



**Fiscal Year 2015**  
**Annual Adopted Budget**  
**July 1, 2014 - June 30, 2015**

**Adopted Budget  
Fiscal Year 2015  
(July 1, 2014—June 30, 2015)**

**COCONINO COUNTY BOARD OF SUPERVISORS**

Art Babbott  
District I

Elizabeth C. Archuleta  
District II

Matthew G. Ryan  
Chairperson  
District III

Mandy Metzger  
Vice Chairperson  
District IV

Lena Fowler  
District V

**COCONINO COUNTY MANAGEMENT**

Cynthia Seelhammer  
County Manager

Larry Dannenfeldt  
Deputy County Manager

Mike Townsend  
Deputy County Manager

**Coconino County is committed to enhancing the  
public good of those we serve.**

**Budget Team**

*Megan Zickerman  
Misty Drye  
John Comer*

[www.coconino.az.gov](http://www.coconino.az.gov)

Distinguished Budget Presentation Award



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Coconino County, Arizona for its annual budget for the fiscal year beginning July 1, 2013. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to confirm to program requirements, and we are submitting it to GFOA to determine eligibility for another award.



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## How This Document is Organized

This Fiscal Year 2015 Budget Document has been developed to provide information to the public, document the FY15 budget process and decisions, and present the budget for FY15. The document is divided into the following major sections: Prefix, Letter to the Citizens, Budget Summary, Strategic Budget Process and Long-Term Financial Planning, Department Budgets presented by Service Area, Special Taxing Districts, Capital Budget, Glossary and Acronym List, Index, and an Appendix containing the FY2015 Budget Brief.

### **Prefix**

This section includes the County Mission Statement, Leadership Philosophy, and Values Statement, a map of County Supervisory Districts, a list of Coconino County Officials, a County organizational chart, the Table of Contents, and a Department Quick Reference list.

### **Letter to the Citizens**

This section contains the Letter to the Citizens of Coconino County detailing conditions and decisions that determined the structure of the FY15 budget.

### **Budget Summary**

The Budget Summary provides a community profile of Coconino County with pertinent economic and demographic information, a discussion of the budget management and fiscal policies that guide the budget process, an explanation of the basis of budgeting and accounting used, and a discussion of fund types. It moves into a discussion of revenues, expenditures, and General Fund past and projected trends, as well as budget allocations for FY15. The summary ends with a discussion of personnel, projects funded under Title III of the Secure Rural Schools and Community Self-Determination Act of 2000 and 2008, and County debt.

### **Strategic Budget Process and Long Term Financial Planning**

This section was added to the FY10 Adopted Budget. This section details Coconino County's phase-in of a new Strategic Budget Process, which attempts to align our budget allocations with the outcome of the strategic priorities that are most meaningful to citizens. We also discuss our long-term financial planning efforts and how we have successfully used long-term planning in our budget development.

### **Departmental Budgets Presented by Service Area**

This section includes a department overview and financial statements for each County department. The department overview includes a department description, opportunities and challenges the department is facing, long-term goals and short-term objectives, and an explanation for the alignment of the department's programs with its primary strategic priority area. Following each overview is a detailed financial report that shows revenues and expenditures by category and program within the department, along with a detailed list of department staffing. An explanation is included for any major staffing changes from year to year. Each service area is preceded by a summary of the services provided within that area, as well as an explanation for fluctuations in the per capita costs for that service area.

### **Special Taxing Districts**

This section describes the County's various special districts, including all improvement districts. It also provides a list of tax rates for all taxing districts within the County.

### **Capital Budget**

This section contains the County's capital budget, including the long-term plan, a detailed explanation of each non-routine project, and the effect each project is expected to have on the operating budget.

## How This Document is Organized

### Glossary and Acronym List

This section includes a glossary of financial and budgetary terms and a quick reference list of acronyms. In some cases, it also provides definitions for Statutes and programs specific to the State of Arizona and Coconino County.

### Index

A detailed index is provided to assist in locating information on specific subjects.

### Appendix : Budget Brief

This section includes the Fiscal Year 2015 Budget Brief, which is a tri-fold brochure presenting key components of the FY15 budget.

## Budget Resolution

### Resolution 2014-30

#### **A RESOLUTION OF THE COCONINO COUNTY, ARIZONA BOARD OF SUPERVISORS ADOPTING THE BUDGET FOR FISCAL YEAR 2015**

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the Board of Supervisors did, on June 3, 2014, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of Coconino County, and

WHEREAS, in accordance with said chapter of said title, and following due public notice, the Board met on June 24, 2014, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies, and

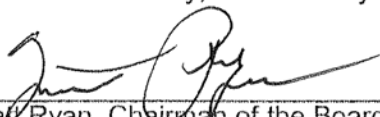
WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the Board would meet on June 24, 2014, at the office of the Board for the purpose of hearing taxpayers and making tax levies as set forth in said estimates, and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate exceed that amount as computed in A.R.S. §42-17051(A), therefore be it

RESOLVED, that the said estimates of revenues and expenditures/expenses shown on the accompanying schedules, as now increased, reduced, or changed, are hereby adopted as the budget of Coconino County for the fiscal year 2015.

Passed by the Board of Supervisors of Coconino County, this 24th day of June.

APPROVED:

  
\_\_\_\_\_  
Mark Ryan, Chairman of the Board of Supervisors

ATTEST:

  
\_\_\_\_\_  
Wendy Esillie  
Clerk of the Board of Supervisors



Board of Supervisors



**Supervisor Art Babbott**  
District I

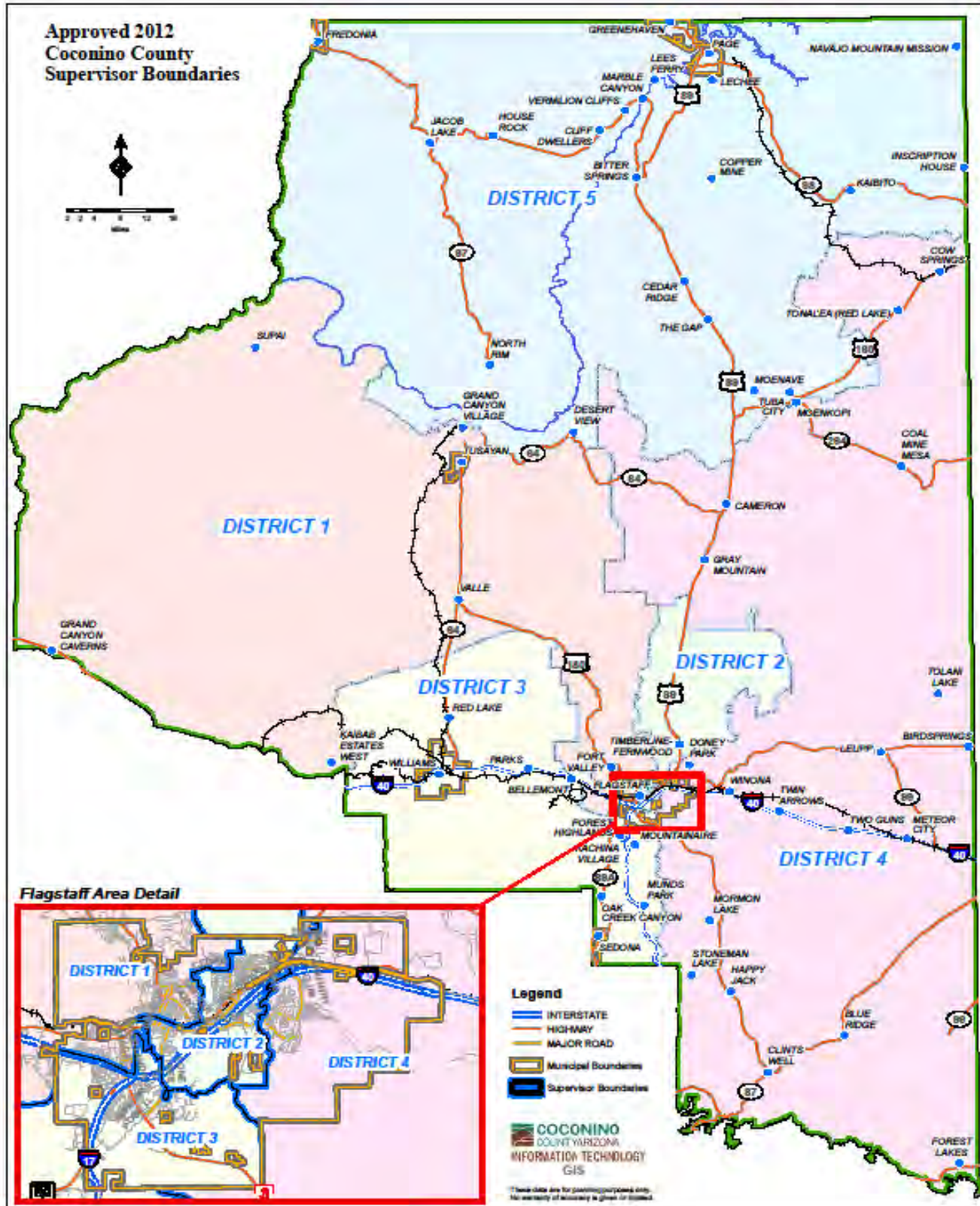
**Supervisor Matt Ryan**  
District III (Chairman)

**Supervisor Liz Archuleta**  
District II

**Supervisor Mandy Metzger**  
District IV (Vice Chair)

**Supervisor Lena Fowler**  
District V

## County Supervisory Districts



## Mission Statement

Coconino County is a land of vast and endless beauty, home to many cultures. With energy and enthusiasm, we commit to:

- Conscientiously serve our community and provide our citizens with accessible local government;
- Provide the most effective and efficient delivery of services;
- Challenge, recognize and support our employees because they are the backbone of the County;
  - Protect, preserve and care for our environment.

In our second century of public service, we envision our citizens and staff proud of their government and its accomplishments. We look forward to the future - confident that working together in an atmosphere of cooperation and trust, we will meet each new challenge with creativity and integrity.

## Leadership Philosophy

Each employee has a shared responsibility for the leadership, management and outstanding performance of our organization. To achieve excellence, we promote opportunities for self-development, encourage the use of each individual's talent, knowledge and creativity, and support recognition of achievement. As a result, higher performance is achieved by dedicated colleagues who are interdependent with a common sense of purpose and a shared vision of success.

## Values

We are responsible and accountable to all and our actions are guided by these core values:

- Honesty - Everything we say and do is based in truth.
- Respect - We value differences and treat everyone with kindness and creativity.
  - Integrity - We honor our commitments.
- Responsibility - We take ownership of our actions and their results.
- Community - We share goals, cooperate to solve problems and promote a spirit of belonging within the organization.

## County Officials

### BOARD OF SUPERVISORS

District I .....	Art Babbott
District II .....	Elizabeth C. Archuleta
District III .....	Matthew G. Ryan, Chairman
District IV .....	Mandy Metzger, Vice Chairperson
District V .....	Lena Fowler
County Manager .....	Cynthia Seelhammer
Deputy County Manager .....	Larry Dannenfeldt
Deputy County Manager .....	Mike Townsend
Clerk of the Board .....	Wendy Escoffier

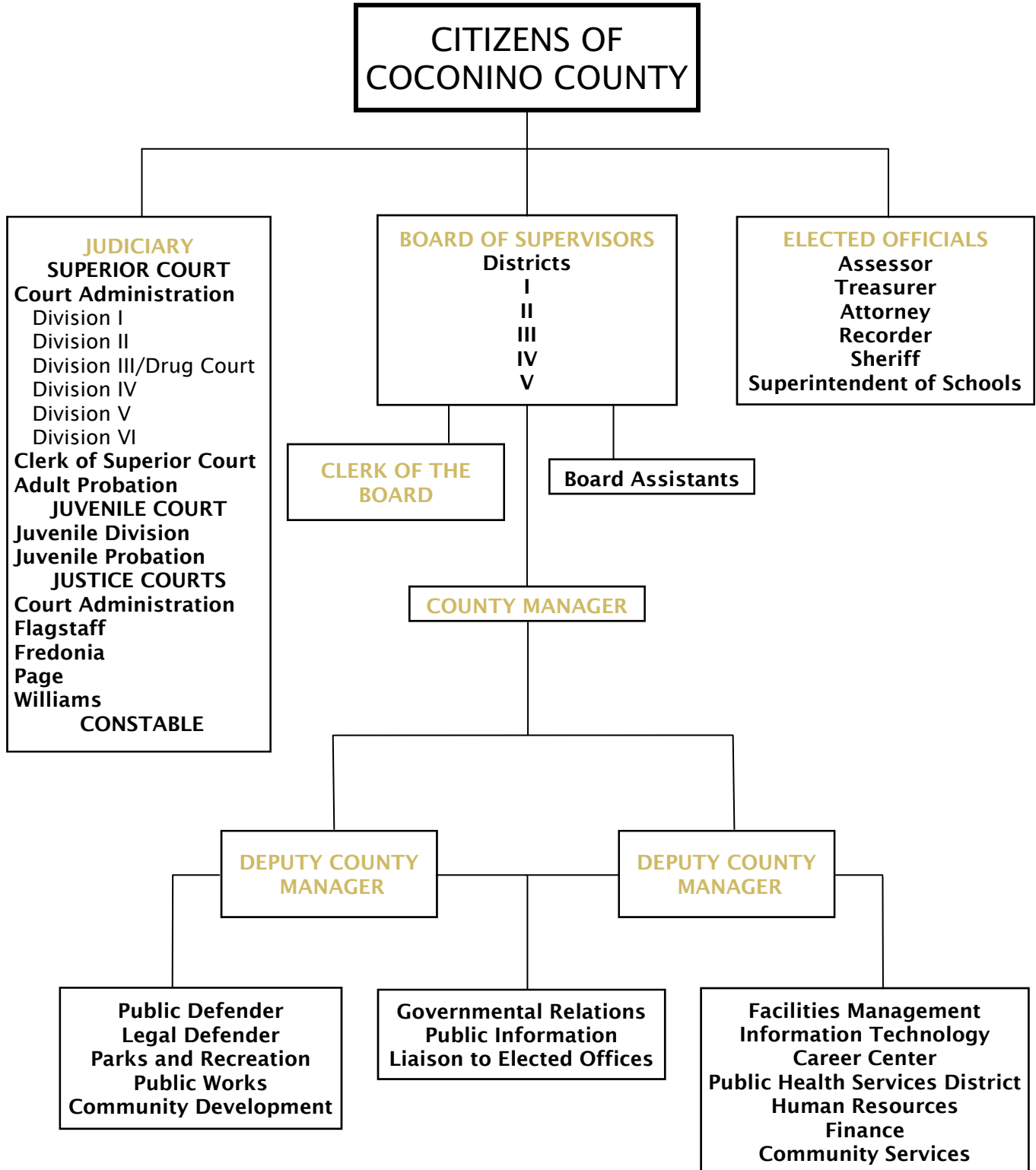
### ELECTED OFFICIALS

Clerk of the Superior Court .....	Debbie Young
Constable .....	Linda Kuczynski
County Assessor .....	Chris Mazon
County Attorney .....	David Rozema
County Recorder .....	Patty Hansen
County Sheriff .....	William Pribil
County Superintendent of Schools .....	Risha VanderWey
County Treasurer .....	Bonny Lynn
Justice of the Peace	
Flagstaff .....	Howard Grodman
Fredonia .....	Mark R. Baron
Page .....	Donald G. Roberts
Williams .....	Robert Krombeen
Superior Court	
Division I .....	Jacqueline Hatch
Division II .....	Dan Slayton
Division III/Drug Court .....	Mark Moran, Presiding Judge
Division IV .....	Elaine Fridlund-Horne
Division V .....	Cathleen Brown Nichols
Division VI .....	Ted Reed, Judge Pro Tempore

### APPOINTED DEPARTMENT HEADS

Adult Probation (Chief Probation Officer) .....	Cindy Winn
Career Center .....	Carol Curtis
Community Development .....	Jay Christelman
Community Services .....	Janet Regner
Court Administrator .....	Gary Krcmarik
Facilities Management .....	Susan Brown
Public Health Services District .....	Marie Peoples
Human Resources .....	Allison Eckert
Finance .....	Vacant
Information Technology .....	Kristopher Estes
Juvenile Court Services .....	Bryon Matsuda
Legal Defender .....	Gary Pearlmutter
Parks and Recreation .....	Judy Weiss
Public Defender .....	H. Allen Gerhardt
Public Works .....	Andrew Bertelsen
Superior Court Juvenile Court Judge/Commissioner .....	Margaret McCullough

Organizational Chart



# Letter to the Citizens



# Letter to the Citizens



June 24, 2014

Dear Citizens of Coconino County,

The Coconino County Board of Supervisors and I are pleased to submit the Adopted Budget for Fiscal Year 2014-2015. The FY15 Adopted Budget represents the County's overall financial plan for the fiscal year beginning July 1, 2014 and serves as a guide for allocating available resources based on County priorities.

## **Economic Assumptions**

Recent national economic data has been favorable. If sustained, the state's revenue forecast may brighten by early next year. The State of Arizona's FY15 budget is projected with a \$(437) million shortfall. The FY14 carry forward balance will keep the FY15 cash budget balanced, but as the carry forward balance declines, cash shortfalls will emerge in future years. As the State continues to struggle to find balance, we anticipate continued reductions and reallocation of County shared revenues, shifting of mandated costs to Counties, and funding cuts in multiple County programs.

We are still working on the assumption that revenues will not return to our FY07 and FY08 levels for many years to come. This new level of revenue is referred to as our new normal. Our single largest source of revenue is State shared sales taxes. This is a transaction tax collected by the State on various business activities. A portion of the total is allocated to a pool which is then distributed to cities, counties, and the State. During the recession Coconino County saw considerable growth in this revenue category. This growth is the result of a "hold harmless" provision based on assessed valuation. Property values in Coconino County did not decline as steeply as values in other parts of the State, resulting in a formula that favored Coconino County; resulting in receiving a larger portion related to the "hold harmless" provision that offset declines in sales tax receipts during the recession. As the economy improves and assessed values increase throughout the state we will experience slower growth of this revenue.

An economic assumption we use in our Ten-Year Financial Plan is to budget for a cyclical recession during each ten-year plan. We continue to monitor our financial stability by utilizing this recession financial plan to forecast the financial future. Based on the consensus of a low probability of a recession occurring through FY16, we have included recessionary revenues in our ten-year plan to guide decisions that are more likely to be sustainable given the eventual reality of another recession. In developing the FY15 budget, we have kept our long-term picture in mind. As part of this multi-year plan, we continue to recommend maintaining 15% of General Fund revenues in an Emergency Reserve account and the budget presented meets this objective. We have utilized our reserves over the past few years, as a short-term means of maintaining services until revenue levels are restored. We do not recommend continuing to use reserves to balance the operating budget and anticipate to be structurally balanced by FY2020.

# Letter to the Citizens



## FY15 Budget Development

### **Key Consideration**

The County's financial condition, while improving, remains fragile as there are many competing priorities with limited resources. Going into the FY15 process, the budget direction was to prioritize investment in our organizational assets: compensation, technology, and facilities. Departments started the FY15 budget process with their base operating budgets. They were given the opportunity to reallocate their base funding within their operations and travel as well as make funding changes between department programs.

Departments were also given the opportunity to request additional one-time or recurring funding in their budget by submitting a Service Improvement Request Form.

### **Compensation:**

As the economy continues to improve we are cognizant of the potential risks of increased turnover; which we experienced during years prior to the recession. We began to address compensation in FY14 with a market adjustment and a performance-based merit increase. The market adjustment helps to better align each position with salaries for similar positions in other organizations. The FY14 market adjustment raised the pay grade for all ranges by 1.5%. The performance-based merit increase makes employees eligible for a 2.5% increase on their evaluation date. The FY15 budget once again includes the performance-based merit increase for all employees. On top of trying to keep up with the compensation market we are also faced with an organization-wide issue of compression. Compression occurs when there is only a small difference in pay between employees regardless of their skills or experience. This tends to occur as the result of the market-rate for a given job outpacing the increases historically given by the organization to longer tenured employees. In addition to the merit increase in FY15, funds were set aside for mid-year consideration of a compensation adjustment to address the compression issue.

### **Technology:**

Technology is essential for everyday work. Our County-wide network is critical to daily operations. During the recession technology replacements were delayed, which resulted in employees using outdated software and older computers. This leads to a loss of functionality and less efficiency. FY14 funding was appropriated to update software and other efficient technology practices. In FY15, the County data center will be relocated to a more suitable facility. The current location is not conducive to the needs of the system or staff. In order to assure County service delivery and workforce effectiveness the technology assets must be in the appropriate environment.

FY15 will also see the continued establishment of the Information Technology Governance Committee. This refers to a committee that will look to formal high level processes and structure for IT strategic planning, prioritization, decision making and performance measurement. This initiative will enable effective collaboration regarding the best uses of technology to support business needs.

### **Facilities:**

Leaving our facilities as status quo will result in higher costs in the future. Our assets continue to deteriorate with the potential for expensive failures. In FY14 funding was set aside for office modification and other needs. An additional \$2 million was added to this funding in FY15. Facilities Management can use this funding to resolve space issues that would otherwise be solved via the implementation of the Facilities Master Plan (FMP) which will continue to advance the foundation for this future facility plan.

# Letter to the Citizens



## FY15 Adopted Budget Overview

The total Fiscal Year 2015 Adopted Budget for all funds is \$201,010,897. The appropriation by fund type is as follows:

General Fund	\$ 72,591,508
Special Revenue Funds and Grants	126,195,430
Debt Service	173,681
Capital Projects	2,050,278
<b>FY15 Adopted Budget</b>	<b>\$ 201,010,897</b>

## Summary of Financial Condition

### **Revenue**

FY14 showed Coconino County still in the recovery phase of the recent recession. General Fund revenues are estimated to come in less than 1% under the FY14 revised budget. This is due to sales tax recovery being slightly lower than anticipated when preparing for FY14. Sales tax makes up 55% of General Fund revenues.

Local County Sales Taxes are anticipated to grow 3.5% over the FY14 projected collection. The growth rate in sales tax is anticipated to vary between 2.4% and 3.5% per year for the next five to ten fiscal years. We have also accounted for a possible recession in our ten-year plan by having a year with 0% growth in the outlying years.

The County is estimating 2.3% growth over the FY14 projected collections in State Shared Sales Taxes. State Shared Sales Tax is projected to grow at a rate between 3.5% and 6.0% over the next five to ten fiscal years. As we did with local sales tax, we included in our ten-year financial plan a year of 0% growth to prepare for a possible recession during the ten-year period.

While we are estimating General Fund revenues to remain relatively flat from the FY14 projected actuals to FY15 budget, we should note that the County Sales Tax is currently at the legal maximum of \$.005 (5/10 of a cent), as the Statutory limit allows the County Sales Tax to be 10% of the State general tax rate. Also worth noting is that the State Shared Sales Tax allocation formula is subject to State legislative authority and approval. Currently the State Shared Sales Tax calculation uses an assessed valuation component. Due to the housing values in Coconino County remaining at a higher percentage of the state during the recession we have seen an increase in this tax. As the market throughout the state increases, we will experience a decrease in what we have received in recent years. Given this, we continue to encourage departments to actively seek outside funding sources. However, the downside of this is that as outside funding sources have decreased funding for established programs, the General Fund has historically been impacted to maintain the expected level of service the outside funding created.

### **Expenditures**

The County's General Fund operating expenditure budget is \$53 million for FY15 (net of contingency items), up \$1.2 million from FY14. All of the funding increases for FY15 are discussed in detail throughout this document and are summarized by department on pages 97-98.

# Letter to the Citizens



## State Budget Impacts

As a subdivision of the State, Counties are mandated by the State to deliver certain services at the local level. Funding provided and services mandated have changed creating additional impacts counties must accommodate. A major concern in the development of the FY15 budget is the continued uncertainty at the State level. We continue to see the following proposed reductions and impacts in order for the State to continue their quest to balance their budget.

## General Fund Impacts

- Sexually Violent Predators: Cost (34% of total amount) to house and treat sexually violent predators.  
FY14 Projected Actual: \$39K  
This amount varies from year to year depending on active cases. In FY13 Coconino County paid \$89K for sexually violent predators.
- Restoration to Competency: Cost to house and treat prisoners at the State hospital.  
FY14 Projected Actual: \$347K  
This amount varies from year to year depending on active cases. In FY13 Coconino County paid \$242K for restoration to competency.
- Court Liability Insurance: Counties are now required to fund liability insurance for court staff.  
FY14 Projected Actual: \$44K
- Justice of the Peace Salaries: County previously funded 58.85% of JP salaries. This has been increased to 80.75%  
FY14 Cost: \$334K FY14 Actual Reimbursement: \$69K
- Inactivation of the State Department of Revenue valuation system, forcing counties to invest in a capital system and staffing to create assessed valuations  
FY14 Cost: \$103K  
Original purchase of the computer system in FY10 was \$2 million

## Other Fund Impacts

- A shift of HURF shared revenues to fund State DPS.  
FY14 Impact: \$900,000  
A three year HURF restoration, at a reduced level, was passed in the State budget for FY15. Coconino County can expect \$378,635 for FY15.
- A loss in State grant revenue for Court, Probation, and Health programs  
FY14 impact unknown—estimated to be at least \$1.2 million. This is a recurring loss.

From FY09 through FY14 we are estimating our impact of what has been passed on to us as a State budget “solution” to be close to \$17.1 million and only growing in FY15. Our annual impact has been between \$2.5 million and \$3 million, with an unknown amount for future increases.

# Letter to the Citizens



## State Grant Funding

The County receives State funding to administer programs. The departments that receive the majority of State funding and would be affected most by State cutbacks include Health, Community Services, Sheriff, Courts, Probation, and Parks and Recreation. Those departments receive over \$7.5 million per year in State grant funding to offset the cost of their programs, and we also receive State shared revenues of \$28.5 million for road maintenance, courts, and as General Fund shared revenues. Any additional budget reductions from the State would greatly impact our ability to provide those services.

A long-term issue in the annual budget development process is dealing with flat or reduced State funding for our essential programs. The State has swept our funding in periods of economic downturn. Many of the programs we receive State funding to provide are mandated services. When the State funding declines, it becomes necessary to backfill programs with limited General Tax dollars. The State has also impacted the County's ability to increase other revenue sources to cover the flat or reduced State funding for our mandates. County property taxes have a mandated cap on the annual increase of 2% and we do not have authority to increase our local sales tax rate. This has resulted in a decreased level of service for County programs over time.

## Federal Issues

Coconino County receives over \$6 million in Federal revenue in the form of program grants each year. The majority of this funding is for Health, Community Services, and Career Center programs. If there are budget reductions at the Federal level which are passed down through grant and program payment reductions, Coconino County Health and Social Services programs would be greatly impacted.

Another source of Federal revenue comes from the reauthorization of the Secure Rural Schools and Community Self-Determination Act of 2000 (SRS); also known as Forest Fee revenue. This act provides funding to counties for schools and roads, and Title III of this act provides funding for county services on Federal land. Coconino County has over 4.7 million acres of Federal land, and has typically received between \$3 and \$4 million in funding from this act. Coconino County has used Title III funds for search and rescue, Sheriff patrol, forest fuels reduction, and emergency services on Federal land. Under the reauthorization of the Act, a percentage of Forest Fee revenue goes to a Resource Allocation Committee that funds projects related to Federal land protection. The remainder of the Forest Fee revenue funds schools and road improvement projects. The original act was passed in 2000 and expired at the end of 2007. A one year extension to this act was passed in 2008 and a three year reauthorization extended the act through Federal Fiscal Year 2011. On July 6, 2012, the Secure Rural Schools and Community Self Determination Act of 2000 was reauthorized for Federal Fiscal Year 2012 as part of Public Law 112-141. This funding was reauthorized once again in FY2014 but as of the creation of this document further authorization has not be extended. This will result in Coconino County losing \$2 million in funding for vital services on Federal land and County schools will lose over \$1.5 million of annual funding.

The Payment in Lieu of Taxes (PILT) program is another Federal revenue source for the County. This is a payment to the County in lieu of property taxes on Federal land. Full funding of PILT was authorized for FY14 for which we received \$1.7 million. If full funding is not reauthorized and historical PILT funding is not maintained, the County could lose \$600,000 in annual PILT payments.

# Letter to the Citizens



## **Other Challenges**

Coconino County has a history of prudent financial management. We have consistently maintained one of the lowest, or the lowest, property tax rates for all counties in the State. We have used this excess levy capacity during prior recessions to help maintain consistent service levels. Due to a voter approved proposition, our levy was frozen below our prior limit and a cap of 2% growth was placed on our primary property tax levy. The current recession was the first in history where we have not had the capacity in our property tax levy to increase our rate to stabilize our revenues. As a result, it has become increasingly important to prioritize our services and attempt to provide more services with fewer resources.

All of our major funds are under financial pressure. In each fund at least one significant revenue stream is negatively impacted. This is due to the recession and/or State and Federal decisions. We continue to witness expenditures over time rising faster than revenues.

## **Jail District**

Bed rental revenues are a steady stream of revenue for the Jail District. This revenue continues to vary as the local population use of beds has increased, leaving less beds to rent. The challenge being faced is the ability to hold down the local population to see a higher return in bed rentals. Also impacting bed rental revenues is a decrease in Federal rentals due to these prisoners being sent to a Federal prison facility in Texas.

## **Highway User Revenue Fund (HURF)**

The gas tax is the main stream of revenue for HURF. This tax is distributed based on a portion of fuel distribution and consumption and on a portion of un-incorporated population. The gasoline tax has been flat at \$0.18/gallon on gasoline purchases and has not been adjusted in 22 years. This tax has declined 24% since FY07. FY15 budgeted HURF revenues are near 1998 levels. Due to decline in these revenues and an increase in need for operations and maintenance of roads the Board of Supervisors decided to ask voters to determine whether to approve a sales tax for road maintenance services. It was concluded that even after reducing permanent costs by \$2 million per year, the County doesn't have the funds needed to maintain its roads as it does now. The measure will be on the November 4th ballot.

## **Public Health Services District (PHSD)**

The main revenue stream for the Public Health Services District is property taxes. The property taxes are based on secondary assessed valuations, which have declined due to the recession. The assessed values have shown a very minimal increase in FY15. In order to achieve district sustainability the district has begun a decision analysis process. The end result of the process will define what services should be provided with the resources available in the coming years.

## **Flood Control**

The Flood Control revenue stream is also based on property taxes and we are seeing the same issue discussed for the PHSD. With the decline in secondary assessed values, the district has seen a lower collection in property taxes that fund flood control projects. As assessed values gradually increase the funds will be appropriated towards prioritized Flood Control projects.

## **CPOS**

The Capital Projects and Open Space fund is based on a voter approved sales tax. The sales tax is set to expire at the beginning of FY15. Future discussions will take place to decide on options for maintaining newly acquired and improved parks and land.

# Letter to the Citizens



## Collaboration

Coconino County is involved in several multi-agency collaborative efforts, including the Northern Arizona Public Employee Benefit Trust (NAPEBT), which includes the City of Flagstaff, Coconino Community College, the Northern Arizona Intergovernmental Public Transportation Authority, and Flagstaff Unified School District. NAPEBT has been instrumental in the cost containment of employee health benefits. We have averaged significantly lower increases in our health insurance premiums over the past several years when other agencies have seen cost increases of 10% or more.

We also have law enforcement services co-located with the City of Flagstaff, which creates efficiencies with a centralized dispatch center and in the jail system. Our collaboration with all area criminal justice organizations through the Criminal Justice Coordinating Council has identified and implemented efficiencies in the criminal justice system, creating a better system for all users.

Although we have faced some financial challenges in recent years, and difficult decisions will continue to be needed to maintain a balanced budget, the Board of Supervisors is optimistic that FY15 will continue to show economic recovery, and that through investments we have positioned Coconino County to deal with what lies ahead. We are proud of our ability to minimize the impact the recession has had on our service delivery to citizens, and look forward to continuing to provide outstanding service this year.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Ryan", written over a long horizontal line.

Matt Ryan, Chairperson  
Coconino County Board of Supervisors

# Budget Summary



Aspen Avenue Downtown Shops—Flagstaff, AZ



Barbershop Canyon—Happy Jack, AZ



Horseshoe Bend—Page, AZ



## History and Government

### History of Coconino County

- Prior to 1891 Coconino County was considered the northern 70% of Yavapai County. However, citizens of Northern Arizona felt the distribution of tax money was going primarily to Prescott to improve roads and railroads in that area as the Yavapai County seat. In 1887 citizens petitioned for secession from Yavapai County.
- It wasn't until February 19, 1891 that Coconino County was established by the 16th Territorial Assembly with an initial population count of 4,000. An election was held that established Flagstaff as the permanent County seat.
- A group of taxpayers, seeing the need for the new County to have a place to conduct its business, pressed the U.S. Congress to pass a bill authorizing the Board of Supervisors to issue bonds for the construction of a County building. The Honorable D. M. Riordan was sent to Washington, D.C. to lobby for its passage. In July of 1894, President Grover Cleveland signed the bill, paving the way for the construction of the Historic County Courthouse, which is still used today.



Coconino County Courthouse - Circa 1902



Coconino County Courthouse - December 2012

- Coconino County had three Supervisors from establishment until January 1981 when the County was split into five Districts.
- The assessed valuation reported by the Board of Supervisors in 1891 was \$1,975,975. It has grown to \$1,512,794,264 in FY2015.

### Form of Government

County government in the United States developed out of the British system of local government (first known as shires - then counties) whose origins can be traced to the 5th century. The traditional primary functions of County government in the United States include law enforcement, the recording of deeds and other documents, and the provision and maintenance of public works such as roads and parks.

Coconino County's government consists of an elected Board of Supervisors who in turn appoint a County Manager. There are five districts, each represented by a Supervisor, and the County Manager

serves as the Chief Administrative Officer for the organization. Departments are either headed by an appointed official or an elected official. Elected offices are statutorily determined and include the Sheriff, County Attorney, Recorder, Treasurer, Assessor, Superintendent of Schools, Constable, Clerk of the Superior Court, and the Judiciary. Other departments, such as Community Services and the Public Health Services District, provide services to the community that are either Federally or State mandated or serve the local population's need and are headed by appointed officials.

## County Services

The County, through its various departments, provides a wide array of services to citizens of all ages. Departments with similar missions and functions are grouped into five service areas. The following paragraphs summarize the services provided by the County as well as services that the County does not provide but may be available from other governmental entities such as fire districts or school districts.

- **General Government** includes the offices of the Board of Supervisors, County Manager, Assessor, Recorder, Superintendent of Schools, Treasurer, Government Relations, Emergency Management, and Non-Departmental. The Board of Supervisors establishes administrative policy and direction for the County. The County Manager, as the Chief Administrative Officer, implements and



administers organizational policies and procedures, and provides support for County initiatives and programs. The Assessor values property for the purposes of taxation and is responsible for a property tax appraisal and administration system, which was previously handled by the Arizona State Department of Revenue. The Recorder processes and creates a public record of all documents received, such as deeds to land ownership, and manages all aspects of elections, including voter registration and outreach. The Superintendent of Schools advises County School Districts on all budget and finance matters, School Board elections, filling School Board vacancies, and reporting and monitoring teacher certification. The Treasurer collects property taxes for the State, County, incorporated cities and towns, school districts, and special

districts. Government Relations coordinates all lobbying and government affairs, public outreach and grant writing for Coconino County. Emergency Management provides capability for local governments, businesses, organizations, and individuals to respond to, prepare for, recover from, and mitigate the effects of any natural or human-caused emergency or disaster. Non-Departmental covers County-wide revenues and expenditures, along with those not directly linked to the functions of one department.

- **Justice System** includes Adult Probation, Clerk of the Superior Court, Constable, County Attorney, Justice Courts in Flagstaff, Fredonia, Page and Williams, Juvenile Court Services, Legal Defender, Public Defender, Sheriff, and Superior Court. The shared purpose of this area is to provide a safe and secure community while administering justice fairly and efficiently. Responsible departments perform pre-trial release and pre-sentence investigations, supervise a wide range of court clients (both adult and juvenile), provide court services to serve the judicial needs of the County, prosecute felonies and juvenile offenses including all misdemeanor cases occurring in the unincorporated areas of the County, prosecute and defend all civil litigation involving the County and its officers, provide law enforcement and patrol services to citizens, operate the County jail, provide access to stakeholders' records of the Superior Court, and provide legal representation to indigent persons.



## County Services

Other services to citizens include the issuance and recording of marriage licenses, processing passport applications, resolving matters in small claims court, assisting in mental health commitment proceedings, managing citizen volunteers in community policing efforts, and providing law enforcement and search and rescue operations on Lake Powell and the Colorado River.

- **Health and Social Services** includes the Career Center, Community Services, and the Public Health Services District. The Career Center trains youth and adults to enter or re-enter the workforce, as well as providing summer employment and education for teens. Community Services works to meet the needs of the elderly population and the less fortunate citizens of Coconino County. These services include a nutrition program for seniors, respite care, home care, congregate meals, public fiduciary services, emergency assistance for locating housing and paying utilities, and case management to address the needs of the elderly. The Public Health Services District's focus is to prevent epidemics and the spread of disease, protect against environmental hazards, promote and encourage healthy behaviors, and assure the quality and accessibility of health services. The Medical Examiner's Office is also under the Public Health Services District and investigates deaths and performs autopsies. Additionally, the Public Health Services District provides clinical health and emergency services to County jail inmates and juveniles in detention.



- **Community Development** includes the departments of Community Development, Kachina Village Improvement District, Parks and Recreation, and Public Works. The Community Development Department administers and enforces County zoning and building codes, provides inspections, and issues building permits. The Kachina Village Improvement District (KVID) is a division of the Public Works Department that provides potable drinking water and operates a wastewater treatment facility for the residents of Kachina Village. Parks and Recreation creates and maintains unique recreational opportunities including the County fair. The Public Works Highway Division is responsible for maintaining 958 miles of County roadways. Of this total, 222 miles of roads are on Reservation lands and 258 miles on Forest Service land. This division also provides engineering services for roads and bridges, signing and striping of roads, and the management of the County's vehicle fleet through the Mechanical Services program.



- **Internal Services** includes Facilities Management, Finance, Human Resources, and Information Technology. These departments primarily provide services for all County departments. Some of the services provided include: providing a safe and clean working environment for all employees and citizens, providing sound financial stewardship of County resources, job recruitment, classification, compensation, training, safety, employee benefits, and networking and programming of the County's information systems.

## Services Provided by Other Agencies

Many services are provided to County residents and visitors through agencies and governmental entities other than the County. The County does not have or manage fire stations, school districts, potable drinking water and wastewater disposal systems (with the exception of KVID), hospitals, airports, animal shelters, or libraries. The County is also not authorized by Statute to construct roadways but is authorized to perform maintenance and improvements to existing roadways. All of the services listed here are provided to residents by individual cities and towns or through special

# Community Profile



districts of these agencies. Non-profit organizations also provide various services throughout Coconino County.

The Navajo Nation and the Hopi Nation lie partly or entirely within the County's boundaries. Some services are provided by the Federal Government on Tribal Lands. Under intergovernmental agreements (IGAs), the County provides road maintenance programs on tribal lands. Prior to FY14, the County also provided solid waste disposal services on tribal lands under these IGAs.

The Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) includes transportation agencies from around Northern Arizona in Coconino County. This organization administers the fixed route Mountain Line Transit System throughout the City of Flagstaff, the ADA-compliant special needs para-transit VanGo system, and the Roadrunner Transit System in Sedona. These services were previously provided by the County Transportation department (which is now part of NAIPTA).

## Geography and Land Use

Coconino County - at 18,661 square miles - is the largest county in Arizona and the second largest in the United States. Of the 18,661 square miles in Coconino County, 18,619 square miles are land and 42 square miles are water. (U.S. Census Bureau)

- Coconino County's land area is larger than nine of the smallest states: Connecticut, Vermont, Delaware, Maryland, Hawaii, Massachusetts, New Hampshire, New Jersey, and Rhode Island.
- Despite its size, Coconino County is one of the most sparsely populated counties in Arizona with a population of 7.3 persons per square mile. (U.S. Census)
- In comparison, the U.S. population density is 83.8 persons per square mile. (U.S. Census)



- Due to its vast size, it is difficult for Coconino County to provide all of its available services in each community.
- The County is continually striving to provide critically needed programs in outlying and rural communities.
- The County is also making technological advancements, which allow more services and information to be provided online. For example, taxpayers can now make property tax payments online.

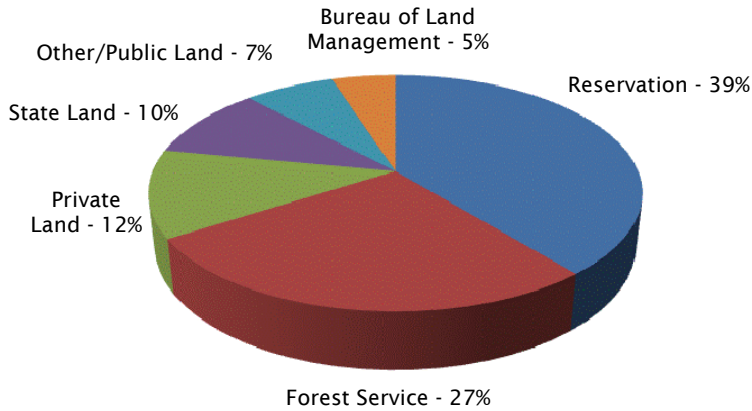
Coconino County's topography is marked by large mountain ranges, deep canyons, red rocks, and the largest contiguous Ponderosa Pine forest on earth. It is home to Arizona's highest point - Mount Humphreys in the San Francisco Peaks, elevation 12,633 feet. The difference in elevation from the County's lowest point at the Colorado River to its highest point at the summit of Mount Humphreys is 11,574 feet.

Coconino County is home to Grand Canyon National Park, which was granted National Park status on February 26, 1919 in a bill signed by President Woodrow Wilson. That year, the park hosted 44,173 visitors. Today, nearly five million people visit the Grand Canyon annually. Glen Canyon Dam, located on the northern border of the County, was completed in 1963. Its construction led to the creation of Lake Powell and the Glen Canyon National Recreation Area.

# Community Profile



## Coconino County Land Composition (18,619 Square Miles)



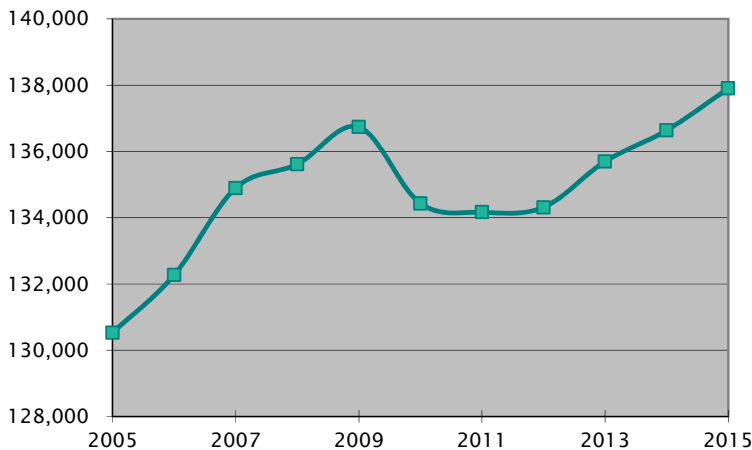
Source: ALRIS/Coconino County GIS

- ◇ Nine entities own 70% of all privately owned land in Coconino County. (Northern Arizona University Rural Policy Institute)
- ◇ Coconino County is home to five Federal recreation areas: Glenn Canyon National Recreation Area, Grand Canyon National Park, Wupatki National Monument, Sunset Crater National Monument, and Walnut Canyon National Monument.
- ◇ Coconino County is home to two State recreation areas: Slide Rock State Park and Riordan State Historic Park.
- ◇ Coconino County is home to 30 Municipal parks, 6 County parks, and 1 natural area.

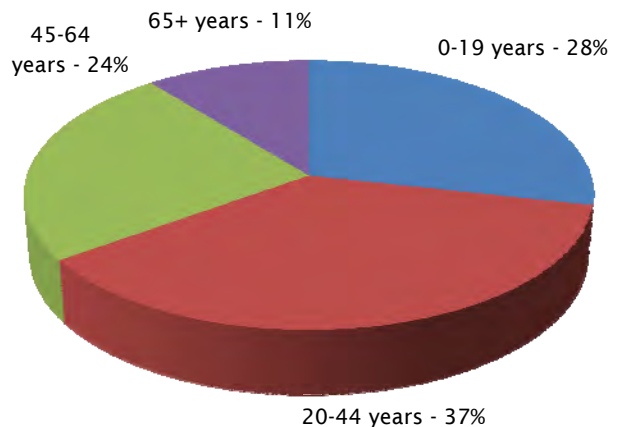
## Population Profile

According to the Arizona Department of Administration, Office of Employment and Population Statistics, the estimated population of the area in 2013 was 135,695 people. This is slightly less than a 1% increase from the 2010 Census population of 134,431 and is a 16.7% increase from the 2000 Census population of 116,320. The Office of Employment and Population Statistics projects the 2014 Coconino County population to be 136,636.

### Projected Population (2005-2015)



### Population Distribution by Age (2014)



Source: Arizona Department of Administration, EPS

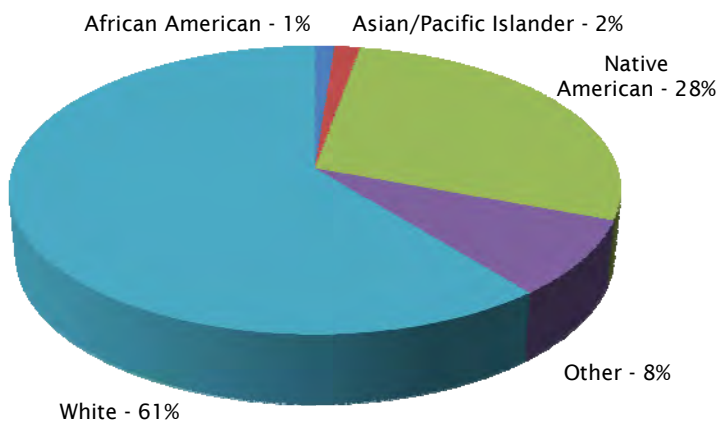
# Community Profile



## Population Profile

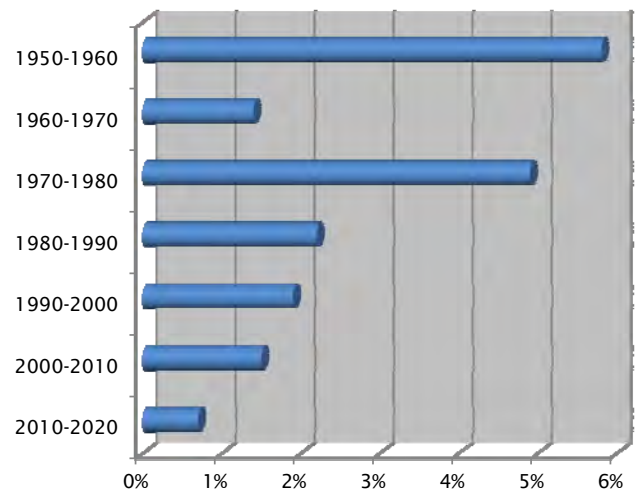
The most recent Census data shows a large increase in the 15 - 24 year old age group from 2000 to 2010. This trend is reflective of the expansion and growth of Northern Arizona University, which is located in central Flagstaff. The data also shows an increasing trend in the retiree age group aged 50 years and older, while the age group from 25 - 49 years old decreased significantly over the last ten years. Projections going forward show the 15 - 24 year old age group leveling out, while the retiree population for the area is projected to continue growing, resulting in an increased demand for services provided by many County departments in the future. Following the national trend, the median age of the County's population increased from 29.6 in 2000 to 31.0 in 2010.

### Population Composition (2014)



Source: Arizona Department of Administration, EPS

### Annual Population Growth Rates (1950-2020)



Of the reported population above, 14% of people also identify themselves as Hispanic, which can be of any race.

Growth rates for the State of Arizona have been approximately three times the national average for the past 20 years, with Maricopa County leading the state in population growth. The average annual growth rate for Coconino County was 1.5% per year between 2000 and 2010, which was below the State average of 2.2%. Coconino County's growth rate is projected to decrease to 0.7% per year for the remainder of the decade, which is less than half of the State's projected growth rate. According to the 2010 Census, Arizona is the second-fastest growing state behind Nevada.

### Incorporated Populations

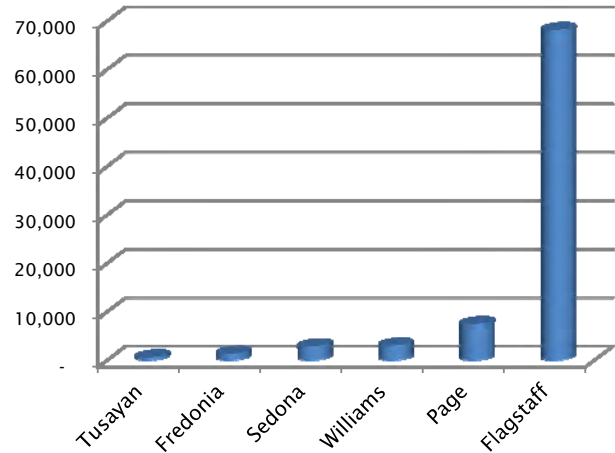
An incorporated area is a city or town that has an established local government. The charts on the next page reflect the local populations for the incorporated areas of Coconino County. The City of Flagstaff, the County Seat, is Northern Arizona's largest city, which serves as the trade and tourist center for the County.

# Community Profile



## Population Profile

	1990 Census	2000 Census	2010 Census	2014 Estimate
Arizona	3,665,339	5,130,632	6,392,017	6,659,800
Coconino	96,591	116,320	134,421	136,636
Flagstaff	45,857	52,894	65,870	68,140
Fredonia	1,207	1,036	1,314	1,307
Page	6,598	6,809	7,247	7,433
Sedona*	2,316	2,963	2,842	2,838
Tusayan	-	562	558	550
Williams	2,532	2,842	3,023	3,009



\*Represents the portion of Sedona that lies in Coconino County.

Source: Arizona Department of Administration, EPS

### Unincorporated Populations

An unincorporated community is the general term for a geographical area having a common social identity without the benefit of a municipal organization or official political designation (i.e. incorporation as a city or town). There are two main types of unincorporated communities:

- A neighborhood or other community existing within one or across multiple incorporated areas. In this case a community is part of a municipal government, but not separately incorporated from it.
- A neighborhood or other community existing outside of an incorporated municipal government.

### Coconino County Unincorporated Areas

Bellemont	Fort Valley	Leche-e	Red Lake
Bitter Springs	Grand Canyon Village	Lees Ferry	Stoneman Lake
Blue Ridge	Greenhaven	Marble Canyon	Timberline/Fernwood
Cliff Dwellers	Happy Jack	Mormon Lake	Tuba City
Clints Well	Jacob Lake	Mountaineire	Valle
Doney Park	Kachina Village	Munds Park/Pinewood	Vermilion Cliffs
Forest Highlands	Kaibab Estates West	Parks	Winona
Forest Lakes			

### Select Unincorporated-Census Designated Places (CDP) Populations

CDPs are delineated solely to provide data for settled concentrations of populations that are identifiable by name but are not legally incorporated under the laws of the state in which they are located.

PLACE	POPULATION	PLACE	POPULATION
Tuba City	8,611	Mountaineire	1,119
Kachina Village	2,622	Leupp	951
Kaibito	1,522	Cameron	885
Parks	1,188	Munds Park	631

# Community Profile



## Tribal Lands

Coconino County has several Native American Reservation lands and communities within its borders, including the Havasupai, Hopi, Hualapai, Kaibab Paiute, and Navajo tribes.

### Reservation Geographic and Economic Profiles

The **Havasupai** have lived in the Grand Canyon and central Arizona for over 1,000 years. The reservation consists of plateaus and canyon lands and abuts the western edge of the Grand Canyon's south rim. The village of Supai is in the 3,000-foot deep Havasu Canyon. The Havasupai economy is driven by tourism, based on the more than 12,000 visitors annually who hike or ride into the Canyon and use the Tribe's services.

Population within Coconino County (2010 Census): 465  
Enrolled Tribal Members: 667  
Land Area: 293.8 Square Miles

The **Hopi Reservation** lies partially in Coconino County and in neighboring Navajo County and consists of three major mesas with a maximum elevation of 7,200 feet and low deserts and gullies. The village of Old Oraibi is believed to be the oldest continuously inhabited village in the United States (established possibly as early as 1150 A.D.). The Hopi economy is principally driven by Federally funded programs (46% of all employment) and private sector service businesses (54%). Other economic activities include cattle production, tourism, coal mining, royalties, and construction.

Population within Coconino County (2010 Census): 1,145  
Tribal Members: 12,008 Hopi; 10,590 enrolled  
Land Area: 2,438.6 Square Miles

The **Hualapai Reservation** lies along the Colorado River and the Grand Canyon in both Coconino and Mohave Counties. The terrain is characterized by hills, rugged mesas, forests, cliffs and gorges. The Tribal economy relies on cattle ranching, timber activity, tourism, river rafting, art, and hunting expeditions. The tribe has also undertaken several improvement projects such as construction, paving, lighting, and water treatment installations and other infrastructure.

Population within Coconino County (2010 Census): 6  
Enrolled Tribal Members: 2,156  
Land Area: 1,550.2 Square Miles

The **Kaibab Paiute Reservation** crosses both Coconino and Mohave Counties along Kanab Creek adjacent to the Arizona-Utah border. Its terrain is characterized by grasslands and mesas. The Tribe is part of the Southern Paiute Nation and speaks an Uto-Aztecan language along with English. The Tribal economy is based on livestock and tourism as Arizona Highway 389, the central artery between Las Vegas and Lake Powell, crosses the reservation.

Population within Coconino County (2010 Census): 0  
Enrolled Tribal Members: 233  
Land Area: 188.7 Square Miles

The **Navajo Nation**, the largest reservation in the United States, lies partly in Coconino, Navajo, and Apache Counties, as well as Utah and New Mexico. Its terrain consists of desert, grasslands, mesas, forests, mountains, and waterways (including Lake Powell). Landmarks include Canyon de Chelly National Park, Monument Valley, the Little Colorado River, Four Corners, Petrified Forest National Monument, and Rainbow Arch National Monument. The Tribe's economy is driven by several diverse sectors, including livestock ranching, arts, oil production, services and tourism.

Population within Coconino County (2010 Census): 23,411  
Enrolled Tribal Members: 255,543  
Land Area: 18,119.2 Square Miles

# Community Profile



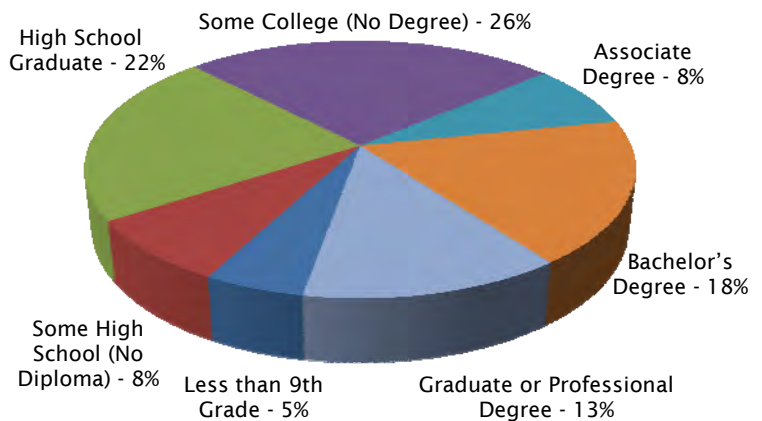
## Employment and Economy

- The economy of Coconino County is based primarily on public administration, the service industry, wholesale and retail trade, and tourism. The City of Flagstaff (the County seat) is the center of educational, governmental, and scientific employment and is becoming a center for research and development as well as for the manufacture and distribution of high-technology products.
- Tourism accounts for 84% of total cluster employment (a cluster is defined as the geographic concentration of interdependent companies, suppliers, products, labor pool, and institutions that together constitute a significant competitive advantage for a region). Cluster employment is concentrated in eating and drinking places, lodging, and the Federal government (the National Park Service and the U.S. Forest Service).
- Major employers include: Northern Arizona University, Coconino Community College, the Unified School Districts, the U.S. Forest Service, the U.S. National Park Service and the Navajo Nation in the government sector; Flagstaff Medical Center, W.L. Gore and Associates, ARA Leisure Services, Nestle-Purina, Walgreens, and SCA Tissue in the private sector.

2014 Employment by Industry (as of April 2014)	
State and Local Government	17,400
Leisure and Hospitality	12,700
Trade, Transportation, and Utilities	9,800
Educational and Health Services	9,100
Manufacturing	4,400
Federal Government	2,600
Professional and Business Services	2,700
Mining and Construction	1,900
Other Services	1,500
Financial Activities	1,200
Information	400

Source: Arizona Department of Administration, EPS

## Educational Attainment 25 years +



Source: American Community Survey, 2008-2012

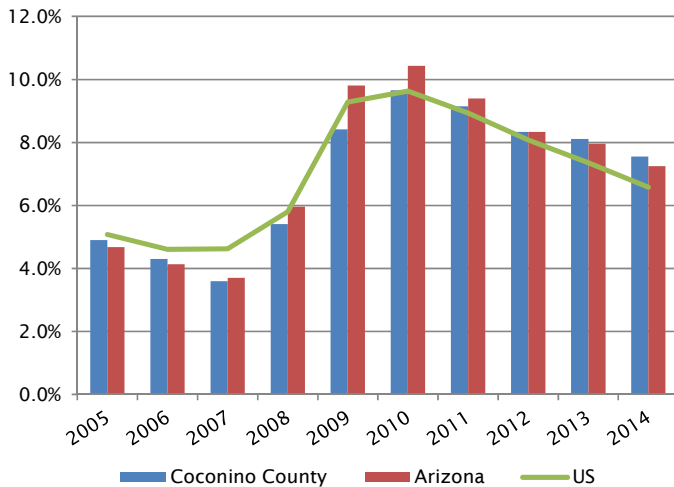
The Arizona Department of Administration, Office of Employment and Population Statistics is projecting a 4.6% increase in Nonfarm jobs across the State over the two projected years of 2014 and 2015, which is a slight improvement over last year's projections. Coconino County's job growth is projected to be lower than the State average, with only a 2.0% growth rate over the same two years.

# Community Profile



## Employment and Economy

### Average Unemployment Rate (2005-2014)



Source: Arizona Department of Administration, EPS

### Top Ten Property Taxpayers (2013)

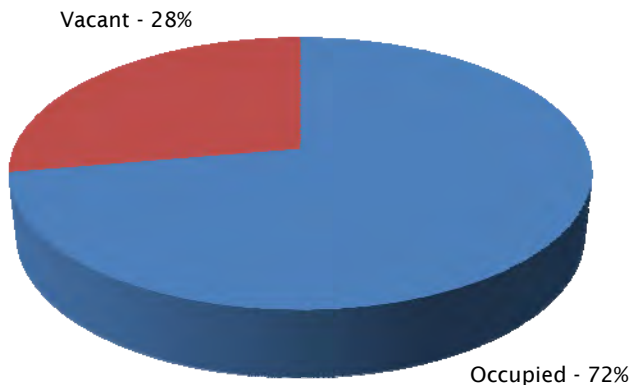
- Arizona Public Service Company
- Transwestern Pipeline Company
- Unisource Energy Corporation
- BNSF Railway Company
- W.L. Gore & Associates Incorporated
- El Paso Natural Gas Company
- City of Los Angeles Department of Water & Power
- Nevada Power Company
- Qwest Corporation
- Perrin Ranch Wind, LLC

Source: Coconino County Assessor

## Housing

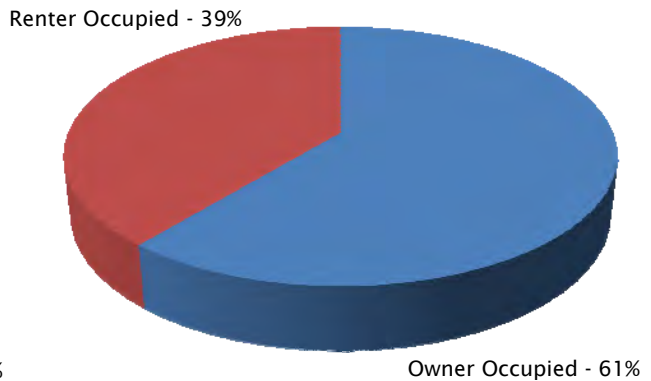
- In 2012, the average household size in Coconino County was 2.73, while the average family size was 3.27. These figures represent decreases of 2.5% and 2.7% compared to the 2000 Census data, respectively.
- In 2012 Coconino County had 63,818 housing units, which was a 0.7% increase from the 2010 Census and a 19.4% increase from the 53,443 units in 2000. According to the U.S. Census Bureau, the median home value in Coconino County in 2012 was \$237,200, a 3.8% decrease from the prior year. As home values decrease in Coconino County, home ownership is slowly beginning to increase again.

### Total Housing Units (2008-2012)



Source: American Community Survey

### Occupied Housing Units (2008-2012)



Source: American Community Survey

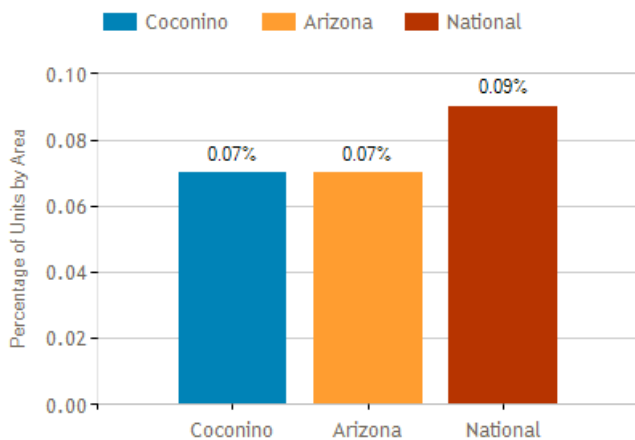
# Community Profile



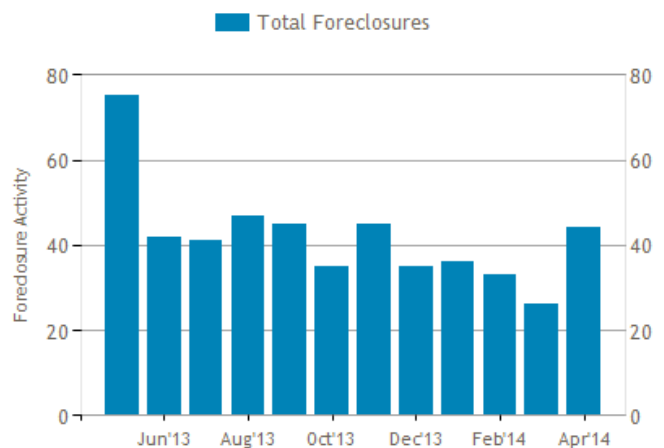
## Housing

- March 2014 single-family home sales in Coconino County were up 192% compared to the same period in 2013. The median home sales price also increased by 2.0% compared to the same period in the prior year.
- As of April 2014, 1 in every 1,438 housing units in Coconino County was in foreclosure, which is slightly higher than the Arizona rate of 1 in every 1,529 housing units.
- Foreclosure activity for Coconino County was down 10.2% in April 2014 compared to the same month the prior year.

### Geographic Foreclosure Comparison



### Coconino County Foreclosure Activity



Source: RealtyTrac.com



# Policies That Guide the Budget



The financial goals of Coconino County include: accountability to the citizenry, stewardship of public resources and the purposes for which they are intended, helping users assess whether current year revenues are sufficient to pay for services provided in that year, to not burden taxpayers for services previously provided, to protect the County's capital investments and to realistically present the financial picture of the County. These goals are incorporated into the budget process along with the policies, goals, and priorities of the County to develop a budget that works to meet the needs of all citizens in Coconino County.

## **Policy Requirement of the Budget**

The Board of Supervisors and the County Manager adopted fiscal policies, budget management policies, and strategic goals and priorities which are used by the departments to guide them through the budget process. Early in the budget process cycle, departments are required to provide revenue and expenditure estimates for the current fiscal year and planned revenues for the following year. The budget team uses these estimates to assist in the update of a ten-year financial plan which is used to monitor changes in available revenues and expenditure levels. Departments also provide an estimate of available fund balances in their Special Revenue Funds to be carried over to the next fiscal year. Departmental requests for incremental increases emphasize funding for program and service changes rather than specific items to be purchased. All decisions are subject to the availability of the County's financial resources and consistency with program and policy goals set out for the budget process.

## **State Legal Requirements of the Budget**

The budget process used by Coconino County is developed each year to meet the requirements of both Arizona State Statutes and the County's management and policy needs. The State Statutes that govern the process are ARS 11-705 and ARS 42-17101 through ARS 42-17110, which establish a fiscal year ending date of June 30th along with specific schedules for the adoption of the Tentative Budget, the adoption of the Final Adopted Budget, and the setting of tax rates for all counties in Arizona.

The County is required by statute to adopt a balanced budget each year. A balanced budget has the sum of estimated net revenues and estimated fund balances equal to appropriated expenditures. Once the Final Adopted Budget is approved (legally required by the first Monday in August), it may not be increased and State Statutes prohibit expenditures in excess of this budget total. Additionally, actual expenditures may not legally exceed the expenditure appropriations at the level the budget is adopted and must comply with ARS 42-17106. During the year, the Board of Supervisors may make changes to the budget, which can include adjusting appropriation levels between funds or departments, as long as these changes do not increase the Adopted Budget total. Adjustments to the budget are processed by the budget team and are reviewed in accordance with State laws and the County budget management policy.

## **How Policies Guide County Management and the Budget**

Since 1996, the Board has had a set of fiscal management policies which guide budget recommendations. They are reviewed and revised every year at the beginning of the budget process.

The policies were developed:

- (1) to significantly contribute to the County's ability to insulate itself from fiscal crisis
- (2) to promote its long-term financial stability by establishing clear and consistent guidelines
- (3) to provide perspective to the financial picture of the entire County rather than single issues areas
- (4) to link long-run financial planning with day-to-day operations
- (5) to provide the Board of Supervisors and the citizens of Coconino County with a framework for measuring the fiscal impact of government services against established fiscal parameters.

## Fiscal Policy

The County has five main aspects of its fiscal policy: operating budget policies, capital budget policies, revenue policies, reserve policies and debt policies.

### Operating Budget Policies

**The budget is a plan for allocating resources.**

- The County shall annually adopt a balanced budget by fund and department. A balanced budget has the sum of estimated net revenue and estimated fund balances equal to appropriated expenditures.
- The County shall not use debt or bond financing to fund current operating expenditures.
- The County shall generally use only recurring revenues to fund recurring expenditures. Non-recurring revenues shall generally not be used to fund recurring expenditures.
- The County shall maintain a budgetary control system to ensure adherence to the Adopted Budget and associated appropriations. Quarterly reports shall be provided comparing actual revenues and expenditures to budgeted amounts.
- All departments shall share in the responsibility of meeting policy goals and ensuring long-term financial viability. Future service plans and program initiatives shall be developed reflecting policy directives, projected resources, and future service requirements. In order to ensure proper policy discussion, discontinuation (or “sunset”) provisions shall be incorporated into service plans, as appropriate. Budgets should be developed to meet the strategic goals and priorities of the organization.
- The County will develop and annually update a ten-year financial forecasting system, which will include projections of revenues, expenditures, future costs of current budget decisions and costs, and financing of capital improvements.
- Requests for increases in funding will be evaluated within the context of the request’s financial impact on the County’s financial condition on an on-going basis, the County’s expenditure limitation, its impact on organizational performance, its future cost-benefit to the County, and its importance in accomplishing specific outcomes of the strategic priorities for the organization.
- The County shall move in the direction of identifying internal services that can be allocated to the different funds and departments of the organization. This allocation should be equitable, based on the use of these services. An indirect cost plan shall be prepared every year to determine the allocation basis for such services.
- The cost-benefit of all County services, both internal and external, shall be analyzed periodically and recommendations shall be made about the continuation of these services.
- The County Manager shall follow the adopted fiscal policies when developing a recommended budget. The County will actively seek to move towards reporting costs and benefits associated with programs, even as they cross departmental lines in the County’s operating budget.

# Policies That Guide the Budget



- Full reporting of all costs, direct and indirect, current and future, will be expected as part of new funding and services decisions. Unless a decision is made by the Board of Supervisors to support a program, grant funds will be expected to cover their full cost and not be looked at in simple terms as “free” funding.
- When deficits appear to be forthcoming within a fiscal year, spending during the fiscal year must be reduced sufficiently to create a positive cash balance. This responsibility resides with the department.

## Capital Budget Policies

**The capital budget provides resources for capital maintenance and future capital needs, without adversely affecting the operating budget.**

- The County shall establish an adequate contingency for the maintenance and orderly replacement of capital assets. This is to protect the County’s capital investments and minimize future maintenance costs.
- The cost of all new capital projects should include a projection of the future maintenance costs of the assets.
- Expenditures for maintenance supplies and materials for replacement items (other than motor vehicles) along with lease/purchase costs shall be budgeted as an operating item. These appropriations will not be placed in the capital budget.
- The County shall purchase capital assets using pay-as-you-go financing whenever economically feasible. When economic and statutory constraints make pay-as-you-go financing impractical or financially unwise, the County will consider conservative borrowing to fund the acquisition of capital assets.
- Departments will develop and maintain capital replacement plans for major capital repairs and replacements.
- Capital projects may begin expending funds for planning and design costs prior to the implementation of a final plan of financing. Expenditures for construction shall begin after the implementation of a final financial plan, which could be pay-as-you-go or debt financing.

## Revenue Policies

**Funding for public programs should be derived from a fair, equitable and adequate resource base, while minimizing tax differential burdens.**

- The County will try to maintain a diversified and stable revenue structure to shelter it from the short-term fluctuations in any one revenues source.
- The County will follow an aggressive policy of collecting tax revenues. The County shall continuously explore new sources for revenue.
- The County shall consider user fees, when appropriate, to fund services. User fees should be used when there is a direct relationship between the costs of the service and the user. User fees allow the County to provide services without increases to the general tax burden.

# Policies That Guide the Budget



- The County will establish recovery rates for direct and indirect costs for user fees and charges. These shall be regularly reviewed to determine if pre-established recovery goals are being met.
- The County will conservatively estimate its annual revenues by an objective, analytical process. This will include the use of historical trends, current local economic trends, national and global economic trends, and changes in State and Federal laws and policies.
- Revenues will be projected for ten years and projections shall be updated quarterly each year.
- Each fee and permit revenue source will be evaluated every other year. Inflationary increases to these fee sources will be recommended to maintain a level recovery percentage, unless compelling justification is presented to maintain current fees.

## Reserve Policies

**Responsible reserve policies will provide adequate resources for cash flow and contingency purposes, while maintaining reasonable tax rates.**

- The County will maintain a contingency for cash liquidity purposes (i.e. designated fund balances) in the County General Fund equal to at least 10% of its annual revenue budget.
- The County will utilize a revenue smoothing reserve allocation of 5% of its annual revenue budget. These funds should only be utilized to cover short-term drops in County revenues to maintain service levels in difficult economic times. This fund is to be replenished as revenues increase.
- The County will maintain a contingency account (a.k.a. County contingency) for the General Fund's annual operating budget to provide for unanticipated expenditures or to meet unexpected increases in service demands. Use of these funds is subject to the County Manager's approval.
- In other major funds, the County will maintain a contingency fund for cash liquidity purposes (i.e. designated fund balance) equal to at least 10% of their annual operating budget.
- Available fund balances shall not be used for on-going operating expenditures unless a determination has been made that available balances are in excess of required guidelines and that plans have been established to address future operating budget shortfalls. For use of fund balances, emphasis shall be placed on one-time uses.
- An annual review of cash flow requirements and appropriate fund balances shall be undertaken to determine whether modifications are appropriate for the reserve/contingency policies.

## Debt Policies

**Responsible debt management policy maintains the County's ability to incur present and future debt at minimal interest rates in amounts needed for infrastructure and economic development without endangering its ability to finance essential County services.**

- The County will not fund current operations from the proceeds of borrowed funds.
- The County will confine long-term borrowing to capital improvements or projects.
- When the County finances capital projects by issuing debt, it will repay the debt within a period not to exceed the expected useful life of the project.

## Budget Management Policy

### Overview

- The Board uses the approved County fiscal policies and strategic priorities to guide the County's budget process. Decisions are evaluated within these contexts as well as the accompanying ten-year financial plan.
- During the budget process, departments are asked to put together and evaluate a line item budget for both revenues and expenditures and present program performance measures and outcomes. Funding for all County programs will be submitted to the Budget Team, County Manager, and Board of Supervisors for recommended funding. Increases to program funding must be submitted as part of the annual budget adoption process and must be clearly tied to a specific strategic priority outcome indicator, as adopted by the Board of Supervisors.
- All Program Funding Reports (PFRs) should be tied to the outcomes of the adopted Strategic Priority Areas and will be evaluated for funding based on criteria adopted by the Board of Supervisors.
- In accordance with State Statutes, the County will adopt a Tentative Budget by the third Monday in July and a Final Adopted Budget by the first Monday in August. The Final Adopted Budget cannot exceed the total of the Tentative Budget. The budget process is planned with the intent to adopt the Tentative Budget by June 30.

### Funding Contracts with Outside Granting Agencies

- All applications for new grants, which are submitted by a department during the off-budget cycle **and request a match from the County's General Fund**, must be approved by the Board of Supervisors.
- All applications for new grants, submitted by a department during the off-budget cycle, **which do not require a match from the County's General Fund**, must be approved by the County Manager.
- If new grants or contracts are received by the County, either by any of its agencies headed by elected or appointed officials, they must be approved first by the Board of Supervisors.
- Under ARS 42-17102, all expenditures must be shown in the budget, regardless of the source of the funds which pays for the expense.
- Departments must appropriate funds for grants that are received off-budget cycle. If it is a new grant, an appropriation is made to the budget holding account. Once the grant is awarded, a budget adjustment is made to move the appropriation into the new fund.
- Grant funds that have accumulated a fund balance must expend that fund balance before requesting new funds from the granting agency. An exception is made when there are grant restrictions on the use of the fund balance for a specific purpose.

# Policies That Guide the Budget



*Note: When the County, or any of its granting agencies or elected officials, receives a grant from an outside source, it generally incurs obligations. Grants are generally given for a specific purpose. At a minimum, in accepting the grant, the County assumes the obligation of ensuring that the grant money is spent only for the specific purposes attached to the grant. In addition, there may be impacts to internal service departments, reporting obligations, compliance with nondiscrimination laws, indemnity and releases—all of which become County obligations upon receipt of the grant funds.*

In accordance with ARS 11-201, the Board of Supervisors is the only entity that has the authority to incur financial, legal, and other obligations on behalf of the County, its agencies, and elected officials. Although some County officials may have express or implied authority to enter into contracts, all of their expenditures are subject to budgetary approval by the Board of Supervisors. To ensure fiscal control, the Board of Supervisors must approve all contracts or specifically authorize a designated elected or appointed official to enter into contracts. Under ARS 11-401, County officials are listed as the: Sheriff, Recorder, Treasurer, Superintendent of Schools, County Attorney, Assessor, Supervisors, Clerk of the Board of Supervisors, and the Tax Collector (the Treasurer is the ex-officio tax collector). Delegation authority for appointed officials is in accordance with a specific action taken by the Board of Supervisors.

## **Budget Amendments**

- Budget amendments throughout the fiscal year, if approved, cannot increase the budget over the adopted total.
- Under the State’s Budgetary Statutes that apply to counties, total expenditures cannot exceed the final appropriation in a given fiscal year, once the budget is adopted.
- The County’s Board of Supervisors can amend the total appropriations for an individual fund. To guarantee compliance with State Statutes, when one fund’s total appropriation is increased, another fund’s appropriation must be reduced by an equal amount.
- Budget amendments are defined as a change in the total appropriations amount at the department or fund level; reallocation of line items is within a department’s budget authority subject to certain internal approvals (see departmental responsibilities below).
- All requests for budget amendments that change the budget in a fund or increase the total department budget should be made through the County Manager with final approval from the Board of Supervisors in the form of an agenda item with accompanying documentation.
- Departments should use the pull-down menu in the agenda routing software to note that an agenda item requires a budget amendment and a BA should be processed. Any requests for increased general fund support should be clearly explained in the fiscal impact section of the staff report.
- Accompanying documentation with an agenda item includes details of the changed budget. The budget changes must be entered in the financial management system (HTE) by the department. When amendments include a request for contingency funds it should be noted specifically in the agenda item. Additionally, when amendments include a request for new staff, it should be noted specifically in the agenda item. An agenda item without this documentation cannot be processed.
- All requests from departments to expend appropriations in their budget for a purpose other than for what the appropriation was originally approved must be authorized by the Board of Supervisors.

# Policies That Guide the Budget



- Departments may expend appropriations in their budget in a program other than the program the appropriation was initially allocated towards if they are still able to achieve the outcomes in each program as presented to the Board of Supervisors in their Program Funding Reports. If a department would like to expend appropriations in their budget in a program other than the program the appropriation was initially allocated towards resulting in a change to the outcomes presented to the Board, they must receive approval from the County Manager.

## Departmental Responsibilities

- Each department is responsible for managing its budget and ensuring compliance with these policies and procedures, i.e. performing the ongoing tracking of revenues and expenditures each month to guard against expenditures in excess of budget or the under-collection of budgeted revenues. Departments should be prepared to explain unexpected variances from the budget to the Budget Team, County Manager, and/or Board of Supervisors.
- Departments may spend appropriations within their operations budget without formally reallocating the budget between line items. **Budget compliance according to State Statute is at the department or fund level.**
- A department will need to consult with the Budget Division to expend capital or salary (including ERE) appropriations for a different purpose.
- All requests for the reallocation of the budget between the operations and capital categories need to be reviewed by the Budget Division before changes can be finalized.
- Requests for transfers between salaries and the other budget categories (i.e. use of salary savings) should be submitted by the department to the County Manager for approval. The department should submit the request with an analysis of how this change will impact the department's budget. **One-time salary savings cannot be used to fund recurring expenditures.**
- The responsibility for projecting the on-going impact will be calculated by the department and must accompany budget submissions.
- To aid departments in managing their budgets, the Finance Department shall send out monthly expenditure and revenue reports to the business manager of each department and include a year-to-date percentage of budget for each line item.
- Departments should monitor their revenues on a monthly basis. If revenue estimates drop more than 10% below the amount projected in the budget, the department should contact their Budget representative with an updated revenue figure.

## Policy for Budgeted Expenditure Carryovers

The Board of Supervisors adopts an annual budget which includes every department's approved expenditures for the year, with the dollar amounts distributed in detail according to the program and category of expense. Major expenditure categories are salaries, benefits, operations, travel, and capital. Policy guidelines and the criteria for requesting and approving carryovers are as follows:

# Policies That Guide the Budget



- A department may request to carryover an approved capital expenditure appropriation into the next fiscal year when they do not expect to expend all of the appropriation for the project by the end of the current fiscal year. Requests to carryover operating budget items, however, would be limited to special studies or special projects and one-time expenditures for a specific purpose, such as postage of a major mailing. As with capital, the request should be based on the department's estimate that the project or study will not be completed in the current fiscal year.
- Departments should submit carryover requests during the budget process when they identify current expenditure appropriations that will need to be completed in the next fiscal year.
- Budget appropriation dollars must exist in the current year's annual budget so that there is already an appropriation that may be carried over to the next year. Requests for carryovers will be funded from the same source as the original appropriation.
- The original budget appropriation from which the carryover is being requested will almost always be a one-time funding. If the carryover is approved then the carryover amount is a one-time appropriation in the next fiscal year's budget and does not become part of that department's base budget.
- Approval of carryover requests is subject to available funds. Grants and Special Revenue Funds need to specify the funding source for every carryover request.
- The total actual expenditures for all year may not exceed the total project budget, regardless of the annual amount appropriated.
- Capital expenditures are the most frequent type of carryover request. Often a project is begun in one fiscal year but must be completed in the next fiscal year. This is especially true of major road construction and maintenance projects, building construction or renovation projects, and purchases of major pieces of equipment where the delivery date is after the end of the current fiscal year.
- Salary and employee benefit budget appropriations generally do not meet the criteria for carryovers.

## **General Fund Expenditures, Revenue, and Support**

- Budget management is at the expenditure category level by fund and program. Revenues are considered estimates. An increase in revenue above the budgeted amount does not automatically equate to an increase in an expenditure appropriation in the General Fund.
- Departments are expected to stay within their expenditure budget, regardless of revenue. Using additional General Fund revenue as justification for an expenditure appropriation increase will only be considered in special cases. Approval must come from the County Manager.
- Routine revenue increases resulting from the fee study related to licenses and permits and charges for services will not be considered as a basis for an expenditure increase. Aside from special cases, new fees identified in the fee study for the General Fund will not be considered as justification for an expenditure appropriation increase.

# Policies That Guide the Budget



- For funds that receive General Fund support in the form of a transfer, it is the department's responsibility to stay within the budgeted transfer amount. If revenues will not meet budget projections, expenditures should be reduced accordingly so that the budgeted level of General Fund support will not be exceeded.

## **Financial Management of Personnel Expenditures**

- Approval for new positions, even through grant funds, must come from the Board of Supervisors.
- The Board approves the funding sources for all FTEs.
- Charging of an FTE to a General Fund supported cost center for more than the approved amount can be considered in special cases only. Approval can be granted on a limited-term basis and must come from the County Manager or Deputy County Manager that oversees the department. E-mail approval is recommended, with the departmental budget contact to be copied on the request. The department must have the ability to absorb the cost of the cost center change in their budget appropriation.
- If positions are approved as part-time, they cannot be combined with other part-time positions to create a benefit-eligible position. An exception can be made for fully grant-funded positions that receive no General Fund support, as long as the grant allows for the benefits and there is sufficient funding in the grant(s) to cover the cost of benefits.
- Benefit-eligible FTEs should not be split into part-time FTEs. If this is necessary, it should be done on a limited-term basis and re-evaluated each year.

# Expenditure Limitation



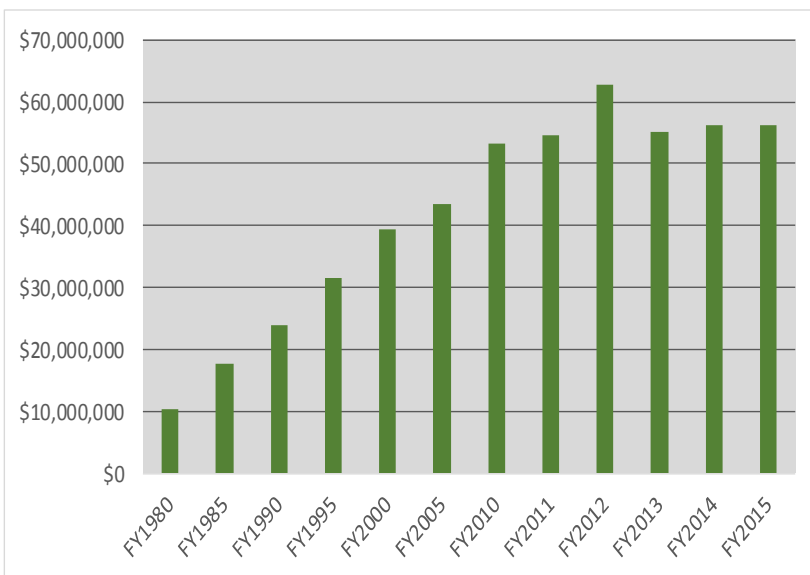
The Arizona Constitution specifies that counties will be subject to expenditure limitations in their annual budgets. This law has been in place since fiscal year 1980 and is based upon a decision by voters to place limits on the spending capacity of local governments. Expenditures that are subject to the limit are those derived from local revenues which include property taxes, County sales tax, fees for services, permits, licenses, and court fines as well as a portion of the gasoline tax. Capital expenditures that are debt-financed are not subject to the limit. Additionally, neither are the expenditures to meet debt service obligations. Revenues received from the State or Federal government are excludable from the limit calculation as well.

The Arizona Economic Estimates Commission (EEC) publishes the expenditure limit for every county by May 1 for the upcoming fiscal year beginning on July 1. FY1980 is referred to as the base year. The calculation for each successive year's expenditure limit as set in Statute contains three parts. First, annual growth in the limit can occur based on the County's change in population. The population factor in the calculation is the percentage growth in the County population for the current year compared to the population count as of the July 1, 1978 GDP price deflator. The population and inflation factors are multiplied times that part of the calculation which is the expenditure base for FY1980. The result is the expenditure limit for the new fiscal year.

The graph below illustrates the change in the annual expenditure limit since 1980. The annual expenditure limit for FY15 is over five times what it was in 1980 and has only increased 8% annually on average since FY00. The overall growth rate has averaged 15.4% since the expenditure limit was enacted. The Federal Bureau of Economic Statistics adjusted the formula by recalculating the base year to 1996 for the GDP price deflator and re-indexing the calculation on measuring inflation. These combined changes dramatically reduced the expenditure limit growth for the County. Coconino County to date has never exceeded the annual expenditure limit.

The County has accumulated expenditure limit carry-forwards from prior years when actual expenditures were less than the limit. These amounts are being carried forward to be used this year and in future years when expenditures would otherwise exceed the limit for a particular year. These carry-forward amounts may also be used to support capital projects.

The graph below illustrates changes in the expenditure limit since FY1980.



Fiscal Year	Expenditure Limitation
FY1980	10,268,127
FY1985	17,562,554
FY1990	24,003,655
FY1995	31,633,275
FY2000	39,533,349
FY2005	43,555,714
FY2010	53,212,623
FY2011	54,492,857
FY2012	62,768,726
FY2013	55,182,593
FY2014	56,203,452
FY2015	56,245,154

In FY10, Coconino County began the implementation of a Strategic Budget Process. This process implementation, combined with a downturn in the State and local economy, changed the way the budget was developed compared to prior processes. For more information on the Strategic Budget Process and the impact its implementation had on the budget development process, please see the Strategic Budget and Long Term Planning section.

## The Basis of Budgeting

Historically the County has used a base budget process for its preparation, in which each department has a base operations appropriation for the upcoming fiscal year. In FY10, it was taken a step further and budgets were developed by program. The program-based budgeting has continued to grow in each fiscal year since FY10. Each department was asked to establish a base budget for each program, not to exceed the calculated base of the entire department. The Budget Team reviewed and set the base budget by fund and department at the beginning of the budget cycle. This base amount includes personnel and operations costs. During past budget processes, departments could request incremental increases to the base amount which may have had a one-time impact (e.g., capital) or a recurring impact (e.g., requests for additional staff). With the revenue challenges faced by the County in the past few years the opportunity to request budget increases was minute. In FY15, departments were able to make requests. Each request was evaluated by management and either recommended for the FY15 budget, recommended for review at mid-year, or recommended to be considered in a future year if the need remains.

## The Basis of Accounting

The accounting policies of Coconino County conform to General Accepted Accounting Principles (GAAP) applicable to governmental units as adopted by the Government Accounting Standards Board (GASB).

The County's accounts are maintained in accordance with the principles of fund accounting to ensure that limitations and restrictions on the County's available resources are observed. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with the activities or objectives specified for those resources. Each fund is considered a separate accounting entity, and its operations are accounted for in a separate set of self-balancing accounts that comprise its assets, liability, fund equity, revenues, and expenditure or expenses.

**All governmental funds are budgeted and accounted for using the modified accrual basis of accounting.** The modified accrual basis of accounting is a blend of accrual and cash basis accounting concepts. Revenue is recognized when measurable and available to finance the expenditures of the current period. Expenditures are generally recorded when the related fund liability is incurred.

**The internal service fund is accounted for using the full accrual basis of accounting.** Revenue is recognized when it is earned and expense are recorded when they are incurred. **Fiduciary funds are not formally budgeted for or accounted for by the County.**

# Fund Types



## **Governmental Funds**

Governmental Funds account for the County's general government activities undertaken in response to the needs of the citizens of Coconino County and are designed to measure the extent to which revenues obtained during the current fiscal year are sufficient to cover current expenditures. Governmental Funds include the following types:

**General Fund** - The General Fund is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in other funds. Revenues in the General Fund are primarily derived from sales taxes, vehicle license taxes, property taxes, license and permit fees, fines and intergovernmental sources, including State Shared Sales Taxes. General Fund expenditures include the costs associated with general governmental, the costs associated with providing internal services, and transfer to other funds (principally the funding of operations for health and social services).

**Special Revenue Funds** - Special Revenue Funds account for specific revenue sources, other than major capital projects, that are legally restricted to expenditures for specified purposes. The largest source of revenue in this fund type is the Highway User Revenue Fund (HURF) which is restricted for the maintenance and construction of County roads. It is revenue returned to counties from the State-wide gasoline tax.

**Debt Service Fund** - Debt Service Funds account for resources accumulated and used for the payment of general and special district long-term debt principal, interest, and related costs. Revenues in Debt Service Funds are in the form of transfer, sales tax, special assessments, and investment income. Funds that account for revenues and expenditures associated with special districts, which are funded through special assessments, are also currently active. The County has no general obligation debt currently outstanding.

**Capital Projects Funds** - Capital Project Funds account for resources to be used for acquiring or constructing major capital facilities. The majority of current capital project expenditures are budgeted in the Parks Capital Plan Fund.

**Proprietary Funds** - Proprietary Funds account for the County's ongoing activities that are similar to those found in the private sector but are not profit seeking; they are intended to be cost-covering. In other words, users of specific goods or services are charged amounts directly related to the costs of providing those goods or services. Coconino County has one Proprietary Fund - it is the Internal Service Fund known as the Mechanical Services Fund.

**Internal Service Fund** - Internal Service Funds are a type of Proprietary Fund where departments are charged for the services of the funds. The fund recovers 100% of its costs through department reimbursements. The accrual basis of accounting is used for the County's Internal Service Fund. Internal Service Funds account for the financing of goods or services provided by the department or agency to other County departments or agencies, or to other governments on a cost-reimbursement basis. The only Internal Service Fund within Coconino County is the Mechanical Services Fund that operates the County's fleet of automobiles for official County business. Depreciation on general fixed assets is expended. The appropriation for this fund is not shown independently because the fund expenses are charged back to the County departments and are already represented in the Governmental Funds budget.

# Fund Types

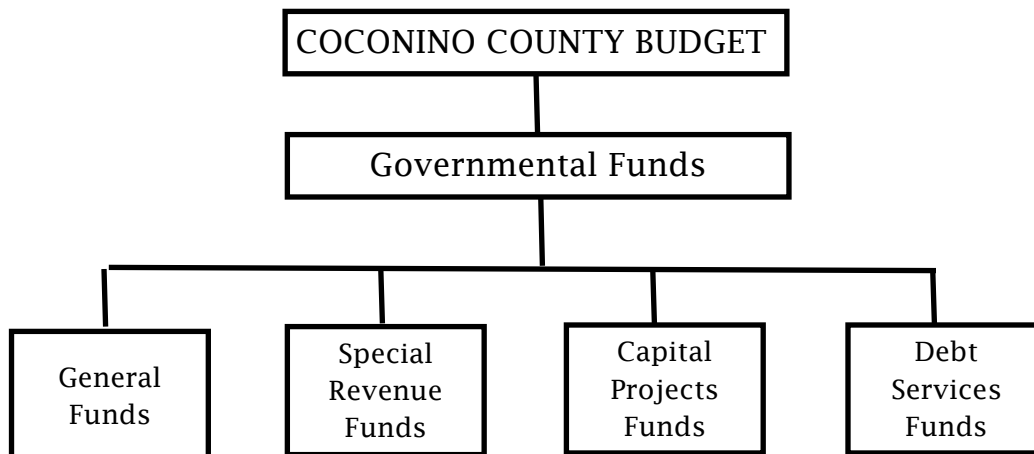


**Fiduciary Funds** - Fiduciary Funds account for assets the County holds on behalf of others. Because these funds account for non-County assets, the County has no authority over how they are expended. They are not included in the County Budget. Fiduciary Funds include the following fund types:

**Investment Trust Funds** - Investment Trust Funds account for investments made by the County on behalf of other governmental entities.

**Agency Funds** - An Agency Fund is custodial in nature and does not present results of operations. These funds are used to account for assets that the government holds for others in an agency capacity.

The County's budgetary fund structure is illustrated below:



**Major Funds** - The following pages present summary financial statement for all Coconino County Governmental Funds along with Major Fund financial statements. Major Funds can be any Governmental Fund type: they do not include Internal Service or Fiduciary Funds. Major Funds are defined as those meeting both of the following criteria:

1. 10% or more of the associated total revenues, expenditures/expenses, assets, or liabilities of:
  - A. All Governmental Funds
  - OR
  - B. Enterprise Funds

And

2. 5% or more of the revenues, expenditures/expenses, assets, or liabilities of:
  - A. All Governmental Funds
  - AND
  - B. All Enterprise Funds

Coconino County does not have any Enterprise Funds. Government officials may elect to report a fund as major if they believe that the public interest is served by the reporting - regardless of the quantitative criteria.

# Fund Types



The following funds are considered Major Funds by Coconino County in FY15:

**General Fund** - The General Fund is the County's primary operating fund. It accounts for all financial resources of the County, except for those required to be accounted for in other funds.

**Highway User Revenue Fund** - The Highway User Revenue Fund (HURF) accounts for the portion of revenues derived from gasoline tax and returned to the County by the State. HURF is used to support road construction and maintenance projects in the County.

**Jail District** - The Jail District is a separate legal entity established to fund the operations of the Coconino County Jail. Its primary source of revenue is a dedicated sales tax. It receives General Fund support in the form of a maintenance of effort payment.

**Parks and Open Space Sales Tax Fund** - This fund is used to account for sales tax receipts in association with the Capital Parks and Open Space (CPOS) ballot issue approved by the voters in 2002. This fund has no expenditures, but transfers money for the operating and capital portions of the CPOS projects.

**Public Health Services District** - The Public Health Services District was formed on December 15, 2009. It is funded by a property tax, General Fund support, user fees, and State and Federal grants. It funds Public Health Services in the County.

**Non-Major Funds** - This is the total of all other Governmental Funds not considered major funds.

# Other Funds



As mentioned on pages in the fund types section, Coconino County has proprietary and fiduciary funds that are not part of the adopted budget structure. The budget for these funds are not legally adopted by the Board of Supervisors. Because these funds have FTEs or are used to offset County expenditures, we feel it is important to discuss the sources and uses of funds in our proprietary and fiduciary funds.

**Internal Service Funds** - Coconino County has an internal service fund called Mechanical Services for the operation of general motor pool. We establish a budget for this fund, in which the revenue sources comes through expenditure charges to County departments for their proportional share of vehicle usage expenditures. Coconino County went through a study to evaluate the Mechanical Services program and to determine if there are efficiencies and cost cutting measures that can be utilized to reduce County-wide motor pool costs. A new rate structure is being adopted in the FY15 budget to be effective July 1, 2014.

	<b>FY 2015 Budget</b>
Charges for Services	\$ 3,575,348
Investment Income	10,000
Miscellaneous	152,000
<b>Total Revenue</b>	<b>\$ 3,737,348</b>
Salary/ERE	\$ 848,036
Operations	2,670,566
Travel	14,256
Vehicle Replacement	283,516
<b>Total Expenditures</b>	<b>\$ 3,816,374</b>

	<b>FY 2015 Budget</b>
Accounting Technician II	0.95
Equipment Parts Specialist	3.00
Fleet Analyst	0.25
Fleet Services Manager	0.50
Mechanic	4.00
Mechanic, Lead	1.00
Parts Runner	1.00
Trades Division Supervisor	1.00
Trades Supervisor	1.00
<b>Total FTEs</b>	<b>12.70</b>

**Investment Trust Funds: Courts** - The Justice Courts and Superior Court have funds set by Statute in which a percentage of every fee and fine paid to the court is designated to a separate fund. Authority to use the funds is made by grant application to the AOC, which they approve based on need, fund balance, and recurring receivables. Expenditures from the funds that are under \$2,500 do not need such approval. The use of these funds are limited to certain types of projects relating to training, collections, automation, and case processing. During the budget process each year, the judges make recommendation for annual use of the funds. Although the County Board of Supervisors are not legally required to adopt a budget for these funds, the departments prepare an annual budget for the expenditure funds. The anticipated expenditure budget by department for FY15 is shown below.

<b>Department</b>	<b>FY2015 Budget</b>
Justice Court - Flagstaff	\$ 52,207
Justice Court- Fredonia	9,600
Justice Court - Page	8,667
Justice Court - Williams	10,466
Superior Court	79,751

# Other Funds



**Investment Trust Funds: Fire District Assistance Tax** - Please see the Special Taxing Districts section for a complete explanation of the fire district assistance tax.

**Investment Trust Funds: Accommodation Schools** - The Superintendent of Schools Office operates an accommodation school as an alternative route to achieving a high school diploma. The accommodation school funding is primarily from State Education Equalization revenues. Although the County Board of Supervisors is not legally required to adopt a budget for these funds, the department prepares an annual budget for the expenditure of funds. The Accommodation School program description can be found in the Superintendent of Schools program financials.

# Department Expenditures by Function



	General Government	Public Safety	Highways and Streets	Sanitation	Health	Welfare	Culture and Recreation	Education
Board of Supervisors	X							
County Manager	X							
Assessor	X							
Recorder	X							
Superintendent of Schools								X
Treasurer	X							
Non-Departmental	X							
Adult Probation		X						
Clerk of the Superior Court	X							
Constable		X						
County Attorney	X							
Justice Courts	X							
Juvenile Court Services		X						
Legal Defender	X							
Public Defender	X							
Sheriff/Jail District		X						
Superior Court	X							
Career Center						X		
Community Services						X		
Community Development	X	X						
KVID				X				
Parks and Recreation						X		
Public Health Services District		X			X			
Public Works		X	X	X				
Facilities Management	X							
Finance	X		X					
Human Resources	X							
Information Technology	X		X					
Special Districts			X			X		

# Expenditures by Strategic Priority Area



	Community Vitality	Cultural and Natural Resources	Economic Vitality and Development	Organizational and Fiscal Health	Public Health	Public Safety
Board of Supervisors	X			X		
County Manager				X		X
Assessor				X		
Recorder	X			X		
Superintendent of Schools	X					
Treasurer				X		
Non-Departmental	X	X	X	X		
Adult Probation						X
Clerk of the Superior Court				X		X
Constable						X
County Attorney				X		X
Justice Courts						X
Juvenile Court Services						X
Legal Defender						X
Public Defender						X
Sheriff/Jail District						X
Superior Court	X					X
Career Center	X		X			
Community Services	X	X	X	X		
Community Development						X
KVID				X	X	
Parks and Recreation	X	X				
Public Health Services District					X	
Public Works	X				X	X
Facilities Management		X		X		
Finance	X		X	X		
Human Resources	X			X		
Information Technology	X		X	X		X
Special Districts			X			X

# Summary of Financial Statements



## All Funds

Fiscal Years 2013 Through 2015  
The total Fiscal Year 2015 Adopted Budget for all funds is \$201,010,897

	FY2013 Actuals	FY2014 Revised Budget	FY2014 Estimated Actuals	FY2015 Adopted Budget
<b>Revenues:</b>				
Property Taxes	\$ 19,414,376	\$ 18,523,834	\$ 18,420,722	\$ 18,852,309
Other Taxes	32,137,962	34,387,024	30,676,791	31,795,625
Special Assessments	438,624	515,045	225,637	185,081
Licenses & Permits	1,436,023	1,673,532	1,584,573	1,605,830
Fees, Fines, and Forfeits	1,434,276	1,871,750	1,875,490	1,880,350
Intergovernmental	53,050,252	63,307,833	46,472,379	63,009,805
Charges for Services	11,936,736	11,718,708	10,985,353	9,930,362
Investment Income	(475,656)	718,099	1,636,942	638,352
Contributions	325,068	219,493	360,604	140,554
Miscellaneous	1,078,720	735,608	716,653	14,737,975
<b>Total Revenues</b>	<b>\$ 120,776,382</b>	<b>\$ 133,670,926</b>	<b>\$ 112,955,145</b>	<b>\$ 142,776,243</b>
<b>Expenditures:</b>				
Current:				
General Government	\$ 30,522,520	\$ 57,510,484	\$ 32,427,687	\$ 57,160,817
Public Safety	40,968,208	52,202,428	46,474,147	67,385,198
Highways and Streets	14,083,586	23,570,200	10,980,016	30,401,609
Sanitation	1,937,821	2,328,674	1,415,873	2,285,096
Health	13,793,595	16,169,665	13,803,939	15,741,697
Welfare	6,115,888	6,905,943	4,423,430	4,210,239
Culture and Recreation	8,305,256	19,700,061	5,898,254	20,212,511
Education	2,921,076	4,749,251	3,500,229	1,389,771
Capital Outlay	273,951	2,651,262	510,362	2,050,278
Debt Service:				
Principle	398,601	446,653	416,283	149,079
Interest and Other Charges	67,791	56,992	46,149	24,602
<b>Total Expenditures</b>	<b>\$ 119,388,292</b>	<b>\$ 186,291,613</b>	<b>\$ 119,896,368</b>	<b>\$ 201,010,897</b>
Excess (deficiency) of revenues over expenditures	\$ 1,388,090	\$ (52,620,687)	\$ (6,941,223)	\$ (58,234,654)
Other Financing Sources (Uses):				
Sales of Capital Assets	\$ 16,744	\$ 150,000	\$ 523,045	\$ 150,000
Transfers In	14,843,586	31,635,288	16,643,088	30,167,239
Transfers Out	(14,843,586)	(31,635,288)	(16,643,088)	(26,854,126)
<b>Total Other Financing Sources and Uses</b>	<b>\$ 16,744</b>	<b>\$ 150,000</b>	<b>\$ 523,046</b>	<b>\$ 3,463,113</b>
Net Change in Fund Balance	\$ 1,404,834	\$ (52,470,687)	\$ (6,418,177)	\$ (54,771,541)
Fund Balances, July 1	\$ 89,680,635	\$ 91,085,469	\$ 91,085,469	\$ 84,667,292
Fund Balances, June 30	\$ 91,085,469	\$ 38,614,782	\$ 84,667,292	\$ 29,895,751

# Summary of Financial Statements



## General Fund

Fiscal Years 2013 Through 2015

The total Fiscal Year 2015 Adopted Budget for all General Funds is \$72,591,508

	FY2013 Actuals	FY2014 Revised Budget	FY2014 Estimated Actuals	FY2015 Adopted Budget
<b>Revenues:</b>				
Property Taxes	\$ 7,847,521	\$ 8,303,326	\$ 8,256,009	\$ 8,541,236
Other Taxes	15,834,058	16,791,889	15,099,992	16,808,636
Special Assessments	-	-	-	-
Licenses & Permits	674,468	902,500	787,213	878,500
Fees, Fines, and Forfeits	1,125,687	1,108,650	1,173,861	1,091,650
Intergovernmental	21,602,795	22,215,007	20,153,743	22,566,777
Charges for Services	5,041,772	4,873,558	5,183,904	4,523,151
Investment Income	(157,151)	248,861	567,312	238,860
Contributions	150,534	130,150	181,981	130,150
Miscellaneous	328,932	123,944	147,288	90,015
<b>Total Revenues</b>	<b>\$ 52,448,615</b>	<b>\$ 54,697,885</b>	<b>\$ 51,551,301</b>	<b>\$ 54,868,975</b>
<b>Expenditures:</b>				
Current:				
General Government	\$ 28,632,023	\$ 54,916,954	\$ 30,431,275	\$ 54,961,676
Public Safety	12,526,789	13,329,664	13,983,679	13,685,576
Highways and Streets	449,583	628,097	499,211	537,578
Sanitation	-	-	-	-
Health	-	35,500	2,183	121,203
Welfare	462,488	547,565	489,098	473,755
Culture and Recreation	1,479,900	1,995,155	1,408,106	2,298,970
Education	462,352	533,035	479,217	512,750
Capital Outlay	-	-	-	-
Debt Service:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 44,013,135</b>	<b>\$ 71,985,970</b>	<b>\$ 47,292,769</b>	<b>\$ 72,591,508</b>
Excess (deficiency) of revenues over expenditures	\$ 8,435,480	\$ (17,288,085)	\$ 4,258,532	\$ (17,722,533)
Other Financing Sources (Uses):				
Sales of Capital Assets	\$ 1,175	\$ -	\$ 397,278	\$ -
Transfers In	1,839,113	2,678,562	2,180,813	2,044,909
Transfers Out	(9,505,606)	(15,514,954)	(13,580,188)	(8,268,608)
<b>Total Other Financing Sources and Uses</b>	<b>\$ (7,665,318)</b>	<b>\$ (12,836,392)</b>	<b>\$ (11,002,097)</b>	<b>\$ (6,223,699)</b>
Net Change in Fund Balance	\$ 770,163	\$ (30,124,477)	\$ (6,743,565)	\$ (23,946,232)
Fund Balances, July 1	\$ 29,919,634	\$ 30,689,797	\$ 30,689,797	\$ 23,946,232
Fund Balances, June 30	\$ 30,689,797	\$ 565,320	\$ 23,946,232	\$ (0)

# Summary of Financial Statements



## Highway User Revenue Fund

Fiscal Years 2013 Through 2015

The total Fiscal Year 2015 Adopted Budget for the Highway User Revenue Fund is \$17,771,854

	FY2013 Actuals	FY2014 Revised Budget	FY2014 Estimated Actuals	FY2015 Adopted Budget
<b>Revenues:</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Taxes	1,678,845	1,709,800	1,775,891	1,709,800
Special Assessments	-	-	-	-
Licenses & Permits	20,470	25,827	16,565	9,500
Fees, Fines, and Forfeits	-	-	-	-
Intergovernmental	8,716,151	8,538,296	7,655,624	8,331,403
Charges for Services	4,560	-	5,412	-
Investment Income	(91,553)	50,000	363,075	50,000
Contributions	-	-	-	-
Miscellaneous	41,609	-	9,558	-
<b>Total Revenues</b>	<b>\$ 10,370,082</b>	<b>\$ 10,323,923</b>	<b>\$ 9,826,125</b>	<b>\$ 10,100,703</b>
<b>Expenditures:</b>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-
Highways and Streets	13,573,250	22,878,166	10,420,141	17,771,854
Sanitation	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Education	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 13,573,250</b>	<b>\$ 22,878,166</b>	<b>\$ 10,420,141</b>	<b>\$ 17,771,854</b>
Excess (deficiency) of revenues over expenditures	\$ (3,203,168)	\$ (12,554,243)	\$ (594,016)	\$ (7,671,151)
Other Financing Sources (Uses):				
Sales of Capital Assets	\$ 11,992	\$ 150,000	\$ 103,215	\$ 150,000
Transfers In	1,605,077	2,775,000	1,717,407	1,523,516
Transfers Out	(157,157)	(199,059)	(162,943)	(3,477,354)
<b>Total Other Financing Sources and Uses</b>	<b>\$ 1,459,913</b>	<b>\$ 2,725,941</b>	<b>\$ 1,657,679</b>	<b>\$ (1,803,838)</b>
Net Change in Fund Balance	\$ (1,743,255)	\$ (9,828,302)	\$ 1,063,663	\$ (9,474,989)
Fund Balances, July 1	<b>\$ 20,241,623</b>	<b>\$ 18,498,368</b>	<b>\$ 18,498,368</b>	<b>\$ 19,562,031</b>
Fund Balances, June 30	<b>\$ 18,498,368</b>	<b>\$ 8,670,066</b>	<b>\$ 19,562,031</b>	<b>\$ 10,087,041</b>

# Summary of Financial Statements



## Jail District Funds

Fiscal Years 2013 Through 2015

The total Fiscal Year 2015 Adopted Budget for the Jail District Fund is \$18,634,679

	FY2013 Actuals	FY2014 Revised Budget	FY2014 Estimated Actuals	FY2015 Adopted Budget
<b>Revenues:</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Taxes	11,699,874	12,691,779	11,041,847	12,697,600
Special Assessments	-	-	-	-
Licenses & Permits	-	-	-	-
Fees, Fines, and Forfeits	-	-	-	-
Intergovernmental	6,936	12,000	-	12,000
Charges for Services	1,425,755	1,407,483	1,183,121	1,407,483
Investment Income	(60,100)	193,057	252,993	193,057
Contributions	-	-	-	-
Miscellaneous	5,008	8,500	10,368	-
<b>Total Revenues</b>	<b>\$ 13,077,474</b>	<b>\$ 14,312,819</b>	<b>\$ 12,488,328</b>	<b>\$ 14,310,140</b>
<b>Expenditures:</b>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	12,636,839	14,350,149	13,234,808	17,876,718
Highways and Streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Education	-	-	-	-
Capital Outlay	266,585	1,339,655	406,095	757,961
Debt Service:				
Principle	1,500	-	-	-
Interest and Other Charges	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 12,904,923</b>	<b>\$ 15,689,804</b>	<b>\$ 13,640,904</b>	<b>\$ 18,634,679</b>
Excess (deficiency) of revenues over expenditures	\$ 172,551	\$ (1,376,985)	\$ (1,152,575)	\$ (4,324,539)
Other Financing Sources (Uses):				
Sales of Capital Assets	\$ -	\$ -	\$ -	\$ -
Transfers In	2,457,240	2,518,950	2,518,950	2,545,028
Transfers Out	(51,535)	(122,618)	(55,055)	(41,979)
<b>Total Other Financing Sources and Uses</b>	<b>\$ 2,405,705</b>	<b>\$ 2,396,332</b>	<b>\$ 2,463,895</b>	<b>\$ 2,503,049</b>
Net Change in Fund Balance	\$ 2,578,256	\$ 1,019,347	\$ 1,311,320	\$ (1,821,490)
Fund Balances, July 1	\$ 10,899,156	\$ 13,477,413	\$ 13,477,413	\$ 14,788,733
Fund Balances, June 30	\$ 13,477,413	\$ 14,496,760	\$ 14,788,733	\$ 12,967,243

# Summary of Financial Statements



## Parks and Open Space Sales Tax

Fiscal Years 2013 Through 2015

The total Fiscal Year 2015 Adopted Budget for the Parks and Open Space Sales Tax Fund is \$0

	FY2013 Actuals	FY2014 Revised Budget	FY2014 Estimated Actuals	FY2015 Adopted Budget
<b>Revenues:</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Taxes	2,923,093	3,193,556	2,758,637	579,589
Special Assessments	-	-	-	-
Licenses & Permits	-	-	-	-
Fees, Fines, and Forfeits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Investment Income	(59,168)	24,000	225,382	24,000
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>\$ 2,863,925</b>	<b>\$ 3,217,556</b>	<b>\$ 2,984,018</b>	<b>\$ 603,589</b>
<b>Expenditures:</b>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Education	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Excess (deficiency) of revenues over expenditures	\$ 2,863,925	\$ 3,217,556	\$ 2,984,018	\$ 603,589
<b>Other Financing Sources (Uses):</b>				
Sales of Capital Assets	\$ -	\$ -	\$ -	\$ -
Transfers In	-	-	-	-
Transfers Out	(2,176,648)	(11,828,540)	(231,656)	(12,187,548)
<b>Total Other Financing Sources and Uses</b>	<b>\$ (2,176,648)</b>	<b>\$ (11,828,540)</b>	<b>\$ (231,656)</b>	<b>\$ (12,187,548)</b>
Net Change in Fund Balance	\$ 687,278	\$ (8,610,984)	\$ 2,752,362	\$ (11,583,959)
Fund Balances, July 1	\$ 8,832,486	\$ 9,519,764	\$ 9,519,764	\$ 12,272,126
Fund Balances, June 30	\$ 9,519,764	\$ 908,780	\$ 12,272,126	\$ 688,167

# Summary of Financial Statements



## Health and Public Health Services District Funds

Fiscal Years 2013 Through 2015

The total Fiscal Year 2015 Adopted Budget for all Health Funds is \$15,620,452

	FY2013 Actuals	FY2014 Revised Budget	FY2014 Estimated Actuals	FY2015 Adopted Budget
<b>Revenues:</b>				
Property Taxes	\$ 4,407,950	\$ 3,832,663	\$ 3,810,262	\$ 3,836,210
Other Taxes	2,093	-	210	-
Special Assessments	-	-	-	-
Licenses & Permits	729,585	737,205	778,795	717,830
Fees, Fines, and Forfeits	26	-	-	-
Intergovernmental	4,142,212	5,089,302	3,565,280	4,556,970
Charges for Services	546,341	509,417	542,305	533,917
Investment Income	(8,486)	12,338	27,567	12,340
Contributions	84,003	-	83,216	-
Miscellaneous	51,784	46,197	90,204	50,654
<b>Total Revenues</b>	<b>\$ 9,955,509</b>	<b>\$ 10,227,122</b>	<b>\$ 8,897,839</b>	<b>\$ 9,707,921</b>
<b>Expenditures:</b>				
Current:				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	740,072	570,894	673,131	684,958
Highways and Streets	-	-	-	-
Sanitation	-	-	-	-
Health	13,793,595	16,134,165	13,801,756	14,935,494
Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Education	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 14,533,668</b>	<b>\$ 16,705,059</b>	<b>\$ 14,474,887</b>	<b>\$ 15,620,452</b>
Excess (deficiency) of revenues over expenditures	\$ (4,578,159)	\$ (6,477,937)	\$ (5,577,048)	\$ (5,912,531)
Other Financing Sources (Uses):				
Sales of Capital Assets	\$ -	\$ -	\$ -	\$ -
Transfers In	4,609,901	5,174,897	5,146,356	4,692,585
Transfers Out	(170,725)	(225,685)	(148,330)	(21,203)
<b>Total Other Financing Sources and Uses</b>	<b>\$ 4,439,176</b>	<b>\$ 4,949,212</b>	<b>\$ 4,998,026</b>	<b>\$ 4,671,382</b>
Net Change in Fund Balance	\$ (138,983)	\$ (1,528,725)	\$ (579,022)	\$ (1,241,149)
Fund Balances, July 1	\$ 2,066,607	\$ 1,927,624	\$ 1,927,624	\$ 1,348,602
Fund Balances, June 30	\$ 1,927,624	\$ 398,899	\$ 1,348,602	\$ 107,453

# Summary of Financial Statements



## Non-Major Funds

Fiscal Years 2013 Through 2015  
 The total Fiscal Year 2015 Adopted Budget for the Non Major funds is \$76,392,404

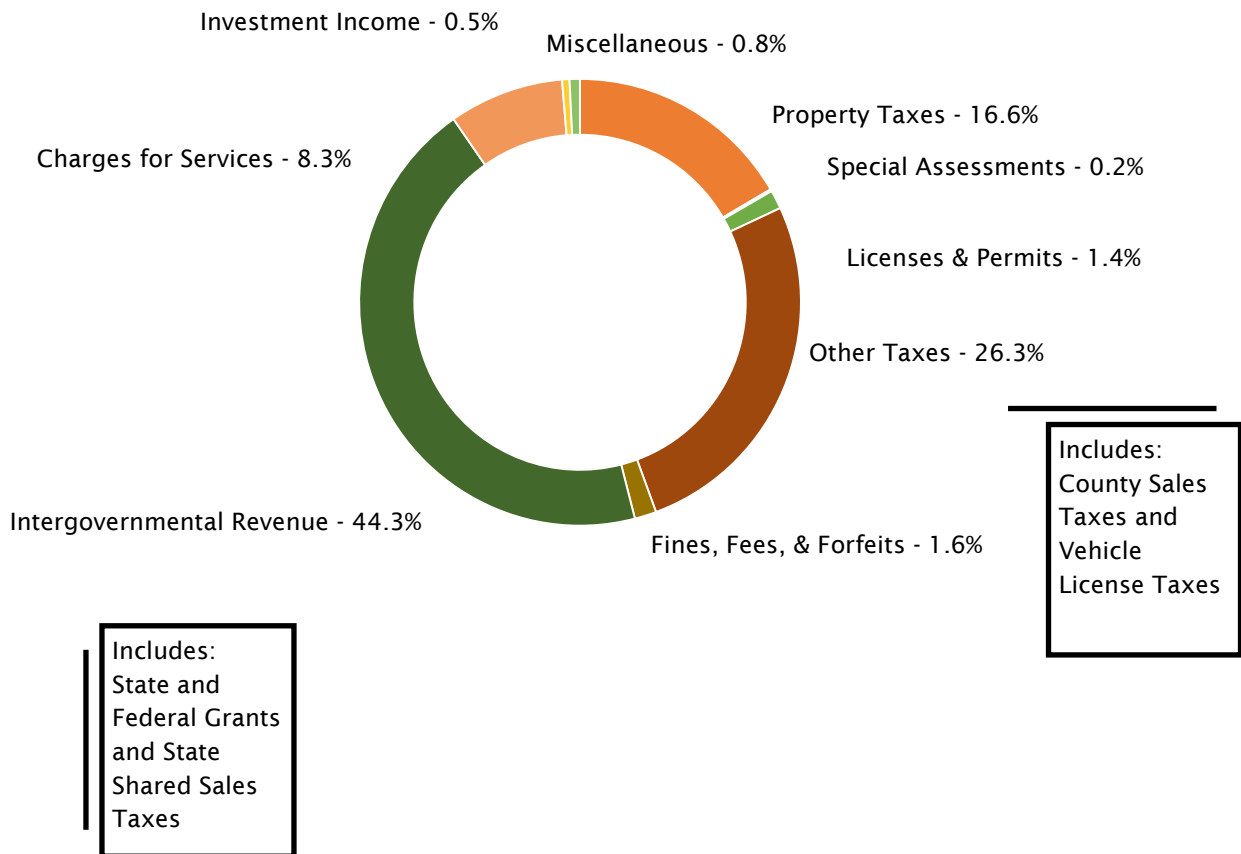
	FY2013 Actuals	FY2014 Revised Budget	FY2014 Estimated Actuals	FY2015 Adopted Budget
<b>Revenues:</b>				
Property Taxes	\$ 7,158,904	\$ 6,387,845	\$ 6,354,451	\$ 6,474,863
Other Taxes	-	-	215	-
Special Assessments	438,624	515,045	225,637	185,081
Licenses & Permits	11,500	8,000	2,000	-
Fees, Fines, and Forfeits	308,563	763,100	701,629	788,700
Intergovernmental	18,582,158	27,453,228	15,097,733	27,542,655
Charges for Services	4,918,308	4,928,250	4,070,611	3,465,811
Investment Income	(99,199)	189,843	200,614	120,095
Contributions	90,531	89,343	95,407	10,404
Miscellaneous	651,386	556,967	459,236	14,597,306
<b>Total Revenues</b>	<b>\$ 32,060,776</b>	<b>\$ 40,891,621</b>	<b>\$ 27,207,533</b>	<b>\$ 53,184,915</b>
<b>Expenditures:</b>				
Current:				
General Government	\$ 1,890,497	\$ 2,593,530	\$ 1,996,412	\$ 2,199,141
Public Safety	15,064,508	23,951,721	18,582,528	35,137,946
Highways and Streets	60,752	63,937	60,663	12,092,177
Sanitation	1,937,821	2,328,674	1,415,873	2,285,096
Health	-	-	-	685,000
Welfare	5,653,399	6,358,378	3,934,331	3,736,484
Culture and Recreation	6,825,356	17,704,906	4,490,148	17,913,541
Education	2,458,724	4,216,216	3,021,012	877,021
Capital Outlay	7,366	1,311,607	104,267	1,292,317
Debt Service:				
Principle	397,101	446,653	416,283	149,079
Interest and Other Charges	67,791	56,992	46,149	24,602
<b>Total Expenditures</b>	<b>\$ 34,363,316</b>	<b>\$ 59,032,614</b>	<b>\$ 34,067,666</b>	<b>\$ 76,392,404</b>
Excess (deficiency) of revenues over expenditures	\$ (2,302,540)	\$ (18,140,993)	\$ (6,860,134)	\$ (23,207,489)
Other Financing Sources (Uses):				
Sales of Capital Assets	\$ 3,577	\$ -	\$ 22,553	\$ -
Transfers In	4,332,254	18,487,879	5,079,562	19,361,201
Transfers Out	(2,781,916)	(3,744,432)	(2,464,916)	(2,857,434)
<b>Total Other Financing Sources and Uses</b>	<b>\$ 1,553,916</b>	<b>\$ 14,743,447</b>	<b>\$ 2,637,199</b>	<b>\$ 16,503,767</b>
Net Change in Fund Balance	\$ (748,624)	\$ (3,397,546)	\$ (4,222,935)	\$ (6,703,722)
Fund Balances, July 1	\$ 17,721,128	\$ 16,972,503	\$ 16,972,503	\$ 12,749,568
Fund Balances, June 30	\$ 16,972,503	\$ 13,574,957	\$ 12,749,568	\$ 6,045,847

# Analysis of Revenues



## All Fund Detail by Category

This chart highlights FY15 operating revenues for all funds by percentage of the total (excluding unawarded grants):



The following pages discuss County revenues for all funds and discuss the projections for the various revenue sources that were used in the County's ten year financial planning process. General Fund revenue assumptions are discussed in detail on pages 87 through 88.

# Analysis of Revenues



## Revenue Sources and Trends

Total revenues for all funds are estimated to be \$118,084,075

### REVENUE POLICIES

The County tries to maintain a diversified and stable revenue structure to shelter it from short-term fluctuations in any one revenue source. The organization follows an aggressive policy on collecting tax revenues and is continuously exploring new sources for revenue. All money is required to be deposited with the Treasurer including all taxes collected on real and personal property in the County, all public monies, statutory fees or funds, and outside agency grants.

The County conservatively estimates its annual revenues by an objective and analytical process. This process includes the use of historical trends, current local economic trends, national and global economic trends, and changes in State and Federal laws and policies. Revenues are projected for ten years and projections are updated monthly during the year.

Current General Fund revenues include a large budget for sales taxes. County sales tax and State shared sales taxes make up 59% of the General Fund revenue budget. In order to try to insulate the organization from the fluctuations in the economy, the organization reviews its user fees and makes recommendations for changes every year for 1/2 of all County departments. In effect, all users fees are re-evaluated and updated as needed every two years. In keeping with legal requirements, user fees are only charged when there is a direct relationship between the costs and revenues associated with a particular departmental service. User fees can allow the County to provide services without increasing the general tax burden. Each time a fee is changed, a public hearing is held to give users the opportunity to review, comment, or change the proposed fees.

For a complete list of Coconino County revenue policies, please refer to page 38.

Prior year revenues are estimated during the development of the budget and do not always reflect the actual ending revenues for each category. The revenue projections discussed below were based on the revenue estimates developed during the budget. The actual FY14 ending revenues can be found in the major fund and departmental financial statements presented throughout this document.

### TAXES

#### *Property Taxes*

There are two categories of property for the purpose of taxation in Arizona, real property and personal property. Real property is defined as land and all improvements permanently affixed or attached to the land, including homes, buildings, canals, etc. Personal property is defined as all other property that is not permanently affixed to land, including business equipment inventory, boats, computers, furniture, vehicles, and an individual's personal possessions. The County Assessor determines the full cash value of each property. This value is used when determining secondary property taxes. For primary taxes the limited cash value is used. The limited value of property is determined by taking the limited property value of the property in the preceding valuation year, plus the greater of either:

- 10% of that value, or
- 25% of the difference between the full cash value of the parcel in the current valuation year and the limited value of the parcel in the preceding valuation year.

The County uses primary property taxes to fund a portion of its General Fund budget; secondary taxes are levied to fund the Library District, Public Health District, a special lighting district, and the Flood Control District.

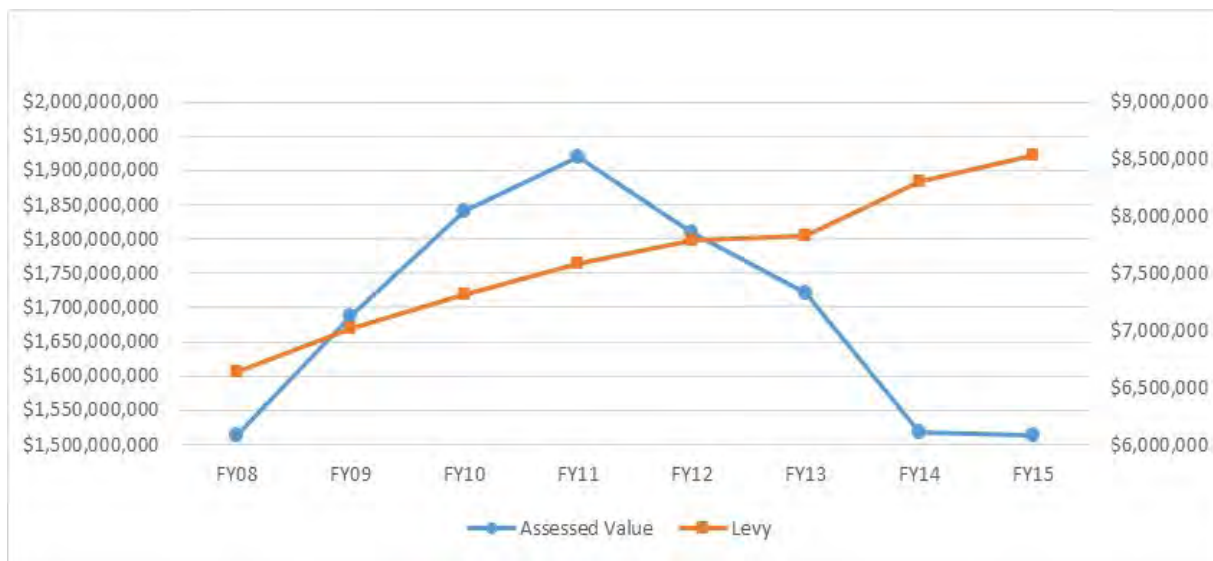
# Analysis of Revenues



**Primary Property Taxes:** Under the primary system, the full cash value of locally-assessed real property (consisting primarily of residential, commercial, industrial, agricultural, and unimproved property) cannot increase by more than 10% per year, except under certain circumstances. Annual Levies under the primary system are based on the nature of the property taxed and the taxing authority. Primary taxes levied only on residential property are limited to 1% of the full cash value of the property. In addition, primary taxes levied on all types of property by counties, cities, towns, and community college districts are limited to a maximum increase of 2% over the prior year's levy plus any amount directly attributable to new construction and annexation. The 2% limitation does not apply to primary taxes levied for local school districts. A law passed by the Arizona State Legislature effective for FY07 further limited the County's ability to increase primary property tax revenue by limiting those counties that were not assessing their maximum primary property tax rate. Their new maximum rate is a calculation based on the lower rate that was assessed in FY06.

Revenues from primary property taxes account for 28.5% of General Fund revenues. Under the 2% levy growth limitation statute, if property values increase more than 2% in any given year, the tax rate will decline. If property values decrease, or increase less than 2%, the tax rate will increase.

Below is a chart showing the relationship between assessed valuation changes compared to the primary tax levy. The levy increases by 2% regardless of the change in primary net assessed values. In FY14, Coconino County collected the 2% increase plus new construction. The FY15 adopted budget also shows the collection of the 2% increase plus new construction.



At the FY15 rate of \$0.5646 per \$100 of assessed valuation, the County primary property taxes collected on a home valued at \$300,000 are \$169.38, which equals a \$5.40 increase from FY14.

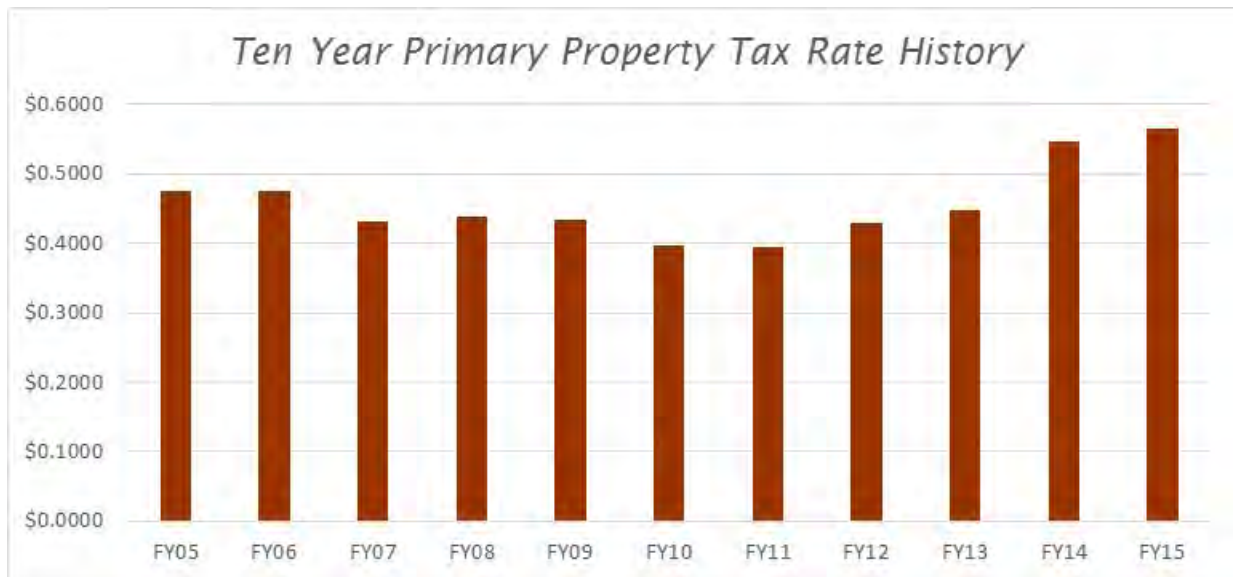
**Coconino County currently has the third lowest primary property tax rates allowed by Statute for all counties in the State of Arizona.**

# Analysis of Revenues



## Ten Year Property Tax Rate History (Per \$100 of Assessed Valuation)

The passage of legislation capping County levies is evident in the chart below of our tax rate history. Prior to this legislation, our property tax rate was held flat, and the levy increased and decreased depending on assessed values. The primary rate was increased or decreased depending on budgetary needs. Beginning in FY07 our maximum rate was decreased to \$0.4622. The effective rate we could assess on new construction continued to decline as value rose at a rate greater than 2% per year. In FY15, our tax rate is the highest it has been since FY05.




**Secondary Property Taxes:** Coconino County also collects secondary property taxes for the Library District, the Fire District Assistance Tax, the Public Health Services District, and the Flood Control District. Secondary assessed values, or full cash values, reflect the market prices. Like much of the nation, property values in Coconino County have fallen after large short-term increases. Because of the lag timing of assessed value changing on the tax rolls, the FY15 secondary assessed values reflect the 2012 market. Secondary values are showing a slight increase of 0.09% in FY15 compared to FY14.

Library District allocations are made based on recommendations from the Library District Board. For FY15 the tax rate will remain the same as FY14 at \$0.2566. The rate was increased in FY14 from \$0.2367. The increase is used to assist in keeping all County Library operations whole for the upcoming fiscal years. Operational reductions may need to be discussed in future budgets.

The Public Health Services District was formed during FY10 to protect the funding that is available for public health programs and create additional budget capacity in the General Fund. The maximum rate is \$0.2500 per \$100 of assessed value. This rate has remained in effect since the onset of the district and will stay at \$0.2500 for FY15.

# Analysis of Revenues



The Flood Control District is a special taxing jurisdiction and is not County-wide. Flood control and drainage work is performed and managed by the Community Development and Public Works departments. Coconino County has experienced multiple natural disasters within the past five years, including substantial flooding in the Schultz Burn Area. Coconino County spent over \$5 million on response to mitigation efforts related to flooding in FY11. The Flood Control levy at the FY11 rate of \$0.2000 would have been less than \$1.6 million. With the current conditions there will be flooding concerns for the next 10 years that require mitigation and response action now. In FY11, the tax rate was set at \$0.4000 in order to help offset some of the anticipated mitigation costs. The rate has remained at \$0.4000 since FY11. These funds will also assist in mitigation for flooding in the Oak Creek area as a result of the Slide Fire in late FY14. For more information on the Flood Control District, please refer to page 373.

The chart below shows the 5-year history of property tax levies for districts where the levy is set by the Coconino County Board of Supervisors.



History of Tax Rates	FY11	FY12	FY13	FY14	FY15
Flood Control District	\$ 0.2000	\$ 0.4000	\$ 0.4000	\$ 0.4000	\$ 0.4000
Library District	\$ 0.2367	\$ 0.2367	\$ 0.2367	\$ 0.2556	\$ 0.2556
Public Health Services District	\$ 0.2500	\$ 0.2500	\$ 0.2500	\$ 0.2500	\$ 0.2500

The Fire District Assistance Tax is required by Statute, collected by the County, and distributed to the various fire districts based on a statutory formula.

## Sales Tax

**County Sales Tax:** A County sales tax is collected to fund general County operations. The tax rate imposed at 10% of the State transaction privilege tax rate or 0.5% of a total taxable sale. The County Sales Tax is estimated to be \$12,400,000 for FY14 and is projected at \$12,697,600 for FY15. This sales tax represents 23% of the General Fund revenues and 9% of total County operating revenues. Tax collections are monitored by staff in order to track changes in sales activity and the local economy.

# Analysis of Revenues



FY14 collections increased by 6% from FY13. We are anticipating some continued increases in our sales tax revenue going into FY15 and are projecting our revenue at 2.4% growth compared to FY14. The FY15 projection brings us back to the FY08 revenue level (prior to the recession).

**Jail District Sales Tax:** An additional sales tax is levied to fund the Sheriff's detention facility under a County-wide voter authorized Jail District. The Jail District rate is imposed at 10% of the State rate, or 0.5% of a total taxable sale. Sales taxes for the district represents approximately 89% of total estimated Jail District operating revenues for FY15. Any fluctuations in the general economy which impact the taxable sales base will have a dramatic impact on the ability of the Jail District to meet its ongoing obligation. In FY07 this tax was increased from 0.3% of a total taxable sale to 0.5% and the sunset on this tax was extended to 2027. The new rate took effect January 1, 2007. For FY14, the estimated tax collections will be \$12,400,000 and for FY15 this number is projected at \$12,697,600. These taxes are on the same base as the local sales tax, and the projections incorporate the same growth figures.

**County Parks and Open Space Sales Tax:** On January 1, 2003, a voter approved eighth of a cent sales tax became effective. This enables the County to collect taxes to purchase land for open spaces, to construct new parks, and to enhance existing County parks. By Statute, this tax can remain in effect until \$33 million has been collected. At the end of FY14, the County will have collected an estimated \$32.2 million. FY15 collections will be suspended in September/October in anticipation of reaching full collection. For more information on the projects this tax is funding, please refer to page 386.

## Other Taxes

**Vehicle License Tax:** Also known as auto in lieu taxes, vehicle license taxes represent about 6% of total General Fund Collections and 17% of HURF revenues. This revenue is split by formula between the General Fund and HURF fund. Tax collections are based on rates applied to the blue book values of vehicles registered in the County. FY14 collections are up 4% from FY13. This is another revenue source that has been greatly impacted by the recession. FY14 is down over 16.4% from the FY07 high. For FY15 it is estimated to be \$3,274,036 in the General Fund and \$1,7 million in the HURF fund. The County is anticipating a less than 1% increase in this revenue source for FY15.

**Projection:** Overall tax revenues collected in FY15 are estimated at \$1 million below FY14 collections. This decline is mostly in part to the final collection of the County Parks and Open Space Sales Tax. The County will receive 2.87% growth in primary property taxes in FY15. This growth is anticipated in the long-term. Secondary property taxes will receive 3.54% growth. Secondary values—and secondary levies—are beginning to increase in FY15 and we are optimistic that growth will continue. County Sales tax is projected to see moderate growth based on population and CPI increases in the County, but our long-term projection is that we will not reach the unsustainable growth curve we were on in the past decade. These projections reflect the growth in Jail District Sales tax, because the tax base is the same. Vehicle license taxes have showed a more aggressive growth in FY14 with a projection of slower growth over the next ten years.

# Analysis of Revenues



## SPECIAL ASSESSMENTS

Assessments are levied twice per year on property owners residing within special improvement district boundaries to pay off the debt issued for improvements to roads or sewer and water systems. Special assessments may also be levied for the maintenance of certain roads not constructed to the County standards. County improvement districts are created at the request of individual homeowners via a petition process and in accordance with ARS Title 48. These revenues are less than 1% of total County operating revenue and are not a General Fund revenue source. For more detail on improvement districts, please refer to page 365 - Special Taxing Districts.

**Projection:** Revenues from special assessments are budgeted to decrease from FY14 to FY15 due to continual pay off of districts that are in the assessment phase. Moving forward, we are projecting a decrease in Special Assessment revenues as there has been a stall in the creation of new improvement districts for the construction of roads. Assessments from existing districts will be paid off, and there are no districts currently in formation. Although County improvement districts are a viable alternative to residents of unincorporated areas to authorize infrastructure improvements without increasing the general tax burden, the demand for the formation of new districts is anticipated to remain relatively low in the next few years as is construction in the County, and thus the addition of private roads, remains slow. A possible exception to this could be in the Schultz flood area, where residents may form special improvement districts to deal with the projected continued annual flooding that has been impacting private roads. This flooding is a result of the Schultz fire that burned 15,000 acres in 2010.

## LICENSES AND PERMITS

License and permit fees are collected from a variety of County departments and are approved by the Board of Supervisors unless otherwise set forth in Statute. License and Permits represent 1.1% of total operating revenues and 1.6% of General Fund operating revenues. Examples of licenses and permits include building permits, marriage licenses, dog licenses, and environmental health permits. In the General Fund building permits and plan review fees represent about 1.4% of General Fund operating revenues for FY15.

**Projection:** License and permit revenues were deeply impacted by the recent recession. FY14 building permits and check plan fees are estimated to be approximately 55% of our FY07 levels. Our lowest level being 42% in FY13. License and permit revenues have begun to show recovery and we anticipate for growth to continue. Growth is projected at 2% in FY15 and FY16. Larger growth as high as 3.7% is projected into the future. License and permits are budgeted to increase each fiscal year to account not only for volume increases, but as a result of the user fee study that is conducted every two years for each department. This revenue source will be closely monitored, as they are an indicator of the local economic health.

## FEES, FINES, AND FORFEITS

The Coconino County Court System collects various fees, fines, and forfeitures such as citations, court fines, and restitutions. The largest source of fine revenue is through the Justice Courts. The majority of collections are generally related to traffic and misdemeanor fines and support the General Fund (about 2% of the total General Fund operating revenues). They represent 1.1% of total operating revenues. Forfeitures are a fluctuating component of this revenue source.

**Projection:** For FY15 this revenue is anticipated to increase from FY14 in total, due to a projected increase in forfeitures. Growth into the future is expected to be 1.5% but this projection could change with forfeiture the aforementioned revenue fluctuations.

# Analysis of Revenues

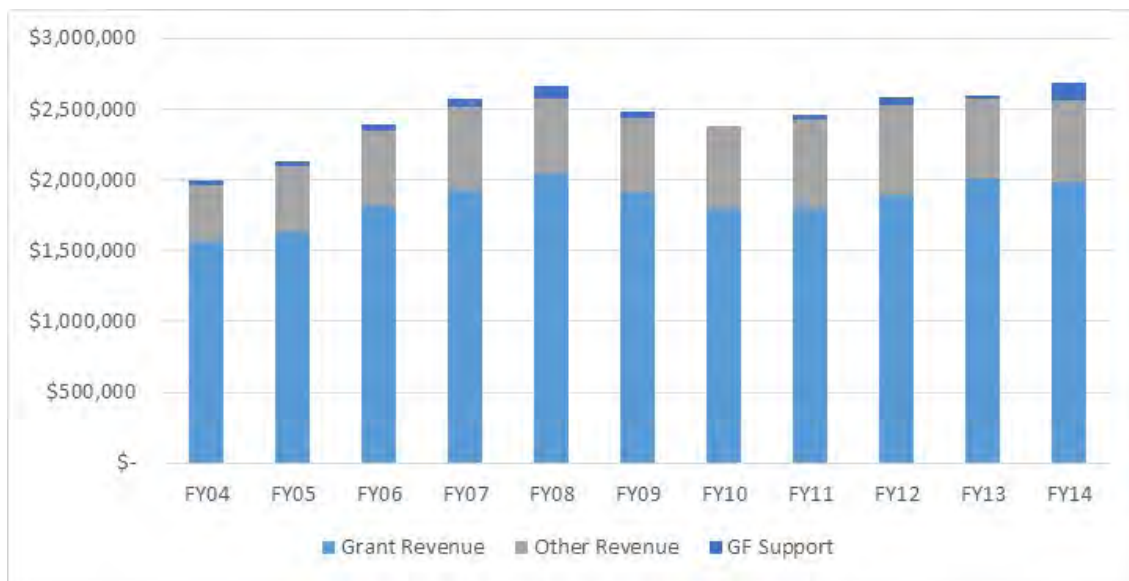


## INTERGOVERNMENTAL

Intergovernmental revenues are collections received by the County from other governments and public entities and include payments in lieu of taxes, State shared sales tax revenues, grants, indirect costs paid by grants, and payments required by intergovernmental agreements. Intergovernmental revenues are distributed from a variety of sources including State or Federal agencies and local cities. State shared sales taxes and highway user revenues are the two largest sources of revenue in this category. Included in this revenue classification are grant revenues that usually carry restrictions on expenditures. Coconino County depends heavily on these sources of revenue to supplement the General Fund and other program functions to provide services to citizens, most notably in the Public Works, Health, Adult Probation, Juvenile Court, and Community Services departments. Overall these revenues will decrease \$1.5 million from FY14 to FY15. This anticipated decrease is due to the elimination of Secure Rural Schools funding in FY15.

### **Grants**

State and Federal grant revenue is provided to many County departments to assist with the programs that are mandated or that the granting agency believes should be provided. In many instances grants have been awarded, the County has provided a new service, and then the grant money disappears and the County has had to increase financial support or take over funding for that program to maintain the level of service expected by residents of the County. The cost of attracting and retaining employees rises each year, but usually the grant funding does not increase or does not increase at a level that is sufficient to keep up with the County's increase. This results in increased General Fund support to grant programs or a reduction in these programs to keep them going. The chart below gives an example of the grant funding history for Adult Probation services.



Over time, the General Fund portion of program funding has fluctuated due to increases and decreases in state and federal grant funding. Coconino County has experienced level funding when the economy is booming, and funding cuts from the State during the recession. Many of the programs are State mandated programs, where at the same time we are seeing an increase in case loads, employee costs, and inflationary expenditure increases. There are State mandates that require services to be performed, or statutory levels to be maintained (Probation Officer caseloads, for example, but funding has been drastically reduced for Counties to provide those programs).

# Analysis of Revenues



## ***State Shared Sales Tax***

A transaction privilege tax is collected by the State on various business activities. A portion of the total is allocated to a pool which is then distributed to cities, counties, and the State. Incorporated cities/towns receive 25%, counties receive 40.51% and 34.49% remains in the State General Fund. The categories taxed range from retail, construction, restaurants and bars, and hotels/motels. The “shared ratio” is set by the State Legislature. In addition to the shared portion of the sales tax, the State received voter approval to collect an additional one cent sales tax beginning in June 2010. This authority expired in May of FY13.

Coconino County’s portion of State Shared Sales Tax has shown considerable growth over the past two years and into FY14. This growth is based on assessed valuation and the fact that Coconino has a higher percentage of assessed values in the state. As these values increase throughout the state we will experience a decline in this revenue, and will move closer to our anticipated sustainable line, and grow at the rate of population and CPI increases. For FY15, we are anticipating lower growth due to assessed values increasing throughout the state.

## ***Highway User Revenue (HURF)***

HURF is a State tax collected on motor vehicle fuels (gasoline, diesel, etc.); the rate levied is \$0.18 per gallon on the motor fuel sold in the State. The primary purpose of HURF is to fund construction and maintenance of streets and highways. A portion of the amount collected is distributed to the State and a portion is returned to cities, towns, and counties. HURF money distributed to the counties is allocated based on fuel sales and estimated consumption as well as the population. As part of the FY09 State budget, the State changed the allocation formula of HURF revenues to allocate more funding to State DPS. This impact was estimated to be at least \$650,000 in FY10 and FY11. In FY12, the State increased the reallocation of HURF revenue and the annual reduction in this County revenue by approximately \$900,000 per year, which continued into FY13 and FY14. In FY15, the Senate passed budget included HURF restoration for three years, but at a reduced level. Coconino County can expect \$378,635 in FY15.

## ***National Forest Fees***

National Forest Fee Revenue is received by the County under the Secure Rural Schools and Self-Determination Act of 2008. This revenue includes payments to eligible Counties to compensate them for lumber activities on Federal forest land located within these Counties. The funding can be used for schools and roads, and a portion is set aside under Title III of this act for funding projects on Federal land. The act was scheduled to sunset at the end of FY08, but received a three year extension by Congress through Federal FY12. In late FY14 the act was reauthorized and the Title III funding will be used in FY15 for Search and Rescue.

## ***Payment in Lieu of Taxes***

Payments in lieu of taxes (PILT) are made to counties for providing services on Federal lands, which are exempt from property taxes. Coconino County has 4.7 million acres of Federal lands, so the impact of providing services like Search and Rescue and Sheriff patrol can be great. Congress authorized full funding of the PILT program through Federal fiscal year 2013. Under full funding while also receiving Secure Rural Schools funding, we receive \$1.6 million of revenue. PILT funding has been budgeted in FY15 at \$1.6 million with future years increasing to \$2.3 million due to the anticipation of expiration of Secure Rural Schools funding.

**Projection:** Staff anticipates the County’s continued reliance on outside revenue sources for the operation of programs. We anticipate growth at an average of 2% per year into the future for most intergovernmental revenues. Depending on the future Forest Fee legislation and PILT funding authorization, the County may sustain funding reductions from intergovernmental revenues sources in future fiscal years. Staff will continue to be proactive in pursuing grant funding and the Board will continue their legislative efforts to retain these funding sources.

# Analysis of Revenues



**Projection:** Staff anticipates the County's continued reliance on outside revenue sources for the operation of programs. We anticipate growth at an average of 2% per year into the future for most intergovernmental revenues. Depending on the future Forest Fee legislation and PILT funding authorization, the County may sustain funding reductions from intergovernmental revenues sources in future fiscal year. Staff will continue to be proactive in pursuing grant funding and the Board will continue their legislative efforts to retain Forest Fee funding and PILT full funding.

## **CHARGES FOR SERVICES**

Charges for services include the County's user fees, which are revenues collected for services that are provided for the benefit of a specific individual or group. These voluntary services can be withheld if beneficiaries refuse to pay, and can be charged if service utilization can be measured. The County exercises care in establishing charges for services that do not unfairly discriminate against those most in need of services. In the case of many of our Public Health related fees, the Board has adopted a sliding fee schedule in order to provide services to even the neediest of populations. The Board of Supervisors approves all changes to the fee schedule, unless fees are specifically set forth in State Statute. Example of charges for services to the public include transfer station charges, Jail District bed rentals, probation services, charges for recording documents, and charges for maps, copies and other records.

**Projection:** General fund charges for services are anticipated to increase 2% in FY15 and each year moving forward. This increase is driven by volume and inflationary rate increases from fee reviews. For all funds, this number is projected at around 2% for a few years and growing at varying rates depending on the fee type.

## **INVESTMENT INCOME**

Investment income is comprised of revenues generated from the investment of the County's cash balances. Balances are invested either through the State of Arizona's "pool" or through a recognized investment advisor authorized by the Treasurer. Investments are made in conservative instruments (identified by State Statute) due to the public nature of this money. Not all balances can earn interest for the benefit of the particular funds; in some cases, grant contracts do not allow interest to accrue during the year to a fund. The majority of interest earnings accrue to the Highway User Revenue Fund, the Parks and Open Space Debt Service Fund, the Jail District fund balances, and the General Fund reserve. Earnings are allocated monthly by the Treasurer, the County's investment officer. Staff anticipates that these collections will decline in the next couple of years due to decreases in the fund balance available for interest earnings and a drop in market interest rates.

**Projection:** Investment income is projected at 1.25% of average fund balance in FY15 then increase to 1.35% in FY16, 1.5% in FY17, and 1.75% through the remaining years in the forecast period. Overall this revenue will decline as the County spends down fund balance for revenue smoothing, capital, facility, and IT purchases. The interest rate earned by the County has fluctuated in the past, but was about 2% in FY11 as the Treasurer was able to maintain investments with higher than market yields. Staff is anticipating a lower rate of return in the next few years, coinciding with the economic downturn we have been experiencing and interest rates remaining at their current low for a few years. Staff will continue to monitor the rates earned and will make adjustments in the financial planning process as needed.

# Analysis of Revenues



## CONTRIBUTIONS

Contributions are State contribution revenues derived from the Salt River Project Utility (SRP) and other private donations. Although SRP is a public entity, it estimates its net assessed value and makes payments in lieu of property taxes to each taxing jurisdiction. The General Fund and Library District both receive this annual contribution. The State Legislature authorized the Salt River Project to make a contribution to counties instead of paying property taxes. Other private donations are voluntary contributions the County receives, primarily for providing social services.

**Projection:** The SRP contributions are anticipated to increase in the next few years due to an increase in the County’s primary property tax rate. In the long-term the cap on our property taxes will cause our rate to decline and decrease this revenue source. Other private contributions are difficult to estimate, and are not material to the budget.

## MISCELLANEOUS

Miscellaneous revenues are classified as any revenue that does not fall within a more specific revenue category. An example would include facilities rental. They are generally revenues derived from unanticipated sources and are therefore not subject to discernible variances.

**Projection:** Due to the nature of this revenue, the outlook is for this revenue to remain fairly flat.

## OTHER FINANCING SOURCES

Other financing sources are proceeds received from debt issuances for capital projects and gains on the sale of fixed assets. It is the policy of the Board of Supervisors that debt, short or long-term, may not be issued for operational expenses.

**Projection:** Other financing sources fluctuate depending on debt issuances, both General County and Special District, and asset sales. Additional debt may be issued for Special Districts in future fiscal years, depending on the size of new districts that go into formation. Any debt issued for this purpose is repaid through assessments on district residents.

## Top Ten Revenue Sources

County’s top ten revenue sources in FY15, excluding un-awarded stimulus and other grant funding

The County’s dependence upon outside (non-property tax) sources of funding is evident and includes the State Shared Sales Tax, County Sales Tax, Jail District Sales Tax, Highway User Revenues, and Vehicle License Tax. These select sources make up 83% of all operating revenue (net of un-awarded grants). In the General Fund, 65% of revenues come from State Shared Sales Tax, County Sales Tax, and Vehicle Licenses Taxes. Three of the top ten revenues sources are sales taxes that are pegged to the health of the regional tourist economy, which suffered from the recession. These sales taxes are beginning to show an increase with this as the anticipated trend into the future.

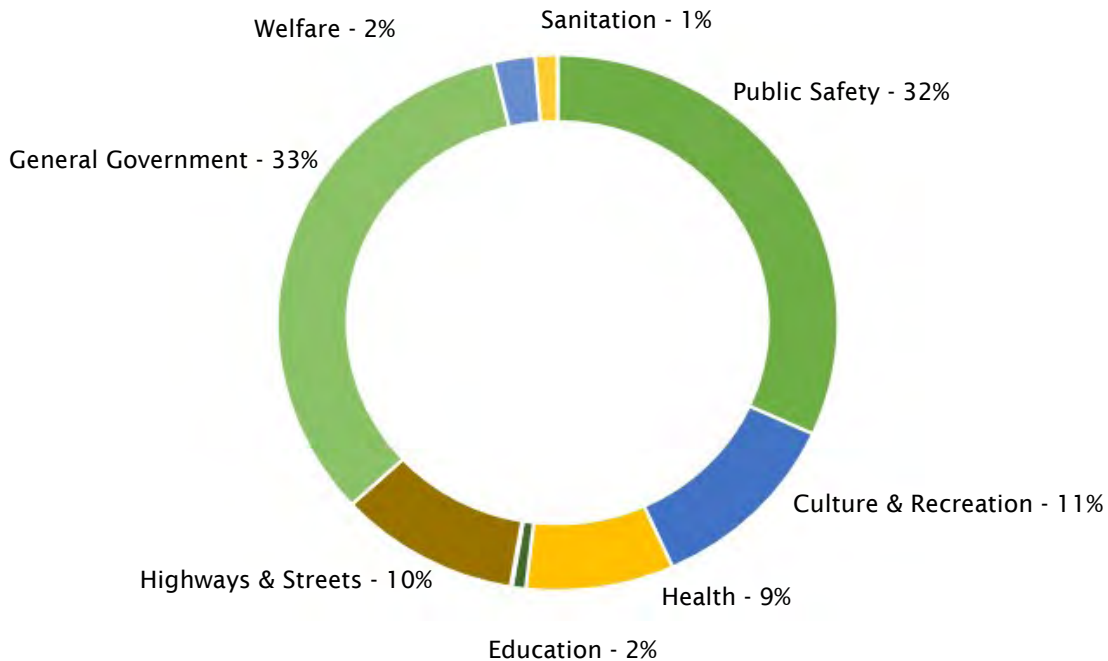
	Revenue Type	Fund	FY15 Budget
1	State Shared Sales Tax	General Fund	\$ 19,698,434
2	Jail District Sales Tax	Jail District	12,697,600
3	County Sales Tax	General Fund	12,697,600
4	County Primary Property Tax	General Fund	8,541,236
5	Highway User Revenue Fund	Public Works	7,940,000
6	Library District Secondary Property Tax	Library District	3,922,141
7	Public Health Services District Secondary Property Tax	Public Health Services District	3,836,210
8	Vehicle License Tax	General Fund	3,274,036
9	Flood Control District Secondary Property Tax	Flood Control District	1,957,491
10	Vehicle License Tax	Public Works	1,709,800

# Analysis of Expenditures



## All Fund Detail by Function

This chart highlights FY15 expenditures for all funds by percentage of the total:



A discussion of these programs, what is included under each, and a projection of future expenditure trends by fund type is included in the pages that follow. It is important to note that the functions listed above, on the County-wide financial statements and in the expenditure discussions, represent the same format as our audit information. These functions are identified and grouped according to GASB guidelines on expenditures by function. The same expenditure information, classified by County Strategic Priority Area, is included as well.

The information shown in the Analysis of Expenditures section is for operating expenditures, and excludes un-awarded grants.

# Analysis of Expenditures



Coconino County's FY15 budgeted expenditures have decreased by 5% from the FY14 revised budgeted expenditures. This decrease is mainly due to a decrease in Highway User Fee Fund budgeted capital expenditures.

The County's expenditure budget for FY15 is composed of its General Funds, Special Revenue Funds, Debt Service Funds, and Capital Project Funds. General Fund expenditures in FY15 represent 42% of the total expenditure budget. Special Revenue Funds, which include grant funds, represent 57% of the total budget. Capital Project Funds account for 1% and Debt Service Funds make up less than 1% of the total County budget.

## **GENERAL GOVERNMENT**

General Government is the function used to describe all expenditures that do not fall under any other function. This includes expenditures for internal services, court services, and many of the offices run by Elected Officials, including the Treasurer, Assessor, Recorder, and Board of Supervisors.

### *General Fund*

In the County's General Fund, general government expenditures increased by less than 1% between FY14 and FY15 budgets.

**Projection:** General government expenditures in the General Fund are projected to slightly increase in FY15 over the FY14 budget. This increase is due to the inclusion of merit raises in the FY15 budget. The General Fund ten-year plan projects gradual increases each year for merit raises as well as funding set aside for facilities repair and replacement. Also projected in the plan is the absorbing of the Superintendent of Schools administration budget due to the loss of Secure Rural Schools funding.

### *Special Revenue Funds*

In the various Special Revenue Funds, general government expenditures will decrease by 42% between FY14 and FY15 budgets, primarily due one-time expenditures budgeted in FY14 as well as the reallocation of Special Revenue FTEs into the General Fund.

**Projection:** Special Revenue Fund general government expenditures are projected to increase in future years and remain fairly constant due to revenue opportunities available to fund general government activities are limited.

### *Debt Service Funds*

Debt Service Funds do not have general government expenditures in FY15.

### *Capital Project Funds*

In FY14 funds were budgeted for the Page Justice Facility. This is a one-time project and funds are being carried over into FY15 to finish the project. Also budgeted for FY14 were funds for technology infrastructure. The County data center is being relocated to enable efficient and effective use of technology. The project was not completed in FY14 and these funds have been carried over into FY15 for one-time project costs.

**Projection:** The technology infrastructure is a one-time mission critical expenditure. We do not anticipate any general government expenditures in Capital Projects Funds going forward until we are able to implement our strategic Facilities Master Plan.

# Analysis of Expenditures



## **PUBLIC SAFETY**

The public safety function includes all expenditures for Flood Control, Emergency Services, Constable, Sheriff, Jail District, Juvenile Court Services, Adult Probation, and the Medical Examiner. At 31.8% of the operating budget, this is one of the largest functions.

### *General Fund*

In the County's General Fund, public safety expenditures increased 5% between the FY14 and FY15 budgets. A large part of this is due to the increase for merit raises.

**Projection:** Public safety expenditures in the General Fund are projected to increase for the foreseeable future. Due to local competition, the County has had a difficult time attracting and retaining Deputy Officers, Youth Care Workers, and Probation Officers. If this trend continues, the County will have to increase hiring and retention benefits for those positions, putting a strain on County-wide General Funds. The County is committed to remaining competitive with other local jurisdictions to help offset the shortage of public safety workers in a high demand market. As the State continues to decrease our grant funding for critical public safety programs, the General Fund will be required to increase our contribution in order to meet our mandates.

### *Special Revenue*

In the various Special Revenue Funds, public safety expenditures will increase 7.0% between the FY14 and FY15 budgets. This is primarily due to an increase in capital outlay for the Coconino County Jail District. Net of that increase, the expenditures will increase by less than 1%.

**Projection:** Special Revenue Fund public safety expenditures are projected to increase (net of the Jail District increase) between FY14 and FY15 budgets. The increase is attributed to merit increases as well as one-time expenditures approved in the FY15 budget. The County is working on holding down overall public safety and criminal justice system costs. The County's establishment of the Criminal Justice Coordinating Council has been a major factor in managing public safety and criminal justice system expenditure growth.

### *Debt Service Funds*

Debt Service Funds do not have public safety expenditures for FY15.

### *Capital Projects Funds*

Capital Project Funds are budgeted in FY15 for the Jail Repair and Replacement (R&R) fund. Capital Project Funds for public safety are a recurring budget item for routine R&R needs that arise, and the budget changes each year depending on the R&R needs identified. These expenditures are budgeted according to a long-term Jail District R&R schedule and will fluctuate from year to year, as needs change. Similar to our Facilities repair and replacement program, our goal is to identify and perform repair and replacement projects when we are able to maximize our return on investment, by weighing repair costs against replacement costs for Jail District Capital.

# Analysis of Expenditures



## **HIGHWAYS AND STREETS**

The highways and streets function of expenditures includes all expenditures for road maintenance, construction, engineering, GIS, and special districts.

### *General Fund*

Expenditures for highways and streets in the General Fund include those expenditures for GIS. This budget will decrease by 10% compared to FY14, due to reclassification of FTEs in the Information Technology Department resulting in a salary and benefit decrease.

**Projection:** GIS expenditures are projected to increase for health and retirement rate increases in the next several years.

### *Special Revenue Funds*

*Special Revenue Funds expenditures relating to highways and streets pertain to Public Works expenditures, and they will decrease by 22% between the FY15 and FY14 budgets. This is due to a decrease in the budget for routine replacement equipment and road maintenance.*

**Projection:** The goal of the Public Works Department is to plan for a manageable construction level each year. This is becoming increasingly difficult with the uncertainty in the State budget and shifting of HURF funds to State programs. Fund balance in the HURF fund is being depleted, and the point will come when capital projects will not have funding. If the County loses *Secure Rural Schools and Community Self Determination Act funding*, the HURF fund will lose about \$2 million from this revenue source that is currently allocated on an annual basis, which further limits the ability to provide capital road improvements. The County Board of Supervisors have made a decision to place a measure on the November ballot seeking funding from a Transportation Tax.

### Debt Service Fund

Debt Service Funds do not have highways and streets expenditures for FY15.

### *Capital Projects Funds*

Capital Project Funds do not have highways and streets expenditures for FY15.

## **CULTURE AND RECREATION**

Library funding and Parks and Recreation Department programs are considered culture and recreation funding.

### *General Fund*

The General Fund supports culture and recreation by funding administrative and maintenance salaries in the Parks and Recreation Department. These expenditures are budgeted to increase 3% in FY15. This is due to one-time expenditures for the amphitheater roof and monument signs.

**Projection:** These expenditures are projected to increase for health and retirement increases in the next several years. Capital expenditures may fluctuate depending on need and approval.

# Analysis of Expenditures



## *Special Revenue Funds*

Culture and recreation expenditures will increase 1% in FY15 over FY14 budget. This increase is for expenditures related to the Coconino Parks and Open Space ballot. Parks and Open Space projects are budgeted according to a capital improvement schedule and availability of land that was identified for open space acquisition. The projects are funded by a voter-approved sales tax, which is a dedicated voter-protected funding source for projects that were listed on the CPOS ballot. The County Board of Supervisors have very limited ability to change the CPOS budget. The Library District expenditures in FY15 will remain stable.

**Projection:** Library expenditures are projected to remain stable in the next several years. Parks and Recreation expenditures vary due to capital projects in the CPOS programs. For more detail on upcoming capital projects associated with the CPOS program, see page 386.

## *Debt Service Funds*

Debt Service Funds do not have culture and recreation expenditures for FY15.

## *Capital Project Funds*

Capital Project Funds do not have culture and recreation expenditures for FY15.

## **HEALTH**

Health expenditures include expenditures for the Public Health Services District programs in the County.

## *General Fund*

There are no direct General Fund health expenditures budgeted. The County does provide General Fund support for health programs through a maintenance of effort payment to the Public Health Services District.

## *Special Revenue Funds*

In Special Revenue Funds, expenditures for health are expected to decrease by 7% in FY15. There are about 35 active Special Revenue health funds, so there are some with budget increases and others with decreases.

**Projection:** Health expenditures will continue to fluctuate depending on available State and Federal grant funding. The formation of the Public Health Services District was to provide a baseline of Public Health funding. Secondary assessed values have declined as a result of the recession. This has had an impact on the property tax revenues available to fund health services, causing the General Fund to prioritize additional health funding along with all other expenditure functions. The Public Health Services District staff is continuing their prioritization of programs and services in an effort to find expenditure reductions to provide sustainability to the district.

## *Debt Service Funds*

Debt Service Funds do not have health expenditures in FY15.

## *Capital Project Funds*

Capital Project Funds do not have health expenditures in FY15.

# Analysis of Expenditures



## WELFARE

Welfare expenditures are for programs in the Community Services and Career Center departments.

### *General Fund*

The General Fund directly supports Community Services Administration, and also provides funding for Community Services programs that are operated in Special Revenue Funds. For FY15 General Fund expenditures for welfare will decrease by 13%. This is mainly due to one-time operational expenditures approved in FY14.

**Projection:** General Fund welfare expenditures will not change much in the next few years, because administration expenses should remain fairly flat. Any increases will be a result in compensation, retirement system, and employee health increases.

### *Special Revenue Funds*

*In Special Revenue Funds, expenditures for welfare will decrease by 41% in FY15. This decrease is due to the transferring of the Coconino Rural Environment Corps (CREC) to be a part of Southwest Conservation Corps (SCC).*

**Projection:** Welfare expenditures for Community Services programs will vary based on the level of grant funding received by the County. Many of these programs are funded primarily through grants, with some General Fund support. This level of support is expected to increase with salary and benefit increases in future years. Career Center expenditures are greatly subject to variation due to the nature of their revenues. The Career Center is completely funded by Federal grants, so change in administrations brings changes to these programs.

### *Debt Service Funds*

Debt Service Funds do not have welfare expenditures for FY15.

### *Capital Project Funds*

Capital Project Funds do not have welfare expenditures for FY15.

## SANITATION

Sanitation expenditures include those for the County's off-Reservation solid waste programs and expenditures for the Kachina Village Improvement District.

### *General Fund*

There are no sanitation expenditures in the General Fund for FY15. The General Fund supports the Solid Waste Program through a transfer to the Solid Waste Fund.

### *Special Revenue Funds*

Sanitation expenditures in Special Revenue Funds are anticipated to decrease by 2% in FY15 from the FY14 budget. This is mainly due to a one-time capital expenditure in the KVID budget.

**Projection:** Expenditures for sanitation will continue to rise in the Solid Waste Program if we maintain current service levels. The main driver of these increases will be tipping and transportation fees passed along to the County from outside vendors. KVID expenditures are not anticipated to increase greatly in the next five years, but increases may come if more homes are built in the Kachina Village area, creating a larger service area. Much of the Solid Waste Program cost increases are passed along to the General Fund in the form of a funds transfer to the program. This support is expected to increase as transportation employee-related costs increase while the amount citizens are willing to pay for this service remains flat. The Solid Waste Program has reduced hours, closed locations, and increased fees to meet necessary budget reduction targets over the past several years.

# Analysis of Expenditures



## *Debt Service Funds*

Debt Service Funds do not have sanitation expenditures in FY15.

## *Capital Project Funds*

Capital Project Funds do not have sanitation expenditures in FY15.

## **EDUCATION**

Superintendent of Schools expenditures are categorized as education.

### *General Fund*

General Fund expenditures for education will decrease by 4% from FY14 to FY15. This is a decrease in wages and benefits in the Superintendent of Schools budget.

**Projection:** The General Fund expenditures for education are not projected to show significant changes. Any upcoming changes will be related to personnel increases. In FY13, these expenditures in the General fund were funded by Secure Rural Schools and Community Self Determination Act funding. The SRS funds were reauthorized late in FY14 and will therefore fund the General Fund expenditures for the Superintendent of Schools in FY15. Without authorization of this funding in the future, the County will need to prioritize Superintendent of Schools funding with all other General Fund expenditures.

### *Special Revenue Fund*

Education expenses will decrease by 70% in Special Revenue Funds from the FY14 budget due to a budgeted decrease in anticipated Federal grants. These grants fund technical assistance and professional development services to County and regional educators to meet State and Federal mandates and improve instructional quality.

**Projection:** Special Revenue Funds education expenditures will vary each year, depending on the amount of grant funds the Education Service Agency is able to receive. The County does not support these programs with additional General funds, so as grant funding fluctuates, so do expenditures. There is consistent concern that Federal action could impact revenues for these programs.

## *Debt Service Funds*

Debt Service Funds do not have education expenditures for FY15.

## *Capital Project Funds*

Capital Project Funds do not have education expenditures for FY15.

## **DEBT SERVICE PRINCIPAL AND INTEREST**

All Debt Service Fund payments go towards principal and interest on outstanding special districts debt. A detailed discussion of these expenditures can be found on pages 102-103.

# Analysis of Expenditures



## All Fund Detail by Strategic Priority Area

This chart highlights FY15 Expenditures for all funds by percentage of the total (net of un-awarded grants)



A discussion of these programs, what is included under each, and a projection of future expenditure trends by fund type is included in the pages that follow. FY10 was the first year expenditures were categorized according to Strategic Priority Area.

Data presented above represents department categorization of programs into each area. These will continue to be refined as the process develops.

# Analysis of Expenditures



A summary of the types of program expenditures included in each area is listed below, along with projections for changes to the expenditures for these areas in the future.

## **Public Safety**

The largest allocation in our budget is for Public Safety. This area includes both criminal justice programs like Sheriff Patrol and Superior Court, and public safety programs outside of the criminal justice area like Public Works Road Maintenance and Community Development Planning and Zoning. For FY15, the Public Safety budget will decrease by 3%. This decrease is largely due to a decrease in budgeted expenditures for road construction and flood control mitigation projects.

**Projection:** Coconino County's planning efforts have been very successful in containing the costs of the criminal justice system. System-wide collaboration through the Criminal Justice Coordinating Council has helped identify system problems that had been driving up costs. Programs like the Exodus substance abuse treatment program in the Jail District have helped identify preventative measures that can be taken to reduce future costs. Investing in reducing system bottlenecks has also helped keep costs lower. The County plans to continue efforts that will result in a lower than average growth rate in this system. Public Works expenditures will decline due to the exhausting of HURF fund balance. The Public Works department has reduced levels of service to prolong the HURF fund balance at this time as other sources of revenue are explored.

## **Community Vitality**

Community Vitality program include Elections, DUI/Drug Court, Integrated Family Court, Parks and Recreation programs, Emergency Management, Career Center programs, and Superintendent of Schools programs, among others. These expenditures are budgeted to decrease 8% below FY14, mainly due to a decrease in grant funding for the Superintendent of Schools.

**Projection:** Because these expenditures include those for Emergency Management and Career Center programs, the Board may decide to increase funding for the safety net programs that see increasing demand during economic downturns. The Career Center is 100% Federally funded, which is a volatile funding source. Elections funding is cyclical and is mandated, so the normal elections funding cycles will continue. Superintendent of Schools funding is heavily dependent on Federal allocations that tend to change with changes in the Federal administration.

## **Public Health**

*Public Health programs include all Public Health Service District programs, solid waste, and KVID programs. These expenditures are budgeted to decrease 6% from FY15. This is due to reductions in the Public Health Services Fund programs as well as a decrease in grant funding.*

**Projection:** *Health expenditures will continue to fluctuate year over year with available State funding for Health programs. The solid waste budget has been reduced by budget reductions, but the cost of hauling waste increases with higher fuel prices. KVID continually strives to find operational efficiencies so it is anticipated that these expenditures will not see large increases in the short-term.*

# Analysis of Expenditures



## **Organizational and Fiscal Health**

Organizational and Fiscal Health programs include most of the County's internal services, and many programs of Elected Offices, including the Treasurer, Assessor, Board of Supervisors, Clerk of Superior Court, and Superintendent of Schools. These expenditures will decrease 2% from FY14, mainly due to a decrease in capital expenditures for Facility repair and replacement.

**Projection:** The programs in Organizational and Fiscal Health are heavily supported by the General Fund. As this funding source becomes more competitive given the nature of local tax revenues, these programs will need to find innovative ways to reduce their cost of doing business. Expenditures will increase as pay and benefit increases are approved, but funding for program expansion continues to be uncertain.

## **Cultural and Natural Resources**

Cultural and Natural Resources programs include Coconino Parks and Open Space land acquisitions, Facilities Management energy efficiency improvements, and the Coconino Plateau Water Adequacy Council. In FY15, these expenditures will decrease 24%. This decrease is due to the transfer of CREC to the Southwest Conservation Corp.

**Projection:** Cultural and Natural Resources expenditures will fluctuate in the next few years as Coconino Parks and Open Space funding is used for approved projects and acquisitions. The revenue for these projects will be fully collected in FY15. Once these projects and acquisitions are complete, the long-term outlook for this expenditures type will depend on Federal funding.

## **Economic Vitality and Development**

*Economic Vitality and Development programs include most Career Center programs, and payments to economic development collaborations the County is involved with.*

**Projection:** *Although a small percentage of the total County budget, Economic Development programs have been considered increasingly important to accomplishing the organizational goals of the County. The majority of this program funding is Federal, and is expected to be cyclical in the next ten years as administration priorities adjust. The County will continue to work with Economic Development organizations like SEDI, the Sustainable Economic Development Initiative developed by County staff, to accomplish our Economic Development objectives.*

## Policies, Changes in Fund Balance, and Long-Term Outlook

### What is fund balance?

Fund balance is the difference between a fund's assets and its liabilities. A portion of the fund balance may be reserved for various purposes, such as contingencies or encumbrances, carried forward into the next fiscal year, or reverted back to a granting agency if such is contractually stipulated.

As part of the ten-year financial plan, 15% of General Fund revenues will go toward an emergency reserve fund. Of the 15%, 10% is for an emergency reserve. The balance of 5% could be available to be used during economic downturns to help alleviate potential cuts to services.

The County also maintains an operating contingency of \$240,000 in the General Fund to provide for unanticipated expenditures, or to meet unexpected increases in service demands. Use of these funds is subject to the County Manager's approval.

Available fund balances are not used for on-going operating expenditures unless a determination has been made that available balances are in excess of required guidelines and that plans have been established to address future operating budget shortfalls. However, based on current audit requirements, fund balances associated with grant revenues in cost reimbursement grant funds should be exhausted before the granting agency remits additional funds. For using fund balances, emphasis is placed on one-time uses. An annual review of cash flow requirements and appropriate fund balances is undertaken to determine whether modifications are appropriate for the reserve/contingency policies.

### What are the changes in fund balance and what is the long-term outlook?

#### *By Fund Type*

**General Funds:** The General Fund balance will decrease by \$7.7 million (18%) as a result of the FY15 budget (net of contingencies). Of this, \$5.9 million is in the operating General Fund and the remainder is in reserved General Fund balances. As we have in previous years, we will continue to expend fund balance, as a one-time budget balancing mechanism. We will also be expending approximately \$800,000 toward compensation, and \$2 million is being set aside for capital improvements. The long-term forecast to the operating General Fund shows we are balancing our budget beginning in FY20. Our reserved General Fund balances will be spent down as projects are completed, but our goal is to maintain four years of project funding in these funds, by transferring our one-time capacity from the operating General fund into the reserved R&R General Fund as it becomes available. This will help us prepare for the next recession, by pre-funding projects that can still be funded during the next economic downturn.

**Special Revenue Funds:** Fund balances in the Special Revenue Funds are budgeted to decrease 51%, or \$30.7 million in FY15. Most of the decrease (69%) comes in the HURF Fund and Coconino Parks and Open Space Fund. This HURF balance decline of \$9.4 million is due mainly to a \$3.3 million transfer to the Flood Control District for Public Works capital projects completed by the District. These projects have been delayed for many years due to Flood Control funds being redirected to the Schultz flood emergency response. Equipment replacement has also been delayed over the years and this line item will see a \$1.1 million increase in the FY15 budget. We have identified that there is a shortage of HURF funding available, and we anticipate continued use of this fund balance on necessary improvements. This shortage is compounded by the recessionary impacts on this fund, including the annual sweep of HURF dollars to fund DPS. To address the depletion of funds used for the operation and maintenance of County roads, the Board of Supervisors approved ballot language to put a question about a sales tax for transportation before the voters in November. The voters of Coconino County will be asked whether they are willing to approve a 3/10 of a cent sales tax for 20 years to be used for transportation in our County.

# Reserves



The CPOS decrease of \$11.5 million is due to the continued progress on the CPOS capital plan. This fund balance is reserved for listed projects on the CPOS ballot, and will be required to be spent on projects until the balance is exhausted. The final collection of the \$33 million sales tax is projected to be September 2014.

**Debt Service Funds:** Debt Service Funds in total will see a decrease of 12% in their fund balance in FY15. This decrease is due to the transfer of \$32,100 of fund balance from the Debt Service Capital Fund into the General Fund to be appropriated for a use to be determined at a later date. The long term outlook for the special district debt services funds is very little change in fund balance, because as assessments are collected, debt payments are made.

**Capital Projects Funds:** Capital Projects Fund reserves will remain flat as no capital projects were budgeted for FY15.

## *Major Funds*

**Highway User Revenue Funds:** As discussed in the Special Revenue Fund section, the HURF balance will decrease by 31% due to funds being transferred to the Flood Control District for the completion of capital projects and an increase in expenditures for routine equipment replacement. Voters will decide in the November election on a sales tax to provide funding for continued operations and maintenance of County roads.

**Jail District:** The Jail District Fund Balance will decrease by 12% from the FY14 projected ending fund balance. A portion of this decrease is due to funding being set aside for the future planning of transitional housing. Continued discussion will be had to determine what type of housing or program addition would be more beneficial for the criminal justice system.

**Parks and Open Space Debt Service:** In FY15 the Parks and Open Space Debt Services fund balance will continue to decrease (95%) as CPOS projects continue and open space is acquired. The collection of the sales tax expires in September 2014. The approved projects will continue until all funds are exhausted.

**Public Health Services District:** The fund balance in this district will decrease by 44% in FY15. Due to a decrease in secondary values the district has a decrease in revenue in the form of property taxes while experiencing an increase in operating expenditures. The long-term outlook for this district is that fund balances will continue to decline until property values show a substantial increase. Long-term program and service evaluations are needed to align revenues and expenditures in the district.

**Non Major Funds:** Fund balances for Non Major funds will decrease by 52% in FY15. The largest decrease is in National Forest Fees. These funds go to road maintenance. Also significantly decreasing is the Parks Capital Project Fund, where funds are allocated for Parks and Recreation projects to be completed in FY15. No other funds individually account for a material amount of the decrease. General decreases are budgeted in special revenue funds to fill the gap for expenditure increases.

# General Fund Operating Budget



## General Fund Operating Budget Policies

The County adopts a balanced budget annually and does not use debt or bond financing to fund current operating expenditures. As a general rule, the County is committed to using only recurring revenues to fund recurring expenditures.

The County maintains a budgetary control system to ensure adherence to the Adopted Budget. Quarterly reports are prepared and provided to the Board of Supervisors by the budget team which compare actual revenue and expenditures to budgeted amounts as well as provide updates to the County ten-year financial plans and forecasts.

As previously stated, the Budget Team develops and regularly updates a General Fund ten-year financial forecasting system which includes projections of revenues, expenditures, and future costs of current budget decisions and financing of capital improvements. The current revenue and expenditure ten-year plans on the following pages illustrates the results of this process.

The entire County budget for FY15 was evaluated within the context of these financials plans and a determination was made on the impacts that the current recurring expenditures would have on the operating budget, the expenditure limit, and the future cash flow needs of the County. All departments were given direction to submit their program budgets with funding amounts not to exceed the FY14 "base" budget for the department. Expenditure adjustments between programs were allowed. Budget increases were requested via a Service Improvement Request form. The form provided all details associated with new or enhanced services and programs requesting to be included in the FY15 annual budget. The Service Improvement Requests were evaluated and approved based on available resources. In FY15 we will continue our long-term approach to budget alignment. We have strategic compensation, Facilities, and Information Technology needs that are core expenditure requirements to maintain our efficiency and effectiveness as an organization. In addition to these needs, we are also faced with deferred maintenance of our road infrastructure due to the reduction in revenues from the gas tax which has not seen an increase since 1998. Over the next five years we will need to align our revenues and expenditures in all of our funds through strategic evaluation of our programs and funding levels, and how they align with our priorities and where we want to be as an organization, as well look for other revenue opportunities. This will require significant General Fund budget reductions and realignment.

The ten-year plan that follows has been adjusted to eliminate the contingency and fund balance contingency items. The fund balance is presented on the cash basis, because there are annual revenue accruals that are not available in cash balance to fund programs. Contingency items are budgeted for emergency use only so they are not included in the General Fund balance projections. The financial plan that follows is the plan that was used during the budget process, and includes department and budget estimates of FY14 revenue and expenditures, based on year-to-date information that was available at the time the budget was developed. The financial statements presented on pages 54-60 include updated FY14 estimated actuals.

An operating deficit is anticipated through FY19. That is the low point in our revenue projection period, where we expect to either lose, or have reductions, in some of our Federal revenue resources. In FY15 we are showing an operating deficit of \$5.5 million. This includes a transfer to our facilities capital repair and replacement fund for future improvements.

# General Fund Ten-Year Financial Plan



	Actuals FY2013	Budget FY 2014	Estimated FY2014	Budget FY 2015	Projected FY 2016
<b>Revenues and Transfers In</b>					
Taxes	\$ 23,681,579	\$ 25,095,215	\$ 24,436,918	\$ 25,349,872	\$ 25,879,941
Licenses and Permits	674,468	902,500	830,813	878,500	896,070
Intergovernmental	21,602,795	21,705,167	22,017,230	23,079,527	23,933,200
Charges for Services	4,967,040	4,797,230	4,871,276	4,447,151	4,543,052
Fees, Fines, and Forfeits	1,125,687	1,108,650	1,083,379	1,091,650	1,108,025
Investment Income	-	178,000	420,560	178,000	244,331
SRP Contributions	150,534	130,150	181,980	130,150	100,000
Miscellaneous	313,896	123,944	516,023	90,015	90,915
Transfers In	690,492	444,547	370,028	572,679	237,401
<b>Total Revenues and Transfers In</b>	<b>53,206,490</b>	<b>54,485,403</b>	<b>54,728,207</b>	<b>55,817,544</b>	<b>57,032,935</b>
<b>Expenditures and Transfers Out</b>					
Salaries	24,737,434	25,936,864	25,014,619	26,733,877	27,464,937
Benefits	9,380,174	10,522,100	10,148,262	10,820,831	11,375,435
Less: Projected Salary Savings	-	(300,000)	(1,296,083)	(300,000)	(600,000)
Operations	7,279,226	9,751,911	8,263,816	10,618,151	7,859,824
Travel	1,412,792	1,441,878	1,559,877	1,428,245	1,405,989
Capital	129,148	719,752	361,756	623,173	5,453
Total Transfers Out	9,214,361	14,127,217	13,708,903	11,383,842	10,923,935
<b>Total Expenditures and Transfers Out</b>	<b>52,153,135</b>	<b>62,199,722</b>	<b>57,761,150</b>	<b>61,308,119</b>	<b>58,435,573</b>
<b>Total Surplus/(Deficit)</b>	<b>1,053,355</b>	<b>(7,714,319)</b>	<b>(3,032,943)</b>	<b>(5,490,575)</b>	<b>(1,402,638)</b>
<b>Beginning Fund Balance</b>	<b>21,431,934</b>	<b>22,485,289</b>	<b>22,485,289</b>	<b>19,452,346</b>	<b>13,961,771</b>
<b>Net Ending Fund Balance</b>	<b>22,485,289</b>	<b>\$ 14,770,970</b>	<b>\$ 19,452,346</b>	<b>\$ 13,961,771</b>	<b>\$ 12,559,134</b>
<b>Fund Balance</b>					
<b>Unreserved</b>					
General Fund	\$ 14,807,951	\$ 6,664,842	\$ 11,277,866	\$ 5,675,041	\$ 4,039,803
Loan Balance to Flood Control District	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Emergency Reserve	7,677,338	8,106,128	8,174,480	8,286,730	8,519,330
<b>Total Unreserved Fund Balance</b>	<b>\$ 21,485,289</b>	<b>\$ 13,770,970</b>	<b>\$ 18,452,346</b>	<b>\$ 12,961,771</b>	<b>\$ 11,559,134</b>

# General Fund Ten-Year Financial Plan



Recession		Projected				
FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY2022	FY2023
\$ 26,134,814	\$ 26,440,951	\$ 27,147,952	\$ 27,875,482	\$ 28,693,522	\$ 29,379,870	\$ 30,084,036
929,225	963,606	998,296	1,034,234	1,070,433	1,107,898	1,146,674
23,474,319	23,516,037	24,752,367	25,850,015	26,668,796	27,515,347	28,390,628
4,641,044	4,741,175	4,843,491	4,948,041	5,054,874	5,164,040	5,275,591
1,124,645	1,141,515	1,158,638	1,176,017	1,193,657	1,211,562	1,229,736
219,785	203,692	178,986	160,426	160,436	167,064	184,419
100,000	100,000	100,000	100,000	100,000	100,000	100,000
91,824	92,743	93,670	94,607	95,553	96,508	97,473
238,189	240,448	242,774	244,977	247,268	249,243	251,257
<b>56,953,845</b>	<b>57,440,166</b>	<b>59,516,174</b>	<b>61,483,799</b>	<b>63,284,539</b>	<b>64,991,531</b>	<b>66,759,815</b>
27,563,722	28,048,123	28,734,654	29,208,546	29,883,638	30,380,430	31,079,931
11,819,368	12,216,853	12,672,652	13,054,079	13,505,824	13,983,532	14,728,444
(600,000)	(600,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
8,094,235	8,014,960	8,225,922	8,198,213	8,385,757	8,334,647	8,548,806
1,420,049	1,434,249	1,448,592	1,463,077	1,477,708	1,492,485	1,507,410
5,453	5,453	5,453	5,453	5,453	5,453	5,453
9,570,631	9,732,285	9,789,494	9,853,817	9,947,444	10,103,235	10,261,043
<b>57,873,458</b>	<b>58,851,923</b>	<b>60,576,766</b>	<b>61,483,186</b>	<b>62,905,824</b>	<b>63,999,782</b>	<b>65,831,087</b>
(919,613)	(1,411,757)	(1,060,592)	613	378,714	991,749	928,728
12,559,134	11,639,521	10,227,764	9,167,172	9,167,785	9,546,499	10,538,248
<b>\$ 11,639,521</b>	<b>\$ 10,227,764</b>	<b>\$ 9,167,172</b>	<b>\$ 9,167,785</b>	<b>\$ 9,546,499</b>	<b>\$ 10,538,248</b>	<b>\$ 11,466,975</b>
\$ 3,132,172	\$ 1,647,806	\$ 276,162	\$ (18,039)	\$ 90,908	\$ 826,904	\$ 1,490,692
(700,000)	(350,000)	(350,000)	-	-	-	-
8,507,348	8,579,958	8,891,010	9,185,823	9,455,591	9,711,343	9,976,284
<b>\$ 10,939,521</b>	<b>\$ 9,877,764</b>	<b>\$ 8,817,172</b>	<b>\$ 9,167,785</b>	<b>\$ 9,546,499</b>	<b>\$ 10,538,248</b>	<b>\$ 11,466,975</b>

# General Fund Revenue Assumptions



The single largest fund in the County is the General Fund. It accounts for approximately 46% of the County's annual operating revenue (net of un-awarded grants). The process of estimating and forecasting revenues involves review and analysis of numerous variables and continuous tracking and research. The budget team takes a scan of the local and national economy to estimate current and future growth in retail consumption, tourism spending, and changes in State and Federal legislation which would have an impact on revenue collections. A forecast is created and presented to the County manager and Board of Supervisors in order to define the financial parameters of the budget process in a given fiscal year. This forecast is subsequently adjusted based on a comparison of the departmental revenue estimates in the months following. Listed below are the current assumptions derived to account for specific tax levies, projected growth in sales taxes, other revenues and interest rates, and fund balances (cash on hand) which will earn interest.

The budget was partially based on estimates for FY14. The budget team provided several scenarios for the County Manager and Board of Supervisors, as part of the financial planning process and budget process. To estimate FY15 revenues for all funds, but in particular for the General Fund, the budget team used the assumption that the current recessionary pattern that our State and local revenues would continue to recover in FY14 and FY15. This will be noted for many of the revenue growth assumptions that are primarily driven by the economy. Our returns had started to improve during FY12 and that trend has continued into FY14. Some estimates have been difficult to determine due to the lag in sales tax collections between fiscal years. The budget development process begins in January. At that time, we only have access to four or five months of revenue data for FY14. Sales that occur in October are not reported until November, and the State figures are released toward the end of December. The following assumptions were used as the growth scenario to estimate the FY15 General Fund revenues available for recurring expenditures.

- The County's **primary property tax rate** increased in FY15. We are allowed a 2% growth in our levy each year. Additional growth is also allowed through new construction that was added to the tax rolls during the year. For FY15, Coconino County used the 2% allowable and new construction growth to determine the projected tax levy. This will be the assumption on-going in the ten-year forecast.
- **Vehicle license tax** (auto in lieu) is anticipated to grow by 1% from the FY14 estimate to the FY15 budget. The trend for this tax has been hard to determine but the economic recession put this revenue below FY06 levels. Auto lieu increases are projected to increase by 1% in the ten-year projection. As the economy continues to recover it is anticipated that this revenue will fall back in line with local inflation and population increases.
- **County sales tax** is projected to grow from the FY14 estimates to the FY15 budget by 2.4%. This growth is based on population and inflation and will return us to what we have determined to be our adjusted baseline. We are forecasting County local and State shared sales taxes by looking at what our sustainable population and inflation line was prior to the recent recession, and adjusting this down to a revised line at 85% of the historical level. We have worked into the County sales tax growth a two year window for another recession. As we are unable to determine the exact timeframe of another recession the placement of the recession in FY17 and FY18 will balance out with increased growth into the future.
- **Licenses and permits** have fluctuated greatly over the last few years with the FY14 estimate showing tremendous growth over FY13. Growth in FY15 is projected at 2% with slight increases in future years. Building permits are the main component of this revenue source.

# General Fund Revenue Assumptions



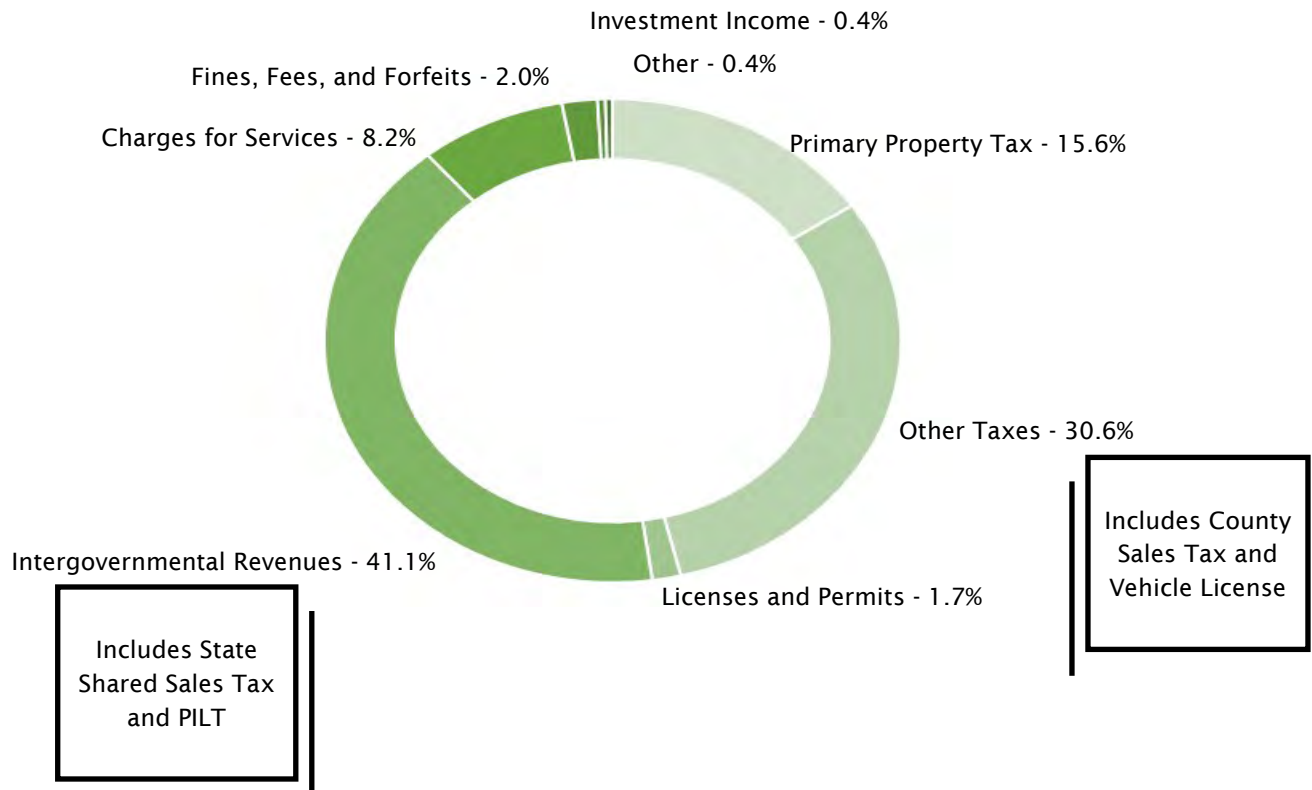
- **State shared sales tax** is projected to increase at a pattern similar to County sales tax. Because the local economy has been stronger than the State economy throughout the course of this recession, local net assessed values have become a larger portion of the State total, increasing our State shared sales tax distribution formula. Due to this formula we have experienced a short-term increase in this revenue. In FY15 our relative share of net assessed value will begin returning to a more historical level as property values in the Phoenix area are recovering.
- **Other intergovernmental revenue** is projected to increase from FY14 to the FY15 budget by 2%. This growth is anticipated to continue into future years, but it is offset by adjustments for the loss of Forest Fee Funding for the Superintendent of Schools, and the change in PILT funding as determined.
- **Charges for services** are anticipated to increase by 2% in FY15 compared to FY14. The long-term outlook growth in this revenue source is about 2%, matching anticipated inflationary increases to our fees.
- **Fees, fines, and forfeits** are anticipated to increase less than 1% in FY15 compared to FY14 and will continue to grow at 1.5% into the future due to the County's policy of updating the user fee schedule every two years.
- **Investment income** is projected at 1.25% of the General Fund balance in FY15, 1.35% in FY16, 1.5% in FY17 and 1.75% into the future. The rate of return on County investments is tied to market rates, which are projected to remain low in FY15 and gradually increase as the economy continues to recover. Federal interest rate action will impact the long-term investment income returns.
- **The SRP contribution** will decrease in the ten-year period, as our primary property tax decreases due to the restrictions on levy growth.
- **Miscellaneous** revenue is forecasted at the minimum level during the ten-year period. These revenues are usually derived from unanticipated sources.
- **Transfers in** for FY15 are budgeted to decrease due to the upgrading of the Permit Tracking software which lowers the annual maintenance cost that is shared between the General Fund, Public Works, and the Public Health Services District.

# General Fund Revenues



## FY15 Revenues by Percentage

This chart details FY15 General Fund revenues for all activities by percentage and illustrates the County's reliance on State shared and County sales taxes as the predominant General funding sources.



# General Fund Revenue Projections



The County incorporates the preceding assumptions for the budget year and additional estimated growth or decline rates (where applicable) into a ten-year forecast for revenues. This forecast provides County management with a planning tool for determining future funding options and availability. The FY14 estimates were used for the budget development and reflect information available at the time.

	FY13 Actual	FY2014 Budget	FY2014 Estimates	FY2015 Budget	Projected	
					FY 2016	FY 2017
Primary Property Tax	\$ 8,768,957	\$ 8,903,326	\$ 8,674,122	\$ 9,241,236	\$ 9,457,267	\$ 9,678,699
Utilities	47,198	35,000	37,172	37,000	37,370	37,744
Other Taxes	77,758	100,000	84,004	100,000		
Auto Lieu	3,082,023	3,365,110	3,241,620	3,274,036	3,306,776	3,339,844
County Sales Tax	11,705,643	12,691,779	12,400,000	12,697,600	13,078,528	13,078,528
<b>Taxes Subtotal</b>	<b>23,681,579</b>	<b>25,095,215</b>	<b>24,436,918</b>	<b>25,349,872</b>	<b>25,879,941</b>	<b>26,134,814</b>
Licenses and Permits	674,468	902,500	830,813	878,500	896,070	929,225
State Shared Sales Tax	18,592,227	19,676,888	19,576,690	19,698,434	20,400,038	19,900,038
PILT	1,572,295	1,073,000	1,073,000	1,666,210	2,317,987	2,345,803
SRS	462,352	-	-	512,750	-	-
Federal Grant & Shared	328,233	299,406	223,961	157,645	160,798	164,014
State Grant & Shared	109,617	198,853	744,069	140,490	143,300	146,166
Other Intergovernmental	538,071	457,020	399,510	903,998	911,077	918,298
<b>Intergovernmental Subtotal</b>	<b>21,602,795</b>	<b>21,705,167</b>	<b>22,017,230</b>	<b>23,079,527</b>	<b>23,933,200</b>	<b>23,474,319</b>
Charges for Services	3,569,785	3,438,664	3,512,710	3,055,619	3,116,731	3,179,066
Health Indirect	1,397,255	1,358,566	1,358,566	1,391,532	1,426,320	1,461,978
Fees, Fines, and Forfeits	1,125,687	1,108,650	1,083,379	1,091,650	1,108,025	1,124,645
Investment Income	-	178,000	420,560	178,000	244,331	219,785
SRP Contributions	150,534	130,150	181,980	130,150	100,000	100,000
Miscellaneous	313,896	123,944	516,023	\$ 90,015	90,915	91,824
<b>Revenues Subtotal</b>	<b>\$ 52,515,999</b>	<b>\$ 54,040,856</b>	<b>\$ 54,358,179</b>	<b>55,244,865</b>	<b>56,795,534</b>	<b>56,715,656</b>
Transfers In	\$ 690,492	\$ 444,547	370,028	572,679	237,401	238,189
<b>Grand Total</b>	<b>\$ 53,206,490</b>	<b>\$ 54,485,403</b>	<b>\$ 54,728,207</b>	<b>\$ 55,817,544</b>	<b>\$ 57,032,935</b>	<b>\$ 56,953,845</b>

# General Fund Revenue Projections



The County incorporates the preceding assumptions for the budget year and additional estimated growth or decline rates (where applicable) into a ten-year forecast for revenues. This forecast provides County management with a planning tool for determining future funding options and availability. The FY14 estimates were used for the budget development and reflect information available at the time.

	Projected					
	FY 2018	FY 2019	FY 2020	FY2021	FY2022	FY2023
Primary Property Tax	\$ 9,951,060	\$ 10,231,591	\$ 10,520,539	\$ 10,818,155	\$ 11,124,700	\$ 11,440,441
Utilities	38,121	38,502	38,887	39,276	39,669	40,066
Other Taxes						
Auto Lieu	3,373,243	3,406,975	3,441,045	3,475,455	3,510,210	3,545,312
County Sales Tax	13,078,528	13,470,884	13,875,010	14,360,636	14,705,291	15,058,218
<b>Taxes Subtotal</b>	<b>26,440,951</b>	<b>27,147,952</b>	<b>27,875,482</b>	<b>28,693,522</b>	<b>29,379,870</b>	<b>30,084,036</b>
Licenses and Permits	963,606	998,296	1,034,234	1,070,433	1,107,898	1,146,674
State Shared Sales Tax	19,900,038	21,094,041	22,148,743	22,923,949	23,726,287	24,556,707
PILT	2,373,952	2,402,440	2,431,269	2,460,444	2,489,970	2,519,849
SRS	-	-	-	-	-	-
Federal Grant & Shared	167,294	170,640	174,053	177,534	181,085	184,706
State Grant & Shared	149,089	152,071	155,112	158,215	161,379	164,606
Other Intergovernmental	925,663	933,176	940,838	948,654	956,627	964,758
<b>Intergovernmental Subtotal</b>	<b>23,516,037</b>	<b>24,752,367</b>	<b>25,850,015</b>	<b>26,668,796</b>	<b>27,515,347</b>	<b>28,390,628</b>
Charges for Services	3,242,647	3,307,500	3,373,650	3,441,123	3,509,946	3,580,145
Health Indirect	1,498,528	1,535,991	1,574,391	1,613,751	1,654,094	1,695,447
Fees, Fines, and Forfeits	1,141,515	1,158,638	1,176,017	1,193,657	1,211,562	1,229,736
Investment Income	203,692	178,986	160,426	160,436	167,064	184,419
SRP Contributions	100,000	100,000	100,000	100,000	100,000	100,000
Miscellaneous	92,743	93,670	94,607	95,553	96,508	97,473
<b>Revenues Subtotal</b>	<b>57,199,719</b>	<b>59,273,400</b>	<b>61,238,822</b>	<b>63,037,271</b>	<b>64,742,288</b>	<b>66,508,558</b>
Transfers In	240,448	242,774	244,977	247,268	249,243	251,257
<b>Grand Total</b>	<b>\$ 57,440,166</b>	<b>\$ 59,516,174</b>	<b>\$ 61,483,799</b>	<b>\$ 63,284,539</b>	<b>\$ 64,991,531</b>	<b>\$ 66,759,815</b>

# General Fund Expenditures

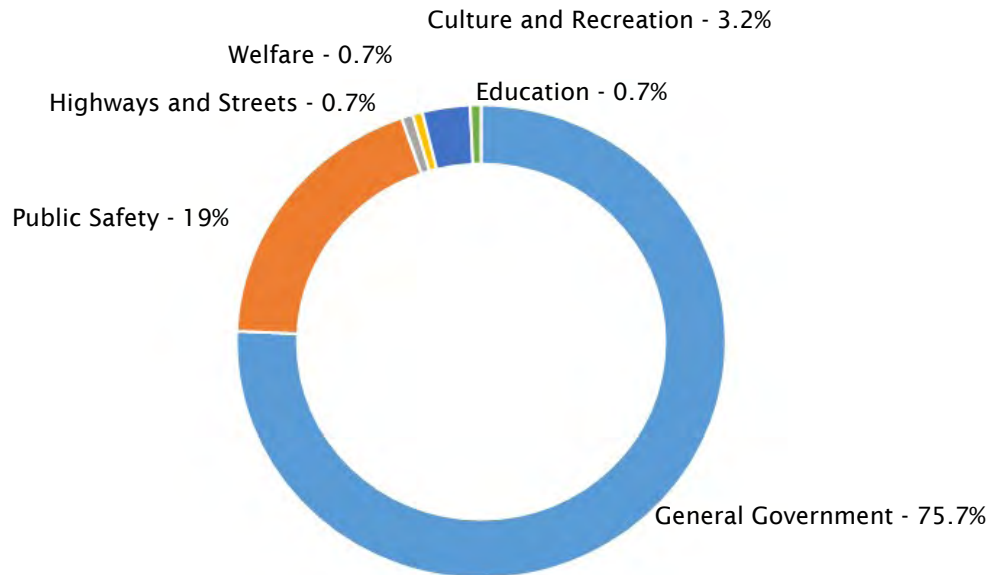


## Total Expenditures for the General Funds

The total County adopted expenditures budget for FY15 (net of un-awarded grants) is \$176,168,729.

Of this, total adopted expenditures for the operating General Fund (1001) are \$70,206,117 and for all other General Funds adopted expenditures are \$2,385,391. The budgeted expenditures in the General Fund represents the budgeted appropriation of fund balance for emergency reserve to provide budget capacity in the event of a fiscal emergency. Other General Funds were created to account for General Funds that have been set aside for special projects.

### General Fund Expenditures by Function

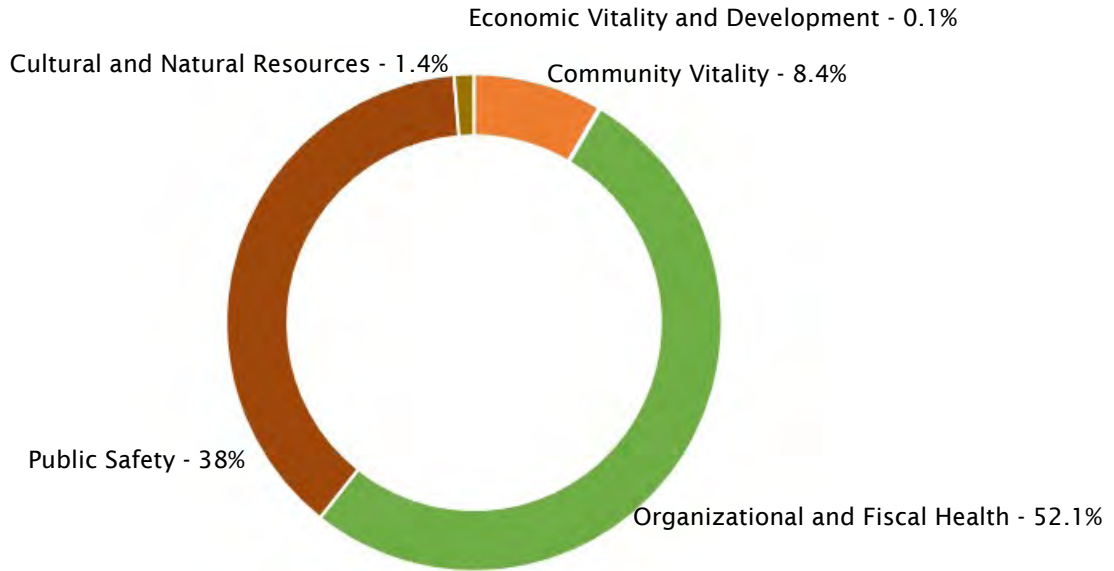


	General Government	Education	Highways & Streets	Public Safety	Welfare	Culture & Recreation	Total
Salaries	\$ 17,831,758	\$ 329,252	\$ 319,284	\$ 7,370,707	\$ 331,185	\$ 756,180	\$ 26,938,366
Benefits	6,058,145	96,211	102,341	4,160,122	116,717	266,044	10,799,580
Operating	29,644,617	78,587	100,953	1,232,531	14,085	470,514	31,541,287
Travel	533,782	8,700	15,000	919,994	11,768	51,936	1,541,180
Capital	893,374	-	-	123,425	-	754,296	1,771,095
<b>Total</b>	<b>\$ 54,961,676</b>	<b>\$ 512,750</b>	<b>\$ 537,578</b>	<b>\$ 13,806,779</b>	<b>\$ 473,755</b>	<b>\$ 2,298,970</b>	<b>\$ 72,591,508</b>

# General Fund Expenditures



## General Fund Expenditures by Strategic Priority Area



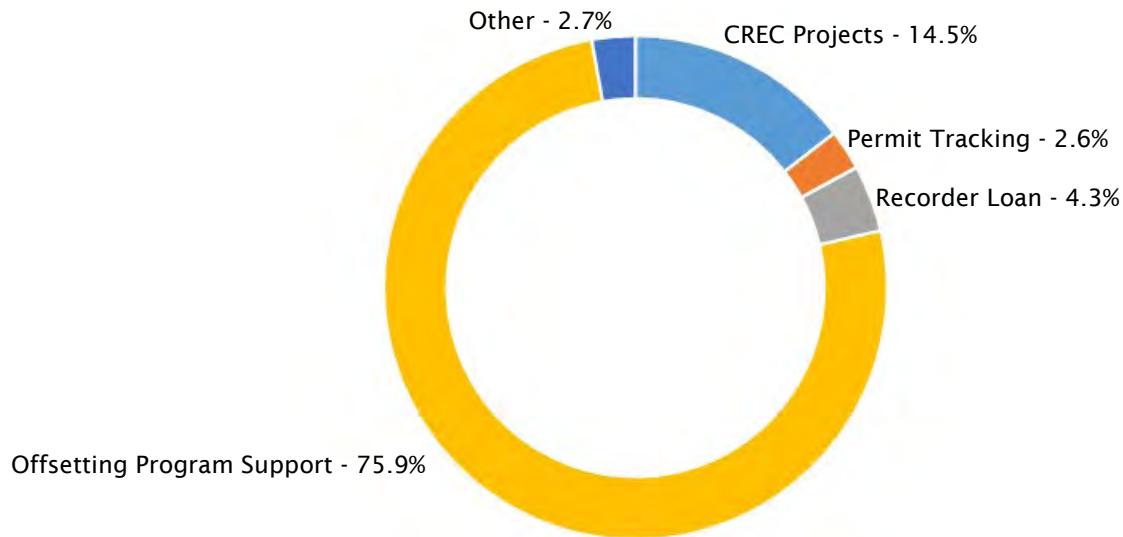
	Organizational & Fiscal Health	Economic Vitality & Development	Community Vitality	Public Safety	Cultural & Natural Resources	Total
<b>Salaries</b>	\$ 8,137,254	\$ -	\$ 2,352,065	\$ 16,077,046	\$ 372,001	\$ 26,938,366
<b>Benefits</b>	2,759,884	-	788,181	7,110,948	140,567	10,799,580
<b>Operating</b>	25,800,608	71,713	2,247,213	3,172,508	249,245	31,541,287
<b>Travel</b>	284,315	-	108,400	1,111,366	37,099	1,541,180
<b>Capital</b>	873,374	-	618,296	143,425	136,000	1,771,095
<b>Total</b>	<b>\$ 37,855,435</b>	<b>\$ 71,713</b>	<b>\$6,114,155</b>	<b>\$ 27,615,293</b>	<b>\$ 934,912</b>	<b>\$ 72,591,508</b>

# General Fund Transfers



An important part of the General Fund budget includes transfers into the fund. For example, a transfer **into** the General Fund might include a Title III reimbursement for an approved project. The charts below provide a summary of transfers in budgeted in FY15. It excludes transfers between the unreserved General Fund and Reserved General Funds.

## Transfers *Into* the General Fund



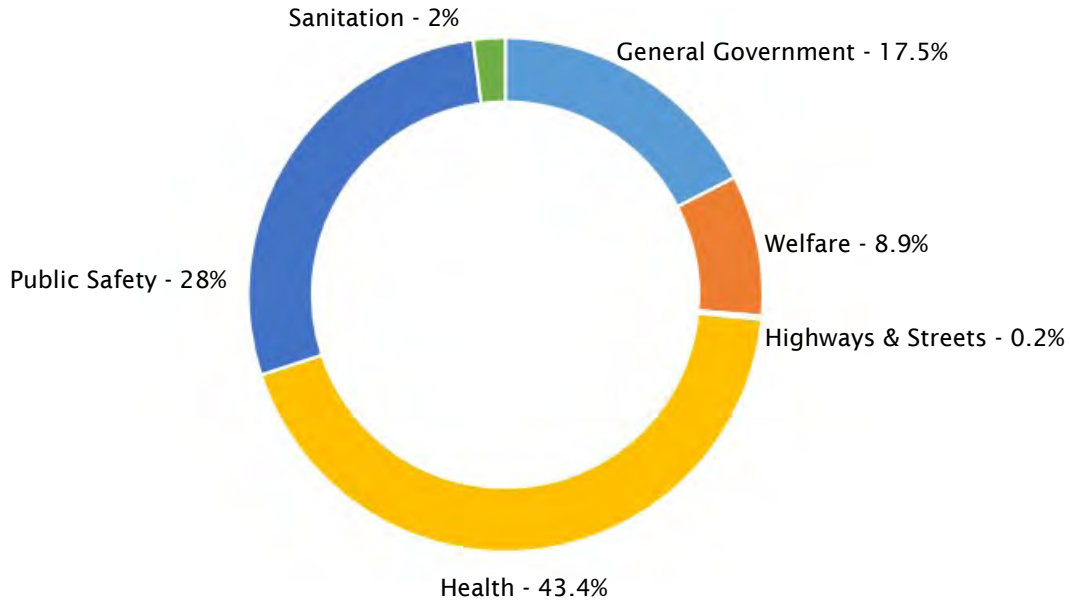
- **CREC Projects:** Remaining fund balance from CREC to be used for projects of a land and conservation nature. Each supervisory district has been allocated a portion of the fund balance and work requests will go through the AZCC (Arizona Conservation Corps) for completion.
- **Permit Tracking:** The permit tracking system costs are split between the General Fund, Public Works, and the Public Health Services District.
- **Recorder Loan:** The Recorder’s Office borrowed funds from the General Fund for a new purchase agreement for their Tyler Recording System. The loan will be paid back over a three year period, FY15 being the third and final year.
- **Offsetting Program Support:** Transfer to offset the cost of General Fund Programs from Special Revenue Funds.
- **Other:** Remaining fund balance from debt defeasance in FY08 to be transferred into the General Fund to offset programs.

# General Fund Transfers

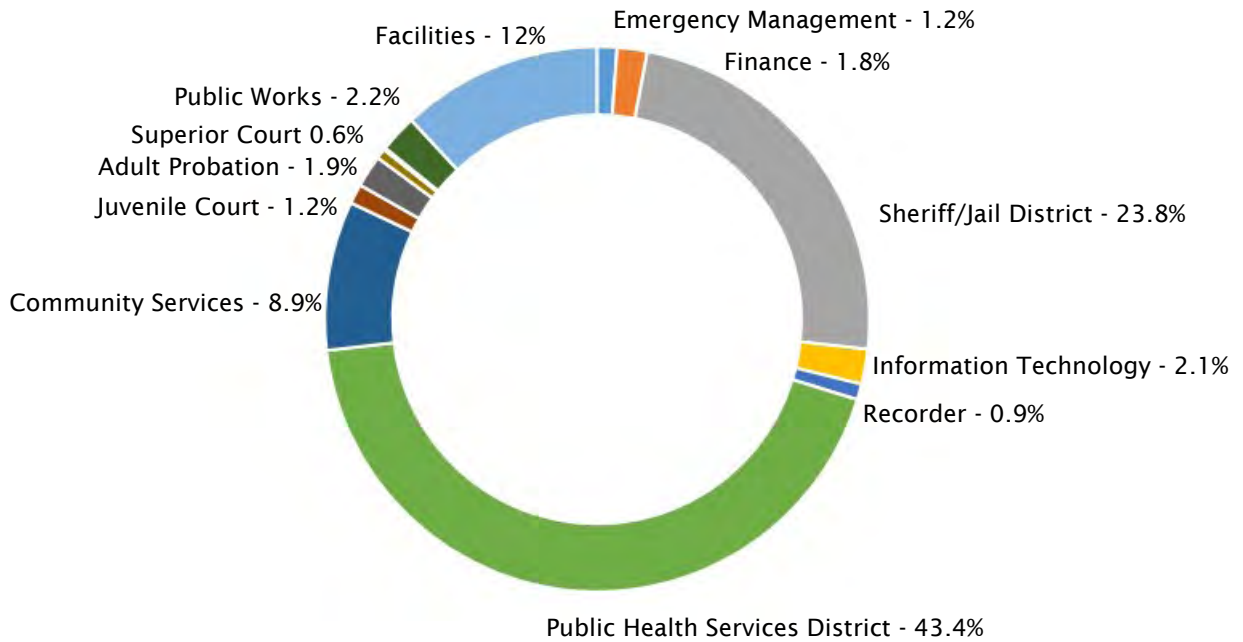


An important part of the General Fund budget includes transfers out of the fund. For example, a transfer **out** of the General Fund might include subsidies to State-mandated grant programs where funding has been cut or subsidies for programs where fees do not cover the full cost of the program. The charts below provide a summary of transfers out budgeted in FY15. They exclude transfers between the unreserved General Fund and Reserved General Funds.

## Transfers Out of the General Fund by Function



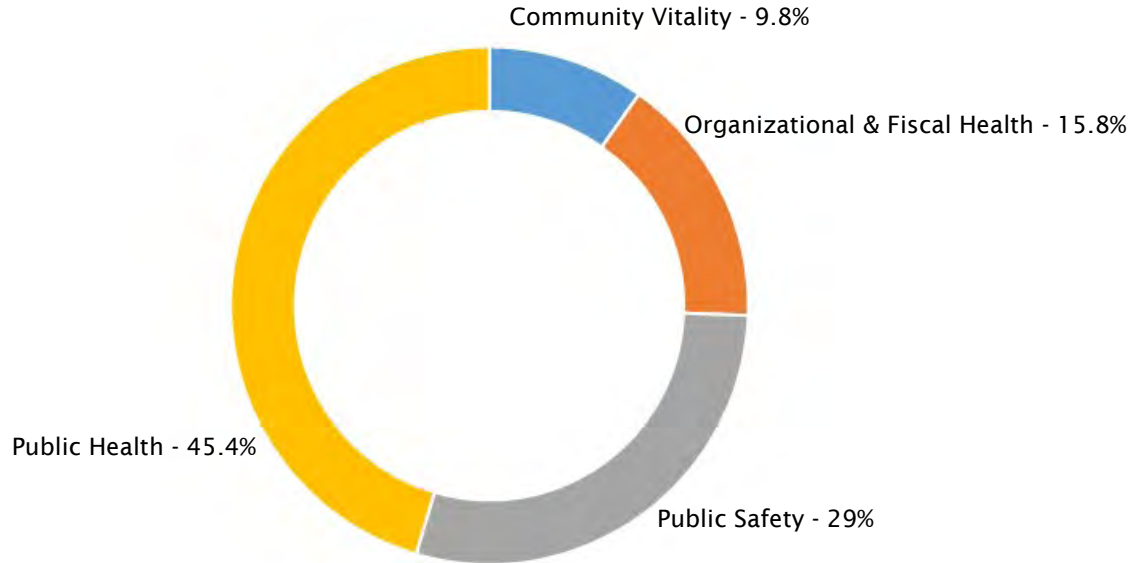
## Transfers Out of the General Fund by Department (\$10,810,355 Total)



# General Fund Transfers



## Transfers *Out* of the General Fund by Strategic Priority Area



When the recession hit in FY09 employee pay was frozen. When this happened employees still saw increases in their retirement system contributions and health insurance premiums, resulting in a reduction in net pay.

In FY13 compensation was addressed with one-time and recurring packages for employees. A committee comprised of representatives from departments across the County and nominated by the Elected/Appointed Leadership Team met to prepare a recommendation to the Board of Supervisors to address compensation. The committee's intention was to adjust compensation for as many County employees as possible with available funding. The approved recommendation consisted of a base increase determined by the years of service and a one-time lump sum payment to address the contributions all employees made to the organization and the citizens while taking home less pay due to increased payroll deductions.

In FY14, compensation was again addressed with a 1.5% market adjustment on July 1st of the fiscal year and the reinstatement of the merit increase on the anniversary date of each employee.

In FY15 compensation is yet again a priority. The adopted budget includes the 2.5% merit increase on the anniversary date of each employee. Funds were also set aside for a mid-year discussion on further compensation adjustments to address a compression issues many employees face. The decision to move forward with a compensation adjustment will be made after the November election in which the Board of Supervisors has chosen to take a transportation tax to the voters.

Other FY15 changes to the General Fund budget are summarized below:

### **One-Time Funding Changes**

- Assessor: Primary Residence Mailing: \$8,000
- Assessor: Oblique Aerial Imagery: \$288,108
- Board of Supervisors: Records Preservation: \$10,000
- Board of Supervisors: CREC Projects for Land Conservation: \$166,775
- Community Development: Training: \$6,000
- Community Development: Snow Load County Wide Study: \$13,000
- Community Development: New Copier: \$20,000
- Community Development: Sustainable Building Program: \$6,000
- Constable: Motor Pool: \$1,233
- County Attorney: Funding for Domestic Violence Exams: \$25,000
- Emergency Management: Code Red Upgrade: \$16,900
- Facilities Management: Maintenance and Service Agreements: \$88,000
- Finance: Copier Replacement: \$76,157
- Human Resources: Tuition Reimbursement Program: \$44,355
- Information Technology: New Lease Space and Moving Costs: \$55,000
- Legal Defender: Increase in Contractual Attorney Fees: \$35,000
- Non-Departmental: Vacation Sellback Program: \$175,000
- Non-Departmental: Zucker Relocation of Animal Management: \$50,000
- Non-Departmental: Criminal Justice Integration: \$50,000
- Non-Departmental: Funding for Mid-year Compensation: \$408,624
- Non-Departmental: Funding for Courier: \$20,000
- Non-Departmental: Net Gaming 12% Revenue - Use to be Determined: \$25,500
- Non-Departmental: Transportation Pamphlet: \$31,000

## One-Time Funding Changes

- Parks and Recreation: Motor Pool: \$18,326
- Parks and Recreation: Frontiere Property Maintenance Costs: \$20,000
- Parks and Recreation: Additional Funding for Amphitheater Roof: 144,000
- Parks and Recreation : Fort Tuthill Monument Signs: \$136,000
- Recorder: Transportation Clerical Aide in Tuba City: \$10,000
- Recorder: Permanent Early Voter Ballots: \$100,000
- Recorder: Primary and General Election Costs: \$73,000
- Sheriff/Jail: Co-location - Records & Dispatch: \$4,126
- Sheriff/Jail: Tasers: \$13,000
- Sheriff/Jail: New Radio Sites: \$15,000
- Sheriff/Jail: Armory Requests: \$5,500
- Sheriff/Jail: Motor Pool: \$99,345
- Treasurer: Creditron Scanner System: \$39,000

## Recurring Funding Changes

- Assessor: Tyler Eagle Software Maintenance Services: \$49,862
- County Attorney: Realignment of Funding for FTEs: \$106,500
- Facilities Management: Maintenance and Service Agreements: \$17,000
- Governmental Relations: County Newsletter: \$50,000
- Information Technology: Telephone and Internet Services: \$6,312
- Information Technology: New Lease Space and Moving Costs: \$60,000
- Juvenile Services: On-Call Temporary Youth Care Worker Pool: \$52,000
- Legal Defender: Leased Office Space Rent Increase: \$3,100
- Legal Defender: Time Matters Annual Maintenance: \$1,080
- Recorder: Rate Increase for Election Day Workers: \$39,297
- Sheriff/Jail: Colocation - Records & Dispatch: \$3,381
- Sheriff/Jail: Maintenance Services: \$15,000
- Treasurer: Tyler Eagle Software Maintenance: \$34,895

# State Budget Impacts



Preliminary data from FY14 show that the state structural deficit will continue into FY16. During the recessionary decline the State has chosen to balance their budget in part by shifting their budget deficit onto local governments by passing along mandated costs to counties, funding reductions for county grant programs, county shared revenue sweeps, and agency reductions resulting in reduced services to counties. Budget impacts from the State began in FY09 and are expected to continue through FY15. Because there is such a variety of impacts, quantifying those impacts is nearly impossible.

The table below summarizes the various State budget impacts Coconino County has absorbed into our budget over the past several years.

State Budget Impacts	FY09-FY12	FY13	FY14 (esimated)	FY15 (projected)
Court Liability Insurance	\$ 156,240	\$ 36,240	\$ 43,664	\$ 73,000
Restoration to Competency Cost Shift	555,030	233,382	347,261	125,000
Sexually Violent Predators Cost Shift	70,785	89,060	38,272	80,000
County Justice of Peace Salaries	222,438	69,118	68,166	63,160
CAMA System	1,748,043	101,593	102,657	98,839
<b>Subtotal: Direct Costs Shifts</b>	<b>\$ 2,752,536</b>	<b>\$ 529,392</b>	<b>\$ 600,020</b>	<b>\$ 439,999</b>
Reduction in Grant Funding/Agency Cost Shifts	\$ 4,500,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Reduction in County Assistance Funds (Lottery)	1,373,226	550,035	-	-
HURF Shifts	2,800,000	900,000	900,000	521,365
<b>Subtotal: Revenue Reductions</b>	<b>\$ 8,673,226</b>	<b>\$ 2,650,035</b>	<b>\$ 2,100,000</b>	<b>\$ 1,721,365</b>
<b>Grand Total State Budget Impacts by Year</b>	<b>\$ 11,425,762</b>	<b>\$ 3,179,427</b>	<b>\$ 2,700,020</b>	<b>\$ 2,161,364</b>
<b>Cumulative State Budget Impacts</b>	<b>\$ 11,425,762</b>	<b>\$ 14,605,189</b>	<b>\$ 17,305,209</b>	<b>\$ 19,466,573</b>

- Court Liability Insurance: Agency shift of a State cost that counties are now required to fund.
- Restoration to Competency: Cost to house and treat prisoners at the State hospital. Coconino County has entered into an IGA with Yavapai County, resulting in a near 50% decrease in the cost of this new mandate. Projected cost is caseload driven.
- Sexually Violent Predators: Cost (50%) to house and treat sexually violent prisoners at the State hospital.
- Justice of the Peace Salaries: Increase cost shift from the State where Counties previously funded 58.85% of salaries and the share has been increased to 80.75%.
- CAMA System: Shift of mandated parcel assessment program from the State Department of Revenue to counties. This discontinuation of the State system resulted in a new computer system and staffing for every County.
- Reduction in Grant Funding/Agency Cost Shifts: Reduced or eliminated funding from the State for County programs, many of which we are mandated by the State to provide. This is an estimated figure because State grant funding is variable and can be dependent on many factors including caseload and population.
- Reduction in County Assistance Funds: The State had previously distributed a share of lottery revenues to Counties. This shared revenue was swept back into the State General Fund. This resulted in a \$550,000 revenue loss to the County General Fund. In FY14, this funding was reinstated and remains in the budget in FY15 and moving forward into the future.
- HURF Shifts: Gasoline taxes are collected by the State and shared with local governments as the funding mechanism for road maintenance, including snowplowing. Over the past several years the State has been diverting these funds to pay for the State Department of Public Safety, decreasing the State General Fund obligation by sweeping funds from local governments.

# Personnel



## Changes in Personnel

Coconino County's full time position count has fluctuated over the past ten years due to fluctuations in State and Federal grant funding along with needed and required reductions during the recent economic downturn. Although total FTES are up 2% from FY05, we have seen a steady decline in FTES each year since the peak in FY09.

The total FTE count fell by 4.46 positions in FY15 compared to FY14. The majority of these reductions are due to the a reduction in Public Health Services District programs.

## Organizational Full-Time Equivalents

Department	FY13 Budget	FY14 Budget	FY14 Mid- Year Adjustments	FY15 Base	FY15 Budget Approvals	FY15 Budget
Adult Probation	58.80	56.80	-	56.80	-	56.80
Assessor	26.00	27.00	-	27.00	-	27.00
Board of Supervisors	13.50	14.50	-	14.50	-	14.50
Career Center	12.00	12.00	1.00	13.00	-	13.00
Clerk of Superior Court	23.98	23.60	-	23.60	-	23.60
Community Development	22.50	23.50	6.00	29.50	0.50	30.00
Community Services	50.32	48.33	(13.00)	35.33	(0.50)	34.83
Constable	1.00	1.00	-	1.00	-	1.00
County Attorney	42.00	43.00	-	43.00	-	43.00
County Manager	13.22	12.47	-	12.47	(5.47)	7.00
Emergency Management	-	-	-	-	3.00	3.00
Facilities Management	26.00	26.00	-	26.00	-	26.00
Finance	18.25	18.00	-	18.00	-	18.00
Governmental Relations	-	-	-	-	4.00	4.00
Human Resources	9.73	10.63	-	10.63	-	10.63
Information Technology	24.00	24.00	-	24.00	-	24.00
Justice Courts - Flagstaff	22.75	21.50	-	21.50	-	21.50
Justice Courts - Fredonia	2.50	2.50	-	2.50	-	2.50
Justice Courts - Page	5.00	5.00	-	5.00	-	5.00
Justice Courts - Williams	5.00	6.00	-	6.00	-	6.00
Juvenile Court Services	69.40	70.11	-	70.11	-	70.11
KVID	8.00	8.00	-	8.00	-	8.00
Legal Defender	5.00	6.00	-	6.00	-	6.00
Non-Departmental	-	-	-	-	-	-
Parks and Recreation	20.00	19.00	-	19.00	-	19.00
Public Defender	21.00	20.00	-	20.00	-	20.00
Public Health Services District	113.14	114.33	(2.69)	111.64	(9.32)	102.32
Public Works	132.13	127.54	(2.00)	125.54	2.00	127.54
Recorder	17.00	17.50	-	17.50	-	17.50
Sheriff	269.33	267.81	1.00	268.81	0.83	269.64
Superintendent of Schools	11.66	11.83	(2.33)	9.50	0.50	10.00
Superior Court	34.33	34.33	2.00	36.33	-	36.33
Treasurer	8.00	8.00	-	8.00	-	8.00
<b>Organization Total</b>	<b>1,085.54</b>	<b>1,080.28</b>	<b>(10.02)</b>	<b>1,070.26</b>	<b>(4.47)</b>	<b>1,065.80</b>

# Secure Rural Schools and Community Self Determination Act



## **Background**

The Secure Rural Schools and Community Self-Determination Act of 2000 (SRS Act) was enacted to provide years of transitional assistance to rural counties affected by the decline in revenue from timber harvests on federal lands. The last payment authorized under P.L. 106-393 was for 2006.

On May 25, 2007, the Iraq Accountability Act of 2007, P.L. 110-28, was signed into law. It included a provision for payments to States and counties for FY2007 and extended provisions of Title II and Title III of the SRS Act.

On October 3, 2008, P.S. 110-343 (H.R. 1424, Emergency Economic Stabilization Act of 2008, Energy Improvement and Extension Act of 2008, and Tax Extenders and Alternative Minimum Tax Relief Act of 2008) was signed into law (aka: SRSCA-2008), Section 601 of Divisions C of P.L. 110-343 amended and reauthorized the SRS Act (P.S. 106-393). The SRS Act, as amended, retains the original title. This Act approved SRS payments through County Fiscal Year 2011. Although the amount of total program funding was increased under this Act, each year there was 90% reduction in funding levels from the prior year.

On July 6, 2012, the Secure Rural Schools and Community Self-Determination Act of 2000 was reauthorized for federal fiscal year 2012 as part of P.S. 112-141. The full funding amount for all counties that elected to receive a share of the State payment is 95% of the prior year amount.

As of October 2, 2013, Secure Rural Schools was again passed as part of the Helium Stewardship Act. These funds were disbursed late in fiscal year 2014 resulting in the Title III portion being programmed for use in fiscal year 2015.

There are three Titles to the SRS Act. Title I allows for funding for County roads and Schools. Title II designates funding towards a Resource Allocation Committee (RAC), to be used to fund "protection, restoration, and enhancement of fish and wildlife habitats and other resource objects on Federal land and non-Federal land where projects would benefit these resources on Federal Land." Under the 2008 Act, Title III funding is given to the County to fund:

- Homeowner education and assistance regarding ways to reduce the risks of wildfire
- Reimbursement of search, rescue and emergency services on Federal lands
- Development of community wildfire protection plans

## **Allocation of Funds**

Under the 2008 Act, funds can be allocated between Title I, II, and III according the following guidelines:

- Title I: 80% - 85)
- Title II: 8% - 20%
- Title III: 0% - 7%

## **Title III Projects**

The Coconino County Board of Supervisor's will tentatively approve Title III funding for eligible projects. There will be a statutory 45 day comment period that will be advertised for public comment before final funding is allocated.

If this Act is not reauthorized into the future, the County will have a reduced ability to fund road maintenance projects and wildfire protection, search and rescue, and patrol activities on Federal Lands. The School Districts would be severely impacted in their ability to maintain the same level of service currently provided to students.

## Debt Management Policies

### **Coconino County Debt**

The County adopted a debt management policy with the purposes of maintaining the County’s ability to incur present and future debt at minimal interest rates in amounts needed for infrastructure and economic development without endangering its ability to finance essential County services. The County decided that it would not fund current operations from the proceeds of borrowed funds. The County would confine long-term borrowing to capital improvements or projects and when the County finances capital projects by issuing debt, it will repay the debt within a period not to exceed the expected useful life of the project. Since the policy’s adoption, the County has followed these guidelines. The County reviews its debt policy every year during its formal review of all fiscal policies at the start of the budget process. The complete debt management policy is printed on page 102. The legal debt limit of the County is equal to 15% of the County’s net secondary assessed valuation for FY15 this would total \$230,172,591.

Coconino County does not have General Fund Obligation Debt.

### **Jail District**

The Jail District issued debt in FY99 and FY00. This debt was used to finance construction of the Coconino County Jail located in Flagstaff. Payments were made using the special dedicated Jail District sales tax. Series 2000 pledged revenue obligations were retired in FY10. The Series 1998 pledged revenue obligations retired after the final payment in FY12.

### **Special Districts Debt**

Special districts incurred debt for a number of County improvement districts for improvements to existing roadways. Assessments are levied annually on property owners within the boundaries of these special districts to pay the debt service for improvements.

### **FY15 Debt Payments**

The following schedule shows the FY15 interest and principal payments for debt in all Non-Major funds, no major funds have outstanding debt payments.

<b>Special Districts</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Hashknife	\$ 33,000	\$ 34,000	\$ 36,000	\$ 38,000	\$ 40,000	\$ 43,000	\$ 45,000
Kiowa Comanche	13,005	15,446	14,028	-	-	-	-
Lupine	11,193	15,561	12,171	-	-	-	-
North Stardust & Antelope	40,000	42,000	44,000	47,000	49,000	51,000	32,000
Pawnee	9,116	12,160	9,734	-	-	-	-
Pinon Improvement	8,912	10,712	-	-	-	-	-
Rio Arroyo	24,808	24,552	26,053	-	-	-	-
Shoshone	2,548	3,483	2,725	-	-	-	-
Toho Tolani	300,000	315,000	-	-	-	-	-
Tonowanda	4,071	4,965	4,368	-	-	-	-

# Debt



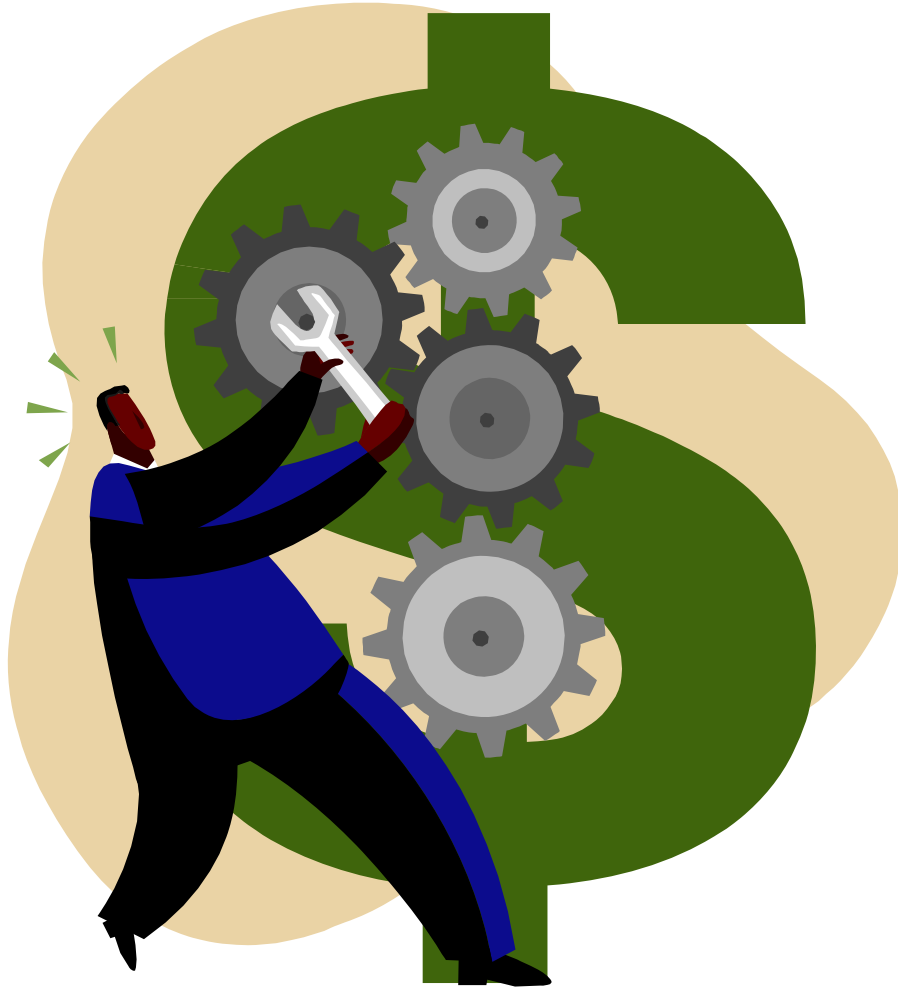
## **Debt Per Capita**

The County does not anticipate any general debt issuances in the immediate future, so the County debt per capita is expected to remain at \$0.

## **Future Debt Planning**

The County does not have a formalized future general obligation debt plan at this time. If the County were to issue more debt there would have to be a dedicated revenue stream for debt payments. At this time the county has not identified any new revenue sources that could be used. If the Facilities Master Plan is fully implemented the County may plan some larger capital improvements. At that time debt may be discussed as a funding option.

# Strategic Budget Process



## Background

Coconino County has a long history of prudent financial management. To position ourselves more strategically moving forward, we began an extensive long-term financial planning process in FY07. This effort began by revising the way we were looking at our long-term General Fund forecasting. We also realized that the more we could promote financial literacy in the County, the more successful we will be as an organization. Worksessions were held with the Board of Supervisors to explain our financial situation and our long-term planning processes. This was essential to providing the framework so the Board could continue to make responsible financial decisions. The financial planning effort was also taken deeper into the organization by providing Leadership Team presentations and presentations to staff at employee forums. More information on Coconino County's financial planning process can be found on our financial update website at: <http://www.coconino.az.gov/financialoutlook.aspx>.

Prior to FY07, the County had been using a five-year plan for projecting General Fund revenues and expenditures. The County realized there is a recession approximately every ten years, and our goal is to maintain consistent staffing, operating, and service delivery levels over time. The economy in the State of Arizona had been experiencing rapid growth, causing growth in our State shared sales tax levels at an unsustainable level. To that end, we developed a ten-year financial plan for not just the General Fund, but for all major funds. This process was effective in aligning our recurring revenues with recurring expenditures. We moved away from a "reactionary" revenue budgeting approach to a more accurate forecasting methodology based on what a sustainable level of revenues could be. We determined "reactionary" budgeting to be projecting major revenues based on the prior year actuals. In effect, this causes an over-estimating of sustainable revenue during times of economic growth, and an underestimating of long term revenues during periods of recession. In developing what we believe is a more accurate forecasting method, County staff evaluated revenues and determined a "base" year would be a realistic point to begin growing revenues. Intuitively, we should only expect long-term revenue growth based on drivers of those revenues. Therefore, we began to look at sustainable levels as growth in line with population and inflation increases for sales tax revenues. If we realized actual revenues above that line, it was considered one-time funds. If revenues fall below that line it is also considered a short-term dip in which the revenue smoothing fund balance should be used to maintain service levels. The theory of budget prioritization alignment with revenue types is shown graphically below:

- |                         |   |  |
|-------------------------|---|--|
| • MANDATES              | → | • LEGALLY REQUIRED                         |
| • Wages & Benefits      | → | • Recurring Base Growth                    |
| • Core Operations       | → | • Recurring Base Growth                    |
| • Other (one-time)      | → | • Incremental Growth and One-Time Revenues |
| - R&R (IT & Facilities) |   |  |
| - Small FMP & CIP       |   |  |
| - Operations (one-time) |   |  |
| • CIP & FMP funding     | → | • Temporary Revenues                       |

The County's goal with the financial planning effort is not only to provide stable service delivery, but to identify opportunities for cost containment through preventative efforts. To do so, Coconino County has established reserves and expends those funds in the manner that maximizes our return on investment. In the FY08 budget we addressed compensation to address a high turnover rate of 26% and pay scales that were well below the regional market. It was estimated that the cost of turnover was over \$8 million annually for Coconino County. We defeased our debt in FY08, which is estimated to have saved taxpayers over \$500,000 of interest payments and freed up all of our general debt capacity. A Facilities Repair and Replacement fund was established to be used on the preventative maintenance efforts that have proven to have a long-term impact on delaying or minimizing major facility projects. We also underwent a Facilities Master Plan effort, which identified how we can design and maintain our facilities to give us the greatest flexibility in use of space, and provide information on appropriate facilities planning in the next 20 years. This will help with cost containment by reducing the need for leasing and by developing a more efficient "campus" type service delivery for those departments that interact most often. Finally, an IT strategic plan was completed to identify our technology needs along with an IT Governance Committee to prioritize those needs.

## **Reserve Policy**

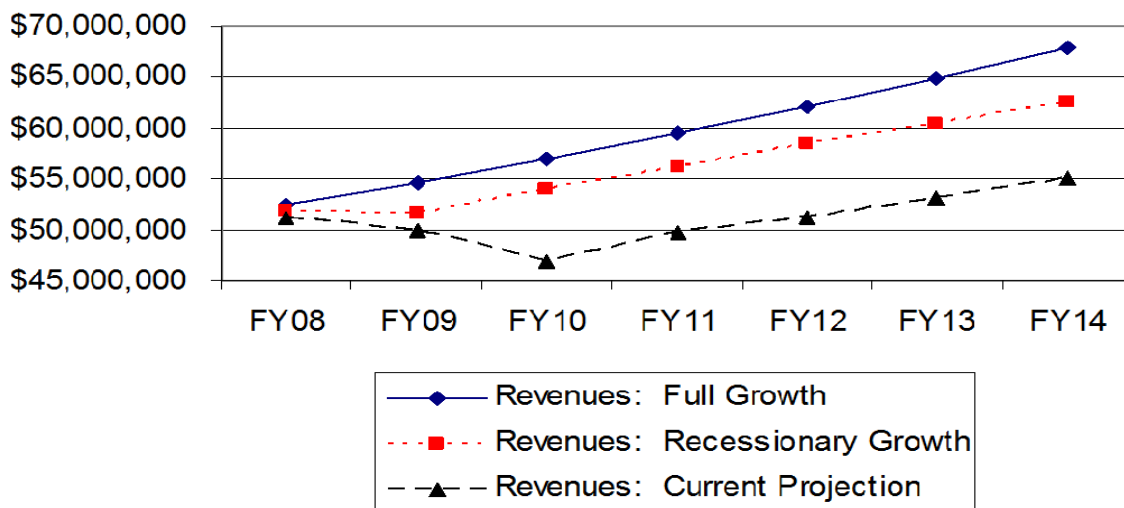
Coconino County has a policy of setting aside 15% of our General Fund revenues into our emergency reserve fund. Of this, 10% is set aside for emergency scenarios due to extreme weather conditions, fire, flooding, or other emergencies that may arise where we must respond to our citizens. Although many major emergencies are eventually classified as eligible for Federal or State reimbursement, the reimbursement process can take several years and the County needs to have the ability to provide the necessary resources up-front for immediate response. The remaining 5% of the emergency reserve is set aside for revenue smoothing. This allows us to maintain a more consistent level of service if revenue projections are not met. We are able to have cash set aside to meet our obligations, even if our revenues fall below the anticipated figure.

## **Financial Planning Milestones**

- Established Ten-Year Financial Plan
- Aligned Revenue Types with Expenditures
- Spent Only to Recessionary Revenue Levels
- Paid Debt Savings over \$500,000 of Interest Payments
- Built Prudent Reserves: Revenue Smoothing Emergency Reserves, R&R
- Compensation Plan: Addressed Turnover Cost of over \$8 million
- Planned for our Future: Facilities Master Plan and IT Strategic Plan
- Established IT Governance Committee
- Continuing Development of Strategic Budgeting

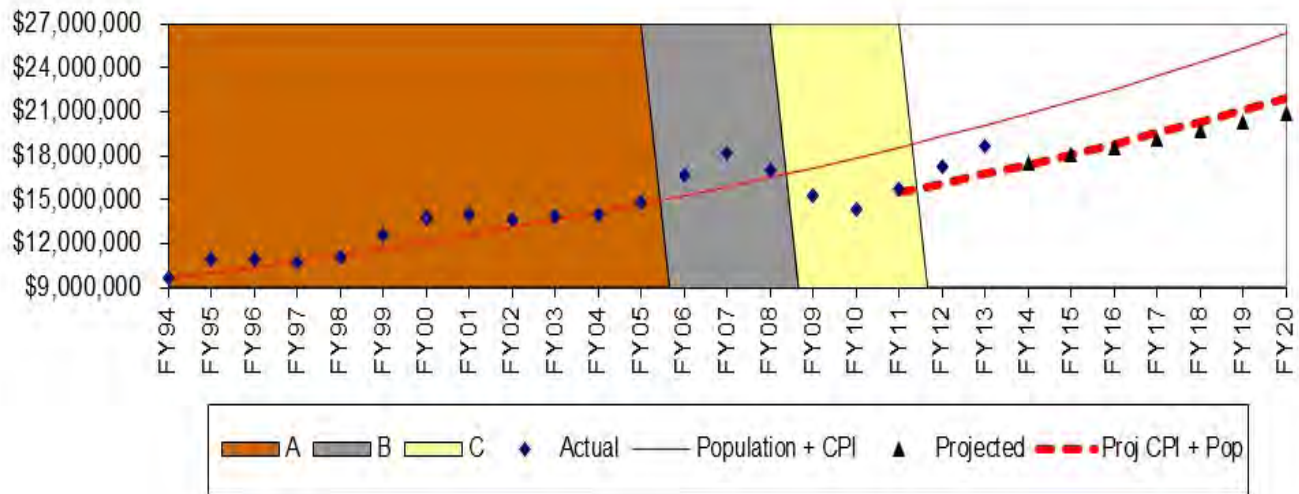
## Financial Planning and the FY15 Budget

The recession that began in FY08 greatly impacted our financial planning. The recession we faced was unlike any we have seen in recent history. There was a shift in consumer spending habits, that caused us to rethink our “base” year forecasting and make an adjustment for what we believe will be a long-term change in consumer spending and saving. We are fortunate to have approached our revenue forecasting from a conservative approach because had we done more reactionary budgeting our long-term revenue forecast would have much further to fall. The critical financial planning action that spared us over \$3 million in additional budget reductions was the conservative management of expenditure growth. The County committed to a consistent level of service and spending that did not exceed recessionary revenue levels. If County spending had reflected typical revenue forecasting and associated spending, then budget cuts and resulting service reductions would be drastic. While budget reductions were implemented in FY10 and again in FY11, the chart below shows how our prior planning has insulated us from having to make some of the more dramatic cuts that other agencies in Arizona have experienced throughout this recession:



As previously mentioned, the recession has caused us to readjust our “base” level of recurring revenues. We feel FY10 was the low year in our 10-year forecast, but that we will not return to the “baseline” population and CIP growth at the same level as before. We are forecasting a long-term return to 85% of baseline to account for spending changes from taxable goods to a greater focus on non-taxable purchases like groceries, fuel, and on-line spending. We are currently at 84% of our projected former baseline as of the end of FY14, so we are projecting some higher growth in the early recovery years but do not want to make the mistake of trending that forecast out for ten years, only to return programs to an unsustainable level and make cuts again down the road in order to balance the budget. Our revised forecasting model is depicted graphically in the chart that follows.

## REVENUE FORECASTING: A NEW REALITY

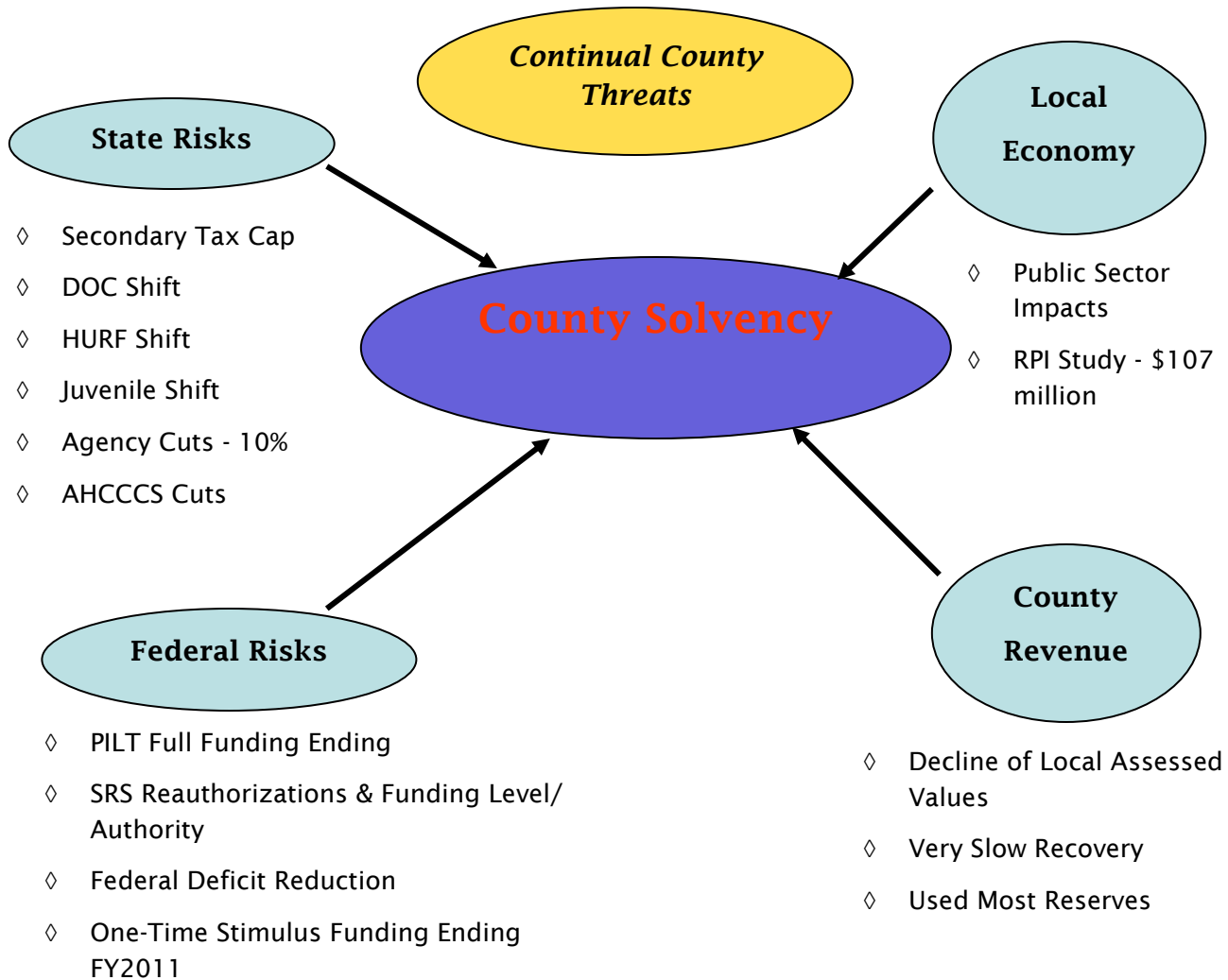


During the period marked “A” on this chart, we were pre-boom time. Our actual revenues trended with population and CPI. During the boom years (shaded as “B” on the chart), we trended above that sustainable line and these revenues were considered one-time. Finally in the recession (shaded area “C”) we fell well below the previously determined “baseline” and our revised projection is growth at projected population and CPI after some initial rebound period of higher growth. You can see we have essentially adjusted our “baseline” down to a reduced level. This chart depicts our local sales tax forecast, but the methodology is applied to our State shared sales tax forecast as well.

The first step in developing a budget for FY15 involved reviewing our revenue and expenditure forecast by using a 10-year plan for each major fund, and determining the available resources. Other key considerations for the FY15 budget were:

- Continuing prudent fiscal management
- Important of protecting essential services
- Evaluating the County budget as a whole to maximize efficiencies and move the focus to outcomes
- Continuing to move toward fiscal independence
- Compensation strategies to ensure employee investment
- Technology infrastructure needs for efficiency

Several financial risks were identified that threaten County solvency:



Many significant risks to the County’s solvency still exist, and this graph captures many of them. PILT full funding is set to expire in Federal Fiscal Year 2015. Secure Rural Schools (SRS) funding has been decreasing every year and expired in Federal Fiscal Year 2013 with a one year reauthorization in FY2014. CPOS administration funding was exhausted in FY13 while the capital portion of the sales tax will be fully collected in early FY15. We saw a loss of the Assessor’s Storage and Retrieval funding through the sunset of this act. Other uncertainties lie in the sustainability of DUI/Drug Court funding, Jail District operations, and HURF fund balance. This caused us to use our ten-year financial plan as a method of balancing not only the FY15 budget, but the FY16 and beyond budgets given the upcoming funding losses we are projecting. All of these risks highlight why it is so important to continue our prudent financial approach. We need to remember that the State has not implemented any true structural solutions. Instead they are continuing to pass costs to County taxpayers. The local economic risks were determined through a Rural Policy Institute study that determined that recent local government budget reductions would have over \$107 million in direct impacts on the regional economy. Reductions in government spending have a ripple effect on our local economy that will ultimately further impact our critical sales tax revenue sources.



## **Mission Critical Needs**

Leadership identified needs that have been marked as “mission critical” due to the impact they have on our ability to deliver services regardless of the department, service location, or program type.

**Compensation:** Compensation has been identified as the number one priority mission critical area. During the FY13 adopted budget, the Board supported a package to help address and mitigate staff turnover through the County’s Classification and Compensation Plan. During FY13, the Board allowed the County to accelerate the implementation of the Classification and Compensation Plan to place all position classification grades into an upgraded, more competitive pay structure. In addition, the FY13 budget included a mid-year adjustment that was implemented following recommendations by the Compensation Committee.

For the first time since the recession, County staff will received a market adjustment in FY14 to better align each position with salaries for similar positions in other organizations. The adjustment raised every pay range for all grades by 1.5%, meaning every base salary is now 1.5% higher. In addition to budgeting funds for the market adjustment, funding was also set aside in FY14 for annual merit raises. County employees were eligible for a 2.5% performance-based merit increase on their annual evaluation date. The merit increase is based on an employee’s individual performance evaluation and measured on the performance expectations and standards established for the position.

In FY15, the budget again includes the 2.5% performance-based merit increase on their annual evaluation date. Also included in the budget, funds have been set aside for a possible mid-year adjustment to compensation. It is the intent of the Board of Supervisor’s to address County-wide compression issues. The use of these funds will be evaluated mid-year and based on the results of the Transportation Tax initiative.

**Information Technology:** With IT, much of our infrastructure, including servers and software, is outdated. Coconino County is the second largest county in the United States geographically so we have a great need to implement telecommuting, video conferencing, and other virtual meeting efficiencies to reduce the vehicle, travel, and environmental impact of long-distance travel in the County. This also makes our services more accessible to some of the more remote locations we serve. The need for new hardware and new software will continue to be addressed in the FY15 budget, along with the need for a disaster recovery investment.

**Facilities:** Our facilities and IT infrastructure are also considered “mission critical” in that they support all of our functions. Our facilities currently include several locations throughout Flagstaff, older facilities throughout the County, and leased space. All of these factors contribute to more costly facilities services compared to a planned campus style facility grouping. We lose productivity through commute times by having staff spread across multiple locations, and we lose efficiency and effectiveness when our services cannot be located more centrally. Our older facilities have higher utility and environmental costs. Because our available space is insufficient, we have costly leased space where we have less impact on expenditure growth related to these facilities. A comprehensive solution to our many facilities issues is needed for long-term cost containment. Funding is included in the FY15 budget to address facility needs in area of health and safety, security, and upgrades.

**Long-Term Budget Planning:** Given the revised long-term revenue baseline forecast, looming additional State budget impacts, and mission critical needs, we realized a major budget realignment across all of our funds is needed to balance our budget in the long term. We have continued our three prong approach in FY15.

1. Expenditure (Service) Reduction
2. Use Limited Reserve
3. Develop Additional Revenue

In the long-term, we are using the three-prong approach, along with a review of the history of all of our programs, and an evaluation of mandates to identify and prioritize our mission critical needs and align our budget with our strategic priorities. This will be a multiple year effort that could result in significant budget changes, including program elimination. We must also look at the revenue part of our three-prong approach to determine if services should have costs offset by the implementation or increase in the fees charged to users.

Due to the extent of budget changes needed, we will need to develop the long-term roadmap of what our programs and mission critical funding should be based on our strategic plans and funding criteria. Once our funding reallocations have been generally determined, we will implement a multi-year budget realignment by reducing or eliminating programs through attrition as much as possible.

# Strategic Budget Process



In FY2010 Coconino County built on its history of success with long-term financial planning by implementing a Strategic Budget Process. Since FY2010, the County has expanded on the Strategic Budget Process. Using a phased in approach, the County has implemented new states of the Strategic Budget Process each year since implementation. The goal of the County through the Strategic Budget Process is to direct our limited resources to the services that mean the most to the citizens.

## What is the Strategic Budget Process?

- Also known as “budgeting for outcomes” or “BFO”, the Coconino County Strategic Budget Process has been designed to create a government that works better and costs less. It is an outcomes-based budget process that focuses on best practices in performance management and budgeting.
- It focuses on results, strategies, and priorities. The process shifts from paying for costs to funding results. The goal is to align the County’s programs and services with its strategic priority areas and objectives.
- It puts the priorities of citizens first to improve their lives in Coconino County.
- It emphasizes accountability, innovation, and partnerships.

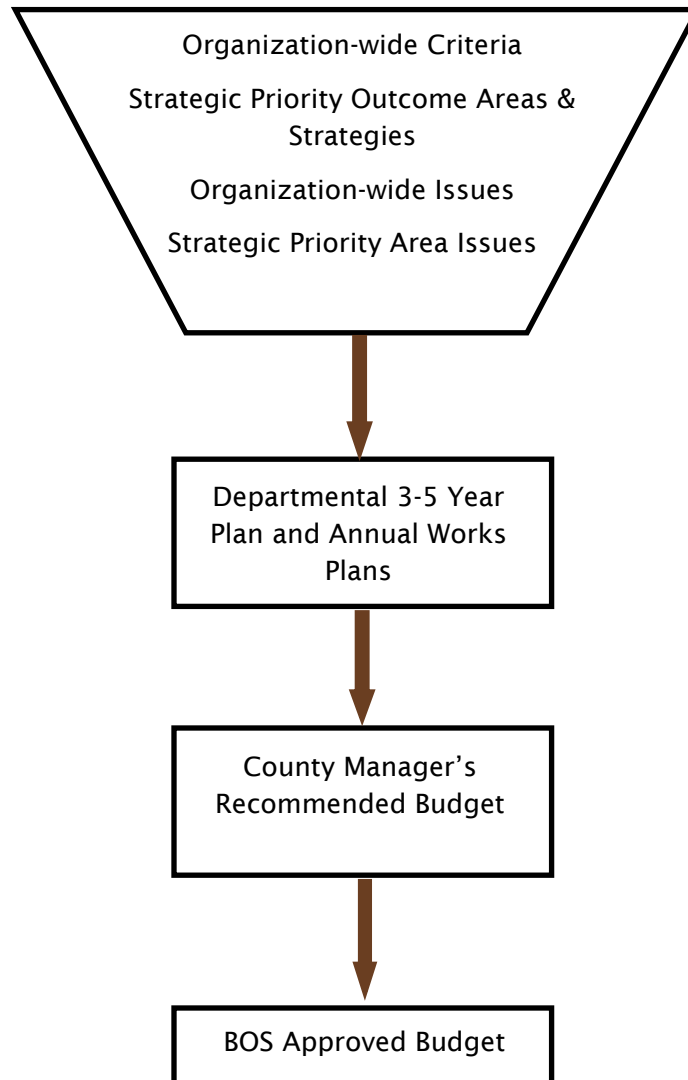
## Why are We Doing It?

- Past practices of spending down reserves, freezing employee wages, and holding vacant positions open are no longer viable.
- The Coconino County strategic budget process better aligns services delivered with what matters most to our community.

## How Does it Work?

- Utilizing feedback from stakeholder focus groups, citizen surveys, employee forums, and County leadership, the Board of Supervisors adopted strategic priority areas representing critical results for Coconino County.
- Departments submit a completed “Program Funding Report” or “PFR” for Board review and discussion. This report provides information on each County program including outcome based performance measures.
- During the budget process programs are evaluated based upon how their Outcomes, Return on Investment, Consequences, and Impact and Scope contributed to the strategies in these areas and how well they addressed the needs that matter most to citizens.
- Programs that address key strategies within the strategic priority area receive higher priority for limited funding.
- The final output is a budget that better reflects citizen priorities and works toward the most efficient and effective delivery of services.
- In FY2015, departments were also asked to complete a 3-5 year plan and an annual work plan to define needs and efficiencies moving forward.

## Coconino County Strategic Budget Process Overview



# Strategic Budget Process



## FY2015 Strategic Planning and Budget Timeline

TASKS	KEY DATES
Budget Kickoff: FY15 training on FTE lists, FY14 estimates, and FY15 "base budgets". Financial Management System is opened for entry.	January 2nd
DEADLINE: Program Funding Reports Due	January 15th
DEADLINE: FTE Lists Due to Budget	January 24th
DEADLINE: FY14 Estimate Entry and FY15 Base Budget with Temporary Wages Due	February 7th
DEADLINE: Updates to Account Strings by Programs Due	February 7th
DEADLINE: Service Improvement Request Forms Due to Budget	February 7th
DEADLINE: Carryover Requests and Unawarded Grants Form Due	March 3rd
DEADLINE: 3-5 Year Plans and Annual Work Plans Due	March 7th
County Manager Meetings with Departments	March
Board of Supervisors Worksessions: Financial Planning Update	April 28th
Board of Supervisors Worksessions: Budget Meetings with Individual Departments	April
<b>ADOPTION DATES</b>	
Board of Supervisors Meeting: Adopt Tentative FY15 Budget	June 3rd
Board of Supervisors Meeting: Adopt Final Budget for FY15	June 24th
Board of Supervisors Meeting: Adopt 2015 Tax Rates	August 12th

# Strategic Budget Process



## Presentation of Financial Information

The financial information for each department is presented following this section. The bullets below provide an explanation of what is included for each department:

- A brief description of the department
- A list of programs with the corresponding primary Strategic Priority Area and description for each program
- FY15 goals and objectives
- FY15 opportunities and challenges
- A chart of the department's overall alignment to the primary Strategic Priority Area
- A brief financial summary of budget variances with summary pie charts showing revenues by source type, expenditures by program, expenditures by category, and expenditures by Strategic Priority Area
- A financial statement for each department is provided categorizing revenues and expenditures over a three-year time period
- Performance measures are also included for each program
- Following the program financial statements is a list of FTEs by position for the three most recent budget years

## Strategic Priority Areas

Coconino County leadership uses six Strategic Priority Areas to focus their resources and evaluate the effectiveness of County programs and services. While these areas were identified by County leadership, teams of employees further defined the outcomes for each area and presented maps showing all causal factors influencing each area to County leadership. Using these maps and the suggestions of the employee teams, County leadership adopted the following statements of the desired outcome for that area and measurable indicators of progress to demonstrate to citizens what is influencing our ability to achieve those outcomes in Coconino County. For each area County leadership also adopted strategies where the County could seek to have the greatest influence to provide services and resources in the FY15 Coconino County budget.

For FY15 County leadership considered the key trends and needs of citizens in each of the six strategic priority areas and revisited the organization-wide criteria established during the FY13 budget process.

The following pages include the updated outcome statements, strategies, and indicators of progress for each Strategic Priority Area as developed by the employee teams and adopted by the Board of Supervisors for the FY15 budget process.

For the purpose of this document, abbreviations for the strategic priority areas have been incorporated into the financial information. The abbreviations as follows:

- Community Vitality: CV
- Cultural and Natural Resources: C&NR
- Economic Vitality and Development: EV&D
- Organizational and Fiscal Health: O&FH
- Public Health: PH
- Public Safety: PS

## Strategic Priority Areas (SPAs)

### Community Vitality (CV)

**Outcome Statement:** Coconino County supports citizens in taking responsibility for themselves, their families, their neighbors and their communities. Government and citizens collaborate to care for the most vulnerable populations and to nurture the healthy development of youth and families. All citizens live in communities where they are valued, connected to others, and their diversity and uniqueness are respected.

#### **Strategies:**

- Create and maintain resources for programs that provide a safety net for vulnerable populations.
- Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.
- Create and facilitate opportunities for citizens to become empowered and engaged in order to strengthen communities.
- Support programs, services, activities and events that enrich, enhance, and celebrate diversity and quality of life for all citizens.
- Create the service delivery infrastructure and technology to connect employees and citizens to resources provided by the County.

### Cultural and Natural Resources (C&NR)

**Outcome Statement:** Coconino County provides visionary leadership celebrating, enhancing and sustaining cultural and natural resources. Coconino County is committed to active stewardship, preservation and conservation practices that seek to ensure Coconino County's cultural heritage and natural assets now and for future generations.

- Does the program support initiatives, practices and positions that promote clean air, clean water and the stewardship of County resources, healthy landscapes and wildlife habitat within the County?
- Does the program consider diverse needs and foster collaborative partnerships to address, develop and promote cultural and/or natural resource objectives?
- Does the program support initiatives that celebrate, protect and engage the public in the County's regional cultural and natural heritage?

## Strategic Priority Areas (SPAs)

### Economic Vitality and Development (EV&D)

**Outcome Statement:** Coconino County facilities and will assist in the creation of support systems, tools, resources and policies to help achieve the County Economic Vitality vision and define and continually assess the County Economic Vitality and Development vision to create a dynamic response toward the achievement of the County vision.

#### **Strategies:**

- Does the venture fit the distinctive elements of the community or region?
- Does the venture align with the local established plans such as Small Area plans, Comprehensive Land use or Transportation Plans?
- Is there a changing condition that can be capitalized upon to take advantage of an opportunity, or avoid a negative economic impact, and requires focus and resources?
- Does the venture support or undermine elements of the County EVD Vision?
- Business Development and Retention
  - Does the program help business fit the regional economy and be sustainable? (environmentally, economically)
  - Who else is providing the same or similar service?
  - Is there an opportunity for partnership and collaboration?
  - Does the program foster entrepreneurialism?
  - Is the program helping to make County policies more flexible or provide incentives to business to locate or remain in Coconino County?
  - How does the program contribute to rural economic development?
- Workforce Training
  - Provides support for training and workforce skill development.
  - Is it youth oriented?
  - Does it involve partners with not for profits and others?
  - Does it provide training in a green economy?
  - Does it improve financial and business literacy?
- Education
  - Does the program improve financial literacy?
  - Does the program educate the workforce to meet regional workforce needs?
  - Does the program educate business owners on government policies, procedures (fed, state and county)

## Strategic Priority Areas (SPAs)

### Organizational & Fiscal Health (O&FH)

**Outcome Statement:** Coconino County implements sound financial and organizational management to achieve responsible governance, thus anticipating and meeting the dynamic and evolving needs of residents. Citizens experience operational accountability, transparency, seamless accessibility to services and excellent customer service by dedicated employees.

#### **Strategies:**

- As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.
- Develop an organizational culture where every employee understands how they each contribute positively through alignment with the County's mission, vision, values and strategic priorities.
- Encourage transparency and clarity at all levels and between all levels of the organization.
- Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County's programs and service evaluation process and strategic priority area outcomes.
- Recruit, train and retain a qualified and diverse workforce.
- Continue to position Coconino County as a leader and role model for responsible and effective government.
- Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.
- Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.
- Encourage departmental efficiencies.
- Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.

## Strategic Priority Areas (SPAs)

### Public Health (PH)

**Outcome Statement:** Individuals in Coconino County enjoy an optimal quality of life in clean, healthy communities. Prevention, education and health care are accessible for all, contributing to long, healthy lives. Everyone works together to prevent or respond to diseases, accidents, and public health emergencies.

#### **Strategies:**

- Be a resource for access to available services in the community in all areas of the County.
- Use County Trends to understand needs not currently being met or voiced.
- Prioritize primary prevention strategies that prevent disease or conditions that contribute to disease from occurring.
- Focus on homeless, mental health, detoxification centers that have the most leverage of current resources.
- Seek to be consistent with the Logical Decisions Process and review of health conditions, program standards and administrative standards to determine priorities.

### Public Safety (PS)

**Outcome Statement:** In partnership with the community, Coconino County proactively and responsively manages situations that threaten safety and welfare. Public Safety improves quality of life for people in the community through preparedness, education, prevention and corrective actions to ensure justice, provide avenues for reform, and to create a community where people feel safe at home, work or play.

#### **Strategies:**

#### **Criminal Justice**

- Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.
- Prioritize programs that are most effectively addressed by public safety entities.
- Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.
- Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.
- Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.
- Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.

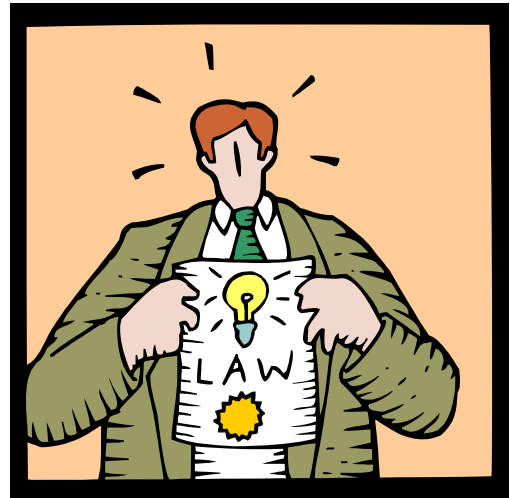
## Strategic Priority Areas (SPAs)

### Strategies:

#### Safe & Well Planned Communities

- Ensure strong emergency preparedness plans are in place to protect Coconino County citizens and communities.
- Coordinated activities among all development services and public safety divisions.
- Ensure all aspects of public health, safety and welfare are considered with public and private development.
- Be prepared to meet needs resulting from emergency situations putting communities at risk (preparedness).

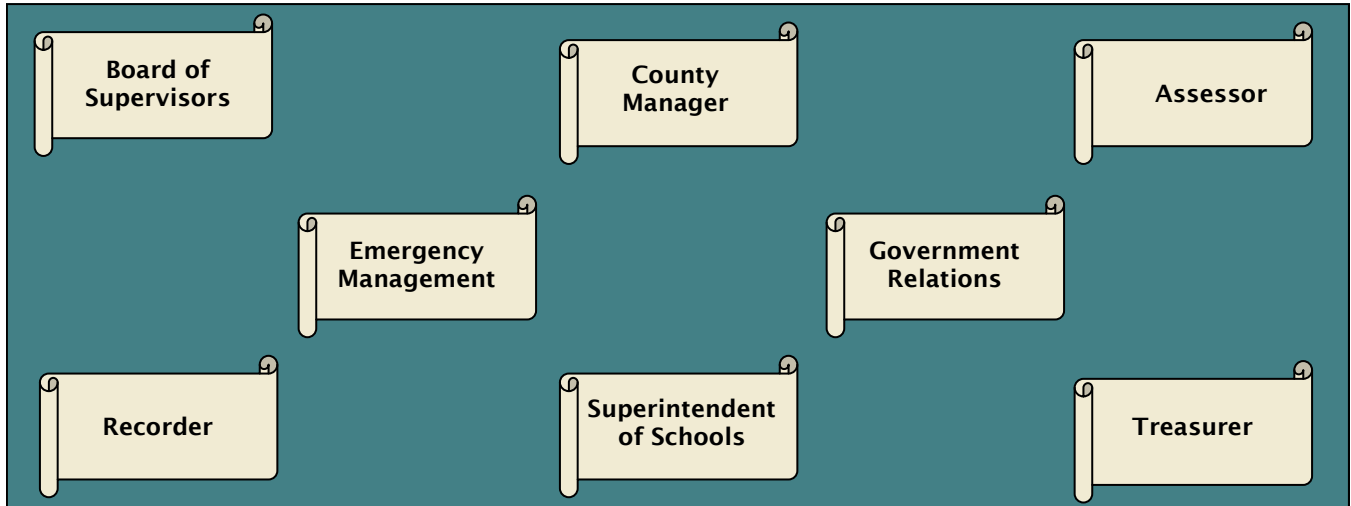
# General Government



# General Government



## Service Area Summary



### Description of Services

The General Government service area's shared purpose is to build and improve a caring government that serves and protects all citizens' rights. These departments help create an environment where all citizens are afforded the opportunity to participate responsibly. The primary functions of these departments include: governing all aspects of the County in accordance with the State Constitution, implementing policies to support the decisions of the Board of Supervisors, determining local property values, collecting all real and personal property taxes, responding to natural and human-caused emergencies, seeking legislative solutions to County issues, creating an accessible record of all public documents, administrating and managing all aspects of elections, and assisting and advising County school districts on all budgetary and school board matters.

### Per Capita Costs

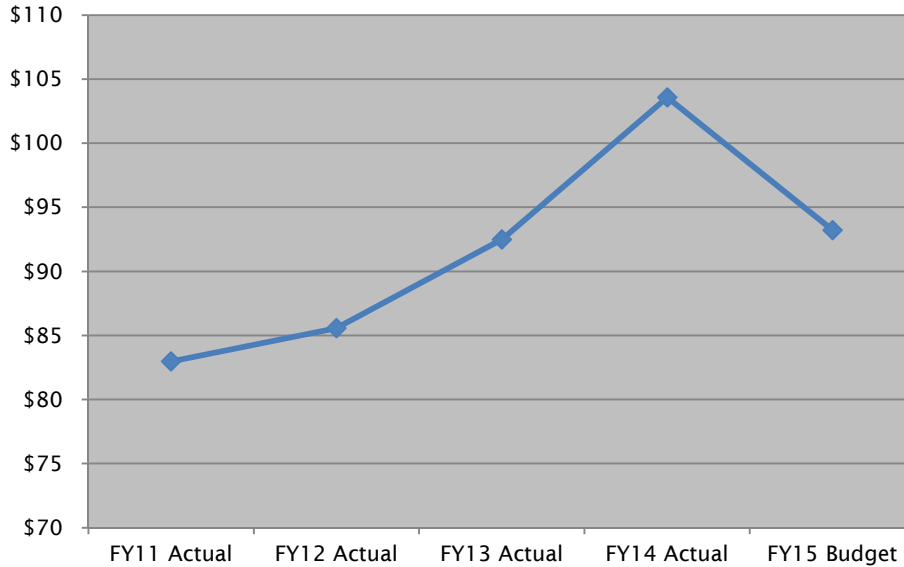
Over the last five years, the per capita cost for services provided by departments within the General Government service area has slowly increased with the recovery of the economy. The largest increases have been seen in the Assessor's budget, which reflect the addition of one FTE and the FY15 initiation of an aerial imaging project to augment the department's appraisal capability. The Board of Supervisors' cost per capita has also increased, due to unspent Community Initiative funds that have been carried over into FY15 as well as due to one-time CREC funds that were budgeted to each district for land and water conservation projects. The decline in per capita expenditures from FY14 to FY15 is caused by the loss of Forest Fee funding to the Superintendent of Schools, resulting in a significant reduction in grants to other agencies. It also should be noted that Emergency Management and Government Relations have been separated from the County Manager's office for FY15, resulting in a decrease in the County Manager's per capita costs.

The chart on the next page shows a five year history of the per capita cost of services for the General Government service area.

# General Government



## Service Area Summary



The table below shows a three year history of the per capita cost of services for departments within the General Government service area.

<u>Department</u>	<u>FY13 Actuals</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>	<u>Change: FY14 to FY15</u>
Board of Supervisors	\$ 9.43	\$ 9.90	\$ 11.98	21.01%
County Manager	9.34	10.19	6.49	-36.36%
Assessor	12.48	13.30	16.09	20.94%
Emergency Management	-	-	2.58	-
Government Relations	-	-	3.05	-
Recorder	13.64	12.75	15.69	23.00%
Superintendent of Schools	43.25	52.71	32.26	-38.80%
Treasurer	4.35	4.70	5.08	8.14%
<b>Total</b>	<b>\$ 92.49</b>	<b>\$ 103.56</b>	<b>\$ 93.22</b>	<b>-9.99%</b>

## Board of Supervisors (BOS)

219 E. Cherry Avenue, Flagstaff, AZ 86001 (928) 679-7144  
 Wendy Escoffier, Clerk of the Board

The Coconino County Board of Supervisors (BOS) consists of five members elected by district to four-year terms. The Board establishes administrative policy and direction for the County and has budgetary oversight over all County departmental budgets to ensure County revenues are expended within established guidelines. The duties, responsibilities, and authority of the Board of Supervisors are expressly provided in the Constitution and/or laws of the State.

Program	SPA	Description
BOS/Community Grants	CV	Each District Supervisor may appropriate grants to community agencies and groups, which may be used for a variety of
Clerk of the Board	O&FH	The Clerk of the Board is an Officer of the County, who serves as the administrator for the BOS. The Clerk is responsible for assuring the statutory duties of the Board of Supervisors are performed within the time lines and requirements provided in state law.
Elected Board of Supervisors	O&FH	The Board of Supervisors (BOS) has ultimate fiduciary and policy responsibility for all County departments. In addition, the BOS has governance authority in the unincorporated areas of the County.

### Goals and Objectives

- In FY15 the Board of Supervisors plans to continue meeting with the Flagstaff City Council on a regular basis. In addition, the BOS will also meet with various city, town, and chapter councils outside of the local Flagstaff area.
- In FY15 the Board of Supervisors will continue to lobby at the State and National level to protect the County’s revenue sources and to prevent unfunded mandates at the County level.
- In FY15 and future years, the Board of Supervisors will continue to use the electronic document management system for their meeting packets. Additional modules and workflow will be added to the software to enhance the Board’s electronic capability, reduce paper waste, and increase efficiency.
- Beginning in FY15, a records retention schedule for the Clerk of the Board and Board of Supervisors’ documents will be submitted to the Arizona State Library Archives and Public Records for approval. Records management and preservation will continue in FY16 by preserving hand-written minute books, which will also be stored electronically and uploaded to the County website. This process will continue, which will reduce space by 25% in the Facilities warehouse in FY17.

### Opportunities and Challenges

- Enhancements to the electronic document management system will allow departments to access the contracts and grants management module. This module will track grants and contracts and will notify users when it is time to begin the renewal process. Additional workflow will allow community grants to be reviewed by the County Attorney prior to the Board of Supervisors to ensure that each request meets the requirements.
- Board participation at the State and National level will position the County as a regional and State leader, protecting local government control and financial resources.
- Due to Proposition 117, which limits how much property assessments can increase, the Clerk of the Board expects to see a decrease in property valuation appeals. However, as appeals decrease, the Clerk expects to see an increase in the use of the Taxpayer Notice of Claim form. This increase is likely to result in increased Board of Equalization hearings throughout the year, which will be inefficient and costly.

# General Government



## Board of Supervisors (BOS)

Strategic Priority Area Alignment		Programs		
		BOS/Community Grants	Clerk of the Board	Elected Board of Supervisors
<b>Community Vitality (CV)</b>				
Strategies	Create and maintain resources for programs that provide a safety net for vulnerable populations.	x		
	Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.	x		
	Create and facilitate opportunities for citizens to become empowered and engaged in order to strengthen communities.	x		
	Support programs, services, activities and events that enrich, enhance, and celebrate diversity and quality of life for all citizens.	x		
	Create the service delivery infrastructure and technology to connect employees and citizens to resources provided by the County.	x		
<b>Organizational and Fiscal Health (O&amp;FH)</b>				
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.			x
	Encourage transparency and clarity at all levels and between all levels of the organization.		x	x
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County's programs and service evaluation process and Strategic Priority Area outcomes.		x	x
	Recruit, train and retain a qualified and diverse workforce.		x	x
	Continue to position Coconino County as a leader and role model for responsible and effective government.		x	x
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.		x	x
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.			x
	Encourage departmental efficiencies.		x	x
Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.		x	x	

## Board of Supervisors (BOS)

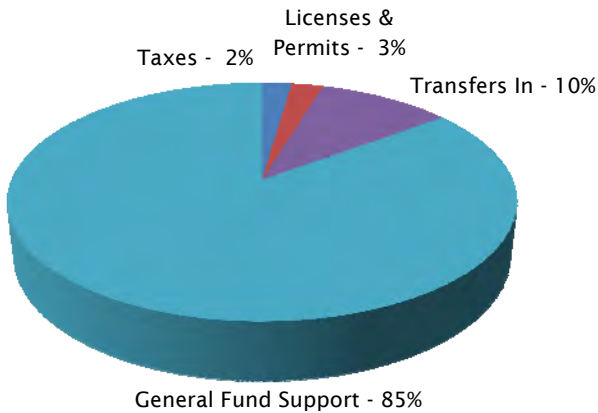
### Financial Summary

The primary revenue source for the Board of Supervisors is General Fund support. In addition the Board receives liquor license revenue, which is estimated to be 5% over the FY14 budget. The Board also receives franchise revenue from the local cable company, which is estimated to be 67% over the FY14 budget. The actual revenue collected for liquor licenses and utilities varies from year-to-year.

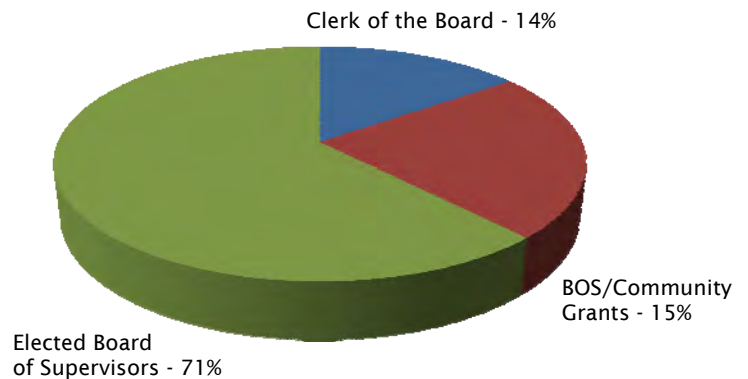
For FY14 the Board of Supervisors is estimated to be 7% under their revised expenditure budget of \$1,448,746. This variance is due to savings in the Community Grants Program and travel in the Elected Board of Supervisors Program. The FY15 adopted expenditure budget of \$1,652,596 is 6% over the FY14 budget. This variance is primarily due to a one-time increase allocated equally to each District to be used towards land and water conservation within each District. This increase is being funded by the remaining fund balance from the Coconino Rural Environment Corps (CREC), which was formerly a program in the Community Services Department. In addition, the Clerk of the Board received a one-time increase for records preservation of historical documents.

The following charts illustrate the Board of Supervisors' revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area in FY15.

**Revenue by Source Type**



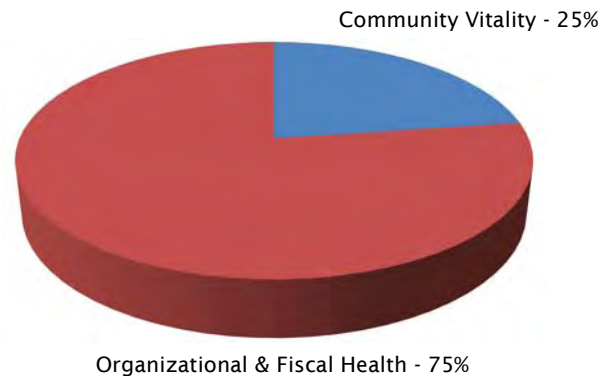
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# General Government



## Board of Supervisors (BOS)

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Taxes	\$ 35,000	\$ 47,198	\$ 35,000	\$ 58,608	\$ 37,000
Licenses & Permits	50,000	52,630	50,000	52,636	40,000
Charges for Services	-	643	-	-	-
Other	30	24	30	77	35
Transfers from Other Funds	-	-	-	-	166,775
General Fund Support	\$ 1,354,270	\$ 1,183,285	\$ 1,363,716	\$ 1,241,840	\$ 1,408,786
<b>Total Funding Sources</b>	<b>\$ 1,439,300</b>	<b>\$ 1,283,780</b>	<b>\$ 1,448,746</b>	<b>\$ 1,353,161</b>	<b>\$ 1,652,596</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 957,045	\$ 954,508	\$ 1,032,509	\$ 1,031,118	\$ 1,044,907
Operations	413,274	270,534	344,023	275,434	546,523
Travel	64,281	52,587	72,214	46,610	61,166
Transfers to Other Funds	4,700	6,150	-	-	-
<b>Total Uses of Funds</b>	<b>\$ 1,439,300</b>	<b>\$ 1,283,780</b>	<b>\$ 1,448,746</b>	<b>\$ 1,353,161</b>	<b>\$ 1,652,596</b>
Net Indirect Support	9,976	9,976	9,537	9,537	3,601
<b>Total</b>	<b>\$ 1,449,276</b>	<b>\$ 1,293,756</b>	<b>\$ 1,458,283</b>	<b>\$ 1,362,698</b>	<b>\$ 1,656,197</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 85,030	\$ 100,495	\$ 85,030	\$ 111,321	\$ 77,035
Transfers in from Other Funds	-	-	-	-	166,775
Program Expenditures	(1,439,300)	(1,283,780)	(1,448,746)	(1,353,161)	(1,652,596)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$(1,354,270)</b>	<b>\$(1,183,285)</b>	<b>\$(1,363,716)</b>	<b>\$(1,241,840)</b>	<b>\$(1,408,786)</b>
Net Indirect Support	(9,976)	(9,976)	(9,537)	(9,537)	(3,601)
<b>Total County Support</b>	<b>\$(1,364,246)</b>	<b>\$(1,193,261)</b>	<b>\$(1,373,253)</b>	<b>\$(1,251,377)</b>	<b>\$(1,412,387)</b>

# General Government



## Board of Supervisors (BOS)

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
BOS/Community Grants	\$ -	\$ 245,898	\$ -	\$ 245,898	\$ 3,601
Clerk of the Board	-	230,770	-	230,770	-
Elected Board of Supervisors	243,810	932,118	-	1,175,928	-
<b>Total</b>	<b>\$ 243,810</b>	<b>\$ 1,408,786</b>	<b>\$ -</b>	<b>\$ 1,652,596</b>	<b>\$ 3,601</b>

### Performance Measures by Program

<u>BOS/Community Grants</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Level of funding provided in agency/program grants versus total available	35%	35%	35%
Level of funding provided for advocacy on behalf of the County and services to residents	N/A	65%	65%

<u>Clerk of the Board</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of appeal petitions - BOE/property classification	200	180	160
Staff hours per appeal petition	6.25	6.25	6.25
Number of BOS meetings	115	110	110
Staff hours per meeting	25	25	25
Number of late agenda items submitted as a percentage of the total number of items	12%	8%	5%
Number of agenda packets available to the BOS Thursday prior to the meeting as a percentage of the total number of packets	88%	92%	95%
Number of appeal petitions responded to within ARS timeline as a percentage of the total number of petitions received	100%	100%	100%
Number of agendas posted within ARS as a percentage of the total number of agendas posted	100%	100%	100%

<u>Elected Board of Supervisors</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
County bond rating	AAA	AAA	AAA
Number of appeal petitions - BOE/property classification	200	180	160
Number of appeal petitions resolved within ARS timeline as a percentage of the total number of petitions received	100%	100%	100%
Number of meetings posted and conducted per ARS as a percentage of total meetings	100%	100%	100%
Number of business meetings posted that were conducted as a percentage of total meetings	100%	100%	100%

## Board of Supervisors (BOS)

### Department Staffing (Full Time Equivalent)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Specialist II	1.00	1.00	1.00
Administrative Specialist III	1.00	1.00	1.00
Administrative Support II*	0.50	1.50	1.50
Clerk of the Board	1.00	1.00	1.00
Elected Official	5.00	5.00	5.00
Executive Assistant to BOS	5.00	5.00	5.00
<b>Total Positions</b>	<b>13.50</b>	<b>14.50</b>	<b>14.50</b>

\* The Administrative Support II is a limited term position through FY16. The position was added to assist with translation services on the Navajo Nation.

## County Manager

219 E. Cherry Avenue, Flagstaff, AZ 86001 (928) 679-7130  
 Cynthia Seelhammer, County Manager

The County Manager is responsible for the daily management of County government and is accountable to the Board of Supervisors.

Program	SPA	Description
Criminal Justice Coordinating Council (CJCC)	PS	The focus of the CJCC is to improve the efficiency and effectiveness of the criminal justice system, which is crucial to cost containment of this large segment of the County's budget.
Executive Management	O&FH	The staff in the County Manager's office contribute to recommendations and the operational implementation of policies to support the elected Board of Supervisors.

### Goals and Objectives

- In FY15 one of the primary objectives of the County Manager's Office is to include a question on the November 2014 ballot requesting approval from voters to pass a sales tax to raise funding for continued road maintenance and other transportation related challenges across the County. This initiative is in conjunction with the Public Works Department and the Coconino County Board of Supervisors.
- The County Manager's Office is reinstating the biannual County Report to Citizens in FY15. A fall and spring issue will be mailed out to citizens keeping them informed of County initiatives, programs, and services.
- Over the next five years, the County Manager's Office will continue to improve and refine the strategic budget process and implement changes to move towards a financially sustainable organization.

### Opportunities and Challenges

- Like many other departments and organizations, the County Manager's Office has the opportunity to communicate and deliver services using new technology and social media. The County Manager's Office can reach out to rural areas of the County that may not normally have the same opportunities that citizens that live in or around Flagstaff have.
- The County Manager's Office also has the opportunity to look for new revenue opportunities as well as to identify opportunities for mandate revisions that may benefit Coconino County.
- One of biggest challenges going forward for the County Manager's Office is to continue navigating the "new normal", which is based on a new economic reality, new citizen expectations, and the changing role of government.
- The County Manager's Office is also facing a rapidly changing Leadership Team resulting from retirements of long-term tenured department directors in addition to an aging workforce with upcoming retirements in many other positions.

## County Manager

Strategic Priority Area Alignment		Programs	
		Criminal Justice Coordinating Council (CJCC)	Executive Management
<b>Organizational and Fiscal Health (O&amp;FH)</b>			
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.		x
	Develop an organizational culture where every employee understands how they each contribute positively through alignment with the County’s missions, vision, values and strategic priorities.		x
	Encourage transparency and clarity at all levels and between all levels of the organization.		x
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County’s programs and service evaluation process and Strategic Priority Area outcomes.		x
	Recruit, train and retain a qualified and diverse workforce.		x
	Continue to position Coconino County as a leader and role model for responsible and effective government.		x
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.		x
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.		x
	Encourage departmental efficiencies.		x
	Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.		x
<b>Public Safety (PS): Criminal Justice</b>			
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x	
	Prioritize programs that are most effectively addressed by public safety entities.	x	
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x	
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x	
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x	
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x	

## County Manager

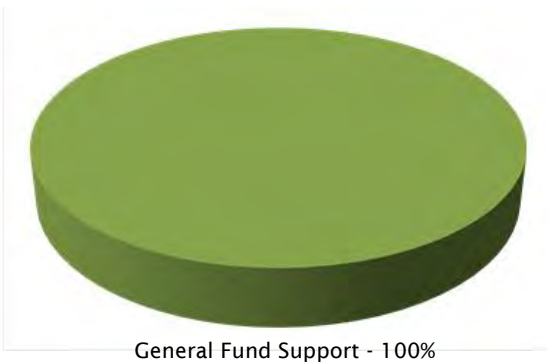
### Financial Summary

Beginning in FY15, the County Manager’s Office is fully funded through the General Fund. In prior years, Emergency Management was a program within the County Manager’s Office. The Emergency Management program relied heavily on State and Federal grants. For FY15, Emergency Management was established as its own department so there are no longer any outside revenue sources included in the County Manager’s Office.

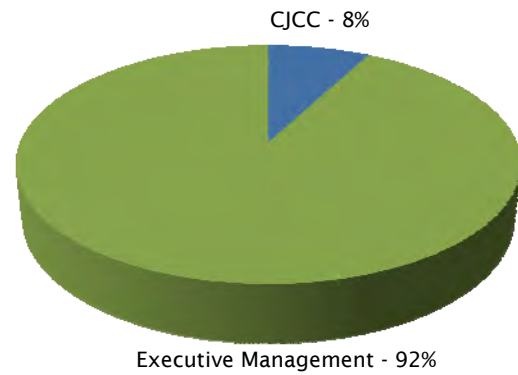
The County Manager’s Office is estimated to be 7% under their revised FY14 expenditure budget of \$1,492,218. This variance is primarily due to operational savings in the Emergency Management and Executive Management programs. Their FY15 adopted expenditure budget of 894,628 is 40% under the FY14 budget. This large reduction is a result of Emergency Management and Government Relations being established as separate departments for FY15.

The following charts illustrate the County Manager’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

**Revenue by Source Type**



**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# General Government



## County Manager

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 84,659	\$ 76,102	\$ 198,424	\$ 146,910	\$ -
Other	-	3	-	-	-
Transfers from Other Funds	96,562	69,946	-	-	-
Use of (Increase In) Fund Balance	23,931	1,328	51,436	21,308	-
General Fund Support	1,217,391	1,117,273	1,242,358	1,224,263	894,628
<b>Total Funding Sources</b>	<b>\$ 1,422,543</b>	<b>\$ 1,264,651</b>	<b>\$ 1,492,218</b>	<b>\$ 1,392,481</b>	<b>\$ 894,628</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 1,204,613	\$ 1,121,606	\$ 1,269,356	\$ 1,258,501	\$ 836,382
Operations	171,480	101,944	175,262	95,781	37,646
Travel	46,450	41,101	47,600	38,199	20,600
<b>Total Uses of Funds</b>	<b>\$ 1,422,543</b>	<b>\$ 1,264,651</b>	<b>\$ 1,492,218</b>	<b>\$ 1,392,481</b>	<b>\$ 894,628</b>
Net Indirect Support	27,865	27,865	63,048	63,048	-
<b>Total</b>	<b>\$ 1,450,408</b>	<b>\$ 1,292,516</b>	<b>\$ 1,555,266</b>	<b>\$ 1,455,529</b>	<b>\$ 894,628</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,144,247)	(1,042,688)	(1,135,989)	(1,117,894)	(894,628)
GF Transfers to Other Funds	(73,144)	(74,585)	(106,369)	(106,369)	-
<b>Total Direct Support</b>	<b>\$ (1,217,391)</b>	<b>\$ (1,117,273)</b>	<b>\$ (1,242,358)</b>	<b>\$ (1,224,263)</b>	<b>\$ (894,628)</b>
Net Indirect Support	(27,865)	(27,865)	(63,048)	(63,048)	-
<b>Total County Support</b>	<b>\$ (1,245,256)</b>	<b>\$ (1,145,138)</b>	<b>\$ (1,305,406)</b>	<b>\$ (1,287,311)</b>	<b>\$ (894,628)</b>

\* In FY13 and FY14, Emergency Management and Government Relations were programs within the County Manager's Office and are included in the above financials for those years. For FY15, both programs were established as their own departments. Please see the Emergency Management and Government Relations Department sections for FY15 financial information on these programs.

# General Government



## County Manager

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Criminal Justice Coordinating Council (CJCC)	\$ -	\$ 69,608	\$ -	\$ 69,608	\$ -
Executive Management	-	825,020	-	825,020	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 894,628</b>	<b>\$ -</b>	<b>\$ 894,628</b>	<b>\$ -</b>

### Performance Measures by Program

#### **Criminal Justice Coordinating Council (CJCC)**

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
CJCC Executive Committee satisfaction with management	N/A	N/A	N/A
Contribution to meeting Public Safety goals and indicators	N/A	N/A	N/A

#### **Executive Management**

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
A Leadership Team informed of County Supervisor priorities	N/A	N/A	N/A
An organization providing services that highly aligns with County strategies and desired outcome criteria	N/A	N/A	N/A
An open, collaborative, innovative and supportive work environment	N/A	N/A	N/A
An organization that plans for the future and thoughtfully manages a changing environment on our terms, not through involuntary reaction	N/A	N/A	N/A

## County Manager

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Specialist I	1.00	1.00	1.00
Administrative Specialist II	1.22	1.22	1.00
Administrative Specialist III	1.00	1.00	-
County Emergency Manager	1.00	1.00	-
County Manager	1.00	1.00	1.00
Deputy County Manager	2.00	2.00	2.00
Director-Government Relations	1.00	1.00	-
Director-Organizational Development	1.00	-	-
Executive Assistant to County Manager	1.00	1.00	1.00
Grants Writer	-	0.25	-
Management Assistant	1.00	1.00	-
Program Manager I	1.00	1.00	1.00
Public Information Officer	1.00	1.00	-
<b>Total Positions</b>	<b>13.22</b>	<b>12.47</b>	<b>7.00</b>

- \* For FY15, the Emergency Management and Government Relations programs were moved out of the County Manager's Office and established as their own departments.
- \* The Administrative Specialist III and the County Emergency Manager were moved to the Emergency Management Department reducing the County Manager's FTEs by two.
- \* The Government Relations Director, Grants Writer, Management Assistant, and Public Information Officer were moved to the Government Relations Department reducing the County Manager's FTEs by 3.25.
- \* In addition, the remaining Administrative Specialist II 0.22 FTE was moved to the Public Works Department.

## Assessor

110 East Cherry Avenue, Flagstaff, AZ 86001 (928) 679-7962  
Christine Mazon, Coconino County Assessor

The Assessor’s Office creates the tax roll annually by identifying, locating and valuing all property subject to ad valorem taxes in Coconino County.

Program	SPA	Description
Administration	O&FH	The Administration division provides the vision to support employees of the department so they can achieve their departmental missions. This includes human resource activity, procurement, budget, legislative tracking and intergovernmental communication.
Appraisal	O&FH	The mandate of the Assessor's Office is to locate, list and identify all taxable property within Coconino County. This provides the taxing authorities their tax base to provide services to our communities. Our mission is to provide property owners with a fair and equitable value.
Cartography	O&FH	Cartography begins the assessment and tax collection process by locating, identifying and parceling all properties through historical records, deeds, plats and surveys. The Cartography division must interpret plats, surveys and legal descriptions to achieve the best representation of parcel ownership, location and boundaries.
Customer Service	O&FH	This program provides assistance to customers at the counter and over the phone with questions concerning the Assessor's Office responsibilities and specific parcel information.
Storage and Retrieval	O&FH	Established in January of 2002, this fund allows the Assessor to create, update, and enhance systems within the office.

### Goals and Objectives

- The primary departmental goal for FY15 is to continue implementation of the recently passed “Primary Residence” legislation. This includes training of staff and continued mass mailings to citizens.
- Another goal for FY15 and beyond is the development of revenue streams from IGAs with other Arizona counties for implementation of new property valuation software. The goal for FY15 is to finalize an IGA with Apache County.
- In FY15, the Assessor’s Office will begin using aerial pictometry to aid in their continued county-wide canvass of all property types.

### Opportunities and Challenges

- The main challenge facing this department is the large turnover rate of the appraisal staff, resulting in inefficiency and increased training costs.
- The State legislature recently passed Proposition 117, which requires that all taxes be calculated from Primary or Limited Value. This change will require that our appraisal software vendor make some programming changes for Tax Year 2015 and will also require the Assessor’s Office to review and change some business processes.
- With the sunset of the Storage and Retrieval Fund in December of 2011, the Assessor’s Office will struggle to keep current with technology upgrades and software requirements.

## Assessor

Strategic Priority Area Alignment		Programs				
		Administration	Appraisal	Cartography	Customer Service	Storage and Retrieval
<b>Organizational and Fiscal Health (O&amp;FH)</b>						
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.		X	X	X	
	Encourage transparency and clarity at all levels and between all levels of the organization.					X
	Recruit, train and retain a qualified and diverse workforce.		X			
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.	X	X			
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.		X			
	Encourage departmental efficiencies.	X	X	X	X	

# General Government



## Assessor

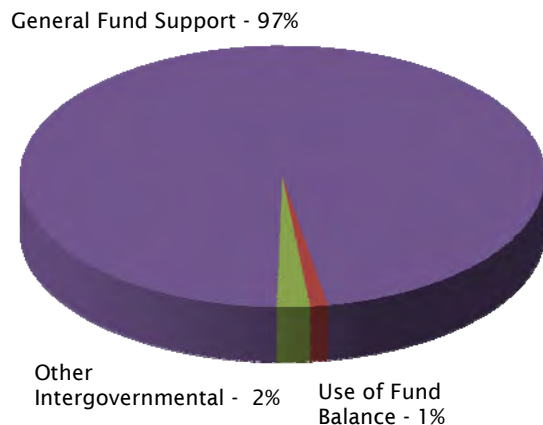
### Financial Summary

The majority of the Assessor's revenue is provided through General Fund support. The department's FY14 revenue ended the fiscal year 3% below budget, due to lower-than-expected document sales. The departmental revenue budget for FY15 is remaining flat at FY14 levels.

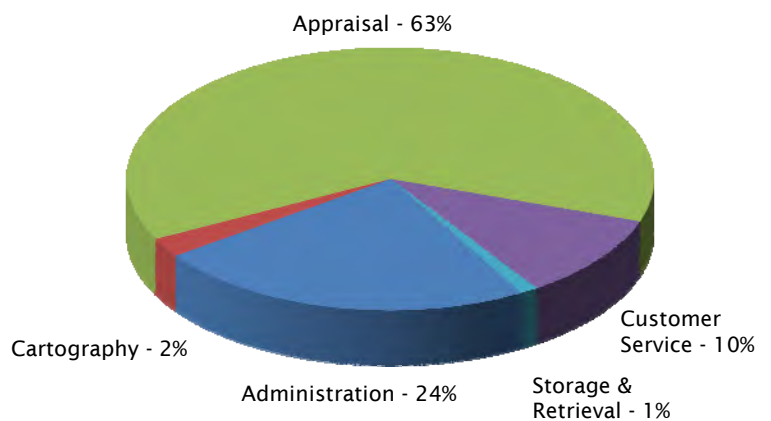
For FY14 the Assessor finished 4% under their revised expenditure budget of \$1,897,679. This variance was due to salary savings from unfilled positions as well as decreased storage and retrieval software expenses. Their FY15 adopted expenditure budget of \$2,218,753 is 17% higher than in FY14. This variance is due to a \$290,000 contract for aerial pictometry signed in FY15. This three year contract will increase the capabilities of the department's appraisal staff, and should pay for itself with increased tax assessments. The department also requested and received a \$4,400 budget increase for services and supplies related to the newly mandated Primary Residence Statutory Mailing.

The following charts illustrate the Assessor's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

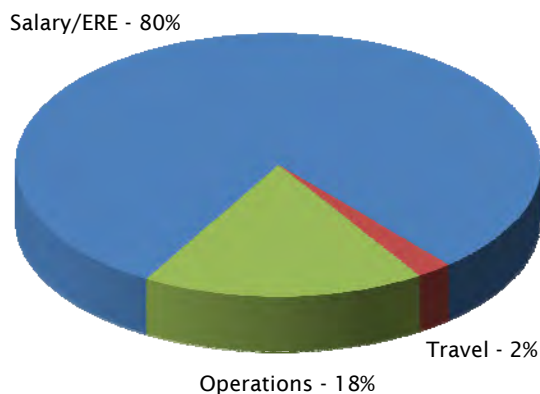
### Revenue by Source Type



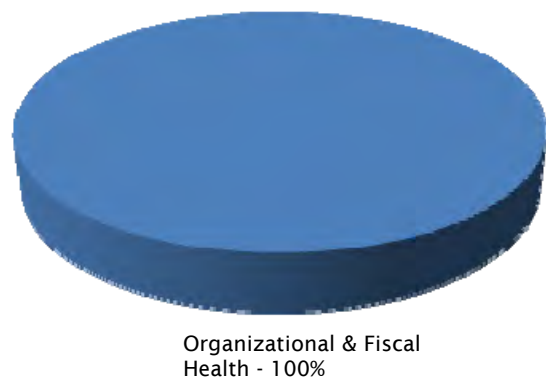
### Expenditures by Program



### Expenditures by Category



### Expenditures by Strategic Priority Area



# General Government



## Assessor

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Other Intergovernmental	\$ 22,400	\$ 22,400	\$ 44,800	\$ 44,800	\$ 44,800
Charges for Services	4,000	963	4,000	627	4,000
Other	4,000	7,321	4,000	5,980	4,000
Use of (Increase In) Fund Balance	49,715	22,160	27,555	10,258	23,921
General Fund Support	1,691,306	1,637,474	1,817,324	1,756,143	2,142,032
<b>Total Funding Sources</b>	<b>\$ 1,771,421</b>	<b>\$ 1,690,318</b>	<b>\$ 1,897,679</b>	<b>\$ 1,817,808</b>	<b>\$ 2,218,753</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 1,610,441	\$ 1,559,942	\$ 1,734,009	\$ 1,680,525	\$ 1,779,609
Operations	109,540	96,574	100,530	80,323	390,399
Travel	51,440	33,802	63,140	56,960	48,745
<b>Total Uses of Funds</b>	<b>\$ 1,771,421</b>	<b>\$ 1,690,318</b>	<b>\$ 1,897,679</b>	<b>\$ 1,817,808</b>	<b>\$ 2,218,753</b>
Net Indirect Support	565,003	565,003	580,889	580,889	535,902
<b>Total</b>	<b>\$ 2,336,424</b>	<b>\$ 2,255,321</b>	<b>\$ 2,478,568</b>	<b>\$ 2,398,697</b>	<b>\$ 2,754,655</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 30,400	\$ 30,684	\$ 52,800	\$ 51,407	\$ 52,800
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,721,706)	(1,668,158)	(1,870,124)	(1,807,550)	(2,194,832)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (1,691,306)</b>	<b>\$ (1,637,474)</b>	<b>\$ (1,817,324)</b>	<b>\$ (1,756,143)</b>	<b>\$ (2,142,032)</b>
Net Indirect Support	(565,003)	(565,003)	(580,889)	(580,889)	(535,902)
<b>Total County Support</b>	<b>\$ (2,256,309)</b>	<b>\$ (2,202,477)</b>	<b>\$ (2,398,213)</b>	<b>\$ (2,337,032)</b>	<b>\$ (2,677,934)</b>

# General Government



## Assessor

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Administration	\$ 52,800	\$ 466,840	\$ -	\$ 519,640	\$ 148,993
Appraisal	-	1,393,017	-	1,393,017	301,628
Cartography	-	52,491	-	52,491	16,058
Customer Service	-	229,684	-	229,684	69,222
Storage and Retrieval	-	-	23,921	23,921	-
<b>Total</b>	<b>\$ 52,800</b>	<b>\$ 2,142,032</b>	<b>\$ 23,921</b>	<b>\$ 2,218,753</b>	<b>\$ 535,902</b>

### Performance Measures by Program

Administration	FY13	FY14	FY15
Visits to Assessor website	500,000	N/A	N/A
OnBase/scanning system backlog percentage complete	95%	100%	100%

Appraisal	FY13	FY14	FY15
Appeals	981	1,200	1,200
Pending building permits	2,053	2,000	2,000
Canvass	646	1,500	2,000
Litigation	12	10	10

Cartography	FY13	FY14	FY15
New parcels created	422	450	475
Total parcels	75,283	75,600	76,000
Total documents processed through Cartography	1,718	2,000	2,100
Total parcels processed for annexation	25	50	75

Customer Service	FY13	FY14	FY15
Ownership and address changes	20,078	21,000	22,000
Incoming phone calls	8,474	8,700	9,000
Customers assisted at front counter	2,487	2,500	2,500

# General Government



## Assessor

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Specialist I	5.00	5.00	4.00
Administrative Specialist II	-	-	1.00
Administrative Supervisor	1.00	1.00	1.00
Appraisal Manager	1.00	1.00	1.00
Appraiser I	6.00	5.00	4.00
Appraiser II	4.00	7.00	8.00
Appraiser, Senior	5.00	3.00	3.00
Business Applications Specialist	-	1.00	1.00
Cartographer	1.00	1.00	1.00
Chief Deputy Assessor	1.00	1.00	1.00
Elected Official	1.00	1.00	1.00
Software Implementation Specialist	1.00	1.00	1.00
<b>Total Positions</b>	<b>26.00</b>	<b>27.00</b>	<b>27.00</b>

\* One Administrative Specialist I was reclassified to an Administrative Specialist II during FY14.

## Emergency Management

219 East Cherry Avenue, Flagstaff, AZ 86001 (928) 679-8310  
 Robert Rowley, Emergency Manager

Emergency Management provides capability for local governments, businesses, organizations, and individuals to prepare for, respond to, recover from, and mitigate the effects of any natural or human-caused emergency or disaster.

Program	SPA	Description
Emergency Management	CV	Emergency Management provides capability for local governments, businesses, organizations, and individuals to prepare for, respond to, recover from, and mitigate the effects of any natural or human-caused emergency or disaster.

### Goals and Objectives

FY15 departmental objectives include:

- Further fine tune the collaboration of the Emergency Management Performance Grant (EMPG) and Public Health Emergency Preparedness (PHEP) missions. Update all plans and policies as necessary to reflect this collaboration.
- Create a cost sharing plan for on-going expenses related to Ready Coconino. Potential partners for this would be the City of Flagstaff, Northern Arizona University, Coconino Community College, Flagstaff Unified School District, and Flagstaff Medical Center/Guardian.
- Research new communication technologies that may increase productivity and reduce personnel costs during Emergency Operations Center (EOC) activations.
- Review and update the Multi-Jurisdictional Hazard Mitigation Plan. Where possible, merge mitigation strategies with capital improvement projects so Hazard Mitigation Grant funding can be leveraged.
- Continue periodical reviews of the Emergency Operations Plan and Continuity of Operations Plans (COOP) through internship program projects.
- Conduct an EOC table top exercise training session with the County/City EOC teams.
- Continue local training efforts and drills to maintain National Incident Management System (NIMS) compliance and to test preparedness of County first responders. This is currently funded through the State Homeland Security Grant program.

Longer-term goals for the department include:

- Coordinate the revamping and updating of the EOC facility and hardware.
- Continue outreach efforts through CERT with the communities including our Tribal communities in the area of disaster resiliency.
- Continue to seek grant funding opportunities to supplement County and local emergency agencies with mitigation, preparedness and response to local disasters.

## Emergency Management

### Opportunities and Challenges

- Although Emergency Management Performance Grant (EMPG) funding for Emergency Management has remained relatively static, the workload and responsibilities have increased significantly. More needs to be done with the same level of human resources. The result is necessary projects being prioritized, delayed, and/or not being completed at all. This does not take into account times of emergencies and disasters which remove the Emergency Manager from routine duties for unspecified periods of time.
- Funding from Title III, Secure Rural Schools and the Community Self-Determination Act has not remained stable for Emergency Management.
- The addition of a Deputy Emergency Manager in FY14 provides the Department with leadership should the Emergency Manager be unavailable due to illness or out of the County on business or vacation. An additional benefit of a Deputy Emergency Manager is to provide more capacity for Emergency Management in dealing with multiple emergencies and complicated projects.

Strategic Priority Area Alignment		Programs
		Emergency Management
<b>Community Vitality (CV)</b>		
<b>Strategies</b>	Create and maintain resources for programs that provide a safety net for vulnerable populations.	x
	Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.	x
	Create and facilitate opportunities for citizens to become empowered and engaged in order to strengthen communities.	x
	Support programs, services, activities and events that enrich, enhance, and celebrate diversity and quality of life for all citizens.	x
	Create the service delivery infrastructure and technology to connect employees and citizens to resources provided by the County.	x

## Emergency Management

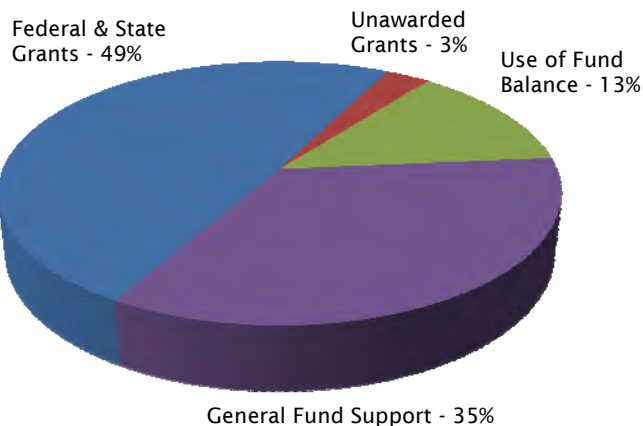
### Financial Summary

The Emergency Management department is funded primarily by Federal and State grants that require a 50% match from the County's General Fund. Due to recent reductions in Title III funding, the General Fund transfer to the department has increased to offset program costs previously funded through Title III. FY15 revenue has been budgeted 4% lower than in FY14, due to continued declines in grant revenue. The department continues to look for partners to secure further funding and reduce General Fund support.

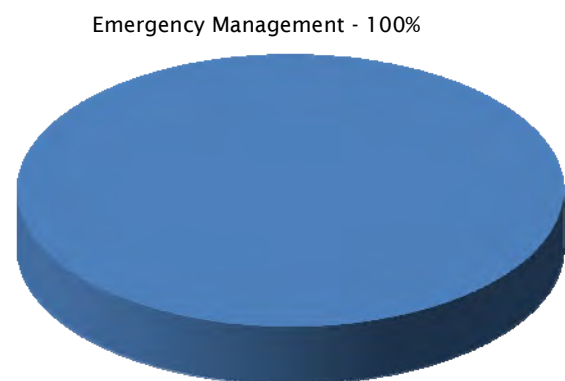
For FY14, Emergency Management ended the year 9% under their revised expenditure budget (excluding contingency funds), due to salary and ERE savings. The department's FY15 adopted expenditure budget of \$355,991 (excluding unawarded grants) is essentially flat compared to FY14. The department requested and received a \$16,900 one-time budget increase to upgrade their Code Red public alert and warning system.

The following charts illustrate the Emergency Management Department's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. Expenditure charts exclude unawarded grants.

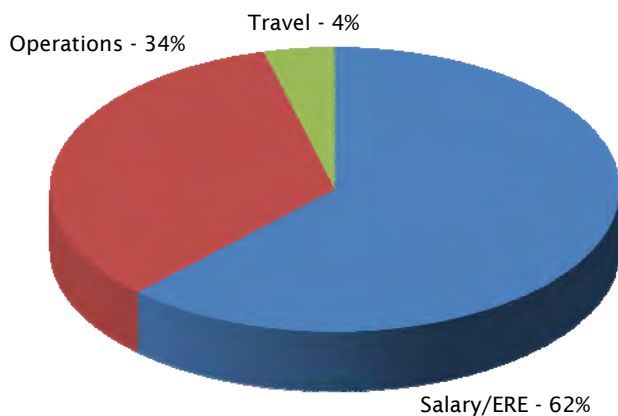
**Revenue by Source Type**



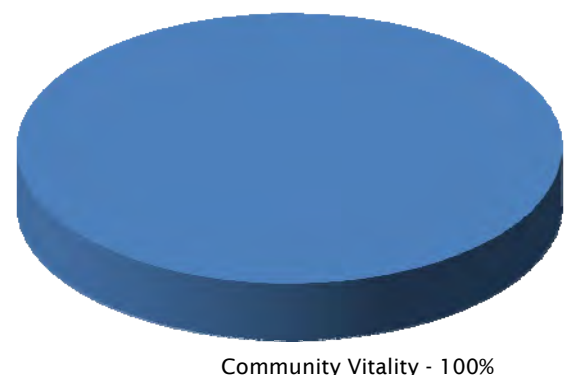
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# General Government



## Emergency Management

### Department-Wide Financial Statement

	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
<b>Revenues and Other Sources</b>					
Federal and State Grants	\$ -	\$ -	\$ -	\$ -	\$ 180,470
Unawarded Grants	-	-	-	-	11,000
Use of (Increase In) Fund Balance	-	-	-	-	48,133
General Fund Support	-	-	-	-	127,388
<b>Total Funding Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 366,991</b>
<b>Expenditures and Other Uses</b>					
Salary/ERE	\$ -	\$ -	\$ -	\$ -	\$ 228,027
Operations	-	-	-	-	124,214
Travel	-	-	-	-	14,750
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 366,991</b>
Net Indirect Support	-	-	-	-	15,510
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 382,501</b>
<b>General Fund Support</b>					
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	-	-	-	-	(127,388)
<b>Total Direct Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (127,388)</b>
Net Indirect Support	-	-	-	-	(15,510)
<b>Total County Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (142,898)</b>

\* Prior to FY15 Emergency Management was a program within the County Manager's Office. For FY15 Emergency Management was established as its own department. Financial information prior to FY15 is reflected in the County Manager's financial statement.

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Emergency Management	\$ 191,470	\$ 127,388	\$ 48,133	\$ 366,991	\$ 15,510
<b>Total</b>	<b>\$ 191,470</b>	<b>\$ 127,388</b>	<b>\$ 48,133</b>	<b>\$ 366,991</b>	<b>\$ 15,510</b>

## Emergency Management

### Performance Measures by Program

<b>Emergency Management</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Emergency Operations plan is fully tested.	Updated	Updated and exercised	Updated and exercised
All public safety agencies and government leaders are 95% NIMS compliant. TICP and Interoperable plans have been developed.	95%	95%	95%
Emergency Notification System provides notification to County population via E911 upgrades. Volunteer sign up of cell phones is ongoing with increased sign up each year.	Replacement systems researched and tested	Replacement system selected (Code Red)	Code Red implemented with 15% increase in citizen enrollment
Public safety agencies and government leaders are prepared for leadership roles in disasters as demonstrated through participation in training and exercises.	On-going	Training and exercises conducted for EPAG	Continue EPAG training and exercises (2 events per year)
Coconino County conducts EOC Exercise for County to ensure EOC team is ready and capable for activation.	EOC Team assembled	EOC Management and Operations course conducted	EOC functional exercise conducted
COOP Plan: Emergency and essential services are provided to citizens during disasters.	On-going maintenance completed	Refresher training and exercise completed	Refresher training and maintenance completed
CERT (Community Emergency Response Teams) are trained and equipped for assisting public safety and neighbors.	5 CERT classes held	5 CERT classes held	5 CERT classes held
Citizens know where to obtain emergency information during disasters.	On-going	On-going	On-going
Community Educational Outreach programs are provided to citizens.	6 programs	6 programs	10 programs
Citizens have "GO-Kits" and family emergency plans.	Survey	On-going	On-going
2009 multi-jurisdictional Hazard Mitigation Plan is approved by FEMA/BOS.	No progress	Reviewed and updated	Approved for renewal
Disaster Mitigation grant projects are developed as the result of FEMA disaster declaration.	7 projects	6 projects	4 projects
Citizens understand risks and hazards in their community and take proper protective actions to reduce loss of lives and property.	On-going	On-going	On-going
Coconino County Volunteer Organizations Active During Disasters (VOAD) agencies such as Red Cross have the capacity to provide immediate assistance to vulnerable populations during response and recovery phases of a disaster. VOAD participates in training and/or exercises.	On-going	On-going	On-going

# General Government



## Emergency Management

### Department Staffing (Full Time Equivalent)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Specialist III	-	-	1.00
County Emergency Manager	-	-	1.00
Program Coordinator	-	-	1.00
<b>Total Positions</b>	<b>-</b>	<b>-</b>	<b>3.00</b>

\* Emergency Management was a program in the County Manager's Office prior to FY15. The FTE list for the County Manager's Office reflects the Emergency Management FTEs in FY13 and FY14.

## Government Relations

219 E. Cherry Avenue, Flagstaff, AZ 86001 (928) 679-7134  
Joanne Keene, Director

The Government Relations Department improves County service levels across all departments by seeking legislative solutions, protecting revenue sources, and generating new funding opportunities for County programs.

Program	SPA	Description
Government Relations	O&FH	The Government Relations Department coordinates all government relations, public outreach, and grant writing for Coconino County.

### Goals and Objectives

- In FY15, the Government Relations Department will continue its advocacy work on the Federal level to implement Coconino County’s legislative agenda. The main priorities are protecting existing revenue for Coconino County and working on the reauthorization of key funding sources, including the Payment in Lieu of Taxes (PILT) program and the Secure Rural Schools and Community Self Determination Act (SRS).
- On the State level, the Government Relations Department will continue to work on key transportation funding, including Highway User Revenue Funds (HURF), as well as ensuring the County is not burdened with additional unfunded mandates.
- In FY15, the Department will continue to expand its use of social media and expand the distribution of a newly created E-Newsletter.
- With the successful release of the Coconino County Report to Citizens, the Department will be releasing two Report to Citizens in FY 15.
- In FY15, the Government Relations Department will be developing a communication plan for Coconino County to ensure the County is communicating effectively internally and externally.
- The Government Relations Department will also be working on producing videos and increased opportunities to disseminate the County’s message.
- In FY15, the grant arm of the Government Relations Department will be working on a quality improvement plan and developing a grant policy for the county. In addition, the Department is continuing to expand a website which provides grant resources.

### Opportunities and Challenges

- The largest challenge for the Government Relations Department is the political climate and the outcome of the election. With the change on both the State and Federal levels following an election and prior to a legislative session, the Department is constantly working on educating new staff and legislators.
- The Government Relations Department has positioned the County on the State and Federal levels as a “go to” County. This provides the County with access and opportunities.
- Perhaps one of the largest challenges for the Department is keeping up with the latest technology. Technology is constantly changing and, as a result, the County must change the way we communicate.

## Government Relations

Strategic Priority Area Alignment		Programs
		Government Relations
<b>Organizational and Fiscal Health (O&amp;FH)</b>		
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.	x
	Develop an organizational culture where every employee understands how they each contribute positively through alignment with the County’s missions, vision, values and strategic priorities.	x
	Encourage transparency and clarity at all levels and between all levels of the organization.	x
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County’s programs and service evaluation process and Strategic Priority Area outcomes.	x
	Recruit, train and retain a qualified and diverse workforce.	x
	Continue to position Coconino County as a leader and role model for responsible and effective government.	x
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.	x
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.	x
	Encourage departmental efficiencies.	x
	Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.	x

## Government Relations

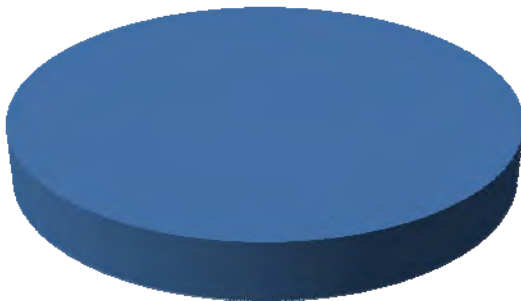
### Financial Summary

The Government Relations Department is fully funded by the General Fund and has no other revenue sources.

Prior to FY15 Government Relations was a program within the County Manager’s Office and the direct costs associated with the program only included salary and benefits. For FY15 Government Relations has been established as a new department with operating costs, which include printing and mailing the Coconino County Report to the Citizens as well as travel costs for staff. Because the department is new, there is no year-over-year comparison data.

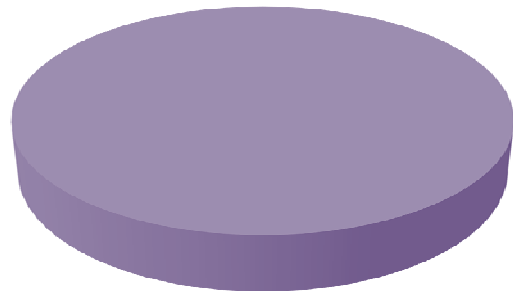
The following charts illustrate the Government Relations Department revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

**Revenue by Source Type**



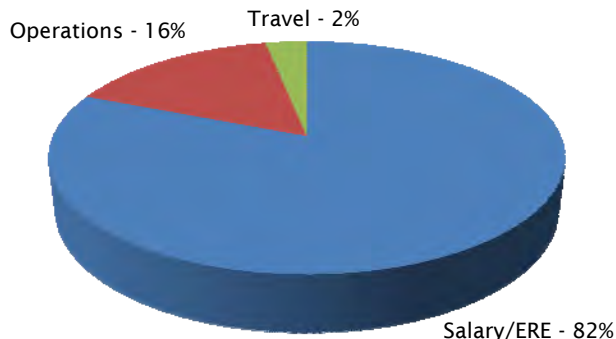
General Fund Support - 100%

**Expenditures by Program**



Government Relations - 100%

**Expenditures by Category**



Salary/ERE - 82%

**Expenditures by Strategic Priority Area**



Organizational & Fiscal Health - 100%

# General Government



## Government Relations

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
General Fund Support	\$ -	\$ -	\$ -	\$ -	\$ 420,813
<b>Total Funding Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,813</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ -	\$ -	\$ -	\$ -	\$ 345,813
Operations	-	-	-	-	65,000
Travel	-	-	-	-	10,000
<b>Total Uses of Funds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,813</b>
Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,813</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	(420,813)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (420,813)</b>
Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (420,813)</b>

\* Prior to FY15 Government Relations was a program within the County Manager's Office. For FY15 Government Relations was established as its own department.

# General Government



## Government Relations

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Government Relations	\$ -	\$ 420,813	\$ -	\$ 420,813	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ 420,813</b>	<b>\$ -</b>	<b>\$ 420,813</b>	<b>\$ -</b>

### Performance Measures by Program

<u>Government Relations</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Dollars in State and Federal funding secured as a result or, in part, of advocacy efforts of the Government Relations Department	N/A	N/A	N/A
Dollars in private, State, and Federal funding generated as a result, or in part, of grant writing efforts of the Government Relations Department	N/A	N/A	N/A
Dollars saved by the County as a result of implemented cost-saving measures on the State or Federal level	N/A	N/A	N/A
County revenue generated from State Legislative proposals initiated by the Government Relations Department	N/A	N/A	N/A
County revenue generated from Federal Legislative proposals initiated by the Government Relations Department	N/A	N/A	N/A
Number of press releases generated during the Fiscal Year	N/A	N/A	N/A
Increase in the number of Twitter followers	N/A	N/A	N/A
Increase in the number of Facebook followers or "likes" to the County page	N/A	N/A	N/A
Number of informational videos produced	N/A	N/A	N/A
Number of informational videos viewed on the County's YouTube page	N/A	N/A	N/A
Number of news and internet articles involving the County and/or County programs	N/A	N/A	N/A
Number of in-house presentations/training on social media and working with the media for County staff	N/A	N/A	N/A

## Government Relations

### Department Staffing (Full Time Equivalent)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Director-Government Relations	-	-	1.00
Grants Writer	-	-	1.00
Management Assistant	-	-	1.00
Public Information Officer	-	-	1.00
<b>Total Positions</b>	<b>-</b>	<b>-</b>	<b>4.00</b>

\* Government Relations was a program in the County Manager's Office prior to FY15. The FTE list for the County Manager's Office reflects the Government Relations FTEs in FY13 and FY14.

## Recorder

110 E. Cherry Avenue, Flagstaff, AZ 86001 (928) 679-7850  
 Patty Hansen, Recorder

The Recorder’s Office responsibilities include processing and creating a public record of all documents received in a timely manner, to ensure that all records are easily accessible to the public and to conduct all aspects of elections, including voter management, outreach, and the election process.

Program	SPA	Description
County Mail Center	O&FH	The County Mail Center is responsible for processing the County inbound and outbound U.S. Postal Services, FedEx, and UPS letters and parcels.
Elections	O&FH	The Elections Program is responsible for maintaining high public confidence in the electoral process by conducting local, State and Federal Elections in Coconino County with the highest level of professional election standards, integrity, fairness, security and accuracy.
Recording	CV	The mission of the Recorder's Office is to maintain a public record consisting of all documents accepted for recording.
Voter Registration Services	CV	This program is responsible for maintaining the official registry of registered voters for Coconino County.

### Goals and Objectives

- In FY15 the Recorder’s Office will continue to catch up on the backlog of documents submitted for Recording. The current turnaround time for processing is two to three months. The goal is to catch up so the turnaround time is two weeks or less.
- In FY15 the Elections Division will conduct the County, State, and Federal Primary and General Elections. In FY16 the Elections Division will conduct the County-wide Presidential Preference Election. Prior to this election, officials will continue to try to convince the Legislature to allow this election to be conducted by mail, which will result in cost savings for Coconino County.
- Over the next three years, the Department will continue to plan for the purchase and implementation of new voting equipment in FY18 and new computers and servers for the Tyler -Eagle Recording system in FY19.

### Opportunities and Challenges

- Coconino County has the potential to create future cost savings by implementing the vote by mail system, which would require one central ballot counting machine rather than two devices at each polling place. However, there are many obstacles that must be overcome before such a voting system can be implemented.
- Like many other departments, records preservation continues to be an on-going challenge for the Recorder’s Office. The Department is monitoring the issues and working with colleagues to find a solution to this problem.
- Recruiting and training poll workers also continues to be a problem for the Elections Division. Being a poll worker is a critical activity that requires integrity and accuracy, and it is hard for the Department to recruit enough volunteers for this low paying task.

## Recorder

Strategic Priority Area Alignment		Programs			
		County Mail Center	Elections	Recording	Voter Registration
<b>Community Vitality (CV)</b>					
Strategies	Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.				x
	Create the service delivery infrastructure and technology to connect employees and citizens to resources provided by the County.			x	x
<b>Organizational and Fiscal Health (O&amp;FH)</b>					
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.	x			
	Develop an organizational culture where every employee understands how they each contribute positively through alignment with the County's missions, vision, values and strategic priorities.		x		

## Recorder

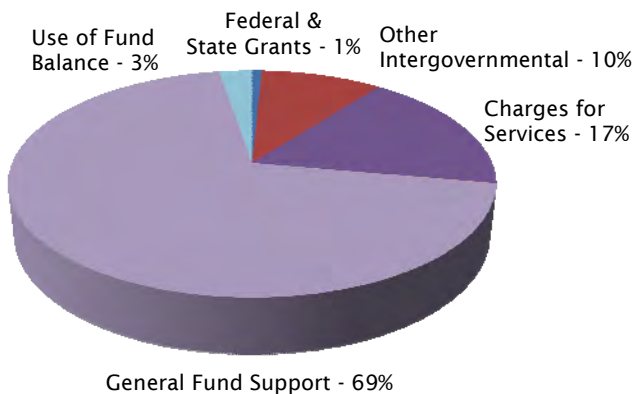
### Financial Summary

The primary revenue source for the Recorder’s Office is General Fund support. In addition, the Recorder’s Office receives revenue from other municipalities for election costs, as well as fees for services revenue in the Recording division. The fees for services for recording are estimated to be 9% under the FY14 budget and the intergovernmental revenue for election charges is estimated to be 24% under the FY14 budget. Recent legislative changes requires all elections to occur on the November ballot so we will realize this revenue in the fall of 2015 rather than as a result of a May election.

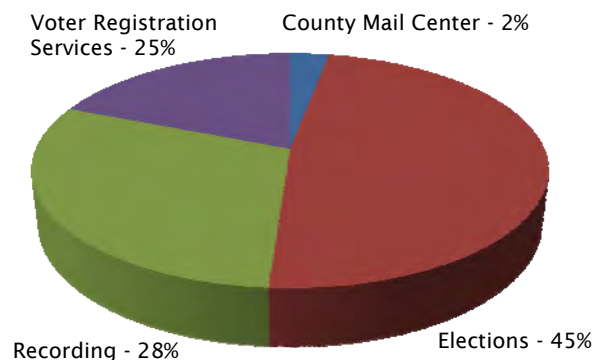
The Recorder’s Office is estimated to be 14% under their revised FY14 expenditure budget of \$2,089,208. This variance is primarily due to operational savings in Elections and Voter Registration as a result of recent legislative changes that moved the City of Flagstaff election to the fall. The FY15 adopted expenditure budget of \$2,212,482 is 6% over the FY14 budget. This variance is due to increases associated with the upcoming General Election. The Elections budget is cyclical in nature.

The following charts illustrate the Recorder’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

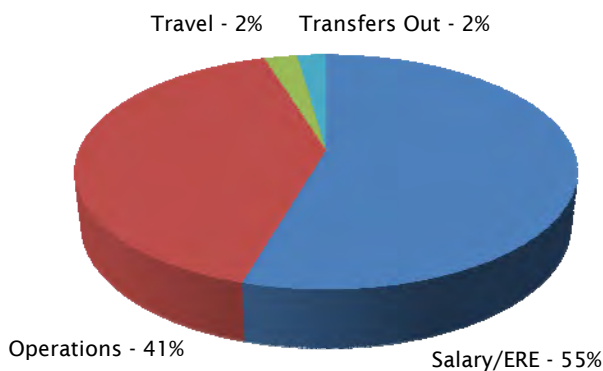
**Revenue by Source Type**



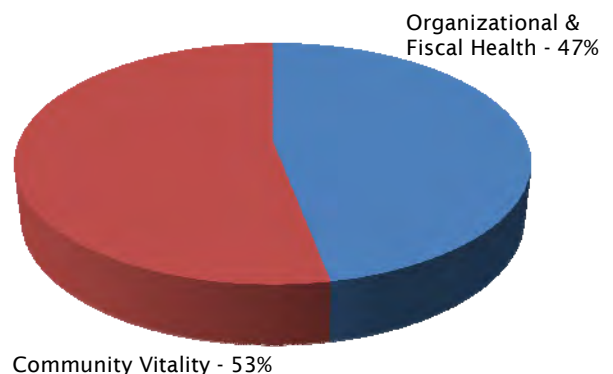
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# General Government



## Recorder

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 19,695	\$ 53,330	\$ 36,665	\$ 13,635	\$ 16,665
Other Intergovernmental	180,000	396,464	478,220	365,497	212,000
Charges for Services	388,000	435,771	388,000	352,349	388,000
Investment Income	2,400	(2,195)	2,400	6,858	400
Other	2,000	4,516	2,000	1,604	2,000
Use of (Increase In) Fund Balance	28,925	(127,262)	87,437	123,390	58,004
General Fund Support	1,316,360	1,136,324	1,094,486	928,513	1,535,413
<b>Total Funding Sources</b>	<b>\$ 1,937,380</b>	<b>\$ 1,896,947</b>	<b>\$ 2,089,208</b>	<b>\$ 1,791,846</b>	<b>\$ 2,212,482</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 1,170,502	\$ 1,129,668	\$ 1,106,911	\$ 1,063,741	\$ 1,205,812
Operations	666,334	681,203	862,358	624,993	901,131
Travel	51,200	36,732	61,095	45,261	56,195
Capital	-	-	9,500	8,507	-
Transfers to Other Funds	49,344	49,344	49,344	49,344	49,344
<b>Total Uses of Funds</b>	<b>\$ 1,937,380</b>	<b>\$ 1,896,947</b>	<b>\$ 2,089,208</b>	<b>\$ 1,791,846</b>	<b>\$ 2,212,482</b>
Net Indirect Support	309,592	309,592	311,849	311,849	305,779
<b>Total</b>	<b>\$ 2,246,972</b>	<b>\$ 2,206,539</b>	<b>\$ 2,401,057</b>	<b>\$ 2,103,695</b>	<b>\$ 2,518,261</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 440,000	\$ 632,430	\$ 672,220	\$ 558,771	\$ 440,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,654,660)	(1,682,148)	(1,665,006)	(1,410,601)	(1,873,713)
GF Transfers to Other Funds	(101,700)	(86,606)	(101,700)	(76,683)	(101,700)
<b>Total Direct Support</b>	<b>\$ (1,316,360)</b>	<b>\$ (1,136,324)</b>	<b>\$ (1,094,486)</b>	<b>\$ (928,513)</b>	<b>\$ (1,535,413)</b>
Net Indirect Support	(309,592)	(309,592)	(311,849)	(311,849)	(305,779)
<b>Total County Support</b>	<b>\$ (1,625,952)</b>	<b>\$ (1,445,916)</b>	<b>\$ (1,406,335)</b>	<b>\$ (1,240,362)</b>	<b>\$ (1,841,192)</b>

# General Government



## Recorder

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
County Mail Center	\$ -	\$ 56,411	\$ -	\$ 56,411	\$ 9,244
Elections	230,665	789,982	(32,000)	988,647	133,052
Recording	388,400	144,368	90,004	622,772	92,440
Voter Registration Services	-	544,652	-	544,652	71,043
<b>Total</b>	<b>\$ 619,065</b>	<b>\$ 1,535,413</b>	<b>\$ 58,004</b>	<b>\$ 2,212,482</b>	<b>\$ 305,779</b>

### Performance Measures by Program

<u>County Mail Center</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Jury summons 1st Class pre-sort outbound	25,707	25,434	25,000
US Mail, FedEx, and UPS inbound	130,000	125,000	135,000
US Mail, FedEx, and UPS outbound	253,809	244,072	248,000

<u>Elections</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Decrease in the number of calls for problems/service on election day	N/A	N/A	N/A
Percentage of polling places that by opening of the polls on Election Day have been delivered all required supplies	100%	100%	100%
Decrease in the number of provisional ballots cast that "Did Not Count" due to voters going to the wrong polling location	95%	100%	100%

<u>Recording</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
The number of recorded documents for each fiscal year	35,445	38,500	40,000
The percent of e-recordings for each fiscal year	47%	50%	53%
The amount of postage saved with e-recorded documents	\$1,697.26	\$1,828.73	\$2,500.00

<u>Voter Registration Services</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of registered voters	71,909	68,000	67,000
Number of registered voters on the Permanent Early Voting List (PEVL)	36,532	35,000	38,000

## Recorder

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I	4.00	5.50	4.50
Administrative Specialist II	-	-	1.00
Administrative Specialist III	3.00	2.00	2.00
Administrative Supervisor	1.00	-	-
Administrative Support II	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00
Chief Deputy Recorder	1.00	1.00	1.00
Elected Official	1.00	1.00	1.00
Elections Administrator	-	1.00	1.00
Elections Outreach Coordinator	1.00	1.00	1.00
Elections Outreach Worker	1.00	1.00	1.00
Elections Training and Communications Coordinator	1.00	1.00	1.00
Technical Specialist III	1.00	1.00	1.00
<b>Total Positions</b>	<b>17.00</b>	<b>17.50</b>	<b>17.50</b>

\* One Administrative Specialist I was reclassified to an Administrative Specialist II mid-year during FY14.

## Superintendent of Schools

2384 N. Steves Boulevard, Flagstaff, AZ 86001 (928) 679-8077  
Risha VanderWey, Superintendent of Schools

The mission of the Coconino County Superintendent of Schools Education Service Agency is to ensure every student in Coconino County has an exemplary education and that our tax dollars for education are used effectively.

Program	SPA	Description
Accommodation School	CV	The Coconino County Regional Accommodation School District #99 (CCRASD) encompasses two accommodation high schools, juvenile detention, and jail education.
Fiscal and Election Division	CV	The purpose of this program is to facilitate the fiscal efficiencies of school districts by providing a central location of financial assistance and oversight to all the school districts in Coconino County.
Innovation and Development (I&D)	CV	The Office of Innovation and Development provides technical assistance and professional development services to County and regional educators to meet State and Federal mandates and improve instructional quality.
Parenting College, Transformative Learning Center	CV	The Transformative Learning Center is a parent-child strategy to redefine early education. The initiative empowers families with knowledge, connects community support networks, and supports universal access to quality preschools in Coconino County.

### Goals and Objectives

- In FY15 the Coconino County Superintendent of Schools Office will continue working towards a data interface between the school district accounting software and the Coconino County Treasurer’s Office financial software to ease the warrant reconciliation process each month.
- In FY15 the Coconino County Superintendent of Schools Office will continue to offer advanced finance, budget, purchasing, maintenance and transportation classes to County school districts, as well as continue to provide a platform for questions and concerns through the School Finance Support Group.
- The Innovation and Development Division of the department will continue to seek and diversify funding by pursuing Federal and private grant opportunities and by reinforcing and expanding fee-based professional development services.
- The Department will continue to pursue each of these objectives in FY16 and beyond.

### Opportunities and Challenges

- The increasing use of technology and social media has had a positive impact on the Superintendent of Schools Office and creates opportunities for the department to provide improved services to their customers, especially those in rural areas of the County.
- The Transformative Learning Center (TLC) will develop a Parenting College Facilitation Manual and Replication Guide. The TLC will have material and financial resources to expand to two new County locations in FY15.
- One of the main challenges that Superintendent of Schools Office currently faces is reduced and possibly eliminated Secure Rural Schools (SRS) funding. In addition to SRS funding cuts, the Schools’ Office is also experiencing reduced funding at the State and Federal grant level as well.

## Superintendent of Schools

Strategic Priority Area Alignment		Programs			
		Accommodation School	Fiscal and Election Division	Innovation and Development	Parenting College, Transformative Learning Center
<b>Community Vitality (CV)</b>					
Strategies	Create and maintain resources for programs that provide a safety net for vulnerable populations.	x	x	x	x
	Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.	x	x	x	
	Create and facilitate opportunities for citizens to become empowered and engaged in order to strengthen communities.	x	x	x	
	Support programs, services, activities and events that enrich, enhance, and celebrate diversity and quality of life for all citizens.	x	x	x	
	Create the service delivery infrastructure and technology to connect employees and citizens to resources provided by the County.		x	x	

## Superintendent of Schools

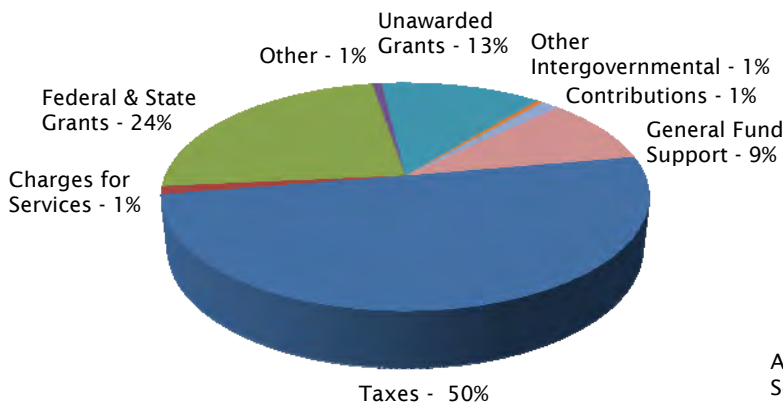
### Financial Summary

The Superintendent of Schools office relies heavily on school equalization tax revenue, State and Federal grants, and National Forest Fee revenue, which results in large variances in budget to actuals from year to year. In anticipation of the loss of Secure Rural Schools funding for FY15, the Financial and Election Division is budgeted to be funded by General Fund Support.

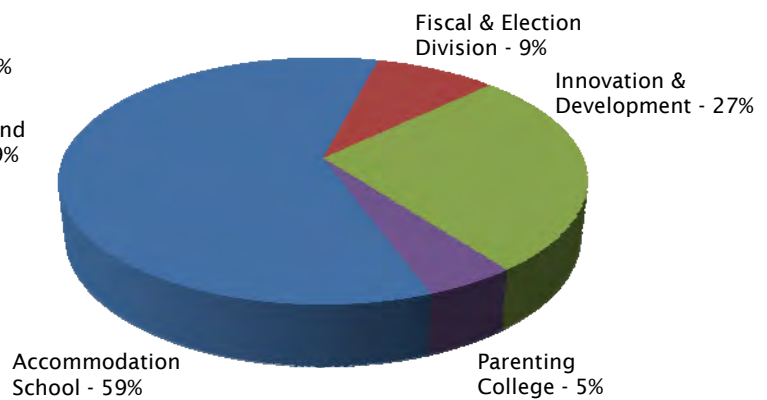
For FY14 the Superintendent of Schools is estimated to be 8% under their revised expenditure budget of \$7,788,028. This variance is primary due to salary and benefits savings in the Innovation and Development program. The FY15 adopted expenditure budget of \$5,133,802 is 34% under the FY14 budget. This variance is due to a reduction in Federal and State grant funding for FY15.

The following charts illustrate the Superintendent of School's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

**Revenue by Source Type**



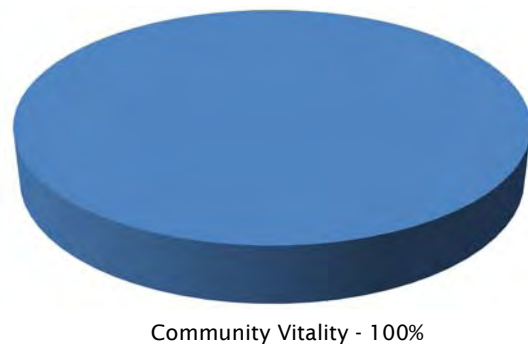
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# General Government



## Superintendent of Schools

### Department-Wide Financial Statement

<u>Revenues and Other Sources</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Federal and State Grants	\$ 2,356,081	\$ 1,921,694	\$ 3,064,158	\$ 1,826,111	\$ 1,289,578
Taxes	1,662,565	2,283,665	2,239,919	3,183,994	2,708,375
Other Intergovernmental	61,920	15,432	61,920	3,542	61,920
Charges for Services	99,256	112,898	100,114	67,464	40,000
National Forest Fees	-	1,845,527	1,922,529	1,922,529	-
Unawarded Grants	-	-	-	-	685,000
Investment Income	3,098	(8,548)	379	38,223	1,029
Contributions	20,000	20,405	33,000	32,900	28,000
Other	146,843	82,802	152,696	45,455	74,000
Use of (Increase In) Fund Balance	244,933	(415,727)	155,438	77,988	(266,850)
General Fund Support	465,680	-	57,875	4,057	512,750
<b>Total Funding Sources</b>	<b>\$ 5,060,376</b>	<b>\$ 5,858,147</b>	<b>\$ 7,788,028</b>	<b>\$ 7,202,263</b>	<b>\$ 5,133,802</b>
<u>Expenditures and Other Uses</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Salary/ERE	\$ 1,244,412	\$ 681,915	\$ 1,173,861	\$ 692,132	\$ 712,282
Operations	3,577,024	5,128,196	6,384,102	6,431,292	4,390,816
Travel	238,940	48,036	230,065	78,839	30,704
<b>Total Uses of Funds</b>	<b>\$ 5,060,376</b>	<b>\$ 5,858,147</b>	<b>\$ 7,788,028</b>	<b>\$ 7,202,263</b>	<b>\$ 5,133,802</b>
Net Indirect Support	203,973	203,973	189,298	189,298	152,746
<b>Total</b>	<b>\$ 5,264,349</b>	<b>\$ 6,062,120</b>	<b>\$ 7,977,326</b>	<b>\$ 7,391,561</b>	<b>\$ 5,286,548</b>
<u>General Fund Support</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Program Revenue	\$ -	\$ 462,352	\$ 475,160	\$ 475,160	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(465,680)	(462,352)	(533,035)	(479,217)	(512,750)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (465,680)</b>	<b>\$ -</b>	<b>\$ (57,875)</b>	<b>\$ (4,057)</b>	<b>\$ (512,750)</b>
Net Indirect Support	(203,973)	(203,973)	(189,298)	(189,298)	(152,746)
<b>Total County Support</b>	<b>\$ (669,653)</b>	<b>\$ (203,973)</b>	<b>\$ (247,173)</b>	<b>\$ (193,355)</b>	<b>\$ (665,496)</b>

# General Government



## Superintendent of Schools

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Accommodation School	\$ 3,470,668	\$ -	\$ (411,637)	\$ 3,059,031	\$ -
Fiscal and Election Division	-	453,717	-	453,717	77,769
Innovation and Development (I&D)	1,232,234	-	144,787	1,377,021	62,932
Parenting College, Transformative Learning Center (TLC)	185,000	59,033	-	244,033	12,045
<b>Total</b>	<b>\$ 4,887,902</b>	<b>\$ 512,750</b>	<b>\$ (266,850)</b>	<b>\$ 5,133,802</b>	<b>\$ 152,746</b>

### Performance Measures by Program

Accommodation School	FY13	FY14	FY15
Number of diplomas issued	117	120	120
Number of students passing AIMS*	88	92	N/A
Absence Rate	16%	18%	18%
GED	2	2	0
PARC*	N/A	N/A	N/A

\*AIMS testing is phasing out to a new test called PARC, and we are uncertain how the test results will be determined.

Fiscal and Election Division	FY13	FY14	FY15
The number of school districts this office provides and supports financial assistance on a daily or weekly basis	9	9	9
Percentage of school district personnel satisfied with the processing of accounts payable school vouchers	90%	100%	100%
Percentage of school district personnel satisfied with the processing of revenues	100%	100%	100%
Percentage of school district personnel satisfied with the annual tax levy/rate calculations	100%	100%	100%
Percentage of school district personnel satisfied with the processing of payroll school vouchers	100%	100%	100%
Percentage of school district personnel satisfied based on timeliness and accuracy with the monthly cash reconciliation	100%	90%	100%
School districts' budget limit monitored by this office for budget/cash capacity	\$137,469,624	\$146,890,667	\$150,000,000
Receipts processed for school districts by dollar amount	\$92,942,783	\$93,000,000	\$93,000,000
Revenue recorded in Visions for school districts by dollar	\$117,380,908	\$120,000,000	\$120,000,000
Payroll and Accounts Payable warrants printed for all school districts by dollar amount	\$136,823,385	\$143,890,667	\$150,000,000
Number of home schooled students registered	793	825	825
Percentage of schools that participated in the spelling bee	80%	75%	75%
Number of school board candidates receiving assistance	16	35-40	2
Number of students enrolled in the Empowerment	N/A	13	40

## Superintendent of Schools

### Performance Measures by Program

<b>Innovation and Development (I&amp;D)</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Educators participate in ESA training opportunities annually	3,008	1,000	1,000
Consortium Services: By acting as a fiscal and program planning service, the ESA provided access to funds that small district and charters cannot by law receive as individual awards	4	3	3
Grants (competitive) applied for and awarded	5	4	3
Professional development events/workshops	48	25	25
School district, charter, private schools and BIA contracted schools receiving services	43	45	45
Overall professional development quality based on evaluation feedback	94%	90%	90%
Overall rating of relevance of professional development based on participant feedback	95%	90%	90%
Overall rating of readiness to implement professional development based on participant feedback	93%	90%	90%

<b>Parenting College, Transformative Learning Center (TLC)</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Parent participation	100	100	100
Changes in family interaction	N/A	Longitudinal data emerging from pilot group	Longitudinal data emerging from pilot group
Participants' children kindergarten ready	N/A	Longitudinal data emerging from pilot group	Longitudinal data emerging from pilot group
Eventual longitudinal study on life outcomes of participants and participants' children	N/A	N/A	N/A

## Superintendent of Schools

### Department Staffing (Full Time Equivalents)

<b>Positions by Title</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Accounting Technician II	1.00	1.00	1.00
Accounting Technician III	-	-	1.00
Administrative Specialist II	-	-	0.50
Administrative Specialist III	1.00	1.00	1.00
Associate Superintendent of Schools	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00
Chief Deputy Superintendent of Schools	1.00	1.00	1.00
Elected Official	1.00	1.00	1.00
ESA Program Coordinator	-	-	1.50
Program Coordinator	4.66	4.83	1.00
School Finance Technician	1.00	1.00	-
<b>Total Positions</b>	<b>11.66</b>	<b>11.83</b>	<b>10.00</b>

- \* In FY15, the Superintendent of Schools Office added a new grant funded 0.50 FTE in the Innovation and Development Program.
- \* Due to fluctuations in State and Federal grant funding, the total for ESA Program Coordinators varies from year to year with available funding. A reduction in funding resulted in a decrease in FTEs in FY15.
- \* The Department also added a limited term Program Coordinator position in the Transformative Learning Center.
- \* Finally, the School Finance Technician was reclassified to an Accounting Technician III.

## Treasurer

110 E. Cherry Avenue, Flagstaff, AZ 86001 (928) 679-8188  
Sarah Benatar, Treasurer

The Treasurer is a constitutional office for County governments within the State of Arizona. The Coconino County Treasurer is the ex-officio tax collector for 48 taxing jurisdictions and the custodian of public funds for 36 public entities.

Program	SPA	Description
Administration	O&FH	The Administrative Program has the primary responsibility to provide leadership, fiscal oversight, strategic planning, supervision, training and scheduling, and visioning for the Treasurer's Office.
General Ledger Accounting/ Investments/ Warrants	O&FH	This program performs the following functions for Coconino County accounts, school districts, fire and special districts, State Courts, and Coconino Community College: daily cash receipting, posting general ledger transactions, banking, investment of all public funds on deposit, and paying and reconciling warrants.
Taxes: Billing, Collection, Disbursement, and Tax Lien Sale	O&FH	This program encompasses the processes to verify and load the property tax levy, bill and collect taxes, distribute taxes, and make corrections to the roll. It also includes the annual tax lien sale to collect delinquent taxes.

### Goals and Objectives

- With the implementation of high level scanning equipment and software to process tax payments, deposits, and archival images, the Treasurer's Office will continue to refine and modify processes to make ultimate use of technology in FY15.
- In addition, the Department will continue to implement e-commerce and e-government solutions within the Treasurer's Office and across the County for added security and efficiency.
- By FY16 the Department plans to have a fully documented operating procedures manual completed and available both electronically and as a hard copy.
- In FY17 and beyond, the Treasurer's Office is planning continuous performance improvements and transparency within the department.

### Opportunities and Challenges

- As the increased use of technology and e-commerce solutions creates efficiencies in the department, the workload will not be reduced, but it will change. The volume of work is expected to increase with the economic recovery, but the new efficiencies will allow the Treasurer's Office to continue to provide excellent customer service at the same staffing levels as in the past.
- The Treasurer's Office continues to face challenges as a result of the aging workforce. As staff approaches retirement age, the Department anticipates that approximately 50% of their employees will turnover during the next five years, losing tactical and historical knowledge.

## Treasurer

Strategic Priority Area Alignment		Programs		
		Administration	General Ledger Accounting/Investments/Warrants	Taxes: Billing, Collections, Disbursement and Tax Lien Sale
<b>Organizational and Fiscal Health (O&amp;FH)</b>				
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.	x	x	x
	Develop an organizational culture where every employee understands how they each contribute positively through alignment with the County's missions, vision, values and strategic priorities.	x	x	x
	Encourage transparency and clarity at all levels and between all levels of the organization.	x	x	x
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County's programs and service evaluation process and Strategic Priority Area outcomes.	x	x	x
	Recruit, train and retain a qualified and diverse workforce.	x	x	x
	Continue to position Coconino County as a leader and role model for responsible and effective government.	x	x	x
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.	x	x	x
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.	x	x	x
	Encourage departmental efficiencies.	x	x	x
	Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.	x	x	x

## Treasurer

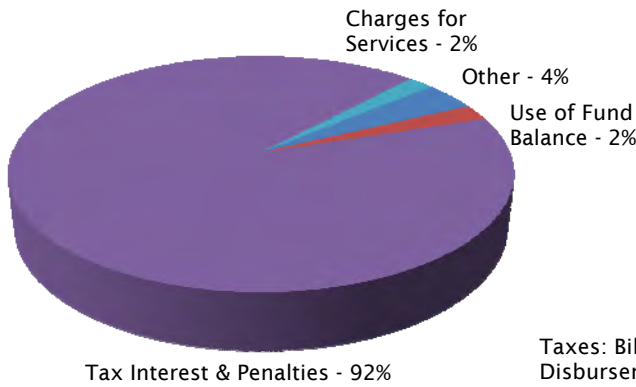
### Financial Summary

The primary revenue source for the Treasurer’s Office is property taxes. As the ex-officio tax collector, the Treasurer collects the delinquent tax interest for Coconino County. For FY14, delinquent tax interest is estimated to be 22% over the FY14 budget. This variance is due to an increase in property tax payments on delinquent properties. The FY15 revenue projection has been adjusted to reflect the trend of increasing tax revenue.

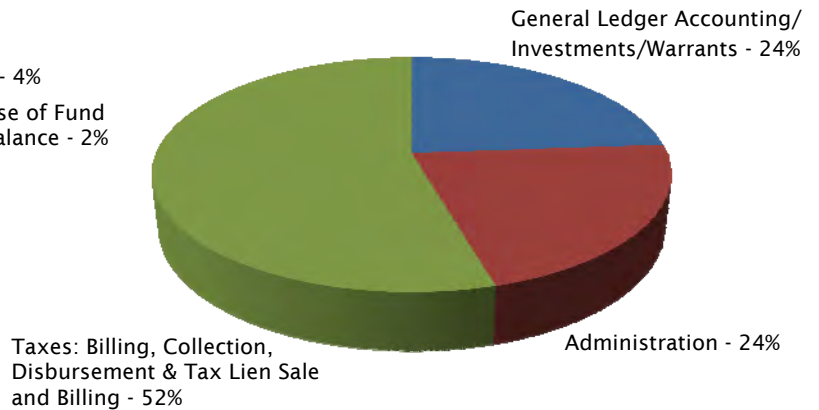
The Treasurer’s Office is estimated to be 5% under their revised FY14 expenditure budget of \$679,072. This variance is due to salary and benefits savings in the Taxes program. Their FY15 adopted expenditure budget of \$700,790 is 3% over the FY14 budget. This variance is primarily due to a one-time increase to purchase a new check scanning system along with a recurring increase associated with annual software maintenance.

The following charts illustrate the Treasurer’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

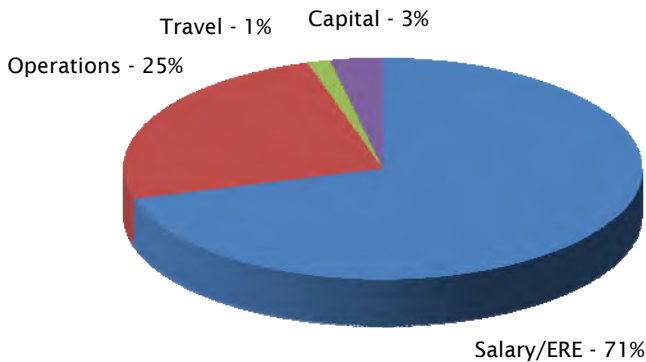
**Revenue by Source Type**



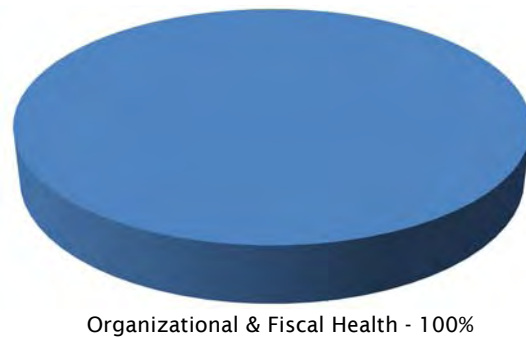
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# General Government



## Treasurer

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Tax Interest and Penalties	\$ 600,000	\$ 921,435	\$ 600,000	\$ 733,166	\$ 700,000
Charges for Services	20,500	18,591	17,870	15,191	16,500
Investment Income	2,500	(465)	1,073	1,487	1,250
Other	40,000	54,868	48,134	34,697	30,000
Use of (Increase In) Fund Balance	6,000	(10,632)	10,057	8,310	13,250
General Fund Support	(33,804)	(394,256)	1,938	(150,739)	(60,210)
<b>Total Funding Sources</b>	<b>\$ 635,196</b>	<b>\$ 589,541</b>	<b>\$ 679,072</b>	<b>\$ 642,113</b>	<b>\$ 700,790</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 473,034	\$ 478,677	\$ 477,426	\$ 466,045	\$ 494,598
Operations	131,040	101,976	139,072	116,240	173,230
Travel	8,170	6,704	8,170	8,187	10,010
Capital	22,952	2,183	54,404	51,642	22,952
<b>Total Uses of Funds</b>	<b>\$ 635,196</b>	<b>\$ 589,541</b>	<b>\$ 679,072</b>	<b>\$ 642,113</b>	<b>\$ 700,790</b>
Net Indirect Support	204,313	204,313	283,051	283,051	348,071
<b>Total</b>	<b>\$ 839,509</b>	<b>\$ 793,854</b>	<b>\$ 962,123</b>	<b>\$ 925,164</b>	<b>\$ 1,048,861</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 640,000	\$ 976,276	\$ 648,134	\$ 767,863	\$ 730,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(606,196)	(582,019)	(650,072)	(617,125)	(669,790)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ 33,804</b>	<b>\$ 394,256</b>	<b>\$ (1,938)</b>	<b>\$ 150,739</b>	<b>\$ 60,210</b>
Net Indirect Support	(204,313)	(204,313)	(283,051)	(283,051)	(348,071)
<b>Total County Support</b>	<b>\$ (170,509)</b>	<b>\$ 189,943</b>	<b>\$ (284,989)</b>	<b>\$ (132,312)</b>	<b>\$ (287,861)</b>

# General Government



## Treasurer

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ -	\$ 157,424	\$ 11,000	\$ 168,424	\$ 99,017
General Ledger	-	162,861	5,000	167,861	94,318
Accounting/Investments/Warrants	-	162,861	5,000	167,861	94,318
Taxes: Billing, Collection, Disbursement, and Tax Lien Sale	747,750	(380,495)	(2,750)	364,505	154,736
<b>Total</b>	<b>\$ 747,750</b>	<b>\$ (60,210)</b>	<b>\$ 13,250</b>	<b>\$ 700,790</b>	<b>\$ 348,071</b>

### Performance Measures by Program

#### **Administration**

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Return on investment in the County Treasurer's portfolio/Local Government Investment Pool 5 at Arizona State Treasurer's Office	0.86 / 0.14	0.67 / 0.21	0.85 / 0.25
Comparing County Treasurer's portfolio yield to the 24-month moving average of the 2-year Treasury	0.95 / 0.27	0.90 / 0.28	0.95 / 0.27

#### **General Ledger Accounting/Investments/Warrants**

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Total checks imaged and deposited with Wausau scanner, by number of checks	64,846	62,500	60,000
Total checks imaged and deposited with Wausau scanner by dollar amount	\$149,558,982	\$142,000,000	\$140,000,000
Dollar amount of warrants cleared per annum	\$268,000,000	\$268,000,000	\$268,000,000

#### **Taxes: Billing, Collection, Disbursement, Tax Lien Sale**

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Total number of tax payments via credit/debit card	6,589	6,500	6,500
Credit card payments auto posted into Tyler	4,139	4,200	4,750
Credit card payments hand posted into Tyler	2,450	2,350	2,000
Dollar amount of taxes paid via credit/debit	\$6,967,913	\$7,100,000	\$7,250,000

## Treasurer

### Department Staffing (Full Time Equivalent)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Operations Manager	-	-	1.00
Administrative Specialist I	3.00	3.00	3.00
Administrative Specialist III	1.00	1.00	1.00
Administrative Supervisor	1.00	1.00	-
Business Manager	1.00	1.00	1.00
Chief Deputy Treasurer	1.00	1.00	1.00
Elected Official	1.00	1.00	1.00
<b>Total Positions</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>

\* During FY14, the Administrative Supervisor was reclassified to an Administrative Operations Manager.

## Non-Departmental

Coconino County Administrative Services  
219 E. Cherry Avenue, Flagstaff, AZ 86001

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The Non-Departmental budget is used to account for all activity that is not directly related to one department. This budget includes the Title III fund under the Secure Rural Schools Act, State budget impacts, the Assessor/Treasurer system implementation budget, County partner funding, and contingency budgets. It is also used to account for many of the County's General Fund revenues, including property and sales tax.

With the loss of the Arizona Department of Revenue (DOR) property tax and appraisal system effective September 2012, the Assessor's Office had to find a business application to support their operations including the mandated service to identify, locate and list all real and personal property within Coconino County for ad valorem taxation purposes. In July 2010, the Board of Supervisor's approved a request from the Assessor's Office to purchase a Computer Assisted Mass Appraisal (CAMA) System. In conjunction, it was more efficient to also purchase a business application from the same vendor to replace the Treasurer's property tax system that no longer had vendor support. The five-year implementation of this interdepartmental project has completed and the on-going software maintenance costs remain within the Non-Departmental budget.

Another multi-departmental project that is contained within the Non-Departmental budget is for the County's permit tracking software. This program was previously contained in four separate department budgets: Public Works, Community Development, Information Technology, and the Public Health Services District. The County is in the process of implementing new software to track a variety of permits that are approved by multiple County departments within one application. Along the same lines of the permit tracking program, the County is working to implement the comprehensive plan with expenses budgeted in the Non-Departmental budget. Also included in this budget is a vacation sellback program that was approved by the Board of Supervisors for FY15. This program was piloted in FY13 and allows employees to exchange a limited amount of their accrued vacation time for cash. Any salary expenditures due to this program will be paid from Non-Departmental accounts.

Non-Departmental expenditures are estimated to finish 67% under the revised FY14 expenditure budget of \$38,872,432. A variance this size is not unusual and is due to unspent contingency funds. The County budgets an operating contingency for the General Fund equal to 15% of General Fund revenues. Transfers to other funds are generally under budget due to budget savings in those funds from turnover and operational savings. The FY15 Adopted Budget of \$33,605,563 is 14% less than the FY14 budget. This variance is primarily due to a reduction in transfers out that were budgeted in FY14 to replenish capital repair and replacement funds in Facilities Management and Information Technology.

Because Non-Departmental is mainly used to track contingency items, and the budget variance is anticipated to be high every year, budgeted revenue types, expenditures, and budget by Strategic Priority Area are not presented. There are also no budgeted FTEs in Non-Departmental.

# General Government



## Non-Departmental

### Department-Wide Financial Statement

<u>Revenues and Other Sources</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Federal and State Grants	\$ 1,874,375	\$ 2,010,145	\$ 1,476,779	\$ 1,114,810	\$ 1,964,345
Taxes	23,020,018	22,712,945	24,460,215	22,564,226	24,612,872
Other Intergovernmental	\$ 17,604,884	\$ 18,612,227	\$ 19,676,888	\$ 18,090,043	\$ 20,248,472
Charges for Services	3,342,012	3,292,521	3,337,841	3,511,210	2,986,354
National Forest Fees	267,353	287,298	298,659	298,659	-
Investment Income	188,200	(136,282)	188,200	482,843	186,700
Contributions	130,150	249,794	130,150	185,406	130,150
Other	-	60,974	-	396,290	-
Transfers from Other Funds	88,344	59,344	120,344	49,344	243,174
Use of (Increase In) Fund Balance	1,714,851	461,205	1,524,106	(267,949)	1,375,785
General Fund Support	(14,031,331)	(36,265,666)	(12,340,750)	(33,751,927)	(18,142,289)
<b>Total Funding Sources</b>	<b>\$ 34,198,856</b>	<b>\$ 11,344,505</b>	<b>\$ 38,872,432</b>	<b>\$ 12,672,954</b>	<b>\$ 33,605,563</b>

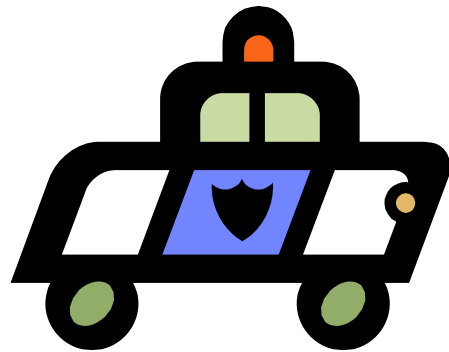
<u>Expenditures and Other Uses</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Salary/ERE	\$ 325,000	\$ 128,852	\$ 550,000	\$ 174,765	\$ 200,000
Operations	23,582,478	1,226,902	24,097,247	1,298,347	23,363,861
Travel	3,500	25,186	3,500	19,548	-
Capital	35,500	86,613	-	102,608	-
Transfers to Other Funds	10,252,378	9,876,951	14,221,685	11,077,687	10,041,702
<b>Total Uses of Funds</b>	<b>\$ 34,198,856</b>	<b>\$ 11,344,505</b>	<b>\$ 38,872,432</b>	<b>\$ 12,672,954</b>	<b>\$ 33,605,563</b>

Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$ 34,198,856</b>	<b>\$ 11,344,505</b>	<b>\$ 38,872,432</b>	<b>\$ 12,672,954</b>	<b>\$ 33,605,563</b>

<u>General Fund Support</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Program Revenue	\$ 46,077,439	\$ 46,834,107	\$ 49,187,873	\$ 46,200,772	\$ 50,048,193
Transfers in from Other Funds	88,344	59,344	120,344	49,344	243,174
Program Expenditures	(22,520,238)	(1,354,935)	(23,108,108)	(1,420,503)	(22,654,556)
GF Transfers to Other Funds	(9,614,214)	(9,272,850)	(13,859,359)	(11,077,687)	(9,494,522)
<b>Total Direct Support</b>	<b>\$ 14,031,331</b>	<b>\$ 36,265,666</b>	<b>\$ 12,340,750</b>	<b>\$ 33,751,927</b>	<b>\$ 18,142,289</b>

Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$ 14,031,331</b>	<b>\$ 36,265,666</b>	<b>\$ 12,340,750</b>	<b>\$ 33,751,927</b>	<b>\$ 18,142,289</b>

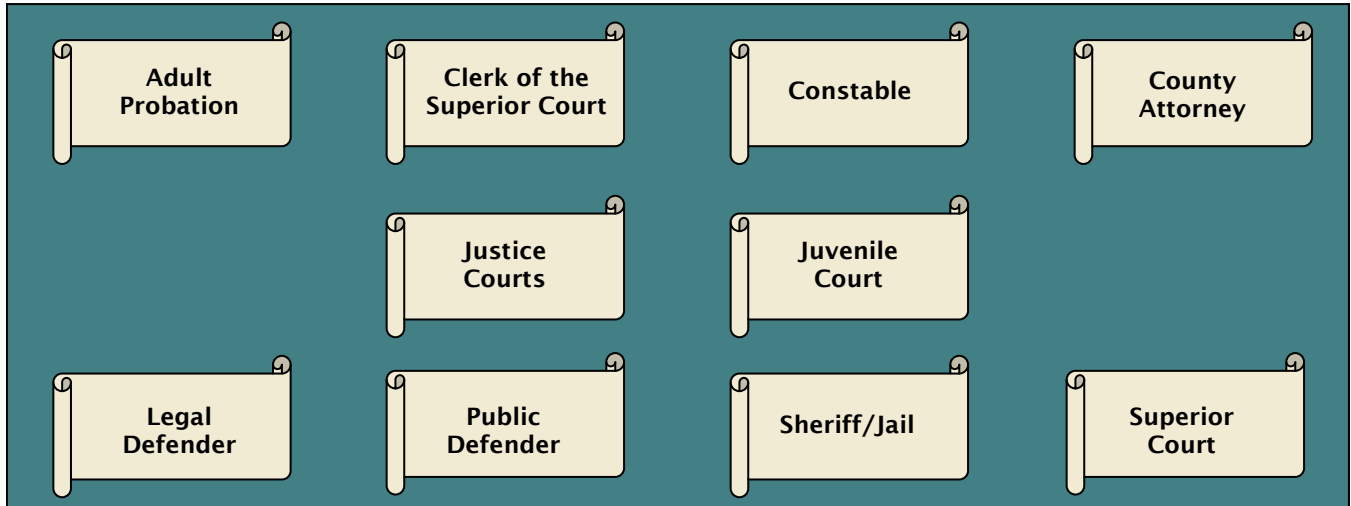
# Justice System



# Justice System



## Service Area Summary



### Description of Services

The Justice System service area's focus is promoting public safety and judicial accountability through a variety of means, supervising a wide range of court clients (both adult and juvenile), receiving, distributing and preserving official court documents, providing criminal and civil courts, prosecuting felonies and misdemeanor cases, providing civil legal advice to County departments and special districts, prosecuting and defending all civil litigation involving the County and its officers, adjudicating traffic, misdemeanor and felony offenses, resolving small claims courts matters, supervising delinquent minors, providing quality and cost-efficient legal representation to indigent persons, providing law enforcement and patrol service to citizens, operating the County jail, and conducting search and rescue operations throughout the County.

### Per Capita Costs

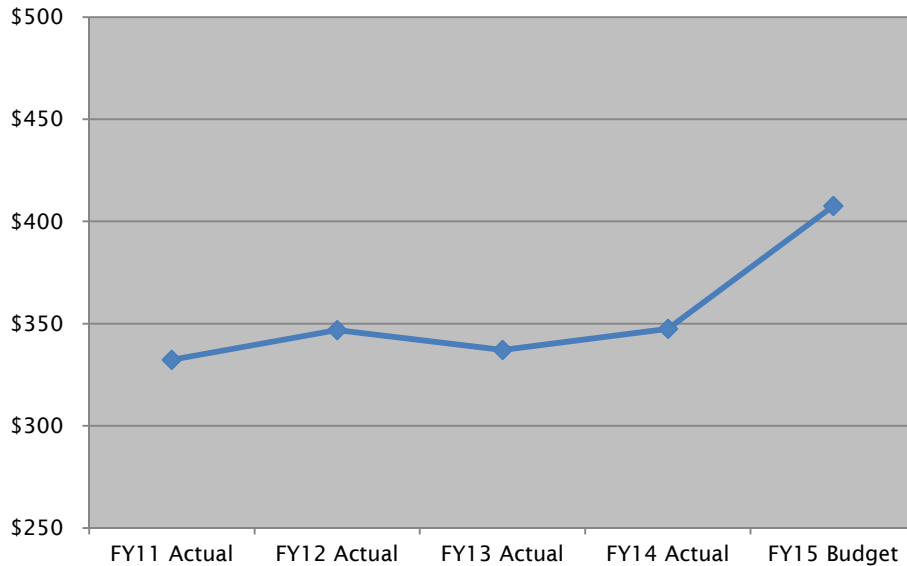
Over the past five years, the cost per capita of Justice System services has increased only marginally, with the exception of the significant increase in the FY15 budget. The majority of the FY15 increase is due to the addition of a \$3 million Jail District project to construct transitional housing for inmates. The charts do not reflect approximately \$2.1 million in unawarded grant capacity for the Justice System departments in FY15. The reduction in cost per capita in FY13 was due to the final payment of jail facility bond principal in FY12. The trend of steadily increasing Justice System costs is anticipated to continue until the Criminal Justice Coordinating Council (CJCC) is able to implement additional strategies to lower the recidivism rates and combat the need for cost increases.

The chart on the next page shows a five year history of the per capita cost of services for the Justice System service area.

# Justice System



## Service Area Summary



The table below shows a three year history of the per capita cost of services for departments within the Justice System service area.

<u>Department</u>	<u>FY13 Actuals</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>	<u>Change: FY14 to FY15</u>
Adult Probation	\$ 30.39	\$ 30.41	\$ 32.99	8.46%
Clerk of the Superior Court	9.10	8.95	9.99	11.57%
Constable	0.71	0.70	0.74	5.06%
County Attorney	31.26	31.83	35.21	10.64%
Jail District	95.28	98.34	134.62	36.89%
Justice Courts	16.68	17.19	17.91	4.17%
Juvenile Court Services	35.52	35.40	42.98	21.43%
Legal Defender	6.08	7.13	6.99	-1.90%
Public Defender	15.87	16.11	16.58	2.92%
Sheriff	70.53	74.74	82.62	10.55%
Superior Court	25.68	26.62	26.95	1.23%
<b>Total</b>	<b>\$ 337.11</b>	<b>\$ 347.43</b>	<b>\$ 407.59</b>	<b>17.32%</b>

## Adult Probation

222 East Birch Avenue, Flagstaff, AZ 86001 (928) 679-8400  
Cindy Winn, Chief Probation Officer

The Coconino County Adult Probation Department is a full-service community corrections organization consisting of pretrial services and adult probation.

Program	SPA	Description
Administration	PS	The purpose of the Administration program is to uphold the departmental vision while providing the leadership, strategic direction, and administrative support to the employees of the department so they can produce the results necessary to achieve their departmental mission.
Presentence Division	PS	The purpose of the Presentence Division is to provide timely reports to Superior Court judges which will assist them in making sentencing decisions.
Pretrial Services	PS	The purpose of the Pretrial Services program is to provide timely information to Coconino County Courts to assist judges in making release decisions and to supervise any clients released to Pretrial Services.
Supervision	PS	The purpose of this program is to provide supervision services to offenders so they can be held accountable, restore victims, and be productive members of the community.

### Goals and Objectives

- A primary departmental objective for FY15 is the implementation of the Coconino Online Probation Education (COPE) grant through the Department of Justice (DOJ). This program will enable probationers in remote areas to access programming and mentoring opportunities which have historically been unavailable.
- Another department objective for FY15 is to follow through with the plan to decrease expenses from all fee funds. These efforts will avoid eliminating positions which are essential to those programs that ensure public safety.
- A third objective for FY15 is to complete development of Lead Probation Officer duties and implement training for these officers. These positions were reclassified in FY13.
- A final FY15 objective is to implement the plan for EPICS II (Effective Practices in Correctional Settings - a heavily researched approach to address client behavior and risk reduction).
- A longer term goal for the department is to develop systemic efficiencies by contributing to or facilitating County and Criminal Justice Coordinating Council (CJCC) projects and work groups including Special Assignment Veterans Court, Mental Health Court, Serial Inebriate Work Group, Children of Incarcerated Parents, the Domestic Violence Assessment Group, and the DOJ COPE grant stakeholders.

## Adult Probation

### Opportunities and Challenges

- The diversity of the department's funding sources presents a challenge. The majority (48%) of funding comes from the State (AOC); State budget allocations have been unpredictable over the past five years. The County provides 32% of the budget and, of course, the County is always impacted by the State budget situation. The remainder (20%) of the budget is generated by fees; collection rates are significantly affected by the general economy.
- The implementation of evidence based practices and other statewide initiatives results in a larger workload for all staff and increased training requirements.
- Recently awarded funds from the Department of Justice will allow the implementation of the Coconino On-line Probation Education program (COPE) over a three year project period.
- The department plans to continue its work with the AOC in the implementation of evidence-based practices per administrative code for Pretrial Services, and to continue to research national standards/programs to contribute to the further development and implementation of our EBP plan.

Strategic Priority Area Alignment		Programs			
		Administration	Presentence Division	Pretrial Services	Supervision
<b>Public Safety (PS): Criminal Justice</b>					
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x	x	x	x
	Prioritize programs that are most effectively addressed by public safety entities.	x	x	x	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x	x	x	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x	x	x	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x	x	x	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x	x	x	x

## Adult Probation

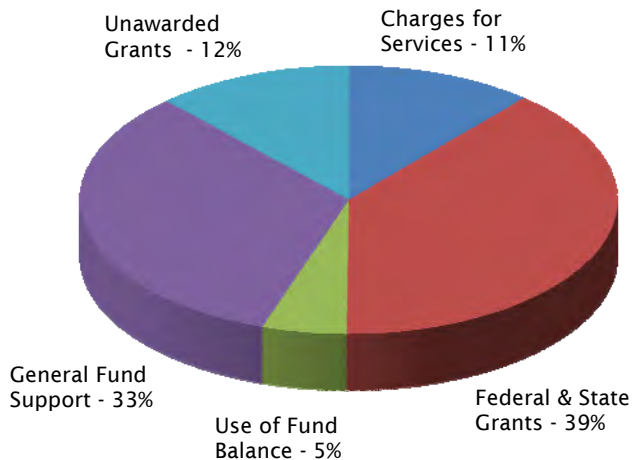
### Financial Summary

Adult Probation's main sources of revenue are Federal and State grants and General Fund support. The department managed to exceed their FY14 revenue budget by 1%, through higher-than-expected charges for services. Adult Probation's adopted FY15 revenue budget of \$2,588,027 (excluding unawarded grants) is 1% higher than their FY14 budget, due to increases in expected funding from the State as well as greater supervision fees.

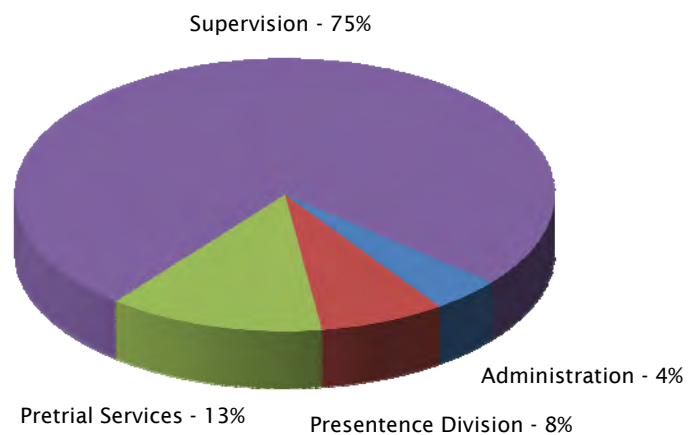
For FY14 Adult Probation finished 10% under their revised expenditure budget of \$4,606,666. This variance is due to salary savings from unfilled positions as well as operational savings in the Supervision program. Their FY15 adopted expenditure budget (excluding unawarded grants) of \$4,548,980 is 1% lower than their FY14 budget. This variance is due to lower professional services expenses in the department's Special Revenue Funds. The department requested and received \$6,300 in additional funding for safety equipment and \$4,017 in General Funds to pay a portion of salaries previously funded by Special Revenue Funds. The department's request for \$2,910 for an equipment trailer was not approved but will be reconsidered mid-year FY15.

The following charts illustrate Adult Probation's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. All expenditure charts exclude unawarded grants.

#### Revenue by Source Type



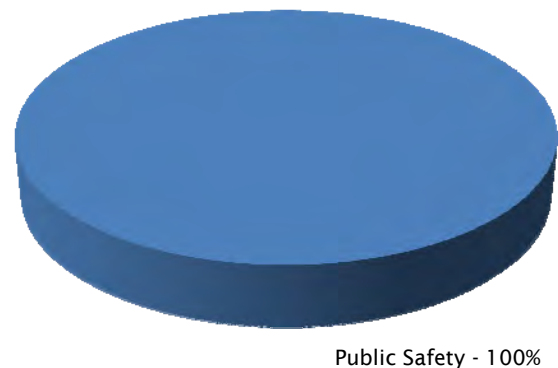
#### Expenditures by Program



#### Expenditures by Category



#### Expenditures by Strategic Priority Area



## Adult Probation

### Department-Wide Financial Statement

Revenues and Other Sources	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Federal and State Grants	\$ 2,030,546	\$ 2,008,260	\$ 2,123,169	\$ 2,102,736	\$ 1,994,677
Charges for Services	614,700	569,256	559,500	602,920	582,000
Unawarded Grants	-	-	-	-	608,966
Investment Income	18,100	(3,517)	12,400	14,320	11,350
Other	-	9	-	40	-
Use of (Increase In) Fund Balance	258,003	118,066	379,073	21,230	256,766
General Fund Support	1,405,390	1,424,571	1,532,524	1,414,306	1,704,187
<b>Total Funding Sources</b>	<b>\$ 4,326,739</b>	<b>\$ 4,116,644</b>	<b>\$ 4,606,666</b>	<b>\$ 4,155,553</b>	<b>\$ 5,157,946</b>

Expenditures and Other Uses	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Salary/ERE	\$ 3,576,312	\$ 3,581,529	\$ 3,862,705	\$ 3,686,130	\$ 3,887,091
Operations	627,577	421,906	620,111	363,082	1,160,608
Travel	122,850	113,210	123,850	106,341	110,247
<b>Total Uses of Funds</b>	<b>\$ 4,326,739</b>	<b>\$ 4,116,644</b>	<b>\$ 4,606,666</b>	<b>\$ 4,155,553</b>	<b>\$ 5,157,946</b>

Net Indirect Support	386,280	386,280	390,848	390,848	375,938
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<b>Total</b>	<b>\$ 4,713,019</b>	<b>\$ 4,502,924</b>	<b>\$ 4,997,514</b>	<b>\$ 4,546,401</b>	<b>\$ 5,533,884</b>
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General Fund Support	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Program Revenue	\$ -	\$ 9	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,382,272)	(1,399,200)	(1,471,600)	(1,397,636)	(1,498,634)
GF Transfers to Other Funds	(23,118)	(25,379)	(60,924)	(16,670)	(205,553)
<b>Total Direct Support</b>	<b>\$(1,405,390)</b>	<b>\$(1,424,571)</b>	<b>\$(1,532,524)</b>	<b>\$(1,414,306)</b>	<b>\$(1,704,187)</b>

Net Indirect Support	(386,280)	(386,280)	(390,848)	(390,848)	(375,938)
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<b>Total County Support</b>	<b>\$(1,791,670)</b>	<b>\$(1,810,851)</b>	<b>\$(1,923,372)</b>	<b>\$(1,805,154)</b>	<b>\$(2,080,125)</b>
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### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Administration	\$ -	\$ 215,102	\$ -	\$ 215,102	\$ 21,913
Presentence Division	-	92,746	293,988	386,734	37,399
Pretrial Services	-	634,457	32,123	666,580	61,446
Supervision	3,196,993	761,882	(69,345)	3,889,530	255,180
<b>Total</b>	<b>\$ 3,196,993</b>	<b>\$ 1,704,187</b>	<b>\$ 256,766</b>	<b>\$ 5,157,946</b>	<b>\$ 375,938</b>

## Adult Probation

### Performance Measures by Program

<b>Administration</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Total number of revocations to prison for violations of probation	75	127	125
Percentage of reduction of prison revocation rates (compared to baseline year of FY08)	-66%	-45%	-43%
Total number of new felony convictions committed by probationers	25	17	17
Percentage of reduction in new felony convictions committed by probationers (compared to baseline year of FY08)	-58%	-73%	-73%

<b>Presentence Division</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Percentage of reports filed with a Word Recognition Aptitude Test (WRAT) completed per policy	100%	100%	100%
Percentage of probation-eligible clients with an Offender Screening Tool (OST) assessment done per policy	100%	100%	100%

<b>Pretrial Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of jail bed-days saved	60,118	59,100	64,500
Dollars saved in jail bed-days	\$5,144,297	\$5,057,187	\$5,519,265
Employment rate	50%	60%	55%
Safety rate (percentage of defendants who complete pretrial with no new charges)	93%	92%	94%
Appearance rate (formally referred to as failure to appear rate)	92%	93%	96%

<b>Supervision</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Average monthly percentage of Intensive Probation Services (IPS) clients not convicted of a new offense (misdemeanor and felony)	99%	99%	99%
Average monthly percentage of employment-eligible IPS clients that are employed (full or part time)	66%	70%	70%
Income taxes paid by IPS probationers	\$13,250	\$15,000	\$15,000
Average monthly percentage of employment-eligible Standard Probation clients that are employed (full or part time)	67%	70%	70%
Average monthly percentage of Standard Probation clients not convicted of a new offense (misdemeanor and felony)	100%	99%	99%
Average quarterly percentage of clients (Standard and IPS) not testing positive (individuals)	60%	65%	65%
Average quarterly percentage (Standard and IPS) of negative urinalysis tests collected (tests)	88%	90%	90%
Amount of victim restitution collected	\$198,079	\$190,000	\$190,000
Probation fines and fees collected	\$183,596	\$200,000	\$200,000
Probation Supervision fees collected	\$415,475	\$395,000	\$395,000
Value of community service work performed by work crews specific to Coconino County departments, calculated at minimum wage	\$2,574	\$5,000	\$7,000
Value of community service work performed by work crews specific to non-profit and other governmental (state, city and tribal) entities	\$25,634	\$20,000	\$22,000
Community restitution hours performed	26,407	25,000	25,000
Percentage of successful clients completing deferred prosecution	80%	78%	78%

## Adult Probation

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accounting Technician II	1.00	1.00	1.00
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I	1.00	1.00	1.00
Administrative Specialist II	4.00	4.00	4.00
Administrative Specialist III	1.00	1.00	1.00
Administrative Supervisor	1.00	1.00	1.00
Administrative Support II	1.00	1.00	1.00
Chief Adult Probation Officer	1.00	1.00	1.00
Community Restitution Coordinator	1.00	1.00	1.00
Deputy Chief Adult Probation Officer	1.00	1.00	1.00
Pretrial Services Officer	1.00	1.00	1.00
Probation Division Manager	1.00	1.00	1.00
Probation Officer II	33.00	26.00	25.00
Probation Officer, Lead	-	5.00	6.00
Probation Safety/Training Officer	1.00	1.00	1.00
Probation Supervisor	5.00	5.00	5.00
Probation Work Crew Supervisor	1.00	1.00	1.00
Surveillance Officer	2.80	2.80	2.80
Technical Specialist I	1.00	1.00	1.00
<b>Total Positions</b>	<b>58.80</b>	<b>56.80</b>	<b>56.80</b>

\* One additional Probation Officer II was reclassified to a Lead Probation Officer during FY14.

## Clerk of the Superior Court

200 North San Francisco Street, Flagstaff, AZ 86001 (928) 679-7600  
Debbie Young, Clerk of the Superior Court

The Clerk of the Superior Court’s Office, which was established by the Arizona Constitution as one of several elected offices with specific and special duties, serves as the official record keeper and financial officer for the Superior Court.

Program	SPA	Description
Administration	O&FH	Administration is necessary to cover salaries, travel, telephones, memberships and other administrative functions of the office.
Court Services	PS	Clerk's Office staff attend court hearing and trials and produce minute entries that summarize the court proceedings.
Customer Service/Court Recordkeeping	O&FH	The Customer Service/Court Recordkeeping program includes case file set up, maintenance and preservation such as microfilming, and EDMS. They also issue passports, marriage licenses, and the Clerk acts as the Probate Registrar and Jury Commissioner.
Fiduciary Duties	O&FH	Fiduciary duties include the collection and distribution of filing fees, fines, and restitution.

### Goals and Objectives

- A primary objective for FY15 is to expand the department’s EDMS processes to include distribution of all documents. The implementation of a public access computer to assist customers in researching court documents will save staff time and be more efficient. The Administrative Office of the Courts (AOC) is in the process of implementing an eAccess plan for the entire state which will allow customers to search records from any home computer.
- A longer-term goal is to develop an electronic document filing processes (eFiling) in conjunction with the AOC standards and streamline collections and payment handling through Fines and Restitution Enforcement (FARE). The department began collecting FARE payments in January 2014, but it is a work in progress to expand collections.
- Another long-term goal is to fully utilize the Supreme Court computer system (AJACS) for calendaring, minute entry and document distribution, collections and reporting. This would further expand the use of digital recording in the courtrooms during hearings and trials

### Opportunities and Challenges

- Electronic document filing (leading to a paperless court system) is both an opportunity and a challenge for the Clerk’s Office. Though this process will provide efficiencies and reduce paper waste, it also provides challenges to judges and staff in learning to use a computer workflow system and developing new procedures for every aspect of our court system.
- Criminal Justice Integration provides this department with some of their biggest goals and challenges. This is a process in which information travels from law enforcement to the prosecutor to the courts without duplication of data entry.
- Superior Court’s innovative new programs, such as Family Court, Drug Court, Veterans Court, Mental Heath Court, and Revocation Court, affect this department. The Clerk’s Office has not gained any new staff to cover these new programs and has the lowest clerk to judge ratio in the state. Service levels to the courts and legal community may not be able to be maintained if these programs expand and department staff does not.

# Justice System



## Clerk of the Superior Court

Strategic Priority Area Alignment		Programs			
		Administration	Court Services	Customer Service/ Court	Fiduciary Duties
<b>Organizational and Fiscal Health (O&amp;FH)</b>					
Strategies	Encourage transparency and clarity at all levels and between all levels of the organization.				x
	Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.	x		x	x
<b>Public Safety (PS): Criminal Justice</b>					
Strategies	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.		x		

## Clerk of the Superior Court

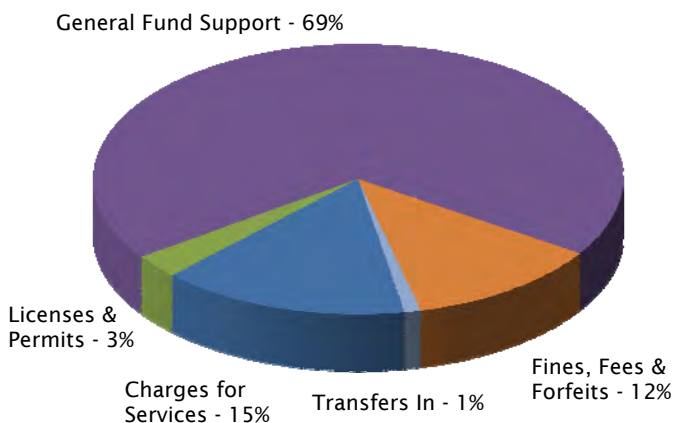
### Financial Summary

The main source of revenue for the Clerk of the Superior Court is General Fund support, with other revenue coming from fines, fees and bond forfeitures as well as charges for services. The department finished FY14 18% below their revenue budget due to no bond forfeiture revenue being collected for the year. This lack of forfeiture revenue is not expected to continue, however, and the FY15 revenue budget is remaining flat compared to FY14.

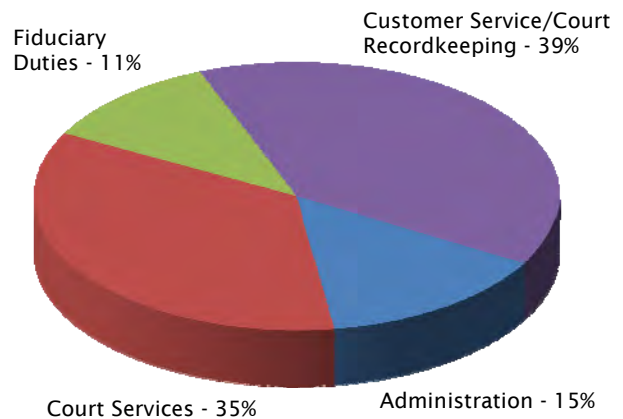
For FY14 the Clerk of the Superior Court ended 9% under their revised expenditure budget of \$1,346,233. This variance is due mainly to salary savings from unfilled positions. The department's FY15 adopted expenditure budget of \$1,377,764 is 2% higher than in FY14 due to the continuation of merit increases for eligible employees. The department requested and received approval to use their Special Revenue Funds to upgrade three of their Court Technician I positions to Court Technician II. This will create a career ladder within the department and decrease employee turnover.

The following charts illustrate the Clerk of the Superior Court's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

### Revenue by Source Type



### Expenditures by Program



### Expenditures by Category



### Expenditures by Strategic Priority Area



## Clerk of the Superior Court

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Licenses & Permits	\$ 30,000	\$ 38,171	\$ 40,000	\$ 40,757	\$ 41,000
Charges for Services	239,800	251,542	217,300	247,114	218,100
Fines, Fees, & Forfeits	255,000	130,472	172,000	69,172	172,000
Investment Income	7,550	(2,208)	7,000	10,635	7,000
Transfers from Other Funds	10,000	5,991	13,309	2,944	14,300
Use of (Increase In) Fund Balance	(127,760)	(84,096)	(67,580)	(53,725)	(66,972)
General Fund Support	885,567	892,687	964,204	906,601	992,336
<b>Total Funding Sources</b>	<b>\$ 1,300,157</b>	<b>\$ 1,232,559</b>	<b>\$ 1,346,233</b>	<b>\$ 1,223,499</b>	<b>\$ 1,377,764</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 1,188,232	\$ 1,138,760	\$ 1,237,046	\$ 1,142,504	\$ 1,262,577
Operations	105,325	91,396	102,587	79,956	108,587
Travel	6,600	2,403	6,600	1,039	6,600
<b>Total Uses of Funds</b>	<b>\$ 1,300,157</b>	<b>\$ 1,232,559</b>	<b>\$ 1,346,233</b>	<b>\$ 1,223,499</b>	<b>\$ 1,377,764</b>
Net Indirect Support	293,885	293,885	335,871	335,871	244,211
<b>Total</b>	<b>\$ 1,594,042</b>	<b>\$ 1,526,444</b>	<b>\$ 1,682,104</b>	<b>\$ 1,559,370</b>	<b>\$ 1,621,975</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 210,000	\$ 196,687	\$ 175,000	\$ 196,008	\$ 181,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,095,567)	(1,089,375)	(1,139,204)	(1,102,609)	(1,173,336)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (885,567)</b>	<b>\$ (892,687)</b>	<b>\$ (964,204)</b>	<b>\$ (906,601)</b>	<b>\$ (992,336)</b>
Net Indirect Support	(293,885)	(293,885)	(335,871)	(335,871)	(244,211)
<b>Total County Support</b>	<b>\$ (1,179,452)</b>	<b>\$ (1,186,572)</b>	<b>\$ (1,300,075)</b>	<b>\$ (1,242,472)</b>	<b>\$ (1,236,547)</b>

## Clerk of the Superior Court

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ -	\$ 188,130	\$ 10,000	\$ 198,130	\$ 33,610
Court Services	-	431,833	50,833	482,666	92,061
Customer Service/Court Recordkeeping	345,300	251,840	(55,005)	542,135	86,369
Fiduciary Duties	107,100	120,533	(72,800)	154,833	32,171
<b>Total</b>	<b>\$ 452,400</b>	<b>\$ 992,336</b>	<b>\$ (66,972)</b>	<b>\$ 1,377,764</b>	<b>\$ 244,211</b>

### Performance Measures by Program

<u>Administration</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Customer survey (not all customers completed a survey)	1,220	1,250	1,250
Wait in line at counter longer than five minutes	30	30	30
Negative responses on survey	10	10	10

<u>Court Services</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Minute entries produced	26,200	28,000	28,500
Jury trials held	18	20	22

<u>Customer Service/Court Recordkeeping</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Passports issued	1,100	1,400	1,450
Marriage licenses issued	890	1,100	1,100
New cases filed (all types)	3,600	4,000	4,100

<u>Fiduciary Duties</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
FARE collections project	\$0	\$20,000	\$20,000
Restitution collections	\$442,600	\$450,000	\$400,000

## Clerk of the Superior Court

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accountant	0.60	0.60	0.60
Accounting Technician II	1.00	1.00	1.00
Administrative Specialist I	8.38	8.00	7.00
Administrative Specialist II	-	-	1.00
Administrative Supervisor	1.00	1.00	1.00
Administrative Support II	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00
Chief Deputy Clerk of the Superior Co	1.00	1.00	1.00
Court Technician I	5.00	5.00	2.00
Court Technician II	3.00	3.00	6.00
Court Technician Supervisor	1.00	1.00	1.00
Elected Official	1.00	1.00	1.00
<b>Total Positions</b>	<b>23.98</b>	<b>23.60</b>	<b>23.60</b>

\* One Administrative Specialist I was reclassified to an Administrative Specialist II during FY14. For FY15 the department upgraded three Court Technician I positions to Court Technician II to create a better career ladder within the department.

## Constable

Coconino County Courthouse, 200 N. San Francisco Street, Flagstaff, AZ 86001 (928) 679-7530  
Linda Kuczynski, Constable

The Constable is elected to a four-year term and is an officer of the Justice Court and a Peace Officer, according to State law. This office is required by Arizona State Statute and there are no other agencies to cover the services provided.

Program	SPA	Description
Constable	PS	The Constable serves judicial process for the lower courts. Services include summons, subpoenas, writs of execution, writs of restitution, writs of garnishment, orders of protection, injunctions against harassment, court orders, and the execution of arrest warrants. The Constable attends both civil and criminal Justice Court hearings when requested to do so and also provides security for Justice Court.

### Goals and Objectives

- In FY15 one of the Constable’s main objectives is continued revenue growth through increased volume in the civil process and warrants programs.
- With the projected growth in revenue from the warrants program, the Constable would like to add a part-time Clerk position in the next one to two years.
- The Constable has been researching available office space and would like to relocate to a larger office with easier public access in the next one to three years.

### Opportunities and Challenges

- The Constable’s Office continues to receive Constable Association grants to expand the warrants program. Each year they receive a grant to pay for the CLEAR people finder and the AZTEC computer. Access to these applications allows the Constable and her staff to locate people and collect on unpaid fines.
- The current location of the Constable’s office is in a high security area where the public can’t access it. If the office were more accessible, the Constable would be able to provide the public with more assistance. The Constable also needs a larger office space with a secure area for storage.

## Constable

Strategic Priority Area Alignment		Programs
		Constable
<b>Public Safety (PS): Criminal Justice</b>		
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x
	Prioritize programs that are most effectively addressed by public safety entities.	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x

## Constable

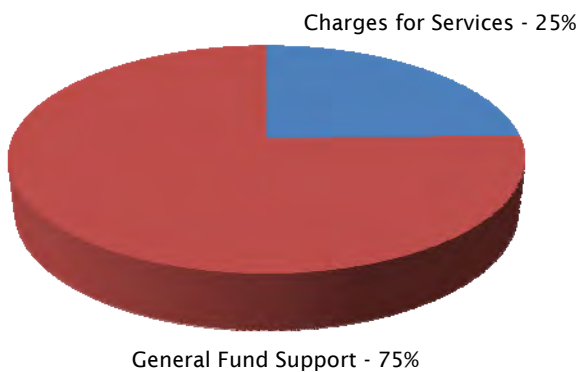
### Financial Summary

The Constable's primary source of revenue is General Fund support. In addition, the Constable collects fees for service revenue. For FY14 the Constable's fees for services are estimated to be 12% over the FY14 budget due to increased collections in the warrant program. For FY15 the budgeted fees for service revenue remains flat at the FY14 level.

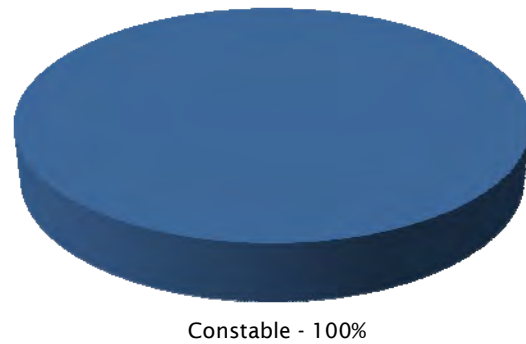
The Constable's Office is estimated to be 5% under the FY14 expenditure budget of \$101,172. This variance is due to salary and benefits savings in the temporary wages category. The FY15 adopted expenditure budget of \$101,804 is 1% over the FY14 budget. This variance is due to an increase in motor pool charges associated with the change in the motor pool rate structure.

The following charts illustrate the Constable's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

### Revenue by Source Type



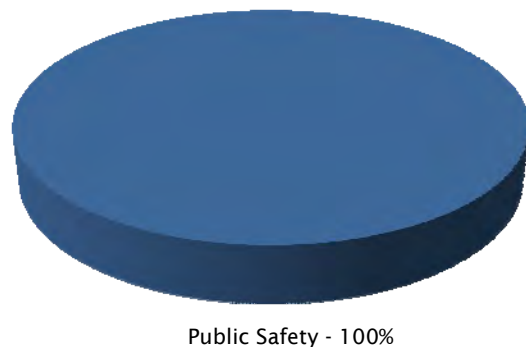
### Expenditures by Program



### Expenditures by Category



### Expenditures by Strategic Priority Area



## Constable

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Other Intergovernmental	\$ -	\$ -	\$ -	\$ 152	\$ -
Charges for Services	20,000	30,131	25,000	27,907	25,000
General Fund Support	67,145	66,310	76,172	67,955	76,804
<b>Total Funding Sources</b>	<b>\$ 87,145</b>	<b>\$ 96,440</b>	<b>\$ 101,172</b>	<b>\$ 96,014</b>	<b>\$ 101,804</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 85,785	\$ 91,891	\$ 100,612	\$ 93,220	\$ 100,011
Operations	2,060	4,865	1,260	3,774	1,260
Travel	4,300	6,011	4,300	5,928	5,533
Expense Reimbursement	(5,000)	(6,328)	(5,000)	(6,908)	(5,000)
<b>Total Uses of Funds</b>	<b>\$ 87,145</b>	<b>\$ 96,440</b>	<b>\$ 101,172</b>	<b>\$ 96,014</b>	<b>\$ 101,804</b>
Net Indirect Support	17,568	17,568	12,233	12,233	12,817
<b>Total</b>	<b>\$ 104,713</b>	<b>\$ 114,008</b>	<b>\$ 113,405</b>	<b>\$ 108,247</b>	<b>\$ 114,621</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 20,000	\$ 30,131	\$ 25,000	\$ 28,059	\$ 25,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(87,145)	(96,440)	(101,172)	(96,014)	(101,804)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (67,145)</b>	<b>\$ (66,310)</b>	<b>\$ (76,172)</b>	<b>\$ (67,955)</b>	<b>\$ (76,804)</b>
Net Indirect Support	(17,568)	(17,568)	(12,233)	(12,233)	(12,817)
<b>Total County Support</b>	<b>\$ (84,713)</b>	<b>\$ (83,878)</b>	<b>\$ (88,405)</b>	<b>\$ (80,188)</b>	<b>\$ (89,621)</b>

## Constable

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Constable	\$ 25,000	\$ 76,804	\$ -	\$ 101,804	\$ 12,817
<b>Total</b>	<b>\$ 25,000</b>	<b>\$ 76,804</b>	<b>\$ -</b>	<b>\$ 101,804</b>	<b>\$ 12,817</b>

### Performance Measures by Program

<u>Constable</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Summons	727	750	765
Writs	144	150	160
Order of Protections/Injunctions	462	470	475
Warrants	1,026	1,500	1,550
Average miles traveled per month	1,200	1,300	1,350
Revenue generated from service fees	\$30,495	\$36,800	\$36,950
Subpoenas	767	780	800

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Elected Official	1.00	1.00	1.00
<b>Total Positions</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

\* Please note there are no staffing changes for the Constable's Office in FY15.

## County Attorney

110 East Cherry Avenue, Flagstaff, AZ 86001 (928) 679-8200  
David Rozema, County Attorney

The Coconino County Attorney’s Office is dedicated to the vigorous and fair prosecution of crime throughout Coconino County, protection of the rights of crime victims, and effective legal representation of the County and many County special districts.

<b>Program</b>	<b>SPA</b>	<b>Description</b>
Administrative Services	PS	The County Attorney, Chief Deputy and administrative management personnel provide the leadership and support to attorneys and staff through policy direction, mentoring, training, long and short range strategic planning and daily operational management of the criminal and civil divisions.
Charging	PS	The lawyers in the Charging program review police reports and evidence, and then decide whether to seek felony charges; and, if so, what felony charges to seek against whom.
Civil Legal Services	O&FH	The Civil Legal Services program (CLSP) provides legal counsel to the BOS, County Manager, County departments and special districts to avoid or minimize financial losses and to ensure sound policy decision making.
Felony Prosecution	PS	The Felony Prosecution program prosecutes cases processed through the Charging program.
Juvenile Justice	PS	The Juvenile Justice Program reviews referrals from Juvenile Probation and makes decisions regarding whether to charge youth with delinquency or to defer prosecution.
Misdemeanor Prosecution	PS	The Misdemeanor Prosecution program prosecutes every misdemeanor citation issued by the Coconino Sheriff’s Department, Game and Fish, Fredonia Marshall’s Office, Northern Arizona University Police Department, Sedona Police Department, Arizona Parks Service, National Park Service, Coconino National Forest Service, Page Police Department, Williams Police Department, Department of Public Safety, Animal Control, Registrar of Contractors, and Arizona Liquor License and Control.
Victim Service and Citizen Outreach	PS	The Victim Services and Citizen Outreach program supports the Public Safety strategic priority area by proactively providing mandated notification and services to crime victims, while collaborating with other agencies to ensure that victims’ rights are upheld.

## County Attorney

### Goals and Objectives

The primary departmental objectives for the next 3-5 years are:

- Manageable workloads with appropriate level of staffing.
- To ensure that the department meets the statutory filing and constitutional requirement for case processing (criminal and civil).
- Implementation of Domestic Violence Forensic Exams to increase effectiveness of domestic violence prosecution.
- Continuous improvement of quality of trial practice through mentoring and co-counsel assignments.
- Pursuing alternative sentencing and diversion programs.
- Continuing to recruit and retain high quality, committed attorneys and staff, including victim advocates to ensure victim rights are honored and enforced.
- To ensure timely review of Victim Compensation applications and disbursement of approved expenses.

### Opportunities and Challenges

Criminal:

- FY14 expenditures have exhausted fund balances in special revenue funds and State appropriations, requiring General Fund support for FTEs.
- Increasing role of medical, mental state, and other expert testimony in domestic violence, child victimization, and major felony cases.
- Operational budget not sufficient for expenditures, i.e. postage, vehicle, mechanical, on-line services, law clerks/temp wages and case costs.
- Limited funding for Continuing Legal Education (Arizona Prosecuting Attorneys' Advisory Council (APAAC) only funds in-state local training for criminal deputies and no funding for civil deputies).
- Proliferation of specialized courts (Mental Health, Veterans', DUI/Drug Court) is good for the community, but requires additional resources.
- Attorneys and staff are at 100% capacity and process efficiencies are now maximized. Technology efficiencies are improving but are only sustainable if sufficient IT support is provided.
- Workload in the Juvenile Program has shifted from the front end of filing new petitions to the back end with attendance at frequent review hearings.

Civil:

- Increased cases in the Mental Health Court impacts the Civil Division as well as Criminal Division.
- Fire District governance issues have increased workload for staff.
- There has been an increase in litigation for public policy change, election law, and community development/zoning laws.
- Increases in liability claims and civil litigation against the County have been strategically handled in-house.
- Increased Human Resource matters requiring broader scope and greater quantity of legal services.
- Continuing and increasing need for counsel as result of regulatory reform by the legislature.
- Schultz Flood/Fire requires continued advice and counsel.
- Increase in wards/appointments of Guardianships/Conservatorships as alternative to Title 36; includes increased scrutiny of funds and expenditures.

## County Attorney

Strategic Priority Area Alignment		Programs						
		Administrative Services	Charging	Civil Legal Services	Felony Prosecution	Juvenile Justice	Misdemeanor Prosecution	Victim Service and Citizen Outreach
<b>Organizational and Fiscal Health (O&amp;FH)</b>								
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.			X				
	Encourage transparency and clarity at all levels and between all levels of the organization.			X				
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County's programs and service evaluation process and strategic priority area outcomes.			X				
	Recruit, train and retain a qualified and diverse workforce.			X				
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.			X				
	Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.			X				

## County Attorney

Strategic Priority Area Alignment		Programs						
		Administrative Services	Charging	Civil Legal Services	Felony Prosecution	Juvenile Justice	Misdemeanor Prosecution	Victim Service and Citizen Outreach
<b>Public Safety (PS): Criminal Justice</b>								
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x	x	x	x	x	x	x
	Prioritize programs that are most effectively addressed by public safety entities.	x	x		x	x	x	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x	x	x	x	x	x	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x	x		x			x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x	x		x		x	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x	x	x	x	x	x	x

## County Attorney

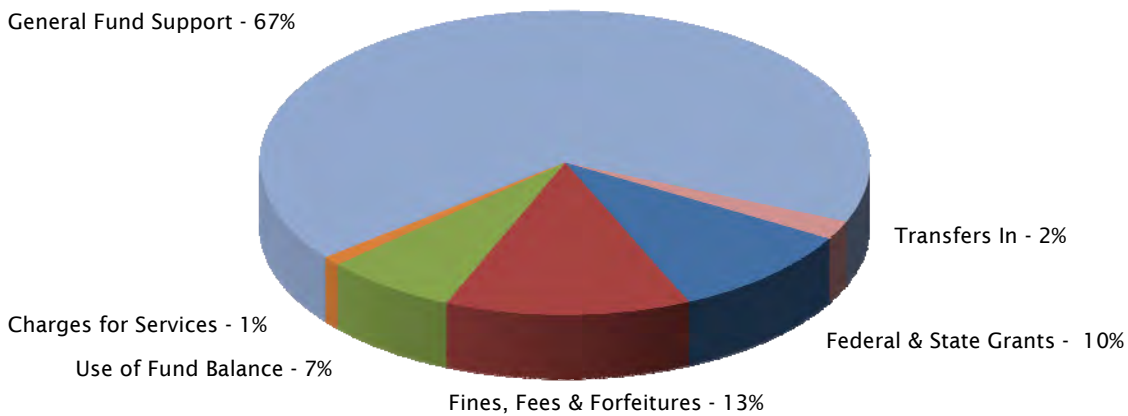
### Financial Summary

The main source of revenue for the County Attorney is General Fund support. The department also receives revenue through Federal and State grants and by levying fines, fees and bond forfeitures. The County Attorney finished FY14 4% under their revenue budget, due to lower than expected Federal and State grants. FY15 revenue is expected to decrease another 9% from FY14 levels, due to lower Federal and State grant funding and less investment income on lower Special Revenue Fund balances.

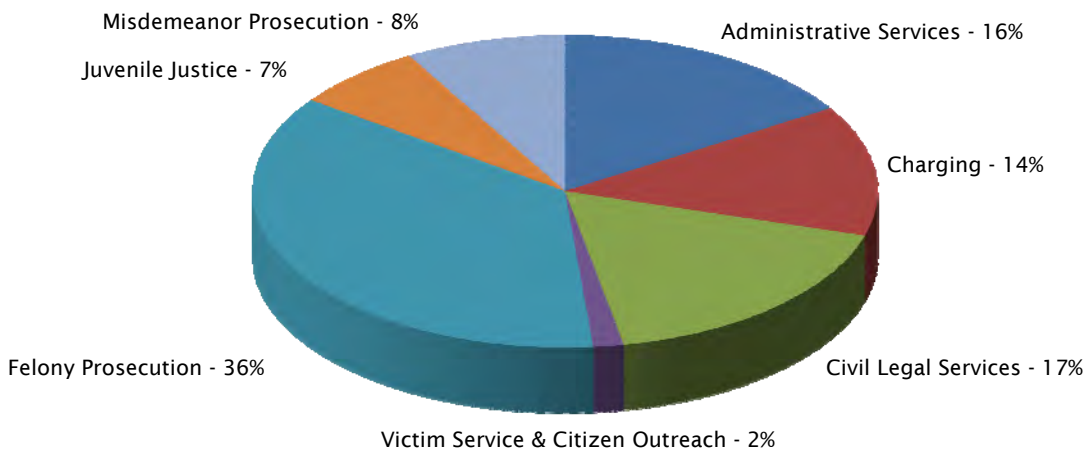
For FY14, the County Attorney's Office will be 12% under their revised expenditure budget of \$5,009,285. This variance is due to lower grants to other agencies as well as a smaller transfer to the Sheriff's Air Operations program. The County Attorney's FY15 adopted expenditure budget of \$4,888,122 is 2% lower than in FY14, due to a slight increase in salary/ERE and a significant decrease in transfers out to the Sheriff's office. The department requested and received \$25,000 in recurring funds for domestic violence exams for the Victim Services program, which was offset by lower operational budgets in the Felony Prosecution program. The department is also receiving \$107,000 in additional General Fund support for salaries/EREs that their Special Revenue Funds will be unable to support beyond FY14.

The charts on the following page illustrate the County Attorney's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

### Revenue by Source Type



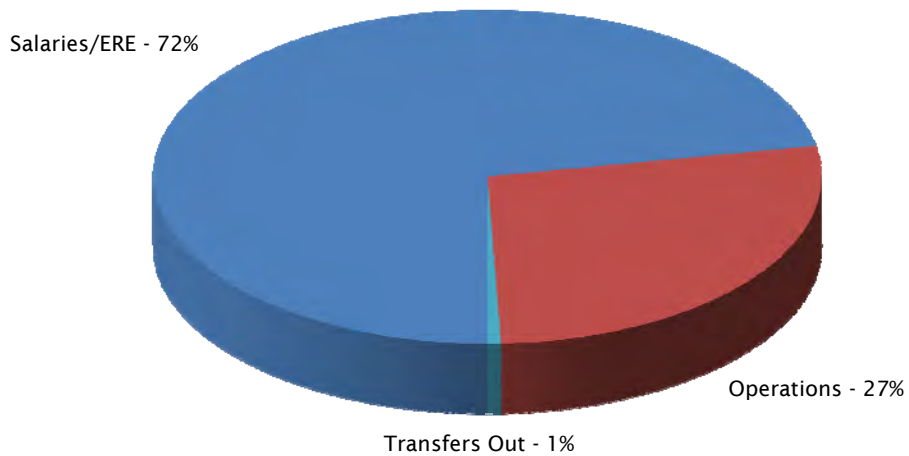
### Expenditures by Program



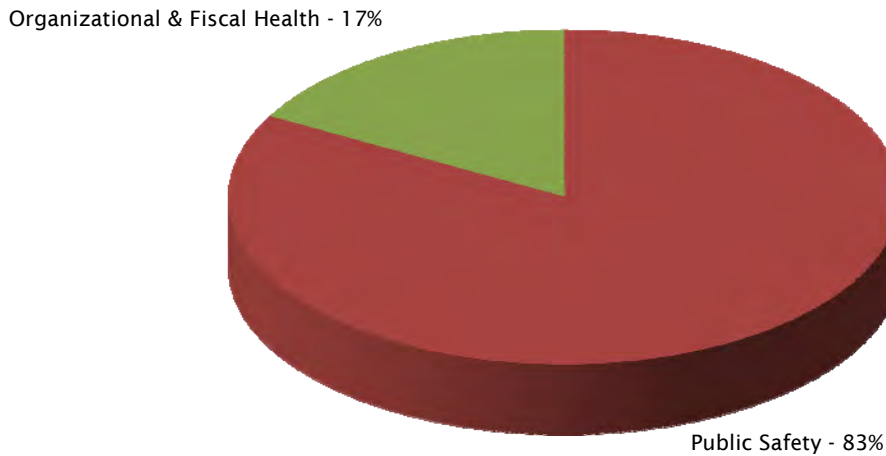
## County Attorney

### Financial Summary

#### Expenditures by Category



#### Expenditures by Strategic Priority Area



## County Attorney

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 544,644	\$ 436,073	\$ 508,537	\$ 475,668	\$ 471,564
Other Intergovernmental	17,000	13,396	13,395	-	13,395
Charges for Services	48,500	55,093	42,500	40,979	42,500
Fines, Fees, & Forfeits	600,000	226,639	650,000	681,240	650,000
Investment Income	46,700	(6,175)	46,750	30,401	15,450
Other	500	93,571	500	-	500
Transfers from Other Funds	237,686	100,536	124,420	100,092	71,924
Use of (Increase In) Fund Balance	905,120	654,021	474,923	(39,804)	330,192
General Fund Support	2,836,508	2,851,840	3,148,260	3,139,812	3,292,597
<b>Total Funding Sources</b>	<b>\$ 5,236,658</b>	<b>\$ 4,424,992</b>	<b>\$ 5,009,285</b>	<b>\$ 4,428,387</b>	<b>\$ 4,888,122</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 3,179,326	\$ 3,107,429	\$ 3,446,337	\$ 3,364,096	\$ 3,506,601
Operations	1,769,778	1,109,697	1,327,842	965,910	1,328,331
Travel	34,400	17,305	25,282	18,921	21,282
Transfers to Other Funds	253,154	190,561	209,824	79,459	31,908
<b>Total Uses of Funds</b>	<b>\$ 5,236,658</b>	<b>\$ 4,424,992</b>	<b>\$ 5,009,285</b>	<b>\$ 4,428,387</b>	<b>\$ 4,888,122</b>
Net Indirect Support	439,653	439,653	447,088	447,088	445,937
<b>Total</b>	<b>\$ 5,676,311</b>	<b>\$ 4,864,645</b>	<b>\$ 5,456,373</b>	<b>\$ 4,875,475</b>	<b>\$ 5,334,059</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 11,500	\$ 10,914	\$ 6,000	\$ 6,487	\$ 6,000
Transfers in from Other Funds	1,686	210	398	972	85
Program Expenditures	(2,848,895)	(2,862,280)	(3,067,656)	(3,099,588)	(3,286,392)
GF Transfers to Other Funds	(799)	(684)	(87,002)	(47,683)	(12,290)
<b>Total Direct Support</b>	<b>\$(2,836,508)</b>	<b>\$(2,851,840)</b>	<b>\$(3,148,260)</b>	<b>\$(3,139,812)</b>	<b>\$(3,292,597)</b>
Net Indirect Support	(439,653)	(439,653)	(447,088)	(447,088)	(445,937)
<b>Total County Support</b>	<b>\$(3,276,161)</b>	<b>\$(3,291,493)</b>	<b>\$(3,595,348)</b>	<b>\$(3,586,900)</b>	<b>\$(3,738,534)</b>

# Justice System



## County Attorney

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Administrative Services	\$ 6,085	\$ 797,857	\$ -	\$ 803,942	\$ 71,813
Charging	13,395	453,798	11,626	478,819	60,194
Civil Legal Services	-	597,475	-	597,475	77,584
Felony Prosecution	1,014,803	803,221	255,381	2,073,405	161,961
Juvenile Justice	-	239,679	-	239,679	30,268
Misdemeanor Prosecution	-	248,277	48,184	296,461	37,106
Victim Service and Citizen Outreach	231,050	152,290	15,001	398,341	7,010
<b>Total</b>	<b>\$ 1,265,333</b>	<b>\$ 3,292,597</b>	<b>\$ 330,192</b>	<b>\$ 4,888,122</b>	<b>\$ 445,937</b>

### Performance Measures by Program

#### Administrative Services

	FY13	FY14	FY15
Criminal and civil attorneys comply with continuing legal education and training requirements	100%	100%	N/A
Professional development of staff: Percentage of staff participating in professional development courses	90%	95%	N/A
Data entry is completed in the proper time frames as required by policies and funding agreements	100%	100%	N/A
Key management statistical reports are generated according to time lines	100%	100%	N/A
Financial audits and reports are completed and submitted as required by funding agencies	100%	100%	N/A

#### Charging

	FY13	FY14	FY15
Adult felony charges reviewed	4,681	4,600	N/A
Adult felony charges filed	3,709	3,700	N/A
Adult felony: Percentage of felony charges filed	80%	80%	N/A
Adult felony cases charged (cases typically included multiple charges)	1,323	1,340	N/A
Adult felony: Percentage of cases charging decision made within 60 days of submittal	73%	90%	N/A
Adult felony conflict cases	13	20	N/A
Adult felony grand jury subpoenas	146	210	N/A

## County Attorney

### Performance Measures by Program

<b>Civil Legal Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Civil recurring court cases	300	275	N/A
Civil claims and litigation	89	200	N/A
Civil legal counsel	838	850	N/A
Agenda item review and meetings	997	950	N/A
Cost effective representation	N/A	N/A	N/A

<b>Felony Prosecution</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Adult felony cases requiring review	1,782	2,010	N/A
Adult felony cases charged	1,326	1,708	N/A
Adult appeal	11	24	N/A
Mental health - Title 36	252	215	N/A
Post conviction relief petitions received and restoration of civil rights	192	180	N/A
Revocation (felony and misdemeanor)	389	400	N/A
Forfeitures filed	104	50	N/A
Drug Court cases	135	135	N/A
Conviction rate - percentage of cases charged resulting in guilty plea, guilty verdict, or deferral program/drug court	89%	90%	90%

<b>Juvenile Justice</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Juvenile delinquency - pre-charging referrals reviewed	1,076	1,000	N/A
Juvenile delinquency - pre-charging final decision made	505	500	N/A
Juvenile delinquency - percentage of petitions filed within 14 days of referral	92%	90%	N/A
Juvenile delinquency - post charging review hearings (in lieu of new petitions)	2,529	2,500	N/A
Juvenile delinquency - post charging delinquency petitions filed	507	450	N/A
Juvenile truancy: Reduction in truancy through early, aggressive intervention. ATTEND program launched school calendar year 2010-2011. Target reduction rate of 75 percent or greater.	80%	80%	N/A
ATTEND program satisfaction among participating schools	100%	100%	N/A

<b>Misdemeanor Prosecution</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Adult misdemeanor cases prosecuted	2,808	2,910	N/A
Percentage of cases referred to diversion or deferred prosecution program	16%	16%	N/A
Percentage of cases completing diversion or deferred prosecution program	98%	95%	N/A

## County Attorney

### Performance Measures by Program

<b>Victim Service and Citizen Outreach</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Victim satisfaction - number of surveys sent to victims	997	1,000	N/A
Victim satisfaction - percentage of surveys returned	15%	15%	N/A
Victim satisfaction - percentage of victims satisfied with services of office	93%	95%	N/A
Victim notification services provided	38,508	39,000	N/A
Bad check program - victim restitution collected	\$11,943	\$15,000	N/A
Bad check program - victim fees collected	\$1,607	\$1,200	N/A
Community outreach - number of impressions on citizens, students, teachers receiving the "Live Drug Free Message" community meetings: neighborhood block watches, chapter house meetings, board meetings, civil meetings, education groups, citizen initiatives/training academy, task forces, etc.	53,000	53,000	N/A
Community outreach - percentage of citizens reporting increased understanding of role of the County Attorney's office	100%	100%	100%
Victim witness services - new victims receiving service	801	850	N/A
Victim witness services - new and continuing clients receiving criminal justice advocacy (CJA) services	1,812	1,800	N/A
Victim witness services - number of CJA services provided	8,986	9,000	N/A
Victim witness services - referrals provided to victims	2,403	N/A	N/A
Victim witness services - volunteer hours	16,453	17,000	N/A
Victim witness services - advocates providing direct service	6	6	N/A
Victim witness services - percent of victims reporting satisfaction	97%	97%	N/A
Victim witness services - victim compensation claims approved	89	101	N/A
Victim witness services - victim compensation dollars distributed to crime victims	\$176,963	\$175,000	N/A

## County Attorney

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I	2.00	2.00	2.00
Administrative Support II	1.00	1.00	1.00
Attorney I	4.00	3.00	1.00
Attorney II	3.00	2.00	6.00
Attorney III	2.00	5.00	4.00
Attorney IV	6.00	5.00	4.00
Attorney V	3.00	3.00	3.00
Chief Deputy County Attorney	1.00	1.00	1.00
Elected Official	1.00	1.00	1.00
Legal Assistant	10.00	10.00	10.00
Legal Assistant, Executive	1.00	1.00	1.00
Legal Assistant, Senior	3.00	3.00	3.00
Paralegal	2.00	3.00	3.00
Senior Manager	1.00	1.00	1.00
Technical Specialist I	1.00	1.00	1.00
<b>Total Positions</b>	<b>42.00</b>	<b>43.00</b>	<b>43.00</b>

\* The County Attorney requested and received an additional Paralegal position for FY14. No additional staffing changes were made for FY15.

## Justice Court - Flagstaff

200 North San Francisco Street, Flagstaff, AZ 86001 (928) 679-7650  
Howard Grodman, Justice of the Peace

The Flagstaff Justice Court is a limited jurisdiction court responsible for adjudicating traffic, misdemeanor and felony offenses, resolving civil disputes not exceeding \$5,000, small claims, landlord/tenant matters, and preserving public safety through the issuance of orders of protection, injunctions against harassment and search warrants.

Program	SPA	Description
Justice Court Case Processing	PS	Process all cases filed each year in Flagstaff Justice Court in a fair and timely manner.

### Goals and Objectives

Departmental objectives for FY15 include:

- Re-examination of the mission and critical functions of the court. Review and alignment of the scope of services that are provided for both internal and external customers.
- Updating of bond/fine schedule for the court in the case automation system so staff will no longer need to look up this information and enter it.
- Implementation of a calendar based follow up “tickle” system for civil and criminal cases.
- Continuing to work with the Administrative Office of the Courts (AOC) in the development of a new case automation system to more effectively and efficiently process cases.
- Evaluation of the home detention program that provides alternatives to jail to determine if it is a cost effective program.
- Review of current fee structure and explore increasing current fees and implementing alternative fees.

Longer-term goals for the department include:

- Expansion of the e-citation program to include NAU Police Department.
- Exploration and implementation of modifications to the current collection practices to enhance efficiencies within collections.
- Exploration of Evidence Based Sentencing (targeting services and sanctions more accurately based on the individual and not the offense).

### Opportunities and Challenges

- Through the Justice 2030 long-range strategic planning process, the Courts work to proactively respond to the many trends that impact the system such as the increase in County population; increase in diverse minority populations; economic downturns; technology revolution; local, State and Federal policy changes; unfunded mandates; caseload trends; and complexity of cases.
- An alarming number of mentally ill misdemeanants are coming to the attention of the criminal courts. Not only are the numbers increasing but the defendants are presenting in court with far more severe symptoms that require immediate management. The Courts role has shifted to helping defendants get the treatment services they need in an environment where there is limited access to treatment.
- There is a greater expectation from court customers to take care of business online 24 hours a day from anywhere in the world instead of in line at the public counter. We need to continue to use existing, new and emerging technologies to improve efficiencies. If we don’t keep up with technology trends we will not be able to provide more effective and efficient services.

## Justice Court - Flagstaff

Strategic Priority Area Alignment		Programs
		Case Processing
<b>Public Safety (PS): Criminal Justice</b>		
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x
	Prioritize programs that are most effectively addressed by public safety entities.	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x

## Justice Court - Flagstaff

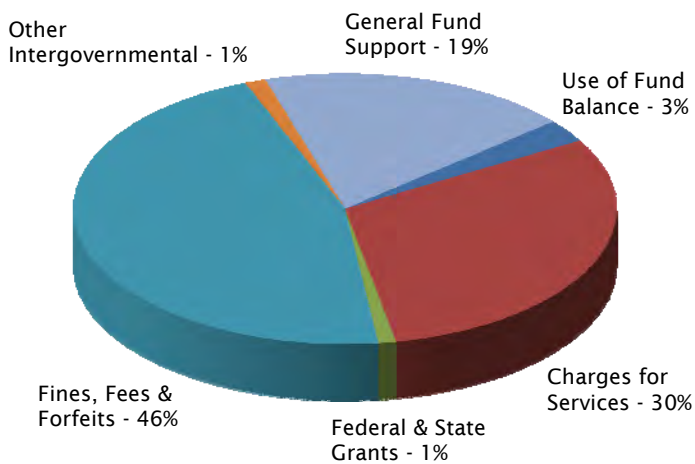
### Financial Summary

The Flagstaff Justice Court receives most of its revenue through the levying of fines, fees, and bond forfeitures. The Court also receives revenue from charges for services. For FY14, the department's revenue finished 3% below budget, due mostly to lower-than-anticipated Federal and State grants. The department's FY15 revenue budget will also decrease by 8%, due to the continued reduction of this grant revenue.

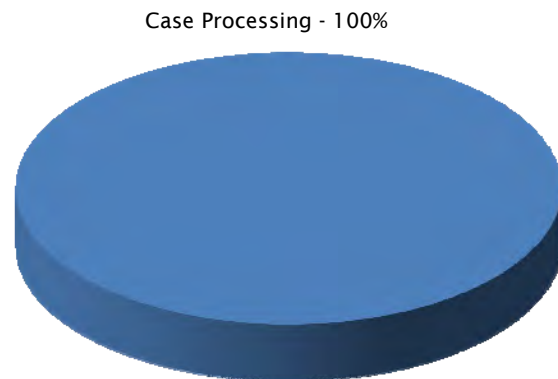
For FY14, the Flagstaff Justice Court finished 10% under their revised expenditure budget of \$1,517,933. This variance is due to salary savings from unfilled positions as well as savings in "Other Court Expenses". Their FY15 adopted expenditure budget of \$1,493,463 is 2% lower than their FY14 budget, due to a reduction in budgeted court expenses from the department's Court Enhancement Fund. The department requested recurring General Fund support for salary/ERE expenses currently funded by Special Revenue Funds. That request, for \$28,717, was not approved but will be reconsidered mid year FY15.

The following charts illustrate the Flagstaff Justice Court's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

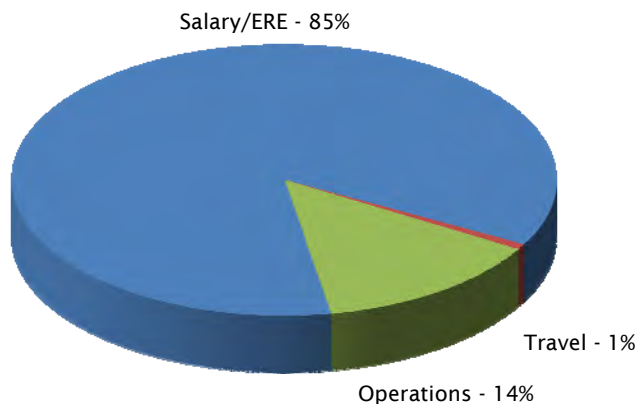
**Revenue by Source Type**



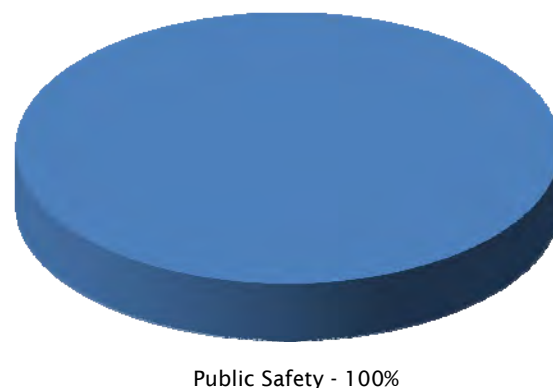
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



## Justice Court - Flagstaff

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 51,878	\$ 32,866	\$ 81,412	\$ 46,807	\$ 15,600
Other Intergovernmental	18,500	21,059	18,500	21,069	18,500
Charges for Services	464,750	476,997	469,700	474,752	452,700
Fines, Fees, & Forfeits	685,391	709,716	703,350	684,268	684,350
Investment Income	6,100	(1,403)	4,700	5,640	4,520
Other	-	6,901	-	3,694	-
Use of (Increase In) Fund Balance	(15,990)	(75,005)	12,455	(67,197)	40,257
General Fund Support	320,070	185,417	227,816	197,698	277,536
<b>Total Funding Sources</b>	<b>\$ 1,530,699</b>	<b>\$ 1,356,548</b>	<b>\$ 1,517,933</b>	<b>\$ 1,366,731</b>	<b>\$ 1,493,463</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 1,307,886	\$ 1,214,346	\$ 1,262,655	\$ 1,208,388	\$ 1,279,253
Operations	214,354	132,014	247,769	145,921	204,560
Travel	8,459	10,188	7,509	10,952	9,650
Capital	-	-	-	1,471	-
<b>Total Uses of Funds</b>	<b>\$ 1,530,699</b>	<b>\$ 1,356,548</b>	<b>\$ 1,517,933</b>	<b>\$ 1,366,731</b>	<b>\$ 1,493,463</b>
Net Indirect Support	295,129	295,129	257,541	257,541	261,135
<b>Total</b>	<b>\$ 1,825,828</b>	<b>\$ 1,651,677</b>	<b>\$ 1,775,474</b>	<b>\$ 1,624,272</b>	<b>\$ 1,754,598</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 916,500	\$ 945,278	\$ 933,500	\$ 933,952	\$ 893,500
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,236,570)	(1,130,695)	(1,161,316)	(1,131,650)	(1,171,036)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (320,070)</b>	<b>\$ (185,417)</b>	<b>\$ (227,816)</b>	<b>\$ (197,698)</b>	<b>\$ (277,536)</b>
Net Indirect Support	(295,129)	(295,129)	(257,541)	(257,541)	(261,135)
<b>Total County Support</b>	<b>\$ (615,199)</b>	<b>\$ (480,546)</b>	<b>\$ (485,357)</b>	<b>\$ (455,239)</b>	<b>\$ (538,671)</b>

## Justice Court - Flagstaff

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Justice Court Case Processing	\$ 1,175,670	\$ 277,536	\$ 40,257	\$ 1,493,463	\$ 261,135
<b>Total</b>	<b>\$ 1,175,670</b>	<b>\$ 277,536</b>	<b>\$ 40,257</b>	<b>\$ 1,493,463</b>	<b>\$ 261,135</b>

### Performance Measures by Program

Justice Court Case Processing	FY13	FY14	FY15
Traffic cases filed	10,644	11,004	11,000
Traffic cases concluded/terminated	12,820	11,664	11,000
Criminal cases (misdemeanor and felony) filed	2,124	2,136	2,100
Criminal cases (misdemeanor and felony) concluded/terminated	3,346	3,360	2,300
Civil and small claims filed	1,551	1,488	1,500
Civil and small claims concluded/terminated	1,607	1,660	1,600
Orders of protection and injunctions against harrassment cases processed	458	450	450
Total cases filed	14,777	15,078	15,050
Total cases concluded/terminated	17,773	16,684	14,900

### Department Staffing (Full Time Equivalents)

Positions by Title	FY13	FY14	FY15
Accounting Technician II	1.00	-	-
Administrative Manager	2.00	-	-
Administrative Manager, Senior	-	1.00	1.00
Administrative Specialist I	6.00	5.50	5.50
Administrative Specialist II	2.00	-	-
Elected Official	1.00	1.00	1.00
Justice of the Peace Pro Tem	1.00	1.00	1.00
Justice Court Specialist	9.75	10.00	10.00
Justice Court Specialist, Senior	-	3.00	3.00
<b>Total Positions</b>	<b>22.75</b>	<b>21.50</b>	<b>21.50</b>

\* This department underwent an organizational restructuring for FY14, but no staffing changes were made for FY15.

## Justice Court - Fredonia

112 North Main Street, Fredonia, AZ 86022 (928) 643-7472  
 Mark Baron, Justice of the Peace

The Fredonia Justice Court hears cases of civil, felony, misdemeanor and traffic matters. It also deals with orders of protection, injunctions against harassment, search warrants and other legal matters.

Program	SPA	Description
Justice Court Case Processing	PS	Process all cases filed each year in Fredonia Justice Court in a fair and timely manner.

### Goals and Objectives

FY15 Objectives include:

- Implementing a video calendar display in courts (similar to airport video monitors) to improve public access and customer service.
- Increasing security at the Fredonia Justice Court.
- Exploring the use of electronic forms instead of the paper triplicate forms.
- Partnering with Navajo Nation on criminal justice related issues.
- Conducting annual Customer Service Survey Day event.

Longer-term Goals include:

- Re-examination of the mission and critical functions of the court. Reviewing and aligning the scope of services that are provided for both internal and external customers.
- Continuing to work with the Administrative Office of the Courts (AOC) in the development of a new case automation system to more effectively and efficiently process cases.
- Collaboration with criminal justice system partners including regional and national justice networks.
- Continuing the implementation of Court security measures as budgets permit.

### Opportunities and Challenges

- Through the Justice 2030 long-range strategic planning process, the Courts work to proactively respond to the many trends that impact the system such as the increase in County population; increase in diverse minority populations; economic downturns; technology revolution; local, State and Federal policy changes; unfunded mandates; caseload trends; and complexity of cases.
- An alarming number of mentally ill misdemeanants are coming to the attention of the criminal courts. Not only are the numbers increasing but the defendants are presenting in court with far more severe symptoms that require immediate management. The Courts role has shifted to helping defendants get the treatment services they need in an environment where there is limited access to treatment.
- There is a greater expectation from court customers to take care of business online 24 hours a day from anywhere in the world instead of in line at the public counter. We need to continue to use existing, new and emerging technologies to improve efficiencies. If we don't keep up with technology trends we will not be able to provide more effective and efficient services.
- Due to societal changes there is an increasing need for better security for County employees, our partners (law enforcement officers, mental health professionals and attorneys) and the public who visit our facilities. While remote access to the Courts through video and telephonic conferencing and online pleas and payments reduce the exposure of many people to the possibility of violence, the Courts should always remain an iconic secure haven to employees and all who enter Arizona Court facilities.

## Justice Court - Fredonia

Strategic Priority Area Alignment		Programs
		Case Processing
<b>Public Safety (PS): Criminal Justice</b>		
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x
	Prioritize programs that are most effectively addressed by public safety entities.	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x

## Justice Court - Fredonia

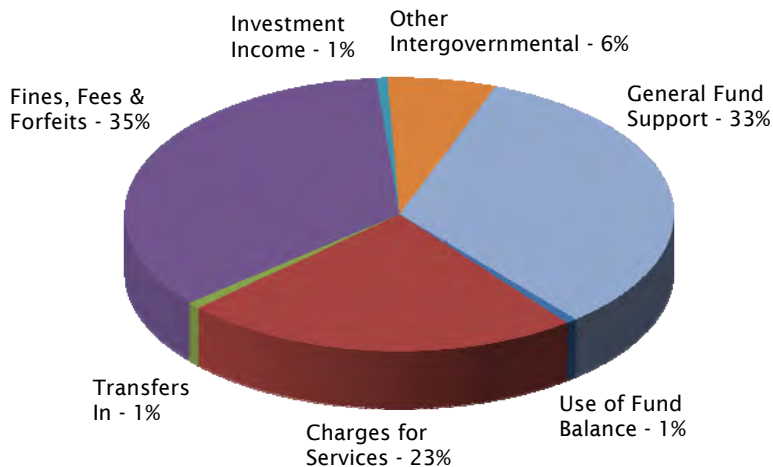
### Financial Summary

The Fredonia Justice Court’s primary revenue sources are charges for services, the issuance of fines, fees and forfeitures, and General Fund support. The department finished FY14 7% above their budgeted revenue, due to higher-than-expected charges for services. FY15 revenue is budgeted to remain flat, with the total remaining within 1% of the FY14 revenue budget.

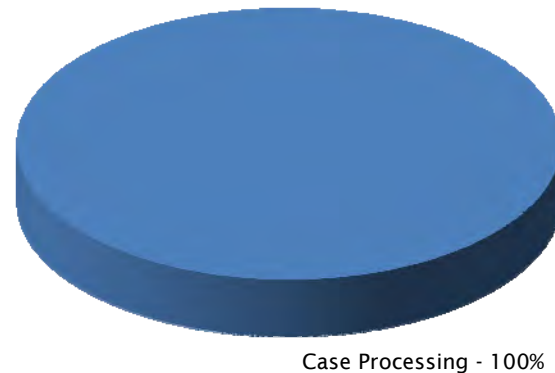
For FY14 the Fredonia Justice Court was 9% below their revised expenditure budget of \$267,737. This variance was due to lower than expected expenditures for “Other Court Expenses” as well as salary savings from unfilled positions. The FY15 adopted expenditure budget of \$195,953 is 27% lower than the department’s previous budget. This decrease is due to a capital repair and replacement project that was completed in FY14. The department’s budget increase request for additional temporary wages to cover leave taken by the presiding judge was not approved, but will be reconsidered mid-year FY15.

The following charts illustrate the Fredonia Justice Court’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

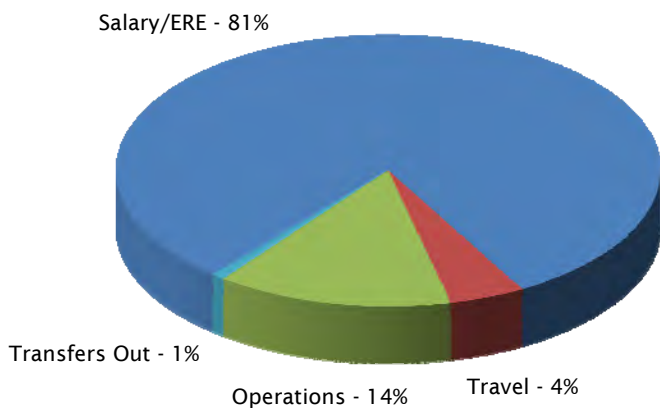
**Revenue by Source Type**



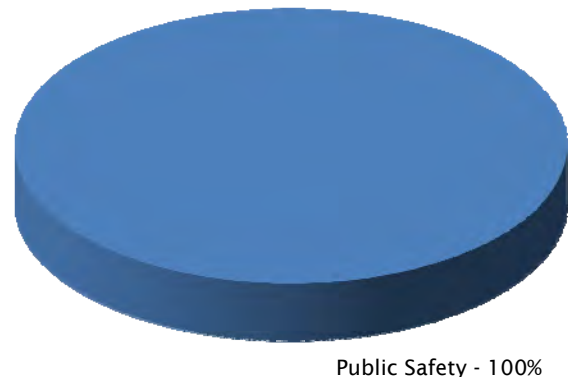
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



## Justice Court - Fredonia

### Department-Wide Financial Statement

Revenues and Other Sources	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Other Intergovernmental	\$ 12,561	\$ 13,538	\$ 12,561	\$ 13,545	\$ 12,561
Charges for Services	45,025	44,874	47,025	51,282	46,005
Fines, Fees, & Forfeits	65,180	64,098	68,200	70,227	68,300
Investment Income	1,400	(477)	700	1,916	1,300
Transfers from Other Funds	1,512	1,512	1,512	1,512	1,512
Use of (Increase In) Fund Balance	14,257	(14,933)	42,989	19,319	1,308
General Fund Support	60,353	62,737	94,750	85,010	64,967
<b>Total Funding Sources</b>	<b>\$ 200,288</b>	<b>\$ 171,350</b>	<b>\$ 267,737</b>	<b>\$ 242,812</b>	<b>\$ 195,953</b>
Expenditures and Other Uses	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Salary/ERE	\$ 148,792	\$ 151,944	\$ 159,140	\$ 148,363	\$ 158,206
Operations	38,492	13,043	29,450	19,555	27,450
Travel	11,492	4,851	8,785	3,459	8,785
Capital	-	-	68,850	69,923	-
Transfers to Other Funds	1,512	1,512	1,512	1,512	1,512
<b>Total Uses of Funds</b>	<b>\$ 200,288</b>	<b>\$ 171,350</b>	<b>\$ 267,737</b>	<b>\$ 242,812</b>	<b>\$ 195,953</b>
Net Indirect Support	55,555	55,555	48,738	48,738	61,082
<b>Total</b>	<b>\$ 255,843</b>	<b>\$ 226,905</b>	<b>\$ 316,475</b>	<b>\$ 291,550</b>	<b>\$ 257,035</b>
General Fund Support	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Program Revenue	\$ 94,561	\$ 96,591	\$ 100,361	\$ 105,895	\$ 100,361
Transfers in from Other Funds	1,512	1,512	1,512	1,512	1,512
Program Expenditures	(156,426)	(160,840)	(196,623)	(192,417)	(166,840)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (60,353)</b>	<b>\$ (62,737)</b>	<b>\$ (94,750)</b>	<b>\$ (85,010)</b>	<b>\$ (64,967)</b>
Net Indirect Support	(55,555)	(55,555)	(48,738)	(48,738)	(61,082)
<b>Total County Support</b>	<b>\$ (115,908)</b>	<b>\$ (118,292)</b>	<b>\$ (143,488)</b>	<b>\$ (133,748)</b>	<b>\$ (126,049)</b>

## Justice Court - Fredonia

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Justice Court Case Processing	\$ 129,678	\$ 64,967	\$ 1,308	\$ 195,953	\$ 61,082
<b>Total</b>	<b>\$ 129,678</b>	<b>\$ 64,967</b>	<b>\$ 1,308</b>	<b>\$ 195,953</b>	<b>\$ 61,082</b>

### Performance Measures by Program

<u>Justice Court Case Processing</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Traffic cases filed	1,189	1,300	1,250
Traffic cases concluded/terminated	1,316	1,400	1,300
Criminal cases (misdemeanor and felony) filed	52	60	55
Criminal cases (misdemeanor and felony) concluded/terminated	81	60	55
Civil and small claims filed	22	20	20
Civil and small claims concluded/terminated	20	18	20
Orders of protection and injunctions against harrassment cases processed	6	25	10
<b>Total cases filed</b>	<b>1,269</b>	<b>1,405</b>	<b>1,335</b>
<b>Total cases concluded/terminated</b>	<b>1,403</b>	<b>1,478</b>	<b>1,375</b>

### Department Staffing (Full Time Equivalent)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accounting Technician II	1.00	-	-
Administrative Specialist I	-	0.50	0.50
Elected Official	1.00	1.00	1.00
Justice Court Specialist, Senior	0.50	1.00	1.00
<b>Total Positions</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>

\* This department underwent an organizational restructuring for FY14, but no staffing changes were made for FY15.

## Justice Court - Page

547 Vista Avenue, Page, AZ 86040 (928) 645-8871  
 Donald Roberts, Justice of the Peace

The Page Justice Court services include responsibilities in both civil and criminal matters: small claims, civil claims, misdemeanor complaints, felony preliminary hearings, and traffic complaints.

Program	SPA	Description
Justice Court Case Processing	PS	Process all cases filed each year in Page Justice Court in a fair and timely manner.

### Goals and Objectives

FY15 objectives include:

- Conducting evidence-based practices research on how other courts are providing similar services using an alternative or modified delivery method.
- Expanding the number of participants in the DUI/Drug Court program.
- Expanding the DUI/Drug Court program to include a Veteran and Domestic Violence track.
- Utilizing teleconferencing and Skype for meetings and trainings to reduce travel costs.
- Reviewing current fee structure and exploring increased or alternative fees.
- Continuing participation in funding approval for a remodeled facility in Page.

Longer-term goals include:

- Re-examining the mission and critical functions of the court. Reviewing and aligning the scope of services that are provided for both internal and external customers.
- Continuing to work with the Administrative Office of the Courts (AOC) in the development of a new case automation system to more effectively and efficiently process cases.
- Collaboration with justice system partners including regional and national justice networks.
- Continuing implementation of Court security measures as budgets permit.
- Collaboration with the Sheriff’s office in expanding the use of e-citation to Page.

### Opportunities and Challenges

- Through the Justice 2030 long-range strategic planning process, the Courts work to proactively respond to the many trends that impact the system such as the increase in County population; increase in diverse minority populations; economic downturns; technology revolution; local, State and Federal policy changes; unfunded mandates; caseload trends; and complexity of cases.
- An alarming number of mentally ill misdemeanants are coming to the attention of the criminal courts. Not only are the numbers increasing but the defendants are presenting in court with far more severe symptoms that require immediate management. The Courts role has shifted to helping defendants get the treatment services they need in an environment where there is limited access to treatment.
- There is a greater expectation from court customers to take care of business online 24 hours a day from anywhere in the world instead of in line at the public counter. We need to continue to use existing, new and emerging technologies to improve efficiencies. If we don’t keep up with technology trends we will not be able to provide more effective and efficient services.
- Due to societal changes there is an increasing need for better security for County employees, our partners (law enforcement officers, mental health professionals and attorneys), and the public who visit our facilities. While remote access to the Courts through video and telephonic conferencing and online pleas and payments reduce the exposure of many people to the possibility of violence, the Courts should always remain an iconic secure haven to employees and all who enter Arizona Court facilities.

## Justice Court - Page

Strategic Priority Area Alignment		Programs
		Case Processing
<b>Public Safety (PS): Criminal Justice</b>		
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x
	Prioritize programs that are most effectively addressed by public safety entities.	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x

## Justice Court - Page

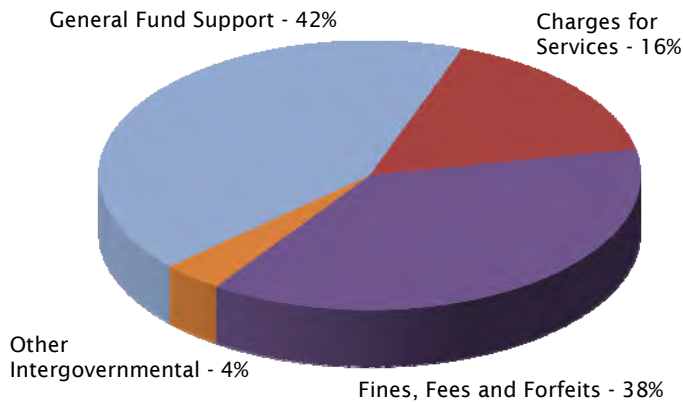
### Financial Summary

The Page Justice Court receives the majority of its revenue from General Fund support. It also creates revenue through the levying of fines, fees and bond forfeitures. Forfeiture revenue was higher than expected in FY14, resulting in departmental revenue finishing 26% above budget. This trend of higher fines, fees and forfeiture revenue is not expected to continue however, and a flat revenue budget is being projected for FY15.

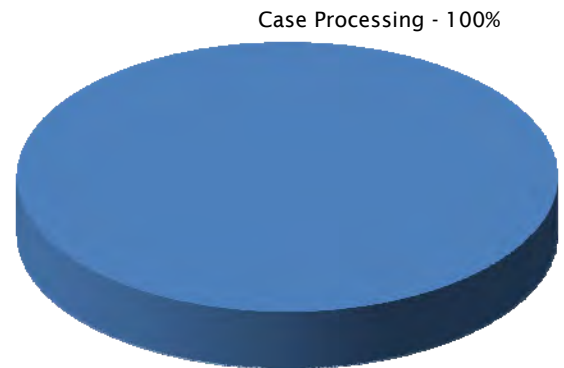
For FY14 the Page Justice Court finished 7% below their revised expenditure budget of \$390,074, due to salary savings from unfilled positions as well as from lower other court expenses. The department's FY15 adopted expenditure budget of \$382,963 is 2% lower than in FY14. This variance is due to staffing changes made within the department. The department requested additional temporary wages to cover leave taken by the presiding judge as well as increased bailiff/security coverage. Neither request was approved, but both will be reconsidered mid-year FY15.

The following charts illustrate the Page Justice Court's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

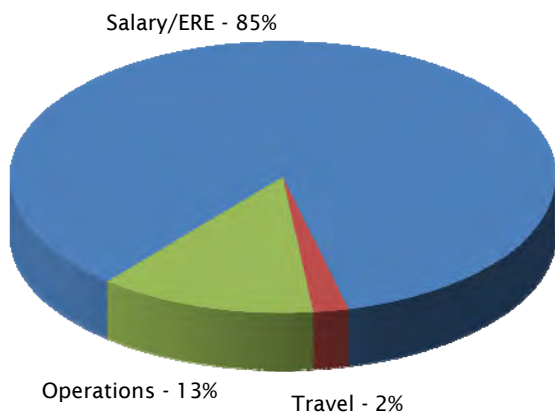
**Revenue by Source Type**



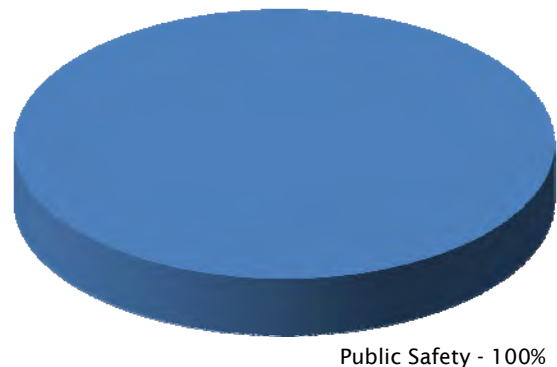
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



## Justice Court - Page

### Department-Wide Financial Statement

	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
<b>Revenues and Other Sources</b>					
Other Intergovernmental	\$ 13,956	\$ 15,047	\$ 13,956	\$ 15,059	\$ 13,956
Charges for Services	61,050	78,610	63,050	87,347	63,050
Fines, Fees, & Forfeits	154,410	147,140	144,700	177,300	145,400
Investment Income	700	(273)	600	1,313	950
Other	-	349	1,000	602	200
Use of (Increase In) Fund Balance	3,770	(20,085)	696	(34,053)	(4,129)
General Fund Support	132,582	146,999	166,072	116,674	163,536
<b>Total Funding Sources</b>	<b>\$ 366,468</b>	<b>\$ 367,787</b>	<b>\$ 390,074</b>	<b>\$ 364,242</b>	<b>\$ 382,963</b>
<b>Expenditures and Other Uses</b>					
Salary/ERE	\$ 307,052	\$ 316,633	\$ 333,658	\$ 317,005	\$ 325,647
Operations	52,905	42,478	49,905	41,619	49,305
Travel	6,511	8,676	6,511	5,618	8,011
<b>Total Uses of Funds</b>	<b>\$ 366,468</b>	<b>\$ 367,787</b>	<b>\$ 390,074</b>	<b>\$ 364,242</b>	<b>\$ 382,963</b>
Net Indirect Support	84,471	84,471	70,082	70,082	79,890
<b>Total</b>	<b>\$ 450,939</b>	<b>\$ 452,258</b>	<b>\$ 460,156</b>	<b>\$ 434,324</b>	<b>\$ 462,853</b>
<b>General Fund Support</b>					
Program Revenue	\$ 195,956	\$ 198,956	\$ 186,956	\$ 232,760	\$ 182,156
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(328,538)	(345,955)	(353,028)	(349,434)	(345,692)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (132,582)</b>	<b>\$ (146,999)</b>	<b>\$ (166,072)</b>	<b>\$ (116,674)</b>	<b>\$ (163,536)</b>
Net Indirect Support	(84,471)	(84,471)	(70,082)	(70,082)	(79,890)
<b>Total County Support</b>	<b>\$ (217,053)</b>	<b>\$ (231,470)</b>	<b>\$ (236,154)</b>	<b>\$ (186,756)</b>	<b>\$ (243,426)</b>

## Justice Court - Page

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Justice Court Case Processing	\$ 223,556	\$ 163,536	\$ (4,129)	\$ 382,963	\$ 79,890
<b>Total</b>	<b>\$ 223,556</b>	<b>\$ 163,536</b>	<b>\$ (4,129)</b>	<b>\$ 382,963</b>	<b>\$ 79,890</b>

### Performance Measures by Program

<u>Justice Court Case Processing</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Traffic cases filed	1,625	1,572	1,550
Traffic cases concluded/terminated	1,676	1,572	1,550
Criminal cases (misdemeanor and felony) filed	547	571	550
Criminal cases (misdemeanor and felony) concluded/terminated	567	590	560
Civil and small claims filed	340	418	400
Civil and small claims concluded/terminated	320	350	375
Orders of protection and injunctions against harrassment cases processed	42	41	41
Total cases filed	2,554	2,602	2,541
Total cases concluded/terminated	2,563	2,512	2,485

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accounting Technician II	1.00	-	-
Administrative Specialist I	1.00	1.00	1.00
Administrative Supervisor	1.00	1.00	1.00
Elected Official	1.00	1.00	1.00
Justice Court Specialist	1.00	2.00	2.00
<b>Total Positions</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

\* For FY14, the Accounting Technician II position was reclassified as a Justice Court Specialist.

## Justice Court - Williams

700 West Railroad Avenue, Williams, AZ 86046 (928) 635-2691  
 Robert Krombeen, Justice of the Peace

The Williams Justice Court services include responsibilities in both civil and criminal matters: small claims, civil claims, misdemeanor complaints, felony preliminary hearings, and traffic complaints. Through an IGA with the City of Williams, Judge Krombeen also serves as the Williams City Magistrate.

Program	SPA	Description
Justice Court Case Processing	PS	Process all cases filed each year in the Williams Justice Court in a fair and timely manner.

### Goals and Objectives

FY15 objectives include:

- Reviewing current service levels and volume/workload to identify further efficiencies. Using the Justice 2030 Strategic Plan as a guide to modify service levels/workloads when relevant.
- Conducting evidence based practices research on how other courts are providing similar services using an alternative or modified delivery method.
- Evaluation of the home detention program that provides alternatives to jail to determine if it is a cost effective program.
- Continuing to expand court security with current funding while also seeking additional funds.
- Reviewing current fee structure and exploration of increased or alternative fees.

Longer-term goals include:

- Collaborate with the Sheriff's Office in expanding the use of e-citation.
- Re-examining the mission and critical functions of the court. Reviewing and aligning the scope of services that are provided for both internal and external customers.
- Continuing to work with the Administrative Office of the Courts (AOC) in the development of a new case automation system to more effectively and efficiently process cases.
- Working with Court IT, County IT, and the AOC on the implementation of EDMS.

### Opportunities and Challenges

- Through the Justice 2030 long-range strategic planning process, the Courts work to proactively respond to the many trends that impact the system such as the increase in County population; increase in diverse minority populations; economic downturns; technology revolution; local, state and federal policy changes; unfunded mandates; caseload trends; and complexity of cases.
- An alarming number of mentally ill misdemeanants are coming to the attention of the criminal courts. Not only are the numbers increasing but the defendants are presenting in court with far more severe symptoms that require immediate management. The Courts role has shifted to helping defendants get the treatment services they need in an environment where there is limited access to treatment.
- There is a greater expectation from court customers to take care of business online 24 hours a day from anywhere in the world instead of in line at the public counter. We need to continue to use existing, new and emerging technologies to improve efficiencies. If we don't keep up with technology trends we will not be able to provide more effective and efficient services.
- Due to societal changes there is an increasing need for better security for County employees, our partners (law enforcement officers, mental health professionals and attorneys) and the public who visit our facilities. While remote access to the Courts through video and telephonic conferencing and online pleas and payments reduce the exposure of many people to the possibility of violence, the Courts should always remain an iconic secure haven to employees and all who enter Arizona Court facilities.

## Justice Court - Williams

Strategic Priority Area Alignment		Programs
		Case Processing
<b>Public Safety (PS): Criminal Justice</b>		
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x
	Prioritize programs that are most effectively addressed by public safety entities.	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x

## Justice Court - Williams

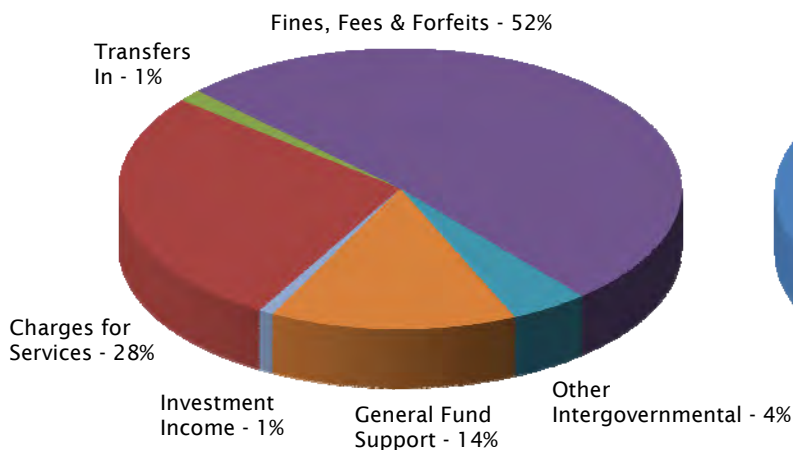
### Financial Summary

The Williams Justice Court relies on fines, fees and bond forfeitures for the majority of its revenue. It also receives funding from charges for services and General Fund support. The department finished 13% above budgeted revenue for FY14, due to higher revenue from fines, fees and forfeitures. The department's FY15 revenue budget will increase 2% from FY14 due to a continuing trend of increased revenue from fines.

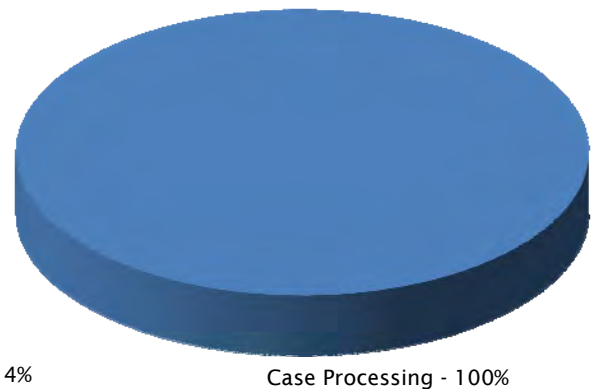
For FY14 the Williams Justice Court was 9% under their revised expenditure budget of \$420,959. This variance was due mainly to savings in "Other Court Expenses". Their FY15 adopted expenditure budget of \$404,223 is 4% lower than their FY14 budget. This variance is due to a reduction in budgeted court expenses from the department's Court Enhancement Fund. The department requested additional temporary wages to cover leave taken by the presiding judge as well as increased bailiff/security coverage. Neither request was approved, but both will be reconsidered mid-year FY15.

The following charts illustrate Williams Justice Court's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

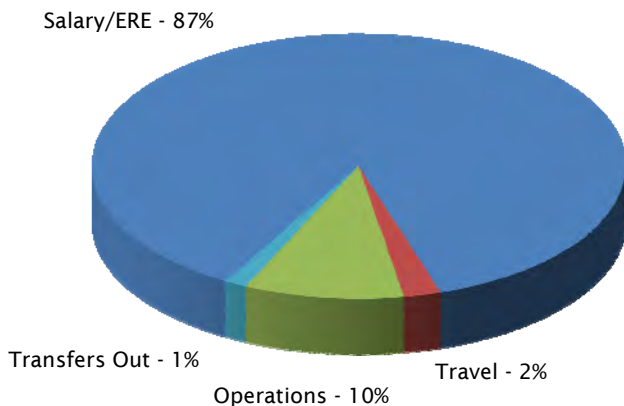
**Revenue by Source Type**



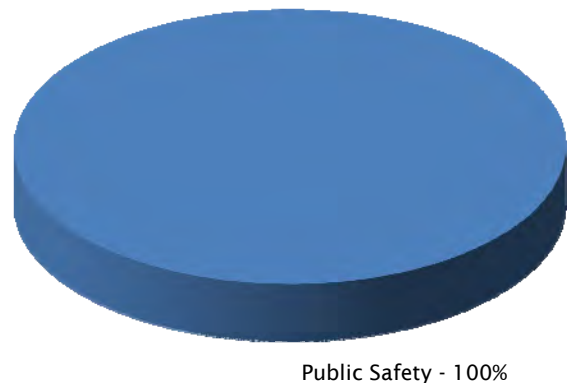
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



## Justice Court - Williams

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Other Intergovernmental	\$ 18,143	\$ 19,474	\$ 18,143	\$ 19,493	\$ 18,143
Charges for Services	106,550	107,609	112,550	122,432	111,050
Fines, Fees, & Forfeits	193,260	210,593	201,300	233,031	208,400
Investment Income	2,850	(851)	2,400	3,544	3,400
Transfers from Other Funds	5,561	5,561	5,561	5,561	5,561
Use of (Increase In) Fund Balance	8,719	(18,102)	15,504	(18,615)	519
General Fund Support	71,905	45,755	65,501	16,718	57,150
<b>Total Funding Sources</b>	<b>\$ 406,988</b>	<b>\$ 370,039</b>	<b>\$ 420,959</b>	<b>\$ 382,164</b>	<b>\$ 404,223</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 331,478	\$ 331,143	\$ 341,949	\$ 332,181	\$ 350,563
Operations	61,349	24,914	64,849	39,257	38,999
Travel	8,600	8,421	8,600	5,165	9,100
Transfers to Other Funds	5,561	5,561	5,561	5,561	5,561
<b>Total Uses of Funds</b>	<b>\$ 406,988</b>	<b>\$ 370,039</b>	<b>\$ 420,959</b>	<b>\$ 382,164</b>	<b>\$ 404,223</b>
Net Indirect Support	73,277	73,277	66,305	66,305	90,216
<b>Total</b>	<b>\$ 480,265</b>	<b>\$ 443,316</b>	<b>\$ 487,264</b>	<b>\$ 448,469</b>	<b>\$ 494,439</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 248,143	\$ 267,550	\$ 261,143	\$ 305,277	\$ 269,143
Transfers in from Other Funds	5,561	5,561	5,561	5,561	5,561
Program Expenditures	(325,609)	(318,866)	(332,205)	(327,556)	(331,854)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (71,905)</b>	<b>\$ (45,755)</b>	<b>\$ (65,501)</b>	<b>\$ (16,718)</b>	<b>\$ (57,150)</b>
Net Indirect Support	(73,277)	(73,277)	(66,305)	(66,305)	(90,216)
<b>Total County Support</b>	<b>\$ (145,182)</b>	<b>\$ (119,032)</b>	<b>\$ (131,806)</b>	<b>\$ (83,023)</b>	<b>\$ (147,366)</b>

# Justice System



## Justice Court - Williams

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Justice Court Case Processing	\$ 346,554	\$ 57,150	\$ 519	\$ 404,223	\$ 90,216
<b>Total</b>	<b>\$ 346,554</b>	<b>\$ 57,150</b>	<b>\$ 519</b>	<b>\$ 404,223</b>	<b>\$ 90,216</b>

### Performance Measures by Program

<u>Justice Court Case Processing</u>	FY13	FY14	FY15
Traffic cases filed	3,439	3,564	3,500
Traffic cases concluded/terminated	3,679	3,427	3,500
Criminal cases (misdemeanor and felony) filed	495	432	450
Criminal cases (misdemeanor and felony) concluded/terminated	565	461	460
Civil and small claims filed	111	149	145
Civil and small claims concluded/terminated	100	148	150
Orders of protection and injunctions against harrasment cases processed	90	72	72
Total cases filed	4,135	4,217	4,167
Total cases concluded/terminated	4,344	4,036	4,110

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	FY13	FY14	FY15
Accounting Technician II	1.00	-	-
Administrative Manager	-	1.00	1.00
Administrative Specialist I	1.00	2.00	2.00
Administrative Supervisor	1.00	-	-
Elected Official	1.00	1.00	1.00
Justice Court Specialist	1.00	2.00	2.00
<b>Total Positions</b>	<b>5.00</b>	<b>6.00</b>	<b>6.00</b>

\* This department underwent an organizational restructuring for FY14, but no staffing changes were made for FY15.

## Juvenile

1001 East Sawmill Road, Flagstaff, AZ 86001 (928) 226-5400  
 Bryon Matsuda, Director

The Juvenile Division of the Superior Court in Coconino County has jurisdiction of minors between the ages of eight and eighteen when considering incorrigible and delinquent acts.

Program	SPA	Description
Juvenile Administration	PS	The Administration program for Juvenile Court provides leadership, strategic direction, and administrative support to the employees of the department.
Juvenile Court	PS	To provide a just, timely, and impartial court setting for all juvenile matters involving delinquency, incorrigibility, dependency and adoptions.
Juvenile Detention Services	PS	Detention Services provide temporary care for youth who are at risk of committing serious delinquent acts, who are a danger to themselves or others, or who may not appear for future hearings.
Juvenile Probation Services	PS	Probation Services works with delinquent youth to develop their pro-social life skills, behaviors, and beliefs.
Juvenile Resource Services	PS	Resource Services provides programs, services and therapies that build youth beliefs, motivations and skills for pro-social behaviors.

### Goals and Objectives

The department's FY15 objectives include:

- Deploying more intensive skill development services for the County's most troubled youth, through the department's Intensive Prosocial Skills Development Services.
- Deploying more intensive family empowerment services for the County's most challenged families, through the department's Intensive Family Empowerment Services.
- Continuing to explore funding and program opportunities to help create more "Independent Living Opportunities" for older youth whose parents are not able to provide for them.
- Joining a "Crossover Youth" project which coordinates Juvenile Court Services and Child Protective Services for effectively and efficiently.
- Delivering the Making It Right Program to youth in lieu of serving detention time on weekends.

Longer-term goals for the department include:

- Having fewer youth in secure lock up and more youth in alternatives. In order to prevent expansion of detention utilization we will initiate additional short term detention alternatives, weekend work crews and improve electronic monitoring utilization for accountability alternatives for the Court.
- Finalizing an Intergovernmental Service Agreement with the Arizona Department of Juvenile Corrections (ADJC) which will allow their paroled youth to have access to some of our day/afternoon treatment programs.

## Juvenile

### Opportunities and Challenges

- The department continues to see a reduction in the number of referrals to Juvenile Court but is having a significantly higher percentage of youth with high emotional, social, and educational needs than ever before. They are at greater risk for themselves and risk for the community.
- Coconino County has a higher percentage of youth in Detention that are Special Education Qualified than the rest of the State. Most of these youth have Emotional Disabilities (ED).
- Also state Title XIX (Medicaid) utilization has become more restricted and limited, which previously would have provided more assistance to this high need population.
- The lack of community resources for the high need/risk youth creates the over utilization of juvenile detention to house and maintain this population of youth. In FY12 the department began the practice of one-on-one supervision of youth who are assessed to be a high risk in suicide ideations.
- The Standard (medium risk and needs) Probation caseload is reducing. The department has lost Supreme Court Administrative Office of the Court funded Standard Probation officers, but the Juvenile Intensive Probation (JIPS) caseload is growing slightly. More importantly, a greater percentage of youth on JIPS have co-occurring issues of delinquency, mental health, substance abuse, and trauma.

Strategic Priority Area Alignment		Programs				
		Administration	Juvenile Court	Juvenile Detention Services	Juvenile Probation Services	Juvenile Resource Services
<b>Public Safety (PS): Criminal Justice</b>						
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x	x	x	x	x
	Prioritize programs that are most effectively addressed by public safety entities.	x	x	x	x	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x	x	x	x	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x	x	x	x	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x		x	x	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x	x	x	x	x

## Juvenile

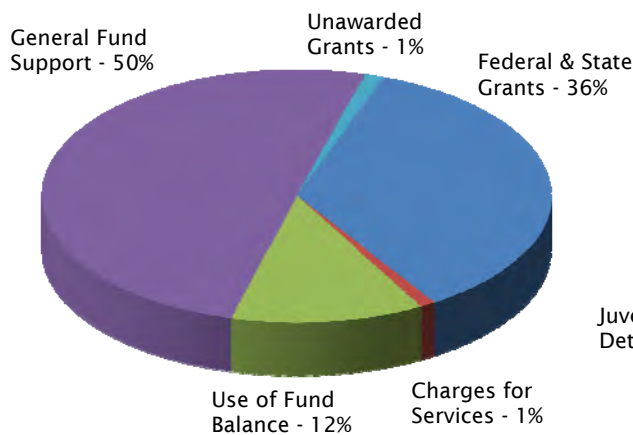
### Financial Summary

Juvenile’s two main funding sources are General Fund support and Federal and State grants. The department ended FY14 9% below their budgeted revenue, due entirely to decreases in grant funding. Federal and State grants are expected to continue decreasing into FY15, resulting in a 9% decrease in the department’s revenue budget.

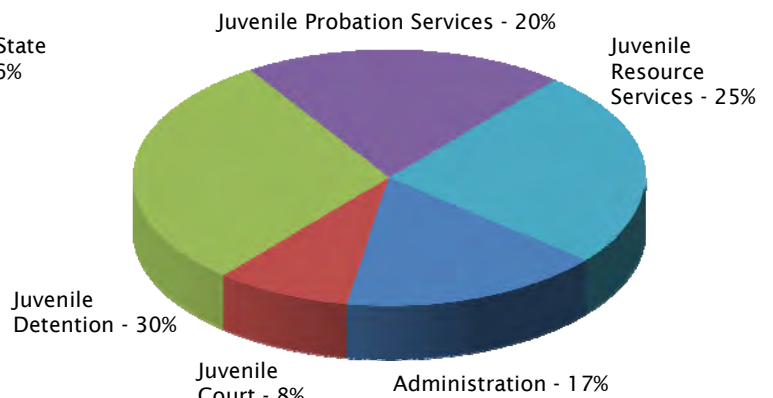
For FY14, Juvenile finished 20% under their revised expenditure budget of \$6,025,188. This variance is due to across-the-board savings, including salary savings from unfilled positions, savings in other professional services and travel savings. Juvenile’s FY15 adopted expenditure budget of \$5,927,698 (excluding unawarded grants) is 2% lower than their FY14 budget, due to lower travel and miscellaneous operating expenses. The department was approved for \$52,000 in recurring General Funding for temporary wages/EREs to provide better supervision of detained youth.

The following charts illustrate Juvenile’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. Expenditure charts exclude unawarded grants.

**Revenue by Source Type**



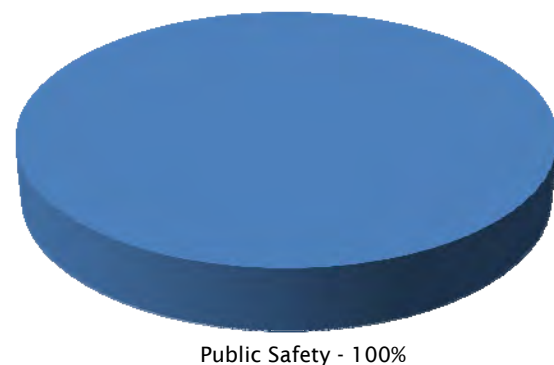
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Justice System



## Juvenile

### Department-Wide Financial Statement

	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
<b>Revenues and Other Sources</b>					
Federal and State Grants	\$ 2,242,547	\$ 2,128,950	\$ 2,390,685	\$ 2,117,366	\$ 2,114,242
Charges for Services	65,450	126,195	88,800	116,950	57,810
Unawarded Grants	-	-	-	-	72,000
Investment Income	4,000	(4,612)	4,000	18,890	17,722
Other	-	9,075	-	790	-
Transfers from Other Funds	13,725	-	-	-	-
Use of (Increase In) Fund Balance	612,703	18,625	685,252	(30,624)	733,805
General Fund Support	2,626,032	2,532,802	2,856,451	2,613,523	3,004,119
<b>Total Funding Sources</b>	<b>\$ 5,564,457</b>	<b>\$ 4,811,034</b>	<b>\$ 6,025,188</b>	<b>\$ 4,836,894</b>	<b>\$ 5,999,698</b>
<b>Expenditures and Other Uses</b>					
Salary/ERE	\$ 4,408,866	\$ 4,180,495	\$ 4,698,564	\$ 4,276,829	\$ 4,858,203
Operations	1,062,099	568,141	1,176,954	500,186	1,021,936
Travel	79,767	62,398	149,670	59,879	119,559
Transfers to Other Funds	13,725	-	-	-	-
<b>Total Uses of Funds</b>	<b>\$ 5,564,457</b>	<b>\$ 4,811,034</b>	<b>\$ 6,025,188</b>	<b>\$ 4,836,894</b>	<b>\$ 5,999,698</b>
Net Indirect Support	971,523	971,523	952,690	952,690	923,885
<b>Total</b>	<b>\$ 6,535,980</b>	<b>\$ 5,782,557</b>	<b>\$ 6,977,878</b>	<b>\$ 5,789,584</b>	<b>\$ 6,923,583</b>
<b>General Fund Support</b>					
Program Revenue	\$ 6,500	\$ 27,603	\$ 6,500	\$ 23,249	\$ 6,500
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(2,579,298)	(2,555,111)	(2,857,360)	(2,632,704)	(2,884,418)
GF Transfers to Other Funds	(53,234)	(5,295)	(5,591)	(4,068)	(126,201)
<b>Total Direct Support</b>	<b>\$(2,626,032)</b>	<b>\$(2,532,802)</b>	<b>\$(2,856,451)</b>	<b>\$(2,613,523)</b>	<b>\$(3,004,119)</b>
Net Indirect Support	(971,523)	(971,523)	(952,690)	(952,690)	(923,885)
<b>Total County Support</b>	<b>\$(3,597,555)</b>	<b>\$(3,504,325)</b>	<b>\$(3,809,141)</b>	<b>\$(3,566,213)</b>	<b>\$(3,928,004)</b>

## Juvenile

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Administration	\$ 467,057	\$ 337,218	\$ 188,652	\$ 992,927	\$ 142,396
Juvenile Court	104,745	407,863	(1)	512,607	89,621
Juvenile Detention and Alternatives to Detention Services	45,728	1,730,732	3,198	1,779,658	301,046
Juvenile Probation Services	778,832	246,007	194,409	1,219,248	187,245
Juvenile Resource Services	865,412	282,299	347,547	1,495,258	203,576
<b>Total</b>	<b>\$2,261,774</b>	<b>\$ 3,004,119</b>	<b>\$ 733,805</b>	<b>\$ 5,999,698</b>	<b>\$ 923,885</b>

### Performance Measures by Program

Administration	FY13	FY14	FY15
Department expenditures are 100% within budget	100%	100%	100%
Staff comply with court ordered judicial education and training requirements	100%	100%	100%
Data entry is completed in the proper time frames as required by policies and funding agreements	88%	83%	90%
Amount of money collected through tax intercept programs	\$54,000	\$63,000	\$50,000
Turnover rate is below national turnover rate for similar organizations	20%	18%	20%
Key management statistical reports are generated according to the monthly timelines	95%	95%	95%
Financial audits and reports are completed and submitted as required by funding agencies	95%	95%	95%

## Juvenile

### Performance Measures by Program

<b>Juvenile Court</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Delinquency: Number of delinquent and incorrigible petitions filed	582	611	440
Delinquency: Average number of days from filing of petition to adjudication excluding warrants	26.6	26.6	32.6
Delinquency: Average number of days from filing of petition to disposition excluding warrants	71.8	54.6	83.9
Delinquency: Percentage of court proceedings that result in bench warrants being issued	2.70%	3.21%	3.00%
Delinquency: Percentage of court proceedings that end in continuances	22.2%	18.2%	20.0%
Dependency: Percentage of dependency cases where a permanency hearing is conducted within the time frames of the laws of Arizona	90.0%	84.9%	83.1%
Dependency: Percentage of dependency petitions meeting Preliminary Protective Hearing within 5-7 days of removal from home	90.0%	100.0%	94.7%
Dependency: Number of dependency petitions filed	18	36	30
Dependency: Number of children involved in dependency cases	26	59	46
Dependency: Court appointed special advocates will meet with their assigned children no less than monthly	100%	98%	100%
Number of children assigned attorneys and/or guardian ad litem	362	306	294
Number of interpreters assigned	14	19	20
Number of youth and families served and participating through teen court	38	45	48
Number of evidence based skill development probation orders	N/A	146	150

<b>Juvenile Detention and Alternatives to Detention Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
All youth brought to detention will be screened for possible detainment	100%	100%	100%
Suicidal screenings will be completed for all youth brought to detention within one hour	75%	93%	100%
Youth presenting suicidal ideations will be evaluated by the Community Crisis Intervention Team or Juvenile Court licensed clinical staff and recommendations will be implemented	100%	100%	100%
All youth detained more than three days will receive a medical evaluation	25%	67%	100%
Youth will not escape from facility	0	0	0
Parents/guardians will participate in their child's skill development promotional interviews	4.2%	2.3%	50.0%
Youth will not return to detention after release within one year	74.7%	66.0%	60.0%
Youth will not return to detention after release within six months	74.7%	70.7%	75.0%
Youth detained over four days will have stabilized their harmful behaviors	N/A	1.8%	90.0%
Youth detained over fourteen days will have recognized a need to make changes in their behaviors	N/A	21.1%	90.0%

## Juvenile

### Performance Measures by Program

<b>Juvenile Probation Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Arizona Youth Assessment Survey (AZYAS) Division Risk and Needs Assessments will be completed on Division cases (State Evidence Based Practice)	N/A	N/A	100%
AZYAS Risk and Needs Assessment will be completed on all adjudicated youth (State EBP)	N/A	N/A	100%
Re-adjudicated youth will have a follow-up Risk and Needs Assessment (State EBP)	N/A	N/A	100%
Youth who have successfully completed non formal court consequences will not re-offend within one year	84.7%	81.4%	80.0%
Youth will successfully complete non formal court consequences within 90 days of consequence assignment	80.3%	80.4%	90.0%
Ninety percent of youth on standard probation will not be adjudicated for a new felony offense while on probation	91.8%	87.0%	90.0%
Eighty percent of youth on intensive probation will not be adjudicated for a new felony offense while on probation	85.7%	92.6%	80.0%
Eighty percent of youth on standard probation will not be adjudicated for a new misdemeanor offense while on probation	66.0%	82.6%	80.0%
Sixty-five percent of youth on intensive probation will not be adjudicated for a new misdemeanor offense	80.0%	88.9%	65.0%
Seventy-five percent of youth on probation will not receive new referrals excluding probation violations	75.0%	70.9%	75.0%
Parents/guardians will participate in Family Probation Conferences as prescribed by their steps of change and supervision	15.1%	14.5%	70.0%
Twenty percent of probation youth will not be reordered to probation within two years of termination	6.82%	6.53%	20.00%
Youth owing restitution will be making payments	53.9%	53.3%	80.0%
Victims will receive a civil judgment on their behalf for youth turning 18 years old still owing restitution	100%	100%	100%
Field probation officers will obtain Level 1, Step Up Juvenile Justice Probation Officer Certification	N/A	N/A	100%

## Juvenile

### Performance Measures by Program

<b>Juvenile Resource Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Youth who actively participate in Step Up Mentoring will not re-offend	70%	53%	75%
Youth complete their pro social life skill development programs	55%	38%	75%
Youth not attending school that are 16 years and older will participate in GED preparation activities	90%	17%	90%
Youth who are two grade levels below their peers will improve their reading skill level by one grade level	N/A	N/A	75%
Youth who received 12 or more individual or family therapeutic sessions will have lower recidivism than six months prior to the therapeutic intervention	100%	59%	80%
Youth and families who are ordered to participate in family counseling will successfully complete the program	100%	76%	75%
Youth who are on electronic monitoring will not have a new felony offense while being monitored	N/A	92%	60%
Youth will contribute to the community through performance of community restitution hours (rate of return = total community restitution hours X minimum wage)	\$28,710	\$41,699	\$60,000
Youth will complete community restitution hours	73%	77%	75%
Victims will have an overall high satisfaction level	85%	85%	85%

## Juvenile

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accounting Technician II	1.00	1.00	1.00
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Operations Manager	1.00	1.00	1.00
Administrative Specialist I	6.63	6.40	6.40
Administrative Specialist II	0.72	0.75	0.75
Administrative Specialist III	1.03	1.00	1.00
Bailiff II	2.00	2.00	2.00
Commissioner/Judge	0.50	0.50	0.50
Court Technician II	1.00	1.00	1.00
Deputy Director	1.00	1.00	1.00
Director	1.00	1.00	1.00
Division Manager	4.00	4.00	4.00
Judicial Assistant	1.00	1.00	1.00
Juvenile Program Coordinator	3.00	3.00	3.00
Probation Clinician II	2.00	2.00	2.00
Probation Officer II	11.00	12.00	10.82
Probation Officer, Lead	2.00	2.00	2.00
Probation Supervisor	2.00	2.00	2.00
Probation Work Crew Supervisor	0.40	0.40	0.40
Technical Specialist I	1.00	1.00	1.00
Youth Care Worker II	16.12	16.06	16.06
Youth Care Worker III	7.00	7.00	8.00
Youth Care Worker V	3.00	3.00	3.00
<b>Total Positions</b>	<b>69.40</b>	<b>70.11</b>	<b>69.93</b>

\* For FY15, the State-mandated probationer-to-officer ratio resulted in the funding of one fewer Probation Officer II and one more Youth Care Worker III. Due to variations in State and Federal funding, the total number of FTEs fluctuates annually.

## Legal Defender

201 East Birch Avenue, Flagstaff, AZ 86001 (928) 679-7740  
 Gary Pearlmutter, Legal Defender

The Legal Defender’s Office fulfills the State’s constitutional obligation to provide legal services to persons who are indigent and face a loss of their liberty or family. The US Supreme Court requires states to provide lawyers to represent criminal defendants and minors who are unable to pay for their own attorney.

<b>Program</b>	<b>SPA</b>	<b>Description</b>
Contractual Indigent Legal Services	PS	This program provides effective legal services to indigent criminal defendants, parents, children and witnesses in criminal, delinquency and dependency matters by outside contract attorneys.
In-House Indigent Legal Services	PS	This program provides effective legal services to indigent criminal defendants, parents, children and witnesses in criminal, delinquency and dependency matters by in-house counsel.

### Goals and Objectives

Departmental objectives for FY15 include:

- Drafting new indigent legal services policies to permit the Legal Defender to handle guardianship and conservatorship cases. This should lead to better coordination and management of these cases.
- Exploring options to reduce the impact of child client visitation rules. The current rules are the result of systemic failures to adequately supervise children in the child welfare system.
- The Criminal Justice Coordinating Council (CJCC) has set as a priority the creation of a crisis intervention system in the County to work closely with law enforcement. A comprehensive system would include options to avoid civil commitments under Title 36 and guardianships and conservatorship matters under Title 14. Such options could include working with adults with mental illness or diminished mental capacity and their families to execute mental health and medical powers of attorney or limited mental health guardianships.

Longer-term goals for the department include:

- Continuing collaborative efforts with other criminal justice agencies to reduce recidivism, which can reduce case loads.
- Continuing to work towards creating a statewide expert witness bank through the Arizona Public Defender’s Association and other criminal justice and defense organizations. The witness bank would reduce the amount of funds expended on experts, because their fees will be more readily known. Administrative time spent identifying experts and negotiating with them would be reduced as well.

## Legal Defender

### Opportunities and Challenges

- During the recession, the number of cases in the office declined, but about two years ago they leveled off. Mental health cases have decreased by about 40% compared to last year. Caseloads per attorney per type of case are critical issues that need to be further evaluated, along with alternatives to court supervised mental health treatment and guardianships.
- There has been an explosion of Civil Commitment cases in the last three to four years. The office has worked collaboratively with the County Attorney’s Office, the Public Health Services District and behavioral health organizations, such as the Guidance Center, Flagstaff Medical Center and Northern Arizona Regional Behavioral Health Agency to identify appropriate cases for civil commitment proceedings and ensure compliance with the statutes.
- The Legal Defender’s Office has seen a significant reduction in the number of criminal and dependency cases, but a major increase in the civil commitment cases. The reduction in criminal cases is a nationwide phenomenon. The number of dependency and parental termination cases decreased, because the Division of Child Safety and Family Services underwent funding reductions.

Strategic Priority Area Alignment		Programs	
		Contractual Indigent Legal Services	In-House Indigent Legal Services
<b>Public Safety (PS): Criminal Justice</b>			
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x	x

## Legal Defender

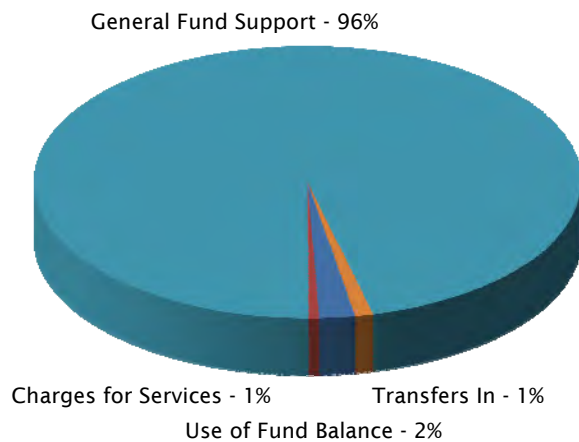
### Financial Summary

The majority of the Legal Defender's revenue is provided through General Fund support. The department finished the fiscal year 12% above their revenue budget, due primarily to larger transfers in from State 5% Set Aside funds. The department's FY15 revenue budget is 4% higher than in FY14, reflecting an increase in Federal and State grants.

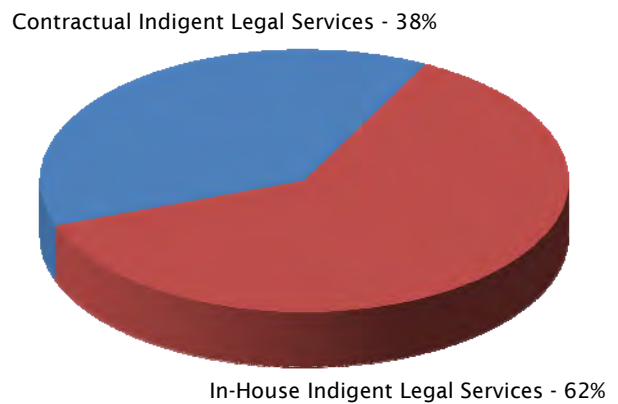
For FY14 the Legal Defender's Office was 5% over their revised expenditure budget of \$931,750. This variance was due to increased expenses for legal services contracted to outside attorneys. The department's FY15 adopted expenditure budget of \$969,960 is 4% higher than FY14. This is due to an approved request for \$35,000 in additional expenses for contract attorneys, as well as an increase to the cost of the department's leased office space. The department also received a budget increase for software maintenance and will revisit a request at mid-year for additional operating funds for an FTE transferred from the Public Defender's Office.

The following charts illustrate the Legal Defender's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

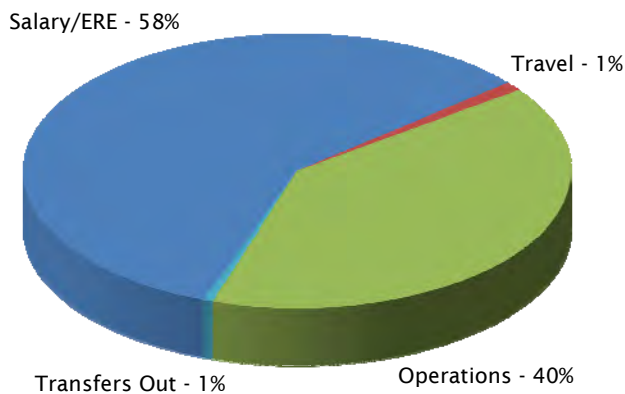
### Revenue by Source Type



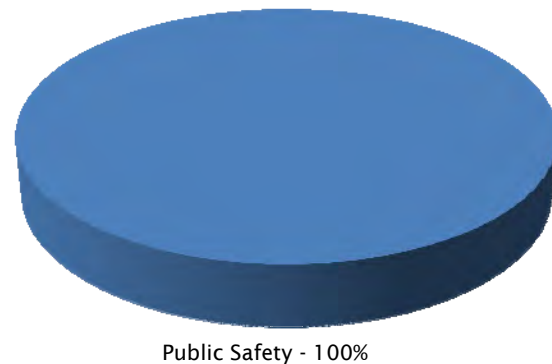
### Expenditures by Program



### Expenditures by Category



### Expenditures by Strategic Priority Area



## Legal Defender

### Department-Wide Financial Statement

Revenues and Other Sources	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Federal and State Grants	\$ 2,000	\$ 1,791	\$ 2,000	\$ 2,497	\$ 2,500
Charges for Services	11,000	7,473	6,000	6,222	6,000
Investment Income	980	(301)	890	1,343	890
Transfers from Other Funds	10,105	10,857	9,960	11,082	10,265
Use of (Increase In) Fund Balance	15,142	2,918	20,280	6,565	20,429
General Fund Support	762,384	806,887	892,620	951,891	929,876
<b>Total Funding Sources</b>	<b>\$ 801,611</b>	<b>\$ 829,625</b>	<b>\$ 931,750</b>	<b>\$ 979,600</b>	<b>\$ 969,960</b>

Expenditures and Other Uses	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Salary/ERE	\$ 456,159	\$ 439,395	\$ 566,350	\$ 534,431	\$ 566,483
Operations	329,921	377,004	349,921	428,181	387,693
Travel	10,426	7,622	10,426	11,610	10,426
Transfers to Other Funds	5,105	5,604	5,053	5,377	5,358
<b>Total Uses of Funds</b>	<b>\$ 801,611</b>	<b>\$ 829,625</b>	<b>\$ 931,750</b>	<b>\$ 979,600</b>	<b>\$ 969,960</b>

Net Indirect Support	54,593	54,593	48,211	48,211	50,846
<b>Total</b>	<b>\$ 856,204</b>	<b>\$ 884,218</b>	<b>\$ 979,961</b>	<b>\$ 1,027,811</b>	<b>\$ 1,020,806</b>

General Fund Support	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	5,105	5,604	5,053	5,377	5,358
Program Expenditures	(767,489)	(812,491)	(897,673)	(957,268)	(935,234)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (762,384)</b>	<b>\$ (806,887)</b>	<b>\$ (892,620)</b>	<b>\$ (951,891)</b>	<b>\$ (929,876)</b>
Net Indirect Support	(54,593)	(54,593)	(48,211)	(48,211)	(50,846)
<b>Total County Support</b>	<b>\$ (816,977)</b>	<b>\$ (861,480)</b>	<b>\$ (940,831)</b>	<b>\$ (1,000,102)</b>	<b>\$ (980,722)</b>

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Contractual Indigent Legal Services	\$ -	\$ 365,944	\$ 2,300	\$ 368,244	\$ 5,283
In-House Indigent Legal Services	19,655	563,932	18,129	601,716	45,563
<b>Total</b>	<b>\$ 19,655</b>	<b>\$ 929,876</b>	<b>\$ 20,429</b>	<b>\$ 969,960</b>	<b>\$ 50,846</b>

## Legal Defender

### Performance Measures by Program

<b>Contractual Indigent Legal Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Total cases	215	194	194
Adult felony	92	66	66
Juvenile delinquency	17	40	40
Juvenile delinquency guardian ad litem	11	6	6
Adult misdemeanor	0	0	0
Dependency	54	44	44
Dependency guardian ad litem	2	4	4
Appeals	2	0	0
Post conviction relief	35	28	28
Revocation	1	6	6
Mental health	1	0	0
Other	0	0	0

<b>In-House Indigent Legal Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Total cases	332	552	552
Adult felony	93	174	174
Juvenile delinquency	54	90	90
Juvenile delinquency guardian ad litem	32	38	38
Adult misdemeanor	1	0	0
Dependency	15	28	28
Dependency guardian ad litem	2	4	4
Appeals	1	2	2
Post conviction relief	11	4	4
Revocation	1	4	4
Mental health	122	206	206
Other	0	2	2
Average days case open - Felony	142	N/A	N/A
Average days case open - Delinquency	70	N/A	N/A
Average days case open - Misdemeanor	N/A	N/A	N/A
Average days case open - Dependency	N/A	N/A	N/A
Full time equivalents	2.75	2.75	2.75

## Legal Defender

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Specialist II	-	-	1.00
Administrative Support II	1.00	1.00	-
Attorney I	-	-	1.00
Attorney III	-	1.00	1.00
Attorney IV	2.00	2.00	1.00
Business Manager	1.00	1.00	1.00
Legal Defender	1.00	1.00	1.00
<b>Total Positions</b>	<b>5.00</b>	<b>6.00</b>	<b>6.00</b>

\* One Attorney position was transferred into this department from the Public Defender in FY14. The Administrative Support position was reclassified as an Administrative Specialist II position for FY15.

## Public Defender

110 East Cherry Avenue, Second Floor, Flagstaff, AZ 86001 (928) 679-7700  
 Allen Gerhardt, Public Defender

The Public Defender’s Office provides, pursuant to ethical and constitutional obligations, quality and cost-efficient legal representation to indigent persons who are: criminal defendants, minors accused of delinquency, the subjects of mental health commitment proceedings, parties to child dependency actions, or parties involved in termination of parental rights litigation.

Program	SPA	Description
Adult Felony	PS	The Adult Felony Representation program provides effective legal representation to assigned indigent adults, as determined by the courts for felony cases, charged with felony offenses so that their rights are protected.
Adult Misdemeanor	PS	The Adult Misdemeanor Representation program is to provide effective legal representation to assigned indigent adults, as determined by the courts in misdemeanor, so that their rights are protected.
Juvenile, Mental Health and Dependency	PS	The Juvenile, Mental Health and Dependency Representation program provides effective legal representation to assigned indigent juveniles and adults as determined by the courts so that their rights are protected.
Other	PS	Adult appeal, post conviction relief and other miscellaneous case representation program provides effective legal representation to assigned indigent adults as assigned by the courts so that their rights are protected.

### Goals and Objectives

Departmental objectives for FY15 include:

- Maintaining current levels of service and budget control.
- Investigating methods of reducing costs such as scanning closed files to reduce storage facility costs.
- Working towards improving specialty court efficiencies.

Longer-term goals for the department include:

- Continuing to investigate methods of reducing costs, such as utilizing laptop computers in courts for case analysis, scheduling and trial preparation.
- Advocating for rehabilitation over incarceration.

### Opportunities and Challenges

- The caseload reduction trend of the last five years is leveling out and increases are anticipated.
- Social scientists are predicting an increased case load comprised of veterans returning from active duty in conflict areas. Specialty courts such as veteran’s court, drug court and mental health court are addressing the specialized needs of these clients.

## Public Defender

Strategic Priority Area Alignment		Programs			
		Adult Felony	Adult Misdemeanor	Juvenile, Mental Health and Dependency	Other
<b>Public Safety (PS): Criminal Justice</b>					
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x	x	x	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x	x	x	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x	x	x	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x	x	x	x

## Public Defender

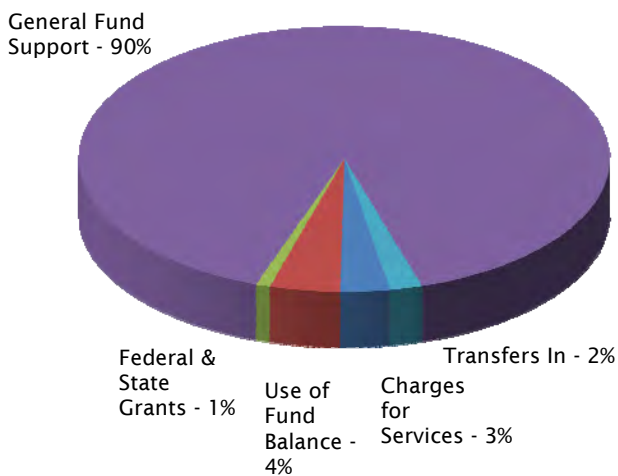
### Financial Summary

The Public Defender’s primary source of revenue is General Fund support. FY14 revenue was 26% above budget, due to increased fees for services provided. The department’s FY15 revenue budget is expected to stay flat compared to FY14.

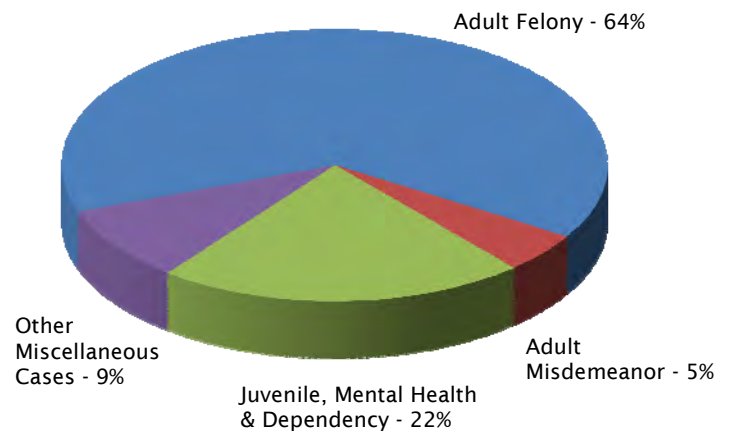
The Public Defender’s Office finished 1% under its revised FY14 expenditure budget of \$2,265,874. This variance is due almost entirely to a reduction in travel expenses. The department’s FY15 adopted expenditure budget of \$2,331,664 is an increase of 3% over FY14, due to attorney promotions within the department. The department requested a budget increase that would return a portion of their salary/ERE to the General Fund that had previously been moved to their Special Revenue Funds. This request was not approved, however it will be reconsidered at mid-year FY15.

The following charts illustrate the Public Defender’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

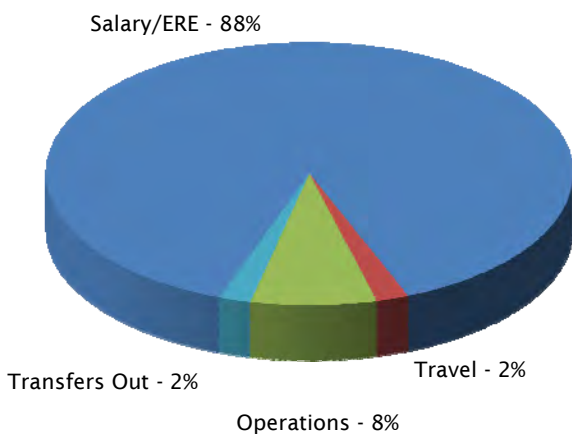
**Revenue by Source Type**



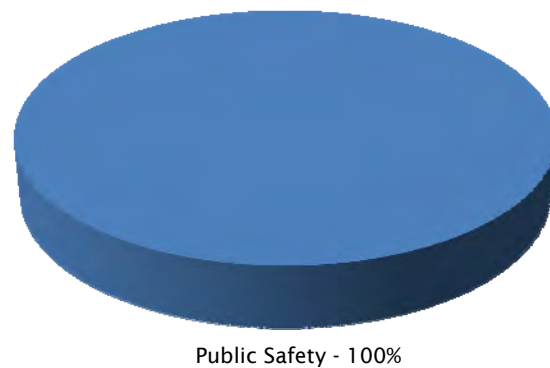
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



## Public Defender

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 20,000	\$ 16,239	\$ 20,000	\$ 21,554	\$ 20,000
Charges for Services	80,000	67,258	70,000	104,201	70,000
Investment Income	8,200	(605)	8,200	3,259	8,200
Other	-	49	-	-	-
Transfers from Other Funds	34,000	47,281	45,453	51,347	45,453
Use of (Increase In) Fund Balance	85,756	79,927	97,911	89,727	99,355
General Fund Support	2,023,766	1,986,483	2,024,310	1,982,102	2,088,656
<b>Total Funding Sources</b>	<b>\$ 2,251,722</b>	<b>\$ 2,196,632</b>	<b>\$ 2,265,874</b>	<b>\$ 2,252,190</b>	<b>\$ 2,331,664</b>

<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 1,991,526	\$ 1,960,695	\$ 1,942,985	\$ 1,953,262	\$ 2,060,015
Operations	179,861	154,198	231,101	221,451	179,861
Travel	46,335	34,458	46,335	26,131	46,335
Transfers to Other Funds	34,000	47,281	45,453	51,347	45,453
<b>Total Uses of Funds</b>	<b>\$ 2,251,722</b>	<b>\$ 2,196,632</b>	<b>\$ 2,265,874</b>	<b>\$ 2,252,190</b>	<b>\$ 2,331,664</b>

Net Indirect Support	292,531	292,531	276,472	276,472	267,303
<b>Total</b>	<b>\$ 2,544,253</b>	<b>\$ 2,489,163</b>	<b>\$ 2,542,346</b>	<b>\$ 2,528,662</b>	<b>\$ 2,598,967</b>

<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ -	\$ 49	\$ -	\$ 25,368	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(2,023,766)	(1,986,532)	(2,024,310)	(2,007,470)	(2,088,656)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (2,023,766)</b>	<b>\$ (1,986,483)</b>	<b>\$ (2,024,310)</b>	<b>\$ (1,982,102)</b>	<b>\$ (2,088,656)</b>
Net Indirect Support	(292,531)	(292,531)	(276,472)	(276,472)	(267,303)
<b>Total County Support</b>	<b>\$ (2,316,297)</b>	<b>\$ (2,279,014)</b>	<b>\$ (2,300,782)</b>	<b>\$ (2,258,574)</b>	<b>\$ (2,355,959)</b>

## Public Defender

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Adult Felony	\$ 76,500	\$ 1,382,184	\$ 41,500	\$ 1,500,184	\$ 172,092
Adult Misdemeanor	-	111,918	-	111,918	13,653
Juvenile, Mental Health and Dependency	-	510,174	-	510,174	63,818
Other Miscellaneous Cases	67,153	84,380	57,855	209,388	17,739
<b>Total</b>	<b>\$ 143,653</b>	<b>\$ 2,088,656</b>	<b>\$ 99,355</b>	<b>\$ 2,331,664</b>	<b>\$ 267,303</b>

### Performance Measures by Program

<b>Adult Felony</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Cases per year - Felony	1,597	1,800	1,800
Cases per year - Revocation	296	300	350
Average days case open - Felony	118	100	100
Average days case open - Revocation	42	50	50
Full time equivalents - Felony	12	12	12

<b>Adult Misdemeanor</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Cases per year - Misdemeanor	319	300	350
Average days case open - Misdemeanor	156	150	150
Full time equivalents - Misdemeanor	2	2	2

<b>Juvenile, Mental Health and Dependency</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Cases per year - Dependency	33	30	30
Cases per year - Juvenile	520	500	500
Cases per year - Juvenile Appeal	6	2	2
Cases per year - Mental Health	126	0	0
Average days case open - Dependency	659	600	600
Average days case open - Juvenile	225	200	200
Average days case open - Juvenile Appeal	103	0	0
Average days case open - Mental Health	14	0	0
Full time equivalents - Juvenile	3	3	3

<b>Other Miscellaneous Cases</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Cases per year - Adult Appeal	10	10	10
Cases per year - Post Conviction Relief	39	40	40
Cases per year - Other	5	5	5
Average days case open - Adult Appeal	455	450	450
Average days case open - Post Conviction Relief	82	100	100
Average days case open - Other	530	200	200
Full time equivalents - Other	1	1	1

## Public Defender

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I	2.00	2.00	2.00
Attorney I	2.00	-	-
Attorney III	-	2.00	2.00
Attorney IV	9.00	8.00	8.00
Attorney V	2.00	2.00	2.00
Chief Investigator	1.00	1.00	1.00
Legal Assistant	3.00	3.00	3.00
Public Defender	1.00	1.00	1.00
<b>Total Positions</b>	<b>21.00</b>	<b>20.00</b>	<b>20.00</b>

\* The Public Defender transferred one Attorney position to the Legal Defender for FY14. No additional staffing changes were made for FY15.

## Sheriff

911 East Sawmill Road, Flagstaff, AZ 86001 (928) 226-5012  
 Bill Pribil, Coconino County Sheriff

The Sheriff’s Office provides law enforcement services to all unincorporated areas of Coconino County, operates the County jail, conducts search and rescue operations, serves civil process, and provides patrol and investigative services to the citizens of the County.

Program	SPA	Description
Administration	PS	The Sheriff and Chief provide leadership, facilitate regional collaboration/communication, and foster opportunities for the development of public safety and safe communities.
Detention	PS	Detention is a regional facility housing sentenced and unsentenced adult offenders. For the welfare and benefit of inmates and the public, Detention keeps offenders off the street and provides respectful care and avenues for reform.
Operations	PS	The Operations Program provides law enforcement services to all unincorporated areas of the County, conducts search and rescue operations, serves civil process and provides patrol and investigative services to the citizens of Coconino County.
Support Services	PS	Support Services provides core services to the Sheriff’s Office and external customers. It uses best practices to provide administrative, fiscal, technological and professional support to programs that manage situations that disrupt order and threaten public safety.

### Goals and Objectives

FY15 departmental objectives include:

- Expanding the use of volunteers. This not only enhances community quality and safety, the use of volunteers is also a cost savings
- Complete the Search and Rescue mezzanine project. The completion of this project will add much needed storage area and allow for more equipment to be stored inside, prolonging the life of the equipment.
- Continue to implement the proposed Law Enforcement Pay Plan. The pay plan will help bring officers to a competitive market salary level and help keep individuals from leaving for higher paying jobs.

Longer-Term goals for the department include:

- The construction of a transitional housing unit at the existing jail facility. This will result in a reduction in recidivism and will help alleviate the revolving door system created by inmates not receiving adequate treatment.

## Sheriff

### Opportunities and Challenges

- Ability to handle concurrent large scale events with limited resources.
- Training costs and availability of internal trainers.
- Time and money costs (recruitment, testing, training) related to employee turnover.
- Sheriff's Office turnover rate is higher than the County's turnover rate.
- Increase in inmate local population.
- Decrease of bed rentals revenue.
- Increase in number of calls for service.
- Shifts in types of calls for service including responses to more civil, domestic, social, and mental health cases.
- Increase in Search and Rescue missions.
- Facilities needs for repair and replacement, storage, and personnel.
- Population growth in Coconino County (new neighborhoods requiring services).
- Demographics of residents (e.g., part-time residences play factor in types of crime).
- Staffing and competitive pay issues (staffing ratios, wages, compression issues, cost of living and retirement changes).
- Technology and equipment needs (changing expectations with new technology, storage needs and cost).
- National and State budget impacts.
- Interagency partnership requirements on staff, resources, grants, etc.
- Ongoing legislative impacts (gun laws, medical marijuana, immigration, Law Enforcement Boating Safety Fund, Title III, Sex Offender programs, mandatory impounds, etc.)
- Loss of funding opportunities (grant funding reduction, Title III) and sustainability of programs.
- National events (e.g., active shooters).
- Expectations of the community based on TV, movies, etc.
- Lack of community programs and processes for dealing with mentally ill.
- Lack of community programs and process for dealing with substance abuse and mental health.
- Recreational expansions (casino, snow making, shooting range).
- Unforeseen emergencies (natural disasters).

## Sheriff

Strategic Priority Area Alignment		Programs			
		Administration	Detention	Operations	Support Services
<b>Public Safety (PS): Criminal Justice</b>					
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x	x	x	x
	Prioritize programs that are most effectively addressed by public safety entities.	x	x	x	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x	x	x	x
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x	x	x	x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x	x	x	x
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.	x	x	x	x
<b>Public Safety (PS): Safe and Well Planned Communities</b>					
Strategies	Ensure strong emergency preparedness plans are in place to protect Coconino County citizens and communities.	x	x	x	x
	Coordinated activities among all development services and public safety divisions.	x	x	x	x
	Ensure all aspects of public health, safety and welfare are considered with public and private development.	x	x	x	x
	Be prepared to meet needs resulting from emergency situations putting communities at risk (preparedness).	x	x	x	x

## Sheriff

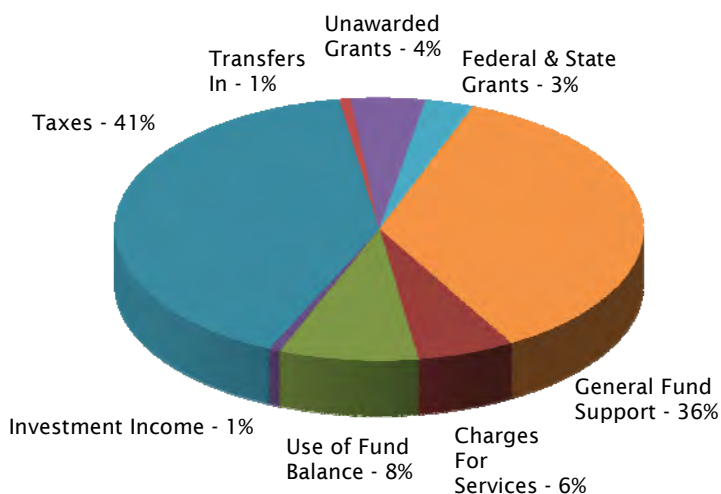
### Financial Summary

The Sheriff's Office's two main sources of revenue are Jail District sales taxes and General Fund support. The department was 8% under their revenue budget for FY14, due to lower-than-expected Federal and State grant funding, lower sales tax revenue, and decreased transfers in from Title III funding. FY15 revenue (excluding unawarded grants) is budgeted to be 4% lower than the previous year, due mainly to decreased Federal and State grant funding.

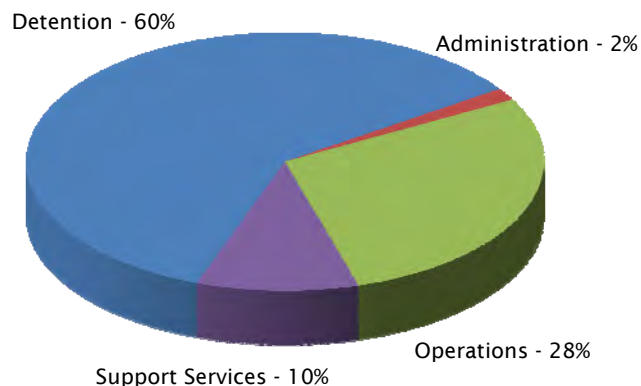
For FY14 the Sheriff's Office finished 12% under their revised expenditure budget of \$26,988,628. This variance is largely due to salary savings from unfilled positions, as well as operational savings within the Detention Program. The Sheriff's FY15 adopted expenditure budget (excluding unawarded grants) of \$30,000,933 is 11% higher than their FY14 budget. Almost all of this variance is due to a \$3,000,000 Jail District capital project budgeted for FY15. This project will create a transitional housing facility for low-risk inmates. Other notable budget increase requests that were approved for FY15 include the addition of a full-time Chaplain position for the jail, approximately \$149,000 in additional funding for motor pool, \$215,000 in one-time funding for a closed circuit television system, and \$225,000 in one-time funding for a radio frequency ID system for inmates.

The following charts illustrate the Sheriff's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. All expenditure reports exclude unawarded grants.

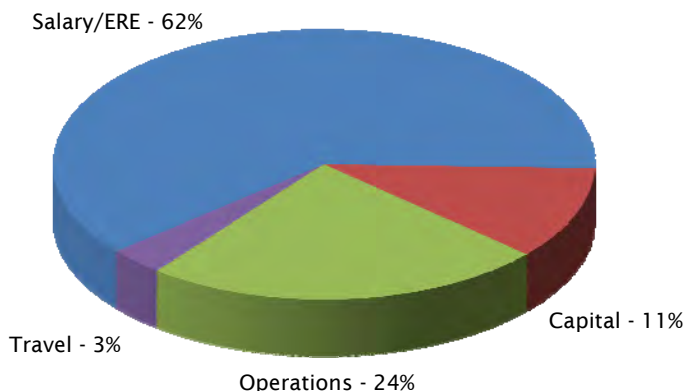
**Revenue by Source Type**



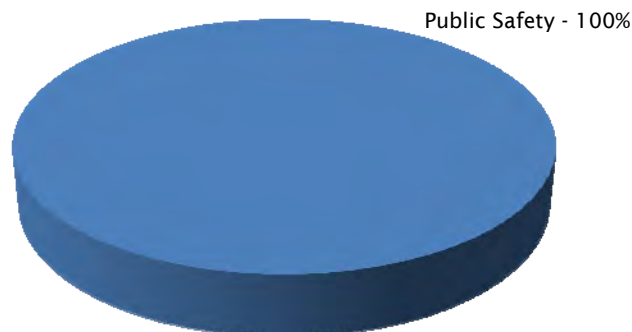
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Justice System



## Sheriff

### Department-Wide Financial Statement

<u>Revenues and Other Sources</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Federal and State Grants	\$ 1,044,356	\$ 749,517	\$ 1,439,495	\$ 924,921	\$ 924,628
Taxes	11,862,999	11,699,874	12,691,779	12,270,130	12,697,600
Other Intergovernmental	66,000	92,343	66,000	40,000	66,000
Licenses & Permits	2,500	-	2,500	4,813	2,500
Charges for Services	2,020,872	1,962,588	1,833,372	1,693,725	1,853,372
Fines, Fees, & Forfeits	1,500	13,638	1,500	8,466	1,500
Unawarded Grants	-	-	-	-	1,414,262
Investment Income	208,135	(62,815)	208,980	275,612	209,980
Contributions	5,000	3,260	5,000	2,925	5,000
Other	162,350	194,356	221,850	192,080	198,350
Transfers from Other Funds	386,820	424,960	378,858	147,588	218,783
Use of (Increase In) Fund Balance	(1,577,301)	(2,755,766)	(749,543)	(2,688,697)	2,650,764
General Fund Support	10,230,553	10,187,369	10,888,837	10,832,608	11,172,456
<b>Total Funding Sources</b>	<b>\$ 24,413,784</b>	<b>\$ 22,509,323</b>	<b>\$ 26,988,628</b>	<b>\$ 23,704,170</b>	<b>\$ 31,415,195</b>
<u>Expenditures and Other Uses</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Salary/ERE	\$ 17,055,255	\$ 16,853,027	\$ 18,770,790	\$ 17,923,043	\$ 19,324,912
Operations	6,282,092	4,569,154	6,905,065	4,772,989	7,530,977
Travel	898,687	946,253	890,584	940,011	1,036,702
Capital	91,500	89,354	299,571	13,073	3,480,625
Transfers to Other Funds	86,250	51,535	122,618	55,053	41,979
<b>Total Uses of Funds</b>	<b>\$ 24,413,784</b>	<b>\$ 22,509,323</b>	<b>\$ 26,988,628</b>	<b>\$ 23,704,170</b>	<b>\$ 31,415,195</b>
Net Indirect Support	1,168,895	1,168,895	944,421	944,421	998,592
<b>Total</b>	<b>\$ 25,582,679</b>	<b>\$ 23,678,218</b>	<b>\$ 27,933,049</b>	<b>\$ 24,648,591</b>	<b>\$ 32,413,787</b>
<u>General Fund Support</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Program Revenue	\$ 112,550	\$ 492,800	\$ 401,550	\$ 404,731	\$ 386,550
Transfers in from Other Funds	228,102	228,102	117,675	53,115	163,659
Program Expenditures	(8,084,651)	(8,451,032)	(8,849,162)	(8,771,504)	(9,150,350)
GF Transfers to Other Funds	(2,486,554)	(2,457,240)	(2,558,900)	(2,518,950)	(2,572,315)
<b>Total Direct Support</b>	<b>\$(10,230,553)</b>	<b>\$(10,187,369)</b>	<b>\$(10,888,837)</b>	<b>\$(10,832,608)</b>	<b>\$(11,172,456)</b>
Net Indirect Support	(1,168,895)	(1,168,895)	(944,421)	(944,421)	(998,592)
<b>Total County Support</b>	<b>\$(11,399,448)</b>	<b>\$(11,356,264)</b>	<b>\$(11,833,258)</b>	<b>\$(11,777,029)</b>	<b>\$(12,171,048)</b>

# Justice System



## Sheriff

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ 284,000	\$ 3,752	\$ 195,146	\$ 482,898	\$ 31,242
Detention Services	14,967,304	2,545,028	1,322,933	18,835,265	221,322
Operations	2,276,311	6,521,736	121,642	8,919,689	490,387
Support Services	64,360	2,101,940	1,011,043	3,177,343	255,641
<b>Total</b>	<b>\$ 17,591,975</b>	<b>\$ 11,172,456</b>	<b>\$ 2,650,764</b>	<b>\$ 31,415,195</b>	<b>\$ 998,592</b>

### Performance Measures by Program

#### Administration

	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Percentage of customers rating Sheriff's Office as Excellent or Above Average Rating in Neighborhood Survey	63%	63%	N/A
Percentage of customers rating previous contacts with Sheriff's Office as Excellent or Good in Department Report Survey	83%	83%	N/A
Percentage of supervisors completing Leadership in Police Organizations/Supervisor Academies	100%	100%	100%
Percentage of employees with five plus years of service	N/A	N/A	N/A

#### Detention Services

	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Cost containment of overtime (reported by cost)	\$0	\$0	\$0
Number of volunteers (attending in-house training)	53	60	60
Number / hours of programs provided by Detention volunteers	4,776	4,900	5,200
Percentage of volunteers reporting Excellent to Good services	97%	95%	95%
Percentage of attorneys reporting Excellent to Good services	81%	80%	80%
Percentage of bail bondsmen reporting Excellent to Good services	63%	75%	75%
Percentage of community reporting Satisfaction with Detention facility/services	64%	75%	80%
Recidivism of EXODUS graduates	35%	35%	35%
Percentage of employees with five plus years of service	44%	54%	N/A

## Sheriff

### Performance Measures by Program

<b>Operations</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Cost containment of overtime (reported by hours)	7,000	7,000	7,000
Number of outreach/information campaigns, community meetings, neighborhood watch, etc.	80	85	90
Percentage of employees with five plus years of service	58%	70%	N/A
Percentage of self-initiated calls for service	65%	65%	N/A
Cost savings as measured by SAR volunteer hours	15,000	25,000	25,000
Cost savings as measured by cold case volunteer hours	800	700	800
Percentage of customers rating neighborhood as Very Safe or Reasonably Safe in Department Report Survey	85%	85%	N/A
Percentage of customers that Strongly Agree or Agree that their neighborhood is safe in Neighborhood Survey	60%	75%	N/A
Percentage of customers rating deputy courtesy as Excellent or Good in Department Report Survey	95%	95%	N/A
Percentage of customers rating deputy interest as Excellent or Good in Department Report Survey	95%	90%	N/A

<b>Support Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Percentage of customers Very Satisfied with Support Services (Maintenance)	N/A	90%	N/A
Percentage of customers Very Satisfied with Support Services (Custodial)	N/A	90%	N/A
Percentage of customers Very Satisfied with Support Services (Finance)	N/A	90%	N/A
Percentage of customers Very Satisfied with Support Services (IT)	N/A	90%	N/A
Percentage of customers Very Satisfied with Support Services (Communications)	N/A	90%	N/A
Percentage of customers Very Satisfied with Support Services (Warrants)	N/A	90%	N/A
Percentage of customers Very Satisfied with Support Services (HR)	N/A	90%	N/A
Percentage of customers Very Satisfied with Support Services (Administrative Team)	N/A	90%	N/A
Amount of funding applied for through grants	\$1,612,169	\$900,000	\$900,000
Amount of funding received through grants	\$792,612	\$625,000	\$600,000
Number of CERT classes/Citizen's Academies	20	20	20
Number of green projects maintained	18	18	20
Percentage of employees with five plus years of service	68%	79%	N/A

## Sheriff

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accounting Technician II	1.00	1.00	1.00
Administrative Manager	1.00	1.00	1.00
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Operations Manager	1.00	1.00	1.00
Administrative Specialist II	5.50	5.50	5.50
Administrative Specialist III	5.00	5.00	5.00
Case Worker	2.00	2.00	2.00
Chaplain	-	-	1.00
Chief Deputy Sheriff	1.00	1.00	1.00
Commander - Administrative Services	1.00	1.00	1.00
Commander - Detention Services	1.00	1.00	1.00
Commander - Operations	1.00	1.00	1.00
Communicable Disease Investigator	0.25	0.25	0.25
Community Programs Planner	1.00	1.00	1.00
Communication/Information Systems Manager	1.00	1.00	1.00
Corporal	4.00	4.00	4.00
Correctional Medical Director	1.00	1.00	1.00
Correctional Nurse Supervisor	1.00	1.00	1.00
Correctional Nurse	8.00	8.00	8.00
Crime Scene Investigator	1.00	1.00	1.00
Custodian	3.50	3.73	3.73
Custodian, Lead	1.00	1.00	1.00
Dental Assistant	0.38	0.38	0.20
Deputy Sheriff	40.00	36.75	38.75
Detective	6.00	6.00	6.00
Detention Cook	5.50	5.50	5.50
Detention Lieutenant	3.00	3.00	3.00
Detention Maintenance Supervisor	1.00	1.00	1.00
Detention Maintenance Technician	3.00	3.00	3.00
Detention Officer I	32.00	28.00	28.00
Detention Officer II	52.00	57.00	57.00
Detention Sergeant	16.00	16.00	16.00
Detention Support Specialist	31.00	31.00	31.00
Elected Official	1.00	1.00	1.00
Extradition Warrant Clerk	4.00	4.00	4.00
Food Services Manager	1.00	1.00	1.00
Human Resources Generalist	1.00	1.00	1.00
Lieutenant	5.00	5.00	5.00
Mental Health Clinician	1.00	1.00	1.00
Program Coordinator	1.00	1.00	1.00
Programmer Analyst II	-	-	1.50
Program Manager I	-	-	1.00
Public Health Dentist	0.20	0.20	0.20

## Sheriff

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Sergeant	9.00	9.00	9.00
Substance Abuse Counselor	2.00	2.00	2.00
Substance Abuse Technician	2.00	2.00	2.00
Systems Administrator	-	1.00	1.00
Systems Specialist	4.00	4.50	3.00
Technical Services Manager	1.00	1.00	1.00
Technical Specialist I	3.00	-	-
Technical Specialist II	-	2.00	2.00
Trades Manager	1.00	1.00	1.00
Treatment Supervisor	1.00	1.00	1.00
<b>Total Positions</b>	<b>269.33</b>	<b>267.81</b>	<b>271.63</b>

\* For FY15, a Service Improvement Request was approved by the Board of Supervisors for the Jail District to hire a full-time Chaplain position. In addition, two additional Sheriff's Deputies were added to the department's staff for an upcoming IGA with the Bureau of Reclamation. Finally, a Program Manager I position was added as a Jail Education Program Manager to assist with inmates re-entering society.

## Superior Court

200 North San Francisco Street, Flagstaff, AZ 86001 (928) 679-7500  
 Gary Krcmarik, Court Administrator

The Superior Court of Arizona in Coconino County is part of the State’s only general jurisdiction court. Generally, there are two major categories of cases heard in Superior Court: criminal and civil.

Program	SPA	Description
Alternative Dispute Resolution	CV	The Superior Court's Alternative Dispute Resolution (ADR) program offers mediation as an alternative to the traditional litigation process and aims to assist two (or more) disputants in reaching an agreement in civil, probate, guardianship and domestic relations cases.
Conciliation Court	CV	At little or no cost to participants, the Conciliation Court program provides parent education, counseling mediation and custody evaluation services for families going through separation, divorce or paternity issues.
Court Operations	PS	Court Operations provides leadership and operational management for the daily operations and long-range judicial and non-judicial activities of the court system.
DUI/Drug Court	PS	The DUI/Drug Court program is an alternative to traditional prosecution for eligible drug and alcohol related offenders.
Integrated Family Court	CV	The program provides over 400 families (with children) involved in divorce/domestic relations cases with access to the judicial system under the auspices of "one family - one judge" for a coordinated approach to each case.
Judicial Services	PS	The Judicial Services program provides court-ordered case-related judicial services.
Law Library/Self-Help Center	CV	The Law Library and Self-Help Center serves the legal information needs of the County, including legal professionals and citizens, particularly those representing themselves in legal matters ("pro pers").

### Goals and Objectives

FY15 objectives include:

- Expansion of services that are not available to veterans through the Veteran’s Administration and provide services to more cases in Justice Court and Municipal Court. This would consolidate many cases and create efficiencies within the department.
- Expansion of services to non-seriously mentally ill defendants in order to reduce the amount of revolving door cases presented to the courts.
- Continuing to seek General Fund support for the DUI/Drug Court program, as current funding will be depleted by FY17. The alternative is to reduce services for the program, which would result in a reduction of participants from 70 to 50.
- Evaluation of the effectiveness of the Home Detention Program. This program reduces jail crowding and decreases costs by charging the participants for their monitoring.
- Continuing to partner with Arizona State University to offer “New Beginnings” parent information class. This program has been proven to reduce juvenile delinquency by teaching divorcing/separating parents skills to reduce the negative impact to their children.

## Superior Court

Longer-term goals include:

- Re-examining the mission and critical functions of the court. Reviewing and aligning the scope of services that are provided for both internal and external customers.
- With a strengthening economy comes increased pressure from employee turnover. The Superior Court plans on focusing on retaining valuable employees by providing them with opportunities for growth, development, flexible work schedules, providing avenues to learn as well as be heard, and promoting necessary salary increases.
- As special revenue funds continue to be depleted, a discussion regarding increased Court Enhancement fees will be required in order to support and retain Court programs.
- As stated below, County courts have a need for increased security. The department plans on continuing the implementation of court security measures as budget permits.

## Opportunities and Challenges

- Through the Justice 2030 Strategic Planning process, the Courts work to proactively respond to the many trends that impact the system such as the increase in County population; increase in aging population; increase in diverse minority populations; increase in need for veteran services and mental health services; economic downturns; technology revolution; local, State and Federal policy changes; unfunded mandates; caseload trends, and complexity of cases.
- There is a greater expectation from court customers to take care of business on-line 24 hours per day from anywhere in the world instead of in-line at a public counter. The trend is to also use existing and emerging technologies to improve efficiencies.
- An alarming number of mentally ill misdemeanants, often charged with social crimes, are coming to the attention of the criminal courts. Not only are the numbers increasing but the defendants are presenting in court with far more severe symptoms that require immediate assessment. The Courts role has shifted to one of linking and referring defendants in an environment where there is limited access to treatment.
- Due to societal changes there is an increasing need for increased security for County employees, our partners (law enforcement officers, mental health professionals and attorneys) and the public who visit our facilities. The Courts should always remain an iconic secure haven to employees and all who enter Arizona Court facilities.
- The Highway User Revenue Fund (HURF) fund sweeps are likely to impact the County General Fund thereby potentially impacting court programs (i.e., DUI/Drug Court, Integrated Family Court, Conciliation Court, and Law Library).

## Superior Court

Strategic Priority Area Alignment		Programs						
		Alternative Dispute Resolution	Conciliation Court	Court Operations	DUI/Drug Court	Integrated Family Court	Judicial Services	Law Library/Self-Help Center
<b>Community Vitality (CV)</b>								
Strategies	Create and maintain resources for programs that provide a safety net for vulnerable populations.	x	x			x		x
	Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.		x					x
	Create and facilitate opportunities for citizens to become empowered and engaged in order to strengthen communities.	x	x			x		x
	Support programs, services, activities and events that enrich, enhance, and celebrate diversity and quality of life for all citizens.					x		
	Create the service delivery infrastructure and technology to connect employees and citizens to resources provided by the County.					x		x
<b>Public Safety (PS): Criminal Justice</b>								
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.			x	x		x	
	Prioritize programs that are most effectively addressed by public safety entities.			x			x	
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.				x		x	
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.			x			x	
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.			x	x		x	
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.				x			

## Superior Court

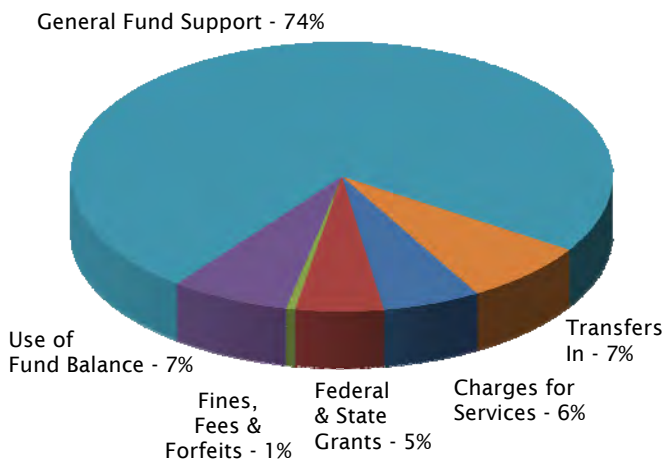
### Financial Summary

The majority of the Superior Court's revenue comes from General Fund support, with smaller amounts funded by charges for services and Federal and State grants. The department finished FY14 8% above their revenue budget, due to the receipt of unexpected fines, fee and forfeitures. The department also received a higher-than-expected distribution of State fill-the-gap funds. FY15 budgeted revenue (excluding unawarded grants) is being increased by 3% to account for the higher fines, fees and forfeiture revenue.

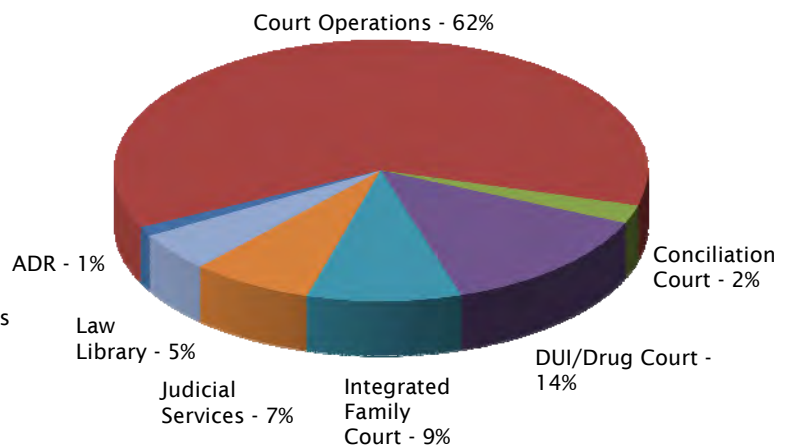
The Superior Court finished FY14 3% under their revised expenditure budget of \$3,743,072. Higher-than-expected salary and ERE expenses were offset by operational savings in the DUI/Drug Court program. The FY15 adopted expenditure budget of \$3,730,532 (excluding unawarded grants) is essentially flat compared to FY14. Variances from last year include slightly higher payroll/ERE expenses balanced out by lower operational costs. The department's budget increase request for additional temporary wages to cover leave taken by the presiding judge was not approved, but will be reconsidered mid-year FY15.

The following charts illustrate the Superior Court's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. Expenditure charts exclude unawarded grants.

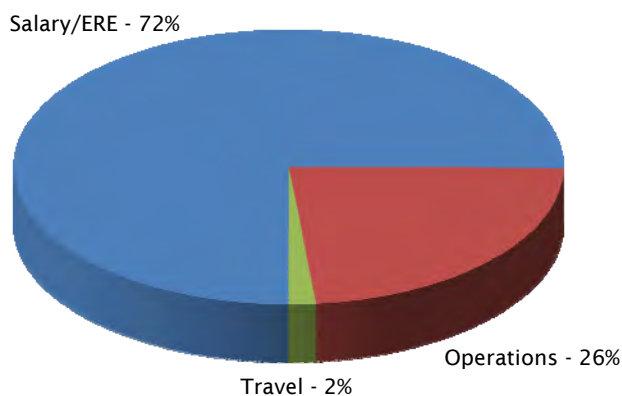
**Revenue by Source Type**



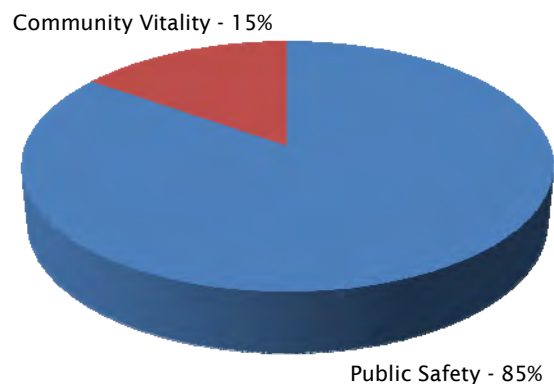
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



## Superior Court

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 198,096	\$ 180,821	\$ 203,484	\$ 196,878	\$ 194,785
Charges for Services	212,400	222,779	211,400	221,851	216,900
Fines, Fees, & Forfeits	-	(604)	-	20,389	20,000
Unawarded Grants	-	-	-	-	9,000
Investment Income	5,040	(2,036)	5,040	11,661	3,250
Other	11,000	5,330	14,000	13,249	10,000
Transfers from Other Funds	268,153	283,238	279,055	303,247	282,925
Use of (Increase In) Fund Balance	305,137	139,690	281,066	65,789	264,159
General Fund Support	2,655,124	2,655,534	2,749,027	2,807,071	2,738,513
<b>Total Funding Sources</b>	<b>\$ 3,654,950</b>	<b>\$ 3,484,752</b>	<b>\$ 3,743,072</b>	<b>\$ 3,640,133</b>	<b>\$ 3,739,532</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 2,601,137	\$ 2,593,084	\$ 2,669,416	\$ 2,685,409	\$ 2,694,335
Operations	979,576	827,425	993,110	887,929	963,660
Travel	56,237	52,934	59,237	63,851	59,237
Capital	8,000	5,318	8,000	-	8,000
Transfers to Other Funds	10,000	5,991	13,309	2,944	14,300
<b>Total Uses of Funds</b>	<b>\$ 3,654,950</b>	<b>\$ 3,484,752</b>	<b>\$ 3,743,072</b>	<b>\$ 3,640,133</b>	<b>\$ 3,739,532</b>
Net Indirect Support	1,016,594	1,016,594	756,784	756,784	1,070,695
<b>Total</b>	<b>\$ 4,671,544</b>	<b>\$ 4,501,346</b>	<b>\$ 4,499,856</b>	<b>\$ 4,396,917</b>	<b>\$ 4,810,227</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 6,500	\$ 8,194	\$ 6,500	\$ 10,163	\$ 6,500
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(2,618,346)	(2,578,751)	(2,693,488)	(2,768,926)	(2,679,705)
GF Transfers to Other Funds	(43,278)	(84,977)	(62,039)	(48,308)	(65,308)
<b>Total Direct Support</b>	<b>\$ (2,655,124)</b>	<b>\$ (2,655,534)</b>	<b>\$ (2,749,027)</b>	<b>\$ (2,807,071)</b>	<b>\$ (2,738,513)</b>
Net Indirect Support	(1,016,594)	(1,016,594)	(756,784)	(756,784)	(1,070,695)
<b>Total County Support</b>	<b>\$ (3,671,718)</b>	<b>\$ (3,672,128)</b>	<b>\$ (3,505,811)</b>	<b>\$ (3,563,855)</b>	<b>\$ (3,809,208)</b>

## Superior Court

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Alternative Dispute Resolution (ADR)	\$ 8,000	\$ 35,134	\$ 1	\$ 43,135	\$ 13,854
Conciliation Court	54,150	-	30,585	84,735	13,854
Court Operations	182,907	2,100,428	16,728	2,300,063	834,873
DUI/Drug Court	316,831	-	190,345	507,176	74,635
Integrated Family Court	24,500	324,592	-	349,092	111,020
Judicial Services	-	248,185	26,500	274,685	-
Law Library/Self-Help Center	150,472	30,174	-	180,646	22,459
<b>Total</b>	<b>\$ 736,860</b>	<b>\$ 2,738,513</b>	<b>\$ 264,159</b>	<b>\$ 3,739,532</b>	<b>\$ 1,070,695</b>

### Performance Measures by Program

#### Alternative Dispute Resolution (ADR)

	FY13	FY14	FY15
Number of referrals to ADR	29	50	50
Percentage of mediated cases - agreements	57%	56%	56%

#### Conciliation Court

	FY13	FY14	FY15
Number of attendees to the parent information class	323	291	299
Number of clients referred to counseling	11	5	11
Number of mediations	109	130	121
Percentage of full/partial mediated parenting time agreements	73%	73%	71%
Number of evaluations	24	19	24

#### Court Operations

	FY13	FY14	FY15
Total number of criminal cases filed	912	929	929
Total number of criminal cases disposed	825	686	686
Percent clearance rate for criminal cases disposed	90%	74%	74%
Percentage of criminal cases disposed within 100 days (goal: 90 percent)	36%	43%	43%
Percentage of criminal cases disposed within 180 days (goal: 98 percent)	66%	75%	75%
Total number of domestic relations cases filed	611	653	653
Total number of domestic relations cases disposed	590	458	458
Percent clearance rate for domestic relations cases disposed	97%	70%	70%
Percentage of domestic relations cases disposed within 150 days (goal: 90 percent)	77%	83%	83%
Percentage of domestic relations cases disposed with 365 day (goal: 100 percent)	97%	98%	98%
Total number of civil cases filed	831	706	706
Total number of civil cases disposed	783	586	586
Percent clearance rate for civil cases disposed	94%	83%	83%
Percentage of civil cases disposed within one year (goal: 90 percent)	93%	88%	88%
Percentage of civil cases disposed with two years (goal: 100 percent)	98%	98%	98%

## Superior Court

### Performance Measures by Program

<b>DUI/Drug Court</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of crimes committed while in program	16	8	8
Percentage of clean urinalysis/breath tests	97%	97%	97%
Number of drug-free babies born to female DUI/Drug Court participants	0	1	1
Percentage of participants employed and/or attending school	83%	83%	83%
Number of case processing days for DUI/Drug Court cases	60	157	157
Number of veterans served	7	5	5
Number of graduates	54	50	50
Number of terminations (non-graduates)	9	8	8

<b>Integrated Family Court (IFC)</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Percentage of IFC cases that do not have contested hearings or trials (prior to the IFC program, 58% of cases did not have contested hearings or trials)	95%	95%	95%
Number of IFC individuals referred to services (includes FLAP referrals)	707	706	706
Number of clients served through the Family Law Assistance Program (FLAP)	429	390	390
Percentage of FLAP clients reporting that they feel more comfortable with the court process after receiving FLAP services (goal is 75 percent)	96%	99%	99%
Number of parents who attended the Cooperative Parenting Education Class	48	50	50
Percentage of parents who respond that civility with the other parent has increased by 50 percent (This demonstrates that family conflict is reduced and cooperation is increased)	65%	75%	75%
IFC Survey Results: Percentage of client satisfaction with the Cooperative Parenting Education Class: Very Satisfied	43%	45%	45%
IFC Survey Results: Percentage of client satisfaction with the Cooperative Parenting Education Class: Strongly Satisfied	45%	50%	50%
IFC Survey Results: Percentage of client satisfaction with the Cooperative Parenting Education Class: Satisfied	11%	10%	10%
IFC Survey Results: Percentage of client satisfaction with the Cooperative Parenting Education Class: Somewhat Satisfied	0%	0%	0%
IFC Survey Results: Percentage of client satisfaction with the Cooperative Parenting Education Class: Not Satisfied	1%	0%	0%
Number of domestic relations cases filed with children	255	310	310
Percentage of domestic relations cases with children that are disposed of within 180 days (Prior to the IFC program, 50 percent were disposed of within 180 days)	62%	78%	78%
The average number of days between filing and disposition of domestic relations cases with children (Prior to the IFC program, the average number of days was 220)	127	123	123
Number of children who attended Rollercoasters classes	32	33	33

## Superior Court

### Performance Measures by Program

Judicial Services	FY13	FY14	FY15
Jury Surveys: How would you rate the courteousness of the court staff? Extremely Courteous	70%	71%	71%
Jury Surveys: How would you rate the courteousness of the court staff? Courteous	26%	25%	25%
Jury Surveys: How would you rate the courteousness of the court staff? Neither Courteous Nor Discourteous	2%	3%	3%
Jury Surveys: How would you rate the courteousness of the court staff? Discourteous	1%	1%	1%
Jury Surveys: How would you rate the courteousness of the court staff? Extremely Discourteous	1%	0%	0%
Jury Surveys: How would you rate the courteousness of the court staff? Extremely Courteous: No Response	0%	0%	0%
Jury Surveys: Overall, how satisfied were you with your jury service experience in the court? Very Satisfied	33%	36%	36%
Jury Surveys: Overall, how satisfied were you with your jury service experience in the court? Satisfied	42%	42%	42%
Jury Surveys: Overall, how satisfied were you with your jury service experience in the court? Neither	19%	17%	17%
Jury Surveys: Overall, how satisfied were you with your jury service experience in the court? Unsatisfied	3%	3%	3%
Jury Surveys: Overall, how satisfied were you with your jury service experience in the court? Very Unsatisfied	1%	2%	2%
Jury Surveys: Overall, how satisfied were you with your jury service experience in the court? No Response	2%	0%	0%
Jury Surveys: How would you rate this jury experience with your previous experiences? Better	38%	44%	44%
Jury Surveys: How would you rate this jury experience with your previous experiences? Same	57%	51%	51%
Jury Surveys: How would you rate this jury experience with your previous experiences? Worse	5%	5%	5%

Law Library/Self-Help Center	FY13	FY14	FY15
Number of Law Library and Self-Help Center customers (walk-in and phone)	13,829	14,000	14,000
Number of online reference questions answered by the Law Librarian	227	300	300
Number of clients surveyed who found the Law Library resources they needed	89%	89%	89%
Number of free legal packets available in English and Spanish	79	81	81
Number of free legal packets provided to customers (walk-in and e-mail)	6,778	6,500	6,500
Number of Law Library books used	756	1,000	1,000
Number of Law Library online legal database searches	1,898	1,700	1,700

## Superior Court

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Support II	0.63	0.63	0.63
Alternative Dispute Resolution Coordinator	1.00	1.00	1.00
Bailiff II	2.50	2.50	4.50
Bailiff III (Deputy Chief)	1.00	1.00	1.00
Bailiff, Chief	1.00	1.00	1.00
Case Flow Manager	1.00	1.00	1.00
Commissioner/Judge	0.50	0.50	0.50
Court Administrator	1.00	1.00	1.00
Deputy Court Administrator	1.00	1.00	1.00
Drug Court Coordinator	1.00	1.00	1.00
Integrated Family Court Coordinator	1.00	1.00	1.00
Judicial Assistant	6.50	6.50	6.50
Judicial Specialist	2.00	2.00	2.00
Law Library Specialist	1.00	1.00	1.00
Official Court Reporter	5.00	5.00	5.00
Superior Court Judge	5.00	5.00	5.00
Superior Court Judge Pro Tem	1.00	1.00	1.00
Surveillance Officer	1.20	1.20	1.20
<b>Total Positions</b>	<b>34.33</b>	<b>34.33</b>	<b>36.33</b>

\* Two additional Bailiff II's were added mid-year FY14 through an IGA with the City of Flagstaff. The payroll expenses for both of these positions are reimbursed by the City.

# Health and Social Services



## Service Area Summary



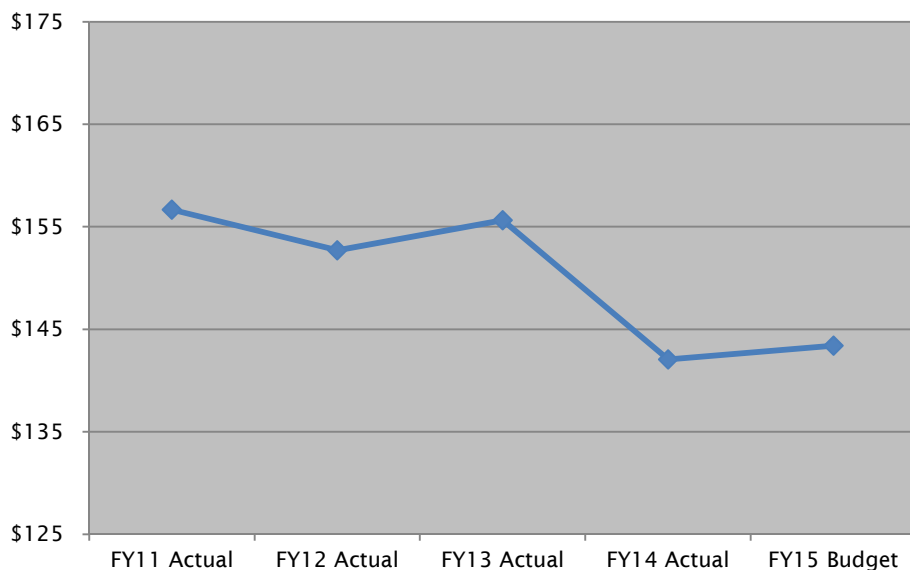
### Description of Services

The Health and Social Services service area provides programs in basic education, employment success skills, academic classes and vocational training for adult and youth participants, services to isolated elderly and less fortunate residents including housekeeping, the Meals on Wheels program, housing assistance and transportation services, protection against environmental hazards, and the promotion of healthy social and family behaviors. The departments' shared purpose is to create a healthy, prosperous and responsible community of people who have the continuous capacity to maximize resources and productively direct their lives.

### Per Capita Costs

Over the last five years, Health and Social Services cost per capita has been on the decline. This decrease is almost entirely attributable to the Community Services department, which is budgeted to spend half as much in FY15 as it did four years earlier. Most of this reduction is due to the integration of the Coconino Rural Environment Corps (CREC) with the Southwest Conservation Corps, a private company. The Career Center is fully funded through Federal and State grants, and their per capita expenditures reflect the cyclical nature of these appropriations. The Public Health Services District is also heavily funded through Federal and State grants, which are subject to appropriation each year. In addition, the District pays for mandated services such as Title 36, which are on a steady incline annually.

The chart below shows a five year history of the per capita cost of services for the Health and Social Services service area.



# Health and Social Services



## Service Area Summary

The table below shows a three year history of the per capita cost of services for departments within the Health and Social Services service area.

<u>Department</u>	<u>FY13 Actuals</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>	<u>Change: FY14 to FY15</u>
Career Center	\$ 8.00	\$ 6.98	\$ 9.27	32.86%
Community Services	40.34	29.16	25.21	-13.54%
Public Health Services District	107.30	105.94	108.93	2.82%
<b>Total</b>	<b>\$ 155.65</b>	<b>\$ 142.08</b>	<b>\$ 143.41</b>	<b>0.94%</b>

## Career Center

2625 North King Street, Flagstaff, AZ 86004 (928) 679-7400  
 Carol Curtis, Director

The Career Center provides an atmosphere in which all job seekers - entry level through highly experienced - have easy access to the resources needed to secure a job with a great employer.

Program	SPA	Description
Economic Development Programs - Re-Employment and Rapid Response	EV&D	The original grant was designed to reduce unemployment rates by subsidizing jobs for skilled people to return to work. Even with a new Act of Congress to reduce unemployment, the original goal remains: get people the skills they need to work.
Workforce and Economic Development Administration	EV&D	This program provides administrative support to the Workforce and Economic Development programs that promote the County strategies of Economic Vitality and Development and Community Vitality.
Workforce Programs - Adult and Youth Education and Job Training	CV	The Workforce Investment Act provides funds for programs to educate, train, re-train and retain a qualified workforce of all ages and abilities. Funds are primarily targeted to low income people and provide an avenue to increased financial success for vulnerable residents.

### Goals and Objectives

FY15 objectives include:

- The department will continue to seek to diversify grants and funding sources by applying for new grant opportunities and by networking with partners on large visionary grants.
- Department staff will participate in training from the Economic Development Administration (EDA) to enhance the ability of the Career Center and the County, to secure funds from this federal resource.
- The Department will implement the Business Operations Plan that was developed in FY14. This plan was created to strengthen the effectiveness and outreach of Career Center programs and their interactions with mandated One Stop workforce partners.
- The Career Center will fund summer internships for youth program participants at local employers in the highly successful Greater Flagstaff Chamber of Commerce “Skills for Success” program. The emphasis for the summer of 2014 will be on jobs in the Manufacturing Sector.
- With County Board of Supervisors support, the department plans to implement their Teenworks program again. This highly successful program, which twice won the ‘Governors Award for Youth Leadership’, will put youth to work in their communities and neighborhoods in the summers of 2015 and 2016.

Longer-term goals include:

- Implement programs, grants, decisions and strategies developed in FY15 to further establish the Career Center as a necessary partner in economic development.
- Continue increased focus on Veterans re-employment to address the issue of veterans returning from service.
- Diversify Career Center funding offerings by seeking funds for local employers from the Arizona Job Training Fund and other tax credits made possible through the Arizona Commerce Authority.
- The Career Center developed a proposal that could be funded by the Navajo Nation to provide workforce training and case management services for their clientele who are living in Coconino County, but not on Tribal lands. Should that proposal be funded, the Career Center stands ready to deliver that service for the Nation.

## Career Center

### Opportunities and Challenges

- The volatility and uncertainty of short-term and long-term Federal/State funding and policies.
- A sluggish economy resulting in both a high number of unemployed and underemployed individuals as well as employers who are downsizing and ‘hesitant to hire’.
- The growing need for a highly-trained workforce, ready to meet specific requirements of top-notch, high paying employers.
- The mismatch of applicants to some grant eligibility requirements due to both outmoded, restrictive eligibility mandates and to the current location of the Career Center, which can prove to be a barrier to attracting suitable program applicants.
- The Workforce Investment Act, which expired over a decade ago, continues to be the primary source of revenue for the Career Center. A Congressional Act to reauthorize and enhance the existing Act is anticipated this year and will present both opportunities for upgrades in services and implementation challenges.

Strategic Priority Area Alignment		Programs		
		Re-Employment and Rapid Response	Workforce and Economic Development Administration	Adult and Youth Education and Job Training
<b>Economic Vitality and Development (EV&amp;D)</b>				
Strategies	Business Development and Retention	x	x	
	Workforce Training	x	x	
	Education	x	x	
<b>Community Vitality (CV)</b>				
Strategies	Create and maintain resources for programs that provide a safety net for vulnerable populations.			x
	Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.			x
	Support programs, services, activities and events that enrich, enhance, and celebrate diversity and quality of life for all citizens.			x

## Career Center

### Financial Summary

Historically, all of the Career Center’s revenue has been supplied by Federal and State grants, with no dollars coming from the County’s General Fund. For FY15, \$44,950 (4%) of the department’s revenue will be supplied by the General Fund, to operate the department’s TeenWorks program. The department fell 38% short of their FY14 revenue budget due to the budgeting of an entire grant that wasn’t fully received in the fiscal year. Their revenue budget for FY15 is 7% lower than FY14, also due to changes in grant funding.

For FY14 the Career Center finished 30% under their revised expenditure budget of \$1,371,592. This variance is due to the previously mentioned grant, as well as savings from unfilled staff positions. As with their FY15 revenue budget, the Career Center’s FY15 adopted expenditure budget will decrease due to the timing of grant funding. Their FY15 expenditure budget of \$1,278,774 is 7% lower than in FY14. The department requested and received \$44,950 in General Fund Support to restart their TeenWorks teen summer employment program.

The following charts illustrate the Career Center’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

**Revenue by Source Type**

Federal & State Grants - 96%



Transfers In - 4%

**Expenditures by Program**

Adult & Youth Education & Job Training - 51%

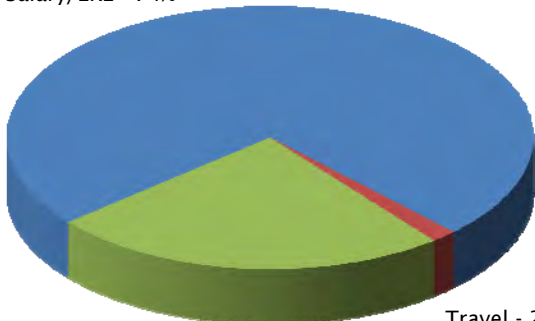


Administration - 8%

Re-Employment & Rapid Response - 41%

**Expenditures by Category**

Salary/ERE - 74%



Operations - 24%

Travel - 2%

**Expenditures by Strategic Priority Area**

Organizational & Fiscal Health - 8%



Economic Vitality & Development - 92%

# Health and Social Services



## Career Center

### Department-Wide Financial Statement

	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
<b>Revenues and Other Sources</b>					
Federal and State Grants	\$ 1,623,555	\$ 1,062,710	\$ 1,367,846	\$ 843,990	\$ 1,233,824
Charges for Services	450	900	-	-	-
Investment Income	-	(59)	-	59	-
Transfers from Other Funds	-	-	-	-	-
Use of (Increase In) Fund Balance	-	19,155	3,746	109,584	-
General Fund Support	-	1,450	-	-	44,950
<b>Total Funding Sources</b>	<b>\$ 1,624,005</b>	<b>\$ 1,084,156</b>	<b>\$ 1,371,592</b>	<b>\$ 953,633</b>	<b>\$ 1,278,774</b>
<b>Expenditures and Other Uses</b>					
Salary/ERE	\$ 798,073	\$ 610,756	\$ 856,611	\$ 658,679	\$ 949,213
Operations	752,682	452,607	456,331	275,918	307,786
Travel	73,250	20,793	58,650	19,037	21,775
<b>Total Uses of Funds</b>	<b>\$ 1,624,005</b>	<b>\$ 1,084,156</b>	<b>\$ 1,371,592</b>	<b>\$ 953,633</b>	<b>\$ 1,278,774</b>
Net Indirect Support	63,821	143,621	126,439	127,554	128,764
<b>Total</b>	<b>\$ 1,687,826</b>	<b>\$ 1,227,777</b>	<b>\$ 1,498,031</b>	<b>\$ 1,081,187</b>	<b>\$ 1,407,538</b>
<b>General Fund Support</b>					
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	-	(1,450)	-	-	(44,950)
<b>Total Direct Support</b>	<b>\$ -</b>	<b>\$ (1,450)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (44,950)</b>
Net Indirect Support	(63,821)	(143,621)	(126,439)	(127,554)	(128,764)
<b>Total County Support</b>	<b>\$ (63,821)</b>	<b>\$ (145,071)</b>	<b>\$ (126,439)</b>	<b>\$ (127,554)</b>	<b>\$ (173,714)</b>

# Health and Social Services



## Career Center

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Economic Development Programs: Re-employment and Rapid Response	\$ 520,185	\$ -	\$ -	\$ 520,185	\$ 49,148
Workforce and Economic Development Administration	98,333	-	-	98,333	15,358
Workforce Programs: Adult and Youth Education and Job Training	615,306	44,950	-	660,256	64,258
<b>Total</b>	<b>\$ 1,233,824</b>	<b>\$ 44,950</b>	<b>\$ -</b>	<b>\$ 1,278,774</b>	<b>\$ 128,764</b>

### Performance Measures by Program

#### Economic Development Programs: Re-employment and Rapid Response

	FY13	FY14	FY15
Assist companies in applying for AZ Job Training Funds	3	3	3
Assist companies with business assistance services	4	10	10
Conduct rapid response re-employment events within 48 hours of a company downsizing or announcing a closure	4	100%	100%
Participate in the development of the Business Assistance Center	N/A	N/A	Center Open for Services
Dislocated worker entered employment rate	89.5%	84.0%	84.0%
Dislocated worker employment retention	90.0%	87.5%	87.5%
Dislocated worker earnings increase	\$23,172	\$16,400	\$16,400

#### Workforce and Economic Development Administration

	FY13	FY14	FY15
Receive no financial findings on the County Single Audit in connection with Career Center grants	Achieved	Achieved	Achieved
Receive no financial findings on Arizona Department of Economic Security (DES) fiscal monitor regarding Workforce Investment Act (WIA) and US Department of Labor grants	Achieved	Achieved	Achieved
Submit expenditure reports and cash requests to DES by the last day of each month without errors	Completed	Completed	Completed
Provide budget status reports to management on a monthly basis	Completed	Completed	Completed
Conduct monthly meetings with administrative staff to communicate current department objectives and procedures	Completed	Completed	Completed

## Career Center

### Performance Measures by Program

#### **Workforce Programs: Adult and Youth Education and Job Training**

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Adult entered employment rate	100%	74.5%	74.5%
Adult retention rate	93.3%	85.0%	85.0%
Adult average earnings	\$17,018	\$13,200	\$13,200
Youth placement in employment or education	90.9%	62.5%	62.5%
Youth attainment of degree or certification	93.8%	60.5%	60.5%
Youth literacy or numeracy gains	N/A	43.0%	43.0%
Customer satisfaction	90%	90%	90%

### Department Staffing (Full Time Equivalents)

<b>Positions by Title</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Administrative Specialist I	1.00	2.00	2.00
Administrative Specialist III	1.00	1.00	1.00
Administrative Support II	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00
Director	1.00	1.00	1.00
Program Manager I	1.00	1.00	1.00
Program Manager III	1.00	1.00	1.00
Workforce Development Specialist	5.00	5.00	5.00
<b>Total Positions</b>	<b>12.00</b>	<b>13.00</b>	<b>13.00</b>

\* One Administrative Specialist I was added during FY14 with increased funding from the Arizona Department of Economic Security.

## Community Services

2625 N. King Street, Flagstaff, AZ 86004 (928) 679-7425  
Janet Regner, Director

The Community Services Department strives to enhance the well being of the less fortunate and isolated residents of Coconino County by providing food and shelter, opportunities for social interaction, transportation, home care, economic empowerment, and self-sufficiency. Coconino County Community Services has also been the designated Community Action Agency Program for over twenty years and is a leading safety net agency providing case management services integrated with financial assistance.

Program	SPA	Description
Administration	O&FH	The Administration program provides leadership, strategic direction and administrative support to the entire department and ensures application of the department's resources for the collective needs of Coconino County residents.
Basic Business Empowerment (BBE)	CV	The Basic Business Empowerment (BBE) program is designed for low to moderate income level residents of Coconino County who have a business idea and want to start and/or expand it into a viable micro-business.
Housing Rehabilitation	CV	The Housing Rehabilitation program assists low-income homeowners in making required health, safety, and efficiency repairs to their home.
Public Fiduciary	CV	The Public Fiduciary provides guardianship and conservatorship services to adult individuals who reside within Coconino County.
Senior Services	CV	Senior Services assists seniors with information and referral on senior and disability programs in Coconino County.
Social Services	CV	County Social Services provides services to income qualified individuals or households in crisis situations in our communities.

### Goals and Objectives

- In FY15 the Community Services Department will increase its capacity by continuing to leverage dollars through the Arizona Working Poor Tax Credit and other external resources, as well as to continue accepting tax deductible contributions as a designated Community Action Agency.
- In FY15 Community Services will establish and enhance partnerships among supporters and providers of services to low income individuals.
- In FY16 the Department will increase its capacity to achieve results through increased Results-Oriented Management and Accounting (ROMA) standards, fee studies, funding and contractual relationships that will be reevaluated.
- In each subsequent year, the Community Services Department will continue to evaluate and achieve these goals on an annual basis with the intent that low income individuals will own a stake in their community and the conditions in which they live will improve.

## Community Services

### Opportunities and Challenges

- The Community Services Department has the opportunity to use its status as a Community Action Agency to participate in non-profit activities that could bring in more revenue for the Department resulting in less dependence on the General Fund.
- The increasing use of technology and social media has had a positive impact on Community Services and creates opportunities for the Department to provide improved services to their customers, especially those in rural areas of the County.
- One of the challenges that the Department has and continues to face is rising travel costs, which restricts the Department’s ability to adequately serve the low-income populations in rural areas of the County.
- Similarly, higher energy costs are increasing the need for energy assistance services among Community Services clients, and utility-funded programs may be in jeopardy due to regulatory reductions by the Arizona Corporation Commission.

Strategic Priority Area Alignment		Programs					
		Administration	Basic Business Empowerment (BBE)	Housing Rehabilitation	Public Fiduciary	Senior Services	Social Services
<b>Community Vitality (CV)</b>							
Strategies	Create and maintain resources for programs that provide a safety net for vulnerable populations.			x	x	x	x
	Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.		x				x
	Create and facilitate opportunities for citizens to become empowered and engaged in order to strengthen communities.		x		x	x	x
	Support programs, services, activities and events that enrich, enhance, and celebrate diversity and quality of life for all citizens.				x		
	Create the service delivery infrastructure and technology to connect employees and citizens to resources provided by the County.		x		x	x	x



## Community Services

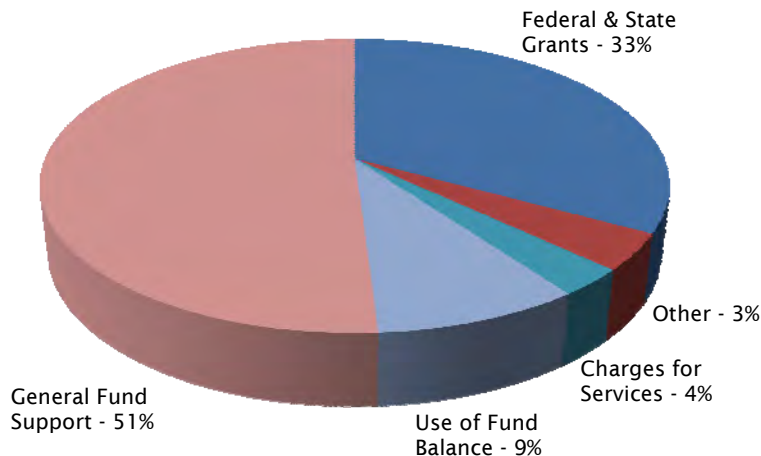
### Financial Summary

The Community Services Department is heavily funded through State and Federal grants, and grant revenue varies on an annual basis. For FY14 Federal and State grant revenue is estimated to be 51% under the FY14 budget. This variance is primarily due to the Coconino Rural Environment Corps (CREC) joining the Southwest Conservation Corps, an organization unaffiliated with Coconino County. There is also a large variance in the FY14 charges for services, which is also a result of the loss of the CREC program. These revenue sources have been adjusted accordingly for FY15.

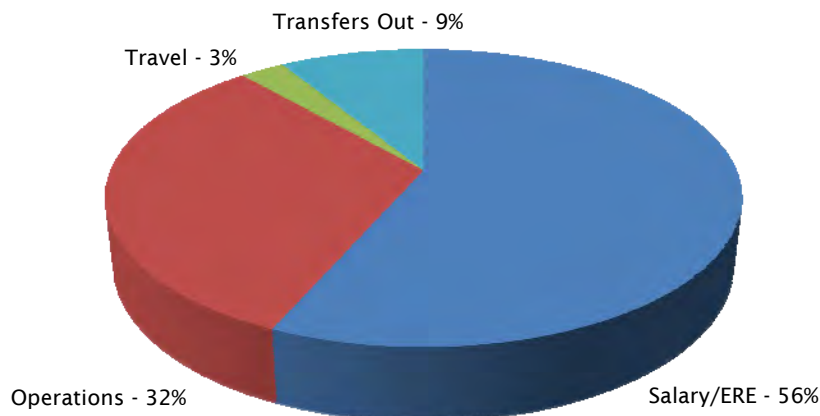
The Community Services Department is estimated to be 34% under their revised FY14 expenditure budget of \$6,071,074. This variance is also due to the loss of the CREC program mid-year. The FY15 adopted expenditure budget of \$3,810,325 is 63% under the FY14 budget. This reduction in expenses is a reflection of the removal of the CREC program budget from Community Services.

The following charts illustrate the Community Services Department's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

**Revenue by Source Type**

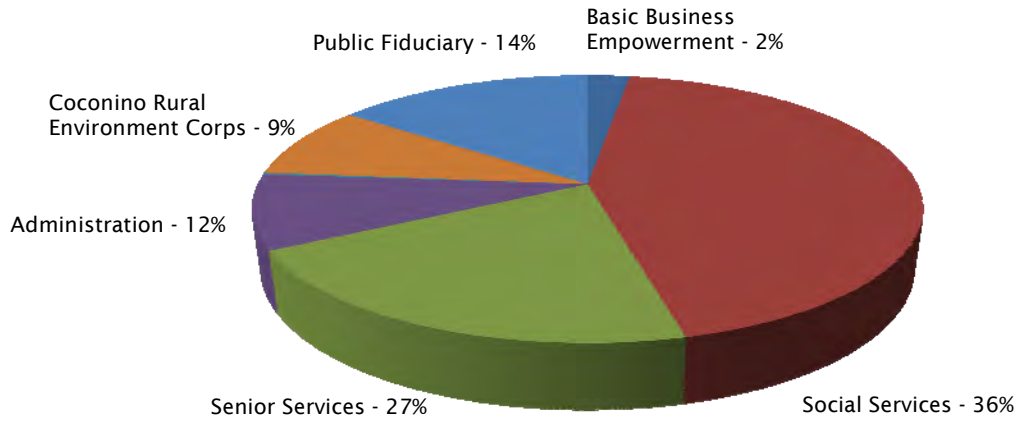


**Expenditures by Category**

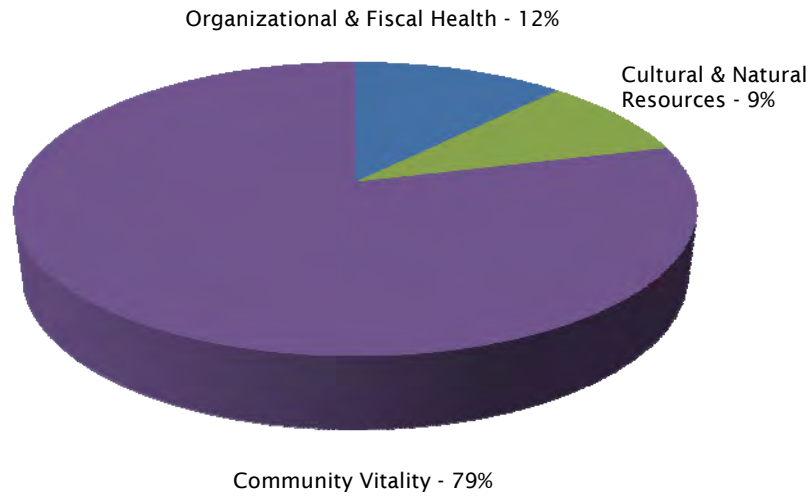


## Community Services

### Expenditures by Program



### Expenditures by Strategic Priority Area



# Health and Social Services



## Community Services

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 3,217,559	\$ 2,126,217	\$ 2,237,423	\$ 1,089,148	\$ 1,268,216
Charges for Services	1,921,668	1,466,736	1,640,046	764,231	173,837
Investment Income	2,000	(716)	2,000	2,978	2,000
Contributions	40,375	4,368	8,500	2,075	8,500
Other	94,396	140,165	121,449	161,456	108,316
Transfers from Other Funds	161,417	144,715	169,392	125,354	-
Use of (Increase In) Fund Balance	86,905	166,744	177,893	307,379	324,041
General Fund Support	1,594,573	1,415,952	1,714,371	1,538,897	1,925,415
<b>Total Funding Sources</b>	<b>\$ 7,118,893</b>	<b>\$ 5,464,182</b>	<b>\$ 6,071,074</b>	<b>\$ 3,991,517</b>	<b>\$ 3,810,325</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 3,888,417	\$ 3,349,445	\$ 3,990,563	\$ 2,476,993	\$ 2,155,571
Operations	2,992,784	1,971,146	1,869,519	1,429,191	1,218,110
Travel	237,692	143,591	200,992	72,679	103,095
Capital	-	-	-	5,452	-
Transfers to Other Funds	-	-	10,000	7,200	333,549
<b>Total Uses of Funds</b>	<b>\$ 7,118,893</b>	<b>\$ 5,464,182</b>	<b>\$ 6,071,074</b>	<b>\$ 3,991,517</b>	<b>\$ 3,810,325</b>
Net Indirect Support	599,121	599,121	743,936	743,936	640,990
<b>Total</b>	<b>\$ 7,718,014</b>	<b>\$ 6,063,303</b>	<b>\$ 6,815,010</b>	<b>\$ 4,735,453</b>	<b>\$ 4,451,315</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 47,580	\$ 58,507	\$ 51,000	\$ 64,733	\$ 51,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,020,074)	(895,899)	(1,074,288)	(1,003,618)	(1,019,066)
GF Transfers to Other Funds	(622,079)	(578,560)	(691,083)	(600,012)	(957,349)
<b>Total Direct Support</b>	<b>\$ (1,594,573)</b>	<b>\$ (1,415,952)</b>	<b>\$ (1,714,371)</b>	<b>\$ (1,538,897)</b>	<b>\$ (1,925,415)</b>
Net Indirect Support	(599,121)	(599,121)	(743,936)	(743,936)	(640,990)
<b>Total County Support</b>	<b>\$ (2,193,694)</b>	<b>\$ (2,015,073)</b>	<b>\$ (2,458,307)</b>	<b>\$ (2,282,833)</b>	<b>\$ (2,566,405)</b>

# Health and Social Services



## Community Services

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ 1,000	\$ 472,755	\$ 1,320	\$ 475,075	\$ 188,228
Basic Business Empowerment	78,306	-	(243)	78,063	24,852
Coconino Rural Environment Corps (CREC)*	62,960	-	270,589	333,549	-
Housing Rehabilitation	-	-	-	-	-
Public Fiduciary	50,000	495,311	-	545,311	209,077
Senior Services	318,136	591,518	106,297	1,015,951	29,510
Social Services	1,050,467	365,831	(53,922)	1,362,376	189,323
<b>Total</b>	<b>\$ 1,560,869</b>	<b>\$ 1,925,415</b>	<b>\$ 324,041</b>	<b>\$ 3,810,325</b>	<b>\$ 640,990</b>

\* The Coconino Rural Environment Corps was relocated to the Southwest Conservation Corps beginning in FY15. The expenditure budget here is just use of remaining fund balance, which is to be applied to land and water conservation projects in Coconino County.

### Performance Measures by Program

<u>Administration</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Percent of accurate grant fund reports filed on time	75%	95%	100%
Percent of IDA accounts managed properly	75%	95%	100%
Percent of department audits completed properly	85%	95%	100%
Financial training provided to division managers	N/A	50%	100%

<u>Basic Business Empowerment (BBE)</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of participants in 10-week BBE-FSFT trainings (Two semesters per year)	34	35	40
Number of BBE new business starts/expansions	16	10	12

<u>Housing Rehabilitation</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of homes completed	7	0	7

<u>Public Fiduciary</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of people for whom we acted as guardian	116	139	166
Number of people for whom we acted as conservator	129	154	184
Number of decedents' estates settled	9	11	13
Number of indigent burials	20	24	28
Number of limited minor conservatorships	18	21	25
Number of representative payees	5	10	15

## Community Services

### Performance Measures by Program

<b>Senior Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Benefits check-up value of benefits by case manager screenings for clients to obtain additional income (Average \$6,196 per client screening)	\$1,100,000	\$619,300	\$495,680
Units of case management	2,250	770	800
Units performed by County staff	3,500	2,290	2,500
Congregate meals served in Williams and Flagstaff	26,250	16,975	17,000
Home delivered meals in Williams and Flagstaff	18,500	8,796	9,000
Senior trips in Flagstaff and Williams for recreation, medical and shopping	8,700	8,796	9,000
Fees and donations received for County only homecare funded by the Public Health Services District	\$6,000	\$6,000	\$6,000

<b>Social Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of households maintained in stable housing	312	330	365
Number of households where utilities were maintained	1,292	1,350	1,400
Number of households where eviction was averted	287	300	310
Number of households that regained housing (move-in)	25	30	35

## Community Services

### Department Staffing (Full Time Equivalents)

<b>Positions by Title</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Accountant	1.00	1.00	1.00
Administrative Manager	1.00	1.00	1.00
Administrative Specialist I	1.00	-	-
Administrative Specialist III	2.00	2.00	2.00
Administrative Support II	2.93	2.93	2.93
Assistant Director-Community Services	1.00	1.00	1.00
Business Manager	1.00	1.00	-
Case Worker	4.00	4.00	4.00
Certified Fiduciary	3.48	3.48	3.48
Community Aide	4.92	4.92	4.42
Cook	2.00	2.00	2.00
CREC Shop Assistant	1.00	1.00	-
Director-Community Services	1.00	1.00	1.00
Eligibility Worker	1.00	1.00	1.00
Food Services Manager	1.00	1.00	1.00
Grant Technician	1.00	1.00	-
Program Coordinator	11.00	11.00	5.00
Program Manager I	7.00	6.00	2.00
Program Manager II	1.00	1.00	2.00
Program Manager III	1.00	1.00	-
Public Fiduciary	1.00	1.00	1.00
<b>Total Positions</b>	<b>50.33</b>	<b>48.33</b>	<b>34.83</b>

- \* During FY14, the Coconino Rural Environment Corps was moved to an organization outside of Coconino County resulting in a reduction of 13 FTEs in the Community Services Department.
- \* Additionally, a vacant Community Aide position was eliminated as part of the Home Health Program's service level reduction. This resulted in an additional reduction of 0.50 FTEs in Community Services.
- \* During FY14, a Program Manager III was reclassified to a Program Manager II as well.

## Public Health Services District (PHSD)

2625 N. King Street, Flagstaff, AZ 86004 (928) 679-7272  
Marie Peoples, Director

The mission of the Public Health Services District (PHSD) is to provide services that prevent epidemics and the spread of disease, protect against environmental hazards, promote and encourage healthy behaviors, and assure accessibility of health services.

Program	SPA	Description
Administration	PH	Administration provides the leadership and oversight for all operations of the Public Health Services District, including strategic direction, financial accountability, personnel management, quality improvement, partnership development, public relations, and dissemination of public health information.
Mandated Payments and Services	PH	Mandated payments and services provided by the Health District includes AHCCCS, ALTCS, Title 36, and sexual assault forensic exams.
Other Services	PH	The Other Services Program includes activities that may not directly affect a person or a community's health; however, the benefits fit within and extend beyond the scope of health.
Primary Prevention	PH	Primary prevention seeks to prevent the onset of diseases and conditions detrimental to public health.
Secondary Prevention	PH	Secondary prevention has been a proven method of prevention that helps provide assurance that interventions have been implemented to minimize the spread of disease and prevent conditions detrimental to public health.
Tertiary Prevention	PH	Tertiary prevention is required when it is necessary to intervene, to abate or treat a condition, source of illness or hazard to public health.

### Goals and Objectives

- In FY14 the Public Health Services District used three tools to better define the most effective and efficient role for the District in Coconino County. The tools used were the Logical Decisions software, a Community Health Assessment, and Community Health Improvement Plan. Based on the results, PHSD began reviewing their strategic plan. Review and revision of the plan will continue into FY15.
- In addition to the work on the strategic plan, the Health District will also implement the year one phased-in expenditure reduction plan that was proposed as part of the FY15 budget process.
- In FY15 the District will also develop and begin implementation of a transition plan for staff to move to their new roles based on the staffing reorganization. Completion of this transition will occur in FY16.
- In FY16 and beyond, the Public Health Services District will continue to work toward and apply for Public Health Accreditation, as well as continue to reduce expenditures and look for new revenue opportunities to balance the long-term plan.

## Public Health Services District (PHSD)

### Opportunities and Challenges

- Based on the results from the studies done in FY14, the Public Health Services District has the opportunity to review their service levels and make changes that are in the best interest of Coconino County and its constituents. The District has the opportunity to work with partners in the community to make sure that all of the needs in the community are being met by providing the highest priority public health services and discontinuing redundant services.
- The Health District faces many of the same challenges that health organizations are facing across the country. These challenges include antibiotic resistance, emerging and re-emerging diseases, obesity, and climate change.
- In addition there are many changes coming as a result of the Affordable Care Act. These changes may be both an opportunity and a challenge but they will have a definite impact on public health systems.

Strategic Priority Area Alignment		Programs					
		Administration	Mandated Payments and Services	Other Services	Primary Prevention	Secondary Prevention	Tertiary Prevention
<b>Public Health (PH)</b>							
Strategies	Be a resource for access to available services in the community in all areas of the County.	x	x	x	x	x	x
	Use County trends data to understand needs not currently being met (or voiced).	x			x	x	x
	Prioritize primary prevention strategies that prevent disease or conditions that contribute to disease from occurring.	x		x	x	x	x
	Focus on homeless, mental health, detoxification centers that have the most leverage of current resources.	x		x	x	x	x
	Seek to be consistent with the Logical Decisions Process and review of health conditions, program standards and administrative standards to determine priorities.	x		x	x	x	x

## Public Health Services District (PHSD)

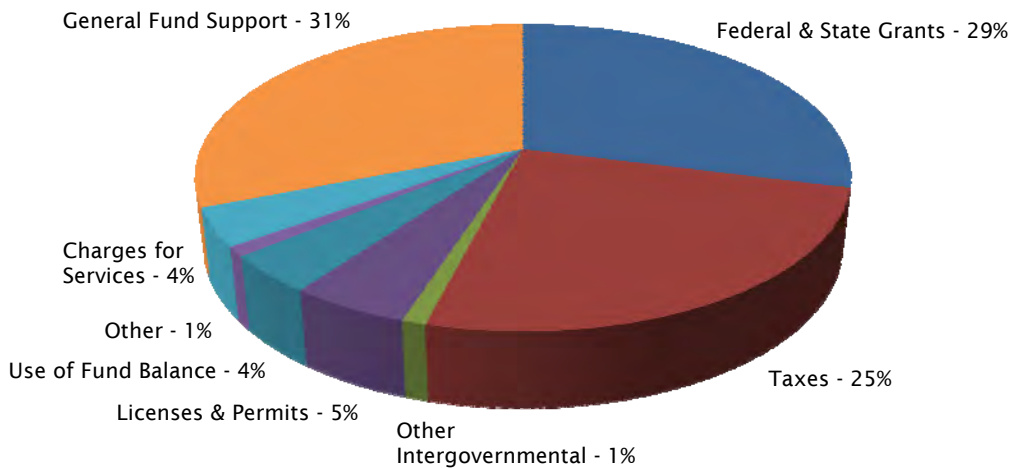
### Financial Summary

The Public Health Services District is heavily funded through State and Federal grants that are subject to appropriation each fiscal year. For FY14 Federal and State grant revenue is estimated to be 31% below budget; however, this large variance is due to timing and much of the revenue is expected to be received in FY15. The district also relies on property tax revenue, which has also seen a decline due to a decrease in assessed values. Based on projections, it appears that assessed values have bottomed out and will begin increasing in FY15.

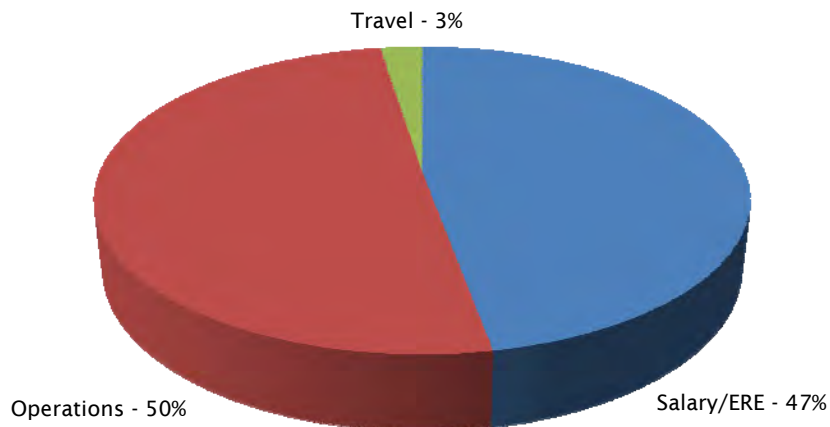
For FY14 the Public Health Services District is estimated to be 8% under their revised FY14 expenditure budget of \$15,747,920. This variance is due to salary, benefits, and operational savings across all programs in the department. The FY15 adopted expenditure budget of \$15,040,840 is 4% under the FY14 budget. This variance is based on preliminary estimates of projected grant funding and will likely decrease as grant contracts are finalized for FY15.

The following charts illustrate the Public Health Services District's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

**Revenue by Source Type**

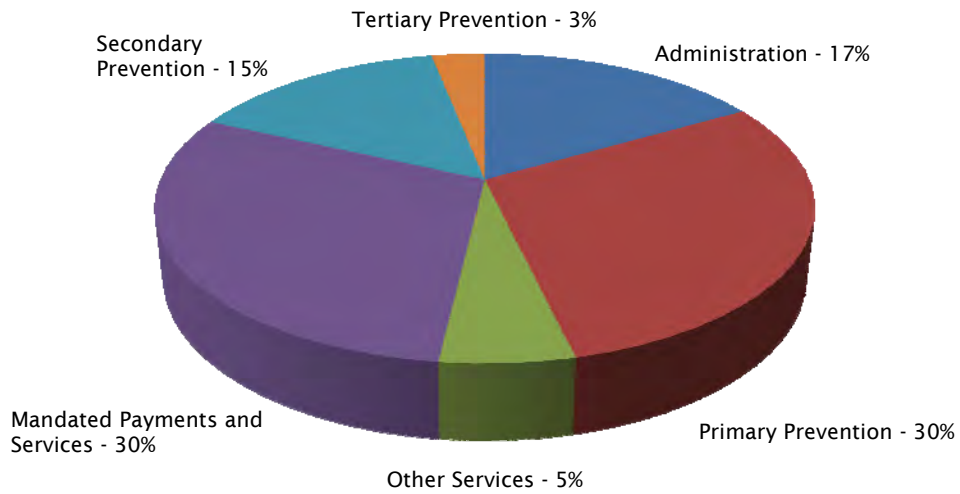


**Expenditures by Category**

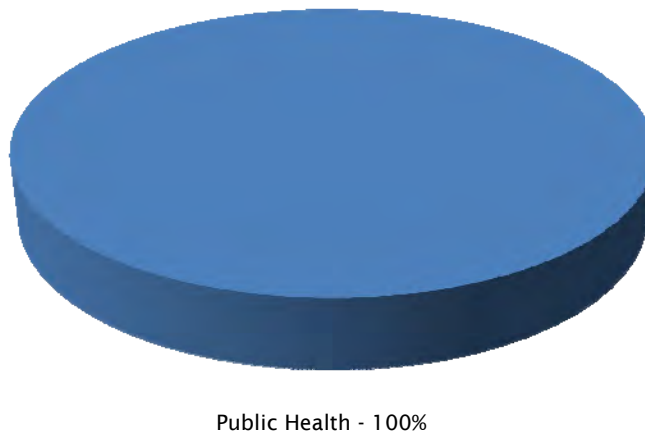


## Public Health Services District (PHSD)

### Expenditures by Program



### Expenditures by Strategic Priority Area



# Health and Social Services



## Public Health Services District (PHSD)

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 4,511,257	\$ 3,965,123	\$ 4,939,302	\$ 3,432,526	\$ 4,399,470
Taxes	4,399,025	4,410,043	3,832,663	3,810,472	3,836,210
Other Intergovernmental	115,000	177,088	150,000	132,753	145,000
Licenses & Permits	687,946	729,585	737,205	778,795	717,830
Charges for Services	518,700	546,341	509,417	542,305	533,917
Fines, Fees, & Forfeits	-	26	-	-	-
Unawarded Grants	-	-	-	-	12,500
Investment Income	23,480	(8,486)	12,338	27,567	12,340
Contributions	7,930	97,265	18,630	101,412	18,600
Other	36,855	38,522	27,567	72,008	32,054
Use of (Increase In) Fund Balance	248,703	(5,733)	366,694	451,485	654,334
General Fund Support	4,621,175	4,583,892	5,154,104	5,125,563	4,692,585
<b>Total Funding Sources</b>	<b>\$15,170,071</b>	<b>\$14,533,668</b>	<b>\$15,747,920</b>	<b>\$14,474,887</b>	<b>\$15,054,840</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 7,154,739	\$ 6,792,906	\$ 7,456,383	\$ 6,738,900	\$ 7,083,885
Operations	7,682,915	7,400,863	7,923,647	7,494,805	7,580,055
Travel	317,917	260,482	332,390	241,183	369,697
Capital	-	79,416	-	-	-
<b>Total Uses of Funds</b>	<b>\$15,170,071</b>	<b>\$14,533,668</b>	<b>\$15,747,920</b>	<b>\$14,474,887</b>	<b>\$15,054,840</b>
Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$15,170,071</b>	<b>\$14,533,668</b>	<b>\$15,747,920</b>	<b>\$14,474,887</b>	<b>\$15,054,840</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	(4,621,175)	(4,583,892)	(5,154,104)	(5,125,563)	(4,692,585)
<b>Total Direct Support</b>	<b>\$ (4,621,175)</b>	<b>\$ (4,583,892)</b>	<b>\$ (5,154,104)</b>	<b>\$ (5,125,563)</b>	<b>\$ (4,692,585)</b>
Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$ (4,621,175)</b>	<b>\$ (4,583,892)</b>	<b>\$ (5,154,104)</b>	<b>\$ (5,125,563)</b>	<b>\$ (4,692,585)</b>

# Health and Social Services



## Public Health Services District (PHSD)

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ 3,846,210	\$ 4,692,585	\$ (6,023,491)	\$ 2,515,304	\$ -
Mandated Payments and Services	-	-	4,457,497	4,457,497	-
Other Services	293,236	-	543,382	836,618	-
Primary Prevention	4,137,624	-	368,809	4,506,433	-
Secondary Prevention	1,216,642	-	1,054,370	2,271,012	-
Tertiary Prevention	214,209	-	253,767	467,976	-
<b>Total</b>	<b>\$ 9,707,921</b>	<b>\$ 4,692,585</b>	<b>\$ 654,334</b>	<b>\$ 15,054,840</b>	<b>\$ -</b>

### Performance Measures by Program

<u>Administration</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Community Health Assessment completed	50%	100%	100%
Health Improvement Plan completed	75%	80%	100%
Planning for annual budget will be based on results from the Logical Decisions process	0%	10%	50%

<u>Mandated Payments</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Expenditures fall within equal to or less than budget or explanation provided	Greater than due to Title 36	In contract negotiations to decrease expenses	Within budget, but budget will increase

<u>Other Services</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of birth certificates issued	N/A	3,800	3,800
Number of death certificates issued	N/A	5,000	5,300
Number of autopsies	N/A	230	220
Number of investigations	N/A	587	550
Reduced number barking dog investigations sent to court	N/A	2	2
Environmental services public record requests	17	7	7
Septic system file search requests	620	640	660

## Public Health Services District (PHSD)

### Performance Measures by Program

<b>Primary Prevention</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Reduction in the infant mortality rate in Coconino County (3% lower over a 3-year period)	N/A	Continue downward trend	Continue downward trend
Breastfeeding rates will meet or exceed Healthy People 2020 goals as evidenced by the following: 81.9% shall breastfeed at initiation, 60.6% at 6-months, and 34.1% at 1-year of age	N/A	86%/55%/39%	86%/55%/39%
Reduce non-fatal motor vehicle crash-related injuries among 16 to 25-year olds by 10% over a 10-year period	N/A	N/A	1%

<b>Secondary Prevention</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Percentage of businesses in compliance with Smoke Free Arizona laws and local ordinances within one month of finding an infraction	99.90%	N/A	N/A
Five percent reduction in the number of infants born with low or very low birth weight over five years	Yes	N/A	N/A

<b>Tertiary Prevention</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Decrease number of active TB cases	6	6	5
Reduction in the number of cases of Chlamydia in women age 15 to 24	480	464	448
Increase in the number of women in whom Chlamydia is cured	480	496	512

## Public Health Services District (PHSD)

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accounting Technician I	1.00	1.00	1.00
Accounting Technician II	1.00	2.00	2.00
Administrative Manager	1.00	1.00	1.00
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I	5.38	5.25	5.25
Administrative Specialist II	2.00	2.00	1.00
Administrative Specialist III	6.00	5.00	5.00
Administrative Supervisor	2.00	2.00	2.00
Administrative Support I	0.55	0.50	-
Administrative Support II	3.45	3.55	2.95
Animal Management Officer	4.00	4.00	4.00
Breastfeeding Peer Counselor	1.51	1.21	1.20
Case Worker	7.75	7.88	7.00
Certified Nurse Aide	1.00	1.00	0.80
Communicable Disease Investigator	1.75	1.33	0.85
Community Dietitian	1.00	1.00	2.00
Community Health Nurse	2.88	2.78	2.70
Dental Assistant	1.63	1.63	1.60
Dental Hygienist/Educator	1.00	1.00	1.00
Dental Program Manager	1.00	1.00	0.80
Director-Public Health	1.00	1.00	1.00
Division Manager-PHSD	4.00	4.00	4.00
Environmental Health Specialist I	4.64	4.64	4.64
Environmental Health Specialist II	1.00	1.00	1.00
Environmental Health Specialist III	1.00	1.00	1.00
Environmental Quality Specialist I	1.00	1.00	-
Environmental Quality Specialist II	1.00	1.00	-
Epidemiologist	1.00	1.00	0.75
Forensic Investigator I	3.00	3.00	3.00
Forensic Technician	1.00	1.00	1.00
Grant Writer	1.00	1.00	-
HIV Case Manager	1.75	2.00	2.00
Medical Examiner	1.00	1.00	1.00
Nurse Practitioner	1.55	1.50	1.51
Nurse Supervisor	1.00	1.00	1.00
Nutrition Counselor	6.55	6.55	5.80
Policy Analyst	1.00	1.00	1.00
Program Coordinator	1.75	1.75	1.00
Program Manager I	1.00	2.00	2.00
Program Manager II	8.96	9.00	9.00
Program Manager III	1.00	1.00	1.00

## Public Health Services District (PHSD)

### Department Staffing (Full Time Equivalents)

<b>Positions by Title</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Program Supervisor	3.00	3.00	-
Public Health Community Relations Manager	0.88	1.00	0.94
Public Health Dentist	0.10	0.10	-
Public Health Educator	12.31	13.41	13.29
Public Health Planner, Senior	2.00	1.50	1.50
Public Health Training Manager	1.00	1.00	-
Senior Manager	1.00	1.00	1.00
Social Worker/Guardian Investigator	0.75	0.75	0.75
<b>Total Positions</b>	<b>113.14</b>	<b>114.33</b>	<b>102.32</b>

- \* In FY14 four FTEs were moved to the Community Development Department to better align their job duties with the responsibilities of the department. These positions include an Environmental Quality Specialist I, and Environmental Quality Specialist II, a Permit Technician, and a Program Manager III.
- \* Additionally, the Public Health Services District is heavily funded through State and Federal grants. Due to changes in grant funding, the total FTE county fluctuates on an annual basis.

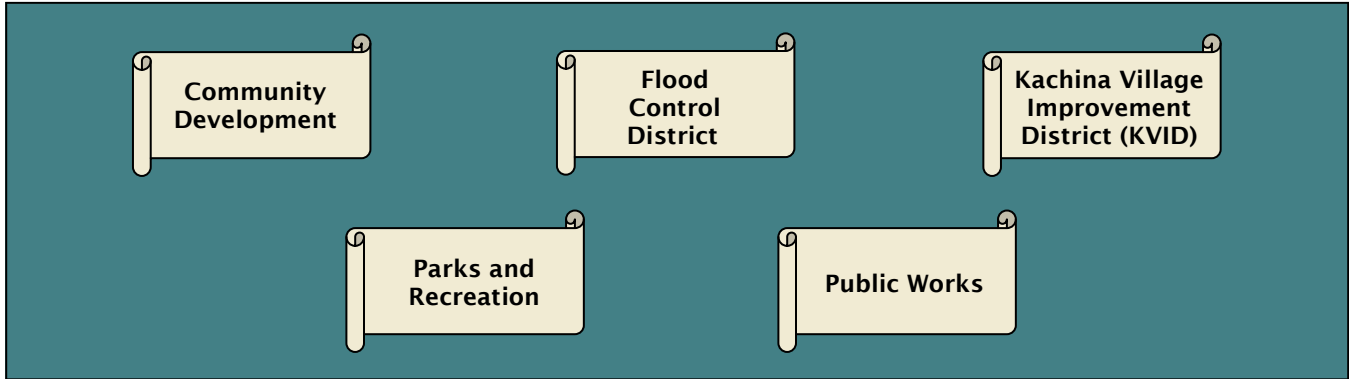
# Community Development

A stylized logo for Coconino County Road Maintenance Sales Tax. It features a black car silhouette with a yellow license plate that reads "PROP. 403". The car is set against a background of purple and orange mountain peaks. Below the car, the text "Coconino County" is written in a sans-serif font, followed by "ROAD" in large, bold, yellow letters. Underneath "ROAD" is "Maintenance Sales Tax" in a smaller font, and at the bottom, a red banner contains the slogan "Your Roads. Your Decision." in white text.

Coconino County  
**ROAD**  
Maintenance Sales Tax  
Your Roads. Your Decision.



## Service Area Summary



### Description of Services

The shared purpose of the Community Development service area is to enhance quality of life, provide livable communities, and provide service to the public. This area administers and enforces all County zoning and building codes and inspections, issues building permits, administers the National Flood Insurance Program, implements flood control projects for the district in general and the Schultz Flood Area in particular, creates and maintains unique recreation opportunities, including a variety of special events such as the County Fair, maintains County roads, and provides potable water and wastewater services to rural communities in the County.

### Per Capita Costs

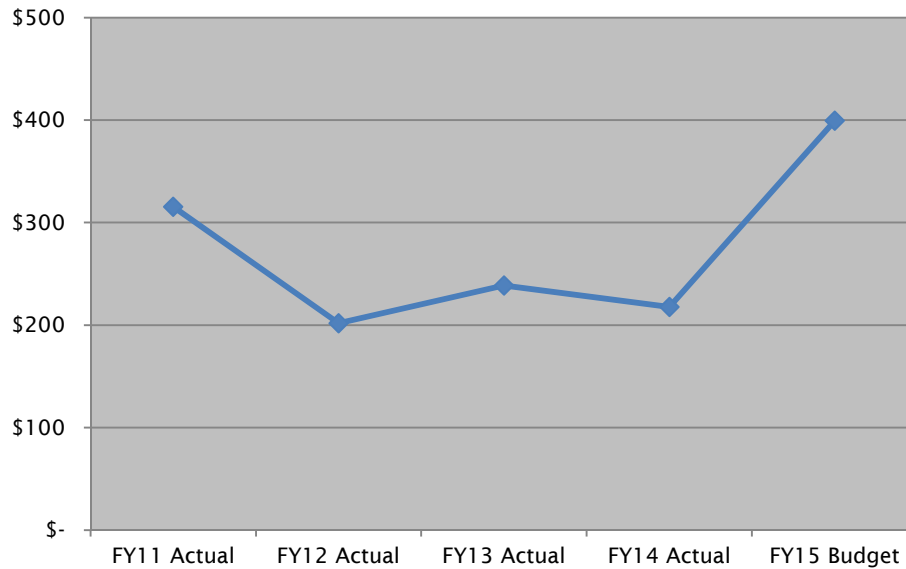
The per capita costs in the Community Development services area have fluctuated from year to year primarily due to planned versus completed capital projects in each of the departments included in the service area. The decline in per capita expenditures from FY11 to FY12 was due to land acquisition costs in FY11 associated with the County's Rogers Lake property. The significant spike in per capita costs for FY15 includes planned Capital Parks and Open Space projects in Parks and Recreation as well as capital engineering projects in the Public Works department. These charts do not include the additional \$12 million budgeted for Public Works capital project grants that have been applied for but not awarded yet. Another \$10 million was budgeted for similar grants for Schultz Flood mitigation capital projects.

The chart on the next page shows a five year history of the per capita cost of services for the Community Development service area.

# Community Development



## Service Area Summary



The table below shows a three year history of the per capita cost of services for departments within the Community Development service area.

<b>Department</b>	<b>FY13 Actuals</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>	<b>Change: FY14 to FY15</b>
Community Development	\$ 13.94	\$ 10.97	\$ 13.13	19.66%
Flood Control District	53.20	80.59	94.46	17.21%
KVID	8.05	6.77	11.58	70.92%
Parks and Recreation	30.53	15.17	118.80	683.33%
Public Works	132.86	104.13	161.53	55.12%
<b>Total</b>	<b>\$ 238.60</b>	<b>\$ 217.63</b>	<b>\$ 399.49</b>	<b>83.56%</b>

## Community Development

2500 North Fort Valley Road, Building #1, Flagstaff, AZ 86001 (928) 679-8850  
Jay Christelman, Director

Community Development carries out planning and zoning and the permitting of building construction. The department also houses the County’s internal sustainability program.

Program	SPA	Description
Building Division	PS	The Building Division’s activities include review of building plans to ensure compliance with codes, permitting and permit tracking, building inspections, and sustainable building. The program serves all unincorporated areas in the County and on National Forest lands through an IGA.
County Sustainability Program	C&NR	The Coconino County Sustainability Program (CCSP) seeks to improve the effectiveness and enhance current internal Coconino County sustainability efforts by providing collaboration and support for presently dispersed but related County-wide sustainability initiatives.
Planning and Zoning	PS	This program includes the preparation of comprehensive planning documents for the County and its communities that guide decision making for the Board of Supervisors. It also updates, implements, and enforces the County Zoning and Subdivision Ordinances that ensures a quality of life in the County's communities and neighborhoods.

### Goals and Objectives

- A main departmental objective for FY15 is the participation in the Abatement Ordinance adoption. This ordinance will facilitate the removal of unsafe structures by establishing a formal process and will include recommended funding alternatives.
- Another department goal for FY15 is the continuation of the County Comprehensive Plan Update. This plan sets the vision, goals and policies for the County and is the policy document that should be in place before any significant Zoning Ordinance Amendments are made.
- The main long-term (3-5 years) objective of the Community Development Department is to ensure the creation of a resilient department that can sustain the roller coaster ride of short- and long-term economic changes and of other trends as well.

### Opportunities and Challenges

- Foreclosures and a stagnation in the housing market have resulted in fewer new starts for residential building permits over the past few years. It also has resulted in construction projects taking longer to complete (or being left uncompleted) due to financing issues. We are starting to see an increase in residential starts and if the City of Flagstaff is a measure, we should anticipate continued rise in this activity. All of these trends lead to changing demands for the Department programs.
- Major environmental events typically arrive somewhat unexpectedly. These include wildland fires, flooding, severe winter storms, tornados, and other natural events. Appropriate planning to address anticipated events and the ability of staff to respond and assist home and business owners in dealing with the impacts will continue to be important roles for the department.

## Community Development

### Opportunities and Challenges

- Another trend is the increasing interest in sustainable development. The County established a sustainable building program in 2004 to provide assistance, technical resources, and acknowledgement through an award program for individuals and businesses that choose to develop in accordance with the adopted checklist. This program continues to grow in success but is also utilizing department resources including consultation, plan review support and field inspections.

		Programs		
		Building Division	County Sustainability Program	Planning and Zoning
<b>Strategic Priority Area Alignment</b>				
<b>Cultural and Natural Resources (C&amp;NR)</b>				
<b>Strategies</b>	Does the program support initiatives, practices and positions that promote clean air, clean water and the stewardship of County resources, healthy landscapes and wildlife habitat within the County?		x	
	Does the program consider diverse needs and foster collaborative partnerships to address, develop and promote cultural and/or natural resource objectives?		x	
<b>Public Safety (PS): Criminal Justice</b>				
<b>Strategies</b>	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x		x
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x		x

## Community Development

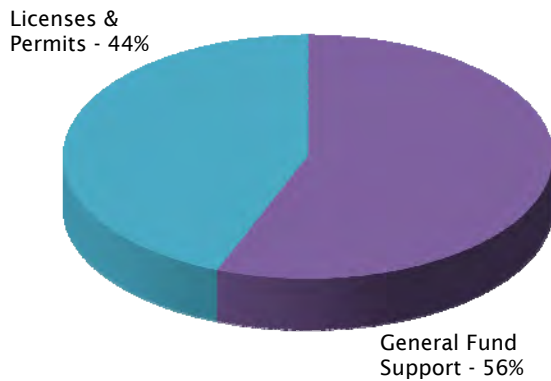
### Financial Summary

The two main sources of revenue for Community Development are fees from licenses and permits and General Fund support. The department finished FY14 14% below its revenue budget, due to lower than expected building, zoning and plan check fee revenue. This revenue is expected to continue to decrease in FY15, resulting in a further decline of 2% to the department's revenue budget.

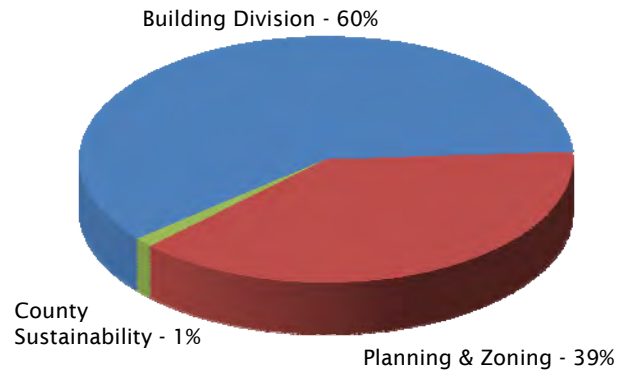
For FY14 the Community Development department remained 17% below its revised expenditure budget of \$1,814,073. This variance was due to \$130,000 in funding for the abatement of unsafe buildings that was not used and was carried over into FY15. The department also realized more than \$110,000 in salary savings. The FY15 adopted expenditure budget of \$1,810,274 is essentially flat compared to FY14, with a 1% increase to salary/ERE and a \$20,000 one-time budget for a new plotter offset by an 8% lower FY15 operations budget. In addition to the plotter, the department requested and received \$6,000 in additional funds for training, \$13,000 for a snow load study and \$6,000 for outreach related to the Sustainable Building Program. The Department requested the addition of a full-time FTE, split between the Sustainable Building Program and the County Sustainability Program. This request was not approved but will be reconsidered mid-year FY15.

The following charts illustrate Community Development's FY15 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

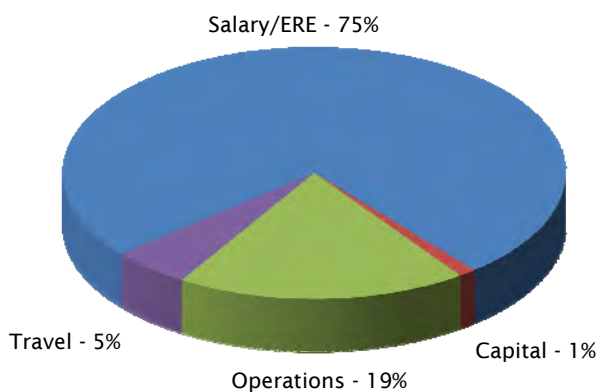
**Revenue by Source Type**



**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Community Development



## Community Development

### Department-Wide Financial Statement

Revenues and Other Sources	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Licenses & Permits	\$ 810,000	\$ 583,667	\$ 810,000	\$ 689,007	\$ 795,000
Charges for Services	1,200	906	1,200	468	800
Other	180	1,554	180	4,731	180
General Fund Support	666,488	701,652	1,002,693	804,688	1,014,294
<b>Total Funding Sources</b>	<b>\$ 1,477,868</b>	<b>\$ 1,287,779</b>	<b>\$ 1,814,073</b>	<b>\$ 1,498,894</b>	<b>\$ 1,810,274</b>
Expenditures and Other Uses	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Salary/ERE	\$ 1,306,545	\$ 1,121,676	\$ 1,339,391	\$ 1,228,644	\$ 1,360,193
Operations	82,473	78,019	385,832	180,363	338,415
Travel	88,850	88,085	88,850	89,887	91,666
Capital	-	-	-	-	20,000
<b>Total Uses of Funds</b>	<b>\$ 1,477,868</b>	<b>\$ 1,287,779</b>	<b>\$ 1,814,073</b>	<b>\$ 1,498,894</b>	<b>\$ 1,810,274</b>
Net Indirect Support	452,818	452,818	409,490	409,490	455,121
<b>Total</b>	<b>\$ 1,930,686</b>	<b>\$ 1,740,597</b>	<b>\$ 2,223,563</b>	<b>\$ 1,908,384</b>	<b>\$ 2,265,395</b>
General Fund Support	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
Program Revenue	\$ 811,380	\$ 586,127	\$ 811,380	\$ 694,206	\$ 795,980
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,477,868)	(1,287,779)	(1,814,073)	(1,498,894)	(1,810,274)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ (666,488)</b>	<b>\$ (701,652)</b>	<b>\$(1,002,693)</b>	<b>\$ (804,688)</b>	<b>\$(1,014,294)</b>
Net Indirect Support	(452,818)	(452,818)	(409,490)	(409,490)	(455,121)
<b>Total County Support</b>	<b>\$(1,119,306)</b>	<b>\$(1,154,470)</b>	<b>\$(1,412,183)</b>	<b>\$(1,214,178)</b>	<b>\$(1,469,415)</b>

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
Building Division	\$ 750,180	\$ 338,143	\$ -	\$ 1,088,323	\$ 269,584
County Sustainability	-	22,873	-	22,873	5,106
Planning and Zoning	45,800	653,278	-	699,078	180,432
<b>Total</b>	<b>\$ 795,980</b>	<b>\$ 1,014,294</b>	<b>\$ -</b>	<b>\$ 1,810,274</b>	<b>\$ 455,121</b>

# Community Development



## Community Development

### Performance Measures by Program

<b>Building Division</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Single family dwelling permits including modulars	79	85	85
Renewal energy permits (solar, wind, solar water heater)	54	55	55
Building inspection site visits	3,870	3,600	3,600
Commercial cellular tower permits issued	29	25	25
Total building permits issued	1,375	1,200	1,200
Building permit fees collected	\$522,167	\$625,000	\$575,000
Commercial permits	36	35	30
All other permits (additions, remodels, garages, etc.)	1,242	1,250	1,250
Sustainable building (structures) participating in the program, County only	20	25	25
Sustainable building (structures) participating in the program, in the City of Flagstaff	8	10	10

<b>County Sustainability</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Development of a Coconino County Sustainability Advisory Group that is internal and County-wide	80%	100%	100%
Development of a Coconino County Sustainability Program with staffing and resource support	25%	50%	60%
Assessment and annual report of Coconino County sustainability achievements	100%	100%	100%
Coconino County departments that have a sustainability aspect in their 3-5 year plan	2	4	6
Departments that have completed a water, energy, fuel, purchasing, waste and recycling assessment that includes operations and practices	0	2	4
Departments that have completed a Green House Gas Assessment	0	1	2
Review of other jurisdictions' sustainability programs, plans, practices, operations and governing documents with a comprehensive analysis that will provide direction and planning support for the Coconino County Sustainability Program and Coconino County	100%	100%	100%
Develop a detailed outline and scope of work for an internal Coconino County Sustainability Plan	40%	60%	85%

<b>Planning and Zoning</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Completion of Flagstaff Regional Plan	90%	100%	Complete
10 year update to the Coconino County Comprehensive Plan	0%	35%	90%
Conditional use permits applied for	48	50	50
Zone change requests	5	7	5
Subdivisions-preliminary plat applications (Includes administrative subdivisions)	0	2	2
Open zoning violation cases	200	200	80
Pre-application cases	101	107	100

# Community Development



## Community Development

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Specialist I	0.50	0.50	0.50
Administrative Specialist II	1.00	1.00	1.00
Administrative Supervisor	0.85	0.85	-
Assistant Director	0.75	0.75	-
Building Inspector I	3.00	3.00	3.00
Building Inspector II	1.00	1.00	1.00
Building Inspector, Lead	1.00	1.00	1.00
Business Manager	-	-	0.85
Chief Building Official	1.00	1.00	1.00
Code Enforcement Officer	2.00	2.00	2.00
Compliance Manager	-	-	1.00
Director	0.80	0.80	0.80
Engineering Supervisor	-	-	1.00
Environmental Quality Specialist I	-	-	0.75
Environmental Quality Specialist II	-	-	1.00
Permit Technician	1.00	1.00	3.00
Planner	-	0.90	0.90
Planner, Principal	0.75	0.75	0.75
Planner, Senior	0.75	0.75	0.75
Planning and Zoning Manager	-	-	0.75
Plans Examiner	2.00	2.00	2.00
Plans Examiner, Lead	-	-	1.00
Plans Review Technician	1.00	1.00	-
Program Manager III	-	-	1.00
Sustainable Building Program Manager	1.00	1.00	1.00
Zoning Inspector	1.00	1.00	-
<b>Total Positions</b>	<b>19.40</b>	<b>20.30</b>	<b>26.05</b>

\* During FY14 six positions were moved from other departments into Community Development. They are a Permit Technician and an Engineering Supervisor from Public Works, and a Program Manager III, a Permit Technician, an Environmental Quality Specialist I and an Environmental Quality Specialist II from the Public Health Services District. In addition, the department underwent a reorganization: the Administrative Supervisor was reclassified to Business Manager, the Assistant Director was reclassified to Planning and Zoning Manager, the Zoning Inspector was reclassified to Compliance Manager, one Plans Examiner was reclassified to Lead Plans Examiner and the Plans Review Technician was upgraded to Plans Examiner.

## Flood Control District

2500 North Fort Valley Road, Building #1, Flagstaff, AZ 86001 (928) 679-8850  
Jay Christelman, Director

The Coconino County Flood Control District is housed within the Community Development and Public Works departments. It is funded by a secondary property tax of 40 cents per \$100 of assessed value.

Program	SPA	Description
District Administration and National Flood Insurance Program	PS	This program interprets and enforces the Floodplain Ordinance, responds to inquiries about flood status, reviews floodplain studies for new development projects, reviews permit applications to ensure compliance with ordinances, and ensures that the County retains its Flood Insurance Rating.
Flood Control Capital Improvement	PS	This program provides funding for approximately \$2 million in capital projects each year, primarily drainage improvements associated with Public Works projects. Projects are developed to improve access and reduce public and private property damages.
Schultz Flood Mitigation	PS	This program provides capacity for ongoing flood mitigation projects in the Schultz Flood area and supports the development and implementation of projects to address long-term risks to life, property and public infrastructure

### Goals and Objectives

- For FY15, a main objective of the Administration Program is to initiate a time and effort analysis of FTEs working on Flood Control District projects in the 2014 Cost Allocation Study. This will ensure that appropriate staffing is in place to support District operations and that personnel expenses are allocated to the District appropriately.
- Capital Improvement’s main objective for FY15 is to complete initial engineering assessments in multiple unincorporated developed areas for use in the prioritization of future projects.
- The Schultz Flood Mitigation Program’s main objective for FY15 is to design and construct the remaining Schultz area mitigation projects under the Natural Resources Conservation Service, Emergency Watershed Protection and Federal Highway Administration Emergency Relief grant programs.

### Opportunities and Challenges

#### District Administration and National Flood Insurance Program

- While the U.S. Congress has recently adopted legislation to delay many of the provisions of the Biggert-Waters Flood Insurance Reform Act of 2012, continued demand for reform of the National Flood insurance Program’s rate structure will likely continue to impact policy holders into the future.
- FEMA remapping of Special Flood Hazard Areas will continue to impact property owners in terms of either reduced or increased flood insurance rates depending on specific property locations relative to the new map boundaries.
- Changing regulations—since the County Floodplain Ordinance is required to be in accord with Federal regulations for development in flood hazard areas it is critical to keep updated on changes and adopt amendments as necessary.

## Flood Control District

### Opportunities and Challenges

#### Flood Control Capital Improvement (CIP)

- With the FY12 increase to the Flood Control District tax (from 20 to 40 cents per \$100), the District is obligated to improve flood mitigation services on a greater scale. The Schultz Fire burn area is still causing localized flooding throughout the County, and has resulted in increased county-wide awareness of flooding and storm water concerns. This in turn has led to higher expectations for transparency and availability of information from the public.
- Reductions in Federal and State funding for flood mitigation and emergency services has occurred and is expected to continue.
- Moving forward with a more robust flood control capital program throughout the County than has been in place historically may result in the acquisition of drainage easements and properties by the Flood Control District. Maintenance of such flood control assets may require future funding allocations from the District.

#### Schultz Flood Mitigation

- Flood risks are projected to continue downstream from the 2010 Schultz Fire for the next 10 to 20 years. Current flood flows are six to eight times greater than during pre-fire conditions. Significant Federal funding has been secured as a result of the ongoing emergency situation, but the availability of such funding has and is expected to continue to diminish over the next several years due to Federal budget reductions and as the salience of the issue decreases. Thus opportunities for implementation of long-term mitigation measures other than those currently funded are also likely to diminish.
- The 2010 Schultz Fire and subsequent flooding continue to have a large impact on the District. The District tax levy was increased in 2012 to provide local matching funds necessary for Federal flood mitigation grants in the Schultz area. Once flood mitigation projects are completed in FY16, the increased tax levy will provide increased capacity to meet flood control needs throughout the County.
- Moving forward with the mitigation projects has resulted in the acceptance of drainage easements by the Flood Control District. Fortunately, a key feature of the design of these measures is no or low maintenance requirements; thus overall reducing the impact to County assets. However, there may be occasions when maintenance is needed and the costs for maintenance will need to be integrated into future budgets.

## Flood Control District

Strategic Priority Area Alignment		Programs		
		District Administration and National Flood Insurance Program	Flood Control Capital Improvement	Schultz Flood Mitigation
<b>Public Safety (PS): Criminal Justice</b>				
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x	x	x
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x	x	
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x	x	x
<b>Public Safety (PS): Safe and Well Planned Communities</b>				
Strategies	Ensure strong emergency preparedness plans are in place to protect Coconino County citizens and communities.	x	x	x

## Flood Control District

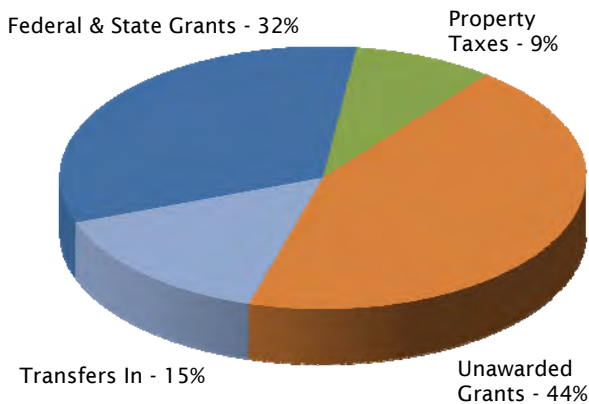
### Financial Summary

The Coconino County Flood Control District has three main sources of revenue. The first is a secondary property tax, which has been set at \$0.40 per \$100 assessed value since FY12. The District also receives Federal and State grants, the majority of which are for Schultz Fire/Flood mitigation. The third revenue stream is a transfer of funds from the Public Works HURF fund. This transfer will begin in FY15 and is for Public Works capital projects that were completed with Flood District funds. The District finished FY14 65% below its revenue budget, due to Federal grants for Schultz Fire/Flood projects that were budgeted but not completed during the fiscal year. The District's revenue budget (excluding unawarded grants) is decreasing by 2% for FY15, due to lower Schultz Fire/Flood grant funding.

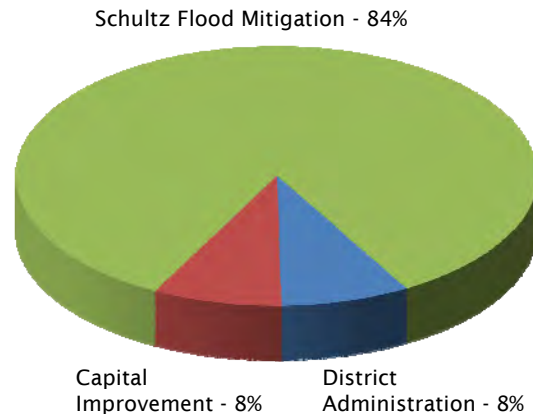
For FY14 the Flood Control District remained 23% below its revised expenditure budget of \$13,709,712. This variance is almost entirely due to Schultz Fire/Flood capital projects that were not completed during the fiscal year. The FY15 adopted expenditure budget of \$12,506,58 (excluding unawarded grants) is 9% lower than in FY14. This variance is again due almost entirely to a lower budget for capital projects. The department requested and received approval to upgrade a temporary employee to full-time status to assist the Hydrologist in performing permit reviews.

The following charts illustrate the Flood Control District's FY15 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. All expenditure charts exclude unawarded grants.

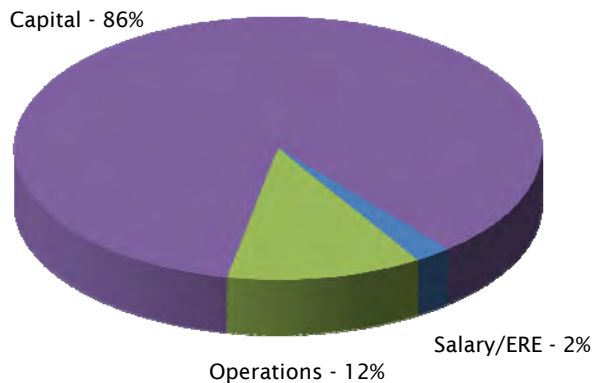
**Revenue by Source Type**



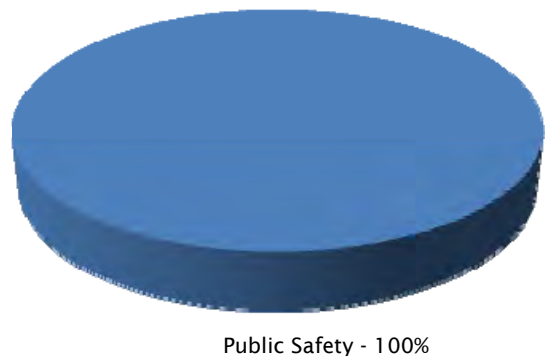
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Community Development



## Flood Control District

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 11,250,606	\$ 2,566,517	\$ 10,195,970	\$ 2,190,372	\$ 7,430,855
Flood Control District Property Taxes	2,313,804	2,299,456	1,891,887	1,888,240	1,965,554
Other Intergovernmental	1,325,011	2,129,925	373,449	213,860	-
Licenses & Permits	8,000	11,500	8,000	2,000	-
Charges for Services	1,950	-	1,950	-	-
Unawarded Grants	-	-	-	-	10,000,000
Investment Income	40,000	(18,066)	20,000	50,309	20,000
Transfers from Other Funds	61,160	63,325	65,878	57,425	3,394,919
Use of (Increase In) Fund Balance	3,169,376	153,629	1,152,578	6,106,802	(304,746)
<b>Total Funding Sources</b>	<b>\$ 18,169,907</b>	<b>\$ 7,206,286</b>	<b>\$ 13,709,712</b>	<b>\$ 10,509,007</b>	<b>\$ 22,506,582</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 261,020	\$ 274,472	\$ 269,426	\$ 253,273	\$ 281,832
Operations	1,488,853	1,464,882	568,876	2,010,985	1,493,451
Travel	10,800	13,108	10,800	8,956	14,350
Capital	15,014,234	5,453,823	12,310,610	8,235,793	20,716,949
Transfers to Other Funds	1,395,000	-	550,000	-	-
<b>Total Uses of Funds</b>	<b>\$ 18,169,907</b>	<b>\$ 7,206,286</b>	<b>\$ 13,709,712</b>	<b>\$ 10,509,007</b>	<b>\$ 22,506,582</b>
Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$ 18,169,907</b>	<b>\$ 7,206,286</b>	<b>\$ 13,709,712</b>	<b>\$ 10,509,007</b>	<b>\$ 22,506,582</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Community Development



## Flood Control District

### FY15 Financial Statement by Program

Program Name	FY15 Program Revenue	FY15 General Fund Support	FY15 Use of Fund Balance	FY15 Program Budget	FY15 Net Indirect Support
District Administration and National Flood Insurance Program	\$ 2,078,101	\$ -	\$ (1,029,441)	\$ 1,048,660	\$ -
Flood Control Capital Improvement	10,000,000	-	1,004,100	11,004,100	-
Schultz Flood Mitigation	10,733,227	-	(279,405)	10,453,822	-
<b>Total</b>	<b>\$22,811,328</b>	<b>\$ -</b>	<b>\$ (304,746)</b>	<b>\$ 22,506,582</b>	<b>\$ -</b>

### Performance Measures by Program

#### **District Administration and National Flood Insurance Program**

	FY13	FY14	FY15
Flood status reports issued	272	265	270
Community flood studies initiated	1	1	3
Community flood studies completed	1	0	3

#### **Flood Control Capital Improvement**

	FY13	FY14	FY15
Number of projects under development	0	2	3
Number of projects completed	0	0	0

#### **Schultz Flood Mitigation**

	FY13	FY14	FY15
Schultz Flood Mitigation: Outside funding secured for preparation and response	\$0	\$0	\$0
Schultz Flood Mitigation: Outside funding secured for mitigation	\$7,700,000	\$6,500,000	\$7,800,000
Schultz Flood Mitigation: Number of mitigation projects under development	4	4	2
Schultz Flood Mitigation: Number of mitigation projects completed	5	8	2

## Flood Control District

### Department Staffing (Full Time Equivalent)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Specialist II	0.30	0.30	0.30
Administrative Supervisor	0.15	0.15	-
Assistant Director	0.25	0.25	-
Assistant Engineering Technician	-	-	1.00
Business Manager	-	-	0.15
Director	0.20	0.20	0.20
Grants Writer	0.50	0.50	-
Hydrologist	1.00	1.00	1.00
Planner	-	0.10	0.10
Planner, Principal	0.25	0.25	0.25
Planner, Senior	0.25	0.25	0.25
Planning and Zoning Manager	-	-	0.25
Program Manager III	0.20	0.20	0.20
<b>Total Positions</b>	<b>3.10</b>	<b>3.20</b>	<b>3.70</b>

\* During FY14, the Administrative Supervisor was reclassified to Business Manager. For FY15, the Grants Writer was moved to the Government Relations Department and a new FTE, Assistant Engineering Technician, was added to assist the Hydrologist.

## Kachina Village Improvement District (KVID)

5600 East Commerce Avenue, Flagstaff, AZ 86004 (928) 679-8300  
 Samuel Mossman, District Manager

The Kachina Village Improvement District (KVID) provides water and wastewater services to approximately 1,370 homes in this unincorporated area of Coconino County.

Program	SPA	Description
Wastewater Collection, Treatment and Disposal	PH	The Kachina Village Improvement District provides cost effective, reliable on-demand wastewater removal, treatment, and disposal services to the residents, commercial customers and emergency service organizations within Kachina Village.
Water Sourcing and Distribution	PH	The Kachina Village Improvement District provides cost effective, reliable on-demand drinking water delivery services to the residents, commercial customers and emergency service organizations within Kachina Village.

### Goals and Objectives

Departmental objectives for FY15 include:

- North Storage large reservoir refurbishment: The reservoir at North Storage has experienced corrosion and degradation over its many years of service. This reservoir needs to be refurbished to avoid a catastrophic failure.
- Wastewater process control and SCADA integration: The final stage of Supervisory Control and Data Acquisition (SCADA) integration for the wastewater plant will see the inclusion of the RAS pumps, ammonia metering, turbidity monitoring and more precise control options for the existing system.
- E-billing and duplicate bill options: KVID plans to offer its customers the requested methods of receiving water bills electronically or receiving a duplicate bill mailed to a second location.

Longer-term goals for the department include:

- Rate increase evaluation: FY16 will represent ten years at KVID without a rate increase for our customers. While KVID is committed to operating within its current rate structure for as long as possible, it is important to balance this responsibility with the idea of a gradual rate increase instead of less frequent large increases and the fiscal health of the utility.
- Booster station one reservoir refurbishment: This tank will require interior and exterior refurbishment in the next few years and is scheduled to be refurbished during FY16.
- Leak detection module: The current Advanced Metering Infrastructure (AMI) meter system allows KVID the ability to monitor its customers' usage to detect leaks. Currently this process is conducted manually by our staff. The vendor that provides KVID with its billing software offers a software module that will improve the accuracy and efficiency of this process.
- Kachina Village North: This new housing development will add 127 water and wastewater connections to KVID's water and wastewater systems. In addition to the upgrades KVID must make to its own infrastructure to handle the new connections, KVID must oversee the installation and connection of all infrastructure that is installed in the new subdivision. Additionally, the added connections will increase KVID from a grade II to a grade III system.

## Kachina Village Improvement District (KVID)

### Opportunities and Challenges

- Global and U.S. trends in utility management continue to advocate increasing efficiency in both machinery and methods to keep ever rising costs at bay.
- KVID is also subject to regulatory trends within the water and wastewater industry. These trends tend to favor stricter regulations and this generally comes with an increased cost to the utility.
- While KVID does maintain a relatively stable revenue level, it is a simple fact of our economy that those dollars will accomplish less as time goes on. It is important that KVID monitor this trend and be prepared to pursue a rate increase when it becomes necessary.
- With KVID's revenue coming primarily from its customers' monthly bill payments, the utility cannot afford to ignore the trends set by its customers. While KVID must balance customer requests with the well-being of the utility, it is important that KVID invest effort and resources in its customer relationships.

		Programs	
		Wastewater Collection, Treatment and Disposal	Water Sourcing and Distribution
<b>Strategic Priority Area Alignment</b>			
<b>Public Health (PH)</b>			
<b>Strategies</b>	Be a resource for access to available services in the community in all areas of the County.	x	x
	Use County Trends to understand needs not currently being met or voiced.	x	x
	Prioritize primary prevention strategies that prevent disease or conditions that contribute to disease from occurring.	x	x

## Kachina Village Improvement District (KVID)

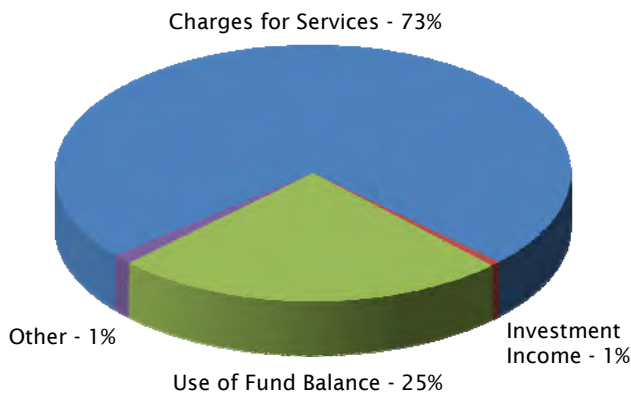
### Financial Summary

KVID's primary source of revenue is charges for water and wastewater services. The department's revenue was 6% lower than budgeted for FY14, due to decreased charges for both water and wastewater services. FY15 revenue is expected to be essentially flat compared to FY14.

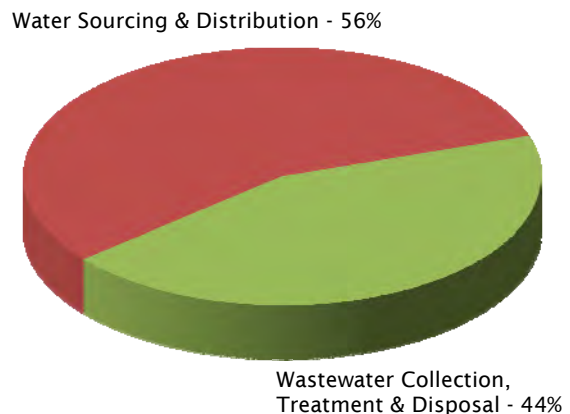
KVID was 47% under their revised FY14 expenditure budget of \$1,752,019. Some of this variance was due to carryover funding for a water meter upgrade project that was not required. The remainder was due to vacancy savings from three positions that were left unfilled for the entire year. The department's FY15 adopted expenditure budget of \$1,596,791 is 9% lower than their FY14 budget. This variance is due to two significant capital infrastructure repair projects that were budgeted in FY14.

The following charts illustrate KVID's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

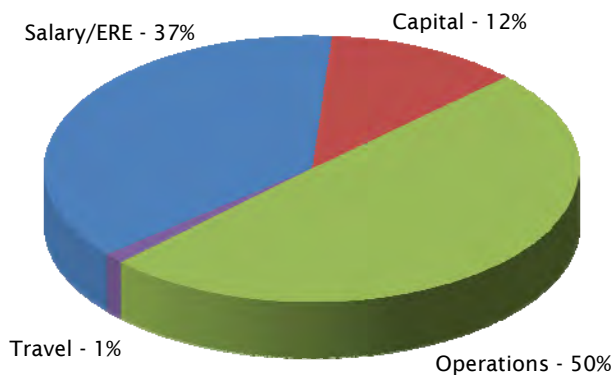
**Revenue by Source Type**



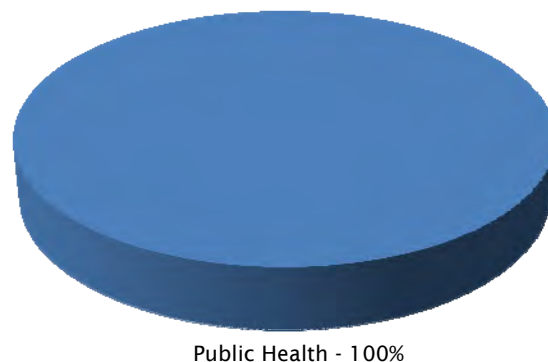
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Community Development



## Kachina Village Improvement District (KVID)

### Department-Wide Financial Statement

<u>Revenues and Other Sources</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Charges for Services	\$ 1,170,000	\$ 1,199,493	\$ 1,170,500	\$ 1,059,533	\$ 1,170,500
Investment Income	10,270	(3,023)	9,770	24,839	9,500
Other	20,000	34,985	20,000	48,407	20,000
Use of (Increase In) Fund Balance	456,183	(140,976)	551,749	(207,125)	396,791
<b>Total Funding Sources</b>	<b>\$ 1,656,453</b>	<b>\$ 1,090,479</b>	<b>\$ 1,752,019</b>	<b>\$ 925,654</b>	<b>\$ 1,596,791</b>
<u>Expenditures and Other Uses</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Salary/ERE	\$ 538,852	\$ 452,469	\$ 577,036	\$ 396,265	\$ 595,870
Operations	974,856	562,582	835,983	478,685	793,921
Travel	13,745	14,474	20,000	950	20,000
Capital	129,000	60,954	319,000	49,754	187,000
<b>Total Uses of Funds</b>	<b>\$ 1,656,453</b>	<b>\$ 1,090,479</b>	<b>\$ 1,752,019</b>	<b>\$ 925,654</b>	<b>\$ 1,596,791</b>
Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$ 1,656,453</b>	<b>\$ 1,090,479</b>	<b>\$ 1,752,019</b>	<b>\$ 925,654</b>	<b>\$ 1,596,791</b>
<u>General Fund Support</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Wastewater Collection, Treatment and Disposal	\$ 620,000	\$ -	\$ 82,164	\$ 702,164	\$ -
Water Sourcing and Distribution	580,000	-	314,627	894,627	-
<b>Total</b>	<b>\$ 1,200,000</b>	<b>\$ -</b>	<b>\$ 396,791</b>	<b>\$ 1,596,791</b>	<b>\$ -</b>

# Community Development



## Kachina Village Improvement District (KVID)

### Performance Measures by Program

<b>Wastewater Collection, Treatment and Disposal</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Influent: Annual volume processed (gallons)	37,000,000	34,000,000	34,000,000
Annual kWh consumption	522,909	540,000	540,000
Wastewater revenue collected	\$650,404	\$620,000	\$620,000
Wastewater expenditures	\$473,346	\$577,000	\$653,000
Quality compliance	100%	100%	100%
Containment compliance	100%	100%	100%

<b>Water Sourcing and Distribution</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Annual volume sourced (gallons)	71,000,000	71,000,000	71,000,000
Annual volume sold (gallons)	54,369,842	55,000,000	55,000,000
Annual kWh consumption	585,577	580,000	580,000
Water revenue collected	\$579,340	\$580,000	\$580,000
Water expenditures	\$612,138	\$705,000	\$864,600
Quality compliance	100%	100%	100%
Sampling schedule compliance	100%	100%	100%

### Department Staffing (Full Time Equivalent)

<b>Positions by Title</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Business Manager	1.00	1.00	1.00
District Manager (KVID)	1.00	1.00	1.00
Industrial Tech-Wright	1.00	1.00	1.00
Water/Wastewater Manager	1.00	1.00	1.00
Water/Wastewater Plant Operator	2.00	2.00	2.00
Water/Wastewater Plant Operator, Senior	2.00	2.00	2.00
<b>Total Positions</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>

\* Please note there have been no staffing changes at KVID during the last three years.

## Parks and Recreation

2446 Fort Tuthill Loop, Flagstaff, AZ 86001 (928) 679-8000  
 Judy Weiss, Director

Coconino County Parks and Recreation engages the public by developing and delivering quality sustainable parks, equitable community partnerships, accessible, diverse recreational and educational opportunities, and by protecting unique natural areas and open spaces.

Program	SPA	Description
Administration	CV	The Parks and Recreation Administration Program provides leadership, strategic direction, financial management, administrative support, marketing and communications for the department.
County Fair	CV	This program produces the Coconino County Fair, a family-oriented event that highlights the County's cultural, agricultural, natural, and artistic resources.
Facility Development - Construction	CV	The Facility Development-Construction Program designs and builds safe, attractive and enjoyable park improvements and constructs new park facilities based on the CPOS ballot measure and project list with the approval of the Board of Supervisors.
Facility Management - Operations and Maintenance	C&NR	The Facility Management-Operations and Maintenance Program provides maintenance and repairs to all County parks, natural areas, and trails.
Natural Resource Management	C&NR	The Natural Resource Management Program provides leadership through active stewardship and the use of expert preservation and conservation practices to enhance and sustain the more than 2,500 acres of County natural area open space and 23 miles of trails within the park system.
Recreation Programs and Services	CV	Parks and Recreation offers a wide variety of programs and services that contribute to a higher quality of life for visitors and residents of Coconino County.

### Goals and Objectives

- One of the primary objectives for the Parks and Recreation Department in FY15 is to develop a sustainable plan for the on-going operational funding associated with the expiration of the CPOS Administration funding in FY16.
- Parks and Recreation also plans to actively seek new revenue generating events that the Department does not directly have to produce but can facilitate. The Department is currently partnering with a vendor to establish a laser tag facility activity with a limited term contract at Fort Tuthill County Park.
- In FY14 Parks and Recreation began implementing the Fort Tuthill master plan. The projects associated with this will continue in FY15, FY16 and many years into the future as revenue allows.

## Parks and Recreation

### Opportunities and Challenges

- One statistic shows that nearly half of Americans get less than the recommended daily physical activity. However, this creates an opportunity for Parks and Recreation to promote their programs and open space facilities as an enjoyable way to get out and get moving. In addition, increased participation in department programs will help generate additional revenue to maintain and continue current programs that are offered.
- On the flip side, one of the main challenges that Coconino County Parks and Recreation faces is the looming expiration of the County Parks and Open Spaces sales tax (CPOS), which is expected in FY16. With the completion of the projects approved on the ballot initiative, the Department now has to find ways to fund the ongoing operations and maintenance costs of the parks developed and acquired with the CPOS funding.

Strategic Priority Area Alignment		Programs					
		Administration	County Fair	Facility Development - Construction	Facility Management - Operations and Maintenance	Natural Resource Management	Recreation Programs and Services
<b>Community Vitality (CV)</b>							
Strategies	Create and maintain resources for programs that provide a safety net for vulnerable populations.	x		x			x
	Increase efficiencies and reduce redundancies by pooling resources through internal and external partnerships to improve service delivery.	x	x	x			x
	Create and facilitate opportunities for citizens to become empowered and engaged in order to strengthen communities.	x	x	x			x
	Support programs, services, activities and events that enrich, enhance, and celebrate diversity and quality of life for all citizens.	x	x	x			x
	Create the service delivery infrastructure and technology to connect employees and citizens to resources provided by the County.	x	x	x			x
<b>Cultural and Natural Resources (C&amp;NR)</b>							
Strategies	Does the program support initiatives, practices and positions that promote clean air, clean water and the stewardship of County resources, healthy landscapes and wildlife habitat within the County?				x	x	
	Does the program consider diverse needs and foster collaborative partnerships to address, develop and promote cultural and/or natural resource objectives?				x	x	
	Does the program support initiatives that celebrate, protect and engage the public in the County's regional cultural heritage?				x	x	

## Parks and Recreation

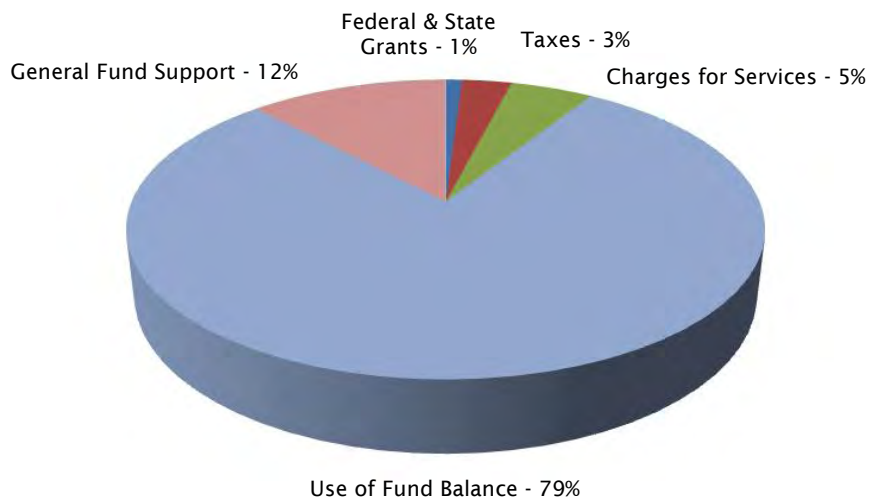
### Financial Summary

The Parks and Recreation Department's primary source of revenue is Coconino Parks and Open Space (CPOS) sales tax revenue. For FY14 CPOS sales tax revenue is estimated to be 14% under budget. This tax is estimated to expire in FY15 when the voter approved amount of \$33 million has been collected. Parks and Recreation also receives fee-based revenue for the programs it provides. For FY14 the charges for services revenue is estimated to be 8% over the estimated budget due to increased event participation and attendance, as well as the addition of new programs and services.

Parks and Recreation is estimated to be 86% under their revised FY14 expenditure budget of \$15,999,936. This variance is due to planned capital projects that were not completed in FY14 but have been carried over into FY15 for completion. The FY15 adopted expenditure budget of \$16,512,508 is 3% over the FY14 budget. This variance is due to the addition of capital projects in FY15. In addition, Parks and Recreation received a one-time increase for motor pool charges and Frontiere Property maintenance plus a recurring increase for annual fair enhancements.

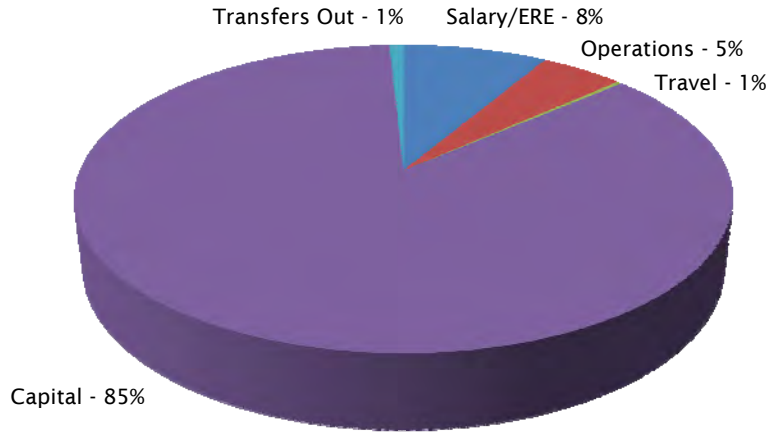
The following charts illustrate the Parks and Recreation department's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

### Revenue by Source Type

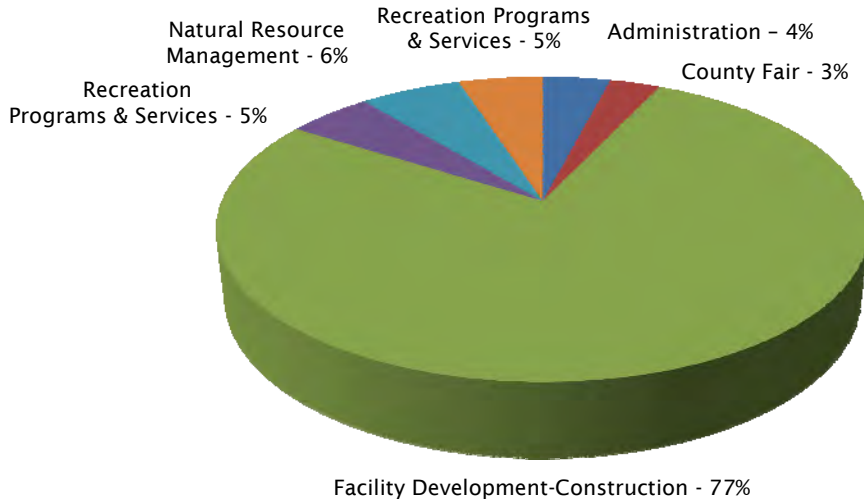


## Parks and Recreation

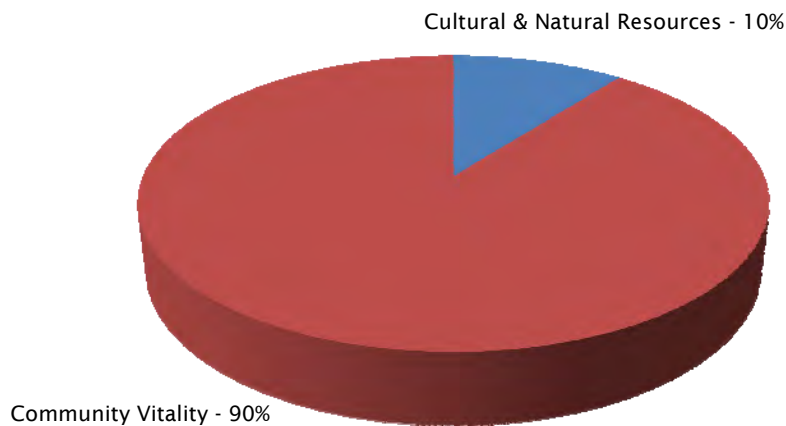
### Expenditures by Category



### Expenditures by Program



### Expenditures by Category



# Community Development



## Parks and Recreation

### Department-Wide Financial Statement

<u>Revenues and Other Sources</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Federal and State Grants	\$ 143,623	\$ 141,463	\$ 207,985	\$ 110,919	\$ 110,000
Taxes	2,964,806	2,923,093	3,193,556	2,758,637	579,589
Charges for Services	756,392	834,754	751,517	810,565	766,997
Investment Income	51,000	(61,199)	51,000	240,545	24,000
Contributions	2,100	-	2,100	25	2,100
Other	1,972	26,183	1,972	16,774	9,472
Use of (Increase In) Fund Balance	8,067,947	(705,790)	10,114,068	(2,787,684)	13,055,761
General Fund Support	1,081,011	1,108,253	1,677,738	1,053,579	1,964,589
<b>Total Funding Sources</b>	<b>\$ 13,068,851</b>	<b>\$ 4,266,757</b>	<b>\$ 15,999,936</b>	<b>\$ 2,203,360</b>	<b>\$ 16,512,508</b>
<u>Expenditures and Other Uses</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Salary/ERE	\$ 1,295,942	\$ 1,283,882	\$ 1,336,296	\$ 1,125,734	\$ 1,356,494
Operations	934,025	896,050	995,405	808,664	889,142
Travel	45,170	46,966	44,008	44,168	60,544
Capital	10,662,564	1,908,709	13,493,077	93,644	14,076,662
Transfers to Other Funds	131,150	131,150	131,150	131,150	129,666
<b>Total Uses of Funds</b>	<b>\$ 13,068,851</b>	<b>\$ 4,266,757</b>	<b>\$ 15,999,936</b>	<b>\$ 2,203,360</b>	<b>\$ 16,512,508</b>
Net Indirect Support	278,249	278,249	309,371	309,371	313,125
<b>Total</b>	<b>\$ 13,347,100</b>	<b>\$ 4,545,006</b>	<b>\$ 16,309,307</b>	<b>\$ 2,512,731</b>	<b>\$ 16,825,633</b>
<u>General Fund Support</u>	<u>FY13 Budget</u>	<u>FY13 Actuals</u>	<u>FY14 Budget</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>
Program Revenue	\$ 366,092	\$ 397,047	\$ 342,417	\$ 379,527	\$ 357,897
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,446,703)	(1,504,900)	(2,020,155)	(1,433,106)	(2,322,486)
GF Transfers to Other Funds	(400)	(400)	-	-	-
<b>Total Direct Support</b>	<b>\$ (1,081,011)</b>	<b>\$ (1,108,253)</b>	<b>\$ (1,677,738)</b>	<b>\$ (1,053,579)</b>	<b>\$ (1,964,589)</b>
Net Indirect Support	(278,249)	(278,249)	(309,371)	(309,371)	(313,125)
<b>Total County Support</b>	<b>\$ (1,359,260)</b>	<b>\$ (1,386,502)</b>	<b>\$ (1,987,109)</b>	<b>\$ (1,362,950)</b>	<b>\$ (2,277,714)</b>

# Community Development



## Parks and Recreation

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ -	\$ 671,225	\$ -	\$ 671,225	\$ 173,556
County Fair	494,100	-	24,993	519,093	64,973
Construction	607,661	-	12,132,397	12,740,058	14,926
Facility Management- Operations and Maintenance	15,000	802,465	-	817,465	14,762
Natural Resource Management	10,000	-	905,471	915,471	
Recreation Programs and Services	365,397	490,899	(7,100)	849,196	44,907
<b>Total</b>	<b>\$ 1,492,158</b>	<b>\$ 1,964,589</b>	<b>\$ 13,055,761</b>	<b>\$ 16,512,508</b>	<b>\$ 313,125</b>

### Performance Measures by Program

<u>Administration</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of CPOS projects completed	1	3	3
Number of legacy group agreements approved	2	1	Complete
Tickets sold by public/private partners	64,443	77,330	85,000

<u>County Fair</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of attendees and participants in the fair	42,841	39,749	45,000
Number of fair entries	3,685	3,511	4,000
Number of exhibitors	927	1,026	1,200
Percentage of expenses covered by revenue	101%	125%	100%

<u>Facility Development-Construction</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of CPOS projects completed	1	3	3
Number of construction projects where green construction materials have been incorporated into the design and construction of new parks	3	1	2
Number of planning/design/public charrettes incorporated into project designs during the public scoping process	1/3	3/9	3/9

## Parks and Recreation

### Performance Measures by Program

<b>Facility Management-Operations and Maintenance</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Percent of assessed value of assets spent on annual maintenance activities	1.45%	1.33%	1.33%
Number of times per week Fort Tuthill County Park receives routine maintenance	4	4	4
Number of times per week Raymond County Park receives routine maintenance	4	4	4
Number of times per week Cataract Lake County Park receives routine maintenance	0	0	0
Number of times per week Sawmill County Park receives routine maintenance	4	4	4
Number of times per week Peaks View County Park receives routine maintenance	4	4	4
Number of acres per FTE	97	123	123
Number of work orders completed within one month of generation	N/A	100/120	120/120

<b>Natural Resource Management</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of trail miles maintained	24.3	30.0	30.3
Percent of trails with way finding signage	16.40%	33.00%	66.00%
Number of CPOS acquisition projects completed	0	1	1
Number of Rogers Lake Stakeholder meetings held	10	8	8
Amount of grant funds obtained	\$159,760	\$20,000	\$20,000

<b>Recreation Programs and Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of free or low-cost community events and programs (Amphitheater, facility renters, outdoor recreation)	16	15	15
Number of total events and programs (Amphitheater, facility renters, outdoor recreation)	147	160	180
Number of attendees and participants served (Amphitheater, facility renters, outdoor recreation)	40,159	42,000	45,000
Number of attendees and participants served (Campgrounds, stables, ramadas and fields)	23,684	25,000	28,000

## Parks and Recreation

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Manager	1.00	1.00	1.00
Administrative Specialist III	2.00	2.00	2.00
Administrative Support II	1.00	1.00	1.00
Detention Officer II	1.00	-	-
Director-Parks and Recreation	1.00	1.00	1.00
Natural Resources Maintenance Supervisor	1.00	1.00	1.00
Parks Maintenance Worker	1.00	1.00	1.00
Parks Manager-Construction	1.00	1.00	1.00
Parks Manager-Maintenance	1.00	1.00	1.00
Parks Manager-Operations	1.00	1.00	1.00
Parks Manager-Planning and Acquisitions	1.00	1.00	1.00
Parks Outreach Program Coordinator	1.00	1.00	1.00
Parks Project Coordinator	1.00	1.00	1.00
Program Coordinator	1.00	1.00	1.00
Special Events Coordinator	1.00	1.00	1.00
Trades Supervisor	1.00	1.00	1.00
Trades Worker I	3.00	3.00	3.00
<b>Total Positions</b>	<b>20.00</b>	<b>19.00</b>	<b>19.00</b>

\* Please note there are no staffing changes for Parks and Recreation in FY15.

## Public Works

5600 East Commerce Avenue, Flagstaff, AZ 86004 (928) 679-8300  
Andy Bertelsen, Director

Public Works consists of eleven programs within the areas of road maintenance, solid waste and fleet services.

<b>Program</b>	<b>SPA</b>	<b>Description</b>
Administration	PS	Public Works Administration manages all divisions of the Public Works Department, which includes: Road Maintenance, including sign and infrastructure maintenance, Equipment Maintenance and Services, Engineering, Capital Planning and Development including Flood Control District projects, Solid Waste Operations, and Mechanical Services.
BIA Contract Road Services	PS	This program meets the requirement of the BIA contract between the BIA and the County for maintenance on reservation roads established as a primary road system for Navajo Nation residents.
Community Clean-Ups	PH	Community Clean-Ups provide a means for Coconino County residents to dispose of waste that has accumulated on their properties.
Engineering	PS	The Engineering Division of Public Works provides a technical resource for Coconino County. Engineering work includes surveying, planning, engineering studies, design, public presentations, construction oversight, and records keeping.
Highway Equipment Services	PS	Highway Equipment Services provides Coconino County's Highway User Revenue Fund (HURF) with fleet vehicle and equipment acquisition, maintenance, repairs and disposal needs.
Mechanical Services	PS	Mechanical Services provides Coconino County's light vehicle fleet acquisition, maintenance and disposal needs.
Off-Nation Residential Waste and Recycling	PH	This program includes the Willard Springs and Mormon Lake Transfer Stations, the Williams Transfer Station, and waste collection in Marble Canyon.
Road Maintenance	PS	This program optimizes the expenditure of funds for road maintenance by utilizing the techniques and materials used in road maintenance.
Sign Shop	PS	This program optimizes the expenditure of funds for road signing and striping by utilizing the techniques and materials used in road and highway signing. There are approximately 9,500 signs along our County maintained roads.
Waste Tire Collection	PH	This program collects waste tires from several locations around the County, thus providing proper disposal of waste tires for residents and businesses in Coconino County.

## Public Works

### Goals and Objectives

Departmental objectives for FY15 include:

- Work with the Board of Supervisors on language and outreach for the upcoming 3/10 of a cent Transportation Sales Tax ballot proposition.
- Evaluation of all road maintenance service levels with respect to departmental funding levels.
- Finalization of revised 10-year Capital Improvement Plan with data-driven analyses informing project prioritization.
- Evaluation of U.S. Forest Service road maintenance service.
- Revisions to County engineering design standards.
- Implementation of the new Mechanical Services rates to better allocate motor pool costs to departments.
- Evaluation of fleet size reductions for vehicles with fewer than 7,000 annual miles.
- Evaluation of a County-sponsored voucher program to substitute for the current community cleanup method.

Longer-term goals for the department include:

- Evaluate the road maintenance organizational structure to determine if it could benefit from additional flattening.
- The Mechanical Services rate structure will be reviewed each year to ensure that rates and the true costs are in close alignment with revenues.
- Determine if any chip seal program should be performed by inside resources or a contractor.
- All remaining Schultz Flood area mitigation projects are expected to be completed in FY16.

### Opportunities and Challenges

This department's main challenge has been road maintenance funding, as outlined below:

- With HURF revenues declining, construction of all non-grant funded transportation capital improvements has been deferred pending the development of additional funding sources. Prolonged deferral, however, puts the County's \$100 million system of road assets at risk of further deterioration and failure.
- Funding for County roads is at 1998 levels.
- Over a long period of time the County has assumed responsibility for roads that it may not have direct responsibility for maintaining.
- County road pavement life has generally reached its life expectancy. 25% to 35% of paved roads are considered to be in poor to severe condition.

This challenge has led to the department's main opportunity, which is the creation of a transportation sales tax to bolster dwindling funding for road maintenance. This tax will require voter approval and is being recommended at 3/10 of a cent.

Other opportunities and challenges include:

- Federal grant funding for transportation capital improvements has generally become more competitive under MAP-21.
- With fuel expenses comprising 44% of the budget of the Mechanical Services division, any change in the price of fuel has a dramatic impact.
- Technology and quality improvements are creating vehicles with greater reliability and durability, leading to a motor pool with a longer usable life cycle.
- Demand for all petroleum-based transportation fuels is flat this year according to the EIA and the average price per gallon of fuel is expected to drop \$0.10 per gallon during the next year. Fuel consumption is expected to remain flat in 2015, as increasing travel is offset by fuel economy improvements.

# Community Development



## Public Works

Strategic Priority Area Alignment		Programs									
		Administration	BIA Contract Road Services	Community Clean-Ups	Engineering	Highway Equipment Services	Mechanical Services	Off-Nation Residential Waste and Recycling	Road Maintenance	Sign Shop	Waste Tire Collection
<b>Public Health (PH)</b>											
Strategies	Be a resource for access to available services in the community in all areas of the County.			x				x			x
	Prioritize primary prevention strategies that prevent disease or conditions that contribute to disease from occurring.			x				x			x
<b>Public Safety (PS): Criminal Justice</b>											
Strategies	Prioritize programs based on long-term cost reduction strategies such as prevention, rehabilitation and education.	x			x				x		
	Prioritize programs that are most effectively addressed by public safety entities.				x					x	
	Prioritize programs based on achieving public safety outcomes such as reduced recidivism, reduced building safety risks, reduced accidents and increased emergency response.	x			x	x	x				
	Prioritize programs that reinvest/re-direct resources to create capacity to address system demands.	x			x						
	Prioritize programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes such as CJCC and FMPO.	x	x		x						
	Prioritize programs that invest in professional development and recruitments and training to increase competency with evidence based practices.				x						

## Public Works

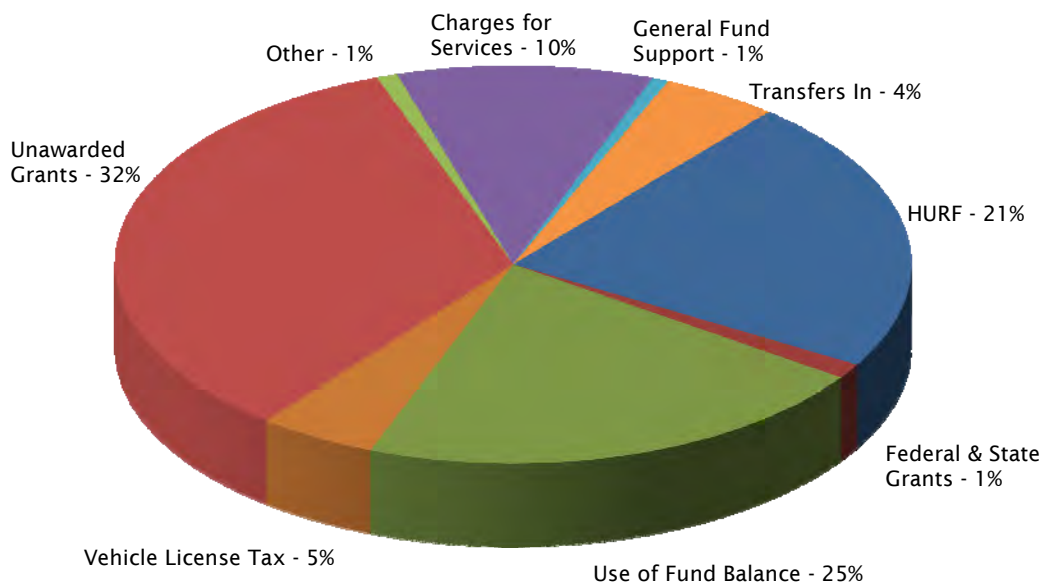
### Financial Summary

Public Works receives revenue from many different sources, including Highway User Revenue Fees (HURF) and charges for services. Departmental revenue finished 7% short of their FY14 budget. A portion of this variance was due to Motor Pool revenue from other County departments falling 15% below budget. The remainder was caused by a transfer from the Flood Control District that did not occur because certain capital projects were postponed. Departmental revenue for FY15 (excluding unawarded grants) is budgeted to decrease by 5% due in part to lower transfers in from Federal Forest Fees. HURF revenue is expected to continue trending lower for FY15, and Federal and State grants are expected to remain flat, unless the department is awarded any of the more than \$12 million in grants that they have applied for.

For FY14 Public Works finished 48% below their revised expenditure budget of \$27,721,684. The majority of this variance was due to capital projects not completed during the fiscal year. The department also realized almost \$2.2 million in salary savings. Their FY15 adopted expenditure budget of \$25,752,584 (excluding unawarded grants) is 7% lower than their FY14 budget, despite the addition of a \$3.3 million transfer to the Flood Control District for Public Works capital projects completed by the District. The main driver for the FY15 expenditure decrease is capital projects: Highway Equipment Services is budgeting roughly \$950,000 less for equipment replacement and Engineering has budgeted \$4.3 million less in capital projects for FY15. The department requested and received one budget increase for FY15: \$52,500 to outsource the installation of specialty vehicle builds such as police cruisers, etc.

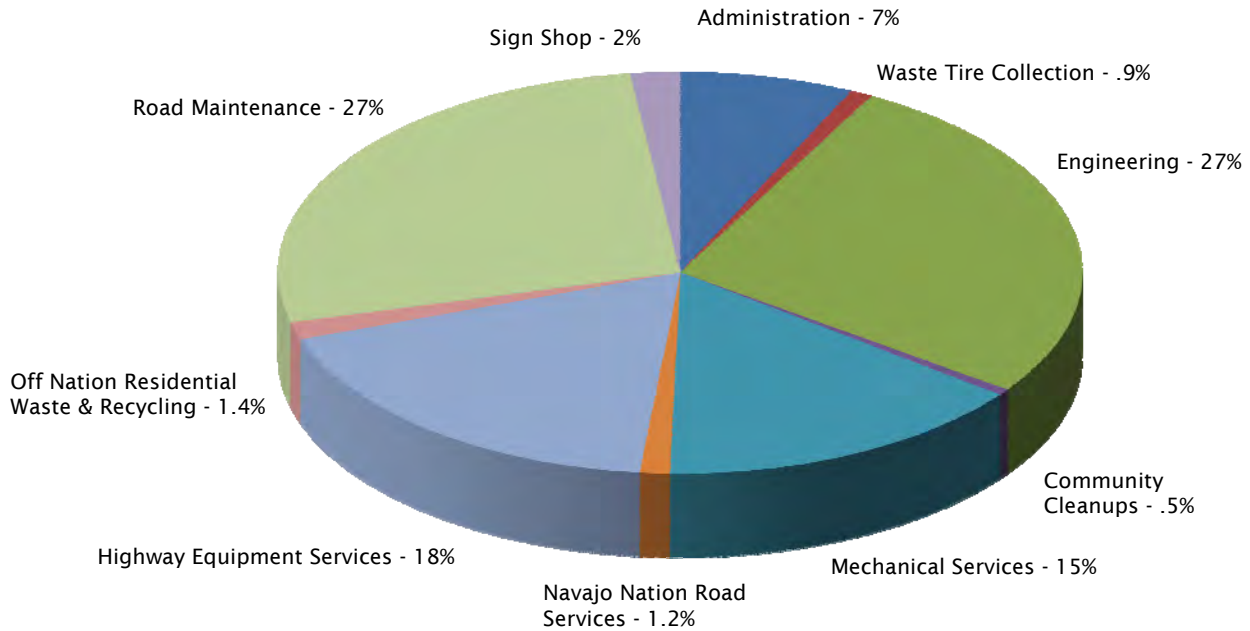
The following charts illustrate the Public Works department’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. Expenditure charts exclude unawarded grants.

**Revenue by Source Type**

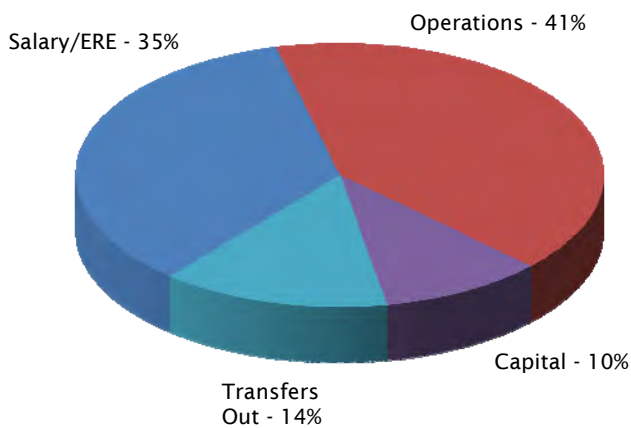


## Public Works

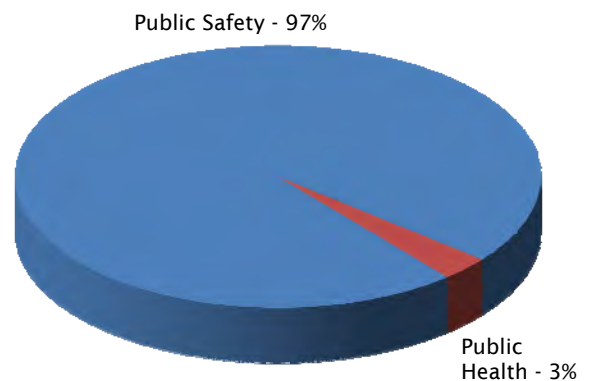
### Expenditures by Program



### Expenditures by Category



### Expenditures by Strategic Priority Area



# Community Development



## Public Works

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Federal and State Grants	\$ 1,939,640	\$ 753,520	\$ 462,846	\$ 362,991	\$ 428,983
Vehicle License Tax	1,600,000	1,678,845	1,709,800	1,775,891	1,709,800
Other Intergovernmental	873,207	387,567	167,420	130,253	167,420
Licenses & Permits	23,525	20,470	25,827	16,565	9,500
Charges for Services	4,511,334	3,370,628	3,329,470	2,847,987	3,704,818
Highway User Revenue Fees (HURF)	8,100,000	7,963,139	8,150,450	8,179,439	7,940,000
Unawarded Grants	-	-	-	-	12,029,440
Investment Income	190,000	(72,994)	60,000	385,522	60,000
Other	12,000	74,233	162,000	189,020	302,000
Transfers from Other Funds	3,112,128	1,682,247	2,823,937	1,760,270	1,687,737
Use of (Increase In) Fund Balance	7,978,222	1,977,011	10,574,149	(1,418,176)	9,501,375
General Fund Support	532,527	318,426	255,785	161,555	240,951
<b>Total Funding Sources</b>	<b>\$ 28,872,583</b>	<b>\$ 18,153,092</b>	<b>\$ 27,721,684</b>	<b>\$ 14,391,317</b>	<b>\$ 37,782,024</b>

<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 8,609,164	\$ 7,344,156	\$ 8,897,360	\$ 6,699,770	\$ 9,139,888
Operations	10,635,225	8,947,230	10,450,021	6,387,819	10,620,662
Travel	108,948	31,811	88,748	29,021	87,860
Capital	9,355,382	1,672,737	8,086,496	1,111,764	14,456,260
Transfers to Other Funds	163,864	157,157	199,059	162,943	3,477,354
<b>Total Uses of Funds</b>	<b>\$ 28,872,583</b>	<b>\$ 18,153,092</b>	<b>\$ 27,721,684</b>	<b>\$ 14,391,317</b>	<b>\$ 37,782,024</b>

Net Indirect Support	55,601	55,601	81,024	81,024	252,758*
<b>Total</b>	<b>\$ 28,928,184</b>	<b>\$ 18,208,693</b>	<b>\$ 27,802,708</b>	<b>\$ 14,472,341</b>	<b>\$ 38,034,782</b>

<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	(532,527)	(318,426)	(255,785)	(161,555)	(240,951)
<b>Total Direct Support</b>	<b>\$ (532,527)</b>	<b>\$ (318,426)</b>	<b>\$ (255,785)</b>	<b>\$ (161,555)</b>	<b>\$ (240,951)</b>
Net Indirect Support	(55,601)	(55,601)	(81,024)	(81,024)	(252,758)
<b>Total County Support</b>	<b>\$ (588,128)</b>	<b>\$ (374,027)</b>	<b>\$ (336,809)</b>	<b>\$ (242,579)</b>	<b>\$ (493,709)</b>

\* For FY15, the indirect costs paid by HURF were computed using the County's OMB Cost Plan instead of the Full Cost Plan used in prior years. This lowered the indirect costs paid, resulting in higher Net Indirect Support.

# Community Development



## Public Works

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ 9,862,537	\$ -	\$ (7,960,430)	\$ 1,902,107	\$ 170,584
Community Cleanups	190,440	-	-	190,440	-
Engineering	11,973,500	-	6,898,141	18,871,641	-
Highway Equipment Services	150,000	-	4,457,242	4,607,242	-
Mechanical Services	3,737,348	-	79,026	3,816,374	33,600
Navajo Nation Road Services	167,420	-	132,218	299,638	-
Off-Nation Residential Waste and Recycling	120,470	217,435	10,345	348,250	41,463
Road Maintenance	1,400,000	23,516	5,514,440	6,937,956	-
Sign Shop	223,983	-	380,738	604,721	-
Waste Tire Collection	214,000	-	(10,345)	203,655	7,111
<b>Total</b>	<b>\$ 28,039,698</b>	<b>\$ 240,951</b>	<b>\$ 9,501,375</b>	<b>\$ 37,782,024</b>	<b>\$ 252,758</b>

### Performance Measures by Program

<b>Administration</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of RFPs issued	2	2	2
Number of bids processed	8	2	5
Number of contracts processed	75	79	79
Number of FTEs supported	132.13	127.53	125.50

<b>Community Cleanups</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Cost of overall operations	\$60,481	\$63,000	\$63,000
Number of residents attending the landfill event	730	742	750
Number of residents attending the Willard Springs event	608	627	630
Number of residents attending the Williams event	605	623	630

# Community Development



## Public Works

### Performance Measures by Program

<b>Engineering</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Develop pavement management system with annual inspections	Implement	N/A	N/A
Continue to train and establish team concept for division	Required training attained	Conducted team building and prep for recruiting County Engineer	Continue with organizational improvement and strategic planning
Develop and construct possible solutions for the Schultz Fire area	Implement - over \$8M constructed	Implement - plan to construct \$10M	Implement - plan to construct \$7M
Update County engineering standards	No progress	Developing plan	Conduct public process and secure Board approval
Provide continuous public educational and outreach for residents	Maintain	Maintain	Maintain
Research and employ current technology and software	Maintain	Implemented EDMS program	Completely implement EDMS
Pursue the adoption of right of way	N/A	Developing draft	If desired by Board, pursue public process and adoption

<b>Highway Equipment Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Coconino County labor rate charged on a work order	\$32.00	\$32.00	\$32.00
Empire Machinery shop labor rate charged on a work order	\$107.40	\$110.00	\$110.00
Rush Truck Center shop labor rate charged on a work order	\$85.00	\$85.00	\$85.00
Percent of vehicles and equipment past due for replacement based on Policy #7.04	35%	25%	25%
The number of vehicles and equipment maintained by this division	386	387	387

## Public Works

### Performance Measures by Program

<b>Mechanical Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Percent of in-stock parts that were available when a technician came to the parts counter	87%	87%	87%
Percent of in-stock parts sold in Flagstaff	87%	87%	87%
Percent of in-stock parts sold in Williams	89%	89%	89%
Total number of in-stock parts sold	58,004	58,000	58,000
Total gallons of fuel sold to the City of Flagstaff	78,191	80,000	80,000
Total gallons purchased from the City of Flagstaff	49,743	50,000	50,000
Total gallons of fuel consumed (by County)	406,197	400,000	400,000
Coconino County shop labor rate charged on a work order	\$32	\$80	\$80
Tyrrell Chevrolet shop labor rate charged on a work order	\$80	\$80	\$80
Number of mileage rate miles driven	2,231,712	2,200,000	2,200,000
Total number of work orders created by Mechanical Services each year	2,012	2,000	2,000
Total number of work orders created for preventive maintenance	1,040	1,000	1,000

<b>Navajo Nation Road Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of miles graded	1,259	1,200	1,200
Cost per mile of grading	\$484	\$480	\$480

<b>Off-Nation Residential Waste and Recycling</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Willard Springs waste tons	553	553	553
Mormon Lake waste tons	70	70	70
Willard Springs cost per ton	\$188	\$193	\$200
Mormon Lake cost per ton	\$1,001	\$1,031	\$1,070
Williams Transfer Station annual cost	\$105,643	\$108,000	\$111,000
Marble Canyon annual cost	\$6,396	\$6,500	\$6,700
Cost of hazardous materials, recycling, and waste disposal	\$37,782	\$38,916	\$41,000
Landfill recycling tons (County drop-off bins)	72	74	75

<b>Road Maintenance</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of miles graded	2,091	2,000	2,100
Cost per mile of grading	\$484	\$460	\$480
Number of miles resurfaced	61	55	55
Cost per mile of resurfacing	\$19,956	\$19,000	\$19,000
Cubic yards of material produced	76,617	60,000	60,000
Cost per cubic yard of material produced	\$9.30	\$9.50	\$9.50
Lane-miles of roads chip sealed	62	0	0
Cost per square yard of chip seal (internal only)	\$1.96	\$0.00	\$0.00
Percentage of roads chip sealed	10%	0%	0%
Percentage of roads overlayed (department wide)	0%	0%	0%
Divisional vacancy percentage rate	30%	30%	30%
Miles of crack filling	101	60	50
Cost per mile of crack filling	\$7,000	\$6,200	\$6,200

## Public Works

### Performance Measures by Program

<b>Sign Shop</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of miles of striping (there are approximately 520 miles of striping)	423	415	415
Cost per mile of striping	\$101	\$90	\$95
Number of hours for sign inspection	2,838	2,000	2,100
Number of hours for sign repair	1,033	1,100	1,000
Number of hours for new sign installation	28	30	50
Number of hours for sign production	52	70	70
Number of hours for sign inventory (50% of the 9,300 signs in our inventory are street name signs)	89	90	100

<b>Waste Tire Collection</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of tires collected	96,635	97,000	97,000

## Public Works

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accounting Technician II	3.00	3.00	3.00
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I	1.00	1.00	1.00
Administrative Specialist II	0.48	0.48	0.70
Administrative Specialist III	2.00	2.00	1.00
Administrative Support II	2.00	2.00	2.00
Assistant County Engineer	1.00	1.00	1.00
Assistant County Surveyor	1.00	1.00	1.00
Buyer	1.00	1.00	1.00
Capital Projects Manager	1.00	1.00	2.00
Cartograph Technician	1.00	1.00	1.00
Code Enforcement Officer	2.00	1.00	-
Community Relations Manager	1.00	1.00	1.00
Construction Inspector	2.00	-	-
Construction Inspector I	-	1.00	1.00
Construction Inspector II	-	1.00	1.00
Construction Supervisor	1.00	1.00	-
County Engineer	1.00	1.00	1.00
County Surveyor	1.00	1.00	1.00
Custodian	2.00	2.00	2.00
Deputy Director	2.00	2.00	2.00
Director	1.00	1.00	1.00
Division Manager	-	-	1.00
Engineering Technician	1.00	2.00	1.00
Equipment Parts Specialist	3.00	3.00	3.00
Finance Technician	-	-	1.00
Fleet Analyst	2.00	1.00	1.00
Fleet Services Manager	1.00	1.00	1.00
Grants Writer	0.25	0.25	-
Maintenance Superintendent	1.00	1.00	1.00
Mechanic	14.00	15.00	15.00
Mechanic, Lead	1.00	1.00	1.00
Operator	26.00	26.00	26.00
Operator, Senior	26.00	25.00	25.00
Parts Runner	1.00	1.00	1.00
Program Coordinator	1.00	1.00	1.00
Program Manager III	0.80	0.80	0.80
Right of Way Agent	1.00	1.00	1.00
Right of Way Technician	1.00	1.00	1.00
Service Writer	1.00	1.00	1.00
Sign Maintenance Worker	1.00	1.00	1.00
Solid Waste Manager	1.00	1.00	1.00
Special Initiatives Assistant	1.00	1.00	1.00
Survey Technician	1.00	1.00	-

# Community Development



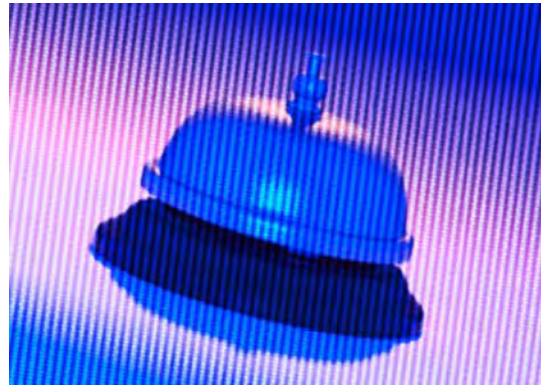
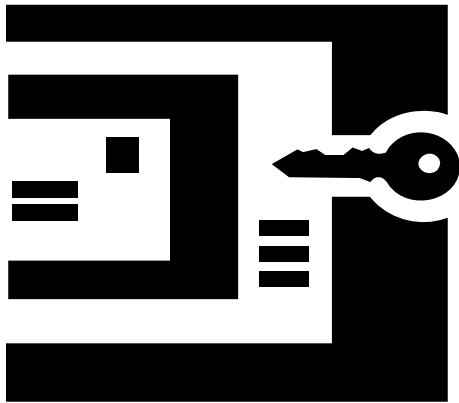
## Public Works

### Department Staffing (Full Time Equivalent)

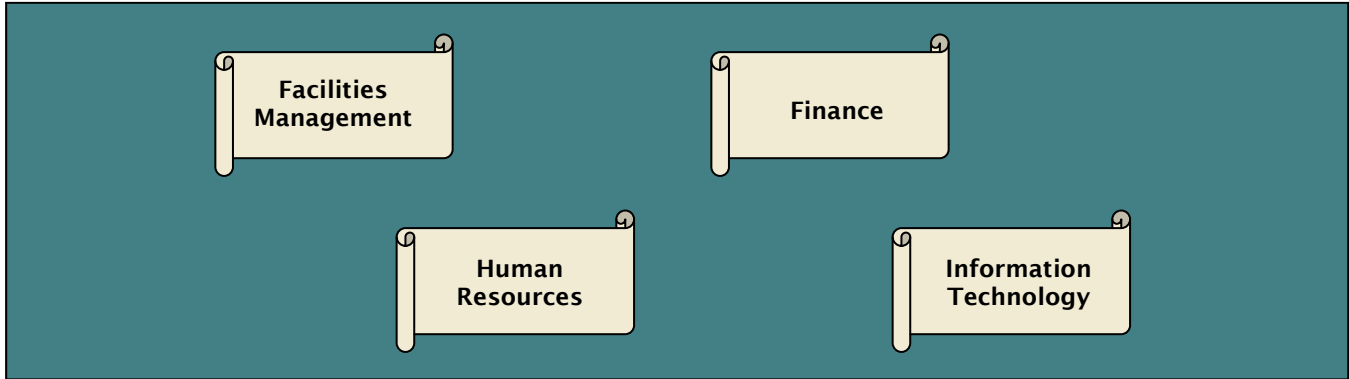
<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Trades Division Supervisor	7.00	7.00	7.00
Trades Supervisor	7.00	7.00	7.00
Transfer Station Operator	4.60	1.00	1.00
Transportation Planner	1.00	1.00	1.00
<b>Total Positions</b>	<b>132.13</b>	<b>127.53</b>	<b>125.50</b>

\* During FY14 one Code Enforcement Officer and the Construction Supervisor were relocated to the Community Development department. In addition, an Administrative Specialist III was reclassified to a Finance Technician, one Engineering Technician was reclassified to a Capital Projects Manager and a Division Manager position was created and funded partially by the removal of the Survey Technician position. For FY15, the percentage of the Grants Writer position was transferred to Government Relations.

# Internal Services



## Service Area Summary



### Description of Services

The Internal Services service area provides administrative and professional support to all departments within the organization. This support includes providing the Board of Supervisors and the citizens with accurate, understandable information about County finances, budget preparation and presentation, purchasing, special districts formation and assistance, providing a safe and clean working environment for all employees and citizens, providing repair and replacement to existing facilities and providing leadership in developing capital improvement strategies, job recruitment, administrative support on job classification and compensation policy, job training, safety and employee benefits, and maintenance and support of networking and programming services.

### Per Capita Costs

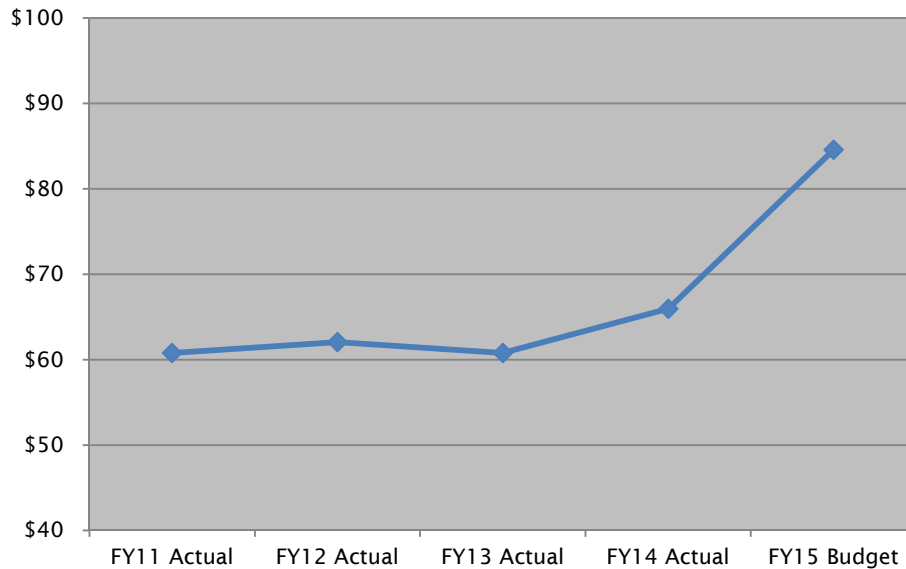
Over the last five years, the per capita cost for services provided by Internal Services has gradually increased. While Finance and Information Technology costs have remained fairly stable, Facilities expenses have varied, primarily due to planned versus completed capital projects. Human Resources' per capita costs increased significantly in FY14 as a result of the integration of the Organizational Development program, which had previously been housed within the County Manager's Office. The significant increase in per capita expenditures for FY15 is due to a budget appropriation in the Facilities Management department to move and upgrade the County's IT data center.

The chart on the next page shows a five year history of the per capita cost of services for the Internal Services service area.

# Internal Services



## Service Area Summary



The table below shows a three year history of the per capita cost of services for departments within the Internal Services service area.

<u>Department</u>	<u>FY13 Actuals</u>	<u>FY14 Actuals</u>	<u>FY15 Budget</u>	<u>Change: FY14 to FY15</u>
Facilities Management	\$ 20.78	\$ 23.38	\$ 39.08	67.17%
Finance	11.12	11.46	12.31	7.47%
Human Resources	8.84	10.22	11.50	12.56%
Information Technology	20.05	20.90	21.68	3.71%
<b>Total</b>	<b>\$ 60.79</b>	<b>\$ 65.96</b>	<b>\$ 84.57</b>	<b>28.22%</b>

## Facilities Management

2500 N. Fort Valley Road, Flagstaff, AZ 86001 (928) 679-8800  
Sue Brown, Director

The Facilities Management Department strives to provide a safe, functional and aesthetic work environment for all County departments and the citizens served by our organization.

Program	SPA	Description
Administration	O&FH	This program ensures the effective operation of the Facilities Management Department by providing leadership, strategic direction, financial management and administrative support to the employees and programs of the department.
Capital Planning and Construction	O&FH	This program provides both tactical and strategic planning through constant communication of organizational information and needs assessments.
Capital Repair and Replacement	O&FH	This program includes annual Facilities Condition Assessments to prioritize repair and replacement for Coconino County building components.
Operations and Maintenance	O&FH	Operations and Maintenance provides secure, accessible, clean and functional work space for delivering services to the public. Mandated contractual and regulatory requirements for building environments are met through this program.
Resource Conservation	C&NR	This program consolidates the on-going energy conservation efforts of the Facilities Management Department into one program.

### Goals and Objectives

- The Facilities Management Department will continue the implementation of the communications plan, which includes developing a customer satisfaction survey in FY15 to use for benchmarking customer satisfaction.
- In FY15 the department will also monitor energy usage and diversify energy sources through solar photovoltaic systems in two County facilities, which will have a positive impact on energy consumption in future years.
- On an on-going basis, Facilities will identify opportunities for common purchasing with other County departments that are consistent with industry standards and recommendations.

### Opportunities and Challenges

- Through an effective communications plan, the Facilities Management Department hopes to see a reduction in operational and energy costs by engaging staff and citizens in efficiency activities.
- A major challenge that the department continues to face is recruitment, retention, and training of staff to operate hybrid environments and building systems automation.
- A continued challenge is that the overall demand for energy continues to increase accompanied by rising costs. Regulatory pressure to reduce carbon emissions will continue to push energy prices higher, increasing Coconino County's utilities costs.

## Facilities Management

Strategic Priority Area Alignment		Programs				
		Administration	Capital Planning and Construction	Capital Repair and Replacement	Operations and Maintenance	Resource Conservation
<b>Cultural and Natural Resources (C&amp;NR)</b>						
Strategies	Does the program support initiatives, practices and positions that promote clean air, clean water and the stewardship of County resources, healthy landscapes and wildlife habitat within the County?					X
	Does the program consider diverse needs and foster collaborative partnerships to address, develop and promote cultural and/or natural resource objectives?					X
<b>Organizational and Fiscal Health (O&amp;FH)</b>						
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.	X	X	X	X	
	Develop an organizational culture where every employee understands how they each contribute positively through alignment with the County's missions, vision, values and strategic priorities.	X	X	X	X	
	Encourage transparency and clarity at all levels and between all levels of the organization.	X	X	X	X	
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County's programs and service evaluation process and Strategic Priority Area outcomes.	X	X	X	X	
	Recruit, train and retain a qualified and diverse workforce.	X	X	X	X	
	Continue to position Coconino County as a leader and role model for responsible and effective government.	X	X	X	X	
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.	X	X	X	X	
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.	X	X	X	X	
	Encourage departmental efficiencies.	X	X	X	X	
Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.	X	X	X	X		

## Facilities Management

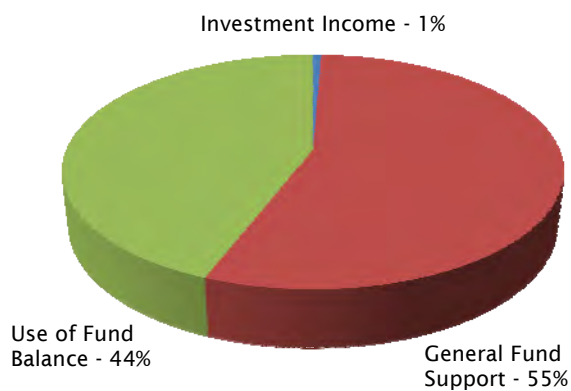
### Financial Summary

The Facilities Management Department’s primary source of revenue is General Fund support. The Capital Repair and Replacement reserves also generate investment income, which offsets the cost of the program. In FY14 the actual investment income earned on the reserves is estimated to be 9% under budget. Facilities Management also received a Federal grant as part of the American Recovery and Reinvestment Act (ARRA) of 2009.

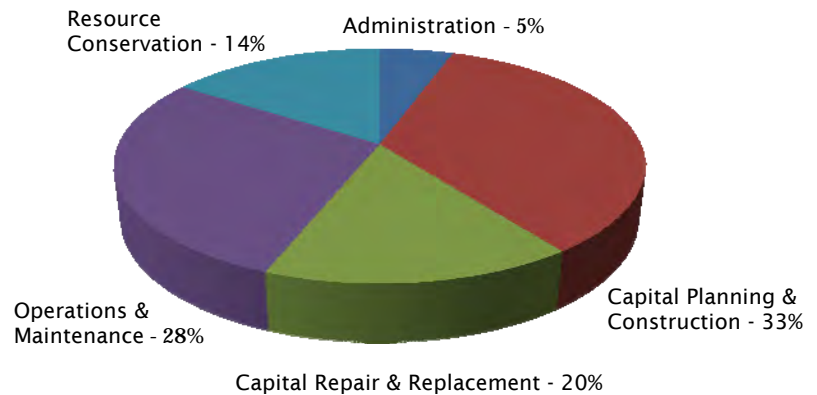
Facilities Management is estimated to be 44% under their revised FY14 expenditure budget of \$5,703,463. This variance is due to a delay in completion of capital planning and repair projects, which will be carried over into FY15. The FY15 adopted expenditure budget of \$5,421,073 is 5% under their FY14 expenditure budget. This variance is due to a reduction in planned capital repair and replacement projects in FY15. The department was approved for one-time increases associated with technology updates and a new building lease for the Information Technology Department (IT). In addition, they received recurring increases to fund inflationary increases to their annual maintenance and service agreements, as well as the cost of the annual building lease for IT.

The following charts illustrate the Facilities Management department’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

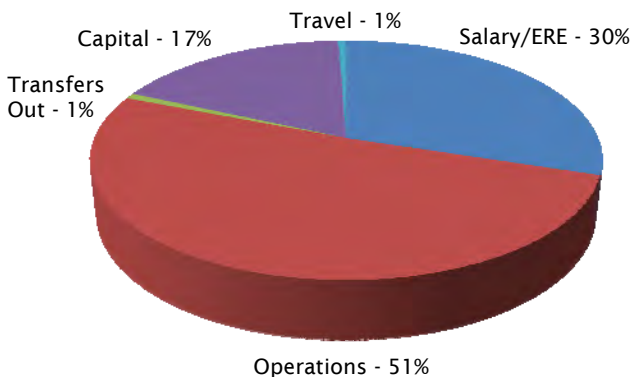
**Revenue by Source Type**



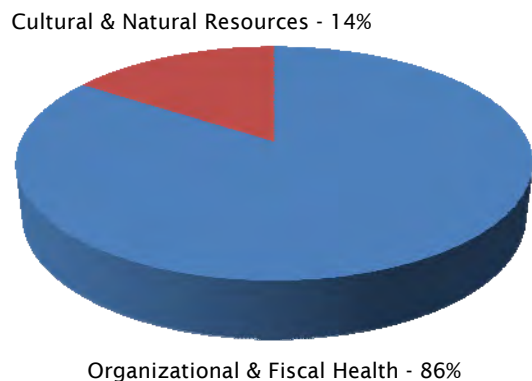
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Internal Services



## Facilities Management

### Department-Wide Financial Statement

	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
<b>Revenues and Other Sources</b>					
Federal and State Grants	\$ -	\$ 22,383	\$ -	\$ -	\$ -
Investment Income	52,000	(12,590)	52,000	47,140	35,000
Other	-	38,853	-	-	-
Use of (Increase In) Fund Balance	2,515,740	332,972	(1,591,530)	(3,774,397)	2,390,679
General Fund Support	2,617,038	2,433,511	7,242,993	6,917,387	2,995,394
<b>Total Funding Sources</b>	<b>\$ 5,184,778</b>	<b>\$ 2,815,129</b>	<b>\$ 5,703,463</b>	<b>\$ 3,190,130</b>	<b>\$ 5,421,073</b>
<b>Expenditures and Other Uses</b>					
Salary/ERE	\$ 1,457,864	\$ 1,393,824	\$ 1,568,762	\$ 1,466,315	\$ 1,620,944
Operations	2,610,323	1,237,671	2,582,741	1,223,026	2,769,669
Travel	42,100	41,394	41,200	44,128	41,200
Capital	1,074,491	142,241	1,510,760	456,662	957,160
Transfers to Other Funds	-	-	-	-	32,100
<b>Total Uses of Funds</b>	<b>\$ 5,184,778</b>	<b>\$ 2,815,129</b>	<b>\$ 5,703,463</b>	<b>\$ 3,190,130</b>	<b>\$ 5,421,073</b>
Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$ 5,184,778</b>	<b>\$ 2,815,129</b>	<b>\$ 5,703,463</b>	<b>\$ 3,190,130</b>	<b>\$ 5,421,073</b>
<b>General Fund Support</b>					
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(2,617,038)	(2,433,511)	(2,778,993)	(2,453,387)	(2,995,394)
GF Transfers to Other Funds	-	-	(4,464,000)	(4,464,000)	-
<b>Total Direct Support</b>	<b>\$(2,617,038)</b>	<b>\$(2,433,511)</b>	<b>\$(7,242,993)</b>	<b>\$(6,917,387)</b>	<b>\$(2,995,394)</b>
Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$(2,617,038)</b>	<b>\$(2,433,511)</b>	<b>\$(7,242,993)</b>	<b>\$(6,917,387)</b>	<b>\$(2,995,394)</b>

## Facilities Management

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ -	\$ 320,883	\$ -	\$ 320,883	\$ -
Capital Planning and Construction	15,000	446,889	1,309,417	1,771,306	-
Capital Repair and Replacement	20,000	2,050	1,045,533	1,067,583	-
Operations and Maintenance	-	1,527,965	-	1,527,965	-
Resource Conservation	-	697,607	35,729	733,336	-
<b>Total</b>	<b>\$ 35,000</b>	<b>\$ 2,995,394</b>	<b>\$ 2,390,679</b>	<b>\$ 5,421,073</b>	<b>\$ -</b>

### Performance Measures by Program

<u>Administration</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
County FTEs per Facilities Department FTE	41.40	41.50	N/A

<u>Capital Planning and Construction</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Building utilization, square feet per employee	460	470	470
Benchmark target utilization (FMRT)	520	520	520
Implementation of 12-year Facilities Master Plan	0/12	0/12	0/12

<u>Capital Repair and Replacement</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Annual repair and replacement funding	\$762,243	\$1,069,341	\$771,143
R&R Funding/Replacement value of assets	0.69%	0.97%	0.67%
Industry average funding/Replacement value (IFMA)	N/A	N/A	N/A

<u>Operations and Maintenance</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Annual maintenance cost per square foot	\$2.10	\$2.10	\$2.12
Industry benchmark maintenance cost per square foot (FMRT)	\$2.70	\$2.70	\$2.70
Annual custodial cost per square foot	\$1.31	\$1.32	\$1.33
Industry benchmark custodial cost per square foot (FMRT)	\$0.99	\$0.99	\$0.99

<u>Resource Conservation</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
County annual utility cost per square foot	\$1.46	\$1.49	\$1.44
Industry Benchmark (FMRT) utility cost per square foot	\$1.99	\$1.99	\$1.99

## Facilities Management

### Department Staffing (Full Time Equivalent)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Administrative Manager, Senior	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00
Construction Manager	1.00	1.00	1.00
Director-Facilities Management	1.00	1.00	1.00
Facilities Manager	1.00	1.00	1.00
Facilities Operations Manager	1.00	1.00	1.00
Facilities Project Coordinator	1.00	1.00	1.00
Facilities Service Worker	10.00	10.00	10.00
Facilities Service Worker, Lead	1.00	1.00	1.00
HVAC/Electrical Supervisor	1.00	1.00	1.00
HVAC/Electrical Technician I	3.00	3.00	3.00
Trades Supervisor	2.00	2.00	2.00
Trades Worker I	1.00	1.00	1.00
Trades Worker II	1.00	1.00	1.00
<b>Total Positions</b>	<b>26.00</b>	<b>26.00</b>	<b>26.00</b>

\* Please note there are no staffing changes for Facilities Management in FY15.

## Finance

219 E. Cherry Avenue, Flagstaff, AZ 86001 (928) 679-8800  
Bonny Lynn, Director/CFO

The Finance Department provides all centralized financial, payroll, budget and purchasing functions for the County. The primary mission of the department is the financial stewardship of County resources.

Program	SPA	Description
Financial Services	O&FH	Finance holds the primary fiduciary responsibility for providing accurate, timely financial information for the County as a whole that is essential for making economic, political and social decisions.
Purchasing	O&FH	The purpose of the County's Purchasing Division is to provide for fair and equitable opportunities to persons and companies involved in public purchasing with the County, to maximize the value of public funds while maintaining compliance with statutory requirements.

### Goals and Objectives

- In FY15 one of the primary objectives for the Finance Department is to fill several key vacancies. With the Finance Director position filled, the Department can begin recruiting for the remaining positions so Finance can move forward fully staffed.
- In FY15 the Finance Department will also begin implementing new electronic timesheet software, which will automate the timesheet process and create efficiencies and paper reduction.
- An annual goal, which is on-going, for the Finance Department is to prepare the Comprehensive Annual Financial Report (CAFR), the Single Audit Report, and the Annual Expenditure Limitation Report and receive a clean audit opinion.
- Beginning in FY15 planning will begin for a multi-year project to upgrade or replace the current Financial Management System (FMS).

### Opportunities and Challenges

- The Finance Department continues to automate processes resulting in decreased costs, decreased waste, and increased rebate revenue.
- The Finance Department will seize the opportunity to participate in increased levels of partnership among the Internal Services Departments of Finance, Human Resources, Information Technology, and Facilities Management.
- One major challenge that the Finance Department is currently experiencing is the loss of knowledge through retirements and vacancies in key management positions in the department. Coconino County is experiencing this in many of its departments, which is leading the County to look at additional cross training and succession planning in preparation for future retirements.
- The Finance Department is also seeing an increased demand in service levels resulting from departmental turnover in Director and key financial management positions across the County.
- Although the full impact is unknown, the Health Care Reform Act will create additional challenges in Finance, as well as other County Departments, going forward. Currently the Finance Department is seeing increased reporting requirements and financial impacts as two of its major issues stemming from the Health Care Reform Act.

## Finance

Strategic Priority Area Alignment		Programs	
		Financial Services	Purchasing
<b>Organizational and Fiscal Health (O&amp;FH)</b>			
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.	x	
	Develop an organizational culture where every employee understands how they each contribute positively through alignment with the County’s missions, vision, values and strategic priorities.		x
	Encourage transparency and clarity at all levels and between all levels of the organization.	x	x
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County’s programs and service evaluation process and Strategic Priority Area outcomes.	x	x
	Recruit, train and retain a qualified and diverse workforce.	x	x
	Continue to position Coconino County as a leader and role model for responsible and effective government.	x	x
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.	x	x
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.	x	
	Encourage departmental efficiencies.	x	x

## Finance

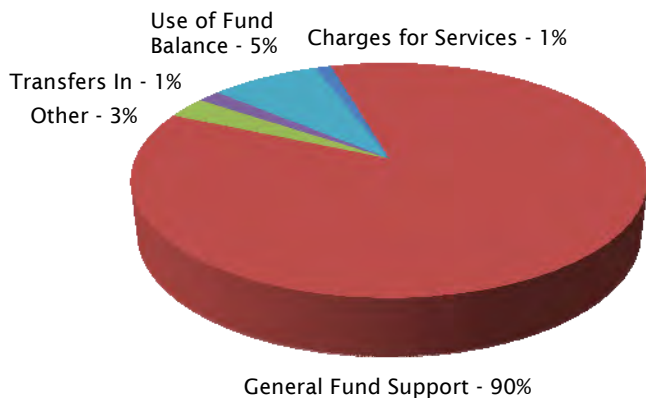
### Financial Summary

The Finance Department's primary source of revenue is General Fund support. In addition Finance receives revenue from rebates on the e-Payables and Purchasing Card programs based on utilization. For FY14 this revenue source is estimated to be 32% over the FY14 budget due to an increase in participation in the program. Finance also receives Fees for Services revenue for the Special Districts Management and Accounting program. For FY14 this revenue source is estimated to come in 32% under budget due to a decrease in active road improvement districts. This revenue has been reduced accordingly for FY15.

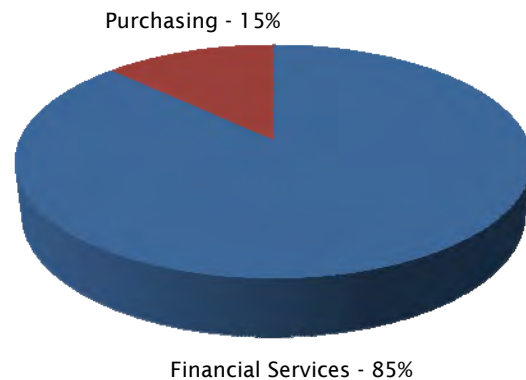
The Finance Department is estimated to be 8% under its revised FY14 expenditure budget of \$1,703,988. This variance is due to salary and benefits savings from multiple vacancies within the Department. The FY15 adopted expenditure budget of \$1,698,227 is less than 1% under the FY14 expenditure budget. This variance is due to salary savings as a result of new hires being filled at base. For FY15 the Finance Department was approved for a one-time increase to replace 13 copiers across the County per the copier replacement schedule.

The following charts illustrate the Finance Department's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

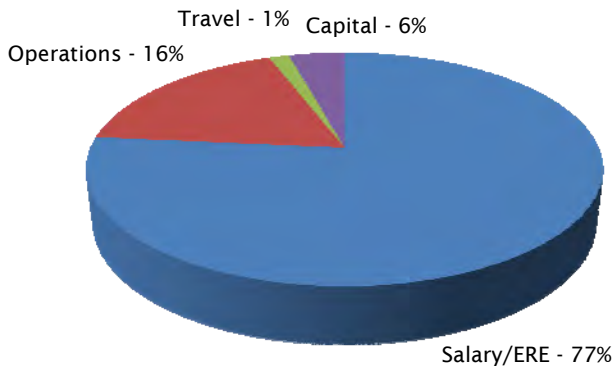
**Revenue by Source Type**



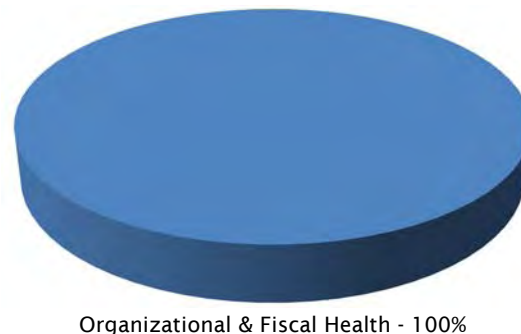
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Internal Services



## Finance

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Charges for Services	\$ 20,200	\$ 16,288	\$ 20,200	\$ 13,759	\$ 15,000
Investment Income	900	(738)	-	2,253	-
Other	45,000	61,060	50,000	66,201	50,000
Transfers from Other Funds	11,121	12,245	28,768	25,733	13,457
Use of (Increase In) Fund Balance	(55,924)	(54,433)	138,847	59,873	88,469
General Fund Support	1,581,578	1,470,294	1,466,173	1,394,725	1,531,301
<b>Total Funding Sources</b>	<b>\$ 1,602,875</b>	<b>\$ 1,504,717</b>	<b>\$ 1,703,988</b>	<b>\$ 1,562,544</b>	<b>\$ 1,698,227</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 1,263,336	\$ 1,221,906	\$ 1,303,578	\$ 1,182,000	\$ 1,300,238
Operations	245,431	203,782	303,802	259,544	274,927
Travel	25,108	10,433	25,608	15,278	26,283
Capital	69,000	68,596	71,000	105,722	96,779
<b>Total Uses of Funds</b>	<b>\$ 1,602,875</b>	<b>\$ 1,504,717</b>	<b>\$ 1,703,988</b>	<b>\$ 1,562,544</b>	<b>\$ 1,698,227</b>
Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$ 1,602,875</b>	<b>\$ 1,504,717</b>	<b>\$ 1,703,988</b>	<b>\$ 1,562,544</b>	<b>\$ 1,698,227</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 45,000	\$ 61,060	\$ 50,000	\$ 66,201	\$ 50,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,363,999)	(1,266,865)	(1,402,638)	(1,346,440)	(1,388,230)
GF Transfers to Other Funds	(262,579)	(264,490)	(113,535)	(114,486)	(193,071)
<b>Total Direct Support</b>	<b>\$(1,581,578)</b>	<b>\$(1,470,294)</b>	<b>\$(1,466,173)</b>	<b>\$(1,394,725)</b>	<b>\$(1,531,301)</b>
Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$(1,581,578)</b>	<b>\$(1,470,294)</b>	<b>\$(1,466,173)</b>	<b>\$(1,394,725)</b>	<b>\$(1,531,301)</b>

# Internal Services



## Finance

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Financial Services	\$ 78,457	\$ 1,304,684	\$ 67,847	\$ 1,450,988	\$ -
Purchasing	-	226,617	20,622	247,239	-
<b>Total</b>	<b>\$ 78,457</b>	<b>\$ 1,531,301</b>	<b>\$ 88,469</b>	<b>\$ 1,698,227</b>	<b>\$ -</b>

### Performance Measures by Program

<b>Financial Services</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Unqualified opinion on Annual Financial Statements	Yes	Yes	Yes
Prepare a Comprehensive Annual Financial Report	Yes	Yes	Yes
Average Accounts Payable entries per week	654	720	720
Employees paid per pay period	1,075	1,077	1,077

<b>Purchasing</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Average Purchasing Card transactions per month	1,475	1,500	1,550
Average Purchasing Card dollars per month	\$376,806	\$380,000	\$385,000
Number of Purchasing Card holders	400	400	400
Total number of Purchase Orders	965	1,000	1,000
Number of bids	12	10	10
Number of RFPs/RFQs	20	12	15
Bid/RFP contracts awarded to County vendors (%)/State vendors (%)/Out of state(%)	70%/27%/3%	65%/25%/10%	75%/20%/5%
Number of solicitations protested/Number sustained	0/0	0/0	0/0
Master Card/Office Depot rebate amount	\$65,566	\$67,000	\$68,000

## Finance

### Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Accountant	1.00	1.00	1.00
Accountant, Senior	1.00	1.00	1.00
Accounting Manager-Audit	1.00	1.00	1.00
Accounting Manager-Operations	1.00	1.00	1.00
Accounting Technician I	0.50	0.50	0.50
Accounting Technician II	2.50	2.50	2.50
Administrative Manager	1.00	1.00	1.00
Administrative Specialist I	1.00	1.00	1.00
Budget Analyst	1.00	1.00	1.00
Budget Analyst, Senior	1.00	1.00	1.00
Budget Manager	1.00	1.00	1.00
Buyer	1.00	1.00	1.00
Director-Finance (CFO)	1.00	1.00	1.00
Financial System Manager	1.00	1.00	1.00
Grants Writer	0.25	-	-
Payroll Operations Administrator	1.00	1.00	1.00
Payroll Specialist	1.00	1.00	1.00
Purchasing Manager	1.00	1.00	1.00
<b>Total Positions</b>	<b>18.25</b>	<b>18.00</b>	<b>18.00</b>

\* Please note there are no staffing changes for the Finance Department in FY15.

## Human Resources (HR)

420 N. San Francisco Street, Flagstaff, AZ 86001 (928) 679-7100  
Allison Eckert, Director

Human Resources (HR) is committed to delivering high quality, innovative human resource and risk management services to attract, develop, motivate, protect, and retain a diverse workforce.

Program	SPA	Description
Employee and Organizational Development	O&FH	The Employee and Organizational Development Program works to increase organizational effectiveness through development and training of employees and process improvement to strengthen the organization.
Employee Benefits	O&FH	The Employee Benefits Program develops and delivers a robust, comprehensive benefits package including health, dental, vision, life, retirement plans and a variety of optional benefits to employees and retirees.
Employee Relations	O&FH	The Employee Relations Division works with employees to establish and maintain working relationships that contribute to satisfaction, productivity, motivation, and morale.
Personnel Administration	O&FH	The Personnel Administration Division provides leadership, strategic direction, oversight, and general administrative support County-wide in support of all Human Resources functions.
Recruitment and Retention	O&FH	The Recruitment and Retention Division oversees recruitment, retention, classification, and compensation.
Risk Management and Safety	O&FH	The Risk Management and Safety Division procures, administers, develops, and coordinates centralized services to all County departments and employees.

### Goals and Objectives

- In collaboration with NAPEBT partners, HR will continue to coordinate and manage a robust health and wellness program and gain greater participation. This will increase workplace productivity, reduce health care costs, and reduce workplace injuries.
- HR will enhance the County’s training and development program based on recommendations by the Employee Growth and Development (EGAD) Committee and feedback from the 2014 Employee Engagement Survey data. Enhancements identified include increasing visibility, increasing accessibility to outlying areas, building capacity, strengthening and sustaining curriculum, and identifying new funding opportunities.
- HR will leverage the use of technology to develop and implement a paperless case management system to create efficiencies in Employee Relations tracking and maintenance. Additionally, HR will develop procedures and workflow for this system.
- The Recruitment and Retention Program will continue enhancement to the County’s Succession Planning Program, specifically the expansion of the mentoring program, engagement of Supervisor’s Development Academy graduates, and implementation of the mid-manager rotation program and other cross-training strategies.
- HR will continue strategic market analysis as part of the comprehensive classification and compensation plan and will implement strategies to reduce compression and turnover for continued progress toward market competitiveness.
- The Risk Management and Safety Division will update the drug testing policy to include identified safety sensitive positions and to integrate a reference to Medical Marijuana law.

## Human Resources (HR)

### Opportunities and Challenges

- The demographics continue to change as organizations see five generations in the workplace and face a growing number of baby boomer retirements. We continue to invest in succession planning and cross training/multi-skilling. Additionally, we acknowledge that with a continually aging workforce comes an increased risk for work injuries.
- In response to the change in demographics, we continue to train employees, as we experience an increased need for employees with skills in change management, strategic planning, performance measurement, project planning, customer service, and effective communications. We must work to increase leadership at all levels and to build effective teams to assist the County in identifying and transitioning to new forms of service delivery and partnerships with other service providers.
- Medical Marijuana legislation has resulted in additional drug and alcohol testing requirements for all safety sensitive positions. These changes will impact our pre-employment and random drug screening programs. We will continue to identify safety sensitive positions and update our drug and alcohol policy to reference this and outline when employees are to be drug tested and what employment consequences will result from a positive drug test.
- The ADA - Amendments Act of 2008 broadened the definition of a disability requiring increased awareness and education for employees. The provision of reasonable accommodation for those with a qualifying disability and ensuring discrimination or retaliation does not occur are continuing requirements under the amended act. Additionally, there is a potential for increased requests for accommodations as more employees will be qualified under the new amendment. New OSHA standards in the area of training will require more oversight for compliance and result in increased safety of workers in the workplace.
- In light of the new Affordable Health Care Act, enhancing our Wellness Incentive Program is critical to reduce costs and promote the overall health of our employees. In addition to the rising costs of health care, an increasingly complex regulatory environment and additional tracking costs for seasonal/temporary/part-time workers make benefits a critical area for efficiency and innovation.

## Human Resources (HR)

Strategic Priority Area Alignment		Programs					
		Employee and Organizational Development	Employee Benefits	Employee Relations	Personnel Administration	Recruitment and Retention	Risk Management and Safety
<b>Organizational and Fiscal Health (O&amp;FH)</b>							
Strategies	As employees are our number one asset, continue a commitment to their success by allocating funds and resources toward continued education, professional development, career progression and competitive compensation.	x	x		x	x	x
	Develop an organizational culture where every employee understands how they each contribute positively through alignment with the County's missions, vision, values and strategic priorities.			x		x	x
	Encourage transparency and clarity at all levels and between all levels of the organization.		x		x	x	x
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County's programs and service evaluation process and Strategic Priority Area outcomes.						x
	Recruit, train and retain a qualified and diverse workforce.		x	x	x	x	x
	Continue to position Coconino County as a leader and role model for responsible and effective government.						x
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.		x		x		
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.						x
	Encourage departmental efficiencies.				x		x
	Ensure and enhance the statutory foundation of county governance to protect and maintain a fair and equitable community structure.						x

## Human Resources (HR)

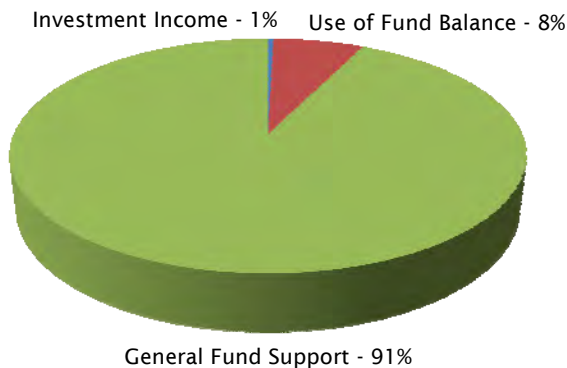
### Financial Summary

The Human Resources Department's primary source of revenue is General Fund support. Interest is earned on the available fund balances in the Employee Benefits Trust and the Self Insurance Trust funds.

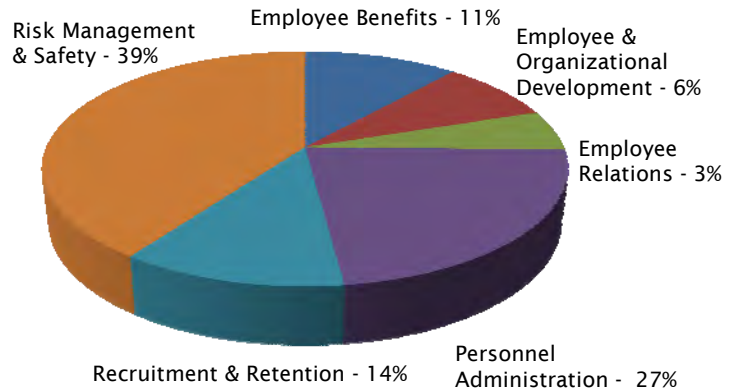
Human Resources is estimated to be 15% under their revised FY14 expenditure budget of \$1,512,405. This variance is due to operational savings from uninsured losses in the Risk Management and Safety program. The FY15 adopted expenditure budget of \$1,586,037 is 5% over the FY14 expenditure budget. This variance is due the recurring increase of an FTE from part-time to full-time along with the addition of one-time funding for a pilot tuition reimbursement program.

The following charts illustrate the Human Resources department's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

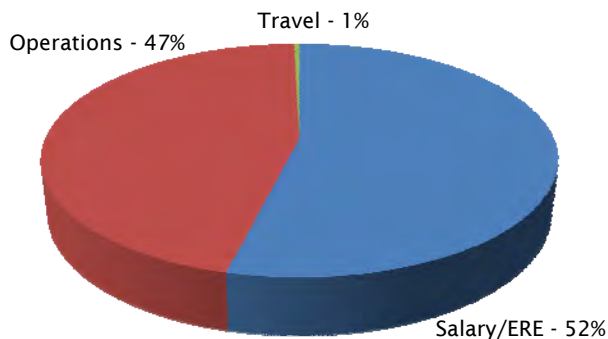
**Revenue by Source Type**



**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Internal Services



## Human Resources (HR)

### Department-Wide Financial Statement

	FY13 Budget	FY13 Actuals	FY14 Budget	FY14 Actuals	FY15 Budget
<b>Revenues and Other Sources</b>					
Investment Income	\$ 20,000	\$ (4,869)	\$ 6,000	\$ 18,609	\$ 9,000
Other	10,000	12,459	-	2,822	-
Use of (Increase In) Fund Balance	71,308	6,823	102,737	(118,866)	136,737
General Fund Support	1,277,928	1,182,992	1,403,668	1,387,591	1,440,300
<b>Total Funding Sources</b>	<b>\$ 1,379,236</b>	<b>\$ 1,197,405</b>	<b>\$ 1,512,405</b>	<b>\$ 1,290,156</b>	<b>\$ 1,586,037</b>
<b>Expenditures and Other Uses</b>					
Salary/ERE	\$ 701,316	\$ 738,532	\$ 813,608	\$ 781,266	\$ 835,413
Operations	672,009	453,893	692,886	499,089	744,713
Travel	5,911	4,980	5,911	9,800	5,911
<b>Total Uses of Funds</b>	<b>\$ 1,379,236</b>	<b>\$ 1,197,405</b>	<b>\$ 1,512,405</b>	<b>\$ 1,290,156</b>	<b>\$ 1,586,037</b>
Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$ 1,379,236</b>	<b>\$ 1,197,405</b>	<b>\$ 1,512,405</b>	<b>\$ 1,290,156</b>	<b>\$ 1,586,037</b>
<b>General Fund Support</b>					
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,277,928)	(1,182,992)	(1,403,668)	(1,387,591)	(1,440,300)
GF Transfers to Other Funds	-	-	-	-	-
<b>Total Direct Support</b>	<b>\$(1,277,928)</b>	<b>\$(1,182,992)</b>	<b>\$(1,403,668)</b>	<b>\$(1,387,591)</b>	<b>\$(1,440,300)</b>
Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$(1,277,928)</b>	<b>\$(1,182,992)</b>	<b>\$(1,403,668)</b>	<b>\$(1,387,591)</b>	<b>\$(1,440,300)</b>

## Human Resources (HR)

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Employee and Organizational Development	\$ -	\$ 96,534	\$ -	\$ 96,534	\$ -
Employee Benefits	-	173,430	-	173,430	-
Employee Relations	-	46,647	-	46,647	-
Personnel Administration	-	433,363	-	433,363	-
Recruitment and Retention	-	222,823	-	222,823	-
Risk Management and Safety	9,000	467,503	136,737	613,240	-
<b>Total</b>	<b>\$ 9,000</b>	<b>\$ 1,440,300</b>	<b>\$ 136,737</b>	<b>\$ 1,586,037</b>	<b>\$ -</b>

### Performance Measures by Program

<u>Employee and Organizational Development</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of trainings offered (not including Supervisor's Academy or Executive Leadership Academy)	59	60	60
Number of attendees (not including Supervisor's Academy or Executive Leadership Academy)	991	500	500
Number of instructional hours (not including Supervisor's Academy or Executive Leadership Academy)	134	136	136
Percentage of seats filled	70%	80%	80%
Percentage of registered participants who attended classes	85%	77%	77%
Percentage of attendees who rated classes as "VERY USEFUL" toward improvement of job performance	87%	85%	85%
Percentage of attendees who rated having a "GREATER UNDERSTANDING" of the subject after completion of training	90%	88%	88%
Supervisor's Development Academy (SDA) number of participants	23	24	24
SDA pre-test scores (average percent)	49%	56%	56%
SDA post-test scores (average percent)	88%	91%	91%
SDA Percent increase in knowledge attained	39%	35%	35%
SDA Number of participants retained (Since 2001: 266 SDA participants)	171	180	180
SDA Number of participants promoted (Since 2001: 266 SDA participants)	72	75	75
Executive Leadership Academy number of participants	N/A	N/A	15
Total number of instructional hours (includes Academies if offered)	206	205	205
Total number of classes offered (includes Academies if offered)	73	70	86

## Human Resources (HR)

### Performance Measures by Program

<b>Employee Benefits</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of employees enrolled in benefit plans	918	975	975
Number of data entry changes made: Adds/Deletes/Changes	1,599	2,000	2,000
Number of EAP visits	698	725	725
EAP average number of visits for employees accessing services	3	4	4
Percentage of employees accessing EAP services reporting improved job performance as a result of receiving services	76%	85%	85%
Number of employees enrolled in Flexible Spending Accounts	169	180	200
Number of employees enrolled in Health Savings Accounts	91	75	75
Number of employees enrolled in Deferred Compensation	127	142	150
FICA savings to County based on employee pre-tax benefits plans	\$150,479	\$146,000	\$150,000
Number of retirees in benefit plan	156	160	160
Percentage of total retirees participating in the County benefit plan	68%	70%	70%
Number of approved FMLA requests	108	130	130
Number of approved leaves	14	10	10
Number of Military leave of absence	9	5	5
Number of other types of leave	3	3	0
Number of active FMLA cases per pay period	27.8	25.0	25.0
Percentage of individuals participating in Wellness Incentive Program	49.00%	51.70%	60.00%
Healthcare cost per employee (Total cost of healthcare/Total number of benefit eligible employees)	\$6,770	\$6,770	\$6,770
Benefits as a percentage of salary (Annual benefits cost/Annual salary)	39.30%	39.00%	38.00%

## Human Resources (HR)

### Performance Measures by Program

<b>Employee Relations</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Percentage of exiting employees completing questionnaires	28%	46%	50%
Top reason why employees are leaving the County	Career Opportunity	Career Opportunity	N/A
Second reason why employees are leaving the County	Salary/Wage	Workplace Culture / Values	N/A
Number of employee relations consultations	133	120	122
Number of performance evaluations submitted to HR	242	950	950
Percentage of performance evaluations completed	22.50%	88.40%	88.40%
Percentage of Unemployment Insurance claims protested	41%	30%	39%
Percentage of Unemployment Insurance favorable claim decisions	81%	79%	84%
Potential liability avoided due to favorable decisions	\$92,172	\$78,106	\$105,235
Number of Unemployment Insurance hearings	3	2	4
Percentage of Unemployment Insurance hearings won	100%	100%	100%
Total liability avoided	\$110,371	\$93,158	\$117,447
Number of appeals to the Employee Appeals Board	0	1	0
Number of Employee Appeals Board favorable decisions	0	1	0
Number of EEOC claims received	4	2	0
Number of internal investigations/assessments completed	3	6	4

<b>Personnel Administration</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Number of regular new hires entered in payroll	134	135	135
Percentage increase number of new hires entered in payroll from prior year	-2.90%	0.75%	0.00%
Number of temporary new hires entered in payroll	561	548	548
Percentage increase number of temporary new hires entered in payroll from prior year	12.20%	-2.30%	0.00%
Number of termination of regular employees	141	145	145
Percentage of increase in number of terminations from prior year	-9.60%	2.80%	0.00%
Number of terminations of temporary employees	424	395	395
Percentage of increase in number of temporary employee terminations from prior year	41.30%	-6.80%	0.00%
Turnover rate	14.30%	14.00%	14.00%
Turnover rate (excluding retirement separations)	12.80%	13.00%	13.00%
Vacancy rate	8.54%	8.50%	8.50%

## Human Resources (HR)

### Performance Measures by Program

<b>Recruitment and Retention</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Applicant outreach yield ratio	15	16	16
Percentage of applicants rating satisfaction with County recruitment process	99%	99%	99%
Time to Fill: Number of days from opening of requisition to date of hire (not counting continuous recruitments)	71	65	60
Percentage of job openings filled with qualified internal candidates	36%	37%	38%
Applicant EEO statistics: percentage of applicants who are from a minority class (voluntary disclosure)	37%	37%	37%
Applicant EEO statistics: Asian	2%	2%	2%
Applicant EEO statistics: Hispanic	10%	11%	11%
Applicant EEO statistics: Native American Indian	13%	13%	13%
Applicant EEO statistics: African American	6%	6%	6%
Applicant EEO statistics: Other	3%	3%	3%
Number of applications received	6,586	5,890	6,000
Number of recruitments/job announcements posted	226	158	200
Number of outreach events attended	12	12	12
Percentage of employees rating their satisfaction of the County's Service Award Recognition Program as "satisfied" or "very satisfied" (based on completed surveys)	93%	93%	93%
Number of submittals to the Position Evaluation Review Committee (PERC)	27	36	36

## Human Resources (HR)

### Performance Measures by Program

<b>Risk Management and Safety</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Total number of liability claims filed against the County	20	30	35
Total anticipated liability claims expenditures including reserves	\$140,316	\$257,302	\$150,000
Auto liability claims against the County including reserves	\$131,879	\$237,302	\$50,000
Errors and omissions claims including reserves	\$0	\$0	\$0
Employee practices liability claims includes reserves	\$0	\$8,000	\$0
General liability claims includes reserves	\$925	\$2,000	\$2,000
Law enforcement liability claims includes reserves	\$7,512	\$10,000	\$10,000
Average cost per claim	\$7,016	\$8,577	\$4,286
Cost effective claims handling: Amount claimed minus actual settlement = dollars saved	12 million	10 million	10 million
Losses to County property	\$0	\$2,000	\$2,000
Number of safety trainings offered	79	85	75
Number of employees attending safety training	830	1,400	875
Industrial injuries: Number of Workers Compensation claims	98	98	80
Industrial injuries: Total reports, includes injuries not needing medical treatment	195	150	150
Industrial injuries resulting in lost time, modified or light duty	57	35	35
Experience Modification Factor (E-mod): A Factor less than 1.00% results in a discount in premium	1.32	1.51	1.45
OSHA accident frequency rate (The National average for local governments is 7.0%)	5.10%	5.00%	4.00%
Workers Compensation loss ratio: Claims paid/Premium paid	50%	50%	45%

## Human Resources (HR)

### Department Staffing (Full Time Equivalent)

<u>Positions by Title</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Assistant Director-Human Resources	-	1.00	1.00
Director-Human Resources	1.00	1.00	1.00
Human Resources Analyst	3.00	3.63	3.63
Human Resources Manager	2.73	2.00	2.00
Human Resources Technician	2.00	2.00	2.00
Risk Manager	1.00	1.00	1.00
<b>Total Positions</b>	<b>9.73</b>	<b>10.63</b>	<b>10.63</b>

\* Please note there are no staffing changes for Human Resources in FY15.

## Information Technology (IT)

211 N. Agassiz Street, Flagstaff, AZ 86001 (928) 679-7900  
Kris Estes, Director

The Information Technology (IT) Department is a centralized service department that provides networking, Geographic Information Systems (GIS), programming services and analysis, computer purchasing, software purchasing and upgrades, limited software applications training for County users, and miscellaneous technology consulting services to other County departments.

Program	SPA	Description
Administration	O&FH	Administration provides the leadership and oversight for the operations of the Department, which includes providing strategic direction, financial management, personnel management, quality improvement, partnership development, public relations and marketing.
Business Applications Development and Support	O&FH	This Division supports the public, County departments and partner agencies through the daily operational support and automation of business processes by providing services such as project management, analysis, development, and/or procurement of third party technology solutions and maintenance of existing systems.
Geographic Information Systems (GIS)	O&FH	GIS provides a technology based framework that allows Coconino County to streamline business processes, create efficient workflows, increase access to and improve quality of information.
Network and Operations	O&FH	The mission of this division is to maintain and continuously improve the IT infrastructure to support and deliver IT systems and service to Coconino County citizens and internal customers in a cost-effective and efficient manner.

### Goals and Objectives

- In FY15 the IT Department will be relocating the County Data Center to a more stable and secure environment for the data equipment.
- In FY15 the IT Department will also be expanding the Electronic Document Management System (EDMS) as well as upgrading the shared permit tracking system that is used by Public Works, Community Development and the Public Health Services District.
- The Department will also begin researching a replacement Enterprise Resource Planning (ERP) solution to integrate financial, procurement and human resource systems. The current financial management system will need to be replaced in the next five years.
- Over the next 24 months, the IT Department plans to focus on research and development of the following key areas of technology: Enterprise Management, Business Continuity, Customer Relations, and Enterprise Architecture.

## Information Technology (IT)

### Opportunities and Challenges

- Coconino County citizens, businesses, and employees expect advancing technology to support their daily tasks and interactions with the County. In order to service its constituents to the fullest extent possible, the County and IT must examine how technology can best support the functions of government.
- There are a number of new, developing and existing technologies that will be vital to Coconino County as our technology usage grows. These tools include web technologies, social media, workflow automation, electronic document management, IT security, and GIS to name a few.
- The major challenge with speed at which technology changes and grows is the cost to implement new tools. Technology can be very expensive especially when it is constantly changing.

Strategic Priority Area Alignment		Programs			
		Administration	Business Applications Development and Support	Geographic Information Systems (GIS)	Network and Operations
<b>Organizational and Fiscal Health (O&amp;FH)</b>					
Strategies	Encourage transparency and clarity at all levels and between all levels of the organization.	x	x	x	x
	Align and implement planning efforts to balance revenues and expenditures, create and maintain mission crucial infrastructure and processes; and develop accountability around the County’s programs and service evaluation process and Strategic Priority Area outcomes.	x			
	Recruit, train and retain a qualified and diverse workforce.	x			
	Continue to position Coconino County as a leader and role model for responsible and effective government.				
	Engage citizens and community and governmental partners in planning, identifying priorities, addressing challenges and expanding the understanding of the value of County services.	x	x	x	
	Maintain our long-term conservative budget strategy while identifying appropriate revenue sources to maintain or increase critical services.	x			
	Encourage departmental efficiencies.	x	x	x	x

## Information Technology (IT)

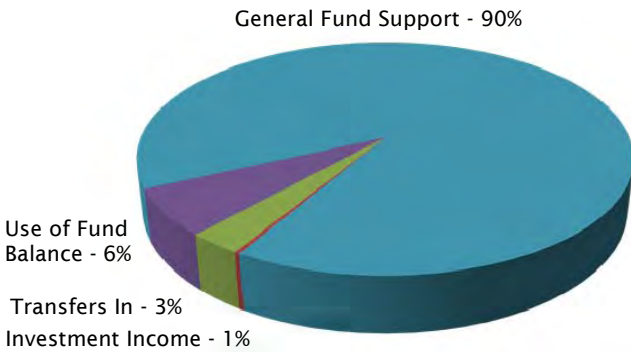
### Financial Summary

The Information Technology Department’s primary source of revenue is General Fund support. In addition, the department receives a small amount of revenue from map sales in the GIS division as well as earned interest on the available fund balance in the PC replacement fund. The Public Works Department also transfers funds to IT to cover the cost of one FTE that provides dedicated support to Public Works.

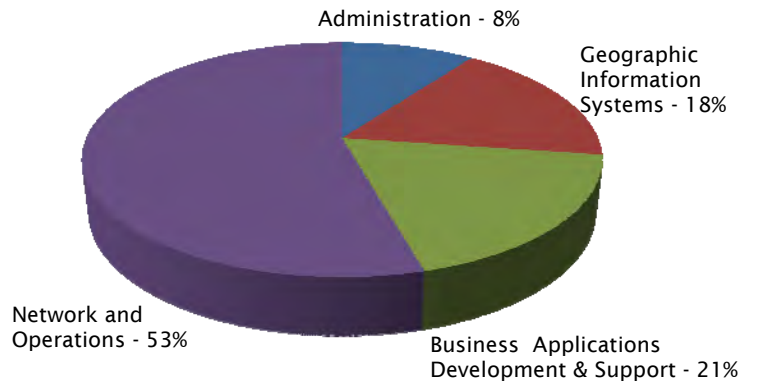
The IT Department is estimated to be 11% under its revised FY14 expenditure budget of \$3,209,180. This variance is due to salary and benefits savings from vacancies in multiple positions. The FY15 adopted expenditure budget of \$2,989,581 is 6% under the FY14 expenditure budget. This variance is primarily due to salary and benefits savings resulting from a position that is being under-filled as well as a reduction in the PC replacement cycle for FY15. For FY15, the IT Department was approved for a recurring increase to cover the cost of annual maintenance increases for OnBase EDMS and telephone and Internet services.

The following charts illustrate the Information Technology department’s revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

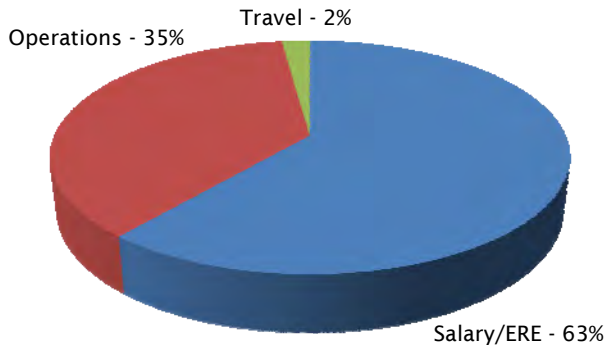
**Revenue by Source Type**



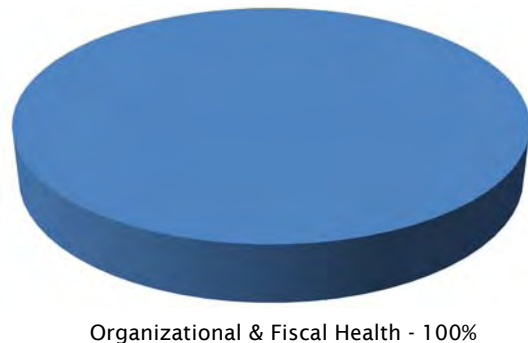
**Expenditures by Program**



**Expenditures by Category**



**Expenditures by Strategic Priority Area**



# Internal Services



## Information Technology (IT)

### Department-Wide Financial Statement

<b>Revenues and Other Sources</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Charges for Services	\$ 6,000	\$ 1,582	\$ 500	\$ 13,097	\$ 500
Investment Income	4,001	(6,479)	4,001	23,931	8,000
Other	-	129	-	-	-
Transfers from Other Funds	83,615	84,160	87,854	87,854	90,085
Use of (Increase In) Fund Balance	(399,001)	(441,900)	355,672	246,736	192,000
General Fund Support	3,438,305	3,077,789	2,761,153	2,484,571	2,698,996
<b>Total Funding Sources</b>	<b>\$ 3,132,920</b>	<b>\$ 2,715,280</b>	<b>\$ 3,209,180</b>	<b>\$ 2,856,190</b>	<b>\$ 2,989,581</b>
<b>Expenditures and Other Uses</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Salary/ERE	\$ 1,887,203	\$ 1,635,092	\$ 1,960,350	\$ 1,764,634	\$ 1,897,620
Operations	1,203,738	1,058,621	1,181,430	1,015,122	1,031,561
Travel	41,979	21,567	67,400	40,231	60,400
Capital	-	-	-	36,203	-
<b>Total Uses of Funds</b>	<b>\$ 3,132,920</b>	<b>\$ 2,715,280</b>	<b>\$ 3,209,180</b>	<b>\$ 2,856,190</b>	<b>\$ 2,989,581</b>
Net Indirect Support	-	-	-	-	-
<b>Total</b>	<b>\$ 3,132,920</b>	<b>\$ 2,715,280</b>	<b>\$ 3,209,180</b>	<b>\$ 2,856,190</b>	<b>\$ 2,989,581</b>
<b>General Fund Support</b>	<b>FY13 Budget</b>	<b>FY13 Actuals</b>	<b>FY14 Budget</b>	<b>FY14 Actuals</b>	<b>FY15 Budget</b>
Program Revenue	\$ 6,000	\$ 1,664	\$ 500	\$ 13,097	\$ 500
Transfers in from Other Funds	83,615	84,160	87,854	87,854	90,085
Program Expenditures	(2,704,593)	(2,341,598)	(2,626,180)	(2,392,803)	(2,566,254)
GF Transfers to Other Funds	(823,327)	(822,015)	(223,327)	(192,720)	(223,327)
<b>Total Direct Support</b>	<b>\$(3,438,305)</b>	<b>\$(3,077,789)</b>	<b>\$(2,761,153)</b>	<b>\$(2,484,571)</b>	<b>\$(2,698,996)</b>
Net Indirect Support	-	-	-	-	-
<b>Total County Support</b>	<b>\$(3,438,305)</b>	<b>\$(3,077,789)</b>	<b>\$(2,761,153)</b>	<b>\$(2,484,571)</b>	<b>\$(2,698,996)</b>

# Internal Services



## Information Technology (IT)

### FY15 Financial Statement by Program

<u>Program Name</u>	<u>FY15 Program Revenue</u>	<u>FY15 General Fund Support</u>	<u>FY15 Use of Fund Balance</u>	<u>FY15 Program Budget</u>	<u>FY15 Net Indirect Support</u>
Administration	\$ -	\$ 244,406	\$ -	\$ 244,406	\$ -
Business Applications	-	629,039	-	629,039	-
Development and Support					
Geographic Information Systems (GIS)	90,585	438,290	-	528,875	-
Network and Operations	8,000	1,387,261	192,000	1,587,261	-
<b>Total</b>	<b>\$ 98,585</b>	<b>\$ 2,698,996</b>	<b>\$ 192,000</b>	<b>\$ 2,989,581</b>	<b>\$ -</b>

### Performance Measures by Program

<u>Administration</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Efficiency of expenditure of IT	N/A	N/A	N/A

<u>Business Applications Development and Support</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of IT projects that have a Project Information Form (PIF)	N/A	100%	N/A
Number of disparate database (DB) platforms	4	10% decrease over FY13	N/A
Number of non-COTS applications	25	75% of new applications are COTS	N/A
Number of documents stored in EDMS	N/A	10% increase over FY13	N/A

<u>Geographic Information Systems (GIS)</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Percentage of GIS tax parcel layer changes completed in time	100%	100%	100%
Perform updates to tax parcel layer within 10 days (Average number of days to complete GIS parcel land transactions (splits, combinations etc.))	3	2	2
Number of annual and average daily visitors to GIS Interactive Mapping web applications	600/200K	650/250K	700/250K

<u>Network and Operations</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>
Number of virtualized servers	70%	80%	100%
Timeliness of critical server patches (Test 100% of patches and deploy within 5 business days 80%)	N/A	100%	100%
Implement penetration testing	0	1	N/A

## Information Technology (IT)

### Department Staffing (Full Time Equivalents)

<b>Positions by Title</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
Business Applications Specialist	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00
Director-Information Technology	1.00	1.00	1.00
GIS Analyst I	3.00	3.00	3.00
GIS Analyst II	1.00	1.00	1.00
GIS Technician	1.00	1.00	1.00
IT Business Analyst	1.00	1.00	-
IT Manager-GIS	1.00	1.00	1.00
IT Manager-Network and Operations	1.00	1.00	1.00
IT Manager-Programming and Business Applications	1.00	1.00	1.00
IT Process Project Coordinator	-	-	2.00
IT Project Manager	1.00	1.00	-
Network Engineer	2.00	2.00	2.00
Network Engineer, Lead	1.00	1.00	1.00
Programmer Analyst I	1.00	1.00	1.00
Programmer Analyst II	1.00	1.00	1.00
Systems Administrator, Lead	1.00	1.00	1.00
Technical Specialist II	2.00	2.00	2.00
Technical Specialist III	2.00	2.00	2.00
Technical Support Supervisor	1.00	1.00	1.00
<b>Total Positions</b>	<b>24.00</b>	<b>24.00</b>	<b>24.00</b>

\* During FY14, the IT Business Analyst and the IT Project Manager were reclassified to two IT Process Project Coordinators.

# Special Taxing Districts



# Special Taxing Districts



Special taxing districts are usually created to fill a need for services in an area that might otherwise be limited from receiving these services for various reasons including size, location, or financial limitations. Through the formation of a special taxing jurisdiction, funding can be created for programs by placing the responsibility on those directly benefiting from that service. Funds are collected through the assessment of a tax on all real property or on all sales within the boundaries of the special taxing district.

State statutes specify the formation process and reporting requirements for special taxing districts including submission of an annual budget to the County Board of Supervisors and the County Treasurer no later than July 20<sup>th</sup> of each year.

Arizona Statutes currently allow for the formation of 35 various types of special taxing districts, including municipal improvement districts, community facilities districts, fire districts, county improvement districts, rural road improvement districts, special road districts, power districts, electrical districts, hospital districts, flood control districts, county free library districts, county jail districts, regional public transportation authorities, and public health services districts.

Currently within Coconino County there are:

- 17 Fire Districts
- 5 Domestic Water Districts
- 1 Facilities District
- 2 Hospital Districts
- 2 Sanitation Districts
- 1 Flood Control District
- 1 Special Lighting District
- 1 Community College District
- 9 School Districts
- 4 Joint Technology Districts
- 1 Library District
- 1 Jail District
- 1 Public Health Services District
- 8 Active Road Improvement Districts

Please refer to the financial summaries that follow for detailed budget information for those districts under the control of the Coconino County Board of Supervisors acting as the Board of Directors for each district.

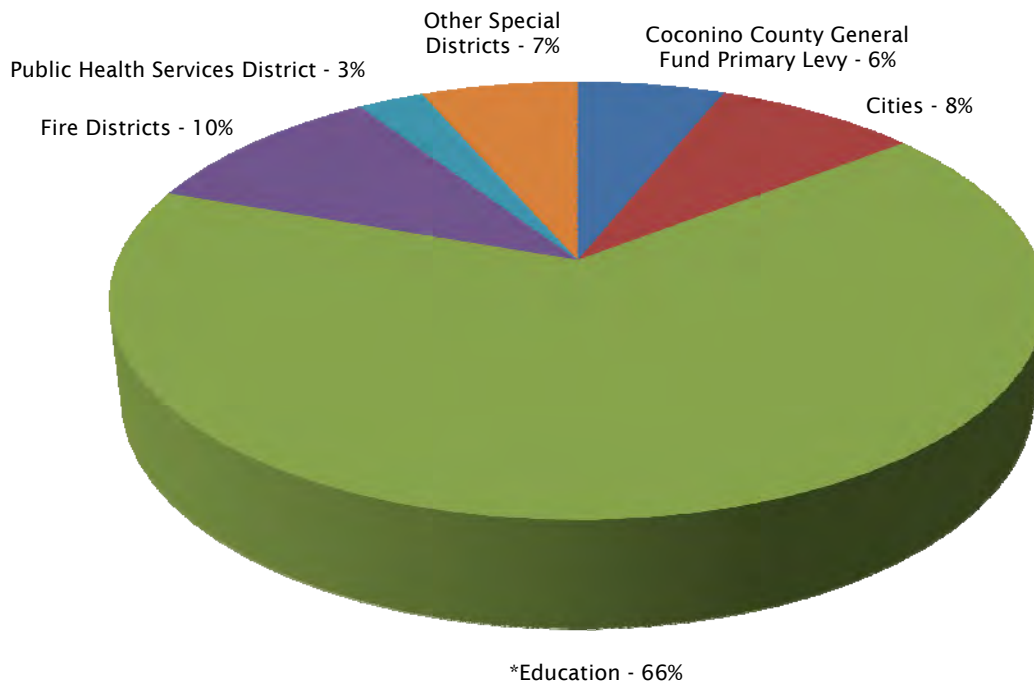
Note: The Jail District budget is presented within the Sheriff's Department budget under the Justice System service area. The Flood Control District budget is presented within the Community Development service area. The Public Health Services District budget is presented within the Health and Social Services service area.

## Coconino County Property Taxes

The Coconino County Board of Supervisors is required to set the tax rates for all County taxing jurisdictions. However, each rate is determined by the Board of Directors of the district through a public hearing process. County staff evaluate the tax rates and budgets submitted by each district to ensure compliance with any levy limits or other statutory requirements of the districts. Some special districts on the above list do not levy a property tax.

As the Ex-Officio Tax Collector, the Coconino County Treasurer mails all property tax notices and manages the property tax collection on behalf of each taxing jurisdiction. The Treasurer is also responsible for the distribution of those dollars to each taxing entity. The Coconino County General Fund will only receive \$0.06, or 6.0 cents, of every property tax dollar collected for fiscal year 2015. A breakdown of property tax levies by type is shown on the following page.

### FY2015 (Tax Year 2014) Tax Levy by District Type



\* The pie chart excludes the State homeowner's rebate for primary school taxes on class 3 properties.

# Special Taxing Districts



## Taxing Jurisdiction Contact Information

Taxing Authority	Contact Phone Number
Coconino County General Fund	928-679-7184
Library District	928-679-7184
Fire District Assistance	928-679-7184
State School Tax Equalization	602-542-4331
City of Flagstaff	928-774-5281
City of Williams	928-635-4451
Sedona Fire District	928-282-6800
Summit Fire District	928-526-9537
Highlands Fire District	928-525-1717
Pinewood Fire District	928-286-9885
Forest Lakes Fire District	928-535-4644
Greenhaven Fire District	928-353-4138
Mormon Lake Fire District	928-354-2231
Sherwood Forest Fire District	928-635-9837
The Woods Fire District	928-635-1345
Kaibab Estates West Fire District	928-637-2555
Blue Ridge Fire District	928-477-2751
Junipine Fire District	928-635-1010
Tusayan Fire District	928-638-3473
Ponderosa Fire District	928-773-8933
Westwood Estates Fire District	928-556-0662
Flagstaff Ranch Fire District	928-226-3300
Lockett Ranch Fire District	928-864-4726

Taxing Authority	Contact Phone Number
Flood Control District	928-679-7184
Public Health Services District	928-679-7184
Forest Lakes Domestic Water	928-535-5438
Majestic Views Domestic Water	928-778-3627
Williams Facilities District	928-635-4451
Williams Hospital District	928-635-4441
Anasazi Trail CID	928-679-7165
Page Hospital District	928-645-0112
Coconino Community College	928-226-4211
Flagstaff USD #1	928-527-6000
Williams USD #2	928-635-4473
Grand Canyon USD #4	928-638-2461
Chevelon Butte USD #5	928-535-4729
Fredonia USD #6	928-643-7333
Page USD #8	928-608-4101
Sedona-Oak Creek USD #9	928-204-6800
Maine Consolidated SD #10	928-635-2115
Ash Fork USD #31	928-637-2561
Joint Vocational Tech Institute	928-645-2737
NATIVE Joint Technology District	928-524-4168
Valley Academy Education District	928-771-3233
Mountain Institute Joint Technology	928-771-0791
County Education District	928-679-8070

\* For more information on individual district rates and levies, please contact each taxing jurisdiction directly.

# Special Taxing Districts



## Fire Districts

Fire districts provide services to the public that are deemed necessary for fire protection, preservation of life, and to assist the State Fire Marshal in the enforcement of fire protection standards, including enforcement of the uniform fire code. Each fire district may levy a secondary property tax not to exceed \$3.25 per one hundred dollars of assessed valuation against all property situated within the district.

Additionally, according to Arizona Revised Statute 48-807 the Board of Supervisors shall levy a County Fire District Assistance Tax (FDAT) on the taxable property in the County not to exceed \$0.10 per one hundred dollars of assessed valuation. The amount that each fire district receives is equal to 20% of the property tax levy adopted by each fire district with a maximum FDAT distribution not to exceed \$400,000.

Coconino County does not have financial management responsibility for the fire districts. Staff prepares the calculation of the FDAT tax levy and the Board of Supervisors acknowledges each fire district budget. The County does not manage a fire district or adopt a fire district's budget, nor does it have any authority to change a fire district's budget. The County Treasurer is responsible for mailing out the property tax bill and collecting the taxes for each fire district and for clearing each fire district's warrants per statute.

Below is a list of the 17 County fire districts and the amount of Fire District Assistance Tax each will receive in FY15.

<u>Fire District</u>	<u>FDAT Distribution</u>
Sedona	\$ 117,912
Summit	348,116
Highlands	348,116
Pinewood	293,760
Forest Lakes	85,290
Greenhaven	21,091
Mormon Lake	16,809
Sherwood Forest	18,064
The Woods	639
Kaibab Estates West	10,807
Blue Ridge	91,472
Junipine	7,393
Tusayan	55,898
Ponderosa	92,163
Westwood Estates	12,126
Flagstaff Ranch	23,443
Lockett Ranch	24,606
<b>Total</b>	<b>\$ 1,567,703</b>

# Special Taxing Districts



## Library District

The Library District is a political subdivision of the State of Arizona. The Board of Supervisors levies a library tax based on secondary property valuations. The tax is levied and collected upon all property in Coconino County, including incorporated cities and towns.

Coconino County has a management responsibility for the Library District. The County appoints a representative to the Library District Board. The Library District Board drafts and proposes an annual budget to the County Board of Supervisors acting as the Library District Board of Directors. Coconino County adopts the Library District's budget and authorizes the tax rate.

The Library District has many goals in communities across the County for FY15 including:

- Piloting an online summer reading program at the Flagstaff Public Library
- Organizing a weekly summer reading program at the Forest Lakes Community Library
- Working with the Park Service to replace carpet at the Grand Canyon Community Library
- Continued collaboration with Coconino Community College to offer GED courses at the Tuba City Public Library
- Staff training on new computers and software at the Fredonia Public Library
- Increased programming for the Latino community at the Sedona Public Library
- Review of circulated material at the Coconino County Jail to make room for new items
- Computer upgrades and replacements at the Page Public Library

The FY15 Library District tax rate will be maintained at \$0.2556 per \$100 of assessed valuation. Below is a list of the County libraries and the FY15 contributions they will receive:

<u>Library</u>	<u>FY15 Allocation</u>
Ashfork	\$ 8,668
Automation Replacement	136,240
Bookmobile	76,250
County-wide Automation Personnel	148,500
Flagstaff	2,168,159
Forest Lakes	80,753
Fredonia	66,487
Grand Canyon	90,977
Havasupai	5,367
Jail Library	62,171
Law Library	92,472
Page	319,551
Sedona	373,043
Tuba City	201,252
Williams	92,251
<b>Total</b>	<b>\$ 3,922,141</b>

## Road Improvement Districts

Arizona Revised Statute Title 48, Chapter 6 authorizes the creation of road improvement districts for the purpose of, among other actions, maintaining, landscaping, grading, re-grading, or otherwise improving the whole or any portion of one or more streets in the proposed district.

County road improvement districts can have one of three purposes: to bring a non-County road to County standards, to improve an existing County road to meet current road standards, or to provide maintenance and dust control to non-paved roads. A road improvement district which constructs a road to County standards will be accepted into the County's road system and it will be regularly maintained through the Public Works department. A road maintenance district will provide a mechanism for County residents to make improvements to their roadway, guarantee a minimum level of service, and establish full financial participation among neighbors as residents are required to pay an annual maintenance fee.

A road improvement or maintenance district is formed by petition. The petition must be signed by a majority of the persons owning real property or by owners of 51% or more of real property within the limits of the proposed district for an improvement district or 70% of property owners within the boundaries of a maintenance district. The petition is the formal request to the County to prepare a preliminary construction estimate for the improvements and for annual maintenance costs.

The Board of Supervisors act as the Board of Directors for County road improvement districts. The Board adopted a policy in 2000 that allows the County to absorb costs associated with engineering, bond counsel, and financial advisor fees for improvement districts where the costs of the projects do not exceed \$200,000. In those districts where total construction costs exceed \$200,000, a flat County contribution may be made to the district. For improvement districts where roads are improved to County standards, Coconino County may contribute a percentage of the total costs based upon the functional classification of the roadway(s) being improved, providing funds are available. Specifically, Coconino County may contribute 40% for major collector roads, 25% to minor collector roads, and 10% for local roadways or country lanes. The functional classification will be determined by the Coconino County Public Works Department.

In FY02 Coconino County created a revolving loan fund to finance non-building improvements for road districts. Under this program, the County may advance monies to an improvement district to finance the construction of a road with a total cost of \$300,000 or less. A repayment schedule is adopted and assessments are made on the property owners within the district twice per year.

FY15 debt service payments for active districts are shown below:

<u>Road Improvement District</u>	<u>FY15 Budget</u>
Hashknife Debt Service	\$ 47,413
Kiowa Comanche Debt Service	14,538
Lupine Debt Service	12,661
North Stardust and Antelope Debt Service	54,927
Pawnee County Debt Service	10,088
Rio Arroyo Debt Service	26,704
Shoshone Debt Service	2,824
Tonowanda Debt Service	4,526
<b>Total FY15 Budget</b>	<b>\$ 173,681</b>

## Public Health Services District (PHSD)

On December 15, 2009 the Coconino County Board of Supervisors formed a Public Health Services District (PHSD) through unanimous vote of the Board. The Board authorized a maximum PHSD property tax rate of \$0.25 per \$100 of assessed value. In FY15 the tax rate for the PHSD will be maintained at \$0.25.

### Background

County Board of Supervisors were given the authority to form Public Health Services Districts in 2000 after the State of Arizona transferred more of the public health costs to counties and eliminated the payments from cities that had helped pay those costs. The Boards were given the authority to form districts through a unanimous vote or through voter approval. A district can be funded by either a sales tax (capped at 0.10%) or a property tax (capped at \$0.25 per \$100 of assessed value).

### Public Health Services District Programs

Upon forming the Public Health Services District, it was determined that all former Health Department programs should fall under the PHSD along with the Community Services-operated Homecare program.

After much discussion on declining revenues as a result of declining property values, it was determined that the Community Services Homecare program should no longer be funded out of the Public Health Services District beginning in FY15. As part of this discussion, the Health District also evaluated the other services that they provide in an attempt to find redundancies and efficiencies. Their review resulted in a structural change in the Dental Program, which created salary and operational savings for the District. They were also able to cut costs in the Administration, Reproductive Health, Vital Records, and Animal Management programs without creating a big impact on the services that are provided in these programs.

Below is a list of each PHSD program along with some of the activities that fall within that program. The budget detail for the Public Health Services District can be found on page 283 in the Health and Social Services section.

#### **Administration**

- Leadership and Financial Management
- Community Relations and Partnerships
- Emergency Preparedness
- Quality Improvement

#### **Mandated Payments and Services**

- AHCCCS
- ALTCS
- Title 36
- Sexual Assault Exams

#### **Other Services**

- Vital Records: Birth and Death Certificates
- Environmental Records Requests
- Investigate Barking Dog Complaints
- Medical Examiner Services

#### **Primary Prevention Services**

- Injury Prevention
- Oral Health Services
- Clinic Services
- Health Education

#### **Secondary Prevention Services**

- Animal Management
- Environmental Health Services
- Guardianship Investigations
- HIV Services

#### **Tertiary Prevention Services**

- Communicable Disease Treatment
- Juvenile Detention Healthcare
- Animal Management
- Environmental Health Services

## Flood Control District

### District Boundaries

The Flood Control District is a special secondary property taxing jurisdiction which includes the cities of Williams and Sedona, the town of Tusayan, and all other unincorporated areas of the County. It excludes the cities of Flagstaff, Page, and Fredonia.

### Background

A secondary property tax is levied on properties within the district boundaries to fund flood control project needs according to a project prioritization schedule. Taxes collected within the City of Williams (6% of total Flood Control District taxes) are reverted back to the City for use on flood control projects within city boundaries as determined by the City as the flood plain managers. Taxes collected within the City of Sedona (17% of total Flood Control District taxes) are reverted back to the City for use on flood control projects within city boundaries with review by the County as the flood plain manager. Because the County acts as flood plain manager for the City of Sedona funds, Coconino County allocates proportional administration expenses against the Sedona distribution. Outside of the incorporated cities of Williams and Sedona, taxes collected are managed by the Flood Control District operating fund. These funds are often leveraged with HURF dollars to incorporate flood control improvements into road construction projects within the boundaries of the Flood Control District.

The maximum rate allowed by Statute is \$0.50 per \$100 of assessed value. The secondary tax rate for this district had remained flat at \$0.20 from FY06 to FY11. In FY12 the rate was increased to \$0.40 because the County was not meeting the funding needs to construct projects on the 10-year flood control project list. Additional funding was also needed to address the needs in the burn area of the 2010 Schultz Fire. The rate will remain at \$0.40 for FY15.

The following is a list of proposed flood control projects in the Schultz flood area for FY15:

- Lower Campbell Ditch Box Culverts
- Copeland Detention Basin Construction
- South Paintbrush Corridor
- South Paintbrush Off-Forest Construction Administration

In addition to the projects listed above, there are capital flood control projects planned outside of the Schultz flood area. These projects will be managed by the Public Works Department.

The budget detail for the Flood Control District can be found in the Community Development service area on page 301.

## Other Districts

There are a number of other special districts for which the County is required to set tax rates as determined by the taxing jurisdictions. The County has no oversight into how these funds are spent or managed. The only action the Board takes for these districts is to adopt the tax rates.

Updated tax rates are published in the adopted budget each year following rate setting and adoption by the Coconino County Board of Supervisors. Please refer to pages 375 through 377 for the FY15 Tax Rate Schedule.

### Kachina Village Improvement District

The Kachina Village Improvement District (KVID) was formed to create an operating water and wastewater system for the Kachina Village subdivision which is managed and operated by County staff. KVID is managed as a division of the Public Works Department and is funded by charges for services (customer fees). Budget detail for KVID can be found in the Community Development service area on page 308.

### Jail District

The Jail District operates out of the Sheriff's Department. This district was formed for the express purpose of raising the necessary funds, through a County sales tax, to pay for the construction and operation of a new jail and Sheriff's administration facility in Flagstaff and a short-term holding facility in the City of Page. Capital funds were raised through the issuance of Pledged Revenue Obligations in January of 1998 and August of 2000. Budget detail for the Jail District can be found in the Justice System service area on page 247.

### Tusayan Special Lighting District

The Tusayan Special Lighting District was established to pay for street lights on Highway 64 in Tusayan, near the Grand Canyon National Park. It is supported by a secondary property tax assessed on each of the frontage properties along the highway based on a formula set by the district. The budget pays for the electric bill which is about \$1,000 per month, as well as some capital improvements for the incorporated City of Tusayan.

# Special Taxing Districts



## FY15 (Tax Year 2014) Tax Rates

	<u>DRECT TAX LEVY</u>	<u>ASSESSED VALUE LIMITED/ UNLIMITED</u>	****TAX RATE PER \$100 VALUATION****			<u>2013/2014 TOTAL TAX RATE</u>
			<u>(LIMITED) PRIMARY</u>	<u>(UNLIMITED) SECONDARY</u>	<u>TOTAL TAX RATE</u>	
<b>COCONINO COUNTY</b>						
General Fund	8,541,236	1,512,794,264	0.5646		0.5646	0.5466
Library District Fund	3,922,141	1,534,483,938		0.2556	0.2556	0.2556
Fire District Assistance Fund	1,534,484	1,534,483,938		0.1000	0.1000	0.1000
<b>TOTAL COUNTY</b>			<b>0.5646</b>	<b>0.3556</b>	<b>0.9202</b>	<b>0.9022</b>
Education Equalization	7,730,189	1,518,999,617	0.5089	0.0000	0.5089	0.5123
<b>TOTAL COUNTY AND STATE</b>			<b>1.0735</b>	<b>0.3556</b>	<b>1.4291</b>	<b>1.4145</b>
<b>CITY OF FLAGSTAFF</b>						
Primary	5,561,740	660,696,132	0.8418		0.8418	0.8429
Secondary	5,611,045	670,696,280		0.8366	0.8366	0.8366
<b>TOTAL CITY OF FLAGSTAFF</b>			<b>0.8418</b>	<b>0.8366</b>	<b>1.6784</b>	<b>1.6795</b>
<b>CITY OF WILLIAMS</b>						
Primary	600,963	37,466,144	1.6040	0.0000	1.6040	1.5365
<b>TOTAL CITY OF WILLIAMS</b>			<b>1.6040</b>	<b>0.0000</b>	<b>1.6040</b>	<b>1.5365</b>
<b>SPECIAL DISTRICTS</b>						
<b><u>FIRE DISTRICTS</u></b>						
SEDONA FIRE F.D.	2,635,909	123,577,536		2.1330	2.1330	2.0200
SUMMIT F.D.	3,250,631	100,019,428		3.2500	3.2500	3.2500
HIGHLANDS F.D.	2,816,734	86,668,749		3.2500	3.2500	3.1800
PINEWOOD F.D.	1,687,714	51,945,638		3.2490	3.2490	3.2320
FOREST LAKES F.D.	490,009	15,077,191		3.2500	3.2500	3.2500
GREENHAVEN F.D.	121,171	9,052,868		1.3385	1.3385	1.3577
MORMON LAKE F.D.	96,574	5,395,174		1.7900	1.7900	1.7900
SHERWOOD FOREST F.D.	103,784	3,603,628		2.8800	2.8800	2.8800
THE WOODS F.D.	3,673	918,249		0.4000	0.4000	0.3500
KAIBAB ESTATES WEST F.D.	62,090	2,644,602		2.3478	2.3478	2.3478
BLUE RIDGE F.D.	525,528	26,812,638		1.9600	1.9600	1.9600
JUNIPINE F.D.	42,474	1,306,906		3.2500	3.2500	3.2415
TUSAYAN F.D.	321,144	9,983,963		3.2166	3.2166	3.2500
PONDEROSA F.D.	529,494	21,611,996		2.4500	2.4500	2.4500
WESTWOOD ESTATES F.D.	69,668	2,902,830		2.4000	2.4000	2.0100
FLAGSTAFF RANCH F.D.	134,683	6,264,332		2.1500	2.1500	2.5600
LOCKETT RANCH F.D.	141,365	8,414,577		1.6800	1.6800	1.5000

# Special Taxing Districts



## FY15 (Tax Year 2014) Tax Rates

\*\*\*\*TAX RATE PER \$100 VALUATION\*\*\*\*

	<u>DRECT TAX LEVY</u>	<u>ASSESSED VALUE LIMITED/ UNLIMITED</u>	<u>(LIMITED) PRIMARY</u>	<u>(UNLIMITED) SECONDARY</u>	<u>TOTAL TAX RATE</u>	<u>2013/2014 TOTAL TAX RATE</u>
<b>OTHER SPECIAL DISTRICTS</b>						
FLOOD CONTROL	2,424,132	606,033,060		0.4000	0.4000	0.4000
PUBLIC HEALTH SERVICE DISTRICT	3,836,210	1,534,483,938		0.2500	0.2500	0.2500
FOREST LAKES DOMESTIC WATER	245,222	14,720,140		1.6659	1.6659	1.6000
WILLIAMS FACILITIES DISTRICT	7,500	1,582,067		0.4741	0.4741	0.4859
WILLIAMS HOSPITAL DISTRICT	1,033,161	106,544,369		0.9697	0.9697	0.9697
PAGE HOSPITAL DISTRICT	1,482,754	150,579,265		0.9847	0.9847	0.9847
<b>COCONINO COMMUNITY COLLEGE</b>						
Maintenance and Operations	7,243,259	1,512,794,264	0.4788		0.4788	0.4636
Bond Interest and Redemption	1,946,402	1,534,483,938		0.1268	0.1268	0.1243
<b>TOTAL COCONINO COMMUNITY COLLEGE</b>			<b>0.4788</b>	<b>0.1268</b>	<b>0.6056</b>	<b>0.5879</b>
<b>SCHOOL DISTRICTS</b>						
<b>FLAGSTAFF U.S.D. #1</b>						
Maintenance and Operations	39,115,151	1,032,443,414	3.7886		3.7886	3.9803
Unrestricted Capital	368,582	1,032,443,414	0.0357		0.0357	0.0000
Adjacent Ways	267,403	1,032,443,414	0.0259		0.0259	0.0096
15% M&O Override	7,432,223	1,041,219,198		0.7138	0.7138	0.7061
Class B Bond Interest & Redemption	6,483,672	1,041,219,198		0.6227	0.6227	0.4979
<b>TOTAL FLAGSTAFF U.S.D. #1</b>			<b>3.8502</b>	<b>1.3365</b>	<b>5.1867</b>	<b>5.1939</b>
<b>WILLIAMS U.S.D. #2</b>						
Maintenance and Operations	3,727,470	100,938,842	3.6928		3.6928	3.2871
Unrestricted Capital	425,558	100,938,842	0.4216		0.4216	0.3273
10% M&O Override	382,030	101,657,727		0.3758	0.3758	0.3432
<b>TOTAL WILLIAMS U.S.D. #2</b>			<b>4.1144</b>	<b>0.3758</b>	<b>4.4902</b>	<b>3.9576</b>
<b>GRAND CANYON U.S.D. #4</b>						
Maintenance and Operations	1,564,445	13,164,958	11.8834		11.8834	7.1199
Unrestricted Capital	28,436	13,164,958	0.2160		0.2160	0.2338
10% M&O Override	-	13,370,067		0.0000	0.0000	1.0385
9.3% M&O Override	131,468	13,370,067		0.9833	0.9833	0.0000
5% K-3 Override	-	13,370,067		0.0000	0.0000	0.3178
Class B Bond Interest & Redemption	-	13,370,067		0.0000	0.0000	3.2361
<b>TOTAL GRAND CANYON U.S.D. #4</b>			<b>12.0994</b>	<b>0.9833</b>	<b>13.0827</b>	<b>11.9461</b>

# Special Taxing Districts



## FY15 (Tax Year 2014) Tax Rates

	<u>DRECT</u> <u>TAX LEVY</u>	<u>ASSESSED</u> <u>VALUE LIMITED/</u> <u>UNLIMITED</u>	****TAX RATE PER \$100 VALUATION****			<u>2013/2014</u> <u>TOTAL TAX</u> <u>RATE</u>
			<u>(LIMITED)</u> <u>PRIMARY</u>	<u>(UNLIMITED)</u> <u>SECONDARY</u>	<u>TOTAL</u> <u>TAX RATE</u>	
<b>CHEVELON BUTTE U.S.D. #5</b>						
Maintenance and Operations	374,650	45,594,487	0.8217		0.8217	0.6799
Unrestricted Capital	90,824	45,594,487	0.1992		0.1992	0.1612
Minimum State School Tax	600,069	45,594,487	1.3161		1.3161	1.4924
<b>TOTAL CHEVELON BUTTE U.S.D. #5</b>			<b>2.3370</b>	<b>0.0000</b>	<b>2.3370</b>	<b>2.3335</b>
<b>FREDONIA U.S.D. #6</b>						
Maintenance and Operations	1,113,204	21,132,640	5.2677		5.2677	4.6669
Unrestricted Capital	32,882	21,132,640	0.1556		0.1556	0.0000
<b>TOTAL FREDONIA U.S.D. #6</b>			<b>5.4233</b>	<b>0.0000</b>	<b>5.4233</b>	<b>4.6669</b>
<b>PAGE U.S.D. #8</b>						
Maintenance and Operations	6,054,872	137,776,680	4.3947		4.3947	4.2569
Unrestricted Capital	-	137,776,680	0.0000		0.0000	0.0094
Adjacent Ways	40,231	137,776,680	0.0292		0.0292	0.0000
10% M&O Override	-	138,911,722		0.0000	0.0000	0.2782
5% K-3 Override	246,290	138,911,722		0.1773	0.1773	0.2680
<b>TOTAL PAGE U.S.D. #8</b>			<b>4.4239</b>	<b>0.1773</b>	<b>4.6012</b>	<b>4.8125</b>
<b>SEDONA-OAKCREEK U.S.D. #9</b>						
Maintenance and Operations	1,678,580	121,223,353	1.3847		1.3847	1.3412
Minimum State School Tax	1,019,852	121,223,353	0.8413		0.8413	0.7207
10% M&O Override	-	124,034,223		0.0000	0.0000	0.0873
15% M&O Override	234,177	124,034,223		0.1888	0.1888	0.0000
5% K-3 Override	-	124,034,223		0.0000	0.0000	0.0251
Class B Bond for Sedona-Oakcreek	1,556,257	124,034,223		1.2547	1.2547	1.3010
<b>TOTAL SEDONA-OAKCREEK U.S.D. #9</b>			<b>2.2260</b>	<b>1.4435</b>	<b>3.6695</b>	<b>3.4753</b>
<b>MAINE CONSOLIDATED S.D. #10</b>						
Maintenance and Operations	1,553,478	29,075,549	5.3429		5.3429	5.6266
Unrestricted Capital	68,095	29,075,549	0.2342		0.2342	0.2845
<b>TOTAL MAINE CONSOLIDATED S.D. #10</b>			<b>5.5771</b>	<b>0.0000</b>	<b>5.5771</b>	<b>5.9111</b>
<b>ASH FORK U.S.D. #31</b>						
Maintenance and Operations	348,861	4,843,139	7.2032		7.2032	7.1485
Unrestricted Capital	8,790	4,843,139	0.1815		0.1815	0.2362
<b>TOTAL ASH FORK U.S.D. #31</b>			<b>7.3847</b>	<b>0.0000</b>	<b>7.3847</b>	<b>7.3847</b>
CAVIAT JOINT VOCATIONAL TECH INSTITUTE	658,237	1,316,474,328		0.0500	0.0500	0.0500
NATIVE JOINT TECHNOLOGY DISTRICT	6,324	12,648,669		0.0500	0.0500	0.0500
VALLEY ACADEMY EDUCATION DISTRICT	62,017	124,034,223		0.0500	0.0500	0.0500
MOUNTAIN INSTITUTE JOINT TECHNOLOGY	2,443	4,886,642		0.0500	0.0500	0.0500
COUNTY EDUCATION DISTRICT	3,666	173,542	2.1123		2.1123	2.1265

# Capital

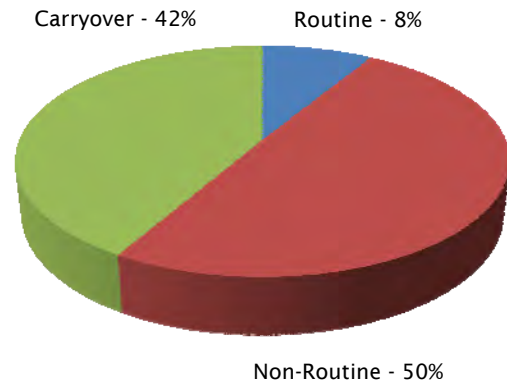


## Definition of Capital and Breakdown of the Capital Budget

Capital Expenditures are expenditures used to acquire long-term assets or improve the useful life of existing County assets and result in depreciation reductions over the life of the acquired asset. Coconino County’s capitalization thresholds (the dollar values above which asset acquisitions are added to the capital assets accounts), depreciation methods, and estimated useful lives of capital assets are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land	All	N/A	N/A
Construction in Progress	\$5,000	N/A	N/A
Buildings	5,000	Straight-Line	25 - 40 Years
Machinery and Equipment	5,000	Straight-Line	3 - 25 Years
Infrastructure	5,000	Straight-Line	15 - 50 Years

The FY15 Adopted Budget includes a total capital budget of \$32,058,387. Of this budget \$2,774,191 is budgeted for recurring, routine capital expenditures. The remaining \$29,284,196 is budgeted for non-recurring capital improvement projects. Of this amount, \$13,361,098 is being carried over for projects that began in a prior fiscal year but aren’t scheduled for completion until FY2015. The table below breaks down routine and non-routine capital by expenditures category.



### Routine Capital

Facilities Maintenance	\$ 95,000
Data Processing Equipment	188,806
Heavy Equipment	1,376,306
Shop Equipment	52,370
Road Construction	768,068
Vehicle Replacement	293,641
<b>Total Routine Capital</b>	<b>\$ 2,774,191</b>

### Non-Routine Capital

Building Improvements	\$ 1,480,456
Large Equipment	20,000
Flood Control Projects	10,716,949
Jail Renovations/Expansion	3,458,425
Parks and Open Space	10,817,357
Water/Wastewater	2,791,009
<b>Total Non-Routine Capital</b>	<b>\$ 29,284,196</b>

## Summary of Capital Project Revenue and Expenses

<u>Revenues and Other Sources</u>	<u>FY14 Budget</u>	<u>FY14 Estimates</u>	<u>FY15 Budget</u>
Federal and State Grants	\$ 18,144,546	\$ 7,345,293	\$ 9,881,799
Taxes	13,226,324	2,570,686	16,753,142
Charges for Services	858,069	598,456	511,016
Transfers from Other Funds	202,017	1,943,708	1,524,465
Use of Fund Balance	2,965,687	766,919	2,388,013
General Fund Support	834,625	309,093	999,952
<b>Total Funding Sources</b>	<b>\$ 36,231,268</b>	<b>\$ 13,534,155</b>	<b>\$ 32,058,387</b>

<u>Expenditures and Other Uses</u>	<u>FY14 Budget</u>	<u>FY14 Estimates</u>	<u>FY15 Budget</u>
Capital	\$ 36,231,268	\$ 13,534,155	\$ 32,058,387
<b>Total Uses of Funds</b>	<b>\$ 36,231,268</b>	<b>\$ 13,534,155</b>	<b>\$ 32,058,387</b>

## FY2015 Non-Routine Capital by Project

**Project:** Health and Community Services (King Street) Building Roof Replacement  
**Department:** Facilities Management  
**Funding Source:** Facilities Capital Repair and Replacement Fund Balance  
**Project Cost:** \$79,600  
**Project Description:** This roof replacement was originally scheduled in the Facilities Capital Plan for FY2017. The replacement of the roof was advanced so the new roof would be warrantied and last the same amount of time that the soon to be installed photovoltaics will. Otherwise the photovoltaics would have to be removed 18 months after installation for replacement of a new roof.

**Effect on Operating Budget:** The new roof is considered a “coof” or cool roof, which will help with solar heat gain penetrating into the building. The installation will be cheaper than replacement of the existing single-ply roof. The only additional on-going cost of operation will be adding a coat of sealant every two years. If the sealing is completed on schedule, the life of the roof will extend beyond the original 20 year replacement cycle.



Example of a “coof” roof



# Capital



**Project:** Wastewater Process Control and SCADA Integration  
**Department:** Kachina Village Improvement District (KVID)  
**Funding Source:** KVID Charges for Services  
**Project Cost:** \$75,000  
**Project Description:** The Supervisory Control and Data Acquisition (SCADA) system at KVID was implemented in several phases that brought different areas of the water and wastewater system onto the SCADA system over the course of several years. With the SCADA system being more or less complete, KVID is now looking at a laundry list of smaller items that were either not included in the original plan, or did not exist at the time that our SCADA system was brought online. The final stage of SCADA integration for the wastewater plant will see the inclusion of the RAS pumps, ammonia metering, turbidity monitoring and more precise control options for the existing SCADA system.

**Effect on Operating Budget:** This project does provide additional efficiencies for KVID since any items being integrated into the SCADA system are currently being handled manually by KVID staff. We expect a savings of up to ten labor hours each week as a result of these improvements. Additionally, any item added to SCADA provides more data that can be used to improve analysis and troubleshooting of KVID processes down the road. Currently KVID has a recurring budget item of \$25,000 for operations and maintenance of the entire SCADA system. All new items added by this project will be able to be maintained with these funds as well.

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**Project:** Right of Way Acquisition for the Copeland Detention Basin  
**Department:** Community Development/Flood Control District  
**Funding Source:** Flood Control Property Tax Revenue/Federal and State Grants  
**Project Cost:** \$100,000  
**Project Description:** This is one of many projects that has been and is being completed in response to the 2010 Schultz Fire and resulting flood zone. The event was declared a Federal emergency in 2010 and many of the costs are being reimbursed by Federal emergency funds. This project is to complete the acquisition of the right of way for the Copeland Detention Basin.

**Effect on Operating Budget:** Upon completion of this and all other Schultz flood mitigation projects, staff anticipates a significant reduction in recurring operating expenditures for flood response activities.

---

**Project:** Schultz Flood Construction  
**Department:** Community Development/Flood Control District  
**Funding Source:** Flood Control Property Tax Revenue/Federal and State Grants  
**Project Cost:** \$9,616,949  
**Project Description:** This is for the construction of the Copeland Detention Basin, the lower Campbell Ditch Box Culvert Up-Sizing, and the South Paintbrush Corridor Emergency Watershed Protection Project to increase the drainage capacity in the Schultz flood area affected by the Schultz Fire.

**Effect on Operating Budget:** Upon completion of this and all other Schultz flood mitigation projects, staff anticipates a significant reduction in recurring operating expenditures for flood response activities.

# Capital



**Project:** Engineering Assessment  
**Department:** Community Development/Flood Control District  
**Funding Source:** Flood Control Property Tax Revenue  
**Project Cost:** \$1,000,000  
**Project Description:** This is for initial engineering assessments in several developed areas outside of the Schultz Flood area for the purpose of developing future flood mitigation projects. Areas included in the FY15 study include Fort Valley, Mt. Dell, Munds Park, Kachina Village, Mountainare, North Fernwood Estates, and Pine Del. Projects developed through this assessment will help to reduce flood risks to life, property, and infrastructure.

**Effect on Operating Budget:** Upon completion of flood mitigation projects developed from this assessment, staff anticipates a reduction in recurring operating expenditures for flood response activities.

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**Project:** Closed Circuit Broadcasting  
**Department:** Sheriff's Office  
**Funding Source:** State Grant Revenue  
**Project Cost:** \$215,000  
**Project Description:** The closed circuit broadcasting project is for equipment, wiring and installation of a TV feed that provides an informational broadcast to the inmate housing areas. The ability to prepare and send the same message to the entire population at the same time or in close proximity to each other is an excellent tool for staff and operations.

**Effect on Operating Budget:** Once installation is complete there will be minimal recurring expenses. Maintenance and replacement of equipment will be less than \$5,000 annually. The benefit of the broadcasting will create an enhanced way of communicating to a large population.

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**Project:** Electronic Door Control  
**Department:** Sheriff's Office  
**Funding Source:** State Grant Revenue  
**Project Cost:** \$20,000  
**Project Description:** Currently Detention staff use cameras and intercoms to allow entry to the Detention Facility. With the installation of electronic door controls (e.g. scramble pads), authorized personnel will be able to gain entry (at specified doors) without the assistance of central control staff.

**Effect on Operating Budget:** Once installation is complete there will be minimal recurring expenses. Maintenance and the rare replacement of equipment would be less than \$5,000 annually. The electronic door controls will save on staff time and enhance security of the facility.

# Capital



**Project:** Transitional Housing  
**Department:** Sheriff's Office  
**Funding Source:** Jail District Sales Tax  
**Project Cost:** \$3,000,000  
**Project Description:** The transitional housing concept has been in the research phase for the past couple of years. A transitional housing facility would be built and would include items such as living quarters, continued programming, educational opportunities and civic involvement. The \$3,000,000 includes construction, additional staff and debt service costs.

**Effect on Operating Budget:** Recurring expenses would include staff salary, operating expenses and debt service. The transitional housing program will benefit the entire community. Having a program that will facilitate inmate's transition from an in-custody lifestyle to being a productive member of the community is invaluable.

---

**Project:** Lobby Renovations  
**Department:** Sheriff's Office  
**Funding Source:** Jail District Sales Tax Fund Balance  
**Project Cost:** \$100,000  
**Project Description:** The Detention Facility lobby has a designated area to handle the citizens/visitors of the facility. The renovation to this area will create a safe and secure area for employees, as well as provide an enhanced area for the citizens/visitors to utilize services such as video visitation.

**Effect on Operating Budget:** This project has a one time cost of \$100,000 with no recurring expenses. The benefits of the renovation will provide a more conducive environment for the citizens and employees of Coconino County.

---

**Project:** Peaks View County Park  
**Department:** Parks and Recreation  
**Funding Source:** Special Revenue Fund Balance  
**Project Cost:** \$40,000  
**Project Description:** This budget is to use up remaining fund balance in the Peaks View County Park fund. The department is still in the process of identifying needed projects for implementation.

**Effect on Operating Budget:** Because the final projects for this funding have not been identified, there is no impact on the current operating budget.



Peaks View County Park

# Capital



**Project:** Urban Trail from Doney Park/Fernwood to Flagstaff  
**Department:** Parks and Recreation  
**Funding Source:** Capital Parks and Open Space (CPOS) Sales Tax  
**Project Cost:** \$605,471  
**Project Description:** This project is currently on hold due to damage to the original project site from the Schultz Fire; however, \$100,000 has been informally allocated to construct the Brandis Trail in the general area.  
**Effect on Operating Budget:** Because the project has been placed on hold, there is no recurring impact to Coconino County.

---

**Project:** Parks and Recreation Entry Monument Signs  
**Department:** Parks and Recreation  
**Funding Source:** General Fund  
**Project Cost:** \$136,000  
**Project Description:** In FY15 Parks and Recreation will construct entry monument signage at the North and South entrances of Fort Tuthill County Park.  
**Effect on Operating Budget:** The monuments will be constructed of stone, steel and other durable materials that should require little to no annual maintenance.

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**Project:** Navajo Interpretive Sites  
**Department:** Parks and Recreation  
**Funding Source:** Capital Parks and Open Space (CPOS) Sales Tax  
**Project Cost:** \$374,078  
**Project Description:** This funding will be used to construct interpretive signage and amenities on three sites on the Navajo Nation: Grand Falls, the Little Colorado Overlook, and Antelope Canyon.  
**Effect on Operating Budget:** On-going operations and maintenance will be provided by the Navajo Nation through an IGA with Coconino County.



Grand Falls, on the Navajo Nation, is a natural waterfall system that dumps snowmelt or monsoon rain into the Colorado River.

## Capital Planning

The County has worked to establish recurring funds for routine capital projects such as PC replacement, server replacement, and facilities repair and replacement. The establishment of these funds has helped delay major improvements to facilities and IT and has reduced what could have been potential major capital projects in those areas by keeping up on maintenance of our major capital facilities and infrastructure.

All capital projects are planned out to make sure adequate funding is available to support capital projects and to maintain the on-going operating and maintenance costs associated with them. All major funds as well as departments with the need have ten-year plans to assist in planning and appropriating funds for capital projects.

### County Parks and Open Space Capital Projects (Major Fund)

Non-routine capital projects for County Parks and Open Space (CPOS) in the Parks and Recreation Department are planned out under a ten-year planning scenario similar to what is used for the General Fund. The remaining balance of the funds collected and to be collected from the County Parks and Open Space sales tax is projected to be exhausted at the end of FY15.

<u>Project</u>	<u>FY15 Budget</u>	<u>FY16 Budget</u>
Navajo Interpretive Sites	\$ 374,078	\$ -
Doney Park Urban Trail	605,471	-
<b>Total</b>	<b>\$ 979,549</b>	<b>\$ -</b>

# Capital



## Facilities Capital Projects

Non-routine facilities capital is being planned out through the Facilities Master Plan process that is still on-going. Upon completion of this master plan, the County should be able to identify capital projects that will result in the best long-term facility uses and potential capital upgrades that may result in energy efficiency savings. In the meantime the Facilities staff has created a plan for projects through FY20.

<u>Project</u>	<u>FY15 Budget</u>	<u>FY16 Budget</u>	<u>FY17 Budget</u>	<u>FY18 Budget</u>	<u>FY19 Budget</u>	<u>FY20 Budget</u>
Fort Valley Keypad	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
Fort Valley Drainage Systems	12,000	-	-	-	-	-
Service Entrance	20,000	-	-	-	-	-
Administration Elevator	-	250,000	-	-	-	-
Courthouse Water Heater	-	-	50,000	-	-	-
Courthouse Generator	-	-	100,000	-	-	-
Courthouse Carpet	-	-	175,000	-	-	-
Center for the Arts Roof	-	-	-	150,000	-	-
King Street Chiller/ Condenser	-	-	-	275,000	-	-
Williams Justice Court Gas Packs	-	-	-	-	80,000	-
King Street Parking Lot	-	-	-	-	250,000	-
110 Building Spray Roof	-	-	-	-	-	50,000
King Street Carpet	-	-	-	-	-	40,000
110 Building Parking Lot	-	-	-	-	-	105,000
110 Building Chiller	-	-	-	-	-	140,000
Courthouse Spray Roof	-	-	-	-	-	140,000
<b>Total</b>	<b>\$72,000</b>	<b>\$250,000</b>	<b>\$325,000</b>	<b>\$425,000</b>	<b>\$330,000</b>	<b>\$475,000</b>

## HURF Capital Projects (Major Fund)

The HURF ten-year capital plan is currently being revised and is contingent on the outcome of the transportation initiative that will be included on the November 2014 ballot as a proposed sales tax increase. Therefore the Public Works Department only has the FY2015 schedule of capital projects available, which is included below:

<u>Project</u>	<u>FY15 Budget</u>
Lake Mary Road Tree Removal	\$ 1,600,000
Leupp Road Rumble Strips and Guardrail	1,043,000
Townsend-Winona Road Mill and Overlay (Design Only)	164,825
Lake Mary Road Reconstruction and Willow Creek Bridge Replacement	11,750,000
<b>Total</b>	<b>\$14,557,825</b>

# Capital



## County-Wide Copier Replacement

The Purchasing Division of Finance manages the replacement of County-wide copy machines at the end of their life cycle. As this can be a costly process, a schedule has been created for upcoming replacements by the General Fund. Below is the copier replacement schedule by department through FY2020.

<u>Department</u>	<u>FY15 Budget</u>	<u>FY16 Budget</u>	<u>FY17 Budget</u>	<u>FY18 Budget</u>	<u>FY19 Budget</u>	<u>FY20 Budget</u>
Board of Supervisors	\$ 2,504	\$ -	\$ -	\$ 8,000	\$ -	\$ -
Facilities Management	4,446	-	-	-	-	-
Community Development	-	-	-	-	-	10,297
Recorder	-	-	-	2,300	7,716	-
Finance	-	-	-	-	8,859	-
Human Resources	-	-	-	-	-	8,220
Assessor	-	-	-	-	7,716	-
Treasurer	-	-	-	-	7,716	-
Information Technology	4,446	-	-	-	-	-
Constable	-	-	2,600	-	-	-
Adult Probation	9,890	-	-	-	7,716	-
Sheriff	9,890	-	-	3,000	3,154	-
Flagstaff Justice Court	9,890	-	-	2,600	-	-
Superior Court	-	-	-	5,200	-	21,860
Clerk of Superior Court	19,780	-	-	-	-	-
Juvenile Probation	-	-	-	-	12,013	-
County Attorney	-	-	9,900	8,000	-	-
Parks and Recreation	-	-	-	7,000	-	-
Public Defender	12,394	-	-	-	-	-
Legal Defender	-	-	-	-	7,716	-
County Manager	4,446	-	-	-	-	-
Community Services	8,220	-	-	-	-	-
Fredonia Justice Court	2,504	-	-	-	-	-
Page Justice Court	-	-	-	-	3,154	-
Williams Justice Court	-	-	-	-	3,154	-
<b>Total</b>	<b>\$ 88,410</b>	<b>\$ -</b>	<b>\$ 12,500</b>	<b>\$ 36,100</b>	<b>\$ 68,914</b>	<b>\$ 40,377</b>

## Flood Control Capital Projects (Major Fund)

Due to the Schultz Fire and following flood, many Flood Control District projects were put on hold to deal with the emergency at hand. With several years of flood control projects dedicated to the burn area completed, it is anticipated that County projects will begin again. Below is the current schedule of projects by neighborhood for the Flood Control District through FY2020.

<b>Project</b>	<b>FY15 Budget</b>	<b>FY16 Budget</b>	<b>FY17 Budget</b>	<b>FY18 Budget</b>	<b>FY19 Budget</b>	<b>FY20 Budget</b>
Small Projects	\$ 35,000	\$ 35,000	\$ 50,000	\$ 75,000	\$ 75,000	\$ 75,000
Fort Valley	225,000	150,000	-	-	-	-
Mountain Dell	290,000	140,000	-	-	-	-
Munds Park	200,000	175,000	275,000	200,000	400,000	300,000
Kachina Village	85,000	100,000	225,000	200,000	-	-
North Fernwood Estates	65,000	200,000	-	-	-	-
Pine Del Kaibab Estates	100,000	200,000	-	-	-	-
West	-	-	100,000	325,000	-	-
Mountain View Ranchos	-	-	-	-	65,000	-
Spitz Springs	-	-	-	50,000	-	-
Bellefont	-	-	75,000	75,000	260,000	-
Doney Park	-	-	100,000	-	-	450,000
Mountaineer	-	-	150,000	75,000	-	250,000
Mormon Lake Area	-	-	-	175,000	200,000	-
Oak Creek Area	-	-	-	-	175,000	-
<b>Total</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$975,000</b>	<b>\$1,175,000</b>	<b>\$1,175,000</b>	<b>\$1,075,000</b>

## Other Major Funds

Routine repair and replacement projects for the Jail District and the Public Health Services District are incorporated into the departments ten year plans. At this time the only projects for these Districts are seen in the non-routine descriptions in the previous pages.

# Glossary



# Glossary



**Accrual Basis of Accounting** - A method of accounting in which revenues are recorded when measurable and earned and expenses are recognized when goods are received or a service is used.

**Activity** - An effort which contributes toward the achievement of a specific set of objectives or goals. Several activities may fall under one goal as there are sometimes several steps, or tasks, required to reach the desired end result.

**Ad Valorem Taxes** - Generally referred to as property taxes, these are taxes levied on real and personal property according to the property's assessed valuation and the current tax rate.

**Adopted Budget** - A plan of financial operations approved by the Board of Supervisors and established by resolution which reflects approved tax rates, estimates of revenues, expenditures, transfers, departmental objectives and performance/workload indicators for a fiscal year.

**Agency Funds** - These funds account for assets held by an entity in a trustee capacity or as an agent for individuals, private organizations, other governmental organizations or other funds. This is a type of fiduciary fund.

**AHCCCS** - An acronym for "Arizona Health Care Cost Containment System." Arizona counties make a contribution to the State-managed AHCCCS system based on a formula proscribed by State law. The AHCCCS program provides indigent health care.

**ALTCS** - An acronym for "Arizona Long-Term Care System" which provides indigent long-term care. Counties make a contribution to ALTCS based on a formula established by State law.

**Annual Financial Audit** - The independent review of the financial position and reporting procedures of a local government entity, for which Coconino County is reported to the State Auditor General and the Board of Supervisors.

**Annualize** - To calculate the full-year cost of any budget changes made mid-fiscal year for the purpose of adding that cost to a prepared annual budget.

**Appropriation** - An authorized amount approved by the Board of Supervisors for a specified unit or agency of the County government against which expenditures may be incurred and obligations made for specific purposes within a specified fiscal year.

**Assessed Valuation** - The valuation of real estate or certain personal property for purposes of taxation, which is a statutorily determined percentage of market value.

**Assessment Ratio** - The ratio at which the tax rate is applied to the tax base.

**Asset** - Resources owned or held by a government which have monetary value.

**Attrition** - A method of reducing personnel by not filling positions made vacant through resignation, reassignment, transfer, retirement, termination or means other than layoff.

**Balanced Budget** - A budget in which the sum of estimated net revenues and appropriated fund balances are equal to appropriated expenditures.

**Base Budget** - The base cost of continuing existing funding for provided services in the current budget year.

**Benchmark** - An indicator of results against which an organization compares itself.

**Bond** - A long-term promise to repay a specified amount (on the face of the bond) on or by a particular date; used primarily to finance capital projects.

**General Obligation Bond** - A bond backed by the credit and taxing power of the government.

**Revenue Bond** - A bond backed by revenues specific to a project or undertaking, such as a jail or new building construction.

**Bond Refinancing** - The payoff and re-issuance of bonds in order to obtain an improved interest rate and/or bond conditions.

**Budget** - A plan for financial activity for a specified period of time (in Coconino County, a fiscal year runs from July 1st to June 30th).

**Budget Amendment** - A change to the Adopted Budget for the purposes of re-allocating appropriations during a fiscal year.

**Budgetary Basis** - The basis of accounting used by a government agency to estimate financing sources and uses in its budget, which are generally GAAP, cash, or modified cash accrual bases.

**Budget Calendar** - The schedule of key dates that a government follows in the preparation and adoption of its budget.

# Glossary



**Budgetary Control** - The management of a government in accordance with its approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

**Capital Assets** - Assets of a determined value (\$5,000 or more for Coconino County), which generally have a useful life of several years; also called fixed assets.

**Capital Budget** - A spending plan for improvements to or acquisition of County-owned land, facilities, and/or infrastructure. The capital budget (1) balances revenues and expenditures, (2) specifies the sources of revenues, (3) lists each project of acquisition, and (4) must ordinarily be approved by the legislative body.

**Capital Outlay** - Expenditures for items of a set substantial value (\$5,000 or more in Coconino County) such as computer systems or vehicles.

**Capital Project** - A major construction, acquisition or renovation activity which adds value to a government's physical assets or significantly increases its useful life; also called a capital improvement.

**Capital Projects Fund** - A type of governmental fund established to account for expenditures related to capital projects.

**Capitalized Interest** - A portion of the proceeds of an issue that is set aside to pay interest in the securities for a specified period of time. Interest is commonly capitalized for the construction period of a revenue-producing project and sometimes for a period thereafter, so that debt service expense does not begin until the project is expected to be operational and producing revenues. Sometimes referred to as "funded interest."

**Carryover Funds** - Unexpended budgeted funds from the previous fiscal year, which may be carried into the next fiscal year to make payments to complete a project or continue a program.

**Cash Basis** - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

**Cause and Effect Map** - A visual representation of all factors influencing a Strategic Priority Area.

**Certificate of Participation (COP)** - An instrument producing a pro rata share in a specific pledged revenue stream, usually lease payments by the issuer that are subject to annual appropriation. The certificate generally entitles the holder to receive a share, or participation, in the lease payments from a particular project. The lease payments are passed through the lessor to the certificate holders. The lessor typically assigns the lease and lease payments to a trustee, which then distributes the lease payments to the certificate holders.

**Chart of Accounts** - A chart that assigns a unique number to each type of transaction (e.g., salaries or property taxes) and to each budgetary unit in the organization. The chart of accounts provides a system for recording revenues and expenditures that fits the organizational structure and adheres to statutory and financial reporting requirements.

**Commodities** - Expendable items that are consumable or have a short life span, such as office supplies, gasoline, and small equipment.

**Community Initiatives (CI)** - A program under the Board of Supervisors in which each District Supervisor, upon approval from the entire Board and with legal review, may appropriate funding to community agencies and groups limited to secular non-profit organizations.

**Community Investment Program (CIP)** - Also known as a capital improvement plan, this is a detailed plan for the expenditure of funds towards capital projects, usually over five years.

**Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation, sick leave, or other leave.

**Constant or Real Dollars** - The presentation of dollar amounts adjusted for inflation to reflect the real purchasing power of money as compared to a certain point in time in the past.

**Consumer Price Index** - A statistical description of price levels provided by the U.S. Department of Labor and used as a measure of the increase in the cost of living to reflect economic inflation.

**Contingency** - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**Contractual Services** - Services rendered to a government by private firms, individuals or other governmental agencies, e.g. rents, maintenance agreements and professional consulting services.

# Glossary



**Cost-of-Living Adjustment (COLA)** - An increase in salaries to offset the adverse effect of inflation on compensation.

**County Assistance Fund** - This is funding through the State General Fund, and Coconino County has been authorized for a one-time payment in FY14.

**County Parks and Open Space (CPOS) Tax** - This is a tax passed by the voters authorizing the County to collect up to \$30 million in revenue to be spent on parks and open space projects in the County.

**County Permitting System** - This is a multi-departmental permitting system purchased by the County in FY04. This software allows the County to efficiently track all licenses and permits, including building permits, animal licenses, and food services permits across multiple departments.

**County Sales Tax** - A general excise tax levied on all applicable categories of sales expressed as a percentage of the State Sales Tax. Coconino County's Sales Tax is 10% of the State Sales Tax, which, for most retail sales, constitutes a 1/2 cent per dollar of sales.

**Debt Service Fund** - A type of governmental fund established to account for the payment of general long-term debt, which includes principal and interest.

**Dedicated Tax** - A tax levied to support a specific government program or purpose.

**Deficit** - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

**Department** - The basic organizational unit of government which is functionally unique in its delivery of services.

**Depreciation** - The amount of expense charged against earnings by an organization to write off the cost of a capital asset over its useful life, giving consideration to wear and tear, obsolescence and salvage value. If the expense is assumed to be incurred in equal amounts in each business period over the life of the asset, the depreciation method used is straight line (SL). If the expense is assumed to be incurred in decreasing amounts in each business period over the life of the asset, the method used is said to be accelerated.

**Designated Fund Balance** - Current operating funds that have been limited for a specific purpose by specific action of the Board of Supervisors for fiscal reserve purposes or by an administrative unit authorized by the Board to designate funds.

**Development-Related Fees** - Fees and charges generated by building, development and growth in a community.

**Emergency Reserve** - This is a portion of General Fund revenues set aside for unbudgeted emergency expenditures and revenue smoothing purposes.

**Employee Related Expenditures (ERE)** - The ERE included in the Adopted Budget are the County's share of an employee's fringe benefits and taxes. ERE provided by Coconino County include FICA (Social Security), Medicare, employee and dependent health insurance, dental, vision, unemployment, life and AD&D insurance, retirement and workers compensation.

**Encumbrance** - A reservation of funds for an anticipated expenditure prior to actual payment of that specific item. Funds usually are reserved or encumbered with a purchase order prior to the actual cash payment being disbursed.

**Enterprise Fund** - A proprietary fund established to account for governmental facilities and services that are entirely or predominantly self-supporting by user charges.

**Environmental Scans** - These are service areas identified at the Strategic Advance to have similar goals and priorities where the possibility exists to provide services as a unit working together, not just as individual departments.

**Excise Tax** - County excise taxes apply to any transactions that are subject to the state's transaction privilege tax and are commonly used to support and enhance county services. See County Sales Tax.

**Expendable Trust Funds** - These funds account for assets held by an entity in a trustee capacity where the principle and income may be expended in the course of the funds' designated operations.

**Expenditure** - A decrease in net financial resources. Expenditures include payment in cash for current operating expenses, capital outlays and debt service.

# Glossary



**Expenditure Limit** - In 1980 the Arizona Constitution was amended to limit the expenditures for counties and other local governments. Adjustments are allowed for increases in inflation or deflation and population growth. Set expenditure limitations can only be adjusted by a vote of the constituents.

**Expense** - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

**Facilities Master Plan** - This is a plan that is being developed to make the most efficient and effective use of available County space while meeting the existing and long-term projected space needs of every department.

**Factor** - Something that contributes to a Strategic Priority Area happening (or prevents it from happening); provides one cause-effect link to a result within a cause-and-effect map.

**FDAT** - FDAT, an acronym for "Fire District Assistance Tax", is a property tax not to exceed \$0.10 per one hundred dollar of assessed valuation. This tax helps support fire districts in addition to their secondary property tax levy. The amount each district receives is equal to 20% of their secondary property tax levy, up to \$400,000.

**Fiduciary Fund** - A fund held by a governmental unit in a fiduciary capacity for an external party.

**Fiscal Policy** - A government agency's adopted policy for managing revenues, spending and debt related to the government services and programs it provides and its capital investment; fiscal policy establishes agreed-upon principles and guidelines for the planning and programming of government budgets and their funding.

**Fiscal Year (FY)** - The 12-month period to which the annual operating budget applies. The Coconino County fiscal year begins July 1 and ends June 30. The County's fiscal year is expressed in terms of the ending date, for example, "FY 2014" refers to the fiscal year that begins July 1, 2013 and ends June 30, 2014.

**Flood Control District** - This is a special taxing district that addresses flood control problems and issues through capital projects in Williams, Sedona, and some unincorporated areas of the County.

**Full Accrual Accounting** - A basis of accounting in which revenue is recognized when earned and expenses are recognized when incurred.

**Full-Time Equivalent (FTE)** - A measure of the authorized hours for a position, or a group of positions, expressed in terms of the authorized hours for a full-time position (2,080 annual hours). For example, a van driver authorized and budgeted for 1,040 annual hours would be an FTE of .5; or three half-time positions would equal 1.5 FTE's.

**Function** - A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety).

**Fund** - A fiscal and accounting entity with a self-balancing set of accounts which is segregated for the purpose of carrying on specific activities or objectives in accordance with specific regulations, restrictions, or limitations. The County has several funds. Governmental accounting information is organized into funds, each with separate revenues, expenditures, and fund balances.

**Fund Balance/Equity** - The difference between a fund's assets and its liabilities. Portions of the fund balance may be reserved for various purposes, such as contingencies or encumbrances, carried forward into the next fiscal year, or reverted back to a granting agency if such is contractually stipulated.

**GASB 34** - Refers to Statement 34 issued by the Government Accounting Standards Board (GASB) which establishes new requirements for the annual financial reports of State and local governments. The statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make their decisions (or who may do so in the future): legislators, their staff and members of oversight bodies; investors, creditors and others who provide resources to governments; and citizen groups and the public in general.

**Generally Accepted Accounting Principles (GAAP)** - These are the uniform minimum standards for financial accounting and reporting, reflecting the rules and procedures that define accepted accounting principles.

# Glossary



**General Fund** - The governmental fund used to account for all revenues and expenditures of the County that are not required to be accounted for in other funds. Revenues are primarily from property taxes, County sales tax, vehicle license taxes, license and permit fees, and State-shared sales tax. General Fund expenditures include costs for every service area and function, as well as transfers out to other funds. The General Fund is the largest fund in the County budget.

**Goal** - A goal is the purpose towards which an endeavor is directed. A goal supports a department's mission statement and is a County-wide priority. Goals should include expected performance levels (i.e. citizen satisfaction levels, turnaround times, efficiencies, etc.) and are results-oriented, specific, state outcomes in measurable terms, and are attainable within a specifically stated time frame.

**Governmental Fund** - A generic classification used by GASB to refer to all funds other than proprietary and fiduciary funds. The General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service funds are the types of funds referred to as governmental funds. Governmental funds are said to be expendable; that is, resources are received and expended, with no expectation that they will be returned through user or departmental charges. Revenues and expenditures (not expenses) of governmental funds are recognized on the modified accrual basis of accounting.

**Grant** - A contribution made by one governmental unit or other organization to another to support a specific function. Grants may be classified as either operational or capital, depending upon the grantee.

**Grant Reversion** - When a government entity in receipt of a grant returns any unexpended funds from the grant award to the granting agency.

**Highway User Revenue Fund (HURF)** - This revenue is derived from the gas tax, a portion of which is returned to counties by the State.

**Home Rule** - A limited grant of discretion from a State government to a local government, concerning either the organization of functions or the raising of revenue. Without home rule, local governments are restricted to whatever functions, organization, revenue policies, and borrowing restrictions are specified by the State government.

**HTE** - The County Financial Management System.

**Improvement District** - In accordance with Arizona Revised Statute Title 48, Chapter 6, a special district created for the purpose of, among other actions, maintaining, landscaping, grading, regarding or otherwise improving the whole or any portion of one or more streets in the proposed district.

**Indicator of Progress** - A measure, or a combination of measures, that allows the observer to know how well the Strategic Priority Area is being achieved.

**Indirect Cost** - A cost necessary for the functioning of an organization as a whole but which cannot be directly assigned to one service.

**Infrastructure** - The physical assets of a government (for example streets or bridges).

**Interfund Transfer** - The transfer of money from one fund to another in a governmental unit. Interfund transfers usually have to be approved by the governing body and are normally subject to restrictions in State and local law.

**Intergovernmental Revenue** - Revenues from other governments, such as the State and Federal government, in the form of grants, entitlements, shared revenues or payments in lieu of taxes.

**Internal Service Funds** - One or more funds that account for the goods and services provided by one department to another within government on a cost-reimbursement basis. This is a type of proprietary fund.

**Investment Trust Funds** - Those funds that account for investments made by the County on behalf of other governmental agencies. This is a type of fiduciary fund.

**Jail District** - This is a taxing district approved by the voters to enact a sales tax to fund the Coconino County Jail and its operations. It is a separate legal entity.

**Kachina Village Improvement District (KVID)** - A water/wastewater treatment plant established to service the citizens of the Kachina Village subdivision.

**Land Development** - Capital improvements to preserve land or to enhance its public use. This includes fencing, outdoor lighting, drainage/storm runoff, and planting vegetation, as well as forest thinning.

**Lapse Budget** - A term for budgeted appropriations that were not expended in a given fiscal year.

# Glossary



**Leadership Team** - A committee made up of appointed County officials.

**Lease Purchase** - This method of financing allows the County to construct or acquire property and pay for it over a period of time by installment payments rather than an outright purchase. The time payments include an interest charge, which is typically lower than standard rates because the recipient does not have to pay income tax on the interest.

**Levy** - To impose taxes for the support of governmentally provided services.

**Levy Limit** - In 1980 the Arizona Constitution was amended to limit the amounts which could be levied on property by counties and other local governments.

**Limited Appointment** - A position whose appointment is made for a specific project within a specific time frame. Limited appointments range from six to 36 months in duration.

**Line Item Budget** - A budget that reflects appropriation by specific expenditure categories. Coconino County does not publish a line item budget but uses it for internal management.

**Long-Term Debt** - This is all debt, including bonds, debentures, bank debt, mortgages, and capital lease obligations with a repayment period greater than one year.

**Lottery Revenue** - The State allocates a portion of the lottery proceeds to counties based on a formula.

**Major Fund** - A fund consisting of: 10% or more of the associated total revenues, expenditures/expenses, assets or liabilities of all governmental or all enterprise funds, and 5% or more of revenues, expenditures/expenses, assets or liabilities of all governmental funds and enterprise funds.

**Mandate** - A legal requirement that a jurisdiction produce a specific result, conduct a specific activity, or provide a specific service, sometimes at a specific level.

**Marginal Cost** - The additional cost of providing service to one more resident or consumer. Once capacity is reached, additional service capacity must be funded, and marginal cost increases substantially.

**Measure** - Measures are the indicators which provide means of measuring how well a department or program is doing in meeting a stated goal. Measures say whether the division is on target. They answer the question of "How well are we doing?" and quantify effectiveness and/or efficiency in terms of providing service.

**Mission Statement** - A written description stating the broad purpose of an organization and its function. Coconino County's mission statement appears at the beginning of this budget document.

**Modified Accrual Basis of Accounting** - A type of accounting in which revenue is recognized when it is measurable and available to finance the expenditures of the current period and expenditures are generally recorded when the related fund liability is incurred (with some exceptions).

**Mountain Line** - The Flagstaff general bus transportation system.

**National Forest Fee Revenue** - This is revenue generated by logging activities on National Forest Service land that goes to support Public Works projects and County School Districts. A portion of this revenue is allocated to Title III.

**Net Budget** - The legally Adopted Budget less all interfund transfers and interdepartmental charges.

**Net Cost to the County** - An amount of funds, other than State and Federal grants, program-specific fees, and fund balance required to fund a program at a desired level. For example, a program with a budget of \$100,000 less Federal grant revenue of \$25,000 and local fee revenue of an \$25,000 would result in a \$50,000 "net cost to the County."

**Net Present Value (NPV)** - A method used to calculate the economic value of capital projects. NPV uses a discount rate to take into account the discrepancy between the present costs of undertaking a project and its future stream of benefits. The greater the NPV of a project, the more economically attractive it will be.

**Object of Expenditure** - An expenditure classification, referring to the lowest and most detailed level, such as electricity, office supplies, office furniture, etc.

**Objective** - An activity to be achieved in well-defined and measurable terms within a specific time frame.

**Obligations** - Amounts which a government may be legally required to meet out of its resources, including both actual liabilities and encumbrances not yet paid.

# Glossary



**One-Time Increment** - An expenditure that, once added to the budget, will increase expenditures for one fiscal year and disappear from the next fiscal year's budget. An example of a one-time increment would include funding to purchase a specific piece of equipment.

**Operating Budget** - That portion of a budget which deals with recurring expenditures such as salaries, electric bills, postage, printing and duplicating, paper supplies, and gasoline. Taken together, the operating and the capital budgets should equal the total amount of spending for the fiscal period.

**Operating Expenses** - The cost for personnel, materials and equipment required for a department to function.

**Operating Revenue** - Funds that the government receives as income to pay for ongoing day-to-day operations; includes taxes, fees from specific services, interest earnings and grant revenues.

**Outcome** - The quantified result of an accomplished goal as determined by its measure.

**Other Taxing District** - Special taxing districts created to fill a need for services in an area that might otherwise be limited from receiving these services for various reasons.

**Output Indicator** - A unit of work accomplished without reference to the resources required for the work (for example, number of permits issued, number of arrests made, miles of road refurbished). Output indicators do not reflect the effectiveness or efficiency of the work performed.

**Outside Agency/County Partner** - County partnerships with local organizations to provide services to the community that Coconino County is unable to provide or that are better provided by an agency that specializes in the service provided.

**Pay-as-you-go Basis** - A term used to describe a financial policy whereby capital outlays are financed from current and available revenues rather than borrowing.

**Payment in Lieu of Taxes (PILT)** - This revenue is received from the Federal government by counties with public lands. Some counties have a large percentage of their area in public lands and find themselves responsible for providing services to thousands of visitors each year. This revenue partially offsets those expenses incurred from public land use and compensates for revenue lost due to the presence of public, non-taxable Federal property in a county. Annually, Coconino County receives at least ten cents per acre for the 4.7 million acres of Federal land in the County. The United States Congress determines the PILT appropriation, and the Bureau of Land Management (BLM) manages the program.

**Performance Budget** - A budget format that includes (1) performance goals and objectives and (2) demand, workload, efficiency, and effectiveness (outcome or impact) measures for each governmental program.

**Performance Indicators** - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

**Performance Measure** - As defined by GFOA, a specific quantitative measure or qualitative assessment of results obtained through a program or activity. It summarizes the relationship between inputs and outputs in achieving outcomes with respect to effectiveness, cost (efficiency) and quality.

**Performance Measurement** - As defined by GFOA, a process for determining how a program is accomplishing its mission, goals, and objectives through the delivery of products, services, or processes.

**Personal Property** - For property tax purposes in Arizona, personal property is designated as all types of property except land, buildings or other real property improvements. Taxable personal property includes movable items used for agricultural, commercial, industrial or rental-residential purposes. Personal property is not attached permanently to real property and may be removed by its owner without damage to the real property. Mobile homes are also personal property unless the owners file an affidavit affixing the mobile home to their real property.

**Pledged Revenues** - These are moneys obligated for the payment of debt service and the making of other deposits required by the bond contract.

**Gross pledge or gross revenue pledge** - A pledge that all revenues received will be used for debt service prior to deductions for any costs or expenses.

**Net pledge or net revenue pledge** - A pledge that net revenues will be used for payment of debt service.

# Glossary



**Primary Property Taxes and Values** - Primary or "limited" values are used to calculate primary property taxes which are collected to fund the maintenance and operation of school districts, community college districts, counties, cities and State government. Primary values and taxes are both "limited" as to how much they can increase if no changes have been made to the property.

**Program** - A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

**Program Budget** - A budget which allocates money to the functions or activities of a government rather than to specific items of cost to specific departments.

**Program Funding Report (PFR)** - Reports prepared by departments for each program they offer to show how their programs align with the County's Strategic Priority Areas. Every PFR is reviewed and evaluated by the County Manager and the Board of Supervisors to assist with funding recommendations as part of the budget process each year.

**Program Performance Budget** - A method of budgeting whereby the services provided to the residents are broken down into identifiable service programs or performance units. A unit can be a department, a division or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service. The effectiveness and efficiency of providing the service by the program is measured by performance indicators.

**Program Revenue** - Revenues earned by a program including fees for services, license and permit fees, and fines.

**Property Tax System** - Arizona's property tax system is unique in that it uses two types of property values for taxing purposes, primary and secondary (see definitions of each). Property taxes are applied to each \$100 of assessed valuation on real and personal property. The total FY2014 property tax rate for the Coconino County General Fund is .5466 per \$100.

**Proposed Budget** - A plan of financial operations submitted by the County Manager to the Board of Supervisors. This plan reflects estimated revenues, expenditures, transfers, departmental goals, objectives, and performance/workload indicators.

**Proprietary Funds** - Sometimes referred to as "income determination," "non-expendable," or "commercial-type" funds. They are used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector (enterprise and internal service funds). Revenues and expenses (not expenditures) are accounted for on the full accrual basis.

**Public Hearing** - An open meeting regarding proposed operating or capital budget allocations that provides citizens with an opportunity to voice their views on the merits of the proposals.

**Purpose** - A broad statement of the goals in terms of meeting public service needs that a department is organized to meet.

**Real Property** - Real estate, including land and improvements (buildings, fencing, paving) classified for purposes of assessment.

**Regressive Tax** - A tax that is relatively more burdensome on lower-income households.

**Reserves** - Fund balances that cannot be used for recurring expenditures but are available for emergency or one-time expenditures.

**Reserves For Unforeseen Contingencies** - Funding for nonrecurring, unanticipated expenditures; the funds protect the local government from having to issue short-term debt to cover such needs.

**Residual Equity Transfer** - A one-time transfer of cash from an existing fund to a new fund would fall under the definition of a non-capitalized asset residual equity transfer.

**Resolution** - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

**Resources** - The total amount available for appropriation including estimated revenues, fund transfers, and beginning fund balances.

**Revenue** - An increase in assets or financial resources.

**Revenue Bond** - A bond that is payable from a specific source of revenue and to which the full faith and credit of an issuer with taxing power is not pledged. Revenue bonds are payable from identified sources of revenue and do not permit the bondholders to compel taxation or legislative appropriation of funds not pledged for payment of debt service. Pledged revenues may be derived from operation of the financed project, grants and excise or other specified non-ad-valorem taxes.

# Glossary



**Revenue Neutral Position** - A position is considered to be revenue neutral when its expenditure impact, i.e., its total cost, is directly offset by the generation of incremental (or "new") revenue.

**Roadrunner** - The Sedona transit system.

**Salary Savings** - The reduced expenditures for salaries that result when a position remains unfilled for part of a year or when a more senior employee is replaced by a newer employee at a lower salary.

**Secondary Property Taxes and Values** - Secondary or "full cash" values are synonymous to market values. They are used to calculate secondary property taxes to support voter-approved budget overrides, bond issues and other debt service, such as special districts. Coconino County collects secondary taxes for the Library District Fund, Fire District Assistance Fund and Flood Control District.

**Service Area** - These are made up of departments with similar goals and priorities with a common purpose and common issues to address.

**Service Level** - Services or products which comprise actual or expected output of a given program. Focus is on results, not measures or workload.

**Source of Revenue** - Revenues are classified according to their source or point of origin.

**Special Assessment** - A tax or levy customarily imposed against only those specific parcels of real estate that will benefit from a proposed public improvement like a street or sewer.

**Special Districts** - An independent government unit organized to perform a single governmental function or a restricted number of related functions. Special districts usually have the power to incur debt and levy taxes; certain types of special districts are entirely dependent upon enterprise earnings and cannot impose taxes. Examples of special districts are water districts, drainage districts, paving districts, flood control districts, hospital districts and fire protection districts.

**Special Revenue Fund** - A governmental fund used to account for revenues legally earmarked for a particular purpose. For example, if revenues from a hotel/motel occupancy tax are earmarked for tourism and convention development, a hotel/motel tax fund would account for the revenues and expenditures associated with such purposes.

**SRP In-Lieu Contribution** - The Salt River Project (SRP), a quasi-governmental agency in Arizona, pays a "contribution" to the County as prescribed by State statute based upon the current tax rates.

**State Shared Sales Tax** - Sales Tax collected by the State and distributed to cities and counties based on a formula set by State statute.

**Strategic Advance** - A meeting of the Board of Supervisors, Elected Officials, and Leadership Team to develop strategies for becoming a high performance organization.

**Strategic Priority Area** - An area of focus identified by the County Leadership that expresses the key outcomes that matter to citizens, in terms that citizens might use.

**Strategies** - Approaches chosen to achieve a Strategic Priority Area.

**Supplemental Appropriation** - An additional appropriation made by the government body after the budget year has started. In Coconino County, this is accomplished by process of budget amendment approved by the Board of Supervisors.

**Target Budget** - Desirable expenditure levels provided to departments in developing the coming year's recommended budget; based on the prior year's Adopted Budget, excluding one-time expenditures, projected revenues and reserve requirements.

**Tax Levy** - The resultant product when the tax rate per one hundred dollars of assessed value is multiplied by the tax base.

**Taxes** - Compulsory charges levied by a government for the purpose of financing services performed for the common benefits of the people. This term does not encompass special assessments.

**Tentative Budget** - A preliminary adoption of the budget that sets the expenditure "ceiling" that legally cannot be exceeded during a given fiscal year.

**Tipping Fees** - The cost for use of solid waste facilities charged to individual users. This may be levied on tonnage or cubic foot or cubic yard of solid waste. In Coconino County the tipping fees are levied by the cubic yard and do not cover the entire cost of solid waste handling.

**Title III** - A portion of National Forest Fee revenue allocated by the board.

**Title V** - Subsidized employment to those 55 and over to train in new skills and reenter the workforce.

# Glossary



**Transfers In/Out** - Amounts transferred from one fund to another to assist in financing the services of the recipient fund.

**Unawarded Grants** - Budgeted capacity for new or continued State and Federal funding that has not been awarded at the time of budget adoption.

**Unencumbered Fund Balance** - Amount of an appropriation neither expended nor encumbered; generally available for future purposes.

**User Fees/Charges** - Fees imposed for direct receipt of a public service on the party receiving the service.

**VanGo** - The Flagstaff ADA compliant para-transit system.

**Variable Cost** - A cost that increases or decreases relative to increases/decreases in the amount of service provided.

**Vehicle License Tax** - Also known as Auto-Lieu, a tax paid to the State by drivers when registering vehicles as part of the total registration cost, a portion of which is returned to the counties by the State.

**Working Cash** - Excess of readily available assets over current liabilities; cash-on-hand equivalents which may be used to satisfy cash flow needs.

**Workload Indicator** - A unit of work to be done (for example, number of permit applications received/processed, number of criminal investigations, etc.)

**Zero-based Budgeting** - Zero-based budgeting is a method by which decision makers conduct an annual evaluation of each program's purpose and priority, weighing it against all other spending possibilities; as a consequence of this evaluation, decision makers may decide not to renew funding for an existing program, or opt to fund an enhanced spending package, provide for another decision unit, or to provide base level funding for an entirely new initiative.

# Acronym List



<u>ACRONYM</u>	<u>DEFINITION</u>
4FRI .....	Four Forest Restoration Initiative
ACJC .....	Arizona Criminal Justice Commission
ADA .....	Americans with Disabilities Act
ADEQ .....	Arizona Department of Environmental Quality
ADHS .....	Arizona Department of Health Services
ADOH .....	Arizona Department of Housing
ADOT .....	Arizona Department of Transportation
ADR .....	Alternate Dispute Resolution
AHCCCS .....	Arizona Health Care Cost Containment System
AIMS .....	Arizona’s Instrument to Measure Standards
ALTCS .....	Arizona Long Term Care System
AOC .....	Administrative Office of the Courts
APS .....	Arizona Public Service
ARRA .....	American Recovery and Reinvestment Act
ARS .....	Arizona Revised Statutes
ASRS .....	Arizona State Retirement System
ASU .....	Alcohol Stabilization Unit
BFO .....	Budgeting for Outcomes
BIA .....	Bureau of Indian Affairs
BLM .....	Bureau of Land Management
BOS .....	Board of Supervisors
CAFR .....	Comprehensive Annual Financial Report
CAMA .....	Computer Assisted Mass Appraisal
CASA .....	Citizens Against Substance Abuse
CBBC .....	Collaborating to Build Better Communities
CCAO .....	Coconino County Attorney's Office
CCC&Y .....	Coconino Coalition for Children and Youth
CCCSD .....	Coconino County Community Services Department
CDBG .....	Community Development Block Grant
CECE .....	Citizen Empowerment and Community Engagement
CERT .....	Community Emergency Response Team
CES .....	Cooperative Extension Services
CEV .....	Community Economic Vitality
CI .....	Community Initiative
CID .....	County Improvement District
CIP .....	Capital Improvement Plan
CJ .....	Criminal Justice
CJCC .....	Criminal Justice Coordinating Council
CJI .....	Criminal Justice Integration
CNR .....	Cultural and Natural Resources
COLA .....	Cost of Living Adjustment

# Acronym List



<u>ACRONYM</u>	<u>DEFINITION</u>
COP	Certificate of Participation
CORP	Corrections Officer Retirement Plan
CPOS	Coconino Parks and Open Space
CPWAC	Coconino Plateau Water Advisory Council
CREC	Coconino Rural Environmental Corps
CV	Community Vitality
DES	Department of Economic Security
DOR	Department of Revenue
DPS	Department of Public Safety
EAP	Employee Assistance Program
ECoNA	Economic Collaborative of Northern Arizona
EDA	Economic Development Assessment
EDC	Economic Development Council
EDMS	Electronic Document Management System
EEC	Economic Estimates Commission
EECBG	Energy Efficiency and Conservation Block Grant
EGAD	Employee Growth and Development
EOC	Emergency Operations Center
EORP	Elected Officials Retirement Plan
ERE	Employee Related Expenditures
ESA	Educational Services Agency
EV&D	Economic Vitality and Development
FACTS	Family and Community Teaming for Students
FARE	Fines, Assessments, Restitution Enforcement Program
FCP	Flagstaff Cultural Partners
FDAT	Fire District Assistance Tax
FEMA	Federal Emergency Management Association
FMP	Facilities Master Plan
FMPO	Flagstaff Metropolitan Planning Organization
FMAP	Federal Medical Assistance Percentages
FMS	Financial Management System
FTCP	Fort Tuthill County Park
FTE	Full Time Equivalent
FUSD	Flagstaff Unified School District
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board
GDP	Gross Domestic Product
GED	General Equivalency Diploma
GF	General Fund
GFFP	Greater Flagstaff Forest Partnership

# Acronym List



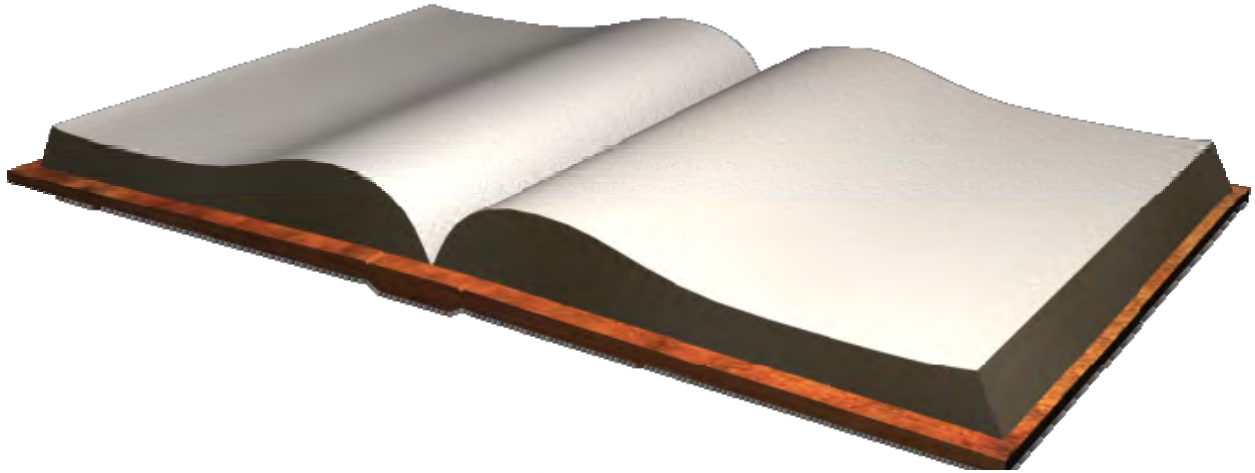
<u>ACRONYM</u>	<u>DEFINITION</u>
GFOA .....	Government Finance Officers Association
GIS .....	Geographic Information Systems
HR .....	Human Resources
HURF .....	Highway User Revenue Fund
IGA .....	Intergovernmental Agreement
IFC.....	Integrated Family Court
IT.....	Information Technology
JC.....	Justice Court
KKONA.....	Kinship Kare of Northern Arizona
KVID .....	Kachina Village Improvement District
LGA.....	Local Government Assessment
MG.....	Master Gardener
MOE.....	Maintenance of Effort
NACASA .....	Northern Arizona Center Against Sexual Assault
NACOG .....	Northern Arizona Council of Governments
NAIPTA .....	Northern AZ Intergovernmental Public Transportation Authority
NAPEBT .....	Northern Arizona Public Employee Benefit Trust
NAREG .....	Northern Arizona Renewable Energy Purchasing Group
NAU .....	Northern Arizona University
NM.....	National Monument
NP.....	National Park
NPV.....	Net Present Value
NRA .....	National Recreation Area
OD.....	Organizational Development
O&FH.....	Organizational and Fiscal Health
PC.....	Personal Computer
PF .....	Public Fiduciary
PFR .....	Program Funding Report
PH .....	Public Health
PHSD.....	Public Health Services District
PILT .....	Payment in Lieu of Taxes
PIO.....	Public Information and Outreach
PS .....	Public Safety
PSRS.....	Public Safety Retirement System
RAC .....	Resource Allocation Committee
RANNA.....	Resource Action Network Northern Arizona
RFP .....	Request for Proposal
RPI.....	Rural Policy Institute
RTAC .....	Rural Transportation Advisory Council
SEDI.....	Sustainable Economic Development Initiative
SPA .....	Strategic Priority Area

# Acronym List



<u>ACRONYM</u>	<u>DEFINITION</u>
SRP .....	Salt River Project
SRS .....	Secure Rural Schools
TGC .....	The Guidance Center
TNT .....	Truth in Taxation
UWNA .....	United Way of Northern Arizona
VITA.....	Volunteer Income Tax Assistance
VLT .....	Vehicle License Tax
WIA .....	Workforce Investment Act
WIC.....	Women, Infants, and Children

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**COCONINO**  
COUNTY ARIZONA

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# Coconino County Property Tax

The FY 2015 (Tax Year 2014) primary property tax rate for Coconino County is \$0.5646 per \$100 of assessed value.

The total property taxes levied by the Coconino County Board of Supervisors for County-wide taxing districts will increase (between FY14 and FY15) by \$246,500 across the county.

## Where does my tax dollar go?

As the ex-officio tax collector, the Coconino County Treasurer collects property tax on behalf of all governmental agencies, educational agencies, fire districts, and other special districts in the County and distributes the taxes to these agencies.

The Coconino County General Fund receives approximately 6 cents of every property tax dollar collected.



Education - 66%

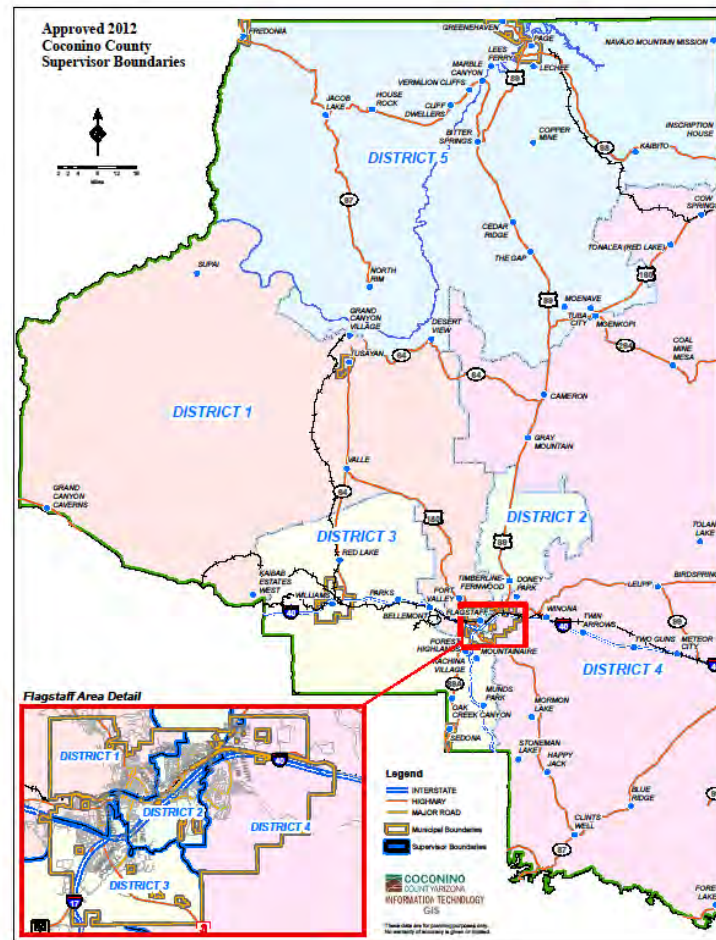
Other Special Districts 11%	Cities and Towns 9%	Coconino County Special Districts 8%	<b>Coconino County General Fund - 6%</b>
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**Note:** Tax rates vary depending on where a parcel is located. Special district taxes depend on the taxing jurisdictions in each area. The breakdown above is for all taxes levied in Coconino County in Tax Year 2014. The County Board of Supervisors levies special district taxes for the County-wide Library District and Public Health Services District. The Flood Control Special District is not County-wide.

For more information on Coconino County property taxes, please visit the Treasurer's website at [www.coconino.az.gov/treasurer](http://www.coconino.az.gov/treasurer).

For more information on property valuation in Coconino County, please visit the Assessor's website at [www.coconino.az.gov/assessor](http://www.coconino.az.gov/assessor).

# Supervisory Districts



## Coconino County Board of Supervisors

- District I: Art Babbott, Vice Chairperson
- District II: Elizabeth C. Archuleta
- District III: Matthew G. Ryan
- District IV: Mandy Metzger, Chairperson
- District V: Lena Fowler



219 E. Cherry Avenue  
Flagstaff, AZ 86001  
Ph: 928-679-7120  
Toll-free: 877-679-7120

[www.coconino.az.gov](http://www.coconino.az.gov)

# COCONINO COUNTY

## Fiscal Year 2015 Budget Brief



### Mission

Coconino County is a land of vast and endless beauty, home to many cultures. With energy and enthusiasm, we commit to:

- Conscientiously serve our community and provide our citizens with accessible local government;
- Provide the most effective and efficient delivery of services;
- Challenge, recognize and support our employees because they are the backbone of the County;
- Protect, preserve and care for our environment

In our second century of public service, we envision a citizenry and staff that is proud of their local government and its accomplishments. We look forward to the future and are confident that by working together in an atmosphere of cooperation and trust, we will meet each new challenge with creativity and integrity.

## Coconino County FY2015 Budget

Once again, Coconino County built on the history of success with long term financial planning to adopt a balanced budget. The first step in developing the budget for FY15 involved reviewing revenue and expenditure forecasts, utilizing a 10-year plan for each major fund and determining the available resources. Other key considerations for the FY15 budget were:

- Continued challenges with compensation compression, long-term employee retirements
- Major decisions on budgeting for transportation based on declining resources
- Investment in aging technology and facilities to increase efficiency
- Other departmental needs to provide consistent levels of service

## State 2015 Budget Outlook

While base revenues are forecast to grow in FY2015, the growth is insufficient to fully offset declines in other sources of revenues. Baseline spending is projecting growth at 2.7%, mostly consisting of K-12 spending. Anticipation of a near \$0 cash balance in FY2016 will lead to a \$(383) million shortfall in FY2017.

# Coconino County FY2015 Budget

## Strategic Budget Process

*\*\*Focus on results, strategies, and priorities\*\**

*The goal is to align the County's programs and services with its strategic priorities and objectives*

**Community Vitality (CV):** Supports citizens in taking responsibility for themselves, their families, their neighbors and their communities.

**Cultural and Natural Resources (C&NR):** Provides visionary leadership celebrating, enhancing and sustaining culture and natural resources.

**Economic Vitality & Development (EV&D):** Facilitates collaborative opportunities for retaining, building and attracting vital businesses that are compatible with our regions and its vision for the future.

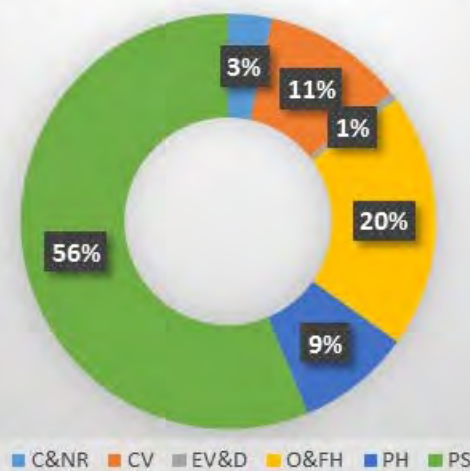
**Organizational & Fiscal Health (O&FH):** Implements sound financial and organizational management to achieve responsible governance, thus anticipating and meeting the dynamic and evolving needs of residents.

**Public Health (PH):** Individuals enjoy an optimal quality of life in clean, healthy communities through accessible prevention education and health care.

**Public Safety (PS):** Proactive and responsive management of situations that threaten safety and welfare; creating communities where people can feel safe at home, work and play.

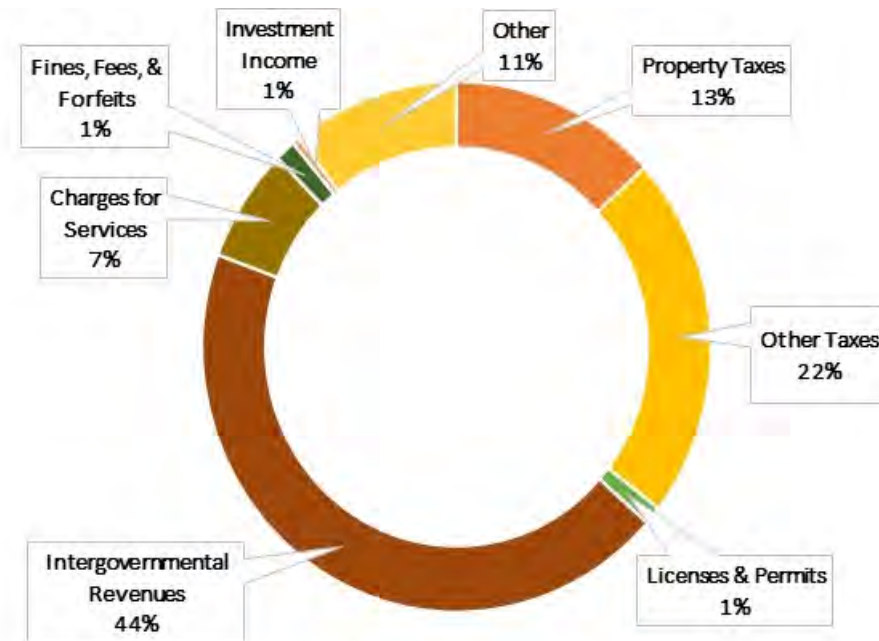
**FY2015 Adopted Budget - \$201,010,897**

### FY2015 Budget by Strategic Priority Area



## County Revenues

### All Fund Revenues: by Type



All Fund Revenues	
Intergovernmental Revenues	\$ 63,009,805
<b>Other Taxes</b>	<b>31,795,625</b>
Property Taxes	18,852,309
<b>Other</b>	<b>15,213,610</b>
Charges for Services	9,930,362
<b>Fines, Fees, &amp; Forfeits</b>	<b>1,880,350</b>
Licenses & Permits	1,605,830
<b>Investment Income</b>	<b>638,352</b>
<b>Total FY15 Revenues</b>	<b>\$ 142,926,243</b>

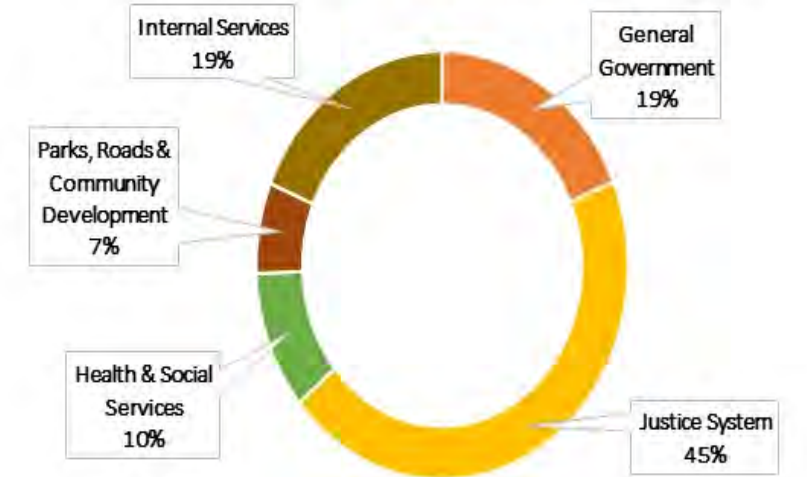
Includes State and Federal Grants and State Shared Sales Taxes

Includes County Sales Taxes and Vehicle License Taxes

## General Fund Budget Summary July 1, 2014—June 30, 2015

FY15 Budgeted Revenue	
<b>State Shared Sales Tax</b>	<b>\$ 19,698,434</b>
Sales Tax	12,697,600
<b>Property Taxes</b>	<b>8,541,236</b>
Indirect Cost Recovery	3,284,489
<b>Other Taxes</b>	<b>4,111,036</b>
Intergovernmental Revenue	2,570,208
<b>Charges for Services</b>	<b>1,536,797</b>
Fines, Fees, and Forfeits	1,091,650
<b>Licenses and Permits</b>	<b>878,500</b>
Investment Income	238,860
<b>Contributions</b>	<b>130,150</b>
Miscellaneous	\$ 90,015
<b>Total General Fund Revenue</b>	<b>\$ 54,868,975</b>

### FY15 General Fund Expenditures & Support



**Justice System**  
Sheriff, Courts, County Attorney, and Public Defender

**Parks, Roads & Community Development**  
Park Maintenance, Solid Waste, and Building Programs

**General Government**  
Board of Supervisors, County Manager, Assessor, Recorder, Treasurer, and Superintendent of Schools

**Health & Social Services**  
Public Health Services District and Community Services Programs

**Internal Services**  
IT, Human Resources, Facilities Management, and Finance Services