



City of
EL MIRAGE

Arizona

GRAND HERITAGE, BRIGHT FUTURE!

*Fiscal Years
2015– 2019*

Capital Improvements Plan



**“Working Together to
Promote a More Successful
El Mirage”**

**“Incremental Growth and
Development”**

**“Creating Stability and
Meeting Expectations
Responsibly”**

**“Innovations and Efficiency in
Service Delivery”**

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GRAND HERITAGE, BRIGHT FUTURE!

FY2015 - FY2019 Capital Improvements Plan –

Team Members

**Lana Mook
Joe Ramirez
Roy Delgado
James McPhetres
Jack Palladino
Lynn Selby
David Shapera**

Dr. Spencer A. Isom

**Robert A. Nilles
Christy Eusebio**

**Mayor
Vice Mayor
Councilmember
Councilmember
Councilmember
Councilmember
Councilmember**

City Manager

**Finance Director
Accounting Manager**

Department Heads

Resolution R-14-05-13 submitted for Council approval May 20th, 2014

FY2015 - FY2019 Capital Improvements Plan – El Mirage Community Profile

Background, Population, and Business. El Mirage is situated on approximately 11 square miles in the heart of the rapidly growing West Valley. The city was founded in 1937 by migrant farm workers who settled on the west bank of the Agua Fria River and harvested the acres of roses, cotton, and other crops that would come to define the city’s agricultural heritage. Since its incorporation in 1951, the community has transcended its agricultural beginnings to become a vibrant, diverse community with a current population of just over 32,000.

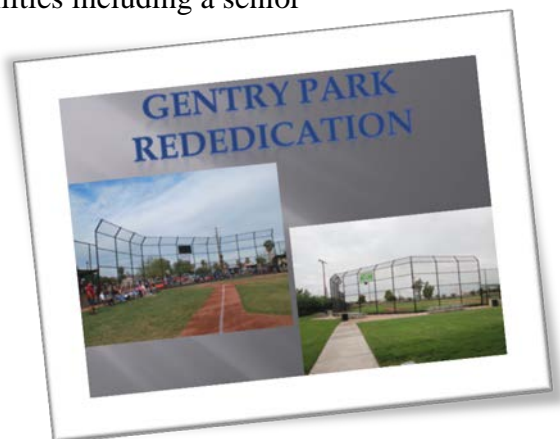


In recent years, El Mirage has adopted economic development initiatives to attract new commercial and industrial businesses to the city. Impact fees normally charged for infrastructure expansion have been eliminated, and El Mirage has joined with other West Valley cities to form the Greater Maricopa Foreign Trade Zone, allowing goods to be moved through the region exempt from certain U.S. Customs fees.



Local employers include Burlington Northern Santa Fe Railroad, which operates an 82-acre vehicle distribution center in El Mirage. Vulcan Materials Group, Union Rock and Materials, Hanson Pipe, and Contech Engineered Solutions are also among the firms representing the city’s industrial base. Luke Air Force Base, just nine miles west of El Mirage, is the largest jet fighter training base in the world and employs over 1,500 civilians, many of whom are El Mirage residents.

The City of El Mirage offers a range of community facilities including a senior center and library. Thirteen-acre Gateway Park is the center for sports and family gatherings in El Mirage, with an amphitheater, picnic armadas, shaded playgrounds, lighted sports fields, and a skate plaza that is the first of its kind in Arizona. El Mirage is also home to Bill Gentry Park, a newly renovated little league field that draws teams from throughout the Valley for regular play, as well as regional tournaments. The nationally renowned Pueblo El Mirage Golf Resort, situated on 310 acres in the city, boasts an 18-hole professional golf course and has home choices, as well as a host of indoor and outdoor activities for active seniors.



Governing Structure. Like most Arizona cities and towns, El Mirage operates under a council-manager form of government. Under this system, the City Council hires a City Manager to implement policy, as well as oversee the daily administration and management of all city departments. The City Manager is responsible for developing a balanced budget and a capital improvement plan for council review and approval each year. The City Manager also keeps the council advised of the city’s financial condition and future needs. As City Manager, Dr. Spencer A. Isom is responsible for the activities of seven city departments and more than 170 employees. He also oversees a \$95 million budget to provide services for the city’s 32,000 residents. This year’s budget utilizes the theme *“Working Together to Promote a More Successful El Mirage”*



Dr. Spencer A. Isom –
City Manager



Policymaking and legislative authority are vested in a governing council consisting of the Mayor and six Councilors (one is selected as Vice-Mayor). All seven members of the council are elected at large and on a non-partisan basis to serve a four-year term. Elections are staggered so three councilors are elected every two years and the mayor is elected every four years. The Council is responsible for passing ordinances, adopting the budget, appointing committees, and selecting the City Attorney and Judge in addition to the City Manager.

Types and Levels of Services. The City of El Mirage provides a full range of services including police and fire protection, roadway maintenance and construction, recreational and cultural activities, health and social services, as well as general administrative services. The city provides sewer and water services to its residents, along with water services to residents in a portion of the City of Surprise. El Mirage contracts with a local sanitation company for sanitary services. Enterprise funds were established for the accounting and financial reporting of water, sewer, and sanitation services.

Budget Process and Legal Level of Control. The annual expenditure budget serves as the foundation for city financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual expenditure budget approved by the City Council. All city departments are required to submit requests for appropriations during the budget process. The City Manager and Finance Department use these requests plus the prior year’s operating budget as the starting point for assembling a proposed budget for Council consideration. The Council holds a workshop to discuss the proposed budget where presentations are made to the Council on revenues, expenditures, capital, staffing, and taxes. Public hearings are then held on both the budget and proposed property levies. Both the budget and the tax levy are approved by the Council in June or July each year. Maricopa County is required to set the tax rate to collect the levy that the Council sets. The County sets the rate on the third Monday in August. The budget schedules provided by the state are adopted at both the fund and department levels, which are the legal levels of control for the state.

FY2015 - FY2019 Capital Improvements Plan – Factors Affecting Economic Conditions

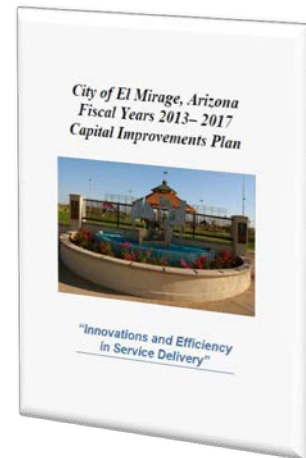
Local Economy. The El Mirage economy was primarily dependant on housing construction for



many years. In 2004, however, the city began to approach residential build-out and the Maricopa County housing market began to diminish causing unemployment statewide, countywide, and locally to spike (The local unemployment rate tends to be slightly higher than county and state levels.). Since that time, the city has turned its focus toward retail and industrial growth resulting in the opening of a Walmart supercenter and two Walgreens pharmacies in recent years.

In addition, the number of businesses licensed in El Mirage has been rising steadily and currently stands at 943. The recession and weaker than expected recovery have made further commercial growth challenging, resulting in the city's reliance on state shared revenues as much as local sales and property tax to remain fiscally solvent. State shared revenues are distributions of sales, income, vehicle, and gasoline taxes based on a statewide formula that was implemented as a result of limitations placed on the ability of cities and towns to collect local revenues.

Long-term Financial Planning. In 2011, the Council adopted the city's first-ever, five-year Capital Improvements Plan (CIP). The CIP was based in part on a series of goals recently adopted by the Council. The Council goals and the CIP are intended to make the city more attractive to commercial development. As part of the CIP, the city developed a five-year financial projection. If the city is successful in expanding its commercial base, the CIP will be revised upward each year.



The presence of Luke Air Force Base provides a significant employment and economic engine for the community. However, Luke's presence has placed significant land use restrictions on large tracks of city property. Although such property is primarily zoned 'agricultural' at present, the city and the primary property owner have long-term plans to convert this property for commercial and industrial uses. Conceivably, this process may take thirty years to complete. Until the property owner is prepared to move forward with development, the city will concentrate on infill properties ranging in size from a few acres to more than 80 acres for continued business growth.

Given the continuing economic uncertainty at the local, state, and national levels, the City Council and administration recognize the need to assure reserves are available for future revenue shortfalls. Therefore, the budget reflects a minimum General Fund reserve of \$6.0 million. The Council approved a utility rate study in 2011 that recommended reserves for each of the three utilities ranging from one month to three months. The reserves are not budgeted. The reserves are only intended to offset shortfalls in revenue collections, not as an opportunity to increase expenditures. By resolution, the Council also directed that all primary property taxes would be

restricted to uses in support of police and fire operations. Through a similar resolution the Council directed that excess funds collected from photo enforcement must be dedicated to public safety and Northern Parkway construction.

Relevant Financial Policies. In June 2012, the City Council adopted a series of comprehensive financial management policies designed to maintain a financially viable city government that provides an adequate level of services, programs, and activities that add value and contribute to the city's mission, while providing financial flexibility to adapt to local, regional, and national economic changes.

Policies directly related to the construction of the annual Capital Improvements Plan are provided below.



- The Finance Director will annually coordinate with the City's Engineer and Public Works Director to submit a Capital Improvement Plan for review by the City Manager, then Council.
- The Capital Improvement Plan shall include:
 - A statement of the objectives of the Capital Improvement Plan.
 - An estimate of each project's/acquisition's useful life.
 - An estimate of each project's/acquisition's capital costs.
 - An estimate of each project's/acquisition's annual operating costs.
 - An evaluation of potential funding sources for each project/acquisition.
 - A schedule for each project/acquisition.
- The current year of the Capital Improvement Plan will provide the basis for the capital budget.
- When current revenues or resources are available for projects/acquisitions, the City will first consider those projects/acquisitions with the shortest useful life and/or those projects/acquisitions which are difficult to finance with debt.
- The City may not proceed with construction or acquisition until the funding sources have been identified to finance the project.
- At the end of the Fiscal Year in which the project is completed or acquired, any remaining funds will revert to the fund balance of the funding source.

In addition to adopted policies the City has a number of administrative procedures that may help users better understand the financial framework of this plan. The relevant procedures are identified in the following bullets.

- The city shall maintain a prudent level of financial resources to protect against reducing service levels, incurring debt, or raising taxes and fees because of unexpected revenue shortfalls, unanticipated expenditures, and similar circumstances.

- The Finance Director shall annually prepare five-year revenue and expenditure forecasts to examine the city's ability to absorb operating costs due to changes in the economy, service demands, service levels, and capital improvements.
- The city shall fund current year capital projects with bonds, grants, or funds accumulated (fund balances) prior to incurring capital expenditures.
- The city shall practice conservatism in budgeting for both revenues and expenditures to ensure the city can meet its ongoing obligations. The city shall not budget excess funds collected (fund balance) for ongoing expenditures.

Major Initiatives. The city has three major capital initiatives either started or planned for that will have significant future impact on the quality of life for its citizens, while expanding infrastructure and increasing the resources available for economic development.

El Mirage Road - The city is partnering with Maricopa County Department of Transportation (McDoT) and the Maricopa Association of Governments (MAG) to complete construction of El Mirage Road from Northern Avenue to Thunderbird Road and to complete improvements along Thunderbird Road from Grand Avenue to west of El Mirage Road. The city has bond authorization to pay for



its share of the improvements. McDoT will provide \$6 million and MAG will provide 70% funding up to approximately \$36 million. The city intends to accelerate the project to complete improvements in less than five years. The original projection for project completion was approximately ten years.

Northern Parkway – Northern Avenue is to be widened into an expressway/parkway configuration. Northern Parkway is designed to be a road of regional significance. Sections of the Northern Parkway project are either currently under construction or are already completed. The El Mirage portion of this regional project is slated to begin in fiscal year 2015-2016. Costs including a Design Concept report, design, right-of-way acquisition, and construction will be shared between project partners El Mirage, Glendale, Peoria, Maricopa County and Maricopa Association of Governments.

Downtown Street Reconstruction – Streets in Downtown El Mirage are deteriorated and need to be reconstructed. The project will be completed in three phases. Phase I: This phase is scheduled for FY 2015-2016 and will encompass the roads from Honcho west to Primrose between the Grand Frontage Road and Thunderbird Road. Phases II and III are scheduled for FY 2016-2018

FY2015 - FY2019 Capital Improvements Plan – List of Elected City Officials



Mayor Lana Mook

Mayor Lana Mook has called Arizona home for nearly 30 years. After retiring from approximately three decades in management, training and patient relations in the health care industry, Mook devoted much of her time to volunteering in El Mirage, pursuing her commitment to do everything she could to improve her community. With a number of other community volunteers, she co-founded the People of El Mirage (POEM), a civic-based community organization focused on helping those in need, as well as informing the public on local issues. Under her leadership, the organization promoted local support for Luke Air Force Base, raised funds for local Cub Scouts and participated in numerous food and clothing drives for the area's residents in need. In addition, POEM members partnered with local public safety officials to increase safety and awareness in El Mirage neighborhoods.

In 2010, Mook was elected Mayor of the City of El Mirage. She currently serves on the Executive Committee of the Arizona League of Cities and Towns, the Executive Committee of the Maricopa Association of Governments (MAG), the Executive Committee of the Western Maricopa Coalition (Westmarc), the Board of the Valley Metro/Regional Public Transportation Authority, and the Transportation Committee of the National League of Cities.

Mayor Mook has provided many years of service to a number of organizations including the Phoenix Suns Charities, the Girl Scouts of America, the U.S. Forest Service (Smokey Bear and Woodsy Owl Fire Prevention Programs), and is a past Vice-President of the Greater Phoenix American Bowling Association.

Accomplishments

- Played a significant role in improving the City's image throughout the West Valley and the entire Phoenix Metropolitan area. This included developing a partnership with Luke Air Force Base and Supporting the F-35A mission.
- Successfully passed an \$8 million bond measure to provide El Mirage residents with a community recreational facility with swimming pool and a new police facility.
- Appointed to the League of Arizona Cities and Towns' Executive Committee consisting of 25 mayors and councilmembers from across the state. The League provides an important link among the 90 incorporated cities and towns in Arizona representing collective interests at the State Legislature and providing timely information on important municipal issues.
- Protected basic services such as public safety by successfully advocating for the rehire of four first responders for the Fire Department after they were laid off in 2010. In addition, she encouraged the police department to address speeding throughout the community with the assistance of RedFlex photo radar.

- Worked to develop El Mirage’s future economic base by approving projects to design quality transportation corridors throughout the City.
- Improved the appearance and quality of life of El Mirage through enhancements to Gentry Park and Grand Avenue.



Vice Mayor Joe Ramirez

Vice Mayor Joe Ramirez has been proud to call El Mirage home for more than 50 years. He graduated from Dysart High School and attended Glendale Community College before beginning work in the construction industry, which led him to a 30-year career that included owning his own construction firm. A straight-to-the-point individual, Vice Mayor Ramirez has always been a supporter of El Mirage and the West Valley. In addition to serving on the City Council, he volunteers his time on numerous civic projects and participates in local events including the Christmas Toy Drive, the Clean Our Community Program, and Habitat for Humanity. Ramirez invites residents to learn more about the issues in the community and join him in working toward a better El Mirage.



Councilman Roy Delgado

Councilman Roy Delgado has served on the El Mirage City Council for 11 years and was last elected in September 2012 to a four-year term. Delgado spent over 20 years in the U.S. Army and National Guard, as well as more than 30 years in management in the oil industry in California and Arizona. His current government service includes the Community Development Advisory Committee (CDAC), which oversees the flow of federal housing and infrastructure project funds received by Maricopa County and awarded on a competitive basis to local governments. The CDAC’s funding recommendations are vetted and ultimately approved by the County Board of Supervisors

Delgado is also a board member of the Citizens Advisory Committee of the County Library District. He was appointed to the position by Former Supervisor Max Wilson and, along with other committee members, serves as a liaison between the district’s board of directors, the library administration, and the community.

Councilman Delgado is equally proud of his community service activities. He retired in January 2014 after years of service as a teacher of hunter safety for the Arizona Game and Fish Department. He is currently a volunteer usher for Luke AFB’s Catholic community; and he helps raise funds, along with his wife Sue, for student scholarships on behalf of Dysart Unified School District and the West Valley Neighborhood Coalition. As a member of the Elks, the American Legion, and two military officers’ associations, Delgado maintains strong ties with the Valley’s military community.



Councilman James McPhetres

Councilman James McPhetres has been a resident and homeowner in El Mirage for over 13 years. During this time, he has volunteered countless hours to community causes such as the Judicial Advisory Board (JAB) that selected candidates for the City's first municipal judge. He served on the Police Advisory Committee and was elected President of the Grande Mirage Homeowners' Association in 2001. He held this position for nine years until being elected to the City Council in 2010. McPhetres serves as the City's representative for the Western Maricopa Coalition (Westmarc) Energy and Water Committee. In March 2012, Councilman McPhetres retired from the U.S. Air Force as a Superintendent of Human Resource Systems and Readiness. He brings to El Mirage 36 years of leadership and management experience as a senior non-commissioned officer in the Air Force and as president and owner of a successful company in Phoenix. As your Councilman elected by the people of El Mirage, McPhetres says all the time that the people in El Mirage are his bosses and he takes to heart the choices Council makes in spending the citizens' money. Councilman McPhetres believes that government should not regulate citizens' lives, but serve the needs of the citizenry. He supported such items as the construction of the new fire and police stations, improvements to City parks and streets, and he encourages residents to vote and be a voice for growth in the City. Councilman McPhetres is married to a wonderful person, Veronica, who is a native of Arizona, and they have two sons and four grandchildren.

Councilman McPhetres is committed to ensuring accountability for all City resources and feels the Council owes residents a City that is affordable and one where residents can live, work, and play. He focuses on fiscally conservative economic development and believes in "Integrity first, service before self and excellence in all we do" – core values from his Air Force past that he carries forward in his role as City Councilman.



Councilman Jack Palladino

Born and raised in Chelsea, Massachusetts, Councilman Jack Palladino's commitment to community began over 40 years ago with his service as a medic in the United States Army. After retiring from active duty, he married his sweetheart, Michele, and went to work for the U.S. Post Office as a letter carrier. Over the course of more than 30 years, Palladino's hard work and perseverance were recognized and he was promoted to management in a U.S.P.S. Boston facility. During this time, he also volunteered as a Little League coach and served with the Knights of Columbus. Shortly after retiring in 2003, Palladino and his wife moved to Arizona where he currently works part time for the Pueblo El Mirage Post Office. The Palladinos have one son, a nine year-old grandson, and a two year-old granddaughter who also live in the West Valley. The couple has been married for 45 years. After attending numerous local City Council meetings and volunteering in the community, Palladino decided to run for El Mirage City Council and was overwhelmingly elected in 2010. Palladino believes that one person *can* make a difference!



Councilman Lynn Selby

Born and raised in Los Angeles, California, Councilman Lynn Selby has a business background spanning more than 30 years. He has managed cash flow and inventories, developed yearly budgets, and managed personnel. Selby and his wife, Danielle retired to El Mirage and began attending City Council meetings regularly and volunteering in the community. In attending the Council meetings, Selby became interested in the workings of the City and wanted to give something back to the community he loves and calls home. Selby was elected to the City Council in August 2010. He served in the U.S. Navy and now volunteers his time as an engineer every Sunday from September through May with the Maricopa Live Steamers Club, giving free rides to the public. Selby also helps the El Mirage Fire Department distribute and install free smoke detectors. He represents Operation Lifesaver throughout the State of Arizona, presenting railroad safety programs to government agencies and local organizations. The Selbys have been married for more than 52 years and have three daughters and four grandchildren.



Councilman David Shapera

Councilman David M. Shapera, recently re-elected to a second four-year term to the El Mirage City Council, was also a past member and Chairman of the El Mirage Planning and Zoning Commission. He has over 39 years in elected and appointed positions in government. He and his wife, Linda have been married for 38 years and have four adult children and eight grandchildren. The Shaperas moved to El Mirage in 2002.

Shapera is a retired police officer and worked for the Clark County Coroner Medical Examiner in Las Vegas, Nevada. He recently retired from the Dysart Unified School District. He continues to guest teach at El Mirage schools and is a member of the Thompson Ranch Elementary PTSA. Shapera has also been a proud member of the Elks Lodge for 35 years.

As an advocate for the new police station and YMCA recreational facility, Councilman Shapera continues to ensure both buildings will be used to proudly serve the El Mirage community. He strongly supports public safety, and continues working to upgrade City infrastructure within the parameters of affordability.

A vocal advocate for Luke Air Force Base, Shapera works with Luke's leadership toward common goals. Supporting economic development in El Mirage is a priority. Shapera has worked to streamline and assist businesses to open in the City. His new program was adopted by the City Council, which calls for directional signs to help businesses thrive.

Shapera is among council members who are strong advocates for the use of solar panels on City buildings, and he was at the forefront of bringing utility savings to City buildings.



LIST OF APPOINTED CITY OFFICIALS

City Manager – Dr. Spencer A. Isom

City Attorney – Robert M. Hall

City Magistrate – Monte Morgan



FY2015 - FY2019 Capital Improvements Plan –

Evaluation Criteria

In addition to considering basic safety issues such as public health and welfare the City focused on six criteria for determining whether a capital request was to be included in the CIP. Items that were determined to be wants rather than needs that did not achieve the priorities of the Council were automatically eliminated from consideration. The six criteria utilized are identified below along with a brief explanation of each.

- Funding – can the City fund this capital expenditure out of existing fund balance, future revenues, or bonding capacity?
- Council Priority – During the Council retreat, was this one of the major capital expenditures that the Council unanimously determined were essential elements of the City’s future development?
- Utility Rate Study – A utility rate study was performed on the City’s Water, Wastewater, and Sanitation enterprises. As part of the study major capital expenditures were included in the expenditure portion of the study. Current and future rates have been determined based in part on these capital expenditures. Was this one of the major capital expenditures that was identified in the utility rate study?
- City Manager Recommended – Certain capital expenditures are necessary to provide basic services. The City Manager reviewed Department Head submissions of CIP requests and asked the question – will basic City services be severely impacted without this capital expenditure?
- Council Approved – These are items which were approved as part of the current year budget which may have multi-year funding requirements. If the future year expenditures are not approved the Capital project will not be completed and the capital item will not be as useful.
- Intergovernmental Agreement\Grant Match – Is the projected expenditure being leveraged to create something larger? Sometimes City projects are used to pay for a portion of a much larger project. City funds can be utilized as a match for grants, or City projects can be used as an in-kind payment to encourage other capital and infrastructure expenditures.



FY2015 - FY2019 Capital Improvements Plan –

Capital Project Definition

In order to distinguish between capital items and operating items, the following capital project definition was developed:

Projects included in the El Mirage CIP are items with a purchase price exceeding \$5,000 including expenditures for major capital projects and items such as city buildings, parks, acquisition of land, major street construction and reconstruction, water and sewer lines and any other project which adds to the capital assets or infrastructure of the City. All other projects shall be included in Departmental operating budgets. The CIP is to be used as a guide in decision-making. The CIP is intentionally developed in the most a-political environment possible with the full knowledge that the final decisions will be made in the political arena. The CIP is an objective basis for making decisions in a very subjective environment.



The process for the CIP's development is divided into four key phases, culminating in the presentation of a Capital Improvement Plan to the City Council for approval.

1. Needs Assessment. Future needs were outlined by the Council and Department Heads.
 2. Financial Analysis. Examined the City's recent revenues, expenditures, current debt, and bonding capacity.
 3. Capital Project Evaluation Criteria. CIP projects were evaluated and prioritized by Management using pre-defined evaluation criteria.
 4. Capital Improvement Plan. All of the preceding steps culminated in the development of the plan document that will be updated on an annual basis.
-

FY2015 - FY2019 Capital Improvements Plan –

Needs Assessment

One of the key elements of the El Mirage Capital Improvements Plan is the Needs Assessment. It addresses the needs of the community within the definition of capital projects for the next five years.

However, additional needs will be identified on a continual basis and will need to be included in the annual update process. Some unanticipated needs will occur during the budget year and will be weighed against needs already identified in the annually adopted CIP.

Attached at the end of this document is a document entitled “City of El Mirage, Capital Improvement Program.” This summarizes the projects approved for funding and all the projects adopted for the Capital Improvement Plan for the next five years along with any costs to complete the project that may be incurred after the fifth year. Each project is listed by the responsible Fund/Department name and project expenditures are shown by fiscal year with a total by project for all years.

In this plan is a document titled “Capital Project Detail”. It is categorized in Fund\Department order and details each CIP project by providing cost detail, description of the project, and recommended funding source(s).



FY2015 - FY2019 Capital Improvements Plan –

Financial Analysis

When attempting to determine what resources are available to fund needed infrastructure improvements, it is important to carefully examine the current financial condition of the City as well as possible funding alternatives. Like most communities, the City of El Mirage will most likely always have more wants and needs than financial resources.

In developing the CIP, a complete financial analysis is conducted. Funding options, municipal revenue trends, the community’s borrowing capacity and current debt are reviewed.

FY2015 - FY2019 Capital Improvements Plan –

Funding Options

The City of El Mirage has been funding capital improvement projects for many years. The key to implementing the CIP is consistent, systematic funding.

The following options are considered when analyzing potential funding sources for CIP Projects.



- **Pay-As-You-Go Out of Current Revenues.**

The City currently receives the bulk of its revenues through local sales taxes, state sales tax, and state income tax. The City also receives funding from state fuel taxes which are restricted for transportation related expenditures.

- **Municipal Bonds.**

The City can issue bonds for

capital projects. Municipal bonds are paid back over a period of time with interest. The City's ability to bond is discussed in more detail in the bonding capacity section. The issuance of municipal bonds must be approved by the voters.

- **Certificates of Participation/Municipal Property Corporations.** These are funding mechanisms used by many municipal governments that allow the municipality to borrow funds without voter approval. The debt is paid back much like a bond – over time with interest. The City does not currently qualify for this option.

- **Lease-Purchase Agreements.** This is a method of financing capital projects that lessens the up-front costs to the municipality. While interest is paid, the payoff period is typically a shorter period than bonds and the municipality will own the project at the termination of the agreement.

- **Improvement Districts.** This financing method is used to raise capital for projects in which the residents who benefit from the improvements pay for them over time.

- **Grants.** Federal, state, and county grants are available to finance capital projects. Many of these grants require the municipality to participate either financially or through "in kind" matches. The City currently is aggressively attempting to obtain county, state, and federal grants.

- **User Fees.** Fees paid by service users to maintain existing facilities and develop additional capacity.

FY2015 - FY2019 Capital Improvements Plan –

Current Revenue Trends

El Mirage currently has a 3% sales tax in addition to the state and county sales taxes. Local sales taxes collected have trended upward from \$4 million in Fiscal-Year 2005 to projected revenues of \$6 million in Fiscal-Year 2015. Construction sales tax was a substantial part of sales tax revenue in past years. Sales tax revenue from construction is no longer a significant component of City sales tax. The City has stabilized sales tax revenue and signs of growth continue to emerge. The City is aggressively pursuing retail and commercial development to provide a sustainable sales tax base.



The City has both a primary and secondary property tax. The primary property tax is used to pay for a portion of public safety operating costs, while the secondary property tax is used to retire voter approved debt. The proposed total combined tax rate is \$3.54 per \$100 net assessed valuation in FY2015. The rate dropped dramatically as property values have begun to rebound significantly from past declines. Values are still below previous highs reached in the last ten years. The State of Arizona limits the increase in primary property tax to 2% of the prior year's levy plus the value of new development. Unlike many other Arizona municipalities, the City has no Special Assessment Districts to pay for infrastructure, maintenance, and street light expenditures.



FY2015 - FY2019 Capital Improvements Plan –

Bonding Capacity

The most commonly utilized large project municipal financing method in the United States of America is the General Obligation Bond (G.O. Bond). This is the most inexpensive way to finance projects because the bond's repayment is based on the full taxing authority of the municipality and backed up by real property. Voters have to approve any property taxes (secondary) instituted to support the issuance of G.O. Bonds. The State of Arizona places limits on this type of financing. Before planning to finance future capital improvement through this mechanism, it is important to know how much authority is available under State Statutes. Under Arizona Law, municipalities may issue G.O. Bonds for purposes of water, wastewater, artificial light, open space preserves, and parks and recreational facilities up to an amount not exceeding 20 percent of the secondary assessed value. In addition, Arizona Law allows municipalities to issue G.O. Bonds for all other purposes not listed above up to an amount not exceeding six percent of the valuation.



El Mirage has voter approved debt for water and sewer projects. This voter approved debt is secured and repaid from water and utility rates and fees. The City has roughly \$2.5 million of voter approved water and sewer debt authorized but unissued. None of the water and sewer projects in this document are intended to be funded by these bonds.

FY2015 - FY2019 Capital Improvements Plan –

Plan Implementation

The success of a plan or a planning process is measured by the degree of its implementation. Since resources are limited, it is crucial for the City of El Mirage to follow a consistent, objective path to allocate funding for future capital improvements needs.

The following implementation program outlines the specific steps necessary to implement the CIP and perform the annual update.

General Implementation Guidelines

- The El Mirage CIP Five-Year Program is updated annually and reviewed and adopted by the City Council each year.
- After City Council adoption the CIP is published and widely distributed.
- Department heads are responsible for preparing monthly reports on the status of current year capital projects. The reports are compiled by the City Engineer and provided to the City Council at each regularly scheduled Council Meeting.
- Citizen input should be sought periodically



to determine the desires of the public. Attitudes and circumstances change and informed decision making requires that the City have an up-to-date awareness of what the public's attitudes are toward community facilities and services and how to pay for them.

FY2015 - FY2019 Capital Improvements Plan –

Summary and Detail Sheets

The following is a document entitled “City of El Mirage, FY2015-FY2019, Capital Improvement Program.”

This document summarizes the projects approved for funding in FY2015 and all projects adopted for the Capital Improvement Plan in the out years through FY2019. As indicated, every project is listed by responsible Fund/Department name and project expenditures are shown by fiscal year and totaled by project across all years.

Following this document is the “Capital Project Detail”. It is categorized in Fund/Department order and details each CIP project by providing cost detail, description of the project, and recommended funding source(s). Following the cost detail section, the timeline of the project is restated by year. These are not in any prioritized order. All projects in FY2020+ are for informational purposes only and have not been funded.

FY2015 - FY2019 Capital Improvements Plan –

Plan Financial Assumptions

The following assumptions have been made regarding the inflow and outflow of financial resources:

1. Beginning balances are based on the preliminary 2014-15 budget and bond fund balances.
2. Most revenues are projected to increase by 2% per year.
 - a. Exceptions exist in:
 - i. Water, Sewer, and Sanitation are based on the rate study.
 - ii. Photo Enforcement is projected to increase by 1% per year based on declining numbers of citations.
 - iii. CDBG, Capital Park Improvement, DIF Municipal Facilities, and Special Projects are set equal to projected capital and expenditures.
 - iv. Debt Service is based on actual expenditures less beginning balances.
 - v. Capital Streets are based on MAG and McDoT revenue assumptions.
 - b. Revenues are based on 2014-15 budget.
3. Most expenditures are projected to increase by 2% per year.
 - a. Exceptions exist in:
 - i. General Fund expenses are projected to increase by 2.5% per year, plus Council recommended payroll distributions, based on the heavy reliance on salaries and wage related benefits.
 - ii. Water, Sewer and Sanitation are based on the rate study.
 - iii. Court Enhancement expenses match revenue estimates.
 - iv. Photo Enforcement expenses are based on Court estimates in the first year.
 - v. Debt Service is based on actual schedules for expenditures.
 - vi. Capital Streets expenditures are related to bond cost of issuance.
 - b. Expenditures are based on the draft 2014-15 budget **less capital and contingencies except for \$200,000 per year in the General Fund.**
4. Debt service is based on projected and actual outstanding debt.
5. Bond proceeds and repayments are identified in the Capital Streets Fund to keep the city on track with the construction of El Mirage Road.
6. Capital is from the summary sheets included in this document. FY 15 capital also reflects carryforward projects from the FY 14 budget.
7. Transfers in/out are based on the following:
 - a. The rate study for utilities
 - b. Council adopted policies
 - c. A \$100,000 annual transfer from the General Fund to the Debt Service Fund
 - d. The assumption that the General Fund will cover negative balances in all funds except the utility funds.
8. Reserves are based on Council adopted policies and the rate study.



FY2015 - FY2019 Capital Improvements Plan –
Revenue Estimates and Fund Balance Summary

		General Fund					
10		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
	Beginning Balance	11,765,000	13,249,000	11,459,500	10,305,500	8,681,000	11,765,000
	Revenues (1)	16,680,000	17,014,000	17,354,000	17,701,000	18,055,000	86,804,000
	Expenditures (2)	17,357,500	18,466,000	19,391,000	20,502,000	21,909,000	97,625,500
	Capital	301,500	1,222,500	117,500	117,500	260,000	2,019,000
	Transfers In/(Out)	2,463,000	885,000	1,000,500	1,294,000	1,316,500	6,959,000
	Subtotal	13,249,000	11,459,500	10,305,500	8,681,000	5,883,500	5,883,500
	Reserve	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
	Ending Balance	7,249,000	5,459,500	4,305,500	2,681,000	(116,500)	(116,500)

		HURF					
21		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
	Beginning Balance	370,000	500	0	0	0	370,000
	Revenues (1)	1,800,000	1,836,000	1,873,000	1,910,000	1,948,000	9,367,000
	Expenditures (2)	1,250,500	1,276,000	1,302,000	1,328,000	1,355,000	6,511,500
	Capital	952,000	850,000	850,000	850,000	903,500	4,405,500
	Transfers In/(Out)	33,000	289,500	279,000	268,000	310,500	1,180,000
	Ending Balance	500	0	0	0	0	0

		Water					
53		FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
	Beginning Balance	2,785,000	897,000	2,259,000	3,399,000	4,305,000	2,785,000
	Revenues (1)	8,470,000	9,096,000	9,152,000	9,209,000	9,267,000	45,194,000
	Bond Proceeds	4,550,000	0	0	0	0	4,550,000
	Expenditures (2)	11,012,500	4,906,000	5,151,000	5,408,000	5,678,000	32,155,500
	Debt Service	1,623,000	1,592,000	1,592,000	1,592,000	1,592,000	7,991,000
	Capital	1,145,000	0	0	0	0	1,145,000
	Transfers In/(Out)	(1,127,500)	(1,236,000)	(1,269,000)	(1,303,000)	(1,303,000)	(6,238,500)
	Subtotal	897,000	2,259,000	3,399,000	4,305,000	4,999,000	4,999,000
	Reserve	790,000	1,818,000	2,788,000	3,352,000	3,352,000	3,352,000
	Ending Balance	107,000	441,000	611,000	953,000	1,647,000	1,647,000

Sewer						
54	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	2,615,000	3,242,500	3,797,500	4,290,500	4,692,500	2,615,000
Revenues (1)	3,100,000	3,092,000	3,108,000	3,124,000	3,140,000	15,564,000
Bond Proceeds	500,000	0	0	0	0	500,000
Expenditures (2)	1,480,500	1,723,000	1,780,000	1,865,000	1,954,000	8,802,500
Debt Service	264,500	310,000	310,000	310,000	310,000	1,504,500
Capital	650,000	125,000	125,000	125,000	425,000	1,450,000
Transfers In/(Out)	(577,500)	(379,000)	(400,000)	(422,000)	(422,000)	(2,200,500)
Subtotal	3,242,500	3,797,500	4,290,500	4,692,500	4,721,500	4,721,500
Reserve	632,000	1,274,000	1,783,000	2,297,000	2,812,000	2,812,000
Ending Balance	2,610,500	2,523,500	2,507,500	2,395,500	1,909,500	1,909,500

Sanitation						
52	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	15,000	197,500	325,500	400,500	419,500	15,000
Revenues (1)	1,525,000	1,501,000	1,502,000	1,502,000	1,502,000	7,532,000
Expenditures (2)	1,047,500	1,076,000	1,130,000	1,186,000	1,246,000	5,685,500
Transfers In/(Out)	(295,000)	(297,000)	(297,000)	(297,000)	(297,000)	(1,483,000)
Subtotal	197,500	325,500	400,500	419,500	378,500	378,500
Reserve	86,000	179,000	188,000	198,000	198,000	198,000
Ending Balance	111,500	146,500	212,500	221,500	180,500	180,500

Municipal Court						
14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	150,000	0	0	0	0	150,000
Revenues (1)	355,000	362,000	369,000	376,000	384,000	1,846,000
Expenditures (2)	724,000	738,000	753,000	768,000	783,000	3,766,000
Transfers In/(Out)	219,000	376,000	384,000	392,000	399,000	1,770,000
Ending Balance	0	0	0	0	0	0

Municipal Court Enhancement						
15	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	965,000	0	0	0	0	965,000
Revenues (1)	395,000	403,000	411,000	419,000	427,000	2,055,000
Expenditures (2)	1,360,000	403,000	411,000	419,000	427,000	3,020,000
Ending Balance	0	0	0	0	0	0

Photo Enforcement						
16	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	1,935,000	0	0	0	0	1,935,000
Revenues (1)	1,780,000	1,798,000	1,816,000	1,834,000	1,852,000	9,080,000
Expenditures (2)	2,245,000	1,376,000	1,394,000	1,412,000	1,430,000	7,857,000
Transfers In/(Out)	(1,470,000)	(422,000)	(422,000)	(422,000)	(422,000)	(3,158,000)
Ending Balance	0	0	0	0	0	0

CDBG						
31	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	80,000	0	0	0	0	80,000
Revenues (1)	211,000	1,100,000	1,100,000	1,330,000	230,000	3,971,000
Capital	211,000	1,100,000	1,100,000	1,330,000	230,000	3,971,000
Transfers In/(Out)	(80,000)	0	0	0	0	(80,000)
Ending Balance	0	0	0	0	0	0

Debt Service						
41	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	630,000	566,500	500,500	430,500	363,500	630,000
Revenues (1)	1,960,000	1,960,000	1,960,000	1,960,000	1,960,000	9,800,000
Expenditures (2)	2,123,500	2,126,000	2,130,000	2,127,000	2,127,000	10,633,500
Transfers In/(Out)	100,000	100,000	100,000	100,000	100,000	500,000
Subtotal	566,500	500,500	430,500	363,500	296,500	296,500
Reserve	245,000	245,000	245,000	245,000	245,000	245,000
Ending Balance	321,500	255,500	185,500	118,500	51,500	51,500

Capital Streets						
56	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	6,455,000	1,030,000	793,000	504,500	559,000	6,455,000
Revenues (1)	0	852,000	5,858,500	5,862,500	0	12,573,000
Bond Proceeds	2,464,000	7,870,000	(5,858,000)	(1,801,000)	0	2,675,000
Expenditures (2)	0	157,500	0	0	0	157,500
Debt Service	0	315,000	413,500	179,000	107,000	1,014,500
Capital	8,624,000	9,170,000	500,000	4,218,000	500,000	23,012,000
Transfers In/(Out)	735,000	683,500	624,500	390,000	318,000	2,751,000
Subtotal	1,030,000	793,000	504,500	559,000	270,000	270,000
	1,030,000	793,000	504,500	559,000	270,000	270,000
Ending Balance	6,455,000	1,030,000	793,000	504,500	559,000	6,455,000

Capital Park Improvement						
61	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	250,000	0	0	0	0	250,000
Capital	250,000	0	0	0	0	250,000
Ending Balance	0	0	0	0	0	0

DIF Municipal Facilities						
66	2015	2016	2017	2018		5 YR Summary
Beginning Balance	65,500	0	0	0	0	65,500
Capital	65,500	0	0	0	0	65,500
Ending Balance	0	0	0	0	0	0

Special Projects						
73	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	30,000	0	0	0	0	30,000
Revenues (1)	10,296,000	10,296,000	10,296,000	10,296,000	10,296,000	51,480,000
Expenditures (2)	10,306,000	10,296,000	10,296,000	10,296,000	10,296,000	51,490,000
Capital	20,000	0	0	0	0	20,000
Ending Balance	0	0	0	0	0	0

Citywide Totals

Citywide Total	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 YR Summary
Beginning Balance	28,110,500	19,183,000	19,135,000	19,330,500	19,020,500	28,110,500
Revenues (1)	46,572,000	49,310,000	54,799,500	55,523,500	49,061,000	255,266,000
Expenditures (2)	48,907,000	42,543,500	43,738,000	45,311,000	47,205,000	227,704,500
Debt Service	1,887,500	2,217,000	2,315,500	2,081,000	2,009,000	10,510,000
Bond Proceeds	7,514,000	7,870,000	(5,858,000)	(1,801,000)	0	7,725,000
Capital	12,219,000	12,467,500	2,692,500	6,640,500	2,318,500	36,338,000
Transfers In/(Out)	0	0	0	0	0	0
Subtotal	19,183,000	19,135,000	19,330,500	19,020,500	16,549,000	16,549,000
Reserve	7,753,000	9,516,000	11,004,000	12,092,000	12,607,000	12,607,000
Ending Balance	11,430,000	9,619,000	8,326,500	6,928,500	3,942,000	3,942,000

(1) Revenues increase by 2% annually unless better assumptions are available.

(2) Expenditures increased by 2% per year. Base year = FY 15 draft budget

Water/Sewer and Sanitation data from rate study dated: 2013

Capital for FY14-15 does not equal the CIP summary or detail figures because of carryforward projects and grant matches.

<i>Totals By Funding Source</i>						
	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	5 Year Total
Bonds	\$ 8,674,000	\$ 8,670,000	\$ -	\$ 3,718,000	\$ -	\$ 21,062,000
Sewer Fees	150,000	125,000	125,000	125,000	425,000	950,000
Water Fees	95,000					95,000
Impact Fees	65,500	-	-	-	-	65,500
HURF	952,000	850,000	850,000	850,000	903,500	4,405,500
CDBG	211,000	1,100,000	1,100,000	1,330,000	230,000	3,971,000
Grants	21,000	-	-	-	-	21,000
Photo Funds	-	500,000	500,000	500,000	500,000	2,000,000
Taxes	215,500	1,222,500	117,500	117,500	260,000	1,933,000
Total	\$ 10,384,000	\$ 12,467,500	\$ 2,692,500	\$ 6,640,500	\$ 2,318,500	\$ 34,503,000



Fund	Department	Funding	Project	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	Total
10	Fire	Taxes	Dual Band Mobile Radio	15,000						15,000
10	Fire	Taxes	Heart Monitors		37,000					37,000
10	Fire	Taxes	Fire Truck Refurbishment		350,000					350,000
10	Police	Taxes	Radio Replacement		718,000					718,000
10	Police	Taxes	Vehicle Replacement	140,000	110,000	110,000	110,000	110,000		580,000
10	Police	Taxes	Mobile Digital Computer Replacement					150,000		150,000
10	IT	Taxes	Backup Solution	20,000						20,000
10	IT	Taxes	Dell Equallogic Data Storage Array	20,000						20,000
10	Facilities	Taxes	HVAC Unit Replacement	13,000						13,000
10	Parks	Taxes	Playground Improvements	7,500	7,500	7,500	7,500			30,000
21	Engineering	HURF	City-wide Traffic Signal Improvements	102,000						102,000
21	PW - Streets	HURF	Pavement Management Program	850,000	850,000	850,000	850,000	850,000	850,000	5,100,000
21	PW - Streets	HURF	Purchase Skid Steer Loader + Attachments					53,500		53,500
31	Engineering	CDBG	Main Street Sidewalk Improvements	61,000						61,000

Fund	Department	Funding	Project	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	Total
31	Engineering	CDBG	Santa Fe Lane Sidewalk Improvements	150,000						150,000
31	Engineering	CDBG	El Mirage Road Waterline Replacement			230,000	230,000			460,000
31	Public Works	CDBG	Downtown Street Reconstruction		1,100,000	1,100,000	1,100,000			3,300,000
53	PW-Water	Water Fees	Purchase Backhoe	95,000						95,000
54	CommDev	Sewer Fees	Handrail Safety Improvements	25,000						25,000
54	PW-Sewer	Sewer Fees	WW Reclamation Facility Design				300,000			300,000
54	PW-Sewer	Sewer Fees	Pumps and Motor Replacements	125,000	125,000	125,000	125,000	125,000	125,000	750,000
56	Capital/Streets	Bonds	El Mirage Road	8,424,000	8,670,000		3,718,000		10,618,500	31,430,500
56	Capital/Streets	Photo Funds	Northern Parkway Improvements	-	500,000	500,000	500,000	500,000	7,474,600	9,474,600
61	PW-Parks	Bonds	Basin Park Lighting	250,000						250,000
66	Administration	Impact Fees	Mobile Sign Trailers	65,500						65,500
73	Fire	Grants	Thermal Imaging Camera	10,000						10,000
73	Police	Grants	Mobile Speed Trailer	11,000						11,000
Total				\$10,384,000	\$12,467,500	\$2,692,500	\$6,640,500	\$2,318,500	\$19,068,100	\$53,571,100

FUND	DEPT	FUNDING	PROJECT/EQUIPMENT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	TOTAL
10	FIRE	TAXES	DUAL BAND MOBILE RADIO Purchase one dual band mobile radio to replace the existing VHF radios installed in the assistant chief vehicle along with a radio/intercom system. The current radio in the assistant chief vehicle does not have the capability to transmit and receive on both 800 MHz and VHF frequencies that are needed by fire fighters during emergency operations.	15,000						15,000
10	FIRE	TAXES	HEART MONITORS - Replace the last of three heart monitors/defibrillators. The monitor will be outside of the recommended 8 year life span.		37,000					37,000
10	FIRE	TAXES	FIRE TRUCK REFURBISHMENT- The reserve American La France fire engine, purchased in 2000, will need to be replaced in the near future. The vehicle currently has 137,429 miles and 12,881 hours on the engine. The department needs a reliable reserve fire engine for crews to move into when front line apparatus goes out of service for repair and preventative maintenance.		350,000					350,000
10	POLICE	TAXES	RADIO REPLACEMENT Request for the purchase of 94 hand-held mobile radios, plus accessories at an estimated cost of \$7,000 per unit plus tax to replace equipment reaching end of life. Additionally, the Federal Communications Commission has issued a nationwide mandate for all public safety radio systems to be narrow-banded by January 1, 2017. This request insures continued public safety communications for the City of El Mirage Police and Fire Departments and compliance with Federal mandates.		718,000					718,000

FUND	DEPT	FUNDING	PROJECT/EQUIPMENT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	TOTAL
10	POLICE	TAXES	REPLACEMENT VEHICLES Replace 3 marked vehicles due to age related deterioration and decreased value of repairs.	140,000	110,000	110,000	110,000			580,000
10	POLICE	TAXES	MDC COMPUTERS IN VEHICLES The City purchased replacements in 2013. Due to constant emerging technology and end of life cycle by FY18/19, purchase of new technology is requested. The MDC is a critical piece of technology that allows an officer to perform the required duties while on patrol. Replacement of the MDC's also ensure that the Department adheres to the terms and conditions set forth in the IGA with City of Surprise for dispatch services.					150,000		150,000
40	IT	TAXES	BACKUP SOLUTION -The City has been expanding in recent years and with that brings additional data created by its staff. Last year a new Storage Array to accommodate this growth, however that data should also be backed up to guard against loss should a disaster happen. The current backup solution in place at the City is at capacity and is several years old. Steps need to be taken to bring in a new solution that will accommodate the City's current data needs and future growth. Furthermore, off-site replication is now an optional feature appliances offer to add an additional layer of redundancy to accommodate business continuity planning. We will investigate cloud replication as part of this solution.	20,000						20,000

FUND	DEPT	FUNDING	PROJECT/EQUIPMENT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	TOTAL
10	IT	TAXES	DELL EQUALLOGIC DATA STORAGE ARRAY -The Police Department desires to establish a compatible storage option, in conjunction with the City Hall's existing storage array. As the Department emerges into paperless records and filing, fingerprint storage, electronic citations, and storage of past criminal history records and reports (currently stored by hard copy); the need for additional data storage equipment is critical to ensure data protection and disaster recovery. This device would complement City Hall's existing storage array allowing replication between the sites.	20,000						20,000
10	FACILITIES	TAXES	HVAC UNIT REPLACEMENT - Replace HVAC units at city facilities - One (1) at the library building and one (1) emergency replacement. A diagnostic audit on all HVAC units was performed by Ocean Breeze Air in October and November of 2013 and found four (4) units are in need of immediate replacement. The three units at city hall are approaching 30 years old (1986), inefficient and have surpassed their anticipated useful lifespan. The unit at the library is 11 years old. The average life of an HVAC unit is 10 years old.	13,000						13,000

FUND	DEPT	FUNDING	PROJECT/EQUIPMENT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	TOTAL
10	PARKS	TAXES	PLAYGROUND IMPROVEMENTS- Cost of labor and materials to remove existing playground sand at pocket parks and replace it with wood chips. Sand is no longer recommended as a safe surface for playgrounds. Wood chips are the recommended choice for playground surfaces. Two of the parks are in Buena Vida and two are in the Dysart Park subdivision. This would complete the change out of sand to wood chips in all City-owned pocket parks.	7,500	7,500	7,500	7,500			30,000
21	ENGINEERING	HURF	CITY-WIDE TRAFFIC SIGNAL IMPROVEMENTS- Construction of various existing signal improvements including; improved computerized control, closed circuit video, pedestrian control, signage, signal preemption, and signal coordination with adjoining agencies. Construction to be partially funded by a federal Congestion Mitigation and Air Quality (CMAQ) grant. The remainder of the costs are the local match. ADOT to award project and complete construction administration as a federal aid project.	102,000						102,000
21	PW-STREETS	HURF	PAVEMENT MANAGEMENT PROGRAM - The purpose of the Pavement Management Plan is to perform cost effective street improvements by properly matching the maintenance and rehabilitation methods to the pavement condition to extend the life of the City streets, which will enhance the safety and quality of the City's transportation system and community appearance.	850,000	850,000	850,000	850,000	850,000	850,000	5,100,000

FUND	DEPT	FUNDING	PROJECT/EQUIPMENT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	TOTAL
21	PW-STREETS	HURF	PURCHASE SKID STEER LOADER + ATTACHMENTS- Replace the City's Skid Steer Loader and attachment used by the Public Works Streets Division. The current Skid Steer Loader is 13 years old and breaks down often, which affects scheduling and the ability to efficiently perform the mission of the Department. The Skid Steer Loader is used for alley and right of way cleanup, grading and dirt work, cleaning of washes, asphalt work, concrete work, and other work performed by the Department. The attachment requested is a trencher attachment, which will be used for trenching for electrical or irrigation repairs in the ROW.					53,500		53,500
31	ENGINEERING	CDBG	MAIN STREET SIDEWALK IMPROVEMENTS Provide new sidewalks on the west side of Main Street north of Meyer Lane. This project will also require the relocation of private structures such as existing carpools and landscaping to remove them from the City's right of way. Funding for design and construction through CDBG Grant.	61,000						61,000
31	ENGINEERING	CDBG	SANTA FE LANE SIDEWALK IMPROVEMENTS Provide new sidewalks on the south side of Santa Fe Lane between El Mirage Road and 5th Avenue. Funding for design and construction through CDBG Grant.	150,000						150,000

FUND	DEPT	FUNDING	PROJECT/EQUIPMENT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	TOTAL
31	ENGINEERING	CDBG	EL MIRAGE ROAD WATERLINE REPLACEMENT -Replacement of waterlines along El Mirage Road during the construction phase of the El Mirage Road project.				230,000	230,000		460,000
31	PUBLIC WORKS	CDBG	DOWNTOWN STREET RECONSTRUCTION Streets in Downtown El Mirage are deteriorated and need to be reconstructed. The project will be completed in three phases. Phase I: Roads from Honcho west to Primrose between the Grand Frontage Road and Thunderbird Road. Phase II: Roads from Primrose west to El Mirage Road between the Grand Frontage Road and Thunderbird Road. Phase III: Roads from El Mirage Road west to and including 5th Avenue between Santa Fe (included on project) and Thunderbird Road.		1,100,000	1,100,000	1,100,000			3,300,000
53	PW-WATER	WATER FEES	PURCHASE BACKHOE - Replace a backhoe used by the Public Works Water Division. The current backhoe is 13 years old and has had numerous breakdowns in the past few years. Breakdowns significantly disrupt the repair schedule and the quick response to emergencies. Over the past three years \$3,300 has been spent on rentals and \$1,000 spent on repairs. The backhoe is the main piece of equipment used daily by the Water Division.	95,000						95,000

FUND	DEPT	FUNDING	PROJECT/EQUIPMENT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	TOTAL
54	COMMDEV	SEWER FEES	HANDRAIL SAFETY IMPROVEMENTS- Addition of handrails at the Lower El Mirage Wash culvert headwall structures and miscellaneous drainage structures around the City.	25,000						25,000
54	PW-SEWER	SEWER FEES	WW RECLAMATION FACILITY DESIGN- Design phase of the WW reclamation facility					300,000		300,000
54	PW-SEWER	SEWER FEES	PUMPS AND MOTOR REPLACEMENTS- Replace a combination of three pumps or motors each year due to equipment failure or having reached the life cycle and no longer supported. Replacement is suggested to be done routinely for proper operation of the treatment facility with the interest of the public's health, safety, and welfare in mind.	125,000	125,000	125,000	125,000	125,000	125,000	750,000
56	CAPITAL/ STREETS	BONDS	EL MIRAGE ROAD The City is partnering with McDot and MAG to complete construction of El Mirage Road from Northern to Thunderbird and to complete improvements along Thunderbird Road from Grand Avenue to west of El Mirage Road. The City has bond authorization to pay for its share of the improvements. McDot will provide \$6 million and MAG will provide 70% funding up to approximately \$36 million. The City intends to accelerate the project to complete improvements in less than five years. The original projections were for the project to take approximately ten years.	8,424,000	8,670,000		3,718,000		10,618,500	31,430,500

FUND	DEPT	FUNDING	PROJECT/EQUIPMENT	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY20+	TOTAL
56	CAPITAL/ STREETS	PHOTO FUNDS	NORTHERN PARKWAY Northern Avenue is to be widened into an expressway/parkway configuration. Northern Parkway is to be widened as a road of regional significance. Costs include Design Concept Report, design, ROW acquisition, and construction shared between project partners El Mirage, Glendale, Peoria, Maricopa County, and MAG. Regional funding extends beyond the current five year CIP.		500,000	500,000	500,000	500,000	7,474,600	9,474,600
61	PW-PARKS	BONDS	BASIN PARK LIGHTING- Basin Park is located south of Cactus Road and west of El Mirage Road. The intent of the lighting will be to provide some illumination on the sidewalks and lower area of the basin. With the park closed during non-daylight hours only some level of lighting over the basin area will be provided.	250,000						250,000
66	ADMIN	IMPACT FEES	MOBILE SIGN TRAILERS- Mobile sign trailers to provide public information regarding City sponsored special events.	65,500						65,500
73	FIRE	GRANTS	THERMAL IMAGING CAMERA- Replacement of an aging thermal imaging camera with outdated technology. This camera is an essential tool to enhance firefighter safety and victim survivability. \$9,000 is paid by grant funds, \$1,000 is a City match.	10,000						10,000
73	POLICE	GRANTS	MOBILE SPEED TRAILER- Speed Trailer & Radar Recorder; 2014-PT-055	11,000						11,000



City of
EL MIRAGE

Arizona

GRAND HERITAGE, BRIGHT FUTURE!

FY2015 - FY2019 Capital Improvements Plan –

Glossary

Accrual Basis	A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent
Adoption	Formal action by the City Council to approve a document (Budget; Capital Improvement Plan; etc.) for the fiscal year
Appropriation	Specific amount of monies authorized by the City Council for the purposes of incurring obligations and acquiring goods and services
Assessed Valuation	A value set upon real property by the County Assessor for the purpose of levying property taxes
Base Budget	The ongoing expense for personnel, contractual services, commodities, and the replacement of equipment to maintain service levels previously established by the City Council
Bonds	A certificate of debt guaranteeing a payment of a specified amount of money by a specified future date
Budget	Financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving Council goals and objectives
Capital Items	Any item with a purchase price exceeding \$5,000
Capital Projects Budget	The expenditures of revenues for major capital projects and items such as city buildings, parks, acquisition of land, major street construction and reconstruction, water and sewer lines and any other project which adds to the capital assets or infrastructure of the City

Cash Basis	A basis of accounting in which transactions are recognized only when cash is increased or decreased
CIP	Capital Improvement Plan
Contingency	Monies which have not been allocated to any specific purpose and may only be utilized in conjunction with Council notification.
Capital Projects Funds	This fund accounts for resources providing for the acquisition or construction of all capital facilities and items
Debt Service	Principal and interest payments on borrowed funds such as bonds
Debt Service Funds	Used to account for the accumulation of resources for, and the payment of, general long-term debt, principal and interest
Encumbrance	Accounting concept that recognizes a commitment to expend resources in the future
Enterprise Fund	Used to account for the business-type activities of a government. These are activities which are financed and operated in a manner where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges
Estimated Revenue	The amount of projected revenue to be collected during the fiscal year
Expenditure	Represents a decrease in fund resources for the acquisition of goods or services
Expenditure Limitation	An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The Economic Estimates Commission sets the limit based upon population growth and inflation.
F.T.E.	Full Time Equivalent – 2080 hours worked equates to 1.0 full time equivalent position
Fiscal Year	Any period of twelve consecutive months that establishes the beginning and the ending of financial transactions. For the City of El Mirage this period begins July 1 and ends June 30

Fund	A set of self-balancing accounts that record revenues and expenditures associated with specific activities
Fund Balance	Carry over funds due to actual revenues exceeding actual expenditures
General Fund	The fund used to measure all financial transactions of the municipality except those required by law or agreement to be accounted for in another fund. The general fund is the primary operating fund of the city.
General Obligation (G.O.) Bond	Type of bond backed by full faith and credit of the City.
Grant	A contribution by the State or Federal government or other organization to support a particular function.
Highway User Revenue Fund (HURF)	This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purposes
Infrastructure	Facilities on which the continuance and growth of a community depend on such as roads, water lines, sewers, public buildings, parks, airports, etc
Intergovernmental Revenue (Shared)	Revenue received from other governmental agencies (e.g., State Sales Tax, State Income Tax, gasoline tax, motor vehicle license)
Long Term Debt	Debt with a maturity of more than one year after the date of issuance
Maintenance and Operation (M&O) Costs	The day-to-day operating and maintenance cost of a municipality including such things as personnel, gas, electric utility bills, telephone expense, reproduction costs, postage and vehicle maintenance
Objectives	A desired outcome that is measurable and that can be achieved within a specific time frame
Operating Budget	A budget for the delivery of ongoing City services, to include expenditures such as personal services, contractual services, commodities, and operating capital items

Primary Property Tax	A limited tax levy used for general government operations. State statute restricts the total levy to a 2% annual increase plus an increase for any new construction and / or annexation
Property Tax Rate	The amount of tax levied for each \$100 of assessed valuation
Reserves	Money that has been set aside in the event of revenue shortfalls
Resources	Total monies available for appropriation purposes to include revenues, fund balances, transfers and other financing services (i.e., bond proceeds)
Revenue Bond	Bonds that are backed by revenues from a specific system (i.e., Water and Sewer Revenue Bonds are payable from water and sewer revenues)
Revenue	Resources achieved from taxes, user charges/fees, and other levels of government
ROW	Right of Way
Secondary Property Tax	Voter approved tax levy which can only be used to retire general bonded debt obligations
Special Revenue Funds	Used to record the receipt of funding from specific revenue sources (other than special assessments, trusts, or major capital projects) that are legally restricted to expenditure for specific purposes
Tax Levy	The total amount to be raised by general property taxes for purposes specified in the Tax Levy ordinance
Transfer	An inter-fund transaction where one fund contributes resources to another fund where the resources are expended