

COCONINO COUNTY

ARIZONA

Fiscal Year 2017

Annual Adopted Budget

July 1, 2016-June 30, 2017

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Adopted Budget Fiscal Year 2017 (July 1, 2016—June 30, 2017)

COCONINO COUNTY BOARD OF SUPERVISORS

Art Babbott
District I

Elizabeth C. Archuleta
District II

Matthew G. Ryan
District III

Mandy Metzger
District IV

Lena Fowler
District V
Chairperson

COCONINO COUNTY MANAGEMENT

Cynthia Seelhammer
County Manager

Neil Young
Deputy County Manager

Mike Townsend
Deputy County Manager

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

Budget Team

Megan Cunningham, Assistant Finance Director
John Comer, Senior Budget Analyst
Janice Bradley, Budget Analyst

Bonny Lynn, Finance Director/CFO

www.coconino.az.gov

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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, 2015. 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 2017 Budget Document has been developed to provide information to the public, document the FY17 budget process and decisions, and present the budget for FY17. 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, and Index.

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 FY17 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 FY17. 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 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.

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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.

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Budget Resolution

When recorded please return to:
BOARD OF SUPERVISORS
Clerk of the Board
219 East Cherry Ave
Flagstaff, AZ 86001

Official Records of Coconino County 3767387
Patty Hansen - Recorder 10/25/2016 11:41 AM Pgs: 19
COCONINO BOARD OF SUPERVISORS GA \$15.00

COCONINO COUNTY

Resolution 2016-30 for the Adoption of the Budget

Fiscal Year 2017

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 1, 2016, 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 21, 2016, 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

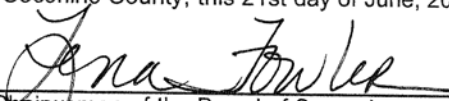
WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the Board would meet on June 21, 2016, at the office of the Board for the purpose of hearing taxpayers and making tax levies as set forth in said estimates, and

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 \$188,145,090 County for the fiscal year 2017.

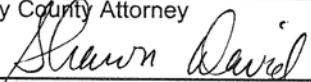
Passed by the Board of Supervisors of Coconino County, this 21st day of June, 2016.

APPROVED:


Chairwoman of the Board of Supervisors

ATTEST:


Deputy County Attorney


Clerk of the Board of Supervisors



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Board of Supervisors



Supervisor Art Babbott
District I

Supervisor Matt Ryan
District III

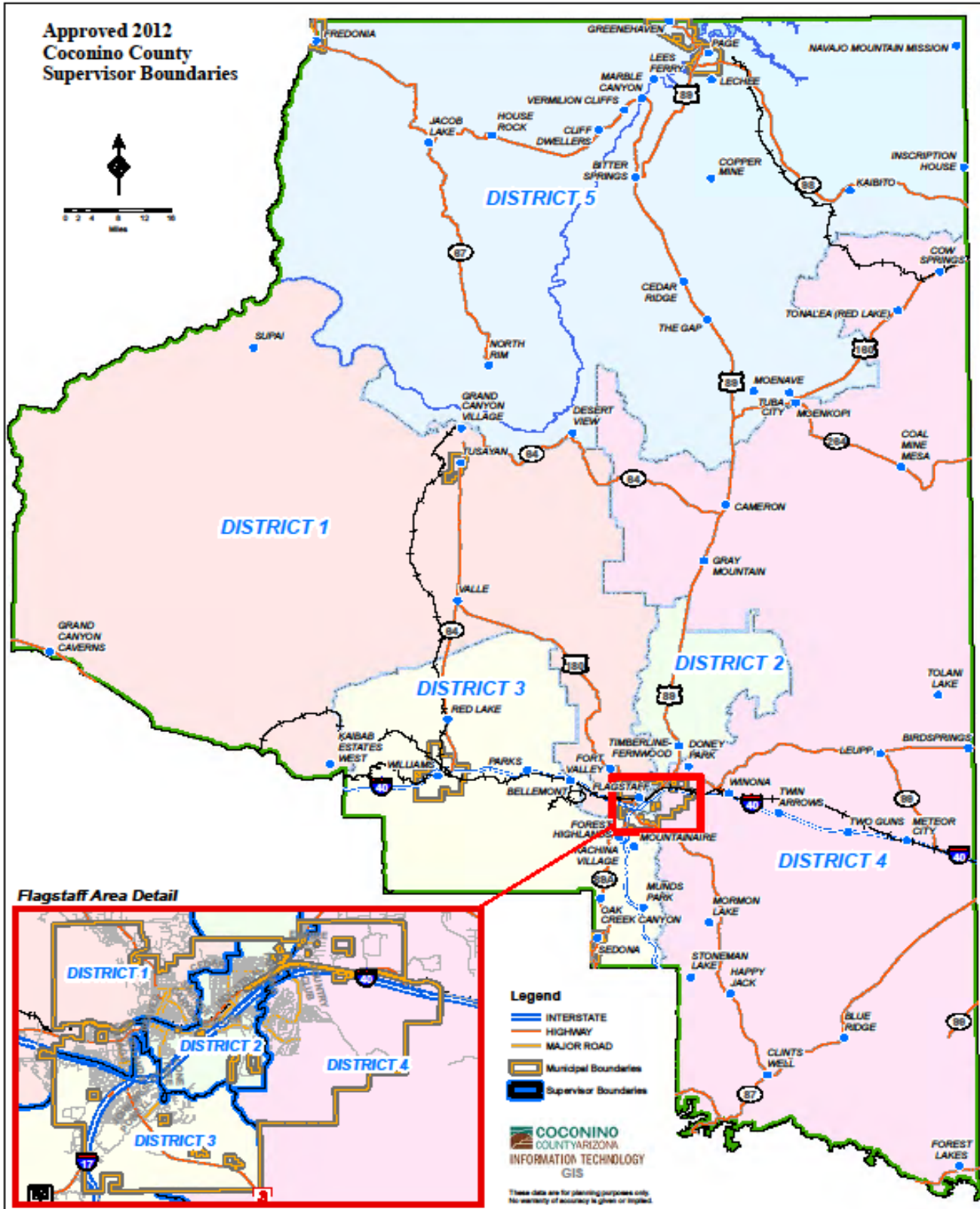
Supervisor Liz Archuleta
District II (Vice Chair)

Supervisor Mandy Metzger
District IV

Supervisor Lena Fowler
District V (Chair)

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County Supervisory Districts



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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 a citizenry and staff that is proud of their 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.

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 civility.
 - 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.

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County Officials

BOARD OF SUPERVISORS

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

ELECTED OFFICIALS

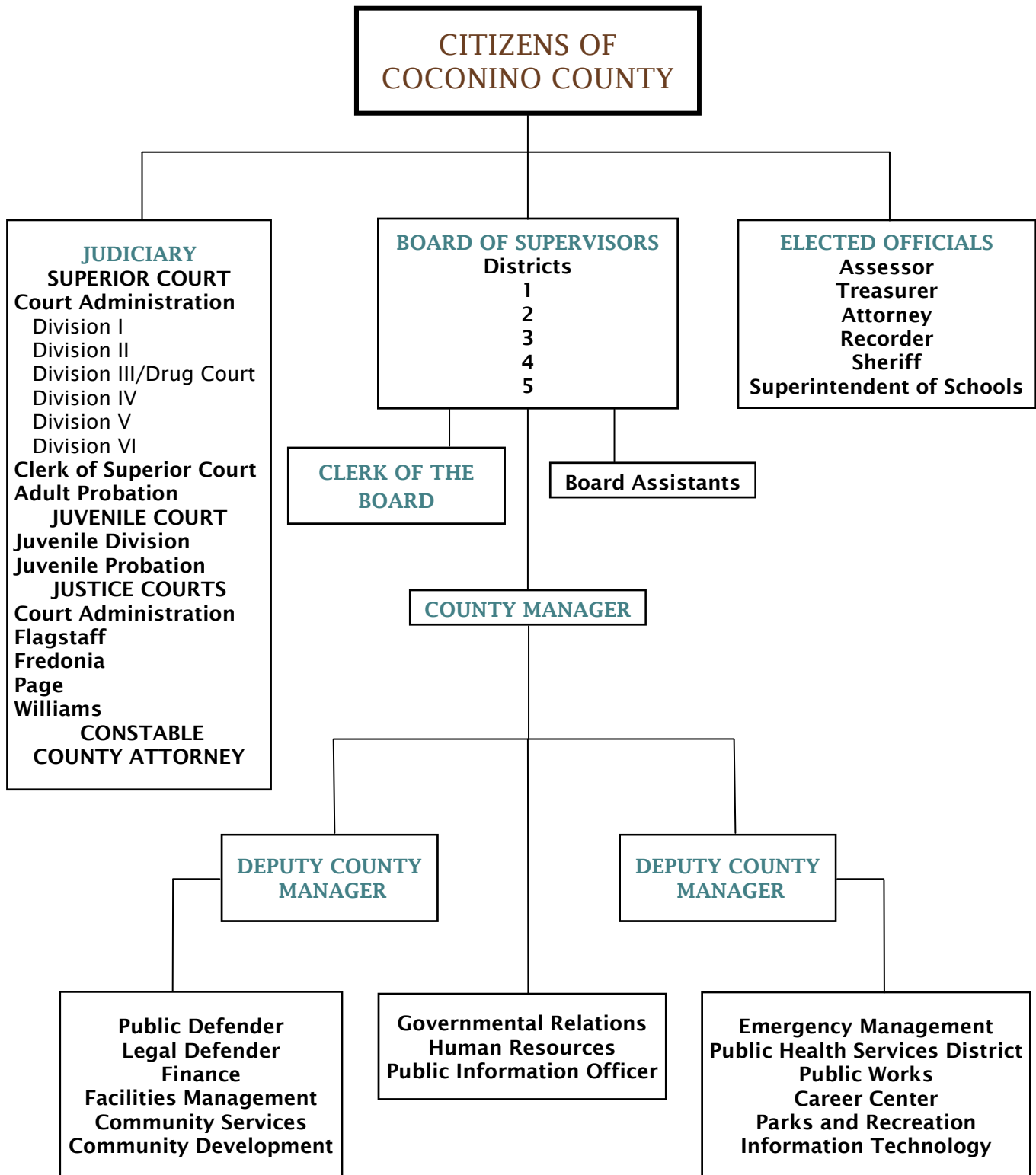
Clerk of the Superior Court	Valerie Wyant	
Constable	Darrin Womble	
County Assessor	Chris Mazon	
County Attorney	David Rozema	
County Recorder	Patty Hansen	
County Sheriff.....	William Pribil	
County Superintendent of Schools.....	Risha VanderWey	
County Treasurer.....	Sarah Benatar	
Justice of the Peace	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).....	Sarah Douthit
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	Erika Philpot
Finance	Bonny Lynn
Information Technology	Kristopher Estes
Juvenile Court Services	Bryon Matsuda
Legal Defender.....	Gary Pearlmuter
Parks and Recreation	Dustin Woodman
Public Defender.....	Sandra Diehl
Public Works	Lucinda Andreani/Mike Lopker
Superior Court Juvenile Court Judge/Commissioner	Margaret McCullough

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Organizational Chart



Letter to the Citizens



LETTER TO THE CITIZENS

June 21, 2016

Dear Citizens of Coconino County,

The Coconino County Board of Supervisors and I are pleased to submit the Adopted Budget for Fiscal Year 2016-2017. The FY17 Adopted Budget represents the County's overall financial plan for the fiscal year beginning July 1, 2016 and serves as a guide for allocating available resources based on County priorities.

State of Arizona Economic Assumptions

In order to develop a realistic budget, it is important to understand the projected direction of the State and local economy.

In 2014 the Arizona economy paused, growth improved in 2015, and 2016 was the best year of recovery yet. The FY16 State sales taxes are trending at 2.5% above this time last year while Arizona unemployment is at its lowest since 2008. The FY2016 ending balance is projected to be \$499 million, an increase of \$535 million from the original budget estimate of a \$35 million shortfall. The factors leading to the \$535 million adjustment are:

- ⇒ An increase in ongoing revenue under the updated January consensus forecast, resulting in higher-than-budgeted FY2016 revenues.
- ⇒ An increase in one-time financing sources, primarily due to the Tax Amnesty program.
- ⇒ An increase in balance forward from FY2015.

FY2017 is looking to continue this growth trend, with State revenues anticipated to be \$256 million more than in FY2016. In comparison, FY2017 spending is projected to see a growth of 1.4% or \$130 million. With these baseline estimates of State revenues and spending obligations, there are both positive and negative risks.

Gains:

- Improving national economic recovery: The national economy has been improving since the second quarter of 2014. Stronger economic growth, better job prospects, and an increase in consumer confidence could translate into increased net migration to Arizona, which would also result in more demand for housing and an overall boost to the State economy and related revenue growth.

Losses:

- Possibility of a recession.
- Litigation expenses: Beyond the K-12 inflation litigation, the State faces other unresolved and potential litigation impacts that have not been incorporated into the baseline, including higher state employer contribution rates related to retirement litigation, hospital assessment litigation, rental car surcharge litigation, and foster care litigation.

State of Arizona Shifts to Coconino County

As subdivisions of the State, counties are mandated by the State to deliver certain services at the local level. Over time, funding levels and mandated services have changed, creating additional impacts that counties must accommodate. A major concern during the annual budget development is the

LETTER TO THE CITIZENS

continued uncertainty at the State level. We continue to see the following shifts and impacts in order for the State to continue their quest to balance their budget.

General Fund Impacts

- Sexually Violent Predators: Costs the County 34% of total amount to house and treat sexually violent predators.
FY16 Projected Actual: \$69,357 - This amount varies from year to year depending on active cases.
- Restoration to Competency: Cost to house and treat prisoners at the State hospital that are not competent to stand trial.
FY16 Projected Actual: \$161,825 - This amount varies from year to year depending on active cases.
- Court Liability Insurance: Counties are now required to fund liability insurance for court staff.
FY16 Projected Actual: \$33,877
- Justice of the Peace (JP) Salaries: Coconino County previously funded 58.85% of JP salaries. This has been increased to 80.75%
FY16 Actual Cost: \$334,000
FY16 Actual Reimbursement from State: \$64,002
- Inactivation of the State Department of Revenue property valuation system, forcing counties to invest in a capital system and staffing to create assessed valuations.
FY16 Projected Cost: \$95,000
- Arizona Department of Revenues fee for sales tax collection (new in FY16).
FY16 Actual Cost: \$55,355
- Arizona Department of Juvenile Corrections (new in FY16).
FY16 Actual Cost: \$252,400

Other Fund Impacts

- Shift of HURF shared revenues to fund State DPS.
FY16 projected actual: \$520,000
- Loss in State grant revenues for Court, Probation, and Health programs.
FY16 impact unknown - estimated to be at least \$1.2 million. This is a recurring loss.
- Arizona Department of Revenue fee for sales tax collection (new in FY16).
FY16 Actual Cost: \$86,581

LETTER TO THE CITIZENS

Other Revenue Challenges

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 the Public Health Services District, Community Services, Sheriff, Courts, Probation, and Parks and Recreation. These departments receive over \$7.5 million per year in State grant funding to offset the costs of their programs, and we also receive State shared revenues of \$29 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.

The 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 State funding declines it becomes necessary to back-fill 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 2% cap on the annual increase and we do not have authority to increase our sales tax rate. Coconino County continues to have the second lowest property tax rate in the State. This has and will continue to result in a decreased level of service for County programs over time.

Federal Funding

Coconino County receives over \$4 million in Federal revenues 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 reduction, Coconino County Health and Social Services programs would be greatly impacted.

Another source of Federal revenues 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. The act expired in FY2011 and has been reauthorized on an annual basis. In FY15, the funding was reauthorized for two years. The FY16 funding was received late in the fiscal year and is budgeted to be used in FY17. Beyond FY17, the future of this funding is unknown. This could result in the loss of approximately \$2 million in funding for vital services on Federal land and County schools will lose over \$1.5 million in 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. These funds are critical for maintaining essential services. Funding was received in FY16, but is unknown going into FY17.

LETTER TO THE CITIZENS

Budget Development

Key Considerations

The County's financial condition, while improving, still remains fragile as there are many competing priorities with limited resources. Going into the FY17 process, the budget direction was specifically targeted at employee compensation, the Facilities Master Plan (FMP), and the Enterprise Resource Planning (ERP) system. Departments started the FY17 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 departmental programs. Departments were also given the opportunity to request additional one-time or recurring funding in their budget by submitting Service Improvement Requests.

Compensation:

As the economy continues to improve, we are cognizant of the potential risks of increased employee turnover, which we experienced during years prior to the recession. Since FY14, we have taken steps to address compensation. This will continue into FY17 with employees receiving a market increase of 2.5% on July 1, 2017 as well as a 2.5% performance increase on their anniversary date.

Enterprise Resource Planning (ERP) System:

Coconino County has had the same financial operating system for the past 20 years. In addition, Human Resource applications are very siloed and non-integrated within the Financial System. The goal of purchasing and implementing a new ERP system is to improve operational efficiency by replacing the older system with a more user-friendly and technologically modern system, and integrating and/or replacing the current HR applications.

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. Due to the economic downturn, the Facilities Master Plan was put on hold for the previous few years. FY17 funding allows for this project to get back on track and start to resolve spacing issues and advance the foundation for the future facilities of Coconino County.

FY17 Adopted Budget Overview

The total Fiscal Year 2017 Adopted Budget for all funds is \$188,145,090.

General Fund	\$ 79,643,870
Special Revenues Funds	106,306,077
Debt Service Funds	102,678
Capital Project Funds	2,092,465
FY17 Adopted Budget	\$ 188,145,090

General Fund Overview

In accordance with the County's Budget Policy, the General Fund Adopted Budget represents a balanced budget with \$79,643,870 in projected revenues and fund balance and \$79,643,870 in adopted expenditures. Despite presenting an FY17 balanced budget, a significant structural deficit

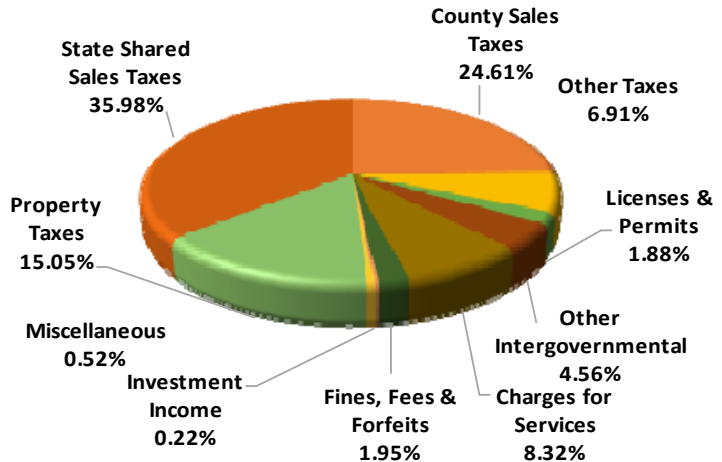
LETTER TO THE CITIZENS

remains. Applying prudent financial planning into future years will eliminate this structural deficit by FY21.

Revenues

The FY17 Adopted Budget includes \$60,377,378 in General Fund revenue. The County's largest revenue sources are State Shared Sales Tax, County Sales Tax, and Property Taxes.

State Shared Sales Taxes are anticipated to grow 4% over the FY16 projected collection. The State Shared Sales Tax allocation formula is subject to State legislative authority and approval. Currently the 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. Values throughout the State are beginning to see an increase, which will result in a decrease of the tax for Coconino County.

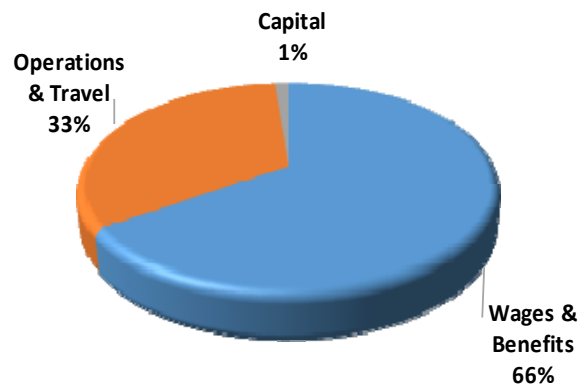


Local County Sales Taxes are anticipated to grow 2.9% over the FY16 budget. The growth rate in sales tax is anticipated to vary between 2.9% and 3.5% per year for the next ten fiscal years. A recession is also accounted for in our ten-year plan by having two years with 0% growth in the outlying years. It would be valuable to 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.

Expenditures

The FY17 Adopted Budget includes \$63 million (net of contingency) in General Fund expenditures. This is an overall 13% increase from FY16. All funding increases for FY17 are summarized by department on pages 96-97.

Personnel costs account for 66% of total General Fund expenditures. Wages are projected to increase 4.75%, due to a 2.5% market increase as well as a 2.5% performance based merit increase for each employee on their anniversary date. Benefits are projected to increase 3.9%, due mainly to increases in health benefits.



LETTER TO THE CITIZENS

Other Major Funds

All of our major funds are under financial pressure. In each fund at least one significant revenue stream is negatively impacted. This is mainly due to 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. These revenues continue to vary as the local population use of beds has increased, leaving fewer beds to rent.

Highway User Revenue Fund (HURF) and Road Maintenance Sales Tax (RMST):

The gasoline tax is the main revenue stream for HURF. This tax is distributed based partially on fuel distribution and consumption and partially on unincorporated population. The gasoline tax has been flat at \$0.18/gallon on gasoline purchases and has not been adjusted in 22 years. Due to a decline in these revenues and an increased need for operations and maintenance of County roads, the Board of Supervisors took a measure to the voters for approval of a sales tax to fund operations and maintenance of roads. HURF revenues are now available for road projects that have been delayed for numerous years.

Public Health Services District

The main revenue stream for the Public Health Services District (PHSD) is property taxes. Due to decreasing property taxes during the recession, coupled with the continuing increase of expenditures, the District has been tasked with finding cost savings and revenue accruing measures to provide solutions to projected deficits. This is a process that started in FY16 and will continue into future years.

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 containment of employee benefit costs.

We also have law enforcement services co-located with the City of Flagstaff, which creates efficiencies with a centralized dispatch center and 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.

The County has faced financial challenges in recent years, and difficult decisions will be required to maintain a continually balanced budget. But the Board of Supervisors is optimistic that FY17 will continue to show economic recovery, and that our investment priorities for F17 will position the County to deal with what lies ahead.

Sincerely,

Lena Fowler, Chairwoman
Coconino County Board of Supervisors

Budget Summary



Aspen Avenue Downtown Shops—Flagstaff, AZ



Barbershop Canyon—Happy Jack, AZ



Horseshoe Bend—Page, AZ



COMMUNITY PROFILE

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 - Today

- 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 **\$1,569,812,808** in FY2016.

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.

COMMUNITY PROFILE

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. 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.



COMMUNITY PROFILE

County Services

- **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 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.

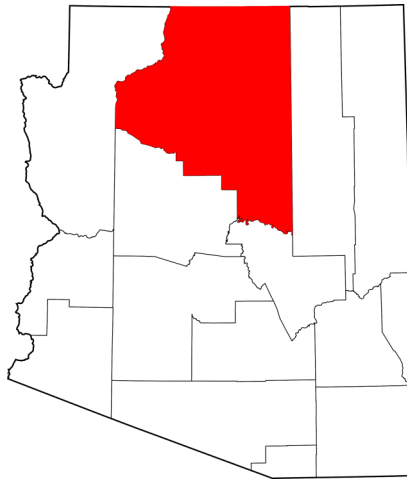
The Northern Arizona Intergovernmental Public Transportation Authority (NAIPTA) includes transportation agencies from around Northern Arizona in Coconino County. This organization administers the fixed route Mountain Line Transit System throughout the City of Flagstaff, the ADA-compliant special needs para-transit VanGo system, and the Roadrunner Transit System in Sedona. NAIPTA also recently implemented the Taxi Voucher program as well as the Van Pool program.

COMMUNITY PROFILE

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, 2010)

- 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 7.53 persons per square mile. (U.S. Census, 2010)
- In comparison, the U.S. population density is 87.4 persons per square mile.

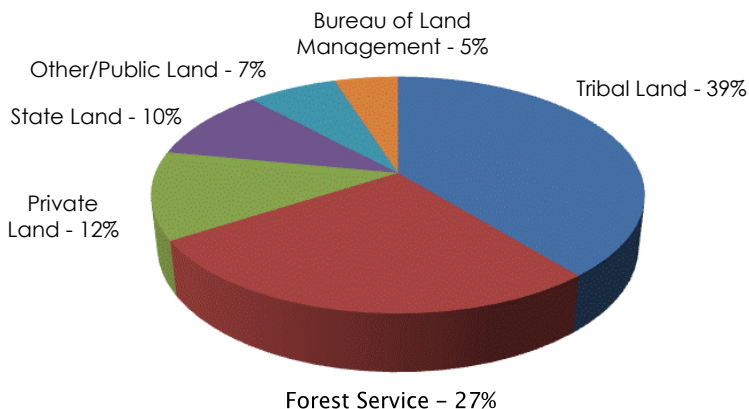


- Due to its vast size, it is difficult for Coconino County to provide all of its available services in each community.
- The County is continually striving to provide critically needed programs in outlying and rural communities.
- The County is also making technological advancements, which allow more services and information to be provided online. For example, investors can now use the interactive GIS map to identify properties with available tax liens.

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.

Coconino County Land Composition



Source: ALRIS/Coconino County GIS

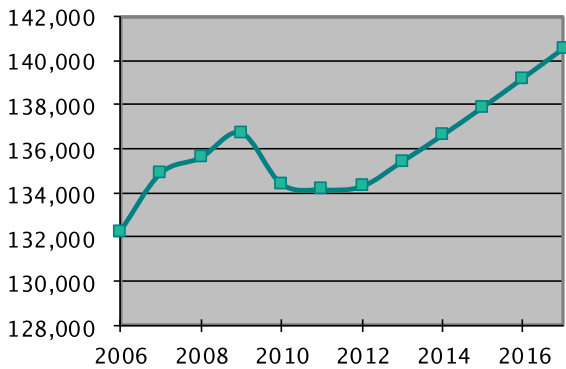
- Coconino County is home to five Federal recreation areas: Glenn Canyon National Recreation Area, Grand Canyon National Park, Wupatki National Monument, Sunset Crater National Monument, and Walnut Canyon National Monument.
- Coconino County is home to two State recreation areas: Slide Rock State Park and Riordan State Historic Park.
- Coconino County is home to 30 Municipal parks, 6 County parks, and 2 natural areas.

COMMUNITY PROFILE

Population Profile

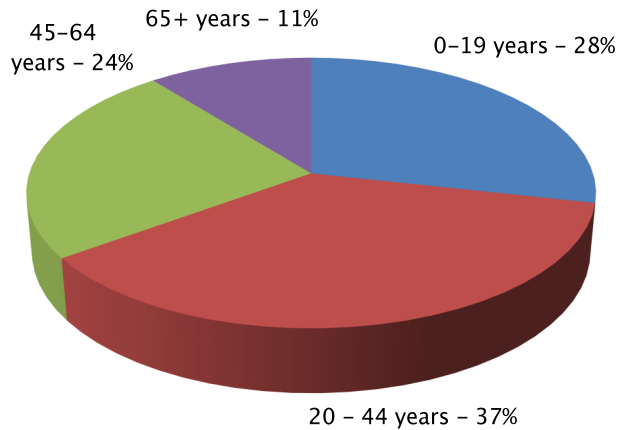
According to the Arizona Department of Administration, Office of Employment and Population Statistics, the estimated population of Coconino County in 2015 was 139,097 people. This is a 3.5% increase from the 2010 Census population of 134,421 and is a 19.6% increase from the 2000 Census population of 116,320. The Office of Employment and Population Statistics projects a 1% increase in population from 2014 to 2015.

Projected Population (2006-2016)



Source: Arizona Department of Administration, EPS

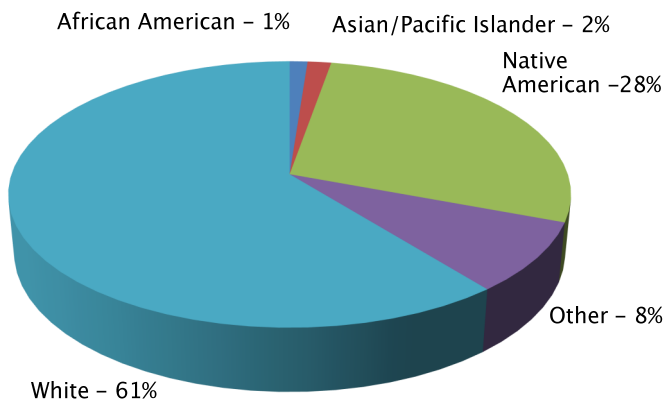
Population Distribution by Age (2015)



Source: Arizona Department of Administration, EPS

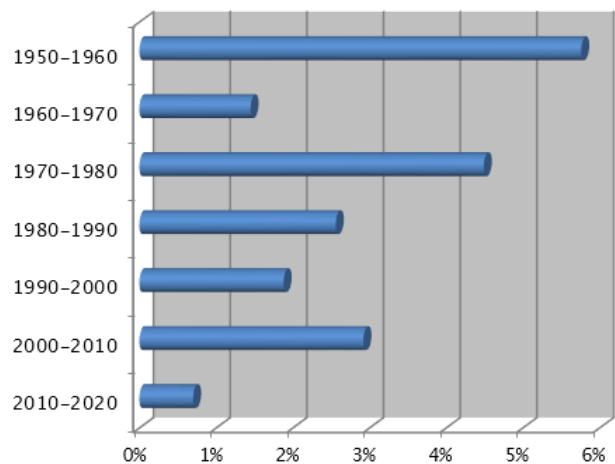
The most recent Census data shows a large increase in the 15 - 24 year old age group from 2000 to 2010. This trend is reflective of the expansion and growth of Northern Arizona University, which is located in central Flagstaff. The data also shows an increasing trend in the retiree age group aged 50 years and older, while the age group from 25 - 49 years old has remained relatively flat 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.

Population Composition (2015)



Source: Arizona Department of Administration, EPS

Annual Population Growth Rates (1950-2020)



Of the reported population composition above, 15% of people also identify themselves as Hispanic, which can be of any race.

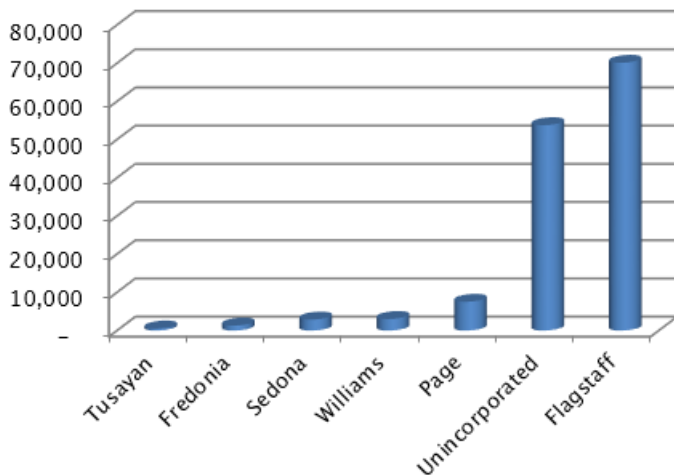
COMMUNITY PROFILE

Population Profile

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 2.9% per year between 2000 and 2010, which was above the State average of 2.2%. Coconino County's growth rate is projected to increase by 1% per year for the remainder of the decade, which is the same for 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 following chart shows the local populations for the incorporated areas of Coconino County compared to the total population in the unincorporated 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.
- Since Sedona crosses County lines, the population shown is reflective of the portion of Sedona that lies within 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 or a neighborhood or other community existing outside of an incorporated municipal government.

The table below identifies some of the unincorporated areas of Coconino County.

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

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. The 2010 Census identifies 15 CDPs with a population of 500 or more in Coconino County.

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 20,000 visitors annually who hike or ride into the Canyon and use the Tribe's services.

Population within Coconino County (2010 Census): 465
Tribal Members: 750 Enrolled Tribal Members: 640
Land Area: 294.7 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: 18,050 Enrolled Tribal Members: 10,590
Land Area: 2,409.9 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
Tribal Members: 1,965 Enrolled Tribal Members: 2,269
Land Area: 1,562.5 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
Tribal Members: 272 Enrolled Tribal Members: 240
Land Area: 189.1 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.

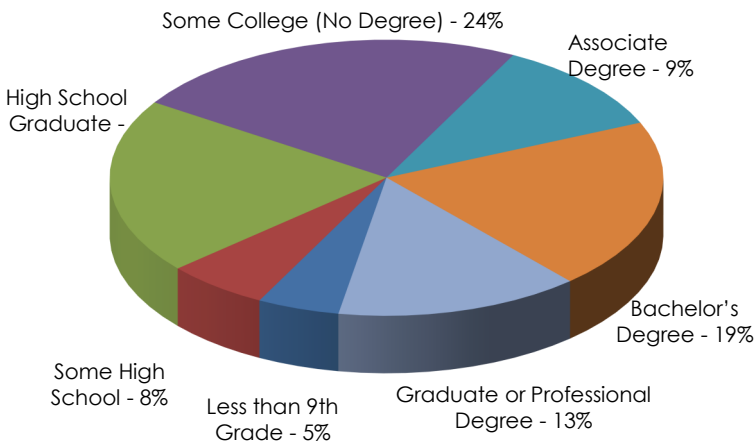
Population within Coconino County (2010 Census): 23,411
Tribal Members: 332,129 Enrolled Tribal Members: 300,460
Land Area: 27,000 Square Miles

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 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 Flagstaff 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, Wal-Mart, Grand Canyon Railway, Nestle-Purina, and SCA Tissue in the private sector.

Educational Attainment 25 years +



2016 Employment by Industry (as of May 2016)

State and Local Government	16,000
Leisure and Hospitality	14,200
Trade, Transportation, and Utilities	10,300
Educational and Health Services	9,700
Manufacturing	4,400
Professional and Business Services	3,400
Federal Government	2,600
Mining and Construction	2,200
Other Services	1,400
Financial Activities	1,300
Information	500

Source: Arizona Department of Administration, EPS

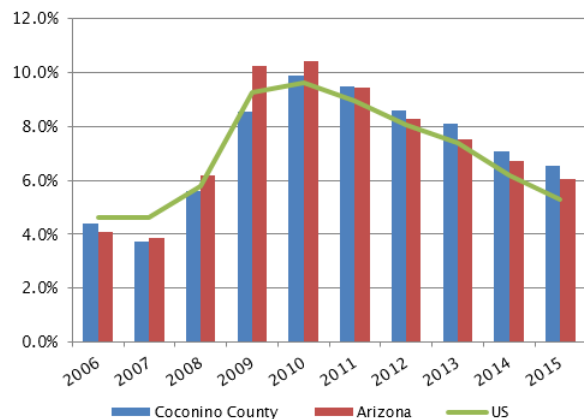
According to the Arizona Department of Administration, Office of Employment and Population Statistics, the State of Arizona saw a 2.4% increase in nonfarm jobs over the last year. During this period Coconino County saw a gain of 3,000 in the civilian labor force, while the unemployment rate

Top Ten Property Taxpayers (2015)

Arizona Public Service Company
 Transwestern Pipeline Company
 BNSF Railway Company
 Unisource Energy Corporation
 W.L. Gore & Associates Incorporated
 City of Los Angeles Department of Water & Power
 Kinder Morgan
 Nevada Power Company
 Qwest Corporation
 Red Feather Properties, Ltd. Partnership

Source: Coconino County Assessor

Average Unemployment Rate (2006-2015)



Source: Arizona Department of Administration, EPS

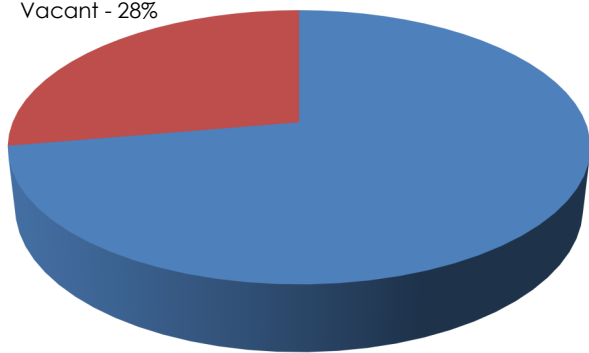
COMMUNITY PROFILE

Housing

- In 2010, the average household size in Coconino County was 2.69. This is a 3.9% decrease compared to the 2000 Census data.
- In 2015, Coconino County had 64,446 housing units, which is a 2% increase from the 2010 Census and a 18% increase from the 53,443 units in 2000. According to the U.S. Census Bureau, the median home value in the County in 2014 was \$217,200, a 1% decrease from the prior year.
- Since home values bottomed out in 2013, Coconino County has since a significant increase in market prices over the last two years. The median sales price in September 2016 was \$245,900

Housing Occupancy (2014)

Vacant - 28%

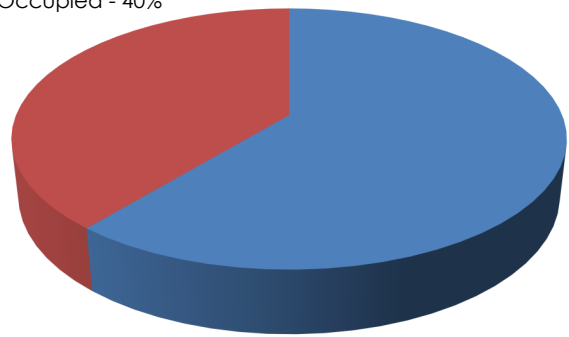


Occupied - 72%

Source: U.S. Census, American Community Survey

Occupied Housing Units (2014)

Renter Occupied - 40%

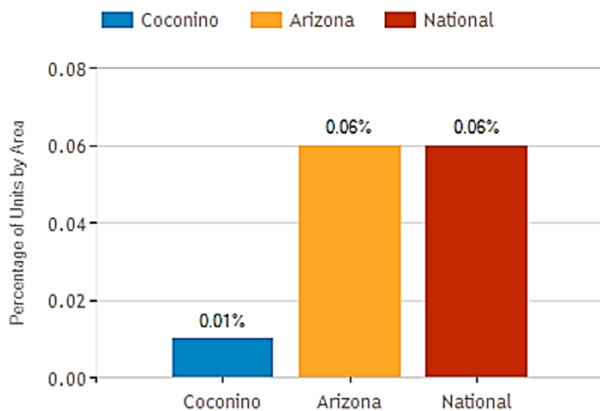


Owner Occupied - 60%

Source: U.S. Census, American Community Survey

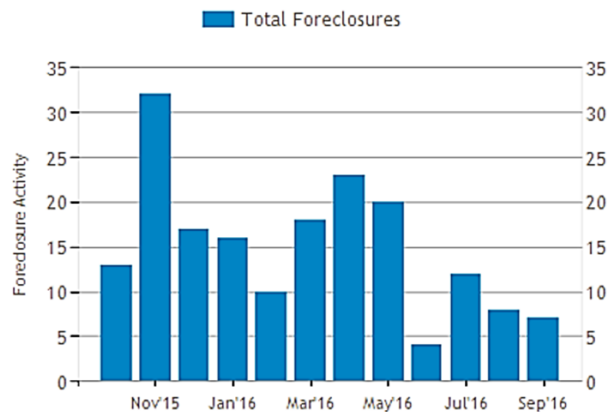
- September 2016 single-family home sales in Coconino County were down 2% compared to the same period in 2015. The median home sales price also decreased by 2% compared to the same period in the prior year.
- As of September 2016, 1 in every 5,168 housing units in Coconino County was in foreclosure. Coconino County has now dropped below the State of Arizona rate of 1 in every 1,641 housing units.
- Foreclosure activity for Coconino County was up 57% in September 2015 compared to the same month the prior year.

Geographic Foreclosure Comparison



Source: RealtyTrac.com

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 Requirements of the Budget

The Board of Supervisors and the County Manager have 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-term 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.

POLICIES THAT GUIDE THE BUDGET

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 revenue 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

A 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.

POLICIES THAT GUIDE THE BUDGET

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 compile and evaluate a line-item budget for both revenues and expenditures and present program performance measures and outcomes. Funding for all County programs are 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 Service Improvement Requests (SIRs) 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 30th.

Funding Contracts with Outside Granting Agencies

- Departments applying for grant funding outside of the annual budget cycle **and requesting a match from the County's General Fund** must receive approval from the Board of Supervisors.
- Departments applying for grant funding outside of the annual budget cycle **but not requesting matching funds from the County's General Fund** must receive approval from 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.

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.

POLICIES THAT GUIDE THE BUDGET

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 its 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 appropriation amount at the department or fund level; reallocation of line items within a fund 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 departmental 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 County's agenda routing software to specify that an agenda item requires a budget amendment and that 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 to agenda items should include details of the changed budget. The budget changes must be entered into 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. Agenda items without this documentation cannot be processed.
- All requests from departments to expend budget appropriations for purposes other than originally approved must be authorized by the Board of Supervisors.
- Departments may expend budget appropriations in programs other than those 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 Reports. If a department would like to expend budget appropriations in programs other than those initially allocated towards, but resulting in changes to the outcomes presented to the Board, they must receive approval from the County Manager.

POLICIES THAT GUIDE THE BUDGET

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 Division, 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.**
- Departments must consult with the Budget Division to expend capital or salary (including ERE) appropriations for different purposes.
- All requests for the reallocation of budgets 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 ongoing 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 spent for each line-item.
- Departments should monitor their revenues on a monthly basis. If revenue estimates drop more than 10% below the budgeted amount, the department should contact their Budget representative with an updated revenue figure.

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:

- 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, should be limited to special studies or 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.

POLICIES THAT GUIDE THE BUDGET

- The original budget appropriation from which the carryover is being requested will almost always be 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 the full 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.
- 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 funding, must come from the Board of Supervisors.
- The Board approves the funding sources for all FTEs.
- The charging of an FTE to a General Fund supported cost center for more than the approved amount should 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 department's Budget contact copied on the request. The department must have the ability to absorb the cost of the cost center change in their budget appropriation.

POLICIES THAT GUIDE THE BUDGET

- 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 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.

BUDGET SUMMARY

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.

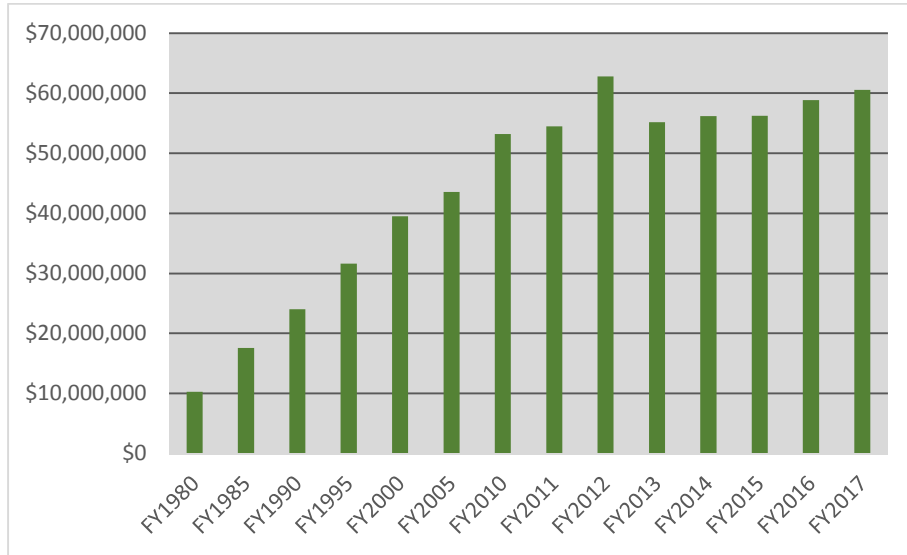
The graph below illustrates the change in the annual expenditure limit since 1980. The annual expenditure limit for FY17 is almost six times what it was in 1980, but has only increased 1.9% annually on average since FY00. The overall growth rate has averaged 4.9% since the expenditure limit was enacted. 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 on the following page illustrates changes in the expenditure limit since FY1980.

BUDGET SUMMARY

Expenditure Limitation



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
FY2016	58,875,431
FY2017	60,539,256

BUDGET SUMMARY

Basis of Budgeting and Accounting

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. For the FY17 budget year, departments were able to make requests for additional funding. Each request was evaluated by management and either recommended, left for further Board discussion, or not recommended.

The Basis of Accounting

The accounting policies of Coconino County conform to the 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 of 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 expenses are recorded when they are incurred. **Fiduciary funds are not formally budgeted for nor accounted for by the County.**

BUDGET SUMMARY

Fund Types

Government Funds

Government 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 operation 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 government, the costs associated with providing internal services, and transfers 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 transfers, 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.

BUDGET SUMMARY

Fund Types

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 cost through department reimbursements. The accrual basis of accounting is used for the County's Internal Service Funds. 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. 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.

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:

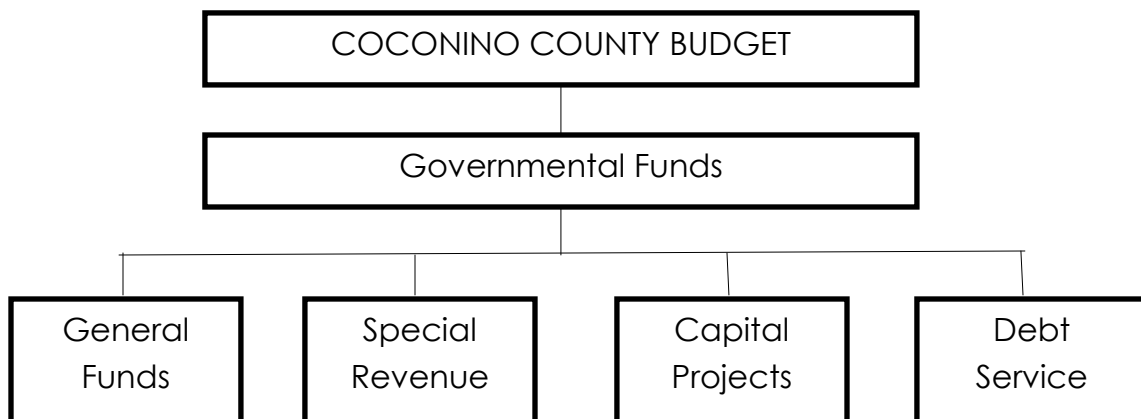
Investment Trust Funds

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:



BUDGET SUMMARY

Fund Types

Major Funds

The following pages present summary financial statements for all Coconino County Governmental Funds along with Major Fund financial statements. Major Funds can be any Governmental Fund type, but do not include Internal Service of 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 FundsOR
 - B. Enterprise Funds

And

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

The following funds are considered Major Funds by Coconino County in FY17:

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.

BUDGET SUMMARY

Fund Types

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.

Road Maintenance Sales Tax

A County Sales (Transaction Privilege) Tax was approved by the voters in November of 2014. The purpose of the tax is to maintain and preserve the conditions of Coconino County-maintained roads.

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 Services 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 source comes through expenditures 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-side motor pool costs.

Mechanical Services

	FY 2017 Budget
Charges for Services	\$ 2,474,857
Investment Income	10,000
Miscellaneous	30,000
Total Revenue	\$ 2,514,857
Salary/ERE	\$ 758,107
Operations	2,345,773
Travel	9,860
Vehicle Replacement	338,822
Total Expenditures	\$ 3,452,562
Increase/(Decrease) in Fund Balance	\$ (937,705)

BUDGET SUMMARY

Other Funds

Investment Trust Funds

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 a 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 expenditures budgets by department for FY17 is shown below.

<u>Investment Trust Funds</u>	
<u>Department</u>	<u>FY2017 Budget</u>
Justice Court - Flagstaff	\$ 40,806
Justice Court- Fredonia	10,000
Justice Court - Page	5,340
Justice Court - Williams	10,524
Superior Court	68,251

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.

BUDGET SUMMARY

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							X
Government Relations								
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			
Emergency Management		X						
Public Works		X	X	X				
Facilities Management	X							
Finance	X		X					
Human Resources	X							
Information Technology	X		X					
Special Districts			X			X		

BUDGET SUMMARY

Department 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					
Government Relations				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				
Emergency Management						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

BUDGET SUMMARY

Summary of Financials

All Funds

	FY2015 Actuals	FY2016 Revised Budget	FY2016 Estimated Actuals	FY2017 Adopted Budget
Revenues:				
Property Taxes	\$ 18,377,716	\$ 19,048,536	\$ 19,005,946	\$ 19,513,904
Other Taxes	37,886,370	40,235,735	41,001,598	43,984,633
Special Assessments	126,033	114,550	46,103	114,078
Licenses & Permits	1,520,046	1,652,281	1,721,228	1,752,182
Fees, Fines, and Forfeits	1,609,331	1,714,450	1,888,713	1,681,550
Intergovernmental	53,082,330	48,748,798	50,639,949	52,485,866
Charges for Services	9,935,564	10,391,849	9,620,145	10,440,606
Investment Income	946,108	454,727	736,604	490,835
Contributions	45,299	47,500	49,793	44,550
Miscellaneous	1,110,574	948,633	1,909,993	3,617,299
Total Revenues	\$ 124,639,373	\$ 123,357,059	\$ 126,620,072	\$ 134,125,503
Expenditures:				
General Government	34,411,764	56,714,890	42,879,432	63,955,264
Public Safety	44,497,535	47,743,440	38,710,399	54,074,911
Highways and Streets	13,734,826	29,899,571	23,573,357	27,641,892
Sanitation	1,947,347	2,341,811	2,068,397	2,562,704
Health	13,348,172	13,850,074	12,782,732	14,608,322
Welfare	3,554,534	4,359,695	3,316,242	4,168,907
Culture and Recreation	7,233,763	19,632,778	7,166,310	19,230,634
Education	3,334,400	2,232,662	2,824,324	1,799,778
Capital Outlay				
Debit Services:				
Principle	105,144	85,000	85,000	89,000
Interest and Other Charges	24,581	18,150	18,128	13,678
Total Expenditures	\$ 122,192,065	\$ 176,878,071	\$ 133,424,321	\$ 188,145,090
Excess (deficiency) of revenues over expenditures	\$ 2,447,308	\$ (53,521,012)	\$ (6,804,249)	\$ (54,019,587)
Other Financing Sources (Uses):				
Sales of Capital Assets	127,958	150,000	361,335	150,000
Transfer In	29,451,452	45,677,319	38,161,098	35,329,781
Transfers Out	(29,451,452)	(45,677,319)	(37,830,196)	(35,329,781)
Total Other Financing Sources and Uses	\$ 127,958	\$ 150,000	\$ 692,237	\$ 150,000
Net Change in Fund Balance	\$ 2,575,265	\$ (53,371,012)	\$ (6,112,012)	\$ (53,869,587)
Fund Balance, July 1	\$ 97,950,441	\$ 100,525,706	\$ 100,525,706	\$ 94,413,695
Fund Balance, June 30	\$ 100,525,706	\$ 47,154,694	\$ 94,413,695	\$ 40,544,108

BUDGET SUMMARY

Summary of Financials

General Fund

	FY2015 Actuals	FY2016 Revised Budget	FY2016 Estimated Actuals	FY2017 Adopted Budget
Revenues:				
Property Taxes	\$ 8,386,385	\$ 8,817,093	\$ 8,802,781	\$ 9,086,077
Other Taxes	17,634,763	17,255,537	17,208,223	19,036,328
Special Assessments	-	-	-	-
Licenses & Permits	669,503	1,062,928	1,135,404	1,135,188
Fees, Fines, and Forfeits	1,300,142	1,121,150	1,352,956	1,174,850
Intergovernmental	23,481,077	23,468,917	22,743,104	24,473,920
Charges for Services	4,768,918	4,791,782	5,009,276	5,021,484
Investment Income	365,699	121,400	187,337	135,400
Contributions	-	1,000	-	1,000
Miscellaneous	395,653	311,315	440,960	313,131
Total Revenues	\$ 57,002,139	\$ 56,951,122	\$ 56,880,041	\$ 60,377,378
Expenditures:				
General Government	32,233,871	53,817,923	41,207,205	61,247,862
Public Safety	12,966,165	14,674,468	14,140,325	14,955,918
Highways and Streets	509,354	535,828	451,476	593,556
Sanitation	-	-	-	-
Health	98,775	26,471	28,619	11,471
Welfare	466,312	468,930	487,661	498,973
Culture and Recreation	2,309,382	1,638,078	1,502,472	1,841,658
Education	450,298	467,217	458,271	494,432
Capital Outlay	-	-	-	-
Debit Services:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
Total Expenditures	\$ 49,034,159	\$ 71,628,915	\$ 58,276,028	\$ 79,643,870
Excess (deficiency) of revenues over expenditures	\$ 7,967,980	\$ (14,677,793)	\$ (1,395,988)	\$ (19,266,492)
Other Financing Sources (Uses):				
Sales of Capital Assets	-	-	3,300	-
Transfer In	1,956,421	13,898,397	13,154,944	2,428,652
Transfers Out	(10,523,066)	(12,398,078)	(10,939,148)	(11,829,272)
Total Other Financing Sources and Uses	\$ (8,566,646)	\$ 1,500,319	\$ 2,219,096	\$ (9,400,620)
Net Change in Fund Balance	\$ (598,665)	\$ (13,177,474)	\$ 823,109	\$ (28,667,112)
Fund Balance, July 1	\$ 28,442,669	\$ 27,844,004	\$ 27,844,004	\$ 28,667,112
Fund Balance, June 30	<u>\$ 27,844,004</u>	<u>\$ 14,666,530</u>	<u>\$ 28,667,112</u>	<u>\$ 0</u>

BUDGET SUMMARY

Summary of Financials

Highway User Revenue Fund

	FY2015 Actuals	FY2016 Revised Budget	FY2016 Estimated Actuals	FY2017 Adopted Budget
Revenues:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Taxes	1,887,808	1,866,600	2,041,592	2,020,000
Special Assessments	-	-	-	-
Licenses & Permits	30,969	28,100	25,974	28,100
Fees, Fines, and Forfeits	-	-	-	-
Intergovernmental	9,706,401	9,382,565	9,724,007	9,607,760
Charges for Services	1,947	-	6,592	-
Investment Income	162,401	50,000	117,678	50,000
Contributions	-	-	-	-
Miscellaneous	22,682	-	36,393	-
Total Revenues	\$ 11,812,208	\$ 11,327,265	\$ 11,952,236	\$ 11,705,860
Expenditures:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Highways and Streets	13,158,153	28,681,464	22,443,776	26,581,670
Sanitation	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Education	-	-	-	-
Capital Outlay	-	-	-	-
Debit Services:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
Total Expenditures	\$ 13,158,153	\$ 28,681,464	\$ 22,443,776	\$ 26,581,670
Excess (deficiency) of revenues over expenditures	\$ (1,345,946)	\$ (17,354,199)	\$ (10,491,540)	\$ (14,875,810)
Other Financing Sources (Uses):				
Sales of Capital Assets	110,958	150,000	352,249	150,000
Transfer In	4,417,554	9,024,285	9,016,445	10,199,542
Transfers Out	(3,427,014)	(221,091)	(178,835)	(220,012)
Total Other Financing Sources and Uses	\$ 1,101,498	\$ 8,953,194	\$ 9,189,859	\$ 10,129,530
Net Change in Fund Balance	\$ (244,448)	\$ (8,401,005)	\$ (1,301,681)	\$ (4,746,280)
Fund Balance, July 1	\$ 20,352,596	\$ 20,108,148	\$ 20,108,148	\$ 18,806,466
Fund Balance, June 30	<u>\$ 20,108,148</u>	<u>\$ 11,707,143</u>	<u>\$ 18,806,466</u>	<u>\$ 14,060,186</u>

BUDGET SUMMARY

Summary of Financials

Jail District Fund

	FY2015 Actuals	FY2016 Revised Budget	FY2016 Estimated Actuals	FY2017 Adopted Budget
Revenues:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Taxes	13,576,136	13,274,100	14,127,110	14,861,462
Special Assessments	-	-	-	-
Licenses & Permits	-	-	-	-
Fees, Fines, and Forfeits	-	-	-	-
Intergovernmental	1,219	12,000	33,004	12,000
Charges for Services	897,899	1,407,483	418,332	1,407,983
Investment Income	144,314	193,057	138,263	193,057
Contributions	-	-	-	-
Miscellaneous	26,221	14,000	45,460	-
Total Revenues	\$ 14,645,789	\$ 14,900,640	\$ 14,762,169	\$ 16,474,502
Expenditures:				
General Government	-	-	-	-
Public Safety	13,513,999	19,728,275	14,022,573	20,171,752
Highways and Streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Education	-	-	-	-
Capital Outlay	-	-	-	-
Debit Services:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
Total Expenditures	\$ 13,513,999	\$ 19,728,275	\$ 14,022,573	\$ 20,171,752
Excess (deficiency) of revenues over expenditures	\$ 1,131,790	\$ (4,827,635)	\$ 739,597	\$ (3,697,250)
Other Financing Sources (Uses):				
Sales of Capital Assets	-	-	-	-
Transfer In	11,627,062	2,595,929	6,965,380	2,647,848
Transfers Out	(9,125,630)	(10,856,657)	(15,207,640)	(226,877)
Total Other Financing Sources and Uses	\$ 2,501,432	\$ (8,260,728)	\$ (8,242,260)	\$ 2,420,971
Net Change in Fund Balance	\$ 3,633,222	\$ (13,088,363)	\$ (7,502,663)	\$ (1,276,279)
Fund Balance, July 1	\$ 15,970,712	\$ 19,603,934	\$ 19,603,934	\$ 12,101,271
Fund Balance, June 30	<u>\$ 19,603,934</u>	<u>\$ 6,515,571</u>	<u>\$ 12,101,271</u>	<u>\$ 10,824,992</u>

BUDGET SUMMARY

Summary of Financials

Road Maintenance Sales Tax

	FY2015 Actuals	FY2016 Revised Budget	FY2016 Estimated Actuals	FY2017 Adopted Budget
Revenues:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Taxes	3,778,550	7,839,498	7,578,666	8,066,843
Special Assessments	-	-	-	-
Licenses & Permits	-	-	-	-
Fees, Fines, and Forfeits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Investment Income	7,650	-	42,660	15,000
Contributions	-	-	-	-
Miscellaneous	(3,305)	-	3,305	-
Total Revenues	\$ 3,782,895	\$ 7,839,498	\$ 7,624,632	\$ 8,081,843
Expenditures:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Highways and Streets	-	-	-	-
Sanitation	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Education	-	-	-	-
Capital Outlay	-	-	-	-
Debit Services:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenues over expenditures	\$ 3,782,895	\$ 7,839,498	\$ 7,624,632	\$ 8,081,843
Other Financing Sources (Uses):				
Sales of Capital Assets	-	-	-	-
Transfer In	-	-	-	-
Transfers Out	(2,900,000)	(8,244,285)	(7,913,383)	(8,675,987)
Total Other Financing Sources and Uses	\$ (2,900,000)	\$ (8,244,285)	\$ (7,913,383)	\$ (8,675,987)
Net Change in Fund Balance	\$ 882,895	\$ (404,787)	\$ (288,751)	\$ (594,144)
Fund Balance, July 1	\$ -	\$ 882,895	\$ 882,895	\$ 594,144
Fund Balance, June 30	<u>\$ 882,895</u>	<u>\$ 478,108</u>	<u>\$ 594,144</u>	<u>\$ (0)</u>

BUDGET SUMMARY

Summary of Financials

Health and Public Health Services District Funds

	FY2015 Actuals	FY2016 Revised Budget	FY2016 Estimated Actuals	FY2017 Adopted Budget
Revenues:				
Property Taxes	\$ 3,740,930	\$ 3,850,071	\$ 3,839,304	\$ 3,924,532
Other Taxes	42	-	5,897	-
Special Assessments	-	-	-	-
Licenses & Permits	818,425	561,253	555,200	588,894
Fees, Fines, and Forfeits	300	-	-	-
Intergovernmental	4,127,070	4,756,297	4,057,154	4,341,298
Charges for Services	601,292	537,291	596,585	462,600
Investment Income	10,214	6,034	12,271	6,007
Contributions	2,163	1,000	1,068	1,000
Miscellaneous	160,460	88,691	112,626	22,530
Total Revenues	\$ 9,460,896	\$ 9,800,637	\$ 9,180,106	\$ 9,346,861
Expenditures:				
General Government	-	-	-	-
Public Safety	685,206	706,409	737,796	737,196
Highways and Streets	-	-	-	-
Sanitation	-	-	-	-
Health	13,249,397	13,823,603	12,754,113	13,930,088
Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Education	-	-	-	-
Capital Outlay	-	-	-	-
Debit Services:				
Principle	-	-	-	-
Interest and Other Charges	-	-	-	-
Total Expenditures	\$ 13,934,603	\$ 14,530,012	\$ 13,491,910	\$ 14,667,284
Excess (deficiency) of revenues over expenditures	\$ (4,473,706)	\$ (4,729,375)	\$ (4,311,804)	\$ (5,320,423)
Other Financing Sources (Uses):				
Sales of Capital Assets	-	-	4,551	-
Transfer In	4,811,734	4,780,393	4,780,393	4,812,438
Transfers Out	(3,056)	(145,775)	(49,885)	(255,368)
Total Other Financing Sources and Uses	\$ 4,808,678	\$ 4,634,618	\$ 4,735,059	\$ 4,557,070
Net Change in Fund Balance	\$ 334,972	\$ (94,757)	\$ 423,255	\$ (763,353)
Fund Balance, July 1	\$ 1,683,100	\$ 2,018,072	\$ 2,018,072	\$ 2,441,327
Fund Balance, June 30	\$ 2,018,072	\$ 1,923,315	\$ 2,441,327	\$ 1,677,974

BUDGET SUMMARY

Summary of Financials

Non-Major Funds

	FY2015 Actuals	FY2016 Revised Budget	FY2016 Estimated Actuals	FY2017 Adopted Budget
Revenues:				
Property Taxes	\$ 6,250,401	\$ 6,381,372	\$ 6,363,861	\$ 6,503,295
Other Taxes	1,009,070	-	40,110	-
Special Assessments	126,033	114,550	46,103	114,078
Licenses & Permits	1,150	-	4,650	-
Fees, Fines, and Forfeits	308,890	593,300	535,757	506,700
Intergovernmental	15,766,563	11,129,019	14,082,679	14,050,888
Charges for Services	3,665,509	3,655,293	3,589,360	3,548,539
Investment Income	255,830	84,236	238,395	91,371
Contributions	43,136	45,500	48,725	42,550
Miscellaneous	508,863	534,627	1,271,249	3,281,638
Total Revenues	\$ 27,935,446	\$ 22,537,897	\$ 26,220,889	\$ 28,139,059
Expenditures:				
General Government	2,177,893	2,896,967	1,672,227	2,707,402
Public Safety	17,332,164	12,634,288	9,809,705	18,210,045
Highways and Streets	67,318	682,279	678,106	466,666
Sanitation	1,947,347	2,341,811	2,068,397	2,562,704
Health	-	-	-	666,763
Welfare	3,088,221	3,890,765	2,828,580	3,669,934
Culture and Recreation	4,924,380	17,994,700	5,663,838	17,388,976
Education	2,884,101	1,765,445	2,366,053	1,305,346
Capital Outlay				
Debit Services:				
Principle	105,144	85,000	85,000	89,000
Interest and Other Charges	24,581	18,150	18,128	13,678
Total Expenditures	\$ 32,551,151	\$ 42,309,405	\$ 25,190,033	\$ 47,080,514
Excess (deficiency) of revenues over expenditures	\$ (4,615,705)	\$ (19,771,508)	\$ 1,030,855	\$ (18,941,455)
Other Financing Sources (Uses):				
Sales of Capital Assets	17,000	-	1,235	-
Transfer In	6,638,681	15,378,315	4,243,936	15,241,301
Transfers Out	(3,472,686)	(13,811,433)	(3,541,305)	(14,122,265)
Total Other Financing Sources and Uses	\$ 3,182,995	\$ 1,566,882	\$ 703,866	\$ 1,119,036
Net Change in Fund Balance	\$ (1,432,711)	\$ (18,204,626)	\$ 1,734,721	\$ (17,822,419)
Fund Balance, July 1	\$ 29,056,511	\$ 27,623,800	\$ 27,623,800	\$ 29,358,522
Fund Balance, June 30	<u>\$ 27,623,800</u>	<u>\$ 9,419,174</u>	<u>\$ 29,358,522</u>	<u>\$ 11,536,103</u>

BUDGET SUMMARY

Analysis of Revenues

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 monitored monthly.

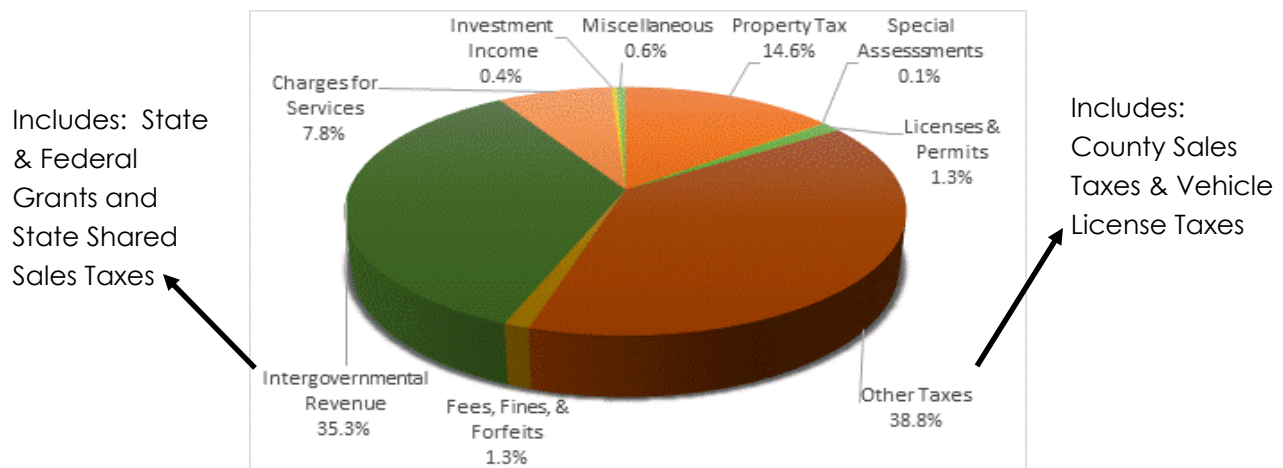
Current General Fund revenues include a large budget for sales taxes. County sales tax and State shared sales taxes make up 60.7% of the General Fund revenue budget. In order to try to insulate the organization from the fluctuations in the economy, the organization reviews its user fees and makes recommendations for changes every year for 1/2 of all County departments. In effect, all user 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 fee.

For a complete list of Coconino County revenue policies, please refer to pages 35 - 36.

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 are based on the revenue estimates developed during the budget process. The actual FY16 ending revenues can be found in the major fund and departmental financial statements presented throughout this document.

All Fund Detail by Category

Total revenues for all funds are estimated to be **\$134,107,932** (excluding un-awarded grants). The chart below highlights FY17 operating revenues for all funds by percentage of the total.



BUDGET SUMMARY

Analysis of Revenues

REVENUE SOURCES AND TRENDS

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 individuals personal possessions. The County Assessor determines the full cash value of each property. In prior years full cash values were used when determining secondary property taxes while the primary property taxes were determined using the limited cash value. The limited value of property is determined by taking the limited property value of the property in the preceding valuation year, plus the great 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.

Proposition 117, the Arizona Property Tax Assessed Valuation Amendment, was approved on the November 6, 2012 general election ballot. Prop 117 limited the annual growth in the limited property value of local assessed property. The measure amended the Arizona Constitution to cap the annual increase in the value of real property used to calculate property taxes to 5% over the value of the property for the previous year, beginning with the 2015 tax year (2016 fiscal year). Prior to tax year 2015, there was not limit on full cash value. This limitation would apply to property values used in determining all property taxes on the real property. As a result, primary and secondary property taxes are determined using the limited property value.

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 Services District, a special lighting district, and the Flood Control District.

Primary Property Taxes

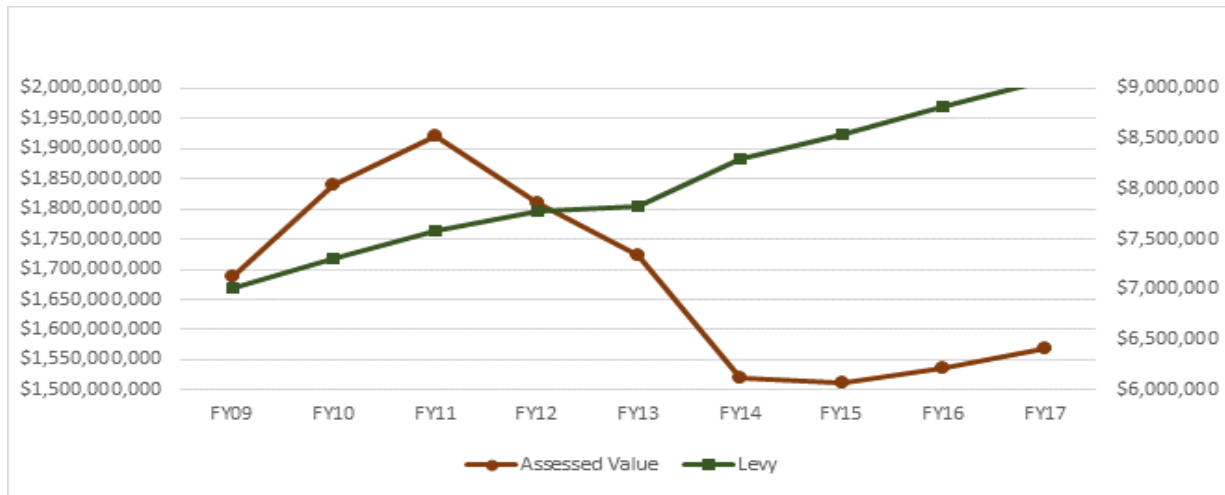
Under the primary system, the full cash value of locally-assessed real property (consisting primarily of residential, commercial, industrial, agricultural, and unimproved property) cannot increase by more than 10% per year, except under certain circumstances. Annual levies under the primary system are 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.

BUDGET SUMMARY

Analysis of Revenues

Revenues from primary property taxes account for 14.6% 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.

The following chart shows 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 FY16, Coconino County collected the 2% increase plus new construction. The FY17 adopted budget also shows the collection of the 2% increase plus new construction



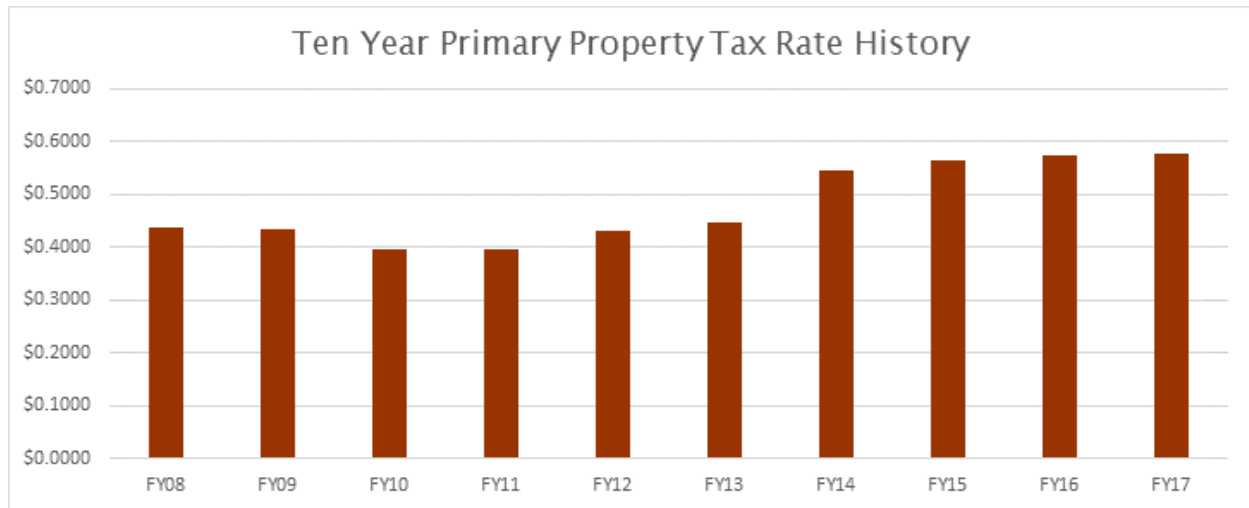
At the FY17 rate of \$0.5788 per \$100 of assessed valuation, the County primary property taxes collected on a home valued at \$300,000 are \$173.64, which equals a \$1.59 increase from FY16.

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

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 the County could assess on new construction continued to decline as value rose at a rate greater than 2% per year. In FY17, our tax rate is the highest it has been since FY05.

BUDGET SUMMARY

Analysis of Revenues



FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17
\$ 0.4383	\$ 0.4338	\$ 0.3973	\$ 0.3953	\$ 0.4303	\$ 0.4480	\$ 0.5466	\$ 0.5646	\$ 0.5735	\$0.5788

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. Beginning in tax year 2015 (2016 fiscal year), secondary property taxes are determined using the limited property value. This is the same value used to calculate the primary property taxes.

Library District allocations are made based on recommendations from the Library District Board. For FY17 the tax rate will remain the same as FY16 at \$0.2556. The rate was increased in FY14 from \$0.2367. The increase was used to assist in keeping all County Library operations whole for the upcoming fiscal years. The need for an increased rate will continue to be evaluated in future fiscal years.

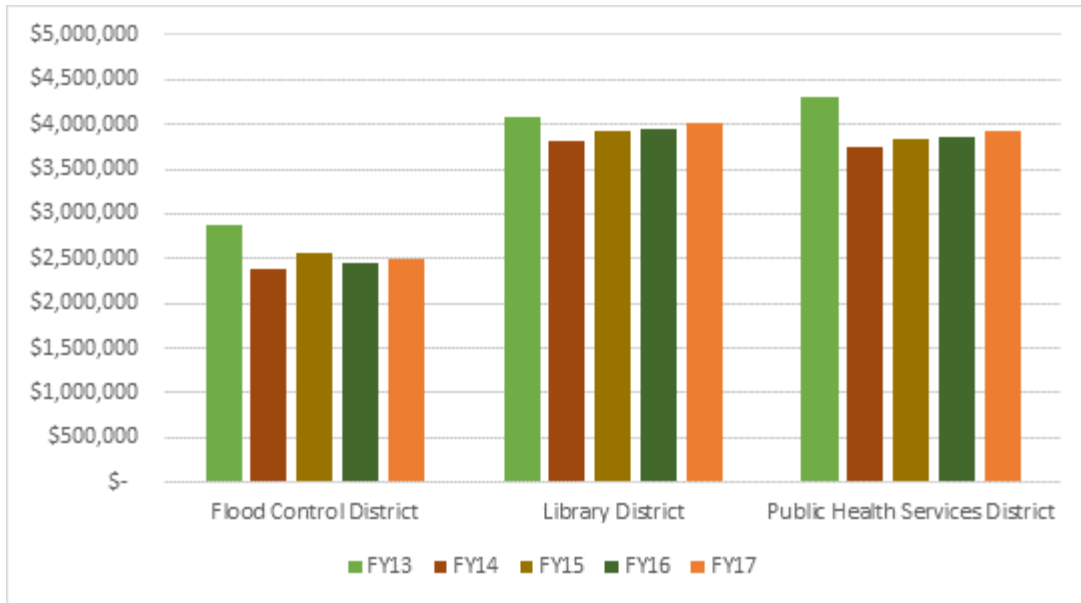
The Public Health Services District was formed during FY10 to protect the funding that is available for public health programs and create additional budget capacity in the General Fund. The maximum rate is \$0.2500 per \$100 of assessed value. This rate has remained in effect since the onset of the district and will stay at \$0.2500 for FY17.

The Flood Control District is a special taxing jurisdiction and is not County-wide. Flood control and drainage work has been performed by Public Works and administered by the Community Development department. Public Works will be taking on the administrative role beginning in FY17. Coconino County has experienced multiple natural disasters within the past six years, including substantial flooding in the Schultz Burn Area. In order to help offset anticipated mitigation costs the Flood Control tax rate was increased from \$0.2000 to \$0.4000 in FY11. The rate has remained at \$0.4000. For more information on the Flood Control District, please refer to pages 266 - 270 and page 333.

BUDGET SUMMARY

Analysis of Revenues

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	FY13	FY14	FY15	FY16	FY17
Flood Control District	\$ 0.4000	\$ 0.4000	\$ 0.4000	\$ 0.4000	\$ 0.4000
Library District	\$ 0.2367	\$ 0.2556	\$ 0.2556	\$ 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 is imposed at 10% of the State transaction privilege tax rate or 0.5% of a total taxable sale. The county Sales Tax revenue is estimated to be \$14,442,626 for FY16 and is projected at \$14,861,462 for FY17. This sales tax represents 25% of the General Fund revenues and 11% of total County operating revenues. Tax collections are monitored by staff in order to track changes in sales activity and the local economy.

FY16 collections are estimated to increase by 6% from FY15. We are anticipating some continued increases in our sales tax revenue going into FY17 and are projecting sales tax revenue at 2.9% growth compared to FY16. Sales tax revenues have recovered and are back to pre-recession levels.

BUDGET SUMMARY

Analysis of Revenues

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 90% of total estimated Jail District operating revenues for FY17. 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 FY16, the estimated tax collections are \$14,442,626 and for FY17 this number is projected at \$14,861,462. These taxes are on the same base as the local sales tax, and the projections incorporate the same growth figures.

Road Maintenance Sales Tax

The Coconino County Road Maintenance Sales Tax measure was approved on the November 4, 2014 general election ballot. The measure authorized a County Sales Tax for maintaining and preserving the conditions of Coconino County-maintained roads. Coconino County was authorized to levy and collect a three-tenths of a cent (\$.003) sales tax for a period of twenty (20) years, beginning January 1, 2015, to fund the maintenance and preservation of roads maintained by Coconino County and fund those costs related to, but not limited to, snowplowing, dirt road grading, road surface chip sealing, road maintenance and other road-related expenses. The proposed three-tenths of a cent sales tax is equal to thirty cents on each one hundred dollars of taxable sales within Coconino County. For FY16, the estimated tax collections are \$8,000,000 and for FY17 this number is projected at \$8,066,843. These taxes are on the same base as the local sales tax, and the projections incorporate the same growth figures.

Other Taxes

Vehicle License Tax

Also known as auto in lieu taxes, vehicles license taxes represent about 5.5% of total General Fund collections and 17% of HURF revenues. This revenue is split by a 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. FY16 collections are up over 6% from FY15. This is another revenue source that has been greatly impacted by the recession but is steadily recovering. FY16 is down 6% from the FY07 high. For FY17 this revenue is estimated to be \$3,334,866 in the General Fund and \$2 million in the HURF fund. The County is anticipating a 1% increase in this revenue source for FY17.

Tax Projection: Overall tax revenues collected in FY17 are estimated at \$650K above FY16 collections. The County is projected to recognize 5.2% growth in primary property taxes in FY17, with similar growth of 3% into the future. Secondary property taxes are anticipated to increase by 1.7% in FY17. This is due to a slight increase in assessed valuations. An increase in secondary property taxes is anticipated into the future. County Sales tax is projected to see moderate growth based on population and CPI. For FY17 County Sales taxes are showing this trend with an increase of 2% in FY17. Vehicle license tax is projected to decrease by 3% in FY17. Due to the volatility of this tax, future projections fluctuate between 1% growth and -1% growth.

BUDGET SUMMARY

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 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 326 - Special Taxing Districts.

Special Assessments Projection: Revenues from special assessments are budgeted to remain stable due to there only being two active districts. Moving forward we are projecting a decrease in this revenues as there has been a stall in the creation of new improvement districts for the construction of roads and the maturing of the two active districts in 2019. 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.

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. Licenses and Permits represent 1.3% of total operating revenues and 1.8% 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 1.2% of General Fund operating revenues for FY17.

Licenses and Permits Projection: License and permit revenues continue to show significant recovery from the recent recession. Estimated growth between FY15 and FY16 is 53%. Growth into FY17 is projected at 3.7%. This same rate of growth is anticipated into the future. The budgeted revenue increase for licenses and permits accounts for not only volume increases, but also 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. Some of these fees may be waived at the discretion of the court. 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 less than 1% of total operating revenues. Forfeitures are a fluctuating component of this revenue source.

Projection: For FY17, this revenue is anticipated to decrease from FY16 in total, due to a projected decrease in forfeitures. Growth into the future is expected to be 1.5% but this projection could change with the aforementioned revenue fluctuation of forfeitures.

BUDGET SUMMARY

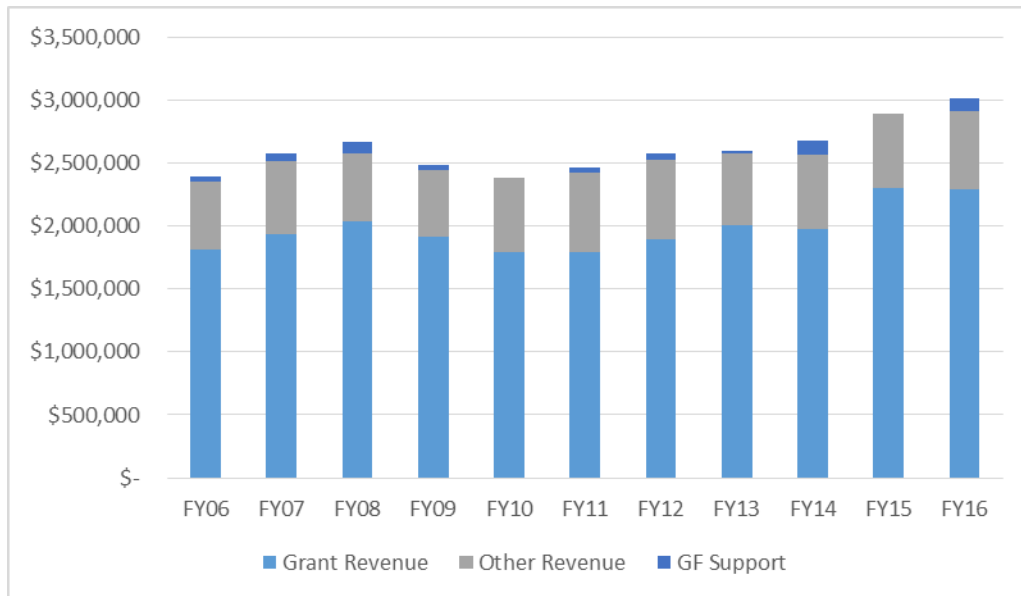
Analysis of Revenues

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 less than 1% in FY17 mainly due to a decrease in federal funding for Secure Rural Schools Act.

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 the grant money disappears and the County has had to increase financial support to 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 illustrates an example of the grant funding history for Adult Probation.



BUDGET SUMMARY

Analysis of Revenues

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 expenditures increases. There are State mandates that require services to be performed, or statutory levels to be maintained, but funding has been drastically reduced for counties to provide those programs.

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 include retail, construction, restaurants and bars, and hotels/motels. The "shared ratio" is set by the State Legislature.

Coconino County's portion of State Shared Sales Tax has shown considerable growth over the past two years and into FY16. The growth is based on assessed valuation and the fact that Coconino County has a higher percentage of assessed values in the state. As these values increase throughout the state, the County 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. FY16 is estimated to see a 6.9% increase in this revenue source and is projected to have a 1.6% growth rate in FY17.

Highway User Revenue Fund (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, town, 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 began at approximately \$650K and increased to \$900K in FY13 and FY14. In FY15, the Senate-passed budget included HURF restoration for three years, but at a reduced level. Coconino County is estimated to receive back \$370K of the impacted funds in FY15, FY16 and FY17. In addition, the FY17 State budget includes a one-time appropriation for HURF that equates to less than \$100K for Coconino County.

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 was used

BUDGET SUMMARY

Analysis of Revenues

in FY15 for Sheriff's Search and Recue operations. In late FY15 the funds were once again reauthorized. Due to the late nature of the reauthorization, funds received in FY15 were allocated to FY16 and funds received in FY16 were allocated to FY17.

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 of Forest Fee legislation and PILT funding authorization, the County may sustain funding reductions from intergovernmental revenue sources into future fiscal years. 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. Examples 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 FY17 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 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 fund balance available for interest earnings and a drop in market interest rates.

Projection: Investment income is projected at 1% of average fund balance in FY17 then increases to 1.25% in FY18, 1.5% in FY19 and through the remaining years in the forecast period.

BUDGET SUMMARY

Analysis of Revenues

Overall investment income revenue will decline as the County spends down fund balance for revenue smoothing, capital, facility, and IT purchases. Staff will continue to monitor the rates earned and will make adjustments in the financial planning process as needed.

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 be 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.

BUDGET SUMMARY

Analysis of Revenues

Top Ten Revenues Sources

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 72% of all operating revenue (net of un-warded grants). In the General Fund, 66% of revenues come from State Shared Sales Tax, County Sales Tax, and Vehicle Licenses Tax. Three of the top ten revenues sources are sales taxes that are pegged to the health of the regional tourist economy. These sales taxes are anticipated to continue to show growth into future years.

Top Ten Revenues Sources

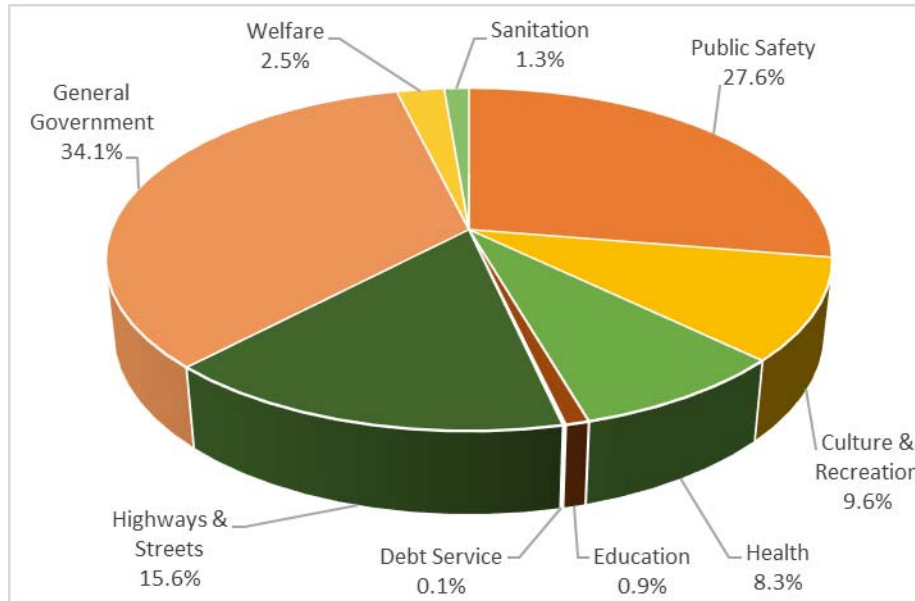
	Revenue Type	Fund	FY16 Budget
1	State Shared Sales Tax	General Fund	\$ 21,722,928
2	Jail District Sales Tax	Jail District	14,861,462
3	County Sales Tax	General Fund	14,861,462
4	Highway User Revenue Fund	Public Works	9,350,340
5	County Primary Property Tax	General Fund	9,086,077
6	Road Maintenance Sales Tax	Road Maintenance Sales Tax	8,066,843
7	Library District Secondary Property Tax	Library District	4,012,443
8	Public Health Services District Secondary Property Tax	Public Health Services District	3,924,532
9	Vehicle License Tax	General Fund	3,142,762
10	Flood Control District Secondary Property Tax	Flood Control District	2,490,852

BUDGET SUMMARY

Analysis of Expenditures

All Fund Detail by Function

This chart highlights FY17 expenditures for all funds by percentage of the total.



A discussion of these functions, 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 operational expenditures, and excludes un-awarded grants.

BUDGET SUMMARY

Analysis of Expenditures

Coconino County's FY17 budgeted expenditures have increased 2.7% from the FY16 revised budgeted expenditures. This increase is mainly due to funds being set aside for the Facilities Master Plan and the acquisition and implementation of a new Enterprise Resource Planning system.

The County's expenditure budget for FY17 is composed of its General Funds, Special Revenue Funds, Debt Service Funds, and Capital Project Funds. General Fund expenditures in FY16 represent 44% of the total expenditure budget. Special Revenue Funds, which include grant funds, represent 55% 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 25% between the FY16 and FY17 budgets.

Projection: General government expenditures in the General Fund are projected to increase in FY17 over the FY16 budget. This increase is due to the aforementioned funds set aside for the Facilities Master Plan and new Enterprise Resource Planning System. Projections for FY18 and FY19 also include increases for these projects with the one-time costs leveling out in FY20. Gradual increases are anticipated in FY21 and beyond, for increases in employee compensation and health care.

Special Revenue Funds

In the various Special Revenue Funds, general government expenditures will decrease by 2.6% between the FY16 and FY17 budgets, primarily due to a reduction in special revenue expenditures either related to less revenues being received or less availability of fund balance for expenditure use.

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

Debt Service Funds

Debt Service Funds do not have general government expenditures in FY17.

Capital Project Funds

In FY16, one-time project funds were budgeted and spent. The FY17 expenditures are 23.6% less than FY16 due to these one-time projects being completed.

Projection: General government Capital Project Fund expenditures are anticipated to increase as the Facilities Master plan is implemented.

BUDGET SUMMARY

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 26% of the operating budget, this is one of the largest functions.

General Fund

In the County's General Fund, public safety expenditures increased 1.9% between the FY16 and FY17 budgets. A large part of this is due to the increase for market, merit, and benefit increases.

Projection: Public safety expenditures in the General Fund are projected to increase for the foreseeable future. Local competition continues to provide difficulties in attracting and retaining Deputy Officers, Youth Care Workers, and Probation Officers. Deputies were given a one-time payment in FY17 to assist in alleviating retention difficulties. 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 its contribution in order to meet our mandates.

Special Revenue

In the various Special Revenue Funds, public safety expenditures will decrease less than 1% between the FY16 and FY17 budgets.

Projection: The county is working on holding down overall public safety and criminal justice 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 in FY17.

Capital Project Funds

Capital Project Funds are budgeted in FY17 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.

Projection: 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.

BUDGET SUMMARY

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 highway and streets in the General Fund include those expenditures for GIS. This budget will increase by 11% compared to FY16. This is due to the market, merit, and benefit increases seen in FY17.

Projection: GIS expenditures are projected to increase due to compensation, health and retirement rate increases over the next several years.

Special Revenue Funds

Special Revenue Fund expenditures related to highways and streets pertain to Public Works expenditures, and they will decrease by 7% between the FY16 and FY17 budgets. This is due to an increase in the budget for maintenance and capital projects.

Projection: The goal of the Public Works Department is to plan for a manageable construction level each year. This was becoming increasingly difficult with the uncertainty in the State budget and shifting of HURF funds to State programs. With the passing of the Road Maintenance Sales Tax, funds are now available for construction projects.

Debt Service Fund

Debt Service Funds do not have highways and streets expenditures for FY17.

Capital Projects Funds

Capital Project Funds do not have highways and streets expenditures for FY17.

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 12% in FY17. This increase is mainly due to one-time appropriations for capital construction and new vehicles.

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

BUDGET SUMMARY

Analysis of Expenditures

Special Revenue Funds

Culture and recreation expenditures funded by special revenue funds will decrease 3% in FY17 from the FY16 budget. This decrease is due to expenditures related to the Coconino Parks and Open Space (CPOS) 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 Library District expenditures in FY17 will remain flat.

Projection: Library expenditures are projected to remain stable in the next several years. Parks and Recreation expenditures vary due to capital projects and the CPOS programs. For more detail on upcoming capital projects associated with the CPOS program, see page 347.

Debt Service Funds

Debt Service Funds do not have culture and recreation expenditures in FY17.

Capital Project Funds

Capital Project Funds do not have culture and recreation expenditures in FY17.

Health

Health expenditures include expenditures from 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 increase by less than 1% in FY17. There are approximately 35 active Special Revenue health funds; some will experience budget increases while others will experience a budget decrease.

Projection: Health expenditures will continue to fluctuate depending on available State and Federal grant funding. Secondary assessed values have declined as a result of the recession and this has impacted the baseline (property tax) revenue for the District. Due to this impact as well as a continuing increase of State mandates, the Public Health Services District is continuing its efforts to alleviate a future structural deficit.

Debt Service Funds

Debt Service Funds do not have health expenditures in FY17.

Capital Project Funds

Capital Project Funds do not have health expenditures in FY17.

BUDGET SUMMARY

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 indirect funding for Community Services programs that are operated in Special Revenue funds. For FY17 General Fund expenditures for welfare will increase by 6%. This increase is due to the market, merit, and benefit increases.

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 of compensation, retirement system, and employee health benefit increases.

Special Revenue Funds

In Special Revenue Funds, expenditures for welfare will decrease by approximately 6% in FY17. This is due to a differing level of grant funding for FY17.

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 subject to significant variation due to the nature of their revenues. The Career Center is completely funded by Federal grants, so change in administration brings changes to these programs.

Debt Service Funds

Debt Service Funds do not have welfare expenditures for FY17.

Capital Project Funds

Capital Project Funds do not have welfare expenditures for FY17.

Sanitation

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

General Fund

There are no sanitation expenditures in the General Fund for FY17. The General Fund supports the Solid Waste Program through a transfer to the Solid Waste Fund.

BUDGET SUMMARY

Analysis of Expenditures

Special Revenue Funds

Sanitation expenditures in Special Revenue Funds are expected to increase 9% in FY17 from the FY16 budget. This is mainly due to a one-time expenditure for engineering fees in the FY17 KVID budget.

Projection: Expenditures for sanitation will continue to rise in the Solid Waste Program if we maintain current levels of service. 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 programs. This support is expected to increase as transportation employee-related costs increase while the amount citizens willing to pay for this service remains flat.

Debt Service Funds

Debt Service Funds do not have sanitation expenditures in FY17.

Capital Project Funds

Capital Project Funds do not have sanitation expenditures in FY17.

Education

Superintendent of Schools expenditures are categorized as education.

General Fund

General Fund expenditures for education will increase 6% from FY16 to FY17. This is due to an increase 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 FY15, these expenditures in the General Fund were funded by Secure Rural Schools (SRS) and Community Self-Determination Act funding. These same funds will be used in FY17. Reauthorization of these funds moving forward is unknown. Without the reauthorization of this funding into the future, the County will need to prioritize Superintendent of Schools funding with all other General Fund expenditures.

BUDGET SUMMARY

Analysis of Expenditures

Special Revenue Fund

Education expenses will decrease by 26% in Special Revenue Funds from the FY16 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 Fund education expenditures will vary each year, depending on the amount of grant funding 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 a consistent concern that Federal action could impact revenues for these programs.

Debt Service Funds

Debt Service Funds do not have education expenditures for FY17.

Capital Project Funds

Capital Project Funds do not have education expenditures for FY17.

Debt Service Principal and Interest

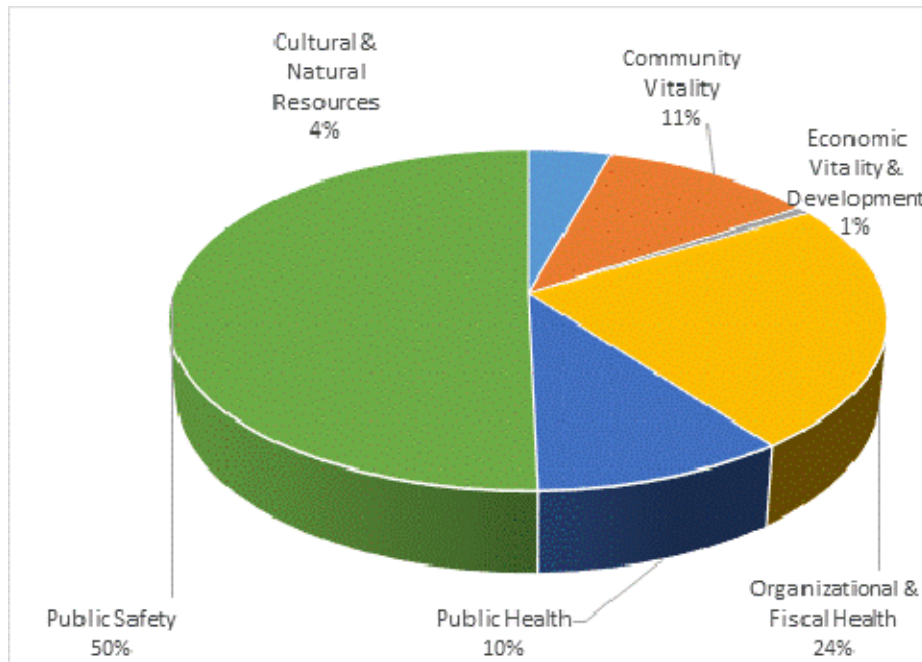
All Debt Service Fund payments go towards principal and interest on outstanding special districts debt. A detailed discussion of these expenditures can be found on pages [331](#).

BUDGET SUMMARY

Analysis of Expenditures

All Fund Detail by Strategic Priority Area

This chart highlights FY17 expenditures for all funds by percentage of the total (net of un-awarded grants)



A discussion of these areas, 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 processes develop.

BUDGET SUMMARY

Analysis of Expenditures

A summary of the types of program expenditures included in each area is listed below, along with projected 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 such as 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 FY17, the Public Safety budget will increase by approximately 2%. This increase is largely due to employees receiving a market and merit increase in FY17, as well as other benefit cost increases.

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 vary over the next several years as HURF funds have been freed up by the Road Maintenance Sales Tax to complete capital projects.

Community Vitality

Community Vitality programs 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 increase by less than 1% in FY17.

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 by less than 1% under the FY16 budget.

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

BUDGET SUMMARY

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 increase by 13% in FY17. This is mainly due to funds being appropriated for long-term projects such as the new Enterprise Resource Programming (ERP) system and the Facilities Master Plan (FMP).

Projection: The programs in Organizational and Fiscal Health are heavily supported by the General Fund. As we continue with our prudent forecasting process, expenditures in this category will continue to be prioritized. Expenditures will continue to increase as pay and benefits increases are approved. After the completion of the ERP and FMP projects, a decrease in expenditures is anticipated.

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 Advisory Council. In FY17, these expenditures will increase by less than 1%.

Projection: Cultural and Natural Resources expenditures will fluctuate in the next few years as Coconino County Parks and Open Space funding is used for approved projects and acquisitions. The revenue for these projects was full collected in FY15. Once the projects and acquisitions are complete, the long-term outlook for this expenditure type will rely on other revenue sources.

Economic Vitality and Development

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

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 future years as administration priorities continue to shift. The County will continue to work with Economic Development organizations like SEDI, the Sustainable Economic Development Initiative, to accomplish our Economic Development objectives.

BUDGET SUMMARY

Reserves

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 cuts to service.

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. When 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?

General Funds: The General Fund balance will decrease by \$9.1 million (37%) as a result of the FY17 budget (net of contingencies). As 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, \$2.5 million on the Enterprise Resource Planning system, and \$5 million will be set aside to begin implementation of the Facilities Master Plan. The long-term forecast to the operating General Fund shows we are balancing our budget beginning in FY21.

Special Revenue Funds: Fund balances in the Special Revenue Funds are budgeted to decrease 38% , or \$24.5 million in FY17. Most of the decrease occurs in the County Parks and Open Space (CPOS) and HURF. The CPOS fund balance decline of \$11.1 million is due to the acquisition of preserved land and completion of ballot approved projects. The HURF balance decline of \$4.7 million is due to capital projects being completed and equipment replacement. These expenditures have been delayed over the years due to the fund balance going towards the Schultz flood emergency response. To address the depletion of HURF funds and the need for funds for the operation and maintenance of County roads, the Board of Supervisors supported a measure on the November 2014 ballot to enact a sales tax for transportation. The measure passed with voters approving a 3/10 of a cent sales tax for 20 years to be used for transportation in our County.

BUDGET SUMMARY

Reserves

Debt Services Funds: Debt Service Funds will remain flat. The long term outlook for the special district debt service funds is for very little change in fund balance, because as assessments are collected, debt payments are made.

Capital Project Funds: Capital Project Fund reserves will remain flat. The long term outlook for the capital project service fund will fluctuate as set-aside funds are transferred into the Capital Space fund for the implementation of the Facilities Master Plan. These funds are currently set-aside in the General Fund.

Major Funds

Highway User Revenue Funds and Road Maintenance Sales Tax: As discussed in the Special Revenue Fund section, the HURF balance will decrease by 28% due to funds being used for completion of capital projects, road maintenance and equipment replacement. Voters approved a measure in the November 2014 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 10% from the FY16 projected ending fund balance. The majority of this decrease is due to repair and replacement of the jail facility.

Public Health Services District: The fund balance in this district will decrease by 37% in FY17. This decrease includes the spending of grant funding. The largest portion of this decrease is in the Public Health Services District fund. Continued evaluation of this fund and on-going sustainability has been and will be a priority going into the future.

BUDGET SUMMARY

General Fund Operating Budget

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 dashboard reports are prepared and provided to the Board of Supervisors 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, regular updates are made to the 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 plan on the following pages illustrates the results of this process.

The entire County budget for FY17 was evaluated within the context of this financial plan and a determination was made on the impacts that the current recurring expenditures would have on the operating budget, the expenditure limitation, 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 FY16 "base" budget for the department. Expenditure adjustments between programs were allowed. Budget increases were requested via a Service Improvement Request form. The completed form provided all details associated with new or enhanced services and programs requesting to be included in the FY17 annual budget. The Service Improvement Requests were evaluated and approved based on available resources. In FY17, 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. Over the next several years we will need to align our revenues and expenditures in all of our funds through strategic evaluation of our programs and funding levels, how they align with our priorities and where we want to be as an organization, as well as look at other revenue opportunities. This could result in significant General Fund reductions and realignment.

The ten-year plan that follows has been adjusted to eliminate the fund balance contingency. 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 information that was available at the time the budget was developed. The financial statements on pages 52-58 included updated FY16 estimated actuals.

An operating deficit is anticipated through FY20. 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 FY17 we are showing an operating deficit of \$9.1M.

BUDGET SUMMARY

General Fund Ten-Year Financial Plan

	Actuals	Budget	Estimated	Budget	Projected
	FY2015	FY 2016	FY2016	FY 2017	FY 2018
Revenues and Transfers In					
Taxes	\$ 26,021,148	\$ 26,072,630	\$ 27,421,233	\$ 28,122,405	\$ 28,679,918
Licenses and Permits	669,503	1,062,928	1,025,501	1,135,188	1,177,190
Intergovernmental	23,434,872	23,468,917	24,626,329	24,473,920	24,853,532
Charges for Services	4,698,729	4,725,282	4,901,127	4,819,803	4,923,398
Fees, Fines, and Forfeits	1,300,142	1,121,150	1,304,946	1,174,850	1,192,473
Investment Income	328,607	95,000	60,000	110,000	110,000
SRP Contributions	185,737	205,000	252,239	200,000	202,000
Miscellaneous	177,170	107,315	135,794	113,581	114,717
Transfers In	605,473	1,196,594	1,178,332	719,082	414,627
Total Revenues and Transfers In	57,421,381	58,054,816	60,905,501	60,868,829	61,667,855
Expenditures and Transfers Out					
Salaries	26,516,848	27,248,375	27,248,375	28,783,030	29,390,176
Benefits	10,766,461	11,664,302	11,664,302	12,121,505	13,114,411
Less: Projected Salary Savings	(1,453,579)	(300,000)	(1,323,264)	(700,000)	(700,000)
Operations	9,252,502	12,342,950	10,514,958	10,780,156	10,886,380
Travel	561,739	626,251	613,676	628,249	634,531
Capital	1,145,725	236,752	225,602	7,783,068	4,783,068
Total Transfers Out	9,106,532	11,148,222	10,965,841	10,588,801	9,851,992
Total Expenditures and Transfers Out	55,896,227	62,966,852	59,909,490	69,984,809	67,960,559
Total Surplus/(Deficit)	1,525,154	(4,912,036)	996,011	24,329,071	(6,292,703)
Beginning Fund Balance	21,807,906	23,333,060	23,333,060	24,329,071	15,213,091
Net Ending Fund Balance	\$ 23,333,060	\$ 18,421,024	\$ 24,329,071	\$ 15,213,091	\$ 8,920,388
Fund Balance					
Unreserved					
General Fund	\$ 14,810,674	\$ 9,892,290	\$ 15,369,996	\$ 6,190,629	\$ (267,596)
Loan Balance to Flood Control District	(1,000,000)	(1,000,000)	(1,000,000)	(700,000)	(350,000)
Emergency Reserve	8,522,386	8,528,733	8,959,075	9,022,462	9,187,984
Total Unreserved Fund Balance	\$ 22,333,060	\$ 17,421,024	\$ 23,329,071	\$ 14,513,091	\$ 8,570,388

BUDGET SUMMARY

General Fund Ten-Year Financial Plan

	Recession		Projected				
	FY 2019	FY 2020	FY 2021	FY2022	FY2023	FY2024	FY2025
Revenues and Transfers In							
Taxes	\$ 28,621,753	\$ 28,878,202	\$ 29,659,288	\$ 30,501,725	\$ 31,330,165	\$ 32,166,355	\$ 33,026,463
Licenses and Permits	787,213	815,553	1,025,501	1,061,394	1,098,542	1,136,991	1,176,786
Intergovernmental	25,305,217	25,332,939	26,674,504	27,538,286	28,408,442	29,308,392	30,239,170
Charges for Services	4,819,924	4,923,886	5,030,116	5,138,665	5,249,583	5,362,924	5,478,740
Fees, Fines, and Forfeits	1,180,543	1,198,251	1,300,142	1,319,644	1,339,438	1,359,530	1,379,923
Investment Income	110,000	110,000	110,000	110,000	110,000	110,000	110,000
SRP Contributions	204,020	206,060	208,121	210,202	212,304	214,427	216,571
Miscellaneous	115,864	117,023	118,193	119,375	120,569	121,774	122,992
Transfers In	415,292	420,829	426,223	431,143	436,155	441,261	446,462
Total Revenues and Transfers In	61,559,825	62,002,743	64,552,087	66,430,433	68,305,199	70,221,655	72,197,108
Expenditures and Transfers Out							
Salaries	29,395,479	29,978,033	30,572,184	31,178,165	31,836,025	32,545,370	33,270,605
Benefits	13,477,436	14,037,386	14,457,761	14,893,716	15,357,702	15,850,232	16,361,440
Less: Projected Salary Savings	(700,000)	(700,000)	(700,000)	(700,000)	(700,000)	(700,000)	(700,000)
Operations	8,078,753	8,040,587	8,296,556	8,235,567	8,518,735	8,631,494	8,745,381
Travel	658,879	647,286	671,760	660,296	684,901	691,570	698,306
Capital	3,283,068	283,068	283,068	283,068	283,068	283,068	283,068
Total Transfers Out	10,045,460	10,214,851	10,274,577	10,354,479	10,478,181	10,627,330	10,804,743
Total Expenditures and Transfers Out	64,239,075	62,501,210	63,855,906	64,905,290	66,458,612	67,929,065	69,463,542
Total Surplus/(Deficit)		(498,467)		1,525,143	1,846,587	2,292,590	2,733,565
Beginning Fund Balance	8,920,388	6,241,138	5,742,671	6,438,852	7,963,994	9,810,581	12,103,171
Net Ending Fund Balance	\$ 6,241,138	\$ 5,742,671	\$ 6,438,852	\$ 7,963,994	\$ 9,810,581	\$ 12,103,171	\$ 14,836,737
Fund Balance							
Unreserved							
General Fund	\$ (2,930,542)	\$ (3,494,616)	\$ (3,180,028)	\$ (1,935,899)	\$ (369,775)	\$ 1,636,112	\$ 4,074,140
Loan Balance to Flood Control District	(350,000)	-	-	-	-	-	-
Emergency Reserve	9,171,680	9,237,287	9,618,880	9,899,894	10,180,357	10,467,059	10,762,597
Total Unreserved Fund Balance	\$ 5,891,138	\$ 5,742,671	\$ 6,438,852	\$ 7,963,994	\$ 9,810,581	\$ 12,103,171	\$ 14,836,737

BUDGET SUMMARY

General Fund Revenue Assumptions

The single largest fund in the County is the General Fund. It accounts for approximately 47% 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. A scan of the local and national economy is used 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 FY16. To estimate FY17 revenues for all funds, but in particular for the General Fund, it was assumed that State and local revenues started to recover in FY14 and that this pattern is continuing in FY17 and into future years. This will be noted for many of the revenue growth assumptions that are primarily driven by the economy. 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 FY16. 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 FY17 General Fund revenues available for recurring expenditures.

The County's **primary property tax rate** increased in FY17. 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 FY17, 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 FY16 estimate to the FY17 budget. The trend for this tax has been hard to determine as the economic recession put this revenue below FY06 levels. Auto lieu revenues are projected to increase by 1% annually in the ten-year projection, with FY19 and FY20 at a recessionary growth of -1%.

County sales tax is projected to grow from the FY16 to the FY17 budget by 2.9%. This growth is based on population and inflation and the current trend of local sales taxes. This growth method will return us to what we have determined to be our adjusted baseline. We are forecasting 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 FY19 and FY20 will balance out with increased growth into the future.

Licenses and permits have fluctuated greatly over the last few years with the FY16 estimate showing tremendous growth over FY15. Growth in FY17 is projected at an increase of 10% with slight increases in future years. Building permits are the main component of this revenue source and is driving the increase.

BUDGET SUMMARY

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. We are projecting that in FY2020 that our relative share of net assessed value will begin to return to a more historical level as property values in the Phoenix area recover.

Other intergovernmental revenue is projected to increase from FY16 to the FY17 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 FY17 compared to FY16. 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 1.5% in FY17 compared to FY16 and will continue to grow at this rate into the future, due to the County's policy of updating the user fee schedule every other year.

Investment income is projected at 1% of the General Fund balance in FY17, 1.25% in FY18, 1.5% in FY19, 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 FY17 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.

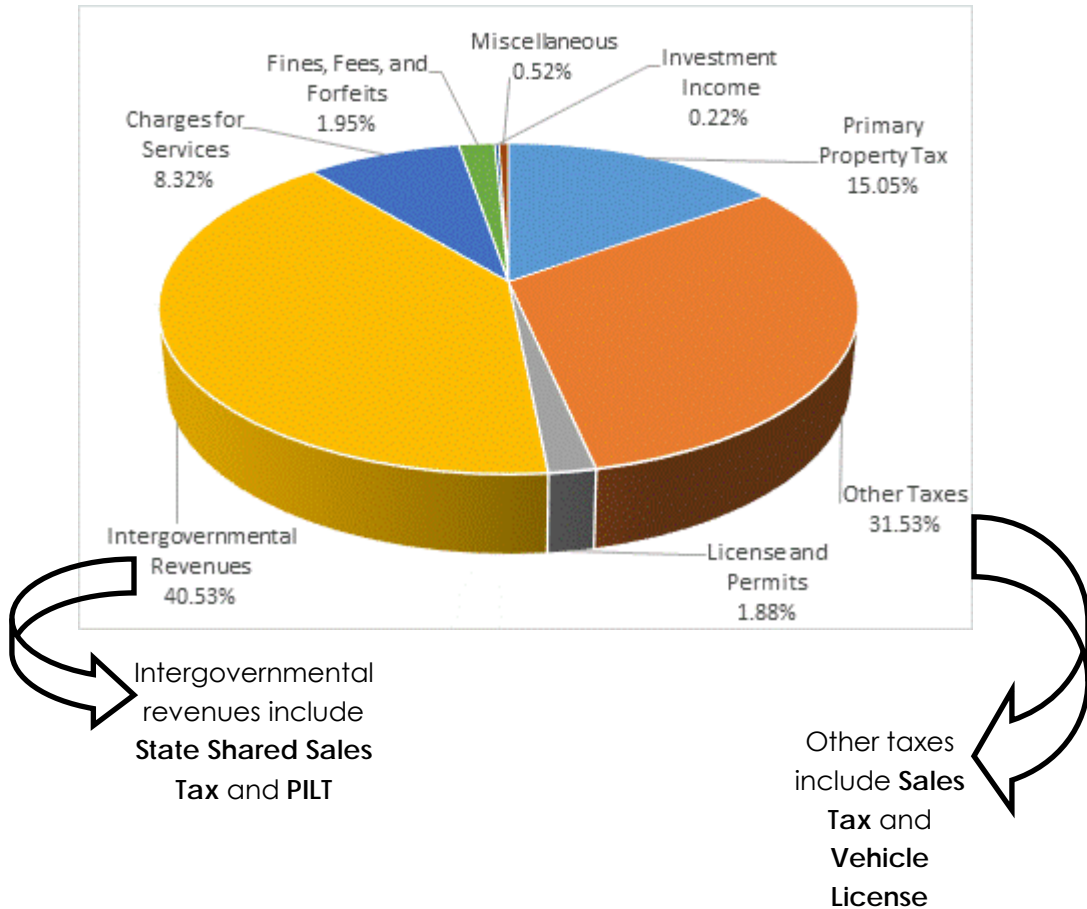
Transfer in for FY17 are budgeted to decrease due to a one-time transfer from the Jail District to pay into the Public Safety Retirement System.

BUDGET SUMMARY

General Fund Revenues

FY17 Revenues by Percentage

This chart details FY17 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.



BUDGET SUMMARY

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 FY16 estimates were used for the budget development and reflect information available at the time.

	FY2015 Actuals	FY2016 Budget	FY2016 Estimates	FY2017 Budget	FY2018 Projected
Primary Property Tax	\$ 8,386,385	\$ 8,817,093	\$ 8,640,751	\$ 9,086,077	\$ 9,358,659
Utilities	94,022	60,000	90,000	60,000	60,600
Other Taxes	659,073	780,000	704,606	780,000	600,000
Auto Lieu	3,301,848	3,141,437	3,543,250	3,334,866	3,368,215
County Sales Tax	13,579,820	13,274,100	14,442,626	14,861,462	15,292,444
<i>Taxes Subtotal</i>	26,021,148	26,072,630	27,421,233	28,122,405	28,679,918
Licenses and Permits	669,503	1,062,928	1,025,501	1,135,188	1,177,190
State Shared Sales Tax	19,995,985	20,665,300	21,368,200	21,722,928	22,091,845
PILT	1,571,671	1,666,210	1,666,210	1,666,210	1,666,210
SRS	467,217	-	450,364	-	-
Federal Grant & Shared	184,466	209,459	143,459	99,210	101,194
State Grant & Shared	251,105	215,410	151,212	123,336	125,803
County Contribution	550,038	550,038	550,050	550,038	550,038
Other Intergovernmental	414,390	162,500	296,834	312,198	318,442
<i>Intergovernmental Subtotal</i>	23,434,872	23,468,917	24,626,329	24,473,920	24,853,532
Charges for Services	(1,391,532)	3,320,565	3,496,410	3,379,968	3,447,567
Health Indirect	1,391,532	1,404,717	1,404,717	1,439,835	1,475,831
Fees, Fines, and Forfeits	1,300,142	1,121,150	1,304,946	1,174,850	1,192,473
Investment Income	328,607	95,000	60,000	110,000	110,000
SRP Contributions	185,737	205,000	252,239	200,000	202,000
Miscellaneous	177,170	107,315	135,794	113,581	114,717
<i>Revenues Subtotal</i>	52,117,179	56,858,222	59,727,169	60,149,747	61,253,228
Transfers In	660,716	1,206,594	1,178,332	1,086,137	414,627
Grand Total	\$ 52,777,895	\$ 58,064,816	\$ 60,905,501	\$ 61,235,884	\$ 61,667,855

BUDGET SUMMARY

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 FY16 estimates were used for the budget development and reflect information available at the time.

	FY 2019	FY 2020	FY2021	Projected FY2022	FY2023	FY2024	FY2025
Primary Property Tax	\$ 9,639,419	\$ 9,928,602	\$ 10,226,460	\$ 10,533,254	\$ 10,849,251	\$ 11,174,729	\$ 11,509,971
Utilities	61,206	61,818	62,436	63,061	63,691	64,328	64,971
Other Taxes	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Auto Lieu	3,334,533	3,301,187	3,334,199	3,367,541	3,401,216	3,435,229	3,469,581
County Sales Tax	14,986,596	14,986,596	15,436,193	15,937,870	16,416,006	16,892,070	17,381,940
<i>Taxes Subtotal</i>	28,621,753	28,878,202	29,659,288	30,501,725	31,330,165	32,166,355	33,026,463
Licenses and Permits	787,213	815,553	1,025,501	1,061,394	1,098,542	1,136,991	1,176,786
State Shared Sales Tax	21,891,845	21,891,845	23,205,356	24,040,749	24,882,175	25,753,051	26,654,408
PILT	2,317,987	2,345,803	2,373,952	2,402,440	2,431,269	2,460,444	2,489,970
SRS	-	-	-	-	-	-	-
Federal Grant & Shared	103,218	105,282	107,388	109,536	111,727	113,961	116,240
State Grant & Shared	128,319	130,885	133,503	136,173	138,896	141,674	144,508
County Contribution	550,038	550,038	550,038	550,038	550,038	550,038	550,038
Other Intergovernmental	313,810	309,085	304,266	299,351	294,337	289,223	284,007
<i>Intergovernmental Subtotal</i>	25,305,217	25,332,939	26,674,504	27,538,286	28,408,442	29,308,392	30,239,170
Charges for Services	3,307,197	3,373,341	3,440,808	3,509,624	3,579,816	3,651,413	3,724,441
Health Indirect	1,512,727	1,550,545	1,589,308	1,629,041	1,669,767	1,711,511	1,754,299
Fees, Fines, and Forfeits	1,180,543	1,198,251	1,300,142	1,319,644	1,339,438	1,359,530	1,379,923
Investment Income	110,000	110,000	110,000	110,000	110,000	110,000	110,000
SRP Contributions	204,020	206,060	208,121	210,202	212,304	214,427	216,571
Miscellaneous	115,864	117,023	118,193	119,375	120,569	121,774	122,992
<i>Revenues Subtotal</i>	61,144,534	61,581,914	64,125,864	65,999,290	67,869,043	69,780,394	71,750,645
Transfers In	415,292	420,829	426,223	431,143	436,155	441,261	446,462
Grand Total	\$ 61,559,825	\$ 62,002,743	\$ 64,552,087	\$ 66,430,433	\$ 68,305,199	\$ 70,221,655	\$ 72,197,108

BUDGET SUMMARY

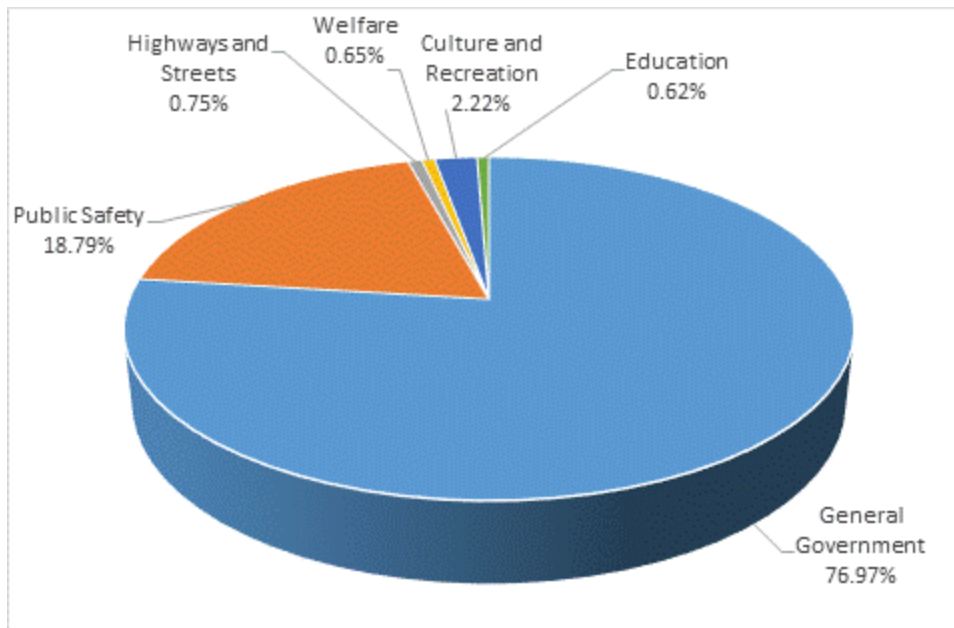
General Fund Expenditures

Total Expenditures for the General Fund

The total County adopted expenditures budget for FY17 (net of un-awarded grants) is \$180,946,521.

Of this, total adopted expenditures for the operating General Fund (1001) are \$71,809,555 and for all other General Funds adopted expenditures are \$1,795,356. The budgeted expenditures in the General Fund represents 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

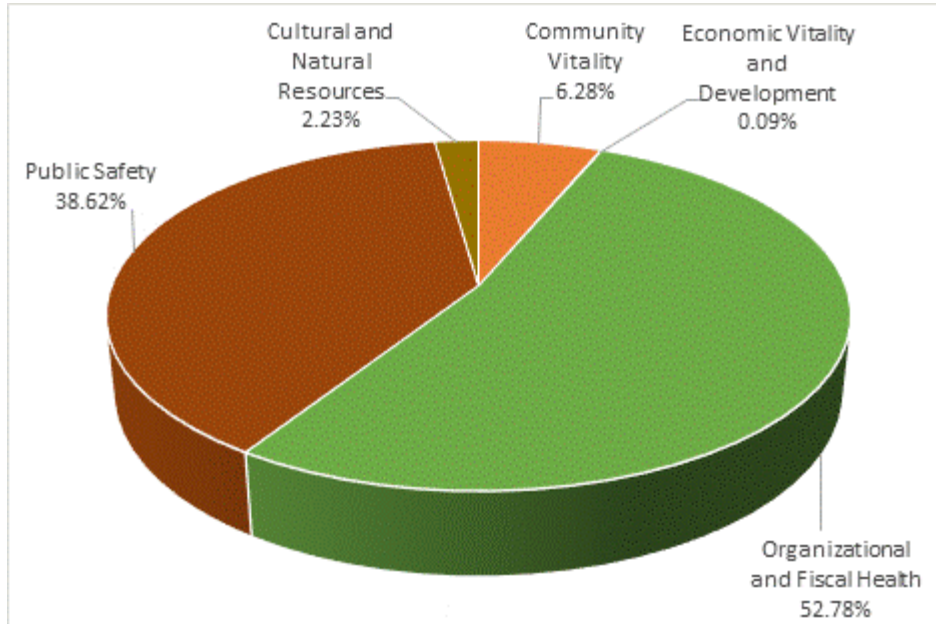


	General Government	Education	Highways & Streets	Public Safety	Welfare	Culture & Recreation	Total
Salaries	\$ 19,739,516	\$ 304,691	\$ 367,130	\$ 7,842,433	\$ 359,635	\$ 778,349	\$ 29,391,754
Benefits	6,707,082	102,454	119,176	4,979,422	118,603	278,211	12,304,948
Operating	33,817,028	78,087	92,250	1,942,722	22,706	508,108	36,460,901
Travel	419,284	9,200	15,000	159,725	9,500	30,990	643,699
Capital	564,952	-	-	31,616	-	246,000	842,568
Total	\$ 61,247,862	\$ 494,432	\$ 593,556	\$14,955,918	\$ 510,444	\$ 1,841,658	\$ 79,643,870

BUDGET SUMMARY

General Fund Expenditures

General Fund Expenditures by Strategic Priority Area



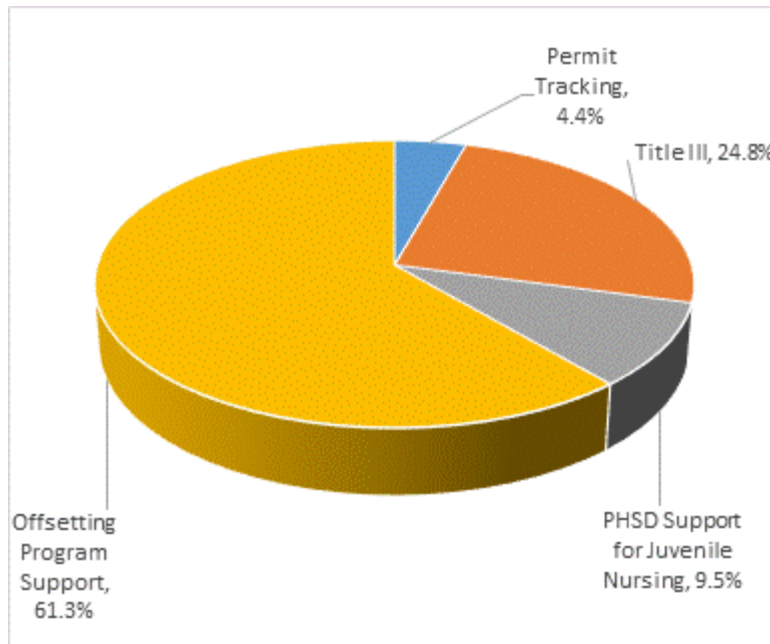
	Organizational & Fiscal Health	Economic Vitality & Development	Community Vitality	Public Safety	Cultural & Natural Resources	Total
Salaries	\$ 9,110,273	\$ -	\$ 2,127,664	\$ 17,768,876	\$ 384,941	\$ 29,391,754
Benefits	3,066,425	-	701,627	8,387,949	148,947	12,304,948
Operating	29,035,844	71,713	1,828,452	4,282,662	1,242,230	36,460,901
Travel	255,350	-	97,635	287,464	3,250	643,699
Capital	564,952	-	246,000	31,616	-	842,568
Total	\$ 42,032,844	\$ 71,713	\$ 5,001,378	\$ 30,758,567	\$ 1,779,368	\$ 79,643,870

BUDGET SUMMARY

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 chart below provides a summary of transfers in budgeted in FY17. It excludes transfers between the unreserved General Fund and Reserved General Funds.

Transfers *Into* the General Fund



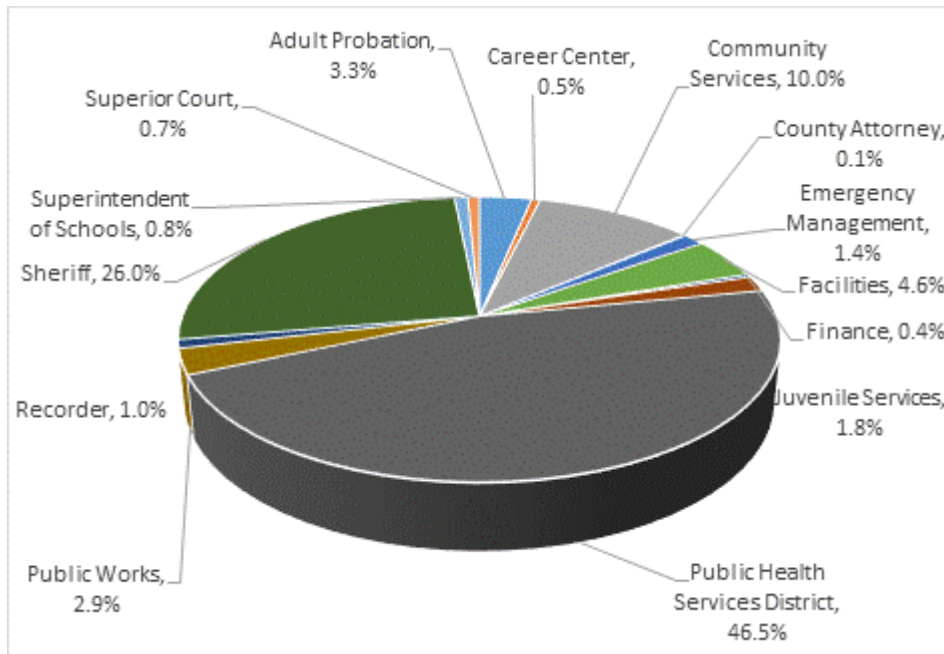
- Permit Tracking: The permit tracking system costs are split between the General Fund and the Public Health Services District. This also includes an animal management module.
- Title III: Pays for a portion of Search and Rescue, Flagstaff Patrol, and the County allocation to the County Partner Greater Flagstaff Forest Partnership.
- PHSD Support for Juvenile Nursing: The Juvenile nursing function has been moved to the Juvenile Department budget. The Public Health Services District is providing support that will decrease on an annual basis.
- Offsetting Program Support: Transfer to offset the cost of General Fund Programs from Special Revenue Funds.

BUDGET SUMMARY

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 FY17. They exclude transfers between the unreserved General Fund and Reserved General Funds.

Transfers Out of the General Fund by Department (\$10,345,235)



BUDGET SUMMARY

General Fund Budget Allocation Changes for FY17

The FY17 adopted budget includes a 2.5% market increase on July 1st, 2016 for all regular employees and the 2.5% merit increase on the anniversary date of each employee.

One-Time Funding Changes

- Board of Supervisors: County Temp Staff in Tuba City: \$20,000
- Board of Supervisors: Streaming and Recording of BOS Meetings: \$13,900
- Career Center: Teenworks Program: \$45,495
- Community Development: County Sustainability Funding: \$7,500
- County Manager: CJCC Cross-System Utilization Research Project: \$20,000
- Facilities Management: Standardized Security Upgrades: \$50,000
- Finance: FY17 Copier Replacement: \$15,000
- Finance: Travel and Training: \$1,500
- Government Relations: Contract for DC Legislative Representation: \$20,000
- Human Resources: Tuition Assistance Program: \$56,000
- Information Technology: IT Security Program: \$100,000
- Information Technology: Network Refresh: \$369,000
- Information Technology: Website Overhaul: \$10,000
- Information Technology: County Electronic Records Management Plan: \$82,000
- Juvenile Services: Long-Term Shelter Care: \$80,300
- Legal Defender: Part-Time Case Manager/Social Services Investigator: \$54,526
- Non-Departmental: Collective Impact Process: \$100,000
- Public Health Services District: Bilingual Solutions: \$20,000
- Parks and Recreation: Vehicles and Maintenance Building: \$246,000
- Parks and Recreation: Transfer of Grant Fund Balances: \$96,108
- Parks and Recreation: Temporary Equipment Rental for the Fair: \$29,200
- Sheriff: Backup Power for Four Sheriff Radio Sites: \$31,616
- Sheriff: Phase III Radio Site: \$15,000
- Sheriff: Continuation of Replacing/Upgrading Current Records Management System: \$103,979

Recurring Funding Changes

- Adult Probation: Safety Training Officer (Shift from State): \$102,438
- Clerk of Superior Court: Administrative Specialist III: Data Integrity: \$53,146
- Community Development: Long Range Planner
- Community Development: Environmental Quality Specialist I: \$55,000
- Community Services: Homecare Services (Home Health): \$126,007
- County Attorney: Shift of 3.75 FTEs to General Fund: \$255,986
- Emergency Management: Part-Time Program Coordinator: \$14,000
- Facilities Management: Downtown Parking: \$60,000
- Finance: Operations Division Reorganization: \$55,405
- Finance: Redistribution of Special Districts Operations: \$1,690

BUDGET SUMMARY

General Fund Budget Allocation Changes for FY17

Recurring Funding Changes

- Government Relations: Travel Budget Increase: \$10,000
- Information Technology: IT Security Program: \$10,000
- Public Defender: Two (2) Paralegal Positions: \$120,092
- Public Fiduciary: Increase for Indigent Burial: \$10,000
- Public Works: City of Flagstaff Waste Contract: \$17,700
- Public Works: IGA with City of Flagstaff for Hazardous Waste Products Center: \$35,000
- Recorder: Administrative Specialist I: \$45,000
- Sheriff: Computer Forensic Specialist: \$95,274
- Sheriff: Motor Pool Increases: \$50,000
- Sheriff: Site Rental for Sheriff's Radio Equipment: \$10,000
- Sheriff: Addition of Sheriff Deputy Positions (1.5): \$134,729
- Superior Court: Administrative III FTE: \$52,500

BUDGET SUMMARY

State Budget Impacts

During the recent recessionary decline, the State of Arizona chose to balance their budget in part by shifting their budget deficit onto local governments. They did this by passing along mandated costs to counties, reducing funding 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 FY17. 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 the budget over the past several years.

State Budget Impacts	FY09-FY13	FY15	FY16 (estimated)	FY17 (projected)
Court Liability Insurance	\$ 236,144	\$ 42,561	\$ 33,887	\$ 35,000
Restoration to Competency Cost Shift	1,135,673	436,377	160,605	365,000
Sexually Violent Predators Cost Shift	198,117	87,037	69,357	50,000
County Justice of Peace Salaries	360,756	69,200	63,160	63,160
CAMA System	1,952,293	94,581	127,344	98,839
AZ Department of Juvenile Correction Costs	-	-	252,400	68,492
AZDOR Tax Collection Fee	-	-	141,935	140,262
Subtotal: Direct Cost Shifts	\$ 3,882,983	\$ 729,756	\$ 848,688	\$ 820,753
Reduction in Grant Funding/Agency Cost Shifts	\$ 6,900,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Reduction in County Assistance Funds (Lottery)	1,923,261	-	-	-
HURF Shifts	4,600,000	521,365	521,365	521,365
Subtotal: Revenue Reductions	\$ 13,423,261	\$ 1,721,365	\$ 1,721,365	\$ 1,721,365
Grand Total State Budget Impacts by Year	\$ 17,306,244	\$ 2,451,121	\$ 2,570,053	\$ 2,542,118
Cumulative State Budget Impacts	\$ 17,306,244	\$ 19,757,365	\$ 22,327,419	\$ 24,869,536

- 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 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.

BUDGET SUMMARY

State Budget Impacts

- 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. This funding was reinstated in FY14 and remains in the budget moving forward.
- 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.
- AZ Department of Juvenile Correction Costs: Counties are required to pay 25% of the average cost of a youth being housed by ADJC from each county. In FY17, this amount was reduced, but it is expected to return to \$250K in FY18.
- AZDOR Tax Collection Fee: Payment to Department of Revenue for processing local jurisdiction sales tax collections.

BUDGET SUMMARY

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.

The total FTE count increased by 12.49 in FY17 compared to the revised FY16 staffing level. This is the first year since the economic downturn that critical positions have been added to the budget.

Organizational Full-Time Equivalents

Department	FY15 Budget	FY16 Budget	FY16 Mid-Year Adjustments	FY17 Base	FY17 Budget Approvals	FY17 Budget
Adult Probation	56.80	57.80	-	55.80	1.00	56.80
Assessor	26.00	26.00	-	26.00	-	26.00
Board of Supervisors	14.50	14.50	-	14.50	-	14.50
Career Center	13.00	13.00	-	13.00	-	13.00
Clerk of Superior Court	23.60	25.60	-	25.60	1.00	26.60
Community Development	25.30	24.15	-	24.15	2.00	26.15
Community Services	26.72	26.72	-	26.72	0.60	27.32
Constable	1.00	1.00	-	1.00	-	1.00
County Attorney	43.00	43.00	-	43.00	-	43.00
County Manager	7.00	7.00	-	7.00	1.00	8.00
Emergency Management	3.00	3.00	-	3.00	0.50	3.50
Facilities Management	26.00	26.00	-	26.00	-	26.00
Finance	18.00	18.00	-	18.00	-	18.00
Flood Control District	5.70	5.85	(0.30)	5.55	-	5.55
Governmental Relations	4.00	4.00	-	4.00	-	4.00
Human Resources	11.75	11.75	-	11.75	-	11.75
Information Technology	24.25	24.25	-	24.25	-	24.25
Justice Courts - Flagstaff	21.50	21.50	-	21.50	-	21.50
Justice Courts - Fredonia	2.50	2.75	-	2.75	-	2.75
Justice Courts - Page	5.00	5.00	-	5.00	-	5.00
Justice Courts - Williams	6.00	6.00	-	6.00	-	6.00
Juvenile Court Services	70.55	70.55	(2.40)	68.15	-	68.15
KVID	8.00	8.00	-	8.00	-	8.00
Legal Defender	6.00	6.25	-	6.25	0.50	6.75
Parks and Recreation	19.00	19.00	-	19.00	-	19.00
Public Defender	20.00	20.00	-	20.00	1.76	21.76
Public Fiduciary	8.11	8.33	0.30	8.63	-	8.63
Public Health Services District	102.43	93.67	-	93.67	(0.37)	93.30
Public Works	125.50	117.80	-	117.80	-	117.80
Recorder	17.50	17.50	-	17.50	-	17.50
Sheriff	271.63	278.63	-	277.93	3.50	281.43
Superintendent of Schools	10.00	10.00	-	10.38	-	10.38
Superior Court	36.33	36.33	-	36.33	1.00	37.33
Treasurer	8.00	8.00	-	8.00	-	8.00
Organization Total	1,067.67	1,060.93	(2.40)	1,056.21	12.49	1,068.70

BUDGET SUMMARY

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.S. 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. 11424, 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 a 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 was 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 us in fiscal year 2015.

Once again the Secure Rural Schools Act was reauthorized by section 524 of P.L 114-10 and signed into law by the President on April 16, 2015. The authorization was for two years and the full funding amount was 95% of the full funding amount for the preceding year.

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

BUDGET SUMMARY

Secure Rural Schools and Community Self Determination Act

Allocation of Funds

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

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

Title III Projects

FY16 SRS funds were received late in the fiscal year. The funds received were allocated for Title III during the FY17 budget process. The 45 day comment period was advertised for public comment. No comments were received and the projects were allowed to move forward.

The following projects and funding were allocated for FY17:

- Greater Flagstaff Forest Partnership: Forest restoration and community protection: \$10,000
- Flagstaff Patrol: Covers estimated costs of Sheriff patrol on Federal land in Coconino County: \$107,521
- Search and Rescue: Covers the estimated costs of Search and Rescue operations on Federal land in Coconino County: \$106,564

If this Act is not reauthorized into the future, the County will have a reduced ability to fund road maintenance projects, 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.

BUDGET SUMMARY

Debt

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 36. The legal debt limit of the County is equal to 15% of the County's net secondary assessed valuation. For FY17 this total would be \$250,129,622.

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.

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

Special Districts	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Hashknife	\$ 33,000	\$ 34,000	\$ 36,000	\$ 47,379	\$ 47,232	\$ 47,972	\$ 47,543
Kiowa Comanche	13,005	15,446	14,028	-	-	-	-
Lupine	11,193	15,561	12,171	-	-	-	-
North Stardust & Antelope	40,000	42,000	44,000	54,598	54,246	53,796	32,333
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	-	-	-	-

BUDGET SUMMARY

Debt

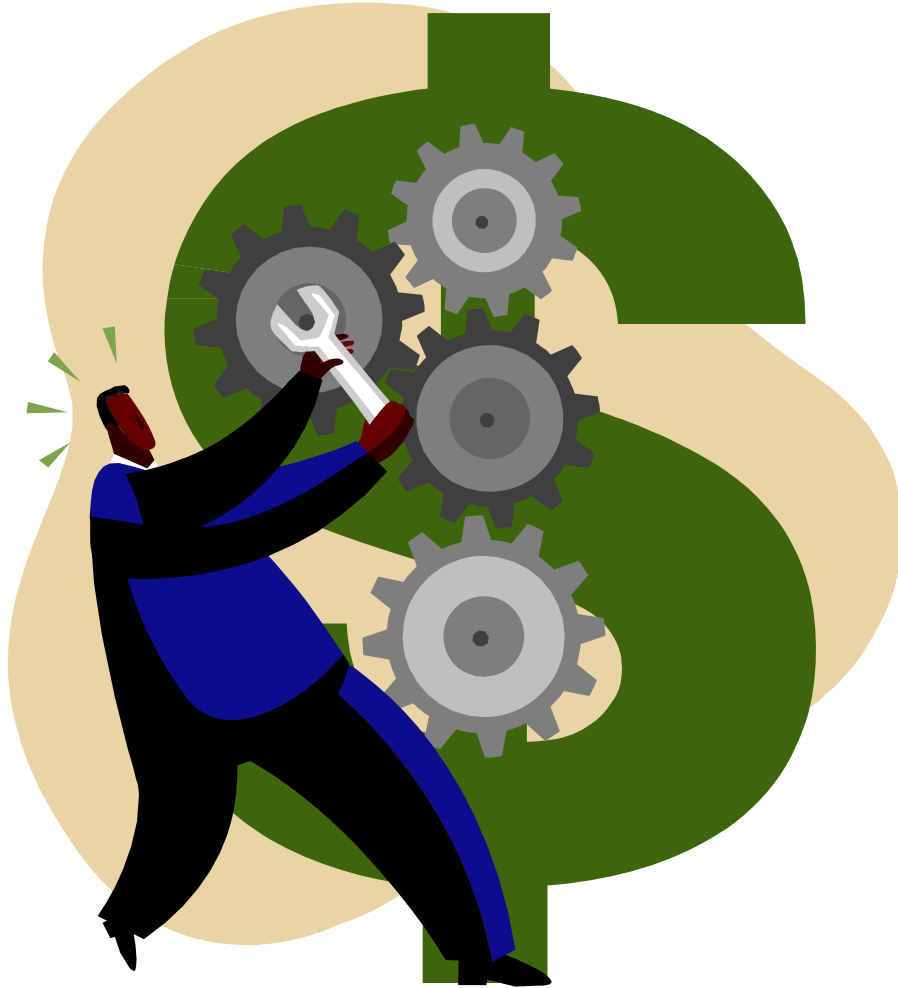
Debt Per Capita

The County does not anticipate any general debt issuances in the immediate future, so the County debt per capital 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 a dedicated revenue stream for the 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

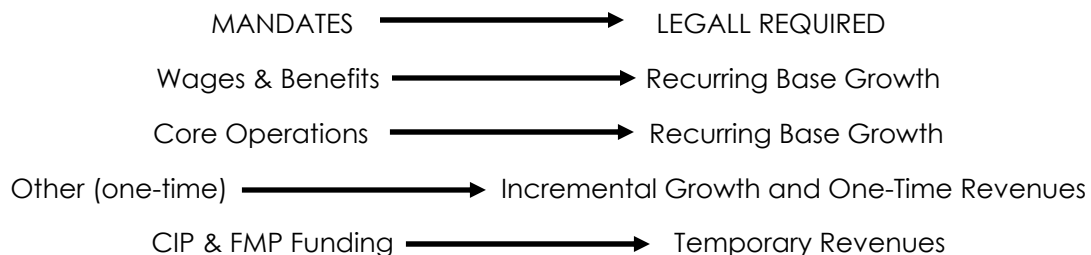


STRATEGIC PLANNING

Financial Planning

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 decisions. The financial planning effort was also taken deeper into the organization by providing Leadership Team presentations and presentations to staff at employee forums.

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’s actuals. In effect, this causes an over-estimating of sustainable revenue during times of economic growth, and an underestimating of long term revenues during period of recession. In developing what we believe is a more accurate forecasting method, County staff evaluated revenues and determined that a “base” 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 increase 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 showing graphically below:



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 paid off 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 maintenance

STRATEGIC PLANNING

Financial Planning

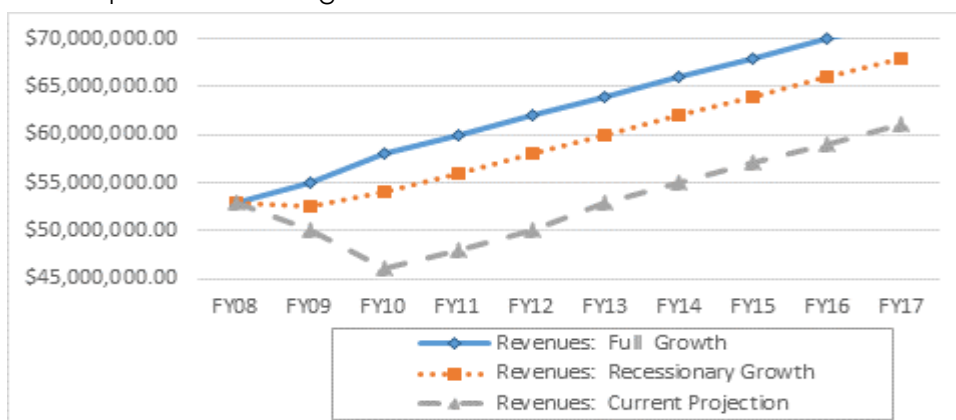
efforts that have proven to have a long-term impact on delaying or minimizing major facility projects. We also underwent a Facilities Master Plan effort, which identified how we can design and maintain our facilities to give us the greatest flexibility in use of space, and provide information on appropriate 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 Governance Committee has been formed to prioritize technology 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 and the FY17 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; had we done more reactionary budgeting our long-term revenue forecast would have had 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, budget cuts and resulting service reductions would have been 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 experienced throughout this recession.

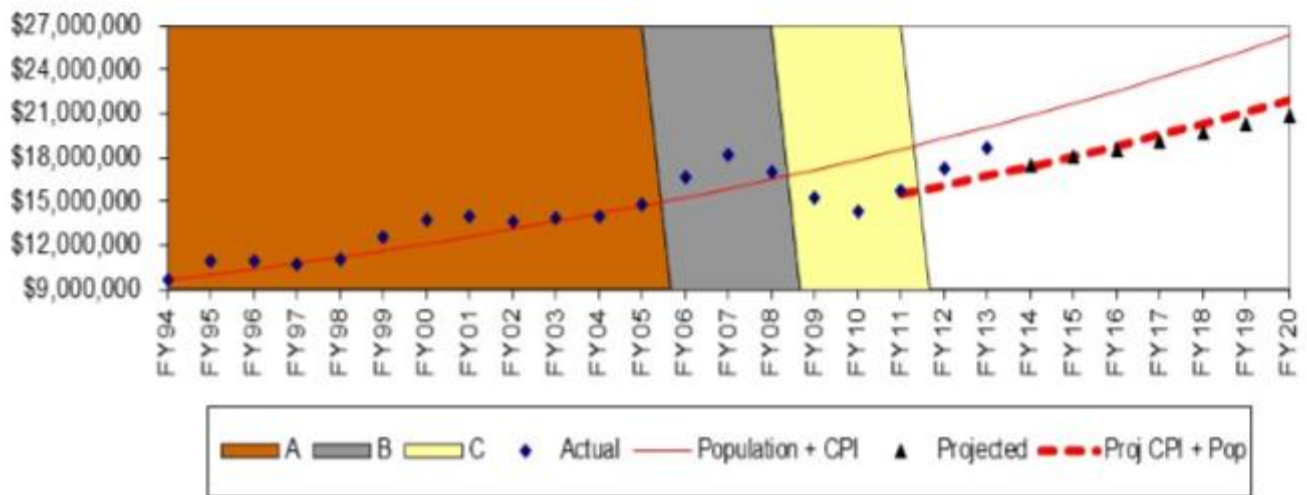


STRATEGIC PLANNING

Financial Planning

As previously mentioned, the recession caused us to readjust our “base” level of recurring revenues. We feel that 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 anticipated 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.

During the period marked “A” on this chart, we are 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 of our State shared sales tax forecast as well.



The first step in developing a budget for FY17 involved reviewing our revenue and expenditure forecast by using a 10-year plan for each major fund, and determining available resources. Other key considerations for the FY17 budget were:

- ⇒ Continuing prudent fiscal management
- ⇒ Importance of protecting essential services
- ⇒ Compensation strategies to ensure employee investment
- ⇒ Funding for the Facilities Master Plan
- ⇒ Funding for the new Enterprise Resource Planning system

STRATEGIC PLANNING

Strategic Planning

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 a number one priority for Coconino County for many years. Following the recession, the County was able to start putting resources back into compensation. The 2.5% performance-based merit increase has been in the budget since FY14 and is included again in the FY17 budget. Also included in the FY17 budget is a 2.5% market increase for each regular employee on July 1, 2016. This raises the minimum and maximum pay for all pay ranges by 2.5%.

Facilities

The County's facilities infrastructure is also considered “mission critical” in that they support all of our functions. Our facilities currently include several locations throughout Flagstaff, older facilities through 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 facility issues is needed for long-term cost containment. Funding is appropriated in the FY17 budget to move forward with the implementation of the Facilities Master Plan. This will be a multi-year project.

Enterprise Resource Planning

Coconino County needs to upgrade the HTE SunGard financial software system. In addition, Human Resource applications are very siloed and do not integrate with the Financial System. The County is interested in procuring an Enterprise Resource Planning (ERP) software which will improve operational efficiency by replacing the current older Financial System with a more user-friendly and technologically modern system, and integrating and/or replacing the current Human Resource applications. Funding is appropriated in the FY17 budget to begin the search and implementation process which will cross over fiscal years.

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 continue to balance our long-term budget. We have continued the three approach prong into FY17.

1. Expenditure Reductions
2. Use of Limited Reserve
3. Develop Additional Revenue

In the long-term, we are using the three-prong approach, an evaluation of mandates to identify and prioritize our mission critical needs and align our budget with our strategic priorities. This will be a continual effort that could result in significant changes, including program elimination.

STRATEGIC PLANNING

Strategic Budget Process

Beginning in FY2010, Coconino County built on its history of success with long-term financial planning by implementing a Strategic Budget Process. This process is altered each budgeting year. 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?

- ⇒ 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 put the priorities of the 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 matter 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 Programs reports that provide information on each County program including outcome-based measures.
- ⇒ During the budget process programs are evaluated on how they meet the strategic priority areas and how well they address the needs that matter most to citizens.
- ⇒ Programs that address key citizens needs and County strategies receive higher priority for limited funding.
- ⇒ The final output is a budget that better reflects citizen priorities and works towards the most efficient and effective delivery of services.
- ⇒ Departments also complete annual work plans to define successes they are looking to accomplish in the current year as well as obstacles they may come across.

STRATEGIC PLANNING

Strategic Budget Process

FY2017 Strategic Planning and Budget Timeline

TASKS	KEY DATES
Budget Kickoff: FY17 training on FTE lists, FY16 estimates, and FY17 "base budgets". Financial Management System is opened for entry.	January 11th January 13th
DEADLINE: FTE Lists Due to Budget	January 28th
Leadership Team Budget Retreat	January 29th
DEADLINE: FY16 Estimate Entry and FY17 Base Budget with Temporary Wages Due	February 5th
DEADLINE: Service Improvement Request Forms Due to Budget	February 5th
Board of Supervisors Budget Retreat	March 1st
DEADLINE: IT Project Requests, Carryover Requests and Unawarded Grants Form Due	March 4th
DEADLINE: Annual Work Plans Due	March 4th
County Manager Meetings with Departments	March - April
Board of Supervisors Worksessions: Financial Planning Update	May 1st
Board of Supervisors Worksessions: Budget Meetings with Individual Departments	May 1st - 13th
ADOPTION DATES	
Board of Supervisors Meeting: Adopt Tentative FY17 Budget	June 1st
Board of Supervisors Meeting: Adopt Final Budget for FY17	June 21st
Board of Supervisors Meeting: Adopt 2017 Tax Rates	August 9th

STRATEGIC PLANNING

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
- ⇒ FY17 goals and objectives
- ⇒ FY17 opportunities and challenges
- ⇒ 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
- ⇒ A summarized financial statement for each program within the department
- ⇒ Performance measures are also included for each program
- ⇒ 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 FY17 Coconino County budget.

For FY17, County leadership considered the key trends and needs of citizens in each of the six strategic priority areas.

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 FY17 budget process.

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

Strategic Budget Process

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 facilitates 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's 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.

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?
- ⇒ 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 PLANNING

Strategic Budget Process

Economic Development and Vitality (EV&D)

Outcome Statement: Coconino County facilitates and will assist in the creation of support systems, tools, resource 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 Retention
 - Does the program help business fit the regional economy and be sustainable?
 - 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 businesses 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?

STRATEGIC PLANNING

Strategic Budget Process

Organizational and 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 the residents. Citizens experience operational accountability, transparency, seamless accessibility to service 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 valuation 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 PLANNING

Strategic Budget Process

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 disease, 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 PLANNING

Strategic Budget Process

Public Safety (PS)

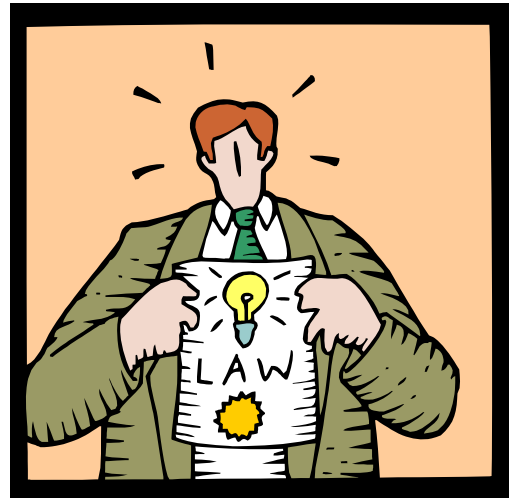
Outcome Statement: In partnership with the community, Coconino County proactively and responsively manages situations that threaten safety and welfare. Public Safety improves quality of life for people in the community through preparedness, education, prevention and corrective actions to ensure justice,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

Strategies:

Safe & Well Planned Communities

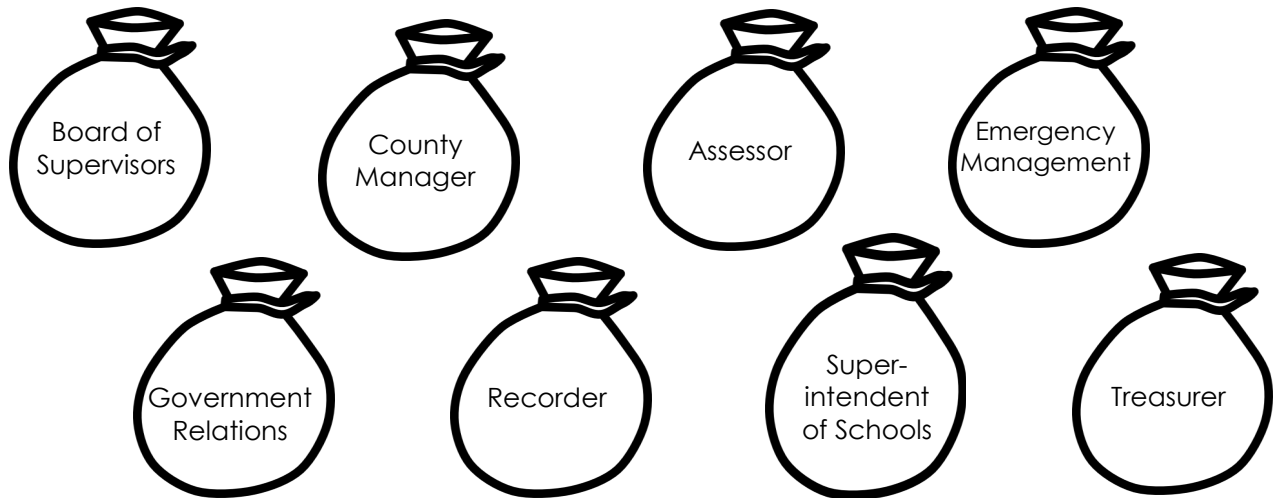
- ⇒ Ensure strong emergency preparedness plans are in place to protect Coconino County citizens and communities.
- ⇒ Coordinated activities among all development services and public safety divisions.
- ⇒ Ensure all aspects of public health, safety and welfare are considered with public and private development.
- ⇒ 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.

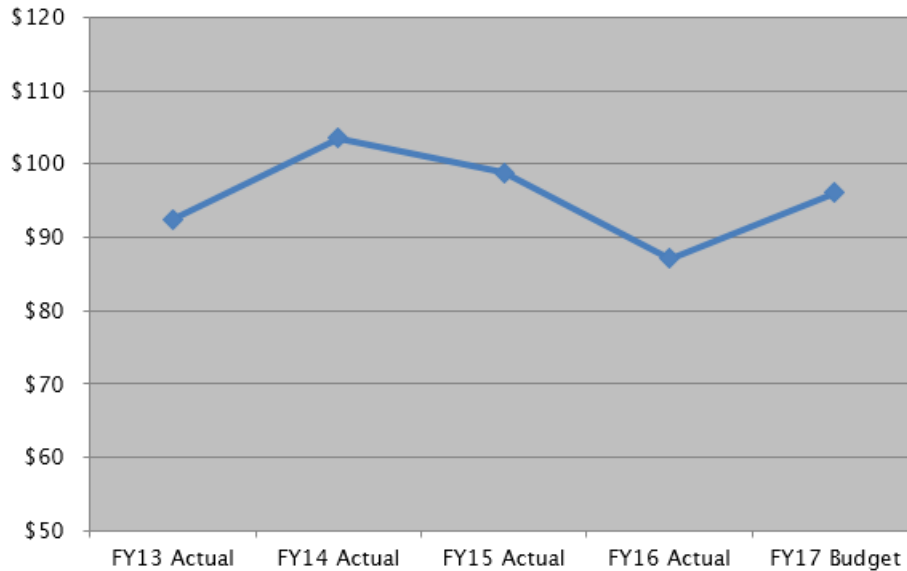
Per Capita Costs

Over the last five years, the per capita cost for services provided by departments within the General Government service area peaked in FY14 and has been decreasing. The largest increases have been seen in the Assessor's and County Manager's budget, which reflect the FY15 initiation (and FY16 continuation) of an aerial imaging project to augment the department's appraisal capability in the Assessors and the Public Fiduciary being relocated into under the County Manager. The Board of Supervisors' cost per capita has also increased, due to unspent Community Initiative funds that have been carried over into FY17, as well as due to one-time CREC funds that were budgeted to each district for land and water conservation projects in FY15 but remained mostly unspent. The sharp decline in per capita expenditures from FY15 to FY16 was caused by the loss of National 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 were 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 four 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>FY15 Actuals</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>	<u>Change:</u> <u>FY16 to FY17</u>
Board of Supervisors	\$ 9.79	\$ 9.98	\$ 10.52	5.39%
County Manager	6.58	11.93	11.86	-0.56%
Assessor	12.34	12.62	14.97	18.62%
Emergency Management	2.50	2.53	2.53	0.29%
Government Relations	2.91	3.08	3.14	1.92%
Recorder	14.22	12.99	16.57	27.53%
Superintendent of Schools	45.90	29.59	31.70	7.15%
Treasurer	4.53	4.34	4.81	10.83%
Total	\$ 98.78	\$ 87.05	\$ 96.10	10.40%

GENERAL GOVERNMENT

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
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.
Community Grants	CV	Each District Supervisor may appropriate grants to community agencies and groups, which may be used for a variety of purposes.
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

The primary FY17 objectives for the department are:

- The Board will continue to meet quarterly with the Flagstaff City Council, will conduct one Board meeting in Page, and will meet with the Page City Council and the Williams City Council.
- Individual District Supervisors will continue outreach programs to provide opportunities for County and community leaders to meet with constituents to educate them on County and community services. This activity provides a forum for all County departments, programs, and elected officials. Example of events include Neighborhood Block Watch, Park Watch, back to school events, community picnics, and coffees.
- Continue to improve the Agenda Management process with the newly implemented software.

Long-term goals for the Board of Supervisors include:

- Providing financial stability to County programs and services by protecting existing funding and securing new sources of funding.
- Protecting citizens and visitors by reviewing existing ordinances for changes and considering new ordinances. Examples are updates to the County Comprehensive Plan and sections of the County's zoning ordinance, as well as review of sign, lighting and vacation rental ordinances.

Opportunities and Challenges

- The Elected Board of Supervisors program is funded from the General Fund. In the past, Board efforts to educate State and Federal lawmakers has had a positive impact to the County budget by securing up to \$6 million in Secure Rural Schools and Payment in Lieu of Taxes funds.
- Increases in work sessions due to issues identified by the Board.
- Continuation of unfunded mandates.
- Threat of continued budget reductions from State and Federal funds.
- Decreases in the number of property valuation appeal leading to an increase in the number of taxpayer notice of claims filed.

GENERAL GOVERNMENT

Board of Supervisors (BOS)

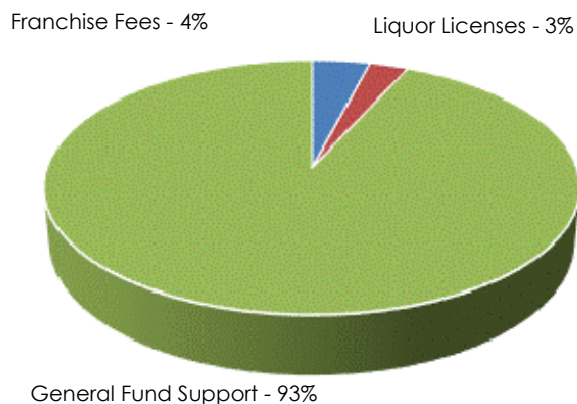
Financial Summary

The Board of Supervisors two main sources of revenue are cable television franchise fees and liquor license sales, with the remainder of their funding coming from General Fund support. The department ended FY16 62% ahead of its revenue budget, due to a significant increase in franchise fee revenue. The overall revenue for this department in FY17 is anticipated to be the same as the FY16 budget.

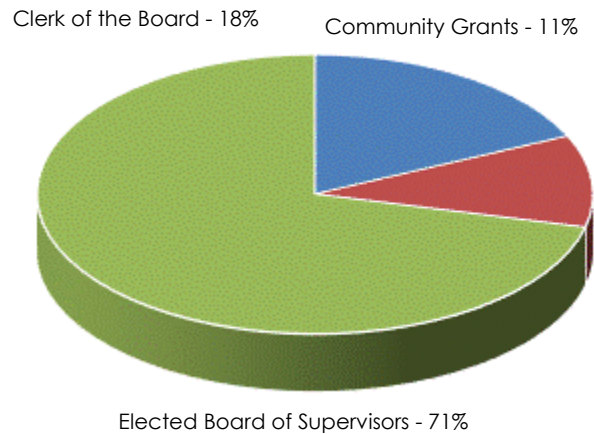
For FY16, the Board of Supervisors finished 6% under their revised expenditure budget of \$1,611,355. This variance is due to unspent Community Grants funds in all districts. FY17 expenditures are budgeted to decrease by 8% compared to FY16, due to one-time FY16 budgeting of CREC fund balance for conservation service programs on public land.

The following charts illustrate the Board's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

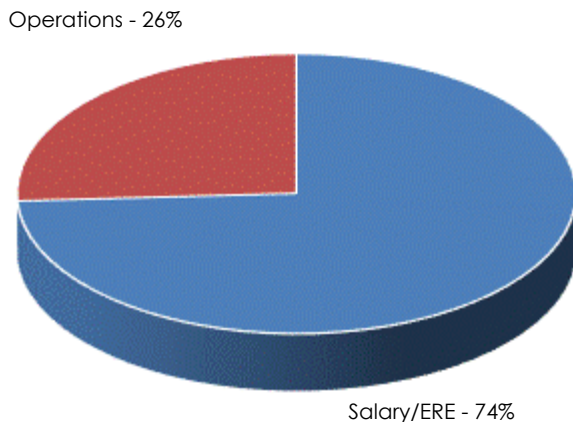
Revenue by Source Type



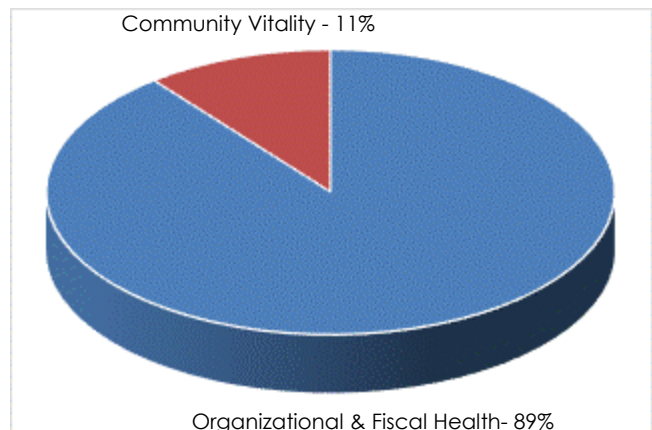
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



GENERAL GOVERNMENT

Board of Supervisors (BOS)

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Franchise Fees	\$ 37,000	\$ 94,022	\$ 60,000	\$ 97,267	\$ 60,000
Liquor Licenses	40,000	55,898	40,000	64,507	40,000
Charges for Services	-	233	-	33	-
Other	35	601	35	35	35
Transfers from Other Funds	166,775	134,561	-	-	-
General Fund Support	1,402,972	1,064,904	1,511,320	1,349,246	1,378,779
Total Funding Sources	\$ 1,646,782	\$ 1,350,219	\$ 1,611,355	\$ 1,511,089	\$ 1,478,814
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,039,487	\$ 1,010,035	\$ 1,047,036	\$ 1,028,051	\$ 1,096,228
Operations	607,295	340,184	544,319	361,832	382,586
Transfers to Other Funds	-	-	20,000	121,206	-
Total Uses of Funds	\$ 1,646,782	\$ 1,350,219	\$ 1,611,355	\$ 1,511,089	\$ 1,478,814
Net Indirect Support	3,601	3,601	3,047	3,047	1,856
Total	\$ 1,650,383	\$ 1,353,820	\$ 1,614,402	\$ 1,514,136	\$ 1,480,670
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 77,035	\$ 150,754	\$ 100,035	\$ 161,842	\$ 100,035
Transfers in from Other Funds	166,775	134,561	-	-	-
Program Expenditures	(1,646,782)	(1,350,219)	(1,591,355)	(1,491,089)	(1,478,814)
GF Transfers to Other Funds	-	-	(20,000)	(20,000)	-
Total Direct Support	\$ (1,402,972)	\$ (1,064,904)	\$ (1,511,320)	\$ (1,349,246)	\$ (1,378,779)
Net Indirect Support	(3,601)	(3,601)	(3,047)	(3,047)	(1,856)
Total County Support	\$ (1,406,573)	\$ (1,068,505)	\$ (1,514,367)	\$ (1,352,293)	\$ (1,380,635)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Clerk of the Board	\$ -	\$ 268,527	\$ -	\$ 268,527	\$ -
Community Grants	-	157,744	-	157,744	1,856
Elected Board of Supervisors	100,035	952,508	-	1,052,543	-
Total	\$ 100,035	\$ 1,378,779	\$ -	\$ 1,478,814	\$ 1,856

GENERAL GOVERNMENT

Board of Supervisors (BOS)

Performance Measures by Program

Clerk of the Board

	FY15 Actual	FY16 Estimated	FY17 Projected
Performance Measures			
Number of agendas posted within the ARS time requirements, as a percentage of the total number of agendas	100%	100%	100%
Number of BOE petitions responded to within the ARS timeline as a percentage of the total number of petitions received	100%	100%	100%
Workload Indicators			
Staff hours per meeting	25	35	30
Staff hours per Board of Equalization petition	5.5	5.5	6
Number of County-sponsored trainings for special districts, boards, and commissions	2	6	10
Number of trainings provided to County departments	3	4	4

Community Grants

	FY15 Actual	FY16 Estimated	FY17 Projected
Performance Measures			
Level of funding provided in agency or program grants versus total available	40%	40%	40%
Workload Indicators			
Number of Outreach programs/events sponsored	55	60	60
Number of citizens participating in sponsored programs	6,000	6,500	6,500

Elected Board of Supervisors

	FY15 Actual	FY16 Estimated	FY17 Projected
Performance Measures			
Secure Rural Schools (SRS) funding protected	\$4,000,000	\$39,000,000	unknown
Payment in Lieu of Taxes (PILT) funding protected	\$1,700,000	\$ 1,700,000	unknown
Amount of additional Sales Tax	\$3,500,000	\$ 7,800,000	\$7,800,000
Workload Indicators			
Number of work sessions related to financial issues of specific programs and departments	8	12	6
Number of work sessions to review existing ordinances	13	11	362
Number of amended or new ordinances approved	3	2	2
Number of meetings attended at National level and for National issues	20	20	20
Number of meetings attended at state level and for State issues	45	45	45
Number of meetings attended at local level and for local issues	90	105	90

GENERAL GOVERNMENT

Board of Supervisors (BOS)

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Specialist II	1.00	1.00	1.00
Administrative Specialist III	1.00	1.00	1.00
Administrative Support II*	1.50	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
Total Positions	14.50	14.50	14.50

*The Administrative Support II (1.0 FTE) is a limited term position authorized through calendar year 2016.

GENERAL GOVERNMENT

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
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.
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.
Public Fiduciary	CV	The Public Fiduciary's Office provides guardianship/ conservatorship services for adults deemed incapacitated by the Coconino County Superior court.

Goals and Objectives

The department has the following primary objectives for FY17:

- Manage the County through the new fiscal budget reality for FY17 with the many new State cost shifts and unfunded mandates.
- Work with the Public Health Services District towards obtaining a balanced budget with minimal disruption of important programs and services that benefit the health and quality of life of County citizens.
- Ensure County essential operations are not disrupted in the event of an extreme emergency situation by establishing well-known protocols and procedures through Continuity of Operations Planning.
- Finalize the County's zoning ordinance updates and ensure the updates are consistent with planning best practices.
- Continue working towards aligning Information Technology functions with the organization's strategies and objectives. Several existing entity-wide systems are in need of upgrade.
- The CJCC will implement the Systems Interrelations Tool to improve the ability to track and evaluate the justice system performance.
- The Public Fiduciary office is currently undergoing a re-organization and re-structure.

Long-term goals for the County Manager's Office include:

- Lead an appropriate organizational fiscal response to legislative budget impacts.
- Manage priorities to provide adequate future facilities and technology upgrades.
- Foster an organizational culture that embraces innovation, diversity, new ideas and customer service.
- Provide professional training opportunities for County staff.
- Provide for sustainable County open space availability and recreational opportunities.
- Improve diversion of cases that are primarily mental health treatment issues rather than criminal.

Opportunities and Challenges

- Due to a pending resolution on an education funding lawsuit, the State's budget could be facing significant challenges in the next several years.
- Ongoing behavioral health system changes and impacts on CJCC.
- Increase of court-appointed guardianship/conservatorships in the Public Fiduciary office.

GENERAL GOVERNMENT

County Manager

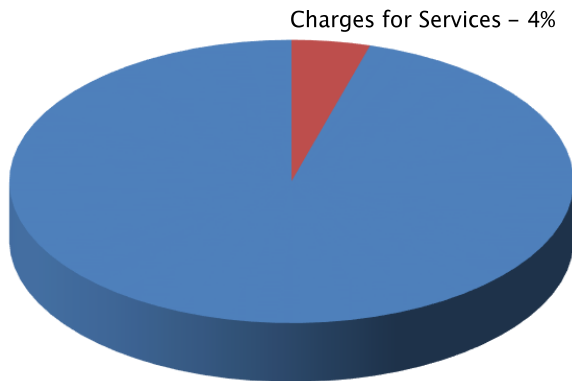
Financial Summary

Beginning in FY15, the County Manager's Office became fully funded through the General Fund. In prior years, Emergency Management was a program within the County Manager's Office, and 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. However, Public Fiduciary joined the County Manager's Office mid-year in FY16. For FY16, charges for services is estimated to be 75% over budget. The charges for services revenue is expected to increase for FY17.

The County Manager's Office is estimated to be 13% over their revised FY16 expenditure budget of \$1,459,585. This overage is primarily due to temporary wages within the Executive Management and Public Fiduciary programs. Their FY17 adopted expenditure budget of \$1,667,018 is 13% higher than in FY16. This slight increase is due to merit increases for most staff members. The department requested and received 1 FTE for a Compliance Manager under the Finance Department.

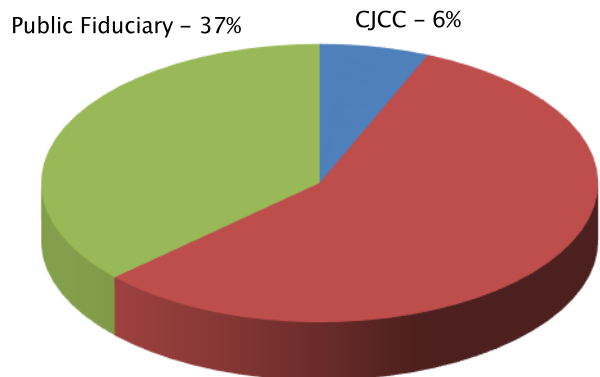
The following charts illustrate the County Manager's revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

Revenue by Source Type



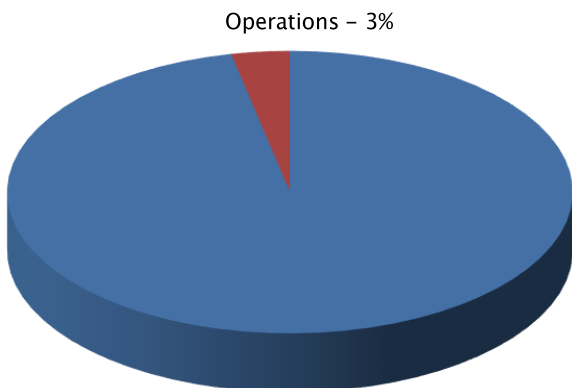
General Fund Support – 96%

Expenditures by Program



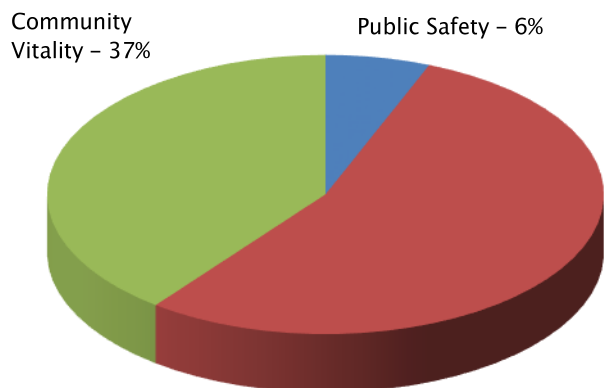
Executive Management – 57%

Expenditures by Category



Salary/ERE – 97%

Expenditures by Strategic Priority Area



Organizational & Fiscal Health – 57%

GENERAL GOVERNMENT

County Manager

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Other Intergovernmental	\$ -	\$ (395)	\$ -	\$ -	\$ -
Charges for Services	50,000	82,412	50,000	87,328	75,000
General Fund Support	1,397,996	1,354,820	1,409,585	1,573,054	1,592,018
Total Funding Sources	\$ 1,447,996	\$ 1,436,837	\$ 1,459,585	\$ 1,660,382	\$ 1,667,018
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,339,827	\$ 1,309,917	\$ 1,362,816	\$ 1,523,015	\$ 1,610,853
Operations	108,169	129,692	96,269	140,391	55,665
Expense Reimbursement	-	(2,772)	500	(3,024)	500
Total Uses of Funds	\$ 1,447,996	\$ 1,436,837	\$ 1,459,585	\$ 1,660,382	\$ 1,667,018
Net Indirect Support	149,522	151,511	140,771	171,256	120,760
Total	\$ 1,597,518	\$ 1,588,348	\$ 1,600,356	\$ 1,831,638	\$ 1,787,778
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 50,000	\$ 82,017	\$ 50,000	\$ 87,328	\$ 75,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,447,996)	(1,436,837)	(1,459,585)	(1,660,382)	(1,667,018)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$(1,397,996)	\$(1,354,820)	\$(1,409,585)	\$(1,573,054)	\$(1,592,018)
Net Indirect Support	(149,522)	(151,511)	(140,771)	(171,256)	(120,760)
Total County Support	\$(1,547,518)	\$(1,506,331)	\$(1,550,356)	\$(1,744,310)	\$(1,712,778)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Criminal Justice Coordinating Council (CJCC)	\$ -	\$ 106,047	\$ -	\$ 106,047	\$ -
Executive Management	-	946,619	-	946,619	-
Public Fiduciary	75,000	539,352	-	614,352	120,760
Total	\$ 75,000	\$ 1,592,018	\$ -	\$ 1,667,018	\$ 120,760

GENERAL GOVERNMENT

County Manager

Performance Measures by Program

Executive Management

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Advance work force diversity	N/A	N/A	N/A
Maintain core services within a balanced budget	N/A	N/A	N/A
Provide for emergency preparedness	N/A	N/A	N/A
Provide training programs	N/A	N/A	N/A
Update County Comprehensive Plan	N/A	N/A	N/A
Rewrite County Zoning Ordinance	N/A	N/A	N/A
Complete CPOS ballot projects	N/A	N/A	N/A

Criminal Justice Coordinating Council (CJCC)

Performance Measures

Negotiated agreements with the Department of Public Safety permitting ongoing access to ACCH data for County use	100%	N/A	N/A
Implementation of quarterly dashboard tool that has been designed by the CJCC systems performance subcommittee	100%	N/A	N/A
Improve operation and caseload into non-justice system alternatives that handle behavioral health issues	100%	N/A	N/A

Public Fiduciary

Performance Measures

Number of people for whom we acted as guardian	128	130	N/A
Number of people for whom the office served as Conservator	94	75	N/A
Number of people for whom the office served as Representative Payee	33	50	N/A
Closed estates settled	12	20	N/A
Indigent burials	11	20	N/A
Limited conservatorships of minor assets	13	15	N/A
Referrals	38	45	N/A

GENERAL GOVERNMENT

County Manager

Department Staffing (Full Time Equivalents)

County Manager

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Specialist I	1.00	1.00	1.00
Administrative Specialist II	1.00	1.00	1.00
County Manager	1.00	1.00	1.00
Criminal Justice Coordinator	-	1.00	1.00
Deputy County Manager	2.00	2.00	2.00
Executive Assistant to County Manager	1.00	1.00	1.00
Program Manager I	1.00	-	-
Special Assistant to County Manager	-	1.00	1.00
Wellness Manager	-	-	1.00
Total Positions	7.00	8.00	9.00

* In FY17, the NABEPT Wellness Manager is housed by Coconino County. All expenses are reimbursed by the NABEPT Trust.

Public Fiduciary

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Accountant	1.00	1.00	1.00
Administrative Specialist III	2.00	2.00	2.00
Administrative Support II	0.63	0.63	0.63
Licensed Fiduciary	3.48	4.00	4.00
Public Fiduciary	1.00	1.00	1.00
Total Positions	8.11	8.63	8.63

GENERAL GOVERNMENT

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.
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

- In FY16, the Assessor completed the First and Final Primary Residence Notifications as required by ARS 42-12052. The department has reduced the number of notices required to be sent by reviewing properties with the Primary Residence legal class as they complete daily ownership and address update tasks. Ongoing maintenance of this legal class will continue for FY17.
- The Assessor will continue to conduct community outreach meetings in FY17 to inform citizens and taxpayers about the changes in property valuation per Proposition 117, expand our presentations for the senior valuation protection option and Individual property valuation exemption programs and give updates on the county-wide canvass project.
- There are currently 157 accounts now enrolled for E-Notifications. This gives the taxpayers the option to receive their Annual Notice of Value electronically. We plan to inform more taxpayers about this option and expand this program for FY17.
- In FY16, the Assessor's office received the first round of oblique aerial imagery. Assessor staff worked diligently on developing a comprehensive workflow process and business procedures for the county-wide canvass project. The project to review all 75,000 county parcels will be completed in 3 years, ending in calendar year 2018.
- As a longer-term goal, the department will focus on leadership and succession planning. The Assessor will continue to provide training and professional growth opportunities for staff. Expanding the office knowledge base and preparing staff for advancement is critical as more staff reach retirement in the coming years.

Opportunities and Challenges

- The Assessor's office currently has budget capacity of \$8,925 for appraiser travel and education. This is approximately \$595 per appraiser per fiscal year. Appraisal certification training costs are approximately \$3,000 per appraiser.
- Aerial imagery purchased will be made available to all County departments. Many departments will benefit from the most current county data as well as provide additional resources to county planning and emergency response services.

GENERAL GOVERNMENT

Assessor

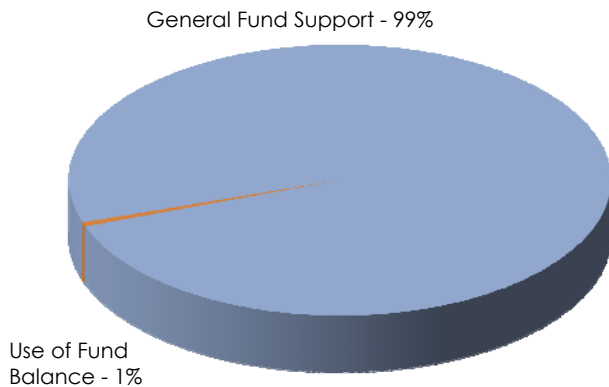
Financial Summary

The majority of the Assessor's revenue is provided through General Fund support, with a small amount also coming from the sale of information to the public. The department's FY16 revenue ended the fiscal year 179% above budget, due to much higher miscellaneous sales. This increase in revenue is expected to be short-term, with no budgeted increase for FY17.

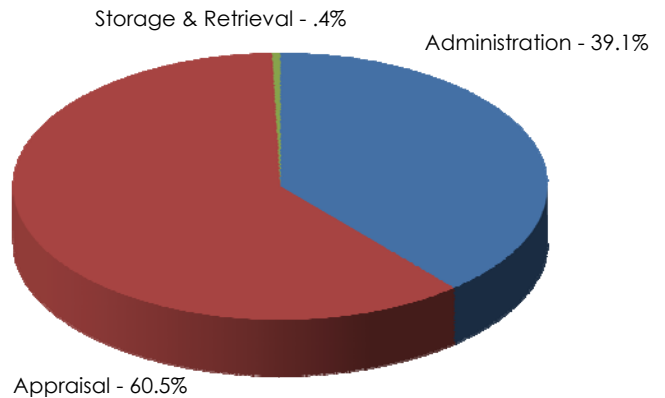
For FY16, the Assessor's office finished 16% under its revised expenditure budget of \$2,097,238. Half of this variance was due to salary savings from unfilled positions. The remainder was due to a \$290,000 pictometry contract that was budgeted but still in progress at the end of FY16. The remainder has been carried over into FY17. FY17 expenditures are slated to remain flat, with salary/ERE increases mitigated by the lower operating expenses remaining from the half-finished pictometry project.

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

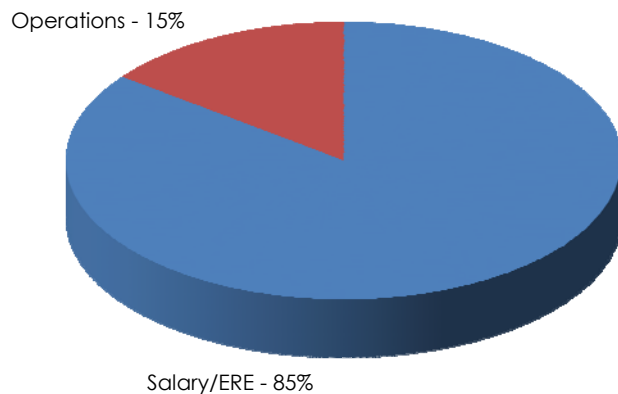
Revenue by Source Type



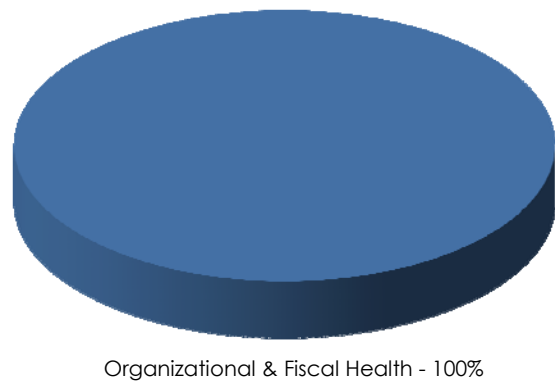
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



GENERAL GOVERNMENT

Assessor

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Other Intergovernmental	\$ 44,800	\$ 89,600	\$ -	\$ -	\$ -
Charges for Services	4,000	541	1,000	461	1,000
Other	4,000	6,284	7,000	21,838	7,000
Use of (Increase In) Fund Balance	17,296	7,667	9,630	1,580	9,243
General Fund Support	2,142,032	1,598,041	2,079,608	1,732,751	2,086,532
Total Funding Sources	\$ 2,212,128	\$ 1,702,133	\$ 2,097,238	\$ 1,756,630	\$ 2,103,775
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,707,913	\$ 1,473,596	\$ 1,699,761	\$ 1,559,550	\$ 1,793,383
Operations	494,215	228,538	397,477	197,080	310,392
Capital	10,000	-	-	-	-
Total Uses of Funds	\$ 2,212,128	\$ 1,702,133	\$ 2,097,238	\$ 1,756,630	\$ 2,103,775
Net Indirect Support	535,902	535,902	531,137	531,137	541,232
Total	\$ 2,748,030	\$ 2,238,035	\$ 2,628,375	\$ 2,287,767	\$ 2,645,007
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 52,800	\$ 96,425	\$ 8,000	\$ 22,299	\$ 8,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(2,194,832)	(1,694,466)	(2,087,608)	(1,755,050)	(2,094,532)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$(2,142,032)	\$(1,598,041)	\$(2,079,608)	\$(1,732,751)	\$(2,086,532)
Net Indirect Support	(535,902)	(535,902)	(531,137)	(531,137)	(541,232)
Total County Support	\$(2,677,934)	\$(2,133,943)	\$(2,610,745)	\$(2,263,888)	\$(2,627,764)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Administration	\$ 8,000	\$ 814,435	\$ -	\$ 822,435	\$ 234,324
Appraisal	-	1,272,097	-	1,272,097	306,908
Storage and Retrieval	-	-	9,243	9,243	-
Total	\$ 8,000	\$ 2,086,532	\$ 9,243	\$ 2,103,775	\$ 541,232

GENERAL GOVERNMENT

Assessor

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percent of Assessor's requirements and deadlines met as defined by statute	N/A	N/A	N/A
Workload Indicators			
Notifications of property value mailed	N/A	N/A	N/A
Citizens assisted by Customer Service	N/A	N/A	N/A
Visits to the Assessor's Website	87,107	90,000	95,000
Ownership records updated	16,308	18,250	19,000
Parcel boundary modifications made by Cartography	N/A	N/A	N/A
Community outreach meetings hosted or attended by Assessor Staff	N/A	N/A	N/A

Appraisal

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
All valuations by property type meet AZDOR standards and approval given to mail annual notice of value to taxpayers. (If performance measure is not met the AZDOR can issue an equalization order.)	N/A	N/A	N/A
Workload Indicators			
Accounts updated by an appraiser for valuation purposes	N/A	N/A	N/A
Protests of Valuation filed by taxpayers	258	157	155
Sales validated by an appraiser for market analysis	N/A	N/A	N/A
Average annual continuing education hours per appraiser	20	30	20

GENERAL GOVERNMENT

Assessor

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Specialist I*	4.00	3.00	3.00
Administrative Specialist II	1.00	1.00	1.00
Administrative Supervisor**	1.00	1.00	-
Administrative Operations Manager	-	-	1.00
Appraisal Manager	1.00	1.00	1.00
Appraiser I	4.00	4.00	4.00
Appraiser II	8.00	8.00	8.00
Appraiser, Senior	3.00	3.00	3.00
Business Applications Specialist I	1.00	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
Total Positions	27.00	26.00	26.00

*The Business Applications Specialist I was a limited-term position scheduled to end in FY15. The Department elected to keep this position and eliminate an Administrative Specialist I position for FY16.

** The Administrative Supervisor was reclassified to Administrative Operations Manager during FY16.

GENERAL GOVERNMENT

Emergency Management

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

Emergency Management maintains countywide situational awareness of emergency events due to wildfire, severe weather, hazardous materials releases, or any other cause that may have an above routine impact on the public and available resources.

Program	SPA	Description
Emergency Management	PS	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

The primary FY17 objectives for the department are:

- Execution of the Multi-Year Training and Exercise Plan and system administration of the CodeRED emergency notification system.
- Conduct annual plan reviews and the 5 year Federal Emergency Management Agency (FEMA) required plan update.
- The Coconino County Emergency Operations Plan and the Local Emergency Planning Committee Hazardous Materials Emergency Response plan (LEPC HazMat Plan) are regularly updated and exercised.

Long-term goals for the Emergency Management department include:

- Maintain and enhance the County's disaster/emergency response capability.
- Maintain FEMA approval for the Coconino County Multi-Jurisdictional Hazard Mitigation Plan (CCMJHMP).
- Ensure Coconino County has all necessary plans in place to respond to emergencies and disasters.
- Ensure a Continuity of Operations / Government Plan will be in place for each County department.

Opportunities and Challenges

- New Reporting Requirements for the Emergency Management Performance Grant.
- Increased demand and expectation for rapid, accurate information dissemination on emerging events.
- Greater expectation from the public on government disaster response capabilities.
- Evolving public alert and warning capabilities.

GENERAL GOVERNMENT

Emergency Management

Financial Summary

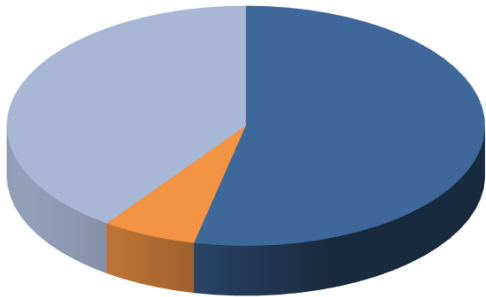
The Emergency Management department is funded primarily by Federal and State grants that require a 50% match from the County's General Fund. Due to recent reductions in Title III funding, the General Fund transfer to the department has increased to offset program costs previously funded through Title III. For FY16, the department's revenue finished 33% less than budgeted, due to a lag in grant reimbursements. FY17 revenue is budgeted 48% lower than in FY16, due to continued declines in grant revenue. The department continues to look for partners to secure further funding and reduce General Fund support.

For FY16, Emergency Management ended the year 17% over their revised expenditure budget (excluding contingency funds) of \$297,139. This overage was due to contracted work on an emergency operations plan for Oak Creek Canyon. The department's FY17 adopted expenditure budget of \$356,290 is 5% higher than in FY16. The department requested and received a recurring \$14,000 budget increase for a part-time Program Coordinator.

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.

Revenue by Source Type

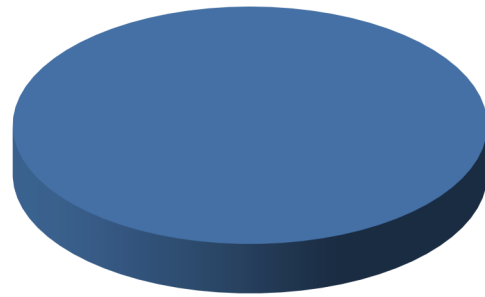
General Fund Support – 40%



Use of Fund
Balance – 6%

Federal & State Grants – 54%

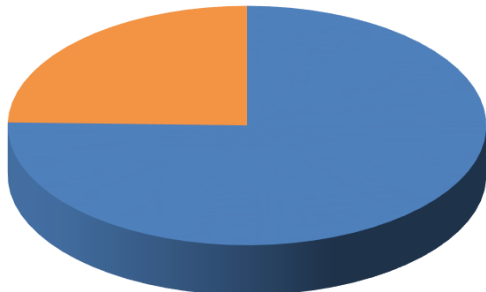
Expenditures by Program



Emergency Management – 100%

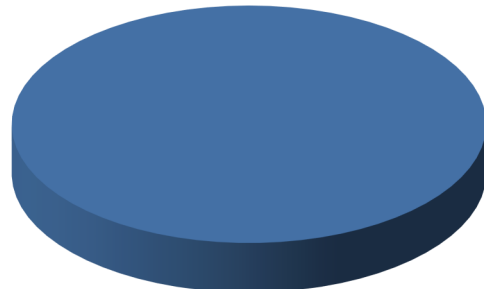
Expenditures by Category

Operations – 25%



Salary/ERE – 75%

Expenditures by Strategic Priority Area



Public Safety – 100%

GENERAL GOVERNMENT

Emergency Management

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 241,808	\$ 77,141	\$ 363,984	\$ 245,391	\$ 190,531
Other Intergovernmental	-	-	-	8,000	-
Other	-	804	-	547	-
Use of (Increase In) Fund Balance	(15,574)	146,976	(152,339)	(36,478)	22,791
General Fund Support	127,388	127,388	127,788	128,968	142,968
Total Funding Sources	\$ 353,622	\$ 352,309	\$ 339,433	\$ 346,429	\$ 356,290
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 228,027	\$ 233,584	\$ 234,864	\$ 237,453	\$ 268,625
Operations	125,595	119,807	104,569	108,976	87,665
Expense Reimbursement	-	(1,082)	-	-	-
Total Uses of Funds	\$ 353,622	\$ 352,309	\$ 339,433	\$ 346,429	\$ 356,290
Net Indirect Support	15,510	15,510	54,357	54,357	20,642
Total	\$ 369,132	\$ 367,819	\$ 393,790	\$ 400,786	\$ 376,932
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	(127,388)	(127,388)	(127,788)	(128,968)	(142,968)
Total Direct Support	\$ (127,388)	\$ (127,388)	\$ (127,788)	\$ (128,968)	\$ (142,968)
Net Indirect Support	(15,510)	(15,510)	(54,357)	(54,357)	(20,642)
Total County Support	\$ (142,898)	\$ (142,898)	\$ (182,145)	\$ (183,325)	\$ (163,610)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Emergency Management	\$ 190,531	\$ 142,968	\$ 22,791	\$ 356,290	\$ 20,642
Total	\$ 190,531	\$ 142,968	\$ 22,791	\$ 356,290	\$ 20,642

GENERAL GOVERNMENT

Emergency Management

Performance Measures by Program

Emergency Management Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Conduct emergency management training and exercises each year based on first responder agency and EOC Team needs	14 trainings hosted or supported. 6 exercises conducted or participated in	17 trainings will be hosted or supported. 6 exercises will be conducted or participated in.	N/A
The CodeRED emergency notification system is maintained and ready to use 24/7	A CodeRED cost sharing IGA template was developed with the assistance of the County Attorney's Office. The IGA was negotiated between the jurisdictions of Camp Navajo, Grand Canyon National Park, and the Cities of Page and Williams.	It is anticipated that most, if not all, of the IGAs with the jurisdictions of Flagstaff, Page, Williams, Camp Navajo, and Grand Canyon National Park, will be completed by the end of FY16	N/A
Response to real world events	East Flagstaff Flash Flooding, 4.7 earthquake	Post-Slide Fire flood preparation and response, September Severe Thunderstorm Watch, March 2015 Winter Storm / Flooding, Northern Arizona Data Outage, Page / Fredonia / Forest Lakes Telecommunications Outage	N/A
CCMJHMP annual reviews conducted	Completed	Will be completed	N/A
5-Year CCMJHMO annual review completed	The plan review process began in November 2014. The process was on track to be completed by October of FY16	The review process was completed in September 2015. The plan was reviewed by AZ DEMA and forwarded to FEMA. In November 2015 the plan was sent back to Coconino County with areas for correction. It is anticipated that the plan will be resubmitted to FEMA by the end of 2015.	N/A

GENERAL GOVERNMENT

Emergency Management

Performance Measures by Program

Emergency Management Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
The EOP is current, approved, and exercised	Plan Exercised	Exploring possible plan replacement	N/A
The LEPC meets regularly on a quarterly basis	4 Meetings Held	4 Meetings will be held	N/A
The LEPC HazMat Plan is current, approved, and exercised	Plan Exercised	Plan will be updated	N/A
All county departments maintain a COOP	Complete	Complete	N/A
Departmental Continuity Planners participate in the monthly COOP update cycle	Partially complete. Each department's participation in the COOP monthly maintenance cycle varies	Partially complete. Each department's participation in the COOP monthly maintenance cycle varies	N/A
Annual COOP refresher training is conducted for Continuity Planners	Annual training completed	Annual training will be completed in February 2016	N/A

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Administrative Specialist III	1.00	1.00	1.00
County Emergency Manager	1.00	1.00	1.00
Emergency Management Specialist	-	-	0.50
Program Coordinator	1.00	1.00	1.00
Total Positions	3.00	3.00	3.50

* The Program Coordinator is a limited term position that must be reauthorized on an annual basis depending on grant funding availability.

** The department requested and received a part-time Program Coordinator in F17.

GENERAL GOVERNMENT

Government Relations

219 E. Cherry Avenue, Flagstaff, AZ 86001 (928) 679-7134
 Todd Madeksza, 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, external communication and grant research for Coconino County.

Goals and Objectives

The primary FY17 objectives for the department are:

- Continue working on a comprehensive communication plan for Coconino County, which will include a social media policy.
- Continue the publication of the bi-annual Report to Citizens.
- Expanding communication efforts through the use of videos distributed through social media.
- Develop and advocate the County's state and federal legislative agendas, including identifying funding opportunities, at all levels.
- Protect Coconino County's administrative autonomy where appropriate and guard against administrative shifts in county authority without concurrent cost allocations for the responsibility.
- Serve as the primary point of contact between external governmental and non-profit partners and the County Manager's Office in areas of mutual interests and concerns.
- Provide technical advice to staff and Departments to successfully attain grants.
- Increase the number of grant applications submitted.

Long-term goals for the Government Relations Department include:

- Continue to expand communication efforts in Coconino County.
- Ensure continued fiscal health of the county and to maintain appropriate administrative relationships with the state and federal levels of government.
- Continue to enhance and protect Coconino County's revenues.
- Increasing revenues generated through grants.

Opportunities and Challenges

- Increase in the use of the Department's services for legislative tracking, legislation advocacy and public information.
- Increased amount of departments who are using grant services to explore grant opportunities.
- Meeting expectations, maintaining staff resources and enhancing staff tools to complement their duties is both challenging and necessary moving forward.

GENERAL GOVERNMENT

Government Relations

Financial Summary

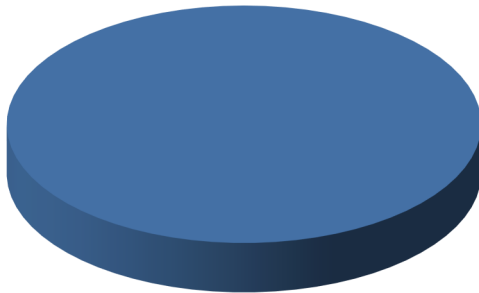
The Government Relations Department is fully funded by the General Fund and has no other revenue sources.

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. In FY16, Government Relations was 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. The Department ended FY16 less than 1% over its expenditure budget of \$427,064, due to salary savings from staff turnover and reduced postage expenses. The Department's FY17 approved expenditure budget of \$440,676 represents a 3% increase over FY16, due to merit increases.

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

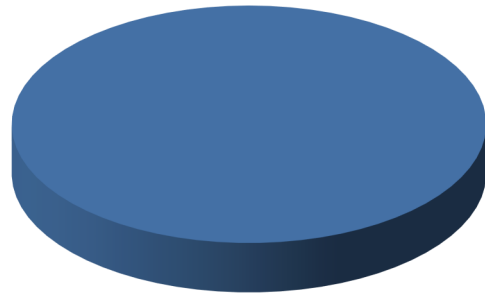
Revenue by Source Type

General Fund Support - 100%



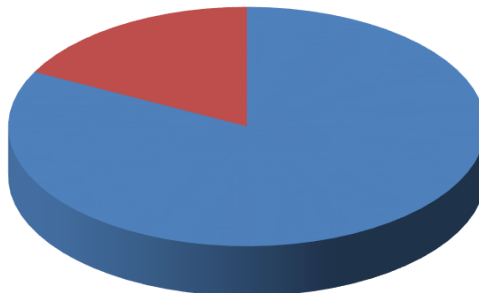
Expenditures by Program

Government Relations - 100%



Expenditures by Category

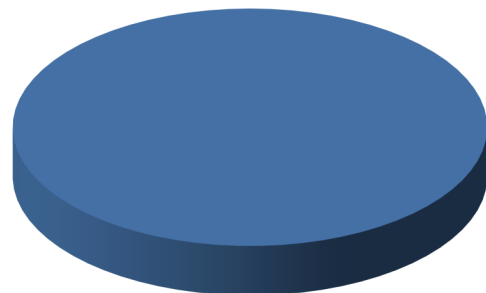
Operations - 17%



Salary/ERE - 83%

Expenditures by Strategic Priority Area

Organizational & Fiscal Health - 100%



GENERAL GOVERNMENT

Government Relations

Department-Wide Financial Statement

	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Revenues and Other Sources					
General Fund Support	\$ 420,813	\$ 399,521	\$ 427,064	\$ 428,237	\$ 440,676
Total Funding Sources	\$ 420,813	\$ 399,521	\$ 427,064	\$ 428,237	\$ 440,676
Expenditures and Other Uses					
Salary/ERE	\$ 345,813	\$ 335,182	\$ 352,064	\$ 344,848	\$ 363,676
Operations	75,000	64,340	75,000	83,389	77,000
Total Uses of Funds	\$ 420,813	\$ 399,521	\$ 427,064	\$ 428,237	\$ 440,676
Net Indirect Support	-	-	-	-	-
Total	\$ 420,813	\$ 399,521	\$ 427,064	\$ 428,237	\$ 440,676
General Fund Support					
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(420,813)	(399,521)	(427,064)	(428,237)	(440,676)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ (420,813)	\$ (399,521)	\$ (427,064)	\$ (428,237)	\$ (440,676)
Net Indirect Support	-	-	-	-	-
Total County Support	\$ (420,813)	\$ (399,521)	\$ (427,064)	\$ (428,237)	\$ (440,676)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Government Relations	\$ -	\$ 440,676	\$ -	\$ 440,676	\$ -
Total	\$ -	\$ 440,676	\$ -	\$ 440,676	\$ -

GENERAL GOVERNMENT

Government Relations

Performance Measures by Program

Government Relations Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Amount of County residents receiving the annual Report to Citizens	70,000	78,000	N/A
Number of news and Internet articles involving the County and/or it's programs	N/A	N/A	N/A
Number of press releases generated during the fiscal year	180	160	N/A
Increase in the number of social media followers	1,400	932	N/A
Dollars in State revenue protected and secured	\$800,000	N/A	N/A
Dollars in Federal revenue protected and secured	\$2,500,000	N/A	N/A
Number of grant applications submitted	10	3	N/A
Number of successful grant applications	4	1	N/A
Amount of revenue generated from successful grant applications	\$20,800	\$35,000	N/A
Number of successful award applications	5	2	N/A

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Director–Government Relations	1.00	1.00	1.00
Government Relations Coordinator	1.00	1.00	1.00
Grants Writer	1.00	1.00	1.00
Public Information Officer	1.00	1.00	1.00
Total Positions	4.00	4.00	4.00

GENERAL GOVERNMENT

Recorder

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

The Recorder's Office maintains a permanent public record consisting of authorized documents or documents required by state law and must be accessible to the public in a timely manner and are easily accessible to the public. The Recorder's Office also conducts all aspects of elections, including voter management, outreach, and the election process.

Program	SPA	Description
Recording	CV	The Recording Division maintains a public record consisting of documents accepted for recording.
Voter Registration	CV	This program is responsible for maintaining the official registry of voters for Coconino County.
Elections	CV	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 integrity, fairness, security, accuracy and professional election standards.
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.

Goals and Objectives

Departmental objectives for FY17 include:

- Conduct the August 30, 2016 Primary and November 8, 2016 General Elections. These elections will significantly increase voter registration and early voting activity for the division.
- Continue to receive, index and verify the accuracy of documents submitted in a timely manner. The division is working towards a two week turn-around time to process all documents submitted to the office for recording.
- Complete the electronic index for document images that have been uploaded.
- Administer early voting and vote-by-mail elections.
- Receive, process, and verify provisional ballots, whether they will be counted or rejected for an election within a mandated timeframe.

Long-term goals for the department include:

- Maintain an accurate record of documents submitted for recording.
- Maintain a current and accurate registry of voters.
- Verify initiative, referendum, and recall petitions.
- Maintain high public confidence in the electoral process with the highest level of integrity, fairness, security, accuracy and professional election standards.

Opportunities and Challenges

- Implementation of G2G (Government to Government eRecording) recording.
- Aging voting equipment.

GENERAL GOVERNMENT

Recorder

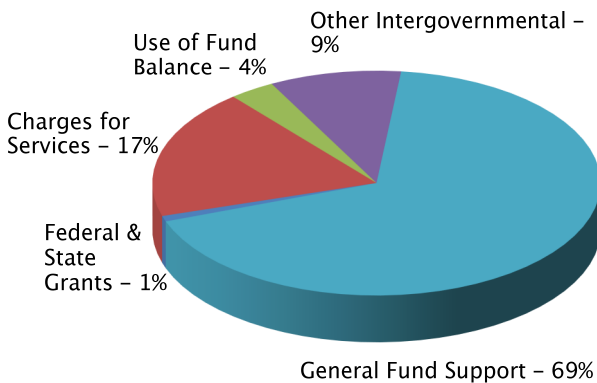
Financial Summary

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 recording services are estimated to be 29% over the FY16 budget. Intergovernmental revenue for election charges is estimated to be 20% above the FY16 budget, due to recent legislative changes that require all elections to occur on the November ballot and causing all revenue to be realized in the fall of 2016.

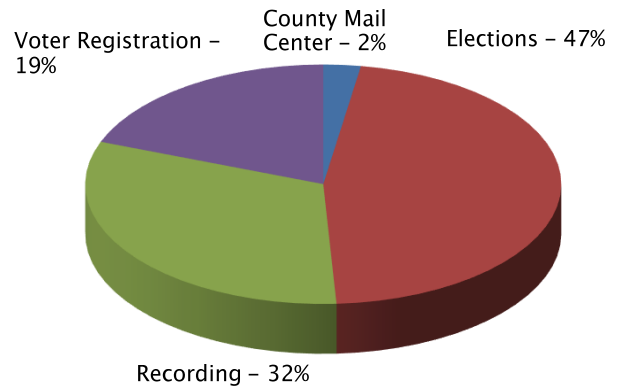
The Recorder's Office is estimated to be 30% under their revised FY16 expenditure budget of \$2,581,343. This variance is primarily due to savings on computer lease payments in the Recording division. The FY17 adopted expenditure budget of \$2,328,511 is 10% under the FY16 budget. This variance is due to decreases in postage and printing related to elections which are cyclical in nature. The department requested and received a total of \$45,000 in recurring funding for a new Administrative Specialist I.

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

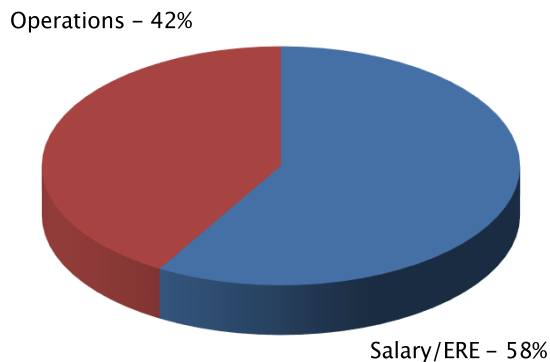
Revenue by Source Type



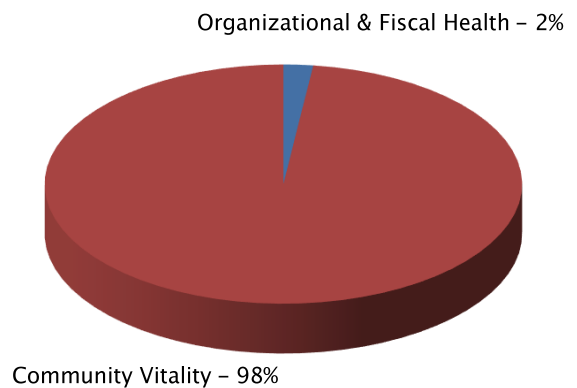
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



GENERAL GOVERNMENT

Recorder

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 16,665	\$ 3,030	\$ 16,665	\$ -	\$ 16,665
Other Intergovernmental	212,000	412,413	197,500	236,864	214,000
Charges for Services	388,000	372,481	388,000	499,397	388,000
Investment Income	400	2,175	900	2,690	900
Other	2,000	3,038	2,000	3,090	2,000
Use of (Increase In) Fund Balance	58,004	(89,055)	78,090	(124,658)	98,872
General Fund Support	1,535,413	1,304,846	1,898,188	1,191,110	1,608,074
Total Funding Sources	\$ 2,212,482	\$ 2,008,929	\$ 2,581,343	\$ 1,808,492	\$ 2,328,511
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,205,812	\$ 1,179,246	\$ 1,255,987	\$ 1,112,931	\$ 1,361,083
Operations	957,326	780,339	1,325,356	695,561	967,428
Transfers to Other Funds	49,344	49,344	-	-	-
Total Uses of Funds	\$ 2,212,482	\$ 2,008,929	\$ 2,581,343	\$ 1,808,492	\$ 2,328,511
Net Indirect Support	305,779	305,779	338,169	338,169	294,654
Total	\$ 2,518,261	\$ 2,314,708	\$ 2,919,512	\$ 2,146,661	\$ 2,623,165
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 440,000	\$ 580,965	\$ 422,500	\$ 566,359	\$ 442,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,873,713)	(1,811,972)	(2,218,988)	(1,681,281)	(1,948,374)
GF Transfers to Other Funds	(101,700)	(73,838)	(101,700)	(76,188)	(101,700)
Total Direct Support	\$(1,535,413)	\$(1,304,846)	\$(1,898,188)	\$(1,191,110)	\$(1,608,074)
Net Indirect Support	(305,779)	(305,779)	(338,169)	(338,169)	(294,654)
Total County Support	\$(1,841,192)	\$(1,610,625)	\$(2,236,357)	\$(1,529,279)	\$(1,902,728)

GENERAL GOVERNMENT

Recorder

FY17 Financial Statement by Program

Performance Measures by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
County Mail Center	\$ -	\$ 59,053	\$ -	\$ 59,053	\$ 8,423
Elections	233,165	883,859	(32,479)	1,084,545	116,515.4
Recording	388,400	217,067	131,351	736,818	93,303.5
Voter Registration	-	448,095	-	448,095	76,412.6
Total	\$ 621,565	\$ 1,608,074	\$ 98,872	\$ 2,328,511	\$ 294,654

Recording

Performance Measures

	FY15 Actual	FY16 Estimated	FY17 Projected
Number of recorded documents	29,912	32,000	N/A
Percentage of e-recordings	55%	60%	N/A
Dates of documents created	N/A	Project Completion	N/A
Number of maps that have been updated	2,447	3,761	N/A
Date range of maps updated	12/31/1974- 12/31/1999	12/31/1974- Present	N/A

Voter Registration

Performance Measures

Active registered voters	69,806	72,000	N/A
Active registered voters on the Permanent Early Voting List (PEVL)	37,197	40,000	N/A
Percentage of active registered voters on PEVL	53%	53%	N/A
Petition verifications completed by statutory deadline	100%	100%	N/A
Provisional ballots processed	3,346	2,500	N/A
Provisional ballots processed by statutory	100%	100%	N/A

GENERAL GOVERNMENT

Recorder

Performance Measures by Program

Elections

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Elections Conducted (polling place)	2	2	N/A
Elections Conducted (vote by mail)	1	1	N/A
Percent of polls	100%	100%	N/A
Voter equipment problems	3	5	N/A

County Mail Center

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Business Reply Mail (count)	36,484	40,000	N/A
U.S. Mail Outbound (count)	240,553	245,364	N/A
FedEx and UPS Outbound (count)	216	220	N/A
Business Reply Mail (\$)	\$21,249	\$22,800	N/A
U.S. Mail Outbound (\$)	\$149,682	\$152,676	N/A
FedEx and UPS Outbound (\$)	\$3,840	\$3,917	N/A
Number of departments utilizing the folder/inserter	6	6	N/A

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I	4.50	4.50	4.50
Administrative Specialist II	1.00	1.00	1.00
Administrative Specialist III	2.00	2.00	2.00
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	1.00
Elections Database Coordinator	1.00	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
Total Positions	17.50	17.50	17.50

GENERAL GOVERNMENT

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
Fiscal and Election Division	CV	The main purpose is to serve as a central location for financial oversight and assistance to the school districts in Coconino County that is independent of the school districts' authority.
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.
Accommodation School	CV	The Coconino County Accommodation School District (CCASD) encompasses two accommodation high schools, juvenile detention and jail education.
Transformative Learning Center	CV	The Transformative Learning Center (TLC) provides educational opportunities for two generations by empowering families and communities with knowledge of the importance of early development, and increasing family access to quality early education and family support services.

Goals and Objectives

The primary FY17 objectives for the department are:

- Provide tools to current and future school board members to assist in making an informed decision as to whether or not they want to run for the voluntary position.
- Continue to strive toward diversifying our funding portfolio by applying for private, federal and state grants.
- Obtain consistent ongoing long -term funding to be able to hire and retain the most qualified employees to offer and expand high quality services to County schools.
- Continue to develop the capacity to expand Special Education Services (SPED) to schools who cannot recruit and hire SPED service personnel.
- Increase the number of evidence-based on-line courses and coaching opportunities.
- Increase the number of students awarded diplomas in our two high schools.
- Increase the number of credits earned by students who are incarcerated in the Coconino County Juvenile Detention Center and Jail Education program.
- Develop partnerships with programs or organizations providing quality preschool, high school, adult education or workforce development to collaboratively engage parents in TLC's Family Development Course and a secondary education program.

Long-term goals for this department include:

- Continue training and support for school district personnel.
- Strengthen school board membership.
- Provide cost-effective high quality SPED services that increase efficiencies and reduce redundancies by pooling resources to improve service delivery.
- Improve teaching strategies to improve student academic success.
- Increase the opportunities for students to gain credit while in detention by effectively utilizing student time during non-school hours.
- Empower families and communities with the knowledge of the importance of early brain development.

GENERAL GOVERNMENT

Superintendent of Schools

Opportunities and Challenges

- Reduced allocation or elimination of Secure Rural Schools Funding.
- Increase turnover in district Governing Board positions.
- Decrease in available education grants.
- School District budgets for professional development decreasing.
- Standard and Assessment Revisions.
- Political issues surrounding education may alter the course of education standards.
- Expanding a plan to prepare students for entry in the workforce and community.

GENERAL GOVERNMENT

Superintendent of Schools

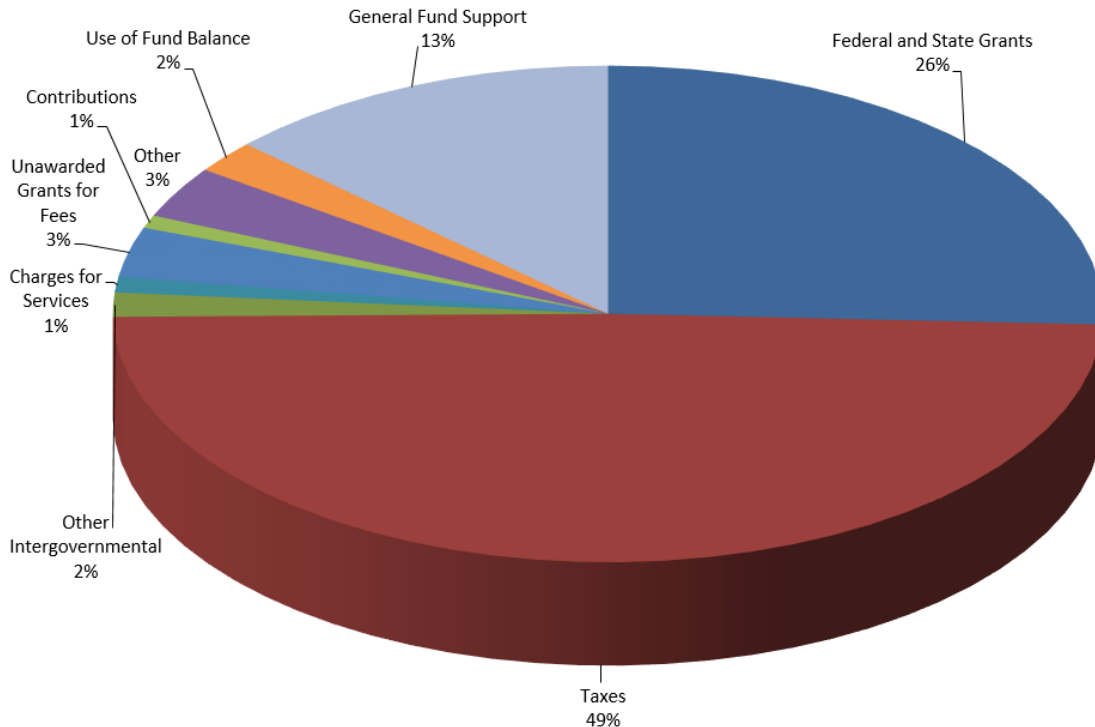
Financial Summary

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. Due to the potential loss of Secure Rural Schools funding in FY16, the Fiscal and Election Division will become fully funded by General Fund support. The department received unbudgeted National Forest Fee income in late FY16, leaving them 4% over their revenue budget.

For FY16, the Superintendent of Schools is estimated to be 6% under their revised expenditure budget of \$4,370,162. This variance is due to Grants to Other Agencies that were not budgeted in FY16 but were made possible through the reception of National Forest Fee Revenue and salary savings. The FY17 adopted expenditure budget of \$4,456,278 is 2% over the FY16 budget. This variance is due to a slight increase in the National Forest Fee revenue budget.

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

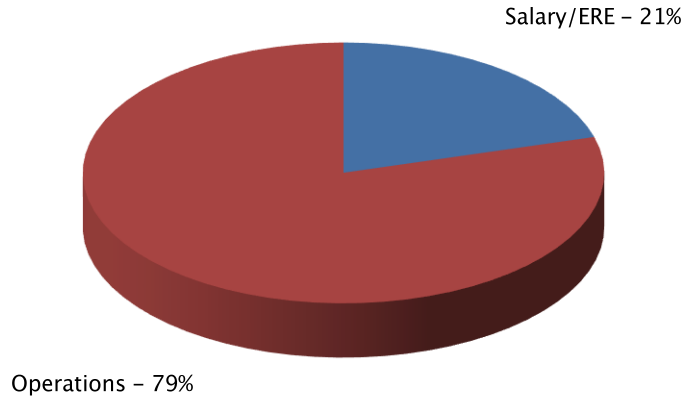


GENERAL GOVERNMENT

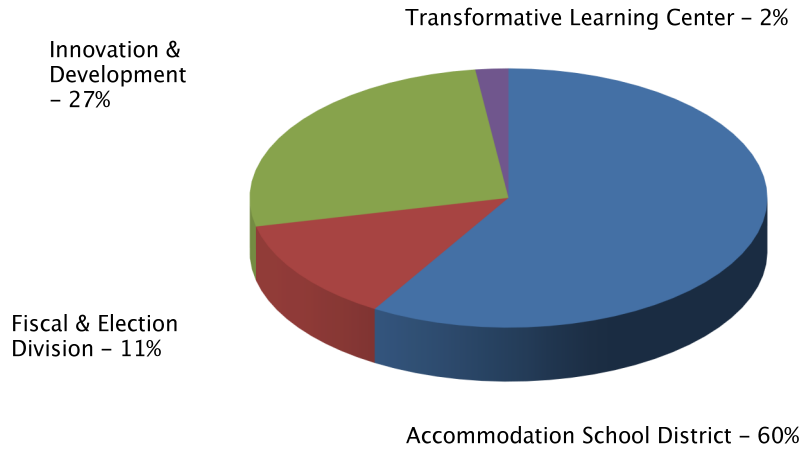
Superintendent of Schools

Financial Summary

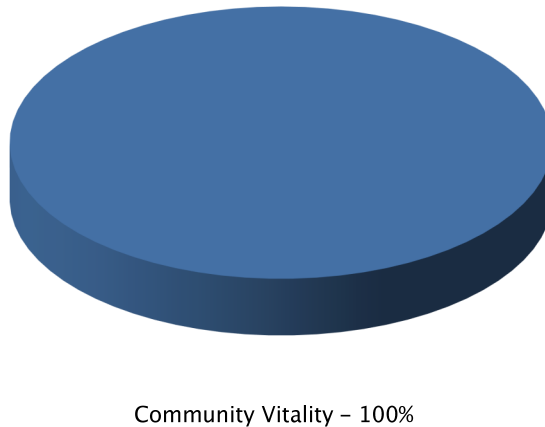
Expenditures by Category



Expenditures by Program



Expenditures by Strategic Priority Area



GENERAL GOVERNMENT

Superintendent of Schools

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 2,470,228	\$ 1,637,310	\$ 1,715,100	\$ 1,542,004	\$ 1,144,612
Taxes	2,708,375	2,294,116	2,245,085	2,220,544	2,187,454
Other Intergovernmental	82,000	25,929	121,762	36,839	70,000
Charges for Services	40,000	56,691	45,000	52,013	45,000
National Forest Fees	-	612,217	52,500	595,364	145,000
Investment Income	1,029	15,324	1,029	12,281	1,500
Contributions	50,000	47,600	70,276	69,916	37,550
Other	74,000	120,537	150,000	63,993	150,000
Use of (Increase In) Fund Balance	(198,729)	313,582	(568,478)	(554,406)	94,238
General Fund Support	516,228	31,612	537,888	80,776	580,924
Total Funding Sources	\$ 5,743,131	\$ 5,154,916	\$ 4,370,162	\$ 4,119,323	\$ 4,456,278
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 984,282	\$ 765,360	\$ 923,462	\$ 761,791	\$ 913,691
Operations	4,758,849	4,375,378	3,446,700	3,357,531	3,527,587
Capital	-	14,178	-	-	15,000
Total Uses of Funds	\$ 5,743,131	\$ 5,154,916	\$ 4,370,162	\$ 4,119,323	\$ 4,456,278
Net Indirect Support	152,746	152,746	214,476	214,476	183,762
Total	\$ 5,895,877	\$ 5,307,662	\$ 4,584,638	\$ 4,333,799	\$ 4,640,040
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ 467,217	\$ -	\$ 450,364	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(453,716)	(450,298)	(467,217)	(458,271)	(494,432)
GF Transfers to Other Funds	(62,512)	(48,530)	(70,671)	(72,869)	(86,492)
Total Direct Support	\$ (516,228)	\$ (31,612)	\$ (537,888)	\$ (80,776)	\$ (580,924)
Net Indirect Support	(152,746)	(152,746)	(214,476)	(214,476)	(183,762)
Total County Support	\$ (668,974)	\$ (184,358)	\$ (752,364)	\$ (295,252)	\$ (764,686)

GENERAL GOVERNMENT

Superintendent of Schools

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Accommodation School District	\$ 2,785,420	\$ -	\$ (128,920)	\$ 2,656,500	\$ -
Fiscal and Election Division	-	494,432	-	494,432	79,457.9
Innovation and Development	990,696	-	233,158	1,223,854	89,883.2
Transformative Learning Center	5,000	86,492	(10,000)	81,492	14,421.0
Total	\$ 3,781,116	\$ 580,924	\$ 94,238	\$ 4,456,278	\$ 183,762

Performance Measures by Program

Fiscal and Election Division

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Overall rating of satisfaction with the processing of payroll school vouchers based on survey (rating – % Satisfied or higher)	100%	100%	100%
Overall rating of satisfaction with the processing of accounts payable school vouchers based on survey (rating – % Satisfied or higher)	100%	100%	100%
Overall rating of satisfaction with our offices process of calculating the annual tax levy based on survey (rating – % Satisfied or higher)	100%	100%	100%
Overall rating of satisfaction with the processing of revenues based on survey (rating – % Satisfied or higher)	90%	90%	100%
Overall rating of satisfaction with the timeliness and accuracy with the monthly cash reconciliation based on survey (rating – % Satisfied or higher)	100%	100%	100%
Overall rating of satisfaction with the School Finance Support Group and other trainings offered by this office based on survey	100%	100%	100%
Number of School Board appointments	10	8	2

Innovation and Development (I&D)

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Number of school districts, charter, private schools and BIA schools requesting and receiving SPED services	5	4	7
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	6	6
Overall special education quality based on evaluation feedback	97%	97%	90%
Number of educators that participate in ESA training opportunities annually	2,601	3,137	1,500
School district, charter, private schools and BIA–contracted schools receiving services	30	30	25
Overall professional development quality based on evaluation feedback	92%	88%	90%
Number of on–line professional development activities provided to district, charter, private schools and BIA schools requesting and receiving SPED services	4	5	5
Number of educators participating in on–line professional development opportunities	57	75	75
Overall rating of relevance of professional development based on participant feedback	92%	88%	90%

GENERAL GOVERNMENT

Superintendent of Schools

Performance Measures by Program

Accommodation Schools

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Ponderosa High School Graduates	74	70	N/A
Tse'Yaato High School Graduates	44	38	N/A
Earning credit hours–Coconino County Juvenile Detention Center	82	75	N/A
Earning credit hours–Coconino County Jail Education (under 18)	12	4	N/A
Number of students who participated in collaborative transition program with Ponderosa High School, Coconino County Employment and Goodwill Services	20	30	N/A
Number of students who participate in Ponderosa High School's transitional work program in collaboration with Terrabird Environmental non-profit. Includes summer and school year activities.	22	24	N/A

Transformative Learning Center (TLC)

Performance Measures

Develop MOUs with multiple community agencies to develop a system of interagency referrals ensuring the highest need families access TLC Family Development Course	N/A	3	6
Engage high needs adult parents and guardians in our intensive (24-hour, 12-week) Family Development Course.	N/A	28	30
Parent post surveys will identify changes to home learning environments that are support learning and kindergarten readiness.	N/A	28	30
Develop partnerships with high quality early education programs to support high needs children, of participating parents, access quality early education.	N/A	2	4
Quality child care (environment, staff) during parenting education assure optimal early learning opportunities for participating children.	N/A	N/A	N/A
Support Flagstaff Cooperative Preschool, a TLC partner, in researching and developing an early learning endowment fund to support scholarship sustainability.	N/A	N/A	1
Facilitate Course in partnering elementary schools' buildings as a means to connect participating families to their local school.	N/A	38	40
Deliver Course content primarily through interactive small and large group activities meant to develop interpersonal relationships among participating parents.	N/A	38	40
TLC incorporates "Parent and Child Learning Time" into Course, increasing parents' connection to their child's classroom and teacher.	N/A	38	40
Parent post surveys will identify parents' connection to new family support services, including housing, utility funds, and adult education programs.	N/A	100%	100%
Parent post surveys will identify parents' increased participation in community-based programs and events, including the local library, parks, support groups and family events	N/A	100%	100%

GENERAL GOVERNMENT

Superintendent of Schools

Performance Measures by Program

Transformative Learning Center (TLC)

Performance Measures (Cont.)

	FY15 Actual	FY16 Estimated	FY17 Projected
TLC and TAPP (an individualized high school program allowing for a flexible school schedule and on-site child care) will maintain a system of interagency teen parent referrals.	N/A	11	13
TLC and EHS (a program providing teen parents home and center - based early education opportunities) will maintain a system of inter-agency teen parent referrals.	N/A	7	8
Teens parents will complete TLC's Family Development Course as a 60-hour Coconino Community College (CCC) dual enrollment Child Development course.	N/A	11	13
NACOG Early Head Start will pay dual enrollment registration fees for TLC parents who are also participating in their program.	N/A	7	8
CCC will maintain registration scholarships for participating teen parents not enrolled in EHS.	N/A	4	5
TLC will utilize learner-centered activities and dialogues to promote the value of education as a means to financial self-sufficiency with participating teen parents.	N/A	11	13
College and training program representatives will participate in a panel discussion for teen parents as a means to connect teens to programs and services supportive of post-secondary education.	N/A	8	11

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Accounting Technician II	1.00	1.00	1.00
Accounting Technician III	1.00	1.00	1.00
Administrative Specialist II	0.50	0.63	0.63
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 Officials	1.00	1.00	1.00
ESA Program Coordinator	1.50	1.50	1.50
Program Coordinator	1.00	0.50	0.50
Program Supervisor	-	0.75	0.75
Total Positions	10.00	10.38	10.38

GENERAL GOVERNMENT

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 tax collector or 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.
Taxes	O&FH	This program encompasses all the processes to verify and load the annual property tax levy, bill and collect taxes, distribution of taxes, and corrections to the roll. It also includes the procedures to collect delinquent taxes and the annual tax lien sale.
Financial Operations	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.

Goals and Objectives

The primary FY17 objectives for the department are:

- Begin planning and funding personal and professional development and advancement for all staff in the department at all levels.
- Implement training for all staff on OnBase and GIS for addressing citizen needs and requests.
- Continue utilizing GIS technology for the evaluation of the annual Tax Lien Sale, and to support department budgeting.
- Development of tools and procedures to assist in the collection of delinquent mobile homes
- Continue to partner with the Assessor's Office for community outreach efforts throughout Coconino County. This will include community presentations, development of print materials, and development of videos.

Long-term goals for the Treasurer's Office include:

- Ensure the effective leadership and strategic management of the tax collection, tax distribution, general ledger and accounting, warrant processing and investment functions through continued utilization of OnBase and GIS technology.
- Maintain a positive return on investment on a diverse portfolio within the scope of ARS 35-313 and Coconino County Investment Policies.
- Provide a centralized administration of general ledger accounting, cash receipting and expenditures, warrant processing, banking services and return on investment in a fiscally responsible manner.
- Continued presentations to community members throughout the county.

Opportunities and Challenges

- State and Federal Budget Cuts
- Legislative Changes
- Increasing Use of Technology/Automated Solutions
- Yields on Investments

GENERAL GOVERNMENT

Treasurer

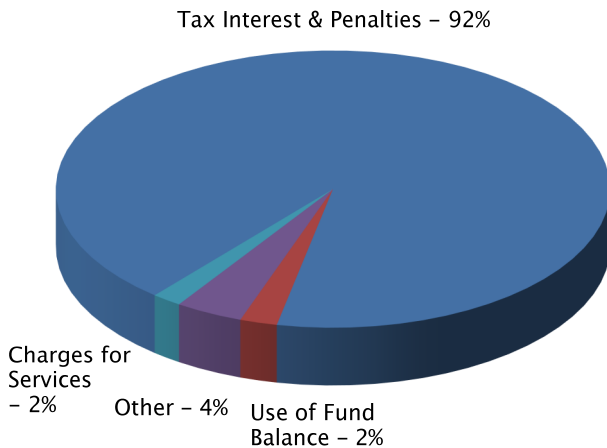
Financial Summary

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 FY16, delinquent tax interest is estimated to be 1% under the FY16 budget. This variance is due to a decrease in property tax payments on delinquent properties. The FY17 revenue projection is budgeted to be flat at FY16 levels.

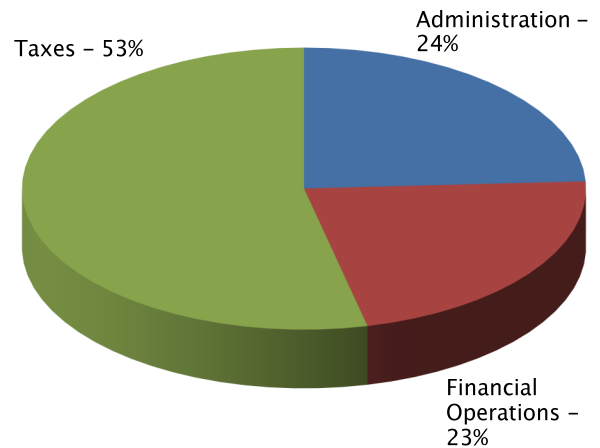
The Treasurer's Office is estimated to be 7% under their revised FY16 expenditure budget of \$653,281. This variance is due to operational savings in the Taxes program. The department's FY17 adopted expenditure budget of \$676,553 is 4% above the budget for FY16. This slight increase is due to merit increases for most staff members.

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

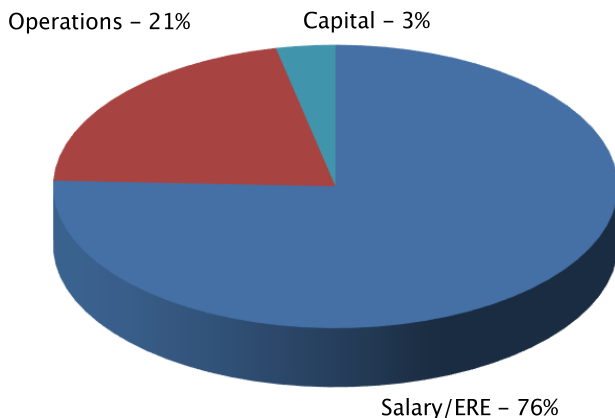
Revenue by Source Type



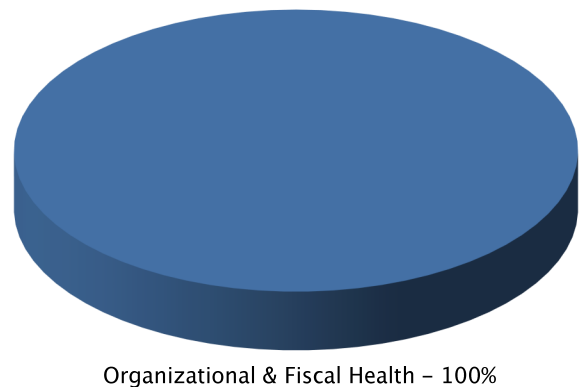
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



GENERAL GOVERNMENT

Treasurer

Department-Wide Financial Statement

	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Revenues and Other Sources					
Tax Interest and Penalties	\$ 700,000	\$ 588,607	\$ 700,000	\$ 695,796	\$ 700,000
Charges for Services	16,500	13,757	16,500	15,229	16,500
Investment Income	1,250	542	1,250	568	1,250
Other	30,000	33,577	30,000	45,786	30,000
Use of (Increase In) Fund Balance	13,250	(2,968)	13,250	(4,420)	13,250
General Fund Support	(60,210)	(8,606)	(107,719)	(148,336)	(84,447)
Total Funding Sources	\$ 700,790	\$ 624,908	\$ 653,281	\$ 604,622	\$ 676,553
Expenditures and Other Uses					
Salary/ERE	\$ 452,969	\$ 431,709	\$ 488,439	\$ 494,521	\$ 511,711
Operations	185,869	153,668	141,890	110,101	141,890
Capital	61,952	39,531	22,952	-	22,952
Total Uses of Funds	\$ 700,790	\$ 624,908	\$ 653,281	\$ 604,622	\$ 676,553
Net Indirect Support	348,071	348,071	300,507	300,507	329,764
Total	\$1,048,861	\$ 972,979	\$ 953,788	\$ 905,129	\$1,006,317
General Fund Support					
Program Revenue	\$ 730,000	\$ 622,114	\$ 730,000	\$ 741,462	\$ 730,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(669,790)	(613,508)	(622,281)	(593,125)	(645,553)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ 60,210	\$ 8,606	\$ 107,719	\$ 148,336	\$ 84,447
Net Indirect Support	(348,071)	(348,071)	(300,507)	(300,507)	(329,764)
Total County Support	\$ (287,861)	\$ (339,465)	\$ (192,788)	\$ (152,171)	\$ (245,317)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Administration	\$ -	\$ 153,424	\$ 11,000	\$ 164,424	\$ 87,962
Financial Operations	-	146,663	5,000	151,663	88,325.7
Taxes	747,750	(384,534)	(2,750)	360,466	153,476.4
Total	\$747,750	\$ (84,447)	\$ 13,250	\$ 676,553	\$ 329,764

GENERAL GOVERNMENT

Treasurer

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Tax collection rates for Coconino (for Tax Year)	97.38%	97.72%	97%
Tax distribution rates	97.38%	97.72%	97%
Return on investment in County Treasurers Portfolio/Local Government Investment Pool 5 at Arizona State	0.70/0.12	0.84/0.36	0.85/0.25
Comparing County Treasurer's portfolio yield/to 24-month moving average of the 2-year Treasury	0.99/0.46	1.22/0.63	1.12/0.590

Financial Operations

Performance Measures

Number of Treasurer Receipts	4,128	4,073	4,150
Dollar amount of Treasurer receipts processed	\$218,664,948	\$233,051,768	\$240,000,000
Warrant Count	47,945	43,205	45,000
Dollar amount of warrants cleared per annum	\$247,771,209	\$246,294,947	\$255,000,000
Sufficient funds to meet cash flow needs	Yes	Yes	Yes
Total checks imaged and deposited with Wausau and/or Creditron, by number of checks	44,832	52,451	53,000
Total checks imaged and deposited with Wausau and/or Creditron, by dollar amount	\$145,579,067	\$126,933,181	\$135,000,000

Workload Indicators

Average number of Treasurer Receipts per month	344	354	362
Average number of checks imaged and deposited with Creditron per month	3,736	4,370	4,416

Taxes

Performance Measures

Tax collection rates for Coconino (for Tax Year)	97.38%	97.72%	97.00%
Tax distribution rates	97.38%	97.72%	97.00%
Total number of tax payments via credit/debit card	7,242	7,600	7,800
Credit card payments auto posted into Tyler	6,083	6,200	6,400
Credit card payments hand posted into Tyler	1,159	1,400	1,400
Dollar amount of taxes paid via credit/debit	\$6,713,718	\$7,000,000	\$7,500,000
Number of community presentations and number of total attendees	7/145	15/300	20/400
Number of presentations to other departments and taxing jurisdictions	N/A	5	15

Workload Indicators

Average number of education/outreach presentations per month	N/A	2	3
Average number of tax payments via credit/debit card per month	603	633	650

GENERAL GOVERNMENT

Treasurer

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Operations Manager	1.00	1.00	1.00
Administrative Specialist I	3.00	1.00	1.00
Administrative Specialist II	-	2.00	2.00
Administrative Specialist III	1.00	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
Total Positions	8.00	8.00	8.00

GENERAL GOVERNMENT

Non-Departmental

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

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 maintenance budget, annual maintenance of the Permit Tracking System, County partner funding, Criminal Justice Integration system costs, and contingency budgets. Funds set aside for the Enterprise Resource Planning system and the Facilities Master Plan are set aside in the non-departmental contingency. Non-departmental 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 needed 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 Supervisors approved a request from the Assessor's Office to purchase a Computer Assisted Mass Appraisal (CAMA) System. In conjunction with this system, it was deemed 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 inter-departmental project has been 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 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 has implemented software to track a variety of permits that are approved by multiple County departments within one application.

Starting in FY17, the Criminal Justice Integration system budget has been placed in Non-Departmental. This system is used by various justice system departments to ensure the integrity of data and to work towards a more efficient justice system.

Also included in this budget is the County's vacation sellback program. 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 29% under the revised FY16 expenditure budget of \$32,586,885. 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 FY17 Adopted Budget of \$41,807,115 is 28% more than the FY16 budget. This variance is primarily due to the funds set aside in non-departmental for the Enterprise Resource Planning system and the Facilities Master Plan.

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.

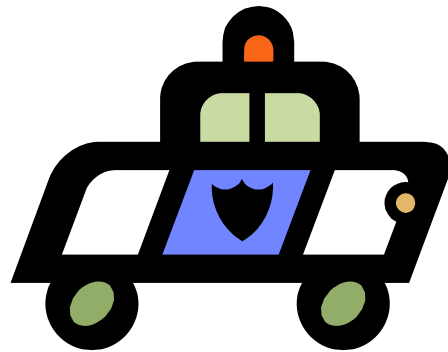
GENERAL GOVERNMENT

Non-Departmental

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 299,475	\$ 264,611	\$ 294,671	\$ 119,746	\$ 222,546
Taxes	24,612,872	25,338,519	25,312,630	25,217,940	27,362,405
Other Intergovernmental	21,914,682	22,152,683	22,881,548	21,848,608	23,939,176
Charges for Services	2,986,354	2,979,614	3,089,441	3,078,481	3,142,762
National Forest Fees	-	284,823	-	234,447	234,447
Investment Income	186,700	148,017	103,700	166,938	113,200
Contributions	130,150	185,737	205,000	213,780	200,000
Other	-	29,724	-	53,672	-
Transfers from Other Funds	892,716	895,706	10,763,518	10,185,561	822,743
Use of (Increase In) Fund Balance	(1,249,485)	(239,944)	(537,148)	(276,977)	(3,935,989)
General Fund Support	(18,184,814)	(40,129,127)	(30,600,771)	(38,160,684)	(18,166,153)
Total Funding Sources	\$ 6,676,303	\$ (13,692,768)	\$ 5,905,288	\$ (2,656,173)	\$ 6,350,186
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 200,000	\$ 226,741	\$ 25,000	\$ 269,017	\$ 175,000
Operations	23,135,185	1,700,391	20,263,228	11,609,846	29,772,768
Transfers to Other Funds	10,752,435	10,463,119	12,298,657	11,356,604	11,859,347
Total Uses of Funds	\$34,087,620	\$ 12,390,251	\$32,586,885	\$23,235,467	\$41,807,115
Net Indirect Support	-	-	-	-	-
Total	\$34,087,620	\$ 12,390,251	\$32,586,885	\$23,235,467	\$41,807,115
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 50,123,233	\$ 51,094,189	\$ 51,879,990	\$ 50,694,065	\$ 54,977,589
Transfers in from Other Funds	892,716	895,706	10,763,518	10,185,561	822,743
Program Expenditures	(22,625,880)	(1,952,359)	(20,288,228)	(11,907,570)	(26,281,005)
GF Transfers to Other Funds	(10,205,255)	(9,908,409)	(11,754,509)	(10,811,372)	(11,353,174)
Total Direct Support	\$18,184,814	\$ 40,129,127	\$30,600,771	\$38,160,684	\$ 18,166,153
Net Indirect Support	-	-	-	-	-
Total County Support	\$18,184,814	\$ 40,129,127	\$30,600,771	\$38,160,684	\$ 18,166,153

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 Coconino County.

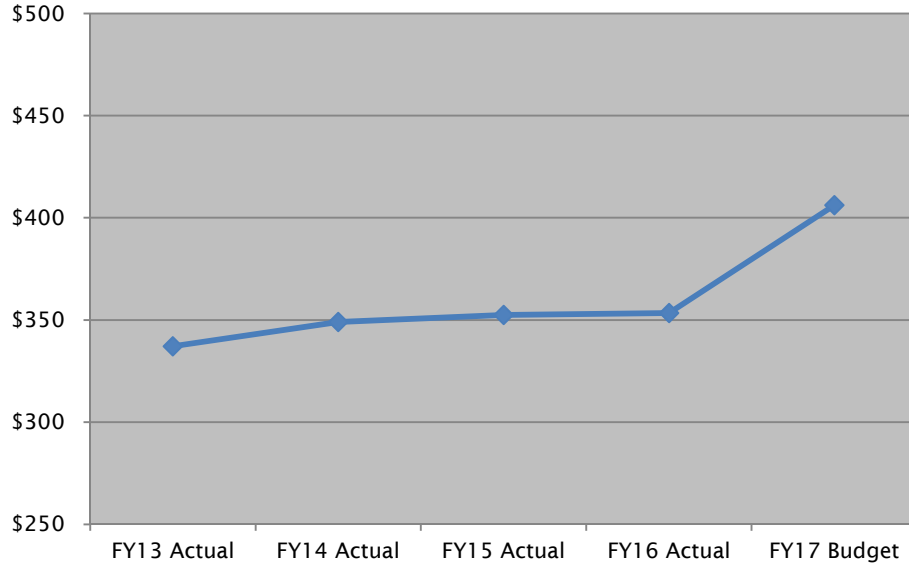
Per Capita Costs

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 FY17 budget. Juvenile Court's FY17 increase is due to the department budgeting the entirety of their special revenue fund balance every year, regardless of proposed usage. The charts do not reflect approximately \$2.4 million in unawarded grant capacity for the Justice System departments in FY17. 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>FY15 Actuals</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>	Change: <u>FY16 to FY17</u>
Adult Probation	\$ 31.78	\$ 31.78	\$ 35.02	10.17%
Clerk of the Superior Court	9.00	9.28	10.50	13.19%
Constable	0.69	0.67	0.68	0.94%
County Attorney	31.31	31.16	35.40	13.61%
Jail District	100.43	100.72	122.17	21.29%
Justice Courts	17.00	16.74	18.44	10.14%
Juvenile Court Services	34.66	35.63	43.20	21.26%
Legal Defender	8.45	7.46	7.94	6.42%
Public Defender	16.09	16.06	17.67	10.02%
Sheriff	76.22	76.72	86.75	13.07%
Superior Court	26.82	27.27	28.39	4.12%
Total	\$ 352.46	\$ 353.50	\$ 406.16	14.90%

JUSTICE SYSTEM

Adult Probation

222 East Birch Avenue, Flagstaff, AZ 86001 (928) 679-8400
Sarah Douthit, 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

The primary FY17 objectives for the department are:

- Create efficiencies via recommendations of the in-house Drop Your Tools Work Group for process/policy changes.
- Expansion of the training program Effective Practices in Correctional Settings- II (EPICS-II).
- Collaboration with the County Manager's Office and CJCC to continue advancing the Recidivism Workgroup project.
- Enhance CCAPD's participation in the Collective Impact work group.
- Assess the success of the new Advanced Supervision Strategies and EPICS Team (ASSET) Unit and refine the program as needed.
- Implement the second stage of the Coconino Online Probation Education (COPE) grant.
- Implement the use of a DUI assessment tool (Impaired Driving Assessment) for all Superior Court DUI cases.
- Provide training to presentence report writers on administering the Offender Screening Tool (OST), the statewide risk/needs instrument.
- Expansion of the use of the pretrial assessment instrument to include Limited Jurisdiction Courts as well as Superior Court.
- Expansion of the use of the pretrial assessment instrument to seven days per week for all Courts.

JUSTICE SYSTEM

Adult Probation

Goals and Objectives (continued)

Longer-term departmental goals:

- Provide staff with training and resources related to evidence-based supervision and programming aimed at creating behavioral change within their probationers.
- Administer Word Recognition Aptitude Tests (WRAT) on individuals who are participating in the preparation of a presentence report. This will help identify literacy problems so they can be addressed in the future case plans.
- The long-term goal of the new pretrial screening assessments will be to provide information, via a validated assessment tool, to the Courts to assist them in making reasonable and appropriate release decisions. This should result in the reduction of the number of jail bed days used and related inmate costs by individuals who can be released to the community.

Opportunities and Challenges

- The Recidivism project has the opportunity to provide significant return on investment, should the project advance as it has been envisioned. Data about criminal justice will assist the department with making informed decisions about the best use of justice system funding. A current challenge is that the project has unknown costs at this time. Much work has been done to attempt to secure research assistance for a free or reduced cost.
- The EPICS-II training will be provided by in-house certified EPICS-II coaches, thus no additional funding will be necessary. Once implemented, this program should result in higher probationer success rates and greater officer satisfaction.
- Full implementation of the Pretrial assessment tool will require three new positions at a cost of \$187,081 (includes salary and ERE), a recurring expense. All training costs will be incorporated into the regular departmental training budget.
- The Drop Your Tools Work Group is comprised of CCAPD staff thus no additional funding will be necessary.

JUSTICE SYSTEM

Adult Probation

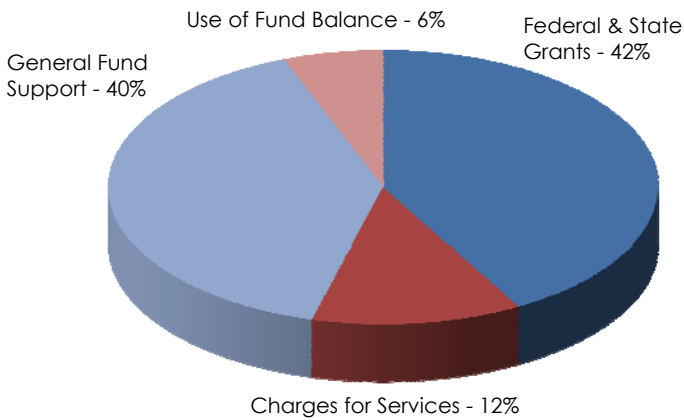
Financial Summary

Adult Probation's main sources of revenue are Federal and State grants and General Fund support. The department fell 1% short of its FY16 revenue budget, due to lower-than-expected grant funding. Adult Probation's adopted FY17 revenue budget of \$2,685,125 is 13% lower than their FY16 budget, reflecting the continuing loss of State funding as well as a \$164,000 FY16 transfer from the Jail District to help defray expenses in Adult Probation's Pretrial Services program.

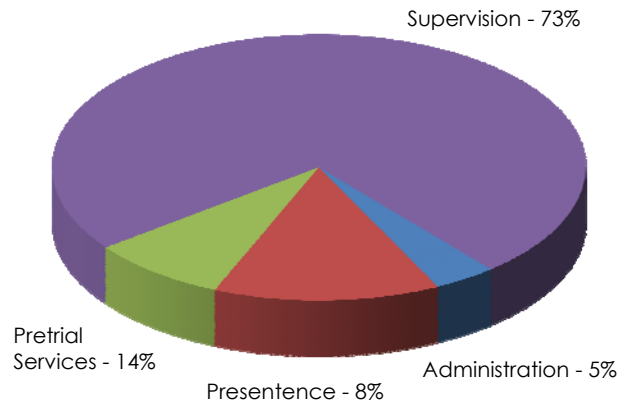
For FY16 Adult Probation finished 8% under their revised expenditure budget of \$4,806,960. This variance is due to salary savings from unfilled positions as well as operational savings in the Supervision program. Their FY17 adopted expenditure budget of \$4,921,675 is 2% higher than in FY16, due mainly to the County-wide market adjustment to employee salaries. The department requested that their full-time Safety/Training Officer, historically funded by Special Revenue Funds, be moved permanently to the General Fund, due to loss of State funding. The Board approved recurring funding for this position.

The following charts illustrate Adult Probation's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

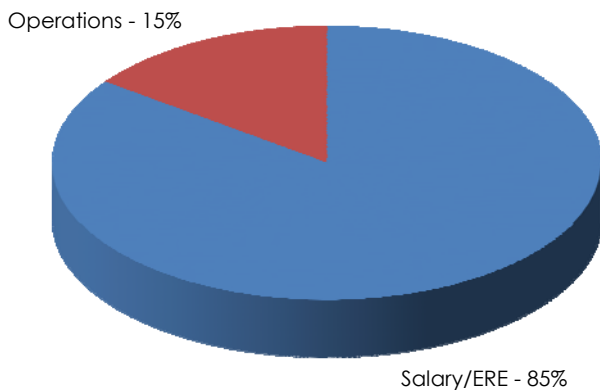
Revenue by Source Type



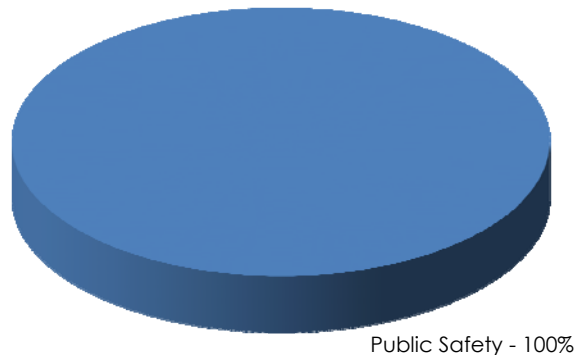
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Adult Probation

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 2,336,876	\$ 2,240,758	\$ 2,310,408	\$ 2,219,770	\$ 2,066,665
Charges for Services	582,000	619,187	600,000	636,580	610,000
Investment Income	11,350	6,573	5,050	6,821	8,460
Other	-	-	-	6,748	-
Transfers from Other Funds	-	-	163,949	163,949	-
Use of (Increase In) Fund Balance	274,421	21,230	178,658	(91,597)	266,334
General Fund Support	1,492,571	1,493,927	1,548,895	1,482,774	1,970,455
Total Funding Sources	\$ 4,697,218	\$ 4,381,676	\$ 4,806,960	\$ 4,425,045	\$ 4,921,914

Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 3,926,402	\$ 3,798,860	\$ 3,938,170	\$ 3,765,131	\$ 4,182,867
Operations	770,816	571,880	868,790	659,914	739,047
Capital	-	10,935	-	-	-
Total Uses of Funds	\$ 4,697,218	\$ 4,381,676	\$ 4,806,960	\$ 4,425,045	\$ 4,921,914

Net Indirect Support	375,938	375,938	445,309	445,309	430,032
Total	\$ 5,073,156	\$ 4,757,614	\$ 5,252,269	\$ 4,870,354	\$ 5,351,946

General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ -	\$ -	\$ 5,513	\$ -
Transfers in from Other Funds	-	-	134,769	134,769	-
Program Expenditures	(1,492,571)	(1,491,483)	(1,549,646)	(1,546,510)	(1,644,220)
GF Transfers to Other Funds	-	(2,444)	(134,018)	(76,546)	(326,235)
Total Direct Support	\$(1,492,571)	\$(1,493,927)	\$(1,548,895)	\$(1,482,774)	\$(1,970,455)

Net Indirect Support	(375,938)	(375,938)	(445,309)	(445,309)	(430,032)
Total County Support	\$(1,868,509)	\$(1,869,865)	\$(1,994,204)	\$(1,928,083)	\$(2,400,487)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Administration	\$ -	\$ 221,889	\$ -	\$ 221,889	\$ 23,048
Presentence Division	-	100,907	310,331	411,238	41,305
Pretrial Services	-	665,914	36,312	702,226	65,991
Supervision	2,685,125	981,745	(80,309)	3,586,561	299,688
Total	\$ 2,685,125	\$ 1,970,455	\$ 266,334	\$ 4,921,914	\$ 430,032

JUSTICE SYSTEM

Adult Probation

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percentage of reduction of prison revocation rates (compared to baseline year of FY08)	-34.8%	-36.0%	-43.0%
Percentage of reduction in new felony convictions committed by probationers (compared to baseline year of FY08)	-80.1%	-84.0%	-84.0%

Presentencing

Performance Measures			
Percentage of presentence reports filed within the required timeframe	N/A	N/A	N/A

Pretrial Services

Performance Measures			
Number of jail bed-days saved	53,819	59,500	54,000
Dollars saved in jail bed-days	\$4,605,292	\$5,100,000	\$4,620,780
Safety Rate (percentage of defendants who complete Pretrial with no new charges)	90%	91%	90%
Appearance Rate (formally referred to as Failure to Appear rate)	96%	92%	95%

Supervision

Performance Measures			
Income taxes paid by IPS probationers	\$35,011	\$15,000	\$15,000
Annual percentage of successful exits from Standard Probation	N/A	76%	78%
Annual percentage of successful exits from Intensive Probation	N/A	54%	55%
Value of Community Service work performed by the work crew specific to Coconino County departments (calculated at minimum wage)	\$3,993	\$4,000	\$4,000
Value of Community Service work performed by the weekend work crew specific to non-profit and other governmental (state, city and tribal) entities (calculated at minimum wage)	\$15,243	\$20,000	\$20,000
Community Restitution hours performed	25,858	25,000	25,000
Annual percentage of successful clients completing deferred prosecution	73.8%	75.0%	75.0%

JUSTICE SYSTEM

Adult Probation

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
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*	25.00	25.00	24.00
Probation Officer, Lead	6.00	6.00	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
Program Manager I**	-	1.00	1.00
Surveillance Officer	2.80	2.80	2.80
Technical Specialist I	1.00	1.00	1.00
Total Positions	56.80	57.80	56.80

* One Probation Officer II position was removed for FY17 due to lack of funding from the Administrative Office of the Courts.

** The Program Manager I position was added via SIR mid-year FY15.

JUSTICE SYSTEM

Clerk of the Superior Court

200 North San Francisco Street, Flagstaff, AZ 86001 (928) 679-7600
Valerie Wyant, 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	This program provides top level management of revenues, expenditures, budgets, personnel and policy decision making processes.
Court Services	PS	Clerk's Office staff attend court hearing and trials, produce minute entries that summarize the court proceedings, handle evidence and assist with juror selection.
Customer Service/Court Recordkeeping	O&FH	This program consists of assisting customers in person, on the phone, and via mail while also being the official custodian of the Superior Court records.
Fiduciary Duties	O&FH	Fiduciary duties include the collection and distribution of filing fees, fines, and restitution.

Goals and Objectives

Departmental objectives for FY17 include:

- To begin placing people into the Tax Intercept Program (TIP) by October 2016 in addition to adding more people to the FARE program.
- Begin implementing collections letters that are generated from AJACS to be sent to those individuals who received a filing fee deferral on their case.
- In order to increase juror attendance, the Clerk plans to use the next Coconino County Report to Citizens to provide information to prospective jurors about jury duty and its obligations and expectations.
- The Administrative Office of the Courts' plan is to have the eFiling pilot program completed during FY17.
- The Clerk of the Court and County IT expect full implementation of the Digital Reel/BMI project during FY17.
- The department plans on using more templates within the case management's system to create and distribute Minute Entries.

Opportunities and Challenges

- Technology (AJACS and OnBase) has helped the department efficiently preserve, retrieve and distribute documents. The AOC's new eFiling program will assist litigants, especially those that are not in the Flagstaff area.
- Improvements to technology and to the case management system will make tracking of revenues and expenditures easier and allow for more statistical reporting capabilities. Implementation of e-filing by the AOC will allow for filers to pay via credit card.
- With the new User Fees approved by the Board of Supervisors, the Clerk is anticipating at least a five percent increase in revenue for FY17. The department will also be collecting increased revenue in the Court Enhancement Fee, which is shared by the Clerk and the Superior Court.

JUSTICE SYSTEM

Clerk of the Superior Court

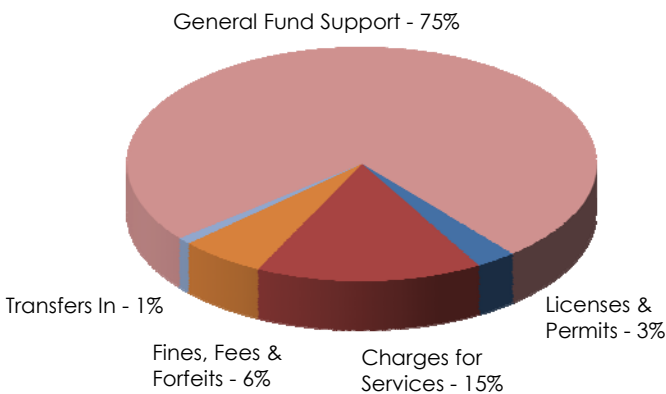
Financial Summary

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 FY16 16% below their revenue budget due to significantly lower bond forfeiture revenue being collected for the year. Decreased forfeiture revenue is expected to continue into FY17, resulting in a 16% lower revenue budget compared to FY16.

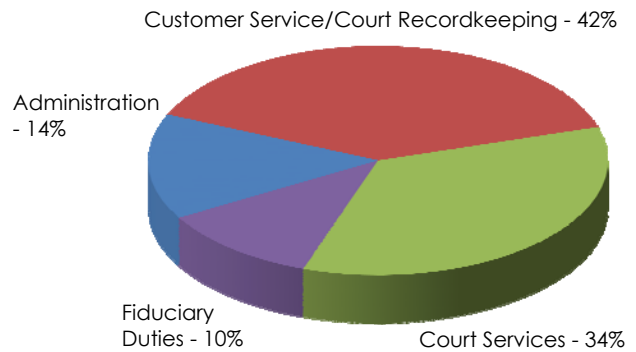
For FY16, the Clerk of the Superior Court ended the fiscal year 7% under their revised expenditure budget of \$1,384,639. The department utilized extensive salary savings to fund the transition to a new document archive system. The department's FY17 adopted expenditure budget of \$1,476,405 is 7% higher than in FY16, due to merit and market increases for existing employees as well as an additional Administrative Specialist III position added to help with document data integrity.

The following charts illustrate the Clerk of the Superior Court's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

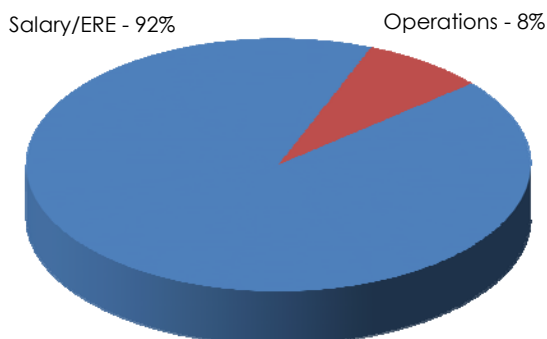
Revenue by Source Type



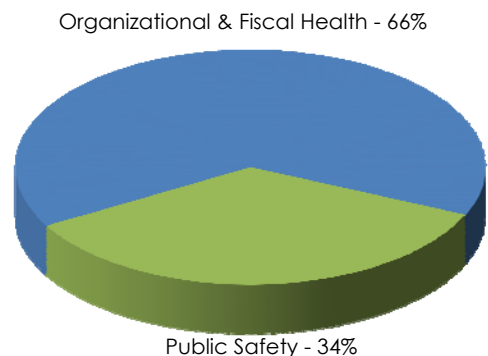
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Clerk of the Superior Court

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Licenses & Permits	\$ 41,000	\$ 38,374	\$ 41,000	\$ 37,222	\$ 41,000
Charges for Services	218,100	244,500	220,300	250,737	230,300
Fines, Fees, & Forfeits	172,000	90,645	172,000	79,939	87,000
Investment Income	7,000	189,773	2,400	4,232	2,400
Transfers from Other Funds	14,300	6,409	12,581	2,596	13,820
Use of (Increase In) Fund Balance	(66,972)	(66,355)	(78,740)	(51,201)	(4,568)
General Fund Support	992,336	737,176	1,015,098	968,373	1,106,453
Total Funding Sources	\$ 1,377,764	\$ 1,240,523	\$ 1,384,639	\$ 1,291,897	\$ 1,476,405
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,262,577	\$ 1,151,559	\$ 1,269,452	\$ 1,159,495	\$ 1,361,218
Operations	115,187	88,963	115,187	116,402	115,187
Capital	-	-	-	16,000	-
Total Uses of Funds	\$ 1,377,764	\$ 1,240,523	\$ 1,384,639	\$ 1,291,897	\$ 1,476,405
Net Indirect Support	244,211	244,211	277,887	277,887	280,953
Total	\$ 1,621,975	\$ 1,484,734	\$ 1,662,526	\$ 1,569,784	\$ 1,757,358
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 181,000	\$ 386,741	\$ 181,000	\$ 205,689	\$ 181,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,173,336)	(1,123,917)	(1,196,098)	(1,174,061)	(1,287,453)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ (992,336)	\$ (737,176)	\$ (1,015,098)	\$ (968,373)	\$ (1,106,453)
Net Indirect Support	(244,211)	(244,211)	(277,887)	(277,887)	(280,953)
Total County Support	\$(1,236,547)	\$ (981,387)	\$(1,292,985)	\$(1,246,260)	\$(1,387,406)

JUSTICE SYSTEM

Clerk of the Superior Court

FY17 Financial Statement by Program

<u>Program Name</u>	<u>FY17 Program Revenue</u>	<u>FY17 General Fund Support</u>	<u>FY17 Use of Fund Balance</u>	<u>FY17 Program Budget</u>	<u>FY17 Net Indirect Support</u>
Administration	\$ -	\$ 199,759	\$ 10,000	\$ 209,759	\$ 36,966
Court Services	-	479,003	17,975	496,978	100,269
Customer Service/Court Recordkeeping	266,100	308,181	40,057	614,338	110,784
Fiduciary Duties	108,420	119,510	(72,600)	155,330	32,933
Total	\$ 374,520	\$ 1,106,453	\$ (4,568)	\$ 1,476,405	\$ 280,953

Performance Measures by Program

Administration

<u>Performance Measures</u>	<u>FY15 Actual</u>	<u>FY16 Estimated</u>	<u>FY17 Projected</u>
Customer Surveys	1,255	1,280	1,325

Court Services

Workload Indicators

Minute entries produced	18,210	18,950	19,500
Jury trials held	21	28	35

Customer Service/Court Recordkeeping

Workload Indicators

Passports issued	1,190	1,300	1,400
Marriage licenses issued	1,006	1,050	1,100
New cases filed (all types)	4,470	5,800	7,100

Fiduciary Duties

Performance Measures

FARE collections project	\$22,600	\$65,000	\$105,000
Restitution collections	\$365,555	\$305,000	\$350,000

JUSTICE SYSTEM

Clerk of the Superior Court

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Accountant	0.60	0.60	0.60
Accounting Technician II	1.00	1.00	1.00
Administrative Specialist I*	7.00	4.00	4.00
Administrative Specialist II**	1.00	5.00	5.00
Administrative Specialist III***	-	-	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 Court	1.00	1.00	1.00
Court Technician I	2.00	2.00	2.00
Court Technician II****	6.00	7.00	7.00
Court Technician Supervisor	1.00	1.00	1.00
Elected Official	1.00	1.00	1.00
Total Positions	23.60	25.60	26.60

* For FY16, the department was approved to convert three Administrative Specialist I's into Administrative Specialist II's, using the Clerk's forfeiture funds.

** One additional Administrative Specialist II was approved via SIR for FY17.

*** One Administrative Specialist II was reclassified as an Administrative Specialist III during FY16.

**** As a recommended FY16 SIR, the department entered into an IGA with the Arizona Department of Economic Security for one Administrative Specialist II and one Court Technician II, funded 66% through grant funds and 34% through the Clerk's forfeiture funds.

JUSTICE SYSTEM

Constable

Coconino County Courthouse, 200 N. San Francisco Street, Flagstaff, AZ 86001 (928) 679-7530
Darrin Womble, 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

The primary FY17 objectives for the department are:

- Continue our efforts in clearing the back log of Failure to Comply warrants.
- Maintain the part-time position to include bookkeeping duties which would satisfy an outside auditor's request for better checks and balances within the department.
- Continue to provide courtroom security when requested by the Justice of the Peace.

Long-term goals for the Constable's office include:

- Continued escalation of the warrant program to increase revenue.
- Provide consistent service in the office and maintain accountability and transparency in the department.

Opportunities and Challenges

- The Constable's warrant program helps to reduce the backlog of outstanding warrants which is managed by Court Administration, which in turn adds funding to the County General fund. The payments on Failure to Comply warrants also makes victims whole and allows the offenders to satisfy their responsibilities to the courts and society.
- The department is seeing an increased volume of warrants, with increased danger, evictions, orders of protections and injunctions against harassment.

JUSTICE SYSTEM

Constable

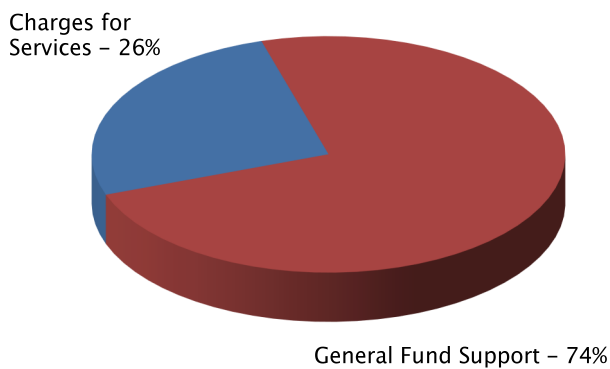
Financial Summary

The Constable's primary source of revenue is General Fund support. In addition, the Constable collects fees for service revenue. For FY17 the budgeted fees for service revenue remains flat at the FY16 level.

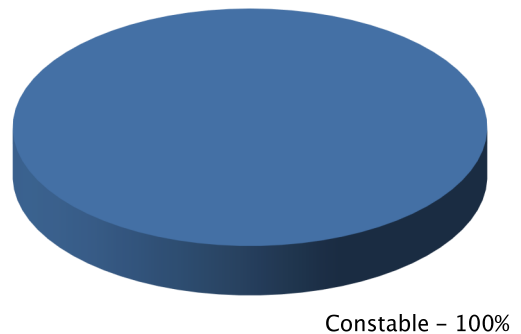
The Constable's Office is estimated to be 3% under the FY16 expenditure budget of \$96,237. This variance is due to health insurance ERE savings. The FY17 adopted expenditure budget of \$95,572 is 1% lower than in FY16. This variance is also due to a decrease in insurance coverage for the new Constable.

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

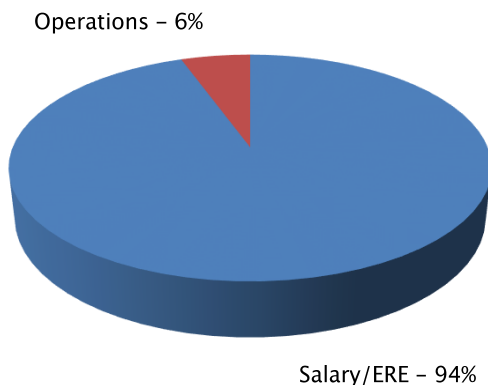
Revenue by Source Type



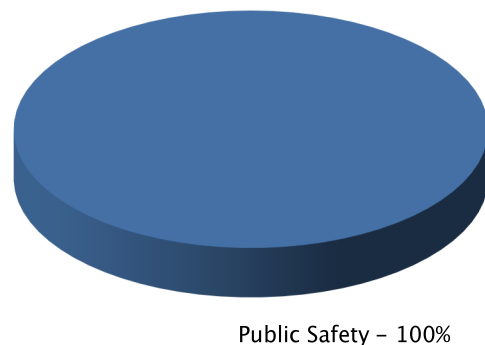
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Constable

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ -	\$ 2,399	\$ -	\$ 1,645	\$ -
Other Intergovernmental	-	-	-	737	-
Charges for Services	25,000	25,948	25,000	20,137	25,000
General Fund Support	76,804	66,379	71,237	71,263	70,572
Total Funding Sources	\$ 101,804	\$ 94,726	\$ 96,237	\$ 93,781	\$ 95,572

Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 100,011	\$ 94,171	\$ 95,677	\$ 90,215	\$ 95,012
Operations	6,793	8,667	5,560	9,873	5,560
Expense Reimbursement	(5,000)	(8,111)	(5,000)	(6,306)	(5,000)
Total Uses of Funds	\$ 101,804	\$ 94,726	\$ 96,237	\$ 93,781	\$ 95,572

Net Indirect Support	12,817	12,817	15,087	15,087	14,295
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Total	\$ 114,621	\$ 107,543	\$ 111,324	\$ 108,868	\$ 109,867
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General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 25,000	\$ 28,347	\$ 25,000	\$ 22,519	\$ 25,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(101,804)	(94,726)	(96,237)	(93,781)	(95,572)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ (76,804)	\$ (66,379)	\$ (71,237)	\$ (71,263)	\$ (70,572)

Net Indirect Support	(12,817)	(12,817)	(15,087)	(15,087)	(14,295)
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Total County Support	\$ (89,621)	\$ (79,196)	\$ (86,324)	\$ (86,350)	\$ (84,867)
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FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Constable	\$ 25,000	\$ 70,572	\$ -	\$ 95,572	\$ 14,295
Total	\$ 25,000	\$ 70,572	\$ -	\$ 95,572	\$ 14,295

JUSTICE SYSTEM

Constable

Performance Measures by Program

Constable	FY15	FY16	FY17
Performance Measures	Actual	Estimated	Projected
Amount of letters sent	960	1,100	N/A
Increased collection of fees	\$23,852	\$25,000	N/A
The shared responsibility for the financial accounting. Statistics for this are not measurable, they will satisfy the requirement of the Auditors to have two people responsible for the financial bookkeeping	N/A	N/A	N/A
Service of City Court fee papers	2	2	N/A

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Elected Official	1.00	1.00	1.00
Total Positions	1.00	1.00	1.00

JUSTICE SYSTEM

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.

Program	SPA	Description
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	Staff in the Charging program review police reports and evidence, and then lawyers decide whether to seek felony charges; and, if so, what felony charges to seek against whom.
Civil Legal Services	O&FH	This program 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.

JUSTICE SYSTEM

County Attorney

Goals and Objectives

The primary departmental objectives for FY17 include:

- Full implementation of the electronic distribution of Charging Requests. This project will produce immediate savings of time, print costs, mileage by law enforcement personnel, as well as time to receive and scan the paper documents on the County Attorney's side.
- Continue the planned upgrade to the department's Case Management System, which was approved in FY16.
- Continue community outreach through the "Live Drug Free" poster contest, which provides numerous prevention and education opportunities with the primary goal of deterring children from drug and alcohol abuse. In FY17, the County Attorney's Office will conduct its eighth annual "Live Drug Free" poster contest.
- Continue the Citizen's Prosecutor Academy, with the goal of educating and engaging the public in understanding how the County Attorney's Office serves the public and provides for public safety. At least one Academy will be hosted in an outlying County community.
- Working to implement Sexual Assault Response Teams in the Page and Fredonia areas.

Longer-term goals for the department include:

- Ensuring manageable workloads with the appropriate level of staffing.
- Creating a proposal for Victim/Witness response to emergencies involving mass casualty, which will support the work of the County Emergency Response Team by mobilizing staff and volunteers for crisis response and service referral.

Opportunities and Challenges

- The County Attorney's Office continues to operate the Bad Check Program, pursuant to Arizona Statute, providing business a mechanism to recover losses through restitution and victim fees while diverting bad check writers from criminal prosecution. Going forward, as the use of checks becomes obsolete, the funding for the .25 FTE will need to be absorbed by the General Fund.
- Our efforts with the Criminal Justice Records Improvement Project has positioned our county and our office as a leader and role model for strategic partnerships and sharing of information and maximizing resources specific to electronic document management and transfer/sharing of information. Continued work is needed in collaboration with the Information Technology department and other Criminal Justice partners to complete projects in process.
- The ATTEND Program continues to have great success. The reduction in truancy continues to hover around 80% as a result of Step One letters and the communication and collaboration between the County Attorney's Office and the Flagstaff Public Schools.
- On-going proactive training of law enforcement by the charging attorneys has contributed to better quality of investigation and case presentation at time of submission, resulting in fewer returns for further investigation, thus expediting timely decision-making and fair, swift justice for victims of crime.
- In general, Juvenile referrals have decreased across the State, with Coconino County experiencing a smaller decrease than some of the larger counties. There is a move within the Juvenile Justice system to avoid arrests and provide alternative resolutions, addressing some issues via the schools' regular processes.

JUSTICE SYSTEM

County Attorney

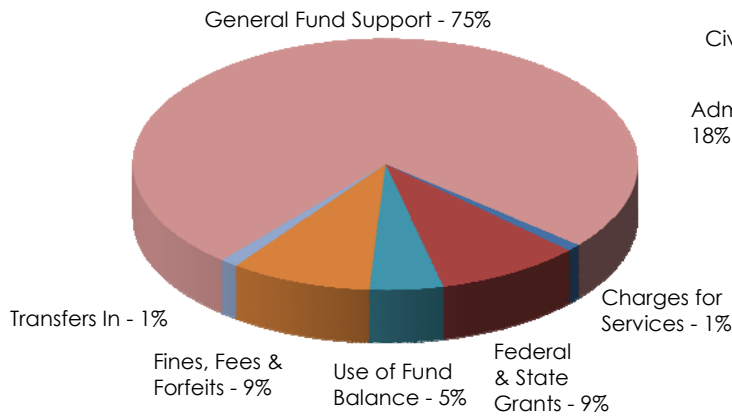
Financial Summary

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 FY16 5% above their revenue budget, due to higher-than-expected bond forfeitures. Although these forfeitures are not expected to increase into FY17, higher grant funding is expected to increase departmental revenue 1% above FY16.

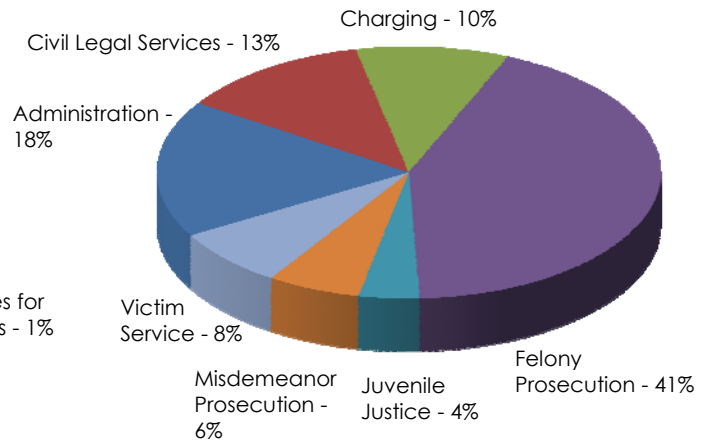
For FY16, the County Attorney's Office will be 10% under their revised expenditure budget of \$4,943,931. This variance is due to lower grants to other agencies, salary savings, and the carryover into FY17 of a \$60,000 project replacing the department's case management system. The County Attorney's FY17 adopted expenditure budget of \$5,007,686 is 1% higher than in FY16, due to merit and market increases to employee salary. For FY17, the department requested and received \$226,000 in additional General Fund support for salaries/EREs that their Special Revenue Funds will be unable to support in FY17.

The charts on the following page illustrate the County Attorney's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

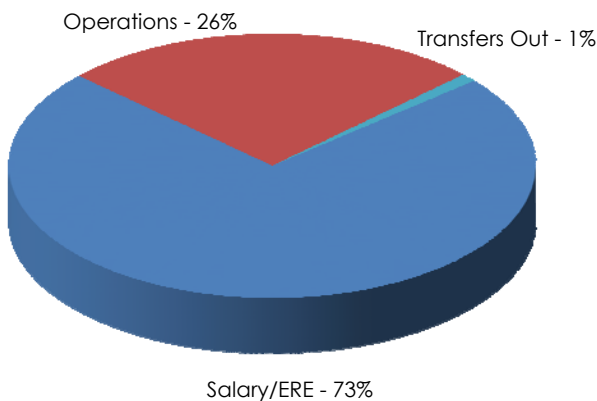
Revenue by Source Type



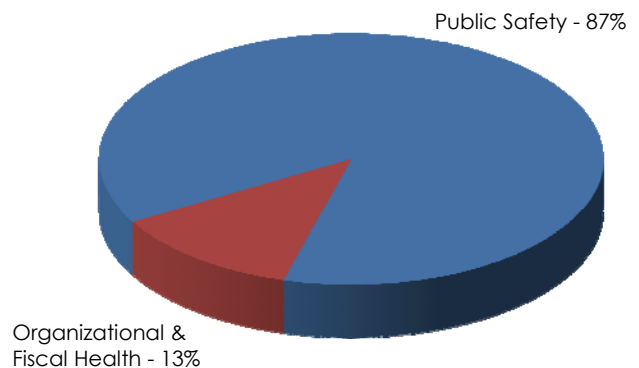
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

County Attorney

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 463,555	\$ 420,230	\$ 452,675	\$ 444,971	\$ 460,999
Other Intergovernmental	13,395	-	-	-	-
Charges for Services	42,500	46,600	44,642	38,352	45,444
Fines, Fees, & Forfeits	650,000	273,985	450,000	513,747	450,000
Investment Income	15,450	12,900	7,250	3,285	7,100
Other	500	-	500	-	500
Transfers from Other Funds	53,246	59,081	55,970	62,871	56,186
Use of (Increase In) Fund Balance	566,639	490,727	352,735	(50,686)	265,312
General Fund Support	3,264,199	3,242,784	3,580,159	3,436,763	3,722,145
Total Funding Sources	\$ 5,069,484	\$ 4,546,307	\$ 4,943,931	\$ 4,449,304	\$ 5,007,686
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 3,495,437	\$ 3,470,746	\$ 3,447,109	\$ 3,339,696	\$ 3,666,495
Operations	1,332,378	847,123	1,385,709	998,495	1,309,451
Transfers to Other Funds	241,669	228,439	111,113	111,113	31,740
Total Uses of Funds	\$ 5,069,484	\$ 4,546,307	\$ 4,943,931	\$ 4,449,304	\$ 5,007,686
Net Indirect Support	445,937	445,937	533,338	533,338	554,080
Total	\$ 5,515,421	\$ 4,992,244	\$ 5,477,269	\$ 4,982,642	\$ 5,561,766
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 6,000	\$ 9,674	\$ 8,000	\$ 6,459	\$ 8,000
Transfers in from Other Funds	85	-	-	-	-
Program Expenditures	(3,257,993)	(3,247,447)	(3,576,707)	(3,433,920)	(3,718,813)
GF Transfers to Other Funds	(12,291)	(5,012)	(11,452)	(9,302)	(11,332)
Total Direct Support	\$(3,264,199)	\$(3,242,784)	\$(3,580,159)	\$(3,436,763)	\$(3,722,145)
Net Indirect Support	(445,937)	(445,937)	(533,338)	(533,338)	(554,080)
Total County Support	\$(3,710,136)	\$(3,688,721)	\$(4,113,497)	\$(3,970,101)	\$(4,276,225)

JUSTICE SYSTEM

County Attorney

FY17 Financial Statement by Program

<u>Program Name</u>	<u>FY17 Program Revenue</u>	<u>FY17 General Fund Support</u>	<u>FY17 Use of Fund Balance</u>	<u>FY17 Program Budget</u>	<u>FY17 Net Indirect Support</u>
Administrative Services	\$ 6,000	\$ 886,200	\$ -	\$ 892,200	\$ 89,178
Charging	-	443,268	77,411	520,679	78,879
Civil Legal Services	-	636,968	-	636,968	98,396
Felony Prosecution	781,285	1,113,117	161,350	2,055,752	202,275
Juvenile Justice	-	203,407	-	203,407	29,366
Misdemeanor Prosecution	-	312,853	-	312,853	47,158
Victim Service and Citizen Outreach	232,944	126,332	26,551	385,827	8,828
Total	\$1,020,229	\$ 3,722,145	\$ 265,312	\$ 5,007,686	\$ 554,080

Performance Measures by Program

Administrative Services

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Criminal and civil attorneys: percentage in compliance with Continuing Legal Education requirements.	100%	100%	N/A
Professional Development of Staff: Percentage of staff participating in professional development courses.	95%	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

Performance Measures			
Adult Felony: percentage of cases charging decision made within 60 days of submittal	73%	73%	N/A
Conviction Rate (percentage of cases charged resulting in a guilty plea/verdict)	84%	89%	N/A

Workload Indicators

Adult Charging Requests Received and Reviewed	1,674	1,700	N/A
Adult Felony Cases Charged	1,325	1,300	N/A

Civil Legal Services

Workload Indicators

Civil Recurring Court Cases	280	304	N/A
Civil Claims and Litigation	156	138	N/A
Civil Legal Counsel	498	487	N/A
Agenda Item Review and Meetings	950	983	N/A

JUSTICE SYSTEM

County Attorney

Performance Measures by Program

Civil Legal Services

Workload Indicators	FY15 Actual	FY16 Estimated	FY17 Projected
Civil Recurring Court Cases	280	304	N/A
Civil Claims and Litigation	156	138	N/A
Civil Legal Counsel	498	487	N/A
Agenda Item Review and Meetings	950	983	N/A

Felony Prosecution

Performance Measures

Conviction Rate	84%	89%	N/A
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Workload Indicators

Felony Cases Charged	1,325	1,400	N/A
Drug Court Cases	52	60	N/A
Veterans Court Cases	6	6	N/A
Mental Health Court Cases	15	16	N/A

Juvenile Justice

Performance Measures

Juvenile Delinquency - Percentage of Petitions filed within 14 days of referral	87%	87%	N/A
Juvenile Truancy: Reduction in truancy through early, aggressive intervention. ATTEND program launched school calendar year 2010-2011. Target reduction rate of 75% or greater.	86%	85%	N/A

Workload Indicators

Juvenile Delinquency - Pre-Charging Referrals Reviewed	744	750	N/A
Juvenile Delinquency - Pre-Charging Final Decision Made	308	300	N/A
Juvenile Delinquency - Post Charging Review Hearings (in lieu of new petitions)	2,203	2,200	N/A
Juvenile Delinquency - Post Charging Delinquency Petitions Filed	401	400	N/A
ATTEND program satisfaction among participating schools	100%	100%	N/A

Misdemeanor Prosecution

Performance Measures

Percentage of cases completing diversion or deferred prosecution program	99%	97%	N/A
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Workload Indicators

Adult misdemeanor cases prosecuted	2,733	2,800	N/A
Percentage of cases referred to diversion or deferred prosecution program	17%	17%	N/A

JUSTICE SYSTEM

County Attorney

Performance Measures by Program

Victim Service and Citizen Outreach

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Victim Satisfaction – Percentage of Victims Satisfied with Services of Office	93%	95%	N/A
Victim Witness Services – Volunteer Hours	13,381	17,000	N/A
Victim Witness Services – Percent of victims reporting satisfaction	95%	95%	N/A
Victim Witness Services - Victim Compensation Claims approved	77	120	N/A
Victim Witness Services - Victim Compensation dollars distributed to crime victims	\$102,531	\$150,000	N/A
Bad Check Program – Victim Restitution Collected	\$7,213	\$5,500	N/A
Bad Check Program – Victim Fees Collected	\$832	\$650	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.	33,000	35,000	N/A
Community Outreach - Percentage of citizens reporting increased understanding of role of the County Attorney's Office	100%	100%	N/A
Volunteer Program – Hours worked by volunteers	952.5	800	N/A

Workload Indicators

Victim Notification Services Provided	43,117	44,000	N/A
Victim Satisfaction - Number of surveys sent to victims	1037	1,000	N/A
Victim Satisfaction – Percentage of Surveys Returned	15%	15%	N/A
Victim Witness Services – New victims receiving service	752	850	N/A
Victim Witness Services - New and continuing clients receiving criminal justice advocacy (CJA) services	1,311	3,000	N/A
Victim Witness Services – Number of CJA services provided	7,457	9,000	N/A
Victim Witness Services – Advocates providing direct service	6	12	N/A

JUSTICE SYSTEM

County Attorney

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I*	2.00	2.00	3.00
Administrative Support II	1.00	1.00	-
Attorney I	1.00	1.00	2.00
Attorney II	4.00	4.00	1.00
Attorney III	6.00	6.00	5.00
Attorney IV	4.00	4.00	7.00
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	3.00	3.00	3.00
Senior Manager	1.00	1.00	1.00
Technical Specialist I	1.00	1.00	1.00
Total Positions	43.00	43.00	43.00

* The Administrative Support II position was reclassified to Administrative Specialist I during FY16.

JUSTICE SYSTEM

Justice Courts

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

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

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

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

The Coconino County Justice Courts are limited jurisdiction courts 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
Flagstaff Justice Court Case Processing	PS	Process all cases filed each year in Flagstaff Justice Court in a fair and timely manner.
Fredonia Justice Court Case Processing	PS	Process all cases filed each year in Fredonia Justice Court in a fair and timely manner.
Page Justice Court Case Processing	PS	Process all cases filed each year in Page Justice Court in a fair and timely manner.
Williams Justice Court Case Processing	PS	Process all cases filed each year in Williams Justice Court in a fair and timely manner.

Goals and Objectives

Departmental objectives for FY17 include:

- Development of a statewide court help website and a program of in-person and live-broadcast educational presentations on legal topics.
- Continue to conduct annual Customer Service Survey Day Event at Coconino County Courts and implement service delivery improvements based upon customer input.
- Connect Page Justice Court to the State Court Network and continue to participate in funding approval process for a remodeled court facility.
- To obtain an overall clearance rate of 90% or more at all four Justice Courts.
- Meet the Administrative Office of the Courts statewide DUI time standards at all four Justice Courts.
- Receive a response of 80% or higher (agree or strongly agree) on the annual customer service surveys at all four Justice Courts.

Longer-term goals for the Justice Courts include:

- Create satellite sites using physical presence and audio/visual access to sites in rural areas.
- Explore use of email or texting technology to provide reminders for Court appearances, jury notices, etc.
- Collaborate with DNA Legal Services to provide an eviction clinic.
- Expand Drug Court participants in the Page/Fredonia Justice Court.

JUSTICE SYSTEM

Justice Courts

Opportunities and Challenges

- The Justice Court's role has been increasing by helping defendants obtain the treatment services they need in an environment where there is limited access to treatment.
- There are increasing expectations by customers to take care of business online 24 hours a day from anywhere in the world, instead of in line at the public counter.
- Fredonia and Page case filings are projected to significantly increase, specifically with traffic cases. Criminal and civil filings have slightly decreased.
- Williams case filings have slightly decreased (criminal and civil traffic cases representing the majority of case filings).
- Flagstaff case filings have remained constant (criminal and civil traffic cases representing the majority of case filings).
- There is an increasing need for more pretrial services options to bail.
- The Courts are utilizing a Risk Assessment matrix in domestic violence cases to determine conditions of release.
- There is an increasing need for more intervention, diversion, treatment, alternative sentencing, and rehabilitation programs.
- There are increasing numbers, and a changing composition, of court users (e.g., more non-English speaking, elderly, and self-represented).
- Customer Service has improved since the consolidation of the staff for the Williams Justice and City Courts.
- There is an increasing need for legal assistance/services.
- The Flagstaff Justice Court has been behind in its records destruction and disposition of criminal history by several years. A Criminal History Records Improvement Grant has allowed the Court to hire staff to focus on Criminal History clean up, which has contributed to the increased clearance rate.

JUSTICE SYSTEM

Justice Courts

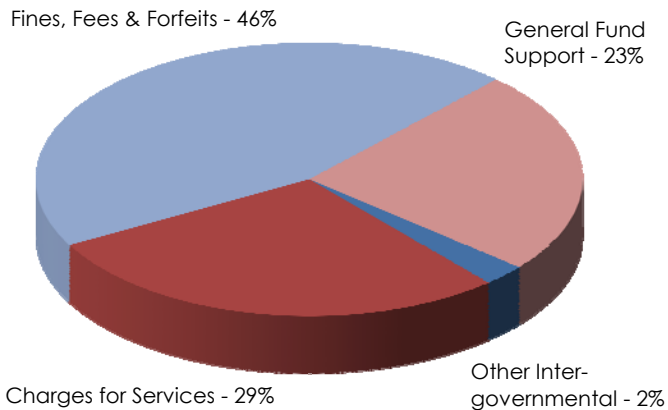
Financial Summary

The Justice Courts receive most of their revenue through the levying of fines, fees, and bond forfeitures. The Courts also receive revenue from charges for services and from General Fund support. For FY16, the department's revenue finished 21% above budget, due to higher-than-anticipated fines, fees and forfeiture revenue as well as an increase in charges for services. The department's FY17 revenue budget will also increase by 4%, due to continued increases in these revenues.

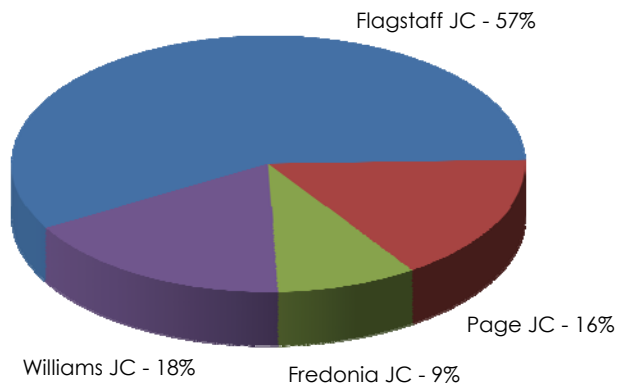
For FY16, the Justice Courts finished 8% under their revised expenditure budget of \$2,535,393. The majority of this variance was due to salary and operational savings at the Flagstaff Justice Court. The Justice Courts' FY17 adopted expenditure budget of \$2,591,824 is 2% higher than their FY16 budget, due to merit and market increases for most personnel. The department had no other approved budget increases for FY17.

The following charts illustrate the Justice Courts' FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

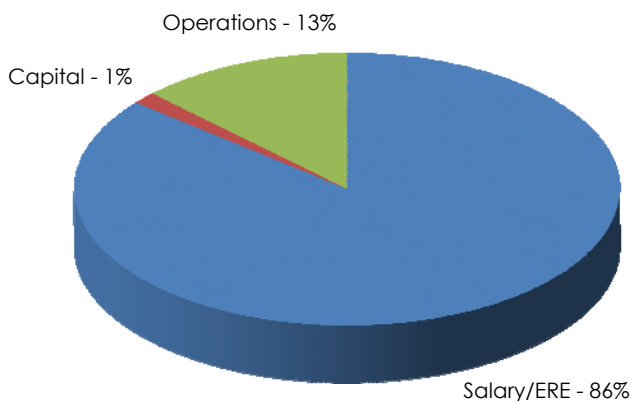
Revenue by Source Type



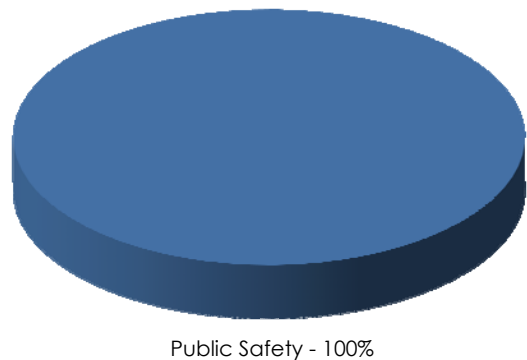
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Justice Courts

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 50,205	\$ 34,605	\$ -	\$ -	\$ -
Other Intergovernmental	63,160	50,549	64,198	64,002	64,198
Charges for Services	672,805	776,324	717,305	899,736	740,305
Fines, Fees, & Forfeits	1,106,450	1,281,521	1,138,450	1,352,894	1,191,550
Investment Income	10,170	5,166	4,550	5,332	3,850
Other	200	3,181	500	2,564	800
Use of (Increase In) Fund Balance	(13,744)	(172,781)	(526)	(289,310)	5,032
General Fund Support	602,879	330,230	610,916	295,485	586,089
Total Funding Sources	\$ 2,492,125	\$ 2,308,796	\$ 2,535,393	\$ 2,330,704	\$ 2,591,824
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 2,139,752	\$ 2,050,305	\$ 2,169,773	\$ 2,107,525	\$ 2,226,699
Operations	352,373	252,581	365,620	223,179	328,125
Capital	-	5,910	-	-	37,000
Total Uses of Funds	\$ 2,492,125	\$ 2,308,796	\$ 2,535,393	\$ 2,330,704	\$ 2,591,824
Net Indirect Support	492,323	492,323	481,737	481,737	484,825
Total	\$ 2,984,448	\$ 2,801,119	\$ 3,017,130	\$ 2,812,441	\$ 3,076,649
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 1,445,160	\$ 1,704,343	\$ 1,506,998	\$ 1,810,608	\$ 1,577,498
Transfers in from Other Funds	7,073	7,073	7,073	7,073	7,073
Program Expenditures	(2,055,112)	(2,041,646)	(2,124,987)	(2,113,167)	(2,170,660)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ (602,879)	\$ (330,230)	\$ (610,916)	\$ (295,485)	\$ (586,089)
Net Indirect Support	(492,323)	(492,323)	(481,737)	(481,737)	(484,825)
Total County Support	\$ (1,095,202)	\$ (822,553)	\$ (1,092,653)	\$ (777,222)	\$ (1,070,914)

JUSTICE SYSTEM

Justice Courts

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Flagstaff Justice Court	\$ 1,165,989	\$ 334,938	\$ (15,114)	\$ 1,485,813	\$ 280,189
Fredonia Justice Court	145,865	85,683	(4,912)	226,636	59,964
Page Justice Court	305,756	106,498	2,415	414,669	34,593
Williams Justice Court	383,093	58,970	22,643	464,706	110,079
Total	\$ 2,000,703	\$ 586,089	\$ 5,032	\$ 2,591,824	\$ 484,825

Performance Measures by Program

Flagstaff Case Processing

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Total Cases Concluded/Terminated	19,897	20,500	15,700
Clearance Rate of Total Cases	126%	126%	98%
The court makes reasonable efforts to remove physical and language barriers to service	92%	94%	95%
I was able to get my court business done in a reasonable amount of time	88%	92%	93%
Court staff paid attention to my needs	93%	94%	95%
Court customers felt they were treated with courtesy and respect	94%	94%	95%
85% of all cases are disposed of within 120 days	65.4%	85.0%	85.0%
93% of all cases are disposed of within 180 days	85%	93%	93%

Workload Indicators

Total Cases Filed	15,842	16,213	16,010
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Fredonia Case Processing

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Total Cases Concluded/Terminated	1,878	1,886	1,795
Clearance Rate of Total Cases	103.0%	102.0%	100.7%
The court makes reasonable efforts to remove physical and language barriers to service	80%	69%	90%
I was able to get my court business done in a reasonable amount of time	92%	96%	95%
Court staff paid attention to my needs	54%	83%	85%
Court customers felt they were treated with courtesy and respect	62%	78%	95%
85% of all cases are disposed of within 120 days	100%	85%	85%
93% of all cases are disposed of within 180 days	100%	93%	93%

Workload Indicators

Total Cases Filed	1,827	1,842	1,782
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JUSTICE SYSTEM

Justice Courts

Performance Measures by Program (continued)

Page Case Processing

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Total Cases Concluded/Terminated	3,453	2,625	3,000
Clearance Rate of Total Cases	109.0%	90.0%	100.7%
The court makes reasonable efforts to remove physical and language barriers to service	75%	85%	85%
I was able to get my court business done in a reasonable amount of time	77%	90%	90%
Court staff paid attention to my needs	79%	85%	85%
Court customers felt they were treated with courtesy and respect	89%	95%	95%
85% of all cases are disposed of within 120 days	66.7%	85.0%	85.0%
93% of all cases are disposed of within 180 days	95.8%	100.0%	100.0%

Workload Indicators

Total Cases Filed	3,168	2,927	2,980
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Williams Case Processing

Performance Measures

Total Cases Concluded/Terminated	4,258	4,335	4,080
Clearance Rate of Total Cases	105%	102%	98%
The court makes reasonable efforts to remove physical and language barriers to service	84%	92%	92%
I was able to get my court business done in a reasonable amount of time	85%	92%	92%
Court staff paid attention to my needs	90%	97%	97%
Court customers felt they were treated with courtesy and respect	93%	93%	93%
85% of all cases are disposed of within 120 days	76.2%	85.0%	85.0%
93% of all cases are disposed of within 180 days	83.3%	93.0%	93.0%

Workload Indicators

Total Cases Filed	4,040	4,265	4,165
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JUSTICE SYSTEM

Justice Courts

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Manager	1.00	1.00	1.00
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I*	9.00	9.25	9.25
Administrative Supervisor	1.00	1.00	1.00
Elected Official	4.00	4.00	4.00
Justice Court Specialist	14.00	14.00	12.00
Justice Court Specialist, Senior**	4.00	4.00	6.00
Justice of the Peace Pro Tem	1.00	1.00	1.00
Total Positions	35.00	35.25	35.25

* The Fredonia Justice Court's Administrative Specialist I position was increased from .50 to .75 FTE for FY16.

** Two Justice Court Specialists were reclassified to Senior Justice Court Specialists during FY16.

JUSTICE SYSTEM

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
Administration	PS	This program provides departmental leadership, strategic direction, and administrative support to our Divisions' and Units' employees and programs.
Detention and Alternatives to 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 Court	PS	To provide a just, timely, and impartial court setting for all juvenile matters involving delinquency, incorrigibility, dependency and adoptions.
Probation Services	PS	Probation Services works with delinquent youth and their parents to develop the youth's pro-social life skills, motivations, and beliefs, utilizing the Juvenile Justice Step Up Model.
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 FY17 objectives for low risk youth (Diversion) include:

- 60% of first-time referred youth are identified, receive the intervention they need and do not go to court (saves court/prosecutor/public defender time)
- 90% of these youth will not be re-referred within a year

The department's FY17 objectives for medium risk youth (Standard Probation Services) include:

- 80% of youth will not require placement into Intensive Step Up Probation
- 80% of parents/custodians will give feedback that services/program has helped them

The department's FY17 objectives for high risk youth (Juvenile Intensive Probation) include:

- 90% of high risk youth will not require placement into Arizona Department of Corrections
- 66% of parents/custodians will give feedback that services/program has helped them

The department continues to work diligently to hire, train, and retain the right staff. Although several veteran staff members retired in FY16, the department is experiencing a decreasing turnover rate.

For FY17, the Board of Supervisors provided funding for two extra beds for youth to be placed at Northland Family Help Center Halo House. Many youth have been able to be released early from Detention and transitioned to Halo House, where they can then attend their regular school and be readied to return home or to another placement.

The department is working to mitigate the impact of the Governor's proposed 25% Arizona Department of Juvenile Corrections (ADJC) cost shift (\$544,000 estimate) and is continuing efforts to deploy more resources on our highest risk and needs youth and families. The County is supportive of Statewide efforts to challenge the Governor's and Legislature's costs shifts to the Counties.

JUSTICE SYSTEM

Juvenile

Opportunities and Challenges

- The Weekend Making Things Right program was funded from a Juvenile Accountability Block Grant from the Governor's Office. The Federal Funding has ended and the department is paying for this program temporarily out of Fees. The department is hoping that, at some point, this program could be funded from the General Fund or State Funds.
- Cuts to State Probation by the Legislature and the Administrative Office of the Courts have prevented the filling of positions vacated by Probation Officers who have left the Department and area. This has reduced the number of Case Carrying Probation Officers, but the number of youth on probation has decreased as well.
- Year-to-date Dependency Filings for FY16 have increased to 52 from 41 dependency petitions last year, a 27% increase.
- The number of children involved in the Dependency Filings has increased to 86 from 63 last year, a 36% increase.
- Case Facilitations and Mediations can reduce Court Hearings, but the department does not have enough State funding. They have asked the Administrative Office of The Courts for help but have not received any assistance to date.

JUSTICE SYSTEM

Juvenile

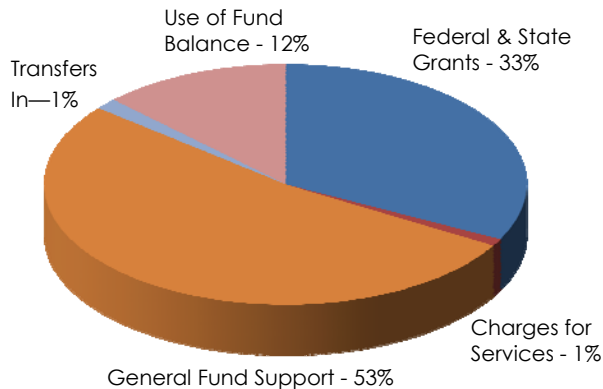
Financial Summary

Juvenile's two main funding sources are General Fund support and Federal and State grants. The department ended FY16 1% below their budgeted revenue, due to lower-than-expected State grant funding. The department's FY17 revenue budget is expected to be 2% higher than in FY16, due to a transfer in from the Public Health Services District to reimburse the department's expenses related to juvenile medical services.

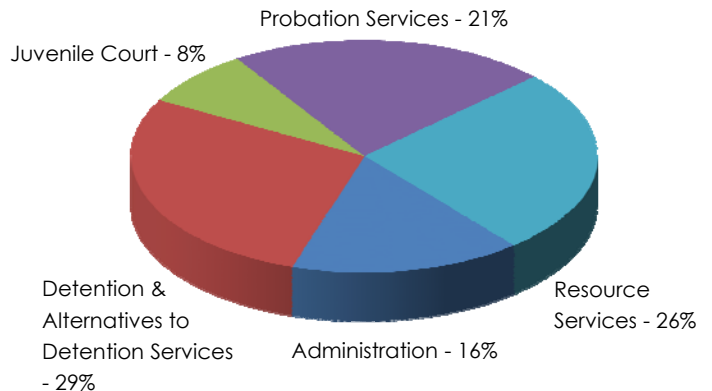
For FY16, Juvenile finished 15% under their revised expenditure budget of \$5,834,798. This variance is due to across-the-board savings, including salary savings from unfilled positions, savings in other professional services and travel savings. Juvenile's FY17 adopted expenditure budget of \$6,072,538 is 4% higher than their FY16 budget, due to merit and market increases to employee salaries and a second approval of one-time funding for \$80,300 that will provide long-term shelter care for juvenile offenders.

The following charts illustrate Juvenile's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

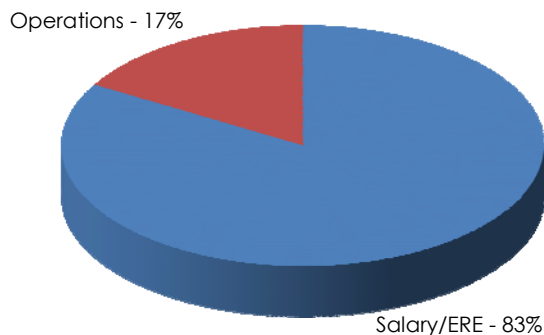
Revenue by Source Type



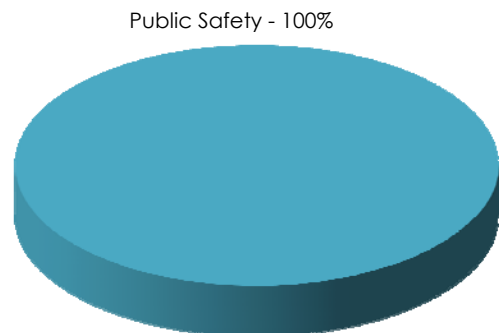
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Juvenile

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 2,105,972	\$ 2,070,648	\$ 2,031,050	\$ 1,989,216	\$ 1,976,031
Charges for Services	57,810	108,335	57,810	73,434	57,810
Investment Income	11,422	8,792	3,600	8,543	3,000
Other	-	13,256	-	253	-
Transfers from Other Funds	-	-	-	-	90,000
Use of (Increase In) Fund Balance	726,245	15,843	703,272	35,877	723,985
General Fund Support	2,930,569	2,532,574	3,039,066	2,851,567	3,221,712
Total Funding Sources	\$ 5,832,018	\$ 4,749,448	\$ 5,834,798	\$ 4,958,889	\$ 6,072,538
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 4,778,997	\$ 4,275,865	\$ 4,795,936	\$ 4,399,776	\$ 5,066,160
Operations	1,053,021	473,583	1,038,862	559,113	1,006,378
Total Uses of Funds	\$ 5,832,018	\$ 4,749,448	\$ 5,834,798	\$ 4,958,889	\$ 6,072,538
Net Indirect Support	923,885	923,885	904,380	904,380	899,659
Total	\$ 6,755,903	\$ 5,673,333	\$ 6,739,178	\$ 5,863,269	\$ 6,972,197
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 6,500	\$ 43,313	\$ 6,500	\$ 19,030	\$ 6,500
Transfers in from Other Funds	-	-	-	-	90,000
Program Expenditures	(2,884,418)	(2,571,582)	(3,035,749)	(2,862,925)	(3,123,559)
GF Transfers to Other Funds	(52,651)	(4,305)	(9,817)	(7,671)	(194,653)
Total Direct Support	\$(2,930,569)	\$(2,532,574)	\$(3,039,066)	\$(2,851,567)	\$(3,221,712)
Net Indirect Support	(923,885)	(923,885)	(904,380)	(904,380)	(899,659)
Total County Support	\$(3,854,454)	\$(3,456,459)	\$(3,943,446)	\$(3,755,947)	\$(4,121,371)

JUSTICE SYSTEM

Juvenile

FY17 Financial Statement by Program

<u>Program Name</u>	<u>FY17 Program Revenue</u>	<u>FY17 General Fund Support</u>	<u>FY17 Use of Fund Balance</u>	<u>FY17 Program Budget</u>	<u>FY17 Net Indirect Support</u>
Administration	\$ 444,684	\$ 357,173	\$ 178,037	\$ 979,894	\$ 140,750
Detention and Alternatives to Detention Services	135,726	1,618,785	3,274	1,757,785	275,304
Juvenile Court	107,210	373,942	(10,644)	470,508	76,604
Probation Services	760,446	279,753	257,466	1,297,665	180,982
Resource Services	678,775	592,059	295,852	1,566,686	226,019
Total	\$2,126,841	\$ 3,221,712	\$ 723,985	\$ 6,072,538	\$ 899,659

JUSTICE SYSTEM

Juvenile

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Within County Budget	Yes	Yes	N/A
Within State Budget	Yes	Yes	N/A
Grants/Funding Received	JABG: \$14,976	JABG: \$3,535	N/A
	JVRIF: \$26,700	JVRIF: \$26,690	N/A
Other Funding	USDA Food Grant: \$34,971	USDA Food Grant: \$39,226	N/A
	Fees Collected: \$78,084	Fees Collected: \$60,000	N/A
Big Brothers & Big Sisters of Northern AZ (Mentoring Probation Boys and Girls)	X	X	N/A
Coconino County Accommodation School District (Detention Education)	X	X	N/A
Coconino County Health Department/District Nursing Services	X	X	N/A
North County Health Services (Psychiatric Services)	X	X	N/A
Native Americans Community Action (Substance Abuse Intervention Services)	X	X	N/A
Sequoia Choice (Day School Educational Services)	X	X	N/A
Flagstaff Unified School District/Summit High School	X	X	N/A
Steve's Club (positive community connection)		X	N/A
All Full-time Staff Turnover	18.43%	13.28%	N/A
Administration Staff Turnover	6.15%	19.51%	N/A
Court Staff Turnover	19.51%	29.63%	N/A
Probation Staff Turnover	21.01%	7.00%	N/A
Detention Staff Turnover	21.74%	13.64%	N/A
Detention Temp Staff Retention	73.91%	75.00%	N/A
Resources Staff Retention	29.63%	6.91%	N/A
Number of Discharges	1	0	N/A
Appeals of Employment Discharges	0	0	N/A
Number of Discharges Appealed	0	0	N/A
Number of Discharges Reversed	0	0	N/A
Equal Employment Opportunity Commission Complaints and Results	0 Complaints	0 Complaints	N/A

JUSTICE SYSTEM

Juvenile

Performance Measures by Program (continued)

Juvenile Court

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Petition to Adjudication			
Detained Youth (45 days)	97%	94%	N/A
Non Detained Youth (60 days)	83%	83%	N/A
Petition to Adjudication Average Days			
Detained Youth (45 days)	13.98	14.65	N/A
Non Detained Youth (60 days)	28.2	21.25	N/A
Adjudication to Disposition			
Detained Youth (30 days)	35%	57%	N/A
Non Detained Youth (45 days)	63%	64%	N/A
Adjudication to Disposition Average Days			
Detained Youth (30 days)	67.27	35.21	N/A
Non Detained Youth (45 days)	51.82	23.7	N/A
Within twelve months of the child's removal from home, permanency occurs unless otherwise permitted by law (95% of cases)	71.4%	95.0%	N/A
95% of Dependency petitions meeting Preliminary Protective Hearing Requirements (Not Less than 5 but not more than 7 days from removal from home)	87.5%	95.0%	N/A
Number of Dependency Petitions Files	63	70	N/A
FYI - Number of Children involved in dependency cases	196	218	N/A
Court Appointed Special Advocates will meet with their assigned children no less than monthly	98%	95%	N/A
Number of CASA Volunteers	29	30	N/A
Number of Hours Donated	1,540	1,800	N/A

Detention and Alternatives to Detention Services

Performance Measures			
No Successful Suicides by Youth	0	0	N/A
No Prison Rape Elimination Act Violations	0	0	N/A
Detention Daily Population	18.3	15.4	N/A
1 Staff to 8 Youth Supervision	No	No	N/A
Youth in Halo House	37	53	N/A
Probation Youth Completing Making Things Right Weekend Programs	89	55	N/A
Youth Court Ordered onto Electronic Monitoring	54	59	N/A

JUSTICE SYSTEM

Juvenile

Performance Measures by Program (continued)

Probation Services

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
45% of 1st Time Referred Youth who are diverted	54.76%	53.57%	N/A
1st Time Referred Youth who are petitioned before the Court	25.93%	11.61%	N/A
70% of 1st Time Referred Youth are not petitioned before the Court	79.51%	74.60%	N/A
80% of Deferred Youth do not receive a Formal Petition within one year	94.00%	97.44%	N/A
80% of Deferred Youth do not receive Probation Supervision	98.60%	95.00%	N/A
95% of Standard Probation Youth Not Adjudicated for Felony Level Offense while on Probation (Excluding Class 6)	100%	95%	N/A
90% of Standard Probation Youth Not Adjudicated for Felony Level Offense while on Probation	100%	90%	N/A
75% of JIPS Youth Not Adjudicated for Felony Level Offense while on Probation (Excluding Class 6)	100%	80%	N/A
60% of JIPS Youth Not Adjudicated for Felony Level Offense while on Probation	100%	80%	N/A
70% of Parents' Feedback Forms report the Step Up Probation Program has helped their Child	70.03%	72.55%	N/A
70% of Parents' Feedback Form report the Step Up Probation Program has helped their Family	67.82%	72.55%	N/A
70% of Parents' Feedback Forms report the Step Up Probation Program has helped them	67.51%	72.55%	N/A
75% of the Parents' Feedback Form report their Relationship with their Child has improved	67.19%	68.63%	N/A

Resource Services

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Number of Commitments to ADJC (FY16 is 25% lower than FY15)	10	7	N/A
80% ISD Youth are Not Adjudicated for Felony Level Offense while in ISD Program (Excluding Class 6)	100%	90%	N/A
60% ISD Youth do not require Residential Placement	83% not placed	75% not placed	N/A
85% not placed in Arizona Department of Juvenile Corrections	94% not committed	90% not committed	N/A
95% of Adjudicated Juveniles Offending Sexually will not sexually reoffend	100%	100%	N/A

JUSTICE SYSTEM

Juvenile

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</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	6.40	4.50	4.50
Administrative Specialist II	0.75	0.75	0.75
Administrative Specialist III	1.00	1.00	1.00
Bailiff II	2.00	2.00	2.00
Commissioner/Judge	0.50	0.50	0.50
Court Technician I	-	1.00	1.00
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	2.00
Probation Clinician I	-	-	1.00
Probation Clinician II	2.00	2.00	2.00
Probation Officer II	10.82	10.00	8.00
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	-
Surveillance Officer	1.00	1.00	1.00
Technical Specialist I	1.00	1.00	1.00
Youth Care Worker II	16.06	15.40	15.40
Youth Care Worker III	8.00	8.00	8.00
Youth Care Worker IV	-	2.00	2.00
Youth Care Worker V	3.00	3.00	2.00
Youth Care Worker VI	-	-	1.00
Total Positions	70.93	70.55	68.15

*This department is heavily grant funded so FTEs fluctuate with grant cycles.

JUSTICE SYSTEM

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.

Program	SPA	Description
Contractual Indigent Legal Services	PS	This program appoints private attorneys under contract with the County to handle cases for indigent defendants, juveniles, parents and proposed wards in criminal, juvenile delinquency, child welfare, guardianship, conservatorship and mental health cases.
In-House Indigent Legal Services	PS	In-house attorneys provide legal services to indigent defendants, juveniles, parents or proposed wards in criminal, juvenile delinquency, child welfare, guardianship, conservatorship and mental health cases.

Goals and Objectives

Departmental objectives for FY17 include:

- Continuing to work with the County Health Department and County Attorney's Office, along with local law enforcement agencies, Northern Arizona Regional Behavioral Health Agency, Flagstaff Medical Center and The Guidance Center to improve the Title 36 program.
- Working towards converting the computerized case management system from Time Matters to JustWare or another more comprehensive system that has the ability to improve office support staff productivity.
- Drafting and implementing a new policy regarding electronic and physical retention of files that complies with the rules and regulations of the Arizona Secretary of State and the Arizona State Bar Association.
- Updating the Indigent Legal Services Policy; the current policy that the Board of Supervisors adopted is almost 15 years old.

Longer-term goals for the Legal Defender consist of:

- Continuing to make opportunities available for the attorneys at the Legal Defender's Office to learn more about Title 36.

Opportunities and Challenges

- Title 36 of the Arizona Revised Statutes provides authority for behavioral health agencies, Flagstaff Medical Center, law enforcement and other interested parties to petition the Superior Court to commit a person who is suffering from a mental disorder that results in that person being a danger to himself/herself or others. The Legal Defender's Office defends the wards who are the subject of these petitions. The number of Title 36 cases has increased in the last five years and these cases present many challenges and concerns.
- Child Welfare (Dependency and Parental Termination) cases continue to increase significantly. Due to new rules, all attorneys must meet in person with their child clients before each substantive hearing, no matter where they are located in the State.

JUSTICE SYSTEM

Legal Defender

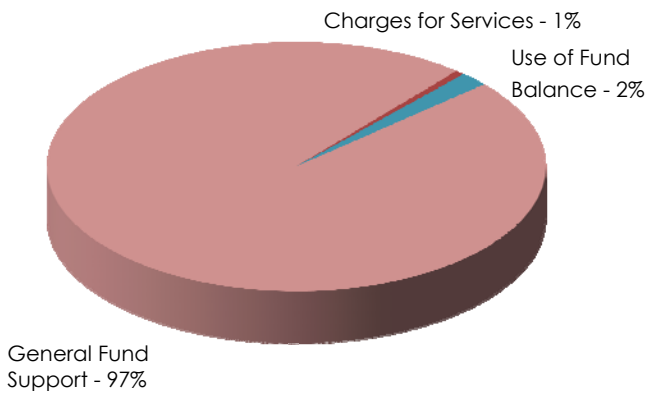
Financial Summary

The majority of the Legal Defender's revenue is provided through General Fund support, with lesser amounts derived from charges for services and a transfer in from State Fill-the-Gap funds. The department finished the fiscal year 18% above their revenue budget, due primarily to increased revenue from client representation. The department's FY17 revenue budget is essentially flat compared to FY16.

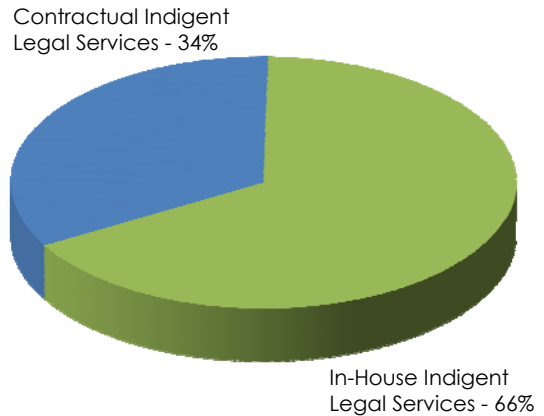
For FY16 the Legal Defender's Office was 1% over their revised expenditure budget of \$1,028,777, due to increased expenses for legal services contracted to outside attorneys. This overage was brought to the attention of the County Manager's office at mid-year. The department's FY17 adopted expenditure budget of \$1,116,029 represents an 8% increase to the FY16 budget. This is due to merit and market increases to employee salaries as well as an approved part-time Case Manager/Social Services Investigator FTE.

The following charts illustrate the Legal Defender's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

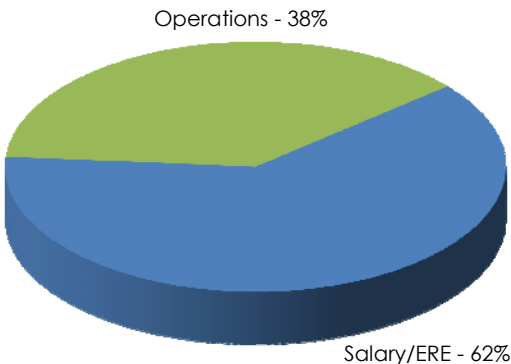
Revenue by Source Type



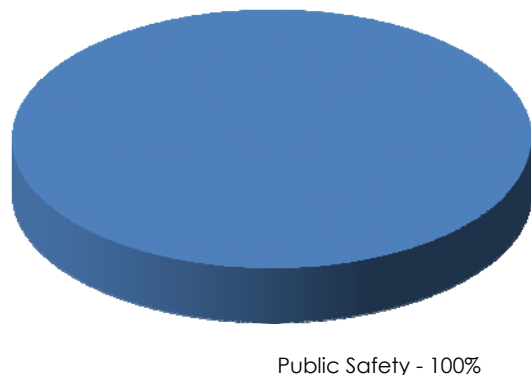
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Legal Defender

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 2,500	\$ 2,091	\$ 2,000	\$ 2,090	\$ 2,000
Charges for Services	6,000	7,019	6,500	8,345	6,500
Investment Income	890	562	571	598	591
Transfers from Other Funds	4,907	5,613	5,317	5,973	5,338
Use of (Increase In) Fund Balance	20,610	(1,166)	20,885	(2,526)	20,606
General Fund Support	933,695	1,146,777	993,504	1,024,213	1,080,994
Total Funding Sources	\$ 968,602	\$ 1,160,896	\$ 1,028,777	\$ 1,038,694	\$ 1,116,029
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 566,483	\$ 585,018	\$ 620,378	\$ 609,222	\$ 696,230
Operations	402,119	575,878	408,399	429,472	419,799
Total Uses of Funds	\$ 968,602	\$ 1,160,896	\$ 1,028,777	\$ 1,038,694	\$ 1,116,029
Net Indirect Support	50,846	50,846	62,565	62,565	67,913
Total	\$ 1,019,448	\$ 1,211,742	\$ 1,091,342	\$ 1,101,259	\$ 1,183,942
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	5,539	5,489	5,727	5,686	5,689
Program Expenditures	(939,234)	(1,152,266)	(999,231)	(1,029,899)	(1,086,683)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ (933,695)	\$ (1,146,777)	\$ (993,504)	\$ (1,024,213)	\$ (1,080,994)
Net Indirect Support	(50,846)	(50,846)	(62,565)	(62,565)	(67,913)
Total County Support	\$ (984,541)	\$ (1,197,623)	\$ (1,056,069)	\$ (1,086,778)	\$ (1,148,907)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Contractual Indigent Legal Services	\$ -	\$ 373,099	\$ 2,300	\$ 375,399	\$ 6,499
In-House Indigent Legal Services	14,429	707,895	18,306	740,630	61,414
Total	\$ 14,429	\$ 1,080,994	\$ 20,606	\$ 1,116,029	\$ 67,913

JUSTICE SYSTEM

Legal Defender

Performance Measures by Program

Contractual Indigent Legal Services	FY15	FY16	FY17
Workload Indicators	Actual	Estimated	Projected
Total Cases	192	192	227
Adult Felony Cases	87	64	85
Juvenile Delinquency Cases	12	6	15
Dependency Cases	65	104	90
Post-Conviction Relief Cases	16	17	30

In-House Indigent Legal Services

Performance Measures

Average Days Open - Felony	N/A	158	N/A
Average Days Open - Delinquency	N/A	78	N/A

Workload Indicators

Total Cases	503	524	536
Adult Felony Cases	110	143	105
Juvenile Delinquency Cases	97	88	95
Dependency Cases	56	62	70
Post-Conviction Relief Cases	5	2	5
Mental Health Cases	235	229	260

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Administrative Specialist II	1.00	1.00	1.00
Attorney*	3.00	3.25	3.25
Business Manager	1.00	1.00	1.00
Case Manager/Social Services Investigator**	-	-	0.50
Legal Defender	1.00	1.00	1.00
Total Positions	6.00	6.25	6.75

* A .25 FTE Attorney position was added via SIR for FY16.

** The .50 FTE Case Manager/Social Services Investigator position was added via SIR for FY17.

JUSTICE SYSTEM

Public Defender

110 East Cherry Avenue, Second Floor, Flagstaff, AZ 86001 (928) 679-7700
Sandra Diehl, 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 (assignment 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 provides effective legal representation to assigned indigent adults (assignment determined by the Justice Courts) 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 Miscellaneous Cases	PS	Adult appeal, post conviction relief and other miscellaneous case representation program provides effective legal representation to assigned indigent adults, as appointed by the courts, so that their rights are protected.

Goals and Objectives

Departmental objectives for FY17 include:

- Continuing to promote the prevention of further criminal activity by rehabilitation and education.
- Prioritizing programs that utilize collaboration efforts to identify common goals and improve system efficiencies and public safety outcomes, such as the CJCC.
- Providing continuing legal education for attorneys and growth and development education for staff members, which increases competency with evidence-based practices.

Longer-term goals for the department include the continued partnership in the recent Human Services Collective Impact Project. The goal of this project is to further enhance the lives of County residents and reduce downstream criminal justice costs.

Opportunities and Challenges

- Caseloads appear to be leveling out. An increase in Veteran's Court clients has required an additional attorney from our office to be assigned to these cases. For FY17 we will have 4.5 attorneys dedicated to the various specialty courts serving citizens throughout the county.
- The Arizona State Legislature continues to work on legislation affecting the criminal and juvenile justice systems. This could include a prisoner shift of low level felony offenders from prisons to jails.
- There has been a significant increase in dependency and severance cases in the past few fiscal years. With information from the AOC, we anticipate this growth will continue, resulting in an increase in cases that is not expected to end any time soon.

JUSTICE SYSTEM

Public Defender

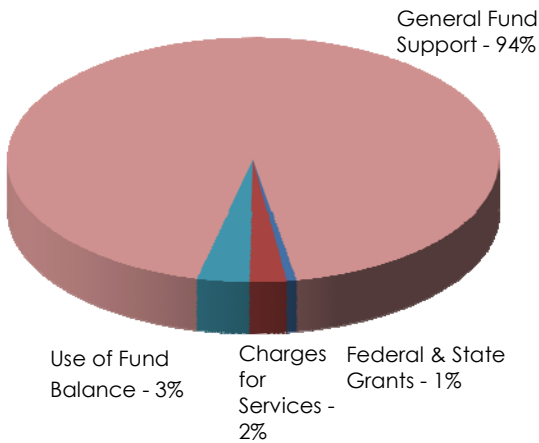
Financial Summary

The Public Defender's primary source of revenue is General Fund support, with lesser amounts coming from charges for services and Federal and State grants. FY16 revenue was 28% above budget, due to greater-than-expected charges for services. This higher revenue is not expected to last however, and the department's FY17 revenue is budgeted to stay flat compared to FY16.

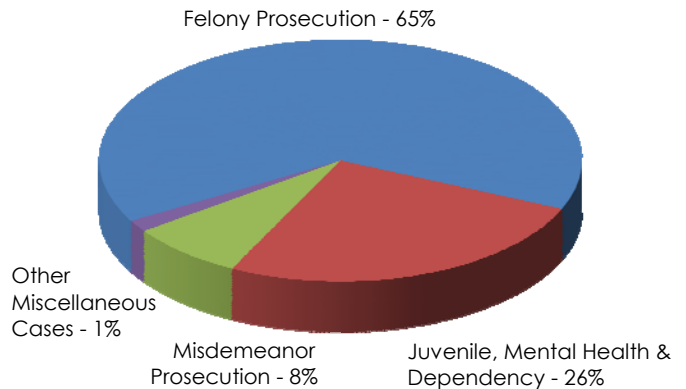
The Public Defender's Office finished 4% under its revised FY16 expenditure budget of \$2,319,367. The majority of this variance was due to salary savings from temporarily vacant positions, with a lesser amount saved on Other Court Expenses in the department's Adult Felony program. The department's FY17 adopted expenditure budget of \$2,482,982 is an increase of 7% over FY16, due to merit and market increases to employee salaries as well as an additional 1.75 Paralegal positions requested and approved during the budget process.

The following charts illustrate the Public Defender's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

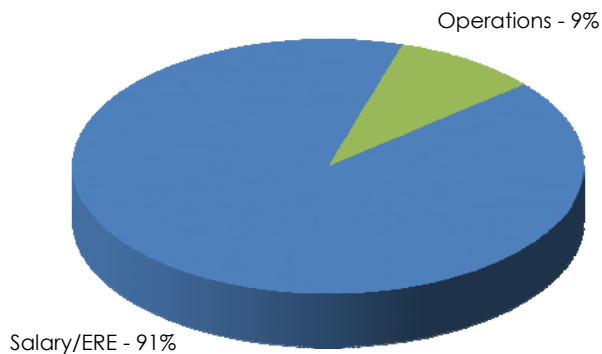
Revenue by Source Type



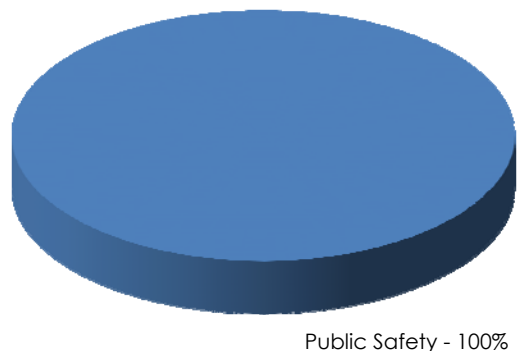
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Public Defender

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 20,000	\$ 17,167	\$ 16,000	\$ 20,107	\$ 16,000
Charges for Services	70,000	73,041	60,000	75,108	60,000
Investment Income	8,200	798	900	1,338	900
Other	-	-	-	1,747	-
Use of (Increase In) Fund Balance	(9,294)	(14,325)	(14,900)	(68,217)	85,100
General Fund Support	2,197,305	2,137,843	2,257,367	2,205,235	2,320,982
Total Funding Sources	\$ 2,286,211	\$ 2,214,524	\$ 2,319,367	\$ 2,235,318	\$ 2,482,982
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 2,060,015	\$ 2,015,883	\$ 2,091,037	\$ 2,033,131	\$ 2,254,652
Operations	226,196	198,640	228,330	202,188	228,330
Total Uses of Funds	\$ 2,286,211	\$ 2,214,524	\$ 2,319,367	\$ 2,235,318	\$ 2,482,982
Net Indirect Support	267,303	267,303	308,907	308,907	300,347
Total	\$ 2,553,514	\$ 2,481,827	\$ 2,628,274	\$ 2,544,225	\$ 2,783,329
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ 9,872	\$ -	\$ 1,747	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(2,112,305)	(2,062,714)	(2,257,367)	(2,206,982)	(2,320,982)
GF Transfers to Other Funds	(85,000)	(85,000)	-	-	-
Total Direct Support	\$(2,197,305)	\$(2,137,843)	\$(2,257,367)	\$(2,205,235)	\$(2,320,982)
Net Indirect Support	(267,303)	(267,303)	(308,907)	(308,907)	(300,347)
Total County Support	\$(2,464,608)	\$(2,405,146)	\$(2,566,274)	\$(2,514,142)	\$(2,621,329)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Adult Felony	\$ 60,200	\$ 1,480,918	\$ 69,800	\$ 1,610,918	\$ 191,513
Adult Misdemeanor	-	190,793	-	190,793	24,441
Juvenile, Mental Health and Dependency	-	642,343	-	642,343	83,643
Other Miscellaneous Cases	16,700	6,928	15,300	38,928	750
Total	\$ 76,900	\$ 2,320,982	\$ 85,100	\$ 2,482,982	\$ 300,347

JUSTICE SYSTEM

Public Defender

Performance Measures by Program

Adult Felony

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Average Days Case Open - Felony	107	100	100
Average Days Case Open - Revocation	44	40	40

Workload Indicators

Cases Per Year - Felony	1,895	2,122	2,122
Cases Per Year - Revocation	322	354	354

Adult Misdemeanor

Performance Measures

Average days case open - Misdemeanor	131	136	136
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Workload Indicators

Cases per year - Misdemeanor	390	436	436
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Juvenile, Mental Health, and Dependency

Performance Measures

Average days case open - Dependency	460	460	460
Average days case open - Juvenile	224	224	224
Average days case open - Juvenile Appeal	715	550	550
Average days case open - Mental Health	13	13	13

Workload Indicators

Cases per year - Dependency	60	120	120
Cases per year - Juvenile	382	362	362
Cases per year - Juvenile Appeal	1	5	5
Cases per year - Mental Health	2	2	2

Other Miscellaneous Cases

Performance Measures

Average Days Case Open- Adult Appeal	562	500	500
Average Days Case Open- PCR	106	100	100
Average Days Case Open- Other	527	527	527

Workload Indicators

Cases Per Year- Adult Appeal	8	12	12
Cases Per Year- PCR	18	12	12
Case per year- Other	19	26	26

JUSTICE SYSTEM

Public Defender

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist I	2.00	2.00	2.00
Attorney I	-	1.00	1.00
Attorney II	-	-	1.00
Attorney III	2.00	2.00	-
Attorney IV	8.00	7.00	8.00
Attorney V	2.00	2.00	2.00
Chief Investigator	1.00	1.00	1.00
Legal Assistant*	3.00	3.00	2.00
Legal Assistant, Senior	-	-	1.00
Paralegal**	-	-	1.75
Public Defender	1.00	1.00	1.00
Total Positions	<u>20.00</u>	<u>20.00</u>	<u>21.75</u>

* One Legal Assistant position was reclassified to Senior Legal Assistant during FY16.

** 1.75 Paralegal positions were added via SIR for FY17.

JUSTICE SYSTEM

Sheriff/Jail

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, registers sex offenders, 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 sound organizational and fiscal management to provide administrative, fiscal, technological and professional support to Sheriff's Office services.

Goals and Objectives

FY17 departmental objectives include:

- Implementation of a 2.5% pay raise for all uniformed officers as soon as possible to help bring officers up to a competitive market level and help retain and recruit personnel.
- Hiring of two additional Deputies, a Computer Forensic Specialist, and an additional Substance Abuse Counselor.
- Continuation of upgrade of the Records Management System and Jail Management System that began in FY16. Project is estimated to be completed in the third quarter of FY17.
- Implementing computer network switch and router replacement.
- Phase III of the Radio Tower Installation will begin in the second quarter of FY17.
- The purchase of the backup power for Four Radio Sites will begin in the first quarter of FY17.
- The Radio Frequency Change for Williams/Grand Canyon will begin in the second quarter of FY17.
- The migration to VoIP Telephone Technology will begin in the second quarter of FY17.
- Begin several planned capital projects in the jail and LEAF buildings, including:
 - Domestic water boiler replacement
 - Roof re-coating
 - Freezer, cooler, and HVAC condensing unit replacement
 - Carpet replacement
 - Commercial washing machine replacement

JUSTICE SYSTEM

Sheriff/Jail

Goals and Objectives (continued)

Longer-term goals of the Sheriff's office include:

- Continuing to participate in several local and statewide committees that help enhance interoperability and information sharing, including the Arizona Criminal Justice Coordinating Council, Arizona Detention Association, the International Law Enforcement Planners Association, the Local Emergency Planning Committee and the Regional Advisory Council for Homeland Security.
- Continuing to monitor legislation and community trends that could impact the services provided. Legislation such as the Department of Corrections prisoner shift, sweep of Boat Patrol funding, and the end of Title III funding for Patrol and Search and Rescue would have an impact on the Sheriff's Office.
- The Support Services Program will continue to address trends such as new processes for data sharing, increasingly expansive records requests, evolving technologies (body cams, mobile devices, data sharing, radio build outs), decreases in grant funding, and new requirements for federal grants that result in increased amount of administrative duties.

Opportunities and Challenges

- In the last five years, Search and Rescue calls for service and reports have more than doubled. The use of volunteers for Search and Rescue has kept expenses in check.
- The Sheriff's Office continues to be affected by trends such as increasing expectations for law enforcement to deal with non-traditional law enforcement issues (e.g. mental health, jails becoming a safety net and default for societal and community non-crime issues, etc.), changes in federal and state requirements for data sharing and grants, national events (e.g. officer-involved shootings, media coverage, body cameras, etc.) and shifts of costs from the State to the County (budget shifts as well as shifting of responsibilities, etc.).
- Over the past year the Sheriff's Office has implemented the Lexipol policy manual which helps public safety agencies reduce risk and stay ahead of litigation trends, while communicating clear and concise policy guidance to their employees.
- The use of vendor services for investigative tools and community websites has allowed us to implement services and data sharing that otherwise would require an inordinate amount of staffing resources.

Financial Summary

The Sheriff's Office's two main sources of revenue are Jail District sales taxes and General Fund support. The department was 2% under their revenue budget for FY16, due to lower-than-expected Federal and State grant funding and significantly decreased tribal bed rental revenue. FY17 revenue (excluding unawarded grants) is budgeted to be 6% higher than the previous year, due entirely to increased sales tax revenue.

For FY16 the Sheriff's Office finished 17% under their revised expenditure budget of \$42,783,654. Roughly half of this variance was due to a \$3,000,000 capital project for transitional housing that was postponed indefinitely. The remainder was due to salary savings from unfilled positions and other capital repair projects that were still in progress. The Sheriff's FY17 adopted expenditure budget (excluding unawarded grants) of \$29,547,212 is 31% lower than their FY16 budget. This variance is due to the one-time FY16 transfer of \$10M from the Jail District to buy-down the unfunded liability in the public safety retirement system.

JUSTICE SYSTEM

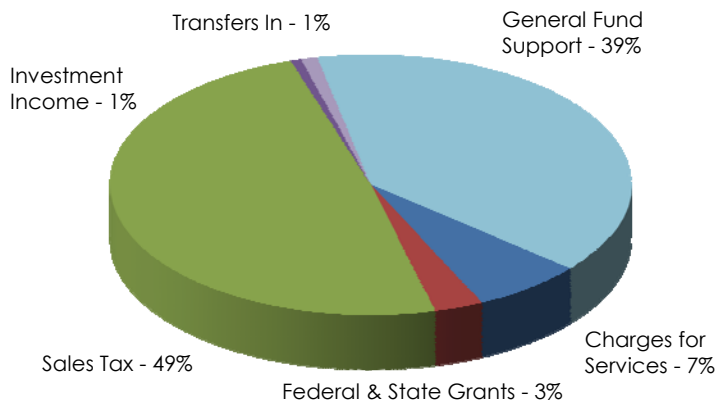
Sheriff/Jail

Financial Summary (continued)

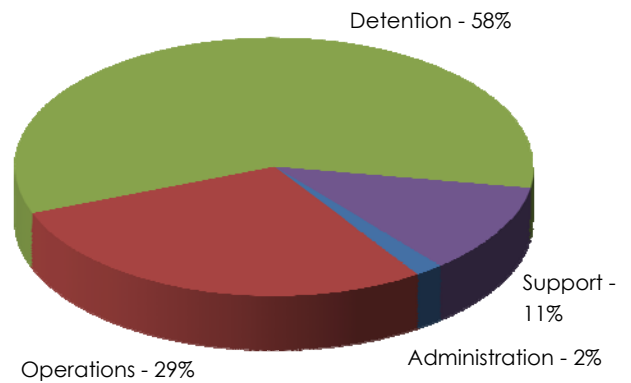
Approved budget increases for FY17 include: a new Computer Forensic Specialist position; two additional Sheriff's Deputy positions; an additional Substance Abuse Counselor position; body worn cameras for uniformed officers; motor pool increases; the replacement of network routers, switches, telephone systems and records management systems; and numerous facility repair projects within the LEAF and Jail Buildings.

The following charts illustrate the Sheriff's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. All expenditure reports exclude unawarded grants.

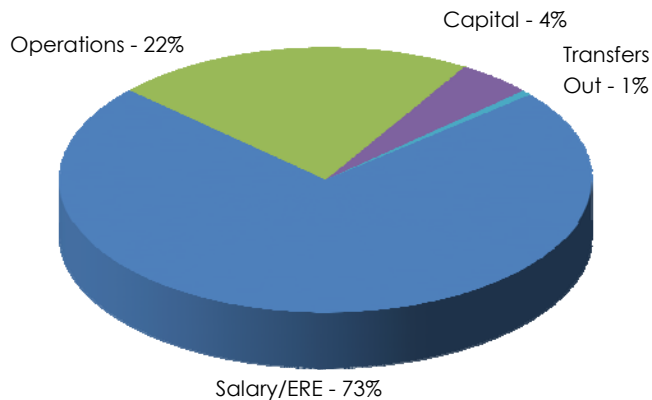
Revenue by Source Type



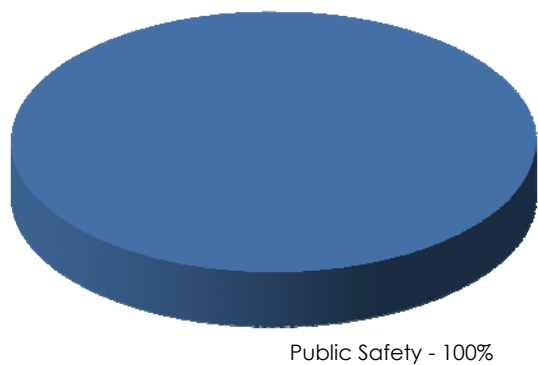
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Sheriff/Jail

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 1,121,058	\$ 792,661	\$ 1,028,565	\$ 763,141	\$ 913,913
Jail District Sales Tax	12,697,600	13,576,136	13,274,100	14,127,110	14,861,462
Other Intergovernmental	66,000	63,960	66,000	69,955	66,000
Licenses & Permits	2,500	-	2,500	3,569	2,500
Charges for Services	1,991,372	1,426,048	1,945,316	964,755	2,080,997
Fines, Fees, & Forfeits	1,500	10,106	3,000	11,162	3,000
Unawarded Grants	-	-	-	-	2,404,500
Investment Income	209,980	165,063	198,957	180,800	198,957
Other	216,950	151,649	161,350	152,749	147,350
Transfers from Other Funds	405,243	392,098	825,198	825,198	308,516
Use of (Increase In) Fund Balance	2,528,336	(3,738,956)	13,827,077	7,420,105	(970,724)
General Fund Support	11,162,511	10,721,452	11,451,591	11,039,627	11,935,241
Total Funding Sources	\$ 30,403,050	\$ 23,560,216	\$ 42,783,654	\$ 35,558,171	\$ 31,951,712
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 19,324,912	\$ 17,817,556	\$ 20,826,439	\$ 18,650,099	\$ 21,543,714
Operations	7,411,697	5,444,985	7,014,010	5,727,631	8,885,023
Capital	3,666,441	297,675	4,088,681	325,917	1,340,646
Transfers to Other Funds	-	-	10,854,524	10,854,524	182,329
Total Uses of Funds	\$ 30,403,050	\$ 23,560,216	\$ 42,783,654	\$ 35,558,171	\$ 31,951,712
Net Indirect Support	998,592	998,592	1,125,461	1,125,461	1,116,443
Total	\$ 31,401,642	\$ 24,558,808	\$ 43,909,115	\$ 36,683,632	\$ 33,068,155
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 386,550	\$ 436,043	\$ 439,994	\$ 455,944	\$ 575,175
Transfers in from Other Funds	163,659	163,659	714,085	714,085	276,776
Program Expenditures	(9,139,399)	(8,779,007)	(9,967,836)	(9,613,726)	(10,092,567)
GF Transfers to Other Funds	(2,573,321)	(2,542,147)	(2,637,834)	(2,595,929)	(2,694,625)
Total Direct Support	\$(11,162,511)	\$(10,721,452)	\$(11,451,591)	\$(11,039,627)	\$(11,935,241)
Net Indirect Support	(998,592)	(998,592)	(1,125,461)	(1,125,461)	(1,116,443)
Total County Support	\$(12,161,103)	\$(11,720,044)	\$(12,577,052)	\$(12,165,088)	\$(13,051,684)

JUSTICE SYSTEM

Sheriff/Jail

FY17 Financial Statement by Program

<u>Program Name</u>	<u>FY17 Program Revenue</u>	<u>FY17 General Fund Support</u>	<u>FY17 Use of Fund Balance</u>	<u>FY17 Program Budget</u>	<u>FY17 Net Indirect Support</u>
Administration	\$ 476,125	\$ (174,953)	\$ 217,688	\$ 518,860	\$ 43,973
Detention Services	17,073,094	2,647,848	(2,477,764)	17,243,178	-
Operations	3,401,126	7,294,153	158,086	10,853,365	717,523
Support Services	36,850	2,168,193	1,131,266	3,336,309	354,947
Total	\$ 20,987,195	\$ 11,935,241	\$ (970,724)	\$ 31,951,712	\$ 1,116,443

Performance Measures by Program

Administration

<u>Performance Measures</u>	<u>FY15 Actual</u>	<u>FY16 Estimated</u>	<u>FY17 Projected</u>
Percentage of Customers Rating Previous Contacts with Sheriff's Office As Excellent or Good in Department Report Survey (scale of 1-4)	88%	85%	86%
Percentage of Supervisors Completing Leadership in Police Organizations / Supervisor Academies	100%	100%	100%
Percentage of Employees with Five Plus Years of Service	100%	100%	100%
Percentage of Customers Rating Sheriff's Office as Excellent or Above Average Rating in Neighborhood Survey (scale of 1-5)	working on new survey	65%	66%
Cost Containment of Overtime (reported by hours)	6,821	6,800	6,750
Cost Savings as Measured by Search and Rescue Volunteer Hours	16,714	17,000	17,100
Cost Savings as Measured by Cold Case Volunteer Hours	800	790	750
Number of CERT Classes/Citizen's Academies	15	15	15
Number of Volunteers (attending in-house training)	69	72	75
Number / Hours Programs Provided by Detention Volunteers	5,648	5,700	5,720
Amount of Funding Applied for through Grants	\$1,945,639	\$1,000,000	\$1,020,000
Amount of Funding Received through Grants	\$458,472	\$500,000	\$505,000
Number of Green Projects Maintained	18	20	20

JUSTICE SYSTEM

Sheriff/Jail

Performance Measures by Program (continued)

Detention

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percentage of Community Reporting Satisfaction with Detention Facility/Services	78%	80%	82%
Recidivism of EXODUS Graduates	54%	54%	54%
Percentage of Supervisors Completing Leadership in Police Organizations / Supervisor Academies	85%	100%	100%
Percentage of Employees with Five Plus Years of Service	47%	50%	50%
Relias Online Learning Training Hours	782	1,500	1,600
Percentage of Volunteers Reporting Excellent to Good Services	97%	95%	96%
Percentage of Attorneys reporting Excellent to Good Services	N/A	N/A	N/A
Percentage of Bail Bondsmen reporting Excellent to Good Services	N/A	N/A	N/A
Number of Volunteers (attending in-house training)	69	72	75
Number / Hours Programs Provided by Detention Volunteers	5,648	5,700	5,720

Operations

Performance Measures			
Percentage of Customers Rating Neighborhood as Very Safe or Reasonably Safe in Department Report Survey	86%	88%	88%
Percentage of Customers that Strongly Agree or Agree that their Neighborhood is Safe in Neighborhood Survey	Working on new survey	65%	65%
Percentage of Supervisors Completing Leadership in Police Organizations / Supervisor Academies	100%	100%	100%
Percentage of Employees with Five Plus Years of Service	56%	55%	55%
Number of outreach/information campaigns, community meetings, neighborhood watch, etc.	78	80	85
Percentage of Self-Initiated Calls for Service	65%	63%	63%
Percentage of Customers Rating Deputy Courtesy as Excellent or Good in Department Report Survey	97%	96%	96%
Percentage of Customers Rating Deputy Interest as Excellent or Good in Department Report Survey	95%	90%	92%
Cost Containment of Overtime (reported by hours)	6,821	6,800	6,750
Cost Savings as Measured by Search and Rescue Volunteer Hours	16,714	17,000	17,100
Cost Savings as Measured by Cold Case Volunteer Hours	800	790	750
Number of CERT Classes/Citizen's Academies	15	15	15

JUSTICE SYSTEM

Sheriff/Jail

Performance Measures by Program (continued)

Support Services

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percentage of Internal Customers that Strongly Agree or Agree they are satisfied with Support Services Facilities (Maintenance and Custodial)	N/A	90%	N/A
Percentage of Internal Customers that Strongly Agree or Agree they are satisfied with Support Services HR and Finance (*HR and Finance will be split in next survey)	N/A	85%	N/A
Percentage of Internal Customers that Strongly Agree or Agree they are satisfied with Support Services IT (including Communications)	N/A	70%	N/A
Percentage of Internal Customers that Strongly Agree or Agree they are satisfied with Support Services Warrants and Systems Security (*Warrants and Systems Security will be split in next survey)	N/A	80%	N/A
Percentage of Internal Customers that Strongly Agree or Agree they are satisfied with Support Services Administrative Support	N/A	80%	N/A
Percentage of Supervisors Completing Leadership in Police Organizations / Supervisor Academies	85%	90%	95%
Percentage of Employees with Five Plus Years of Service	63%	65%	61%
Amount of Funding Applied for through Grants	\$1,945,639	\$1,000,000	\$1,020,000
Amount of Funding Received through Grants	\$458,472	\$500,000	\$505,000
Number of Green Projects Maintained	19	20	20

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Accounting Technician II	1.00	1.00	1.00
Accounting Technician III	-	-	1.00
Administrative Manager*	1.00	1.00	2.00
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Operations Manager	1.00	1.00	-
Administrative Specialist II**	5.50	5.50	3.50
Administrative Specialist III	5.00	5.00	6.00
Business Manager	-	1.00	1.00
Case Worker	2.00	2.00	2.00
Chaplain	1.00	1.00	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
Computer Forensic Specialist***	-	-	1.00
Corporal	4.00	4.00	4.00

JUSTICE SYSTEM

Sheriff/Jail

Department Staffing (Full Time Equivalents, continued)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Correctional Medical Director	1.00	1.00	1.00
Correctional Nurse	8.00	8.00	8.00
Correctional Nurse Supervisor	1.00	1.00	1.00
Crime Scene Investigator	1.00	1.00	1.00
Custodian	3.73	3.73	3.73
Custodian, Lead	1.00	1.00	1.00
Dental Assistant	0.20	0.20	-
Deputy Sheriff****	38.75	38.75	40.75
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	28.00	28.00	28.00
Detention Officer II	57.00	57.00	57.00
Detention Sergeant	16.00	16.00	16.00
Detention Support Specialist	31.00	37.00	37.00
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
Program Manager I	1.00	1.00	1.00
Public Health Dentist	0.20	0.20	0.20
Sergeant	9.00	9.00	9.00
Substance Abuse Counselor*****	2.00	2.00	3.00
Substance Abuse Specialist	2.00	2.00	2.00
Systems Administrator	1.00	1.00	1.00
Systems Specialist*****	4.50	4.50	4.00
Technical Services Manager	1.00	1.00	1.00
Technical Specialist II	2.00	2.00	2.00
Trades Manager	1.00	1.00	1.00
Treatment Supervisor	1.00	1.00	1.00
Total Positions	271.63	278.63	281.93

* The Administrative Operations Manager was reclassified to Administrative Manager during FY16.

** One Administrative Specialist II was reclassified to Administrative Specialist III during FY16. Another was reclassified to Accounting Technician III.

*** The Computer Forensic Specialist was added via SIR for FY17.

**** Two Deputy Sheriffs were added via SIR for FY17.

***** One Substance Abuse Counselor was added via SIR for FY17.

***** A .50 FTE Systems Specialist that was created specifically for Criminal Justice Integration was moved to a non-departmental budget for this project.

JUSTICE SYSTEM

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	This 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, this 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. The program is an intensive court supervised treatment program that assists with recovery from addiction.
Integrated Family Court	CV	The program provides over 270 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 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

FY17 objectives include:

- Exploring the development of a new Flagstaff Municipal Courthouse or justice center (co-location).
- Expanding and publicizing the Law Library marketing plan – self-help expansion.
- Implementing the Statewide model time standard, a mechanism to measure Court performance of the Court.
- Start tracking Court interpreter usage and needs.
- Publishing strategic plan to increase public perception of the Courts, transparency of what the Courts are working on and accountability of the Courts.
- In collaboration with the Administrative Office of the Courts, developing a statewide court help website and developing a program of in-person and live-broadcast educational presentations on legal topics.
- Expanding online payments by increasing acceptance of e-commerce and online banking.
- Increasing citizen education and outreach through PSAs and increased use of social media.
- Expanding use of the Public Safety Assessment-Court (Pretrial Matrix).

JUSTICE SYSTEM

Superior Court

Goals and Objectives (continued)

Longer-term goals include:

- Exploring portals for check-in to limited jurisdiction Court and jury duty to decrease wait times and staff workload.
- Creating satellite sites using physical presence and audio/visual access to sites in rural areas.
- Studying the development of an electronic transaction customer system (i.e. pro se self-filing).
- Researching the expansion of Superior Court ADR programs to include a mediation center.
- Exploring the creation of a staff position focused on coordinating specialty courts and resource needs.
- Researching other specialized courts with coordinated services.
- Exploring the creation of a formalized career ladder within the department.

Opportunities and Challenges

- Due to societal changes, there is an increasing need for heightened security for County employees, our partners (law enforcement officers, mental health professionals and attorneys) and the public who visit our facilities.
- Without continued General Fund support, the DUI/Drug Court will need to reduce the number of program participants and services for an annual savings of \$73,000.
- Presently, Conciliation Court programs cannot charge for their services. Existing services are funded through Conciliation Court fees collected by the Clerk of the Superior Court on behalf of the program. This fund is decreasing as the cost for services provided exceed incoming fee revenue.
- A more formalized method of screening for domestic violence/safety issues was recently instituted for court mediation services, and will continue into the future.
- Recently, DUI/Drug Court applicants have experienced long wait times, as it has been taking longer for participants to graduate and there is a higher demand for entry into the program. As we seek high risk and need referrals these participants require more time in the program to ensure stability upon completion.
- In FY16, the Domestic Relations Task Force has assisted the Integrated Family Court in streamlining processes in the areas of courtroom decorum, domestic relations case flow management, and pretrial orders. The work of this task force will continue in FY17.

JUSTICE SYSTEM

Superior Court

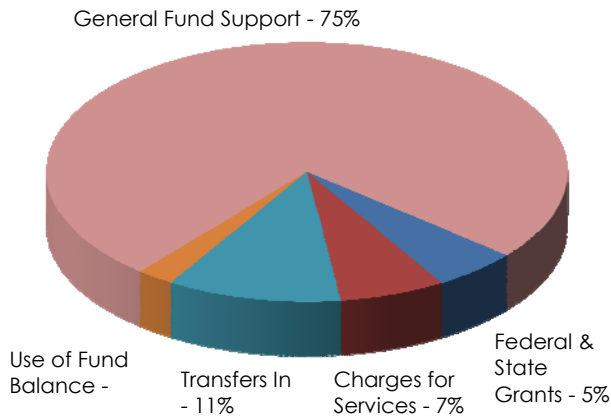
Financial Summary

The majority of the Superior Court's revenue comes from General Fund support, with smaller amounts funded by charges for services, Federal and State grants and transfers in from the Library District and State Fill-the-Gap funds. The department finished FY16 almost exactly even with their revenue budget, with lower-than-expected Federal and State grants made up for by greater charges for services. The department is expecting to receive less miscellaneous revenue in FY17, leading to an overall revenue decline of 2%. The department will also be receiving another \$130,000 in one-time FY17 funding for their DUI program from the Jail District, similar to FY16.

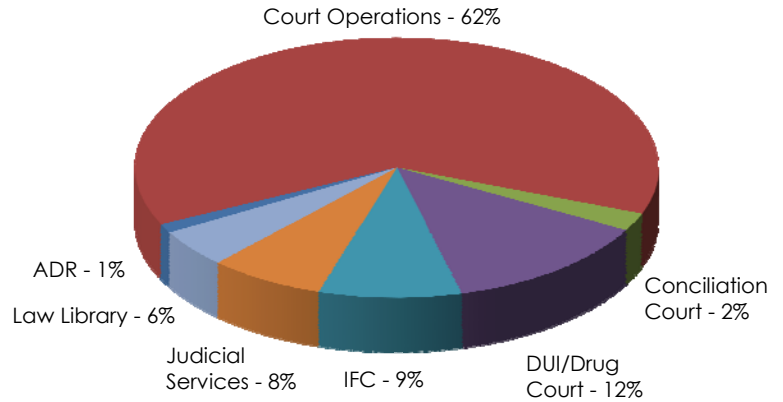
The Superior Court finished FY16 2% under their revised expenditure budget of \$3,881,956, due mainly to lower operational expenses in the DUI/Drug Court program. The FY17 adopted expenditure budget of \$3,906,267 (excluding unawarded grants) is 1% higher than in FY16, due to an additional Administrative Specialist III position that was approved by the Board during the budget process.

The following charts illustrate the Superior Court's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. All charts exclude unawarded grants.

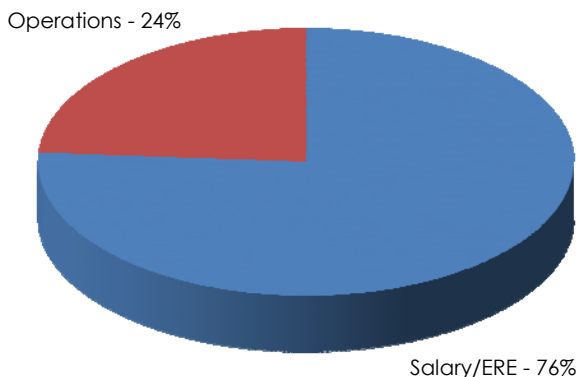
Revenue by Source Type



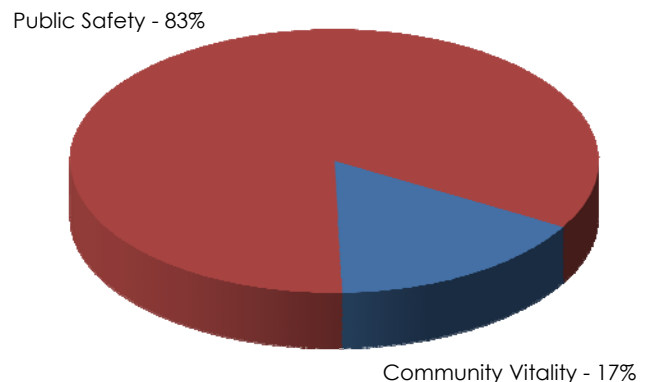
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



JUSTICE SYSTEM

Superior Court

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 246,107	\$ 186,414	\$ 236,284	\$ 222,491	\$ 203,722
Charges for Services	216,900	217,448	202,650	217,975	254,150
Fines, Fees, & Forfeits	20,000	20,655	20,000	717	20,000
Unawarded Grants	-	-	-	-	16,750
Investment Income	3,250	4,893	1,750	2,969	1,840
Other	60,000	13,792	60,250	49,560	7,500
Transfers from Other Funds	282,925	306,517	418,915	443,136	419,674
Use of (Increase In) Fund Balance	255,036	119,482	138,912	27,115	89,522
General Fund Support	2,932,561	2,814,580	2,803,195	2,834,565	2,909,859
Total Funding Sources	\$ 4,016,779	\$ 3,683,780	\$ 3,881,956	\$ 3,798,528	\$ 3,923,017
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 2,715,522	\$ 2,611,032	\$ 2,772,260	\$ 2,749,541	\$ 2,956,619
Operations	1,258,957	1,030,280	1,069,253	1,012,139	944,578
Capital	28,000	36,059	27,862	34,252	8,000
Transfers to Other Funds	14,300	6,409	12,581	2,596	13,820
Total Uses of Funds	\$ 4,016,779	\$ 3,683,780	\$ 3,881,956	\$ 3,798,528	\$ 3,923,017
Net Indirect Support	1,070,695	1,070,695	1,211,611	1,211,611	1,380,919
Total	\$ 5,087,474	\$ 4,754,475	\$ 5,093,567	\$ 5,010,139	\$ 5,303,936
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 6,500	\$ 8,199	\$ 7,250	\$ 6,753	\$ 7,250
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(2,873,752)	(2,785,370)	(2,743,505)	(2,783,578)	(2,841,380)
GF Transfers to Other Funds	(65,309)	(37,409)	(66,940)	(57,740)	(75,729)
Total Direct Support	\$(2,932,561)	\$(2,814,580)	\$(2,803,195)	\$(2,834,565)	\$(2,909,859)
Net Indirect Support	(1,070,695)	(1,070,695)	(1,211,611)	(1,211,611)	(1,380,919)
Total County Support	\$(4,003,256)	\$(3,885,275)	\$(4,014,806)	\$(4,046,176)	\$(4,290,778)

JUSTICE SYSTEM

Superior Court

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Alternative Dispute Resolution (ADR)	\$ 8,000	\$ 38,521	\$ -	\$ 46,521	\$ 18,006
Conciliation Court	52,650	-	17,971	70,621	18,006
Court Operations	217,486	2,226,135	(12,627)	2,430,994	1,070,216
DUI/Drug Court	445,152	-	37,468	482,620	98,763
Integrated Family Court	30,040	334,810	(290)	364,560	145,878
Judicial Services	-	273,185	47,000	320,185	-
Law Library/Self-Help Center	170,308	37,208	-	207,516	30,050
Total	\$ 923,636	\$ 2,909,859	\$ 89,522	\$ 3,923,017	\$ 1,380,919

Performance Measures by Program

Alternative Dispute Resolution

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percentage of mediated cases reaching agreement	69%	69%	70%
Workload Indicators			
Number of referrals to ADR	51	43	50

Conciliation Court

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Number of clients referred to counseling	3	3	3
Percentage of full/partial mediated parenting time agreements	82%	71%	80%
Workload Indicators			
Number of mediations	124	124	124

Court Operations

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percent clearance rate for criminal cases disposed	92%	93%	92%
Percentage of criminal cases disposed within 180 days (goal: 85%)	N/A	N/A	N/A
Percent clearance rate for domestic relations cases disposed	86%	103%	92%
Percentage of domestic relations cases disposed within 365 days (goal: 98%)	N/A	N/A	N/A
Percent clearance rate for civil cases disposed	104%	105%	102%
Percentage of civil cases disposed within 365 days (goal: 90%)	N/A	N/A	N/A
I was treated with courtesy and respect: Agree/Strongly Agree	94%	94%	94%
The court makes reasonable efforts to remove physical and language barriers to service: Agree/Strongly Agree	92%	94%	94%

JUSTICE SYSTEM

Superior Court

Performance Measures by Program (continued)

Court Operations

	FY15 Actual	FY16 Estimated	FY17 Projected
Workload Indicators			
Total number of criminal cases filed	1,009	940	945
Total number of domestic relations cases filed	631	620	670
Total number of civil cases filed	656	620	680

DUI/Drug Court

Performance Measures

Total number graduates and terminations	54	58	55
Number of graduates	44	36	45
Number of terminations	10	22	10

Integrated Family Court

Performance Measures

Percentage of FLAP clients reporting that they feel more comfortable with the court process after receiving FLAP services (goal is 75 percent)	99%	99%	99%
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)	72%	69%	70%
IFC Survey Results: Percentage of client satisfaction with the Cooperative Parenting Education Class: Satisfied	60%	60%	60%

Workload Indicators

Number of IFC individuals referred to therapeutic services (includes FLAP referrals)	565	600	600
Number of parents who attended the Cooperative Parenting Education Class	37	45	45
Number of children who attended Rollercoasters classes	38	43	43

Judicial Services

Performance Measures

Jury Surveys: How would you rate the courteousness of the court staff? Extremely Courteous or Courteous	97%	97%	97%
Jury Surveys: Overall, how satisfied were you with your jury service experience in the court? Very Satisfied or Satisfied	75%	75%	75%
Jury Surveys: How would you rate this jury experience with your previous experiences? Better	37%	37%	37%

JUSTICE SYSTEM

Superior Court

Performance Measures by Program (continued)

Law Library

	FY15 Actual	FY16 Estimated	FY17 Projected
Performance Measures			
Survey: How satisfied are you with Library Services? Satisfied	98%	98%	98%

Workload Indicators

Number of Law Library and Self-Help Center customers served	13,586	13,610	13,610
Number of free legal packets provided to customers (84 packets available in Spanish and English)	6,387	6,400	6,450
Number of free legal talks offered	N/A	N/A	N/A
Number of people who attend free legal talks	N/A	N/A	N/A

JUSTICE SYSTEM

Superior Court

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Manager, Senior	1.00	1.00	1.00
Administrative Specialist III*	-	-	1.00
Administrative Support II	0.63	0.63	0.63
Alternative Dispute Resolution Coordinator	1.00	1.00	1.00
Bailiff II	4.50	4.50	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
Total Positions	<u>36.33</u>	<u>36.33</u>	<u>37.33</u>

* The Administrative Specialist III position was added via SIR for FY17.

Health and Social Services



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.

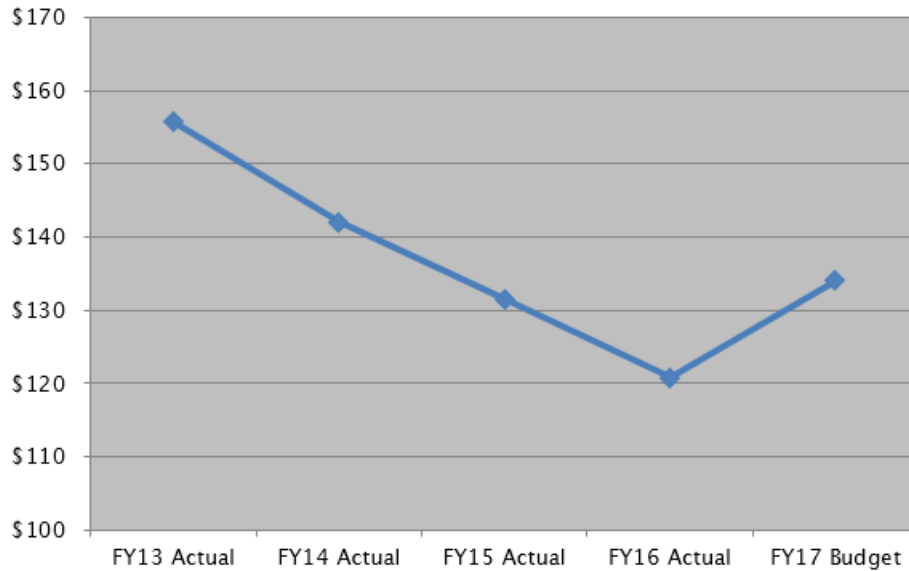
Per Capita Costs

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 59% less in FY16 than 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. While the Health District's mandated payments (such as Title 36) are on a steady incline annually, the Board and PHSD's management have held a series of worksessions on financial stability that have resulted in a slight decline of per capita costs over the last few years.

The chart on the following page shows a four 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>FY15 Actuals</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>	Change: <u>FY16 to FY17</u>
Career Center	\$ 7.71	\$ 5.84	\$ 8.56	46.44%
Community Services	21.96	17.98	21.10	17.39%
Public Health Services District	101.80	96.91	104.35	7.68%
Total	\$ 131.47	\$ 120.73	\$ 134.01	11.00%

HEALTH AND SOCIAL SERVICES

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 - Business Assistance, Re-Employment and Rapid Response	EV&D	This program connects with partners to provide economic development resources that enhance the economic vitality of the region and assure that the skills of the local labor pool are suitable for employers, with a special emphasis on developing and retaining young talent as a valued element of our local workforce.
Workforce and Economic Development Administration	EV&D	This program provides support to ensure the efficient operation of the Career Center's Workforce and Economic Development Programs. It administers the financial and administrative functions of the department.
Workforce Development Programs - Adult and Youth Education and Job Training	CV	The Workforce Innovation and Opportunity Act (WIOA) is a grant designed to connect an array of local, regional, Tribal, State, and Federal workforce development programs into a system. The system seeks to provide coordinated training, education, economic development, and employer service activities to support workforce development and a strong local economy by means of a skilled labor pool.

Goals and Objectives

FY17 objectives include:

- Investing resources in education or training services that job seekers require to secure employment in accordance with an Individual Employment Plan developed with the customer by a Workforce Specialist.
- Supporting school-to-college/career success for youth through the provision of educational or job training support, with the guidance and mentoring of a Workforce Specialist.
- Promoting employer success and productivity by partnering to meet their needs for a qualified candidate pool, or to assist them with retention, expansion or closure activities when needed.
- Participation in the NACOG Economic Development District Council (EDC) to promote the Comprehensive Economic Development Strategy and build networks for successful regional economic initiatives.
- Convening meetings of the new Coconino County Workforce Innovation and Opportunity Act Board to support a business-led group in serving as an economic catalyst for the County.
- Participation in ECONA workforce development projects to advance economic initiatives identified for group action, with a special emphasis on Coconino area Sector Strategies.
- Participating in and supporting the wide variety of economic development partnerships in the County including NACET, SEDI, CAVIAT, Chambers of Commerce, the Governors Sector Strategy Initiative, and the Northern Arizona Association of Economic Developers, to impact and enhance the economic vitality of the region.

HEALTH AND SOCIAL SERVICES

Career Center

Goals and Objectives (continued)

The primary long-term goal for the department is anticipating the broad array of new tasks, budgets, Workforce Business Plans, Governors Workforce Arizona Council Policies, procurement mandates, and financial system revisions to come from the new Workforce Innovation and Opportunity Act. At this time, the exact tasks are undetermined until the Department of Labor creates regulations to activate implementation, and the Governors Workforce Arizona Council activates their policies to implement these tasks.

Opportunities and Challenges

- The Career Center continues to transition from managing activities funded under the previous Workforce Investment Act to the new Workforce Innovation and Opportunity Act (WIOA). Although WIOA services begin in July 2015, full Implementation of the new Workforce Innovation and Opportunity Act is not slated until July 2016. Decision points and several milestones are unknown due to the DOL missing their deadline to propose Regulations for the new Act.
- The shift from mandating that 70% of Career Center Youth funds be spent on “in-school” youth, to now mandating that 75% must be spent on “out-of-school” youth, impacted decades long, effective partnerships with school districts to assist youth in completing their high school education and moving on to career or college success. Most “in-school” students that were served through the Career Center youth funding have disabilities, so this is an added negative impact to a vulnerable population.

HEALTH AND SOCIAL SERVICES

Career Center

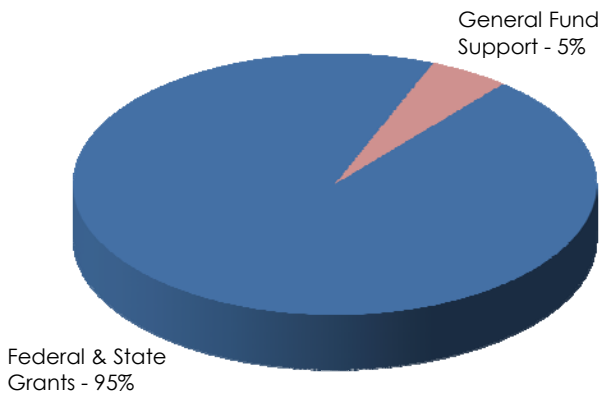
Financial Summary

Historically, all of the Career Center's recurring revenue has been supplied by Federal and State grants, with no dollars coming from the County's General Fund. For FY17, \$55,495 (5%) of the department's revenue will be supplied by the General Fund. This is comprised of \$45,495 in one-time, Board-approved funding to continue operation of the department's TeenWorks program, plus \$10,000 in new recurring funding for the County's use of Career Center computer lab space. The department fell 36% short of their FY16 revenue budget due to the budgeting of an entire grant that wasn't fully received in the fiscal year. Their revenue budget for FY17 is 3% lower than FY16, also due to changes in grant funding.

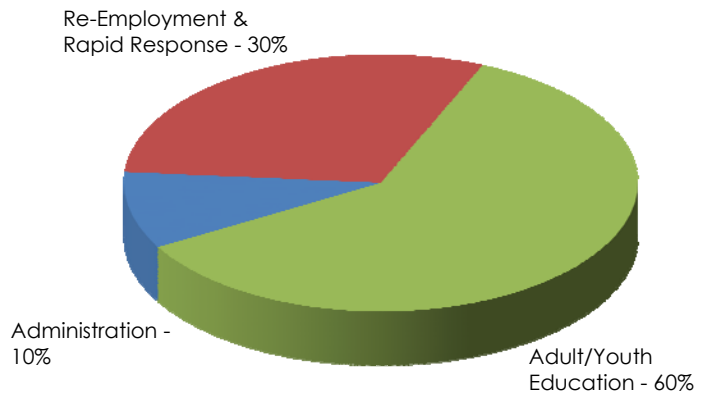
For FY16, the Career Center finished 34% under their revised expenditure budget of \$1,240,244. This variance is due to the previously mentioned grant, as well as savings from unfilled staff positions. As with their FY17 revenue budget, the Career Center's FY17 adopted expenditure budget will decrease due to the timing of grant funding. Their FY17 expenditure budget of \$1,202,495 is 3% lower than in FY16.

The following charts illustrate the Career Center's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

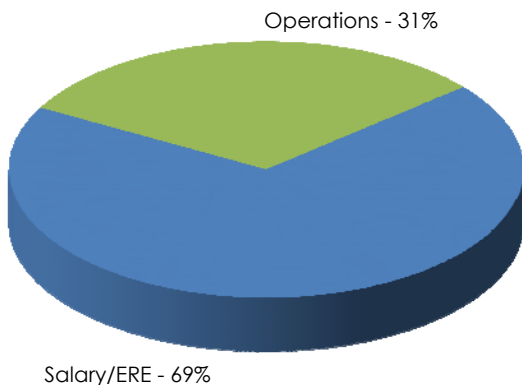
Revenue by Source Type



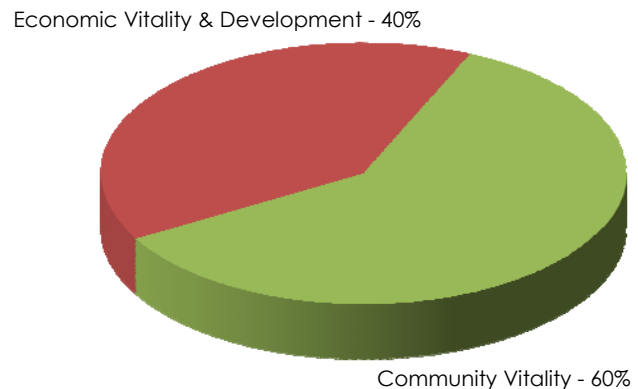
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



HEALTH AND SOCIAL SERVICES

Career Center

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 1,370,200	\$ 1,014,609	\$ 1,183,968	\$ 754,918	\$ 1,146,999
Investment Income	-	4	-	28	-
Use of (Increase In) Fund Balance	-	1,984	781	2,908	1
General Fund Support	44,950	44,950	55,495	55,495	55,495
Total Funding Sources	\$ 1,415,150	\$ 1,061,547	\$ 1,240,244	\$ 813,349	\$ 1,202,495
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 984,507	\$ 675,482	\$ 879,826	\$ 579,876	\$ 830,797
Operations	430,643	386,065	360,418	233,473	371,698
Total Uses of Funds	\$ 1,415,150	\$ 1,061,547	\$ 1,240,244	\$ 813,349	\$ 1,202,495
Net Indirect Support	141,784	128,620	139,930	139,930	134,650
Total	\$ 1,556,934	\$ 1,190,167	\$ 1,380,174	\$ 953,279	\$ 1,337,145
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	(44,950)	(44,950)	(55,495)	(55,495)	(55,495)
Total Direct Support	\$ (44,950)	\$ (44,950)	\$ (55,495)	\$ (55,495)	\$ (55,495)
Net Indirect Support	(141,784)	(128,620)	(139,930)	(139,930)	(134,650)
Total County Support	\$ (186,734)	\$ (173,570)	\$ (195,425)	\$ (195,425)	\$ (190,145)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Economic Development Programs: Re-employment and Rapid Response	\$ 362,671	\$ -	\$ -	\$ 362,671	\$ 39,953
Workforce and Economic Development Administration	116,369	-	-	116,369	5,056
Workforce Programs: Adult and Youth Education and Job Training	667,959	55,495	1	723,455	89,641
Total	\$ 1,146,999	\$ 55,495	\$ 1	\$ 1,202,495	\$ 134,650

HEALTH AND SOCIAL SERVICES

Career Center

Performance Measures by Program

Economic Development Programs: Business Assistance, Re-Employment and Rapid Response

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Rate of employer engagement by Rapid Response Team to ensure access to re-employment resources to laid off employees	N/A	N/A	60%
Dislocated worker entered employment rate	Exceeded	83.8%	83.8%
Dislocated worker employment retention rate	Exceeded	89.5%	89.5%
Dislocated worker earnings increase	Met	\$17,000	\$17,000

Workforce and Economic Development Administration

Performance Measures

Number of financial findings on County Single Audit in connection with Career Center grants	0	0	0
Number of financial findings on Arizona Department of Economic Security (DES) Fiscal Monitor of WIOA and US Department of Labor grants	0	0	0

Workforce Programs: Adult and Youth Education and Job Training

Performance Measures

TeenWorks job readiness assessment improvement rate	N/A	90%	90%
Adult entered employment rate	Exceeded	75.6%	75.6%
Adult retention rate	Exceeded	85%	85%
Adult average earnings	Met	\$13,500	\$13,500
Youth placement in employment or education	Exceeded	64.5%	64.5%
Youth attainment of degree or certification	Exceeded	62%	62%
Youth literacy or numeracy gains	Exceeded	51.5%	51.5%

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Administrative Specialist I	2.00	2.00	2.00
Administrative Specialist III	1.00	1.00	1.00
Administrative Support II	1.00	1.00	1.00
Assistant Director*	-	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	-	-
Workforce Development Specialist	5.00	5.00	5.00
Total Positions	13.00	13.00	13.00

* The Program Manager III position was reclassified to Assistant Director for FY16.

HEALTH AND SOCIAL SERVICES

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
Social Services	CV	Provide Financial Assistance to low-income, elderly and disabled residents to meet basic needs from a variety of resources.
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 wants to start up/or expand it into a viable micro-business.
Owner-Occupied Housing Rehabilitation	CV	This program assists with housing repairs and improvements designed to eliminate health and safety hazards in the home and address significant code violations.
Senior Services	CV	Senior Services assists seniors with information and referral on senior and disability programs in Coconino County.
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.

Goals and Objectives

The department has the following primary objectives for FY17:

- Helping clients maintain safe and stable housing through the provision of housing and utility assistance.
- Assist low to moderate income individuals in Coconino County to achieve economic development through entrepreneurship opportunities provided by the BBE Program.
- Assist individuals with the goal of becoming financially independent and reduce their dependency on government support; Encourage personal savings and proper budgeting, thereby strengthening the credit rating of individuals which leads to a stronger community economy; Strengthen personal asset development.
- To assist low to moderate income homeowners in Coconino County in making required health, safety, and efficiency repairs to their homes.
- County Homecare staff will provide light housekeeping, respite, and personal care services to seniors and disabled adults, to prevent or delay placement in a skilled nursing facilities.
- Provide a nutritious meal that is 1/3 of the recommended daily allowance for an older person, once a day, excluding holidays.
- Maintain and increase grant funding and social service opportunities to low income families and populations. Integrate case management and emergency assistance programs within the Department Divisions in order to more effectively provide services.

HEALTH AND SOCIAL SERVICES

Community Services

Goals and Objectives

Long-term goals for the Community Services department include:

- Improving lives, conditions, and opportunities for those living at or below poverty.
- Assist low-income people to become self-sufficient.
- Assist low to moderate income households in Coconino County to achieve economic development through entrepreneurship opportunities provided by the BBE Program.

Opportunities and Challenges

- Lack of job opportunities forcing individuals to create their own source of income.
- Sustainability of keeping businesses longer than five years.
- High Cost of Living in Flagstaff and in the State of Arizona compounded with low wages and Federal funds continuing to decline for housing programs.
- Housing affordability in Coconino County is considerably higher than other parts of the state.
- Increase in Aging population.
- Non-regulation of propane companies.
- Rising Public Safety and Criminal Justice costs.
- Relatively small percentage of citizens needing and receiving human services account for a large percentage of their human services related program and service delivery and cost.
- Early, collaborative, and evidence-informed, prevention-based intervention strategies are increasingly encouraged by funders due to increased effectiveness and cost-efficiency.
- Segregation of activities within departments often results from heavy workloads and insufficient awareness of how citizens' services are providing lasting change and improved self-sufficiency.
- Improving inter-departmental human services collaboration and facilitating responsible client participation in services result in better individual, family, and community outcomes, which over time should reduce public safety/criminal justice costs.

HEALTH AND SOCIAL SERVICES

Community Services

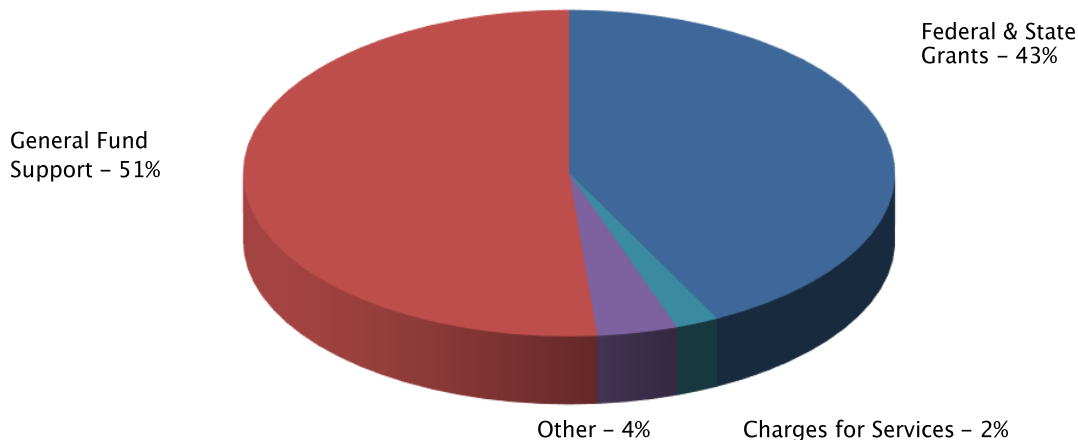
Financial Summary

The Community Services department is heavily funded through State and Federal grants, which vary on an annual basis. For FY16, Federal and State grant revenue is estimated to be 28% under budget. The department also receives revenue from fees it charges to its customers, which are estimated to end FY16 87% under budget. The Federal and State grant revenue is expected to decrease for FY17. It should be noted that the significant revenue decrease in charges for services from FY15 to FY16 was due to the Coconino Rural Environment Corps (CREC) joining the Southwest Conservation Corps, an organization unaffiliated with Coconino County.

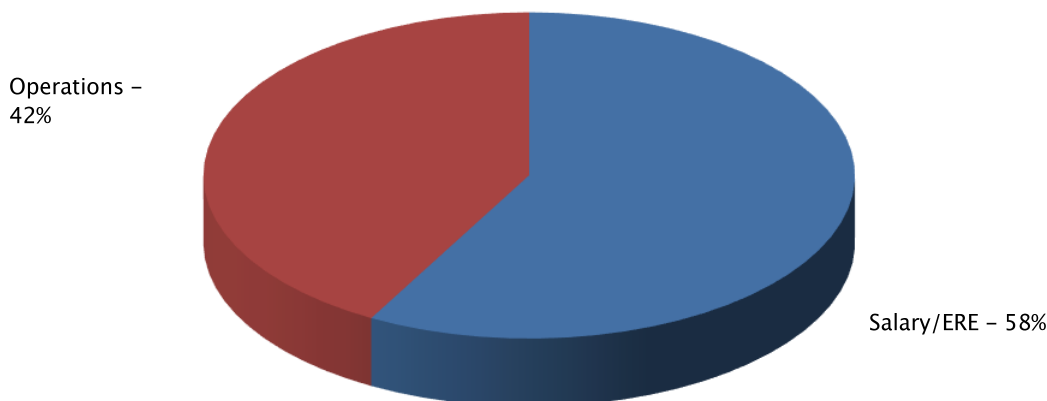
The Community Services Department is estimated to be 20% under their revised FY16 expenditure budget of \$3,119,451. This variance is due to salary savings from unfilled positions as well as operational savings in the Senior Services and Social Services programs. The FY17 adopted expenditure budget of \$2,966,412 is 5% lower than the FY16 budget. This decrease in expenses is again due to CREC and a decrease in miscellaneous expenses in Senior Services. The Community Service Department requested and received recurring budget increases for \$126,007 for the operations of the Homecare Services and \$4,505 for a part-time Case Worker.

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



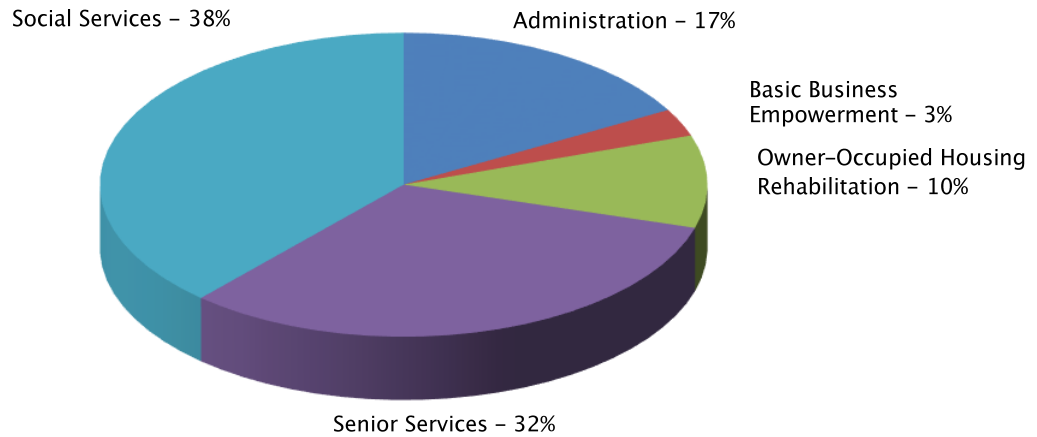
Expenditures by Category



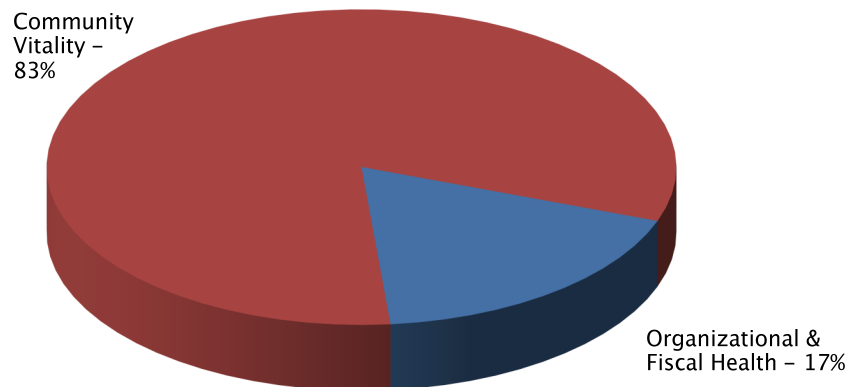
HEALTH AND SOCIAL SERVICES

Community Services

Expenditures by Program



Expenditures by Strategic Priority Area



HEALTH AND SOCIAL SERVICES

Community Services

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 1,307,597	\$ 1,009,790	\$ 1,351,115	\$ 974,712	\$ 1,264,456
Other Intergovernmental	2,000	3,812	2,000	7,227	2,000
Charges for Services	129,705	185,692	258,877	34,736	63,591
Investment Income	2,000	2,050	2,000	2,865	2,000
Contributions	8,500	11,136	8,500	15,775	5,000
Other	108,316	155,013	108,316	116,416	118,568
Use of (Increase In) Fund Balance	106,606	80,980	23,649	(124,300)	(17,782)
General Fund Support	1,430,104	1,179,073	1,364,994	1,475,461	1,528,579
Total Funding Sources	\$ 3,094,828	\$ 2,627,548	\$ 3,119,451	\$ 2,502,892	\$ 2,966,412

Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,660,183	\$ 1,477,483	\$ 1,624,389	\$ 1,495,709	\$ 1,721,863
Operations	1,267,870	1,000,452	1,495,062	1,004,533	1,244,549
Expense Reimbursement	-	7,349	-	-	-
Capital	-	7,702	-	2,650	-
Transfers to Other Funds	166,775	134,561	-	-	-
Total Uses of Funds	\$ 3,094,828	\$ 2,627,548	\$ 3,119,451	\$ 2,502,892	\$ 2,966,412

Net Indirect Support	743,936	489,479	446,446	415,961	365,537
Total	\$ 3,838,764	\$ 3,117,026	\$ 3,565,897	\$ 2,918,853	\$ 3,331,949

General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 1,000	\$ 1,514	\$ 1,000	\$ -	\$ 1,000
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(473,755)	(466,312)	(468,930)	(487,661)	(498,973)
GF Transfers to Other Funds	(957,349)	(714,275)	(897,064)	(987,800)	(1,030,606)
Total Direct Support	\$(1,430,104)	\$(1,179,073)	\$(1,364,994)	\$(1,475,461)	\$(1,528,579)

Net Indirect Support	(743,936)	(489,479)	(446,446)	(415,961)	(365,537)
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Total County Support	\$(2,174,040)	\$(1,668,552)	\$(1,811,440)	\$(1,891,422)	\$(1,894,116)
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HEALTH AND SOCIAL SERVICES

Community Services

FY17 Financial Statement by Program

<u>Program Name</u>	<u>FY17 Program Revenue</u>	<u>FY17 General Fund Support</u>	<u>FY17 Use of Fund Balance</u>	<u>FY17 Program Budget</u>	<u>FY17 Net Indirect Support</u>
Administration	\$ 1,000	\$ 497,973	\$ -	\$ 498,973	\$ 103,134
Basic Business Empowerment (BBE)	23,200	-	63,956	87,156	12,434.8
Owner-Occupied Housing Rehabilitation	291,871	-	-	291,871	-
Senior Services	220,635	730,010	(1,000)	949,645	165,707.9
Social Services	918,909	300,596	(80,738)	1,138,767	84,260.3
Total	\$ 1,455,615	\$ 1,528,579	\$ (17,782)	\$ 2,966,412	\$ 365,537

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Number of participants in Business IDA	6	4	N/A
Number of IDA Post-Secondary Education goals completed	0	24	N/A
Percent of accurate grant fund reports filed on time	100%	100%	N/A
Percent of IDA accounts managed properly	100%	100%	N/A
Percent of department audits completed properly	100%	100%	N/A
Financial training provided to division managers	100%	100%	N/A
Percent of staff evaluations completed on time	90%	100%	N/A
Results Oriented Management and Accountability (ROMA) reports completed with at least five of the six measurements accounted for	80%	80%	N/A
Percent of Community Services programs evaluated for performance outcomes	100%	100%	N/A
Percent of staff who have participated in County HR or other professional training	90%	90%	N/A
County Departments participating	N/A	8	N/A
County Depts. assigned CI Coordinators	N/A	6	N/A
Multi-generational dysfunctional families participating in CI pilot	N/A	12	N/A
CI pilot families motivated and successfully participating in programs offered three of more departments	N/A	8	N/A
Percent of CI pilot participants needing fewer services in the following year	N/A	N/A	N/A
Percent of CI pilot participants employed, earning more income and moving toward self-sufficiency	N/A	N/A	N/A

HEALTH AND SOCIAL SERVICES

Community Services

Performance Measures by Program

Basis Business Empowerment (BBD)

Performance Measures

	FY15 Actual	FY16 Estimated	FY17 Projected
Number of participants in 12-week program	29	30	N/A
Business Plans Approved by SBDC participant enrollment for fall, spring & summer	6/29	15/30	N/A

Owner Occupied Housing Rehabilitation

Performance Measures

Number of home rehabilitated	3	4	N/A
30% (or 2 of the 5 homes) will have reduced energy costs over a year based on a prior year usage and one year after the home has been completed	0	1	N/A

Senior Services

Performance Measures

County case management hours provided to seniors/disabled adults	842.1	714.00	N/A
County housekeeping hours provided	2689.50	1,993.75	N/A
County personal care hours provided	219.75	133.75	N/A
County Respite hours provided.	69	147	N/A
Congregate meals served at Flagstaff and Williams Senior Centers	18,965	12,666	N/A
Home Delivered Meals served from Flagstaff and Williams Senior Center	17,683	14,481	N/A

Social Services

Performance Measures

Number of households maintained in stable housing	354	280	N/A
Number of households where utilities were maintained	1,276	1,325	N/A
Number of households where eviction was averted	323	258	N/A
Number of households that regained housing (move-in)	31	22	N/A
Number of Individuals that have completed a financial coaching session	47	70	N/A
Number of Individuals who have attended a financial literacy class/workshop	102	224	N/A

HEALTH AND SOCIAL SERVICES

Community Services

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Manager	1.00	1.00	1.00
Administrative Specialist III	1.00	1.00	1.00
Administrative Support II	2.93	1.30	1.30
Assistant Director	1.00	1.00	1.00
Case Worker	4.00	6.00	6.00
Community Aide	4.42	4.42	4.42
Cook	2.00	2.00	2.00
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
Program Coordinator	5.00	3.00	3.00
Program Manager	2.00	2.00	2.00
Program Manager II	2.00	2.00	2.00
Total Positions	28.35	26.72	26.72

HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

2625 N. King Street, Flagstaff, AZ 86004 (928) 679-7272
Dr. 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	This program includes responding to the public's request for records and information, that can contribute to improving residents' social, economic, and physical status.
Primary Prevention Services	PH	Primary prevention seeks to prevent the onset of diseases and conditions detrimental to public health.
Secondary Prevention Services	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 Services	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.

HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

Goals and Objectives

The department has the following primary objectives for FY17:

- Reduce infant mortality in Coconino County over a three-year period.
- Meet or exceed national Healthy People goals for breastfeeding at three difference benchmarks.
- Continue surveillance, investigations, inspections and counseling to prevent or minimize the spread of disease/illness.
- Align the District's base budget to reflect actual tax revenues, instead of the projected tax revenues when the District was created.
- Create, Implement, Monitor and Maintain District-Wide Initiatives: Community Health Improvement Plan (CHIP); Strategic Plan; Workforce Development (WFD) Plan; Continuous Quality Improvement (CQI) Plan; Health Outcome-Based Program/Organizational Performance Management (POPM) Plan.
- Continue to provide Vital Records and Medical Examiner Services needed in our communities.

Long-term goals for the Public Health Services District include:

- Reduce infant mortality.
- Increase breastfeeding rates.
- Achieve and Maintain Public Health Accreditation Standards.
- Meet required mandates in a cost-effective and efficient manner so that services provided by mandated payments are available to residents of and visitors to Coconino County.
- Review shared responsibility of payments mandated to the County included in the PHSD budget to align with public health priorities.

Opportunities and Challenges

- Pursuit of national Public Health Accreditation.
- Medical Examiner's Building – current building was built in 1979 and it's nearing the end of its life cycle.
- Restructuring Clinical services, including Oral Health and Sexual Health.
- Projected revenues when the Public Health Services District was formed in 2010 have not been realized. As a result, updated revenue projections are necessary along with a long term public health service delivery plan that reflects these new, lower revenue projections.
- Mandated payments consuming a larger percentage of PHSD resources and it is affecting CCPHSD's ability to provide Foundational Public Health services.
- Reductions in grant funding and increasing growth of mandated payments have resulted in PHSD needing to prioritize programs that are Foundational Public Health Services. This will likely result in a change of service levels for programs that County residents have grown accustomed to receiving.

HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

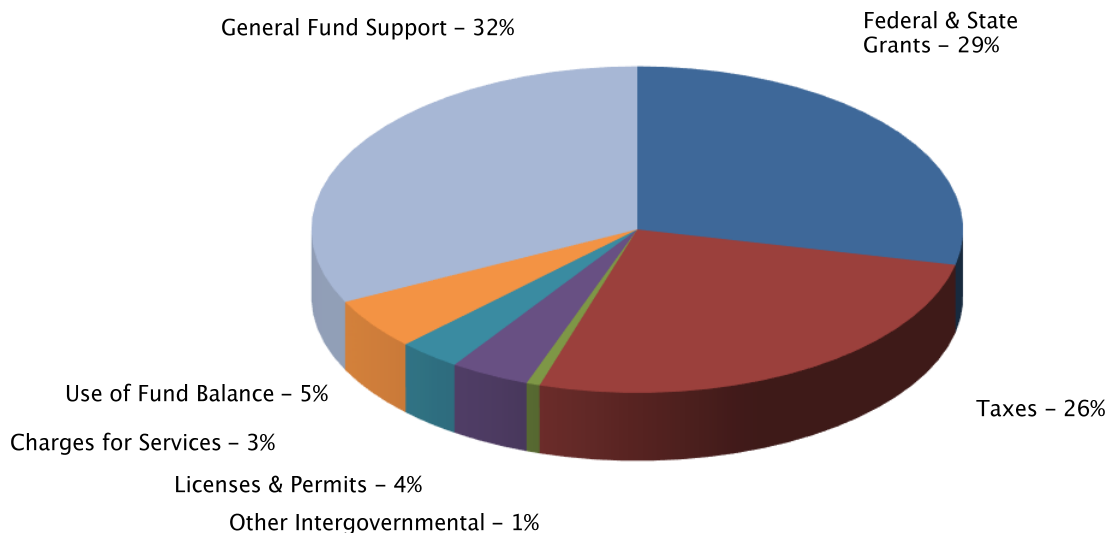
Financial Summary

The Public Health Services District is heavily funded through State and Federal grants that are subject to appropriation each fiscal year. For FY16, Federal and State grant revenue is estimated to be 14% below budget; however, this large variance is due to timing and much of the revenue is expected to be received in FY17. 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 will begin to show recovery starting in FY17.

For FY16, the Public Health Services District is estimated to be 8% under their revised expenditure budget of \$14,675,787. This variance is due to salary and benefit savings across all programs in the department as well as lower mandated Title 36 contract payments. The FY17 adopted expenditure budget of \$14,919,652 is 1% over the FY16 budget. This variance is due to staffing and operational changes proposed by the PHSD sustainability work sessions as well as the migration of the Environmental Quality division to the Community Development department. PHSD requested and received recurring budget increases for Title 36 increase and a 1.5 FTE increase in the Epidemiologist position, as well as one-time funding for Prevention Programs and one vehicle for the Medical Examiner.

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.

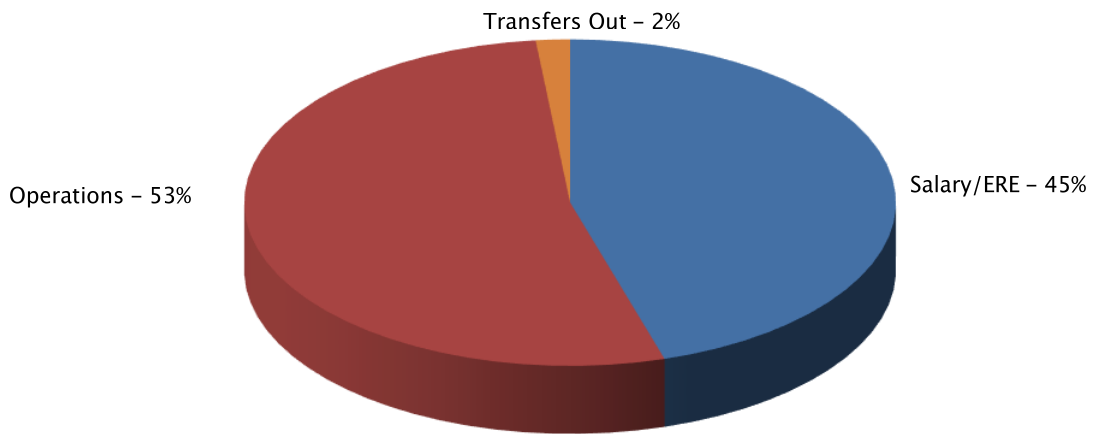
Revenue by Source Type



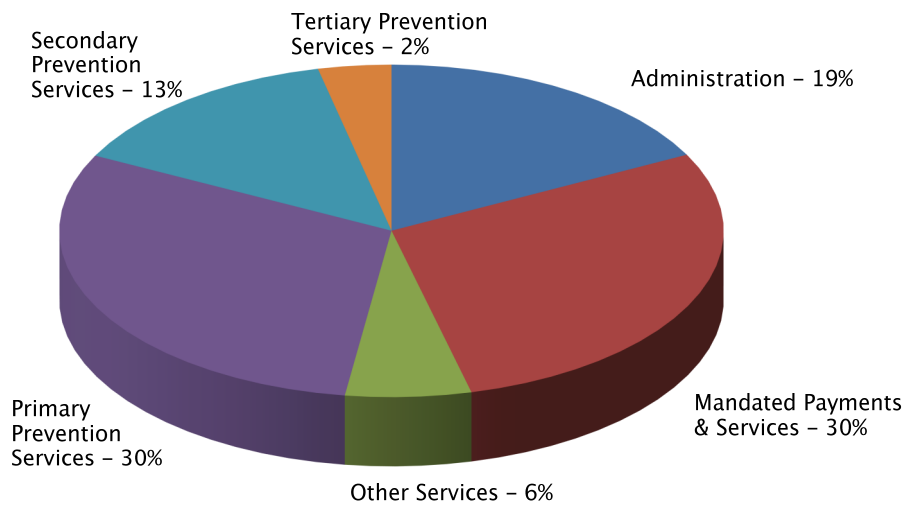
HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

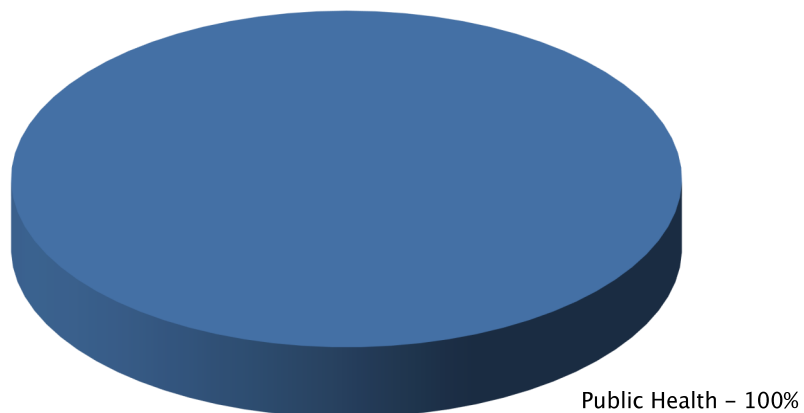
Expenditures by Category



Expenditures by Program



Expenditures by Strategic Priority Area



HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

Department-Wide Financial Statement

<u>Revenues and Other Sources</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Federal and State Grants	\$ 4,683,296	\$ 3,938,291	\$ 4,562,703	\$ 3,921,129	\$ 4,241,298
Taxes	3,836,210	3,740,972	3,850,071	3,845,202	3,924,532
Other Intergovernmental	180,000	188,779	193,594	136,025	100,000
Licenses & Permits	717,830	818,425	561,253	555,200	588,894
Charges for Services	533,917	601,292	537,291	596,585	462,600
Fines, Fees, & Forfeits	-	300	-	-	-
Investment Income	12,340	10,214	6,034	12,271	6,007
Contributions	18,600	91,879	4,000	92,798	3,830
Other	245,196	70,744	85,691	25,447	19,700
Use of (Increase In) Fund Balance	425,257	(334,972)	94,757	(423,255)	760,353
General Fund Support	4,717,585	4,811,734	4,780,393	4,780,393	4,812,438
Total Funding Sources	\$15,370,231	\$13,937,658	\$14,675,787	\$13,541,795	\$14,919,652
<u>Expenditures and Other Uses</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Salary/ERE	\$ 7,109,594	\$ 6,483,509	\$ 6,759,690	\$ 6,060,045	\$ 6,762,422
Operations	8,239,434	7,425,541	7,770,322	7,381,688	7,904,862
Capital	-	25,553	-	50,176	-
Transfers to Other Funds	21,203	3,056	145,775	49,885	252,368
Total Uses of Funds	\$15,370,231	\$13,937,658	\$14,675,787	\$13,541,795	\$14,919,652
Net Indirect Support	-	-	-	-	-
Total	\$15,370,231	\$13,937,658	\$14,675,787	\$13,541,795	\$14,919,652
<u>General Fund Support</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	(4,717,585)	(4,811,734)	(4,780,393)	(4,780,393)	(4,812,438)
Total Direct Support	\$ (4,717,585)	\$ (4,811,734)	\$ (4,780,393)	\$ (4,780,393)	\$ (4,812,438)
Net Indirect Support	-	-	-	-	-
Total County Support	\$ (4,717,585)	\$ (4,811,734)	\$ (4,780,393)	\$ (4,780,393)	\$ (4,812,438)

HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Administration	\$ 3,928,732	\$ 4,812,438	\$(5,847,409)	\$ 2,893,761	\$ -
Mandated Payments and Services	-	-	4,425,700	4,425,700	-
Other Services	288,516	-	609,671	898,187	-
Primary Prevention Services	4,155,057	-	299,695	4,454,752	-
Secondary Prevention Services	957,246	-	1,011,308	1,968,554	-
Tertiary Prevention Services	17,310	-	261,388	278,698	-
Total	\$9,346,861	\$ 4,812,438	\$ 760,353	\$ 14,919,652	\$ -

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Implement goals defined by community partners by the date specified in the Community Health Improvement Plan (CHIP) Update.	N/A	N/A	Newly proposed
Implement and Monitor CCPHSD Strategic Plan (SP) bi-annually as measured by successful achievement of reaching stated objectives.	Creation 100% Complete	On going monitoring	On going monitoring
Implement Workforce Development (WFD) Plan and evaluate progress bi-annually towards increasing Public Health Core Competencies amongst staff.	80% Complete	85% Complete	100% complete and assess progress
Implement Continuous Quality Improvement (CQI) Plan and complete a minimum of five (5) CQI projects.	Creation 100% Complete	Plan Created	Implement and complete 5 projects
Implement and evaluate bi-annually a Health Outcome-Based Program/Organizational Performance Management (POPM) Plan.	NA	POPM Plan 100% developed	Complete Plan implementation and evaluation
Increase epidemiology capacity by .48 FTE throughout FY17.	N/A	1.0 Epidemiologist 2.0 Associates	1.48 Epidemiologists 2.0 Associates
Maintain CCPHSD Service Activity Report and share results annually by March 31st with County leaders and decision-makers.	N/A	N/A	Newly proposed
Maintain and/or move Coconino County's ranking with Arizona Health Matters, a web-based source of population health data and community health information (as of 2015 Coconino County ranked 8th of 15 Arizona Counties).	N/A	N/A	Maintain or improve 8th ranking

HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

Performance Measures by Program

Secondary Prevention Services

Performance Measures

	FY15 Actual	FY16 Estimated	FY17 Projected
Provide notification of possible disease outbreaks to appropriate partner agencies within 24 hours.	N/A	N/A	Newly proposed

Tertiary Prevention Services

Performance Measures

	FY15 Actual	FY16 Estimated	FY17 Projected
Increase CPHSD outreach and screening for chlamydia in sexually active women under the age of 25 by 30%.	N/A	N/A	Newly proposed

HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Accounting Technician I	1.00	1.00	-
Accounting Technician II	2.00	2.00	3.00
Administrative Manager	1.00	1.00	1.00
Administrative Manager, Senior	1.00	-	-
Administrative Specialist I	5.25	5.50	5.50
Administrative Specialist II	1.00	1.00	1.00
Administrative Specialist III	5.00	4.14	4.39
Administrative Supervisor	2.00	1.00	1.00
Administrative Support II	2.95	0.70	0.70
Animal Management Officer	4.00	4.00	4.00
Assistant Director-Public Health	-	1.00	1.00
Breastfeeding Peer Counselor	1.20	0.95	0.95
Case Worker	7.00	7.00	7.00
Certified Nurses Aide	0.80	-	-
Clinic Manager	-	1.00	1.00
Communicable Disease Investigator	0.85	1.00	1.00
Community Dietician	2.00	2.00	2.00
Community Health Nurse	2.70	2.80	2.80
Dental Assistant	1.60	-	-
Dental Hygienist/Educator	1.00	0.90	0.90
Dental Program Manager	0.80	-	-
Director-Public Health	1.00	1.00	1.00
Division Manager	4.00	2.00	2.00
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
Epidemiologist	0.75	0.75	1.50
Forensic Investigator I	3.00	2.00	2.00
Forensic Investigator, Lead	-	1.00	1.00
Forensic Technician	1.00	1.00	1.00
HIV Case Manager	2.00	2.00	2.00
Medical Examiner	1.00	1.00	1.00
Nurse Practitioner	1.51	1.10	1.10
Nurse Supervisor	1.00	1.00	1.00
Nutrition Counselor	5.80	4.55	4.55

HEALTH AND SOCIAL SERVICES

Public Health Services District (PHSD)

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Policy Analyst	1.00	0.88	0.88
Program Coordinator	1.00	1.00	1.00
Program Manager I	2.00	2.00	2.00
Program Manager II	9.00	9.00	9.00
Program Manager III	1.00	2.00	2.00
Public Health Communications Relations Manager	0.94	1.12	1.00
Public Health Educator	13.29	12.89	12.89
Public Health Planner	-	0.50	0.50
Public Health Planner, Senior	1.50	1.50	1.50
Senior Manager	1.00	-	-
Social Worker/Guardianship Investigator	0.75	0.75	0.75
Total Positions	102.33	92.67	93.55

* The Public Health Services District is heavily grant funded, which results in large fluctuations in FTEs. Additionally 4.60 FTEs were eliminated based on the proposed changes resulting from the PHSD financial sustainability work sessions and 3.0 FTEs were moved to Community Development with the Environmental Quality Program.

Community Development



Coconino County
ROAD
Maintenance Sales Tax
Your Roads. Your Decision.

A graphic illustration of a black car with a yellow roof and a license plate that reads "PROP. 403". The car is positioned over a stylized landscape with purple and orange hills. Below the car, the text "Coconino County" is written in a sans-serif font, followed by the word "ROAD" in large, bold, yellow letters. Underneath "ROAD" is the text "Maintenance Sales Tax" in a smaller font, and at the bottom, the slogan "Your Roads. Your Decision." is written in white on a dark red background.

COMMUNITY DEVELOPMENT

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.

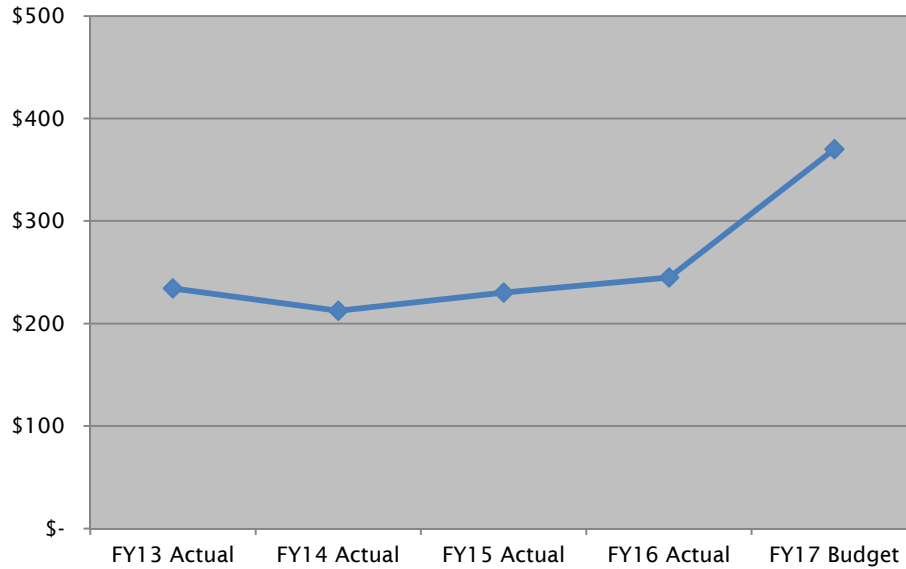
Per Capita Costs

The per capita costs in the Community Development service 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 slight increase in per capita costs for FY16 were mainly due to increased Public Works expenses, including almost \$9 million in capital projects that had been postponed throughout the recent economic recession. The per capita increase in FY17 is due to the continuation of these capital projects, as well as Capital Parks and Open Space (CPOS) projects by the Parks and Recreation Department. The Flood Control District's expenses dropped the most significantly, due to the completion of most of the Schultz Fire/Flood mitigation 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.

Department	FY15 Actuals	FY16 Actuals	FY17 Budget	Change: FY16 to FY17
Community Development	\$ 10.72	\$ 11.79	\$ 15.66	32.80%
Flood Control District	67.47	16.21	13.08	-19.32%
KVID	9.35	10.20	13.22	29.62%
Parks and Recreation	25.11	23.18	108.93	369.96%
Public Works	117.65	183.38	219.08	19.47%
Total	\$ 230.30	\$ 244.76	\$ 369.97	51.16%

COMMUNITY DEVELOPMENT

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) helps position Coconino County for continued prosperity and resilience to the impacts associated with climate change, decreasing natural resources, increased emissions and waste, and the rising costs of utilities.
Environmental Quality	PS	The Environmental Quality Division (EQD) protects Public Health and the Environment. EQD promotes effective onsite wastewater treatment and drinking water quality through Coconino County Environmental Services Code and through a delegation agreement from ADEQ. This program was transferred from the Public Health Services District in FY16.
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

- Primary FY17 objectives for the Planning and Zoning program include rewriting or amending the County's Zoning Ordinances, with a possible addition of an ordinance for the abatement of unsafe buildings; amending the County's Subdivision Ordinance; and participating in Engineering Standard updates to ensure alignment with the County Comprehensive Plan.
- The Sustainability Program's FY17 objectives include: continuing to develop a baseline of current Coconino County sustainability efforts; establishing a cross-departmental advisory group for Sustainability Baseline Report and Action Plan; and developing a communication plan for County sustainability. The programs main long-term goal is to expand the organizational commitment to sustainability.
- Environmental Quality objectives for FY17 are: expanding organizational commitment and education about the Notice of Transfer Program; rewriting the County Public Health Code sections relevant to Environmental Quality; and review and development of materials with Community Development for use in the Sustainability Program and the Public, with graywater and alternative water sources to be the first documents completed.
- A longer term goal of the Building Division is to maximize efficiency of plan review by encouraging online services and through continued improvements with SmartGov permit tracking program functionality.

COMMUNITY DEVELOPMENT

Community Development

Opportunities and Challenges

- With only one field inspector, and the addition of the Notice of Transfer Program being given to the County, meeting internal time frames for review and permitting will be difficult. Area coverage with one field person is not feasible for the size of the County, and outsourcing reviews through a contract reviewer has not increased efficiency, as the Delegation Agreement does not allow for contract reviewers to make licensing decisions.
- Currently, department heads are providing support and direction on the Sustainability Baseline Report, but there is no formal Advisory Group, mainly due to limited staff time available for this objective.
- The revision of the County Comprehensive Plan took an inordinate amount of staff and consultant time. An additional FTE was approved by the Board to guide the Area Plan updates and I-40 Corridor Area Plan.
- Community Development is continuing the scanning of all permit files for the Building Division. Furthermore, the department is working on utilizing their new SmartGov permit tracking software to the greatest extent possible. This is the first year with the program and the department is trying to determine the best way to incorporate it with the online plan review software.

COMMUNITY DEVELOPMENT

Community Development

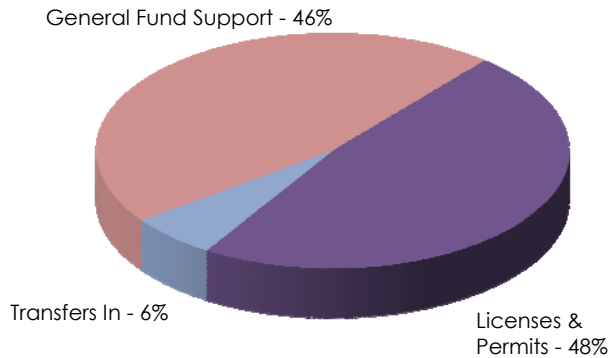
Financial Summary

The two main sources of revenue for Community Development are fees from licenses and permits and General Fund support. The department finished FY16 4% below its revenue budget, due to lower than expected building, zoning and plan check fee revenue. This trend is not expected to continue, however, and FY17 budgeted licenses and permit revenue is increasing by 7%.

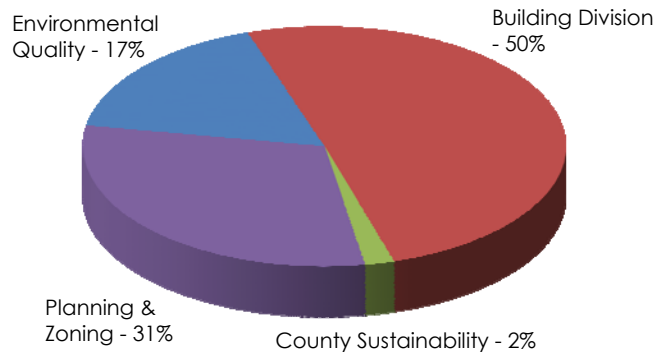
For FY16, the Community Development department remained 23% below its revised expenditure budget of \$2,133,225. This variance was due to \$130,000 in funding for the abatement of unsafe buildings that was not used and was carried over into FY17. The department also realized more than \$315,000 in salary savings due to employee turnover. The FY17 adopted expenditure budget of \$2,201,643 represents a 3% increase over FY16, due to market adjustments to employee salaries as well as the approval of two new positions: a Senior Planner and an Environmental Quality Specialist I. The department also requested and received \$7,500 in one-time funding for their County Sustainability program.

The following charts illustrate Community Development's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

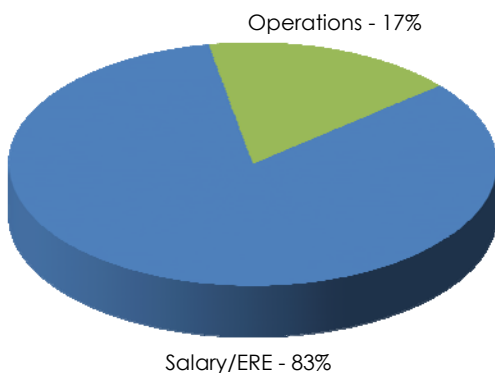
Revenue by Source Type



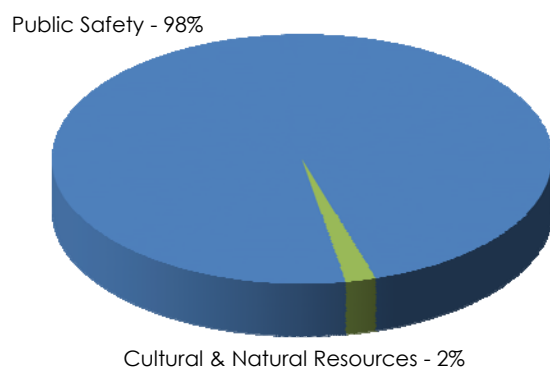
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



COMMUNITY DEVELOPMENT

Community Development

Department-Wide Financial Statement

<u>Revenues and Other Sources</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Licenses & Permits	\$ 795,000	\$ 575,231	\$ 979,428	\$ 1,030,106	\$ 1,051,688
Charges for Services	800	704	800	780	500
Other	180	2,158	180	1,062	2,400
Transfer from PHSD	-	-	119,304	21,266	132,694
General Fund Support	1,044,550	883,114	1,033,513	588,834	1,014,361
Total Funding Sources	\$ 1,840,530	\$ 1,461,206	\$ 2,133,225	\$ 1,642,048	\$ 2,201,643
<u>Expenditures and Other Uses</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Salary/ERE	\$ 1,430,012	\$ 1,211,640	\$ 1,646,095	\$ 1,331,053	\$ 1,833,966
Operations	390,518	233,685	487,130	310,995	367,677
Capital	20,000	15,881	-	-	-
Total Uses of Funds	\$ 1,840,530	\$ 1,461,206	\$ 2,133,225	\$ 1,642,048	\$ 2,201,643
Net Indirect Support	455,121	455,121	560,083	560,083	707,056
Total	\$ 2,295,651	\$ 1,916,327	\$ 2,693,308	\$ 2,202,131	\$ 2,908,699
<u>General Fund Support</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Program Revenue	\$ 795,980	\$ 578,093	\$ 980,408	\$ 1,031,948	\$ 1,054,588
Transfers in from Other Funds	-	-	119,304	21,266	132,694
Program Expenditures	(1,840,530)	(1,461,206)	(2,133,225)	(1,642,048)	(2,201,643)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$(1,044,550)	\$(883,114)	\$(1,033,513)	\$(588,834)	\$(1,014,361)
Net Indirect Support	(455,121)	(455,121)	(560,083)	(560,083)	(707,056)
Total County Support	\$(1,499,671)	\$(1,338,235)	\$(1,593,596)	\$(1,148,917)	\$(1,721,417)

FY17 Financial Statement by Program

<u>Program Name</u>	<u>FY17 Program Revenue</u>	<u>FY17 General Fund Support</u>	<u>FY17 Use of Fund Balance</u>	<u>FY17 Program Budget</u>	<u>FY17 Net Indirect Support</u>
Building Division	\$ 752,400	\$ 357,731	\$ -	\$ 1,110,131	\$ 337,845
County Sustainability	-	43,205	-	43,205	15,421
Environmental Quality	379,382	(3,000)	-	376,382	124,103
Planning and Zoning	55,500	616,425	-	671,925	229,687
Total	\$ 1,187,282	\$ 1,014,361	\$ -	\$ 2,201,643	\$ 707,056

COMMUNITY DEVELOPMENT

Community Development

Performance Measures by Program

Building Division

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percentage of Online Applicants	N/A	35%	45%
Percentage of Building Inspectors Obtaining ICC Certification	N/A	25%	50%

County Sustainability Program

Performance Measures

Complete Sustainability Baseline Report	75%	80%	90-100%
Establish County organization advisory group	Not formal- 40-60% (assistance)	Not formal- 40-60% (assistance)	Formalize-60- 80% (participation)
Revitalize the County Green Team with monthly meetings and action items	20%	70%	80-90%
Consistent staffing support for Sustainability Program	30%	60-70%	80-100%
Ongoing sustainability communication, outreach, and education for County staff	20%	50%	70%

Environmental Quality

Performance Measures

Performing licensing reviews within Coconino County Community Development time frames	99%	ongoing	ongoing
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Planning and Zoning

Performance Measures

Completion of the Subdivision Ordinance	N/A	10%	100%
Completion of Zoning Ordinance rewrite	N/A	10%	50%
Update of area plans (with additional FTE approved for FY17)	0%	0%	0%
Open zoning violation cases	65	50	45

COMMUNITY DEVELOPMENT

Community Development

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Specialist I	0.50	0.50	0.50
Administrative Specialist II	1.00	1.00	1.00
Assistant Director*	-	-	0.75
Building Inspector	4.00	4.00	4.00
Building Inspector, Lead	1.00	1.00	1.00
Business Manager	0.85	0.85	0.85
Chief Building Official	1.00	1.00	1.00
Code Enforcement Officer**	2.00	2.00	1.00
Compliance Manager	1.00	1.00	1.00
Director	0.80	0.80	0.80
Environmental Quality Specialist I***	1.00	-	1.00
Environmental Quality Specialist II	1.00	1.00	1.00
Permit Technician	2.00	2.00	3.00
Planner	0.90	0.75	0.75
Planner, Principal	0.75	0.75	0.75
Planner, Senior****	0.75	0.75	1.75
Planning and Zoning Manager	0.75	0.75	-
Plans Examiner	2.00	2.00	2.00
Plans Examiner, Lead	1.00	1.00	1.00
Program Manager III	1.00	1.00	1.00
Sustainable Building Program Manager	1.00	1.00	1.00
Sustainable Building Technician*****	-	1.00	1.00
Total Positions	24.30	24.15	26.15

* The Planning and Zoning Manager was reclassified to Assistant Director for FY17.

** One Code Enforcement Officer was reclassified to Permit Technician for FY17.

*** The Public Health Services District eliminated this position for FY16 based on proposed changes resulting from the PHSD financial sustainability worksessions. Community Development received approved to reinstate the position for FY17.

**** Community Development submitted an SIR for an additional Senior Planner position for FY17.

*****A Sustainable Building Technician position was added to assist the Sustainable Building Program Manager mid-year FY15.

COMMUNITY DEVELOPMENT

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 per \$100 of assessed value.

Program	SPA	Description
District Administration and National Flood Insurance Program	PS	This program promotes public health, safety and general welfare and minimizes public and private losses due to flooding in specific areas.
Flood Control Capital Improvement and Non-Structural Mitigation	PS	This program performs drainage studies and Initial Engineering Assessments of FEMA-mapped Special Flood Hazard Areas and other areas of the County that regularly experience flooding, for the purpose of making data-driven decisions about the most technically, legally and financially feasible options for mitigating flood risks.
Post-Wildfire Flood Preparation, Response and Mitigation	PS	This program reduces risks to life, property and public infrastructure, as well as annual County preparation and response expenditures within post-wildfire flood areas through the implementation of short-term preparatory activities and long-term mitigation projects.

Goals and Objectives

Departmental objectives for FY17 include:

- Continue working with FEMA on the re-mapping project in Kachina/Mountainaire and Munds Park, and develop County communications strategy prior to FEMA release of preliminary maps.
- Establishing IGAs with the cities and towns within the district to recognize and legally document our relationships.
- Conduct feasibility evaluations of the recommended projects resulting from the Initial Engineering Assessments in all FEMA-mapped Special Flood Hazard Areas.
- Complete design of the final "legacy" project (McCann Estates) if easements are provided by private property owners and construct if funds are available.
- Distribute annual Flood Advisory to property owners and residents in the Schultz Flood area and downstream of the Slide Fire area. Complete post-monsoon monitoring of completed mitigation infrastructure in the Schultz Flood area. Remove barriers when requested.
- Complete the Post-Wildfire Debris Flow and Flooding Hazards Study.

Departmental goals in the future include:

- Continue working towards an improved Community Rating System (CRS) rating for the County.
- Continue efforts to update County engineering, design, drainage, and construction standards.
- Improve communication with the cities within the Flood Control District.

Opportunities and Challenges

- Repayment of the General Fund loan to the FCD (made in FY11 to fund Schultz Fire/Flood emergency construction) will begin in FY17. As a result, limited capital funds will be available.
- In the absence of additional forest fires and post-fire flooding concerns, the Post-Wildfire program should have minimal impact to the FY17 and future year District budgets.
- Formal responsibility for administration of the District will be transferred from the Community Development Director to the Public Works Director via an amendment to the Floodplain Ordinance.

COMMUNITY DEVELOPMENT

Flood Control District

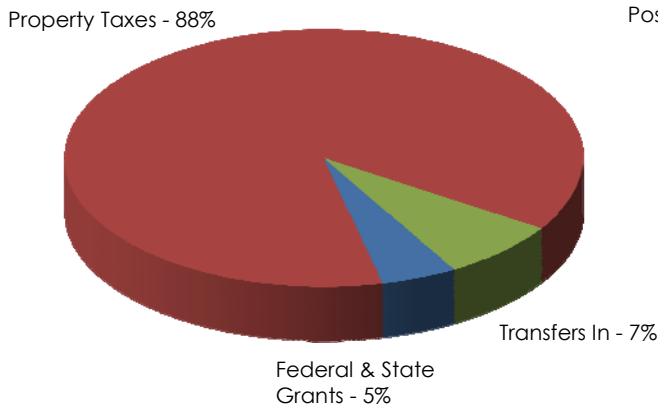
Financial Summary

The Coconino County Flood Control District's main source of revenue 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 related to the Schultz Fire/Flood, as well as a transfer from HURF for employees who split their duties between Public Works and the Flood Control District. The District finished FY16 72% above its revenue budget, due to Federal grants coming in much higher than anticipated. The District's revenue budget is decreasing by 13% for FY17 (net of unawarded grants), due to the completion of the Schultz Fire/Flood mitigation projects and the corresponding grant funding coming to an end.

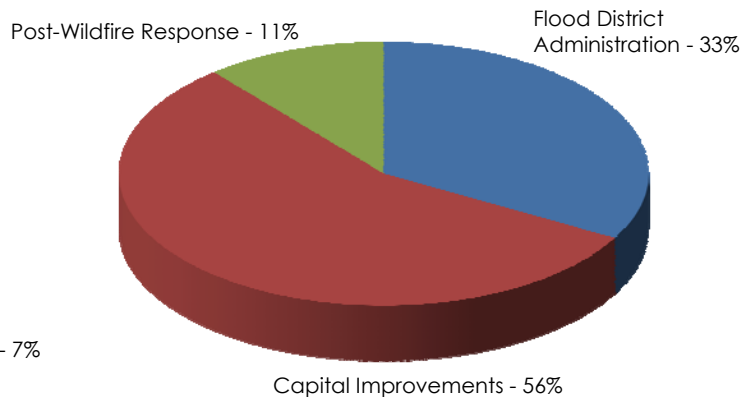
For FY16, the Flood Control District remained 10% below its revised expenditure budget of \$2,508,752. This variance is due to salary savings as well as staying under budget in capital projects. The FY17 adopted expenditure budget of \$1,837,911 (net of unawarded grants) is 27% lower than in FY16, due to a concentration on fewer capital projects and the repayment of the \$1M General Fund loan that was instrumental in funding Schultz Fire/Flood remediation projects since FY10. For FY17, the department requested and received \$2,500 in recurring funding to increase their outreach for their stormwater management program.

The following charts illustrate the Flood Control District's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. All charts exclude unawarded grants.

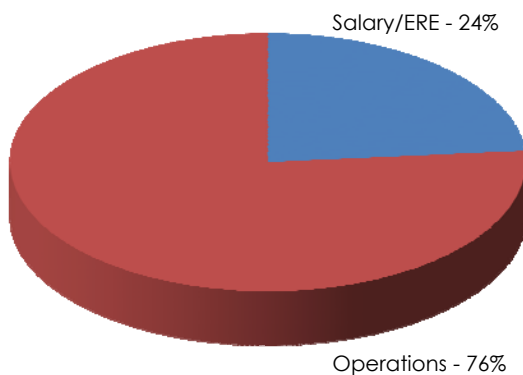
Revenue by Source Type



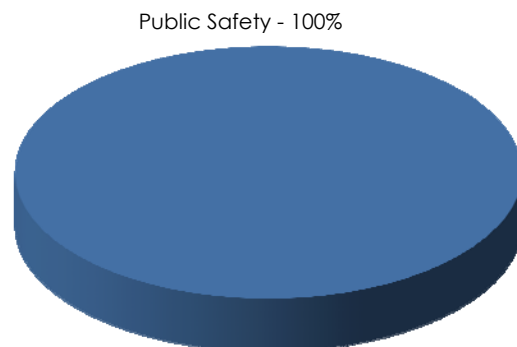
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



COMMUNITY DEVELOPMENT

Flood Control District

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 7,430,855	\$ 2,904,337	\$ 514,726	\$ 2,056,768	\$ 101,520
Flood Control District Property Tax	1,965,554	1,837,581	1,856,428	1,837,978	1,889,892
Other Intergovernmental	-	139,475	-	232,587	-
Licenses & Permits	-	1,150	-	4,650	-
Unawarded Grants	-	-	-	-	3,700,000
Investment Income	20,000	4	-	-	-
Transfers from Other Funds	3,407,860	3,356,584	134,641	157,142	160,691
Use of (Increase In) Fund Balance	(317,687)	1,069,102	2,957	(2,032,856)	(314,192)
Total Funding Sources	\$12,506,582	\$ 9,308,232	\$ 2,508,752	\$ 2,256,269	\$5,537,911
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 281,832	\$ 243,056	\$ 418,704	\$ 381,883	\$ 433,616
Operations	1,507,801	1,466,762	1,190,048	1,066,601	1,404,295
Capital	10,716,949	7,594,406	900,000	807,785	3,700,000
Transfers to Other Funds	-	4,009	-	-	-
Total Uses of Funds	\$12,506,582	\$ 9,308,232	\$ 2,508,752	\$ 2,256,269	\$5,537,911
Net Indirect Support	-	-	-	-	-
Total	\$12,506,582	\$ 9,308,232	\$ 2,508,752	\$ 2,256,269	\$5,537,911
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ -	\$ -	\$ -	\$ -	\$ -
Net Indirect Support	-	-	-	-	-
Total County Support	\$ -	\$ -	\$ -	\$ -	\$ -

COMMUNITY DEVELOPMENT

Flood Control District

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
District Administration and National Flood Insurance Program	\$ 2,050,583	\$ -	\$ (1,442,117)	\$ 608,466	\$ -
Flood Control Capital Improvement	101,520	-	924,300	1,025,820	-
Schultz Flood Mitigation	-	-	203,625	203,625	-
Total	\$ 2,152,103	\$ -	\$ (314,192)	\$ 1,837,911	\$ -

Performance Measures by Program

District Administration and National Flood Insurance Program (NFIP)

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Community Rating Score	8	8	8
Percent Discount on flood insurance for County property owners	10%	10%	10%
Number of educational and outreach events conducted and/or attended	2	20	18
Number of educational and outreach letters distributed annually	2,462	600	500

Workload Indicators

Number of Flood Status Reports issued	175	250	199
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Flood Control Capital Improvements and Non-Structural Mitigation

Performance Measures

Average change order amount per project as a percent of project cost	0%	<5%	<5%
Percentage of projects completed on or before schedule	0%	95%	95%
Number of accidents on Flood Control District projects annually	0	0	0
Total annual federal funding secured	\$6,100,000	\$1,993,000	\$0

Workload Indicators

Number of Flood Control capital improvement projects constructed	0	0	0
Number of non-structural mitigation projects implemented	0	0	0
Number of capital improvement projects designed	0	0	2
Number of studies performed	0	1	1
Total annual capital designed	\$0	\$0	\$160,000
Total annual capital constructed	\$0	\$0	\$0

COMMUNITY DEVELOPMENT

Flood Control District

Performance Measures by Program

Post-Wildfire Flood Preparation, Response and Mitigation

Performance Measures

Number of accidents on post-wildfire capital improvement projects annually	0	N/A	N/A
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Workload Indicators

Number of post-wildfire capital improvement projects designed	4	0	0
Number of post-wildfire capital improvement projects constructed	4	0	0

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Administrative Specialist II*	0.30	0.30	-
Assistant Director**	-	-	0.25
Business Manager	0.15	0.15	0.15
Director	0.20	0.20	0.20
Engineering Supervisor	1.00	1.00	1.00
Engineering Technician	1.00	1.00	1.00
Hydrologist	1.00	1.00	1.00
Permit Technician	1.00	1.00	1.00
Planner	0.10	0.25	0.25
Planner, Principal	0.25	0.25	0.25
Planner, Senior	0.25	0.25	0.25
Planning and Zoning Manager	0.25	0.25	-
Program Manager III	0.20	0.20	0.20
Total Positions	5.70	5.85	5.55

* The Administrative Specialist II position was removed for FY17.

** The Planning and Zoning Manager was reclassified to Assistant Director for FY17.

COMMUNITY DEVELOPMENT

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 Kachina Village, an 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 FY17 include:

- Completion of the Underground Infrastructure Condition Analysis and Replacement study.
- Completion of the analysis and financial strategy options for the Rate Structure Analysis and Financial Planning project.
- Relocate and repair any KVID utility infrastructure impacted by the planned Kachina Trail/Kachina Boulevard Road Realignment.
- Installation of a second wastewater clarifier: KVID has identified the lack of redundancy for this essential part of the wastewater treatment process as a major weakness in the wastewater system.

Longer-term goals for KVID include:

- 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 also 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.

Opportunities and Challenges

- Infrastructure and rate analysis represent recent additions to the KVID budget. While some funds have been diverted from other areas (mostly capital improvement projects), funding for these analyses will come from KVID's fund balance.
- KVID has prior rights for their infrastructure in the Kachina Trail/Kachina Boulevard Road Realignment Project which may allow for some funding to be available to relocate/repair the infrastructure in that area. KVID will pursue any funding that is available for this project to help offset incurred costs.
- The installation of KVID's constant pressure system has improved efficiency and system reliability. Additionally, staff efforts to locate and repair leaks along with evaluating and repairing metering issues at water sourcing and distribution points has allowed KVID to reduce its shrinkage noticeably during the previous fiscal year.

COMMUNITY DEVELOPMENT

Kachina Village Improvement District (KVID)

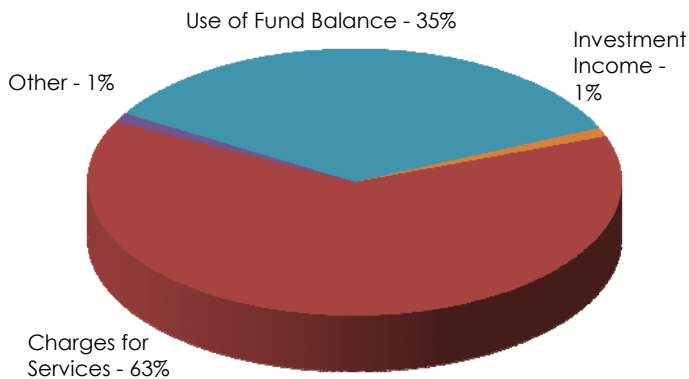
Financial Summary

KVID's primary source of revenue is charges for water and wastewater services. The department's revenue was 1% higher than budgeted for FY16, due to increased charges for both water and wastewater services. FY17 revenue is expected to be 1% higher than in FY16, due to greater revenue from fund balance investment.

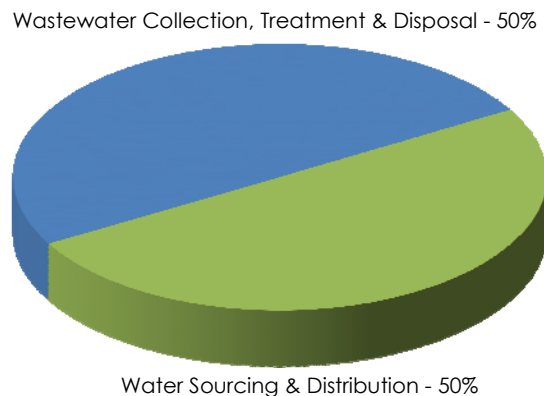
KVID was 14% under their revised FY16 expenditure budget of \$1,644,526. Half of this variance was due to the department not using any of the \$100,000 that it budgeted for contingencies. The remainder was due to vacancy savings from one position that was left unfilled for the entire year as well as capital savings in the department's wastewater program. The department's FY17 adopted expenditure budget of \$1,858,253 is 13% higher than their FY16 budget. This variance is mainly due to significant increases in operating costs, specifically engineer's fees and repair and maintenance costs. Salary/ERE budgets also increased due to market and merit adjustments to employee salaries.

The following charts illustrate KVID's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

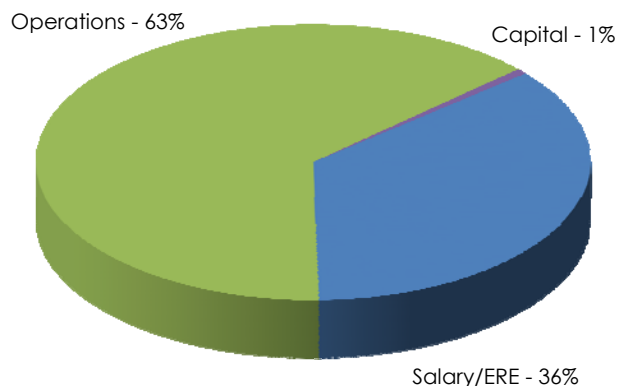
Revenue by Source Type



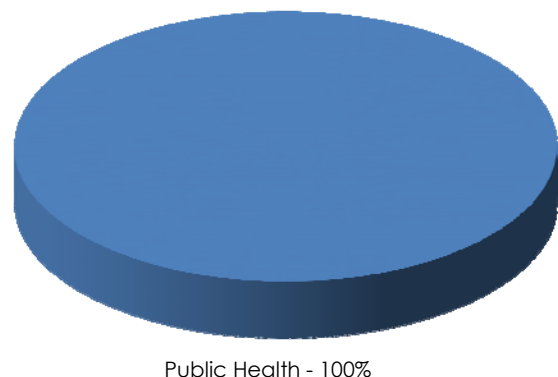
Expenditures by Program



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>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Charges for Services	\$ 1,170,500	\$ 1,180,310	\$ 1,170,600	\$ 1,174,925	\$ 1,170,600
Investment Income	9,500	13,831	9,400	14,038	20,800
Other	20,000	23,848	20,000	21,653	20,000
Use of (Increase In) Fund Balance	454,988	53,900	444,526	209,336	646,853
Total Funding Sources	\$ 1,654,988	\$ 1,271,889	\$ 1,644,526	\$ 1,419,951	\$ 1,858,253

<u>Expenditures and Other Uses</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Salary/ERE	\$ 595,870	\$ 470,485	\$ 588,302	\$ 542,966	\$ 664,960
Operations	813,921	588,143	886,224	755,021	1,181,293
Capital	245,197	213,260	170,000	121,964	12,000
Total Uses of Funds	\$ 1,654,988	\$ 1,271,889	\$ 1,644,526	\$ 1,419,951	\$ 1,858,253

Net Indirect Support _____ - _____ - _____ - _____ - _____ -

Total **\$ 1,654,988** **\$ 1,271,889** **\$ 1,644,526** **\$ 1,419,951** **\$ 1,858,253**

<u>General Fund Support</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ -	\$ -	\$ -	\$ -	\$ -

Net Indirect Support _____ - _____ - _____ - _____ - _____ -

Total County Support **\$ -** **\$ -** **\$ -** **\$ -** **\$ -**

FY17 Financial Statement by Program

<u>Program Name</u>	<u>FY17 Program Revenue</u>	<u>FY17 General Fund Support</u>	<u>FY17 Use of Fund Balance</u>	<u>FY17 Program Budget</u>	<u>FY17 Net Indirect Support</u>
Wastewater Collection, Treatment and Disposal	\$ 620,000	\$ -	\$ 307,292	\$ 927,292	\$ -
Water Sourcing and Distribution	591,400	-	339,561	930,961	-
Total	\$ 1,211,400	\$ -	\$ 646,853	\$ 1,858,253	\$ -

COMMUNITY DEVELOPMENT

Kachina Village Improvement District (KVID)

Performance Measures by Program

Wastewater Collection, Treatment and Disposal

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Quality Compliance	100%	100%	100%
Sampling Schedule Compliance	100%	100%	100%
KWh per Gallon Processed	0.0145	0.0142	0.0141

Workload Indicators

Influent: Annual Volume Processed (gal.)	36,500,000	36,000,000	36,000,000
Wastewater Work Orders Completed	14	12	15
Bluestakes Completed	391	400	440

Water Sourcing and Distribution

Performance Measures

Quality Compliance	100%	100%	100%
Sampling Schedule Compliance	100%	100%	100%
L&U (Shrinkage)	9.4%	8.8%	8.4%
KWh per Gallon Sold	0.0101	0.0100	0.0100
Auto-Deduct Billing Customers	233	260	280
E-Billing Customers	794	850	950
Service Outage (customer-hours)	22	20	20

Workload Indicators

Annual Volume Sourced (gallons)	62,237,623	57,000,000	56,750,000
Annual Volume Sold (gallons)	56,405,841	52,000,000	52,000,000
Water Work Orders Completed	337	300	360
Bluestakes Completed	391	400	440

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
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
Total Positions	8.00	8.00	8.00

*Please note that there are no staffing changes for KVID for FY16.

COMMUNITY DEVELOPMENT

Parks and Recreation

2446 Fort Tuthill Loop, Flagstaff, AZ 86001 (928) 679-8000
Dustin Woodman, 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 Division provides leadership, strategic direction, financial management, administrative support, and marketing and communications for the overall department.
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.
Natural Resource Management	C&NR	The Natural Resource Management program provides leadership through active stewardship, and use of best preservation and conservation practices to enhance and sustain the more than 2,300 acres of County natural area open space and 26 miles of trails within the park system.
Facility Management - Operations and Maintenance	C&NR	The Facility Management – Operations & Maintenance program provides maintenance and repairs to all County parks, natural areas, and trails.
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.
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.

Goals and Objectives

The primary FY17 objectives for the department are:

- Create new partnerships and continue to increase direct revenues by a minimum of 10% annually.
- Complete the last CPOS acquisition project – 220 acres of State Trust Land adjacent to Fort Tuthill County Park.
- Work with agency partners to increase number of miles of trails by 3% in the next fiscal year.
- Through use of grants and other funding, annually complete 15% of goals/objectives developed within Natural Resource Management Plans for Rogers Lake and Pumphouse Natural Areas.
- Provide both annual and monthly safety trainings to all staff, and provide specific safety trainings to maintenance personnel.
- Increase recreation program attendance by 5% annually.
- The Coconino County Fair will achieve a minimum of 100% of expenses covered by revenue.

COMMUNITY DEVELOPMENT

Parks and Recreation

Goals and Objectives (continued)

Long-term goals for Parks and Recreation include:

- Focus on the provision of recreational activities, and high quality, well-maintained parks, open spaces and multi-use trails that improve quality of life through services that promote health and wellness, social equity and conservation throughout the County.
- Complete outstanding and manage new CPOS and non-CPOS projects from the early planning stages through design, public input, construction and closeout, to complete projects on schedule and budget, at or above recognized County and industry design standards.
- Develop additional, and maintain existing long-term public/private partnerships to provide unique recreational activities to the public throughout the County's park system.
- Manage the department's website, Facebook and Twitter communications in collaboration with the County's communications office, to provide fresh information on services, programs, and recreation amenities offered to the public.
- Provide a connected multi-use trails system throughout the County.
- Develop a comprehensive safety program.
- Provide programs that create a sense of place, offer a variety of activities, and serve our diverse population.

Opportunities and Challenges

- CPOS Administration funding was fully depleted in FY16. Without this funding, critical staff functions would be lost and the Department would be crippled. While the Fair and even Public/Private Partnership (PPP) money were analyzed to replace the use of the general fund, these sources of revenues are unreliable at best and PPP will terminate in the future.
- Development of the water/wastewater connection from the City's system to Fort Tuthill.
- Redevelopment of the "Quad"/Fairgrounds at Fort Tuthill.
- Trail mileage is estimated to increase by 5% in FY17 with the addition of the Brandis Trail in Timberline and additional trails at Roger's Lake.
- Phase II (Lite) of the Fort Tuthill Bike Park will be completed. Already receiving high activity, the additional features will require more maintenance attention.

COMMUNITY DEVELOPMENT

Parks and Recreation

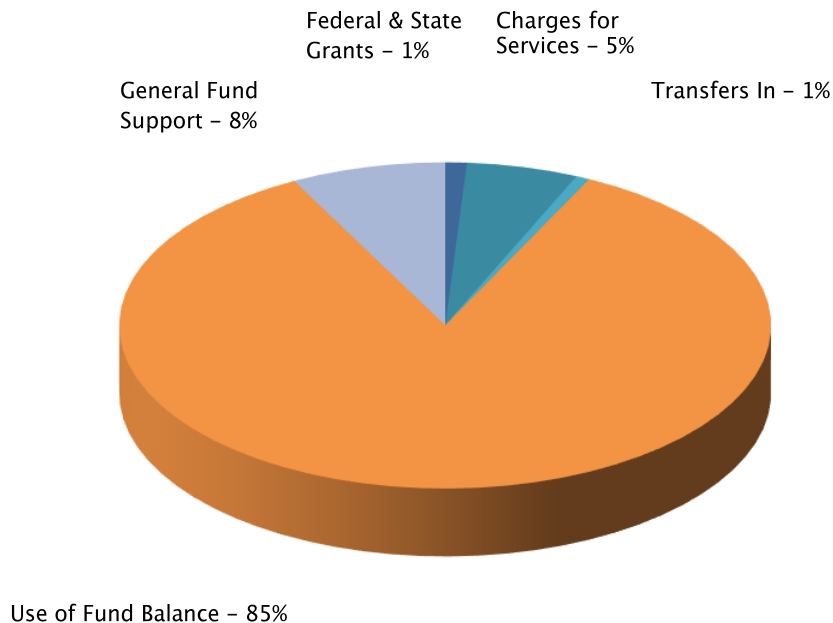
Financial Summary

The Parks and Recreation Department's primary source of revenue has historically been Coconino Parks and Open Space (CPOS) sales tax revenue. This tax expired in FY15, when the voter approved amount of \$33 million was collected. The fund balance from this tax still makes up the majority of the department's funding. Parks and Recreation also receives fee-based revenue for the programs it provides. For FY17 the charges for services revenue remains flat at the FY16 level, due to decreased event participation and attendance, as well as the addition of new programs and services.

Parks and Recreation is estimated to be 79% under their FY16 expenditure budget of \$15,895,086. This variance is due to planned capital projects that were not completed in FY16 but have been carried over into the FY17 budget. The FY17 adopted expenditure budget of \$15,512,921 is 2% lower than in FY16, due to the gradually diminishing amount of funds available for capital purchases and projects. The Parks and Recreation department did receive additional one-time funding for building maintenance and equipment rental for the annual fair.

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.

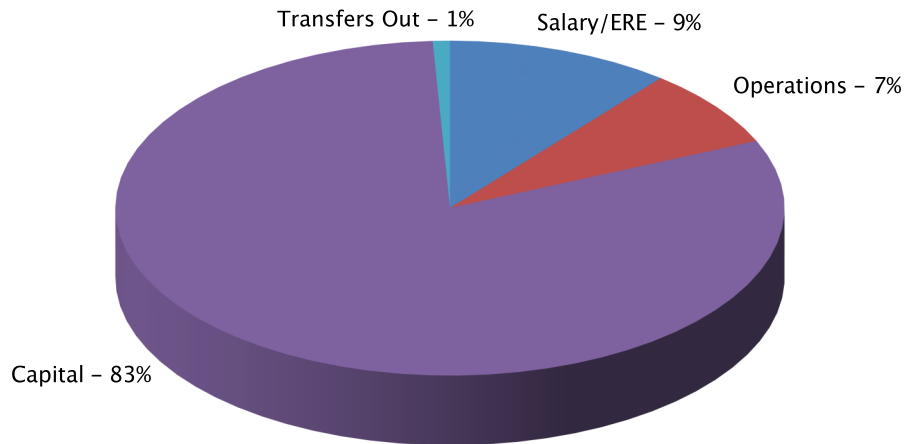
Revenue by Source Type



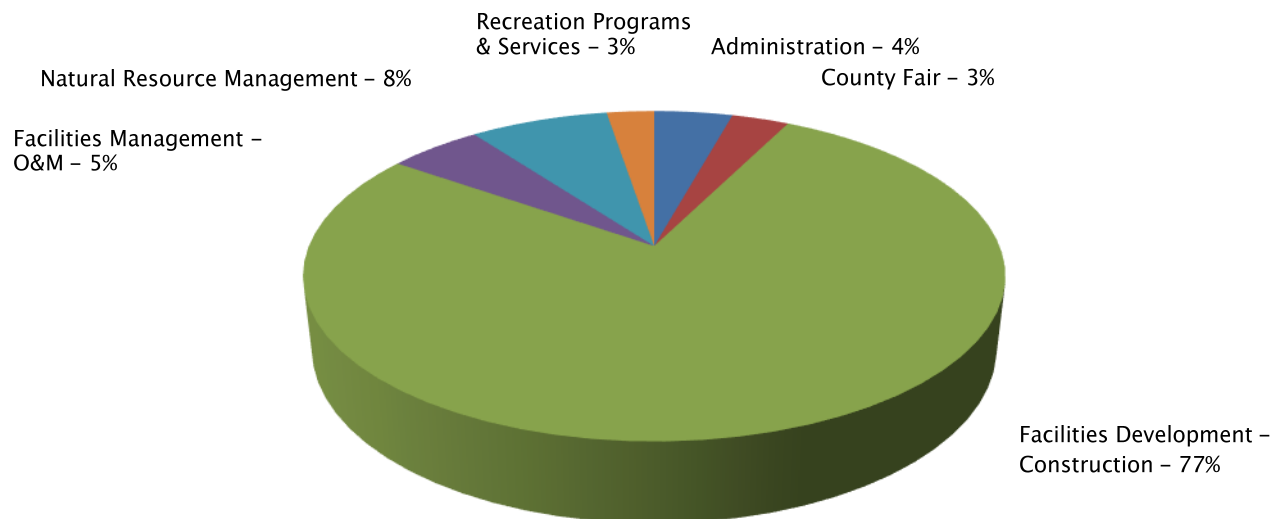
COMMUNITY DEVELOPMENT

Parks and Recreation

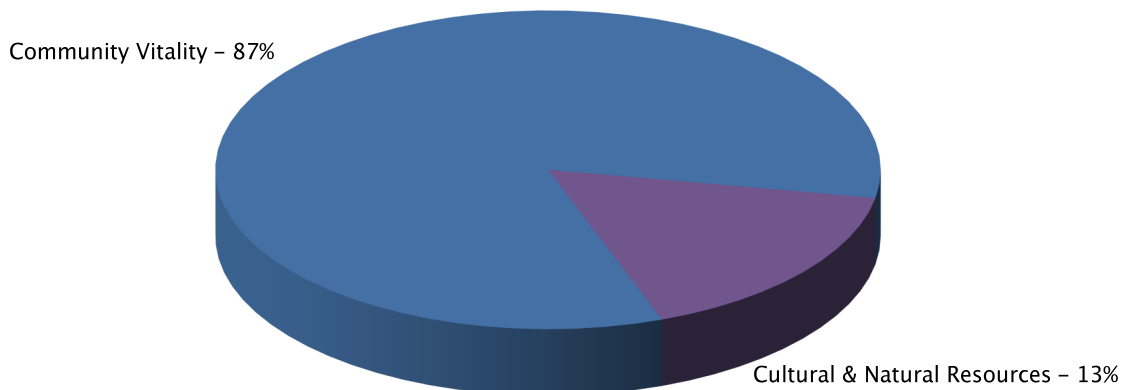
Expenditures by Category



Expenditures by Program



Expenditures by Strategic Priority Area



COMMUNITY DEVELOPMENT

Parks and Recreation

Department-Wide Financial Statement

<u>Revenues and Other Sources</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Federal and State Grants	\$ 179,737	\$ 186,560	\$ 173,481	\$ 85,000	\$ 164,794
Taxes	579,589	997,627	-	23,231	-
Charges for Services	766,997	845,167	857,847	789,778	857,847
Investment Income	24,000	134,137	24,000	139,111	24,000
Contributions	2,100	-	1,000	-	1,000
Other	9,472	30,873	10,472	14,680	10,472
Transfers from Other Funds	106,150	106,150	106,150	106,150	106,150
Use of (Increase In) Fund Balance	13,745,112	(577,957)	13,640,955	1,166,402	13,160,005
General Fund Support	1,907,614	1,805,349	1,081,181	1,008,639	1,188,653
Total Funding Sources	\$17,320,771	\$ 3,527,906	\$15,895,086	\$ 3,332,991	\$15,512,921
<u>Expenditures and Other Uses</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Salary/ERE	\$ 1,356,494	\$ 1,235,133	\$ 1,394,832	\$ 1,245,823	\$ 1,443,080
Operations	1,008,231	766,486	988,409	864,510	1,008,836
Expense Reimbursement	-	-	-	(10,940)	-
Capital	14,826,380	1,396,621	13,405,695	1,127,448	12,858,747
Transfers to Other Funds	129,666	129,666	106,150	106,150	202,258
Total Uses of Funds	\$17,320,771	\$ 3,527,906	\$15,895,086	\$ 3,332,991	\$15,512,921
Net Indirect Support	313,125	313,125	361,720	361,720	327,736
Total	\$17,633,896	\$ 3,841,031	\$16,256,806	\$ 3,694,711	\$15,840,657
<u>General Fund Support</u>	<u>FY15 Budget</u>	<u>FY15 Actuals</u>	<u>FY16 Budget</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>
Program Revenue	\$ 357,897	\$ 421,399	\$ 450,747	\$ 387,683	\$ 450,747
Transfers in from Other Funds	106,150	106,150	106,150	106,150	202,258
Program Expenditures	(2,371,661)	(2,332,898)	(1,638,078)	(1,502,472)	(1,841,658)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$ (1,907,614)	\$ (1,805,349)	\$ (1,081,181)	\$ (1,008,639)	\$ (1,188,653)
Net Indirect Support	(313,125)	(313,125)	(361,720)	(361,720)	(327,736)
Total County Support	\$ (2,220,739)	\$ (2,118,474)	\$ (1,442,901)	\$ (1,370,359)	\$ (1,516,389)

COMMUNITY DEVELOPMENT

Parks and Recreation

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Administration	\$ 107,150	\$ 455,444	\$ 96,108	\$ 658,702	\$ 112,713
County Fair	494,100	-	93,055	587,155	51,949
Facilities Development - Construction	25,972	-	11,842,801	11,868,773	35,924
Facility Management - Operations and Maintenance	-	784,417	-	784,417	96,740
Natural Resource Management	79,794	-	1,084,417	1,164,211	-
Recreation Programs and Services	457,247	(51,208)	43,624	449,663	30,410
Total	\$ 1,164,263	\$ 1,188,653	\$ 13,160,005	\$ 15,512,921	\$ 327,736

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Number of CPOS projects complete	1	3	N/A
Attendance at PPP activities	70,720	77,792	N/A
Direct revenues to CCPR from PPPs	\$151,469	\$166,700	N/A
Percentage revenue	51%	10%	N/A
CCPR website page views	64,238	73,873	N/A
CCPR Facebook - Reach	75,280	86,572	N/A
CCPR Facebook - Engagement	11,010	12,661	N/A

County Fair

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Number of attendees	43,118	41,326	N/A
Number of vendors	100	84	N/A
Number of fair entries	3,383	3,043	N/A
Percentage of expenses covered by revenue	105%	110%	N/A

Facility Development - Construction

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Number of CPOS projects completed	1	2	N/A
Number of construction projects where green construction materials have been incorporated into the design and construction of new parks	1	1	N/A
Number of planning/design/public charrettes incorporated into project designs during the public scoping process	1/9	1/5	N/A
Number of non-CPOS projects completed	3	3	N/A

COMMUNITY DEVELOPMENT

Parks and Recreation

Performance Measures by Program

Facility Management - Operations and Maintenance

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percent of assessed value of assets spent on annual maintenance activities	1.33%	1.33%	N/A
Number of park acres maintained	3,287	3,287	N/A
Number of acres per FTE (does not include County Natural Areas)	132	132	N/A
Number of work orders completed within one month of generation	100/120	140/140	N/A
Number of formal inspections using MainTrac	1	4	N/A
Safety trainings provided to all staff	10	13	N/A
Maintenance staff safety trainings	10	10	N/A

Natural Resource Management

Performance Measures			
Number of trail miles maintained	25	27	N/A
Percent of trails with way finding signage	33%	50%	N/A
Number of CPOS acquisition projects completed	0	1	N/A
Amount of grant funds obtained	\$35,800	\$35,000	N/A
Percent of objectives annually completed	20%	30%	N/A

Recreation Programs and Services

Performance Measures			
Number of free or low-cost community events and programs (Amphitheater, Facility Renters, Outdoor Recreation)	16	17	N/A
Number of total events and programs (Amphitheater, Facility Renters, Outdoor Recreation)	119	127	N/A
Number of attendees and participants served (Amphitheater, Facility Renters, Outdoor Recreation)	44,376	46,000	N/A
Number of attendees and participants served (Campgrounds, Stables, Ramadas and Fields) Information based on customer input	45,935	46,000	N/A
Number of recreation programs offered	44	50	N/A
Number of recreation program registrants	891	940	N/A
Percentage change	9%	5%	N/A
Number of community events facilitated at Fort Tuthill	75	80	N/A

COMMUNITY DEVELOPMENT

Parks and Recreation

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</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
Assistant Director–Parks and Recreation	–	1.00	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–Natural Resource	–	1.00	1.00
Parks Manager–Operations	1.00	–	–
Parks Manager–Planning and Acquisitions	1.00	–	–
Parks Outreach Program Coordinator	1.00	1.00	1.00
Parks Program Coordinator	1.00	–	–
Program Coordinator	1.00	2.00	2.00
Special Events Coordinator	1.00	–	–
Trades Supervisor	1.00	1.00	1.00
Trades Worker I	3.00	4.00	4.00
Total Positions	19.00	19.00	19.00

* Several positions were reclassified in FY15, with FTEs remaining the same.

** In addition to regular full-time employees listed here, the department has \$115,000 in temporary wages for seasonal employees.

COMMUNITY DEVELOPMENT

Public Works

5600 East Commerce Avenue, Flagstaff, AZ 86004 (928) 679-8300
Lucinda Andreani and Mike Lopker, Interim Co-Directors

Public Works consists of ten programs within the areas of road maintenance, solid waste and fleet services.

Program	SPA	Description
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 Road Services	PS	This program meets the requirement of the BIA contractual agreement between the BIA and Coconino County, for the maintenance on the reservation roads established as a primary road system for the Navajo Nation residents.
Community Clean-Ups	PH	This program has allowed residents of Coconino County to clean their properties and dispose of accumulated bulky waste and forest materials for free.
Engineering	PS	The Engineering Division 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.
Road Maintenance Services	PS	This program optimizes the expenditure of funds for road maintenance by utilizing the techniques and materials used in road maintenance.
Signing and Striping	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.
Transfer Station Residential/Recycling and Hazardous Waste	PH	This program includes the Willard Springs and Mormon Lake Transfer Stations, the Williams Transfer Station, waste collection in Marble Canyon, and an IGA with the City of Flagstaff to provide hazardous waste services to County residents.
Waste Tire Collection	PH	This program accepts waste tires from several locations around the County, thus providing proper disposal of waste tires for residents and businesses in Coconino County.

COMMUNITY DEVELOPMENT

Public Works

Goals and Objectives

Departmental objectives for FY17 include:

- Complete design and construction of pavement preservation capital improvement projects on 6.5 miles of Townsend-Winona Road in accordance with the 10-Year Capital Improvement Plan.
- Complete chip seal and other preventative pavement maintenance work on approximately 92 lane-miles of paved County roads.
- Complete engineering design and construction for capital improvement projects on Cosnino Road, Kachina Trail, and Lake Mary Road.
- Secure more traffic counters and improve data turn-around times and analysis in order to make data driven decisions for CIP investments and prioritization.
- Evaluate recommendations for improvement and begin to implement efficiencies made by LA Consultants.
- Secure and implement a new Public Works Business System to manage and track assets, support investment decisions and track important performance measures.
- Work with SLA Consultants to continue with CCPW Divisional work in Phase II of "Strength-Based Strategic Plan" training.
- Determine final appropriate departmental staffing levels.
- Transition of Mormon Lake and Willard Springs transfer station facilities.
- Continue to focus efforts on taking inventory of our existing drainage infrastructure and identify immediate and long term needs.

Longer-term goals for the Public Works department include the continual management of the department's 10-year financial plans (HURF, RMST, Mechanical Services) by aligning expenditures and revenues, while monitoring service levels of each program.

Opportunities and Challenges

- With the passage of the Road Maintenance Sales Tax, the Road Maintenance Division will be expanding its service level on the Navajo Nation as part of the Inter-Governmental Agreement between the Bureau of Indian Affairs and Coconino County. As part of that expansion, additional motor graders and a pickup truck will be added to support the new level of service.
- In an effort to provide a cost efficient snow removal program, Public Works found a few areas that are cost prohibitive. One area is the continual plowing of the east side of Mormon Lake during severe storms. As a cost savings measure, the department has opted to close the east side of Mormon Lake Road which will result in a minimal amount of added travel.
- With the passage of Proposition 403, the Engineering Division will be implementing a robust Pavement Management Program. In FY17, this includes approximately \$6 million in capital improvements and approximately \$2.5 million in chip seal and other preventative maintenance projects.
- The reduced price in fuel is providing a savings to all County departments that operate vehicles and equipment. But lower rates are having the opposite impact on Public Works; the rate structure designed to fund Mechanical Services is resulting in reduced revenue as price and quantity drop.
- For many years, the Community Cleanups Program was funded by Title III monies and funds secured through the Rural Advisory Committee (RAC). These funds are distributed on a competitive basis, however, and need to be obtained every year. If the department was not awarded RAC or Title III funding in future years, there is no other known funding source for Community Cleanups.

COMMUNITY DEVELOPMENT

Public Works

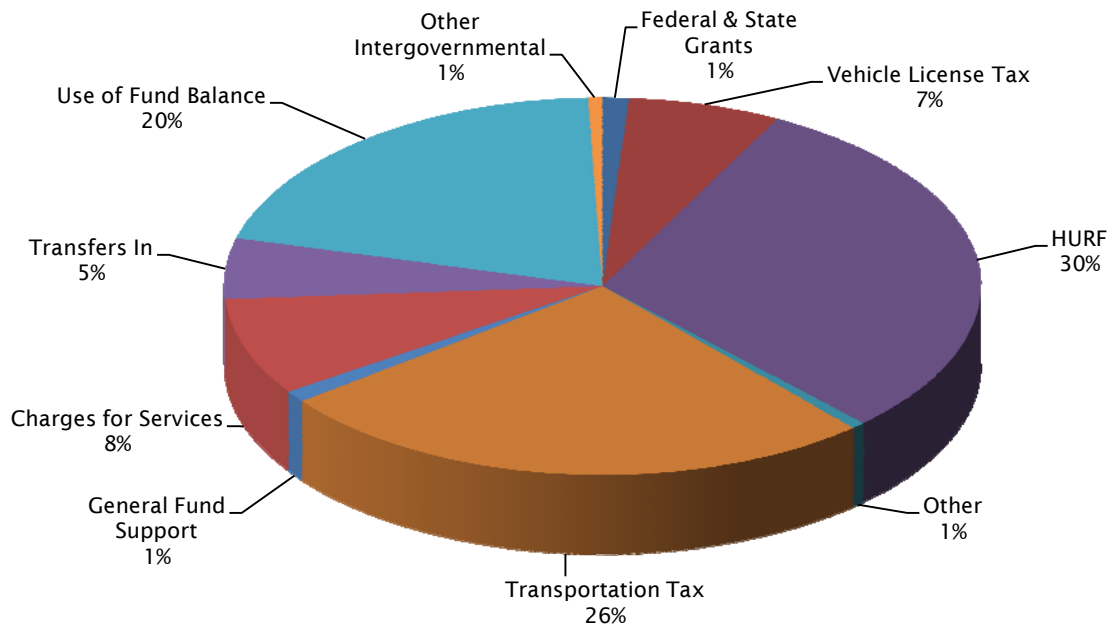
Financial Summary

Public Works receives revenue from many different sources, including Highway User Revenue Fees (HURF), a Road Maintenance Sales Tax, Vehicle License Taxes, and charges for services. Departmental revenue finished 1% above its FY16 budget, due to VLT and HURF receipts exceeding their budgeted revenues, and mitigated by Motor Pool revenue from other County departments falling 14% below budget. Departmental revenue for FY17 (excluding unawarded grants) is budgeted to increase by 4%, due to a continued rebound in HURF and VLT receipts, as well as a larger transfer of National Forest Fees for road maintenance projects.

For FY16, Public Works finished 23% below their revised expenditure budget of \$33,288,930. This variance was due to lower prices for gas and oil, a larger reimbursement from the Bureau of Indian Affairs for Highway Equipment Services, and no use of three division's contingency funds totalling \$900,000. The department also realized more than \$2.2 million in salary savings. The department's FY17 adopted expenditure budget of \$31,013,961 (excluding unawarded grants) is 7% lower than their FY16 budget. The main driver for the FY17 expenditure decrease is lower capital spending in the Engineering Division. The department also streamlined its staffing for FY17, resulting in a decrease of 7.70 FTEs.

The following charts illustrate the Public Works department's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area. All charts exclude unawarded grants.

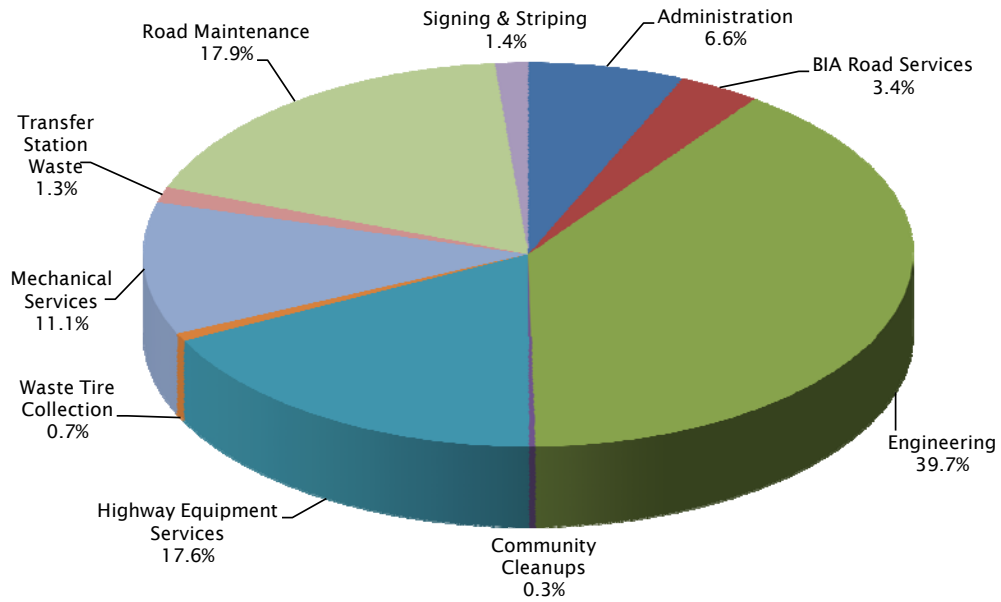
Revenue by Source Type



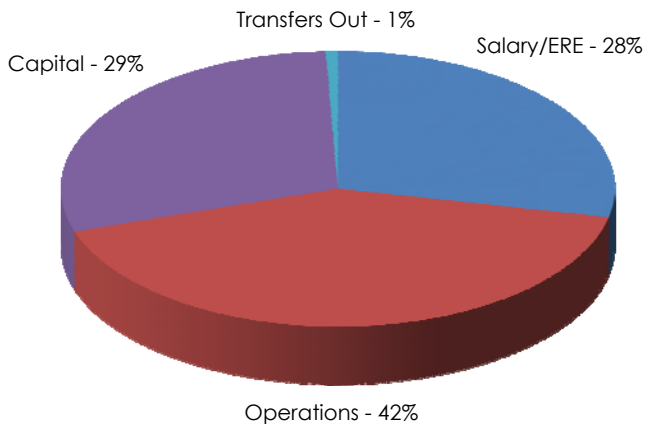
COMMUNITY DEVELOPMENT

Public Works

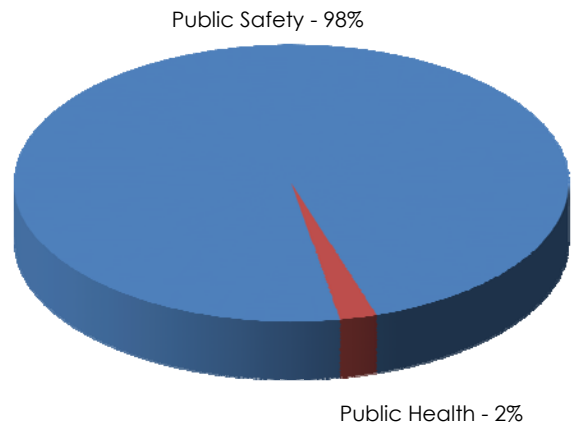
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



COMMUNITY DEVELOPMENT

Public Works

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Federal and State Grants	\$ 540,638	\$ 642,628	\$ 345,000	\$ 202,280	\$ 345,000
Vehicle License Tax	1,709,800	1,887,808	1,866,600	2,041,592	2,020,000
Other Intergovernmental	167,420	235,579	125,565	143,998	187,420
Licenses & Permits	9,500	30,969	28,100	25,974	28,100
Charges for Services	3,704,818	2,478,894	2,801,267	2,442,639	2,579,057
HURF Receipts	7,940,000	9,073,500	9,167,000	9,635,493	9,350,340
Unawarded Grants	-	-	-	-	400,000
Investment Income	60,000	193,890	60,000	205,443	75,000
Transportation Sales Tax	3,500,000	3,778,550	7,839,498	7,578,666	8,066,843
Other	302,000	223,105	215,000	378,517	180,000
Transfers from Other Funds	1,687,737	1,670,350	949,167	907,480	1,603,221
Use of (Increase In) Fund Balance	9,501,375	(482,155)	9,624,978	1,949,485	6,278,129
General Fund Support	240,951	212,236	266,755	197,438	300,851
Total Funding Sources	\$29,364,239	\$19,945,354	\$33,288,930	\$25,709,004	\$31,413,961
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 9,139,888	\$ 6,541,749	\$ 9,063,084	\$ 6,851,556	\$ 8,784,117
Operations	12,254,737	7,358,852	12,017,194	8,895,928	13,013,424
Capital	4,492,260	2,617,739	11,987,561	9,782,685	9,396,408
Transfers to Other Funds	3,477,354	3,427,014	221,091	178,835	220,012
Total Uses of Funds	\$29,364,239	\$19,945,354	\$33,288,930	\$25,709,004	\$31,413,961
Net Indirect Support	252,758	252,758	273,362	273,362	208,210
Total	\$29,616,997	\$20,198,112	\$33,541,688	\$25,982,366	\$31,666,719
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	-	-	-	-	-
GF Transfers to Other Funds	(240,951)	(212,236)	(266,755)	(197,438)	(300,851)
Total Direct Support	\$ (240,951)	\$ (212,236)	\$ (266,755)	\$ (197,438)	\$ (300,851)
Net Indirect Support	(252,758)	(252,758)	(252,758)	(273,362)	(252,758)
Total County Support	\$ (493,709)	\$ (464,994)	\$ (519,513)	\$ (470,800)	\$ (553,609)

COMMUNITY DEVELOPMENT

Public Works

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Administration	\$ 19,658,849	\$ -	\$ (17,622,204)	\$ 2,036,645	\$ (360,023)
BIA Road Services	167,420	-	900,472	1,067,892	20,015
Community Cleanups	183,000	-	-	183,000	-
Engineering	328,100	-	12,282,472	12,610,572	89,933
Highway Equipment Services	150,000	-	5,307,541	5,457,541	87,247
Mechanical Services	2,514,857	-	937,705	3,452,562	27,546
Road Maintenance	1,433,555	-	4,129,299	5,562,854	293,510
Sign Shop	90,000	-	342,844	432,844	12,936
Transfer Station					
Residential/Recycling and Hazardous Waste	95,200	300,851	8,556	404,607	31,577
Waste Tire Collection	214,000	-	(8,556)	205,444	5,469
Total	\$ 24,834,981	\$ 300,851	\$ 6,278,129	\$ 31,413,961	\$ 208,210

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
HURF Expenditures	\$16,585,168	\$24M	\$27M
Vacancy Rate (07/01/XX)	33.2%	26.8%	25.0%
Number of Employees Trained	N/A	75	N/A
Number of Training Sessions Held	N/A	10	N/A

BIA Road Services

Performance Measures			
Cost per Mile of Road Grading	\$405	\$400	\$400
Workload Indicators			
Number of Gravel Road Miles Graded	952	1,200	1,200

Community Cleanups

Performance Measures			
Cost per Cleanup Participant	N/A	N/A	N/A
Workload Indicators			
Number of residents attending the Landfill cleanup	720	800	800
Number of residents attending the Willard Springs cleanup	275	500	500
Number of residents attending the Williams cleanup	698	600	600
Number of residents attending the Ashfork cleanup	241	0	0
Number of residents attending the Fredonia cleanup	25	0	0
Number of residents attending the Forest Lakes cleanup	150	0	0
Number of residents attending the Blueridge cleanup	40	0	0

COMMUNITY DEVELOPMENT

Public Works

Performance Measures by Program (continued)

Engineering

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Update County General Engineering Requirements	In process	Underway	Complete
Number of Safety Assessments and other studies performed	1	2	1
Average cost per mile of pavement preservation	\$21,111	\$20,600	\$22,727
Average change order amount per project as a percent of project cost	10%	<5%	<5%
Percentage of projects completed on or before schedule	75%	N/A	N/A
Number of accidents on construction projects annually	0	N/A	N/A
Workload Indicators			
Total annual construction capital expenditure	\$1,550,000	\$7,400,000	\$6,100,000
Lane miles of pavement preservation implemented (chip seal)	90	92	110

Highway Equipment

Performance Measures			
Perform within plus or minus 10% of OEM recommendations	100%	100%	97%
Average hours to perform PM-B on motor grader	14.9	14.9	14.9
Average hours to perform PM-B on 10 wheel dump	4.5	4.5	4.5
Perform oil analysis at each major preventative maintenance interval	100%	100%	100%
Workload Indicators			
Number of staff transported to Flagstaff daily	2 to 3	2	1

Mechanical Services

Performance Measures			
Percent of Sheriff's Department fleet vehicles replaced in last five years	61%	45%	54%
Percent of in-stock parts sold in Flagstaff	86%	86%	87%
Percent of in-stock parts sold in Williams	90%	80%	60%
Workload Indicators			
Motor pool vehicle locations in Flagstaff	3	3	3
Motor pool vehicle rentals	838	7	750
Total hours spent on work orders	3,188	2,894	2,926

COMMUNITY DEVELOPMENT

Public Works

Performance Measures by Program (continued)

Road Maintenance

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Cost per mile of grading	\$517	\$520	\$530
Cost per mile of resurfacing	\$14,879	\$17,000	\$16,000
Cost Per Cubic Yard of Material Produced	\$8.07	\$8.00	\$8.10
Cost Per Mile of Crack Filling	\$5,661	\$6,500	\$6,500
Cost Per Mile of Snow Plowing	N/A	N/A	N/A
Maintenance division vacancy rate	28%	15%	10%
Cost per mile of striping	\$103	\$100	\$110

Workload Indicators

Number of gravel road miles graded	1,803	2,000	2,000
Number of hours of signing	2,811	3,200	3,400
Number of gravel road miles resurfaced	58	50	50
Number of inches of snow plowed	N/A	N/A	N/A
Cubic Yards of Materials Produced	37,240	70,000	60,000
Miles of Crack Filling	73.3	90.0	90.0

Transfer Station Residential/Recycling and Hazardous Waste

Performance Measures

Willard Springs cost per ton	\$201.27	\$200.00	\$200.00
Marble Canyon annual cost	\$5,864	\$6,000	\$6,000
Williams transfer station annual cost	\$129,956	\$130,000	\$130,000

Workload Indicators

Willard Springs waste tons	582	582	480
Landfill recycling tons (County bins)	66.36	72.00	72.00

Waste Tire Collection

Workload Indicators

Number of tires collected	90,525	93,000	93,000
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COMMUNITY DEVELOPMENT

Public Works

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
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*	0.70	0.70	-
Administrative Specialist III	1.00	1.00	1.00
Administrative Support II*	2.00	2.00	1.00
Assistant County Engineer**	1.00	1.00	-
Assistant County Surveyor	1.00	1.00	1.00
Buyer	1.00	1.00	1.00
Capital Projects Manager	2.00	1.00	1.00
Cartograph Technician	1.00	1.00	1.00
Community Relations Manager	1.00	1.00	1.00
Construction Inspector I	1.00	1.00	1.00
Construction Inspector II	1.00	1.00	1.00
Construction Manager	-	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	1.00
Deputy Director	2.00	2.00	2.00
Director	1.00	1.00	1.00
Division Manager	1.00	1.00	1.00
Engineering Supervisor	-	-	1.00
Engineering Technician	1.00	1.00	1.00
Equipment Parts Specialist	3.00	3.00	3.00
Finance Technician	1.00	1.00	1.00
Fleet Analyst	1.00	1.00	1.00
Fleet Services Manager	1.00	1.00	1.00
Maintenance Superintendent	1.00	1.00	1.00
Mechanic	15.00	15.00	15.00
Mechanic, Lead	1.00	1.00	1.00
Operator*	26.00	26.00	24.00
Operator, Senior	25.00	25.00	25.00
Parts Runner	1.00	1.00	1.00
Program Coordinator*	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	-
Sign Maintenance Worker*	1.00	1.00	-
Solid Waste Manager	1.00	1.00	1.00
Special Initiatives Assistant	1.00	1.00	1.00

COMMUNITY DEVELOPMENT

Public Works

Department Staffing (Full Time Equivalents, continued)

Positions by Title	FY15	FY16	FY17
Trades Division Supervisor*	7.00	7.00	7.00
Trades Supervisor****	7.00	7.00	6.00
Trades Worker I	-	-	1.00
Transfer Station Operator	1.00	1.00	1.00
Transportation Planner	1.00	1.00	1.00
Total Positions	125.50	125.50	117.80

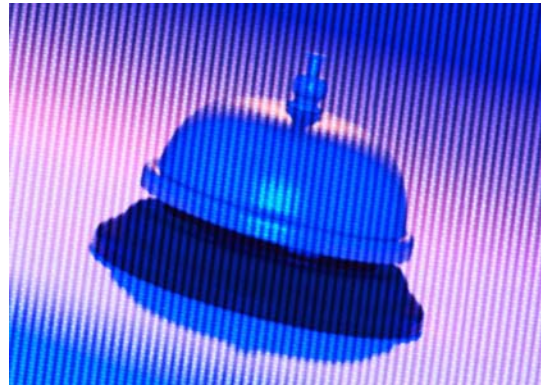
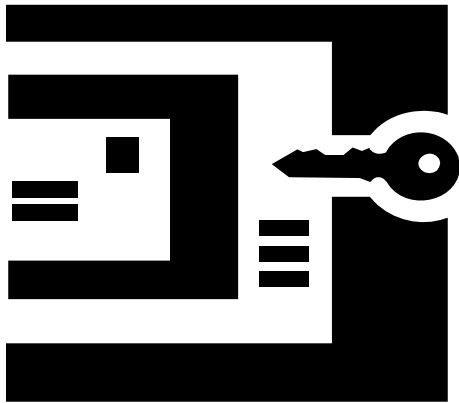
* All of these positions were reduced during the FY17 budget process. Most had been unfilled for the previous 4-5 years.

** The Assistant County Engineer position was reclassified to Engineering Supervisor during FY16.

*** The Service Writer position was reclassified to Trades Worker I during FY16.

**** One Trades Supervisor position was reclassified to Trades Division Supervisor during FY16.

Internal Services



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.

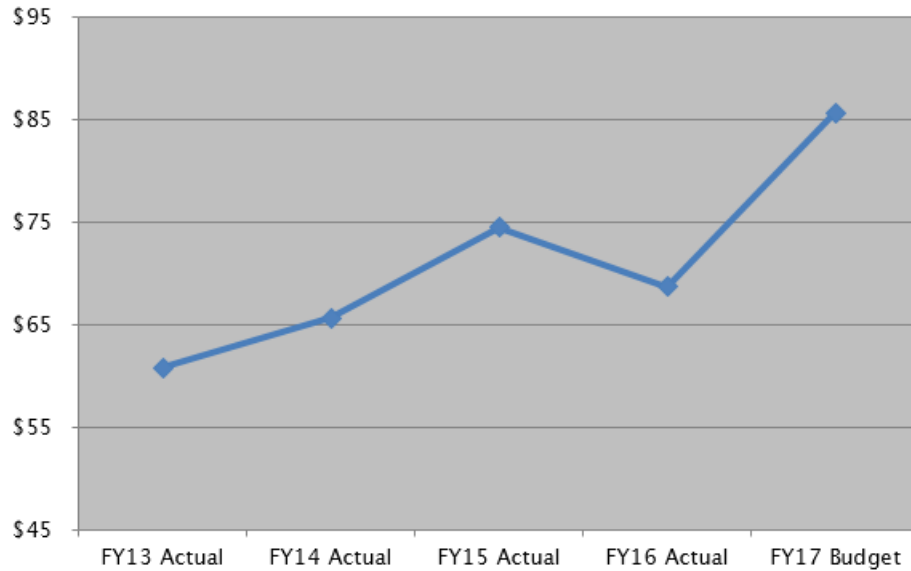
Per Capita Costs

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. The increase in Facilities costs between FY14 and FY16 represent the implementation of capital repair and replacement projects that were postponed during the recent economic recession. Human Resources' per capita cost differential between FY15 actual and FY16 budget is a reflection of the amount that the department generally stays under budget; the percentage increase between the FY15 budget and the FY16 budget is 16%.

The chart on the next page shows a four 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>FY15 Actuals</u>	<u>FY16 Actuals</u>	<u>FY17 Budget</u>	Change: <u>FY16 to FY17</u>
Facilities Management	\$ 29.20	\$ 25.33	\$ 33.55	32.45%
Finance	12.20	11.63	13.01	11.94%
Human Resources	9.99	12.64	12.34	-2.37%
Information Technology	23.10	19.12	25.57	33.72%
Total	\$ 74.48	\$ 68.71	\$ 84.47	22.93%

INTERNAL SERVICES

Facilities Management

2500 North Fort Valley Road, Building #2, Flagstaff, AZ 86001 (928) 679-8800
Susan 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 primary FY17 objectives for the department are:

- Counter problems with recruitment and retention by increasing training and thereby increasing skill and pay.
- Align and reference training, expectations, team-building, disciplinary action and evaluation within the merit structure.
- Re-imagine a Facilities Master Plan that reflects values, strengths, flexibility, boldness and opportunities of the communities we serve.
- Identify and resolve facilities space issues that would otherwise be solved via the full implementation of the FMP.
- Review and revamp preventative maintenance protocols to extend lifecycle and prevent catastrophic failure.
- Centralize information going to and from buildings in an invested site staff member who has been trained in facilities-based issues.
- Measure and verify renewable energy production.
- Update existing energy efficiency plan for ongoing optimization of building systems; the majority of the work to be done in-house or via small contracts.

INTERNAL SERVICES

Facilities Management

Goals and Objectives (continued)

Longer-term goals for Facilities Management include:

- Implement a Communications Plan that increases awareness among County employees of their individual influence on the building environment, reduces energy consumption, and increases adherence to health, safety and security policies and protocols.
- Create and implement the organizational tactical and strategic plans for the County's physical environment.
- Management of the lifecycle and repair and replacement of building components for operational efficiency and effectiveness and with consideration for tactical and strategic plans.
- Provide the daily (24-hour) operation, maintenance and repair of over 660,000 square feet of County-owned building infrastructure. In addition, the department will continue to actively integrate a sustainability perspective into everyday operations and maintenance practices and procedures.
- Identify goals and a detailed action plan for reduction in County energy consumption and waste stream across all facilities. Develop specific goals and a detailed action plan for the installation and operation of an alternate energy source. Partner with other departments in creating and implementing an organization-wide Sustainability Plan.

Opportunities and Challenges

- Consistently sharing information with our customers about our work, the buildings they occupy and their influence on both can create partnerships and commitments in sustainable practices, safe and effective operations and adherence to critical policies. Opportunities for feedback and a more comprehensive dialog will be established and a more responsive service environment which consumes fewer resources will result.
- Challenges facing the Capital Planning Program include changes in transaction and service delivery environments, a pattern of expansion and contraction tied to state and federal funding, culture changes in how security is required and provided, and the aging and obsolescence of key structures such as the Old Jail/Tech Center.
- Standards in the industry hold that Capital Repair and Replacement budgets should be 2-3% of total building replacement value. Coconino County has never budgeted at this level; the last two years of Capital Repair and Replacement budgets have reflected only mission critical repairs and replacements. We are already below standard in many Repair and Replacement areas.
- Challenges facing the Operations and Maintenance Program include increasing costs for fleet and mileage, ongoing security retrofits, cost and availability of critical training, increased public traffic at King Steet and Courthouse buildings, and maintaining failed infrastructure at the Tech Center/Old Jail.
- The County's Resource Conservation Program is designed to reduce the reliance of the County on volatile energy markets and control exponential costs through a deliberate action plan. Continuing to identify and implement capital construction projects and ongoing Capital Repair and Replacement projects that have a positive Return on Investment (ROI) to reduce energy are key to this strategy. The potential for renewable energy installations to "dial back the meter" must be explored fully and implemented wherever feasible in terms of our FMP goals. We anticipate creating a renewable portfolio with a combination of ownership/leasing/rate agreements that will be of greatest advantage to the County.

INTERNAL SERVICES

Facilities Management

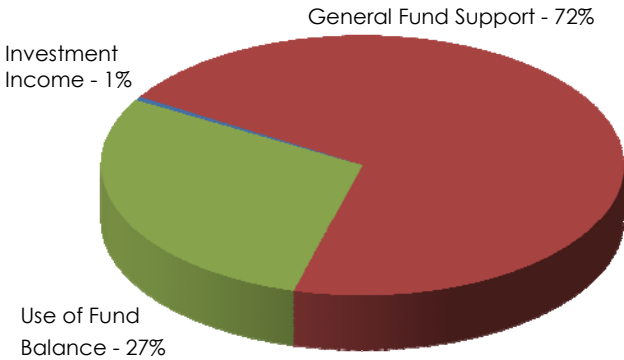
Financial Summary

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 FY16, the actual investment income earned on the reserves is estimated to be 88% above budget. This increase in investment revenue is not expected to continue into FY17. The department's Repair and Replacement Fund received a \$1.5M transfer from the General Fund in FY16 for future R&R projects.

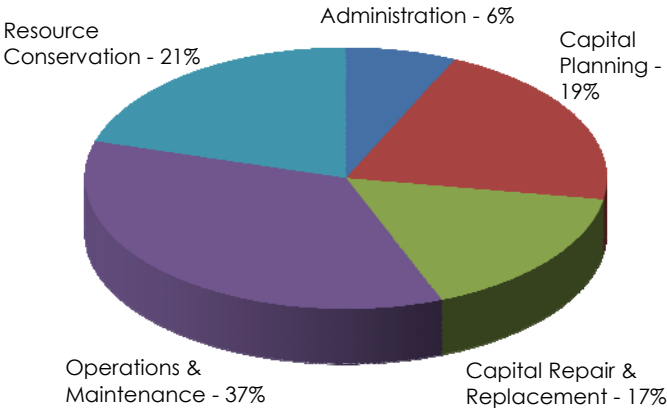
Facilities Management is estimated to be 28% under their revised FY16 expenditure budget of \$4,868,233. This variance is due primarily to two capital projects that were not completed in FY16 and will be carried over to FY17. They are the Page Justice Court remodel project and the Data Center relocation project. The department was also more than \$316,000 under budget for building utilities. The FY17 adopted expenditure budget of \$4,715,353 is 3% lower than FY16, reflecting a 7% decrease in the Resource Conservation program budget. The department was also approved for a \$50,000 one-time budget increase to provide standardized security upgrades to County buildings, as well as a recurring \$60,000 increase to provide solutions to the upcoming downtown Flagstaff parking restrictions.

The following charts illustrate the Facilities Management Department's FY17 revenues by source type, expenditures by program, expenditures by category, and budget by strategic priority area.

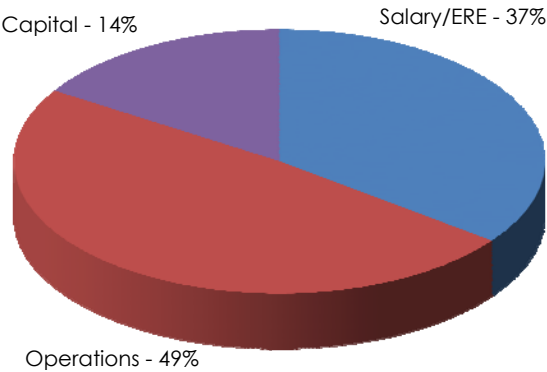
Revenue by Source Type



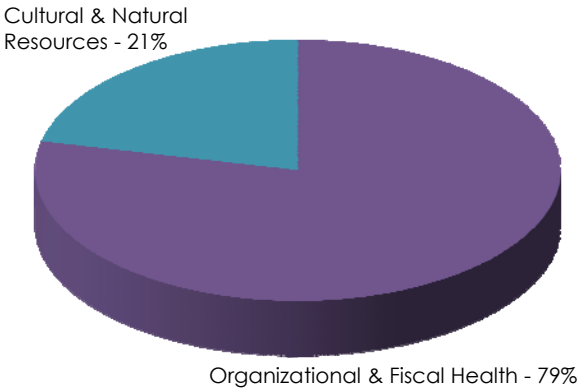
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



INTERNAL SERVICES

Facilities Management

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Other Intergovernmental	\$ -	\$ 19,062	\$ -	\$ -	\$ -
Investment Income	35,000	44,339	23,000	43,350	23,000
Use of (Increase In) Fund Balance	2,357,204	1,409,429	(590)	(860,629)	1,274,789
General Fund Support	3,267,200	2,572,103	4,845,823	4,343,387	3,417,564
Total Funding Sources	\$ 5,659,404	\$ 4,044,932	\$ 4,868,233	\$ 3,526,108	\$ 4,715,353
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,620,944	\$ 1,560,405	\$ 1,623,840	\$ 1,624,379	\$ 1,735,021
Operations	3,004,344	1,305,454	2,454,786	1,390,316	2,295,615
Capital	1,002,016	1,146,973	789,607	511,413	684,717
Transfers to Other Funds	32,100	32,100	-	-	-
Total Uses of Funds	\$ 5,659,404	\$ 4,044,932	\$ 4,868,233	\$ 3,526,108	\$ 4,715,353
Net Indirect Support	-	-	-	-	-
Total	\$ 5,659,404	\$ 4,044,932	\$ 4,868,233	\$ 3,526,108	\$ 4,715,353
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ -	\$ 19,062	\$ -	\$ -	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(3,267,200)	(2,591,164)	(3,345,823)	(2,843,387)	(3,417,564)
GF Transfers to Other Funds	-	-	(1,500,000)	(1,500,000)	-
Total Direct Support	\$(3,267,200)	\$(2,572,103)	\$(4,845,823)	\$(4,343,387)	\$(3,417,564)
Net Indirect Support	-	-	-	-	-
Total County Support	\$(3,267,200)	\$(2,572,103)	\$(4,845,823)	\$(4,343,387)	\$(3,417,564)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Administration	\$ -	\$ 306,162	\$ -	\$ 306,162	\$ -
Capital Planning and Construction	15,000	405,055	461,098	881,153	-
Capital Repair and Replacement	8,000	2,050	781,876	791,926	-
Operations and Maintenance	-	1,729,346	-	1,729,346	-
Resource Conservation	-	974,951	31,815	1,006,766	-
Total	\$ 23,000	\$ 3,417,564	\$ 1,274,789	\$ 4,715,353	\$ -

INTERNAL SERVICES

Facilities Management

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Average Employee Seniority	N/A	N/A	N/A

Capital Planning and Construction

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Building utilization, square feet per employee	460	460	460
Benchmark target utilization (FMRT)	520	520	520
Implementation of 2 x 10 year Facilities Master Plan	0/20	1/20	2/20

Capital Repair and Replacement

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Annual repair and replacement funding	N/A	N/A	N/A
R&R funding/Replacement value of assets	N/A	N/A	N/A
Industry average funding/Replacement value (IFMA)	1-3%	1-3%	1-3%

Operations and Maintenance

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Annual maintenance cost per square foot	\$2.10	\$2.10	\$2.10
Industry benchmark maintenance cost per square foot (FMRT)	\$2.70	\$2.70	\$2.70
Annual custodial cost per square foot	\$1.32	\$1.29	\$1.25
Industry benchmark custodial cost per square foot (FMRT)	\$0.99	\$0.99	\$0.99

Workload Indicators

Number of Completed Work Orders	2,735	2,649	N/A
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Resource Conservation

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
County annual utility cost per square foot	\$1.46	\$1.46	\$1.46
Industry Benchmark (FMRT) utility cost per square foot	\$1.99	\$1.99	\$1.99
Number of Energy Star certifiable facilities	3	4	4
Average increase in total Energy Star scores	2	N/A	N/A

INTERNAL SERVICES

Facilities Management

Department Staffing (Full Time Equivalents)

Positions by Title	FY15	FY16	FY17
Administrative Manager, Senior	1.00	1.00	-
Assistant Director	-	-	1.00
Business Manager	1.00	1.00	1.00
Construction Manager	1.00	1.00	1.00
Director	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
Total Positions	26.00	26.00	26.00

*Please note that there are no staffing changes for Facilities Management for FY17.

INTERNAL SERVICES

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
Administration	O&FH	The Administration Program provides leadership and direction for all financial services, including staff recruitment, development and retention, seeking and implementing best practices, modeling high quality customer service, and promoting effective partnerships with County departments and community partners.
Budget and Strategic Planning	O&FH	Budget and Strategic Planning provides budget development, management analysis and research services to the County Manager and Board of Supervisors.
Financial Information Systems Management	O&FH	This Division is responsible for the management of all County financial information including budgets, payroll, accounts payable, general ledger, accounting, and auditing.
Financial Reporting and Audit	O&FH	This Division serves and supports all County departments and the citizens of the County by providing financial statement and audit preparation, establishing an internal control environment, generation of monthly financial reports, documenting policies and procedures, training in financial processes and assistance when departments incur vacancies in key financial positions.
Operations and Special Districts	O&FH	The Finance Operations and Special Districts Division provides the County with payroll, accounts payable, travel, use tax and Special District accounting and reporting services.
Purchasing	O&FH	The purpose of the County's Purchasing Division is to provide fair and equitable opportunities to persons and companies involved in public purchasing with the County and to maximize the value of public funds while maintaining compliance with statutory re-

INTERNAL SERVICES

Finance

Goals and Objectives

The primary FY17 objectives for the department are:

- Continuing to seek process and quality improvements in the annual budget cycle.
- Create a more efficient method for retrieving and reporting financial information by each department.
- Maintain updated security needs for all users as well as segregation of duties on Financial Management System as required by State Auditors.
- Prepare annual financial reports that evidence the spirit of transparency and full disclosure to ensure that users of the financial statements have the information they need.
- Provide departments with timely and accurate reports.
- Provide accurate and timely payroll administration for the County in the most efficient and cost effective method available.
- Work with Departments in the planning stages in order to issue a quality solicitation in the time frame needed, while still obtaining the best value.
- Complete the Vendor Selection for the County's Enterprise Resource Planning (ERP) software.

Long-term goals for Finance include:

- Full implementation of the ERP project, which will include replacing the County's financial management system.
- 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.

Opportunities and Challenges

- Implications of the Affordable Care Act.
- Unfunded liability for all State retirement systems.
- Need for integrated Finance/HR Enterprise Resource Planning (ERP) software.
- Final Implementation of ExecuTime for Sheriff's Department.
- Incomplete Disaster Recovery solution for Financial Management System.
- Hiring, training and retaining high performing employees.
- The public's desire for transparency balanced with data security.

INTERNAL SERVICES

Finance

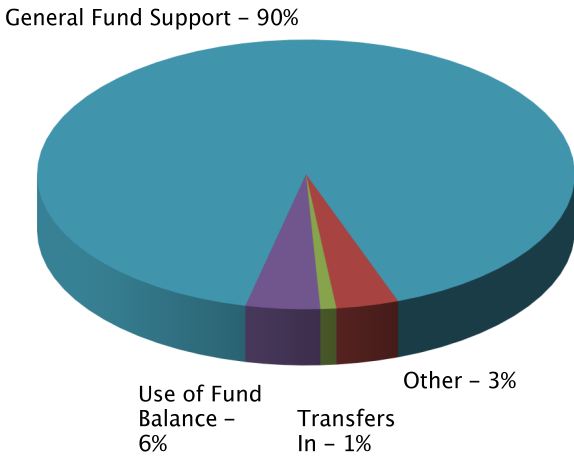
Financial Summary

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 FY16, this other revenue source was over the FY16 budget by 10% due to an increase in participation in the program. Finance also receives Fees for Services revenue for the Operations and Special Districts program. For FY16, this revenue source is estimated to come in 78% under budget due to a decrease in active road improvement districts. This revenue has been reduced accordingly for FY17.

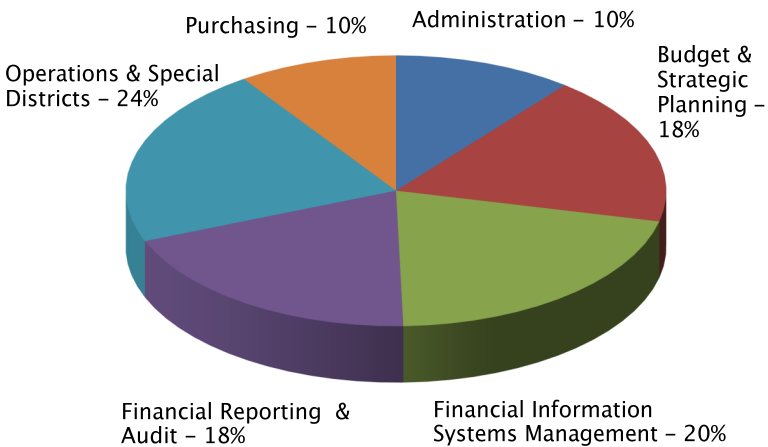
The Finance Department is estimated to be 2% under its revised FY16 expenditure budget of \$1,658,500. This was due primarily to salary savings from unfilled positions. The FY17 adopted expenditure budget of \$1,829,118 is 10% more than the FY16 expenditure budget. This variance is due to the one-time FY15 increase to the copier replacement program that has been carried over. The department's approved request for this program is only \$15,000 for FY17. The department also requested and received \$1,500 in one-time funding for travel and recurring funding for Special Districts-redistribute payroll of \$1,690 and an FTE for reorganization of \$55,405.

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

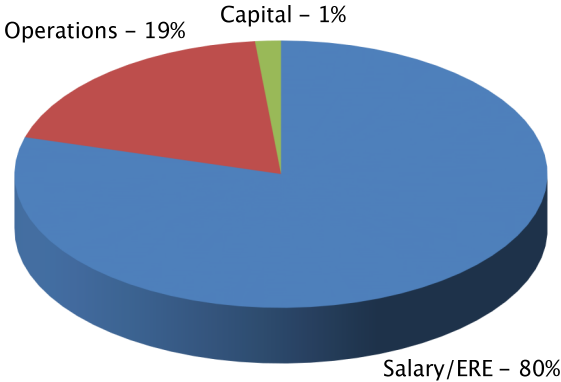
Revenue by Source Type



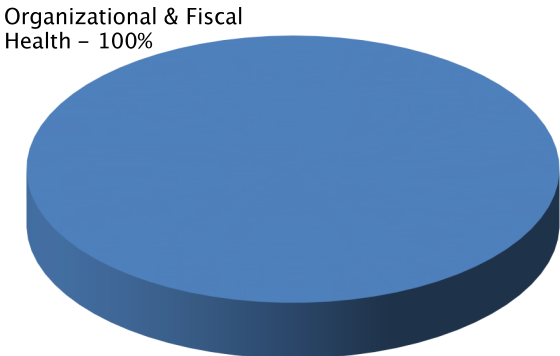
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



INTERNAL SERVICES

Finance

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Charges for Services	\$ 15,000	\$ 6,315	\$ 7,000	\$ 1,564	\$ 2,000
Investment Income	-	212	-	108	-
Other	50,000	73,689	62,000	68,314	65,746
Transfers from Other Funds	13,457	15,273	15,826	16,200	15,523
Use of (Increase In) Fund Balance	88,469	112,749	73,847	23,021	108,161
General Fund Support	1,531,301	1,465,597	1,499,827	1,509,273	1,637,688
Total Funding Sources	\$ 1,698,227	\$ 1,673,835	\$ 1,658,500	\$ 1,618,481	\$ 1,829,118
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,300,238	\$ 1,215,209	\$ 1,317,224	\$ 1,299,008	\$ 1,463,818
Operations	301,210	357,371	334,876	282,656	350,300
Capital	96,779	101,255	6,400	36,817	15,000
Total Uses of Funds	\$ 1,698,227	\$ 1,673,835	\$ 1,658,500	\$ 1,618,481	\$ 1,829,118
Net Indirect Support	-	-	-	-	-
Total	\$ 1,698,227	\$ 1,673,835	\$ 1,658,500	\$ 1,618,481	\$ 1,829,118
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 50,000	\$ 73,329	\$ 62,000	\$ 68,162	\$ 65,746
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,388,230)	(1,337,747)	(1,399,199)	(1,413,987)	(1,547,077)
GF Transfers to Other Funds	(193,071)	(201,178)	(162,628)	(163,448)	(156,357)
Total Direct Support	\$(1,531,301)	\$(1,465,597)	\$(1,499,827)	\$(1,509,273)	\$(1,637,688)
Net Indirect Support	-	-	-	-	-
Total County Support	\$(1,531,301)	\$(1,465,597)	\$(1,499,827)	\$(1,509,273)	\$(1,637,688)

INTERNAL SERVICES

Finance

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Budget and Strategic Planning	\$ -	\$ 316,259	\$ -	\$ 316,259	\$ -
Finance Administration	65,746	121,873	-	187,619	-
Financial Information Systems Management	-	278,805	93,161	371,966	-
Financial Reporting and Audit	-	332,151	-	332,151	-
Operations and Special Districts	17,523	423,597	-	441,120	-
Purchasing	-	165,003	15,000	180,003	-
Total	\$ 83,269	\$ 1,637,688	\$ 108,161	\$ 1,829,118	\$ -

Performance Measures by Program

Administration

Performance Measures

	FY15 Actual	FY16 Actual	FY17 Projected
Number of Positions Vacated	4	1	0
New Team Member Hired within 3 Months	4	1	0
Director Meetings with Human Resources	8	12	12
Director Meetings with IT	10	5	6

Budget and Strategic Planning

Performance Measures

	FY15 Actual	FY16 Actual	FY17 Projected
GFOA Distinguished Budget Award Achieved	Yes	Yes	Yes
Percentage of Customers Pleased with Budget Staff Assistance	75%	N/A	75%

Financial Information Systems Management

Performance Measures

	FY15 Actual	FY16 Actual	FY17 Projected
Percentage of Time Financial Management System is Available 24/7 in a Year	98.9%	97.0%	98.9%
Percentage of Time Automated End of Month Financial Reports are Created for Departments	100.0%	100.0%	100.0%
Percentage of Time Automated Payroll Distribution Reports are Created for Departments	100.0%	100.0%	100.0%
Percent of Annual Review by Directors and Elected Officials for User Setups for their Departments	100.0%	N/A	100.0%
Percent of Security Additions/Changes on system Complete within 2 Business Days	98.0%	95.0%	98.0%
Percent of Users Setup Correctly for Separation of Duties	100.0%	100.0%	100.0%

Workload Indicators

	FY15 Actual	FY16 Actual	FY17 Projected
Number of Software Modules Supported and Maintained	9	9	9
Number of Reports Written for Departments	65	52	40

INTERNAL SERVICES

Finance

Performance Measures by Program

Financial Reporting and Audit

Performance Measures

	FY15 Actual	FY16 Actual	FY17 Projected
Unmodified Opinion on Annual Financial Statements	Yes	Yes	Yes
Prepare a Comprehensive Annual Financial Report (CAFR)	Yes	Yes	Yes
Financial Reporting Audit Findings and Deficiencies	0	2	0
Receive GFOA Award for Excellence in Financial Reporting	Yes	Yes	Yes
Percentage of Monthly Reports Distributed by the 15th of the Following Month	100.00%	90.00%	100.00%
Percentage of Adjusting Entries Made Within 10 Working Days of Submission	75.00%	87.23%	90.00%

Operations and Special Districts

Workload Indicators

Average Accounts Payable Entries Per Week	550	1,748	1,500
Average Dollars of Accounts Payable Run Per Week	\$ 1,500,000	\$ 2,809,741	\$ 2,500,000
Percentage of Employees Enrolled in ACH Program	10%	19%	25%

Purchasing

Performance Measures

Number of Solicitations Protested and Number Sustained	0/0	0/0	0/0
Master Card/Rebate Amount	\$ 72,000	\$ 66,000	\$ 67,000

Workload Indicators

Number of Bids	8	3	8
Number of Requests for Proposals	8	15	15
Number of Requests for Qualifications and Quotes	8	5	8
Average Purchasing Card Transactions Per Month	1,600	1,430	1,500
Average Purchasing Card Dollars Per Month	\$ 388,263	\$ 357,120	\$ 360,000

INTERNAL SERVICES

Finance

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Accountant	1.00	1.00	1.00
Accountant, Senior	2.00	2.00	2.00
Accounting Manager–Audit	1.00	1.00	1.00
Accounting Manager–Operations	1.00	1.00	–
Accounting Technician I	0.50	0.50	–
Accounting Technician II	2.50	2.50	3.00
Administrative Specialist I	1.00	1.00	–
Assistant Director	–	–	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	–
Buyer	1.00	1.00	1.00
Compliance Officer	–	–	1.00
Director–Finance (CFO)	1.00	1.00	1.00
Financial System Manager	1.00	1.00	1.00
Payroll Operations Administrator	1.00	1.00	1.00
Payroll Specialist	1.00	1.00	1.00
Payroll Technician	–	–	1.00
Purchasing Manager	1.00	1.00	1.00
Total Positions	18.00	18.00	18.00

* Several positions were reclassified with an addition of the Compliance Officer position for FY17, FTE total remained the same.

INTERNAL SERVICES

Human Resources

420 N. San Francisco Street, Flagstaff, AZ 86001 (928) 679-7100
Erika Philpot, 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 Benefits	O&FH	The Employee Benefits Program develops and delivers a comprehensive benefit plan including health, dental, vision, life, retirement plans and a variety of optional benefits to employees and retirees.
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 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, to 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

The primary FY17 objectives for the department are:

- Work on Enterprise Resource Planning (ERP) software.
- Finish the review of all County positions for FLSA Exemption Compliance.
- Roll-out Employee Onboarding (ON) software.
- Roll-out Volunteer Time-Off (VTO) pilot program.
- Develop programs and strategies to recruit and retain a diversified workforce.
- Roll out the Native American Professional Development.
- Research and review Personnel Policies.
- Best practices, legal compliance, and competitive advantage.
- Develop and implement a social media marketing strategy.
- Continue to maintenance and meet ACA requirements.

INTERNAL SERVICES

Human Resources

Goals and Objectives

Long-term goals for Human Resources include:

- Increasing participation of Coconino County employees in health and wellness activities through collaboration with a new on-site health clinic provider to increase positive outcomes in our health cost savings, increased work productivity and efficiency, and reduced work injury costs.
- Continue research and review of personnel policy best practices and trends and make revisions as appropriate to maintain legal compliance and competitive advantage.
- Continue work on transition to Electronic Data Management System (EDMS).
- Continue Classification and Compensation Plan strategic market analysis and implementation of strategies to reduce turnover and move toward market competitiveness. This includes working with the consulting firm on the compression study, as well as implementing the proposed strategies and communicating compression and compensation phases and changes to employees.

Opportunities and Challenges

- Vera Whole Health Clinic providing centralized health care to enrolled employees at zero to little cost to leverage opportunities to increase employee health overall.
- Increase in employees with multiple claims including internal conflicts, ADA, FMLA, unemployment, EEOC and/or workers' compensation.
- Increasing complexity and focus on accommodation issues as a result of the Americans with Disabilities Act-Amendments Act of 2008 and associated trends in claims and case law.
- Increased focus on strategies for organizational resiliency including teamwork, leadership, collaboration, succession planning, business process analysis and documentation, strategic planning, engagement and change management.
- Transparency in strategic priorities, core competencies, goals and organizational expectations of employees.
- Implement online onboarding systems and processes to create efficiencies for new employees.
- Competition for qualified candidates results in higher wages and more emphasis on compensation and compression.
- Continued impact of Arizona Medical Marijuana Act ARS 36-28.1 on workforce .

INTERNAL SERVICES

Human Resources

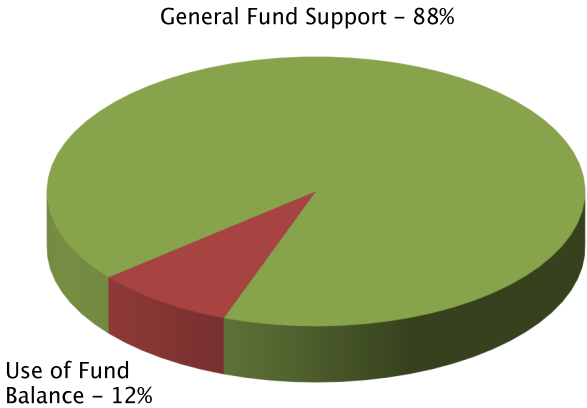
Financial Summary

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.

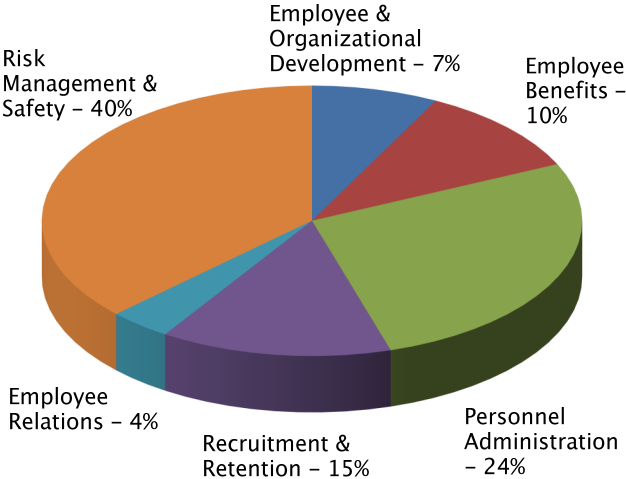
Human Resources is estimated to be 7% over their revised FY16 expenditure budget of \$1,649,711. This variance is due to operational savings from uninsured losses in the Risk Management and Safety program, as well as salary savings from unfilled positions. The FY17 adopted expenditure budget of \$1,734,383 is 5% higher than the department's FY16 expenditure budget. This variance is due to the an increase in uninsured losses. The department requested and received additional one-time funds for the ongoing Tuition Assistance 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.

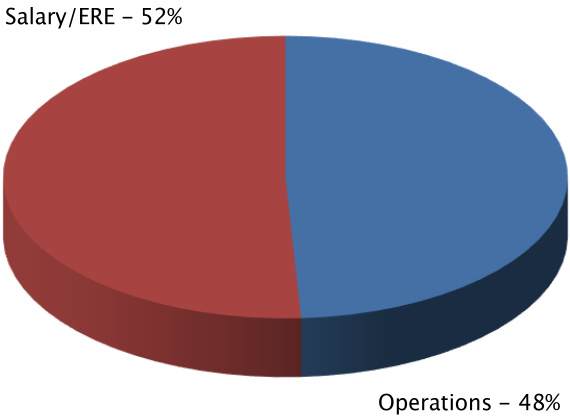
Revenue by Source Type



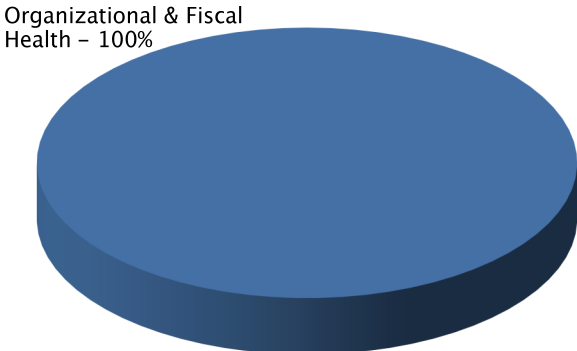
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



INTERNAL SERVICES

Human Resources

Department-Wide Financial Statement

	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Revenues and Other Sources					
Federal and State Grants	\$ -	\$ 46,205	\$ -	\$ -	\$ -
Investment Income	9,000	5,641	6,000	3,231	6,000
Other	-	27,957	-	11,362	550
Use of (Increase In) Fund Balance	136,737	(64,637)	138,000	233,259	210,450
General Fund Support	1,462,433	1,357,808	1,505,711	1,511,709	1,517,383
Total Funding Sources	\$ 1,608,170	\$ 1,372,975	\$ 1,649,711	\$ 1,759,561	\$ 1,734,383
Expenditures and Other Uses					
Salary/ERE	\$ 749,991	\$ 677,387	\$ 885,721	\$ 817,188	\$ 903,879
Operations	858,179	695,587	763,990	942,373	830,504
Total Uses of Funds	\$ 1,608,170	\$ 1,372,975	\$ 1,649,711	\$ 1,759,561	\$ 1,734,383
Net Indirect Support	-	-	-	-	-
Total	\$ 1,608,170	\$ 1,372,975	\$ 1,649,711	\$ 1,759,561	\$ 1,734,383
General Fund Support					
Program Revenue	\$ -	\$ 45	\$ -	\$ 71	\$ -
Transfers in from Other Funds	-	-	-	-	-
Program Expenditures	(1,462,433)	(1,357,854)	(1,505,711)	(1,511,780)	(1,517,383)
GF Transfers to Other Funds	-	-	-	-	-
Total Direct Support	\$(1,462,433)	\$(1,357,808)	\$(1,505,711)	\$(1,511,709)	\$(1,517,383)
Net Indirect Support	-	-	-	-	-
Total County Support	\$(1,462,433)	\$(1,357,808)	\$(1,505,711)	\$(1,511,709)	\$(1,517,383)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Employee and Organizational Development	\$ -	\$ 115,802	\$ -	\$ 115,802	\$ -
Employee Benefits	-	180,080	-	180,080	-
Employee Relations	-	62,353	-	62,353	-
Personnel Administration	-	425,154	-	425,154	-
Recruitment and Retention	-	258,117	-	258,117	-
Risk Management and Safety	6,550	475,877	210,450	692,877	-
Total	\$ 6,550	\$ 1,517,383	\$ 210,450	\$ 1,734,383	\$ -

INTERNAL SERVICES

Human Resources

Performance Measures by Program

Employee Benefits

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Health care cost per employee	\$7,109	\$7,109	N/A
Benefits as a percentage of salary	40%	40%	N/A
Percentage of employees indicating benefits as a reason for leaving as measured by Exit Interview survey data	0%	0%	N/A
Benefits Satisfaction as Measured in Exit Interview Survey on a 4-Point Scale with 4 Being the Best	3.29	3.5	N/A
Number of EAP Visits	389	400	N/A
EAP average number of visits for employees accessing services	3.5	3.5	N/A
Percent of employees indicating satisfaction with EAP services received	98%	99%	N/A
Percentage of employees enrolled in a deferred compensation program	12%	13%	N/A

Workload Indicators

Percentage of benefit eligible employees offered ACA health care as required by ACA	100%	99%	N/A
Percentage of individuals participating in Wellness Incentive Program	51%	51%	N/A
FMLA Number of approved requests	84	130	N/A
Number of military leave of absence	3	7	N/A
Number of active FMLA cases per pay period	21	28	N/A
Number of 1095 reports distributed	N/A	N/A	N/A
Number of employees offered ACA benefits	N/A	N/A	N/A

INTERNAL SERVICES

Human Resources

Performance Measures by Program

Employee and Organizational Development

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percentage of attendees who rated classes as "VERY USEFUL" toward improvement of job performance	82%	85%	N/A
Percentage of attendees who rated having a "GREATER UNDERSTANDING" of the subject after completion of training	86%	86%	N/A
SDA Number of participants retained (Since 2001: 266 SDA participants)	220	239	N/A
SDA Number of participants promoted (Since 2001: 266 SDA participants)	72	77	N/A
Department Culture as Measured in Exit Interview Survey on a 4-Point Scale with 4 Being the Best	2.91	2.91	N/A
Organizational Culture as Measured in Exit Interview Surveys on a 4-Point Scale with 4 Being the Best	3.09	3.1	N/A
Survey Response of Employees That Would Change the County Culture (from a list of 11 items) as Measured in the 1-Year Recruitment and Retention Survey	5%	5%	N/A

Workload Indicators

Number of trainings offered (not including Supervisor's Academy or Executive Leadership Academy)	64	65	N/A
Number of attendees (not including Supervisor's Academy or Executive Leadership Academy)	574	580	N/A
Number of instructional hours (not including Supervisor's Academy or Executive Leadership Academy)	159	160	N/A
Total number of instructional hours (includes Academies if offered)	228	230	N/A
Supervisor's Development Academy (SDA) number of participants	25	24	N/A
Executive Leadership Academy number of participants	0	15	N/A
Quick Take Leadership Certificate Series attendees	0	12	N/A
Number of Diversity trainings offered	N/A	N/A	N/A

INTERNAL SERVICES

Human Resources

Performance Measures by Program

Employee Relations

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Total liability avoided due to favorable unemployment decisions	\$33,866	\$50,000	N/A
Number of EEOC claims successfully mediated or dismissed	N/A	1	N/A
Percentage of exiting employees completing questionnaires	46%	48%	N/A
Top reason why employees are leaving the County	Career Opportunity	N/A	N/A
Second reason why employees are leaving the County	Retirement	N/A	N/A
Percentage of performance evaluations completed	94%	97%	N/A
Percentage of employee not receiving merit increase (performance overall unsuccessful)	N/A	N/A	N/A
Percentage of core competencies met	N/A	N/A	N/A

Workload Indicators

Employee Appeals Board favorable decisions	1	0	N/A
Number of EEOC claims received	1	0	N/A
Number of employee relations consultations	175	150	N/A
Number of performance evaluations submitted to HR	894	950	N/A
Number of ADA cases	13	17	N/A
Number of hours ADA cases (interactive discussions, research, analysis and follow up)	N/A	N/A	N/A

INTERNAL SERVICES

Human Resources

Performance Measures by Program

Personnel Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Overall Satisfaction with Onboarding Process Ratings "Above Average" or "Excellent"	72.22%	73.00%	N/A
Overall Satisfaction with New Employee Orientation II - "Above Average" or "Excellent"	71.43%	75.00%	N/A
Number of County Policies Under Review by Human Resources	20	20	N/A
Number of County Policies Approved by Board of Supervisors	18	18	N/A
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%	N/A
Number of submittals to the Position Evaluation Review Committee	31	26	N/A
Number of changes made as a result of review of positions	23	21	N/A

Workload Indicators

Total Hits on HR Intranet Page	15,704	10,000	N/A
Total Unique Users Visiting HR Intranet Page	8485	8600	N/A
Number of Personnel Action Forms processed (new hires, terminations, changes)	N/A	N/A	N/A
Number of classification specifications created	N/A	N/A	N/A
Number of position in annual market review	N/A	N/A	N/A
Number of positions that fall outside of market requiring additional compensation analysis	N/A	N/A	N/A
Number of positions with market analysis as special requests received by department	N/A	N/A	N/A

INTERNAL SERVICES

Human Resources

Performance Measures by Program

Recruitment and Retention

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Percentage of applicants rating satisfaction with County recruitment process	99%	99%	N/A
Time to Fill: Number of days from opening of requisition to date of hire (not counting continuous recruitments)	80	75	N/A
Applicant EEO statistics: Percentage of applicants who are from a minority class (voluntary disclosure)	35%	35%	N/A
Applicant EEO statistics: Hispanic	12%	12%	N/A
Applicant EEO statistics: Native American Indian	9%	9%	N/A
Applicant EEO statistics: African American	6%	6%	N/A
Turnover Rate: Formula = Total number of employees on 1st of each month (A); Total number of terminations each month (B); (B/A) * 100 = Percent of monthly turnover	16.38%	16.17%	N/A
Turnover Rate (excluding retirement separations)	12.92%	13.66%	N/A
Vacancy Rate: Formula = Total number of vacant positions/Total number of approved positions x 100	10.23%	10.00%	N/A
Percentage of job openings filled with qualified internal candidates	45%	39%	N/A

Workload Indicators

Number of outreach events attended	22	13	N/A
Number of jobs posted and screened	N/A	N/A	N/A
Number of interviews conducted with HR participation	N/A	N/A	N/A
Number of offer letters	N/A	N/A	N/A

INTERNAL SERVICES

Human Resources

Performance Measures by Program

Risk Management and Safety

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
Restricted or lost work days due to work injury	761	1,000	N/A
Experience Modification Factor (Emod)	1.24	1.26	N/A
Workers' Compensation Loss Ratio: Claims paid/Premium paid	12%	30%	N/A
Total anticipated liability claims expenditures including reserves	\$357,324	\$250,000	N/A
Average cost per claim	\$16,242	\$8,333	N/A
Cost effective claims handling: Formula = Amount claimed - Actual settlement = Dollars saved	28.7 million	\$10 million	N/A
Losses to County property	\$41,797	\$28,000	N/A

Workload Indicators

Number of recordable industrial injuries	71	80	N/A
Total number of industrial injuries	84	75	N/A
Number of safety trainings offered	81	85	N/A
Number of employees attending safety training	1,114	1200	N/A
Total number of liability claims filed against the County	22	30	N/A

Department Staffing (Full Time Equivalent)

Positions by Title	FY15	FY16	FY17
Administrative Specialist I	0.75	0.75	0.75
Assistant Director-HR	1.00	1.00	1.00
Director-Human Resources	1.00	1.00	1.00
Human Resources Analyst	4.00	4.00	4.00
Human Resources Manager	1.00	1.00	1.00
Human Resources Specialist	1.00	1.00	1.00
Human Resources Technician	2.00	2.00	2.00
Risk Manager	1.00	1.00	1.00
Total Positions	11.75	11.75	11.75

INTERNAL SERVICES

Information Technology

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 services in areas of applications development and support, enterprise solutions, technology infrastructure and integration, IT security, geographic information systems, and computer/ telecommunications.
Business Applications Development and Support	O&FH	This Division provides technical and advisory services pertaining to enterprise software applications, including project management, software development life cycle management, database management services and Internet/Intranet web development and management.
Network and Operations	O&FH	The mission of this division is to maintain and support a number of county enterprise-level resources, such as our physical and virtual server environment, server backups, and both block and file-level storage.
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.

INTERNAL SERVICES

Information Technology

Goals and Objectives

The primary FY17 objectives for the department are:

- Continue working with ITSD to ensuring the County is receiving trusted advice and high-quality and efficient IT and GIS solutions and services.
- Performing quarterly customer service meetings with County departments.
- With Human Resources and Finance, supporting implementation of new Enterprise Resource Planning system.
- Development of draft strategic plan for Electronic Document Management System.
- Establishing project plan for County website redesign.
- Completion and implementation of County IS Security Assessment.
- Completion of annual refresh of the County Disaster Recovery Backup and Business Resumption Plan.
- Assessing and recommending options for creating a university or partnership GIS internship program.
- Creation of Geographic Information Systems (GIS) business plan.

Long-term goals for the Information Technology department include:

- Work with departments to develop department and portfolio roadmaps and solutions.
- Deliver quality services, while meeting or exceeding service request service levels
- Improve ability to manage IT assets (hardware, software, and information)
- Investigate, engage, and manage alternate service delivery platforms
- Strengthen the IT security program
- To provide accurate and timely geographic information to the user community

Opportunities and Challenges

- Coconino County will continue implementation of IT Infrastructure Library (ITIL) practices to manage its operational processes. ITIL is a comprehensive set of best practice guidelines, that have evolved into a de facto standard for operational process management. It contains specialist documentation on the planning, provision, and support of IT services. ITIL provides the basis for improvement of the use and effect of an operationally deployed IT infrastructure.
- 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.
- Attracting talented technology professionals to public service continues to be a challenge for government employers.

INTERNAL SERVICES

Information Technology

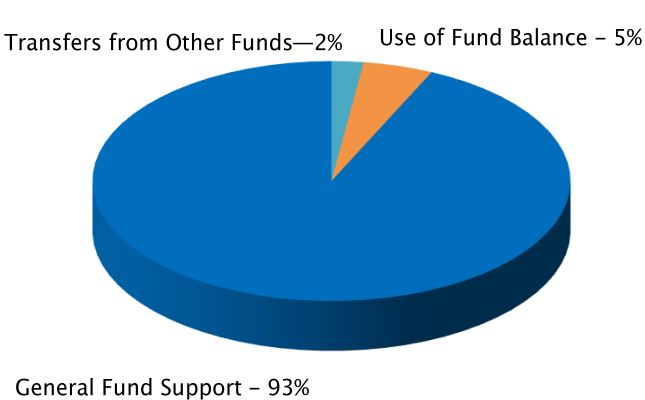
Financial Summary

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.

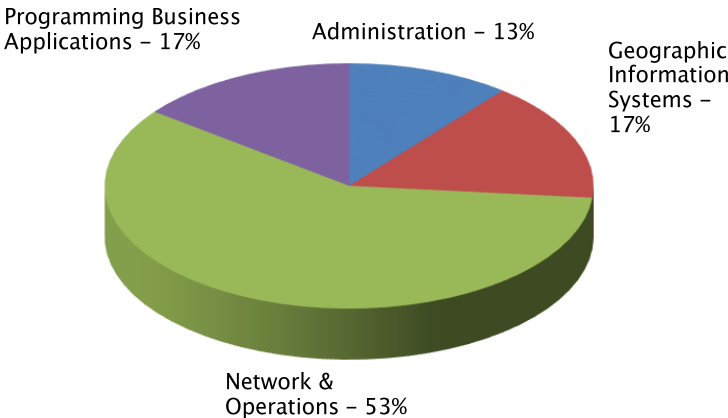
The IT Department is estimated to be 13% under its FY16 expenditure budget of \$3,049,119. This variance is due to salary savings. The FY17 adopted expenditure budget of \$3,593,660 is 18% higher than in FY16. This variance is due to two one-time increases approved by the Board. \$100,000 was approved for a security program and \$369,00 for a network refresh.

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.

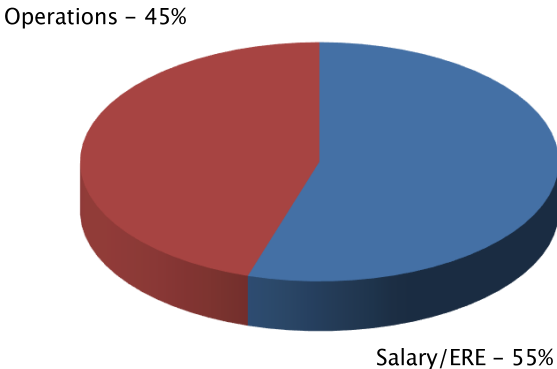
Revenue by Source Type



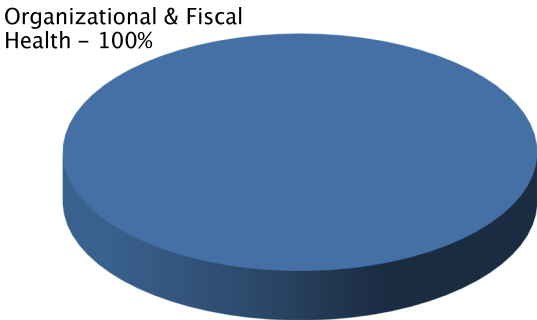
Expenditures by Program



Expenditures by Category



Expenditures by Strategic Priority Area



INTERNAL SERVICES

Information Technology

Department-Wide Financial Statement

Revenues and Other Sources	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Charges for Services	\$ 500	\$ 3,050	\$ 500	\$ 12,372	\$ 500
Investment Income	8,000	10,121	5,000	7,165	5,000
Transfers from Other Funds	90,085	90,985	91,768	49,791	77,256
Use of (Increase In) Fund Balance	192,000	467,960	170,000	149,177	170,000
General Fund Support	2,705,151	2,529,598	2,781,851	2,443,317	3,340,904
Total Funding Sources	\$ 2,995,736	\$ 3,101,714	\$ 3,049,119	\$ 2,661,822	\$ 3,593,660
Expenditures and Other Uses	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Salary/ERE	\$ 1,903,775	\$ 1,769,316	\$ 1,904,843	\$ 1,715,222	\$ 1,970,384
Operations	1,091,961	1,071,111	1,144,276	966,015	1,623,276
Expense Reimbursement	-	(3,372)	-	(19,416)	-
Capital	-	264,658	-	-	-
Total Uses of Funds	\$ 2,995,736	\$ 3,101,714	\$ 3,049,119	\$ 2,661,822	\$ 3,593,660
Net Indirect Support	-	-	-	-	-
Total	\$ 2,995,736	\$ 3,101,714	\$ 3,049,119	\$ 2,661,822	\$ 3,593,660
General Fund Support	FY15 Budget	FY15 Actuals	FY16 Budget	FY16 Actuals	FY17 Budget
Program Revenue	\$ 500	\$ 3,050	\$ 500	\$ 12,372	\$ 500
Transfers in from Other Funds	90,085	90,985	91,768	49,791	77,256
Program Expenditures	(2,572,409)	(2,400,305)	(2,650,792)	(2,282,153)	(2,826,333)
GF Transfers to Other Funds	(223,327)	(223,327)	(223,327)	(223,327)	(592,327)
Total Direct Support	\$(2,705,151)	\$(2,529,598)	\$(2,781,851)	\$(2,443,317)	\$(3,340,904)
Net Indirect Support	-	-	-	-	-
Total County Support	\$(2,705,151)	\$(2,529,598)	\$(2,781,851)	\$(2,443,317)	\$(3,340,904)

FY17 Financial Statement by Program

Program Name	FY17 Program Revenue	FY17 General Fund Support	FY17 Use of Fund Balance	FY17 Program Budget	FY17 Net Indirect Support
Administration	\$ -	\$ 461,952	\$ -	\$ 461,952	\$ -
Geographic Information Systems (GIS)	77,756	515,800	-	593,556	-
Network and Operations	5,000	1,736,961	170,000	1,911,961	-
Programming Business Applications	-	626,191	-	626,191	-
Total	\$ 82,756	\$ 3,340,904	\$ 170,000	\$ 3,593,660	\$ -

INTERNAL SERVICES

Information Technology

Performance Measures by Program

Administration

Performance Measures	FY15 Actual	FY16 Estimated	FY17 Projected
# of current business technology plans	10%	10%	N/A
% of projects where project sponsor feels ITSD provided value	23	35	N/A
Unplanned, critical and preventable incidents affecting business operations	TBD	TBD	N/A

Business Applications Development and Support

Performance Measures

Number of accesses to County website	212,000	230,000	N/A
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Network and Operations

Performance Measures

Number of PCs managed	1,100	1,150	N/A
Approximate Help Desk calls per year	3,500	4,000	N/A
Supported data/voice nodes	1,400	1,400	N/A
Virtualized and physical servers	65/7	70/3	N/A
Malware detections	750,000	750,000	N/A

Geographic Information System (GIS)

Performance Measures

Average data maintenance turnaround time:	1 day	1 day	N/A
# of 'Logged' Work Requests processed:	N/A	382	N/A
# of Land Edits (Parcel Spits/Combines):	124	195	N/A
Approximate number of 'Unlogged' requests:	0	1,000	N/A
Number of datasets maintained and served:	323	401	N/A
Average daily website hits:	399	400	N/A
Number of Users with Desktop Application:	116	110	N/A
Number of Departments Served	15	17	N/A
Number of Web applications	7	9	N/A

INTERNAL SERVICES

Information Technology

Department Staffing (Full Time Equivalents)

<u>Positions by Title</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
Administrative Specialist I	0.25	0.25	0.25
Business Applications Specialist I	1.00	1.00	1.00
Business Applications Specialist II	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	2.00	2.00	2.00
GIS Analyst II	1.00	1.00	1.00
GIS Technician	1.00	1.00	1.00
IT Manager-GIS	1.00	1.00	1.00
IT Manager-Network & Operations	1.00	1.00	1.00
IT Manager-Programming & Business Applications	1.00	1.00	1.00
IT Process Project Coordinator	2.00	2.00	2.00
Network Engineer	1.00	1.00	1.00
Network Engineer, Lead	1.00	1.00	1.00
Programmer Analyst I	1.00	1.00	1.00
Systems Administrator	1.00	1.00	1.00
Systems Administrator, Lead	1.00	1.00	1.00
Technical Specialist II	3.00	3.00	3.00
Technical Specialist III	2.00	2.00	2.00
Technical Support Supervisor	1.00	1.00	1.00
Total Positions	24.25	24.25	24.25

* The Administrative Specialist I position is shared with Human Resources.

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 20th 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
- 2 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.

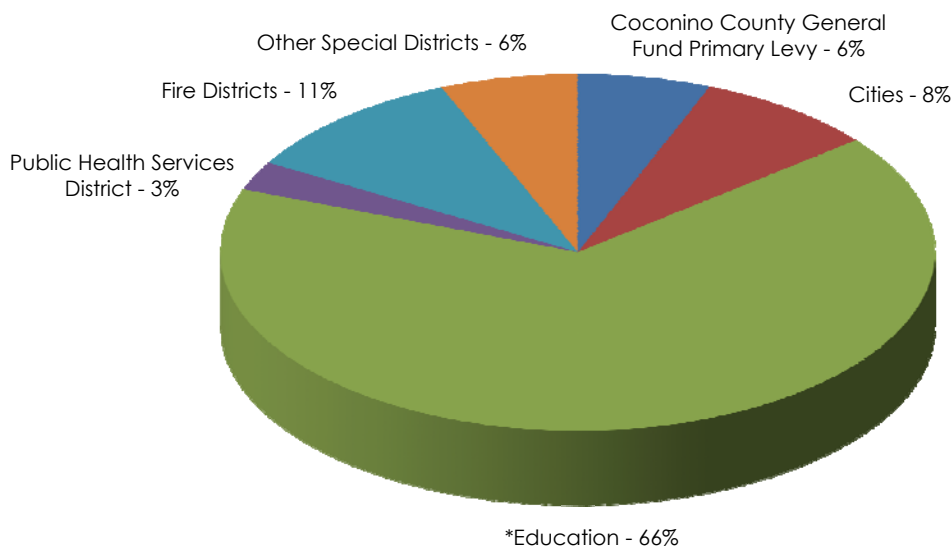
SPECIAL TAXING DISTRICTS

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 \$0.061, or 6.1 cents, of every property tax dollar collected for fiscal year 2017. A breakdown of property tax levies by type is shown on the following chart.

FY2017 (Tax Year 2016) 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
Williams Facilities District	928-635-4451
Williams Hospital District	928-635-4441
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
Tuba City USD #15	928-283-1000
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 FY17.

<u>Fire District</u>	<u>FDAT Distribution</u>
Sedona	\$ 86,990
Summit	344,517
Highlands	344,517
Pinewood	316,434
Forest Lakes	91,295
Greenhaven	20,873
Mormon Lake	29,264
Sherwood Forest	17,475
The Woods	1,003
Kaibab Estates West	10,997
Blue Ridge	104,202
Junipine	7,250
Tusayan	57,457
Ponderosa	98,320
Westwood Estates	8,965
Flagstaff Ranch	39,840
Lockett Ranch	24,963
Total	\$ 1,604,360

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 FY17 including:

- Update software on over 300 Public Access Computers, and work to automate the update process.
- Upgrade computer hardware; replace PAC at Grand Canyon, Fredonia, and Tuba City Libraries.
- Update hardware for wi-fi services at the County libraries outside of Flagstaff.
- Provide local computer training opportunities for library staff, including hardware, operating system, networking, and software application topics.

The FY17 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 FY17 contributions they will receive:

<u>Library</u>	<u>FY17 Allocation</u>
Automation Replacement	\$ 136,240
Bookmobile	76,250
County-wide Automation Personnel	148,500
Flagstaff	2,164,534
Forest Lakes	80,753
Fredonia	66,487
Grand Canyon	90,977
Growth Fund	93,927
Havasupai	5,367
Jail Library	70,839
Law Library	92,472
Page	319,551
Sedona	373,043
Tuba City	201,252
Williams	92,251
Total	<u>\$ 4,012,443</u>

SPECIAL TAXING DISTRICTS

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.

FY17 debt service payments for active districts are shown below:

<u>Road Improvement District</u>	<u>FY17 Budget</u>
Hashknife Debt Service	\$ 47,232
North Stardust and Antelope Debt Service	55,446
Total FY17 Budget	\$ 102,678

SPECIAL TAXING DISTRICTS

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 FY17 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 248 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

SPECIAL TAXING DISTRICTS

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 (7% 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 (18% 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 FY17.

The budget detail for the Flood Control District can be found in the Community Development service area on page 266, and more detail on Flood Control District capital projects can be found in the Capital section on page 352.

SPECIAL TAXING DISTRICTS

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 335 through 337 for the FY17 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 271.

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 216.

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

FY17 (Tax Year 2016) Tax Rates

	<u>DIRECT</u> <u>TAX LEVY</u>	<u>ASSESSED VALUE</u> <u>LIMITED/</u> <u>UNLIMITED</u>	****TAX RATE PER \$100 VALUATION****		<u>TOTAL</u> <u>TAX RATE</u>	<u>2015/2016</u> <u>TOTAL TAX</u> <u>RATE</u>
			<u>(LIMITED)</u> <u>PRIMARY</u>	<u>(UNLIMITED)</u> <u>SECONDARY</u>		
COCONINO COUNTY						
General Fund	9,086,077	1,569,812,808	0.5788		0.5788	0.5735
Library District Fund	4,012,442	1,569,812,808		0.2556	0.2556	0.2556
Fire District Assistance Fund	1,569,813	1,569,812,808		0.1000	0.1000	0.1000
TOTAL COUNTY			0.5788	0.3556	0.9344	0.9291
Education Equalization	7,864,762	1,569,812,808	0.5010	0.0000	0.5010	0.5054
TOTAL COUNTY AND STATE			1.0798	0.3556	1.4354	1.4345
CITY OF FLAGSTAFF						
Primary	5,707,178	702,767,941	0.8121		0.8121	0.8234
Secondary	5,879,357	702,767,941		0.8366	0.8366	0.8366
TOTAL CITY OF FLAGSTAFF			0.8121	0.8366	1.6487	1.6600
CITY OF WILLIAMS						
Primary	611,698	40,668,682	1.5041	0.0000	1.5041	1.5939
TOTAL CITY OF WILLIAMS			1.5041	0.0000	1.5041	1.5939
SPECIAL DISTRICTS						
FIRE DISTRICTS						
SEDONA FIRE F.D.	3,157,274	129,026,321		2.4470	2.4470	2.4250
SUMMIT F.D.	3,459,522	106,446,833		3.2500	3.2500	3.2500
HIGHLANDS F.D.	2,875,680	88,482,461		3.2500	3.2500	3.2500
PINEWOOD F.D.	1,836,971	56,522,176		3.2500	3.2500	3.2479
FOREST LAKES F.D.	529,989	16,307,361		3.2500	3.2500	3.2500
GREENHAVEN F.D.	121,171	8,605,907		1.4080	1.4080	1.3491
MORMON LAKE F.D.	169,882	5,857,990		2.9000	2.9000	1.8400
SHERWOOD FOREST F.D.	101,444	3,654,874		2.7756	2.7756	2.8800
THE WOODS F.D.	5,824	970,746		0.6000	0.6000	0.6000
KAIBAB ESTATES WEST F.D.	63,842	2,719,243		2.3478	2.3478	2.3478
BLUE RIDGE F.D.	604,915	26,648,233		2.2700	2.2700	2.1100
JUNIPINE F.D.	42,088	1,295,028		3.2500	3.2500	3.2500
TUSAYAN F.D.	333,549	10,263,053		3.2500	3.2500	3.2166
PONDEROSA F.D.	570,768	21,538,410		2.6500	2.6500	2.4500
WESTWOOD ESTATES F.D.	52,045	3,043,596		1.7100	1.7100	1.7113
FLAGSTAFF RANCH F.D.	231,278	7,116,256		3.2500	3.2500	2.9600
LOCKETT RANCH F.D.	144,919	9,057,418		1.6000	1.6000	1.5695

SPECIAL TAXING DISTRICTS

FY17 (Tax Year 2016) Tax Rates

	****TAX RATE PER \$100 VALUATION****					2015/2016 TOTAL TAX RATE
	DIRECT TAX LEVY	ASSESSED VALUE LIMITED/ UNLIMITED	(LIMITED) PRIMARY	(UNLIMITED) SECONDARY	TOTAL TAX RATE	
OTHER SPECIAL DISTRICTS						
FLOOD CONTROL	2,490,852	622,712,967		0.4000	0.4000	0.4000
PUBLIC HEALTH SERVICE DISTRICT	3,924,532	1,569,812,808		0.2500	0.2500	0.2500
FOREST LAKES DOMESTIC WATER	270,299	15,988,239		1.6906	1.6906	1.6491
WILLIAMS FACILITIES DISTRICT	7,500	1,613,648		0.4648	0.4648	0.4709
WILLIAMS HOSPITAL DISTRICT	1,002,843	103,417,836		0.9697	0.9697	0.9697
PAGE HOSPITAL DISTRICT	1,460,795	145,902,181		1.0012	1.0012	1.0000
COCONINO COMMUNITY COLLEGE						
Maintenance and Operations	7,706,211	1,569,812,808	0.4909		0.4909	0.4864
Bond Interest and Redemption	2,048,606	1,569,812,808		0.1305	0.1305	0.1241
TOTAL COCONINO COMMUNITY COLLEGE			0.4909	0.1305	0.6214	0.6105
SCHOOL DISTRICTS						
FLAGSTAFF U.S.D. #1						
Maintenance and Operations	45,764,520	1,079,224,623	4.2405		4.2405	4.0824
Unrestricted Capital	0	1,194,599,931	0.0000		0.0000	0.0000
Unrestricted Capital	1,315,575	1,079,224,623	0.1219		0.1219	0.1735
Adjacent Ways	306,500	1,079,224,623	0.0284		0.0284	0.0216
15% M&O Override	7,953,885	1,079,224,623		0.7370	0.7370	0.7265
Class B Bond Interest & Redemption	4,751,826	1,079,224,623		0.4403	0.4403	0.4515
TOTAL FLAGSTAFF U.S.D. #1			4.3908	1.1773	5.5681	5.4555
WILLIAMS U.S.D. #2						
Maintenance and Operations	3,667,486	98,699,760	3.7158		3.7158	3.4499
Unrestricted Capital	265,502	98,699,760	0.2690		0.2690	0.5555
10% M&O Override	382,659	98,699,760		0.3877	0.3877	0.3989
TOTAL WILLIAMS U.S.D. #2			3.9848	0.3877	4.3725	4.4043
GRAND CANYON U.S.D. #4						
Maintenance and Operations	1,498,038	13,643,827	10.9796		10.9796	8.5400
Unrestricted Capital	152,729	13,643,827	1.1194		1.1194	3.5594
10% M&O Override	-	13,525,625		0.0000	0.0000	0.0000
9.3% M&O Override	178,093	13,643,827		1.3053	1.3053	1.2191
5% K-3 Override	-	13,525,625		0.0000	0.0000	0.0000
Class B Bond Interest & Redemption	-	13,525,625		0.0000	0.0000	0.0000
TOTAL GRAND CANYON U.S.D. #4			12.0990	1.3053	13.4043	13.3185
CHEVELON BUTTE U.S.D. #5						
Maintenance and Operations	489,780	47,294,327	1.0356		1.0356	1.0481
Unrestricted Capital	43,795	47,294,327	0.0926		0.0926	0.1484
Minimum State School Tax	515,461	47,294,327	1.0899		1.0899	1.1817
TOTAL CHEVELON BUTTE U.S.D. #5			2.2181	0.0000	2.2181	2.3782

SPECIAL TAXING DISTRICTS

FY17 (Tax Year 2016) Tax Rates

	****TAX RATE PER \$100 VALUATION****					2015/2016 TOTAL TAX RATE
	DIRECT TAX LEVY	ASSESSED VALUE LIMITED/ UNLIMITED	(LIMITED) PRIMARY	(UNLIMITED) SECONDARY	TOTAL TAX RATE	
FREDONIA U.S.D. #6						
Maintenance and Operations	724,826	20,200,271	3.5882		3.5882	5.3942
Unrestricted Capital	201,720	20,200,271	0.9986		0.9986	0.0809
TOTAL FREDONIA U.S.D. #6			4.5868	0.0000	4.5868	5.4751
PAGE U.S.D. #8						
Maintenance and Operations	5,609,781	135,139,632	4.1511		4.1511	4.0981
Adjacent Ways	40,136	135,139,632	0.0297		0.0297	0.0282
5% K-3 Override	-	135,139,632		0.0000	0.0000	0.0972
TOTAL PAGE U.S.D. #8			4.1808	0.0000	4.1808	4.2235
SEDONA-OAKCREEK U.S.D. #9						
Maintenance and Operations	1,575,597	129,041,562	1.2210		1.2210	1.2067
Unrestricted Capital	100,781	129,041,562	0.0781		0.0781	0.0327
Minimum State School Tax	1,151,438	129,041,562	0.8923		0.8923	0.8862
15% M&O Override	224,403	129,041,562		0.1739	0.1739	0.1872
Class B Bond for Sedona-Oakcreek	1,571,984	129,041,562		1.2182	1.2182	1.2036
TOTAL SEDONA-OAKCREEK U.S.D. #9			2.1914	1.3921	3.5835	3.5164
MAINE CONSOLIDATED S.D. #10						
Maintenance and Operations	1,615,041	28,827,667	5.6024		5.6024	6.0481
Unrestricted Capital	134,337	28,827,667	0.4660		0.4660	0.0447
TOTAL MAINE CONSOLIDATED S.D. #10			6.0684	0.0000	6.0684	6.0928
ASH FORK U.S.D. #31						
Maintenance and Operations	324,830	4,718,076	6.8848		6.8848	7.0554
Unrestricted Capital	23,586	4,718,076	0.4999		0.4999	0.3293
TOTAL ASH FORK U.S.D. #31			7.3847	0.0000	7.3847	7.3847
TUBA CITY U.S.D. #15						
Adjacent Ways	-	12,817,346	0.0000		0.0000	6.8034
Class B Bond	525,370	12,817,346		4.0989	4.0989	4.0911
TOTAL TUBA CITY U.S.D. #15			0.0000	4.0989	4.0989	10.8945
CAVIAT JOINT VOCATIONAL TECH INSTITUTE	673,454	1,346,908,113		0.0500	0.0500	0.0500
NATIVE JOINT TECHNOLOGY DISTRICT	6,409	12,817,346		0.0500	0.0500	0.0500
VALLEY ACADEMY EDUCATION DISTRICT	64,521	129,041,562		0.0500	0.0500	0.0500
MOUNTAIN INSTITUTE JOINT TECHNOLOGY	2,359	4,718,076		0.0500	0.0500	0.0500
COUNTY EDUCATION DISTRICT	4,277	205,717	2.0793		2.0793	2.0977

Capital



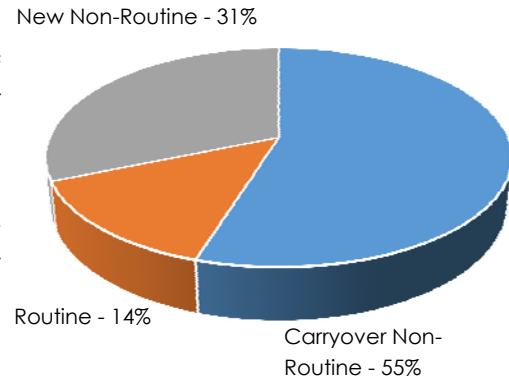
CAPITAL

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 FY17 Adopted Budget includes a total capital budget of \$24,090,470. Of this budget, \$3,338,610 is budgeted for recurring, routine capital expenditures. The remaining \$20,751,860 is budgeted for non-recurring capital improvement projects. Of this amount, \$13,210,645 is being carried over for projects that began in a prior fiscal year but aren't scheduled for completion until FY17. The table below breaks down routine and non-routine capital by expenditure category.



Routine Capital

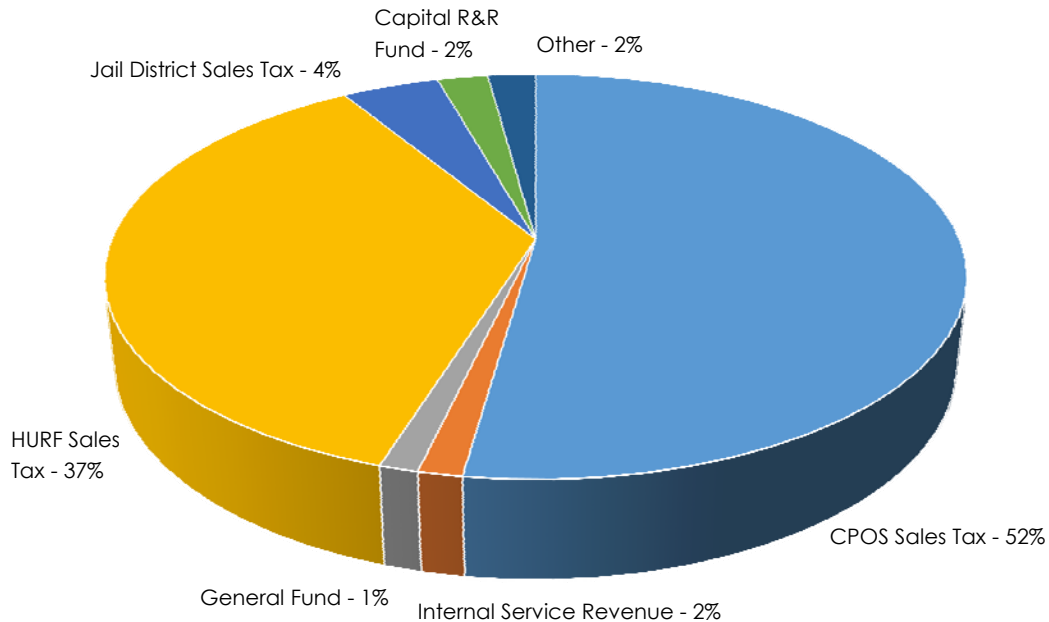
Facilities Maintenance	\$ 145,000
Office Equipment	126,827
Highway Equipment	2,443,266
Shop Equipment	32,370
Road Construction	75,000
Vehicle Replacement	348,947
Sheriff Security Equipment	167,200
Total Routine Capital	\$ 3,338,610

Non-Routine Capital

Building Improvements	\$ 589,717
Sheriff's Radio Equipment	31,616
Road Construction	6,094,950
Jail Renovations/Repairs	1,126,830
Parks and Open Space	12,833,747
Public Works IT Equipment	75,000
Total Non-Routine Capital	\$ 20,751,860

CAPITAL

Summary of Capital Project Funding Sources



FY2017 Non-Routine Capital by Project

Project: King Street Building Mechanical Design Project
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$20,000
Project Description: This is a preliminary step prior to implementation of larger scale mechanical projects in FY18. The design phase will incorporate a mechanical design and specification for equipment from which will become bid documents for the replacement of the chiller and condenser.

Effect on Operating Budget: Eventually the replacement of this mechanical equipment will lead to more efficient and reliable systems, reducing time in repairs, downtime and reduction in energy bills.

Project: 110 East Cherry Building Chiller/Condenser Replacement
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$140,000
Project Description: Chiller and condenser are failing due to the fact that they have exceeded their useful lifecycle.

Effect on Operating Budget: This replacement will result in more efficient mechanical system function, less down times, hours and costs spent repairing by Facilities Operations and Maintenance staff.

CAPITAL

Project: 110 East Cherry Building Hot Water Loop Pump Upgrade
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$52,000
Project Description: The building's hot water loop pump is failing due to the fact that it has exceeded its useful lifecycle.
Effect on Operating Budget: This replacement will result in more efficient mechanical system function, less down times, hours and costs spent repairing by Facilities Operations and Maintenance staff.

Project: Courthouse Mechanical Design Project
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$40,000
Project Description: This is a preliminary step prior to implementation of larger scale mechanical projects in FY19. The design phase will incorporate a mechanical design and specification for equipment from which will become bid documents for the replacement of the "boxcar" roof top HVAC units.
Effect on Operating Budget: Eventually the replacement of this mechanical equipment will lead to much more efficient and reliable systems, reducing time in repairs, downtime and reduction in energy bills.

Project: Juvenile Facility Fire Alarm System Upgrades
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$50,000
Project Description: The existing fire alarm control panel is problematic in its function, unreliable, and not in specification with all our other standardized fire alarm control panels.
Effect on Operating Budget: The upgrades to this control panel will have no effect on operating budgets, but will directly, positively, affect the life safety of building occupants.

Project: Juvenile Facility Keyway Changeout
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$12,000
Project Description: There are currently employee-issued keys which are unaccounted for at the Juvenile Facility. By re-keying the exterior building envelope and re-issuing keys, Facilities will re-secure the facility from potential vulnerabilities.
Effect on Operating Budget: None

CAPITAL

Project: Center for the Arts Lighting Upgrade
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$45,000
Project Description: The current gallery lighting in the Center for the Arts has well exceeded its useful life and results in safety hazards for the users.
Effect on Operating Budget: By replacing the existing gallery lighting system, energy costs and usage will be significantly reduced.

Project: Page Probation HVAC Unit Replacement
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$27,500
Project Description: The rooftop units are failing and have exceeded their useful life due to age and the high cooling demand of this environment.
Effect on Operating Budget: The units will be replaced with a higher SEER model resulting in more efficient function as well as reduction in energy usage and operational cost. FMD staff will spend less time responding to lengthy travel to Page dealing with emergency issues pertaining to the rooftop units.

Project: Page Health & Community Services HVAC Unit Replacement
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$18,400
Project Description: The rooftop units are failing and have exceeded their useful life due to age and the high cooling demand of this environment.
Effect on Operating Budget: The units will be replaced with a higher SEER model resulting in more efficient function as well as reduction in energy usage and operational cost. FMD staff will spend less time responding to lengthy travel to Page dealing with emergency issues pertaining to the rooftop units.

Project: Page Justice Court HVAC Unit Replacement
Department: Facilities Management
Funding Source: Facilities Capital Repair and Replacement Fund Balance
Project Cost: \$9,100
Project Description: The rooftop units are failing and have exceeded their useful life due to age and the high cooling demand of this environment.
Effect on Operating Budget: The units will be replaced with a higher SEER model resulting in more efficient function as well as reduction in energy usage and operational cost. FMD staff will spend less time responding to lengthy travel to Page dealing with emergency issues pertaining to the rooftop units.

CAPITAL

Project: Backup Power Generator for Sheriff's Radio Sites
Department: Sheriff
Funding Source: General Fund
Project Cost: \$31,616
Project Description: This project will add solar panels, charging controllers, inverters and batteries to sites at Forest Lakes, Page, Blue Ridge and Juniper Mountain.
Effect on Operating Budget: The use of solar power generation will lessen the annual operating expenses of these redundant power supplies, but replacement of batteries (approximately \$5,000) every seven to ten years will be required.

Project: Inmate Property Vacuum Storage
Department: Sheriff
Funding Source: Sheriff's Jail Enhancement Fund
Project Cost: \$25,000
Project Description: Vacuum storage will create more efficient storage of inmate property and will help with the hygienic issues in storing property.
Effect on Operating Budget: None.

Project: Replacement of Sheriff's Network Routers
Department: Sheriff
Funding Source: Sheriff's Jail Enhancement Fund
Project Cost: \$40,314
Project Description: Replacing three network routers in the Jail and LEAF Buildings that were installed in 2005 and have reached the end of their lifecycle.
Effect on Operating Budget: Annual recurring costs to the General Fund and Jail District Fund are \$454 and \$1,039, respectively. But keeping outdated equipment online may result in increased maintenance and support costs from outside vendors.

Project: Replacement of Sheriff's Network Switches
Department: Sheriff
Funding Source: Sheriff's Jail Enhancement Fund
Project Cost: \$122,508
Project Description: Replacing several network switches in the Jail, Search and Rescue, and LEAF Buildings that were installed in 2005 and have reached the end of their lifecycle.
Effect on Operating Budget: Annual recurring costs of this replacement to the General Fund and Jail District Fund are \$3,968 and \$4,384, respectively. But keeping outdated equipment online may result in increased maintenance and support costs from outside vendors.

CAPITAL

Project: Commercial Washing Machine Replacement
Department: Sheriff
Funding Source: Jail District Sales Tax Fund Balance
Project Cost: \$25,000
Project Description: Replacement of commercial (100 pound capacity) washing machine to wash inmate laundry. The current unit is 15 years old.
Effect on Operating Budget: This replacement will avoid having the additional cost of outside services for laundry should the existing washing machine fail.

Project: Jail Freezer and Cooler Condensing Unit Replacement
Department: Sheriff
Funding Source: Jail District Sales Tax Fund Balance
Project Cost: \$23,000
Project Description: This repair will ensure that the Jail Freezer and Cooler will reach the end of their lifecycle without premature failure.
Effect on Operating Budget: None.

Project: Jail Water Softener Replacement
Department: Sheriff
Funding Source: Jail District Sales Tax Fund Balance
Project Cost: \$25,000
Project Description: This repair will ensure that the Jail HVAC system will reach the end of its lifecycle without premature failure. If the water softener were to fail, the boiler would risk premature failure as well as the heating lines that heat Pod C.
Effect on Operating Budget: None.

Project: Jail Domestic Water Boiler Replacement
Department: Sheriff
Funding Source: Jail District Sales Tax Fund Balance
Project Cost: \$52,000
Project Description: Replace the existing domestic hot water boilers in Pods A and B. The existing boilers are 15 years old and repair parts are becoming unavailable.
Effect on Operating Budget: None, other than ensuring that costly emergency repairs and/or boiler rental will not need to take place.

CAPITAL

Project: LEAF Domestic Water Boiler Replacement
Department: Sheriff
Funding Source: Jail District Sales Tax Fund Balance
Project Cost: \$66,827
Project Description: Replace the existing domestic hot water boilers in the LEAF Building. The existing boilers are 15 years old and repair parts are becoming unavailable. One boiler has failed internally and we are currently using our backup boiler.
Effect on Operating Budget: None, other than ensuring that costly emergency repairs and/or boiler rental will not need to take place.

Project: Sheriff's Department Transition to VOIP Telephone System
Department: Sheriff
Funding Source: Jail District Sales Tax Fund Balance
Project Cost: \$300,000
Project Description: Migration from older analog telephone system to dynamic VoIP system that will allow for redundant backup in the event of system failure as well as compatibility with other County phone systems.
Effect on Operating Budget: Annual recurring costs to the General Fund and Jail District Fund are \$12,115 and \$10,885, respectively. Return on investment will be less staff time and lower maintenance fees for aging equipment.

Project: Parks and Recreation Maintenance Vehicle Storage Building
Department: Parks and Recreation
Funding Source: General Fund
Project Cost: \$151,000
Project Description: This project uses revenue from Parks partnerships with third parties to construct a storage building for various Parks maintenance vehicles.
Effect on Operating Budget: As this facility will only house equipment, it will only have a minimal effect on the department's utilities expenses.

Project: Parks and Recreation Additional Vehicles
Department: Parks and Recreation
Funding Source: General Fund
Project Cost: \$52,000
Project Description: Two four-wheel-drive pickup trucks to transport employees as well as needed tools and equipment around the Flagstaff, Kachina Village, Doney Park and Tuba City areas to maintain parks which are heavily used in the summer.
Effect on Operating Budget: These vehicles will be serviced under the County's mechanical services program, and will be subject to monthly depreciation, fuel, and service expenses, at approximately \$10,000 annually.

CAPITAL

Project:	Transportation Investment Plan Road Construction Projects
Department:	Public Works
Funding Source:	Highway User Revenue Fund/Road Maintenance Sales Tax
Project Cost:	\$6,094,950
Project Description:	Various road maintenance projects, including: <ul style="list-style-type: none">• Cosnino Road construction, \$2.56M• KEW low water ford construction, \$260,000• Flagstaff Meadows sidewalk repair, \$60,000• Townsend/Winona CC construction, \$230,000• Townsend/Winona ADOT construction, \$50,000• Fernwood construction, \$315,000• Turkey Trail construction, \$50,000• Bowstring II Construction, \$50,000• Rio de Flag finalization of engineering and construction, \$794,950• Flagstaff Meadows Unit 1 construction, \$50,000• Kachina Trail ADOT engineering and construction, \$675,000• Lake Mary CFL reconstruction, \$1M
Effect on Operating Budget:	None.

Project:	Public Works Business System Replacement
Department:	Public Works
Funding Source:	Highway User Revenue Fund Balance
Project Cost:	\$75,000
Project Description:	Transitioning to a highly functional business system that can manage and track assets, support high quality investment decisions, and track important performance measures.
Effect on Operating Budget:	The estimated annual cost of operating the new business system is \$30,000. Actual costs will reflect the outcome of the needs assessment and the results of our procurement process, but these are reasonable estimates from a major potential vendor.

CAPITAL

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 final CPOS sales tax revenues were received in FY15, leaving a specific fund balance available for County Open Space projects. These projects are specified in the FY16 CPOS budget, with any unused project funds carried over into future years.

<u>Project</u>	<u>FY17 Budget</u>
Fort Tuthill County Park Expansion	\$ 4,957,138
Fort Tuthill County Park Fairgrounds Improvements	3,669,254
Fort Tuthill Water/Wastewater Infrastructure	2,639,602
Kachina Area Forest and Wetlands Acquisition	600,000
Doney Park Urban Trail	484,417
Peaks View County Park	162,336
Maintenance Vehicle Storage Building	151,000
Additional Four-Wheel Drive Vehicles and Equipment	120,000
Navajo Interpretive Sites	75,000
Total	<u><u>\$ 12,858,747</u></u>

CAPITAL

Facilities Capital Projects

Non-routine facilities capital projects are being planned out through the Facilities Master Plan process that is still on-going. Upon completion of this master plan, the County will 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 FY26.

Project	FY17	FY18	FY19	FY20	FY21
Replace 110 Chiller/Condensor	\$ 140,000	\$ -	\$ -	\$ -	\$ -
110 Boiler Closed Hot Water Loop Pump Upgrade	52,000	-	-	-	-
Replace 5 RTUs, Page Health and Page Probation	55,000	-	-	-	-
Juvenile Fire Alarm System Replacement	50,000	-	-	-	-
Keyway Changeout Juvenile Detention	12,000	-	-	-	-
Center for the Arts Lighting	45,000	-	-	-	-
HVAC Engineering, King Street and Courthouse	60,000	-	-	-	-
Courthouse Replace Fire Alarm Control Panel only	-	35,000	-	-	-
Courthouse Common Area Painting	-	38,000	-	-	-
Administration Boiler Replacement	-	135,000	-	-	-
Replace King Street Chiller/Condensor	-	281,000	-	-	-
Admin 2nd and 3rd Floor, Flooring Replacement	-	80,000	-	-	-
Page Restroom Plumbing Re-Work per FCA	-	15,000	-	-	-
Re-Roof 110 General Services	-	135,000	-	-	-
Juvenile Detention Swamp Cooler Replacement	-	18,000	-	-	-
Keyway Changeout King Street Facility	-	12,000	-	-	-
Historic Flooring (Carpet) at Courthouse	-	-	250,000	-	-
Replace Courthouse Service Elevator per FCA	-	-	160,000	-	-
New Rooftop Units Courthouse (3 total)	-	-	275,000	-	-
Common Area Painting Administration	-	-	30,000	-	-
Keyway Changeout 110	-	-	15,000	-	-
Replace Administration Elevator and Equipment	-	-	150,000	-	-
Reconstruct 110 parking lot	-	-	-	115,000	-
Replace Gas Packs at Williams Justice Court	-	-	-	55,000	-
Common Area Painting Juvenile	-	-	-	25,000	-
Connect Courthouse Generator to Building Power	-	-	-	150,000	-
Building Envelope Sealants, King Street	-	-	-	-	45,000
Carpet Square Replacement, King Street	-	-	-	-	190,000
Page Probation and H&CS Re-Roof	-	-	-	-	120,000
Replace Administration Chiller	-	-	-	-	135,000
Paint King Street Restrooms and Lobbies	-	-	-	-	20,000
Total:	\$414,000	\$749,000	\$880,000	\$345,000	\$510,000

CAPITAL

Facilities Capital Projects (continued)

Project	FY22	FY23	FY24	FY25	FY26
Building Envelope Sealants 110 Building	\$ 55,000	\$ -	\$ -	\$ -	\$ -
Re-roof Williams Justice	85,000	-	-	-	-
Reconstruct JCDF Parking Lot	135,000	-	-	-	-
Paint Courthouse Restrooms and Lobbies	24,000	-	-	-	-
Replacement of King Street Boilers Backnet	184,000	-	-	-	-
Building Envelope Sealants Courthouse	-	80,000	-	-	-
Replace 110 Building Boiler	-	185,000	-	-	-
Paint 110 Building Restrooms and Lobbies	-	22,000	-	-	-
Reconstruct King St. Parking Lot	-	240,000	-	-	-
Replace Roof, Fort Valley #1	-	-	158,000	-	-
Replace Service Entrance, Center for the Arts	-	-	22,000	-	-
Common Restrooms, Staff Restroom, Pods	-	-	55,000	-	-
Paint Administration Restrooms and Lobbies	-	-	25,000	-	-
Reconstruct Administration Parking Lot	-	-	175,000	-	-
Buidling Envelope Sealants Administration	-	-	65,000	-	-
110 Building, Replace Carpet Squares	-	-	-	215,000	-
Building Envelope Sealants, Juvenile	-	-	-	35,000	-
Replace VCT Juvenile Detention Facility	-	-	-	-	75,000
Reconstruct 110 Parking Lot	-	-	-	-	100,000
Total:	\$483,000	\$527,000	\$500,000	\$250,000	\$175,000

CAPITAL

HURF/RMST Capital Projects (Major Fund)

A Road Maintenance Sales Tax of 0.3 cents per dollar was passed by County voters on the November 2014 ballot, giving the County an additional revenue source to complete road construction projects. The following is an eight-year schedule of projects that will utilize a combination of Road Maintenance Sales Tax revenue and Highway User Revenue Funds.

Project	FY17 Budget	FY18 Budget	FY19 Budget	FY20 Budget
Cosnino Road reconstruction	\$ 2,400,000	\$ -	\$ -	\$ -
Kachina Trail mill/overlay	320,000	-	-	-
Kachina Trail reconstruction, widen shoulders	675,000	-	-	-
Lake Mary Road reconstruction/Willow Creek Bridge replacement	700,000	-	-	-
Bellemont Trail modification	-	3,000,000	-	-
Stardust Trail mill/overlay	-	2,000,000	-	-
Burriss Lane storm drain/sidewalk/widen shoulder	-	-	2,000,000	-
Skeet Drive mill/overlay, widen shoulder	-	-	735,000	-
Neptune Drive mill/overlay, widen shoulders	-	-	475,000	-
Old Route 66 mill/overlay, widen shoulders	-	-	-	2,800,000
Spring Valley Road (East end) mill/overlay, widen shoulders	-	-	-	1,750,000
	\$4,095,000	\$5,000,000	\$3,210,000	\$4,550,000

Project	FY21 Budget	FY22 Budget	FY23 Budget	FY24 Budget
Ancient Trail mill/overlay, widen shoulders	\$ 470,000	\$ -	\$ -	\$ -
Mormon Lake Road mill/overlay, widen shoulders	1,777,000	-	-	-
Double A Ranch Road mill/overlay	-	2,000,000	-	-
Perkinsville Road mill/overlay	-	1,540,000	-	-
Slayton Ranch Road mill/overlay, widen shoulders	-	-	1,305,000	-
Townsend-Winona Road mill/overlay (phase 3)	-	-	-	1,106,000
Townsend-Winona Road roundabout	-	-	-	2,500,000
	\$2,247,000	\$3,540,000	\$1,305,000	\$3,606,000

CAPITAL

County-Wide Copier Replacement

The Purchasing Division of the Finance Department 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.

Department	FY17 Budget	FY18 Budget	FY19 Budget	FY20 Budget
Board of Supervisors	\$ -	\$ 8,664	\$ -	\$ -
Community Development	-	-	-	10,708
Recorder	3,831	-	8,446	-
Finance	-	-	9,697	-
Human Resources	-	-	-	7,478
Assessor	-	-	8,446	-
Treasurer	-	-	8,446	-
Information Technology	3,831	-	-	-
Adult Probation	-	-	8,446	7,478
Sheriff	-	3,225	3,453	5,535
Flagstaff Justice Court	-	2,791	-	-
Superior Court	-	11,166	-	25,829
Juvenile Probation	-	-	13,150	9,058
County Attorney	9,414	-	-	10,708
Parks and Recreation	-	7,510	-	-
Legal Defender	8,812	-	8,446	-
Page Justice Court	-	-	3,453	-
Williams Justice Court	-	-	3,453	-
Total	\$25,889	\$33,356	\$75,436	\$76,794

CAPITAL

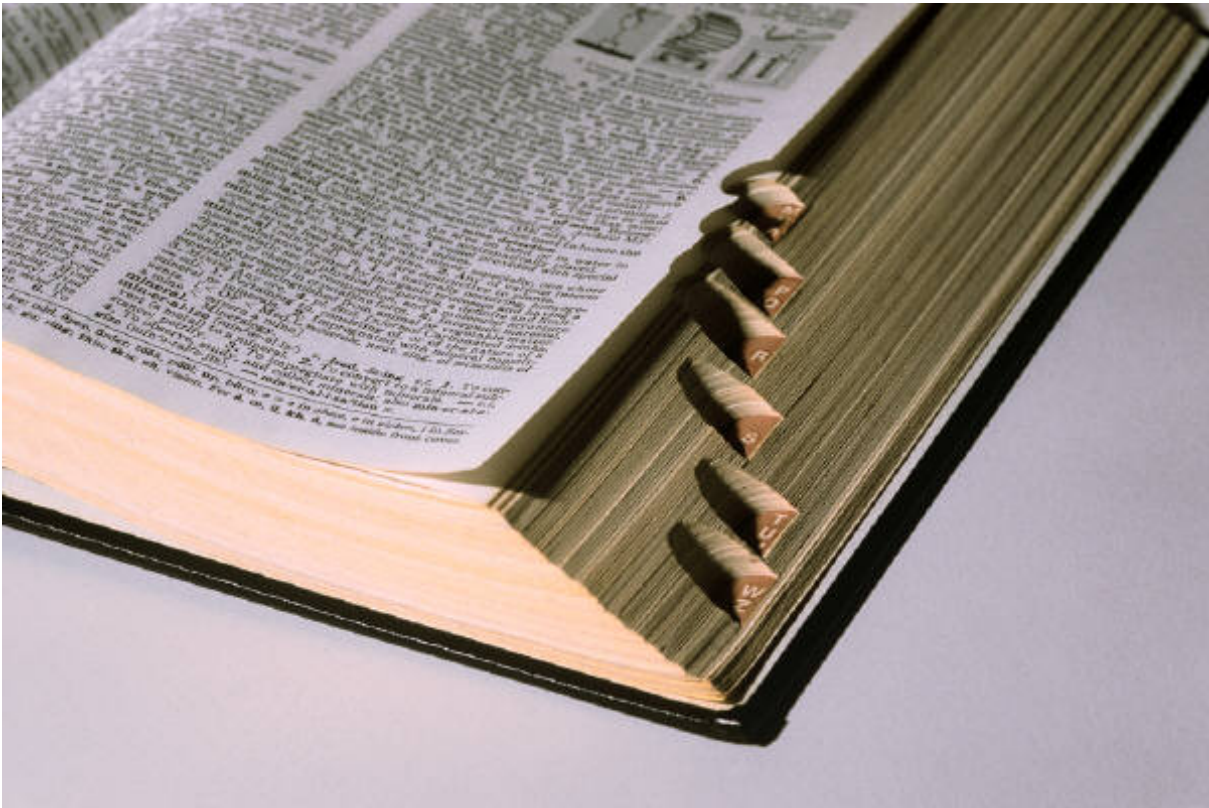
Flood Control Capital Projects (Major Fund)

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 FY2025.

<u>Project</u>	<u>FY17 Budget</u>	<u>FY18 Budget</u>	<u>FY19 Budget</u>	<u>FY20 Budget</u>	<u>FY21 Budget</u>
Fort Valley	\$ 800,000	\$ -	\$ -	\$ -	\$ -
Initial Engineering Assessments	-	225,000	150,000	225,000	-
Pinewood	-	1,000,000	-	-	-
Kachina/ Mountainaire	-	-	1,000,000	-	-
Mountain Dell	-	-	-	1,000,000	-
Kaibab Estates West	-	-	-	-	1,000,000
Tusayan	-	-	-	-	1,000,000
Total	\$ 800,000	\$1,225,000	\$1,150,000	\$1,225,000	\$2,000,000

<u>Project</u>	<u>FY22 Budget</u>	<u>FY23 Budget</u>	<u>FY24 Budget</u>	<u>FY25 Budget</u>
Mount Elden Area	\$1,000,000	\$ -	\$ -	\$ -
Blue Ridge	1,000,000	-	-	-
Bellefont	-	1,000,000	-	-
Doney Park	-	1,000,000	-	-
Pine Del	-	-	1,000,000	-
Mountain View Ranchos	-	-	-	1,000,000
Mormon Lake Area	-	-	-	1,000,000
Total	\$2,000,000	\$2,000,000	\$1,000,000	\$2,000,000

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, ad valorem taxes 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 - AHCCCS is 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 - ALTCS is 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 that 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.

GLOSSARY

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.

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.

GLOSSARY

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.

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
COOP.....	Continuity of Operations Plan
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

ACRONYM LIST

ACRONYM

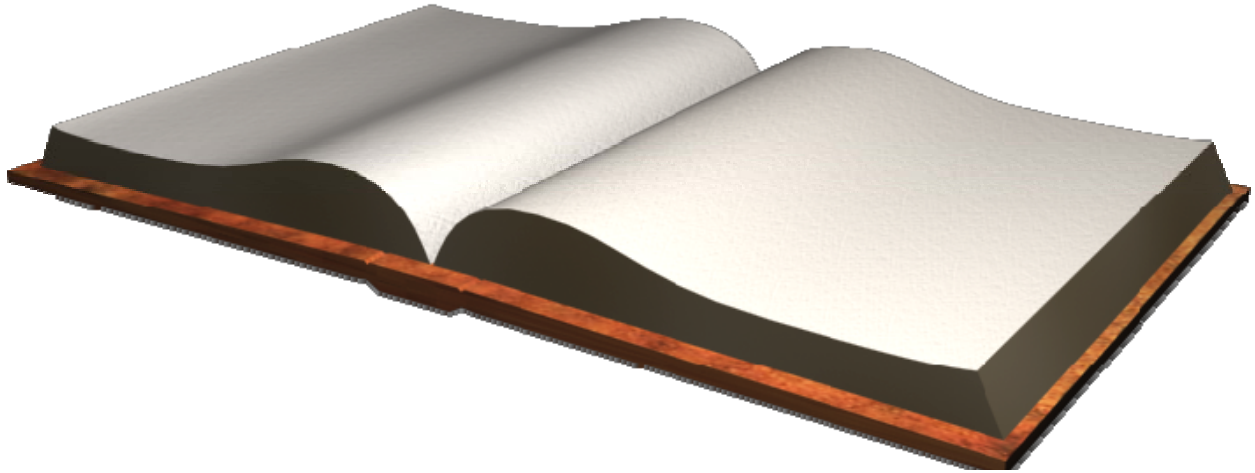
DEFINITION

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
EEOC	Equal Employment Opportunity Commission
EGAD	Employee Growth and Development
EOC	Emergency Operations Center
EORP	Elected Officials Retirement Plan
ERE	Employee Related Expenditures
ERP	Enterprise Resource Planning
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
FLSA	Fair Labor Standards Act's
FMAP	Federal Medical Assistance Percentages
FMLA	Family and Medical Leave Act
FMP	Facilities Master Plan
FMPO	Flagstaff Metropolitan Planning Organization
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
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HMP	Hazard Mitigation Plan
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

ACRONYM LIST

<u>ACRONYM</u>	<u>DEFINITION</u>
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
SCADA	Supervisory Control and Data Acquisition
SEDI	Sustainable Economic Development Initiative
SPA.....	Strategic Priority Area
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
VTO.....	Volunteer Time Off
WIA	Workforce Investment Act
WIC	Women, Infants, and Children

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COCONINO
COUNTY ARIZONA

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