



BUDGET

FISCAL YEAR

2023-2024





TABLE OF CONTENTS

Introduction	4
Budget Message	5
Budget Award	10
Key Officials and Staff	11
History of City	14
Demographics	15
Organization Chart	19
Strategic Plan	20
Strategic Plan	21
Strategic Goals	24
Objectives and Priorities	26
Budget Process	28
Fund Structure	29
Budget Process	33
Basis of Budgeting	35
Financial Policies	36
Financial Policies	37
Budget and Fund Overview	41
Budget Summary	42
General Fund	51
Highway User Fund	56
Impact Fees	61
Assessment Districts	63
San Luis Community Facilities District	66
Business Incubator	67
Business Center	70
Special Revenue Funds	73
Judicial Collection Enhancement	77
Special Rev - Comm Development	79
Special Revenue - Public Safety	81
Employee Benefit Trust	84
Water	86
Wastewater	89
Solid Waste	92
Ambulance Service	96
Debt Service Fund	99
Debt	102
Debt Overview	103
Debt Service per Type	107
Personnel	111
Personnel Changes	112
New Positions Requests	113
Department Summary	114



City Council	115
City Administration	121
City Clerk	128
City Attorney	134
City Prosecutor	139
Finance	143
Billings & Collections	149
Human Resources	156
Risk & Property Management	163
Development Services	169
Building Safety	174
Economic Development	179
Business Incubator	185
Parks and Rec. Administration	189
Parks	194
Recreation	199
Cultural Center	204
Youth Center	209
Municipal Pool	214
Senior Services	219
Facilities	224
Municipal Court	228
Police	232
Fire	238
Fire Department East	243
Ambulance Services	246
Information Technology	251
Public Works Administration	256
Highway User Division	260
Fleet Services	265
Water Division	269
Wastewater Division	273
Solid Waste Division	277
Capital Improvements	281
Introduction	282
Capital Budget FY 2024	284
Multi-year plan FY 2024-FY 2028	295
Revenue Summary	309
Revenues Summary	310
State Shared Revenues	317
Sales Tax	319
Grant Revenue-Special Revenue	321
Charges for Services	326
Long Range Financial Plan	331
5 Year Projection of Expenditures, Revenues and Changes in Fund Balance	332
Appendix	341
Glossary	342



INTRODUCTION



Budget Message

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, 2023, and ending June 30th, 2024, which also includes the City's capital improvement plan for FY 2024 through FY 2029. This budget, totaling \$140.6 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 \$29.9 million for FY 2023 is primarily driven by capital projects and personnel costs. This growth is made possible by strong revenue growth in recent years and ARPA funding, allowing us to invest in vital one-time capital expenditures. Notably, the FY 2024 capital budget of \$54 million is driven by projects like the Cesar Chavez Blvd expansion and others carried over from the previous year.

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 2024 marking the highest reserve account balance in the City's history, surpassing \$32 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 remains strong, with sales tax revenue up 8 percent over the previous year. State shared urban income tax has temporarily increased due to a flat tax rate, standing at 47 percent above the prior year. Additionally, collections from state shared road funds and vehicle license tax have risen by 6 percent and 5 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 6.4 percent in January 2023 compared to the previous year. The Federal Reserve's aggressive benchmark rate hikes, from near zero to 4.75 percent in just six months, have introduced uncertainty into financial and housing markets.



Inflation, combined with labor shortages, compels us to maintain competitive compensation for employees. The FY 2024 budget includes funding for time-in-position and cost-of-living 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 2024 operating budget stands at \$86.6 million, representing a significant 25.0 percent increase from the previous year. Of this, the General Fund, constituting 38 percent of the citywide operating budget, totals \$33.3 million. Here are 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 12 positions, with a particular focus on the Public Services and Growth areas.

Employee Compensation: A \$1.2 million increase in funding is allocated for employee compensation, encompassing promotions, vacation buy-back benefits, and salary adjustments, demonstrating our commitment to our workforce.

Reserve Maintenance: The budget ensures that reserves remain at a level equivalent to at least 4 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 10 street projects, including street lighting, road widening, and street roadway construction.

Water Infrastructure: Our water budget encompasses critical projects aimed at improving water efficiency, safety, and regulatory compliance. One significant project involves rehabilitating our storage tanks to extend their lifespan and maintain our infrastructure. We are also embarking on the construction of a new well, treatment unit, and filtration system at well site 5 to replace aging well sites 1 and 2. This modernization ensures reliability and compliance.

Wastewater Infrastructure: Investment in wastewater infrastructure is a fundamental city responsibility, crucial for public health, environmental protection, economic development, and regulatory compliance. We have included a \$40.0 million investment in our Capital Improvement Plan (CIP) to expand the East and West wastewater plants, ensuring long-term benefits and sustainable growth.

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 and Veterans Parks and the rehabilitation of the City's municipal pool in FY 2024 to enhance community well-being.

Economic Development: To maintain our financial strength, we are focused on expanding revenue sources. In FY 2024, we prioritize downtown development following the completion of the Downtown Redevelopment Master Plan in FY 2023. This includes essential projects like a downtown parking lot and drainage improvements. Concurrently, our San Luis Land Port of Entry I Modernization Project is underway, featuring a phased approach. Phase I, doubling vehicle processing lanes to 16, will be completed by Fall 2025, while Phase II, which adds pedestrian lanes and expands the building, is projected for completion by Fall 2028. This project is expected to stimulate economic growth, attract businesses, and create jobs, reaffirming our commitment to economic vitality and a prosperous future for San Luis.

These priorities reflect our dedication to the well-being and prosperity of our community, and we look forward to the positive impact they will have on the City of San Luis.

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 2023-24, our appropriated capital budget is \$54 million, with a proposed 2024-2029 CIP budget of \$162.5 million.

These investments predominantly target water and sewer infrastructure:

Significant water projects include \$8.5 million for well site 5 and water tank storage rehabilitation for tanks 6 and 7 in the first two years of the CIP.

On the wastewater side, we allocate \$27.5 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.

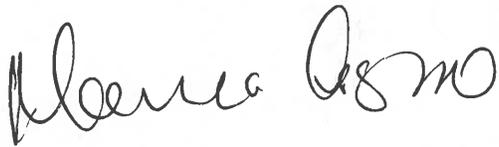
Equally vital is the maintenance of our existing assets. Therefore, the CIP encompasses various projects related to the replacement and refurbishment of buildings and equipment. For example, the City Hall Complex, constructed in 2007, is slated for roof repair and paint maintenance in the FY 2024 CIP.

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 2024 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,

A handwritten signature in black ink, appearing to read "Monica Castro". The signature is written in a cursive, flowing style.

Monica Castro, CPA

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, 2022

Christopher P. Morrell
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, 2022. 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
LUIS E. CABRERA



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
GLORIA TORRES



COUNCIL MEMBER
JAVIER VARGAS

Key Officials and Staff

EXECUTIVE TEAM

Acting City Manager	Ralph Velez
Assistant City Manager	Jenny Torres
Attorney	Kay Macuil
City Clerk	Sonia Cornelio
City Prosecutor	Jose de la Vara
Economic Development Director	Vacant
Acting Director of Parks and Recreation	Jose L. Cisneros
Director of Finance	Monica Castro
Fire Chief	Angel Ramirez
Acting Police Chief	Miguel Alvarez
Director of Human Resources	Adela Cortez
Information Technology Manager	Derek Duenas
Interim City Magistrate	Alicia Zermeno
Director of Planning & Zoning	Jose A. Guzman
Director of Public Works	Eulogio Vera
Risk & Property Manager	Maria Sabori

ACKNOWLEDGEMENTS

Director of Finance	Monica Castro
Finance Accounting Manager	Miguel Ramirez
Finance Operations Manager	Roula Encinas
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

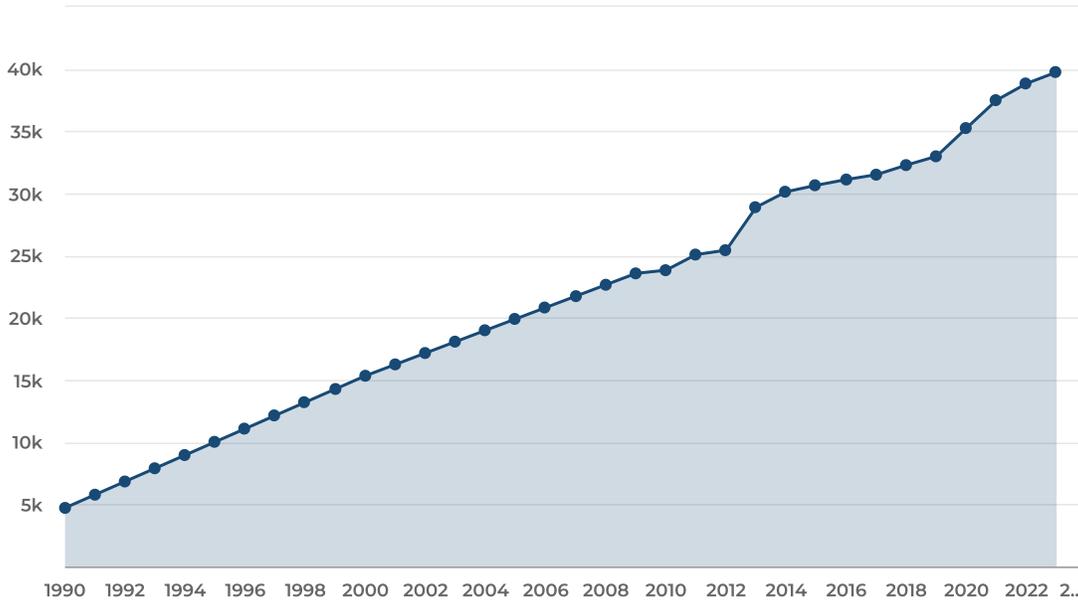
39,761

▲ **2.4%**
vs. 2022

GROWTH RANK

5 out of **91**

Municipalities in Arizona



* Data Source: Client entered data for year 2023



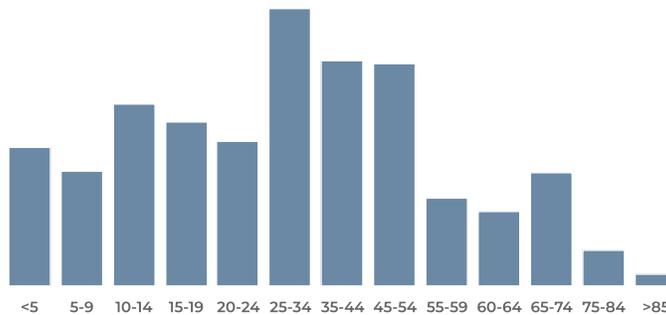
DAYTIME POPULATION

28,982

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.

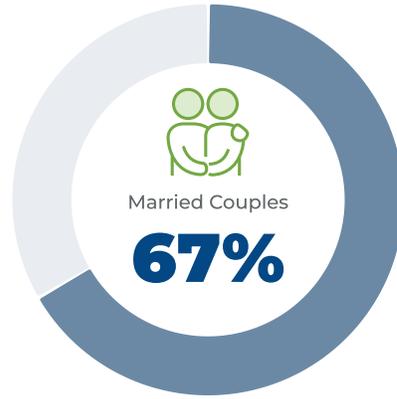
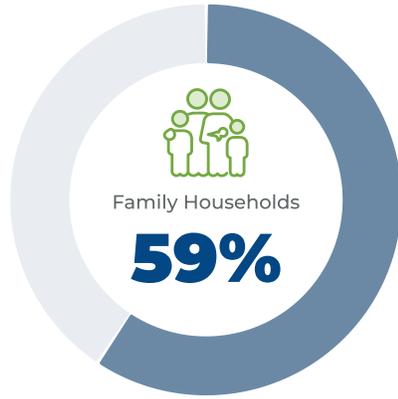
* Data Source: American Community Survey 5-year estimates

Household Analysis

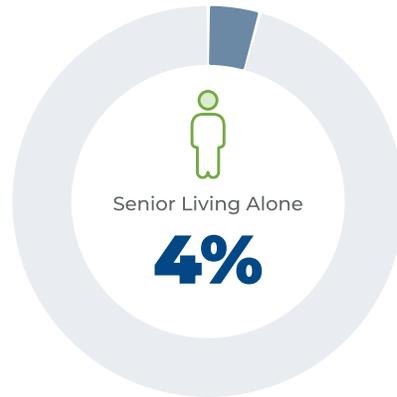
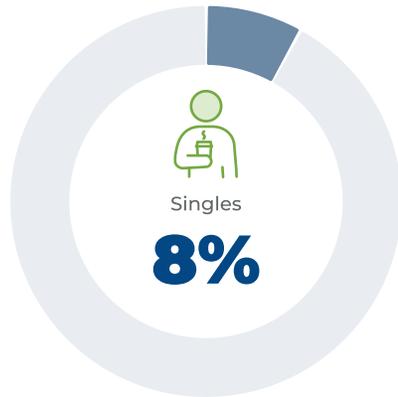
TOTAL HOUSEHOLDS

8,812

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.



▲ **41%**
higher than state average

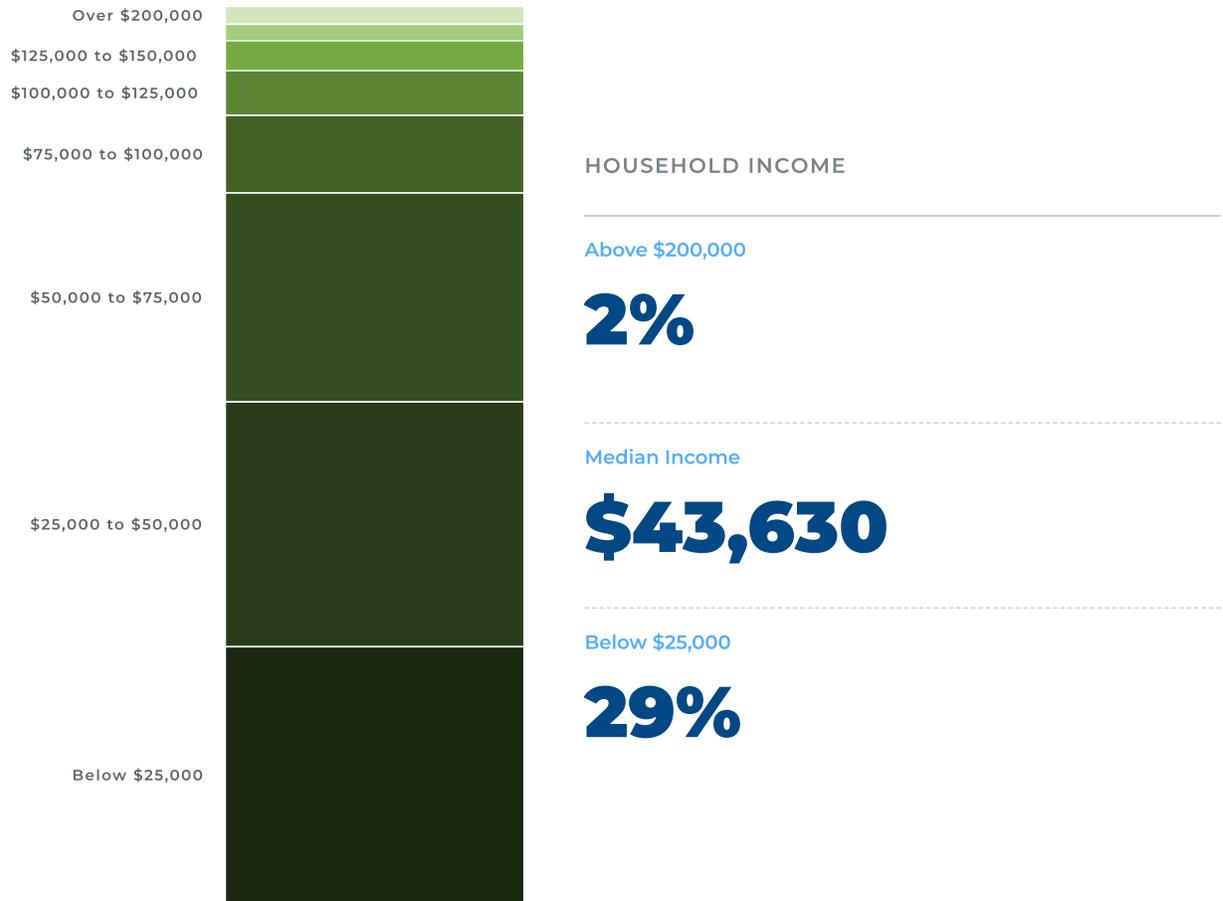


▼ **72%**
lower than state average

* 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.

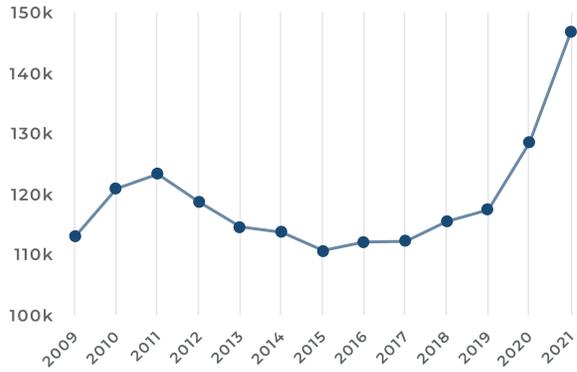


* Data Source: American Community Survey 5-year estimates

Housing Overview

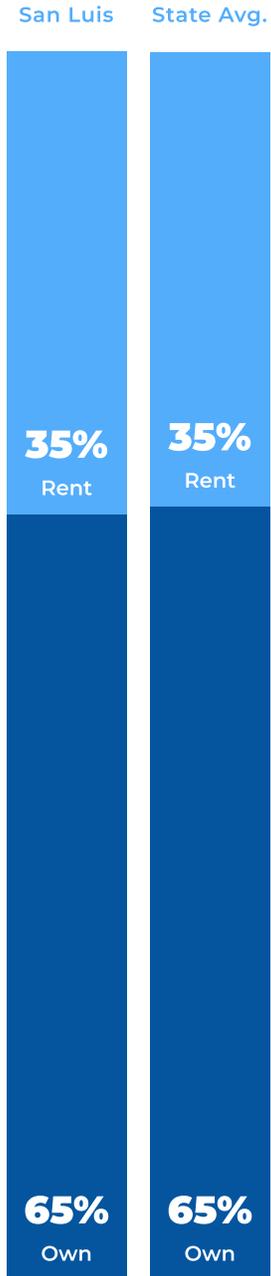


2021 MEDIAN HOME VALUE
\$146,800



* Data Source: 2021 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



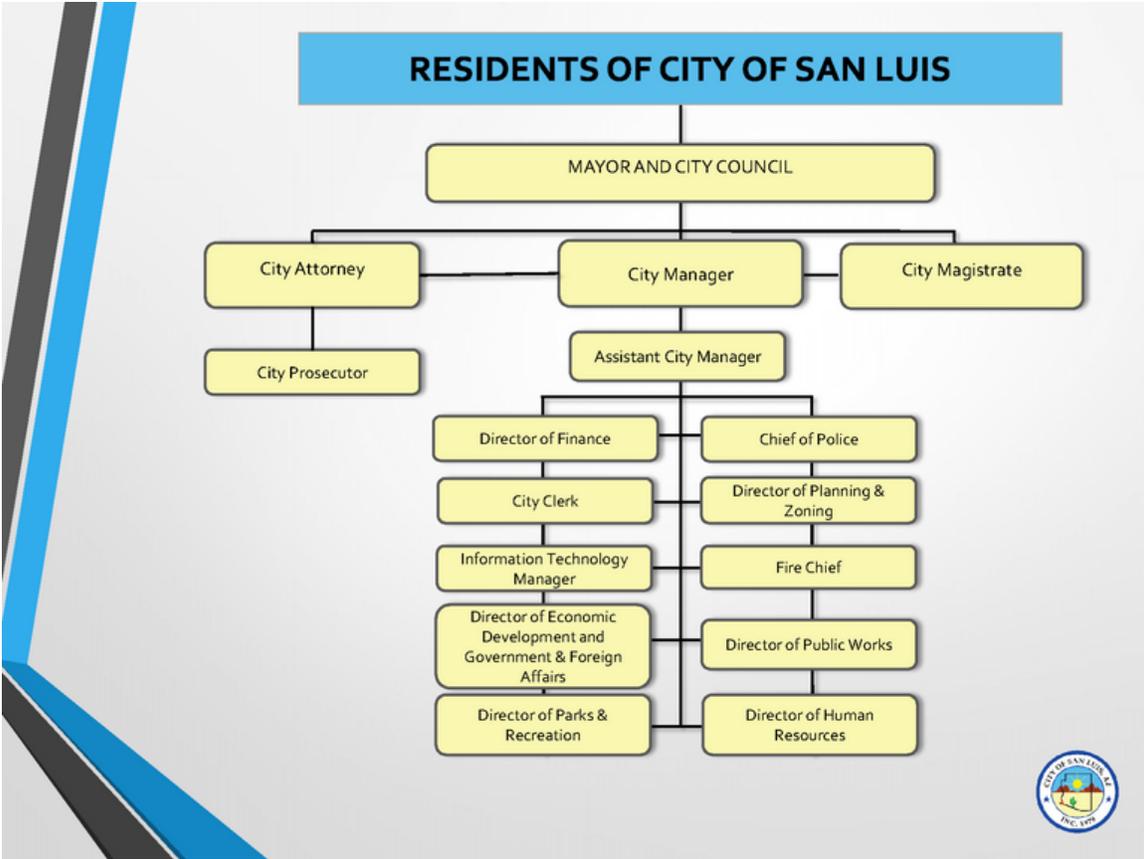
* Data Source: 2021 US Census Bureau (<http://www.census.gov/data/developers/data-sets.html>), American Community Survey. Home value data includes all types of owner-occupied housing.

HOME VALUE DISTRIBUTION



* Data Source: 2021 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 2024 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 10th 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 \$1.2 million 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: To accommodate the burgeoning growth of the City of San Luis, we are embarking on a critical endeavor to expand our road infrastructure. This comprehensive initiative includes a \$5 million investment in vital projects such as enhancing the Sidewinder Road & Co. 22nd Street Intersection, upgrading the Union Street and 4th Avenue intersection, and enhancing the Co. 22nd and 4th Ave Intersection through the implementation of traffic lights. Furthermore, we have allocated \$1.7 million for the F Street Widening Design, extending from Cesar Chavez Blvd to San Luis Lane.

Enhancement of Utility Services: Our primary mission centers on the delivery of dependable and sustainable utility services to our residents. Recognizing the inadequacy of our current infrastructure, we obtained council approval for a utility rate increase on March 22. This augmented funding will facilitate the improvement and expansion of our wastewater infrastructure, addressing the mounting demand and aging treatment systems. Accordingly, we are investing \$6.3 million in FY 2024 for water infrastructure enhancements, encompassing projects like Water Tank Storage Rehabilitation, Repairs for Tanks 6 and 7, and MTU and filters for Well site 5. For wastewater, we've allocated \$1 million for the West Wastewater expansion design and \$1.3 million for East Wastewater plant enhancements. Our collaboration with ADOT and Yuma County will finally bring the much-anticipated Cesar Chavez Blvd project to fruition, backed by \$33 million in grants.



Investment in Parks and Recreation: Our unwavering commitment to enriching the community experience is reflected in our dedication of \$1.2 million to enhance the East Community Park. This investment encompasses critical upgrades such as improved lighting, the renovation of the municipal pool, and the expansion of the recreation building.

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 \$4 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 2024 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	Recreation	Information Technology
Administration	Youth Center	Facilities
City Clerk	Aquatic Center	Fleet Services
City Attorney	Senior Services	Risk and Property
City Prosecutor	Municipal Court	Community Development
Finance	Police Department	Cultural Center
Human Resources	Fire Department	Parks
Development Services	Building Safety	Senior Center

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

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

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

Capital Outlay Reserves (Impact Fees) - This fund segregates the revenue to pay for growth-related capital projects. The revenue is used to pay for eligible projects or repay debt issued for growth-related construction.

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



Fund Structure

PROPRIETARY FUNDS

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

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

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

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



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

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



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

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

Fund Structure

	Governmental Funds					Proprietary Fund		Component Unit
	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							
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 according to generally accepted accounting principles (GAAP) and uses the modified accrual basis of accounting for both governmental and proprietary funds. Below are outlined the significant differences between the budget and the Annual Comprehensive Financial Report (ACFR).

- 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 POLICIES



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.

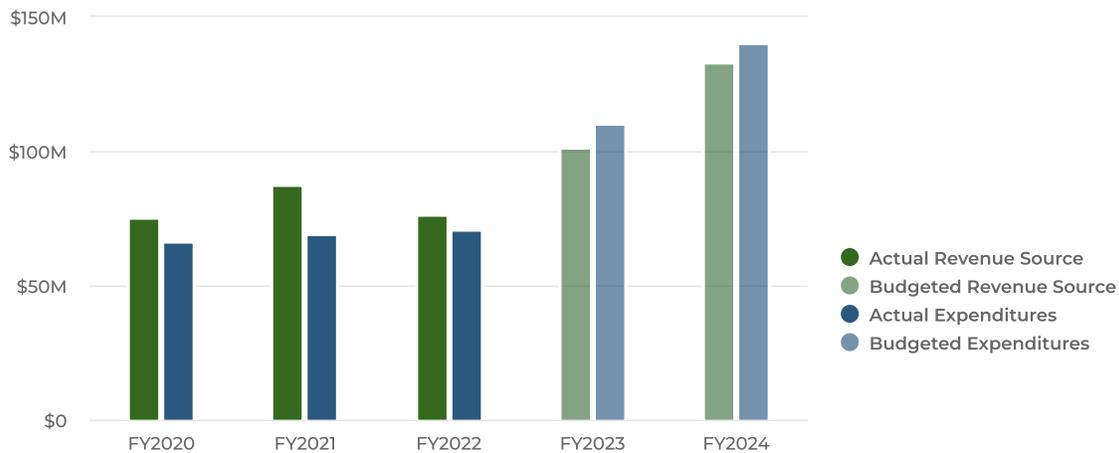
BUDGET AND FUND OVERVIEW





Summary

The council adopted the FY 2023-24 budget on June 28, 2023. 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 \$133.4 M of revenue in FY2024, which represents a 31% increase over the prior year. Budgeted expenditures are projected to increase by 27% or \$29.8M to \$140.5 M in FY2023.



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 \$11,986,899. 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 18.6%, mainly due to the carryover of capital projects into subsequent years. Additionally, the impact of COVID-19 led to delays in some projects, contributing to this increase.

However, looking ahead to FY 2024, we anticipate a 22% 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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget
Beginning Fund Balance:	\$20,186,866	\$38,163,563	\$43,977,673	\$43,977,673	\$53,674,978
Revenues					
Taxes	\$12,576,248	\$12,431,186	\$12,945,550	\$13,326,824	\$13,929,380
Intergovernmental	\$10,966,784	\$11,631,835	\$14,060,000	\$14,724,837	\$18,009,274
Licenses & Permits	\$1,026,519	\$739,853	\$780,240	\$742,903	\$726,830
Other Revenue	\$32,952,394	\$30,447,632	\$45,734,494	\$28,134,325	\$69,821,217
Charges For Services	\$12,848,581	\$13,031,672	\$13,872,720	\$12,677,166	\$15,881,708
Impact Fees	\$2,113,271	\$1,412,570	\$1,531,360	\$1,256,203	\$1,342,600
Rent	\$667,544	\$794,212	\$1,198,300	\$991,348	\$897,669
Fines & Forfeits	\$317,580	\$342,227	\$275,940	\$331,632	\$317,800
Special Assessments	\$488,533	\$584,632	\$642,640	\$452,992	\$826,270
Interest Revenue	\$46,970	\$77,227	\$53,680	\$1,712,293	\$789,600
HURF - Special Revenues	\$3,144,848	\$3,376,414	\$3,600,000	\$3,496,804	\$3,804,400
Other Financing Sources	\$10,399,212	\$1,933,065	\$7,033,917	\$0	\$7,105,602
Total Revenues:	\$87,548,484	\$76,802,525	\$101,728,841	\$77,847,328	\$133,452,350
Expenditures					
Salaries & Related Expenses	\$27,201,472	\$21,422,890	\$26,732,313	\$22,600,854	\$30,386,195
Supplies	\$1,464,143	\$1,534,454	\$2,549,811	\$1,479,859	\$2,054,137
Maintenance	\$5,430,218	\$5,983,138	\$3,682,215	\$4,004,343	\$4,445,595
Special Services	\$25,156,930	\$29,561,662	\$32,669,830	\$21,679,795	\$33,409,854
Contingencies	\$70,988	\$5,047	\$300,000	\$0	\$506,450
Other Financing Sources - Uses	\$1,843,835	\$1,933,065	\$7,033,917	\$0	\$7,105,602
Long Term Debt Service	\$5,209,818	\$5,457,891	\$9,653,375	\$9,617,824	\$9,769,220
Non-Departmental	\$0	\$0	\$0	\$0	\$0
Capital Items	\$3,194,383	\$5,090,268	\$28,049,281	\$8,767,347	\$52,871,893
Total Expenditures:	\$69,571,787	\$70,988,415	\$110,670,742	\$68,150,023	\$140,548,946
Total Revenues Less Expenditures:	\$17,976,697	\$5,814,110	-\$8,941,901	\$9,697,305	-\$7,096,596
Ending Fund Balance:	\$38,163,563	\$43,977,673	\$35,035,772	\$53,674,978	\$46,578,382

Summary of Changes Revenue - Proposed FY 2024 vs Adopted FY 2024

The table below provides a summary of changes from the proposed FY 2024 budget and the adopted FY 2024 budget.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2024 Proposed Continuation Budget vs. FY2024 Adopted Budget (% Change)	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
All Funds							



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2024 Proposed Continuation Budget vs. FY2024 Adopted Budget (% Change)	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
General Fund							
Taxes	\$12,576,248	\$12,431,186	\$12,945,550	\$13,326,824	\$13,929,380	0%	7.6%
Intergovernmental	\$10,934,342	\$11,432,034	\$13,850,000	\$14,508,169	\$17,789,274	0%	28.4%
Licenses & Permits	\$1,026,519	\$739,853	\$780,240	\$742,903	\$726,830	0%	-6.8%
Other Revenue	\$255,587	\$119,304	\$77,900	\$62,119	\$62,000	0%	-20.4%
Charges For Services	\$12,303	\$70,020	\$44,650	\$55,758	\$55,740	0%	24.8%
Rent	\$23,232	\$170,233	\$503,300	\$303,497	\$173,300	0%	-65.6%
Fines & Forfeits	\$232,247	\$259,621	\$198,740	\$247,388	\$244,600	0%	23.1%
Interest Revenue	\$14,201	\$44,538	\$16,100	\$574,779	\$250,000	0%	1,452.8%
Total General Fund:	\$25,074,679	\$25,266,789	\$28,416,480	\$29,821,437	\$33,231,124	0%	16.9%
Highway User Fund							
Other Revenue	\$370	\$37,442	\$0	\$300		N/A	N/A
Impact Fees	\$697,642	\$473,868	\$406,800	\$403,868	\$406,800	0%	0%
Interest Revenue	\$801	\$6,325	\$1,550	\$182,417	\$75,000	0%	4,738.7%
HURF - Special Revenues	\$3,144,848	\$3,376,414	\$3,600,000	\$3,496,804	\$3,804,400	0%	5.7%
Other Financing Sources	\$0	\$149,178	\$1,848,685	\$0	\$3,477,320	N/A	88.1%
Total Highway User Fund:	\$3,843,660	\$4,043,227	\$5,857,035	\$4,083,389	\$7,763,520	81.1%	32.6%
Grants							
Special Rev - Public Safety							
Intergovernmental	\$32,442	\$199,801	\$210,000	\$216,668	\$220,000	0%	4.8%
Other Revenue	\$3,287,928	\$616,213	\$1,988,673	\$394,663	\$1,790,000	79%	-10%
Charges For Services	\$32,639	\$46,752	\$83,000	\$72,987	\$100,000	0%	20.5%
Fines & Forfeits	\$754	\$5,676	\$4,000	\$6,217		N/A	N/A
Total Special Rev - Public Safety:	\$3,353,764	\$868,442	\$2,285,673	\$690,536	\$2,110,000	59.9%	-7.7%
Special Rev - Comm Development							
Other Revenue	\$690,864	\$1,184,180	\$15,446,461	\$1,226,224	\$39,474,017	28.5%	155.6%
Other Financing Sources	\$149,496	\$143,556	\$2,978,712	\$0	\$1,368,506	25.8%	-54.1%
Total Special Rev - Comm Development:	\$840,360	\$1,327,736	\$18,425,173	\$1,226,224	\$40,842,523	28.4%	121.7%
Judicial Collection Enhancement							
Fines & Forfeits	\$84,579	\$76,930	\$73,200	\$78,027	\$73,200	0%	0%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2024 Proposed Continuation Budget vs. FY2024 Adopted Budget (% Change)	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Total Judicial Collection Enhancement:	\$84,579	\$76,930	\$73,200	\$78,027	\$73,200	0%	0%
Total Grants:	\$4,278,703	\$2,273,108	\$20,784,046	\$1,994,786	\$43,025,723	29.6%	107%
Employee Benefit Trust							
Other Revenue	\$2,910,870	\$2,962,414	\$3,070,010	\$3,031,564	\$3,339,900	0%	8.8%
Interest Revenue	\$4,196	\$4,205	\$4,300	\$3,184	\$4,300	0%	0%
Total Employee Benefit Trust:	\$2,915,066	\$2,966,618	\$3,074,310	\$3,034,748	\$3,344,200	0%	8.8%
Water							
Other Revenue	\$1,706,237	\$118,794	\$110,000	\$113,507	\$115,000	0%	4.5%
Charges For Services	\$4,731,885	\$4,628,184	\$4,636,550	\$4,480,004	\$5,265,381	0%	13.6%
Impact Fees	\$211,191	\$129,881	\$128,000	\$135,768	\$131,700	0%	2.9%
Interest Revenue	\$16,480	-\$11,073	\$18,300	\$376,313	\$165,000	0%	801.6%
Total Water:	\$6,665,793	\$4,865,786	\$4,892,850	\$5,105,591	\$5,677,081	0%	16%
Wastewater							
Other Revenue	\$1,012,452	\$7,064	\$1,000	\$0		N/A	N/A
Charges For Services	\$4,186,496	\$4,252,663	\$4,232,100	\$4,290,491	\$5,143,978	0%	21.5%
Impact Fees	\$338,040	\$207,308	\$197,000	\$214,775	\$201,100	0%	2.1%
Interest Revenue	\$6,384	\$17,010	\$7,860	\$217,403	\$95,000	0%	1,108.7%
Total Wastewater:	\$5,543,373	\$4,484,045	\$4,437,960	\$4,722,668	\$5,440,078	0%	22.6%
Solid Waste							
Other Revenue	\$41,750	\$35,530	\$38,000	\$22,860	\$38,000	0%	0%
Charges For Services	\$1,537,743	\$1,605,233	\$1,601,000	\$1,631,601	\$1,966,609	0.3%	22.8%
Total Solid Waste:	\$1,579,493	\$1,640,763	\$1,639,000	\$1,654,461	\$2,004,609	0.3%	22.3%
Ambulance Service							
Other Revenue	\$17,014	\$1,003	\$0	\$2,958		N/A	N/A
Charges For Services	\$2,347,516	\$2,428,820	\$3,275,420	\$2,146,326	\$3,350,000	0%	2.3%
Other Financing Sources	\$345,344	\$0	\$0	\$0		N/A	N/A
Total Ambulance Service:	\$2,709,874	\$2,429,824	\$3,275,420	\$2,149,284	\$3,350,000	0%	2.3%
SLDF-Detention Facility Corp							
Other Revenue	\$23,027,290	\$25,263,660	\$25,000,000	\$23,277,850	\$25,000,000	0%	0%
Interest Revenue	\$859	\$2,476	\$400	\$100,000	\$100,000	0%	24,900%
Total SLDF-Detention Facility Corp:	\$23,028,149	\$25,266,135	\$25,000,400	\$23,377,850	\$25,100,000	0%	0.4%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2024 Proposed Continuation Budget vs. FY2024 Adopted Budget (% Change)	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Debt Service Fund							
Other Revenue	\$0	\$28	\$0	\$0		N/A	N/A
Interest Revenue	\$286	\$5,849	\$400	\$163,554	\$100,000	0%	24,900%
Other Financing Sources	\$9,395,392	\$1,640,331	\$1,629,630	\$0	\$1,647,100	0%	1.1%
Total Debt Service Fund:	\$9,395,678	\$1,646,208	\$1,630,030	\$163,554	\$1,747,100	0%	7.2%
Impact Fees							
Other Revenue	\$0	\$7	\$0	\$0		N/A	N/A
Impact Fees	\$866,398	\$601,513	\$799,560	\$501,794	\$603,000	0%	-24.6%
Interest Revenue	\$3,634	\$7,580	\$4,470	\$94,143		N/A	N/A
Other Financing Sources	\$508,980	\$0	\$0	\$0		N/A	N/A
Total Impact Fees:	\$1,379,012	\$609,100	\$804,030	\$595,937	\$603,000	0%	-25%
Assessment Districts							
Special Assessments	\$488,533	\$584,632	\$642,640	\$452,992	\$826,270	28.6%	28.6%
Total Assessment Districts:	\$488,533	\$584,632	\$642,640	\$452,992	\$826,270	28.6%	28.6%
Component Units							
SL Community Facilities District							
Rent	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	0%	0%
Total SL Community Facilities District:	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	0%	0%
Business Incubator							
Other Revenue	\$2,031	\$3,271	\$2,450	\$2,280	\$2,300	0%	-6.1%
Rent	\$41,812	\$86,805	\$92,500	\$85,352	\$121,869	0%	31.8%
Total Business Incubator:	\$43,843	\$90,076	\$94,950	\$87,632	\$124,169	0%	30.8%
Business Center							
Other Revenue	\$0	\$98,723	\$0	\$0		N/A	N/A
Rent	\$600,000	\$534,673	\$600,000	\$600,000	\$600,000	0%	0%
Interest Revenue	\$127	\$318	\$300	\$500	\$300	0%	0%
Other Financing Sources	\$0	\$0	\$576,890	\$0	\$612,676	11.6%	6.2%
Total Business Center:	\$600,127	\$633,713	\$1,177,190	\$600,500	\$1,212,976	5.6%	3%
Total Component Units:	\$646,470	\$726,289	\$1,274,640	\$690,632	\$1,339,645	5%	5.1%
Total All Funds:	\$87,548,484	\$76,802,525	\$101,728,841	\$77,847,328	\$133,452,350	11.3%	31.2%



Summary of Changes Expenditures - Proposed FY 2024 vs Adopted FY 2024

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Projected	FY2024 Adopted Budget	FY2024 Proposed Continuation Budget vs. FY2024 Adopted Budget (% Change)
All Funds					
General Fund					
Salaries & Related Expenses	\$12,457,275	\$15,815,164	\$17,445,752	\$21,706,600	-2.8%
Supplies	\$792,993	\$954,365	\$844,767	\$1,174,007	-8.4%
Maintenance	\$1,242,818	\$1,444,694	\$2,107,833	\$2,260,894	0%
Special Services	\$2,954,988	\$3,543,874	\$3,828,134	\$5,771,884	-5.1%
Contingencies	\$0	\$0	\$0	\$506,450	38.8%
Other Financing Sources - Uses	\$640,923	\$1,671,724	\$0	\$5,866,382	167.2%
Long Term Debt Service	\$83,476	\$85,552	\$78,909	\$82,460	0%
Non-Departmental	-\$2,404,254	-\$2,513,439	-\$3,479,290	-\$4,044,193	2.1%
Capital Items	\$1,001,696	\$3,190,914	\$1,592,650	\$1,372,392	-63.5%
Total General Fund:	\$16,769,915	\$24,192,849	\$22,418,756	\$34,696,876	0.8%
Highway User Fund					
Salaries & Related Expenses	\$1,009,283	\$989,743	\$1,182,714	\$1,411,430	0.5%
Supplies	\$39,296	\$21,829	\$40,052	\$50,950	0%
Maintenance	\$223,264	\$259,097	\$272,821	\$326,500	0%
Special Services	\$873,161	\$1,038,468	\$736,409	\$647,110	0%
Other Financing Sources - Uses	\$25,992	\$81,341	\$0	\$1,239,220	14%
Non-Departmental	\$238,619	\$252,601	\$440,700	\$558,037	-13.5%
Capital Items	\$559,336	\$932,892	\$469,821	\$3,196,008	-26.7%
Total Highway User Fund:	\$2,968,951	\$3,575,971	\$3,142,519	\$7,429,255	-12.8%
Grants					
Special Rev - Public Safety					
Salaries & Related Expenses	\$2,802,241	\$484,170	\$420,801	\$2,000,525	57.5%
Supplies	\$48,016	\$27,331	\$81,877	\$14,000	0%
Maintenance	\$20,455	\$21,407	\$15,907	\$24,475	0%
Special Services	\$59,620	\$24,990	\$35,049	\$71,000	545.5%
Other Financing Sources - Uses	\$345,344	\$0	\$0		N/A
Capital Items	\$90,652	\$0	\$24,630		N/A
Total Special Rev - Public Safety:	\$3,366,328	\$557,898	\$578,265	\$2,110,000	59.9%
Special Rev - Comm Development					
Salaries & Related Expenses	\$29,397	\$547,803	\$77,272	\$66,640	-38.5%
Supplies	\$117,603	\$34,923	\$12,814	\$24,600	0%
Maintenance	\$755	\$100	\$763	\$800	0%
Special Services	\$153,491	\$32,457	\$19,781	\$13,500	-94.7%
Non-Departmental	\$16,879	\$21,679	\$23,500	\$23,600	0%
Capital Items	\$545,147	\$196,904	\$4,035,370	\$40,713,383	29.7%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Projected	FY2024 Adopted Budget	FY2024 Proposed Continuation Budget vs. FY2024 Adopted Budget (% Change)
Total Special Rev - Comm Development:	\$863,272	\$833,867	\$4,169,500	\$40,842,523	28.4%
Judicial Collection Enhancement					
Supplies	\$0	\$4,175	\$0		N/A
Special Services	\$74,281	\$67,691	\$54,373	\$80,000	0%
Total Judicial Collection Enhancement:	\$74,281	\$71,866	\$54,373	\$80,000	0%
Total Grants:	\$4,303,882	\$1,463,631	\$4,802,138	\$43,032,523	29.6%
Employee Benefit Trust					
Special Services	\$2,541,140	\$3,474,599	\$2,604,526	\$3,344,200	0%
Total Employee Benefit Trust:	\$2,541,140	\$3,474,599	\$2,604,526	\$3,344,200	0%
Water					
Salaries & Related Expenses	\$647,212	\$669,512	\$628,393	\$924,340	3.8%
Supplies	\$220,153	\$186,181	\$241,295	\$374,500	-0.7%
Maintenance	\$1,001,491	\$1,047,741	\$446,250	\$567,690	9.7%
Special Services	\$526,882	\$543,475	\$539,442	\$637,050	0.4%
Contingencies	\$32,164	\$1,290	\$0		N/A
Long Term Debt Service	\$400,559	\$382,540	\$815,973	\$825,060	0%
Non-Departmental	\$602,397	\$648,191	\$881,280	\$1,047,072	5.1%
Capital Items	\$14,457	\$0	\$629,623	\$6,428,620	2.7%
Total Water:	\$3,445,315	\$3,478,929	\$4,182,255	\$10,804,332	2.9%
Wastewater					
Salaries & Related Expenses	\$794,326	\$1,068,956	\$915,324	\$1,441,490	3.8%
Supplies	\$54,132	\$70,070	\$58,194	\$148,650	0%
Maintenance	\$1,400,456	\$1,481,791	\$627,723	\$529,990	0%
Special Services	\$596,793	\$693,955	\$667,117	\$1,056,650	14.3%
Contingencies	\$24,694	\$2,568	\$0		N/A
Long Term Debt Service	\$470,219	\$448,346	\$1,148,713	\$991,940	0%
Non-Departmental	\$651,391	\$702,481	\$950,220	\$1,126,620	4.4%
Capital Items	\$20,732	\$68,808	\$779,448	\$496,620	101.4%
Total Wastewater:	\$4,012,743	\$4,536,976	\$5,146,739	\$5,791,960	9.1%
Solid Waste					
Salaries & Related Expenses	\$333,031	\$211,529	\$249,506	\$412,940	2.7%
Supplies	\$51,692	\$48,476	\$72,276	\$73,330	-3.9%
Maintenance	\$282,324	\$355,027	\$325,978	\$292,500	3.5%
Special Services	\$440,084	\$442,049	\$478,009	\$767,450	26%
Contingencies	\$14,130	\$1,189	\$0		N/A
Long Term Debt Service	\$7,490	\$5,256	\$55,308	\$105,710	0%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Projected	FY2024 Adopted Budget	FY2024 Proposed Continuation Budget vs. FY2024 Adopted Budget (% Change)
Non-Departmental	\$397,090	\$419,356	\$581,520	\$617,761	-11.4%
Capital Items	\$0	\$0	\$574,341	\$51,500	-92.7%
Total Solid Waste:	\$1,525,842	\$1,482,881	\$2,336,938	\$2,321,191	-19.2%
Ambulance Service					
Salaries & Related Expenses	\$1,629,467	\$1,599,493	\$1,668,728	\$2,393,630	0.2%
Supplies	\$133,671	\$179,511	\$127,097	\$183,500	0%
Maintenance	\$204,277	\$278,851	\$114,235	\$152,500	0%
Special Services	\$220,117	\$105,784	\$109,341	\$161,540	0%
Long Term Debt Service	\$7,471	\$21,193	\$52,188	\$71,660	0%
Non-Departmental	\$242,967	\$263,454	\$367,810	\$418,637	-0.5%
Capital Items	\$0	\$0	\$300,695	\$29,000	N/A
Total Ambulance Service:	\$2,437,969	\$2,448,285	\$2,740,093	\$3,410,467	1%
SLDF-Detention Facility Corp					
Maintenance	\$762,808	\$762,809	\$0		N/A
Special Services	\$16,260,939	\$19,206,185	\$12,245,354	\$20,309,770	0%
Long Term Debt Service	\$2,538,969	\$2,398,547	\$4,784,002	\$4,790,230	0%
Total SLDF-Detention Facility Corp:	\$19,562,715	\$22,367,541	\$17,029,356	\$25,100,000	0%
Debt Service Fund					
Salaries & Related Expenses	\$7,452,784	\$0	\$0		N/A
Special Services	\$153,817	\$1,671	\$4,678	\$4,490	0%
Other Financing Sources - Uses	\$183,775	\$0	\$0		N/A
Long Term Debt Service	\$1,270,155	\$1,644,538	\$1,533,013	\$1,742,610	0%
Total Debt Service Fund:	\$9,060,531	\$1,646,208	\$1,537,691	\$1,747,100	0%
Impact Fees					
Other Financing Sources - Uses	\$647,800	\$180,000	\$0		N/A
Long Term Debt Service	\$56,040	\$112,080	\$112,080	\$112,100	0%
Capital Items	\$950,853	\$700,750	\$360,768	\$584,370	5.2%
Total Impact Fees:	\$1,654,693	\$992,830	\$472,848	\$696,470	4.3%
Assessment Districts					
Salaries & Related Expenses	\$6,082	\$1,356	\$0	\$16,390	4.3%
Supplies	\$2,678	\$3,821	\$1,419	\$8,400	N/A
Maintenance	\$6,099	\$19,827	\$29,904	\$229,180	-10.6%
Special Services	\$227,186	\$331,712	\$316,568	\$420,930	13.6%
Non-Departmental	\$192,735	\$134,263	\$147,650	\$151,370	N/A
Capital Items	\$11,510	\$0	\$0		N/A
Total Assessment Districts:	\$446,290	\$490,979	\$495,541	\$826,270	28.6%
Component Units					



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Projected	FY2024 Adopted Budget	FY2024 Proposed Continuation Budget vs. FY2024 Adopted Budget (% Change)
Business Incubator					
Salaries & Related Expenses	\$40,373	\$35,165	\$12,364	\$12,210	-71.6%
Supplies	\$3,911	\$3,773	\$67	\$2,200	0%
Maintenance	\$56,312	\$62,792	\$10,772	\$9,700	0%
Special Services	\$50,165	\$36,362	\$38,908	\$43,580	0%
Non-Departmental	\$39,214	\$46,072	\$57,020	\$65,885	1.8%
Total Business Incubator:	\$189,975	\$184,164	\$119,131	\$133,575	-18.1%
Business Center					
Maintenance	\$229,159	\$249,002	\$52,158	\$51,366	25.6%
Special Services	\$24,266	\$18,391	\$2,106	\$80,700	0%
Long Term Debt Service	\$375,439	\$359,839	\$1,037,638	\$1,047,450	0%
Non-Departmental	\$22,963	\$25,342	\$29,590	\$35,211	5.2%
Total Business Center:	\$651,827	\$652,573	\$1,121,491	\$1,214,727	1%
Total Component Units:	\$841,802	\$836,737	\$1,240,622	\$1,348,302	-1.3%
Total All Funds:	\$69,571,787	\$70,988,415	\$68,150,023	\$140,548,946	7.2%

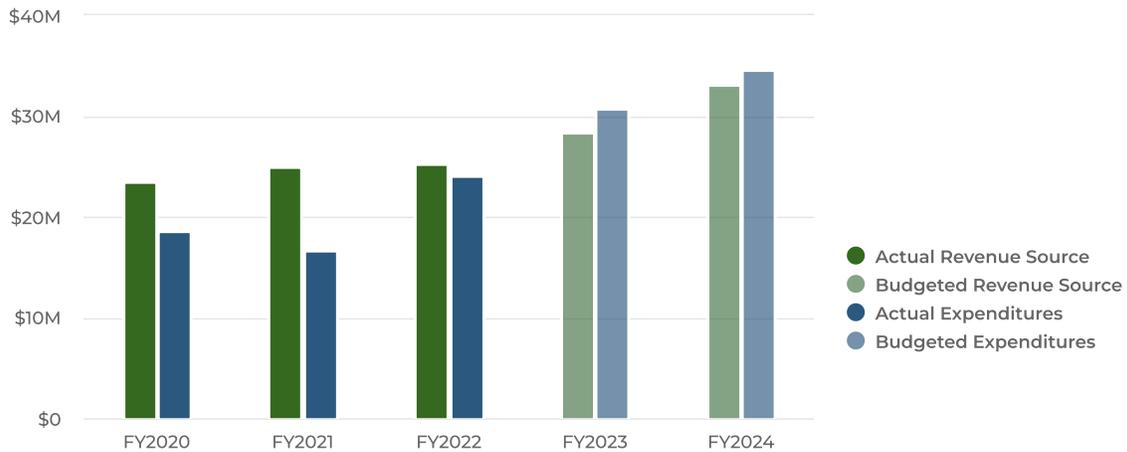


Summary

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 2024 budget.



In FY2024, the City of San Luis envisions a revenue projection of \$33.2 million, representing a noteworthy 17% surge when compared to the previous year's budget. This noteworthy growth can be chiefly credited to a combination of factors, with increased revenue from sales tax and the recent introduction of a flat tax rate at the state level, resulting in higher state-shared income tax rates.

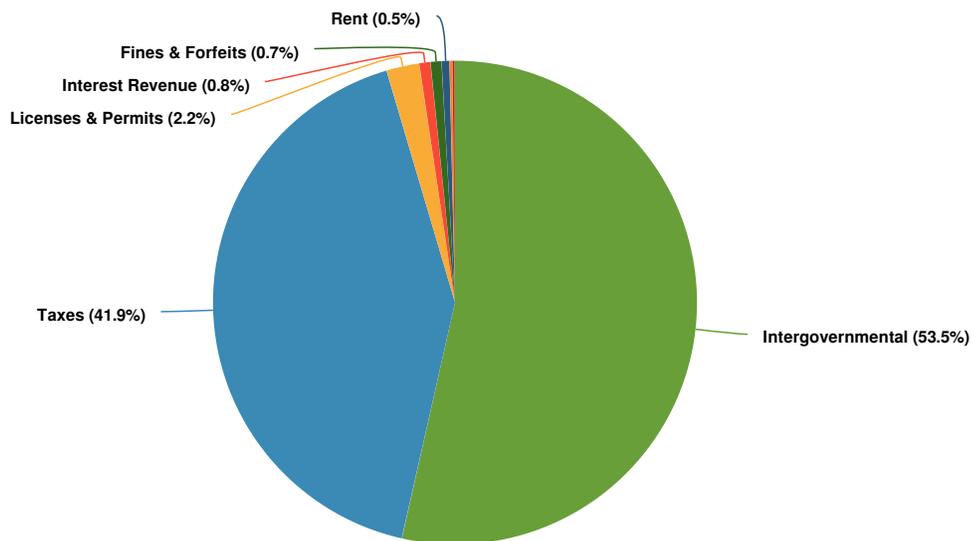
However, it's important to exercise caution and foresight, as the state tax increase is temporary. We anticipate a decline in this revenue in the coming years as the new lower rate begins to take effect.

The main source of revenue for the General Fund is intergovernmental revenue, comprising 53.5% 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 2024 is the local sales tax.

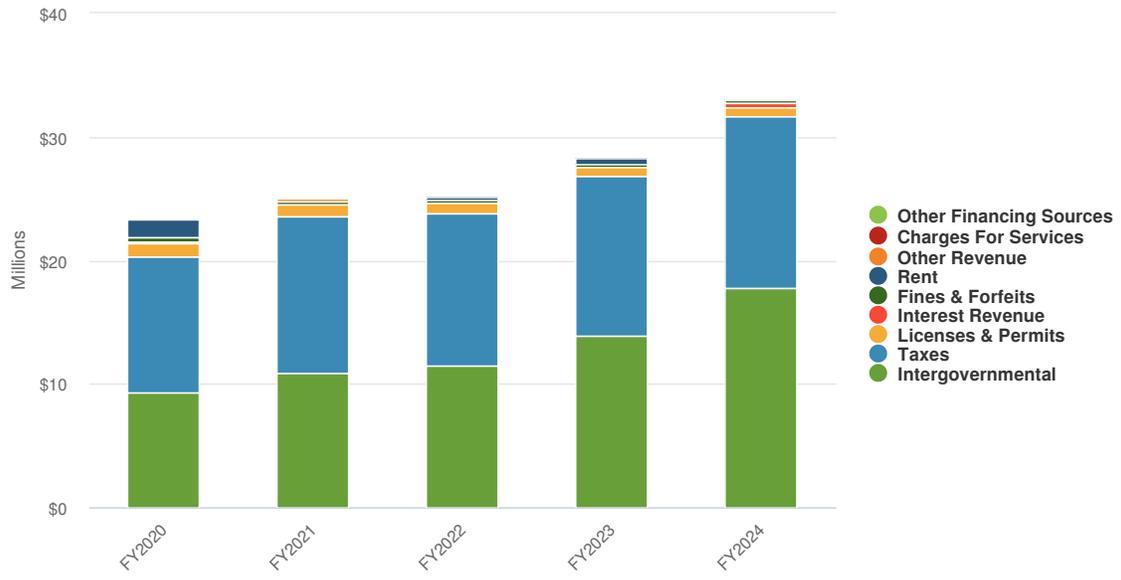
The remaining sources include fees the city charges for permits, fines, rents, and miscellaneous revenues. The FY 2024 expenditure budget is \$34.7 million, representing a 13% increase from the prior year's budget. The main factor driving the increase is the salaries and other financing uses to help subsidize street improvement projects.

Revenues

FY 2024 Budget Revenues \$33.2 M



Budgeted and Historical 2024 Revenues

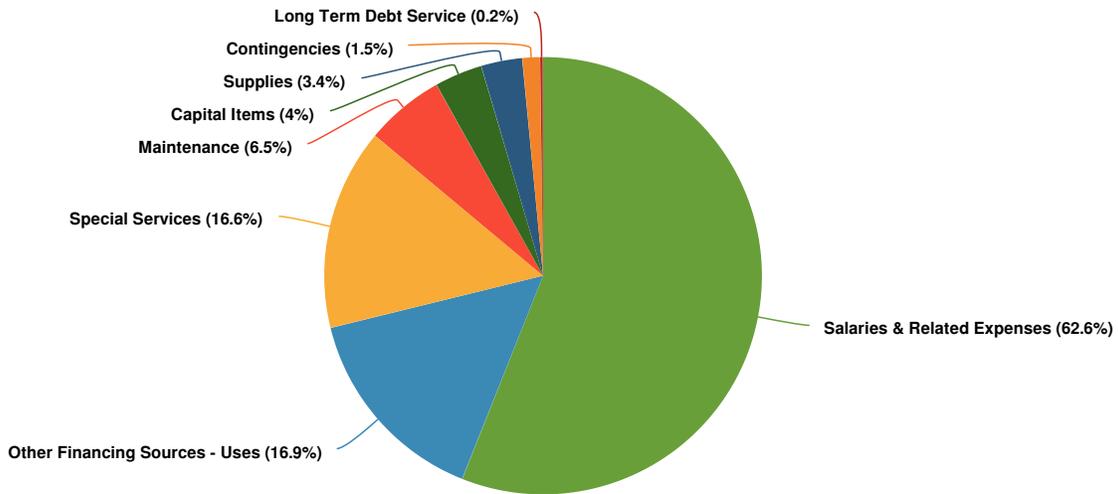


Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Taxes	\$12,576,248	\$12,431,186	\$12,945,550	\$13,326,824	\$13,929,380	7.6%
Intergovernmental	\$10,934,342	\$11,432,034	\$13,850,000	\$14,508,169	\$17,789,274	28.4%
Licenses & Permits	\$1,026,519	\$739,853	\$780,240	\$742,903	\$726,830	-6.8%
Other Revenue	\$255,587	\$119,304	\$77,900	\$62,119	\$62,000	-20.4%
Charges For Services	\$12,303	\$70,020	\$44,650	\$55,758	\$55,740	24.8%
Rent	\$23,232	\$170,233	\$503,300	\$303,497	\$173,300	-65.6%
Fines & Forfeits	\$232,247	\$259,621	\$198,740	\$247,388	\$244,600	23.1%
Interest Revenue	\$14,201	\$44,538	\$16,100	\$574,779	\$250,000	1,452.8%
Total Revenue Source:	\$25,074,679	\$25,266,789	\$28,416,480	\$29,821,437	\$33,231,124	16.9%

Expenditures

The chart below shows projections for each category as a percentage of the total General Fund expenditures for the FY 2024 budget. The largest expenditure in the General Fund is salaries, which comprise 62.6% 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 2023 Budget Expenditures \$30.8 M



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$12,457,275	\$15,815,164	\$18,735,900	\$17,445,752	\$21,706,600	15.9%
Supplies	\$792,993	\$954,365	\$1,181,451	\$844,767	\$1,174,007	-0.6%
Maintenance	\$1,242,818	\$1,444,694	\$1,913,005	\$2,107,833	\$2,260,894	18.2%
Special Services	\$2,954,988	\$3,543,874	\$4,810,140	\$3,828,134	\$5,771,884	20%
Contingencies	\$0	\$0	\$300,000	\$0	\$506,450	68.8%
Other Financing Sources - Uses	\$640,923	\$1,671,724	\$4,003,810	\$0	\$5,866,382	46.5%
Long Term Debt Service	\$83,476	\$85,552	\$85,060	\$78,909	\$82,460	-3.1%
Non-Departmental	-\$2,404,254	-\$2,513,439	-\$3,479,290	-\$3,479,290	-\$4,044,193	16.2%
Capital Items	\$1,001,696	\$3,190,914	\$3,283,827	\$1,592,650	\$1,372,392	-58.2%
Total Expense Objects:	\$16,769,915	\$24,192,849	\$30,833,903	\$22,418,756	\$34,696,876	12.5%



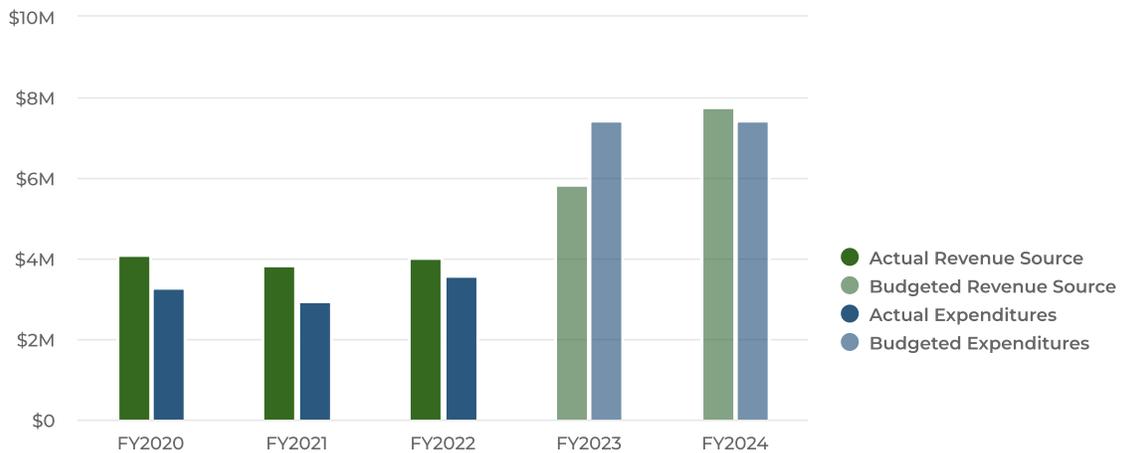
Highway User Fund

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.

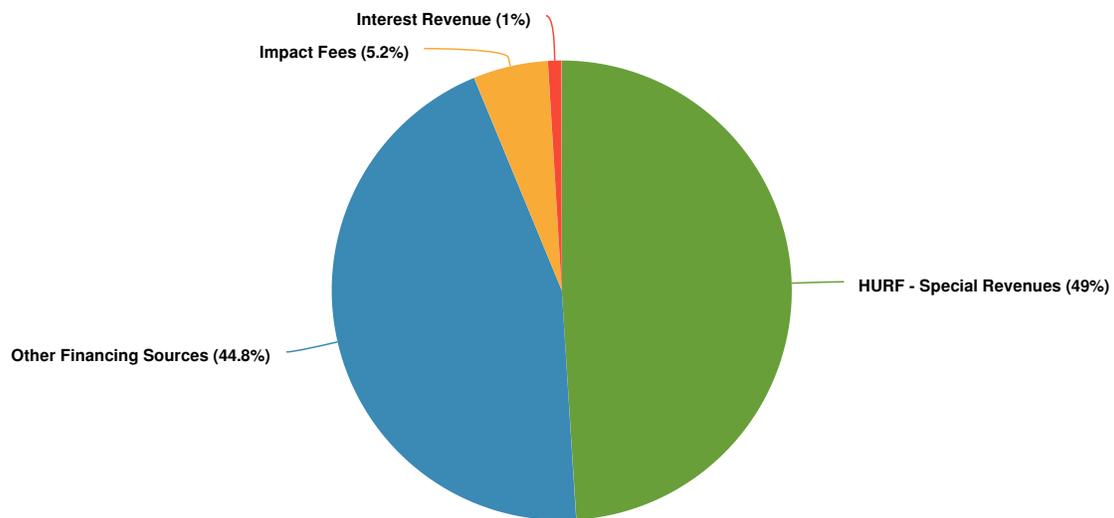
The graph below shows the revenue and expenditure trends over five years, and includes the FY 2024 budget.



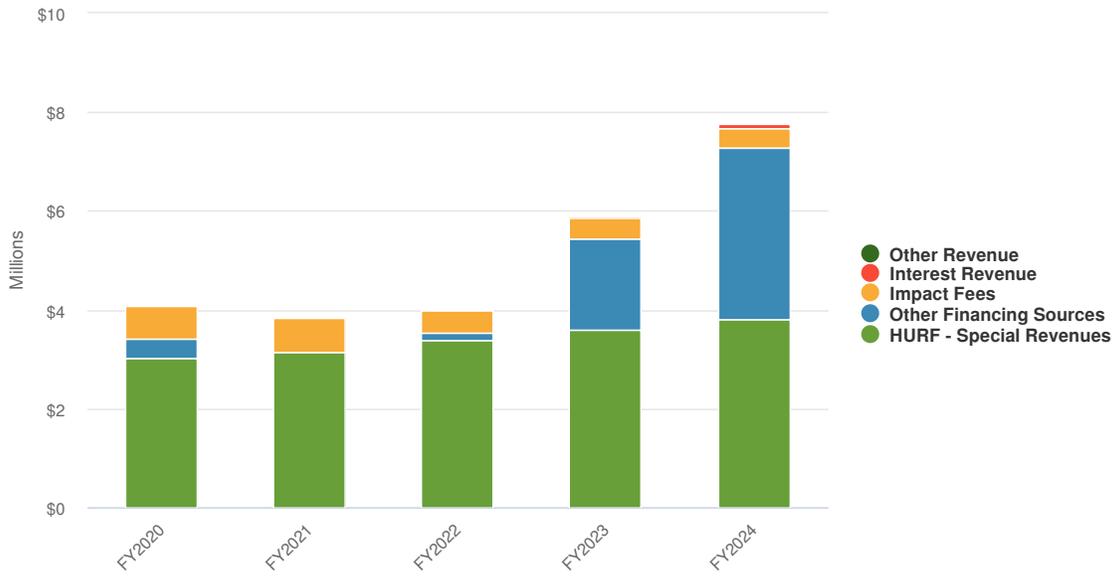
Revenues

The City of San Luis is projecting \$7.7 million of revenue in FY2024, which represents a 33% increase over the prior year's budget. There is a projected increase from the State Distribution of \$204,400. The General Fund is also making a contribution to the HURF fund totaling 1.6 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 2024 Budget Revenue \$7.7 million



Budgeted and Historical 2024 Revenues



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$370	\$37,442	\$0	\$300		N/A
Impact Fees	\$697,642	\$473,868	\$406,800	\$403,868	\$406,800	0%
Interest Revenue	\$801	\$6,325	\$1,550	\$182,417	\$75,000	4,738.7%
HURF - Special Revenues	\$3,144,848	\$3,376,414	\$3,600,000	\$3,496,804	\$3,804,400	5.7%
Other Financing Sources	\$0	\$149,178	\$1,848,685	\$0	\$3,477,320	88.1%
Total Revenue Source:	\$3,843,660	\$4,043,227	\$5,857,035	\$4,083,389	\$7,763,520	32.6%

Expenditures

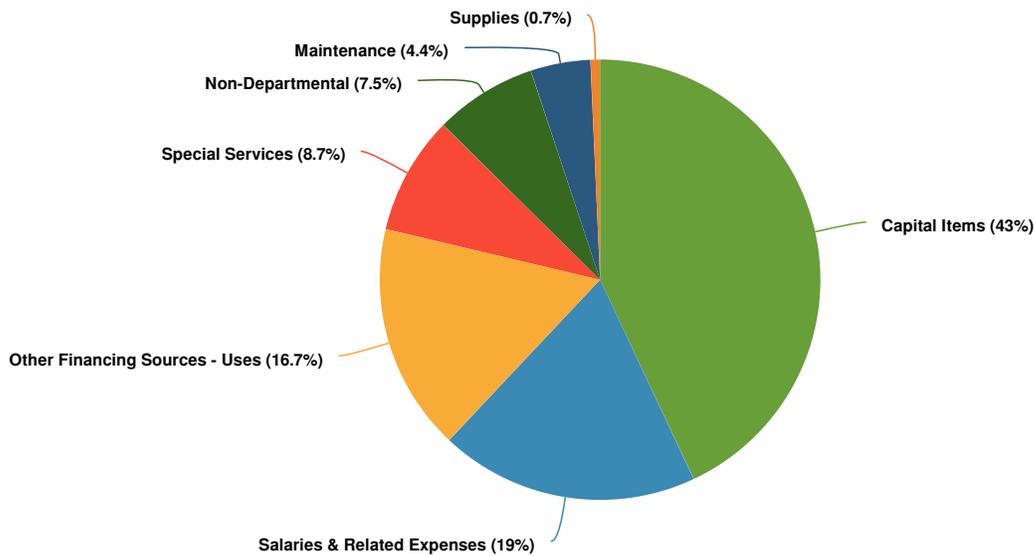
The Highway User Fund is actively engaged in projects aimed at improving vehicular flow, reducing traffic congestion, and enhancing street lighting across various parts of the city. For FY 2024, a budget of \$7.4 million has been allocated for street-related expenditures. It's worth noting that these budgeted expenditures are expected to remain stable throughout FY 2024.

While there is a noteworthy increase of \$1.5 million in the Capital Improvement Program (CIP), it's important to mention that this increase is partially offset by a reduction of \$1.6 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 12.8% of the total expenses, encompassing fund transfers to special revenue accounts funded by grants to facilitate the completion of street projects. In FY 2024, 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 51.2%, followed by salaries and related expenses at 16.5%.

FY 2024 Budget Expenditures \$7.4 million



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,009,283	\$989,743	\$1,369,290	\$1,182,714	\$1,411,430	3.1%
Supplies	\$39,296	\$21,829	\$56,540	\$40,052	\$50,950	-9.9%
Maintenance	\$223,264	\$259,097	\$322,000	\$272,821	\$326,500	1.4%
Special Services	\$873,161	\$1,038,468	\$743,650	\$736,409	\$647,110	-13%
Other Financing Sources - Uses	\$25,992	\$81,341	\$2,880,107	\$0	\$1,239,220	-57%
Non-Departmental	\$238,619	\$252,601	\$440,700	\$440,700	\$558,037	26.6%
Capital Items	\$559,336	\$932,892	\$1,636,898	\$469,821	\$3,196,008	95.2%
Total Expense Objects:	\$2,968,951	\$3,575,971	\$7,449,185	\$3,142,519	\$7,429,255	-0.3%



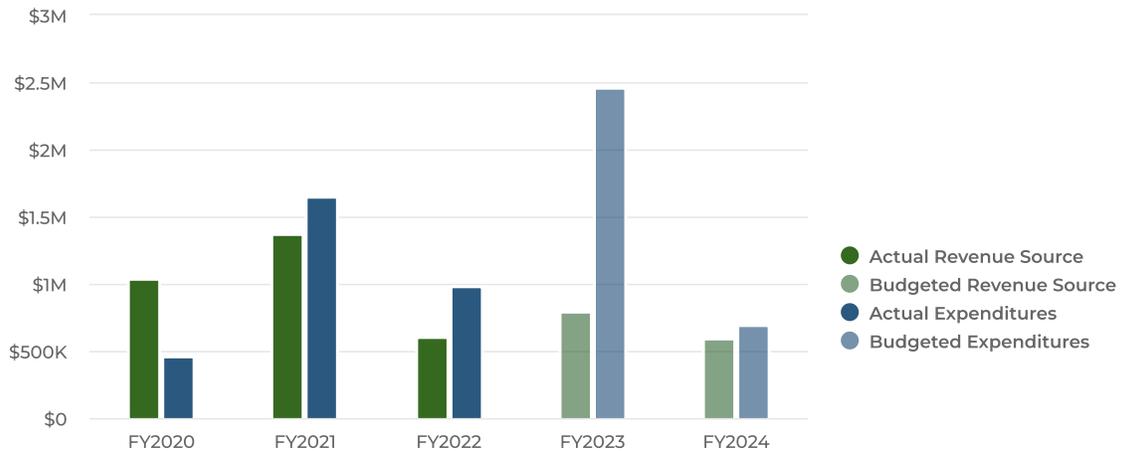


Summary

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 2024 projections.



The City of San Luis anticipates generating \$603,000 in revenue for FY2023. Recent years have seen significant residential growth, resulting in a consistent uptick in revenue. However, as we cast our gaze towards FY2024, we are adopting a more cautious approach due to anticipated challenges, including shortages in construction materials and available land. Consequently, we are projecting a 25% reduction in impact fees revenue compared to the previous year.

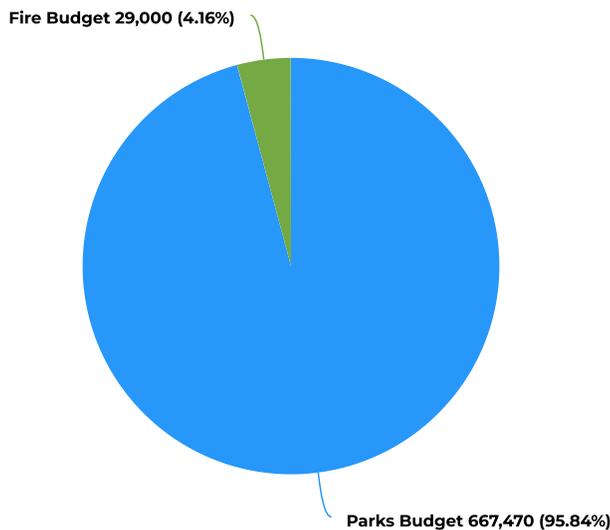
Moreover, budgeted expenditures are set to undergo a substantial decrease, with a projected 72% reduction in FY 2024. In FY 2023, the City successfully completed the construction of the East Fire Substation, funded in part by impact fees. However, other eligible projects currently in the pipeline, such as the construction of the East Police Station (currently in the design phase) and the East Community Park in the eastern area, are progressing through various phases at a more measured pace. It's worth highlighting that once completed, all these projects will bring substantial and invaluable benefits to the community.

Revenues by Source

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$0	\$7	\$0	\$0		N/A
Impact Fees	\$866,398	\$601,513	\$799,560	\$501,794	\$603,000	-24.6%
Interest Revenue	\$3,634	\$7,580	\$4,470	\$94,143		N/A
Other Financing Sources	\$508,980	\$0	\$0	\$0		N/A
Total Revenue Source:	\$1,379,012	\$609,100	\$804,030	\$595,937	\$603,000	-25%

Impact Fees Expenses by Department

FY 2024 Impact Fees Expenses by Department

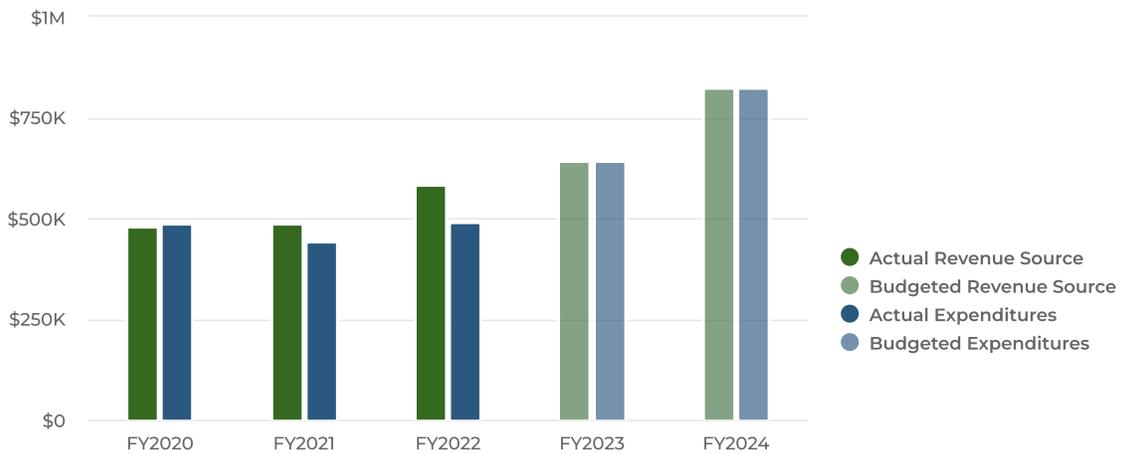




Summary

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.

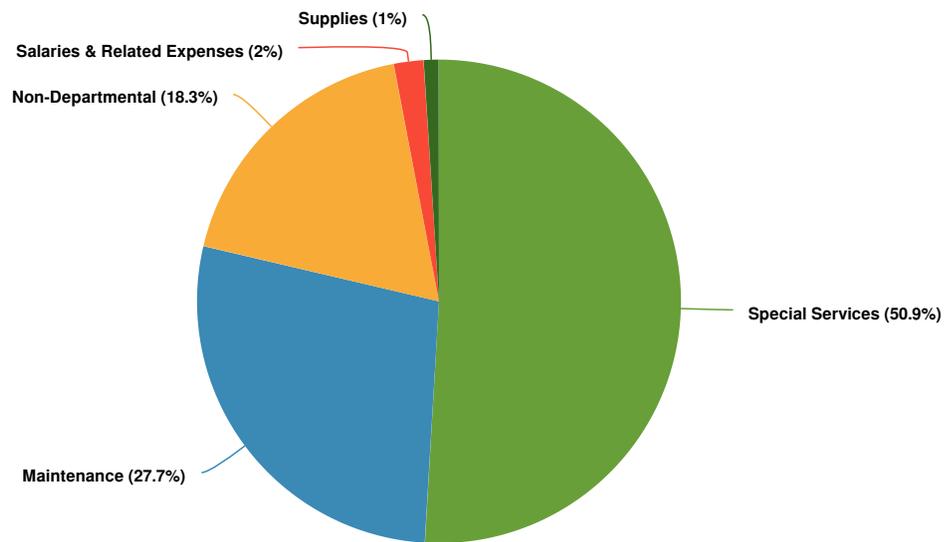
The graph below shows the revenue and expenditure trends over five years, and includes FY 2024 projections as well.



The City of San Luis forecasts revenue of \$826,270 for FY 2024, reflecting a remarkable 29% 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 2024.

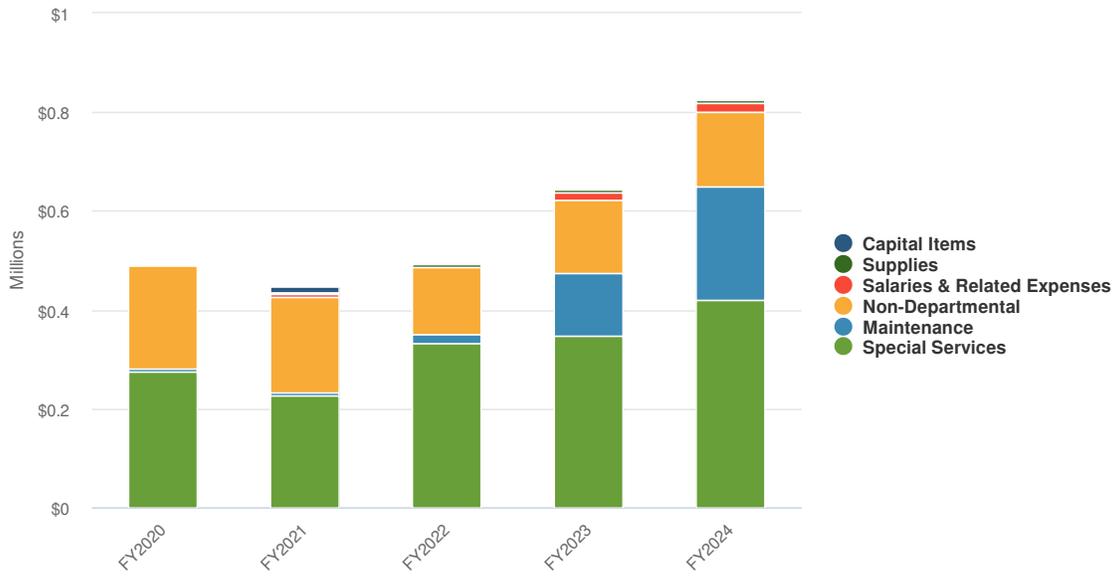
Expenditures by Expense Type

FY 2024 Budget Expenditures \$826,270



This special services category accounts for the majority of expenses, constituting 57.7% of the budget. It primarily covers costs related to water usage. Maintenance expenses make up 39.9% 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 2.4% of the district's total budgeted expenses.

Budgeted and Historical Expenditures by Expense Type



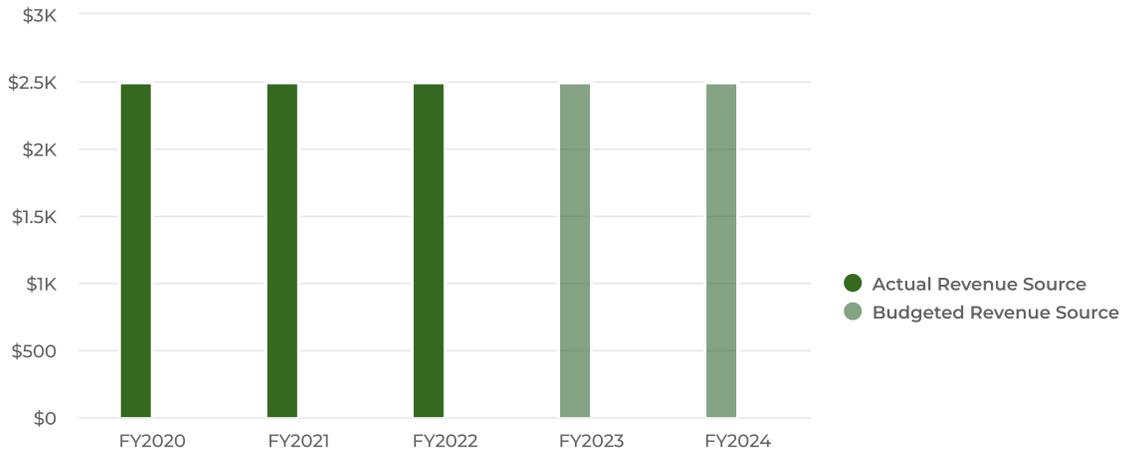
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$6,082	\$1,356	\$15,730	\$0	\$16,390	4.2%
Supplies	\$2,678	\$3,821	\$4,500	\$1,419	\$8,400	86.7%
Maintenance	\$6,099	\$19,827	\$127,360	\$29,904	\$229,180	79.9%
Special Services	\$227,186	\$331,712	\$347,400	\$316,568	\$420,930	21.2%
Non-Departmental	\$192,735	\$134,263	\$147,650	\$147,650	\$151,370	2.5%
Capital Items	\$11,510	\$0	\$0	\$0		N/A
Total Expense Objects:	\$446,290	\$490,979	\$642,640	\$495,541	\$826,270	28.6%



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 2024 projections.



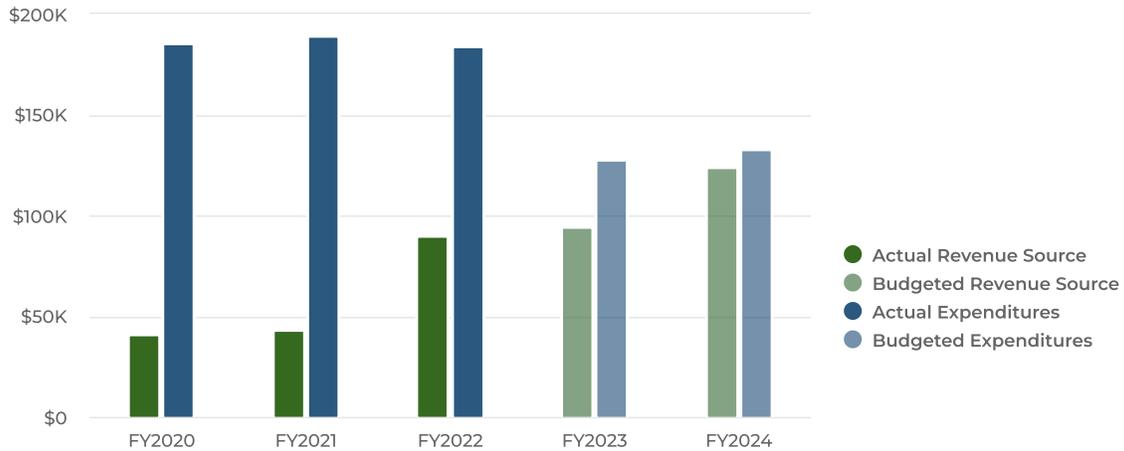
The City of San Luis is projecting \$2,500 of revenue in FY 2024, which represents a 0% increase over the prior year. The land lease is \$2,500 for the 30-year term.



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.

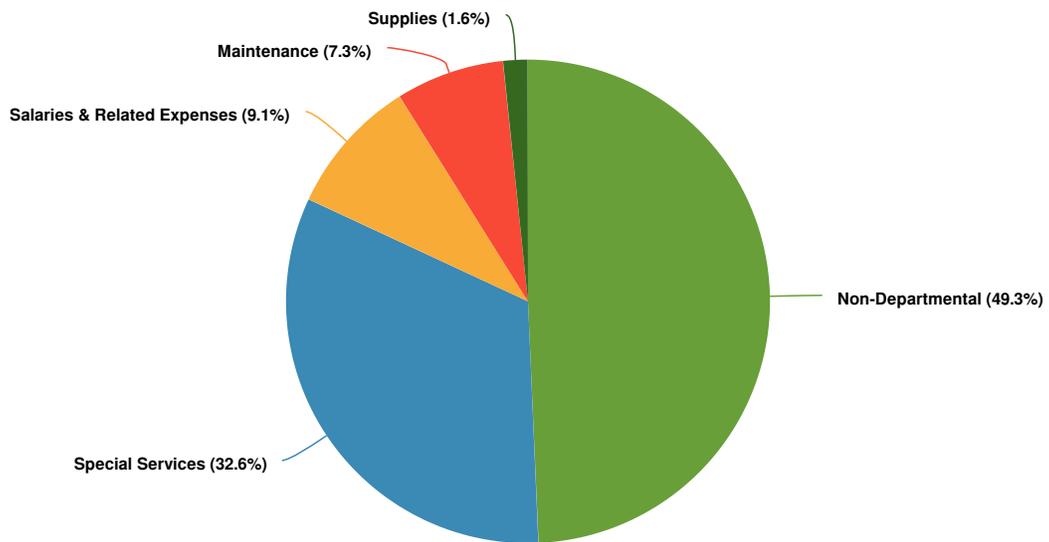
The graph below shows the revenue and expenditure trends over five years, and includes FY 2024 budget.



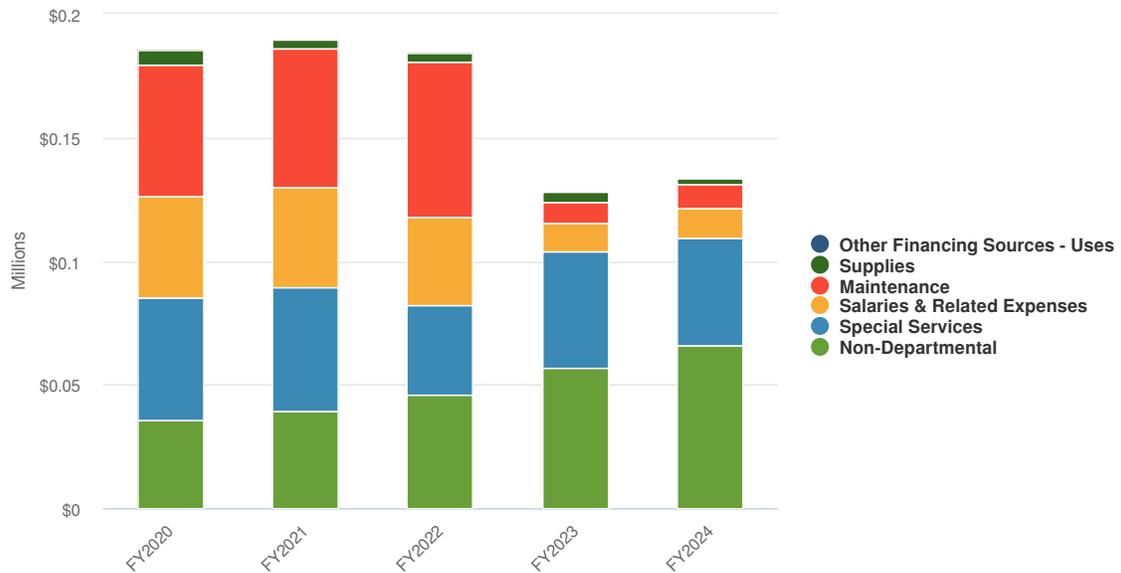
The Business Incubator anticipates generating \$124,169 in revenue for the fiscal year 2024. This year, our primary objective is to achieve full occupancy across all seven suites, maximizing our operational capacity. However, it's important to note that projected expenses for the year are expected to total \$133,575, reflecting a 4% 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 2024 Budget Expenditures \$133,575



Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$40,373	\$35,165	\$11,490	\$12,364	\$12,210	6.3%
Supplies	\$3,911	\$3,773	\$3,800	\$67	\$2,200	-42.1%
Maintenance	\$56,312	\$62,792	\$8,900	\$10,772	\$9,700	9%
Special Services	\$50,165	\$36,362	\$46,680	\$38,908	\$43,580	-6.6%
Non-Departmental	\$39,214	\$46,072	\$57,020	\$57,020	\$65,885	15.5%
Total Expense Objects:	\$189,975	\$184,164	\$127,890	\$119,131	\$133,575	4.4%

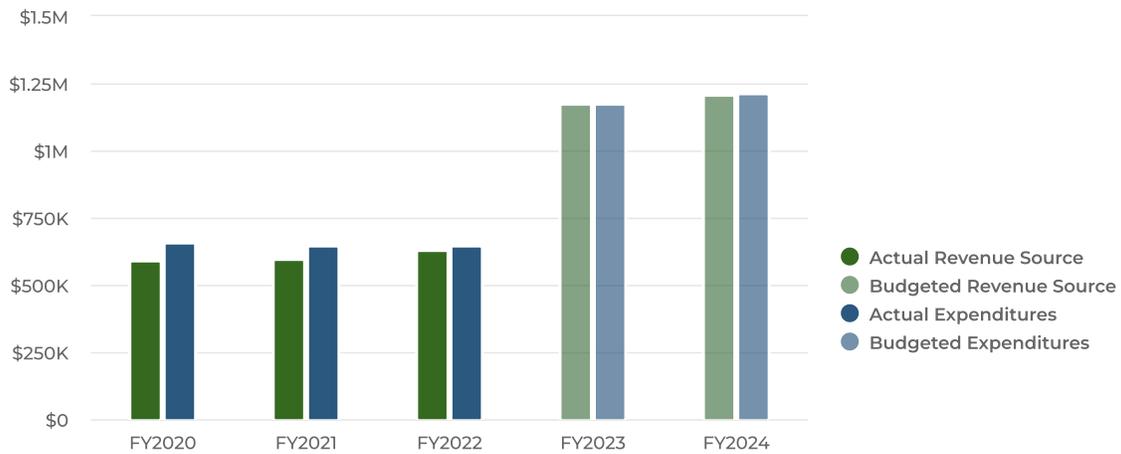




Summary

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.

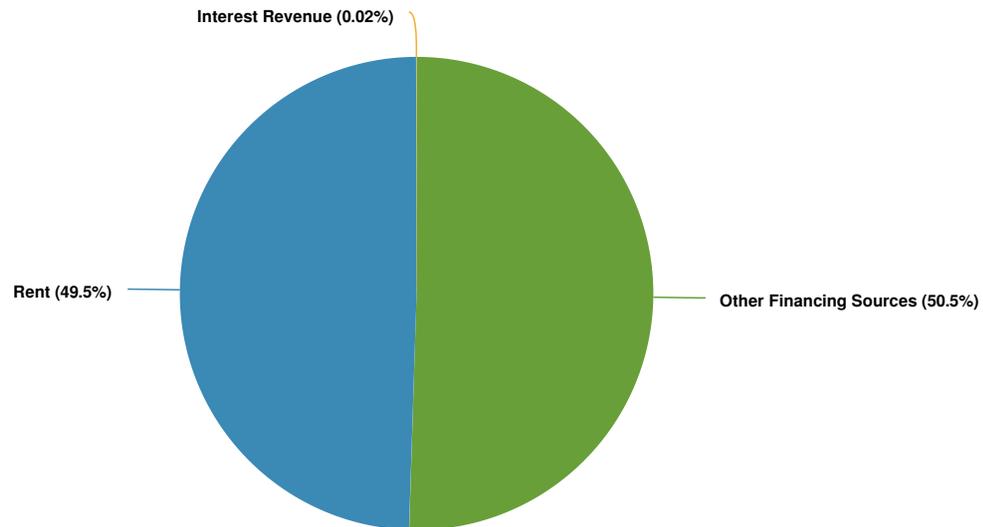
The graph below shows the revenue and expenditure trends over five years, and includes the FY 2024 budget.



The City of San Luis is anticipating \$1.2 million in revenue for the fiscal year 2024, reflecting a 3% growth compared to the previous year. In alignment with this increase in revenue, budgeted expenditures are also projected to rise by 3% in FY 2024. This balanced approach ensures that our budget remains in sync with our expected revenue, promoting responsible fiscal management.

Revenues

FY 2024 Revenues by Source \$1.2 million

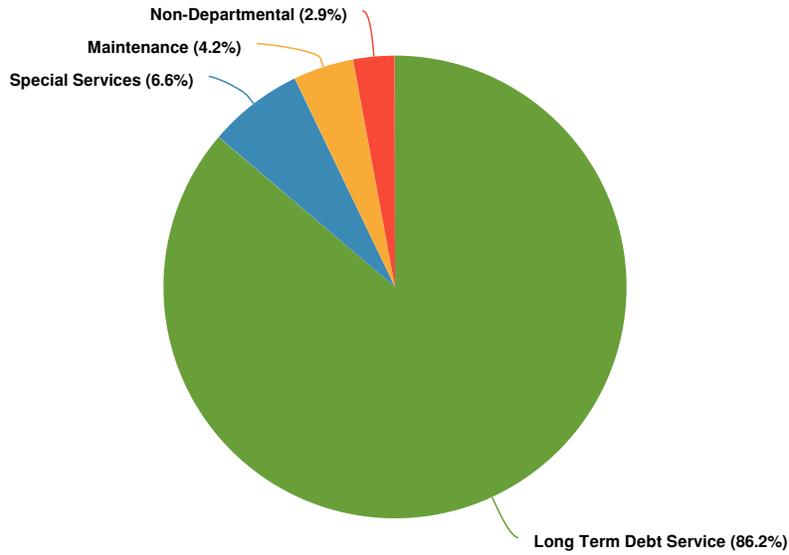


The table below shows the main variances for the FY 2024 Adopted Budget revenue vs the FY 2023 Adopted Budget.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$0	\$98,723	\$0	\$0		N/A
Rent	\$600,000	\$534,673	\$600,000	\$600,000	\$600,000	0%
Interest Revenue	\$127	\$318	\$300	\$500	\$300	0%
Other Financing Sources	\$0	\$0	\$576,890	\$0	\$612,676	6.2%
Total Revenue Source:	\$600,127	\$633,713	\$1,177,190	\$600,500	\$1,212,976	3%

Expenditures

FY 2024 Budget Expenditures \$1.2 million



The table below shows the main variances for the FY 2024 Adopted Budget expenditures vs the FY 2023 Adopted budget

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Maintenance	\$229,159	\$249,002	\$40,900	\$52,158	\$51,366	25.6%
Special Services	\$24,266	\$18,391	\$60,110	\$2,106	\$80,700	34.3%
Long Term Debt Service	\$375,439	\$359,839	\$1,046,590	\$1,037,638	\$1,047,450	0.1%
Non-Departmental	\$22,963	\$25,342	\$29,590	\$29,590	\$35,211	19%
Total Expense Objects:	\$651,827	\$652,573	\$1,177,190	\$1,121,491	\$1,214,727	3.2%



Special Revenue Funds

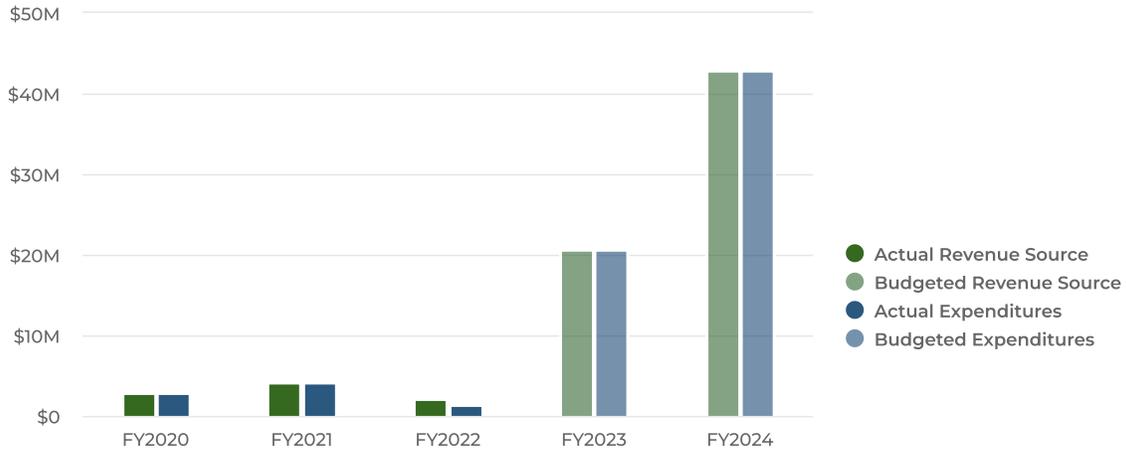
Summary

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.

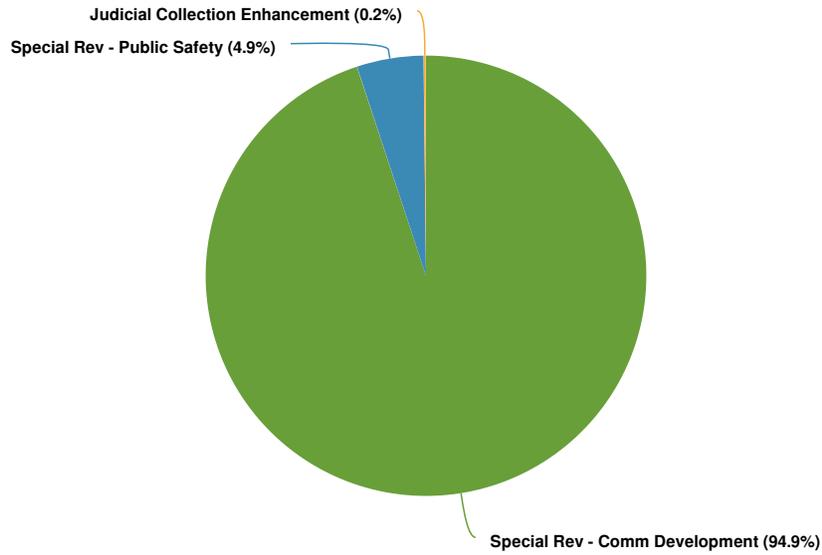
FY 2024 presents a significant increase in comparison with the prior years. The main factors driving this positive variance are the funds received from the American Rescue Plan Act to provide relief and assist with the recovery from the negative effects of the pandemic, and the grant to fund the expansion of the Cesar Chavez Blvd. These proceeds are accounted for within the Community Development Special Revenue Fund.

The graph below shows the revenue and expenditure trends over five years, to include FY 2024 budget.



Revenue

2024 Revenue by Fund \$43.02 millions

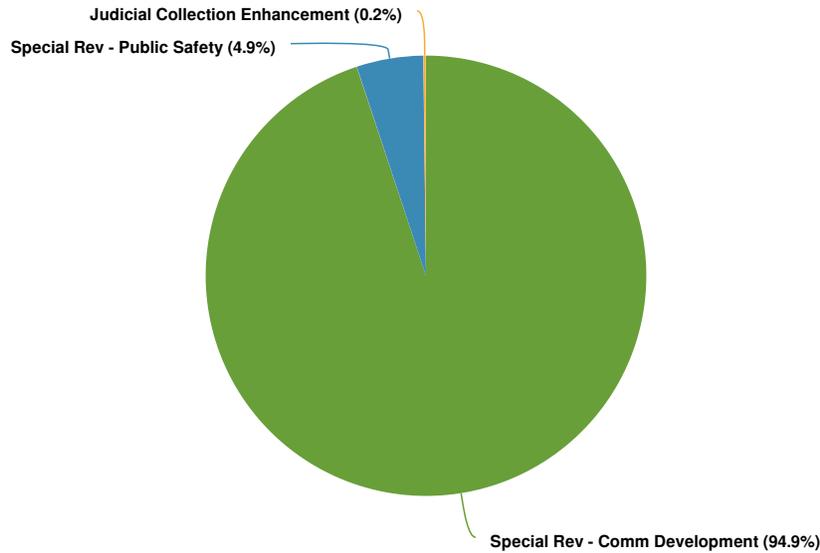


The table below shows the increase in the FY 2024 budget revenue vs the FY 2023 budget, which is primarily for the Community Development projects.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Special Rev - Public Safety	\$3,353,764	\$868,442	\$2,285,673	\$690,536	\$2,110,000	-7.7%
Special Rev - Comm Development	\$840,360	\$1,327,736	\$18,425,173	\$1,226,224	\$40,842,523	121.7%
Judicial Collection Enhancement	\$84,579	\$76,930	\$73,200	\$78,027	\$73,200	0%
Total:	\$4,278,703	\$2,273,108	\$20,784,046	\$1,994,786	\$43,025,723	107%

Expenditures

2023 Expenditures by Fund \$20.79 millions

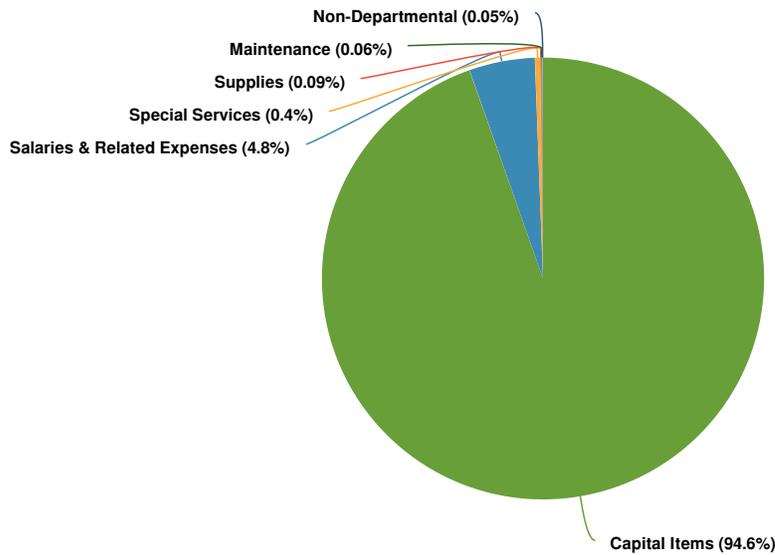


The table below highlights the key variances between the FY 2024 Adopted Budget revenue and the FY 2023 Adopted Budget. The main drivers for the increase are the Community Development projects, encompassing the expansion of Cesar Chavez Blvd and various other American Rescue Plan Act (ARPA) initiatives.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Special Rev - Public Safety	\$3,366,328	\$557,898	\$2,285,673	\$578,265	\$2,110,000	-7.7%
Special Rev - Comm Development	\$863,272	\$833,867	\$18,425,173	\$4,169,500	\$40,842,523	121.7%
Judicial Collection Enhancement	\$74,281	\$71,866	\$80,000	\$54,373	\$80,000	0%
Total:	\$4,303,882	\$1,463,631	\$20,790,846	\$4,802,138	\$43,032,523	107%

Expenditures By Expense Type

FY 2024 Budget Expenditures \$43.03 million



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$2,831,638	\$1,031,973	\$1,734,173	\$498,073	\$2,067,165	19.2%
Supplies	\$165,618	\$66,429	\$602,100	\$94,691	\$38,600	-93.6%
Maintenance	\$21,210	\$21,507	\$41,750	\$16,670	\$25,275	-39.5%
Special Services	\$287,393	\$125,138	\$1,510,400	\$109,203	\$164,500	-89.1%
Other Financing Sources - Uses	\$345,344	\$0	\$0	\$0	\$0	0%
Non-Departmental	\$16,879	\$21,679	\$23,500	\$23,500	\$23,600	0.4%
Capital Items	\$635,799	\$196,904	\$16,878,923	\$4,060,000	\$40,713,383	141.2%
Total Expense Objects:	\$4,303,882	\$1,463,631	\$20,790,846	\$4,802,138	\$43,032,523	107%

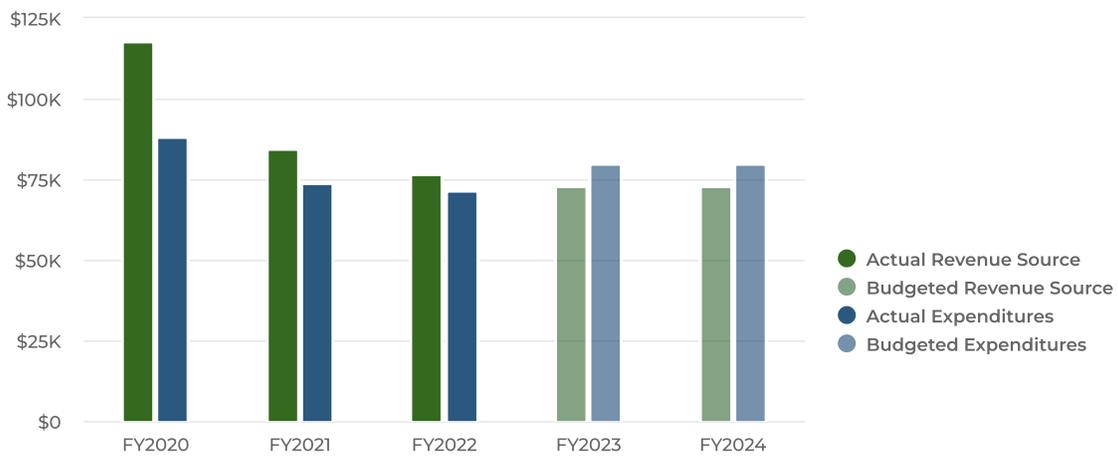


Judicial Collection Enhancement

Summary

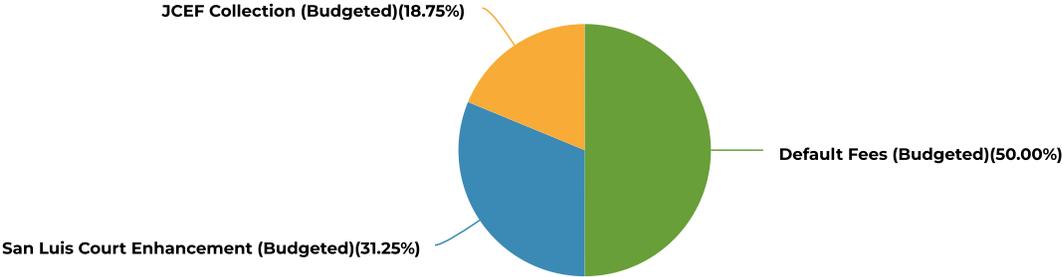
These funds account for the proceeds of specific revenue sources that are legally restricted to Municipal Court Revenues and Expenditures. The fund includes the JCEF Collections, San Luis Court Enhancement, Fill The Gap, Default Fees, Warrant Fees and the San Luis Municipal Court Fare as departments.

The graph below shows the revenue and expenditure trends over five years, to include FY 2024 budget.



The City of San Luis is projecting \$73,200 of revenue in FY2024, same amount as last year. Budgeted expenditures are projected to remain flat as well in FY2024.

FY 2024 Court SFR Expenses by Department

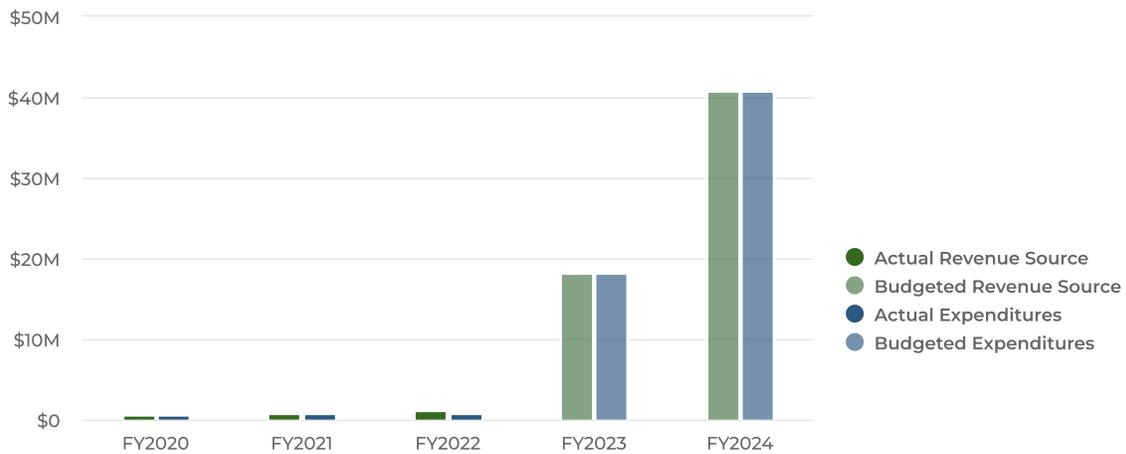




Summary

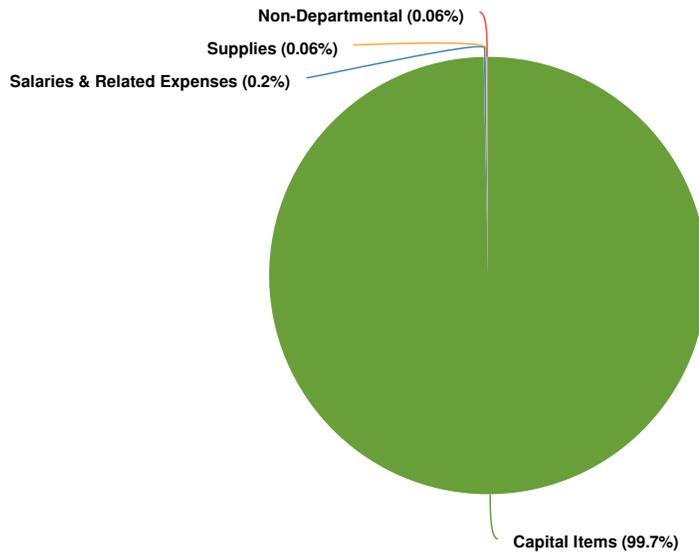
The Special Revenue Community Development Fund accounts for the proceeds of specific revenue sources that are legally restricted for Community Development. The ARPA funds received from the federal government, CDBG, and non-public safety related grants are included in this fund.

The graph below shows the revenue and expenditure trends over five years, including FY 2024 budget.



The City of San Luis is forecasting \$40.8 million in both revenue and expenditures for FY 2024, marking a substantial 122% increase compared to the previous fiscal year. The primary catalyst behind this remarkable uptick is the acquisition of a \$33 million grant earmarked for the expansion of Cesar Chavez Boulevard.

FY 2024 BUDGET EXPENDITURES \$40.8 MILLION



The table below shows the main variance between the FY 2024 Adopted Budget expenditures vs the FY 2023 Adopted Budget. The Capital Projects are the items that capture the major increases.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$29,397	\$547,803	\$208,250	\$77,272	\$66,640	-68%
Supplies	\$117,603	\$34,923	\$57,100	\$12,814	\$24,600	-56.9%
Maintenance	\$755	\$100	\$1,000	\$763	\$800	-20%
Special Services	\$153,491	\$32,457	\$1,281,400	\$19,781	\$13,500	-98.9%
Non-Departmental	\$16,879	\$21,679	\$23,500	\$23,500	\$23,600	0.4%
Capital Items	\$545,147	\$196,904	\$16,853,923	\$4,035,370	\$40,713,383	141.6%
Total Expense Objects:	\$863,272	\$833,867	\$18,425,173	\$4,169,500	\$40,842,523	121.7%

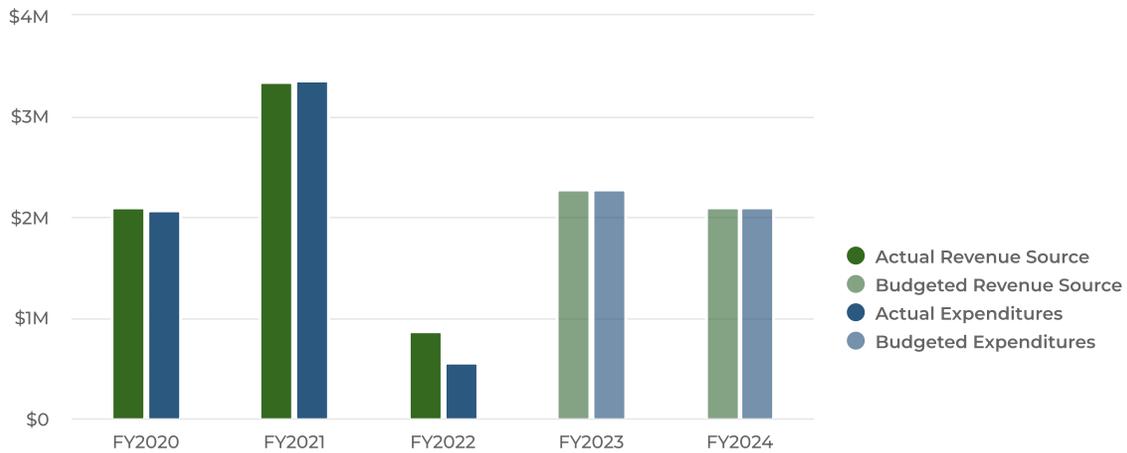


Special Revenue - Public Safety

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, 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 2024 budget.

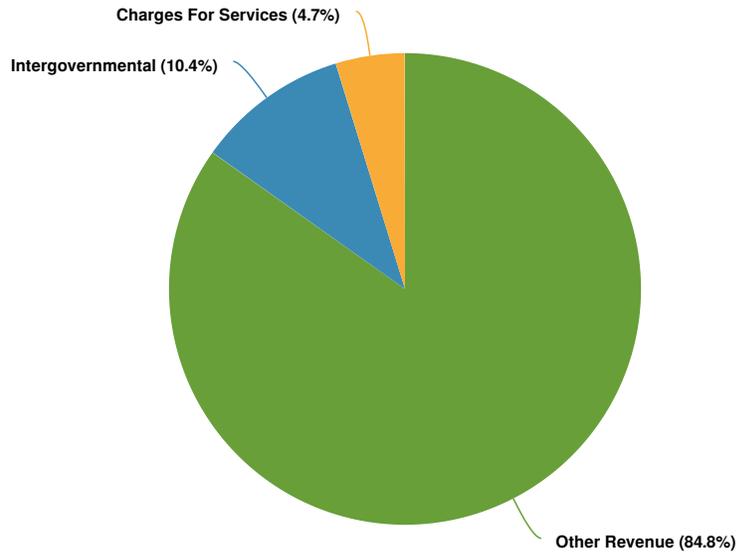


The City of San Luis is projecting \$2.11 million of revenue and expenditures in FY2024, which represents a 8% decrease in comparison with the prior year.

Revenues

The chart below shows the projections of the FY 2024 revenue budget by category.

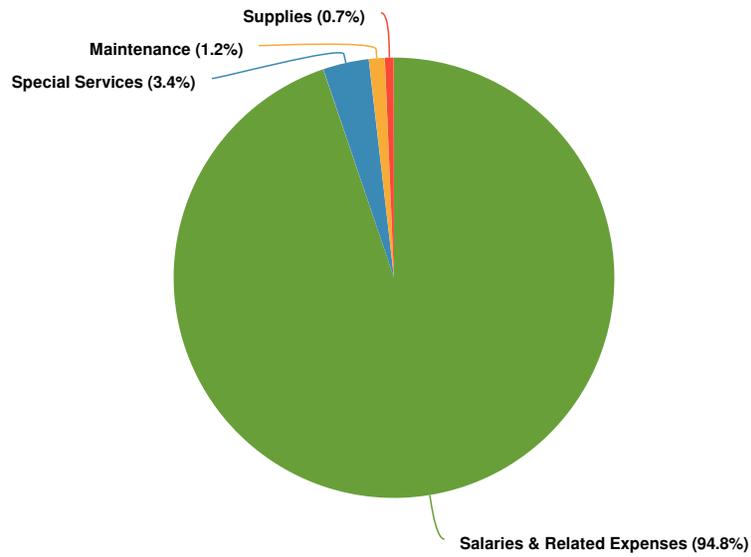
FY 2024 Budget Revenues \$2.11 millions



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Intergovernmental	\$32,442	\$199,801	\$210,000	\$216,668	\$220,000	4.8%
Other Revenue	\$3,287,928	\$616,213	\$1,988,673	\$394,663	\$1,790,000	-10%
Charges For Services	\$32,639	\$46,752	\$83,000	\$72,987	\$100,000	20.5%
Fines & Forfeits	\$754	\$5,676	\$4,000	\$6,217		N/A
Total Revenue Source:	\$3,353,764	\$868,442	\$2,285,673	\$690,536	\$2,110,000	-7.7%

Expenditures

FY 2024 Budget Expenditures \$2.11 millions



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$2,802,241	\$484,170	\$1,525,923	\$420,801	\$2,000,525	31.1%
Supplies	\$48,016	\$27,331	\$545,000	\$81,877	\$14,000	-97.4%
Maintenance	\$20,455	\$21,407	\$40,750	\$15,907	\$24,475	-39.9%
Special Services	\$59,620	\$24,990	\$149,000	\$35,049	\$71,000	-52.3%
Other Financing Sources - Uses	\$345,344	\$0	\$0	\$0	\$0	0%
Capital Items	\$90,652	\$0	\$25,000	\$24,630	\$0	-100%
Total Expense Objects:	\$3,366,328	\$557,898	\$2,285,673	\$578,265	\$2,110,000	-7.7%

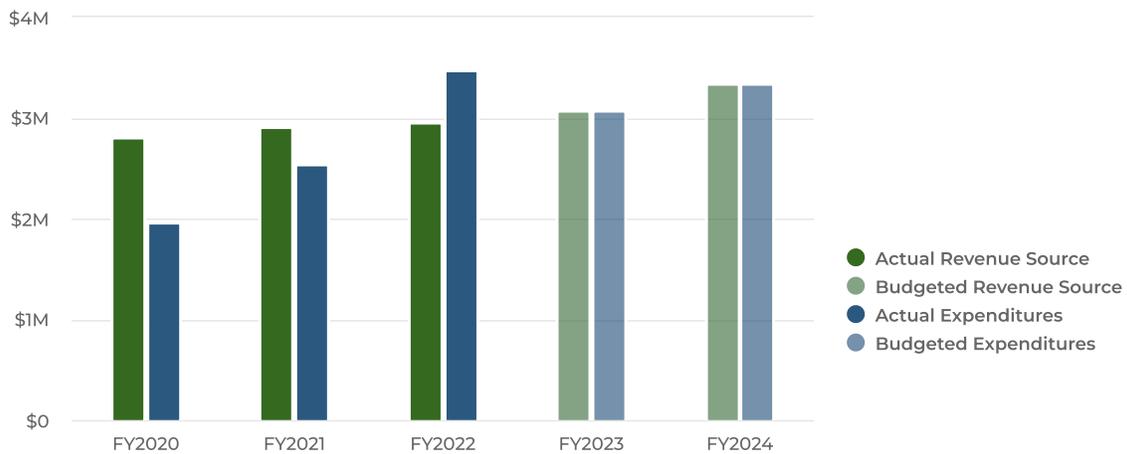


Employee Benefit Trust

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 2024 budget.



The City of San Luis is projecting \$3.3 million of revenue and expenditures in FY 2024, which represents a 9% increase over the prior year due to rising costs in health costs.

Revenues by Source

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Other Revenue						
Employee Health Plan	\$2,887,644	\$2,951,333	\$3,054,270	\$3,016,705	\$3,323,000	8.8%
Miscellaneous Revenue	\$23,226	\$11,080	\$15,740	\$14,859	\$16,900	7.4%
Total Other Revenue:	\$2,910,870	\$2,962,414	\$3,070,010	\$3,031,564	\$3,339,900	8.8%

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Interest Revenue						
Interest Earned	\$4,196	\$4,205	\$4,300	\$3,184	\$4,300	0%
Total Interest Revenue:	\$4,196	\$4,205	\$4,300	\$3,184	\$4,300	0%
Total Revenue Source:	\$2,915,066	\$2,966,618	\$3,074,310	\$3,034,748	\$3,344,200	8.8%

Expenditures by Expense Type

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Special Services						
Contractual Services	\$896,238	\$988,398	\$1,086,780	\$1,023,641	\$1,125,500	3.6%
Claims	\$1,644,903	\$2,486,194	\$1,987,530	\$1,580,885	\$2,218,700	11.6%
Bank Services	\$0	\$7	\$0	\$0		N/A
Total Special Services:	\$2,541,140	\$3,474,599	\$3,074,310	\$2,604,526	\$3,344,200	8.8%
Total Expense Objects:	\$2,541,140	\$3,474,599	\$3,074,310	\$2,604,526	\$3,344,200	8.8%

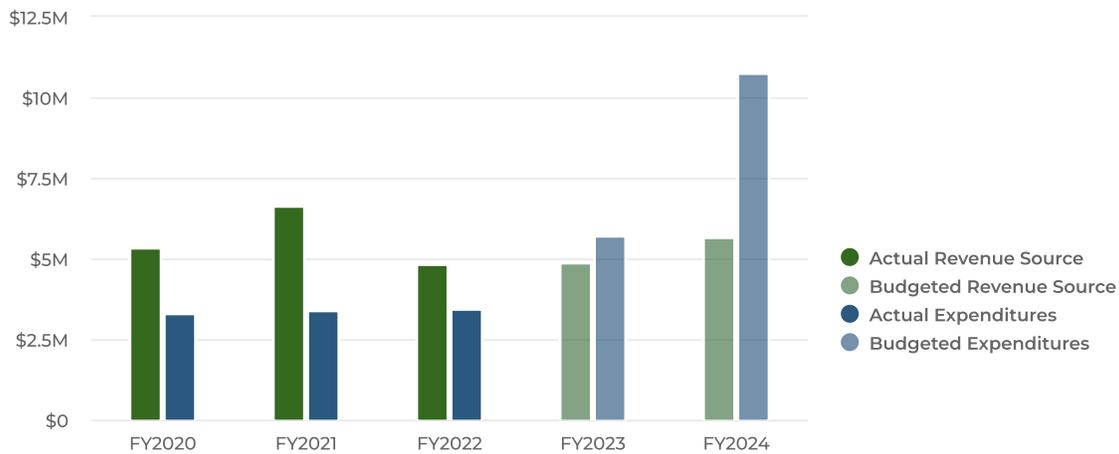


Summary

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 revenue bonds. In the FY 2024 budget, the City is planning for capacity improvements for the wellsites 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.

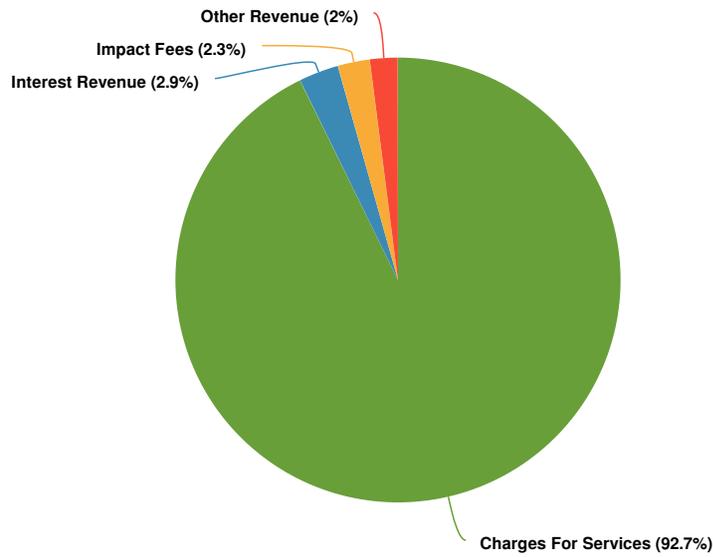
The graph below shows the revenue and expenditure trends over five years, to include FY 2024 budget.



The City of San Luis is forecasting a revenue of \$5.67 million for FY2024, signifying a notable 16% growth compared to the preceding year. This increase can be chiefly attributed to the recent adoption of new utility rate increases towards the end of the previous fiscal year. On the expenditure side, we anticipate a substantial 89% 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

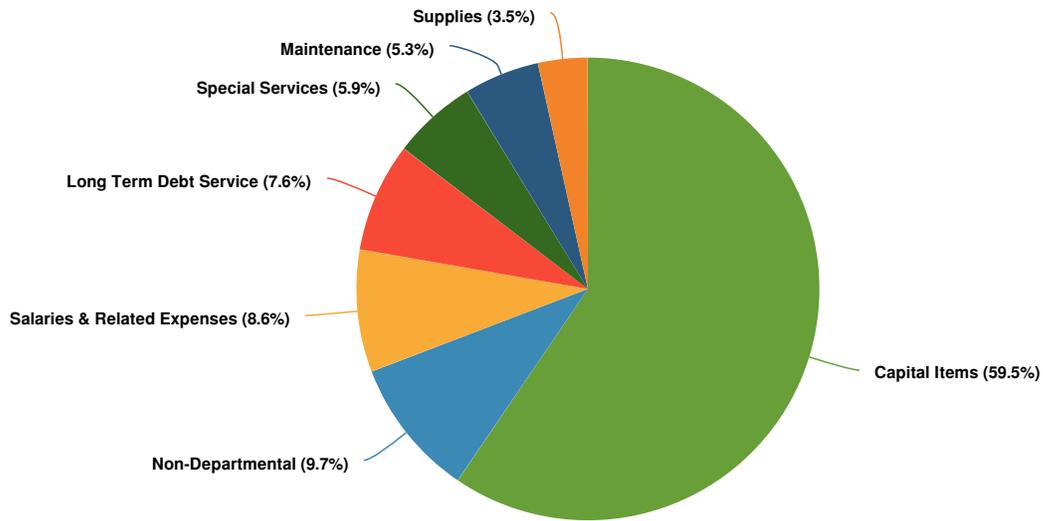
FY 2024 Budget Revenues \$5.67 million



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$1,706,237	\$118,794	\$110,000	\$113,507	\$115,000	4.5%
Charges For Services	\$4,731,885	\$4,628,184	\$4,636,550	\$4,480,004	\$5,265,381	13.6%
Impact Fees	\$211,191	\$129,881	\$128,000	\$135,768	\$131,700	2.9%
Interest Revenue	\$16,480	-\$11,073	\$18,300	\$376,313	\$165,000	801.6%
Total Revenue Source:	\$6,665,793	\$4,865,786	\$4,892,850	\$5,105,591	\$5,677,081	16%

Expenditures

FY 2024 Budget Expenditures \$10.8 million



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$647,212	\$669,512	\$827,190	\$628,393	\$924,340	11.7%
Supplies	\$220,153	\$186,181	\$376,440	\$241,295	\$374,500	-0.5%
Maintenance	\$1,001,491	\$1,047,741	\$399,300	\$446,250	\$567,690	42.2%
Special Services	\$526,882	\$543,475	\$584,500	\$539,442	\$637,050	9%
Contingencies	\$32,164	\$1,290	\$0	\$0		N/A
Long Term Debt Service	\$400,559	\$382,540	\$825,400	\$815,973	\$825,060	0%
Non-Departmental	\$602,397	\$648,191	\$881,280	\$881,280	\$1,047,072	18.8%
Capital Items	\$14,457	\$0	\$1,829,970	\$629,623	\$6,428,620	251.3%
Total Expense Objects:	\$3,445,315	\$3,478,929	\$5,724,080	\$4,182,255	\$10,804,332	88.8%



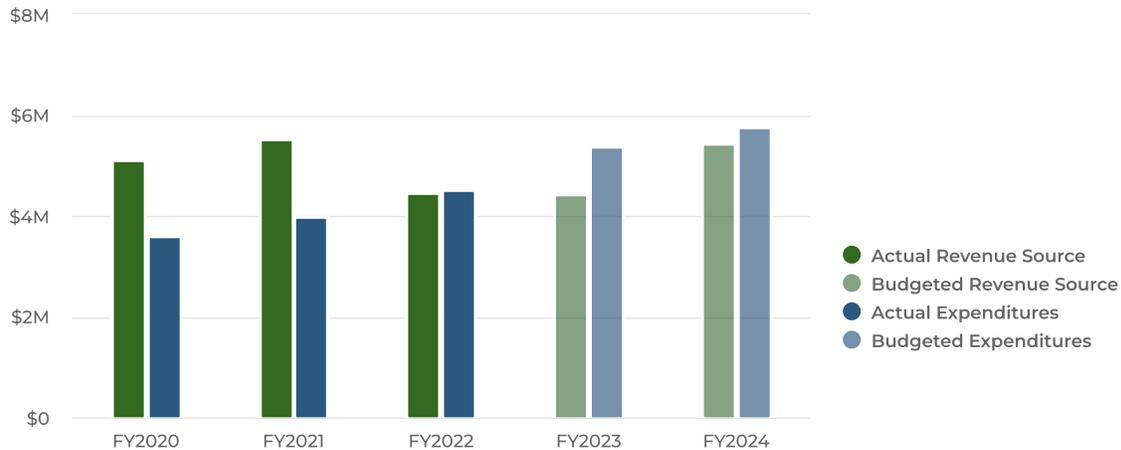


Summary

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 2024 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 2024 budget.

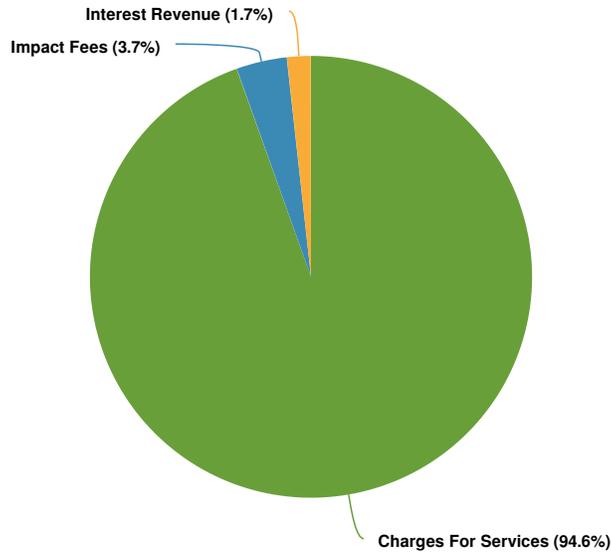


The City of San Luis anticipates \$5.4 million in revenue for FY 2024, reflecting a notable 23% upswing compared to the previous fiscal year. This surge in revenue is directly tied to the new utility rate increases that were implemented at the end of FY 2023.

On the expenditure front, we project an 8% increase, primarily propelled by 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 2024 Budget Revenue 5.4 million

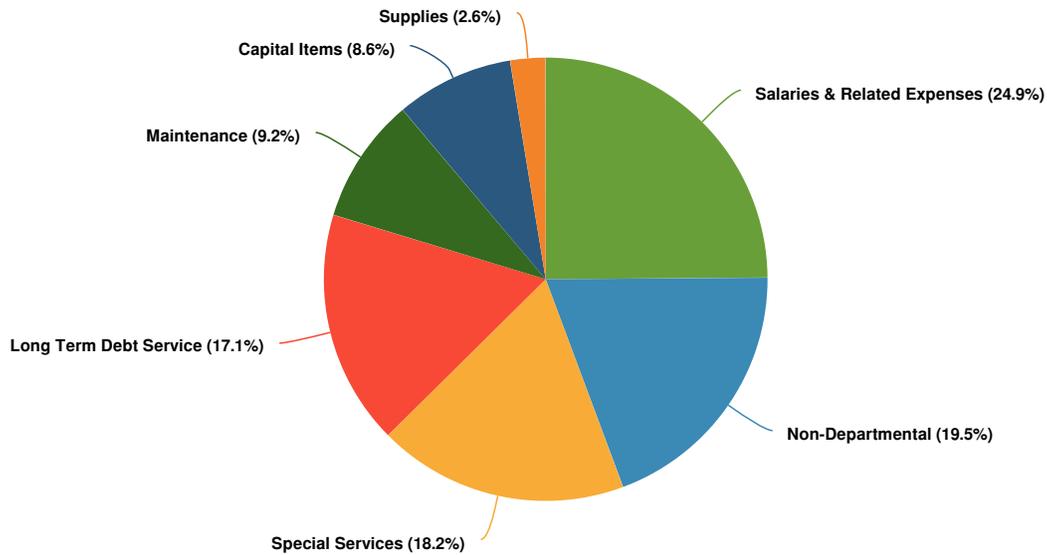


Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$1,012,452	\$7,064	\$1,000	\$0		N/A
Charges For Services	\$4,186,496	\$4,252,663	\$4,232,100	\$4,290,491	\$5,143,978	21.5%
Impact Fees	\$338,040	\$207,308	\$197,000	\$214,775	\$201,100	2.1%
Interest Revenue	\$6,384	\$17,010	\$7,860	\$217,403	\$95,000	1,108.7%
Total Revenue Source:	\$5,543,373	\$4,484,045	\$4,437,960	\$4,722,668	\$5,440,078	22.6%



Expenditures

FY 2024 Budget Expenditures \$5.8 million



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$794,326	\$1,068,956	\$1,363,810	\$915,324	\$1,441,490	5.7%
Supplies	\$54,132	\$70,070	\$83,490	\$58,194	\$148,650	78%
Maintenance	\$1,400,456	\$1,481,791	\$449,900	\$627,723	\$529,990	17.8%
Special Services	\$596,793	\$693,955	\$671,750	\$667,117	\$1,056,650	57.3%
Contingencies	\$24,694	\$2,568	\$0	\$0		N/A
Long Term Debt Service	\$470,219	\$448,346	\$991,755	\$1,148,713	\$991,940	0%
Non-Departmental	\$651,391	\$702,481	\$950,220	\$950,220	\$1,126,620	18.6%
Capital Items	\$20,732	\$68,808	\$873,960	\$779,448	\$496,620	-43.2%
Total Expense Objects:	\$4,012,743	\$4,536,976	\$5,384,885	\$5,146,739	\$5,791,960	7.6%

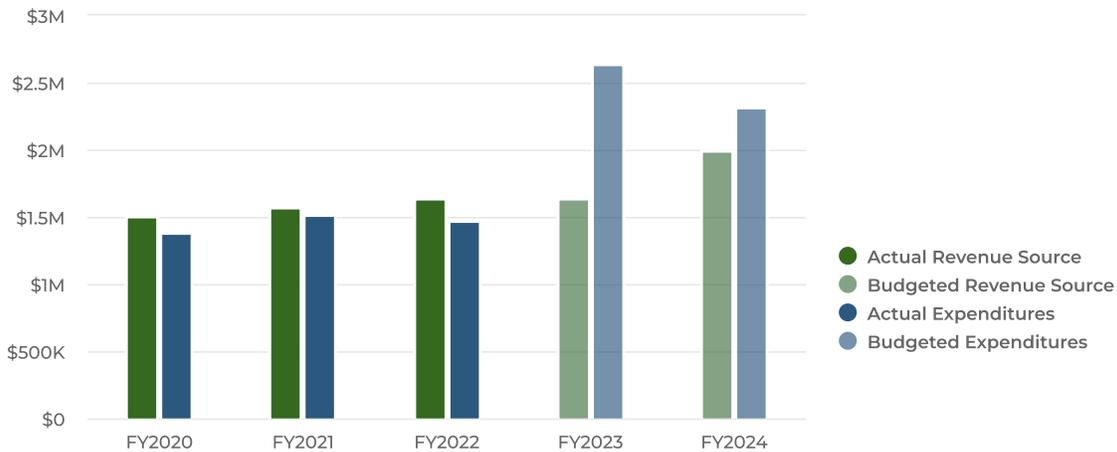




Summary

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 2024, we included the purchase of a solid waste truck and a rear loader.

The graph below shows the revenue and expenditure trends over five years, to include FY 2024 budget.



The City of San Luis is forecasting \$2.0 million in revenue for FY 2024, marking a substantial 22% increase compared to the preceding year. This significant revenue boost can be directly attributed to the utility rate increase adopted at the conclusion of the previous fiscal year.

Conversely, budgeted expenditures are expected to decrease by 12%. This decrease is primarily a result of the absence of a major expenditure that occurred in FY 2023, namely, the acquisition of two new solid waste trucks, an event not anticipated for FY 2024. This budgetary adjustment ensures a more streamlined and cost-efficient fiscal ye

The City of San Luis is forecasting \$2.0 million in revenue for FY 2024, marking a substantial 22% increase compared to the preceding year. This significant revenue boost can be directly attributed to the utility rate increase adopted at the conclusion of the previous fiscal year.

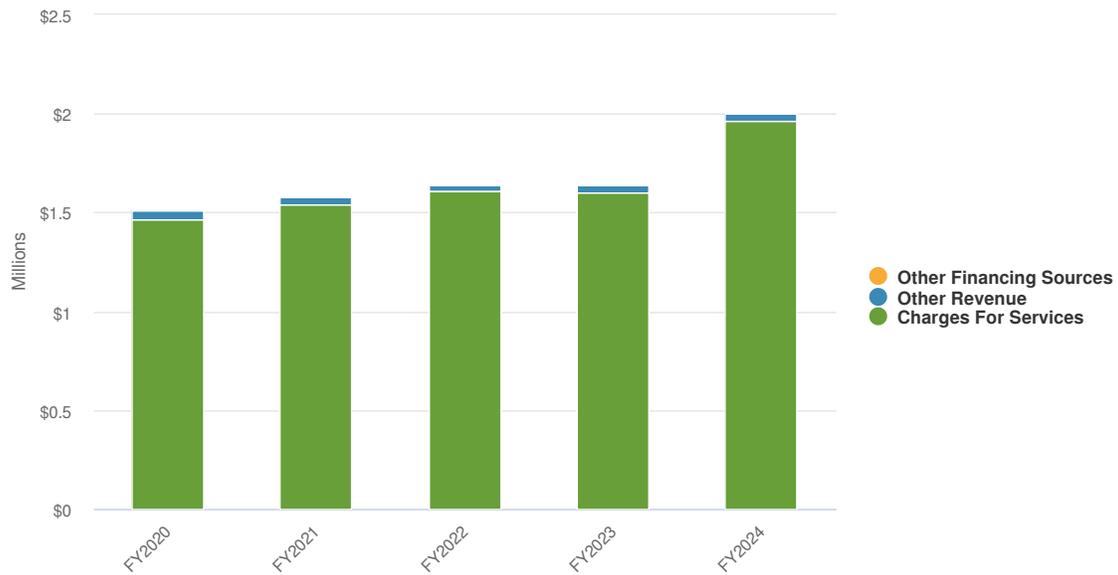
However, it's crucial to highlight a special focus on this fund due to certain cost pressures. Escalating expenses in areas such as Landfill Fees, Contractual Services, and Utility Costs are placing strain on this fund, potentially pushing it into a shortfall. To address this challenge, a strategic plan is currently in

progress to identify cost-reduction opportunities that do not compromise the efficiency and effectiveness of our operations. This proactive approach ensures that we maintain financial sustainability while continuing to provide essential services to our community.

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.

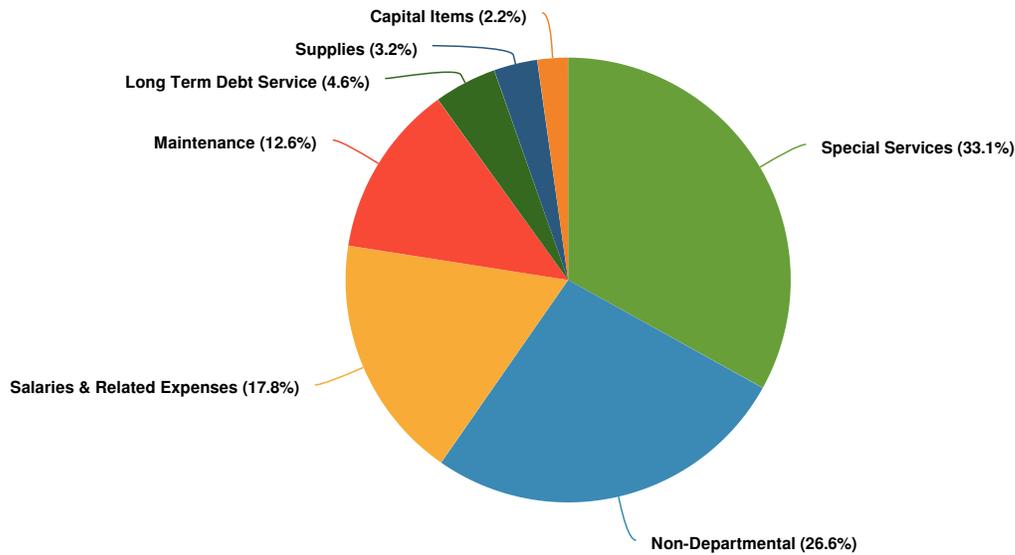
Solid Waste Historical Revenues



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source						
Other Revenue	\$41,750	\$35,530	\$38,000	\$22,860	\$38,000	0%
Charges For Services	\$1,537,743	\$1,605,233	\$1,601,000	\$1,631,601	\$1,966,609	22.8%
Total Revenue Source:	\$1,579,493	\$1,640,763	\$1,639,000	\$1,654,461	\$2,004,609	22.3%

Expenditures

FY 2024 Budget Expenditures \$2.3 millions



The chart below illustrates the variances between the FY 2024 Adopted Budget and the FY 2023 Adopted Budget. The most significant increase can be observed in the Special Services account, encompassing landfill services, contractual services, and utility services. Additionally, there are notable increases in the Maintenance account, primarily attributable to escalating costs in gas and vehicle maintenance.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$333,031	\$211,529	\$425,360	\$249,506	\$412,940	-2.9%
Supplies	\$51,692	\$48,476	\$69,240	\$72,276	\$73,330	5.9%
Maintenance	\$282,324	\$355,027	\$236,000	\$325,978	\$292,500	23.9%
Special Services	\$440,084	\$442,049	\$460,200	\$478,009	\$767,450	66.8%
Contingencies	\$14,130	\$1,189	\$0	\$0		N/A
Long Term Debt Service	\$7,490	\$5,256	\$124,140	\$55,308	\$105,710	-14.8%
Non-Departmental	\$397,090	\$419,356	\$581,520	\$581,520	\$617,761	6.2%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Capital Items	\$0	\$0	\$747,085	\$574,341	\$51,500	-93.1%
Total Expense Objects:	\$1,525,842	\$1,482,881	\$2,643,545	\$2,336,938	\$2,321,191	-12.2%

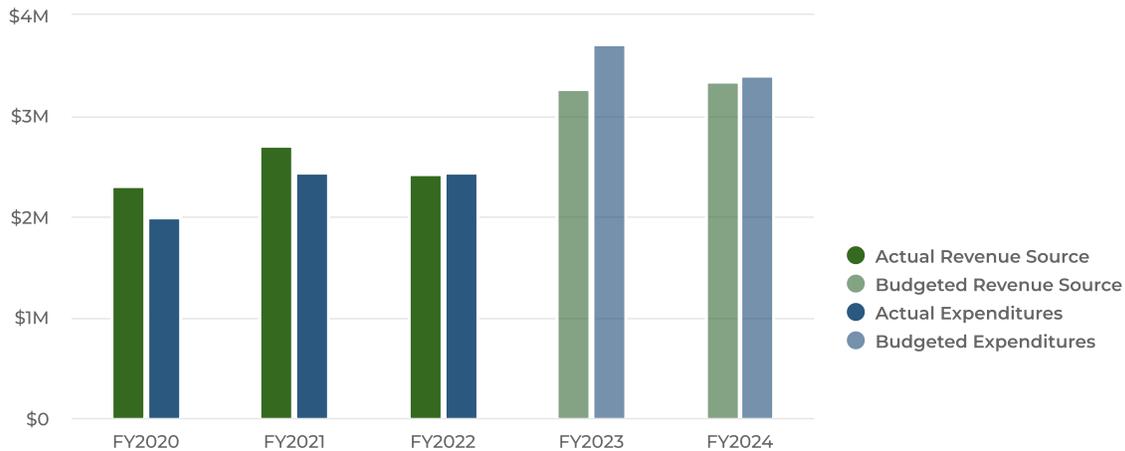




Summary

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.

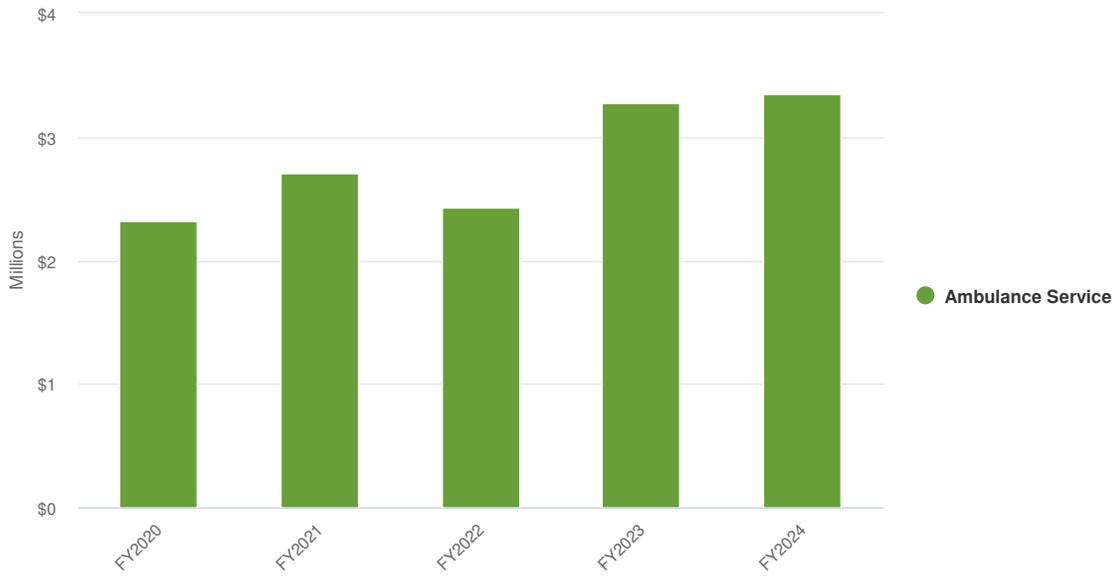
The graph below shows the revenue and expenditure trends over five years, to include FY 2024 budget.



The City of San Luis is projecting \$3.35 million in revenue for FY 2024, reflecting a modest 2% increase compared to the previous year. In contrast, budgeted expenditures are expected to decrease by 8%. It's important to note that in the prior fiscal year, we acquired an ambulance, which is evident in the Capital Improvement Program (CIP) expenditures for FY 2023. However, in FY 2024, we are planning to acquire another ambulance, funded through a grant from the American Rescue Plan Act (ARPA). This funding has been accurately recorded in the special revenue account designated for ARPA projects.

Revenues

Ambulance Historical Revenue

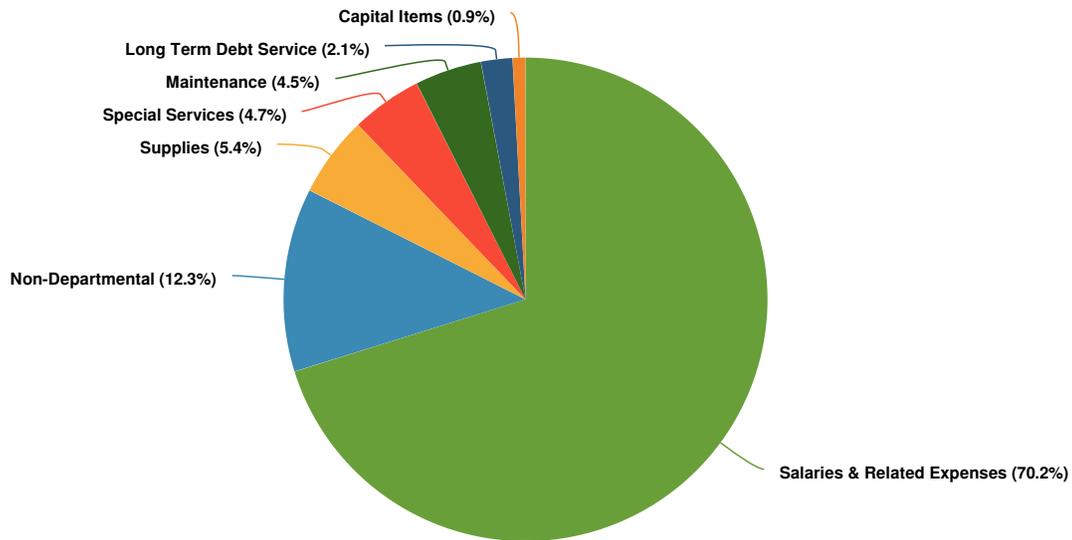


The chart below provides a visual representation of the variances between the FY 2024 Adopted Budget and the FY 2023 Adopted Budget. Notably, the "Contra Ambulance Revenues" category adjusts our revenues by factoring in the average amount of bad debt. An encouraging trend emerges from historical data, indicating an improvement in the uncollectable ratio, which has decreased from 50% to 38%.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Ambulance Service						
Miscellaneous Revenue	\$17,014	\$1,003	\$0	\$2,958		N/A
Ambulance Revenues	\$4,867,035	\$5,241,367	\$5,039,120	\$2,146,326	\$5,450,000	8.2%
Contra Ambulance Revenues	-\$2,519,519	-\$2,812,547	-\$1,763,700	\$0	-\$2,100,000	19.1%
Transfer In	\$345,344	\$0	\$0	\$0		N/A
Total Ambulance Service:	\$2,709,874	\$2,429,824	\$3,275,420	\$2,149,284	\$3,350,000	2.3%

Expenditures

FY 2024 Budget Expenditures \$3.4 million



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,629,467	\$1,599,493	\$2,249,370	\$1,668,728	\$2,393,630	6.4%
Supplies	\$133,671	\$179,511	\$172,250	\$127,097	\$183,500	6.5%
Maintenance	\$204,277	\$278,851	\$143,100	\$114,235	\$152,500	6.6%
Special Services	\$220,117	\$105,784	\$143,000	\$109,341	\$161,540	13%
Long Term Debt Service	\$7,471	\$21,193	\$57,900	\$52,188	\$71,660	23.8%
Non-Departmental	\$242,967	\$263,454	\$367,810	\$367,810	\$418,637	13.8%
Capital Items	\$0	\$0	\$592,044	\$300,695	\$29,000	-95.1%
Total Expense Objects:	\$2,437,969	\$2,448,285	\$3,725,474	\$2,740,093	\$3,410,467	-8.5%

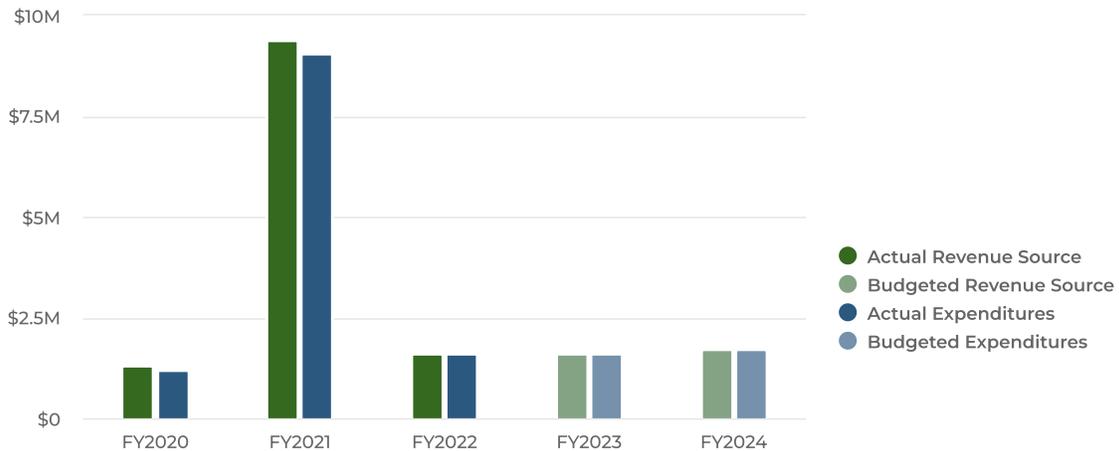


Debt Service Fund

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 2024 budget.

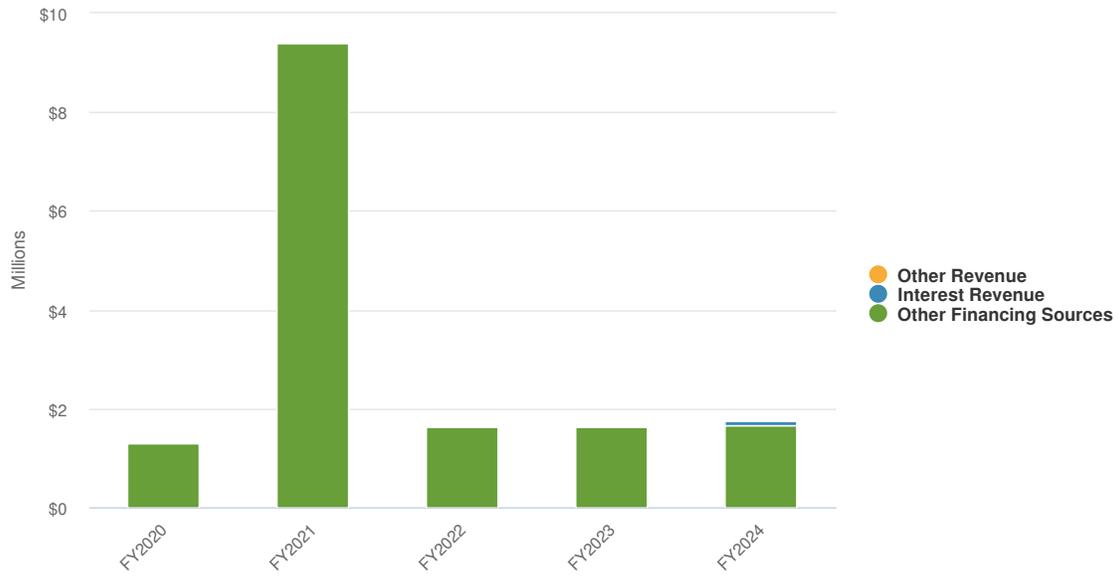


The City of San Luis is projecting \$1.7 million for debt service payments in FY2024, which represents a 7% increase over the prior year. The table below provides expenditure details of the past three years. The increase in FY 2021 is due to the payment of the unfunded liability for the public safety 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



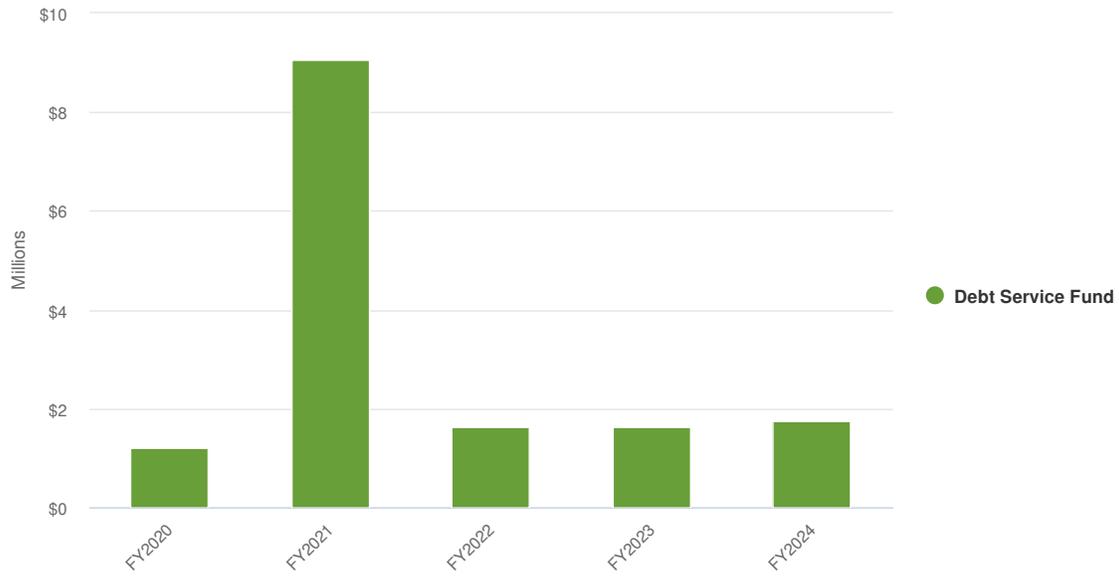
Budgeted and Historical 2023 Revenues by Source



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 2024 Adopted budget and the FY 2023 Adopted revenue budget by category.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Revenue Source					
Other Revenue	\$0	\$28	\$0		N/A
Interest Revenue	\$286	\$5,849	\$400	\$100,000	24,900%
Other Financing Sources	\$9,395,392	\$1,640,331	\$1,629,630	\$1,647,100	1.1%
Total Revenue Source:	\$9,395,678	\$1,646,208	\$1,630,030	\$1,747,100	7.2%

Historical Debt Service Expenditures by Fund



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Debt Service Fund						
State Retirement	\$7,452,784	\$0	\$0	\$0		N/A
Contractual Services	\$1,012	\$1,671	\$1,900	\$4,678	\$4,490	136.3%
Underwriter's Discount	\$152,804	\$0	\$0	\$0		N/A
Bond Cost of Issuance	\$183,775	\$0	\$0	\$0		N/A
Interest	\$636,276	\$741,976	\$725,560	\$630,443	\$691,410	-4.7%
Principal	\$633,879	\$902,562	\$902,570	\$902,570	\$1,051,200	16.5%
Total Debt Service Fund:	\$9,060,531	\$1,646,208	\$1,630,030	\$1,537,691	\$1,747,100	7.2%

DEBT



Summary

Bond financing is the primary source to finance long-term capital projects. On July 1st, 2023, the City's total outstanding debt is \$73,850,000. 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. Recently, the City issued \$9,215,000 to refinance the net pension liabilities for the City's police and fire pension.

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.

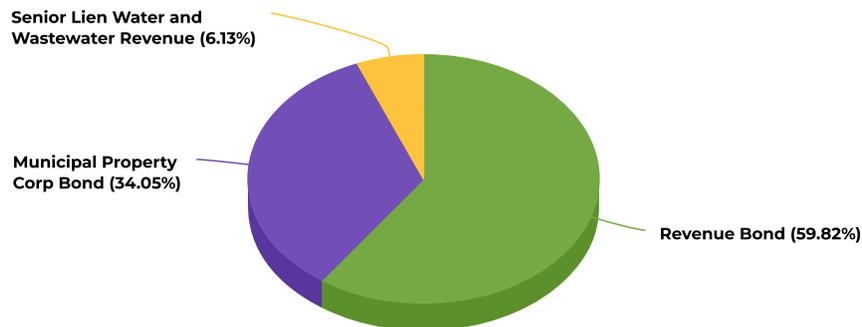
SENIOR LIEN WATER AND WASTEWATER REVENUE BOND

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 2021, the net revenue pledged amounted to \$4.1 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, 2023:

<u>TYPE OF BOND</u>	<u>PRINCIPAL AMOUNT OUTSTANDING</u>
Municipal Property Corp Bond	\$ 25,145,000
Revenue Bond	44,175,000
Senior Lien Water and Wastewater Revenue	4,530,000
Total Bonds Outstanding	\$ 73,850,000

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	\$ 115,502
<u>3rd Party Financing Contract</u>	<u>\$ 302,793</u>
Total Debt Outstanding	\$ 418,295

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
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 November 2014, the City issued \$28,795,000 in Excise Tax Revenue Refunding Obligations Series 2014A and \$2,220,000 Series 2014B Taxable Obligations collectively with an average true-interest rate of 4.02 percent to refund the 2005 San Luis Civic Improvement Corporation (SLCIC) in the amount of \$40,000,000.

Purpose	Original Amount		Maturity	Outstanding
	Issued	Interest Rate		Principal
Governmental activities	\$ 12,085,700	4.00-5.00%	7/1/21-38	\$ 9,568,413
Business-type activities	18,929,300	4.00-5.00%	7/1/21-38	14,986,587
Total				\$ 24,555,000

Debt service requirements for SLCIC revenue bonds are as follows:

Year Ending June 30:	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 374,086	\$ 464,743	\$ 585,914	\$ 727,907
2024	391,621	445,600	613,379	697,925
2025	411,105	425,532	643,895	666,493
2026	432,537	406,604	677,463	636,846
2027	450,072	386,701	704,928	605,674
2028-32	2,606,910	1,564,146	4,083,090	2,449,854
2033-37	3,327,805	852,522	5,212,195	1,265,978
2038-39	1,574,277	79,688	2,465,723	124,812
Total	\$ 9,568,413	\$ 4,625,536	\$ 14,986,587	\$ 7,175,489

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	Ousting Principal June 30, 2022
Detention facility	\$ 26,090,000	6.20-7.25%	5/1/23-30	\$ 19,140,000
Detention facility	20,835,000	6.10-6.95%	5/1/23-27	<u>10,995,000</u>
Total				30,135,000

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:				
2023	\$ 1,095,000	\$ 1,550,000	\$ 1,375,450	\$ 764,152
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
2028-30	12,820,000		2,082,202	
Total	<u>\$ 19,140,000</u>	<u>\$ 10,995,000</u>	<u>\$ 8,135,202</u>	<u>\$ 2,665,326</u>

The 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 2021, the revenue pledged amounted to \$23.0 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			Maturity	Outstanding Principal June 30, 2022
	Amount	Issued	Interest Rate		
Governmental activities	\$ 2,825,000		4.00-5.00%	7/1/21-27	\$ 1,815,000
Business-type activities	11,715,000		2.00-3.50%	7/1/21-31	8,585,000
Total					<u>\$ 10,400,000</u>

Debt service requirements for GADA bonds are as follows:

Year Ending June 30:	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 265,000	\$ 84,125	\$ 795,000	\$ 251,582
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
2028-32	340,000	8,500	4,405,000	358,143
Total	<u>\$ 1,815,000</u>	<u>\$ 285,375</u>	<u>\$ 8,585,000</u>	<u>\$ 1,400,001</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			Maturity	Outstanding Principal June 30, 2022
	Amount	Issued	Interest Rate		
Governmental activities	\$ 8,230,172		0.29-2.92%	7/1/21-38	\$ 8,207,844
Business-type activities	984,828		0.29-2.92%	7/1/21-38	982,157
Total					<u>\$ 9,190,001</u>

Debt service requirements for PSPRS bonds are as follows:

Year Ending June 30:	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 263,476	\$ 176,684	\$ 31,524	\$ 21,140
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
2028-32	2,572,240	659,631	307,760	78,923
2033-37	2,911,633	306,410	348,367	36,661
2038-39	634,026	9,268	75,975	1,109
Total	<u>\$ 8,207,844</u>	<u>\$ 1,829,436</u>	<u>\$ 982,157</u>	<u>\$ 218,888</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-22
Business-type activities	\$ 6,580,000.00	3.80%	7/1/21-2033	\$ 4,855,000.00

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

Year Ending June 30:	Business-Type Activities		
	Principal	Interest	Total
2023	\$ 325,000	\$ 178,315	\$ 503,315
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
2028-32	2,125,000	391,875	2,516,875
2033-34	970,000	37,240	1,007,240
Total	\$ 4,855,000	\$ 1,189,495	\$ 6,044,495

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 \$4.1 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 2024 budget, we accounted for significant personnel changes within various city departments. This includes the addition of 9 full-time and one part-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	2020-2022	2021-2022	2022-2023	2023-2024	2023-2024
City Administration	6	6	6	5.5	-0.5
City Clerk	3	3	3	4	1
City Attorney	2.5	2.5	2.5	3.5	1
City Prosecutor	2	3	3	3	0
Finance	9.5	10	10.5	10.5	0
Human Resources	5	6	7	8	1
Development Services	5.1	5.5	5.5	5.5	0
Building Safety	5.1	7.5	6.5	6.5	0
Economic Development	4	3.4	4.8	4	-1
Cultural Center	2.6	1.8	2.3	2	0
Parks	13.6	16	18	19	1
Recreation	2.7	1.8	2.3	2	0
Youth Center	2.6	1.8	2.3	2	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	70.4	71	0.6
Fire Department	30.5	30.7	34.7	28	-6.7
Fire Department East	0	0	0	7	7
Information Technology	6.3	7.2	7.2	8	1
Facilities	9.2	10	11	12.5	1.5
Fleet Services	5.6	6.6	7	7	0
Risk & Property Management	1	1	1.5	2.5	1
Billings & Collections	10	10	10	11	1
Public Works Administration	0	0	7	8	1
Highway User	20.7	21.0	22.8	23	0
Senior Services Special Revenue Fund	1	1	2	2	0
Water	12.9	13.0	11.8	12	0.5
Wastewater	17.9	20.0	19.8	20	0.5
Solidwaste	5.4	5.4	6.0	7	1
Business Incubator	1	0.6	0.2	0.2	0
Ambulance Services	18	18.7	24.2	23.5	-0.7
Total City Wide	281	302	332	341	9

New Positions Request

The chart below illustrates the requested new positions by various departments within the organization, comparing their proposals to the approved budget. The departments collectively requested 37 new positions. However, after careful review, only 9 positions were approved, and one part-time position was also included in the budget allocation. This chart highlights the challenges in meeting initial requests and showcasing the organization's commitment to managing its workforce within budget constraints.

NEW POSITIONS REQUEST FY2024							
DEPARTMENT	JOB POSITION	HOURLY RATE	Class	Department Request Budget	NWS Entered Budget Amounts	Proposed Continuation Admin and New Position After Budget Retreat	Budget Adopted on June, 28th 2023
City Administration	Graphics & Media Specialist PT	21.34	200	24,078	24,078		24,078
Human Resources	Human Resources Manager	28.40	203	79,820	79,820	79,820	79,820
Youth Center	Recreation Intern PT	13.85	102	15,627	15,627		
Parks Ground	Maintenance Tech	14.13	104	44,546	44,546		
Parks Ground	Facilities Manager 50%	34.37	205			52,800	52,800
Municipal Pool	Recreation Specialist	18.13	108	54,255	54,255		
Recreation	Recreation Intern PT	13.85	102	15,627	15,627		
Recreation	Recreation Intern PT	13.85	102	15,627	15,627		
Recreation	Recreation Specialist	18.13	108	54,255	54,255		
	Total Parks & Recreation			199,936	199,937	52,800	52,800
City Attorney	Assistant City Attorney	45.74	208	123,704	123,704	123,704	113,395
Court	Chief Court Clerk	19.40	109	57,043	57,043		
Facilities	Facilities Manager 50%	34.37	205			52,800	52,800
Police	Police Records Clerk	16.94	107	50,817	45,401		50,817
	Police Records Clerk	16.94	107	50,817	45,401		50,817
	Police Records Clerk	16.94	107	50,817	45,401		
	Police Records Clerk	16.94	107	50,817	45,401		
	Total Police Department			1,290,629	778,666	-	101,634
IT	Business Application Specialist	25.82	202	75,106	75,106		
	Total IT Department			75,106	75,106	-	
Fleet	Administrative Assistant	16.94	107	50,817	50,817		
	Lead Mechanic	21.34	200	63,084	63,084		
	Mechanic Assistant	14.80	105	46,186	46,186		
	Total Fleet Department			160,087	160,087	-	
Risk	Safety Officer	28.85	202	80,959	80,959	80,959	80,959
PW Administration	Administrative Assistant	16.94	107	50,817	50,817		
	Assistant Director of PW	37.80	206			115,353	115,353
Billing & Collections	Meter Reader Technician	14.80	103	46,395	46,395	46,395	46,395
	TOTAL GENERAL FUND			2,188,574	1,676,612	551,831	667,234
Business Incubator	Office Assistant	13.85	102	42,911	42,911		
PW/Water	Heavy Equipment Operator	18.13	108	28,534	28,534	28,534	28,534
	Total Water			28,534	28,534	28,534	28,534
PW/WW	Heavy Equipment Operator	18.13	108	28,534	28,534	28,534	28,534
	Total WW			28,534	28,534	28,534	28,534
	TOTAL ENTERPRISE			99,979	99,979	57,068	57,068
	GRAND TOTAL			2,288,553	1,776,591	608,899	724,302



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 years.

Accomplishments FY 2023

- Continued to support the long-term financial stability of the city.
- Increased the city's social media outlets for better marketing and promotional purposes.
- Continued assessing the wage and salary compensation plan by providing short-term adjustments to all employees.
- Secured State of Arizona (legislative bill) funding for the widening and improvements of Cesar Chavez Blvd.
- Secured funding for the construction of County 24th from 10th Avenue to Avenue F ½.
- Supported staff recommended expansion of retail trade in San Luis with AEA Credit Union, CHASE Bank ATM Drive thru, Clean Freak Car Wash, Colibri Mini-Mart, Gas Station and Retail Commercial Center, Star Bucks and Subway Main Street Store developments.
- Continue supporting efforts by all POE 1 stakeholders – GSA, ADOT, CBP, Cocopah Nation and all state, regional and local governments – in the development, design, groundbreaking, and construction of SL POE 1 during fiscal year 2023.

- Secured Congressional Direct Spending Funds for the design of the Cesar Chavez Blvd. Multi Modal improvements project in the amount of \$ 1.2 million.
- Provide staff support to the Mayor and Council for the justification and promotion of the proposed Utility Rate increase.

Goals & Objectives FY 2024

Growth & Public Safety

Goal: "To foster the city's growth and enhance public services, improving the quality of life for residents and promoting sustainable development while ensuring efficient and effective public services

- Objective: To implement a competitive salary structure for all city employees by the end of the fiscal year 2023, achieving a minimum 3% increase in overall employee satisfaction.
- Objective: To approve and initiate 80% of staff-recommended General Plan amendments for smart growth development within the next two years.
- Objective: To achieve groundbreaking and construction commencement of SL POE 1 in alignment with the approved calendar year 2023 timeline. Construction is expected for completion by December 2028.
- Objective: To actively participate in and support the development and implementation of the City of San Luis Strategic Plan for Fiscal Years 2024-2027
- Objective: To successfully complete 80% of the projects outlined in the city's 5-year Capital Projects Improvement Plan (CIP) by their respective deadlines.
- Objective: Successfully hire a qualified City Manager by the end of the third quarter who demonstrates effective leadership and contributes to economic growth and development, with a clear recruitment timeline.
- Objective: To secure approval and commence the City of San Luis US Postal Service cluster mailbox service and delivery within the next two years and to have the city-owned food bank fully operational within one year of approval

Economy

Goal: "To stimulate economic growth, strengthen the city's economy, attract investment, and create opportunities for businesses and residents in the City of San Luis while promoting economic development."

- Objective: To secure funding to support the city's street access and alignment for the new construction of SL POE 1 within the calendar year 2023.
- Objective: To secure funding and initiate the widening and improvement of 10th Avenue from County 22nd to Cesar Chavez Blvd, including the installation of traffic signalization.
- Objective: To review and approve the staff-recommended City of San Luis financial investment policy within the fiscal year, enhancing the city's financial stability.
- Objective: To collaborate with relevant parties and secure additional funding for the design by the end of the fiscal year and initiate widening construction project of Cesar Chavez Blvd by December 2024



Financial Sustainability

Goal: "To maintain strong financial health, ensure the financial stability and sustainability of the city, secure funding for essential projects, and uphold responsible fiscal practices for the long-term prosperity of the City of San Luis."

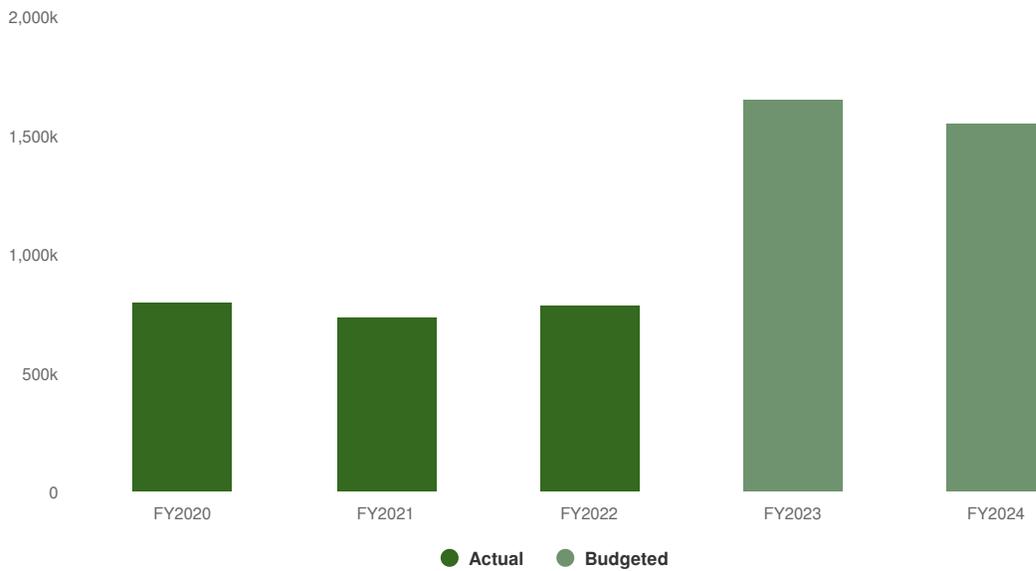
- Objective: Successfully pass and implement the city Primary Tax levy within the next two years, with revenue collected meeting or exceeding projected targets and an annual review of its effectiveness.

Expenditure Summary

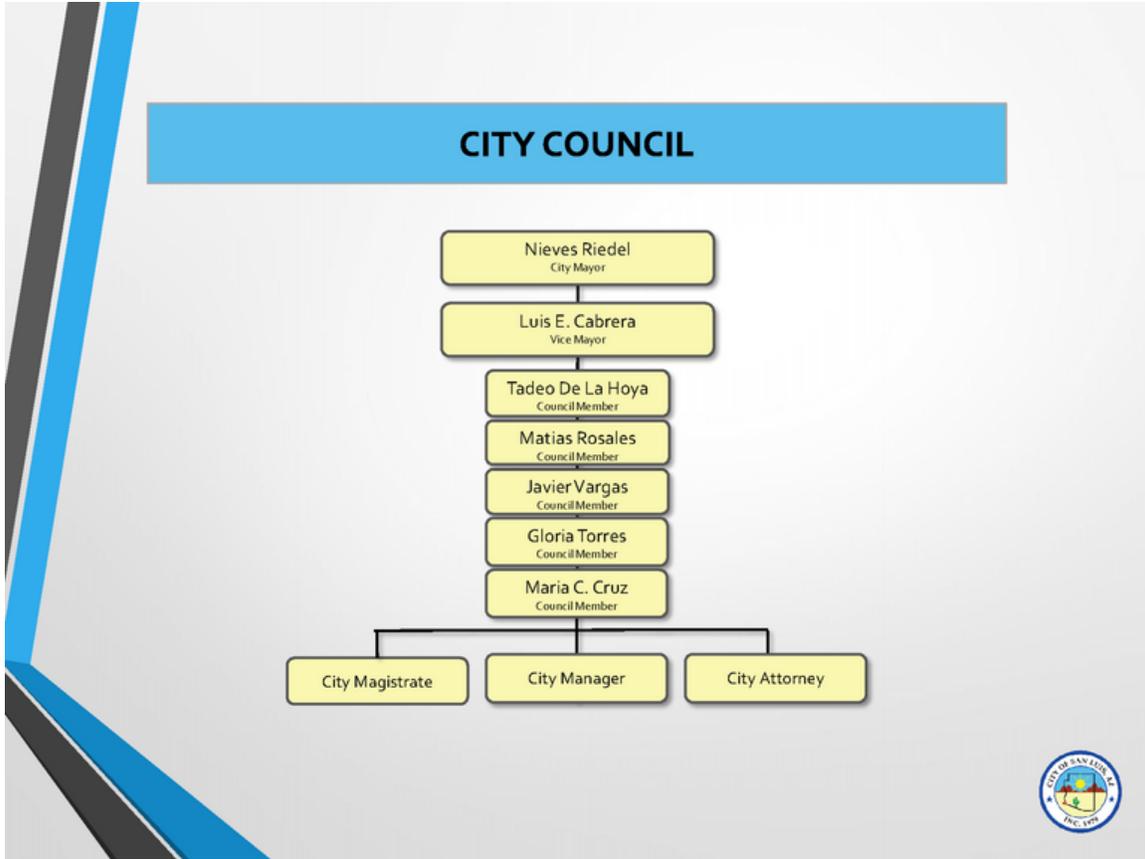
The chart below provides a breakdown of the City Council's expenditures over the past four years. In the upcoming fiscal year, FY 2024, the City Council has allocated a budget of \$1,550,500. This budget reflects a reduction of several city council contributions to different agencies, resulting in a 6.24% depletion from FY 2023.

\$1,550,500 **-\$103,140**
(-6.24% vs. prior year)

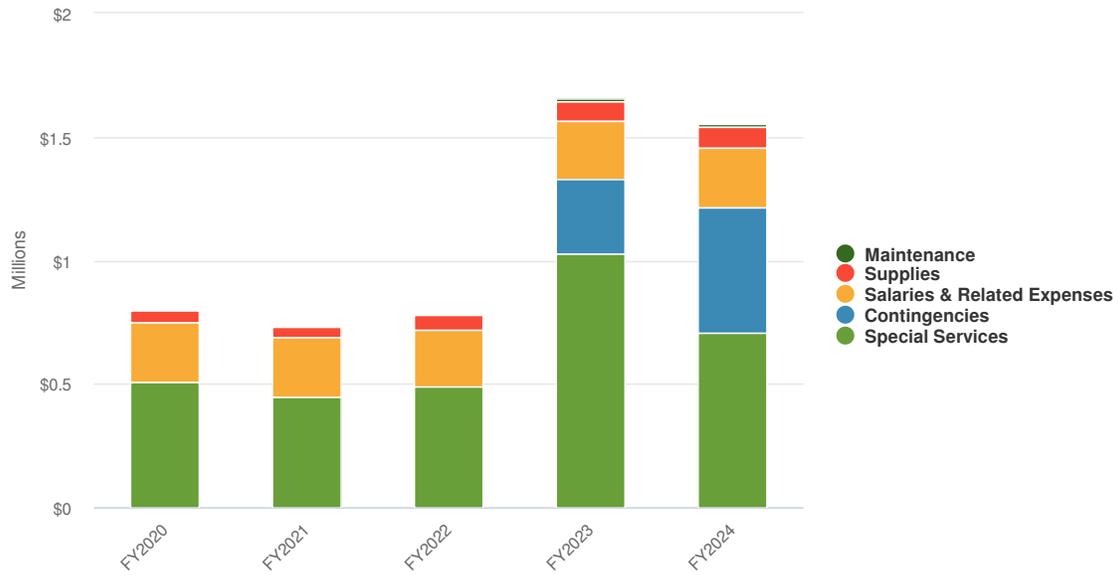
City Council Proposed and Historical Budget vs. Actual



Organizational Chart



Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$239,579	\$230,456	\$236,630	\$240,011	\$239,080	1%
Supplies	\$42,519	\$58,948	\$77,850	\$81,150	\$87,720	12.7%
Maintenance	\$3,889	\$6,606	\$9,870	\$7,260	\$9,500	-3.7%
Special Services	\$446,737	\$488,198	\$1,029,290	\$865,133	\$707,750	-31.2%
Contingencies	\$0	\$0	\$300,000	\$0	\$506,450	68.8%
Total Expense Objects:	\$732,724	\$784,208	\$1,653,640	\$1,193,555	\$1,550,500	-6.2%

City Administration

The City Administration Department 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.



The City Manager oversees various departments within the organization to ensure that the City is a safe, prosperous, beautiful and culturally enriched community; maintains intergovernmental relationships as well as continues to build and maintain a professional relationship with external partners and businesses to ensure that our City continues to grow and evolve; manages 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 2023

- Continued to provide excellent medical care benefits.
- Increased the city's social media outlets for better marketing and promotional purposes.
- Continued to improve government transparency to increase public trust and confidence in the community.
- Managed and directed the City of San Luis organization during the reorganization of newly elected Mayor and Council Members; Interim City Manager; and Interim Chief of Police.
- Continued to work with the Human Resources Department in the recruitment of the city's City Manager.
- With efforts and assistance from various departments, maintained a high level of financial solvency and sustainability
- Continued supporting Mayor, Council Members, and staff in the search of and securement of additional funding for the expansion of POE 1.

- Secured partial funding (\$34.2) for the design and widening of Cesar Chavez Blvd.
- Supported staff recommended minor and major General Plan amendments for smart growth developments.

Goals & Objectives FY 2024

Growth & Public Service:

Goal: "To create a thriving and inclusive city that promotes sustainable development, efficient operations, and exceptional public services, while prioritizing the needs of our residents and stakeholders.

- Objective: By September 13, 2023, review and reorganize the city's organizational structure to provide a more efficient and cost-effective operation, aiming for a 15% increase in overall customer satisfaction.
- Objective: Continue to actively support staff-recommended minor and major General Plan amendments for smart growth development, ensuring sustainable urban development and improved quality of life.
- Objective: Establish a Communications division within the Administration Department for city-wide social media promotions, with a goal of increasing public engagement and awareness by 15% within the first year.

Economy

"To foster a vibrant economy that attracts investments, supports business growth, and drives prosperity, ensuring long-term financial stability for the City of San Luis."

- Objective: Continue to support efforts by all POE 1 stakeholders – GSA, ADOT, CBP, Cocopah Nation and all state, regional and local governments – in the development, design, groundbreaking, and construction of SL POE 1 and work towards successful completion by fall 2028.
- Objective: Develop and finalize a comprehensive financial funding strategy policy plan for all major infrastructure improvements, with an emphasis on securing funding for key projects within specified timeframes.
- Objective: Strive to provide competitive salaries and medical care benefits to all city employees, in alignment with market trends, to enhance recruitment, retention, and overall employee satisfaction.



Financial Sustainability

Goal: "To safeguard the financial stability and sustainability of the City of San Luis by maintaining fiscal responsibility and securing resources for critical infrastructure projects, thereby ensuring a secure financial future for our community."

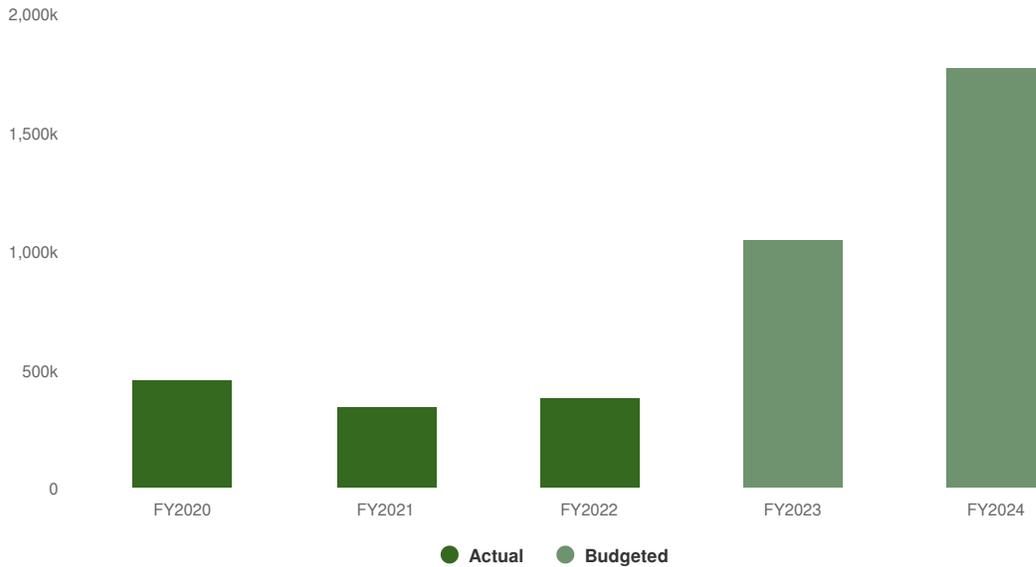
- Objective: Actively participate in and support the coordination and collaboration of the City of San Luis Strategic Plan for Fiscal Years 2024-2027, ensuring alignment with community priorities and timely completion.
- Objective: Successfully implement 80% of the fiscal year projects that are within the city's 5-year Capital Projects Improvement Plan (CIP) by their respective deadlines to improve infrastructure and service delivery.
- Objective: Provide comprehensive staff support to the Mayor and Council for the proposed utility rate increase, ensuring its successful justification and promotion within the next six months.
- Objective: Continue supporting the Mayor, Council members, and staff in the search for and securement of additional funding for the Cesar Chavez design and widening project and the expansion of POE 1, with a focus on achieving funding targets within specified timeframes
- Objective: Utilize the secured partial funding of \$37 million for the design by the end of the second quarter of the fiscal year and widening of Cesar Chavez Blvd to initiate the project by December 2024

Expenditure Summary

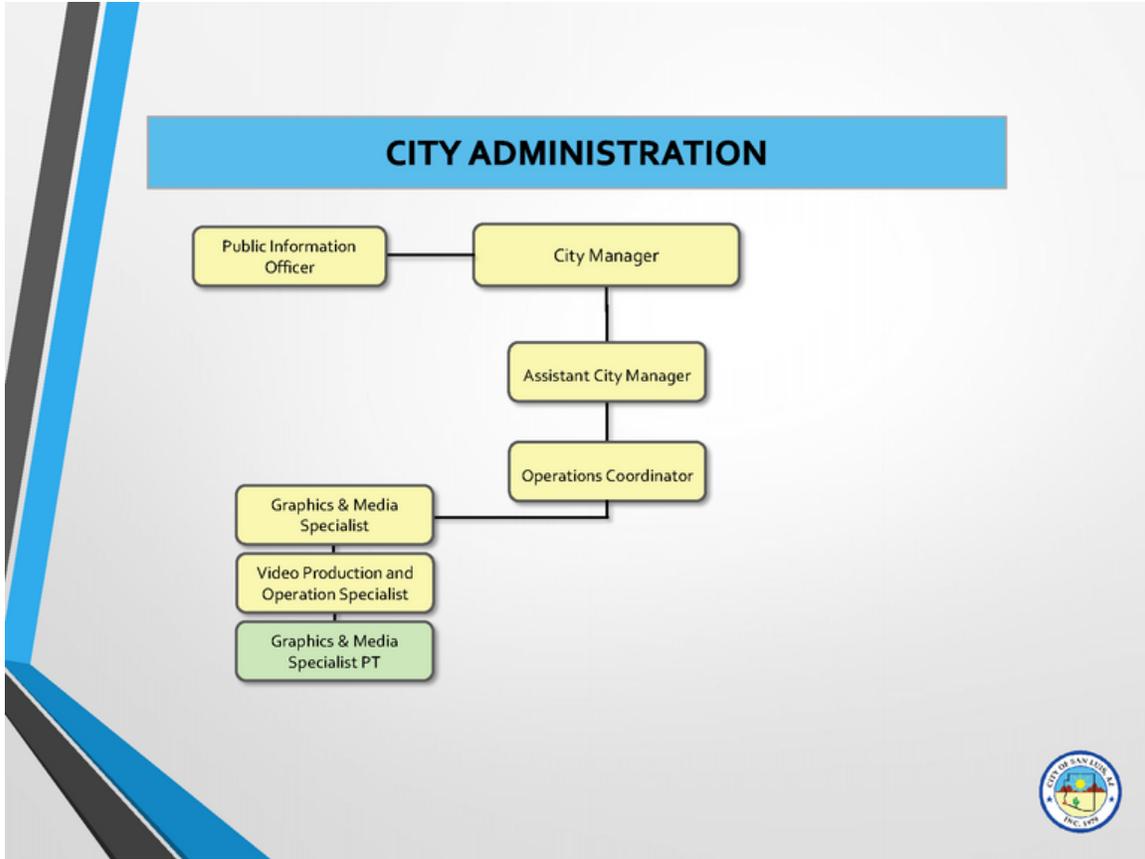
The graph below shows the City Administration Department's expenditures for the past 4 years. It is important to note that FY 2020 did not include allocation of the City Administration's costs to other funds. This is the reason for the significant variance in expenditures seen in FY 2021. The City started allocating the costs of the City Administration Department to other funds in FY 2021. For FY 2024, the City Administration is budgeting \$1,770,641, which is \$720,081 higher than the previous year. This increase is mainly due to salaries; \$1,133,840 was budgeted for the salary classification adjustment for all City employees under the general fund.

\$1,770,641 **\$720,081**
(68.54% vs. prior year)

City Administration Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The following graph illustrates the summary schedule of the City Administrator's Staff over the past three fiscal years. In FY 2024, the City administration plans to allocate budget resources for a new part-time graphic designer position. This decision stems from the increasing demand for graphic design services across all city departments, necessitating additional support to fulfill these requests effectively.

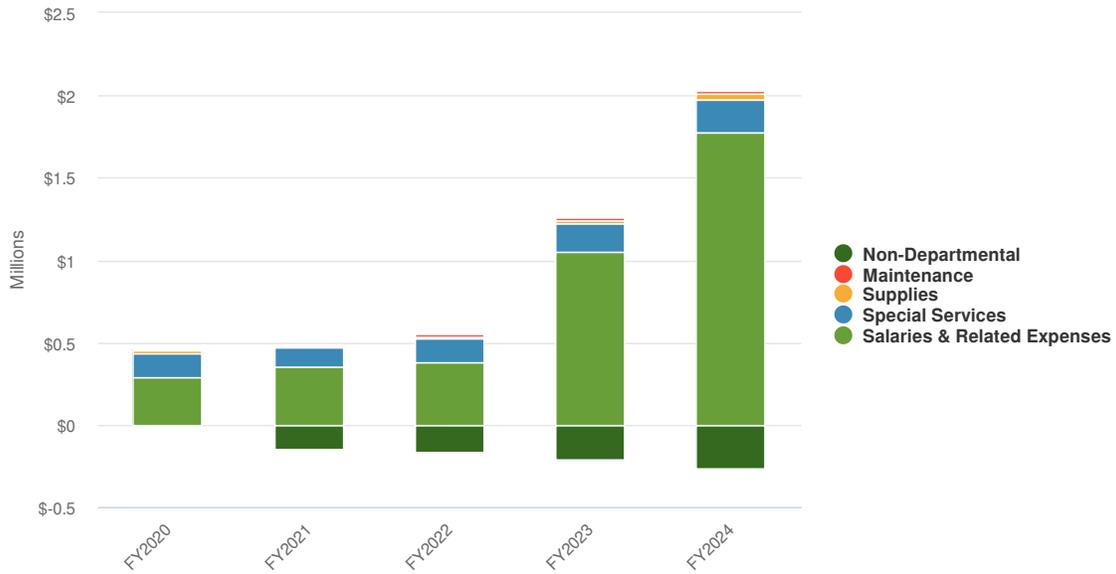
Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	6	6	6	6.5	0.5
% of city's FTEs				1.90%	
 Authorized Personnel/Positions:					
Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Acting Assistant to Council/PIO	1	1	0	0	0
Public Information Officer	0	0	1	1	0
Public & Foreign Affairs	1	1	1	1	0
Assistant to the City Manager	1	1	1	1	0
City Manager	1	1	1	1	0
Executive Assistant	1	1	1	0	-1
Graphic and Media Specialist	0	0	0	1.5	1.5
Video Production and Operation Specialist	0	0	0	1	1
Office Assistant	1	1	1	0	-1
Total	<u>6</u>	<u>6</u>	<u>6</u>	<u>6.5</u>	<u>0.5</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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$354,572	\$375,607	\$1,049,040	\$216,919	\$1,771,850	68.9%
Supplies	\$10,354	\$14,419	\$20,500	\$5,680	\$35,717	74.2%
Maintenance	\$7,769	\$11,395	\$15,100	\$9,677	\$16,800	11.3%
Special Services	\$115,096	\$145,969	\$171,800	\$195,892	\$206,155	20%
Non-Departmental	-\$144,971	-\$160,889	-\$205,880	-\$205,880	-\$259,881	26.2%
Total Expense Objects:	\$342,821	\$386,501	\$1,050,560	\$222,288	\$1,770,641	68.5%

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.



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. 419 passed on July 28, 2021.
- **Records Management & Retention Policy** - The City Clerk's Office remains in contract with Iron Mountain Incorporated to store offsite long-term and permanent records. This allows the city to cost-effectively manage, safeguard and retrieve vital records and documents on time. In 2021, 25 boxes were sent to Iron Mountain from the department of Economic Development, Human Resources and Public Works.
- **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. In 2021, 116 public records requests were received, a 76% increase from the 66 public records requests that were received in 2020.

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 did not conduct an election during 2021. However, a Primary Election is scheduled for August 2, 2022 and a General Election for November 8, 2022, for one (1) mayor and three (3) council member seats.

The City of San Luis will continue to have two (2) voting centers, one located at the Cesar Chavez Cultural Center and the second located in the Yuma County Library – San Luis Branch. Candidate packets will be available for those wishing to run for office beginning on January 3, 2022.

Accomplishments FY 2023

- Awareness and Enforcement of Records Management
 - 87 boxes of records sent to Iron Mountain (various departments)
 - 226 boxes of records properly destroyed (various departments)
- Received and processed 147 Public Record Requests
- Prepared Notices, Agenda and Minutes for:
 - 19 Regular Council Meetings
 - 9 Special Council Meetings
 - 11 Work Sessions
 - 1 Budget Retreat
- Conducted the city's Primary Election on August 2, 2022 as well as the General Election on November 8, 2022
- Launched the Public Record Request Portal on the city's website
- Held the semi-annual purge Fridays on March 25, 2022 and September 30, 2022

Goals & Objectives FY 2024



Growth & Public Service

Goal: "To actively contribute to the city's growth and improved public services by maintaining a culture of ethical conduct, delivering excellent customer service, promoting transparency, and efficiently managing information resources within the City Clerk's Office, with a focus on enhancing the well-being of residents.:

- Objective: Ensure that all members (City Clerk, Deputy City Clerk, and Records Management Specialist) of the department perform ethical and honest work, maintaining the office's reputation for impartiality and integrity, as evidenced by zero ethical violations reported.
- Objective: Deliver consistent, excellent customer service by implementing improvements based on regular feedback throughout the fiscal year.
- Objective: Continuously ensure compliance with legal mandates through effective resource management and transparent practices, adapting to changes in regulations and requirements as needed.
- Objective: Promote positive employee morale through a spirit of teamwork and cooperation, throughout the fiscal year.
- Objective: Consistently provide municipal employees and the public with accurate and timely information through efficient information management, enhancing transparency and accessibility.



Economy

Goal: "To optimize the City Clerk's Office's efficiency through the strategic utilization of technology and best practices, thereby actively contributing to the city's economic growth, attracting investment, and promoting economic development."

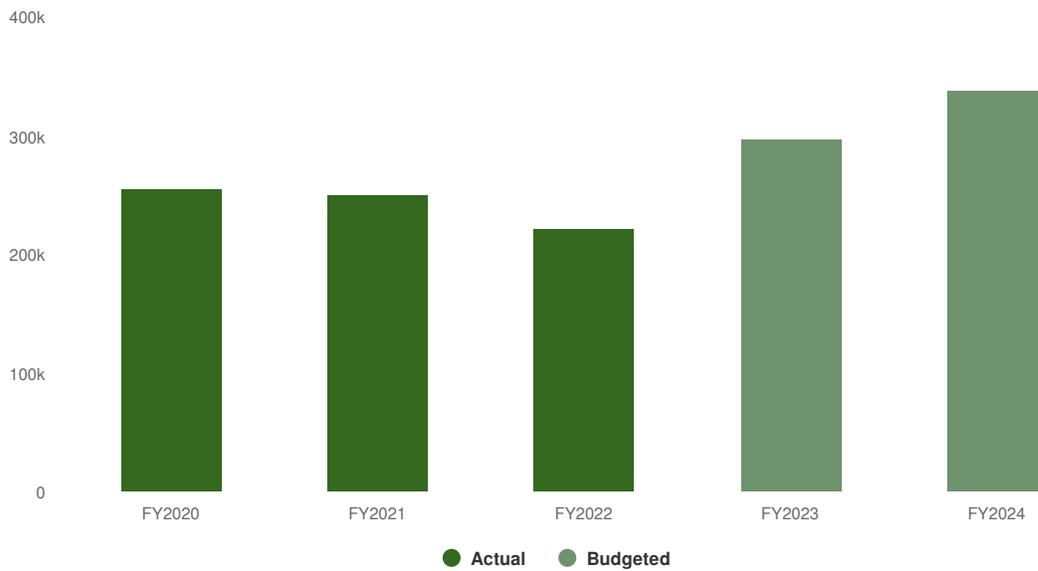
- Objective: Continue professional education by attending the Arizona Municipal Clerks Association conferences and the League of Arizona Cities and Towns Elections training to improve skills and contribute to the office's efficiency.
- Objective: Efficiently process, maintain, and index minutes, ordinances, resolutions, city code, and contracts/agreements through Laserfiche, with the goal of achieving a targeted 50% reduction in storage space and an 80% reduction in search time.

Expenditure Summary

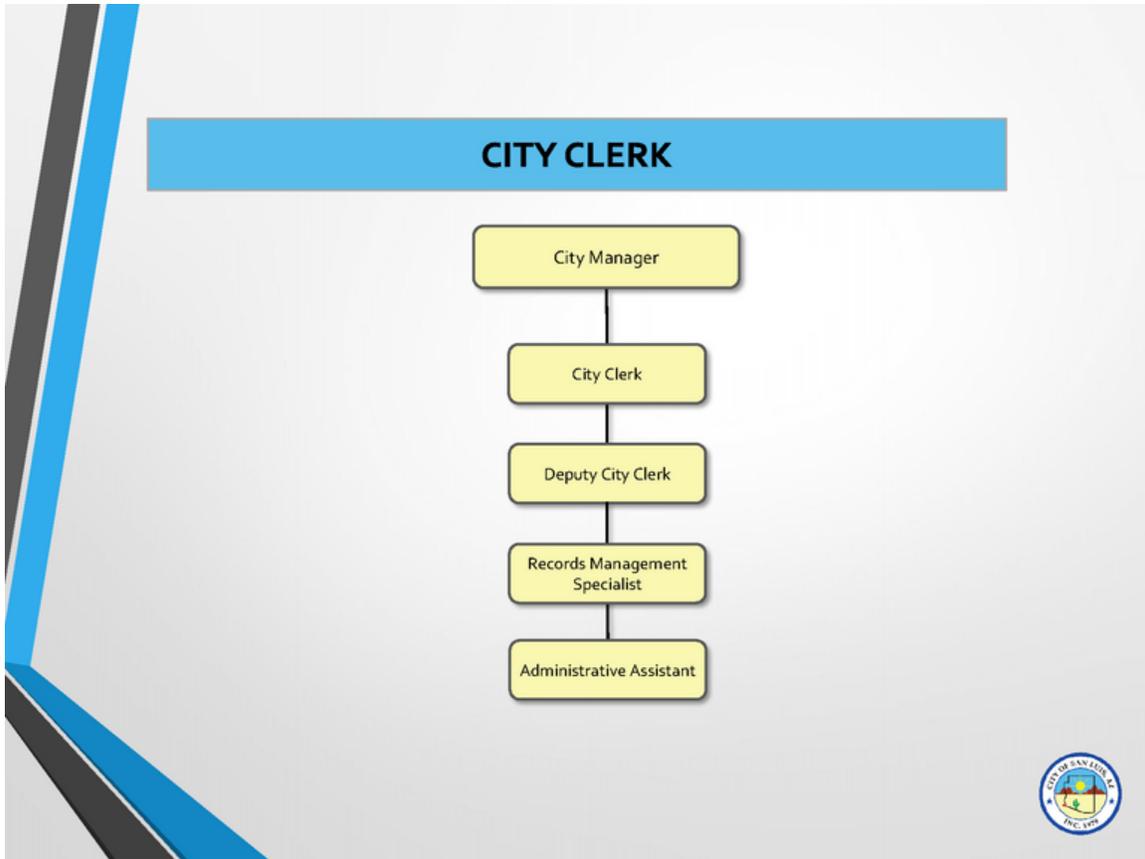
The graph below shows the City Clerk's expenditures for the past 4 years. It is important to note that FY 2020 did not include allocation of the City Clerk's costs to other funds. For FY 2024, the City Clerk is budgeting \$338,405, which is \$41,755 higher than the previous year. This increase is primarily due to salaries and related expenses reflecting a 21% augmentation from the previous fiscal year.

\$338,405 **\$41,755**
(14.08% vs. prior year)

City Clerk Proposed and Historical Budget vs. Actual



Organizational Chart



Staff Summary Schedule

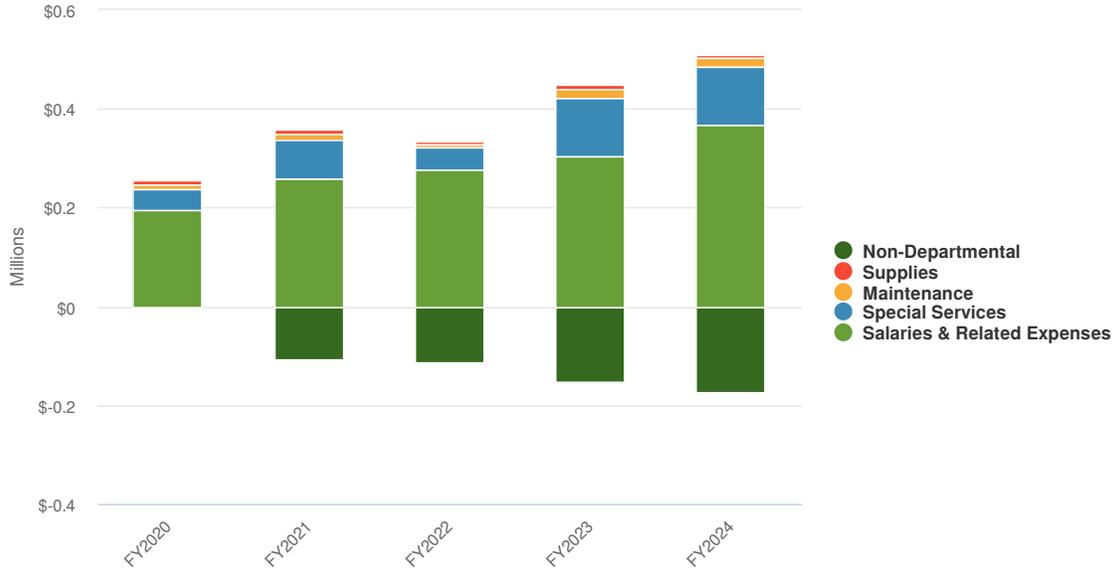
Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	3	3	3	4	1
% of city's FTEs				1.17%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
City Clerk	1	1	1	1	0
Deputy City Clerk	1	1	1	1	0
Administrative Assistant	0	0	0	1	1
Records Management Specialist	1	1	1	1	0
Total	3	3	3	4	1

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



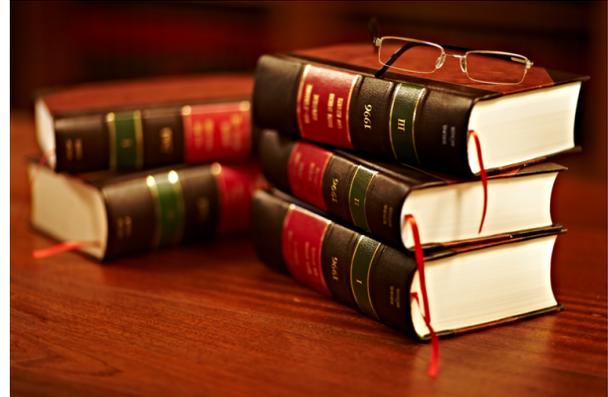
The following table presents the City Clerk's expenditures for the past 3 years.

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$257,284	\$277,364	\$302,490	\$310,233	\$366,070	21%
Supplies	\$8,518	\$6,793	\$9,210	\$4,682	\$8,160	-11.4%
Maintenance	\$10,124	\$5,909	\$16,450	\$19,358	\$17,250	4.9%
Special Services	\$81,365	\$43,523	\$119,650	\$52,478	\$119,290	-0.3%
Non-Departmental	-\$106,579	-\$111,589	-\$151,150	-\$151,150	-\$172,365	14%
Total Expense Objects:	\$250,712	\$222,000	\$296,650	\$235,601	\$338,405	14.1%

City Attorney

The City Attorney's Office provides key quality legal services to City Council, Staff, Commissions, and Boards, with the goal of good governance to enhance the well-being, safety, and economic opportunity of San Luis residents and businesses.

It also oversees the City Prosecutor's Office, which promotes the fair administration of justice to provide a safe and secure environment in San Luis.



Accomplishments FY 2023

- The City Attorney's Office is proud to have steered the City clear of liabilities and litigation for yet another year.
- The Arizona Municipal Risk Retention Pool processed all claims.
- The City Attorney and the Legal Secretary completed the Microsoft Word advanced training requested in last year's budget. The City Attorney completed productivity-boosting methods requested in last year's budget. Both professional development courses have enhanced efficiencies in the office.

Goals & Objectives FY 2024

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."

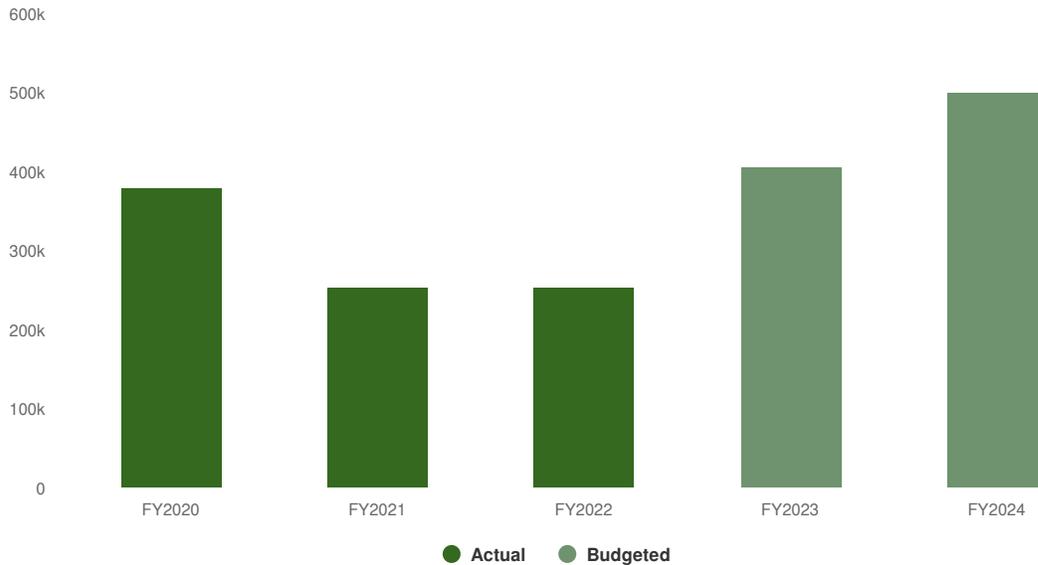
- Objective: Hire a full-time, assistant city attorney to enhance the City Attorney's office's capacity to provide efficient legal services, due to an increase in population and activity in all of the city's departments needing legal review of matters. The position will be filled during the fiscal year.

Expenditure Summary

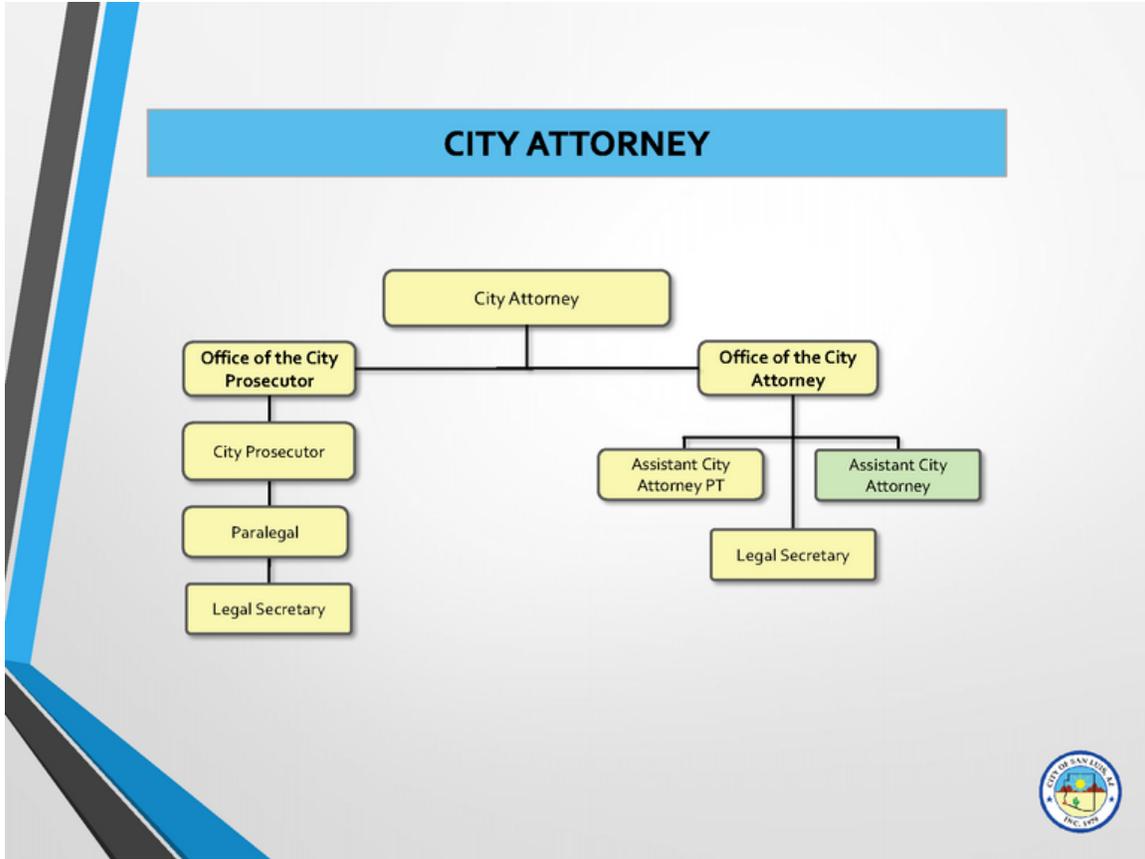
The graph below shows the City Attorney's expenditures for the past 4 years. It is important to note that FY 2020 did not include allocation of the City Attorney's costs to other funds. This is the reason for the significant variance in expenditures seen in FY 2021. For FY 2024, the City Attorney is budgeting \$499,191, which is \$92,626 higher than the previous year. This increase is mainly due to the approval of a new Assistant City Attorney position. As a result, expenditures related to dues and subscriptions saw an increase to accommodate the needs of the newly appointed Assistant City Attorney.

\$499,191 **\$92,626**
(22.78% vs. prior year)

City Attorney Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The chart below displays the City Attorney's Staff summary schedule for the past three fiscal years. In light of the city's continued growth, there is a compelling need to enhance the capacity of the City Attorney's office. Consequently, for FY 2024, the city is allocating resources to establish a new Assistant City Attorney position.

Historically, the City Attorney's office has operated with just one City Attorney and a part-time assistant. However, the demands placed on this office have grown significantly with the city's expansion. To address this, the addition of a full-time Assistant City Attorney is imperative. This new position is crucial to ensure that the city's legal needs are met effectively and efficiently in light of the growing demands.

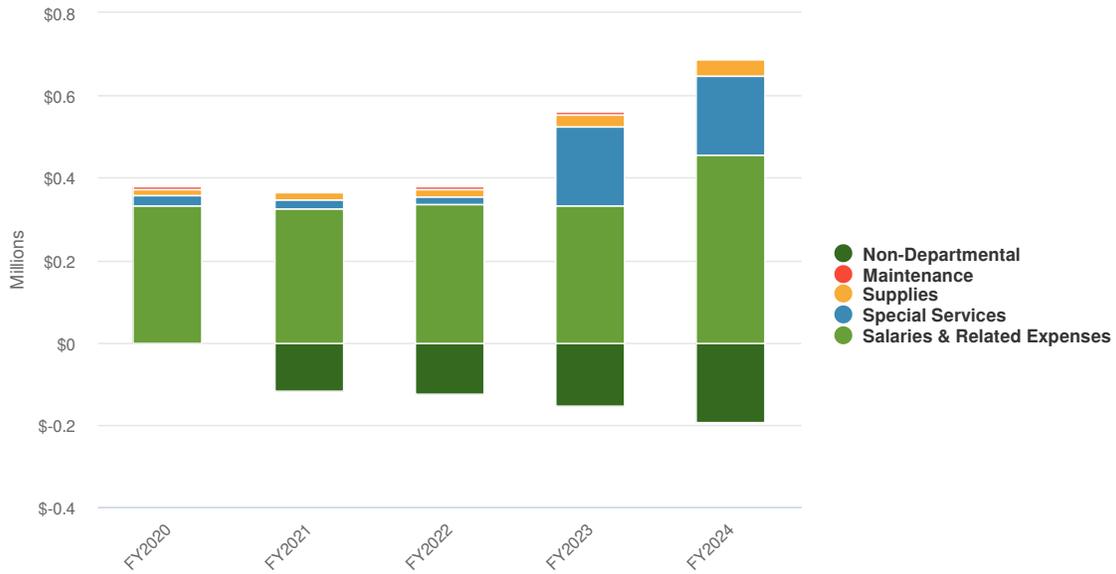
Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	2	2	2	4	2
% of city's FTEs				1.17%	

Authorized Personnel/Positions:			Current	Request	Changes
Title	2020-2021	2021-2022	2022-2023	2023-2024	2023-2024
City Attorney	1	1	1	1	0
Assistant City Attorney	0	0	0	1	1
Assistant City Attorney	0	0	0	1	1
Legal Secretary	1	1	1	1	0
Total	2	2	2	4	2

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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$326,445	\$334,597	\$332,060	\$354,021	\$454,170	36.8%
Supplies	\$19,266	\$19,771	\$30,155	\$19,796	\$38,905	29%
Maintenance	\$3,695	\$4,872	\$5,290	\$6,170	\$5,490	3.8%
Special Services	\$20,794	\$19,059	\$191,950	\$46,366	\$193,940	1%
Non-Departmental	-\$118,055	-\$124,543	-\$152,890	-\$152,890	-\$193,314	26.4%
Total Expense Objects:	\$252,144	\$253,756	\$406,565	\$273,463	\$499,191	22.8%

City Prosecutor

The City Prosecutor's Office is responsible for prosecuting misdemeanor crimes committed in the City of San Luis in violation of the Arizona Revised Statutes as well as violations of the San Luis City Code; aggressively pursues accountability for criminal behavior while treating defendants justly and with dignity; zealously protects victims' rights and acts in the best interests of San Luis residents and businesses.



The City Prosecutor's ongoing mission is to maintain a first-rate prosecutorial agency to represent the City of San Luis by promoting the fair administration of justice. Its goal is to provide a safe and secure environment for the San Luis community. The San Luis City Prosecutor serves as the Legal Advisor for the San Luis Police Department. In order to assist the Police Department, ensure the effective, efficient and uniform enforcement of criminal laws and the fair administration of criminal justice in San Luis, the City Prosecutor provides training to the Police Department to fulfill constitution and statutory mandates, respect the rights of the accused and victims, as well as strengthening the Police Department's relations with the public.

Accomplishments FY 2023

- Received 480 cases
 - Received and reviewed 98 SLPD long form reports
 - Prosecuted 2 felony cases in Yuma Superior Court at the request of the Yuma County Attorney
- Provided victim services
- Provided training to police
 - Provide accurate orders to police to protect victims
- Implemented Axon program

Five Year Plan

Each year, the Prosecutor's Office receives an increase in the number of cases for prosecution. Many include reports which require investigation by the Paralegal. Within the next 5 years, we plan to have assisting Prosecutors and at least 2 more clerical staff adequately compensated. The office has an overwhelming caseload. Within the next 5 years, the Prosecutor's office should be in a new office. That office should be large enough to accommodate required and future expansion and should provide full security and a safe working environment for office personnel and visitors.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To strengthen the Prosecutor's Office's capacity to efficiently process cases, ensuring the well-being of residents through effective law enforcement and public service, thus fostering the city's growth and enhancing public services."

- Objective: Implement Trial Director software for evidence presentation within the first quarter of the fiscal year, enhancing the efficiency of case processing and courtroom proceedings.
- Objective: Continue to provide training for the police department to improve collaboration and streamline the handling of cases.
- Objective: Continuously and effectively implement a city ordinance addressing animal abuse throughout the fiscal year, ensuring the ongoing protection of animals and residents while steadily reducing related cases.
- Objective: Obtain a Legal Paraprofessional (LP) License for the department's paralegal by the end of the fiscal year, enabling them to provide enhanced legal support.
- Objectives: Assist with plea negotiations and participate in criminal misdemeanor trials to efficiently process cases and reduce court backlog.

Financial Sustainability

Goal: "To optimize the efficiency of the Prosecutor's Office, thereby promoting fiscal responsibility and ensuring the city's long-term financial sustainability."

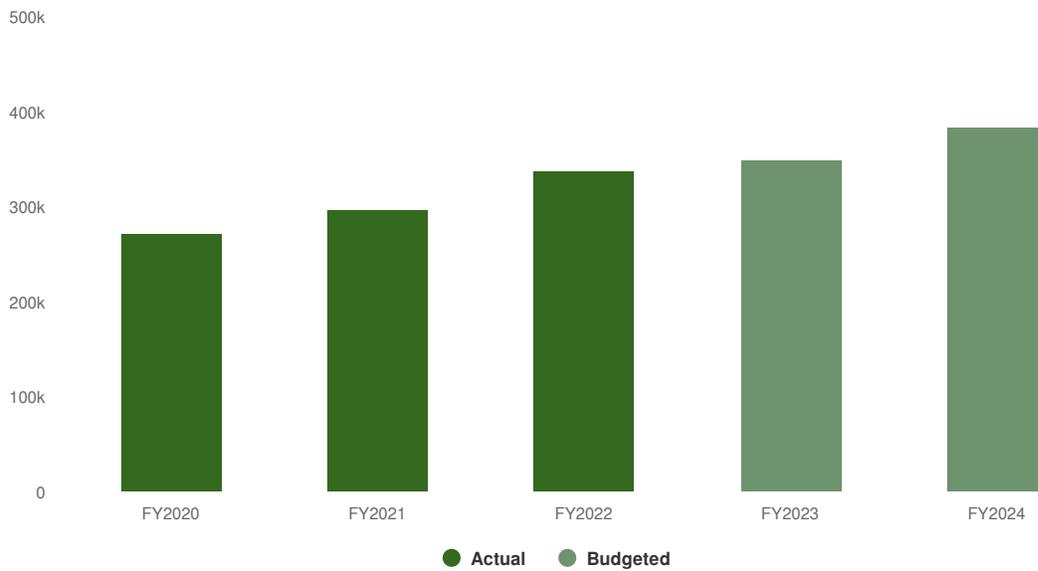
- Objective: Implement Advent eLearning for the diversion program, reducing caseload burdens and associated costs while maintaining or improving program effectiveness by the end of the fiscal year.

Expenditure Summary

The graph below shows the expenditures for the City Prosecutor for the past 4 years. For FY 2024, the City Prosecutor is budgeting \$383,605, which is \$33,895 higher than the previous year. This increase is mainly due to salaries and related expenses; \$321,150 was budgeted for salaries with an increase of \$34,940 mainly due to temporary support for increased caseload.

\$383,605 \$33,895
 (9.69% vs. prior year)

City Prosecutor Proposed and Historical Budget vs. Actual



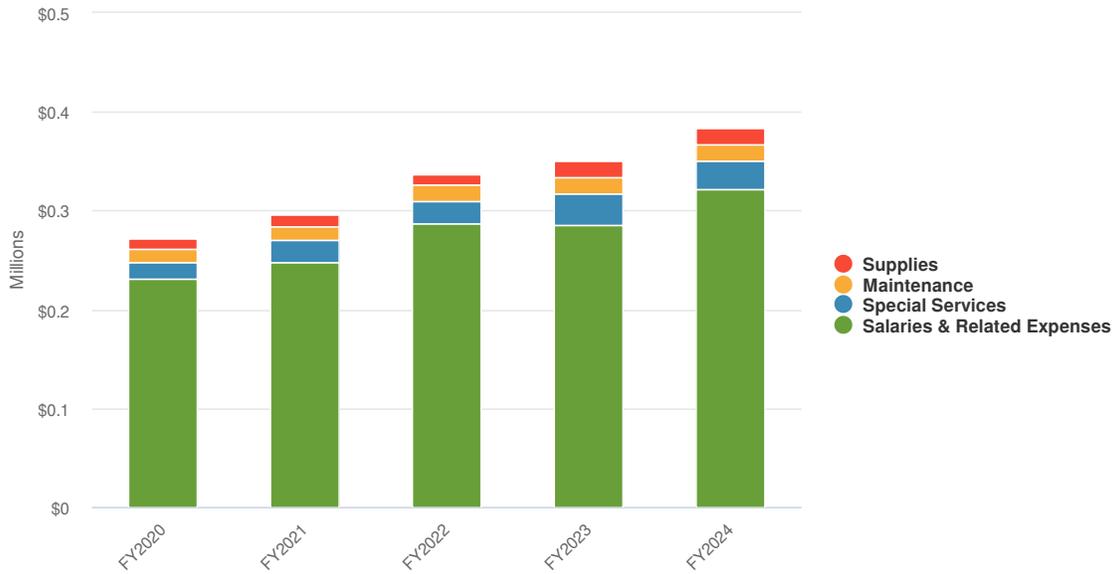
Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	2	3	3	3	0
% of city's FTEs				0.85%	
Authorized Personnel/Positions:					
<u>Title</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>Current 2022-2023</u>	<u>Request 2023-2024</u>	<u>Changes 2023-2024</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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$247,781	\$286,528	\$286,210	\$300,819	\$321,150	12.2%
Supplies	\$12,866	\$11,877	\$15,750	\$11,559	\$16,355	3.8%
Maintenance	\$13,063	\$15,522	\$17,300	\$12,060	\$17,350	0.3%
Special Services	\$22,840	\$23,552	\$30,450	\$21,354	\$28,750	-5.6%
Total Expense Objects:	\$296,550	\$337,479	\$349,710	\$345,793	\$383,605	9.7%

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 and Risk Management divisions.

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 2023

- Accomplished implementing the Budget Book building software, producing a budget book that can be accessed through the City's website, and creating an informative and transparent experience for residents.
- The City of San Luis Finance Department earned the Distinguished Budget Presentation Award. It is the first time the City has received this notable recognition. To obtain the award, the City must publish a budget document that meets the stringent GFOA program criteria for effective budget presentation.
- To comply with GASB standards, the Finance Department implemented GASB 87, a new lease accounting standard.

- To comply with GASB standards, the Finance Department implemented GASB 87, a new lease accounting standard.
- Achieved the successful implementation of capital budget management software, allowing the department to automate how capital project requests are compiled and enabling maximum utilization of resources and prioritization of projects to streamline the CIP process.
- The City of San Luis Finance Department received the certificate of achievement for excellence reporting. It has been nine 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.
- Established an organizational restructuring for the Finance Department to better use its talent by strategically reallocating staff to the functions where they can provide greater value to the organization, promoting cross-training and saving costs to the City.
- Initiated the implementation of a Time Clock Management Software, which will create efficiencies in the timeclock process. Currently, the implementation is at 75%.
- Coordinated City-wide efforts to apply and administer COVID-19 mitigation and recovery grants, including ARPA and FEMA grants ensuring compliance and meeting reporting deadlines.
- Provided oversight for the management 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, Co. 24th St - Ave H to Ave F1/2 Roadway Project, among others.
- Spearheaded research of investment agencies and investment policy development, submitting a recommendation to the administration.
- Performed annual physical inventory of the City's assets to ensure accurate and current inventory records.
- 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.

- The Finance Department successfully transitioned the time clock functions from HR to Finance.
- Completed a long-term financial strategic plan to fund the growth of the City for the next ten years.

Goals & Objectives FY 2024



Economy

Goal: "To enhance financial management practices to their optimum, thereby providing essential support for the city's economic growth and ensuring fiscal stability.

- Objective: Implement ACFR statement-building software to automate the reporting process and reduce the completion time by 30%.
- Objective: Obtain the GFOA distinguished budget presentation award for the second time by preparing a budget document that meets the program criteria and excels as a policy document, financial plan, operations guide, and communication tool. Deadline for submission is September 28, 2023.
- Objective: Obtain the GFOA certification achievement for excellence in financial reporting presentation award for the 11th time and make submission before December 29th, 2023.
- Objective: Ensure effective reporting, monitoring, and administration of ARPA funds, ensuring compliance and meeting quarterly deadlines.
- Objective: Facilitate the adoption of the investment policy and ensure its comprehensive implementation by the close of the fiscal year, tracking progress and compliance.
- Objective: Develop a Debt Management policy by the end of the fiscal year guiding the city's debt issuance practices and ensuring responsible financial management, as measured by the completion of the policy.



Financial Sustainability

Goal: "To establish and implement robust financial planning and management practices that play a pivotal role in securing the city's long-term financial stability and sustainability."

- Objective: Regularly update and revise the long-term financial strategic plan, aligning it with shifting priorities to secure funding for the City's growth over the next decade. This will be an integral part of the budget planning process for FY 2024-25 and subsequent fiscal years.
- Objective: Successfully implement the ambulance billing and time clock software within the first half of FY 2024 to enhance operational effectiveness and generate efficiencies that align with the demands of our growing City. Track and assess key performance indicators to measure progress and outcomes.

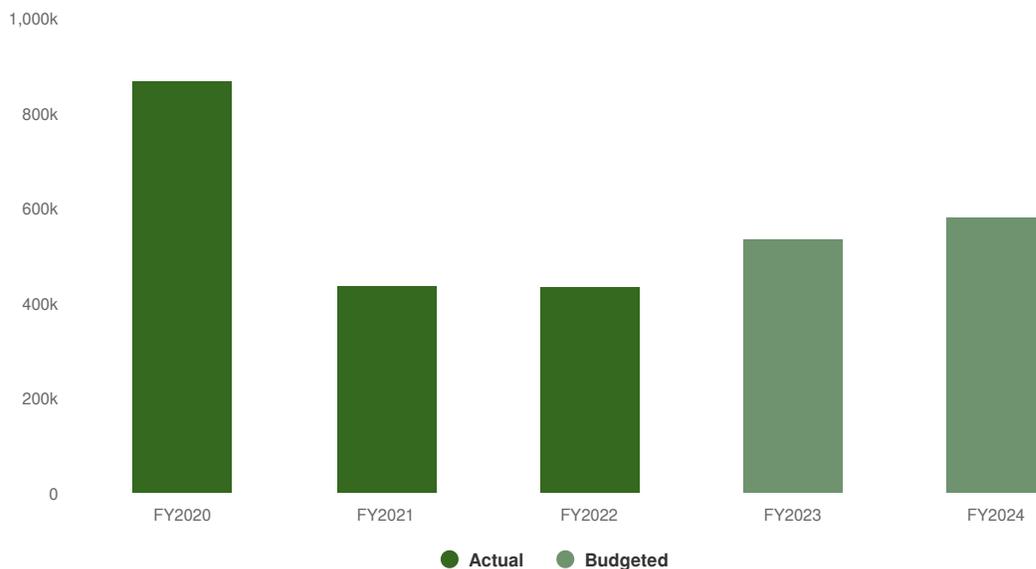
- Objective: Streamlining internal City financial processes, including identifying areas that can be migrated to paperless. The department must implement and implement at least two processes in FY 2024.
- Objective: Improve procurement process and contract management by reorganizing operations and establishing new procedures for this critical area of the Finance Department. The department must have established at least one procedure to improve the procurement process.
- Objective: Our commitment is to deliver top-tier financial services characterized by precision and punctuality. We aim to surpass our department's performance annually by achieving a 100% adherence to deadlines while minimizing errors to a maximum of three errors per staff member.

Expenditure Summary

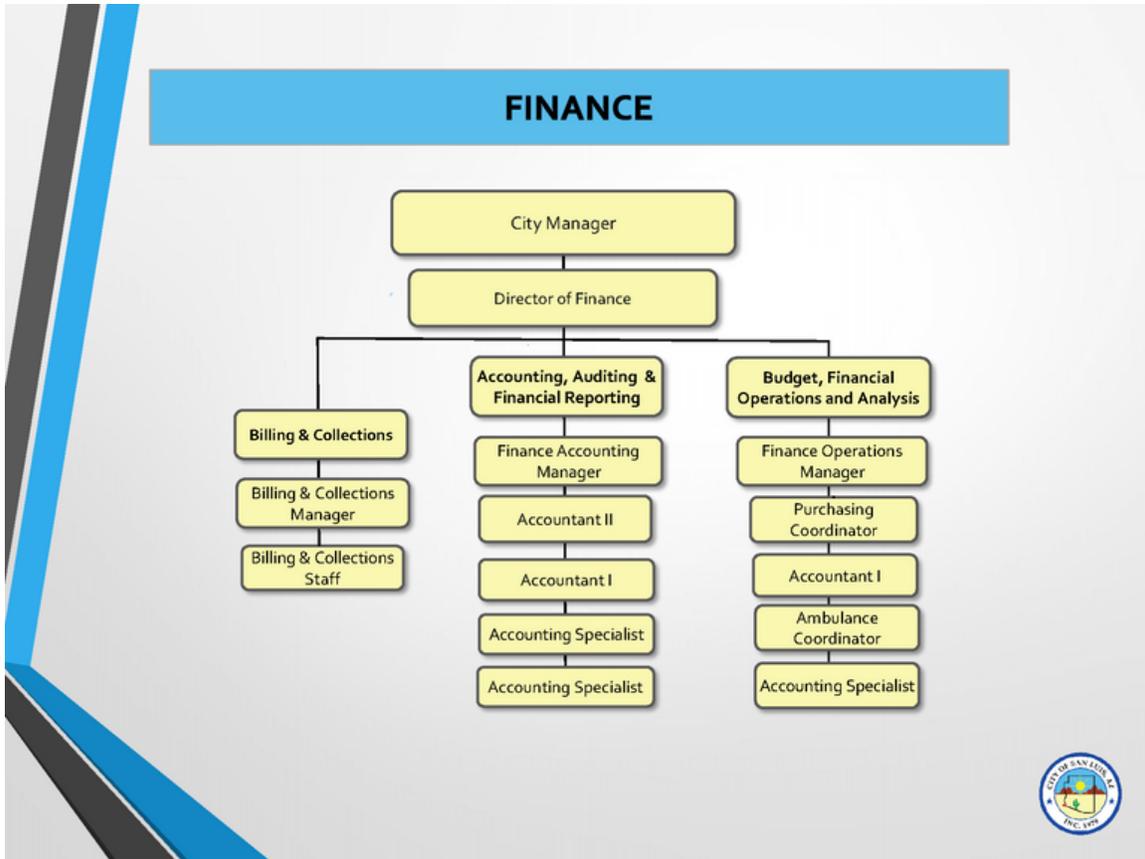
The graph below shows the expenditures for the Finance Department for the past 4 years. It is important to note that FY 2020 did not include allocation of the Finance Department's costs to other funds. This is the reason for the significant variance in expenditures seen in FY 2021. For FY 2024, the Finance Department is budgeting \$580,323, which is \$45,378 higher than the previous year. This increase is primarily due to salaries and related expenses reflecting a 5.3% augmentation from the previous fiscal year.

\$580,323
\$45,378
(8.48% vs. prior year)

Finance Proposed and Historical Budget vs. Actual



Organizational Chart



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	9.5	10	10.5	10.5	0
% of city's FTEs				2.97%	

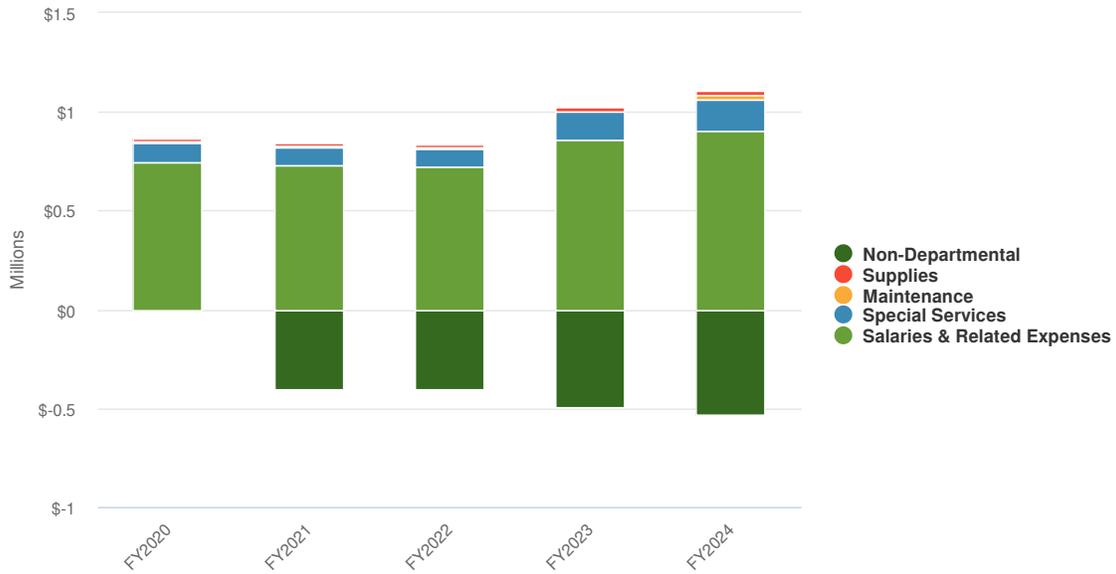
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
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	2.5	2.0	-0.5
Ambulance Coordinator	0.0	0	0.0	0.5	0.5
Administrative Coordinator	1	1	1	1	0
Accountant I	0	1	2	2	0
Contracts & Grants Coordinator	1	0	0	0	0
Total	9.5	10	10.5	10.5	0



EXPENDITURES BY EXPENSE TYPE

Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$725,883	\$721,059	\$858,090	\$862,829	\$903,720	5.3%
Supplies	\$16,002	\$17,082	\$23,675	\$18,364	\$23,540	-0.6%
Maintenance	\$3,580	\$4,485	\$5,400	\$6,754	\$25,800	377.8%
Special Services	\$96,766	\$91,725	\$140,450	\$114,315	\$155,975	11.1%
Non-Departmental	-\$403,766	-\$400,443	-\$492,670	-\$492,670	-\$528,712	7.3%
Total Expense Objects:	\$438,464	\$433,909	\$534,945	\$509,592	\$580,323	8.5%

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 2023

- Implemented a utility assistance program through WACOG to assist residents with financial hardships.
- Accomplished the implementation of real-time payment for our XpressBillPay customers. With this function, our customers are now able to see their most current balance on their utility account. Also, this function improved our internal process for managing utility payments.
- Improved our yard sale application process. With the new process, yard sale applications are now handled and approved within the Billing and Collections Department which results in a faster approval of the permit. Also, for the comfort of our customers, yard sale applications can now be submitted online.

- To provide more information to our customers, we incorporated a QR code on our monthly utility bill envelopes. By adding the QR code to our envelopes, customers can now access important information such as trash collection dates or any announcements from the City by simply scanning the QR code.
- Improved our internal process for setting up commercial accounts. With the improved process, commercial accounts no longer need to have two utility accounts for the same property. Now, the domestic meter and irrigation meter are setup under the same utility account.
- Accomplished establishing an improved internal control process for our water conversion accounts. With this new process, water conversion accounts are easy to understand and handle. Also, it allows customers to better understand their water conversion statements.
- Implemented online applications for utility service termination. Customers are now able to terminate their utility service accounts on their phones or with any other device that have access to our website.
- While providing exceptional customer service to our residents, we completed a total of 3,970 service order for our water, wastewater, and solid waste services.
- To meet the high demand of new construction, we have installed 214 new water meters.
- Improved our renewal process for our individual operators permit (IOP). With this new process, IOP's now expired the same date as the business license. As result, customers only have to make worry for only one renewal.
- * Accomplished the implementation of real-time payment for our XpressBillPay customers. With this function, our customers are now able to see their most current balance on their utility account. Also, this function improved our internal process for managing utility payments.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To foster the city's growth and enhance public services, focusing on the well-being of residents and the efficiency of public services, by continuing to provide the highest quality customer service to our residents. This includes ensuring timely service, accurate information, and effective solutions to customer concerns, while also enhancing customer communication through the implementation of text notifications for billing reminders and water disconnection notices."

- Objective: Maintain and improve the highest quality customer service to residents throughout the fiscal year, ensuring timely service, accurate information, and effective solutions to customer concerns.

- Objective: Implement text notifications for billing reminders and water disconnection notices by September 2023, eliminating paper notices and improving customer communication. Measure success by reducing the amount of monthly service disconnections.
- Objective: Implement an online application process for setting up utility accounts by December 2023, enhancing customer convenience and efficiency.

Economy

Goal: "To strengthen the city's economy, attract investment, and promote economic development by optimizing internal processes, enhancing business license renewal, improving deposit reporting, and streamlining address management. These initiatives will contribute to economic growth and financial efficiency."

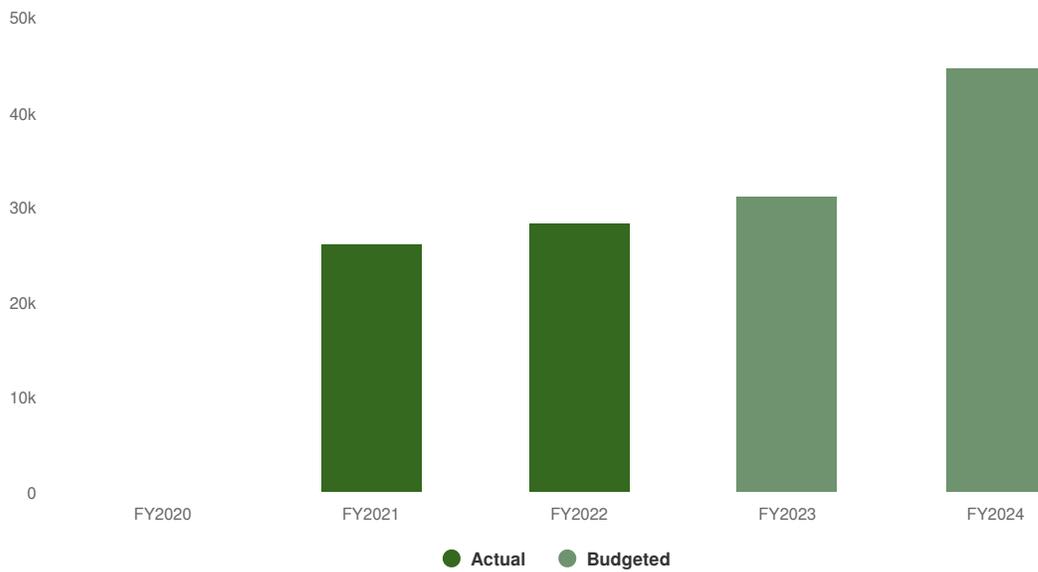
- Objective: Develop and implement a better internal renewal process for business licenses by November 2023 reducing administrative bottlenecks and promoting a more business-friendly environment.
- Objective: Initiate a process to go paperless for the daily deposit detail form by the end of the fiscal year, reducing paper usage, improving data accuracy, and promoting environmental sustainability.
- Objective: Improve internal control by eliminating duplicate addresses from the city's address inventory by February 2024, enhancing customer service and data accuracy.

Expenditure Summary

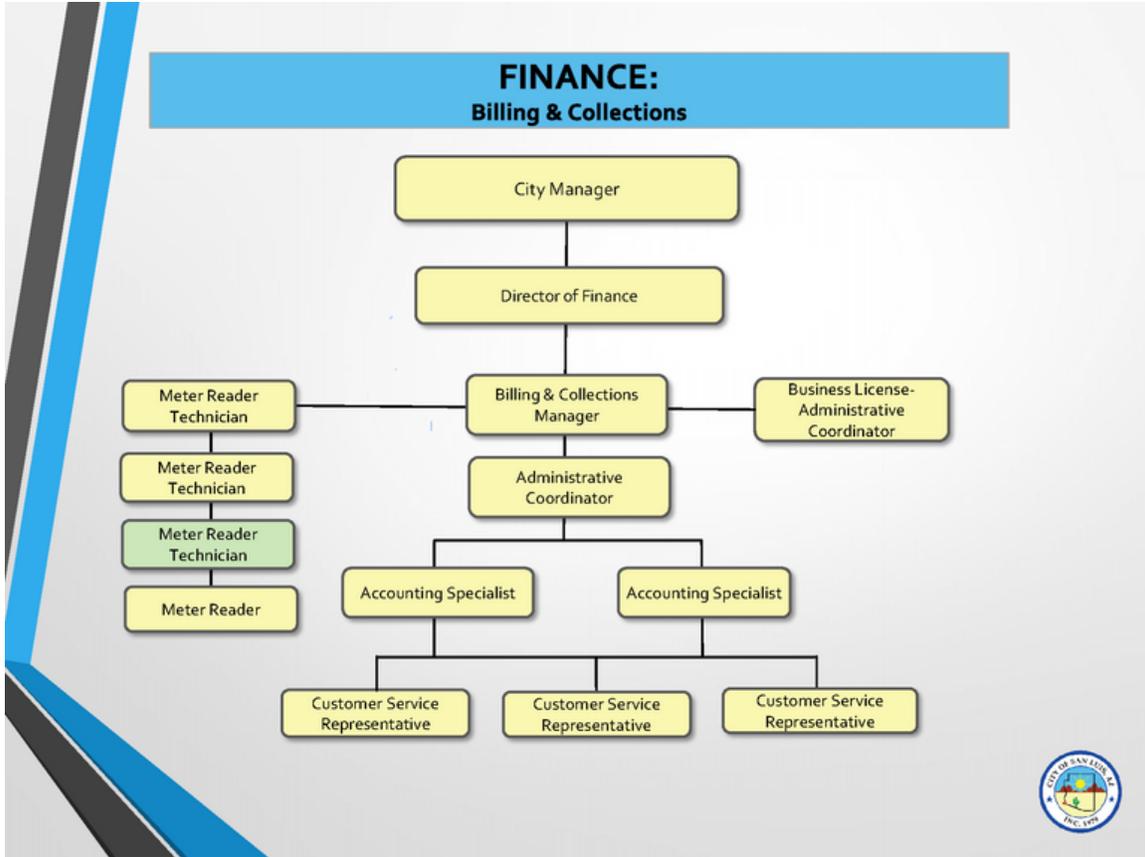
The graph below shows the expenditures for the Billings & Collections Department for the past 4 years. For FY 2024, the Billings & Collections Department is budgeting \$44,666, which is \$13,596 higher than the previous year. This increase is mainly due to salaries; \$401,900 was budgeted for salaries with an increase of \$39,810 mainly due to a new meter reader technician position being approved. This is also due to a significant augmentation in Postage, Software Support, and the adoption of a new software, Xpress Bill Pay.

\$44,666 **\$13,596**
(43.76% vs. prior year)

Billings & Collections Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The chart below displays the Billing and Collections Department's Staff summary schedule for the past three fiscal years. Given the rapid growth of the city, there is a pressing need to expand the department's capabilities. To address this, the department is proposing the addition of a new Meter Reader Technician position for FY 2024.

The workload for our current two meter reader technicians has significantly increased over the years due to the city's growth. The Billing and Collections Department has maintained only two technician positions for more than a decade. However, it is essential to note that our utility accounts have surged from 5,701 to 8,491 over the past 10 years, representing almost a 50% increase. Furthermore, our utility accounts continue to grow at an average rate of 280 accounts per year.

This new position will play a crucial role in managing and completing various tasks efficiently. The responsibilities of the Meter Reader Technician will include handling all work orders generated on a monthly basis, delivering delinquent notices, managing shut-offs, overseeing new meter installations, conducting meter replacements, reading meters, addressing unread meters, and conducting billing audits. This addition will help ensure that our department can effectively manage the increasing demands associated with the city's expanding utility accounts.

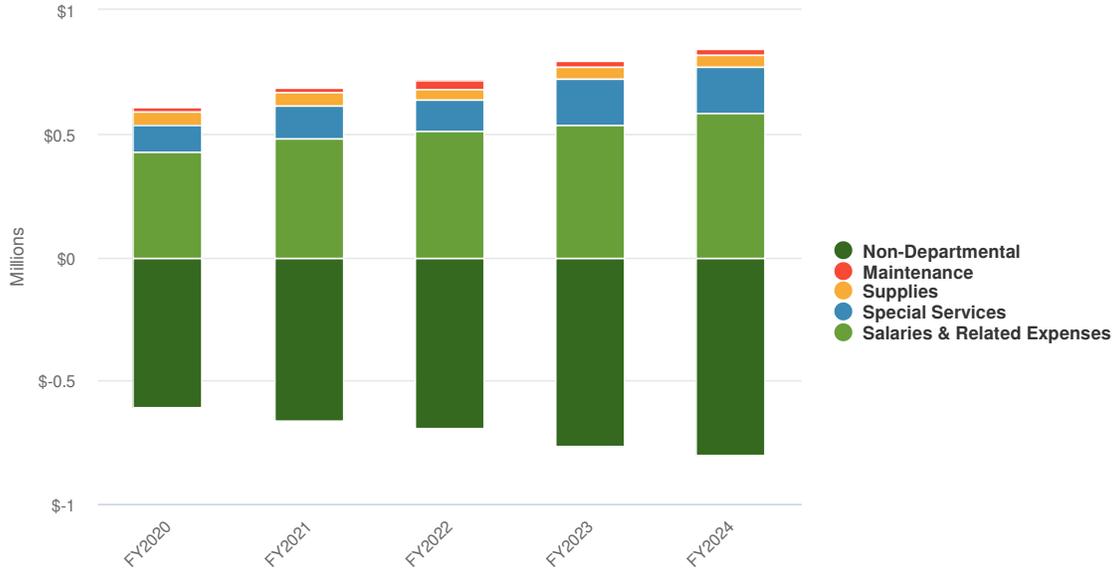
Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	10	10	10	11	1
% of city's FTEs				3.22%	
Authorized Personnel/Positions:					
Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Accounting Specialist	2	2	2	2	0
Meter Reader Technician	1	1	1	2	1
Meter Reader	2	2	2	2	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	10	11	1



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$481,972	\$508,331	\$534,960	\$505,607	\$582,380	8.9%
Supplies	\$56,736	\$43,669	\$49,700	\$43,340	\$51,800	4.2%
Maintenance	\$15,483	\$35,284	\$23,700	\$24,834	\$24,050	1.5%
Special Services	\$131,789	\$130,530	\$185,200	\$151,975	\$187,510	1.2%
Non-Departmental	-\$659,888	-\$689,584	-\$762,490	-\$762,490	-\$801,074	5.1%
Total Expense Objects:	\$26,092	\$28,229	\$31,070	-\$36,734	\$44,666	43.8%

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 2023

- Successfully filled and retain personnel for all Human Resources positions
- Classifications and Compensation
 - Completed Restructure of Public Works Water/Wastewater Divisions
 - Implemented an Operator Apprenticeship Programl
 - Developed a Training & Development & Succession Plans
 - Completed Compensation Surveys for Law Enforcement & HR
 - Completed reviews for Dispatchers & PD Records personnel
 - Initiated implementation of Neogov's Perform module to automate Employee Performance Evaluation Process

- Initiated Position Management Process
- Benefits & Wellness
 - Enhanced Wellness Program by implementing various activities: Happiness Challenges, Self-Growth Awareness, WearRed
 - Initiated Awareness Program for Diabetes and Hypertension
 - Conducted various Vaccination Clinics
- Employee Recognition
 - Enhanced Recognition Program by adding various activities: Thanksgiving Luncheon, Ice Cream Social, Halloween Contest, Holidays Decoration
 - Successfully coordinated and executed annual Employee Recognition Event
- Compliance
 - Continued review of Human Resources Policy Manual
 - Updated Covid Protocol
 - Implemented Vehicle Policy – in collaboration with Risk Management
 - Ensured adherence to labor laws and policies in practices

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance talent acquisition and development, optimize internal processes, and promote internal communications, contributing to growth and the efficient delivery of public services while prioritizing the well-being of residents."

- Objective: Implement strategies for the attraction and retention of talent, including enhanced marketing of positions and branding by September 2023. Measure success by an expectation of 20% improvements in talent acquisition rates and employee retention rates.

- Objective: Revamp the onboarding process and enhance training and development initiatives, including conducting continuous salary reviews and needs assessments, and facilitating in-house training by June 2023 with continuous efforts throughout the fiscal year. Measure success by 20% improvements in onboarding efficiency, employee skill development, and satisfaction.
- Objective: Enhance internal communications by redesigning HRD's website, implementing quarterly/monthly newsletters, and continuously improving the wellness program at the end of the fiscal year as it requires ongoing activity. Measure success by and expectation of 20% increases in employee engagement and wellness program participation.



Financial Sustainability

Goal : "To ensure the financial stability and sustainability of the city by completing classification and compensation reviews, optimizing processes, and ensuring compliance adherence, contributing to long-term financial sustainability."

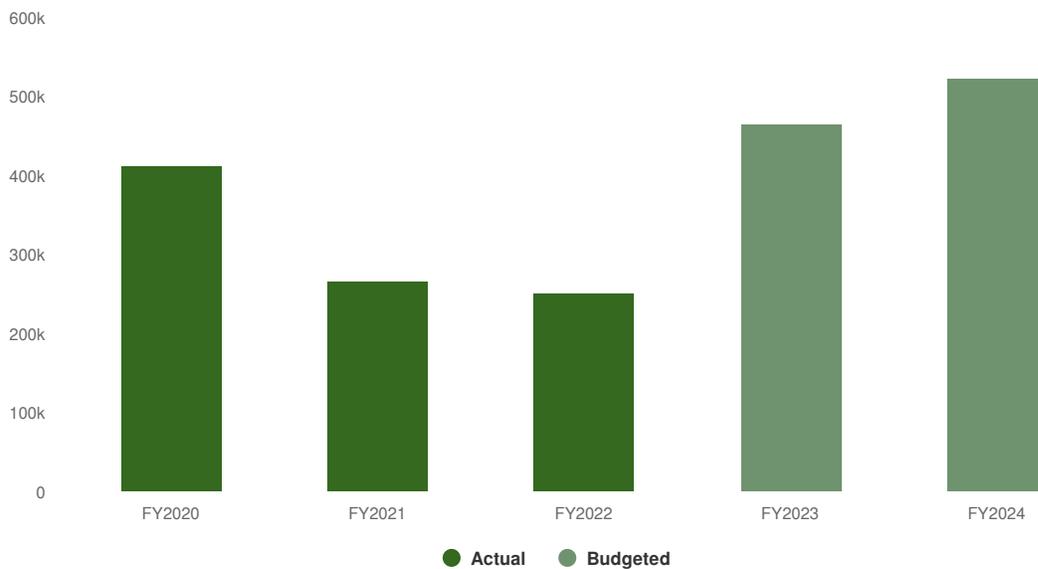
- Objective: Complete the review of classifications and compensation by 05/31/24, ensuring alignment with market trends and fiscal responsibility. Measure success by 20% reductions in compensation disparities and cost efficiencies.
- Objective: Optimize internal processes by completing position management reviews and implementing additional functionality on the recruitment system, Neogov, by November 2023. Measure success by 30% improvements in process efficiency and resource allocation.
- Objective: Complete the update of the Human Resources Policy Manual, promote education to ensure adherence to practices, and increase awareness of equal employment opportunity laws by February 2024. Measure success by 20% reductions in compliance violations and increased awareness levels.

Expenditure Summary

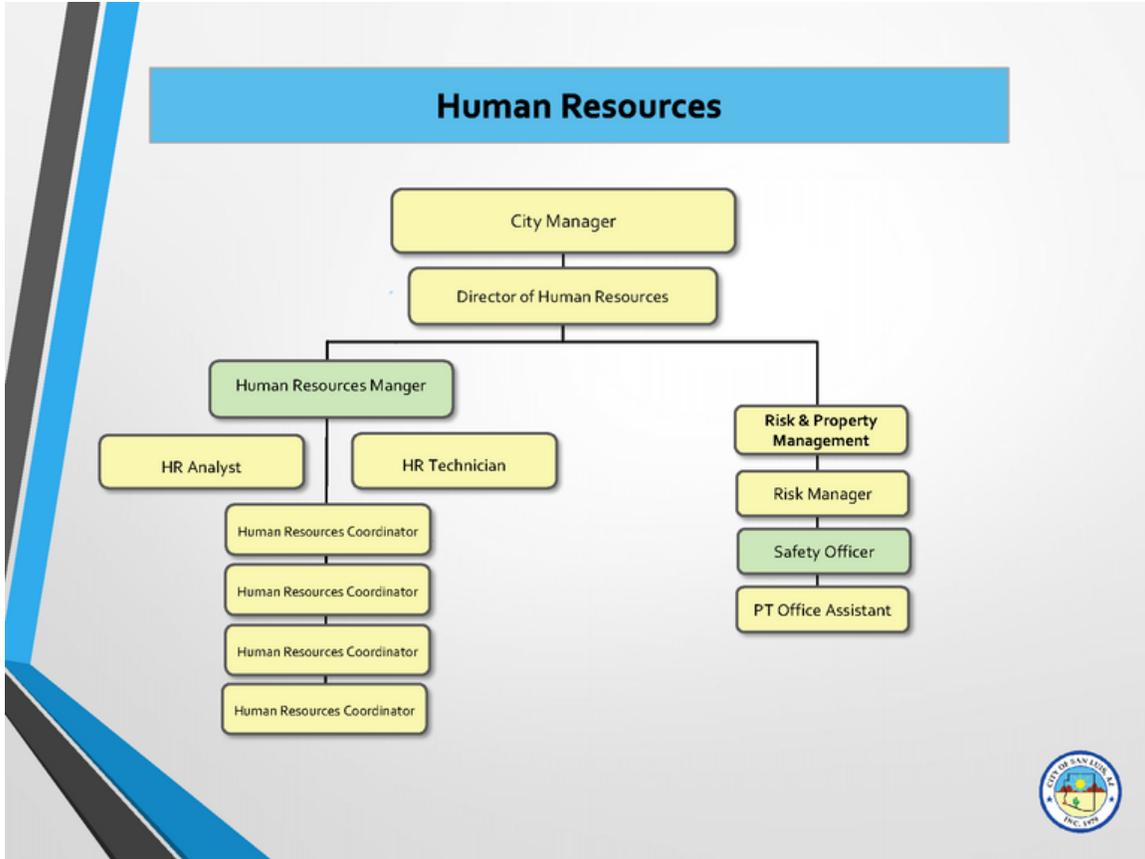
The graph below shows the Human Resources Department's expenditures for the past 4 years. It is important to note that FY 2020 did not include allocation of the Human Resources Department's costs to other funds. This is the reason for the significant variance in expenditures seen in FY 2021. The City started allocating the costs of the Human Resources Department to other funds in FY 2021. For FY 2023, the Human Resources Department is budgeting \$523,169, which is \$58,509 higher than the previous year. This increase is mainly due to salaries; a Human Resources Manager position is being requested to support the growing needs of the department. There was also a significant augmentation in supplies, the allocation of these supplies is due to office supplies and dues/ subscriptions.

\$523,169 **\$58,509**
(12.59% vs. prior year)

Human Resources Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

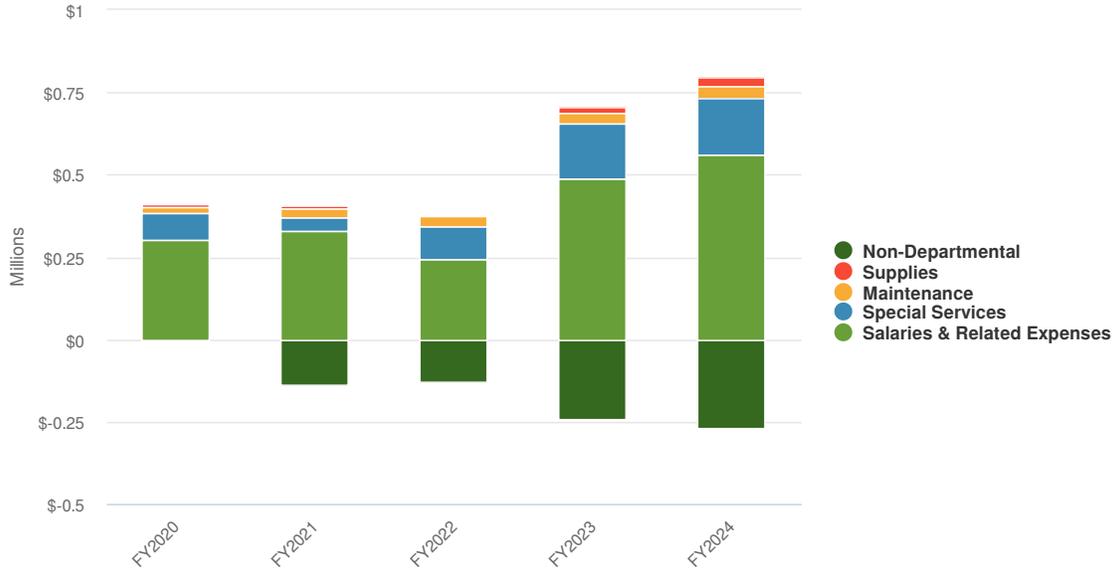
The following graph illustrates the summary schedule of the Human Resources' staff over the past three fiscal years. In FY 2024, The Human Resources department is seeking funding to support the existing HR Manager position. This role will assume responsibility for overseeing HR programs, providing managerial leadership, and supervising lower-level staff members. The HR Manager will report directly to the Director of Human Resources and will step in to handle responsibilities in the Director's absence.

Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	5	6	7	8	1
% of city's FTEs				2.34%	
 Authorized Personnel/Positions:					
Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
HR Technician	1	0	1	1	0
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	0	1	1
Human Resources Coordinator	0	4	4	4	0
Total	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>1</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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$330,155	\$241,790	\$488,370	\$455,373	\$559,410	14.5%
Supplies	\$7,520	\$7,203	\$15,840	\$22,808	\$24,950	57.5%
Maintenance	\$26,489	\$29,544	\$32,250	\$47,441	\$36,750	14%
Special Services	\$40,758	\$102,383	\$168,800	\$32,465	\$172,900	2.4%
Non-Departmental	-\$138,127	-\$130,262	-\$240,600	-\$240,600	-\$270,841	12.6%
Total Expense Objects:	\$266,797	\$250,659	\$464,660	\$317,487	\$523,169	12.6%

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.

Accomplishments FY 2023

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.

The following (to name a few) are major accomplishments for our Risk Management Division:

- OSHA PEPP Program Safety Award was issued to City of San Luis, by the Industrial Commission of AZ at the Arizona State Capitol. Awarded for meeting compliance with the Public Entity Partnership Program and our hard work in providing a safe work environment for city employees and implementing controls and programs to eliminate and reduce hazard exposure.

- Setup and Implementation of New Certificate of Insurance Software and Establish a System Reporting Process.
- Complete and Implement the Driver's License Record Check Process along with completion and implementation of the City Vehicle Use Policy and Procedures. This process helps the city ensure driving safety which in turn protects employees, the public and customers.
- Finalized the Written Safety and Health Policies and Procedures. Contracted Workplace Safety Specialists to assist us with drafting these policies and procedures. Our PEPP Program OSHA Representative reviewed the policies and made improvement recommendations.
- Continued to Implement Safety Written Programs throughout the City as needed based on hazard assessments conducted - Safety and health programs have helped us to prevent workplace injuries and illnesses as well as improve compliance with laws and regulations. Reduce costs, including significant reductions in workers' compensation premiums.
- OSHA PEPP Safety Program – Safety quarterly inspections and corrections continued throughout our City buildings:
 - Wastewater Lift Stations
 - Facilities
 - Aquatics
 - Business Incubator
 - Police
 - Fire
 - Water Air Sampling
 - City Hall and Multipurpose Room
- Processing of Year End OSHA injury and illness reporting for year 2022 – 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.
- Implemented the Respirator Safety Program for Water, Waste Water and Aquatics Center
 - Medical Evaluations
 - Training

- Fitting Tests
- Written Program
- Public Safety Supplemental Benefits Plan Implementation.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To foster sustainable growth, enhance public services, and improve the overall well-being of our community."

- Objective: Propose and fill the full-time Safety Officer position within the second quarter of the fiscal year, aiming to improve safety and health standards and reduce workplace injuries and illnesses.
- Objective: Implement basic safety OSHA mandatory training and ensure compliance with federal, state, and local safety regulations by the end of the fiscal year with a goal of achieving a 30% reduction in workplace incidents.
- Objective: Enhance the effectiveness of the Safety Committee by ensuring representatives can recognize hazards and understand principles for hazard control. Focus on identifying hazards and unsafe work practices to reduce the likelihood of serious injuries by December 2023.

Economy

Goal: "To create a conducive environment for economic development and city growth through streamlined development processes."

- Objective: Successfully address all OSHA PEPP Program Inspection Findings to maintain safety compliance. Ensure that all findings are resolved effectively and within required timelines.

Financial Sustainability

Goal: "To enhance the city's financial sustainability by improving risk management and regulatory compliance while reducing costs."

- Objective: Continuously implement and enhance safety and health policies and procedures to prevent workplace injuries, illnesses, and deaths, reducing suffering and financial hardship for workers, their families, and the City. Aim to achieve a 30% reduction in workplace incidents and maintain a safe work environment.

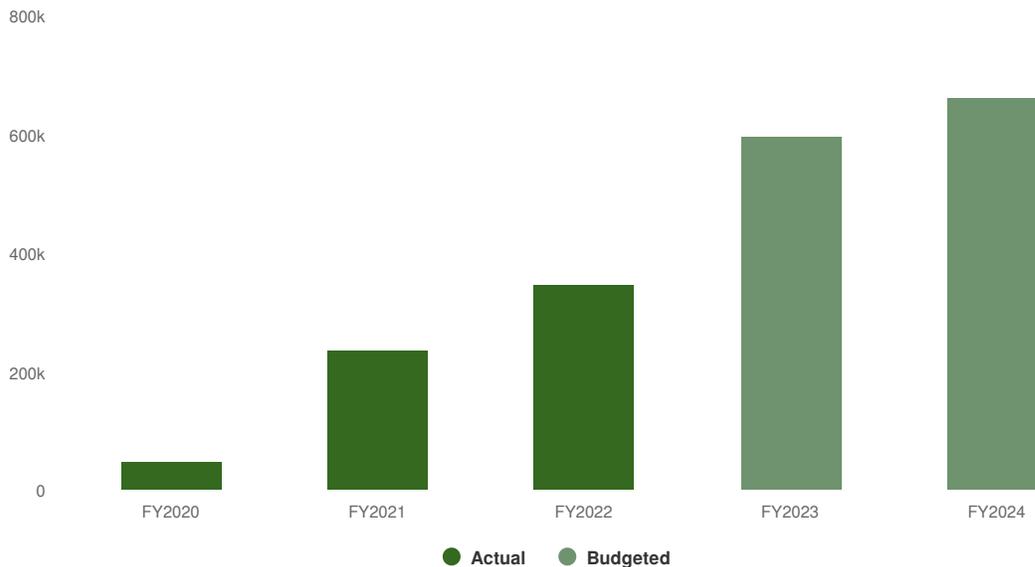
- Objective: Continuously Implement a safety training program to equip employees with the knowledge and skills needed to perform their work safely and avoid hazards. Ensure that all employees receive safety training as required by federal, state, and local regulations by the end of the fiscal year.
- Objective: Implement Safety Inspections/Hazard Assessment Programs to identify and address potential hazards, in compliance with federal safety regulations. Hazard assessments are continuous as needed.
- Objective: Continue to implement and update safety and health programs, reducing workplace injuries and illnesses and improving compliance with laws and regulations; Achieving a 30% reduction in workers' compensation premiums.

Expenditure Summary

The graph below shows the expenditures for the Risk & Property Management Division for the past 4 years. For FY 2024, the Risk & Property Management Division is budgeting \$662,745, which is \$67,335 higher than the previous year. This increase is mainly due to the approval of a new Safety Officer position. We can also notice a significant increase of 11.3% in non-departmental services for HURF, Water, Waste Water, Solid Waste, Business incubator, Ambulance services, and Business center cost allocation charges.

\$662,745
\$67,335
(11.31% vs. prior year)

Risk & Property Management Proposed and Historical Budget vs. Actual



Personnel Changes

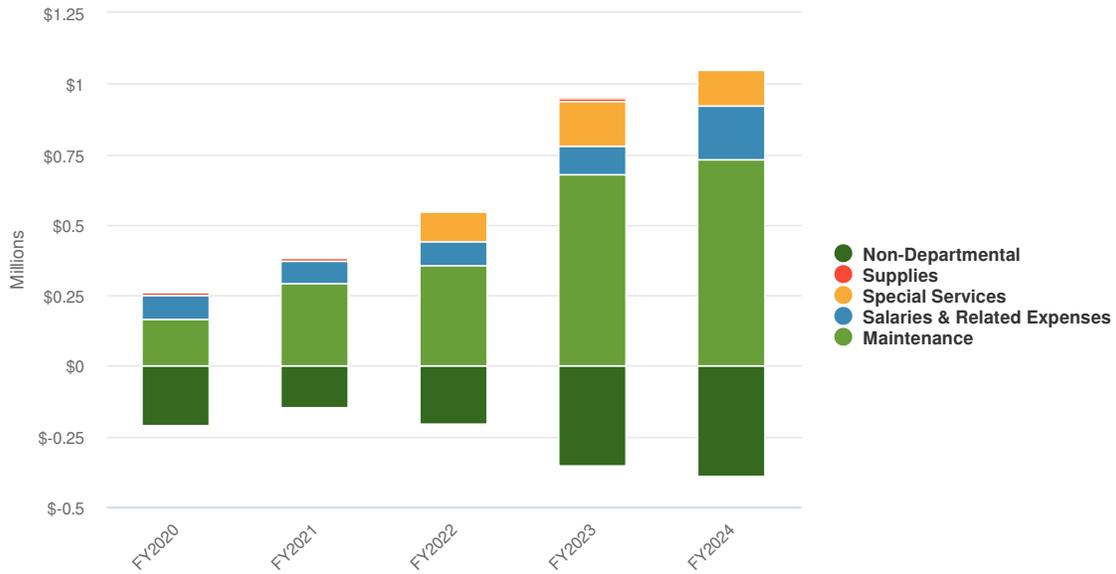
The chart below shows the Risk Management Department's Staff summary schedule for the last three fiscal years. For FY 2024, the Risk Management Department is allocating resources for the creation of one Safety Officer position. This decision is driven by the critical need for this role to ensure compliance with health and safety legislation, implement and enforce safety and health policies, oversee the safety committee, and administer the necessary employee training programs.

Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	1	1	1.5	2.5	1
% of city's FTEs				0.73%	
Authorized Personnel/Positions:					
<u>Title</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>Current 2022-2023</u>	<u>Request 2023-2024</u>	<u>Changes 2023-2024</u>
Risk Property Analyst	1	0	0	0	0
Office Assistant	0	0	0.5	0.5	0
Safety Officer	0	0	0	1	1
Risk Manager	0	1	1	1	0
Total	1	1	1.5	2.5	1

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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$80,414	\$85,552	\$98,670	\$99,533	\$188,460	91%
Supplies	\$7,086	\$1,394	\$10,210	\$973	\$3,240	-68.3%
Maintenance	\$290,978	\$358,022	\$680,900	\$871,866	\$733,100	7.7%
Special Services	\$2,487	\$105,629	\$156,920	\$141,576	\$128,900	-17.9%
Non-Departmental	-\$143,552	-\$204,260	-\$351,290	-\$351,290	-\$390,955	11.3%
Total Expense Objects:	\$237,411	\$346,337	\$595,410	\$762,658	\$662,745	11.3%

Development Services

As part of the Planning and Zoning Department, the Development Services Division oversees the implementation of the San Luis General Plan 2040 and any amendments thereto, 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 and works together with the Building Safety Division on zoning code enforcement issues.



Accomplishments FY 2023

- 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.
- Drafted the Pre-Development Packet to improve development procedures.
- Actively updated the addresses for the 911 Emergency System.
- Finalized draft for the Parks, Paths, and Trails Master Plan.
- Updated the Land Use Applications to simplify the submittal process
- Implemented the updated City Aerial Imagery through the Imagery Acquisition Consortium Project.
- Improved the GIS request process by implementing a new GIS Request Form.
- Started the migration to ArcGIS Pro from ArcMap.
- Participated in ESRI Community Maps Program.
- Created an interactive subdivision plat map to streamline access to existing recorded plats.

- Created a garage sales map to simplify the garage sale license application process.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance the city's infrastructure and planning processes, contributing to the efficient delivery of public services, fostering growth, and prioritizing the well-being of residents."

- Objective: Finalize the adoption of the Parks, Paths, and Trails Master Plan, the Downtown Mixed-Use Rezoning Project, and the comprehensive Subdivision Regulations Update by the end of the third quarter of the fiscal year
- Objective: Continue the implementation of the Bicycle Lanes Retrofit Program in partnership with Public Works and include bicycle facilities on new projects and roadways by the end of the fiscal year. Measure success by 20% mileage increases in bicycle-friendly infrastructure.
- Objective: Actively administer the San Luis 2040 General Plan, implement a paperless plan review, and update all city-addressing data, including new development and the 911 Emergency system, continuously throughout the fiscal year.

Economy Goal:

Goal: "To create a conducive environment for economic development and city growth through streamlined development processes, contributing to the strengthening of the city's economy, attraction of investments, and promotion of economic development."

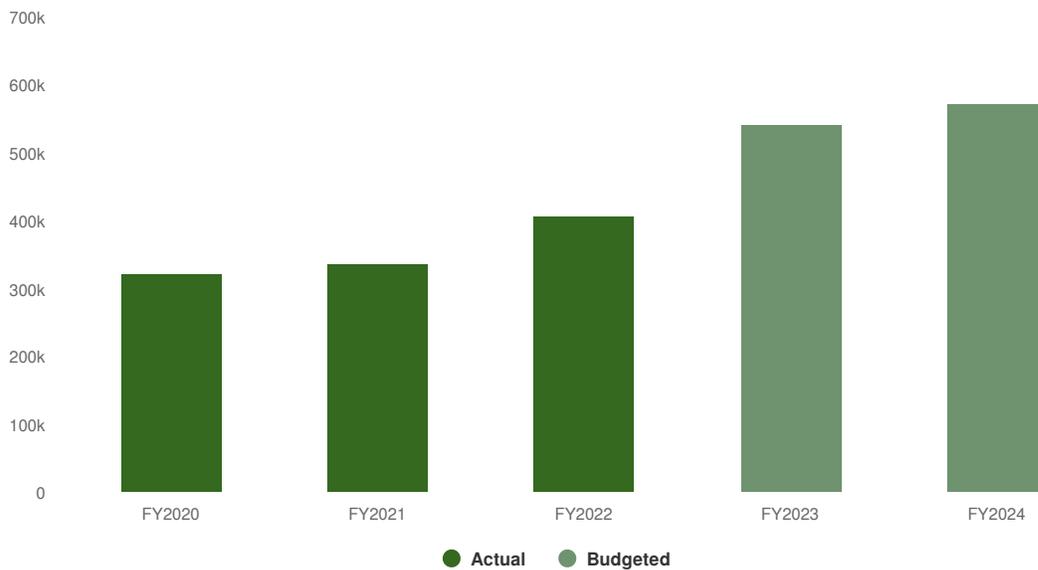
- Objective: Finalize and establish a detailed workflow for the development process, begin the annexation process for County islands, and complete the office space study and new city hall needs assessment by the end of the fiscal year.

Expenditure Summary

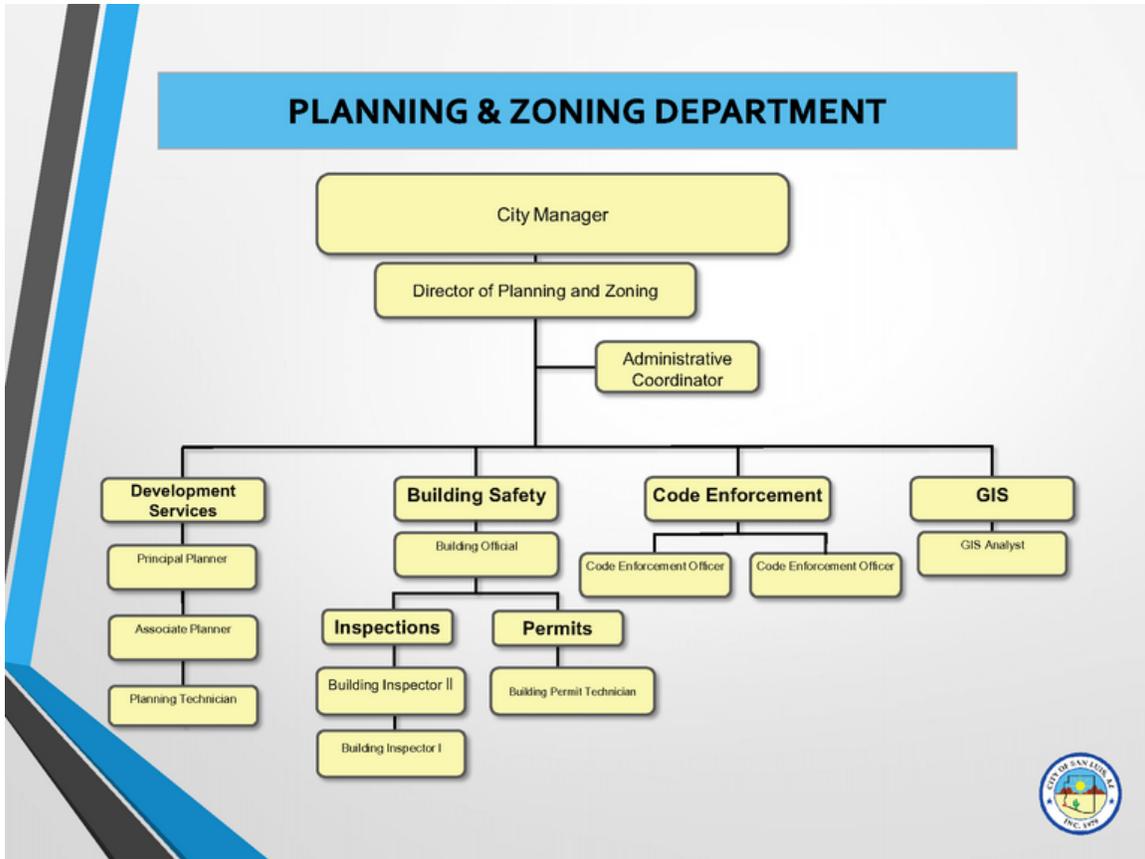
The graph below shows the expenditures for the Development Services Division for the past 4 years. For FY 2024, the Development Services Division is budgeting \$572,540, which is \$31,550 higher than the previous year. The budget changes include a \$39,820 increase in salaries and related expenses, a \$2,000 decrease in external printing costs, a \$1,190 increase in dues and subscriptions for new bicycle coalition subscriptions, a \$2,100 allocation for uniforms and \$1,000 funding for new wheels for the department's vehicle for minor tools and equipment.

\$572,540 **\$31,550**
(5.83% vs. prior year)

Development Services Proposed and Historical Budget vs. Actual



Organizational Chart



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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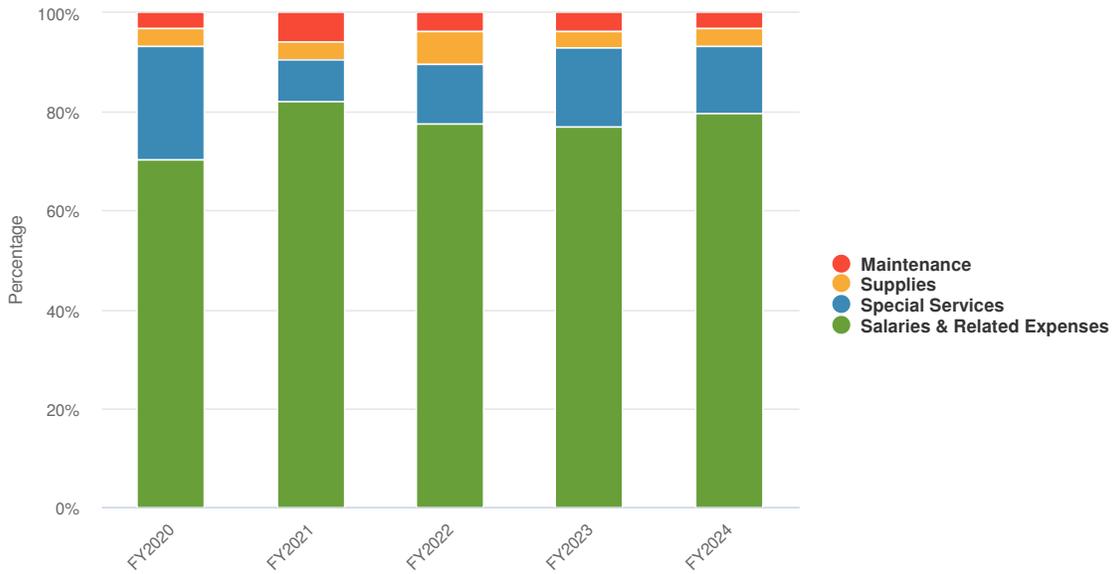
Full-time Equivalents (FTE)	5.1	5.5	5.5	5.5	0
% of city's FTEs				1.56%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Director of Planning & Zoning	0.5	0.5	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	0.5	0.5	0
Planning Technician	1	1	1	1	0
Administrative Coordinator	0.1	0.5	0.5	0.5	0
Associate Planner	1	1	1	1	0
Principal Planner	1	1	1	1	0
Total	5.1	5.5	5.5	5.5	0

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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$276,483	\$315,507	\$417,240	\$386,744	\$457,060	9.5%
Supplies	\$12,320	\$26,267	\$18,540	\$16,730	\$19,830	7%
Maintenance	\$19,120	\$15,002	\$19,400	\$13,580	\$16,970	-12.5%
Special Services	\$28,125	\$49,667	\$85,810	\$48,692	\$78,680	-8.3%
Total Expense Objects:	\$336,048	\$406,443	\$540,990	\$465,747	\$572,540	5.8%

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 2023

- Actively administered the International Building Codes as adopted.
- Processed permits for a substantial increase in commercial buildings.
- Completed 4155 inspections with a projection of doing over 6000 by the end of the fiscal year.
- Issued 434 building permits, including 165 Residential New and 3 Commercial New.
- Issued a total of 134 Certificates of Occupancy, including 131 Residential and 3 Commercial.
- Collected \$1.3M in revenues from building permits.
- 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 issued on average 285 per year.

- 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 92 code enforcement cases in residential and commercial areas and closed 73 cases with a projection of opening over 120 cases and closing over 100 by the end of the fiscal year.

Goals & Objectives FY 2024



Growth & Public Service Goal

Goal: "To enhance the city's infrastructure and planning processes, contributing to the efficient delivery of public services and the well-being of residents."

- Objective: Increase the efficiency of responding to code enforcement complaints, aiming to respond within 48 hours, ensuring timely and effective resolution for both internal and external complaints.
- Objective: Collaborate with neighboring communities to review and adopt updated International Commercial and Residential Codes, promoting consistency in construction standards across Yuma County throughout the fiscal year.
- Objective: Maintain compliance with the Arizona Revised Statutes by continuing to complete plan reviews and inspections within their prescribed timeframes, facilitating smooth development processes.
- Objective: Initiate the planning process for the Land Use Assumptions and Infrastructure Improvement Plan and Development Fee Report updates as mandated every 5 years to support organized growth and development.



Economy

Goal: "To create a conducive environment for economic development and city growth through streamlined development processes."

- Objective: Update the 2018 International Plumbing Code, 2018 International Mechanical Code, 2018 International Fuel Gas Code, and 2020 NFPA 70 National Electrical Code to align with other jurisdictions in Yuma County, supporting economic growth by maintaining modern safety standards by the end of the fiscal year.

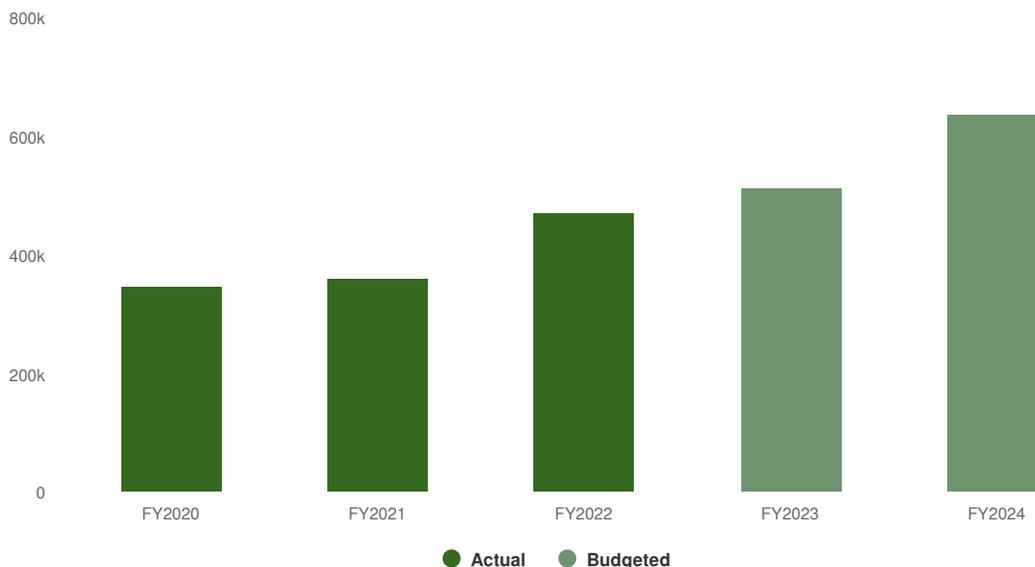
- Objective: Enforce adopted construction and zoning codes in a proactive and reactive manner, fostering a safe and compliant environment that encourages economic growth.
- Objective: Continue working closely with other city departments to ensure compliance with regulations and promote efficient development processes, facilitating economic development opportunities.
- Objective: Improve communication and engagement with the community to increase compliance with regulations and address concerns, fostering a business-friendly environment and supporting economic growth.

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.

\$635,915 **\$121,579**
 (23.64% vs. prior year)

Building Safety Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	5.125	7.5	6.5	6.5	0
% of city's FTEs				1.90%	

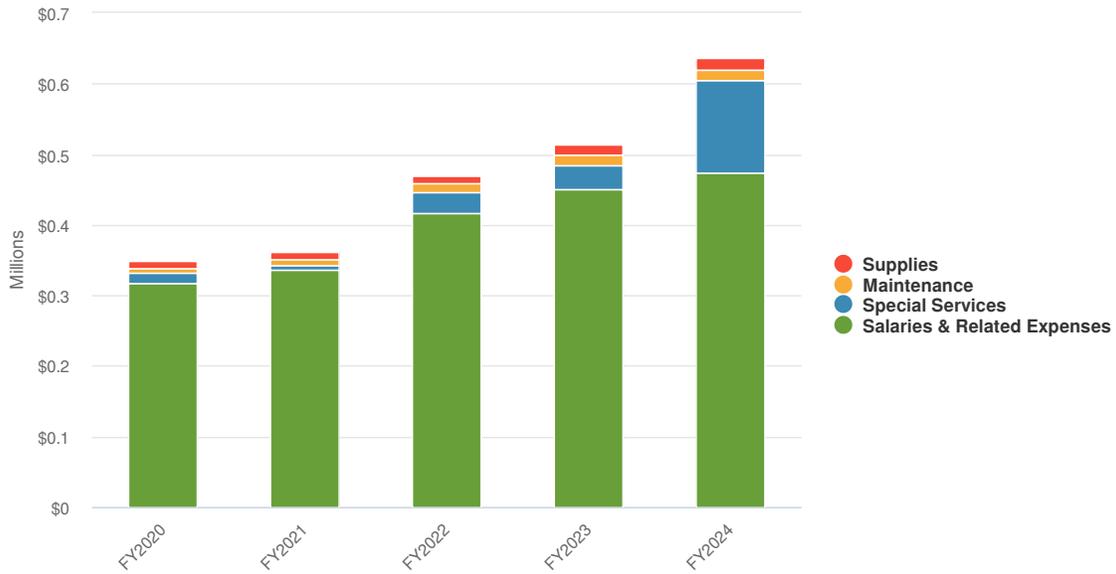
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Director of Planning & Zoning	0.5	0.5	0.5	0.5	0
Administrative Coordinator	0.1	0.5	0.5	0.5	0
Building Official	1	1	1	1	0
Code Enforcement Office	0.5	2.5	1.5	1.5	0
Bulding Permit Technician	1	1	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	5.1	7.5	6.5	6.5	0



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$335,300	\$416,390	\$451,310	\$448,115	\$473,440	4.9%
Supplies	\$10,070	\$10,567	\$15,480	\$8,275	\$15,650	1.1%
Maintenance	\$7,479	\$13,693	\$15,500	\$13,423	\$15,700	1.3%
Special Services	\$8,144	\$29,158	\$32,046	\$34,763	\$131,125	309.2%
Total Expense Objects:	\$360,994	\$469,807	\$514,336	\$504,577	\$635,915	23.6%

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 2023

- Completion of Mesa Street Phase I, II and Rancho Los Oros Phase II with total grant of \$1,126,215.
- Acquire 3 federal license for the Cesar Chavez Blvd ROW, Downtown Park/Parking lot, and the ACT parking lot.
- Completed the environmental process for County 24th Street.
- Acquire \$33 million from State Legislature and \$1.2 million of congressional direct spending for the widening of Cesar Chavez Blvd.
- Completed the Downtown Redevelopment Plan, Circulation Study, Origin and Destination Study, and Downtown Parking Study.
- Submitted 2 RAISE grants, 1 Rural Surface Transportation grant, and 1 AZ Smart Fund grant for the Cesar Chavez Boulevard expansion project.
- Submitted application for the USDOT Thriving Communities Program and was selected as one of the finalist.
- Completed the design of the Downtown Park and Parking lot and Downtown Drainage project for CDBG funding.
- Recruited Starbucks, Wendy, Burger King, AEA Federal Credit Union, Clean Freak Car Wash, and new Subway location for San Luis.

- Supported two major industrial businesses providing a combined investment of \$10.5 million, constructing 109,000 SF of industrial area and creating over 70 jobs.
- In the process of acquiring 4 acres of private ROW from twelve property owners for the Cesar Chavez Boulevard project.
- Supported the City with participation in the HOME consortium providing \$2.9 million toward creating and preserving affordable housing in Yuma County.
- Represent the City in the Southwest Future Forum, Yuma Education Advocacy Council, AZ Town Hall, Border Communities Capital, Yuma Airport Authority, San Luis Facility Corporation, San Luis Industrial Park Association, NAU Advisory board and Yuma Regional Broadband boards.
- submitted applications for state and federal lands for city hall expansion and row acquisitions for infrastructure projects by april 13, 2023 to facilitate future growth.

Goals & Objectives FY 2024

Growth & Public Service

Goal: To enhance the city's infrastructure, secure funding, and foster collaboration to support growth, improve public services, and ensure the well-being of residents."

- Objective: Submit RSGT grant applications for funding to widen Cesar Chavez Boulevard and Merrill Avenue by August 2023 to improve transportation infrastructure in the city.
- Objective: Complete private right of way acquisition for Cesar Chavez Boulevard and achieve 100% design completion for the project by June 30, 2024 to ensure smooth project execution.
- Objective: Submit grant applications for downtown revitalization projects, including the development of the downtown park, parking lot, and infrastructure as outlined in the master plan, by December 2023 to boost tourism, stimulate the local economy, and support sustainable growth in the downtown area
- Objective: Assist in the submission of WIFA grants for the expansion of our wastewater treatment plant and water system by August 2023 to ensure adequate infrastructure for economic development.
- Objective: Develop a proposal and work with state/federal legislators for the release of federal land by December 2023 to secure additional land resources for economic development.
- Objective: Work with the Mesa Irrigation District to receive an allocation of surface water by end of September to support agriculture and industry.

- Objective: Work with federal, state, and local agencies in the development of modernization of San Luis Port of Entry by towards successful completion of phase I by 2025-2026 and Phase II by 2028 to improve trade and commerce.
- Objective 10: Continue to recruit key industries for industrial areas and key commercial businesses such as a hotel, restaurants, and other similar amenities by June 30, 2023, to stimulate economic growth.

Economy

Goal: "To attract and retain key industries and businesses, stimulate economic development, and enhance the city's commercial landscape, contributing to economic prosperity."

- objective: Continuously attract key industries and commercial businesses, including hotels and restaurants, to industrial areas, stimulating economic development and enhancing the city's commercial landscape.

Financial Sustainability

Goal: "To secure sustainable funding sources, optimize resource management, and ensure the city's long-term financial stability while supporting growth and development."

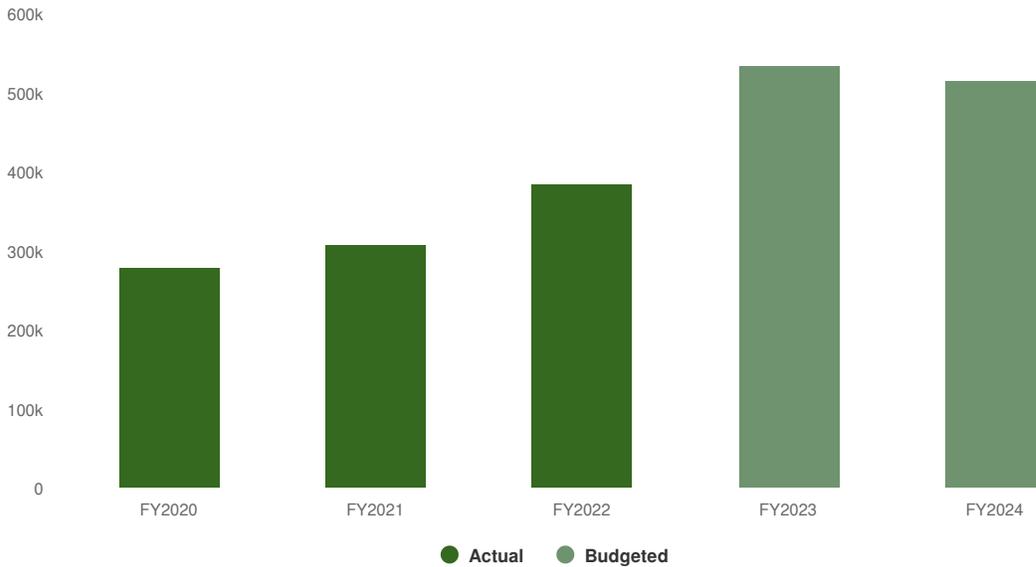
- Objective: By June 30, 2024, conduct assessments to identify priority development areas suitable for public infrastructure development through public-private partnerships, diversifying funding sources and promoting financial sustainability.

Expenditure Summary

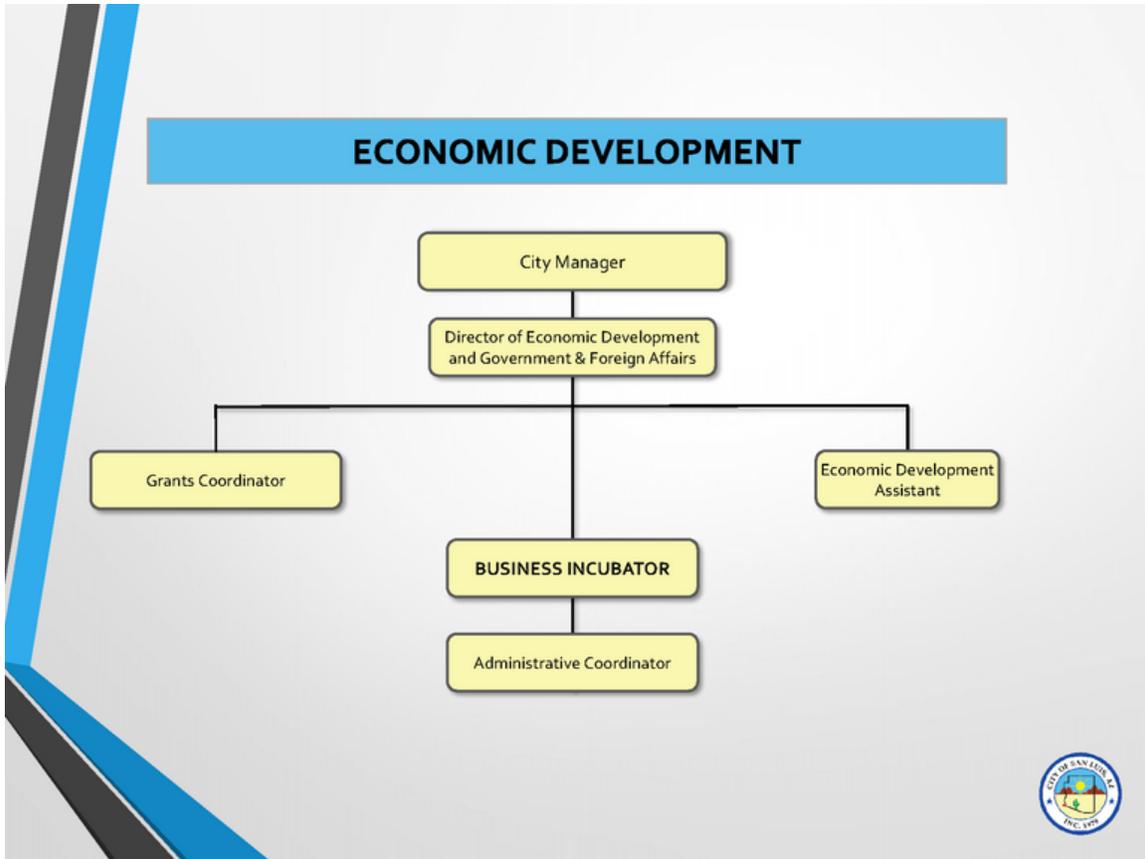
The graph below shows the Economic Development Department's expenditures for the past 4 years. For FY 2024, Economic Development is budgeting \$514,169, which is \$20,045 less than the previous year. This decrease is primarily due to salaries; The department's salaries and employee-related expense accounts decreased by \$69,145 with the transfer of the Graphics and Media Specialist from Economic Development to the City Administration Department. Capital projects are significant, which is reflected in the \$47,500 increase to the professional services account to cover administrative costs for the construction of various projects including the widening of the Cesar Chavez Blvd and Merrill Ave.

\$514,169 **-\$20,045**
(-3.75% vs. prior year)

Economic Development Proposed and Historical Budget vs. Actual



Organizational Chart

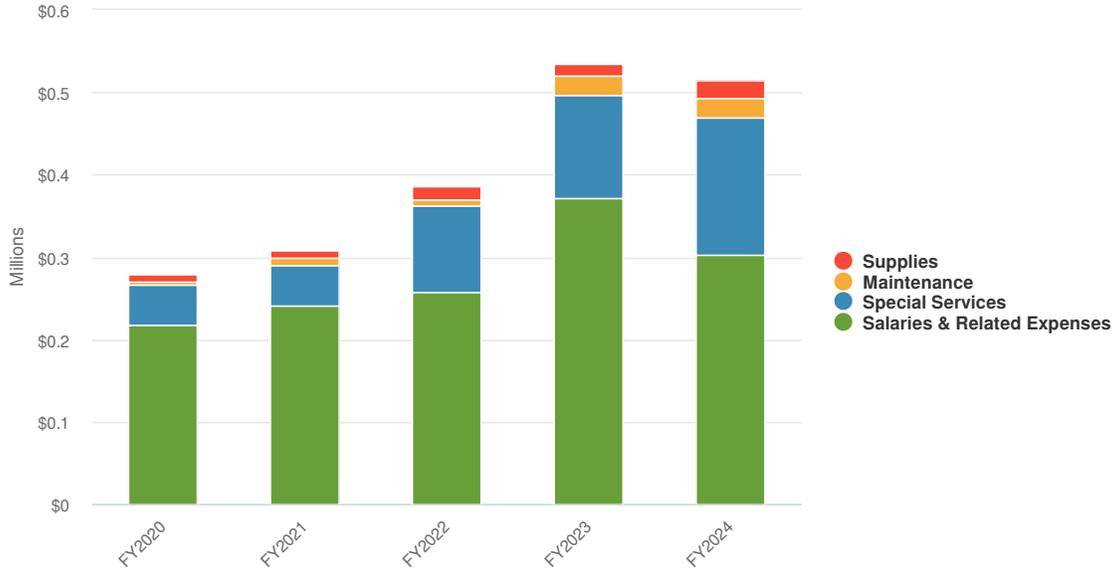


Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	4	3.4	4.8	3.8	-1
% of city's FTEs				1.11%	
Authorized Personnel/Positions:					
Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Economic Development Assistant	1	1	1	1	0
Economic Development Manager	1	1	1	1	0
Grants Writer	1	1	1	1	0
Graphics and Media Specialist	0	0	1	0	-1
Administrative Coordinator	0	0.4	0.8	0.8	0
Office Assistant	1	0	0	0	0
Total	4	3.4	4.8	3.8	-1

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$240,613	\$257,122	\$371,220	\$302,075	\$303,320	-18.3%
Supplies	\$9,187	\$16,365	\$13,727	\$8,523	\$20,670	50.6%
Maintenance	\$8,609	\$7,175	\$24,100	\$26,106	\$24,900	3.3%
Special Services	\$49,775	\$104,782	\$125,167	\$65,752	\$165,279	32%
Total Expense Objects:	\$308,184	\$385,444	\$534,214	\$402,456	\$514,169	-3.8%

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 2023

- Signed lease agreement with Beto's Cabinets LLC; this marked the seventh active lease on the Business Incubator program, thus all suites leased.
- Collaborated with Arizona Western College's Small Business Development Center (SBDC) to provide a workshop to the community on the topic of "The New Google Profile" presented by MGM Design. This workshop presented information to business owners on how to publish their business profile on Google, and how business owners benefit from their services.
- Collaborated with SBDC and Consulumex 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.
- Worked together with Human Resources to update the ERAP Policies.
- Collaborated with ARIZONA@WORK to provide a tour of the Business Incubator Program and presentations from our Tenants to young entrepreneurs to provide testimonials on starting, operating, and growing a business, as well as influence on potential career paths.
- Collaborated with SBDC on promoting a Buy Local campaign by distributing marketing material to our business owners.

- Established relationships with the Center for the Future of Arizona (CFA) and the Arizona Business & Education Coalition (ABEC), and learned about their workforce development programs, among other topics, and how they are being employed in schools.
- Terminated lease agreement with Protecnicos LLC, due to tenant's decision to close business due to health conditions. Six (6) out of the seven (7) suites are currently leased at a Business Incubator facility.
- Collaborated in the capturing of pictures and film using Economic Development's drone from groundbreaking ceremonies, ribbon cuttings, and City projects to use as marketing material for the City.
- Provided promotion to local businesses on matters related to online and local trainings, access to financial resources, and direct assistance in connecting with other organizations that provide support for small businesses.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance community support for entrepreneurship and small business development, fostering economic growth and job creation."

- Objective: Continuously raise awareness of the Business Incubator program and collaborate with community agencies, promoting entrepreneurship and growth by the end of the fiscal year.
- Objective: Achieve full occupancy for all seven suites and financial self-sustainability for the Business Incubator program within the first quarter of the fiscal year, supporting local businesses.
- Objective: Present a proposal for the development of Business Incubator Phase II within the next two fiscal years, facilitating more business growth.

Economy

Goal: "To attract and retain key industries and businesses, stimulate economic development, and enhance the city's commercial landscape, contributing to economic prosperity."

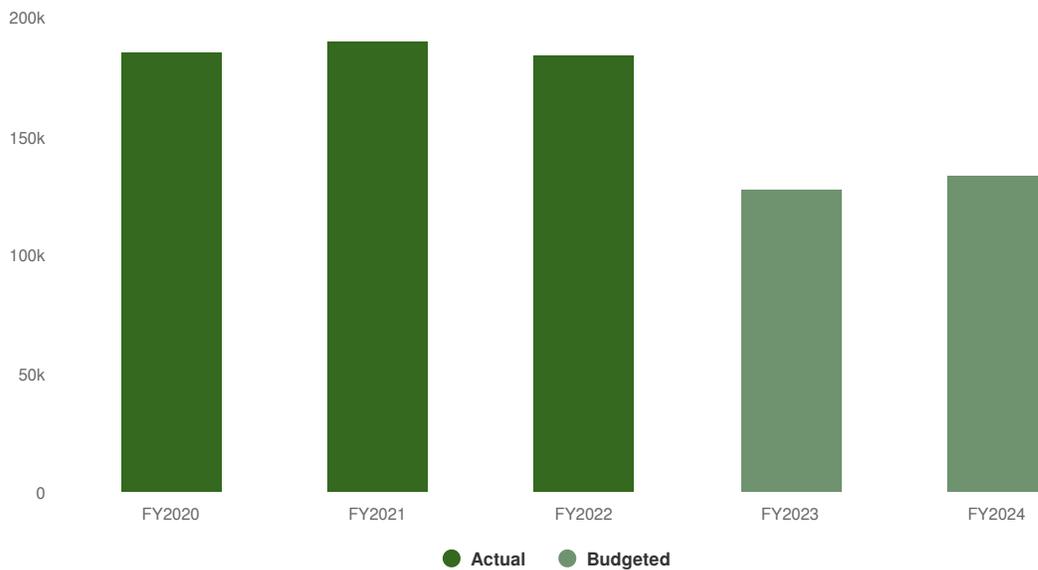
- Objective: Continuously seek funding resources to assist small business owners, promoting their success throughout each fiscal year.
- Objective: Host more events and presentations regularly to foster business development within our community within the fiscal year

Expenditure Summary

The graph below shows the expenditures for the Business Incubator for the past 4 years. For FY 2024, the Business Incubator is budgeting \$133,575, which is \$5,685 higher than the previous year. This increase is mainly due to non-departmental services for IT, facilities, fleet, risk & property management, and central cost allocations. Salaries and employee-related expense accounts increased by \$720. Internet & landline allocation decreased by \$2,400 due to the signing of a new contract with the current internet service provider.

\$133,575 \$5,685
 (4.45% vs. prior year)

Business Incubator Proposed and Historical Budget vs. Actual

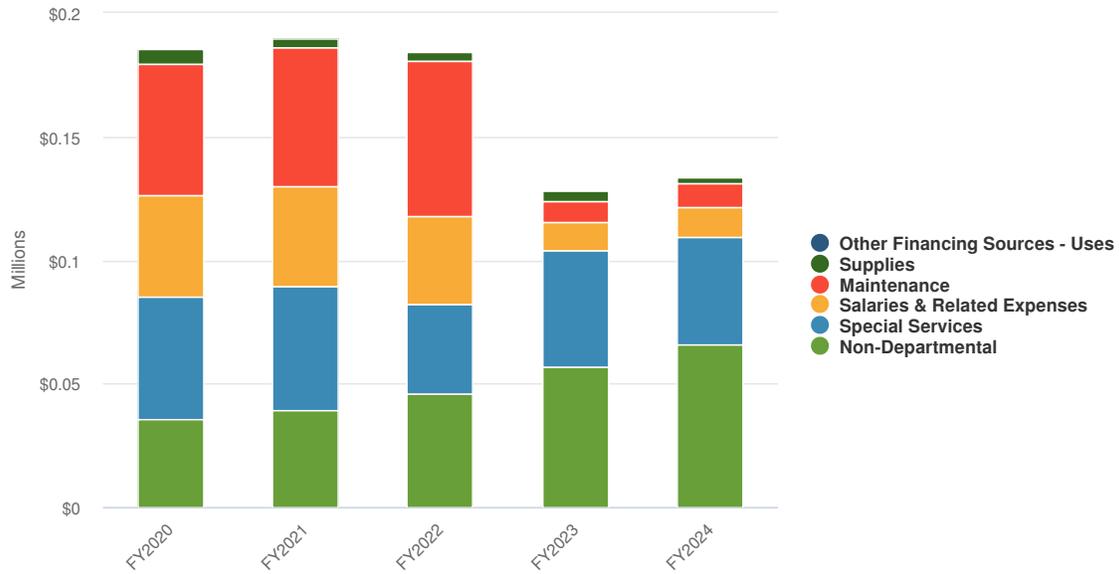


Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	1	0.6	0.2	0.2	0
% of city's FTEs				0.06%	
Authorized Personnel/Positions:					
<u>Title</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>Current 2022-2023</u>	<u>Request 2023-2024</u>	<u>Changes 2023-2024</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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$40,373	\$35,165	\$11,490	\$12,364	\$12,210	6.3%
Supplies	\$3,911	\$3,773	\$3,800	\$67	\$2,200	-42.1%
Maintenance	\$56,312	\$62,792	\$8,900	\$10,772	\$9,700	9%
Special Services	\$50,165	\$36,362	\$46,680	\$38,908	\$43,580	-6.6%
Non-Departmental	\$39,214	\$46,072	\$57,020	\$57,020	\$65,885	15.5%
Total Expense Objects:	\$189,975	\$184,164	\$127,890	\$119,131	\$133,575	4.4%

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 2023

Parks and Recreation celebrated the Fourth of July Freedom Celebration with over 10,000 people. We continue to have best fireworks in South County and the best event in the entire Yuma County Region.

This year, we celebrated at Joe Orduño Park with live performances by Las Calakas, Victimas del Doctor Cerebro, and for the first time in San Luis, El Gran Silencio.

Goals & Objectives FY 2024

Growth & Public Service

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

- Objective: Promote community engagement by offering a wide range of programs and events that encourage participation from all members of the community. Establish a community advisory committee to gather input and feedback from community leaders throughout the fiscal year
- Objective: 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 year.
- Objective: Increase access to and participation in recreational activities for underserved populations by expanding programming and facilities in underserved areas and developing partnerships with community organizations and agencies within the next two years.

Economy

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

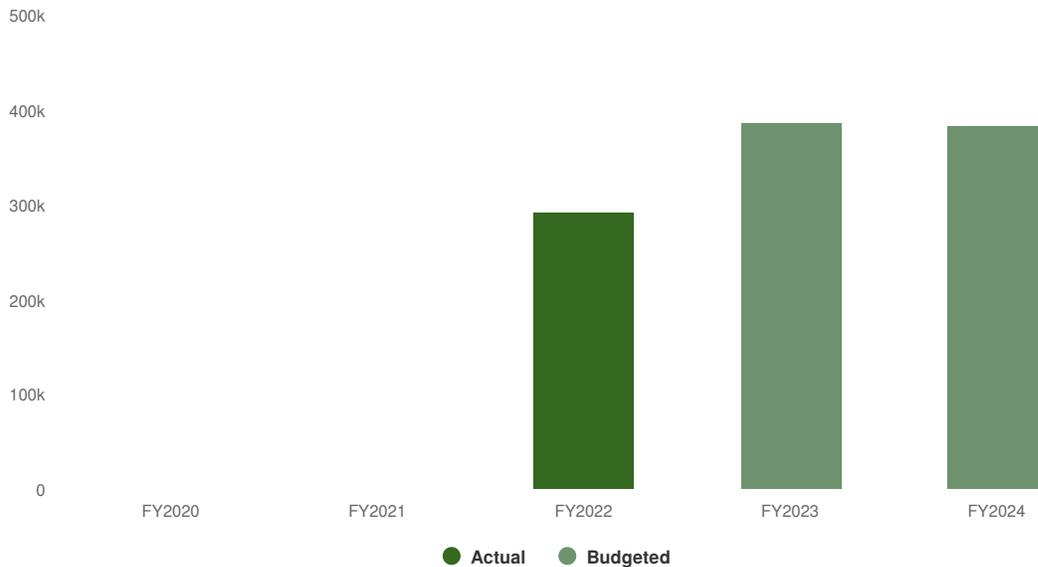
- Objective: Develop new recreational opportunities by adding new playgrounds, sports fields, and other amenities, particularly in the East San Luis Community Park, within the next three years.
- Objective: Improve the quality of programs and services by providing staff with more training and educational opportunities within the next year.

Expenditure Summary

The graph below shows the expenditures of the Parks and Recreation Administration for the past year. For FY 2024, the Parks and Recreation Administration is budgeting \$384,425, which is \$2,222 less than the previous year. This decrease is due to small differences in salaries and employee-related expenses, maintenance, and supplies and special services. Also, the internet and connections budget has seen a decrease as these expenses are now being charged to the Youth Centers' budget.

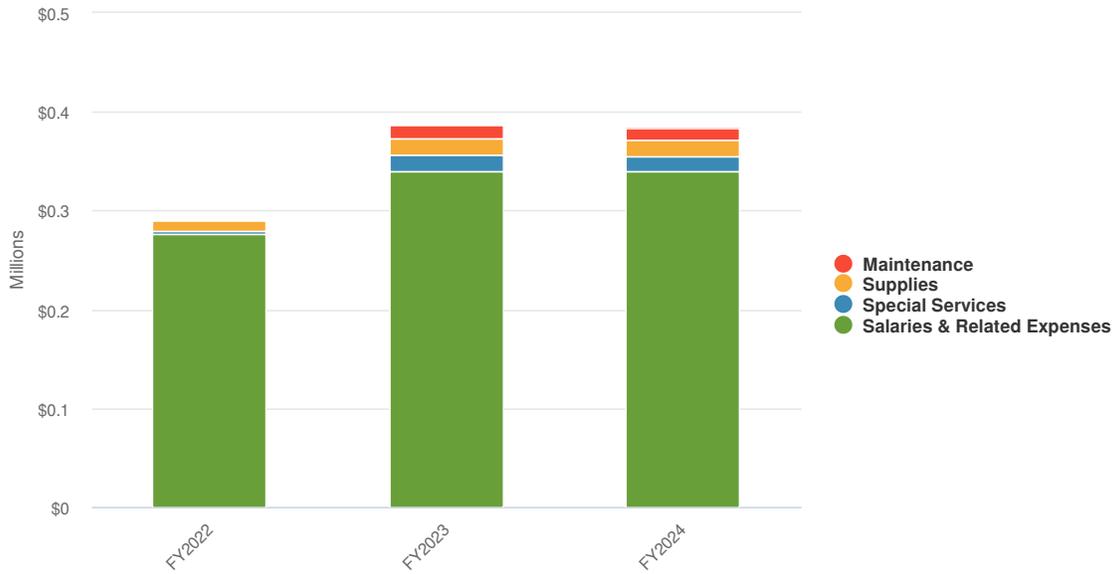
\$384,425 **-\$2,222**
(-0.57% vs. prior year)

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



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 year. It is important to note that the department wasn't created until FY 2022.

Name	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2022 Amended Budget vs. FY2023 Adopted Budget (% Change)	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$275,812	\$340,360	\$263,685	\$339,540	9.6%	-0.2%
Supplies	\$9,885	\$15,450	\$7,627	\$15,200	25%	-1.6%
Maintenance	\$2,227	\$14,200	\$9,269	\$13,490	22.4%	-5%
Special Services	\$4,048	\$16,637	\$7,182	\$16,195	-4.1%	-2.7%
Total Expense Objects:	\$291,972	\$386,647	\$287,763	\$384,425	9.9%	-0.6%

Parks

The Parks Division maintains and ensures our green and recreational areas are pristine, safe, and attractive for our residents and visitors use. The division is responsible for the maintenance and upkeep of parks including: landscaping, irrigation, trash and litter removal, playgrounds, and facilities, such as restrooms, fields, and ramadas. They are also responsible for conducting inspections to identify any hazard or issues that need to be addressed to keep our community safe.



Parks is also involved in the planning, coordination and logistics of Department and city events. They play an important role in executing, assembling, and establishing the structures necessary for an event to be carried out successfully.

Overall, our main mission is to ensure that parks, green spaces, and recreational areas are maintained, safe, and welcoming for its users.

Accomplishments FY 2023

This year, the Parks Division completed the following projects:

- Continuation of development and planning of the East Community Park Phase
- Addition of garden area to the east side of the Cultural Center. Cesar Chavez Pathway.
- Installation of city tourism letters beautification of area
- Replacement and improvement of lighting at F-1 Baseball field, F-2 Softball field, F-3 Softball field.
- Continued with regular maintenance, upkeep and improvement of parks, green and recreational areas.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance community well-being and engagement by continually improving existing recreational areas, preparing for future development, and investing in staff professional development."

- Objective: Continue developing a strategic plan to maintain existing recreational areas and prepare for future development over the next two years.
- Objective: Continue with the development of the East Community Park phases, including redesigning to include necessary amenities and installing sports fields.
- Objective: Complete an assessment of Joe Orduño Park and the green areas in West San Luis to identify areas where repairs and improvements are needed within the next year.
- Objective: Improve illumination in green areas, sports fields, and other facilities within the next two years.

Financial Sustainability

Goal: "To ensure responsible stewardship of resources and maintain the financial sustainability of our recreational facilities and programs."

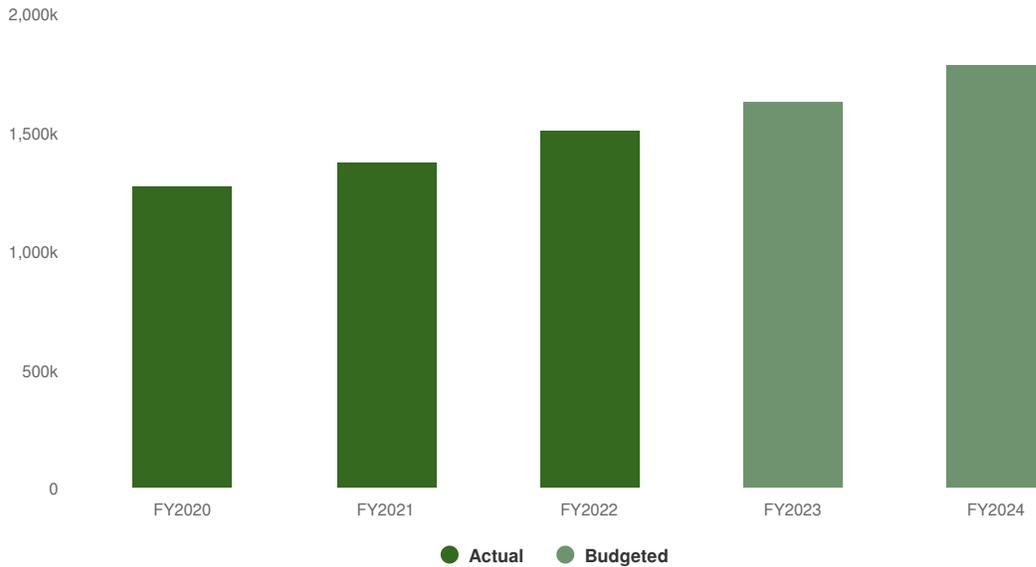
- Objective: Encourage professional development for staff, including certifications, courses, and workshops, to enhance their expertise and efficiency within the next year.
- Objective: Continue the maintenance and improvement of parks, playgrounds, and green spaces, focusing on responsible resource allocation and sustainability.

Expenditure Summary

The graph below shows the expenditures for the Parks Division for the past 4 years. For FY 2024, the Parks Division is budgeting \$1,783,900, which is \$155,330 higher than the previous year. The difference is mainly due to salaries and increased park general maintenance costs. Salaries and employee-related expense accounts increased by a net amount of \$104,960 or 11.5% to include a new Maintenance Technician position. Also, general park maintenance (fertilizer, seeds, trees, plants, paint, rocks, equipment, etc.) increased by \$23,000 or 11.5% on account of expansion of green areas and higher prices for supplies.

\$1,783,900 **\$155,330**
(9.54% vs. prior year)

Parks Proposed and Historical Budget vs. Actual



Personnel Changes

The following graph illustrates the summary schedule of the Parks Ground Department staff over the past three fiscal years. In FY 2024, Parks is advocating for the creation of a new facilities Manager position which will be budgeted with a 50% allocation from the parks and Grounds budget and 50% allocation from the Facilities budget for the upcoming fiscal year. By allocating funds in this manner, the department aims to better address its evolving needs and efficiently manage facility-related tasks while ensuring adequate support for parks and ground maintenance.

Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	13.6	16	18	18.5	0.5
% of city's FTEs				5.43%	

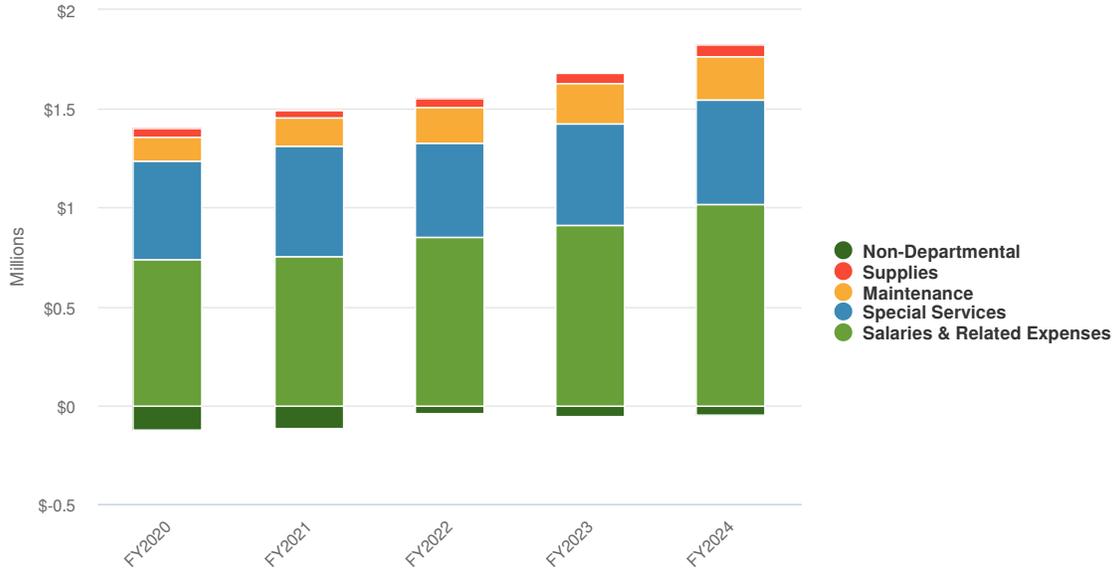
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
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	0.5	0.5
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	13.6	16	18	18.5	0.5



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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$753,885	\$853,151	\$914,610	\$874,625	\$1,019,570	11.5%
Supplies	\$37,868	\$43,442	\$52,000	\$54,789	\$60,950	17.2%
Maintenance	\$144,321	\$178,482	\$199,600	\$174,292	\$222,600	11.5%
Special Services	\$555,283	\$477,377	\$513,830	\$445,631	\$526,400	2.4%
Non-Departmental	-\$111,640	-\$42,585	-\$51,470	-\$51,470	-\$45,620	-11.4%
Total Expense Objects:	\$1,379,717	\$1,509,868	\$1,628,570	\$1,497,867	\$1,783,900	9.5%

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 2023

- Introduction of new leagues, classes, and activities, including:
 1. Karate
 2. Co-ed Softball
 3. Motor Skills Activities for children between the ages of three (3) and six (6) years old.
 4. Youth Basketball Clinics
 5. Volleyball Clinics
- Organized the Second Be Active Event with a great increase in participation.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance community engagement and well-being through increased participation in diverse recreational programs and activities, while continually improving our facilities and investing in staff development."

- Objective: Increase participation in programs and recreational activities and develop a system to measure participation and satisfaction within the next year.
- Objective: 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 year.
- Objective: Develop programs, tournaments, and leagues catering to various demographics, including families, children, ladies, men, and seniors, such as Youth Indoor Soccer, Youth Women's Indoor Soccer, and Senior Indoor Soccer, within the next year.

Financial Sustainability

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

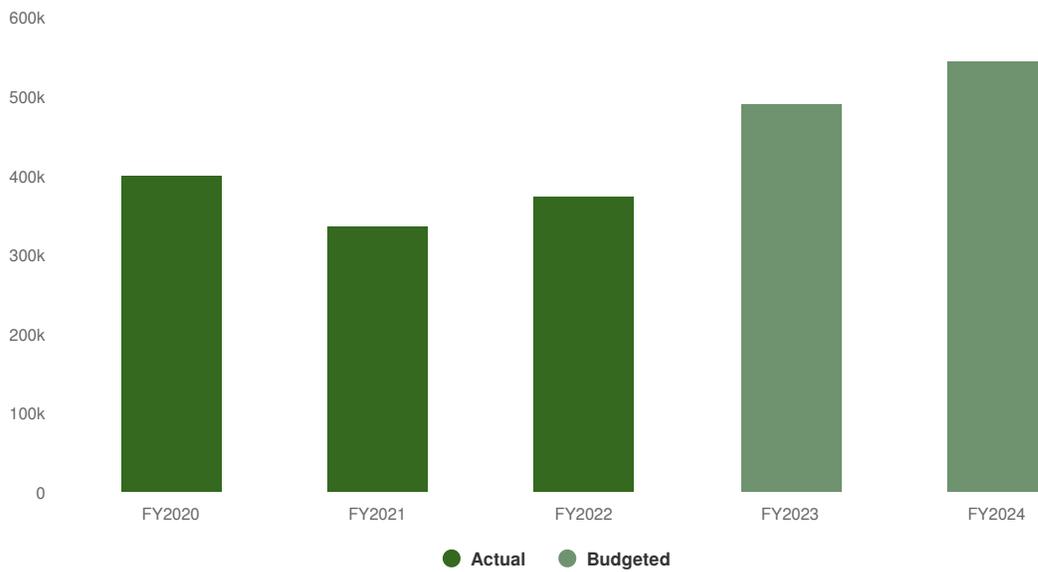
- Objective: Continue with the Recreation Gym expansion project while maintaining fiscal responsibility and sustainability throughout the fiscal year.

Expenditure Summary

The graph below shows the expenditures for the Recreation Division for the past 4 years. For FY 2024, the Recreation Division is budgeting \$545,100, which is \$53,615 higher than the previous year. This increase is due to a combination of changes. Special services increased by \$18,690 (10.8%) due to the department's multiple special events being back on schedule. Also, the allocation for contractual services increased by \$5,020 and minor tools and equipment by \$26,000 for equipment for recreation leagues, summer programs, and more.

\$545,100 **\$53,615**
(10.91% vs. prior year)

Recreation Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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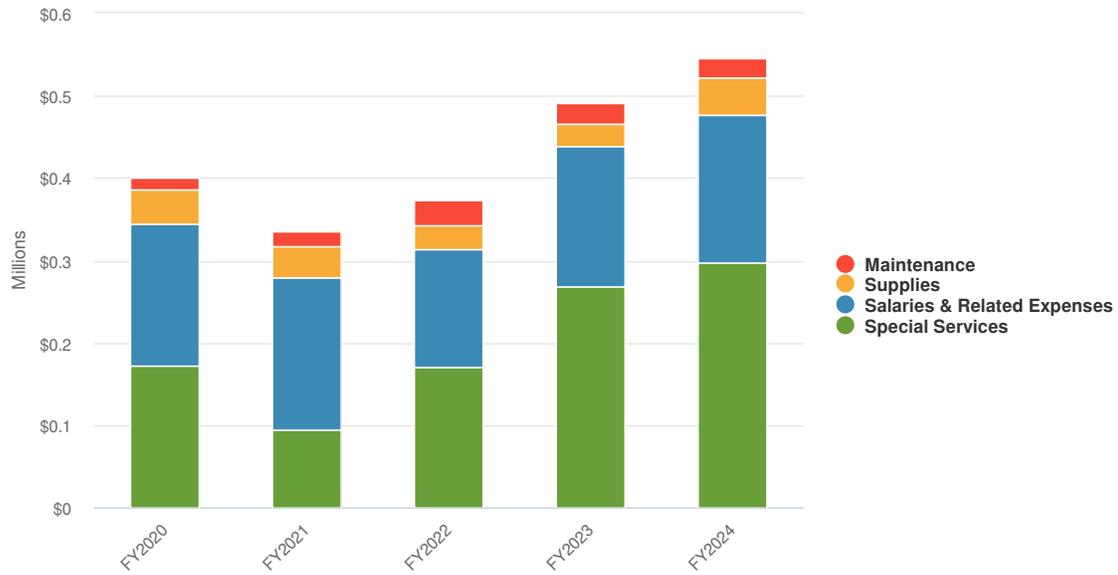
Full-time Equivalents (FTE)	2.7	1.8	2.3	2.3	0.00
% of city's FTEs				0.66%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Recreation Specialist	1.3	1.3	1	1.25	0.25
Assistant Director Park & Rec	0.2	0	0	0	0
Recreation Coordinator	0.5	0.5	0.8	0.75	0
Office Assistant	0.0	0.0	0.5	0.25	-0.25
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>2.7</u>	<u>1.8</u>	<u>2.3</u>	<u>2.25</u>	<u>0.00</u>



Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$184,576	\$144,166	\$170,150	\$129,074	\$178,050	4.6%
Supplies	\$37,133	\$28,885	\$26,785	\$9,681	\$46,150	72.3%
Maintenance	\$19,356	\$30,265	\$25,400	\$13,641	\$22,800	-10.2%
Special Services	\$94,655	\$169,563	\$269,150	\$276,573	\$298,100	10.8%
Total Expense Objects:	\$335,721	\$372,879	\$491,485	\$428,970	\$545,100	10.9%

Cultural Center

The Cesar Chavez 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 and preserve the culture, heritage, and traditions of our community. Our facility offers a variety of classes in Art, Music and Dance that 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, theater 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 artists, dancers, musicians, leaders, and consumers of art.

Accomplishments FY 2023

- Installation of stage lighting to improve visibility.
- Construction of new garden area east of the cultural center that will allow outdoor space for cultural events, activities, and private reservations.
- Lobby expansion will provide staff with more space to provide better customer service.
- New Activities - Collaboration with Senior Center to encourage intergenerational interaction and communication.
- Miss San Luis Scholarship Pageant returns with four (4) participants.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enrich community life and cultural experiences through partnerships, expanded cultural offerings, and improved facilities, promoting community well-being and engagement."

- Objective: Continue supporting local and county partnerships to utilize facilities for exhibits and performances for the community throughout the fiscal year.
- Objective: Collaborate with the Cocopah Indian Tribe to bring cultural events and exhibitions to San Luis within the next two years.
- Objective: Begin the process of planning for the future expansion of our Cultural Center to offer more classes and programs to our community within the next two years.

Financial Sustainability

Goal: "To ensure responsible financial management while expanding cultural offerings and improving our facilities to enrich community life."

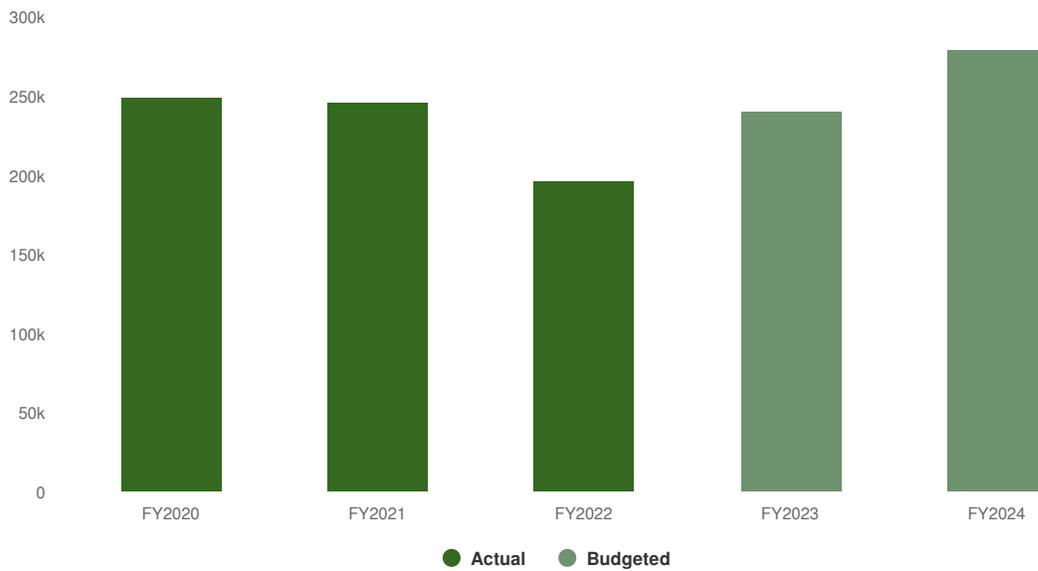
- Objective: Relocate the Activity Center to a safer area while maintaining fiscal responsibility and sustainability within the next two years

Expenditure Summary

The graph below shows the expenditures for the Cultural Center for the past 4 years. For FY 2024, the Cultural Center is budgeting \$279,790, which is \$38,242 higher than the previous year. This difference is due to significant increases in supplies, maintenance, and special services. The special services allocation increased by \$25,626 (28%), supplies by \$5,500(103.8%), and maintenance by \$1,800(9.2%).

\$279,032 **\$38,242**
(15.88% vs. prior year)

Cultural Center Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	2.6	1.8	2.3	2.3	0.00
% of city's FTEs				0.66%	

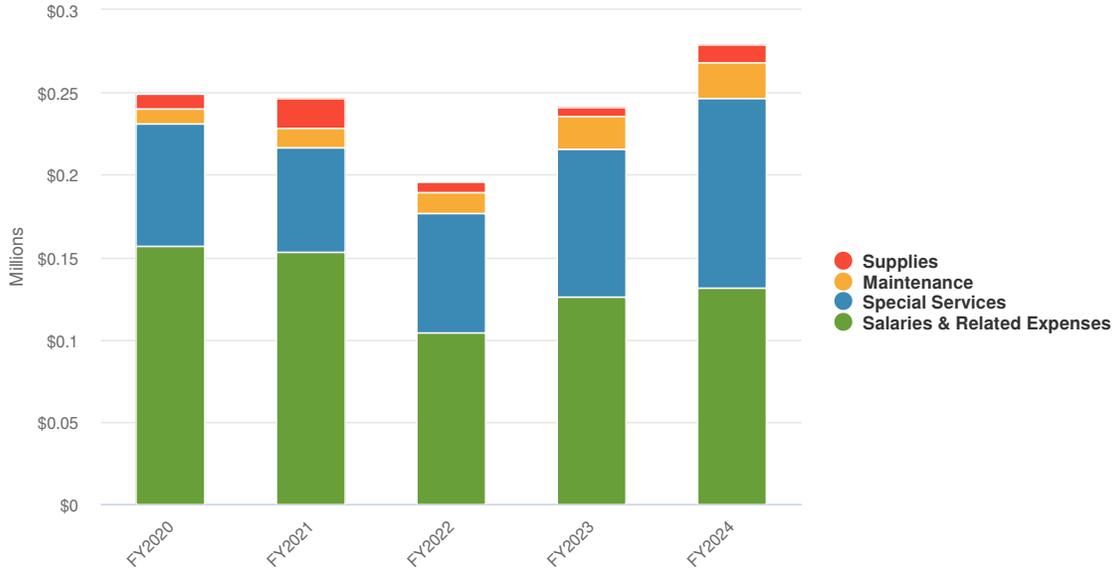
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Recreation Specialist	1.3	1.3	1	1.25	0.25
Assistant Director Park & Rec	0.2	0	0	0	0
Recreation Coordinator	0.5	0.5	0.8	0.75	0
Office Assistant	0	0	0.5	0.25	-0.25
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	2.6	1.8	2.3	2.25	0.00



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$153,132	\$104,341	\$125,840	\$120,215	\$131,520	4.5%
Supplies	\$17,892	\$6,555	\$5,300	\$2,221	\$10,800	103.8%
Maintenance	\$12,007	\$13,084	\$19,500	\$16,079	\$21,300	9.2%
Special Services	\$63,155	\$72,025	\$90,150	\$83,345	\$115,412	28%
Total Expense Objects:	\$246,186	\$196,005	\$240,790	\$221,860	\$279,032	15.9%

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 2023

- Youth Center memberships continue to grow, with approximately 2,000-2,500 members who participate in Youth Center activities.
- Due to the training and development provided by our dedicated Coaches, two (2) Arizona State Boxing Champions emerged from the Youth Center.
- The addition of new and fun workshops remains popular and in high demand with our members and community.
- Exercise equipment underwent repairs to be utilized to its full potential.

- Events spearheaded by the Youth Center continue to grow in attendance. Participation from local and regional agencies has doubled from past years.
- The positive impact and influence of the Youth Center continues to be seen and felt in our community.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To provide a safe, positive, and engaging environment for our youth, empowering them to become productive members of our community while fostering community partnerships for their development."

- Objective: Improve the quality of programs and activities to continue meeting the needs and interests of our youth throughout the fiscal year.
- Objective: Develop programs and initiatives that empower our youth to take on leadership roles in their community within the next two years.
- Objective: Continue strengthening community partnerships to expand opportunities for our youth within the next year.

Economy

Goal: "To invest in our youth's development, creating future community leaders and contributing to the economic vitality of our community."

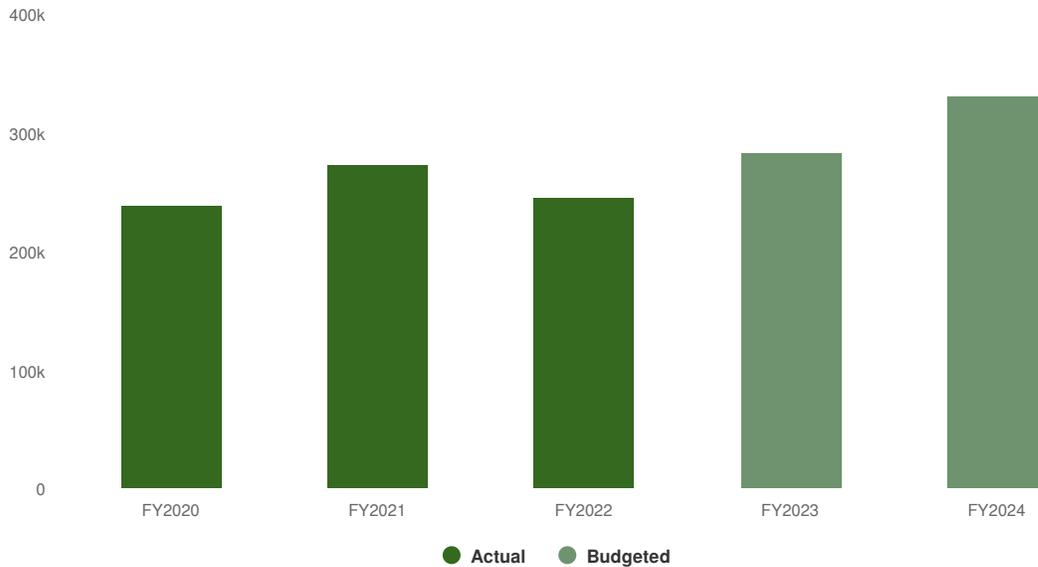
- Objective: Continue increasing the number of members to strengthen the Youth Center's impact in our community within the fiscal year

Expenditure Summary

The graph below shows the expenditures for the Youth Center for the past 4 years. For FY 2023, the Youth Center is budgeting \$330,810, which is \$47,913 higher than the previous year. This increase is due to salaries, supplies and special services; special services increased by 30,443 mainly due to internet & connections, salaries and employee-related expenses by a net amount of \$8,220, while supplies increased by \$7,300 (60%).

\$330,810 **\$47,913**
(16.94% vs. prior year)

Youth Center Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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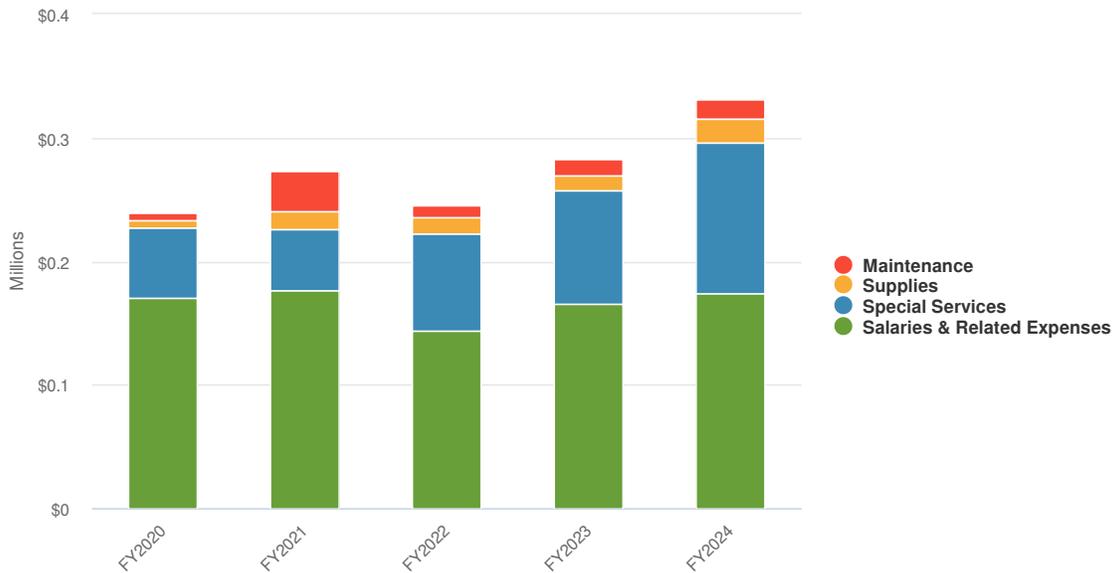
Full-time Equivalents (FTE)	2.6	1.8	2.3	2.3	0.00
% of city's FTEs				0.66%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Recreation Specialist	1.3	1.3	1	1.25	0.25
Assistant Director Park & Rec	0.2	0	0	0	0
Recreation Coordinator	0.5	0.5	0.8	0.75	0
Office Assistant	0	0	0.5	0.25	-0.25
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	2.6	1.8	2.3	2.25	0.00

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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$176,938	\$143,954	\$165,510	\$154,142	\$173,730	5%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Supplies	\$13,731	\$12,788	\$12,150	\$9,428	\$19,450	60.1%
Maintenance	\$32,890	\$9,933	\$13,350	\$9,865	\$15,300	14.6%
Special Services	\$49,242	\$78,864	\$91,887	\$86,425	\$122,330	33.1%
Total Expense Objects:	\$272,801	\$245,539	\$282,897	\$259,861	\$330,810	16.9%



Municipal Pool

The San Luis Aquatic Center 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 Aquatic Center offers open swim opportunities, swimming lessons, and party reservations. Open swim times begin in late June and end in late August. The San Luis Municipal Pool operating hours for open swim are Monday through Friday, from 3:00pm to 8:00 p.m. and Saturday, from 11:00 a.m. to 3:00 p.m. The pool is closed all Sunday.

To provide our residents with a better experience and to resolve ongoing issues, the San Luis Aquatic Center will be closed during the Summer of 2023 to address these issues and complete renovations and improvements.

Accomplishments FY 2023

- Continued with all Aquatic Center activities.
- Trained and certified lifeguards.
- Provided swimming lessons to children during the summer. Received pool party reservations for every weekend, excluding holidays, from June to September.

Goals & Objectives FY 2024

Growth & Public Service

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

- Objective: Complete the pool renovation and necessary improvements throughout the fiscal year.
- Objective: Continue maintaining pool safety during general swimming hours, ensuring a safe environment for pool users.

Economy

Goal: "To responsibly manage resources while providing a top-tier public pool facility that enriches community life and contributes to the economic vitality of San Luis."

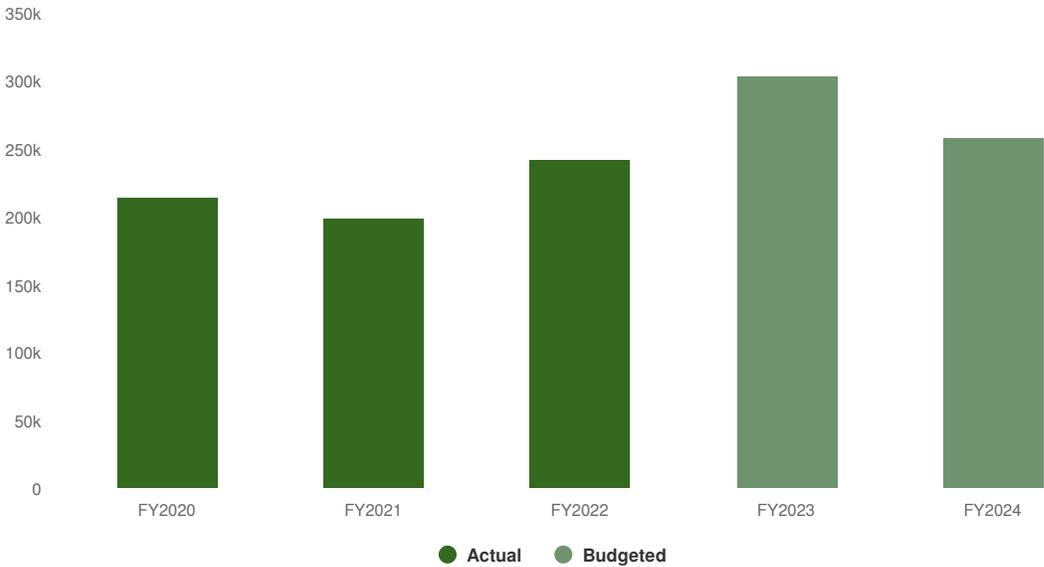
- Objective: Continue providing a safe and fully functional public pool facility that San Luis residents can be proud of.

Expenditure Summary

The graph below shows the expenditures for the Municipal Pool for the past 4 years. For FY 2023, the Municipal Pool is budgeting \$259,035, which is \$44,805 less than the previous year. The budget for part-time employees has decreased by \$44,730 due to the temporary closure of the municipal pool for renovations.

\$259,035
-\$44,805
(-14.75% vs. prior year)

Municipal Pool Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	2.5	1.8	2.3	2.3	0.00
% of city's FTEs				0.66%	

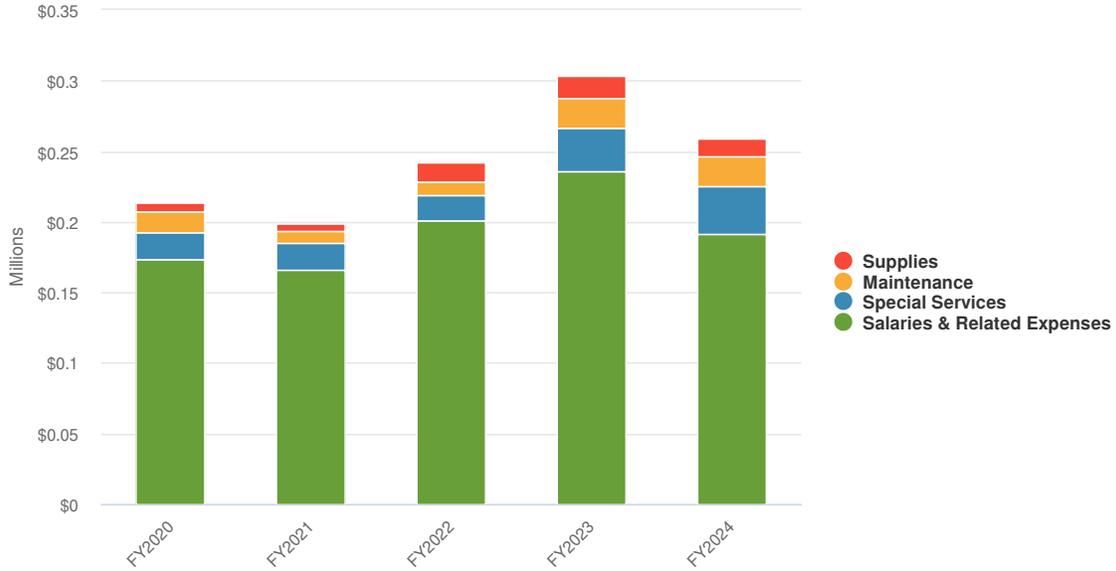
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Recreation Specialist	1.3	1.3	1	1.25	0.3
Assistant Director Park & Rec	0.1	0	0	0	0
Office Assistant	0	0	0.5	0.25	-0.25
Recreation Coordinator	0.5	0.5	0.75	0.75	0
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	<u>2.5</u>	<u>1.8</u>	<u>2.3</u>	<u>2.25</u>	<u>0.00</u>



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$166,341	\$201,062	\$236,100	\$192,758	\$191,740	-18.8%
Supplies	\$5,859	\$14,434	\$15,700	\$1,871	\$12,300	-21.7%
Maintenance	\$8,874	\$9,033	\$21,600	\$14,708	\$21,800	0.9%
Special Services	\$18,185	\$18,055	\$30,440	\$15,493	\$33,195	9.1%
Total Expense Objects:	\$199,260	\$242,584	\$303,840	\$224,830	\$259,035	-14.7%

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.



Accomplishments FY 2023

- Provided our seniors daily healthy meals through the nutrition program.
- Continued with regular center activities, such as field trips and outings, which had been suspended due to the pandemic.
- 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

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To provide a safe, positive, and supportive space for our seniors, fostering community well-being, intergenerational connections, and active involvement while ensuring financial sustainability."

- Objective: 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.

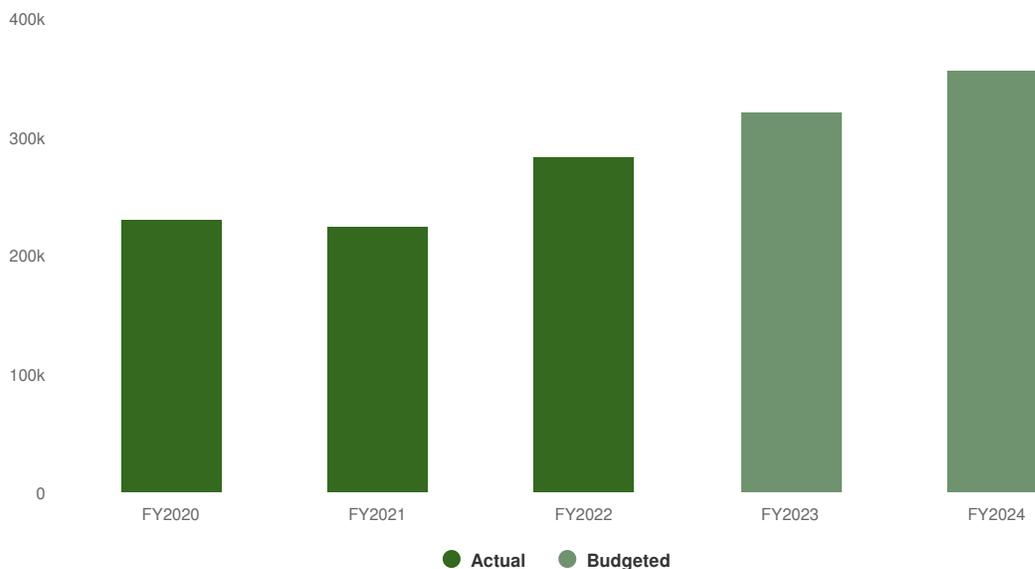
- Objective: Create and launch new intergenerational activities, tracking participation across age groups throughout the fiscal year.
- Objective: Continue strengthening community partnerships with local agencies to keep our seniors informed through seminars and workshops.
- Objective: Continue promoting the Senior Center to increase memberships and awareness of our services within the fiscal year.

Expenditure Summary

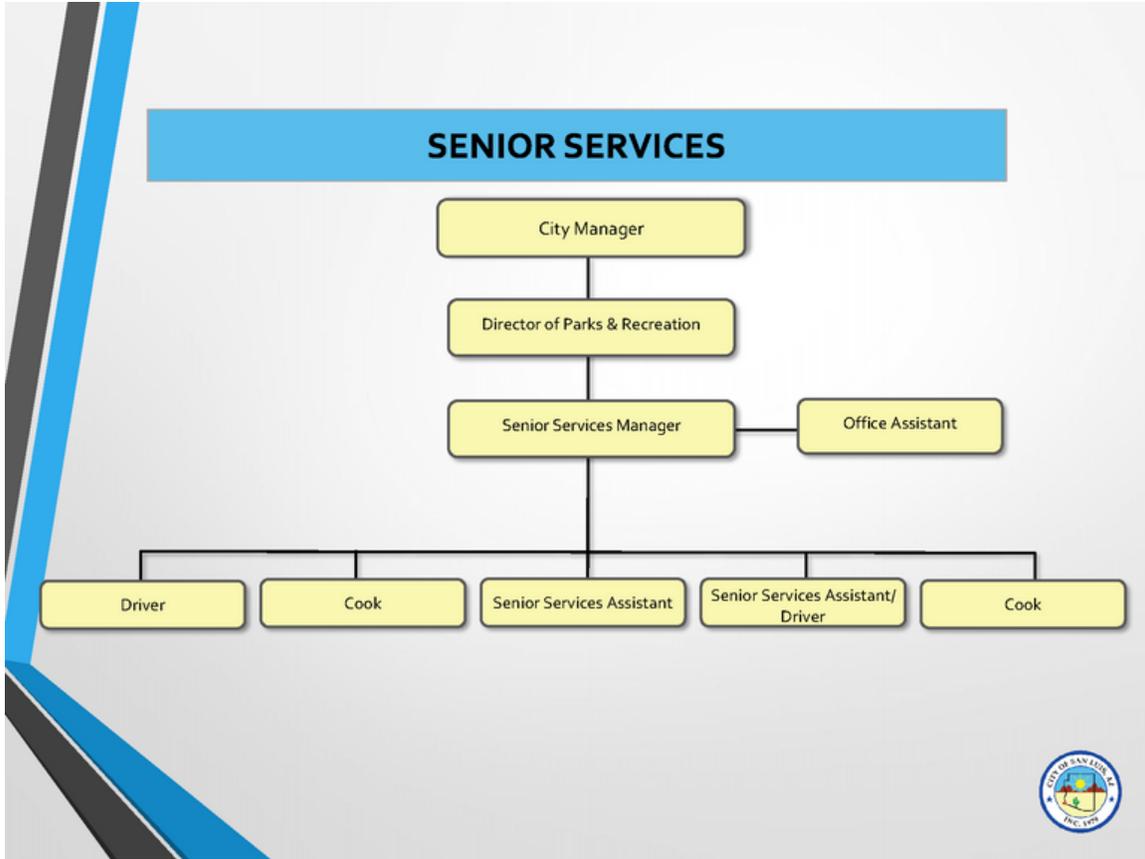
The graph below shows the expenditures for the Senior Center for the past 4 years. For FY 2023, the Senior Center is budgeting \$355,545, which is \$35,128 higher than the previous year. This is primarily due to salaries, as well as an increase in the minor tools budget, which accounts for the purchase of new foldable tables and chairs.

\$355,545
\$35,128
(10.96% vs. prior year)

Senior Services Proposed and Historical Budget vs. Actual



Organizational Chart



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	3	4	5	5	0
% of city's FTEs				1.46%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Senior Services Manager	1	1	1	1	0
Driver	1	1	1	1	0
Senior Services Assistant/Driver	1	1	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

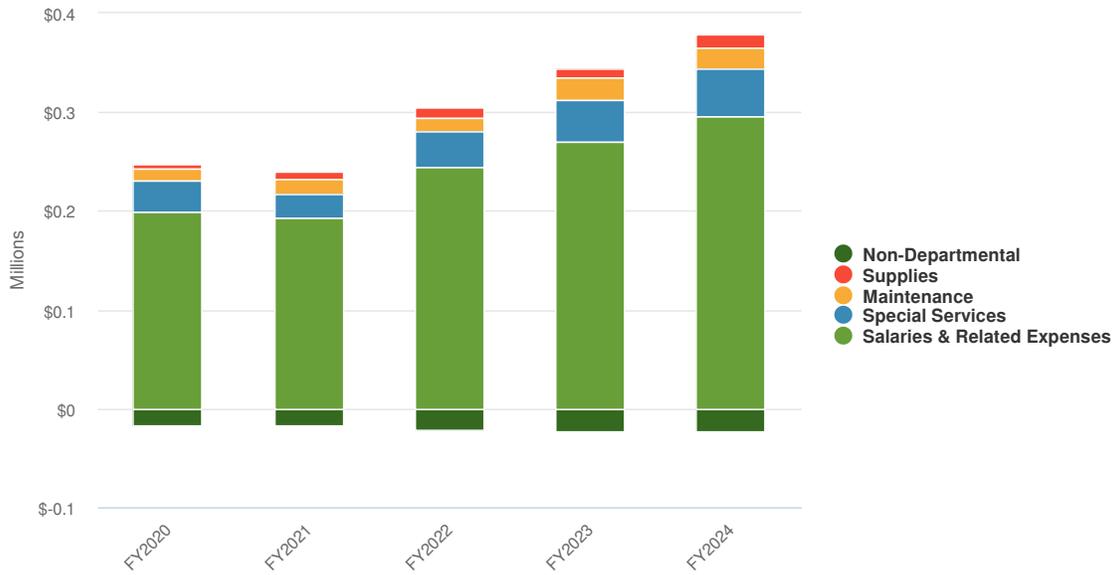
Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	1	1	2	2	0
% of city's FTEs				0.59%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$193,136	\$244,942	\$270,130	\$287,149	\$296,190	9.6%
Supplies	\$8,818	\$10,480	\$9,350	\$3,108	\$13,650	46%
Maintenance	\$14,403	\$14,401	\$21,600	\$18,415	\$21,300	-1.4%
Special Services	\$24,233	\$35,163	\$42,837	\$29,056	\$48,005	12.1%
Non-Departmental	-\$16,879	-\$21,679	-\$23,500	-\$23,500	-\$23,600	0.4%
Total Expense Objects:	\$223,712	\$283,307	\$320,417	\$314,228	\$355,545	11%

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 2023

- Replaced 6 A/C units within our City Buildings.
- Repaired old popcorn ceiling at the Senior Center.
- Repaired Senior Center Roof

Goals & Objectives FY 2024

Growth & Public Service

Goal: To enhance the city's image, optimize customer service, and ensure responsible resource management, thereby fostering community well-being and financial sustainability.

- Objective: Continuously assess, enhance, and maintain the cleanliness, aesthetic appeal, and overall condition of all the city facilities to ensure a positive and inviting environment for residents and visitors.
- Objective: Provide efficient customer service to both our internal and external customers consistently throughout the fiscal year, ensuring timely responses and satisfactory experiences..
- Objective Continuously optimize resource allocation and usage to ensure efficiency and maintain financial responsibility in all City operations and initiatives.

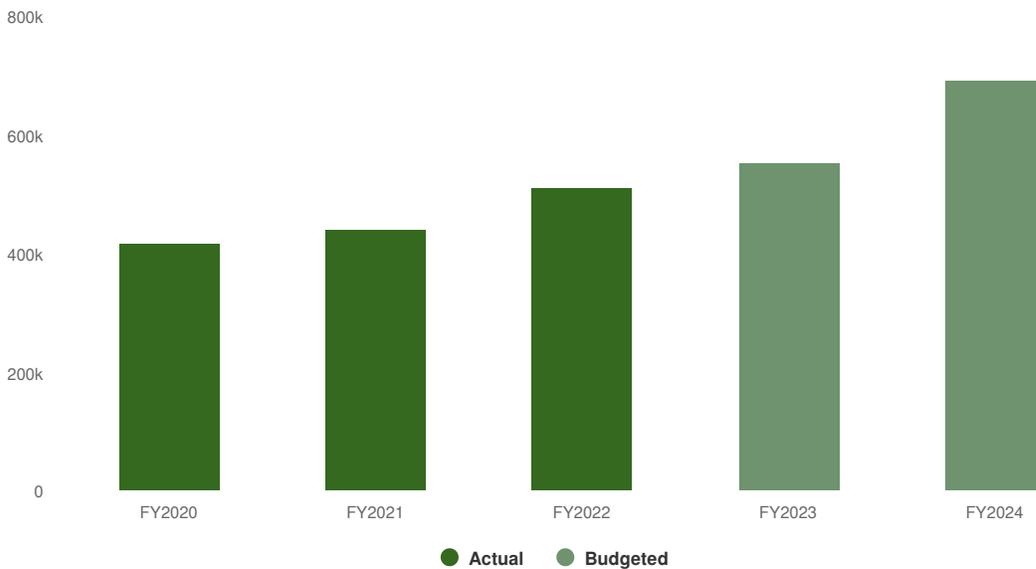
Expenditure Summary

The graph below shows the expenditures for the Facilities Division for the past 4 years. For FY 2024, the Facilities Division is budgeting \$691,906, which is \$138,352 higher than the previous year.

This difference is mainly due to a combination of a \$111,550 increase in salaries and a \$22,600 reduction to Minor Tools/Equipment Supplies.

\$691,906 **\$138,352**
(24.99% vs. prior year)

Facilities Proposed and Historical Budget vs. Actual



Personnel Changes

The following graph illustrates the summary schedule of the Facilities staff over the past three fiscal years. In FY 2024, Facilities is advocating for the creation of a new facilities Manager position which will be budgeted with a 50% allocation from the parks and Grounds budget and 50% allocation from the Facilities budget for the upcoming fiscal year. The Facilities Manager role will serve as a key component to better meet the demands of the Facilities department. The new position will contribute to improved operational efficiency, maintenance, and overall management of facilities. It will be instrumental in addressing the department's evolving needs and ensuring the smooth functioning of facilities-related tasks. By allocating funds in this manner, the department aims to better address its evolving needs and efficiently manage facility-related tasks while ensuring adequate support for parks and ground maintenance.

Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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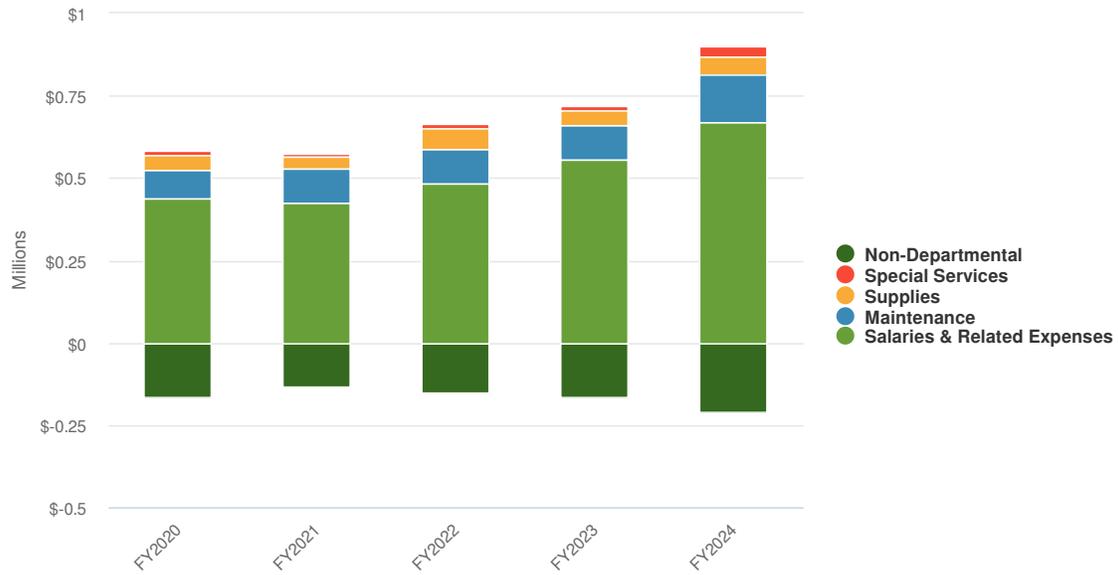
Full-time Equivalents (FTE)	9.2	10	11	12.5	1.5
% of city's FTEs				3.66%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Custodian	6	6	7	6	-1
Building Maintenance Technician	1	2	2	3	1
Facilities Supervisor	1	1	1	1	0
Facilities Manager	0	0	0	0.5	0.5
Administrative Assistant	0	0	0	1	1
Director of Parks & Rec	0.1	0	0	0	0
Assistant Director of Parks & Rec	0.1	0	0	0	0
Lead Custodian	1	1	1	1	0
Total	9.2	10	11	12.5	1.5



Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$426,553	\$484,014	\$556,050	\$553,071	\$667,600	20.1%
Supplies	\$36,008	\$62,031	\$41,289	\$38,152	\$53,030	28.4%
Maintenance	\$101,324	\$104,623	\$105,975	\$103,049	\$146,269	38%
Special Services	\$11,315	\$12,780	\$16,780	\$16,398	\$32,731	95.1%
Non-Departmental	-\$134,160	-\$153,131	-\$166,540	-\$166,540	-\$207,724	24.7%
Total Expense Objects:	\$441,039	\$510,318	\$553,554	\$544,129	\$691,906	25%

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 2023

- Obtained new court recording system

Goals & Objectives FY 2024

Growth & Public Service

Goal: Modernize Court Operations, Enhance Security, and Ensure Financial Sustainability

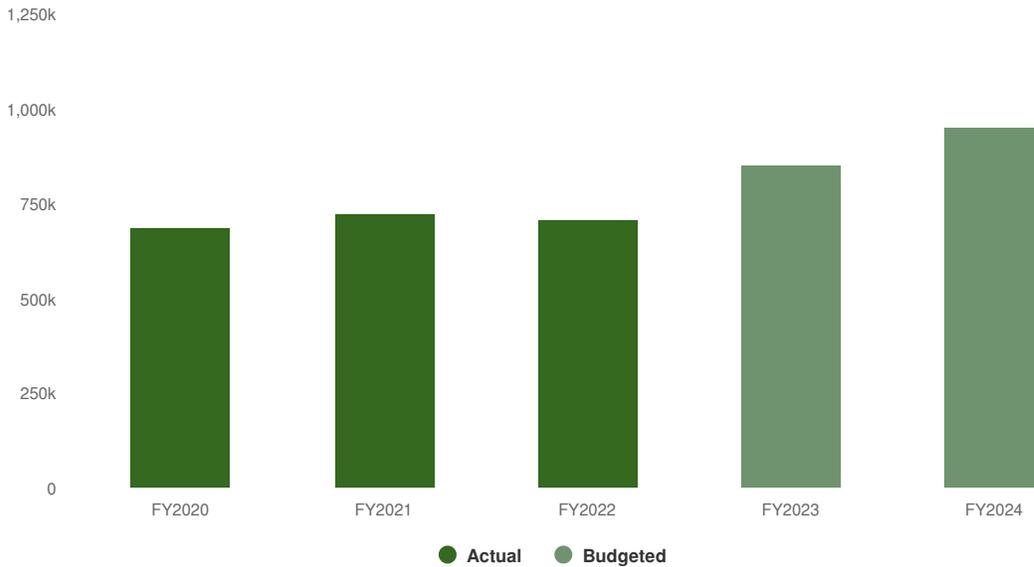
- Objective: Secure approval from the Council to create a new Chief Clerk or Lead Clerk position, improving court administrative efficiency and service delivery.
- Objective: Receive grant approval by successfully applying for a grant from the Arizona Supreme Court to fund security enhancements, ensuring the safety of court personnel, visitors, and proceedings.
- Objective: Gain Council approval to upgrade the court's recording system by adding a video module for court proceedings, enhancing the accuracy and accessibility of court records.
- Objective: Attain Council approval for Adobe Professional software licenses, enabling the court administrator and magistrate to efficiently manage the maintenance and updating of court forms, improving administrative processes and public service.

Expenditure Summary

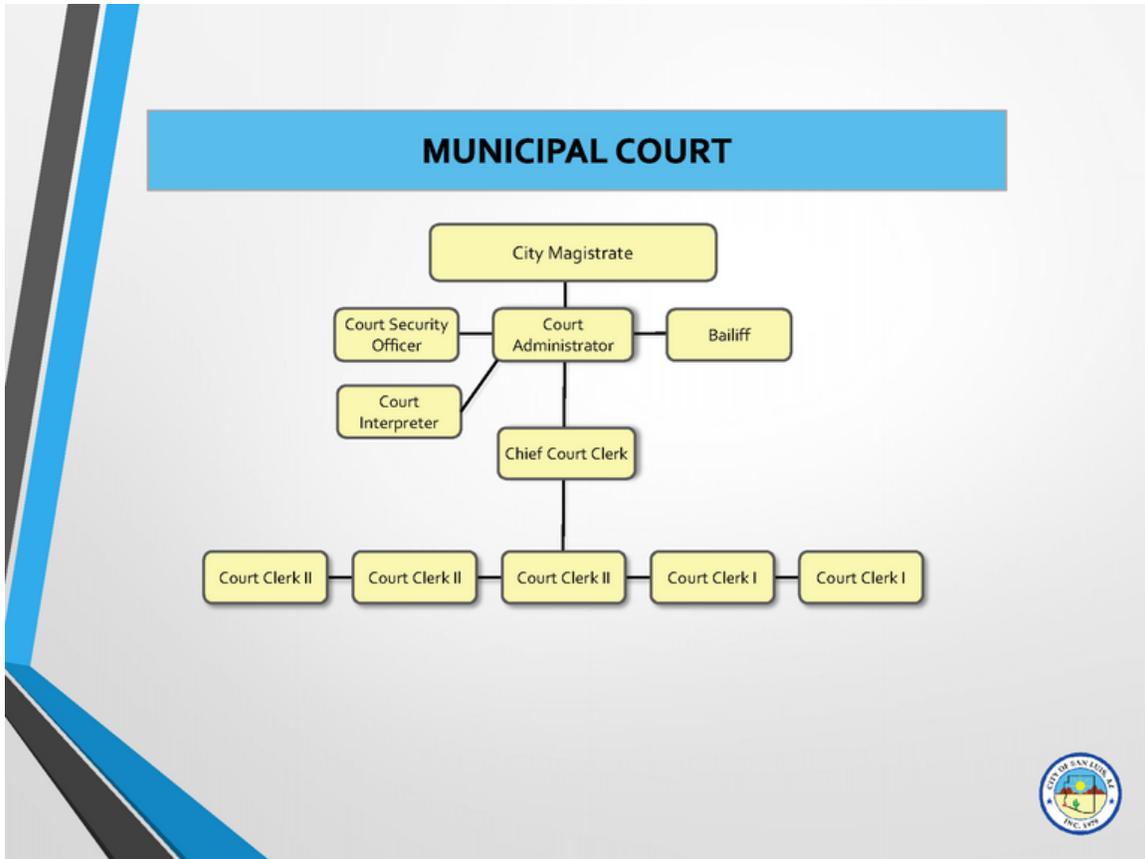
The graph below shows the expenditures for the Municipal Court for the past 4 years. For FY 2024, the Municipal Court is budgeting \$952,735, which is \$99,995 higher than the previous year. This increase is due to a combination of changes. Salaries & related expenses increased because of the salary classification adjustment for all City employees. Contractual services increased by \$83,340 and \$7,200, respectively. As criminal and civil matters continue to increase, so have attorney fees. Significant account decreases include building maintenance by \$3,000 (-85.7%) and professional services by \$2,000 (-25%).

\$952,735 **\$99,995**
(11.73% vs. prior year)

Municipal Court Proposed and Historical Budget vs. Actual



Organizational Chart

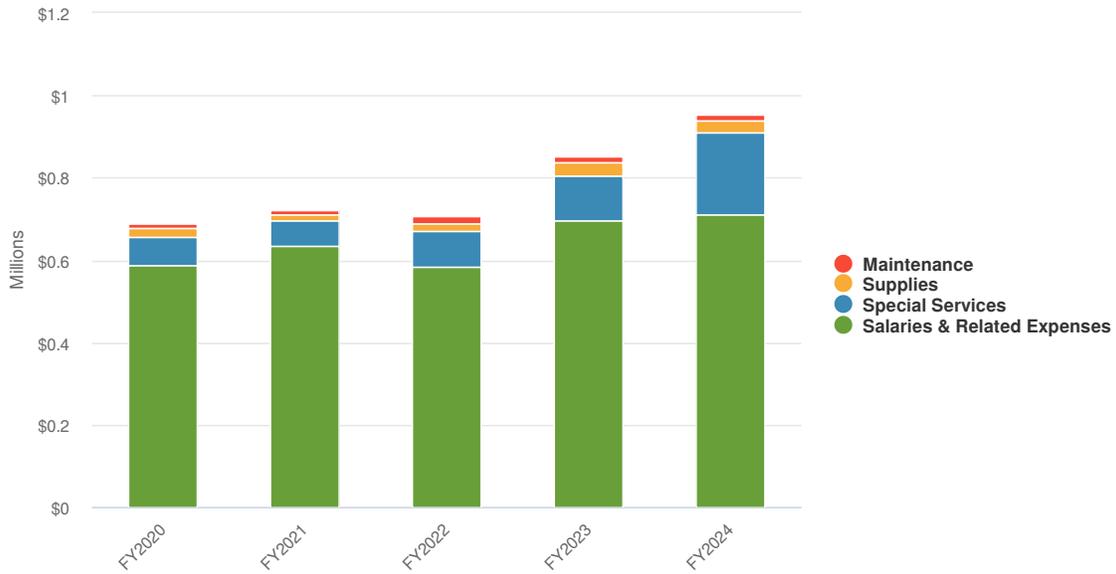


Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	10	11	11	11	0
% of city's FTEs				3.22%	
Authorized Personnel/Positions:					
Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$632,871	\$583,876	\$695,290	\$660,642	\$709,940	2.1%
Supplies	\$14,978	\$15,700	\$34,400	\$14,444	\$31,800	-7.6%
Maintenance	\$10,918	\$18,657	\$14,400	\$11,966	\$12,645	-12.2%
Special Services	\$62,823	\$87,940	\$108,650	\$92,993	\$198,350	82.6%
Total Expense Objects:	\$721,590	\$706,172	\$852,740	\$780,044	\$952,735	11.7%

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 2023

- Processed 102,157 calls for service during 2022, an increase of 5,268 calls from the previous year.
- Received 36,340 case assignments in 2022, an increase of 3,415 from the previous year.
- Completed VESTA 9-1-1 Solutions Suite integration and installation of four dispatcher consoles.
- Completed Security and Fencing Wall Project around the westside and portions of the southside of the Police Department.
- Participated in a total of 52 community engagement programs and events to included local government, schools, Businesses, and the private sector.
- Obtained state and federal public safety and border security grants totaling \$1,014,774 in 2022.
- Completed purchase of Body Worn Cameras (BWC) for all sworn staff.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance public safety and police department efficiency through competitive hiring, accreditation, community engagement, and infrastructure development."

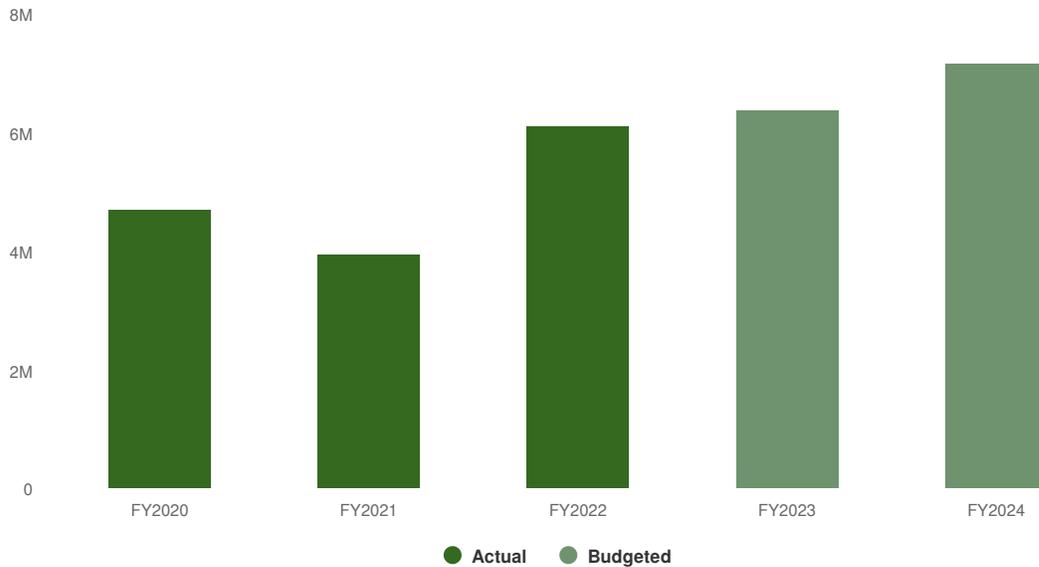
- Objective: Add additional personnel, including two new Records Clerks, funding for the Police Administrator positions, one new Police Officer position, within the next 12 months to efficiently handle the increasing law enforcement demands driven by technology advancements and rapid community growth. This staffing expansion will enhance public safety, responsiveness, and service delivery.
- Objective: Create a competitive hiring and incentive package to attract and retain police personnel within the first quarter of the fiscal year focusing on on-call/stand-by pay, shift differential pay, specialty duty assignment pays, and salary increases.
- Objective: Annually maintain certification through the Arizona Law Enforcement Accreditation Program (ALEAP) by complying with U.S. Department of Justice-recommended standards, ensuring high-quality law enforcement services.
- Objective: Seek additional professional accreditation certifications for the Communications Section, within the next 12 months.
- Objective: Fully implement the Body Worn Camera Program, deploying the technology to sworn staff by December 2023 to enhance transparency and accountability in law enforcement.
- Objective: Yearly increase the Department's community outreach events by 10% compared to the previous year, strengthening community relations and public safety.
- Objective: Begin Phase I construction of the San Luis Police Department Station #2 within the next 24 months, expanding infrastructure to accommodate growth and improve service coverage.
- Objective: Hire private traffic control services within the next 9 months to address traffic congestion issues along Highway 95 and Main Street due to the U.S. Port Expansion Project, enhancing public safety and traffic flow.
- Objective: obtain grant funding within the first quarter of the fiscal year to procure communication tower equipment.
- Objective: Develop a five-year growth outline and succession plan for the San Luis Police Department (SLPD) within the next 12 months, ensuring readiness for expansion and development.
- Objective: Procure over \$1,200,000 in public safety and border security grants on an ongoing annual basis, securing additional resources for public safety initiatives and border security efforts.

Expenditure Summary

The graph below shows the expenditures for the Police Department for the past 4 years. For FY 2024, the Police Department is budgeting \$7,170,530, which is \$777,389 higher than the previous year. This increase is due to a combination of changes. Significant account increases include salaries by \$613,640(114.2%), equipment maintenance by \$9,500 (81.2%), Dues & subscriptions by \$3,550 (35.5%), contractual services by \$136,290(48.11%) and internet & connections by \$9,099 (202.2%).

\$7,170,530 **\$777,389**
(12.16% vs. prior year)

Police Proposed and Historical Budget vs. Actual

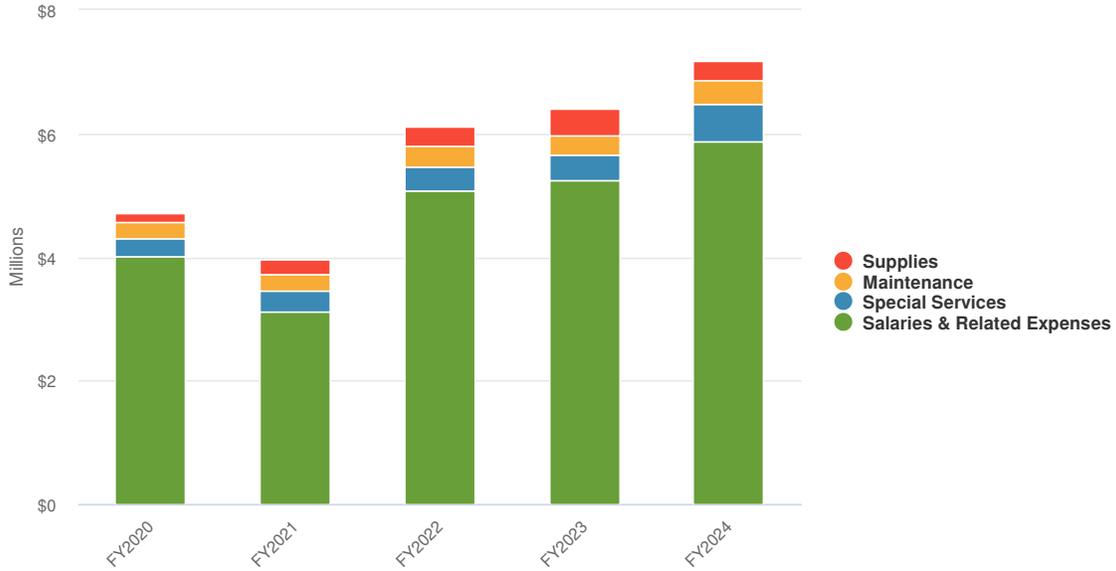


Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	63	67.4	70.4	71	0.6
% of city's FTEs				20.79%	
 Authorized Personnel/Positions:					
Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Transit Enforcement Officer	1	3	3	3	0
Police Record Clerk	2	2	2	4	2
Administrative Coordinator	3	3	3	2	-1
Police Administrator	0	0	0	1	1
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	0.4	0	-0.4
Communication Officer	10	10	10	10	0
Communication Supervisor	2	2	2	2	0
Police Officer	29	31	33	32	-1
Police Sergeant	8	8	8	8	0
Police Lieutenant	3	3	3	3	0
Commander	1	1	1	1	0
Police Chief	1	1	1	1	0
Total	<u>63</u>	<u>67.4</u>	<u>70.4</u>	<u>71</u>	<u>0.6</u>

Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$3,114,397	\$5,081,050	\$5,256,790	\$5,431,162	\$5,871,430	11.7%
Supplies	\$232,727	\$315,758	\$424,460	\$281,920	\$316,150	-25.5%
Maintenance	\$263,199	\$347,241	\$320,300	\$423,334	\$377,820	18%
Special Services	\$349,953	\$381,219	\$391,591	\$374,622	\$605,130	54.5%
Total Expense Objects:	\$3,960,277	\$6,125,268	\$6,393,141	\$6,511,038	\$7,170,530	12.2%

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 2023

- Began construction of Fire Station #2.
- Added three more paramedics to staff.
- Responded to 72 fire calls for service.
- Responded to 13 HazMat Calls for service.
- Received a total of 4,475 calls for service.
- Continued implementation of a community paramedicine model with the Regional Center for Border Health.
- Continued with implementation of Lexipol for Standard Operating Procedures (SOPs) and policies.
- Continued with implementation of new COVID-19 protocols.
- Assisted with implementation of vaccination clinics available for City residents.
- Added 10 more Hazmat Techs to our staff.
- Streamlined the process for fire inspections with new software and city staff.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To provide comprehensive fire and emergency response services, promote growth, and enhance knowledge to ensure the safety and well-being of San Luis residents."

- Objective: Continue serving San Luis residents in EMS, fire suppression, and all necessary emergency response capabilities as an ongoing commitment to public safety and well-being.
- Objective: Continue supporting the growth and knowledge enhancement of all fire personnel by providing ongoing training and educational opportunities.
- Objective: Develop and implement a growth plan for San Luis within the next 12 months to ensure the city's expansion is well-prepared for increased service demands.
- Objective: Continue improving service delivery to San Luis residents by identifying and implementing enhancements in service efficiency and effectiveness within the next 12 months.
- Objective: Strive to obtain a Class 2 ISO rating within the next 24 months, reducing the department's insurance premiums and ensuring efficient emergency response services.
- Objective: Continue maintaining mutual aid agreements and collaboration with all fire departments in Yuma County, especially the City of Somerton, to enhance regional emergency response capabilities on an ongoing basis.
- Objective: Focus on re-establishing a HazMat team capable of responding to any incident 24/7 within the next 18 months, enhancing the department's ability to handle hazardous materials incidents.
- Objective: Continue assisting fire departments on the Mexican border with any needed support, fostering cross-border cooperation in emergency response.
- Objective: Complete the construction of Fire Station #2 on the east side of San Luis within the next 12 months to improve response times and service coverage.
- Objective: Acquire a new ladder truck within the next 12 months to maintain the ISO rating and enhance the department's fire suppression capabilities.
- Objective: Become an active stakeholder in the Yuma Regional Communications System by implementing software, hardware, and mobile data computers within the next 12 months, enabling efficient information sharing and resource allocation.

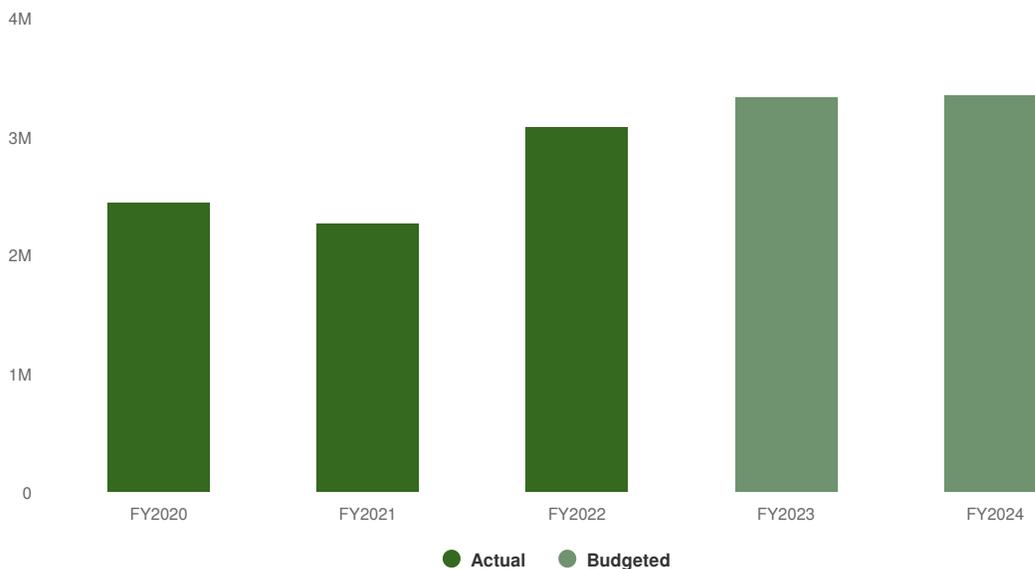
- Objective: Continue active participation in professional organizations like the Yuma County Fire Officers Association, Arizona Fire Chiefs Association, and annual conferences to stay informed about best practices and industry developments.
- Objective: Continue with the annual fire prevention week initiative in October, 2024 to educate approximately 7 schools and 1800 students, enhancing fire safety awareness in the community each year.

Expenditure Summary

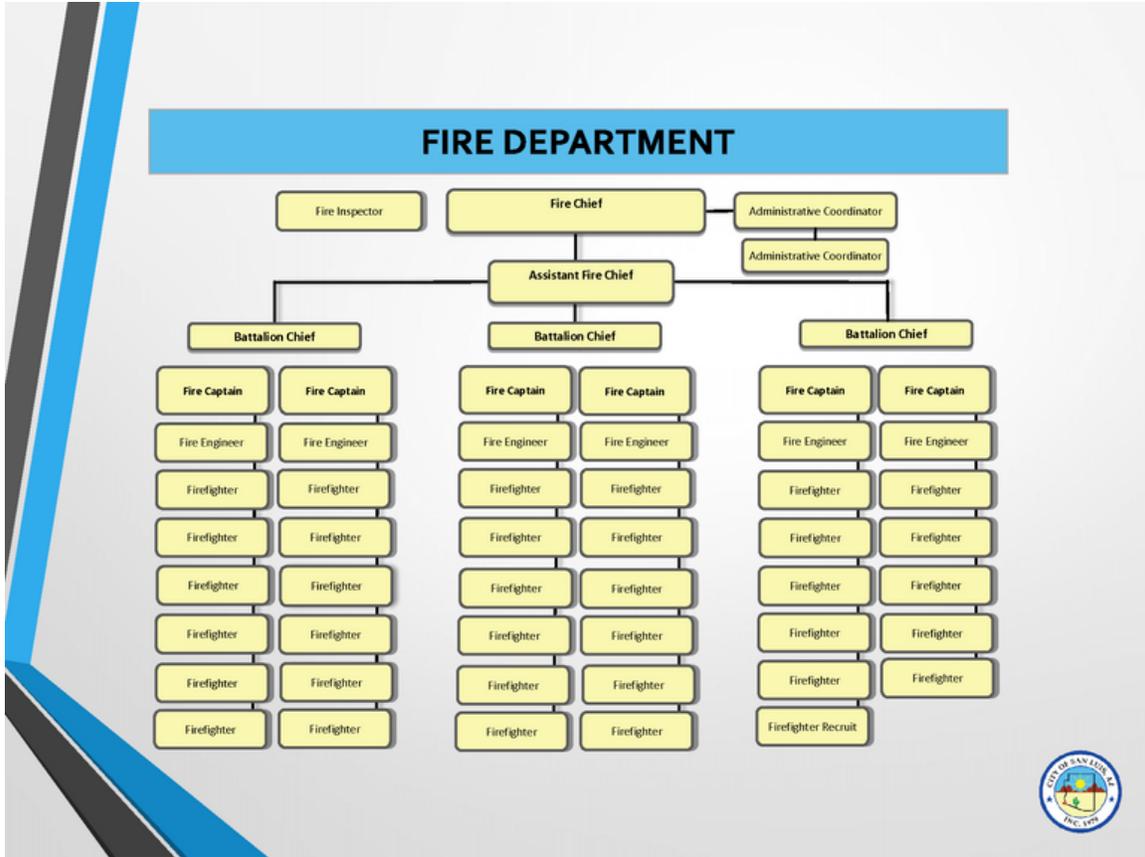
The graph below shows the expenditures for the Fire Department for the past 4 years. For FY 2024, the Fire Department is budgeting \$3,341,750, which is \$6,200 higher than the previous year. This is mainly due to vehicle maintenance representing an increase of \$15,500 (28.4%).Other significant account increases include utilities, water & sewer by \$7,300 (104.3%) and minor tools and supplies for \$4,000 (36.4%).

\$3,341,750 **\$6,200**
 (0.19% vs. prior year)

Fire Proposed and Historical Budget vs. Actual



Organizational Chart



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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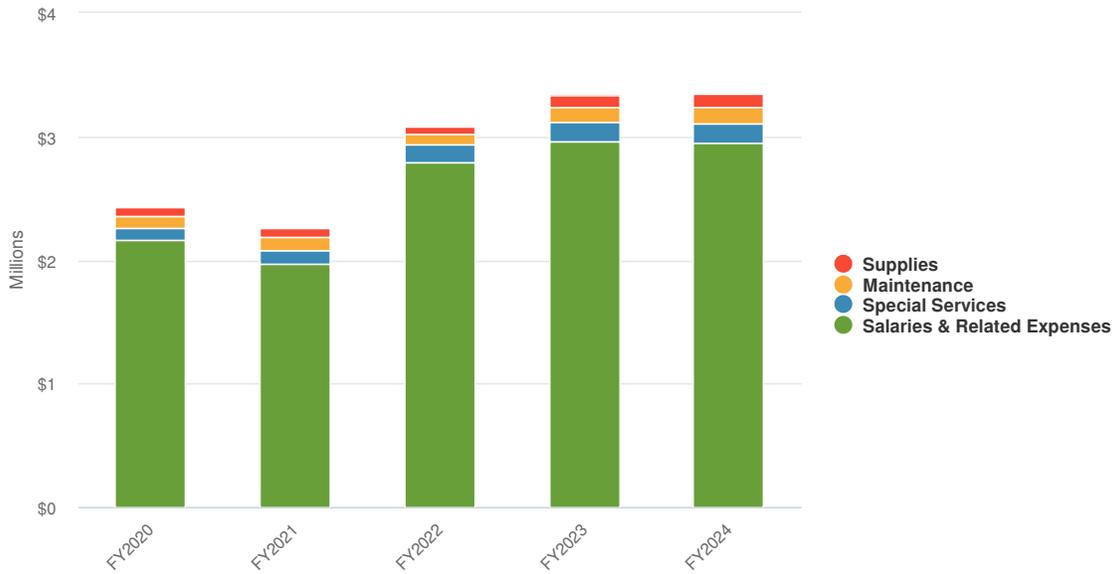
Full-time Equivalents (FTE)	30.5	30.7	34.7	28	-6.7
% of city's FTEs				8.20%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Office Assistant	1	1	0	0	0
Administrative Coordinator	0.5	0.5	1	1	0
Fire Inspector	1	1	1	1	0
Assistant Fire Chief	0.5	0.5	0.5	0.5	0
Fire Chief	0.5	0.5	0.5	0.5	0
Fire Capitan	3	3	3	2.5	-0.5
Firefigther	18	18	21	16	-5
Fire Engineer	6	6	6	5	-1
Fire Battalion Chief	0	0	1.5	1.5	0
IT Specialist Public Safety	0	0.2	0.2	0	-0.2
Total	30.5	30.7	34.7	28	-6.7

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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,963,881	\$2,794,839	\$2,957,150	\$2,924,343	\$2,945,500	-0.4%
Supplies	\$66,109	\$58,712	\$101,800	\$71,474	\$100,450	-1.3%
Maintenance	\$111,618	\$93,975	\$119,500	\$140,333	\$134,800	12.8%
Special Services	\$117,419	\$138,347	\$157,100	\$122,473	\$161,000	2.5%
Total Expense Objects:	\$2,259,028	\$3,085,873	\$3,335,550	\$3,258,623	\$3,341,750	0.2%

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.

The scheduled completion date will be June 16, 2023.



Expenditures Summary

The graph below shows the expenditures for the Fire Department for the last fiscal year. For FY 2024, the Fire Department East is budgeting \$797,540, which is \$783,840 higher than the previous year. This increase primarily covers salaries, supplies, maintenance and special services for the new Fire Department.

\$797,540 **\$783,840**
(5,721.46% vs. prior year)

Fire Department East Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	0	0	0	7	7
% of city's FTEs				2.05%	

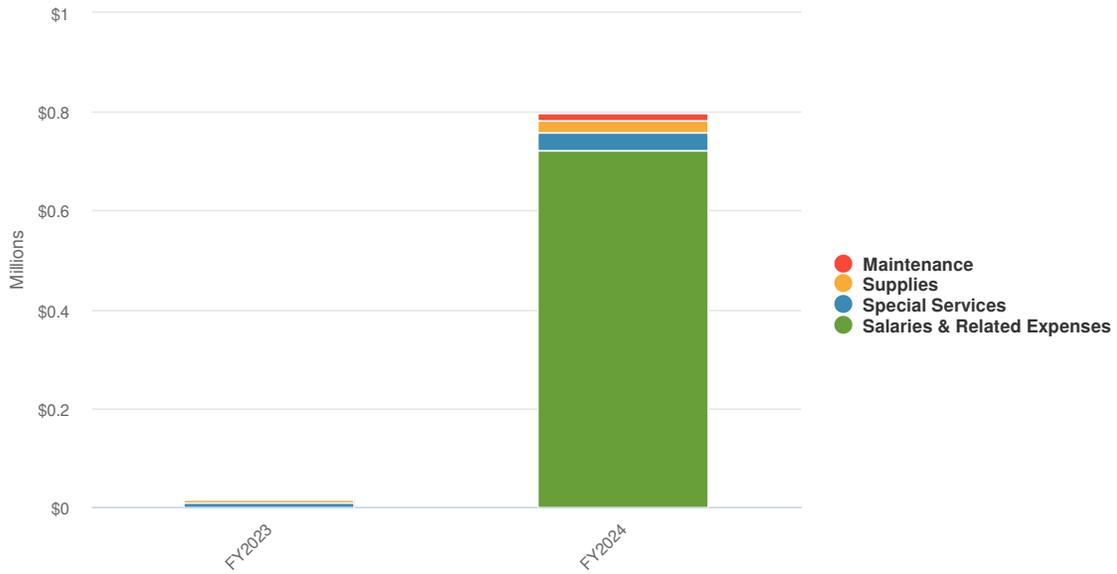
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
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	1	1
Firefigther	0	0	0	5	5
Fire Engineer	0	0	0	1	1
Fire Battalion Chief	0	0	0	0	0
IT Specialist Public Safety	0	0	0	0	0
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>	<u>7</u>



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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$0	\$0	\$0	\$0	\$722,640	N/A
Supplies	\$0	\$0	\$5,000	\$0	\$26,000	420%
Maintenance	\$0	\$0	\$0	\$0	\$14,000	N/A
Special Services	\$0	\$0	\$8,700	\$0	\$34,900	301.1%
Total Expense Objects:	\$0	\$0	\$13,700	\$0	\$797,540	5,721.5%

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 2023

- Add another ambulance to the fleet, totaling 4 ALS ambulances within the City of San Luis.
- Initiated a new paramedic class which will conclude in fiscal year 2024.
- Responded to 3,970 EMS calls for service.
- Provided 3,546 transports to Yuma Regional Medical Center.
- Received a total of 4,475 calls for service.
- Continued implementation of a community paramedicine model with Regional Center for Border Health.
- Continue Implementation of Lexipol for Standard Operating Procedures (SOPs) and policies.
- Continue implementation of new COVID-19 protocols.
- Continue Implementation of Crew Force software for ambulance operations.
- Assisted with implementation of vaccination clinics available for City residents.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance emergency medical services (EMS) in San Luis, ensuring efficient response, supporting growth, and improving service delivery to residents."

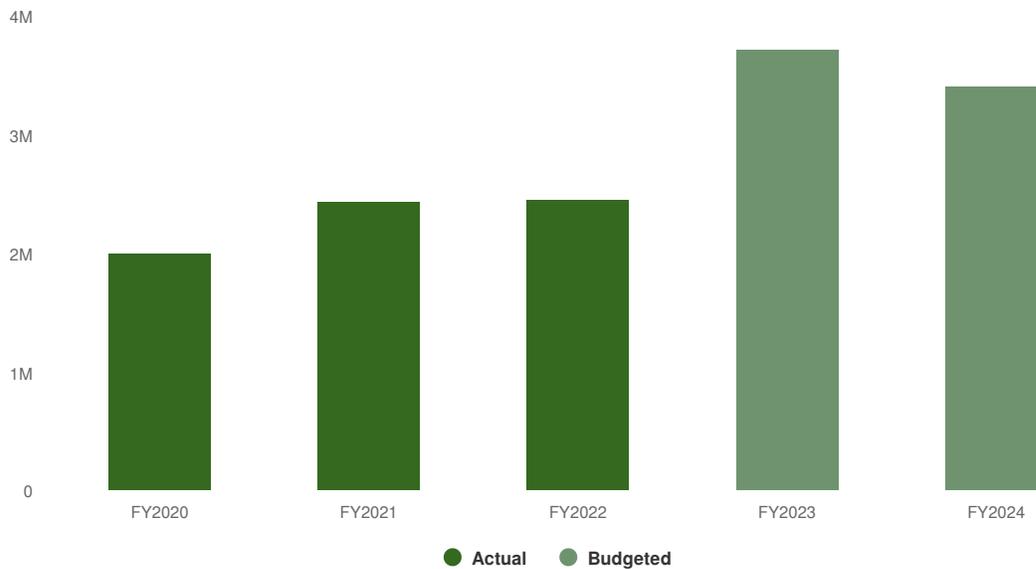
- Objective: Acquire a fourth full-time ALS ambulance throughout the fiscal year to improve EMS coverage, ensuring timely response to emergencies.
- Objective: Hire 6 additional paramedics by the end of the fiscal year to staff the new ambulance and enhance the level of care provided to residents.
- Objective: Maintain a 99% retention rate of emergency transportation services within the San Luis area, ensuring local access to critical medical care.
- Objective: Continue providing CPR/First Aid classes to the community on an ongoing basis to enhance public safety awareness and emergency response capabilities.
- Objective: Continue supporting the growth and knowledge of all ambulance personnel on an ongoing basis, ensuring readiness for various emergency situations.
- Objective: Become an active stakeholder in the Yuma Regional Communications System by August 2023 to improve communication, data sharing, and resource coordination among emergency service providers in Yuma County.
- Objective: Continue assisting fire departments along the Mexican border and being a resource for the AZ State Mutual Aid System on an ongoing basis, promoting collaboration in emergency response.
- Objective: Complete the construction of Fire Station #2 on the east side of San Luis by November 2023 to enhance EMS coverage and response times.

Expenditure Summary

The graph below shows the expenditures for the Ambulance Services Division for the past 4 years. For FY 2024, the Ambulance Services Division is budgeting \$3,410,467, which is \$315,007 lower than the previous year. This decrease is mainly due to capital projects representing a \$563,044 (-95.1%) reduction due to the construction of Fire Station #2 last fiscal year and budgeting \$29,000 for a new generator in the current FY2024 to complete the construction of the station phase I.

\$3,410,467 **-\$315,007**
(-8.46% vs. prior year)

Ambulance Services Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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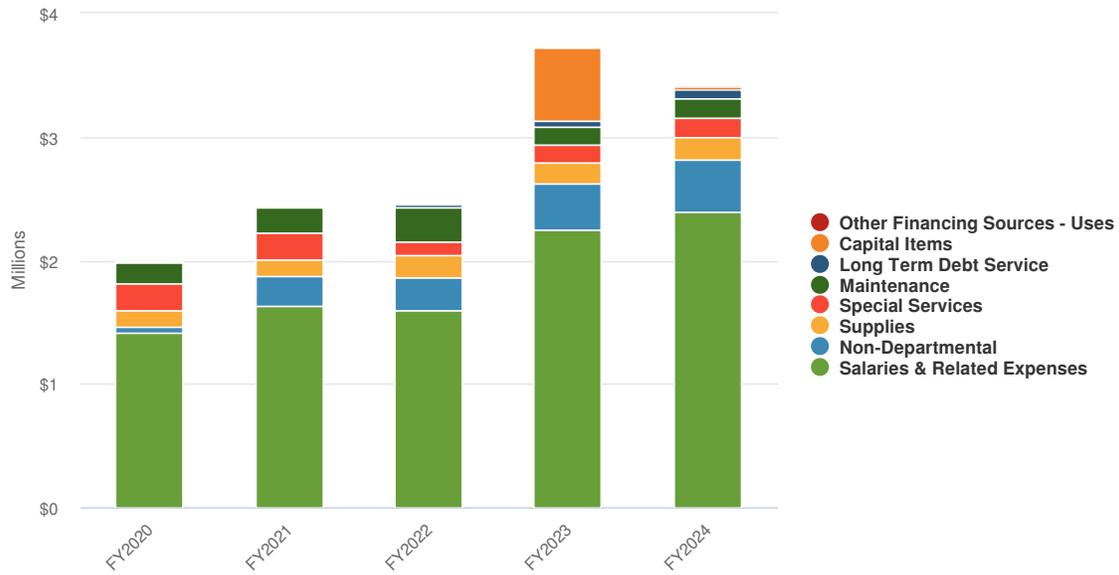
Full-time Equivalents (FTE)	18	18.7	24.2	23.5	-0.7
% of city's FTEs				6.88%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Administrative Coordinator	0.5	0.5	1	1	0
Ambulance Coordinator	0.0	0.0	0	1.5	1.5
Assistant Fire Chief	0.5	0.5	0.5	0.5	0
Fire Chief	0.5	0.5	0.5	0.5	0
Fire Capitan	3	3	3	2.5	-0.5
Communication Officer	1	1	1	1	0
Accounting Specialist	0.5	1	1.5	0	-1.5
Battalion Chief	0	0	1.5	1.5	0
Firefigther	12	12	15	15	0
IT Specialist Public Safety	0	0.2	0.2	0	0
Total	<u>18</u>	<u>18.7</u>	<u>24.2</u>	<u>23.5</u>	<u>-0.7</u>



Budgeted and Historical Expenditures by Expense Type



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

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,629,467	\$1,599,493	\$2,249,370	\$1,668,728	\$2,393,630	6.4%
Supplies	\$133,671	\$179,511	\$172,250	\$127,097	\$183,500	6.5%
Maintenance	\$204,277	\$278,851	\$143,100	\$114,235	\$152,500	6.6%
Special Services	\$220,117	\$105,784	\$143,000	\$109,341	\$161,540	13%
Long Term Debt Service	\$7,471	\$21,193	\$57,900	\$52,188	\$71,660	23.8%
Non-Departmental	\$242,967	\$263,454	\$367,810	\$367,810	\$418,637	13.8%
Capital Items	\$0	\$0	\$592,044	\$300,695	\$29,000	-95.1%
Total Expense Objects:	\$2,437,969	\$2,448,285	\$3,725,474	\$2,740,093	\$3,410,467	-8.5%

Information Technology

The IT department is responsible for managing the Citywide network, City website, desktop computers, servers, communications including phone system and mobile phones, and providing technical support and maintenance to departments. The department's goal is to provide information technology services in a reliable, effective and secure manner while committing to excellence in customer service.



Accomplishments FY 2023

- Implemented cybersecurity awareness training which will be provided to all city staff on a yearly basis. The goal of cybersecurity training is to minimize risk by providing the necessary tools to our employees for avoiding, detecting, and responding to cyber threats.
- Integration of two factor authentication for high risk accounts. 2FA adds a second authentication layer of protection.
- Integration of Azure services. Azure is a cloud service provider that allows the city to implement cloud services while ensuring compliance and security controls over our data.
- Implementation and deployment of office 365 applications. Applications include office products, Microsoft Teams, SharePoint, and OneDrive. Automation services using Microsoft PowerApps are currently being implemented.
- Implementation of Tanium application which was provided by the State of Arizona. Tanium services provide compliance reporting, patching, and deployment of applications.
- Evaluated and designed a plan to create a mesh network infrastructure that will provide multiple paths of communications in case of a disaster.

- Replacement of obsolete phone system with Avaya PBX. Communication is critical for the City of San Luis, and it is imperative to have a reliable and manageable system.
- Implementation of backup system for cloud services.
- Implementation and configuration of video conferencing services for city employees and conference rooms.

Goals & Objectives FY 2024

Growth & public service

Goal: "To enhance the city's cybersecurity and technological infrastructure, ensuring the security of financial assets and the continuity of critical services."

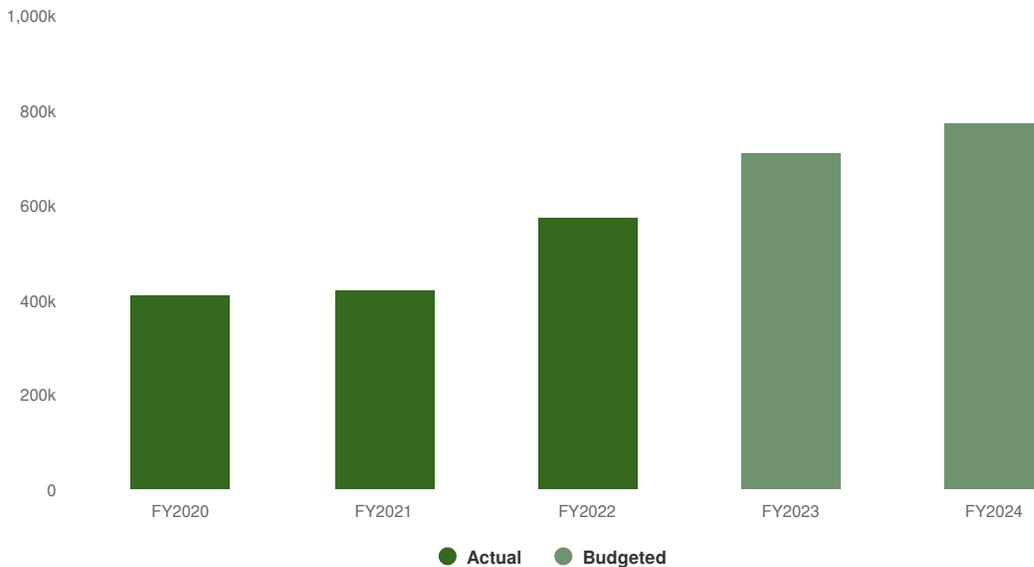
- Objective: Conduct an internal cybersecurity assessment by a government agency to detect and determine cyber risks by the end of the fiscal year
- Objective: Implement Azure cloud services by August 2023 as part of the City's business continuity plan, including offsite backups, active directory services, remote desktop, and backup infrastructure.
- Objective: Conduct user training on enterprise applications for City staff on an ongoing basis to increase awareness of available services and enhance user productivity.
- Objective: Develop, implement, and test an incident response plan for the Information Technology department by November 2023 to ensure a swift and effective response to cybersecurity incidents.
- Objective: Implement or update the City's acceptable use policy by the end of the fiscal year and coordinate with Human Resources to provide user training as part of the onboarding process.
- Objective: Continue making improvements to the city's owned fiber optic infrastructure on an ongoing basis, including running fiber to city-owned buildings to support data communication.
- Objective: Implement a mesh network topology by December 2023 for high availability and disaster recovery planning.
- Objective: Implement and establish a community cybersecurity awareness campaign by the second quarter of the fiscal year to provide tools and recommendations to local businesses for improved cybersecurity practices.
- Objective: Increase cybersecurity infrastructure by adopting conditional access controls through Azure active directory to enhance data security.
- Objective: Evaluate and develop a five-year communications infrastructure improvement plan throughout the fiscal year to address current cellular and radio communication needs effectively

Expenditure Summary

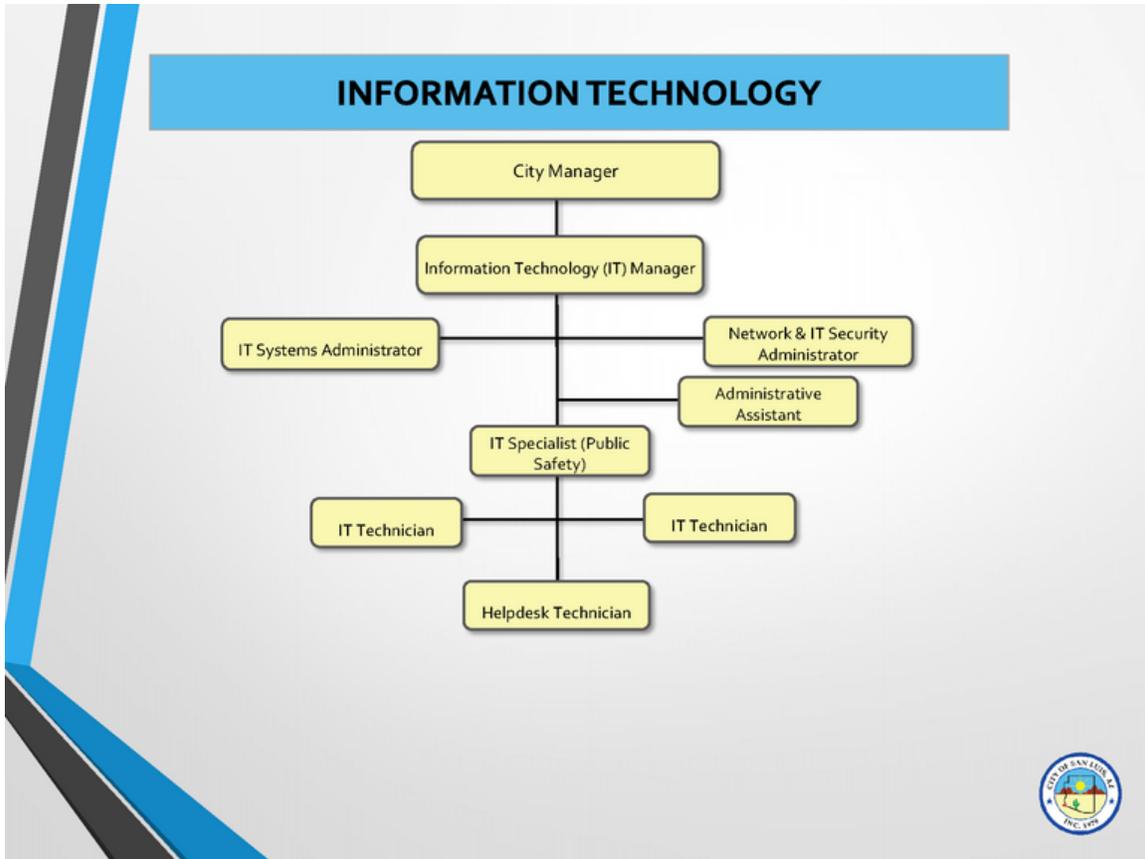
The graph below shows the expenditures for the Information Technology Department for the past 4 years. For FY 2024, the Information Technology Department is budgeting \$773,548, which is \$63,296 higher than the previous year. This increase is due to a combination of changes. Software use and support increased by \$124,870 (112.5%) and salaries by \$25,040 (4.3%). Minor tools and equipment decreased by \$16,300 and there was also a significant increase of 7.1% in non-departmental services for HURF, Water, Waste Water, Solid Waste, Business incubator and Ambulance cost allocation charges.

\$773,548 **\$63,296**
(8.91% vs. prior year)

Information Technology Proposed and Historical Budget vs. Actual



Organizational Chart



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	6.3	7.2	7.2	8	0.8
% of city's FTEs				2.34%	

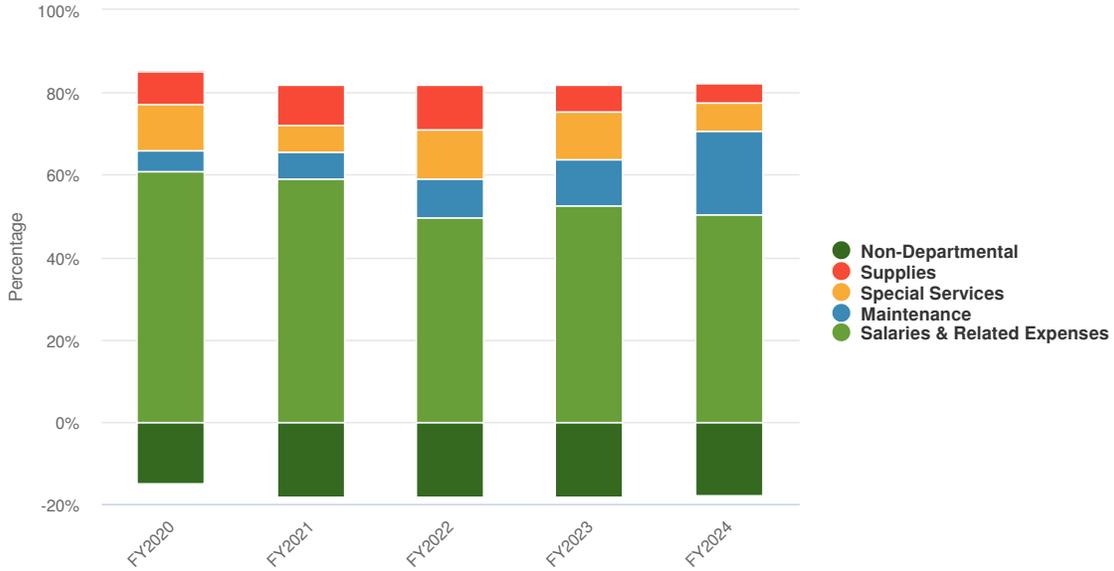
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
IT Manager	1	1	1	1	0
Senior IT Technician	1	1	1	1	0
IT Technician	2	2	2	2	0
Graphics and Media Specialist	1	1	0	0	0
Administrative Coordinator	0.3	0	0	0	0
Administrative Assistant	0.0	0	0	1	1
IT Help Desk Technician	0	1	1	1	0
IT Specialist Public Safety	0	0.2	0.2	0	0
IT Specialist	0	0	0	1	1
Video Production and Operations Specialist	0	0	1	0	-1
Network & IT Security Admin	1	1	1	1	0
Total	6.3	7.2	7.2	8	0.8



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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$390,264	\$450,357	\$583,630	\$466,915	\$608,670	4.3%
Supplies	\$64,629	\$99,549	\$72,900	\$41,571	\$54,500	-25.2%
Maintenance	\$42,207	\$85,305	\$127,420	\$76,678	\$243,070	90.8%
Special Services	\$43,869	\$105,364	\$128,032	\$61,396	\$83,460	-34.8%
Non-Departmental	-\$119,459	-\$163,766	-\$201,730	-\$201,730	-\$216,152	7.1%
Total Expense Objects:	\$421,511	\$576,808	\$710,252	\$444,830	\$773,548	8.9%

Public Works Administration

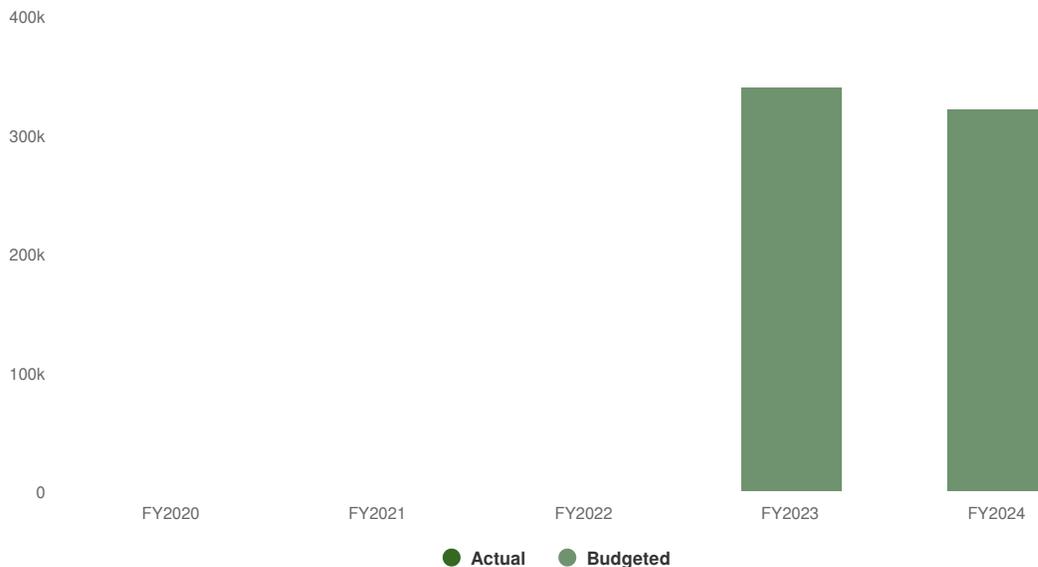
The mission of the Public Works Department is to effectively maintain and develop public infrastructure to enhance the quality of life of our residents and businesses by using our available resources in a prudent and cost effective manner consistent with the vision and goals of the community. The Public 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.

Expenditure Summary

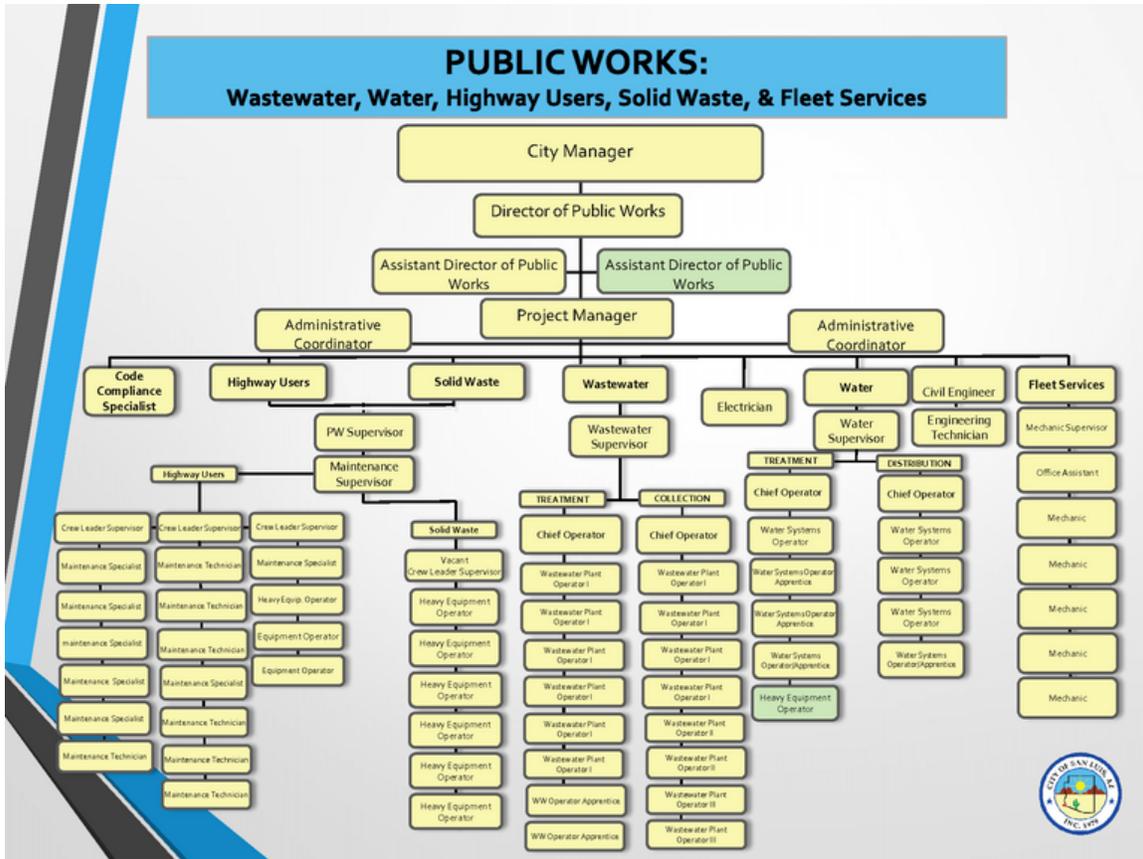
The graph below shows the proposed budget allocation for the Public Works Administration for the fiscal years 2023 and 2024. This new department was introduced in FY 2023 in order to improve enterprise expense allocations. A total of seven employees are allocated in this department. For FY 2024, the Public Works Administration Department is budgeting \$321,460, which is \$19,090 lower than the previous year. This decrease is mainly due to the non-departmental services for HURF, Water, Waste Water, Solid Waste, Business incubator and Ambulance cost allocation charges.

\$321,460 **-\$19,090**
(-5.61% vs. prior year)

Public Works Administration Proposed and Historical Budget vs. Actual



Organizational Chart



Personnel Changes

The chart below presents the Public Works Department's Staff summary schedule for the past three fiscal years. Given the considerable number of divisions and the complexity of tasks within the department, there is a clear need to enhance the department's organizational structure. Therefore, for FY 2024, the Public Works Department is allocating resources to create a new position: Assistant Director.

With numerous divisions to oversee, the workload within the Public Works Department has become increasingly demanding. To ensure more efficient workload distribution and better coordination among all divisions, the addition of an Assistant Director is essential. This new role will play a critical part in optimizing the management and operation of the department, ensuring that it can effectively meet the needs of the city.

Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	0	0	7	8	1
% of city's FTEs				2.34%	

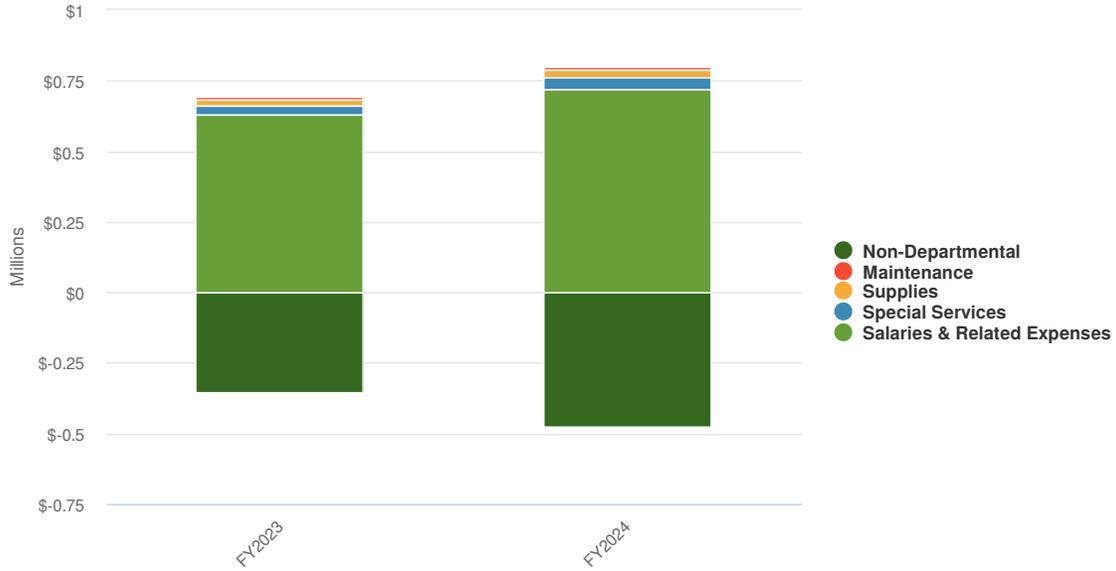
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Assistant Director of Public Work	0	0	1	2	1
Director of Public Work	0	0	1	1	0
Administrative Coordinator	0	0	2	2	0
Code Compliance Specialist	0	0	1	1	0
Engineering Technician	0	0	1	1	0
Civil Engineering	0	0	1	1	0
Total	<u>0</u>	<u>0</u>	<u>7</u>	<u>8</u>	<u>1</u>



Expenditures by Expense Type

Budgeted and Historical Expenditures by Expense Type



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$0	\$0	\$632,280	\$532,013	\$813,530	28.7%
Supplies	\$0	\$0	\$20,050	\$7,609	\$25,600	27.7%
Maintenance	\$0	\$0	\$13,000	\$3,700	\$11,000	-15.4%
Special Services	\$0	\$0	\$29,500	\$4,796	\$42,500	44.1%
Non-Departmental	\$0	\$0	-\$354,280	-\$354,280	-\$587,764	65.9%
Total Expense Objects:	\$0	\$0	\$340,550	\$193,838	\$304,866	-10.5%

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 2023

- Pavement Preservation, approximately 160,000 square yards of material applied to roadways
- Rehabilitated the traffic signal system at Cesar Chavez Blvd and Main Street
- Rehabilitated the traffic signal system at Main Street and Piceno Dr. Intersection
- Accepted Subdivisions Bienestar 11, Los Mezquites, and Bellez del Desierto 2

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance public services, infrastructure, and community well-being through effective maintenance and improvements."

- Objective: Promote the creation of a new Crew Leader position, a Maintenance Specialist role, and hire five Maintenance Technicians by first quarter of the fiscal year to strengthen the city's maintenance capabilities.

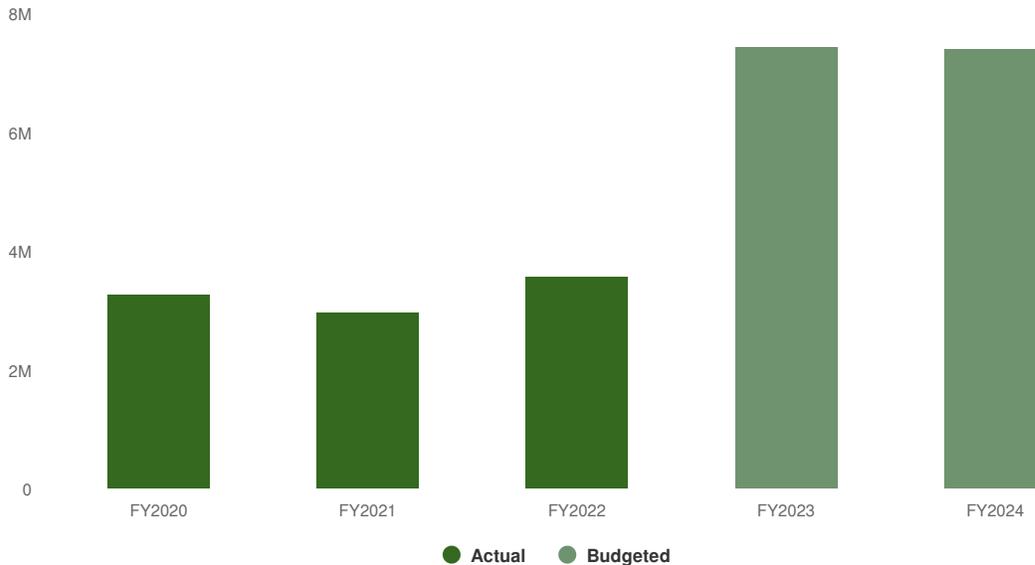
- Objective: Update and improve the street sweeping program throughout the fiscal year to maintain clean and safe roadways, contributing to community well-being.
- Objective: Install new traffic signals at Ave E and County 24th Street by the end of the fiscal year to improve traffic flow and road safety in the growing community.
- Objective: Continuously work to improve the Pavement Condition Index (PCI) through pavement preservation efforts, ensuring safer and more efficient road infrastructure.
- Objective: Create and execute a Sand Control Plan for the east and west side of San Luis by September 2023 to address sand-related issues and enhance road safety in between following segments:
 - San Luis Lane between Ave. F and 24th Ave
 - 21st Ave from San Luis Lane to Jett St.
 - Avenue F from San Luis Lane to Janet Napolitano Blvd
 - Avenue F from County 24 to San Fernando St.
 - Los Alamos St. from David Riedel Blvd to Garcia Blvd
 - 6th Ave from Urtuzuastegui St. to San Francisco St.

Expenditure Summary

The graph below shows the expenditures for the Highway User Division for the past 4 years. For FY 2024, the Highway User Division is budgeting \$7,429,255, which is \$19,930 lower than the previous year. This decrease is mainly due to other financing sources. Other financing sources decreased in transfers out due to Cesar Chaves Blvd design being covered by Federal and State funds. We also have a reduction of various grant matches including ADOT AZ grant, Merrill Phase I & II road improvement, and a grant for Los Alamos Curve. It appears that capital items increased by \$1,559,110 due to several street replacement and enhancement projects. These street improvements will be done at the intersection between County 22nd Street and Sidewinder Road, Union Street and 4th Ave intersection and traffic signal improvements, and between 10th Ave and los Alamos Curve. The Project between Co. 22nd and 4th Ave intersection and signal improvement will be partially covered with Stree funds and ARPA Funds, as well as the project between Co.24th St. and Ave H to Ave F1/2 roadway.

\$7,429,255 **-\$19,930**
(-0.27% vs. prior year)

Highway User Division Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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Full-time Equivalents (FTE)	20.7	21	23	23	0
% of city's FTEs				6.68%	

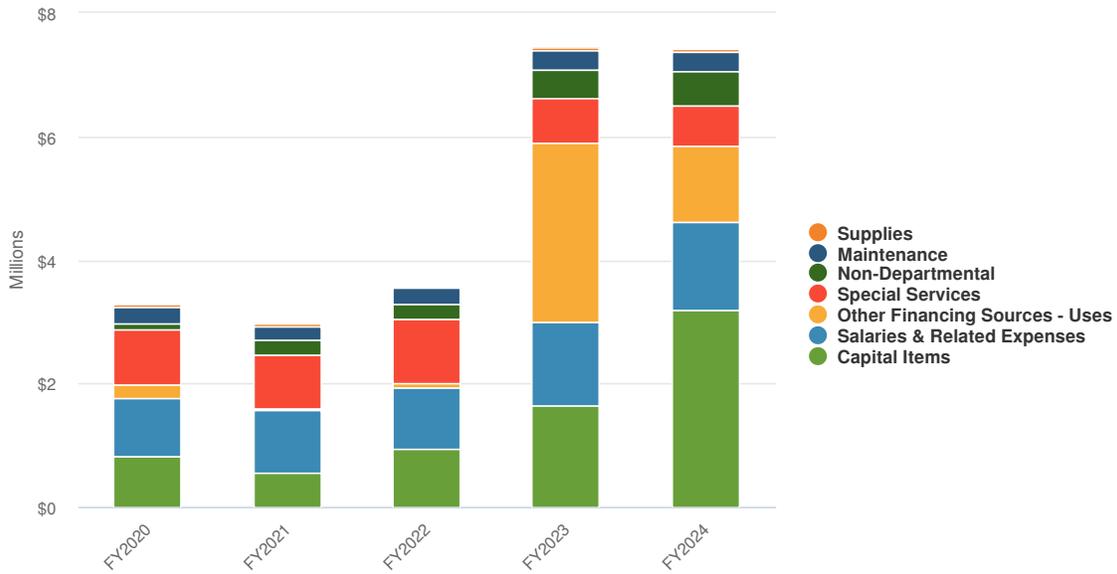
Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Equipment Operator	2.5	2.5	2.5	2	-0.5
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	1	1	0
Crew Leader Supervisor	2	2	3	3	0
Heavy Equipment Operator	1	1	1	1.5	0.5
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	0.3	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
Total	<u>20.7</u>	<u>21</u>	<u>23</u>	<u>22.8</u>	<u>0</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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$1,009,283	\$989,743	\$1,369,290	\$1,182,714	\$1,411,430	3.1%
Supplies	\$39,296	\$21,829	\$56,540	\$40,052	\$50,950	-9.9%
Maintenance	\$223,264	\$259,097	\$322,000	\$272,821	\$326,500	1.4%
Special Services	\$873,161	\$1,038,468	\$743,650	\$736,409	\$647,110	-13%
Other Financing Sources - Uses	\$25,992	\$81,341	\$2,880,107	\$0	\$1,239,220	-57%
Non-Departmental	\$238,619	\$252,601	\$440,700	\$440,700	\$558,037	26.6%
Capital Items	\$559,336	\$932,892	\$1,636,898	\$469,821	\$3,196,008	95.2%
Total Expense Objects:	\$2,968,951	\$3,575,971	\$7,449,185	\$3,142,519	\$7,429,255	-0.3%

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 2023

- Completed construction of new Fleet Services shop, estimated at approximately \$2,200,000 in additional funding.
- Added new mechanic position and new Lot Porter/Detailer/Mechanic position.
- Improved vehicle repair/maintenance turnaround time
- Maintained Mechanic training and certification.

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance public services, infrastructure, and customer satisfaction through improved maintenance and vehicle management."

- Objective: Improve Street sweeper maintenance and reduce turnaround time by implementing enhanced maintenance practices and procedures by June 2023, contributing to cleaner and safer roadways.

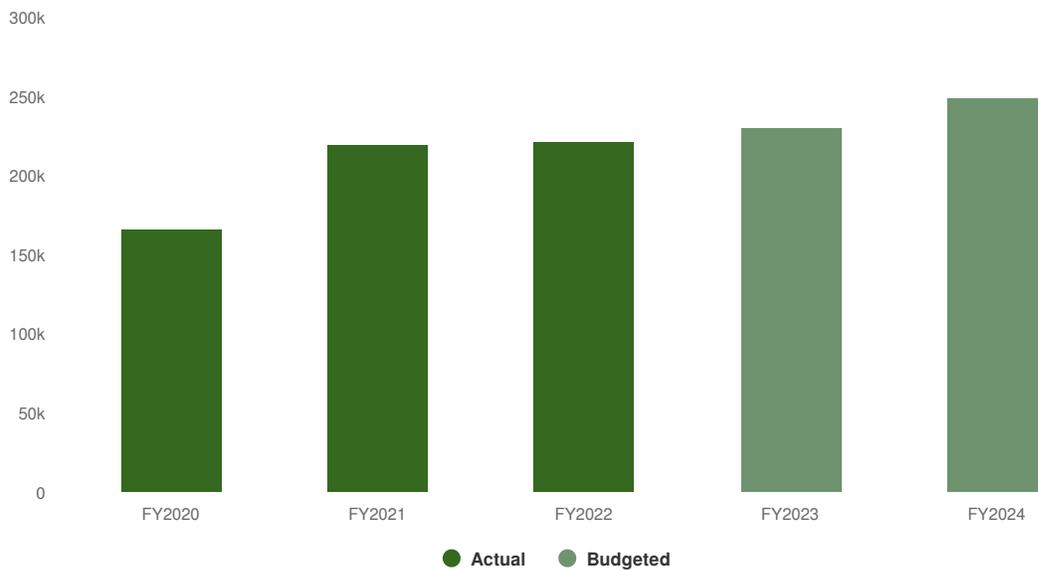
- Objective: Enhance the customer service experience by improving repair and maintenance turnaround time, ensuring timely and efficient service delivery by the first quarter of the fiscal year
- Objective: Develop and implement a vehicle replacement policy by January 2024 to optimize the management of city vehicles, ensuring cost-effectiveness and infrastructure efficiency.
- Objective: Develop and implement a new route schedule and procure a new sweeper equipped with a preventive maintenance scheduling program to optimize street cleaning operations and extend equipment lifespan

Expenditure Summary

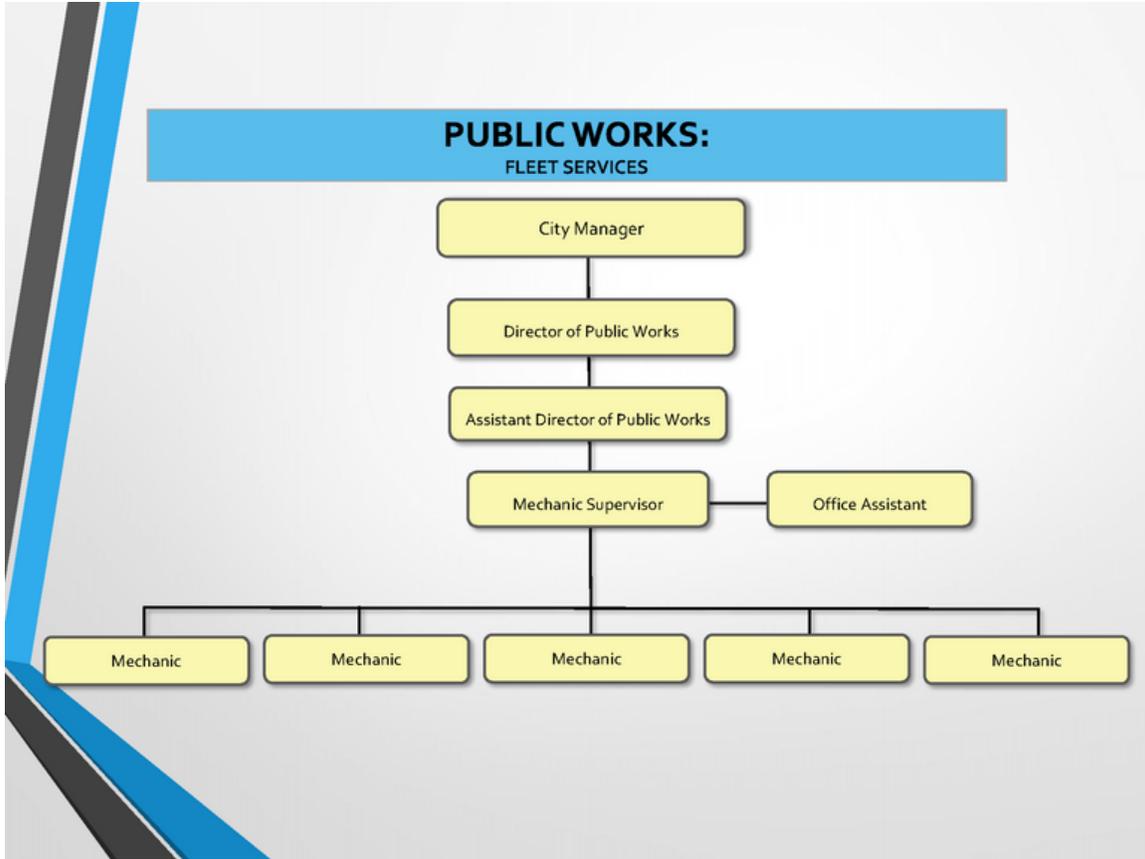
The graph below shows the expenditures for the Fleet Services Division for the past 4 years. For FY 2024, the Fleet Services Division is budgeting \$249,084, which is \$19,324 higher than the previous year. This increase is mainly due to costs of an upgrade for Ron Turley and associates software. No additional FTE were requested in FY 2024 for the Fleet Services Division.

\$249,084 **\$19,324**
 (8.41% vs. prior year)

Fleet Services Proposed and Historical Budget vs. Actual



Organizational Chart



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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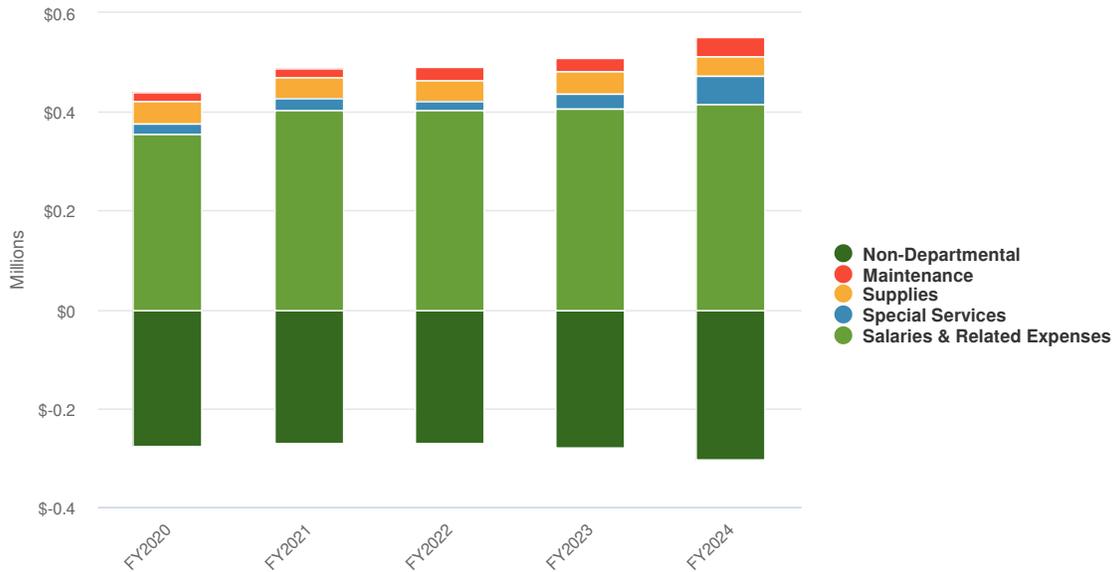
Full-time Equivalents (FTE)	5.6	6.6	7	7	0
% of city's FTEs				2.05%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Mechanic	3	4	5	5	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	1	0
Maintenance Worker - Parts Runner	1	1	0	0	0
Office Clerk	0	0	0	0	0
Total	<u>5.6</u>	<u>6.6</u>	<u>7</u>	<u>7</u>	<u>0</u>

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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$404,819	\$403,298	\$405,720	\$373,679	\$416,840	2.7%
Supplies	\$42,054	\$41,791	\$44,180	\$52,168	\$41,440	-6.2%
Maintenance	\$18,359	\$27,310	\$27,400	\$30,280	\$38,490	40.5%
Special Services	\$23,145	\$19,492	\$32,150	\$28,026	\$55,210	71.7%
Non-Departmental	-\$268,867	-\$269,920	-\$279,690	-\$279,690	-\$302,896	8.3%
Total Expense Objects:	\$219,510	\$221,970	\$229,760	\$204,463	\$249,084	8.4%

Water Division

The Water Division provides safe and reliable water service to residents, complying with state and federal environmental and health standards. The division maintains water production and distribution systems and responds to customer complaints involving water distribution and treatment problems, offering 24-hour emergency on-call service to meet the community's needs.



The division's goals are to provide safe, potable water for consumption by residents and visitors; provide sufficient pumping and storage for fire protection of all structures within the City; and periodically review and adhere to the Water System Comprehensive Plan.

Accomplishments FY 2023

- 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 program
- Began rehabilitation of water storage tanks #5 and scheduled repairs for tank #6 and #7
- Installed new block wall and automatic gate entrance gate for the Public Works yard. Expected completion by 6/30/23

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance public services, customer satisfaction, and regulatory compliance through improved procedures and customer education."

- Objective: Enhance on-call procedures for efficient and effective response to customer needs, ensuring timely service and problem resolution throughout the fiscal year.

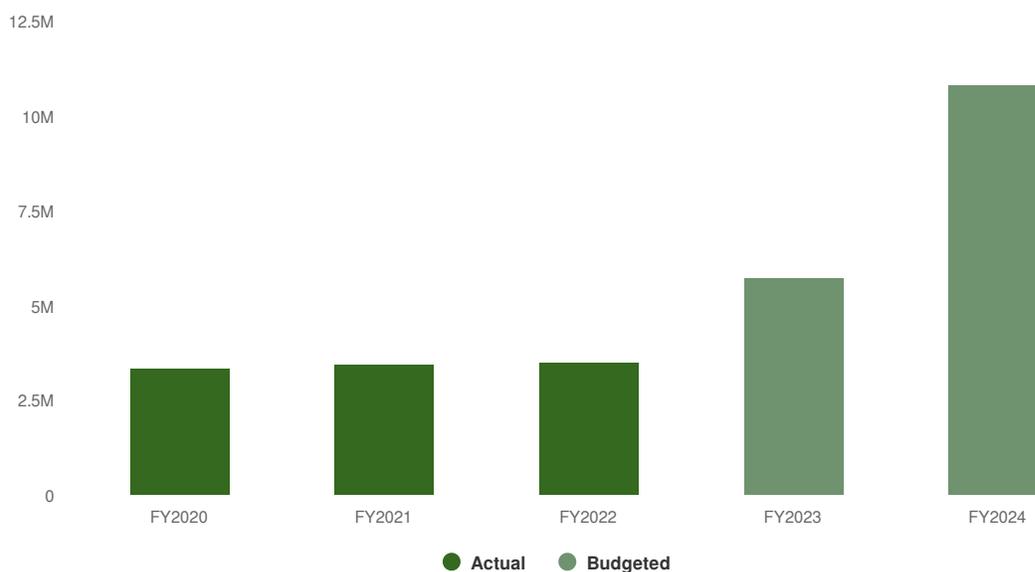
- Objective: Provide training and education to customers on the new backflow device compliance program by March 2024 to ensure regulatory compliance and safeguard public health.
- Objective: Complete major capital improvements throughout our water system infrastructure to meet the needs of the increasing population and corresponding increases in water demands and work towards successful completion of the following by the end of the fiscal year.
 - New 2-million-gallon storage tank on the east side of the City of San Luis.
 - New 3.4 million gallons per day ground water well on the west side of the City of San Luis.
 - Rehabilitation of water storage tanks at well sites #5 and #6.

Expenditure Summary

The graph below shows the expenditures for the Water Division for the past 4 years. For FY 2024, the Water Division is budgeting \$10,804,332, which is \$5,080,252 higher than the previous year. This increase is due to a combination of changes; capital projects increased by \$4,598,650, due to a new well site, water tank storage, well site filters, electrical upgrades and treatments; while maintenance increased by \$168,390, contractual services by \$21,000, and salaries and employee-related expense accounts by \$97,150.

\$10,804,332
\$5,080,252
(88.75% vs. prior year)

Water Division Proposed and Historical Budget vs. Actual



Personnel Changes

The chart below outlines the staffing for the Water Department over the past three fiscal years. For FY 2024, the Water Department is advocating for the creation of a new Heavy Equipment Position which will be budgeted with a 50% allocation from the water department and 50% allocation from the WasteWater Department. This position is essential for addressing city issues related to sewer and water projects, as well as equipment maintenance. The allocation of these resources underscores the department's commitment to maintaining and enhancing the city's water infrastructure. The allocation of these resources underscores the department's commitment to maintaining and enhancing the city's water infrastructure.

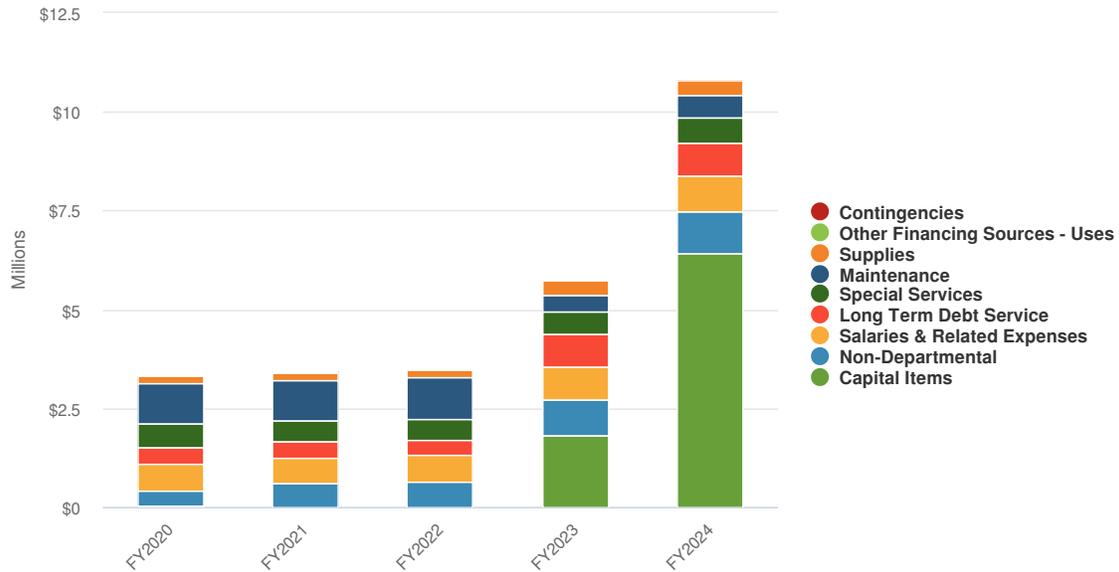
Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	12.9	13.0	11.8	12.3	0.5
% of city's FTEs				3.61%	
 Authorized Personnel/Positions:					
Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Water System Operator	8	8	0	0	0
Heavy Equipment Operator	0	0	0	0.5	0.5
Apprentice	0	0	4	2	-2
Operator I	0	0	3	5	2
Operator II	0	0	1	1	0
Supervisor	0	0	1	1	0
Chief	0	0	2	2	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
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	0.3	0
Total	<u>12.9</u>	<u>13.0</u>	<u>11.8</u>	<u>12.3</u>	<u>0.5</u>



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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$647,212	\$669,512	\$827,190	\$628,393	\$924,340	11.7%
Supplies	\$220,153	\$186,181	\$376,440	\$241,295	\$374,500	-0.5%
Maintenance	\$1,001,491	\$1,047,741	\$399,300	\$446,250	\$567,690	42.2%
Special Services	\$526,882	\$543,475	\$584,500	\$539,442	\$637,050	9%
Contingencies	\$32,164	\$1,290	\$0	\$0		N/A
Long Term Debt Service	\$400,559	\$382,540	\$825,400	\$815,973	\$825,060	0%
Non-Departmental	\$602,397	\$648,191	\$881,280	\$881,280	\$1,047,072	18.8%
Capital Items	\$14,457	\$0	\$1,829,970	\$629,623	\$6,428,620	251.3%
Total Expense Objects:	\$3,445,315	\$3,478,929	\$5,724,080	\$4,182,255	\$10,804,332	88.8%

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 2023

- Hired Engineer firm to assist with the RFQ process for the West Wastewater Plant Expansion Design
- Design of the East Wastewater Treatment Plant Improvements complete. Improvements will be executed via formal bid process to occur FY23 and FY24
- Safety improvements, new block wall and automatic gates installed at the East Wastewater Treatment Plant.
- Rehabilitation/Repair of the Los Alamos Lift Station
- Rehabilitation/Repair of the East Mesa Lift Station

Goals & Objectives FY 2024

Growth & Public Service

Goal: "To enhance wastewater treatment and infrastructure, ensuring efficient services and supporting the city's growth."

- Objective: Complete the planned improvements for the East Wastewater Treatment Plant by the end of the third quarter of the fiscal year, enhancing its capacity and efficiency to accommodate the growing needs of the city.

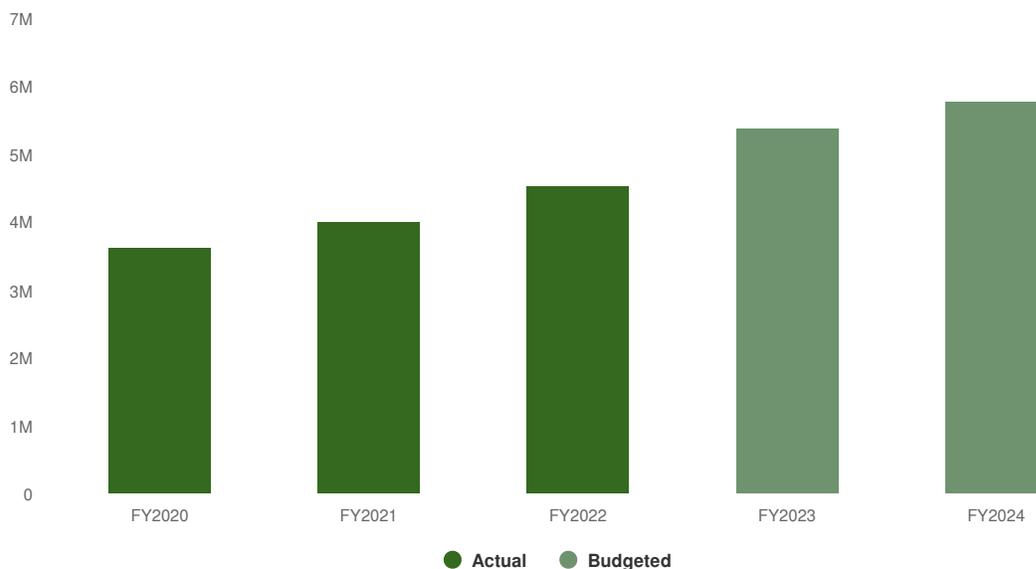
- Objective: Hire an engineering firm and initiate the design phase for the West Wastewater Plant by the end of the third quarter of the fiscal year, laying the foundation for future expansion to meet the city's wastewater treatment demands.
- Objective: Develop and implement a manhole annual maintenance program in the second quarter of the fiscal year, to ensure the integrity of the wastewater system.
- Objective: Complete the necessary rehabilitation and repair work for two lift stations by the end of the second quarter of the fiscal year to ensure their optimal performance and prevent disruptions in wastewater handling.

Expenditure Summary

The graph below shows the expenditures for the Wastewater Division for the past 4 years. For FY 2024, the Wastewater Division is budgeting \$5,791,960, which is \$1,084,255 higher than the previous year. This increase is mainly due to an augmentation in non-capital projects, maintenance and debt service; Waste Water department is budgeting a total of \$320,000 for several sewer hole replacement projects. Maintenance presents a 17.8% increase due to chemical treatment costs.

\$5,791,960
\$407,075
(7.56% vs. prior year)

Wastewater Division Proposed and Historical Budget vs. Actual



Personnel Changes

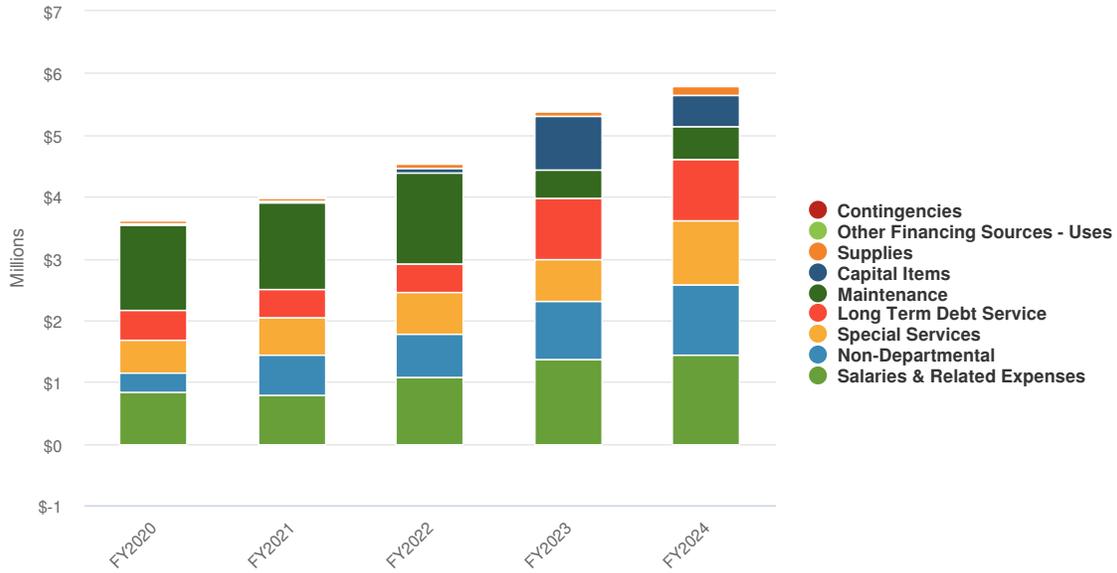
The chart below outlines the staffing for the WasteWater Department over the past three fiscal years. For FY 2024, the WasteWater Department is advocating for the creation of a new Heavy Equipment Position which will be budgeted with a 50% allocation from the Wastewater department and 50% allocation from the Water Department. This position is essential for addressing city issues related to sewer and water projects, as well as equipment maintenance. The allocation of these resources underscores the department's commitment to maintaining and enhancing the city's water infrastructure. The allocation of these resources underscores the department's commitment to maintaining and enhancing the city's waste water infrastructure.

Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
Full-time Equivalents (FTE)	17.9	20	19.8	20.3	0.5
% of city's FTEs				5.96%	
 Authorized Personnel/Positions:					
Title	<u>2020-2021</u>	<u>2021-2022</u>	<u>Current 2022-2023</u>	<u>Request 2023-2024</u>	<u>Changes 2023-2024</u>
Wastewater Plant Operator	13	15	0	0	0
Heavy Equipment Operator	0	0	0	0.5	0.5
Apprentice	0	0	3	2	-1
Operator I	0	0	8	10	2
Operator II	0	0	3	3	0
Operator III	0	0	2	1	-1
Supervisor	0	0	1	1	0
Electrician	0.5	0.5	0.5	0.5	0
Chief Wastewater Plant Operator	2	2	2	2	0
Assistant Director of Public Work	0.2	0.2	0	0	0
Wastewater Supervisor	1.0	1.0	0	0	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	0.3	0
Total	<u>17.9</u>	<u>20</u>	<u>19.8</u>	<u>20.3</u>	<u>0.5</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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$794,326	\$1,068,956	\$1,363,810	\$915,324	\$1,441,490	5.7%
Supplies	\$54,132	\$70,070	\$83,490	\$58,194	\$148,650	78%
Maintenance	\$1,400,456	\$1,481,791	\$449,900	\$627,723	\$529,990	17.8%
Special Services	\$596,793	\$693,955	\$671,750	\$667,117	\$1,056,650	57.3%
Contingencies	\$24,694	\$2,568	\$0	\$0		N/A
Long Term Debt Service	\$470,219	\$448,346	\$991,755	\$1,148,713	\$991,940	0%
Non-Departmental	\$651,391	\$702,481	\$950,220	\$950,220	\$1,126,620	18.6%
Capital Items	\$20,732	\$68,808	\$873,960	\$779,448	\$496,620	-43.2%
Total Expense Objects:	\$4,012,743	\$4,536,976	\$5,384,885	\$5,146,739	\$5,791,960	7.6%

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.



The division's main goals are to provide a sanitary, debris-free community and the opportunity for City residents to recycle household paper, metals, plastics, and other recyclables.

Accomplishments FY 2023

- Acquired a new Solid Waste Truck
- Acquired a used Solid Waste Truck
- Performed a cost analysis and cost comparison of Solid Waste Services to include recycling

Goals & Objectives FY 2024



Growth & Public Service

Goal: "To enhance solid waste management and customer service, contributing to the city's growth and the well-being of residents."

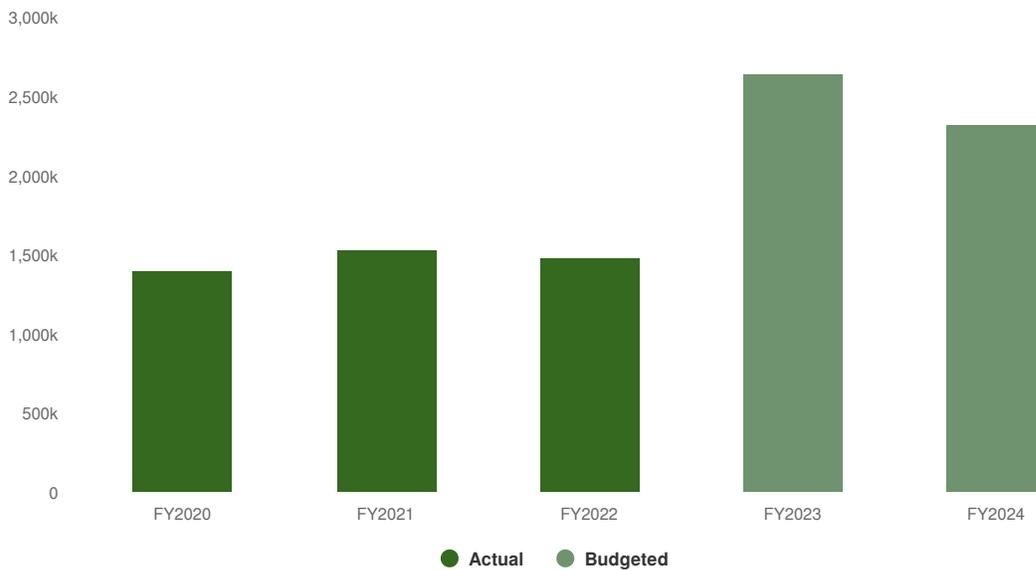
- Objective: Procure a new solid waste truck by the end of the fourth quarter of the fiscal year and lease a new side loader by the second quarter of the fiscal year to improve the efficiency of waste collection services and support the growing needs of the city.
- Objective: Continue enhancing improvements in customer service and experience throughout the fiscal year. Implement ongoing measures, such as staff training, feedback collection, and service enhancements, to ensure continuous improvement in customer satisfaction.

Expenditure Summary

The graph below shows the expenditures for the Solid Waste Division for the past 4 years. For FY 2024, the Solid Waste Division is budgeting \$2,321,191 for the current fiscal year, representing a -\$322,354 decrease from the previous year. This decrease is mainly due to capital projects resulting in a 93.1% reduction. The current CIP budget is for an upgrade to the department's radio system. On the other hand, special services increased 66.8%, and maintenance 23.9%. Other significant increases include vehicle maintenance, gas/oil, landfill fees, and other supplies.

\$2,321,191 **-\$322,354**
(-12.19% vs. prior year)

Solid Waste Division Proposed and Historical Budget vs. Actual



Staff Summary Schedule

Staff Summary	Actual 2020/21	Adopted 2021/22	Adopted 2022/23	Request 2023/24	Change 2022/23 to 2023/24
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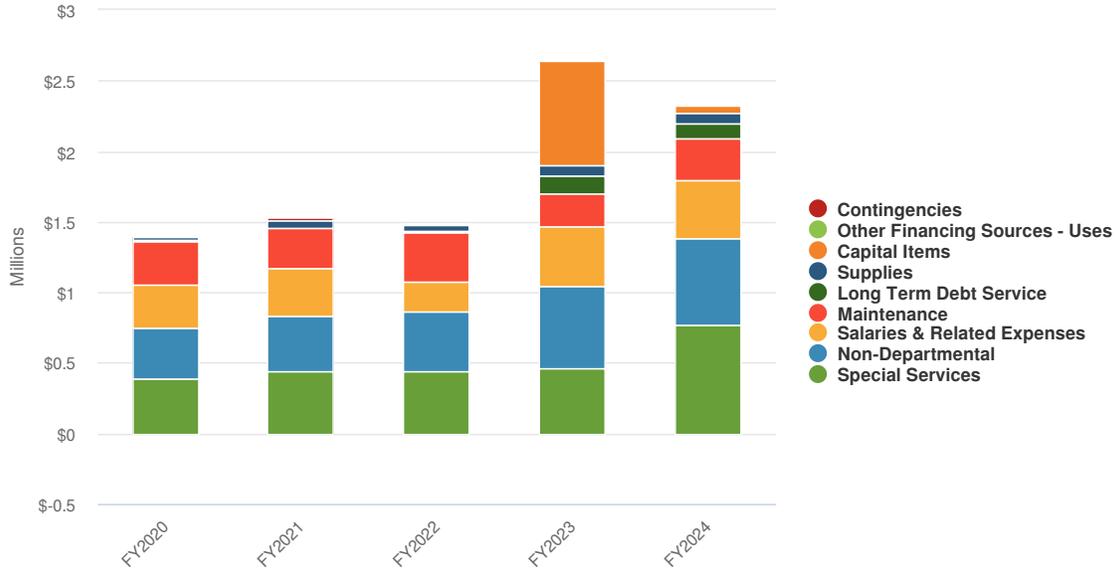
Full-time Equivalents (FTE)	5.4	5.4	6.0	6.5	0.5
% of city's FTEs				1.90%	

Authorized Personnel/Positions:

Title	2020-2021	2021-2022	Current 2022-2023	Request 2023-2024	Changes 2023-2024
Heavy Equipment Operator	1	1	5	5.5	0.5
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>6.0</u>	<u>6.5</u>	<u>0.5</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	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Expense Objects						
Salaries & Related Expenses	\$333,031	\$211,529	\$425,360	\$249,506	\$412,940	-2.9%
Supplies	\$51,692	\$48,476	\$69,240	\$72,276	\$73,330	5.9%
Maintenance	\$282,324	\$355,027	\$236,000	\$325,978	\$292,500	23.9%
Special Services	\$440,084	\$442,049	\$460,200	\$478,009	\$767,450	66.8%
Contingencies	\$14,130	\$1,189	\$0	\$0		N/A
Long Term Debt Service	\$7,490	\$5,256	\$124,140	\$55,308	\$105,710	-14.8%
Non-Departmental	\$397,090	\$419,356	\$581,520	\$581,520	\$617,761	6.2%
Capital Items	\$0	\$0	\$747,085	\$574,341	\$51,500	-93.1%
Total Expense Objects:	\$1,525,842	\$1,482,881	\$2,643,545	\$2,336,938	\$2,321,191	-12.2%

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 2024

The capital for FY 2024 is \$54,090,039. It includes a combination of new capital infrastructure and carry forward projects that were not completed in FY 2023. 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 38% of the total annual expenditures.

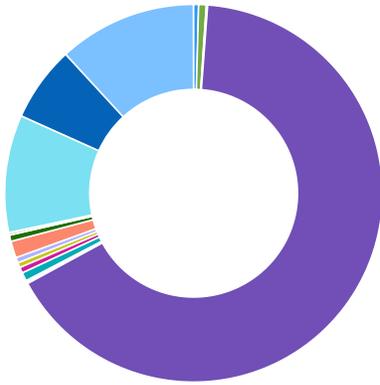
The chart below on the left shows the capital projects requested by the departments. The chart below on the right reflects how those funds will be funded. In FY 2024, 74% of capital projects will be funded by grants, 13% enterprise funds, 4% general fund, 7% highway user fund , and 1% impact fees.

Funding for most of these projects will be funded by excess fund reserves in the General Enterprise Funds that were accumulated due to the COVID 19 pandemic effects, 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
\$54,090,039

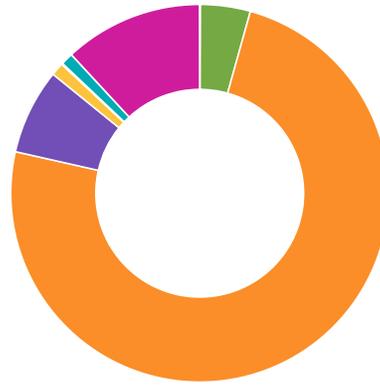
65 Capital Improvement Projects

Total Funding Requested by Department



Ambulance Service (0%)	\$233,591.00
City Administration (1%)	\$348,000.00
Cultural Center (0%)	\$66,443.96
Economic Development (66%)	\$35,632,799.90
Facilities (0%)	\$71,554.00
FD Station 2 (0%)	\$74,376.00
Fire Department (1%)	\$400,000.00
Fleet Services (0%)	\$265,000.00
Information Technology (0%)	\$230,000.00
Municipal Pool (0%)	\$250,000.00
Parks (1%)	\$777,816.81
Police Department (1%)	\$295,559.65
Recreation (0%)	\$95,000.00
Solid Waste (0%)	\$25,000.00
Street Repairs & Maintenance (10%)	\$5,440,604.00
Wastewater Operations (6%)	\$3,488,794.00
Water Operation (12%)	\$6,395,500.00
TOTAL	\$54,090,039.32

Total Funding Requested by Source



Ambulance Services Fund (0%)	\$29,000.00
General Fund (4%)	\$2,314,812.42
Grant (74%)	\$40,140,406.90
Highway User Fund (7%)	\$3,954,710.00
Impact Fees (1%)	\$604,370.00
Solid Waste Fund (0%)	\$51,500.00
Wastewater Fund (1%)	\$566,620.00
Water Fund (12%)	\$6,428,620.00
TOTAL	\$54,090,039.32

Economic Development Requests

Itemized Requests for 2024

ARPA –Carryover Mesa Project Phase II **\$102,052**

Street Improvements, curb and gutters, driveways and other improvements along C Street, E Street, Archibald Street and F Street, complete the work created by Mesa Street Improvements Phase I.

Cesar Chavez Blvd. Project **\$31,909,970**

The project is the widening of the boulevard from two lanes to four lanes with a center median (design and construction).

Cesar Chavez Boulevard–ROW Acquisitions **\$610,000**

Cesar Chavez Boulevard right of way acquisition of private properties; specifically Upton and PPEP properties estimated at a cost of \$15 per square foot based on previous row acquisitions.

Design of Los Oros Street **\$32,700**

Design of Los Oros Street improvements for possible SSP Application to be completed as part of Phase I/II of Merrill Improvements.

Downtown Drainage Land Acquisition **\$320,000**

Downtown Drainage Master Plan–purchase of private property for retention basins

Downtown Parking Lot and Carryover from FY 2023 85.4K **\$85,400**

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.

GSA Project – Improvement on U Street **\$359,000**

The U Street improvements are needed and aligned to the expansion of the POE I project.

Merrill Avenue Improvements Phase I (CDBG–RA) **\$1,111,424**

Merrill Avenue Improvements Phase I- Repaving Merrill Avenue 48” wide road with miscellaneous curb, sidewalk, sidewalk ramps, and cross gutter replacement on Merrill Avenue west side, and new VC&G and 5' sidewalk on east side from...

Merrill Avenue Phase II (CDBG–SSP) **\$1,102,254**

Merrill Avenue Improvements Phase II- Repaving Merrill Avenue 48” wide road with miscellaneous curb, sidewalk, sidewalk ramps, and cross gutter replacement on Merrill Avenue west side, and new VC& G and 5' sidewalk on east side from...

Total: \$35,632,800

Fire Department Requests

Itemized Requests for 2024

Carryover – Fire Truck **\$180,000**

San Luis is requesting a purchase of a ladder truck to be able to continue the same level of care and keep its ISO rating.

Engine Pumper **\$220,000**

Today we have a 7 year-old Engine Pumper that is front line. Due to the wait time for an engine of 30-35 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...

Total: \$400,000



FD Station 2 Requests

Itemized Requests for 2024

Fire Hoses **\$16,376**

With the new Ladder truck we need to add fire hoses to be able to operate the vehicle.

Phase 2 of Fire Station #2 **\$58,000**

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

Total: \$74,376

Police Department Requests

Itemized Requests for 2024

East Police Station Building Improvement **\$20,000**

The City will lease a property for the east Police Station. This project will cover the accommodation to have the building in operation.

Parking Meters Pay Station (Kiosk) **\$16,310**

Install a MS1 pay station for the parking meters on Main Street in the Downtown area.

Police Vehicles **\$137,100**

Purchase of 3 fully marked and equipped Harley Davision motorcycles. The actual cost of the 2024 model is not available yet per the vendor. We added an additional 10% to the cost of the 2023 model provided by the vendor.

Replace carpet at Police Department **\$122,150**

The San Luis Police Station carpet needs to be replaced due to age. This project is considering replacing the worthy carpet with a new tile.

Total: \$295,560



Parks Requests

Itemized Requests for 2024

2022 Ram 5500 Chassis Cab **\$103,502**

The Parks Grounds Department would like to request a 2023 Ram 5500 Chassis Cab for the upcoming fiscal year. This vehicle is highly necessary due to the heavy loads and for towing. At the moment, the Parks Grounds Department does not have this...

4wd Sub-Compact Tractor **\$71,967**

With the rapid growth of the City and with the demand of well kept parks and green areas, the Parks Grounds Department is in need of maintenance equipment. The purchase of four tractors will greatly benefit the Department in being able to better...

Carryover East San Luis Community Park **\$300,000**

Budget request to continue with the construction of the Community Park in East San Luis, where the City has been growing in recent years.

Carryover San Luis Veterans Memorial Park **\$255,370**

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

John Deere Z920M Trak Tractor **\$46,978**

The Parks Grounds Department would like to request a new John Deere lawn mower for Fiscal Year 2024. This lawn mower would be an additional to their current equipment. Due to the rapid growth of the City, staff needs equipment to be able to fully...

Total: \$777,817

Cultural Center Requests

Itemized Requests for 2024

Vinyl replacement/Stage Flooring **\$66,444**

This project will replace the vinyl floor at the entrance, multipurpose room and stage of the Cesar Chavez Cultural Center.

Total: \$66,444

Facilities Requests

Itemized Requests for 2024

FIVE TON UNITS FOR CITY BUILDINGS **\$71,554**

A/C units are needed to be replaced when and as needed.

Total: \$71,554



Wastewater Operations Requests

Itemized Requests for 2024

ARPA - West Wastewater Treatment Plant Expansion Design **\$1,000,000**

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...

Carryover - Safety Improvements East WWTP (Block Wall and Automatic Gates) **\$70,000**

Continuing from FY 2023, this project provides for needed safety improvements at the East Wastewater Treatment Plant (WWTP, to include a block wall and new automatic opening and closing of gates. Completion of this requirement will improve both...

Carryover -East WWTP Improvement - Huber Screens **\$335,294**

Huber Screens to prevent operational maintenance issues. The fine screens are large pieces of equipment that will be needed for the upcoming improvement project at the East Wastewater Treatment Plant.

Carryover- ARPA East Wastewater improvement **\$1,300,000**

The East Wastewater Treatment Plan Improvements and expansion project is needed to expand capacity of the plan and be prepared to receive additional sewer flow at the time the West Plan begins with the expansion.

EWWTTP Improvements (Headworks, C. Chamber, FM, CL Tank) **\$250,000**

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...

Wastewater Operations, Manhole repairs and replacements and Carryover **\$320,000**

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...

Wastewater Operations, Supervisor Control and Data Acquisition (SCADA) system for automated controlling of wastewater treatment and collection system **\$180,000**

Public Works is requesting funding for the purchase of a Supervisor Control and Data Acquisition (SCADA) system for automated control of wastewater treatment and collection systems. The SCADA system will include software, hardware, actuators, and...

Wastewater Operations, Variable Frequency Drive logic board for the blower system at the west wastewater treatment plant **\$13,500**

Wastewater Operations Division is requesting funding for a Variable Frequency Drive (VFD)logic board for the blower system at the West Wastewater treatment plant.

Wastewater Radio System Upgrade **\$20,000**

This project will improve the communication system in the wastewater department between supervisors and operators.

Total: \$3,488,794

Fleet Services Requests

Itemized Requests for 2024

Carryover New Fleet Services Shop Building **\$265,000**

This project will complete the construction of a New Fleet Services Shop facility.

Total: \$265,000



Solid Waste Requests

Itemized Requests for 2024

Solid Waste Radio System Upgrade	\$25,000
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The project will upgrade the communication system used between supervisors and operators in a daily operations.

Total: \$25,000

Information Technology Requests

Itemized Requests for 2024

Communication Tower	\$230,000
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The communication tower will be constructed on the east side of the city and is needed to communicate with the new city building, especially the public safety (police ,fire and ambulance departments).

Total: \$230,000

Recreation Requests

Itemized Requests for 2024

Continuation of Recreation Building Expansion	\$95,000
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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...

Total: \$95,000

Municipal Pool Requests

Itemized Requests for 2024

Re-decking & Re-plastering of Municipal Pool	\$250,000
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In Fiscal Year 2023, staff was going to work on the re-decking & re-plastering of the Municipal Pool. This project was taken to City Council and it was approved for \$250,000. Due to the amount of the project, it was decided that it would be...

Total: \$250,000



City Administration Requests

Itemized Requests for 2024

City Hall Reconfiguration for East and West Wings	\$80,000
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Reconfiguration cubicles PW Admin area

Exterior paint and repair of City Hall	\$38,000
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Exterior paint and repair of City Hall. It will include stucco crack repair; paint with elastomeric exterior paint; painting doors and windows trim with acrylic paint. (Does not include the overhang)

Roof repair at City Hall	\$230,000
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The roof at City Hall needs to be repaired.

Total: \$348,000



Street Repairs & Maintenance Requests

Itemized Requests for 2024

10th Avenue & Los Alamos Curve Project	\$1,699,432
10th Ave & Los Alamos Curve Project	
Additional Street Lighting Riedel Plaza, Sidewinder Road, 10th Ave from CS Blvd to Co 22 and Co 22nf from 10th Ave to HWY 95	\$50,000
Additional Street Lighting Riedel Plaza, Sidewinder Road, 10th Ave from CS Blvd to Co 22 and Co 22nf from 10th Ave to HWY 95	
ARPA - Carryover Street Lights 6th Ave	\$40,000
Additional street lights on Ave 6th.	
ARPA - Co. 24th St - Ave H to Ave F1/2 Roadway Project (Between 10th Ave and Ave F1/2)	\$479,000
22,000.00 Co. 22nd and 4th Ave - added 479,000.00 ARPA Co. 24th Ave H to Ave F 1/2 50,000.00 Additional Street Lighting Riedel Plaza, Sidewinder Road, 10th Ave from CS Blvd to Co 22 and Co 22nf from 10th Ave to HWY 95 270,000.00 Co....	
Co. 22nd and 4th Ave Intersection and signal improvements	\$600,000
Currently Co. 22nd street and 4th avenue intersection experiences terrible traffic during peak hours due to no traffic signal, less than adequate turn lanes, and turn pockets. The improvements will greatly enhance resident experience on these...	
CO. 24th Street -Land Condemnation	\$350,000
Land Acquisition for the Cesar Chavez Project Widening	
F Street Widening Design (between Cesar Chavez Blvd and San Luis Lane) - Design & Right-of-Way	\$70,000
FY23 - Design & R/W - This project (design & right-of-way portion) provides for fulfillment of the City of San Luis' funding responsibility for the full roadway width required by the City's Public Works Standards. FY24-FY25 - Ave...	
Reoccurring Pavement Preservation Program	\$100,000
Reoccurring pavement preservation. Surface treatment.	
Sidewinder Road & Co. 22nd Street Intersection Widening and Traffic Signal Improvement Phase I and Phase II	\$930,000
Currently Sidewinder Road & Co. 22nd Street Intersection experiences terrible traffic during peak hours. Phase I: \$170k for Widening Phase II: \$700k for traffic signals	
Street Sweeper	\$295,000
New Street Sweeper	
Union Street and 4th Avenue intersection and Traffic Signal Improvements	\$800,000
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 accidents.	
US95 Co 201/2 St to Co 22nd St Raised Median	\$27,172
ADOT HSIP - US95 Co 20/12 st to Co 22nd St, Raised Median	
Total: \$5,440,604	



Ambulance Service Requests

Itemized Requests for 2024

Ambulance 1 MVS 170"	\$233,591
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New Ambulance Medix Speciality Vehicle Type 1 MVS 170" Ford F-450 4X Diesel Power Chasis, Two Doors Standard Cab.

Total: \$233,591



Water Operation Requests

Itemized Requests for 2024	
Entrance Gate for Public Works Yard	\$330,000
Entrance and block wall	
Water Operations Radio System Upgrade	\$20,000
Communication system improvements	
Water Operations, Horizontal split case pump for well site 7	\$70,000
Water Operations Division is requesting funding for the purchase of a horizontal split case pump for well site 7. The current pump needs to be replaced.	
Water Operations, Hydro vacuum excavator for digging near existing powerlines and other underground utilities	\$82,000
Water Operations Division is requesting a hydro vacuum excavator for digging near existing powerlines and other underground utilities. Hand digging near underground utilities is dangerous and time consuming. A new hydro vacuum excavator will allow...	
Water Operations, Pressure reducing valves for three locations within the water distribution system	\$70,000
Water Operations Division is requesting funding for the purchase of pressure reducing valves for three locations within the water distribution system. The pressure reducing valves will allow for control of pressure in low elevation areas within...	
Water Operations, Supervisor Control and Data Acquisition (SCADA) system for automated controlling of water treatment and distribution system	\$180,000
Water Operations Division is requesting funding for the purchase of a Supervisor Control and Data Acquisition (SCADA) system for automated control of water treatment and distribution systems. The SCADA system will include software, hardware,...	
Water Tank Storage Rehabilitation and Repairs Tank 6 and 7	\$2,000,000
Design: includes inspections, special testing, project design, and construction administration	
Water Treatment process change, Sodium hypochlorite chlorination at four well sites	\$393,500
Water Operations Division is requesting funding for the purchase and installation of new equipment to change from granular water treatment to liquid sodium hypochlorite treatment. This will make water treatment more effective.	
Well Site 3 - Entire Electrical Upgrade	\$150,000
The electrical and electronic components at this location need to be replaced with upgraded materials and components.	
Well Site 5, Well, MTU, Filters	\$1,600,000
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 1 M Gallon Storage Tank and Booster Pumps and Electrical	\$1,500,000
system improvements	
Total: \$6,395,500	





Capital Improvements: Multi-year Plan

The capital improvement five year plan estimates a total of \$162,142,411 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.

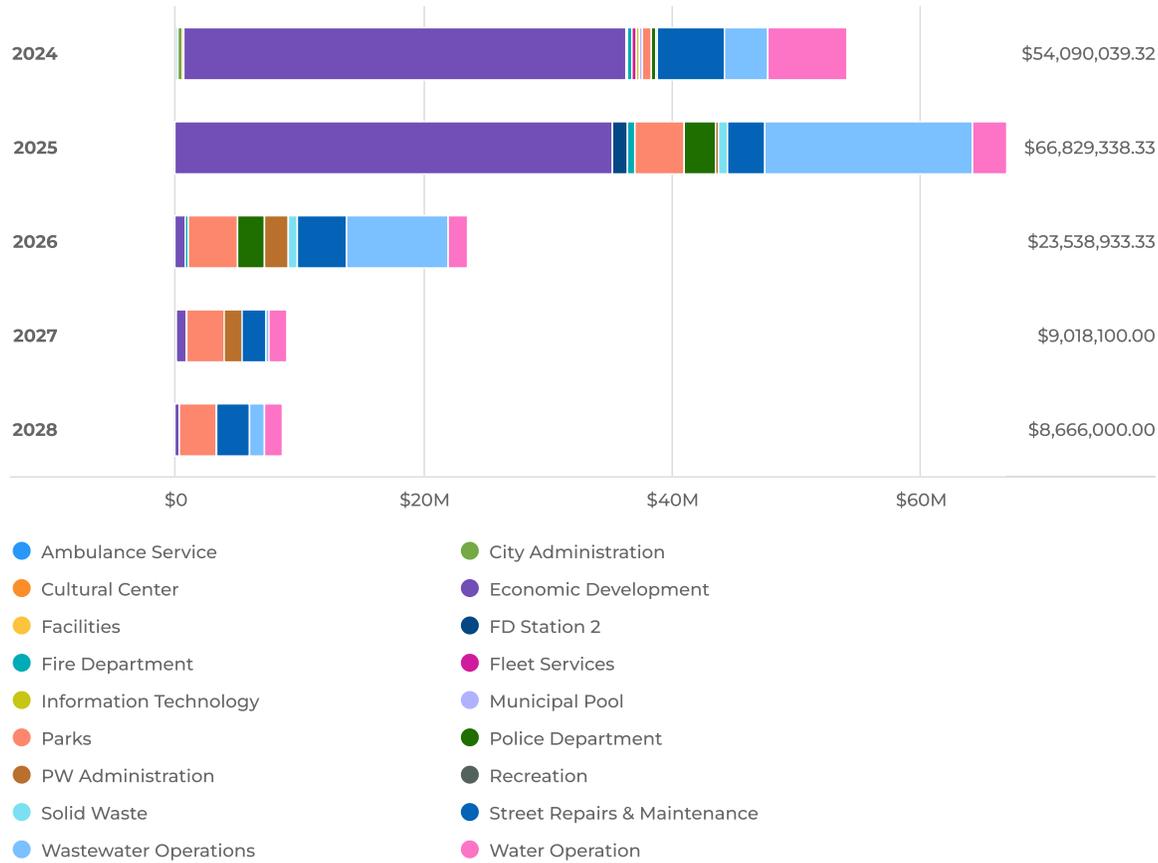
Some of the most significant investments in the multi-year plan include a \$27,550,000 expansion of the West and East Waste Water treatment plant with the objective of preventing the deterioration of existing infrastructure and adding capacity to ensure continued adequate, reliable service for the community. The plan also considers a \$61,900,000 million project to expand Cesar Chavez Blvd to alleviate traffic congestion in that area.

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.

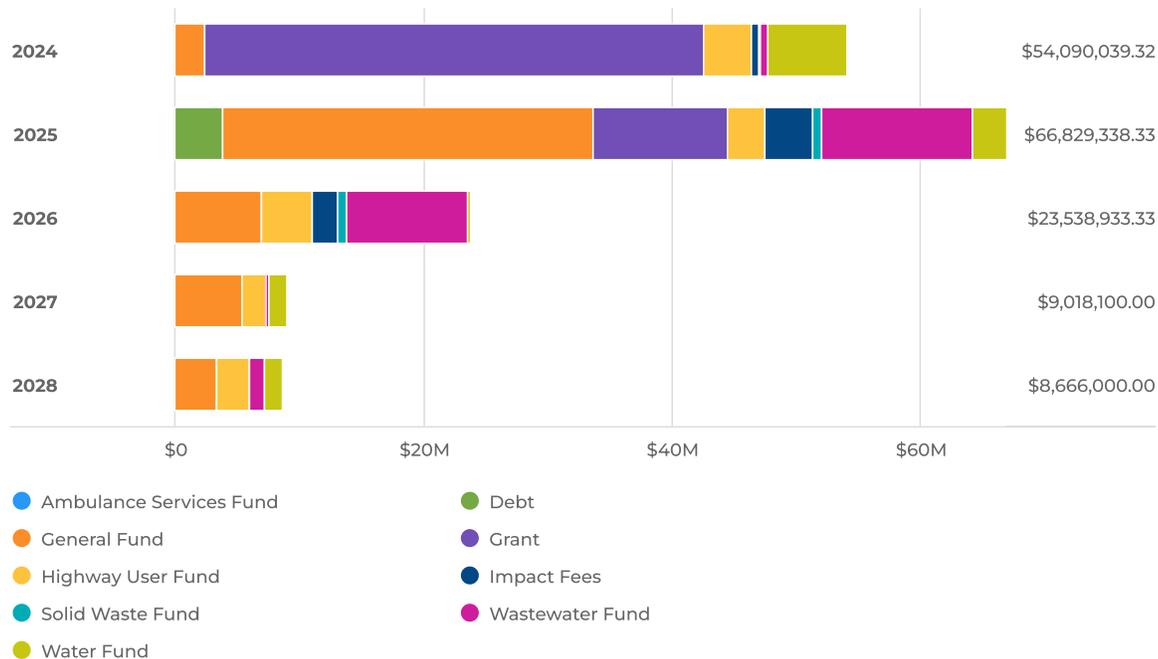
Total Capital Requested
\$162,142,411

94 Capital Improvement Projects

Total Funding Requested by Department



Total Funding Requested by Source



Impact on the Operating Budget

The Capital Improvement Program (CIP) has a direct and substantial influence on the City of San Luis operating budget. The majority of capital projects entail ongoing expenses related to operation and maintenance. For instance, new buildings require electricity, water services, routine maintenance, and occasional repairs. The construction of new roads requires regular sweeping, periodic crack sealing, and the reapplication of pavement striping and markings. The establishment of new parks and landscaped areas like the median and street shoulders involves tasks such as irrigation, fertilization, mowing, and trimming. In certain cases, projects like a recreation center may require the hiring of additional employees.

Departments responsible for proposing capital projects calculate the anticipated operational and maintenance costs for each project, considering cost guidelines that are annually updated. These departments also take into account any potential additional revenues or savings that the City may reasonably expect to realize once the project is completed. The net operating costs are not only included in the project request but also factored into the long-range forecasts of the relevant funds. This ensures that we accurately account for the operating budget impacts of all capital projects.

Operating Costs by Project Type						
General Government	Project Costs	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Phase 1 of Fire Station #2	\$ 1,200,000	\$ 74,900.00	\$ 79,394.00	\$ 199,834.00	\$ 320,274.00	\$ 339,490.4
New Police Station East - Carry over funds from FY 2023 CIP plus additional funds to complete the project	\$ 4,260,000	\$ 27,000	\$ 28,620	\$ 30,337	\$ 130,337	\$ 130,337
New Fleet Services Shop Building	\$ 2,800,000	\$ 17,000	\$ 18,020	\$ 18,921	\$ 19,867	\$ 20,860
San Luis Veterans Memorial Park	\$ 1,500,000	\$ 1,500.00	\$ 1,800.00	\$ 45,000	\$ 46,350	\$ 47,741
East San Luis Community Park	\$ 13,000,000	\$ 5,000	\$ 12,500	\$ 85,000	\$ 85,000	\$ 85,000
Water Projects	\$ 37,550,000	\$ -	\$ 65,000	\$ 68,900	\$ 73,034	\$ 77,416
Waste Water Projects	\$ 13,500,000	\$ -	\$ 145,000	\$ 153,700	\$ 162,922	\$ 172,697
Streets	\$ 20,300,000	\$ 20,000	\$ 100,000	\$ 203,000	\$ 215,180	\$ 228,091

Economic Development Requests

Itemized Requests for 2024-2028

ARPA –Carryover Mesa Project Phase II	\$102,052
Street Improvements, curb and gutters, driveways and other improvements along C Street, E Street, Archibald Street and F Street, complete the work created by Mesa Street Improvements Phase I.	
Cesar Chavez Blvd. Project	\$65,609,970
The project is the widening of the boulevard from two lanes to four lanes with a center median (design and construction).	
Cesar Chavez Boulevard–ROW Acquisitions	\$610,000
Cesar Chavez Boulevard right of way acquisition of private properties; specifically Upton and PPEP properties estimated at a cost of \$15 per square foot based on previous row acquisitions.	
Design of Los Oros Street	\$32,700
Design of Los Oros Street improvements for possible SSP Application to be completed as part of Phase I/II of Merrill Improvements.	
Downtown Drainage Land Acquisition	\$804,000
Downtown Drainage Master Plan–purchase of private property for retention basins	
Downtown Parking Lot and Carryover from FY 2023 85.4K	\$2,288,000
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.	
GSA Project – Improvement on U Street	\$359,000
The U Street improvements are needed and aligned to the expansion of the POE I project.	
Incentive Policy	\$800,000
Incentive Policy– incentives focus on supporting large manufacturing facilities for the creation of jobs.	
Merrill Avenue Improvements Phase I (CDBG-RA)	\$1,111,424
Merrill Avenue Improvements Phase I- Repaving Merrill Avenue 48” wide road with miscellaneous curb, sidewalk, sidewalk ramps, and cross gutter replacement on Merrill Avenue west side, and new VC&G and 5' sidewalk on east side from...	
Merrill Avenue Phase II (CDBG-SSP)	\$1,102,254
Merrill Avenue Improvements Phase II- Repaving Merrill Avenue 48” wide road with miscellaneous curb, sidewalk, sidewalk ramps, and cross gutter replacement on Merrill Avenue west side, and new VC& G and 5' sidewalk on east side from...	
Total: \$72,819,400	



Fire Department Requests

Itemized Requests for 2024-2028

Carryover - Fire Truck **\$180,000**

San Luis is requesting a purchase of a ladder truck to be able to continue the same level of care and keep its ISO rating.

Engine Pumper **\$804,667**

Today we have a 7 year-old Engine Pumper that is front line. Due to the wait time for an engine of 30-35 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...

Exterior paint and repair of Fire Department **\$36,000**

Exterior paint and repair of Fire Department. It will include stucco crack repair; paint with elastomeric exterior paint; painting doors and windows trim with acrylic paint. (Does not include the overhang)

Roof repair at Fire Department **\$180,344**

The roof needs to be repaired.

Total: \$1,201,011

FD Station 2 Requests

Itemized Requests for 2024-2028

Fire Hoses **\$16,376**

With the new Ladder truck we need to add fire hoses to be able to operate the vehicle.

Phase 2 of Fire Station #2 **\$1,258,000**

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

Total: \$1,274,376



Police Department Requests

Itemized Requests for 2024-2028

Commercial Block Wall Fence For Impound Lot **\$61,400**

The Police Department is requesting the construction of a commercial block wall fence with barbed wire to surround the vehicle impound lot.

East Police Station Building Improvement **\$20,000**

The City will lease a property for the east Police Station. This project will cover the accommodation to have the building in operation.

Evidence Storage Building & Required Security Features **\$150,000**

Steal structure building to securely store evidence offsite, which may include vehicles that need to be kept as evidence. Security features consist of razor wiring, peremater block wall fencing around the impound lot and an infrared capable camera...

Exterior paint and repair of Police Department. **\$36,000**

Exterior paint and repair of the Police Department. It will include stucco crack repair; paint with elastomeric exterior paint; painting doors and windows trim with acrylic paint. (Does not include the overhang)

New Police Station East - Carry over funds from FY 2023 CIP plus additional funds to complete the project **\$4,260,000**

New Police Station East - Carry over funds from FY 2023 CIP plus additional funds to complete the project.

Parking Meters Pay Station (Kiosk) **\$16,310**

Install a MS1 pay station for the parking meters on Main Street in the Downtown area.

Police Vehicles **\$137,100**

Purchase of 3 fully marked and equipped Harley Davision motorcycles. The actual cost of the 2024 model is not available yet per the vendor. We added an additional 10% to the cost of the 2023 model provided by the vendor.

Replace carpet at Police Department **\$122,150**

The San Luis Police Station carpet needs to be replaced due to age. This project is considering replacing the worthy carpet with a new tile.

Roof repair at Police Department **\$151,000**

The roof needs to be repaired.

Total: \$4,953,960



Parks Requests

Itemized Requests for 2024-2028

2022 Ram 5500 Chassis Cab **\$103,502**

The Parks Grounds Department would like to request a 2023 Ram 5500 Chassis Cab for the upcoming fiscal year. This vehicle is highly necessary due to the heavy loads and for towing. At the moment, the Parks Grounds Department does not have this...

4wd Sub-Compact Tractor **\$71,967**

With the rapid growth of the City and with the demand of well kept parks and green areas, the Parks Grounds Department is in need of maintenance equipment. The purchase of four tractors will greatly benefit the Department in being able to better...

Carryover East San Luis Community Park **\$13,000,000**

Budget request to continue with the construction of the Community Park in East San Luis, where the City has been growing in recent years.

Carryover San Luis Veterans Memorial Park **\$1,500,000**

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

John Deere Z920M Trak Tractor **\$46,978**

The Parks Grounds Department would like to request a new John Deere lawn mower for Fiscal Year 2024. This lawn mower would be an additional to their current equipment. Due to the rapid growth of the City, staff needs equipment to be able to fully...

Total: \$14,722,447

Cultural Center Requests

Itemized Requests for 2024-2028

Vinyl replacement/Stage Flooring **\$66,444**

This project will replace the vinyl floor at the entrance, multipurpose room and stage of the Cesar Chavez Cultural Center.

Total: \$66,444

Facilities Requests

Itemized Requests for 2024-2028

FIVE TON UNITS FOR CITY BUILDINGS **\$71,554**

A/C units are needed to be replaced when and as needed.

Total: \$71,554



Wastewater Operations Requests

Itemized Requests for 2024-2028

ARPA % - West Wastewater Treatment Plant Expansion Construction (Inc. Building & FM) \$24,000,000

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.

ARPA - West Wastewater Treatment Plant Expansion Design \$1,250,000

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...

Carryover - Safety Improvements East WWTP (Block Wall and Automatic Gates) \$70,000

Continuing from FY 2023, this project provides for needed safety improvements at the East Wastewater Treatment Plant (WWTP, to include a block wall and new automatic opening and closing of gates. Completion of this requirement will improve both...

Carryover -East WWTP Improvement - Huber Screens \$335,294

Huber Screens to prevent operational maintenance issues. The fine screens are large pieces of equipment that will be needed for the upcoming improvement project at the East Wastewater Treatment Plant.

Carryover- ARPA East Wastewater improvement \$1,300,000

The East Wastewater Treatment Plan Improvements and expansion project is needed to expand capacity of the plan and be prepared to receive additional sewer flow at the time the West Plan begins with the expansion.

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 increase its current treatment capacity...

EWWTTP Improvements (Headworks, C. Chamber, FM, CL Tank) \$250,000

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...

Wastewater Operations, Manhole repairs and replacements and Carryover \$1,120,000

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...

Wastewater Operations, Supervisor Control and Data Acquisition (SCADA) system for automated controlling of wastewater treatment and collection system \$360,000

Public Works is requesting funding for the purchase of a Supervisor Control and Data Acquisition (SCADA) system for automated control of wastewater treatment and collection systems. The SCADA system will include software, hardware, actuators, and...

Wastewater Operations, Variable Frequency Drive logic board for the blower system at the west wastewater treatment plant \$13,500

Wastewater Operations Division is requesting funding for a Variable Frequency Drive (VFD)logic board for the blower system at the West Wastewater treatment plant.

Wastewater Radio System Upgrade \$40,000

This project will improve the communication system in the wastewater department between supervisors and operators.

Total: \$29,738,794



Fleet Services Requests

Itemized Requests for 2024-2028

Carryover New Fleet Services Shop Building	\$265,000
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This project will complete the construction of a New Fleet Services Shop facility.

Total: \$265,000

Solid Waste Requests

Itemized Requests for 2024-2028

New Solid Waste Side Loader Truck	\$1,000,000
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Solid waste truck replacements

Rebuild 2015 Scorpion	\$250,000
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Retrofit side loader with new packing system

Retrofit Ex-truck with Rear loader	\$200,000
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FY23 week of 2/23/23 vendor explained retrofit may not work.

Solid Waste Radio System Upgrade	\$25,000
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The project will upgrade the communication system used between supervisors and operators in a daily operations.

Total: \$1,475,000

Information Technology Requests

Itemized Requests for 2024-2028

Communication Tower	\$230,000
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The communication tower will be constructed on the east side of the city and is needed to communicate with the new city building, especially the public safety (police, fire and ambulance departments).

Total: \$230,000

Recreation Requests

Itemized Requests for 2024-2028

Continuation of Recreation Building Expansion	\$95,000
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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...

Total: \$95,000



Municipal Pool Requests

Itemized Requests for 2024-2028

Re-decking & Re-plastering of Municipal Pool	\$250,000
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In Fiscal Year 2023, staff was going to work on the re-decking & re-plastering of the Municipal Pool. This project was taken to City Council and it was approved for \$250,000. Due to the amount of the project, it was decided that it would be...

Total: \$250,000

City Administration Requests

Itemized Requests for 2024-2028

City Hall Building Expansion	\$130,000
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Expansion City Hall

City Hall Reconfiguration for East and West Wings	\$80,000
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Reconfiguration cubicles PW Admin area

Exterior paint and repair of City Hall	\$38,000
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Exterior paint and repair of City Hall. It will include stucco crack repair; paint with elastomeric exterior paint; painting doors and windows trim with acrylic paint. (Does not include the overhang)

Roof repair at City Hall	\$230,000
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The roof at City Hall needs to be repaired.

Total: \$478,000



Street Repairs & Maintenance Requests

Itemized Requests for 2024-2028

10th Avenue & Los Alamos Curve Project	\$1,699,432
10th Ave & Los Alamos Curve Project	
6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Construction	\$3,000,000
New roadway Note: additional work to include relocation of 3-4 manholes Culver crossing for east main canal and at main drain	
6th Avenue extension north, from Union Street to Co. 22nd Street Roadway Design	\$200,000
Roadway capacity improvement	
6th Avenue Repaving - U Street to Cesar Chavez Blvd Roadway Project	\$850,000
Repaving of failed pavement	
Additional Street Lighting Riedel Plaza, Sidewinder Road, 10th Ave from CS Blvd to Co 22 and Co 22nf from 10th Ave to HWY 95	\$50,000
Additional Street Lighting Riedel Plaza, Sidewinder Road, 10th Ave from CS Blvd to Co 22 and Co 22nf from 10th Ave to HWY 95	
ARPA - Carryover Street Lights 6th Ave	\$40,000
Additional street lights on Ave 6th.	
ARPA - Co. 24th St - Ave H to Ave F1/2 Roadway Project (Between 10th Ave and Ave F1/2)	\$479,000
22,000.00 Co. 22nd and 4th Ave - added 479,000.00 ARPA Co. 24th Ave H to Ave F 1/2 50,000.00 Additional Street Lighting Riedel Plaza, Sidewinder Road, 10th Ave from CS Blvd to Co 22 and Co 22nf from 10th Ave to HWY 95 270,000.00 Co...	
Co. 22nd and 4th Ave Intersection and signal improvements	\$600,000
Currently Co. 22nd street and 4th avenue intersection experiences terrible traffic during peak hours due to no traffic signal, less than adequate turn lanes, and turn pockets. The improvements will greatly enhance resident experience on these...	
Co. 22nd St. between Sidewinder Rd. & Main St. Roadway Widening Design and Construction	\$2,500,000
Roadway capacity improvement	
Co. 24th St. Pavement Project - between 10th Ave. & Ave. F½	\$300,000
New roadway Hurf Exchange Remainder of work for project completion and installation of APS street lights	
CO. 24th Street -Land Condemnation	\$350,000
Land Acquisition for the Cesar Chavez Project Widening	
F Street Widening Design (between Cesar Chavez Blvd and San Luis Lane) - Design & Right-of-Way	\$1,270,000
FY23 - Design & R/W - This project (design & right-of-way portion) provides for fulfillment of the City of San Luis' funding responsibility for the full roadway width required by the City's Public Works Standards. FY24-FY25 - Ave...	
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	\$550,000
This project is required to improve traffic safety and vehicular flow at this targeted intersection. If warranted by ongoing traffic study.	



POE 1 Expansion Warranted Downtown Circulation Improvements, Design and Construction	\$700,000
Roadway circulation improvement Traffic Signal on B & Main + other impts.	
Reoccurring Pavement Preservation Program	\$1,500,000
Reoccurring pavement preservation. Surface treatment.	
Sidewinder Road & Co. 22nd Street Intersection Widening and Traffic Signal Improvement Phase I and Phase II	\$930,000
Currently Sidewinder Road & Co. 22nd Street Intersection experiences terrible traffic during peak hours. Phase I: \$170k for Widening Phase II: \$700k for traffic signals	
Street Sweeper	\$295,000
New Street Sweeper	
Union Street and 4th Avenue intersection and Traffic Signal Improvements	\$1,500,000
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 accidents.	
US95 Co 201/2 St to Co 22nd St Raised Median	\$128,903
ADOT HSIP - US95 Co 20/12 st to Co 22nd St, Raised Median	
Total: \$17,042,335	

Ambulance Service Requests

Itemized Requests for 2024-2028	
Ambulance 1 MVS 170"	\$233,591
New Ambulance Medix Speciality Vehicle Type 1 MVS 170" Ford F-450 4X Diesel Power Chasis, Two Doors Standard Cab.	
Total: \$233,591	

PW Administration Requests

Itemized Requests for 2024-2028	
New Public Works & HU Office Design and construction	\$3,650,000
This project provides a new 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 storage, traffic...	
Total: \$3,650,000	

Water Operation Requests

Itemized Requests for 2024-2028

Abandon Well Sites 1 and 2	\$50,000
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...	
Entrance Gate for Public Works Yard	\$330,000
Entrance and block wall	
New Water Main Loop - San Luis Lane and Avenue D	\$150,000
Water system improvement	
Water Operations Radio System Upgrade	\$20,000
Communication system improvements	
Water Operations, Horizontal split case pump for well site 7	\$70,000
Water Operations Division is requesting funding for the purchase of a horizontal split case pump for well site 7. The current pump needs to be replaced.	
Water Operations, Hydro vacuum excavator for digging near existing powerlines and other underground utilities	\$82,000
Water Operations Division is requesting a hydro vacuum excavator for digging near existing powerlines and other underground utilities. Hand digging near underground utilities is dangerous and time consuming. A new hydro vacuum excavator will allow...	
Water Operations, Pressure reducing valves for three locations within the water distribution system	\$70,000
Water Operations Division is requesting funding for the purchase of pressure reducing valves for three locations within the water distribution system. The pressure reducing valves will allow for control of pressure in low elevation areas within...	
Water Operations, Supervisor Control and Data Acquisition (SCADA) system for automated controlling of water treatment and distribution system	\$360,000
Water Operations Division is requesting funding for the purchase of a Supervisor Control and Data Acquisition (SCADA) system for automated control of water treatment and distribution systems. The SCADA system will include software, hardware,...	
Water Tank Storage Rehabilitation and Repairs Tank 6 and 7	\$2,000,000
Design: includes inspections, special testing, project design, and construction administration	
Water Treatment process change, Sodium hypochlorite chlorination at four well sites	\$393,500
Water Operations Division is requesting funding for the purchase and installation of new equipment to change from granular water treatment to liquid sodium hypochlorite treatment. This will make water treatment more effective.	
Well Site 3 - Entire Electrical Upgrade	\$150,000
The electrical and electronic components at this location need to be replaced with upgraded materials and components.	
Well Site 5 - New Million Gallon Storage Tank	\$1,500,000
Water system improvement	
Well Site 5, Well, MTU, Filters	\$3,100,000
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 1 M Gallon Storage Tank and Booster Pumps and Electrical	\$2,300,000
system improvements	



Well Site 7 - New Groundwater Well and MTU

\$3,000,000

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: \$13,575,500



REVENUE SUMMARY



Revenues Summary

In Fiscal Year 2024, the City of San Luis is poised to achieve significant financial growth, with estimated total revenues projected to reach \$133.4 million. This represents an impressive 31 percent increase compared to the previous year's budget estimate of \$101.7 million. It's worth noting that a substantial portion of these FY 2024 revenues, approximately \$22.2 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 2024 revenue sources still demonstrate a robust 12 percent increase above the FY 2023 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 concern is the significant decline in new home construction activity within the city. Residential building permits have dropped by a staggering 94% compared to FY 2020 and FY 2021. For perspective, there were 374 building permits issued in FY 2021, a stark contrast to the 193 permits

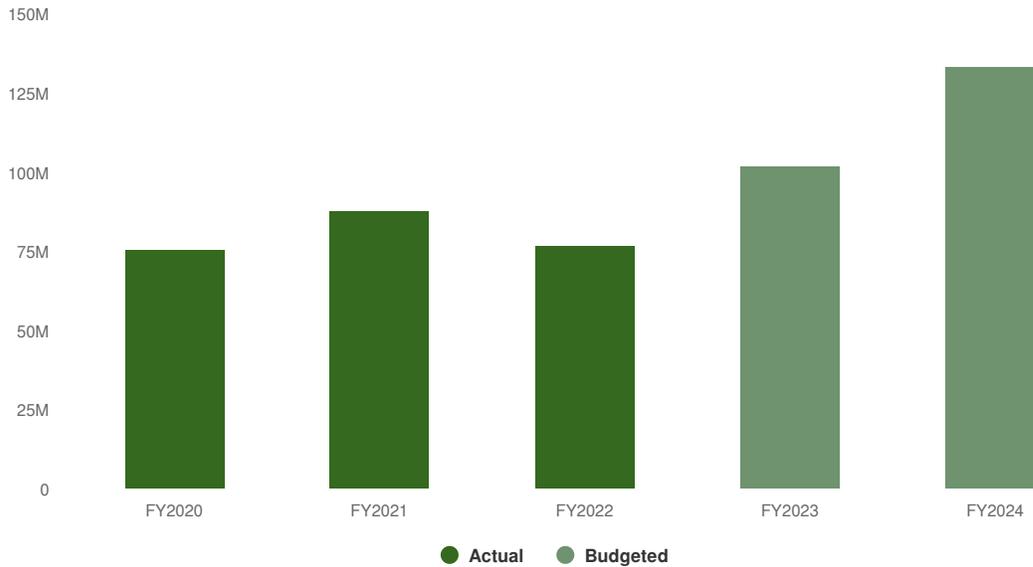


issued in FY 2022.

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.

\$133,452,350 **\$31,723,509**
(31.18% vs. prior year)

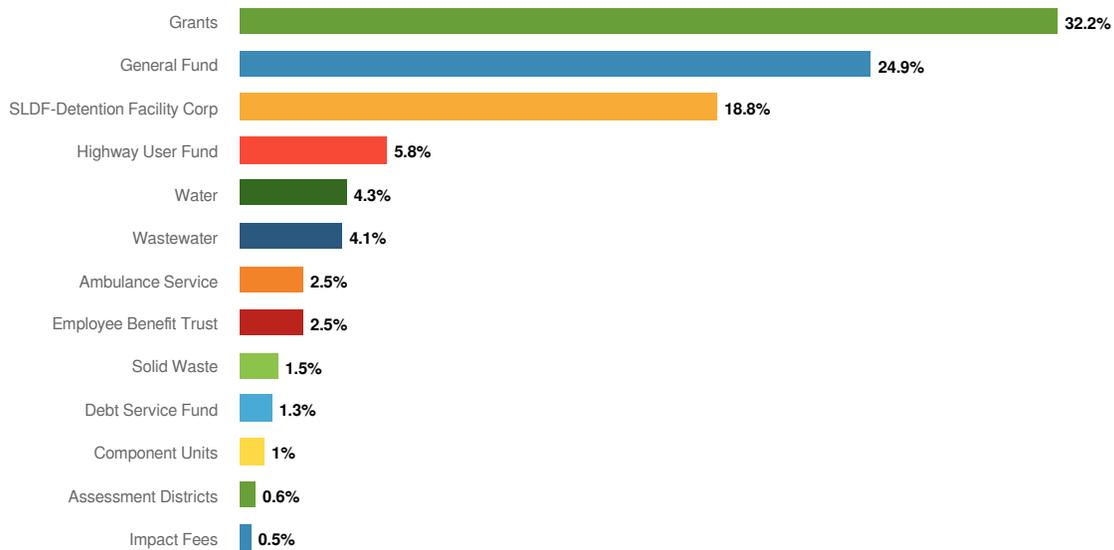
Revenues Summary Proposed and Historical Budget vs. Actual



Revenue by Fund

While the General Fund typically stands as the primary revenue source, a notable shift is observed in FY 2024, where Grants revenue takes the lead. This shift can be attributed to a confluence of ARPA (American Rescue Plan Act), Federal, and state grants. In particular, a significant grant of \$33 million has been awarded to fund the construction of Cesar Chavez Boulevard, which is the driving force behind this surge in grant revenue. It's crucial to note that the San Luis Detention Facility, although distinct from the City, is included in our financial information for comprehensive reporting purposes and contributes substantially, representing 18.8% of the total revenue budget. The HURF Fund represents 5.8% of our revenue, and the combined Enterprise Funds contribute 13.3% to our revenue streams. These elements collectively contribute to the diverse revenue portfolio that sustains the City's fiscal health. See chart below.

2024 Revenue by Fund



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
General Fund						
Taxes	\$12,576,248	\$12,431,186	\$12,945,550	\$13,326,824	\$13,929,380	7.6%
Intergovernmental	\$10,934,342	\$11,432,034	\$13,850,000	\$14,508,169	\$17,789,274	28.4%
Licenses & Permits	\$1,026,519	\$739,853	\$780,240	\$742,903	\$726,830	-6.8%
Other Revenue	\$255,587	\$119,304	\$77,900	\$62,119	\$62,000	-20.4%
Charges For Services	\$12,303	\$70,020	\$44,650	\$55,758	\$55,740	24.8%
Rent	\$23,232	\$170,233	\$503,300	\$303,497	\$173,300	-65.6%
Fines & Forfeits	\$232,247	\$259,621	\$198,740	\$247,388	\$244,600	23.1%
Interest Revenue	\$14,201	\$44,538	\$16,100	\$574,779	\$250,000	1,452.8%
Total General Fund:	\$25,074,679	\$25,266,789	\$28,416,480	\$29,821,437	\$33,231,124	16.9%
Highway User Fund						
Other Revenue	\$370	\$37,442	\$0	\$300		N/A
Impact Fees	\$697,642	\$473,868	\$406,800	\$403,868	\$406,800	0%
Interest Revenue	\$801	\$6,325	\$1,550	\$182,417	\$75,000	4,738.7%
HURF - Special Revenues	\$3,144,848	\$3,376,414	\$3,600,000	\$3,496,804	\$3,804,400	5.7%
Other Financing Sources	\$0	\$149,178	\$1,848,685	\$0	\$3,477,320	88.1%
Total Highway User Fund:	\$3,843,660	\$4,043,227	\$5,857,035	\$4,083,389	\$7,763,520	32.6%
Grants						
Special Rev - Public Safety						
Intergovernmental	\$32,442	\$199,801	\$210,000	\$216,668	\$220,000	4.8%
Other Revenue	\$3,287,928	\$616,213	\$1,988,673	\$394,663	\$1,790,000	-10%
Charges For Services	\$32,639	\$46,752	\$83,000	\$72,987	\$100,000	20.5%
Fines & Forfeits	\$754	\$5,676	\$4,000	\$6,217		N/A
Total Special Rev - Public Safety:	\$3,353,764	\$868,442	\$2,285,673	\$690,536	\$2,110,000	-7.7%
Special Rev - Comm Development						
Other Revenue	\$690,864	\$1,184,180	\$15,446,461	\$1,226,224	\$39,474,017	155.6%
Other Financing Sources	\$149,496	\$143,556	\$2,978,712	\$0	\$1,368,506	-54.1%



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Total Special Rev - Comm Development:	\$840,360	\$1,327,736	\$18,425,173	\$1,226,224	\$40,842,523	121.7%
Judicial Collection Enhancement						
Fines & Forfeits	\$84,579	\$76,930	\$73,200	\$78,027	\$73,200	0%
Total Judicial Collection Enhancement:	\$84,579	\$76,930	\$73,200	\$78,027	\$73,200	0%
Total Grants:	\$4,278,703	\$2,273,108	\$20,784,046	\$1,994,786	\$43,025,723	107%
Employee Benefit Trust						
Other Revenue	\$2,910,870	\$2,962,414	\$3,070,010	\$3,031,564	\$3,339,900	8.8%
Interest Revenue	\$4,196	\$4,205	\$4,300	\$3,184	\$4,300	0%
Total Employee Benefit Trust:	\$2,915,066	\$2,966,618	\$3,074,310	\$3,034,748	\$3,344,200	8.8%
Water						
Other Revenue	\$1,706,237	\$118,794	\$110,000	\$113,507	\$115,000	4.5%
Charges For Services	\$4,731,885	\$4,628,184	\$4,636,550	\$4,480,004	\$5,265,381	13.6%
Impact Fees	\$211,191	\$129,881	\$128,000	\$135,768	\$131,700	2.9%
Interest Revenue	\$16,480	-\$11,073	\$18,300	\$376,313	\$165,000	801.6%
Total Water:	\$6,665,793	\$4,865,786	\$4,892,850	\$5,105,591	\$5,677,081	16%
Wastewater						
Other Revenue	\$1,012,452	\$7,064	\$1,000	\$0		N/A
Charges For Services	\$4,186,496	\$4,252,663	\$4,232,100	\$4,290,491	\$5,143,978	21.5%
Impact Fees	\$338,040	\$207,308	\$197,000	\$214,775	\$201,100	2.1%
Interest Revenue	\$6,384	\$17,010	\$7,860	\$217,403	\$95,000	1,108.7%
Total Wastewater:	\$5,543,373	\$4,484,045	\$4,437,960	\$4,722,668	\$5,440,078	22.6%
Solid Waste						
Other Revenue	\$41,750	\$35,530	\$38,000	\$22,860	\$38,000	0%
Charges For Services	\$1,537,743	\$1,605,233	\$1,601,000	\$1,631,601	\$1,966,609	22.8%
Total Solid Waste:	\$1,579,493	\$1,640,763	\$1,639,000	\$1,654,461	\$2,004,609	22.3%
Ambulance Service						
Other Revenue	\$17,014	\$1,003	\$0	\$2,958		N/A
Charges For Services	\$2,347,516	\$2,428,820	\$3,275,420	\$2,146,326	\$3,350,000	2.3%
Other Financing Sources	\$345,344	\$0	\$0	\$0		N/A
Total Ambulance Service:	\$2,709,874	\$2,429,824	\$3,275,420	\$2,149,284	\$3,350,000	2.3%
SLDF-Detention Facility Corp						
Other Revenue	\$23,027,290	\$25,263,660	\$25,000,000	\$23,277,850	\$25,000,000	0%
Interest Revenue	\$859	\$2,476	\$400	\$100,000	\$100,000	24,900%

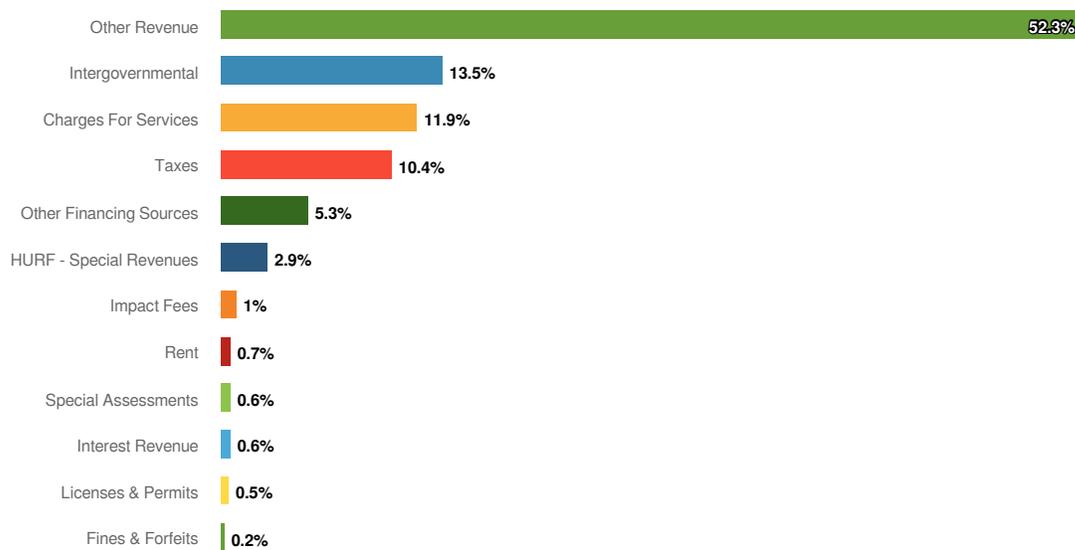
Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Total SLDF-Detention Facility Corp:	\$23,028,149	\$25,266,135	\$25,000,400	\$23,377,850	\$25,100,000	0.4%
Debt Service Fund						
Other Revenue	\$0	\$28	\$0	\$0		N/A
Interest Revenue	\$286	\$5,849	\$400	\$163,554	\$100,000	24,900%
Other Financing Sources	\$9,395,392	\$1,640,331	\$1,629,630	\$0	\$1,647,100	1.1%
Total Debt Service Fund:	\$9,395,678	\$1,646,208	\$1,630,030	\$163,554	\$1,747,100	7.2%
Impact Fees						
Other Revenue	\$0	\$7	\$0	\$0		N/A
Impact Fees	\$866,398	\$601,513	\$799,560	\$501,794	\$603,000	-24.6%
Interest Revenue	\$3,634	\$7,580	\$4,470	\$94,143		N/A
Other Financing Sources	\$508,980	\$0	\$0	\$0		N/A
Total Impact Fees:	\$1,379,012	\$609,100	\$804,030	\$595,937	\$603,000	-25%
Assessment Districts						
Special Assessments	\$488,533	\$584,632	\$642,640	\$452,992	\$826,270	28.6%
Total Assessment Districts:	\$488,533	\$584,632	\$642,640	\$452,992	\$826,270	28.6%
Component Units						
SL Community Facilities District						
Rent	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	0%
Total SL Community Facilities District:	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	0%
Business Incubator						
Other Revenue	\$2,031	\$3,271	\$2,450	\$2,280	\$2,300	-6.1%
Rent	\$41,812	\$86,805	\$92,500	\$85,352	\$121,869	31.8%
Total Business Incubator:	\$43,843	\$90,076	\$94,950	\$87,632	\$124,169	30.8%
Business Center						
Other Revenue	\$0	\$98,723	\$0	\$0		N/A
Rent	\$600,000	\$534,673	\$600,000	\$600,000	\$600,000	0%
Interest Revenue	\$127	\$318	\$300	\$500	\$300	0%
Other Financing Sources	\$0	\$0	\$576,890	\$0	\$612,676	6.2%
Total Business Center:	\$600,127	\$633,713	\$1,177,190	\$600,500	\$1,212,976	3%
Total Component Units:	\$646,470	\$726,289	\$1,274,640	\$690,632	\$1,339,645	5.1%
Total:	\$87,548,484	\$76,802,525	\$101,728,841	\$77,847,328	\$133,452,350	31.2%



Revenues by Source

City revenues can be classified into ten major sources, as illustrated in the accompanying graph. The largest percentage of revenue, estimated at \$69.8 million or 52.3% of total revenues, comes from Other Revenue, primarily consisting of grants and the San Luis Detention Revenue, primarily consisting of grants and the San Luis Detention revenues. The San Luis Detention Facility is a separate component of the City. The \$25 million proceeds of the SLDF are solely for the operations of this facility. Grant Revenue is also included in the other revenue accounts totaling \$43 million, accounting for 32% of the city-wide revenue. However, it is essential to note that the atypical spike in grant revenue observed in the past two years is unlikely to persist. The three consistently high revenue sources are intergovernmental revenue, accounting for 13.5%, city sales tax, representing 10.4% and charges for services at 11.9%, which includes ambulance service fees and utility service fees. These critical revenue sources will be explored in greater detail in the subsequent sections.

Projected 2024 Revenues by Source



Intergovernmental- State Shared Revenue

State Shared revenues represent a significant component of the City's Intergovernmental Revenue. For FY 2024, we anticipate \$21.6 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, Peoria'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.

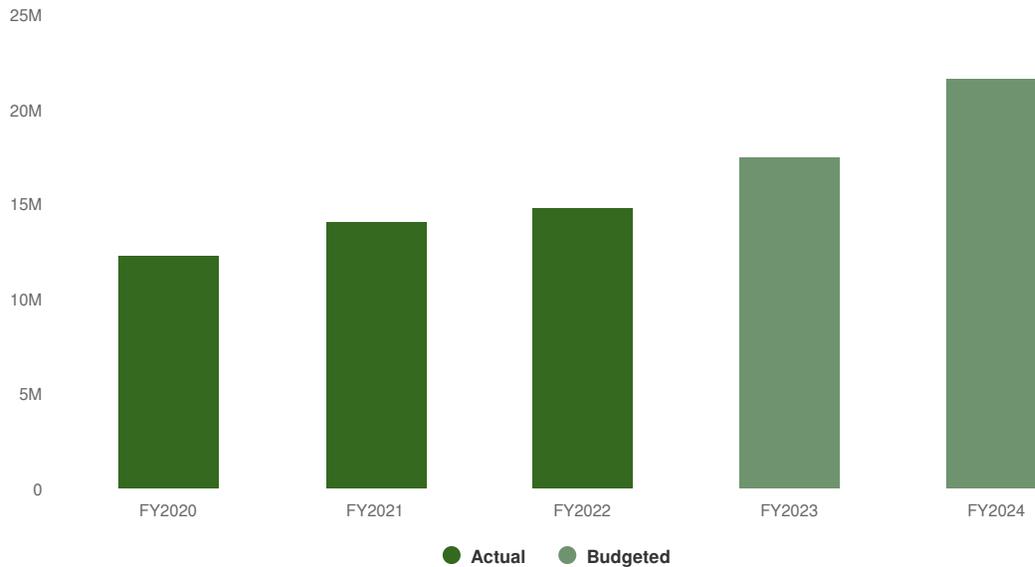
Collectively, these first three State Shared sources constitute over 43% of the General Fund operating budget, making them versatile resources that can support various general government activities. In contrast, HURF revenues are exclusively earmarked for street and highway-related purposes, including 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 2024, we have budgeted \$17.8 million in State Shared revenues for the General Fund, representing a noteworthy 28% increase compared to the FY 2023 budget estimate of \$13.8 million. It's important to note that the estimate for Urban Revenue Sharing is influenced by state income tax collections from two years prior. The pandemic-induced delay in the deadline for 2019 taxes, which was pushed to July 2020, shifted income tax sharing with the City from FY 2022 to FY 2023. This unique event explains the estimated decrease in urban revenue sharing in FY 2022 and the subsequent surge in collections for FY 2023 and FY 2024.

Looking ahead, the Fiscal Year 2024 projection for HURF revenues stands at \$3.8 million, marking a 6% increase compared to the previous year's budget estimate of \$3.6 million. These revenues are critical for sustaining and enhancing our city's transportation infrastructure.

\$21,593,674 **\$4,143,674**
 (23.75% vs. prior year)

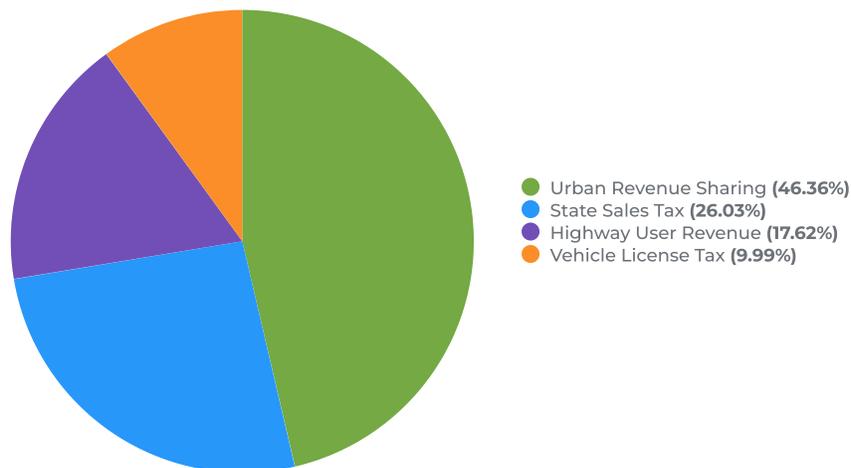
State Shared Revenues Proposed and Historical Budget vs. Actual



State Shared Revenue by Category

Intergovernmental revenues represent one of the major revenue sources for the city at 16% of total revenues and are estimated at \$21.6 million for fiscal year 2023-24. 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 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.

TPT revenues, a significant revenue stream, constitute one of the City's three largest sources of income, accounting for approximately 10.4% of the total revenue city wide, and 34% of the total General Fund revenues. The City sales tax revenue plays a vital role in funding general government operations and servicing debt obligations.

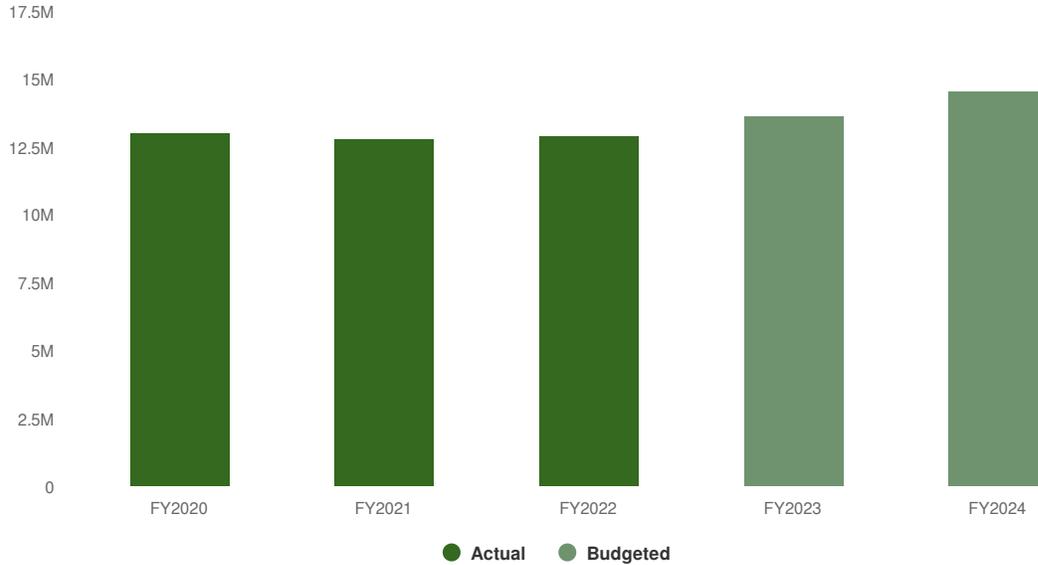
In shaping its financial planning, the City relies on historical collection trends while incorporating forecasting methods based on recent business trends and global events. The community has experienced robust growth, partially attributed to population increases, leading to growth in other tax revenue categories, such as retail and restaurant & bar revenue. Given the favorable economic conditions, the City has allocated a budget of \$14.6 million, signifying a 6.8% increase over the projected revenues for fiscal year 2022-23.

\$14,597,280

\$933,590

(6.83% vs. prior year)

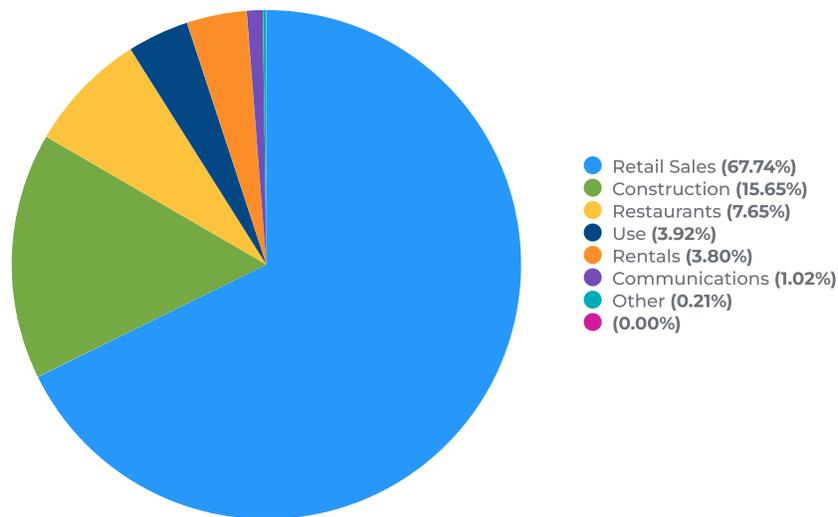
Sales Tax Proposed and Historical Budget vs. Actual



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



Grant Revenue–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.

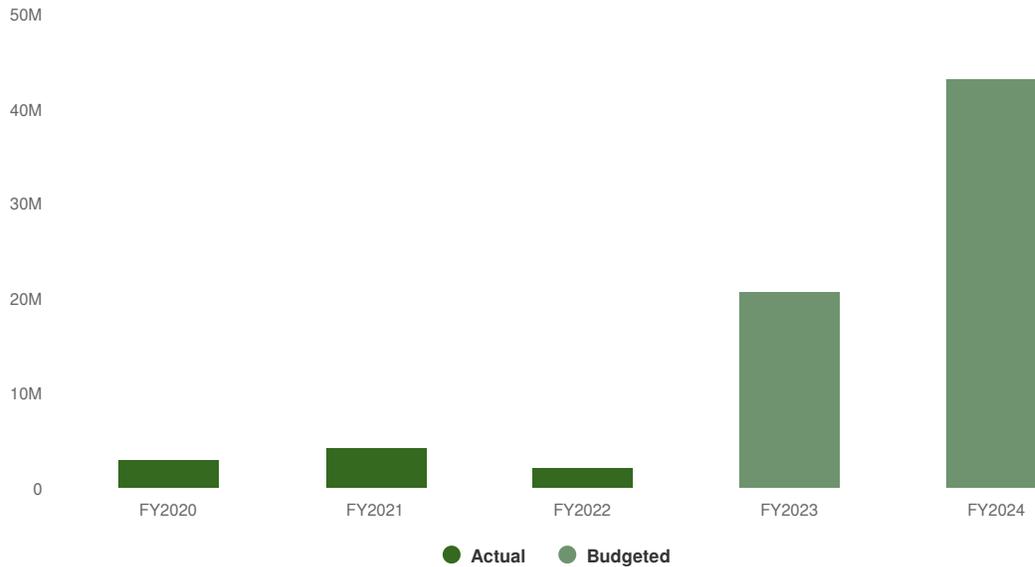
It's essential to recognize that grant revenue is characterized by its non-recurring nature and susceptibility to annual fluctuations. These revenues are designated exclusively for the purposes stipulated in the approved grant agreements and must adhere to the expenditure guidelines set by the grantors. 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 \$43,025,723, with a notable \$7.7 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. Additionally, in FY 2024, we intend to allocate \$27.3 million of the \$33 million in grants received towards the expansion of Cesar Chavez Boulevard, alongside other CDBG grants and OPSG Grants. The grant revenue represents 32% of the City wide revenue sources.

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 2024), we project a total revenue of \$210,000 from this reliable source.

\$43,025,723 **\$22,241,677**
 (107.01% vs. prior year)

Grant Revenue-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.

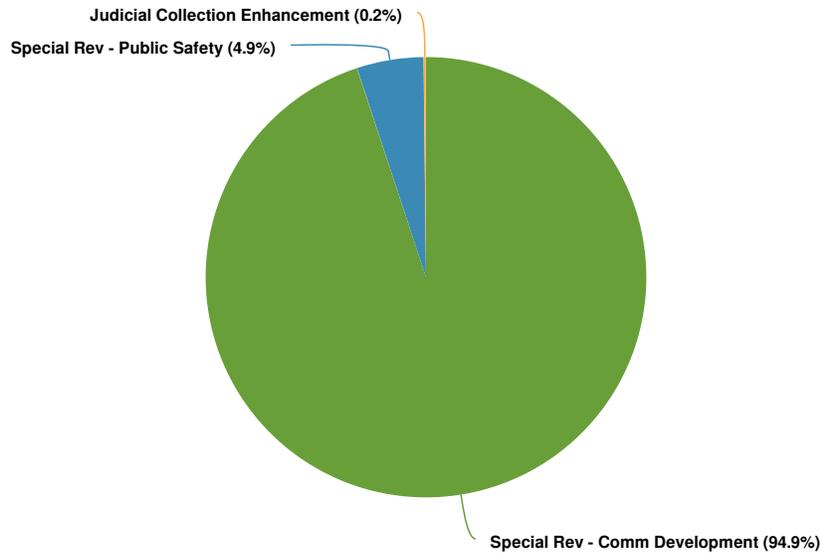


Revenue by Category

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:

2024 Revenue by Category



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Special Rev - Public Safety						
Intergovernmental						
Smart and Safe Arizona Act	\$15,749	\$90,742	\$100,000	\$107,029	\$110,000	10%
Smart and Safe Arizona Act	\$16,694	\$109,059	\$110,000	\$109,639	\$110,000	0%
Total Intergovernmental:	\$32,442	\$199,801	\$210,000	\$216,668	\$220,000	4.8%
Other Revenue						
Grants	\$2,640,179	\$0	\$0	\$0		N/A
Grant ASC - #211447CS01	\$4,180	\$0	\$0	\$0		N/A
Grant GPT - #221447CS012	\$0	\$2,987	\$0	\$0		N/A
Auction Revenues	\$0	\$10,980	\$18,000	\$0		N/A

Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Impound	\$41,885	\$63,408	\$60,000	\$68,657	\$60,000	0%
Grants	\$3,000	\$0	\$1,289,000	\$0	\$788,846	-38.8%
Yuma County Anti-Racketeering Fund	\$0	\$2,767	\$3,000	\$0		N/A
Grant GOHS - DUI - 2020-AL-029	\$8,229	\$0	\$0	\$0		N/A
Grant GOHS - STEP - 2020-PTS-054	\$1,535	\$0	\$0	\$0		N/A
Grant - Yuma County 9-1-1 Administrator (PSAPs)	\$46,535	\$0	\$80,000	\$0		N/A
Grants DOHS-OPSG 190430-01	\$274,491	\$0	\$0	\$0		N/A
Grants DOHS-OPSG 190430-02	\$38,990	\$0	\$0	\$0		N/A
Grant - OAG	\$25,000	\$0	\$0	\$0		N/A
Grant - ICAC Task Force	\$3,310	\$0	\$0	\$0	\$5,000	N/A
Grants DOHS-OPSG 200434-01	\$161,439	\$358,586	\$0	\$0		N/A
Grant GOHS - DUI - 2021-AL-028	\$12,188	\$2,497	\$0	\$0		N/A
Grant GOHS - STEP - 2021-PTS-059	\$16,967	\$1,474	\$0	\$0		N/A
Grant - U.S Department Health & Human Services MOU -CSF	\$10,000	\$10,000	\$10,000	\$0		N/A
Grant - DOHS OPSG 180436-03	\$0	\$31,445	\$0	\$0		N/A
Grant - USMS Service Violent Offender Task Force	\$0	\$11,359	\$10,000	\$3,277	\$13,208	32.1%
Grant GOHS - DUI - 2022-AL-030	\$0	\$7,726	\$3,000	\$7,126		N/A
Grant GOHS - STEP - 2022-PTS-058	\$0	\$12,474	\$4,500	\$4,159		N/A
Grants - DOHS- OPSG 210412-01	\$0	\$97,612	\$511,173	\$261,337	\$915,446	79.1%
Grant GOHS - DUI - 2023-AL-028	\$0	\$0	\$0	\$5,682	\$3,000	N/A
Grant GOHS - STEP - 2023-PTS-055	\$0	\$0	\$0	\$32,325	\$4,500	N/A
Miscellaneous Revenue	\$0	\$2,900	\$0	\$200		N/A
Grants	\$0	\$0	\$0	\$11,900		N/A
Total Other Revenue:	\$3,287,928	\$616,213	\$1,988,673	\$394,663	\$1,790,000	-10%
Charges For Services						
Police Revenue - SRO YUHSD # 70	\$32,639	\$46,752	\$83,000	\$72,987	\$100,000	20.5%
Total Charges For Services:	\$32,639	\$46,752	\$83,000	\$72,987	\$100,000	20.5%
Fines & Forfeits						
Fines, Criminal & Civil Traffic	\$754	\$5,676	\$4,000	\$6,217		N/A
Total Fines & Forfeits:	\$754	\$5,676	\$4,000	\$6,217		N/A
Total Special Rev - Public Safety:	\$3,353,764	\$868,442	\$2,285,673	\$690,536	\$2,110,000	-7.7%
Special Rev - Comm Development						
Other Revenue						
Grants	\$49,760	\$0	\$0	\$0	\$0	0%
Grants	\$0	\$516,121	\$11,097,981	\$0	\$4,890,303	-55.9%
Grants - Census	\$15,000	\$0	\$0	\$0		N/A
Grant - NLC - Local Democracy Grant	\$20,000	\$0	\$0	\$0		N/A



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Grants	\$97,544	\$0	\$410,000	\$0		N/A
Grant ADOH - CDBG 105-20 Senior Center Expansion	\$421,644	\$0	\$0	\$0		N/A
Donation	\$1,000	\$0	\$0	\$4,100		N/A
Donation	\$10,100	\$22,230	\$27,500	\$13,100		N/A
Grant - U.S Department Health & Human Services MOU -CSF	\$20,000	\$0	\$20,000	\$10,000		N/A
Donation	\$1,947	\$14,323	\$14,050	\$16,816	\$16,044	14.2%
Donations - Non Fed In Kind	\$0	\$0	\$3,000	\$0		N/A
Donation - Non Fed Cash	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	0%
Grants	\$47,870	\$89,079	\$115,100	\$82,243	\$107,096	-7%
Grants	\$0	\$56,304	\$2,619,615	\$104,395	\$27,320,210	942.9%
Grant ADOT - Juan Sanchez Blvd Overly					\$3,987,435	N/A
Grant ADOH - CDBG 103-17 Merrill Street Improvements	\$0	\$0	\$0	\$0	\$496,929	N/A
Grant ADOH - CDBG 114-18 Merrill Street Improvements Phase II	\$0	\$0	\$0	\$0	\$500,000	N/A
Grant ADOH - CDBG 113-20 Ranch Los Oros Improvements	\$0	\$0	\$500,000	\$0	\$2,150,000	330%
Grant ADOT - MPD - ESP -Magrino Parks Subdivision 3	\$0	\$473,393	\$0	\$0		N/A
Grant CDBG Mesa Street	\$0	\$0	\$626,215	\$626,215		N/A
Grant State of Az - DTA HURF Exchange	\$0	\$0	\$0	\$363,355		N/A
Grants	\$0	\$6,731	\$7,000	\$0		N/A
Total Other Revenue:	\$690,864	\$1,184,180	\$15,446,461	\$1,226,224	\$39,474,017	155.6%
Other Financing Sources						
Transfer In	\$123,503	\$0	\$0	\$0		N/A
Transfer In	\$25,992	\$143,556	\$2,978,712	\$0	\$1,368,506	-54.1%
Total Other Financing Sources:	\$149,496	\$143,556	\$2,978,712	\$0	\$1,368,506	-54.1%
Total Special Rev - Comm Development:	\$840,360	\$1,327,736	\$18,425,173	\$1,226,224	\$40,842,523	121.7%
Judicial Collection Enhancement						
Fines & Forfeits						
J C E F Collections Revenue	\$6,125	\$6,559	\$6,200	\$6,193	\$6,200	0%
San Luis Court Enhancement	\$33,938	\$40,250	\$36,000	\$43,352	\$36,000	0%
Fill The Gap Funds	\$2,941	\$2,243	\$2,500	\$1,831	\$2,500	0%
Default Fees	\$27,455	\$20,161	\$21,000	\$20,184	\$21,000	0%
Warrant Fees	\$13,627	\$7,270	\$6,600	\$6,467	\$6,600	0%
San Luis Municipal Court Fare	\$494	\$446	\$900	\$0	\$900	0%
Total Fines & Forfeits:	\$84,579	\$76,930	\$73,200	\$78,027	\$73,200	0%
Total Judicial Collection Enhancement:	\$84,579	\$76,930	\$73,200	\$78,027	\$73,200	0%
Total:	\$4,278,703	\$2,273,108	\$20,784,046	\$1,994,786	\$43,025,723	107%



Charges for Services

These revenues encompass a range of sources, including user fees, capacity connection charges, medical transportation services, and miscellaneous charges, and they are systematically accounted for in our Enterprise Funds. Notably, the revenue projected from charges for services is \$16.5 million for FY 2024, \$2.2 million more than last year, representing a 15.6% increase. Below, we outline the primary revenue sources within this category:

Water Utility Revenue –The primary source of revenue for our water utility stems from user fees for water services. Additionally, this fund encompasses charges related to new service installations, new meter installations, disconnect/reconnect services, and meter inspections. However, the cornerstone of our water utility revenue is the water utility fee. To ensure that these user fees adequately 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 in turn 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 27th, 2023. This rate adjustment will be followed by an average annual increase of 2% over the next five years. As a result, we anticipate an increase in water revenues to \$5.7 million in FY 2024, marking a substantial 16% growth compared to the prior year.

Wastewater Utility Revenue: Our wastewater utility revenues predominantly originate from user fees associated with wastewater collection and treatment services. Residential customers are charged a base fee, while commercial and school customers pay a base fee in addition to charges based on consumption. All revenue generated from wastewater utilities is allocated to the City's Wastewater Operating Fund, supporting 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 from April 27th, 2023, with an average annual increase of 10% anticipated over the next five years. This rate adjustment, coupled with modest residential account growth, is expected to raise wastewater revenues to \$5.4 million in FY 2024, reflecting a noteworthy 23% increase from the previous 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 elevate solid waste revenues to \$2 million in FY 2024, representing a substantial 22% increase compared to the prior year.

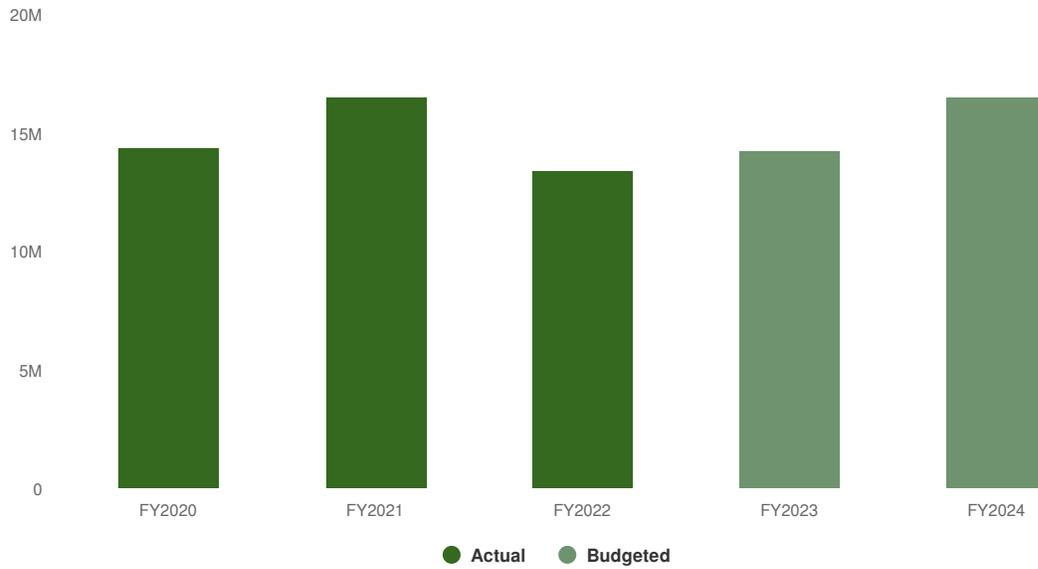


Ambulance Services Revenue: The City plays a pivotal role in offering emergency medical transportation services within the San Luis area, operated by the City of San Luis Fire Department. This division oversees the operation of three full-time emergency response ambulances. Revenues collected from ambulance services are directed to the Ambulance fund, where they are utilized to support operational needs and capital projects associated with this essential service. Notably, the City is nearing completion of a second station, enabling the operation of an additional ambulance to serve the eastern region of the City. For FY 2024, we anticipate a conservative 2% increase in revenues, projecting a total of \$3.3 million to further enhance our emergency medical services.

\$16,471,768 **\$2,226,538**
(15.63% vs. prior year)



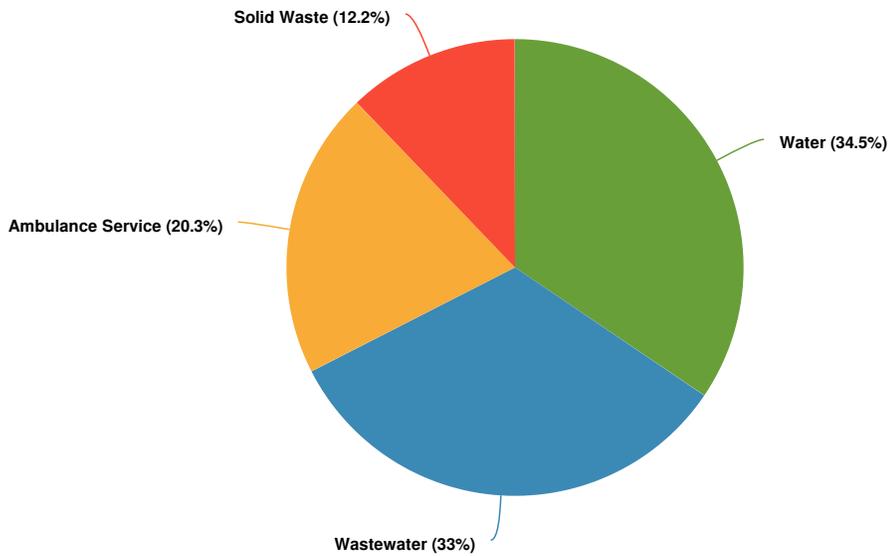
Charges for Services Proposed and Historical Budget vs. Actual



Revenue by Category

The chart below illustrates the categories encompassed within the charge for services revenues:

2024 Charges for Services by Fund 16.5 million



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Water						
Other Revenue						
Auction Revenues	\$0	\$2,200	\$0	\$0		N/A
Miscellaneous Revenue	\$109,038	\$116,275	\$110,000	\$113,507	\$115,000	4.5%
Over/Short	-\$6	\$319	\$0	\$0		N/A
Contributed Capital	\$1,597,206	\$0	\$0	\$0		N/A
Total Other Revenue:	\$1,706,237	\$118,794	\$110,000	\$113,507	\$115,000	4.5%
Charges For Services						
Water Sales	\$3,712,536	\$3,663,238	\$3,700,000	\$3,613,814	\$4,222,757	14.1%
Water Sales City Accounts	\$774,972	\$782,223	\$775,000	\$719,060	\$872,574	12.6%
Conversion Fees	\$22	\$32	\$50	\$0	\$50	0%
Water Connection Fees	\$244,355	\$182,691	\$161,500	\$147,130	\$170,000	5.3%
Total Charges For Services:	\$4,731,885	\$4,628,184	\$4,636,550	\$4,480,004	\$5,265,381	13.6%
Impact Fees						
Water Impact Fees R2103 - 12162019	\$211,191	\$9,569	\$0	\$8,128		N/A
Water Impact Fees R2103 - 12162019	\$0	\$120,312	\$128,000	\$127,640	\$131,700	2.9%
Total Impact Fees:	\$211,191	\$129,881	\$128,000	\$135,768	\$131,700	2.9%
Interest Revenue						
Interest Earned	\$16,480	-\$11,073	\$8,300	\$376,313	\$165,000	1,888%
Interest Earned	\$0	\$0	\$10,000	\$0		N/A
Total Interest Revenue:	\$16,480	-\$11,073	\$18,300	\$376,313	\$165,000	801.6%
Total Water:	\$6,665,793	\$4,865,786	\$4,892,850	\$5,105,591	\$5,677,081	16%
Wastewater						
Other Revenue						
Auction Revenues	\$0	\$7,000	\$0	\$0		N/A
Miscellaneous Revenue	\$51	\$64	\$1,000	\$0		N/A
Contributed Capital	\$1,012,402	\$0	\$0	\$0		N/A
Total Other Revenue:	\$1,012,452	\$7,064	\$1,000	\$0		N/A
Charges For Services						
Sewer Sales	\$3,857,474	\$4,013,949	\$4,017,000	\$4,058,144	\$4,873,645	21.3%
Sewer Sales City Accounts	\$43,601	\$28,480	\$32,000	\$21,464	\$27,548	-13.9%
Sewer - Gadsden	\$82,185	\$90,183	\$89,000	\$96,008	\$114,385	28.5%
Surcharge - Gadsden	\$24,682	\$27,130	\$26,800	\$28,847	\$28,700	7.1%
Sewer Connection - Fees	\$164,250	\$87,750	\$63,000	\$80,446	\$93,850	49%
Sewer Connections Fees - Gadsden	\$10,385	\$900	\$0	\$1,080	\$1,350	N/A



Name	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted Budget	FY2023 Projected	FY2024 Adopted Budget	FY2023 Adopted Budget vs. FY2024 Adopted Budget (% Change)
Bad Debt Fees -Gadsden	\$3,920	\$4,271	\$4,300	\$4,503	\$4,500	4.7%
Total Charges For Services:	\$4,186,496	\$4,252,663	\$4,232,100	\$4,290,491	\$5,143,978	21.5%
Impact Fees						
Wastewater Impact Fees R2103 - 12162019	\$338,040	\$4,860	\$0	\$0		N/A
Wastewater Impact Fees R2103 - 12162019	\$0	\$202,448	\$197,000	\$214,775	\$201,100	2.1%
Total Impact Fees:	\$338,040	\$207,308	\$197,000	\$214,775	\$201,100	2.1%
Interest Revenue						
Interest Earned	\$6,384	\$17,010	\$7,860	\$217,403	\$95,000	1,108.7%
Total Interest Revenue:	\$6,384	\$17,010	\$7,860	\$217,403	\$95,000	1,108.7%
Total Wastewater:	\$5,543,373	\$4,484,045	\$4,437,960	\$4,722,668	\$5,440,078	22.6%
Solid Waste						
Other Revenue						
Miscellaneous Revenue	\$41,750	\$35,530	\$38,000	\$22,860	\$38,000	0%
Total Other Revenue:	\$41,750	\$35,530	\$38,000	\$22,860	\$38,000	0%
Charges For Services						
Sanitation Revenues	\$1,483,426	\$1,550,916	\$1,546,000	\$1,577,230	\$1,901,145	23%
Sanitation Revenues City Account	\$54,316	\$54,317	\$55,000	\$54,371	\$65,464	19%
Total Charges For Services:	\$1,537,743	\$1,605,233	\$1,601,000	\$1,631,601	\$1,966,609	22.8%
Total Solid Waste:	\$1,579,493	\$1,640,763	\$1,639,000	\$1,654,461	\$2,004,609	22.3%
Ambulance Service						
Other Revenue						
Miscellaneous Revenue	\$17,014	\$1,003	\$0	\$2,958		N/A
Total Other Revenue:	\$17,014	\$1,003	\$0	\$2,958		N/A
Charges For Services						
Ambulance Revenues	\$4,867,035	\$5,241,367	\$5,039,120	\$2,146,326	\$5,450,000	8.2%
Contra Ambulance Revenues	-\$2,519,519	-\$2,812,547	-\$1,763,700	\$0	-\$2,100,000	19.1%
Total Charges For Services:	\$2,347,516	\$2,428,820	\$3,275,420	\$2,146,326	\$3,350,000	2.3%
Other Financing Sources						
Transfer In	\$345,344	\$0	\$0	\$0		N/A
Total Other Financing Sources:	\$345,344	\$0	\$0	\$0		N/A
Total Ambulance Service:	\$2,709,874	\$2,429,824	\$3,275,420	\$2,149,284	\$3,350,000	2.3%
Total:	\$16,498,533	\$13,420,418	\$14,245,230	\$13,632,004	\$16,471,768	15.6%



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.

Our projections encompass all significant revenue and expenditure estimates, and they also incorporate the operational impact of capital projects. Among the noteworthy elements in our expenditure forecasts is an average 16% increase in salaries for FY 2024. This increase stems from the implementation of recommendations resulting from a comprehensive classification and market salary study, concluded by the end of Fiscal Year 2018. In response to budget constraints, the salary adjustments have been phased in, with full implementation slated for FY 2024. All other areas of expenditure are forecasted conservatively, assuming a 3% annual increase.

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 2023-24 General Fund budget paints a financial landscape in which we anticipate allocating \$1.465 million from the General Fund balance to bridge the gap between revenues and expenditures. It's paramount to reaffirm our commitment to prudent budget management, with any surplus funds allocated primarily for one-time expenditures. This strategic approach safeguards our long-term financial stability.

As we delve into the financial details, it's worth noting that the beginning fund balance for Fiscal Year 2024 is \$27.9 million. Our meticulously crafted financial forecast provides a forward-looking perspective, revealing that by the close of Fiscal Year 2028, the fund balance is projected to be \$12.8 million. This reflects a reduction of \$15.0 million over this three-year period.

In alignment with our overarching financial strategic plan, we are embarking on a strategic path that includes issuing debt totaling \$17 million. This strategic decision is vital to sustain and fortify the city's critical capital infrastructure initiatives tied to our growth and public strategic goals. These objectives encompass expanding our parks, enhancing services for our valued residents, and improving response times by our Public Safety departments. These investments aren't solely for today but are about constructing a thriving and resilient community for the future.

One of the significant challenges on the horizon is the lack of diversity in our revenue sources, as we heavily rely on City sales tax to fund the rapid growth of our city. It has become increasingly critical to explore alternative revenue streams. Notably, the City of San Luis does not levy a property tax. Introducing this additional revenue stream will alleviate the constraints the City currently faces, positioning us in a better place to issue the necessary debt to build the much-needed infrastructure for our community's growth and well-being.

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
General Fund					
Revenues					
Charges For Services	\$ 55,740	\$ 56,855	\$ 57,992	\$ 59,152	\$ 60,335
Debt Proceeds	0	10,500,000	0	6,500,000	0
Fines & Forfeits	244,600	202,715	202,715	202,715	202,715
Interest Revenue	250,000	255,000	260,100	265,302	270,608
Intergovernmental	17,789,274	18,678,738	19,612,675	20,593,308	21,622,974
Licenses & Permits	726,830	741,367	756,194	771,318	786,744
Other Financing Sources	0	0	0	0	0
Other Revenue	62,000	62,620	63,246	63,879	64,517
Rent	173,300	173,300	173,300	173,300	173,300
Taxes	13,929,380	14,625,849	15,357,141	16,124,999	16,931,248
Total Revenues	\$ 33,231,124	\$ 45,296,443	\$ 36,483,363	\$ 44,753,972	\$ 40,112,441
		36.3%	-19.5%	22.7%	-10.4%
Expenditures					
Contingencies	506,450	506,450	506,450	506,450	506,450
Long Term Debt Service	82,460	84,109	85,791	87,507	89,257
Maintenance	2,260,894	2,306,112	2,352,234	2,399,279	2,447,264



Non-Departmental	(4,044,193)	(4,125,077)	(4,207,578)	(4,291,730)	(4,377,565)
Other Financing Sources - Uses	5,866,382	2,316,159	2,430,130	2,548,606	2,671,766
Salaries & Related Expenses	21,706,600	26,047,920	26,829,358	27,634,238	28,463,265
Special Services	5,771,884	5,771,884	5,771,884	5,771,884	5,771,884
Supplies	1,174,007	1,197,487	1,221,437	1,245,866	1,270,783
Total Expenditures	\$ 33,324,484	\$ 34,105,044	\$ 34,989,706	\$ 35,902,100	\$ 36,843,106
		2%	3%	3%	3%
Operation Result	\$ (93,360)	\$ 11,191,399	\$ 1,493,657	\$ 8,851,872	\$ 3,269,335
Capital Items	\$ 1,372,392	\$ 21,622,977	\$ 5,308,933	\$ 7,525,724	\$ 5,416,000
Net Result	\$ (1,465,752)	\$ (10,431,578)	\$ (3,815,276)	\$ 1,326,148	\$ (2,146,665)
Beginning Fund Balance	\$ 29,341,003.00	\$ 27,875,251.00	\$ 17,443,672.74	\$ 13,628,396.87	\$ 14,954,544.41
Ending Fund Balance	\$ 27,875,251.00	\$ 17,443,672.74	\$ 13,628,396.87	\$ 14,954,544.41	\$ 12,807,879.89
Operational Reserves	\$ 11,108,161.33	\$ 11,368,348.05	\$ 11,663,235.25	\$ 11,967,366.76	\$ 12,281,035.31
Ending Fund balance net of reserves	16,767,090	6,075,325	1,965,162	2,987,178	526,845
		-64%	-68%	52%	-82%

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.

To address this fiscal dilemma, our staff is strongly recommending that the city council consider a property tax election to garner support from residents for the necessary growth and infrastructure development that our city urgently requires. The dire need for this financial boost is further accentuated by the imminent design phase completion for the expansion of Cesar Chavez Blvd in FY 2024, with construction expected to commence in FY 2025. The projected cost for this substantial undertaking stands at \$65.6 million, with Yuma County securing a \$33 million grant for its initial phase. It is incumbent upon the city to furnish the remaining funds to ensure the project's timely completion. Notably, the capital outlay expenditure for this endeavor is reflected in the projections outlined below.

Commencing this endeavor with a beginning Fund Balance of \$2 million, our primary focus is to exclusively allocate these resources toward the construction of Cesar Chavez Blvd. As we embark on this ambitious project, our objective is to prudently manage these funds, progressively reducing the balance in the ensuing years, aligning with our commitment to fiscal responsibility and infrastructure development.

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
HURF					
Revenues					
Charges For Services	\$ 406,800	\$ 427,140	\$ 448,497	\$ 470,922	\$ 494,468
Debt Proceeds	0	9,000,000	34,100,000	0	0
HURF - Special Revenues	3,804,400	3,994,620	4,194,351	4,404,069	4,624,272
Interest Revenue	75,000	76,500	78,030	79,591	81,182
Other Financing Sources	3,477,320	0	0	0	0
Other Revenue	0				
Total Revenues	\$ 7,763,520	\$ 13,498,260	\$ 38,820,878	\$ 4,954,581	\$ 5,199,922
		74%	188%	-87%	5%
Expenditures					
Maintenance	326,500	333,030	339,691	346,484	353,414
Non-Departmental	558,037	440,700	440,700	440,700	440,700
Other Financing Sources - Uses	1,239,220	6,800,000			
Salaries & Related Expenses	1,411,430	1,552,573	1,599,150	1,647,125	1,696,538
Special Services	647,110	660,052	673,253	686,718	700,453
Supplies	50,950	51,969	53,008	54,069	55,150
Total Expenditures	\$ 4,233,247	\$ 9,838,324	\$ 3,105,802	\$ 3,175,096	\$ 3,246,255
		132%	-68%	2%	2%
Operation Result	\$ 3,530,273	\$ 3,659,936	\$ 35,715,076	\$ 1,779,485	\$ 1,953,667



Capital Items	\$ 3,196,008	\$ 2,950,000	\$ 36,600,000	\$ 1,900,000	\$ 2,650,000
Net Result	\$ 334,265	\$ 709,936	\$ (884,924)	\$ (120,515)	\$ (696,333)
Beginning Fund Balance	\$ 2,015,649	\$ 2,349,914	\$ 3,059,850	\$ 2,174,925	\$ 2,054,410
Ending Fund Balance	\$ 2,349,914	\$ 3,059,850	\$ 2,174,925	\$ 2,054,410	\$ 1,358,077
Operational Reserves	\$ 1,035,267	\$ 1,076,678	\$ 1,119,745	\$ 1,164,535	\$ 1,211,117
Ending Fund Balance (Less operational reserves)	\$ 1,314,646	\$ 1,983,171	\$ 1,055,180	\$ 889,875	\$ 146,961
		51%	-47%	-16%	-83%



Water, Waste Water and Solid Waste Funds

The Water Fund is poised to undertake significant infrastructure investments in Fiscal Year 2024, 2025, and 2026, with all these substantial outlays being funded through the Water Fund balance. Commencing in Fiscal Year 2024, the fund balance begins at \$12.1 million, and it is expected to reduce to \$6.1 million by Fiscal Year 2028 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 \$25 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 2028, the fund balance for solid waste is anticipated to reach \$607,039, 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 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Water					
Revenues					
Charges For Services	\$ 5,397,081	\$ 5,882,818	\$ 6,059,303	\$ 6,241,082	\$ 6,428,314
Interest Revenue	165,000	169,950	175,049	180,300	185,709
Other Financing Sources	-	-	-	-	-
Other Revenue	115,000	118,450	122,004	125,664	129,434
Total Revenues	\$ 5,677,081	\$ 6,171,218	\$ 6,356,355	\$ 6,547,045	\$ 6,743,457
		9%	3%	3%	3%
Expenditures					
Contingencies	-	-	-	-	-
Long Term Debt Service	825,060	858,062	892,385	928,080	965,204
Maintenance	567,690	579,044	590,625	602,437	614,486
Non-Departmental	1,047,072	1,068,013	1,089,374	1,111,161	1,133,384
Other Financing Sources - Uses	-	-	-	-	-
Salaries & Related Expenses	924,340	1,109,208	1,142,484	1,176,759	1,212,062
Special Services	637,050	649,791	662,787	676,043	689,563
Supplies	374,500	381,990	389,630	397,422	405,371
Total Expenditures	\$ 4,375,712.00	\$ 4,646,108.64	\$ 4,767,284.14	\$ 4,891,902.36	\$ 5,020,069.60
		6%	3%	3%	3%
Operation Result	\$ 1,301,369.00	\$ 1,525,109.65	\$ 1,589,070.70	\$ 1,655,143.12	\$ 1,723,387.24
Capital Items	\$ 6,428,620	\$ 2,680,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Net Result	\$ (5,127,251.00)	\$ (1,154,890.35)	\$ 89,070.70	\$ 155,143.12	\$ 223,387.24
Beginning Fund Balance	12,180,407	7,053,156	5,898,266	5,987,336	6,142,479
Ending Balance	7,053,156	5,898,266	5,987,336	6,142,479	6,365,867



Operational Reserves	1,458,571	1,548,703	1,589,095	1,630,634	1,673,357
Ending Fund Balance net of reserves	\$ 5,594,585.33	\$ 4,349,562.77	\$ 4,398,241.63	\$ 4,511,845.35	\$ 4,692,510.18
		-22%	1%	3%	4%
	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Wastewater					
Revenues					
Charges For Services	\$ 5,345,078	\$ 5,505,430	\$ 5,670,593	\$ 5,840,711	\$ 6,015,932
Debt Proceeds	-	25,000,000	-	-	-
Interest Revenue	95,000	96,900	98,838	100,815	102,831
Other Financing Sources	-	-	-	-	-
Other Revenue	-	-	-	-	-
Total Revenues	\$ 5,440,078	\$ 30,602,330	\$ 5,769,431	\$ 5,941,526	\$ 6,118,763
		463%	-81%	3%	3%
Expenditures					
Long Term Debt Service	991,940	1,031,618	1,072,882	1,650,000	2,300,000
Maintenance	529,990	540,590	551,402	562,430	573,678
Non-Departmental	1,126,620	1,137,886	1,149,265	1,160,758	1,172,365
Other Financing Sources - Uses	-	-	-	-	-
Salaries & Related Expenses	1,441,490	1,729,788	1,781,682	1,835,132	1,890,186
Special Services	1,056,650	1,090,463	1,125,358	1,161,369	1,198,533
Supplies	148,650	151,623	154,655	157,749	160,904
Total Expenditures	\$ 5,295,340	\$ 5,681,967	\$ 5,835,244	\$ 6,527,437	\$ 7,295,666
		7%	3%	12%	12%
Operating Result	\$ 144,738	\$ 24,920,363	\$ (65,812)	\$ (585,911)	\$ (1,176,903)
Capital Items	\$ 496,620	\$ 12,090,226	\$ 8,200,000	\$ 200,000	\$ 1,200,000
Net Result	\$ (351,882)	\$ 12,830,137	\$ (8,265,812)	\$ (785,911)	\$ (2,376,903)
Beginning Fund Balance	2,278,136	1,926,254	14,756,391	6,490,579	5,704,667
Ending Balance	1,926,254	14,756,391	6,490,579	5,704,667	3,327,765
Operational Reserves	1,765,113	1,893,989	1,945,081	2,175,812	2,431,889
Ending Fund Balance net of reserves	\$ 161,141	\$ 12,862,402	\$ 4,545,497	\$ 3,528,855	\$ 895,876
		7882%	-65%	-22%	-75%

	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Solid Waste					
Revenues					
Charges For Services	\$ 1,966,609	\$ 2,359,931	\$ 2,831,917	\$ 3,398,300	\$ 3,738,130
Other Financing Sources	-	-	-	-	-
Other Revenue	38,000	39,140	40,314	41,524	42,769
Total Revenues	\$ 2,004,609	\$ 2,399,071	\$ 2,872,231	\$ 3,439,824	\$ 3,780,900
		20%	20%	20%	10%
Expenditures					
Contingencies	0	0	0	0	0
Long Term Debt Service	105,710	109,938	114,336	118,909	123,666
Maintenance	292,500	298,350	304,317	310,403	316,611



Non-Departmental	617,761	623,939	630,178	636,480	642,845
Other Financing Sources - Uses	-				
Salaries & Related Expenses	412,940	495,528	510,394	525,706	541,477
Special Services	767,450	790,474	814,188	838,613	863,772
Supplies	73,330	74,797	76,293	77,818	79,375
Total Expenditures	\$ 2,269,691.00	\$ 2,393,025	\$ 2,449,705	\$ 2,507,930	\$ 2,567,745
		5%	2%	2%	2%
Operating Result	\$ (265,082.00)	\$ 6,045.69	\$ 422,526.15	\$ 931,894.11	\$ 1,213,154.68
Capital Items	\$ 51,500	\$ 750,000	\$ 700,000	\$ 100,000	\$ 100,000
Net Result	\$ (316,582.00)	\$ (743,954.31)	\$ (277,473.85)	\$ 831,894.11	\$ 1,113,154.68
Beginning Fund Balance	\$ -	\$ (316,582)	\$ (1,060,536)	\$ (1,338,010)	\$ (506,116)
Ending Balance	\$ (316,582)	\$ (1,060,536)	\$ (1,338,010)	\$ (506,116)	\$ 607,039
Operational Reserves	\$ 189,141	\$ 199,419	\$ 204,142	\$ 208,994	\$ 213,979
Ending Fund Balance net of reserves	\$ (505,723)	\$ (1,259,955)	\$ (1,542,152)	\$ (715,110)	\$ 393,060
		149%	22%	-54%	-155%

Ambulance Fund

We're projecting modest growth in both revenues and expenditures for the Ambulance Fund. In FY 2024 and FY 2025, we anticipate dipping into our fund balance to manage operational expenses and ambulance acquisitions. It's essential to underscore our commitment to using fund balances exclusively for one-time expenditures, a strategy aimed at ensuring long-term financial sustainability.

Ambulance Fund					
Revenues					
Charges For Services	\$ 3,350,000	\$ 3,551,000	\$ 3,693,040	\$ 3,803,831	\$ 3,917,946
Other Financing Sources	-	-	-	-	-
Other Revenue	-	-	-	-	-
Total Revenues	\$ 3,350,000	\$ 3,551,000	\$ 3,693,040	\$ 3,803,831	\$ 3,917,946
Expenditures					
Contingencies	0	0	0	0	0
Long Term Debt Service	71,660	73,093	76,017	79,058	82,220
Maintenance	152,500	155,550	158,661	161,834	165,071
Non-Departmental	418,637	422,823	427,052	431,322	435,635
Salaries & Related Expenses	2,393,630	2,465,439	2,539,402	2,615,584	2,694,052
Special Services	161,540	164,771	169,714	174,805	180,050
Supplies	183,500	187,170	190,913	194,732	198,626
Total Expenditures	\$ 3,381,467	\$ 3,468,846	\$ 3,561,759	\$ 3,657,335	\$ 3,755,654
Operating Result	\$ (31,467)	\$ 82,154	\$ 131,281	\$ 146,496	\$ 162,293
Capital Items	\$ 29,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Net Result	\$ (60,467)	\$ (17,846)	\$ 31,281	\$ 46,496	\$ 62,293
Beginning Fund Balance	2,099,000	2,038,533	2,020,687	2,051,968	2,098,464
Ending Fund Balance	2,038,533	2,020,687	2,051,968	2,098,464	2,160,756
Operational Reserves	1,127,156	1,156,282	1,187,253	1,219,112	1,251,885
Ending Fund Balance	\$ 911,377	\$ 864,405	\$ 864,715	\$ 879,352	\$ 908,872
		-5%	0%	2%	3%

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)

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.

