

2014 Annual Report

A Report to our Citizens



Robert M. Jackson

Mayor's Message

Thank you for taking the time to review our 2014 Annual Report. 2014 was a year of many successes. Although we have seen little growth in city revenues, we continue to provide city services at consistent levels. This Annual Report outlines many of our accomplishments for the year.

Our economic development efforts and infrastructure improvements have resulted in the opening of the Sam's Club store, the groundbreaking of a new distribution center serving Tractor Supply Company and the opening of Ehrmann Dairy and Franklin Foods. These new community members will bring about six hundred new jobs to Casa Grande.

During the past year the City has also completed improvements to the Main Library, the Public Safety Dispatch Center (located in the former Police Station) and the Airport Terminal. We continue to look at improvements to our community to make it a good place to live, work and play.

The accomplishments described here could not be possible without our dedicated city employees and their help in making Casa Grande a great place to live and raise a family. Like all things, it is a team effort, including all of our residents. Thank you all for what you have done to improve our community.

Accolades

Government Finance Officers Association

- Distinguished Budget Presentation Award - 17 Years
- Award for Excellence in Financial Reporting - 23 Years
- Award for Outstanding Achievement in Popular Annual Financial Reporting - 3rd Year



Award of Excellence

The City received an Award of Excellence by the City-County Communications & Marketing Association (3CMA) for its redesigned website, www.casagrandeaz.gov. Casa Grande was one of three national winners in the category of Digital Interactive – Overall Website.

Tree City USA - 6th Year

- National Arbor Day Foundation



Playful City USA - 5th Year

- Designation by Kaboom!



Best Master Plan Award

Life on Main Master Plan

- American Planning Association - Arizona Chapter



Casa Grande, AZ FACTS

- Founded in 1879
- Incorporated in 1915
- Named after the Hohokam Indian Ruins
- Population 50,111 (2013)
- Between Phoenix & Tucson
- Largest city in Pinal County
- Retail center for western Pinal County's 91,000 consumers
- Median Household Income: \$44,949
- Full Time City Employees: 378

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City Departments

City Manager
510 E. Florence Blvd.
(520) 421-8600

City Attorney
510 E. Florence Blvd.
(520) 421-8600

City Clerk
510 E. Florence Blvd.
(520) 421-8608

City Court
375 East 9th Street
(520) 421-8675

Community Services
404 E. Florence Blvd.
(520) 421-8677
Library
Recreation Programs
Parks
Dave White Municipal Golf Course

Finance
510 E. Florence Blvd., Bldg. B
(520) 421-8600
Financial Services
Information Technology
Geographic Information Systems

Fire
377 E. Val Vista Blvd.
(520) 421-8777 (non-emergency)

Human Resources
510 E. Florence Blvd., Bldg. B
(520) 421-8600

Planning and Development
510 E. Florence Blvd.
(520) 421-8637
Development Center
Housing
Building Inspections
Code Enforcement

Police
373 E. Val Vista Blvd.
(520) 421-8700 (non-emergency)

Public Works
3181 N. Lear Avenue
(520) 421-8625
Airport
Engineering
Equipment Maintenance
Facilities Maintenance
Streets
Wastewater
Sanitation

Stay Connected
CasaGrandeAz.Gov
 /cityofcg  /cgazgov

 /cgazgov [#CasaGrande](https://twitter.com/CasaGrande)

LOCAL BUSINESS PREFERENCE POLICY

The City of Casa Grande adopted a local business preference policy to boost the local economy by supporting local businesses and keeping tax dollars in the community. Under the new policy, local businesses that bid on a city project can deduct the 2 percent local Transaction Privilege Tax (TPT) from their bid total. On a \$100,000 quote, the 2 percent deduction lowers the evaluation price of a local business to \$98,000.

This new policy gives a competitive advantage to local businesses, and it also boosts the local economic impact by taking into account the taxes paid by local vendors.

Evaluation Price Example

	Local Business (In Casa Grande)	Non-Local Business (In-State)	Non-Local Business (Out of State)
Pre-Tax Price Offered	\$100,000	\$98,500	\$100,000
Casa Grande TPT Deduction	\$2,000	-	-
Evaluation Price	\$98,000	\$98,500	\$100,000

Featured in BUSINESS IN FOCUS MAGAZINE "Something for Everyone"



Casa Grande City Council



Mary Kortsen
Mayor Pro Tem

Dick Powell
Council Member

Karl Montoya
Council Member



Matt Herman
Council Member

Lisa Fitzgibbons
Council Member

Ralph Varela
Council Member

CREDIT DESIGNATION

Maintained AA Bond Rating

FitchRatings



Fitch Ratings reviewed the City's financial information in 2014 and maintained its AA bond rating. This rating means that the City can secure financing at lower interest rates, as there is much less risk that the money will not be repaid. Similar to how individuals get lower interest rates based on their credit score, the City also has to prove its financial ability to repay any debt.

New Traffic Signal at Trekell Road & O'Neil Drive

Since 2003 the number of road miles within the City's inventory has grown from 307 to 414 miles, the number of street lights has increased from 1638 to 5350, and the number of traffic signals has increased from 27 to 44. The newest traffic signal was installed in March 2014 at the intersection of Trekell Road and O'Neil Drive to assist with traffic congestion in the area.



New Pedestrian Crosswalk on Pinal Avenue

Children who live on the west side of Pinal Avenue and walk to school across the road now have a safer way of crossing the busy roadway. The Arizona Department of Transportation installed a pedestrian hybrid beacon on Pinal Avenue at the San Carlos Trail school crossing to help students and other pedestrians cross the busy street safely.

The crosswalk is a pedestrian-activated warning device that assists pedestrians in crossing a street at a marked, but unsignaled, crosswalk using a system of warning and flashing lights to notify and stop traffic.

Sam's Club Opened in Casa Grande

Sam's Club opened in May 2014 at 2425 E. Florence Blvd. across from the Promenade Mall. Measuring approximately 136,000 square feet, the Casa Grande club store features a variety of members-only amenities, including a bakery, tire and battery center, cafe and fuel station. The club store donated \$25,000 to local non-profits during their grand opening, including the Boys and Girls Clubs of Casa Grande Valley and the Casa Grande Food Bank.

Tractor Supply Company Coming to Casa Grande

Tractor Supply Company selected Casa Grande as the site of its first western distribution center. The Tennessee-based company plans on opening a new 650,000-square-foot distribution center on about 100 acres in the Central Arizona Commerce Park near Peters and Burris Roads. The company plans on hiring over 250 employees when they open in 2015. The \$100 million Casa Grande distribution center will deliver merchandise to stores in Arizona, Nevada, Utah, southern California and New Mexico. The Fortune 500 Company also plans on opening a retail store in Casa Grande on Florence Blvd. Tractor Supply is the largest retail farm and ranch supply store chain in the United States with more than 1,360 stores in 49 states.



Casa Grande Animal Care & Adoption Center



The Arizona Companion Animal Spay/Neuter Committee awarded the City of Casa Grande Animal Care & Adoption Center a \$10,000 grant to assist with spay and neuter surgery costs. The grant funds were made available from the support and sales of the Arizona Companion Animal Spay and Neuter Pet Friendly License Plates. A total of 153 pets were spayed/neutered with grant funds, helping reduce pet overpopulation in Casa Grande.



Summer Camp Offered Glimpse to Career in Fire Service

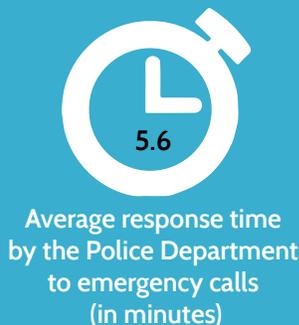
For the first time, the Casa Grande Fire Department offered a Fire Service Camp to middle school students interested in a career in fire science. The camp was held in June and was meant to teach children about fire safety, life-saving resources, and what it's like to have a career in the fire service industry. Students had the opportunity to learn about a variety of public safety related services, including CPR, incident management, arson investigations, and confined space rescue. The summer camp was sponsored by the Casa Grande Elementary School District, the Arizona Business and Education Coalition, and other local sponsors.



Housing

Last year, the City's housing division completed 17 self-help housing rehabilitation projects, which provided a safe home for families in Casa Grande. The City's Housing Division administers housing rehabilitation programs with federal grants. To learn more about housing assistance programs, call (520) 421-8670 or visit www.casagrandeaz.gov/dept/planning/housing-division.

BY THE NUMBERS





Taking Care of Underground Infrastructure



In 2014, the wastewater division treated approximately 1.78 billion gallons of wastewater to grade A+ quality - that's the highest class rating given by the Arizona Department of Environmental Quality. The division also cleaned and inspected several sewer lines and rehabilitated several manholes throughout the sanitary sewer collection system to protect the infrastructure and ensure public safety.



Casa Grande Police Department: To Protect & Serve



The Casa Grande Police Department continued to partner with the community to improve the appearance of Casa Grande neighborhoods, reduce the opportunity for criminal activity, and improve the overall quality of life for everyone. The police department also aggressively pursued and arrested 30 individuals in the community that had outstanding warrants stemming from a domestic violence report, marking this operation a success and the beginning of an annual attempt to help bring awareness to domestic violence.



Volunteers Install Smoke Alarms in the Community

Community volunteers installed 960 smoke alarms and replaced 1,120 batteries in homes as part of the annual Smoke Alarm Installation Program coordinated by the Casa Grande Fire Department. The CGFD recommends testing smoke alarms monthly.

Life Saver Awards Given to Members of the Community

The Casa Grande Fire and Police Departments recognized several individuals for their heroic efforts that saved the lives of two victims who experienced a heart attack. Citizens and public safety staff worked together to revive the victims by performing hands-only CPR. A special Courage in the Community award was also given to 11-year-old Alex Steen for his quick action during an emergency.





THREE MAJOR REMODELING & RENOVATION PROJECTS COMPLETED

Downtown Library Revitalized

The Main Library was reconfigured to expand capacity and make way for an open and brightly lit floor plan, taking advantage of as much natural light as possible. More outlets and computers were installed to meet the increase in technology demands of our community, along with a new and larger computer lab.

The upper level was converted into a larger community room and activity space. The Cook E Jar opened a small cafe with a quaint enclosed patio for patrons to have a sip or grab a bite while reading the latest novel. While no expansion of the facility itself actually occurred, the feel is both vibrant and very spacious.

Communications Building Modernized

The downtown communications building was expanded and revamped to improve public safety operations and meet the future needs of the police and fire departments. The interior was renovated to create a new dispatch console room, police substation and appropriate office and support spaces for a 24/7 facility. The renovated facility houses staff that provides emergency dispatch calls for fire and police.

Casa Grande Municipal Airport Terminal Renovated

The City held a design competition and invited Arizona universities and colleges with architectural and/or interior design programs to draft design concepts for a renovated terminal building at the Casa Grande Municipal Airport. Located at 3225 N. Lear Avenue, the improvements include office spaces, new flooring, new furniture, a pilot briefing area, pilot's lounge, pilot shop, fuel service desk, and modern landscaping. A 5k Fun Run/Walk was held in October to celebrate the renovations.



Downtown Library



Communications Building



5k Fun Run/Walk at the Airport

Revenues & Expenses

The total expenditures for the City of Casa Grande including transfers for FY 2014 was \$94,467,615. Of that total, 41% or \$38,918,936 was for General Fund use. Other governmental funds are created to account for specific activities.

General Fund Expenditures - \$38,918,936 FY 14 \$37,796,283 FY 13

The General Fund is the primary operating fund of the City. It exists to account for the resources used to pay for the services traditionally associated with local government, such as police and fire protection, parks & recreation, planning and community development and general administration of the City. The increase from last year is attributed to Public Safety.

Where Did the Money Come From?

(General Fund)

FY 14

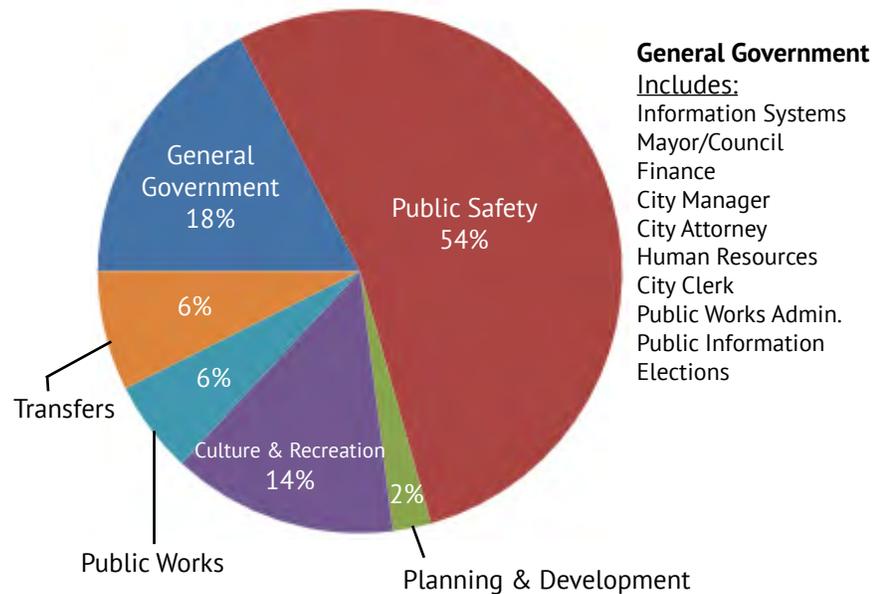
FY 13

Local Sales Taxes	\$17,237,234	\$16,653,780
Intergovernmental	\$12,108,235	\$10,976,531
Property Taxes	\$3,474,485	\$3,624,008
Franchise Taxes	\$2,248,466	\$2,248,227
Fees & Fines	\$1,276,613	\$1,436,188
Transfers	\$2,328,862	\$1,678,076
Licenses & Permits	\$1,074,020	\$1,263,721
Sales/Rentals	\$246,569	\$233,274
Misc. Income	\$162,502	\$97,466
Interest/Contribution	\$192,142	\$168,446
GRAND TOTAL	\$40,349,128	\$38,379,738

The \$1,430,192 difference between Revenues and Expenses represents a savings which is used in the next fiscal year.

How was the Money Spent?

(General Fund FY 2014)



OTHER GOVERNMENTAL



Special Revenue Funds - \$14,576,218 FY 14 \$15,897,722 FY 13

These funds are used to account for revenues derived from specific taxes, grants or other restricted revenue sources. The uses and limitations of each special revenue fund are specified by City ordinance, federal or state statutes.

Debt Service Funds - \$3,261,891 FY 14 \$3,333,210 FY 13

These funds are used to account for the accumulation of resources for and the payment of general obligation long-term debt principal, interest and related costs.

Capital Project Funds - \$8,265,313 FY 14 \$5,308,432 FY 13

These funds are used to account for financial resources used for the acquisition or construction of major capital facilities. These funds also included budgeted expenditures for construction sales tax, capital replacement and recreation construction. Variances in capital project funds are due to the one-time nature of large capital projects. One year could include a large street or building project and the next year may or may not.

Enterprise Funds - \$24,684,485 FY 14 \$23,154,294 FY 13

These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The costs of providing services to the public are financed or recovered primarily through user charges. Casa Grande has separate enterprise funds for Water, Wastewater, Sanitation and Golf Course. The increase from FY13 is due to various increase and decreases across all the enterprise funds including one-time capital projects.

Sanitation Services

Trash collection is funded solely by user fees collected from residents and commercial customers. The City's sanitation division is operated as an enterprise fund, which means that all fee revenue is deposited in a designated fund that serves as the sole source of funding for collection operations. The total cost for all residential and commercial trash and recycle collection in FY 2014 was \$5,791,242.

The residential trash collection fee was \$20 a month in FY 2014. All homeowners, regardless of occupancy, pay for the service.



Property Taxes

The primary property tax rate increased in FY 2014 to \$0.9999 per \$100 of assessed valuation from \$0.9489. The increase was required to maintain the existing revenue based on valuation decreases.

The secondary property tax, approved by voters in 2007 as a General Obligation Debt, remained unchanged at \$0.6308 based on \$100 of assessed valuation.

Property Tax Breakdown



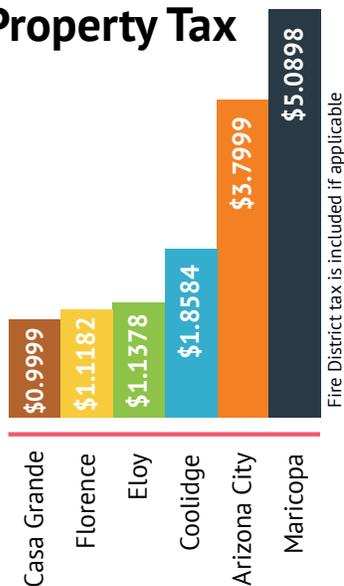
For every \$1 that a resident pays in property tax the city only receives 12 cents.

HOW DO WE COMPARE?

Compared to residents in 5 nearby cities, Casa Grande residents have one of the lowest combined utility fees and property tax rate. Utility fees include sewer and trash collection. Property tax collection is calculated per \$100 of net assessed valuation on a home.

All figures reflect FY 14 rates.

Property Tax



Fire District tax is included if applicable

Utility Rate



*base only - variable over 8,700 gallons
**7,500 gallons

Contact Us

If you have comments or suggestions on how we can lower costs or improve services, please let us know. Also, let us know if you like this report or if there is any other information you would like to see included next year.

City Manager's Office

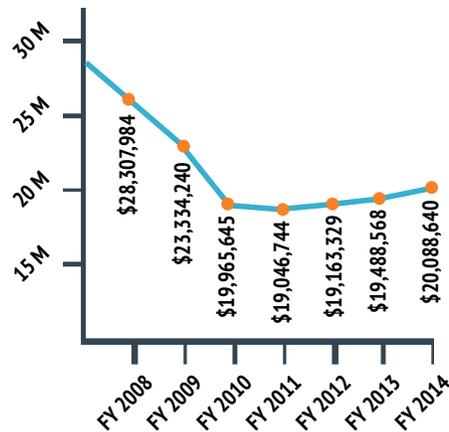
510 E. Florence Blvd., Casa Grande, AZ 85122
(520) 421-8600 Phone (520) 421-8604 Fax
pio@casagrandeaz.gov



Local Sales Taxes

In 2014, sales tax collections totaled \$20,088,640, slightly above the \$19,488,568 in 2013. The top five industries generating sales tax for the City are retail, utilities/telecommunications, rental/leasing properties, construction, and food service.

LOCAL SALES TAX HISTORICAL CHART



BUDGET PROCESS AND TIMELINE

The City's budget is an ongoing process combining citizen input, Council direction, and staff recommendations to meet community needs. Citizens are always encouraged to participate. If you would like more information on the budget process or a copy of the budget document contact the Finance Department at (520) 421-8601.

JANUARY

Budget guidelines and instructions issued to each department. Departments prepare budget requests.

FEBRUARY

Finance Department Reviews budget submittals, works with departments on refining requests and prepares requested budget for management review.

APRIL

City Manager's proposed budget presented to council.

JUNE

Public Hearing on budget and property tax levy is held. City Council adopts tentative and final budgets.

NOVEMBER

Departments begin preparing preliminary Capital and Operating Budgets.

JANUARY

Departments prepare Operating and Capital budget requests in coordination with Finance Department.

MARCH

City Manager reviews and revises budget requests with departments.

MAY

City Council Budget workshop is held to review and discuss City Manager's Recommended budget.

JULY

City Council Adopts property tax levy.