ensuring excellent medical and dental care benefits by securing a new broker through the Employee Benefit Trust.
- Supported the financial investment of \$5.5 million in road infrastructure to include Mesa Street, County 24th Street, and County 22nd and Sidewinder Road Intersection.
- Supported the financial investment of \$4.2 million in constructing a Fleet Shop, Fire Station No. 2, Police Substation and East San Luis Park Improvements.

- Supported the financial investment of \$3.6 million in water infrastructure investment.
- Continued to work with the Human Resources Department in the recruitment of the city key top-level positions.
- Supported the Mayor and Council members in the proposal of establishing a primary property tax election.
- Secured an additional \$25 million of funding for a total of \$62 million for the design and widening of Cesar Chavez Blvd.

Goals & Objectives FY 2025

Growth & Public Service:

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

- Review and reorganize the city's organizational structure by throughout the fiscal year to improve efficiency and customer service.
- Support General Plan amendments for smart growth, approving at least two amendments by the end of FY 2025.
- Continue supporting the construction of San Luis POE 1, ensuring 100% completion by FY 2028.
- Create a Communications Division within the Administration Department by Q4 2025 for improved city-wide social media engagement.
- Assist in securing funding for the feasibility study for San Luis II Port of Entry by Q4 2025.
- Assist with the coordination and development of the City of San Luis Strategic Plan, Finalizing the plan by QY 2025.
- Work with departments and City Council to implement the city's 5-year Capital Improvement Plan (CIP) and achieve 50% of milestone targets by FY 2025.

Economy

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

- Structure a financial funding strategy for major infrastructure projects, prioritizing roads, parks, and open spaces, with an initial plan by May 2025.

- Assist in securing grant and loan funding for the west wastewater treatment plant expansion by Q1 2025.
- Develop a strategy for city expansion through annexations, land swaps, or acquisitions, completing at least two projects by Q4 2025.
- Support the Mayor, Council members, and staff in finalizing the construction of the Cesar Chavez widening project by FY 2027.



Financial Sustainability

Goal: "Promote long-term financial sustainability through strategic resource management, fee evaluations, and employee retention."

- Evaluate citywide department fees and recommend adjustments to cover operational costs by Q4 2025.
- Provide market trends and salary comparisons for city employees, ensuring at least 95% of vacancies are filled by the end of FY 2025.
- Explore options for securing approval of San Luis US Postal Service cluster mailbox service, achieving approval by Q2 2026.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
PUBLIC RELATIONS, ENGAGEMENT, SATISFACTION	40%	45%	50%
PUBLIC CONFIDENCE & CITY TRANSPARENCY	30%	35%	40%
PROMOTE & SUPPORT YOUTH & SENIOR SERVICES	40%	45%	50%
CITY'S FINANCIAL STABILITY	50%	55%	60%
SUPPORT & MAINTAIN PUBLIC SAFETY SERVICES	45%	50%	55%
SUPPORT & MAINTAIN CITY'S INFRASTRUCTURE	45%	50%	55%
SUPPORT & MAINTAIN PUBLIC SERVICES	20%	30%	40%
PROMOTE & SUPPORT STRATEGIC PLANNING CITY WIDE	10%	10%	15%
PROMOTE & CREATE STRATEGY FOR NEW BUSINESS	45%	50%	50%

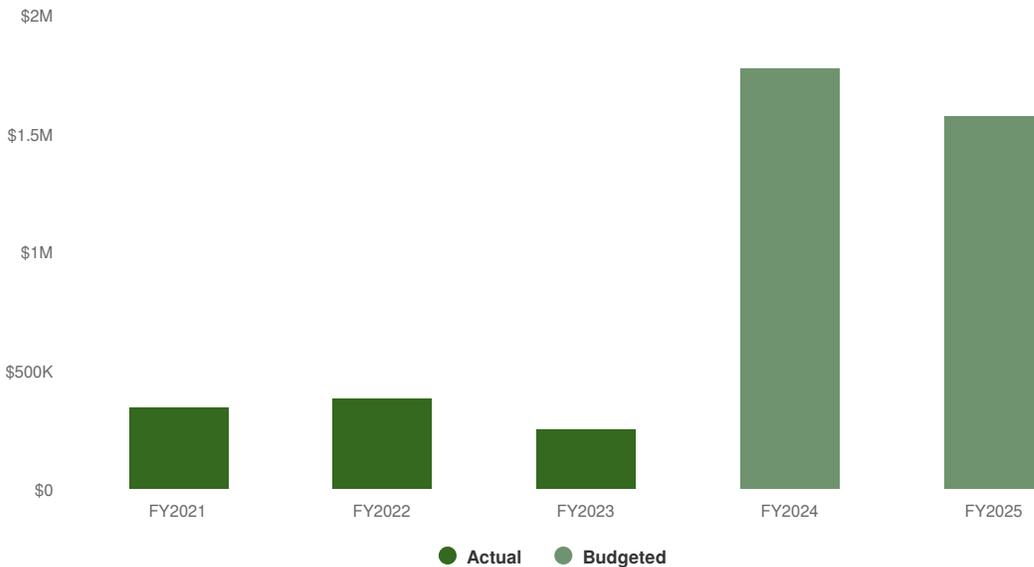
Expenditure Summary

The graph below shows the City Administration Department's expenditures over the past four years. For FY 2025, the City Administration has budgeted \$1,570,020, representing a decrease of \$200,621 compared to the previous year. This reduction is primarily due to a decrease in special services, particularly in contractual services, as the City no longer has a contract with a consultant for overall city management.

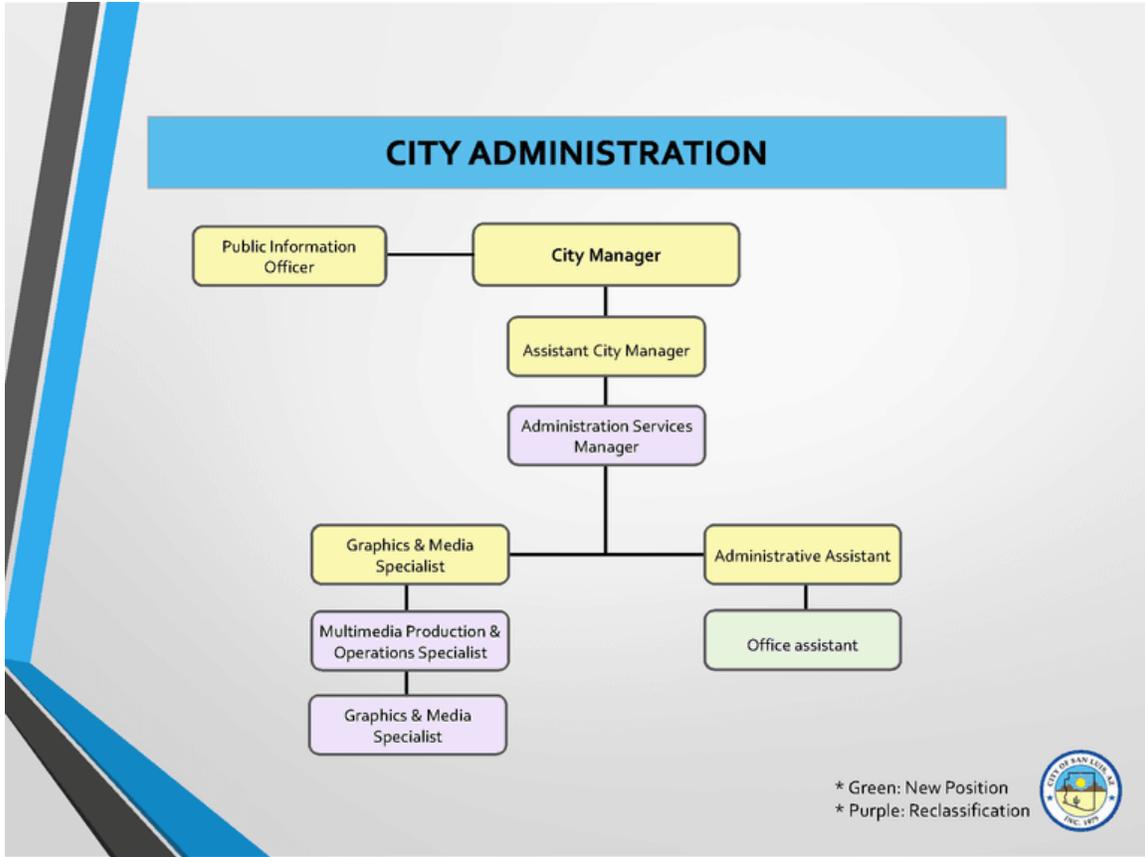
For salaries and related expenses, the City has budgeted \$1,696,780, which includes \$850,000 allocated for salary classification adjustments for all City employees under the general fund. Additionally, this budget includes one new position (Office Assistant) and three reclassifications: Administrative Services Manager, Multimedia Production & Operations Specialist, and Graphics & Media Specialist.

\$1,570,020 **-\$200,621**
(-11.33% vs. prior year)

City Administration Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The following graph presents a summary schedule of the City Administrator's Staff over the past three fiscal years. In FY 2025, the City administration will implement three reclassifications and add one new position. The Operations Coordinator will be reclassified to Administration Services Manager, the Video Production Specialist and Operations Specialist roles will be updated to Multimedia Production and Operations Specialist, and the Graphics & Media Specialist position will transition from part-time to full-time. Additionally, a new Office Assistant position will be created to enhance administrative support.

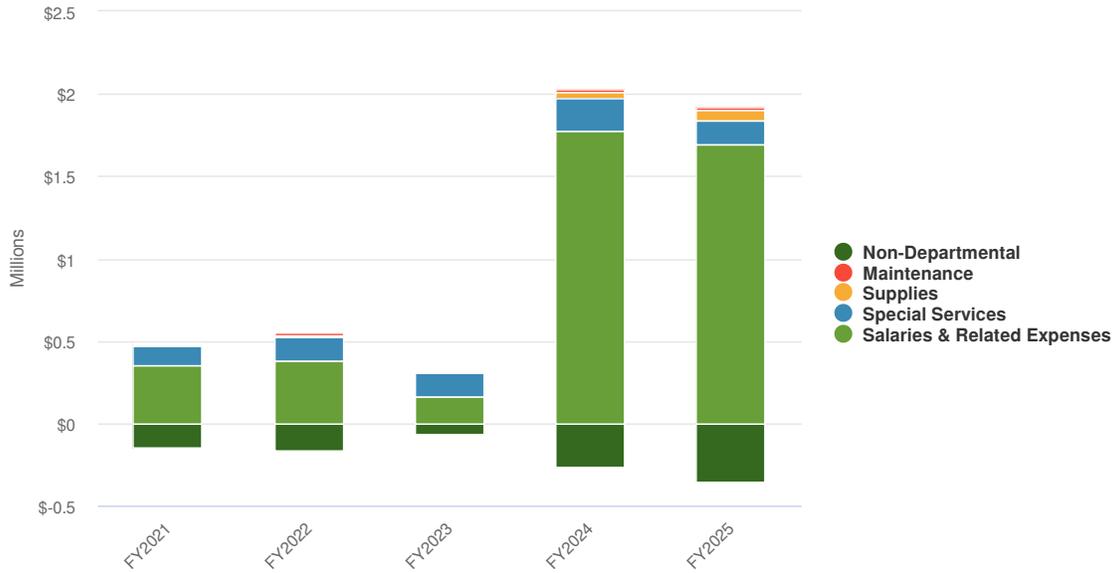
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	6	6	6.5	9	2.5
% of city's FTEs				1.78%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Acting Assistant to Council/PIO	1	0	0	0	0
Public Information Officer	0	1	1	1	0
Operations Coordinator	0	0	1	0	-1
Administration Services Manager	0	0	0	1	1
Public & Foreign Affairs	1	1	0	0	0
Assistant to the City Manager	1	1	1	1	0
City Manager	1	1	1	1	0
Executive Assistant	1	1	0	0	0
Graphic and Media Specialist	0	0	1.5	2	0.5
Administrative Assistant	0	0	0	1	1
Video Production and Operation Specialist	0	0	1	0	-1
Multimedia Production & Operations Specialist	0	0	0	1	1
Office Assistant	1	1	0	1	1
Total	<u>6</u>	<u>6</u>	<u>6.5</u>	<u>9</u>	<u>2.5</u>



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents City Administration expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$375,607	\$158,518	\$1,771,850	\$534,461	\$1,696,780	-4.2%
Supplies	\$14,419	\$4,260	\$35,717	\$30,044	\$65,730	84%
Maintenance	\$11,395	\$7,258	\$16,800	\$10,365	\$17,280	2.9%
Special Services	\$145,969	\$146,919	\$206,155	\$55,525	\$141,640	-31.3%
Non-Departmental	-\$160,889	-\$67,478	-\$259,881	-\$204,516	-\$351,410	35.2%
Total Expense Objects:	\$386,501	\$249,477	\$1,770,641	\$425,879	\$1,570,020	-11.3%

City Clerk

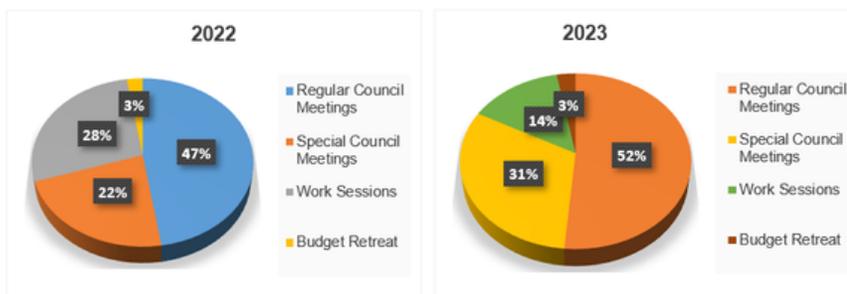
The City Clerk's Office is the primary link between Council, City staff and the public, where the City Clerk serves as the Chief Elections Official and Records Manager. The City Clerk's Office upholds public trust and protects local democracy by providing access to services and information on matters 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 Candy Lara, 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 2021 the City Council held 21 regular Council meetings (48%); 9 special Council meetings (20%), 13 work session meetings (30%) and one budget retreat meeting (2%). The majority of these meetings were held remotely due to the COVID-19 pandemic.



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. 445, passed on September 25, 2023.

- **Records Management & Retention Policy**

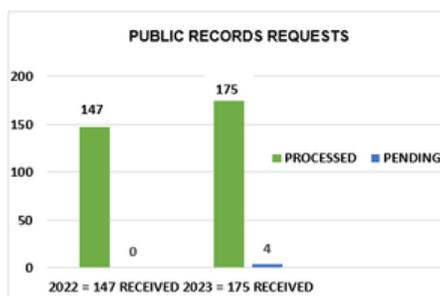
The City Clerk’s Office remains contracting with Iron Mountain Incorporated to store long-term and permanent records offsite. This allows the city to cost-effectively manage, safeguard and retrieve vital records and documents on time.

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 2023, 94 boxes were sent to Iron Mountain from the various city departments and 105 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 2022 and 2023.



ELECTIONS

The City Clerk regularly conducts fall-scheduled City of San Luis Mayor and Council elections every even-numbered year and conducts all special city elections as required. The City Clerk’s Office is preparing to conduct the following elections in 2024.

- Primary Property Tax (Ad Valorem) May 21, 2024
- Primary Election July 30, 2024

- General Election (Southwest Gas Franchise and if needed for the election of Council Members) November 5, 2024

Accomplishments FY 2024

- **City Clerk** – Maintains her Master Municipal Clerk (MMC) certification through the International Institute of Municipal Clerks, certification as a Certified Public Manager, Certified Municipal Election Official and Notary Public Commission.
- **Deputy City Clerk** – Maintains Certified Municipal Clerk Certification (CMC) through the International Institute of Municipal Clerks, Certified Municipal Election Official and Notary Public Commission.
- **City Clerk and Deputy City Clerk** – Continue attending the Municipal Elections Training through the League of Arizona Cities and Towns to maintain certification as a Municipal Election Official.
- **Records Management Specialist** – Participated on webinars and attended the the National Association of Government Archives and Records Administrators (NAGARA) Annual Conference in Cincinnati, Ohio.
- The City Clerk’s Office continues to use Laserfiche, which streamlines the process of information from city code, agenda packets, minutes, contracts/agreements, ordinances, orders, resolutions and development agreements.
- All city’s boards and commissions continue to use AgendaQuick to ensure consistency and legal compliance for all notices and agendas on the city’s website.
- The City Clerk’s Office held its semi-annual citywide purge day held on November 2, 2023. In addition, the Records Management Specialist met with various department’s records coordinators to audit their records and complete records destruction per the department’s retention schedule.

Goals & Objectives FY 2025

Growth & Public Service

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

- Implement succession planning by cross-training the City Clerk, Deputy City Clerk, and Records Management Specialist to ensure all phases of City Clerk’s Office operations are covered throughout the fiscal year.

- Continue managing document purge day on a semi-annual basis, conducting annual audits with each department to ensure 100% compliance with State Library and Archives Retention Schedules by the end of each fiscal year.

 **Economy**

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

- Work with the Finance Department and Billing & Collections Division to provide online payment options for Public Records Requests, launching the system by the end of Q1 2025, facilitating customer service.

 **Financial Sustainability**

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

- Meet annually with each department to audit records and ensure compliance with State Library and Archives Retention Schedules, reducing physical storage costs by 10% by the end of FY 2025.

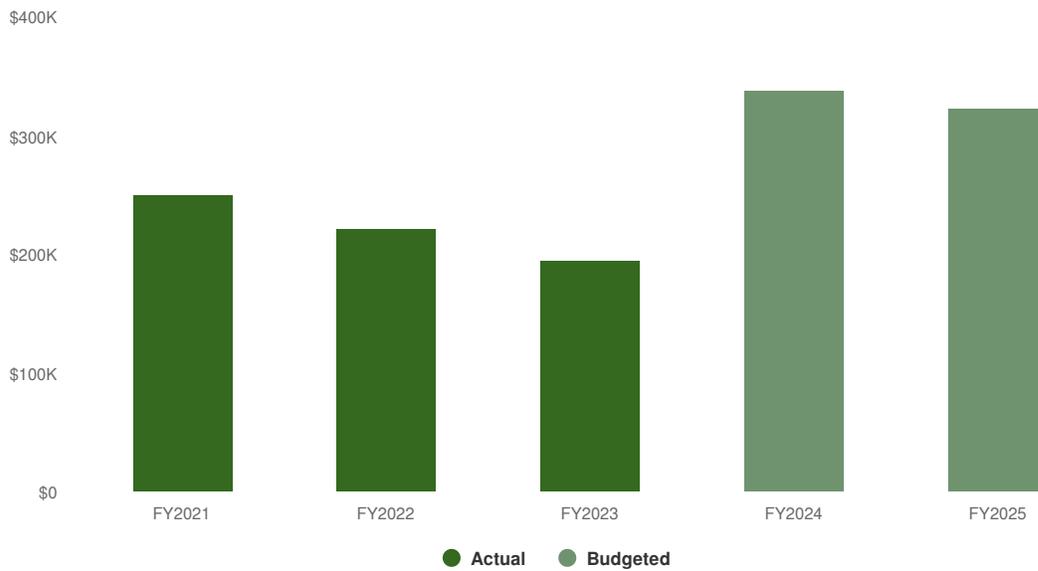
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
RECORDS MANAGEMENT BOXES SENT TO IRON MOUNTAIN	87	94	34
NOTICES, AGENDA, MINUTES	40	39	37
PUBLIC RECORDS PROCESSED	147	175	139

Expenditure Summary

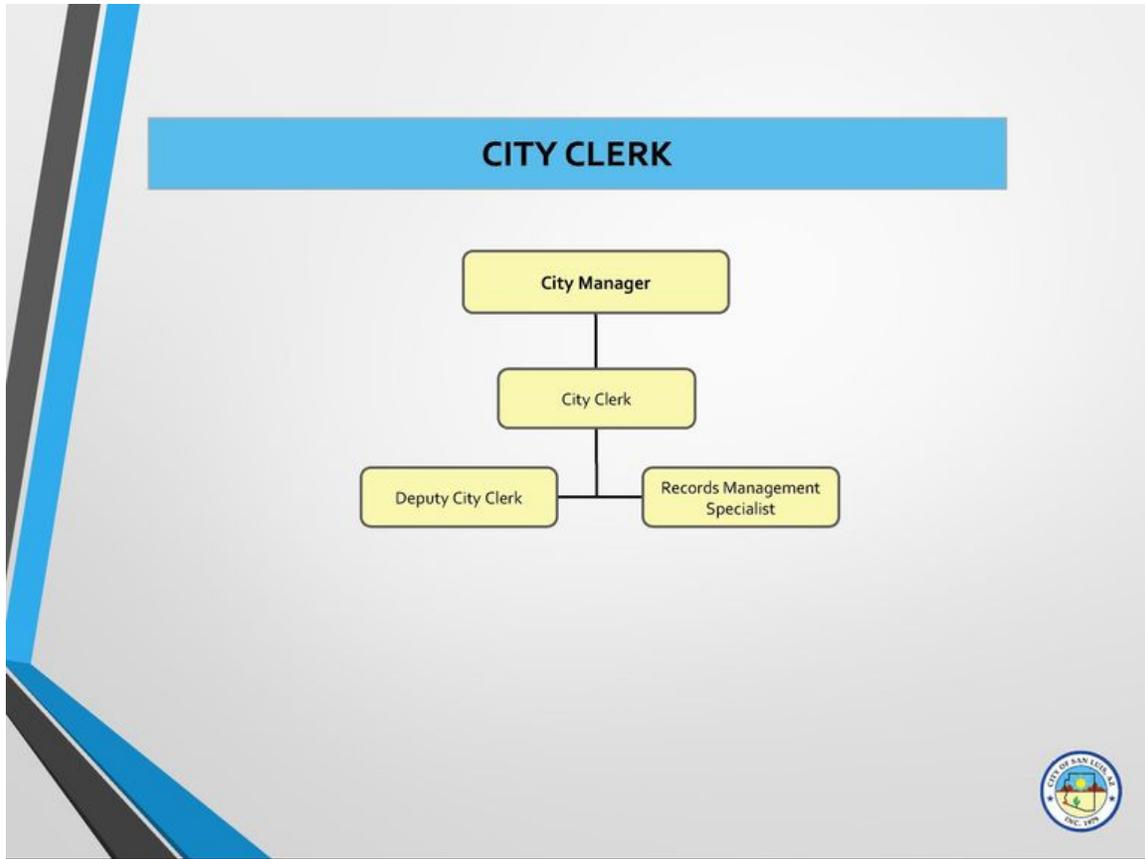
The graph below shows the City Clerk's expenditures over the past four years. For FY 2025, the City Clerk has budgeted \$323,720, reflecting a reduction of \$14,685 from the previous fiscal year. This decrease is primarily due to salary adjustments, as the administrative assistant position was reallocated to another department.

\$323,720 **-\$14,685**
(-4.34% vs. prior year)

City Clerk Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

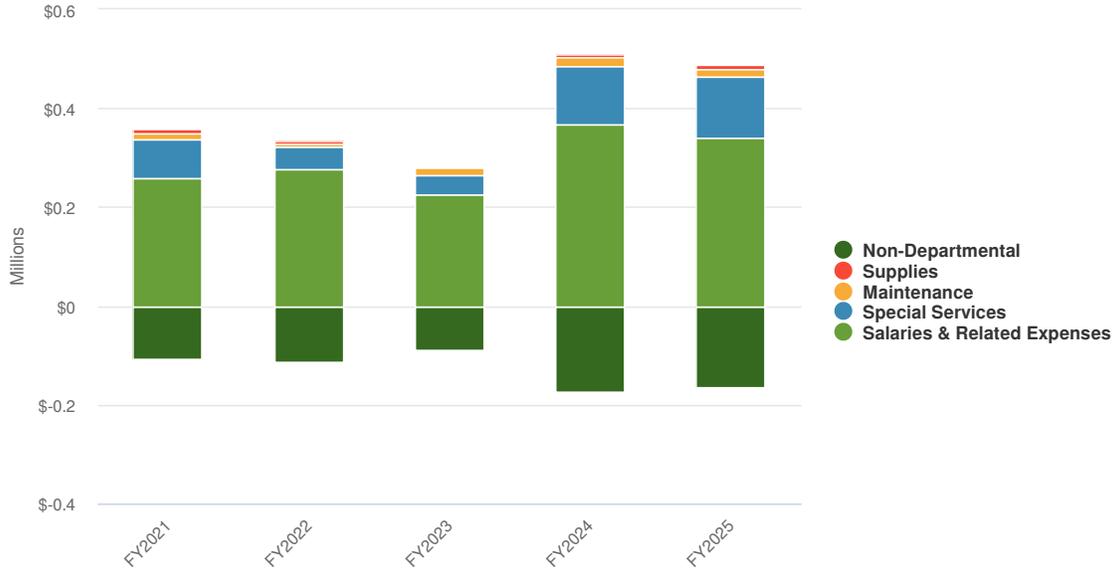
The chart below will display the City Clerk's Department summary schedule for the past three fiscal years. In FY 2025, the only personnel change will be the transfer of the Administrative Assistant position to the Administration Department. The City Clerk's Department will maintain its existing staff structure to continue effectively serving the city's administrative needs.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	3	3	4	3	-1
% of city's FTEs				0.82%	
Authorized Personnel/Positions:					
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
City Clerk	1	1	1	1	0
Deputy City Clerk	1	1	1	1	0
Administrative Assistant	0	0	1	0	-1
Records Management Specialist	1	1	1	1	0
Total	3	3	4	3	-1

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

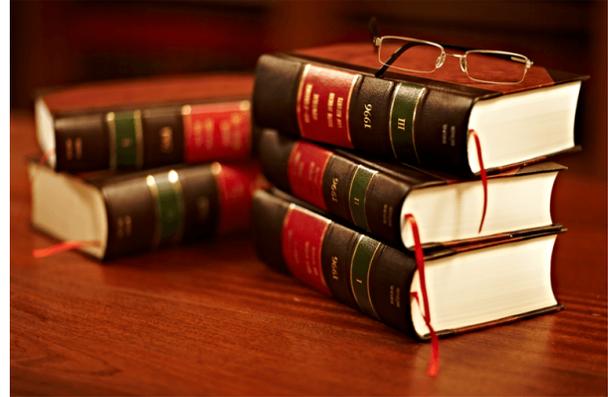


The following table presents the City Clerk's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$277,364	\$226,708	\$366,070	\$387,123	\$341,570	-6.7%
Supplies	\$6,793	\$3,511	\$8,160	\$22,327	\$8,200	0.5%
Maintenance	\$5,909	\$14,519	\$17,250	\$15,678	\$17,730	2.8%
Special Services	\$43,523	\$39,358	\$119,290	\$82,218	\$121,110	1.5%
Non-Departmental	-\$111,589	-\$88,740	-\$172,365	-\$171,210	-\$164,890	-4.3%
Total Expense Objects:	\$222,000	\$195,357	\$338,405	\$336,135	\$323,720	-4.3%

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 2024

The City Attorney and the Legal Secretary completed the advanced Microsoft Word training approved in last year's budget as part of an ongoing project to maintain the consistency and quality of legal documents as the volume of documents increases.

Goals & Objectives FY 2025

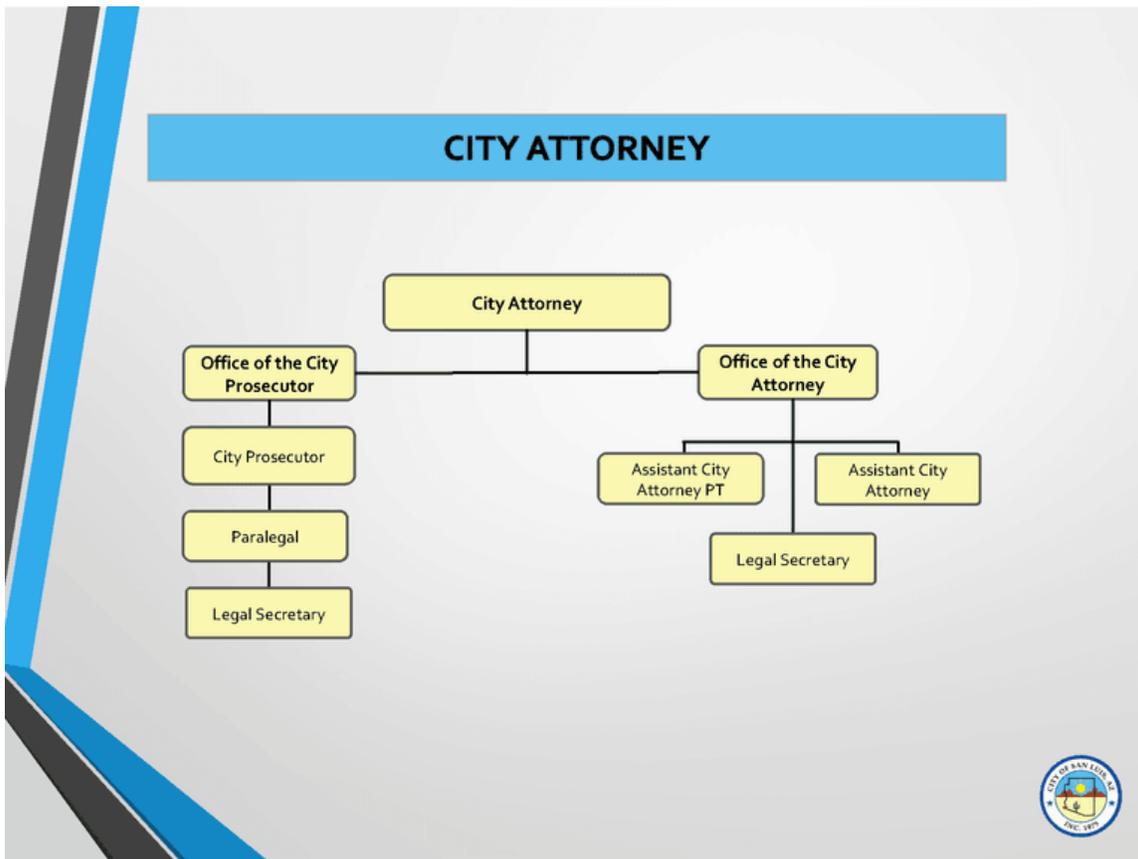
Growth & Public Service

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."

- Hire a full-time assistant city attorney to expand the office's capacity to deliver legal services efficiently.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
TIMELY TURN AROUND FOR CITY COUNCIL, MUNICIPAL CORPORATIONS, AND THE BENEFITS TRUST BOARD AGENDA ITEM REVIEW.	100%	100%	100%
TIMELY TURN AROUND TO DRAFT OR REVIEW FOR LEGAL COMPLIANCE AND APPROPRIATENESS CITY COUNCIL ORDINANCES, RESOLUTIONS, AND ORDERS, AS WELL AS RESOLUTIONS BY THE MUNICIPAL CORPORATIONS.	100%	100%	100%

Organizational Chart

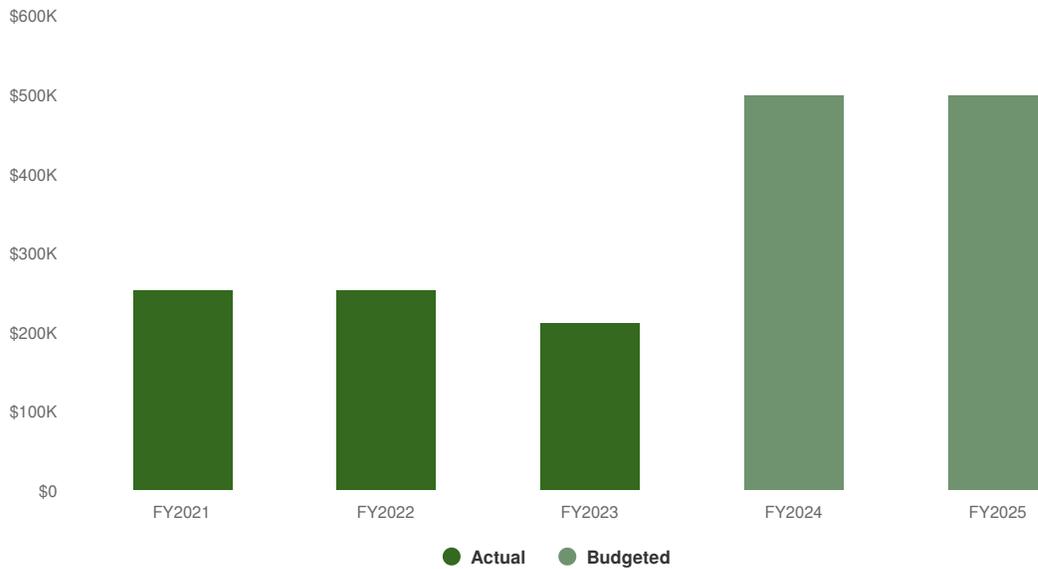


Expenditure Summary

The graph below shows the City Attorney's expenditures over the past four years. For FY 2025, the City Attorney has budgeted \$500,700, reflecting a slight increase of \$1,509 compared to the previous year. There were no significant changes in the department's budget, and the department will remain within budget while continuing to operate efficiently.

\$500,700 **\$1,509**
(0.30% vs. prior year)

City Attorney Proposed and Historical Budget vs. Actual



Personnel Changes

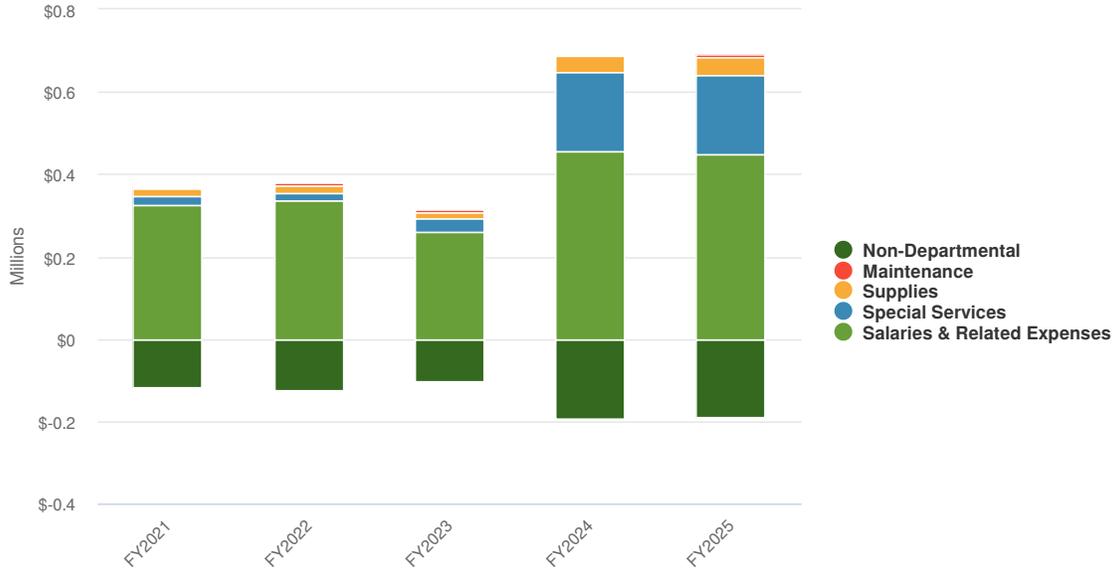
The chart below will display the City Attorney's Staff summary schedule for the past three fiscal years. In FY 2025, there will be no personnel changes within the City Attorney's office. The office will continue to operate with one City Attorney, an assistant city attorney, a part-time assistant, and a Legal Secretary. Despite the city's ongoing growth and the increasing demands placed on this office, the current staffing will remain unchanged to effectively and efficiently meet the city's legal needs.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	2.5	2.5	3.5	3.5	0
% of city's FTEs				0.96%	
Authorized Personnel/Positions:					
Title	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
City Attorney	1	1	1	1	0
Assistant City Attorney	0.5	0.5	1.5	1.5	0
Legal Secretary	1	1	1	1	0
Total	2.5	2.5	3.5	3.5	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

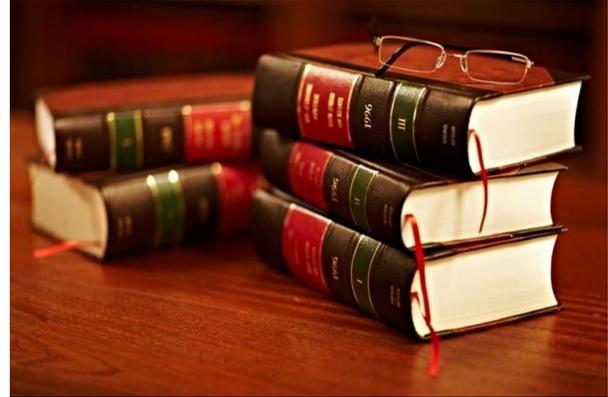


The following table presents the City Attorney's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$334,597	\$258,708	\$454,170	\$335,634	\$448,940	-1.2%
Supplies	\$19,771	\$14,847	\$38,905	\$22,805	\$41,390	6.4%
Maintenance	\$4,872	\$4,627	\$5,490	\$5,011	\$5,970	8.7%
Special Services	\$19,059	\$34,774	\$193,940	\$86,691	\$193,220	-0.4%
Non-Departmental	-\$124,543	-\$102,443	-\$193,314	-\$128,667	-\$188,820	-2.3%
Total Expense Objects:	\$253,756	\$210,514	\$499,191	\$321,473	\$500,700	0.3%

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 2024

The City Prosecutor's Office became fully staffed on April 2, 2024, after the office lost all of its former personnel in the last four months of 2023.

Goals & Objectives FY 2025

Implement the case management software program, which is standard throughout Arizona prosecutor offices.

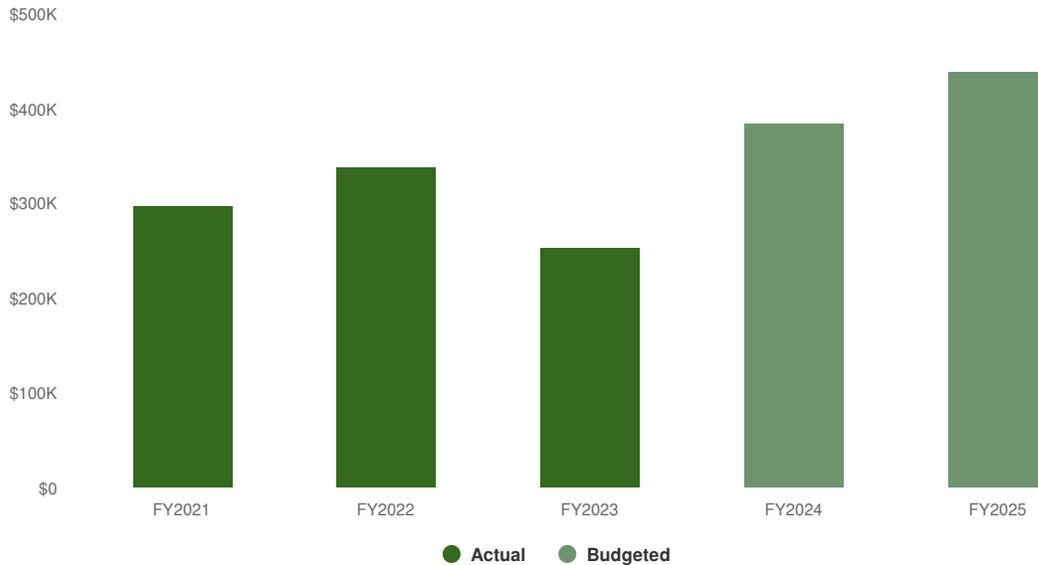
Expenditure Summary

The graph below shows the City Prosecutor Department's expenditures over the past four years. For FY 2025, the City Prosecutor Department has budgeted \$438,530, representing an increase of \$54,925 compared to the previous fiscal year. This increase is primarily due to the allocation for special services, where we previously budgeted \$87,600 in contractual services to assist with consulting while the prosecutor position was vacant.

This year, even though we are fully staffed, we have opted to retain these funds in case we require consulting services in the future.

\$438,530 **\$54,925**
(14.32% vs. prior year)

City Prosecutor Proposed and Historical Budget vs. Actual



Personnel changes

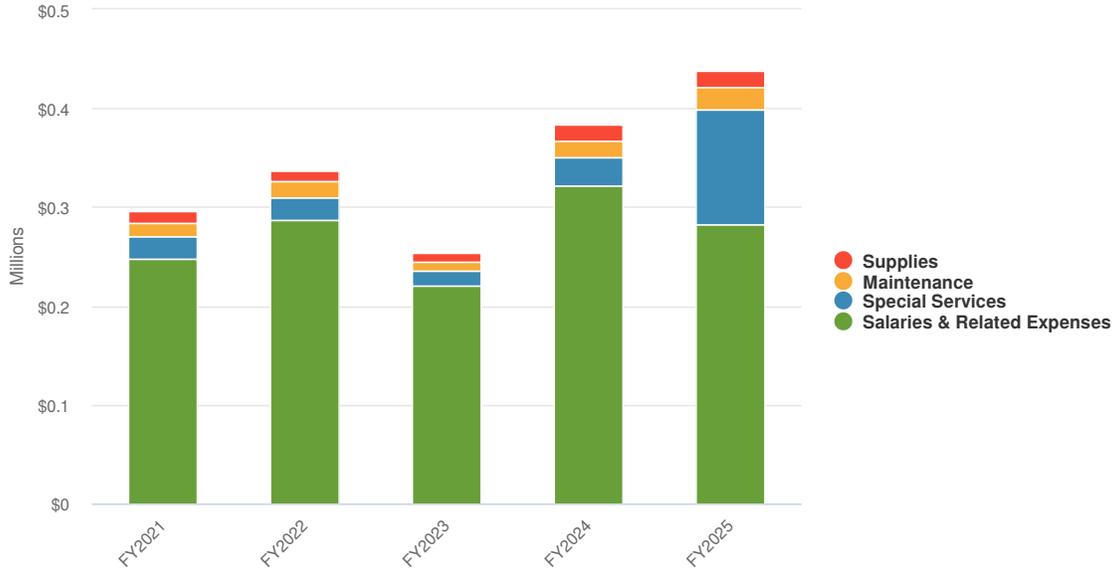
The chart below will display the City Prosecutor's Office summary schedule for the past three fiscal years. In FY 2025, there will be no personnel changes within the City Prosecutor's Office. The current staffing will remain as is, ensuring that the office can continue to effectively address the city's legal matters and uphold justice in the community.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	2	3	3	3	0
% of city's FTEs				0.82%	
Authorized Personnel/Positions:					
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
City Prosecutor	1	1	1	1	0
Legal Secretary	1	1	1	1	0
Paralegal	0	1	1	1	0
Total	2	3	3	3	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the City Prosecutor's expenditures for the past 3 years, and the proposed FY 2023 Budget.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$286,528	\$219,829	\$321,150	\$205,227	\$281,840	-12.2%
Supplies	\$11,877	\$8,670	\$16,355	\$15,269	\$16,860	3.1%
Maintenance	\$15,522	\$9,045	\$17,350	\$32,746	\$23,480	35.3%
Special Services	\$23,552	\$15,535	\$28,750	\$79,621	\$116,350	304.7%
Total Expense Objects:	\$337,479	\$253,079	\$383,605	\$332,863	\$438,530	14.3%

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 to oversee the Billing and Collections.



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 2024

- The City of San Luis Finance Department received the certificate of achievement for excellence reporting. It has been ten 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.
- Successfully implemented the Executime System Time & Attendance software, which will create efficiencies in the timeclock process.
- Successfully implemented the Billing Bridge software to improve the billing process.

- Coordinated City-wide efforts to apply and administer ARPA grant ensuring compliance and meeting reporting deadlines.
- Completing the annual audit for Fiscal Year 2023 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 and that we adhere strictly to accounting principles and legal requirements. This clean audit report reassures our stakeholders of the robustness of our financial controls and our commitment to transparency.
- We successfully issued the San Luis Pledge Excise Tax Revenue Refunding Obligations, Series 2024. This strategic financial move was designed to refinance our existing debts under more favorable terms. By securing lower interest rates, we have effectively reduced the cost of borrowing, leading to significant savings in our annual budget allocations. This refinancing allows us to reallocate funds to other critical city projects, enhancing our service delivery to the community.
- Provided oversight for the management and the completion of the Capital Improvement Program (CIP) by working collaboratively with other city departments to manage funding projects, including the construction of the new Fleet Shop, East Fire Station, among others.
- Spearheaded research of investment agencies and investment policy development, submitting a recommendation to the administration.
- 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 ten years.

Goals & Objectives FY 2025

Growth & Public Service

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

- Implement ACFR statement-building software by Q2 FY 2025 to automate reporting processes, reducing manual errors and improving operational accuracy, with success monitored by a 15% reduction in reporting errors.
- Complete an annual physical inventory of the City's assets by the end of FY 2025, ensuring 100% accuracy, with progress evaluated through inventory audits and updated records.
- Reorganize the procurement process and establish new contract management procedures by Q2 FY 2025, with success measured by a 20% reduction in process delays and improved contract efficiency.



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 2025, with success tracked through the accurate and transparent production of financial reports.
- Obtain the GFOA Distinguished Budget Presentation Award by the end of FY 2025, by preparing a comprehensive budget that serves as a policy document, financial plan, operations guide, and communication tool.
- Ensure full compliance with ARPA funds reporting and monitoring by Q4 FY 2025, with adherence to all deadlines and guidelines.



Financial Sustainability

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

- Develop a comprehensive Debt Management Policy by Q3 FY 2025 to guide future debt issuance practices.
- Transition at least 25% of internal City financial processes to paperless by Q3 FY 2025, reducing operational costs by 25%.
- Update the long-term financial strategic plan by Q4 FY 2025, aligning with growth priorities and securing funding for City expansion over the next 10 year.

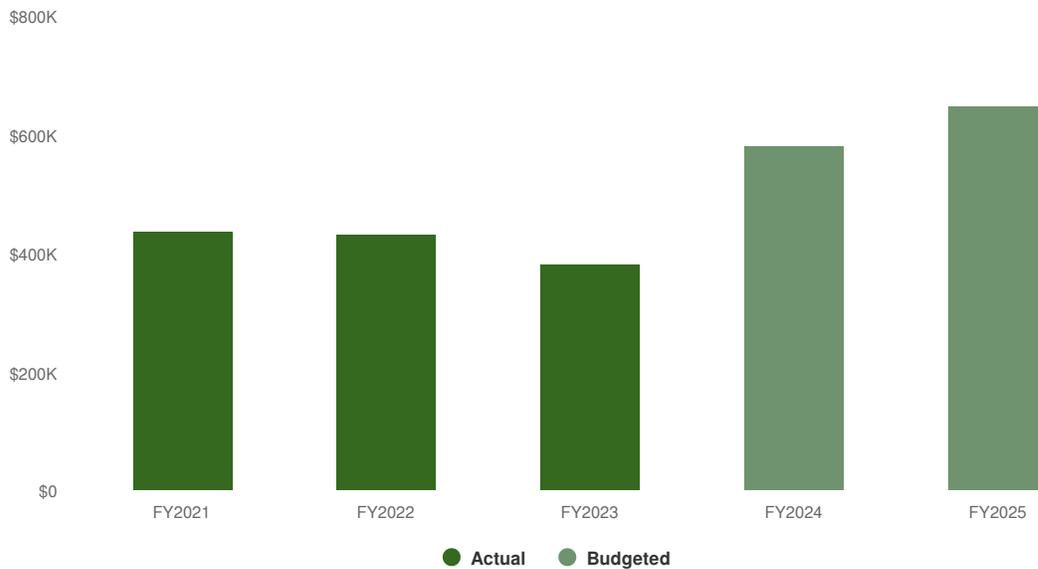
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
PERCENTAGE OF ARPA FUNDS UTILIZED WITHIN COMPLIANCE DEADLINES AND REGULATIONS	80%	95%	100%
COMPLIANCE WITH PROCUREMENT CODE	COMPLIANT	COMPLIANT	COMPLIANT
COMPLIANCE WITH STATE BUDGET LAWS	COMPLIANT	COMPLIANT	COMPLIANT
RECEIVED "CLEAN" AUDIT OPINION FROM INDEPENDENT CPA FIRM	YES	YES	YES

Expenditure Summary

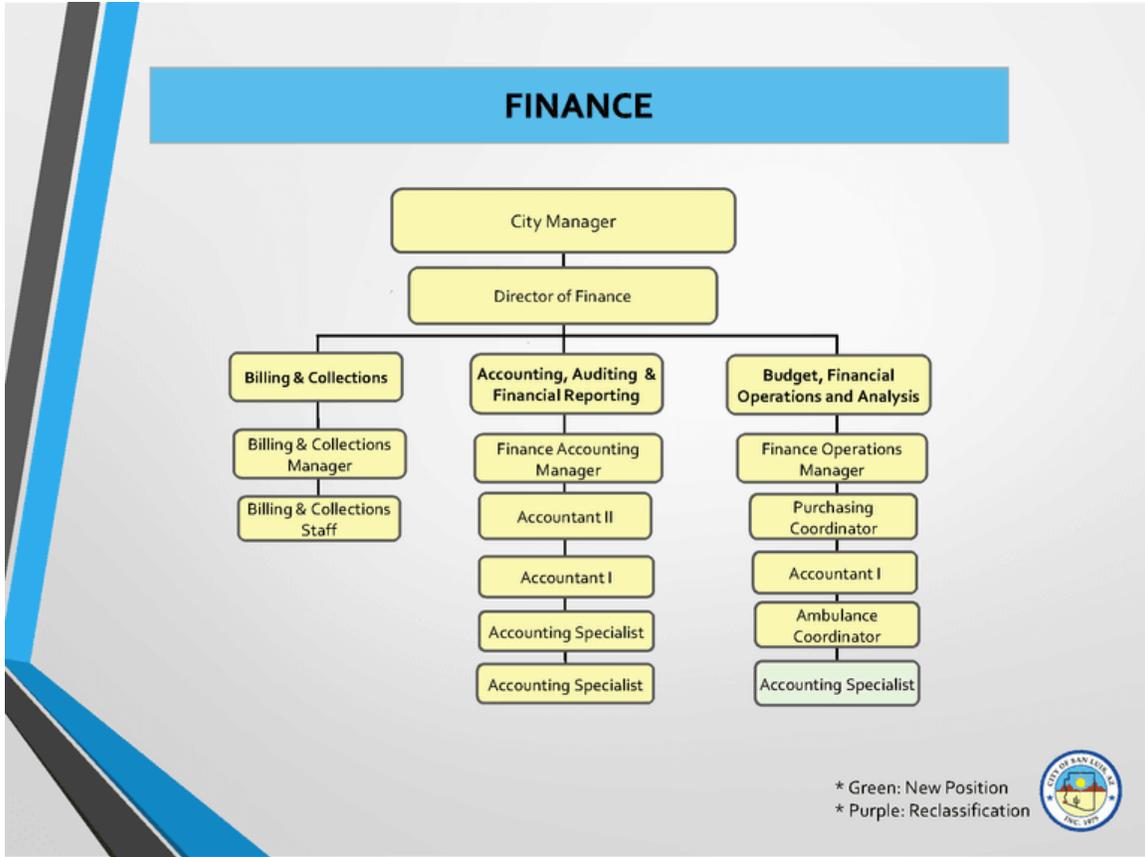
The graph below illustrates the expenditures for the Finance Department over the past four years. For the current fiscal year, the Finance Department has budgeted \$669,360, representing an increase of \$89,037 compared to the previous year. This rise is primarily attributed to the addition of a new accounting specialist position, as well as new furniture and equipment for the new conference room in the building.

\$649,420 **\$69,097**
(11.91% vs. prior year)

Finance Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

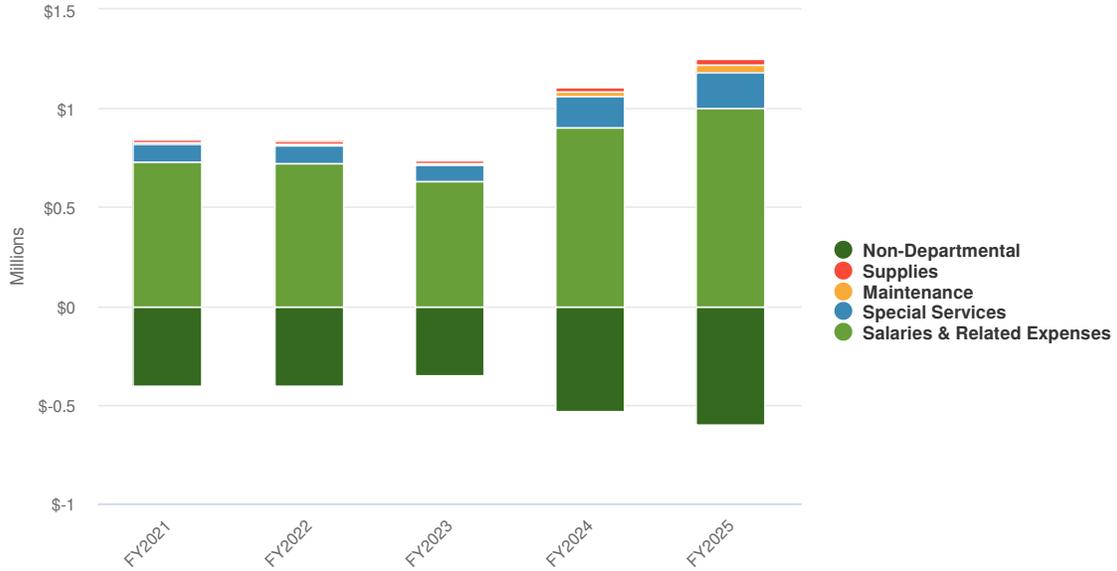
The chart below will display the Finance Department's summary schedule for the past three fiscal years. In FY 2025, a new Accounting Specialist position will be added to support the procurement process. This addition reflects the department's commitment to enhancing financial operations and ensuring efficient management of resources as the city's needs continue to grow.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	9.5	10	10.5	11.5	1
% of city's FTEs				3.14%	
Authorized Personnel/Positions:			Current	Request	Changes
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2024-2025</u>
Purchasing Coordinator	1	1	1	1	0
Assistant Director of Finance	1	1	0	0	0
Accountant II	3	1	1	1	0
Finance Accounting Manager	0	1	1	1	0
Finance Operations Manager	0	1	1	1	0
Director of Finance	1	1	1	1	0
Accounting Specialist	1.5	2	2	3	1
Ambulance Coordinator	0.0	0	0.5	0.5	0
Administrative Coordinator	1	1	1	1	0
Accountant I	0	1	2	2	0
Contracts & Grants Coordinator	1	0	0	0	0
Total	<u>9.5</u>	<u>10</u>	<u>10.5</u>	<u>11.5</u>	<u>1</u>

EXPENDITURES BY EXPENSE TYPE

Budgeted and Historical Expenditures by Expense Type



The following table presents Finance Department expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$721,059	\$630,529	\$903,720	\$893,292	\$1,003,020	11%
Supplies	\$17,082	\$13,773	\$23,540	\$23,113	\$24,050	2.2%
Maintenance	\$4,485	\$5,066	\$25,800	\$22,795	\$38,200	48.1%
Special Services	\$91,725	\$85,736	\$155,975	\$103,656	\$182,170	16.8%
Non-Departmental	-\$400,443	-\$352,408	-\$528,712	-\$499,944	-\$598,020	13.1%
Total Expense Objects:	\$433,909	\$382,696	\$580,323	\$542,912	\$649,420	11.9%

Billing and Collections

The Billing & Collections Department's staff provides an 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.



In addition to these services, the Billings and Collections' Office is the one-stop customer payment center for paying a utility bill as well as other city services, such as a building permit, business license, encroachment permit, zoning fees, public record copies, fingerprints, impounds, park and recreational fees.

Accomplishments FY 2024

- Implemented text notifications for our Utility and Business License customers.
- Created a 48-hr water disconnections notification for our customers with past due balances.
- Developed a better internal renewal process for our business licenses.
- To improve our process for establishing accounts, we updated our contract forms establishing a contract form for each type of customers.

- We were awarded with a Water Conservation Grand Fund for a total of \$2,017,065.21 for our Water Meter Replacement Program and Implementation of an Advanced Metering Infrastructure (AMI) System.
- For better customer service, we updated the Business Renewal Notice making it easier for customers to process their renewal or do any changes to their business license.
- Incorporated a Taxi Vehicle Permit to our General Taxi Licenses to reduce the usage of unregistered vehicles by Taxi Companies
- While providing exceptional customer service, we have processed a total of 4,671 service order for our water, wastewater, and solid waste services.
- To meet the high demand of new construction, we have installed a total 250 new meters.
- To provide better customer service and more options for customers to pay online, we were able to add an option for customers to pay their Public Record Request and Encroachment Permit Online.
- To ensure all accounts have their most updated information, a senior audit was concluded. Within this senior audit, a total of 95 senior discounts were removed.

Goals & Objectives FY 2025

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 2025, ensuring that 98% of resident inquiries are addressed within 24 hours.
- Integrate an online form for setting up new utility accounts by Q1 FY 2025, reducing in-person visits for customers establishing new utility accounts by 20% and improving customer service convenience.
- By the beginning of Q2 FY 2025, review all active business licenses and reclassify them to improve the renewal process and increase efficiency by 15%.
- Update the website for Billing & Collections and Business License by the beginning of Q3 FY 2025 to improve customer experience and provide the most current information.



Economy

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

- Collaborate with Development Services and Legal to evaluate the possibility of the Business License Division approving Out-of-Town and Special Event Licenses by the end of FY 2025, reducing approval times by 60%.
- Implement the first phase of the meter replacement program and the Advanced Metering Infrastructure (AMI) system by Q4 FY 2025, improving water usage accuracy and improving customer awareness.



Financial Sustainability

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

- Review and implement a business license classification system by the end of Q1 FY 2025 to streamline the renewal process and allow businesses to pay license fees online.
- Implement the first phase of the AMI system by Q4 FY 2025 to reduce operational costs associated with manual water meter reading.

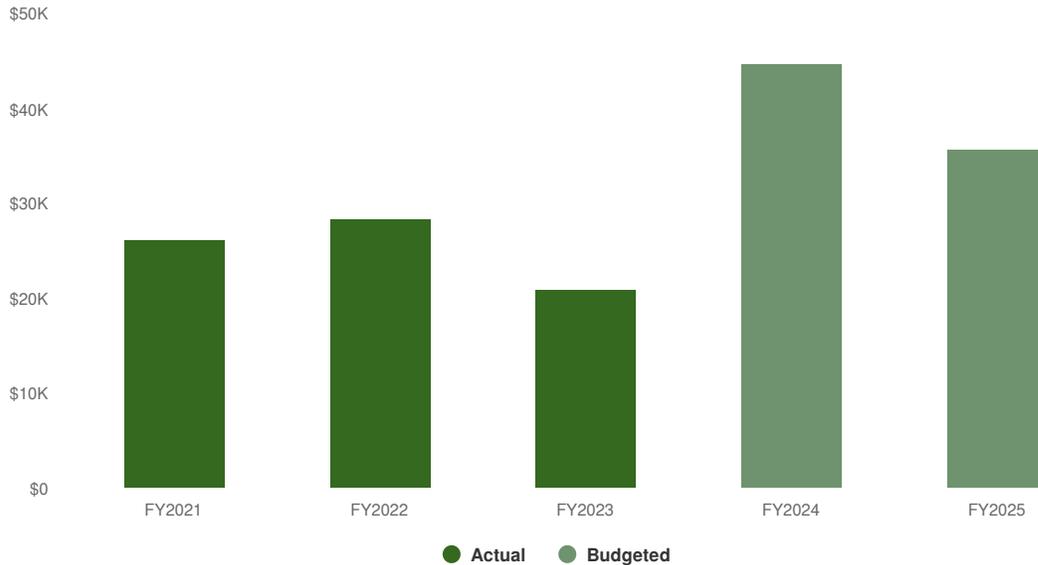
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
BILLING ACCURACY AND EFFICIENCY: PERCENTAGE OF ACCURATE WATER BILLS GENERATED, WITH ERRORS MINIMIZED	100%	100%	100%
PERCENTAGE OF DELINQUENT ACCOUNTS RESOLVED	70%	81%	85%
COMPLIANCE WITH REGULATORY REQUIREMENTS ENSURING THE DEPARTMENT COMPLIES WITH LOCAL, STATE AND FEDERAL REGULATIONS CONCERNING UTILITY BILLING AND COLLECTIONS	100%	100%	100%
DEPARTMENT'S PROGRESS IN REDUCING MANUAL METER READINGS BY SHIFTING TO AMI SYSTEMS	0%	0%	90%
PAYMENT PROFICIENCY: PERCENTAGE OF PAYMENTS MADE THROUGH ONLINE OR AUTOMATED PAYMENT SYSTEMS	65%	70%	75%

Expenditure Summary

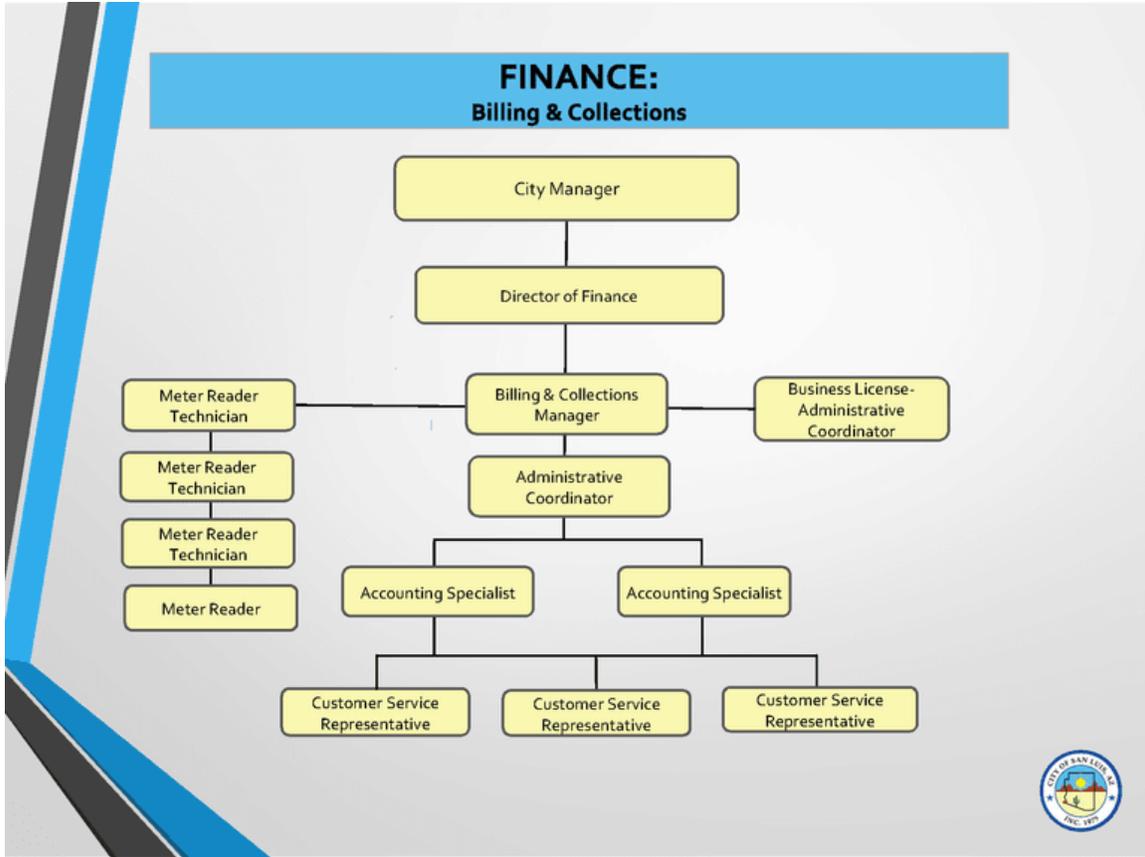
The graph below depicts the expenditures for the Billings & Collections Department over the past four years. For the current fiscal year, the Billings & Collections Department has budgeted \$35,725, reflecting a reduction of \$8,941 compared to the previous year. This decrease is primarily due to reduced spending on various operational expenses. However, there has been an increase in software support costs due to the new advanced metering infrastructure project, which required funding for the new software that will be used.

\$35,725 **-\$8,941**
(-20.02% vs. prior year)

Billings & Collections Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

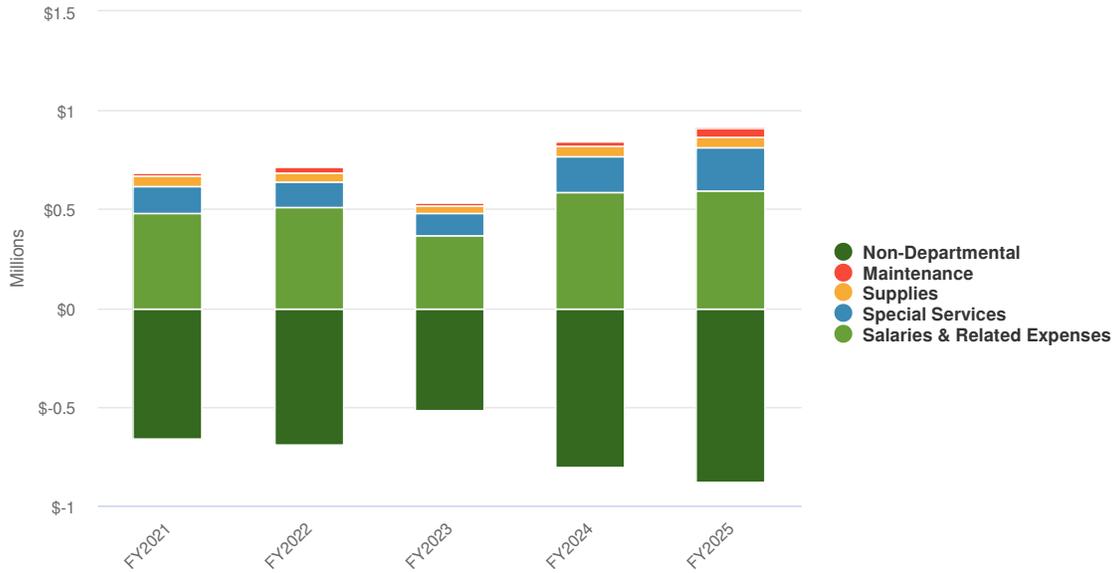
The chart below will display the Billing and Collections Department's Staff summary schedule for the past three fiscal years. In FY 2025, the department is now fully staffed and will not require any new positions. This stability will enable the team to effectively manage the growing workload associated with the city's expanding utility accounts, ensuring that all billing and collections tasks continue to be handled efficiently.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	10	10	11	11	0
% of city's FTEs				3.01%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Accounting Specialist	2	2	2	2	0
Meter Reader Technician	1	1	3	3	0
Meter Reader	2	2	1	1	0
Billing & Collection Manager	1	1	1	1	0
Customer Service Representative	3	3	3	3	0
Administrative Coordinator	1	1	1	1	0
Total	10	10	11	11	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents Billings & Collections expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$508,331	\$369,482	\$582,380	\$578,757	\$597,180	2.5%
Supplies	\$43,669	\$32,505	\$51,800	\$53,708	\$58,250	12.5%
Maintenance	\$35,284	\$18,625	\$24,050	\$21,194	\$43,600	81.3%
Special Services	\$130,530	\$113,981	\$187,510	\$190,234	\$212,680	13.4%
Non-Departmental	-\$689,584	-\$513,649	-\$801,074	-\$810,829	-\$875,985	9.4%
Total Expense Objects:	\$28,229	\$20,945	\$44,666	\$33,064	\$35,725	-20%

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 2024

- Organizational Structure
 - Transferred Risk Management to Human Resources – became HRRM
 - Relocated HRRM Operations to Fernando Padilla building
 - Conducted Org Re-Structure for several Department
- Talent Acquisition
 - Completed development of additional functionality on Recruitment System – Neogov

- Implemented changes and trained staff.
- Implemented Strategies for Attraction & Retention of Talent:
 - COSL Career Day, PW Career Day
- Enhanced Employer Branding
 - Utilizing specialized website and organizations
 - Developed attractive Marketing media, QR coding,
- Revamped Onboarding Process
 - Constantly Changing: Enhanced Communications, Created Checklists/Forms, Developed Business Process Guide
 - Sped up the Hiring Process
- Training & Development
 - Implemented Learning Management System
 - Sexual Harassment and Anti-Bullying Training
- Benefit Administration
 - Switched Third Party Administrator (TPA) for benefits claims administration
 - Recruited/Selected/Contracted New Benefits Broker/Consultant
 - Implemented processing of Forms 1095 inhouse – savings of \$8,995.00
- Classification & Compensation
 - FY 23-24 Citywide Salary Adjustments
 - Implemented Incentive Program for Public Safety Employees
 - Compensation Study
 - Conducted continuous Salary Reviews
 - Agency-wide Salary Study – In Progress
 - Restructured Various Departments: Administration, Parks & Recreation, Facilities, Public Works, Development Services, Fire and Engineering Departments/Divisions.
- Compliance Adherence

- Complete update of the Human Resources Policy Manual – In Progress
- Promoted education to ensure adherence in practices
- Increase awareness of equal employment opportunity laws
- Continuous Process Improvements
 - Complete Review of Classifications and Compensation – In Progress. ECD: April, 2024
 - Implemented a Position Management Process – In Progress
 - Update Recognition Program
 - Revised/Updated Policy and Procedure
 - Established new ERAP Committee board of members
 - Continue enhancing Wellness Program
 - Added I am Wellness Studio membership – focusing on mental health
 - Research possibility of enhancing Health Benefits Programs – In Progress
 - Onboarding process with new Benefits Broker
 - Currently evaluating benefits plan to make recommendations for FY 25-26
 - Enhanced Internal Communications
 - Redesign HRD’s website – In Progress
 - Implement quarterly/monthly newsletter – In Progress

Goals & Objectives FY 2025

Growth & Public Service

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

- Review emerging trends in Employee Benefits by Q2 FY 2025 to propose future plan designs that meet at least 60% of the diverse needs of the workforce.

- Develop a Benefits Position Desk Manual by the end of Q3 FY 2025 to standardize benefits administration and improve response time by 15%.
- Complete a Training Needs Assessment by the end of Q1 FY 2025 to identify critical skill gaps and develop targeted training programs for 90% of the workforce.
- Develop and implement in-house training programs by Q2 FY 2025, covering management, communication skills, conflict resolution, and customer service, increasing employee satisfaction with training by 25%.
- Complete the redesign of the HR website by Q3 FY 2025, improving user experience and increasing employee interaction with the site by 30%.

Economy

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

- Implement strategic networking initiatives by Q3 FY 2025 to increase recruitment success by 20% and reduce time-to-hire by 15%.
- By the end of Q4 FY 2024, reduce employee turnover by at least 10% by improving talent acquisition, compensation, benefits and employee development.
- Complete the update of the Human Resources Policy Manual by the end of Q4 FY 2025 to ensure compliance with current labor laws and internal policies, reducing compliance violations by 100%.

Financial Sustainability

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

- Adjust benefits strategies by Q4 FY 2025 to accommodate the diverse needs of employees while maintaining a 5% cost-saving on benefits administration.
- Update employee salaries based on the agency-wide salary study by Q3 FY 2025 to maintain competitive compensation while staying within the allocated budget.
- Identify Agency's (KPI's) Key Performance Indicators (top 2 per department) and follow-up throughout the Fiscal Year to assess continued improvement- Q4FY2025.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
TALENT ACQUISITION ATTRACTION INDEX	49	54.1	57
WELLNESS ENGAGEMENT	19.9%	23%	27%
EMPLOYEE RETENTION RATE	86.5%	93%	93%
ACTUAL VS PLANNED HEADCOUNT	90.4%	92%	95%
EMPLOYEE TRAINING HOURS	481	1800	2100
EMPLOYEE PERFORMANCE SCORE AVERAGE	3.38	3.3	3.5
PERFORMANCE EVALUATION COMPLIANCE RATE	23.79%	35%	50%
EMPLOYEES <MINIMUM MARKET PAY RATE	78.83%	70%	65%

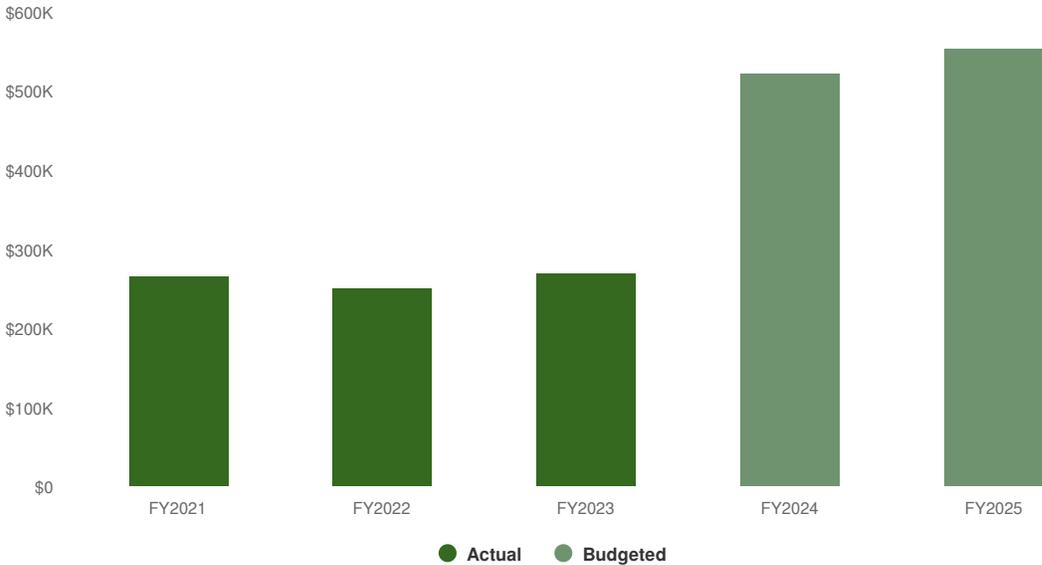


Expenditure Summary

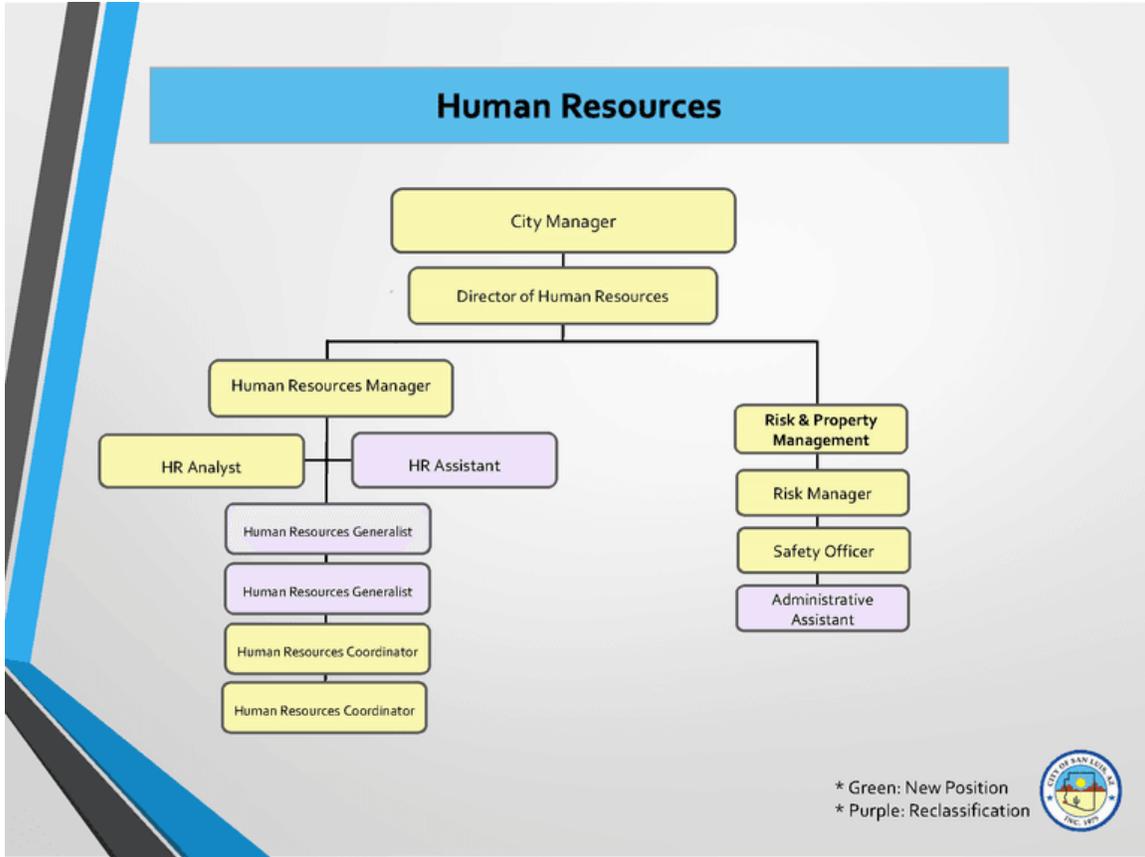
The graph below shows the Human Resources Department's expenditures for the past four years. For the current fiscal year, the Human Resources Department has budgeted \$553,950, an increase of \$30,781 compared to the previous year. This rise is mainly due to three position reclassifications to better support the department's growing needs. Additionally, there has been a significant increase in supplies, reflecting expenses related to office supplies and dues/subscriptions.

\$553,950
\$30,781
(5.88% vs. prior year)

Human Resources Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The following graph will illustrate the summary schedule of the Human Resources staff over the past three fiscal years. In FY 2025, the department will implement three reclassifications: two Human Resources Coordinators will be reclassified as Human Resources Generalists, and one HR Assistant will be reclassified to HR Technician. These changes will enhance the department's capabilities and support its ongoing efforts to effectively manage HR programs and staff oversight.

Staff Summary Schedule

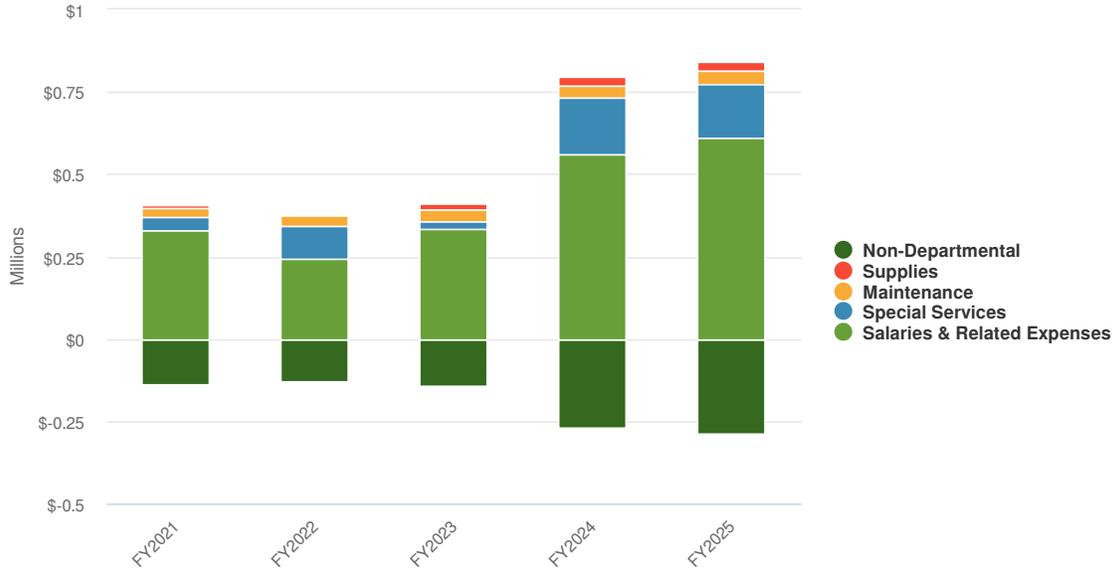
Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	5	7	8	8	0
% of city's FTEs				2.19%	

Authorized Personnel/Positions:					
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
HR Technician	1	1	1	0	-1
HR Assistant	0	0	0	1	1
Recruitment Coordinator	1	0	0	0	0
Director of Human Resources	1	1	1	1	0
HR Benefits Coordinator	1	0	0	0	0
Training & Program Coordinator	1	0	0	0	0
Senior HR Analyst	0	0	0	0	0
HR Analyst	0	1	1	1	0
Human Resources Manager	0	0	1	1	0
Human Resources Generalist	0	0	0	2	2
Human Resources Coordinator	0	4	4	2	-2
Total	<u>5</u>	<u>7</u>	<u>8</u>	<u>8</u>	<u>0</u>



Expenditures by Expense Types

Budgeted and Historical Expenditures by Expense Type



The following table presents Human Resources Department expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$241,790	\$332,773	\$559,410	\$522,020	\$608,950	8.9%
Supplies	\$7,203	\$17,106	\$24,950	\$30,888	\$25,550	2.4%
Maintenance	\$29,544	\$35,581	\$36,750	\$39,071	\$39,730	8.1%
Special Services	\$102,383	\$24,349	\$172,900	\$106,963	\$166,500	-3.7%
Non-Departmental	-\$130,262	-\$139,788	-\$270,841	-\$238,413	-\$286,780	5.9%
Total Expense Objects:	\$250,659	\$270,020	\$523,169	\$460,529	\$553,950	5.9%

Risk and 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 2024

- During the current fiscal year (December 2023) the city filled a crucial and very important Safety Officer position. Our Safety Officer along with the Risk Management team are currently focusing on evaluating and assessing the safety program as follows:

- Conducting routine safety inspections as well as conducting risk assessments to help identify health and safety hazards throughout the city.
- Ensuring regulation compliance to help create a safe and healthy work environment by reviewing and implementing safety programs and procedures.
- Evaluating and implementing a safety training program for employees which will help minimize and prevent potential injuries, as well as help us meet regulation compliance
- The Risk Management division is currently reviewing the Safety Committee bylaws and procedures to help reinstate the committee within the City of San Luis team. The primary role of a Safety Committee will be to help identify potential hazards, risks and safety issues in the workplace and help develop plans and procedures to mitigate or eliminate those risks. It will also help promote a safety culture among employees, encourage adherence to safety procedures and protocols.
- The Risk team is also currently in the process of evaluating and implementing a Safety Toolbox system to help promote safety awareness and knowledge among employees. It will also encourage employees to take an active role in their own safety and the safety of their colleagues. It can also reinforce the city's commitment to protecting its employees.
- OSHA Public Entities Partnership Program (PEPP Program) - Safety quarterly inspections and corrections continue throughout our City Buildings. The purpose of the PEPP Program is to enhance the health and well-being of the City of San Luis employees and to further ADOSH's safety vision and mission statements. This is accomplished by implementing safety and health measures and by educating employees to make their safety and health a value.
- Processing of Year End OSHA Injury and Illness reporting for year end 2023 - Although the OSHA 300 year-end reporting is mandatory, it is also a valuable tool for workers and employers to use in evaluating the types, frequency and severity of workplace injuries and illnesses. This information can be used to identify the location and nature of workplace hazards that should be eliminated or controlled.
- Will process the annual auto and asset inventory with the assistance of the Finance Department.
- Risk Management is scheduled to conduct the annual insurance renewal process with Arizona Municipal Risk Retention Pool Insurance for the following policies: Property and Equipment, Inland Marine, Auto, Casualty, Liability, Workers' Compensation, Excess, Home Healthcare (Fire), Fireworks, and Cyber.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Ensure a safe and compliant work environment by enhancing risk management strategies and safety programs to protect employees and reduce workplace hazards."

- Implement the new Certificate of Insurance Software throughout the fiscal year, reducing compliance tracking errors and improving reporting efficiency across all departments.
- Launch a city-wide Safety Training Program by Q2 FY 2025, ensuring 100% of employees receive required safety training, reducing the number of reported workplace incidents by 30%.
- Establish a Safety Inspection/Hazard Assessment Program by Q1 FY 2025, conducting quarterly assessments to identify and mitigate potential hazards, with a target of reducing workplace injuries by 30%.

Economy

Goal: "Enhance operational efficiency by improving compliance with federal and state safety regulations and optimizing the city's insurance and risk management processes."

- Standardize city contract insurance requirements throughout the fiscal year, streamlining processes for all departments and reducing administrative costs through the implementation of the Certificate of Insurance Online Program.
- Continue addressing all OSHA PEPP Program inspection findings with 100% compliance throughout the fiscal year, ensuring a safer work environment and minimizing potential liabilities.
- Complete the implementation of written safety programs and policies throughout the fiscal year, ensuring compliance with safety laws and reducing workers' compensation costs.

Financial Sustainability

Goal: "Reduce risk-related costs and ensure proper asset management through effective oversight of city insurance policies and property inventory."

- Maintain oversight of the city's insurance policies, including auto, property, and liability, by conducting annual reviews and ensuring full compliance with Arizona Municipal Risk Retention Pool Insurance requirements by Q4 FY 2025.
- Ensure proper management of the city's auto and asset inventory by implementing an annual audit process by Q3 FY 2025.

- Continue overseeing Workers' Compensation and other insurance policies to keep premium increases under 8% annually through continuous risk management practices.

Enhance risk identification processes, optimize risk mitigation strategies, increase risk management awareness, improve compliance with regulatory requirements, enhance reporting of near-miss incidents, improve safety training compliance, and reduce worker's compensation claims. Key performance measures for these objectives are indicated in the chart below.

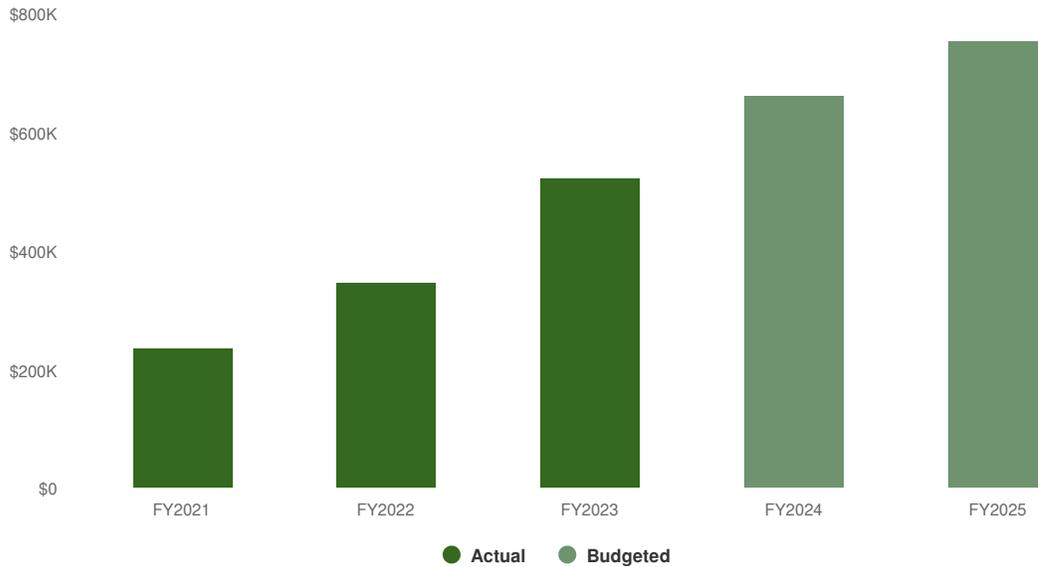
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
TOTAL NUMBER OF CASES	24	17	20
LOST TIME INJURIES	15	8	8
NUMBER OF CASES WITH JOB TRANSFER	5	7	6
NUMBER OF OTHER RECORDABLE CASES	4	2	4
TOTAL NUMBR DAYS AWAY FROM WORK	180	38	287
TOTAL NUMBER OF DAYS OF JOS TRANSFER OR RESTRICTION	190	102	289

Expenditure Summary

The graph below shows the expenditures for the Risk & Property Management Division for the past four years. For FY 2025, the Risk & Property Management Division is budgeting \$775,715, which is \$92,970 higher than the previous year. This increase is primarily due to a salary adjustment resulting from one position reclassification and an additional \$67,500 allocated for insurance, as recommended by AMRRP, reflecting a 9% increase. We also see a significant rise of 14% in non-departmental services for HURF, Water, Waste Water, Solid Waste, Business Incubator, Ambulance Services, and Business Center cost allocation charges.

\$755,715 **\$92,970**
(14.03% vs. prior year)

Risk & Property Management Proposed and Historical Budget vs. Actual



Personnel Changes

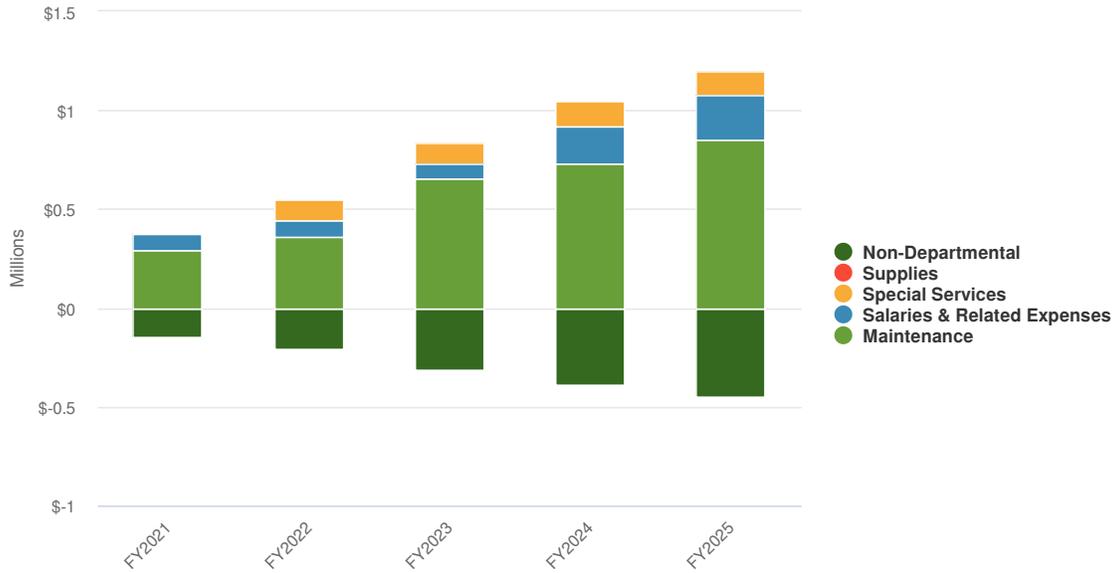
The chart below will show the Risk Management Department's Staff summary schedule for the past three fiscal years. In FY 2025, the department will reclassify one Office Assistant position to Administrative Assistant. This change is intended to better align the role with the department's growing administrative needs, enabling more effective support in managing risk and property matters. By enhancing this position, the department aims to improve overall efficiency in overseeing compliance, implementing safety policies, and coordinating training programs.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	1	1	2.5	3	0.5
% of city's FTEs				0.82%	
Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Risk Property Analyst	1	0	0	0	0
Office Assistant	0	0	0.5	0	-1
Administrative Assistant	0	0	0	1	1
Safety Officer	0	0	1	1	0
Risk Manager	0	1	1	1	0
Total	1	1	2.5	3	0.5

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Risk & Property Management Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$85,552	\$72,735	\$188,460	\$150,353	\$223,310	18.5%
Supplies	\$1,394	\$730	\$3,240	\$6,523	\$3,940	21.6%
Maintenance	\$358,022	\$653,899	\$733,100	\$474,278	\$852,080	16.2%
Special Services	\$105,629	\$106,182	\$128,900	\$100,272	\$122,190	-5.2%
Non-Departmental	-\$204,260	-\$309,273	-\$390,955	-\$271,383	-\$445,805	14%
Total Expense Objects:	\$346,337	\$524,274	\$662,745	\$460,043	\$755,715	14%

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 in the community.



Accomplishments FY 2024

- Actively administered the subdivision and zoning regulations as adopted.
- Consistent review of files for compliance with records retention requirements.
- Provided staff support to the Planning and Zoning Commission, Board of Adjustment, Board of Appeals, and City Council.
- Created the Pre-Development Packet to improve development procedures.
- Finalized the Parks, Paths, and Trails Master Plan.
- Updated the Land Use Applications to simplify the submittal process.
- Started the annexation process for County islands.
- Actively updated the addresses for the 911 Emergency System.
- Increased our mapping capabilities with Online maps.
- Started collecting data for the GPS Sewer System Project.

- Participated and corrected data in various mapping programs such as Esri Community Maps, Google Maps, and Here Maps.
- Completed the migration of ArcGIS Pro from ArcMap.
- Created the first interactive webmap for the Clean Up Campaign.
- Proactive and reactive enforcement of violations of the International Property Maintenance Code, International Residential Code, and City Zoning Code.
- Actively worked together with Public Works and Police Department to reach compliance on specific violations.
- Opened 117 code enforcement cases in residential and commercial areas and closed 104 cases with a projection of opening over 170 cases and closing over 156 by the end of the fiscal year.

Goals & Objectives FY 2025



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 Parks, Paths, and Trails Master Plan by Q2 FY 2025, with a focus on expanding green spaces and improving recreational facilities.
- Adopt the Downtown Mixed-Use Overlay District Project by Q3 FY 2025, supporting mixed-use development and revitalization efforts.
- Complete and adopt the comprehensive Subdivision Regulations Update by Q3 FY 2025 to streamline development processes and improve land use.
- Initiate the Annexation process for County islands by Q4 FY 2025 to expand city boundaries and services.
- Continue updating city-addressing data and integrating new developments with the 911 Emergency system by Q4 FY 2025 to ensure accurate emergency response.
- Grow mapping capabilities by implementing Online Maps by Q1 FY 2025 to improve accessibility and usability.
- Improve timely response to code enforcement complaints by reducing resolution time by Q4 FY 2025.

- Enhance the complaint system by introducing an easier reporting method for residents by Q3 FY 2025.
- Provide proactive outreach and education on code enforcement by distributing a flyer on common violations to 100% of households by Q4 FY 2025.

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 2025.
- Finalize the development of a detailed workflow for the development process by Q2 FY 2025 to improve project efficiency and transparency.
- Improve the complaint system to simplify code issue reporting and increase resident engagement by Q2 FY 2025.
- 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."

- Adopt and implement the comprehensive Subdivision Regulations Update by Q4 FY 2025 to reduce development costs and streamline approvals.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
CODE ENFORCEMENT CASES CLOSED BY VOLUNTARY COMPLIANCE OR COURT ORDER	100%	100%	100%
CODE ENFORCEMENT CASES OPENED	172	182	200
LAND USE APPLICATIONS PROCESSED WITHIN THE ESTABLISHED TIMEFRAMES	95%	98%	100%
PUBLIC OUTREACH EVENTS	3	4	5
AVERAGE DAYS FROM ZONING APPLICATION TO ZONING APPROVAL (REQUIRED <180)	N/A	<100	<100
AVERAGE DAYS FROM SUBDIVISION PLAT APPLICATION TO PLAT RECORDATION	N/A	180	180

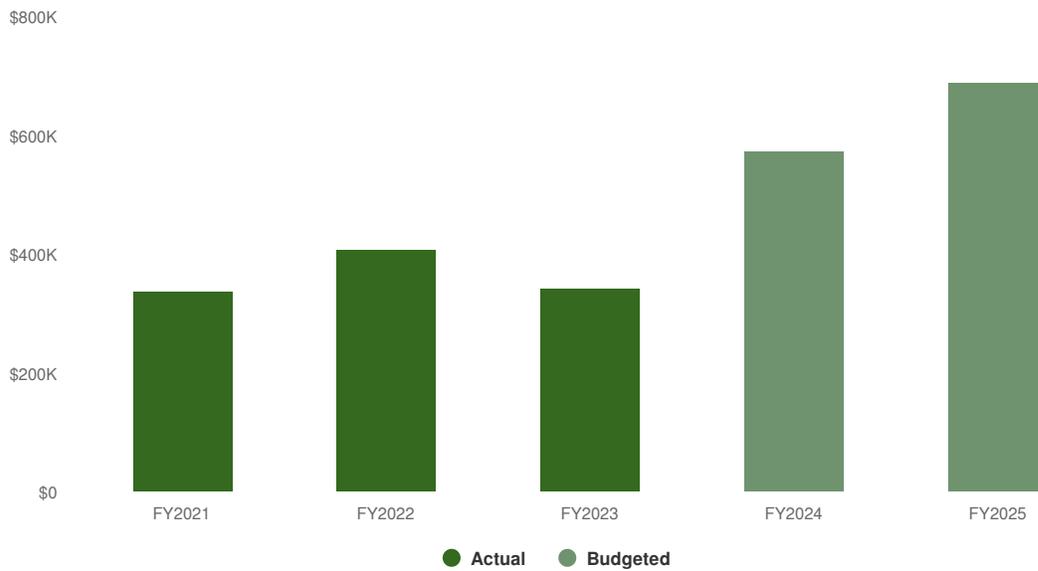


Expenditure Summary

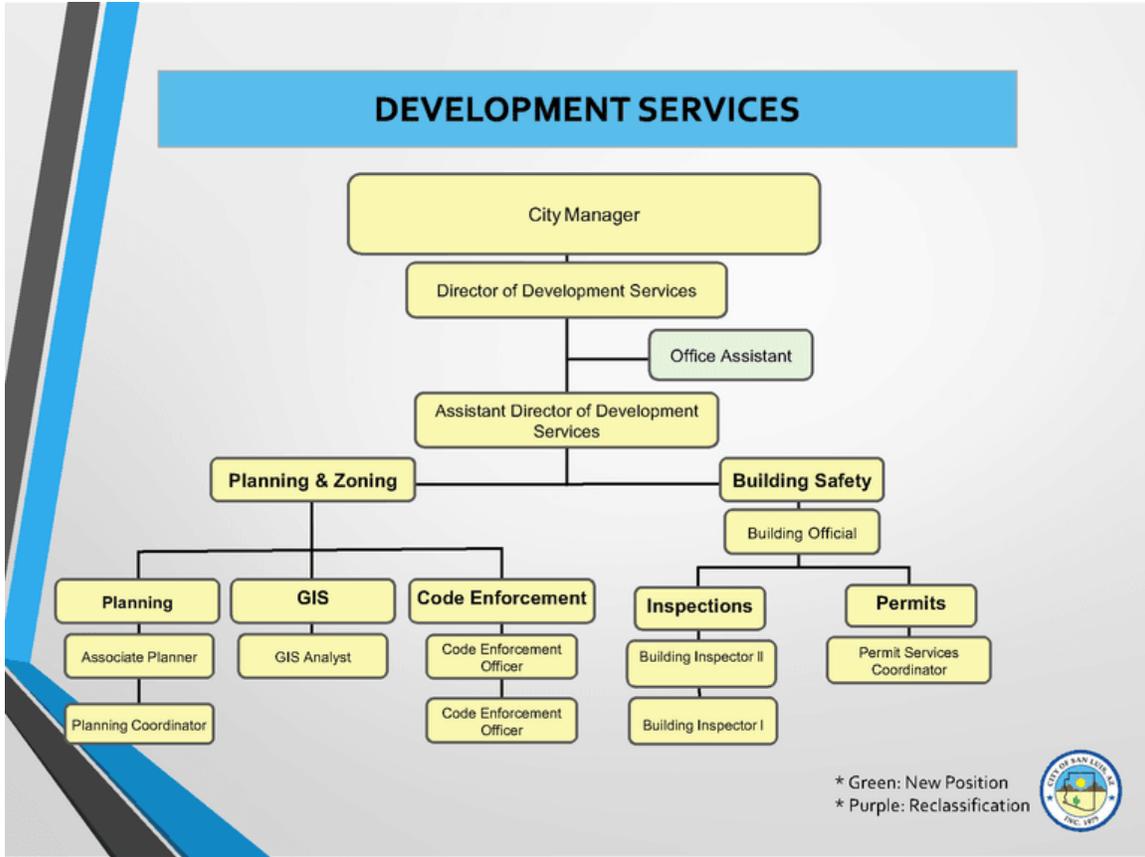
The Development Services Division has budgeted \$689,220 for FY 2025, which is an increase of \$116,680 compared to the previous fiscal year. This budget includes the addition of a new office assistant position and an increase in maintenance costs, including gas, oil, and vehicle maintenance, due to the addition of two new vehicles for code enforcement officers.

\$689,220 **\$116,680**
(20.38% vs. prior year)

Development Services Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The chart below will show the Development Services Department's staff summary schedule for the past three fiscal years. In FY 2025, the department will add a new Office Assistant position. This addition is intended to support the department's growing administrative demands. By enhancing staff capacity, the department aims to improve overall efficiency in processing applications, managing permits, and coordinating inspection schedules.

Staff Summary Schedule

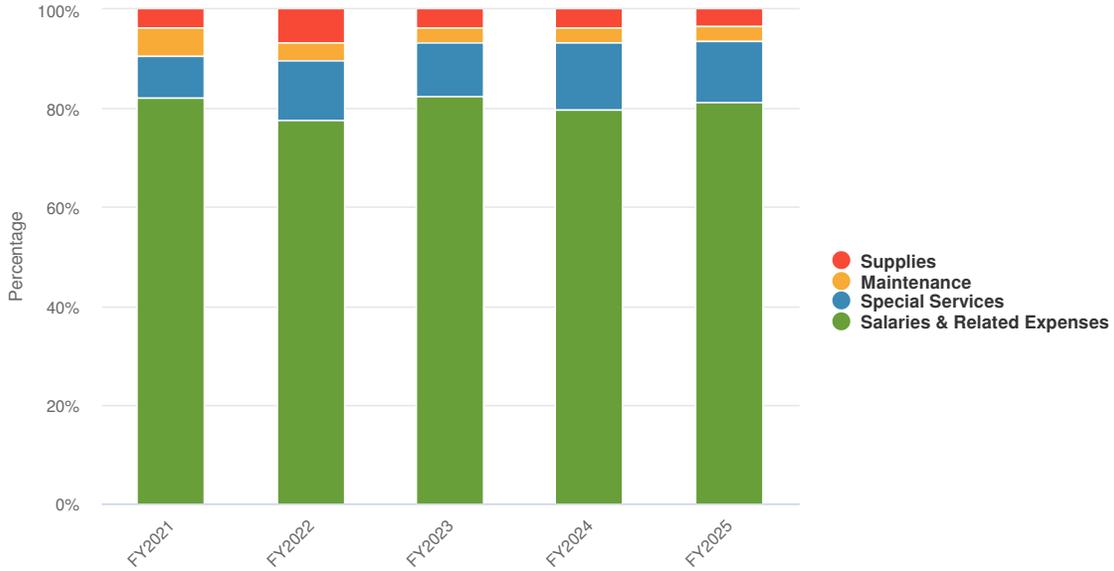
Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	5.1	5.5	6	7	1
% of city's FTEs				1.91%	

Authorized Personnel/Positions:

Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Director of Planning & Zoning	0.5	0.5	0.0	0.0	0
Director of Development Services	0.0	0.0	0.5	0.5	0
Assistant Director of Development Serv	0	0	0.5	0.5	0
GIS Specialist	1	0	0	0	0
GIS Analyst	0	1	1	1	0
Code Enforcement Office	0.5	0.5	2	2	0
Office Assistant	0.0	0.0	0	1	1
Planning Technician	1	1	0	0	0
Planning Coordinator	0	0	1	1	0
Administrative Coordinator	0.1	0.5	0	0	0
Associate Planner	1	1	1	1	0
Principal Planner	1	1	0	0	0
Total	5.1	5.5	6	7	1

Expenditure by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Development Services Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$315,507	\$282,621	\$457,060	\$351,709	\$560,980	22.7%
Supplies	\$26,267	\$12,547	\$19,830	\$21,500	\$21,890	10.4%
Maintenance	\$15,002	\$10,185	\$16,970	\$12,802	\$22,480	32.5%
Special Services	\$49,667	\$36,519	\$78,680	\$53,695	\$83,870	6.6%
Total Expense Objects:	\$406,443	\$341,873	\$572,540	\$439,706	\$689,220	20.4%

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 2024

- Actively administered the International Building Codes as adopted.
- Processed permits for a substantial increase in commercial buildings.
- Completed 5383 inspections with a projection of doing over 7500 by the end of the fiscal year.
- Issued 499 building permits, including 256 Residential New, 3 Commercial New, and 10 Commercial Remodels/Tenant Improvements.
- Issued a total of 223 Certificates of Occupancy, including 219 Residential and 4 Commercial.
- Collected \$2.2M in revenues from building permits and impact fees.
- Consistent review of files for compliance with records retention requirements.
- Provided staff support to the Planning and Zoning Commission, Board of Adjustment, Board of Appeals, and City Council.
- For the last five years new residential permits have been issued on average 295 per year.
- Started the process for the Land Use Assumptions and Infrastructure Improvement Plan and Development Fee Report study update as required every 5 years.

Goals & Objectives FY 2025



Growth & Public Service Goal

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 Q2 FY 2025.
- 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 Q4 FY 2025 to maintain consistency with other jurisdictions.
- Continue enforcing adopted construction codes by increasing proactive and reactive inspections by 20% by the end of FY 2025.
- Improve communication and engagement with the community by holding informational sessions on building regulations to increase compliance by Q4 FY 2025.



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 2025.
- Update and adopt key International Building Codes (as listed) to ensure consistency and support economic development by Q4 FY 2025.
- Improve community engagement with building regulations by increasing outreach activities and materials by the end of FY 2025.



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 2025.

- Finalize the update of the Land Use Assumptions and Infrastructure Improvement Plan and Development Fee Report study by Q3 FY 2025 to support financial planning and resource allocation.

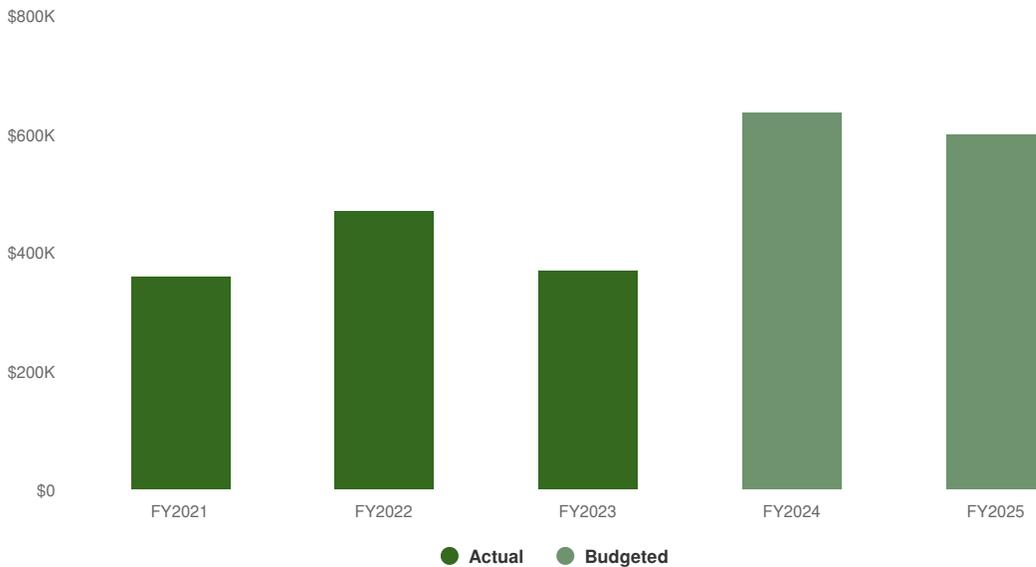
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
BUILDING PERMITS ISSUED	643	864	900
NEW RESIDENTIAL PERMITS	249	470	450
INSPECTIONS	6459	8578	9000
PUBLIC OUTREACH EVENTS	3	4	5
BUILDING PERMIT APPLICATIONS PROCESSED WITHIN THE ESTABLISHED TIMEFRAMES	95%	98%	100%

Expenditure Summary

The graph below shows the expenditures for the Building Safety Division for the past 4 years. The Building Safety Department's budget for the current fiscal year stands at \$635,915, representing a notable increase of \$121,579 when compared to the previous year's budget. This boost in funding reflects the department's commitment to enhancing its services and capabilities. A significant portion of the budget, amounting to \$473,440, has been allocated to Salaries & Related Expenses, marking a 4.9% increase from the adopted budget in the preceding fiscal year. Additionally, the department has allotted \$16,650 for Supplies, \$15,700 for Maintenance, and \$131,125 for Special Services, demonstrating a substantial 309.2% surge compared to the previous year's allocation.

\$599,540 **-\$36,375**
(-5.72% vs. prior year)

Building Safety Proposed and Historical Budget vs. Actual



Personnel Changes

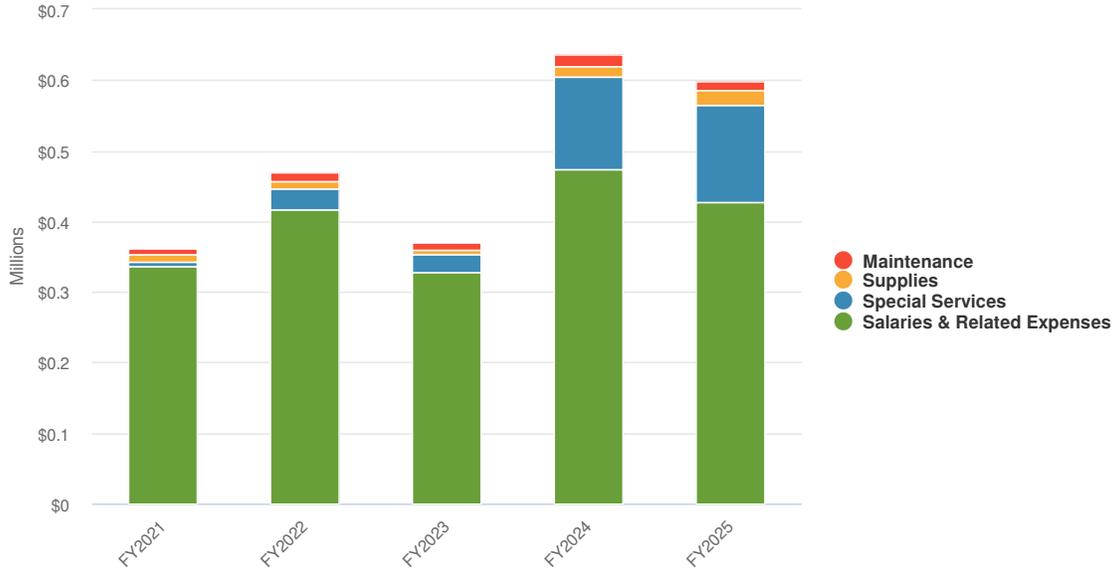
The chart below will show the Building Safety Department's staff summary schedule for the past three fiscal years. In FY 2025, there are no personnel changes. The department will continue to operate with its current staff, maintaining focus on ensuring building code compliance, conducting inspections, and reviewing construction plans.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	5.125	7.5	5	5	0
% of city's FTEs				1.37%	
 Authorized Personnel/Positions:					
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
Director of Planning & Zoning	0.5	0.5	0	0	0
Director of Development Services	0.0	0.0	0.5	0.5	0
Assistant of Director of Dev Services	0.0	0.0	0.5	0.5	0
Administrative Coordinator	0.1	0.5	0	0	0
Building Official	1	1	1	1	0
Code Enforcement Office	0.5	2.5	0	0	0
Bulding Permit Technician	1	1	0	0	0
Permit Services Coordinator	0	0	1	1	0
Building Inspector	0	0	0	0	0
Building Inspector I	1	1	1	1	0
Building Inspector II	1	1	1	1	0
Total	<u>5.1</u>	<u>7.5</u>	<u>5.0</u>	<u>5.0</u>	<u>0</u>

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents Building Safety expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$416,390	\$327,469	\$473,440	\$449,241	\$426,490	-9.9%
Supplies	\$10,567	\$6,207	\$15,650	\$27,883	\$22,750	45.4%
Maintenance	\$13,693	\$10,068	\$15,700	\$11,494	\$12,940	-17.6%
Special Services	\$29,158	\$26,072	\$131,125	\$34,989	\$137,360	4.8%
Total Expense Objects:	\$469,807	\$369,815	\$635,915	\$523,607	\$599,540	-5.7%

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 2024

- Completed the environmental process for County 24th Street. A \$2.6 million investment to pave a total of 1.9 miles from Ave H (10th Ave) to Ave F1/2.
- The City of San Luis was awarded \$25 Million Rural Surface Transportation Grant from U.S. Department of Transportation for Cesar Chavez Blvd Improvements.
- The City of San Luis was awarded the AZ Smart Grant for \$2.7 Million for the design of Cesar Chavez Blvd.
- City of San Luis was awarded Community Development Block Grant for Merrill Ave Improvements.
- The City was selected as a recipient of the “Thriving Communities” Technical Assistance Pilot Program through U.S. Department of Transportation.
- City of San Luis signed its third international sister city agreement with Magdalena de Kino, Sonora; after agreements with San Luis Rio Colorado in 1980 and Navolato, Sinaloa in 2005.

- In the process of acquiring 4 acres of private ROW from twelve property owners for the Cesar Chavez Boulevard project.
- Submitted 1 Public Works and Economic Adjustment Assistance (PWEAA) Grant and 1 USDA Rural Business Development Grant.
- Hosted Small Business Fair during National Small Business Week.
- Represent the City in the STEDY Board, GYEDC Board, Yuma County Chamber Board, Arizona Association of Economic Development, San Luis Industrial Park Association, and AZ Town Hall.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Foster community engagement and sustainable development through strategic planning and public-private partnerships."

- Update the Economic Development Strategic Plan with input from the Economic Development Commission throughout the fiscal year, incorporating funding opportunities from APS and government agencies to support the plan's initiatives.
- Recruit seven community members to serve in the Economic Development Commission by Q1 FY 2025, to provide advice on promoting sustainable economic growth.
- Develop a Downtown Parking Program to improve parking efficiency and support community development by Q4 FY 2025.

Economy

Goal: "Attract quality industries and businesses to promote economic growth and enhance job opportunities."

- Attract at least two businesses in high-growth industries to Magrino Industrial Park and Southwest Industrial Park by the end of FY 2025.
- Submit two Community Change EPA Grants for the Wastewater Treatment Plant Expansion and Downtown Parking Lot Construction by Q2 FY 2025 to secure funding for essential infrastructure projects.
- Continue to recruit key industries for industrial areas, aiming to bring at least three new commercial businesses (such as hotels, restaurants, or retail) to the city by Q4 FY 2025.

- Work with federal, state, and local agencies to advance the modernization of the San Luis Port of Entry throughout the fiscal year.



Financial Sustainability

Goal: "Leverage state and federal partnerships to secure funding and legislative support for priority projects."

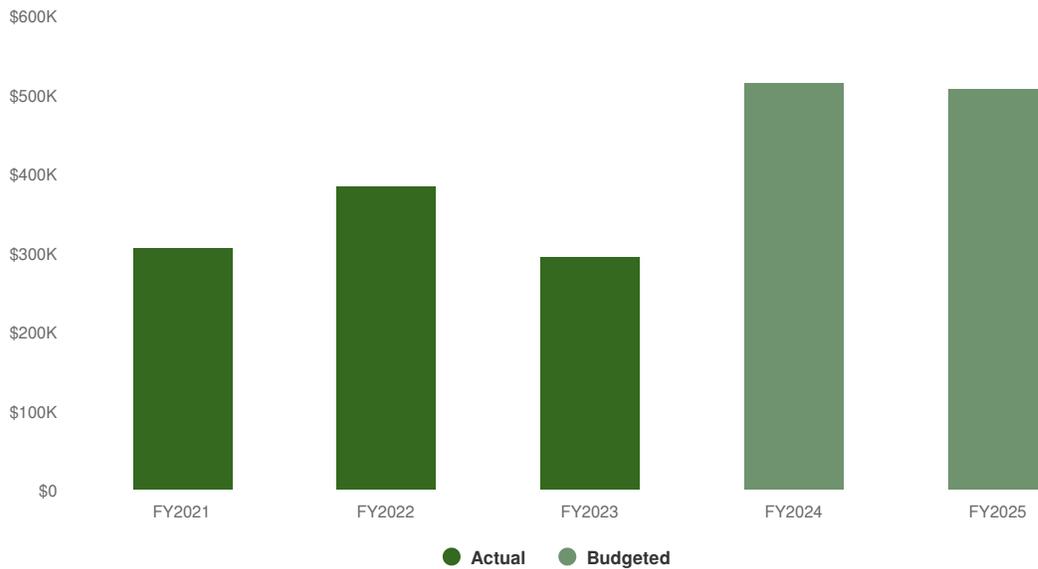
- Develop a strategy to engage state and federal legislators by the end of the fiscal year, with the goal of advancing at least two city priorities through legislation, appropriations, or congressionally directed spending.
- Submit a minimum of two strategic grant applications by the end of FY 2025 to support critical infrastructure projects, ensuring sustainable city development.

Expenditure Summary

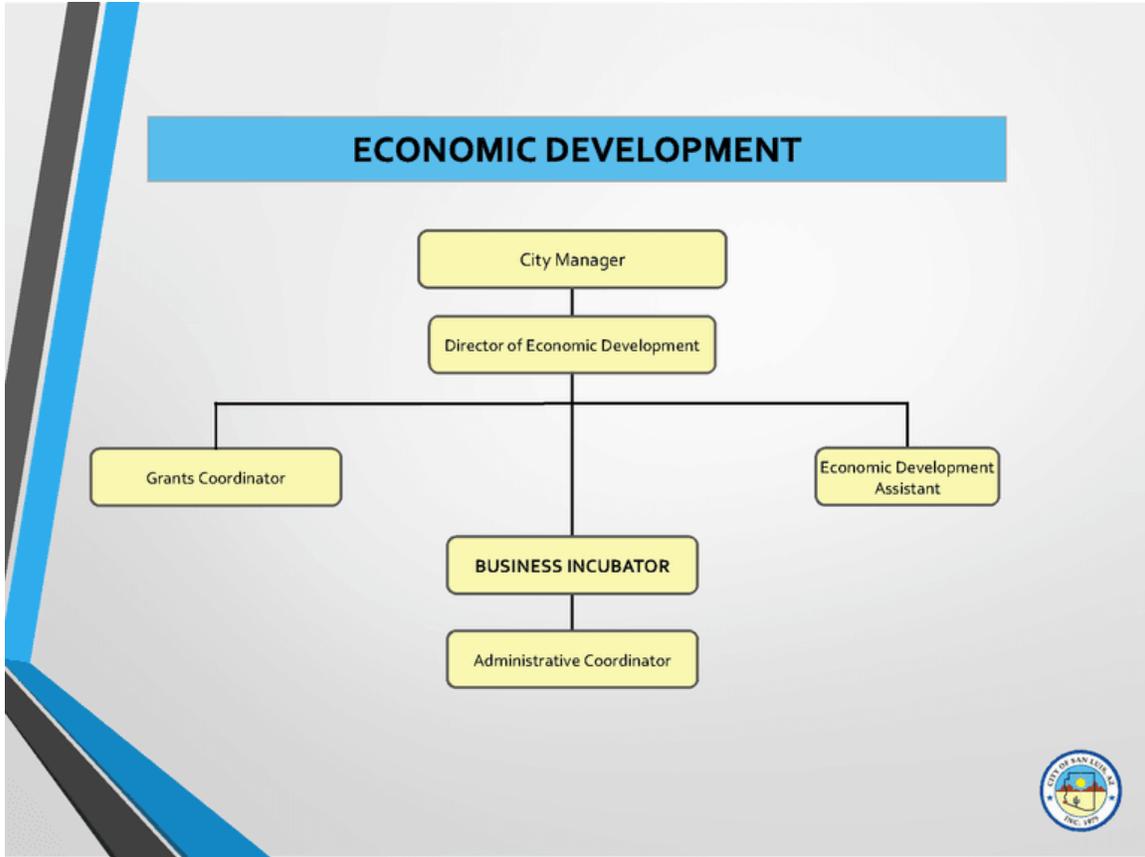
The Economic Development Department has budgeted \$508,350 for FY 2025, which represents a decrease of \$5,819 compared to the previous fiscal year. Despite this reduction, there are no significant changes in the overall budget, and the department is committed to staying within its budgetary limits. The decrease primarily stems from two areas: maintenance, where there is no allocation for GIS planning this year, and supplies, where last fiscal year included a one-time budget for materials needed for the new Economic Development Director. Overall, the department remains focused on its objectives and will continue to effectively manage its resources to support ongoing initiatives.

\$508,350 **-\$5,819**
(-1.13% vs. prior year)

Economic Development Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

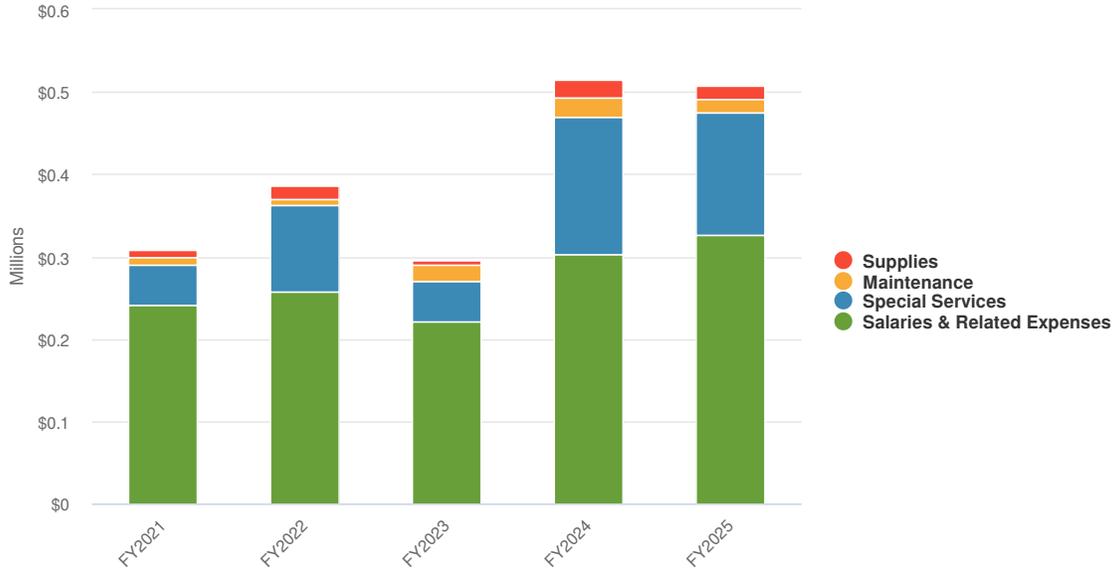
The chart below will show the Economic Development Department's staff summary schedule for the past three fiscal years. In FY 2025, there are no personnel changes. The department will continue with its existing team, focusing on fostering business growth, attracting new investments, and supporting community development initiatives.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	4	3.4	3.8	3.8	0
% of city's FTEs				1.04%	
 Authorized Personnel/Positions:					
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
Economic Development Assistant	1	1	1	1	0
Economic Development Manager	1	1	0	0	0
Director of Economic Development	0	0	1	1	0
Grants Writer	1	1	0	0	0
Grants Coordinator	0	0	1	1	0
Graphics and Media Specialist	0	0	0	0	0
Administrative Coordinator	0	0.4	0.8	0.8	0
Office Assistant	1	0	0	0	0
Total	4	3.4	3.8	3.8	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents Economic Development expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$257,122	\$220,747	\$303,320	\$268,665	\$325,770	7.4%
Supplies	\$16,365	\$6,392	\$20,670	\$11,508	\$16,390	-20.7%
Maintenance	\$7,175	\$19,580	\$24,900	\$23,772	\$17,180	-31%
Special Services	\$104,782	\$49,314	\$165,279	\$117,871	\$149,010	-9.8%
Total Expense Objects:	\$385,444	\$296,033	\$514,169	\$421,816	\$508,350	-1.1%

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 2024

- Signed lease agreement with ALLO Arizona, a Nebraska Limited Liability Corporation; this marked the seventh active lease at the Business Incubator program, thus all suites leased.
- Business Incubator tenants wrote letters of support for City of San Luis' USDA Rural Business Development Grant application to bring Moonshot AZ Entrepreneurship and Workforce Training to the incubator.
- Collaborated with Arizona Western College's Small Business Development Center (SBDC) to provide the following small business workshops:
 - Quickbooks Workshop
- Collaborated with SBDC and Mary Rabago, owner of Mary Rabago Productions, to present the workshop "Grow with Google" that emphasized the importance of promoting a business on Google.
- Provided presentation and tour of the Business Incubator program to students of the Equal Opportunity Center Charter High School, in collaboration with Principal Brian Grossenburg.

- Collaborated with SBDC and Consulmex to host a workshop for the program “Programa Consular de Emprendimiento para Mexicanas en el Exterior (PCEME)”, a program designed to help women entrepreneurs from Mexico start/expand their business in the United States.
- Collaborated with Vanessa Castillo, Business Consultant for the Arizona Minority Business Development Agency (AZMBDA) and presented the online workshop “Navigating Opportunities for Business Growth” which focused on providing information to business owners on the requirements and preparations to be able to access government contracting procedures, and how to obtain the Minority Owned Business Certification.

Goals & Objectives FY 2025

Growth & Public Service

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

- Continue to outreach and increase awareness of the Business Incubator program, establishing at least three new collaborations and expanding the network of resources by Q4 FY 2025.
- Increase the number of business development events and presentations by 50% throughout the fiscal year to support entrepreneurial growth in the community.

Economy

Goal: "Support entrepreneurship and foster economic growth by providing resources, funding, and business support infrastructure."

- Host and manage the Fuerza Local program with Local First AZ by Q4 FY 2025, contingent on being awarded the USDA RBDG Grant, to further support small business development. The subgoal is to have 12 businesses complete the program by the end of the fiscal year.
- Outreach for at least two new funding resource partners for small business owners by the end of FY 2025 to increase financial support for local entrepreneurs.



Financial Sustainability

Goal: "Ensure financial stability and sustainability of the Business Incubator through strategic evaluation and resource management."

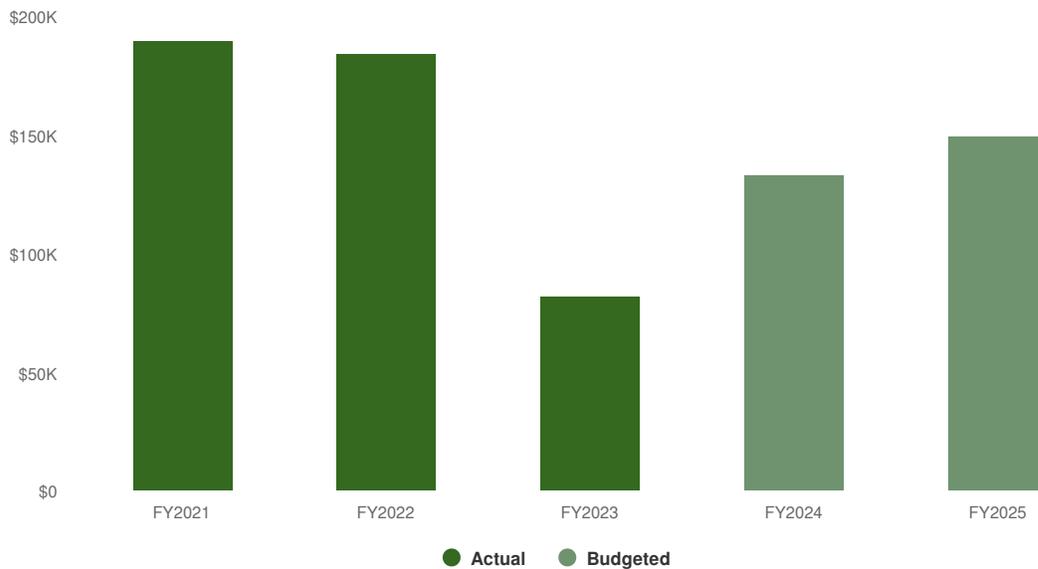
- Evaluate business incubator lease rates and program offerings by Q2 FY 2025 to ensure competitive pricing and relevance to market needs.
- Ensure self-sustainability of the Business Incubator program by achieving a 100% lease occupancy rate and generating sufficient revenue by Q4 FY 2025, following the implementation of new rent rates.

Expenditure Summary

The Business Incubator has budgeted \$149,380 for FY 2025, reflecting an increase of \$15,805 compared to the previous fiscal year. This increase is driven by a 19.2% rise in non-departmental services, which includes essential support functions such as IT, facilities management, fleet services, risk and property management, and central cost allocations. Additionally, there is a 5.2% increase in special services related to utilities, including water and sewer costs. While the budget continues to support operational needs, it also emphasizes efficient resource management to ensure that the Business Incubator can effectively serve its stakeholders and foster local entrepreneurship.

\$149,380 **\$15,805**
(11.83% vs. prior year)

Business Incubator Proposed and Historical Budget vs. Actual



Personnel Changes

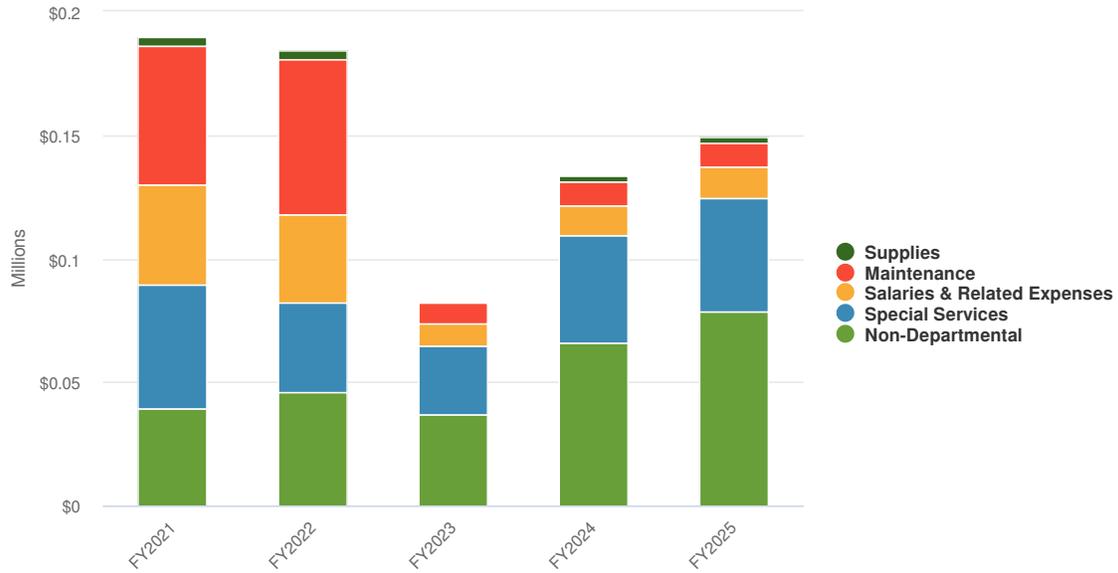
The chart below will show the Business Incubator's staff summary schedule for the past three fiscal years. In FY 2025, there are no personnel changes. The incubator will continue to operate with its current Office Assistant, who plays a vital role in supporting the administration of programs, coordinating resources for startups, and facilitating mentorship opportunities.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	1	0.6	0.2	0.2	0
% of city's FTEs				0.05%	
 Authorized Personnel/Positions:					
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
Office Assistant	1	0	0	0	0
Administrative Coordinator	0	0.6	0.2	0.2	0
Total	1	0.6	0.2	0.2	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents Business Incubator expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$35,165	\$9,035	\$12,210	\$12,631	\$12,700	4%
Supplies	\$3,773	\$50	\$2,200	\$1,205	\$2,500	13.6%
Maintenance	\$62,792	\$8,079	\$9,700	\$58,037	\$9,800	1%
Special Services	\$36,362	\$28,292	\$43,580	\$25,251	\$45,850	5.2%
Non-Departmental	\$46,072	\$36,652	\$65,885	\$60,835	\$78,530	19.2%
Total Expense Objects:	\$184,164	\$82,108	\$133,575	\$157,960	\$149,380	11.8%

Parks and Recreation Department

The City San Luis of 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 eight (8) divisions which include: the Cesar Chavez Cultural Center, Parks Grounds, Recreation, Youth Center, Municipal Pool, Facilities, 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 2024

The Parks and Recreation celebrated the Fourth of July Freedom Celebration with over 12,000 people. We continue to have the best fireworks show in South County and the best celebration in all Yuma County.

This year, we celebrated the 4th of July at the Joe Orduno Park with live performances by Checker'd Past, Kumbia Queen and Su Majestad La Brissa de Juan Leyva.

Also, this year, the Parks and Recreation Administration Building updated their lobby by adding an enclosed lobby to provide more safety to staff. Cabinets were also added to the conference room and storage room. This will provide staff with more areas to store files and provide a more professional look to the facility.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance community engagement and well-being by providing diverse recreational opportunities, improving parks and facilities, and increasing access to underserved populations."

- Promote community engagement by offering at least five new programs and events annually that encourage participation from all members of the community, and establish a community advisory committee throughout the FY 2025 to gather input and feedback from local leaders.
- Improve the overall condition and maintenance of parks and green areas by implementing a regular maintenance schedule and identifying areas for repair by Q2 FY 2025 to enhance the user experience over the next years.
- Increase access to and participation in recreational activities for underserved populations by expanding programming and facilities by 10% in underserved areas by the end of FY 2026 and developing at least two new partnerships with community organizations by FY 2025.

Economy

Goal: "Stimulate economic growth and community well-being by developing new recreational opportunities and improving the quality of programs and services."

- Develop new recreational opportunities by adding three new playgrounds, two sport fields, and additional amenities at the East San Luis Community Park by FY 2027.
- Improve the quality of programs and services by providing staff with at least two additional training and educational opportunities per year to enhance skills and service quality by FY 2025.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
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%	95%	95%
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.	80%	85%	90%
FACILITY USAGE: INCREASE FACILITY AND PARK USAGE BY DEVELOPING NEW RECREATIONAL OPPORTUNITIES BY ADDING NEW PLAYGROUNDS, SPORT FIELDS, AND OTHER AMENITIES, PARTICULARLY IN THE EAST SAN LUIS COMMUNITY PARK WITHIN THE NEXT FEW YEARS.	75%	80%	95%
EMPLOYEE DEVELOPMENT: IMPROVE THE QUALITY OF PROGRAMS AND SERVICES BY PROVIDING STAFF WITH MORE TRAINING AND EDUCATIONAL OPPORTUNITIES WITHIN THE NEXT YEAR.	80%	80%	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.	80%	90%	90%

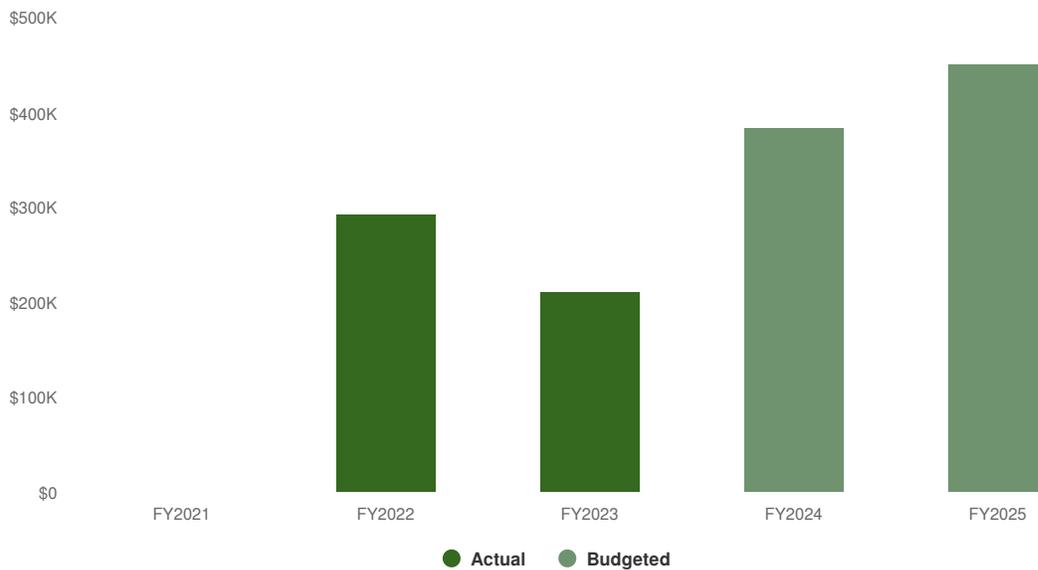


Expenditure Summary

The Parks and Recreation Administration has budgeted \$451,680 for FY 2025, which represents an increase of \$67,255 compared to the previous fiscal year. This increase is primarily attributed to a significant investment in special services, where \$49,400 has been allocated to develop policies and procedures for Parks and Recreation administration. This funding aims to enhance operational efficiency and ensure that the department is well-equipped to meet community needs and support recreational initiatives effectively.

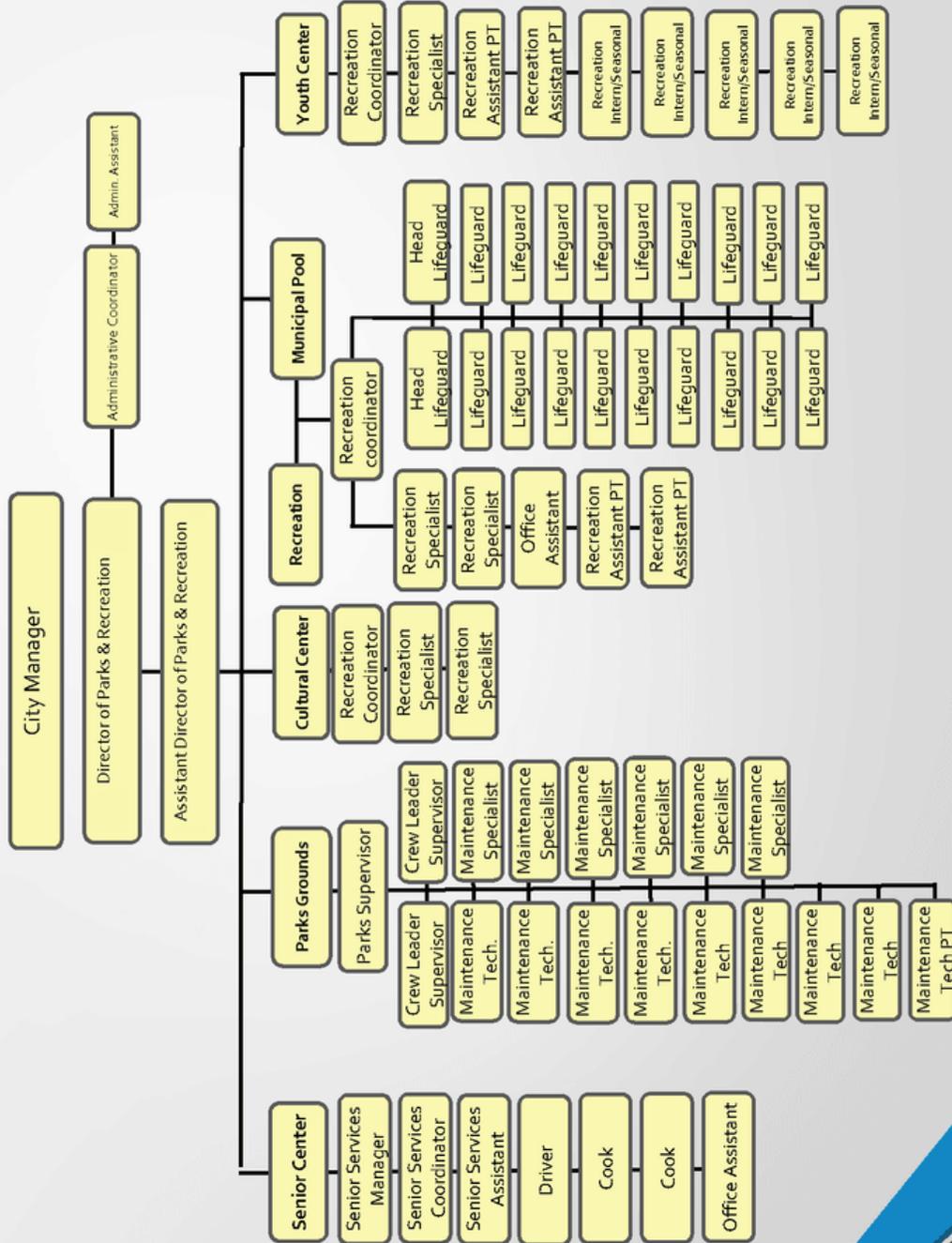
\$451,680 **\$67,255**
(17.49% vs. prior year)

Parks and Rec. Administration Proposed and Historical Budget vs. Actual



Organizational Chart

PARKS & RECREATION: Municipal Pool, Cultural Center, Parks Grounds, Recreation, & Youth Center



Personnel Changes

The chart below displays the Parks and Recreation Administration's staff summary schedule for the last three fiscal years. In FY 2025, the department will maintain its current staffing levels with no changes. Parks and Recreation Administration oversees several key areas, including Parks, Recreation, the Cultural Center, the Youth Center, the Municipal Pool, and Senior Services. The team remains dedicated to providing high-quality programs and facilities that enhance the community's quality of life and promote active, healthy lifestyles.

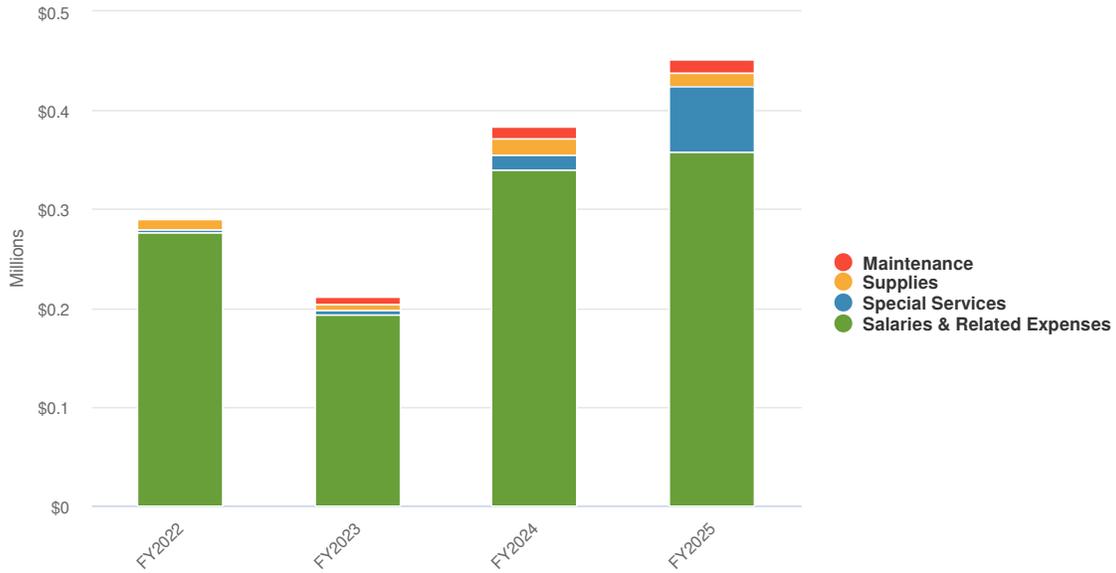
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	0	4	4	4	0
% of city's FTEs				1.09%	
Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Administrative Coordinator	0	1	1	1	0
Administrative Assistant	0	1	1	1	0
Assistant Director of Park & Rec Director	0	1	1	1	0
Director of Parks & Rec	0	1	1	1	0
Total	0	4	4	4	0



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Parks and Recreation Administration's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2022 Amended Budget vs. FY2023 Adopted Budget (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects							
Salaries & Related Expenses	\$275,812	\$192,693	\$339,540	\$331,715	\$357,390	9.6%	5.3%
Supplies	\$9,885	\$5,721	\$15,200	\$12,150	\$13,825	25%	-9%
Maintenance	\$2,227	\$6,952	\$13,490	\$16,636	\$13,280	22.4%	-1.6%
Special Services	\$4,048	\$5,387	\$16,195	\$8,656	\$67,185	-4.1%	314.9%
Total Expense Objects:	\$291,972	\$210,752	\$384,425	\$369,157	\$451,680	9.9%	17.5%

Parks

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 upkeepes 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 2024

This past year the Parks Division completed the following projects:

- Installation of irrigation system for the East Community Park soccer fields.
- Installation of City water meter and backflow as second alternative water source for the East Community Park.
- Electrical power for lights of East Community Park soccer fields.
- Continuation of the development and planning of the East Community Park Phase.
- Recondition the landscaping area of the Fernando Padilla City Building.

- Continuation of the maintenance and upkeep of parks, green areas, and recreational facilities.
- Acquire three (3) new zero turn John Deere lawn mowers.
- A new all-terrain forklift and a telescopic reach boom lift.
- Update of retentional walls at two retention basins per a Risk Assessment completed this year
- Update of playgrounds per a Risk Assessment completed this year
- Purchase and installation of retention lights for the Salomon & Kennedy Retention Basins per a Risk Assessment completed this year.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance and expand recreational facilities to improve community well-being and support the city's growth."

- Continue the development of East Community Park Phases by Q4 FY 2026 to expand recreational offerings for residents, with progress tracked through construction milestones and community satisfaction surveys post-completion.
- Prepare for future developments by creating new strategic plans for existing recreational areas by Q2 FY 2025, ensuring facilities meet future demands.
- Improve illumination in athletic fields, facilities, and green areas by Q3 FY 2025, enhancing safety and usability.
- Add lighting to Los Alamos by Q4 FY 2025 to increase the area's accessibility and safety during evening hours.

Economy

Goal: "Foster economic development by investing in recreational infrastructure that supports community engagement and tourism."

- Continue to develop East Community Park phases, focusing on expanding facilities that attract events and sports tourism by Q4 FY 2027.

- Develop strategic plans for recreational areas that promote community engagement and attract visitors by Q2 FY 2025.
- Improve lighting and infrastructure in high-traffic recreational areas by Q3 FY 2025 to support evening activities and events.

 **Financial Sustainability**

Goal: "Ensure the sustainable management of resources and finances while enhancing staff expertise and operational efficiency."

- Pursue staff professional development through workshops, certifications, and courses by Q4 FY 2025, aiming to increase staff expertise and efficiency, with success tracked through staff certification rates and improvements in service delivery.
- Focus on resource allocation and sustainability by optimizing maintenance and improvement of green areas, playgrounds, and Parks by Q4 FY 2025, ensuring long-term viability, with success measured through cost-saving initiatives and improved facility condition ratings.

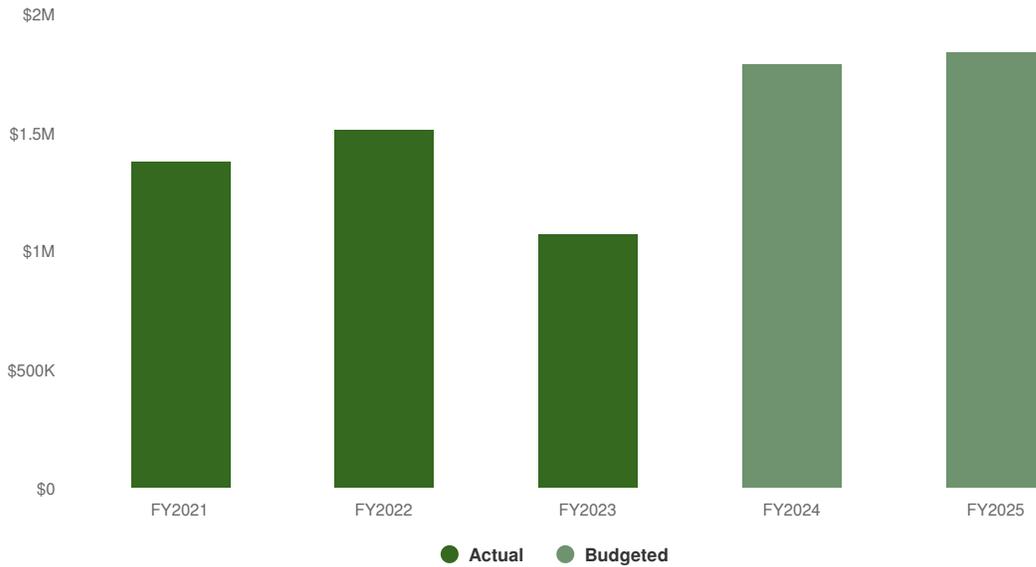
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
AREA OF PARK MAINTENANCE: CONTINUE DEVELOPING A STRATEGIC PLAN TO MAINTAIN EXISTING RECREATIONAL AREAS AND PREPARE FOR FUTURE DEVELOPMENT OVER THE NEXT FEW YEARS.	80%	80%	80%
PARKS, GREEN AREAS CONDITION: COMPLETE AN ASSESSMENT OF 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.	25%	50%	75%
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 SPORT FIELDS.	75%	75%	75%
CUSTOMER SATISFACTION: IMPROVE ILLUMINATION AND EQUIPMENT MAINTENANCE IN GREEN AREAS, SPORT FIELDS, AND OTHER FACILITIES WITHIN THE NEXT FEW YEARS TO ENSURE THAT COMMUNITY OR VISITOR SATISFACTION AND ATTENDANCE.	65%	65%	70%
STAFF PRODUCTIVITY: ENCOURAGE PROFESSIONAL DEVELOPMENT FOR STAFF, INCLUDING CERTIFICATIONS, COURSES, AND WORKSHOPS, TO ENHANCE THEIR EXPERTISE AND EFFICIENCY WITHIN THE NEXT YEAR.	70%	70%	75%

Expenditure Summary

The Parks Department has budgeted \$1,835,220 for FY 2025, representing an increase of \$51,320 compared to the previous fiscal year. This budget reflects a 13.6% increase in maintenance costs, a 12.6% rise in special services, and a 10.8% increase in supplies. The maintenance budget includes various expenses such as materials for backflow replacements, paint, and all necessary resources for park repairs and the upkeep of green areas. This budget emphasizes the department's commitment to maintaining and enhancing park facilities and services for the community.

\$1,835,220 **\$51,320**
(2.88% vs. prior year)

Parks Proposed and Historical Budget vs. Actual



Personnel Changes

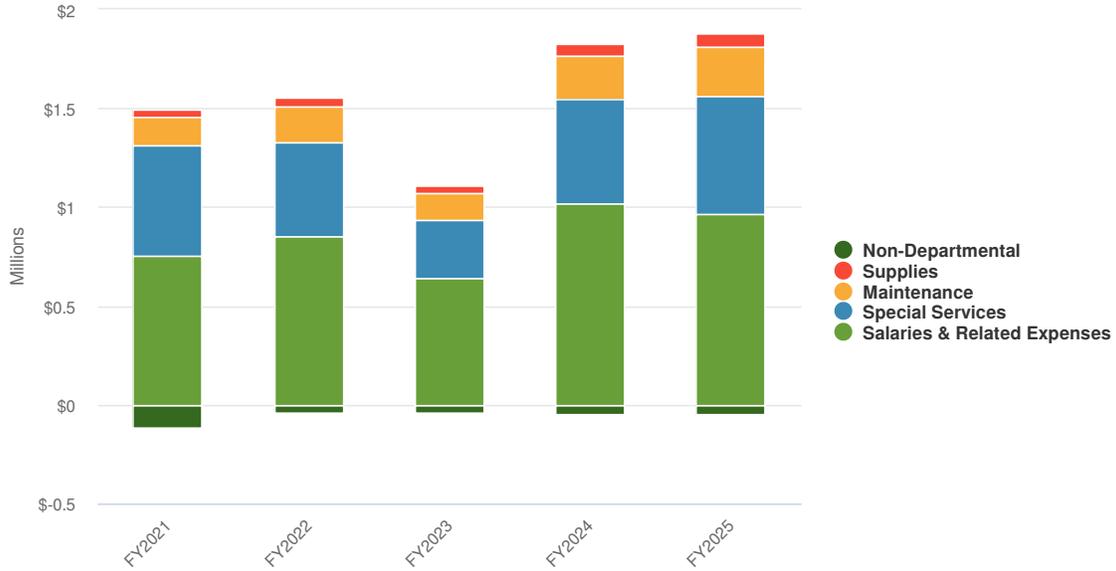
The chart below will show the Parks Department's staff summary schedule for the past three fiscal years. In FY 2025, there are no personnel changes. The department will maintain its current staffing levels, ensuring the continued upkeep of park facilities, landscape maintenance, and the delivery of recreational services to the community.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	13.6	16	18	18	0
% of city's FTEs				4.92%	
 Authorized Personnel/Positions:					
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
Maintenance Tech	6	9	9	9	0
Maintenance Specialist	5	5	6	6	0
Parks Supervisor	1	1	1	1	0
Facilities Manager	0	0	0	0	0
Assistant Director of Park & Rec Director	0.3	0	0	0	0
Crew Leader Supervisor	1	1	2	2	0
Director of Parks & Rec	0.3	0	0	0	0
Total	<u>13.6</u>	<u>16</u>	<u>18</u>	<u>18</u>	<u>0</u>

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type

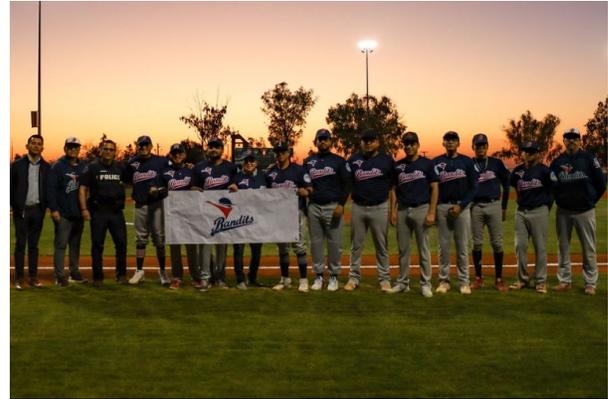


The following table presents the Parks Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$853,151	\$639,149	\$1,019,570	\$919,988	\$967,860	-5.1%
Supplies	\$43,442	\$41,092	\$60,950	\$70,659	\$67,550	10.8%
Maintenance	\$178,482	\$130,719	\$222,600	\$196,362	\$252,780	13.6%
Special Services	\$477,377	\$298,713	\$526,400	\$524,998	\$592,640	12.6%
Non-Departmental	-\$42,585	-\$42,585	-\$45,620	-\$45,620	-\$45,610	0%
Total Expense Objects:	\$1,509,868	\$1,067,088	\$1,783,900	\$1,666,388	\$1,835,220	2.9%

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 dodgeball, and youth flag football.

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 dodgeball, 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.

Accomplishments FY 2024

The Recreation Department organized and launched new leagues and activities for different age groups. Some of those leagues and activities were:

- Sand Volleyball League
- Youth Basketball League

- Pickel Ball
- Baseball 5
- Rec-Mobile Program
- This program is created to bring recreational activities and games to parks and green areas so the community can enjoy. This is to reach out to the community who is not able to come to the park to enjoy the leagues or activities, the leagues and activities come to them. The activities that will be displayed are giant Jenga, giant Connect 4, mobile tennis court, mobile volleyball court, soccer goal/court, corn hole, and mobile pickle ball.

This year, the Recreation Department was also given a new direct line as well as an on-call cell phone. The direct line was given to separate the main line which is currently used by Parks and Recreation Administration. Having a new direct line gives the community a new number to contact to ask about any leagues, activities or reservations request they may have. The on-call cell phone is a new addition to the Department to ensure that staff who are supervising leagues after 6:00 pm, have the ability to 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.

Goals & Objectives FY 2025

Growth & Public Service

Goal: “To establish a better level of service to our community by introducing new sports and activities that will improve their quality of life.”

- Certify 100% of staff in youth sport administration by the end of FY 2025 to ensure high-quality service in all youth sports programs.
- Increase participation in recreation programs by 15% by offering at least five new programs for families, kids, ladies, men, and seniors throughout the fiscal year.
- Develop and launch a minimum of three tournaments and leagues annually, targeting various age groups and skill levels, by the end of FY 2025.
- Provide walking, biking, and running opportunities by completing the addition of at least three new trails, paths, or bikeways by FY 2026.

- Make Joe Orduño Park the major city visitor destination by increasing park events by 20% and improving infrastructure by FY 2027.
- Plan and organize at least four family-oriented recreational events annually, encouraging active participation from all age groups by FY 2025.

Economy

Goal: “To make Joe Orduño Park a major city visitor destination and improve recreational offerings to attract both residents and visitors.”

- Increase facility usage by 20% by FY 2026 through new programs, events, and targeted marketing efforts.
- Complete an inventory of all recreation assets by FY 2025, ensuring efficient use of resources and improved maintenance schedules.

Financial Sustainability

Goal: “To ensure responsible financial management while expanding and diversifying recreational offerings to meet the needs of our community.”

- Expand the Recreation facility and complete gym upgrades by FY 2027, while maintaining a balanced budget and ensuring project sustainability.
- Use capital to renew aging infrastructure by prioritizing projects that reduce maintenance costs and improve long-term asset performance, completing at least two major upgrades annually through FY 2027.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
PARTICIPATION RATES: INCREASE PARTICIPATION IN PROGRAMS AND RECREATIONAL ACTIVITIES AND DEVELOP A SYSTEM TO MEASURE PARTICIPATION AND SATISFACTION WITHIN THE NEXT FEW YEARS.	55%	65%	70%
PROGRAM IMPLEMENTATION: DEVELOP PROGRAMS, TOURNAMENTS, AND LEAGUES CATERING TO VARIOUS DEMOGRAPHICS, INCLUDING FAMILIES, CHILDREN, LADIES, MEN, AND SENIORS, SUCH AS YOUTH, WOMENS & SENIOR INDOOR SOCCER, REC MOBILE, AMONGST OTHER PROGRAMS.	50%	65%	70%
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 SCHOOL AND AGENCIES, BRINGING MORE REVENUE TO THE CITY.	50%	50%	25%
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 AVAILABLE BUDGET TO THE BEST OF OUR ABILITY.	90%	90%	90%
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.	90%	90%	90%

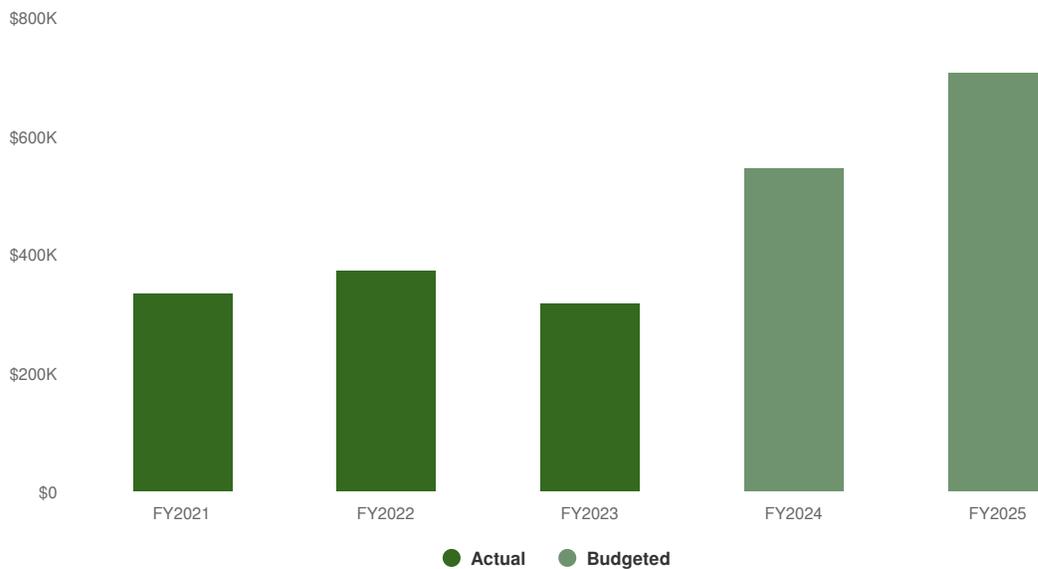


Expenditure Summary

The graph below shows the expenditures for the Recreation Division over the past four years. For FY 2025, the Recreation Division is budgeting \$707,780, which is \$162,680 higher than the previous year. This increase is due to several factors. Special services rose by \$70,170 (23.5%) as the department added more events, including Seniors Art Day, Semana de la Mujer, Summer Camp, and the Ms. San Luis platform, alongside the return of other special events. Contractual services increased by \$10,000, while water and sewage costs grew due to new rates, and electricity expenses increased in response to APS rate hikes. Additionally, maintenance saw a 7.3% increase, ensuring the department continues to operate efficiently.

\$707,780 **\$162,680**
(29.84% vs. prior year)

Recreation Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below will show the Recreation Department's staff summary schedule for the past three fiscal years. In FY 2025, the department will continue with its existing staff, which includes one Recreation Coordinator, one Office Assistant, and one Recreation Specialist. The salaries of the Recreation Coordinator and Office Assistant are partially allocated to the municipal pool, as the Recreation Department oversees that facility. Additionally, there is one intern position to assist with various recreational programs and initiatives.

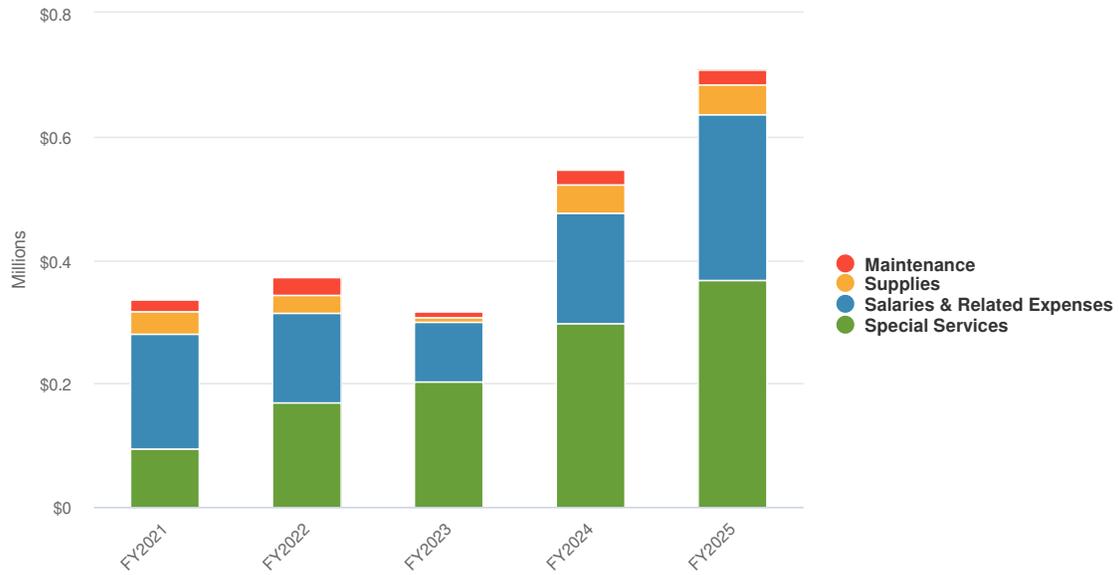
For FY 2024, salaries for the Recreation Coordinator and the Administrative Assistant were divided among all four departments: Recreation, Cultural Center, Youth Center, and Municipal Pool.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	3.7	2.8	3.3	3.0	-0.25
% of city's FTEs				0.82%	

Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Recreation Specialist	1.3	1.3	1	1	0
Assistant Director Park & Rec	0.2	0	0	0	0
Recreation Coordinator	0.5	0.5	0.8	0.5	0
Office Assistant	0	0	0.5	0.5	0
Administrative Assistant	0.3	0	0	0	0
Administrative Coordinator	0.3	0	0	0	0
Recreation Intern	1	1	1	1	0
Director of Parks & Rec	0.2	0	0	0	0
Total	<u>3.7</u>	<u>2.8</u>	<u>3.3</u>	<u>3</u>	<u>-0.25</u>

Budgeted and Historical Expenditures by Expense Type



The following table presents the Recreation Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$144,166	\$94,323	\$178,050	\$148,744	\$267,290	50.1%
Supplies	\$28,885	\$7,261	\$46,150	\$30,374	\$47,760	3.5%
Maintenance	\$30,265	\$10,231	\$22,800	\$15,469	\$24,460	7.3%
Special Services	\$169,563	\$204,182	\$298,100	\$187,304	\$368,270	23.5%
Total Expense Objects:	\$372,879	\$315,998	\$545,100	\$381,891	\$707,780	29.8%

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 an essential component of healthy and active communities. By providing classes, activities, exhibitions, music and dance performances, theatre productions, workshops, and celebrations of cultural holidays and traditions, we give our community an opportunity 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 artist, dancers, musicians, leaders and consumers of art.

Accomplishments FY 2024

The Cesar Chavez Cultural Center has been hosting many community events all year round, from which many agencies and local academies have benefited from. Due to the facility being in high demand, from city, public and private consumers, the entire flooring was renovated and received a wax polish service. This renovation made a huge difference to the entire facility, giving it a more professional image so the community can enjoy. Also, the multipurpose room stage floor was replaced and polish and the audio room equipment was relocated to north side of the room to make it easier to control the lighting during reservations and presentations. The interior of the Cultural Center will also be painted to complete the beautification of the facility. The Cultural Center have been collaborating more with the Senior Center encouraging intergenerational interaction and communication.

Goals & Objectives FY 2025



Growth & Public Service

Goal: "To enrich community life and cultural experience by expanding class offerings, increasing community engagement, fostering local artistic talent, and promoting inclusivity through diverse activities and cultural events."

- Increase class offerings by 25% by collaborating with at least five new agencies and expanding the summer program to include five new diverse classes for children by the end of summer FY 2025.
- Host at least three major cultural events annually with 20% increased artist participation, engaging local artists and the community throughout the fiscal year.
- Form partnerships with three regional art and cultural agencies by the end of FY 2025 to expand community workforce opportunities and collaborative events.



Economy

Goal: "To foster inclusive, economic and cultural development by creating opportunities for local artists and promoting community engagement through larger and more frequent cultural events."

- Increase event participation by 15% year-over-year through the promotion of larger and more diverse cultural events by FY 2026.



Financial Sustainability

Goal: "To ensure responsible management of resources while relocating and expanding the Cultural Center to meet the growing demand for space and programs."

- Relocate the Activity Center to a safer location by the end of FY 2025, ensuring the project stays within budget while maintaining fiscal sustainability.
- Maintain a balanced budget while increasing program offerings by 15% through cost-effective partnerships and sustainable funding sources by FY 2026.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
COMMUNITY ENGAGEMENT: CONTINUE SUPPORTING LOCAL AND COUNTY PARTNERSHIPS TO UTILIZE THE FACILITIES FOR EXHIBITS AND PERFORMANCES FOR THE COMMUNITY THROUGHOUT THE FISCAL YEAR.	80%	80%	80%
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. (EX: MISS SAN LUIS PAGEANT, ARTE EN LA CALLE, DIA DE MUERTOS, MENTAL HEALTH FORUMS, NOCHE MEXICANA, BE WELL, DANCE, MUSIC, ARTS & CRAFTS CLASSES.)	90%	90%	90%
SOCIAL MEDIA ENGAGEMENT & VISITOR ATTENDANCE: PROMOTE THE CESAR CHAVEZ CULTURAL CENTER VIA SOCIAL MEDIA TO ATTRACT THE COMMUNITY AND VISITORS FROM AROUND THE THE STATE AND BORDER TO VISIT THE FACILITY AND PARTICIAPTE IN THE EVENTS.	75%	80%	100%
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)	50%	50%	80%
FINANCIAL SUSTAINABILITY: CONTINUE USING APPROVED BUDGET TO CONTINUE WITH DAILY FACILITY OPERATIONS AS WELL AS AS MAINTENANCE OF THE FACILITY TO WELCOME NEW RESERVATIONS. CONTINUE LOOKING INTO SPONSORSHIPS AND POSSIBLE GRANTS TO ASSITN WITH THE FUNDING OF ACTIVITIES AND EVENTS.	90%	90%	90%

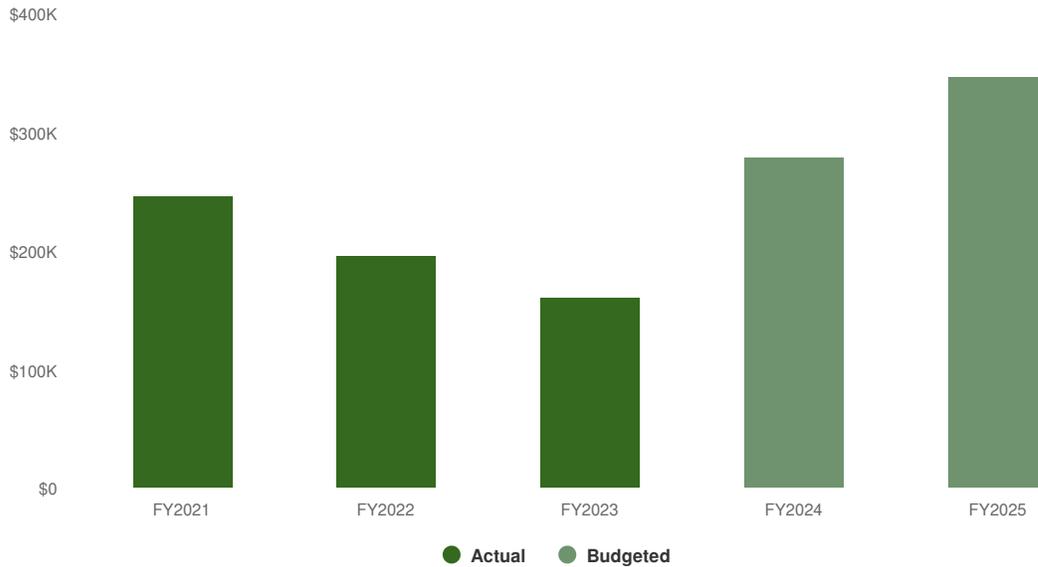


Expenditure Summary

The graph below shows the expenditures for the Cultural Center over the past four years. For FY 2025, the Cultural Center is budgeting \$347,390, which is \$68,358 higher than the previous year. This increase is due to a few key factors. Special services saw a 19% increase, driven by the addition of events such as Seniors Art Day, Semana de la Mujer, Summer Camp, and the Ms. San Luis platform. Supplies increased by 23.3%, largely due to the allocation for minor tools, including art supplies and foldable chairs for events. Additionally, there was an increase in dues and subscriptions, with funds allocated for the MPLC license for TV and film screenings.

\$347,390 **\$68,358**
(24.50% vs. prior year)

Cultural Center Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below will show the Municipal Pool's staff summary schedule for the past three fiscal years. In FY 2025, the pool will continue with its existing staff, which includes one Recreation Specialist. Additionally, there are two positions one Recreation Coordinator and one Office Assistant who are part of the Recreation Department and have their salaries partially allocated to the Municipal Pool, as they oversee the operations and administration of the facility.

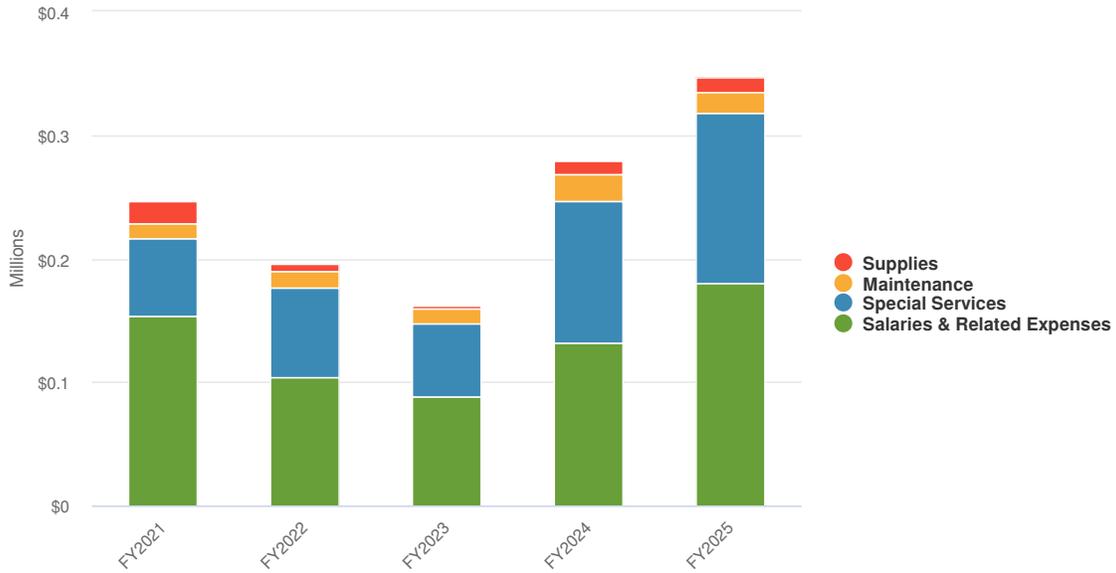
For FY 2024, salaries for the Recreation Coordinators and the Administrative Assistants were divided among all four departments: Recreation, Cultural Center, Youth Center, and Municipal Pool.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	2.6	1.8	2.3	3.0	0.75
% of city's FTEs				0.82%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Recreation Specialist	1.3	1.3	1	2	1
Assistant Director Park & Rec	0.2	0	0	0	0
Recreation Coordinator	0.5	0.5	0.8	1	0.25
Office Assistant	0	0	0.5	0	-0.50
Administrative Assistant	0.3	0	0	0	0
Administrative Coordinator	0.3	0	0	0	0
Director of Parks & Rec	0.2	0	0	0	0
Total	<u>2.6</u>	<u>1.8</u>	<u>2.3</u>	<u>3</u>	<u>0.75</u>

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents Cultural Center expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$104,341	\$87,849	\$131,520	\$117,037	\$179,890	36.8%
Supplies	\$6,555	\$1,666	\$10,800	\$6,146	\$13,208	22.3%
Maintenance	\$13,084	\$12,059	\$21,300	\$20,354	\$16,960	-20.4%
Special Services	\$72,025	\$59,794	\$115,412	\$106,786	\$137,332	19%
Total Expense Objects:	\$196,005	\$161,368	\$279,032	\$250,324	\$347,390	24.5%

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 2024

Some of the major projects completed this fiscal year were our events and the success of our boxing team. Our events have progressively become bigger and better attracting more community members. Our latest event, the Happy Hoppy Easter Egg Hunt, had an estimated attendance of 3,000 people. Also, our boxing team has been very successful in the past months gaining more exposure in different competitions across the nation, in which some of our boxers have won.

Goals & Objectives FY 2025



Growth & Public Service

Goal: "To enhance the Youth Center's appeal and effectiveness by providing engaging, enriching activities and a safe environment for the youth of our community."

- Increase youth membership by 15% by the end of FY 2025 through facility improvements, marketing efforts, and outreach programs.
- Replace outdated gym equipment with modern, high-quality machines by Q3 of FY 2025 to create a more comfortable and effective fitness space for youth participants.
- Introduce at least five new programs that promote academic, health, and social development for youth by the end of FY 2026



Economy

Goal: "To invest in youth development, fostering future community leaders and contributing to the long-term economic vitality of San Luis."

- Develop leadership programs aimed at youth development, increasing participation by 15% by the end of FY 2026, with a focus on cultivating future community leaders.
- Collaborate with local schools and organizations to offer at least three career development workshops annually, focusing on skills for future workforce engagement.



Financial Sustainability

Goal: "To ensure the Youth Center remains financially sustainable while expanding services and improving facilities."

- Secure grant funding or sponsorships to cover the costs for youth center equipment and materials by FY 2027, ensuring minimal impact on the city's budget. The youth center will continue pursuing additional grant opportunities throughout the fiscal year to further offset expenses."

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
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 INTEREST OF OUR YOUTH.	75%	80%	85%
BEHAVIORAL OUTCOME & SKILLS DEVELOPMENT: DEVELOP PROGRAMS AND INITIATIVES THAT EMPOWER OUR YOUTH TO TAKE ON LEADERSHIP ROLES IN THE COMMUNITY IN THE FUTURE.	75%	75%	80%
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.	90%	90%	95%
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.	75%	80%	85%

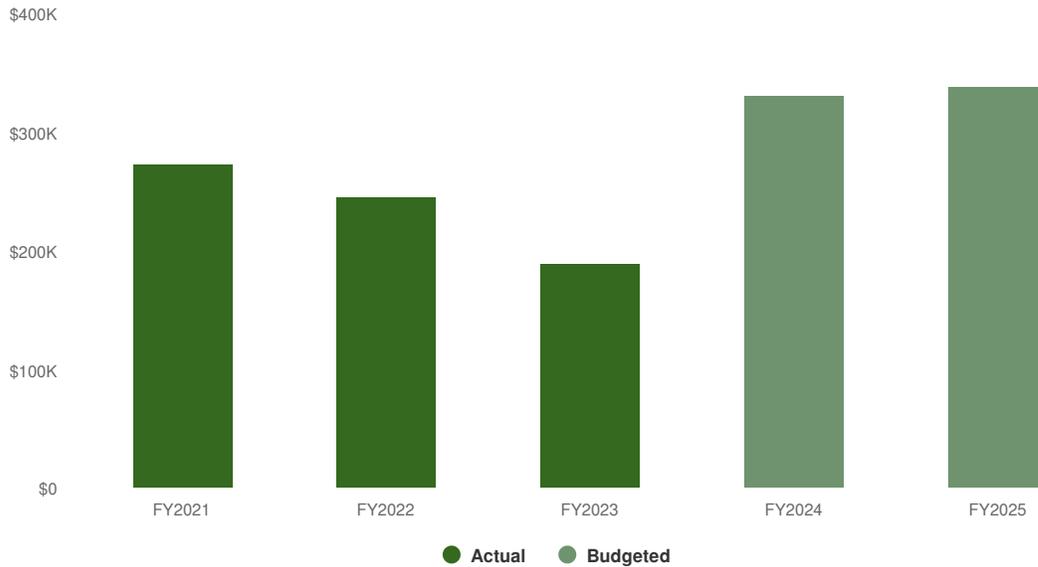


Expenditure Summary

The graph below shows the expenditures for the Youth Center over the past four years. For FY 2025, the Youth Center is budgeting \$338,490, which is \$7,680 higher than the previous year. This increase is primarily driven by a significant 44.2% rise in maintenance expenses, due to the allocation of funds for replacing flooring in the Youth Center's lobby, offices, and activities room, as well as addressing building repairs that may arise throughout the fiscal year. There is also a slight increase in special services for internet and connections. Supplies saw a notable increase to meet the departmental needs for the upcoming year.

\$338,490 **\$7,680**
(2.32% vs. prior year)

Youth Center Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below will show the Youth Center's staff summary schedule for the past three fiscal years. In FY 2025, the center will continue with its existing staff, which includes one Recreation Specialist, one Recreation Coordinator, and one Recreation Intern. Together, the Youth Center staff is dedicated to providing engaging programs and activities for the youth in the community.

For FY 2024, salaries for the Recreation Coordinators and the Administrative Assistants were divided among all four departments: Recreation, Cultural Center, Youth Center, and Municipal Pool.

Staff Summary Schedule

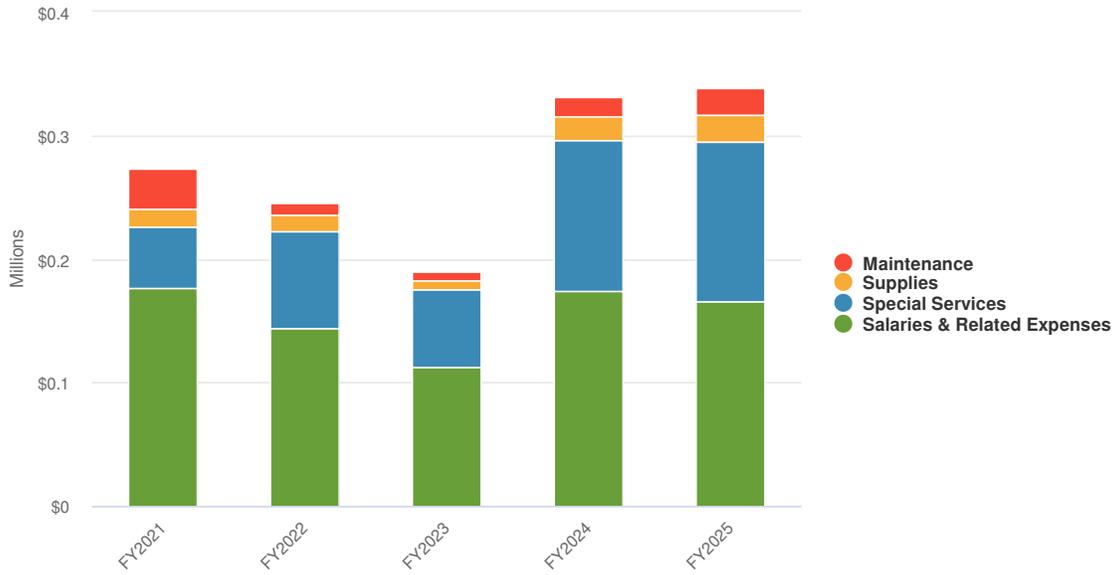
Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	3.6	2.8	3.3	3.0	-0.25
% of city's FTEs				0.82%	

Authorized Personnel/Positions:			Current	Request	Changes
Title	2021-2022	2022-2023	2023-2024	2024-2025	2024-2025
Recreation Specialist	1.3	1.3	1	1	0
Assistant Director Park & Rec	0.2	0	0	0	0
Recreation Coordinator	0.5	0.5	0.8	1	0
Administrative Assistant	0.3	0	0.5	0	-0.5
Recreation Intern	1	1	1	1	0
Administrative Coordinator	0.3	0	0	0	0
Director of Parks & Rec	0.2	0	0	0	0
Total	<u>3.6</u>	<u>2.8</u>	<u>3.3</u>	<u>3.00</u>	<u>-0.25</u>

Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



The following table presents the Youth Center's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$143,954	\$112,642	\$173,730	\$144,946	\$165,040	-5%
Supplies	\$12,788	\$7,071	\$19,450	\$12,645	\$22,068	13.5%
Maintenance	\$9,933	\$7,399	\$15,300	\$8,356	\$22,060	44.2%
Special Services	\$78,864	\$62,395	\$122,330	\$94,844	\$129,322	5.7%
Total Expense Objects:	\$245,539	\$189,508	\$330,810	\$260,791	\$338,490	2.3%

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 times begin late in June and end in August. The San Luis Municipal Pool hours of operation for open swim are Monday through Friday, from 3:00 pm – 8:00 pm, and Saturday from 11:00 am to 3:00 pm. The pool is closed to the public on Sundays.

To provide our residents with better experience and to resolve ongoing issues, the San Luis Municipal Pool remained closed during fiscal year 2024 to undergo repair and renovations to ensure that when it opens in fiscal year 2025, the community can enjoy a safer and updated pool experience.

Accomplishments FY 2024

The Parks and Recreation Department went out to bidding to look for the best qualified vendor who could repair, renovate and add amenities to our Municipal Pool. Bids were received from potential business, and the winning bid was offered to DWD Construction. The repairs and renovation project began in April and has a completion date of June 30, 2024.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "To provide a safe, functional, and attractive public pool facility that enhances community well-being and serves as a recreational hub for San Luis residents."

- Complete the pool repair and renovation project by Q1 FY 2025, ensuring that all sealants and chemicals are applied and cured to make the pool fully operational for public use.
- Maintain pool safety by implementing lifeguard training sessions and regular equipment inspections, ensuring zero safety incidents during general swimming hours and reservations throughout FY 2025.

Economy

Goal: "To enhance the economic viability of San Luis by offering a premier public pool facility that attracts visitors and supports local businesses."

- Increase pool attendance by 15% by the end of FY 2025 through targeted community outreach, special events, and seasonal programs that promote the pool as a community attraction.
- Host at least three community-wide events at the Municipal Pool annually, collaborating with local businesses to promote economic activity in the area.

Financial Sustainability

Goal: "To responsibly manage resources while maintaining a high-quality, sustainable public pool facility that provides value to residents."

- Maintain a balanced budget for the Municipal Pool by securing additional grant funding or sponsorships to cover 25% of operational costs by the end of FY 2027.
- Reduce maintenance costs by 10% by FY 2026 through efficient resource management, including regular equipment inspections and preventative maintenance.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
<p>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 INCREASE POOL ATTENDANCE THROUGH TARGETED COMMUNITY OUTREACH, SPECIAL EVENTS, AND SEASONAL PROGRAMS TO PROMOTE THE POOS AS A COMMUNITY ATTRACTION. AS WELL AS DAILY OPEN SWIM HOURS, SWIMMING LESSONS AND WEEKEND POOL PARTY RESERVATIONS. (POOL WAS CLOSED DUE TO MAINTENANCE IN FY23 AND RENOVATION BEGAN IN FY24)</p>	0%	50%	80%
<p>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.</p>	0%	95%	100%
<p>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 MUNICIPAL POOL WITH CPSI CERTIFICATIONS TO ENSURE THEY HAVE THE NECESSARY TOOLS TO SUPERVISE AND MANAGE THE MUNICIPAL POOL OPERATIONS.</p>	0%	0%	100%

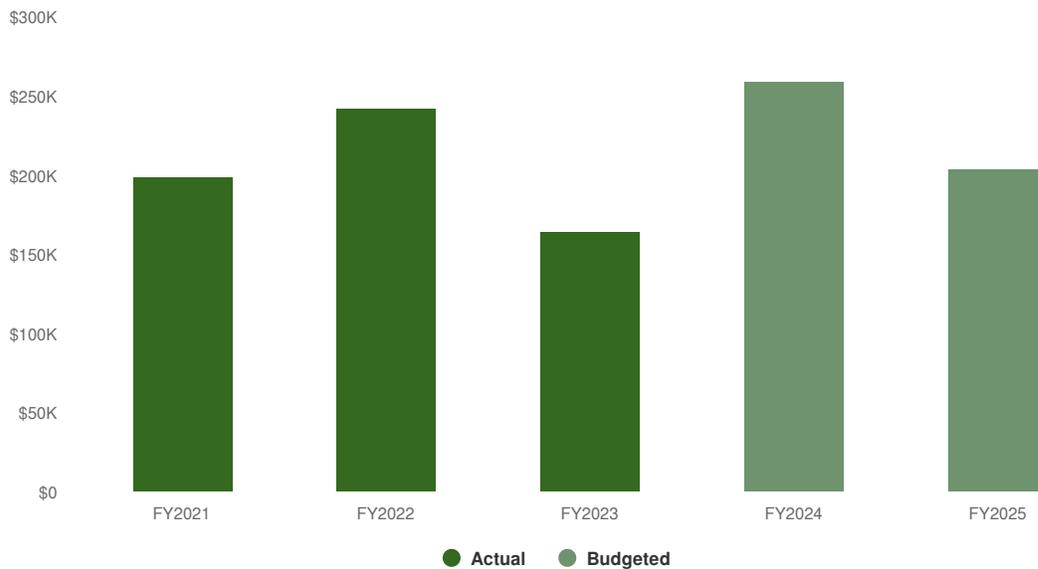


Expenditure Summary

The graph below shows the expenditures for the Municipal Pool for the past 4 years. For FY 2025, the Municipal Pool is budgeting \$203,510, which is \$55,525 less than the previous year. The budget for salaries and related expenses has decreased by \$62,720 due to the temporary closure of the municipal pool for renovations.

\$203,510 **-\$55,525**
(-21.44% vs. prior year)

Municipal Pool Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below will show the Municipal Pool's staff summary schedule for the past three fiscal years. In FY 2025, the pool will continue with its existing staff, which includes one Recreation Specialist. Additionally, there are two positions, one Recreation Coordinator and one Office Assistant, who are part of the Recreation Department and have their salaries partially allocated to the Municipal Pool, as they oversee the operations and administration of the facility.

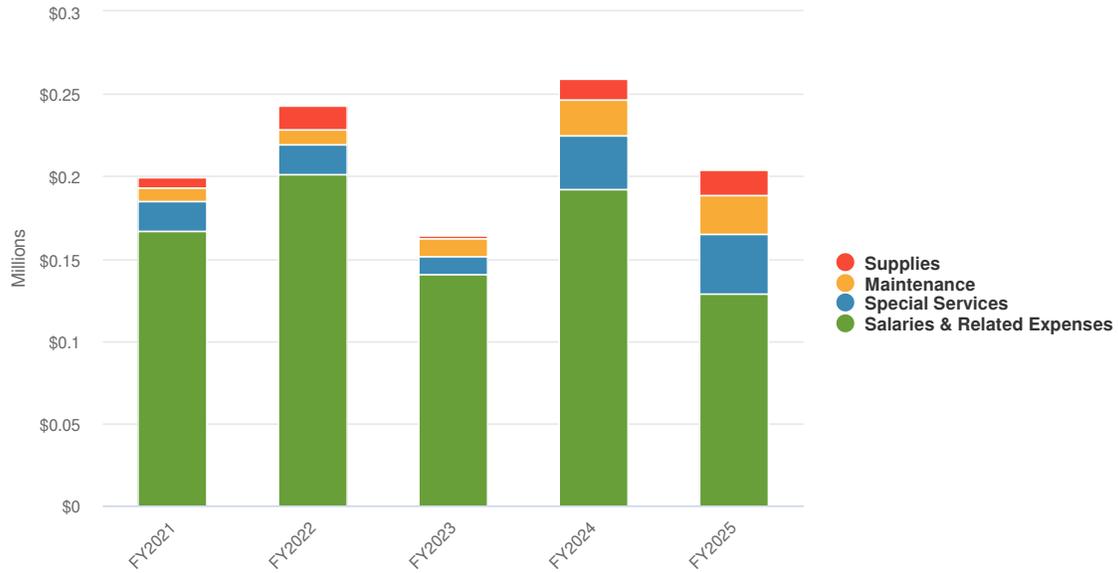
For FY 2024, salaries for the Recreation Coordinator and the Administrative Assistant were divided among all four departments: Recreation, Cultural Center, Youth Center, and Municipal Pool.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	2.5	1.8	2.3	2.0	-0.25
% of city's FTEs				0.55%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Recreation Specialist	1.3	1.3	1	1	0.0
Assistant Director Park & Rec	0.1	0	0	0	0
Office Assistant	0	0	0.5	0.5	0.0
Recreation Coordinator	0.5	0.5	0.75	0.5	-0.25
Administrative Assistant	0.3	0	0	0	0
Administrative Coordinator	0.3	0	0	0	0
Director of Parks & Rec	0.1	0	0	0	0
Total	2.5	1.8	2.3	2.00	-0.25

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents Municipal Pool expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$201,062	\$140,862	\$191,740	\$153,998	\$129,020	-32.7%
Supplies	\$14,434	\$1,404	\$12,300	\$5,469	\$15,105	22.8%
Maintenance	\$9,033	\$11,031	\$21,800	\$7,732	\$23,280	6.8%
Special Services	\$18,055	\$10,447	\$33,195	\$9,307	\$36,105	8.8%
Total Expense Objects:	\$242,584	\$163,742	\$259,035	\$176,507	\$203,510	-21.4%

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.



Accomplishments FY 2024

- Provided our seniors daily healthy meals through the nutrition program.
- Continued with regular center activities, such as field trips and outings
- Collaborated with local agencies to provide our members with important information to keep them safe, healthy, and independent.
- Celebrated holidays to encourage socialization, physical and mental health.
- Submitted an RFP for the provision of congregate meals
- Continued working with the Yuma County Food Bank distributing food twice a month to San Luis residents.

Goals & Objectives FY 2025



Growth & Public Service

Goal: "To provide a safe, positive, and supportive space for seniors, fostering community well-being and intergenerational connections."

- Improve the quality of senior programs by conducting quarterly surveys and focus groups to assess the evolving needs of senior members and increase program participation by 10% by the end of FY 2026.
- Launch at least two new intergenerational activities by FY 2025 promoting engagement among seniors and younger generations.



Economy

Goal: "To enhance community involvement and support economic growth through partnerships and expanded services for seniors."

- Strengthen community partnerships by collaborating with at least three new local agencies to host educational seminars and workshops for seniors by FY 2025.
- Promote senior services through targeted outreach efforts, increasing Senior Center memberships by 10% by the end of FY 2025, and hosting at least one community event monthly.



Financial Sustainability

Goal: "To ensure the long-term financial sustainability of senior services while improving and expanding program offerings."

- Increase external funding and sponsorships by 20% by the end of FY 2026 to support expanded programming and maintain financial sustainability.
- Optimize resource use by reducing program costs by 5% through efficient management and collaborative efforts with community partners by FY 2026.

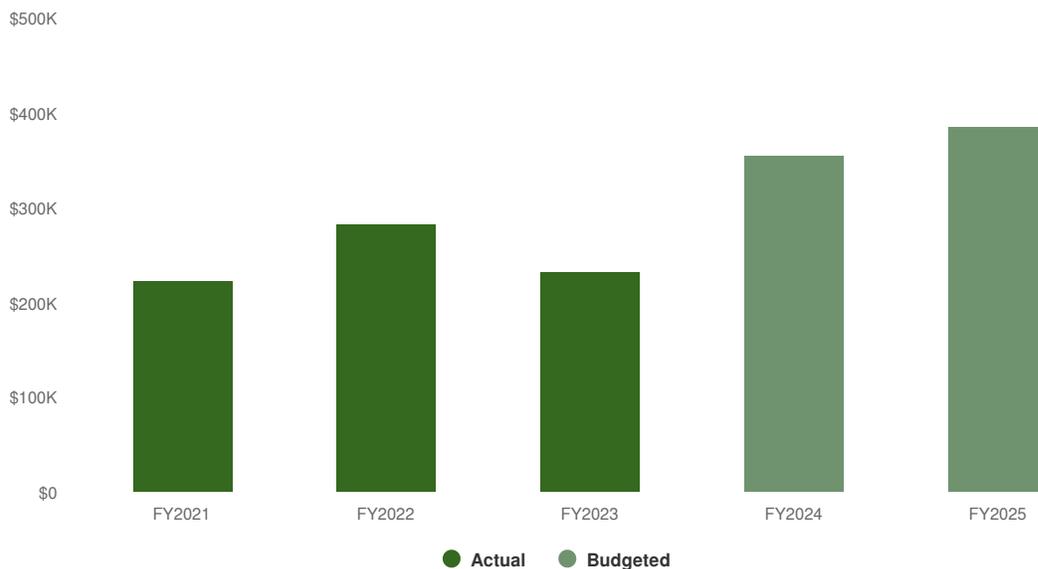
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
PROGRAM VARIETY AND SATISFACTION: CONTINUE TO IMPROVE THE QUALITY OF PROGRAMS AND ACTIVITIES TO MEET THE EVOLVING NEEDS AND INTERESTS OF OUR SENIOR MEMBERS. MEASURING SUCCESS BY ASSESSING AND ENHANCING THE QUALITY OF SENIOR PROGRAMS, TRACKING INCREASED SENIOR PARTICIPATION, AND MONITORING PROGRAM SATISFACTION.	80%	80%	90%
COMMUNITY OUTREACH: CONTINUE PROMOTING THE SENIOR CENTER TO INCREASE MEMBERSHIP AND AWARENESS OF OUR SERVICES UTILIZING SOCIAL MEDIA A BIT MORE.	80%	80%	95%
OUTREACH PROGRAM PARTICIPATION: CONTINUE STRENGTHENING COMMUNITY PARTNERSHIPS WITH LOCAL AGENCIES TO KEEP OUR SENIOR INFORMED THROUGH SEMINARS AND WORKSHOPS.	80%	90%	95%
FINANCIAL SUSTAINABILITY: INCREASE EXTERNAL FUNDING AND SPONSORSHIPS TO SUPPORT EXPANDED PROGRAMMING, SUCH AS THE GRANT FUNDED WACOG NUTRITION PROGRAM, AND MAINTAIN FINANCIAL SUSTAINABILITY.	80%	90%	95%

Expenditure Summary

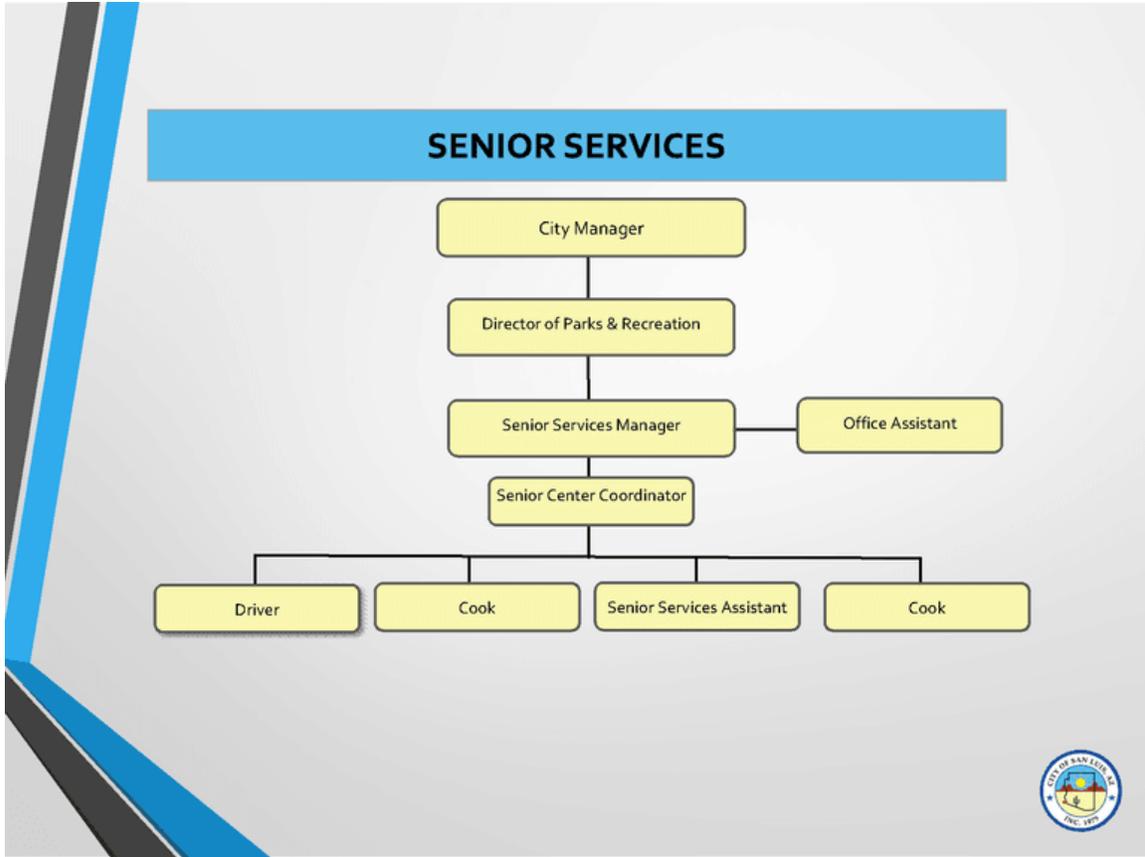
The graph below shows the expenditures for the Senior Center over the past 4 years. For FY 2025, the Senior Center is budgeting \$384,760, which is \$29,215 higher than the previous year. This increase is primarily due to a rise of \$23,735 in the Special Services and Non-Departmental categories. Additionally, there is a \$5,480 increase in the Supplies and Building Maintenance categories.

\$384,760 \$29,215
(8.22% vs. prior year)

Senior Services Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The chart below will show the Senior Center's staff summary schedule for the past three fiscal years. In FY 2025, the center will maintain its existing staff, which includes one Manager, one Driver, one Service Coordinator, one Office Assistant, and one Senior Services Assistant. Additionally, there are two Cooks funded under the Special Revenue Fund as part of the Western Arizona Council of Governments (WACOG) program, which provides various services to help people in La Paz, Mohave, and Yuma Counties achieve self-sufficiency.

Staff Summary Schedule

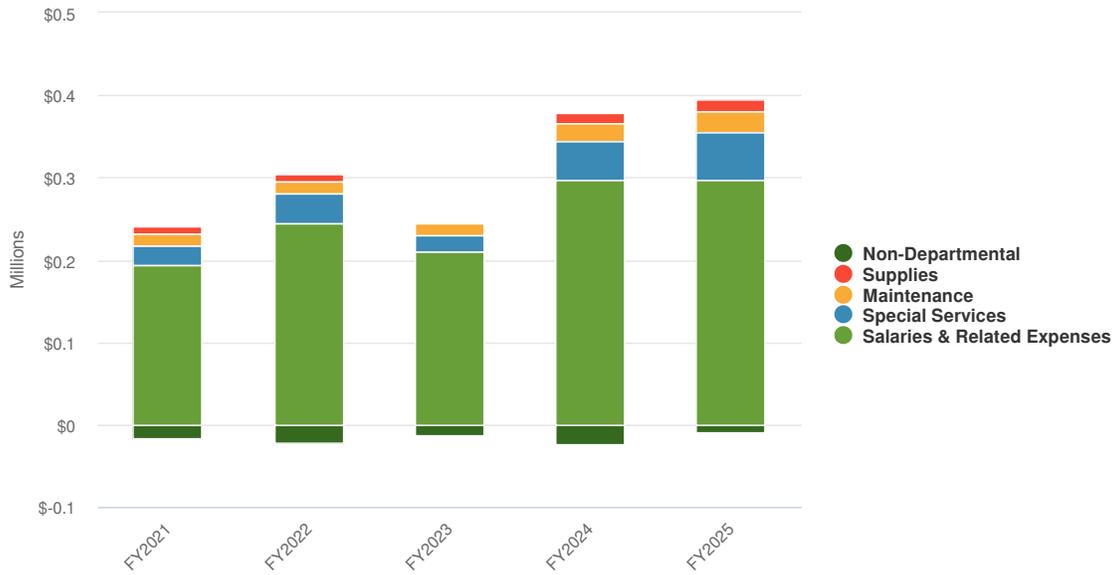
Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	3	4	5	5	0
% of city's FTEs				1.37%	
Authorized Personnel/Positions:					
Title	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
Senior Services Manager	1	1	1	1	0
Driver	1	1	1	1	0
Senior Services Assistant/Driver	1	1	0	0	0
Senior Services Coordinator	0	0	1	1	0
Office Assistant	0	0	1	1	0
Senior Services Assistant	0	1	1	1	0
Total	3	4	5	5	0

SENIOR SERVICES SPECIAL REVENUE FUND

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	1	1	2	2	0
% of city's FTEs				0.55%	
Authorized Personnel/Positions:					
Title	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
Cook	1	1	2	2	0
Total	1	1	2	2	0



Budgeted and Historical Expenditures by Expense Type



The following table presents the Senior Center's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$244,942	\$209,840	\$296,190	\$281,549	\$297,390	0.4%
Supplies	\$10,480	\$2,331	\$13,650	\$10,979	\$15,270	11.9%
Maintenance	\$14,401	\$13,811	\$21,300	\$16,610	\$23,960	12.5%
Special Services	\$35,163	\$20,655	\$48,005	\$53,187	\$58,140	21.1%
Non-Departmental	-\$21,679	-\$13,503	-\$23,600	-\$24,892	-\$10,000	-57.6%
Total Expense Objects:	\$283,307	\$233,133	\$355,545	\$337,433	\$384,760	8.2%

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 2024

- OSHA coorrection inspection
 - Signage, electrical hazards and lighting, HAZCOM written program, and safety date sheets
- Safety excellence award
- Hired essential staff: Magistrate, Chief Clerk and Clerk I

Goals & Objectives FY 2025

Growth & Public Service

Goal: "To enhance the efficiency and effectiveness of court operations through technology upgrades and essential staffing."

- Complete the upgrade of the audiovisual system by September 2024, to improve courtroom technology and support better service delivery.
- Obtain council approval for data room clean-up by the 1st Q of FY2025 to ensure secure and organized data management.
- Upgrade court interpreter listening devices by the end of the 1st Q 2025 to ensure accurate and accessible interpretation services for all court proceedings.



Economy

Goal: "To optimize court operations through essential staffing and collaboration with external agencies."

- Hire a Clerk I and Clerk II by the end of the 1st Q of FY 2025 to enhance court operations and improve administrative efficiency.
- Obtain Yuma County approval for Intergovernmental Agreements (IGAs) for Court Security and Court Interpreter services by September 2024 to strengthen collaboration and resource sharing with external partners.



Financial Sustainability

Goal: "To ensure sustainable and responsible management of court resources and services."

- Ensure all technology upgrades and staffing changes are completed within the allocated budget and timelines to maintain fiscal responsibility and optimize resource use.
- Evaluate and secure funding sources for the upgrade of court security systems and data room clean-up to ensure cost-effectiveness and financial stability.

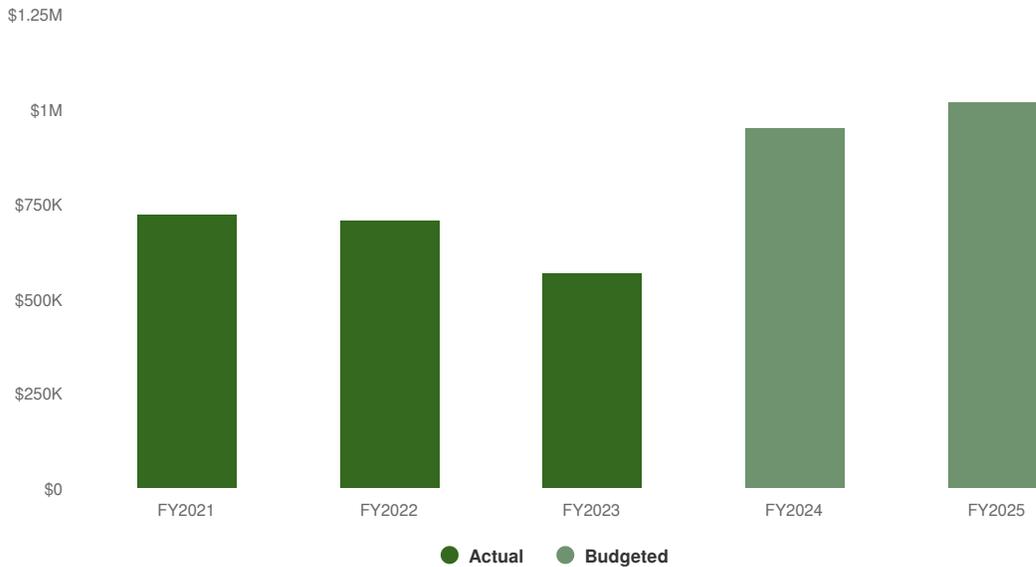
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
QUALIFIED CASES RECEIVING INTERPRETER SERVICES	100%	100%	100%
PERCENTAGE OF ESSENTIAL STAFF	50%	80%	100%
QUALIFIED CASES RECEIVING COURT APPOINTED COUNSEL	100%	100%	100%

Expenditure Summary

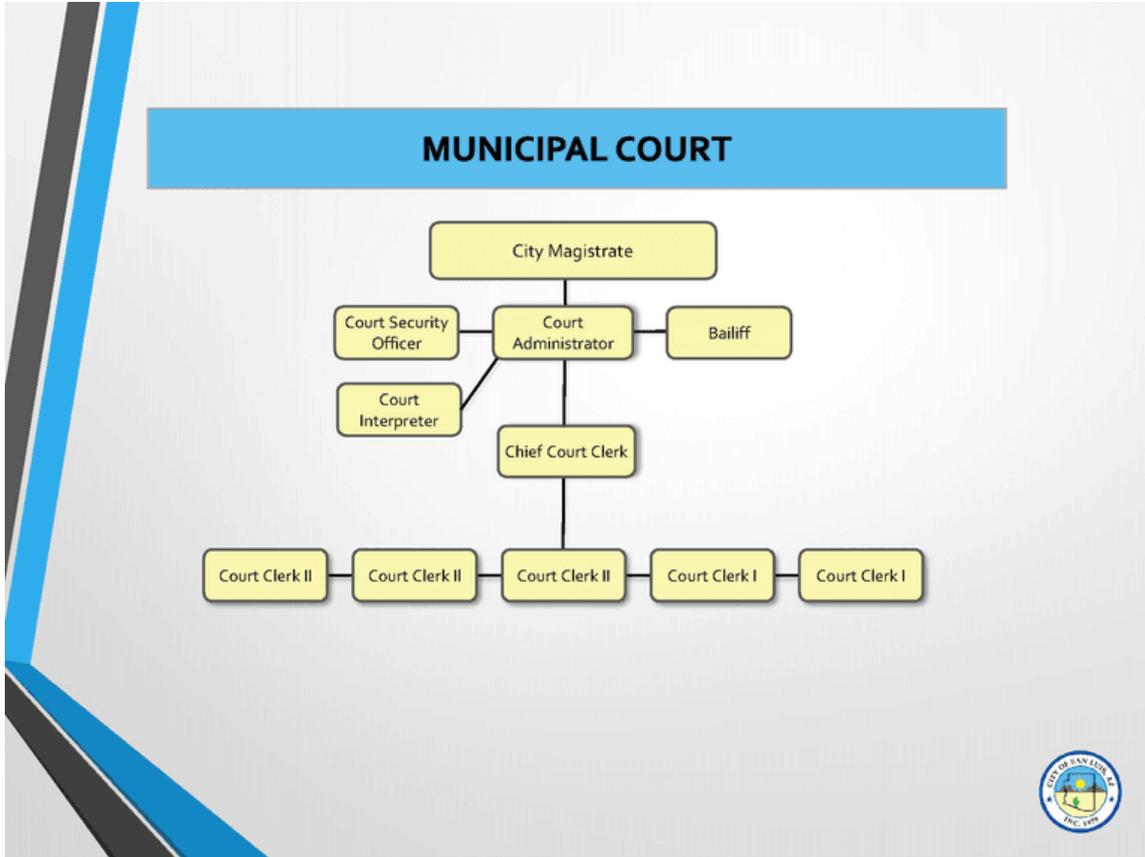
The graph below shows the expenditures for the Municipal Court over the past 4 years. For FY 2025, the Municipal Court is budgeting \$1,017,440, which is \$64,705 higher than the previous year. This increase is primarily due to a rise of \$61,790 in contractual services, driven by court defense fees as both criminal and civil matters continue to increase. Other expense categories reflect an additional increase of \$2,915. These adjustments account for the court's growing caseload.

\$1,017,440 **\$64,705**
(6.79% vs. prior year)

Municipal Court Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

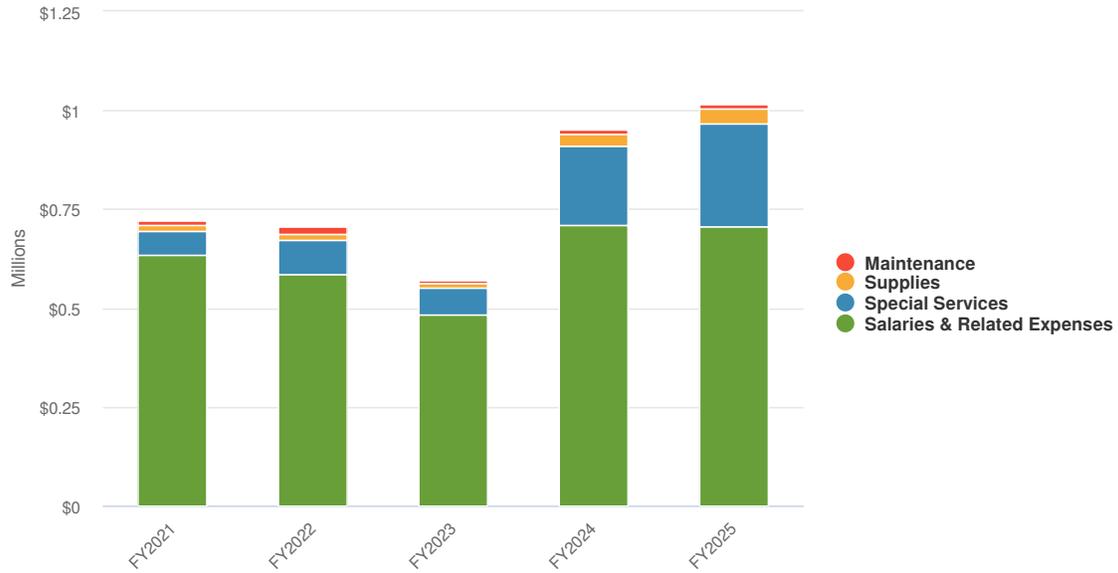
The chart below will display the Municipal Court's Staff summary schedule for the past three fiscal years. In FY 2025, there will be no personnel changes within the Municipal Court. The current staffing structure will remain intact, allowing the court to continue operating effectively and efficiently while serving the community's legal needs.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	10	11	11	11	0
% of city's FTEs				3.01%	
Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Bailif	1	1	1	1	0
Court Clerk I	1	2	2	2	0
Court Clerk II	3	3	3	3	0
Court Security Officer	1	1	1	1	0
Court Interpreter	1	1	1	1	0
Court Administration	1	1	1	1	0
Chief Court Clerk	1	1	1	1	0
Magistrate	1	1	1	1	0
Total	10	11	11	11	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Municipal Court's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$583,876	\$482,777	\$709,940	\$449,184	\$706,770	-0.4%
Supplies	\$15,700	\$10,833	\$31,800	\$17,331	\$37,500	17.9%
Maintenance	\$18,657	\$8,974	\$12,645	\$10,340	\$13,030	3%
Special Services	\$87,940	\$68,042	\$198,350	\$289,437	\$260,140	31.2%
Total Expense Objects:	\$706,172	\$570,625	\$952,735	\$766,292	\$1,017,440	6.8%

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 2024

- Processed 82,132 calls for service during 2023, a difference of 20,025 calls for service from the previous year.
- Received 32, 867 case assignments in 2023, a difference of 3,473 from the previous year.
- Remodeling of the temporary Substation east side of the city.
- Participated in a total of ninety-three (93) community engagement programs and events at local government and city programs, schools, businesses, and the private sector.
- The department was awarded a total of \$979,545 in Federal and State grants.
- Initiated a partnership contract with the Precision Protective Security Services for assistance with Traffic Control.
- Added traffic control devices improvements along Archibald Street between Cesar Chavez Boulevard to Urtuzuastegui Street.
- Added three (3) additional Flock safety cameras within city limits for enforcement capabilities.
- Equipped our two (2) Ford Expedition command vehicles with critical incident response, command, and control equipment.

- Replaced our 2003-2008 fleet with new catalytic converters and added new replacement graphics and rekeyed.
- Purchased a pay by plate station which will service the 500-600 block of Main Street, and the 600 block of B Street.
- Deployed all our staff with Body Worn Cameras (BWC).

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance public safety and police department efficiency through strategic staffing, community engagement, and infrastructure development."

- Request and secure approval for additional personnel, including three (3) Police Officers, two (2) Transit Enforcement Officers, and reclassification for an Administrative Coordinator/Accreditation Specialist by the beginning of FY 2025 to address community growth and service demands.
- Increase the Department's community outreach program and events by 10% by the end of FY 2025, including launching a Citizen Police Academy to enhance community engagement and trust.
- Apply and obtain a grant of \$38,000 by FY 2025 for pepper ball equipment, which includes free training and equipment for less-lethal measures, aiming to improve public safety while reducing the need for lethal force.

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.
- Obtain and utilize funding from the Arizona Border Security Fund for purchasing one (1) communication tower, six (6) fully marked/equipped patrol vehicles, one (1) unmarked patrol vehicle for our detectives, ten (10) surveillance cameras, one (1) all-terrain vehicles, twenty seven (27) in-car video/audio recording systems, seven (7) surveillance drones, and thirty (30) vehicle cellular antenna boosters by June 30, 2027.
- 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.

Goal: "Ensure responsible financial management while expanding department capabilities and resources."

- Complete the upgrade and repair of the police department’s equipment and facilities, including securing approval and funding for the necessary vehicles and technology, within the allocated budget to ensure financial sustainability.
- Implement and maintain certification through the Arizona Law Enforcement Accreditation Program (ALEAP) by providing proof of compliance for standards by December 2024, ensuring adherence to best practices and efficient use of resources. Following this, police offices will be required to obtain a 4 year certification, reinforcing long-term adherence to ALEAP Standards and enhancing office accountability and performance.
- 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 by FY 2025.
- Leverage the Opioids Settlement Agreement funds to purchase drug testing equipment and provide relevant training for police officers throughout FY 2025, ensuring responsible resource use and support for department operations.

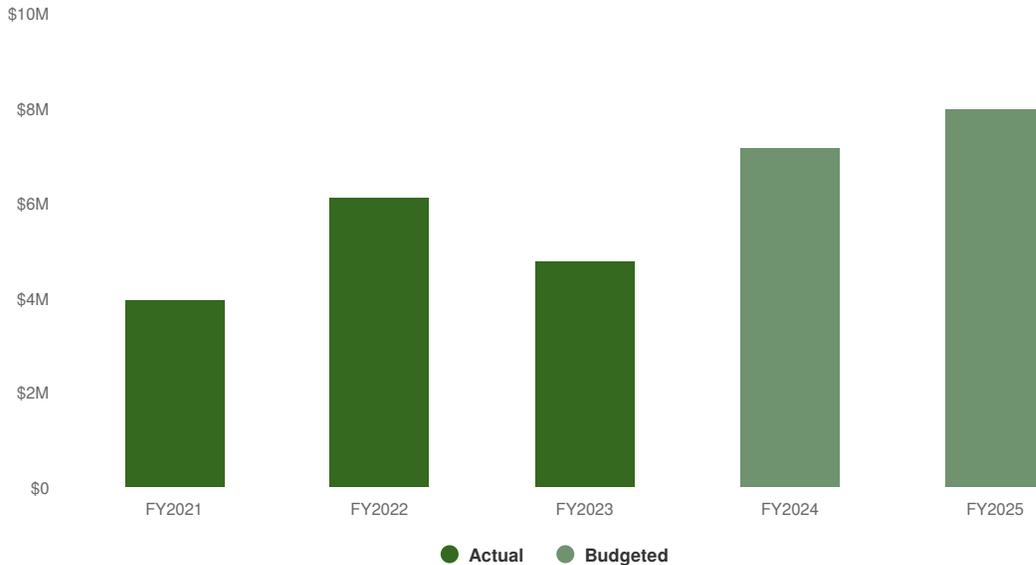
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
GROWTH & PUBLIC SAFETY (STAFF, ENGAGEMENT, & EQUIPMENT)	10%	60%	80%
ECONOMY GOAL (COMPETITIVE SALARIES, GRANT FUNDING USE & APPLICATION)	20%	45%	70%
FINANCIAL SUSTAINABILITY GOAL (UPGRADE & MAINTAIN EQUIPMENT)	10%	65%	100%
OPIOID SETTLEMENT FUNDS FOR EDUCATION, TRAINING AND ASSISTANCE	25%	50%	75%
ALEAP REACCREDITATION	85%	100%	100%

Expenditure Summary

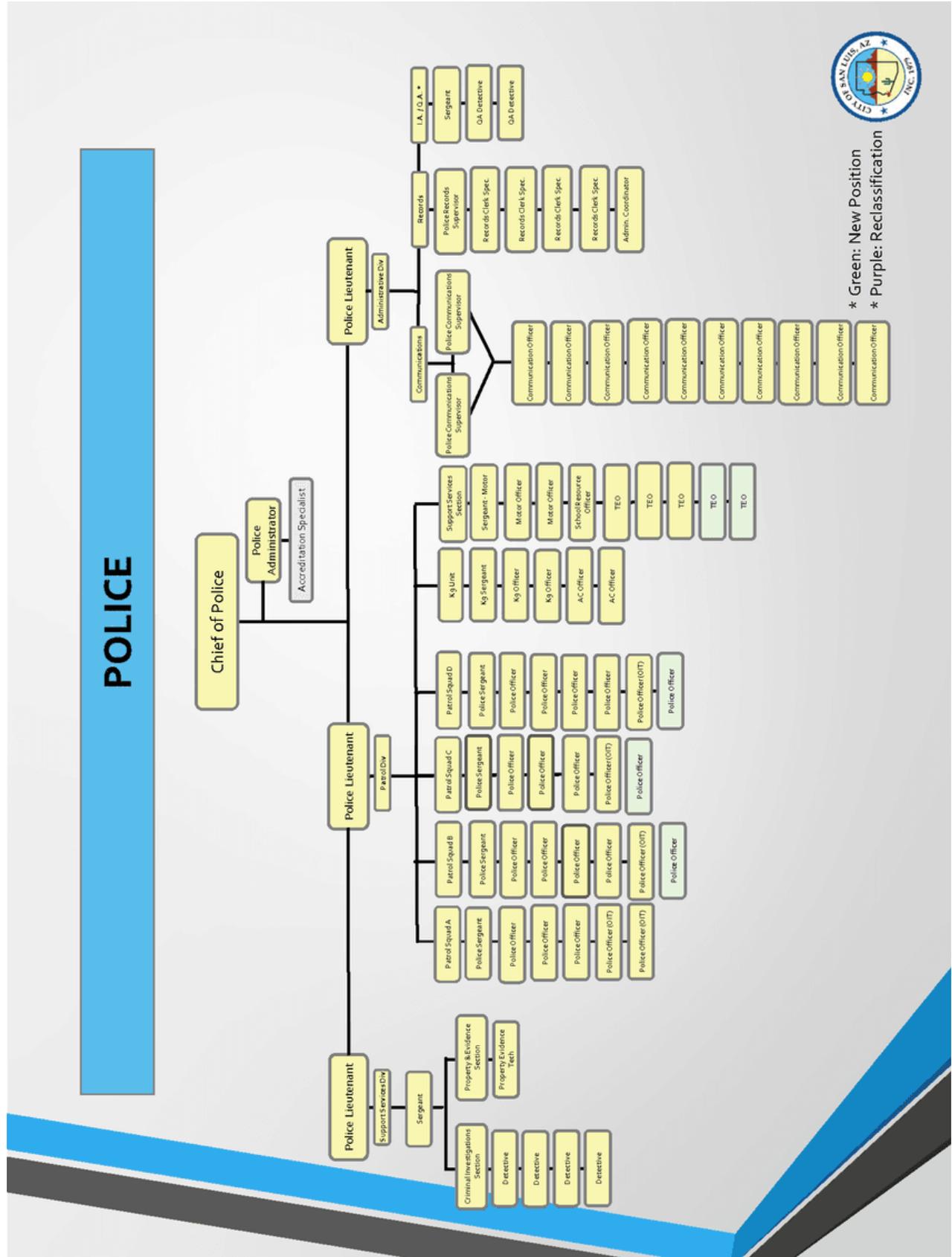
The graph below shows the expenditures for the Police Department over the past 4 years. For FY 2025, the Police Department is budgeting \$7,992,430, which is \$821,900 higher than the previous year. This increase is driven by several changes across all expense categories. The most significant change is in the salaries category, which includes the addition of five new positions and salary adjustments to maintain competitive market compensation, totaling \$545,820. Supplies increased by \$212,200, reflecting the need for additional tools, equipment, and supplies for both the new personnel and overall departmental operations. Maintenance costs, primarily related to software support and equipment maintenance, also saw a rise of \$99,890. However, the budget reflects a slight reduction of \$36,010 in the Special Services category.

\$7,992,430 **\$821,900**
(11.46% vs. prior year)

Police Proposed and Historical Budget vs. Actual



Organizational Chart



* Green: New Position
* Purple: Reclassification

Personnel Changes

The chart below displays the Police Department's staff summary schedule for the last three fiscal years. In FY 2025, the Police Department will enhance its staffing by adding two Transit Enforcement Officers and three Police Officers to better address community safety and enforcement needs. Additionally, there will be a reclassification of the Administrative Coordinator position to Accreditation Specialist. This change aims to strengthen the department's commitment to operational effectiveness and ensure compliance with accreditation standards, ultimately enhancing the overall quality of service provided to the community.

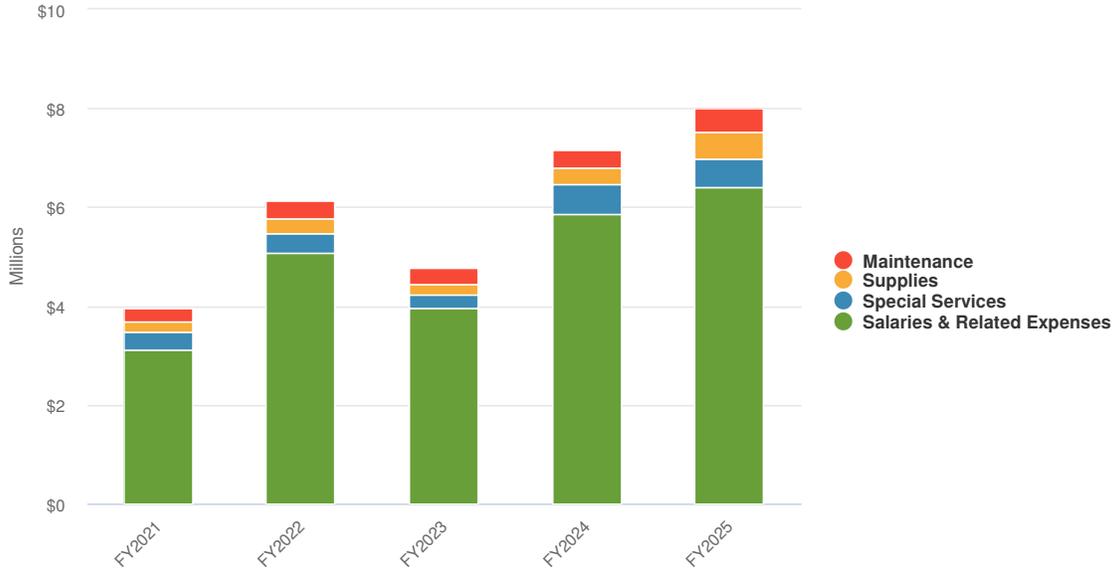
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	63	67.4	72	77	5
% of city's FTEs				21.04%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Transit Enforcement Officer	1	3	3	5	2
Police Record Clerk	2	2	4	4	0
Administrative Coordinator	3	3	3	2	-1
Accreditation Specialist	0	0	0	1	1
Police Administrator	0	0	1	1	0
Police Record Supervisor	0	0	1	1	0
Animal Control Officer	2	2	2	2	0
Property and Evidence Technician	1	1	1	1	0
IT Specialist Public Safety	0	0.4	0	0	0
Communication Officer	10	10	10	10	0
Communication Supervisor	2	2	2	2	0
Police Officer	29	31	32	35	3
Police Sergeant	8	8	8	8	0
Police Lutenant	3	3	3	3	0
Commander	1	1	1	1	0
Police Chief	1	1	1	1	0
Total	63	67.4	72	77	5



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents Police Department expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$5,081,050	\$3,968,926	\$5,871,430	\$5,842,452	\$6,417,250	9.3%
Supplies	\$315,758	\$211,440	\$316,150	\$337,505	\$528,350	67.1%
Maintenance	\$347,241	\$317,500	\$377,820	\$388,623	\$477,710	26.4%
Special Services	\$381,219	\$273,783	\$605,130	\$535,528	\$569,120	-6%
Total Expense Objects:	\$6,125,268	\$4,771,649	\$7,170,530	\$7,104,108	\$7,992,430	11.5%

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 2024

- Added another ambulance to the fleet, totaling 4 ALS ambulances within the City of San Luis.
- Started a new paramedic class which will conclude in fiscal year 2025.
- Transported over 3,900 EMS calls for service.
- Provided 3,546 transports to Yuma Regional Medical Center.
- Received a total of over 5,000 calls for service.
- Continued with the implementation of a community paramedicine model with Regional Center for Border Health.
- Continued Implementation Lexipol for Standard Operating Procedures (SOPs) and policies.
- Continued Implementation of Crew Force software for ambulance operations.
- Started to service residents with the operations at Fire Station #2.

- Helped the CTE classes at San Luis High School.
- Continued with providing CPR and First Aid Classes.
- Developed a COOP program with San Luis High School.

Goals & Objectives FY 2025

Growth & Public Service

Goal: “Enhance fire response capabilities and community safety through improved response times, training, and public education.”

- Reduce average response time to structure fires from 10 minutes to 5 minutes within the next six months by tracking response times using GPS data and analyzing monthly reports.
- Implement a comprehensive training program for all firefighters to ensure proficiency in the latest techniques and equipment within the next quarter, with regular evaluations based on updated protocols.
- Develop and execute a community education program on fire prevention, aiming to reach 2,500 community members within the next year, and track participation and feedback for continuous improvement.
- Establish quarterly joint training exercises with neighboring fire departments and emergency services to enhance coordination and collaboration within the next six months, evaluating effectiveness through feedback and post-exercise assessments.

Economy

Goal: “Support operational efficiency and effectiveness through upgraded equipment, enhanced interagency collaboration, and proficient incident command.”

- Reduce equipment downtime by 15% within the next year by implementing a proactive maintenance schedule for all firefighting equipment, and tracking maintenance schedules, downtime, and performance.
- Conduct regular ICS training drills to ensure all personnel are proficient in the incident command structure within the next three months, evaluating performance during actual incidents and post-drill assessments.

Financial Sustainability

Goal: “Ensure long-term financial sustainability while maintaining compliance with safety standards and promoting firefighter health and wellness.”

- Conduct a comprehensive audit of safety protocols within the next quarter to ensure compliance with all relevant standards and regulations, updating safety procedures and monitoring ongoing compliance through regular internal reviews.
- Establish a health and wellness program for firefighters within the next year, focusing on physical fitness, mental health, and overall well-being, aiming to reduce absenteeism by 10%, and conducting regular health assessments and tracking absenteeism rates.

TO ENHANCE FIRE RESPONSE CAPABILITIES AND COMMUNITY SAFETY THROUGH IMPROVED RESPONSE TIMES, TRAINING, AND PUBLIC EDUCATION.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
MEASURE IS OUR RESPONSE TIMES TO ALL CALLS FOR SERVICE IN UNDER 10 MINUTES.	96.48%	98.85%	99.05%

MANAGE THE OPERATING BUDGET IN A FISCALLY SOUND MANNER.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
MEASURE FIRE/EMS SERVICE COST PER CALL.	\$1,483	\$1,476	\$1,505

PROVIDE FIRE SAFETY AND EMERGENCY MEDICAL SERVICES IN AN EFFECTIVE AND EFFICIENT MANNER.

PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
MEASURES ARE FOR FIREFIGHTERS PER 1,000 POPULATION WITHIN THE CITY OF SAN LUIS.	0.851	0.824	0.789

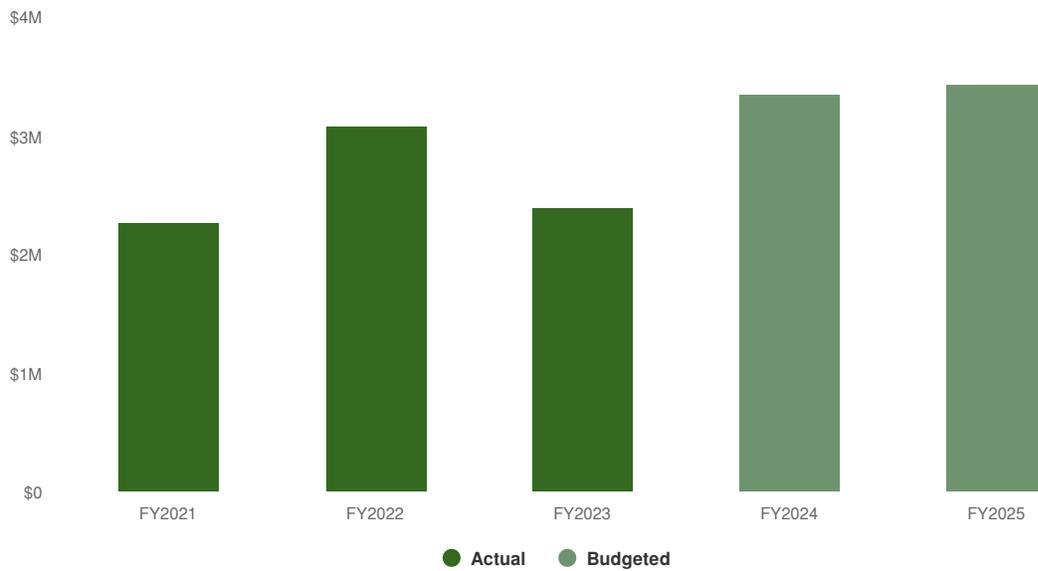


Expenditure Summary

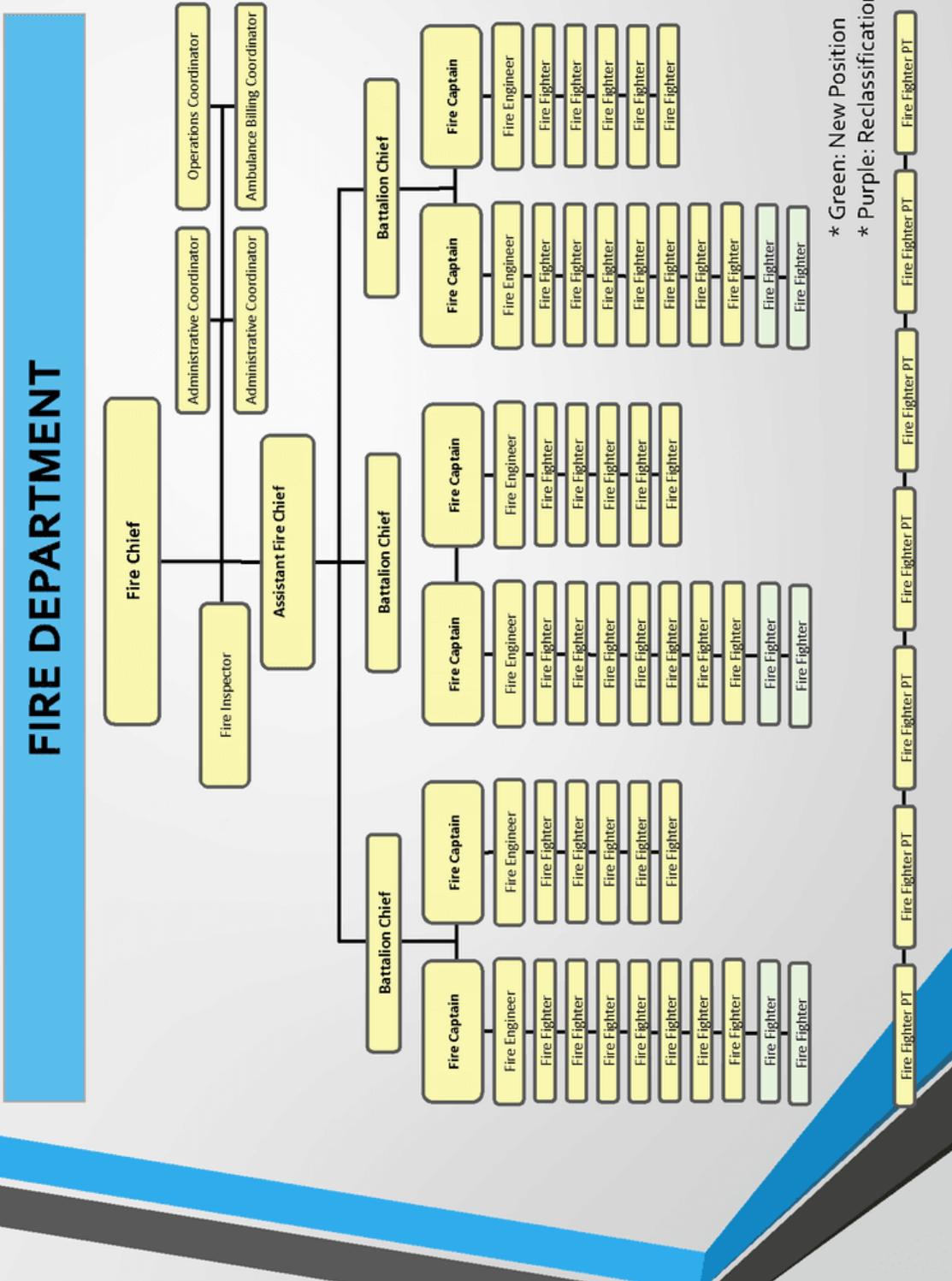
The graph below shows the expenditures for the Fire Department for the past 4 years. For FY 2025, the Fire Department is budgeting \$3,428,360, which is \$86,610 higher than the previous year. This is mainly due to special services for \$41,620, maintenance expenses of \$32,300, other significant account increases include s and minor tools and supplies for \$14,300.

\$3,428,360 **\$86,610**
(2.59% vs. prior year)

Fire Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The chart below displays the Fire Department's staff summary schedule for the last three fiscal years. In FY 2025, the Fire Department will enhance its capabilities by adding three full-time Firefighters. This increase in staffing is aimed at improving emergency response times and ensuring the department can meet the growing needs of the community. The additional personnel will support the department's ongoing efforts to provide high-quality fire protection and emergency services.

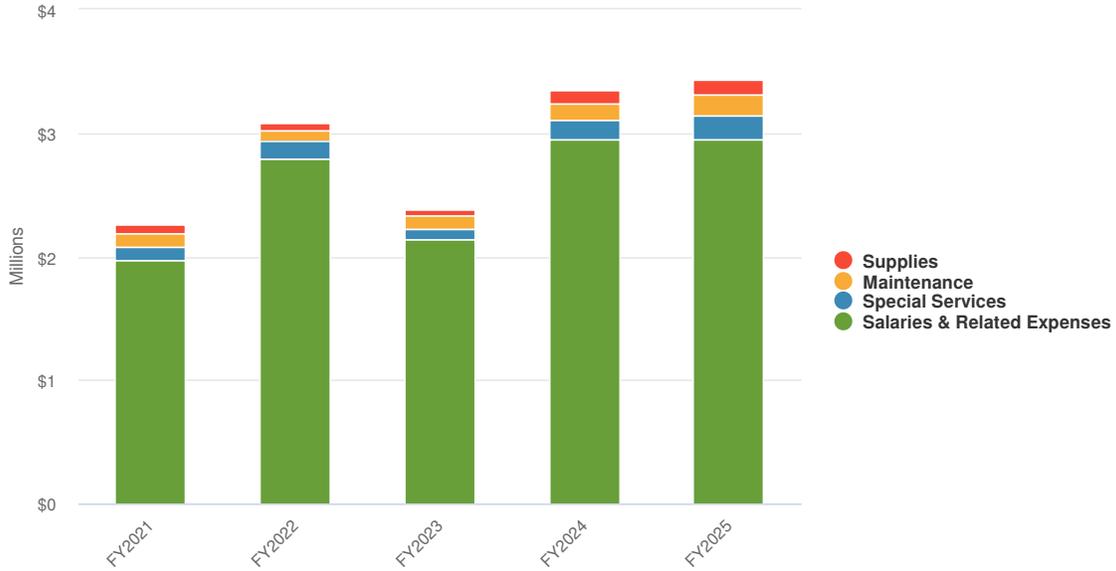
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	30.5	30.7	24.3	27.3	3
% of city's FTEs				7.46%	

Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Office Assistant	1	1	0	0	0
Administrative Coordinator	0.5	0.5	2	2	0
Operations Coordinator	0	0	0.5	0.5	0
Fire Inspector	1	1	1	1	0
Assistant Fire Chief	0.5	0.5	0.8	0.8	0
Fire Chief	0.5	0.5	0.8	0.8	0
Fire Capitan	3	3	4.8	4.8	0
Firefigther	18	18	9	12	3
Fire Engineer	6	6	3	3	0
Fire Battalion Chief	0	0	2.4	2.4	0
IT Specialist Public Safety	0	0.2	0	0	0
Total	30.5	30.7	24.3	27.3	3

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Fire Department's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$2,794,839	\$2,137,020	\$2,945,500	\$2,855,344	\$2,943,890	-0.1%
Supplies	\$58,712	\$53,605	\$100,450	\$117,014	\$114,750	14.2%
Maintenance	\$93,975	\$105,250	\$134,800	\$126,344	\$167,100	24%
Special Services	\$138,347	\$88,785	\$161,000	\$180,798	\$202,620	25.9%
Total Expense Objects:	\$3,085,873	\$2,384,660	\$3,341,750	\$3,279,500	\$3,428,360	2.6%

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.

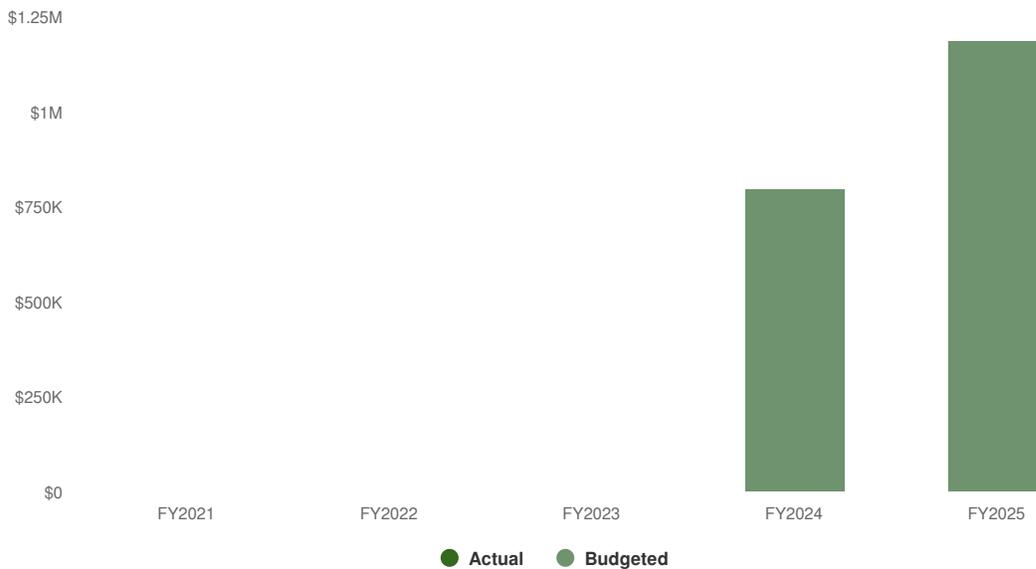


Expenditures Summary

The graph below shows the expenditures for the Fire Department for the last fiscal year. For FY 2025, the Fire Department East is budgeting \$1,185,760, which is \$388,220 higher than the previous year. This increase primarily covers salaries of \$426,780, supplies, maintenance and special services total a reduction of \$38,560 for the new Fire Department East.

\$1,185,760
\$388,220
(48.68% vs. prior year)

Fire Department East Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below displays the Fire Department East's staff summary schedule for the last three fiscal years. In FY 2025, the department will maintain its current staffing levels with no changes. The team remains focused on providing reliable fire protection and emergency services to the community, ensuring the safety and well-being of residents in its service area.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
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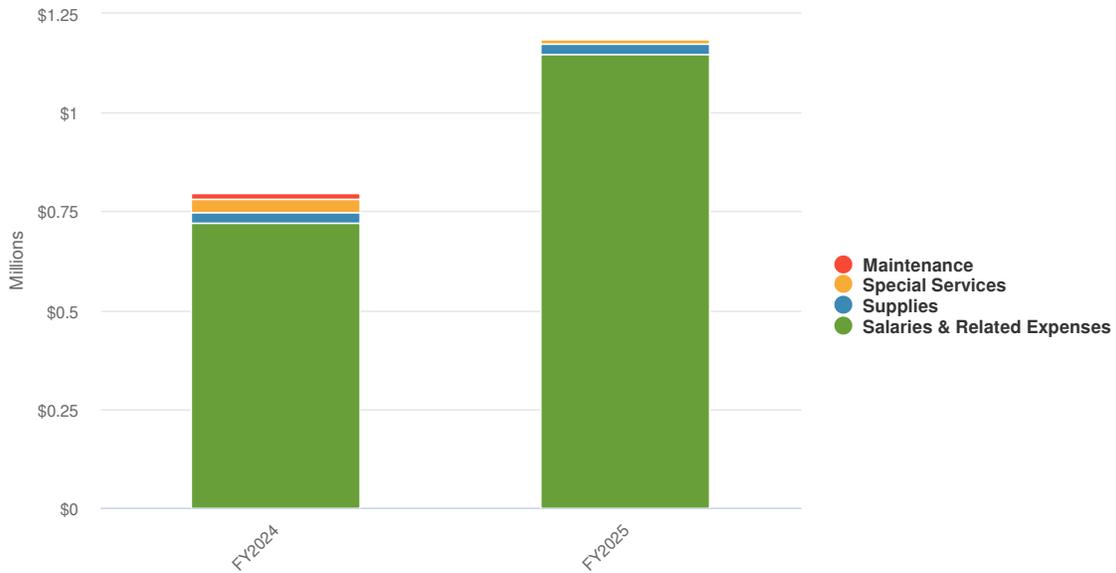
Full-time Equivalents (FTE)	0	0	12	12	0
% of city's FTEs				3.28%	

Authorized Personnel/Positions:

Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Office Assistant	0	0	0	0	0
Administrative Coordinator	0	0	0	0	0
Fire Inspector	0	0	0	0	0
Assistant Fire Chief	0	0	0	0	0
Fire Chief	0	0	0	0	0
Fire Capitan	0	0	0	0	0
Firefigther	0	0	9	9	0
Fire Engineer	0	0	3	3	0
Fire Battalion Chief	0	0	0	0	0
IT Specialist Public Safety	0	0	0	0	0
Total	0	0	12	12	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Fire Department East Estation budget expenditures for FY 2024

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Salaries & Related Expenses	\$0	\$0	\$722,640	\$901,850	\$1,149,420	59.1%
Supplies	\$0	\$0	\$26,000	\$22,695	\$25,000	-3.8%
Maintenance	\$0	\$0	\$14,000	\$10,334		N/A
Special Services	\$0	\$0	\$34,900	\$12,500	\$11,340	-67.5%
Total Expense Objects:	\$0	\$0	\$797,540	\$947,379	\$1,185,760	48.7%



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 2024

- Added another ambulance to the fleet, totaling 4 ALS ambulances within the City of San Luis.
- Started a new paramedic class which will conclude in fiscal year 2025.
- Transported over 3,900 EMS calls for service.
- Provided 3,546 transports to Yuma Regional Medical Center.
- Received a total of over 5,000 calls for service.
- Continued with the implementation of a community paramedicine model with Regional Center for Border Health.
- Continued Implementation Lexipol for Standard Operating Procedures (SOPs) and policies.
- Continued Implementation of Crew Force software for ambulance operations.
- Started to service residents with the operations at Fire Station #2.

- Helped the CTE classes at San Luis High School.
- Continued with providing CPR and First Aid Classes.
- Developed a COOP program with San Luis High School.

Goals & Objectives FY 2025

Growth & Public Service

Goal: “Enhance emergency response capabilities and patient care quality through improved response times, communication systems, and community education.”

- Reduce average emergency response time from 10 minutes to 5 minutes within the next year by tracking response times using GPS data and analyzing monthly reports and daily Imagetrend statistics.
- Implement a training program for paramedics to update skills and incorporate the latest medical protocols within the next quarter, conducting regular evaluations based on updated protocols.
- Develop and execute a community education program on basic emergency response techniques, aiming to reach 2,500 community members within the next year, and track participation and feedback for continuous improvement.
- Implement a new communication system to enhance real-time communication between dispatch, ambulances, and hospitals within the next 6-8 months, evaluating effectiveness through feedback and incident reports.

Economy

Goal: “Increase operational efficiency and effectiveness through improved fleet management and data security.”

- Reduce maintenance downtime by 20% within the next year by implementing a proactive vehicle maintenance schedule, tracking maintenance schedules, downtime, and conducting regular fleet performance assessments.
- Implement a robust data security system to protect patient information and ensure compliance with privacy regulations within the next quarter, regularly auditing data security measures and conducting training on privacy protocols.

Financial Sustainability

Goal: “Ensure long-term financial sustainability while enhancing employee satisfaction and regulatory compliance.”

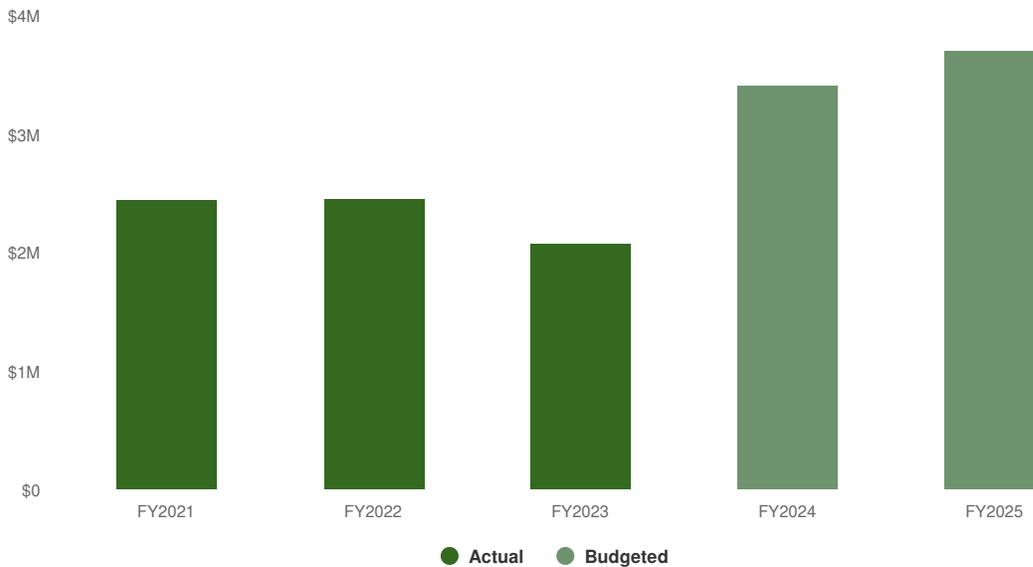
- Develop and implement a well-being program for ambulance staff within the next year, addressing mental health and job satisfaction, aiming to reduce turnover by 15%, and conducting employee surveys and tracking turnover rates.
- Conduct a comprehensive audit of operational procedures within the next six months to ensure compliance with all relevant regulations, completing the audit checklist, updating procedures, and monitoring ongoing compliance through regular internal reviews

Expenditure Summary

The graph below shows the expenditures for the Ambulance Services Division over the past 4 years. For FY 2025, the Ambulance Services Division is budgeting \$3,700,555, which represents an increase of \$290,088 compared to the previous year. The primary increase is in the salaries category, totaling \$185,860, due to the addition of three positions to staff another ambulance, along with salary adjustments to maintain competitive market compensation. Additional increases of \$74,800 are seen across various expense categories such as supplies, maintenance, and special services. Furthermore, cost allocations reflect an increase of \$52,188. The Long-Term Debt category, however, saw a reduction of \$22,760 due to the completion of payments for communication radios that were fully paid off in the previous year.

\$3,700,555 **\$290,088**
(8.51% vs. prior year)

Ambulance Services Proposed and Historical Budget vs. Actual



Personnel Changes

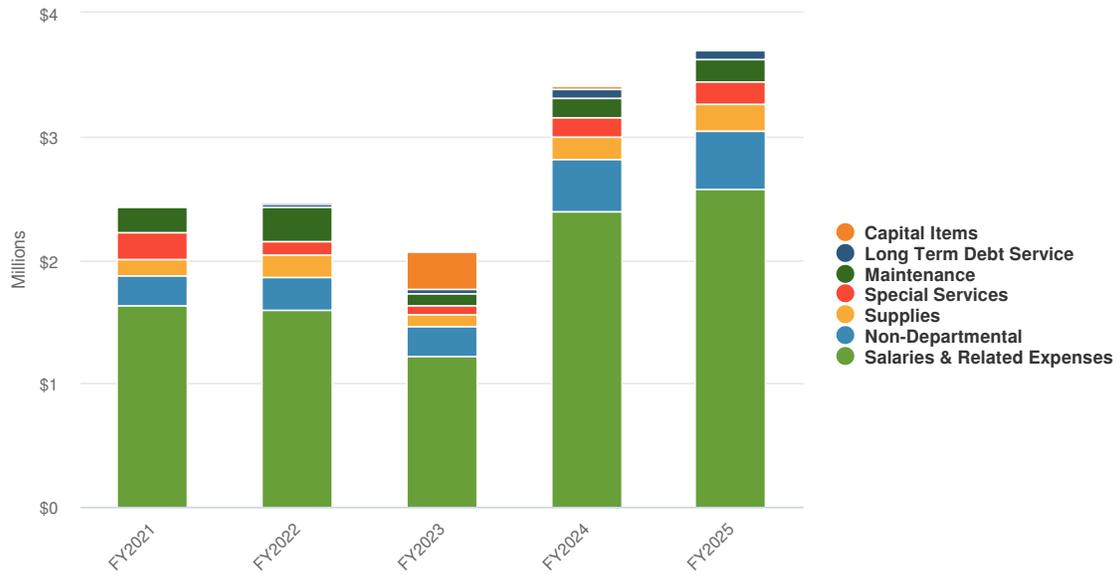
The chart below displays the Ambulance Department's staff summary schedule for the last three fiscal years. In FY 2025, the department will enhance its emergency medical services by adding three full-time Firefighters. This staffing increase is intended to improve response times and ensure the department can meet the growing demand for ambulance and emergency care services within the community.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	18	18.7	22.7	25.7	3
% of city's FTEs				7.02%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Administrative Coordinator	0.5	0.5	0	0	0
Ambulance Coordinator	0.0	0.0	1.5	1.5	0
Assistant Fire Chief	0.5	0.5	0.2	0.2	0
Fire Chief	0.5	0.5	0.2	0.2	0
Fire Capitan	3	3	1.2	1.2	0
Communication Officer	1	1	1	1	0
Accounting Specialist	0.5	1	0	0	0
Battalion Chief	0	0	0.6	0.6	0
Firefigther	12	12	18	21	3
IT Specialist Public Safety	0	0.2	0	0	0
Total	18	18.7	22.7	25.7	3



Budgeted and Historical Expenditures by Expense Type



The following table presents the Ambulance Services Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,599,493	\$1,219,455	\$2,393,630	\$2,225,402	\$2,579,490	7.8%
Supplies	\$179,511	\$95,323	\$183,500	\$205,121	\$206,600	12.6%
Maintenance	\$278,851	\$85,676	\$152,500	\$369,639	\$177,300	16.3%
Special Services	\$105,784	\$79,894	\$161,540	\$125,094	\$188,440	16.7%
Long Term Debt Service	\$21,193	\$47,300	\$71,660	\$71,534	\$77,900	8.7%
Non-Departmental	\$263,454	\$242,461	\$418,637	\$353,039	\$470,825	12.5%
Capital Items	\$0	\$300,695	\$29,000			N/A
Total Expense Objects:	\$2,448,285	\$2,070,803	\$3,410,467	\$3,349,829	\$3,700,555	8.5%

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 2024

- Replaced end of life Wi-Fi system prioritizing and evaluated and identified areas where additional Wi-Fi access is required to prioritize areas where City of San Luis partners will need access to collaborate effectively with City of San Luis staff, as well as buildings where Wi-Fi can be leveraged to supplement poor cellular for City of San Luis Staff and partners.
- Information Technology collaborated with Finance and the vendor to configure and deploy the New World Time and Attendance system, which is used by Finance for timekeeping. The IT department configured a server to host the system and deployed endpoints in all buildings to facilitate clocking in and out. This collaboration ensured a smooth implementation process and improved timekeeping accuracy and efficiency for the Finance department.

- Successfully procured, configured, and deployed network and systems infrastructure for the newly renovated Fernando Padilla Community Center, Fire Station 2, Police Substation, and remote Public Works facilities. This project required meticulous planning, collaboration with stakeholders, and a focus on meeting the specific needs of each facility. In addition, our IT department provided comprehensive end user support and assisted each division in setting up computer systems, monitors, printers, cameras, and peripherals at each location. This additional service ensured a seamless transition to the new infrastructure and optimized operational efficiency.
- Rollout the integration of two hosted video feeds displaying live outbound traffic to Mexico, along with an embedded Google Maps traffic view and U.S. Customs wait times information. The website now serves as a comprehensive platform for sharing information about events and public information, with the goal of reaching a wider audience than before. Future entail continuous improvements to the website, including the potential addition of a video feed for traffic from the other side of the border.
- Cybersecurity awareness training was conducted for City of San Luis staff to increase their awareness and enhance the organization's security posture. The training aimed to educate staff about common cyber threats, such as phishing and malware, and provide them with best practices for securely handling sensitive information. By improving staff awareness, the City of San Luis aims to reduce the risk of cyber incidents and protect its digital assets.
- Migrated Administration, Public Works, Planning and Zoning, Finance, Human resources, and other departments to SharePoint Online, enhancing file collaboration within the organization. This migration has provided a centralized platform for storing and sharing files, improving access and collaboration among departments. The move to SharePoint Online is part of the organization's efforts to modernize its IT infrastructure and streamline its operations.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance public safety and operational efficiency through advanced technology infrastructure and staff training."

- Upgrade the existing video surveillance system by November 30, 2024, to enhance security coverage across public facilities, maintaining 120 cameras, installing new high-definition cameras, and integrating them into a centralized monitoring system with a project team consisting of IT, security, and facilities management, supported by a \$25,000 budget.

- Construct a new communication tower by June 30, 2025, to improve radio network coverage in the eastern region of the city, utilizing Police Border Security Grant funds allocated for FY25-FY27 to enhance emergency response capabilities and public safety.
- Train 300 employees on cybersecurity awareness by the end of October annually, using the InfoSecIQ online platform to ensure 100% completion, safeguarding public data and maintaining trust in the city's services.

 **Economy**

Goal: "Increase operational efficiency and reduce costs through effective management of IT resources and security protocols."

- Implement a Mobile Device Management (MDM) system by November 3, 2024, to streamline the management of employee mobile devices, enrolling 100% of company-issued devices and training staff within the first three months of rollout to enhance efficiency and achieve cost savings.
- Deploy endpoint patching software within two months to protect systems from vulnerabilities, ensuring 100% of endpoints are covered and 95% of patches are applied within a week of release, thereby reducing the risk of security breaches and supporting operational resilience.

 **Financial Sustainability**

Goal: "Ensure the financial sustainability and continuity of IT operations through proactive data protection and resource management."

- Maintain a comprehensive system backup strategy with daily incremental backups, weekly full backups, and monthly testing of backup integrity and recovery procedures to ensure data protection and business continuity, safeguarding the financial viability of IT operations on an ongoing basis.

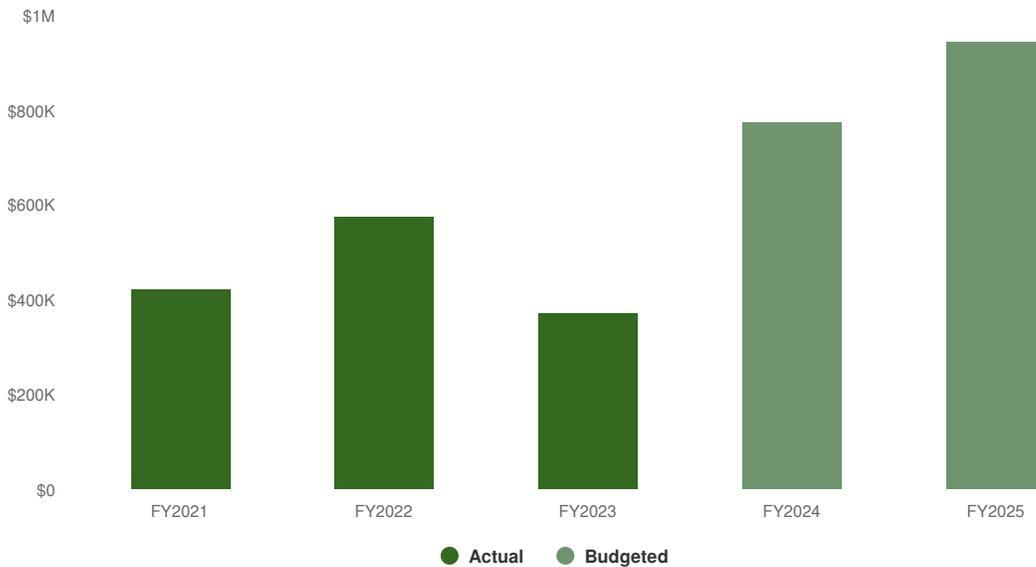
PERFORMANCE MEASURES	FY 2023 ACTUAL	FY 2024 PROJECTED	FY 2025 EXPECTED
NUMBER OF CREATED IT SUPPORT TICKETS	1404	1829	2496
NUMBER OF RESOLVED IT SUPPORT TICKETS CREATED	1401	1797	2496
TOTAL NUMBER OF EMPLOYEES TRAINED ON CYBER SECURITY BEST PRACTICES WITH ITS ACCESS	49/280	149/280	301/301
CYBER SECURITY INCIDENTS	3	0	0

Expenditure Summary

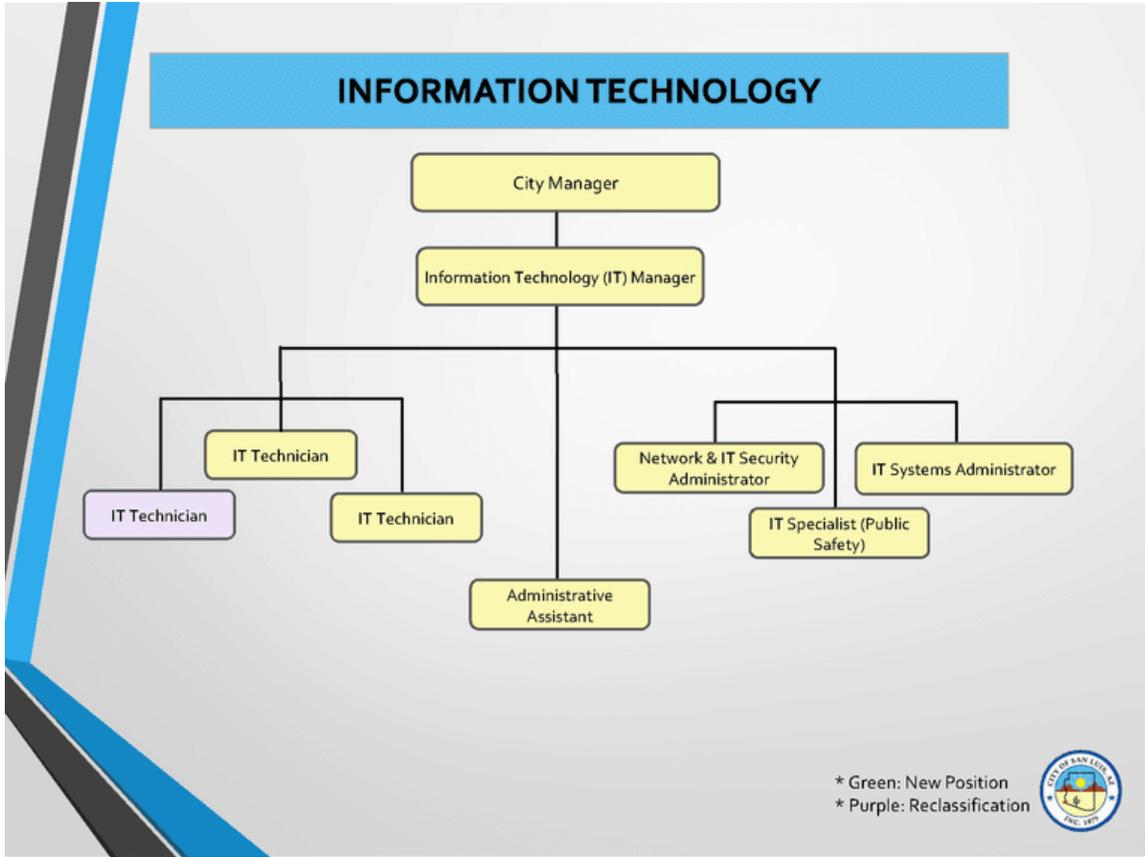
The graph below shows the expenditures for the Information Technology Department over the past four years. For FY 2025, the Information Technology Department is budgeting \$942,500, which represents an increase of \$168,952 compared to the previous year. This increase is attributed to several factors: Software support and maintenance accounts saw a significant rise of \$185,010 (76.1%), additional supplies increased by \$41,800 (76.7%), and salaries increased by \$22,510 (3.7%). However, there was a notable reduction in the Special Services category, which decreased by \$28,870 (23.8%), primarily due to a reduction in contractual services. The budget highlights the department's focus on upgrading software and support systems to meet the city personnel needs.

\$942,500 **\$168,952**
(21.84% vs. prior year)

Information Technology Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

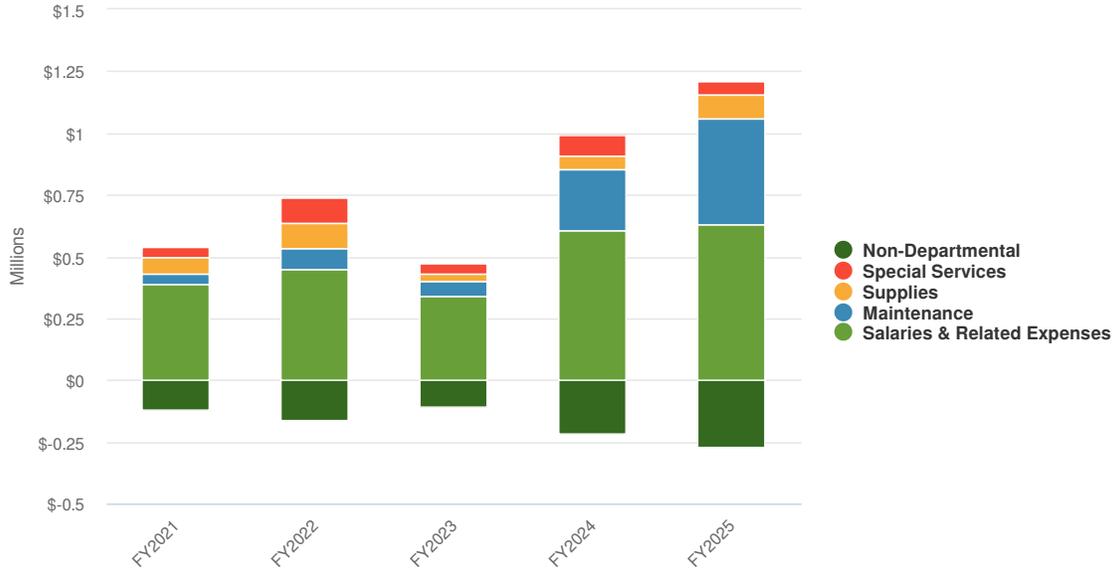
The chart below displays the IT Department's staff summary schedule for the last three fiscal years. In FY 2025, the department will implement a reclassification of the IT Help Desk Technician position to IT Technician. This change is aimed at better aligning the role with the department's evolving technical needs, allowing for more efficient support of the organization's growing IT infrastructure and service demands.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	6.3	7.2	8	8	0
% of city's FTEs				2.19%	
Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
IT Manager	1	1	1	1	0
Senior IT Technician	1	1	1	1	0
IT Technician	2	2	2	3	1
Graphics and Media Specialist	1	1	0	0	0
Administrative Coordinator	0.3	0	0	0	0
Administrative Assistant	0.0	0	1	1	0
IT Help Desk Technician	0	1	1	0	-1
IT Specialist Public Safety	0	0.2	0	0	0
IT Specialist	0	0	1	1	0
Video Production and Operations Specialist	0	0	0	0	0
Network & IT Security Admin	1	1	1	1	0
Total	6.3	7.2	8	8	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Information Technology Department's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$450,357	\$341,207	\$608,670	\$618,257	\$631,180	3.7%
Supplies	\$99,549	\$31,179	\$54,500	\$52,669	\$96,300	76.7%
Maintenance	\$85,305	\$57,508	\$243,070	\$184,605	\$428,080	76.1%
Special Services	\$105,364	\$45,927	\$83,460	\$58,353	\$54,590	-34.6%
Non-Departmental	-\$163,766	-\$105,235	-\$216,152	-\$202,120	-\$267,650	23.8%
Total Expense Objects:	\$576,808	\$370,586	\$773,548	\$711,764	\$942,500	21.8%

Public Works Administration

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, Waste-Water and Water divisions, as well as the operations for Fleet and Highway Users. It is important to note that this is a new department that was introduced on FY 23.



Personnel Changes

The chart below displays the Public Works Administration's staff summary schedule for the last three fiscal years. In FY 2025, the department will add one Administrative Assistant to support its expanding responsibilities. Public Works Administration oversees various divisions, including Highway Users, Fleet Services, Water Division, Wastewater Division, Solid Waste, and, starting this fiscal year, Facilities. The addition of the Administrative Assistant will help the department manage its growing workload and provide effective support across all its divisions.

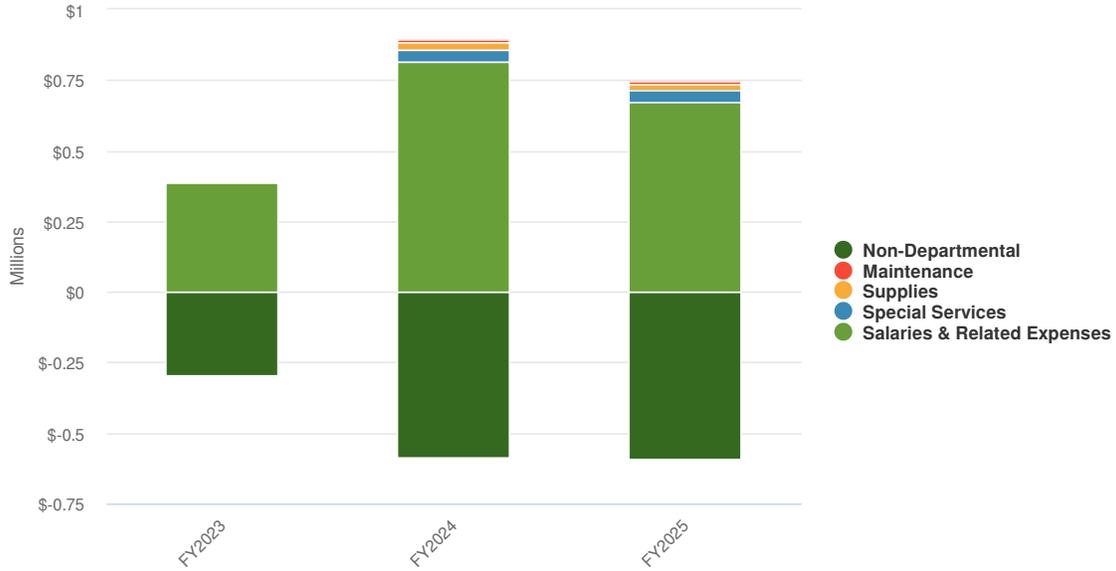
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	0	0	6	7	1
% of city's FTEs				1.91%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Assistant Director of Public Work	0	0	2	2	0
Director of Public Work	0	0	1	1	0
Administrative Assistant	0	0	0	1	1
Administrative Coordinator	0	0	2	2	0
Code Compliance Specialist	0	0	1	1	0
Engineering Technician	0	0	0	0	0
Civil Engineering	0	0	0	0	0
Total	<u>0</u>	<u>0</u>	<u>6</u>	<u>7</u>	<u>1</u>



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2025 Budgeted	FY2024 Adopted Budget vs. FY2025 Budgeted (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects								
Salaries & Related Expenses	\$0	\$388,779	\$813,530	\$652,180	\$670,940	\$670,720	-17.6%	-17.5%
Supplies	\$0	\$5,707	\$25,600	\$25,463	\$20,900	\$20,900	-18.4%	-18.4%
Maintenance	\$0	\$2,775	\$11,000	\$12,160	\$11,000	\$11,000	0%	0%
Special Services	\$0	\$3,597	\$42,500	\$23,818	\$44,940	\$44,940	5.7%	5.7%
Non-Departmental	\$0	-\$292,751	-\$587,764	-\$478,318	-\$546,700	-\$593,240	0.9%	-7%
Total Expense Objects:	\$0	\$108,107	\$304,866	\$235,302	\$201,080	\$154,320	-49.4%	-34%

Highway User 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 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 2024

- County 22nd Street and Sidewinder Road Intersection Improvements – Phase 1.
- Pavement Preservation applied to sections of roadway at Ave D, San Luis Lane, Ave F, and Co. 24th Street.
- Public Works is scheduled to receive a new 2024 Elgin Broom Bear Street Sweeper in May of this year. The sweeper purchase was approved by Mayor and Council in September of 2023.
- Required traffic control changes completed at Plaza 1 and Escondido Beach II subdivisions.
- Installation of sand control bales at various locations.
- New pathways installed on 4th Ave from the Public Works Yard to E Street

- Highway Users Assisted IT with the installation of conduit/fiber optic cable for several City facilities/locations.
- Assisted Police Department with new Downtown Paystation changes including sign installations.
- Public Works respond to several large storms. Storm response included repairing erosion, removing blow sand and debris.
- Repurposed clean fill from local private project, adding to the usable land space on the east side of the City Hall and Fleet Services Shop.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance transportation infrastructure and public safety through strategic improvements in traffic management and roadway maintenance."

- Complete Cesar Chavez Widening project by the end of FY 2027
- Complete repairs to 5th Ave & Kennedy Lane by Q2 FY 2025, reducing and or eliminating complaints from residents about the cross gutter at this intersection.
- Complete Phase I of the 10th Ave Widening project providing a median turn lane to the corridor improving safety and circulation. Estimated Completion by Q4 of FY 2025.
- Complete traffic signal installations and roadway improvements at Co. 22nd and Sidewinder Road by FY 2026, improving accessibility for local businesses and residents.
- Complete traffic signal installations and roadway improvements at Co. 22 and 4th Ave by the end of FY 2025 to improve traffic flow and safety for residents and commuters.
- Complete the design for Union Street and 4th Ave intersection improvements by Q3 FY 2025 to reduce congestion and improve traffic safety.

Economy Goal

Goal: "Support local economic growth by improving transportation infrastructure and enhancing the safety and efficiency of roadways."

- Complete Main St. & B St. Intersection improvements and traffic signal design by Q3 of FY 2025. COSL is scheduled to complete the improvements in FY 2026. This project will enhance safety and circulation to local businesses at one of our busiest pedestrian intersections.

- Complete installation of sand control bales at various trouble areas throughout the City by Q1 of FY2025, minimizing disruption to local businesses and City operations while reducing complaints from the community.
- The 6th Avenue extension design is scheduled to be completed by Q4 of FY 2025. This new roadway once complete, will provide a new connection between Union Street and Co. 22nd St. improving circulation, enhancing resident experience, and providing opportunities for future development.



Financial Sustainability

Goal: "Ensure cost-effective infrastructure improvements and resource management in roadway projects and maintenance programs."

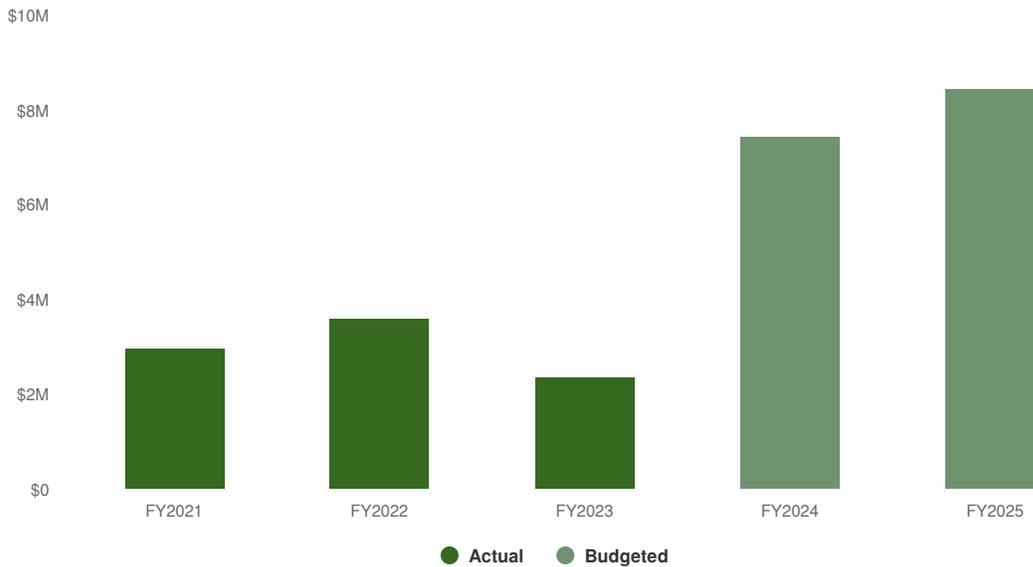
- Complete transportation projects while maintaining fiscal responsibility by adhering to the allocated budget for each project and ensuring minimal cost overruns throughout FY 2025.

Expenditure Summary

The graph below shows the expenditures for the Highway User Division over the past four years. For FY 2025, the Highway User Division has budgeted \$8,443,060, which represents an increase of \$1,013,805 compared to the previous year. The increase in the expenditure budget is mainly attributed to the special services account and the investment in capital projects. The special services category reflects a 7.6% increase, while electricity costs for streetlights show an additional \$85,000. The primary driver for the overall budget increase is the investment in capital projects, with over a million dollars more allocated compared to last year's budget. These projects include the continuation and completion of ongoing construction projects that are currently delayed due to long lead times for materials. The key projects are located at County 22nd Street & 4th Avenue, County 22nd Street & Sidewinder Road, and a \$1 million budget for the reallocation of streetlights along Cesar Chavez Boulevard.

\$8,443,060 **\$1,013,805**
(13.65% vs. prior year)

Highway User Division Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below displays the Highway Users Department's staff summary schedule for the last three fiscal years. In FY 2025, the department will implement a reclassification of one Heavy Equipment Operator to Senior Heavy Equipment Operator. Additionally, the partial allocation of the Project Manager position has been removed, as that role has been transferred to the newly established Engineering Department. These changes are part of the department's efforts to streamline operations and improve efficiency in managing highway and road projects.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	20.7	21	23	22.5	-0.3
% of city's FTEs				6.15%	

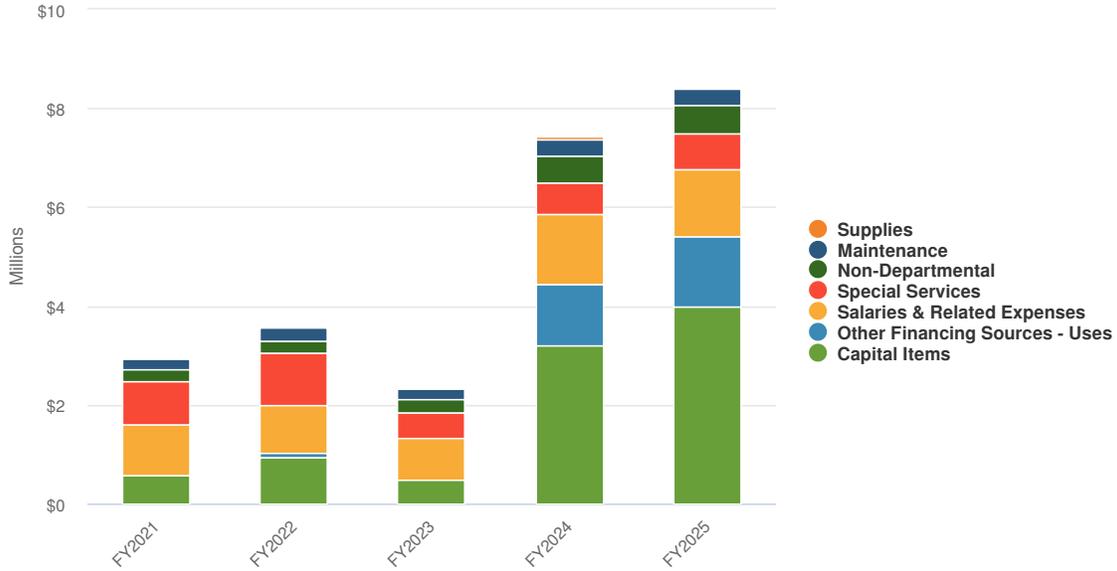
Authorized Personnel/Positions:

Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Equipment Operator	2.5	2.5	2	2	0
Maintenance Specialist	6	6	7	7	0
Maintenance Technician	6	6	7	7	0
Maintenance Supervisor	1	1	1	1	0
Public Work Supervisor	1	1	0	0	0
Public Work Manager	0	0	1	1	0
Crew Leader Supervisor	2	2	3	3	0
Heavy Equipment Operator	1	1	1.5	0.5	-1
Senior Heavy Equipment Operator	0	0	0.0	1.0	1
Assistant Director of Public Work	0.2	0.2	0	0	0
Director of Public Work	0.2	0.2	0	0	0
Administrative Coordinator	0.2	0.2	0	0	0
Public Work Project Manager	0	0	0.3	0	-0.3
Administrative Assistant	0.3	0.3	0	0	0
Engineering Technician	0.3	0.3	0	0	0
Civil Engineering	0	0.3	0	0	0
Total	<u>20.7</u>	<u>21</u>	<u>23</u>	<u>22.5</u>	<u>-0.3</u>



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Highway User Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$989,743	\$864,291	\$1,411,430	\$1,169,456	\$1,371,790	-2.8%
Supplies	\$21,829	\$30,039	\$50,950	\$71,518	\$55,450	8.8%
Maintenance	\$259,097	\$204,616	\$326,500	\$277,049	\$326,980	0.1%
Special Services	\$1,038,468	\$514,098	\$647,110	\$476,150	\$696,580	7.6%
Other Financing Sources - Uses	\$81,341	\$0	\$1,239,220	\$93,232	\$1,407,090	13.5%
Non-Departmental	\$252,601	\$277,733	\$558,037	\$467,745	\$582,380	4.4%
Capital Items	\$932,892	\$469,821	\$3,196,008	\$2,409,025	\$4,002,790	25.2%
Total Expense Objects:	\$3,575,971	\$2,360,599	\$7,429,255	\$4,964,174	\$8,443,060	13.6%

Fleet Services

The Fleet Services Division is responsible for maintaining and repairing City vehicles and equipment, including inspections, general maintenance, repairs (e.g., hydraulic systems and air-conditioning systems), and installation of emergency lights on response vehicles. The division also assists with readying used 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 2024

- Completed construction of new Fleet Services shop, with ribbon cutting ceremony held on February of this year.
- New Lead Mechanic position filled.
- 3, 6 Ton lifts installed.
- 1, 13 Ton lift installed.
- Service truck improvements completed.
 - Fabrication and equipment to better respond to service calls.
- Staff attended APWA Fleet Management Training.
- Staff attended steering and suspension training.
- Staff attended engine diagnostic training.
- Improved customer service.

Goals & Objectives FY 2025



Growth & Public Service

Goal: "Provides safe, reliable, and well-maintained vehicles and equipment to support the City's day to day operations and ensuring prompt response by public safety personnel."

- Repair and maintain the City's fleet of over 400 vehicles and equipment throughout the fiscal year.



Economy

Goal: "Promote sustainable economic growth by investing in infrastructure and operational efficiency, ensuring the city's resources are effectively utilized to enhance public services."

- Develop and implement a vehicle replacement program by FY 2025 to ensure the city's fleet is modernized, improving operational efficiency and reducing maintenance costs, contributing to local economic vitality.



Financial Sustainability

Goal: "Ensure responsible financial management of vehicle & equipment maintenance operations by reducing costs where feasible and through process improvements."

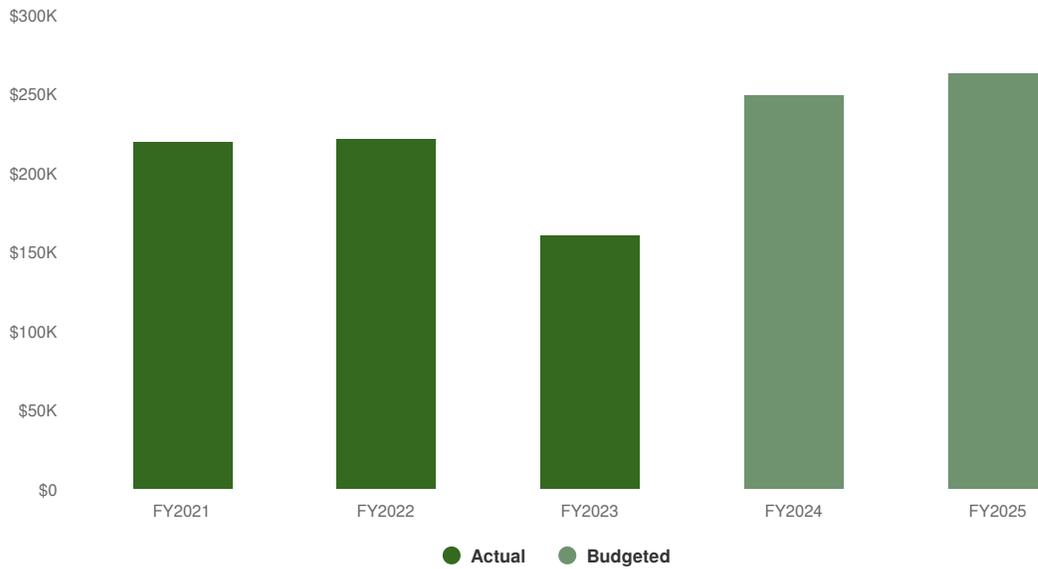
- Develop a cost management plan that includes a vehicle replacement policy and fuel reduction strategies by Q4 of FY 2025 ensuring fiscal responsibility.

Expenditure Summary

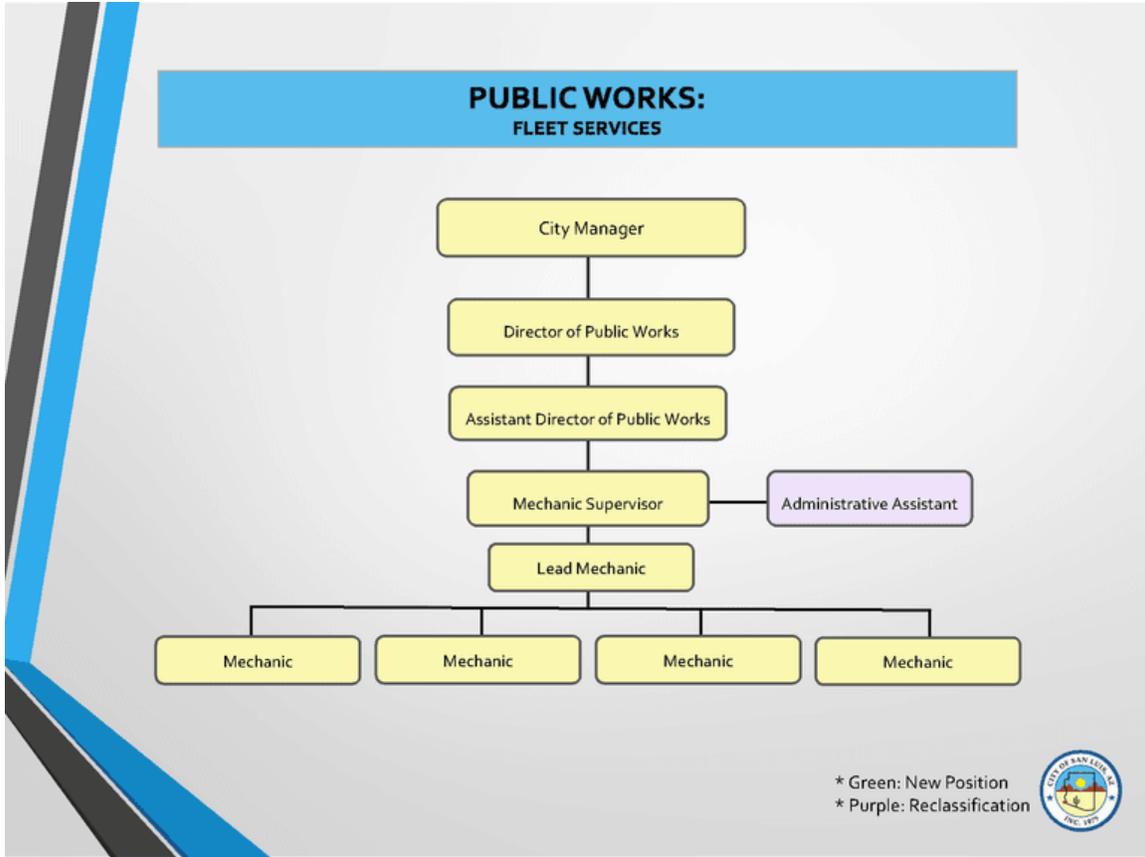
The graph below shows the expenditures for the Fleet Services Division over the past four years. For FY 2025, the Fleet Services Division has budgeted \$262,940, representing an increase of \$13,856 compared to the previous year. This increase is primarily attributed to the salaries category, reflecting the city's ongoing efforts to ensure employees' compensation is within the market salary range. Additionally, the budget includes funds for services for tools and equipment needed for the recently constructed fleet shop building.

\$262,940 **\$13,856**
(5.56% vs. prior year)

Fleet Services Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

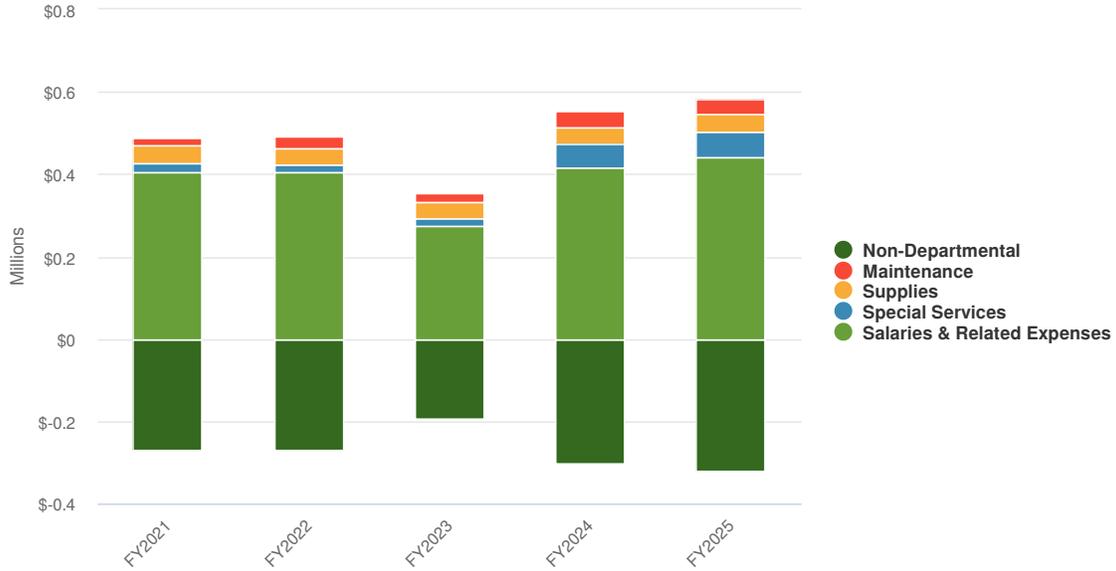
The chart below displays the Fleet Services Department's staff summary schedule for the last three fiscal years. In FY 2025, the department will implement a reclassification of the Administrative Assistant position to Office Assistant. This change is designed to better align the role with the department's operational needs, allowing for more efficient administrative support in managing the department's vehicle and equipment maintenance services.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	5.6	6.6	7	7	0
% of city's FTEs				1.91%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Mechanic	3	4	4	4	0
Lead Mechanic	0	0	1	1	0
Administrative Coordinator	0.2	0.2	0	0	0
Assistant Public Work Director	0.2	0.2	0	0	0
Director of Public Work	0.2	0.2	0	0	0
Mechanic Supervisor	1	1	1	1	0
Office Assistant	0	0	1	0	-1
Administrative Assistant	0	0	0	1	1
Maintenance Worker - Parts Runner	1	1	0	0	0
Office Clerk	0	0	0	0	0
Total	5.6	6.6	7	7	0

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Fleet Services Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$403,298	\$273,073	\$416,840	\$430,543	\$441,210	5.8%
Supplies	\$41,791	\$39,126	\$41,440	\$55,563	\$43,690	5.4%
Maintenance	\$27,310	\$22,710	\$38,490	\$30,064	\$35,770	-7.1%
Special Services	\$19,492	\$19,721	\$55,210	\$52,372	\$62,270	12.8%
Non-Departmental	-\$269,920	-\$194,669	-\$302,896	-\$312,092	-\$320,000	5.6%
Total Expense Objects:	\$221,970	\$159,962	\$249,084	\$256,450	\$262,940	5.6%

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.



Accomplishments FY 2024

- Increased compliance testing to immediately detect health and/or other non-health related contaminants.
- Improved maintenance for manganese treatment units (MTUs), well and booster pumps, chlorinators, water storage reservoirs, etc.
- Onboarded new backflow device compliance system to better serve customers and private service providers (registered BFA testers).
- Completed rehabilitation of water storage tank at well site No.5 and scheduled repairs for tank at Well Site No. 6.
- Installed new block wall and automatic gate entrance gate for the Public Works yard.
- Completed the installation of both a test and production wells at well site No. 5.

- Completed the purchase of the new well site No. 5 Pureflow water filtration system.
- Completed the purchase of a new Pre-Engineered Metal Building for well site No. 5 to house new filtration system.
- Completed design for new 2 million gallon water storage tank for well site No. 7. Began construction.
- Completed well rehabilitations at well sites No. 3, 6 & 7.
- Completed maintenance and rehabilitation of pressure reducing valves throughout the water system.
- Completed the water system SCADA inventory and analysis report.
- Began Cesar Chavez Blvd. Water main improvements ahead of roadway project.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance public services through improved customer experience, infrastructure development, and water system modernization."

- Improve customer service experience (CX) by enhancing our reporting methods with the latest available technology expecting to reduce customer complaints.
- Improve on-call procedures by revising protocols for all after-hour calls and reducing average response time throughout the fiscal year.
- Provide training and education to non-residential customers on the new backflow device compliance program/system, aiming for 100% customer compliance throughout the fiscal year.

Economy

Goal: "Support the city's economic growth by ensuring water infrastructure projects are completed timely and efficiently and contribute to reliable water supply."

- Complete the Well Site No. 5 new well and filtration system project by Q4 FY 2025, increasing water capacity and improving water quality for residents.
- Complete a new concrete 2-million-gallon water storage tank at Well Site No. 7 by the end of FY 2025, increasing water storage capacity, to enhance fire protection and improve system-wide reliability.
- Complete the Cesar Chavez Blvd. water main improvements by Q3 FY 2025.



Financial Sustainability

Goal: "Ensure long-term financial sustainability by modernizing water infrastructure and optimizing resource allocation."

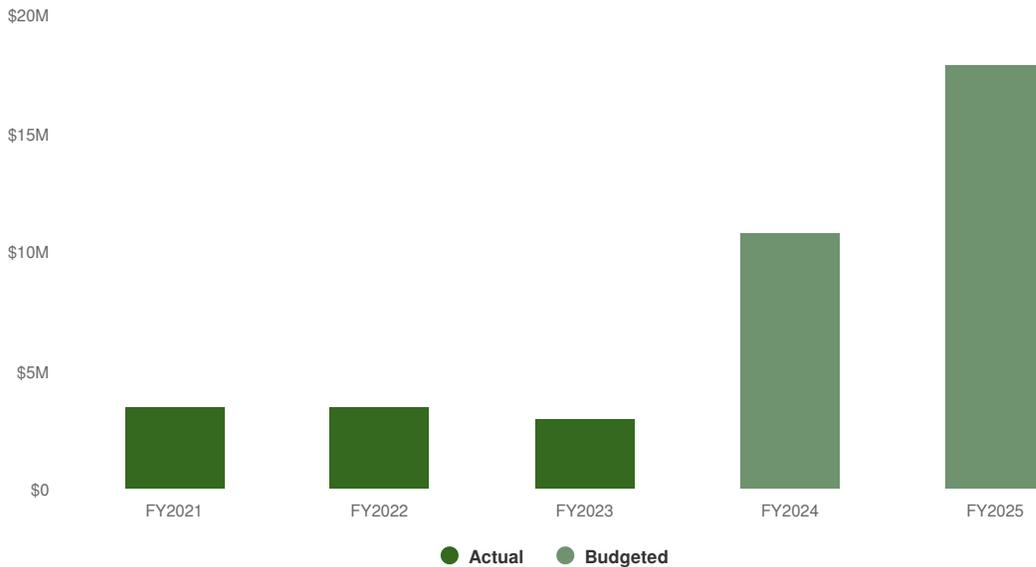
- Complete the radio system transition to YRCS by Q2 FY 2025.
- Complete the rehabilitation of Well Site No. 6 storage tank by Q3 FY 2025, extending the tank's operational life.
- Abandon and demolish Well Sites No. 1 and No. 2 by Q4 FY 2025, optimizing land use and reducing maintenance costs.
- Begin construction and deployment of the new Automated Metering Infrastructure (AMI) system by Q2 FY 2025, with an estimated completion date of Q2 2026, enhancing meter reading accuracy and customer service through the new customer service portal.

Expenditure Summary

The graph below shows the expenditures for the Water Division over the past four years. For FY 2025, the Water Division has budgeted \$17,834,130, which is \$7,029,798 higher than the previous year. The budget includes additional funding in the salaries' category for adjustments to keep employees' compensation within the market range. While the increase in this category shows a small %, it is important to note that a portion of the project management position previously funded by the Water Department will now be assigned to the new Engineering Department for FY 2025. The Special Services category shows an increase due to contractual services required for a service line inventory, as well as additional water testing and contracted services. Electricity expenses have risen by \$103,400, which accounts for both rising costs and the addition of new wells, pumps, and a filter system that will be operational during the year. Capital project investments continue, with \$3.8 million allocated for a new storage tank at well site #7, \$4.3 million for a new well, MTU, and filter system at well site #5 that are in progress since FY 2024, as well as \$600,000 and \$800,000 for water line improvements along Cesar Chavez Boulevard and the rehabilitation of Storage Tank #6, respectively. These investments reflect the city's commitment to maintaining and improving service levels for the community.

\$17,834,130 **\$7,029,798**
(65.06% vs. prior year)

Water Division Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below displays the Water Department's staff summary schedule for the last three fiscal years. In FY 2025, the department will add one Water System Operator/Apprentice to support its expanding operations. Additionally, the portion of the Project Manager position previously allocated to the department has been removed, as the role has been transferred to the newly created Engineering Department. These changes are intended to enhance the department's capacity to manage water system operations more effectively.

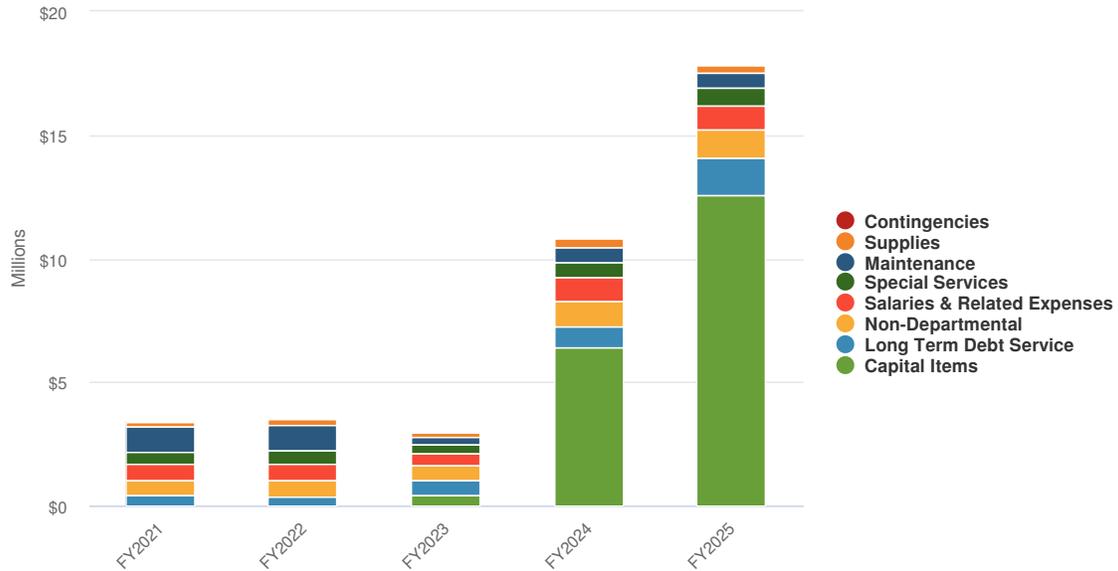
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	12.9	13.0	12.3	13.0	0.7
% of city's FTEs				3.55%	
Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Water System Operator	8	8	0	0	0
Heavy Equipment Operator	0	0	0.5	0.5	0
Apprentice	0	0	2	3	1
Operator I	0	0	5	5	0
Operator II	0	0	1	1	0
Chief	0	0	0	0	0
Electrician	0.5	0.5	0.5	0.5	0
Chief Water Operator	2	2	0	0	0
Assistant Director of Public Work	0.2	0.2	0	0	0
Water System Supervisor	1	1	0	0	0
Water Operations Supervisor	0	0	2	2	0
Water Operations Manager	0	0	1	1	0
Director of Public Work	0.2	0.2	0	0	0
Administrative Coordinator	0.5	0.2	0	0	0
Administrative Assistant	0.3	0.3	0	0	0
Engineering Technician	0.3	0.3	0	0	0
Civil Engineering	0	0.3	0	0	0
Public Work Project Manager	0	0	0.3	0	-0.3
Total	12.9	13.0	12.3	13.0	0.7



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Water Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$669,512	\$459,210	\$924,340	\$829,366	\$965,250	4.4%
Supplies	\$186,181	\$180,971	\$374,500	\$325,624	\$331,100	-11.6%
Maintenance	\$1,047,741	\$334,687	\$567,690	\$1,217,291	\$558,880	-1.6%
Special Services	\$543,475	\$369,457	\$637,050	\$676,120	\$771,550	21.1%
Contingencies	\$1,290	\$0		\$3,532		N/A
Other Financing Sources - Uses	\$0	\$0		\$129,584		N/A
Long Term Debt Service	\$382,540	\$610,884	\$825,060	\$839,980	\$1,523,790	84.7%
Non-Departmental	\$648,191	\$597,781	\$1,047,072	\$951,652	\$1,117,160	6.7%
Capital Items	\$0	\$419,023	\$6,428,620		\$12,566,400	95.5%
Total Expense Objects:	\$3,478,929	\$2,972,013	\$10,804,332	\$4,973,147	\$17,834,130	65.1%

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 2024

- Completed the Requests for Qualifications process for the West Wastewater Plant Expansion Design. Began design.
- Completed design of the East Wastewater Treatment Plant Improvements, inclusive of long lead materials and equipment ordering such as rotamat screens from Huber Technology out of Germany.
- East Wastewater Treatment Plant Improvements are under construction.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance wastewater treatment services and infrastructure to meet the needs of a growing population and improve environmental health."

- Complete the East Wastewater Treatment Plant Improvements by Q4 FY 2025 to ensure the plant operates efficiently and meets the city's growing wastewater treatment demands, with progress monitored through construction milestones.
- Complete Phase 1 of the new chlorination room for the East Wastewater Treatment Plant by Q1 FY 2025, improving water disinfection efficiency.
- Continue the sanitary sewer manhole annual inspection, rehabilitation, and replacement program throughout the fiscal year.

- Complete the full rehabilitation of the Lakin lift station by Q3 FY 2025 to enhance its reliability and service capacity.



Economy

Goal: "Support the city's economic growth through efficient wastewater management and strategic infrastructure expansions."

- Complete the design for the West Wastewater Plant Expansion following a CMAR process delivery method beginning the construction of phase 1 by Q1 FY 2026, increasing the city's wastewater treatment capacity to meet future demand.
- Complete Cesar Chavez Blvd. Wastewater system improvements by Q3 FY 2025, rehabilitating existing infrastructure and providing sewer connections to all properties adjacent to Cesar Chavez Blvd.



Financial Sustainability

Goal: "Maintain financial sustainability by improving operational efficiency through infrastructure upgrades, system improvements and maintenance."

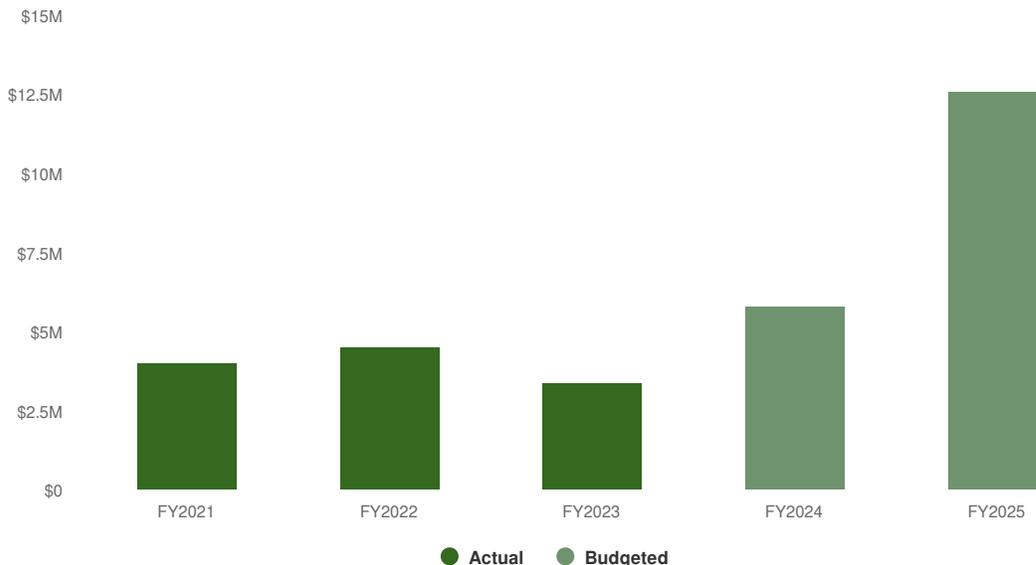
- Complete the radio system transition to YRCS by Q2 FY 2025.

Expenditure Summary

The graph below illustrates the expenditures for the Wastewater Division over the past four years. For FY 2025, the Wastewater Division has budgeted \$12,605,710, which is \$6,813,750 higher than the previous year. The budget includes additional funding of \$74,580 in the salary category for adjustments to maintain employees' compensation within the market range. Although the increase in this category is small, it is important to note that a portion of the project management position, previously funded by the Wastewater Department, will now be assigned to the new Engineering Department for FY 2025. The maintenance category shows an increase of \$170,290, primarily due to rising costs in liquid chlorine and additional base maintenance. In contrast, the Special Services category presents a decrease of \$200,000 in non-capital expenditures. However, there is an increase of \$143,960 due to higher electricity costs and greater consumption of both electricity and solar power. The results in a net reduction of \$64,090 in the overall Special Services budget category. In the same situation, the supplies are showing a reduction of \$49,990. The most significant change in the budget is seen in capital expenditures, with \$1.0 million allocated for improvements at the east wastewater treatment plant and lift stations. Additionally, the expansion of the west wastewater treatment plant is a major project, with a total estimated cost of \$28 million. Construction is expected to begin in FY 2025, with an allocation of \$6 million for the initial phase with the department and development fees funds adding \$5.7 million. These capital investments reflect the city's ongoing efforts to enhance and expand its wastewater infrastructure to meet the needs of the growing community and prepare to continue growing.

\$12,605,710
\$6,813,750
(117.64% vs. prior year)

Wastewater Division Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below displays the Wastewater Department's staff summary schedule for the last three fiscal years. In FY 2025, the department will add one Wastewater Apprentice to help support its growing operational needs. Additionally, the portion of the Project Manager position previously allocated to the department has been removed, as that role has transitioned to the newly created Engineering Department. These changes will strengthen the department's ability to manage and maintain wastewater systems efficiently.

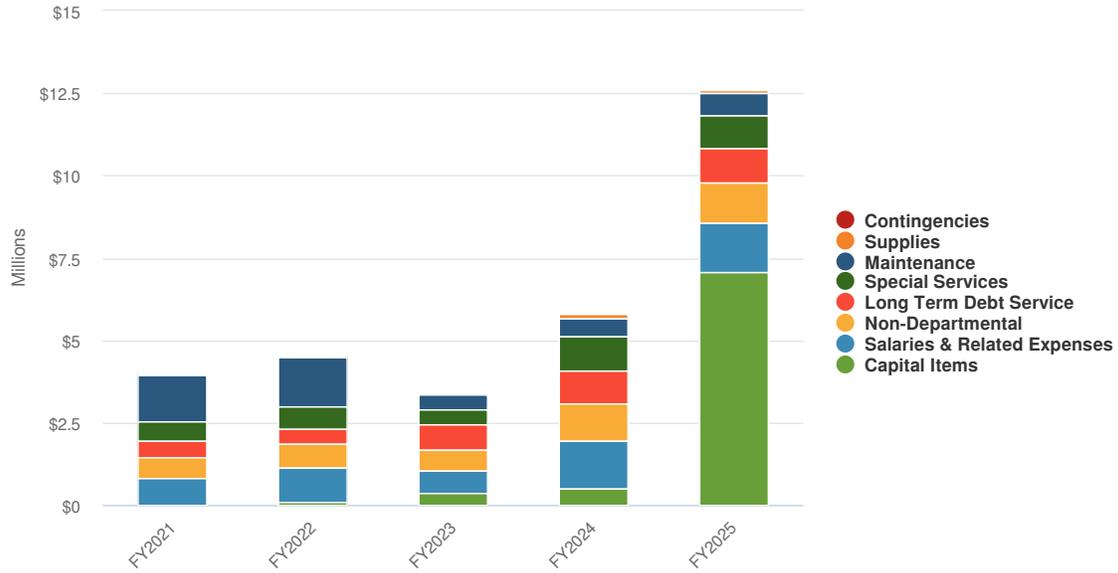
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	17.9	20	20.3	21.0	0.7
% of city's FTEs				5.74%	
 Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Wastewater Plant Operator	13	15	0	0	0
Heavy Equipment Operator	0	0	0.5	0.5	0
Apprentice	0	0	3	4	1
Operator I	0	0	9	9	0
Operator II	0	0	2	2	0
Operator III	0	0	2	2	0
Electrician	0.5	0.5	0.5	0.5	0
Chief Wastewater Plant Operator	2	2	0	0	0
WW Operations Manager	0	0	1	1	0
Assistant Director of Public Work	0.2	0.2	0	0	0
Wastewater Supervisor	1	1	2	2	0
Director of Public Work	0.2	0.2	0	0	0
Administrative Coordinator	0.5	0.2	0	0	0
Administrative Assistant	0.3	0.3	0	0	0
Engineering Technician	0.3	0.3	0	0	0
Civil Engineering	0	0.3	0	0	0
Public Work Project Manager	0	0	0.3	0	-0.3
Total	<u>17.9</u>	<u>20</u>	<u>20.3</u>	<u>21.0</u>	<u>0.7</u>



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Wastewater Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,068,956	\$668,891	\$1,441,490	\$1,149,498	\$1,516,070	5.2%
Supplies	\$70,070	\$43,645	\$148,650	\$89,281	\$98,700	-33.6%
Maintenance	\$1,481,791	\$470,792	\$529,990	\$1,836,219	\$700,280	32.1%
Special Services	\$693,955	\$454,460	\$1,056,650	\$678,435	\$997,560	-5.6%
Contingencies	\$2,568	\$0		\$2,679		N/A
Other Financing Sources - Uses	\$0	\$0		\$137,834		N/A
Long Term Debt Service	\$448,346	\$742,730	\$991,940	\$1,006,169	\$1,021,090	2.9%
Non-Departmental	\$702,481	\$643,824	\$1,126,620	\$1,024,233	\$1,208,010	7.2%
Capital Items	\$68,808	\$372,260	\$496,620		\$7,064,000	1,322.4%
Total Expense Objects:	\$4,536,976	\$3,396,602	\$5,791,960	\$5,924,348	\$12,605,710	117.6%



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 an annual community cleanup campaign to better accommodate community needs. During this cleanup campaign, City residents set out bulky items that are not routinely collected by weekly solid waste collection services.



Accomplishments FY 2024

- Purchase and arrival of a 2023 Peterbilt Automatic Side Loader Solid Waste Truck with a Scorpion body, vehicle #4265.
- Lease of a 2024 Peterbilt Automatic Side Loader, Solid Waste Truck with a McNeilus body, vehicle #5823.
- Purchase of Leased vehicle 2023 Peterbilt Automatic Side Loader, Solid Waste Truck with a McNeilus body, vehicle #5798.
- Crew Leader Supervisor position filled.
- Created the 5th solid waste route.
- Completed the annual community cleanup.

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance waste management services and customer satisfaction by improving operational efficiency and service delivery."

- Improve customer service experience throughout the fiscal year by reducing vehicle down time through strategic vehicle replacement and scheduled maintenance and repairs.

Economy

Goal: "Improve economic efficiency in waste management operations by optimizing resource use and minimizing service disruptions."

- Improve operational efficiency by optimizing waste collection routes resulting in increased efficiency and reducing route fuel consumption by Q4 FY 2025

Financial Sustainability

Goal: "Ensure long-term financial sustainability by strategic vehicle replacement, proactive maintenance program, reducing repair costs and vehicle damage."

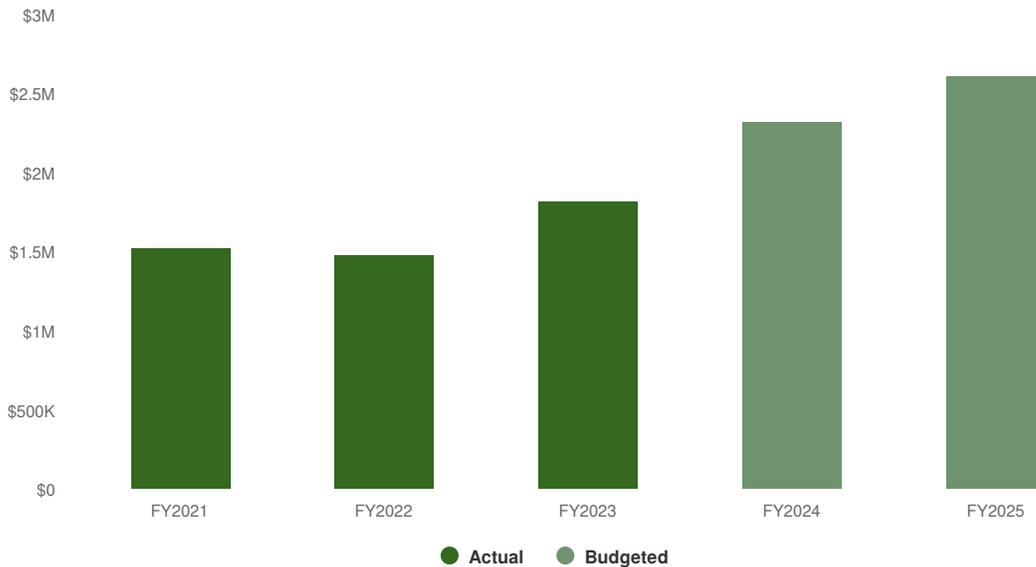
- Change primary waste disposal vendors reducing annual costs by approximately \$80,000 annually. The change will take effect by Q2 of FY 2025.

Expenditure Summary

The graph below shows the expenditures for the Solid Waste Division over the past four years. For FY 2025, the Solid Waste Division is budgeting \$2,614,155, representing a \$292,964 increase from the previous year. This increase spans across most expense categories. The budget includes additional funding of \$65,090 in the salary category for adjustments to keep employees' compensation competitive within the market and to accommodate an additional heavy equipment operator position. Supplies and maintenance categories, as well as non-departmental expenses, increased by \$160,564. However, some reductions are seen in the Special Services and Long-Term Debt categories, due to the completion of the lease on a truck and the payoff of a previously financed garbage truck, resulting in a combined decrease of \$259,790. This year, the leased truck will be purchased, and along with the upgrade to the radio communication system, the total investment of \$378,600 reflects the increase in the Capital Projects category. These adjustment adjustments ensure the division can continue providing essential services to the community.

\$2,614,155 **\$292,964**
(12.62% vs. prior year)

Solid Waste Division Proposed and Historical Budget vs. Actual



Personnel changes

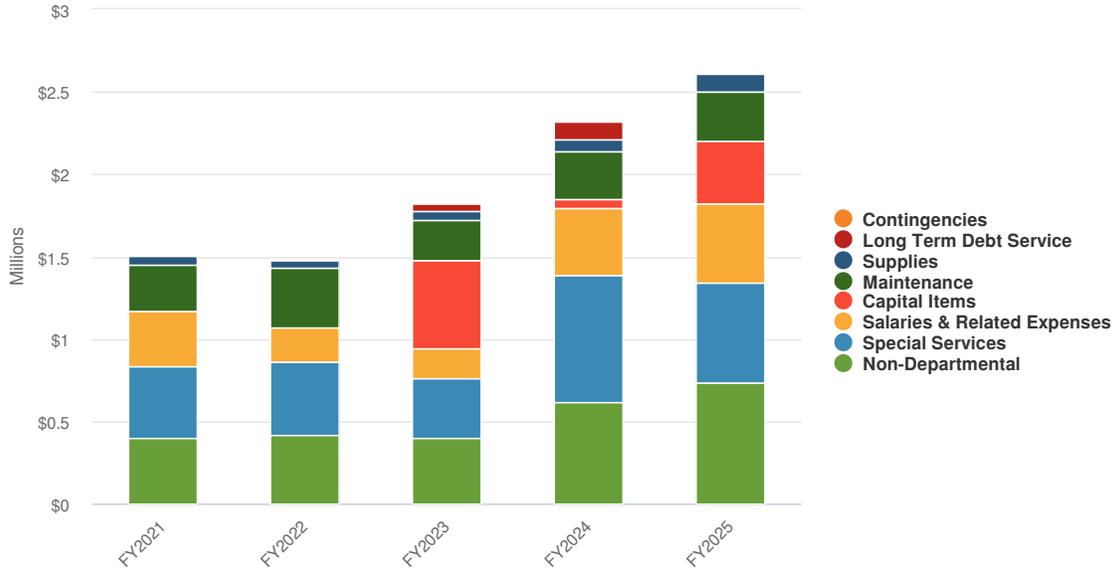
The chart below displays the Solid Waste Department's staff summary schedule for the last three fiscal years. In FY 2025, the department will add one Heavy Equipment Operator to enhance its operational capacity in managing waste collection and disposal services. This addition will help the department improve efficiency and meet the increasing demands for solid waste management in the community.

Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	5.4	5.4	6.5	7.5	1
% of city's FTEs				2.05%	
 Authorized Personnel/Positions:					
<u>Title</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>Current 2023-2024</u>	<u>Request 2024-2025</u>	<u>Changes 2024-2025</u>
Heavy Equipment Operator	1	1	5.5	6.5	1
Equipment Operator	3.5	3.5	0	0	0
Assistant Director of Public Work	0.2	0.2	0	0	0
Director of Public Work	0.2	0.2	0	0	0
Administrative Coordinator	0.2	0.2	0	0	0
Administrative Assistant	0.3	0.3	0	0	0
Crew Leader Supervisor	0	0	1	1	0
Total	<u>5.4</u>	<u>5.4</u>	<u>6.5</u>	<u>7.5</u>	<u>1</u>

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



The following table presents the Solid Waste Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$211,529	\$182,331	\$412,940	\$513,481	\$478,030	15.8%
Supplies	\$48,476	\$54,207	\$73,330	\$74,951	\$111,350	51.8%
Maintenance	\$355,027	\$244,483	\$292,500	\$520,859	\$300,480	2.7%
Special Services	\$442,049	\$358,127	\$767,450	\$615,549	\$613,370	-20.1%
Contingencies	\$1,189	\$0		\$1,454		N/A
Long Term Debt Service	\$5,256	\$41,477	\$105,710	\$94,762		N/A
Non-Departmental	\$419,356	\$402,613	\$617,761	\$575,965	\$732,325	18.5%
Capital Items	\$0	\$538,563	\$51,500		\$378,600	635.1%
Total Expense Objects:	\$1,482,881	\$1,821,801	\$2,321,191	\$2,397,022	\$2,614,155	12.6%

Facilities

The Facilities Division is responsible for maintaining and repairing all city buildings. The division consists of one lead custodian, two building maintenance technicians, seven custodians, one facilities supervisor, and one part-time office 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 2024

- Exterior Paint at City Hall
- VCT Flooring at Cultural Center
- Cabinets & kitchen sink at Senior Center
- Replacement of A/C at Police Department
- Maintenance
- Generators (3)
- A/C Units
- Gates
- Annual Inspections for all our 25 buildings

- Fire Alarms
- Fire Sprinklers
- Fire Extinguishers
- Kitchen Hood Fire Suppression System

Goals & Objectives FY 2025

Growth & Public Service

Goal: "Enhance the city's image and service delivery by ensuring well-maintained facilities and providing excellent customer service to residents and visitors."

- Continuously assess and maintain the cleanliness and visual appeal of all City facilities by implementing a daily inspection and maintenance schedule, ensuring a positive environment for residents and visitors throughout FY 2025.
- Provide efficient customer service by reducing response times throughout the fiscal year, ensuring residents and visitors experience timely and satisfactory service.

Economy

Goal: "Strengthen the city's economy by improving public service efficiency and enhancing the appeal of City facilities to attract more visitors and businesses."

- Ensure that well-maintained and visually appealing City facilities contribute to increased community engagement and economic activity by attracting more visitors to City events and services.
- Increase efficiency in customer service delivery by introducing new technology or process improvements, including energy-efficient fixtures, to better serve residents and businesses throughout the fiscal year.

Financial Sustainability

Goal: "Ensure long-term financial responsibility by optimizing resource allocation and maintaining cost-effective City operations."

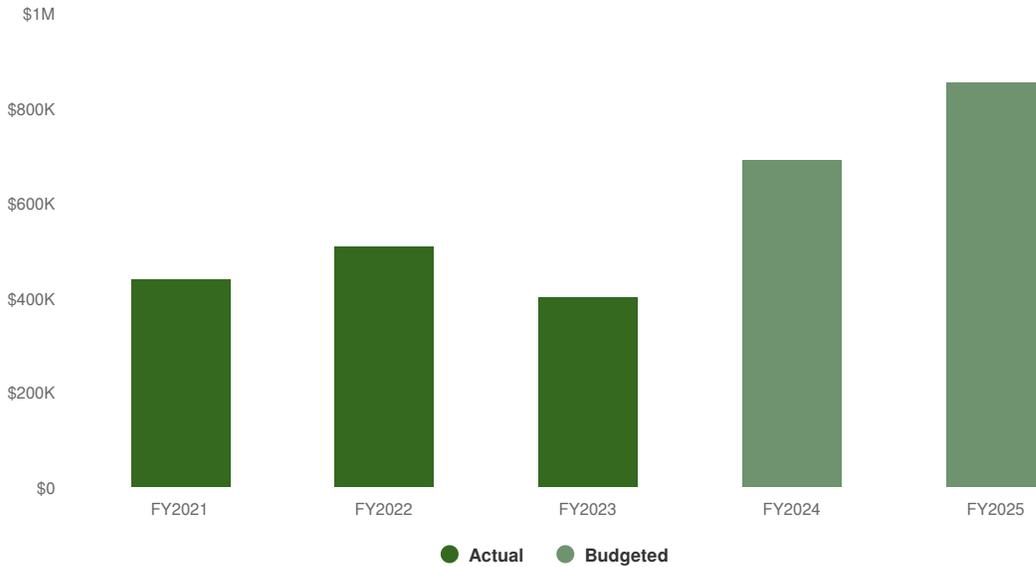
- Continuously optimize resource allocation by conducting ongoing reviews of City facilities maintenance operations, identifying areas for cost savings, and reducing operational expenses.
- Conduct the annual city auction by Q2 FY 2025 to eliminate unnecessary items from city facilities, generating additional revenue to support operational needs.

Expenditure Summary

The graph below shows the expenditures for the Facilities Division over the past four years. For FY 2025, the Facilities Division is budgeting \$856,020, reflecting an increase of \$164,114 compared to the previous year. The increase are across all expense categories, primarily driven by the addition of two new positions and salary adjustments aimed at maintaining competitive compensation within the market, totaling \$137,380. Other categories show an additional \$76,460 in costs, largely due to the new facilities constructed in the previous fiscal year that are now operational. These facilities require increased janitorial supplies, regular inspections, and building maintenance to ensure they are kept in good condition. These budget adjustments reflect the division's commitment to maintaining city facilities while accommodating the growth in infrastructure.

\$856,020 **\$164,114**
(23.72% vs. prior year)

Facilities Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below displays the Facilities Department's staff summary schedule for the last three fiscal years. In FY 2025, the department will add one Custodian and one Lead Building Maintenance Technician to enhance its operational capabilities. The addition of these positions is aimed at improving the overall maintenance, safety, and cleanliness of municipal facilities.

The Custodian will ensure that all buildings are well-maintained and sanitary, while the Lead Building Maintenance Technician will oversee repairs and maintenance tasks, ensuring that facilities are in optimal condition. These enhancements will contribute to a safe and welcoming environment for both staff and the community, ultimately supporting the department's mission to provide high-quality facilities management services.

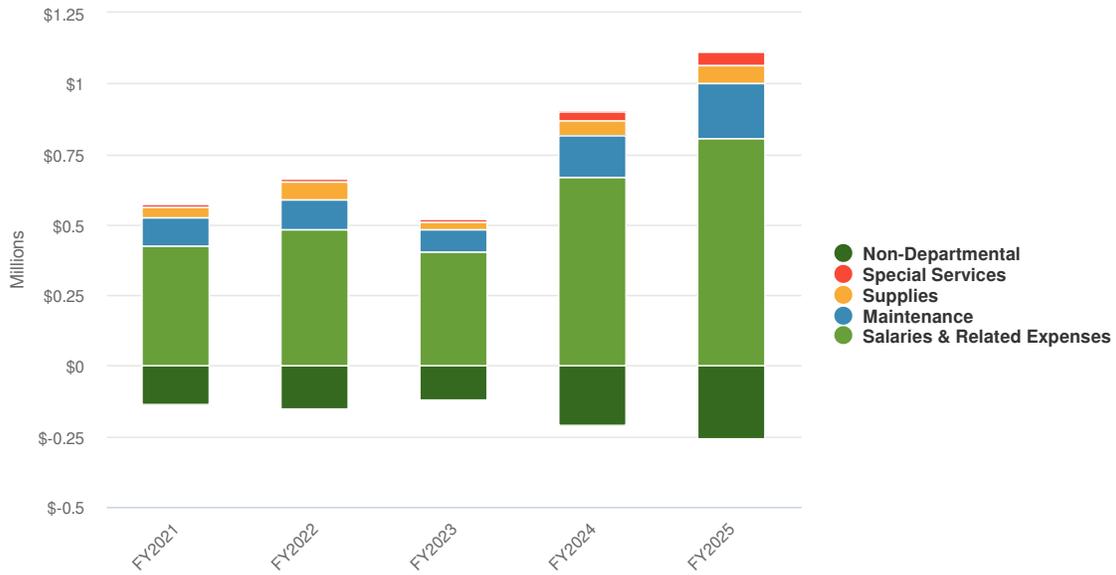
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	9.2	10	13	15	2
% of city's FTEs				4.10%	

Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Custodian	6	6	6	7	1
Building Maintenance Technician	1	2	3	3	0
Facilities Supervisor	1	1	1	1	0
Facilities Project Coordinator	0	0	1	1	0
Administrative Assistant	0	0	1	1	0
Director of Parks & Rec	0.1	0	0	0	0
Assistant Director of Parks & Rec	0.1	0	0	0	0
Lead Building Maintenance Tech	0.0	0	0	1	1
Lead Custodian	1	1	1	1	0
Total	<u>9.2</u>	<u>10</u>	<u>13</u>	<u>15</u>	<u>2</u>



Budgeted and Historical Expenditures by Expense Type



The following table presents the Facilities Division's expenditures for the past 3 years.

Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$484,014	\$404,167	\$667,600	\$669,148	\$804,980	20.6%
Supplies	\$62,031	\$28,614	\$53,030	\$59,328	\$62,370	17.6%
Maintenance	\$104,623	\$77,286	\$146,269	\$154,748	\$195,690	33.8%
Special Services	\$12,780	\$11,606	\$32,731	\$29,788	\$50,430	54.1%
Non-Departmental	-\$153,131	-\$120,624	-\$207,724	-\$211,111	-\$257,450	23.9%
Total Expense Objects:	\$510,318	\$401,049	\$691,906	\$701,902	\$856,020	23.7%

Engineering

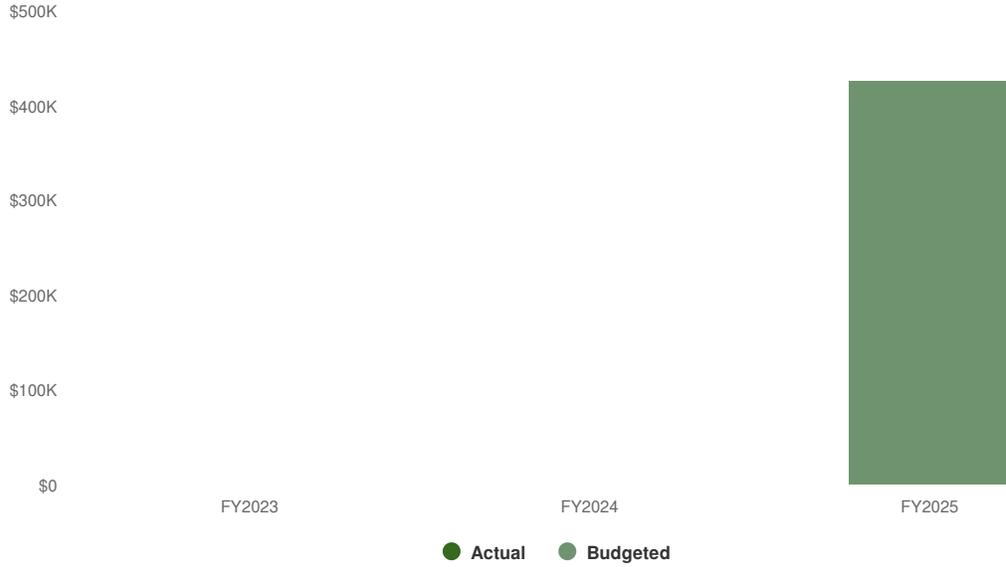
The Engineering Department marks a significant addition to the municipal structure of the City of San Luis, aimed at bolstering infrastructure development and project management capacities. Led by a dedicated team comprising a City Engineer, Project Manager, Project Coordinator, and CIP Inspector/Senior Engineering Technician, this department embodies the city's commitment to strategic growth and operational efficiency. Through meticulous planning, execution, and oversight, the Engineering Department endeavors to enhance the city's physical assets while ensuring compliance with regulatory standards and community needs.



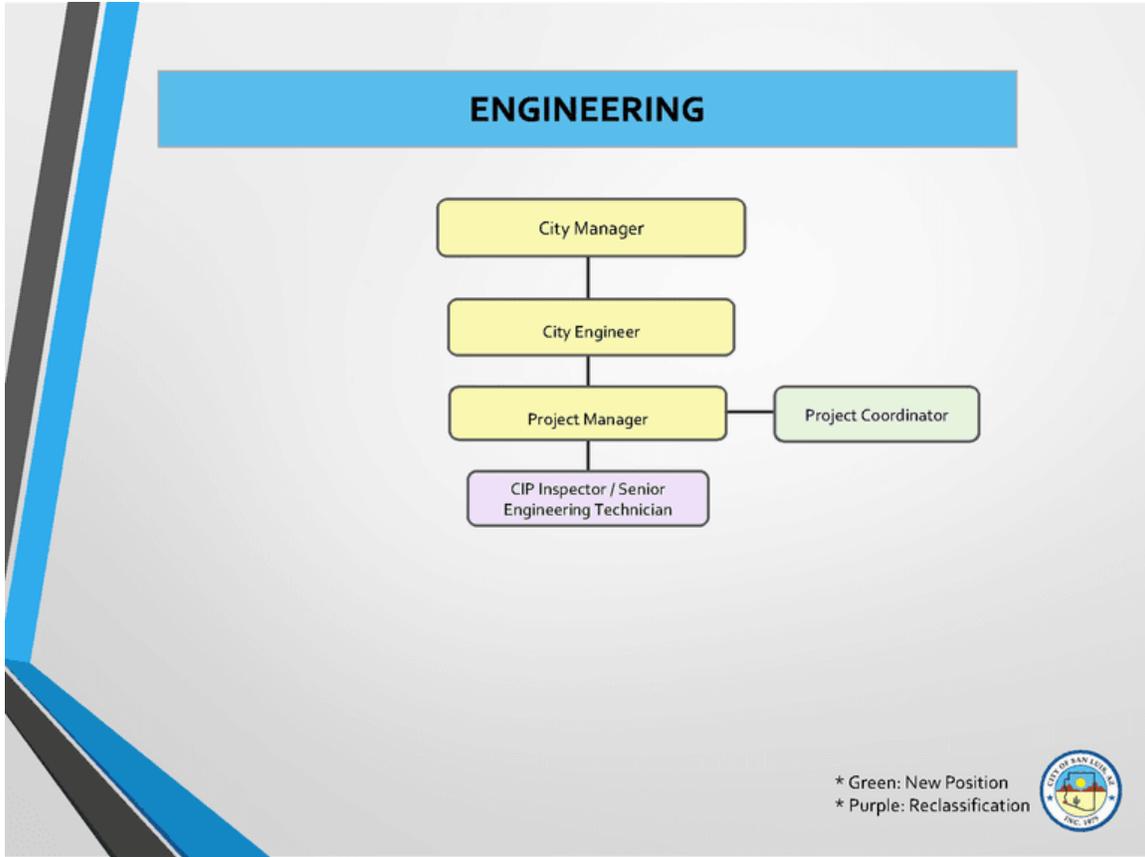
Expenditures Summary

\$426,450 **\$426,450**
(100.00% vs. prior year)

Engineering Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The chart below displays the Engineering Department's staff summary schedule for the last three fiscal years. Engineering initially included one Engineering Technician and one Civil Engineer. In FY 2025, the department will expand its capabilities by transitioning the Project Manager position from Public Works to the Engineering Department, reflecting its growing responsibilities.

Additionally, the department will add one Project Coordinator to assist with project management and coordination efforts. The Engineering Technician position will also be reclassified to CIP Inspector/Senior Engineering Technician, enhancing the department's capacity to oversee capital improvement projects effectively. With these changes, the Engineering Department will have a total of four employees, allowing for improved efficiency and a stronger focus on delivering high-quality engineering services to the community.

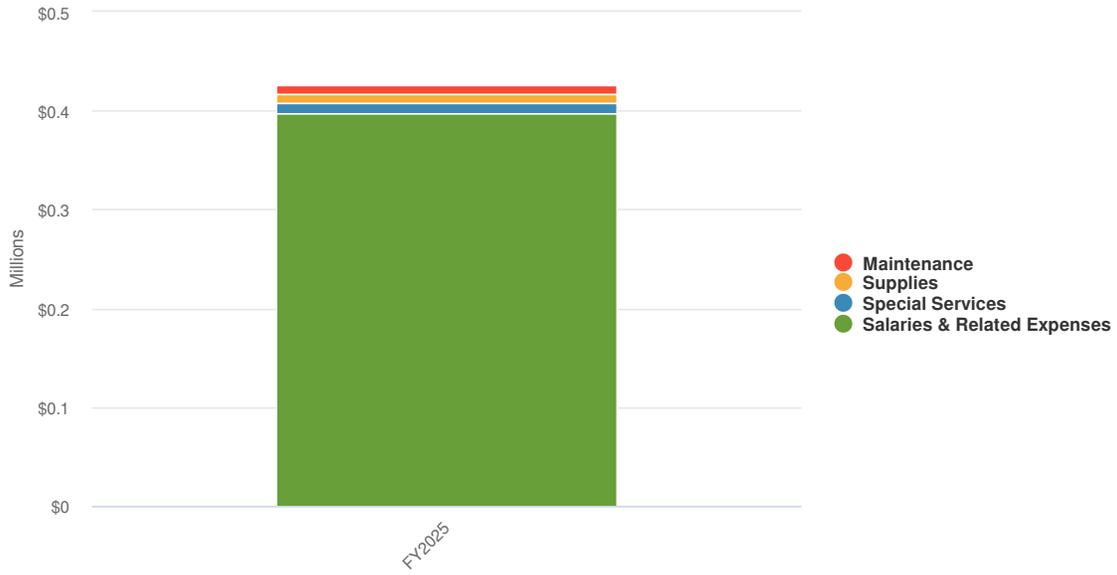
Staff Summary Schedule

Staff Summary	Actual 2021/22	Adopted 2022/23	Adopted 2023/24	Request 2024/25	Change 2023/24 to 2024/25
Full-time Equivalents (FTE)	0	0	2	4	2
% of city's FTEs				1.09%	
Authorized Personnel/Positions:					
Title	2021-2022	2022-2023	Current 2023-2024	Request 2024-2025	Changes 2024-2025
Project Manager	0	0	0	1	1
Project Coordinator	0	0	0	1	1
Engineering Technician	0	0	1	0	-1
CIP Inspector / Senior Engineering Tech	0	0	0	1	1
Civil Engineering	0	0	1	1	0
Total	0	0	2	4	2

Expenditures by Expense Type



Budgeted and Historical Expenditures by Expense Type



Name	FY2023 Actuals	FY2024 Adopted Budget	FY2025 Adopted Budget	FY2025 Budgeted	FY2024 Adopted Budget vs. FY2025 Budgeted (% Change)	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$0	\$0	\$396,870	\$396,870	N/A	N/A
Supplies	\$0	\$0	\$9,850	\$9,850	N/A	N/A
Maintenance	\$0	\$0	\$8,780	\$8,780	N/A	N/A
Special Services	\$0	\$0	\$10,950	\$10,950	N/A	N/A
Total Expense Objects:	\$0	\$0	\$426,450	\$426,450	N/A	N/A

CAPITAL IMPROVEMENTS



Capital Improvement Plan

Capital Improvement Plan Definition

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. 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 deputy city managers 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 scopes 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 Budget 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 Budget 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.

Capital Budget FY 2025

The capital for FY 2025 is \$38,549,000.00 It includes a combination of new capital infrastructure and carry forward projects that were not completed in FY 2024. Revenues for the capital budget come from impact fees, grants, Enterprise Fund user fees, and on a "pay as you go basis" by using one-time allocations from current General Fund revenue and excess fund reserves. The Capital Budget is the largest budget of the City, comprising 29% of the total annual expenditures.

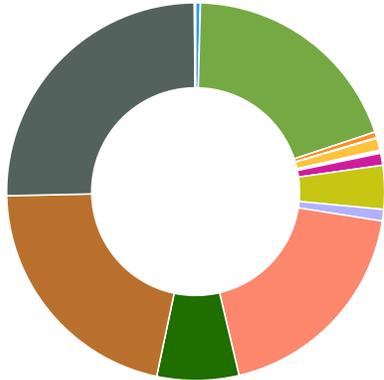
The chart below on the left shows the capital projects requested by the departments. The chart below on the right reflects how those funds will be funded. In FY 2025, 35% of capital projects will be funded by grants, 43% enterprise funds, 6% general fund, 7% highway user fund and 9% Impact Fees.

Funding for most of these projects will be funded by excess fund reserves in the General and Enterprise Funds that were accumulated due to the vacancies, operational savings, and delay in CIP construction. As well as grants including ARPA funds and grants from other governmental agencies. We place a strong emphasis on ensuring that projects funded through reserves and non-recurring revenues do not give rise to ongoing operating costs. This careful consideration helps us maintain fiscal responsibility and sustainability in the long term.

Total Capital Requested
\$38,549,000

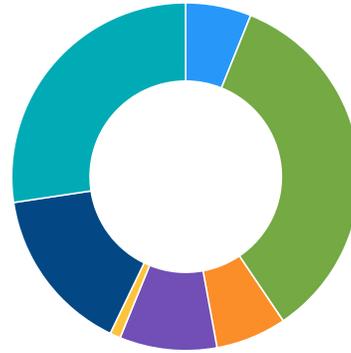
56 Capital Improvement Projects

Total Funding Requested by Department



City Administration (0%)	\$160,000.00
Economic Development (19%)	\$7,508,740.00
Facilities (0%)	\$190,400.00
Finance (0%)	\$15,670.00
Fire Department (1%)	\$400,000.00
Information Technology (0%)	\$47,000.00
Municipal Pool (0%)	\$55,000.00
Parks (1%)	\$400,000.00
Police Department (4%)	\$1,442,800.00
Solid Waste (1%)	\$378,600.00
Streets (19%)	\$7,252,790.00
Utility Billing & Collection (7%)	\$2,700,000.00
Wastewater Operations (21%)	\$8,229,000.00
Water Operation (25%)	\$9,729,000.00
Youth Center (0%)	\$40,000.00
TOTAL	\$38,549,000.00

Total Funding Requested by Source



General Fund (6%)	\$2,349,822.00
Grant (34%)	\$13,281,438.00
Highway User Fund (7%)	\$2,532,790.00
Impact Fees (9%)	\$3,488,000.00
Solid Waste Fund (1%)	\$378,600.00
Wastewater Fund (15%)	\$5,969,000.00
Water Fund (27%)	\$10,549,350.00
TOTAL	\$38,549,000.00

Economic Development Requests

Itemized Requests for 2025

Downtown Drainage - C Street and Archibald	\$368,000
<hr/>	
The project will increase the efficiency of the existing stormwater drainage infrastructure in the Downtown San Luis area, including Archibald Street and C Street.	
Downtown Parking Lot (Temporary Structure)	\$34,700
<hr/>	
The project addresses the need based on the downtown parking lot master plan, the downtown redevelopment plan, and the downtown parking study. The department will transition from the community from free parking to paid parking.	
Downtown Parking Lot Phase 1	\$1,365,950
<hr/>	
Downtown Parking lot Facility-Construct parking lot area between Main Street and 1st Avenue and extending north to Cesar Chavez Boulevard. The park would provide approximately 299 parking spaces.	
Downtown Redevelopment Plan - Phase I	\$1,699,000
<hr/>	
The Downtown Redevelopment Plan was a conceptual design, planning, and placemaking 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"...	
Highway 95 Water and Sewer Project - Phase I	\$1,637,400
<hr/>	
The project will install approximately 7,600 lineal feet of 12-inch water line and approximately 500 lineal feet of 4" sewer force main and a sewage lift station.	
Main Street Electric Vehicle Charging Stations	\$30,000
<hr/>	
The Downtown Redevelopment Plan proposed the purchase and installation of four EV charging stations on Main Street.	
Merrill Avenue Phase I (CDBG-RA)	\$1,458,000
<hr/>	
Merrill Avenue 48' wide road (1 center turn lane, 20' lane in each direction with 6' bike lane) with miscellaneous's curb, sidewalk, sidewalk ramps, and cross gutter replacement on Merrill Avenue's west side, and the new...	
Merrill Avenue Phase II (CDBG-SSP)	\$915,690
<hr/>	
Repaving Merrill Avenue 48' wide road (1 center turn lane, 20' lane in each direction with 6' bike lane) with miscellaneous curb, sidewalk, sidewalk ramps, and cross gutter replacement on Merrill Avenue west side, and new VC&G and...	
<hr/>	
Total: \$7,508,740	

Fire Department Requests

Itemized Requests for 2025

Engine Pumper	\$400,000
<hr/>	
Today we have a 7-year-old Engine Pumper that is 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...	
<hr/>	
Total: \$400,000	



Police Department Requests

Itemized Requests for 2025

Police - Mobile Light Tower with Diesel Engine	\$33,000
<hr/>	
Mobile Light Tower with Diesel Engine	
Police - Three line Message Sign Traffic Trailer (Solar)	\$25,000
<hr/>	
Three line message sign traffic trailer (solar)	
Police Direct Link Crisis Response Systems	\$15,000
<hr/>	
Direct Link Crisis Response Systems	
<hr/>	
	Total: \$73,000

Parks Requests

Itemized Requests for 2025

East Community Park - Continuation Budget	\$400,000
<hr/>	
The East San Luis Community Park has been in development for the past couple of years. This year, the Parks & Recreation Department will focus on adding fencing to the soccer fields, working towards the softball fields, fencing the softball...	
<hr/>	
	Total: \$400,000

Facilities Requests

Itemized Requests for 2025

DUCT CLEANING FOR CITY HALL, POLICE & FIRE DEPARTMENT	\$79,950
<hr/>	
Utilizing professional air duct cleaning can maximize HVAC efficiency, save on utility bills, improve air quality, and reduce dust accumulation.	
ELECTRICAL AND PROXY WORK FOR CITY HALL, POLICE DEPARTMENT AND FIRE DEPARTMENT GATE DOORS	\$21,000
<hr/>	
ELECTRICAL WORK AND PROXY WORK IS NEEDED FOR GATE DOORS (6) LOCATED AROUND CITY HALL, POLICE AND FIRE. INSTALLING PROXY WILL LIMIT ACCESS TO EMPLOYEES ONLY.	
REFRIGERATION UNITS FOR VARIOUS BUILDINGS	\$89,450
<hr/>	
A/C UNITS BEING REQUESTED WOULD BE REPLACED IF MAJOR ISSUES OCCUR AT ANY OF OUR CITY BUILDINGS.	
<hr/>	
	Total: \$190,400



Streets Requests

Itemized Requests for 2025

10th Ave Widening - Phase 1 (Construction)	\$300,000
Acquiring right of way may take longer than one year.	
10th Avenue & Los Alamos Curve Project	\$79,230
This project was pushed out. The FY25 match will be \$79,222.00	
6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Design	\$150,000
Engineer estimate provided by JDA for 2 lane road.	
Ave B Shoulder Improvements	\$75,610
The Yuma Metropolitan Planning Organization (YMPO) has confirmed the Project's eligibility for Highway Safety Improvement Program (HSIP) funds, and the State of Arizona has awarded the funding and has signed an IGA with Yuma County, through...	
Beautification Project, Urtuzuastegui Street Right of way	\$40,000
Beautification Project, Urtuzuastegui Street Right of way. The project will consist of landscape improvements on Urtuzuastegui Street to the south and north right of ways between 6th Avenue to 10th Avenue. Spec: 1.Gravel/aggregate...	
Cesar Chavez Blvd. Project Match ADOT	\$3,200,000
The project is the widening of the boulevard from two lanes to four lanes with a center median (design and construction) City Match - ADOT Project.	
Cesar Chavez Boulevard Street Lights	\$1,000,000
Cesar Chavez Boulevard Streetlights for widening project.	
Co. 22nd and 4th Ave Intersection Improvements and Traffic Signal	\$1,125,000
The road widening, turn lanes, and traffic signal will help improve circulation for this corridor. Right of way acquisition APS relocation of poles \$24K Best case scenario, go out to bid on 6/1/24 same as Ave...	
Co. 22nd and Sidewinder Road Traffic Signals	\$220,000
Materials have been ordered. Design has been completed. The bid would only include installation and approximately 20 yards of concrete work. Westmoore provided a quote of approximately \$200k (Nate) with 10% contingency	
Drainage Improvements, Liberty Street and 7th Place	\$94,950
Drainage Improvements, Liberty Street and 7th Place. After every large rainstorm, large amounts of puddling occur near the intersection of Liberty Street and 7th Place, requiring the City staff to respond and place temporary traffic control...	
GSA Project - Improvements on Urtuzuastegui Street	\$359,000
This is part of the IGA for the POE, U Street Improvements will include traffic signal improvements on U Street and Archibald and Williams Brooks. Was formerly housed under Economic Development (200-210-90010)	
Main Street & B Street Intersection Improvements	\$30,000
Roadway circulation improvement Traffic Signal on B & Main + other impts.	
Radio System Upgrade to YRCS	\$79,000
Radio System Upgrade to YRCS.	
Reoccurring Pavement Preservation Program	\$50,000
Pavement preservation involves applying a series of low-cost treatments every few years to a roads that are in good condition to slow down further deterioration. Pavement preservation treatments such as; slurry seal, fog seal, and chip seal can...	



Road Improvement, 5th Avenue and Kennedy Lane south and east cross gutters **\$150,000**

Road Improvement, 5th Avenue and Kennedy Lane south and east cross gutters. The cross gutters at the aforementioned intersection have caused numerous complaints from residents. The cross gutters were poorly designed and can cause vehicle damage if...

Union Street and 4th Avenue intersection and Traffic Signal Improvements **\$300,000**

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...

Total: \$7,252,790

Wastewater Operations Requests

Itemized Requests for 2025

Cesar Chavez Blvd Wastewater Main Improvements **\$600,000**

Cesar Chavez Blvd Wastewater & Water Main Improvements - New connections and services prior to street widening. System improvements.

East Wastewater Treatment Plant Improvements **\$850,000**

East Wastewater Treatment Plant Improvements - Headworks, Contact chamber, valves, meters and chlorine room.

Escondido Lift Station Relocation **\$300,000**

Escondido Lift Station needs to be relocated due to the Cesar Chavez Blvd expansion project.

Lakin Lift Station Wet Well Rehabilitation **\$100,000**

Lakin Lift Station Wet Well Rehabilitation - 38 years of operation

Radio System Upgrade to YRCS - Wastewater **\$79,000**

Radio System Upgrade to YRCS.

SCADA - Supervisory Control and Data Acquisition - Wastewater **\$200,000**

SCADA - Supervisory Control and Data Acquisition - Water & Wastewater automated controlling for treatment, distribution and collection facilities.

Sewer Manhole Repairs and Replacements and Carryover **\$100,000**

Wastewater Operations Division is requesting funding to repair and or replace 10 manholes within the sanitary sewer system per year. The earliest part of our City has an aging sanitary sewer system. Our Wastewater Operations Division has...

West Wastewater Treatment Plant Expansion Construction (Inc. Building & FM) - Construction and Design **\$6,000,000**

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. During the FY25...

Total: \$8,229,000



Solid Waste Requests

Itemized Requests for 2025

Leased Solid Waste Side Truck purchase, Vin: 115823 **\$339,600**

On September 25, 2023 Mayor and City Council approved the 12 month lease of a 2024 Peterbilt Solid Waste Automatic Side Loader Truck Vin: 115823. The intent is to purchase the vehicle on 8/24/24 at the price of \$339,600.00 receiving a credit of...

Radio System Upgrade to YRCS - Solid Waste **\$39,000**

Radio System Upgrade to YRCS.

Total: \$378,600

Information Technology Requests

Itemized Requests for 2025

Network infrastructure replacement **\$47,000**

Network infrastructure is nearing end of life in three years. Equipment will be phased out in the following three years to minimize the financial impact. Network switches are responsible for interconnecting information technology systems such as...

Total: \$47,000

Finance Requests

Itemized Requests for 2025

Advanced Scheduling software Implementation **\$15,670**

Time & attendance -Advanced Scheduling software Implementation

Total: \$15,670

Municipal Pool Requests

Itemized Requests for 2025

Municipal Pool Repair & Renovation Project (Contd) **\$55,000**

The Municipal Pool will be undergoing repairs and renovations in FY24 & FY25. In Fiscal Year 2023, staff published an RFP seeking proposals from qualified, licensed, and insured contractors to renovate and repair the Municipal Pool. Staff...

Total: \$55,000



City Administration Requests

Itemized Requests for 2025

East Wing City Hall Remodelation	\$160,000
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East Wing City Hall Remodelation to accommodate new personnel.

Total: \$160,000

Youth Center Requests

Itemized Requests for 2025

New Gym Equipment for Youth Center	\$40,000
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The Youth Center would like to update its existing gym exercise equipment. The Youth Center has exercise equipment for its participants to enjoy. However, due to wear and tear, the machines are in dire need of replacement. It is more...

Total: \$40,000

Police Department Requests

Itemized Requests for 2025

Police Equipment Border Security DEMA Grant	\$1,369,800
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The San Luis PD received a Conditional Award for the Border Security DEMA Grant.

Total: \$1,369,800

Utility Billing & Collection Requests

Itemized Requests for 2025

AMI - Automated Metering Infrastructure	\$2,700,000
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AMI - Automated Metering Infrastructure - WIFA Grant + Local Match

Total: \$2,700,000



Water Operation Requests

Itemized Requests for 2025

Abandon Well Sites 1 and 2	\$100,000
<hr/>	
This project provides for capping and all related environmental protection measures associated with abandoning well sites 1 and 2 that are no longer required for production of City water. Provides a cost avoidance for the City in terms of...	
Cesar Chavez Blvd Water Main Improvements	\$600,000
<hr/>	
Cesar Chavez Blvd Wastewaer & Water Main Improvements - New connections and services prior to street widening. System improvements.	
Radio System Upgrade to YRCS - Water	\$54,000
<hr/>	
Radio System Upgrade to YRCS.	
Water Storage Tank #6 Rehabilitation Project	\$800,000
<hr/>	
Water System Improvement.	
Water Treatment process change, Sodium hypochlorite chlorination at four well sites	\$75,000
<hr/>	
Water Treatment process change, Sodium hypochlorite chlorination at four well sites	
Well Site 5, Well, MTU, Filters	\$4,300,000
<hr/>	
Provides additional water production and treatment capability at this targeted location. Right-sizes the City's water production/treatment infrastructure to ensure continued adequate, reliable service for the community. This project...	
Well Site 7 - New 2 Million Gallons Storage Tank and Distribution Lines	\$3,800,000
<hr/>	
System improvements. A new 2MG Storage Tank and new distribution lines to enhance system.	
<hr/>	
	Total: \$9,729,000





Capital Improvements: Multi-year Plan

The capital improvement six year plan estimates a total of \$151,001,810 in capital expenditures. A multi-year plan is necessary to appropriately plan, design, and identify sources of revenue to construct or acquire the asset. Careful consideration of incremental operating costs related to the asset is considered. It is the City policy to postpone capital projects when there are not sufficient revenues available to cover the increase in operational costs. The CIP program represents the largest investment of the City, and its main objective is to plan for major capital improvements far in advance to be able to meet the future needs of the community.

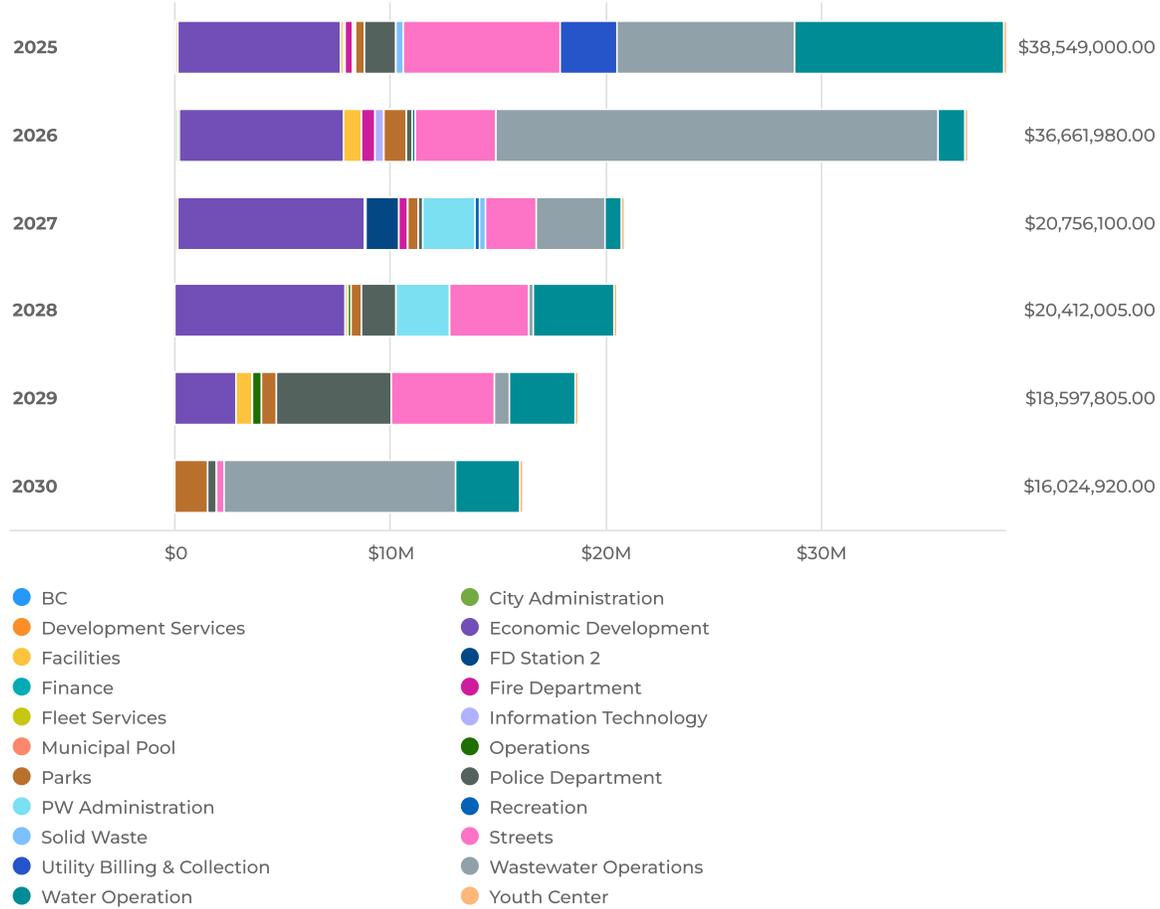
Some of the most significant investments in the multi-year plan include a \$39 millions expansion of the West and East Waste Water treatment plant with the objective of preventing the deterioration of existing infrastructure and adding capacity to ensure continued adequate, reliable service for the community. The plan also considers investment of \$22 millions in street projects and \$18 millions projects for Water System production, storage and distribution.

The charts below show the capital projects allocated by departments, as well as the financial impact these future projects would have on the annual budget over the next five years.

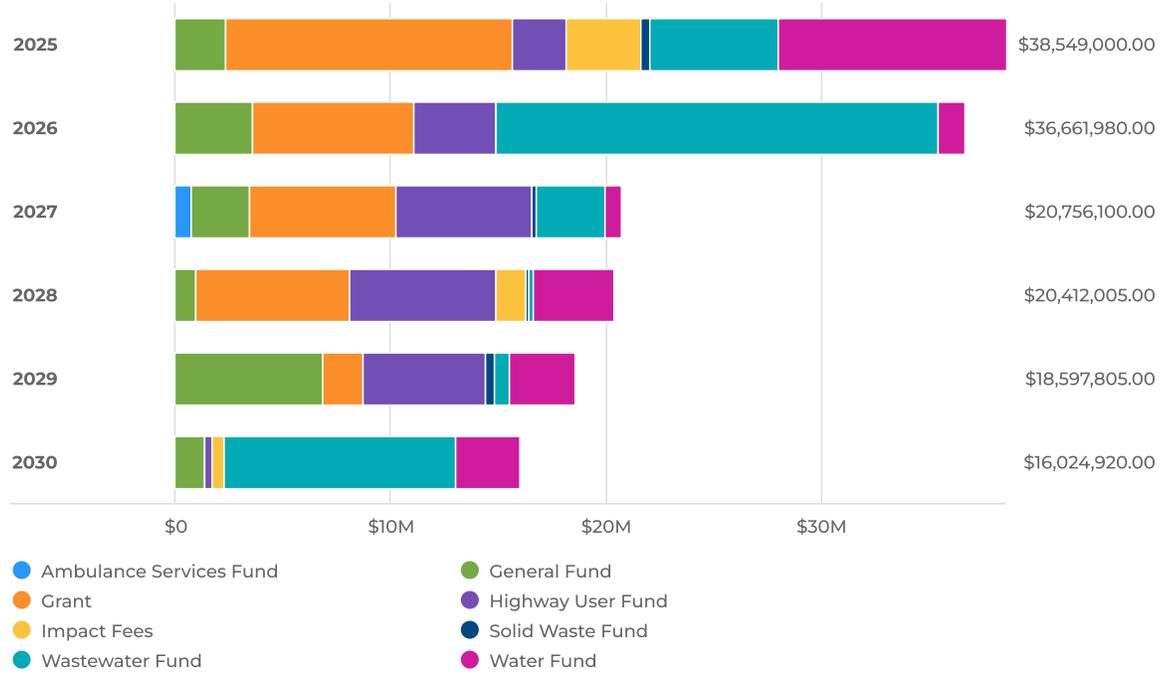
Total Capital Requested
\$151,001,810

116 Capital Improvement Projects

Total Funding Requested by Department



Total Funding Requested by Source



Economic Development Requests

Itemized Requests for 2025-2030

Downtown Drainage - 2nd Avenue	\$3,097,000
The project will increase the efficiency of the existing stormwater drainage infrastructure in the Downtown San Luis area, along 2nd Ave.	
Downtown Drainage - C Street and Archibald	\$700,000
The project will increase the efficiency of the existing stormwater drainage infrastructure in the Downtown San Luis area, including Archibald Street and C Street.	
Downtown Drainage Land Acquisition	\$484,000
Downtown Drainage Master Plan-purchase of private property for retention basins	
Downtown Parking Lot (Temporary Structure)	\$34,700
The project addresses the need based on the downtown parking lot master plan, the downtown redevelopment plan, and the downtown parking study. The department will transition from the community from free parking to paid parking.	
Downtown Parking Lot Phase 1	\$2,202,650
Downtown Parking lot Facility-Construct parking lot area between Main Street and 1st Avenue and extending north to Cesar Chavez Boulevard. The park would provide approximately 299 parking spaces.	
Downtown Redevelopment Plan - Phase 3	\$2,428,000
The Downtown Redevelopment Plan was a conceptual design, planning, and placemaking 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"...	
Downtown Redevelopment Plan - Phase I	\$7,362,000
The Downtown Redevelopment Plan was a conceptual design, planning, and placemaking 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"...	
Downtown Redevelopment Plan - Phase II	\$7,276,000
The Downtown Redevelopment Plan was a conceptual design, planning, and placemaking 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"...	
Downtown Redevelopment Plan - Phase IV	\$4,765,000
The Downtown Redevelopment Plan was a conceptual design, planning, and placemaking 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"...	
Economic Development Strategic Plan - Update	\$180,000
An update to the City of San Luis' Economic Development Strategic Plan, drafted in 2015, is needed to create a platform for assessing the community and regional opportunities, exploring innovative economic development initiatives, and...	
Highway 95 Water and Sewer Project - Phase I	\$1,637,400
The project will install approximately 7,600 lineal feet of 12-inch water line and approximately 500 lineal feet of 4" sewer force main and a sewage lift station.	
Los Oros Street (CDBG-RA)	\$1,000,000
Los Oros Street (CDBG-RA)	
Main Street Electric Vehicle Charging Stations	\$30,000
The Downtown Redevelopment Plan proposed the purchase and installation of four EV charging stations on Main Street.	



Merrill Avenue Phase I (CDBG-RA) \$1,458,000

Merrill Avenue 48' wide road (1 center turn lane, 20' lane in each direction with 6' bike lane) with miscellaneous's curb, sidewalk, sidewalk ramps, and cross gutter replacement on Merrill Avenue's west side, and the new...

Merrill Avenue Phase II (CDBG-SSP) \$915,690

Repaving Merrill Avenue 48' wide road (1 center turn lane, 20' lane in each direction with 6' bike lane) with miscellaneous curb, sidewalk, sidewalk ramps, and cross gutter replacement on Merrill Avenue west side, and new VC&G and...

Rancho Los Oros Phase 3 (CDBG-RA) \$1,000,000

Rancho Los Oros Phase 3 (CDBG-RA)

Total: \$34,570,440

Fire Department Requests

Itemized Requests for 2025-2030

Engine Pumper \$1,200,000

Today we have a 7-year-old Engine Pumper that is 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...

Phoenix G2 \$215,900

Phoenix G2 is a program that is going to take over our obsolete Zetron which we use to dispatch our units to emergency calls for service. Yuma County departments have already done the work to see which program we all want to go with,...

Total: \$1,415,900

FD Station 2 Requests

Itemized Requests for 2025-2030

Phase 2 of Fire Station #2 \$1,500,000

The bay doors for the fire station need to be built. This is the last phase of fire station 2.

Total: \$1,500,000



Police Department Requests

Itemized Requests for 2025-2030

Commercial Block Wall Fence For Storage Lot **\$70,610**

The Police Department is requesting the construction of a commercial block wall fence with barbed wire to surround the vehicle storage lot. An updated quote was obtained and an increase % added.

Police - Mobile Light Tower with Diesel Engine **\$33,000**

Mobile Light Tower with Diesel Engine

Police - Three line Message Sign Traffic Trailer (Solar) **\$25,000**

Three line message sign traffic trailer (solar)

Police Department #2 - East Station - Carry over funds from FY 2023 CIP plus additional funds to complete the project **\$6,521,940**

Police Station #2 - Eastside Phase I, Police Substation per 2021 plans and attached proposed revisions - \$3,468,222.00 Phase II, Sally Port/Holding Rooms/Interview Rooms/Phase III 2-Story Shell - \$1,369,035.00 Phase III, Fit-up second...

Police Direct Link Crisis Response Systems **\$15,000**

Direct Link Crisis Response Systems

Police Vehicles **\$1,241,050**

Three (3) 2024 Ford Maverick, fully equipped for transit enforcement. VEHICLE: \$33,000.00 per vehicle for a total of \$99,000.00 for all three. EQUIPMENT/GRAPHICS: \$14,000.00 per vehicle for a total of \$42,000.00 for all three vehicles. Five (5)...

Total: \$7,906,600



Parks Requests

Itemized Requests for 2025-2030

Dog Parks (East & West Side) **\$63,290**

The Parks & Recreation Department would like to create two dog parks for our community. The staff would like to create a dog park at the PPEP Park and another one on the East side of town. The dog park will be an enclosed area with amenities...

East Community Park - Continuation Budget **\$1,900,000**

The East San Luis Community Park has been in development for the past couple of years. This year, the Parks & Recreation Department will focus on adding fencing to the soccer fields, working towards the softball fields, fencing the softball...

Joe Oruduno Park - Park Restroom Replacement (Upgrade) **\$377,170**

The Joe Orduno Park restrooms have not had an upgrade in several years. The Joe Orduno Park is highly visited and reserved for various sporting activities, with the demand of the park, the restrooms are in a dire need for upgrades. Staff has...

Los Alamos Lighting **\$58,780**

The Parks Grounds Department has been reaching out to vendors to assist with the installation of lighting for Los Alamos.

Maintenance for Assessment Audits **\$1,000,000**

An audit was done on several assessments, and it was advised that many repairs are needed to make areas up to code.

San Luis Veterans Memorial Park **\$1,244,630**

The City budget request for the construction of San Luis Veteran Memorial Park.

Total: \$4,643,870



Facilities Requests

Itemized Requests for 2025-2030

Chevrolet Silverado	\$90,000
Three vehicles are needed. One of the vehicles is needed to replace an old vehicle, which is a 2006 Ford Ranger, Mileage 88331. The other two vehicles would be for additional staff requested.	
DUCT CLEANING FOR CITY HALL, POLICE & FIRE DEPARTMENT	\$79,950
Utilizing professional air duct cleaning can maximize HVAC efficiency, save on utility bills, improve air quality, and reduce dust accumulation.	
ELECTRICAL AND PROXY WORK FOR CITY HALL, POLICE DEPARTMENT AND FIRE DEPARTMENT GATE DOORS	\$21,000
ELECTRICAL WORK AND PROXY WORK IS NEEDED FOR GATE DOORS (6) LOCATED AROUND CITY HALL, POLICE AND FIRE. INSTALLING PROXY WILL LIMIT ACCESS TO EMPLOYEES ONLY.	
FLOORING REPLACEMENT AT CITY HALL	\$369,000
WILL REMOVE THE OLD CARPET AND REPLACE WITH TILE.	
FLOORING REPLACEMENT AT FIRE DEPARTMENT	\$79,000
WOULD LIKE TO REMOVE THE OLD CARPET AND REPLACE WITH TILE FLOORING.	
FLOORING REPLACEMENT AT POLICE DEPARTMENT	\$183,000
WOULD LIKE TO REPLACE FLOORING AT POLICE STATION.	
INSTALL NEW SIGNAGE FOR BUILDING	\$22,700
(5) SIGNAGE FOR FIVE DIFFERENT BUILDINGS. SOME BUILDINGS HAVE SIGNAGE THAT IS BURNT DUE TO THE SUN. OTHERS DON'T HAVE A SIGN AT THE FRONT OF BUILDING. WOULD DO SAME STYLE TO HAVE UNIFORMITY.	
REFRIGERATION UNITS FOR VARIOUS BUILDINGS	\$539,450
A/C UNITS BEING REQUESTED WOULD BE REPLACED IF MAJOR ISSUES OCCUR AT ANY OF OUR CITY BUILDINGS.	
ROOF REPAIR AT CITY HALL	\$230,000
ROOF NEEDS TO BE REPAIRED DUE TO TILES FALLING AND TO AVOID AN ACCIDENT.	
Roof repair at Fire Department	\$198,400
The roof needs to be repaired. A 10% increase was added to the original quote.	
Roof repair at Police Department	\$177,500
The roof needs to be repaired. A 10% increase was added to the original quote.	
VCT FLOORING FOR GYMNASIUM option #1	\$11,530
REPLACING FLOORING AND CARPET WITH VCT.	
VCT YOUTH CENTER FLOOR REPLACEMENT	\$17,290
YOUTH CENTER REPLACE FLOOR AND CARPET WITH VCT FLOORING.	
Total: \$2,018,820	



Streets Requests

Itemized Requests for 2025-2030

10th Ave Widening - Phase 1 (Construction)	\$1,500,000
Acquiring right of way may take longer than one year.	
10th Avenue & Los Alamos Curve Project	\$79,230
This project was pushed out. The FY25 match will be \$79,222.00	
6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Design	\$3,944,000
Engineer estimate provided by JDA for 2 lane road.	
6th Avenue Repaving - U Street to Cesar Chavez Blvd Roadway Project	\$850,000
Repaving of failed pavement	
Ave B Shoulder Improvements	\$75,610
The Yuma Metropolitan Planning Organization (YMPO) has confirmed the Project's eligibility for Highway Safety Improvement Program (HSIP) funds, and the State of Arizona has awarded the funding and has signed an IGA with Yuma County, through...	
Ave F Street Widening Design (between Cesar Chavez Blvd and San Luis Lane) - Design, Bid, Construction	\$1,990,000
NEI recommends removing sidewalks for now to expedite the construction of this roadway. Please see the project schedule below. 2/21/24, 60% 3/15/24, 95% 4/30/24, 100% 5/30/24, Contract Docs/Project Manual 6/5/24 & 6/12/24...	
Beautification Project, Urtuzuastegui Street Right of way	\$40,000
Beautification Project, Urtuzuastegui Street Right of way. The project will consist of landscape improvements on Urtuzuastegui Street to the south and north right of ways between 6th Avenue to 10th Avenue. Spec: 1.Gravel/aggregate...	
Cesar Chavez Blvd. Project Match ADOT	\$3,200,000
The project is the widening of the boulevard from two lanes to four lanes with a center median (design and construction) City Match - ADOT Project.	
Cesar Chavez Boulevard Street Lights	\$1,000,000
Cesar Chavez Boulevard Streetlights for widening project.	
Co. 22nd and 4th Ave Intersection Improvements and Traffic Signal	\$1,125,000
The road widening, turn lanes, and traffic signal will help improve circulation for this corridor. Right of way acquisition APS relocation of poles \$24K Best case scenario, go out to bid on 6/1/24 same as Ave...	
Co. 22nd and Sidewinder Road Traffic Signals	\$220,000
Materials have been ordered. Design has been completed. The bid would only include installation and approximately 20 yards of concrete work. Westmoore provided a quote of approximately \$200k (Nate) with 10% contingency	
Co. 22nd St. between Sidewinder Rd. & Main St. Roadway Widening Design and Construction	\$2,500,000
Roadway capacity improvement	
Co. 25th Street extension to Ave B	\$50,000
For planning/conceptual design.	
Drainage Improvements, Beach Street and Escondido Street	\$50,000
Drainage Improvements, Beach Street and Escondido Street. After every large rainstorm, large amounts of puddling occur near the intersection of Beach Street and Escondido Street, requiring the City staff to respond and place temporary traffic...	



Drainage Improvements, Cesar Chavez Blvd and Escondido Street	\$50,000
Drainage Improvements, Cesar Chavez Blvd and Escondido Street. After every large rainstorm, quantities of sand and sediment end up on Cesar Chavez near Escondido Street, requiring the City staff to respond and place temporary traffic control and...	
Drainage Improvements, Liberty Street and 7th Place	\$94,950
Drainage Improvements, Liberty Street and 7th Place. After every large rainstorm, large amounts of puddling occur near the intersection of Liberty Street and 7th Place, requiring the City staff to respond and place temporary traffic control...	
Drainage Improvements, Mesa Street and Cesar Chavez Blvd	\$50,000
Drainage Improvements, Mesa Street and Cesar Chavez Blvd. It was discovered in January 2024 that the east side drain was not completed during construction. The drain does not lead anywhere, repairs are needed. West side repairs are needed as...	
GSA Project - Improvements on Urtuzuastegui Street	\$359,000
This is part of the IGA for the POE, U Street Improvements will include traffic signal improvements on U Street and Archibald and Williams Brooks. Was formerly housed under Economic Development (200-210-90010)	
Highway users additional vehicle, Concrete Crew	\$54,000
An additional pickup truck is needed for the Highway Users Concrete Crew.	
John Deere 3025D compact tractor for Highway Users	\$40,000
Highway users is in need of a compact tractor and attachments for the maintenance of right of ways and repairs.	
Lakin Subsidence issue, road improvement	\$50,000
Approximately 150' of the right northbound lane is experiencing subsidence. Engineering services are needed to evaluate the issue.	
Main Street & B Street Intersection Improvements	\$530,000
Roadway circulation improvement Traffic Signal on B & Main + other impts.	
New Traffic Signal Ave E and Co 24th St and intersection widening	\$100,000
This project is required to improve traffic safety and vehicular flow at this targeted intersection. Developer will be paying for 100% of the cost. Right of way acquisition to be performed by City of San Luis.	
New Traffic Signal, Ave F and Co 24th St	\$591,000
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 similar project, \$83,500 (Co. 22nd and 4th Ave). We...	
Radio System Upgrade to YRCS	\$79,000
Radio System Upgrade to YRCS.	
Reoccurring Pavement Preservation Program	\$1,800,000
Pavement preservation involves applying a series of low-cost treatments every few years to a roads that are in good condition to slow down further deterioration. Pavement preservation treatments such as; slurry seal, fog seal, and chip seal can...	
Road Improvement, 5th Avenue and Kennedy Lane south and east cross gutters	\$150,000
Road Improvement, 5th Avenue and Kennedy Lane south and east cross gutters. The cross gutters at the aforementioned intersection have caused numerous complaints from residents. The cross gutters were poorly designed and can cause vehicle damage if...	
Union Street and 4th Avenue intersection and Traffic Signal Improvements	\$1,462,000
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...	



Construction match for ADOT project

Total: \$22,135,530

Wastewater Operations Requests

Itemized Requests for 2025-2030

Cesar Chavez Blvd Wastewater Main Improvements

\$600,000

Cesar Chavez Blvd Wastewater & Water Main Improvements - New connections and services prior to street widening. System improvements.

East Wastewater Treatment Plant Improvements

\$850,000

East Wastewater Treatment Plant Improvements - Headworks, Contact chamber, valves, meters and chlorine room.

Escondido Lift Station Relocation

\$300,000

Escondido Lift Station needs to be relocated due to the Cesar Chavez Blvd expansion project.

EWWTTP Expansion Construction

\$10,000,000

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 increase its current treatment capacity...

EWWTTP Expansion Design

\$1,000,000

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...

Lakin Lift Station Wet Well Rehabilitation

\$100,000

Lakin Lift Station Wet Well Rehabilitation - 38 years of operation

Radio System Upgrade to YRCS - Wastewater

\$79,000

Radio System Upgrade to YRCS.

SCADA - Supervisory Control and Data Acquisition - Wastewater

\$1,400,000

SCADA - Supervisory Control and Data Acquisition - Water & Wastewater automated controlling for treatment, distribution and collection facilities.

Sewer Manhole Repairs and Replacements and Carryover

\$1,350,000

Wastewater Operations Division is requesting funding to repair and or replace 10 manholes within the sanitary sewer system per year. The earliest part of our City has an aging sanitary sewer system. Our Wastewater Operations Division has...

West Wastewater Treatment Plant Expansion Construction (Inc. Building & FM) - Construction and Design

\$28,000,000

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. During the FY25...

Total: \$43,679,000

Fleet Services Requests

Itemized Requests for 2025-2030

Fleet Services Vehicle wash bay **\$14,000**

A vehicle/equipment wash bay is needed to perform cleaning of parts, vehicles, equipment. Description Vendor Qty Unit Price
Total Note Concrete Contract 20...

Total: \$14,000

Solid Waste Requests

Itemized Requests for 2025-2030

Leased Solid Waste Side Truck purchase, Vin: 115823 **\$339,600**

On September 25, 2023 Mayor and City Council approved the 12 month lease of a 2024 Peterbilt Solid Waste Automatic Side Loader Truck Vin: 115823. The intent is to purchase the vehicle on 8/24/24 at the price of \$339,600.00 receiving a credit of...

Radio System Upgrade to YRCS - Solid Waste **\$39,000**

Radio System Upgrade to YRCS.

Used Rear loader **\$244,000**

Solid Waste is requesting a second rear loader for the annual community cleanup campaign, special pickups, and other solid waste operations for Fiscal Year FY27. During the 05/31/23 Council Meeting, the purchase of 2021 Frieghtliner Solid...

Total: \$622,600

Development Services Requests

Itemized Requests for 2025-2030

New GIS Vehicle **\$53,700**

New vehicle for GIS to be used for on-site inspections and collection of GPS data. Currently, there is no vehicle for GIS operations, as the City grows demand for GIS projects is increasing, including data collection.

New Vehicle for New Code Enforcement Officer Position **\$53,700**

New vehicle for GIS to be used for on-site inspections and collection of GPS data. Currently, there is no vehicle for GIS operations, as the City grows demand for GIS projects is increasing, including data collection.

Total: \$107,400



Information Technology Requests

Itemized Requests for 2025-2030

Monopole Tower Structure and Modular Data Center **\$400,000**

The project aims to enhance communication infrastructure on the east side of the city by constructing a monopole and modular data center to mount and house a radio frequency repeater. This repeater will significantly improve signal strength and...

Network infrastructure replacement **\$94,000**

Network infrastructure is nearing end of life in three years. Equipment will be phased out in the following three years to minimize the financial impact. Network switches are responsible for interconnecting information technology systems such as...

Total: \$494,000

Recreation Requests

Itemized Requests for 2025-2030

Recreation Department Expansion Project - Continuation **\$230,090**

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...

Renovation of Recreation Department Indoor Restrooms **\$127,990**

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...

Total: \$358,080

Finance Requests

Itemized Requests for 2025-2030

Advanced Scheduling software Implementation **\$15,670**

Time & attendance -Advanced Scheduling software Implementation

Total: \$15,670

Municipal Pool Requests

Itemized Requests for 2025-2030

Municipal Pool Repair & Renovation Project (Contd) **\$55,000**

The Municipal Pool will be undergoing repairs and renovations in FY24 & FY25. In Fiscal Year 2023, staff published an RFP seeking proposals from qualified, licensed, and insured contractors to renovate and repair the Municipal Pool. Staff...

Total: \$55,000



City Administration Requests

Itemized Requests for 2025-2030

City Hall Building Expansion Design	\$130,000
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Expansion City Hall

East Wing City Hall Remodelation	\$160,000
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East Wing City Hall Remodelation to accommodate new personnel.

Total: \$290,000

Youth Center Requests

Itemized Requests for 2025-2030

New Gym Equipment for Youth Center	\$40,000
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The Youth Center would like to update its existing gym exercise equipment. The Youth Center has exercise equipment for its participants to enjoy. However, due to wear and tear, the machines are in dire need of replacement. It is more...

Total: \$40,000

Police Department Requests

Itemized Requests for 2025-2030

Police Equipment Border Security DEMA Grant	\$1,384,300
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The San Luis PD received a Conditional Award for the Border Security DEMA Grant.

Total: \$1,384,300

Utility Billing & Collection Requests

Itemized Requests for 2025-2030

AMI - Automated Metering Infrastructure	\$2,700,000
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AMI - Automated Metering Infrastructure - WIFA Grant + Local Match

Total: \$2,700,000



PW Administration Requests

Itemized Requests for 2025-2030

New Public Works & HU Office Design and Construction

\$4,911,600

This project provides a new 10,000 ft2 office/shop/storage building for Public Works Administration and the Highway Users (HU) Division. The new building will provide a centralized location for Public Works and HU operations and consist of...

Total: \$4,911,600



Water Operation Requests

Itemized Requests for 2025-2030

Abandon Well Sites 1 and 2	\$100,000
This project provides for capping and all related environmental protection measures associated with abandoning well sites 1 and 2 that are no longer required for production of City water. Provides a cost avoidance for the City in terms of...	
Cesar Chavez Blvd Water Main Improvements	\$600,000
Cesar Chavez Blvd Wastewaer & Water Main Improvements - New connections and services prior to street widening. System improvements.	
New Water Main Loop - San Luis Lane and Avenue D	\$220,000
Water system improvement	
Radio System Upgrade to YRCS - Water	\$54,000
Radio System Upgrade to YRCS.	
SCADA - Supervisory Control and Data Acquisition - Water	\$610,000
SCADA - Supervisory Control and Data Acquisition - Water & Wastewater automated controlling for treatment, distribution and collection facilities.	
Water Storage Tank #6 Rehabilitation Project	\$800,000
Water System Improvement.	
Water Storage Tank #7 (1MG) Rehabilitation Project	\$2,000,000
Water System Improvement.	
Water Treatment process change, Sodium hypochlorite chlorination at four well sites	\$75,000
Water Treatment process change, Sodium hypochlorite chlorination at four well sites	
Well Site #3 - Entire Electrical Upgrade and Repiping	\$1,000,000
Water System Improvements.	
Well Site 5 - New Million Gallon Storage Tank	\$4,500,000
Water system improvement	
Well Site 5, Well, MTU, Filters	\$4,300,000
Provides additional water production and treatment capability at this targeted location. Right-sizes the City's water production/treatment infrastructure to ensure continued adequate, reliable service for the community. This project...	
Well Site 7 - New 2 Million Gallons Storage Tank and Distribution Lines	\$3,800,000
System improvements. A new 2MG Storage Tank and new distribution lines to enhance system.	
Well Site 7 - New Groundwater Well and MTU	\$3,500,000
In July of 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...	
Total: \$21,559,000	



Operations Requests

Itemized Requests for 2025-2030

Solid Waste Truck Lease/Purchases **\$530,000**

Replacements: FY28/FY29: Vehicle 3270, a 2004 Autocar Scorpion Solid Waste Truck, Vin: 5VCDC6BEX6H203270). This truck is 20 years old. The average life span of a solid waste truck is 8 years. FY29/FY30: Vehicle 487 a 2004...

Total: \$530,000

BC Requests

Itemized Requests for 2025-2030

ACT Call Center & Senior Center Parking Lot Slurry **\$50,000**

Pavement preservation for facility parking lot

Total: \$50,000



REVENUE SUMMARY



Revenues Summary

In Fiscal Year 2025, the City of San Luis is positioned for substantial financial growth, with total revenues projected to reach \$125.2 million, a notable 23 percent increase from the previous year's estimate of \$101.7 million. While the overall budget may appear lower than last year, this is due to the removal of the Cesar Chavez Blvd project, which was included in the FY 2024 budget with \$33 million in federal and state grant funding. As the project will now be handled by the state, it has been excluded from the FY 2025 budget. It's worth noting that a substantial portion of these FY 2025 revenues, approximately \$14.4 million, are attributed to grant proceeds. These grant proceeds have displayed year-to-year fluctuations, with a recent spike owing to ARPA grants and federal assistance linked to the COVID-19 pandemic. Importantly, the city is obligated to allocate these grant revenues by December 2024.

When we exclude grant proceeds from the equation, the City's FY 2025 revenue sources still demonstrate a robust 22 percent increase above the FY 2024 estimated total.

The City of San Luis is not an exception when it comes to reaping the benefits of the ongoing national economic growth, a trend that is visibly reflected in its financial performance. To put this into perspective, from 2019 to 2020, the city experienced a notable employment growth rate of 6.17%. In the past year, local employment has exhibited a modest increase of 0.4%. Looking ahead, the forecasted job growth over the next decade is expected to be 3.5%, which is slightly lower than the national average. However, it's crucial to highlight a stark contrast in the current unemployment rate, standing at a concerning 22.2%, significantly surpassing the national average of 6%. This disparity can be attributed in part to the seasonality of employment in the City of San Luis, with most jobs tied to agriculture, which experiences spikes during the winter and reductions in the summer.

The absence of a property tax within the city underscores the significance of the City sales tax as the primary and consistent source of revenue for the general government. Therefore, there are valid reasons for exercising caution. Any downturn in the broader economy can have adverse effects on the city's financial stability. High inflation, currently at 5.0%, exerts pressure on both capital and operating budgets, leading to increased labor costs. Furthermore, the stock market's behavior, as exemplified by the volatility of the Dow Jones Industrial Average (DJIA), remains a cause for concern, with potential issues such as bank failures looming. Despite some stabilization in home prices, the challenge of housing affordability persists, exacerbated by elevated mortgage rates. These factors collectively necessitate a vigilant approach to financial planning and management within the City of San Luis.

Regarding the state's economy, year-to-date state sales tax revenue has grown by approximately 8.2%. Although City of San Luis sales tax growth is slightly lower than the state average at around 7%, it still demonstrates a healthy economic environment.

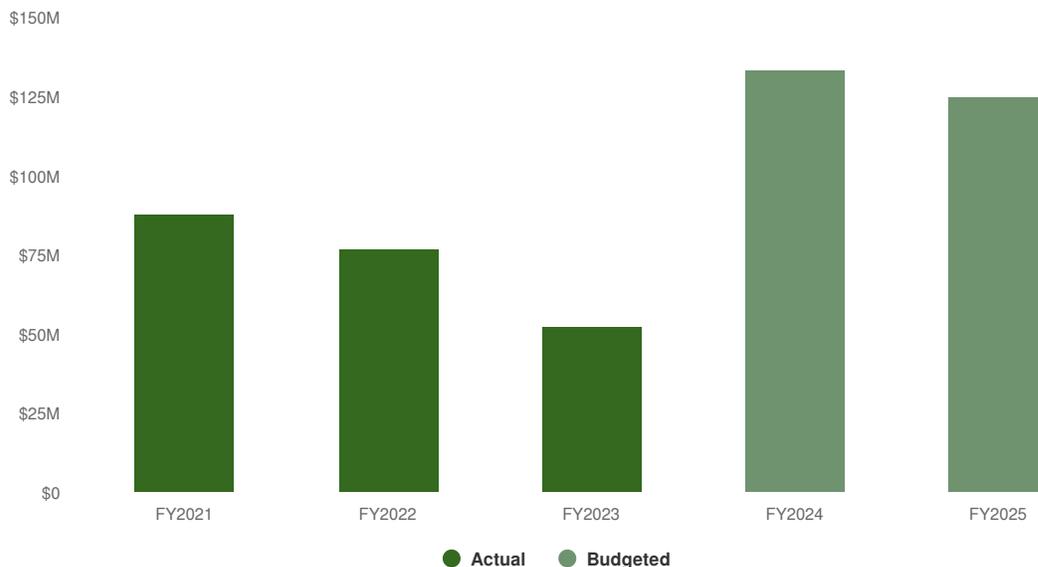


One area of improvement is the notable increase in new home construction activity within the city. Residential building permits have risen by 30% compared to FY 2022 and FY 2023. To provide context, 193 building permits were issued in FY 2022, which increased to 251 permits in FY 2023.

The City's revenue projections are founded on a comprehensive analysis of historical data, demographic trends, and economic forecasts. City staff meticulously scrutinize revenue trends, economic conditions, and the factors influencing revenue activity. All major revenue sources and fund types undergo rigorous evaluation, enabling continual updates to revenue forecasts for increased accuracy.

\$125,207,460 **-\$8,244,890**
 (-6.18% vs. prior year)

Revenues Proposed and Historical Budget vs. Actual



Revenue by Fund

In FY 2025, the General Fund has returned to its leading position as the City's primary revenue source, representing 26% of the total revenue. This shift reflects a stabilization of revenue streams, emphasizing the General Fund's role in supporting essential city services such as public safety, administration, and community services.

The San Luis Detention Facility (SLDF) continues to contribute significantly, accounting for 20% of the total revenue. This reflects ongoing financial inflows related to the detention center, which remains a key component of the City's comprehensive financial reporting.

The Wastewater Fund accounts for 17%, showing the City's continued investment in and prioritization of infrastructure and utility services to meet growing community demands.

Grants now account for 11.6% of revenue, a decrease from the previous year. This is primarily due to the removal of the Cesar Chavez Boulevard project from the FY 2025 budget, as the state has taken over responsibility for this project. The City's grant revenue, while still significant, is now focused on infrastructure and community projects.

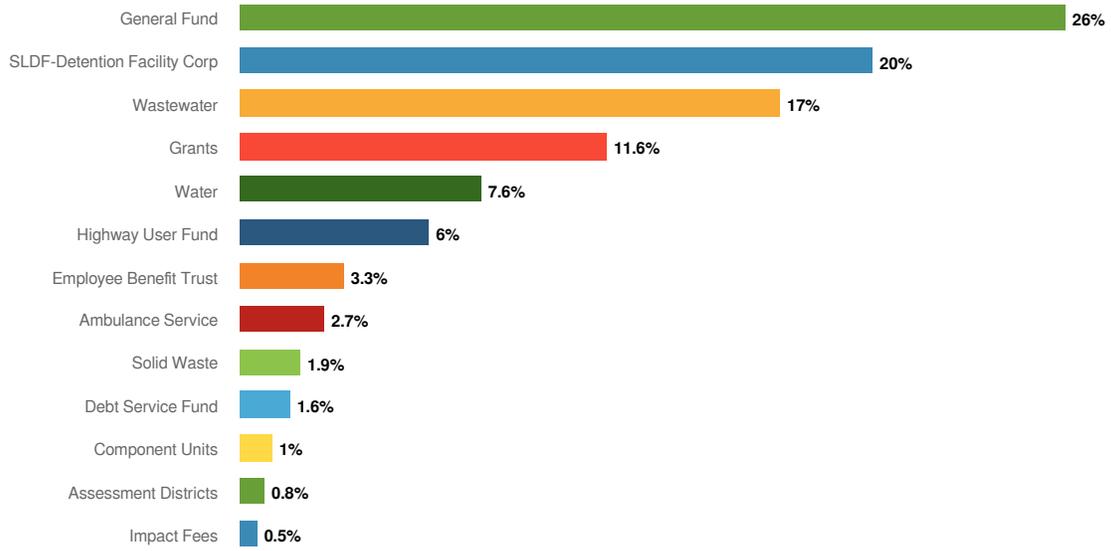
Other notable funds include:

- Water Fund at 7.6%, sustaining essential water services for residents.
- Highway User Revenue Fund (HURF) at 6%, contributing to transportation and road maintenance projects.
- Employee Benefit Trust at 3.3%, supporting employee health and benefit programs.

Smaller contributions come from the Ambulance Service (2.7%), Solid Waste (1.9%), and the Debt Service Fund (1.6%), among others, which together create a diverse revenue portfolio essential for maintaining the City's fiscal health.

This balanced approach ensures the City can continue to meet operational needs while investing in long-term infrastructure and service improvements. See the chart for further details.

2025 Revenue by Fund



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
General Fund						



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Taxes	\$12,431,186	\$8,782,773	\$13,929,380	\$16,675,409	\$15,650,450	12.4%
Intergovernmental	\$11,432,034	\$10,262,290	\$17,789,274	\$16,908,872	\$15,216,490	-14.5%
Licenses & Permits	\$739,853	\$526,097	\$726,830	\$1,239,704	\$893,160	22.9%
Other Revenue	\$119,304	\$41,413	\$62,000	\$120,986	\$106,000	71%
Charges For Services	\$70,020	\$37,572	\$55,740	\$67,601	\$44,650	-19.9%
Rent	\$170,233	\$293,892	\$173,300	\$21,321	\$173,300	0%
Fines & Forfeits	\$259,621	\$164,925	\$244,600	\$310,586	\$277,400	13.4%
Interest Revenue	\$44,538	\$383,186	\$250,000	\$1,116,328	\$250,000	0%
Total General Fund:	\$25,266,789	\$20,492,148	\$33,231,124	\$36,460,806	\$32,611,450	-1.9%
Highway User Fund						
Other Revenue	\$37,442	\$300		\$10,251		N/A
Impact Fees	\$473,868	\$269,245	\$406,800	\$909,502	\$562,000	38.2%
Interest Revenue	\$6,325	\$120,911	\$75,000	\$543,447	\$75,000	0%
HURF - Special Revenues	\$3,376,414	\$2,331,202	\$3,804,400	\$3,667,609	\$3,628,630	-4.6%
Other Financing Sources	\$149,178	\$0	\$3,477,320	\$1,279,621	\$3,214,430	-7.6%
Total Highway User Fund:	\$4,043,227	\$2,721,659	\$7,763,520	\$6,410,429	\$7,480,060	-3.7%
Grants						
Special Rev - Public Safety						
Intergovernmental	\$199,801	\$108,334	\$220,000	\$215,930	\$220,000	0%
Other Revenue	\$616,213	\$340,069	\$1,790,000	\$1,076,222	\$2,661,080	48.7%
Charges For Services	\$46,752	\$36,494	\$100,000	\$93,813	\$100,000	0%
Fines & Forfeits	\$5,676	\$4,145		\$7,331		N/A
Total Special Rev - Public Safety:	\$868,442	\$489,041	\$2,110,000	\$1,393,295	\$2,981,080	41.3%
Special Rev - Comm Development						
Other Revenue	\$1,184,180	\$916,702	\$39,474,017	\$632,491	\$10,028,180	-74.6%
Other Financing Sources	\$143,556	\$0	\$1,368,506	\$103,361	\$1,407,090	2.8%
Total Special Rev - Comm Development:	\$1,327,736	\$916,702	\$40,842,523	\$735,852	\$11,435,270	-72%
Judicial Collection Enhancement						
Fines & Forfeits	\$76,930	\$52,018	\$73,200	\$85,935	\$77,500	5.9%
Total Judicial Collection Enhancement:	\$76,930	\$52,018	\$73,200	\$85,935	\$77,500	5.9%
Total Grants:	\$2,273,108	\$1,457,761	\$43,025,723	\$2,215,081	\$14,493,850	-66.3%
Employee Benefit Trust						
Other Revenue	\$2,962,414	\$2,021,042	\$3,339,900	\$2,892,150	\$4,094,000	22.6%
Interest Revenue	\$4,205	\$2,123	\$4,300	\$6,989	\$4,300	0%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Total Employee Benefit Trust:	\$2,966,618	\$2,023,165	\$3,344,200	\$2,899,138	\$4,098,300	22.5%
Water						
Other Revenue	\$118,794	\$94,469	\$115,000	\$1,748,290	\$3,419,920	2,873.8%
Charges For Services	\$4,628,184	\$3,372,247	\$5,265,381	\$5,617,614	\$5,790,000	10%
Impact Fees	\$129,881	\$93,221	\$131,700	\$277,670	\$178,000	35.2%
Interest Revenue	-\$11,073	\$250,875	\$165,000	\$658,741	\$165,000	0%
Total Water:	\$4,865,786	\$3,810,813	\$5,677,081	\$8,302,315	\$9,552,920	68.3%
Wastewater						
Other Revenue	\$7,064	\$0		\$1,673,813	\$1,000	N/A
Charges For Services	\$4,252,663	\$3,575,409	\$5,143,978	\$5,496,644	\$5,904,000	14.8%
Impact Fees	\$207,308	\$143,183	\$201,100	\$447,177	\$300,000	49.2%
Interest Revenue	\$17,010	\$144,935	\$95,000	\$379,513	\$95,000	0%
Other Financing Sources	\$0	\$0			\$15,000,000	N/A
Total Wastewater:	\$4,484,045	\$3,863,527	\$5,440,078	\$7,997,146	\$21,300,000	291.5%
Solid Waste						
Other Revenue	\$35,530	\$19,050	\$38,000	\$51,902	\$43,000	13.2%
Charges For Services	\$1,605,233	\$1,359,667	\$1,966,609	\$2,144,247	\$2,363,000	20.2%
Total Solid Waste:	\$1,640,763	\$1,378,717	\$2,004,609	\$2,196,149	\$2,406,000	20%
Ambulance Service						
Other Revenue	\$1,003	\$1,972		\$256,749		N/A
Charges For Services	\$2,428,820	\$1,430,884	\$3,350,000	\$3,400,907	\$3,350,000	0%
Interest Revenue				\$250		N/A
Total Ambulance Service:	\$2,429,824	\$1,432,856	\$3,350,000	\$3,657,906	\$3,350,000	0%
SLDF-Detention Facility Corp						
Other Revenue	\$25,263,660	\$13,578,746	\$25,000,000	\$20,632,799	\$25,000,000	0%
Interest Revenue	\$2,476	\$60,868	\$100,000	\$491,465		N/A
Total SLDF-Detention Facility Corp:	\$25,266,135	\$13,639,614	\$25,100,000	\$21,124,264	\$25,000,000	-0.4%
Debt Service Fund						
Other Revenue	\$28	\$6,329		\$20,028		N/A
Interest Revenue	\$5,849	\$81,777	\$100,000	\$471,017		N/A
Other Financing Sources	\$1,640,331	\$0	\$1,647,100	\$1,673,300	\$1,978,880	20.1%
Total Debt Service Fund:	\$1,646,208	\$88,106	\$1,747,100	\$2,164,346	\$1,978,880	13.3%
Impact Fees						
Other Revenue	\$7	\$0		\$6		N/A
Impact Fees	\$601,513	\$334,529	\$603,000	\$1,091,926	\$680,000	12.8%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Interest Revenue	\$7,580	\$62,762		\$161,844		N/A
Total Impact Fees:	\$609,100	\$397,291	\$603,000	\$1,253,776	\$680,000	12.8%
Assessment Districts						
Special Assessments	\$584,632	\$339,744	\$826,270	\$796,439	\$973,200	17.8%
Total Assessment Districts:	\$584,632	\$339,744	\$826,270	\$796,439	\$973,200	17.8%
Component Units						
SL Community Facilities District						
Rent	\$2,500	\$0	\$2,500	\$2,500	\$2,500	0%
Total SL Community Facilities District:	\$2,500	\$0	\$2,500	\$2,500	\$2,500	0%
Business Incubator						
Other Revenue	\$3,271	\$1,900	\$2,300	-\$12,768	\$2,300	0%
Rent	\$86,805	\$71,126	\$121,869	\$125,454	\$122,000	0.1%
Total Business Incubator:	\$90,076	\$73,026	\$124,169	\$112,686	\$124,300	0.1%
Business Center						
Other Revenue	\$98,723	\$0		\$57,249		N/A
Rent	\$534,673	\$500,000	\$600,000	\$562,617	\$600,000	0%
Interest Revenue	\$318	\$229	\$300	\$896		N/A
Other Financing Sources	\$0	\$0	\$612,676		\$556,000	-9.3%
Total Business Center:	\$633,713	\$500,229	\$1,212,976	\$620,762	\$1,156,000	-4.7%
Total Component Units:	\$726,289	\$573,255	\$1,339,645	\$735,948	\$1,282,800	-4.2%
Total:	\$76,802,525	\$52,218,657	\$133,452,350	\$96,213,744	\$125,207,460	-6.2%



Revenues by Source

City revenues for FY 2025 can be classified into several key sources, as illustrated in the updated graph. The largest percentage of revenue, estimated at 36.2%, comes from **Other Revenue**, which now primarily consists of grants and San Luis Detention Facility (SLDF) revenues. The SLDF, a separate component of the City's financial reporting, continues to contribute substantially to the overall revenue picture.

Other Financing Sources make up 17.7% of total revenues, reflecting external funding streams such as bonds or transfers that the City uses to support large-scale projects and capital improvements.

Charges for Services represent 14% of the total revenue, an increase from prior years, encompassing key services such as utility fees, ambulance service fees, and other municipal services.

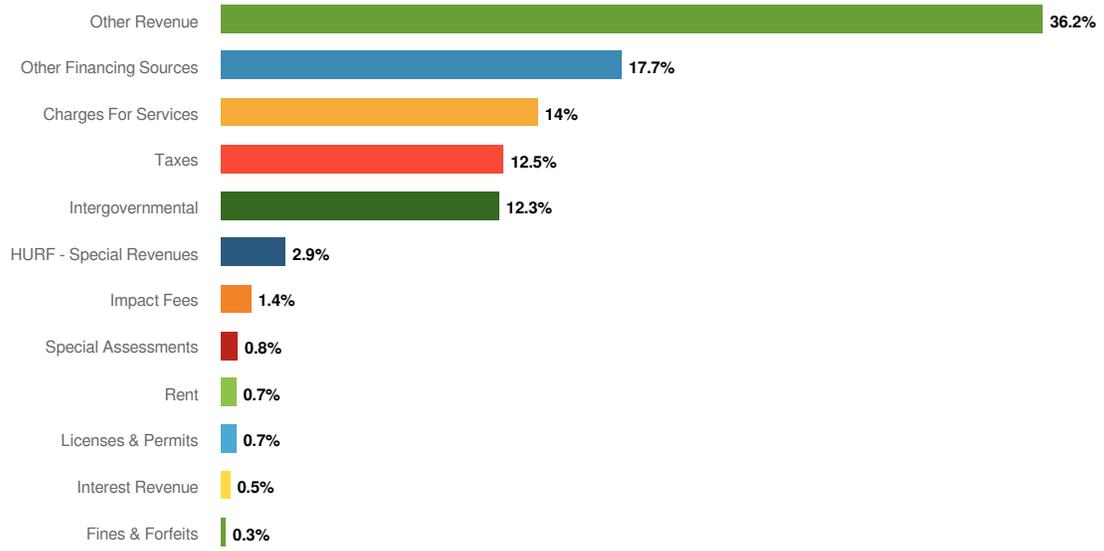
Taxes, which include the City's sales tax and other local taxes, account for 12.5% of the total revenue, highlighting the importance of these recurring sources for sustaining general government operations.

Intergovernmental Revenue contributes 12.3% of the total revenue. These funds are primarily derived from state-shared revenues, highway user revenues, and other contributions from the federal or state governments.

Additional revenue sources include:

- **HURF - Special Revenues** at 2.9%, which are used primarily for transportation and road-related projects.
- **Impact Fees** at 1.4%, collected from developers to help offset the cost of infrastructure improvements.
- **Special Assessments, Rent, Licenses & Permits, Interest Revenue, and Fines & Forfeits** collectively account for smaller portions of the City's revenue, contributing to the overall financial health.

Projected 2025 Revenues by Source



Intergovernmental- State Shared Revenue

State Shared revenues represent a significant component of the City's Intergovernmental Revenue. For FY 2025, we anticipate \$18.8 million in State Share Revenue. These revenues are derived from a portion of specific tax collections by the State of Arizona, primarily allocated based on population share. According to the 2020 decennial census, the City of San Luis's estimated population stands at 35,257, marking an impressive population growth of 128.0% from 2010 to 2020.

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.

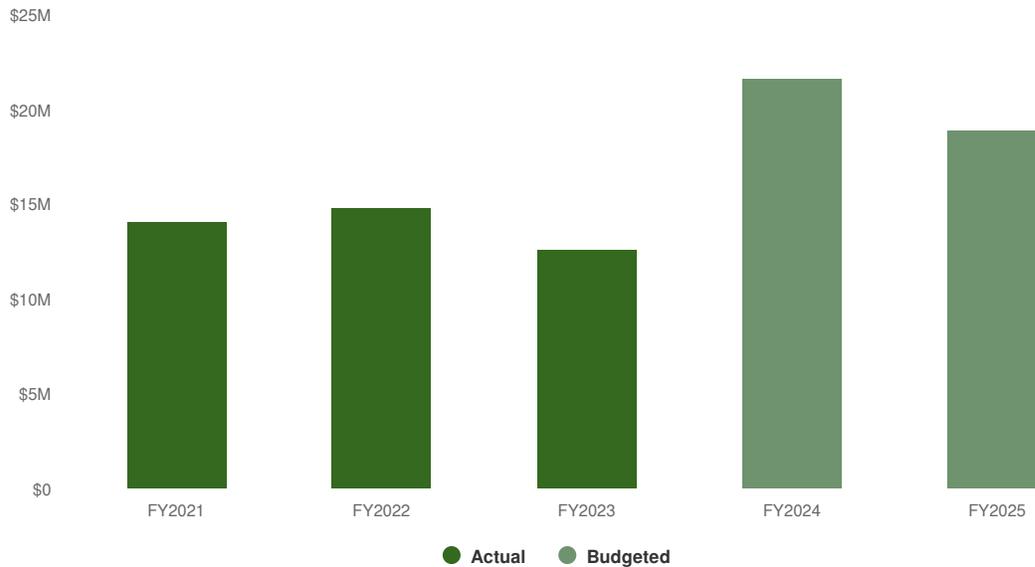
Collectively, these first three State Shared sources constitute over 53% of the General Fund operating budget, making them versatile resources that can support various general government activities. In contrast, HURF revenues are exclusively earmarked for street and highway-related purposes, including 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 2025, we have budgeted \$15.2 million in State Shared revenues for the General Fund, reflecting a 14.5% decrease compared to the FY 2024 adopted budget of \$17.8 million. This decrease is largely driven by the significant reduction in Urban Revenue Sharing, which has been impacted by the state of Arizona's flat tax rate of 2.5%. 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 FY2026. 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 2025 projection for HURF revenues stands at \$3.6 million, marking a 5% decrease compared to the previous year's budget estimate of \$3.8 million. These revenues are critical for sustaining and enhancing our city's transportation infrastructure.

\$18,845,120 **-\$2,748,554**
 (-12.73% vs. prior year)

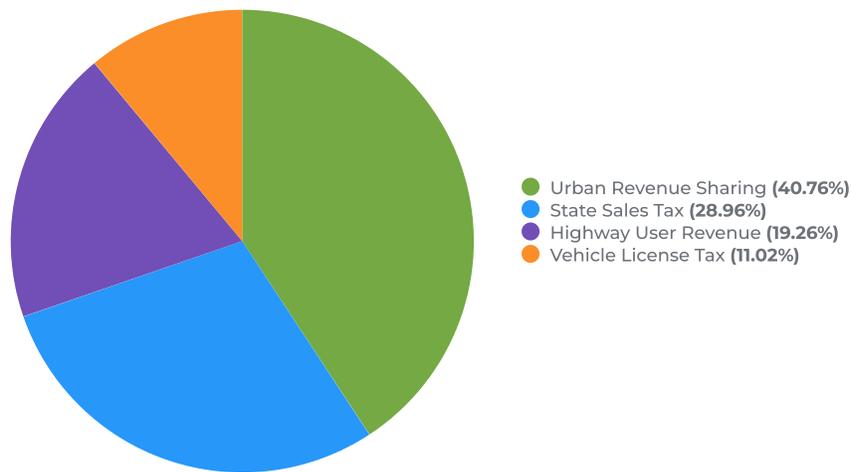
Revenues all funds Proposed and Historical Budget vs. Actual



State Shared Revenue by Category

Intergovernmental revenues represent one of the major revenue sources for the city at 15% of total revenues and are estimated at \$18.8 million for fiscal year 2024-25. The following table and graphs depict the various intergovernmental revenues categories.

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.

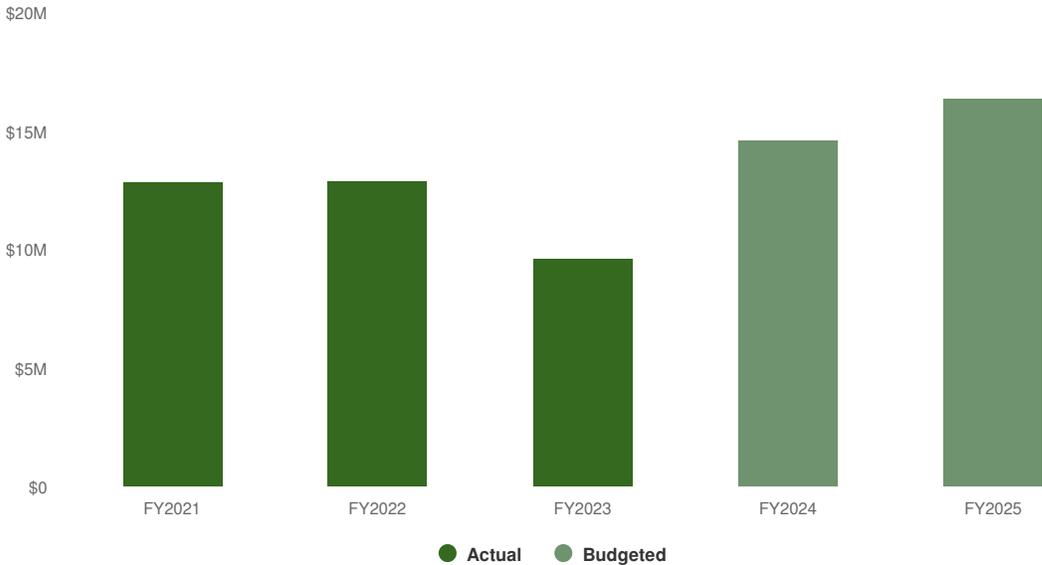
This 10.712% sales tax rate in San Luis is composed of several components: 5.6% constitutes the Arizona state sales tax, 1.112% is allocated to Yuma County's sales tax, and the remaining 4% contributes to the San Luis tax portion. It's essential to note that there are no additional special taxes in effect. 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 9.97% of the total revenue city wide, and 40% 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 \$16.3 million, signifying a 11.6% increase over the projected revenues for fiscal year 2023-24.

\$16,351,150 **\$1,753,870**
 (12.02% vs. prior year)

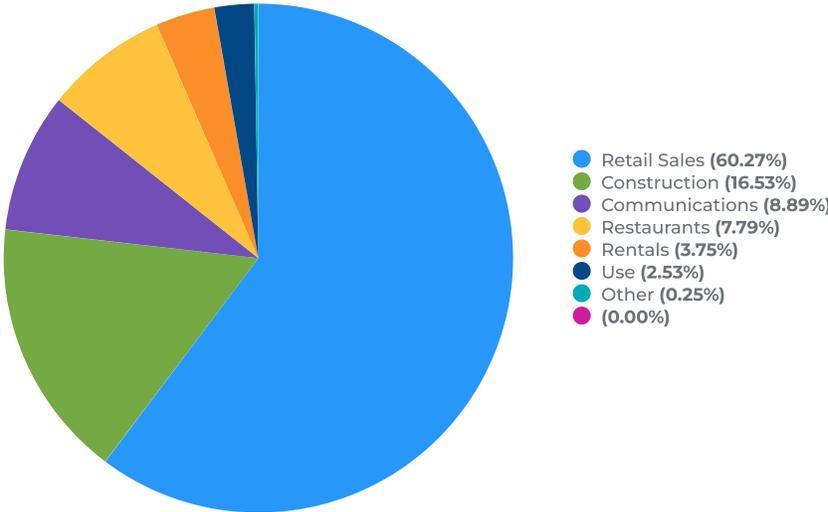
Sales Tax Proposed and Historical Budget vs. Actual



City Sales Tax by Category

Notably, approximately 68% of the total TPT revenue is generated from retail sales, with the remaining portion primarily originating from construction, rentals, communications/utilities, and restaurants & bars. The chart below provides detail of the distribution for the City sales tax per category.

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, ADOT grants, and notably, funding from the American Rescue Plan Act (ARPA) to address the profound impact of the COVID-19 pandemic.

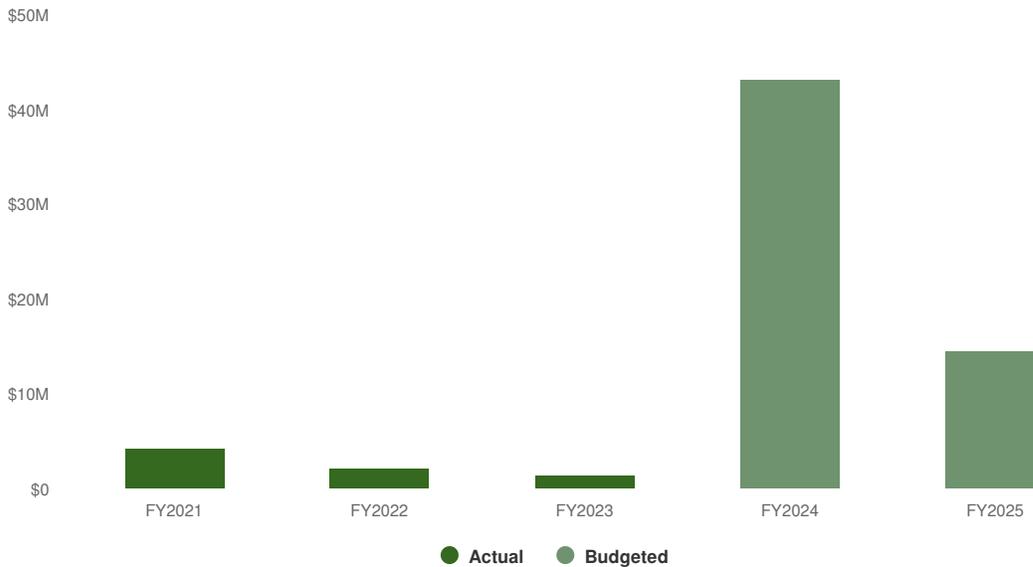
It's essential to recognize that grant revenue is characterized by its non-recurring nature and susceptibility to annual fluctuations. These revenues are designated exclusively for the purposes stipulated in the approved grant agreements and must adhere to the expenditure guidelines set by the grantors.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

The City's ability to secure grants is contingent on applications submitted to granting agencies and the availability of funding from those agencies. This year's budget includes federal, state, and county funds totaling \$14,493,850, with a notable \$6.0 million allocated from the American Rescue Plan Act. Much of the ARPA funding has been earmarked for critical infrastructure projects, particularly for the construction of streets and wastewater infrastructure.

Within this category, we also present intergovernmental revenue related to the Smart and Safe Arizona Act. This act, known as Proposition 207, legalizes the sale and use of recreational marijuana for individuals aged 21 and older. The initiative introduces a 16.0% tax on the sale of recreational marijuana and associated products, with marijuana establishments also paying licensing fees. A notable portion of the resulting tax revenue is allocated to local governments, with a specific focus on covering the costs associated with Public Safety personnel. This revenue source has demonstrated consistency in recent years, and for the upcoming fiscal year (FY 2025), we project a total revenue of \$220,000 from this reliable source.

\$14,493,850 **-\$28,531,873**
 (-66.31% vs. prior year)

Revenues-Special Revenue Proposed and Historical Budget vs. Actual



Revenues 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.

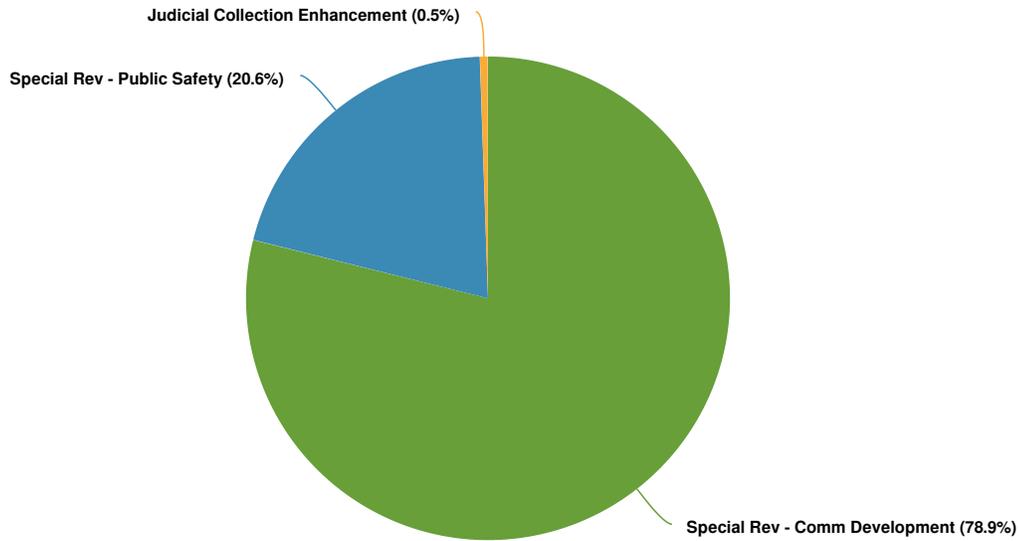


Revenue by Category

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, including the ARPA funds received 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:

2025 Revenue by Category



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Special Rev - Public Safety						
Intergovernmental						
Smart and Safe Arizona Act	\$90,742	\$53,514	\$110,000	\$96,891	\$110,000	0%
Smart and Safe Arizona Act	\$109,059	\$54,820	\$110,000	\$119,038	\$110,000	0%
Total Intergovernmental:	\$199,801	\$108,334	\$220,000	\$215,930	\$220,000	0%
Other Revenue						
Grant GPT - #221447CS012	\$2,987	\$0				N/A
Auction Revenues	\$10,980	-\$3,000		\$14,766		N/A
Impound	\$63,408	\$45,771	\$60,000	\$54,887	\$60,000	0%
Grants	\$0	\$0	\$788,846	\$3,000	\$1,369,800	73.6%
Grants - DOHS- OPSG 230432-01				\$81,367		N/A



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Yuma County Anti-Racketeering Fund	\$2,767	-\$1,121		\$2,096		N/A
Grant - ICAC Task Force	\$0	\$0	\$5,000	\$1,606	\$5,000	0%
Grants DOHS-OPSG 200434-01	\$358,586	\$0				N/A
Grant GOHS - DUI - 2021-AL-028	\$2,497	\$0				N/A
Grant GOHS - STEP - 2021-PTS-059	\$1,474	\$0				N/A
Grant - U.S Department Health & Human Services MOU -CSF	\$10,000	\$0				N/A
Grant - DOHS OPSG 180436-03	\$31,445	\$0				N/A
Grant - USMS Service Violent Offender Task Force	\$11,359	\$3,277	\$13,208	\$8,739	\$5,000	-62.1%
Grant GOHS - DUI - 2022-AL-030	\$7,726	\$7,126				N/A
Grant GOHS - STEP - 2022-PTS-058	\$12,474	\$4,159				N/A
Grants - DOHS- OPSG 210412-01	\$97,612	\$261,337	\$915,446			N/A
Grant GOHS - DUI - 2023-AL-028	\$0	\$3,659	\$3,000	\$4,742	\$6,000	100%
Grant GOHS - STEP - 2023-PTS-055	\$0	\$6,760	\$4,500	\$4,621	\$4,500	0%
Grant OPSG 220415-01				\$808,813	\$1,160,780	N/A
Grant OPSG 220415-02				\$34,962		N/A
Grants - GOHS - DUI # 2024-AL-029				\$10,279	\$20,000	N/A
Grants - GOHS - 2024-OP-018				\$2,660	\$5,000	N/A
Grants - GOHS - STEP-2024-PTS-057				\$18,973	\$25,000	N/A
Miscellaneous Revenue	\$2,900	\$200		\$5,850		N/A
Grants	\$0	\$11,900		\$18,861		N/A
Total Other Revenue:	\$616,213	\$340,069	\$1,790,000	\$1,076,222	\$2,661,080	48.7%
Charges For Services						
Police Revenue - SRO YUHSD # 70	\$46,752	\$36,494	\$100,000	\$93,813	\$100,000	0%
Total Charges For Services:	\$46,752	\$36,494	\$100,000	\$93,813	\$100,000	0%
Fines & Forfeits						
Fines, Criminal & Civil Traffic	\$5,676	\$4,145		\$7,331		N/A
Total Fines & Forfeits:	\$5,676	\$4,145		\$7,331		N/A
Total Special Rev - Public Safety:	\$868,442	\$489,041	\$2,110,000	\$1,393,295	\$2,981,080	41.3%
Special Rev - Comm Development						
Other Revenue						
Grants	\$516,121	\$0	\$4,890,303		\$5,465,000	11.8%
Donation	\$0	\$4,100		\$1,595		N/A
Donation	\$22,230	\$13,100		\$33,824	\$25,000	N/A
Grant - U.S Department Health & Human Services MOU -CSF	\$0	\$10,000				N/A
Donation	\$14,323	\$11,211	\$16,044	\$18,400	\$18,000	12.2%
Donation - Non Fed Cash	\$6,000	\$3,500	\$6,000	\$6,000	\$6,000	0%
Grants	\$89,079	\$47,975	\$107,096	\$104,567	\$84,630	-21%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Grants	\$56,304	\$104,395	\$27,320,210	\$346,988	\$3,462,910	-87.3%
Grant ADOT - Juan Sanchez Blvd Overly			\$3,987,435			N/A
Grant ADOH - CDBG 103-17 Merrill Street Improvements	\$0	\$0	\$496,929		\$466,640	-6.1%
Grant ADOH - CDBG 114-18 Merrill Street Improvements Phase II	\$0	\$0	\$500,000		\$500,000	0%
Grant ADOH - CDBG 113-20 Ranch Los Oros Improvements	\$0	\$0	\$2,150,000			N/A
Grant ADOT - MPD - ESP -Magrino Parks Subdivision 3	\$473,393	\$0				N/A
Grant CDBG Mesa Street	\$0	\$359,067				N/A
Grant State of Az - DTA HURF Exchange	\$0	\$363,355		\$121,118		N/A
Grants	\$6,731	\$0				N/A
Total Other Revenue:	\$1,184,180	\$916,702	\$39,474,017	\$632,491	\$10,028,180	-74.6%
Other Financing Sources						
Transfer In	\$143,556	\$0	\$1,368,506	\$103,361	\$1,407,090	2.8%
Total Other Financing Sources:	\$143,556	\$0	\$1,368,506	\$103,361	\$1,407,090	2.8%
Total Special Rev - Comm Development:	\$1,327,736	\$916,702	\$40,842,523	\$735,852	\$11,435,270	-72%
Judicial Collection Enhancement						
Fines & Forfeits						
J C E F Collections Revenue	\$6,559	\$4,129	\$6,200	\$8,286	\$7,500	21%
San Luis Court Enhancement	\$40,250	\$28,901	\$36,000	\$52,246	\$48,000	33.3%
Fill The Gap Funds	\$2,243	\$1,221	\$2,500	\$2,153	\$2,500	0%
Default Fees	\$20,161	\$13,456	\$21,000	\$19,025	\$16,000	-23.8%
Warrant Fees	\$7,270	\$4,311	\$6,600	\$4,225	\$3,500	-47%
San Luis Municipal Court Fare	\$446	\$0	\$900			N/A
Total Fines & Forfeits:	\$76,930	\$52,018	\$73,200	\$85,935	\$77,500	5.9%
Total Judicial Collection Enhancement:	\$76,930	\$52,018	\$73,200	\$85,935	\$77,500	5.9%
Total:	\$2,273,108	\$1,457,761	\$43,025,723	\$2,215,081	\$14,493,850	-66.3%



Charges for Services

These revenues are derived from various sources, including user fees, capacity connection charges, medical transportation services, and miscellaneous charges, all of which are systematically accounted for in our Enterprise Funds. Notably, the projected revenue from service charges for FY 2025 is \$36.6 million, reflecting an increase of \$22.3 million from the previous year. This total includes \$15.0 million from other financing sources and \$3.4 million from grants, representing a 122% growth. The primary revenue sources within this category are outlined below:

Water Utility Revenue - The primary source of revenue for our water utility comes from user fees for water services. Additionally, this fund includes charges for new service installations, new meter installations, disconnect/reconnect services, and meter inspections. However, the cornerstone of our water utility revenue remains the water utility fee. To ensure that these user fees sufficiently cover the costs of delivering water services to our residents, we regularly update our economic forecasting model. All revenue collected from water utilities is directed to the City's Water Operating Fund, which supports the Water Services Department's operational needs, debt payments, and annual capital improvement projects. Notably, a 9.0% water rate increase was adopted by the City Council for FY 2024, effective from April 27, 2023. This rate adjustment will be followed by an average annual increase of 2% over the next five years. As a result, we anticipate water revenues to increase to \$9.5 million in FY 2025, representing a substantial 68% growth compared to the previous year, largely due to the inclusion of a \$3.4 million grant. Without the grant, the increase in revenue from water charges for services would be 11% compared to last year.

Wastewater Utility Revenue: Our wastewater utility revenues primarily originate from user fees related to wastewater collection and treatment services. Residential customers are charged a base fee, while commercial and school customers pay a base fee plus additional charges based on consumption. All revenue generated from wastewater utilities is allocated to the City's Wastewater Operating Fund, which supports essential wastewater operations within the Utilities Department. Similar to our water rates, a 13.0% wastewater rate increase was adopted by the City Council for FY 2024, effective April 27, 2023, with an average annual increase of 10% expected over the next five years. This rate adjustment, along with modest residential account growth, is projected to raise wastewater revenues to \$21.3 million in FY 2025. A significant portion of this increase is due to the inclusion of a \$15 million other financing source that will be requested to fund several capital projects. Excluding this amount, the increase in revenue from wastewater charges for services would be 16% compared to last year.

Solid Waste Utility Revenue: The City charges user fees and charges for Residential Solid Waste services, including weekly trash and recycling services for residential customers. 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

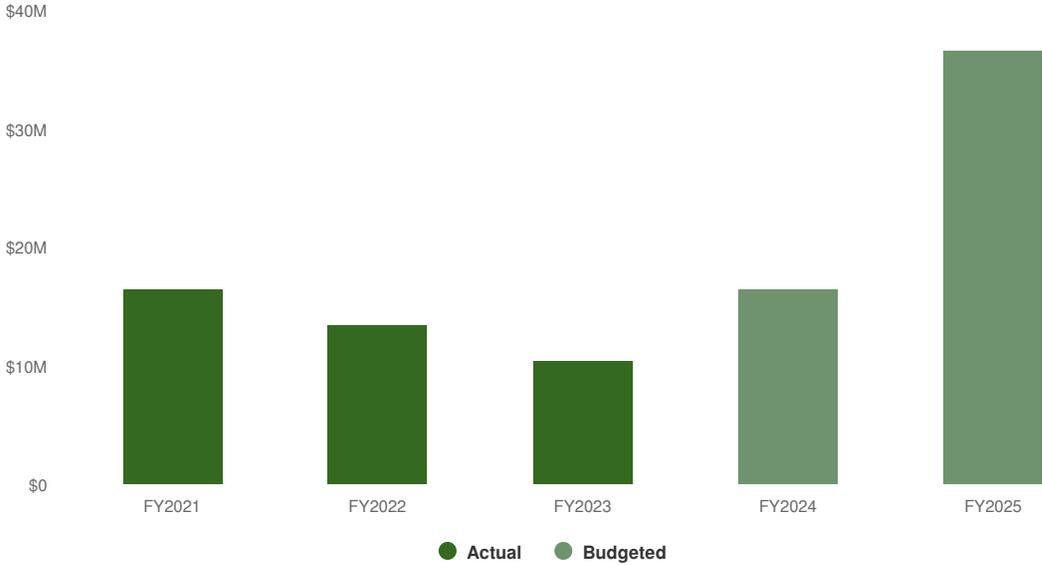
adopted for FY 2024, effective from April 27th, 2023, with an average annual increase of 8% planned for the next five years. These rate modifications, along with a moderate growth in residential accounts, are anticipated to increase solid waste revenues to \$2.4 million in FY 2025, representing a substantial 20% increase compared to the prior year.

Ambulance Services Revenue: The City plays a pivotal role in providing emergency medical transportation services in the San Luis area, operated by the San Luis Fire Department. This division manages the operation of three full-time emergency response ambulances. Revenues collected from ambulance services are directed to the Ambulance Fund, where they support operational needs and capital projects related to this essential service. Notably, the city has completed a second station, enabling the operation of an additional ambulance to serve the eastern region of San Luis. For FY 2025, we have taken a conservative approach to revenue projections, maintaining the same budgeted revenue as the previous year, totaling \$3.3 million. This will allow us to continue enhancing our emergency medical services while ensuring financial stability.

\$36,608,920 **\$20,137,152**
(122.25% vs. prior year)



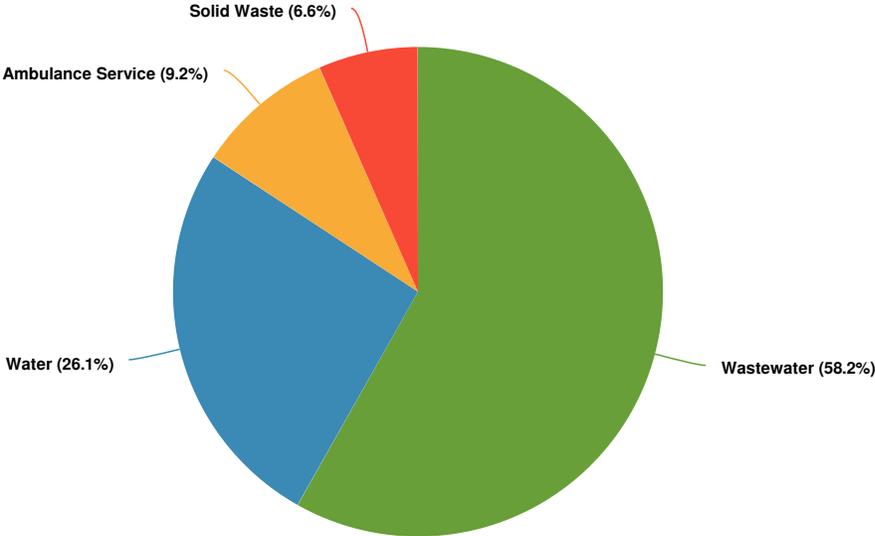
Charges for Services Proposed and Historical Budget vs. Actual



Revenue by Category

The chart below illustrates the categories encompassed within the charge for services revenues:

2025 Charges for Services by Fund 36.6 million



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Water						
Other Revenue						
Auction Revenues	\$2,200	\$0		\$2,200		N/A
Grants					\$3,294,920	N/A
Miscellaneous Revenue	\$116,275	\$94,589	\$115,000	\$186,793	\$125,000	8.7%
Over/Short	\$319	-\$120		-\$108		N/A
Offset - Capitalization				-\$38,395		N/A
Contributed Capital	\$0	\$0		\$1,597,800		N/A
Total Other Revenue:	\$118,794	\$94,469	\$115,000	\$1,748,290	\$3,419,920	2,873.8%
Charges For Services						
Water Sales	\$3,663,238	\$2,710,361	\$4,222,757	\$4,312,676	\$4,600,000	8.9%
Water Sales City Accounts	\$782,223	\$539,295	\$872,574	\$903,257	\$890,000	2%
Conversion Fees	\$32	-\$16	\$50			N/A
Water Connection Fees	\$182,691	\$122,608	\$170,000	\$401,681	\$300,000	76.5%
Total Charges For Services:	\$4,628,184	\$3,372,247	\$5,265,381	\$5,617,614	\$5,790,000	10%
Impact Fees						
Water Impact Fees R2103 - 12162019	\$9,569	\$8,128				N/A
Water Impact Fees R2103 - 12162019	\$120,312	\$85,093	\$131,700	\$277,670	\$178,000	35.2%
Total Impact Fees:	\$129,881	\$93,221	\$131,700	\$277,670	\$178,000	35.2%
Interest Revenue						
Interest Earned	-\$11,073	\$250,875	\$165,000	\$658,741	\$165,000	0%
Total Interest Revenue:	-\$11,073	\$250,875	\$165,000	\$658,741	\$165,000	0%
Total Water:	\$4,865,786	\$3,810,813	\$5,677,081	\$8,302,315	\$9,552,920	68.3%
Wastewater						
Other Revenue						
Auction Revenues	\$7,000	\$0		\$4,700		N/A
Grants				\$748,269		N/A
Miscellaneous Revenue	\$64	\$0		\$6,930	\$1,000	N/A
Contributed Capital	\$0	\$0		\$913,914		N/A
Total Other Revenue:	\$7,064	\$0		\$1,673,813	\$1,000	N/A
Charges For Services						
Sewer Sales	\$4,013,949	\$3,381,786	\$4,873,645	\$5,101,872	\$5,600,000	14.9%
Sewer Sales City Accounts	\$28,480	\$17,887	\$27,548	\$27,048	\$28,000	1.6%
Sewer - Gadsden	\$90,183	\$80,006	\$114,385	\$116,352	\$116,000	1.4%
Surcharge - Gadsden	\$27,130	\$24,039	\$28,700	\$34,916	\$35,000	22%
Sewer Connection - Fees	\$87,750	\$67,038	\$93,850	\$211,950	\$120,000	27.9%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Sewer Connections Fees - Gadsden	\$900	\$900	\$1,350			N/A
Bad Debt Fees -Gadsden	\$4,271	\$3,752	\$4,500	\$4,505	\$5,000	11.1%
Total Charges For Services:	\$4,252,663	\$3,575,409	\$5,143,978	\$5,496,644	\$5,904,000	14.8%
Impact Fees						
Wastewater Impact Fees R2103 - 12162019	\$4,860	\$0				N/A
Wastewater Impact Fees R2103 - 12162019	\$202,448	\$143,183	\$201,100	\$447,177	\$300,000	49.2%
Total Impact Fees:	\$207,308	\$143,183	\$201,100	\$447,177	\$300,000	49.2%
Interest Revenue						
Interest Earned	\$17,010	\$144,935	\$95,000	\$379,513	\$95,000	0%
Total Interest Revenue:	\$17,010	\$144,935	\$95,000	\$379,513	\$95,000	0%
Other Financing Sources						
Other Financing Uses					\$15,000,000	N/A
Total Other Financing Sources:	\$0	\$0			\$15,000,000	N/A
Total Wastewater:	\$4,484,045	\$3,863,527	\$5,440,078	\$7,997,146	\$21,300,000	291.5%
Solid Waste						
Other Revenue						
Miscellaneous Revenue	\$35,530	\$19,050	\$38,000	\$51,902	\$43,000	13.2%
Total Other Revenue:	\$35,530	\$19,050	\$38,000	\$51,902	\$43,000	13.2%
Charges For Services						
Sanitation Revenues	\$1,550,916	\$1,314,358	\$1,901,145	\$2,085,088	\$2,328,000	22.5%
Sanitation Revenues City Account	\$54,317	\$45,309	\$65,464	\$59,159	\$35,000	-46.5%
Total Charges For Services:	\$1,605,233	\$1,359,667	\$1,966,609	\$2,144,247	\$2,363,000	20.2%
Total Solid Waste:	\$1,640,763	\$1,378,717	\$2,004,609	\$2,196,149	\$2,406,000	20%
Ambulance Service						
Other Revenue						
Grants				\$254,252		N/A
Miscellaneous Revenue	\$1,003	\$1,972		\$2,497		N/A
Total Other Revenue:	\$1,003	\$1,972		\$256,749		N/A
Charges For Services						
Ambulance Revenues	\$5,241,367	\$1,430,884	\$5,450,000	\$6,187,459	\$5,550,000	1.8%
Contra Ambulance Revenues	-\$2,812,547	\$0	-\$2,100,000	-\$2,786,552	-\$2,200,000	4.8%
Total Charges For Services:	\$2,428,820	\$1,430,884	\$3,350,000	\$3,400,907	\$3,350,000	0%



Name	FY2022 Actuals	FY2023 Actuals	FY2024 Adopted Budget	FY2024 Projected	FY2025 Adopted Budget	FY2024 Adopted Budget vs. FY2025 Adopted Budget (% Change)
Interest Revenue						
Interest Earned				\$250		N/A
Total Interest Revenue:				\$250		N/A
Total Ambulance Service:	\$2,429,824	\$1,432,856	\$3,350,000	\$3,657,906	\$3,350,000	0%
Total:	\$13,420,418	\$10,485,913	\$16,471,768	\$22,153,517	\$36,608,920	122.3%



LONG RANGE FINANCIAL PLAN



Summary

An integral facet of our budgetary process revolves around crafting comprehensive five-year financial forecasts for both revenues and expenditures. These forecasts provide an extended perspective on anticipated income and outlays, thereby facilitating effective long-term financial planning. They are meticulously constructed through a combination of rigorous analysis based on current and historical financial data, as well as insights gleaned from external sources such as the State of Arizona, the League of Arizona Cities and Towns, and various other economic factors.

The preparation of these forecasts plays a pivotal role in our mission to identify prospective budgetary gaps and to develop a strategic framework for harmonizing the city's projected expenses with its expected revenues. To this end, we provide a detailed schedule outlining estimated initial fund balances, alongside projected expenses and revenues over a five-year horizon for all our funds. It's important to note that this initial fund balance is net of operational reserves, which must be maintained at a minimum of four months' worth of operating expenditures. In recent years, due to project delays and spending reductions in response to the COVID-19 pandemic, our fund balances have seen substantial accumulations. Moving forward, our financial strategy centers on judiciously utilizing these carryover fund balances to undertake one-time projects.

In keeping with our city's fiscal policy, we are committed to matching ongoing expenditures with recurring revenues, ensuring responsible fiscal management and maximizing the efficient use of our resources. In the coming years, both the General Fund and Enterprise Funds will rely heavily on the excess capacity within their respective fund balances to finance one-time expenditures.

For FY2025, we have allocated \$850,000 to bring employee salaries in line with the base market rate as outlined in the new base compensation study adopted by the City Council in June 2024. This new study replaces the previous salary study from 2018, which is no longer in effect. The 2024 base compensation study reflects current market conditions and aims to address any compensation gaps to ensure that our workforce remains competitive and adequately compensated. Aside from this adjustment, other expenditure categories are forecasted conservatively, with an annual increase of 3%, demonstrating our continued commitment to fiscal responsibility while enhancing our ability to attract and retain top talent.

Our revenue projections draw upon historical data and carefully consider future economic factors that may influence the city's financial landscape. Additionally, we diligently analyze the data for outliers and isolated events that could potentially lead to significant revenue fluctuations, striving to maintain an accurate and reliable projection. Notably, we refrain from factoring in revenue increases associated with unique situations, such as those caused by the COVID-19 pandemic, into our forward revenue projections.

General Fund

The Fiscal Year 2024-25 General Fund budget presents both challenges and opportunities as we continue managing operational expenditures while ensuring the financial sustainability of San Luis. In FY 24-25, we forecast a net operating deficit of \$2.68 million, which will be covered by reserves to maintain essential services. Although total revenues are expected to grow at 4.8% annually, increasing from \$32.6 million in FY 24-25 to \$39.4 million by FY 28-29, expenditures are also rising, creating operational pressures.

The expenditures forecast reflects a growing demand in Salaries & Related Expenses (from \$23.3 million to \$30.5 million) and Other Financing Sources – Uses (subsidies to other funds), between \$5.49 million to \$6.6 million. Despite efforts to optimize services, we are anticipating operational shortfalls across multiple years.

The Ending Fund Balance starts at \$27.9 million in FY 24-25 but is projected to decline to \$6.9 million by FY 28-29. Moreover, the Ending Fund Balance Net of Reserves highlights a more concerning trend, starting at \$19.2 million in FY 24-25 and turning negative by FY 26-27, reaching -7.4 million by FY 28-29. This trend emphasizes the need for timely intervention to prevent further financial strain.

Given the increasing financial pressures, we are committed to maintaining at least three months of operational reserves as a buffer against unforeseen circumstances. This strategic approach ensures uninterrupted public services even amid financial challenges, with operational reserves initially at \$8.6 million in FY 24-25 and expected to stabilize around \$10.4 million by FY 28-29.

The city is contemplating issuing debt for capital projects and infrastructure investments in FY 27-28, aligning with City Council's priorities. This debt issuance will focus on public safety, parks, and critical infrastructure improvements to support the city's sustainable growth and ensure quality services for our residents. Issuing debt for infrastructure will help us manage the rising capital needs without relying on operational funds, promoting long-term resilience.

A key financial challenge for San Luis remains the limited diversity in revenue streams, as we continue to depend heavily on sales taxes. In the absence of a property tax, the city is exploring new sources of income, including grants, service fees, and partnerships, to stabilize the General Fund and reduce reliance on operational reserves.

We remain committed to closely managing subsidies to other funds, such as HURF, Business Center, and Debt Service Funds, ensuring that these allocations are optimized to minimize stress on the General Fund. Efforts to reduce subsidy dependency are essential to achieving financial stability in the long term.

Through careful planning, maintaining reserves, and targeted debt issuance, we aim to balance fiscal responsibility with the need for strategic investments in our community's future. By proactively managing subsidies, exploring new revenue sources, and addressing operational imbalances, San Luis is committed

to ensuring financial sustainability while delivering high-quality services and infrastructure.

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
General Fund					
Revenues					
Charges For Services	\$ 44,650	\$ 45,543	\$ 46,454	\$ 47,383	\$ 48,331
Debt Proceeds	0	0	0	0	0
Fines & Forfeits	277,400	282,948	288,607	294,379	300,267
Interest Revenue	250,000	255,000	260,100	265,302	270,608
Intergovernmental	15,216,490	15,977,315	16,776,180	17,614,989	18,495,739
Licenses & Permits	893,160	911,023	929,244	947,829	966,785
Other Financing Sources	0	0	0	0	0
Other Revenue	106,000	107,060	108,131	109,212	110,304
Rent	173,300	173,300	173,300	173,300	173,300
Taxes	15,650,450	16,432,973	17,254,621	18,117,352	19,023,220
Total Revenues	\$ 32,611,450	\$ 34,185,161	\$ 35,836,636	\$ 37,569,746	\$ 39,388,553
		4.8%	4.8%	4.8%	4.8%
Expenditures					
Contingencies	300,000	300,000	300,000	300,000	300,000
Long Term Debt Service	36,100	36,822	37,558	38,310	39,076
Maintenance	2,814,740	2,871,035	2,928,455	2,987,025	3,046,765
Non-Departmental	(4,409,480)	(4,497,670)	(4,587,623)	(4,679,375)	(4,772,963)
Other Financing Sources - Uses	5,499,310	4,137,536	5,722,267	6,607,884	5,119,288
Salaries & Related Expenses	23,279,130	27,934,956	28,773,005	29,636,195	30,525,281
Special Services	5,554,474	5,554,474	5,554,474	5,554,474	5,554,474
Supplies	1,516,796	1,547,132	1,578,075	1,609,636	1,641,829
Total Expenditures	\$ 34,591,070	\$ 37,884,285	\$ 40,306,211	\$ 42,054,148	\$ 41,453,749
		10%	6%	4%	-1%
Operation Result	\$ (1,979,620)	\$ (3,699,124)	\$ (4,469,575)	\$ (4,484,402)	\$ (2,065,196)
Capital Items	\$ 697,370	\$ 2,526,720	\$ 4,580,400	\$ 1,215,970	\$ 1,911,190
Net Result	\$ (2,676,990)	\$ (6,225,844)	\$ (9,049,975)	\$ (5,700,372)	\$ (3,976,386)
Beginning Fund Balance	\$ 30,562,415	\$ 27,885,425	\$ 21,659,581	\$ 12,609,606	\$ 6,909,235
Ending Fund Balance	\$ 27,885,425	\$ 21,659,581	\$ 12,609,606	\$ 6,909,235	\$ 2,932,848
Operational Reserves	\$ 8,647,768	\$ 9,471,071	\$ 10,076,553	\$ 10,513,537	\$ 10,363,437
Ending Fund balance net of reserves	19,237,658	12,188,510	2,533,054	-3,604,302	-7,430,589



Highway Users Revenue Fund

The Highway Users Fund (HURF) has grappled with persistent challenges in recent years, and these challenges are poised to persist as we look to the future. The revenues derived from State Shared Revenue, earmarked for the maintenance and development of our city's street infrastructure, fall short of the growing demands of our expanding urban landscape. Over the past years, the General Fund has stepped in to subsidize HURF, ensuring the completion of crucial projects vital to the safety of our residents and the improvement of traffic flow throughout the city. However, in the upcoming years, the General Fund faces several concurrent projects that will limit its ability to continue this subsidy, underscoring the urgency of identifying alternative revenue sources.

For FY 24-25, total revenues are projected at \$7.48 million, followed by a temporary decline to \$6.28 million in FY 25-26 due to adjustments in Other Financing Sources. Revenue growth resumes thereafter, reaching \$8.31 million by FY 28-29, driven by HURF Special Revenues, service charges, and interest income. This forecast underscores the need for prudent financial planning to navigate short-term fluctuations while supporting the city's infrastructure goals.

The expenditure forecast shows moderate growth over the long term. In FY 24-25, total expenditures are \$4.44 million and are projected to rise to \$3.15 million by FY 28-29. Salaries & Related Expenses, along with maintenance costs, are key drivers of this increase, reflecting the city's commitment to maintaining high-quality infrastructure and public services. Despite these growing costs, HURF is expected to maintain positive operational results in most years, providing a stable foundation for ongoing operations.

The fund balance will remain stable over the forecast period, with positive net results projected in most years. The Ending Fund Balance is expected to grow from \$1.5 million in FY 24-25 to \$3.23 million by FY 28-29, reflecting effective financial stewardship. Additionally, operational reserves will remain robust, starting at \$1.11 million in FY 24-25 and increasing to \$1.05 million by FY 28-29. The Ending Fund Balance (less operational reserves) shows consistent improvement, rising from \$390,448 in FY 24-25 to \$2.44 million in FY 28-29.

The City of San Luis must address the limited diversity in revenue sources, as HURF remains heavily dependent on State Shared Revenues and subsidies from the General Fund. With the General Fund facing competing priorities, it is increasingly clear that HURF's reliance on subsidies is not sustainable in the long term. To address this challenge, we recommend that the City Council explore additional revenue sources, including grants, service fee increases, or a potential property tax initiative, to generate the funds needed for future infrastructure development and growth.

As the Cesar Chavez Blvd expansion progresses, it is critical to allocate resources prudently and manage capital investments efficiently to ensure projects are completed on time and within budget. This approach reflects our commitment to fiscal responsibility while meeting the city's infrastructure needs. The Cesar



Chavez Blvd project, a top priority, has completed the design phase, with construction underway. The total project cost is \$65.6 million, with Yuma County contributing \$33 million through grant funding for the initial phase. However, securing the remaining funds is essential to ensure the project's timely completion and the successful delivery of this vital infrastructure initiative.

Through careful planning and resource management, Highway User Fund is poised to meet the challenges ahead while supporting essential infrastructure projects, including the Cesar Chavez Blvd expansion. With the city's commitment to maintaining positive operational results and growing reserves, we are confident that San Luis will remain on a path toward sustainable growth and improved infrastructure for our community.

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
HURF					
Revenues					
Charges For Services	\$ 562,000	\$ 590,100	\$ 619,605	\$ 650,585	\$ 683,115
Debt Proceeds	0	0	0	0	0
HURF - Special Revenues	3,628,630	3,810,062	4,000,565	4,200,593	4,410,622
Interest Revenue	75,000	76,500	78,030	79,591	81,182
Other Financing Sources	3,214,430	1,800,000	3,391,808	4,279,561	3,137,675
Other Revenue	0				
Total Revenues	\$ 7,480,060	\$ 6,276,662	\$ 8,090,008	\$ 9,210,330	\$ 8,312,594
		-16%	29%	14%	-10%
Expenditures					
Maintenance	326,980	333,520	340,190	346,994	353,934
Non-Departmental	582,380	440,700	440,700	440,700	440,700
Other Financing Sources - Uses	1,407,090	0	0	0	0
Salaries & Related Expenses	1,371,790	1,412,944	1,455,332	1,498,992	1,543,962
Special Services	696,580	710,512	724,722	739,216	754,001
Supplies	55,450	56,559	57,690	58,844	60,021
Total Expenditures	\$ 4,440,270	\$ 2,954,234	\$ 3,018,634	\$ 3,084,746	\$ 3,152,617
		-33%	2%	2%	2%
Operation Result	\$ 3,039,790	\$ 3,322,428	\$ 5,071,374	\$ 6,125,584	\$ 5,159,978
Capital Items	\$ 4,002,790	\$ 3,313,740	\$ 4,451,600	\$ 5,800,000	\$ 4,385,000
Net Result	\$ (963,000)	\$ 8,688	\$ 619,774	\$ 325,584	\$ 774,978
Beginning Fund Balance	\$ 2,463,515	\$ 1,500,515	\$ 1,509,203	\$ 2,128,976	\$ 2,454,560
Ending Fund Balance	\$ 1,500,515	\$ 1,509,203	\$ 2,128,976	\$ 2,454,560	\$ 3,229,537
Operational Reserves	\$ 1,110,068	\$ 738,558	\$ 754,659	\$ 771,187	\$ 788,154
Ending Fund Balance (Less operational reserves)	\$ 390,448	\$ 770,644	\$ 1,374,318	\$ 1,683,373	\$ 2,441,383
		97%	78%	22%	45%



Water, Waste Water and Solid Waste Funds

The Water Fund is poised to undertake significant infrastructure investments in Fiscal Year 2025, 2026, and 2027, with all these substantial outlays being funded through the Water Fund balance. Commencing in Fiscal Year 2025, the fund balance begins at \$25.1 million, and it is expected to reduce to \$16.7 million by Fiscal Year 2029 as these planned projects progress.

Meanwhile, the Waste Water Fund has two major expansions slated for the West and East Waste Water Plants. To finance these expansions, the city will need to issue a \$32 million debt, ensuring the necessary capacity to complete these vital projects.

Conversely, the Solid Waste Fund has encountered challenges in recent years, struggling to amass the required minimum levels of operating reserves as outlined in our policy. Currently, it has no reserves. To bolster the financial health of this fund and to secure the means to finance the upcoming Water and Waste Water projects, the city has implemented utility rate increases, effective since April 27th, 2023. Although the recovery for the Solid Waste Fund is expected to be gradual, our projections indicate that by FY 2029, the fund balance for solid waste is anticipated to reach \$207,807, a sum sufficient to meet the necessary minimum reserve levels. This strategic approach ensures that our city can continue to provide essential services while maintaining fiscal prudence.

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Water					
Revenues					
Charges For Services	\$ 5,968,000	\$ 6,147,040	\$ 6,331,451	\$ 6,691,395	\$ 6,892,137
Interest Revenue	165,000	173,250	181,913	191,008	200,559
Other Financing Sources	0	0	0	0	0
Other Revenue	3,419,920	131,250	137,813	144,703	151,938
Total Revenues	\$ 9,552,920	\$ 6,451,540	\$ 6,651,177	\$ 7,027,106	\$ 7,244,634
		-32%	3%	6%	3%
Expenditures					
Contingencies	0	0	0	0	0
Long Term Debt Service	1,523,790	769,145	769,016	767,934	767,345
Maintenance	558,880	570,058	581,459	593,088	604,950
Non-Departmental	1,117,160	1,139,503	1,196,478	1,220,408	1,244,816
Other Financing Sources - Uses	0	0	0	0	0
Salaries & Related Expenses	965,250	994,208	1,063,802	1,095,716	1,128,588
Special Services	776,550	792,081	831,685	848,319	865,285
Supplies	331,100	337,722	344,476	351,366	358,393
Total Expenditures	\$ 5,272,730.00	\$ 4,602,716.30	\$ 4,786,915.78	\$ 4,876,829.80	\$ 4,969,375.87
		-13%	4%	2%	2%
Operation Result	\$ 4,280,190.00	\$ 1,848,823.70	\$ 1,864,261.42	\$ 2,150,276.20	\$ 2,275,257.98
Capital Items	\$ 12,866,400	\$ 1,220,000	\$ 810,000	\$ 3,750,000	\$ 3,050,000
Net Result	\$ (8,586,210.00)	\$ 628,823.70	\$ 1,054,261.42	\$ (1,599,723.80)	\$ (774,742.02)
Beginning Fund Balance	25,204,532	16,618,322	17,247,146	18,301,407	16,701,683



Ending Balance	16,618,322	17,247,146	18,301,407	16,701,683	15,926,941
Operational Reserves	1,318,183	1,150,679	1,196,729	1,219,207	1,242,344

Ending Fund Balance net of reserves	\$ 15,300,139.50	\$ 16,096,466.63	\$ 17,104,678.17	\$ 15,482,475.87	\$ 14,684,597.33
		5%	6%	-9%	-5%

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Wastewater					
Revenues					
Charges For Services	\$ 6,204,000	\$ 6,508,200	\$ 6,827,430	\$ 7,162,436	\$ 7,514,002
Debt Proceeds	15,000,000	17,000,000	-	-	-
Interest Revenue	95,000	99,750	104,738	109,974	115,473
Other Financing Sources	0	0	0	0	0
Other Revenue	1,000	1,050	1,103	1,158	1,216
Total Revenues	\$ 21,300,000	\$ 23,609,000	\$ 6,933,271	\$ 7,273,568	\$ 7,630,691
		11%	-71%	5%	5%
Expenditures					
Long Term Debt Service	1,021,090	1,563,936	1,488,290	2,661,624	2,684,131
Maintenance	700,280	714,286	728,571	743,142	758,005
Non-Departmental	1,208,010	1,232,170	1,293,778	1,345,529	1,399,351
Other Financing Sources - Uses	0	0	0	0	0
Salaries & Related Expenses	1,516,070	1,561,552	1,670,861	1,787,821	1,912,968
Special Services	997,560	1,165,511	1,211,287	1,249,738	1,289,727
Supplies	98,700	100,674	102,687	104,741	106,836
Total Expenditures	\$ 5,541,710	\$ 6,338,129	\$ 6,495,474	\$ 7,892,595	\$ 8,151,018
		14%	2%	22%	3%
Operating Result	\$ 15,758,290	\$ 17,270,871	\$ 437,797	\$ (619,027)	\$ (520,327)
Capital Items	\$ 7,064,000	\$ 20,300,000	\$ 2,900,000	\$ -	\$ 500,000
Net Result	\$ 8,694,290	\$ (3,029,129)	\$ (2,462,203)	\$ (619,027)	\$ (1,020,327)
Beginning Fund Balance	20,969,962	29,664,252	26,635,123	24,172,920	23,553,893
Ending Balance	29,664,252	26,635,123	24,172,920	23,553,893	22,533,566
Operational Reserves	1,385,428	1,584,532	1,623,868	1,973,149	2,037,755
Ending Fund Balance net of reserves	\$ 28,278,825	\$ 25,050,591	\$ 22,549,052	\$ 21,580,744	\$ 20,495,811
		-11%	-10%	-4%	-5%



	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Solid Waste					
Revenues					
Charges For Services	\$ 2,363,000	\$ 2,457,520	\$ 2,555,821	\$ 2,683,612	\$ 2,817,792
Other Financing Sources	0	0	0	0	0
Other Revenue	43,000	44,290	45,619	46,987	48,397
Total Revenues	\$ 2,406,000	\$ 2,501,810	\$ 2,601,440	\$ 2,730,599	\$ 2,866,189
		4%	4%	5%	5%
Expenditures					
Contingencies	0	0	0	0	0
Long Term Debt Service	0	0	0	0	0
Maintenance	300,480	306,490	312,619	321,998	331,658
Non-Departmental	732,325	746,972	769,381	792,462	816,236
Other Financing Sources - Uses	0				
Salaries & Related Expenses	478,030	492,371	507,142	522,356	538,027
Special Services	613,370	625,637	644,407	663,739	683,651
Supplies	111,350	113,577	116,984	120,494	124,109
Total Expenditures	\$ 2,235,555.00	\$ 2,285,046	\$ 2,350,533	\$ 2,421,049	\$ 2,493,680
		2%	3%	3%	3%
Operating Result	\$ 170,445.00	\$ 216,763.60	\$ 250,906.60	\$ 309,550.22	\$ 372,508.96
Capital Items	\$ 378,600	0	\$ 244,000	\$ 130,000	\$ 400,000
Net Result	\$ (208,155.00)	\$ 216,763.60	\$ 6,906.60	\$ 179,550.22	\$ (27,491.04)
Beginning Fund Balance	\$ 88,312	\$ (119,843)	\$ 96,921	\$ 103,827	\$ 283,377
Ending Balance	\$ (119,843)	\$ 96,921	\$ 103,827	\$ 283,377	\$ 255,886
Operational Reserves	\$ 186,296	\$ 190,421	\$ 195,878	\$ 201,754	\$ 207,807
Ending Fund Balance net of reserves	\$ (308,984)	\$ (93,500)	\$ (92,051)	\$ 81,623	\$ 48,080
		-70%	-2%	-189%	-41%

Ambulance Fund

The Ambulance Fund continues to experience modest growth in both revenues and expenditures over the forecast period. Revenues from service charges are projected to increase steadily, growing from \$3.35 million in FY 24-25 to \$4.11 million by FY 28-29, reflecting an annual rise in demand for services. However, operational expenses will also grow at a similar pace, leading to annual net operating deficits that will require the use of fund balances to sustain operations.

In FY 24-25, expenditures are projected at \$3.70 million, increasing to \$4.14 million by FY 28-29, driven primarily by Salaries & Related Expenses and maintenance costs. As personnel costs are expected to rise steadily, the fund will need to rely on operational reserves to meet ongoing commitments. The use of fund balances in each fiscal year reflects the city's commitment to maintaining service levels despite financial constraints.

Over the forecast period, the Ending Fund Balance is expected to decrease from \$1.4 million in FY 24-25 to \$749,340 by FY 28-29, as the fund balances are drawn down to cover operational shortfalls. Operational reserves will remain stable, starting at \$616,759 in FY 24-25 and growing to \$670,619 by FY 27-28, ensuring that the fund maintains adequate liquidity to manage unexpected expenses.

By FY 28-29, the Ending Fund Balance (excluding operational reserves) is projected to decline to \$29,716, highlighting the need for fiscal prudence. This downward trend emphasizes the importance of identifying cost-saving measures and exploring additional revenue sources to ensure the long-term sustainability of the fund.

As in previous years, our strategy emphasizes using fund balances exclusively for one-time expenditures, such as ambulance acquisitions or critical equipment upgrades. This approach ensures that the fund remains sustainable over the long term by avoiding reliance on reserves for recurring operational expenses. While modest deficits are expected, our financial plan aims to minimize the impact on reserves through careful cost management and operational efficiencies.

The Ambulance Fund remains committed to delivering high-quality emergency medical services while maintaining financial sustainability. With steady revenue growth and controlled expenditure increases, the fund is well-positioned to meet future challenges. However, the gradual decline in fund balances underscores the importance of prudent financial management. Moving forward, the city will explore cost containment strategies and potential new revenue sources to ensure the continued delivery of ambulance services and the long-term health of the fund.

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Ambulance Fund					
Revenues					
Charges For Services	\$ 3,350,000	\$ 3,517,500	\$ 3,693,375	\$ 3,878,044	\$ 4,110,726
Other Financing Sources	0	0	0	0	0
Other Revenue	0	0	0	0	0
Total Revenues	\$ 3,350,000	\$ 3,517,500	\$ 3,693,375	\$ 3,878,044	\$ 4,110,726
Expenditures					
Contingencies	0	0	0	0	0
Long Term Debt Service	77,900	77,826	77,603	77,722	77,640
Maintenance	177,300	180,846	184,462	188,152	191,915
Non-Departmental	470,825	480,242	494,649	509,488	524,773
Salaries & Related Expenses	2,579,490	2,656,875	2,736,581	2,818,678	2,903,239
Special Services	188,440	192,209	197,975	203,914	210,032
Supplies	206,600	212,798	219,182	225,757	232,530
Total Expenditures	\$ 3,700,555	\$ 3,800,795	\$ 3,910,452	\$ 4,023,712	\$ 4,140,128
Operating Result	\$ (350,555)	\$ (283,295)	\$ (217,077)	\$ (145,669)	\$ (29,402)
Capital Items	0	0	0	0	0
Net Result	\$ (350,555)	\$ (283,295)	\$ (217,077)	\$ (145,669)	\$ (29,402)
Beginning Fund Balance	1,745,935	1,395,380	1,112,085	895,008	749,340
Ending Fund Balance	1,395,380	1,112,085	895,008	749,340	719,938
Operational Reserves	616,759	633,466	651,742	670,619	690,021
Ending Fund Balance	\$ 778,621	\$ 478,619	\$ 243,266	\$ 78,721	\$ 29,916
		-39%	-49%	-68%	-62%

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)

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.

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 non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balanced Budget: Total estimated expenditures for each of the governmental fund types must equal total anticipated revenues plus the portion of 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.

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 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 Management: The process of monitoring the ebb and flow of money in an 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.

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.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent 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.

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: $\text{Fund Balance} = \text{Assets} - \text{Liabilities}$.

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, road, 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 postemployment 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.

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.

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.

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.

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.

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.

